

CITY OF WARWICK, RHODE ISLAND
**BASIC FINANCIAL STATEMENTS AND
REQUIRED SUPPLEMENTARY INFORMATION
AND ADDITIONAL INFORMATION**
JUNE 30, 2021



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INDEPENDENT AUDITORS' REPORT

Honorable Mayor
and Members of the City Council
City of Warwick, Rhode Island

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Warwick, Rhode Island, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the City of Warwick, Rhode Island's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Honorable Mayor
and Members of the City Council
City of Warwick, Rhode Island

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Warwick, Rhode Island, as of June 30, 2021 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of a Matter

During fiscal year ended June 30, 2021, the City adopted GASB Statement No. 84 *Fiduciary Activities*. As a result of the implementation of this standard, the City reported a restatement for the change in accounting principle (see Note 1). Our auditors' opinions were not modified with respect to the restatement.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Warwick, Rhode Island's basic financial statements. The combining and individual fund financial statements and schedules, the tax collector's annual report, and the Annual Supplemental Transparency Report are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Honorable Mayor
and Members of the City Council
City of Warwick, Rhode Island

The combining and individual fund financial statements and schedules, the tax collector's annual report, and the Annual Supplemental Transparency Report are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules, the tax collector's annual report, and the Annual Supplementary Transparency Report 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 January 25, 2022 on our consideration of the City of Warwick, Rhode Island's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Warwick, Rhode Island's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Warwick, Rhode Island's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Boston, Massachusetts
January 25, 2022

**CITY OF WARWICK, RHODE ISLAND
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2021**

As management of the City of Warwick, we offer readers of the City of Warwick's basic financial statements this overview and analysis of the financial activities of the City of Warwick for the fiscal year ended June 30, 2021. We encourage readers to consider this information in conjunction with the City's basic financial statements which follow.

Included within our discussion will be a series of comparative tables, serving to illustrate changes more clearly in the City's financial position. These tables will reflect governmental activities, business-type activities, and total activities for the 2021 and 2020 fiscal years.

FINANCIAL HIGHLIGHTS

At the close of the fiscal year, the liabilities and deferred inflows of resources of the City of Warwick exceeded its assets and deferred outflows of resources by \$558,942,399 (*Net Position*).

The City's total net position increased by \$15,408,567 during fiscal year 2021, compared to a decrease in net position of \$1,215,553 in the prior year. The key factor for the significant swing in net position changes from the prior year was an approximately \$16,200,000 decrease in the City's net pension liabilities, net of the related deferred outflows and inflows.

At the close of the current fiscal year, the City's governmental funds reported *combined* ending fund balances of \$54,160,501, a decrease of \$697,248 from the prior year. This was primarily due to a decrease because of the timing of issuance of bonds and capital expenditures in the capital project funds by \$2,650,350, offset by an increase in general fund as result of a significant increase in intergovernmental revenues.

For the year ended June 30, 2021, operating results for the general fund reflected a net increase in total fund balance of \$2,781,551 resulting in an ending fund balance of \$33,068,158. The fund's ending unassigned fund balance totaled \$26,567,022 or 8.21% of the total fiscal year 2021 final budgeted expenditures.

The City's overall investment in capital assets (net of accumulated depreciation) increased by \$2,221,017 during this year.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Government-Wide Statements

The government-wide statements report information about the City as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the government's assets and liabilities. All of the current year's revenue and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

**CITY OF WARWICK, RHODE ISLAND
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2021**

The two government-wide statements report on the City's *net position* and how it has changed. Net position—the difference between the City's assets and liabilities—is one way to measure the City's financial health.

- Over time, increases or decreases in the City's net position are indicators of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the City you need to consider additional nonfinancial factors such as changes in the City's property tax base and the condition of the City's roads.

The government-wide financial statements of the City are divided into two categories.

- *Governmental Activities* – Most of the City's basic services are included here, such as education, public safety, library, recreation, social services, public works, and general administration. Property taxes, charges for services and state funding finance most of these activities.
- *Business-Type Activities* – The City charges fees to customers to cover the costs of certain services it provides. The City's water and sewer systems are included here.

Fund Financial Statements

The fund financial statements provide more detailed information about the City's most significant funds—not the City as a whole. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds. It is important to note that these fund categories use different accounting approaches and should be interpreted differently.

Governmental Funds – Most of the basic services provided by the City are reported in governmental funds, which focus on (1) how money flows into and out of those funds and (2) the balances remaining at year end that are available for spending during the next year. These funds are reported using an accounting method called the modified accrual basis of accounting, which measures cash and all other financial assets that can be readily converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations that helps the reader to determine whether or not there are more or fewer financial resources that can be spent in the near future to finance City programs.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. To facilitate this comparison, a reconciliation between the governmental funds' statements and the government-wide statements has been provided.

**CITY OF WARWICK, RHODE ISLAND
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2021**

The City maintains 98 governmental funds and three are considered major funds for presentation purposes. Each major fund is presented in a separate column in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances. The three major governmental funds are the General Fund, the School Unrestricted Fund, and the American Rescue Plan Act (ARPA) Fund. Data from the other 95 governmental funds are combined into a single, aggregated presentation titled *nonmajor governmental* funds. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements on pages 118-148 of this report.

The basic governmental fund financial statements can be found on pages 15-18 of this report.

Proprietary Funds – The City of Warwick maintains two different types of proprietary funds.

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

Internal Service Funds are used to accumulate and allocate costs internally among functions. The City uses internal service funds to account for the workers compensation self-insurance fund and the healthcare self-insurance funds.

Because this operation benefits predominantly governmental rather than business activities, the internal service fund has been included within the governmental activities in the government-wide financial statements.

The basic proprietary fund financial statements can be found on pages 19-21 of this report.

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

The basic fiduciary funds financial statements can be found on pages 23-24 of this report.

Notes to Basic 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 follow the basic financial statements.

Required Supplementary and Other Information – In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information*. This section includes budgetary comparison schedules, as well as certain pension and other postemployment benefits information.

Required supplementary information can be found on pages 98-117 of this report.

The combining statements and schedules for governmental funds, enterprise funds and fiduciary funds are presented immediately following the required supplementary information on pages 118-163 of this report.

**CITY OF WARWICK, RHODE ISLAND
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2021**

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net Position

As noted earlier, net position may serve over time as a useful indicator of a government's financial health. The City's combined net position (government and business-type activities) totaled (\$558,942,399) as of June 30, 2021. The largest portion of the City's net position reflects its investment in capital assets such as land, building, equipment, and infrastructure, less any related outstanding debt. The City uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Current Assets	\$ 105,499,798	\$ 92,765,280	\$ 53,532,678	\$ 48,011,329	\$ 159,032,476	\$ 140,776,609
Capital Assets	132,012,529	123,898,728	176,609,212	182,501,996	308,621,741	306,400,724
Other Noncurrent Assets	3,422,596	2,701,668	12,030,782	16,189,959	15,453,378	18,891,627
Total Assets	<u>240,934,923</u>	<u>219,365,676</u>	<u>242,172,672</u>	<u>246,703,284</u>	<u>483,107,595</u>	<u>466,068,960</u>
Deferred Outflows of Resources	87,524,703	77,483,502	1,748,673	1,944,881	89,273,376	79,428,383
Current Liabilities	47,644,110	48,867,825	12,513,716	12,885,815	60,157,826	61,753,640
Long-Term Liabilities	889,652,204	949,197,421	65,941,227	77,287,707	955,593,431	1,026,485,128
Total Liabilities	<u>937,296,314</u>	<u>998,065,246</u>	<u>78,454,943</u>	<u>90,173,522</u>	<u>1,015,751,257</u>	<u>1,088,238,768</u>
Deferred Inflows of Resources	112,110,385	32,115,180	3,461,728	435,800	115,572,113	32,550,980
Net Position:						
Net Investment in Capital Assets	80,565,543	79,579,698	124,033,687	120,004,180	204,599,230	199,583,878
Restricted	12,790,907	11,518,857	5,636,299	5,671,795	18,427,206	17,190,652
Unrestricted	(814,303,523)	(824,429,803)	32,334,688	32,362,868	(781,968,835)	(792,066,935)
Total Net Position	<u>\$ (720,947,073)</u>	<u>\$ (733,331,248)</u>	<u>\$ 162,004,674</u>	<u>\$ 158,038,843</u>	<u>\$ (558,942,399)</u>	<u>\$ (575,292,405)</u>

An additional portion of the City's net position represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position may be used to meet the City's ongoing obligations to citizens and creditors. Internally imposed designations of resources are not presented as restricted net position. At the end of the current fiscal year, the City's unrestricted net position total was negative—this was primarily due to the net pension liabilities for all six City pension plans and the total OPEB liabilities.

**CITY OF WARWICK, RHODE ISLAND
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2021**

Changes in Net Position

During fiscal 2021, the government's total net position increased by \$15,408,567, to a June 30, 2021 year end net deficit of (\$558,942,399):

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Revenues:						
Program Revenues:						
Charges for Services	\$ 10,035,866	\$ 9,777,614	\$ 30,110,746	\$ 35,565,519	\$ 40,146,612	\$ 45,343,133
Operating Grants and Contributions	77,485,845	61,464,346	-	-	77,485,845	61,464,346
Capital Grants and Contributions	2,714,857	633,789	-	-	2,714,857	633,789
General Revenues:						
Property Taxes	239,325,112	240,344,377	-	-	239,325,112	240,344,377
Interest on Property Tax	2,547,923	2,125,411	-	-	2,547,923	2,125,411
State Aid/In Lieu of Tax	4,189,539	9,989,710	-	-	4,189,539	9,989,710
Hotel and Meals Tax	3,757,794	4,351,453	-	-	3,757,794	4,351,453
Airport Revenues	1,978,259	3,291,426	-	-	1,978,259	3,291,426
Realty Transfer Tax	1,582,681	1,163,390	-	-	1,582,681	1,163,390
Investment Earnings	112,896	833,851	478,409	452,258	591,305	1,286,109
Tax Titles	11,654	8,400	-	-	11,654	8,400
Gain on Sale of Capital Assets	9,000	-	-	-	9,000	-
Miscellaneous	552,727	678,351	-	-	552,727	678,351
Total Revenues	<u>344,304,153</u>	<u>334,662,118</u>	<u>30,589,155</u>	<u>36,017,777</u>	<u>374,893,308</u>	<u>370,679,895</u>
Expenses:						
Executive and Administrative	8,627,517	9,558,771	-	-	8,627,517	9,558,771
Public Safety	99,034,073	115,468,675	-	-	99,034,073	115,468,675
Recreation	3,088,746	4,842,545	-	-	3,088,746	4,842,545
Public Libraries	4,272,209	5,406,443	-	-	4,272,209	5,406,443
Social Services	1,808,592	2,196,225	-	-	1,808,592	2,196,225
Planning and Economic Development	3,014,194	2,869,072	-	-	3,014,194	2,869,072
Public Works	16,509,867	17,725,422	-	-	16,509,867	17,725,422
Education	195,580,881	188,882,475	-	-	195,580,881	188,882,475
Debt Interest	1,834,338	1,546,293	-	-	1,834,338	1,546,293
Sewer Fund	-	-	15,855,312	14,746,755	15,855,312	14,746,755
Water Fund	-	-	9,859,012	8,652,772	9,859,012	8,652,772
Total Expenses	<u>333,770,417</u>	<u>348,495,921</u>	<u>25,714,324</u>	<u>23,399,527</u>	<u>359,484,741</u>	<u>371,895,448</u>
Change in Net Position Before Transfers	10,533,736	(13,833,803)	4,874,831	12,618,250	15,408,567	(1,215,553)
Transfers	909,000	-	(909,000)	-	-	-
Increase (Decrease) in Net Position	11,442,736	(13,833,803)	3,965,831	12,618,250	15,408,567	(1,215,553)
Net Position - Beginning of Year (As Restated)	(732,389,809)	(719,497,445)	158,038,843	145,420,593	(574,350,966)	(574,076,852)
Net Position - End of Year	<u>\$ (720,947,073)</u>	<u>\$ (733,331,248)</u>	<u>\$ 162,004,674</u>	<u>\$ 158,038,843</u>	<u>\$ (558,942,399)</u>	<u>\$ (575,292,405)</u>

Governmental Activities

Governmental activities increased the City's net position by \$11,442,736. Key elements are as follows:

1. The City's net position increased by approximately \$16,500,000 due to a decrease in the City's net pension liabilities, net of the changes in the related deferred outflows and inflows.
2. The City's net position decreased by approximately \$10,100,000 due to an increase in the City's total OPEB liabilities, net of the changes in the related deferred outflows and inflows.
3. Changes in deferred revenue accruals decreased the City's net position by approximately \$2,100,000.
4. Changes in the internal service fund activity increased the City's net position by approximately \$2,600,000.

**CITY OF WARWICK, RHODE ISLAND
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2021**

Business-Type Activities

Business-type activities increased the City's net position by \$3,965,831 to an overall ending balance amount of \$162,004,674. The key elements are as follows:

1. The Sewer Department reflected an overall increase in net position of \$502,791. The ending net position for the Sewer Department was \$144,575,116.
2. The Water Department reflected a net position increase of \$3,463,040 to an ending balance of \$17,429,558.

Financial Analysis of the Government's Funds

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$54,160,501, a decrease of \$697,248 in comparison with the prior year balances. An amount of \$25,285,444 or 46.7% of this the total fund balance represents unassigned fund which is available for spending at the government's discretion. The remainder of the fund balance is reserved to indicate that it is not available for new spending because it is considered nonspendable, or has been restricted, assigned, or committed.

The general fund is the chief operating fund of the City. At the end of the current fiscal year, the unassigned fund balance of the general fund was \$26,567,022. The total fund balance was \$33,068,158. As a measure of the general fund liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. The unassigned fund balance represents 8.21% of total general fund budgeted expenditures. During fiscal 2021, the unassigned fund balance of the City's general fund decreased by \$236,125. This is a 1.1% decrease from the prior year unassigned fund balance.

The City's general fund balance increased by \$2,781,551 during fiscal year 2021, as compared to a decrease of \$1,318,685 in the prior year. The change is a result of the City's budgetary expenditure surplus of approximately \$3,700,000.

Proprietary Funds

The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Total net position of the sewer enterprise funds amounted to \$144,575,116. The net investment in capital assets total \$114,473,146, restricted funds total \$5,636,299, and unrestricted net position totals \$24,465,671. During fiscal year 2021, the net position increased by \$502,791.

The net position of the water enterprise funds totaled \$17,429,558. Of this, \$9,560,541 represents the net investment in capital assets while the unrestricted portion totals \$7,869,017. During fiscal year 2021, the net position increased by \$3,463,040.

The net position of the City's internal service fund amounted to \$6,551,481. During fiscal year 2021, the net position increased by \$2,628,851.

**CITY OF WARWICK, RHODE ISLAND
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2021**

General Fund Budgetary Highlights

During fiscal 2021, the City's original budgeted expenditures and other financing uses was \$323,508,909 and there were no subsequent changes made to the budget.

Capital Assets and Debt Administration

Capital Assets

The City's investment in capital assets for its governmental and business-type activities as of June 30, 2021, amounted to \$308,621,741 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, machinery and equipment, roads, and construction in progress. During this year, the City's overall investment in capital assets (net of accumulated depreciation) increased by \$2,221,017.

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

1. School Capital Improvements – \$6,343,331
2. Road Resurfacing – \$6,125,334

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Land	\$ 18,693,825	\$ 18,693,825	\$ -	\$ -	\$ 18,693,825	\$ 18,693,825
Land Improvements	11,082,066	11,082,066	-	-	11,082,066	11,082,066
Buildings	159,786,034	150,042,519	2,906,051	2,906,051	162,692,085	152,948,570
Infrastructure	211,076,314	204,950,981	309,660,320	308,963,470	520,736,634	513,914,451
Equipment	21,509,730	21,340,011	6,468,828	6,073,118	27,978,558	27,413,129
Licensed Vehicles	33,110,302	32,694,748	-	-	33,110,302	32,694,748
Artwork	62,950	62,950	-	-	62,950	62,950
Construction in Progress	2,710,475	5,475,426	2,917,616	2,878,996	5,628,091	8,354,422
Subtotal	458,031,696	444,342,526	321,952,815	320,821,635	779,984,511	765,164,161
Less: Accumulated Depreciation	(326,019,167)	(320,443,798)	(145,343,603)	(138,319,639)	(471,362,770)	(458,763,437)
Total	<u>\$ 132,012,529</u>	<u>\$ 123,898,728</u>	<u>\$ 176,609,212</u>	<u>\$ 182,501,996</u>	<u>\$ 308,621,741</u>	<u>\$ 306,400,724</u>

Additional information on the City's capital assets can be found in Note 8 of the notes to the financial statements of this report.

Long-Term Debt

At the end of the fiscal year, the City had total bonds and notes outstanding of \$112,670,716. It is broken down as follows:

General Fund Bonds and Notes Payable	\$57,067,243
Water Bonds and Notes Payable	\$42,676
Sewer Bonds and Notes Payable	\$55,560,797

**CITY OF WARWICK, RHODE ISLAND
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2021**

General obligation bonds are backed by the full faith and credit of the City, including the City's power to levy additional taxes to ensure repayment of the debt. Accordingly, all general obligation debt currently outstanding was approved by a vote of the citizens. During fiscal 2021, the City of Warwick's general fund general obligation debt reflected a net increase of \$4,247,272. Sewer debt decreased by \$9,936,065, and water debt decreased by \$41,104.

The City's bond ratings are as follows:

Moody'sA1
Standard & PoorsAA

State statute limits the amount of bonds a governmental entity can issue to 3% of its total assessed valuation. The current debt limitation for the City is \$319,726,608. As of June 30, 2021, the City's current outstanding general fund debt falls under the debt limitation by \$262,659,365.

Additional information on the City's long-term debt can be found in Note 10 of the notes to the financial statements and in the statistical tables.

Economic Factors and Next Year's Budgets and Rates

- Warwick's average unemployment rate is 5.79%.
- Median family income in Warwick was \$73,757.
- Warwick ranks third in population among Rhode Island's 39 cities and towns.

The following factors were considered in preparing the City's operating budget for the 2021-22 fiscal year.

- The School Department budget will increase by \$2.4 million to \$173.9 million.
- The City's health care coverage will be administered by Rhode Island Interlocal Trust.

Currently, the unassigned fund balance in the general fund totals \$26,567,022. While the City has maintained its commitment toward ensuring a steady growth for the City surplus, it has sometimes been necessary to utilize part of this surplus to ease the burden on its taxpayers. In the final fiscal 2022 budget, the tax rate for residential property was set at \$18.73, the commercial and industrial tax rate at \$28.10, and the tangible personal property rate at \$37.46. Per Rhode Island law, the inventory tax was phased out and the motor vehicle tax rate was reduced to \$30.00 from \$34.60.

Requests for Information

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. Questions concerning any information provided in this report or requests for additional financial information should be addressed to the Controller, City of Warwick Treasurer's Office, 3275 Post Road, Warwick, RI 02886-7145

BASIC FINANCIAL STATEMENTS

CITY OF WARWICK, RHODE ISLAND
STATEMENT OF NET POSITION
JUNE 30, 2021

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current Assets:			
Cash and Cash Equivalents	\$ 50,955,680	\$ 31,753,911	\$ 82,709,591
Cash Held by Fiscal Agent	111,951	-	111,951
Restricted Cash and Cash Equivalents	18,051,924	5,636,299	23,688,223
Receivables, Net of Allowance for Uncollectible Amounts:			
Property Tax Receivable	7,713,258	-	7,713,258
Water and Sewer Use Fees	-	11,447,206	11,447,206
Sewer Assessments	-	3,389,201	3,389,201
Due from Federal and State Government	16,516,210	3,387,519	19,903,729
Other Receivables	2,437,254	6,455	2,443,709
Internal Balances	2,180,777	(2,180,777)	-
Other Assets	178,300	92,864	271,164
Prepays	264,708	-	264,708
Deposits with Agent	7,089,736	-	7,089,736
Total Current Assets	105,499,798	53,532,678	159,032,476
Noncurrent Assets:			
Loans Receivable	2,599,403	-	2,599,403
Sewer Assessments Receivable	-	12,030,782	12,030,782
Net Pension Asset	823,193	-	823,193
Capital Assets:			
Nondepreciable Assets	21,467,250	2,917,616	24,384,866
Depreciable Capital Assets, Net	110,545,279	173,691,596	284,236,875
Total Noncurrent Assets	135,435,125	188,639,994	324,075,119
Total Assets	240,934,923	242,172,672	483,107,595
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Charge on Refunding	39,297	53,879	93,176
Deferred Outflows - Related to OPEB	36,080,751	1,044,402	37,125,153
Deferred Outflows - Related to Pensions	51,404,655	650,392	52,055,047
Total Deferred Outflows of Resources	87,524,703	1,748,673	89,273,376

See accompanying Notes to Basic Financial Statements.

CITY OF WARWICK, RHODE ISLAND
STATEMENT OF NET POSITION (CONTINUED)
JUNE 30, 2021

	Governmental Activities	Business-Type Activities	Total
LIABILITIES			
Current Liabilities:			
Accounts Payable and Accrued Liabilities	\$ 8,951,839	\$ 2,541,230	\$ 11,493,069
Accrued Payroll and Related Liabilities	13,060,038	104,506	13,164,544
Accrued Interest Payable	538,314	496,831	1,035,145
Other Liabilities	386,255	182,541	568,796
Due to Federal and State Government	224,613	-	224,613
Compensated Absences	2,342,058	-	2,342,058
Accrued Claims - IBNR	2,985,463	-	2,985,463
Total OPEB Liability, Due Within One Year	12,829,093	523,530	13,352,623
Current Portion of Long-Term Debt and Leases	6,326,437	8,665,078	14,991,515
Total Current Liabilities	<u>47,644,110</u>	<u>12,513,716</u>	<u>60,157,826</u>
Noncurrent Liabilities:			
Compensated Absences	9,368,231	321,470	9,689,701
Unearned Revenues	11,626,863	80,926	11,707,789
Retroactive Payroll Liability	1,003,703	-	1,003,703
Long-Term Debt and Leases	56,502,124	47,316,919	103,819,043
Total OPEB Liability	414,546,588	15,381,086	429,927,674
Net Pension Liability	396,604,695	2,840,826	399,445,521
Total Noncurrent Liabilities	<u>889,652,204</u>	<u>65,941,227</u>	<u>955,593,431</u>
Total Liabilities	937,296,314	78,454,943	1,015,751,257
DEFERRED INFLOWS OF RESOURCES			
Advance Collections - Taxes	334,051	-	334,051
Deferred Inflows - Related to OPEB	13,786,368	425,956	14,212,324
Deferred Inflows - Related to Pensions	97,989,966	3,035,772	101,025,738
Total Deferred Inflows of Resources	<u>112,110,385</u>	<u>3,461,728</u>	<u>115,572,113</u>
NET POSITION			
Net Investment in Capital Assets	80,565,543	124,033,687	204,599,230
Restricted for:			
Debt Service	5,201,368	5,636,299	10,837,667
Loans	2,901,729	-	2,901,729
Education	1,656,650	-	1,656,650
Other Purposes	3,031,160	-	3,031,160
Unrestricted	(814,303,523)	32,334,688	(781,968,835)
Total Net Position	<u>\$ (720,947,073)</u>	<u>\$ 162,004,674</u>	<u>\$ (558,942,399)</u>

See accompanying Notes to Basic Financial Statements.

**CITY OF WARWICK, RHODE ISLAND
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2021**

Function/Program Activities	Expenses	Program Revenues			Net Revenue (Expense) and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
GOVERNMENTAL ACTIVITIES							
Legislative, Judicial, and General Administrative	\$ 8,627,517	\$ 2,857,620	\$ -	\$ -	\$ (5,769,897)	\$ -	\$ (5,769,897)
Public Safety	99,034,073	5,692,156	9,599,576	441,350	(83,300,991)	-	(83,300,991)
Recreation	3,088,746	455,319	-	-	(2,633,427)	-	(2,633,427)
Public Libraries	4,272,209	-	760,189	-	(3,512,020)	-	(3,512,020)
Social Services	1,808,592	667	327,193	-	(1,480,732)	-	(1,480,732)
Planning and Economic Development	3,014,194	73,586	1,580,850	-	(1,359,758)	-	(1,359,758)
Public Works	16,509,867	44,767	-	-	(16,465,100)	-	(16,465,100)
Education	195,580,881	911,751	64,777,117	2,273,507	(127,618,506)	-	(127,618,506)
Debt Service - Interest	1,834,338	-	440,920	-	(1,393,418)	-	(1,393,418)
Total Governmental Activities	333,770,417	10,035,866	77,485,845	2,714,857	(243,533,849)	-	(243,533,849)
BUSINESS-TYPE ACTIVITIES							
Sewer	15,855,312	16,989,970	-	-	-	1,134,658	1,134,658
Water	9,859,012	13,120,776	-	-	-	3,261,764	3,261,764
Total Business-Type Activities	25,714,324	30,110,746	-	-	-	4,396,422	4,396,422
Total	\$ 359,484,741	\$ 40,146,612	\$ 77,485,845	\$ 2,714,857	(243,533,849)	4,396,422	(239,137,427)
GENERAL REVENUES							
Property Taxes					239,325,112	-	239,325,112
Interest on Property Taxes					2,547,923	-	2,547,923
Tax Titles					11,654	-	11,654
State Aid and in Lieu of Taxes Not Restricted for a Specific Purpose					4,189,539	-	4,189,539
Hotels and Meals Tax					3,757,794	-	3,757,794
Airport Revenues					1,978,259	-	1,978,259
Real Estate Transfer Tax					1,582,681	-	1,582,681
Unrestricted Investment Earnings					112,896	478,409	591,305
Gain on Sale of Capital Assets					9,000	-	9,000
Miscellaneous					552,727	-	552,727
Transfers					909,000	(909,000)	-
Total General Revenues					254,976,585	(430,591)	254,545,994
CHANGE IN NET POSITION							
					11,442,736	3,965,831	15,408,567
Net Position - Beginning of Year (As Restated)					(732,389,809)	158,038,843	(574,350,966)
NET POSITION - END OF YEAR							
					\$ (720,947,073)	\$ 162,004,674	\$ (558,942,399)

See accompanying Notes to Basic Financial Statements.

**CITY OF WARWICK, RHODE ISLAND
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2021**

	<u>General</u>	<u>School Unrestricted Fund</u>	<u>ARPA Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS					
Cash and Cash Equivalents	\$ 39,070,851	\$ 3,088,523	\$ -	\$ 8,152,219	\$ 50,311,593
Cash Held by Fiscal Agent	-	-	-	111,951	111,951
Restricted Cash and Cash Equivalents	-	-	11,849,867	6,202,057	18,051,924
Receivables, Net of Allowance for Uncollectible Amounts:					
Real Estate and Personal Property Taxes	7,713,258	-	-	-	7,713,258
Intergovernmental	2,775,809	568,824	-	13,171,577	16,516,210
Loans Receivable	-	-	-	2,599,403	2,599,403
Departmental and Other	2,113,950	169,161	-	154,143	2,437,254
Due from Other Funds	3,598,845	11,570,923	-	3,497,417	18,667,185
Prepaid Items	70,205	194,503	-	-	264,708
Other Assets	-	-	-	178,300	178,300
Total Assets	<u>\$ 55,342,918</u>	<u>\$ 15,591,934</u>	<u>\$ 11,849,867</u>	<u>\$ 34,067,067</u>	<u>\$ 116,851,786</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
LIABILITIES					
Accounts Payable and Accrued Expenditures	\$ 2,275,371	\$ 3,385,451	\$ -	\$ 3,291,017	\$ 8,951,839
Accrued Payroll and Related Liabilities	1,390,019	11,600,248	-	69,771	13,060,038
Due to State and Federal Governments	224,583	-	-	30	224,613
Due to Other Funds	10,877,299	-	226,004	7,186,226	18,289,529
Unearned Revenue	-	-	11,623,863	3,000	11,626,863
Other Liabilities	56,821	46,920	-	282,514	386,255
Total Liabilities	<u>14,824,093</u>	<u>15,032,619</u>	<u>11,849,867</u>	<u>10,832,558</u>	<u>52,539,137</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue	7,116,616	-	-	2,701,481	9,818,097
Taxes Collected in Advance	334,051	-	-	-	334,051
Total Deferred Inflows of Resources	<u>7,450,667</u>	<u>-</u>	<u>-</u>	<u>2,701,481</u>	<u>10,152,148</u>
FUND BALANCES					
Nonspendable	70,205	-	-	176,703	246,908
Restricted	-	-	-	21,637,903	21,637,903
Assigned	6,430,931	559,315	-	-	6,990,246
Unassigned	26,567,022	-	-	(1,281,578)	25,285,444
Total Fund Balances	<u>33,068,158</u>	<u>559,315</u>	<u>-</u>	<u>20,533,028</u>	<u>54,160,501</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 55,342,918</u>	<u>\$ 15,591,934</u>	<u>\$ 11,849,867</u>	<u>\$ 34,067,067</u>	<u>\$ 116,851,786</u>

See accompanying Notes to Basic Financial Statements.

**CITY OF WARWICK, RHODE ISLAND
RECONCILIATION OF THE GOVERNMENTAL FUNDS TOTAL FUND
BALANCES TO THE STATEMENT OF NET POSITION
JUNE 30, 2021**

Total Governmental Fund Balances \$ 54,160,501

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:

Governmental Capital Assets	\$ 458,031,696	
Accumulated Depreciation	<u>(326,019,167)</u>	132,012,529

Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as deferred inflows of resources in the governmental funds:

9,818,097

In the statement of net position, interest is accrued on outstanding long-term debt, whereas in the governmental funds interest is not reported until due

(538,314)

Internal service funds are used by management to charge the costs of risk management to individual funds. The assets and liabilities of the internal service funds are reported with governmental activities in the statement of net position.

6,551,481

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds:

Bonds Payable	(57,067,243)	
Unamortized Bond Issue Premium	(2,485,867)	
Capital Leases	(3,275,451)	
Deferred Charges on Refunding	39,297	
Compensated Absences	(11,710,289)	
Retroactive Payroll Due in More than One Year	(1,003,703)	
Net Pension Liability (Asset), Net of Deferred Outflows and Inflows	(442,366,813)	
Total OPEB Liability, Net of Deferred Outflows and Inflows	<u>(405,081,298)</u>	

Net Position of Governmental Activities \$ (720,947,073)

CITY OF WARWICK, RHODE ISLAND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2021

	General Fund	School Unrestricted Fund	ARPA Fund	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES					
Property Taxes	\$ 240,273,948	\$ -	\$ -	\$ -	\$ 240,273,948
Interest on Taxes	2,547,923	-	-	-	2,547,923
Real Estate Transfer Tax	1,582,681	-	-	-	1,582,681
Hotel and Meals Tax	3,757,794	-	-	-	3,757,794
Intergovernmental Revenue	17,321,259	38,873,386	225,017	17,072,516	73,492,178
Medicaid	-	1,600,501	-	-	1,600,501
State Contribution to Pension Plan	-	10,387,646	-	-	10,387,646
Airport Revenues	1,978,259	-	-	-	1,978,259
Charges for Services	7,270,247	849,242	-	1,234,348	9,353,837
Other	483,847	6,578	-	62,302	552,727
Investment Income	121,535	-	987	2,028	124,550
Contributions and Private Grants	-	-	-	577,377	577,377
Total Revenues	<u>275,337,493</u>	<u>51,717,353</u>	<u>226,004</u>	<u>18,948,571</u>	<u>346,229,421</u>
EXPENDITURES					
Executive and Administrative	5,710,556	-	-	277,852	5,988,408
Public Safety	47,998,538	-	-	2,194,731	50,193,269
Recreation	1,951,165	-	-	-	1,951,165
Public Libraries	2,574,029	-	-	256,347	2,830,376
Social Services	889,589	-	226,004	3,128	1,118,721
Planning and Economic Development	1,508,572	-	-	1,280,028	2,788,600
Public Works	10,854,278	-	-	7,575,273	18,429,551
Employee Benefits	63,461,081	-	-	-	63,461,081
Education	-	172,122,449	-	20,171,536	192,293,985
State Contribution to Pension Plan	-	10,387,646	-	-	10,387,646
Debt Service:					
Principal	6,681,103	-	-	-	6,681,103
Interest	2,071,431	-	-	-	2,071,431
Total Expenditures	<u>143,700,342</u>	<u>182,510,095</u>	<u>226,004</u>	<u>31,758,895</u>	<u>358,195,336</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	131,637,151	(130,792,742)	-	(12,810,324)	(11,965,915)
OTHER FINANCING SOURCES (USES)					
Proceeds from Issuance of Bonds and Notes	-	-	-	9,600,000	9,600,000
Premiums on Issuance of Bonds and Notes	-	-	-	602,506	602,506
Insurance Recoveries	148,161	-	-	-	148,161
Gain on Sale of Capital Assets	9,000	-	-	-	9,000
Transfers In	1,462,677	129,967,938	-	535,432	131,966,047
Transfer Out	(130,475,438)	(27,932)	-	(553,677)	(131,057,047)
Total Other Financing Sources (Uses)	<u>(128,855,600)</u>	<u>129,940,006</u>	<u>-</u>	<u>10,184,261</u>	<u>11,268,667</u>
NET CHANGE IN FUND BALANCES	2,781,551	(852,736)	-	(2,626,063)	(697,248)
Fund Balances - Beginning of Year (As Restated)	30,286,607	1,412,051	-	23,159,091	54,857,749
FUND BALANCES - END OF YEAR	<u>\$ 33,068,158</u>	<u>\$ 559,315</u>	<u>\$ -</u>	<u>\$ 20,533,028</u>	<u>\$ 54,160,501</u>

See accompanying Notes to Basic Financial Statements.

CITY OF WARWICK, RHODE ISLAND
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2021

Net Change in Fund Balances - Total Governmental Funds \$ (697,248)

Amounts reported for governmental activities in the statement of activities are different because:

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.

Capital Outlay	14,575,344
Depreciation Expense	(6,392,925)
Loss on Asset Disposal	(68,618)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. (2,082,430)

In the statement of activities, interest is accrued on outstanding long-term debt, whereas in the governmental funds interest is not reported until due. This amount represents the net change in accrued interest payable (18,500)

The issuance of long-term debt (e.g., bonds and leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. These amounts represent the related activity of the current period.

Proceeds from Issuance of Bonds and Notes	(9,600,000)
Proceeds from Premiums on Bonds and Notes	(602,507)
Bond Maturities	5,352,728
Capital Lease Payments	1,328,375

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. These amounts represent the net changes.

Amortization of Bond Premiums	271,890
Deferred Charges on Refunding	(16,297)
Compensated Absences	385,262
Retroactive Payroll	29,026
Net Pension Liability, Net	16,482,429
Total OPEB Liability, Net	(10,132,644)

Internal service funds are used by management to account for health insurance activities. The net activity of the internal service fund is reported with governmental activities. 2,628,851

Change in Net Position of Governmental Activities \$ 11,442,736

See accompanying Notes to Basic Financial Statements.

CITY OF WARWICK, RHODE ISLAND
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2021

	Business-Type Activities - Enterprise Funds			Governmental
	Sewer Fund	Water Fund	Total	Internal Service Funds
ASSETS				
Current Assets:				
Cash and Cash Equivalents	\$ 14,327,074	\$ 17,426,837	\$ 31,753,911	\$ 644,087
Restricted Cash and Cash Equivalents	5,636,299	-	5,636,299	-
Accounts Receivable, Net:				
Water and Sewer User Fees	7,523,701	3,923,505	11,447,206	-
Sewer Assessments	3,389,201	-	3,389,201	-
Due from Federal and State Government	3,387,519	-	3,387,519	-
Other Receivables	6,455	-	6,455	-
Due from Other Funds	275,420	-	275,420	1,803,121
Deposits with Agent	-	-	-	7,089,736
Inventory	-	92,864	92,864	-
Total Current Assets	<u>34,545,669</u>	<u>21,443,206</u>	<u>55,988,875</u>	<u>9,536,944</u>
Noncurrent Assets:				
Sewer Assessments	12,030,782	-	12,030,782	-
Nondepreciable Assets	2,917,616	-	2,917,616	-
Depreciable Capital Assets, Net	164,087,833	9,603,763	173,691,596	-
Total Noncurrent Assets	<u>179,036,231</u>	<u>9,603,763</u>	<u>188,639,994</u>	<u>-</u>
Total Assets	<u>213,581,900</u>	<u>31,046,969</u>	<u>244,628,869</u>	<u>9,536,944</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Charge on Refunding	53,464	416	53,880	-
Deferred Outflows - Related to OPEB	554,839	489,564	1,044,403	-
Deferred Outflows - Related to Pensions	345,521	304,871	650,392	-
Total Deferred Outflows of Resources	<u>953,824</u>	<u>794,851</u>	<u>1,748,675</u>	<u>-</u>
LIABILITIES				
Current Liabilities:				
Accounts Payable and Accrued Expenses	1,254,756	1,286,477	2,541,233	-
Accrued Payroll and Related Liabilities	62,812	41,694	104,506	-
Accrued Interest Payable	496,042	788	496,830	-
Due to Other Funds	-	2,456,197	2,456,197	-
Other Liabilities	182,541	-	182,541	-
Accrued Claims - IBNR	-	-	-	2,985,463
Total OPEB Liability, Due Within One Year	278,125	245,405	523,530	-
Current Portion of Long-Term Bonds and Loans	8,621,440	43,638	8,665,078	-
Total Current Liabilities	<u>10,895,716</u>	<u>4,074,199</u>	<u>14,969,915</u>	<u>2,985,463</u>
Noncurrent Liabilities:				
Compensated Absences	147,613	173,857	321,470	-
Unearned Revenue	80,926	-	80,926	-
Total OPEB Liability	8,171,202	7,209,884	15,381,086	-
Net Pension Liability	1,509,189	1,331,637	2,840,826	-
Long-Term Bonds and Loans	47,316,919	-	47,316,919	-
Total Noncurrent Liabilities	<u>57,225,849</u>	<u>8,715,378</u>	<u>65,941,227</u>	<u>-</u>
Total Liabilities	<u>68,121,565</u>	<u>12,789,577</u>	<u>80,911,142</u>	<u>2,985,463</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred Inflows - Related to OPEB	226,289	199,667	425,956	-
Deferred Inflows - Related to Pension	1,612,754	1,423,018	3,035,772	-
Total Deferred Inflows of Resources	<u>1,839,043</u>	<u>1,622,685</u>	<u>3,461,728</u>	<u>-</u>
FUND NET POSITION				
Net Investment in Capital Assets	114,473,146	9,560,541	124,033,687	-
Restricted for Debt Service	5,636,299	-	5,636,299	-
Unrestricted	24,465,671	7,869,017	32,334,688	6,551,481
Total Net Position	<u>\$ 144,575,116</u>	<u>\$ 17,429,558</u>	<u>\$ 162,004,674</u>	<u>\$ 6,551,481</u>

See accompanying Notes to Basic Financial Statements.

CITY OF WARWICK, RHODE ISLAND
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2021

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Sewer Fund	Water Fund	Total	Internal Service Funds
OPERATING REVENUES				
User Charges	\$ 16,869,274	\$ 12,859,544	\$ 29,728,818	\$ -
Special Assessments (Including Abatements)	(230,084)	-	(230,084)	-
Employer/Employee Contributions	-	-	-	51,468,322
Other Revenues	350,780	261,232	612,012	346,695
Total Operating Revenues	<u>16,989,970</u>	<u>13,120,776</u>	<u>30,110,746</u>	<u>51,815,017</u>
OPERATING EXPENSES				
Contract Services	174,083	135,419	309,502	-
Salaries and Benefits	4,035,427	2,184,702	6,220,129	-
Materials and Supplies	775,060	10,988	786,048	-
Depreciation and Amortization	6,624,166	480,032	7,104,198	-
Operations	2,837,091	7,047,204	9,884,295	-
Claims	-	-	-	49,186,417
Total Operating Expenses	<u>14,445,827</u>	<u>9,858,345</u>	<u>24,304,172</u>	<u>49,186,417</u>
OPERATING INCOME	2,544,143	3,262,431	5,806,574	2,628,600
NONOPERATING REVENUES (EXPENSES)				
Interest Income	277,133	201,276	478,409	251
Interest Expense	(1,409,485)	(667)	(1,410,152)	-
Total Nonoperating Revenues (Expenses)	<u>(1,132,352)</u>	<u>200,609</u>	<u>(931,743)</u>	<u>251</u>
INCOME (LOSS) BEFORE TRANSFERS	1,411,791	3,463,040	4,874,831	2,628,851
TRANSFERS				
Transfers Out	(909,000)	-	(909,000)	-
Total Transfers	<u>(909,000)</u>	<u>-</u>	<u>(909,000)</u>	<u>-</u>
CHANGE IN NET POSITION	502,791	3,463,040	3,965,831	2,628,851
Net Position - Beginning of Year	<u>144,072,325</u>	<u>13,966,518</u>	<u>158,038,843</u>	<u>3,922,630</u>
NET POSITION - END OF YEAR	<u>\$ 144,575,116</u>	<u>\$ 17,429,558</u>	<u>\$ 162,004,674</u>	<u>\$ 6,551,481</u>

See accompanying Notes to Basic Financial Statements.

