

TOWN OF EAST GREENWICH, RHODE ISLAND

ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2022



**Town Hall
East Greenwich, Rhode Island
Built in 1804**

**Andrew E. Nota
Town Manager**

**Patricia A. Sunderland
Finance Director**

Prepared by: Finance Department

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INTRODUCTORY SECTION

TOWN OF EAST GREENWICH, RHODE ISLAND

as of June 30, 2022

TOWN COUNCIL

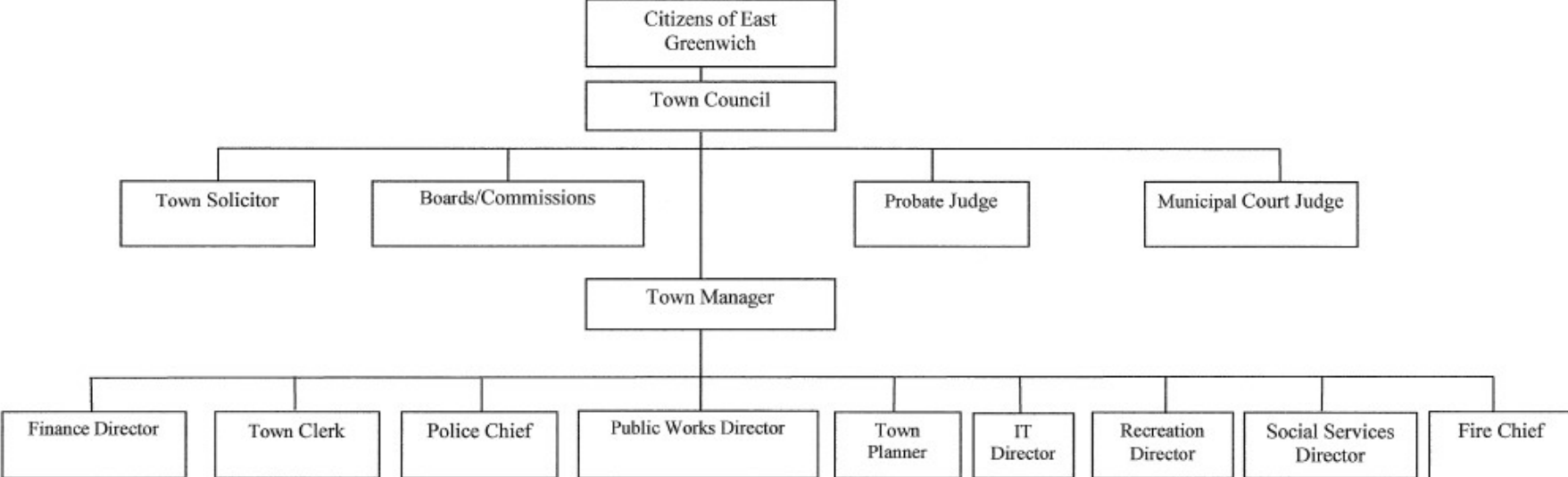
Mark Schwager – President
Michael Donegan – Vice President
Caryn Corenthal
Renu Englehart
Michael Zarrella

TOWN MANAGER

Andrew E. Nota

FINANCE DIRECTOR

Patricia A. Sunderland



FINANCIAL SECTION



INDEPENDENT AUDITORS' REPORT

Honorable Town Council
Town of East Greenwich, Rhode Island

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of East Greenwich, Rhode Island, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Town of East Greenwich, Rhode Island's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of East Greenwich, Rhode Island, as of June 30, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town of East Greenwich, Rhode Island and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter – Change in Accounting Principle

As discussed in Note 1 to the financial statements, effective July 1, 2021, the Town of East Greenwich, Rhode Island adopted new accounting guidance for leases. The guidance requires lessees to recognize a right-to-use lease asset and a corresponding lease liability and lessors to recognize a lease receivable and corresponding deferred inflow of resources for all leases with lease terms greater than twelve months. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town of East Greenwich, Rhode Island's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town of East Greenwich, Rhode Island's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town of East Greenwich, Rhode Island's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of East Greenwich, Rhode Island's basic financial statements. The combining and individual nonmajor fund financial statements, Annual Supplemental Transparency Report and schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining and individual nonmajor fund financial statements, Annual Supplemental Transparency Report and schedule of expenditures of federal awards, are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Honorable Town Council
Town of East Greenwich, Rhode Island

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 27, 2022, on our consideration of the Town of East Greenwich, Rhode Island's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town of East Greenwich, Rhode Island's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of East Greenwich, Rhode Island's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

West Hartford, Connecticut
December 27, 2022

**TOWN OF EAST GREENWICH, RHODE ISLAND
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
JUNE 30, 2022**

Management of the Town of East Greenwich, offer readers of the Town's financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended June 30, 2022. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the Introductory section of this report.

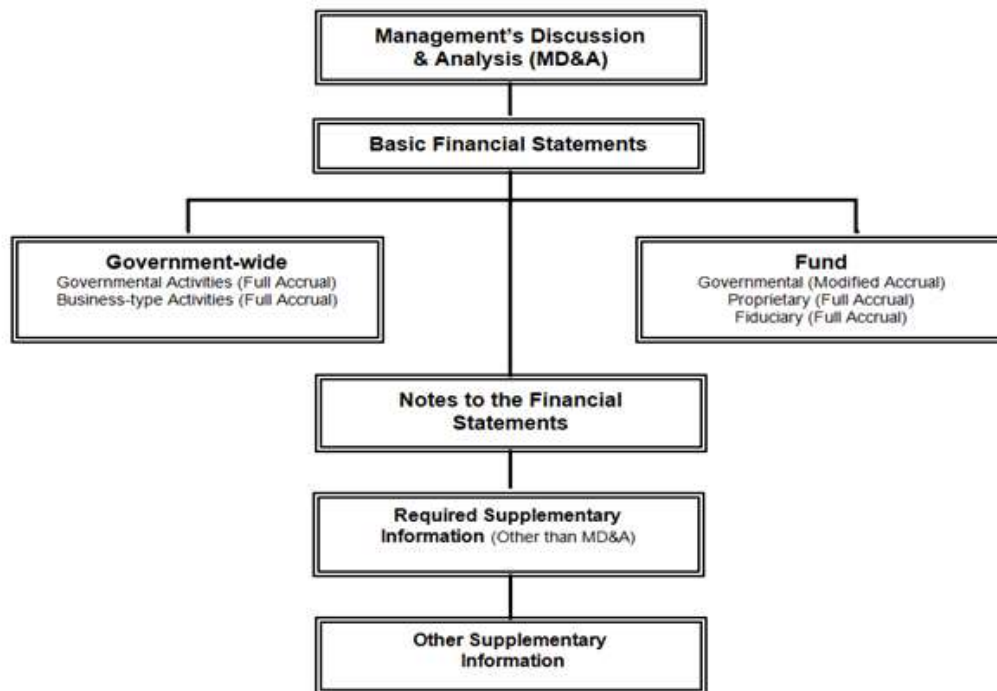
Financial Highlights

- At the end of the fiscal year, the Town's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by \$17.0 million (total net position). Net position was comprised mainly of \$65.3 million attributable to the Town's net investment in capital assets, \$17.5 million restricted and (\$65.7 million) unrestricted.
- The government's net position increased by \$9.3 million for fiscal year 2022. Governmental activities' net position increased by \$9.5 million mainly due to a decrease in long-term net pension liability in the retirement plans and other post-employment benefits (OPEB) liability. Business-type activities had a minor decrease of \$179 thousand in net position mainly attributed to pension and OPEB activity being recorded in the Sewer fund, slightly offset by the positive operating results within the school lunch program. The basic financial statements include a reconciliation between the Fiscal Year 2022 governmental funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities in Exhibit III of this document.
- As of the close of the current fiscal year, the Town of East Greenwich's governmental funds reported combined ending fund balances of \$18.4 million, a minimal increase over prior year. Approximately 42.43% of this total amount, \$7.8 million is available for use at the government's discretion (unassigned fund balance). The remaining fund balance, \$10.6 million, 57.57%, is either non-spendable funds, restricted funds, committed funds, or assigned funds. The unassigned fund balance has decreased by 5.4% due to school project expenses which were bonded subsequent to the close of the fiscal year.
- The Town's total bonded debt (including premium) decreased by \$3.6 million during the current fiscal year due to the retirement of debt.

Overview of the Financial Statements

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

**TOWN OF EAST GREENWICH, RHODE ISLAND
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
JUNE 30, 2022**



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

Government-Wide Financial Statements

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

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

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

The government-wide financial statements can be found on pages Exhibits I and II of this report.

**TOWN OF EAST GREENWICH, RHODE ISLAND
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
JUNE 30, 2022**

The Town's government-wide financial statements are divided into two categories:

- *Governmental Activities* – Most of the Town's basic services including general government, public safety, streets and highways, planning, education and recreation are reported here. Most of these activities are supported by property taxes, other local taxes and federal and state funding.
- *Business-Type Activities* – The Town's wastewater operations and school cafeteria funds are reported here. Fees charged to customers to help cover the costs of providing these services.

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 government, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Town has three types of funds: governmental, proprietary, and fiduciary.

- *Governmental Funds* – The General Fund, Capital Projects Funds, Special Revenue Funds and Permanent Funds are governmental funds. Most of the basic services provided by the Town are financed through governmental funds. The School Unrestricted Fund has been included in the General Fund, in the basic governmental financial statements. These funds' statements focus on near-term inflows and outflows of spendable resources as well as 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 fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The basic governmental fund financial statements can be found on Exhibits III through IV of this report.

- *Proprietary Funds* – Services for which the Town charges customers a fee is generally reported in proprietary funds. Like the government-wide statements, proprietary funds statements provide both long-and short-term financial information.
 - *Enterprise Funds* – Similar to business-type activities included in the government-wide statements, the enterprise fund financial statements provide more detail and additional information, such as cash-flow. The Town maintains two enterprise funds: Sewer Fund and School Lunch Fund.

**TOWN OF EAST GREENWICH, RHODE ISLAND
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
JUNE 30, 2022**

The basic proprietary fund financial statements can be found on pages Exhibit V through VII of this report.

- *Fiduciary Funds* – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. These fiduciary activities are excluded from the Town's government-wide financial statements because the Town cannot use these assets to finance its operations. The Town maintains the following fiduciary fund:
 - *OPEB Trust Fund* – Provides post-employment benefits for all vested full-time employees such as health, dental and life insurance for the Town retirees.

The basic fiduciary fund financial statements can be found on pages Exhibits VIII and IX of this report.

Notes to the Financial Statements

The notes to the financial statements provide information that is essential for a full understanding of the information provided in the government-wide and fund financial statements. The notes also present certain required supplementary information. Included in the notes is the information pertaining to the Town's funding obligation to provide pension and OPEB benefits to its employees (Note 9 and 10).

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information*. This section includes budgetary comparison schedules, a reconciliation between the statutory fund balance for budgetary purposes and the fund balances for the General Fund and School Fund, as presented in the governmental fund financial statements.

The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information on pensions.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position, and an important determinant of its ability to finance services in the future. In the case of the Town of East Greenwich, assets exceeded liabilities (net position) by \$17.0 million for the primary government. The unrestricted net deficit at June 30, 2022 is (\$65.7 million). Consistent with prior years the Town has significant investment in capital assets (e.g. land, buildings, machinery, and equipment) less any related debt used to acquire those assets that is still outstanding. Net investment in capital assets as of June 30, 2022 is \$65.3 million. The Town uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

**TOWN OF EAST GREENWICH, RHODE ISLAND
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
JUNE 30, 2022**

Net Position

For the Fiscal Years Ended June 30, 2022 and 2021 (in 000s)

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Assets:						
Current and Other Assets	\$ 42,081	\$ 31,084	\$ 3,183	\$ 4,828	\$ 45,264	\$ 35,912
Capital Assets, Net of Accumulated Depreciation	82,555	83,718	36,193	36,011	118,748	119,729
Total Assets	<u>124,636</u>	<u>114,802</u>	<u>39,376</u>	<u>40,839</u>	<u>164,012</u>	<u>155,641</u>
Deferred Outflows of Resources	15,152	18,900	232	170	15,384	19,070
Liabilities:						
Current Liabilities	8,759	5,750	415	306	9,174	6,056
Long-Term Liabilities Outstanding	103,694	131,764	13,341	15,115	117,035	146,879
Total Liabilities	<u>112,453</u>	<u>137,514</u>	<u>13,756</u>	<u>15,421</u>	<u>126,209</u>	<u>152,935</u>
Deferred Inflows of Resources	35,716	14,082	443	-	36,159	14,082
Net Position:						
Net Investment in Capital Assets	42,022	40,248	23,280	21,267	65,302	61,515
Restricted	13,831	5,948	3,620	3,956	17,451	9,904
Unrestricted	(64,234)	(64,090)	(1,491)	365	(65,725)	(63,725)
Total Net Position	<u>\$ (8,381)</u>	<u>\$ (17,894)</u>	<u>\$ 25,409</u>	<u>\$ 25,588</u>	<u>\$ 17,028</u>	<u>\$ 7,694</u>

Increases and decreases in net position may over time serve as a useful indicator of changes in a government's financial position. In the case of the Town's governmental activities for the Fiscal Year 2022, liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by \$8.38 million, a decrease in the net deficit of \$9.5 million over the prior year.

The increase in total assets is attributed to the increase of receivables of federal aid related to the Town's continued response to the COVID-19 Pandemic through the receipt of \$1.79 million dollars in American Rescue Plan Act as well as a Beneficiary in the National Opioid Litigation Settlement for which the Town received approximately \$113,000 in FY 2022. Included in the Current and Other Assets is the Town's Net Pension Asset which equals the Total Pension Liability (that the actuary calculates) less Pension Assets, therefore, for Fiscal Year 2022, the Net increased by \$7.8 million.

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

Important to note is the Town's implementation of Governmental Accounting Standards Board Statement No. 87 – Leases. This standard requires the recognition of certain leased assets and liabilities which had been previously classified as an operating lease. The Town is both a Lessor in which it owns an asset and leases it out as well as a Lessee whereby the Town pays for the right to use an asset such as copy machines and other intangible assets. This requirement was adopted as of July 1, 2021 and the appropriate lease receivable and liability have been recognized.

**TOWN OF EAST GREENWICH, RHODE ISLAND
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
JUNE 30, 2022**

Changes in Net Position

For the Fiscal Years Ended June 30, 2022 and 2021 (in 000s)

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Revenues:						
Program Revenues:						
Charges for Services	\$ 3,860	\$ 3,768	\$ 3,520	\$ 4,318	\$ 7,380	\$ 8,086
Operating Grants and Contributions	10,518	12,651	1,256	633	11,774	13,284
Capital Grants and Contributions	729	431	-	-	729	431
General Revenues:						
Property Taxes	60,780	58,424	-	-	60,780	58,424
Grants Not Restricted to Specific Programs	1,562	1,006	-	-	1,562	1,006
Unrestricted Investment Earnings	75	77	-	-	75	77
Miscellaneous Revenue	113	371	-	-	113	371
Total Revenues	77,637	76,728	4,776	4,951	82,413	81,679
Expenses:						
General Government	3,692	4,772	-	-	3,692	4,772
Public Safety	11,286	14,399	-	-	11,286	14,399
Public Works	4,356	4,336	-	-	4,356	4,336
Cultural and Recreation	1,603	1,155	-	-	1,603	1,155
Health and Welfare	-	-	-	-	-	-
Education	45,979	47,564	-	-	45,979	47,564
Interest and Fiscal Charges	1,208	1,465	-	-	1,208	1,465
Sewer	-	-	4,104	3,889	4,104	3,889
School Lunch ¹	-	-	851	572	851	572
Total Expenses	68,124	73,691	4,955	4,461	73,079	78,152
Change in Net Position Before Transfers	9,513	3,037	(179)	490	9,334	3,527
Transfers	-	-	-	-	-	-
Change in Net Position	9,513	3,037	(179)	490	9,334	3,527
Beginning Net Position	(17,894)	(20,931)	25,588	25,098	7,694	4,167
Ending Net Position	\$ (8,381)	\$ (17,894)	\$ 25,409	\$ 25,588	\$ 17,028	\$ 7,694

Governmental Activities

In Fiscal Year 2022, the governmental activities revenues increased from Fiscal Year 2021 by approximately \$908 thousand and expenses decreased by approximately \$5.6 million.

Governmental activities revenues were \$77.6 million of which 78.3 percent, or \$60.8 million was generated by property taxes. The major components of the governmental activities increase in revenues are as follows:

- Property tax revenues, net of refunds, increased by \$2.36 million or 4.0 percent from \$58.4 million to \$60.8 million due to an increase in the budgeted collections rate.

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- Charges for services increase is attributed to the recognition of the deferred inflow of revenue attributed to the Opioid Litigation for which the Town is a Beneficiary. On the government wide statements, the full amount awarded to East Greenwich is required to be reported. East Greenwich will receive 1.7467671439% of the amount awarded to the State of \$22,617,353, totaling \$395,073. Variances in other functions were reported such as a slow-down of building permits being issued, cruiser fees associated with road details, and real estate conveyance taxes due to an uptick in the borrowing rate environment.
- Operating grants and contributions decreased primarily due to the loss of Coronavirus Relief Funds which were distributed as a pass thru from the State of Rhode Island and supplanted the general revenue sharing for PILOT, Distressed and Motor Vehicle aid. Additionally, recognized as an operating grant and contribution in the prior year was the donated capital equipment for the fire department consisting of a ladder truck and harbor boat and motor. The donated fair market value was estimated at \$872 thousand.
 - The Town is a Beneficiary in a National Opioid Settlement and received \$113 thousand in Fiscal Year 2022 and expects this to continue.
 - The increase attributed to the recognition of the State grant for pension on behalf of the school department under the funding policy, set forth in the RIGL 16-16-22, provides for actuarially determined periodic contributions to the plan. Under the plan, the State is required to contribute 40% of annual covered payroll. The State's share for June 30, 2022 was \$2.22 million, an increase of \$123 thousand over the prior year.
- Capital grants and contributions increased primarily due to the school department being a recipient of a State grant designated as "Wireless Classroom Initiative" in the amount of \$589,223. The Town was also a recipient of a State grant earmarked for an exhaust extrication for the fire department.

Revenue Drivers:

- The adoption of the fiscal year 2022 budget included a separate tax rate for all flexible categories. For instance, the residential rate decreased from \$23.43 in fiscal year 2021 to \$21.01; commercial rate decreased from \$23.90 in fiscal year 2021 to \$23.25 and personal property went from \$29.25 in fiscal year 2021 to \$30.23 per thousand dollars of assessed valuation. The growth in the total assessed value of taxable property, excluding motor vehicles, was approximate 13 percent. Total net assessed value of flexible taxable property increased by \$308,660,4154 from \$2,375,018,151 to \$2,683,678,566. The Town was required by RI General Law 44-5-11.6 to perform a statistical update for 12/31/2020 which is the driver of a 13 percent increase in the flexible tax base.
- Motor vehicle values increased by \$8,070,510 over the prior year, from \$72,494,053 to \$80,564,563 and assumed utilizing an exemption value of \$6,000 per vehicle. Motor vehicle values are assessed at a rate of \$22.88 per thousand dollars of assessed value. This rate has been frozen by the State since FY1998. The impact of the increases in value for all taxable property is directly related to the Coronavirus pandemic and the shortage in supply. When demand is up and supply is down there is a net effect on the value of the asset because there are less in the market. Although the adopted Governor's FY 2017-2018 Recommended State Budget changed the assessment criteria for determining vehicle value prior to calculating the motor vehicle excise tax the affect wasn't significant enough to offset the increase in values.

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Total expenses for **governmental activities** were \$68.1 million, a decrease of \$5.6 over the prior year. Three activities: public safety, public works, and education accounted for the majority of the expenses, as depicted in the following amounts and percentages: \$11.3 million (16.5 percent), \$4.4 million (6.6 percent), and \$45.9 million (67.1 percent), respectively. The Changes in Net Position table above is provided for the Town's government-wide activities for the years ended June 30, 2022 and 2021.

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

Major expense factors impacted by these GASB 34 entries include:

- Public safety expenses decreased mainly due to a decrease in the pension expense related to the recognition of a significant decrease of the earnings on the pension plan investments as well as the OPEB Plan. The recognition of capital assets, depreciation expense, and accounting for compensated absences totaled \$785,484 which increased the fund financials, however, this was offset by entries to record OPEB and Pension expenses because they do not require the use of current financial resources and are not reported as an expenditure in the governmental funds. The NET decrease in the public safety function was \$2,039,177.
- Public Works expenses increased slightly due to the recognition of depreciation expense attributed to the capital assets additions. Similarly, this increase was offset slightly by the changes related to pension plan investments, OPEB, and compensated absences. The NET increase related to the public works function was \$615,480.
- Education expenditures increased by \$3.5 million from the prior year mainly in the areas of salary and benefits, purchased services and capital outlay; \$1.875 million, \$610 thousand and \$510 thousand respectively. The school district did see a decrease of \$150 thousand in supplies and materials expenses. Also accounted for was the increase in spending of approximately \$270 thousand for ESSER III, ARP, CARES, IDEA and student activity funds. These increases were offset by the GASB 34 entries associated with claims and judgements, capital asset additions and depreciation expense, OPEB, and a decrease in the recording of pension performance.

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

Business-Type Activities. Net position in business-type activities decreased by \$178 thousand resulting in a .70 percent increase in business-type net position.

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While the school lunch program revenues exceeded expenditures by \$323 thousand, the sewer fund reported a decrease in net position of \$502 thousand. A review of the sewer fund reports a shortfall in sewer use revenue of \$73 thousand and current year pension and OPEB expense activity for \$308,254. The business-type activities are reported on a full accrual basis, therefore, the conversion entries made to account for additions to capital assets and depreciation expense, compensated absences, and long-term debt contributed to the negative net position for the current fiscal year.

Financial Analysis of the Government's Funds

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

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

As of the end of the current fiscal year, the Town of East Greenwich's governmental funds reported combined ending fund balances of \$18.4 million, an increase of \$120 thousand. Of this increase, approximately \$1.2 million was advanced for capital equipment and subsequently bonded in fiscal year 2022 and reimbursed by the issuance of the bonds. The ending fund balance of \$18.4 million is designated as follows: \$7.8 million or 42.4 percent is available for spending at the government's discretion (unassigned). For fiscal year 2022 the Town reports a cumulative deficit of \$397 thousand in the 52 School Bond fund which has been reconciled in the current fiscal year and part of a 2022 direct purchase bond issue which closed on November 4, 2022. The remaining fund balance of \$10.6 million includes \$9.3 million committed to town and school special revenue, capital reserve and permanent trust funds. The remaining amount of \$1.3 million consists of non-spendable and restricted fund balance mainly attributed expenses paid in advance in fiscal year 2022 but associated with fiscal year 2023 such as contributions to the employee's high deductible healthcare plan, health savings accounts. The non-spendable fund balance was reduced by \$2.3 million from the prior year due to the exiting of the school district's self-insurance fund for which health and dental reserves were held on behalf of the school employees. These funds were received in December 2021 net of any incurred but not reported expenses throughout the year.

The General Fund is the chief operating fund of the Town. It is used to account for all financial resources except those required to be accounted for in another fund. The School Unrestricted Fund is used to report all financial transactions of the East Greenwich School Department but is considered a department of the Town since its major source of revenue is property tax dollars and is not a separate taxing authority. Therefore, the School Unrestricted Fund is reported within the Town Operating Fund. At the end of the current fiscal year, excluding the School Fund amount, the total General Fund balance was \$9.8 million which represents an increase of \$391 thousand over the prior year. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total General Fund budgeted expenditures. Unassigned fund balance represents 13.4 percent of the 2023 FY Adopted General Fund Expenditure Budget, while total fund balance represents 14.3 percent of that same amount.

The fund balance of the Town of East Greenwich's General Fund, excluding the School Fund, increased by \$390,707 as a result of the following positive factors:

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- Management's decision to implement a conservative practice of hiring for vacant positions where possible and conservative operational spending as we continue to be faced with an unexpected rise in inflation and other uncontrollable costs such as energy. This decision continues to be in force as of the writing of this report. Additionally, the Town has invested a significant amount of money in technology to ensure all ports of entry are secure.
- On a budgetary basis, the operating surplus in the General Fund was \$999 thousand. Revenues exceeded budget by \$1.4 million while expenditures were under budget by \$164 thousand. Other financing sources (uses) over budget decreased the surplus by \$590 thousand which allowed for the town to transfer funds to capital reserve projects outlined in the six-year capital improvement plan, to cover 50 percent of the cost to replace the school districts turf field and to set money aside to convert the town's street lights to LED thus reducing future energy costs. The ROI for this project is estimated to be five years.
- Attributing to the budgeted revenue surplus is higher than expected prior year delinquent taxes received which is in direct correlation with the diligent efforts of the tax collection procedures implemented. Additionally, the Town received higher than anticipated state aid revenues which are a pass thru generated from the meal and beverage taxes. Business licenses and fees as well as real estate conveyance fees brought in an excess of \$630 thousand. Overall, we're continuing to experience an uptick in all revenue categories as we continue to come out of the pandemic.

Although reported in the General Fund, the school department maintains its own operating budget. Any excess funds remaining at year-end remain with the school department to be used at their discretion, per State Law. At the end of the fiscal year, the fund balance, committed for education programs was \$3.6 million. The total fund balance of the School Unrestricted Fund decreased by \$88 thousand as compared to the June 30, 2021 fund balance. Key factors in this decrease are as follows:

- On a budgetary basis, the school district reported a surplus of \$666 thousand, however, the surplus is offset by the committed fund balance which was assigned to help finance the 2021-2022 school operating budget. In addition to this commitment, the school district committed 50 percent of the cost to replace the turf field at the high school.
 - The difference between the GAAP basis of accounting and the budgetary basis of accounting is the result of recognizing the fund balance commitments of \$753 thousand as a revenue source under the budgetary basis but not the GAAP basis. Therefore, for financial reporting purposes the commitments (if applicable) reduce the budgetary surplus thus resulting in a deficit position for fiscal year 2022.
- With the exception of capital outlay, all expenditure categories of the school districts operating budget resulted in a positive variance. The capital outlay category was overspent by \$79 which was attributed to the investment in the district's technology and security enhancements.

The school fund has a total fund balance of \$3.7 million of which \$975 thousand is committed to help finance the 2022-2023 fiscal year budget.

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

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Total net position for the sewer fund decreased by \$194 thousand. The sewer fund is reporting a negative unrestricted net position at the end of the fiscal year totaling \$1.3 million. This negative position is directly related to capital projects that were completed during the year for which we are bonding in the subsequent year (2023), therefore, the amount advanced from the unrestricted net position will be supplanted upon debt issuance from Rhode Island Infrastructure Bank. Net investment in capital assets increased by \$2 million over the prior year totaling \$23.3 million and the restricted net position for debt service decreased by \$608 thousand due to the retirement of debt. Much of the revenue generated in the sewer fund is to fund debt service associated with sewer and road assessments or non-debt funded capital improvements.

Important to note is the classification of reporting for sewer assessment debt. Consistent with GASB 6, S40, paragraph 121 special assessment revenue and receivables should be recognized on the accrual basis. Debt issued to finance capital projects that will be repaid wholly or in part from special assessments should report special assessment debt with governmental commitment in the statement of net position and either display it separately-on the face of the statement-or disclose it in the notes if combined with other liabilities on the statement. The Town has opted to include it within unrestricted net position. This reporting change has resulted in the significant increase in that category. Long-term sewer assessment receivables decreased by \$592 thousand due to the maturity of assessments.

The school lunch program maintains a surplus position of \$436 thousand. FY 22 was the last year for universal free lunch.

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

Capital Asset and Debt Administration

Capital Assets

The Town of East Greenwich's investment in capital assets for its governmental and business type activities as of June 30, 2022 amounts to \$118.6 million (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, machinery and equipment, park facilities, infrastructure, and construction in progress. The 2022 fiscal year resulted in an increase in value of investment in capital assets of \$3.8 million. The increase was due to the reduction in outstanding debt and capital asset activities. During the 2022 fiscal year, specifically, the amount of new capital assets was \$1.8 million for the governmental activities, however, the amount of accumulated depreciation expense was \$3.1 million in comparison to the prior year of new capital assets of \$2.8 million and depreciation expense of \$3.1 million. The 2022 fiscal year resulted in a decrease in value of capital assets of \$1.2 million.

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(Net of accumulated depreciation) in 000s

	Governmental		Business-Type		Total	
	Activities		Activities			
	2022	2021	2022	2021	2022	2021
Land	\$ 6,844	\$ 6,844	\$ 15	\$ 15	\$ 6,859	\$ 6,859
Construction in Progress	379	202	2,135	344	2,514	546
Infrastructure	1,602	1,158	20,163	20,972	21,765	22,130
Buildings and Improvements	61,901	63,471	11,030	11,614	72,931	75,085
Land Improvements	6,647	6,748	-	-	6,647	6,748
Equipment	1,949	1,727	2,601	2,776	4,550	4,503
Vehicles	3,233	3,568	249	290	3,482	3,858
Total	<u>\$ 82,555</u>	<u>\$ 83,718</u>	<u>\$ 36,193</u>	<u>\$ 36,011</u>	<u>\$ 118,748</u>	<u>\$ 119,729</u>

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

- School-wide ADA upgrades accounted for \$286 thousand in building and improvements.
- Land improvements included playground equipment and surface at Fairfield and Sun Valley. These land improvements accounted for \$275 thousand.
- Town-wide purchases of new vehicles and equipment included an exhaust extrication system at both firehouses at \$94 thousand, a drum chipper at \$83 thousand, a generator at \$45 thousand, and additions to the town's fleet totaling \$149 thousand.
- Construction in progress of the Governmental Funds had a net increase by \$177 thousand. Work continues on multiple school upgrades and town security access improvements adding \$384 thousand while \$207 was decreased in support of capitalized school projects.
- The School Department completed and capitalized the entrance modifications at including architect/engineering costs associated with the ongoing building improvements and fire alarm replacement at Meadowbrook elementary.
- Implementation of GASB87 – Leases, resulted in the addition of \$235 thousand in Right-to-use leases for buildings and computer equipment.
- The overall capital assets, net of accumulated depreciation increased \$182 thousand. Construction in progress increased by \$1.8 million in support of wastewater treatment plant upgrades and improvements. Depreciation expense was \$1.6 million.

Additional information on the Town of East Greenwich's capital assets can be found in Note 6 to the Financial Statements.

**TOWN OF EAST GREENWICH, RHODE ISLAND
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Long-Term Debt

At the end of the current fiscal year, the Town of East Greenwich had total bonded debt outstanding of \$52.7 million. Of this amount, \$5 million comprises debt backed by the full faith and credit of the government. Based on GASB 88, Direct Placement Debt is generally conducted by an investment banker who acts as an agent in bringing together the seller and the buyer which have terms negotiated directly with the investor or lender and are not offered for public sale. The Town issues school bonds through RI Health and Education Building Corp who then becomes the purchaser of the Town bonds - "Borrower Bonds". These bonds are entirely backed by the full faith and credit of the Town. Bonds authorized but unissued totaled an additional \$15.7 million as of June 30, 2022. Subsequent to the issuance of this report, the Town issued \$2.495 million in non-taxable and \$200 thousand in taxable school bonds within the fiscal year.

