

# TOWN OF WESTERLY RHODE ISLAND



## **Annual Comprehensive Financial Report**

For the Fiscal Year Ended June 30, 2022

# TOWN OF WESTERLY, RHODE ISLAND

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# **INTRODUCTORY SECTION**



# *Westerly Rhode Island*

## *Finance Department"*

45 Broad Street Westerly, RI 02891  
(401) 348-2548

January 26, 2023

To the Citizens of Westerly, Rhode Island

The comprehensive annual financial report of the Town of Westerly, Rhode Island, for the fiscal year ended June 30, 2022, is hereby submitted as mandated by state statute. State laws require that all general-purpose local governments publish a complete set of financial statements, presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of certified public accountants licensed to practice in the State of Rhode Island, within six months of the close of each fiscal year.

This report consists of management's representations concerning the finances of the Town of Westerly, Rhode Island. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management of the Town has established a comprehensive internal control framework that is designed to both protect the government's accounts from loss, theft, or misuse, and to compile sufficient reliable information for the preparation of the Town of Westerly's financial statements in conformity with GAAP. As the cost of internal controls should not outweigh their benefits, the Town of Westerly's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The Town of Westerly's financial statements have been audited by Marcum LLP, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Town of Westerly for the fiscal year ended June 30, 2022, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion, that the Town of Westerly's financial statement for the fiscal year ended June 30, 2022, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the Town of Westerly was part of the broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentations of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are included in the separately issued Uniform Guidance report.

GAAP requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The Town of Westerly's MD&A can be found immediately following the report of the independent auditors.

## **PROFILE OF THE GOVERNMENT**

### **General**

The Town of Westerly, established in 1669, is in the southwest corner of the State of Rhode Island, bounded on the west by the Town of Stonington, Connecticut; on the north by the Towns of North Stonington, Connecticut and Hopkinton, Rhode Island; on the east by the Town of Charlestown, Rhode Island; and on the south by the Atlantic Ocean. Covering 32.5 square miles, Westerly is located approximately 42 miles from Providence, Rhode Island, 60 miles from Hartford, Connecticut, 80 miles from Boston, Massachusetts, and 130 miles from New York City, New York.

According to the U.S. Census, the Town has an estimated population of 23,483, up 3.05% from 2012. In 2020, the Town's median household income was \$76,835. Not reflected in the Census average income statistics is the above average income of the more than 17,000 summer inhabitants of the Town and an additional 25,000 summer day-trippers who contribute to the Town's economy.

Westerly is an economically diverse residential community with a well-established commercial base and small pockets of industry and recreational facilities. Due to its many miles of saltwater beaches and ocean frontage, the Town is a well-known vacation and tourist center, and part of Rhode Island's South County summer vacation area. Stately summer residences located in the Watch Hill area along with summer cottage colonies located in the Misquamicut, Weekapaug and Shelter Harbor areas of the Town add substantially to the Town's tax base.

Revaluations are completed every three years in conformity with Rhode Island General Statutes. As of December 31, 2021, the net assessed property value totaled \$8,039,320,520.

### **Government**

The Town of Westerly, established in 1669, operates under a Home Rule Charter adopted in 1968, which provides for a council/manager form of government. The Town Council, which is comprised of seven members who are elected at-large and serve two-year terms, are vested by the Charter with all legislative powers of the Town. These powers include the ordering of any tax, making appropriations, the power to enact, amend, or repeal ordinances related to the Town's property and to authorize the issuance of bonds or notes by resolution; subject to approval by a majority of electors voting who are qualified to vote on financial matters of the Town.

The Town Council appoints a Town Manager for a definite term based on his or her executive and administrative qualifications and experience. The Town Manager is the chief executive officer and the head of the administrative branch of the Town government. The Town Manager is responsible for carrying out the policies of the Town Council, for overseeing the day-to-day operations of the Town, and for appointing all Town employees, except for School District personnel.

The Town provides a full range of municipal services including public safety protection; the maintenance of highways, streets and other infrastructure; recreational activities; economic and development services; high-quality education; water and sewer utilities; waste disposal services; and other administrative services.

The annual budget serves as the foundation for the Town of Westerly's financial planning and control. Town departments submit requests for appropriation and revenue estimates to the Town Manager no later than January 15th. The Town Manager uses these requests as the starting point for developing a proposed budget. On the third Monday in March of each year the Town Manager submits to the Finance Board, with copies to the Town Council, the proposed budget of the Town of Westerly. The Board of Finance holds several budget work sessions with the Town Manager to discuss the proposed budget document and make recommended edits to the Town Council. After the recommended Board of Finance budget is delivered to the Town Council, the Town Manager and Town Council hold several budget work sessions to revise and, eventually, adopt a preliminary budget not later than the fourth Wednesday in April of each year.

Following the adoption of the preliminary budget by the Town Council, any qualified elector of the Town may circulate and file a petition contesting any of the proposed budget items, within eight (8) days of the publishing of the budget. If no petition is filed by this date, the budget is considered adopted. If there is a petition, a referendum must be held within 32 days of the date the Board of Canvassers validates the signatures on the budget petition.

The appropriated budget is prepared by fund, major program function (e.g., public safety) and department (e.g., police). At any time during the fiscal year the Town Manager may transfer part or all of an unencumbered appropriation balance among programs within a department, office or agency and, upon written request by the Town Manager, the Council may by ordinance transfer part or all of any unencumbered appropriation balance from one department, office or agency to another. If during the fiscal year the Town Manager certified that there are available for appropriation revenues in excess of those estimated in the budget, the Council by ordinance may make supplemental appropriations for the year up to the amount of such excess. If at any time during the fiscal year it appears probable to the Town Manager that the revenues available will be insufficient to meet the amount appropriated, he shall report to the Council without delay, indicating the estimated amount of the deficit, any remedial action taken by him and his recommendations as to any other steps to be taken. The Council shall then take such further action as it deems necessary to prevent or minimize any deficit and for that purpose it may by ordinance reduce one or more appropriations.

Budget-to-actual comparisons are provided in this report for the General Fund and the School Unrestricted Fund on Pages 95-99.

## Education

The general administration of the Westerly Public Schools is directed by a seven-member School Committee that is elected at-large at the regular biennial elections for staggered four-year terms. The School Committee determines and controls all policies affecting the administration, maintenance, and operation of the public schools in the Town. The School Committee appoints a Superintendent as its chief administrative agent; submits a detailed budget of expenditures and revenue to the Town Council and, once the school budget has been approved, determines the allocation of the amount appropriated. The cost of operating the School District for the fiscal year ended June 30, 2022, was \$56,965,627. The Town currently has three elementary schools, (Bradford Elementary was closed at the end of the 2017 school year and the Tower Street Community Center was closed in September of 2021) one middle school, and one high school. At the beginning of each school year, the student enrollment in the Westerly School System has been and is projected to be as follows:

### Enrollment PK-12 - Projected Enrollment \*

FY 2023	2,373
FY 2024	2,383
FY 2025	2,357
FY 2026	2,319
FY 2027	2,308
FY 2028	2,296
FY 2029	2,326
FY 2030	2,350
FY 2031	2,391
FY 2032	2,430

*\*Source: Westerly Public Schools Population and Enrollment Forecasts, McKibben Demographics October 2021*

## Municipal Services

The Town provides major public services which are detailed as follows:

### Water Facilities

Westerly's water system is owned by the Town and operated by the Public Works Utilities Department. This system serves portions of Westerly and the Pawcatuck section of Stonington, Connecticut. A small portion of Town (approximately 6%) depends on private wells. Most properties that are not served by the

Town water system are residences remote from the Town water system. A study titled, “Town of Westerly, Rhode Island - Water Supply System Management Plan”, prepared by C&E Engineering Partners, Inc. May 2013, describes existing conditions and includes a long-range program to improve the quality and quantity of water. Water studies are conducted on five-year cycles and results are submitted to both Rhode Island and Connecticut state agencies (Departments of Health) for evaluation.

### **Sanitary Sewer System**

Westerly owns and operates a wastewater collection and treatment system that services approximately 45% of the parcels in the Town. In terms of residential parcels only, 39% have public sewers and 61% use individual septic systems. The Town has not extended sewer service in several years. Developers of some projects have extended sewers in conjunction with completing the projects. The wastewater in areas not serviced by sewers has been accommodated in many ways including cesspools and septic systems installed during time periods where no regulations existed or where there were minimal local regulations. Later systems were installed under regulations of Rhode Island Department of Environmental Management (RIDEM) relating to Individual Septic Disposal Systems including, effective January 1, 2008, the new RIDEM-Rules Establishing Minimum Standards Relating to Location, Design, Construction and Maintenance of Onsite Wastewater Treatment Systems.

### **Public Works**

The Town's Public Works Department provides a full range of services including vehicle, roads, grounds, and building maintenance and snow removal. The Public Works Department expended \$4,577,959 for fiscal year ended June 30, 2022 and budgeted \$5,404,383.

### **Public Safety**

Services include police patrol, investigations, community education, dispatching, harbor patrol and animal control functions. The Westerly Police Department has a force that consists of 50 full-time police officers and 12 support personnel. The Police Department expended \$8,639,827 for fiscal year ended June 30, 2022, and budgeted \$8,540,860 respectively.

### **Financing**

In July of 2017, the Town refinanced an existing bond, thereby reducing the interest rate and debt service over the life of the bond without extending the bond maturity date. The original bond was issued in 2007.

In 2018, the Town issued a Sewer Improvement bond totaling \$1,664,000 to address sewer system infrastructure improvements and groundwater infiltration.

In 2019, the Town issued a Road and Bridge Improvement bond totaling \$15,000,000 to address the reconditioning and resurfacing of 21 miles of roads and the construction of a bridge. The plan is anticipated to span three years and includes a partnership project with Rhode Island Department of Transportation and Connecticut Department of Transportation to repair the Boombridge Road Bridge.

In 2021 the Town issued a Road and Bridge Improvement bond through the Rhode Island Infrastructure Bank totaling \$9,000,000 to address additional roads and sidewalks. These projects will run consecutively with the 2019 Road bond projects and is expected to be completed by the Summer of 2023.

Also in 2021, the Town refinanced an existing bond, thereby reducing the interest rate and providing \$2,000,000 in additional resources for school capital needs.

## **Employee Relations**

As of June 30, 2022, the Town employs 172 full-time equivalent employees exclusive of those employed by the School District. The School District employs 492 full-time equivalent employees.

The status of union contracts for municipal and school employees is as follows:

- Police Department: Three-year contract expired June 30, 2022
- Public Works & Municipal Clerical: Three-year contract expired June 30, 2024
- Teachers: Three-year contract expired August 31, 2025
- Local 808 Bus Drivers and Aids: Three-year contract expires June 30, 2024
- Local 808 Monitors: Three-year contract expires June 30, 2022
- Local 808 Clerical-Custodial-Mechanical-Secretarial: Three-year contract expired June 30, 2021

## **Factors Affecting Financial Condition**

The information presented in the financial statement is perhaps best understood when it is considered from the broader perspective of the specific environment within which the Town of Westerly operates.

## **Local Economy**

Westerly is known for its granite and stone-cutting industry. A type of granite, known as Westerly granite, has been and continues to be quarried here. The granite is ideal for statuary and has been used in numerous government buildings of states along the eastern seaboard.

Salt ponds lie along the coast of Westerly, which serve as shallow reef-like pools, whose outer walls form the long, white beaches that the Town is renowned for. These ponds, Maschaug Pond, Winnapaug Pond and the Quonochontaug Pond are assets that the Town continues to utilize. Further, they are part of the Rhode Island's growing aquaculture industry. Portions of the ponds are leased to small commercial oyster farms.

Westerly is home to the Westerly State Airport and an Amtrak Station. Westerly is also home to multiple public and private golf courses. Other recreation facilities include two yacht clubs, and several marinas and boat yards. The Westerly downtown area includes the YMCA, an outdoor ice-skating rink, the Westerly Library and many restaurants and retail stores. Westerly is a popular tourist destination during the summer months and specific taxes, such as hotel tax and sales tax, are shared with the Town and support the annual budget.

The Town of Westerly, in partnership with Stand up for Animals (SUFA) completed the Santo Algiere Dog Park in 2016, which also includes a new boat launch that is adjacent to the dog park.

In October 2016 the Town entered into a memorandum of agreement with Cherenzia Excavations Inc. a tax-exempt lease purchase \$2,800,000 for a 20-year period, subject to non-appropriation on annual basis, a declaration of covenants, restrictions and conditions with respect to the Aquifer Protection Property, including a prohibition of an incinerator and a Conditional right of first refusal and option to purchase with respect to the aquifer protection property.

Over the past several years, the Town has invested in a new police station, public works facility, middle and high school. The Town is currently working on developing a plan to upgrade the Town's three elementary schools.

In November 2022 the Westerly voters approved a \$50,000,000 school bond to include renovations and improvements for Dunn's Corners School and Springbrook School and a new building on State Street.

In December 2017, the Town entered into an agreement to purchase real estate for a solar land development program to provide the Town's electricity. The Town estimates the financial impact of the project to benefit the calendar year 2023.

In the spring of 2017, the Town welcomed the opening of the Westerly Educational Center. This multi-occupant facility offers academic courses provided by several private and public post-secondary schools, such as the Community College of Rhode Island (CCRI) and the Rhode Island School of Design (RISD) and provides job skills training to prepare potential employees for work in their chosen industry. Working with General Dynamics Electric Boat division, more than 750 potential employees have already undergone training since the facility's opening.

Prior to 2017, Lawrence and Memorial (L&M), which previously acquired the Westerly Hospital in 2013, was acquired by and affiliated with Yale-New Haven Health System (YNHHS). After this, YNHHS has committed \$300 million in capital upgrades over a five-year period to Westerly Hospital and other facilities in eastern Connecticut and western Rhode Island it has acquired through its purchase, thereby preserving the work force that support these operations.

To address Town infrastructure conditions, the Town has issued bonds (2018 and 2021) through the Rhode Island Infrastructure Bank to improve, roads, bridges, drainage and sidewalks. In 2018 a referendum was passed approving the issuance of \$15,000,000 and this project is anticipated to span three fiscal years ending in the summer of 2022. The second issue totaled \$9,000,000, again through the Rhode Island Infrastructure Bank, to continue to address roads and sidewalks and is anticipated to be completed by 2023.

The Town has also issued \$1,700,000 in financing to address water line replacements with the financing completed in fiscal year 2022 and the work to coincide with the second road bond projects.

## Pension and Other Postemployment Benefits

All non-union Town employees participate in a defined contribution 401(a) plan. The police union, public works/clerical union, and teachers have defined benefit plans.

Teachers participate in the State plan. In November 2011, the State of Rhode Island passed major changes to this plan including the creation of a hybrid program with both defined benefit and defined contribution components and the required length of service.

The public works/clerical union participate in a federally managed, union plan. Employee contributions and fund management are dictated by the union. The police participate in a defined benefit plan whereby plan assets are professionally managed.

The police pension is currently funded at 71.5%. The Town continues to fund the Annual Required Contribution (ARC) at 100%.

Westerly has a net OPEB obligation of \$11.7 million, related to retired and active employees. The OPEB is 43.1% funded.

## Other

Westerly believes in transparency and the accountability it inspires. This is the tenth year that the Town's annual audit is presented in the form of an Annual Comprehensive Financial Report (ACFR)

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the finance department. We would like to express our appreciation to all members of the department. Credit must also be given to the Town Council and its President, and the School Committee and its Chair, for the unfailing support for achieving and maintaining the highest standards of professionalism in the management of the Town of Westerly's finances.

Respectfully submitted,

DocuSigned by:



97742D4C2194458...  
Shawn M. Lacey  
Town Manager

DocuSigned by:



F13CB06EBB764F8...  
Mark Garceau, Ed.D.  
Superintendent of Schools

DocuSigned by:



6CD8906E3C46428...  
Cindy Kirchhoff  
Interim Town Finance Director  
School Director of Finance and Operations

# TOWN OF WESTERLY, RHODE ISLAND

## LIST OF PRINCIPAL OFFICIALS

FISCAL YEAR ENDED JUNE 30, 2022

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### **Town Council:**

Sharon E. Ahern, President  
Suzanne K. Giorno, Vice President  
Caswell Cooke, Jr.  
Christopher A. Duhamel  
Philip M. Overton  
Karen A. Cioffi  
Brian H. McCuin

### **School Committee:**

Diane C. Bowdy, Chair  
Robert Cillino, Vice Chair  
Marianne Nardone, Clerk  
Christine Cooke  
Rebecca Fowler  
Giuseppe Gencarelli  
Michael Ober

**Town Manager:** Shawn Lacey

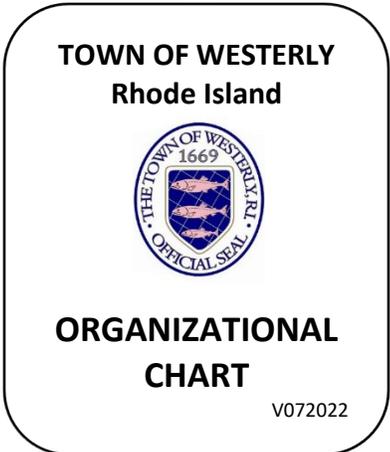
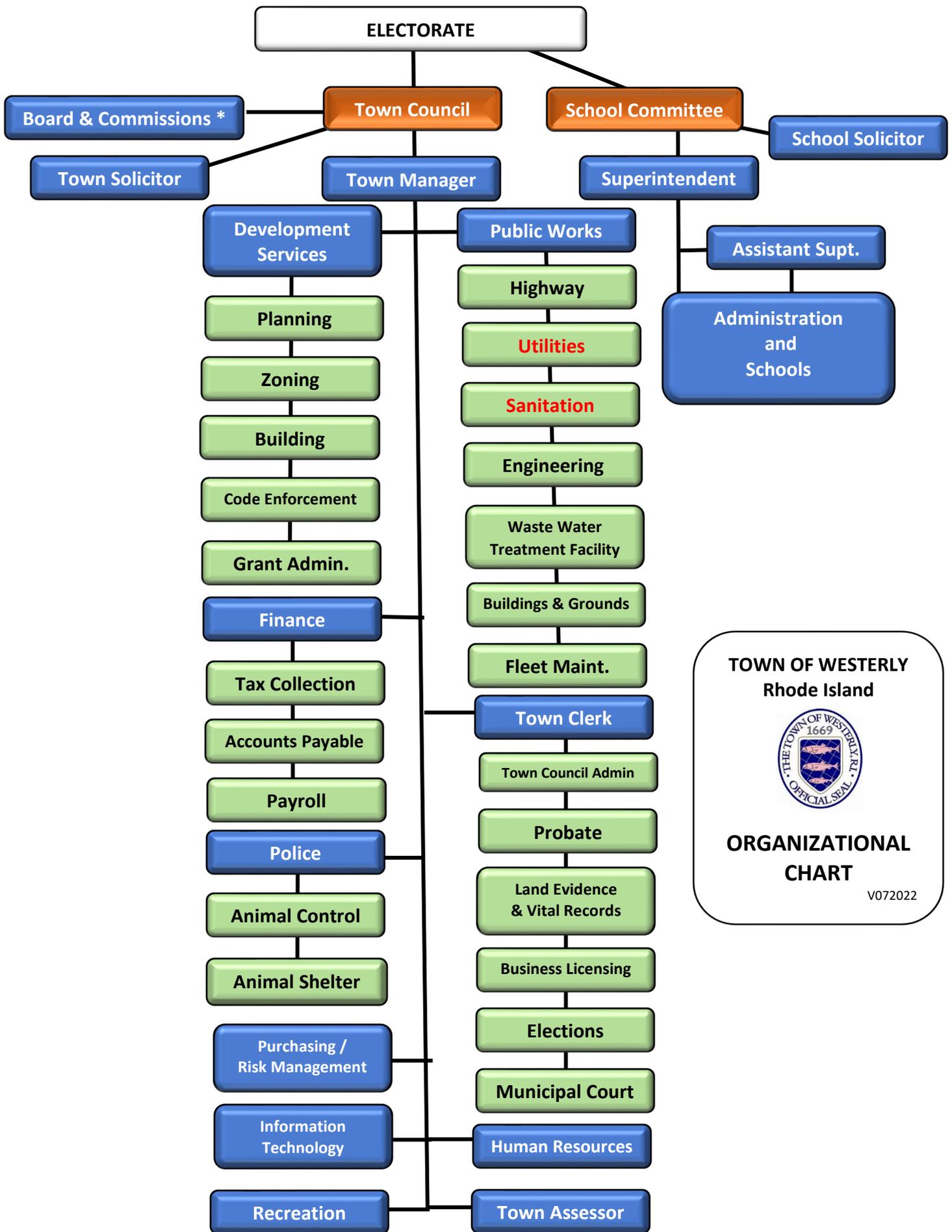
**School Superintendent:** Mark Garceau, Ed.D.

**Director of Finance:** Dyann J. Baker, CPA, MBA

**School Director of Finance and Operations:** Cindy Kirchhoff

**Police Chief:** Paul Gingerella

**Town Clerk:** Mary LeBlanc, MMC



NOTE: Red Lettered Departments are ENTERPRISE FUNDS. Sanitation (Transfer Station) & Utilities (Water & Sewer)  
 \* The majority of appointments are by the Town Council. However, some Board members are appointed by the Town Manager.

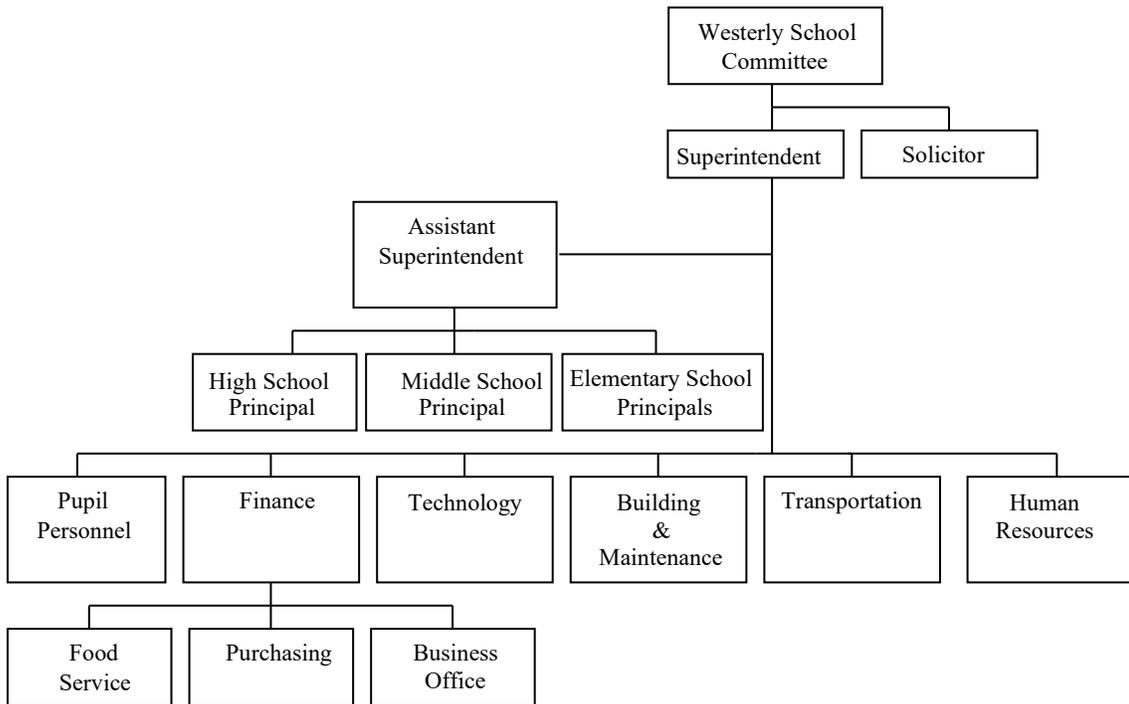
TOWN OF WESTERLY, RHODE ISLAND

LIST OF PRINCIPAL OFFICIALS

FISCAL YEAR ENDED JUNE 30, 2022



# Westerly Public Schools Organizational Chart June 2022



**School Committee**

Diane Chiaradio Bowdy, Chair  
Robert Cillino, Vice Chair  
Marianne Nardone, Clerk  
Christine Cooke  
Rebecca Fowler  
Giuseppe Gencarelli  
Michael Ober

**Solicitors**

William Nardone, Esq.  
Jon Lallo, Esq.