**CITY OF WARWICK, RHODE ISLAND
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2021**

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Sewer Fund	Water Fund	Total	Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from Customers and Users	\$ 21,473,861	\$ 13,599,533	\$ 35,073,394	\$ -
Payments to Suppliers	(3,174,603)	(6,981,523)	(10,156,126)	-
Payments to Employees	(3,080,117)	(2,504,090)	(5,584,207)	-
Receipts from Employer/Employee Contributions	-	-	-	51,468,322
Receipts from Other Operating Services	350,780	261,232	612,012	346,695
Payments for Claims	-	-	-	(48,638,455)
Net Cash Provided by Operating Activities	<u>15,569,921</u>	<u>4,375,152</u>	<u>19,945,073</u>	<u>3,176,562</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Deposits with Agent	-	-	-	(3,043,785)
Interfund Borrowings (Payments), Net	(15,463,150)	6,810,398	(8,652,752)	(132,777)
Transfers To Other Funds	(909,000)	-	(909,000)	-
Net Cash Provided (Used) by Noncapital Financing Activities	<u>(16,372,150)</u>	<u>6,810,398</u>	<u>(9,561,752)</u>	<u>(3,176,562)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Additions to Property, Plant, and Equipment	(1,485,062)	(74,845)	(1,559,907)	-
Proceeds from Bonds and Loans	389,648	-	389,648	-
Principal Paid on Bonds and Loans	(9,894,962)	(41,104)	(9,936,066)	-
Interest Paid on Bonds and Loans	(1,536,055)	(2,375)	(1,538,430)	-
Net Cash Used by Capital and Related Financing Activities	<u>(12,526,431)</u>	<u>(118,324)</u>	<u>(12,644,755)</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest on Investments	<u>277,133</u>	<u>201,276</u>	<u>478,409</u>	<u>251</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(13,051,527)	11,268,502	(1,783,025)	251
Cash and Cash Equivalents - Beginning of Year (As Restated)	<u>33,014,900</u>	<u>6,158,335</u>	<u>39,173,235</u>	<u>643,836</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 19,963,373</u>	<u>\$ 17,426,837</u>	<u>\$ 37,390,210</u>	<u>\$ 644,087</u>

See accompanying Notes to Basic Financial Statements.

**CITY OF WARWICK, RHODE ISLAND
STATEMENT OF CASH FLOWS (CONTINUED)
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2021**

	Business-Type Activities - Enterprise Funds			Governmental
	Sewer Fund	Water Fund	Total	Activities Internal Service Funds
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES				
Operating Income	\$ 2,544,143	\$ 3,262,431	\$ 5,806,574	\$ 2,628,600
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:				
Depreciation and Amortization	6,624,166	480,032	7,104,198	-
Change in Total OPEB Liability	1,306,629	312,591	1,619,220	-
Change in Net Pension Liability	(2,029,769)	(2,207,321)	(4,237,090)	-
Change in Deferred Outflows - Pension and OPEB	38,654	144,579	183,233	-
Change in Deferred Inflows - Pension and OPEB	1,621,143	1,404,785	3,025,928	-
Changes in Assets and Liabilities:				
(Increase) Decrease in Accounts Receivable	588,154	739,989	1,328,143	-
(Increase) Decrease in Sewer Assessments	4,246,517	-	4,246,517	-
Increase (Decrease) in Accounts Payable and Accrued Expenses	611,631	212,088	823,719	547,962
Increase (Decrease) in Accounts Payroll	44,368	27,233	71,601	-
Increase (Decrease) in Compensated Absences	(25,715)	(1,255)	(26,970)	-
Net Cash Provided by Operating Activities	<u>\$ 15,569,921</u>	<u>\$ 4,375,152</u>	<u>\$ 19,945,073</u>	<u>\$ 3,176,562</u>

See accompanying Notes to Basic Financial Statements.

**CITY OF WARWICK, RHODE ISLAND
STATEMENT OF NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2021**

	Pension Benefit Trust Funds	Custodial Funds
ASSETS		
Cash	\$ 6,342,606	\$ 15,872
Investments:		
Mutual Funds	430,333,703	-
Equity Investments	100,082,408	-
Index Funds	121,850,455	-
Fixed Income Securities	51,383,386	-
Group Annuity Contracts	4,142,677	-
Total Assets	714,135,235	15,872
LIABILITIES		
Accounts Payable and Accrued Expenses	517,190	-
Total Liabilities	517,190	-
NET POSITION		
Restricted for:		
Pensions	713,618,045	-
Individuals, Organizations and Other Governments	-	15,872
Total Net Position	\$ 713,618,045	\$ 15,872

See accompanying Notes to Basic Financial Statements.

**CITY OF WARWICK, RHODE ISLAND
STATEMENT OF CHANGES IN NET POSITION
FIDUCIARY FUNDS
YEAR ENDED JUNE 30, 2021**

	Pension Trust Funds	Custodial Funds
ADDITIONS		
Contributions:		
Employer	\$ 36,909,925	\$ -
Plan Members	7,390,691	-
Total Contributions	44,300,616	-
Investment Income:		
Investment Earnings	170,523,319	-
Less: Investment Expense	(1,474,100)	-
Net Investment Income	169,049,219	-
Total Additions	213,349,835	-
DEDUCTIONS		
Benefits	54,550,680	-
Administrative Expense	519,433	-
Total Deductions	55,070,113	-
CHANGE IN NET POSITION	158,279,722	-
Net Position - Beginning of Year (As Restated)	555,338,323	15,872
NET POSITION - END OF YEAR	\$ 713,618,045	\$ 15,872

See accompanying Notes to Basic Financial Statements.

CITY OF WARWICK, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the City of Warwick, Rhode Island (the City) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP). The Governmental Accounting Standards Board (GASB) is the recognized standard-setting body for establishing governmental accounting and financial reporting principles. A description of the reporting entity and significant accounting policies are described herein.

A. Reporting Entity

The City was established in 1642 and incorporated in 1931. In some matters, including the issuance of short and long-term debt, the City is governed by the general laws of the state of Rhode Island. The City operates under a Council-Mayor form of government and provides the following services as authorized by its charter: public safety (police, fire, and inspections), public works (sanitation, highways and streets, engineering, and building maintenance), education, parks and recreation, social services, and general administrative services.

For financial reporting purposes, the basic financial statements include all funds, organizations, agencies, boards, commissions and institutions that are not legally separate from the City.

The City has also considered all potential component units for which it is financially accountable as well as other organizations for which the nature and/or significance of their relationship with the City are such that exclusion would cause the basic financial statements to be misleading or incomplete. As required by GAAP, these basic financial statements present the City (primary government) and its component units.

The City has included five entities as component units in the reporting entity, because of the significance of its operational and/or financial relationship.

Fiduciary Fund Component Units

- (1) The City Employees' Pension Trust Fund was established to provide retirement benefits to City employees not covered by other plans and their beneficiaries. The Board is comprised of 11 members consisting of the City's Finance Director, Personnel Director, Municipal Union President, Chairperson of the City Finance Committee, one Union Employee, one Nonunion Employee, one Municipal Retiree, and four Members of the Public. The pension plan is presented using the accrual basis of accounting and is reported as a Pension Trust Fund in the fiduciary fund financial statements.
- (2) The Police I and Fire Pension Trust Fund was established to provide retirement benefits to all City Police Officers that were appointed before February 1, 1971, and all permanent members of the City's Fire Department appointed before May 29, 1992. The plan is closed to new members. The Board is comprised on the Board of Public Safety of the City. The pension plan is presented using the accrual basis of accounting and is reported as a Pension Trust Fund in the fiduciary fund financial statements.

**CITY OF WARWICK, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

- (3) The Police II Pension Trust Fund was established to provide retirement benefits to all City Police Officers that were appointed after February 1, 1971. The Board is comprised on the Board of Public Safety of the City. The pension plan is presented using the accrual basis of accounting and is reported as a Pension Trust Fund in the fiduciary fund financial statements.
- (4) The Fire II Pension Trust Fund was established to provide retirement benefits to all City fire fighters that were appointed after May 29, 1992. The Board is comprised on the Board of Public Safety of the City. The pension plan is presented using the accrual basis of accounting and is reported as a Pension Trust Fund in the fiduciary fund financial statements.
- (5) The Warwick Public School Employees' Pension Trust Fund was established to provide retirement benefits to all Warwick Public School employees except for teachers. There are two committees that oversee the administration of this plan. The Executive Administration Board is comprised of the School's Chief Budget Officer, the Director of Human Resources, and the Warwick Independent Employees' Union President. The Executive Administration Board delegates investment responsibilities to the Pension Investment Administration Committee, which is comprised of two Warwick Public School Administrative Employees, the Chief Budget Officer, the Controller, and two Warwick Independent Employees' Union Representatives, who are appointed by the Union leadership. The pension plan is presented using the accrual basis of accounting and is reported as a Pension Trust Fund in the fiduciary fund financial statements.

B. Implementation of New Accounting Principles

For the year ended June 30, 2021, the City implemented GASB Statement No. 84, *Fiduciary Activities* and GASB Statement No. 90, *Majority Equity Interests – an amendment of GASB Statements No. 14 and No.61*. The implementation of GASB Statement No. 84 resulted in certain activities formerly reported within the agency fund to be reported within the *custodial fund* of the fiduciary funds statement of net position and statement of changes in net position. In addition, certain activities formerly reported within the agency and private purpose trust fund are reported as governmental activities in the government-wide statement of net position and statement of activities. Such activities are also reported in *nonmajor governmental funds* in the governmental funds balance sheet and statement of revenues, expenditures and changes in fund balance. As a result, the City has restated its 2020 beginning net position and fund balance to reflect the implementation of this statement. The effect of the change in accounting principle is as follows:

	Governmental Activities	Nonmajor Governmental Funds	Custodial Funds
Net Position, June 30, 2020, as Previously Reported	\$ (733,331,248)	\$ 22,217,652	\$ -
Implementation of GASB No. 84	941,439	941,439	15,872
Net Position, June 30, 2020, as Restated	<u>\$ (732,389,809)</u>	<u>\$ 23,159,091</u>	<u>\$ 15,872</u>

CITY OF WARWICK, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The implementation of GASB Statement No. 90 had no reporting impact for the City.

C. Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

The government-wide financial statements (statement of net position and the statement of activities) report information on all nonfiduciary activities of the primary government and its component units. *Governmental Activities*, which are primarily supported by taxes and intergovernmental revenues, are reported separately from *Business-Type Activities*, which are primarily supported by user fees.

Fund Financial Statements

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though fiduciary funds are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. Nonmajor funds are aggregated and displayed in a single column.

Internal service funds and fiduciary funds are reported by fund type.

D. Measurement Focus, Basis of Accounting and Basis of Presentation

Government-Wide Financial Statements

The government-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 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:

- Charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment.
- Grants and contributions which are restricted to meeting the operational requirements of a specific function or segment.
- Grants and contributions which are restricted to meeting the capital requirements of a specific function or segment.

CITY OF WARWICK, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Except for charges between the general fund and enterprise funds, the effect of interfund activity has been eliminated from the government-wide financial statements. Elimination of these charges would distort the direct costs and program revenues reported for the functions affected.

Fund Financial Statements

Governmental funds financial statements are reported using the flow of 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., 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. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on general long-term debt which is recognized when due, and certain compensated absences, claims and judgments which are recognized when the obligations are expected to be liquidated with current expendable available resources.

Real estate and personal property tax revenues are considered available if they are collected within 60 days after the end of the fiscal year. Investment income is susceptible to accrual. Other receipts become measurable and available when the cash is received and are recognized as revenue at that time.

Entitlements and shared revenues are recorded at the time of receipt or earlier if the susceptible to accrual criteria is met. Expenditure driven grants recognize revenue when the qualifying expenditures are incurred and all other grant requirements are met.

The following major governmental funds are reported:

The *General Fund* is the City's primary operating fund and is used to account for all activities except those legally or administratively required to be accounted for in other funds.

The *School Unrestricted Fund* is a special revenue fund used to account for the School Department's general operations.

The *ARPA Fund* is a special revenue fund used to account for the American Rescue Plan Act (ARPA) funding received by the City.

The nonmajor governmental funds consist of special revenue, capital projects, debt service and permanent funds that are aggregated and presented in the *nonmajor governmental funds* column on the governmental funds financial statements. The following describes the general use of these fund types:

CITY OF WARWICK, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

Capital Projects Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. Capital projects funds exclude those types of capital-related outflows financed by proprietary funds or for assets that will be held in trust for individuals, private organizations, or other governments.

Debt Service Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditures for principal and interest.

Proprietary funds financial statements are reported using the flow of economic resources measurement focus and use the accrual basis of accounting, whereby revenues are recorded when earned and expenses are recorded when the liabilities are incurred.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the proprietary funds principal ongoing operations. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The following proprietary funds are reported:

The *Sewer Enterprise Fund* is reported as a major fund and is used to account for sewer activities, including the special assessments related to the construction of the sewer system.

The *Water Enterprise Fund* is reported as a major fund and is used to account for water activities.

In addition, the following proprietary fund type is reported:

The *Internal Service Fund* is used to account for risk financing activities related to health and workers' compensation insurance.

Fiduciary funds 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 in a trustee capacity for others that cannot be used to support the government's programs.

The following fiduciary fund types are reported:

The *Pension Trust Fund* accounts for the funding and payment of pension benefits provided to police officers, fire fighters and municipal and school employees.

CITY OF WARWICK, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The *Custodial Fund* account for assets held by the City in a custodial capacity.

E. Cash and Cash Equivalents

Cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with an original maturity of three months or less from the date of acquisition. Substantially, all of the City's cash and cash equivalents are held in public 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 Federal Deposit Insurance Corporation (FDIC). At times, the City pools cash resources of its various funds to facilitate the management of cash and maximize investment returns.

F. Investments

Investments are reported at fair value and contract value, as further discussed in Note 4.

G. Accounts Receivable and Revenue

The recognition of revenue related to accounts receivable reported in the government-wide proprietary funds, and fiduciary funds financial statements are reported under the accrual basis of accounting. The recognition of revenue related to accounts receivable reported in the governmental funds financial statements is reported under the modified accrual basis of accounting.

Property Taxes

Real and personal property taxes are based on values assessed as of each December 31 (lien date) and attach as an enforceable lien on property as of July 1 (levy date). Taxes are due in equal quarterly installments on July 15, October 15, January 15, and April 15 annually. Taxes due and unpaid after the respective due dates are subject to interest at the rate of 12% per annum, calculated on the unpaid portion of the total tax. An automatic lien is placed on the taxpayer's property if payment has not been received by the tax due date. Property taxes levied are recorded as receivables in the fiscal year of the levy.

Water and Sewer

Water and sewer charges are billed quarterly based on individual meter readings and are subject to penalties and interest if they are not paid by the respective due date. Water and sewer charges are recorded as receivables when billed and are recorded under the accrual basis of accounting. The estimated value of unbilled amounts at year-end has been included in the accompanying financial statements.

CITY OF WARWICK, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Sewer Assessments

Sewer assessments are levied as needed based on the costs of construction related to the sewer system. Residents have the option of paying their respective share of the betterment in full or over a period of up to 30 years and are subject to penalties and interest if they are not paid by the respective due dates. Sewer betterments are recorded as receivables in the fiscal year of the levy and are recorded under the accrual basis of accounting.

Intergovernmental

Various state and federal operating and capital grants are applied for and received annually. For all grants, revenue is recognized as soon as all eligibility requirements imposed by the provider have been met. Intergovernmental receivables are considered 100% collectible.

Loans Receivable

The City administers various loan programs related to housing assistance to residents and capital needs assistance for small businesses. Loans are recorded as receivables upon issuance.

Other

Other receivables consist primarily of charges for rescue service fees and are recorded as receivables when services are provided.

Accounts receivable are shown net of an allowance for uncollectible accounts. The allowances are calculated based on the age of the individual receivables.

H. Inventory

Inventory is maintained on a periodic system and is stated at cost (first in, first out method of inventory valuation). Inventory consists primarily of materials and supplies. Inventory maintained in governmental funds are recorded as expenditures at the time of purchase.

I. Capital Assets

Capital assets are reported in the applicable governmental or business-type activities column of the government-wide financial statements. Capital assets are also reported in the enterprise (proprietary) funds financial statements. Capital assets acquired in the governmental funds are recorded as expenditures in the acquiring fund in the fiscal year of the purchase.

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 acquisition value at the date of donation.

CITY OF WARWICK, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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:

Land Improvements	20 Years
Buildings	50 Years
Roads and Resurfacing	20 Years
Bridges	50 Years
Traffic Signals	10 Years
Main Extensions	75 Years
Pumping Stations and Hydrants	50 Years
Wastewater Collection System	50-75 Years
Meters	20-40 Years
Distribution Lines	65 Years
Machinery, Equipment, and Furniture	5-30 Years
Vehicles	5-8 Years

The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend asset lives are not capitalized and are treated as expenses when incurred. Improvements are capitalized.

J. Unearned Revenue

Unearned revenue is presented in the governmental-wide statement of net position and governmental funds balance sheet and represents federal grants received by the City in advance of meeting eligibility requirements for revenue recognition.

K. Deferred Outflows/Inflows of Resources

Deferred Outflows of Resources

In addition to assets, the statement of net position reports 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 or periods and so will not be recognized as an outflow of resources (expense) until then.

Deferred outflows of resources related to refunding transactions, pensions and OPEB are reported in the government-wide and proprietary funds statements of net position.

CITY OF WARWICK, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Inflows of Resources

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period or periods and so will not be recognized as an inflow of resources (revenue) until that time.

Deferred inflows of resources related to pensions and OPEB are reported in the government-wide and proprietary funds statements of net position.

Deferred inflows of resources are also reported for taxes collected in advance in the government-wide statement of net position.

Unavailable revenue and taxes collected in advance are reported in the governmental funds balance sheet. Unavailable revenue represents billed receivables that do not meet the availability criterion in accordance with the current financial resources measurement focus and the modified accrual basis of accounting.

L. Interfund Transactions

Interfund activity within and among the funds of the City have been classified and reported as follows:

Reciprocal Interfund Activities

Interfund advances are reported as interfund receivables in the lending fund and interfund payables in borrower funds (due from/due to).

Nonreciprocal Interfund Activities

Interfund transfers are reported in governmental funds as other financing uses in the funds making transfers and as other financing sources in the funds receiving transfers. In proprietary funds, transfers are reported after nonoperating revenues and expenses.

Interfund reimbursements are repayments from the fund responsible for particular expenditures or expenses to other funds that initially paid for them. Reimbursements are not displayed separately within the financial statements.

Interfund transactions are accounted for as expenditures/expenses when they constitute reimbursements from one fund to another. These transactions are accounted for as expenditures/expenses in the reimbursing fund and are recorded as reductions of expenditures/expenses in the fund receiving the reimbursement. All other interfund transactions are reported as transfers.

CITY OF WARWICK, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Long-Term Debt

Long-term debt is reported as liabilities in the government-wide and proprietary funds statements of net position. Material bond premiums and discounts are amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount.

The face amount of governmental funds long-term debt is reported as other financing sources when the debt is issued. 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.

N. Self-Insurance

The City's self-insurance costs for health and workers compensation liabilities are accounted for in the City's internal service funds. Claims incurred but not paid, including those which have not been reported, are accounted for as expenses and accrued claims in those funds when incurred.

O. Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriation, is employed in governmental funds. Open encumbrances at year-end are reported as restricted, committed or assigned, and should not result in separate display of the encumbered amount within those classifications. Encumbrances do not constitute expenditures or liabilities under generally accepted accounting principles.

P. Net Position and Fund Balances

Government-Wide Financial Statements and Proprietary Funds Financial Statements
(Net Position)

Net position is classified and displayed in three components:

Net Investment in Capital Assets – consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bond, notes, or other borrowings that are attributable to the acquisition, construction or improvement of those assets.

Restricted Net Position – Consists of net position with constraints placed on the use either by external groups such as creditors, grantors, contributors, laws/regulations of other governments, law through constitutional provisions or enabling legislation.

Unrestricted Net Position – All remaining net position that does not meet the definition of "restricted" or "net investment in capital assets".

CITY OF WARWICK, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Governmental Funds Financial Statements (Fund Balances)

The following fund balance classifications describe the relative strength of the spending constraints:

Nonspendable – Includes the amount of fund balances that cannot be spent because it is either not in spendable form or legally or contractually required to be maintained intact.

Restricted – Includes amounts that are restricted to specific purposes. Fund balance is reported as restricted when constraints placed in the use of resources are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance – Includes amounts that can be used only for the specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority. Those committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of action it employed to previously commit those amounts. The City Council is the highest level of decision-making authority and utilizes City Ordinances as a formal procedure to commit fund balance. In addition, the passage of the budget by the taxpayers at the annual financial City meeting is considered the commitment of funds for the line items included in the fiscal budget.

Assigned Fund Balance – Includes amounts that are constrained by the government's intent to be used for specific purposes but are neither restricted nor committed. The intent should be expressed by the governing-body itself or a body (a budget or finance committee) or official to which the governing-body has delegated the authority to assign amounts to be used for specific purposes. The Mayor through the City Council has the authority to assign fund balance. Fund balance assigned by the Finance Director is documented through issuance of a memorandum.

Unassigned Fund Balance – Is the residual classification for the General Fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund. The unassigned fund balance may also include negative balances for any governmental funds if the expenditures exceed amounts restricted, committed, or assigned for specific purposes.

In circumstances when an expenditure is made for a purpose for which amounts are available for multiple fund balances classifications, fund balance is depleted in the order of restricted, committed, assigned and unassigned.

CITY OF WARWICK, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Q. Claims and Judgments

Liabilities for legal cases and other claims against governmental funds are recorded when the ultimate liability can be estimated, and such cases are expected to be liquidated with expendable available financial resources. Proprietary fund types record these liabilities using the accrual basis of accounting.

R. Compensated Absences

Under the terms of various contracts and agreements, City employees are granted vacation, sick, and personal leave in varying amounts based on length of service and bargaining unit. Unused vacation leave is paid upon an employee's termination. Up to one-half of unused sick leave is paid upon termination, retirement, or death depending on bargaining unit. Severance pay and personal days are also paid to terminating employees depending on bargaining unit. The liability is calculated at the rate of pay in effect at June 30, 2021.

Government-Wide and Proprietary Fund Financial Statements

Compensated absences are reported as liabilities and expenses as incurred.

Governmental Fund Financial Statements

Compensated absences, which will be liquidated with expendable available financial resources, are reported as expenditures and fund liabilities upon employee retirement or resignation.

S. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Employees' Retirement System Plan - Teachers and additions to/deductions from the pension plans net position have been determined on the same basis as they are reported by the pension plan. 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.

T. Total Other Postemployment Benefits other than Pensions (OPEB) Liability

The total OPEB liability is measured as the portion of the actuarial present value of projected benefits that is attributed to past periods of employee service. The total OPEB liability is measured as of a date (measurement date) no earlier than the end of the employer's prior fiscal year and no later than the end of the current fiscal year, consistently applied from period to period.

CITY OF WARWICK, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

U. Estimates

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

NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Data and Budgetary Compliance

In accordance with the Warwick City charter, the City has formally established budgetary accounting control for the General Fund and the School Unrestricted Fund, which is a Special Revenue Fund. The General Fund is subject to an annual operating budget submitted and recommended by the City Mayor and adopted by the City Council. The City Council must hold a public hearing on the budget prior to adoption and may make changes to the budget. The General Fund Budget must be adopted no later than June 15. Should the City Council take no formal action on or prior to such day, the budget as submitted by the Mayor, shall be deemed to have been finally adopted by the City Council. The School Unrestricted Fund is subject to an annual operating budget provisionally approved by the School Committee, forwarded to the Mayor, for his review and possible amendment, with final adoption by the City Council. The annual operating budgets; appropriation amounts are supported by revenue estimates and take into account the elimination of accumulated deficits and the re-appropriation of accumulated surpluses to the extent necessary. The City's General Fund and School Unrestricted Fund annual operating budgets are in conformance with the legally enacted budgetary basis, which is not in conformance with accounting principles generally accepted in the United States of America. The accompanying budgetary comparison schedules are reflected on the budgetary basis. The difference between the budgetary basis and the accounting principles generally accepted in the United States of America basis is explained below.

The City of Warwick makes use of an encumbrance system. Encumbrances are commitments related to unperformed contracts for goods and services. When a purchase order or commitment is placed, the City reduces the amount of the budgetary authority remaining in a budget category and records an encumbrance. When goods or services are received, the encumbrance balance is reduced and an expenditure and liability is recorded. The City's outstanding encumbrances at year-end are carried forward as a component of committed fund balance.

CITY OF WARWICK, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONTINUED)

Appropriations in addition to those contained in the annual operating budgets, except for the purpose of meeting a public emergency, are made upon the recommendation of the City Mayor and by a resolution adopted by the favorable votes of at least five members of the council. Amendments to the operating budgets that do not result in additional appropriations may be made within departments by means of a transfer. The Director of Finance, subject to approval of the Mayor, may at any time transfer any unencumbered appropriation balance or portion thereof between general classifications of expenditures within an office, department, or agency. At the request of the Mayor and within the last three months of the fiscal year, the Council may by resolution transfer any unencumbered appropriation balance or portion thereof from one office, department, or agency to another. The level at which General Fund expenditures may not legally exceed appropriations is at the department level. The Schools Unrestricted Fund, a Special Revenue Fund, does not have a legal level of control over expenditures, except that total expenditures may not exceed available revenues. Appropriations which are not expended or encumbered lapse at year-end.

B. Excess of Expenditures over Appropriations

For the year ended June 30, 2021, expenditures exceeded appropriations in the following categories:

Fire Department	\$ 1,407,654
Fire Grants	274,568
Employee Benefits	263,982
Pension	209,573
Alcohol and Highway Safety Enforcement	166,219
Debt Service Interest	118,636
Debt Service Principal	101,227
Insurance	83,009
Executive Department	82,058
Tourism, Culture and Development	63,889
Legal Department	28,656
Organized Crime/Drug Enforcement Task Force	8,973
Police Grants	5,976

**CITY OF WARWICK, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONTINUED)

C. Fund Deficits

At June 30, 2021, the City reported deficit fund balances for the following funds:

Nonmajor Governmental Funds:	
FEMA COVID	\$ 626,136
Technology Self Insurance	242,425
Capital Leases	168,634
2021 School Bond	131,410
Police JAG Grant	69,133
Homeless Child/Youth	29,763
SBA Capital	5,000
Fresh Fruit/Veg Program	3,997
School Food Service	2,502
Learning Champions	1,076
Champlin Winman	977
Feinstein Holliman	525
Total Nonmajor Governmental Funds	<u>\$ 1,281,578</u>

The fund deficits will be eliminated by future borrowings, grant funding, private contributions, and fund transfers.

NOTE 3 CASH DEPOSITS WITH FINANCIAL INSTITUTIONS

A. Deposits

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

B. Deposit Custodial Credit Risk

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

CITY OF WARWICK, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 3 CASH DEPOSITS WITH FINANCIAL INSTITUTIONS (CONTINUED)

As of June 30, 2021, the City's entire bank balance of \$107,383,615 was covered by either FDIC insurance or collateral held in the City's name.

C. Cash Equivalents

Cash equivalents are short-term, highly liquid investments that are both readily convertible to known amounts of cash and purchased within 90 days of maturity. As of June 30, 2021, cash equivalents amounted to \$6,342,606. The cash equivalents consisted of money market type mutual funds held at banking institutions and were not rated.

NOTE 4 INVESTMENTS

The City invests in various types of investments, which are stated at fair value, except for participating interest earning investment contracts, which are recorded at contract value. By Charter the Finance Director and Treasurer have the authority to make investments subject to rules and regulations that the City Council may prescribe by ordinance. The Finance Director shall have the authority to purchase and invest prudently in the following investments for funds other than pension funds:

- Obligations of the U.S. Government, and its agencies and instrumentalities.
- Certificates of deposit and other evidence of deposit at banks, credit unions, and savings and loan associations with offices in the state.
- Bankers' acceptance of banks with offices in the state.
- Commercial paper of banks with offices in the state.
- Repurchase agreements whose underlying collateral consists of U.S. Government agency securities and U.S. Government sponsored corporations, plus the above, and which are offered by banks with offices in the state.
- Money market funds whose portfolios consist of the above instruments, and any other investments specifically approved by the City council.
- No-load open-end diversified management investment companies incorporated under Rhode Island General Laws designed exclusively for all state government entities, agencies, and instrumentalities.

For details on the various pension plans' investment policies and target asset allocations, see Note 13.

Interest Rate Risk

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

**CITY OF WARWICK, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 4 INVESTMENTS (CONTINUED)

Credit Risk

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

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of the City's investment in a single issuer. The City does not have a formal investment policy that limits the amount that can be invested with one issuer. At June 30, 2021, the City is not exposed to concentration risk.

Custodial Credit Risk

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

The following is a schedule of the City's Investments by classification:

	Fair Value	Investment Maturities (in Years)		
		Less Than 1	1 - 10	More Than 10
<u>Debt Securities:</u>				
Fixed Income Securities	\$ 51,383,386	\$ 11,553,046	\$ 24,907,004	\$ 14,923,336
Equity Investments	100,082,408			
Mutual Funds	430,333,703			
Index Funds	121,850,455			
Group Annuity Contracts	4,142,677			
Total Investments	<u>\$ 707,792,629</u>			

**CITY OF WARWICK, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 4 INVESTMENTS (CONTINUED)

Presented below is the ratings of the City's fixed income securities:

<u>Average Rating</u>	<u>Fixed Income Securities</u>
AAA	\$ 2,322,340
AA+/AA/AA-	1,861,082
A+/A/A-	6,443,521
BBB+/BBB/BBB-	11,958,570
BB+/BB/BB-	522,823
Unrated	28,275,050
Total	<u>\$ 51,383,386</u>

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements); followed by quoted prices in inactive markets or for similar assets or with observable inputs (Level 2 measurements); and the lowest priority to unobservable inputs (Level 3 measurements). The City has the following recurring fair value measurements as of June 30, 2021:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Fixed Income Securities	\$ 51,383,386	\$ -	\$ 51,383,386	\$ -
Equity Investments	100,082,408	100,082,408	-	-
Mutual Funds	430,333,703	430,333,703	-	-
Index Funds	121,850,455	121,850,455	-	-
Total Investments at Fair Value	703,649,952	<u>\$ 652,266,566</u>	<u>\$ 51,383,386</u>	<u>\$ -</u>

Investments at Contract Value:

Group Annuity Contracts	4,142,677
Total Investments	<u>\$ 707,792,629</u>

CITY OF WARWICK, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 5 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY LEGAL DEBT MARGIN

Legal Debt Margin

The City's legal debt margin as set forth by the State Statute is limited to 3% of total taxable assessed value, which approximates \$319,726,608. As of June 30, 2021, the City's debt applicable to the debt limitation is under the debt limit by \$262,659,365. All other City debt has been incurred through special statutory authority which consists of approval by the legislature and voter referendum.

NOTE 6 PROPERTY TAXES

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

Net property taxes levied for the fiscal year 2021 were based on a gross assessed value of approximately \$11,150,980,697 less exemptions of \$493,427,082 for a net assessed valuation of \$10,657,553,615 at December 31, 2019 and amounted to a levy of \$240,570,704. After abatements and adjustments, the net levy amounted to \$240,339,661. Collections through June 30, 2021 amounted to \$233,518,000, which represents approximately 97.2% of the adjusted tax levy.

The City recognizes 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 as of June 30, 2021 amount to \$21,643,429 and are recorded as a receivable, net of an allowance for uncollectible property taxes of \$13,930,171.

Those net property taxes receivable, which were not collected within the 60 days immediately following June 30, 2021 are recorded as deferred and amounted to \$5,504,635. Property taxes recognized as revenue on the fund statements for the fiscal year ended June 30, 2021 (due to their collection within the 60 days immediately following June 30, 2021) amounted to \$2,229,882. Taxes are due in equal quarterly installments on July 15, October 15, January 15, and April 15 during fiscal year.

CITY OF WARWICK, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 7 RECEIVABLES

Below are the detail receivables as of year-end for each major fund and the aggregate remaining funds, including the applicable allowances for uncollectible accounts:

	General	School Restricted Fund	Sewer Fund	Water Fund	Nonmajor and Other Funds	Total
Receivables:						
Property Taxes	\$ 21,643,429	\$ -	\$ -	\$ -	\$ -	\$ 21,643,429
User Fees	-	-	7,815,527	4,044,366	-	11,859,893
Sewer Assessments	-	-	20,129,276	-	-	20,129,276
Intergovernmental	2,775,809	568,824	3,387,519	-	13,171,577	19,903,729
Loans Receivable	-	-	-	-	2,599,403	2,599,403
Other Receivable	2,205,118	169,161	6,455	-	154,143	2,534,877
Gross Receivables	<u>26,624,356</u>	<u>737,985</u>	<u>31,338,777</u>	<u>4,044,366</u>	<u>15,925,123</u>	<u>78,670,607</u>
Less: Allowance for Uncollectibles	<u>(14,021,339)</u>	<u>-</u>	<u>(5,001,119)</u>	<u>(120,861)</u>	<u>-</u>	<u>(19,143,319)</u>
Net Total Receivables	<u>\$ 12,603,017</u>	<u>\$ 737,985</u>	<u>\$ 26,337,658</u>	<u>\$ 3,923,505</u>	<u>\$ 15,925,123</u>	<u>\$ 59,527,288</u>

NOTE 8 CAPITAL ASSETS

Capital asset activity for governmental funds for the fiscal year ended June 30, 2021 was as follows:

<u>Governmental Activities</u>	<u>Balance - June 30, 2020</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance - June 30, 2021</u>
Capital Assets Not Being Depreciated:				
Land	\$ 18,693,825	\$ -	\$ -	\$ 18,693,825
Construction in Progress	5,475,426	2,710,475	(5,475,426)	2,710,475
Artwork	62,950	-	-	62,950
Subtotal	<u>24,232,201</u>	<u>2,710,475</u>	<u>(5,475,426)</u>	<u>21,467,250</u>
Capital Assets Being Depreciated:				
Land Improvements	11,082,066	-	-	11,082,066
Buildings	150,042,519	9,743,515	-	159,786,034
Infrastructure	204,950,981	6,125,333	-	211,076,314
Machinery and Equipment	21,340,011	169,719	-	21,509,730
Motor Vehicles	32,694,748	1,301,728	(886,174)	33,110,302
Subtotal	<u>420,110,325</u>	<u>17,340,295</u>	<u>(886,174)</u>	<u>436,564,446</u>
Less Accumulated Depreciated For:				
Land Improvements	10,148,991	171,492	-	10,320,483
Buildings	76,989,939	3,229,451	-	80,219,390
Infrastructure	185,708,787	1,076,453	-	186,785,240
Machinery and Equipment	20,677,621	212,531	-	20,890,152
Motor Vehicles	26,918,460	1,702,998	(817,556)	27,803,902
Subtotal	<u>320,443,798</u>	<u>6,392,925</u>	<u>(817,556)</u>	<u>326,019,167</u>
Capital Assets Being Depreciated, Net	<u>99,666,527</u>	<u>10,947,370</u>	<u>(68,618)</u>	<u>110,545,279</u>
Governmental Capital Assets, Net	<u>\$ 123,898,728</u>	<u>\$ 13,657,845</u>	<u>\$ (5,544,044)</u>	<u>\$ 132,012,529</u>

**CITY OF WARWICK, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 8 CAPITAL ASSETS (CONTINUED)

<u>Business-Type Activities</u>	<u>Balance - June 30, 2020</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance - June 30, 2021</u>
Capital Assets Not Being Depreciated:				
Construction in Progress	\$ 2,878,996	\$ 242,994	\$ (204,374)	\$ 2,917,616
Capital Assets Being Depreciated:				
Buildings	2,906,051	-	-	2,906,051
Machinery and Equipment	6,073,118	439,482	(43,772)	6,468,828
Water Distribution System and Wastewater Collection System	<u>308,963,470</u>	<u>733,312</u>	<u>(36,462)</u>	<u>309,660,320</u>
Subtotal	<u>317,942,639</u>	<u>1,172,794</u>	<u>(80,234)</u>	<u>319,035,199</u>
Less Accumulated Depreciated For:				
Buildings	1,261,994	45,751	-	1,307,745
Machinery, Equipment, and Furniture	4,539,693	316,720	(43,772)	4,812,641
Water Distribution System and Wastewater Collection System	<u>132,517,952</u>	<u>6,741,727</u>	<u>(36,462)</u>	<u>139,223,217</u>
Subtotal	<u>138,319,639</u>	<u>7,104,198</u>	<u>(80,234)</u>	<u>145,343,603</u>
Capital Assets Being Depreciated, Net	<u>179,623,000</u>	<u>(5,931,404)</u>	<u>-</u>	<u>173,691,596</u>
Business-Type Activities Capital Assets, Net	<u>\$ 182,501,996</u>	<u>\$ (5,688,410)</u>	<u>\$ (204,374)</u>	<u>\$ 176,609,212</u>

Depreciation expense was charged to functions/programs as follows:

<u>Governmental Activities</u>	
Executive and Administration	\$ 57,181
Public Safety	1,353,014
Recreation	336,317
Public Libraries	190,102
Social Services	62,033
Planning and Economic Development	138,500
Public Works	2,127,497
Education	<u>2,128,281</u>
Total Governmental Activities Depreciation Expense	<u>\$ 6,392,925</u>
<u>Business-Type Activities</u>	
Water	\$ 480,032
Sewer	<u>6,624,166</u>
Total Business-Type Activities Depreciation Expense	<u>\$ 7,104,198</u>

CITY OF WARWICK, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 9 LONG-TERM LIABILITIES

A. Long-Term Liabilities

Long-term liability activity for the governmental activities for the year ended June 30, 2021 was as follows:

	Balance June 30, 2020	Additions	Reductions	Balance June 30, 2021	Amounts Due Within One Year
<u>Governmental Activities</u>					
Long-Term Debt:					
Bonds and Notes Payable	\$ 52,819,971	\$ 9,600,000	\$ (5,352,728)	\$ 57,067,243	\$ 5,124,805
Capital Lease Payable	4,603,826	-	(1,328,375)	3,275,451	973,485
Plus: Unamortized Premium	2,155,250	602,507	(271,890)	2,485,867	228,147
Total Long-Term Debt	<u>59,579,047</u>	<u>10,202,507</u>	<u>(6,952,993)</u>	<u>62,828,561</u>	<u>6,326,437</u>
Other Long-Term Liabilities:					
Compensated Absences	12,095,551	-	(385,262)	11,710,289	2,342,058
Accrued Retroactive Payroll	1,032,729	-	(29,026)	1,003,703	-
Total Other Long-Term Liabilities	<u>13,128,280</u>	<u>-</u>	<u>(414,288)</u>	<u>12,713,992</u>	<u>2,342,058</u>
Governmental Activities Long-Term Liabilities	<u>\$ 72,707,327</u>	<u>\$ 10,202,507</u>	<u>\$ (7,367,281)</u>	<u>\$ 75,542,553</u>	<u>\$ 8,668,495</u>
<u>Business-Type Activities</u>					
Long-Term Debt:					
Bonds and Notes Payable	\$ 65,539,538	\$ -	\$ (9,936,065)	\$ 55,603,473	\$ 8,605,574
Unamortized Premium	445,517	-	(66,993)	378,524	59,504
Total Long-Term Debt	<u>65,985,055</u>	<u>-</u>	<u>(10,003,058)</u>	<u>55,981,997</u>	<u>8,665,078</u>
Other Long-Term Liabilities:					
Compensated Absences	348,440	-	(26,970)	321,470	-
Business-Type Activities Long-Term Liabilities	<u>\$ 66,333,495</u>	<u>\$ -</u>	<u>\$ (10,030,028)</u>	<u>\$ 56,303,467</u>	<u>\$ 8,665,078</u>

Payments on the bonds and capital leases payable that pertain to the City's Governmental Activities are made by the General Fund. The compensated absences liability attributable to the Governmental Activities will be liquidated by the City's General Fund and School Unrestricted Fund. The accrued retroactive payroll will be paid by the School Unrestricted Fund.

