

TOWN OF EXETER, RHODE ISLAND



BASIC FINANCIAL STATEMENTS

For the Fiscal Year Ended June 30, 2021



TOWN OF EXETER, RHODE ISLAND

BASIC FINANCIAL STATEMENTS

For the Fiscal Year Ended June 30, 2021

Maria Lawler
Treasurer

Daniel W. Patterson
President, Town Council

Prepared by: Treasurer's Office

EXETER, RHODE ISLAND

INTRODUCTORY SECTION

**THIS SECTION CONTAINS
THE FOLLOWING SUBSECTION:**

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List of Town Officials

TOWN OF EXETER, RHODE ISLAND
 AUDITED FINANCIAL STATEMENTS
 For the Fiscal Year Ended June 30, 2021

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TOWN OF EXETER, RHODE ISLAND
AUDITED FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2021

LIST OF TOWN OFFICIALS

TOWN OF EXETER, RHODE ISLAND

TOWN COUNCIL

Daniel W. Patterson, President
Michael A. Lefebvre, Vice-President
Francis T. Maher, Jr., Member
Calvin A. Ellis, Member
Olivia DeFrancesco, Member

TREASURER

Maria Lawler

TOWN CLERK

Lynn Hawkins

FINANCIAL SECTION

**THIS SECTION CONTAINS
THE FOLLOWING SUBSECTIONS:**

Independent Auditor's Report

Management's Discussion and Analysis

Basic Financial Statements

Required Supplementary Information

Other Supplementary Information

Annual Supplemental Transparency Report

INDEPENDENT AUDITOR'S REPORT

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

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 4 – 10 and 41 – 45 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of the 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 Town of Exeter, Rhode Island's basic financial statements. The introductory section, combining and individual non-major fund financial statements, Schedule of Property Tax Receivables, Schedules of Long-term Liabilities, and Annual Supplemental Transparency Report and accompanying notes, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual non-major fund financial statements, Schedule of Property Tax Receivables, Schedules of Long-term Liabilities and Annual Supplemental Transparency Report and its accompanying notes, 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 non-major fund financial statements, Schedule of Property Tax Receivables, Schedules of Long-term Liabilities and Annual Supplemental Transparency Report and its accompanying notes are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory section has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 1, 2021, on our consideration of the Town of Exeter, Rhode Island's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Exeter, Rhode Island's internal control over financial reporting and compliance.

WADOVICK + COMPANY

West Warwick, Rhode Island
November 1, 2021

TOWN OF EXETER, RHODE ISLAND
MANAGEMENT'S DISCUSSION AND ANALYSIS
Unaudited
For the Fiscal Year Ended June 30, 2021

As the management of the Town of Exeter (Town), we offer readers of the Town's Financial Statements this narrative overview and analysis of the Town's financial activities for the fiscal year ended June 30, 2021. Included within our discussion will be a series of comparative tables, serving to more clearly illustrate changes in the Town's financial position. These tables will reflect governmental activities for the fiscal years ended 2021 and 2020.

FINANCIAL HIGHLIGHTS

- ❖ On the government-wide basis, the assets of the Town of Exeter exceeded its liabilities at the close of the most recent fiscal year ended by \$10,736,264. Of that amount, \$4,701,765 may be used to meet the Town's ongoing obligations to citizens and creditors in accordance with the Town's fund designation and fiscal policies.
- ❖ The Town's net position increased by \$262,365 or approximately 2.5% through current year activities. This increase was mainly due to favorable General Fund collections and spending.
- ❖ As of the close of the fiscal year, the Town's governmental funds reported combined ending fund balances of \$4,513,866. Approximately 28.9% of this amount, \$1,306,081 is unassigned and available for use within the Town's designation and fiscal policies.
- ❖ At the end of the current fiscal year, the general fund's unassigned fund balance was \$1,306,081, or 8.4% of the total general fund expenditures for the fiscal year. The general fund's current fiscal year revenues and transfers exceeded expenditures and transfers by \$147,246 on the Fund Financial Statement basis.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

- Government-wide financial statements
- Fund financial statements
- Notes to financial statements

In addition to the basic financial statements, this report also contains required supplementary information and other supplementary information.

The Town's basic financial statements and supplementary financial information provide information about all of the Town's activities. They provide both a short-term and a long-term view of the Town's financial health as well as information about activities for which the Town acts solely as a trustee for the benefit of those outside of the Town's government.

Government-wide financial statements – are designed to provide readers with a broad overview of the Town's finances in a manner similar to a private-sector business. They are presented on the accrual basis of accounting where revenues and expenditures are recognized on the date they occurred rather than on the date they were collected or paid.

TOWN OF EXETER, RHODE ISLAND
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
Unaudited
For the Fiscal Year Ended June 30, 2021

The *Statement of Net Position* presents information on all of the Town's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

The *Statement of Activities* presents information which shows how the Town's net position changed during the fiscal year. All changes in net position are reported when the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in the future fiscal periods. Examples are uncollected taxes and earned but unused compensated absences.

Both of the government-wide financial statements distinguish functions of the Town, which are supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The Town's governmental activities include general government and administration, public works, public safety, health and welfare, conservation and development, parks and recreation, and planning and zoning. The Town had no business activities as of June 30, 2021.

The government-wide financial statements are reported on pages 11 and 12.

Fund Financial Statements – A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Town can be divided into two categories: governmental funds and proprietary funds. For the fiscal year ending June 30, 2021, the Town does not have any proprietary funds.

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental 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. Both the governmental funds balance sheet and the governmental fund statements of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Town maintains governmental funds. Information is presented separately in the Governmental Fund Balance Sheet and in the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances for the General Fund, which is considered to be a major fund. Data from the other funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in 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 statement because resources of those funds are *not* available to support the Town's own programs.

TOWN OF EXETER, RHODE ISLAND
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
Unaudited
For the Fiscal Year Ended June 30, 2021

The basic fiduciary fund financial statements can be found on pages 18 and 19.

Notes to 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 are presented on pages 20 through 38.

Other Information – In addition to the basic financial statements and accompanying notes, this report also presents certain supplementary information pertinent to the Town's operations.

Required Supplementary Information is presented on pages 39 and 40.

The combining statements and supplementary information referred to earlier in connection with non-major governmental funds are presented on pages 41 through 58.

Annual Supplementary Transparency Report (MTP2) – This is a supplemental schedule required by the State of Rhode Island. This report is presented on pages 59-65.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Analysis of the Town of Exeter's Net Position

As noted earlier, the Town's net position may serve over time as a useful indicator of a government's financial position and an important determinant of its ability to finance services in the future. In the case of the Town of Exeter, assets exceeded liabilities by \$10,736,264 as of June 30, 2021. This reflects an increase of \$262,365 for the current year's activity.

Listed below is a comparison of the current and prior fiscal years net position:

	<u>Governmental Activities</u>	
	<u>2021</u>	<u>2020</u>
ASSETS		
Current Assets	\$ 5,060,458	\$ 4,790,043
Capital Assets	<u>6,415,571</u>	<u>6,504,294</u>
TOTAL ASSETS	<u>11,476,029</u>	<u>11,294,337</u>
 LIABILITIES		
Current Liabilities	435,260	436,723
Long-term Liabilities	<u>304,505</u>	<u>383,715</u>
TOTAL LIABILITIES	<u>739,765</u>	<u>820,438</u>
 NET POSITION		
Net invested in Capital Assets	6,034,499	5,993,094
Restricted	2,682,706	2,570,857
Permanent	27,129	27,101
Unrestricted	<u>1,991,930</u>	<u>1,882,847</u>
TOTAL NET POSITION	<u>\$ 10,736,264</u>	<u>\$ 10,473,899</u>

TOWN OF EXETER, RHODE ISLAND
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
Unaudited
For the Fiscal Year Ended June 30, 2021

The largest portion of the Town's net position \$6,034,499 (56.2%) consists of its investments in capital assets such as land, buildings and improvements, motor vehicles, furniture and equipment and infrastructure, less any debt used to acquire these assets which is still outstanding. The Town uses these capital assets to provide services to its citizens. Consequently, these assets are not available for future spending. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves are unlikely to be used to liquidate these liabilities.

Analysis of the Town of Exeter's Operations

The following analysis provides a summary of the Town's operations for the year ended June 30, 2021. Governmental activities increased the Town's net position by \$262,365 for the current period.

Listed below is a comparison of the current and prior fiscal years change in net position:

	Governmental Activities	
	2021	2020
REVENUES		
Program revenues:		
Charges for services	\$ 691,555	\$ 635,052
Operating grants and contributions	315,069	170,330
Capital grants and contributions	27,867	43,842
General revenues:		
Property taxes, levied for general purposes	14,441,155	14,539,049
Grants and contributions	1,052,313	910,768
Investment earnings	104,070	100,406
TOTAL REVENUES	16,632,029	16,399,447
EXPENSES		
General government	2,563,183	2,370,327
Public works	1,369,384	1,322,746
Public safety	42,675	39,300
Social services	67,804	112,848
Public health and welfare	8,840	9,957
Education	12,300,326	12,300,326
Capital Outlay	11,440	32,121
Interest	6,012	11,221
TOTAL EXPENSES	16,369,664	16,198,846
CHANGE IN NET POSITION	262,365	200,601
Net Position - July 1st	10,473,899	10,273,298
Net Position - June 30th	\$ 10,736,264	\$ 10,473,899

TOWN OF EXETER, RHODE ISLAND
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
Unaudited
For the Fiscal Year Ended June 30, 2021

FINANCIAL ANALYSIS OF THE TOWN OF EXETER'S FUNDS

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

At the end of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$4,513,866. Approximately 28.9% of the total amount, or \$1,306,081 constituted unassigned fund balances. The remainder of the fund balance is non-spendable, restricted, committed or assigned. The fund balance in the General Fund increased due to a favorable variance of revenues exceeding expenditures by \$147,246.

Reserved Fund Balances:

Contingency appropriations	\$575,000
Re-appropriated for fiscal year 2021/2022	\$ -0-

GENERAL FUND BUDGETARY HIGHLIGHTS

The final amended budget for the Town's General Fund reflected total revenues and re-appropriations of \$16,239,046 and total expenditures and transfers to other funds of \$16,239,046. Actual total revenues were \$16,326,730 which includes transfers from other funds of \$-0- and total expenditures were \$15,630,021 which included transfers to other funds of \$549,463 resulted in a surplus of \$147,246.

REVENUES

Revenues on a budgetary basis were \$87,684 over budget due to some of the following conditions:

- Property taxes were over budget by \$100,828 as a result of timely collections and increased collections of delinquent taxes
- The State motor vehicle tax phase-out program was over budget by \$75,193 as a result of a late change in the State of Rhode Island's governors' budget which increased the amount owed.
- Town clerk collections were over budget by \$50,348 as a result of increased activity in Town Clerk's office.
- Animal shelter was under budget by \$10,760 as a result of restrictions placed on out-of-state adoptions due to COVID-19.
- License and permits were over budget by \$72,174 as a result of an increased construction by taxpayers.
- Fines and interest on late payments were over budget by \$27,653 as a result of collection efforts.

EXPENDITURES

Expenditures on a budgetary basis were \$59,562 under budget due to some of the following conditions:

- The Tax Collector Clerical salary expense was under budget by \$16,781 as a result of vacant position.
- The Town Planning salary expense was under budget by \$13,520 as the position was vacant for part of the year.
- Library Director's and Library Staff salary expense was under budget and over budget by \$36,833 and \$43,526 as a result of the resignation of the Library Director whose position was temporarily filled by staff.

TOWN OF EXETER, RHODE ISLAND
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
Unaudited
For the Fiscal Year Ended June 30, 2021

- The Building Inspector's salary expense was over budget by \$52,125 because of additional compensation for increased inspections.
- Legal expenses were over budget by \$31,293 as a result of increased in legal matters.
- Medical and dental expenses were under budget by \$17,704 as a result of employees changing their plans from family to individual during the year and an employee retiring/resigning.
- Town Clerk expenses were under budget by \$15,806 as a result of costs savings on the Town Clerk's billing and equipment contracts.
- Animal Shelter expense was under budget by \$10,912 as a result of limited activity due to COVID-19.
- Computer support was under budget by \$11,254 as a result of a decrease in the annual support cost due to hiring an IT Director, thereby needing less support from outside vendors.
- Emergency Director's salary expense was over budget by \$11,843 as a result of additional compensation for increased duties and hours due to COVID-19.

CAPITAL ASSETS

The Town of Exeter's investment in capital assets for its governmental activities amounts to \$6,415,571, net of accumulated depreciation at June 30, 2021. Included are land, intangible assets, infrastructure, building and improvements, motor vehicles, machinery and equipment, and office furniture and equipment (which are fully depreciated as of June 30, 2021).

**TOWN OF EXETER'S CAPITAL ASSETS AT YEAR END
NET OF ACCUMULATED DEPRECIATION**

	2021	2020
Land	\$ 253,701	\$ 253,701
Development rights - Schartner Farms	3,450,000	3,450,000
Buildings and improvements	1,194,400	1,247,479
Motor vehicles	362,556	480,640
Machinery and equipment	336,343	238,413
Infrastructure	818,571	834,061
	\$ 6,415,571	\$ 6,504,294

Additional information on the Town of Exeter's capital assets is located in Note 6 of the notes to the financial statements. The Town intends on reporting infrastructure assets as required with full historical disclosure in subsequent reporting periods.

TOWN OF EXETER, RHODE ISLAND
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
Unaudited
For the Fiscal Year Ended June 30, 2021

DEBT ADMINISTRATION

At the end of the current fiscal year, the Town of Exeter had a total bonded debt of \$110,909. All bonded debt is backed by the full faith and credit of the Town.

**TOWN OF EXETER'S OUTSTANDING DEBT AT FISCAL YEAR END
BONDS, NOTES AND CAPITALIZED LEASES PAYABLE**

	2021	2020
Public library bond	\$ 18,294	\$ 89,794
Development rights bond	92,615	138,667
Landfill post-closure care costs	201,838	201,838
Compensated absences	68,325	80,901
	\$ 381,072	\$ 511,200

The State of Rhode Island imposes a limit of 3 percent of the fair value of all taxable Town property on the general obligation debt that a municipality can issue. The Town of Exeter's limit is \$26,441,373 (based on net assessed valuation at December 31, 2019 of \$912,581,356) at June 30, 2021. The town's outstanding general obligation debt is \$110,909 at June 30, 2021, which is \$26,330,464 under the State-imposed limitation.

Additional information on the Town of Exeter's long-term debt can be found in Note 7 of the financial statements and on pages 56 through 57.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The Town of Exeter's total general fund budget for fiscal year 2021-2022 is \$16,239,046 which did not change from the fiscal 2020-2021 budget of \$16,239,046. Of the Town's 2021-2022 budget, \$3,938,720 or 24.2% is budgeted for the general government and \$12,300,326 or 75.7% is budgeted for education. The State of Rhode Island is budgeted to contribute \$1,136,032 in State aid.

The Town's tax rate for fiscal 2021-2022 is \$13.72 per thousand, with 24.2% allocated for general government and 75.8% allocated for education. For fiscal 2020-2021 the Town's tax rate was \$15.69 per thousand, with 25.0% allocated for general government and 75.0% allocated for education. The decrease in tax rates from \$15.69 to \$13.72 resulted in a \$1.97 decrease or 12.6% decrease in the tax rate.

REQUEST FOR INFORMATION

Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Town of Exeter, 675 Ten Rod Road, Exeter, RI 02822.