State statutes limit the amount of general obligation bonded debt a town can issue to 3 percent of net assessed property values. However, all bonds approved through State enabling legislation and voter referendums are exempt from the limit. At June 30, 2022, the Town had a debt limit of \$82.9 million. Of the Town's \$52.7 million in debt outstanding, \$13.5 million is subject to the Town's legal debt limit. A balance of \$69.4 million exists within the legal limit for additional bonds to be issued.

Outstanding Debt

General Obligation Bonds in 000s

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
General Obligation Bonds	\$ 3,000	\$ 3,485	\$ 2,015	\$ 2,310	\$ 5,015	\$ 5,795
Direct Placement Debt	36,771	39,883	10,938	12,618	47,709	52,501
Total	<u>\$ 39,771</u>	<u>\$ 43,368</u>	<u>\$ 12,953</u>	<u>\$ 14,928</u>	<u>\$ 52,724</u>	<u>\$ 58,296</u>

The Town's total bonded debt decreased by \$5.6 million during the 2022 fiscal year due to the retirement of principal.

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

- The Aa1 rating reflects the town's very strong credit position. Its Aa1 rating is higher than the median rating of Aa3 for cities nationwide. Key credit factors include a very strong wealth and income profile, strong tax base, a healthy financial position and moderate debt and pension liabilities.
- Median family income of town residents is a robust 205.6% of the US median level.
- Full value per capita of \$197 thousand is much stronger than that of other Moody's-rated cities nationwide
- Tax base of \$2.5 B is slightly larger than the US Median
- Although financial position of the town is sufficient but weak, current experienced management team who employ conservative budgeting and financial management, establish formal fiscal policies, and long-term planning for capital expenditures provides for positive outlook
- Moderate debt and pension burden are somewhat weak with respect to the assigned rating of Aa1
- Net pension liability to operating revenues is 1.6x and roughly equivalent to the US Median

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Additional information on the Town of East Greenwich's long-term debt can be found in Note 7 of the Financial Statements.

Economic Factors and Next Year's Budgets and Rates

- As of June 2022, the average labor force in East Greenwich was 7,187 with employment at 7,008 yielding an unemployment rate of 2.5 percent, a decrease of 4.8 percent from prior year of 7.3 percent. The state's unemployment rate was 2.8 percent and the federal unemployment rate was 3.8 percent.
- The final budget for 2023 was adopted in the amount of \$74.8 million which represents an increase of \$1.86 million, or 2.56 percent from the prior fiscal year. This is a modest increase based on the difficult economic environment in which the Town and the State of Rhode Island have been operating coupled with continued stressors related to the Coronavirus pandemic and the inflationary pressures from the federal government.
- The Town is receiving \$3.9 million over the next two years from the federal American Rescue Plan Act and has begun planning investments in capital projects which are consistent with the Final Rule as issued by the Federal Government pertaining to mitigation and prevention of the spread of COVID-19, infrastructure investments related to broadband, sewer and public safety initiatives. The proposed plan addresses the Town's comprehensive plan and considers climate change resiliency projects as well as the Federal Highway Safe Streets initiative. This plan was presented to the Town Council and has been formally adopted although changes can be made before December, 2024.
- Property tax revenues for the fiscal year 2023 reflect a decrease in the Town's tax levy of \$500 thousand than the previous fiscal year. Due to the elimination of the motor vehicle tax, the town's net taxable levy decreased by \$109.3 million in fiscal year 2023. The residential property tax rate increased from \$21.01 to \$21.42, commercial property tax rate increased from \$23.25 to \$24.16, and personal property tax rate increased from \$30.23 to \$31.77 per thousand dollars of assessed value. A \$2,500 personal property tax rate exemption was approved which resulted in 141 small business having no tax liability. Total flexible taxable property increased by \$18.6 million from \$2.684 billion to \$2.702 billion.

All of these factors were considered in preparing the Town of East Greenwich's budget for the 2023 fiscal year.

Requests for Information

This financial report is designed to provide a general overview of the Town of East Greenwich's finances for all those with an interest in the Town's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Finance Director, PO Box 111, 125 Main Street, East Greenwich, Rhode Island, 02818.

BASIC FINANCIAL STATEMENTS

TOWN OF EAST GREENWICH, RHODE ISLAND
STATEMENT OF NET POSITION
JUNE 30, 2022

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current Assets:			
Cash and Cash Equivalents	\$ 22,260,991	\$ 59,158	\$ 22,320,149
Receivables, Net of Allowance for Uncollectibles	3,923,627	2,134,494	6,058,121
Internal Balances	2,487,908	(2,487,908)	-
Inventories	-	5,086	5,086
Prepaid Items	580,197	-	580,197
Total Current Assets	<u>29,252,723</u>	<u>(289,170)</u>	<u>28,963,553</u>
Noncurrent Assets:			
Sewer Assessment Receivable	-	3,198,940	3,198,940
Net Pension Asset	12,828,004	272,814	13,100,818
Capital Assets Not Being Depreciated	7,222,675	2,150,358	9,373,033
Capital Assets, Net of Accumulated Depreciation and Amortization	75,332,508	34,042,741	109,375,249
Total Noncurrent Assets	<u>95,383,187</u>	<u>39,664,853</u>	<u>135,048,040</u>
Total Assets	124,635,910	39,375,683	164,011,593
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Charge on Refunding	-	149,074	149,074
Deferred Outflows of Resources Related to Pensions	10,330,880	40,905	10,371,785
Deferred Outflows of Resources Related to OPEB	4,821,280	42,360	4,863,640
Total Deferred Outflows of Resources	<u>15,152,160</u>	<u>232,339</u>	<u>15,384,499</u>
LIABILITIES			
Current Liabilities:			
Accounts Payable	2,636,438	319,106	2,955,544
Accrued Liabilities	4,525,213	74,612	4,599,825
Unearned Revenue	1,596,934	21,509	1,618,443
Total Current Liabilities	<u>8,758,585</u>	<u>415,227</u>	<u>9,173,812</u>
Noncurrent Liabilities:			
Due Within One Year	4,533,986	2,030,089	6,564,075
Due in More Than One Year	99,160,232	11,310,715	110,470,947
Total Noncurrent Liabilities	<u>103,694,218</u>	<u>13,340,804</u>	<u>117,035,022</u>
Total Liabilities	112,452,803	13,756,031	126,208,834
DEFERRED INFLOWS OF RESOURCES			
Deferred Charge on Refunding	101,743	-	101,743
Deferred Inflows of Resources Related to Pensions	22,261,894	319,437	22,581,331
Deferred Inflows of Resources Related to OPEB	12,886,455	123,557	13,010,012
Deferred Inflows of Resources Related to Leases	466,399	-	466,399
Total Deferred Inflows of Resources	<u>35,716,491</u>	<u>442,994</u>	<u>36,159,485</u>
NET POSITION			
Net Investment in Capital Assets	42,022,494	23,279,706	65,302,200
Restricted for:			
Pensions	12,828,004	272,814	13,100,818
Public Safety	395,072	-	395,072
Education	256,901	-	256,901
Debt Service	-	3,347,018	3,347,018
Trust Purposes:			
Nonexpendable	350,249	-	350,249
Unrestricted	(64,233,944)	(1,490,541)	(65,724,485)
Total Net Position	<u>\$ (8,381,224)</u>	<u>\$ 25,408,997</u>	<u>\$ 17,027,773</u>

See accompanying Notes to Financial Statements.

**TOWN OF EAST GREENWICH, RHODE ISLAND
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2022**

Function/Program Activities	Expenses	Program Revenues			Net Revenue (Expense) and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Primary Government:							
Governmental Activities:							
General Government	\$ 3,692,043	\$ 1,740,014	\$ 2,194,518	\$ 47,288	\$ 289,777	\$ -	\$ 289,777
Public Safety	11,286,327	1,149,762	276,952	90,838	(9,768,775)	-	(9,768,775)
Public Works	4,356,174	211,459	-	-	(4,144,715)	-	(4,144,715)
Cultural and Recreation	1,602,754	613,558	92,613	-	(896,583)	-	(896,583)
Health and Welfare	-	8,315	185	-	8,500	-	8,500
Education	45,978,505	136,466	7,953,528	591,327	(37,297,184)	-	(37,297,184)
Interest and Fiscal Charges	1,207,904	-	-	-	(1,207,904)	-	(1,207,904)
Total Governmental Activities	68,123,707	3,859,574	10,517,796	729,453	(53,016,884)	-	(53,016,884)
Business-Type Activities:							
Sewer	4,104,270	3,520,423	82,021	-	-	(501,826)	(501,826)
School Lunch	850,881	-	1,173,705	-	-	322,824	322,824
Total Business-Type Activities	4,955,151	3,520,423	1,255,726	-	-	(179,002)	(179,002)
Total	\$ 73,078,858	\$ 7,379,997	\$ 11,773,522	\$ 729,453	(53,016,884)	(179,002)	(53,195,886)
GENERAL REVENUES							
Property Taxes					60,780,118	-	60,780,118
Unrestricted Investment Earnings					75,055	-	75,055
Grants and Contributions Not Restricted to a Specific Program					1,561,741	-	1,561,741
Miscellaneous					113,285	-	113,285
Total General Revenues					62,530,199	-	62,530,199
CHANGE IN NET POSITION							
					9,513,315	(179,002)	9,334,313
Net Position - Beginning of Year					(17,894,539)	25,587,999	7,693,460
NET POSITION - END OF YEAR							
					\$ (8,381,224)	\$ 25,408,997	\$ 17,027,773

See accompanying Notes to Financial Statements.

TOWN OF EAST GREENWICH, RHODE ISLAND
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2022

	General	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS			
Cash and Cash Equivalents	\$ 19,634,280	\$ 2,626,711	\$ 22,260,991
Receivables, Net	2,602,903	1,320,724	3,923,627
Due from Other Funds	4,234,552	6,833,240	11,067,792
Prepaid Items	580,197	-	580,197
	<u>27,051,932</u>	<u>10,780,675</u>	<u>37,832,607</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
LIABILITIES			
Accounts Payable	\$ 743,836	\$ 1,892,602	\$ 2,636,438
Accrued Liabilities	4,166,168	165,942	4,332,110
Due to Other Funds	7,201,708	1,378,176	8,579,884
Unearned Revenue	-	1,596,934	1,596,934
Total Liabilities	<u>12,111,712</u>	<u>5,033,654</u>	<u>17,145,366</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenue - Property Taxes	1,261,524	-	1,261,524
Unavailable Revenue - Other Receivables	240,827	281,950	522,777
Deferred amounts related to Leases	-	466,399	466,399
Total Deferred Inflows of Resources	<u>1,502,351</u>	<u>748,349</u>	<u>2,250,700</u>
FUND BALANCES			
Nonspendable	580,197	350,249	930,446
Restricted	-	370,023	370,023
Committed	3,656,877	5,628,864	9,285,741
Assigned	28,590	-	28,590
Unassigned	9,172,205	(1,350,464)	7,821,741
Total Fund Balances	<u>13,437,869</u>	<u>4,998,672</u>	<u>18,436,541</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 27,051,932</u>	<u>\$ 10,780,675</u>	<u>\$ 37,832,607</u>

See accompanying Notes to Financial Statements.

TOWN OF EAST GREENWICH, RHODE ISLAND
BALANCE SHEET
GOVERNMENTAL FUNDS (CONTINUED)
JUNE 30, 2022

RECONCILIATION TO THE STATEMENT OF NET POSITION

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

Fund balances - total governmental funds (Exhibit III)	\$ 18,436,541
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:	
Governmental Capital Assets	157,941,824
Less: Accumulated Depreciation and Amortization	<u>(75,386,641)</u>
Net Capital Assets	82,555,183
Other long-term assets and deferred outflows of resources are not available to pay for current-period expenditures and, therefore, are deferred in the funds:	
Property Tax Receivables Greater Than 60 Days	1,261,524
Other Receivables Not Received Within 60 Days	522,777
Net Pension Asset	12,828,004
Deferred Outflows of Resources Related to Pensions	10,330,880
Deferred Outflows of Resources Related to OPEB	4,821,280
Long-term liabilities and deferred inflows of resources are not due and payable in the current period and, therefore, are not reported in the funds:	
Bonds Payable	(39,770,836)
Deferred Amount on Refunding	(101,743)
Deferred Inflows of Resources Related to Pensions	(22,261,894)
Deferred Inflows of Resources Related to OPEB	(12,886,455)
Interest Payable on Bonds	(193,103)
Compensated Absences	(1,945,204)
Lease Payable	(148,782)
Net Pension Liability	(33,474,471)
Net OPEB Liability	(20,556,036)
Total OPEB Liability	(7,141,870)
Claims and Judgments	<u>(657,019)</u>
Net Position of Governmental Activities (Exhibit I)	<u>\$ (8,381,224)</u>

TOWN OF EAST GREENWICH, RHODE ISLAND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2022

	General	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES			
Property Taxes, Interest, and Lien Fees	\$ 60,991,746	\$ -	\$ 60,991,746
Intergovernmental Revenues	8,826,108	5,053,431	13,879,539
Fines, Penalties, and Charges for Services	2,131,268	761,314	2,892,582
Licenses and Permits	856,504	-	856,504
Investment Income	64,883	10,172	75,055
Other Revenues	97,900	19,017	116,917
Total Revenues	<u>72,968,409</u>	<u>5,843,934</u>	<u>78,812,343</u>
EXPENDITURES			
Current:			
General Government	4,355,277	54,423	4,409,700
Public Safety	13,296,799	28,705	13,325,504
Public Works	3,732,853	7,841	3,740,694
Cultural and Recreation	1,156,989	370,742	1,527,731
Education	45,589,497	2,381,319	47,970,816
Debt Service:			
Principal Retirement	-	3,596,833	3,596,833
Lease Payments	94,016	-	94,016
Interest and Other Charges	-	1,376,567	1,376,567
Capital Outlay	235,430	2,650,335	2,885,765
Total Expenditures	<u>68,460,861</u>	<u>10,466,765</u>	<u>78,927,626</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	4,507,548	(4,622,831)	(115,283)
OTHER FINANCING SOURCES (USES)			
Issuance of leases	235,430	-	235,430
Transfers In	-	4,440,261	4,440,261
Transfers Out	(4,440,261)	-	(4,440,261)
Total Other Financing Sources (Uses)	<u>(4,204,831)</u>	<u>4,440,261</u>	<u>235,430</u>
NET CHANGE IN FUND BALANCES	302,717	(182,570)	120,147
Fund Balances - Beginning of Year	<u>13,135,152</u>	<u>5,181,242</u>	<u>18,316,394</u>
FUND BALANCES - END OF YEAR	<u>\$ 13,437,869</u>	<u>\$ 4,998,672</u>	<u>\$ 18,436,541</u>

See accompanying Notes to Financial Statements.

**TOWN OF EAST GREENWICH, RHODE ISLAND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS (CONTINUED)
YEAR ENDED JUNE 30, 2022**

RECONCILIATION TO THE STATEMENT OF ACTIVITIES

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

Net change in fund balances - total governmental funds (Exhibit IV)	\$ 120,147
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Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation and amortization expense.

Capital Outlay	1,980,336
Depreciation and Amortization Expense	(3,142,268)
Loss on Disposition of Capital Assets	(437)

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

Property Taxes Collected After 60 Days	(211,628)
Other Receivables Collected After 60 Days	110,487
Change in Net Pension Asset	7,506,636
Change in Deferred Outflows of Resources Related to Pensions	(3,148,181)
Change in Deferred Outflows of Resources Related to OPEB	(600,107)

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

Principal Payments on Bonds	3,596,833
Issuance of Leases	(235,430)
Principal Payments on Leases	86,648

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

Change in Deferred Inflows of Resources Related to Pensions	(15,622,862)
Change in Deferred Inflows of Resources Related to OPEB	(5,551,124)
Amortization of Bond Premiums	173,547
Accrued Interest	(3,591)
Amortization of Deferred Amount of Refunding	6,076
Change in Long-Term Compensated Absences	(163,634)
Change in Net Pension Liability	16,870,084
Change in Net OPEB Liability	7,103,693
Change in Total OPEB Liability	424,931
Change in Claims and Judgments	213,159

Change in Net Position of Governmental Activities (Exhibit II)	<u>\$ 9,513,315</u>
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TOWN OF EAST GREENWICH, RHODE ISLAND
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2022

	Business-Type Activities - Enterprise Funds		
	Major	Nonmajor	Total
	Sewer	School Lunch	
ASSETS			
Current Assets:			
Cash and Cash Equivalents	\$ -	\$ 59,158	\$ 59,158
Accounts and Other Receivables, Net	2,028,246	106,248	2,134,494
Due from Other Funds	-	368,468	368,468
Inventories	-	5,086	5,086
Total Current Assets	<u>2,028,246</u>	<u>538,960</u>	<u>2,567,206</u>
Noncurrent Assets:			
Long-Term Sewer Assessment Receivables	3,198,940	-	3,198,940
Net Pension Asset	272,814	-	272,814
Capital Assets Not Being Depreciated	2,150,358	-	2,150,358
Capital Assets, Net of Accumulated Depreciation	<u>34,042,741</u>	<u>-</u>	<u>34,042,741</u>
Total Noncurrent Assets	<u>39,664,853</u>	<u>-</u>	<u>39,664,853</u>
Total Assets	41,693,099	538,960	42,232,059
DEFERRED INFLOWS OF RESOURCES			
Deferred Charge on Refunding	149,074	-	149,074
Deferred Outflows of Resources Related to Pensions	40,905	-	40,905
Deferred Outflows of Resources Related to OPEB	<u>42,360</u>	<u>-</u>	<u>42,360</u>
Total Deferred Outflows of Resources	<u>232,339</u>	<u>-</u>	<u>232,339</u>
LIABILITIES			
Current Liabilities:			
Accounts Payable	237,274	81,832	319,106
Accrued Liabilities	74,612	-	74,612
Due to Other Funds	2,856,376	-	2,856,376
Unearned Revenue	-	21,509	21,509
Current Portion of Compensated Absences	18,809	-	18,809
Current Portion of Long-Term Debt	<u>2,011,280</u>	<u>-</u>	<u>2,011,280</u>
Total Current Liabilities	<u>5,198,351</u>	<u>103,341</u>	<u>5,301,692</u>
Noncurrent Liabilities:			
Compensated Absences	38,189	-	38,189
Long-Term Debt After One Year	<u>11,272,526</u>	<u>-</u>	<u>11,272,526</u>
Total Noncurrent Liabilities	<u>11,310,715</u>	<u>-</u>	<u>11,310,715</u>
Total Liabilities	16,509,066	103,341	16,612,407
DEFERRED INFLOWS OF RESOURCES			
Deferred Inflows of Resources Related to Pensions	319,437	-	319,437
Deferred Inflows of Resources Related to OPEB	<u>123,557</u>	<u>-</u>	<u>123,557</u>
Total Deferred Inflows of Resources	<u>442,994</u>	<u>-</u>	<u>442,994</u>
NET POSITION			
Net Investment in Capital Assets	23,279,706	-	23,279,706
Restricted for:			
Pensions	272,814	-	272,814
Debt Service	3,347,018	-	3,347,018
Unrestricted	<u>(1,926,160)</u>	<u>435,619</u>	<u>(1,490,541)</u>
Total Net Position	<u>\$ 24,973,378</u>	<u>\$ 435,619</u>	<u>\$ 25,408,997</u>

See accompanying Notes to Financial Statements.

TOWN OF EAST GREENWICH, RHODE ISLAND
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2022

	Business-Type Activities - Enterprise Funds		
	Major	Nonmajor	
	Sewer	School Lunch	Total
OPERATING REVENUES			
Charges for Services	\$ 3,386,830	\$ -	\$ 3,386,830
Sewer Assessments and Interest Income	133,593	-	133,593
Total Operating Revenues	<u>3,520,423</u>	<u>-</u>	<u>3,520,423</u>
OPERATING EXPENSES			
Salaries and Benefits	767,821	-	767,821
Materials and Supplies	119,374	-	119,374
Contract Services	579,916	-	579,916
Repairs and Maintenance	83,656	-	83,656
Utilities	203,829	-	203,829
Administrative Expenses	437,261	-	437,261
Depreciation and Amortization	1,608,168	-	1,608,168
School Lunch Operations	-	850,881	850,881
Total Operating Expenses	<u>3,800,025</u>	<u>850,881</u>	<u>4,650,906</u>
OPERATING LOSS	(279,602)	(850,881)	(1,130,483)
NONOPERATING REVENUES (EXPENSES)			
Intergovernmental	82,021	1,173,705	1,255,726
Interest Expense	(304,245)	-	(304,245)
Total Nonoperating Revenues (Expenses)	<u>(222,224)</u>	<u>1,173,705</u>	<u>951,481</u>
CHANGE IN NET POSITION	(501,826)	322,824	(179,002)
Net Position - Beginning of Year, as Restated	<u>25,475,204</u>	<u>112,795</u>	<u>25,587,999</u>
NET POSITION - END OF YEAR	<u>\$ 24,973,378</u>	<u>\$ 435,619</u>	<u>\$ 25,408,997</u>

See accompanying Notes to Financial Statements.

TOWN OF EAST GREENWICH, RHODE ISLAND
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2022

	Business-Type Activities - Enterprise Funds		
	Major	Nonmajor	Total
	Sewer	School Lunch	
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Customers and Users	\$ 4,164,357	\$ (5,661)	\$ 4,158,696
Payments to Suppliers for Goods and Services	(1,344,170)	(1,168,044)	(1,587,925)
Cash Paid to Employees	(419,881)	-	(1,344,170)
Net Cash Provided (Used) by Operating Activities	<u>2,400,306</u>	<u>(1,173,705)</u>	<u>1,226,601</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Payments received on interfund borrowings	1,454,026	-	1,454,026
Grants	82,021	1,173,705	1,255,726
Net Cash Provided by Noncapital Financing Activities	<u>1,536,047</u>	<u>1,173,705</u>	<u>2,709,752</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition and Construction of Capital Assets	(1,790,648)	-	(1,790,648)
Principal Paid on Bonds and Notes Payable	(1,974,884)	-	(1,974,884)
Interest Paid on Bonds	(331,066)	-	(331,066)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(4,096,598)</u>	<u>-</u>	<u>(4,096,598)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	<u>(160,245)</u>	<u>-</u>	<u>(160,245)</u>
Cash and Cash Equivalents - Beginning of Year	<u>160,245</u>	<u>59,158</u>	<u>219,403</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ -</u>	<u>\$ 59,158</u>	<u>\$ 59,158</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating Loss	\$ (279,602)	\$ (850,881)	\$ (1,130,483)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Depreciation	1,608,168	-	1,608,168
Change in Assets and Liabilities:			
(Increase) Decrease in Accounts Receivable	52,236	(13,997)	38,239
(Increase) Decrease in Due from Other Funds	-	(326,226)	(326,226)
(Increase) Decrease in Sewer Assessment Receivables	591,698	-	591,698
(Increase) Decrease in Net Pension Asset	(272,814)	-	(272,814)
(Increase) Decrease in Deferred Outflows related to Pension	(40,905)	-	(40,905)
(Increase) Decrease in Deferred Outflows related to OPEB	(42,360)	-	(42,360)
Increase (Decrease) in Accounts Payable and Accrued Liabilities	103,375	9,063	112,438
Increase (Decrease) in Unearned Revenue	-	8,336	8,336
Increase (Decrease) in Compensated Absences	16,177	-	16,177
Increase (Decrease) in Net OPEB Liability	221,339	-	221,339
Increase (Decrease) in Deferred Inflows related to Pension	319,437	-	319,437
Increase (Decrease) in Deferred Inflows related to OPEB	123,557	-	123,557
Total Adjustments	<u>2,679,908</u>	<u>(322,824)</u>	<u>2,357,084</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 2,400,306</u>	<u>\$ (1,173,705)</u>	<u>\$ 1,226,601</u>

See accompanying Notes to Financial Statements.

**TOWN OF EAST GREENWICH, RHODE ISLAND
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2022**

	OPEB Trust Fund
ASSETS	
Investments:	
Mutual Funds	\$ 3,621,320
Total Assets	3,621,320
 NET POSITION	
Restricted for OPEB Benefits	\$ 3,621,320

See accompanying Notes to Financial Statements.

**TOWN OF EAST GREENWICH, RHODE ISLAND
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
YEAR ENDED JUNE 30, 2022**

	OPEB Trust Fund
ADDITIONS	
Employer Contributions	\$ 827,853
Net Change in Fair Value of Investments	(564,680)
Total Additions	263,173
DEDUCTIONS	
Benefit Payments	827,853
Total Deductions	827,853
CHANGE IN NET POSITION	(564,680)
Net Position - Beginning of Year	4,186,000
NET POSITION - END OF YEAR	\$ 3,621,320

See accompanying Notes to Financial Statements.

TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Town of East Greenwich, Rhode Island (the Town) have been prepared in conformity with accounting principles generally accepted in the United States of America (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 more significant policies of the Town are described below.

A. Reporting Entity

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

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

Accounting principles generally accepted in the United State of America require that the reporting entity include the primary government, organizations for which the primary government is financially accountable, and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. A government is financially accountable for a legally separate organization if it appoints a voting majority of the organization's governing body and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the government. These criteria have been considered and have resulted in the inclusion of the fiduciary component unit as detailed below.

Fiduciary Component Units

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

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

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Town and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Government-Wide and Fund Financial Statements (Continued)

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

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

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Town considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital asset acquisitions, including entering into contracts giving the Town the right to use lease assets, are reported as expenditures in governmental funds. Issuance of long-term debt and financing through leases are reported as other financing sources.

Property taxes, charges for services, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the Town.

TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation
(Continued)**

The Town reports the following major governmental fund:

General Fund

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

The Town reports the following major proprietary fund:

Sewer Fund

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

Additionally, the Town reports the following fund types:

OPEB Trust Fund

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

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments in lieu of taxes and other charges between certain Town functions because the elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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

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

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

TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Deposits and Investments

The government's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

Investments for the government are reported at fair value (generally based on quoted market prices).

E. Receivables and Payables

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

Property Taxes Receivable

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

Taxes levied during July are payable in quarterly installments on September 1, December 1, March 1 and June 1, or on September 1, if paid in one payment. Unpaid property taxes at June 30, 2022 include delinquent installments of the current and prior years. The Town does not record interest earned on delinquent taxes until payment is received.

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

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

TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. Inventories and Prepaid Items

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

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

G. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items), are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and with a useful life of greater than one (1) year excluding building improvements and infrastructure. Building improvements require initial individual cost of more than \$10,000 with a useful life greater than one (1) year. Infrastructure assets require initial individual cost of more than \$10,000 with a useful life greater than five (5) years.

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

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

Land Improvements	15 Years
Buildings	30 to 50 Years
Right-to-Use Building	2 Years
Building Improvements	10 to 40 Years
Machinery and Equipment	5 to 30 Years
Right-to-Use Computer Equipment	1 to 3 Years
Vehicles	5 to 10 Years
Infrastructure	20 to 50 Years

TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Leases

Lessee

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

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

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

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

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

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

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

TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Leases (Continued)

Lessor

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

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

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

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

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

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

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

TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets or fund balance that applies to a future period or periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Town reports deferred outflows related to pension and OPEB in the government-wide statement of net position and a deferred charge on refunding on the enterprise funds. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. A deferred outflow of resources related to pension/OPEB results from differences between expected and actual experience, changes in assumptions or other inputs and net difference between projected and actual earning on pension/OPEB investments. These amounts are deferred and included in pension/OPEB expense in a systematic and rational manner over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension plan (active employees and inactive employees), or in the case of the difference in projected and actual earnings on pension and OPEB plan investments, over a systematic and rational method over a closed five-year period.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets or fund balance that applies to a future period or periods and so will not be recognized as an inflow of resources (revenue) until that time. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The Town reports deferred inflow of resources related to pensions and OPEB in the government-wide statement of net position. A deferred inflow of resources related to pension/OPEB results from differences between expected and actual experience, changes in assumptions or other inputs and net difference between projected and actual earning on pension investments. These amounts are deferred and included in pension/OPEB expense in a systematic and rational manner over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension plan (active employees and inactive employees), or in the case of the difference in projected and actual earnings on pension and OPEB plan investments, over a systematic and rational method over a closed five-year period. For governmental funds, the Town reports unavailable revenue, which arises only under the modified accrual basis of accounting. The governmental funds report unavailable revenues from property taxes and other receivables. These amounts are deferred and recognized as an inflow of resources (revenue) in the period in which the amounts become available. The statement of net position and the governmental funds balance sheet also report a deferred inflow of resources related to leases.

TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

J. Compensated Absences

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

K. Long-Term Obligations

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

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

L. Pensions

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

TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Postemployment Benefits Other than Pension (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Town of East Greenwich, Rhode Island, OPEB Trust Fund and additions to/deductions from OPEB Trust Plan's fiduciary net position have been determined on the same basis as they are reported by the OPEB Trust Fund. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

N. Equity

Equity in the government-wide financial statements, proprietary funds and fiduciary fund financial statements, is defined as "net position" and is classified in the following categories:

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

Restricted – Restrictions are externally imposed by creditors (such as through debt covenants), grantors, contributors or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

Unrestricted – This component consists of net position that does not meet the definition of "restricted" or "net investment in capital assets."

When both restricted and unrestricted resources are available for use, it is the Town's policy to use restricted resources first, then unrestricted resources as they are needed.

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

Nonspendable Fund Balance – This represents amounts that cannot be spent due to form (e.g., inventories and prepaid amounts).

Restricted Fund Balance – This represents amounts constrained for a specific purpose by external parties, such as grantors, creditors, contributors, or laws and regulations of their governments.

TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

N. Equity (Continued)

Committed Fund Balance – This represents amounts constrained for a specific purpose imposed by formal action of the government’s highest level of decision-making authority. Those committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of action it employed to previously commit those amounts. The Town Council is the highest level of decision-making authority and utilizes Town Ordinances as a formal procedure to commit fund balance.

Assigned Fund Balance – This represents amounts constrained for the intent to be used for a specific purpose by the Finance Director which has been delegated authority by the Town Council.

Unassigned Fund Balance – This represents fund balance in the General Fund in excess of nonspendable, restricted, committed and assigned fund balance. If another governmental fund has a fund balance deficit, it is reported as a negative amount in unassigned fund balance.

Fund Balance Policies – Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government’s policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

O. Accounting 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 disclosures 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.

TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

P. Adoption of New Accounting Standards

In June 2017, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 87, Leases. This standard requires the recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and as inflows of resources or outflows of resources recognized based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this standard, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources.

The Town adopted the requirements of the guidance effective July 1, 2021, and has applied the provisions of this standard to the beginning of the period of adoption.

Effective with the adoption of this standard, the Town recorded a lease receivable and a deferred inflow of resources of \$170,342 and a right to use asset and a lease liability of \$235,430.

NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

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

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

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

TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONTINUED)

B. Excess of Expenditures Over Appropriations

For the year ended June 30, 2022, expenditures exceeded appropriations for the following functions:

<u>Function</u>	<u>Expenditures in Excess of Appropriations</u>
Public Safety	\$ 3,221
Senior and Human Services	2,295
Transfers to Other Funds	590,000

Excess expenditures over appropriations occurred within the following functions, Public Safety, Senior and Human Services, and Transfer to Other Funds. The excess expenditures in Senior and Human Services were attributed to a payout of accrued time, Public Safety was related to overtime, and the Transfer to Other Funds is associated with yearend recommendations to fund capital reserves as outlined in the six-year capital improvement plan.

C. Deficit Fund Equity and Accumulated Deficits

The following funds had fund deficits as of June 30, 2022:

<u>Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Fund Deficit</u>
EDC Fund	Special Revenue Fund	\$ 171
IDEA Part B	Special Revenue Fund	21
52M Capital Fund	Capital Project Fund	396,680
Swift Community Center Improvements	Capital Project Fund	446
Bond Fund	Capital Project Fund	953,146

The fund deficit for the EDC Fund is expected to be funded through additional support from the General Fund if needed. The fund deficit for IDEA Part B is expected to be funded through external contributions. The funding of the deficit for the 52M Capital Fund will be remediated with the 2022 bond issue. The funding of the deficit for the Bond Fund will be remediated with the issuance of a direct placement bond with Rhode Island Infrastructure Bank. The fund deficit for the Swift Community Center Improvement fund will be funded through a transfer from the general fund.

TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 3 CASH AND INVESTMENTS

Pursuant to Section 35-10.1 of the Rhode Island General Laws, as of October 1, 1991, public deposit institutions are required to insure accounts that hold public funds in excess of the \$250,000 which is guaranteed by FDIC.

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

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

A. Deposits

Substantially all of the Town's cash and cash equivalents are held in public deposit institutions. Pursuant to Section 35-10.1 of the Rhode Island General Laws, as of October 1, 1991, public deposit institutions are required to insure accounts that hold public funds in excess of the \$250,000 which is guaranteed by FDIC.

Deposit Custodial Credit Risk

Custodial credit risk in the case of deposits is the risk that in the event of a bank failure, the government's deposits may not be returned. Deposits are limited by State Law and Town Policy and additionally may have more than fifty percent of the Town's average monthly expenses invested in the same institution. The Town's policy is also to require full collateralization of all Town investments and funds on deposit not otherwise insured. As such, the entire bank balance of the Town as of June 30, 2022 of \$23,060,193 was insured or collateralized.

**TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

B. Investments

As of June 30, 2022, the Town's investments of \$3,621,320 are comprised entirely of mutual funds. The mutual funds were unrated.

Interest Rate Risk

This is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. The Town does not have an interest rate policy. The Town does not have any investments that are subject to interest rate risk for the fiscal year ended June 30, 2022. If applicable, information about the exposure of the Town's debt type investments to this risk is reported using the segment time distribution model.

Credit Risk

Generally, credit risk is the risk that an issuer of a debt type investment will not fulfill its obligation to the holder of the investment. This is measured by assignment of a rating by a nationally recognized rating organization. U.S. Government securities or obligations explicitly guaranteed by the U.S. Government are not considered to have credit risk exposure. The Town did not have any debt type investments that were exposed to credit risk as of June 30, 2022.

Custodial Credit Risk

For an investment, this is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. At June 30, 2022, the Town did not have any uninsured and unregistered securities held by the counterparty, or by its trust department or agent that were not in the Town's name.

Fair Value Disclosure

The Town categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements); followed by quoted prices in inactive markets or for similar assets or with observable inputs (Level 2 measurements); and the lowest priority to unobservable inputs (Level 3 measurements). The Town has the following recurring fair value measurements as of June 30, 2022:

	June 30, 2022	Fair Value Measurements Using		
		Level 1	Level 2	Level 3
Investments by Fair Value Level:				
Mutual Funds	\$ 3,621,320	\$ 3,621,320	\$ -	\$ -

TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

B. Investments (Continued)

Mutual funds classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities.

NOTE 4 RECEIVABLES

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

	General	Sewer	Nonmajor Governmental and Other Funds	Total
Receivables:				
Accounts	\$ 440,379	\$ 1,930,168	\$ -	\$ 2,370,547
Property Taxes	2,045,236	-	-	2,045,236
Tax Liens	-	-	-	-
Intergovernmental	113,102	-	847,114	960,216
Special Assessments	-	3,347,018	-	3,347,018
Lease	-	-	473,613	473,613
Other	63,039	-	106,245	169,284
Gross Receivables	<u>2,661,756</u>	<u>5,277,186</u>	<u>1,426,972</u>	<u>9,365,914</u>
Less: Allowance for Uncollectibles	<u>(58,853)</u>	<u>(50,000)</u>	<u>-</u>	<u>(108,853)</u>
Net Total Receivables	<u><u>\$ 2,602,903</u></u>	<u><u>\$ 5,227,186</u></u>	<u><u>\$ 1,426,972</u></u>	<u><u>\$ 9,257,061</u></u>

The intergovernmental receivable related to the nonmajor governmental and other funds of \$847,114 includes a receivable of \$281,950 related to a national opioid settlement with three major opioid distributors. The receivable is not expected to be collected within a year.

NOTE 5 LEASE RECEIVABLES

The Town, acting as lessor, leases real property under long-term, non-cancelable lease agreements. The leases expire at various dates through 2027 and some leases may provide for a renewal option for one additional five-year term. During the year ended June 30, 2022, the Town recognized \$70,754 and \$9,920 in lease revenue and interest revenue, respectively, pursuant to these contracts.

TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 5 LEASE RECEIVABLES (CONTINUED)

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

	Governmental Activities		
	Principal	Interest	Total
2023	\$ 119,735	\$ 17,339	\$ 137,074
2024	127,775	12,086	139,861
2025	88,782	7,315	96,097
2026	77,219	4,056	81,275
2027	60,102	853	60,955
Total	\$ 473,613	\$ 41,649	\$ 515,262

NOTE 6 INTERFUND RECEIVABLES AND PAYABLES AND TRANSFERS

A. Interfund Receivables and Payables

The composition of interfund balances as of June 30, 2022 is as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Sewer Fund	\$ 2,856,376
	Nonmajor Governmental Funds	1,378,176
Nonmajor Governmental Funds	General Fund	6,833,240
School Lunch Fund	General Fund	368,468
Total		\$ 11,436,260

The outstanding balances between funds result mainly from advances from one fund (primarily the General Fund) to another fund. The advances may represent balances resulting from operating advances or reimbursement for expenditures paid by one fund on behalf of another fund.

B. Interfund Transfers

The composition of interfund transfers for the year ended June 30, 2022 is as follows:

	Transfers In
	Nonmajor
	Governmental
	Funds
Transfers Out:	
General	\$ 4,440,261

During the year, transfers are used to provide a financing source to various funds that may not have the ability to cover all operating costs with revenue generated by the fund.

TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 7 CAPITAL ASSETS

Capital assets activity for the year ended June 30, 2022 for governmental activity was as follows:

	Beginning Balance	Adjustments/ Increases*	Adjustments/ Decreases	Ending Balance
Governmental Activities:				
Capital Assets Not Being Depreciated:				
Land	\$ 6,843,533	\$ -	\$ -	\$ 6,843,533
Construction in Progress	202,308	384,377	207,543	379,142
Total Capital Assets Not Being Depreciated	7,045,841	384,377	207,543	7,222,675
Capital Assets Being Depreciated and Amortized:				
Infrastructure	37,655,858	497,044	-	38,152,902
Buildings and Improvements	87,010,767	302,452	-	87,313,219
Land Improvements	10,114,694	275,259	-	10,389,953
Office Furniture and Equipment	716,798	60,756	-	777,554
Motor Vehicles	8,761,916	148,952	116,904	8,793,964
Right-to-Use Lease Building	-	42,405	-	42,405
Right-to-Use Lease Computer Equipment	-	193,025	-	193,025
Machinery and Equipment	4,785,888	283,609	13,370	5,056,127
Total Capital Assets Being Depreciated and Amortized	149,045,921	1,803,502	130,274	150,719,149
Less: Accumulated Depreciation and Amortization for:				
Infrastructure	36,497,438	53,125	-	36,550,563
Buildings and Improvements	23,541,144	1,896,644	-	25,437,788
Land Improvements	3,366,340	376,505	-	3,742,845
Office Furniture and Equipment	507,478	30,812	-	538,290
Motor Vehicles	5,194,115	482,742	115,461	5,561,396
Right-to-Use Lease Building	-	16,962	-	16,962
Right-to-Use Lease Computer Equipment	-	61,958	-	61,958
Machinery and Equipment	3,267,695	223,520	14,376	3,476,839
Total Accumulated Depreciation and Amortization	72,374,210	3,142,268	129,837	75,386,641
Total Assets Being Depreciated and Amortized, Net	76,671,711	(1,338,766)	437	75,332,508
Governmental Activities Capital Assets, Net	\$ 83,717,552	\$ (954,389)	\$ 207,980	\$ 82,555,183

*Adjustments/Increases during the year ended June 30, 2022 include amounts related to the implementation of GASB Statement No. 87.

TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 7 CAPITAL ASSETS (CONTINUED)

Depreciation and amortization expense was charged to the functions of the governmental activities of the primary government as follows:

Governmental Activities:	
General Government	\$ 101,480
Public Safety	570,821
Public Works	742,696
Cultural and Recreation	96,272
Education	1,630,999
Total	<u>\$ 3,142,268</u>

Capital assets activity for the year ended June 30, 2022 for business-type activity was as follows:

	Beginning Balance	Adjustments/ Increases	Adjustments/ Decreases	Ending Balance
Business-Type Activities:				
Capital Assets Not Being Depreciated:				
Land	\$ 15,372	\$ -	\$ -	\$ 15,372
Construction in Progress	344,338	1,790,648	-	2,134,986
Total Capital Assets Not Being Depreciated	<u>359,710</u>	<u>1,790,648</u>	<u>-</u>	<u>2,150,358</u>
Capital Assets Being Depreciated:				
Building	20,826,147	-	-	20,826,147
Building Improvements	3,232,433	-	-	3,232,433
Equipment and Fixtures	3,773,479	-	-	3,773,479
Motor Vehicles	544,067	-	-	544,067
Infrastructure	32,376,713	-	-	32,376,713
Total Capital Assets Being Depreciated	<u>60,752,839</u>	<u>-</u>	<u>-</u>	<u>60,752,839</u>
Less: Accumulated Depreciation for:				
Building	12,204,047	449,762	-	12,653,809
Building Improvements	242,340	132,947	-	375,287
Equipment and Fixtures	997,367	174,813	-	1,172,180
Motor Vehicles	253,934	41,616	-	295,550
Infrastructure	11,404,242	809,030	-	12,213,272
Total Accumulated Depreciation	<u>25,101,930</u>	<u>1,608,168</u>	<u>-</u>	<u>26,710,098</u>
Total Assets Being Depreciated, Net	<u>35,650,909</u>	<u>(1,608,168)</u>	<u>-</u>	<u>34,042,741</u>
Business-Type Activities Capital Assets, Net	<u>\$ 36,010,619</u>	<u>\$ 182,480</u>	<u>\$ -</u>	<u>\$ 36,193,099</u>

Depreciation was charged to the following business-type activities of the primary government as follows:

Business-Type Activities:	
Sewer	<u>\$ 1,608,168</u>

**TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 8 LONG-TERM LIABILITIES

A. General Obligation Bonds

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

General obligation bonds outstanding at June 30, 2022 are as follows:

Description	Date of Issue	Date of Maturity	Interest Rate (%)	Amount of Original Issue	Balance Outstanding June 30, 2022
Governmental Activities:					
General Obligation Bonds:					
General Obligation Bond 2020	07/03/20	07/30/27	1.12%	\$ 3,485,000	\$ 3,000,000
Directly Placed Debt:					
Health and Education Building Corp	02/02/12	06/30/37	2.5% - 5.0%	35,640,000	-
Health and Education Building Corp	11/15/10	05/15/29	0.897%	10,635,000	4,135,836
Improvements to Briggs-Boesch - Private	07/10/14	07/01/25	2.09%	350,000	100,000
RI Infrastructure Water Road & Bridge	05/25/15	09/01/24	.023% - 1.73%	2,000,000	700,000
Road & Bridge Revolving Loan	05/30/17	09/01/36	1.76%	5,000,000	4,095,000
Health and Education Building Corp	10/22/20	05/15/37	1.99%	29,655,000	27,740,000
Total Directly Placed Debt				<u>83,280,000</u>	<u>36,770,836</u>
Total Governmental Activities				86,765,000	39,770,836
Business Type Activities:					
General Obligation Bonds:					
Refunding Bond	09/08/16	10/01/28	2.75% - 4.0%	5,055,000	2,015,000
Directly Placed Debt:					
RI Infrastructure Bank	10/30/02	09/01/22	3.90%	11,100,000	721,280
RI Infrastructure Bank	12/21/06	09/01/27	1.27%	7,600,000	2,563,000
RI Infrastructure Bank	09/14/09	09/01/29	0.41% - 2.68%	2,900,000	1,337,000
RI Infrastructure Bank	06/02/16	09/01/35	0.31% - 2.24%	6,000,000	4,607,000
RI Infrastructure Bank	06/10/10	09/01/31	0.61% - 3.25%	3,000,000	1,710,000
Total Directly Placed Debt				<u>30,600,000</u>	<u>10,938,280</u>
Total Business-Type Activities				35,655,000	12,953,280
Total Outstanding				<u>\$ 122,420,000</u>	<u>\$ 52,724,116</u>

B. Legal Debt Margin

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

TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 8 LONG-TERM LIABILITIES (CONTINUED)

B. Legal Debt Margin (Continued)

Of the Town's \$52,724,116 total bonds payable (including bonds payable for the sewer enterprise fund), approximately \$13,012,778 is subject to its legal debt limits. The \$52,724,116 outstanding does not exceed the Town's legal debt limit of \$82,927,294, which is 3% of the assessed value (\$2,764,243,129) of taxable property of the Town as of December 31, 2020. The total long-term debt bond obligations of the Town of \$52,724,116 represent approximately 1.91% of the assessed value of the taxable property of the Town at June 30, 2022 (assessment date December 31, 2020).

C. Authorized But Unissued Bond Authority

The Town has the following remaining authorized but unissued bond authority as of June 30, 2022:

Purpose	Authority Amount	Issued	Authorized and Unissued
School Improvements	\$ 57,276,000	\$ 47,060,000	\$ 10,216,000
Public Buildings	4,000,000	3,050,000	950,000
Sewer Treatment System	4,500,000	-	4,500,000
Total	<u>\$ 65,776,000</u>	<u>\$ 50,110,000</u>	<u>\$ 15,666,000</u>

D. Changes in Long-Term Liabilities

Changes in the Town's long-term liabilities for the year ended June 30, 2022 are as follows:

	Beginning Balance	Additions*	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
Bonds Payable:					
Direct Placement Debt	\$ 39,882,669	\$ -	\$ 3,111,833	\$ 36,770,836	\$ 3,163,833
General Obligation Bonds	3,485,000	-	485,000	3,000,000	500,000
Issuance Premium on Debt	173,547	-	173,547	-	-
Total Bonds Payable	43,541,216	-	3,770,380	39,770,836	3,663,833
Compensated Absences	1,781,570	163,634	-	1,945,204	486,301
Leases Payable	-	235,430	86,648	148,782	99,364
Net Pension Liability	50,344,555	-	16,870,084	33,474,471	-
Net OPEB Liability	27,659,729	-	7,103,693	20,556,036	-
Total OPEB Liability	7,566,801	-	424,931	7,141,870	156,721
Claims and Judgments	870,178	-	213,159	657,019	127,767
Total Governmental Activities Long-Term Liabilities	<u>\$ 131,764,049</u>	<u>\$ 399,064</u>	<u>\$ 28,468,895</u>	<u>\$ 103,694,218</u>	<u>\$ 4,533,986</u>
Business-Type Activities:					
Bonds Payable:					
General Obligation Bonds	\$ 2,310,000	\$ -	\$ 295,000	\$ 2,015,000	\$ 295,000
Issuance Premium on Bonds	145,872	-	36,685	109,187	-
Total Bonds Payable	2,455,872	-	331,685	2,124,187	295,000
Direct Placement Debt	12,618,164	-	1,679,884	10,938,280	1,716,280
Net OPEB Liability	-	221,339	-	221,339	-
Compensated Absences	40,821	16,177	-	56,998	18,809
Total Business-Type Activities Long-Term Liabilities	<u>\$ 15,114,857</u>	<u>\$ 237,516</u>	<u>\$ 2,011,569</u>	<u>\$ 13,340,804</u>	<u>\$ 2,030,089</u>

*Additions during the year ended June 30, 2022 include amounts related to the implementation of GASB Statement No. 87.

TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 8 LONG-TERM LIABILITIES (CONTINUED)

D. Changes in Long-Term Liabilities (Continued)

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

The debt service requirements for the Town's publicly placed bonds are as follows:

	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2023	\$ 500,000	\$ 30,800	\$ 295,000	\$ 62,713
2024	500,000	25,200	295,000	50,913
2025	500,000	19,600	295,000	39,113
2026	500,000	14,000	290,000	28,863
2027	500,000	8,400	285,000	20,328
2026-2029	500,000	2,800	555,000	15,544
Total	<u>\$ 3,000,000</u>	<u>\$ 100,800</u>	<u>\$ 2,015,000</u>	<u>\$ 217,474</u>

The debt service requirements for the Town's direct placement bonds are as follows:

	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2023	\$ 3,163,833	\$ 1,263,174	\$ 1,716,280	\$ 237,550
2024	3,172,833	1,241,252	1,016,000	212,186
2025	2,749,833	1,214,770	1,037,000	191,229
2026	2,501,833	1,192,128	1,060,000	169,260
2027	2,526,833	1,167,688	1,082,000	145,978
2028-2032	11,362,671	2,963,652	3,555,000	411,567
2033-2037	11,293,000	822,395	1,472,000	80,914
2038-2042	-	-	-	-
Total	<u>\$ 36,770,836</u>	<u>\$ 9,865,059</u>	<u>\$ 10,938,280</u>	<u>\$ 1,448,684</u>

Directly Placed Debt

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

**TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 8 LONG-TERM LIABILITIES (CONTINUED)

E. Leases Payable

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

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

	Governmental Activities		
	Principal	Interest	Total
2023	\$ 99,364	\$ 4,214	\$ 103,578
2024	44,392	870	45,262
2025	5,026	62	5,088
2026	-	-	-
2027	-	-	-
Total	\$ 148,782	\$ 5,146	\$ 153,928

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TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 9 FUND BALANCE

The components of fund balance for the governmental funds at June 30, 2022 are as follows:

	General	Nonmajor Governmental Funds	Total
Fund Balances:			
Nonspendable for:			
Prepays	\$ 580,197	\$ -	\$ 580,197
Held in Trust	-	350,249	350,249
Restricted for:			
Educational Programs	-	256,901	256,901
Public Safety		113,122	113,122
Committed to:			
General Government	-	327,210	327,210
Public Safety	-	261,000	261,000
Cultural and Recreation	-	3,002,784	3,002,784
Education	3,656,877	63,676	3,720,553
Capital Improvements	-	1,794,716	1,794,716
Debt Service	-	179,478	179,478
Assigned for:			
General Government	14,477	-	14,477
Public Safety	9,876	-	9,876
Public Works	1,570	-	1,570
Cultural and Recreation	2,667	-	2,667
Unassigned	9,172,205	(1,350,464)	7,821,741
Total Fund Balances	\$ 13,437,869	\$ 4,998,672	\$ 18,436,541

Major encumbrances of \$28,590 are reported in the assigned fund balance of the General Fund and represent amounts expected to be honored upon performance by the vendor.

TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 10 DEFINED BENEFIT PENSION PLANS

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

A. Plan Description

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

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

B. Benefits Provided

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

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

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

**TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 10 DEFINED BENEFIT PENSION PLANS (CONTINUED)

**Municipal Employees' Retirement System of the State of Rhode Island – General,
Police, and Fire (Continued)**

B. Benefits Provided (Continued)

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

General Employees

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

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

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

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

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

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

**TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 10 DEFINED BENEFIT PENSION PLANS (CONTINUED)

**Municipal Employees' Retirement System of the State of Rhode Island – General,
Police, and Fire (Continued)**

B. Benefits Provided (Continued)

General Employees (Continued)

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

Police and Fire Employees

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

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

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

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

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

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

TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 10 DEFINED BENEFIT PENSION PLANS (CONTINUED)

**Municipal Employees' Retirement System of the State of Rhode Island – General,
Police, and Fire (Continued)**

B. Benefits Provided (Continued)

Police and Fire Employees (Continued)

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

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

C. Other Benefit Provisions

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

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

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

- A. The COLA will be suspended for any unit whose funding level is less than 80%; however, an interim COLA may be granted in four-year intervals while the COLA is suspended. The first interim COLA may begin January 1, 2018.
- B. Effective July 1, 2015, the COLA is determined based on 50% of the plan's five-year average investment rate of return less 5.5% limited to a range of 0.0% to 4.0%, plus 50% of the lesser of 3.0% or last year's CPI-U increase for a total maximum increase of 3.50%. Previously, it was the plan's five-year average investment rate of return less 5.5% limited to a range of 0.0% to 4.0%.

**TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 10 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Municipal Employees' Retirement System of the State of Rhode Island – General, Police, and Fire (Continued)

C. Other Benefit Provisions (Continued)

C. The COLA will be limited to the first \$25,000 of the member's annual pension benefit. For retirees and beneficiaries who retired on or before July 1, 2015, years in which a COLA is payable based on the fourth year provision described in (a) above will be limited to the first \$30,000. These limits will be indexed annually to increase in the same manner as COLAs, with the known values of \$25,000 for 2013, \$25,000 for 2014, \$25,168 for 2015, \$25,855 for 2016, and \$26,098 for 2017.

D. Employees Covered by Benefit Terms

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

At the June 30, 2021 valuation date, the following employees were covered by the benefit terms:

	Town Employees	Town Employees w/ COLA	Town Fire Non-Cert Employees	Police Employees	Fire Employees
Retirees and Beneficiaries	41	65	1	31	34
Inactive, Nonretired Members	53	50		7	4
Active Members	17	159	1	33	35
Total	<u>111</u>	<u>274</u>	<u>2</u>	<u>71</u>	<u>73</u>

E. Contributions

The amount of employee and employer contributions have been established under Rhode Island General Law Chapter 45-21. General employees with less than 20 years of service as of June 30, 2012 are required to contribute 2% of their salaries. General employees with more than 20 years of service as of June 30, 2012 are required to contribute 9.25%. Public safety employees are required to contribute 10% of their salaries. The Town contributes at a rate of covered employee payroll as determined by an independent actuary on an annual basis. The General Assembly can amend the amount of these contribution requirements. The Town contributed \$2,164,775 in the year ended June 30, 2022.

**TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 10 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Municipal Employees' Retirement System of the State of Rhode Island – General, Police, and Fire (Continued)

F. Net Pension Liability (Asset)

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

Summary of Actuarial Assumptions Used in the Valuations to determine the Net Pension Liability at the June 30, 2021 measurement date (June 30, 2020 valuation rolled forward to June 30, 2021)	
Actuarial Cost Method	Entry Age Normal - the Individual Entry Age Actuarial Cost methodology is used.
Amortization Method	Level Percent of Payroll – Closed
Actuarial Assumptions	
Investment Rate of Return	7.00%
Projected Salary Increases	General Employees - 3.50% to 7.25% ; Police & Fire Employees - 4.00% to 14.00%
Inflation	2.50%
Mortality	Mortality – variants of the PUB (10) Tables for Healthy and Disabled Retirees, projected with Scale Ultimate MP16.
Cost of Living Adjustments	A 2.1% COLA is assumed for all MERS units with the COLA provision.

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

**TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 10 DEFINED BENEFIT PENSION PLANS (CONTINUED)

**Municipal Employees' Retirement System of the State of Rhode Island – General,
Police, and Fire (Continued)**

F. Net Pension Liability (Asset) (Continued)

The long-term expected rate of return best-estimate on pension plan investments was determined by the actuary using a building-block method. The actuary started by calculating best-estimate future expected real rates of return (expected returns net of pension plan investment expense and inflation) for each major asset class, based on a collective summary of capital market expectations from 39 sources. The June 30, 2021 expected arithmetic returns over the long-term (20 years) by asset class are summarized in the following table:

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

TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 10 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Municipal Employees' Retirement System of the State of Rhode Island – General, Police, and Fire (Continued)

F. Net Pension Liability (Asset) (Continued)

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

G. Discount Rate

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

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

Municipal Employee's Retirement System - Town Employees			
	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Asset
Balances as of July 1, 2021	\$ 6,839,190	\$ 7,553,045	\$ (713,855)
Changes for the Year:			
Service Cost	137,003	-	137,003
Interest on the Total Pension Liability	467,628	-	467,628
Changes in Benefits	-	-	-
Difference Between Expected and Actual Experience	315,428	-	315,428
Changes in Assumptions	-	-	-
Employer Contributions	-	82,459	(82,459)
Employee Contributions	-	42,347	(42,347)
Net Investment Income	-	2,062,407	(2,062,407)
Benefit Payments, Including Employee Refunds	(454,581)	(454,581)	-
Administrative Expense	-	(7,858)	7,858
Other Changes	-	257,734	(257,734)
Net Changes	<u>465,478</u>	<u>1,982,508</u>	<u>(1,517,030)</u>
Balances as of June 30, 2022	<u>\$ 7,304,668</u>	<u>\$ 9,535,553</u>	<u>\$ (2,230,885)</u>

TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 10 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Municipal Employees' Retirement System of the State of Rhode Island – General, Police, and Fire (Continued)

G. Discount Rate (Continued)

Municipal Employee's Retirement System - Town Employees with COLA			
	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Balances as of July 1, 2021	\$ 25,470,115	\$ 24,221,958	\$ 1,248,157
Changes for the Year:			
Service Cost	494,007	-	494,007
Interest on the Total Pension Liability	1,755,238	-	1,755,238
Changes in Benefits	-	-	-
Difference Between Expected and Actual Experience	(188,846)	-	(188,846)
Changes in Assumptions	-	-	-
Employer Contributions	-	297,328	(297,328)
Employee Contributions	-	163,621	(163,621)
Net Investment Income	-	6,434,723	(6,434,723)
Benefit Payments, Including			
Employee Refunds	(1,284,570)	(1,284,570)	-
Administrative Expense	-	(24,518)	24,518
Other Changes	-	(57,556)	57,556
Net Changes	<u>775,829</u>	<u>5,529,028</u>	<u>(4,753,199)</u>
Balances as of June 30, 2022	<u>\$ 26,245,944</u>	<u>\$ 29,750,986</u>	<u>\$ (3,505,042)</u>

Municipal Employee's Retirement System - Town Fire Non-Cert Employees			
	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balances as of July 1, 2021	\$ 248,125	\$ 142,436	\$ 105,689
Changes for the Year:			
Service Cost	2,123	-	2,123
Interest on the Total Pension Liability	16,691	-	16,691
Changes in Benefits	-	-	-
Difference Between Expected and Actual Experience	(1,648)	-	(1,648)
Changes in Assumptions	-	-	-
Employer Contributions	-	7,420	(7,420)
Employee Contributions	-	807	(807)
Net Investment Income	-	35,613	(35,613)
Benefit Payments, Including			
Employee Refunds	(21,485)	(21,485)	-
Administrative Expense	-	(136)	136
Other Changes	-	-	-
Net Changes	<u>(4,319)</u>	<u>22,219</u>	<u>(26,538)</u>
Balances as of June 30, 2022	<u>\$ 243,806</u>	<u>\$ 164,655</u>	<u>\$ 79,151</u>

TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 10 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Municipal Employees' Retirement System of the State of Rhode Island – General, Police, and Fire (Continued)

G. Discount Rate (Continued)

Municipal Employee's Retirement System - Police Employees			
	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balances as of July 1, 2021	\$ 24,069,455	\$ 16,788,938	\$ 7,280,517
Changes for the Year:			
Service Cost	469,351	-	469,351
Interest on the Total Pension Liability	1,656,608	-	1,656,608
Changes in Benefits	-	-	-
Difference Between Expected and Actual Experience	(692,186)	-	(692,186)
Changes in Assumptions	-	-	-
Employer Contributions	-	721,232	(721,232)
Employee Contributions	-	234,092	(234,092)
Net Investment Income	-	4,539,901	(4,539,901)
Benefit Payments, Including			
Employee Refunds	(1,276,607)	(1,276,607)	-
Administrative Expense	-	(17,298)	17,298
Other Changes	-	-	-
Net Changes	<u>157,166</u>	<u>4,201,320</u>	<u>(4,044,154)</u>
Balances as of June 30, 2022	<u>\$ 24,226,621</u>	<u>\$ 20,990,258</u>	<u>\$ 3,236,363</u>

Municipal Employee's Retirement System - Fire Employees			
	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balances as of July 1, 2021	\$ 23,894,331	\$ 15,405,247	\$ 8,489,084
Changes for the Year:			
Service Cost	532,238	-	532,238
Interest on the Total Pension Liability	1,652,173	-	1,652,173
Changes in Benefits	-	-	-
Difference Between Expected and Actual Experience	284,191	-	284,191
Changes in Assumptions	-	-	-
Employer Contributions	-	888,892	(888,892)
Employee Contributions	-	274,776	(274,776)
Net Investment Income	-	4,260,764	(4,260,764)
Benefit Payments, Including			
Employee Refunds	(1,115,959)	(1,115,959)	-
Administrative Expense	-	(16,234)	16,234
Other Changes	-	2,181	(2,181)
Net Changes	<u>1,352,643</u>	<u>4,294,420</u>	<u>(2,941,777)</u>
Balances as of June 30, 2022	<u>\$ 25,246,974</u>	<u>\$ 19,699,667</u>	<u>\$ 5,547,307</u>

**TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 10 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Municipal Employees' Retirement System of the State of Rhode Island – General, Police, and Fire (Continued)

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

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

	1% Decrease (6.0%)	Current Discount Rate (7.0%)	1% Increase (8.0%)
Town Employees	\$ (1,591,949)	\$ (2,230,885)	\$ (3,046,296)
Town Employees with COLA	(1,240,579)	(3,505,042)	(6,395,382)
Town Fire Non-Cert Employees	101,030	79,151	51,231
Police Employees	5,334,816	3,236,363	558,062
Fire Employees	7,715,138	5,547,307	2,780,290

I. Pension Plan Fiduciary Net Position

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

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

For the year ended June 30, 2022, the employer recognized a net pension credit of \$661,572, including \$5,718 reported for the Sewer fund. The employer reported deferred outflows and inflows of resources related to pensions from the following sources:

	Town Employees	Town Employees w/ COLA	Town Fire Non-Cert Employees	Police Employees	Fire Employees	Total
Deferred Outflows of Resources:						
Difference Between Expected and Actual Experience	\$ 113,838	\$ -	\$ 381	\$ -	\$ 578,723	\$ 692,942
Changes of Assumptions	-	189,459	-	185,458	378,901	753,818
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	-	-	-	-	-
Town Contributions Subsequent to Measurement Date	74,469	336,084	8,916	771,210	974,096	2,164,775
Total Deferred Outflows of Resources	\$ 188,307	\$ 525,543	\$ 9,297	\$ 956,668	\$ 1,931,720	\$ 3,611,535
Deferred Inflows of Resources:						
Difference Between Expected and Actual Experience	\$ -	\$ 607,713	\$ 1,442	\$ 1,215,638	\$ 463,707	\$ 2,288,500
Changes of Assumptions	-	147,102	1,031	52,594	-	200,727
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	1,082,605	3,349,234	16,646	2,388,889	2,264,126	9,101,500
Total Deferred Inflows of Resources	\$ 1,082,605	\$ 4,104,049	\$ 19,119	\$ 3,657,121	\$ 2,727,833	\$ 11,590,727

Total of the Town contributions subsequent to measurement date of \$2,164,775 reported as deferred outflows of resources related to pensions above will be recognized as a reduction (addition) of the net pension liability (asset) in the subsequent period.

**TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 10 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Municipal Employees' Retirement System of the State of Rhode Island – General, Police, and Fire (Continued)

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

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

<u>Year Ending June 30,</u>	Town Employees	Town Employees w/ COLA	Town Fire Non-Cert Employees	Police Employees	Fire Employees
2023	\$ (150,362)	\$ (910,504)	\$ (3,598)	\$ (803,868)	\$ (323,716)
2024	(251,742)	(984,875)	(4,648)	(936,132)	(306,541)
2025	(259,365)	(969,524)	(4,445)	(880,172)	(538,078)
2026	(307,298)	(1,020,991)	(5,429)	(818,820)	(634,325)
2027	-	(28,696)	(206)	(32,671)	32,451
Thereafter	-	-	(412)	-	-
Total	<u>\$ (968,767)</u>	<u>\$ (3,914,590)</u>	<u>\$ (18,738)</u>	<u>\$ (3,471,663)</u>	<u>\$ (1,770,209)</u>

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

A. Plan Description

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

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

B. Eligibility and Plan Benefits

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

**TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 10 DEFINED BENEFIT PENSION PLANS (CONTINUED)

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

B. Eligibility and Plan Benefits (Continued)

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

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

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

C. Contributions

The funding policy, as set forth in the General Laws, Section 16-16-22, provides for actuarially determined periodic contributions to the plan. For fiscal 2019, full-time teachers, principals, school nurses and certain other school officials were required to contribute 3.75% of their annual covered salary, except for teachers with 20 or more years of service as of June 30, 2012 must contribute 11% of their annual covered salary. The State and the School are required to contribute at an actuarially determined rate, 40% of which is to be paid by the state and the remaining 60% is to be paid by the School; the rates were 10.94% and 14.78% of annual covered payroll for the fiscal year ended June 30, 2022 for the state and School, respectively. The School contributed \$3,050,464, \$2,928,478 and \$2,829,429 for the fiscal years ended June 30, 2022, 2021 and 2020, respectively, equal to 100% of the required contributions for each year.

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

At June 30, 2022, the School reported a liability of \$24,611,650 for its proportionate share of the net pension liability that reflected a reduction for contributions made by the state. The amount recognized by the School as its proportionate share of the net pension liability, the related state support and the total portion of the net pension liability that was associated with the School were as follows:

School's Proportionate Share of the Net Pension Liability	\$ 24,611,650
State's Proportionate Share of the Net Pension Liability Associated with the School	18,251,744
Total Net Pension Liability	<u>\$ 42,863,394</u>

**TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 10 DEFINED BENEFIT PENSION PLANS (CONTINUED)

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

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

The net pension liability was measured as of June 30, 2021, the measurement date, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2020 rolled forward to June 30, 2021. The School's proportion of the net pension liability was based on a projection of the School's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers and the state, actuarially determined. At June 30, 2021 the School's proportion was 1.05%, which was an increase of .01% from the prior year.

For the year ended June 30, 2022, the School recognized gross pension expense of \$2,420,895 and revenue of \$1,143,307 for support provided by the State. At June 30, 2022 the School reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Deferred Outflows of Resources:

Difference Between Expected and Actual Experience	\$ 247,035
Changes of Assumption	1,030,628
Net Difference Between Projected and Actual Earning on Pension Plan Investments	-
Changes in Proportionate Share of Employer Contributions	1,757,411
Contributions Subsequent to the Measurement Date	3,050,464
Total Deferred Outflows of Resources	<u>\$ 6,085,538</u>

Deferred Inflows of Resources:

Difference Between Expected and Actual Experience	\$ 794,971
Changes of Assumption	541,236
Net Difference Between Projected and Actual Earning on Pension Plan Investments	5,760,649
Changes in Proportionate Share of Employer Contributions	848,984
Total Deferred Inflows of Resources	<u>\$ 7,945,840</u>

**TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 10 DEFINED BENEFIT PENSION PLANS (CONTINUED)

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

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

The \$3,050,464 reported as deferred outflows of resources related to pensions resulting from the School contributions in fiscal year 2022 subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent period. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2023	\$ (908,230)
2024	(952,920)
2025	(1,095,179)
2026	(1,755,901)
2027	(177,628)
Thereafter	(20,908)
Total	<u>\$ (4,910,766)</u>

E. Actuarial Assumptions

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

Inflation	2.50%
Salary Increases	3.25% to 13.00%
Investment Rate of Return	7.00%

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

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

**TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 10 DEFINED BENEFIT PENSION PLANS (CONTINUED)

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

E. Actuarial Assumptions (Continued)

The long-term expected rate of return best-estimate on pension plan investments was determined by the actuary using a building-block method. The actuary started by calculating best-estimate future expected real rates of return (expected returns net of pension plan investment expense and inflation) for each major asset class, based on a collective summary of capital market expectations from 39 sources. The June 30, 2021 expected arithmetic returns over the long-term (20 years) by asset class are summarized in the following table:

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

**TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 10 DEFINED BENEFIT PENSION PLANS (CONTINUED)

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

E. Actuarial Assumptions (Continued)

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

F. Discount Rate

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

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

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

1% Decrease (6.0%)	Current Discount Rate (7.0%)	1% Increase (8.0%)
\$ 31,082,629	\$ 24,611,650	\$ 16,352,831

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

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

**TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 10 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Teachers' Survivor Benefits

A. Plan Description

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

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

B. Eligibility and Plan Benefits

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

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

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

**TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 10 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Teachers' Survivor Benefits (Continued)

B. Eligibility and Plan Benefits (Continued)

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

Highest Annual Salary	Basic Monthly Spouse's Benefit
\$17,000 or Less	\$ 825.00
\$17,001 to \$25,000	\$ 962.50
\$25,001 to \$33,000	\$ 1,100.00
\$33,001 to \$40,000	\$ 1,237.00
\$40,001 and Over	\$ 1,375.00

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

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

C. Contributions

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

The East Greenwich School Department contributed \$29,270, \$27,707 and \$28,932 for the fiscal years ended June 30, 2022, 2021 and 2020, respectively, equal to 100% of the required contributions for each year.

**TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 10 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Teachers' Survivor Benefits (Continued)

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

At June 30, 2022 the East Greenwich School Department reported an asset of \$7,364,891 for its proportionate share of the net pension asset related to its participation in TSB. The net pension asset was measured as of June 30, 2021, the measurement date, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of June 30, 2020 rolled forward to June 30, 2021. The Department's proportion of the net pension asset was based on its share of contributions to the TSB for fiscal year 2021 relative to the total contributions of all participating employers for that fiscal year. At June 30, 2021 the Department's proportion was 3.76%, which was a decrease of 0.13% from the prior year.

For the year ended June 30, 2022 the East Greenwich School Department recognized pension income of \$865,837. At June 30, 2022 the East Greenwich School Department reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Deferred Outflows of Resources:

Difference Between Expected and Actual Experience	\$ 272,936
Changes of Assumption	231,143
Net Difference Between Projected and Actual Earning on Pension Plan Investments	-
Changes in Proportionate Share of Employer Contributions	141,363
Contributions Subsequent to the Measurement Date	29,270
Total Deferred Outflows of Resources	<u>\$ 674,712</u>

Deferred Inflows of Resources:

Difference Between Expected and Actual Experience	\$ 790,792
Changes of Assumption	265,190
Net Difference Between Projected and Actual Earning on Pension Plan Investments	1,820,718
Changes in Proportionate Share of Employer Contributions	168,064
Total Deferred Inflows of Resources	<u>\$ 3,044,764</u>

**TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 10 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Teachers' Survivor Benefits (Continued)

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

The \$29,270 reported as deferred outflows of resources related to pensions resulting from the East Greenwich School Department contributions in fiscal year 2022 subsequent to the measurement date will be recognized as an addition to the net pension asset in the subsequent period. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2023	\$ (504,942)
2024	(482,209)
2025	(573,214)
2026	(646,105)
2027	(128,825)
Thereafter	(64,027)
Total	<u>\$ (2,399,322)</u>

E. Actuarial Assumptions

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

Inflation	2.50%
Salary Increases	3.25% to 13.00%
Investment Rate of Return	7.00%

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

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

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

TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 10 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Teachers' Survivor Benefits (Continued)

E. Actuarial Assumptions (Continued)

The long-term expected rate of return best-estimate on pension plan investments was determined by the actuary using a building-block method. The actuary started by calculating best-estimate future expected real rates of return (expected returns net of pension plan investment expense and inflation) for each major asset class, based on a collective summary of capital market expectations from 39 sources. The June 30, 2021 expected arithmetic returns over the long-term (20 years) by asset class are summarized in the following table:

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

**TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 10 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Teachers' Survivor Benefits (Continued)

E. Actuarial Assumptions (Continued)

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

F. Discount Rate

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

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

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

1% Decrease	Current Discount Rate	1% Increase
(6.0%)	(7.0%)	(8.0%)
<u>\$ (6,623,224)</u>	<u>\$ (7,364,891)</u>	<u>\$ (8,311,783)</u>

H. Pension Plan Fiduciary Net Position

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

**TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 10 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Aggregated Pension Information

The Town recognized the following amounts related to pension plans as of and for the year ended June 30, 2022:

	Net Pension Asset	Deferred Outflows of Resources Related to Pensions	Net Pension Liability	Deferred Inflows of Resources Related to Pensions	Pension Expense (Income)
Municipal Employees' Retirement System					
Town Employees	\$ 2,230,885	\$ 188,307	\$ -	\$ 1,082,605	\$ (320,095)
Town Employees w/ COLA	3,505,042	525,543	-	4,104,049	(610,763)
Town Fire Non-Cert Employees	-	9,297	79,151	19,119	2,548
Police Employees	-	956,668	3,236,363	3,657,121	(157,353)
Fire Employees	-	1,931,720	5,547,307	2,727,833	424,091
Employees' Retirement System	-	6,085,538	24,611,650	7,945,840	2,420,895
Teachers' Survivors Benefit Plan	7,364,891	674,712	-	3,044,764	(865,837)
Total	<u>\$ 13,100,818</u>	<u>\$ 10,371,785</u>	<u>\$ 33,474,471</u>	<u>\$ 22,581,331</u>	<u>\$ 893,486</u>

For governmental activities, the net pension asset \$12,828,004 for the Town is recorded on the government-wide statement of net position. Sewer fund's portion of the net pension asset of \$272,814 (Town Employees w/ COLA) is recorded in the statement of net position of the business-type activities/enterprise funds.

Defined Contribution Plan

A. Plan Description

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

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

The East Greenwich School Department recognized expense associated with the defined contribution plan of \$523,528 for the year ended June 30, 2022.

**TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 10 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Defined Contribution Plan (Continued)

B. Plan Funding Policy

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

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

The System issues an annual financial report that includes financial statements and required supplementary information for all of the plans it administers. The reports can be obtained at www.ersri.org.

NOTE 11 OTHER POSTEMPLOYMENT BENEFIT (OPEB) PLANS

The Town of East Greenwich OPEB Trust (the Trust)

A. Plan Description

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

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

- Police Department
- Fire Department
- Nat'l Education Association of RI (NEARI)
- Department of Public Works (DPW)
- Other groups including Non-Union, Town Council, Department Heads, and Non-Police Union (Other)

**TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 11 OTHER POSTEMPLOYMENT BENEFIT (OPEB) PLANS (CONTINUED)

The Town of East Greenwich OPEB Trust (the Trust) (Continued)

A. Plan Description (Continued)

Seasonal employees and temporary police are excluded from the Plan.

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

B. Benefits Provided

Police and Fire

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

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

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

DPW, NEARI, and Other Divisions

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

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

**TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 11 OTHER POSTEMPLOYMENT BENEFIT (OPEB) PLANS (CONTINUED)

The Town of East Greenwich OPEB Trust (the Trust) (Continued)

C. Eligibility

Police and Fire

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

DPW, NEARI, and Other Divisions

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

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

D. Employees Covered by Benefit Terms

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

	Participants
Active Employees	140
Retirees	100
Total	240

E. Contributions

DPW, NEARI, and Other Divisions

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

Police and Fire

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

**TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 11 OTHER POSTEMPLOYMENT BENEFIT (OPEB) PLANS (CONTINUED)

The Town of East Greenwich OPEB Trust (the Trust) (Continued)

F. Investments

Investment Policy

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

Rate of Return

For the year ended June 30, 2022 the annual money-weighted rate of return on investments, net of investment expense, was (13.49)%. The money weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

G. Net OPEB Liability of the Town

The components of the net OPEB liability of the Town at June 30, 2022, were as follows:

Total OPEB Liability	\$ 24,398,695
Plan Fiduciary Net Position	3,621,320
Town's Net OPEB Liability	<u>\$ 20,777,375</u>

Plan Fiduciary Net Position as a Percentage of the Total OPEB liability	14.8%
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For governmental activities of the net OPEB liability of \$20,556,036 for the Town is recorded on the government-wide statement of net position. Sewer fund's portion of net OPEB liability of \$221,339 is recorded in the statement of net position of the business-type activities/enterprise funds.

The Town's net OPEB liability was measured as of June 30, 2022, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date.

**TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 11 OTHER POSTEMPLOYMENT BENEFIT (OPEB) PLANS (CONTINUED)

The Town of East Greenwich OPEB Trust (the Trust) (Continued)

H. Actuarial Assumptions

The total OPEB liability in the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Discount Rate	3.71%
Projected Salary Increases	3.00%
Investment Rate of Return	6.00%
Healthcare Cost Trend Rate	6.00% Per Year Graded Down by the Getzen Model to an Ultimate Rate of 4.44% Per Year. Dental is a flat 4.0%.

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

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Vanguard Growth Strategy	100.0%	6.0%

I. Discount Rate

The discount rate used to measure the total OPEB liability for the Town's OPEB Plan was 3.71% for the current year, as compared to 1.95% in the prior year. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that Town contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the OPEB plans fiduciary net position was projected to be available to make projected future benefit payments of current plan members for four years. These payments were discounted using the long-term expected rate of return of 6.00%. Future benefits payments beyond four years were discounted using the tax-exempt general obligation municipal bonds rated AA or better rate at June 30, 2022, which was 3.69%. The tax-exempt general obligation municipal bonds rate was set using the Fidelity General Obligation AA – 20 Years Index. The long-term expected rate of 6.00% was blended with the index rate of 3.69% for tax exempt general obligation municipal bonds rated AA or better at June 30, 2022, to arrive at a discount rate of 3.71% used to determine the Town's Plan total OPEB liability.

**TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 11 OTHER POSTEMPLOYMENT BENEFIT (OPEB) PLANS (CONTINUED)

The Town of East Greenwich OPEB Trust (the Trust) (Continued)

J. Changes in the Net OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Balances as of July 1, 2021	\$ 31,845,729	\$ 4,186,000	\$ 27,659,729
Changes for the Year:			
Service Cost	913,106	-	913,106
Interest on the Total OPEB Liability	610,517	-	610,517
Changes in Benefits	-	-	-
Changes in Assumptions	(5,186,454)	-	(5,186,454)
Difference Between Expected and Actual Experience	(2,956,350)	-	(2,956,350)
Employer Contributions	-	827,853	(827,853)
Retired Members Contributions	-	-	-
Net Investment Income	-	(564,680)	564,680
Benefit Payments	(827,853)	(827,853)	-
Administrative Expense	-	-	-
Other Changes	-	-	-
Net Changes	<u>(7,447,034)</u>	<u>(564,680)</u>	<u>(6,882,354)</u>
Balances as of June 30, 2022	<u>\$ 24,398,695</u>	<u>\$ 3,621,320</u>	<u>\$ 20,777,375</u>

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

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

	1% Decrease (2.71%)	Current Discount (3.71%)	1% Increase (4.71%)
Net OPEB Liability	\$ 23,885,611	\$ 20,777,375	\$ 18,200,411

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

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

	1% Decrease (5.00% Decreasing to 3.44%, Dental is a flat 3.0%)	Healthcare Cost Trend Rates (6.00% Decreasing to 4.44%, Dental is a flat 4.0%)	1% Increase (7.00% Decreasing to 5.44%, Dental is a flat 5.0%)
Net OPEB Liability	\$ 18,503,644	\$ 20,777,375	\$ 23,482,357

**TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 11 OTHER POSTEMPLOYMENT BENEFIT (OPEB) PLANS (CONTINUED)

The Town of East Greenwich OPEB Trust (the Trust) (Continued)

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

For the year ended June 30, 2022, the Town recognized OPEB expense of \$731,254, including \$302,536 reported for Sewer fund. At June 30, 2022, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience	\$ -	\$ (5,827,736)
Changes of Assumptions	3,718,666	(5,770,703)
Net Difference Between Projected and Actual Earnings on OPEB Plan Investments	257,724	-
Total	<u>\$ 3,976,390</u>	<u>\$ (11,598,439)</u>

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

<u>Year Ending June 30,</u>	<u>Net Deferred Outflow (Inflow) of Resources</u>
2023	\$ (1,932,646)
2024	(1,933,557)
2025	(1,948,866)
2026	(1,342,730)
2027	(532,729)
Thereafter	68,479
Total	<u>\$ (7,622,049)</u>

TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 11 OTHER POSTEMPLOYMENT BENEFIT (OPEB) PLANS (CONTINUED)

The Town of East Greenwich School Department Postretirement Health Insurance Program

A. Plan Description

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

B. Benefits Provided

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

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

C. Eligibility

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

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

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

**TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 11 OTHER POSTEMPLOYMENT BENEFIT (OPEB) PLANS (CONTINUED)

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

D. Employees Covered by Benefit Terms

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

	Participants
Active Employees	248
Retirees	9
Total	257

E. Contributions

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

F. Total OPEB Liability of the Town

The Town's total OPEB liability was measured as of June 30, 2022.

G. Actuarial Assumptions

The total OPEB liability in the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Discount Rate	3.69%
Projected Salary Increases	3.00%
Investment Rate of Return	6.00%
Healthcare Cost Trend Rate	6.00% Per Year Graded Down by the Getzen Model to an Ultimate Rate of 4.44%.

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

H. Discount Rate

The discount rate used to measure the total OPEB liability for the School Department Postretirement Health Insurance Program was 3.69% for the current year, as compared to 1.92% in the prior year. The discount rate is based on the tax-exempt general obligation municipal bonds rated AA or better rate at June 30, 2022, which was 3.69%. The tax-exempt general obligation municipal bonds rate was set using the Fidelity General Obligation AA – 20 Years Index.

**TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 11 OTHER POSTEMPLOYMENT BENEFIT (OPEB) PLANS (CONTINUED)

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

I. Changes in the Total OPEB Liability

	Total OPEB Liability
Balances as of July 1, 2021	\$ 7,566,801
Changes for the Year:	
Service Cost	486,123
Interest on the Total OPEB Liability	140,804
Changes in Benefits	-
Changes in Assumptions	(617,454)
Difference Between Expected and Actual Experience	(277,683)
Benefit Payments	(156,721)
Administrative Expense	-
Other Changes	-
Net Changes	(424,931)
Balances as of June 30, 2022	\$ 7,141,870

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

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

	1% Decrease (2.69%)	Current Discount (3.69%)	1% Increase (4.69%)
Total OPEB Liability	\$ 7,608,855	\$ 7,141,870	\$ 6,699,106

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

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

	1% Decrease (5.00% Decreasing to 3.44%, Dental is a flat 3.0%)	Healthcare Cost Trend Rates (6.00% Decreasing to 4.44%, Dental is a flat 4.0%)	1% Increase (7.00% Decreasing to 5.44%, Dental is a flat 5.0%)
Total OPEB Liability	\$ 6,794,410	\$ 7,141,870	\$ 8,480,478

**TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 11 OTHER POSTEMPLOYMENT BENEFIT (OPEB) PLANS (CONTINUED)

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

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

For the year ended June 30, 2022, the Town recognized OPEB expense of \$442,309. At June 30, 2022, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience	\$ 198,506	\$ (681,880)
Changes of Assumptions	688,744	(729,693)
Net Difference Between Projected and Actual Earnings on OPEB Plan Investments	-	-
Total	<u>\$ 887,250</u>	<u>\$ (1,411,573)</u>

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

<u>Year Ending June 30,</u>	<u>Net Deferred Outflow (Inflow) of Resources</u>
2023	\$ (50,726)
2024	(50,726)
2025	(50,726)
2026	(50,726)
2027	(50,726)
Thereafter	(270,693)
Total	<u>\$ (524,323)</u>

**TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 11 OTHER POSTEMPLOYMENT BENEFIT (OPEB) PLANS (CONTINUED)

Aggregated OPEB Information

The Town recognized the following amounts related to OPEB plans as of and for the year ended June 30, 2022:

	Deferred Outflows of Resources Related to OPEB	Deferred Inflows of Resources Related to OPEB	OPEB Expense
Town Postretirement Health Insurance Plan	\$ 3,976,390	\$ 11,598,439	\$ 731,254
School Department Health Insurance Program	887,250	1,411,573	442,309
Total	<u>\$ 4,863,640</u>	<u>\$ 13,010,012</u>	<u>\$ 1,173,563</u>

NOTE 12 LITIGATION, CLAIMS, JUDGMENTS, AND SETTLEMENTS

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

NOTE 13 RISK MANAGEMENT

Health Insurance

The School Department participated in a multiemployer cost reimbursement healthcare self-insurance risk pool managed by WB Community Health (WBCH). The School Department pays WBCH monthly premiums based upon "working rates" that are periodically adjusted to reflect changes in actual costs. Funds on deposit with WBCH are made available to pay claims, claim reserves and administrative costs. Due to the School Department experiencing significant increases in claims payments over prior fiscal years, the Town converted to a fully insured plan for health insurance. As of July 1, 2021, the Town participates in the Rhode Island Interlocal Trust plan.

TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 13 RISK MANAGEMENT (CONTINUED)

Health Insurance (Continued)

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

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

NOTE 14 SUBSEQUENT EVENTS

On November 4, 2022, the Town issued \$2,495,000 General Obligation Bonds (Series 2022 A) and \$200,000 General Obligation Bonds (Series 2022 B) with coupon rates of 4.25%, and 5.53%, respectively. These bonds were issued to finance miscellaneous School capital projects as well as the acquisition of open space in the Town.

REQUIRED SUPPLEMENTARY INFORMATION

TOWN OF EAST GREENWICH, RHODE ISLAND
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2022
(NON-GAAP BUDGETARY BASIS)

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Property tax revenues	\$ 60,490,741	\$ 60,490,741	\$ 60,991,746	\$ 501,005
Intergovernmental revenues	5,841,645	5,841,645	6,012,723	171,078
Licenses, fees, tuition and rent	1,067,300	1,067,300	1,709,044	641,744
Other local revenues	1,827,000	1,827,000	1,950,101	123,101
Total revenues	<u>69,226,686</u>	<u>69,226,686</u>	<u>70,663,615</u>	<u>1,436,929</u>
Use of fund balance	965,185	1,353,100	1,353,100	-
Total Revenues and Use of Fund Balance	<u>70,191,871</u>	<u>70,579,786</u>	<u>72,016,715</u>	<u>1,436,929</u>
Expenditures:				
Current:				
General government	3,063,637	3,063,637	3,057,579	6,058
Public safety	13,292,298	13,292,298	13,295,519	(3,221)
Public works	3,818,084	3,818,084	3,728,217	89,867
Community parks and recreation	1,054,943	1,099,949	1,082,634	17,315
Senior and Human Services	421,446	376,440	378,735	(2,295)
Education	43,616,970	44,004,885	43,351,462	653,423
Miscellaneous	1,288,000	1,288,000	1,231,588	56,412
Total expenditures	<u>66,555,378</u>	<u>66,943,293</u>	<u>66,125,734</u>	<u>817,559</u>
Excess of Revenues over Expenditures	<u>3,636,493</u>	<u>3,636,493</u>	<u>5,890,981</u>	<u>2,254,487</u>
Other Financing Uses:				
Transfers in	-	-	-	-
Transfers out	(3,636,493)	(3,636,493)	(4,226,493)	(590,000)
Total Other Financing Uses	<u>(3,636,493)</u>	<u>(3,636,493)</u>	<u>(4,226,493)</u>	<u>(590,000)</u>
Excess of Revenues and Other Sources	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,664,488</u>	<u>\$ 1,664,487</u>
	Revenues and Other Financing Sources	Expenditures and Other Financing Uses	Net Change in Fund Balance	
Balance, budgetary basis	<u>\$ 72,016,715</u>	<u>\$ 70,352,227</u>	<u>\$ 1,664,488</u>	
Effects of GASB Statement No 87, not budgeted	235,430	235,430	-	
State Teachers' Retirement on-behalf contribution for Pension	2,217,487	2,217,487	-	
State on-behalf contribution for Transportation	89,555	89,555	-	
Use of fund balance	(1,353,100)	-	(1,353,100)	
Encumbrances are reported in the year the order is placed for budgetary purposes	-	8,671	(8,671)	
Budgetary Classification of Revenues and Expenses for GAAP	<u>(2,248)</u>	<u>(2,248)</u>	<u>-</u>	
Balance, GAAP Basis	<u>\$ 73,203,839</u>	<u>\$ 72,901,122</u>	<u>\$ 302,717</u>	

**TOWN OF EAST GREENWICH, RHODE ISLAND
SCHEDULE OF CHANGES IN NET PENSION LIABILITY (ASSET) AND RELATED RATIOS
MUNICIPAL EMPLOYEE'S RETIREMENT SYSTEM AGENT PLAN – TOWN EMPLOYEES
LAST EIGHT FISCAL YEARS***

	2022	2021	2020	2019	2018	2017	2016	2015
Total Pension Liability:								
Service Cost	\$ 137,003	\$ 133,210	\$ 111,102	\$ 120,085	\$ 103,137	\$ 105,287	\$ 103,703	\$ 99,292
Interest on the Total Pension Liability	467,628	455,987	442,965	452,499	464,122	471,552	471,823	470,293
Changes of Benefit Terms	-	-	-	-	-	-	115,576	-
Difference Between Expected and Actual Experience	315,428	157,520	103,827	(208,304)	(133,067)	(141,746)	(187,642)	-
Changes of Assumptions	-	(123,808)	-	-	350,998	-	-	(51,335)
Benefit Payments, Including Refunds of Employee Contributions	(454,581)	(462,424)	(503,408)	(488,582)	(546,798)	(519,351)	(496,385)	(503,723)
Net Change in Total Pension Liability	465,478	160,485	154,486	(124,302)	238,392	(84,258)	7,075	14,527
Total Pension Liability - Beginning	6,839,190	6,678,705	6,524,219	6,648,521	6,410,129	6,494,387	6,487,312	6,472,785
Total Pension Liability - Ending (a)	7,304,668	6,839,190	6,678,705	6,524,219	6,648,521	6,410,129	6,494,387	6,487,312
Plan Fiduciary Net Position:								
Contributions - Employer	82,459	69,214	57,052	57,949	65,206	59,728	78,349	59,487
Contributions - Employee	42,347	45,891	42,791	45,568	42,978	39,342	22,842	19,825
Net Investment Income (Loss)	2,062,407	275,745	465,261	553,595	763,822	13,936	171,162	1,032,284
Benefit Payments, Including Refunds of Employee Contributions	(454,581)	(462,424)	(503,408)	(488,582)	(546,798)	(519,351)	(496,385)	(503,723)
Pension Plan Administrative Expense	(7,858)	(7,597)	(7,273)	(7,370)	(7,216)	(22,741)	(6,879)	(6,464)
Other	257,734	183,300	(3,732)	44,537	(18)	-	(215,978)	(189,935)
Net Change in Plan Fiduciary Net Position	1,982,508	104,129	50,691	205,697	317,974	(429,086)	(446,889)	411,474
Plan Fiduciary Net Position - Beginning	7,553,045	7,448,916	7,398,225	7,192,528	6,874,554	7,303,640	7,750,529	7,339,055
Plan Fiduciary Net Position - Ending (b)	9,535,553	7,553,045	7,448,916	7,398,225	7,192,528	6,874,554	7,303,640	7,750,529
Net Pension Liability (Asset) - Ending (a) - (b)	\$ (2,230,885)	\$ (713,855)	\$ (770,211)	\$ (874,006)	\$ (544,007)	\$ (464,425)	\$ (809,253)	\$ (1,263,217)
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	130.54%	110.44%	111.53%	113.40%	108.18%	107.25%	112.46%	119.47%
Covered Payroll	\$ 1,604,255	\$ 1,534,681	\$ 1,251,154	\$ 1,308,111	\$ 1,268,599	\$ 1,158,274	\$ 1,142,107	\$ 1,093,519
Net Pension Asset as a Percentage of Covered Payroll	-139.06%	-46.51%	-61.56%	-66.81%	-42.88%	-40.10%	-70.86%	-115.52%

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

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

TOWN OF EAST GREENWICH, RHODE ISLAND
SCHEDULE OF CHANGES IN NET PENSION LIABILITY (ASSET) AND RELATED RATIOS
MUNICIPAL EMPLOYEE’S RETIREMENT SYSTEM AGENT PLAN – TOWN EMPLOYEES WITH COLA
LAST EIGHT FISCAL YEARS*