**CITY OF WARWICK, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 9 LONG-TERM LIABILITIES (CONTINUED)

B. Schedule of Bonds and Notes Payable

	Date of Issue	Interest Rate (%)	Maturity Date	Authorized and Issued	Outstanding Principal June 30, 2020	New Issues	Less Maturities During the Year	Outstanding Principal June 30, 2021
Governmental Funds								
Bonds and Notes Payable:								
Public Offerings:								
School	5/26/2011	3.0/5.0	1/15/2022	\$ 8,713,480	\$ 1,645,371	\$ -	\$ 1,133,000	\$ 512,371
School - Refunding	8/12/2015	1.5/4.0	8/1/2025	7,082,260	3,859,399	-	740,648	3,118,751
Highway/Drainage - Refunding	8/12/2015	1.5/4.0	8/1/2025	1,114,164	607,153	-	116,517	490,636
Open Space - Refunding	5/26/2011	3.0/5.0	1/15/2022	2,085,827	441,206	-	270,416	170,790
Animal Shelter - Refunding	5/26/2011	3.0/5.0	1/15/2022	610,184	79,938	-	79,938	-
City Buildings	5/26/2011	3.0/5.0	1/15/2022	1,266,653	302,400	-	163,632	138,768
City Buildings	8/1/2015	2.0/4.5	8/1/2035	3,455,000	2,933,731	-	143,031	2,790,700
Recreation Refunding	5/26/2011	3.0/5.0	1/15/2022	1,830,556	239,815	-	239,815	-
Recreation Refunding	8/12/2015	1.5/4.0	8/1/2025	1,474,090	803,290	-	154,157	649,133
Public Safety	8/12/2015	1.5/4.0	8/1/2025	3,916,764	2,134,398	-	409,607	1,724,791
Fire Station	8/12/2015	2.0/4.5	8/1/2035	1,980,000	1,681,270	-	81,967	1,599,303
Total Public Offerings				33,528,978	14,727,971	-	3,532,728	11,195,243
Direct Borrowings and Placements:								
School - RIHEBC	6/15/2010	5.75	4/1/2027	3,908,000	3,908,000	-	-	3,908,000
School - RIHEBC	11/15/2010	6.29	4/1/2027	4,212,000	4,212,000	-	-	4,212,000
School - RIHEBC	6/15/2013	3.52	5/15/2033	4,295,000	2,790,000	-	215,000	2,575,000
School - RIHEBC	8/6/2014	3.63	5/5/2034	3,370,000	2,545,000	-	145,000	2,400,000
School - RIHEBC	8/17/2016	3.72	5/15/2036	4,755,000	4,080,000	-	190,000	3,890,000
School - RIHEBC	10/16/2017	3.72	4/16/2032	4,460,000	3,845,000	-	260,000	3,585,000
School - RIHEBC	9/24/2019	3.0/4.0	5/15/2039	5,445,000	5,445,000	-	-	5,445,000
Municipal Road and Bridge Loan	7/17/2014	0.76/3.30	9/1/2034	1,600,000	1,267,000	-	70,000	1,197,000
Municipal Road and Bridge Loan	4/22/2020	0.89/1.44	9/1/2029	10,000,000	10,000,000	-	940,000	9,060,000
School - RIHEBC	8/4/2020	2.0/4.0	5/15/2040	6,400,000	-	6,400,000	-	6,400,000
Efficient Buildings - RIIB	10/29/2020	.23/1.06	9/1/2030	3,200,000	-	3,200,000	-	3,200,000
Total Direct Borrowings and Placements				51,645,000	38,092,000	9,600,000	1,820,000	45,872,000
Total Governmental Funds Bonds and Notes Payable				\$ 85,173,978	\$ 52,819,971	\$ 9,600,000	\$ 5,352,728	\$ 57,067,243
Enterprise Funds								
Water:								
Bonds and Notes Payable:								
Public Offerings:								
Water - Refunding	5/26/2011	3.0/5.0	1/15/2022	\$ 319,171	\$ 83,780	\$ -	\$ 41,104	\$ 42,676
Total Public Offerings				319,171	83,780	-	41,104	42,676
Sewer:								
Bonds and Notes Payable:								
Public Offerings:								
Sewer - Refunding	5/26/2011	3.0/5.0	1/15/2022	2,164,129	367,490	-	282,095	85,395
Sewer - Refunding **	8/12/2015	1.5/4.0	8/1/2025	10,222,722	5,570,761	-	1,069,071	4,501,690
Total Public Offerings				12,386,851	5,938,251	-	1,351,166	4,587,085
Direct Borrowings and Placements:								
Sewer - RIIB Loan	12/19/2000	2.90	9/1/2020	20,232,323	1,309,575	-	1,309,575	-
Sewer - RIIB Loan	4/25/2002	1.25	9/1/2022	12,000,000	2,280,188	-	737,768	1,542,420
Sewer - RIIB Loan	10/24/2002	1.00	9/1/2022	20,000,000	3,815,022	-	1,240,332	2,574,690
Sewer - RIIB Loan	11/13/2003	1.34	9/1/2024	20,000,000	5,737,000	-	1,100,000	4,637,000
Sewer - RIIB Loan	12/30/2004	1.40	9/1/2025	20,000,000	6,783,000	-	1,076,000	5,707,000
Sewer - RIIB Loan	12/15/2005	1.41	9/1/2026	5,000,000	1,750,000	-	250,000	1,500,000
Sewer - RIIB Loan	12/21/2006	1.27	9/1/2027	9,500,000	3,800,000	-	475,000	3,325,000
Sewer - RIIB Loan	12/12/2007	1.69/2.15	9/1/2026	6,942,000	3,125,000	-	347,000	2,778,000
Sewer - RIIB Loan	10/6/2009	1.26/3.35	9/1/2029	1,169,026	587,822	-	58,120	529,702
Sewer - RIIB Loan	3/6/2014	2.71	9/1/2034	7,000,000	5,564,000	-	300,000	5,264,000
Sewer - RIIB Loan	7/30/2015	0.69/2.89	9/1/2034	10,574,900	8,712,900	-	482,000	8,230,900
Sewer - RIIB Loan	6/2/2016	0.37/2.41	9/1/2035	8,000,000	6,920,000	-	369,000	6,551,000
Sewer - RIIB Loan	4/13/2017	0.71/2.57	9/1/2036	3,730,000	3,406,000	-	165,000	3,241,000
Sewer RIIB Conduit	4/30/2008	4.85	3/1/2028	4,000,000	2,050,000	-	215,000	1,835,000
Sewer RIIB Conduit	6/26/2012	3.29	9/1/2022	2,400,000	800,000	-	258,000	542,000
Sewer RIIB Conduit	3/31/2015	1.95	9/1/2034	3,500,000	2,877,000	-	161,000	2,716,000
Total Direct Borrowings and Placements				154,048,249	59,517,507	-	8,543,795	50,973,712
Total Enterprise Funds Bonds and Notes Payable				\$ 166,754,271	\$ 65,539,538	\$ -	\$ 9,936,065	\$ 55,603,473

CITY OF WARWICK, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 9 LONG-TERM LIABILITIES (CONTINUED)

C. Debt Maturity

Debt service requirements at June 30, 2021 were as follows:

Years Ending June 30,	Public Offerings			
	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2022	\$ 2,512,805	\$ 342,405	\$ 1,227,196	\$ 132,515
2023	1,752,940	273,647	1,142,060	94,746
2024	1,375,602	221,437	854,398	60,156
2025	1,425,549	177,003	884,452	32,029
2026	948,344	137,256	521,655	7,825
2027-2031	1,435,000	476,777	-	-
2032-2036	1,745,003	161,840	-	-
Total	<u>\$ 11,195,243</u>	<u>\$ 1,790,365</u>	<u>\$ 4,629,761</u>	<u>\$ 327,271</u>

Years Ending June 30,	Direct Borrowings and Placements			
	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2022	\$ 2,612,000	\$ 1,562,512	\$ 7,378,378	\$ 1,227,449
2023	2,667,000	1,502,094	7,529,972	1,073,955
2024	2,722,000	1,437,988	5,261,120	935,539
2025	2,777,000	1,368,033	5,353,121	788,798
2026	2,850,000	1,294,955	4,236,121	700,324
2027-2031	14,228,000	3,326,363	12,004,100	2,276,012
2032-2036	7,036,000	1,049,234	8,961,900	672,333
2037-2041	2,860,000	180,788	249,000	3,822
Total	<u>\$ 37,752,000</u>	<u>\$ 11,721,967</u>	<u>\$ 50,973,712</u>	<u>\$ 7,678,232</u>

The City has entered into numerous loan agreements with the Rhode Island Infrastructure Bank, formerly known as Rhode Island Clean Water Finance Agency. The loan proceeds are to be used by the City for the extension and upgrade of the City's sewer system. The Bank advances loan proceeds to the City periodically to reimburse the City for capital costs incurred on the projects.

The loan proceeds are to be used by the City for the extension and upgrade of the sewer system. The Bank pays project invoices certified by the City directly to the contractors or reimburses the City for costs incurred on the projects. As of June 30, 2021, loans payable of \$50,973,710 are reflected in the Sewer Fund. A due from the Rhode Island Infrastructure Bank of \$3,387,519 is shown for that portion of the loans, which has not been advanced as of June 30, 2021. The City is responsible to draw down and to repay the full amount of the loan.

**CITY OF WARWICK, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 9 LONG-TERM LIABILITIES (CONTINUED)

School RIHEBC Bonds

The proceeds from the bonds were used to finance the acquisition, construction, furnishing, and equipping of schools and school facilities, including but not limited to various school renovation projects, and to pay the costs of issuance. The \$3,908,000 bond and \$4,212,000 bond require sinking fund deposits to be held on deposit by the trustee and will be paid to the bondholders in full May 2027 for both bonds. While these sinking fund deposits do not allow the City to present these payments as retirements of the respective debt, the City has effectively accumulated \$4,060,000 to retire the debts in 2027. These restricted funds are shown as restricted fund balance within the debt service fund.

The future sinking fund deposit required to amortize the 2010 Revenue Bonds of \$3,908,000 and \$4,212,000 are as follows:

<u>Year Ended June 30,</u>	<u>\$3,908,000 Revenue Bond</u>	
	<u>Required Sinking Fund Deposits Principal</u>	<u>Actual Sinking Fund Deposits</u>
2012	\$ 244,250	\$ 244,250
2013	244,250	244,250
2014	244,250	244,250
2015	244,250	244,250
2016	244,250	244,250
2017	244,250	244,250
2018	244,250	244,250
2019	244,250	244,250
2020	244,250	244,250
2021	244,250	244,250
2022	244,250	-
2023	244,250	-
2024	244,250	-
2025	244,250	-
2026	244,250	-
2027	244,250	-
Total	\$ 3,908,000	\$ 2,442,500

CITY OF WARWICK, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 9 LONG-TERM LIABILITIES (CONTINUED)

<u>Year Ended June 30.</u>	\$4,212,000 Revenue Bond	
	Required Sinking Fund Deposits Principal	Actual Sinking Fund Deposits
2012	\$ 263,250	\$ 263,250
2013	263,250	263,250
2014	263,250	263,250
2015	263,250	263,250
2016	263,250	263,250
2017	263,250	263,250
2018	263,250	263,250
2019	263,250	263,250
2020	263,250	263,250
2021	263,250	263,250
2022	263,250	-
2023	263,250	-
2024	263,250	-
2025	263,250	-
2026	263,250	-
2027	263,250	-
Total	\$ 4,212,000	\$ 2,632,500

D. Bonds Authorized but Unissued

The following table sets forth amounts, purposes and statutorily authorized, but unissued general obligation debt of the City.

Purpose	Statutory Authorization	Authorized but Unissued Debt
Sewer Improvements	P.L. Ch. 223-1994	\$ 417,677
Open Space	P.L. Ch. 77-2000	175,000
Open Space	P.L. Ch. 125/479-2006	2,000,000
Recreation	P.L. Ch. 77-2000	500,000
Parks and Recreation	P.L. Ch. 74/147-2006	3,500,000
Drainage	P.L. Ch. 78-2002	3,000,000
Building Repairs	P.L. Ch. 426/527-2006	5,500,000
Mickey Stevens Sports Complex	P.L. Ch. 385-2006	7,000,000
School Renovations	P.L. Ch. 142-7962 & 142/2677	26,960,000
School Renovations	LA 059 2020 -- H 8041	56,000,000
Total		\$ 105,052,677

**CITY OF WARWICK, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 9 LONG-TERM LIABILITIES (CONTINUED)

E. Capital Lease Commitments

The City's capital lease program consists of five leases for the purchase of various vehicles and equipment valued at \$5,559,581. Depreciation expense for the year on those assets was \$523,006. The City may purchase leased vehicles and equipment as set forth in the lease agreements. Leases are renewed annually based on the City's appropriation of funds sufficient to pay the obligations under the lease agreements.

Obligations of Governmental Activities under capital leases at June 30, 2021 were as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Lease Payment Required</u>
2022	\$ 1,038,919
2023	976,303
2024	562,915
2025	562,915
2026	295,060
Future Minimum Rental Commitments	3,436,112
Interest Portion of Payments	(160,661)
Principal Portion of Payments	<u>\$ 3,275,451</u>

NOTE 10 INTERFUND RECEIVABLES AND PAYABLES

Interfund balances represent short-term advances from one fund (primarily the General Fund) to another fund. The advances may represent balances resulting from operating advances or reimbursement for expenditures paid by one fund or may simply be the result of pooling financial resources to maximize income. The composition of interfund balances at June 30, 2021 is as follows:

	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
General Fund	\$ 3,598,845	\$ 10,877,299
School Unrestricted Fund	11,570,923	-
Nonmajor Governmental Funds	3,497,417	7,186,226
ARPA Funds	-	226,004
Sewer Fund	275,420	-
Water Fund	-	2,456,197
Internal Service Fund	1,803,121	-
Total	<u>\$ 20,745,726</u>	<u>\$ 20,745,726</u>

**CITY OF WARWICK, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 11 FUND BALANCES

As of June 30, 2021, fund balances are composed of the following:

Fund Balances	General	School Unrestricted Fund	ARPA Fund	Nonmajor Governmental Funds	Total Governmental Funds
Nonspendable:					
Prepaid Expenses and Other Assets	\$ 70,205	\$ -	\$ -	\$ 176,703	\$ 246,908
Restricted:					
CDBG Programs	-	-	-	302,326	302,326
Drug-Related Property Seizure	-	-	-	148,688	148,688
Open Space Acquisition	-	-	-	389,181	389,181
Library Operations	-	-	-	194,054	194,054
Pilgrim Senior Center	-	-	-	31,542	31,542
Sewer Connections Assistance	-	-	-	16,558	16,558
Tourism	-	-	-	147,764	147,764
Emergency Operations FEMA	-	-	-	128,657	128,657
Waterfront Safety	-	-	-	262,483	262,483
Maintenance of Historical Records	-	-	-	974,784	974,784
Public Safety	-	-	-	229,261	229,261
Employee Benefit Trust	-	-	-	123,886	123,886
Treasurer's Agent	-	-	-	376,093	376,093
Neighbors Helping Neighbors	-	-	-	8,209	8,209
Education	-	-	-	1,658,247	1,658,247
Open Space Acquisition	-	-	-	348,695	348,695
School Capital Improvements	-	-	-	4,407,646	4,407,646
Road and Bridge Improvements	-	-	-	1,726,307	1,726,307
Municipal Building Improvements	-	-	-	4,962,154	4,962,154
Capital Leases	-	-	-	-	-
Debt Service	-	-	-	5,201,368	5,201,368
Assigned:					
Subsequent Year's Budget	5,876,468	-	-	-	5,876,468
Executive and Administrative	68,533	-	-	-	68,533
Public Safety	185,691	-	-	-	185,691
Planning	4,575	-	-	-	4,575
Public Works	292,270	-	-	-	292,270
Education	-	559,315	-	-	559,315
Other	3,394	-	-	-	3,394
Unassigned	26,567,022	-	-	(1,281,578)	25,285,444
Total Fund Balances	<u>\$ 33,068,158</u>	<u>\$ 559,315</u>	<u>\$ -</u>	<u>\$ 20,533,028</u>	<u>\$ 54,160,501</u>

**CITY OF WARWICK, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 12 INTERFUND TRANSFERS

The principal purpose of interfund transfers is to provide a financing source to various funds that may not have the ability to cover all costs with revenue generated by the fund. The composition of interfund transfers for the year ended June 30, 2021 is as follows:

	Transfers In	Transfers Out
Major Funds:		
General Fund	\$ 1,462,677	\$ 130,475,438
School Unrestricted Fund	129,967,938	27,932
Nonmajor Funds:		
Special Revenue Funds	27,932	553,677
Debt Service Fund	507,500	-
Enterprise Funds:		
Sewer	-	909,000
Total	\$ 131,966,047	\$ 131,966,047

NOTE 13 DEFINED BENEFIT PENSION PLANS

A. City Employees' Pension Plan

Summary of Significant Accounting Policies

Basis of Accounting

The City Employees' Pension Trust Fund's financial statements are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions are recognized when due and pursuant to legal requirements. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Investments are reported at fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates.

Plan Description

The City Employees' Pension Plan covers all City employees not covered by other plans. Nonelected employees are eligible to participate after six months of employment. Elected officials are eligible on the date they assume their elected position. The City Employees' Pension Plan is a single employer defined benefit pension plan that was established in 1965. The City does not issue a separate publicly available financial report.

**CITY OF WARWICK, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 13 DEFINED BENEFIT PENSION PLANS (CONTINUED)

A. City Employees' Pension Plan (Continued)

As of July 1, 2020, employee membership data related to the pension plan was as follows:

Active Plan Members	332
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	430
Inactive Plan Members Entitled to, but not Yet Receiving Benefits	<u>37</u>
Total	<u><u>799</u></u>

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

Benefit Provisions

Members in the plan who have attained age 65 and have reached their fifth anniversary of participation may retire. The normal monthly retirement benefit is equal to 2.5% of their final average monthly compensation multiplied by years of creditable service. Final average monthly compensation is one-twelfth of the average of the highest three consecutive years of base compensation. However, no elected member will receive less than one-twelfth of the sum of \$1,500 plus \$200 multiplied by years of creditable service; the sum not to exceed \$5,500. Effective September 1, 1994, the plan compensation is equal to the sum of base compensation and longevity pay. Eligibility for early retirement is after age 55 with at least 10 years of creditable service or any member whose age plus service totals 80 or more. Effective for new hires after July 1, 2012, the eligibility requirement changes to the attainment of age 59 with 25 years of service, or age 65 if vested. Additionally, the monthly retirement benefit decreases to 2% of final average monthly compensation multiplied by years of creditable service. Benefits will be calculated based upon the average of the last three years of service. Effective September 1, 1994, an elected official is eligible upon the attainment of age 55 with at least six years of service. The retirement benefit for early retirement is determined under the normal retirement formula above reduced for commencement prior to age 65. The reduction is equal to 0.5% per month for the first 60 months prior to age 65 plus 0.33% per month in excess of 60. If the sum of the retired member's years of age plus service is at least equal to 80, there is no reduction for early commencement. The provision for late retirement is continued employment beyond normal retirement. The retirement benefit for late retirement is the same as the normal retirement benefit formula determined as of the member's actual retirement date.

CITY OF WARWICK, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 13 DEFINED BENEFIT PENSION PLANS (CONTINUED)

A. City Employees' Pension Plan (Continued)

Upon termination of employment, a nonelected member is eligible for a benefit deferred to retirement age after 10 years of creditable service. An elected member is eligible after six years of creditable service. The benefit is the same as early retirement. For all members except elected officials, the benefit amount determined under the normal retirement formula is increased by 3% per year between termination and retirement. In lieu of receiving retirement benefits, a member may receive a lump-sum payment of his or her accumulated contributions with interest at any time prior to the commencement of retirement benefits.

A nonelected member who leaves employment prior to completing 10 years of creditable service or an elected member who leaves prior to completing six years of creditable service will receive a lump-sum payment of his or her accumulated contributions with interest.

A nonelected member who has completed 10 years of creditable service or an elected member who has completed 6 years of creditable service, and who is totally disabled as determined by the City's medical board is eligible for disability retirement. The disability retirement benefit formula is the same as normal retirement but reduced by worker's compensation payments.

Any married nonelected member with 10 years creditable service or any married elected member with six years of creditable service who dies while still employed after age 50 is eligible for pre-retirement death benefits. The benefit is the same as vested deferred or early retirement with reduction for each month by which benefit commencement precedes age 65 and further reduced to reflect the optional form of payment which provides payments at the same rate to the surviving spouse. A member's surviving spouse may elect to receive a lump-sum payment equal to the member's accumulated contributions with interest in lieu of the annuity described above.

Any terminated member with a deferred vested benefit or an active member not eligible for the surviving spouse's annuity described above is eligible for death benefits before retirement benefits equal to one lump-sum pay of the member's accumulated contributions with interest.

Effective September 1, 1994, a member may, in lieu of receiving one half of his or her accumulated sick pay in cash at termination or retirement, receive a pension service credit for unused sick pay (six-month maximum).

**CITY OF WARWICK, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 13 DEFINED BENEFIT PENSION PLANS (CONTINUED)

A. City Employees' Pension Plan (Continued)

Contributions

The City's annual contribution to the plan is based upon an actuarially determined amount recommended by an independent actuary. During fiscal 2021, this contribution amounted to \$7,390,390. In addition, the nonelected plan members contribute 8.5% of their annual base compensation and longevity compensation. Elected plan members contribute 8.5% of their annual base compensation plus \$20.00 per month. Administrative costs are included in the actuarial valuation as part of the normal cost and financed through contributions.

Investments

Investment Policy

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

The long-term rate of return on pension plan investments was determined using a building block method in which best-estimate ranges of future real rates of return are developed for each major asset class. These ranges are combined to produce the expected long-term rate of return by weighing the expected future rates of return by the target asset allocation percentage plus expected inflation.

Best estimates of geometric real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2021 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Fixed Income	25.00 %	0.33 - 3.23%
Large Cap Equity	27.00	5.73
Small/Mid Cap Equity	9.00	6.78
International Equity	29.00	6.56 - 8.55
Inflation Protection	5.00	3.22
Multi Asset	5.00	4.13
Total	<u>100.00 %</u>	<u>5.04 %</u>

**CITY OF WARWICK, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 13 DEFINED BENEFIT PENSION PLANS (CONTINUED)

A. City Employees' Pension Plan (Continued)

Rate of Return

For the year ended June 30, 2021, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 32.77%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Net Pension Liability

The City's net pension liability was measured as of June 30, 2021. The components of the net pension liability of the City at June 30, 2021 were as follows:

Total Pension Liability	\$ 196,191,729
Plan Fiduciary Net Position	<u>175,551,356</u>
City's Net Pension Liability	<u><u>\$ 20,640,373</u></u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	<u><u>89.48%</u></u>

Actuarial Assumptions

The following actuarial assumptions were used in the actuarial valuation dated July 1, 2020 and were rolled forward to the measurement date of June 30, 2021.

Actuarial Cost Method	Entry Age Normal
Inflation	2.50%
Salary Increases	3.00% to 7.00% including inflation
Investment Rate of Return	6.90%
Mortality Rates	(Male) 115% of PUB(10) Median Table for Health General Employees Males, projected with Scale Ultimate MP16 (Female) 111% of PUB(10) Median Table for Health General Employee Males, projected with Scale Ultimate MP16

Measurement of the Net Pension Liability

Discount Rate

The net pension liability is measured as the total pension liability, less the amount of the pension plan' fiduciary net position. In actuarial terms, this will be the accrued liability less the market value of assets (not the smoothed actuarial value of assets that is often encountered in actuarial valuations performed to determine the employer's contribution requirement).

CITY OF WARWICK, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 13 DEFINED BENEFIT PENSION PLANS (CONTINUED)

A. City Employees' Pension Plan (Continued)

A single discount rate of 6.90% was used to measure the total pension liability. This single discount rate was based on the expected rate of return on pension plan investments of 6.90%. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these 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.

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a - b)
Balance - June 30, 2020	\$ 190,254,508	\$ 135,668,767	\$ 54,585,741
Service Cost	2,677,781	-	2,677,781
Interest	12,784,135	-	12,784,135
Differences Between Expected and Actual Experience	(158,472)	-	(158,472)
Assumption Changes	3,434,790	-	3,434,790
Contributions - Employer	-	7,390,390	(7,390,390)
Contributions - Employee	-	1,713,881	(1,713,881)
Net Investment Income	-	43,662,282	(43,662,282)
Benefit Payments, Including Refunds of Contributions	(12,801,013)	(12,801,013)	-
Administrative Expense	-	(82,951)	82,951
Balance - June 30, 2021	<u>\$ 196,191,729</u>	<u>\$ 175,551,356</u>	<u>\$ 20,640,373</u>

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

Below is a table providing the sensitivity of the net pension liability to changes in the discount rate. In particular, the table presents the plan's net pension liability if it was calculated using a single discount rate that is 1 percentage point lower (5.90%) or 1 percentage point higher (7.90%) than the single discount rate:

	1% Decrease	Current Discount Rate	1% Increase
City Employees' Pension Plan	<u>\$ 43,183,743</u>	<u>\$ 20,640,373</u>	<u>\$ 1,790,222</u>

**CITY OF WARWICK, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 13 DEFINED BENEFIT PENSION PLANS (CONTINUED)

A. City Employees' Pension Plan (Continued)

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

For the year ended June 30, 2021, the City Employee Pension Plan recognized pension expense of \$912,251. As of June 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 2,182,520	\$ 117,326
Changes of Assumptions	2,542,984	-
Net Difference Between Projected and Actual Earning on Pension Plan Investments	-	21,939,460
Total	\$ 4,725,504	\$ 22,056,786

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

<u>Year Ending June 30,</u>	Net Deferred Outflows (Inflows) of Resources
2022	\$ (2,793,807)
2023	(3,115,343)
2024	(4,536,262)
2025	(6,885,870)
Total	\$ (17,331,282)

B. Police I and Fire Pension Plan

Summary of Significant Accounting Policies

Basis of Accounting

The Police I and Fire Pension Trust Fund's financial statements are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions are recognized when due and pursuant to legal requirements. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Investments are reported at fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates.

**CITY OF WARWICK, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 13 DEFINED BENEFIT PENSION PLANS (CONTINUED)

B. Police I and Fire Pension Plan (Continued)

Plan Description

The City of Warwick's Police I and Fire Pension Plan covers all City Police Officers that were appointed before February 1, 1971, and all permanent members of the City's Fire Department appointed before May 29, 1992. The plan is closed to new members. The Police I and Fire Pension Plan is a single employer defined benefit pension plan that was established in 1953. The City does not issue a separate publicly available financial report.

As of July 1, 2020, employee membership date related to the pension plan was as follows:

Active Plan Members	4
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	403
Inactive Plan Members Entitled to, but not Yet Receiving Benefits	-
Total	407

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

Benefit Provisions – Police Officers

Benefits provided to remaining active police officers are in accordance with the City's Code of Ordinances. Retirement, death, and disability benefits payable to retired members and beneficiaries are indexed in accordance with the base salary increases provided to active members of the police force.

Benefit Provisions – Firefighters

Participating firefighters in the plan who have completed 20 years of service may retire. The normal annual retirement benefit is equal to 50% of highest annual salary plus 1% of salary for each year of service in excess of 20 years (maximum 10). For pension purposes, annual salary includes regular, longevity and holiday pay.

Any firefighter retiring after July 23, 1996 may also irrevocably elect to have his or her pension calculated under the City's Fire II Pension Plan. The Fire II benefit formula is 50% of the final year's compensation. Plus 2% for each year of service from 20 to 25 years, plus 3% for each year of service from 25 to 30 years with a fixed compounded cost of living adjustment.

CITY OF WARWICK, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 13 DEFINED BENEFIT PENSION PLANS (CONTINUED)

B. Police I and Fire Pension Plan (Continued)

A participant who is unable to perform active duty as a firefighter, which the Board of Public Safety finds to be permanently incapacitating, is eligible to receive disability retirement benefits. The service-related disability retirement benefit for disabilities involving heart, lung, cancer, or other social security disabilities is 66.67% of the highest annual salary, reduced for each dollar of earned income in excess of the salary the member would earn as an active employee, to a minimum of 50% of annual salary. The other service-related and nonservice-related benefit is 50% of annual salary.

A member is eligible for a return of contributions without interest for terminations prior to the completion of 10 years of service. For termination after the completion of 10 years of service, but prior to eligibility for retirement, the employee is eligible for a deferred benefit equal to 2.5% of annual salary at termination, multiplied by the number of full years of service, payable on the 20th anniversary of employment.

The Plan provides death benefits to a participant's spouse and dependents if the participant dies while actively employed. Per City Ordinance, the service-related death benefit is 50% of the deceased member's average salary, payable to the surviving spouse until death or earlier remarriage. However, it must be noted that Rhode Island State Law, Chapter 45-21-4, raises the percentage to 67.5%. For nonservice-related death, the annual benefit is 30% of the deceased member's highest annual salary, payable to the surviving spouse until death or remarriage. The benefit for surviving children is 10% of the deceased member's highest annual salary, payable to each surviving child until age 18 (or for life if such child becomes permanently disabled prior to the member's death). The maximum family death benefit for service-related death is 75% of the deceased member's highest annual salary and for nonservice-related deaths 50% of the highest annual salary.

A lump-sum payment equal to the member's accumulated contributions without interest shall be paid to the estate of any active member who dies with no surviving spouse or children.

Benefits provided to remaining active police officers and firefighters are in accordance with the proposed restatement of Section 15-19 of the City's Code of Ordinances. Retirement, death, and disability benefits payable to retired members and beneficiaries are indexed in accordance with the base salary increases provided to active members of the police force.

Funding Policy

Active plan members contribute 7% of their covered earnings (regular, holiday and longevity). In addition, the City is required to contribute an actuarially determined amount each year, calculated in accordance with its pension ordinances. The statutory contribution level includes a 40-year amortization of the unfunded actuarial liability as a level percentage of payroll. During fiscal 2021, this contribution amounted to \$19,455,048. Administrative costs are netted against investment return in the actuarial valuation.

**CITY OF WARWICK, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 13 DEFINED BENEFIT PENSION PLANS (CONTINUED)

B. Police I and Fire Pension Plan (Continued)

Investments

Investment Policy

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

The long-term rate of return on pension plan investments was determined using a building block method in which best-estimate ranges of future real rates of return are developed for each major asset class. These ranges are combined to produce the expected long-term rate of return by weighing the expected future rates of return by the target asset allocation percentage plus expected inflation.

Best estimates of geometric real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2021 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Fixed Income	25.00 %	0.33 - 3.23%
Large Cap Equity	27.00	5.73
Small/Mid Cap Equity	9.00	6.78
International Equity	29.00	6.56 - 8.55
Inflation Protection	5.00	3.22
Multi Asset	5.00	4.13
Total	<u>100.00 %</u>	<u>5.04 %</u>

Rate of Return

For the year ended June 30, 2021, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 29.95%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

**CITY OF WARWICK, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 13 DEFINED BENEFIT PENSION PLANS (CONTINUED)

B. Police I and Fire Pension Plan (Continued)

Net Pension Liability

The components of the net pension liability of the City at June 30, 2021 were as follows:

Total Pension Liability	\$ 299,237,410
Plan Fiduciary Net Position	82,149,124
City's Net Pension Liability	<u>\$ 217,088,286</u>
 Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	 <u>27.5%</u>

Actuarial Assumptions

The following actuarial assumptions were used in the July 1, 2020 valuation and rolled forward to the measurement date of June 30, 2021.

Actuarial Cost Method	Entry Age Normal
Inflation	2.50%
Salary Increases	3.50% to 13.50% including inflation
Investment Rate of Return	6.90%
Mortality Rates	(Male) 115% of PUB(10) Median Table for Health General Employees Males, projected with Scale Ultimate MP16 (Female) 111% of PUB(10) Median Table for Health General Employee Males, projected with Scale Ultimate MP16

Measurement of the Net Pension Liability

Discount Rate

The net pension liability is measured as the total pension liability, less the amount of the pension plan's fiduciary net position. In actuarial terms, this will be the accrued liability less the market value of assets (not the smoothed actuarial value of assets that is often encountered in actuarial valuations performed to determine the employer's contribution requirement).

CITY OF WARWICK, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 13 DEFINED BENEFIT PENSION PLANS (CONTINUED)

B. Police I and Fire Pension Plan (Continued)

A single discount rate of 6.90% was used to measure the total pension liability. This single discount rate was based on the expected rate of return on pension plan investments of 6.90%. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these 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.

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a - b)
Balance - June 30, 2020	\$ 296,418,784	\$ 67,284,644	\$ 229,134,140
Service Cost	80,267	-	80,267
Interest	19,639,083	-	19,639,083
Differences Between Expected and Actual Experience	(5,067,311)	-	(5,067,311)
Assumption Changes	12,235,759	-	12,235,759
Contributions - Employer	-	19,455,048	(19,455,048)
Contributions - Employee	-	30,470	(30,470)
Net Investment Income	-	19,509,520	(19,509,520)
Benefit Payments, Including Refunds of Contributions	(24,069,172)	(24,069,172)	-
Administrative Expense	-	(61,386)	61,386
Balance - June 30, 2021	<u>\$ 299,237,410</u>	<u>\$ 82,149,124</u>	<u>\$ 217,088,286</u>

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

Below is a table providing the sensitivity of the net pension liability to changes in the discount rate. In particular, the table presents the plan's net pension liability if it was calculated using a single discount rate that is 1 percentage point lower (5.90%) or 1 percentage point higher (7.90%) than the single discount rate:

	1% Decrease	Current Discount Rate	1% Increase
Police I and Fire Pension Plan	<u>\$ 248,394,851</u>	<u>\$ 217,088,286</u>	<u>\$ 190,743,551</u>

**CITY OF WARWICK, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 13 DEFINED BENEFIT PENSION PLANS (CONTINUED)

B. Police I and Fire Pension Plan (Continued)

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

For the year ended June 30, 2021, the Police I and Fire Pension Plan recognized pension expense of \$19,552,033. As of June 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net Difference Between Projected and Actual Earning on Pension Plan Investments	\$ -	\$ 8,826,866
Total	\$ -	\$ 8,826,866

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

Year Ending June 30,	Net Deferred Outflows (Inflows) of Resources
2022	\$ (1,942,005)
2023	(1,723,283)
2024	(2,156,689)
2025	(3,004,889)
Total	\$ (8,826,866)

C. Police II Pension Plan

Summary of Significant Accounting Policies

Basis of Accounting

The Police II Pension Trust Fund's financial statements are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions are recognized when due and pursuant to legal requirements. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Investments are reported at fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates.

**CITY OF WARWICK, RHODE ISLAND
 NOTES TO BASIC FINANCIAL STATEMENTS
 JUNE 30, 2021**

NOTE 13 DEFINED BENEFIT PENSION PLANS (CONTINUED)

C. Police II Pension Plan (Continued)

Plan Description

The City of Warwick, Rhode Island's Police II Pension Plan covers all City Police Officers that were appointed after February 1, 1971. The Police Pension II Plan is a single-employer defined benefit pension plan that was established in 1971. The City does not issue a separate publicly available financial report.

As of July 1, 2021, employee membership data related to the pension plan was as follows:

Active Plan Members	164
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	215
Inactive Plan Members Entitled to, but not Yet Receiving Benefits	3
Total	382

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

Benefit Provisions

Members in the plan who have completed 20 years of service may retire. The normal annual retirement benefit is equal to 50% of annual salary at retirement plus incremental increases of 2% per year between the 20th and 25th years, and annual increases of 3% between the 26th and 30th years. For pension purposes, annual salary includes regular, longevity and holiday pay.

Effective for new hires after July 1, 2012, the eligibility requirement increases to 25 years of service. Additionally, the retirement benefit will now be calculated at a rate of 50% of the average salary from the last three years of service, plus an additional 2% for every year of service from year 10 to retirement. The maximum pension benefit decreases from 75% after 30 years to 70% after 30 years.

A member who is unable to perform active as a result of disability, which the Board of Public Safety finds to be permanently incapacitating, is eligible to receive disability retirement benefits. The service-related disability retirement benefit is 66.67% of the highest annual salary, reduced for each dollar of earned income in excess of the salary the member would earn as an active employee, to a minimum of 50% of annual salary. The nonservice-related benefit is 50% of annual salary.

CITY OF WARWICK, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 13 DEFINED BENEFIT PENSION PLANS (CONTINUED)

C. Police II Pension Plan (Continued)

A member who leaves employment prior to completing 10 years of service will receive a lump-sum payment of accumulated contributions without interest. For termination after the completion of 10 years of service, but prior to eligibility for retirement, the employee is eligible for a deferred benefit equal to 2.5% of annual salary at termination, multiplied by the number of full years of service, payable on the 20th anniversary of employment.

The Plan provides death benefits to a participant's spouse and dependents if the participant dies while actively employed. Per City Ordinance, the service-related death benefit is 50% of the deceased member's average salary, payable to the surviving spouse until death or earlier remarriage. However, it must be noted that Rhode Island State Law, Chapter 45-21-4, raises the percentage to 67.5%. For nonservice-related death, the annual benefit is 30% of the deceased member's highest annual salary, payable to the surviving spouse until death or remarriage. The benefit for surviving children is 10% of the deceased member's highest annual salary, payable to each surviving child until age 18 (or for life if such child becomes permanently disabled prior to the member's death). The maximum family death benefit for service-related death is 75% of the deceased member's highest annual salary and for nonservice-related deaths 50% of the highest annual salary.

A lump-sum payment equal to the member's accumulated contributions without interest shall be paid to the estate of any active member who dies with no surviving spouse or children.

Funding Policy

Active plan members contribute a percentage of their covered earnings (regular, holiday, and longevity) equal to $\frac{1}{3}$ of the actuarially determined contribution rate. The City is required to contribute $\frac{2}{3}$ of the actuarially determined contribution rate. For fiscal year 2021, employees were required to contribute 16.71% and the City was required to contribute 33.43% of covered earnings, which amounted to \$4,920,611. The statutory contribution level includes a 20, 25, and 30-year amortization of the unfunded actuarial liability as a level percentage of payroll. Administrative costs are netted against investment return in the actuarial valuation.

Investments

Investment Policy

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

**CITY OF WARWICK, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 13 DEFINED BENEFIT PENSION PLANS (CONTINUED)

C. Police II Pension Plan (Continued)

The long-term rate of return on pension plan investments was determined using a building block method in which best-estimate ranges of future real rates of return are developed for each major asset class. These ranges are combined to produce the expected long-term rate of return by weighing the expected future rates of return by the target asset allocation percentage plus expected inflation.

Best estimates of geometric real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2021 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Fixed Income	25.00 %	0.33 - 3.23%
Large Cap Equity	27.00	5.73
Small/Mid Cap Equity	9.00	6.78
International Equity	29.00	6.56 - 8.55
Inflation Protection	5.00	3.22
Multi Asset	5.00	4.13
Total	<u>100.00 %</u>	<u>5.04 %</u>

Rate of Return

For the year ended June 30, 2021, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 30.93%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Net Pension Liability

The components of the net pension liability of the City at June 30, 2021 were as follows:

Total Pension Liability	\$ 285,066,746
Plan Fiduciary Net Position	<u>266,467,262</u>
City's Net Pension Liability	<u>\$ 18,599,484</u>
 Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	 <u>93.5%</u>

CITY OF WARWICK, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 13 DEFINED BENEFIT PENSION PLANS (CONTINUED)

C. Police II Pension Plan (Continued)

Actuarial Assumptions

The following actuarial assumptions, used in the valuation dated July 1, 2020, and rolled forward to the measurement date of June 30, 2021.

Actuarial Cost Method	Entry Age Normal Actuarial Cost Method
	2.50%
Salary Increases	3.50% to 13.50% including inflation
Investment Rate of Return	6.90%
Mortality Rates	(Male) 115% of PUB(10) Median Table for Health General Employees Males, projected with Scale Ultimate MP16 (Female) 111% of PUB(10) Median Table for Health General Employee Males, projected with Scale Ultimate MP16

Measurement of the Net Pension Liability

Discount Rate

The net pension liability is measured as the total pension liability, less the amount of the pension plan's fiduciary net position. In actuarial terms, this will be the accrued liability less the market value of assets (not the smoothed actuarial value of assets that is often encountered in actuarial valuations performed to determine the employer's contribution requirement).

A single discount rate of 6.90% was used to measure the total pension liability. This single discount rate was based on the expected rate of return on pension plan investments of 6.90%. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

CITY OF WARWICK, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 13 DEFINED BENEFIT PENSION PLANS (CONTINUED)

C. Police II Pension Plan (Continued)

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a - b)
Balance - June 30, 2020	\$ 264,748,873	\$ 208,004,463	\$ 56,744,410
Service Cost	4,706,043	-	4,706,043
Interest	18,006,298	-	18,006,298
Differences Between Expected and Actual Experience	799,252	-	799,252
Assumption Changes	9,216,906	-	9,216,906
Contributions - Employer	-	4,920,611	(4,920,611)
Contributions - Employee	-	2,564,911	(2,564,911)
Net Investment Income	-	63,503,368	(63,503,368)
Benefit Payments, Including Refunds of Contributions	(12,410,626)	(12,410,626)	-
Administrative Expense	-	(115,465)	115,465
Balance - June 30, 2021	<u>\$ 285,066,746</u>	<u>\$ 266,467,262</u>	<u>\$ 18,599,484</u>

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

Below is a table providing the sensitivity of the net pension liability to changes in the discount rate. In particular, the table presents the plan's net pension liability if it was calculated using a single discount rate that is 1 percentage point lower (5.90%) or 1 percentage point higher (7.90%) than the single discount rate:

	1% Decrease	Current Discount Rate	1% Increase
Police Pension Plan II	<u>\$ 60,933,295</u>	<u>\$ 18,599,484</u>	<u>\$ (15,614,483)</u>

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

For the year ended June 30, 2021, the Police II Pension Plan recognized pension expense of (\$1,389,740). As of June 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 952,876	\$ 337,011
Changes of Assumptions	7,561,868	-
Net Difference Between Projected and Actual Earning on Pension Plan Investments	-	30,462,324
Total	<u>\$ 8,514,744</u>	<u>\$ 30,799,335</u>

**CITY OF WARWICK, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 13 DEFINED BENEFIT PENSION PLANS (CONTINUED)

C. Police II Pension Plan (Continued)

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

<u>Year Ending June 30,</u>	<u>Net Deferred Outflows (Inflows) of Resources</u>
2022	\$ (5,325,405)
2023	(4,357,854)
2024	(5,577,915)
2025	(8,047,275)
Thereafter	1,023,858
Total	<u><u>\$ (22,284,591)</u></u>

D. Fire II Pension Plan

Summary of Significant Accounting Policies

Basis of Accounting

The Fire II Pension Trust Fund's financial statements are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions are recognized when due and pursuant to legal requirements. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Investments are reported at fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates.

Plan Description

The City of Warwick's Fire Pension II Plan covers all City firefighters who were appointed after May 29, 1992. The Fire Pension II Plan is a single employer defined benefit pension plan that was established in 1992. The City does not issue a separate, publicly available report.

As of July 1, 2020, employee membership data related to the pension plan was as follows:

Active Plan Members	178
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	32
Inactive Plan Members Entitled to, but not Yet Receiving Benefits	1
Total	<u><u>211</u></u>

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

CITY OF WARWICK, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 13 DEFINED BENEFIT PENSION PLANS (CONTINUED)

D. Fire II Pension Plan (Continued)

Benefit Provisions

A member who has completed 20 years of service may retire. Such member shall receive an annual benefit equal to 50% of their last year's salary, plus 2% of their average salary for each of service from 20-25, plus 3% for each year of service from 25-30. For pension purposes, annual salary includes regular, holiday and longevity pay.

Effective for new hires after July 1, 2012, the eligibility requirement increases to 25 years of service. Additionally, the retirement benefit will now be calculated at a rate of 50% of the average salary from the last three years of service, plus an additional 2% for every year of service from year 10 to retirement. The maximum pension benefit decreases from 75% after 20 years to 70% after 30 years. Currently, this new benefit provision is being contested by the Local 2748 International Association of Firefighters AFL-CIO.

A member who is unable to perform active duty as a result of disability, which the Board of Public Safety finds to be permanently incapacitating, is eligible to receive disability retirement benefits. The annual benefit for a service-related disability involving any heart, lung, cancer or other social security disability is 66.67% of the member's average salary, reduced for each dollar of earned income in excess of the salary the member would earn as an active employee, to a minimum of 50% of salary. The benefit for other service-related and nonservice-related disabilities is 50% of the member's average salary.