**Superintendent**

Mark C. Garceau, Ed.D.

**Assistant Superintendent**

Alicia Storey, Ed. D.

**Director of Pupil Personnel**

Christina Amanti Mathieu

**Director of Finance & Operations**

Cindy Kirchhoff

**Director of Technology**

Michael Sujka

**Director of Buildings & Maintenance**

John Pagano

**Director of Transportation**

Susan Guarino

**Human Resources Coordinator**

Marisa Iannella-Rodriguez

**High School Principal**

Michael Hobin

**Middle School Principal**

Mary Caporelli

**Elementary School Principals**

Steven Morrone, Dunn’s Corners  
Susan Martin, Springbrook  
Audrey Faubert, State Street

# **FINANCIAL SECTION**

## INDEPENDENT AUDITORS' REPORT

To the Honorable President and  
Members of the Town Council  
**Town of Westerly, 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 Westerly, Rhode Island (the "Town") as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town, as of June 30, 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 and the standards applicable to financial audits contained in *Government Auditing Standards (GAS)*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### *Responsibilities of Management for the Financial Statements*

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

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

## ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

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

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

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

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussions and analysis on pages 4 through 12, the budgetary comparison information on pages 95 through 99 and the pension and OPEB schedules on pages 100 through 114 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not

express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Westerly, Rhode Island's basic financial statements. The accompanying annual supplemental transparency report, and the combining and individual nonmajor fund financial statements 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 were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the annual supplemental transparency report, and the combining and individual nonmajor fund financial statements 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 financial statements. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance.

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

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated January 26, 2023, on our consideration of the Town's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town's internal control over financial reporting and compliance.



Providence, RI  
January 26, 2023

**MANAGEMENT'S DISCUSSION AND  
ANALYSIS**

**TOWN OF WESTERLY, RHODE ISLAND  
MANAGEMENT’S DISCUSSION AND ANALYSIS  
For the Year Ended June 30, 2022**

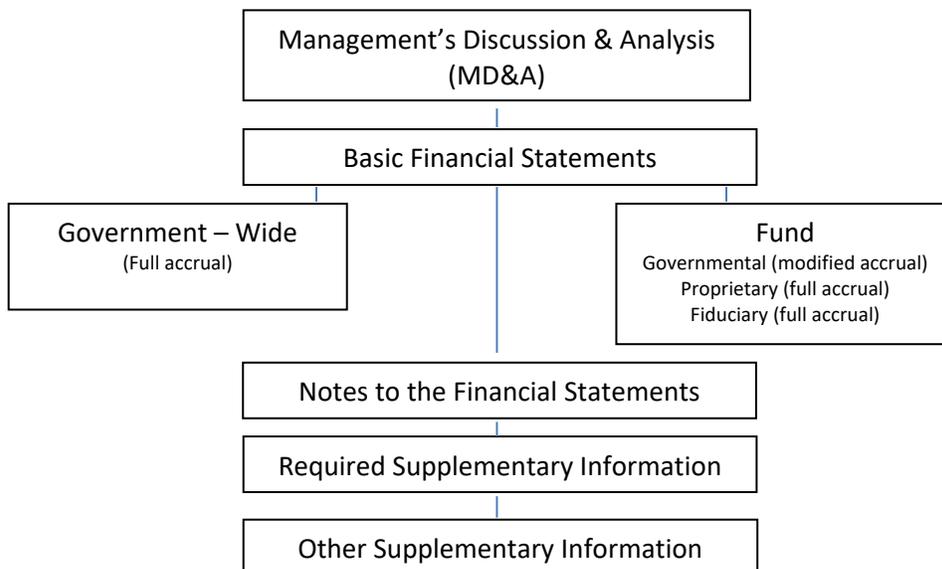
As management of the Town of Westerly, we offer readers of the Town’s financial statements this narrative overview and analysis of the Town’s financial activities for the fiscal year ended June 30, 2022. We encourage the readers to consider the information presented here in conjunction with the letter of transmittal on pages i-viii of this report as well as the Town’s basic financial statements that follow this section.

**Overview of the Financial Statements**

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

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

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



**Government-Wide Financial Statements.** The government-wide financial statements are designed to provide readers with a broad overview of the Town’s finances in a manner like a private-sector business.

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

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

Government-wide financial statements distinguish functions of the Town of Westerly that are principally supported by taxes and intergovernmental revenue (governmental activities) from other functions that are intended to recover all or a significant portion of their cost through user fees and charges (business-type activities). The government activities of the Town include general government, public safety, streets and highways, education, beach and recreation. The business-type activities of the Town include the Water Fund and Sewer Funds, and the Transfer Station.

The government-wide financial statements are reported on pages 13 through 14.

**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 of Westerly, like other state and local governments, uses fund accounting to ensure compliance with finance related legal requirements. All Town funds can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental 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 Town of Westerly maintains individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund, School Restricted Fund, \$15.0 Million Bond Fund, \$9.0 Million Bond Fund and American Rescue Plan Fund which are major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements included in the other supplementary information.

The Town of Westerly adopts an annual appropriated budget for its General Fund and School Unrestricted Fund. Budgetary comparison schedules have been provided for the General Fund and School Unrestricted Fund to demonstrate compliance with this budget.

**Proprietary Funds.** The Town's proprietary funds are used to report the same functions presented as business-type activities in the government-wide financial statements except for the Internal Service Funds which are reported as governmental fund type activity. The Town has four enterprise funds. The Water Fund accounts for the water system of the entire Town of Westerly as well as a portion of neighboring Pawcatuck, Connecticut. The Sewer Fund accounts for sewer system user charges and costs associated with wastewater collection for approximately 45% of the parcels in Town. The Transfer Station fund accounts for residential and commercial waste and recycling.

The Town uses internal service funds to account for employee healthcare expenses in the Health Fund. Included in the Health Fund activities are contributions from the Town and employees, as well as claims paid.

The basic proprietary fund financial statements are present on pages 19-22.

**Fiduciary Funds and GASB 84.** The Governmental Accounting Standards Board (GASB) issued this statement (84) to provide clearer guidance on identifying fiduciary activities for accounting and reporting. There are three types of fiduciary activities used to account for resources held for the benefit of parties outside the government. These financials are reporting Pension and OPEB arrangements, Private Purpose Trust Funds and Custodial Funds under this category. Fiduciary funds are not reflected in the government-wide financial statements because resources of those funds are not available to support the Town’s own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on pages 23-24.

**Notes to Financial Statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statement are presented on page 25-94.

**Other Information.** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Town of Westerly.

Required supplementary information is presented on pages 95-114.

The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 122-141.

### Government-Wide Financial Analysis

As noted earlier, net position may serve as a useful indicator over time of a government’s financial position. In the case of the Town of Westerly, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$138,331,288 as of June 30, 2022.

	Government Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Current and other assets	\$ 74,782,887	\$ 58,235,674	\$ 14,239,715	\$ 12,575,687	\$ 89,022,602	\$ 70,811,361
Capital assets, net of accumulated depreciation	173,052,609	171,425,981	42,160,013	40,636,640	215,212,622	212,062,621
Total assets	\$ 247,835,496	\$ 229,661,655	\$ 56,399,728	\$ 53,212,327	\$ 304,235,224	\$ 282,873,982
Deferred outflows of resources	20,332,840	13,335,665	-	-	20,332,840	13,335,665
					-	-
Current liabilities	\$ 19,895,463	\$ 16,053,607	\$ 1,949,062	\$ 2,301,209	\$ 21,844,525	\$ 18,354,816
Long-term liabilities	127,415,908	125,287,135	6,338,168	4,906,788	133,754,076	130,193,923
Total liabilities	\$ 147,311,371	\$ 141,340,742	\$ 8,287,230	\$ 7,207,997	\$ 155,598,601	\$ 148,548,739
Deferred inflows of resources	\$ 30,630,012	\$ 24,206,494	\$ 8,163	\$ -	\$ 30,638,175	\$ 24,206,494
Net position					-	-
Net investment in capital assets	97,685,775	96,776,891	35,338,334	35,444,002	133,024,109	132,220,893
Restricted, restated	21,272,630	16,832,687	-	-	21,272,630	16,832,687
Unrestricted	(28,731,452)	(36,159,494)	12,766,001	10,560,328	(15,965,451)	(25,599,166)
Total Net Position	\$ 90,226,953	\$ 77,450,084	\$ 48,104,335	\$ 46,004,330	\$ 138,331,288	\$ 123,454,414
<b>Increase in Net Position</b>	<b>\$ 12,776,869</b>		<b>\$ 2,100,005</b>		<b>\$ 14,876,874</b>	

The largest portion of the Town's net position, \$133,024,109, is its investment in capital assets (e.g., land, buildings, infrastructure, machinery and equipment); less any related debt used to acquire those assets that are still outstanding. The Town uses these capital assets to provide service to citizens; consequently, these assets are not available for future spending. Although the Town's investment in capital assets is reported net of related debt, it should be noted that the resources to repay this debt must be provided from other sources, since the capital asset cannot be used to liquidate these liabilities.

An additional portion of the Town's net position, \$21,272,630, represents resources that are subject to external restriction on how they may be used. The remaining balance of the unrestricted net position is \$15,965,451. The Town's negative unrestricted net position is primarily attributable to the legacy costs related to unfunded OPEB liabilities.

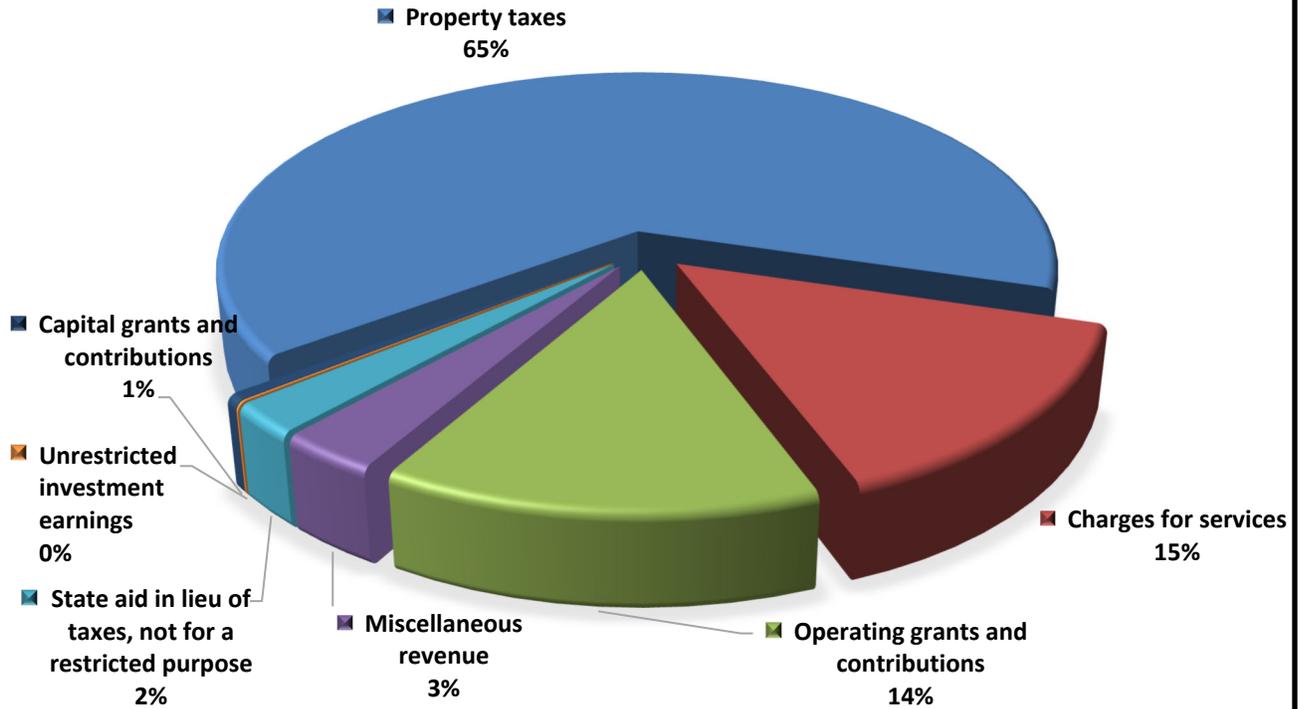
The Town's net position increased by \$14,876,874 during the current fiscal year. Of this amount, governmental activities accounted for \$12,776,869 of the increase, while business-type activities increased by \$2,100,005.

## Governmental Activities

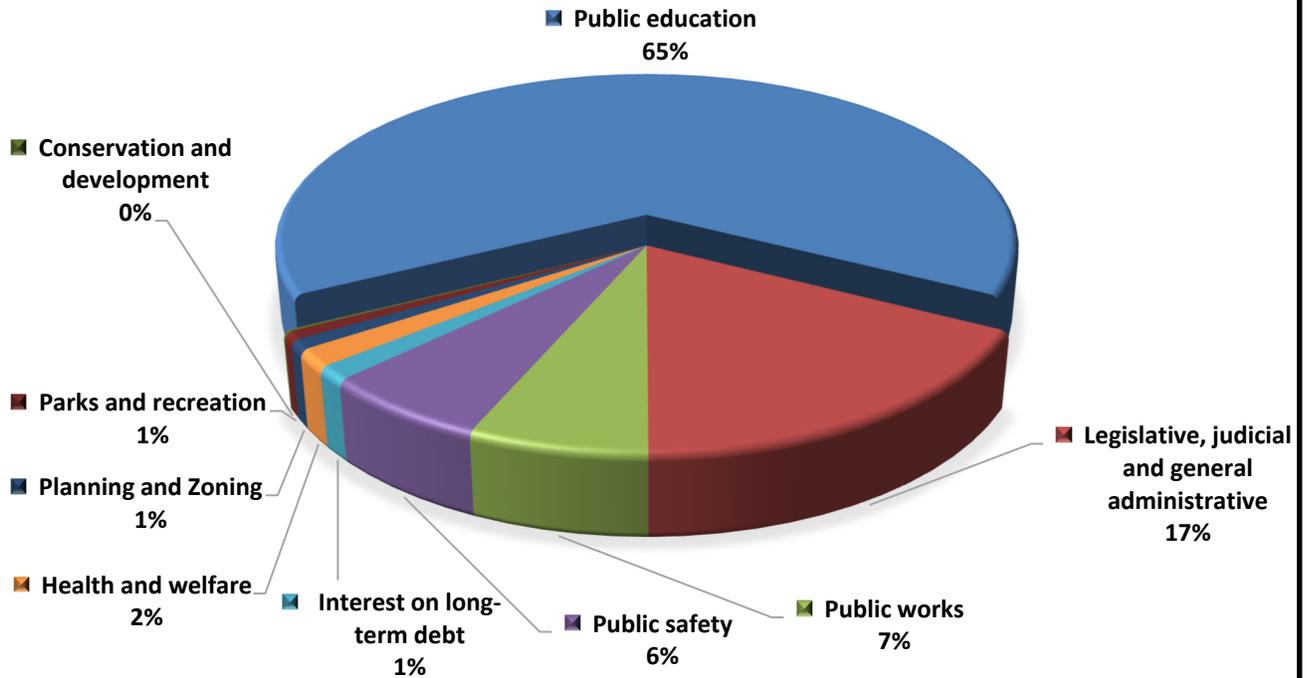
Governmental activities increased the Town's net position by \$12,776,869.

	Government Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
<b>Revenues:</b>						
<b>Program revenues</b>						
Charges for services	\$ 17,425,712	\$ 19,150,074	\$ 11,490,192	\$ 11,931,795	\$ 28,915,904	\$ 31,081,869
Operating grants and contributions	16,711,119	13,725,293			16,711,119	13,725,293
Capital grants and contributions	661,953	368,611			661,953	368,611
<b>General revenues:</b>						
Property taxes	77,380,216	77,500,103			77,380,216	77,500,103
State aid and lieu of taxes, not for a restricted purpose	2,931,295	1,178,723			2,931,295	1,178,723
Unrestricted investment earnings	121,232	123,888	873	871	122,105	124,759
On-behalf pension contribution	-	5,711,553			-	5,711,553
Residual equity on transfer	-	1,456,309	-	(1,456,309)	-	-
Miscellaneous revenue	3,886,575	2,141,660	1,454,112	1,515,689	5,340,687	3,657,349
<b>Total revenues</b>	<b>\$ 119,118,102</b>	<b>\$ 121,356,214</b>	<b>\$ 12,945,177</b>	<b>\$ 11,992,046</b>	<b>\$ 132,063,279</b>	<b>\$ 133,348,260</b>
<b>Expenses:</b>						
Legislative, judicial and general administrative	\$ 18,330,858	\$ 18,702,398	\$ -	\$ -	\$ 18,330,858	\$ 18,702,398
Public works	6,980,662	6,897,337	-	-	6,980,662	6,897,337
Public safety	6,655,688	4,041,929	-	-	6,655,688	4,041,929
Health and welfare	1,683,661	1,541,288	-	-	1,683,661	1,541,288
Conservation and development	159,567	49,409	-	-	159,567	49,409
Parks and recreation	771,399	791,124	-	-	771,399	791,124
Planning and Zoning	928,575	1,036,939	-	-	928,575	1,036,939
Public education	68,669,619	66,829,820	-	-	68,669,619	66,829,820
Interest on long-term debt	1,356,732	2,038,437	-	-	1,356,732	2,038,437
Water fund			4,423,782	4,927,301	4,423,782	4,927,301
Sewer fund			4,003,813	3,649,601	4,003,813	3,649,601
Transfer station			3,222,049	2,757,179	3,222,049	2,757,179
Animal shelter			-	7,540	-	7,540
<b>Total expenses</b>	<b>\$ 105,536,761</b>	<b>\$ 101,928,681</b>	<b>\$ 11,649,644</b>	<b>\$ 11,341,621</b>	<b>\$ 117,186,405</b>	<b>\$ 113,270,302</b>
<b>Change in net position before transfers</b>	<b>\$ 13,581,341</b>	<b>\$ 19,427,533</b>	<b>\$ 1,295,533</b>	<b>\$ 650,425</b>	<b>\$ 14,876,874</b>	<b>\$ 20,077,958</b>
Transfers	(804,472)	(771,844)	804,472	771,844	-	-
<b>Change in net position</b>	<b>\$ 12,776,869</b>	<b>\$ 18,655,689</b>	<b>\$ 2,100,005</b>	<b>\$ 1,422,269</b>	<b>\$ 14,876,874</b>	<b>\$ 20,077,958</b>
<b>Net Position at Beginning of Year, as Restated</b>						
	77,450,084	58,794,395	46,004,330	44,582,061	123,454,414	103,376,456
<b>Net Position at End of Year</b>	<b>\$ 90,226,953</b>	<b>\$ 77,450,084</b>	<b>\$ 48,104,335</b>	<b>\$ 46,004,330</b>	<b>\$ 138,331,288</b>	<b>\$ 123,454,414</b>

## GOVERNMENTAL ACTIVITIES: REVENUE



## GOVERNMENTAL ACTIVITIES: EXPENSES



**Business-type Activities** - Net position in business type activities increased by \$2,100,005 resulting in a 4.6% increase in business-type assets.

Charges for services for business-type activities accounted for 9% of the total revenue sources. The balance of revenues for business-type activities was from investment income and miscellaneous revenue.

The total expenses within the business-type activities of the Town include the following: Water Fund 38%, Sewer Fund 34%, Transfer Station 28%.

### **Financial Analysis of the Town of Westerly's Funds**

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

Governmental Funds - The focus of the Town of Westerly's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the Town's financing requirements. 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.

At the end of the current fiscal year, the Town's governmental funds reported a combined ending fund balance of \$38,824,861. Approximately 43%, or \$16,560,025, is available for spending at the government's discretion within the Town's total Fund Balance. The remaining fund balance of \$22,264,836 includes \$4,667,578 of Committed Fund Balance for Capital Projects, \$1,101,814 non-spendable for prepaid items, and \$16,495,444 restricted to specific programs.

The General Fund is the chief operating fund of the Town of Westerly. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$16,560,025 while total fund balance was \$24,360,829. 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 17% of the 2022 FY Adopted General Fund Expenditure Budget, while total fund balance represents 26% of that same amount.

### **Key Factors in the Change of the Town's Governmental Fund Balances**

The School Unrestricted Fund reported ending fund balance of \$6,594,251; \$44,872 of this amount is considered non-spendable as it relates to prepaid expenditures.

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

Unrestricted net position in the Water Fund at the end of the fiscal year amounted to \$5,033,397; unrestricted net position in the Sewer Fund was \$6,040,374; and unrestricted net position in the Transfer Station was \$1,692,230.

### **General Fund Budgetary Highlights**

The Town of Westerly, Rhode Island finished the 2021-2022 fiscal year with a budgetary surplus of \$1,189,775.

Revenue exceeded the budget by \$2,721,077 due to two major factors; property tax collections exceeded budget by \$1,773,191 as we continued to realize a collection rate of over 99%. Other revenue exceeded the budget by \$520,243 which included \$167,903 from the sale of capital and \$60,000 in new rental revenue. These two factors totaled \$2,293,434 of the additional revenue.

Expenditures and Other Finance Sources (Uses) were higher than budget by \$1,531,302, which is comprised of Other Finance Sources \$1,907,726 over budget offset by Expenditures \$376,424 under budget. Other Financing Sources includes \$1,959,703 of transfers out as a result of \$270,000 use of committed funds by the School and \$1,689,703 transfers to prior year capital and restricted. Expenditures is comprised of Legislative, judicial and general administrative of \$538,668, Public Works of \$826,424, and Debt Service of \$294,260 lower than budget offset by Capital and Restricted of \$1,629,887 higher than budget. Both Administrative and Public Works had changes in staffing (retirements and vacancies) which contributed to this outcome and Debt Service was lower than budget due to re-financing outcomes. Capital and Restricted was over budget mainly due to the purchase of land totaling 3,022,349. These factors totaled \$1,930,238 of additional expenses.

**Major General Fund Revenue Factors:**

Property taxes are the largest single revenue source for the General Fund and account for 80% of total budgetary revenues. The tax collection rate for both current and prior year assessments was approximately 99%.

**Major Expenditure Factors:**

Education Expense accounts for approximately 61% of the total budgetary expenditures within the General Fund of the Town of Westerly, followed by Debt Service representing 11%, Public Safety representing 9%, Public Works representing 5%, Capital and Restricted representing 4%, and General Government representing 7%.

**Capital Assets and Debt Administration**

Capital Assets - The Town of Westerly’s capital assets for its governmental and business-type activities amounted to \$215,212,622 (net of accumulated depreciation) as of June 30, 2022. This investment in capital assets includes land, buildings, improvements, machinery and equipment, motor vehicles, infrastructure, and construction in progress.