Maria Lawler
Treasurer

BASIC FINANCIAL STATEMENTS

*The Basic Financial Statements
include all funds in order to provide an overview of the
financial position and results of operation for the Town as a whole.
They also serve as an introduction to the more detailed
statements and schedules that follow.*

TOWN OF EXETER, RHODE ISLAND
 GOVERNMENT-WIDE FINANCIAL STATEMENTS
 STATEMENT OF NET POSITION
 June 30, 2021

	Governmental Activities
<u>ASSETS</u>	
<i>Current Assets</i>	
Cash and cash equivalents	\$ 4,696,024
Accounts receivable:	
Property taxes, net of allowance for doubtful accounts of \$103,738	280,769
Tax title property	14,469
Other receivables	69,196
<i>Total Current Assets</i>	5,060,458
 <i>Noncurrent Assets</i>	
Capital assets not being depreciated	3,703,701
Capital assets being depreciated, net of depreciation	2,711,870
<i>Total Noncurrent Assets</i>	6,415,571
TOTAL ASSETS	11,476,029
 <u>LIABILITIES</u>	
<i>Current Liabilities</i>	
Accounts payable and accrued items	226,724
Due to Agency Funds	117,500
General obligations bonds	65,886
Compensated absences payable	10,681
Other liabilities	14,469
<i>Total Current Liabilities</i>	435,260
 <i>Noncurrent Liabilities</i>	
General obligations bonds	45,023
Landfill postclosure care costs	201,838
Compensated absences payable	57,644
<i>Total Noncurrent Liabilities</i>	304,505
TOTAL LIABILITIES	739,765
 <u>NET POSITION</u>	
Net invested in capital assets	6,034,499
Restricted:	
Grants and other statutory restrictions	2,682,706
Permanent funds:	
Nonexpendable	27,129
Unrestricted	1,991,930
TOTAL NET POSITION	\$ 10,736,264

TOWN OF EXETER, RHODE ISLAND
GOVERNMENT-WIDE FINANCIAL STATEMENTS
STATEMENT OF ACTIVITIES
For the Fiscal Year Ended June 30, 2021

Activities	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
General government	\$ 2,563,183	\$ 691,555	\$ 117,030	\$ 25,388	\$ (1,729,210)
Public works	1,369,384	-	-	-	(1,369,384)
Public safety	42,675	-	81,028	1,000	39,353
Social services	67,804	-	91,701	1,479	25,376
Public health and welfare	8,840	-	25,310	-	16,470
Education	12,300,326	-	-	-	(12,300,326)
Capital Outlay	11,440	-	-	-	(11,440)
Interest	6,012	-	-	-	(6,012)
Total Activities	\$ 16,369,664	\$ 691,555	\$ 315,069	\$ 27,867	(15,335,173)
<i>General Revenues:</i>					
Property taxes					14,441,155
Grants and contributions not restricted to specific purposes					1,052,313
Investment Earnings					104,070
Total General Revenues					15,597,538
Increase in Net Position					262,365
Net Position - July 1, 2020					10,473,899
Net Position - June 30, 2021					\$ 10,736,264

TOWN OF EXETER, RHODE ISLAND
 FUND FINANCIAL STATEMENTS
 BALANCE SHEET - GOVERNMENTAL FUNDS
 June 30, 2021

	GENERAL FUND	LANDFILL CLOSURE FUND	NONMAJOR OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
<u>ASSETS</u>				
Cash and cash equivalents	\$ 4,194,563	\$ -	\$ 501,461	\$ 4,696,024
Property tax receivable, net	280,769	-	-	280,769
Other - accounts receivable	-	-	69,196	69,196
Due from other funds	17,751	84,482	1,448,597	1,550,830
Tax title property	14,469	-	-	14,469
TOTAL ASSETS	<u>\$ 4,507,552</u>	<u>\$ 84,482</u>	<u>\$ 2,019,254</u>	<u>\$ 6,611,288</u>
<u>LIABILITIES</u>				
Accounts payable and accrued items	\$ 226,724	\$ -	\$ -	\$ 226,724
Due to other funds	1,533,079	-	17,751	1,550,830
Due to Agency Funds	117,500	-	-	117,500
Other liabilities	14,469	-	-	14,469
TOTAL LIABILITIES	<u>1,891,772</u>	<u>-</u>	<u>17,751</u>	<u>1,909,523</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Unavailable revenue - property taxes	187,899	-	-	187,899
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>187,899</u>	<u>-</u>	<u>-</u>	<u>187,899</u>
<u>FUND BALANCES</u>				
Nonspendable	-	-	-	-
Restricted	-	-	198,374	198,374
Committed	497,950	84,482	431,371	1,013,803
Assigned	575,000	-	1,371,758	1,946,758
Unassigned	1,354,931	-	-	1,354,931
TOTAL FUND BALANCES	<u>2,427,881</u>	<u>84,482</u>	<u>2,001,503</u>	<u>4,513,866</u>
TOTAL LIABILITIES, DEFERRED INFLOW OF RESOURCES AND FUND BALANCE	<u>\$ 4,507,552</u>	<u>\$ 84,482</u>	<u>\$ 2,019,254</u>	<u>\$ 6,611,288</u>

TOWN OF EXETER, RHODE ISLAND
 FUND FINANCIAL STATEMENTS
 RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE
 STATEMENT OF NET POSITION
 June 30, 2021

Total Fund Balances for Governmental Funds	\$	4,513,866
Assets used in governmental activities which are not financial resources and, therefore, are not reported in the funds:		
Capital assets, net		6,415,571
Deferred revenue		187,899
		6,603,470
Liabilities not due and payable in the current period and, therefore, are not reported in the funds:		
General obligation bonds		(110,909)
Landfill postclosure care costs		(201,838)
Compensated absences payable		(68,325)
		(381,072)
Net Position of Governmental Activities	\$	10,736,264

TOWN OF EXETER, RHODE ISLAND
 FUND FINANCIAL STATEMENTS
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS
 For the Fiscal Year Ended June 30, 2021

	GENERAL FUND	LANDFILL CLOSURE FUND	NONMAJOR OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
<u>REVENUES</u>				
Property taxes	\$ 14,479,318	\$ -	\$ -	\$ 14,479,318
Intergovernmental revenues	1,181,484	-	88,484	1,269,968
Departmental revenues	377,138	-	-	377,138
Licenses and permits	136,174	-	-	136,174
Interest and investment income	2,891	-	526	3,417
Fines and interest on late payments	100,653	-	-	100,653
Other revenues	49,072	-	254,452	303,524
TOTAL REVENUES	<u>16,326,730</u>	<u>-</u>	<u>343,462</u>	<u>16,670,192</u>
<u>EXPENDITURES</u>				
<u>Current:</u>				
General government	2,357,413	-	152,224	2,509,637
Public works	788,629	-	366,417	1,155,046
Public safety	42,675	-	-	42,675
Social services	9,242	-	58,562	67,804
Public health and welfare	8,172	-	668	8,840
Education	12,300,326	-	-	12,300,326
Capital outlay	-	-	203,177	203,177
<u>Debt service:</u>				
Principal	117,552	-	-	117,552
Interest	6,012	-	-	6,012
TOTAL EXPENDITURES	<u>15,630,021</u>	<u>-</u>	<u>781,048</u>	<u>16,411,069</u>

TOWN OF EXETER, RHODE ISLAND
 FUND FINANCIAL STATEMENTS
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS
 For the Fiscal Year Ended June 30, 2021

	GENERAL FUND	LANDFILL CLOSURE FUND	NONMAJOR OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
Excess of Revenues Over (Under) Expenditures Before Other Financing Sources (Uses)	696,709	-	(437,586)	259,123
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers from other funds	48,850	-	549,463	598,313
Transfers to other funds	(549,463)	-	(48,850)	(598,313)
TOTAL OTHER FINANCING SOURCES (USES)	(500,613)	-	500,613	-
Net Change in Fund Balances	196,096	-	63,027	259,123
FUND BALANCE - July 1, 2020	2,231,785	84,482	1,938,476	4,254,743
FUND BALANCE - June 30, 2021	\$ 2,427,881	\$ 84,482	\$ 2,001,503	\$ 4,513,866

TOWN OF EXETER RHODE ISLAND
 FUND FINANCIAL STATEMENTS
 RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,
 EXPENDITURES AND CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES
 For the Fiscal Year Ended June 30, 2021

Net Change in Fund Balances - Total Governmental Funds	\$	259,123
<p>Governmental funds reported capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which the increase in capital outlays of \$191,737 is less than depreciation of \$280,460 in the current period.</p>		
		(88,723)
<p>Property taxes that are not collected in the current period and do not represent current financial resources are deferred in the fund financial statement, however they are recognized as revenues in the statement of activities. This is the amount the unavailable revenue - property taxes decreased.</p>		
		(38,163)
<p>Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the statement of activities, however, which is presented on the full accrual basis, expenses and liabilities are recorded regardless of when financial resources are available. This is the amount the accrued compensated absences decreased.</p>		
		12,576
<p>Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the statement of activities, however, which is presented on the full accrual basis, expenses and liabilities are recorded regardless of when financial resources are available. This is the amount of principal payments made on long-term debt</p>		
		<u>117,552</u>
Change in Net Position of Governmental Activities in the Statement of Activities	\$	<u>262,365</u>

TOWN OF EXETER, RHODE ISLAND
 FUND FINANCIAL STATEMENTS
 STATEMENT OF FIDUCIARY NET POSITION
 FIDUCIARY FUNDS
 June 30, 2021

	REYNOLDS FUND	EMILY J. ANTHONY FUNDS	CUSTODIAL FUNDS
<u>ASSETS</u>			
Cash and cash equivalents	\$ 34,864	\$ 3,066	\$ 53,922
Investments at fair value:			
Equities:			
Equity mutual funds	232,695		
Fixed income mutual funds	54,092		
Common equity securities	571,239		
Mutual funds:			
Equity mutual funds	186,339	-	-
Fixed income mutual funds	985,012	-	-
Total investments	2,029,377	-	-
Due from local government	-	-	117,500
 TOTAL ASSETS	 \$ 2,064,241	 \$ 3,066	 \$ 171,422
<u>LIABILITIES</u>			
Deposits held in custody for others	-	-	171,422
 TOTAL LIABILITIES	 -	 -	 \$ 171,422
<u>NET POSITION</u>			
Restricted for:			
Pension	2,064,241	-	
Individuals and organizations	-	3,066	
 TOTAL NET POSITION	 \$ 2,064,241	 \$ 3,066	

TOWN OF EXETER, RHODE ISLAND
 FUND FINANCIAL STATEMENTS
 STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 FIDUCIARY FUNDS
 For the Fiscal Year Ended June 30, 2021

	REYNOLDS FUND	EMILY J. ANTHONY FUNDS
<u>ADDITIONS</u>		
Contributions:		
Bequests	\$ -	\$ 2,309
Total contributions	-	2,309
Investment earnings:		
Interest, dividends and gains	354,635	-
Net investment earnings	354,635	-
TOTAL ADDITIONS	354,635	2,309
<u>DEDUCTIONS</u>		
Scholarship expenses	-	2,250
Investment management fee	17,536	-
Support services	20,772	-
TOTAL DEDUCTIONS	38,308	2,250
CHANGE IN FIDUCIARY NET POSITION	316,327	59
NET POSITION - July 1, 2020	1,747,914	3,007
NET POSITION - June 30, 2021	\$ 2,064,241	\$ 3,066

TOWN OF EXETER, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Town of Exeter, Rhode Island (Town), have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The government's significant accounting policies are described below.

FINANCIAL REPORTING ENTITY

The Town was founded in 1742. The town is governed largely by the Town Charter, which was adopted as of January 6, 1997 with amendments through November 2, 2010. In some matters, including the issuance of short and long-term debt, the Town is governed by the general laws of the State of Rhode Island. The Town operates under a Town Council form of government. The Town provides various services including a public library, public works, social services, and general administrative services.

Members of the Town Council are elected by taxpayers for a term of two years. The Town Council is granted all power to enact, amend or repeal ordinances relating to the Town's property, affairs and government, including the power to create offices, departments or agencies of the Town, preserving the public peace, health and safety, establishing personnel policies, giving effect to any vote of the Financial Town Meeting authorizing the issuance of bonds and debt and providing for an annual audit of the Town's records.

In evaluating how to define the government for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in GASB Statement No. 61. Under GASB Statement No. 61, a legally separated entity is required to be included as a component unit if it is fiscally dependent upon the primary government and there is a financial benefit or burden relationship present. The primary government is financially accountable if it appoints the voting majority of the organization's governing board and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to, or impose specific financial burden on, the primary government. A potential component unit has a financial benefit or burden relationship with the primary government if, for example, any of the following conditions are met:

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

The accompanying financial statements present the Town's primary government and certain component units which are financially dependent on the Town. The Town's component units are as follows:

TOWN OF EXETER, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2021

Blended Component Units

The Exeter Public Library is governed by a board of trustees appointed by the Town Council. The library's trustees govern the library in accordance with applicable state laws. For financial statement purposes, the Exeter Public Library is reported as if it were part of the Town's operations because its purpose is to provide library services to the citizens of the Town and is dependent upon the Town for most of its financial resources.

Recently Issued Accounting Standards

During the fiscal year ended June 30, 2021, the Town implemented the following accounting pronouncements:

GASB Statement No. 84 – *Fiduciary Activities*

GASB Statement No. 90 – *Majority Equity Interests*

GASB Statement No. 97 – *Certain Component Unit Criteria, and Accounting and Financial Reporting for IRS Code Sec. 457 Deferred Compensation Plans*

The following are recently issued governmental accounting standards which will be applicable in future years:

GASB Statement No. 87 – *Leases, effective for fiscal year ending June 30, 2022*

GASB Statement No. 91 – *Conduit Debt Obligations, effective for fiscal year ending June 30, 2023*

GASB Statement No. 93 – *Replacement of Interbank Offered Rates, effective for fiscal year ending June 30, 2023*

GASB Statement No. 94 – *Public-Private and Public-Public Partnerships and Availability Payment Arrangements, effective for fiscal year ending June 30, 2023*

GASB Statement No. 96 – *Subscription-Based Information Technology Arrangements, effective for fiscal year ending June 30, 2023*

GASB Statement No. 98 – *The Annual Comprehensive Financial Report, effective for fiscal year ending June 30, 2022*

The Town has not evaluated the effect of any of these standards on the Town's financial statements.

BASIS OF PRESENTATION

Government-Wide Financial Statements

The Statement of Net Position and Statement of Activities display information about the reporting government as a whole. They include all funds of the reporting entity except for *fiduciary funds* (the activity of these funds are reported in the statement of fiduciary net position and changes in fiduciary net position. The government-wide financial statements distinguish between governmental and business-type

TOWN OF EXETER, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2021

activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. The Town had no business-type activities for the fiscal year ended June 30, 2021.

Fund Financial Statements

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

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

In addition to funds that meet the major fund criteria, any other governmental or enterprise fund that the government's officials believe is particularly important to the financial statement users (for example, because of public interest or consistency) may be reported as a major fund. All remaining governmental funds are aggregated and reported as non-major funds.

Governmental Fund Types

These are the funds through which most governmental functions are typically financed. The funds included in this category are as follows:

General Fund – is used to account for resources devoted to financing the general services the Town performs for its citizens. General tax revenues and other sources of revenues used to finance the fundamental operations of the Town are included in this fund. The fund is charged with all costs of operating the government for which a separate fund has not been established.

Special Revenue Funds – are used to account for the proceeds of specific revenue sources (other than expendable trust or major capital projects) that are legally restricted to expenditures for specified purposes.

Capital Project Funds – are used to account for financial resources restricted for the acquisition or construction of major capital facilities (other than those financed by Proprietary or Trust funds).

Permanent Funds – are used to account for assets held by the Town where the principal portion of this fund type must remain intact, but the earnings may be used to achieve the objectives of the fund. The Town's only permanent fund is for perpetual care of cemeteries and was determined to be non-major.

TOWN OF EXETER, RHODE ISLAND
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 June 30, 2021

Proprietary Fund Types

These fund types account for operations that are organized to be self-supporting through user charges. For the year ended June 30, 2021, the Town held no proprietary funds.