The Plan provides death benefits to a participant's spouse and dependents if the participant dies while actively employed. Per City Ordinance, the service-related death benefit is 50% of the deceased member's average salary, payable to the surviving spouse until death or earlier remarriage. However, it must be noted that Rhode Island State Law, Chapter 45-21-4, raises the percentage to 67.5%. For nonservice-related death, the annual benefit is 30% of the deceased member's highest annual salary, payable to the surviving spouse until death or remarriage. The benefit for surviving children is 10% of the deceased member's highest annual salary, payable to each surviving child until age 18 (or for life if such child becomes permanently disabled prior to the member's death). The maximum family death benefit for service-related death is 75% of the deceased member's highest annual salary and for nonservice-related deaths 50% of the highest annual salary.

CITY OF WARWICK, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 13 DEFINED BENEFIT PENSION PLANS (CONTINUED)

D. Fire II Pension Plan (Continued)

A lump-sum payment equal to the member's accumulated contributions without interest shall be paid to the estate of any active member who dies with no surviving spouse or children.

Any member who terminates employment with 10 years or more of creditable service, but less than 20 years of creditable service, shall receive an annual benefit commencing at normal retirement age equal to 2.5% of average salary multiplied by full years of service at termination.

Any member who terminates employment prior to the completion of ten years of creditable service will receive a lump-sum payment of his or her accumulated contributions without interest.

Funding Policy

Active plan members contribute a percentage of their covered earnings (regular, holiday and longevity) equal to $\frac{1}{3}$ of the actuarially determined contribution rate. The City is required to contribute $\frac{2}{3}$ of the actuarially determined contribution rate. Administrative costs are netted against investment return in the actuarial valuation. For fiscal year 2021, employees were required to contribute 14.29% and the City was required to contribute 28.57% of covered earnings which amounted to \$4,584,284.

Investments

Investment Policy

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

The long-term rate of return on pension plan investments was determined using a building block method in which best-estimate ranges of future rates of return are developed for each major asset class. These ranges are combined to produce the expected long-term rate of return by weighing the expected future rates of return by the target asset allocation percentage plus expected inflation.

**CITY OF WARWICK, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 13 DEFINED BENEFIT PENSION PLANS (CONTINUED)

D. Fire II Pension Plan (Continued)

Best estimates of geometric real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2021 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Fixed Income	25.00 %	0.33 - 3.23%
Large Cap Equity	27.00	5.73
Small/Mid Cap Equity	9.00	6.78
International Equity	29.00	6.56 - 8.55
Inflation Protection	5.00	3.22
Multi Asset	5.00	4.13
Total	<u>100.00 %</u>	<u>5.04 %</u>

Rate of Return

For the year ended June 30, 2021, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 30.93%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Net Pension Liability

The components of the net pension liability of the City at June 30, 2021 were as follows:

Total Pension Liability	\$ 124,657,307
Plan Fiduciary Net Position	<u>119,682,795</u>
City's Net Pension Liability	<u>\$ 4,974,512</u>
 Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	 <u>96.0%</u>

Actuarial Assumptions

The following actuarial assumptions were used in the actuarial valuation dated July 1, 2020 and rolled forward to the measurement date of June 30, 2021.

Actuarial Cost Method	Entry Age Normal
Inflation	2.50%
Salary Increases	3.50% to 13.50% including inflation
Investment Rate of Return	6.90%
Mortality Rates	(Male) 115% of PUB(10) Median Table for Health General Employees Males, projected with Scale Ultimate MP16 (Female) 111% of PUB(10) Median Table for Health General Employee Males, projected with Scale Ultimate MP16

**CITY OF WARWICK, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 13 DEFINED BENEFIT PENSION PLANS (CONTINUED)

D. Fire II Pension Plan (Continued)

Measurement of the Net Pension Liability

Discount Rate

The net pension liability is measured as the total pension liability, less the amount of the pension plan's fiduciary net position. In actuarial terms, this will be the accrued liability less the market value of assets (not the smoothed actuarial value of assets that is often encountered in actuarial valuations performed to determine the employer's contribution requirement).

A single discount rate of 6.90% was used to measure the total pension liability. This single discount rate was based on the expected rate of return on pension plan investments of 6.90%. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these 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.

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a - b)
Balance - June 30, 2020	\$ 111,238,984	\$ 87,143,761	\$ 24,095,223
Service Cost	5,606,602	-	5,606,602
Interest	7,803,142	-	7,803,142
Differences Between Expected and Actual Experience	(2,087,914)	-	(2,087,914)
Assumption Changes	3,940,260	-	3,940,260
Contributions - Employer	-	4,584,284	(4,584,284)
Contributions - Employee	-	2,298,409	(2,298,409)
Net Investment Income	-	27,534,636	(27,534,636)
Benefit Payments, Including Refunds of Contributions	(1,843,767)	(1,843,767)	-
Administrative Expense	-	(34,528)	34,528
Balance - June 30, 2021	<u>\$ 124,657,307</u>	<u>\$ 119,682,795</u>	<u>\$ 4,974,512</u>

**CITY OF WARWICK, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 13 DEFINED BENEFIT PENSION PLANS (CONTINUED)

D. Fire II Pension Plan (Continued)

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

Below is a table providing the sensitivity of the net pension liability to changes in the discount rate. In particular, the table presents the plan's net pension liability (asset) if it was calculated using a single discount rate that is 1 percentage point lower (5.90%) or 1 percentage point higher (7.90%) than the single discount rate:

	1% Decrease	Current Discount Rate	1% Increase
Fire II Pension Plan	\$ 29,406,453	\$ 4,974,512	\$ (14,059,943)

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

For the year ended June 30, 2021, the Fire II Pension Plan recognized pension expense of \$2,212,235. As of June 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 3,769,507	\$ 2,263,500
Changes of Assumptions	6,279,428	-
Net Difference Between Projected and Actual Earning on Pension Plan Investments	-	13,568,228
Total	\$ 10,048,935	\$ 15,831,728

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

Year Ending June 30,	Net Deferred Outflows (Inflows) of Resources
2022	\$ (1,928,005)
2023	(1,940,650)
2024	(2,304,310)
2025	(3,228,763)
2026	1,041,625
Thereafter	2,577,310
Total	\$ (5,782,793)

**CITY OF WARWICK, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 13 DEFINED BENEFIT PENSION PLANS (CONTINUED)

E. Warwick Public School Employees' Pension Plan

Summary of Significant Accounting Policies

Basis of Accounting

The Warwick Public School Employees' Pension Trust Fund's financial statements are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions are recognized when due and pursuant to legal requirements. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Investments are reported at fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates.

Plan Description

The Warwick Public School Employees' Pension Plan, a single-employer defined benefit public employee pension plan. All eligible Warwick Public School employees other than teachers are eligible to participate on the first of the month after completing three months of service. A person is eligible if they are (a) employed 20 hours or more per week and covered under the collective bargaining agreement, or (b) employed 20 hours or more per week in a noncertified management position, or (c) an elected School Committee member. There is no separate financial report issued for this plan.

As of July 1, 2020, employee membership data related to the pension plan was as follows:

Active Plan Members	331
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	186
Inactive Plan Members Entitled to, but not Yet Receiving Benefits	43
Total	<u>560</u>

Benefit Provisions

Participants are eligible for normal retirement at the later of age 62 or 10 years of plan participation or at any age upon completion of 32 years of service with 10 years of plan participation. The normal retirement benefit is 1.67% of average monthly earnings times years of participation, plus 0.33% times the average monthly earnings times years of participation exceeding 20 years. The normal form of benefit is a life annuity. Average monthly earnings are the monthly average of total compensation for the 3 consecutive years of highest compensation over the last 10 years.

The yearly annuity amount for a School Committee member who becomes a retired member is \$1,000 plus 4.8% times the salary amount for each plan year in which one made mandatory employee contributions.

The plan also provides death and disability benefits.

**CITY OF WARWICK, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 13 DEFINED BENEFIT PENSION PLANS (CONTINUED)

E. Warwick Public School Employees' Pension Plan (Continued)

The following table summarizes the plan's requirements and benefits:

<u>Plan Provisions</u>	
Effective Date:	July 1, 1965
Plan Year Beginning:	July 1, 2021
Requirements	Minimum Age: 0 Minimum Months of Service: 3
Eligible Class	An elected school committee member or a member covered by the collective bargaining agreement.
Entry Dates	1st day of the month coinciding with or next following the date the plan requirements are met.
Employee Contributions	5% of earnings
Normal Retirement Date	For participants other than School Committee Members, first day of the month coinciding with or next following the earlier of attainment of age 62 or 32 years of Credited Service. For School Committee Members, first day of the month coinciding with or next following the later of attainment of age 60 or 6 years of Credited Service.
Normal Retirement Benefit	1.67% of the member's average monthly earnings multiplied by years of participation, plus 0.33% times average monthly earnings times years of participation greater than 20.
Average Monthly Earnings	Monthly average of total compensation for the three consecutive years of highest compensation of the previous 10 years.
Maximum Annual Benefit	\$230,000 as adjusted per IRC Sec 415 for retirement age other than social security retirement age and annuity form.
Normal Form of Benefit	Life Annuity
Accrued Benefit	Normal Retirement Benefit based on earnings and participation to date.
Early Retirement Benefit	Minimum Age: 52 Minimum Service: 10 years Benefit Amount: Accrued benefit, reduced by 7% for each year by which early retirement precedes normal retirement.
Pre-Retirement Death Benefit	Member contributions with interest, plus a \$5,000 lump-sum benefit.
Disability Benefit	Determined in the same manner as the normal retirement benefit.
Vest Termination Benefit	Upon termination after 10 years of service, 100% of the accrued benefit, deferred until the normal retirement date. A school committee member is vested after six years of plan participation.

**CITY OF WARWICK, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 13 DEFINED BENEFIT PENSION PLANS (CONTINUED)

E. Warwick Public School Employees' Pension Plan (Continued)

Contributions

Plan members contribute 5% of earnings during the year. The School Department contributes based upon an annual actuarial valuation. During fiscal 2021, the School Department's contribution totaled \$559,592. Administrative costs are included in the actuarial valuation as part of the normal cost and financed through contributions.

Investments

Investment information has been provided by USI Advisors.

Investment Policy

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

This is an ongoing plan with a perpetual time horizon. For this reason, long-term capital market assumptions (20+ years) are applicable to approximate future real rate of return expectations. A modified building blocks methodology was used because being able to identify historical return premiums of asset classes in the context of varying market environments provides a reasonable basis to estimate the performance of asset classes going forward.

Best estimates of real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2021 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity - Large Cap	25.00 %	5.91 %
U.S. Equity - Small/Mid Cap	15.00	7.07
Non-U.S. Equity - Developed	10.00	6.77
Non-U.S. Equity - Emerging	5.00	8.97
U.S. Corporate Bonds - Core	10.00	1.54
U.S. Corporate Bonds - Long Duration	5.00	1.90
Non-U.S. Debt - Developed	4.00	0.35
U.S. Treasuries (Cash Equivalents)	17.00	0.11
TIPS (Inflation Protected)	4.00	0.75
Real Estate	5.00	5.62

**CITY OF WARWICK, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 13 DEFINED BENEFIT PENSION PLANS (CONTINUED)

E. Warwick Public School Employees' Pension Plan (Continued)

Rate of Return

For the year ended June 30, 2021, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 26.34%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Net Pension Liability

The City's net pension liability was measured as of June 30, 2021. The components of the net pension liability of the City at June 30, 2021 were as follows:

Total Pension Liability	\$ 68,944,315
Plan Fiduciary Net Position	<u>69,767,508</u>
City's Net Pension Asset	<u><u>\$ (823,193)</u></u>
 Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	 <u><u>101.19%</u></u>

Actuarial Assumptions

The following actuarial assumptions were used in the June 30, 2021 actuarial valuation:

Actuarial Cost Method	Individual Entry Age Normal
Amortization Method	Level Amortization
Salary Increases	4.50% for pre-age 50, 2.5% for post-age 50
Investment Rate of Return	6.75%
Mortality Rates	PubG-2010(B) with Generational Mortality Improvement and PubG-2010 Disabled Retiree Mortality with Generation Mortality Improvement

CITY OF WARWICK, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 13 DEFINED BENEFIT PENSION PLANS (CONTINUED)

E. Warwick Public School Employees' Pension Plan (Continued)

Measurement of the Net Pension Liability

Discount Rate

The net pension liability is measured as the total pension liability, less the amount of the pension plan's fiduciary net position. In actuarial terms, this will be the accrued liability less the market value of assets (not the smoothed actuarial value of assets that is often encountered in actuarial valuations performed to determine the employer's contribution requirement).

A single discount rate of 6.75% was used to measure the total pension liability. This single discount rate was based on the expected rate of return on pension plan investments of 6.75%. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Asset (a - b)
Balance - June 30, 2020	\$ 65,479,929	\$ 57,236,688	\$ 8,243,241
Service Cost	1,288,330	-	1,288,330
Interest	4,393,115	-	4,393,115
Differences Between Expected and Actual Experience	1,395,609	-	1,395,609
Assumption Changes	(186,566)	-	(186,566)
Contributions - Employer	-	559,592	(559,592)
Contributions - Employee	-	783,020	(783,020)
Net Investment Income	-	14,839,413	(14,839,413)
Benefit Payments, Including Refunds of Contributions	(3,426,102)	(3,426,102)	-
Administrative Expense	-	(225,103)	225,103
Balance - June 30, 2021	<u>\$ 68,944,315</u>	<u>\$ 69,767,508</u>	<u>\$ (823,193)</u>

**CITY OF WARWICK, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 13 DEFINED BENEFIT PENSION PLANS (CONTINUED)

E. Warwick Public School Employees' Pension Plan (Continued)

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

Below is a table providing the sensitivity of the net pension liability to changes in the discount rate. In particular, the table presents the plan's net pension liability (asset) if it was calculated using a single discount rate that is 1 percentage point lower (5.75%) or 1 percentage point higher (7.75%) than the single discount rate:

	1% Decrease	Current Discount Rate	1% Increase
Warwick School Employees	\$ 6,759,506	\$ (823,193)	\$ (7,278,256)

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

For the year ended June 30, 2021, the Warwick Public School Employees Pension Plan recognized pension expense of (\$21,348). As of June 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 2,430,336	\$ 12,305
Changes of Assumptions	1,209,821	251,647
Net Difference Between Projected and Actual Earning on Pension Plan Investments	-	8,326,014
Total	\$ 3,640,157	\$ 8,589,966

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

Year Ending June 30,	Net Deferred Outflows (Inflows) of Resources
2022	\$ (957,752)
2023	(985,774)
2024	(1,155,544)
2025	(1,966,612)
2026	115,873
Total	\$ (4,949,809)

**CITY OF WARWICK, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 13 DEFINED BENEFIT PENSION PLANS (CONTINUED)

F. Employees' Retirement System Plan - Teachers

Summary of Significant Accounting Policies

Plan Description

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

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

Benefit Provisions

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

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

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

**CITY OF WARWICK, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 13 DEFINED BENEFIT PENSION PLANS (CONTINUED)

F. Employees' Retirement System Plan – Teachers (Continued)

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

Funding Policy

The funding policy, as set forth in the General Laws, Section 16-16-22, provides for actuarially determined periodic contributions to the plan. For fiscal 2021, Warwick Public School System Teachers were required to contribute 3.75% of their annual covered salary, except for teachers with 20 or more years of service as of June 30, 2012 who must contribute 11% of their annual covered salary. The state and Warwick Public Schools are required to contribute at an actuarially determined rate, 40% of which is to be paid by the state and the remaining 60% is to be paid by Warwick Public Schools; the rates were 10.75% and 14.50% of annual covered payroll for the fiscal year ended June 30, 2021 for the state and Warwick Public Schools, respectively. Warwick Public Schools contributed \$12,218,833 for the fiscal year ended June 30, 2021, equal to 100% of the required contributions for each year. The State's share of contribution for fiscal year 2021 was \$10,387,646 and is reported as on-behalf payments and included in both revenue and expenditures on the financial statements.

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

At June 30, 2021, Warwick Public Schools reported a liability of \$138,142,866 for its proportionate share of the net pension liability that reflected a reduction for contributions made by the state. The amount recognized by Warwick Public Schools as its proportionate share of the net pension liability, the related state support and the total portion of the net pension liability that was associated with Warwick Public Schools were as follows:

Warwick Public School's Proportionate Share of the Net Pension Liability	\$ 138,142,866
State of Rhode Island's Proportionate Share of the Net Pension Liability	<u>102,643,533</u>
Total	<u><u>\$ 240,786,399</u></u>

The net pension liability was measured as of June 30, 2020, the measurement date, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2019 rolled forward to June 30, 2020. Warwick Public School's proportion of the net pension liability was based on a projection of Warwick Public School's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers and the state, actuarially determined. At June 30, 2020, Warwick Public School's proportion was 4.32%, compared to 4.33% in the prior year.

**CITY OF WARWICK, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 13 DEFINED BENEFIT PENSION PLANS (CONTINUED)

F. Employees' Retirement System Plan – Teachers (Continued)

For the year ended June 30, 2021, Warwick Public Schools recognized gross pension expense of \$10,957,948 and revenue of \$10,387,646 for support provided by the state. At June 30, 2021, Warwick Public Schools reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 1,350,668	\$ 2,692,196
Changes of Assumptions	6,166,918	3,219,188
Net Difference Between Projected and Actual Earning on Pension Plan Investments	2,804,577	-
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	2,584,711	9,009,673
Contributions Subsequent to the Measurement Date	12,218,833	-
Total	\$ 25,125,707	\$ 14,921,057

An amount of \$12,218,833 reported as deferred outflows of resources related to pensions resulting from Warwick Public School's contributions in fiscal year 2021 subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30,	Net Deferred Outflows (Inflows) of Resources
2022	\$ (2,383,147)
2023	(302,513)
2024	1,094,459
2025	996,388
2026	(881,462)
Thereafter	(537,908)
Total	\$ (2,014,183)

**CITY OF WARWICK, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 13 DEFINED BENEFIT PENSION PLANS (CONTINUED)

F. Employees' Retirement System Plan – Teachers (Continued)

Actuarial Assumptions

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

Inflation	2.5%
Salary Increases	3.0% to 13.0%
Investment Rate of Return	7.0%
Mortality - variants of the PUB (10) Tables for Healthy and Disabled Retirees, projected with Scale Ultimate MP16.	

The actuarial assumptions used in the June 30, 2019 valuation rolled forward to June 30, 2020 and the calculation of the total pension liability at June 30, 2020 were consistent with the results of an actuarial experience study performed as of June 30, 2016.

Investments

The long-term expected rate of return best-estimate on pension plan investments was determined by the actuary using a building-block method. The actuary started by calculating best-estimate future expected real rates of return (expected returns net of pension plan investment expense and inflation) for each major asset class, based on a collective summary of capital market expectations from 34 sources. The June 30, 2020 expected arithmetic returns over the long-term (20 years) by asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Global Equity:		
U.S. Equity	23.00 %	6.31 %
International Developed Equity	12.10	6.71
Emerging Markets Equity	4.90	8.69
Private Growth:		
Private Equity	11.25	9.71
Non-Core Real Estate	2.25	5.66
Opportunistic Private Credit	1.50	9.71
Income:		
High Yield Infrastructure	1.00	3.88
REITS	1.00	5.66
Equity Options	2.00	6.04
EMD (50/50 Blend)	2.00	2.28
Liquid Credit	2.80	3.88
Private Credit	3.20	3.88
Crisis Protection Class:		
Treasury Duration	5.00	0.10
Systematic Trend	5.00	3.84
Inflation Protection:		
Core Real Estate	3.60	5.66
Private Infrastructure	2.40	6.06
TIPs	2.00	0.74
Volatility Protection:		
IG Corp Credit	3.25	1.54
Securitized Credit	3.25	1.54
Absolute Return	6.50	3.84
Cash	2.00	0.10
	100.00 %	

**CITY OF WARWICK, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 13 DEFINED BENEFIT PENSION PLANS (CONTINUED)

F. Employees' Retirement System Plan – Teachers (Continued)

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

Discount Rate

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

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

Below is a table providing the sensitivity of the net pension liability to changes in the discount rate. In particular, the table presents the plan's net pension liability if it was calculated using a single discount rate that is 1 percentage point lower (6.0%) or 1 percentage point higher (8.0%) than the single discount rate (7.0%):

	1% Decrease	Current Discount Rate	1% Increase
School Teacher's Pension Plan	\$ 165,749,588	\$ 138,142,866	\$ 104,826,087

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

G. Summarized Net Pension Liability, Deferred Outflows and Inflows of Resources and Pension Expense

	City Employees' Pension	Police I and Fire Pension	Police II Pension	Fire II Pension	Public School Employees' Pension	Public School Teachers' Pension	Total
Net Pension Liability	\$ 20,640,373	\$ 217,088,286	\$ 18,599,484	\$ 4,974,512	\$ -	\$ 138,142,866	\$ 399,445,521
Net Pension Asset	-	-	-	-	823,193	-	823,193
Deferred Outflows of Resources	4,725,504	-	8,514,744	10,048,935	3,640,157	25,125,707	52,055,047
Deferred Inflows of Resources	22,056,786	8,826,866	30,799,335	15,831,728	8,589,966	14,921,057	101,025,738
Pension Expense	912,251	19,552,033	(1,389,740)	2,212,235	(21,348)	10,957,948	32,223,379

**CITY OF WARWICK, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 13 DEFINED BENEFIT PENSION PLANS (CONTINUED)

H. Combining Schedule of Net Position – Pension Trust Funds

	Police Pension I and Fire Pension	Police Pension II	City Employees Pension	Fire Pension II	Other School Department Employees	Total
Assets						
Cash	\$ 2,014,785	\$ 159,250	\$ 1,353,382	\$ 2,607,570	\$ 207,619	\$ 6,342,606
Investments, at Fair Value:						
Mutual Funds	45,630,403	152,056,126	100,151,649	67,078,313	65,417,212	430,333,703
Equity Investments	13,066,655	42,238,981	27,242,395	17,534,377	-	100,082,408
Index Funds	15,027,611	50,834,057	33,150,771	22,838,016	-	121,850,455
Fixed Income Securities	6,491,322	21,392,820	13,797,185	9,702,059	-	51,383,386
Group Annuity Contracts	-	-	-	-	4,142,677	4,142,677
Total Assets	82,230,776	266,681,234	175,695,382	119,760,335	69,767,508	714,135,235
Liabilities						
Accounts Payable and Accrued Expenses	81,652	213,972	144,026	77,540	-	517,190
Net Position						
Held in Trust for Pension Benefits	\$ 82,149,124	\$ 266,467,262	\$ 175,551,356	\$ 119,682,795	\$ 69,767,508	\$ 713,618,045

I. Combining Schedule of Changes in Net Position – Pension Trust Funds

	Police Pension I and Fire Pension	Police Pension II	City Employees Pension	Fire Pension II	Other School Department Employees	Total
Additions						
Contributions:						
Employer	\$ 19,455,048	\$ 4,920,611	\$ 7,390,390	\$ 4,584,284	\$ 559,592	\$ 36,909,925
Plan Members	30,470	2,564,911	1,713,881	2,298,409	783,020	7,390,691
Total Contributions	19,485,518	7,485,522	9,104,271	6,882,693	1,342,612	44,300,616
Investment Income:						
Investment Earnings	19,713,020	64,090,006	44,044,092	27,750,936	14,925,265	170,523,319
Less Investment Expense	(203,500)	(586,638)	(381,810)	(216,300)	(85,852)	(1,474,100)
Net Investment Income	19,509,520	63,503,368	43,662,282	27,534,636	14,839,413	169,049,219
Total Additions	38,995,038	70,988,890	52,766,553	34,417,329	16,182,025	213,349,835
Deductions						
Benefits	24,069,172	12,410,626	12,801,013	1,843,767	3,426,102	54,550,680
Administrative Expense	61,386	115,465	82,951	34,528	225,103	519,433
Total Deductions	24,130,558	12,526,091	12,883,964	1,878,295	3,651,205	55,070,113
Change in Net Position	14,864,480	58,462,799	39,882,589	32,539,034	12,530,820	158,279,722
Net Position - Beginning of Year	67,284,644	208,004,463	135,668,767	87,143,761	57,236,688	555,338,323
Net Position - End of Year	\$ 82,149,124	\$ 266,467,262	\$ 175,551,356	\$ 119,682,795	\$ 69,767,508	\$ 713,618,045

CITY OF WARWICK, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 14 DEFINED CONTRIBUTION PLAN

Defined Contribution Plan Description

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

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

Warwick Public Schools recognized pension expense of \$514,775 for the fiscal year ended June 30, 2021.

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>.

NOTE 15 OTHER POSTEMPLOYMENT BENEFITS

A. Other Postemployment Benefits – City

Plan Description

The City administers a single-employer defined benefit other postemployment healthcare plan. The plan provides medical/drug and dental (police officers only) benefits for eligible retirees and their dependents through the City group health and dental insurance plans, which cover both active and retired members. Benefit provisions are established and amended by union contract, through negotiations between the City and respective unions. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

Benefits Provided

Benefits are negotiated between the City and the respective unions. The City is required to contribute the cost of medical/drug and dental benefits, less the amount of any applicable co-payments in effect at the time of retirement. For the year ended June 30, 2021, the plan operated on a pay-as-you-go basis and no provision has been made to fund future benefits to be provided to plan members. For the fiscal year ended June 30, 2021, the City paid benefits in the amount of \$13,972,245.

**CITY OF WARWICK, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 15 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

A. Other Postemployment Benefits – City (Continued)

At July 1, 2020, membership consisted of:

	City, Police, and Fire
Active Employees	<u>675</u>
Retired	<u>964</u>
Total	<u><u>1,639</u></u>

Total OPEB Liability

The City's total OPEB liability of \$405,646,666 was measured as of June 30, 2021 and was determined by an actuarial valuation as of July 1, 2020 which was rolled forward to the measurement date of June 30, 2021.

Actuarial Assumptions and Other Inputs

The total OPEB liability at the June 30, 2021 was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement unless otherwise specified:

Inflation	3.00%
Salary Increases	3.00%
Discount Rate	2.18%
Healthcare Cost Trend Rates	8.0%, decreasing 0.5% per year to an ultimate rate of 5.0%
Mortality	RP-2006 Mortality Table with MP-2019 projection

The discount rate was based on the S&P Municipal Bond 20-year High Grade Rate Index as of June 30, 2021.

Changes in Total OPEB Liability

	Total OPEB Liability
Balance - June 30, 2020	\$ 383,266,763
Service Cost	10,717,987
Interest	10,009,065
Difference Between Expected and Actual Experience	(1,928,670)
Changes in Assumptions	17,553,766
Benefit Payments	<u>(13,972,245)</u>
Balance - June 30, 2021	<u><u>\$ 405,646,666</u></u>

Changes of assumptions and other inputs reflect a change in the discount rate from 2.66% in 2020 to 2.18% in 2021.

**CITY OF WARWICK, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 15 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

A. Other Postemployment Benefits – City (Continued)

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

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (1.18%) or 1 percentage point higher (3.18%) than the current discount rate:

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
Total OPEB Liability	<u>\$ 442,233,161</u>	<u>\$ 405,646,666</u>	<u>\$ 369,060,173</u>

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

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower (7.0% decreasing to 4.0%) or 1 percentage point higher (9.0% decreasing to 6.0%) than the current healthcare cost trend rates:

	<u>1% Decrease</u>	<u>Current Healthcare Cost Trend</u>	<u>1% Increase</u>
Total OPEB Liability	<u>\$ 350,948,902</u>	<u>\$ 405,646,666</u>	<u>\$ 469,855,667</u>

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

For the year ended June 30, 2021, the City recognized OPEB expense of \$23,942,196. At June 30, 2021, the City reported deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience	\$ 5,182,695	\$ 10,863,985
Changes of Assumptions	21,454,758	-
Total	<u>\$ 26,637,453</u>	<u>\$ 10,863,985</u>

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

<u>Year Ending June 30,</u>	<u>Amount</u>
2022	\$ 3,215,144
2023	3,215,144
2024	3,215,144
2025	3,215,142
2026	2,912,894
Total	<u>\$ 15,773,468</u>

**CITY OF WARWICK, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 15 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

B. Other Postemployment Benefits – School

Plan Description

The Warwick School Department administers a single-employer defined benefit other postemployment healthcare plan. The plan provides medical/drug benefits for eligible retirees and their dependents through the City’s group health and dental insurance plans, which cover both active and retired members. Benefit provisions are established and amended by union contract, through negotiations between the City and respective unions. All benefits terminate at age 65. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

Teaching Employees are eligible for benefits after serving the district for 20 to 30 years depending on their date of hire. Other district employees are required to reach age 62 and have 25 years of service. Teaching employees contribute 20 to 60% for coverage depending on their date of hire. Other employees will contribute 20% for coverage. Spouses of teaching employees are not covered by the plan. Spouses of other district employees will contribute 20% for coverage. Surviving beneficiaries continue to receive access to the district’s medical coverage through COBRA after the death of the retired employee. Survivors are required to pay the full cost of benefits.

Benefits Provided

Benefits are negotiated between the Warwick School Department and the respective unions. The Warwick School Department is required to contribute the cost of medical/drug and dental benefits, less the amount of any applicable co-payments in effect at the time of retirement. For the year ended June 30, 2021, the plan operated on a pay-as-you-go basis, and no provision has been made to fund future benefits to be provided to plan members. For the fiscal year ended June 30, 2021, the Warwick School Department paid benefits in the amount of \$632,191.

At July 1, 2020, membership consisted of:

	School
Active Employees	1,235
Retired	59
Total	1,294

Total OPEB Liability

The Warwick School Department’s total OPEB liability of \$37,633,631 was measured as of June 30, 2021 and was determined by an actuarial valuation as of July 1, 2020 which was rolled forward to the measurement date of June 30, 2021.

**CITY OF WARWICK, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 15 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

B. Other Postemployment Benefits – School

Actuarial Assumptions and Other Inputs

The total OPEB liability as of June 30, 2021 was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement unless otherwise specified:

Inflation	3.00%
Salary Increases	3.00%
Discount Rate	2.18%
Healthcare Cost Trend Rates	8.0%, decreasing 0.5% per year to an ultimate rate of 5.0%
Mortality	RP-2006 Mortality Table with MP-2019 Projection

The discount rate was based on the S&P Municipal Bond 20-year High Grade Rate Index as of June 30, 2021.

Changes in Total OPEB Liability

	Total OPEB Liability
Balance - June 30, 2020	\$ 26,301,212
Service Cost	859,637
Interest	691,204
Difference Between Expected and Actual Experience	8,291,182
Changes in Assumptions	2,122,587
Benefit Payments	(632,191)
Balance - June 30, 2021	<u>\$ 37,633,631</u>

Changes of assumptions and other inputs reflect a change in the discount rate from 2.66% in 2020 to 2.18% in 2021.

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

The following presents the total OPEB liability of the Warwick School Department, as well as what the Warwick School Department's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (1.18%) or 1 percentage point higher (3.18%) than the current discount rate:

	1% Decrease	Current Discount Rate	1% Increase
Total OPEB Liability	<u>\$ 42,057,700</u>	<u>\$ 37,633,631</u>	<u>\$ 33,209,563</u>

**CITY OF WARWICK, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 15 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

B. Other Postemployment Benefits – School

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

The following presents the total OPEB liability of the Warwick School Department, as well as what the Warwick School Department's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower (7.0% decreasing to 4.0%) or 1 percentage point higher (9.0% decreasing to 6.0%) than the current healthcare cost trend rates:

	1% Decrease	Current Healthcare Cost Trend	1% Increase
Total OPEB Liability	\$ 31,295,846	\$ 37,633,631	\$ 45,277,669

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

For the year ended June 30, 2021, the Warwick School Department recognized OPEB expense of \$1,923,555. At June 30, 2021, the Warwick School Department reported deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 7,653,399	\$ 3,348,339
Changes of Assumptions	2,834,302	-
Total	\$ 10,487,701	\$ 3,348,339

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

Year Ending June 30,	Amount
2022	\$ 372,714
2023	372,714
2024	372,714
2025	372,716
Thereafter	5,648,504
Total	\$ 7,139,362

**CITY OF WARWICK, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 15 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

C. Summarized Total Liability, Deferred Outflows and Inflows of Resources and OPEB Expenses

	City Plan	School Plan	Total
	<hr/>	<hr/>	<hr/>
Total OPEB Liability	\$ 405,646,666	\$ 37,633,631	\$ 443,280,297
Deferred Outflows of Resources	26,637,453	10,487,701	37,125,154
Deferred Inflows of Resources	10,863,985	3,348,339	14,212,324
OPEB Expense	23,942,196	1,923,555	25,865,751

NOTE 16 SUMMARY DISCLOSURE OF SIGNIFICANT CONTINGENCIES

Litigation

Liabilities for legal cases and other claims against governmental funds are recorded in the governmental funds when the ultimate liability can be estimated, and such cases are expected to be settled with available expendable financial resources.

At June 30, 2021, the City had several lawsuits pending. The total maximum damages being sought from the City to these cases are not known. In the opinion of the City officials and the City's legal counsel, the City's ultimate liability with respects to these cases, if any, will be immaterial.

Commitments

The City is committed under terms of various construction contracts in the amount of approximately \$1,200,000 as of June 30, 2021.

Grants

The City has received federal and state grants for specific purposes that are subject to audit by the grantors or their representatives. Such audits could lead to requests for reimbursement to the grantor agency for expenditures disallowed under terms of the grant. City officials believe such allowances, if any, would be immaterial.

**CITY OF WARWICK, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 17 RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors or omissions; and natural disasters. As a result, the City participates in a nonprofit, public entity risk pool (Rhode Island Interlocal Risk Management Trust, Inc.), which provides coverage for property/liability claims. Upon joining the Trust, the City signed a participation agreement which outlines the rights and responsibilities of both the Trust and the City. The agreement states that for premiums paid by the City, the Trust will assume financial responsibility for the City's losses up to the maximum amount of insurance purchased, minus the City's deductible amounts. The Trust provides this insurance coverage through a pooled, self-insurance mechanism, which includes reinsurance purchased by the Trust to protect against large, catastrophic claims above the losses the Trust retains internally for payment from the pooled contributions of its Members. There have been no significant reductions in insurance coverage during the year ended June 30, 2021 as compared to the previous year. The claims incurred did not exceed insurance coverage this year.

The City is self-insured for workers' compensation and is liable for the payment of claims. The claims are administered by a third-party administrator and are funding on a pay-as-you-go basis. The changes in workers' compensation claims liability are as follows:

Year	Beginning Fiscal Year Liability	Current Year Claims and Changes in Estimate	Claims Payments	Balance Fiscal Year-End
2019-2020	\$ 53,813	\$ 691,034	\$ 423,515	\$ 321,332
2020-2021	321,332	415,491	346,695	390,128

For its employer health insurance coverage, the City has chosen to participate in the Health Benefit Project provided by the WB Community Health, an independent, nonprofit organization. The City is also self-insured for the dental insurance coverage through WB Community Health. Deposits made to the Collaborative are treated as expenditures when it is probable that a claim has been incurred and include estimates amounts for claims that have been incurred but not reported (IBNR). Claim liabilities are calculated considering the effects of inflation, recent claim and health care trends, and other economic and social factors.

An analysis of claims activity is presented below:

	Liability July 1	Claims and Changes in Estimate	Claims Payments	Liability June 30
School City	\$ 1,198,667	\$ 22,220,877	\$ 22,345,813	\$ 1,073,731
2019-2020	<u>719,883</u>	<u>23,426,332</u>	<u>23,103,777</u>	<u>1,042,438</u>
	<u>\$ 1,918,550</u>	<u>\$ 45,647,209</u>	<u>\$ 45,449,590</u>	<u>\$ 2,116,169</u>
School City	\$ 1,073,731	25,045,790	\$ 24,194,596	\$ 1,924,925
2020-2021	<u>1,042,438</u>	<u>23,725,136</u>	<u>24,097,164</u>	<u>670,410</u>
	<u>\$ 2,116,169</u>	<u>\$ 48,770,926</u>	<u>\$ 48,291,760</u>	<u>\$ 2,595,335</u>

CITY OF WARWICK, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 18 ABATEMENTS

The City enters into tax abatement agreements in conjunction with the City's tax stabilization ordinance for Warwick Intermodal and Historic Districts pursuant to the Rhode Island General Laws 44-3-9. Under the ordinance, the first five years of the tax stabilization period the tax assessment shall be frozen at a base tax rate as determined by the City, beginning in year six the property will pay 90% of the assessed value exempt from tax which decreases each year by 10%.

As of and for the fiscal year ended June 30, 2021, the City's two agreements under the tax stabilization ordinance have not reached year six and therefore no abatements have occurred to date.

NOTE 19 SUBSEQUENT EVENTS

In October 2021, the City entered into a master lease purchase agreement with Santander Bank in the amount of \$6,500,000. The proceeds will be used by the City to fund various capital projects including the purchase of fire trucks, police cares, and sanitation trucks.

In December 2021, the City issued \$11,000,000 of bonds through the Rhode Island Infrastructure Bank. The bond proceeds will be used by the City to fund wastewater system improvements.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF WARWICK, RHODE ISLAND
SCHEDULE OF REVENUES AND EXPENDITURES (NON-GAAP BUDGETARY BASIS)
BUDGETARY COMPARISON SCHEDULE – GENERAL FUND
YEAR ENDED JUNE 30, 2021

	Original Budgeted Revenues	Final Budgeted Revenues	Actual Amount (Budgetary Basis)	Variance
REVENUES				
General Property Taxes	\$ 238,121,885	\$ 238,121,885	\$ 240,273,948	\$ 2,152,063
Intergovernmental:				
Telephone Tax	1,023,675	1,023,675	964,596	(59,079)
Aid to School Buildings	1,250,000	1,250,000	1,519,337	269,337
Tax in Lieu	1,536,665	1,536,665	(896,388)	(2,433,053)
Motor Vehicle Tax Phase-Out	8,595,144	8,595,144	2,601,994	(5,993,150)
CRF COVID Relief	-	-	8,474,740	8,474,740
Departmental Grant Income	2,706,605	2,706,605	2,935,510	228,905
Total Intergovernmental	15,112,089	15,112,089	15,599,789	487,700
Licenses and Fees:				
Licenses - Police/Miscellaneous	506,850	506,850	465,004	(41,846)
Municipal Fees	1,135,000	1,135,000	1,381,390	246,390
Building Permits	991,000	991,000	1,123,829	132,829
Recreational Fees	887,000	887,000	455,319	(431,681)
Parking Violation and Fines	130,000	130,000	97,277	(32,723)
Department Processing/Program Fees	591,600	591,600	540,619	(50,981)
Total Licenses and Fees	4,241,450	4,241,450	4,063,438	(178,012)
Other Revenue:				
Realty Transfer Tax	1,250,000	1,250,000	1,582,681	332,681
Tax Titles	17,000	17,000	11,654	(5,346)
Interest on Taxes	2,200,000	2,200,000	2,547,923	347,923
Interest on Investments/Capital Projects	665,000	665,000	109,828	(555,172)
Housing Authority	145,000	145,000	143,483	(1,517)
Airport Parking Tax	500,000	500,000	500,000	-
Airport Miscellaneous Income	750,000	750,000	394,410	(355,590)
Airport Surcharge	1,050,000	1,050,000	339,281	(710,719)
Airport EDC	780,000	780,000	744,568	(35,432)
Municipal Court	225,000	225,000	183,312	(41,688)
Hotel Tax	1,750,000	1,750,000	1,013,640	(736,360)
Meal Tax	2,800,000	2,800,000	2,744,154	(55,846)
School Back Charge - Lease Purchase/Tipping Fee	17,000	17,000	18,858	1,858
Other Revenue	346,000	346,000	478,668	132,668
Enterprise Fund Back Charges	3,045,284	3,045,284	2,622,082	(423,202)
Employee Healthcare Copayments	2,350,000	2,350,000	2,219,861	(130,139)
Total Other Revenue	17,890,284	17,890,284	15,654,403	(2,235,881)
 Total Revenues	 275,365,708	 275,365,708	 275,591,578	 225,870
OTHER FINANCING SOURCES				
Prior Year Encumbrances	-	541,762	-	(541,762)
Fund Balance Drawdown	2,847,471	2,847,471	2,847,471	-
Rescue Service Fees	3,150,000	3,150,000	2,934,072	(215,928)
Transfers - Other	-	-	1,009,950	1,009,950
Transfers - In from Special Detail	575,000	575,000	452,727	(122,273)
Transfers - In from School	41,570,730	41,570,730	41,328,755	(241,975)
Total Other Financing Sources	48,143,201	48,684,963	48,572,975	(111,988)
 Total Revenues and Other Financing Sources	 <u>\$ 323,508,909</u>	 <u>\$ 324,050,671</u>	 <u>\$ 324,164,553</u>	 <u>\$ 113,882</u>

See accompanying Notes to Required Supplementary Information.