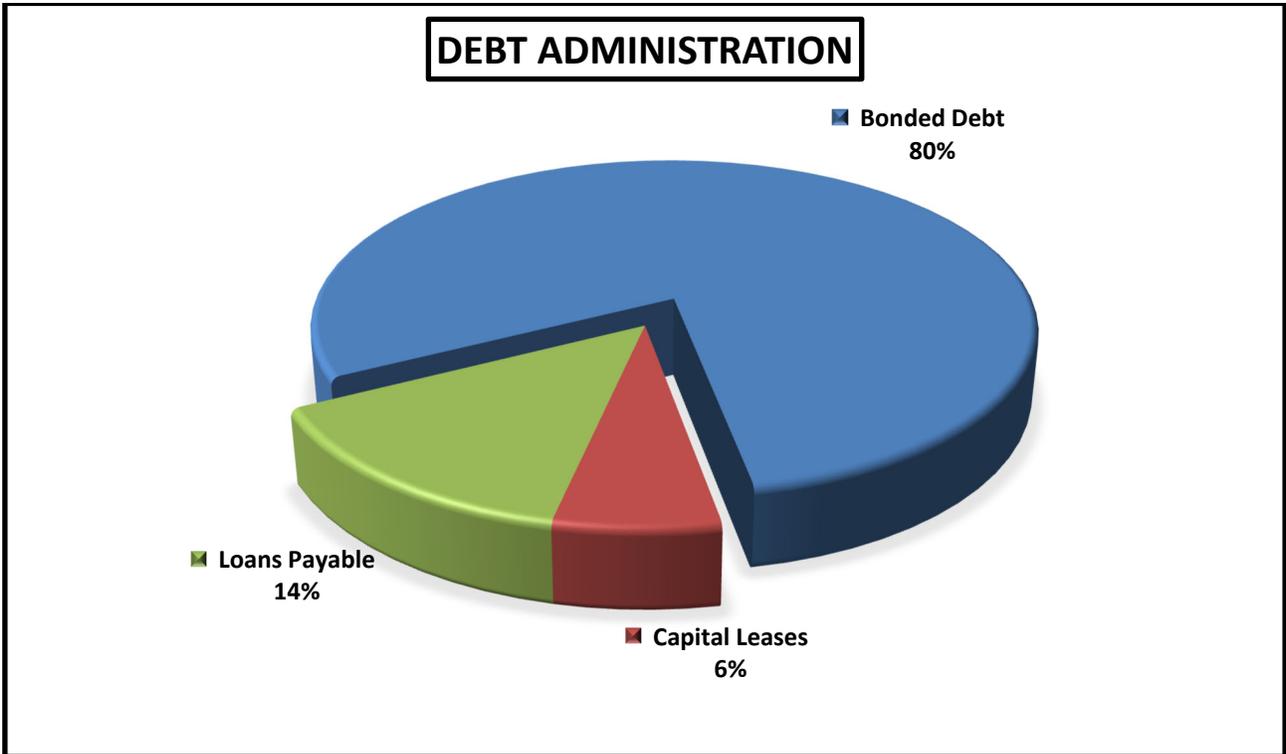
**TOWN OF WESTERLY’S CAPITAL ASSETS AT YEAR END  
NET OF ACCUMULATED DEPRECIATION**

	Government Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Land	\$ 19,204,411	\$ 15,848,062	\$ 5,931,635	\$ 5,931,635	\$ 25,136,046	\$ 21,779,697
Construction in progress	2,756,214	1,900,963	1,336,202	669,735	4,092,416	2,570,698
Buildings and improvements	69,736,246	71,220,029	9,941,979	10,132,394	79,678,225	81,352,423
Mains, wells, pumps and hydrants			14,812,871	13,978,985	14,812,871	13,978,985
Tanks and structures			7,987,423	8,023,478	7,987,423	8,023,478
Motor vehicles	4,976,488	4,305,873			4,976,488	4,305,873
Machinery, equipment and furniture	2,762,397	3,181,388	2,149,903	1,900,413	4,912,300	5,081,801
Infrastructure	73,616,853	74,969,666			73,616,853	74,969,666
<b>Total</b>	<b>\$ 173,052,609</b>	<b>\$ 171,425,981</b>	<b>\$ 42,160,013</b>	<b>\$ 40,636,640</b>	<b>\$ 215,212,622</b>	<b>\$ 212,062,621</b>

Debt Administration - At the end of the current fiscal year, the Town of Westerly had total bonded debt outstanding of \$61,449,000, capital leases of \$4,853,682 and \$10,840,300 of loans payable.

**TOWN OF WESTERLY'S OUTSTANDING DEBT AT YEAR END BONDS, LOANS AND CAPITALIZED LEASES PAYABLE**

	Government Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
General obligation bonds	\$ 59,749,000	\$ 56,854,000	\$ 1,700,000		\$ 61,449,000	\$ 56,854,000
Capital lease	2,639,393	2,100,371	2,214,289	2,187,728	4,853,682	4,288,099
Loans	9,351,000	9,351,000	1,489,300	1,752,300	10,840,300	11,103,300
Total	\$ 71,739,393	\$ 68,305,371	\$ 5,403,589	\$ 3,940,028	\$ 77,142,982	\$ 72,245,399



State statutes limit the amount of general obligation bonded debt a town can issue to 3% of net assessed property values. However, all bonds approved through State enabling legislation and voter referendums are exempt from this limit. As of June 30, 2022, the Town had a debt limit of \$196,950,868.

Standard and Poor's rated the Town of Westerly's credit at AA, while Moody's Investors Service rated the Town at Aa3.

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

The Town of Westerly's adopted General Fund budget for fiscal year 2022-2023 amounted to \$97,555,220 which reflects an increase of \$2,482,581 (2.6%) over the fiscal 2021-2022 budget. Of the total Town budget, \$57,057,284 or 59% is budgeted for Westerly Public Schools. The Town is budgeted to receive \$7,997,821 from the State of Rhode Island for Aid to Education. The Town's mill rate decreased 17% for fiscal year 2022-23 to 9.56, versus 11.52 for fiscal year 2021-2022. The Town's levy increased by 1.85% for fiscal year 2022-2023 vs. 2021-2022.

The Town's debt service will remain fairly level until 2026, when the Town will see significant reductions.

Request for Information: This financial report is designed to provide a general overview of the Town of Westerly's finances. Questions concerning any of the information provided in this report or request for additional information should be addressed to the Office of the Finance Director, 45 Broad Street, Westerly, RI 02891.

# **BASIC FINANCIAL STATEMENTS**

## TOWN OF WESTERLY, RHODE ISLAND

I

## STATEMENT OF NET POSITION

JUNE 30, 2022

	Primary Government		
	Governmental Activities	Business-type Activities	Total
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents	\$ 32,922,103	\$ 10,934,955	\$ 43,857,058
Investments	1,728	--	1,728
Real estate and personal property taxes receivable	1,058,991	--	1,058,991
Water user fees receivable	--	3,250,571	3,250,571
Due from federal and state government	2,340,107	--	2,340,107
Internal balances	662,940	(662,940)	--
Other receivables	1,129,105	514,076	1,643,181
Prepaid items	8,237,113	26,777	8,263,890
Net pension asset	9,340,076	--	9,340,076
Inventories	--	127,876	127,876
Lease receivable, current portion	36,802	7,947	44,749
Notes receivable	569,786	--	569,786
<b>Total Current Assets</b>	<b>56,298,751</b>	<b>14,199,262</b>	<b>70,498,013</b>
<b>Noncurrent Assets</b>			
Restricted assets:			
Cash and cash equivalents	6,577,306	40,453	6,617,759
Cash held in escrow	11,561,228	--	11,561,228
Lease receivable, net of current portion	47,668	--	47,668
Lease asset	297,934	--	297,934
Capital assets:			
Capital assets not being depreciated	21,960,625	7,267,837	29,228,462
Capital assets being depreciated	151,091,984	34,892,176	185,984,160
<b>Total Noncurrent Assets</b>	<b>191,536,745</b>	<b>42,200,466</b>	<b>233,737,211</b>
<b>Total Assets</b>	<b>247,835,496</b>	<b>56,399,728</b>	<b>304,235,224</b>
<b>Deferred Outflows of Resources</b>			
Deferred charge on refunding bonds	1,576,382	--	1,576,382
OPEB - related	1,095,124	--	1,095,124
Pension - related	17,661,334	--	17,661,334
<b>Total Deferred Outflows of Resources</b>	<b>20,332,840</b>	<b>--</b>	<b>20,332,840</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Accounts payable and accrued liabilities	5,967,071	1,145,770	7,112,841
Accrued interest payable	331,033	73,840	404,873
Unearned revenue	3,001,258	30,408	3,031,666
Claims payable	1,408,018	--	1,408,018
Lease liability, current portion	80,542	--	80,542
Long-term liabilities due within one year	9,107,541	699,044	9,806,585
<b>Total Current Liabilities</b>	<b>19,895,463</b>	<b>1,949,062</b>	<b>21,844,525</b>
<b>Noncurrent Liabilities</b>			
Other noncurrent liabilities	--	1,094,237	1,094,237
Lease liability, net of current portion	215,272	--	215,272
Long-term liabilities	127,200,636	5,243,931	132,444,567
<b>Total Noncurrent Liabilities</b>	<b>127,415,908</b>	<b>6,338,168</b>	<b>133,754,076</b>
<b>Total Liabilities</b>	<b>147,311,371</b>	<b>8,287,230</b>	<b>155,598,601</b>
<b>Deferred Inflows of Resources</b>			
Unavailable revenues	571,303	--	571,303
Lease related	3,021,894	8,163	3,030,057
OPEB - related	4,740,423	--	4,740,423
Pension - related	22,296,392	--	22,296,392
<b>Total Deferred Inflows of Resources</b>	<b>30,630,012</b>	<b>8,163</b>	<b>30,638,175</b>
<b>Net Position</b>			
Net investment in capital assets	97,685,775	35,338,334	133,024,109
Restricted for:			
Capital projects	21,272,630	--	21,272,630
Unrestricted	(28,731,452)	12,766,001	(15,965,451)
<b>Total Net Position</b>	<b>\$ 90,226,953</b>	<b>\$ 48,104,335</b>	<b>\$ 138,331,288</b>

The accompanying notes are an integral part of these financial statements.

TOWN OF WESTERLY, RHODE ISLAND

STATEMENT OF ACTIVITIES

FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-type Activities	Total
<b>Governmental Activities:</b>							
Legislative, judicial and general administrative	\$ 18,330,858	\$ 12,566,627	\$ 40,352	\$ --	\$ (5,723,879)	\$ --	\$ (5,723,879)
Public works	6,980,662	35,509	--	460,781	(6,484,372)	--	(6,484,372)
Public safety	6,655,688	807,646	99,647	--	(5,748,395)	--	(5,748,395)
Health and welfare	1,683,661	579	683,170	201,172	(798,740)	--	(798,740)
Conservation and development	159,567	--	148,372	--	(11,195)	--	(11,195)
Parks and recreation	771,399	358,281	--	--	(413,118)	--	(413,118)
Planning and zoning	928,575	974,681	--	--	46,106	--	46,106
Education	68,669,619	2,215,109	15,739,578	--	(50,714,932)	--	(50,714,932)
Interest on long-term debt	1,356,732	467,280	--	--	(889,452)	--	(889,452)
<b>Total Governmental Activities</b>	<u>105,536,761</u>	<u>17,425,712</u>	<u>16,711,119</u>	<u>661,953</u>	<u>(70,737,977)</u>	<u>--</u>	<u>(70,737,977)</u>
<b>Business-Type Activity:</b>							
Water fund	4,423,782	4,285,743	--	--	--	(138,039)	(138,039)
Sewer fund	4,003,813	3,695,197	--	--	--	(308,616)	(308,616)
Transfer station fund	3,222,049	3,509,252	--	--	--	287,203	287,203
<b>Total Business-Type Activity</b>	<u>11,649,644</u>	<u>11,490,192</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>(159,452)</u>	<u>(159,452)</u>
<b>Total Primary Government</b>	<u>\$ 117,186,405</u>	<u>\$ 28,915,904</u>	<u>\$ 16,711,119</u>	<u>\$ 661,953</u>	<u>(70,737,977)</u>	<u>(159,452)</u>	<u>(70,897,429)</u>
<b>General Revenues:</b>							
Taxes:							
Property taxes levied for general purposes					77,380,216	--	77,380,216
State aid in lieu of taxes, not for a restricted purpose					2,931,295	--	2,931,295
Investment and interest income					121,232	873	122,105
Other revenues					3,886,575	1,454,112	5,340,687
Transfer (in) out					(804,472)	804,472	--
<b>Total General Revenues</b>					<u>83,514,846</u>	<u>2,259,457</u>	<u>85,774,303</u>
<b>Change in Net Position</b>					12,776,869	2,100,005	14,876,874
<b>Net Position - Beginning of Year</b>					<u>77,450,084</u>	<u>46,004,330</u>	<u>123,454,414</u>
<b>Net Position - End of Year</b>					<u>\$ 90,226,953</u>	<u>\$ 48,104,335</u>	<u>\$ 138,331,288</u>

The accompanying notes are an integral part of these financial statements.

# **FUND FINANCIAL STATEMENTS**

TOWN OF WESTERLY, RHODE ISLAND

III

BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2022

	General Fund	School Restricted Fund	\$15,000,000 Bond Fund	\$9,000,000 Bond Fund	American Rescue Plan	Other Non-Major Governmental Funds	Total Governmental Funds
<b>Assets</b>							
Cash and cash equivalents	\$ 21,008,987	\$ 1,224,950	\$ 685,334	\$ --	\$ 3,095,487	\$ 4,863,673	\$ 30,878,431
Restricted cash held in escrow	--	--	656,057	8,899,452	--	2,005,719	11,561,228
Investments	--	--	--	--	--	1,728	1,728
Real estate and personal property tax receivable	463,210	--	--	--	--	--	463,210
Due from federal and state governments	444,015	1,307,967	--	--	--	588,125	2,340,107
Due from other funds	14,639,454	--	--	--	--	502,335	15,141,789
Other receivables	827,578	46,196	--	--	--	18,233	892,007
Prepaid items	1,050,830	50,984	--	--	--	--	1,101,814
<b>Total Assets</b>	<b>\$ 38,434,074</b>	<b>\$ 2,630,097</b>	<b>\$ 1,341,391</b>	<b>\$ 8,899,452</b>	<b>\$ 3,095,487</b>	<b>\$ 7,979,813</b>	<b>\$ 62,380,314</b>
<b>Liabilities, Deferred Inflows and Fund Balances</b>							
<b>Liabilities</b>							
Accounts payable and accrued liabilities	\$ 3,776,094	\$ 21,035	\$ 1,341,246	\$ 198,175	\$ 177,408	\$ 453,113	\$ 5,967,071
Due to other funds	6,388,225	1,389,993	--	1,408,570	--	1,491,410	10,678,198
Unearned revenue	--	2,000	--	--	2,918,079	81,179	3,001,258
<b>Total Liabilities</b>	<b>10,164,319</b>	<b>1,413,028</b>	<b>1,341,246</b>	<b>1,606,745</b>	<b>3,095,487</b>	<b>2,025,702</b>	<b>19,646,527</b>
<b>Deferred Inflows of Resources</b>							
Unavailable revenue - leases	2,940,000	--	--	--	--	--	2,940,000
Unavailable revenue - property taxes	968,926	--	--	--	--	--	968,926
<b>Total Deferred Inflows of Resources</b>	<b>3,908,926</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>3,908,926</b>
<b>Fund Balances</b>							
Non-spendable	1,050,830	50,984	--	--	--	--	1,101,814
Restricted	6,073,003	1,166,085	145	7,292,707	--	1,963,504	16,495,444
Committed	676,971	--	--	--	--	3,990,607	4,667,578
Assigned	--	--	--	--	--	--	--
Unassigned	16,560,025	--	--	--	--	--	16,560,025
<b>Total Fund Balances</b>	<b>24,360,829</b>	<b>1,217,069</b>	<b>145</b>	<b>7,292,707</b>	<b>--</b>	<b>5,954,111</b>	<b>38,824,861</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 38,434,074</b>	<b>\$ 2,630,097</b>	<b>\$ 1,341,391</b>	<b>\$ 8,899,452</b>	<b>\$ 3,095,487</b>	<b>\$ 7,979,813</b>	<b>\$ 62,380,314</b>

The accompanying notes are an integral part of these financial statements.

**TOWN OF WESTERLY, RHODE ISLAND**

**III**

**RECONCILIATION OF THE BALANCE SHEET  
OF GOVERNMENTAL FUNDS (III) TO THE STATEMENT OF NET POSITION (I)  
JUNE 30, 2022**

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**Amounts Reported for Governmental Activities in the Statement of Net Position Differ Because:**

<b>Total Fund Balance (III)</b>	\$ 38,824,861
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	173,052,609
Right of use assets and receivables not reported in fund statements	382,404
Net Pension Asset	9,340,076
Penalties and interest on tax receivables	595,781
Sinking bond fund investments	6,577,306
Advance tax collections deferred in funds and not deferred in measurement for Statement of Net Position	968,926
Deferred outflows relating to deferred loss on refunding	1,576,382
Deferred outflows relating to pensions and OPEB are recorded in the statement of net position	18,756,458
Deferred inflows relating to unavailable tax revenues	(571,303)
Deferred inflows relating to pensions and OPEB are recorded in the statement of net position	(27,036,815)
Deferred inflows relating to leases	(81,894)
Long-term liabilities and related items are not due and payable in the current period and therefore are not reported as liabilities in the governmental funds. Long-term liabilities (net of premiums) at year-end consist of:	
Bonds and loans payable	(69,100,000)
Bond premium	(3,629,561)
Capital leases	(2,639,387)
Compensated absences	(1,669,465)
Accrual for net OPEB liability	(11,711,067)
Accrual for net pension liability	(47,558,697)
Accrued interest payable is recorded in government activities, but is not recorded in the funds.	(331,033)
Right of use asset lease liability	(295,814)
Internal service funds are recorded as proprietary funds in the fund financial statements but are recorded as governmental activities on the Government-wide statement of net position.	4,777,186
<b>Total Net Position (I)</b>	<b>\$ 90,226,953</b>

*The accompanying notes are an integral part of these financial statements.*

TOWN OF WESTERLY, RHODE ISLAND

COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	General Fund	School Restricted Fund	\$15,000,000 Bond Fund	\$9,000,000 Bond Fund	American Rescue Plan	Other Non-Major Governmental Funds	Total Governmental Funds
<b>Revenues</b>							
General property taxes and payments in lieu of taxes	\$ 78,153,783	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 78,153,783
Intergovernmental and departmental	16,612,844	3,824,449	--	--	426,838	2,162,466	23,026,597
Licenses and permits	1,048,115	--	--	--	--	--	1,048,115
Fines and penalties	236,044	--	--	--	--	--	236,044
Charges for service	1,916,399	--	--	--	--	35,578	1,951,977
Capital grants and contributions	--	--	--	--	--	222,148	222,148
Investment income	119,972	--	--	--	--	1,260	121,232
On behalf pension contribution	2,670,323	--	--	--	--	--	2,670,323
Other revenues	948,896	283,410	--	--	--	--	1,232,306
<b>Total Revenues</b>	<u>101,706,376</u>	<u>4,107,859</u>	<u>--</u>	<u>--</u>	<u>426,838</u>	<u>2,421,452</u>	<u>108,662,525</u>
<b>Expenditures</b>							
Legislative, executive and administrative	6,886,588	--	--	--	172,354	216,751	7,275,693
Public works	4,579,085	--	--	--	--	23,950	4,603,035
Public safety	8,645,212	--	--	--	--	54,884	8,700,096
Health and welfare	1,297,666	--	--	--	154,584	231,411	1,683,661
Conservation and development	2,395	--	--	--	--	157,172	159,567
Parks and recreation	540,659	--	--	--	--	--	540,659
Planning	920,318	--	--	--	--	--	920,318
Education	56,936,903	3,326,834	--	--	--	995,606	61,259,343
Debt service	9,965,549	--	--	100,548	--	71,880	10,137,977
Capital outlay	5,657,329	135,784	4,664,683	1,606,745	99,900	2,391,656	14,556,097
On behalf pension contribution	2,670,323	--	--	--	--	--	2,670,323
<b>Total Expenditures</b>	<u>98,102,027</u>	<u>3,462,618</u>	<u>4,664,683</u>	<u>1,707,293</u>	<u>426,838</u>	<u>4,143,310</u>	<u>112,506,769</u>
<b>Excess of Revenues Over (Under) Expenditures</b>							
<b>Before Other Financing Sources (Uses)</b>	<u>3,604,349</u>	<u>645,241</u>	<u>(4,664,683)</u>	<u>(1,707,293)</u>	<u>--</u>	<u>(1,721,858)</u>	<u>(3,844,244)</u>
<b>Other Financing Sources (Uses)</b>							
Transfers from other funds	56,068	74,208	--	--	--	1,689,721	1,819,997
Transfers to other funds	(2,568,383)	(4,091)	--	--	--	(51,995)	(2,624,469)
Capital lease proceeds	1,753,194	--	--	--	--	--	1,753,194
Payments to refunding bond escrow agent	--	--	--	--	--	(8,099,800)	(8,099,800)
Bond proceeds	--	--	--	9,000,000	--	8,175,000	17,175,000
<b>Total Other Financing Sources (Uses)</b>	<u>(759,121)</u>	<u>70,117</u>	<u>--</u>	<u>9,000,000</u>	<u>--</u>	<u>1,712,926</u>	<u>10,023,922</u>
<b>Net Change in Fund Balances</b>	2,845,228	715,358	(4,664,683)	7,292,707	--	(8,932)	6,179,678
<b>Fund Balances - Beginning of Year</b>	<u>21,515,601</u>	<u>501,711</u>	<u>4,664,828</u>	<u>--</u>	<u>--</u>	<u>5,963,043</u>	<u>32,645,183</u>
<b>Fund Balances - End of Year</b>	<u>\$ 24,360,829</u>	<u>\$ 1,217,069</u>	<u>\$ 145</u>	<u>\$ 7,292,707</u>	<u>\$ --</u>	<u>\$ 5,954,111</u>	<u>\$ 38,824,861</u>

The accompanying notes are an integral part of these financial statements.

**TOWN OF WESTERLY, RHODE ISLAND**

IV

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS (IV) TO THE  
STATEMENT OF ACTIVITIES (II)  
JUNE 30, 2022**

<b>Net Change in Fund Balances - Total Governmental Funds (IV)</b>	<b>\$ 6,179,678</b>
<p>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. The capital outlays are as follows:</p>	
Capital asset additions	8,741,545
Depreciation expense	(7,114,917)
Change in deferred charge on refunding	(227,398)
Proceeds from issuance of long-term debt	(18,928,194)
Change in accrued interest	488,265
Lease revenue recognized in accordance with GASB 87	4,696
Change in property tax interest and lien revenue	(120,846)
Change in unearned tax revenues that are recorded in the funds, but are not deferred under the measurement focus employed	(652,721)
Principal payments made on long-term obligations	16,881,045
Change in compensated absences	381,836
Excess of internal service funds' revenues over expenses, reported as governmental activities in the Government-wide statement of activities	(33,218)
Change in net OPEB liability	(1,432,338)
Change in net pension asset	4,011,298
Change in net pension liability	1,085,165
Change in deferred inflows of resources	(3,416,800)
Change in deferred outflows of resources	<u>6,929,773</u>
<b>Change in Net Position of Governmental Activities (II)</b>	<b><u>\$ 12,776,869</u></b>

*The accompanying notes are an integral part of these financial statements.*

TOWN OF WESTERLY, RHODE ISLAND

V

STATEMENT OF NET POSITION  
 PROPRIETARY FUNDS  
 JUNE 30, 2022

	Business-Type Activities Enterprise Funds			Governmental Activities	
	Water Fund	Sewer Fund	Transfer Station Fund	Total Enterprise Funds	Internal Service Fund
<b>Assets</b>					
<b>Current Assets</b>					
Cash and cash equivalents	\$ 4,390,894	\$ 4,937,657	\$ 1,606,404	\$ 10,934,955	\$ 2,043,672
Fee receivables	1,693,093	1,198,423	359,055	3,250,571	--
Inventories	118,417	9,459	--	127,876	--
Other receivables	40,954	408,842	64,280	514,076	237,098
Prepaid items	--	--	26,777	26,777	7,705,085
Lease receivable	--	7,947	--	7,947	--
Due from other funds	--	--	--	--	112,104
<b>Total Current Assets</b>	<u>6,243,358</u>	<u>6,562,328</u>	<u>2,056,516</u>	<u>14,862,202</u>	<u>10,097,959</u>
<b>Noncurrent Assets</b>					
Restricted cash held in escrow	--	40,453	--	40,453	--
Capital assets not being depreciated	5,808,526	1,459,311	--	7,267,837	--
Capital assets, net of accumulated depreciation	16,951,813	16,491,842	1,448,521	34,892,176	--
<b>Total Noncurrent Assets</b>	<u>22,760,339</u>	<u>17,991,606</u>	<u>1,448,521</u>	<u>42,200,466</u>	<u>--</u>
<b>Total Assets</b>	<u>29,003,697</u>	<u>24,553,934</u>	<u>3,505,037</u>	<u>57,062,668</u>	<u>10,097,959</u>
<b>Liabilities</b>					
<b>Current Liabilities</b>					
Accounts payable and accrued expenses	624,846	201,184	319,740	1,145,770	--
Accrued interest payable	56,616	8,070	9,154	73,840	--
Due to other funds	375,923	287,017	--	662,940	3,912,755
Unearned revenue	--	28,019	2,389	30,408	--
Claims payable	--	--	--	--	1,408,018
Current portion of long-term liabilities	236,735	272,991	189,318	699,044	--
<b>Total Current Liabilities</b>	<u>1,294,120</u>	<u>797,281</u>	<u>520,601</u>	<u>2,612,002</u>	<u>5,320,773</u>
<b>Noncurrent Liabilities</b>					
Capital leases	1,651,968	--	245,063	1,897,031	--
Other liabilities	--	1,094,237	--	1,094,237	--
Compensated absences	122,061	23,963	26,402	172,426	--
Bonds, loans and notes payable	1,952,174	1,222,300	--	3,174,474	--
<b>Total Noncurrent Liabilities</b>	<u>3,726,203</u>	<u>2,340,500</u>	<u>271,465</u>	<u>6,338,168</u>	<u>--</u>
<b>Total Liabilities</b>	<u>5,020,323</u>	<u>3,137,781</u>	<u>792,066</u>	<u>8,950,170</u>	<u>5,320,773</u>
<b>Deferred inflows of resources</b>					
Lease related	--	8,163	--	8,163	--
<b>Total deferred inflows of resources</b>	<u>--</u>	<u>8,163</u>	<u>--</u>	<u>8,163</u>	<u>--</u>
<b>Net Position</b>					
Net investment in capital assets	18,949,977	15,367,616	1,020,741	35,338,334	--
Restricted for:					
Other purposes	--	--	--	--	4,777,186
Unrestricted	5,033,397	6,040,374	1,692,230	12,766,001	--
<b>Total Net Position</b>	<u>\$ 23,983,374</u>	<u>\$ 21,407,990</u>	<u>\$ 2,712,971</u>	<u>\$ 48,104,335</u>	<u>\$ 4,777,186</u>

The accompanying notes are an integral part of these financial statements.