Fiduciary Fund Types

These fund types account for assets held by the Town as a trustee or agent for individuals, private organizations, and other units of governments. *Fiduciary Fund types are not part of the reporting entity in the Government-wide financial statements.* These funds are as follows:

Pension Trust Fund – is established to provide pension benefits to various employees of the Town. The principal revenue source for this fund is employer contributions.

Private Purpose Trust Funds – are used to account for assets held by the Town under various trust arrangements for the benefit of certain individuals and groups.

Custodial Funds – are used to account for funds that are to be used for educational and welfare expenditures and for funds held in escrow for other parties.

Major and Non-Major Funds

The funds are further classified as major or non-major as follows:

<u>Fund</u>	<u>Brief Description</u>
<i>Major:</i>	
General Fund:	See above for description
Special Fund:	Landfill Closure Fund
<i>Non-Major:</i>	
Special Revenue Funds:	Preservation & Technology; RIEMA FEMA Grant; Planning Board Project Review Fees; Capital Facilities Impact Fees; CDBG; Property Revaluation; Spay/Neuter; Memorial Day Parade; Pension Liability; Historic Preservation; Veteran’s Memorial, Animal Shelter Donations and Social Service Grants.
Capital Projects Fund:	Vehicle Replacement; Public Works/Roads; Computer Upgrades; Public Works/Equipment; Town Hall Renovations Fund; Chelsea Park Renovation; Video Equipment; Office Equipment; GIS Mapping Systems; Transfer Station More; New Town Hall Fund; Comprehensive Town Plan; Animal Shelter Improvements, Transfer Station Improvements, Website Development, Economic Development and Library Fund.
Permanent Fund:	Cemetery Fund

TOWN OF EXETER, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2021

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Measurement Focus

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) are presented using the “economic resources” measurement focus as defined in item (b) below.

In the fund financial statements, the “current financial resources” measurement focus or the “economic resources” measurement focus is used as appropriate:

- a) All governmental funds utilize a “current financial resource” measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period. The Town considers property taxes as available if they are collected within sixty days after year end.
- b) Under the “economic resources” measurement focus, the accounting objectives are the determination of net income, financial position and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported.
- c) Custodial funds are not involved in the measurement of results of operations; therefore, measurement focus is not applicable to them.

Basis of Accounting

In the government-wide Statement of Net Position and Statement of Activities the activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when “measurable and available”. Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within sixty days thereafter to pay current liabilities. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are reported when due.

All custodial funds utilize the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

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

TOWN OF EXETER, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2021

Cash and Cash Equivalents – Cash and cash equivalents are carried at cost. Cash equivalents are all highly liquid investments with a maturity of three months or less when purchased. Substantially all of the Town’s cash and cash equivalents are held in public deposit institutions. Pursuant to Section 35-10-1 of the Rhode Island General Laws, as of October 1, 1991, public deposit institutions are required to insure accounts which hold public funds in excess of \$250,000 which is guaranteed by the FDIC. The Town pools cash resources of its various funds to facilitate the management of cash. Cash applicable to a particular fund is readily identifiable. Cash in excess of current requirements is invested in short-term treasury securities or as disclosed as part of the Town’s investments. The Town had no cash equivalents at June 30, 2021.

Investments – are Government Securities, Commercial Paper and various types of corporate stocks and bonds held in the Governmental and Fiduciary Fund Types, which are recorded at fair value.

Accounts Receivable – In the government-wide financial statements, receivables consist of all revenues earned at year-end and not yet received. Major receivable balances for the governmental activities include property taxes (levied on July 1, 2020 of the current year), intergovernmental grants and aid and other receivables.

In the fund financial statements, material receivables in governmental funds include revenue accruals such as property taxes collected within 60 days of year-end and grants and other similar intergovernmental revenues since they are usually both measurable and available. Non-exchange transactions collectible but not available are deferred in the fund financial statements in accordance with modified accrual, but not deferred in the government-wide financial statements in accordance with the accrual basis.

Allowances for uncollectible accounts receivables are based upon historical trends and the periodic aging of accounts receivable. The allowance for uncollectible accounts receivable amounted to \$103,738 at June 30, 2021. Major receivable balances for the governmental activities include property taxes and intergovernmental receivables.

Property Taxes – The Town is permitted by state law to levy property taxes. Current tax collections for the Town were approximately 98.7% of the total December 31, 2019 levy. The tax rate of the Town is established by the Town Council. The Town’s fiscal 2021 property taxes were levied on July 1, 2020 on assessed valuation as of December 31, 2019. Upon levy, taxes are billed yearly and due quarterly on September 1st, December 1st, March 1st, and June 1st. A fifteen (15) day grace period from the due date is given. Failure to postmark payments by the 15th will result in a lien on taxpayer’s property, and eventually to the sale of the same. A complete revaluation of all property was completed December 31, 2020 as per State requirements. On December 31, 2018, a statistical revaluation was completed.

Inventory, Prepaid Expenses, and Accruals – Expenditures for inventory-type items are not recorded as assets, but rather as expenditures at the time purchased. Prepaid expenses are not recorded within governmental funds. Accruals are recorded when liabilities are incurred.

Capital Assets – in Governmental Fund type, operations are accounted for using the “current financial resources” measurement focus. Capital assets, which include property, plant and equipment, and infrastructure (e.g. road, bridges curbs and gutters, streets and sidewalks, and drainage systems), are reported in the applicable governmental or business-type activity columns in the government-wide financial statements. The Town defines capital assets as assets with an individual cost of more than \$5,000 and an estimated useful life in excess of five years. Such assets are recorded at historical cost or

TOWN OF EXETER, RHODE ISLAND
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 June 30, 2021

estimated historical cost (for certain assets acquired prior to 1960). Pursuant to the implementation of GASB Statement No. 34, the Town has chosen to prospectively report infrastructure assets as part of the governmental capital assets reported in the government-wide statements. Donated assets are recorded at estimated fair market value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are charged to expenditures as incurred.

The Town capitalizes certain interest cost in accordance with GASB Code Section 1400 as part of constructed assets. Interest is capitalized throughout the construction period in the Capital projects fund prior to the assets being transferred to the governmental fund and placed in service.

Property, plant and equipment are valued at historical costs. Building improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

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

<u>Description</u>	<u>Estimated Lives (years)</u>
Building and improvements	40
Motor Vehicles	5
Machinery and equipment	10
Office furniture and equipment	3-10

Interfund Transactions – Interfund activity within and among the funds of the Town have been classified and reported as follows:

Reciprocal interfund activities:

- Interfund loans are reported as interfund receivables in the lending fund and interfund payables in borrower funds.
- Interfund services are reported as revenues in the seller fund and as expenditures or expenses in the purchasing fund.

Non-reciprocal 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.
- 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 recorded 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.

TOWN OF EXETER, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2021

Unearned Revenues – Represent funds received or billed in advance of being owed, or receivables, which will be collected and included in revenues of future fiscal years. In the General Fund, unearned revenue relates to property tax receivables which were assessed on or before December 31, 2019 and not collected within 60 days following June 30, 2021.

In the government-wide financial statements, unearned revenue represents funds received in advance of being earned/owed or receivables which will be collected and included in revenues of future fiscal years. In the General Fund, (of the fund financial statements), unearned revenue includes property taxes receivable which were assessed on December 31, 2019 and prior and are not collected within 60 days following June 30, 2021. Net unearned taxes included in the fund financial statements were \$187,899.

Long-Term Obligations – In the government-wide financial statements, long-term debt and long-term compensated absences are reported as liabilities in the statement of net position. Bond issuance costs are deferred and amortized over the term of the related debt.

In the governmental fund financial statements, long-term debt is recognized as a liability of a governmental fund when due. For other long-term obligations, only that portion expected to be financed from expendable available financial resources is reported as a fund liability of a governmental fund. Bond issuance costs are expensed as incurred.

Compensated Absences – Under the terms of various contracts and agreements, Town employees are granted vacation and sick payouts in varying amounts based on length of service. For Governmental Fund Types accrued compensated absences are presented as a current liability for those amounts expected to be paid with current financial resources. In governmental funds compensated absence expenditures are only reported when vested. For those compensated absences not to be paid with current financial resources the liability is recorded in the Statement of Net Position of the government-wide financial statements.

Net Position (Government-Wide Statements) – The Town’s net position has been segregated into the following three components in accordance with GASB Statement No. 34:

- *Net Invested in Capital Assets* – represents the net book value of all capital assets less the outstanding balances of bonds and other debt used to acquire, construct or improve these assets.
- *Restricted* – consist of net position with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, laws or regulations of other governments, or 2) law through constitutional provisions or enabling legislation.
- *Unrestricted* – Any other net position that does not meet the definition of “restricted” or “invested in capital assets, net of related debt”.

Fund Financial Statements (Governmental Funds) – The Town has adopted the requirements of the Government Accounting Standards Board (GASB) Statement No. 54 – *Fund Balance Reporting and Governmental Fund Type Definitions*. Issuance of this statement has changed the presentation of the elements of fund balances as listed in the new fund balance categories below:

- *Non-spendable* – are balances that are permanently precluded from conversion to cash such as permanent funds and inventories.
- *Restricted* – requires that inflows and outflows of resources and balances be constrained to a specific purpose enabling legislation, external parties or constitutional provisions.

TOWN OF EXETER, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2021

- *Committed* – are balances with constraints imposed by the government’s highest level of decision-making authority. These constraints can only be removed or changed by the same decision making authority.
- *Assigned* – are balances intended for a specific purpose by the government’s management and are also appropriations of existing fund balances.
- *Unassigned* – are balances available for any purpose. They are not precluded by a management decision, law constitutional provisions in the general fund.

The Town has set classification policies and procedures for the above noted level of fund balance reporting.

- a) For committed fund balances: the Town Council, via a resolution or vote, is the highest level of decision making authority and a meeting of the Town Council is required to establish, modify or rescind a fund balance commitment.
- b) For assigned fund balance: the Town’s Treasurer is authorized to assign amounts to a specific purpose and un-assign amounts to a specific purpose. This authorization was given to that position by the Town Council through resolution.
- c) The Town considers amounts that are committed, assigned or unassigned to have been spent when an expenditure is incurred for the purpose of which any amounts in any of the unassigned fund balance classifications could be used.
- d) The Town considers restricted amounts to have been spent when expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available and considers committed amounts to have been spent when an expenditure is incurred for purposes for which amounts in any other unrestricted fund balance could be used.

Revenues, Expenditures and Expenses – Revenues for governmental fund types are recorded when they are determined to be both measurable and available. Generally, tax revenues, fees and non-tax revenues are recognized when received. Grants from other governments are recognized when qualifying expenditures are incurred. Expenditures for governmental fund types are recorded when the related liability is incurred. The Town will make use of available restricted resources first when determining expendable funds. Operating revenues are defined as those revenues generated from fees and assessments, all others are deemed non-operating. It is the Town’s policy when both restricted and unrestricted funds are available to reduce a liability to first use restricted resources.

Program Revenues and Expenses – In the statement of activities specific revenues are allocated to program expenses due to their direct relationships. Collections for licenses, fees, tickets and fines are among some of the revenue sources that are program revenues. Indirect expenses are not allocated to functions in the statement of activities.

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

Subsequent Events – The Town has evaluated subsequent events for recognition and disclosure through November 1, 2021, which is the date the financial statements were available to be issued.

TOWN OF EXETER, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2021

NOTE 2 – BUDGETARY AND LEGAL COMPLIANCE

Budgetary Data

The Town Council adopts an annual budget for the General Fund. The Town Council is authorized to transfer budgeted amounts within and among departments and to authorize emergency expenditures. Any revisions that alter total expenditures must be approved by the taxpayers by a vote at a Financial Town Meeting. Management cannot make any transfers without prior Council approval. The governing Council did not make any supplemental budgetary appropriations during the fiscal year. The budget for the General Fund is presented in the Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual. All unused annual appropriations lapse at fiscal year-end unless specifically approved for carryover to the following year by the taxpayers by a vote at a Financial Town Meeting.

The Town does not budget for the combined Special Revenue Funds and Capital Project Funds since budgetary control is maintained on an individual fund basis. Since grant periods may differ from the Town’s fiscal year, and although most grants comprise an annual time period not all grants operate on a twelve-month period, a comparison of budgetary information may not be meaningful and has not been presented in the accompanying financial statements.

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditures of funds are recorded in order to preserve that portion of the applicable appropriation, is employed in the General Fund Budget. Open encumbrances are reported as reservations of fund balances. Encumbrances do not constitute expenditures or liabilities. There were no open encumbrances at June 30, 2021.

NOTE 3 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Legal Debt Margin – The Town’s legal debt margin as set forth by State Statute is limited to three percent of total taxable assessed value that approximates \$26,441,373 based on the December 31, 2019 assessment. As of June 30, 2021, the Town’s debt is under this limit by \$26,330,464.

NOTE 4 – CASH AND INVESTMENTS

Deposits – The Town maintains deposits in various financial institutions that are carried at cost except for those amounts which are carried as petty cash. The carrying amount of deposits is separately displayed on the balance sheet as “Cash and Cash Equivalents”.

Investments – Investment of all idle funds must be made through national banks or trust companies, providing that the financial conditions and integrity of said institution or institutions are verifiable and can be monitored. The investment of funds shall be in direct obligations of the United States Government and “money market instruments” rated “A” or better. Investments in any one institution cannot exceed five (5) percent of that institution’s capital and surplus as set for in the institution’s most recent audited financial statements. All investments are made as would be done by prudent men of discretion and intelligence in such matters who are seeking a reasonable income and preservation of their capital.

TOWN OF EXETER, RHODE ISLAND
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 June 30, 2021

Interest Rate Risk – The Town limits its exposure to fair value losses arising from changes in interest rates by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity, and investing operating funds primarily in shorter-term securities, money market funds, or similar investment pools. This only applies to investments held by Citizens Bank on behalf of the Reynolds Fund.

Concentrations – The Town policy is to maintain a diversified portfolio to minimize the risk of loss resulting from over concentration of assets in a specific maturity. This only applies to investments held by Citizens Bank on behalf of the Reynolds Fund.

Custodial Credit Risk:

Deposits – This is the risk that, in the event of failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. As of June 30, 2021, all the Town’s bank balance of \$4,907,646 was insured or collateralized.

Investments – This is the risk that in the event of failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party.

Cash and investments of the Town consist of the following at June 30, 2021:

<u>Cash and Cash Equivalents</u>	
Deposits with financial institutions	\$ 4,907,646
 <u>Investments</u>	
Equities	858,026
Mututal funds	<u>1,117,351</u>
<i>Total Cash and Investments</i>	<u>\$ 6,883,023</u>

Cash and investments are classified in the accompanying financial statements as follows:

<u>Statement of Net Position</u>	
Cash and cash equivalents	\$ 4,696,024
 <u>Fiduciary Funds</u>	
Cash and cash equivalents	91,852
Investments	<u>2,029,377</u>
<i>Total Cash and Investments</i>	<u>\$ 6,817,253</u>

TOWN OF EXETER, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2021

Interest Rate Risk – This is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. The Town did not have any debt type investments that were exposed to interest rate risk as defined by GASB Statement No. 40.

Credit Risk – Generally, credit risk is the risk that an issuer of a debt type investment will not fulfill its obligation to the holder of the investment. This is measured by assignment of a rating by a nationally recognized rating organization. U.S. Government securities or obligations explicitly guaranteed by the U.S. Government are not considered to have credit risk exposure. The Town did not have any debt type investments that were exposed to credit risk as defined by GASB Statement No. 40.

NOTE 5 – PROPERTY TAXES

The Town's property tax is levied each July 1, for its next fiscal year on the assessed valued listed as of the prior December 31, for all real property, tangible property and motor vehicles located in the Town. Assessed values of real property and tangible personal property were established by the Town Assessor's office at 100% of appraised market value as of December 31, 2019. A complete revaluation of all property was performed as of December 31, 2020 as required by the State. The assessed values were effective for the property levy for fiscal year 2020-2021. The assessed value of motor vehicles is determined annually at 100% of retail market value, net of State of Rhode Island credits. Taxes are due in equal quarterly installments on September 1st, December 1st, March 1st, and June 1st during the fiscal year. A fifteen (15) day grace period from the due date is given before penalties and interest are incurred.