CITY OF WARWICK, RHODE ISLAND
SCHEDULE OF REVENUES AND EXPENDITURES (NON-GAAP BUDGETARY BASIS)
BUDGETARY COMPARISON SCHEDULE – GENERAL FUND (CONTINUED)
YEAR ENDED JUNE 30, 2021

	Original Budgeted Expenses	Final Budgeted Expenses	Actual Amount (Budgetary Basis)	Variance
EXPENSES				
Executive and Administrative:				
Executive Department	\$ 365,115	\$ 365,652	\$ 447,710	\$ (82,058)
Legal Department	445,000	445,000	473,656	(28,656)
City Clerk	373,627	390,036	260,052	129,984
Probate Court	116,075	123,883	92,069	31,814
Municipal Court	45,248	45,248	23,583	21,665
Personnel Department	359,329	359,754	344,834	14,920
Subtotal	<u>1,704,394</u>	<u>1,729,573</u>	<u>1,641,904</u>	<u>87,669</u>
Legislative and Citizens Representation:				
Legislative Department	332,035	332,035	216,335	115,700
Board of Canvassers	316,246	316,246	248,872	67,374
Subtotal	<u>648,281</u>	<u>648,281</u>	<u>465,207</u>	<u>183,074</u>
Financial Management:				
Finance Administration	601,633	601,633	480,909	120,724
Treasury	410,384	410,422	363,128	47,294
Management Information Services	1,784,994	1,814,559	1,465,995	348,564
Purchasing	199,190	203,694	170,724	32,970
City Tax Collection	614,208	614,208	546,810	67,398
City Assessment	725,509	725,509	534,555	190,954
Boards and Commissions	133,971	133,971	109,857	24,114
Subtotal	<u>4,469,889</u>	<u>4,503,996</u>	<u>3,671,978</u>	<u>832,018</u>
Debt:				
Principal	7,188,565	7,188,565	7,289,792	(101,227)
Interest	1,421,297	1,421,297	1,539,933	(118,636)
Subtotal	<u>8,609,862</u>	<u>8,609,862</u>	<u>8,829,725</u>	<u>(219,863)</u>
Total Executive and Administrative	15,432,426	15,491,712	14,608,814	882,898
Public Safety Department:				
Animal Shelter	223,980	228,067	190,411	37,656
Police Department	21,121,042	21,147,885	20,268,104	879,781
Fire Department	24,039,135	24,139,697	25,547,351	(1,407,654)
Organized Crime/Drug Enforcement Task Force	30,000	30,000	38,973	(8,973)
Alcohol and Highway Safety Enforcement	85,000	85,000	251,219	(166,219)
Police Grants	21,000	21,000	26,976	(5,976)
Fire Grants	750,580	750,580	1,025,148	(274,568)
Emergency Management	70,200	70,200	33,684	36,516
Building Inspection and Minimum Housing	923,055	923,378	720,230	203,148
Total Public Safety	<u>47,263,992</u>	<u>47,395,807</u>	<u>48,102,096</u>	<u>(706,289)</u>
Recreation	2,423,875	2,424,107	1,949,537	474,570
Public Library	2,881,909	2,882,102	2,574,029	308,073

See accompanying Notes to Required Supplementary Information.

CITY OF WARWICK, RHODE ISLAND
SCHEDULE OF REVENUES AND EXPENDITURES (NON-GAAP BUDGETARY BASIS)
BUDGETARY COMPARISON SCHEDULE – GENERAL FUND (CONTINUED)
YEAR ENDED JUNE 30, 2021

	Original Budgeted Expenses	Final Budgeted Expenses	Actual Amount (Budgetary Basis)	Variance
EXPENSES (CONTINUED)				
Social Services:				
Human Services Administration	\$ 405,346	\$ 405,427	\$ 277,008	\$ 128,419
Senior Center	547,718	548,521	481,499	67,022
Senior Transportation	293,287	293,287	131,082	162,205
Total Social Services	<u>1,246,351</u>	<u>1,247,235</u>	<u>889,589</u>	<u>357,646</u>
Planning Department	1,024,636	1,138,080	829,498	308,582
Community Development	303,032	303,032	161,394	141,638
Tourism, Culture, and Development	594,108	594,280	658,169	(63,889)
Public Works Department:				
Administrative Division	230,440	231,231	187,327	43,904
Highway Division	3,556,494	3,398,774	2,954,642	444,132
Sanitation Division	3,010,307	3,010,307	2,859,894	150,413
Automotive Division	2,584,208	2,772,525	2,284,805	487,720
City Building Maintenance Division	1,435,937	1,616,887	1,254,220	362,667
Engineering Division	1,632,052	1,632,052	1,390,163	241,889
Recycling	65,500	85,500	73,867	11,633
Total Public Works Department	<u>12,514,938</u>	<u>12,747,276</u>	<u>11,004,918</u>	<u>1,742,358</u>
Employee Benefits, Special, and Capital:				
Employee Benefits	28,625,804	28,625,804	28,889,786	(263,982)
Insurance	2,448,773	2,448,773	2,531,782	(83,009)
City Council Claims	15,000	15,000	12,407	2,593
Postage	67,300	67,300	65,068	2,232
Fixed Costs	987,336	990,734	457,041	533,693
Pension	36,140,761	36,140,761	36,350,334	(209,573)
Total Employee Benefits, Special, and Capital	<u>68,284,974</u>	<u>68,288,372</u>	<u>68,306,418</u>	<u>(18,046)</u>
Total Expenditures	151,970,241	152,512,003	149,084,462	3,427,541
OTHER FINANCING USES				
Operating Transfer to School Unrestricted Fund	171,538,668	171,538,668	171,296,693	241,975
Total Other Financing Uses	<u>171,538,668</u>	<u>171,538,668</u>	<u>171,296,693</u>	<u>241,975</u>
Total Expenditures and Other Financing Uses	<u>\$ 323,508,909</u>	<u>\$ 324,050,671</u>	<u>\$ 320,381,155</u>	<u>\$ 3,669,516</u>

See accompanying Notes to Required Supplementary Information.

CITY OF WARWICK, RHODE ISLAND
SCHEDULE OF REVENUES AND EXPENDITURES (NON-GAAP BUDGETARY BASIS)
BUDGETARY COMPARISON SCHEDULE – SCHOOL GENERAL FUND
YEAR ENDED JUNE 30, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance</u>
REVENUES				
State and Federal School Aid	\$ 40,074,785	\$ 40,074,785	\$ 40,473,887	\$ 399,102
Other School Miscellaneous Revenue	1,520,451	1,520,451	855,820	(664,631)
Appropriation from the City	129,967,938	129,967,938	129,967,938	-
Re-Appropriated Fund Balance	<u>965,000</u>	<u>965,000</u>	<u>965,000</u>	<u>-</u>
Total Revenues	172,528,174	172,528,174	172,262,645	(265,529)
EXPENDITURES				
Education	<u>172,524,866</u>	<u>172,524,866</u>	<u>172,557,281</u>	<u>(32,415)</u>
EXCESS OF REVENUE OVER EXPENDITURES	<u>\$ 3,308</u>	<u>\$ 3,308</u>	<u>\$ (294,636)</u>	<u>\$ (297,944)</u>

See accompanying Notes to Required Supplementary Information.

CITY OF WARWICK, RHODE ISLAND
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY DATA AND BUDGETARY COMPLIANCE
YEAR ENDED JUNE 30, 2021

NOTE 1 BUDGETARY TO GAAP BASIS RECONCILIATION

The following reconciliation summarizes the difference for the City's General Fund and the School Unrestricted Fund between budgetary and GAAP basis accounting principles for the year ended June 30, 2021:

REVENUES AND OTHER FINANCING SOURCES	General Fund	School Unrestricted Fund
Actual Amounts (Budgetary Basis)	\$ 324,164,553	\$ 172,262,645
Difference - Budget to GAAP:		
The appropriated fund balance drawdown is a budgetary revenue but is not a current year revenue for financial reporting purposes.	(2,847,471)	(965,000)
The appropriated fund balance from the Reserve for Education is a budgetary revenue but is not a current year revenue for financial reporting purposes.	(41,328,755)	-
Co-Payment and Enterprise Chargebacks which are budgeted as revenues and reported net of expenses for financial reporting purposes.	(4,841,943)	-
Unavailable Revenue for GAAP Purposes	1,280,550	-
Debt Interest Subsidy	440,920	-
Rescue Service Fund revenue net of transfer to General Fund reported as revenue for GAAP purposes not included in Budget Basis revenues.	89,477	-
The pension contributions made to the Employees Retirement System by the state of Rhode Island on behalf of the City of Warwick is not reported as a budgetary revenue, but is a current year revenue for financial reporting purposes.	-	10,387,646
Total Revenues and Other Financing Sources as Reported in the Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds	\$ 276,957,331	\$ 181,685,291

See accompanying Notes to Required Supplementary Information.

**CITY OF WARWICK, RHODE ISLAND
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY DATA AND BUDGETARY COMPLIANCE
YEAR ENDED JUNE 30, 2021**

NOTE 1 BUDGETARY TO GAAP BASIS RECONCILIATION (CONTINUED)

EXPENDITURES AND OTHER FINANCING SOURCES	<u>General Fund</u>	<u>School Unrestricted Fund</u>
Actual Amounts (Budgetary Basis)	\$ 320,381,155	\$ 172,557,281
Difference - Budget to GAAP:		
Encumbrances	(554,463)	(406,900)
Transfer to School Department is reported at gross amount for budget purposes but is reported net of School revenue for GAAP.	(41,328,755)	-
Co-Payment and Enterprise Chargebacks which are budgeted as revenues and reported net of expenses for financial reporting purposes.	(4,841,943)	-
Debt Interest Subsidy	440,920	-
Water Refunding Credit	(10,611)	-
Rescue Service Fund revenue net of transfer to General Fund reported as revenue for GAAP purposes not part of the budgetary basis expenditures.	89,477	-
The pension contributions made to the Employees Retirement System by the state of Rhode Island on behalf of the City of Warwick is not reported as budgetary revenue, but is a current year revenue for financial reporting purposes.	<u>-</u>	<u>10,387,646</u>
Total Expenditures and Other Financing Sources as Reported in the Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds	<u><u>\$ 274,175,780</u></u>	<u><u>\$ 182,538,027</u></u>

CITY OF WARWICK, RHODE ISLAND
SCHEDULE OF CHANGES IN CITY'S NET PENSION LIABILITY AND RELATED RATIOS
CITY EMPLOYEES' PENSION PLAN
LAST SEVEN FISCAL YEARS

	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability:								
Service Cost	\$ 2,677,781	\$ 3,078,896	\$ 3,006,219	\$ 3,470,808	\$ 3,265,824	\$ 2,604,452	\$ 2,361,164	\$ 1,368,801
Interest	12,784,135	12,508,910	11,922,138	11,508,757	11,177,444	11,143,830	10,681,187	9,817,470
Difference Between Actual and Expected Experience	(158,472)	988,766	5,173,695	1,973,093	-	(552,930)	1,619,642	8,308,519
Assumption Changes	3,434,790	-	-	-	-	8,912,895	-	(354,818)
Benefit Payments	(12,801,013)	(11,993,649)	(11,285,833)	(10,198,712)	(9,301,086)	(8,862,354)	(8,367,787)	(7,872,056)
Net Change in Total Pension Liability	5,937,221	4,582,923	8,816,219	6,753,946	5,142,182	13,245,893	6,294,206	11,267,916
Total Pension Liability - Beginning	190,254,508	185,671,585	176,855,366	170,101,420	164,959,238	151,713,345	145,419,139	134,151,223
Total Pension Liability - Ending (a)	196,191,729	190,254,508	185,671,585	176,855,366	170,101,420	164,959,238	151,713,345	145,419,139
Plan Fiduciary Net Position:								
Contributions - Employer	7,390,390	7,458,317	6,728,459	6,194,245	5,764,819	5,505,376	5,640,498	5,436,625
Contributions - Employee	1,713,881	1,888,893	1,877,583	1,888,875	1,765,310	1,620,427	1,579,755	1,572,702
Net Investment Income (Loss)	43,662,282	1,646,993	5,339,193	11,247,563	14,263,989	(1,578,910)	2,695,082	15,609,969
Benefit Payments	(12,801,013)	(11,993,649)	(11,285,833)	(10,198,712)	(9,301,086)	(8,862,354)	(8,367,787)	(7,872,056)
Administrative Expense	(82,951)	(17,932)	(28,655)	(21,413)	(34,671)	(33,370)	(34,244)	(28,582)
Other	-	-	-	10,591	-	-	-	-
Net Change in Plan Fiduciary Net Position	39,882,589	(1,017,378)	2,630,747	9,121,149	12,458,361	(3,348,831)	1,513,304	14,718,658
Plan Fiduciary Net Position - Beginning	135,668,767	136,686,145	134,055,398	124,934,249	112,475,888	115,824,719	114,311,415	99,592,757
Plan Fiduciary Net Position - Ending (b)	175,551,356	135,668,767	136,686,145	134,055,398	124,934,249	112,475,888	115,824,719	114,311,415
Net Pension Liability (a - b)	<u>\$ 20,640,373</u>	<u>\$ 54,585,741</u>	<u>\$ 48,985,440</u>	<u>\$ 42,799,968</u>	<u>\$ 45,167,171</u>	<u>\$ 52,483,350</u>	<u>\$ 35,888,626</u>	<u>\$ 31,107,724</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	89.5%	71.3%	73.6%	75.8%	73.4%	68.2%	76.3%	78.6%
Covered Payroll	\$ 18,044,347	\$ 20,987,700	\$ 20,862,031	\$ 23,610,939	\$ 22,066,375	\$ 20,255,338	\$ 20,072,947	\$ 18,391,191
Net Pension Liability as a Percentage of Covered Payroll	114.4%	260.1%	234.8%	181.3%	204.7%	259.1%	178.8%	169.1%

Note: The fiscal year 2019 Net Investment Income and Net Pension Liability amounts were restated as a result of the restatement of pension trust funds.

Note: The schedule is intended to show information for 10 years. Additional years will be displayed as they come available.

See accompanying Notes to Required Supplementary Information.

CITY OF WARWICK, RHODE ISLAND
SCHEDULE OF CHANGES IN CITY'S NET PENSION LIABILITY AND RELATED RATIOS
POLICE I AND FIRE PENSION PLAN
LAST SEVEN FISCAL YEARS

	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability:								
Service Cost	\$ 80,267	\$ 120,433	\$ 203,421	\$ 653,640	\$ 810,009	\$ 936,610	\$ 1,005,457	\$ 1,276,922
Interest	19,639,083	19,749,130	19,695,012	19,565,475	19,645,595	20,076,965	20,085,394	22,543,132
Difference Between Actual and Expected Experience	(5,067,311)	2,461,445	4,520,679	4,604,032	-	1,862	(1,195,853)	(10,108,652)
Assumption Changes	12,235,759	-	-	-	-	16,534,846	-	(26,630,682)
Benefit Payments	(24,069,172)	(23,748,457)	(23,444,600)	(22,027,916)	(21,067,877)	(20,192,173)	(19,753,740)	(19,675,904)
Net Change in Total Pension Liability	2,818,626	(1,417,449)	974,512	2,795,231	(612,273)	17,358,110	141,258	(32,595,184)
Total Pension Liability - Beginning	296,418,784	297,836,233	296,861,721	294,066,490	294,678,763	277,320,653	277,179,395	309,774,579
Total Pension Liability - Ending (a)	299,237,410	296,418,784	297,836,233	296,861,721	294,066,490	294,678,763	277,320,653	277,179,395
Plan Fiduciary Net Position:								
Contributions - Employer	19,455,048	18,935,407	18,427,881	17,934,399	17,465,464	17,378,897	16,039,998	15,206,485
Contributions - Employee	30,470	39,822	54,725	175,440	219,770	266,831	284,810	321,061
Net Investment Income (Loss)	19,509,520	533,271	2,753,392	5,911,507	9,138,696	(929,819)	1,380,201	9,803,078
Benefit Payments	(24,069,172)	(23,748,457)	(23,444,600)	(22,027,916)	(21,067,877)	(20,192,173)	(19,753,740)	(19,675,904)
Administrative Expense	(61,386)	(29,185)	(31,059)	(22,453)	(38,823)	(29,322)	(29,576)	(24,335)
Other	-	-	55,057	11,061	670	-	-	-
Net Change in Plan Fiduciary Net Position	14,864,480	(4,269,142)	(2,184,604)	1,982,038	5,717,900	(3,505,586)	(2,078,307)	5,630,385
Plan Fiduciary Net Position - Beginning	67,284,644	71,553,786	73,738,390	71,756,352	66,038,452	69,544,038	71,622,345	65,991,960
Plan Fiduciary Net Position - Ending (b)	82,149,124	67,284,644	71,553,786	73,738,390	71,756,352	66,038,452	69,544,038	71,622,345
Net Pension Liability (a - b)	<u>\$ 217,088,286</u>	<u>\$ 229,134,140</u>	<u>\$ 226,282,447</u>	<u>\$ 223,123,331</u>	<u>\$ 222,310,138</u>	<u>\$ 228,640,311</u>	<u>\$ 207,776,615</u>	<u>\$ 205,557,050</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	27.5%	22.7%	24.0%	24.8%	24.4%	22.4%	25.1%	25.8%
Covered Payroll	\$ 435,286	\$ 568,886	\$ 781,786	\$ 2,506,287	\$ 3,139,571	\$ 3,811,871	\$ 4,068,714	\$ 4,154,657
Net Pension Liability as a Percentage of Covered Payroll	49872.6%	40277.7%	28944.3%	8902.5%	7080.9%	5998.1%	5106.7%	4947.6%

Note: The fiscal year 2019 Net Investment Income and Net Pension Liability amounts were restated as a result of the restatement of pension trust funds.

Note: The schedule is intended to show information for 10 years. Additional years will be displayed as they come available.

See accompanying Notes to Required Supplementary Information.

CITY OF WARWICK, RHODE ISLAND
SCHEDULE OF CHANGES IN CITY'S NET PENSION LIABILITY AND RELATED RATIOS
POLICE II PENSION PLAN
LAST SEVEN FISCAL YEARS

	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability:								
Service Cost	\$ 4,706,043	\$ 4,613,386	\$ 4,718,763	\$ 4,693,492	\$ 4,744,240	\$ 3,884,441	\$ 3,770,366	\$ 3,762,837
Interest	18,006,298	17,296,153	16,581,550	15,998,841	15,258,836	14,589,705	13,811,883	13,520,113
Difference Between Actual and Expected Experience	799,252	320,431	244,425	(2,080,926)	-	329,603	738,684	(1,806,121)
Assumption Changes	9,216,906	-	-	-	-	15,898,398	-	(3,961,813)
Benefit Payments	(12,410,626)	(11,570,529)	(10,716,458)	(9,658,734)	(8,861,372)	(8,245,091)	(7,768,947)	(7,488,066)
Net Change in Total Pension Liability	20,317,873	10,659,441	10,828,280	8,952,673	11,141,704	26,457,056	10,551,986	4,026,950
Total Pension Liability - Beginning	264,748,873	254,089,432	243,261,152	234,308,479	223,166,775	196,709,719	186,157,733	182,130,783
Total Pension Liability - Ending (a)	285,066,746	264,748,873	254,089,432	243,261,152	234,308,479	223,166,775	196,709,719	186,157,733
Plan Fiduciary Net Position:								
Contributions - Employer	4,920,611	4,610,514	4,483,039	4,179,364	3,938,725	3,853,855	3,828,534	3,322,236
Contributions - Employee	2,564,911	2,347,752	2,171,138	2,089,682	2,008,027	1,931,974	1,914,267	1,661,118
Net Investment Income (Loss)	63,503,368	2,217,681	8,225,502	16,368,484	22,689,311	(2,481,497)	4,075,102	24,147,499
Benefit Payments	(12,410,626)	(11,570,529)	(10,716,458)	(9,658,734)	(8,861,372)	(8,245,091)	(7,768,947)	(7,488,066)
Administrative Expense	(115,465)	(8,863)	(47,871)	(19,924)	(28,474)	(37,409)	(39,395)	-
Other	-	150,000	-	500	-	-	-	(24,100)
Net Change in Plan Fiduciary Net Position	58,462,799	(2,253,445)	4,115,350	12,959,372	19,746,217	(4,978,168)	2,009,561	21,618,687
Plan Fiduciary Net Position - Beginning	208,004,463	210,257,908	206,142,558	193,183,186	173,436,969	178,415,137	176,405,576	154,786,889
Plan Fiduciary Net Position - Ending (b)	266,467,262	208,004,463	210,257,908	206,142,558	193,183,186	173,436,969	178,415,137	176,405,576
Net Pension Liability (a - b)	<u>\$ 18,599,484</u>	<u>\$ 56,744,410</u>	<u>\$ 43,831,524</u>	<u>\$ 37,118,594</u>	<u>\$ 41,125,293</u>	<u>\$ 49,729,806</u>	<u>\$ 18,294,582</u>	<u>\$ 9,752,157</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	93.5%	78.6%	82.7%	84.7%	82.4%	77.7%	90.7%	94.8%
Covered Payroll	\$ 15,068,983	\$ 14,358,499	\$ 15,696,281	\$ 13,820,649	\$ 13,791,394	\$ 13,269,052	\$ 12,781,663	\$ 12,494,306
Net Pension Liability as a Percentage of Covered Payroll	123.4%	395.2%	279.2%	268.6%	298.2%	374.8%	143.1%	78.1%

Note: The fiscal year 2019 Net Investment Income and Net Pension Liability amounts were restated as a result of the restatement of pension trust funds.

Note: The schedule is intended to show information for 10 years. Additional years will be displayed as they come available.

See accompanying Notes to Required Supplementary Information.

CITY OF WARWICK, RHODE ISLAND
SCHEDULE OF CHANGES IN CITY'S NET PENSION LIABILITY AND RELATED RATIOS
FIRE II PENSION PLAN
LAST SEVEN FISCAL YEARS

	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability:								
Service Cost	\$ 5,606,602	\$ 5,620,680	\$ 5,507,825	\$ 4,844,310	\$ 4,563,165	\$ 3,946,558	\$ 3,534,726	\$ 3,435,947
Interest	7,803,142	6,804,383	6,048,701	5,250,580	4,654,274	4,125,110	3,572,193	3,205,452
Benefit Changes	-	-	-	2,321,185	-	-	-	-
Difference Between Actual and Expected Experience	(2,087,914)	3,775,843	758,031	(135,069)	-	(577,982)	482,842	(62,953)
Assumption Changes	3,940,260	-	-	-	-	5,201,487	-	(1,341,914)
Benefit Payments	(1,843,767)	(1,598,747)	(1,243,444)	(843,743)	(587,618)	(449,467)	(397,441)	(394,626)
Net Change in Total Pension Liability	13,418,323	14,602,159	11,071,113	11,437,263	8,629,821	12,245,706	7,192,320	4,841,906
Total Pension Liability - Beginning	111,238,984	96,636,825	85,565,712	74,128,449	65,498,628	53,252,922	46,060,602	41,218,696
Total Pension Liability - Ending (a)	124,657,307	111,238,984	96,636,825	85,565,712	74,128,449	65,498,628	53,252,922	46,060,602
Plan Fiduciary Net Position:								
Contributions - Employer	4,574,311	4,282,728	3,646,246	3,561,858	3,149,947	2,973,277	2,943,088	2,903,462
Contributions - Employee	2,308,382	2,141,361	1,823,301	1,780,929	1,574,973	1,486,639	1,471,544	1,451,731
Net Investment Income (Loss)	27,534,636	1,143,368	3,401,921	4,543,343	7,834,412	(930,262)	782,789	5,483,041
Benefit Payments	(1,843,767)	(1,598,747)	(1,243,444)	(843,743)	(587,618)	(449,467)	(397,441)	(394,626)
Administrative Expense	(34,528)	(24,917)	(11,083)	(18,000)	(20,875)	(8,926)	(8,697)	(4,315)
Net Change in Plan Fiduciary Net Position	32,539,034	5,943,793	7,616,941	9,024,387	11,950,839	3,071,261	4,791,283	9,439,293
Plan Fiduciary Net Position - Beginning	87,143,761	81,199,968	73,583,027	64,558,640	52,607,801	49,536,540	44,745,257	35,305,964
Plan Fiduciary Net Position - Ending (b)	119,682,795	87,143,761	81,199,968	73,583,027	64,558,640	52,607,801	49,536,540	44,745,257
Net Pension Liability (a - b)	<u>\$ 4,974,512</u>	<u>\$ 24,095,223</u>	<u>\$ 15,436,857</u>	<u>\$ 11,982,685</u>	<u>\$ 9,569,809</u>	<u>\$ 12,890,827</u>	<u>\$ 3,716,382</u>	<u>\$ 1,315,345</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	96.0%	78.3%	84.0%	86.0%	87.1%	80.3%	93.0%	97.1%
Covered Payroll	\$ 15,955,044	\$ 16,004,215	\$ 15,696,281	\$ 15,267,285	\$ 14,188,946	\$ 13,393,144	\$ 12,602,432	\$ 11,769,201
Net Pension Liability as a Percentage of Covered Payroll	31.2%	150.6%	98.3%	78.5%	67.4%	96.2%	29.5%	11.2%

Note: The fiscal year 2019 Net Investment Income and Net Pension Liability amounts were restated as a result of the restatement of pension trust funds.

Note: The schedule is intended to show information for 10 years. Additional years will be displayed as they come available.

See accompanying Notes to Required Supplementary Information.

CITY OF WARWICK, RHODE ISLAND
SCHEDULE OF CHANGES IN CITY'S NET PENSION LIABILITY AND RELATED RATIOS
WARWICK PUBLIC SCHOOLS EMPLOYEES' PENSION PLAN
LAST SEVEN FISCAL YEARS

	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability:								
Service Cost	\$ 1,288,330	\$ 1,221,621	\$ 1,148,322	\$ 1,101,378	\$ 1,085,156	\$ 1,182,332	\$ 1,153,661	\$ 1,233,904
Interest	4,393,115	4,213,696	3,985,397	3,727,866	3,405,815	3,239,682	3,013,821	2,683,152
Difference Between Actual and Expected Experience	1,395,609	515,079	655,019	1,105,363	2,093,032	(363,953)	342,058	664,117
Assumption Changes	(186,566)	(157,290)	2,375,125	85,298	81,200	113,452	-	67,700
Benefit Payments	(3,426,102)	(2,984,641)	(2,514,114)	(2,265,755)	(1,901,797)	(1,506,891)	(1,122,881)	(1,035,956)
Net Change in Total Pension Liability	3,464,386	2,808,465	5,649,749	3,754,150	4,763,406	2,664,622	3,386,659	3,612,917
Total Pension Liability - Beginning	65,479,929	62,671,464	57,021,715	53,267,565	48,504,159	45,839,537	42,452,878	38,839,961
Total Pension Liability - Ending (a)	68,944,315	65,479,929	62,671,464	57,021,715	53,267,565	48,504,159	45,839,537	42,452,878
Plan Fiduciary Net Position:								
Contributions - Employer	559,592	50,050	2,286,461	1,152,310	2,044,880	1,968,941	1,752,679	2,160,500
Contributions - Employee	783,020	796,308	742,348	721,712	803,054	732,245	766,137	743,492
Net Investment Income	14,839,413	2,255,272	4,037,778	4,797,201	5,414,063	936,885	1,487,522	3,977,291
Benefit Payments	(3,426,102)	(2,984,641)	(2,514,114)	(2,265,755)	(1,901,797)	(1,506,891)	(1,122,881)	(1,035,956)
Administrative Expense	(225,103)	(254,773)	(180,897)	(200,111)	(205,899)	(173,084)	(95,056)	(83,496)
Net Change in Plan Fiduciary Net Position	12,530,820	(137,784)	4,371,576	4,205,357	6,154,301	1,958,096	2,788,401	5,761,831
Plan Fiduciary Net Position - Beginning	57,236,688	57,374,472	53,002,896	48,797,539	42,643,238	40,685,142	37,896,741	32,134,910
Plan Fiduciary Net Position - Ending (b)	69,767,508	57,236,688	57,374,472	53,002,896	48,797,539	42,643,238	40,685,142	37,896,741
Net Pension Liability (Asset) (a - b)	\$ (823,193)	\$ 8,243,241	\$ 5,296,992	\$ 4,018,819	\$ 4,470,026	\$ 5,860,921	\$ 5,154,395	\$ 4,556,137
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	101.2%	87.4%	91.5%	93.0%	91.6%	87.9%	88.8%	89.3%
Covered Payroll	\$ 13,624,438	\$ 13,529,580	\$ 12,952,620	\$ 13,435,984	\$ 12,914,407	\$ 12,567,847	\$ 13,918,915	\$ 13,335,646
Net Pension Liability as a Percentage of Covered Payroll	-6.0%	60.9%	40.9%	29.9%	34.6%	46.6%	37.0%	34.2%

Note: The schedule is intended to show information for 10 years. Additional years will be displayed as they come available.

See accompanying Notes to Required Supplementary Information.

**CITY OF WARWICK, RHODE ISLAND
SCHEDULE OF CITY CONTRIBUTIONS
CITY EMPLOYEES' PENSION PLAN
LAST SEVEN FISCAL YEARS**

	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially Determined Contribution	\$ 7,390,390	\$ 7,458,317	\$ 6,728,459	\$ 6,194,245	\$ 5,764,819	\$ 5,505,376	\$ 5,640,498	\$ 5,436,625
Actual Contribution Made in Relation to the Actuarially Determined Contribution	<u>7,390,390</u>	<u>7,458,317</u>	<u>6,728,459</u>	<u>6,194,245</u>	<u>5,764,819</u>	<u>5,505,376</u>	<u>5,640,498</u>	<u>5,436,625</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 18,044,347	\$ 20,987,700	\$ 20,862,031	\$ 23,610,939	\$ 23,610,939	\$ 20,255,338	\$ 20,072,947	\$ 18,391,191
Contributions as a Percentage of Covered Payroll	41.0%	35.5%	32.3%	26.2%	24.4%	27.2%	28.1%	29.6%

Notes to Schedule of Contributions

Valuation Date

July 1, 2019

Notes

Actuarially determined contribution rates are calculated as of June 30, effective for the fiscal year that begins 12 months after the valuation date.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method

For funding purposes, the Entry Age Normal Actuarial Cost Method is used.

Asset Valuation Method

Fair Market Value

Inflation

2.50%

Salary Increases

3.00% to 7.00% including inflation

Investment Rate of Return

6.90%

Retirement Age

Experienced-based table of rates that are specific to the type of eligibility condition.

Mortality

(Male) 115% of RP-2000 Combined Healthy for Males with White Collar adjustments, projected with Scale AA from 2000.

(Female) 95% of RP-2000 Combined Healthy for Females with White Collar adjustments, projected with Scale AA from 2000.

Other Information:

Notes

There were no benefit changes during the year.

The schedule is intended to show information for 10 years. Additional years will be displayed as the become available.

**CITY OF WARWICK, RHODE ISLAND
SCHEDULE OF CITY CONTRIBUTIONS
POLICE I AND FIRE PENSION PLAN
LAST SEVEN FISCAL YEARS**

	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially Determined Contribution	\$ 19,455,048	\$ 18,935,407	\$ 18,427,881	\$ 17,934,399	\$ 17,465,464	\$ 17,378,897	\$ 16,039,998	\$ 15,206,485
Actual Contribution Made in Relation to the Actuarially Determined Contribution	19,455,048	18,935,407	18,427,881	17,934,399	17,465,464	17,378,897	16,039,998	15,206,485
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 435,286	\$ 568,886	\$ 781,786	\$ 2,506,287	\$ 3,139,571	\$ 3,811,871	\$ 4,068,714	\$ 4,154,657
Contributions as a Percentage of Covered Payroll	4469.5%	3328.5%	2357.2%	715.6%	556.3%	455.9%	394.2%	366.0%

Notes to Schedule of Contributions

Valuation Date

July 1, 2019

Notes

Actuarially determined contribution rates are calculated as of June 30, effective for the fiscal year that begins 12 months after the valuation date.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method

For funding purposes, the Entry Age Normal Actuarial Cost Method is used.

Asset Valuation Method

Fair Market Value

Inflation

2.50%

Salary Increases

3.50% to 13.50% including inflation

Investment Rate of Return

6.90%

Retirement Age

Experienced-based table of rates that are specific to the type of eligibility condition.

Mortality

(Male) 115% of RP-2000 Combined Healthy for Males with White Collar adjustments, projected with Scale AA from 2000.

(Female) 95% of RP-2000 Combined Healthy for Females with White Collar adjustments, projected with Scale AA from 2000.

Other Information:

Notes

There were no benefit changes during the year.

The schedule is intended to show information for 10 years. Additional years will be displayed as the become available.

See accompanying Notes to Required Supplementary Information.

**CITY OF WARWICK, RHODE ISLAND
SCHEDULE OF CITY CONTRIBUTIONS
POLICE II PENSION PLAN
LAST SEVEN FISCAL YEARS**

	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially Determined Contribution	\$ 4,920,611	\$ 4,610,514	\$ 4,483,039	\$ 4,179,364	\$ 3,938,725	\$ 3,853,855	\$ 3,828,534	\$ 3,322,236
Actual Contribution Made in Relation to the Actuarially Determined Contribution	4,920,611	4,610,514	4,483,039	4,179,364	3,938,725	3,853,855	3,828,534	3,322,236
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll	\$ 15,068,983	\$ 14,358,499	\$ 14,286,295	\$ 13,820,649	\$ 13,791,394	\$ 13,269,052	\$ 12,781,663	\$ 12,494,306
Contributions as a Percentage of Covered Payroll	32.7%	32.1%	31.4%	30.2%	28.6%	29.0%	30.0%	26.6%

Notes to Schedule of Contributions

Valuation Date

July 1, 2019

Notes

Actuarially determined contribution rates are calculated as of June 30, effective for the fiscal year that begins 12 months after the valuation date.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method

For funding purposes, the Entry Age Normal Actuarial Cost Method is used.

Asset Valuation Method

Fair Market Value

Inflation

2.50%

Salary Increases

3.50% to 13.50% including inflation

Investment Rate of Return

6.90%

Retirement Age

Experienced-based table of rates that are specific to the type of eligibility condition.

Mortality

(Male) 115% of RP-2000 Combined Healthy for Males with White Collar adjustments, projected with Scale AA from 2000.
(Female) 95% of RP-2000 Combined Healthy for Females with White Collar adjustments, projected with Scale AA from 2000.

Other Information:

There were no benefit changes during the year.

Notes

The schedule is intended to show information for 10 years. Additional years will be displayed as the become available.

See accompanying Notes to Required Supplementary Information.

**CITY OF WARWICK, RHODE ISLAND
SCHEDULE OF CITY CONTRIBUTIONS
FIRE II PENSION PLAN
LAST SEVEN FISCAL YEARS**

	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially Determined Contribution	\$ 4,584,284	\$ 4,282,728	\$ 3,646,246	\$ 3,561,858	\$ 3,149,947	\$ 2,973,277	\$ 2,943,088	\$ 2,903,462
Actual Contribution Made in Relation to the Actuarially Determined Contribution	4,584,284	4,282,728	3,646,246	3,561,858	3,149,947	2,973,277	2,943,088	2,903,462
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll	\$ 15,955,044	\$ 16,004,215	\$ 15,696,281	\$ 15,696,281	\$ 14,188,946	\$ 13,393,144	\$ 12,602,432	\$ 11,769,201
Contributions as a Percentage of Covered Payroll	28.7%	26.8%	23.2%	22.7%	22.2%	22.2%	23.4%	24.7%

Notes to Schedule of Contributions

Valuation Date

July 1, 2019

Notes

Actuarially determined contribution rates are calculated as of June 30, effective for the fiscal year that begins 12 months after the valuation date.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method

For funding purposes, the Entry Age Normal Actuarial Cost Method is used.

Asset Valuation Method

Fair Market Value

Inflation

2.50%

Salary Increases

3.50% to 13.50% including inflation

Investment Rate of Return

6.90%

Retirement Age

Experienced-based table of rates that are specific to the type of eligibility condition.

Mortality

(Male) 115% of RP-2000 Combined Healthy for Males with White Collar adjustments, projected with Scale AA from 2000.
(Female) 95% of RP-2000 Combined Healthy for Females with White Collar adjustments, projected with Scale AA from 2000.

Other Information:

Notes

There were no benefit changes during the year.

The schedule is intended to show information for 10 years. Additional years will be displayed as the become available.

See accompanying Notes to Required Supplementary Information.

**CITY OF WARWICK, RHODE ISLAND
SCHEDULE OF CITY CONTRIBUTIONS
WARWICK PUBLIC SCHOOLS EMPLOYEES' PENSION PLAN
LAST SEVEN FISCAL YEARS**

	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially Determined Contribution	\$ 966,492	\$ 1,130,306	\$ 1,000,253	\$ 1,109,882	\$ 1,156,709	\$ 1,161,346	\$ 1,092,021	\$ 1,236,062
Actual Contribution Made in Relation to the Actuarially Determined Contribution	<u>559,592</u>	<u>50,050</u>	<u>2,286,461</u>	<u>1,152,310</u>	<u>2,044,880</u>	<u>1,968,941</u>	<u>1,752,679</u>	<u>2,160,500</u>
Contribution Deficiency (Excess)	<u>\$ 406,900</u>	<u>\$ 1,080,256</u>	<u>\$ (1,286,208)</u>	<u>\$ (42,428)</u>	<u>\$ (888,171)</u>	<u>\$ (807,595)</u>	<u>\$ (660,658)</u>	<u>\$ (924,438)</u>
Covered Payroll	\$ 13,624,438	\$ 13,529,580	\$ 12,952,620	\$ 13,435,984	\$ 12,914,407	\$ 12,567,847	\$ 13,918,915	\$ 13,335,646
Contributions as a Percentage of Covered Payroll	4.1%	0.4%	17.7%	8.6%	15.8%	15.7%	12.6%	16.2%

Notes to Schedule of Contributions

Valuation Date

July 1, 2020

Notes

Actuarially determined contribution rates are calculated as of the beginning of the fiscal year, July 1, the valuation date.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	For funding purposes, the Entry Age Normal Actuarial Cost Method is used.
Amortization Method	Level percentage of payroll
Asset Valuation Method	Fair Market Value
Salary Increases	4.50% for pre-age 50, 2.5% for post-age 50
Investment Rate of Return	6.75%
Retirement Age	30% at Age 62, 15% per year for Ages 63 through 64, 100% at Age 65.
Mortality	PubG-2010(B) with Generational Mortality Improvement
Disabled Mortality	PubG-2010 Disabled Retiree Mortality with Generation Mortality Improvement

Other Information:

Notes

There were no benefit changes during the year.

The schedule is intended to show information for 10 years. Additional years will be displayed as the become available.

See accompanying Notes to Required Supplementary Information.

**CITY OF WARWICK, RHODE ISLAND
SCHEDULE OF INVESTMENT RETURNS
CITY PENSION PLANS
LAST SEVEN FISCAL YEARS**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Annual Money-Weighted Rate of Return, Net of Investment Expense:								
Police I and Fire Pension Plan	30.0 %	0.8 %	4.2 %	8.5 %	14.2 %	(1.9)%	0.5 %	15.4 %
Police II Pension Plan	30.9	1.1	4.2	8.6	13.2	(1.4)	2.3	15.7
Fire II Pension Plan	30.9	1.4	4.4	6.8	14.4	(1.8)	1.3	14.8
City Employees Pension Plan	32.8	1.2	4.2	9.1	12.8	(1.4)	2.1	15.7
Warwick Public School Employees' Pension Plan	26.3	4.0	7.5	9.7	12.6	2.3	2.0	17.2

Note: The schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

**CITY OF WARWICK, RHODE ISLAND
SCHEDULE OF CITY CONTRIBUTIONS
EMPLOYEES' RETIREMENT SYSTEM – TEACHERS
LAST SIX FISCAL YEARS**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially Determined Contribution	\$ 12,218,833	\$ 11,800,882	\$ 11,027,679	\$ 10,176,528	\$ 10,619,358	\$ 10,888,514	\$ 10,546,876
Actual Contribution Made in Relation to the Actuarially Determined Contribution	<u>12,218,833</u>	<u>11,800,882</u>	<u>11,027,679</u>	<u>10,176,528</u>	<u>10,619,358</u>	<u>10,888,514</u>	<u>10,546,876</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 70,194,914	\$ 83,598,027	\$ 78,624,319	\$ 76,861,994	\$ 80,571,760	\$ 79,304,545	\$ 78,649,336
Contributions as a Percentage of Covered Payroll	17.4%	14.1%	14.0%	13.2%	13.2%	13.7%	13.4%

Notes

- 1) Employers participating in the State Employees' Retirement System are required by RI General Laws, Section 36-10-2, to contribute an actuarially determined rate each year.
- 2) The schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

CITY OF WARWICK, RHODE ISLAND
SCHEDULE OF CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
EMPLOYEES' RETIREMENT SYSTEM – TEACHERS
LAST SIX FISCAL YEARS

	Fiscal Year Measurement Date	2021 June 30, 2020	2020 June 30, 2019	2019 June 30, 2018	2018 June 30, 2017	2017 June 30, 2016	2016 June 30, 2015	2015 June 30, 2014
Employer's Proportion of the Net Pension Liability		4.324%	4.330%	4.413%	4.264%	4.708%	4.840%	5.003%
Employer's Proportionate Share of the Net Pension Liability		\$ 138,142,866	\$ 138,160,441	\$ 140,219,615	\$ 134,499,571	\$ 140,460,773	\$ 133,250,179	\$ 121,776,253
State's Proportionate Share of the Net Pension Liability		<u>102,643,533</u>	<u>103,496,476</u>	<u>104,593,761</u>	<u>101,649,361</u>	<u>96,195,004</u>	<u>91,032,340</u>	<u>83,507,586</u>
Total Net Pension Liability		<u>\$ 240,786,399</u>	<u>\$ 241,656,917</u>	<u>\$ 244,813,376</u>	<u>\$ 236,148,932</u>	<u>\$ 236,655,777</u>	<u>\$ 224,282,519</u>	<u>\$ 205,283,839</u>
Employer's Covered Payroll		\$ 83,598,027	\$ 78,624,319	\$ 76,861,994	\$ 80,571,760	\$ 79,304,545	\$ 78,649,336	\$ 76,683,103
Employer's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll		165.25%	175.72%	182.43%	166.93%	177.12%	169.42%	158.80%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability		54.60%	54.60%	54.30%	54.00%	54.06%	57.55%	61.40%

Notes

- 1) The amounts presented for each fiscal year were determined as of 6/30 measurement date prior to fiscal year end.
- 2) The schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

See accompanying Notes to Required Supplementary Information.