TOWN OF WESTERLY, RHODE ISLAND

VI

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
 PROPRIETARY FUNDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Business-Type Activities Enterprise Funds			Total Enterprise Funds	Governmental Activities
	Water Fund	Sewer Fund	Transfer Station Fund		Internal Service Fund
<b>Operating Revenues</b>					
User fees and rental income	\$ 4,285,743	\$ 2,695,411	\$ 3,509,252	\$ 10,490,406	\$ --
Sewer and water assessments and taxes	--	999,786	--	999,786	--
Charges for insurance	--	--	--	--	11,224,448
Other income	492,518	888,599	72,995	1,454,112	--
<b>Total Operating Revenues</b>	<u>4,778,261</u>	<u>4,583,796</u>	<u>3,582,247</u>	<u>12,944,304</u>	<u>11,224,448</u>
<b>Operating Expenses</b>					
Salaries and benefits	2,109,973	551,563	878,385	3,539,921	--
Materials and supplies	455,178	14,617	366,795	836,590	--
Repairs and maintenance	142,339	2,507,769	33,268	2,683,376	--
Depreciation and amortization	518,596	678,217	175,230	1,372,043	--
Utilities	400,056	--	16,604	416,660	--
Administrative expense	367,009	71,976	100,588	539,573	13,653
Insurance	56,686	38,302	--	94,988	--
Claims and benefits	--	--	--	--	11,244,013
Contracted services	273,445	116,778	1,727,780	2,118,003	--
<b>Total Operating Expenses</b>	<u>4,323,282</u>	<u>3,979,222</u>	<u>3,298,650</u>	<u>11,601,154</u>	<u>11,257,666</u>
<b>Income from Operations</b>	<u>454,979</u>	<u>604,574</u>	<u>283,597</u>	<u>1,343,150</u>	<u>(33,218)</u>
<b>Non-Operating Revenues (Expenses)</b>					
Interest income	873	--	--	873	--
Interest expense	(105,072)	(24,591)	(15,999)	(145,662)	--
Gain on disposal of capital assets	4,572	--	92,600	97,172	--
<b>Total Non-Operating Revenues (Expenses)</b>	<u>(99,627)</u>	<u>(24,591)</u>	<u>76,601</u>	<u>(47,617)</u>	<u>--</u>
<b>Transfers</b>					
Transfers from other funds	--	315,901	488,571	804,472	--
<b>Total Transfers</b>	<u>--</u>	<u>315,901</u>	<u>488,571</u>	<u>804,472</u>	<u>--</u>
<b>Change in Net Position</b>	355,352	895,884	848,769	2,100,005	(33,218)
<b>Net Position - Beginning of Year</b>	<u>23,628,022</u>	<u>20,512,106</u>	<u>1,864,202</u>	<u>46,004,330</u>	<u>4,810,404</u>
<b>Net Position - End of Year</b>	<u>\$ 23,983,374</u>	<u>\$ 21,407,990</u>	<u>\$ 2,712,971</u>	<u>\$ 48,104,335</u>	<u>\$ 4,777,186</u>

*The accompanying notes are an integral part of these financial statements.*

**STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Business-Type Activities Enterprise Funds				Governmental Activities
	Water Fund	Sewer Fund	Transfer Station Fund	Total	Internal Service Fund
<b>Cash Flows from Operating Activities</b>					
Cash received from customers	\$ 4,430,026	\$ 3,924,896	\$ 3,505,119	\$ 11,860,041	\$ 10,850,873
Cash received from other operating services	492,518	888,599	72,995	1,454,112	--
Cash payments to suppliers for goods and services	(2,029,247)	(2,842,125)	(2,118,431)	(6,989,803)	(11,030,208)
Cash payments to employees for services	(2,109,973)	(551,563)	(878,385)	(3,539,921)	--
Cash payments of administrative expenses	--	--	--	--	(13,653)
<b>Net Cash Provided by (Used in) Operating Activities</b>	<u>783,324</u>	<u>1,419,807</u>	<u>581,298</u>	<u>2,784,429</u>	<u>(192,988)</u>
<b>Cash Flows from Non-Capital Financing Activities</b>					
Interfund borrowings	241,289	287,017	--	528,306	--
Transfers from other funds	--	315,901	488,571	804,472	--
<b>Net Cash Provided by Non-Capital Financing Activities</b>	<u>241,289</u>	<u>602,918</u>	<u>488,571</u>	<u>1,332,778</u>	<u>--</u>
<b>Cash Flows from Capital and Related Financing Activities</b>					
Principal paid on bonds, notes and loans	(129,337)	(335,373)	--	(464,710)	--
Proceeds from bond issuance	2,033,583	--	--	2,033,583	--
Additions to capital assets	(1,632,063)	(1,677,135)	(438,441)	(3,747,639)	--
Debt issuance cost	(28,598)	--	--	(28,598)	--
Disposition cost of assets	4,572	--	92,600	97,172	--
Interest paid on bonds, notes and loans	(105,072)	(24,591)	(15,999)	(145,662)	--
<b>Net Cash (Used in) Provided by Capital and Related Financing Activities</b>	<u>143,085</u>	<u>(2,037,099)</u>	<u>(361,840)</u>	<u>(2,255,854)</u>	<u>--</u>
<b>Cash Flows from Investing Activities</b>					
Investment income	873	--	--	873	--
<b>Net Cash Provided by Investing Activities</b>	<u>873</u>	<u>--</u>	<u>--</u>	<u>873</u>	<u>--</u>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	1,168,571	(14,374)	708,029	1,862,226	(192,988)
<b>Cash and Cash Equivalents - Beginning of Year</b>	<u>3,222,323</u>	<u>4,992,484</u>	<u>898,375</u>	<u>9,113,182</u>	<u>2,236,660</u>
<b>Cash and Cash Equivalents - End of Year</b>	<u>\$ 4,390,894</u>	<u>\$ 4,978,110</u>	<u>\$ 1,606,404</u>	<u>\$ 10,975,408</u>	<u>\$ 2,043,672</u>
Unrestricted cash and cash equivalents, per statement of net position	\$ 4,390,894	\$ 4,937,657	\$ 1,606,404	\$ 10,934,955	\$ 2,043,672
Restricted cash and cash equivalents, per statement of net position	--	40,453	--	40,453	--
<b>Total Cash and Cash Equivalents, Per Statement of Net Position</b>	<u>\$ 4,390,894</u>	<u>\$ 4,978,110</u>	<u>\$ 1,606,404</u>	<u>\$ 10,975,408</u>	<u>\$ 2,043,672</u>

*The accompanying notes are an integral part of these financial statements.*

TOWN OF WESTERLY, RHODE ISLAND

VII (Continued)

STATEMENT OF CASH FLOWS  
 PROPRIETARY FUNDS (CONTINUED)  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Business-Type Activities Enterprise Funds			Governmental Activities
	Water Fund	Sewer Fund	Transfer Station Fund	Total Enterprise Funds
				Internal Service Fund
<b>Reconciliation of Operating Income to Net Cash Provided by Operating Activities</b>				
Operating income	\$ 454,979	\$ 604,574	\$ 283,597	\$ 1,343,150
				\$ (33,218)
<b>Adjustments to Reconcile Operating Income to Net Cash (Used in) Provided by Operating Activities</b>				
Depreciation and amortization	518,596	678,217	175,230	1,372,043
Changes in assets and liabilities:				
(Increase) decrease in accounts receivable and accrued revenue	144,283	252,256	(4,133)	392,406
(Increase) decrease in inventories	4,629	(1,965)	16,559	19,223
(Increase) decrease in prepaid items	96	--	(55)	41
Increase (decrease) in accounts payable and accrued expenses	(339,259)	(90,718)	148,179	(281,798)
Increase (decrease) in claims payable	--	--	--	--
Increase (decrease) in unearned revenues	--	(22,557)	(38,079)	(60,636)
<b>Total Adjustments</b>	<u>328,345</u>	<u>815,233</u>	<u>297,701</u>	<u>1,441,279</u>
				<u>(159,770)</u>
<b>Net Cash Provided by (Used in) Operating Activities</b>	<u>\$ 783,324</u>	<u>\$ 1,419,807</u>	<u>\$ 581,298</u>	<u>\$ 2,784,429</u>
				<u>\$ (192,988)</u>

The accompanying notes are an integral part of these financial statements.

**TOWN OF WESTERLY, RHODE ISLAND**

**VIII**

**STATEMENT OF FIDUCIARY NET POSITION**

**JUNE 30, 2022**

	Pension Benefit Trust Fund	Other Employee Benefit Trust Fund	Custodial Funds	Private Purpose Trust Funds
<b>Assets</b>				
Cash equivalents	\$ 1,577,431	\$ 577,453	\$ 56,869	\$ 1,794
Investments, at fair value	40,922,953	6,805,934	4,228	210,387
Receivables:				
Other	90,752	27,157	--	--
Total Receivables	90,752	27,157	--	--
<b>Total Assets</b>	<b>\$ 42,591,136</b>	<b>\$ 7,410,544</b>	<b>\$ 61,097</b>	<b>\$ 212,181</b>
<b>Liabilities</b>				
Other payable	\$ --	\$ 234,574	\$ --	\$ 17,512
<b>Total Liabilities</b>	<b>--</b>	<b>234,574</b>	<b>--</b>	<b>17,512</b>
<b>Net Position</b>				
Restricted for employee benefits	42,591,136	7,175,970	--	--
Restricted for other organizations	--	--	61,097	--
Restricted for individuals	--	--	--	194,669
<b>Total Liabilities and Net Position</b>	<b>\$ 42,591,136</b>	<b>\$ 7,410,544</b>	<b>\$ 61,097</b>	<b>\$ 212,181</b>

*The accompanying notes are an integral part of these financial statements.*

**TOWN OF WESTERLY, RHODE ISLAND**

IX

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Pension Benefit Trust Fund	Other Employee Benefit Trust Fund	Custodial Funds	Private Purpose Trust Funds
<b>Additions</b>				
Contributions:				
Employer	\$ 1,891,700	\$ 1,276,541	\$ --	\$ --
Plan members	479,675	--	--	--
<b>Total Contributions</b>	<u>2,371,375</u>	<u>1,276,541</u>	<u>--</u>	<u>--</u>
<b>Investment Income (Loss)</b>				
Net decrease in fair value of investments	(7,709,677)	(1,020,299)	--	--
Interest and dividends	815,181	146,378	25	3,271
Other	--	--	13,604	--
<b>Total Investment Income (Loss)</b>	<u>(6,894,496)</u>	<u>(873,921)</u>	<u>13,629</u>	<u>3,271</u>
<b>Total Additions</b>	<u>(4,523,121)</u>	<u>402,620</u>	<u>13,629</u>	<u>3,271</u>
<b>Deductions</b>				
Benefits paid	3,040,904	--	157	--
Police health	--	954,698	--	--
Administrative and other expenses	92,047	57,172	162	12,562
<b>Total Deductions</b>	<u>3,132,951</u>	<u>1,011,870</u>	<u>319</u>	<u>12,562</u>
<b>Change in Net Position</b>	(7,656,072)	(609,250)	13,310	(9,291)
<b>Net Position restricted for employee benefits, individuals, and other organizations - Beginning of Year</b>	<u>50,247,208</u>	<u>7,785,220</u>	<u>47,787</u>	<u>203,960</u>
<b>Net Position restricted for employee benefits, individuals, and other organizations - End of Year</b>	<u>\$ 42,591,136</u>	<u>\$ 7,175,970</u>	<u>\$ 61,097</u>	<u>\$ 194,669</u>

*The accompanying notes are an integral part of these financial statements.*

# **NOTES TO FINANCIAL STATEMENTS**

# TOWN OF WESTERLY, RHODE ISLAND

## NOTES TO FINANCIAL STATEMENTS

### FOR THE FISCAL YEAR ENDED JUNE 30, 2022

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

##### ***REPORTING ENTITY***

The Town of Westerly, Rhode Island (Town) was founded in 1669. The Town is governed largely under the 1968 Westerly Home Rule Charter. In some matters, including the issuance of short and long-term debt, the Town is governed by the general laws of the State of Rhode Island. The Town operates under a Town Council-Town Manager form of government with a seven-member Town Council headed by a Council President and a Council Vice-President. The Town Manager exercises the executive power of the Town government and is responsible to the Town Council for day-to-day operations of the Town's affairs. All legislative powers of the Town are vested in the Town Council.

The Town provides the following services as authorized by its charter: public safety (police, traffic safety, inspections); public works (sanitation, highways and streets, engineering and building maintenance); zoning and planning; parks and recreation; education; social services; and general administrative services.

##### ***BASIS OF PRESENTATION - GOVERNMENT-WIDE FINANCIAL STATEMENTS***

While separate Government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds and internal service funds, while business-type activities incorporate data from the Town's enterprise funds. Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the Government-wide financial statements.

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 where the amounts are reasonably equivalent in value to the interfund services provided and other charges between the Town's water and transit functions and various other functions of the Town. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

##### ***DESCRIPTION OF GOVERNMENT-WIDE 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 of Westerly, Rhode Island (the Town). All fiduciary activities are reported only in the fund financial statements. Governmental activities, which normally are supported by taxes, intergovernmental revenues and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external customers for support.

# TOWN OF WESTERLY, RHODE ISLAND

## NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2022

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### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### *BASIS OF PRESENTATION – FUND FINANCIAL STATEMENTS*

The fund financial statements provide information about the Town's funds, including its fiduciary funds. Separate statements for each fund category (governmental, proprietary and fiduciary) are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

The Town reports the following major governmental funds:

The General Fund is the Town'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 School Restricted Fund is used to account for activities related to educational programs funded by state and federal grants.

The \$15,000,000 Bond Fund is used to account for projects funded by the RIIB Municipal Road and Bridge Program. This project will span three years, address the reconditioning and resurfacing of 21 miles of roads and the construction of a bridge, and includes a partnership project with Rhode Island Department of Transportation and Connecticut Department of Transportation to repair the Boombridge Road Bridge.

The \$9,000,000 Bond Fund is used to account for projects funded by the RIIB Municipal Road and Bridge Program. This project will use funds as part of the Town's street pavement improvement program.

The American Rescue Plan Fund is used to account for projects funded by the Federal American Rescue Plan. The Town will use funds to invest in small businesses, infrastructure and health care.

The Town reports the following major proprietary funds:

The *Water Fund* is a proprietary (enterprise) fund used to account for the operation and maintenance of the Town's water system, which is primarily supported through charges to customers.

The *Sewer Fund* is a proprietary (enterprise) fund used to account for sewer use fees and the expenses associated with providing wastewater services to Town residents. The fund is primarily supported through charges to customers.

The *Transfer Station Fund* is a proprietary (enterprise) fund used to account for transfer station fees and the expenses associated with operation of the transfer station. The fund is primarily supported through charges to customers.

# TOWN OF WESTERLY, RHODE ISLAND

## NOTES TO FINANCIAL STATEMENTS

### FOR THE FISCAL YEAR ENDED JUNE 30, 2022

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#### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

##### *BASIS OF PRESENTATION – FUND FINANCIAL STATEMENTS (CONTINUED)*

Additionally, the Town reports the following fund types:

The *Internal Service Funds* are used to account for the Town's self-insurance program for medical and dental health insurance coverage for persons covered by the health benefit plan of the Town.

The *Special Revenue Funds* are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. The Town's major special revenue fund is the School Department, which provides primary education to the Town's children.

The *Capital Project Funds* are used to account for and report resources that are restricted, committed, or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

The *Private Purpose Trust Funds* are used to account for resources legally held in trust for use by parties outside of the Town, and cannot be used at the Town's discretion or to support the Town's general operations. The activities of the Town's private purpose trust fund are utilized for various purposes with the Town.

The *Pension and Other Employee Benefit Trust Funds* are used to account for funding and payment of pension benefits provided to police officer retirees.

The *Custodial Funds* account for assets held by the Town as agent for various organizations for construction deposits held in escrow and for unclaimed probate estate assets.

During the course of operations, the Town has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the governmental-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

# TOWN OF WESTERLY, RHODE ISLAND

## NOTES TO FINANCIAL STATEMENTS

### FOR THE FISCAL YEAR ENDED JUNE 30, 2022

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#### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

##### *BASIS OF PRESENTATION – FUND FINANCIAL STATEMENTS (CONTINUED)*

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements, these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the Government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

##### *MEASUREMENT FOCUS AND BASIS OF ACCOUNTING*

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured, such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The Government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. 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.

The 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 are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital 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. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the Town.

# TOWN OF WESTERLY, RHODE ISLAND

## NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2022

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### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### *MEASUREMENT FOCUS AND BASIS OF ACCOUNTING (CONTINUED)*

The proprietary, trust funds, private purpose trust funds and custodial funds are reported using the economic resources measurement focus and the accrual basis of accounting.

#### *ASSETS, LIABILITIES AND EQUITY*

##### **Cash and Cash Equivalents**

The Town'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**

Investments for the Town are reported at fair value (generally based on quoted market prices), except for nonparticipating interest earning investment contracts (i.e. certificates of deposit) which are recorded at amortized cost. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between participants at the measurement date. State statutes authorize the Town to invest in obligation of the U.S. Treasury, commercial paper and corporate bonds.

##### **Prepaid Items**

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.

##### **Inventories**

Inventories are valued at stated cost using the first-in, first-out (FIFO) method of valuation. Inventory is generally recorded as expenditures/expenses when consumed.

##### **Unbilled Services Receivable**

Water and sewer revenue is recorded when earned. Customers are billed semi-annually and some commercial customers are billed quarterly. The estimated value of services provided but unbilled at June 30, 2022 is recorded as an accounts receivable in the water and sewer funds.

# TOWN OF WESTERLY, RHODE ISLAND

## NOTES TO FINANCIAL STATEMENTS

### FOR THE FISCAL YEAR ENDED JUNE 30, 2022

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#### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

##### *ASSETS, LIABILITIES AND EQUITY (CONTINUED)*

##### **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 Town as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of three years. Pursuant to the implementation of GASB Statement No. 34, the historical cost of infrastructure assets (retroactive to January 1, 1979) is included as part of the governmental capital assets reported in the Government-wide statements.

As the Town 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 are recorded at their estimated fair value at the date of donation.

The Town reviews long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. At June 30, 2022, there were no impairment losses recognized for long-lived assets.

Excluding land and construction in progress, depreciation of all exhaustible capital assets is recorded, as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Assets	Years
Tanks and structures	100
Mains, wells, pumps, hydrants, laterals, connections, filter beds	75
Buildings and improvements	25-65
Machinery and equipment	3-20
Vehicles	5-10

# TOWN OF WESTERLY, RHODE ISLAND

## NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2022

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### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### *ASSETS, LIABILITIES AND EQUITY (CONTINUED)*

##### **Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This section represents a consumption of net position 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 a deferred charge on refunding and deferred outflows related to pension in the Government-wide statement of net position. 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 results from differences between expected and actual experience, changes in assumptions or other inputs. These amounts are deferred and included in pension 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).

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This section represents an acquisition of net position or fund balance that applies to a future period or periods and so will not be recognized as an inflow of resources (revenue) until then. The Town reports advance property tax collections in the Government-wide statement of net position and in the governmental funds balance sheet. The Town also reports deferred inflows of resources related to pensions and leases in the Government-wide statement of net position. Advance property tax collections represent taxes inherently associated with a future period. This amount is recognized during the period in which the revenue is associated. A deferred inflow of resources related to pension results from differences between expected and actual experience, changes in assumptions, or other inputs. These amounts are deferred and included in pension 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). A deferred inflow related to leases results from differences between amortization of revenue and interest over the life of the lease. In addition, 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 several sources: property taxes, other Town billings and solid waste management receivables. These amounts are deferred and recognized as an inflow of resources (revenue) in the period in which the amounts become available.

# TOWN OF WESTERLY, RHODE ISLAND

## NOTES TO FINANCIAL STATEMENTS

### FOR THE FISCAL YEAR ENDED JUNE 30, 2022

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#### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

##### *ASSETS, LIABILITIES AND EQUITY (CONTINUED)*

##### **Equity**

Equity in the Government-wide 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 leased assets and reduced by the outstanding balances of any bonds, notes, lease liability or other borrowings that are attributable to the acquisition, construction or improvement of those assets.

##### **Restricted Net Position**

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 Net Position**

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

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 the form (e.g., inventories and prepaid amounts) or legally or contractually required to be maintained intact.

##### **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.

##### **Committed Fund Balance**

This represents amounts constrained for a specific purpose imposed by formal action of the Town's highest level of decision-making authority. Those committed amounts cannot be used for any other purpose unless the Town 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 or resolution as a formal procedure to commit fund balance.

# TOWN OF WESTERLY, RHODE ISLAND

## NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2022

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### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### *ASSETS, LIABILITIES AND EQUITY (CONTINUED)*

##### **Equity (Continued)**

##### **Assigned Fund Balance**

This represents amounts constrained for the intent to be used for a specific purpose, but are neither restricted nor committed. The intent should be expressed by the Town Council, or an official to which the Town Council has delegated the authority.

##### **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 Town 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 Town'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.

#### *REVENUE AND EXPENDITURES/EXPENSES*

##### **Program Revenues**

Amounts reported as 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 (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

# TOWN OF WESTERLY, RHODE ISLAND

## NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2022

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### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### *REVENUE AND EXPENDITURES/EXPENSES (CONTINUED)*

##### **Property Taxes**

Property taxes attach as an enforceable lien on real property. Real and personal property taxes are based on values assessed as of each December 31 (lien date) and are levied as of July 1st.

Taxes are due in equal quarterly installments on August 1, November 1, February 1, and May 1 following the levy date. The taxpayer may elect to pay the taxes in full by September 1, annually. Taxes due and unpaid after the respective due dates are subject to interest at a rate of 12% per annum calculated on the unpaid portion of the total tax. An automatic lien is placed on the taxpayer's property if payment has not been received by the tax due date. Property taxes levied are recorded as receivables in the fiscal year of the levy.

##### **Compensated Absences**

###### *Vacation and Sick Leave*

The Town's policy permits certain employees to accumulate earned but unused vacation and sick benefits. Upon retirement, termination or death, these employees are compensated for unused vacation and sick leave (subject to certain limitations) at their current rates of pay. The liability for such leave is reported as incurred in the Government-wide and proprietary fund financial statements. A liability for those amounts is recorded in the governmental funds only if the liability has matured as a result of employee resignations or retirements. For governmental activities, the General Fund is used to satisfy this liability as it becomes due, while each enterprise fund accounts for all its settlement of business-type liabilities for compensated absences. The liability for compensated absences is accrued at varying amounts based on the collective bargaining unit contracts of the various unions and includes salary-related benefits, where applicable.

##### **Net Pension Liability/Asset**

The net pension liability/asset is measured as the portion of the actuarial present value of projected benefits that is attributed to past periods of employee service (total pension liability), net of the pension plan's fiduciary net position. The pension plan's fiduciary net position is determined using the same valuation methods that are used by the pension plan for purposes of preparing its statement of fiduciary net position. The net pension liability/asset is measured as of a date (measurement date) no earlier than the end of the employer's prior fiscal year, consistently applied from period to period.