The Town entered into a contractual relationship with a law firm to act as a collection agency to pursue delinquent tangible and personal property accounts. The Town has forwarded past due accounts for collection. At June 30, 2021, an allowance for doubtful accounts totaling \$103,738 has been established for the property taxes considered uncollectible.

An automatic lien is placed on the taxpayer's real property if payment has not been received by the due date. Interest is charged on past due accounts at a rate of 12% per annum calculated on the unpaid portion of the total tax.

In the governmental fund financial statements, unpaid property taxes at year end are recorded as property tax receivable and those property tax receivable which were not collected within 60 days immediately following the fiscal year end are recorded as unavailable revenue. Unavailable revenue at June 30, 2021 consists of \$291,637 of property taxes not collected within 60 days following year end, net an allowance of \$103,738, resulting in \$187,899.

Net property taxes levied for the fiscal year 2020-2021 were based on an assessed value of approximately \$881,379,114 at December 31, 2019 and amounted to \$14,438,123. Total property tax recognized for the current fiscal year amounted to \$14,244,146 which represents 98.7% of the total 2021 levy. Of that amount, \$127,280 was collected within 60 days following year end, including tax revenue relating to current and prior years. Tax abatements for the year ended June 30, 2021 totaled \$19,858.

TOWN OF EXETER, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2021

NOTE 6 – INFORMATION ABOUT CAPITAL ASSETS

Capital asset activity consists of the following at June 30, 2021:

	Primary Government			Ending Balances
	Beginning Balances	Increases	Decreases	
Governmental activities				
Capital assets not being depreciated				
Land	\$ 253,701	\$ -	\$ -	\$ 253,701
Development rights - Schartner Farms	3,450,000	-	-	3,450,000
Total capital assets not being depreciated	<u>3,703,701</u>	<u>-</u>	<u>-</u>	<u>3,703,701</u>
Other capital assets:				
Buildings and improvements	2,250,263	-	-	2,250,263
Motor vehicles	1,630,812	-	-	1,630,812
Machinery and equipment	1,607,831	178,396	102,834	1,683,393
Office furniture and equipment	172,275	-	-	172,275
Infrastructure	1,143,216	13,341	-	1,156,557
Total other capital assets at historical cost	<u>6,804,397</u>	<u>191,737</u>	<u>102,834</u>	<u>6,893,300</u>
Less accumulated depreciation for:				
Buildings and improvements	1,002,784	53,079	-	1,055,863
Motor vehicles	1,150,172	118,084	-	1,268,256
Machinery and equipment	1,379,722	78,882	102,834	1,355,770
Office furniture and equipment	161,972	1,584	-	163,556
Infrastructure	309,154	28,831	-	337,985
Total accumulated depreciation	<u>4,003,804</u>	<u>280,460</u>	<u>102,834</u>	<u>4,181,430</u>
Governmental activities capital assets, net	<u>\$ 6,504,294</u>	<u>\$ (88,723)</u>	<u>\$ -</u>	<u>\$ 6,415,571</u>

Depreciation was charged to functions as follows:

Governmental activities:	
General government	\$ 66,122
Public works	214,338
Total governmental activities depreciation expense	<u>\$ 280,460</u>

TOWN OF EXETER, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2021

NOTE 7 – INFORMATION ABOUT LONG-TERM LIABILITIES

	Balance July 1, 2020	Additions	Retirements	Balance June 30, 2021	Amounts Due Within One Year
Governmental Activities					
Exeter public library bond	\$ 89,794	\$ -	\$ 71,500	18,294	\$ 18,294
Exeter development rights bond	138,667	-	46,052	92,615	47,592
Total bonds and notes payable	228,461	-	117,552	110,909	65,886
Landfill post closure care costs (Note 11)	201,838	-	-	201,838	-
Compensated absences	80,901	-	12,576	68,325	10,681
Total other long-term debt	282,739	-	12,576	270,163	10,681
Total Governmental Activities	<u>\$ 511,200</u>	<u>\$ -</u>	<u>\$ 130,128</u>	<u>\$ 381,072</u>	<u>\$ 76,567</u>

The following schedule summarizes the Town's bonds, notes and leases payable:

	Interest Rates	Principal	Due Dates
Exeter public library bond	3.67%	\$ 18,294	2021-2022
Exeter development rights bond	3.25%	\$ 92,615	2021-2023

The Town is not obligated in any way for special assessment debt. Neither are any special assessment obligations outstanding.

The debt service through maturity for the above bonds are as follows:

Fiscal Year Ended June 30	Governmental Long-term Liabilities		
	Principal	Interest	Total
2022	\$ 65,886	\$ 2,452	\$ 68,338
2023	45,023	746	45,769
	<u>\$ 110,909</u>	<u>\$ 3,198</u>	<u>\$ 114,107</u>

Accrued Compensated Absences – Town employees receive vested rights to paid vacation and sick time at the end of their year of full-time employment with no pro rata payment if employment is terminated before the completion of a full year of service. An expenditure/expense is recognized each month as benefits are used, consistent with the standards established by GASB Statement No. 16.

TOWN OF EXETER, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2021

NOTE 8 – NET POSITION/FUND BALANCE

The difference between assets, liabilities and deferred inflows and outflows is “Net Position” on the government-wide and fiduciary funds financial statements and “Fund Balance” on the governmental fund financial statements.

Financial statement presentation follows GASB Statement No. 54 – *Fund Balance Reporting and Governmental Fund Type Definitions*. Under GASB Statement No. 54, fund balances are classified as non-spendable, restricted, or unrestricted (committed, assigned, or unassigned). Restricted represents those portions of fund balance where constraints placed on the resources are either externally imposed or imposed by law through constitutional provisions or enabling legislation. Committed fund balance represents amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Town Council, such as appropriation or legislation. Assigned fund balance is constrained by the Town Council’s intent to be used for specific purposes. The Town reports information regarding its financial position and activities in accordance with three classifications of fund balance: restricted, committed and assigned.

TOWN OF EXETER, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2021

	Restricted Purposes	Committed Purposes	Assigned Purposes
<u>General Fund</u>			
Contingency Appropriation	\$ -	\$ 497,950	\$ 575,000
Re-appropriated Fiscal Year 2021/2022	-	-	-
<u>Major Fund</u>			
Landfill Closure	-	84,482	-
<u>Nonmajor Funds</u>			
Preservation and Technology Fund	-	34,858	-
RIEMA FEMA Grant	63,007	-	-
Planning Board Project Review Fee	-	16,392	-
Capital Facilities Impact Fees	-	380,121	-
CDBG	75,199	-	-
Property Revaluation Fund	-	-	27,574
Spay/Neuter Fund	-	-	9,191
Memorial Day Parade	-	-	7,448
Pension Liability Fund	-	-	22,210
Historic Preservation Fund	-	-	61,321
Veteran's Memorial Fund	-	-	29,070
Animal Shelter Donations Fund	-	-	56,459
Social Service Grants Fund	33,039	-	-
Vehicle Replacement Fund	-	-	238,131
Public Works/Road	-	-	72,083
Computer Upgrade Fund	-	-	25,064
Public Works/Equipment	-	-	47,703
Town Hall Renovations Fund	-	-	88,010
Chelsea Park Fund	-	-	29,781
Video Equipment	-	-	3,478
Office Equipment	-	-	51,808
GIS Mapping System	-	-	10,000
Transfer Station Move	-	-	342,947
New Town Hall	-	-	152,000
Comprehensive Town Plan	-	-	32,750
Animal Shelter Improvements	-	-	18,185
Transfer Station Improvements	-	-	40,000
Website Development Fund	-	-	2,650
Economic Development Fund	-	-	3,000
Library Fund	-	-	895
Cemetery Fund	27,129	-	-
	<u>\$ 198,374</u>	<u>\$ 1,013,803</u>	<u>\$ 1,946,758</u>

TOWN OF EXETER, RHODE ISLAND
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 June 30, 2021

NOTE 9 – NET ASSETS - RESTRICTED

As of June 30, 2021, the Town has restricted \$3,158,935 of its General, Landfill Closure, and Special Revenue funds for contingency appropriations as follows:

General Fund Balance	\$	1,072,950
Landfill Closure Fund Balance		84,482
Non-Major Governmental Fund Balance		<u>2,001,503</u>
	\$	<u><u>3,158,935</u></u>

NOTE 10 – INTERFUND RECEIVABLES AND PAYABLES

These balances resulted from the short-term advances from one fund (primarily the General Fund) to another fund. These advances were provided as either operating advances or reimbursement for expenditures that were paid by one fund on behalf of another fund. These amounts are expected to be repaid at certain future dates.

Interfund receivable and payable balances at June 30, 2021 are as follows:

	<u>Due From Other Funds</u>	<u>Due to Other Funds</u>
General Fund	\$ 17,751	\$ 1,533,079
Landfill Closure Fund	84,482	-
Special Revenue Funds	290,112	17,751
Capital Projects Funds	<u>1,158,485</u>	<u>-</u>
	<u>\$ 1,550,830</u>	<u>\$ 1,550,830</u>

Transfers are used to 1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, 2) move receipts restricted to debt service from the funds collecting receipts to the debt service fund as debt service payments become due, and 3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary information. Transfers between funds during the fiscal year ended June 30, 2021 are as follows:

<u>Fund</u>	<u>Transfers from other funds</u>	<u>Transfers to other funds</u>
General Fund	\$ 48,850	\$ (549,463)
Special Revenue Funds	22,000	(48,850)
Capital Projects Funds	<u>527,463</u>	<u>-</u>
	<u>\$ 598,313</u>	<u>\$ (598,313)</u>

TOWN OF EXETER, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2021

NOTE 11 – LANDFILL POST-CLOSURE CARE COSTS

GASB Statement No. 18 – *Accounting for Municipal Solid Waste Landfill Closure and Post-Closure Care Costs*, requires the recognition of closure and post-closure costs of landfills as long-term liabilities. State and federal laws and regulations require the Town perform certain maintenance and monitoring functions for 30 years after its landfill has been closed. The estimated liability of \$736,290, was reported in the Town’s financial statements as a long-term debt. This estimate is made up of capital lease costs for a bulldozer and excavator in the amount of \$233,460, and survey, site preparation and remedial work in the amount of \$502,830. During fiscal year 2021, no expenses were paid for survey, site preparation or remedial work occurred, leaving a closure cost balance of \$201,838 at June 30, 2021.

NOTE 12 – COMMITMENTS AND CONTINGENCIES

At June 30, 2021, the Town had several lawsuits pending and had been placed on written notice of potential claims. The Town intends to vigorously pursue its claims and/or defend its position with respect to each matter. In the opinion of the Town’s legal counsel, the Town’s liability with respect to these cases, if any, was not determinable. It is the opinion of Town management, based in part on the advice of legal counsel, that settlement on the above lawsuits will not materially affect the Town’s financial position.

The World Health Organization has declared a public health emergency due to the COVID-19 outbreak. Disruptions to the Town’s operations could occur due to certain operating restrictions locally and nationally. The disruption is expected to affect the Town’s cash flows and ability to meet its objectives in the short term. Given the uncertainty, any financial impact cannot be estimated at this time.

NOTE 13 – RISK MANAGEMENT

The Town is exposed to various risks of loss related to torts: theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Town maintains insurance covering each of those risks of loss.

The Town is insured under a statewide municipal risk management pool. Rhode Island Inter-Local Risk Management Trust, Inc. (the Trust) requires annual premiums based on the pool’s experience. The Trust offers to Rhode Island cities and Towns general liability and workers compensation insurance which is self-sustaining through member premiums and is reinsured through commercial companies to reduce its exposure to large losses. The agreement with the Trust states that for premiums paid by members, the Trust will assume financial responsibility for members losses up to the maximum amount of insurance purchased, less deductible amounts. If a single loss is above the Trust’s retention and reinsurance coverage the excess liability reverts to the member organization against which the claim was originally made. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Town. Settled claims have not exceeded insurance coverage in any of the past three fiscal years.

TOWN OF EXETER, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2021

NOTE 14 – PENSION PLAN

Effective October 1, 1979, the Town established a defined contribution plan, the Town of Exeter Money Purchase Pension Plan, to provide retirement benefits to all eligible employees as approved by the Town Council. The plan provides for employer only contributions made at rate of 8.0% of total compensation. Eligibility requirements call for employees to have completed one year and one thousand hours of service. Contributions are made by the Town on behalf of eligible employees in accordance with a vesting schedule documented within the retirement plan. Any amends to the plan require authorization from the Town Council. As of November 1, 2010, the Town retained the services of the International City County Management Association (ICMA) to administer the plan on an ongoing basis. All assets were transferred to ICMA who handles distributions, plan administration, investing, etc. As of June 30, 2021, the plan had 24 active participants and made contributions totaling \$106,718.

NOTE 15 – DEFERRED COMPENSATION PLAN

The Town offers its municipal employees a deferred compensation plan established in accordance with Internal Revenue Code (IRC) Section 457. The plan, available to certain municipal employees, permits the deferral of a portion of their salary until future years. The deferred compensation is payable to employees upon termination, retirement, death or unforeseen emergency.

The Town placed the deferred compensation plan assets into trust for the exclusive benefit of plan participants and beneficiaries in accordance with Governmental Accounting Standards Board (GASB) Statement No. 32, *Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*,

The Town has little administrative involvement and does not perform the investing function for the plan; the Town does not hold the assets in a trustee capacity and does not perform fiduciary accountability for the plan. Therefore, the Town employees' deferred compensation plan created in accordance with IRC 457 is not reported in the financial statements of the Town.

NOTE 16 – RELATED PARTIES

The Town of Exeter reviews its records on an annual basis to determine if any related party transactions exist that would represent a conflict of interest with parties related to its officers and department heads. No such transactions were noted in the fiscal year ended June 30, 2021.

REQUIRED SUPPLEMENTARY INFORMATION

The information provided herein contains schedules which the Town deems necessary to provide additional disclosures.

This section also presents budgetary comparison schedules for the Town's major funds. These schedules are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board.