CITY OF WARWICK, RHODE ISLAND
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
LAST THREE FISCAL YEARS

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
<u>City Plan</u>				
Total OPEB Liability:				
Service Cost	\$ 10,717,987	\$ 10,622,337	\$ 10,159,859	\$ 10,631,235
Interest	10,009,065	9,953,310	10,320,288	10,463,940
Differences Between Expected and Actual Experience	(1,928,670)	7,774,043	(3,523,060)	(14,109,697)
Changes in Assumptions and Other Inputs	17,553,766	4,621,734	5,992,743	-
Benefit Payments	<u>(13,972,245)</u>	<u>(12,908,231)</u>	<u>(12,129,308)</u>	<u>(11,482,709)</u>
Net Change in Total OPEB Liability	22,379,903	20,063,193	10,820,522	(4,497,231)
Total OPEB Liability - Beginning	<u>383,266,763</u>	<u>363,203,570</u>	<u>352,383,048</u>	<u>356,880,279</u>
Total OPEB Liability - Ending	<u>\$ 405,646,666</u>	<u>\$ 383,266,763</u>	<u>\$ 363,203,570</u>	<u>\$ 352,383,048</u>
Covered-Employee Payroll	\$ 52,560,591	\$ 52,396,661	\$ 51,864,261	\$ 49,203,459
Total OPEB Liability as a percentage of covered-employee payroll	771.8%	731.5%	700.3%	716.2%
<u>School Plan</u>				
Total OPEB Liability:				
Service Cost	\$ 859,637	\$ 873,977	\$ 843,281	\$ 2,069,696
Interest	691,204	744,953	763,073	1,573,178
Changes in Benefit Terms	-	-	(27,448,651)	-
Differences Between Expected and Actual Experience	8,291,182	(2,059,373)	(409,717)	(2,581,254)
Changes in Assumptions and Other Inputs	2,122,587	423,444	671,700	-
Benefit Payments	<u>(632,191)</u>	<u>(765,203)</u>	<u>(782,810)</u>	<u>(812,604)</u>
Net Change in Total OPEB Liability	11,332,419	(782,202)	(26,363,124)	249,016
Total OPEB Liability - Beginning	<u>26,301,212</u>	<u>27,083,414</u>	<u>53,446,538</u>	<u>53,197,522</u>
Total OPEB Liability - Ending	<u>\$ 37,633,631</u>	<u>\$ 26,301,212</u>	<u>\$ 27,083,414</u>	<u>\$ 53,446,538</u>
Covered-Employee Payroll	\$ 96,759,805	\$ 88,671,896	\$ 93,240,089	\$ 95,717,334
Total OPEB Liability as a percentage of covered-employee payroll	38.9%	29.7%	29.0%	55.8%

Note: The schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

**SUPPLEMENTAL, COMBINING, AND INDIVIDUAL FUND
STATEMENTS AND SCHEDULES**

NONMAJOR GOVERNMENTAL FUNDS

**CITY OF WARWICK, RHODE ISLAND
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2021**

SPECIAL REVENUE FUNDS

Special Revenue Restricted City Funds – These funds are used to account for revenues from specific taxes or other earmarked revenue sources which by law are designated to finance particular functions or activities of government, and which therefore cannot be diverted to other uses. The following is a list of special revenue funds in this section:

Special Detail Fund – Established to account for police and fire special details revenue and related expenditures.

City Clerk Restricted Fund – Established to account for fees and expenditures related to the enhancement of the vital statistic and land evidence systems.

Emergency Operations City – Established to account for the revenues and expenditures associated with the March 2010 Flood Disaster.

Warwick Public Library Restricted Fund – Established to account for receipt and disbursements of grants/donations and related expenditures for library operations.

Open Space Land Dedication – Established to account for residential subdivision fees and related expenditures for public recreation land acquisitions in districts containing these subdivisions.

Sewer Connection Grant – Established to account for the receipt and disbursement of funds relating to a grant program which assists residents with the cost of new sewer connections.

Excess Hotel Tax Fund – Established to reserve economic development portion of state hotel tax exceeding current year tourism related expenditures.

Mooring Fee Reserve Fund – Established to account for waterfront safety fees and related expenditures.

Senior Center Gift Shop – Established to account for receipts and expenditures related to the operation of Pilgrim Senior Center.

Police JAG Grant – Established to account for grant proceeds received from the U.S. Department of Justice for the purpose of enhancing law enforcement operations and public safety.

Federal Asset Forfeiture Fund – Established to account for proceeds from drug related property seizures and related anti-drug expenditures.

State Asset Forfeiture Fund – Established to account for proceeds from drug related property seizures and related anti-drug expenditures.

Community Development Block Grant – Established to account for the annual Entitlement Community program of the U.S. Department of Housing and Urban Development and related expenditures addressing housing and community development needs throughout Warwick. It provides assistance to the low and moderate income population of the City of Warwick.

**CITY OF WARWICK, RHODE ISLAND
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2021**

SPECIAL REVENUE FUNDS (CONTINUED)

FEMA COVID – Established to account for the COVID-19 pandemic expenditures to be funded through FEMA.

Employee Benefit Trust Funds – Established to account for various municipal union employee contributions and benefits.

Treasurer's Agent – Established to account for funds held on deposit related to performance activities.

Neighbors Helping Neighbors – Established to account for charitable donations and expenditures of various local programs.

School Restricted Funds – Funds established to account for federal, state, and private grant monies used for the benefit of the Warwick School Department. The following is a list of the School funds included in this section:

- IDEA
- IDEA Pre-School
- Title I
- Title II
- Title III
- Title IV
- Perkins Voc
- Homeless Child/Youth
- Fresh Fruit/Veg Program
- School Lunch Equipment
- Gen-Assembly Skills USA
- RI Arts Big Yellow Bus
- Arts Dalmation Toll Gate
- Big Yellow Bus Vets
- Emergency Repairs-Tech
- Career and Tech Repairs
- CTE Categorical
- CTE Reserve
- CTE Trust
- Full Day Kindergarten
- English Learner Categorical
- Learning Champions
- CS4RI Teals Innovation Office Grant
- Champlin Audio/Video
- Champlin Winman
- Champlin Aldrich Gorton
- Feinstein
- Feinstein Holliman
- Feinstein Scott-Comm Fund
- Lowes Charitable Fund
- United Way
- Toshiba Grant Science
- Generation Youth Foundation Oak Beach
- Staples Foundation
- Shapiro Fund for Warwick
- Kula Foundation
- Target
- Education Development Center
- Dorothy Rich Association
- RI Interlocal Trust
- Signs of Enlightenment Toll Gate
- Shaw Grant
- Stop & Shop
- Carter Family Spark Grant
- Cedar Hill Library Books
- PTO Donations
- C.A.S.I.T Italian Program
- James Manson Memorial
- Workforce Partnership of Greater RI
- Substitute Teachers Grant
- Esther Chester Donation
- Mary Mani Memorial Fund
- Carol Gray Memorial Fund
- Patricia St. Amant Afterschool
- Day One Your Voice Your Data
- City/Town Contribution Sports
- Injury Fund
- Donations Performing Arts
- Donations Instructional Supplies
- Holliman Yearbook
- Technology Self Insurance
- School Food Service Fund
- Johnny Rockets
- Donations Instructional Materials
- Donations Sports
- RISCA Promoting Lit & Art
- School Climate Transformation
- Champlin Toll Gate
- Tech Assistance Grant
- Cares Act ESSER Program
- Cares Act CRF Program
- ESSER II – Back to School
- ESSER II – Digital Divide
- SBA Capital Fund
- Comprehensive Literacy Grant
- No Kid Hungry Grant
- Education Innovation & Research
- RIHEBC WIN Grant
- NE Dairy & Food Council
- Jeannette Cram Scholarship
- Student Activity Funds

**CITY OF WARWICK, RHODE ISLAND
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2021**

CAPITAL PROJECT FUNDS

The Capital Project Funds account for all resources used for the acquisition and/or construction of capital facilities by the City, except those financed by the Enterprise Funds.

2000 Open Space Bond Fund – to acquire and preserve open space within the City.

2006 Fire Station Bond Fund – to account for capital improvements related to the fire station.

2006 School Bond Fund – to account for capital improvements related to schools.

2002 Drainage Bond Fund – to account for various improvements to the drainage system of the City.

2006 City Buildings Bond Fund – to account for capital improvements related to municipal facilities.

Capital Leases Fund – to account for expenditures relating to the City’s lease purchase program for the acquisition of capital equipment and vehicles.

Road Bridge Fund – to account for expenditures relating to road and bridge work.

2020 Road Bridge Fund – to account for expenditures relating to road and bridge work.

2019 School Bond Fund – to account for capital improvements related to schools.

2020 Efficient Building Loan Fund – to account for capital improvements related to municipal facilities.

2020 School Bond Fund – to account for capital improvements related to schools.

2021 Energy Efficiency Loan Fund – to account for capital improvements related to energy efficiency projects.

2021 School Bond Fund – to account for capital improvements related to schools.

DEBT SERVICE FUND

The Debt Service Fund is used to account for the balance of funds restricted for the repayment of debt service.

**CITY OF WARWICK, RHODE ISLAND
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2021**

ASSETS	Special Revenue Restricted City	Special Revenue Restricted School	Capital Project Funds	Debt Service Fund	Total
Cash and Cash Equivalents	\$ 1,882,184	\$ 471,785	\$ 5,798,250	\$ -	\$ 8,152,219
Cash Held by Fiscal Agent	-	-	111,951	-	111,951
Restricted Cash and Cash Equivalents	-	-	1,000,689	5,201,368	6,202,057
Receivables, Net of Allowance for Uncollectible Amounts:					
Intergovernmental	156,899	6,045,918	6,968,760	-	13,171,577
Loan Receivable	2,599,403	-	-	-	2,599,403
Departmental and Other	102,078	45,065	7,000	-	154,143
Due from Other Funds	2,055,701	1,009,365	432,351	-	3,497,417
Other Assets	-	178,300	-	-	178,300
Total Assets	\$ 6,796,265	\$ 7,750,433	\$ 14,319,001	\$ 5,201,368	\$ 34,067,067
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
LIABILITIES					
Accounts Payable and Accrued Expenditures	\$ 262,755	\$ 464,433	\$ 2,563,829	\$ -	\$ 3,291,017
Accrued Payroll and Related Liabilities	72,089	(2,318)	-	-	69,771
Due to Federal and State Governments	30	-	-	-	30
Due to Other Funds	836,179	5,739,633	610,414	-	7,186,226
Unearned Revenues	3,000	-	-	-	3,000
Other Liabilities	282,514	-	-	-	282,514
Total Liabilities	1,456,567	6,201,748	3,174,243	-	10,832,558
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenues - Other	2,701,481	-	-	-	2,701,481
Total Deferred Inflows of Resources	2,701,481	-	-	-	2,701,481
FUND BALANCES					
Nonspendable	-	176,703	-	-	176,703
Restricted	3,333,486	1,658,247	11,444,802	5,201,368	21,637,903
Unassigned	(695,269)	(286,265)	(300,044)	-	(1,281,578)
Total Fund Balances	2,638,217	1,548,685	11,144,758	5,201,368	20,533,028
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 6,796,265	\$ 7,750,433	\$ 14,319,001	\$ 5,201,368	\$ 34,067,067

**CITY OF WARWICK, RHODE ISLAND
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2021**

	Special Revenue Restricted City	Special Revenue Restricted School	Capital Project Funds	Debt Service Fund	Total
REVENUES					
Intergovernmental Revenues	\$ 1,176,156	\$ 13,622,853	\$ 2,273,507	\$ -	\$ 17,072,516
Charges for Services	1,171,839	62,509	-	-	1,234,348
Other Revenue	62,302	-	-	-	62,302
Investment Income	526	24	1,182	296	2,028
Contributions and Private Grants	113,605	463,772	-	-	577,377
Total Revenues	<u>2,524,428</u>	<u>14,149,158</u>	<u>2,274,689</u>	<u>296</u>	<u>18,948,571</u>
EXPENDITURES					
Executive and Administration	70,625	-	207,227	-	277,852
Public Safety	1,077,023	-	1,117,708	-	2,194,731
Public Libraries	256,347	-	-	-	256,347
Social Services	3,128	-	-	-	3,128
Planning and Economic Development	1,280,028	-	-	-	1,280,028
Public Works	-	-	7,575,273	-	7,575,273
Education	-	14,045,148	6,126,388	-	20,171,536
Total Expenditures	<u>2,687,151</u>	<u>14,045,148</u>	<u>15,026,596</u>	<u>-</u>	<u>31,758,895</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES					
	(162,723)	104,010	(12,751,907)	296	(12,810,324)
OTHER FINANCING SOURCES (USES)					
Proceeds from Issuance of Bonds and Notes	-	-	9,600,000	-	9,600,000
Premium on Issuance of Bonds and Notes	-	-	602,506	-	602,506
Transfers In	-	27,932	-	507,500	535,432
Transfer Out	(452,728)	-	(100,949)	-	(553,677)
Total Other Financing Sources (Uses)	<u>(452,728)</u>	<u>27,932</u>	<u>10,101,557</u>	<u>507,500</u>	<u>10,184,261</u>
NET CHANGE IN FUND BALANCES					
	(615,451)	131,942	(2,650,350)	507,796	(2,626,063)
Fund Balances - Beginning of Year (As Restated)	<u>3,253,668</u>	<u>1,416,743</u>	<u>13,795,108</u>	<u>4,693,572</u>	<u>23,159,091</u>
FUND BALANCES - END OF YEAR					
	<u>\$ 2,638,217</u>	<u>\$ 1,548,685</u>	<u>\$ 11,144,758</u>	<u>\$ 5,201,368</u>	<u>\$ 20,533,028</u>

**CITY OF WARWICK, RHODE ISLAND
COMBINING BALANCE SHEET
SPECIAL REVENUE RESTRICTED CITY
JUNE 30, 2021**

	Special Detail Fund	City Clerk Restricted Fund	Emergency Operations City	Warwick Public Library Restricted Fund	Open Space Land Dedication	Sewer Connection Grant	Excess Hotel Tax Fund	Mooring Fee Reserve Fund	Senior Center Gift Shop
ASSETS									
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ 380,651	\$ -	\$ 11,271	\$ 147,764	\$ 245,980	\$ 36,310
Receivables, Net of Uncollectibles:									
Departmental and Other	102,078	-	-	-	-	-	-	-	-
Loans Receivable	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-	-
Due from Other Funds	301,350	975,270	128,657	-	389,181	6,287	-	16,503	-
Total Assets	<u>\$ 403,428</u>	<u>\$ 975,270</u>	<u>\$ 128,657</u>	<u>\$ 380,651</u>	<u>\$ 389,181</u>	<u>\$ 17,558</u>	<u>\$ 147,764</u>	<u>\$ 262,483</u>	<u>\$ 36,310</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES									
LIABILITIES									
Accounts Payable and Accrued Expenditures	\$ -	\$ 486	\$ -	\$ 47,862	\$ -	\$ 1,000	\$ -	\$ -	\$ 105
Accrued Payroll and Related Liabilities	72,089	-	-	-	-	-	-	-	-
Due to Federal and State Governments	-	-	-	-	-	-	-	-	-
Due to Other Funds	-	-	-	138,735	-	-	-	-	4,663
Unearned Revenue	-	-	-	-	-	-	-	-	-
Other Liabilities	-	-	-	-	-	-	-	-	-
Total Liabilities	<u>72,089</u>	<u>486</u>	<u>-</u>	<u>186,597</u>	<u>-</u>	<u>1,000</u>	<u>-</u>	<u>-</u>	<u>4,768</u>
DEFERRED INFLOWS OF RESOURCES									
Unavailable Revenue - Other	<u>102,078</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES									
Restricted	229,261	974,784	128,657	194,054	389,181	16,558	147,764	262,483	31,542
Unassigned	-	-	-	-	-	-	-	-	-
Total Fund Balances	<u>229,261</u>	<u>974,784</u>	<u>128,657</u>	<u>194,054</u>	<u>389,181</u>	<u>16,558</u>	<u>147,764</u>	<u>262,483</u>	<u>31,542</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 403,428</u>	<u>\$ 975,270</u>	<u>\$ 128,657</u>	<u>\$ 380,651</u>	<u>\$ 389,181</u>	<u>\$ 17,558</u>	<u>\$ 147,764</u>	<u>\$ 262,483</u>	<u>\$ 36,310</u>

**CITY OF WARWICK, RHODE ISLAND
COMBINING BALANCE SHEET (CONTINUED)
SPECIAL REVENUE RESTRICTED CITY
JUNE 30, 2021**

	Police JAG Grant	Federal Asset Forfeiture Fund	State Asset Forfeiture Fund	Community Development Block Grant	FEMA COVID	Employee Benefit Trust Fund	Treasurer's Agent	Neighbors Helping Neighbors	Total
ASSETS									
Cash and Cash Equivalents	\$ -	\$ 46,211	\$ 113,529	\$ 302,605	\$ -	\$ 111,069	\$ 484,207	\$ 2,587	\$ 1,882,184
Receivables, Net of Uncollectibles:									
Departmental and Other	-	-	-	-	-	-	-	-	102,078
Loans Receivable	-	-	-	2,599,403	-	-	-	-	2,599,403
Intergovernmental	-	-	-	156,899	-	-	-	-	156,899
Due from Other Funds	-	44,706	-	-	-	12,817	175,308	5,622	2,055,701
Total Assets	<u>\$ -</u>	<u>\$ 90,917</u>	<u>\$ 113,529</u>	<u>\$ 3,058,907</u>	<u>\$ -</u>	<u>\$ 123,886</u>	<u>\$ 659,515</u>	<u>\$ 8,209</u>	<u>\$ 6,796,265</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES									
LIABILITIES									
Accounts Payable and Accrued Expenditures	\$ 54,202	\$ -	\$ -	\$ 157,148	\$ -	\$ -	\$ 1,952	\$ -	\$ 262,755
Accrued Payroll and Related Liabilities	-	-	-	-	-	-	-	-	72,089
Due to Federal and State Governments	-	-	-	30	-	-	-	-	30
Due to Other Funds	14,931	-	51,714	-	626,136	-	-	-	836,179
Unearned Revenue	-	-	-	-	-	-	3,000	-	3,000
Other Liabilities	-	-	4,044	-	-	-	278,470	-	282,514
Total Liabilities	<u>69,133</u>	<u>-</u>	<u>55,758</u>	<u>157,178</u>	<u>626,136</u>	<u>-</u>	<u>283,422</u>	<u>-</u>	<u>1,456,567</u>
DEFERRED INFLOWS OF RESOURCES									
Unavailable Revenue - Other	-	-	-	2,599,403	-	-	-	-	2,701,481
FUND BALANCES									
Restricted	-	90,917	57,771	302,326	-	123,886	376,093	8,209	3,333,486
Unassigned	(69,133)	-	-	-	(626,136)	-	-	-	(695,269)
Total Fund Balances	<u>(69,133)</u>	<u>90,917</u>	<u>57,771</u>	<u>302,326</u>	<u>(626,136)</u>	<u>123,886</u>	<u>376,093</u>	<u>8,209</u>	<u>2,638,217</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ -</u>	<u>\$ 90,917</u>	<u>\$ 113,529</u>	<u>\$ 3,058,907</u>	<u>\$ -</u>	<u>\$ 123,886</u>	<u>\$ 659,515</u>	<u>\$ 8,209</u>	<u>\$ 6,796,265</u>

CITY OF WARWICK, RHODE ISLAND
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
SPECIAL REVENUE RESTRICTED CITY
YEAR ENDED JUNE 30, 2021

	Special Detail Fund	City Clerk Restricted Fund	Emergency Operations City	Warwick Public Library Restricted Fund	Open Space Land Dedication	Sewer Connection Grant	Excess Hotel Tax Fund	Mooring Fee Reserve Fund	Senior Center Gift Shop
REVENUES									
Charges for Services	\$ 770,071	\$ 140,255	\$ -	\$ -	\$ 34,735	\$ -	\$ -	\$ 7,725	\$ 112
Intergovernmental	-	-	-	-	-	-	-	-	-
Contributions and Private Grants	-	-	-	75,499	-	-	-	-	-
Investment Income	-	-	-	146	102	4	58	96	14
Other Revenue	-	-	-	-	-	-	-	-	150
Total Revenues	770,071	140,255	-	75,645	34,837	4	58	7,821	276
EXPENDITURES									
Executive and Administration	-	44,981	-	-	-	-	-	-	-
Public Safety	124,565	-	-	-	-	-	-	-	-
Public Libraries	-	-	-	256,347	-	-	-	-	-
Social Services	-	-	-	-	-	-	-	-	3,128
Planning and Economic Development	-	-	-	-	-	9,000	-	-	-
Total Expenditures	124,565	44,981	-	256,347	-	9,000	-	-	3,128
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	645,506	95,274	-	(180,702)	34,837	(8,996)	58	7,821	(2,852)
OTHER FINANCING SOURCES (USES)									
Transfers Out	(452,728)	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	(452,728)	-	-	-	-	-	-	-	-
NET CHANGE IN FUND BALANCES	192,778	95,274	-	(180,702)	34,837	(8,996)	58	7,821	(2,852)
Fund Balances - Beginning of Year (As Restated)	36,483	879,510	128,657	374,756	354,344	25,554	147,706	254,662	34,394
FUND BALANCES - END OF YEAR	\$ 229,261	\$ 974,784	\$ 128,657	\$ 194,054	\$ 389,181	\$ 16,558	\$ 147,764	\$ 262,483	\$ 31,542

CITY OF WARWICK, RHODE ISLAND
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
SPECIAL REVENUE RESTRICTED CITY
YEAR ENDED JUNE 30, 2021

	Police JAG Grant	Federal Asset Forfeiture Fund	State Asset Forfeiture Fund	Community Development Block Grant	FEMA COVID	Employee Benefit Trust Fund	Treasurer's Agent	Neighbors Helping Neighbors	Total
REVENUES									
Charges for Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 218,941	\$ -	\$ 1,171,839
Intergovernmental	-	21,860	20,116	1,134,180	-	-	-	-	1,176,156
Contributions and Private Grants	-	-	-	-	-	9,260	19,226	9,620	113,605
Investment Income	-	18	44	-	-	43	-	1	526
Other Revenue	-	-	-	62,152	-	-	-	-	62,302
Total Revenues	-	21,878	20,160	1,196,332	-	9,303	238,167	9,621	2,524,428
EXPENDITURES									
Executive and Administration	-	-	-	-	-	14,434	-	11,210	70,625
Public Safety	69,633	33,288	68,472	-	626,136	-	154,929	-	1,077,023
Public Libraries	-	-	-	-	-	-	-	-	256,347
Social Services	-	-	-	-	-	-	-	-	3,128
Planning and Economic Development	-	-	-	1,271,028	-	-	-	-	1,280,028
Total Expenditures	69,633	33,288	68,472	1,271,028	626,136	14,434	154,929	11,210	2,687,151
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(69,633)	(11,410)	(48,312)	(74,696)	(626,136)	(5,131)	83,238	(1,589)	(162,723)
OTHER FINANCING SOURCES (USES)									
Transfers Out	-	-	-	-	-	-	-	-	(452,728)
Total Other Financing Sources (Uses)	-	-	-	-	-	-	-	-	(452,728)
NET CHANGE IN FUND BALANCES	(69,633)	(11,410)	(48,312)	(74,696)	(626,136)	(5,131)	83,238	(1,589)	(615,451)
Fund Balances - Beginning of Year (As Restated)	500	102,327	106,083	377,022	-	129,017	292,855	9,798	3,253,668
FUND BALANCES - END OF YEAR	\$ (69,133)	\$ 90,917	\$ 57,771	\$ 302,326	\$ (626,136)	\$ 123,886	\$ 376,093	\$ 8,209	\$ 2,638,217

**CITY OF WARWICK, RHODE ISLAND
COMBINING BALANCE SHEET
SPECIAL REVENUE RESTRICTED SCHOOL FUNDS
JUNE 30, 2021**

ASSETS	IDEA	IDEA Preschool	Title I	Title II	Title III	Title IV	Perkins Voc	Homeless Child/Youth	Fresh Fruit/Veg Program
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receivables, Net of Uncollectibles:									
Departmental and Other	-	-	-	-	-	-	44,665	-	-
Intergovernmental	1,083,173	41,598	519,591	194,971	352	762	144,628	-	-
Due from Other Funds	-	-	-	-	-	3,988	-	-	-
Other Assets	-	-	-	-	-	-	-	-	-
Total Assets	<u>\$ 1,083,173</u>	<u>\$ 41,598</u>	<u>\$ 519,591</u>	<u>\$ 194,971</u>	<u>\$ 352</u>	<u>\$ 4,750</u>	<u>\$ 189,293</u>	<u>\$ -</u>	<u>\$ -</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES									
LIABILITIES									
Accounts Payable and Accrued Expenditures	\$ -	\$ 6,780	\$ 63,874	\$ 14,276	\$ -	\$ -	\$ 90,254	\$ -	\$ -
Accrued Payroll and Related Liabilities	(736)	-	(887)	-	-	-	-	-	-
Due to Other Funds	1,083,909	34,818	456,604	180,695	352	-	59,585	29,763	3,997
Total Liabilities	<u>1,083,173</u>	<u>41,598</u>	<u>519,591</u>	<u>194,971</u>	<u>352</u>	<u>-</u>	<u>149,839</u>	<u>29,763</u>	<u>3,997</u>
FUND BALANCES									
Nonspendable	-	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	4,750	39,454	-	-
Unassigned	-	-	-	-	-	-	-	(29,763)	(3,997)
Total Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,750</u>	<u>39,454</u>	<u>(29,763)</u>	<u>(3,997)</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 1,083,173</u>	<u>\$ 41,598</u>	<u>\$ 519,591</u>	<u>\$ 194,971</u>	<u>\$ 352</u>	<u>\$ 4,750</u>	<u>\$ 189,293</u>	<u>\$ -</u>	<u>\$ -</u>

**CITY OF WARWICK, RHODE ISLAND
COMBINING BALANCE SHEET (CONTINUED)
SPECIAL REVENUE RESTRICTED SCHOOL FUNDS
JUNE 30, 2021**

ASSETS	<u>School Lunch Equipment</u>	<u>Gen-Assembly Skills USA</u>	<u>RI Arts Big Yellow Bus</u>	<u>Arts Dalmation Toll Gate</u>	<u>Big Yellow Bus Vets</u>	<u>Emergency Repairs - Tech</u>	<u>Career and Tech Repairs</u>	<u>CTE Categorical</u>	<u>CTE Reserve</u>
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receivables, Net of Uncollectibles:									
Departmental and Other	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	163,705	-
Due from Other Funds	-	11,526	2,190	3,040	580	350,942	70,437	186,077	47,603
Other Assets	-	-	-	-	-	-	-	-	-
Total Assets	<u>\$ -</u>	<u>\$ 11,526</u>	<u>\$ 2,190</u>	<u>\$ 3,040</u>	<u>\$ 580</u>	<u>\$ 350,942</u>	<u>\$ 70,437</u>	<u>\$ 349,782</u>	<u>\$ 47,603</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES									
LIABILITIES									
Accounts Payable and Accrued Expenditures	\$ -	\$ 500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,290	\$ 7,553
Accrued Payroll and Related Liabilities	-	-	-	-	-	-	-	-	-
Due to Other Funds	-	-	-	-	-	-	-	-	-
Total Liabilities	<u>-</u>	<u>500</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,290</u>	<u>7,553</u>
FUND BALANCES									
Nonspendable	-	-	-	-	-	-	-	-	-
Restricted	-	11,026	2,190	3,040	580	350,942	70,437	345,492	40,050
Unassigned	-	-	-	-	-	-	-	-	-
Total Fund Balances	<u>-</u>	<u>11,026</u>	<u>2,190</u>	<u>3,040</u>	<u>580</u>	<u>350,942</u>	<u>70,437</u>	<u>345,492</u>	<u>40,050</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ -</u>	<u>\$ 11,526</u>	<u>\$ 2,190</u>	<u>\$ 3,040</u>	<u>\$ 580</u>	<u>\$ 350,942</u>	<u>\$ 70,437</u>	<u>\$ 349,782</u>	<u>\$ 47,603</u>

**CITY OF WARWICK, RHODE ISLAND
COMBINING BALANCE SHEET (CONTINUED)
SPECIAL REVENUE RESTRICTED SCHOOL FUNDS
JUNE 30, 2021**

	CTE Trust	Full Day Kindergarten	English Learner Categorical	Learning Champions	CS4RI Teals Innovation Office Grant	Champlin Audio/Video	Champlin Winman	Champlin Aldrich Gorton	Feinstein
ASSETS									
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receivables, Net of Uncollectibles:									
Departmental and Other	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	10,056	-	-	-	-	-	-
Due from Other Funds	1,373	880	-	-	6,587	3,997	-	3,306	172,096
Other Assets	-	-	-	-	-	-	-	-	-
Total Assets	<u>\$ 1,373</u>	<u>\$ 880</u>	<u>\$ 10,056</u>	<u>\$ -</u>	<u>\$ 6,587</u>	<u>\$ 3,997</u>	<u>\$ -</u>	<u>\$ 3,306</u>	<u>\$ 172,096</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES									
LIABILITIES									
Accounts Payable and Accrued Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,891
Accrued Payroll and Related Liabilities	-	-	-	-	-	-	-	-	-
Due to Other Funds	-	-	10,056	1,076	-	-	977	-	-
Total Liabilities	-	-	10,056	1,076	-	-	977	-	10,891
FUND BALANCES									
Nonspendable	-	-	-	-	-	-	-	-	-
Restricted	1,373	880	-	-	6,587	3,997	-	3,306	161,205
Unassigned	-	-	-	(1,076)	-	-	(977)	-	-
Total Fund Balances	<u>1,373</u>	<u>880</u>	<u>-</u>	<u>(1,076)</u>	<u>6,587</u>	<u>3,997</u>	<u>(977)</u>	<u>3,306</u>	<u>161,205</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 1,373</u>	<u>\$ 880</u>	<u>\$ 10,056</u>	<u>\$ -</u>	<u>\$ 6,587</u>	<u>\$ 3,997</u>	<u>\$ -</u>	<u>\$ 3,306</u>	<u>\$ 172,096</u>

**CITY OF WARWICK, RHODE ISLAND
COMBINING BALANCE SHEET (CONTINUED)
SPECIAL REVENUE RESTRICTED SCHOOL FUNDS
JUNE 30, 2021**

	Feinstein Holliman	Feinstein Scott-Comm Fund	Lowe's Charitable Fund	United Way	Toshiba Grant Science	Gen Youth Foundation Oak Beach	Staples Foundation	Shapiro Fund for Warwick	Kula Foundation
ASSETS									
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receivables, Net of Uncollectibles:									
Departmental and Other	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-	-
Due from Other Funds	-	924	634	589	1,579	10,221	242	3,817	6
Other Assets	-	-	-	-	-	-	-	-	-
Total Assets	<u>\$ -</u>	<u>\$ 924</u>	<u>\$ 634</u>	<u>\$ 589</u>	<u>\$ 1,579</u>	<u>\$ 10,221</u>	<u>\$ 242</u>	<u>\$ 3,817</u>	<u>\$ 6</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES									
LIABILITIES									
Accounts Payable and Accrued Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued Payroll and Related Liabilities	-	-	-	-	-	-	-	-	-
Due to Other Funds	525	-	-	-	-	-	-	-	-
Total Liabilities	<u>525</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES									
Nonspendable	-	-	-	-	-	-	-	-	-
Restricted	-	924	634	589	1,579	10,221	242	3,817	6
Unassigned	(525)	-	-	-	-	-	-	-	-
Total Fund Balances	<u>(525)</u>	<u>924</u>	<u>634</u>	<u>589</u>	<u>1,579</u>	<u>10,221</u>	<u>242</u>	<u>3,817</u>	<u>6</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ -</u>	<u>\$ 924</u>	<u>\$ 634</u>	<u>\$ 589</u>	<u>\$ 1,579</u>	<u>\$ 10,221</u>	<u>\$ 242</u>	<u>\$ 3,817</u>	<u>\$ 6</u>

**CITY OF WARWICK, RHODE ISLAND
COMBINING BALANCE SHEET (CONTINUED)
SPECIAL REVENUE RESTRICTED SCHOOL FUNDS
JUNE 30, 2021**

	Target	Education Development Center	Dorothy Rich Association	RI Interlocal Trust	Signs of Enlightenment Toll Gate	Shaw Grant	Stop & Shop	Carter Family Spark Grant	Cedar Hill Library Books
ASSETS									
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receivables, Net of Uncollectibles:									
Departmental and Other	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-	-
Due from Other Funds	1,241	1,444	314	10,052	1,792	500	8,948	645	42
Other Assets	-	-	-	-	-	-	-	-	-
Total Assets	<u>\$ 1,241</u>	<u>\$ 1,444</u>	<u>\$ 314</u>	<u>\$ 10,052</u>	<u>\$ 1,792</u>	<u>\$ 500</u>	<u>\$ 8,948</u>	<u>\$ 645</u>	<u>\$ 42</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES									
LIABILITIES									
Accounts Payable and Accrued Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued Payroll and Related Liabilities	-	-	-	-	-	-	-	-	-
Due to Other Funds	-	-	-	-	-	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES									
Nonspendable	-	-	-	-	-	-	-	-	-
Restricted	1,241	1,444	314	10,052	1,792	500	8,948	645	42
Unassigned	-	-	-	-	-	-	-	-	-
Total Fund Balances	<u>1,241</u>	<u>1,444</u>	<u>314</u>	<u>10,052</u>	<u>1,792</u>	<u>500</u>	<u>8,948</u>	<u>645</u>	<u>42</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 1,241</u>	<u>\$ 1,444</u>	<u>\$ 314</u>	<u>\$ 10,052</u>	<u>\$ 1,792</u>	<u>\$ 500</u>	<u>\$ 8,948</u>	<u>\$ 645</u>	<u>\$ 42</u>

**CITY OF WARWICK, RHODE ISLAND
COMBINING BALANCE SHEET (CONTINUED)
SPECIAL REVENUE RESTRICTED SCHOOL FUNDS
JUNE 30, 2021**

	PTO Donations	C.A.S.I.T Italian Program	James Manson Memorial	Workforce Partnership of Greater RI	Substitute Teachers Grant	Esther Chester Donation	Mary Mani Memorial Fund	Carol Gray Memorial Fund	Patricia St. Amant Afterschool
ASSETS									
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receivables, Net of Uncollectibles:									
Departmental and Other	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-	-
Due from Other Funds	3,912	5,038	4,439	1,899	-	-	50	23	6,623
Other Assets	-	-	-	-	-	178,300	-	-	-
Total Assets	<u>\$ 3,912</u>	<u>\$ 5,038</u>	<u>\$ 4,439</u>	<u>\$ 1,899</u>	<u>\$ -</u>	<u>\$ 178,300</u>	<u>\$ 50</u>	<u>\$ 23</u>	<u>\$ 6,623</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES									
LIABILITIES									
Accounts Payable and Accrued Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued Payroll and Related Liabilities	-	-	-	-	-	-	-	-	-
Due to Other Funds	-	-	-	-	-	1,597	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,597</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES									
Nonspendable	-	-	-	-	-	176,703	-	-	-
Restricted	3,912	5,038	4,439	1,899	-	-	50	23	6,623
Unassigned	-	-	-	-	-	-	-	-	-
Total Fund Balances	<u>3,912</u>	<u>5,038</u>	<u>4,439</u>	<u>1,899</u>	<u>-</u>	<u>176,703</u>	<u>50</u>	<u>23</u>	<u>6,623</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 3,912</u>	<u>\$ 5,038</u>	<u>\$ 4,439</u>	<u>\$ 1,899</u>	<u>\$ -</u>	<u>\$ 178,300</u>	<u>\$ 50</u>	<u>\$ 23</u>	<u>\$ 6,623</u>

**CITY OF WARWICK, RHODE ISLAND
COMBINING BALANCE SHEET (CONTINUED)
SPECIAL REVENUE RESTRICTED SCHOOL FUNDS
JUNE 30, 2021**

	Day One Your Voice Your Data	City/Town Contribution Sports	Injury Fund	Donations Performing Arts	Donations Instructional Supplies	Holliman Yearbook	Technology Self Insurance	School Food Service Fund	Johnny Rockets
ASSETS									
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,530	\$ -
Receivables, Net of Uncollectibles:									
Departmental and Other	-	-	25	-	-	-	-	375	-
Intergovernmental	-	-	-	-	-	-	-	285,387	-
Due from Other Funds	1,000	7,988	234	10,010	12,646	1,211	-	-	11,290
Other Assets	-	-	-	-	-	-	-	-	-
Total Assets	<u>\$ 1,000</u>	<u>\$ 7,988</u>	<u>\$ 259</u>	<u>\$ 10,010</u>	<u>\$ 12,646</u>	<u>\$ 1,211</u>	<u>\$ -</u>	<u>\$ 287,292</u>	<u>\$ 11,290</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES									
LIABILITIES									
Accounts Payable and Accrued Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 258,930	\$ -
Accrued Payroll and Related Liabilities	-	-	-	-	-	-	-	(695)	-
Due to Other Funds	-	-	-	-	-	-	242,425	31,559	-
Total Liabilities	-	-	-	-	-	-	242,425	289,794	-
FUND BALANCES									
Nonspendable	-	-	-	-	-	-	-	-	-
Restricted	1,000	7,988	259	10,010	12,646	1,211	-	-	11,290
Unassigned	-	-	-	-	-	-	(242,425)	(2,502)	-
Total Fund Balances	<u>1,000</u>	<u>7,988</u>	<u>259</u>	<u>10,010</u>	<u>12,646</u>	<u>1,211</u>	<u>(242,425)</u>	<u>(2,502)</u>	<u>11,290</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 1,000</u>	<u>\$ 7,988</u>	<u>\$ 259</u>	<u>\$ 10,010</u>	<u>\$ 12,646</u>	<u>\$ 1,211</u>	<u>\$ -</u>	<u>\$ 287,292</u>	<u>\$ 11,290</u>

**CITY OF WARWICK, RHODE ISLAND
COMBINING BALANCE SHEET (CONTINUED)
SPECIAL REVENUE RESTRICTED SCHOOL FUNDS
JUNE 30, 2021**

	Donations Instructional Materials	Donations Sports	RISCA Promoting Lit & Art	School Climate Transformation	Champlin Toll Gate	Tech Assistance Grant	Cares Act ESSER Program	Cares Act CRF Program	ESSER II Back to School
ASSETS									
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receivables, Net of Uncollectibles:									
Departmental and Other	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	3,965	-	-	816,597	-	2,081,700
Due from Other Funds	1,000	1,000	-	2,908	5,764	-	-	-	-
Other Assets	-	-	-	-	-	-	-	-	-
Total Assets	<u>\$ 1,000</u>	<u>\$ 1,000</u>	<u>\$ -</u>	<u>\$ 6,873</u>	<u>\$ 5,764</u>	<u>\$ -</u>	<u>\$ 816,597</u>	<u>\$ -</u>	<u>\$ 2,081,700</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES									
LIABILITIES									
Accounts Payable and Accrued Expenditures	\$ -	\$ -	\$ -	\$ -	\$ 1,355	\$ -	\$ (419)	\$ -	\$ -
Accrued Payroll and Related Liabilities	-	-	-	-	-	-	-	-	-
Due to Other Funds	-	-	-	3,965	-	-	816,597	-	2,081,700
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,965</u>	<u>1,355</u>	<u>-</u>	<u>816,178</u>	<u>-</u>	<u>2,081,700</u>
FUND BALANCES									
Nonspendable	-	-	-	-	-	-	-	-	-
Restricted	1,000	1,000	-	2,908	4,409	-	419	-	-
Unassigned	-	-	-	-	-	-	-	-	-
Total Fund Balances	<u>1,000</u>	<u>1,000</u>	<u>-</u>	<u>2,908</u>	<u>4,409</u>	<u>-</u>	<u>419</u>	<u>-</u>	<u>-</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 1,000</u>	<u>\$ 1,000</u>	<u>\$ -</u>	<u>\$ 6,873</u>	<u>\$ 5,764</u>	<u>\$ -</u>	<u>\$ 816,597</u>	<u>\$ -</u>	<u>\$ 2,081,700</u>

**CITY OF WARWICK, RHODE ISLAND
COMBINING BALANCE SHEET (CONTINUED)
SPECIAL REVENUE RESTRICTED SCHOOL FUNDS
JUNE 30, 2021**

	ESSER II Digital Divide	SBA Capital Fund	Comprehensive Literacy Grant	No Kid Hungry Grant	Education Innovation & Research	RIHEBC WIN Grant	NE Dairy & Food Council	Jeannette Cram Scholarship	Student Activity Funds	Total
ASSETS										
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 23,640	\$ 446,615	\$ 471,785
Receivables, Net of Uncollectibles:										
Departmental and Other	-	-	-	-	-	-	-	-	-	45,065
Intergovernmental	684,456	-	14,977	-	-	-	-	-	-	6,045,918
Due from Other Funds	-	-	-	5,000	-	-	8,363	-	11,355	1,009,365
Other Assets	-	-	-	-	-	-	-	-	-	178,300
Total Assets	<u>\$ 684,456</u>	<u>\$ -</u>	<u>\$ 14,977</u>	<u>\$ 5,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,363</u>	<u>\$ 23,640</u>	<u>\$ 457,970</u>	<u>\$ 7,750,433</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES										
LIABILITIES										
Accounts Payable and Accrued Expenditures	\$ -	\$ 5,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,149	\$ 464,433
Accrued Payroll and Related Liabilities	-	-	-	-	-	-	-	-	-	(2,318)
Due to Other Funds	684,456	-	14,977	-	-	-	-	-	-	5,739,633
Total Liabilities	<u>684,456</u>	<u>5,000</u>	<u>14,977</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,149</u>	<u>6,201,748</u>
FUND BALANCES										
Nonspendable	-	-	-	-	-	-	-	-	-	176,703
Restricted	-	-	-	5,000	-	-	8,363	23,640	456,821	1,658,247
Unassigned	-	(5,000)	-	-	-	-	-	-	-	(286,265)
Total Fund Balances	<u>-</u>	<u>(5,000)</u>	<u>-</u>	<u>5,000</u>	<u>-</u>	<u>-</u>	<u>8,363</u>	<u>23,640</u>	<u>456,821</u>	<u>1,548,685</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 684,456</u>	<u>\$ -</u>	<u>\$ 14,977</u>	<u>\$ 5,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,363</u>	<u>\$ 23,640</u>	<u>\$ 457,970</u>	<u>\$ 7,750,433</u>

CITY OF WARWICK, RHODE ISLAND
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
SPECIAL REVENUE RESTRICTED SCHOOL FUNDS
YEAR ENDED JUNE 30, 2021