# TOWN OF WESTERLY, RHODE ISLAND

## NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2022

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### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### *REVENUE AND EXPENDITURES/EXPENSES (CONTINUED)*

##### **Net OPEB Liability**

The net OPEB liability represents the cumulative difference between the annual OPEB cost and the Town's contributions to The Plan. This amount is calculated on an actuarial basis and is recorded as noncurrent liabilities in the Government-wide financial statements.

##### **Proprietary Funds Operating and Nonoperating Revenues and Expenses**

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 wastewater fund, solid waste fund, water fund, school cafeteria fund and internal service funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal service 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.

#### *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 expenses during the reporting period. Actual results could differ from those estimates.

#### *ADOPTION OF ACCOUNTING STANDARD*

In fiscal year 2022, the Town implemented Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*. This statement enhances the relevance and consistency of information of the Town's leasing activities. It establishes requirements for lease accounting based on the principle that leases are financings of the right to use an underlying asset. 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.

# TOWN OF WESTERLY, RHODE ISLAND

## NOTES TO FINANCIAL STATEMENTS

### FOR THE FISCAL YEAR ENDED JUNE 30, 2022

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#### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

##### *RECENTLY ISSUED ACCOUNTING STANDARDS*

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

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

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

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

GASB Statement No. 99 – *Omnibus 2022* , effective for the Town’s fiscal year ending June 30, 2023.

GASB Statement No. 100 – *Accounting for Changes and Error Corrections*, effective for the Town’s fiscal year ending June 30, 2024.

GASB Statement No. 101 – *Compensated Absences*, effective for the Town’s fiscal year ending June 30, 2025.

Management will assess the impact of each of these statements on the financial statements.

#### NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

##### *BUDGETARY INFORMATION*

In accordance with the Town's charter, the Town has formally established budgetary accounting control for its General Fund. It is the responsibility of the Town Manager to submit a proposed General Fund budget to the Town Council and the Board of Finance. The General Fund budget includes the Municipal budget and the School budget. The proposed School budget is approved by the School Committee and presented to the Town Manager. The Board of Finance has the power to recommend revisions to any School budget item and must conduct one public hearing after a tentative School budget is formed. The Board of Finance must also review the proposed Municipal budget and make revisions as appropriate and hold one public hearing on the Municipal budget. The Town Council may then revise and adopt a recommended General Fund budget including changes to the School appropriation. At least two public hearings are conducted on the recommended General Fund budget and the final recommended budget is legally enacted through an ordinance by the Town Council prior to the start of the fiscal year.

# TOWN OF WESTERLY, RHODE ISLAND

## NOTES TO FINANCIAL STATEMENTS

### FOR THE FISCAL YEAR ENDED JUNE 30, 2022

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#### NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)

##### *BUDGETARY INFORMATION (CONTINUED)*

Budgets are adopted on a basis consistent with generally accepted accounting principles for the General Fund and the School Unrestricted Fund. The Capital Projects Fund is appropriated on a project-length basis. Other special revenue funds and the permanent funds do not have appropriated budgets since other means control the use of these resources (e.g., grant awards and endowment requirements) and sometimes span a period of more than one fiscal year.

At any time during the fiscal year, the Town Manager may transfer part or all of any unencumbered appropriation balance among programs within a department, office or agency and, upon written request by the Town Manager, the Council may by ordinance transfer part or all of any unencumbered appropriation balance from one department, office or agency to another.

The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the department level.

Every appropriation, except an appropriation for a capital expenditure, restricted funds, or the appropriation for support of public schools, shall lapse at the close of the fiscal year to the extent that it has not been expended or encumbered. An appropriation for a capital expenditure shall continue in force until the purpose for which it was made has been accomplished or abandoned; the purpose of any such appropriation shall be deemed abandoned if three years pass without any disbursement from or encumbrance of the appropriation.

##### *EXCESS OF EXPENDITURES OVER APPROPRIATIONS*

For the year ended June 30, 2022, expenditures exceeded appropriations in the following categories:

Probate Court	\$ 8,327
IT	\$ 569
Insurance	\$ 17,022
Police	\$ 115,805
Police IT	\$ 5,596
Harbor master	\$ 1,027
Capital improvements	\$3,319,590
Transfers out	\$ 270,000

The excess of expenditures over appropriations will be offset by additional revenues or transfers.

# TOWN OF WESTERLY, RHODE ISLAND

## NOTES TO FINANCIAL STATEMENTS

### FOR THE FISCAL YEAR ENDED JUNE 30, 2022

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#### NOTE 3 - CASH DEPOSITS WITH FINANCIAL INSTITUTIONS

##### *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 that is guaranteed by Federal Deposit Insurance Corporation (FDIC). At times, the Town pools cash resources of its various funds to facilitate the management of cash and maximize investment returns.

##### **Deposits Custodial Credit Risk**

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

As of June 30, 2022, the Town's entire bank balance of \$47,854,237 was covered by either FDIC insurance or collateral held in the Town's name.

##### *CASH EQUIVALENTS*

Cash equivalents are short-term, highly liquid investments that are both readily convertible to known amounts of cash and purchased within 90 days of maturity. As of June 30, 2022, the Town held \$3,119,335 in money market funds that are considered to be cash equivalents.

# TOWN OF WESTERLY, RHODE ISLAND

## NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2022

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### NOTE 4 - INVESTMENTS

General Fund investments are governed by Title 35, Chapter 10, Section 11 of the State's General Laws. These laws generally allow for short-term investments, such as certificates of deposit, money market funds and obligations guaranteed by the United States government with the goal of seeking reasonable income while preserving capital. The Pension and OPEB Trust Fund's investments are not restricted in this manner.

As of June 30, 2022, the Town held the following investments:

	Investment Maturities (Years)				
	Fair Value	Less Than 1	1 - 3	3 - 5	5 or Later
Interest-bearing investments:					
Certificate of Deposit*	\$ 3,345,835	\$ 1,341,572	\$ 1,127,221	\$ 184,766	\$ 692,276
U.S. Government Agencies	989,822	--	--	242,836	746,986
Corporate Bonds	<u>6,098,565</u>	<u>524,051</u>	<u>2,274,239</u>	<u>769,175</u>	<u>2,531,100</u>
Total	10,434,222	<u>\$ 1,865,623</u>	<u>\$ 3,401,460</u>	<u>\$ 1,196,777</u>	<u>\$ 3,970,362</u>
Other investments					
Mutual Funds	7,242,090				
Common Stock	<u>25,595,215</u>				
Total Investments	<u>\$ 43,271,527</u>				

\* Subject to coverage by the FDIC and financial institution collateralization

**TOWN OF WESTERLY, RHODE ISLAND**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 4 - INVESTMENTS (CONTINUED)**

Presented below is the credit rating of each investment type:

Average Rating	Corporate Bonds	U.S. Government Agencies	Certificate of Deposit
Aaa	\$ 642,106	\$ 989,822	\$ --
Aa	--	--	--
Aa1	--	--	--
Aa2	--	--	--
Aa3	271,067	--	--
A	--	--	--
A1	1,861,524	--	--
A2	1,503,820	--	--
A3	792,665	--	--
Ba1	--	--	--
Baa1	--	--	--
Baa2	249,272	--	--
Unrated	<u>778,111</u>	<u>--</u>	<u>3,345,835</u>
	<u>\$ 6,098,565</u>	<u>\$ 989,822</u>	<u>\$ 3,345,835</u>

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:

**TOWN OF WESTERLY, RHODE ISLAND**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 4 - INVESTMENTS (CONTINUED)**

	Fair Value Measurements			
	Fair Value	Level 1	Level 2	Level 3
Investments by Fair Value Level:				
U.S. Government Agencies	\$ 989,822	\$ --	\$ 989,822	\$ --
Corporate Bonds	6,098,565	--	6,098,565	--
Common Stock	25,595,215	25,595,215	--	--
Mutual Funds	<u>7,242,090</u>	<u>7,242,090</u>	--	--
Total Investments by Fair Value Level	39,925,692	<u>\$ 32,837,305</u>	<u>\$ 7,088,387</u>	<u>\$ --</u>
Investments not included above:				
Certificate of Deposit	<u>3,345,835</u>			
Total Investments	<u>\$ 43,271,527</u>			

Debt and equity securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Debt securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

**Interest Rate Risk**

The Town does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The Town has made it a practice to limit the maturities on General Fund investments to sixty (60) days or less. Information about the exposure of the Town's securities to the risk are presented in the table on page 40.

**Credit Risk**

State law limits investments in U.S. Treasury bills, U.S. Treasury notes and bonds, U.S. Agency obligations, certificates of deposit, repurchase agreements, commercial paper, money market mutual funds and money market mutual funds. The Town has no investment policy that would further limit its investment choices. The ratings for the Town's investments are presented in the table on page 40.

**Concentration of Credit Risk**

The Town does not have any policies that limit the amount that can be invested in any one issuer.

**Custodial Credit Risk**

For an investment, this is the risk that, in the event of the failure of the counterparty, the Town will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Town does not have a policy related to custodial credit risk. The Town's investments held by the Town's counterparty are held in the name of the Town.

**TOWN OF WESTERLY, RHODE ISLAND**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 5 - RECEIVABLES**

Below is the detail of receivables for each major governmental fund, proprietary funds and the aggregate remaining funds, including the applicable allowances for uncollectible accounts:

	General	School Restricted Fund	Water	Sewer	Transfer Station	Nonmajor and Other Funds	Total
Receivables:							
Property taxes	\$ 1,232,948	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 1,232,948
Accounts	--	--	1,802,619	1,243,124	426,509	--	3,472,252
Other receivable	827,578	46,196	40,954	408,842	--	18,233	1,341,803
Intergovernmental	<u>444,015</u>	<u>1,307,967</u>	<u>--</u>	<u>--</u>	<u>64,280</u>	<u>588,125</u>	<u>2,404,387</u>
Gross receivables	2,504,541	1,354,163	1,843,573	1,651,966	490,789	606,358	8,451,390
Less allowance for uncollectables	<u>(769,738)</u>	<u>--</u>	<u>(109,526)</u>	<u>(44,701)</u>	<u>(67,454)</u>	<u>--</u>	<u>(991,419)</u>
Net Total Receivables	<u>\$ 1,734,803</u>	<u>\$ 1,354,163</u>	<u>\$ 1,734,047</u>	<u>\$ 1,607,265</u>	<u>\$ 423,335</u>	<u>\$ 606,358</u>	<u>\$ 7,459,971</u>

Receivables of \$595,781 related to accrued interest on property taxes are included in the Government-wide statement of net position but not included in the table above.

**TOWN OF WESTERLY, RHODE ISLAND**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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**NOTE 6 - INTERFUND RECEIVABLES AND PAYABLES AND TRANSFERS**

***INTERFUND RECEIVABLES AND PAYABLES***

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

<u>Payable Fund</u>	<u>Amount</u>
Internal Service Fund	\$ 3,912,755
Nonmajor Governmental Funds	1,491,410
School Restricted Fund	1,389,993
General Fund	6,388,225
\$9,000,000 Bond Fund	1,408,570
Enterprise Fund	662,940
	<u>\$ 15,253,893</u>

<u>Receivable Fund</u>	<u>Amount</u>
General Fund	\$ 14,639,454
Nonmajor Governmental Funds	502,335
Internal Service Fund	112,104
	<u>\$ 15,253,893</u>

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.

**TOWN OF WESTERLY, RHODE ISLAND**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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**NOTE 6 - INTERFUND RECEIVABLES AND PAYABLES AND TRANSFERS (CONTINUED)**

***INTERFUND TRANSFERS***

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

Fund	Transfers From Other Funds	Transfers To Other Funds
General Fund	\$ 56,068	\$ 2,568,383
School Restricted Fund	1,689,721	51,995
Non-Major Governmental Funds	74,208	4,091
Enterprise Funds	804,472	--
	\$ 2,624,469	\$ 2,624,469

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 WESTERLY, RHODE ISLAND

## NOTES TO FINANCIAL STATEMENTS

### FOR THE FISCAL YEAR ENDED JUNE 30, 2022

#### NOTE 7 - CAPITAL ASSETS

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

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental Activities:					
Capital assets not being depreciated:					
Land	\$ 15,848,062	\$ --	\$ --	\$ 3,356,349	19,204,411
Construction in progress	1,900,963	11,402,167	--	(10,546,916)	2,756,214
Total capital assets not being depreciated	<u>17,749,025</u>	<u>11,402,167</u>	<u>--</u>	<u>(7,190,567)</u>	<u>21,960,625</u>
Capital assets being depreciated:					
Land improvements	8,228,718	523,298	--	121,367	8,873,383
Buildings and improvements	119,294,497	1,084,475	--	433,413	120,812,385
Motor vehicles	10,572,271	1,463,388	465,367	72,353	11,642,645
Machinery, equipment and furniture	8,536,321	548,998	591,629	--	8,493,690
Software	130,000	--	--	--	130,000
Infrastructure	108,417,646	36,550	9,484,719	6,592,698	105,562,175
Total capital assets being depreciated	<u>255,179,453</u>	<u>3,656,709</u>	<u>10,541,715</u>	<u>7,219,831</u>	<u>255,514,278</u>
Less Accumulated Depreciation for:					
Land improvements	3,633,216	291,434	--	4,155	3,928,805
Buildings and improvements	52,669,970	3,354,902	--	(4,155)	56,020,717
Motor vehicles	6,266,398	844,561	444,802	--	6,666,157
Machinery, equipment and furniture	5,354,933	859,108	482,748	--	5,731,293
Software	130,000	--	--	--	130,000
Infrastructure	33,447,980	1,764,912	3,267,570	--	31,945,322
Total accumulated depreciation	<u>101,502,497</u>	<u>7,114,917</u>	<u>4,195,120</u>	<u>--</u>	<u>104,422,294</u>
Total capital assets being depreciated, net	<u>153,676,956</u>	<u>(3,458,208)</u>	<u>6,346,595</u>	<u>7,219,831</u>	<u>151,091,984</u>
Governmental Activities Capital Assets, Net	<u>\$ 171,425,981</u>	<u>\$ 7,943,959</u>	<u>\$ 6,346,595</u>	<u>\$ 29,264</u>	<u>\$ 173,052,609</u>

**TOWN OF WESTERLY, RHODE ISLAND**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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**NOTE 7 - CAPITAL ASSETS (CONTINUED)**

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

Governmental Activities	
Legislative, judicial and general administrative	\$ 348,030
Public Works	2,377,627
Public Safety	463,732
Planning and zoning	8,257
Parks and recreation	182,953
Animal Shelter	47,787
Education	<u>3,686,531</u>
Total	<u>\$ 7,114,917</u>

**TOWN OF WESTERLY, RHODE ISLAND**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 7 - CAPITAL ASSETS (CONTINUED)**

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Business-type activities					
Capital assets not being depreciated:					
Land	\$ 5,931,635	\$ --	\$ --	\$ --	\$ 5,931,635
Construction in progress	<u>669,735</u>	<u>2,353,470</u>	<u>--</u>	<u>(1,687,003)</u>	<u>1,336,202</u>
Total capital assets not being depreciated	<u>6,601,370</u>	<u>2,353,470</u>	<u>--</u>	<u>(1,687,003)</u>	<u>7,267,837</u>
Capital assets being depreciated					
Buildings and improvements	24,777,787	84,178	--	182,864	25,044,829
Mains, wells, pumps and hydrants	22,659,308	--	--	1,224,350	23,883,658
Tanks and structures	14,481,071	--	--	154,307	14,635,378
Machinery and equipment	5,642,361	588,351	309,921	--	5,920,791
Odor control plant	<u>1,024,302</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>1,024,302</u>
Total capital assets being depreciated	<u>68,584,829</u>	<u>672,529</u>	<u>309,921</u>	<u>1,561,521</u>	<u>70,508,958</u>
Less accumulated depreciation for:					
Buildings and improvements	14,645,393	457,457	--	--	15,102,850
Mains, wells, pumps and hydrants	8,680,323	390,464	--	--	9,070,787
Tanks and structures	6,457,593	190,362	--	--	6,647,955
Machinery and equipment	3,741,948	333,761	304,821	--	3,770,888
Odor control plant	<u>1,024,302</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>1,024,302</u>
Total Accumulated Depreciation	<u>34,549,559</u>	<u>1,372,044</u>	<u>304,821</u>	<u>--</u>	<u>35,616,782</u>
Total Capital Assets Being Depreciated, Net	<u>34,035,270</u>	<u>(699,515)</u>	<u>5,100</u>	<u>1,561,521</u>	<u>34,892,176</u>
Business-Type Activities Capital Assets, Net	<u>\$ 40,636,640</u>	<u>\$ 1,653,955</u>	<u>\$ 5,100</u>	<u>\$ (125,482)</u>	<u>\$ 42,160,013</u>

**TOWN OF WESTERLY, RHODE ISLAND**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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**NOTE 7 - CAPITAL ASSETS (CONTINUED)**

Depreciation was charged to the following business-type activities:

Business-type activities:

Water	\$ 518,597
Sewer	678,217
Transfer Station	175,230
Total	<u>\$ 1,372,044</u>

***CONSTRUCTION COMMITMENTS***

The Town has active construction projects as of June 30, 2022. The projects include renovations to public buildings and various demolition and remediation projects.

Interest costs incurred and charged to expense for projects totaled \$2,340,313. No interest costs were capitalized as of June 30, 2022.

The following is a summary of significant capital projects as of June 30, 2022:

<u>Project</u>	<u>Project Authorization</u>	<u>Expenditures to June 30, 2022</u>
FY19 Town Road Paving, Drainage & Reconstruction	15,000,000	15,444,446
FY22 Town Road Paving, Drainage & Reconstruction	9,000,000	1,833,670
Waterline Replacement	2,000,000	1,089,070
School Capital Projects	2,000,000	769,974

Expenditures in excess of project authorization were covered within the Town's capital or restricted budget or by grants for the year ended June 30, 2022.

# TOWN OF WESTERLY, RHODE ISLAND

## NOTES TO FINANCIAL STATEMENTS

### FOR THE FISCAL YEAR ENDED JUNE 30, 2022

#### NOTE 8 - FUND BALANCE

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

	General Fund	School Restricted Fund	\$15.0 Million Bond Fund	\$9.0 Million Bond Fund	Nonmajor Governmental Fund	Total
Fund balances:						
Nonspendable for:	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
Prepaid expenditures - Town	1,005,958	--	--	--	--	1,005,958
Prepaid expenditures - Schools	44,872	50,984	--	--	--	95,856
Restricted for:						
Educational programs	6,073,003	1,166,085	--	--	--	7,239,088
School nutrition program	--	--	--	--	182,352	182,352
Animal shelter	--	--	--	--	4,078	4,078
Historical records preservation grant	--	--	--	--	135,492	135,492
Public safety grant programs	--	--	--	--	264,780	264,780
Health and welfare grant programs	--	--	--	--	137,737	137,737
RIIB Refunding	--	--	--	--	1,236,496	1,236,496
Road improvement projects	--	--	145	7,292,707	--	7,292,852
Other capital projects	--	--	--	--	2,569	2,569
Committed for:						
Town capital projects	--	--	--	--	3,985,940	3,985,940
School parking lot improvements	18,071	--	--	--	--	18,071
Adult day center improvements	25,000	--	--	--	--	25,000
Snow removal	54,227	--	--	--	--	54,227
Hospital evaluation	17,843	--	--	--	--	17,843
Canal Street remediation	3,852	--	--	--	--	3,852
Senior center improvements	2,700	--	--	--	--	2,700
Legislative, judicial and general and administrative	11,585	--	--	--	--	11,585
Educational programs	476,376	--	--	--	--	476,376
FSA program	13,887	--	--	--	--	13,887
Revaluation	9,875	--	--	--	--	9,875
Public Safety	736	--	--	--	--	736
K-9 donations program	2,551	--	--	--	--	2,551
Security cameras	16,000	--	--	--	--	16,000
Senior center van	15,563	--	--	--	--	15,563
Permanent neighbor fund	--	--	--	--	1,620	1,620
Honor roll fund	--	--	--	--	1,314	1,314
Class of 1886	--	--	--	--	1,733	1,733
Other programs	8,705	--	--	--	--	8,705
Unassigned	<u>16,560,025</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>16,560,025</u>
<b>Total Fund Balances</b>	<u>\$ 24,360,829</u>	<u>\$ 1,217,069</u>	<u>\$ 145</u>	<u>\$ 7,292,707</u>	<u>\$ 5,954,111</u>	<u>\$ 38,824,861</u>

**TOWN OF WESTERLY, RHODE ISLAND**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 9 - LONG-TERM LIABILITIES**

***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
<b>Governmental Activities</b>					
Bonds and loans payable					
General obligation bonds	\$ 56,854,000	\$ 17,175,000	\$ 14,280,000	\$ 59,749,000	\$ 7,282,000
Loan payable	9,351,000	--	--	9,351,000	--
Premium on bond issuance	4,134,167	--	504,606	3,629,561	504,606
Total bonds and notes payable	70,339,167	17,175,000	14,784,606	72,729,561	7,786,606
Capital lease payable	2,100,365	1,753,194	1,214,172	2,639,387	987,042
Compensated absences	2,051,301	--	381,836	1,669,465	333,893
Net Pension liability	48,643,862	9,683,555	10,768,720	47,558,697	--
Net OPEB liability	10,278,729	1,432,338	--	11,711,067	--
Total Governmental Activities					
Long-Term Liabilities	<u>\$ 133,413,424</u>	<u>\$ 30,044,087</u>	<u>\$ 27,149,334</u>	<u>\$ 136,308,177</u>	<u>\$ 9,107,541</u>
<b>Business-Type Activities</b>					
Loans payable	\$ 1,752,300	\$ --	\$ 263,000	\$ 1,489,300	\$ 267,000
General obligation bonds	--	1,700,000	--	1,700,000	55,000
Premium on bond issuance	--	333,583	9,729	323,853	16,679
Capital lease payable	2,187,728	343,203	316,642	2,214,289	317,258
Compensated absences	275,838	--	60,305	215,533	43,107
Total Business-Type Activities					
Long-Term Liabilities	<u>\$ 4,215,866</u>	<u>\$ 2,376,786</u>	<u>\$ 649,676</u>	<u>\$ 5,942,975</u>	<u>\$ 699,044</u>

Compensated absences are normally liquidated by the General Fund inclusive of the School Department.

***GENERAL OBLIGATION BONDS***

The Town issues general obligation bonds 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 Town. These bonds generally are issued as serial bonds with equal or varying amounts of principal maturing each year with maturities that range from 15 to 20 years. General obligation bonds outstanding at June 30, 2022 are as follows:

# TOWN OF WESTERLY, RHODE ISLAND

## NOTES TO FINANCIAL STATEMENTS

**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

### NOTE 9 - LONG-TERM LIABILITIES (CONTINUED)

#### *GENERAL OBLIGATION BONDS (CONTINUED)*

Description	Date of Issue	Date of Maturity	Interest Rate (%)	Amount of Original Issue	Balance Outstanding June 30, 2022
<b>Governmental Activities</b>					
General obligation bonds:					
General obligation bond, 2012 Series A	07/03/12	07/01/25	2.0-4.0%	\$ 6,500,000	\$ 360,000
Refunding bonds - 2012 Series B	07/03/12	08/15/24	4.0-5.0%	20,073,678	1,948,226
Refunding bonds - 2012 Series B	07/03/12	08/15/24	4.0-5.0%	121,322	11,774
Refunding bonds - 2012 Series C	07/03/12	10/15/23	2.07-3.0%	1,290,000	235,000
Refunding bonds - 2012 Series A	06/04/14	07/01/26	3.0-5.0%	15,890,000	7,495,000
General obligation bond, 2015 Series A	04/15/15	04/15/35	2.0-3.25%	6,000,000	4,160,000
SRF Revenue Bonds 2016B	07/08/16	09/01/32	0.77-2.07%	1,350,000	1,017,000
Refunding bonds - 2017 Series A	07/19/17	09/15/27	2.0-4.0%	3,890,000	2,260,000
General obligation efficient building bond	12/28/17	09/01/32	0.77-2.07%	250,000	190,000
2019 RIIB Road and Bridge Bond	05/02/19	09/01/38	1.56-3.62%	15,000,000	13,975,000
2020 RIIB Stormwater Bond	05/05/20	09/01/24	0.70-0.94%	1,000,000	902,000
Refunding bonds - 2021 Series E	06/22/21	04/01/31	3.0-5.0%	11,205,000	10,020,000
2021 RIIB Road and Bridge Bond	09/29/21	09/01/41	0.15-3.18%	9,000,000	9,000,000
2021B GO Refunding Bonds	11/23/21	11/15/31	0.57-1.70%	<u>8,175,001</u>	<u>8,175,000</u>
Total General Obligation Bonds				<u>99,745,001</u>	<u>59,749,000</u>
Loans:					
High school renovation loans	06/15/10	04/01/27	5.75%	3,855,000	3,855,000
High school renovation loans	12/02/10	04/01/27	6.29%	<u>5,496,000</u>	<u>5,496,000</u>
Total Loans				<u>29,996,000</u>	<u>9,351,000</u>
Total Governmental activities				<u>129,741,001</u>	<u>69,100,000</u>
<b>Business-Type Activities</b>					
Loans Payable:					
Westerly Sewer Fund:					
RICWFA 04 SRF	12/16/04	09/01/25	1.37-1.55%	1,724,300	348,300
Sewer improvement bonds 2018	04/25/18	09/01/27	1.01-1.83%	1,664,000	1,141,000
General obligation bond, 2021 Series A	11/23/21	11/15/32	0.85-2.04%	<u>1,700,000</u>	<u>1,700,000</u>
Total loans payable				<u>13,338,300</u>	<u>3,189,300</u>

**TOWN OF WESTERLY, RHODE ISLAND**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 9 - LONG-TERM LIABILITIES (CONTINUED)**

***GENERAL OBLIGATION BONDS (CONTINUED)***

The Wastewater and Superfund bonds payable presented in the financial statements as direct liabilities of the Wastewater and Solid Waste funds are general obligations of the Town backed ultimately by its taxing power. Because the proceeds of the bonds are used entirely for the benefits of the Wastewater and Solid Waste Funds, the liabilities and the related debt service of these bonds are accounted for in these funds.