	2022	2021	2020	2019	2018	2017	2016	2015
Total Pension Liability:								
Service Cost	\$ 494,007	\$ 511,790	\$ 516,154	\$ 550,204	\$ 551,263	\$ 530,518	\$ 519,936	\$ 532,162
Interest on the Total Pension Liability	1,755,238	1,708,024	1,669,049	1,613,891	1,580,018	1,511,717	1,400,259	1,330,029
Changes of Benefit Terms	-	-	-	-	-	-	319,194	-
Difference Between Expected and Actual Experience	(188,846)	(89,668)	(514,167)	(328,885)	(146,524)	(228,251)	100,087	-
Changes of Assumptions	-	(228,516)	-	-	990,834	-	-	(64,708)
Benefit Payments, Including Refunds of Employee Contributions	(1,284,570)	(1,151,922)	(1,072,204)	(988,226)	(984,562)	(842,771)	(874,547)	(835,413)
Net Change in Total Pension Liability	775,829	749,708	598,832	846,984	1,991,029	971,213	1,464,929	962,070
Total Pension Liability - Beginning	25,470,115	24,720,407	24,121,575	23,274,591	21,283,562	20,312,349	18,847,420	17,885,350
Total Pension Liability - Ending (a)	26,245,944	25,470,115	24,720,407	24,121,575	23,274,591	21,283,562	20,312,349	18,847,420
Plan Fiduciary Net Position:								
Contributions - Employer	297,328	266,097	264,876	265,658	305,983	312,577	392,668	322,223
Contributions - Employee	163,621	168,177	172,225	190,667	186,912	188,573	114,931	113,285
Net Investment Income (Loss)	6,434,723	884,293	1,503,252	1,738,621	2,426,006	(17,348)	496,830	2,795,391
Benefit Payments, Including Refunds of Employee Contributions	(1,284,570)	(1,151,922)	(1,072,204)	(988,226)	(984,562)	(842,771)	(874,547)	(835,413)
Pension Plan Administrative Expense	(24,518)	(24,364)	(23,499)	(23,145)	(22,920)	(9,336)	(16,732)	(17,505)
Other	(57,556)	12,323	(12,180)	(793,177)	100,104	1,050	98,895	2,356
Net Change in Plan Fiduciary Net Position	5,529,028	154,604	832,470	390,398	2,011,523	(367,255)	212,045	2,380,337
Plan Fiduciary Net Position - Beginning	24,221,958	24,067,354	23,234,884	22,844,486	20,832,963	21,200,218	20,988,173	18,607,836
Plan Fiduciary Net Position - Ending (b)	29,750,986	24,221,958	24,067,354	23,234,884	22,844,486	20,832,963	21,200,218	20,988,173
Net Pension Liability (Asset) - Ending (a) - (b)	\$ (3,505,042)	\$ 1,248,157	\$ 653,053	\$ 886,691	\$ 430,105	\$ 450,599	\$ (887,869)	\$ (2,140,753)
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	113.35%	95.10%	97.36%	96.32%	98.15%	97.88%	104.37%	111.36%
Covered Payroll	\$ 5,784,625	\$ 5,896,202	\$ 5,811,747	\$ 5,993,504	\$ 5,998,511	\$ 5,836,278	\$ 5,726,172	\$ 5,526,086
Net Pension Liability (Asset) as a Percentage of Covered Payroll	-60.59%	21.17%	11.24%	14.79%	7.17%	7.72%	-15.51%	-38.74%

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

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

**TOWN OF EAST GREENWICH, RHODE ISLAND
 SCHEDULE OF CHANGES IN NET PENSION LIABILITY (ASSET) AND RELATED RATIOS
 MUNICIPAL EMPLOYEE'S RETIREMENT SYSTEM AGENT PLAN – TOWN FIRE NON-CERT EMPLOYEES
 LAST EIGHT FISCAL YEARS***

	2022	2021	2021	2020	2019	2018	2017	2016
Total Pension Liability:								
Service Cost	\$ 2,123	\$ -	\$ -	\$ 2,863	\$ -	\$ 815	\$ 3,849	\$ 3,139
Interest on the Total Pension Liability	16,691	17,301	28,590	28,565	26,099	25,013	25,448	25,307
Changes of Benefit Terms	-	-	-	-	-	-	5,514	-
Difference Between Expected and Actual Experience	(1,648)	(3,398)	(168,450)	(8,232)	38,950	-	-	-
Changes of Assumptions	-	(2,229)	-	-	15,205	10,839	(17,586)	(5,663)
Benefit Payments, Including Refunds of Employee Contributions	(21,485)	(21,409)	(21,409)	(21,409)	(21,804)	(21,752)	(21,252)	(21,263)
Net Change in Total Pension Liability	(4,319)	(9,735)	(161,269)	1,787	58,450	14,915	(4,027)	1,520
Total Pension Liability - Beginning	248,125	257,860	419,129	417,342	358,892	343,977	348,004	346,484
Total Pension Liability - Ending (a)	243,806	248,125	257,860	419,129	417,342	358,892	343,977	348,004
Plan Fiduciary Net Position:								
Contributions - Employer	7,420	6,461	-	2,868	-	929	7,766	4,970
Contributions - Employee	807	462	-	571	-	207	987	747
Net Investment Income (Loss)	35,613	5,200	9,485	12,267	33,181	(105)	7,556	43,637
Benefit Payments, Including Refunds of Employee Contributions	(21,485)	(21,409)	(21,409)	(21,409)	(21,804)	(21,752)	(21,252)	(21,263)
Pension Plan Administrative Expense	(136)	(143)	(148)	(163)	(313)	(281)	(303)	(273)
Other	-	-	-	(142,643)	(2)	-	(1)	1
Net Change in Plan Fiduciary Net Position	22,219	(9,429)	(12,072)	(148,509)	11,062	(21,002)	(5,247)	27,819
Plan Fiduciary Net Position - Beginning	142,436	151,865	163,937	312,446	301,384	322,386	327,633	299,814
Plan Fiduciary Net Position - Ending (b)	164,655	142,436	151,865	163,937	312,446	301,384	322,386	327,633
Net Pension Liability - Ending (a) - (b)	\$ 79,151	\$ 105,689	\$ 105,995	\$ 255,192	\$ 104,896	\$ 57,508	\$ 21,591	\$ 20,371
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	67.54%	66.36%	58.89%	39.11%	74.87%	83.98%	93.72%	94.15%
Covered Payroll	\$ 40,360	\$ 23,108	\$ -	\$ 28,542	\$ -	\$ 10,334	\$ 49,341	\$ 37,371
Net Pension Liability as a Percentage of Covered Payroll	196.11%	342.53%	N/A	894.09%	N/A	556.49%	43.76%	54.51%

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

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

TOWN OF EAST GREENWICH, RHODE ISLAND
SCHEDULE OF CHANGES IN NET PENSION LIABILITY (ASSET) AND RELATED RATIOS
MUNICIPAL EMPLOYEE'S RETIREMENT SYSTEM AGENT PLAN – POLICE EMPLOYEES
LAST EIGHT FISCAL YEARS*

	2022	2021	2020	2019	2018	2017	2016	2015
Total Pension Liability:								
Service Cost	\$ 469,351	\$ 486,024	\$ 510,357	\$ 527,840	\$ 453,432	\$ 427,351	\$ 390,013	\$ 372,758
Interest on the Total Pension Liability	1,656,608	1,652,579	1,598,440	1,561,693	1,520,628	1,466,942	1,374,698	1,334,421
Changes of Benefit Terms	-	-	-	-	-	-	520,782	-
Difference Between Expected and Actual Experience	(692,186)	(757,949)	(150,336)	(403,981)	(37,646)	(43,323)	51,859	-
Changes of Assumptions	-	(86,862)	-	-	1,201,903	-	-	(96,981)
Benefit Payments, Including Refunds of Employee Contributions	(1,276,607)	(1,179,200)	(1,166,550)	(1,137,148)	(1,144,199)	(1,152,174)	(1,100,046)	(1,063,538)
Net Change in Total Pension Liability	157,166	114,592	791,911	548,404	1,994,118	698,796	1,237,306	546,660
Total Pension Liability - Beginning	24,069,455	23,954,863	23,162,952	22,614,548	20,620,430	19,921,634	18,684,328	18,137,668
Total Pension Liability - Ending (a)	24,226,621	24,069,455	23,954,863	23,162,952	22,614,548	20,620,430	19,921,634	18,684,328
Plan Fiduciary Net Position								
Contributions - Employer	721,232	697,082	693,687	696,413	680,149	641,008	565,061	410,654
Contributions - Employee	234,092	229,905	240,278	248,627	236,164	228,603	173,534	164,093
Net Investment Income (Loss)	4,539,901	612,929	1,027,165	1,177,373	1,567,970	(4,665)	321,983	1,838,387
Benefit Payments, Including Refunds of Employee Contributions	(1,276,607)	(1,179,200)	(1,166,550)	(1,137,148)	(1,144,199)	(1,152,174)	(1,100,046)	(1,063,538)
Pension Plan Administrative Expense	(17,298)	(16,888)	(16,057)	(15,674)	(14,814)	(12,549)	(11,067)	(11,512)
Other	-	-	(67,797)	-	(33)	(2)	(12,993)	1
Net Change in Plan Fiduciary Net Position	4,201,320	343,828	710,726	969,591	1,325,237	(299,779)	(63,528)	1,338,085
Plan Fiduciary Net Position - Beginning	16,788,938	16,445,110	15,734,384	14,764,793	13,439,556	13,739,335	13,802,863	12,464,778
Plan Fiduciary Net Position - Ending (b)	20,990,258	16,788,938	16,445,110	15,734,384	14,764,793	13,439,556	13,739,335	13,802,863
Net Pension Liability - Ending (a) - (b)	\$ 3,236,363	\$ 7,280,517	\$ 7,509,753	\$ 7,428,568	\$ 7,849,755	\$ 7,180,874	\$ 6,182,299	\$ 4,881,465
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	86.64%	69.75%	68.65%	67.93%	65.29%	65.18%	68.97%	73.87%
Covered Payroll	\$ 2,340,903	\$ 2,299,074	\$ 2,402,808	\$ 2,486,294	\$ 2,361,623	\$ 2,292,658	\$ 2,169,150	\$ 2,084,775
Net Pension Liability as a Percentage of Covered Payroll	138.25%	316.67%	312.54%	298.78%	332.39%	313.21%	285.01%	234.15%

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

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

**TOWN OF EAST GREENWICH, RHODE ISLAND
SCHEDULE OF CHANGES IN NET PENSION LIABILITY (ASSET) AND RELATED RATIOS
MUNICIPAL EMPLOYEE’S RETIREMENT SYSTEM AGENT PLAN – FIRE EMPLOYEES
LAST EIGHT FISCAL YEARS***

	2022	2021	2020	2019	2018	2017	2016	2015
Total Pension Liability								
Service Cost	\$ 532,238	\$ 550,730	\$ 524,081	\$ 534,564	\$ 494,010	\$ 453,527	\$ 408,699	\$ 391,401
Interest on the Total Pension Liability	1,652,173	1,610,600	1,562,397	1,456,481	1,394,410	1,339,670	1,239,901	1,206,908
Changes of Benefit Terms	-	-	-	-	-	-	557,617	-
Difference Between Expected and Actual Experience	284,191	(503,525)	(278,571)	640,190	268,706	23,103	151,465	-
Changes of Assumptions	-	62,617	-	-	1,159,532	-	-	(111,133)
Benefit Payments, Including Refunds of Employee Contributions	(1,115,959)	(1,118,584)	(1,146,649)	(1,079,187)	(1,165,198)	(1,048,145)	(1,051,556)	(1,060,261)
Net Change in Total Pension Liability	1,352,643	601,838	661,258	1,552,048	2,151,460	768,155	1,306,126	426,915
Total Pension Liability - Beginning	23,894,331	23,292,493	22,631,235	21,079,187	18,927,727	18,159,572	16,853,446	16,426,531
Total Pension Liability - Ending (a)	25,246,974	23,894,331	23,292,493	22,631,235	21,079,187	18,927,727	18,159,572	16,853,446
Plan Fiduciary Net Position								
Contributions - Employer	888,892	799,057	769,371	738,829	767,306	666,079	623,185	455,828
Contributions - Employee	274,776	263,803	256,817	260,379	268,892	255,969	195,953	184,574
Net Investment Income (Loss)	4,260,764	562,414	929,699	1,054,324	1,409,229	(3,814)	260,782	1,477,703
Benefit Payments, Including Refunds of Employee Contributions	(1,115,959)	(1,118,584)	(1,146,649)	(1,079,187)	(1,165,198)	(1,048,145)	(1,051,556)	(1,060,261)
Pension Plan Administrative Expense	(16,234)	(15,496)	(14,533)	(14,036)	(13,314)	(10,261)	(10,467)	(9,253)
Other	2,181	29,392	(1)	(140,356)	1,014,368	1,096	15,104	2,462
Net Change in Plan Fiduciary Net Position	4,294,420	520,586	794,704	819,953	2,281,283	(139,076)	33,001	1,051,053
Plan Fiduciary Net Position - Beginning	15,405,247	14,884,661	14,089,957	13,270,004	10,988,721	11,127,797	11,094,796	10,043,743
Plan Fiduciary Net Position - Ending (b)	19,699,667	15,405,247	14,884,661	14,089,957	13,270,004	10,988,721	11,127,797	11,094,796
Net Pension Liability - Ending (a) - (b)	\$ 5,547,307	\$ 8,489,084	\$ 8,407,832	\$ 8,541,278	\$ 7,809,183	\$ 7,939,006	\$ 7,031,775	\$ 5,758,650
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	78.03%	64.47%	63.90%	62.26%	62.95%	58.06%	61.28%	65.83%
Covered Payroll	\$ 2,747,743	\$ 2,633,810	\$ 2,598,755	\$ 2,598,755	\$ 2,668,882	\$ 2,515,401	\$ 2,385,864	\$ 2,296,956
Net Pension Liability as a Percentage of Covered Payroll	201.89%	322.31%	323.53%	328.67%	292.60%	315.62%	294.73%	250.71%

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

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

**TOWN OF EAST GREENWICH, RHODE ISLAND
 SCHEDULE OF EMPLOYER CONTRIBUTIONS
 MUNICIPAL EMPLOYEE’S RETIREMENT SYSTEM AGENT PLAN – TOWN EMPLOYEES
 LAST TEN FISCAL YEARS***

	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially Determined Contribution	\$ 74,469	\$ 82,459	\$ 69,214	\$ 57,052	\$ 57,949	\$ 65,206	\$ 59,728	\$ 78,349
Contributions in Relation to the Actuarially Determined Contribution	74,469	82,459	69,214	57,052	57,949	65,206	59,728	78,349
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 1,342,392	\$ 1,604,255	\$ 1,534,681	\$ 1,251,154	\$ 1,308,111	\$ 1,268,599	\$ 1,158,274	\$ 1,142,107
Contributions as a Percentage of Covered Payroll	5.55%	5.14%	4.51%	4.56%	4.43%	5.14%	5.16%	6.86%

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

Notes to Schedule:

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

**TOWN OF EAST GREENWICH, RHODE ISLAND
 SCHEDULE OF EMPLOYER CONTRIBUTIONS
 MUNICIPAL EMPLOYEE’S RETIREMENT SYSTEM AGENT PLAN – TOWN EMPLOYEES WITH COLA
 LAST TEN FISCAL YEARS***

	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially Determined Contribution	\$ 336,084	\$ 297,328	\$ 266,097	\$ 264,876	\$ 265,658	\$ 305,983	\$ 312,577	\$ 392,668
Contributions in Relation to the Actuarially Determined Contribution	336,084	297,328	266,097	264,876	265,658	305,983	312,577	392,668
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 6,070,833	\$ 5,784,625	\$ 5,896,202	\$ 5,811,747	\$ 5,993,504	\$ 5,998,511	\$ 5,836,278	\$ 5,726,172
Contributions as a Percentage of Covered Payroll	5.54%	5.14%	4.51%	4.56%	4.43%	5.10%	5.36%	6.86%

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

Notes to Schedule:

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

**TOWN OF EAST GREENWICH, RHODE ISLAND
 SCHEDULE OF EMPLOYER CONTRIBUTIONS
 MUNICIPAL EMPLOYEE’S RETIREMENT SYSTEM AGENT PLAN – TOWN FIRE NON-CERT EMPLOYEES
 LAST TEN FISCAL YEARS***

	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially Determined Contribution	\$ 8,916	\$ 7,420	\$ 6,461	\$ -	\$ 2,868	\$ -	\$ 929	\$ 7,766
Contributions in Relation to the Actuarially Determined Contribution	8,916	7,420	6,461	-	2,868	-	929	7,766
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll	\$ 42,335	\$ 40,360	\$ 23,108	\$ -	\$ 28,542	\$ -	\$ 10,334	\$ 49,341
Contributions as a Percentage of Covered Payroll	21.06%	18.38%	27.96%	N/A	10.05%	N/A	8.99%	15.74%

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

Notes to Schedule:

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

**TOWN OF EAST GREENWICH, RHODE ISLAND
 SCHEDULE OF EMPLOYER CONTRIBUTIONS
 MUNICIPAL EMPLOYEE’S RETIREMENT SYSTEM AGENT PLAN – POLICE EMPLOYEES
 LAST TEN FISCAL YEARS***

	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially Determined Contribution	\$ 771,210	\$ 721,232	\$ 697,082	\$ 693,687	\$ 696,413	\$ 680,149	\$ 641,008	\$ 565,061
Contributions in Relation to the Actuarially Determined Contribution	771,210	721,232	697,082	693,687	696,413	680,149	641,008	565,061
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll	\$ 2,446,486	\$ 2,340,903	\$ 2,299,074	\$ 2,402,808	\$ 2,486,294	\$ 2,361,623	\$ 2,292,658	\$ 2,169,150
Contributions as a Percentage of Covered Payroll	31.52%	30.81%	30.32%	28.87%	28.01%	28.80%	27.96%	26.05%

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

Notes to Schedule:

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

**TOWN OF EAST GREENWICH, RHODE ISLAND
 SCHEDULE OF EMPLOYER CONTRIBUTIONS
 MUNICIPAL EMPLOYEE’S RETIREMENT SYSTEM AGENT PLAN – FIRE EMPLOYEES
 LAST TEN FISCAL YEARS***

	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially Determined Contribution	\$ 974,096	\$ 888,892	\$ 799,057	\$ 769,371	\$ 738,829	\$ 767,306	\$ 666,079	\$ 623,185
Contributions in Relation to the Actuarially Determined Contribution	974,096	888,892	799,057	769,371	738,829	767,306	666,079	623,185
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 2,878,233	\$ 2,747,743	\$ 2,633,810	\$ 2,598,755	\$ 2,598,755	\$ 2,668,882	\$ 2,515,401	\$ 2,385,864
Contributions as a Percentage of Covered Payroll	33.84%	32.35%	30.34%	29.61%	28.43%	28.75%	26.48%	26.12%

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

Notes to Schedule:

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

**TOWN OF EAST GREENWICH, RHODE ISLAND
 SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY AND RELATED RATIOS
 TEACHERS RETIREMENT PLAN
 LAST EIGHT FISCAL YEARS***

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Town's Proportion of the Net Pension Liability	1.046%	1.040%	1.047%	1.038%	0.951%	1.034%	0.969%	0.982%
Town's Proportionate Share of the Net Pension Liability	\$ 24,611,650	\$ 33,221,108	\$ 33,401,289	\$ 32,976,770	\$ 30,002,460	\$ 30,861,308	\$ 26,682,681	\$ 23,910,166
State's Proportionate Share of the Net Pension Liability Associated with the School District	<u>18,251,744</u>	<u>24,684,097</u>	<u>25,021,024</u>	<u>24,598,302</u>	<u>22,674,651</u>	<u>21,135,464</u>	<u>18,228,770</u>	<u>16,396,302</u>
Total	<u>\$ 42,863,394</u>	<u>\$ 57,905,205</u>	<u>\$ 58,422,313</u>	<u>\$ 57,575,072</u>	<u>\$ 52,677,111</u>	<u>\$ 51,996,772</u>	<u>\$ 44,911,451</u>	<u>\$ 40,306,468</u>
Town's Covered Payroll	\$ 19,598,065	\$ 19,250,469	\$ 19,031,733	\$ 18,269,242	\$ 18,297,483	\$ 17,784,726	\$ 16,931,742	\$ 16,995,774
Town's Proportionate Share of the Net Pension Liability as a Percentage of Its Covered Payroll	125.58%	172.57%	175.50%	180.50%	163.97%	173.53%	157.59%	140.68%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.5%	54.6%	54.6%	54.3%	54.0%	54.1%	57.6%	61.4%

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

Notes:

- The amounts presented for each fiscal year were determined as of the June 30 measurement date prior to the fiscal year end.
- There were no changes in actuarial methods or assumptions reflected in the calculation of the net pension liability (asset) of the plans as of the June 30, 2020 measurement date compared to the June 30, 2019 measurement date.

**TOWN OF EAST GREENWICH, RHODE ISLAND
 SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY AND RELATED RATIOS
 TEACHERS' SURVIVORS BENEFIT PLAN
 LAST EIGHT FISCAL YEARS***

	2022	2021	2020	2019	2018	2017	2016	2015
Town's Proportion of the Net Pension Asset	3.763%	3.880%	3.789%	3.789%	3.724%	3.692%	3.643%	3.665%
Town's Proportionate Share of the Net Pension Asset	\$ 7,364,891	\$ 4,607,513	\$ 3,381,097	\$ 3,381,097	\$ 3,080,730	\$ 3,676,575	\$ 3,401,345	\$ 4,556,589
Town's Covered Payroll	\$ 19,598,065	\$ 19,250,469	\$ 19,031,733	\$ 18,269,242	\$ 18,297,483	\$ 17,784,726	\$ 16,931,742	\$ 16,995,774
Town's Proportionate Share of the Net Pension Asset as a Percentage of Its Covered Payroll	37.58%	23.93%	17.77%	18.51%	16.84%	20.67%	20.09%	26.81%
Plan Fiduciary Net Position as a Percentage of the Total Pension Asset	185.7%	150.2%	137.4%	137.4%	136.1%	153.3%	146.6%	173.3%

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

Notes to Schedule:

- The amounts presented for each fiscal year were determined as of the June 30 measurement date prior to the fiscal year end.
- There were no changes in actuarial methods or assumptions reflected in the calculation of the net pension liability (asset) of the plans as of the June 30, 2020 measurement date compared to the June 30, 2019 measurement date.

**TOWN OF EAST GREENWICH, RHODE ISLAND
SCHEDULE OF EMPLOYER CONTRIBUTIONS
TEACHERS RETIREMENT PLAN
LAST TEN FISCAL YEARS***

	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially Determined Contribution	\$ 3,050,464	\$ 2,928,478	\$ 2,829,429	\$ 2,652,750	\$ 2,533,100	\$ 2,248,280	\$ 2,347,911	\$ 2,125,947
Contributions in Relation to the Actuarially Determined Contribution	3,050,464	2,928,478	2,829,429	2,652,750	2,533,100	2,248,280	2,347,911	2,125,947
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll	\$ 20,176,417	\$ 19,598,065	\$ 19,250,469	\$ 19,031,733	\$ 18,269,242	\$ 18,297,483	\$ 17,784,726	\$ 16,931,742
Contributions as a Percentage of Covered Payroll	15.12%	14.94%	14.70%	13.94%	13.87%	12.29%	13.20%	12.56%

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

Notes to Schedule:

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

**TOWN OF EAST GREENWICH, RHODE ISLAND
SCHEDULE OF EMPLOYER CONTRIBUTIONS
TEACHERS' SURVIVORS BENEFIT PLAN
LAST TEN FISCAL YEARS***

	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially Determined Contribution	\$ 29,270	\$ 27,707	\$ 28,932	\$ 27,981	\$ 28,193	\$ 21,967	\$ 22,545	\$ 21,984
Contributions in Relation to the Actuarially Determined Contribution	29,270	27,707	28,932	27,981	28,193	21,967	22,545	21,984
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 20,176,417	\$ 19,598,065	\$ 19,250,469	\$ 19,031,733	\$ 18,269,242	\$ 18,297,483	\$ 17,784,726	\$ 16,931,742
Contributions as a Percentage of Covered Payroll	0.15%	0.14%	0.15%	0.15%	0.15%	0.12%	0.13%	0.13%

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

Notes to Schedule:

- Employers participating in the Teachers' Survivors Benefit Plan contribute at a rate established by the RI General Laws, Section 16-16-35.
- The employee and employer contribution rates were applied to the first \$11,500 of member salary beginning in fiscal 2018. In fiscal 2017 and prior the rate was applied to salary up to \$9,600.
- Covered employee payroll is the full amount of employee payroll for plan members and not just the capped salary amount to which the contribution rate is applied.

TOWN OF EAST GREENWICH, RHODE ISLAND
SCHEDULE OF CHANGES IN THE TOWN'S NET OPEB LIABILITY AND RELATED RATIOS
OPEB TRUST FUND
LAST TEN FISCAL YEARS*

	2022	2021	2020	2019	2018	2017
Total OPEB Liability:						
Service Cost	\$ 913,106	\$ 868,234	\$ 745,430	\$ 1,027,630	\$ 1,370,374	\$ 1,601,706
Interest on the Total OPEB Liability	610,517	722,567	837,959	1,306,953	1,278,417	1,114,524
Changes of Benefit Terms	-	-	-	(8,326,565)	-	-
Changes of Assumptions	(5,186,454)	2,168,004	2,222,788	1,418,989	(412,741)	(3,884,069)
Differences Between Expected and Actual Experience	(2,956,350)	(697,880)	(85,981)	(4,072,148)	(1,433,610)	(221,518)
Benefit Payments	(827,853)	(808,889)	(945,461)	(842,034)	(813,708)	(809,496)
Net Change in Total OPEB Liability	(7,447,034)	2,252,036	2,774,735	(9,487,175)	(11,268)	(2,198,853)
Total OPEB Liability - Beginning	31,845,729	29,593,693	26,818,958	36,306,133	36,317,401	38,516,254
Total OPEB Liability - Ending	24,398,695	31,845,729	29,593,693	26,818,958	36,306,133	36,317,401
Plan Fiduciary Net Position:						
Contributions - Employer	827,853	808,889	945,461	842,034	1,163,708	1,159,496
Contributions - Retired Members	-	-	-	-	-	-
Net Investment Income	(564,680)	907,505	142,944	200,869	198,547	257,366
Benefit Payments	(827,853)	(808,889)	(945,461)	(842,034)	(813,708)	(809,496)
OPEB Plan Administrative Expense	-	-	-	-	-	-
Net Change in Plan Fiduciary Net Position	(564,680)	907,505	142,944	200,869	548,547	607,366
Plan Fiduciary Net Position - Beginning	4,186,000	3,278,495	3,135,551	2,934,682	2,386,135	1,778,769
Plan Fiduciary Net Position - Ending (b)	3,621,320	4,186,000	3,278,495	3,135,551	2,934,682	2,386,135
Net OPEB Liability - Ending	\$ 20,777,375	\$ 27,659,729	\$ 26,315,198	\$ 23,683,407	\$ 33,371,451	\$ 33,931,266
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	14.84%	13.14%	11.08%	11.69%	8.08%	6.57%
Covered-Employee Payroll	\$ 8,839,000	\$ 8,581,072	\$ 9,082,000	\$ 8,817,473	\$ 8,967,689	\$ 8,706,494
Net OPEB Liability as a Percentage of Covered-Employee Payroll	235.06%	322.33%	289.75%	268.60%	372.13%	389.72%

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

**TOWN OF EAST GREENWICH, RHODE ISLAND
SCHEDULE OF EMPLOYER CONTRIBUTIONS
OPEB TRUST FUND
LAST TEN FISCAL YEARS***

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Actuarially Determined Contribution (1)	\$ 2,139,639	\$ 2,123,836	\$ 1,983,602	\$ 2,876,338	\$ 3,231,475	\$ 3,459,107	\$ 2,989,260	\$ 2,989,260	\$ 3,494,835	\$ 3,440,443
Contributions in Relation to the Actuarially Determined Contribution	827,853	808,889	945,461	842,034	1,163,708	1,159,496	2,357,354	688,884	859,359	1,121,081
Contribution Deficiency (Excess)	<u>\$ 1,311,786</u>	<u>\$ 1,314,947</u>	<u>\$ 1,038,141</u>	<u>\$ 2,034,304</u>	<u>\$ 2,067,767</u>	<u>\$ 2,299,611</u>	<u>\$ 631,906</u>	<u>\$ 2,300,376</u>	<u>\$ 2,635,476</u>	<u>\$ 2,319,362</u>
Covered-Employee Payroll	\$ 8,839,000	\$ 8,581,072	\$ 9,082,000	\$ 8,817,473	\$ 8,967,689	\$ 8,706,494	\$ 8,066,200	\$ 8,066,200	\$ 7,743,713	\$ 7,743,713
Contributions as a Percentage of Covered-Employee Payroll	9.37%	9.43%	10.41%	9.55%	12.98%	13.32%	29.23%	8.54%	11.10%	14.48%

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

Notes to Schedule:

Valuation date: July 1, 2020
 Measurement date: June 30, 2022

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Actuarial Cost Method
Discount Rate	1.95%
Payroll	Level Percentage of Payroll, Closed
Asset Valuation Method	Market Value of Assets
Salary Increases	3.00%
Investment Rate of Return	6.00%
Healthcare Trend Rates	Initial 5.2% graded down by the getzen model to an ultimate rate of 4.04%, dental is a flat 4.0%
Disability/Termination/Retirement Rates	Experience-based table of rates that are specific to the type of eligibility conditions.
Mortality	2010 Public sector Retirement Plans Mortality table for total Teacher, total Public Safety and total General employee populations with MP-2020.

**TOWN OF EAST GREENWICH, RHODE ISLAND
SCHEDULE OF INVESTMENT RETURNS
OPEB TRUST FUND
LAST SIX FISCAL YEARS***

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

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

TOWN OF EAST GREENWICH, RHODE ISLAND
SCHEDULE OF CHANGES IN THE TOWN'S TOTAL OPEB LIABILITY AND RELATED RATIOS
SCHOOL DEPARTMENT POSTRETIREMENT HEALTH INSURANCE PROGRAM
LAST SIX FISCAL YEARS*

	2022	2021	2020	2019	2018	2017
Total OPEB Liability						
Service Cost	\$ 486,123	\$ 443,025	\$ 405,177	\$ 395,440	\$ 336,306	\$ 374,253
Interest on the Total OPEB Liability	140,804	170,348	197,909	195,826	183,389	149,147
Changes of Benefit Terms	-	(191,055)	-	-	-	-
Changes of Assumptions	(617,454)	263,914	341,886	255,264	(1,838)	(256,079)
Differences Between Expected and Actual Experience	(277,683)	(81,630)	(205,994)	267,298	(157,436)	(139,963)
Benefit Payments	(156,721)	(136,428)	(157,343)	(147,234)	(97,002)	(35,416)
Net Change in Total OPEB Liability	(424,931)	468,174	581,635	966,594	263,419	91,942
Total OPEB Liability - Beginning	7,566,801	7,098,627	6,516,992	5,550,398	5,286,979	5,195,037
Total OPEB Liability - Ending	<u>\$ 7,141,870</u>	<u>\$ 7,566,801</u>	<u>\$ 7,098,627</u>	<u>\$ 6,516,992</u>	<u>\$ 5,550,398</u>	<u>\$ 5,286,979</u>
Covered-Employee Payroll	\$ 18,621,000	\$ 18,078,338	\$ 19,741,000	\$ 19,166,260	\$ 17,232,811	\$ 16,730,884
Total OPEB Liability as a Percentage of Covered-Employee Payroll	38.35%	41.86%	35.96%	34.00%	32.21%	31.60%

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

Notes to Schedule:

- No assets are accumulated in a trust that meets the criteria of GASBS No. 75, paragraph 4 to pay related benefits.