	IDEA	IDEA Preschool	Title I	Title II	Title III	Title IV	Perkins Voc	Homeless Child/Youth	Fresh Fruit/Veg Program
REVENUES									
Charges for Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	2,890,234	90,076	1,632,593	443,789	6,390	140,353	199,655	11,125	-
Investment Income	-	-	-	-	-	-	-	-	-
Other Revenue	-	-	-	-	-	-	-	-	-
Total Revenues	2,890,234	90,076	1,632,593	443,789	6,390	140,353	199,655	11,125	-
EXPENDITURES									
Salaries	1,826,778	54,474	861,600	252,157	2,402	2,992	-	24,375	-
Employee Benefits	854,727	22,404	436,445	99,204	177	222	123	1,864	-
Purchased Services	9,000	-	74,077	65,561	-	74,390	20,783	10,972	-
Supplies and Materials	22,550	7,450	82,596	-	867	56,952	19,151	-	-
Capital Equipment and Property	-	-	77,022	-	2,657	1,047	111,508	-	-
Indirect	93,609	2,731	48,368	14,030	127	-	-	-	-
Miscellaneous	-	-	-	-	160	-	-	-	-
Total Expenditures	2,806,664	87,059	1,580,108	430,952	6,390	135,603	151,565	37,211	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	83,570	3,017	52,485	12,837	-	4,750	48,090	(26,086)	-
OTHER FINANCING SOURCES (USES)									
Transfers In	-	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-	-	-	-
NET CHANGE IN FUND BALANCES	83,570	3,017	52,485	12,837	-	4,750	48,090	(26,086)	-
Fund Balances - Beginning of Year (As Restated)	(83,570)	(3,017)	(52,485)	(12,837)	-	-	(8,636)	(3,677)	(3,997)
FUND BALANCES - END OF YEAR	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,750	\$ 39,454	\$ (29,763)	\$ (3,997)

CITY OF WARWICK, RHODE ISLAND
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
SPECIAL REVENUE RESTRICTED SCHOOL FUNDS
YEAR ENDED JUNE 30, 2021

	School Lunch Equipment	Gen-Assembly Skills USA	RI Arts Big Yellow Bus - Sher	Arts Dalmation Toll Gate	Big Yellow Bus Vets	Emergency Repairs - Tech	Career and Tech Repairs	CTE Categorical	CTE Reserve
REVENUES									
Charges for Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	777	16,150	-	-	-	-	-	163,704	-
Investment Income	-	-	-	-	-	-	-	-	-
Other Revenue	-	-	-	-	-	-	-	-	-
Total Revenues	<u>777</u>	<u>16,150</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>163,704</u>	<u>-</u>
EXPENDITURES									
Salaries	-	-	-	-	-	-	-	-	-
Employee Benefits	-	-	-	-	-	-	-	-	-
Purchased Services	-	-	-	-	-	-	-	-	2,000
Supplies and Materials	-	3,580	-	-	-	-	-	21,725	-
Capital Equipment and Property	-	6,094	-	-	-	-	-	38,561	106,378
Indirect	-	-	-	-	-	-	-	-	-
Miscellaneous	-	950	-	-	-	-	-	-	-
Total Expenditures	<u>-</u>	<u>10,624</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>60,286</u>	<u>108,378</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	777	5,526	-	-	-	-	-	103,418	(108,378)
OTHER FINANCING SOURCES (USES)									
Transfers In	-	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	777	5,526	-	-	-	-	-	103,418	(108,378)
Fund Balances - Beginning of Year (As Restated)	<u>(777)</u>	<u>5,500</u>	<u>2,190</u>	<u>3,040</u>	<u>580</u>	<u>350,942</u>	<u>70,437</u>	<u>242,074</u>	<u>148,428</u>
FUND BALANCES - END OF YEAR	<u>\$ -</u>	<u>\$ 11,026</u>	<u>\$ 2,190</u>	<u>\$ 3,040</u>	<u>\$ 580</u>	<u>\$ 350,942</u>	<u>\$ 70,437</u>	<u>\$ 345,492</u>	<u>\$ 40,050</u>

CITY OF WARWICK, RHODE ISLAND
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
SPECIAL REVENUE RESTRICTED SCHOOL FUNDS
YEAR ENDED JUNE 30, 2021

	CTE Trust	Full Day Kindergarten	English Learner Categorical	Learning Champions	CS4RI Teals Innovation Office Grant	Champlin Audio/Video	Champlin Winman	Champlin Aldrich Gorton	Feinstein
REVENUES									
Charges for Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	10,056	-	-	-	-	-	-
Investment Income	-	-	-	-	-	-	-	-	-
Other Revenue	-	-	-	-	-	-	-	-	169,967
Total Revenues	-	-	10,056	-	-	-	-	-	169,967
EXPENDITURES									
Salaries	-	-	3,075	-	-	-	-	-	352
Employee Benefits	-	-	231	-	-	-	-	-	26
Purchased Services	-	-	6,750	-	-	-	-	-	8,614
Supplies and Materials	6,680	-	-	-	-	2,848	-	-	32,032
Capital Equipment and Property	6,207	-	-	-	-	76,796	-	-	64,977
Indirect	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-	-
Total Expenditures	12,887	-	10,056	-	-	79,644	-	-	106,001
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(12,887)	-	-	-	-	(79,644)	-	-	63,966
OTHER FINANCING SOURCES (USES)									
Transfers In	-	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-	-	-	-
NET CHANGE IN FUND BALANCES	(12,887)	-	-	-	-	(79,644)	-	-	63,966
Fund Balances - Beginning of Year (As Restated)	14,260	880	-	(1,076)	6,587	83,641	(977)	3,306	97,239
FUND BALANCES - END OF YEAR	\$ 1,373	\$ 880	\$ -	\$ (1,076)	\$ 6,587	\$ 3,997	\$ (977)	\$ 3,306	\$ 161,205

CITY OF WARWICK, RHODE ISLAND
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
SPECIAL REVENUE RESTRICTED SCHOOL FUNDS
YEAR ENDED JUNE 30, 2021

	Feinstein Holliman	Feinstein Scott-Comm Fund	Lowes Charitable Fund	United Way	Toshiba Grant Science	Gen Youth Foundation Oak Beach	Staples Foundation	Shapiro Fund for Warwick	Kula Foundation
REVENUES									
Charges for Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-	-	-	-	-
Investment Income	-	-	-	-	-	-	-	-	-
Other Revenue	-	-	-	-	-	10,000	-	1,100	-
Total Revenues	-	-	-	-	-	10,000	-	1,100	-
EXPENDITURES									
Salaries	-	-	-	-	-	-	-	-	-
Employee Benefits	-	-	-	-	-	-	-	-	-
Purchased Services	-	-	-	-	-	-	-	-	-
Supplies and Materials	-	-	-	-	-	-	-	-	-
Capital Equipment and Property	-	-	-	-	-	-	-	-	-
Indirect	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	1,100	-
Total Expenditures	-	-	-	-	-	-	-	1,100	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-	-	-	10,000	-	-	-
OTHER FINANCING SOURCES (USES)									
Transfers In	-	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-	-	-	-
NET CHANGE IN FUND BALANCES	-	-	-	-	-	10,000	-	-	-
Fund Balances - Beginning of Year (As Restated)	(525)	924	634	589	1,579	221	242	3,817	6
FUND BALANCES - END OF YEAR	<u>\$ (525)</u>	<u>\$ 924</u>	<u>\$ 634</u>	<u>\$ 589</u>	<u>\$ 1,579</u>	<u>\$ 10,221</u>	<u>\$ 242</u>	<u>\$ 3,817</u>	<u>\$ 6</u>

CITY OF WARWICK, RHODE ISLAND
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
SPECIAL REVENUE RESTRICTED SCHOOL FUNDS
YEAR ENDED JUNE 30, 2021

	Target	Education Development Center	Dorothy Rich Association	RI Interlocal Trust	Signs of Enlightenment Toll Gate	Shaw Grant	Stop & Shop	Carter Family Spark Grant	Cedar Hill Library Books
REVENUES									
Charges for Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-	-	-	-	-
Investment Income	-	-	-	-	-	-	-	-	-
Other Revenue	-	-	-	-	500	-	2,142	-	-
Total Revenues	-	-	-	-	500	-	2,142	-	-
EXPENDITURES									
Salaries	-	-	-	-	-	-	-	-	-
Employee Benefits	-	-	-	-	-	-	-	-	-
Purchased Services	-	-	-	-	-	-	-	-	-
Supplies and Materials	-	-	-	-	-	-	3,029	-	-
Capital Equipment and Property	-	-	-	-	-	-	5,956	-	-
Indirect	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	(251)	-	-	500	-	-
Total Expenditures	-	-	-	(251)	-	-	9,485	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-	251	500	-	(7,343)	-	-
OTHER FINANCING SOURCES (USES)									
Transfers In	-	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-	-	-	-
NET CHANGE IN FUND BALANCES	-	-	-	251	500	-	(7,343)	-	-
Fund Balances - Beginning of Year (As Restated)	1,241	1,444	314	9,801	1,292	500	16,291	645	42
FUND BALANCES - END OF YEAR	<u>\$ 1,241</u>	<u>\$ 1,444</u>	<u>\$ 314</u>	<u>\$ 10,052</u>	<u>\$ 1,792</u>	<u>\$ 500</u>	<u>\$ 8,948</u>	<u>\$ 645</u>	<u>\$ 42</u>

CITY OF WARWICK, RHODE ISLAND
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
SPECIAL REVENUE RESTRICTED SCHOOL FUNDS
YEAR ENDED JUNE 30, 2021

	PTO Donations	C.A.S.I.T Italian Program	James Manson Memorial	Workforce Partnership of Greater RI	Substitute Teachers Grant	Esther Chester Donation	Mary Mani Memorial Fund	Carol Gray Memorial Fund	Patricia St. Amant Afterschool
REVENUES									
Charges for Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	130,795	-	-	-	-
Investment Income	-	-	-	-	-	-	-	-	-
Other Revenue	4,614	-	-	13,822	-	-	-	-	-
Total Revenues	<u>4,614</u>	<u>-</u>	<u>-</u>	<u>13,822</u>	<u>130,795</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES									
Salaries	-	-	-	8,080	121,472	-	-	-	-
Employee Benefits	-	-	-	589	9,323	-	-	-	-
Purchased Services	-	-	-	-	-	-	-	-	-
Supplies and Materials	-	-	-	3,254	-	-	-	-	-
Capital Equipment and Property	4,614	543	-	-	-	-	-	-	-
Indirect	-	-	-	-	-	-	-	-	-
Miscellaneous	-	230	-	-	-	-	-	-	-
Total Expenditures	<u>4,614</u>	<u>773</u>	<u>-</u>	<u>11,923</u>	<u>130,795</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	(773)	-	1,899	-	-	-	-	-
OTHER FINANCING SOURCES (USES)									
Transfers In	-	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	-	(773)	-	1,899	-	-	-	-	-
Fund Balances - Beginning of Year (As Restated)	3,912	5,811	4,439	-	-	176,703	50	23	6,623
FUND BALANCES - END OF YEAR	<u>\$ 3,912</u>	<u>\$ 5,038</u>	<u>\$ 4,439</u>	<u>\$ 1,899</u>	<u>\$ -</u>	<u>\$ 176,703</u>	<u>\$ 50</u>	<u>\$ 23</u>	<u>\$ 6,623</u>

CITY OF WARWICK, RHODE ISLAND
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
SPECIAL REVENUE RESTRICTED SCHOOL FUNDS
YEAR ENDED JUNE 30, 2021

	Day One Your Voice Your Data	City/Town Contribution Sports	Injury Fund	Donations Performing Arts	Donations Instructional Supplies	Holliman Yearbook	Technology Self Insurance	School Food Service Fund	Johnny Rockets
REVENUES									
Charges for Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 62,509	\$ -
Intergovernmental	-	-	-	-	-	-	-	1,717,185	-
Investment Income	-	-	-	-	-	-	-	-	-
Other Revenue	-	-	-	-	5,280	-	125	-	-
Total Revenues	-	-	-	-	5,280	-	125	1,779,694	-
EXPENDITURES									
Salaries	-	-	-	-	-	-	72,306	80,973	-
Employee Benefits	-	-	-	-	-	-	28,695	16,212	-
Purchased Services	-	-	-	-	-	-	-	1,672,508	-
Supplies and Materials	-	-	-	-	692	-	-	309	-
Capital Equipment and Property	-	-	-	-	-	-	42,955	41,072	-
Indirect	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-	-
Total Expenditures	-	-	-	-	692	-	143,956	1,811,074	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-	-	4,588	-	(143,831)	(31,380)	-
OTHER FINANCING SOURCES (USES)									
Transfers In	-	-	-	-	-	-	-	27,932	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-	-	27,932	-
NET CHANGE IN FUND BALANCES	-	-	-	-	4,588	-	(143,831)	(3,448)	-
Fund Balances - Beginning of Year (As Restated)	1,000	7,988	259	10,010	8,058	1,211	(98,594)	946	11,290
FUND BALANCES - END OF YEAR	<u>\$ 1,000</u>	<u>\$ 7,988</u>	<u>\$ 259</u>	<u>\$ 10,010</u>	<u>\$ 12,646</u>	<u>\$ 1,211</u>	<u>\$ (242,425)</u>	<u>\$ (2,502)</u>	<u>\$ 11,290</u>

CITY OF WARWICK, RHODE ISLAND
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
SPECIAL REVENUE RESTRICTED SCHOOL FUNDS
YEAR ENDED JUNE 30, 2021

	Donations Instructional Materials	Donations Sports	RISCA Promoting Lit & Art	School Climate Transformation	Champlin Toll Gate	Tech Assistance Grant	Cares Act ESSER Program	Cares ACT CRF Program	ESSER II Back to School
REVENUES									
Charges for Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	9,650	-	150,000	1,384,492	1,783,520	2,081,700
Investment Income	-	-	-	-	-	-	-	-	-
Other Revenue	-	-	-	-	-	-	-	-	-
Total Revenues	-	-	-	9,650	-	150,000	1,384,492	1,783,520	2,081,700
EXPENDITURES									
Salaries	-	-	-	3,688	-	-	-	-	227,374
Employee Benefits	-	-	-	277	-	-	-	-	17,402
Purchased Services	-	-	3,420	-	-	-	1,200	323,694	1,836,924
Supplies and Materials	-	-	-	-	-	-	174,692	138,358	-
Capital Equipment and Property	-	-	-	-	13,081	-	1,208,181	1,321,468	-
Indirect	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-	-
Total Expenditures	-	-	3,420	3,965	13,081	-	1,384,073	1,783,520	2,081,700
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	(3,420)	5,685	(13,081)	150,000	419	-	-
OTHER FINANCING SOURCES (USES)									
Transfers In	-	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-	-	-	-
NET CHANGE IN FUND BALANCES	-	-	(3,420)	5,685	(13,081)	150,000	419	-	-
Fund Balances - Beginning of Year (As Restated)	1,000	1,000	3,420	(2,777)	17,490	(150,000)	-	-	-
FUND BALANCES - END OF YEAR	<u>\$ 1,000</u>	<u>\$ 1,000</u>	<u>\$ -</u>	<u>\$ 2,908</u>	<u>\$ 4,409</u>	<u>\$ -</u>	<u>\$ 419</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF WARWICK, RHODE ISLAND
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
SPECIAL REVENUE RESTRICTED SCHOOL FUNDS
YEAR ENDED JUNE 30, 2021

	ESSER II Digital Divide	SBA Capital Fund	Comprehensive Literacy Grant	No Kid Hungry Grant	Education Innovation & Research	RIHEBC WIN Grant	NE Dairy & Food & Council	Jeannette Cram Scholarship	Student Activity Funds	Total
REVENUES										
Charges for Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 62,509
Intergovernmental	684,456	15,724	26,977	-	23,452	10,000	-	-	-	13,622,853
Investment Income	-	-	-	-	-	-	-	24	-	24
Other Revenue	-	-	-	5,000	-	-	8,363	-	242,859	463,772
Total Revenues	684,456	15,724	26,977	5,000	23,452	10,000	8,363	24	242,859	14,149,158
EXPENDITURES										
Salaries	-	-	-	-	3,694	-	-	-	-	3,545,792
Employee Benefits	-	-	-	-	278	-	-	-	-	1,488,199
Purchased Services	-	3,160	24,000	-	-	-	-	-	-	4,137,053
Supplies and Materials	-	-	2,466	-	-	10,000	-	-	272,191	861,422
Capital Equipment and Property	684,456	17,564	-	-	19,480	-	-	-	-	3,850,617
Indirect	-	-	511	-	-	-	-	-	-	159,376
Miscellaneous	-	-	-	-	-	-	-	-	-	2,689
Total Expenditures	684,456	20,724	26,977	-	23,452	10,000	-	-	272,191	14,045,148
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	(5,000)	-	5,000	-	-	8,363	24	(29,332)	104,010
OTHER FINANCING SOURCES (USES)										
Transfers In	-	-	-	-	-	-	-	-	-	27,932
Total Other Financing Sources (Uses)	-	-	-	-	-	-	-	-	-	27,932
NET CHANGE IN FUND BALANCES	-	(5,000)	-	5,000	-	-	8,363	24	(29,332)	131,942
Fund Balances - Beginning of Year (As Restated)	-	-	-	-	-	-	-	23,616	486,153	1,416,743
FUND BALANCES - END OF YEAR	\$ -	\$ (5,000)	\$ -	\$ 5,000	\$ -	\$ -	\$ 8,363	\$ 23,640	\$ 456,821	\$ 1,548,685

**CITY OF WARWICK, RHODE ISLAND
COMBINING BALANCE SHEET
CAPITAL PROJECT FUNDS
JUNE 30, 2021**

	2000 Open Space Bond Fund	2006 Fire Station Bond	2006 School Bond Fund	2002 Drainage Bond Fund	2006 City Buildings Bond Fund	Capital Leases	Road and Bridge Fund
ASSETS							
Cash and Cash Equivalents	\$ -	\$ 101,662	\$ 216,398	\$ -	\$ 920,043	\$ -	\$ -
Cash Held by Fiscal Agent	-	-	-	-	-	111,951	-
Restricted Cash and Cash Equivalents	-	-	-	-	-	-	-
Receivables, Net of Uncollectibles:							
Departmental and Other	-	-	-	7,000	-	-	-
Intergovernmental	-	-	-	-	-	-	131,458
Due from Other Funds	348,695	-	-	-	-	-	83,656
Total Assets	<u>\$ 348,695</u>	<u>\$ 101,662</u>	<u>\$ 216,398</u>	<u>\$ 7,000</u>	<u>\$ 920,043</u>	<u>\$ 111,951</u>	<u>\$ 215,114</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES							
LIABILITIES							
Accounts Payable and Accrued Expenditures	\$ -	\$ -	\$ -	\$ -	\$ 72,003	\$ -	\$ -
Due to Other Funds	-	-	35,117	7,000	30,711	280,585	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>35,117</u>	<u>7,000</u>	<u>102,714</u>	<u>280,585</u>	<u>-</u>
FUND BALANCES							
Restricted	348,695	101,662	181,281	-	817,329	-	215,114
Unassigned	-	-	-	-	-	(168,634)	-
Total Fund Balances	<u>348,695</u>	<u>101,662</u>	<u>181,281</u>	<u>-</u>	<u>817,329</u>	<u>(168,634)</u>	<u>215,114</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 348,695</u>	<u>\$ 101,662</u>	<u>\$ 216,398</u>	<u>\$ 7,000</u>	<u>\$ 920,043</u>	<u>\$ 111,951</u>	<u>\$ 215,114</u>

**CITY OF WARWICK, RHODE ISLAND
COMBINING BALANCE SHEET (CONTINUED)
CAPITAL PROJECT FUNDS
JUNE 30, 2021**

	2020 Road and Bridge Fund	2019 School Bond Fund	2020 Efficient Building Loan	2020 School Bond Fund	2021 Energy Efficiency Loan	2021 School Bond	Total
ASSETS							
Cash and Cash Equivalents	\$ -	\$ 1,916,288	\$ -	\$ 2,643,859	\$ -	\$ -	\$ 5,798,250
Cash Held by Fiscal Agent	-	-	-	-	-	-	111,951
Restricted Cash and Cash Equivalents	1,000,689	-	-	-	-	-	1,000,689
Receivables, Net of Uncollectibles:							
Departmental and Other	-	-	-	-	-	-	7,000
Intergovernmental	1,022,311	-	2,963,000	-	2,851,991	-	6,968,760
Due from Other Funds	-	-	-	-	-	-	432,351
Total Assets	<u>\$ 2,023,000</u>	<u>\$ 1,916,288</u>	<u>\$ 2,963,000</u>	<u>\$ 2,643,859</u>	<u>\$ 2,851,991</u>	<u>\$ -</u>	<u>\$ 14,319,001</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES							
LIABILITIES							
Accounts Payable and Accrued Expenditures	\$ 511,807	\$ 24,368	\$ -	\$ 72,176	\$ 1,762,951	\$ 120,524	\$ 2,563,829
Due to Other Funds	-	-	-	237,238	8,877	10,886	610,414
Total Liabilities	<u>511,807</u>	<u>24,368</u>	<u>-</u>	<u>309,414</u>	<u>1,771,828</u>	<u>131,410</u>	<u>3,174,243</u>
FUND BALANCES							
Restricted	1,511,193	1,891,920	2,963,000	2,334,445	1,080,163	-	11,444,802
Unassigned	-	-	-	-	-	(131,410)	(300,044)
Total Fund Balances	<u>1,511,193</u>	<u>1,891,920</u>	<u>2,963,000</u>	<u>2,334,445</u>	<u>1,080,163</u>	<u>(131,410)</u>	<u>11,144,758</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 2,023,000</u>	<u>\$ 1,916,288</u>	<u>\$ 2,963,000</u>	<u>\$ 2,643,859</u>	<u>\$ 2,851,991</u>	<u>\$ -</u>	<u>\$ 14,319,001</u>

CITY OF WARWICK, RHODE ISLAND
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
CAPITAL PROJECT FUNDS
YEAR ENDED JUNE 30, 2021

	2000 Open Space Bond Fund	2006 Fire Station Bond	2006 School Bond Fund	2002 Drainage Bond Fund	2006 City Buildings Bond Fund	Capital Leases	Road and Bridge Fund
REVENUES							
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investment Income	-	-	-	-	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES							
Executive and Administration	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	1,117,708	-
Public Works	-	-	-	-	99,940	-	-
Education	-	-	110,828	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>110,828</u>	<u>-</u>	<u>99,940</u>	<u>1,117,708</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	(110,828)	-	(99,940)	(1,117,708)	-
OTHER FINANCING SOURCES (USES)							
Proceeds from Issuance of Bonds and Notes	-	-	-	-	-	-	-
Premium on Issuance of Bonds and Notes	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	(100,933)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(100,933)</u>
NET CHANGE IN FUND BALANCES	-	-	(110,828)	-	(99,940)	(1,117,708)	(100,933)
Fund Balances - Beginning of Year	<u>348,695</u>	<u>101,662</u>	<u>292,109</u>	<u>-</u>	<u>917,269</u>	<u>949,074</u>	<u>316,047</u>
FUND BALANCES - END OF YEAR	<u>\$ 348,695</u>	<u>\$ 101,662</u>	<u>\$ 181,281</u>	<u>\$ -</u>	<u>\$ 817,329</u>	<u>\$ (168,634)</u>	<u>\$ 215,114</u>

CITY OF WARWICK, RHODE ISLAND
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS
CAPITAL PROJECT FUNDS
YEAR ENDED JUNE 30, 2021

	2020 Road and Bridge Fund	2019 School Bond Fund	2020 Efficient Building Loan	2020 School Bond Fund	2021 Energy Efficiency Loan	2021 School Bond	Total
REVENUES							
Intergovernmental	\$ -	\$ -	\$ -	\$ 2,273,507	\$ -	\$ -	\$ 2,273,507
Investment Income	518	138	-	526	-	-	1,182
Total Revenues	<u>518</u>	<u>138</u>	<u>-</u>	<u>2,274,033</u>	<u>-</u>	<u>-</u>	<u>2,274,689</u>
EXPENDITURES							
Executive and Administration	10,000	-	7,000	136,227	54,000	-	207,227
Public Safety	-	-	-	-	-	-	1,117,708
Public Works	5,409,496	-	-	-	2,065,837	-	7,575,273
Education	-	487,598	-	5,396,552	-	131,410	6,126,388
Total Expenditures	<u>5,419,496</u>	<u>487,598</u>	<u>7,000</u>	<u>5,532,779</u>	<u>2,119,837</u>	<u>131,410</u>	<u>15,026,596</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(5,418,978)	(487,460)	(7,000)	(3,258,746)	(2,119,837)	(131,410)	(12,751,907)
OTHER FINANCING SOURCES (USES)							
Proceeds from Issuance of Bonds and Notes	-	-	-	6,400,000	3,200,000	-	9,600,000
Premium on Issuance of Bonds and Notes	-	-	-	602,506	-	-	602,506
Transfers Out	-	(16)	-	-	-	-	(100,949)
Total Other Financing Sources (Uses)	<u>-</u>	<u>(16)</u>	<u>-</u>	<u>7,002,506</u>	<u>3,200,000</u>	<u>-</u>	<u>10,101,557</u>
NET CHANGE IN FUND BALANCES	(5,418,978)	(487,476)	(7,000)	3,743,760	1,080,163	(131,410)	(2,650,350)
Fund Balances - Beginning of Year	<u>6,930,171</u>	<u>2,379,396</u>	<u>2,970,000</u>	<u>(1,409,315)</u>	<u>-</u>	<u>-</u>	<u>13,795,108</u>
FUND BALANCES - END OF YEAR	<u>\$ 1,511,193</u>	<u>\$ 1,891,920</u>	<u>\$ 2,963,000</u>	<u>\$ 2,334,445</u>	<u>\$ 1,080,163</u>	<u>\$ (131,410)</u>	<u>\$ 11,144,758</u>

COMBINING SCHEDULES

**CITY OF WARWICK, RHODE ISLAND
COMBINING BALANCE SHEET
FUNDS WHICH COMPRISE THE CITY'S GENERAL FUND
JUNE 30, 2021**

ASSETS	<u>General Fund</u>	<u>Rescue Service Fees Fund</u>	<u>Realty Tax Fund</u>	<u>Total General Fund</u>
Cash and Cash Equivalents	\$ 38,589,467	\$ 62,893	\$ 418,491	\$ 39,070,851
Property Taxes Receivables	7,713,258	-	-	7,713,258
Due from Federal and State Governments	2,775,809	-	-	2,775,809
Other Receivables	28,579	2,085,371	-	2,113,950
Due from Other Funds	4,322,824	(523,759)	(200,220)	3,598,845
Prepaid Items	70,205	-	-	70,205
Total Assets	<u>\$ 53,500,142</u>	<u>\$ 1,624,505</u>	<u>\$ 218,271</u>	<u>\$ 55,342,918</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts Payable and Accrued Expenditures	\$ 2,262,847	\$ 12,524	\$ -	\$ 2,275,371
Accrued Payroll and Related Liabilities	1,390,019	-	-	1,390,019
Due to Federal and State Governments	6,312	-	218,271	224,583
Due to Other Funds	10,877,299	-	-	10,877,299
Other Liabilities	56,821	-	-	56,821
Total Liabilities	<u>14,593,298</u>	<u>12,524</u>	<u>218,271</u>	<u>14,824,093</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenues	5,504,635	1,611,981	-	7,116,616
Advance Collections	334,051	-	-	334,051
Total Deferred Inflows of Resources	<u>5,838,686</u>	<u>1,611,981</u>	<u>-</u>	<u>7,450,667</u>
FUND BALANCES				
Nonspendable	70,205	-	-	70,205
Assigned	6,430,931	-	-	6,430,931
Unassigned	26,567,022	-	-	26,567,022
Total Fund Balances	<u>33,068,158</u>	<u>-</u>	<u>-</u>	<u>33,068,158</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 53,500,142</u>	<u>\$ 1,624,505</u>	<u>\$ 218,271</u>	<u>\$ 55,342,918</u>

**CITY OF WARWICK, RHODE ISLAND
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
FUNDS WHICH COMPRISE THE CITY'S GENERAL FUND
YEAR ENDED JUNE 30, 2021**

	General Fund	Rescue Service Fees Fund	Realty Tax Fund	Total General Fund
REVENUES				
General Property Taxes	\$ 240,273,948	\$ -	\$ -	\$ 240,273,948
Interest on Taxes	2,547,923	-	-	2,547,923
Intergovernmental Revenues	17,321,259	-	-	17,321,259
Airport Revenues	1,978,259	-	-	1,978,259
Real Estate Transfer Tax	1,582,681	-	-	1,582,681
Hotel and Meals Tax	3,757,794	-	-	3,757,794
Charges for Services	4,246,751	3,023,496	-	7,270,247
Investment Income	121,482	53	-	121,535
Other Revenue	483,847	-	-	483,847
Total Revenues	<u>272,313,944</u>	<u>3,023,549</u>	<u>-</u>	<u>275,337,493</u>
EXPENDITURES				
Executive and Administration	5,710,556	-	-	5,710,556
Public Safety	47,909,061	89,477	-	47,998,538
Recreation	1,951,165	-	-	1,951,165
Public Libraries	2,574,029	-	-	2,574,029
Social Services	889,589	-	-	889,589
Planning and Economic Development	1,508,572	-	-	1,508,572
Public Works	10,854,278	-	-	10,854,278
Employee Benefits, Fixed Costs and Capital	63,461,081	-	-	63,461,081
Debt Service:				
Principal	6,681,103	-	-	6,681,103
Interest	2,071,431	-	-	2,071,431
Total Expenditures	<u>143,610,865</u>	<u>89,477</u>	<u>-</u>	<u>143,700,342</u>
EXCESS OF REVENUES OVER EXPENSES	128,703,079	2,934,072	-	131,637,151
OTHER FINANCING SOURCES (USES)				
Insurance Proceeds	148,161	-	-	148,161
Sale of Capital Assets	9,000	-	-	9,000
Transfers In	4,396,749	(2,934,072)	-	1,462,677
Transfer Out	(130,475,438)	-	-	(130,475,438)
Total Other Financing Sources (Uses)	<u>(125,921,528)</u>	<u>(2,934,072)</u>	<u>-</u>	<u>(128,855,600)</u>
NET CHANGE IN FUND BALANCES	2,781,551	-	-	2,781,551
Fund Balances - Beginning of Year	<u>30,286,607</u>	<u>-</u>	<u>-</u>	<u>30,286,607</u>
FUND BALANCES - END OF YEAR	<u>\$ 33,068,158</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 33,068,158</u>

**CITY OF WARWICK, RHODE ISLAND
 COMBINING STATEMENT OF NET POSITION
 INTERNAL SERVICE FUNDS
 JUNE 30, 2021**

	Workers' Compensation Fund	Healthcare Management School Department	Healthcare Management City	Total
ASSETS				
Current Assets:				
Cash and Cash Equivalents	\$ 644,087	\$ -	\$ -	\$ 644,087
Due from Other Funds	-	-	1,803,121	1,803,121
Deposit with Agent	70,000	6,600,636	419,100	7,089,736
Total Current Assets	714,087	6,600,636	2,222,221	9,536,944
LIABILITIES				
Current Liabilities:				
Claims Payable	390,128	1,924,925	670,410	2,985,463
Total Liabilities	390,128	1,924,925	670,410	2,985,463
NET POSITION				
Unrestricted	323,959	4,675,711	1,551,811	6,551,481
Total Net Position	\$ 323,959	\$ 4,675,711	\$ 1,551,811	\$ 6,551,481

CITY OF WARWICK, RHODE ISLAND
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2021

	Workers' Compensation Fund	Healthcare Management School Department	Healthcare Management City	Total
OPERATING REVENUES				
Employer/Employee Contributions	\$ -	\$ 27,238,381	\$ 24,229,941	\$ 51,468,322
Workers' Compensation	346,695	-	-	346,695
Total Operating Revenues	<u>346,695</u>	<u>27,238,381</u>	<u>24,229,941</u>	<u>51,815,017</u>
OPERATING EXPENSES				
Benefit Claims	415,491	25,045,790	23,725,136	49,186,417
Total Operating Expenses	<u>415,491</u>	<u>25,045,790</u>	<u>23,725,136</u>	<u>49,186,417</u>
OPERATING INCOME (LOSS)	(68,796)	2,192,591	504,805	2,628,600
NONOPERATING REVENUES (EXPENSES)				
Interest Income	251	-	-	251
CHANGE IN FUND NET POSITION	(68,545)	2,192,591	504,805	2,628,851
Fund Net Position - Beginning of Year	<u>392,504</u>	<u>2,483,120</u>	<u>1,047,006</u>	<u>3,922,630</u>
FUND NET POSITION - END OF YEAR	<u>\$ 323,959</u>	<u>\$ 4,675,711</u>	<u>\$ 1,551,811</u>	<u>\$ 6,551,481</u>

**CITY OF WARWICK, RHODE ISLAND
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2021**

	Workers' Compensation Fund	Healthcare Management School Department	Healthcare Management City	Total
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from Employer/Employee Contributions	\$ -	\$ 27,238,381	\$ 24,229,941	\$ 51,468,322
Receipts from Other Operating Services	346,695	-	-	346,695
Payments for Claims	(346,695)	(24,194,596)	(24,097,164)	(48,638,455)
Net Cash Provided by Operating Activities	-	3,043,785	132,777	3,176,562
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Deposits with Agent	-	(3,043,785)	-	(3,043,785)
Interfund Borrowings (Payments), Net	-	-	(132,777)	(132,777)
Net Cash Used by Noncapital Financing Activities	-	(3,043,785)	(132,777)	(3,176,562)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest on Investments	251	-	-	251
NET INCREASE IN CASH AND CASH EQUIVALENTS	251	-	-	251
Cash and Cash Equivalents - Beginning of Year	643,836	-	-	643,836
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 644,087</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 644,087</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating Income (Loss)	\$ (68,796)	\$ 2,192,591	\$ 504,805	\$ 2,628,600
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Changes in Assets and Liabilities:				
Increase (Decrease) in Claims Payable	68,796	851,194	(372,028)	547,962
Net Cash Provided (Used) by Operating Activities	<u>\$ -</u>	<u>\$ 3,043,785</u>	<u>\$ 132,777</u>	<u>\$ 3,176,562</u>

**CITY OF WARWICK, RHODE ISLAND
COMBINING STATEMENT OF NET POSITION
PROPRIETARY FUNDS SEWER
JUNE 30, 2021**

	Sewer Funds								Total
	Sewer Revenue Fund	Sewer Assessment Fund	1994 Sewer Bond Fund	Sewer SRF Bond Fund	On-Site Revolving Loan Fund	Sewer Renewal and Replacement Fund	Sewer Infrastructure Replacement Fund	Sewer Line Fund	
ASSETS									
Current Assets:									
Cash and Cash Equivalents	\$ 11,515,355	\$ 1,034,175	\$ -	\$ -	\$ -	\$ 1,535,170	\$ 54,111	\$ 188,263	\$ 14,327,074
Restricted Cash and Cash Equivalents	-	-	-	5,636,299	-	-	-	-	5,636,299
Accounts Receivable, Net:									
Sewer Use Fees	7,523,701	-	-	-	-	-	-	-	7,523,701
Sewer Assessments	-	3,389,201	-	-	-	-	-	-	3,389,201
Intergovernmental	-	-	-	3,387,519	-	-	-	-	3,387,519
Other Receivables	-	-	-	-	6,455	-	-	-	6,455
Due from Other Funds	(2,940,186)	(587,380)	36,128	248,779	3,713	3,535,056	(14,968)	(5,722)	275,420
Total Current Assets	16,098,870	3,835,996	36,128	9,272,597	10,168	5,070,226	39,143	182,541	34,545,669
Noncurrent Assets:									
Sewer Assessments	-	12,030,782	-	-	-	-	-	-	12,030,782
Construction in Progress	-	-	-	2,869,115	-	-	48,501	-	2,917,616
Depreciable Capital Assets, Net	30,042,829	-	7,448,675	126,596,329	-	-	-	-	164,087,833
Total Noncurrent Assets	30,042,829	12,030,782	7,448,675	129,465,444	-	-	48,501	-	179,036,231
Total Assets	46,141,699	15,866,778	7,484,803	138,738,041	10,168	5,070,226	87,644	182,541	213,581,900
DEFERRED OUTFLOWS OF RESOURCES									
Deferred Charge on Refunding	53,464	-	-	-	-	-	-	-	53,464
Deferred Outflows - OPEB	554,839	-	-	-	-	-	-	-	554,839
Deferred Outflows - Related to Pensions	345,521	-	-	-	-	-	-	-	345,521
Total Deferred Outflows of Resources	953,824	-	-	-	-	-	-	-	953,824

CITY OF WARWICK, RHODE ISLAND
COMBINING STATEMENT OF NET POSITION (CONTINUED)
PROPRIETARY FUNDS SEWER
JUNE 30, 2021

	Sewer Funds								Total
	Sewer Revenue Fund	Sewer Assessment Fund	1994 Sewer Bond Fund	Sewer SRF Bond Fund	On-Site Revolving Loan Fund	Sewer Renewal and Replacement Fund	Sewer Infrastructure Replacement Fund	Sewer Line Fund	
LIABILITIES									
Current Liabilities:									
Accounts Payable and Accrued Expenses	\$ 918,978	\$ -	\$ -	\$ 34,927	\$ -	\$ 300,851	\$ -	\$ -	\$ 1,254,756
Accrued Payroll	62,812	-	-	-	-	-	-	-	62,812
Accrued Interest Payable	496,042	-	-	-	-	-	-	-	496,042
Other Liabilities	-	-	-	-	-	-	182,541	-	182,541
Total OPEB Liability, Due Within One Year	278,125	-	-	-	-	-	-	-	278,125
Current Portion of Long-Term Bonds and Loans	1,786,062	-	-	6,835,378	-	-	-	-	8,621,440
Total Current Liabilities	<u>3,542,019</u>	<u>-</u>	<u>-</u>	<u>6,870,305</u>	<u>-</u>	<u>300,851</u>	<u>-</u>	<u>182,541</u>	<u>10,895,716</u>
Noncurrent Liabilities:									
Unearned Revenue	-	-	-	80,926	-	-	-	-	80,926
Accrued Compensated Absences	147,613	-	-	-	-	-	-	-	147,613
Total OPEB Liability	8,171,202	-	-	-	-	-	-	-	8,171,202
Net Pension Liability	1,509,189	-	-	-	-	-	-	-	1,509,189
Long-Term Bonds and Loans	2,954,324	-	-	44,362,595	-	-	-	-	47,316,919
Total Noncurrent Liabilities	<u>12,782,328</u>	<u>-</u>	<u>-</u>	<u>44,443,521</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>57,225,849</u>
Total Liabilities	16,324,347	-	-	51,313,826	-	300,851	-	182,541	68,121,565
DEFERRED INFLOWS OF RESOURCES									
Deferred Inflows - Related to OPEB	226,289	-	-	-	-	-	-	-	226,289
Deferred Inflows - Related to Pensions	1,612,754	-	-	-	-	-	-	-	1,612,754
Total Deferred Inflows of Resources	<u>1,839,043</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,839,043</u>
NET POSITION									
Net Investment in Capital Assets	25,355,907	-	7,448,675	81,620,063	-	-	48,501	-	114,473,146
Restricted for Debt Service	-	-	-	5,636,299	-	-	-	-	5,636,299
Unrestricted	3,576,226	15,866,778	36,128	167,853	10,168	4,769,375	39,143	-	24,465,671
Total Net Position	<u>\$ 28,932,133</u>	<u>\$ 15,866,778</u>	<u>\$ 7,484,803</u>	<u>\$ 87,424,215</u>	<u>\$ 10,168</u>	<u>\$ 4,769,375</u>	<u>\$ 87,644</u>	<u>\$ -</u>	<u>\$ 144,575,116</u>

CITY OF WARWICK, RHODE ISLAND
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS SEWER
YEAR ENDED JUNE 30, 2021

	Sewer Funds								Total
	Sewer Revenue Fund	Sewer Assessment Fund	1994 Sewer Bond Fund	Sewer SRF Bond Fund	On-Site Revolving Loan Fund	Sewer Renewal and Replacement Fund	Sewer Infrastructure Replacement Fund	Sewer Line Fund	
OPERATING REVENUES									
User Fees	\$ 15,576,096	\$ -	\$ -	\$ -	\$ -	\$ 1,293,178	\$ -	\$ -	\$ 16,869,274
Special Assessments (Including Abatements)	-	(230,084)	-	-	-	-	-	-	(230,084)
Other Revenues	202,140	139,759	-	8,881	-	-	-	-	350,780
Total Operating Revenues	<u>15,778,236</u>	<u>(90,325)</u>	<u>-</u>	<u>8,881</u>	<u>-</u>	<u>1,293,178</u>	<u>-</u>	<u>-</u>	<u>16,989,970</u>
OPERATING EXPENSES									
Contract Services	174,083	-	-	-	-	-	-	-	174,083
Salaries and Benefits	4,035,427	-	-	-	-	-	-	-	4,035,427
Materials and Supplies	775,060	-	-	-	-	-	-	-	775,060
Depreciation and Amortization	1,786,800	-	345,632	4,491,734	-	-	-	-	6,624,166
Operations	2,754,808	-	-	-	-	82,283	-	-	2,837,091
Total Operating Expenses	<u>9,526,178</u>	<u>-</u>	<u>345,632</u>	<u>4,491,734</u>	<u>-</u>	<u>82,283</u>	<u>-</u>	<u>-</u>	<u>14,445,827</u>
OPERATING INCOME (LOSS)	6,252,058	(90,325)	(345,632)	(4,482,853)	-	1,210,895	-	-	2,544,143
NONOPERATING REVENUES (EXPENSES)									
Interest Income	275,318	562	11	617	-	604	21	-	277,133
Interest Expense	(1,409,485)	-	-	-	-	-	-	-	(1,409,485)
Total Nonoperating Revenues (Expenses)	<u>(1,134,167)</u>	<u>562</u>	<u>11</u>	<u>617</u>	<u>-</u>	<u>604</u>	<u>21</u>	<u>-</u>	<u>(1,132,352)</u>
INCOME (LOSS) BEFORE TRANSFERS	5,117,891	(89,763)	(345,621)	(4,482,236)	-	1,211,499	21	-	1,411,791
TRANSFERS									
Transfers In	(3,770,442)	(4,358,429)	-	8,698,631	-	(569,760)	-	-	-
Transfers Out	(909,000)	-	-	-	-	-	-	-	(909,000)
Total Transfers	<u>(4,679,442)</u>	<u>(4,358,429)</u>	<u>-</u>	<u>8,698,631</u>	<u>-</u>	<u>(569,760)</u>	<u>-</u>	<u>-</u>	<u>(909,000)</u>
CHANGE IN NET POSITION	438,449	(4,448,192)	(345,621)	4,216,395	-	641,739	21	-	502,791
Net Position - Beginning of Year	<u>28,493,684</u>	<u>20,314,970</u>	<u>7,830,424</u>	<u>83,207,820</u>	<u>10,168</u>	<u>4,127,636</u>	<u>87,623</u>	<u>-</u>	<u>144,072,325</u>
NET POSITION - END OF YEAR	<u>\$ 28,932,133</u>	<u>\$ 15,866,778</u>	<u>\$ 7,484,803</u>	<u>\$ 87,424,215</u>	<u>\$ 10,168</u>	<u>\$ 4,769,375</u>	<u>\$ 87,644</u>	<u>\$ -</u>	<u>\$ 144,575,116</u>