The Sewer Fund bonds payable presented in the financial statements as direct liabilities of the Sewer Fund are revenue bonds backed by user fees and Ad Valorem taxes. Because the proceeds of the bonds are used entirely for the benefit of the Sewer Fund, the liability and the related debt service of these bonds are accounted for in the Sewer Fund.

The debt service requirements for the Town's bonds and loans are as follows:

	Governmental Activities		Loans Principal	Loan Interest	Total
	Principal	Interest			
2023	\$ 7,282,000	\$ 1,402,691	\$ --	\$ 567,141	\$ 9,251,832
2024	7,338,000	1,216,119	--	567,141	9,121,260
2025	7,243,000	1,060,284	--	567,141	8,870,425
2026	5,050,000	906,932	--	567,141	6,524,073
2027	4,407,000	754,716	9,351,000	1,134,282	15,646,998
2028-2032	15,524,000	2,377,364	--	--	17,901,364
2033-2037	8,424,000	897,116	--	--	9,321,116
2038-2042	4,481,000	177,069	--	--	4,658,069
Total	<u>\$ 59,749,000</u>	<u>\$ 8,792,291</u>	<u>\$ 9,351,000</u>	<u>\$ 3,402,846</u>	<u>\$ 81,295,137</u>

***LOANS PAYABLE***

The Town has entered into loan agreements with the Rhode Island Clean Water Protection Finance Agency (the Agency) as noted in the table above. The loan proceeds are to be used by the Town for the upgrade of the sewer treatment system.

The Town has also entered into loan agreements with the Rhode Island Health and Educational Building Corporation as noted in the table above. The Town will receive interest subsidies totaling \$2,753,366 for the June 15, 2010 loan and \$4,379,735 for the December 2, 2010 loan from the federal government over the life of the loans.

**TOWN OF WESTERLY, RHODE ISLAND**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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**NOTE 9 - LONG-TERM LIABILITIES (CONTINUED)**

***CAPITAL LEASES***

The Town has entered into various lease agreements as lessee for financing the acquisition of vehicles, equipment, and land improvements valued at \$11,743,874. The depreciable assets have a three to twenty-year useful life. For the year ended June 30, 2022, \$1,091,292 was included in depreciation expense. These lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of future minimum lease payments as of the inception date.

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2022 are as follows:

Year Ending June 30,	Governmental Activities	Business Activities
2023	\$ 1,085,861	\$ 403,806
2024	913,032	319,761
2025	407,729	279,406
2026	278,586	279,406
2027	74,949	206,000
Thereafter	68,753	1,208,043
Total minimum lease payments	2,828,910	2,696,422
Less amount representing interest	(189,517)	(482,133)
Total	\$ 2,639,393	\$ 2,214,289

***RIGHT OF USE ASSETS AND RECEIVABLES – GASB 87 IMPLEMENTATION***

As described in Note 1, lease changes were incorporated into the Town’s fiscal year 2022 financial statements and did not have an effect on opening net position. The Town has entered into various leases as the lessee and lessor for property such as copiers, sewer facilities and parking facilities.

**TOWN OF WESTERLY, RHODE ISLAND**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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**NOTE 9 - LONG-TERM LIABILITIES (CONTINUED)**

***RIGHT OF USE ASSETS AND RECEIVABLES – GASB 87 IMPLEMENTATION (CONTINUED)***

***GOVERNMENTAL ACTIVITIES – LESSEE***

Annual requirements to amortize the lease liability and related interest are as follows:

Years Ending June 30,	Principal	Interest
2023	\$ 80,542	\$ 1,490
2024	80,986	1,046
2025	81,433	599
2026	35,394	246
2027	17,459	40
Total	<u>\$ 295,814</u>	<u>\$ 3,421</u>

***GOVERNMENTAL ACTIVITIES – LESSOR***

Future payments due to the Town under non-cancelable agreements are as follows:

Years Ending June 30,	Principal	Interest
2023	\$ 36,802	\$ 3,177
2024	22,782	218
2025	24,886	114
Total	<u>\$ 84,470</u>	<u>\$ 3,509</u>

In December 2021, the Town entered into a 25-year land lease as the lessor in which the lease payment was paid in a lump sum of \$3,000,000. The Town will amortize the lease straight-line over the 25-year term. At June 30, 2022 total deferred inflows related to leases is \$3,021,894.

***BUSINESS-TYPE ACTIVITIES – LESSOR***

Future payments due to the sewer fund under non-cancelable agreements in FY2023 amount to \$7,947.

**TOWN OF WESTERLY, RHODE ISLAND**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 9 - LONG-TERM LIABILITIES (CONTINUED)**

***LEGAL DEBT MARGIN***

The Town's legal debt margin as set forth by State Statute is limited to 3% of total taxable assessed value, which amounts to \$196,950,868. As of June 30, 2022, the Town's debt subject to the legal debt margin is \$32,302,539 and the Town is under the debt limit by \$164,648,329. The debt subject to the debt limitation is based on the type of debt that is issued.

***AUTHORIZED BUT UNISSUED BOND AUTHORITY***

The Town has remaining authorized but unissued bond authority of \$2,120,000. The unissued bond authority is as follows:

Chapter/Section	Year	Description	Original Authorization	Bonds Issued	BANs Outstanding	Remaining Authority
RI General Laws						
45-12-2	2020	Wastewater	\$ 1,550,000	\$ --	\$ --	\$ 1,550,000
RI Local Acts 06/07	2021	School	2,000,000	1,730,000	--	270,000
RI Local Acts 09/10	2021	Road and Water	<u>11,000,000</u>	<u>10,700,000</u>	--	<u>300,000</u>
		Total	<u>\$ 14,550,000</u>	<u>\$ 12,430,000</u>	<u>\$ --</u>	<u>\$ 2,120,000</u>

**NOTE 10 - PENSION PLANS**

***SUMMARY OF DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES***

The notes below describe the pension plans that the Town and the School department are participating in. This table summarizes the total deferred outflows and inflows reported on the statement of net position as of June 30, 2022.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Employees' Retirement System (ERS)	\$ 6,772,159	\$ (12,852,547)
Municipal Employees' Retirement System (MERS)	10,922	(115,611)
Teachers' Survivor Benefit Plan (TSB)	1,341,967	(4,070,308)
Police Pension Plan	9,536,286	(5,257,926)
Police Other Postemployment Benefit Plan	<u>1,095,124</u>	<u>(4,740,423)</u>
	<u>\$ 18,756,458</u>	<u>\$ (27,036,815)</u>

# TOWN OF WESTERLY, RHODE ISLAND

## NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2022

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### NOTE 10 - PENSION PLANS (CONTINUED)

#### *EMPLOYEES' RETIREMENT SYSTEM (ERS) – DEFINED BENEFIT PLAN*

##### **General Information about the Pension Plan**

##### **Plan Description**

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

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

##### **Benefit Provisions**

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

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

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

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

# TOWN OF WESTERLY, RHODE ISLAND

## NOTES TO FINANCIAL STATEMENTS

### FOR THE FISCAL YEAR ENDED JUNE 30, 2022

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#### NOTE 10 - PENSION PLANS (CONTINUED)

##### *EMPLOYEES' RETIREMENT SYSTEM (ERS) – DEFINED BENEFIT PLAN (CONTINUED)*

##### **General Information about the Pension Plan (Continued)**

At June 30, 2022, the Westerly School Department reported a liability of \$30,530,471 for its proportionate share of the net pension liability that reflected a reduction for contributions made by the state. The amount recognized by the Westerly School Department 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:

Westerly School Department proportionate share of the net pension liability	\$ 30,530,471
State's proportionate share of the net pension liability associated with the Westerly School Department	<u>22,641,081</u>
Total Net Pension Liability	<u>\$ 53,171,552</u>

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 Westerly School Department proportion of the net pension liability was based on a projection of the Westerly School Department'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 Westerly School Department's proportion was 1.29729303%.

##### **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, the Westerly School Department teachers were required to contribute 3.75% of their annual covered salary, except for teachers with twenty or more years of service as of June 30, 2012 must contribute 11% of their annual covered salary. The state and the Westerly School Department 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 Westerly School Department; the rates were 10.75% and 14.50% of annual covered payroll for the fiscal year ended June 30, 2020, for the State and the Westerly School Department, respectively. The Westerly School Department contributed approximately \$4,008,561, \$3,867,975, and \$3,734,519 for the fiscal years ended June 30, 2022, 2021 and 2020, respectively, equal to 100% of the required contributions for each year. The on-behalf contribution made by the State of Rhode Island for the defined benefit pension plan for the fiscal year ended June 30, 2022 was \$2,670,323. This amount has been included in the Fund Statements (School Unrestricted Fund) as revenue and education expenditures.

# TOWN OF WESTERLY, RHODE ISLAND

## NOTES TO FINANCIAL STATEMENTS

### FOR THE FISCAL YEAR ENDED JUNE 30, 2022

#### NOTE 10 - PENSION PLANS (CONTINUED)

##### *EMPLOYEES' RETIREMENT SYSTEM (ERS) – DEFINED BENEFIT PLAN (CONTINUED)*

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

For the year ended June 30, 2022, the Westerly School Department recognized gross pension expense of \$68,012 and revenue of \$32,120 for support provided by the State. At June 30, 2022, the Westerly School Department reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Contributions subsequent to the measurement date	\$ 4,008,561	\$ --
Differences between expected and actual experience	306,445	(986,152)
Changes of assumptions	1,278,482	(671,397)
Net difference between projected and actual earnings on pension plan investments	1,024,444	(8,170,463)
Changes in proportion and differences between employer contributions and proportionate share of contributions	154,227	(3,024,535)
Total	\$ 6,772,159	\$ (12,852,547)

The \$4,008,561 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 for the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

#### Year Ended June 30,

2023	\$ (2,579,772)
2024	(2,200,749)
2025	(2,281,778)
2026	(2,628,528)
2027	(361,387)
Thereafter	(36,735)
Total	\$ (10,088,949)

**TOWN OF WESTERLY, RHODE ISLAND**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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

***EMPLOYEES' RETIREMENT SYSTEM (ERS) – DEFINED BENEFIT PLAN (CONTINUED)***

**Actuarial Assumptions**

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

Inflation	2.5%
Salary increases	3.0% to 13.0%
Investment rate of return	7.0%

Mortality – variants of the PUB(10) mortality tables - for the improvement scale, update to the ultimate rates of the MP-2016 projection scale.

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, 2020.

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

**TOWN OF WESTERLY, RHODE ISLAND**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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

***EMPLOYEES' RETIREMENT SYSTEM (ERS) – DEFINED BENEFIT PLAN (CONTINUED)***

**Actuarial Assumptions (Continued)**

Asset Class	Long-Term Target Asset Allocation	Long-Term Expected Arithmetic Real Rate of Return
Global Equity:		
U.S. Equity	23.20%	5.83%
International Developed Equity	11.80%	6.35%
Emerging Markets Equity	5.00%	8.04%
Private Growth:		
Private Equity	11.25%	9.47%
Non-Core RE	2.25%	5.32%
OPP Private Credit	1.50%	9.47%
Income:		
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%
Crisis Protection Class:		
Treasury Duration	5.00%	-0.32%
Systematic Trend	5.00%	3.39%
Inflation Protection:		
Core Real Estate	3.60%	5.32%
Private Infrastructure	2.40%	5.81%
TIPs	2.00%	0.30%
Volatility Protection:		
IG Corp Credit	3.25%	1.14%
Securitized Credit	3.25%	1.14%
Absolute Return	6.50%	3.39%
Cash	2.00%	-0.32%
Total	100.00%	

**TOWN OF WESTERLY, RHODE ISLAND**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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

*EMPLOYEES' RETIREMENT SYSTEM (ERS) – DEFINED BENEFIT PLAN (CONTINUED)*

**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.

**Discount Rate**

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

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

The following presents the net pension liability calculated using the discount rate of 7.0 percent 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%)
Net Pension Liability	\$ 38,557,646	\$ 30,530,471	\$ 20,285,500

**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 WESTERLY, RHODE ISLAND

## NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2022

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### NOTE 10 - PENSION PLANS (CONTINUED)

#### *MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM (MERS) – DEFINED BENEFIT*

##### **General Information about the Pension Plan**

##### **Plan Description**

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

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

##### **Benefits Provided**

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

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

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

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

# TOWN OF WESTERLY, RHODE ISLAND

## NOTES TO FINANCIAL STATEMENTS

### FOR THE FISCAL YEAR ENDED JUNE 30, 2022

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#### NOTE 10 - PENSION PLANS (CONTINUED)

##### *MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM (MERS) – DEFINED BENEFIT (CONTINUED)*

###### **General Employees**

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

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

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

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

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

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

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

# TOWN OF WESTERLY, RHODE ISLAND

## NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2022

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### NOTE 10 - PENSION PLANS (CONTINUED)

#### *MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM (MERS) – DEFINED BENEFIT (CONTINUED)*

##### **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.

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

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

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

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

**TOWN OF WESTERLY, RHODE ISLAND**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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

***MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM (MERS) – DEFINED BENEFIT (CONTINUED)***

**Employees Covered by Benefit Terms**

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

Retirees and Beneficiaries	7
Inactive, Nonretired Members	<u>1</u>
Total	<u>8</u>

**Contributions**

The amount of employee and employer contributions have been established under Rhode Island General Law Chapter 45-21. General employees with less than 20 years of service as of June 30, 2012 are required to contribute 1% of their salaries. General employees with more than 20 years of service as of June 30, 2012 are required to contribute 8.25%. Public safety employees are required to contribute 9% of their salaries. The Town 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 \$181,261 in the year ended June 30, 2020. There was no covered annual covered payroll as the Town has no active employees in The Plan.

**Net Pension Liability**

The total pension liability 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.

**TOWN OF WESTERLY, RHODE ISLAND**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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

***MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM (MERS) – DEFINED BENEFIT (CONTINUED)***

**Employees Covered by Benefit Terms (Continued)**

<b>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)</b>	
Actuarial Cost Method	Entry Age Normal - the Individual Entry Age Actuarial Cost methodology is used.
Amortization Method	Level Percent of Payroll – Closed
Actuarial Assumptions	
Investment Rate of Return	7.00%
Projected Salary Increases	General Employees - 3.50% to 7.25% ; Police & Fire Employees - 4.00% to 14.00%
Inflation	2.50%
Mortality	Mortality – variants of the PUB (10) Tables for Health and Disabled Retirees, projected with Scale Ultimate MP16
Cost of Living Adjustments	The known COLA for certain MERS units in calendar years 2019 and 2020 were 1.86% and 1.56%, respectively, and this was reflected in the June 30, 2019 valuation. All future COLAs were assumed to be 2.1% per annum 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, 2020.

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

# TOWN OF WESTERLY, RHODE ISLAND

## NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2022

### NOTE 10 - PENSION PLANS (CONTINUED)

#### *MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM (MERS) – DEFINED BENEFIT (CONTINUED)*

#### Employees Covered by Benefit Terms (Continued)

Asset Class	Long-Term Target Asset Allocation	Long-Term Expected Arithmetic Real Rate of Return
Global Equity:		
U.S. Equity	23.20%	5.83%
International Developed Equity	11.80%	6.35%
Emerging Markets Equity	5.00%	8.04%
Private Growth:		
Private Equity	11.25%	9.47%
Non-Core RE	2.25%	5.32%
OPP Private Credit	1.50%	9.47%
Income:		
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%
Crisis Protection Class:		
Treasury Duration	5.00%	-0.32%
Systematic Trend	5.00%	3.39%
Inflation Protection:		
Core Real Estate	3.60%	5.32%
Private Infrastructure	2.40%	5.81%
TIPs	2.00%	0.30%
Volatility Protection:		
IG Corp Credit	3.25%	1.14%
Securitized Credit	3.25%	1.14%
Absolute Return	6.50%	3.39%
Cash	2.00%	-0.32%
Total	100.00%	

**TOWN OF WESTERLY, RHODE ISLAND**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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

***MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM (MERS) – DEFINED BENEFIT (CONTINUED)***

**Employees Covered by Benefit Terms (Continued)**

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

**Discount Rate**

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

**Changes in Net Pension Liabilities**

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Balances as of June 30, 2021:	\$ 660,647	\$ 660,404	\$ 243
Changes for the Year			
Service cost	--	--	--
Interest on the total pension liability	41,159	--	41,159
Changes in benefits	--	--	--
Difference between expected and actual experience	129,171	--	129,171
Changes in assumptions	--	--	--
Employer contributions	--	181,261	(181,261)
Employee contributions	--	--	--
Net investment income	--	191,974	(191,974)
Benefit payments, including employee refunds	(145,313)	(145,313)	--
Administrative expense	--	(731)	731
Other changes	--	--	--
Net changes	<u>25,017</u>	<u>227,191</u>	<u>(202,174)</u>
Balances as of June 30, 2022	<u>\$ 685,664</u>	<u>\$ 887,595</u>	<u>\$ (201,931)</u>

**TOWN OF WESTERLY, RHODE ISLAND**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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

***MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM (MERS) – DEFINED BENEFIT (CONTINUED)***

**Changes in Net Pension Liabilities (Continued)**

**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 discount rate of 7.0 percent, as well as what the employers' net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate.

	1% Decrease (6.0%)	Current Discount Rate (7.0%)	1% Increase (8.0%)
Net Pension (Asset)	\$ (132,819)	\$ (201,931)	\$ (290,033)

**Pension Plan Fiduciary Net Position**

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

**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 pension expense of \$181,261. The employer reported deferred outflows and inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments:	\$ 10,922	\$ (115,611)
Total	\$ 10,922	\$ (115,611)

**TOWN OF WESTERLY, RHODE ISLAND**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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

***MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM (MERS) – DEFINED BENEFIT (CONTINUED)***

**Changes in Net Pension Liabilities (Continued)**

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

Year Ending June 30,	Net Deferred Outflows (Inflows) of Resources
2023	\$ (25,246)
2024	(25,244)
2025	(25,298)
2026	(28,901)
Total	<u>\$ (104,689)</u>

***TEACHERS' SURVIVORS BENEFIT PLAN (TSB)***

**General Information about the Pension Plan**

**Plan Description**

Certain employees of the Town of Westerly School (School) 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>.

**TOWN OF WESTERLY, RHODE ISLAND**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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

*TEACHERS' SURVIVORS BENEFIT PLAN (TSB) (CONTINUED)*

**General Information about the Pension Plan (Continued)**

**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.

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

<u>Highest Annual Salary</u>	<u>Basic Monthly Spouses' Benefit</u>
\$17,000 or less	\$ 825
\$17,001 to \$25,000	\$ 963
\$25,001 to \$33,000	\$ 1,100
\$33,001 to \$40,000	\$ 1,238
\$40,001 and over	\$ 1,375

**TOWN OF WESTERLY, RHODE ISLAND**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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

***TEACHERS' SURVIVORS BENEFIT PLAN (TSB) (CONTINUED)***

**General Information about the Pension Plan (Continued)**

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%

**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 Town contributed \$34,377, \$33,461 and \$33,672 for the fiscal years ended June 30, 2022, 2021 and 2020, respectively, equal to 100% of the required contributions for each year.

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

At June 30, 2022, the Westerly School Department reported an asset of \$9,138,145 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 Westerly School Department proportion of the net pension asset was based on its share of contributions to the TSB for fiscal year 2020 relative to the total contributions of all participating employers for that fiscal year. At June 30, 2021 the Westerly School Department proportion was 4.66962827%.

**TOWN OF WESTERLY, RHODE ISLAND**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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

*TEACHERS' SURVIVORS BENEFIT PLAN (TSB) (CONTINUED)*

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

For the year ended June 30, 2022, the Westerly School Department recognized pension expense of \$34,377, an increase in the net pension asset. At June 30, 2022, the Westerly School Department reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Contributions subsequent to the measurement date	\$ 32,957	\$ --
Differences between expected and actual experience	338,651	(981,191)
Changes of assumptions	286,796	(329,041)
Net difference between projected and actual earnings on pension plan investments	326,523	(2,585,617)
Changes in proportion and differences between employer contributions and proportionate share of contributions	357,040	(174,459)
Total	\$ 1,341,967	\$ (4,070,308)

\$32,957 reported as deferred outflows of resources related to pensions resulting from the Westerly School Department contributions in fiscal year 2022 subsequent to the measurement date will be recognized as an addition to the net pension asset for the year ended June 30, 2022. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30,	
2023	\$ (551,596)
2024	(523,389)
2025	(635,879)
2026	(769,703)
2027	(155,636)
Thereafter	(125,095)
Total	\$ (2,761,298)

**TOWN OF WESTERLY, RHODE ISLAND**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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

*TEACHERS' SURVIVORS BENEFIT PLAN (TSB) (CONTINUED)*

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

**Actuarial Assumptions**

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

Inflation	2.5%
Salary increases	3.0% to 13.0%
Investment rate of return	7.0%

Mortality – variants of the PUB(10) mortality tables - for the improvement scale, update to the ultimate rates of the MP-2016 projection scale.

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, 2020.

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

**TOWN OF WESTERLY, RHODE ISLAND**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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

*TEACHERS' SURVIVORS BENEFIT PLAN (TSB) (CONTINUED)*

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

Asset Class	Long-Term Target Asset Allocation	Long-Term Expected Arithmetic Real Rate of Return
Global Equity:		
U.S. Equity	23.20%	5.83%
International Developed Equity	11.80%	6.35%
Emerging Markets Equity	5.00%	8.04%
Private Growth:		
Private Equity	11.25%	9.47%
Non-Core RE	2.25%	5.32%
OPP Private Credit	1.50%	9.47%
Income:		
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%
Crisis Protection Class:		
Treasury Duration	5.00%	-0.32%
Systematic Trend	5.00%	3.39%
Inflation Protection:		
Core Real Estate	3.60%	5.32%
Private Infrastructure	2.40%	5.81%
TIPs	2.00%	0.30%
Volatility Protection:		
IG Corp Credit	3.25%	1.14%
Securitized Credit	3.25%	1.14%
Absolute Return	6.50%	3.39%
Cash	2.00%	-0.32%
<b>Total</b>	<b>100.00%</b>	

**TOWN OF WESTERLY, RHODE ISLAND**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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

***TEACHERS' SURVIVORS BENEFIT PLAN (TSB) (CONTINUED)***

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

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

**Discount Rate**

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

**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 discount rate of 7.0 percent, as well as what the employers' net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate.