TOWN OF EXETER, RHODE ISLAND
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET (BUDGETARY BASIS) AND ACTUAL - GENERAL FUND
 For the Fiscal Year Ended June 30, 2021

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
<u>REVENUES</u>				
Property taxes	\$ 14,378,490	\$ 14,378,490	\$ 14,479,318	\$ 100,828
Intergovernmental revenues	1,136,032	1,136,032	1,181,484	45,452
Departmental revenues	343,632	343,632	377,138	33,506
Building permits and inspection fees	64,000	64,000	136,174	72,174
Interest and investment income	6,000	6,000	2,891	(3,109)
Fines and interest on late payments	73,000	73,000	100,653	27,653
Other revenue	37,892	37,892	49,072	11,180
TOTAL REVENUES	<u>16,039,046</u>	<u>16,039,046</u>	<u>16,326,730</u>	<u>287,684</u>
<u>EXPENDITURES</u>				
General government	2,434,280	2,434,280	2,357,413	76,867
Public works	779,953	779,953	788,629	(8,676)
Public safety	30,467	30,467	42,675	(12,208)
Social services	12,693	12,693	9,242	3,451
Public health and welfare	8,300	8,300	8,172	128
Education	12,300,326	12,300,326	12,300,326	-
Capital outlay	-	-	-	-
Debt service expenditures	123,564	123,564	123,564	-
TOTAL EXPENDITURES	<u>15,689,583</u>	<u>15,689,583</u>	<u>15,630,021</u>	<u>59,562</u>
EXCESS OF REVENUES OVER EXPENDITURES BEFORE OTHER FINANCING SOURCES AND USES	<u>349,463</u>	<u>349,463</u>	<u>696,709</u>	<u>347,246</u>

TOWN OF EXETER, RHODE ISLAND
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET (BUDGETARY BASIS) AND ACTUAL - GENERAL FUND
 For the Fiscal Year Ended June 30, 2021

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
OTHER FINANCING SOURCES (USES)				
Re-appropriation of Fund Balance	200,000	200,000	-	(200,000)
Transfer from other funds	-	-	48,850	48,850
Transfer to other funds	(549,463)	(549,463)	(549,463)	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>(349,463)</u>	<u>(349,463)</u>	<u>(500,613)</u>	<u>(151,150)</u>
EXCESS OF REVENUES OVER EXPENDITURES AND OTHER SOURCES AND USES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 196,096</u>	<u>\$ 196,096</u>

OTHER SUPPLEMENTARY INFORMATION

*Detailed financial statements for
each fund are presented in a combining or individual
fund statement under the dividers labeled accordingly.*

TOWN OF EXETER, RHODE ISLAND
OTHER SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
SCHEDULE OF REVENUES - BUDGET AND ACTUAL (BUDGETARY BASIS)
For the Fiscal Year Ended June 30, 2021

	Original Budget	Revised Budget	Actual	Variance Positive (Negative)
<u>REVENUES</u>				
<u>PROPERTY TAX REVENUES</u>				
Property taxes	\$ 14,378,490	\$ 14,378,490	\$ 14,479,318	\$ 100,828
TOTAL PROPERTY TAX REVENUES	<u>14,378,490</u>	<u>14,378,490</u>	<u>14,479,318</u>	<u>100,828</u>
<u>INTERGOVERNMENTAL</u>				
State Motor Vehicle tax phase-out program	797,066	797,066	872,259	75,193
Public service corporate tax	85,216	85,216	84,468	(748)
State meal tax	124,579	124,579	95,586	(28,993)
State aid to libraries	53,203	53,203	53,203	-
Library bond reimbursement	75,968	75,968	75,968	-
TOTAL INTERGOVERNMENTAL REVENUES	<u>1,136,032</u>	<u>1,136,032</u>	<u>1,181,484</u>	<u>45,452</u>
<u>DEPARTMENTAL REVENUES</u>				
Town clerk collections	153,000	153,000	203,348	50,348
Transfer station	159,672	159,672	151,350	(8,322)
Animal shelter	21,960	21,960	11,200	(10,760)
Planning board fees	5,000	5,000	8,840	3,840
Zoning fees	4,000	4,000	2,400	(1,600)
TOTAL DEPARTMENTAL REVENUES	<u>343,632</u>	<u>343,632</u>	<u>377,138</u>	<u>33,506</u>
<u>LICENSES AND PERMITS</u>	64,000	64,000	136,174	72,174
<u>INTEREST AND INVESTMENT INCOME</u>	6,000	6,000	2,891	(3,109)
<u>FINES AND INTEREST ON LATE PAYMENTS</u>	73,000	73,000	100,653	27,653
<u>OTHER REVENUE</u>	37,892	37,892	49,072	11,180
<u>OTHER FINANCING SOURCES</u>				
Transfer from RIEMA & FEMA Fund	-	-	48,850	
Re-appropriation of Fund Balance	200,000	200,000	-	(200,000)
TOTAL OTHER FINANCING SOURCES	<u>200,000</u>	<u>200,000</u>	<u>48,850</u>	<u>(200,000)</u>
TOTAL REVENUE AND OTHER FINANCING SOURCES	<u>\$ 16,239,046</u>	<u>\$ 16,239,046</u>	<u>\$ 16,375,580</u>	<u>\$ 87,684</u>

TOWN OF EXETER, RHODE ISLAND
OTHER SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (BUDGETARY BASIS)
For the Fiscal Year Ended June 30, 2021

	ORIGINAL BUDGET	REVISED BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
<u>EXPENDITURES</u>				
<u>GENERAL GOVERNMENT</u>				
<u>SALARIES AND WAGES</u>				
Town Treasurer	\$ 51,840	\$ 51,840	\$ 51,996	\$ (156)
Town Moderator	525	525	525	-
Town Clerk	64,796	64,796	64,994	(198)
Deputy Town Clerk	42,573	42,573	42,869	(296)
911 Coordinator	5,100	5,100	5,115	(15)
Town Clerical Salaries	36,238	36,238	36,499	(261)
Town Council Stipend	15,530	15,530	15,428	102
Council Assistant	33,881	33,881	33,988	(107)
Tax Collector	53,879	53,879	54,044	(165)
Tax Collector Clerical	16,781	16,781	-	16,781
Board of Canvassers	10,443	10,443	10,473	(30)
Board of Canvassers Clerk	5,125	5,125	3,098	2,027
Tax Assessor	52,118	52,118	52,278	(160)
Tax Assessor Clerical	16,781	16,781	15,411	1,370
Library Director	66,005	66,005	29,172	36,833
Library Staff	80,713	80,713	124,239	(43,526)
Planning Board	15,610	15,610	15,180	430
Planning Board Clerk	14,771	14,771	18,181	(3,410)
Town Planner	39,572	39,572	26,052	13,520
Zoning Inspector	16,466	16,466	16,514	(48)
Zoning Board	15,447	15,447	15,497	(50)
Zoning Board Clerk	15,391	15,391	14,539	852
Town Sergeant	12,036	12,036	7,828	4,208
Town Constable	8,721	8,721	12,571	(3,850)
Animal Shelter	77,779	77,779	77,797	(18)
Transfer station	40,978	40,978	41,520	(542)
Building Inspector	32,000	32,000	84,125	(52,125)
Building Inspector Clerical	6,076	6,076	-	6,076
IT Director	20,400	20,400	20,458	(58)
TOTAL SALARIES AND WAGES	<u>867,575</u>	<u>867,575</u>	<u>890,391</u>	<u>(22,816)</u>
<u>GENERAL EXPENSES</u>				
Treasurer Expense	11,900	11,900	12,574	(674)
Mileage Reimbursement	3,500	3,500	2,897	603
Postage	12,000	12,000	10,049	1,951
Advertising Expense	7,000	7,000	4,041	2,959
Legal Fees	100,000	100,000	131,293	(31,293)
Life Insurance Premium	1,317	1,317	1,359	(42)
Town FICA Expense	105,258	105,258	108,898	(3,640)
Blue Cross/Dental Expenses	389,575	389,575	371,871	17,704
Town Retirement Expense	98,463	98,463	106,718	(8,255)
Longevity	20,000	20,000	17,000	3,000
Insurance Expense	141,643	141,643	148,517	(6,874)
Auditing Expense	18,000	18,000	15,650	2,350
Town Clerk Expense	110,749	110,749	94,943	15,806
Animal Shelter Expense	37,350	37,350	26,438	10,912
Transfer Station Expense	159,650	159,650	182,665	(23,015)
Municipal Fuel Costs	5,000	5,000	5,000	-
Collection Fees	8,000	8,000	5,714	2,286

TOWN OF EXETER, RHODE ISLAND
OTHER SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (BUDGETARY BASIS)
For the Fiscal Year Ended June 30, 2021

	ORIGINAL BUDGET	REVISED BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
Contingency Fund	148,558	148,558	54,132	94,426
RI League of Cities and Towns	2,527	2,527	2,961	(434)
Council Expenses	1,500	1,500	1,094	406
Town Council Assistant Expense	1,000	1,000	1,760	(760)
Computer Support	54,174	54,174	42,920	11,254
Website	300	300	-	300
Tax Collector Expense	5,935	5,935	1,990	3,945
Board of Canvassers Expense	15,500	15,500	22,240	(6,740)
Tax Assessor Expenses	12,050	12,050	8,127	3,923
Exeter Public Library	69,332	69,332	75,032	(5,700)
Planning Board Expense	5,000	5,000	600	4,400
Planning Office Expense	1,800	1,800	1,142	658
Zoning Inspector Expenses	600	600	-	600
Zoning Board Expense	5,750	5,750	-	5,750
Town Sergeant Expense	5,200	5,200	2,988	2,212
Building Inspector Expense	6,924	6,924	5,259	1,665
Land Trust Expense	1,150	1,150	1,150	-
TOTAL GENERAL EXPENSE	<u>1,566,705</u>	<u>1,566,705</u>	<u>1,467,022</u>	<u>99,683</u>
 TOTAL GENERAL GOVERNMENT	 <u>2,434,280</u>	 <u>2,434,280</u>	 <u>2,357,413</u>	 <u>76,867</u>
 <u>PUBLIC WORKS</u>				
<u>SALARIES AND WAGES</u>				
Director of Public Works	74,725	74,725	80,687	(5,962)
	56,224	56,224	51,445	4,779
Highway Workers	313,051	313,051	308,952	4,099
Highway Workers - OT	36,382	36,382	43,729	(7,347)
TOTAL SALARIES AND WAGES	<u>480,382</u>	<u>480,382</u>	<u>484,813</u>	<u>(4,431)</u>
 <u>PUBLIC WORKS EXPENSES</u>				
Highway Department	299,571	299,571	303,816	(4,245)
TOTAL PUBLIC WORKS EXPENSES	<u>299,571</u>	<u>299,571</u>	<u>303,816</u>	<u>(4,245)</u>
 TOTAL PUBLIC WORKS	 <u>779,953</u>	 <u>779,953</u>	 <u>788,629</u>	 <u>(8,676)</u>
 <u>PUBLIC SAFETY</u>				
<u>SALARIES AND WAGES</u>				
Exeter Emergency Director	16,467	16,467	28,310	(11,843)
Exeter Emergency Assistant Director	5,000	5,000	6,133	(1,133)
TOTAL SALARIES AND WAGES	<u>21,467</u>	<u>21,467</u>	<u>34,443</u>	<u>(12,976)</u>
 <u>PUBLIC SAFETY EXPENSES</u>				
Exeter Emergency Management	9,000	9,000	8,232	768
TOTAL PUBLIC SAFETY EXPENSES	<u>9,000</u>	<u>9,000</u>	<u>8,232</u>	<u>768</u>
 TOTAL PUBLIC SAFETY	 <u>30,467</u>	 <u>30,467</u>	 <u>42,675</u>	 <u>(12,208)</u>

TOWN OF EXETER, RHODE ISLAND
OTHER SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (BUDGETARY BASIS)
For the Fiscal Year Ended June 30, 2021

	ORIGINAL BUDGET	REVISED BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
<u>SOCIAL SERVICES</u>				
<u>SALARIES AND WAGES</u>				
Welfare Director	6,493	6,493	6,512	(19)
TOTAL SALARIES AND WAGES	6,493	6,493	6,512	(19)
<u>SOCIAL SERVICES EXPENSES</u>				
Community Youth Programs	5,000	5,000	2,000	3,000
Juvenile Hearing Board	500	500	30	470
Public Access Television	700	700	700	-
TOTAL SOCIAL SERVICES EXPENSES	6,200	6,200	2,730	3,470
TOTAL SOCIAL SERVICES	12,693	12,693	9,242	3,451
<u>PUBLIC HEALTH AND WELFARE</u>				
Public Welfare Expense	7,500	7,500	7,498	2
Veterans Graves	800	800	674	126
TOTAL PUBLIC HEALTH & WELFARE	8,300	8,300	8,172	128
<u>TOTAL EDUCATION - REGIONAL SCHOOL DISTRICT</u>	12,300,326	12,300,326	12,300,326	-
<u>TOTAL CAPITAL OUTLAY</u>	-	-	-	-
<u>DEBT SERVICE</u>				
Public Library Bond	73,633	73,633	73,633	-
Development Rights Bond	49,931	49,931	49,931	-
TOTAL DEBT SERVICE	123,564	123,564	123,564	-
TOTAL EXPENDITURES	15,689,583	15,689,583	15,630,021	59,562
<u>OTHER FINANCING USES</u>				
Transfer to Animal Shelter Improvements	5,500	5,500	5,500	-
Transfer to Property Revaluation	15,000	15,000	15,000	-
Transfer to Public Works/Roads	361,031	361,031	361,031	-
Transfer to Public Works/Equipment	132,432	132,432	132,432	-
Transfer to Library/Chelsea Park Renovation	2,000	2,000	2,000	-
Transfer to Office Equipment	5,000	5,000	5,000	-
Transfer to Transfer Station Improvements	10,000	10,000	10,000	-
Transfer to Historical Preservation	5,000	5,000	5,000	-
Transfer to Economic Development	1,500	1,500	1,500	-
Transfer to Website Development	5,000	5,000	5,000	-
Transfer to Memorial Day Parade	2,000	2,000	2,000	-
TOTAL OTHER FINANCING USES	549,463	549,463	549,463	-
TOTAL EXPENDITURES AND OTHER FINANCING USES	\$ 16,239,046	\$ 16,239,046	\$ 16,179,484	\$ 59,562

TOWN OF EXETER, RHODE ISLAND
OTHER SUPPLEMENTARY INFORMATION
NOTES TO BUDGETARY COMPARISON – GENERAL FUND
June 30, 2021

Budgetary Basis of Accounting: The General Fund annual operating budget is in conformity with the legally enacted budgetary basis, which differs from accounting principles generally accepted in the United States (U.S. GAAP) in several regards. Budgets are adopted on the modified accrual basis of accounting, except that budgetary revenues include subsidies from fund balance previously recognized under U.S. GAAP and budgetary expenditures when legally binding orders (encumbrances) are placed.

Budgetary adoption: It is the responsibility of the Town Council to prepare a proposed budget for the Town for the following fiscal year no later than 10 days prior to the Financial Town Meeting held to adopt said budget. Public hearings are conducted on the recommended budget and the final recommended budget is legally enacted through an ordinance at the Financial Town Meeting. All budget appropriations except an appropriation for capital expenditures, lapse at the end of each fiscal year. An appropriation for a capital expenditure shall continue in force until the purpose for which it was made has been accomplished or abandoned; an appropriation is considered abandoned if two fiscal years following the date of appropriation pass without any disbursement from or encumbrance of the appropriation.

Budget control: The level of budgetary control for the General Fund (that is, the level at which expenditures cannot legally exceed appropriations) is fixed by resolution of the Annual Financial Town Meeting. The resolution authorizes the Town Council to spend within the total sum appropriated for municipal purposes. While this restriction prohibits spending in excess of the authorized budget, the policy enables the Town Council to use the Fund Balance within the overall appropriations budget to offset over expenditures that may arise within a specific budget account.

NONMAJOR OTHER GOVERNMENTAL FUNDS

Special Revenue Funds:

Special Revenue 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.

Preservation and Technology Fund – This fund accounts for amounts allocated from fees collected for filing of deeds and other instruments and to use such amounts for document preservation and technological upgrades.

RIEMA FEMA Grant – This fund accounts for the restriction of money received from Rhode Island Emergency Management Agency and Federal Emergency Management Agency to assist the Town with various storm emergencies.

Planning Board Project Review Fees – This fund accounts for the amounts received from developers to be held for disbursement for consultants and other expenses related to the Town's review of development plans.

Capital Facilities Impact Fees – This fund accounts for the amounts received for impact fees assessed for new residential building permits, which shall be maintained by the Town until such time as to be expended for construction of public facilities capital improvements of reasonable benefit to the development paying the fee.

Community Development Block Grant (CDBG) – This fund accounts for the amounts received from the Federal Housing and Urban Development grant monies from the State of Rhode Island for distribution to area grant applicants for the benefit of low to moderate income recipients.

Property Revaluation Fund – This fund accounts for the amounts received from annual appropriations from approved General Fund budgets to be set aside for costs of state-mandated revaluations.

Spay/Neuter Fund – This fund accounts for amounts received from dog license fees to be expended for the spay/neuter program. In addition, the fund holds deposits from citizens adopting dogs and/or cats that have not been neutered until such time as those individuals submit evidence of the animals neutering. Amounts that may be forfeited shall be used for approved spay/neuter program.

Memorial Day Parade – This fund accounts for amounts received from the parade committee that they collected from public donations and to disburse those funds at direction of the committee. In the years that the Town makes an appropriation for the parade, that amount would also become part of the fund.