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

GENERAL FUND

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

TOWN OF EAST GREENWICH, RHODE ISLAND
COMBINING BALANCE SHEET
GENERAL FUND
JUNE 30, 2022

	General Fund	School Unrestricted Fund	Eliminations	Total General Fund
ASSETS				
Cash and Cash Equivalents	\$ 19,634,280	\$ -	\$ -	\$ 19,634,280
Accounts and Other Receivable, Net	2,440,095	162,808	-	2,602,903
Due from Other Funds	3,791,453	7,987,640	(7,544,541)	4,234,552
Prepaid Items	580,197	-	-	580,197
	<u>26,446,025</u>	<u>8,150,448</u>	<u>(7,544,541)</u>	<u>27,051,932</u>
Total Assets				
	<u>\$ 26,446,025</u>	<u>\$ 8,150,448</u>	<u>\$ (7,544,541)</u>	<u>\$ 27,051,932</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts Payable	\$ 275,106	\$ 468,730	\$ -	\$ 743,836
Accrued Liabilities	645,352	3,520,816	-	4,166,168
Due to Other Funds	14,242,224	504,025	(7,544,541)	7,201,708
Total Liabilities	<u>15,162,682</u>	<u>4,493,571</u>	<u>(7,544,541)</u>	<u>12,111,712</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue - Property Taxes	1,261,524	-	-	1,261,524
Unavailable Revenue - Other Receivables	240,827	-	-	240,827
Total Deferred Inflows of Resources	<u>1,502,351</u>	<u>-</u>	<u>-</u>	<u>1,502,351</u>
FUND BALANCES				
Nonspendable	580,197	-	-	580,197
Committed	-	3,656,877	-	3,656,877
Assigned	28,590	-	-	28,590
Unassigned	9,172,205	-	-	9,172,205
Total Fund Balances	<u>9,780,992</u>	<u>3,656,877</u>	<u>-</u>	<u>13,437,869</u>
	<u>\$ 26,446,025</u>	<u>\$ 8,150,448</u>	<u>\$ (7,544,541)</u>	<u>\$ 27,051,932</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances				

**TOWN OF EAST GREENWICH, RHODE ISLAND
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE GENERAL FUND
YEAR ENDED JUNE 30, 2022**

	General Fund	School Unrestricted Fund	Eliminations	Total General Fund
REVENUES				
Property Taxes, Interest, and Lien Fees	\$ 60,991,746	\$ -	\$ -	\$ 60,991,746
Intergovernmental Revenues	1,571,885	7,254,223	-	8,826,108
Fines, Penalties, and Charges for Services	2,045,253	86,015	-	2,131,268
Licenses and Permits	856,504	-	-	856,504
Investment Income	24,698	40,185	-	64,883
Other Revenues	35,278	62,622	-	97,900
Total Revenues	<u>65,525,364</u>	<u>7,443,045</u>	<u>-</u>	<u>72,968,409</u>
EXPENDITURES				
Current:				
General Government	4,355,277	-	-	4,355,277
Public Safety	13,296,799	-	-	13,296,799
Public Works	3,732,853	-	-	3,732,853
Cultural and Recreation	1,156,989	-	-	1,156,989
Education	-	45,589,497	-	45,589,497
Debt Service:				
Lease payments	26,676	67,340	-	94,016
Capital Outlay	79,748	155,682	-	235,430
Total Expenditures	<u>22,648,342</u>	<u>45,812,519</u>	<u>-</u>	<u>68,460,861</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	42,877,022	(38,369,474)	-	4,507,548
OTHER FINANCING SOURCES (USES)				
Issuance of leases	79,748	155,682	-	235,430
Transfers In	-	38,125,802	(38,125,802)	-
Transfers Out	(42,566,063)	-	38,125,802	(4,440,261)
Total Other Financing Sources (Uses)	<u>(42,486,315)</u>	<u>38,281,484</u>	<u>-</u>	<u>(4,204,831)</u>
NET CHANGE IN FUND BALANCES	390,707	(87,990)	-	302,717
Fund Balances - Beginning of Year	<u>9,390,285</u>	<u>3,744,867</u>	<u>-</u>	<u>13,135,152</u>
FUND BALANCES - END OF YEAR	<u>\$ 9,780,992</u>	<u>\$ 3,656,877</u>	<u>\$ -</u>	<u>\$ 13,437,869</u>

TOWN OF EAST GREENWICH, RHODE ISLAND
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND OTHER FINANCING SOURCES (USES)
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2022
(NON-GAAP BUDGETARY BASIS)

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues and Use of Fund Balance:				
Property Taxes:				
Current Taxes	\$ 58,619,941	\$ 58,619,941	\$ 58,636,787	\$ 16,846
Prior Taxes	950,000	950,000	1,415,183	465,183
Total Taxes Current and Prior	<u>59,569,941</u>	<u>59,569,941</u>	<u>60,051,970</u>	<u>482,029</u>
Interest on Taxes	175,000	175,000	210,645	35,645
Payment in Lieu of Taxes (State Aid)	745,800	745,800	729,131	(16,669)
Total Property Taxes	<u>60,490,741</u>	<u>60,490,741</u>	<u>60,991,746</u>	<u>501,005</u>
State Aid - Town:				
Telephone Tax	162,000	162,000	155,790	(6,210)
Meals and Beverage Tax	635,000	635,000	829,335	194,335
State Motor Vehicle Phase-Out	591,670	591,670	574,015	(17,655)
Hotel Tax	1,992	1,992	2,601	609
Total State Aid - Town	<u>1,390,662</u>	<u>1,390,662</u>	<u>1,561,740</u>	<u>171,078</u>
Licenses, Fees and Rents:				
Business Licenses and Fees	462,900	462,900	764,216	301,316
Nonbusiness Licenses and Fees	49,400	49,400	58,976	9,576
Real Estate Conveyance Fees	480,000	480,000	799,837	319,837
Total Licenses, Fees and Rents	<u>992,300</u>	<u>992,300</u>	<u>1,623,029</u>	<u>630,729</u>
Investment Income - Short Term	45,000	45,000	24,698	(20,302)
Revenues and Use Of Fund Balance:				
Departmental Revenues:				
Police Department Revenue	184,800	184,800	258,918	74,118
Fire Rescue Revenue	750,000	750,000	767,597	17,597
Community Services Revenue	43,000	43,000	38,725	(4,275)
Senior Programs	10,000	10,000	17,646	7,646
Planning Department	14,500	14,500	27,599	13,099
Cell Tower Revenue	135,300	135,300	137,849	2,549
Copy Charges	4,000	4,000	2,489	(1,512)
Miscellaneous - Town	40,400	40,400	73,324	32,924
Total Departmental Revenues	<u>1,182,000</u>	<u>1,182,000</u>	<u>1,324,145</u>	<u>142,145</u>
Use of Fund Balance	<u>600,000</u>	<u>600,000</u>	<u>600,000</u>	<u>-</u>
Total Revenues And Use Of Fund Balance	<u>64,700,703</u>	<u>64,700,703</u>	<u>66,125,359</u>	<u>1,424,656</u>
Expenditures:				
General Government:				
Town Council	9,300	9,300	9,300	-
Town Manager'S Office	364,506	364,506	374,193	(9,687)
Town Clerk	401,603	404,568	430,840	(26,272)
Legal	291,500	291,500	339,174	(47,674)
Probate	5,500	5,500	7,375	(1,875)
Board of Canvassers	32,750	29,785	27,028	2,757
Finance Department	823,349	823,349	731,669	91,680
Information Technology	725,791	725,791	781,967	(56,176)
Town Bldg Outside Services	64,600	64,600	58,518	6,082
Planning Department	344,738	344,738	297,515	47,223
Total General Government	<u>3,063,637</u>	<u>3,063,637</u>	<u>3,057,579</u>	<u>6,058</u>

TOWN OF EAST GREENWICH, RHODE ISLAND
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND OTHER FINANCING SOURCES (USES)
BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED JUNE 30, 2022
(NON-GAAP BUDGETARY BASIS)

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
Expenditures (Continued):				
Public Safety:				
Police Department	\$ 5,949,716	\$ 5,949,716	\$ 5,792,757	\$ 156,959
Fire Department	7,342,582	7,342,582	7,502,762	(160,180)
Total Public Safety	<u>13,292,298</u>	<u>13,292,298</u>	<u>13,295,519</u>	<u>(3,221)</u>
Public Works	3,818,084	3,818,084	3,728,217	89,867
Community Parks & Recreation	1,054,943	1,099,949	1,082,634	17,315
Senior & Human Services	421,446	376,440	378,735	(2,295)
Capital Improvements/Projects	750,000	750,000	750,000	-
Miscellaneous:				
Property Insurance	368,000	368,000	381,405	(13,405)
Unemployment Insurance	25,000	25,000	3,444	21,556
Workers' Compensation	70,000	70,000	70,414	(414)
Contingency	50,000	50,000	1,325	48,675
Outside Services	25,000	25,000	25,000	-
Total Miscellaneous	<u>538,000</u>	<u>538,000</u>	<u>481,588</u>	<u>56,412</u>
Total Expenditures	<u>22,938,408</u>	<u>22,938,408</u>	<u>22,774,272</u>	<u>164,136</u>
Excess Of Revenues Over Expenditures	41,762,295	41,762,295	43,351,087	1,588,792
Other Financing Sources (Uses):				
Tax Transfer to School	(38,125,802)	(38,125,802)	(38,125,802)	-
Tax Transfer Eg Free Library	(536,232)	(536,232)	(536,232)	-
Tax Transfer to Debt Service	(3,100,261)	(3,100,261)	(3,100,261)	-
Misc Tax Dollar Transfers			(440,000)	(440,000)
Transfers to Other Funds			(150,000)	(150,000)
Total Other Financing Sources (Uses)	<u>(41,762,295)</u>	<u>(41,762,295)</u>	<u>(42,352,295)</u>	<u>(590,000)</u>
Excess of Revenues, Other Sources and Uses of Fund Balance over Expenditures and Other Financing Uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 998,792</u>	<u>\$ 998,792</u>
Budget to GAAP Reconciliation				
	Revenues and Other Financing Sources	Expenditures and Other Financing Uses	Net Change in Fund Balance	
Balance, Budgetary Basis	\$ 66,125,359	\$ 65,126,567	\$ 998,792	
Effects of Gasb Statement No 87, Not Budgeted	79,748	79,748	-	
Use of Fund Balance	(600,000)	-	(600,000)	
Encumbrances are Reported In The Year The Order is Placed for Budgetary Purposes	-	8,085	(8,085)	
Budgetary Classification of Revenues and Expenses for GAAP	<u>5</u>	<u>5</u>	<u>-</u>	
Balance, GAAP Basis	<u>\$ 65,605,112</u>	<u>\$ 65,214,405</u>	<u>\$ 390,707</u>	

TOWN OF EAST GREENWICH, RHODE ISLAND
SCHOOL UNRESTRICTED FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND OTHER FINANCING SOURCES (USES)
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2022
(NON-GAAP BUDGETARY BASIS)

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues and Designated Fund Balance:				
State Aid	\$ 4,450,983	\$ 4,450,983	\$ 4,450,983	\$ -
Tuition	75,000	75,000	86,015	11,015
Medicaid Funds	385,000	385,000	360,635	(24,365)
Miscellaneous	215,000	215,000	240,623	25,623
Total Revenues	<u>5,125,983</u>	<u>5,125,983</u>	<u>5,138,256</u>	<u>12,273</u>
Use of Fund Balance	<u>365,185</u>	<u>753,100</u>	<u>753,100</u>	<u>-</u>
Total Revenues and Use of Fund Balance	<u>5,491,168</u>	<u>5,879,083</u>	<u>5,891,356</u>	<u>12,273</u>
Expenditures:				
Salaries	25,619,064	25,608,119	25,304,599	303,520
Employee Benefits	9,076,861	9,089,781	8,686,016	403,765
Purchased Services	7,269,256	7,553,250	7,537,730	15,520
Supplies and Materials	1,399,750	1,431,900	1,422,481	9,419
Capital Outlay	252,039	321,835	400,636	(78,801)
Total Expenditures	<u>43,616,970</u>	<u>44,004,885</u>	<u>43,351,462</u>	<u>653,423</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(38,125,802)</u>	<u>(38,125,802)</u>	<u>(37,460,106)</u>	<u>665,696</u>
Other Financing Sources:				
Transfers In	<u>38,125,802</u>	<u>38,125,802</u>	<u>38,125,802</u>	<u>-</u>
Total Other Financing Sources	<u>38,125,802</u>	<u>38,125,802</u>	<u>38,125,802</u>	<u>-</u>
Excess of Revenues, Other Sources and Uses of Fund Balance Over Expenditures and Other Financing Uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 665,696</u>	<u>\$ 665,696</u>
Budget to GAAP Reconciliation				
	Revenues and Other Financing Sources	Expenditures and Other Financing Uses	Net Change in Fund Balance	
Balance, Budgetary Basis	\$ 44,017,158	\$ 43,351,462	\$ 665,696	
Effects of GASB Statement No 87, Not Budgeted State Teachers' Retirement on-Behalf Contribution for Pension	155,682	155,682	-	
State on-Behalf Contribution for Transportation	2,217,487	2,217,487	-	
Use of Fund Balance	89,555	89,555	-	
Encumbrances are Reported in the Year the Order is Placed for Budgetary Purposes	(753,100)	-	(753,100)	
Budgetary Classification of Revenues and Expenses for GAAP	-	586	(586)	
	<u>(2,253)</u>	<u>(2,253)</u>	<u>-</u>	
Balance, GAAP Basis	<u>\$ 45,724,529</u>	<u>\$ 45,812,519</u>	<u>\$ (87,990)</u>	

NONMAJOR GOVERNMENTAL FUNDS

**TOWN OF EAST GREENWICH, RHODE ISLAND
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2022**

Special Revenue Funds

	Recreation Development	Impact Fees	Planning Reserve Fund	EMA Funds	American Rescue Plan Fund	Opioid Litigation	Fire Plan Review	Recreation Activities	Smoke Detector	Municipal Recycling Program
ASSETS										
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -	\$ 1,782,299	\$ 113,122	\$ -	\$ -	\$ -	\$ -
Cash with Fiscal Agent	-	-	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-	-	-
Receivables, Net	-	-	-	18,105	-	281,950	-	-	-	-
Due from Other Funds	305,193	1,853,789	144,320	18,170	-	-	191,826	517,169	32,899	-
Inventories	-	-	-	-	-	-	-	-	-	-
Prepays	-	-	-	-	-	-	-	-	-	-
Total Assets	\$ 305,193	\$ 1,853,789	\$ 144,320	\$ 36,275	\$ 1,782,299	\$ 395,072	\$ 191,826	\$ 517,169	\$ 32,899	\$ -
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES										
Liabilities:										
Accounts Payable	\$ -	\$ 6,211	\$ 544	\$ -	\$ 185,502	\$ -	\$ -	\$ 33,846	\$ -	\$ -
Accrued Liabilities	-	-	-	-	-	-	-	6,067	-	-
Due to Other Funds	-	-	-	-	-	-	-	-	-	-
Unearned Revenue	-	-	-	-	1,596,797	-	-	-	-	-
Total Liabilities	-	6,211	544	-	1,782,299	-	-	39,913	-	-
Deferred Inflows Of Resources										
Unavailable Revenue - Other Receivables	-	-	-	-	-	281,950	-	-	-	-
Deferred amounts related to Leases	-	-	-	-	-	-	-	-	-	-
Total Deferred Inflows Of Resources	-	-	-	-	-	281,950	-	-	-	-
Fund Balances:										
Nonspendable	-	-	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	113,122	-	-	-	-
Committed	305,193	1,847,578	143,776	36,275	-	-	191,826	477,256	32,899	-
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-	-
Total Fund Balances	305,193	1,847,578	143,776	36,275	-	113,122	191,826	477,256	32,899	-
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 305,193	\$ 1,853,789	\$ 144,320	\$ 36,275	\$ 1,782,299	\$ 395,072	\$ 191,826	\$ 517,169	\$ 32,899	\$ -

TOWN OF EAST GREENWICH, RHODE ISLAND
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)
JUNE 30, 2022

Special Revenue Funds

	Project Accounts Fund	Land Trust Fund	Title I	Title II	Title III	Title IV	American Rescue Plan ELC	ARP-IDEA Preschool	ARP-IDEA	Pandemic EBT Admin
ASSETS										
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Cash with Fiscal Agent	-	-	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-	-	-
Receivables, Net	-	473,610	19,884	6,953	-	31,956	30,383	5,498	26,803	-
Due from Other Funds	373,571	40,038	-	65,475	3	-	-	-	-	3,684
Inventories	-	-	-	-	-	-	-	-	-	-
Prepays	-	-	-	-	-	-	-	-	-	-
Total Assets	\$ 373,571	\$ 513,648	\$ 19,884	\$ 72,428	\$ 3	\$ 31,956	\$ 30,383	\$ 5,498	\$ 26,803	\$ 3,684
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES										
Liabilities:										
Accounts Payable	\$ 1,066	\$ 201	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued Liabilities	336	-	10,837	1,696	-	-	7,510	-	4,804	-
Due to Other Funds	-	-	9,029	70,732	-	31,956	22,873	5,498	21,999	-
Unearned Revenue	-	-	-	-	-	-	-	-	-	-
Total Liabilities	1,402	201	19,866	72,428	-	31,956	30,383	5,498	26,803	-
Deferred Inflows Of Resources										
Unavailable Revenue - Other Receivables	-	-	-	-	-	-	-	-	-	-
Deferred amounts related to Leases	-	466,399	-	-	-	-	-	-	-	-
Total Deferred Inflows Of Resources	-	466,399	-	-	-	-	-	-	-	-
Fund Balances:										
Nonspendable	-	-	-	-	-	-	-	-	-	-
Restricted	-	-	18	-	3	-	-	-	-	3,684
Committed	372,169	47,048	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-	-
Total Fund Balances	372,169	47,048	18	-	3	-	-	-	-	3,684
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 373,571	\$ 513,648	\$ 19,884	\$ 72,428	\$ 3	\$ 31,956	\$ 30,383	\$ 5,498	\$ 26,803	\$ 3,684

TOWN OF EAST GREENWICH, RHODE ISLAND
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)
JUNE 30, 2022

Special Revenue Funds

ASSETS	Special Revenue Funds									
	ESSER III	RTTT Instructional	EDC	NEA Foundation	CARES ACT	CARES ACT Guidance	IDEA Preschool	IDEA Part B	RI Full Day Kindergarten	Gen. Youth Foundation
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Cash with Fiscal Agent	-	-	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-	-	-
Receivables, Net	92,536	-	-	-	24,950	75,000	15,170	217,318	-	-
Due from Other Funds	-	1,226	-	2,280	-	-	-	-	2	123
Inventories	-	-	-	-	-	-	-	-	-	-
Prepays	-	-	-	-	-	-	-	-	-	-
Total Assets	\$ 92,536	\$ 1,226	\$ -	\$ 2,280	\$ 24,950	\$ 75,000	\$ 15,170	\$ 217,318	\$ 2	\$ 123
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES										
Liabilities:										
Accounts Payable	\$ -	\$ -	\$ -	\$ 1,505	\$ -	\$ -	\$ 4,575	\$ 513	\$ -	\$ -
Accrued Liabilities	24,362	-	-	-	11,538	13,216	128	85,448	-	-
Due to Other Funds	68,174	-	34	-	13,412	57,547	10,467	131,378	-	-
Unearned Revenue	-	-	137	-	-	-	-	-	-	-
Total Liabilities	92,536	-	171	1,505	24,950	70,763	15,170	217,339	-	-
Deferred Inflows Of Resources										
Unavailable Revenue - Other Receivables	-	-	-	-	-	-	-	-	-	-
Deferred amounts related to Leases	-	-	-	-	-	-	-	-	-	-
Total Deferred Inflows Of Resources	-	-	-	-	-	-	-	-	-	-
Fund Balances:										
Nonspendable	-	-	-	-	-	-	-	-	-	-
Restricted	-	1,226	-	-	-	4,237	-	-	-	-
Committed	-	-	-	775	-	-	-	-	2	123
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	(171)	-	-	-	-	(21)	-	-
Total Fund Balances	-	1,226	(171)	775	-	4,237	-	(21)	2	123
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 92,536	\$ 1,226	\$ -	\$ 2,280	\$ 24,950	\$ 75,000	\$ 15,170	\$ 217,318	\$ 2	\$ 123

TOWN OF EAST GREENWICH, RHODE ISLAND
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)
JUNE 30, 2022

Special Revenue Funds

	Strategic Support	RI State Council on Arts	RI Foundation	English Language Learners	Champlin Grant	Integrated STEM/STEAM Mini Grant	Education Foundation	Wendy's Corporation	Healthier U.S. Schools Challenge	New England Dairy & Food Council
ASSETS										
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Cash with Fiscal Agent	-	-	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-	-	-
Receivables, Net	-	-	-	-	-	-	-	-	-	-
Due from Other Funds	41,977	800	166	2	8	-	56	2,015	1,000	6
Inventories	-	-	-	-	-	-	-	-	-	-
Prepays	-	-	-	-	-	-	-	-	-	-
Total Assets	\$ 41,977	\$ 800	\$ 166	\$ 2	\$ 8	\$ -	\$ 56	\$ 2,015	\$ 1,000	\$ 6
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES										
Liabilities:										
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued Liabilities	-	-	-	-	-	-	-	-	-	-
Due to Other Funds	-	-	-	-	-	-	-	-	-	-
Unearned Revenue	-	-	-	-	-	-	-	-	-	-
Total Liabilities	-	-	-	-	-	-	-	-	-	-
Deferred Inflows Of Resources										
Unavailable Revenue - Other Receivables	-	-	-	-	-	-	-	-	-	-
Deferred amounts related to Leases	-	-	-	-	-	-	-	-	-	-
Total Deferred Inflows Of Resources	-	-	-	-	-	-	-	-	-	-
Fund Balances:										
Nonspendable	-	-	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	8	-	-	-	-	-
Committed	41,977	800	166	2	-	-	56	2,015	1,000	6
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-	-
Total Fund Balances	41,977	800	166	2	8	-	56	2,015	1,000	6
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 41,977	\$ 800	\$ 166	\$ 2	\$ 8	\$ -	\$ 56	\$ 2,015	\$ 1,000	\$ 6

TOWN OF EAST GREENWICH, RHODE ISLAND
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)
JUNE 30, 2022

	Special Revenue Funds					Capital Projects Funds				
	School Climate Transformation	RI Office of Library Services	Passaretti Donations	Wireless Classroom	Pupil Activities	Revaluation Fund	\$5 Million Asphalt	School Bond 52m Capital Fund	School Capital Reserve Fund	Fire Station Capital Reserve Fund
ASSETS										
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -	\$ 275,483	\$ -	\$ -	\$ -	\$ -	\$ -
Cash with Fiscal Agent	-	-	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-	-	-
Receivables, Net	-	540	-	68	-	-	-	-	-	-
Due from Other Funds	36	48	16,650	-	-	136,386	-	-	104,745	7,213
Inventories	-	-	-	-	-	-	-	-	-	-
Prepays	-	-	-	-	-	-	-	-	-	-
Total Assets	\$ 36	\$ 588	\$ 16,650	\$ 68	\$ 275,483	\$ 136,386	\$ -	\$ -	\$ 104,745	\$ 7,213
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES										
Liabilities:										
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ 27,758	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued Liabilities	-	-	-	-	-	-	-	-	-	-
Due to Other Funds	-	-	-	-	-	-	-	396,680	-	-
Unearned Revenue	-	-	-	-	-	-	-	-	-	-
Total Liabilities	-	-	-	-	27,758	-	-	396,680	-	-
Deferred Inflows Of Resources										
Unavailable Revenue - Other Receivables	-	-	-	-	-	-	-	-	-	-
Deferred amounts related to Leases	-	-	-	-	-	-	-	-	-	-
Total Deferred Inflows Of Resources	-	-	-	-	-	-	-	-	-	-
Fund Balances:										
Nonspendable	-	-	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	247,725	-	-	-	-	-
Committed	36	588	16,650	68	-	136,386	-	-	104,745	7,213
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	(396,680)	-	-
Total Fund Balances	36	588	16,650	68	247,725	136,386	-	(396,680)	104,745	7,213
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 36	\$ 588	\$ 16,650	\$ 68	\$ 275,483	\$ 136,386	\$ -	\$ -	\$ 104,745	\$ 7,213

TOWN OF EAST GREENWICH, RHODE ISLAND
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)
JUNE 30, 2022

Capital Projects Funds

	Capital Equipment Replacement Fund	Public Works Improvement Fund	Technology Improvement Fund	Town Hall Improvement Fund	Park Improvements	Swift Community Center Improvements	Police Building Improvements	Performance Bond Fund	Bond Fund
ASSETS									
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 168,176	\$ -
Cash with Fiscal Agent	-	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-	-
Receivables, Net	-	-	-	-	-	-	-	-	-
Due from Other Funds	521,093	382,849	262,403	280,000	504,738	-	12,000	671,052	-
Inventories	-	-	-	-	-	-	-	-	-
Prepays	-	-	-	-	-	-	-	-	-
Total Assets	\$ 521,093	\$ 382,849	\$ 262,403	\$ 280,000	\$ 504,738	\$ -	\$ 12,000	\$ 839,228	\$ -
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES									
Liabilities:									
Accounts Payable	\$ 193,005	\$ -	\$ 23,367	\$ -	\$ 63,953	\$ -	\$ -	\$ 839,228	\$ 511,328
Accrued Liabilities	-	-	-	-	-	-	-	-	-
Due to Other Funds	-	-	-	-	-	446	-	-	441,818
Unearned Revenue	-	-	-	-	-	-	-	-	-
Total Liabilities	193,005	-	23,367	-	63,953	446	-	839,228	953,146
Deferred Inflows Of Resources									
Unavailable Revenue - Other Receivables	-	-	-	-	-	-	-	-	-
Deferred amounts related to Leases	-	-	-	-	-	-	-	-	-
Total Deferred Inflows Of Resources	-	-	-	-	-	-	-	-	-
Fund Balances:									
Nonspendable	-	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-	-	-
Committed	328,088	382,849	239,036	280,000	440,785	-	12,000	-	-
Assigned	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	(446)	-	-	(953,146)
Total Fund Balances	328,088	382,849	239,036	280,000	440,785	(446)	12,000	-	(953,146)
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 521,093	\$ 382,849	\$ 262,403	\$ 280,000	\$ 504,738	\$ -	\$ 12,000	\$ 839,228	\$ -

**TOWN OF EAST GREENWICH, RHODE ISLAND
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)
JUNE 30, 2022**

	<u>Debt Service Fund</u>	<u>Permanent Funds</u>		
	Debt Service Fund	Nonexpendable Trust Fund	Rose Trust Fund	
ASSETS				
Cash and Cash Equivalents	\$ -	\$ 24,137	\$ 263,494	\$ 2,626,711
Cash with Fiscal Agent	-	-	-	-
Investments	-	-	-	-
Receivables, Net	-	-	-	1,320,724
Due from Other Funds	179,478	158,751	-	6,833,240
Inventories	-	-	-	-
Prepays	-	-	-	-
Total Assets	\$ 179,478	\$ 182,888	\$ 263,494	\$ 10,780,675
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ -	\$ -	\$ -	\$ 1,892,602
Accrued Liabilities	-	-	-	165,942
Due to Other Funds	-	-	96,133	1,378,176
Unearned Revenue	-	-	-	1,596,934
Total Liabilities	-	-	96,133	5,033,654
Deferred Inflows Of Resources				
Unavailable Revenue - Other Receivables	-	-	-	281,950
Deferred amounts related to Leases	-	-	-	466,399
Total Deferred Inflows Of Resources	-	-	-	748,349
Fund Balances:				
Nonspendable	-	182,888	167,361	350,249
Restricted	-	-	-	370,023
Committed	179,478	-	-	5,628,864
Assigned	-	-	-	-
Unassigned	-	-	-	(1,350,464)
Total Fund Balances	179,478	182,888	167,361	4,998,672
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 179,478	\$ 182,888	\$ 263,494	\$ 10,780,675

**TOWN OF EAST GREENWICH, RHODE ISLAND
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2022**

	Special Revenue Funds									
	Recreation Development	Impact Fees	Planning Reserve Fund	EMA Funds	American Rescue Plan Fund	Opioid Litigation	Fire Plan Review	Recreation Activities	Smoke Detector	Municipal Recycling Program
REVENUES										
Intergovernmental Revenues	\$ -	\$ 77,600	\$ -	\$ 153,613	\$ 364,032	\$ 113,122	\$ -	\$ 6,564	\$ -	\$ -
Fines, Penalties, and Charges for Services	6,339	200,975	-	-	-	-	30,503	467,131	7,950	-
Investment Income (Loss)	-	-	-	-	-	-	-	-	-	-
Other Revenue	-	-	-	-	-	-	-	-	-	-
Total Revenues	<u>6,339</u>	<u>278,575</u>	<u>-</u>	<u>153,613</u>	<u>364,032</u>	<u>113,122</u>	<u>30,503</u>	<u>473,695</u>	<u>7,950</u>	<u>-</u>
EXPENDITURES										
General Government	-	21,213	26,040	-	-	-	-	-	-	-
Public Safety	-	-	-	25,235	-	-	1,223	-	-	-
Public Works	-	-	-	-	-	-	-	-	-	7,841
Cultural and Recreation	-	21,213	-	-	-	-	-	346,198	-	-
Health and Welfare	-	-	-	-	-	-	-	-	-	-
Education	-	8,080	-	-	-	-	-	-	-	-
Debt Service:										
Principal Retirement	-	-	-	-	-	-	-	-	-	-
Interest and Other Charges	-	-	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	127,794	364,032	-	13,775	-	-	-
Total Expenditures	<u>-</u>	<u>50,506</u>	<u>26,040</u>	<u>153,029</u>	<u>364,032</u>	<u>-</u>	<u>14,998</u>	<u>346,198</u>	<u>-</u>	<u>7,841</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	6,339	228,069	(26,040)	584	-	113,122	15,505	127,497	7,950	(7,841)
OTHER FINANCING SOURCES (USES)										
Transfers In	-	-	37,500	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>37,500</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	6,339	228,069	11,460	584	-	113,122	15,505	127,497	7,950	(7,841)
Fund Balances - Beginning of Year, as Restated	<u>298,854</u>	<u>1,619,509</u>	<u>132,316</u>	<u>35,691</u>	<u>-</u>	<u>-</u>	<u>176,321</u>	<u>349,759</u>	<u>24,949</u>	<u>7,841</u>
FUND BALANCES - END OF YEAR	<u>\$ 305,193</u>	<u>\$ 1,847,578</u>	<u>\$ 143,776</u>	<u>\$ 36,275</u>	<u>\$ -</u>	<u>\$ 113,122</u>	<u>\$ 191,826</u>	<u>\$ 477,256</u>	<u>\$ 32,899</u>	<u>\$ -</u>