	1% Decrease (6.0%)	Current Discount Rate (7.0%)	1% Increase (8.0%)
Net Pension Asset	\$ (8,217,906)	\$ (9,138,145)	\$ (10,313,022)

**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 WESTERLY, RHODE ISLAND

## NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2022

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### NOTE 10 - PENSION PLANS (CONTINUED)

#### *POLICE PENSION PLAN TRUST FUNDS*

##### **General Information about the Pension Plan**

The Town is the administrator of a single-employer defined-benefit pension plan established to provide pension benefits for its police officers. The Plan is considered to be part of the Town's financial reporting entity and is included in the Town's financial reports as a Pension Trust Fund. Stand-alone financial statements are not issued for The Plan. Plan provisions are established by contract and may be amended by union negotiation.

##### **Plan Description and Benefits Provided**

All regular police officers are eligible to participate in the Police Retirement Plan. The Plan provides retirement benefits as well as death and disability benefits. Members are 100% vested after 10 years of service. Normal retirement is after the completion of 20 years of service for officers hired prior to July 1, 2010. Officers hired after July 1, 2010 may retire upon completion of 25 years of service. The retirement benefit for officers hired prior to July 1, 2010 is calculated at 50% of annual pay for 20 years of service plus 2% times annual pay for each year of service over 20 years (maximum service equals 25 years). For officers hired after July 1, 2010, the retirement benefit is calculated at 50% of annual pay for 25 years of service plus 2% times annual pay for each year of service over 25 years (maximum service equals 30 years). Annual pay at retirement is a sum equal to the base salary received for the 12 months immediately preceding retirement. The normal form of benefit is 67.5% Joint and Survivor. If a member leaves covered employment or dies before vesting, accumulated member contributions are refunded with interest. If a member dies in the line of duty, the member's heirs shall receive the same benefits as though they had been members of the bargaining unit for 20 years. Retired members are entitled to a 3% cost of living adjustment, not compounded, each year if hired prior to July 1, 2010 (2 1/2% if retired before July 1, 1998). Officers hired after July 1, 2010 are entitled to a 3% cost of living adjustment, not compounded after 5 years on pension or age 52, whichever comes first. Disability retirement for occupational causes equals 50% of annual pay at time of disability. Non-occupational causes receive a lower percentage varying by years of service at time of disability. Members who retire with 25 or more years of service shall receive severance pay based on 1.5 days for each year of service at retirement.

The management of the Westerly Police Pension and OPEB plans consist of the Town Manager, the Finance Director, HR Director and a representative from the Police Pension. The Town Council is the governing body of approval of the Investment Policy Statements and the establishment of the OPEB share, and is responsible for the appointment of the investment committee.

**TOWN OF WESTERLY, RHODE ISLAND**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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

***POLICE PENSION PLAN TRUST FUNDS (CONTINUED)***

**Plan Description and Benefits Provided (Continued)**

At July 1, 2021, Plan membership consisted of the following:

Retirees and beneficiaries receiving benefits	54
Terminated plan member entitled to but not yet receiving benefits	3
Active Plan Members	<u>47</u>
Total	<u><u>104</u></u>

**Summary of Significant Accounting Policies**

**Basis of Accounting**

Financial statements are prepared using the accrual basis of accounting for the defined benefit pension plan. Employee and employer contributions are recognized as revenues in the period in which employee services are performed. Benefits and refunds are recognized when due and payable in accordance with the terms of The Plans.

**Method Used to Value Investments**

Investments are reported at fair value. Investment income is recognized as earned.

**Funding Policy**

Active plan members contribute 12% of their covered earnings. The Town has an actuarial valuation to determine the annual required contribution, but does not fund The Plan based on the valuation. The Town funds The Plan based on the annual budget.

Administrative costs of The Plan are financed through investment earnings.

**Pension Trust Funds**

The Town maintains a police pension trust fund to account for its fiduciary responsibility. The following schedules present the net position held in trust for pension benefits and OPEB Trust at June 30, 2022 and the changes in net position for the year then ended. Included in the Police Pension trust funds are OPEB assets related to a medical subaccount. Those assets are not used to offset the total pension liability.

**TOWN OF WESTERLY, RHODE ISLAND**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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

***POLICE PENSION PLAN TRUST FUNDS (CONTINUED)***

**Schedule of Plan Net Position**

	Police Pension Trust	OPEB Trust	Total
Assets:			
Cash and cash equivalents	\$ 1,577,431	\$ 577,453	\$ 2,154,884
Investments, at fair value	40,922,953	6,805,934	47,728,887
Other accounts receivables	90,752	27,157	117,909
Total assets	<u>42,591,136</u>	<u>7,410,544</u>	<u>50,001,680</u>
Liabilities:			
Accounts payable and accrued expenses	<u>--</u>	<u>234,574</u>	<u>234,574</u>
Net Position:			
Restricted for Pension and OPEB Benefits	<u>\$ 42,591,136</u>	<u>\$ 7,175,970</u>	<u>\$ 49,767,106</u>

**TOWN OF WESTERLY, RHODE ISLAND**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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

***POLICE PENSION PLAN TRUST FUNDS (CONTINUED)***

**Schedule of Changes in Plan Net Position**

	Police Pension Trust	OPEB Trust	Total
Additions:			
Contributions			
Employer	\$ 1,891,700	\$ 1,276,541	\$ 3,168,241
Plan members	<u>479,675</u>	<u>--</u>	<u>479,675</u>
Total Contributions	<u>2,371,375</u>	<u>1,276,541</u>	<u>3,647,916</u>
Net investment income:			
Net appreciation in fair value of investments	(7,709,677)	(1,020,299)	(8,729,976)
Interest and dividends	<u>815,181</u>	<u>146,378</u>	<u>961,559</u>
Total Investment Income	<u>(6,894,496)</u>	<u>(873,921)</u>	<u>(7,768,417)</u>
Total Additions	<u>(4,523,121)</u>	<u>402,620</u>	<u>(4,120,501)</u>
Deductions:			
Benefits	3,040,904	--	3,040,904
Police retiree health care	--	954,698	954,698
Administration expense	<u>92,047</u>	<u>57,172</u>	<u>149,219</u>
Total Deductions	<u>3,132,951</u>	<u>1,011,870</u>	<u>4,144,821</u>
Changes in Net Position	(7,656,072)	(609,250)	(8,265,322)
Net Position at Beginning of Year	<u>50,247,208</u>	<u>7,785,220</u>	<u>58,032,428</u>
Net Position at End of Year	<u>\$ 42,591,136</u>	<u>\$ 7,175,970</u>	<u>\$ 49,767,106</u>

**TOWN OF WESTERLY, RHODE ISLAND**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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

***POLICE PENSION PLAN TRUST FUNDS (CONTINUED)***

**Investment Policy**

The Town has established an investment policy for the prudent investment of funds with the objective of preservation and growth of capital. Appropriate diversification of the portfolio is required to be maintained as advised by the Plan's investment manager and the Town's finance director and approved by the Town Manager. The investment program shall be operated in conformance with federal, state and other legal requirements. All pertinent local and state ethic statutes are required to be adhered to by the Town administrative staff in regard to all investment fund activities. The investment manager may act autonomously in the selection of the fund investments within the framework of the required asset allocation. In terms of diversification, no individual security shall represent more than 5% of the portfolio's marker value. The following investment types are prohibited: special placements, venture capital, derivatives, commodities, futures and options. Securities cannot be purchased on margin and short sales cannot be conducted. The fund is not allowed to borrow money.

The following was the Board's adopted asset allocation policy as of June 30, 2022:

<u>Asset Class</u>	<u>Target Allocation</u>
Equity	70.00%
Fixed Income	29.00%
Cash	<u>1.00%</u>
Total	<u><u>100.00%</u></u>

**Rate of Return**

For the year ended June 30, 2022, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was (14.24)%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

**TOWN OF WESTERLY, RHODE ISLAND**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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

***POLICE PENSION PLAN TRUST FUNDS (CONTINUED)***

**Net Pension Liability**

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

Total pension liability	\$ 59,619,362
Plan fiduciary net position	<u>(42,591,136)</u>
Total Net Pension Liability	<u>\$ 17,028,226</u>
Plan fiduciary net position as a percentage of the total pension liability	71.44%

**Actuarial Assumptions**

The total pension liability was determined by an actuarial valuation as of July 1, 2020, using the following actuarial assumptions, applied to all periods included in the measurement.

Mortality rates were based on the PubS-2010 Public Safety Mortality table with generational improvements from 2010 using scale MP-21, the PubS-2010 Disabled Public Safety Mortality table with generational improvements from 2010 using scale MP-21, and the Continuing Survivor Mortality table with generational improvements from 2010 using scale MP-21.

The long-term expected rate of return on pension 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. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2022 (see discussion of the pension plan's investment policy) are summarized in the following table:

Asset Class	Long-Term Expected Real Rate of Return
Equity	2.24%
Fixed Income	0.81%
Cash	-1.00%

# TOWN OF WESTERLY, RHODE ISLAND

## NOTES TO FINANCIAL STATEMENTS

### FOR THE FISCAL YEAR ENDED JUNE 30, 2022

#### NOTE 10 - PENSION PLANS (CONTINUED)

##### *POLICE PENSION PLAN TRUST FUNDS (CONTINUED)*

##### **Net Pension Liability (Continued)**

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 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 pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. 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 actuarial assumptions used in the valuation were based on the results of an actuarial experience study for the period July 1, 2007, through June 30, 2017.

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balances as of June 30, 2021	\$ 57,591,879	\$ 50,247,208	\$ 7,344,671
Changes for the Year			
Service cost	1,142,852	--	1,142,852
Interest on the total pension liability	4,005,000	--	4,005,000
Difference between expected and actual experience	(149,436)	--	(149,436)
Changes in assumptions	69,971	--	69,971
Employer contributions	--	1,891,700	(1,891,700)
Employee contributions	--	479,675	(479,675)
Net investment income	--	(6,989,098)	6,989,098
Benefit payments, including employee refunds	(3,040,904)	(3,040,904)	--
Other	--	2,555	(2,555)
Net changes	<u>2,027,483</u>	<u>(7,656,072)</u>	<u>9,683,555</u>
Balances as of June 30, 2022	<u>\$ 59,619,362</u>	<u>\$ 42,591,136</u>	<u>\$ 17,028,226</u>

**TOWN OF WESTERLY, RHODE ISLAND**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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

***POLICE PENSION PLAN TRUST FUNDS (CONTINUED)***

**Net Pension Liability (Continued)**

**Sensitivity of the Net Pension Liability to changes in the discount rate**

The following presents the net pension liability of the Town, calculated using the discount rate of 7.0%, as well as what the Town's net pension liability would be if it were calculated using a discount rate that is 1-percentage point- lower (6.0%) or 1-percentage-point higher (8.0%) than the current rate:

	1% Decrease (6.0%)	Current Discount Rate (7.0%)	1% Increase (8.0%)
Net Pension Liability	\$ 24,979,405	\$ 17,028,226	\$ 10,525,489

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

For the year ended June 30, 2022, the Town recognized pension expense of \$1,891,700. At June 30, 2022, the Town reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience:	\$ 517,933	\$ (124,530)
Changes in assumption:	220,180	(215,034)
Net difference between projected and actual earnings on pension plan investments:	8,798,173	(4,918,362)
Total	\$ 9,536,286	\$ (5,257,926)

**TOWN OF WESTERLY, RHODE ISLAND**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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

***POLICE PENSION PLAN TRUST FUNDS (CONTINUED)***

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

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

Year Ending June 30,	Net Deferred Inflows of Resources
2023	\$ 864,795
2024	945,396
2025	398,576
2026	2,082,838
2027	(13,245)
Total	\$ 4,278,360

***SUMMARY OF DEFERRED INFLOWS/OUTFLOWS, NET PENSION LIABILITY AND ASSET FOR ALL DEFINED BENEFIT PENSION PLANS***

	<b>MERS General Plan</b>	<b>TSB Plan</b>	<b>ERS Teachers Plan</b>	<b>Police Pension Plan</b>	<b>Total</b>
Deferred outflows	\$ 10,922	\$ 1,341,967	\$ 6,772,159	\$ 9,536,286	\$ 17,661,334
Deferred inflows	115,611	4,070,308	12,852,547	5,257,926	22,296,392
Net pension liability	--	--	30,530,471	17,028,226	47,558,697
Net pension asset	201,931	9,138,145	--	--	9,340,076
Pension expense	181,261	34,377	68,012	1,891,700	2,175,350

***INTERNATIONAL CITY MANAGEMENT ASSOCIATION (ICMA) PENSION PLAN***

General salaried employees hired after February 1981 were eligible to participate in this 401(a) defined contribution plan created as of September 1, 1995. Previously, these employees contributed to a defined contribution plan with the International City Management Association, established as a 457(b) deferred compensation plan; this plan was deemed ineligible by IRS codification and has been closed to new entrants, but assets cannot be transferred to the new 401(a) plan.

# TOWN OF WESTERLY, RHODE ISLAND

## NOTES TO FINANCIAL STATEMENTS

### FOR THE FISCAL YEAR ENDED JUNE 30, 2022

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#### NOTE 10 - PENSION PLANS (CONTINUED)

##### *INTERNATIONAL CITY MANAGEMENT ASSOCIATION (ICMA) PENSION PLAN (CONTINUED)*

Employees contribute 6% or more of their qualified salary to a maximum of 25% not to exceed \$30,000. The Town contributes 10% of the qualified salary. Plan provisions and contribution requirements are established and may be amended by the Town Council. The Town's contribution for the years ended June 30, 2022 and 2021 were \$411,150 and \$422,961, respectively.

##### *LABORERS' INTERNATIONAL UNION OF NORTH AMERICA NATIONAL PENSION FUND*

#### **Plan Description and Benefits Provided**

The Laborers' International Union of North America National Pension Fund is a cost sharing multiple employer defined benefit plan (The Plan), which is operating as a 401(a) plan. All Town non-salaried general employees participate in The Plan.

Information regarding The Plan can be obtained from the Fund Office maintained by the Board of Trustees at the following address: Laborers' International (Industrial) Pension Fund, 905 16th Street, N.W., Washington, DC 20006-1765 or at [www.lnipf.org](http://www.lnipf.org).

#### **Eligibility**

An employee is eligible to receive pension benefits if they have attained age 62, have five or more years of pension credit and have earned at least one of the years of pension credit during the period that his or her employer is contributing to The Plan.

#### **Benefits**

The amount of regular pension benefits payable to an employee is determined by the highest contribution rate at which he or she earned pension credit and years of pension credits earned (up to a maximum of 30 years of pension credits). The regular monthly benefit is payable for each year of pension credit at each contribution rate accepted by The Plan up to \$1.86 per hour. The Plan also provides death and disability benefits.

#### **Funding Policy**

The contribution requirements of the Town and employees are established by contract and may be amended by union negotiation. The Town was required to contribute the following amounts for fiscal year ended June 30, 2022; bus drivers and aides – Employer \$2.74, Employee \$.53 per hour; school maintenance, secretarial and clerical employees - Employer \$3.46, Employee \$.35 per hour; town public works and secretarial employees: Employer: \$2.30, Employee \$1.37 per hour. The Town was also required to contribute \$0.06 per hour to an annuity fund (maximum of \$4,000 annually for School employees).

The total contribution for fiscal years ended June 30, 2022, 2021 and 2020 was \$1,016,249, \$1,022,688, and \$927,209, respectively.

**TOWN OF WESTERLY, RHODE ISLAND**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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

***SCHOOL DEPARTMENT PENSION PROGRAM***

All School Department unaffiliated, classified, appointed employees participate in an agreed-upon 403(b) pension program, which is funded by the School Department. The School Department's contribution is 10% of the qualified employee's salary per year. The employees do not contribute to The Plan. The contributions are made to an eligible plan of the employee's choice. All school employees are eligible by federal law to participate in a payroll deduction tax deferred plan, which must be arranged by a broker or private insurance carrier. Total contributions for the year ended June 30, 2022, were \$185,347.

**NOTE 11 - OTHER POSTEMPLOYMENT BENEFIT (OPEB) OBLIGATIONS**

***POLICE OTHER POSTEMPLOYMENT BENEFIT PLAN***

**Plan Description**

The Town administers a single-employer defined benefit healthcare plan for police. The Plan provides medical, dental and life insurance benefits to eligible retirees and their dependents. Coverage to retirees and spouses includes dental insurance for life and a reimbursement of Medicare Part B premium to retirees only after age 65. Most full-time employees of the police department are eligible to participate in The Plan. Benefit provisions are established through negotiations between the Town and the Police Officers Union.

Management of the post-employment benefits plan is vested with the Town Manager, Director of Human Resources and Director of Finance. Funds are managed by a third-party investment management firm.

**Employees Covered by Benefit Terms**

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

Retirees	55
Active employees	<u>47</u>
Total	<u><u>102</u></u>

# TOWN OF WESTERLY, RHODE ISLAND

## NOTES TO FINANCIAL STATEMENTS

### FOR THE FISCAL YEAR ENDED JUNE 30, 2022

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#### NOTE 11 - OTHER POSTEMPLOYMENT BENEFIT (OPEB) OBLIGATIONS (CONTINUED)

##### *POLICE OTHER POSTEMPLOYMENT BENEFIT PLAN (CONTINUED)*

##### **Contributions**

Required contributions to The Plan are determined by an actuarial calculation. The Town Manager proposes The Plan contribution as part of the Town's annual budget process. The final budgeted amount is approved by the Town Council. The Town is required to contribute the cost of medical and dental benefits for police officers who retire with at least 20 years of service, less the amount of any applicable employee share of premiums as follows:

- Employees hired before July 1, 1993 shall, upon retirement, contribute the same percentage of medical premium as they contributed at the time of their retirement.
- Employees hired on or after July 1, 1993 and retiring after at least 20 years of active service will be eligible to receive Town-provided medical insurance for the retiring member only (single plan). The retired member will pay 17.5% percent of the cost of health care coverage at the fully mature working rate or monthly premium cost. After the retired member reaches the age of 65, the Town will be under no obligation to provide medical insurance coverage.

##### **Investments**

##### **Investment Policy**

The Town is responsible for directing and monitoring the investment and management of the Assets. Under The Plan document, the Town has the power to make such rules and regulations as may be necessary for the administration of The Plan and the Fund and the investment and reinvestment of the Assets. As such, the Town is authorized to delegate certain responsibilities to professional experts in various fields. These include Investment Managers, Custodians, and other specialists such as attorneys, auditors, actuaries, retirement plan consultants, and others to assist the Town in meeting its responsibilities and obligations to administer Plan assets prudently.

The investment Plan assets shall be diversified to minimize the risk of large losses, unless under the circumstances it is clearly prudent not to do so. Cash is to be employed productively at all times, by investment in short-term cash equivalents to provide safety, liquidity, and return.

##### **Rate of Return**

For the year ended June 30, 2022, the annual money-weighted rate of return on plan investments, net of plan investment expense, was (11.92)%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

# TOWN OF WESTERLY, RHODE ISLAND

## NOTES TO FINANCIAL STATEMENTS

### FOR THE FISCAL YEAR ENDED JUNE 30, 2022

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#### NOTE 11 - OTHER POSTEMPLOYMENT BENEFIT (OPEB) OBLIGATIONS (CONTINUED)

##### *POLICE OTHER POSTEMPLOYMENT BENEFIT PLAN (CONTINUED)*

The targeted investment allocation is as follows:

Asset Class	Target Allocation
Cash and equivalents	0 - 10%
Equities	35 - 75%
Fixed income	25 - 50%

##### **Total OPEB Liability**

The Town's total OPEB liability of \$11,711,067 was measured as of June 30, 2022, and was determined by an actuarial valuation as of July 1, 2021.

##### **Actuarial Assumptions**

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

- Actuarial Valuation Date:** July 1, 2021, with results actuarially projected on a "no gain / no loss" basis to get to the June 30, 2022, measurement date. Liabilities as of July 1, 2021, are based on an actuarial valuation date of July 1, 2021.
- Discount Rate:** 7.00%
- Payroll Growth:** 2.00% per year for general wage inflation plus merit/productivity increases ranging between 2.25% - 13.00% over 0-15 years of service.
- Inflation Rate:** 2.00% per year
- Cost Method:** Entry Age Normal Level % Salary
- Health Care Trend Rates:** 7.5% for 2022, decreasing by 0.5% per year to an ultimate rate of 4.5% for 2029 and later years.

**TOWN OF WESTERLY, RHODE ISLAND**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 11 - OTHER POSTEMPLOYMENT BENEFIT (OPEB) OBLIGATIONS (CONTINUED)**

***POLICE OTHER POSTEMPLOYMENT BENEFIT PLAN (CONTINUED)***

**Changes in Total OPEB Liability**

Changes in total OPEB liability for the year ended June 30, 2022 consisted of the following:

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balance at June 30, 2021	<u>\$ 18,063,949</u>	<u>\$ 7,785,220</u>	<u>\$ 10,278,729</u>
Changes for the year:			
Service Cost	180,480	--	180,480
Interest	1,244,036	--	1,244,036
Changes of benefit terms	--	--	--
Changes of assumptions	--	--	--
Differences between expected and actual experience	359,802	--	359,802
Contributions - employer	--	1,276,541	(1,276,541)
Net investment income	--	(867,388)	867,388
Benefit payments	(961,230)	(961,230)	--
Trust administrative expenses	--	(57,173)	57,173
Net Changes	<u>823,088</u>	<u>(609,250)</u>	<u>1,432,338</u>
Balance at June 30, 2022	<u>\$ 18,887,037</u>	<u>\$ 7,175,970</u>	<u>\$ 11,711,067</u>

**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 (6.0%) or 1-percentage-point higher (8.0%) than the current discount rate:

	1% Decrease (6.0%)	Current Discount Rate (7.0%)	1% Increase (8.0%)
Total OPEB liability	<u>\$ 13,839,049</u>	<u>\$ 11,711,067</u>	<u>\$ 9,931,259</u>

**TOWN OF WESTERLY, RHODE ISLAND**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 11 - OTHER POSTEMPLOYMENT BENEFIT (OPEB) OBLIGATIONS (CONTINUED)**

***POLICE OTHER POSTEMPLOYMENT BENEFIT PLAN (CONTINUED)***

**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 rates that are 1-percentage-point lower (6.5% decreasing to 3.0%) or 1-percentage-point higher (8.5% decreasing to 5.0%) than the current healthcare cost trend rates:

	1% Decrease (7.0% Decreasing to 3.5%)	Current Health Care Trend Rates (8.0% Decreasing to 4.5%)	1% Increase (9.0% Decreasing to 5.5%)
Total OPEB liability	\$ 9,816,813	\$ 11,711,067	\$ 13,969,304

**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 negative OPEB expense of \$1,276,541 in the Government-wide Statement of Activities. At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 332,825	\$ (1,696,081)
Changes in assumptions	133,404	(3,044,342)
Net difference between projected and actual earnings in OPEB plan investments	628,895	--
<b>Total</b>	<b>\$ 1,095,124</b>	<b>\$ (4,740,423)</b>

**TOWN OF WESTERLY, RHODE ISLAND**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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**NOTE 11 - OTHER POSTEMPLOYMENT BENEFIT (OPEB) OBLIGATIONS (CONTINUED)**

***POLICE OTHER POSTEMPLOYMENT BENEFIT PLAN (CONTINUED)***

**OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)**

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

<u>Year Ended June 30,</u>	
2023	\$ (2,464,829)
2024	(1,723,132)
2025	186,453
2026	<u>356,209</u>
	<u>\$ (3,645,299)</u>

**NOTE 12 - RISK MANAGEMENT**

***CONTINGENCIES***

Liabilities for legal cases and other claims against governmental funds are recorded in the governmental funds when the ultimate liability can be estimated and such cases are expected to be settled with available expendable financial resources. During the ordinary course of its operations, the Town is party to various claims, legal actions and complaints. In the opinion of the Town's management and legal counsel, these matters are not anticipated to have a material financial impact on the Town.

**TOWN OF WESTERLY, RHODE ISLAND**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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**NOTE 12 - RISK MANAGEMENT (CONTINUED)**

***HEALTH FUND***

The Town has chosen to establish a Health Fund for risks associated with the employees' health and dental insurance plans. This fund is accounted for as an Internal Service Fund where assets are set aside for claim settlements. The Town oversees the self-insured program. Plan administration is provided by Blue Cross/Blue Shield of Rhode Island and Delta Dental of Rhode Island.

A premium is charged to each fund that accounts for full or part-time employees. The total charge allocated to each of the funds is calculated using employee rates determined by the self-insurance administrator. The Town utilizes a "cost plus basis" plan under which the Town pays for the actual cost of covered health care services plus a fee to the provider for the administration of the program.