Pension Liability Fund – This fund accounts for the amounts appropriated for contingency related to possible amounts that may be required in bringing the pension plan up to requirement of various changes in pension laws and regulations.

Historic Preservation Fund – This fund accounts for the amounts appropriated for the preservation and restoration of historic buildings in Town.

Veterans' Memorial Fund – This fund accounts for the amounts appropriated for the repairs and maintenance of a memorial in Town.

Animal Shelter Donations Fund – This fund accounts for all appropriations and donations made to the shelter by residents.

Social Service Grants – This fund accounts for the amounts received from grantors and donors for the welfare office to assist those in need.

Capital Projects Funds:

The Capital Projects Funds account for all resources used for the acquisition and/or construction of capital facilities by the Town.

Vehicle Replacement Fund – This fund is designated to receive amounts billed to others for Town vehicles used for traffic control. Such amounts are expended to purchase replacement vehicles as needed.

Public Works/Roads – This fund accounts for the amounts appropriated for road resurfacing projects.

Computer Upgrades Fund – This fund accounts for the amounts appropriated to be expended to improve computer equipment for the Town.

Public Works/Equipment – This fund accounts for the amounts appropriated for the initial payments for new equipment for the Public Works Department.

Town Hall Renovations Fund – This fund accounts for the amounts appropriated to be expended for upgrades, improvements and retrofitting of offices at Town Hall.

Chelsea Park (Renovations and Playground) Fund – This fund accounts for the amounts appropriated to be expended for preventive maintenance and renovations for the Library and Chelsea Park Playground.

Video Equipment Fund – This fund accounts for the amounts appropriated to be expended for video equipment and broadcasting fees for Council meetings.

Office Equipment Fund – This fund accounts for the amounts appropriated to be expended for purchasing new office equipment.

GIS Mapping System Fund – This fund accounts for the amounts appropriated to be expended for purchasing the new GIS mapping system.

Transfer Station Move Fund – This fund accounts for the amounts appropriated related to possible amounts that may be required to move the transfer station from its current location.

New Town Hall Fund – This fund accounts for the amounts appropriated related to possible amounts that may be required to move or renovate the Town Hall building.

Comprehensive Town Plan – This fund accounts for the amounts appropriated to be expended for the Town's comprehensive plan.

Animal Shelter Improvements Fund – This fund accounts for the amounts appropriated to be expended for improvements to the animal shelter facility.

Transfer Station Improvements Fund – This fund accounts for the amounts appropriated to be expended for improvements to the transfer station.

Website Development Fund – To set aside funds to develop a professional website for the town and subsequently for future updates that may be needed.

Economic Development Fund – A fund established to accumulate and serve to offset expenses incurred for economic development throughout the town.

Library Fund – The board of the library voted to allow certain money received such as grants or other funds that the library board deems appropriate to be held by the Town of Exeter to accumulate and be used for capital projects to be determined by the Library Board as they are identified and approved.

Permanent Fund:

The Permanent funds are resources that are legally restricted to the extent that only earnings and not principal may be used for purposes that support the reporting government's programs – that is, for the benefit of the government or its citizenry.

Cemetery Fund – This fund was established to account for the assets received by the Town from the families of Exeter residents with the understanding that the Town would provide grounds care for certain cemetery plots in the Town.

TOWN OF EXETER, RHODE ISLAND
OTHER SUPPLEMENTARY INFORMATION
COMBINING BALANCE SHEET
NON-MAJOR OTHER GOVERNMENTAL FUNDS
June 30, 2021

	SPECIAL REVENUE FUNDS							
	Preservation and Technology Fund	RIEMA FEMA Grant	Planning Board Project Review Fees	Capital Facilities Impact Fees	CDBG	Property Revaluation Fund	Spay/Neuter Fund	Memorial Day Parade
<u>ASSETS</u>								
Cash and cash equivalents	\$ 32,196	\$ -	\$ -	\$ 392,616	\$ 6,003	\$ -	\$ 14,315	\$ -
Accounts receivable	-	-	-	-	69,196	-	-	-
Due from other funds	2,662	63,007	16,392	-	-	27,574	-	7,448
TOTAL ASSETS	<u>\$ 34,858</u>	<u>\$ 63,007</u>	<u>\$ 16,392</u>	<u>\$ 392,616</u>	<u>\$ 75,199</u>	<u>\$ 27,574</u>	<u>\$ 14,315</u>	<u>\$ 7,448</u>
<u>LIABILITIES</u>								
Accounts payable and accrued expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	12,495	-	-	5,124	-
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,495</u>	<u>-</u>	<u>-</u>	<u>5,124</u>	<u>-</u>
<u>FUND BALANCE</u>								
Restricted	-	63,007	-	-	75,199	-	-	-
Committed	34,858	-	16,392	380,121	-	-	-	-
Assigned	-	-	-	-	-	27,574	9,191	7,448
Unassigned	-	-	-	-	-	-	-	-
TOTAL FUND BALANCE	<u>34,858</u>	<u>63,007</u>	<u>16,392</u>	<u>380,121</u>	<u>75,199</u>	<u>27,574</u>	<u>9,191</u>	<u>7,448</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 34,858</u>	<u>\$ 63,007</u>	<u>\$ 16,392</u>	<u>\$ 392,616</u>	<u>\$ 75,199</u>	<u>\$ 27,574</u>	<u>\$ 14,315</u>	<u>\$ 7,448</u>

TOWN OF EXETER, RHODE ISLAND
OTHER SUPPLEMENTARY INFORMATION
COMBINING BALANCE SHEET
NON-MAJOR OTHER GOVERNMENTAL FUNDS
June 30, 2021

	SPECIAL REVENUE FUNDS					CAPITAL PROJECT FUNDS		
	Pension Liability Fund	Historic Preservation Fund	Veteran's Memorial	Animal Shelter Donations	Social Service Grants	Vehicle Replacement Fund	Public Works/Road	Computer Upgrades Fund
<u>ASSETS</u>								
Cash and cash equivalents	\$ -	\$ -	\$ 29,070	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts receivable	-	-	-	-	-	-	-	-
Due from other funds	22,210	61,321	-	56,459	33,039	238,131	72,083	25,064
TOTAL ASSETS	\$ 22,210	\$ 61,321	\$ 29,070	\$ 56,459	\$ 33,039	\$ 238,131	\$ 72,083	\$ 25,064
<u>LIABILITIES</u>								
Accounts payable and accrued expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-	-	-	-
TOTAL LIABILITIES	-	-	-	-	-	-	-	-
<u>FUND BALANCE</u>								
Restricted	-	-	-	-	33,039	-	-	-
Committed	-	-	-	-	-	-	-	-
Assigned	22,210	61,321	29,070	56,459	-	238,131	72,083	25,064
Unassigned	-	-	-	-	-	-	-	-
TOTAL FUND BALANCE	22,210	61,321	29,070	56,459	33,039	238,131	72,083	25,064
TOTAL LIABILITIES AND FUND BALANCE	\$ 22,210	\$ 61,321	\$ 29,070	\$ 56,459	\$ 33,039	\$ 238,131	\$ 72,083	\$ 25,064

TOWN OF EXETER, RHODE ISLAND
OTHER SUPPLEMENTARY INFORMATION
COMBINING BALANCE SHEET
NON-MAJOR OTHER GOVERNMENTAL FUNDS
June 30, 2021

	CAPITAL PROJECTS FUNDS							
	Public Works/ Equipment	Town Hall Renovations Fund	Chelsea Park Fund	Video Equipment	Office Equipment	GIS Mapping System	Transfer Station Move	New Town Hall
<u>ASSETS</u>								
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts receivable	-	-	-	-	-	-	-	-
Due from other funds	47,703	88,010	29,781	3,478	51,808	10,000	342,947	152,000
TOTAL ASSETS	<u>\$ 47,703</u>	<u>\$ 88,010</u>	<u>\$ 29,781</u>	<u>\$ 3,478</u>	<u>\$ 51,808</u>	<u>\$ 10,000</u>	<u>\$ 342,947</u>	<u>\$ 152,000</u>
<u>LIABILITIES</u>								
Accounts payable and accrued expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-	-	-	-
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>FUND BALANCE</u>								
Restricted	-	-	-	-	-	-	-	-
Committed	-	-	-	-	-	-	-	-
Assigned	47,703	88,010	29,781	3,478	51,808	10,000	342,947	152,000
Unassigned	-	-	-	-	-	-	-	-
TOTAL FUND BALANCE	<u>47,703</u>	<u>88,010</u>	<u>29,781</u>	<u>3,478</u>	<u>51,808</u>	<u>10,000</u>	<u>342,947</u>	<u>152,000</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 47,703</u>	<u>\$ 88,010</u>	<u>\$ 29,781</u>	<u>\$ 3,478</u>	<u>\$ 51,808</u>	<u>\$ 10,000</u>	<u>\$ 342,947</u>	<u>\$ 152,000</u>

TOWN OF EXETER, RHODE ISLAND
OTHER SUPPLEMENTARY INFORMATION
COMBINING BALANCE SHEET
NON-MAJOR OTHER GOVERNMENTAL FUNDS
June 30, 2021

	CAPITAL PROJECTS FUNDS						PERMANENT FUND	Total Non-Major Governmental Funds
	Comprehensive Town Plan	Animal Shelter Improvements	Transfer Station Improvements	Website Development	Economic Development	Library Fund	Cemetery Fund	
ASSETS								
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 27,261	\$ 501,461
Accounts receivable	-	-	-	-	-	-	-	69,196
Due from other funds	32,750	18,185	40,000	2,650	3,000	895	-	1,448,597
TOTAL ASSETS	\$ 32,750	\$ 18,185	\$ 40,000	\$ 2,650	\$ 3,000	\$ 895	\$ 27,261	\$ 2,019,254
LIABILITIES								
Accounts payable and accrued expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-	-	132	17,751
TOTAL LIABILITIES	-	-	-	-	-	-	132	17,751
FUND BALANCE								
Restricted	-	-	-	-	-	-	27,129	198,374
Committed	-	-	-	-	-	-	-	431,371
Assigned	32,750	18,185	40,000	2,650	3,000	895	-	1,371,758
Unassigned	-	-	-	-	-	-	-	-
TOTAL FUND BALANCE	32,750	18,185	40,000	2,650	3,000	895	27,129	2,001,503
TOTAL LIABILITIES AND FUND BALANCE	\$ 32,750	\$ 18,185	\$ 40,000	\$ 2,650	\$ 3,000	\$ 895	\$ 27,261	\$ 2,019,254

TOWN OF EXETER, RHODE ISLAND
OTHER SUPPLEMENTARY INFORMATION
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NON-MAJOR OTHER GOVERNMENTAL FUNDS
For the Fiscal Year Ended June 30, 2021

	SPECIAL REVENUE FUNDS							
	Preservation and Technology Fund	RIEMA FEMA Grant	Planning Board Project Review Fees	Capital Facilities Impact Fees	CDBG	Property Revaluation Fund	Spay/Neuter Fund	Memorial Day Parade
<u>REVENUES</u>								
Intergovernmental revenues	\$ -	\$ 81,028	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Earnings on investments	17	-	-	353	92	-	7	-
Other revenues	9,981	-	13,513	93,536	-	-	1,416	-
TOTAL REVENUES	9,998	81,028	13,513	93,889	92	-	1,423	-
<u>EXPENDITURES</u>								
General government	10,910	6,820	8,384	4,659	-	113,898	-	-
Public works	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-
Social services	-	-	-	-	-	-	-	-
Public health and welfare	-	-	-	-	-	-	668	-
Debt service	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	10,910	6,820	8,384	4,659	-	113,898	668	-
Excess (Deficiency) of Revenues Over (Under)								
Expenditures Before Other Financing Sources (Uses)	(912)	74,208	5,129	89,230	92	(113,898)	755	-
<u>OTHER FINANCING SOURCES (USES)</u>								
Transfer from other funds	-	-	-	-	-	15,000	-	2,000
Transfer to other funds	-	(48,850)	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	(48,850)	-	-	-	15,000	-	2,000
Excess (Deficiency) of Revenues Over (Under)								
Expenditures After Other Financing Sources (Uses)	(912)	25,358	5,129	89,230	92	(98,898)	755	2,000
FUND BALANCE - July 1, 2020	35,770	37,649	11,263	290,891	75,107	126,472	8,436	5,448
FUND BALANCE - June 30, 2021	<u>\$ 34,858</u>	<u>\$ 63,007</u>	<u>\$ 16,392</u>	<u>\$ 380,121</u>	<u>\$ 75,199</u>	<u>\$ 27,574</u>	<u>\$ 9,191</u>	<u>\$ 7,448</u>

TOWN OF EXETER, RHODE ISLAND
OTHER SUPPLEMENTARY INFORMATION
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NON-MAJOR OTHER GOVERNMENTAL FUNDS
For the Fiscal Year Ended June 30, 2021

	SPECIAL REVENUE FUNDS					CAPITAL PROJECT FUNDS		
	Pension Liability Fund	Historic Preservation Fund	Veteran's Memorial	Animal Shelter Donations	Social Service Grants	Vehicle Replacement Fund	Public Works/Road	Computer Upgrades Fund
<u>REVENUES</u>								
Intergovernmental revenues	\$ -	\$ -	\$ -	\$ -	\$ 4,527	\$ 2,929	\$ -	\$ -
Earnings on investments	-	-	29	-	-	-	-	-
Other revenues	-	-	100	23,894	87,074	21,424	-	-
TOTAL REVENUES	-	-	129	23,894	91,601	24,353	-	-
<u>EXPENDITURES</u>								
General government	-	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	366,417	-
Public safety	-	-	-	-	-	-	-	-
Social services	-	-	-	-	58,562	-	-	-
Public health and welfare	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	1,017
TOTAL EXPENDITURES	-	-	-	-	58,562	-	366,417	1,017
Excess (Deficiency) of Revenues Over (Under) Expenditures Before Other Financing Sources (Uses)	-	-	129	23,894	33,039	24,353	(366,417)	(1,017)
<u>OTHER FINANCING SOURCES (USES)</u>								
Transfer from other funds	-	5,000	-	-	-	-	361,031	-
Transfer to other funds	-	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	5,000	-	-	-	-	361,031	-
Excess (Deficiency) of Revenues Over (Under) Expenditures After Other Financing Sources (Uses)	-	5,000	129	23,894	33,039	24,353	(5,386)	(1,017)
FUND BALANCE - July 1, 2020	22,210	56,321	28,941	32,565	-	213,778	77,469	26,081
FUND BALANCE - June 30, 2021	\$ 22,210	\$ 61,321	\$ 29,070	\$ 56,459	\$ 33,039	\$ 238,131	\$ 72,083	\$ 25,064

TOWN OF EXETER, RHODE ISLAND
OTHER SUPPLEMENTARY INFORMATION
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NON-MAJOR OTHER GOVERNMENTAL FUNDS
For the Fiscal Year Ended June 30, 2021

	CAPITAL PROJECTS FUNDS							
	Public Works/ Equipment	Town Hall Renovations Fund	Chelsea Park Fund	Video Equipment	Office Equipment	GIS Mapping System	Transfer Station Move	New Town Hall
<u>REVENUES</u>								
Intergovernmental revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Earnings on investments	-	-	-	-	-	-	-	-
Other revenues	-	-	-	-	-	-	-	-
TOTAL REVENUES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>EXPENDITURES</u>								
General government	-	-	-	-	-	-	7,053	-
Public works	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-
Social services	-	-	-	-	-	-	-	-
Public health and welfare	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-
Capital outlay	178,396	-	16,414	-	-	-	-	-
TOTAL EXPENDITURES	<u>178,396</u>	<u>-</u>	<u>16,414</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,053</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures Before Other Financing Sources (Uses)	<u>(178,396)</u>	<u>-</u>	<u>(16,414)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(7,053)</u>	<u>-</u>
<u>OTHER FINANCING SOURCES (USES)</u>								
Transfer from other funds	132,432	-	2,000	-	5,000	-	-	-
Transfer to other funds	-	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>132,432</u>	<u>-</u>	<u>2,000</u>	<u>-</u>	<u>5,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures After Other Financing Sources (Uses)	<u>(45,964)</u>	<u>-</u>	<u>(14,414)</u>	<u>-</u>	<u>5,000</u>	<u>-</u>	<u>(7,053)</u>	<u>-</u>
FUND BALANCE - July 1, 2020	93,667	88,010	44,195	3,478	46,808	10,000	350,000	152,000
FUND BALANCE - June 30, 2021	<u>\$ 47,703</u>	<u>\$ 88,010</u>	<u>\$ 29,781</u>	<u>\$ 3,478</u>	<u>\$ 51,808</u>	<u>\$ 10,000</u>	<u>\$ 342,947</u>	<u>\$ 152,000</u>