**TOWN OF EAST GREENWICH, RHODE ISLAND
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
YEAR ENDED JUNE 30, 2022**

Special Revenue Funds

	Project Accounts Fund	Land Trust Fund	Title I	Title II	Title III	Title IV	American Rescue Plan ELC	ARP-IDEA Preschool	ARP-IDEA	Pandemic EBT Admin
REVENUES										
Intergovernmental Revenues	\$ 35,418	\$ -	\$ 76,078	\$ 44,060	\$ 4,077	\$ 31,956	\$ 86,555	\$ 5,498	\$ 26,803	\$ 3,684
Fines, Penalties, and Charges for Services	917	47,499	-	-	-	-	-	-	-	-
Investment Income (Loss)	-	9,920	-	-	-	-	-	-	-	-
Other Revenue	185	-	-	-	-	-	-	-	-	-
Total Revenues	36,520	57,419	76,078	44,060	4,077	31,956	86,555	5,498	26,803	3,684
EXPENDITURES										
General Government	-	7,170	-	-	-	-	-	-	-	-
Public Safety	2,247	-	-	-	-	-	-	-	-	-
Public Works	-	-	-	-	-	-	-	-	-	-
Cultural and Recreation	3,331	-	-	-	-	-	-	-	-	-
Health and Welfare	-	-	-	-	-	-	-	-	-	-
Education	-	-	76,060	44,060	4,077	31,956	86,555	5,498	26,803	-
Debt Service:										
Principal Retirement	-	35,000	-	-	-	-	-	-	-	-
Interest and Other Charges	-	2,456	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-	-	-
Total Expenditures	5,578	44,626	76,060	44,060	4,077	31,956	86,555	5,498	26,803	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	30,942	12,793	18	-	-	-	-	-	-	3,684
OTHER FINANCING SOURCES (USES)										
Transfers In	-	-	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-	-	-	-	-
NET CHANGE IN FUND BALANCES	30,942	12,793	18	-	-	-	-	-	-	3,684
Fund Balances - Beginning of Year, as Restated	341,227	34,255	-	-	3	-	-	-	-	-
FUND BALANCES - END OF YEAR	<u>\$ 372,169</u>	<u>\$ 47,048</u>	<u>\$ 18</u>	<u>\$ -</u>	<u>\$ 3</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,684</u>

**TOWN OF EAST GREENWICH, RHODE ISLAND
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
YEAR ENDED JUNE 30, 2022**

Special Revenue Funds

	ESSER III	RTTT Instructional	EDC	NEA Foundation	CARES ACT	CARES ACT Guidance	IDEA Preschool	IDEA Part B	RI Full Day Kindergarten	Gen. Youth Foundation
REVENUES										
Intergovernmental Revenues	\$ 223,172	\$ -	\$ -	\$ 4,500	\$ 153,375	\$ 79,686	\$ 22,183	\$ 604,041	\$ -	\$ -
Fines, Penalties, and Charges for Services	-	-	-	-	-	-	-	-	-	-
Investment Income (Loss)	-	-	-	-	-	-	-	-	-	-
Other Revenue	-	-	-	-	-	-	-	-	-	-
Total Revenues	223,172	-	-	4,500	153,375	79,686	22,183	604,041	-	-
EXPENDITURES										
General Government	-	-	-	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-	-	-	-
Public Works	-	-	-	-	-	-	-	-	-	-
Cultural and Recreation	-	-	-	-	-	-	-	-	-	-
Health and Welfare	-	-	-	-	-	-	-	-	-	-
Education	223,172	-	-	4,267	153,375	75,449	22,183	604,077	-	-
Debt Service:										
Principal Retirement	-	-	-	-	-	-	-	-	-	-
Interest and Other Charges	-	-	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-	-	-
Total Expenditures	223,172	-	-	4,267	153,375	75,449	22,183	604,077	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-	233	-	4,237	-	(36)	-	-
OTHER FINANCING SOURCES (USES)										
Transfers In	-	-	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-	-	-	-	-
NET CHANGE IN FUND BALANCES	-	-	-	233	-	4,237	-	(36)	-	-
Fund Balances - Beginning of Year, as Restated	-	1,226	(171)	542	-	-	-	15	2	123
FUND BALANCES - END OF YEAR	\$ -	\$ 1,226	\$ (171)	\$ 775	\$ -	\$ 4,237	\$ -	\$ (21)	\$ 2	\$ 123

**TOWN OF EAST GREENWICH, RHODE ISLAND
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
YEAR ENDED JUNE 30, 2022**

Special Revenue Funds

	Strategic Support	RI State Council on Arts	RI Foundation	English Language Learners	Champlin Grant	Integrated STEM/STEAM Mini Grant	Education Foundation	Wendy's Corporation	Healthier U.S. Schools Challenge	New England Dairy & Food Council
REVENUES										
Intergovernmental Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,104	\$ -	\$ -	\$ -	\$ 2,460
Fines, Penalties, and Charges for Services	-	-	-	-	-	-	-	-	-	-
Investment Income (Loss)	-	-	-	-	-	-	-	-	-	-
Other Revenue	-	-	-	-	-	-	3,447	-	-	-
Total Revenues	-	-	-	-	-	2,104	3,447	-	-	2,460
EXPENDITURES										
General Government	-	-	-	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-	-	-	-
Public Works	-	-	-	-	-	-	-	-	-	-
Cultural and Recreation	-	-	-	-	-	-	-	-	-	-
Health and Welfare	-	-	-	-	-	-	-	-	-	-
Education	-	-	-	-	-	2,104	-	-	-	2,460
Debt Service:										
Principal Retirement	-	-	-	-	-	-	-	-	-	-
Interest and Other Charges	-	-	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-	-	-
Total Expenditures	-	-	-	-	-	2,104	-	-	-	2,460
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-	-	-	-	3,447	-	-	-
OTHER FINANCING SOURCES (USES)										
Transfers In	-	-	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-	-	-	-	-
NET CHANGE IN FUND BALANCES	-	-	-	-	-	-	3,447	-	-	-
Fund Balances - Beginning of Year, as Restated	41,977	800	166	2	8	-	(3,391)	2,015	1,000	6
FUND BALANCES - END OF YEAR	\$ 41,977	\$ 800	\$ 166	\$ 2	\$ 8	\$ -	\$ 56	\$ 2,015	\$ 1,000	\$ 6

**TOWN OF EAST GREENWICH, RHODE ISLAND
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
YEAR ENDED JUNE 30, 2022**

	Special Revenue Funds					Capital Projects Funds				
	School Climate Transformation	RI Office of Library Services	Passaretti Donations	Wireless Classroom	Pupil Activities	Revaluation Fund	\$5 Million Asphalt	School Bond 52m Capital Fund	School Capital Reserve Fund	Fire Station Capital Reserve Fund
REVENUES										
Intergovernmental Revenues	\$ 7,276	\$ -	\$ 16,650	\$ 589,223	\$ 377,985	\$ -	\$ -	\$ -	\$ 47,288	\$ 90,838
Fines, Penalties, and Charges for Services	-	-	-	-	-	-	-	-	-	-
Investment Income (Loss)	-	-	-	-	-	-	-	-	-	-
Other Revenue	-	-	-	-	-	-	-	-	-	-
Total Revenues	<u>7,276</u>	<u>-</u>	<u>16,650</u>	<u>589,223</u>	<u>377,985</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>47,288</u>	<u>90,838</u>
EXPENDITURES										
General Government	-	-	-	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-	-	-	-
Public Works	-	-	-	-	-	-	-	-	-	-
Cultural and Recreation	-	-	-	-	-	-	-	-	-	-
Health and Welfare	-	-	-	-	-	-	-	-	-	-
Education	7,240	-	-	589,223	405,736	-	-	-	8,944	-
Debt Service:										
Principal Retirement	-	-	-	-	-	-	-	-	-	-
Interest and Other Charges	-	-	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	3,407	-	96,825	153,625
Total Expenditures	<u>7,240</u>	<u>-</u>	<u>-</u>	<u>589,223</u>	<u>405,736</u>	<u>-</u>	<u>3,407</u>	<u>-</u>	<u>105,769</u>	<u>153,625</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	36	-	16,650	-	(27,751)	-	(3,407)	-	(58,481)	(62,787)
OTHER FINANCING SOURCES (USES)										
Transfers In	-	-	-	-	-	49,000	-	-	-	25,000
Transfers Out	-	-	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>49,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>25,000</u>
NET CHANGE IN FUND BALANCES	36	-	16,650	-	(27,751)	49,000	(3,407)	-	(58,481)	(37,787)
Fund Balances - Beginning of Year, as Restated	-	588	-	68	275,476	87,386	3,407	(396,680)	163,226	45,000
FUND BALANCES - END OF YEAR	<u>\$ 36</u>	<u>\$ 588</u>	<u>\$ 16,650</u>	<u>\$ 68</u>	<u>\$ 247,725</u>	<u>\$ 136,386</u>	<u>\$ -</u>	<u>\$ (396,680)</u>	<u>\$ 104,745</u>	<u>\$ 7,213</u>

**TOWN OF EAST GREENWICH, RHODE ISLAND
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
YEAR ENDED JUNE 30, 2022**

	Capital Projects Funds								
	Capital Equipment Replacement Fund	Public Works Improvement Fund	Technology Improvement Fund	Town Hall Improvement Fund	Park Improvements	Swift Community Center Improvements	Police Building Improvements	Performance Bond Fund	Bond Fund
REVENUES									
Intergovernmental Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fines, Penalties, and Charges for Services	-	-	-	-	-	-	-	-	-
Investment Income (Loss)	-	-	-	-	-	-	-	-	-
Other Revenue	15,385	-	-	-	-	-	-	-	-
Total Revenues	15,385	-	-	-	-	-	-	-	-
EXPENDITURES									
General Government	-	-	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-	-	-
Public Works	-	-	-	-	-	-	-	-	-
Cultural and Recreation	-	-	-	-	-	-	-	-	-
Health and Welfare	-	-	-	-	-	-	-	-	-
Education	-	-	-	-	-	-	-	-	-
Debt Service:									
Principal Retirement	-	-	-	-	-	-	-	-	-
Interest and Other Charges	-	-	-	-	-	-	-	-	-
Capital Outlay	306,297	117,151	48,957	100,000	149,215	13,995	-	-	1,155,262
Total Expenditures	306,297	117,151	48,957	100,000	149,215	13,995	-	-	1,155,262
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(290,912)	(117,151)	(48,957)	(100,000)	(149,215)	(13,995)	-	-	(1,155,262)
OTHER FINANCING SOURCES (USES)									
Transfers In	341,000	300,000	-	105,000	490,000	-	-	-	-
Transfers Out	-	-	(7,500)	-	-	-	-	-	-
Total Other Financing Sources (Uses)	341,000	300,000	(7,500)	105,000	490,000	-	-	-	-
NET CHANGE IN FUND BALANCES	50,088	182,849	(56,457)	5,000	340,785	(13,995)	-	-	(1,155,262)
Fund Balances - Beginning of Year, as Restated	278,000	200,000	295,493	275,000	100,000	13,549	12,000	-	202,116
FUND BALANCES - END OF YEAR	\$ 328,088	\$ 382,849	\$ 239,036	\$ 280,000	\$ 440,785	\$ (446)	\$ 12,000	\$ -	\$ (953,146)

**TOWN OF EAST GREENWICH, RHODE ISLAND
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
YEAR ENDED JUNE 30, 2022**

	Debt Service Fund	Permanent Funds		Eliminations	Total
	Debt Service Fund	Nonexpendable Trust Fund	Rose Trust Fund		
REVENUES					
Intergovernmental Revenues	\$ 1,803,590	\$ -	\$ -		\$ 5,053,431
Fines, Penalties, and Charges for Services		-	-		761,314
Investment Income (Loss)	23	3	226		10,172
Other Revenue	-	-	-		19,017
Total Revenues	1,803,613	3	226	-	5,843,934
EXPENDITURES					
General Government	-	-	-		54,423
Public Safety	-	-	-		28,705
Public Works	-	-	-		7,841
Cultural and Recreation	-	-	-		370,742
Health and Welfare	-	-	-		-
Education	-	-	-		2,381,319
Debt Service:					
Principal Retirement	3,561,833	-	-	-	3,596,833
Interest and Other Charges	1,374,111	-	-	-	1,376,567
Capital Outlay	-	-	-	-	2,650,335
Total Expenditures	4,935,944	-	-	-	10,466,765
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(3,132,331)	3	226	-	(4,622,831)
OTHER FINANCING SOURCES (USES)					
Transfers In	3,100,261	-	-	(7,500)	4,440,261
Transfers Out	-	-	-	7,500	-
Total Other Financing Sources (Uses)	3,100,261	-	-	-	4,440,261
NET CHANGE IN FUND BALANCES	(32,070)	3	226	-	(182,570)
Fund Balances - Beginning of Year, as Restated	211,548	182,885	167,135	-	5,181,242
FUND BALANCES - END OF YEAR	\$ 179,478	\$ 182,888	\$ 167,361	\$ -	\$ 4,998,672

**TOWN OF EAST GREENWICH, RHODE ISLAND
SCHEDULE OF PROPERTY TAXES RECEIVABLE
YEAR ENDED JUNE 30, 2022**

Year	Property Taxes Receivable July 1, 2021	Current Year Assessment	Refunds	Additions and Adjustments	Abatements	Amount to be Collected	Collections Net of Refunds	Property Taxes Receivable June 30, 2022
2021	\$ -	\$ 59,954,650	\$ -	\$ 53,941	\$ 129,658	\$ 59,878,933	\$ 58,632,233	\$ 1,246,700
2020	1,600,383	-	-	-	9,485	1,590,898	1,464,669	126,229
2019	88,107	-	-	-	-	88,107	37,667	50,440
2018	112,961	-	-	-	-	112,961	13,264	99,697
2017	96,378	-	-	-	-	96,378	17,179	79,199
2016	114,073	-	-	-	-	114,073	23,005	91,068
2015	99,559	-	-	-	-	99,559	14,428	85,131
2014	82,547	-	-	-	-	82,547	4,914	77,633
2013	90,037	-	-	-	-	90,037	5,323	84,714
2012	80,744	-	-	-	2,677	78,067	5,373	72,694
2011	48,724	-	-	-	-	48,724	31,512	17,212
2010 and Prior	18,579	-	-	-	-	18,579	4,060	14,519
Subtotal	2,432,092	<u>\$ 59,954,650</u>	<u>\$ -</u>	<u>\$ 53,941</u>	<u>\$ 141,820</u>	<u>\$ 62,298,863</u>	<u>\$ 60,253,627</u>	2,045,236
Less: Estimated Allowance for Uncollectable Accounts	63,199							58,853
Net Property Taxes Receivable	<u>\$ 2,368,893</u>							<u>\$ 1,986,383</u>

TOWN OF EAST GREENWICH, RHODE ISLAND
SCHEDULE OF PROPERTY TAXES RECEIVABLE (CONTINUED)
YEAR ENDED JUNE 30, 2022

Collections

Year	July - August 2021 Collections Subject to 60-Day FY21 Accrual	September - June 2021 Collections	Total FY2021 Collections	July - August 2022 Collections Subject to 60-Day FY22 Accrual
2021	\$ -	\$ 58,632,233	\$ 58,632,233	\$ 697,969
2020	880,956	583,713	1,464,669	13,971
2019	8,145	29,522	37,667	2,929
2018	3,015	10,249	13,264	1,556
2017	1,459	15,720	17,179	73
2016	1,574	21,431	23,005	38
2015	(6,394)	20,822	14,428	186
2014	51	4,863	4,914	3,691
2013	1,429	3,894	5,323	4,405
2012	5,466	(93)	5,373	-
2011	-	31,512	31,512	-
2010 and Prior	-	4,060	4,060	-
Total	\$ 895,701	\$ 59,357,926	\$ 60,253,627	\$ 724,818

**TOWN OF EAST GREENWICH, RHODE ISLAND
SCHEDULE OF PROPERTY TAXES RECEIVABLE (CONTINUED)
YEAR ENDED JUNE 30, 2022**

Schedule of Net Assessed Property Value by Category Assessed December 31, 2020		
Description of Property	Valuations	Levy
Real Property	\$ 2,262,497,577	\$ 47,535,074
Commercial/Mixed Use	411,041,300	9,823,887
Motor Vehicle	140,647,763	3,218,021
Tangible Property	95,688,542	2,798,890
Subtotal	<u>2,909,875,182</u>	<u>63,375,872</u>
Exemptions and Adjustments	<u>145,632,053</u>	<u>3,421,222</u>
Net Assessed Value	<u>\$ 2,764,243,129</u>	<u>\$ 59,954,650</u>

Reconciliation of Current Year Property Tax Revenue	
Current Year Collections	\$ 60,253,627
Revenue Received 60 Days Subsequent to Fiscal Year Ending June 30, 2022	<u>724,818</u>
Subtotal	60,978,445
Prior Year Revenue Received in Current Year (2021 60 Day Rule)	<u>(895,701)</u>
Current Year Property Tax Revenue	<u>\$ 60,082,744</u>

OTHER SUPPLEMENTARY INFORMATION

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

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

Town of East Greenwich
Annual Supplemental Transparency Report (MTP2)
Fiscal Year Ended June 30, 2022

EXHIBIT E-1

<u>REVENUE</u>	<u>Municipal</u>	<u>Education Department</u>
Current Year Levy Tax Collection	\$ 59,173,026	\$ -
Last Year's Levy Tax Collection	1,284,959	-
Prior Years Property Tax Collection	130,224	-
Interest & Penalty	210,637	-
PILOT & Tax Treaty (excluded from levy) Collection	-	-
Other Local Property Taxes	-	-
Licenses and Permits	1,564,493	-
Fines and Forfeitures	-	-
Investment Income	24,722	-
Departmental	224,990	-
Rescue Run Revenue	767,597	-
Police & Fire Detail	196,182	-
Other Local Non-Property Tax Revenues	194,154	-
Tuition	-	86,015
Impact Aid	-	-
Medicaid	-	360,635
Federal Stabilization Funds	-	-
Federal Food Service Reimbursement	-	922,231
CDBG	-	-
COPS Grants	-	-
SAFER Grants	-	-
Other Federal Aid Funds	-	900,361
COVID - ESSER	-	376,548
COVID - CRF	-	-
COVID - CDBG	-	-
COVID - FEMA	-	-
COVID - Other	-	79,686
COVID - ARPA	364,032	122,540
MV Excise Tax Reimbursement	84,112	-
State PILOT Program	729,131	-
Distressed Community Relief Fund	-	-
Library Resource Aid	-	-
Library Construction Aid	-	-
Public Service Corporation Tax	155,790	-
Meals & Beverage Tax / Hotel Tax	831,936	-
LEA Aid	-	4,450,983
Group Home	-	-
Housing Aid Capital Projects	-	-
Housing Aid Bonded Debt	1,246,014	-
State Food Service Revenue	-	188,072
Incentive Aid	-	-
Property Revaluation Reimbursement	-	-
Other State Revenue	557,334	591,327
Motor Vehicle Phase Out	489,903	-
Other Revenue	-	532,724
Local Appropriation for Education	-	38,125,802
Regional Appropriation for Education	-	-
Supplemental Appropriation for Education	-	-
Regional Supplemental Appropriation for Education	-	-
Other Education Appropriation	-	-
Rounding	-	-
Total Revenue	<u>\$ 68,229,237</u>	<u>\$ 46,736,921</u>
Financing Sources: Transfer from Capital Funds	\$ -	\$ -
Financing Sources: Transfer from Other Funds	3,100,261	-
Financing Sources: Debt Proceeds	-	-
Financing Sources: Other	-	-
Rounding	-	-
Total Other Financing Sources	<u>\$ 3,100,261</u>	<u>\$ -</u>

Town of East Greenwich
Annual Supplemental Transparency Report (MTP2)
Fiscal Year Ended June 30, 2022

EXHIBIT E-1

<u>EXPENDITURES</u>	<u>General Government</u>	<u>Finance</u>	<u>Social Services</u>	<u>Centralized IT</u>	<u>Planning</u>	<u>Libraries</u>	<u>Public Works</u>	<u>Parks and Rec</u>	<u>Police Department</u>
Compensation- Group A	\$ 584,813	\$ 471,672	\$ 214,689	\$ 176,367	\$ 214,864	\$ -	\$ 1,299,664	\$ 612,877	\$ 2,461,441
Compensation - Group B	-	-	-	-	-	-	-	-	430,864
Compensation - Group C	-	-	-	-	-	-	-	-	-
Compensation -Volunteer	-	-	-	-	-	-	-	-	-
Overtime- Group A	529	780	127	-	-	-	119,941	6,888	431,581
Overtime - Group B	-	-	-	-	-	-	-	-	9,863
Overtime - Group C	-	-	-	-	-	-	-	-	-
Police & Fire Detail	-	-	-	-	-	-	-	-	-
Active Medical Insurance - Group A	109,869	105,351	55,815	24,993	40,827	-	311,646	162,135	421,902
Active Medical Insurance- Group B	-	-	-	-	-	-	-	-	111,799
Active Medical Insurance- Group C	-	-	-	-	-	-	-	-	-
Active Dental insurance- Group A	4,758	4,414	2,507	1,186	1,382	-	13,152	6,616	16,050
Active Dental Insurance- Group B	-	-	-	-	-	-	-	-	5,465
Active Dental Insurance- Group C	-	-	-	-	-	-	-	-	-
Payroll Taxes	41,926	35,257	15,963	13,076	15,991	-	107,757	47,174	248,108
Life Insurance	1,173	1,282	761	275	499	-	5,158	2,297	17,137
State Defined Contribution- Group A	5,740	5,128	2,505	1,671	1,967	-	8,946	5,733	-
State Defined Contribution - Group B	-	-	-	-	-	-	-	-	2,916
State Defined Contribution - Group C	-	-	-	-	-	-	-	-	-
Other Benefits- Group A	500	433	577	168	2,071	-	88,049	32,123	56,473
Other Benefits- Group B	-	-	-	-	-	-	-	-	324
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	29,217	26,159	11,205	9,658	9,857	-	64,949	32,949	760,837
State Defined Benefit Pension - Group B	-	-	-	-	-	-	-	-	19,885
State Defined Benefit Pension - Group C	-	-	-	-	-	-	-	-	-
Other Defined Benefit / Contribution	-	-	-	-	-	-	-	-	-
Purchased Services	352,451	45,300	23,585	37,495	6,777	-	45,014	12,554	54,476
Materials/Supplies	13,163	4,333	4,412	384,427	360	-	29,209	53,890	96,421
Software Licenses	-	-	-	318,621	-	-	-	-	-
Capital Outlays	-	-	1,252	83,676	-	-	4,917	8,664	8,858
Insurance	384,849	-	-	-	-	-	-	-	-
Maintenance	20,203	-	9,699	-	-	-	79,746	2,935	15,152
Vehicle Operations	-	-	5,224	349	-	-	167,548	49,558	70,578
Utilities	34,730	-	21,990	94,377	-	-	49,221	34,040	76,571
Contingency	-	-	-	-	-	-	-	-	-
Street Lighting	-	-	-	-	-	-	242,090	-	-
Revaluation	-	-	-	-	-	-	-	-	-
Snow Removal-Raw Material & External Contracts	-	-	-	-	-	-	84,279	-	-
Trash Removal & Recycling	-	-	-	-	-	-	775,390	-	-
Claims & Settlements	-	-	-	-	-	-	-	-	-
Community Support	561,232	-	-	-	-	-	-	-	-
Other Operation Expenditures	27,370	19,888	6,186	-	679	536,232	10,920	19,192	54,796
Tipping Fees	-	-	-	-	-	-	222,890	-	-
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	\$ 2,172,521	\$ 719,998	\$ 376,501	\$ 1,146,340	\$ 295,274	\$ 536,232	\$ 3,730,486	\$ 1,089,625	\$ 5,371,499

Town of East Greenwich
Annual Supplemental Transparency Report (MTP2)
Fiscal Year Ended June 30, 2022

EXHIBIT E-1

EXPENDITURES	Fire Department	Centralized Dispatch	Public Safety Other	Education Appropriation	Debt	OPEB	Total Municipal	Education Department
Compensation- Group A	\$ 3,385,375	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,421,763	\$ 20,326,725
Compensation - Group B	-	-	-	-	-	-	430,864	1,950,236
Compensation - Group C	-	-	-	-	-	-	-	3,813,690
Compensation -Volunteer	-	-	-	-	-	-	-	-
Overtime- Group A	850,186	-	-	-	-	-	1,410,033	-
Overtime - Group B	-	-	-	-	-	-	9,863	-
Overtime - Group C	-	-	-	-	-	-	-	90,137
Police & Fire Detail	-	-	-	-	-	-	-	-
Active Medical Insurance - Group A	675,824	-	-	-	-	-	1,908,363	2,316,445
Active Medical Insurance- Group B	-	-	-	-	-	-	111,799	245,687
Active Medical Insurance- Group C	-	-	-	-	-	-	-	1,157,888
Active Dental insurance- Group A	35,422	-	-	-	-	-	85,487	148,807
Active Dental Insurance- Group B	-	-	-	-	-	-	5,465	12,290
Active Dental Insurance- Group C	-	-	-	-	-	-	-	69,953
Payroll Taxes	299,218	-	-	-	-	-	824,469	677,967
Life Insurance	16,273	-	-	-	-	-	44,854	32,929
State Defined Contribution- Group A	429	-	-	-	-	-	32,119	476,589
State Defined Contribution - Group B	-	-	-	-	-	-	2,916	44,340
State Defined Contribution - Group C	-	-	-	-	-	-	-	32,951
Other Benefits- Group A	52,223	-	-	-	-	-	232,618	276,676
Other Benefits- Group B	-	-	-	-	-	-	324	1,405
Other Benefits- Group C	-	-	-	-	-	-	-	5,150
Local Defined Benefit Pension- Group A	-	-	-	-	-	-	-	-
Local Defined Benefit Pension - Group B	-	-	-	-	-	-	-	-
Local Defined Benefit Pension - Group C	-	-	-	-	-	-	-	-
State Defined Benefit Pension- Group A	997,269	-	-	-	-	-	1,942,100	2,959,704
State Defined Benefit Pension - Group B	-	-	-	-	-	-	19,885	245,990
State Defined Benefit Pension - Group C	-	-	-	-	-	-	-	176,928
Other Defined Benefit / Contribution	-	-	-	-	-	-	-	-
Purchased Services	63,136	-	-	-	-	-	640,787	7,374,392
Materials/Supplies	43,047	-	-	-	-	-	629,262	696,680
Software Licenses	-	-	-	-	-	-	318,621	101,231
Capital Outlays	4,811	-	-	-	-	-	112,179	982,307
Insurance	-	-	-	-	-	-	384,849	212,330
Maintenance	107,031	-	-	-	-	-	234,766	496,731
Vehicle Operations	145,513	-	-	-	-	-	438,770	10,236
Utilities	38,792	-	-	-	-	-	349,722	806,537
Contingency	-	-	-	-	-	-	-	-
Street Lighting	-	-	-	-	-	-	242,090	-
Revaluation	-	-	-	-	-	-	-	-
Snow Removal-Raw Material & External Contracts	-	-	-	-	-	-	84,279	-
Trash Removal & Recycling	-	-	-	-	-	-	775,390	-
Claims & Settlements	-	-	-	-	-	-	-	-
Community Support	-	-	-	-	-	-	561,232	-
Other Operation Expenditures	379,525	-	-	-	-	-	1,054,788	601,919
Tipping Fees	-	-	-	-	-	-	222,890	-
Local Appropriation for Education	-	-	-	38,125,802	-	-	38,125,802	-
Regional Appropriation for Education	-	-	-	-	-	-	-	-
Supplemental Appropriation for Education	-	-	-	-	-	-	-	-
Regional Supplemental Appropriation for Education	-	-	-	-	-	-	-	-
Other Education Appropriation	-	-	-	-	-	-	-	-
Municipal Debt- Principal	-	-	-	-	846,000	-	846,000	-
Municipal Debt- Interest	-	-	-	-	146,966	-	146,966	-
School Debt- Principal	-	-	-	-	2,715,833	-	2,715,833	-
School Debt- Interest	-	-	-	-	1,227,145	-	1,227,145	-
Retiree Medical Insurance- Total	-	-	-	-	-	0	0	148,382
Retiree Dental Insurance- Total	-	-	-	-	-	-	-	8,339
OPEB Contribution- Total	-	-	-	-	-	936,304	936,304	-
Rounding	-	-	-	-	-	-	-	-
Total Expenditures	\$ 7,094,074	\$ -	\$ -	\$ 38,125,802	\$ 4,935,945	\$ 936,304	\$ 66,530,600	\$ 46,501,569

Financing Uses: Transfer to Capital Funds	\$ 900,000	\$ -
Financing Uses: Transfer to Other Funds	3,540,261	-
Financing Uses: Payment to Bond Escrow Agent	-	-
Financing Uses: Other	-	-
Total Other Financing Uses	\$ 4,440,261	\$ -
Net Change in Fund Balance¹	358,637	235,352
Fund Balance1- beginning of year	\$9,637,524	\$4,178,114
Funds removed from Reportable Government Services (RGS)	(35,691)	-
Funds added to Reportable Government Services (RGS)	-	-
Prior period adjustments	-	-
Misc. Adjustment	-	3
Fund Balance¹ - beginning of year adjusted	9,601,833	4,178,117
Rounding	-	-
Fund Balance¹ - end of year	\$ 9,960,470	\$ 4,413,469

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

Town of East Greenwich
Annual Supplemental Transparency Report (MTP2)
Combining Schedule of
Reportable Government Services with
Reconciliation to MTP2
Municipal
Fiscal Year Ended June 30, 2022

EXHIBIT E-1

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, 2021 adjusted						\$ 9,637,524	-	\$ 9,637,524	
<i>Federal/State Grant fund (365) removed from RGS for fiscal 2021</i>						(35,691)	-	(35,691)	
<i>No funds added to RGS for Fiscal 2021</i>						-	-	-	
<i>No misc. adjustments made for fiscal 2021</i>						-	-	-	
Fund Balance¹ - per MTP-2 at June 30, 2022 adjusted						<u>\$ 9,601,833</u>	<u>-</u>	<u>\$ 9,601,833</u>	
General Fund	\$ 65,525,364	\$ 79,748	\$ 22,648,342	\$ 42,566,063	\$ 390,707	\$ 9,390,285	\$ -	\$ 9,390,285	\$ 9,780,992
Debt Service	1,803,613	3,100,261	4,935,944	-	(32,070)	211,548	-	211,548	179,478
American Rescue Plan	364,032	-	364,032	-	-	-	-	-	-
Totals per audited financial statements	<u>\$ 67,693,009</u>	<u>\$ 3,180,009</u>	<u>\$ 27,948,318</u>	<u>\$ 42,566,063</u>	<u>\$ 358,637</u>	<u>\$ 9,601,833</u>	<u>\$ -</u>	<u>\$ 9,601,833</u>	<u>\$ 9,960,470</u>
<u>Reconciliation from financial statements to MTP2</u>									
Reclassify transfer of municipal appropriation to Education Department as expenditure on MTP2	\$ -	\$ -	\$ 38,125,802	\$ (38,125,802)	\$ -	\$ -	\$ -	\$ -	\$ -
GASB87 entry in financial statement for leases not reported in MTP2	-	(79,748)	(79,748)	-	-	-	-	-	-
Totals Per MTP2	<u>\$ 68,229,237</u>	<u>\$ 3,100,261</u>	<u>\$ 66,530,600</u>	<u>\$ 4,440,261</u>	<u>\$ 358,637</u>	<u>\$ 9,601,833</u>	<u>\$ -</u>	<u>\$ 9,601,833</u>	<u>\$ 9,960,470</u>

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

Town of East Greenwich
Annual Supplemental Transparency Report (MTP2)
Combining Schedule of
Reportable Government Services with
Reconciliation to MTP2
Education Department
Fiscal Year Ended June 30, 2022

EXHIBIT E-1

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, 2021 adjusted						\$ 4,178,114	-	\$ 4,178,114	
<i>Misc. adjustments made for fiscal 2021</i>						3	-	3	
Fund Balance¹ - per MTP-2 at June 30, 2022 adjusted						<u>\$ 4,178,117</u>	-	<u>\$ 4,178,117</u>	
School Unrestricted Fund	\$ 7,443,045	\$ 38,281,484	\$ 45,812,519	\$ -	\$ (87,990)	\$ 3,744,867	\$ -	\$ 3,744,867	\$ 3,656,877
Special revenue funds	1,986,828	-	1,958,559	-	28,269	44,979	-	44,979	73,248
School food service	1,173,705	-	850,881	-	322,824	112,795	-	112,795	435,619
Student Activity Accounts	377,985	-	405,736	-	(27,751)	275,476	-	275,476	247,725
Totals per audited financial statements	<u>\$ 10,981,563</u>	<u>\$ 38,281,484</u>	<u>\$ 49,027,695</u>	<u>\$ -</u>	<u>\$ 235,352</u>	<u>\$ 4,178,117</u>	<u>\$ -</u>	<u>\$ 4,178,117</u>	<u>\$ 4,413,469</u>
<u>Reconciliation from financial statements to MTP2</u>									
Municipal appropriation for Education reported as a transfer on financial statements but a revenue on MTP2	\$ 38,125,802	\$ (38,125,802)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State contributions on behalf of teacher pensions on financial statements	(2,217,487)	-	(2,217,487)	-	-	-	-	-	-
State contribution on behalf of transportation	(89,555)	-	(89,555)	-	-	-	-	-	-
Commodities included in audit but not MTP or UCOA	(63,402)	-	(63,402)	-	-	-	-	-	-
GASB87 entry in financial statement for leases not reported in MTP2	-	(155,682)	(155,682)	-	-	-	-	-	-
Rounding	-	-	-	-	-	-	-	-	-
Totals Per MTP2	<u>\$ 46,736,921</u>	<u>\$ -</u>	<u>\$ 46,501,569</u>	<u>\$ -</u>	<u>\$ 235,352</u>	<u>\$ 4,178,117</u>	<u>\$ -</u>	<u>\$ 4,178,117</u>	<u>\$ 4,413,469</u>
<u>Reconciliation from MTP2 to UCOA</u>									
Appropriation of fund balance	\$ 753,097	-	-	-	-	-	-	-	-
Miscellaneous variance between MTP2 & UCOA	-	-	(33)	-	-	-	-	-	-
Totals per UCOA Validated Totals Report 12/14/22	<u>\$ 47,490,018</u>	<u>\$ -</u>	<u>\$ 46,501,536</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO ANNUAL SUPPLEMENTAL TRANSPARENCY REPORT (MTP2)
JUNE 30, 2022

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 (MT) 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 Town's budget and accounting system. To report these costs, the Town made allocations of costs to the State's departmental groupings based on a reasonable basis.