**CITY OF WARWICK, RHODE ISLAND
COMBINING STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS SEWER
YEAR ENDED JUNE 30, 2021**

	Sewer Funds								Total
	Sewer Revenue Fund	Sewer Assessment Fund	1994 Sewer Bond Fund	Sewer SRF Bond Fund	On-Site Revolving Loan Fund	Sewer Renewal and Replacement Fund	Sewer Infrastructure Replacement Fund	Sewer Line Fund	
CASH FLOWS FROM OPERATING ACTIVITIES									
Receipts from Customers and Users	\$ 15,863,399	\$ 4,016,433	\$ -	\$ -	\$ -	\$ 1,594,029	\$ -	\$ -	\$ 21,473,861
Payments to Suppliers	(3,089,379)	(2,941)	-	-	-	(82,283)	-	-	(3,174,603)
Payments to Employees	(3,080,117)	-	-	-	-	-	-	-	(3,080,117)
Receipts from Other Operating Services	202,140	139,759	-	8,881	-	-	-	-	350,780
Net Cash Provided (Used) by Operating Activities	9,896,043	4,153,251	-	8,881	-	1,511,746	-	-	15,569,921
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES									
Interfund Borrowings (Payments), Net	(10,746,834)	(3,269,324)	(36,128)	(1,074)	-	(1,409,864)	-	74	(15,463,224)
Transfers In from Other Funds	-	-	-	8,698,631	-	(569,760)	-	-	8,128,871
Transfers To Other Funds	(4,679,442)	(4,358,429)	-	-	-	-	-	-	(9,037,871)
Net Cash Provided (Used) by Noncapital Financing Activities	(15,426,276)	(7,627,753)	(36,128)	8,697,557	-	(1,979,624)	-	74	(16,372,224)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES									
Additions to Property, Plant, and Equipment	(952,175)	-	-	(532,887)	-	-	-	-	(1,485,062)
Proceeds from Bonds, Loans and Leases	-	-	-	389,648	-	-	-	-	389,648
Principal Paid on Bonds and Loans	(1,331,767)	-	-	(8,563,195)	-	-	-	-	(9,894,962)
Interest Paid on Bonds and Loans	(1,536,055)	-	-	-	-	-	-	-	(1,536,055)
Net Cash Provided (Used) by Capital and Related Financing Activities	(3,819,997)	-	-	(8,706,434)	-	-	-	-	(12,526,431)
CASH FLOWS FROM INVESTING ACTIVITIES									
Interest on Investments	275,318	562	11	617	-	604	21	-	277,133
Net Cash Provided by Investing Activities	275,318	562	11	617	-	604	21	-	277,133
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(9,074,912)	(3,473,940)	(36,117)	621	-	(467,274)	21	74	(13,051,601)
Cash and Cash Equivalents - Beginning of Year (As Restated)	20,590,267	4,508,115	36,117	5,635,678	-	2,002,444	54,090	188,189	32,826,711
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 11,515,355</u>	<u>\$ 1,034,175</u>	<u>\$ -</u>	<u>\$ 5,636,299</u>	<u>\$ -</u>	<u>\$ 1,535,170</u>	<u>\$ 54,111</u>	<u>\$ 188,263</u>	<u>\$ 19,775,110</u>

**CITY OF WARWICK, RHODE ISLAND
COMBINING STATEMENT OF CASH FLOWS (CONTINUED)
PROPRIETARY FUNDS SEWER
YEAR ENDED JUNE 30, 2021**

	Sewer Funds								Total
	Sewer Revenue Fund	Sewer Assessment Fund	1994 Sewer Bond Fund	Sewer SRF Bond Fund	On-Site Revolving Loan Fund	Sewer Renewal and Replacement Fund	Sewer Infrastructure Replacement Fund	Sewer Line Fund	
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES									
Operating Income (Loss)	\$ 6,252,058	\$ (90,325)	\$ (345,632)	\$ (4,482,853)	\$ -	\$ 1,210,895	\$ -	\$ -	\$ 2,544,143
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:									
Depreciation and Amortization	1,786,800	-	345,632	4,491,734	-	-	-	-	6,624,166
Change in Total OPEB Liability	1,306,629	-	-	-	-	-	-	-	1,306,629
Change in Net Pension Liability	(2,029,769)	-	-	-	-	-	-	-	(2,029,769)
Change in Deferred Outflows - Pension and OPEB	38,654	-	-	-	-	-	-	-	38,654
Change in Deferred Inflows - Pension and OPEB	1,621,143	-	-	-	-	-	-	-	1,621,143
Changes in Assets and Liabilities:									
(Increase) Decrease in Accounts Receivable	287,303	-	-	-	-	300,851	-	-	588,154
(Increase) Decrease in Sewer Assessments	-	4,246,517	-	-	-	-	-	-	4,246,517
Increase (Decrease) in Accounts Payable and Accrued Expenses	614,572	(2,941)	-	-	-	-	-	-	611,631
Increase (Decrease) in Accrued Payroll	44,368	-	-	-	-	-	-	-	44,368
Increase (Decrease) in Compensated Absences	(25,715)	-	-	-	-	-	-	-	(25,715)
Net Cash Provided by Operating Activities	<u>\$ 9,896,043</u>	<u>\$ 4,153,251</u>	<u>\$ -</u>	<u>\$ 8,881</u>	<u>\$ -</u>	<u>\$ 1,511,746</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,569,921</u>

**CITY OF WARWICK, RHODE ISLAND
COMBINING STATEMENT OF NET POSITION
PROPRIETARY FUNDS WATER
JUNE 30, 2021**

	Water Funds						Total
	Water Revenue Fund	2000 Water Bond Fund	1994 Water Bond Fund	Water Renewal and Replacement Fund	Water Restricted Emergency Fund	Water Infrastructure Replacement Fund	
ASSETS							
Current Assets:							
Cash and Cash Equivalents	\$ 17,395,244	\$ -	\$ -	\$ 116	\$ -	\$ 31,477	\$ 17,426,837
Accounts Receivable, Net:							
Water Use Fees	3,923,505	-	-	-	-	-	3,923,505
Inventory	92,864	-	-	-	-	-	92,864
Total Current Assets	<u>21,411,613</u>	<u>-</u>	<u>-</u>	<u>116</u>	<u>-</u>	<u>31,477</u>	<u>21,443,206</u>
Noncurrent Assets:							
Depreciable Capital Assets, Net	7,859,562	739,617	1,004,584	-	-	-	9,603,763
Total Noncurrent Assets	<u>7,859,562</u>	<u>739,617</u>	<u>1,004,584</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,603,763</u>
Total Assets	29,271,175	739,617	1,004,584	116	-	31,477	31,046,969
DEFERRED OUTFLOWS OF RESOURCES							
Deferred Charge on Refunding	-	416	-	-	-	-	416
Deferred Outflows - OPEB	489,564	-	-	-	-	-	489,564
Deferred Outflows - Related to Pensions	304,871	-	-	-	-	-	304,871
Total Deferred Outflows of Resources	<u>794,435</u>	<u>416</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>794,851</u>

CITY OF WARWICK, RHODE ISLAND
COMBINING STATEMENT OF NET POSITION (CONTINUED)
PROPRIETARY FUNDS WATER
JUNE 30, 2021

	Water Funds						Total
	Water Revenue Fund	2000 Water Bond Fund	1994 Water Bond Fund	Water Renewal and Replacement Fund	Water Restricted Emergency Fund	Water Infrastructure Replacement Fund	
LIABILITIES							
Current Liabilities:							
Accounts Payable and Accrued Expenses	\$ 1,286,477	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,286,477
Accrued Payroll and Related Liabilities	41,694	-	-	-	-	-	41,694
Accrued Interest Payable	788	-	-	-	-	-	788
Due to Other Funds	5,573,119	(116,724)	-	(750,000)	(250,198)	(2,000,000)	2,456,197
Total OPEB Liability, Due Within One Year	245,405	-	-	-	-	-	245,405
Current Portion of Long-Term Bonds and Notes Payable	-	43,638	-	-	-	-	43,638
Total Current Liabilities	<u>7,147,483</u>	<u>(73,086)</u>	<u>-</u>	<u>(750,000)</u>	<u>(250,198)</u>	<u>(2,000,000)</u>	<u>4,074,199</u>
Noncurrent Liabilities:							
Accrued Compensated Absences	173,857	-	-	-	-	-	173,857
Total OPEB Liability	7,209,884	-	-	-	-	-	7,209,884
Net Pension Liability	1,331,637	-	-	-	-	-	1,331,637
Total Noncurrent Liabilities	<u>8,715,378</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,715,378</u>
Total Liabilities	15,862,861	(73,086)	-	(750,000)	(250,198)	(2,000,000)	12,789,577
DEFERRED INFLOWS OF RESOURCES							
Deferred Inflows - Related to OPEB	199,667	-	-	-	-	-	199,667
Total Deferred Inflows of Resources	<u>1,622,685</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,622,685</u>
NET POSITION							
Net Investment in Capital Assets	7,859,562	696,395	1,004,584	-	-	-	9,560,541
Unrestricted	4,720,502	116,724	-	750,116	250,198	2,031,477	7,869,017
Total Net Position	<u>\$ 12,580,064</u>	<u>\$ 813,119</u>	<u>\$ 1,004,584</u>	<u>\$ 750,116</u>	<u>\$ 250,198</u>	<u>\$ 2,031,477</u>	<u>\$ 17,429,558</u>

CITY OF WARWICK, RHODE ISLAND
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS WATER
YEAR ENDED JUNE 30, 2021

	Water Funds						Total
	Water Revenue Fund	2000 Water Bond Fund	1994 Water Bond Fund	Water Renewal and Replacement Fund	Water Restricted Emergency Fund	Water Infrastructure Replacement Fund	
OPERATING REVENUES							
User Fees	\$ 12,859,544	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,859,544
Other Revenues	261,232	-	-	-	-	-	261,232
Total Operating Revenues	<u>13,120,776</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,120,776</u>
OPERATING EXPENSES							
Contract Services	135,419	-	-	-	-	-	135,419
Salaries and Benefits	2,184,702	-	-	-	-	-	2,184,702
Materials and Supplies	10,988	-	-	-	-	-	10,988
Depreciation and Amortization	445,961	14,183	19,888	-	-	-	480,032
Operations	7,047,204	-	-	-	-	-	7,047,204
Total Operating Expenses	<u>9,824,274</u>	<u>14,183</u>	<u>19,888</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,858,345</u>
OPERATING INCOME (LOSS)	3,296,502	(14,183)	(19,888)	-	-	-	3,262,431
NONOPERATING REVENUES (EXPENSES)							
Interest Income	201,264	-	-	-	-	12	201,276
Interest Expense	(1,759)	1,092	-	-	-	-	(667)
Total Nonoperating Revenues (Expenses)	<u>199,505</u>	<u>1,092</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12</u>	<u>200,609</u>
INCOME (LOSS) BEFORE TRANSFERS	3,496,007	(13,091)	(19,888)	-	-	12	3,463,040
TRANSFERS							
Transfers Out	(41,104)	41,104	-	-	-	-	-
Total Transfers	<u>(41,104)</u>	<u>41,104</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
CHANGE IN NET POSITION	3,454,903	28,013	(19,888)	-	-	12	3,463,040
Net Position - Beginning of Year	<u>9,125,161</u>	<u>785,106</u>	<u>1,024,472</u>	<u>750,116</u>	<u>250,198</u>	<u>2,031,465</u>	<u>13,966,518</u>
NET POSITION - END OF YEAR	<u>\$ 12,580,064</u>	<u>\$ 813,119</u>	<u>\$ 1,004,584</u>	<u>\$ 750,116</u>	<u>\$ 250,198</u>	<u>\$ 2,031,477</u>	<u>\$ 17,429,558</u>

**CITY OF WARWICK, RHODE ISLAND
COMBINING STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS WATER
YEAR ENDED JUNE 30, 2021**

	Water Funds						Total
	Water Revenue Fund	2000 Water Bond Fund	1994 Water Bond Fund	Water Renewal and Replacement Fund	Water Restricted Emergency Fund	Water Infrastructure Replacement Fund	
CASH FLOWS FROM OPERATING ACTIVITIES							
Receipts from Customers and Users	\$ 13,599,533	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,599,533
Payments to Suppliers	(6,981,523)	-	-	-	-	-	(6,981,523)
Payments to Employees	(2,504,090)	-	-	-	-	-	(2,504,090)
Receipts from Other Operating Services	261,232	-	-	-	-	-	261,232
Net Cash Provided by Operating Activities	4,375,152	-	-	-	-	-	4,375,152
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES							
Interfund Borrowings	6,810,600	(4)	-	-	(198)	-	6,810,398
Transfers In from Other Funds	-	41,104	-	-	-	-	41,104
Transfers To Other Funds	(41,104)	-	-	-	-	-	(41,104)
Net Cash Provided (Used) by Noncapital Financing Activities	6,769,496	41,100	-	-	(198)	-	6,810,398
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES							
Additions to Property, Plant, and Equipment	(74,845)	-	-	-	-	-	(74,845)
Principal Paid on Bonds, Loans, and Leases	-	(41,104)	-	-	-	-	(41,104)
Interest Paid on Bonds, Loans, and Leases	(2,375)	-	-	-	-	-	(2,375)
Net Cash Provided (Used) by Capital and Related Financing Activities	(77,220)	(41,104)	-	-	-	-	(118,324)
CASH FLOWS FROM INVESTING ACTIVITIES							
Interest on Investments	201,264	-	-	-	-	12	201,276
Net Cash Provided by Investing Activities	201,264	-	-	-	-	12	201,276
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	11,268,692	(4)	-	-	(198)	12	11,268,502
Cash and Cash Equivalents - Beginning of Year	6,126,552	4	-	116	198	31,465	6,158,335
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 17,395,244</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 116</u>	<u>\$ -</u>	<u>\$ 31,477</u>	<u>\$ 17,426,837</u>

**CITY OF WARWICK, RHODE ISLAND
COMBINING STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS WATER
YEAR ENDED JUNE 30, 2021**

	Water Funds						Total
	Water Revenue Fund	2000 Water Bond Fund	1994 Water Bond Fund	Water Renewal and Replacement Fund	Water Restricted Emergency Fund	Water Infrastructure Replacement Fund	
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES							
Operating Income (Loss)	\$ 3,296,502	\$ (14,183)	\$ (19,888)	\$ -	\$ -	\$ -	\$ 3,262,431
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:							
Depreciation and Amortization	445,961	14,183	19,888	-	-	-	480,032
Change in Total OPEB Liability	312,591	-	-	-	-	-	312,591
Change in Net Pension Liability	(2,207,321)	-	-	-	-	-	(2,207,321)
Change in Deferred Outflows - Pension and OPEB	144,579	-	-	-	-	-	144,579
Change in Deferred Inflows - Pension and OPEB	1,404,785	-	-	-	-	-	1,404,785
Changes in Assets and Liabilities:							
(Increase) Decrease in Accounts Receivable	739,989	-	-	-	-	-	739,989
Increase (Decrease) in Accounts Payable and Accrued Expenses	212,088	-	-	-	-	-	212,088
Increase (Decrease) in Accrued Payroll	27,233	-	-	-	-	-	27,233
Increase (Decrease) in Compensated Absences	(1,255)	-	-	-	-	-	(1,255)
Net Cash Provided by Operating Activities	<u>\$ 4,375,152</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,375,152</u>

OTHER SCHEDULES

**CITY OF WARWICK, RHODE ISLAND
TAX COLLECTOR'S ANNUAL REPORT
YEAR ENDED JUNE 30, 2021**

Assessment of	Balance - June 30, 2020	Current Year Assessment	Additions	Abatements	Refunds/ Adjustments	Amount to be Collected	Current Year Collections	Balance - June 30, 2021
2020	\$ -	\$ 240,570,704	\$ 9,698	\$ (238,831)	\$ (18,834)	\$ 240,322,737	\$ 233,518,000	\$ 6,804,737
2019	7,639,268	-	198	(450,328)	128,957	7,318,095	6,044,609	1,273,486
2018	1,674,254	-	-	(11,744)	(133,462)	1,529,048	401,862	1,127,186
2017	1,418,876	-	-	-	(8,442)	1,410,434	177,626	1,232,808
2016	1,045,499	-	-	(604)	1,583	1,046,478	69,257	977,221
2015	1,025,217	-	-	-	1,111	1,026,328	38,070	988,258
2014	661,145	-	-	-	2,092	663,237	20,255	642,982
2013	462,068	-	-	-	1,667	463,735	5,043	458,692
2012	723,088	-	-	-	2,751	725,839	16,230	709,609
2011	739,534	-	-	-	755	740,289	14,663	725,626
2010	342,014	-	-	-	(298)	341,716	5,157	336,559
2009	173,225	-	-	-	(75)	173,150	2,997	170,153
2008	226,027	-	-	-	-	226,027	3,812	222,215
2007	358,091	-	-	-	-	358,091	1,392	356,699
2006	318,931	-	-	-	-	318,931	(41)	318,972
2005	304,559	-	-	-	-	304,559	(169)	304,728
2004	296,269	-	-	-	450	296,719	549	296,170
2003	238,091	-	-	-	-	238,091	86	238,005
2002	240,550	-	-	-	-	240,550	107	240,443
2001	274,435	-	-	-	232	274,667	31	274,636
2000	330,470	-	-	-	-	330,470	(303)	330,773
1999	1,388,737	-	-	-	-	1,388,737	-	1,388,737
1998	1,395,178	-	-	-	-	1,395,178	-	1,395,178
1997	395,948	-	-	-	-	395,948	-	395,948
1996	433,608	-	-	-	-	433,608	-	433,608
Total	22,105,082	\$ 240,570,704	\$ 9,896	\$ (701,507)	\$ (21,513)	\$ 261,962,662	\$ 240,319,233	21,643,429
Allowance for Doubtful Accounts	(13,376,443)							(13,930,171)
Net Property Tax Receivable	<u>\$ 8,728,639</u>							<u>\$ 7,713,258</u>

Schedule of Most Recent Net Assessed Property Value by Category

Description of Property	Valuation	Levy	Current Year Collections
Real Property	\$ 9,815,111,786	\$ 201,873,885	\$ 240,319,233
Motor Vehicles	751,998,947	16,825,050	
Tangible Personal Property	583,869,964	21,871,769	
Total	11,150,980,697	240,570,704	
Exemptions	493,427,082	-	
Net Assessed Value	<u>\$ 10,657,553,615</u>	<u>\$ 240,570,704</u>	
			Revenue Received 60 Days Subsequent to Fiscal Year Ended June 30, 2021
			2,229,882
			Total
			242,549,115
			Prior Year Revenue Received 60 Days Subsequent to Fiscal Year Ended June 30, 2020
			(2,275,167)
			Current Year Property Tax Revenue
			<u>\$ 240,273,948</u>

**CITY OF WARWICK, RHODE ISLAND
TAX COLLECTOR'S ANNUAL REPORT (CONTINUED)
YEAR ENDED JUNE 30, 2021**

Tax Years	July - August 2020 Collections Subject to 60-day FY 2020 Accrual	September - June 2021 Collections	Total FY 2021 Cash Collections	July - August 2021 Collections Subject to 60-day FY 2021 Accrual
2020	\$ -	\$ 233,518,000	\$ 233,518,000	\$ 2,011,494
2019	2,291,453	3,753,156	6,044,609	92,845
2018	(95,673)	497,535	401,862	30,263
2017	36,611	141,015	177,626	21,020
2016	19,513	49,744	69,257	15,931
2015	11,090	26,980	38,070	17,226
2014	916	19,339	20,255	9,371
2013	5,011	32	5,043	8,069
2012	2,042	14,188	16,230	7,970
2011	1,073	13,590	14,663	5,100
2010	463	4,694	5,157	3,804
2009	684	2,313	2,997	3,310
2008	773	3,039	3,812	3,319
2007	411	981	1,392	143
2006	390	(431)	(41)	(54)
2005	125	(294)	(169)	(20)
2004	285	264	549	84
2003	285	(199)	86	-
2002	-	107	107	-
2001	-	31	31	-
2000	-	(303)	(303)	-
Total	<u>\$ 2,275,452</u>	<u>\$ 238,043,781</u>	<u>\$ 240,319,233</u>	<u>\$ 2,229,875</u>

ANNUAL SUPPLEMENTAL TRANSPARENCY REPORT

City of Warwick
Annual Supplemental Transparency Report (MTP2)
Fiscal Year Ended June 30, 2021

<u>REVENUE</u>	<u>Municipal</u>	<u>Education Department</u>
Current Year Levy Tax Collection	\$ 235,529,494	\$ -
Last Year's Levy Tax Collection	3,846,000	-
Prior Years Property Tax Collection	898,453	-
Interest & Penalty	2,547,923	-
PILOT & Tax Treaty (excluded from levy) Collection	-	-
Other Local Property Taxes	-	-
Licenses and Permits	1,341,488	-
Fines and Forfeitures	98,527	-
Investment Income	110,178	-
Departmental	4,385,958	-
Rescue Run Revenue	3,023,496	-
Police & Fire Detail	2,236,552	-
Other Local Non-Property Tax Revenues	-	-
Tuition	-	821,720
Impact Aid	-	-
Medicaid	-	1,600,501
Federal Stabilization Funds	-	-
Federal Food Service Reimbursement	-	1,400,126
CDBG	163,326	-
COPS Grants	-	-
SAFER Grants	-	-
Other Federal Aid Funds	1,856,014	6,990,356
COVID - ESSER	-	2,766,156
COVID - CRF	8,474,740	1,783,520
COVID - CDBG	-	-
COVID - FEMA	118,854	-
COVID - Other	-	-
COVID - ARPA	-	-
MV Excise Tax Reimbursement	1,013,712	-
State PILOT Program	384,162	-
Distressed Community Relief Fund	-	-
Library Resource Aid	757,800	-
Library Construction Aid	-	-
Public Service Corporation Tax	964,596	-
Meals & Beverage Tax / Hotel Tax	3,757,793	-
LEA Aid	-	38,414,252
Group Home	-	-
Housing Aid Capital Projects	284,608	284,608
Housing Aid Bonded Debt	1,234,729	-
State Food Service Revenue	-	317,059
Incentive Aid	-	-
Property Revaluation Reimbursement	-	-
Other State Revenue	409,187	365,634
Motor Vehicle Phase Out	1,588,282	-
Other Revenue	2,628,691	-
Local Appropriation for Education	-	129,967,938
Regional Appropriation for Education	-	-
Supplemental Appropriation for Education	-	-
Regional Supplemental Appropriation for Education	-	-
Other Education Appropriation	-	575,559
Rounding	-	-
Total Revenue	<u>\$ 277,654,563</u>	<u>\$ 185,287,429</u>
Financing Sources: Transfer from Capital Funds	\$ -	\$ -
Financing Sources: Transfer from Other Funds	1,517,450	-
Financing Sources: Debt Proceeds	-	-
Financing Sources: Other	-	-
Rounding	-	-
Total Other Financing Sources	<u>\$ 1,517,450</u>	<u>\$ -</u>

City of Warwick
Annual Supplemental Transparency Report (MTP2)
Fiscal Year Ended June 30, 2021

EXPENDITURES	General		Social	Centralized	Planning	Libraries	Public Works	Parks and Rec	Police Department
	Government	Finance	Services	IT					
Compensation- Group A	\$ 1,212,748	\$ 1,791,871	\$ 542,159	\$ 156,040	\$ 1,514,744	\$ 1,676,563	\$ 4,962,698	\$ 1,044,523	\$ 15,361,176
Compensation - Group B	-	-	-	-	-	-	-	-	2,273,609
Compensation - Group C	-	-	-	-	-	-	-	-	-
Compensation -Volunteer	-	-	-	-	-	-	-	-	-
Overtime- Group A	6,895	10,612	-	2,028	4,727	5,469	671,853	81,772	1,298,472
Overtime - Group B	-	-	-	-	-	-	-	-	376,537
Overtime - Group C	-	-	-	-	-	-	-	-	-
Police & Fire Detail	-	-	-	-	-	-	-	-	1,652,338
Active Medical Insurance - Group A	287,118	363,120	126,670	59,112	270,229	211,116	844,464	228,005	2,731,735
Active Medical Insurance- Group B	-	-	-	-	-	-	-	-	465,518
Active Medical Insurance- Group C	-	-	-	-	-	-	-	-	-
Active Dental insurance- Group A	30,717	38,848	13,552	6,324	28,910	22,586	90,344	24,393	161,909
Active Dental Insurance- Group B	-	-	-	-	-	-	-	-	45,172
Active Dental Insurance- Group C	-	-	-	-	-	-	-	-	-
Payroll Taxes	178,854	226,197	78,906	36,823	168,333	131,510	526,040	142,031	1,183,590
Life Insurance	1,700	2,150	750	350	1,600	1,250	4,999	1,350	14,739
State Defined Contribution- Group A	-	-	-	-	-	-	-	-	-
State Defined Contribution - Group B	-	-	-	-	-	-	-	-	-
State Defined Contribution - Group C	-	-	-	-	-	-	-	-	-
Other Benefits- Group A	-	-	-	-	-	-	-	-	-
Other Benefits- Group B	-	-	-	-	-	-	-	-	-
Other Benefits- Group C	-	-	-	-	-	-	-	-	-
Local Defined Benefit Pension- Group A	722,050	913,180	318,551	148,657	679,576	530,919	2,123,675	573,392	7,574,969
Local Defined Benefit Pension - Group B	-	-	-	-	-	-	-	-	1,061,838
Local Defined Benefit Pension - Group C	-	-	-	-	-	-	-	-	-
State Defined Benefit Pension- Group A	-	-	-	-	-	-	-	-	-
State Defined Benefit Pension - Group B	-	-	-	-	-	-	-	-	-
State Defined Benefit Pension - Group C	-	-	-	-	-	-	-	-	-
Other Defined Benefit / Contribution	-	-	-	-	-	-	-	-	-
Purchased Services	588,747	531,087	207,324	38,636	417,971	264,553	372,323	37,447	177,295
Materials/Supplies	19,741	50,082	7,571	47,853	14,397	370,142	375,547	42,197	266,639
Software Licenses	-	-	-	490,974	-	-	-	-	-
Capital Outlays	-	-	82,095	143,847	-	-	-	-	-
Insurance	2,103,333	-	-	-	-	-	-	-	-
Maintenance	-	-	-	-	-	75,270	69,055	120,581	-
Vehicle Operations	-	493	4,007	738	5,409	-	1,390,660	29,247	398,708
Utilities	-	-	51,943	363,853	5,454	183,851	290,846	600,408	232,063
Contingency	-	-	-	-	-	-	-	-	-
Street Lighting	-	-	-	-	-	-	1,088,852	-	-
Revaluation	-	-	-	-	-	-	-	-	-
Snow Removal-Raw Material & External Contracts	-	-	-	-	-	-	202,863	-	-
Trash Removal & Recycling	-	-	-	-	-	-	-	-	-
Claims & Settlements	463,353	-	-	-	-	-	-	-	-
Community Support	-	-	-	-	-	-	-	-	-
Other Operation Expenditures	42,942	2,016	100	3,295	271,492	3,694	5,050	500	107,252
Tipping Fees	-	-	-	-	-	-	1,397,126	-	-
Local Appropriation for Education	-	-	-	-	-	-	-	-	-
Regional Appropriation for Education	-	-	-	-	-	-	-	-	-
Supplemental Appropriation for Education	-	-	-	-	-	-	-	-	-
Regional Supplemental Appropriation for Education	-	-	-	-	-	-	-	-	-
Other Education Appropriation	-	-	-	-	-	-	-	-	-
Municipal Debt- Principal	-	-	-	-	-	-	-	-	-
Municipal Debt- Interest	-	-	-	-	-	-	-	-	-
School Debt- Principal	-	-	-	-	-	-	-	-	-
School Debt- Interest	-	-	-	-	-	-	-	-	-
Retiree Medical Insurance- Total	-	-	-	-	-	-	-	-	-
Retiree Dental Insurance- Total	-	-	-	-	-	-	-	-	-
OPEB Contribution- Total	-	-	-	-	-	-	-	-	-
Rounding	-	-	-	-	-	-	-	-	-
Total Expenditures	\$ 5,658,195	\$ 3,929,656	\$ 1,433,627	\$ 1,498,530	\$ 3,382,841	\$ 3,476,921	\$ 14,416,396	\$ 2,925,847	\$ 35,383,560

City of Warwick
Annual Supplemental Transparency Report (MTP2)
Fiscal Year Ended June 30, 2021

EXPENDITURES	Fire Department	Centralized Dispatch	Public Safety Other	Education Appropriation	Debt	OPEB	Total Municipal	Education Department
Compensation- Group A	\$ 17,327,661	\$ -	\$ 161,311	\$ -	\$ -	\$ -	\$ 45,751,493	\$ 79,403,335
Compensation - Group B	519,259	-	-	-	-	-	2,792,868	7,578,982
Compensation - Group C	-	-	-	-	-	-	-	18,590,124
Compensation -Volunteer	-	-	-	-	-	-	-	-
Overtime- Group A	5,772,295	-	6,415	-	-	-	7,860,537	-
Overtime - Group B	263,458	-	-	-	-	-	639,995	25,376
Overtime - Group C	-	-	-	-	-	-	-	808,319
Police & Fire Detail	54,548	-	-	-	-	-	1,706,886	-
Active Medical Insurance - Group A	3,489,985	-	25,334	-	-	-	8,636,888	14,350,015
Active Medical Insurance- Group B	101,336	-	-	-	-	-	566,854	1,113,646
Active Medical Insurance- Group C	-	-	-	-	-	-	-	206,908
Active Dental insurance- Group A	184,076	-	2,710	-	-	-	604,370	532,884
Active Dental Insurance- Group B	10,841	-	-	-	-	-	56,013	47,386
Active Dental Insurance- Group C	-	-	-	-	-	-	-	4,798,996
Payroll Taxes	1,020,518	-	15,781	-	-	-	3,708,582	7,955,334
Life Insurance	13,620	-	150	-	-	-	42,656	-
State Defined Contribution- Group A	-	-	-	-	-	-	-	479,446
State Defined Contribution - Group B	-	-	-	-	-	-	-	35,300
State Defined Contribution - Group C	-	-	-	-	-	-	-	-
Other Benefits- Group A	-	-	-	-	-	-	-	558,505
Other Benefits- Group B	-	-	-	-	-	-	-	-
Other Benefits- Group C	-	-	-	-	-	-	-	23,680
Local Defined Benefit Pension- Group A	21,381,188	-	63,710	-	-	-	35,029,868	-
Local Defined Benefit Pension - Group B	254,841	-	-	-	-	-	1,316,679	42,694
Local Defined Benefit Pension - Group C	-	-	-	-	-	-	-	516,898
State Defined Benefit Pension- Group A	-	-	-	-	-	-	-	11,254,863
State Defined Benefit Pension - Group B	-	-	-	-	-	-	-	963,481
State Defined Benefit Pension - Group C	-	-	-	-	-	-	-	-
Other Defined Benefit / Contribution	-	-	-	-	-	-	-	-
Purchased Services	586,056	-	34,532	-	-	-	3,255,970	22,658,808
Materials/Supplies	275,297	-	8,221	-	-	-	1,477,686	1,929,916
Software Licenses	-	-	-	-	-	-	490,974	1,266,210
Capital Outlays	-	-	-	-	-	-	225,942	3,698,788
Insurance	-	-	-	-	-	-	2,103,333	637,430
Maintenance	32,207	-	-	-	-	-	297,113	2,128,391
Vehicle Operations	492,678	-	-	-	-	-	2,321,939	236,894
Utilities	266,930	-	19,004	-	-	-	2,014,351	3,120,433
Contingency	-	-	-	-	-	-	-	-
Street Lighting	-	-	-	-	-	-	1,088,852	-
Revaluation	-	-	-	-	-	-	-	-
Snow Removal-Raw Material & External Contracts	-	-	-	-	-	-	202,863	-
Trash Removal & Recycling	-	-	-	-	-	-	-	-
Claims & Settlements	-	-	-	-	-	-	463,353	13
Community Support	-	-	-	-	-	-	-	500
Other Operation Expenditures	1,045,660	-	-	-	-	-	1,482,000	601,027
Tipping Fees	-	-	-	-	-	-	1,397,126	-
Local Appropriation for Education	-	-	-	129,967,938	-	-	129,967,938	-
Regional Appropriation for Education	-	-	-	-	-	-	-	-
Supplemental Appropriation for Education	-	-	-	-	-	-	-	-
Regional Supplemental Appropriation for Education	-	-	-	-	-	-	-	-
Other Education Appropriation	-	-	-	-	-	-	-	-
Municipal Debt- Principal	-	-	-	-	3,997,454	-	3,997,454	-
Municipal Debt- Interest	-	-	-	-	537,398	-	537,398	-
School Debt- Principal	-	-	-	-	2,683,649	-	2,683,649	-
School Debt- Interest	-	-	-	-	1,534,033	-	1,534,033	-
Retiree Medical Insurance- Total	-	-	-	-	-	10,965,358	10,965,358	339,603
Retiree Dental Insurance- Total	-	-	-	-	-	154,146	154,146	104,039
OPEB Contribution- Total	-	-	-	-	-	-	-	-
Rounding	-	-	-	-	-	-	-	-
Total Expenditures	\$ 53,092,451	\$ -	\$ 337,169	\$ 129,967,938	\$ 8,752,533	\$ 11,119,504	\$ 275,375,166	\$ 186,008,223

Financing Uses: Transfer to Capital Funds	\$ -	\$ -
Financing Uses: Transfer to Other Funds	507,500	-
Financing Uses: Payment to Bond Escrow Agent	-	-
Financing Uses: Other	-	-
Total Other Financing Uses	\$ 507,500	\$ -
Net Change in Fund Balance¹	3,289,347	(720,794)
Fund Balance1- beginning of year	\$34,980,179	\$2,496,665
Funds removed from Reportable Government Services (RGS)	-	-
Funds added to Reportable Government Services (RGS)	-	-
Prior period adjustments	-	509,769
Misc. Adjustment	-	(177,640)
Fund Balance¹ - beginning of year adjusted	34,980,179	2,828,794
Rounding	-	-
Fund Balance¹ - end of year	\$ 38,269,526	\$ 2,108,000

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

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

Per Audited Fund Financial Statements Fund Description	Total Revenue	Total Other Financing Sources	Total Expenditures	Total Other Financing Uses	Net Change in Fund Balance ¹	Beginning Fund Fund Balance ¹ (Deficit)	Prior Period Adjustment	Restated Beginning Fund Balance ¹ (Deficit)	Ending Fund Balance ¹ (Deficit)
Fund Balance¹ - per MTP-2 at June 30, 2020						\$ 34,980,179	-	\$ 34,980,179	
<i>No funds removed from RGS for fiscal 2020</i>						-	-	-	
<i>No funds added to RGS for Fiscal 2020</i>						-	-	-	
<i>No misc. adjustments made for fiscal 2020</i>						-	-	-	
Fund Balance¹ - per MTP-2 at June 30, 2021 adjusted						<u>\$ 34,980,179</u>	<u>-</u>	<u>\$ 34,980,179</u>	
General Fund	\$ 275,337,493	\$ 1,619,838	\$ 143,700,342	\$ 130,475,438	\$ 2,781,551	\$ 30,286,607	\$ -	\$ 30,286,607	\$ 33,068,158
Debt Service Fund	296	507,500	-	-	507,796	4,693,572	-	4,693,572	5,201,368
Totals per audited financial statements	<u>\$ 275,337,789</u>	<u>\$ 2,127,338</u>	<u>\$ 143,700,342</u>	<u>\$ 130,475,438</u>	<u>\$ 3,289,347</u>	<u>\$ 34,980,179</u>	<u>\$ -</u>	<u>\$ 34,980,179</u>	<u>\$ 38,269,526</u>
<u>Reconciliation from financial statements to MTP2</u>									
Reclassify portion transfer of municipal appropriation to Education Department as expenditure on MTP2	\$ -	\$ -	\$ 129,967,938	\$ (129,967,938)	\$ -	-	-	-	-
Insurance recoveries recorded as other revenue, reported as other financing source in audit	148,161	(148,161)	-	-	-	-	-	-	-
Special detail cruiser fee recorded as other revenue, reported as other financing source in audit	452,727	(452,727)	-	-	-	-	-	-	-
Police and fire details are not shown on the general fund, but are included in MTP reporting	-	-	-	-	-	-	-	-	-
Sale of Capital assets are included in general revenues, but are included in other financing source in MTP Rounding	9,000	(9,000)	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Totals Per MTP2	<u>\$ 277,654,563</u>	<u>\$ 1,517,450</u>	<u>\$ 275,375,166</u>	<u>\$ 507,500</u>	<u>\$ 3,289,347</u>	<u>\$ 34,980,179</u>	<u>\$ -</u>	<u>\$ 34,980,179</u>	<u>\$ 38,269,526</u>

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

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

Per Audited Fund Financial Statements Fund Description	Total Revenue	Total Other Financing Sources	Total Expenditures	Total Other Financing Uses	Net Change in Fund Balance ¹	Beginning Fund Fund Balance ¹ (Deficit)	Prior Period Adjustment	Restated Beginning Fund Balance ¹ (Deficit)	Ending Fund Balance ¹ (Deficit)
Fund Balance¹ - per MTP-2 at June 30, 2020						\$ 2,496,665	509,769	\$ 3,006,434	
<i>Indirect cost Adjustment for Fiscal 2020</i>						(177,640)	-	(177,640)	
Fund Balance¹ - per MTP-2 at June 30, 2021 adjusted						<u>\$ 2,319,025</u>	509,769	<u>\$ 2,828,794</u>	
School Unrestricted Fund	\$ 51,717,353	\$ 129,967,938	\$ 182,510,095	\$ 27,932	\$ (852,736)	\$ 1,412,051	\$ -	\$ 1,412,051	\$ 559,315
School Special Revenue Funds	14,149,158	27,932	14,045,148	-	131,942	906,974	509,769	1,416,743	1,548,685
Totals per audited financial statements	<u>\$ 65,866,511</u>	<u>\$ 129,995,870</u>	<u>\$ 196,555,243</u>	<u>\$ 27,932</u>	<u>\$ (720,794)</u>	<u>\$ 2,319,025</u>	<u>\$ 509,769</u>	<u>\$ 2,828,794</u>	<u>\$ 2,108,000</u>
<u>Reconciliation from financial statements to MTP2</u>									
Municipal Appropriation for Education reported as a transfer on the Financial Statements but Revenue on the MTP 2	\$ 129,967,938	\$ (129,967,938)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State Contributions On Behalf of the Teachers Pension are reported as revenue and Expenaiture on the Financial Statements only	(10,387,646)	-	(10,387,646)	-	-	-	-	-	-
(Transfer from School Unrestricted the Lunch fund of \$27k) is reported as other Financing Sources and Uses for GAAP, but not reported in UCOA	-	(27,932)	-	(27,932)	-	-	-	-	-
For financial statements< indirect cost charges and recovery are reported in federal grant funds and also actual expenditures & Reimbursements reported in school unrestricted fund Rounding	(159,374)	-	(159,374)	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Totals Per MTP2	<u>\$ 185,287,429</u>	<u>\$ -</u>	<u>\$ 186,008,223</u>	<u>\$ -</u>	<u>\$ (720,794)</u>	<u>\$ 2,319,025</u>	<u>\$ 509,769</u>	<u>\$ 2,828,794</u>	<u>\$ 2,108,000</u>
<u>Reconciliation from MTP2 to UCOA</u>									
Appropriation of Fund Balance	\$ 1,412,051		\$ -						
Miscellaneous variance between MTP2 & UCOA	(125)		(5,136)						
Totals per UCOA Validated Totals Report 1/25/22	<u>\$ 186,699,355</u>		<u>\$ 186,003,087</u>						

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

CITY OF WARWICK, RHODE ISLAND
ANNUAL SUPPLEMENTAL TRANSPARENCY REPORT (MTP2)
NOTES TO SUPPLEMENTARY INFORMATION
JUNE 30, 2021

NOTE 1 BASIS OF PRESENTATION

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

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

NOTE 2 REPORTABLE GOVERNMENT SERVICES

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

NOTE 3 ALLOCATIONS

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

NOTE 4 EMPLOYEE GROUPS – COMPENSATION AND BENEFIT COSTS

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

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

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

- Police Department – police officers (e.g., uniform personnel – including, leadership positions)

**CITY OF WARWICK, RHODE ISLAND
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NOTE 4 EMPLOYEE GROUPS – COMPENSATION AND BENEFIT COSTS (CONTINUED)

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

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

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

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

NOTE 5 EDUCATION REVENUE AND EXPENDITURES

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

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