TOWN OF EXETER, RHODE ISLAND
OTHER SUPPLEMENTARY INFORMATION
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NON-MAJOR OTHER GOVERNMENTAL FUNDS
For the Fiscal Year Ended June 30, 2021

	CAPITAL PROJECTS FUNDS						PERMANENT FUND	Total NonMajor Governmental Funds
	Comprehensive Town Plan	Animal Shelter Improvements	Transfer Station Improvements	Website Development	Economic Development	Library Fund	Cemetery Fund	
REVENUES								
Intergovernmental revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 88,484
Earnings on investments	-	-	-	-	-	-	28	526
Other revenues	1,035	1,479	-	-	-	1,000	-	254,452
TOTAL REVENUES	1,035	1,479	-	-	-	1,000	28	343,462
EXPENDITURES								
General government	-	-	-	-	-	500	-	152,224
Public works	-	-	-	-	-	-	-	366,417
Public safety	-	-	-	-	-	-	-	-
Social services	-	-	-	-	-	-	-	58,562
Public health and welfare	-	-	-	-	-	-	-	668
Debt service	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	7,350	-	-	-	203,177
TOTAL EXPENDITURES	-	-	-	7,350	-	500	-	781,048
Excess (Deficiency) of Revenues Over (Under) Expenditures Before Other Financing Sources (Uses)	1,035	1,479	-	(7,350)	-	500	28	(437,586)
OTHER FINANCING SOURCES (USES)								
Transfer from other funds	5,000	5,500	10,000	5,000	1,500	-	-	549,463
Transfer to other funds	-	-	-	-	-	-	-	(48,850)
TOTAL OTHER FINANCING SOURCES (USES)	5,000	5,500	10,000	5,000	1,500	-	-	500,613
Excess (Deficiency) of Revenues Over (Under) Expenditures After Other Financing Sources (Uses)	6,035	6,979	10,000	(2,350)	1,500	500	28	63,027
FUND BALANCE - July 1, 2020	26,715	11,206	30,000	5,000	1,500	395	27,101	1,938,476
FUND BALANCE - June 30, 2021	\$ 32,750	\$ 18,185	\$ 40,000	\$ 2,650	\$ 3,000	\$ 895	\$ 27,129	\$ 2,001,503

CUSTODIAL FUNDS

Custodial Funds were established to function as clearing mechanisms for cash resources which are collected and disbursed to authorized recipients. The following is a list of Custodial Funds included in this section:

Open Space Dedication – This account was set up to hold monies paid to the Town by land developers in lieu of actually dedicating specific land for open space purposes. The amount of money required is based on the fair market value of the land which would otherwise be required to be dedicated.

Surety Bonds Escrow – This account was set up to maintain amounts held by the Town as surety for developers to complete construction projects that may affect the well-being of Town residents.

Brayman Escrow – This account was set up to hold amounts held by the bank until restorations are performed and the land fully restored at the property on Ten Rod Road and Mount Tom Road.

TOWN OF EXETER, RHODE ISLAND
OTHER SUPPLEMENTARY INFORMATION
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
CUSTODIAL FUNDS
For the Fiscal Year Ended June 30, 2021

	BALANCE July 1, 2020	ADDITIONS	DEDUCTIONS	BALANCE June 30, 2021
<u><i>OPEN SPACE DEDICATION</i></u>				
<u>ASSETS</u>				
Cash	\$ 47,119	\$ 48	\$ -	\$ 47,167
TOTAL ASSETS	<u>\$ 47,119</u>	<u>\$ 48</u>	<u>\$ -</u>	<u>\$ 47,167</u>
<u>LIABILITIES</u>				
Deposits held in custody for others	\$ 47,119	\$ 48	\$ -	\$ 47,167
TOTAL LIABILITIES	<u>\$ 47,119</u>	<u>\$ 48</u>	<u>\$ -</u>	<u>\$ 47,167</u>
 <u><i>SURETY BONDS ESCROW</i></u>				
<u>ASSETS</u>				
Due from other funds	\$ 105,500	\$ 13,500	\$ 1,500	\$ 117,500
TOTAL ASSETS	<u>\$ 105,500</u>	<u>\$ 13,500</u>	<u>\$ 1,500</u>	<u>\$ 117,500</u>
<u>LIABILITIES</u>				
Deposits held in custody for others	\$ 105,500	\$ 13,500	\$ 1,500	\$ 117,500
TOTAL LIABILITIES	<u>\$ 105,500</u>	<u>\$ 13,500</u>	<u>\$ 1,500</u>	<u>\$ 117,500</u>
 <u><i>BRAYMAN ESCROW</i></u>				
<u>ASSETS</u>				
Cash	\$ 6,752	\$ 3	\$ -	\$ 6,755
TOTAL ASSETS	<u>\$ 6,752</u>	<u>\$ 3</u>	<u>\$ -</u>	<u>\$ 6,755</u>
<u>LIABILITIES</u>				
Deposits held in custody for others	\$ 6,752	\$ 3	\$ -	\$ 6,755
TOTAL LIABILITIES	<u>\$ 6,752</u>	<u>\$ 3</u>	<u>\$ -</u>	<u>\$ 6,755</u>
 <u><i>TOTAL AGENCY FUNDS</i></u>				
<u>ASSETS</u>				
Cash	\$ 53,912	51	-	\$ 53,922
Due from other funds	105,500	13,500	1,500	117,500
TOTAL ASSETS	<u>\$ 159,412</u>	<u>\$ 13,551</u>	<u>\$ 1,500</u>	<u>\$ 171,422</u>
<u>LIABILITIES</u>				
Deposits held in custody for others	\$ 159,412	\$ 13,551	\$ 1,500	\$ 171,422
TOTAL LIABILITIES	<u>\$ 159,412</u>	<u>\$ 13,551</u>	<u>\$ 1,500</u>	<u>\$ 171,422</u>

TOWN OF EXETER, RHODE ISLAND
OTHER SUPPLEMENTARY INFORMATION
SCHEDULE OF PROPERTY TAX RECEIVABLES
For the Fiscal Year Ended June 30, 2021

TAX ROLL YEAR	BALANCE July 1, 2020	CURRENT YEAR ASSESSMENT	ADDITIONS AND ADJUSTMENTS	REFUNDS	ABATEMENTS	AMOUNT TO BE COLLECTED	CURRENT YEAR COLLECTIONS	BALANCE June 30, 2021	FY2021 CASH COLLECTIONS SUMMARY			
									JULY-AUGUST 2020 COLLECTIONS SUBJECT TO 60-DAY FY20 ACCRUAL	SEPTEMBER 2020 THROUGH JUNE 2021 COLLECTIONS	TOTAL FY2021 CASH COLLECTIONS	JULY-AUGUST 2021 COLLECTIONS SUBJECT TO 60-DAY FY21 ACCRUAL
2020	\$ -	\$ 14,438,123	\$ 18,864	\$ 22,364	\$ 17,679	\$ 14,461,672	\$ 14,244,146	\$ 217,526	\$ -	\$ 14,244,146	\$ 14,244,146	\$ 88,454
2019	304,254	-	6,647	7,250	565	317,586	297,389	20,197	124,219	173,170	297,389	1,207
2018	16,370	-	-	-	88	16,282	4,694	11,588	1,277	3,417	4,694	954
2017	10,778	-	485	-	-	11,263	2,630	8,633	687	1,943	2,630	708
2016	12,275	-	-	-	-	12,275	2,408	9,867	722	1,686	2,408	800
2015	12,530	-	-	-	79	12,451	808	11,643	192	616	808	671
2014	16,991	-	-	-	343	16,648	469	16,179	127	342	469	77
2013	15,722	-	-	-	493	15,229	649	14,580	-	649	649	-
2012	11,734	-	-	-	125	11,609	302	11,307	-	302	302	-
2011	14,918	-	-	-	216	14,702	153	14,549	-	153	153	-
2010	15,368	-	-	-	270	15,098	98	15,000	9	89	98	-
2009	4,832	-	-	-	-	4,832	-	4,832	-	-	-	-
2008	3,626	-	-	-	-	3,626	-	3,626	-	-	-	-
2007	1,403	-	-	-	-	1,403	-	1,403	-	-	-	-
2006	492	-	-	-	-	492	47	445	47	-	47	-
2005	1,459	-	-	-	-	1,459	-	1,459	-	-	-	-
2004	845	-	-	-	-	845	-	845	-	-	-	-
2003 and prior	20,829	-	-	-	-	20,829	-	20,829	-	-	-	-
	\$ 464,426	\$ 14,438,123	\$ 25,996	\$ 29,614	\$ 19,858	\$ 14,938,301	\$ 14,553,793	\$ 384,508	\$ 127,280	\$ 14,426,513	\$ 14,553,793	\$ 92,871
Less: Allowance for Uncollectible Taxes	111,084							103,738				
	\$ 353,342							\$ 280,770				

SCHEDULE OF NET ASSESSED PROPERTY, VALUED BY CATEGORY			RECONCILIATION OF CURRENT YEAR PROPERTY TAX REVENUE	
DESCRIPTION OF PROPERTY	VALUATIONS DECEMBER 31, 2019	LEVY JULY 1, 2020		
Real property - Residential	\$ 754,690,800	\$ 11,584,637	Current year collections	\$ 14,553,793
Real property - Commercial	72,786,900	1,131,511	Add: Revenue collected within 60 days subsequent fiscal year ended June 30, 2021, net municipal lien certificates	92,871
Real property - Frozen (Market Value)	-	-	Less: Prior year revenue received in current year	(127,280)
Motor vehicles	62,442,846	1,369,122	Less: Refunds and other adjustments	(40,066)
Tangible personal property	22,660,810	352,853	CURRENT YEAR PROPERTY TAX REVENUE	\$ 14,479,318
TOTAL	912,581,356	14,438,123		
Less: Exemptions	31,202,242	-		
NET ASSESSED VALUE	\$ 881,379,114	\$ 14,438,123		

TOWN OF EXETER, RHODE ISLAND
OTHER SUPPLEMENTARY INFORMATION
SCHEDULE OF LONG-TERM LIABILITIES - GOVERNMENTAL ACTIVITIES
For the Fiscal Year Ended June 30, 2021

	<u>Date of Issuance</u>	<u>Interest Rate</u>	<u>Date of Maturity</u>	<u>Authorized and Issued</u>	<u>Outstanding July 1, 2020</u>	<u>Additions</u>	<u>Reductions During Year</u>	<u>Outstanding June 30, 2021</u>	<u>Interest Paid During Year</u>	<u>Amounts Due Within One Year</u>
GOVERNMENTAL LONG-TERM LIABILITIES										
<u>BONDS AND NOTES PAYABLE</u>										
Exeter public library bond	9/16/2011	3.67%	9/16/2021	\$ 614,000	\$ 89,794	\$ -	\$ 71,500	\$ 18,294	\$ 2,133	\$ 18,294
Exeter development rights bond	5/15/2013	3.25%	5/18/2023	<u>424,819</u>	<u>138,667</u>	<u>-</u>	<u>46,052</u>	<u>92,615</u>	<u>3,879</u>	<u>47,592</u>
TOTAL BONDS AND NOTES PAYABLE				1,038,819	228,461	-	117,552	110,909	6,012	65,886
<u>OTHER LONG-TERM LIABILITIES</u>										
Landfill post closure care costs (Note 12)					201,838	-	-	201,838	-	-
Compensated absences					<u>80,901</u>	<u>-</u>	<u>12,576</u>	<u>68,325</u>	<u>-</u>	<u>10,681</u>
TOTAL OTHER LONG-TERM LIABILITIES				-	282,739	-	12,576	270,163	-	10,681
TOTAL GOVERNMENTAL LONG-TERM LIABILITIES				<u>\$ 1,038,819</u>	<u>\$ 511,200</u>	<u>\$ -</u>	<u>\$ 130,128</u>	<u>\$ 381,072</u>	<u>\$ 6,012</u>	<u>\$ 76,567</u>

TOWN OF EXETER, RHODE ISLAND
 OTHER SUPPLEMENTARY INFORMATION
 SCHEDULE OF LONG-TERM LIABILITIES - DEBT SERVICE REQUIREMENTS
 GOVERNMENTAL ACTIVITIES
 June 30, 2021

Maturing in Fiscal Year	General Obligation Bonds	Total Interest	Total Principal & Interest
2022	\$ 65,886	\$ 2,452	\$ 68,338
2023	45,023	746	45,769
	<u>\$ 110,909</u>	<u>\$ 3,198</u>	<u>\$ 114,107</u>

TOWN OF EXETER, RHODE ISLAND
OTHER SUPPLEMENTARY INFORMATION
COMPUTATION OF LEGAL DEBT MARGIN
June 30, 2021

TAXABLE ASSESSED VALUE

Gross assessed value	\$ 912,581,356
Less exemptions	<u>(31,202,242)</u>
 TOTAL TAXABLE ASSESSED VALUE	 <u>\$ 881,379,114</u>

TOTAL DEBT MARGIN

Debt Limit - 3 percent of total assessed value	\$ 26,441,373
Total bonded debt	<u>(110,909)</u>
 TOTAL DEBT MARGIN	 <u>\$ 26,330,464</u>

ANNUAL SUPPLEMENTAL TRANSPARENCY INFORMATION

*The information provided herein contains the Annual
Supplemental Transparency Report Schedules and
its related notes as required by the State of
Rhode Island General Law § 45-12-22.2 and § 44-35-10.*

*Annual Supplemental Transparency Report (MTP2) – Revenue
Annual Supplemental Transparency Report (MTP2) – Expenditures
Combining Schedule of Reportable Government Services with
Reconciliation to MTP2 – Municipal
Combining Schedule of Reportable Government Services with
Reconciliation to MTP2 – Education Department*

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

Town of Exeter
Annual Supplemental Transparency Report (MTP2)
Fiscal Year Ended June 30, 2021

<u>REVENUE</u>	<u>Municipal</u>
Current Year Levy Tax Collection	\$ 14,292,534
Last Year's Levy Tax Collection	174,377
Prior Years Property Tax Collection	12,407
Interest & Penalty	100,653
PILOT & Tax Treaty (excluded from levy) Collection	-
Other Local Property Taxes	-
Licenses and Permits	136,174
Fines and Forfeitures	-
Investment Income	2,891
Departmental	381,530
Rescue Run Revenue	-
Police & Fire Detail	107,907
Other Local Non-Property Tax Revenues	-
Tuition	-
Impact Aid	-
Medicaid	-
Federal Stabilization Funds	-
Federal Food Service Reimbursement	-
CDBG	-
COPS Grants	-
SAFER Grants	-
Other Federal Aid Funds	-
COVID - ESSER	-
COVID - CRF	48,850
COVID - CDBG	-
COVID - FEMA	18,508
COVID - Other	-
COVID - ARPA	-
MV Excise Tax Reimbursement	93,419
State PILOT Program	-
Distressed Community Relief Fund	-
Library Resource Aid	53,203
Library Construction Aid	75,968
Public Service Corporation Tax	84,468
Meals & Beverage Tax / Hotel Tax	95,586
LEA Aid	-
Group Home	-
Housing Aid Capital Projects	-
Housing Aid Bonded Debt	-
State Food Service Revenue	-
Incentive Aid	-
Property Revaluation Reimbursement	-
Other State Revenue	13,670
Motor Vehicle Phase Out	778,840
Other Revenue	44,680
Local Appropriation for Education	-
Regional Appropriation for Education	-
Supplemental Appropriation for Education	-
Regional Supplemental Appropriation for Education	-
Other Education Appropriation	-
Rounding	-
Total Revenue	\$ 16,515,665
Financing Sources: Transfer from Capital Funds	\$ -
Financing Sources: Transfer from Other Funds	-
Financing Sources: Debt Proceeds	-
Financing Sources: Other	-
Rounding	-
Total Other Financing Sources	\$ -