NOTE 4 EMPLOYEE GROUPS

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:

TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO ANNUAL SUPPLEMENTAL TRANSPARENCY REPORT (MTP2)
JUNE 30, 2022

NOTE 4 EMPLOYEE GROUPS (CONTINUED)

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

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

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

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

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

NOTE 5 EDUCATION REVENUE AND EXPENDITURES

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

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

STATISTICAL SECTION

TOWN OF EAST GREENWICH, RHODE ISLAND
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(IN THOUSANDS)
(UNAUDITED)

	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Governmental Activities:										
Net Investment in Capital Assets	\$ 42,022,494	\$ 40,247,735	\$ 35,801,129	\$ 37,392,111	\$ 35,340,922	\$ 35,160,076	\$ 34,519,152	\$ 32,593,083	\$ 30,022,563	\$ 26,815,085
Restricted	13,830,226	5,948,116	5,376,028	4,603,808	2,041,699	1,349,714	1,989,921	2,171,870	3,423,277	3,601,262
Unrestricted	(64,233,944)	(64,090,390)	(67,548,597)	(62,668,263)	(68,626,000)	(63,472,667)	(33,241,321)	(30,331,477)	(814,090)	3,172,839
Total Governmental Activities Net Position	(8,381,224)	(17,894,539)	(26,371,440)	(20,672,344)	(31,243,379)	(26,962,877)	3,267,752	4,433,476	32,631,750	33,589,186
Business-Type Activities:										
Net investment in capital assets	23,279,706	21,267,199	20,456,792	19,529,965	18,577,595	17,185,132	17,005,110	15,315,035	14,492,633	13,385,888
Restricted	3,619,832	3,955,511	-	-	-	-	-	-	-	-
Unrestricted	(1,490,541)	365,290	394,943	466,722	7,879,795	8,219,446	7,602,117	9,258,013	10,428,707	11,765,571
Total Business-Type Activities Net Position	25,408,997	25,588,000	20,851,735	19,996,687	26,457,390	25,404,578	24,607,227	24,573,048	24,921,340	25,151,459
Primary Government:										
Net investment in capital assets	65,302,200	61,514,934	56,257,921	56,922,076	53,918,517	52,345,208	51,524,262	47,908,118	44,515,196	40,200,973
Restricted	17,450,058	9,903,627	5,376,028	4,603,808	2,041,699	1,349,714	1,989,921	2,171,870	3,423,277	3,601,262
Unrestricted	(65,724,485)	(63,725,100)	(67,153,654)	(59,598,077)	(60,746,205)	(55,253,221)	(25,639,204)	(21,073,464)	9,614,617	14,938,410
Total Primary Government Net Position	\$ 17,027,773	\$ 7,693,461	\$ (5,519,705)	\$ 1,927,807	\$ (4,785,989)	\$ (1,558,299)	\$ 27,874,979	\$ 29,006,524	\$ 57,553,090	\$ 58,740,645

**TOWN OF EAST GREENWICH, RHODE ISLAND
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(IN THOUSANDS)
(UNAUDITED)**

	Fiscal Year									
	2022	2021	2020	2020	2019	2018	2017	2016	2015	2014
EXPENSES										
Governmental Activities:										
General Government	\$ 3,692,043	\$ 4,771,640	\$ 5,485,190	\$ 7,307,072	\$ 11,763,874	\$ 10,702,032	\$ 11,213,803	\$ 7,475,179	\$ 10,271,135	\$ 6,583,467
Public Safety	11,286,327	14,399,244	13,446,234	2,979,410	10,186,989	8,531,144	7,993,445	7,808,939	7,720,518	9,108,219
Public Works	4,356,174	4,336,085	4,780,707	3,224,593	5,026,382	5,430,220	5,159,473	5,104,794	4,922,694	4,564,079
Cultural and Recreation	1,602,754	1,154,583	1,475,284	1,473,433	1,209,398	1,191,525	1,193,977	1,181,525	1,131,540	1,088,186
Health and Welfare	-	-	79	182,302	415,403	608,099	2,151,048	840,519	850,902	1,059,193
Education	45,978,505	47,563,659	47,119,090	45,036,690	43,186,223	43,256,485	40,190,736	34,118,786	37,299,099	35,797,956
Interest and Fiscal Charges	1,207,904	1,466,160	1,821,026	2,174,319	2,205,020	2,085,391	2,438,141	2,386,485	2,817,502	2,996,339
Total Governmental Activities	<u>68,123,707</u>	<u>73,691,371</u>	<u>74,127,610</u>	<u>62,377,819</u>	<u>73,993,289</u>	<u>71,804,896</u>	<u>70,340,623</u>	<u>58,916,227</u>	<u>65,013,390</u>	<u>61,197,439</u>
Business-Type Activities:										
Sewer	4,104,270	3,889,339	3,306,350	3,497,211	3,272,843	3,177,273	3,121,804	3,042,941	2,924,541	2,803,715
School Lunch	850,881	572,174	543,560	-	-	-	-	-	-	-
Total Business-Type Activities	<u>4,955,151</u>	<u>4,461,513</u>	<u>3,849,910</u>	<u>3,497,211</u>	<u>3,272,843</u>	<u>3,177,273</u>	<u>3,121,804</u>	<u>3,042,941</u>	<u>2,924,541</u>	<u>2,803,715</u>
Total Primary Government Expense	<u>\$ 73,078,858</u>	<u>\$ 78,152,884</u>	<u>\$ 77,977,520</u>	<u>\$ 65,875,030</u>	<u>\$ 77,266,132</u>	<u>\$ 74,982,169</u>	<u>\$ 73,462,427</u>	<u>\$ 61,959,168</u>	<u>\$ 67,937,931</u>	<u>\$ 64,001,154</u>
PROGRAM REVENUES										
Governmental Activities:										
Charges for Services:										
General Government	\$ 1,740,014	\$ 1,833,547	\$ 1,226,895	\$ 711,553	\$ 663,369	\$ 719,852	\$ 728,482	\$ 516,808	\$ 637,795	\$ 599,535
Public Safety	1,149,762	1,273,440	981,353	183,351	193,811	189,259	162,802	174,093	188,623	183,267
Public Works	211,459	210,383	199,158	-	-	-	-	-	-	364,783
Cultural and Recreation	613,558	339,121	205,307	-	-	-	-	-	-	-
Health and Welfare	8,315	8,956	9,292	386,868	1,276,615	1,220,636	1,319,959	1,376,819	257,000	295,249
Education	136,466	102,150	95,353	464,446	426,208	423,511	411,451	507,125	451,902	531,743
Operating Grants and Contributions:										
General Government	2,194,518	2,472,766	2,110,470	237	1,187	4,950	-	393,555	549,711	125,068
Public Safety	276,952	2,296,947	15,025	125,143	168,019	190,621	164,414	220,069	154,635	413,494
Public Works	-	-	-	-	-	-	-	-	-	-
Cultural and Recreation	92,613	5,325	78,462	-	-	-	-	-	-	-
Health and Welfare	185	900	1,295	603,697	308,929	809,069	385,624	251,285	257,735	350,910
Education	7,953,528	7,875,020	6,451,395	8,472,805	7,763,792	7,790,736	7,835,647	5,586,856	6,663,785	2,538,795
Capital Grants and Contributions:										
General Government	47,288	406,375	99,650	-	-	-	-	-	-	19,552
Public Safety	90,838	-	-	-	-	-	-	-	-	-
Public Works	-	-	-	-	-	-	-	-	-	-
Cultural and Recreation	-	-	-	-	-	-	-	-	-	-
Health and Welfare	-	-	-	-	-	-	-	-	-	-
Education	591,327	24,837	-	-	-	-	-	-	-	-
Total Governmental Activities	<u>15,106,823</u>	<u>16,849,767</u>	<u>11,473,655</u>	<u>10,948,100</u>	<u>10,801,930</u>	<u>11,348,634</u>	<u>11,008,379</u>	<u>9,026,610</u>	<u>9,161,186</u>	<u>5,422,396</u>
Business-Type Activities:										
Charges for services:										
Sewer	3,520,423	4,315,537	4,132,879	4,483,500	4,325,655	3,974,624	3,155,983	2,694,649	2,941,661	2,549,636
School Lunch	-	2,211	332,434	-	-	-	-	-	-	-
Operating grants and contributions:										
Sewer	82,021	21,585	-	-	-	-	-	-	-	-
School Lunch ¹	1,173,705	611,237	182,586	-	-	-	-	-	-	-
Total Business-Type Activities	<u>4,776,149</u>	<u>4,950,570</u>	<u>4,647,899</u>	<u>4,483,500</u>	<u>4,325,655</u>	<u>3,974,624</u>	<u>3,155,983</u>	<u>2,694,649</u>	<u>2,941,661</u>	<u>2,549,636</u>
Total Primary Government	<u>\$ 18,627,246</u>	<u>\$ 21,165,304</u>	<u>\$ 15,606,534</u>	<u>\$ 15,431,600</u>	<u>\$ 15,127,585</u>	<u>\$ 15,323,258</u>	<u>\$ 14,164,362</u>	<u>\$ 11,721,259</u>	<u>\$ 12,102,847</u>	<u>\$ 7,972,032</u>

**TABLE 2
(CONTINUED)**

**TOWN OF EAST GREENWICH, RHODE ISLAND
CHANGES IN NET POSITION (CONTINUED)
LAST TEN FISCAL YEARS
(IN THOUSANDS)
(UNAUDITED)**

	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
NET REVENUE (EXPENSE)										
Governmental Activities	\$ (53,016,884)	\$ (56,841,604)	\$ (62,653,955)	\$ (51,429,719)	\$ (63,191,359)	\$ (60,456,262)	\$ (59,332,244)	\$ (49,889,617)	\$ (55,852,204)	\$ (55,775,043)
Business-Type Activities	(179,002)	489,057	797,989	986,289	1,052,812	797,351	34,179	(348,292)	17,120	(254,079)
Total Primary Government Net Expense	<u>\$ (53,195,886)</u>	<u>\$ (56,352,547)</u>	<u>\$ (61,855,966)</u>	<u>\$ (50,443,430)</u>	<u>\$ (62,138,547)</u>	<u>\$ (59,658,911)</u>	<u>\$ (59,298,065)</u>	<u>\$ (50,237,909)</u>	<u>\$ (55,835,084)</u>	<u>\$ (56,029,122)</u>
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION										
Governmental Activities:										
Property Taxes	\$ 60,780,118	\$ 58,424,152	\$ 57,092,878	\$ 55,946,990	\$ 56,046,626	\$ 57,076,518	\$ 55,387,746	\$ 53,092,082	\$ 52,039,380	\$ 50,001,198
Unrestricted Investment Earnings	75,055	77,307	113,753	53,363	65,908	34,795	9,489	9,719	27,917	13,369
Grants and Contributions Not Restricted to Specific Program	1,561,741	1,006,437	1,385,837	-	-	-	-	-	-	-
Miscellaneous	113,285	370,032	282,070	4,126,097	2,798,323	2,751,118	2,457,607	2,786,915	3,611,275	7,074,596
Transfers	-	-	43,000	(100,059)	-	1,762	62,395	62,403	62,403	-
Total Governmental Activities	<u>62,530,199</u>	<u>59,877,928</u>	<u>58,917,538</u>	<u>60,026,391</u>	<u>58,910,857</u>	<u>59,864,193</u>	<u>57,917,237</u>	<u>55,951,119</u>	<u>55,740,975</u>	<u>57,089,163</u>
Business-Type Activities:										
Unrestricted Investment Earnings	-	-	-	-	-	-	-	-	-	479,638
Grants and Contributions Not Restricted to Specific Program	-	-	-	-	-	-	-	-	-	-
Transfers	-	-	(43,000)	100,059	-	-	-	-	-	-
Total Business-Type Activities	<u>-</u>	<u>-</u>	<u>(43,000)</u>	<u>100,059</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>479,638</u>
Total Primary Government	<u>\$ 62,530,199</u>	<u>\$ 59,877,928</u>	<u>\$ 58,874,538</u>	<u>\$ 60,126,450</u>	<u>\$ 58,910,857</u>	<u>\$ 59,864,193</u>	<u>\$ 57,917,237</u>	<u>\$ 55,951,119</u>	<u>\$ 55,740,975</u>	<u>\$ 57,568,801</u>
CHANGE IN NET POSITION										
Governmental Activities	\$ 9,513,315	\$ 3,036,324	\$ (3,736,417)	\$ 8,596,672	\$ (4,280,502)	\$ (592,069)	\$ (1,415,007)	\$ 6,061,502	\$ (111,229)	\$ 1,314,120
Business-Type Activities	(179,002)	489,057	754,989	1,086,348	1,052,812	797,351	34,179	(348,292)	17,120	225,559
Total Primary Government	<u>\$ 9,334,313</u>	<u>\$ 3,525,381</u>	<u>\$ (2,981,428)</u>	<u>\$ 9,683,020</u>	<u>\$ (3,227,690)</u>	<u>\$ 205,282</u>	<u>\$ (1,380,828)</u>	<u>\$ 5,713,210</u>	<u>\$ (94,109)</u>	<u>\$ 1,539,679</u>

Notes:

1) Effective for the year ended June 30, 2022, GASB 87 was effective as of July 1, 2021.

TOWN OF EAST GREENWICH, RHODE ISLAND
CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(IN THOUSANDS)
(UNAUDITED)

	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
REVENUES										
Property Taxes, Interest, and Lien Fees	\$ 60,991,746	\$ 58,318,528	\$ 57,956,263	\$ 55,783,356	\$ 56,012,926	\$ 57,038,288	\$ 55,468,067	\$ 52,855,272	\$ 51,893,705	\$ 50,068,123
Intergovernmental Revenues	13,879,539	13,683,412	9,356,393	8,521,140	6,905,614	7,767,445	6,888,695	5,729,112	7,328,248	7,047,875
Fines, Penalties, and Charges for Services	2,892,582	2,590,161	2,019,989	1,306,004	2,136,509	2,113,333	2,074,701	2,027,141	1,529,948	1,110,840
Licenses and Permits	856,504	1,018,860	816,268	-	-	-	-	-	-	-
Investment Income	75,055	77,307	113,753	66,400	76,285	98,110	131,276	142,000	27,917	13,369
Other Revenues	116,917	370,942	283,146	5,000,779	4,301,970	3,886,519	4,246,536	3,800,160	3,644,372	4,196,947
Total Revenues	78,812,343	76,059,210	70,545,812	70,677,679	69,433,304	70,903,695	68,809,275	64,553,685	64,424,190	62,437,154
EXPENDITURES										
Current:										
General Government	4,409,700	4,385,714	4,536,183	8,357,313	10,957,406	8,597,472	9,650,248	7,750,894	7,199,628	4,758,224
Public Safety	13,325,504	13,063,522	12,125,586	8,347,296	9,539,281	7,989,933	7,450,535	7,231,582	7,169,986	8,498,052
Public Works	3,740,694	3,592,004	4,225,030	3,787,079	3,789,028	3,692,554	3,548,831	3,474,684	3,340,690	2,983,305
Cultural and Recreation	1,527,731	1,103,569	1,313,716	1,416,814	1,320,444	1,131,951	1,135,224	1,123,735	1,128,003	1,056,659
Health and Welfare	-	-	79	182,302	248,257	608,099	590,583	677,986	850,902	1,034,193
Education	47,970,816	44,442,557	42,539,805	42,344,620	40,849,881	41,187,480	39,003,994	36,495,426	36,808,755	35,262,082
Debt Service:										
Principal Retirement	3,596,833	3,373,833	2,607,833	3,596,833	3,332,833	4,295,833	4,221,833	4,190,833	4,160,833	3,780,834
Lease Payments	94,016	-	-	-	-	-	-	-	-	-
Interest and Other Charges	1,376,567	1,509,917	2,114,678	2,172,887	2,214,440	2,289,912	2,453,325	2,547,470	2,679,075	3,132,137
Capital Outlay	2,885,765	3,955,657	2,297,157	3,194,617	2,152,130	1,674,115	2,085,678	1,445,369	229,924	4,041,601
Other Expenditures	-	-	-	-	-	6,768	1,560,465	-	1,815,421	8,204
Total Expenditures	78,927,626	75,426,773	71,760,067	73,399,761	74,403,700	71,474,117	71,700,716	64,937,979	65,383,217	64,555,291
EXCESS OF REVENUES OVER EXPENDITURES	(115,283)	632,437	(1,214,255)	(2,722,082)	(4,970,396)	(570,422)	(2,891,441)	(384,294)	(959,027)	(2,118,137)
OTHER FINANCING SOURCES (USES)										
Issuance of General Obligation Bonds	-	3,485,000	-	-	-	-	-	-	-	-
Issuance of Direct Placement Debt	-	620,359	606,444	-	-	-	-	-	-	-
Issuance of Refunding Bonds	-	29,655,000	-	2,079,386	1,636,311	562,112	1,475,388	20,000	-	-
Payment to Refunding Debt Escrow	-	(29,369,339)	-	-	-	-	-	-	-	-
Issuance of leases	235,430	-	-	-	-	-	-	-	-	-
Transfers In	4,440,261	3,486,927	593,270	-	605,804	154,075	33,276,182	32,485,772	-	322,904
Transfers Out	(4,440,261)	(3,486,927)	(550,270)	-	(605,804)	(154,075)	(33,276,182)	(32,485,772)	(48,599)	(322,904)
Total Other Financing Sources (Uses)	235,430	4,391,020	649,444	2,079,386	1,636,311	562,112	1,475,388	20,000	(48,599)	-
NET CHANGE IN FUND BALANCES	\$ 120,147	\$ 5,023,457	\$ (564,811)	\$ (642,696)	\$ (3,334,085)	\$ (8,310)	\$ (1,416,053)	\$ (364,294)	\$ (1,007,626)	\$ (2,118,137)
Debt Service as a Percentage of Noncapital Expenditures (1)	3.75%	5.47%	3.30%	8.22%	7.68%	9.41%	9.58%	10.61%	10.48%	11.42%

Notes:
(1) The percentage calculation uses the capital outlay figure from the reconciliation in Exhibit 4. This differs from the Capital Improvements figure due to capitalizable items included within other functional categories of current expenditures.

**TOWN OF EAST GREENWICH, RHODE ISLAND
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(IN THOUSANDS)
(UNAUDITED)**

Fiscal Year	Amount to be Collected	Current Year Tax Collections	Percentage of Levy Collected	Collections in Subsequent Years	Total Collections to Date	
					Amount	Percentage of Levy
2022	\$ 59,878,933	\$ 58,632,233	97.92 %	\$ -	\$ 58,632,233	97.918 %
2021	57,968,891	56,368,508	97.24	1,464,669	57,833,177	99.766
2020	56,836,566	55,631,105	97.88	1,152,183	56,783,288	99.906
2019	55,940,328	54,557,775	97.53	1,280,606	55,838,381	99.818
2018	56,128,625	54,865,975	97.75	1,181,417	56,047,392	99.855
2017	57,063,288	55,903,738	97.97	1,066,634	56,970,372	99.837
2016	55,464,423	54,254,999	97.82	1,124,016	55,379,015	99.846
2015	53,345,988	51,904,778	97.30	1,363,577	53,268,355	99.854
2014	51,851,944	50,684,913	97.75	1,079,439	51,764,352	99.831
2013	45,381,128	44,112,086	97.20	1,193,671	45,305,757	99.834

Source: Town of East Greenwich Tax Collector

**TOWN OF EAST GREENWICH, RHODE ISLAND
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(IN THOUSANDS)
(UNAUDITED)**

	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Debt Limit	\$ 82,927,294	\$ 73,425,366	\$ 73,430,663	\$ 73,035,072	\$ 71,313,503	\$ 73,515,232	\$ 70,339,512	\$ 68,850,237	\$ 67,923,165	\$ 67,213,371
Total Net Debt Applicable to the Limit	<u>13,012,778</u>	<u>14,597,624</u>	<u>12,191,609</u>	<u>16,401,674</u>	<u>18,592,395</u>	<u>21,069,742</u>	<u>22,581,019</u>	<u>18,622,629</u>	<u>20,485,131</u>	<u>22,354,841</u>
Legal Debt Margin	<u>\$ 69,914,516</u>	<u>\$ 58,827,742</u>	<u>\$ 61,239,054</u>	<u>\$ 56,633,398</u>	<u>\$ 52,721,108</u>	<u>\$ 52,445,490</u>	<u>\$ 47,758,493</u>	<u>\$ 50,227,608</u>	<u>\$ 47,438,034</u>	<u>\$ 44,858,530</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	<u>15.69%</u>	<u>19.88%</u>	<u>16.60%</u>	<u>22.46%</u>	<u>26.07%</u>	<u>28.66%</u>	<u>32.10%</u>	<u>27.05%</u>	<u>30.16%</u>	<u>33.26%</u>

SINGLE AUDIT SECTION



INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Honorable Town Council
Town of East Greenwich, Rhode Island

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Town of East Greenwich, Rhode Island's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the Town of East Greenwich, Rhode Island's major federal programs for the year ended June 30, 2022. The Town of East Greenwich, Rhode Island's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Town of East Greenwich, Rhode Island complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

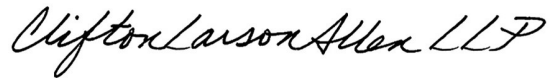
A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement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

Honorable Town Council
Town of East Greenwich, Rhode Island

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

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

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



CliftonLarsonAllen LLP

West Hartford, Connecticut
December 27, 2022

**TOWN OF EAST GREENWICH, RHODE ISLAND
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2022**

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
United States Department of Agriculture				
<i>Passed Through the State of Rhode Island Department of Education:</i>				
Child Nutrition Cluster:				
National School Lunch Program	10.555	NA	\$ -	\$ 985,633
School Breakfast Program	10.553	NA	-	178,417
			-	-
				\$ 1,164,050
English Language Acquisition State Grants	10.649	NA	-	3,684
Total United States Department of Agriculture			-	1,167,734
United States Environmental Protection Agency				
<i>Direct:</i>				
Clean Water State Revolving Fund Cluster:				
Capitalization Grants for Clean Water State Revolving Funds	66.458		-	82,021
United States Department of Education				
<i>Passed Through the State of Rhode Island Department of Education:</i>				
Special Education Cluster (IDEA):				
Special Education Preschool Grants	84.173	2725-13502-201	-	27,681
Special Education Grants to States	84.027	2725-13202-201	-	630,844
				658,525
Title I Grants to Local Educational Agencies	84.010	2725-11702-201	-	76,078
Evidence-Based School Climate Transformation	84.184	2725-21302-101	-	1,850
Improving Teacher Quality State Grants	84.367	2725-16402-201	-	44,060
English Language Acquisition State Grants	84.365	2725-16502-201	-	4,077
Student Support and Academic Enrichment	84.424	2725-20802-201	-	31,956
Education Stabilization Fund			-	
COVID-19 Discretionary Grants: Rethink K-12 Education Models Grants	84.425B			85,112
COVID-19 ESSER I	84.425D	4872-50502-201		376,547
			-	461,659
Total United States Department of Education			-	1,278,205
Federal Communications Commission				
<i>Direct:</i>				
COVID-19 Emergency Connectivity Fund Program	32.009		-	589,223
United States Department of Health and Human Services				
<i>Passed Through the State of Rhode Island Department of Health:</i>				
Epidemiology and Laboratory Capacity for Infectious Diseases	93.323	NA	-	86,555
United States Department of Treasury				
<i>Passed Through the State of Rhode Island Department of Treasury:</i>				
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	NA	-	364,032
United States Department of Transportation				
<i>Passed Through the Rhode Island Department of Transportation:</i>				
Highway Safety Cluster				
State and Community Highway Safety	20.600	NA	-	674
National Priority Safety Programs	20.616	NA		3,467
Total United States Department of Transportation				4,141
United States Department of Homeland Security				
<i>Passed Through the State of Rhode Island Emergency Management:</i>				
Disaster Grants - Public Assistance (Presidentially Declared Disasters)				
Emergency Management Performance Grants	97.036	NA	-	73,551
Emergency Management Performance Grants	97.042	NA	-	10,144
Total United States Department of Homeland Security			-	83,695
Total Expenditures of Federal Awards			\$ -	\$ 3,655,606

See accompanying Notes to Schedule of Expenditures of Federal Awards.

TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the Town of East Greenwich, Rhode Island, under programs of the federal government for the year ended June 30, 2022. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

Because the Schedule presents only a selected portion of the operations of the Town of East Greenwich, Rhode Island, it is not intended to, and does not, present the financial position, changes in fund balance, changes in net position or cash flows of the Town of East Greenwich, Rhode Island.

Basis of Accounting

Expenditures reported on the Schedule are reported using the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance. Under these principles certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 2 INDIRECT COST RECOVERY

The Town of East Greenwich, Rhode Island, has elected to use the 10% de minimis indirect cost rate provided under Section 200.414 of the Uniform Guidance when applicable.

NOTE 3 NONCASH AWARDS

Donated commodities in the amount of \$63,402 are included in the Department of Agriculture's National School Lunch Program, Assistance Listing #10.555. The amount represents the market value of commodities received.



**INDEPENDENT AUDITORS' 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**

Honorable Town Council
Town of East Greenwich, Rhode Island

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Town of East Greenwich, Rhode Island, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Town of East Greenwich, Rhode Island's basic financial statements, and have issued our report thereon dated December 27, 2022.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Town of East Greenwich, Rhode Island's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town of East Greenwich, Rhode Island's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town of East Greenwich, 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 Town's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2021-001 that we consider to be a material weakness.

Honorable Town Council
Town of East Greenwich, Rhode Island

Report on Compliance and Other Matters

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

Town of East Greenwich, Rhode Island's Response to Finding

Government Auditing Standards requires the auditor to perform limited procedures on the Town of East Greenwich, Rhode Island's response to the finding identified in our audit and described in the accompanying schedule of findings and questioned costs. The Town of East Greenwich, Rhode Island's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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 Town of East Greenwich, Rhode Island'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 Town of East Greenwich, Rhode Island's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



CliftonLarsonAllen LLP

West Hartford, Connecticut
December 27, 2022

**TOWN OF EAST GREENWICH, RHODE ISLAND
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2022**

Section I – Summary of Auditors’ Results

Financial Statements

1. Type of auditors’ report issued: Unmodified
2. Internal control over financial reporting:
- Material weakness(es) identified? x yes no
 - Significant deficiency(ies) identified? yes x none reported
3. Noncompliance material to financial statements noted? yes x no

Federal Awards

1. Internal control over major federal programs:
- Material weakness(es) identified? yes x no
 - Significant deficiency(ies) identified? yes x none reported
2. Type of auditors’ report issued on compliance for major federal programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? yes x no

Identification of Major Federal Programs

Assistance Listing Number(s)	Name of Federal Program or Cluster
10.553/10.555 32.009	Child Nutrition Cluster COVID-19 Emergency Connectivity Fund
Dollar threshold used to distinguish between Type A and Type B programs:	\$ <u> 750,000 </u>
Auditee qualified as low-risk auditee?	<u> </u> yes <u> x </u> no

**TOWN OF EAST GREENWICH, RHODE ISLAND
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2022**

Section II – Financial Statement Findings

2022 – 001

Type of Finding: Material Weakness in Internal Control Over Financial Reporting

Criteria or specific requirement

Internal controls should be in place to provide reasonable assurance that financial statements are prepared in accordance with U.S. GAAP.

Condition

The East Greenwich School Department does not have adequate controls in place to ensure that all incurred invoices are being captured in the correct period.

Invoices that were received after year end were not recorded in the proper period. This resulted in the understatement of retainage payables and understatement to capital outlay at June 30, 2022 totaling \$410,494.

Cause

Internal controls were not in place to ensure retainage payables and capital outlay were properly supported and reported in accordance with U.S. GAAP.

Effect

The identified errors required an adjusting journal entry to be posted to the bond fund within the capital projects fund to increase both retainage payable and capital outlay.

Repeat Finding

No

Recommendation

We recommend management evaluate the current financial reporting processes and controls to ensure that controls are in place to present the external financial statements in accordance with U.S. GAAP.

Views of Responsible Officials and Planned Corrective Actions

Management agrees with this finding.

Section III – Findings and Questioned Costs – Major Federal Programs

Our audit did not disclose any matters required to be reported in accordance with 2 CFR 200.516(a).