Town of Exeter
Annual Supplemental Transparency Report (MTP2)
Fiscal Year Ended June 30, 2021

EXPENDITURES	General		Social	Centralized	Planning	Libraries	Public	Parks and	Police
	Government	Finance	Services	IT			Works	Rec	Department
Compensation- Group A	\$ 465,397	\$ 51,996	\$ 6,512	\$ 20,458	\$ 59,413	\$ 153,411	\$ 482,604	\$ -	\$ -
Compensation - Group B	-	-	-	-	-	-	-	-	-
Compensation - Group C	-	-	-	-	-	-	-	-	-
Compensation -Volunteer	-	-	-	-	-	-	-	-	-
Overtime- Group A	-	-	-	-	-	-	43,729	-	-
Overtime - Group B	-	-	-	-	-	-	-	-	-
Overtime - Group C	-	-	-	-	-	-	-	-	-
Police & Fire Detail	-	-	-	-	-	-	-	-	-
Active Medical Insurance - Group A	95,196	23,798	-	-	-	23,799	190,392	-	-
Active Medical Insurance- Group B	-	-	-	-	-	-	-	-	-
Active Medical Insurance- Group C	-	-	-	-	-	-	-	-	-
Active Dental insurance- Group A	3,970	992	-	-	-	992	7,939	-	-
Active Dental Insurance- Group B	-	-	-	-	-	-	-	-	-
Active Dental Insurance- Group C	-	-	-	-	-	-	-	-	-
Payroll Taxes	38,568	2,269	2,269	2,269	2,269	15,881	22,687	-	-
Life Insurance	396	57	-	-	57	113	566	-	-
State Defined Contribution- Group A	-	-	-	-	-	-	-	-	-
State Defined Contribution - Group B	-	-	-	-	-	-	-	-	-
State Defined Contribution - Group C	-	-	-	-	-	-	-	-	-
Other Benefits- Group A	5,666	-	-	-	1,134	1,134	7,932	-	-
Other Benefits- Group B	-	-	-	-	-	-	-	-	-
Other Benefits- Group C	-	-	-	-	-	-	-	-	-
Local Defined Benefit Pension- Group A	-	-	-	-	-	-	-	-	-
Local Defined Benefit Pension - Group B	-	-	-	-	-	-	-	-	-
Local Defined Benefit Pension - Group C	-	-	-	-	-	-	-	-	-
State Defined Benefit Pension- Group A	-	-	-	-	-	-	-	-	-
State Defined Benefit Pension - Group B	-	-	-	-	-	-	-	-	-
State Defined Benefit Pension - Group C	-	-	-	-	-	-	-	-	-
Other Defined Benefit / Contribution	29,978	5,305	-	2,038	4,504	5,922	52,396	-	-
Purchased Services	145,230	26,845	-	-	-	7,468	363	-	-
Materials/Supplies	56,839	1,379	-	3,990	-	28,176	30,053	-	-
Software Licenses	6,945	-	-	38,930	-	-	-	-	-
Capital Outlays	-	-	-	-	-	-	178,396	-	-
Insurance	148,517	-	-	-	-	-	-	-	-
Maintenance	1,671	-	-	-	-	4,715	17,894	-	-
Vehicle Operations	5,000	-	-	-	-	-	37,356	-	-
Utilities	34,107	-	-	-	-	21,024	7,776	-	-
Contingency	-	-	-	-	-	-	-	-	-
Street Lighting	-	-	-	-	-	-	-	-	-
Revaluation	-	113,898	-	-	-	-	-	-	-
Snow Removal-Raw Material & External Contracts	-	-	-	-	-	-	27,701	-	-
Trash Removal & Recycling	-	-	-	-	-	-	182,665	-	-
Claims & Settlements	-	-	-	-	-	-	-	-	-
Community Support	-	-	-	-	-	-	-	-	-
Other Operation Expenditures	55,546	-	10,902	-	1,742	13,650	461,943	-	-
Tipping Fees	-	-	-	-	-	-	87,147	-	-
Local Appropriation for Education	-	-	-	-	-	-	-	-	-
Regional Appropriation for Education	-	-	-	-	-	-	-	-	-
Supplemental Appropriation for Education	-	-	-	-	-	-	-	-	-
Regional Supplemental Appropriation for Education	-	-	-	-	-	-	-	-	-
Other Education Appropriation	-	-	-	-	-	-	-	-	-
Municipal Debt- Principal	-	-	-	-	-	-	-	-	-
Municipal Debt- Interest	-	-	-	-	-	-	-	-	-
School Debt- Principal	-	-	-	-	-	-	-	-	-
School Debt- Interest	-	-	-	-	-	-	-	-	-
Retiree Medical Insurance- Total	-	-	-	-	-	-	-	-	-
Retiree Dental Insurance- Total	-	-	-	-	-	-	-	-	-
OPEB Contribution- Total	-	-	-	-	-	-	-	-	-
Rounding	-	-	-	-	-	-	-	-	-
Total Expenditures	\$ 1,093,026	\$ 226,539	\$ 19,683	\$ 67,685	\$ 69,119	\$ 276,285	\$ 1,839,539	\$ -	\$ -

Town of Exeter
Annual Supplemental Transparency Report (MTP2)
Fiscal Year Ended June 30, 2021

EXPENDITURES	Fire	Centralized	Public Safety	Education	Debt	OPEB	Total
	Department	Dispatch	Other	Appropriation			Municipal
Compensation- Group A	\$ -	\$ -	\$ 210,060	\$ -	\$ -	\$ -	\$ 1,449,851
Compensation - Group B	-	-	-	-	-	-	-
Compensation - Group C	-	-	-	-	-	-	-
Compensation -Volunteer	-	-	-	-	-	-	-
Overtime- Group A	-	-	-	-	-	-	43,729
Overtime - Group B	-	-	-	-	-	-	-
Overtime - Group C	-	-	-	-	-	-	-
Police & Fire Detail	-	-	-	-	-	-	-
Active Medical Insurance- Group A	-	-	23,800	-	-	-	356,985
Active Medical Insurance- Group B	-	-	-	-	-	-	-
Active Medical Insurance- Group C	-	-	-	-	-	-	-
Active Dental insurance- Group A	-	-	992	-	-	-	14,885
Active Dental Insurance- Group B	-	-	-	-	-	-	-
Active Dental Insurance- Group C	-	-	-	-	-	-	-
Payroll Taxes	-	-	22,686	-	-	-	108,898
Life Insurance	-	-	170	-	-	-	1,359
State Defined Contribution- Group A	-	-	-	-	-	-	-
State Defined Contribution - Group B	-	-	-	-	-	-	-
State Defined Contribution - Group C	-	-	-	-	-	-	-
Other Benefits- Group A	-	-	1,134	-	-	-	17,000
Other Benefits- Group B	-	-	-	-	-	-	-
Other Benefits- Group C	-	-	-	-	-	-	-
Local Defined Benefit Pension- Group A	-	-	-	-	-	-	-
Local Defined Benefit Pension - Group B	-	-	-	-	-	-	-
Local Defined Benefit Pension - Group C	-	-	-	-	-	-	-
State Defined Benefit Pension- Group A	-	-	-	-	-	-	-
State Defined Benefit Pension - Group B	-	-	-	-	-	-	-
State Defined Benefit Pension - Group C	-	-	-	-	-	-	-
Other Defined Benefit / Contribution	-	-	6,575	-	-	-	106,718
Purchased Services	-	-	18,150	-	-	-	198,056
Materials/Supplies	-	-	2,588	-	-	-	123,025
Software Licenses	-	-	-	-	-	-	45,875
Capital Outlays	-	-	-	-	-	-	178,396
Insurance	-	-	-	-	-	-	148,517
Maintenance	-	-	-	-	-	-	24,280
Vehicle Operations	-	-	2,988	-	-	-	45,344
Utilities	-	-	10,800	-	-	-	73,707
Contingency	-	-	-	-	-	-	-
Street Lighting	-	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-	113,898
Snow Removal-Raw Material & External Contracts	-	-	-	-	-	-	27,701
Trash Removal & Recycling	-	-	-	-	-	-	182,665
Claims & Settlements	-	-	-	-	-	-	-
Community Support	-	-	-	-	-	-	-
Other Operation Expenditures	-	-	9,265	-	-	-	553,048
Tipping Fees	-	-	-	-	-	-	87,147
Local Appropriation for Education	-	-	-	-	-	-	-
Regional Appropriation for Education	-	-	-	12,300,326	-	-	12,300,326
Supplemental Appropriation for Education	-	-	-	-	-	-	-
Regional Supplemental Appropriation for Education	-	-	-	-	-	-	-
Other Education Appropriation	-	-	-	54,132	-	-	54,132
Municipal Debt- Principal	-	-	-	-	117,552	-	117,552
Municipal Debt- Interest	-	-	-	-	6,012	-	6,012
School Debt- Principal	-	-	-	-	-	-	-
School Debt- Interest	-	-	-	-	-	-	-
Retiree Medical Insurance- Total	-	-	-	-	-	-	-
Retiree Dental Insurance- Total	-	-	-	-	-	-	-
OPEB Contribution- Total	-	-	-	-	-	-	-
Rounding	-	-	-	-	-	-	-
Total Expenditures	\$ -	\$ -	\$ 309,208	\$ 12,354,458	\$ 123,564	\$ -	\$ 16,379,106

Financing Uses: Transfer to Capital Funds	\$ 34,000
Financing Uses: Transfer to Other Funds	7,000
Financing Uses: Payment to Bond Escrow Agent	-
Financing Uses: Other	-
Total Other Financing Uses	\$ 41,000

Net Change in Fund Balance¹ 95,559

Fund Balance1- beginning of year \$2,743,171

Funds removed from Reportable Government Services (RGS)	-
Funds added to Reportable Government Services (RGS)	37,649
Prior period adjustments	-
Misc. Adjustment	-
Fund Balance¹ - beginning of year adjusted	2,780,820

Rounding
Fund Balance¹ - end of year **\$ 2,876,379**

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

Town of Exeter
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						\$ 2,743,171	-	\$ 2,743,171	
<i>RIEMA & FEMA Grants added to RGS for fiscal 2020</i>						37,649	-	37,649	
<i>No funds removed from 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>\$ 2,780,820</u>	-	<u>\$ 2,780,820</u>	
General Fund	\$ 16,326,730	\$ 48,850	\$ 15,630,021	\$ 549,463	\$ 196,096	\$ 2,231,785	-	\$ 2,231,785	\$ 2,427,881
RIEMA & FEMA Grants	81,028	-	6,820	48,850	25,358	37,649	-	37,649	63,007
Property Revaluation	-	15,000	113,898	-	(98,898)	126,472	-	126,472	27,574
Vehicle Replacement Fund	24,353	-	-	-	24,353	213,778	-	213,778	238,131
Public Works - Roads Fund	-	361,031	366,417	-	(5,386)	77,469	-	77,469	72,083
Public Works - Equipment Fund	-	132,432	178,396	-	(45,964)	93,667	-	93,667	47,703
Totals per audited financial statements	<u>\$ 16,432,111</u>	<u>\$ 557,313</u>	<u>\$ 16,295,552</u>	<u>\$ 598,313</u>	<u>\$ 95,559</u>	<u>\$ 2,780,820</u>	<u>-</u>	<u>\$ 2,780,820</u>	<u>\$ 2,876,379</u>
<u>Reconciliation from financial statements to MTP2</u>									
Eliminate transfers between Funds reported on MTP2:									
- Transfer from General Fund to Property Revaluation	\$ -	\$ (15,000)	-	\$ (15,000)	-	-	-	-	-
- Transfer from General Fund to Public Works - Roads Fund	-	(361,031)	-	(361,031)	-	-	-	-	-
- Transfer from General Fund to Public Works - Equipment Fund	-	(132,432)	-	(132,432)	-	-	-	-	-
- Transfer from RIEMA & FEMA Grant to General Fund	-	(48,850)	-	(48,850)	-	-	-	-	-
- Police and Fire detail net in audit, gross on MTP2	83,554	-	83,554	-	-	-	-	-	-
Rounding	-	-	-	-	-	-	-	-	-
Totals Per MTP2	<u>\$ 16,515,665</u>	<u>-</u>	<u>\$ 16,379,106</u>	<u>\$ 41,000</u>	<u>\$ 95,559</u>	<u>\$ 2,780,820</u>	<u>-</u>	<u>\$ 2,780,820</u>	<u>\$ 2,876,379</u>

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

Town of Exeter
Combining Schedule of
Reportable Government Services with
Reconciliation to MTP2
Education Department
For the 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	Fund Balance/ (Deficit) - Beginning	Fund Balance/ (Deficit) - Ending
School Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
School Grants Fund	-	-	-	-	-	-	-
Non-major School Lunch Program	-	-	-	-	-	-	-
Totals per audited financial statements	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>Reconciliation from financial statements to MPT2</u>							
Municipal appropriation for Education reported as a transfer on financial statements but an expenditure on MPT2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Program activity in CDBG Funds not reported on the MPT2 because they are for program revenues & expenditures and not for administration procedures	-	-	-	-	-	-	-
Miscellaneous variances between UCOA & FS	-	-	-	-	-	-	-
Rounding	-	-	-	-	-	-	-
Totals Per MPT2	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

TOWN OF EXETER, RHODE ISLAND
ANNUAL SUPPLEMENTARY INFORMATION
NOTES TO THE ANNUAL SUPPLEMENTARY REPORT (MTP2)
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 (or Town’s) budget and accounting system. To report these costs, the City (or Town) made allocations of costs to the State’s departmental groupings based on a reasonable basis.

NOTE 4 – EMPLOYEE GROUPS – COMPENSATION AND BENEFIT COSTS

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

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

- Group A: This group consists of employees who serve the primary function of the department.
- Police Department - police officers (e.g., uniform personnel - including, leadership positions)
 - Fire Department - fire fighters (e.g., uniform personnel - including, leadership positions)
 - Centralized Dispatch Department - civilian dispatchers only
 - Education Department - professional staff providing direct services to students
 - For the remaining departments - all employees’ compensation and benefits are reported under Group A

TOWN OF EXETER, RHODE ISLAND
ANNUAL SUPPLEMENTARY INFORMATION
NOTES TO THE ANNUAL SUPPLEMENTARY REPORT (MTP2)
June 30, 2021

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

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

Other post-employment benefits (OPEB) are not reported by employee groups on the MTP2. They are reported in total as either (1) contributions to a qualified OPEB trust or (2) the amount paid for medical and dental insurance for retirees when an OPEB trust fund has not been established. The detail employee group information for the Education Department can be found on the State's Municipal Transparency portal website.

NOTE 5 – EDUCATION REVENUE AND EXPENDITURES

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

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

***REPORTS REQUIRED UNDER
GOVERNMENT AUDITING STANDARDS***

*Report on Internal Control over Financial Reporting
and on Compliance and Other Matters
Based on an Audit of Financial Statements
Performed in Accordance with
Government Auditing Standards*

REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE
AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Exeter, Rhode Island, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Town of Exeter, Rhode Island's basic financial statements, and have issued our report thereon dated November 1, 2021.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

WADOVICK + COMPANY

West Warwick, Rhode Island
November 1, 2021