In order to avoid catastrophic losses, the Town purchases specific stop-loss re-insurance. Under the stop-loss, the Town is covered for medical claims over \$500,000 per person/per contract period.

Liabilities of the fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. The result of the process to estimate the claims liability is not an exact amount as it depends on many complex factors, such as inflation, changes in legal doctrines and damage awards. Accordingly, claims are re-evaluated periodically to consider the effects of inflation, recent claim settlement trends (including frequency and amount of pay-outs) and other economic and social factors. The estimate of the claims liability also includes amounts for incremental claim adjustment expenses related to specific claims and other claim adjustment expenses regardless of whether they are allocated to specific claims. Estimated recoveries, for example for salvage or subrogation, are another component of the claims liability estimate. Changes in the claims liability for the past two years are as follows:

Fiscal Year	Accrued Liability Beginning of Fiscal Year	Current Year Claims and Changes in Estimates	Accrued Liability Claim Payments	Accrued Liability End of Fiscal Year
2021-22	\$ 1,194,213	\$ 11,244,014	\$ 11,030,209	\$ 1,408,018
2020-21	\$ 436,689	\$ 10,665,702	\$ 9,908,178	\$ 1,194,213

# TOWN OF WESTERLY, RHODE ISLAND

## NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2022

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### NOTE 13 - ECONOMIC UNCERTAINTIES

The COVID-19 outbreak in the United States has caused business disruption through mandated and voluntary closings of businesses across the country for non-essential services. While the disruption is currently expected to be temporary, there is considerable uncertainty about the duration of the pandemic. The extent to which COVID-19 may impact the Town's financial condition or results of operations is uncertain.

### NOTE 14 - TAX ABATEMENTS

The Town of Westerly enters into tax abatement agreements with local businesses under its Economic Development Tax Incentive Program for Commercially Zoned Property. Under the Program, new businesses locating in commercially zoned property with the Town or existing businesses that are expanding may qualify for a tax incentive.

For the fiscal year ended June 30, 2022, the Town abated property taxes totaling \$3,862 under this program, including the following tax abatement agreements to new businesses locating in a commercially zoned property or existing businesses that are expanding:

Purpose	Percentage of taxes abated during the Fiscal Year	Amount of Taxes Abated during the Fiscal Year
Retain company in Westerly area	20%	\$ 3,862

A twenty-year property tax abatement to retain a company within the Town of Westerly. The abatement amounted to \$3,862.

### NOTE 15 - SUBSEQUENT EVENTS

Subsequent events have been evaluated through January 26, 2023, which is the date the financial statements were available for issuance. In the November 2022 election, the public approved a measure authorizing the Town to issue bonds not to exceed \$50 million for the purpose of school building construction and improvements. No other events have been identified requiring recognition or disclosure in the financial statements.

**REQUIRED SUPPLEMENTARY  
INFORMATION**

**TOWN OF WESTERLY, RHODE ISLAND**

RSI-1

**REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF REVENUES AND EXPENDITURES (NON-GAAP BUDGETARY BASIS)  
BUDGET AND ACTUAL - GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Original Budget	Revised Budget	Actual	Variance
<b>Revenues</b>				
General property taxes and payments in lieu of taxes	\$ 76,380,592	\$ 76,380,592	\$ 78,153,783	\$ 1,773,191
Intergovernmental and departmental	15,379,864	15,379,864	15,413,154	33,290
Licenses and permits	700,092	700,092	1,035,998	335,906
Fines and penalties	214,400	214,400	236,044	21,644
Use of property and money	552,000	552,000	588,803	36,803
Other revenue	<u>1,845,691</u>	<u>1,845,691</u>	<u>2,365,934</u>	<u>520,243</u>
<b>Total Revenues</b>	<u>95,072,639</u>	<u>95,072,639</u>	<u>97,793,716</u>	<u>2,721,077</u>
<b>Expenditures</b>				
Current:				
Legislative, judicial and general administrative	7,467,469	7,436,580	6,897,912	538,668
Public works	5,393,905	5,404,383	4,577,959	826,424
Public safety	8,522,649	8,540,860	8,639,827	(98,967)
Health and welfare	1,297,875	1,307,669	1,296,316	11,353
Conservation and development	29,500	29,500	2,395	27,105
Parks and recreation	751,839	752,501	549,364	203,137
Planning	1,123,110	1,124,649	920,318	204,331
Capital improvements/restricted programs	2,284,043	2,274,248	5,593,838	(3,319,590)
Debt services	<u>10,259,810</u>	<u>10,259,810</u>	<u>9,965,550</u>	<u>294,260</u>
<b>Total Expenditures</b>	<u>37,130,200</u>	<u>37,130,200</u>	<u>38,443,479</u>	<u>(1,313,279)</u>
<b>Excess of Revenues Over Expenditures Before Other Financing Sources</b>	<u>57,942,439</u>	<u>57,942,439</u>	<u>59,350,237</u>	<u>1,407,798</u>
<b>Other Financing Sources (Uses)</b>				
Transfers in	--	--	51,977	51,977
Transfers out - other	(804,472)	(804,472)	(1,074,472)	(270,000)
Transfers out - School unrestricted fund - appropriation	<u>(57,137,967)</u>	<u>(57,137,967)</u>	<u>(57,137,967)</u>	<u>--</u>
<b>Net Other Financing Sources</b>	<u>(57,942,439)</u>	<u>(57,942,439)</u>	<u>(58,160,462)</u>	<u>(218,023)</u>
<b>Excess of Revenues Over Expenditures and Other Financing Sources</b>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 1,189,775</u>	<u>\$ 1,189,775</u>

*See notes to required supplementary information.*

**TOWN OF WESTERLY, RHODE ISLAND**

RSI-2

**REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES (NON-GAAP BUDGETARY BASIS)  
BUDGET AND ACTUAL - GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Original Budgeted Revenues	Revised Budgeted Revenues	Actual Revenues	Variance
<b>Property Taxes</b>				
Current property taxes	\$ 71,344,723	\$ 71,344,723	\$ 72,552,124	\$ 1,207,401
Motor vehicle - excise tax	2,778,180	2,778,180	3,026,030	247,850
Personal property taxes	1,417,689	1,417,689	1,518,197	100,508
Prior year property taxes	475,000	475,000	626,822	151,822
Pilot - housing authority	15,000	15,000	10,160	(4,840)
Pro-ration	50,000	50,000	--	(50,000)
Tax interest, lien fees and other	300,000	300,000	420,450	120,450
<b>Total Property Taxes</b>	<u>76,380,592</u>	<u>76,380,592</u>	<u>78,153,783</u>	<u>1,773,191</u>
<b>Intergovernmental and Departmental</b>				
State motor vehicle - excise tax phase out	2,561,163	2,561,163	2,555,156	(6,007)
State grant-in-aid - general	2,307,870	2,307,870	2,493,914	186,044
State grant-in-aid - library	316,166	316,166	316,165	(1)
State grant-in-aid - school operation	8,078,504	8,078,504	8,078,504	--
State grant-in-aid - school housing aid	1,777,161	1,777,161	1,611,134	(166,027)
<b>Total Intergovernmental and Departmental</b>	<u>15,040,864</u>	<u>15,040,864</u>	<u>15,054,873</u>	<u>14,009</u>
Licenses and permits	700,092	700,092	1,035,998	335,906
Fines and penalties	214,400	214,400	236,044	21,644
Use of property and money	552,000	552,000	588,803	36,803
Other revenues	1,845,691	1,845,691	2,365,934	520,243
Recreation	339,000	339,000	358,281	19,281
<b>Total Revenues</b>	<u>95,072,639</u>	<u>95,072,639</u>	<u>97,793,716</u>	<u>2,721,077</u>
Transfers in	--	--	51,977	51,977
<b>Total Revenue and Other Financing Sources</b>	<u>\$ 95,072,639</u>	<u>\$ 95,072,639</u>	<u>\$ 97,845,693</u>	<u>\$ 2,773,054</u>

*See notes to required supplementary information.*

TOWN OF WESTERLY, RHODE ISLAND

RSI-3

REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES (NON-GAAP BUDGETARY BASIS)  
 BUDGET AND ACTUAL - GENERAL FUND  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Original Budgeted Expenditures	Revised Budgeted Expenditures	Actual Expenditures	Variance
<b>Legislative, Judicial and General Administrative</b>				
Legislative				
Town council	\$ 62,304	\$ 62,304	\$ 60,036	\$ 2,268
Finance board	2,000	2,000	534	1,466
Judicial				
Legal Services	432,724	432,724	428,118	4,606
Probate Court	101,511	101,511	109,838	(8,327)
Municipal Court	83,673	86,722	85,932	790
Administrative				
Board of canvassers	149,232	150,538	126,600	23,938
Town clerk	352,702	354,761	323,555	31,206
Town manager	360,761	298,834	193,719	105,115
Finance department	620,402	629,270	519,826	109,444
Assessment Administration	336,261	343,570	315,300	28,270
Management information systems	649,787	655,405	655,974	(569)
Human resources	261,341	261,341	184,952	76,389
Tax Collector	254,796	257,625	254,355	3,270
Insurance	428,473	428,473	445,495	(17,022)
Benefits				
Pension and OPEB	3,371,502	3,371,502	3,193,678	177,824
<b>Total Legislative, Judicial and General Administrative</b>	<u>7,467,469</u>	<u>7,436,580</u>	<u>6,897,912</u>	<u>538,668</u>
<b>Public Works</b>				
Town buildings	832,434	833,069	753,778	79,291
Public works administration	259,459	261,371	213,426	47,945
Tree warden	1,000	1,000	1,000	--
Highway and drainage	2,418,484	2,423,969	2,163,332	260,637
Snow and ice control	269,650	269,650	214,144	55,506
Utilities	714,950	714,950	596,888	118,062
Equipment maintenance	493,057	493,057	375,003	118,054
Engineering	404,871	407,317	260,388	146,929
<b>Total Public Works</b>	<u>5,393,905</u>	<u>5,404,383</u>	<u>4,577,959</u>	<u>826,424</u>
<b>Public Safety</b>				
Police department	7,887,098	7,895,463	8,011,268	(115,805)
Animal shelter	343,831	348,256	328,553	19,703
Technology	222,657	225,813	231,408	(5,595)
Harbor master	59,063	61,328	62,355	(1,027)
Emergency preparedness	10,000	10,000	6,243	3,757
<b>Total Public Safety</b>	<u>8,522,649</u>	<u>8,540,860</u>	<u>8,639,827</u>	<u>(98,967)</u>
<b>Health and Welfare</b>				
Subsidies	1,297,875	1,307,669	1,296,316	11,353
<b>Conservation and Development</b>				
Conservation commission	19,500	19,500	105	19,395
Municipal land trust	10,000	10,000	2,290	7,710
<b>Total Conservation and Development</b>	<u>29,500</u>	<u>29,500</u>	<u>2,395</u>	<u>27,105</u>

See notes to required supplementary information.

**TOWN OF WESTERLY, RHODE ISLAND**

RSI-3

**REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES (NON-GAAP BUDGETARY BASIS)  
BUDGET AND ACTUAL - GENERAL FUND (CONTINUED)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Original Budget Expenditures	Revised Budgeted Expenditures	Actual Expenditures	Variance
<b>Parks and Recreation</b>				
Recreation and leisure	746,639	747,301	548,453	198,848
Celebration of public events	<u>5,200</u>	<u>5,200</u>	<u>911</u>	<u>4,289</u>
<b>Total Parks and Recreation</b>	<u>751,839</u>	<u>752,501</u>	<u>549,364</u>	<u>203,137</u>
<b>Planning and Zoning</b>				
Planning and zoning/codes/grants	<u>1,123,110</u>	<u>1,124,649</u>	<u>920,318</u>	<u>204,331</u>
<b>Capital Improvements/Restricted Programs</b>				
Restricted programs	826,475	816,680	931,301	(114,621)
Capital improvements	<u>1,457,568</u>	<u>1,457,568</u>	<u>4,662,537</u>	<u>(3,204,969)</u>
<b>Total Capital Improvements/Restricted Programs</b>	<u>2,284,043</u>	<u>2,274,248</u>	<u>5,593,838</u>	<u>(3,319,590)</u>
<b>Debt Service</b>				
Town debt service	4,236,112	4,236,112	4,052,185	183,927
School debt service	<u>6,023,698</u>	<u>6,023,698</u>	<u>5,913,365</u>	<u>110,333</u>
<b>Total Debt Service</b>	<u>10,259,810</u>	<u>10,259,810</u>	<u>9,965,550</u>	<u>294,260</u>
<b>Education</b>	<u>57,137,967</u>	<u>57,137,967</u>	<u>57,137,967</u>	<u>--</u>
<b>Total Expenditures</b>	<u>94,268,167</u>	<u>94,268,167</u>	<u>95,581,446</u>	<u>(1,313,279)</u>
<b>Transfers to Other Funds</b>				
Transfers out	<u>804,472</u>	<u>804,472</u>	<u>1,074,472</u>	<u>(270,000)</u>
<b>Total Expenditures and Other Financing Uses</b>	<u>\$ 95,072,639</u>	<u>\$ 95,072,639</u>	<u>\$ 96,655,918</u>	<u>\$ (1,583,279)</u>

*See notes to required supplementary information.*

**TOWN OF WESTERLY, RHODE ISLAND**

RSI-4

**REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF REVENUE AND EXPENDITURES (NON-GAAP BUDGETARY BASIS)  
BUDGET AND ACTUAL - SCHOOL UNRESTRICTED FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Original Budget	Revised Budget	Actual	Variance
<b>Revenues</b>				
Local appropriation	\$ 49,059,463	\$ 49,059,463	\$ 49,059,463	\$ --
Tuition preschool	51,500	51,500	49,555	(1,945)
Tuition from other districts	16,516	16,516	39,422	22,906
Transportation revenue	5,000	5,000	2,232	(2,768)
Rental income	17,323	17,323	8,374	(8,949)
Miscellaneous	3,396	3,396	78,416	75,020
Fund Balance	--	--	74,208	74,208
Insurance proceeds	--	--	50,924	50,924
Unrestricted grant in aid	8,078,504	8,078,504	8,078,504	--
Medicaid reimbursement	1,158,803	1,158,803	940,942	(217,861)
<b>Total Revenues</b>	<u>58,390,505</u>	<u>58,390,505</u>	<u>58,382,040</u>	<u>(8,465)</u>
<b>Expenditures</b>				
Salaries & other compensation	33,036,395	32,917,205	32,539,990	377,215
Employee benefits	13,738,987	13,353,030	12,905,426	447,604
Purchased services	8,468,998	8,454,972	7,947,720	507,252
Supplies & materials	2,416,226	2,444,480	2,408,301	36,179
Equipment	635,797	1,129,127	1,061,502	67,625
Miscellaneous	94,102	91,691	102,688	(10,997)
<b>Total Expenditures</b>	<u>58,390,505</u>	<u>58,390,505</u>	<u>56,965,627</u>	<u>1,424,878</u>
<b>Excess of Expenditures Over Revenues</b>				
<b>Before Other Financing Sources</b>	<u>--</u>	<u>--</u>	<u>1,416,413</u>	<u>1,416,413</u>
<b>Other Financing Sources</b>				
Transfer in	--	--	274,091	274,091
Transfer out	--	--	(74,208)	(74,208)
<b>Total Other Financing Sources</b>	<u>--</u>	<u>--</u>	<u>199,883</u>	<u>199,883</u>
<b>Excess Revenues and Other Sources Over</b>				
<b>(Under) Expenditures and Other Sources</b>	<u>--</u>	<u>--</u>	<u>1,616,296</u>	<u>1,616,296</u>
<b>Excess Revenues and Other Sources Over</b>				
<b>(Under) Expenditure and Other Sources</b>				
<b>After Consent Order Transfer from</b>				
<b>General Fund for Deficit Reduction</b>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 1,616,296</u>	<u>\$ 1,616,296</u>

*See notes to required supplementary information.*

TOWN OF WESTERLY, RHODE ISLAND

RSI-5

REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF TOWN'S PROPORTIONATE SHARE OF NET PENSION LIABILITY  
 EMPLOYEES' RETIREMENT SYSTEM - TEACHERS  
 LAST EIGHT FISCAL YEARS

	2022	2021	2020	2019	2018	2017	2016	2015
Employer's proportion of the net pension liability	1.29729303%	1.29260947%	1.33240909%	1.37796227%	1.39327%	1.51113000%	1.53100236%	1.59668000%
Employer's proportionate share of the net pension liability	\$ 30,530,471	\$ 41,298,948	\$ 42,514,093	\$ 43,780,963	\$ 43,944,932	\$ 45,085,674	\$ 42,148,536	\$ 38,863,318
State's proportionate share of the net pension liability associated with the school district	<u>22,641,081</u>	<u>30,686,130</u>	<u>31,847,458</u>	<u>32,657,454</u>	<u>33,211,810</u>	<u>30,877,067</u>	<u>28,794,557</u>	<u>26,650,367</u>
Total	<u>\$ 53,171,552</u>	<u>\$ 71,985,078</u>	<u>\$ 74,361,551</u>	<u>\$ 76,438,417</u>	<u>\$ 77,156,742</u>	<u>\$ 75,962,741</u>	<u>\$ 70,943,093</u>	<u>\$ 65,513,685</u>
Employer's covered employee payroll	\$ 21,814,977	\$ 21,207,968	\$ 21,372,258	\$ 21,022,126	\$ 21,166,211	\$ 20,549,149	\$ 19,317,292	\$ 24,523,661
Employer's proportionate share of the net pension liability as a percentage of its covered employee payroll	139.95%	194.73%	198.92%	208.26%	207.62%	45.58%	45.83%	63.10%
Plan fiduciary net position as a percentage of the total pension liability	66.50%	54.30%	54.60%	54.30%	54.00%	61.40%	56.49%	61.40%

Notes:

1.) The amounts presented for each fiscal year were determined as of 6/30 measurement date prior to the fiscal year-end.

2.) Schedule is intended to show information for 10 years - additional years will be displayed as they become available.

See notes to required supplementary information.

TOWN OF WESTERLY, RHODE ISLAND

RSI-6

REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF TOWN CONTRIBUTIONS  
 EMPLOYEES' RETIREMENT SYSTEM - TEACHERS  
 LAST EIGHT FISCAL YEARS

	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially determined contribution	\$ 4,008,561	\$ 3,867,975	\$ 3,734,519	\$ 3,529,793	\$ 3,257,862	\$ 3,020,763	\$ 3,097,654	\$ 3,491,094
Contributions in relation to the actuarially determined contribution	<u>4,008,561</u>	<u>3,867,975</u>	<u>3,734,519</u>	<u>3,529,793</u>	<u>3,257,862</u>	<u>3,020,763</u>	<u>3,097,654</u>	<u>3,491,094</u>
Contribution deficiency (excess)	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
Covered-employee payroll	\$ 21,814,977	\$ 21,207,968	\$ 21,372,258	\$ 21,022,126	\$ 21,166,211	\$ 22,919,294	\$ 22,561,209	\$ 24,523,661
Contributions as a percentage of covered- employee payroll	18.38%	18.24%	17.47%	16.79%	15.39%	13.18%	13.73%	14.24%
Contributions as a percentage of covered- federal employee payroll	30.62%	30.53%	29.24%	28.76%	15.39%	21.44%	22.60%	22.60%

**Notes:**

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

2.) Schedule is intended to show information for 10 years - additional years will be displayed as they become available.

See notes to required supplementary information.

TOWN OF WESTERLY, RHODE ISLAND

RSI-7

REQUIRED SUPPLEMENTARY INFORMATION

MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM  
SCHEDULE OF CHANGES IN THE TOWN OF WESTERLY'S NET PENSION  
LIABILITY AND RELATED RATIOS  
LAST EIGHT FISCAL YEARS

	2022	2021	2020	2019	2018	2017	2016	2015
<b>Total Pension Liability</b>								
Service cost	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
Interest on the total pension liability	41,159	57,000	59,413	60,644	63,046	64,320	60,047	65,369
Changes of benefit terms	--	--	--	--	--	--	(108)	--
Difference between expected and actual experience of the total pension liability	129,171	(132,536)	26,325	54,835	34,782	64,388	140,725	--
Changes of assumptions	--	(22,230)	--	--	69,481	--	--	5,469
Benefit payments, including refunds of employee contributions	(145,313)	(111,759)	(128,647)	(137,474)	(145,691)	(145,691)	(141,691)	(141,905)
Net change in total pension liability	25,017	(209,525)	(42,909)	(21,995)	21,618	(16,983)	58,973	(71,067)
Total pension liability - beginning	660,647	870,172	913,081	935,076	913,458	930,441	871,468	942,535
Total pension liability - ending (a)	\$ 685,664	\$ 660,647	\$ 870,172	\$ 913,081	\$ 935,076	\$ 913,458	\$ 930,441	\$ 871,468
<b>Plan Fiduciary Net Position</b>								
Contributions - employer	\$ 181,261	\$ 181,261	\$ 181,261	\$ --	\$ 362,522	\$ 181,400	\$ 181,261	\$ 183,142
Contributions - employee	--	--	--	--	--	--	--	--
Net investment income	191,974	24,110	35,167	35,934	61,832	2,011	6,300	29,732
Benefit payments, including refunds of employee contributions	(145,313)	(111,759)	(128,647)	(137,474)	(145,691)	(145,691)	(141,691)	(141,905)
Pension plan administrative expense	(731)	(664)	(549)	(478)	(584)	(2,400)	(254)	(186)
Other	--	--	--	--	(2)	--	--	--
Net change in plan fiduciary net position	227,191	92,948	87,232	(102,018)	278,077	35,320	45,616	70,783
Plan fiduciary net position - beginning	660,404	567,456	480,224	582,242	304,165	268,845	223,229	152,446
Plan fiduciary net position - ending (b)	\$ 887,595	\$ 660,404	\$ 567,456	\$ 480,224	\$ 582,242	\$ 304,165	\$ 268,845	\$ 223,229
<b>Net Pension Liability - Ending (a) - (b)</b>	\$ (201,931)	\$ 243	\$ 302,716	\$ 432,857	\$ 352,834	\$ 609,293	\$ 661,596	\$ 648,239
<b>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b>	129.45%	99.96%	65.21%	52.59%	62.27%	33.30%	28.89%	25.62%

Schedule is intended to show information for 10 years - additional years will be displayed as they become available.

Changes in assumptions - in 2015, amounts reported as changes in assumptions resulted primarily from a change in the salary increases from 4.00% - 14.25% to 3.5% - 14.00%

See notes to required supplementary information.

TOWN OF WESTERLY, RHODE ISLAND

RSI-8

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF TOWN'S CONTRIBUTIONS  
MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM AGENT PLAN  
LAST EIGHT FISCAL YEARS

	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially determined contribution	\$ 181,261	\$ 181,261	\$ 181,261	\$ --	\$ 362,522	\$ 181,400	\$ 182,261	\$ 183,142
Contributions in relation to the actuarially determined contribution	<u>181,261</u>	<u>181,261</u>	<u>181,261</u>	<u>--</u>	<u>362,522</u>	<u>181,400</u>	<u>182,261</u>	<u>183,142</u>
Contribution deficiency (excess)	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>

**Notes:**

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

2.) Schedule is intended to show information for 10 years - additional years will be displayed as they become available.

See notes to required supplementary information.

TOWN OF WESTERLY, RHODE ISLAND

RSI-9

REQUIRED SUPPLEMENTARY INFORMATION

TOWN OF WESTERLY, RHODE ISLAND  
SCHEDULE OF CHANGES IN THE TOWN OF WESTERLY'S POLICE PENSION  
LIABILITY AND RELATED RATIOS  
LAST EIGHT FISCAL YEARS

	2022	2021	2020	2019	2018	2017	2016	2015
<b>Total Pension Liability</b>								
Service cost	\$ 1,142,852	\$ 989,653	\$ 925,576	\$ 957,819	\$ 904,511	\$ 974,655	\$ 917,082	\$ 851,843
Interest on the total pension liability	4,005,000	3,872,716	3,607,501	3,475,720	3,375,546	3,320,232	3,224,788	3,036,062
Changes of benefit terms	--	--	--	--	--	--	--	--
Difference between expected and actual experience of the total pension liability	(149,436)	--	1,294,831	--	(355,566)	(978,160)	47,387	(499,006)
Changes of assumptions	69,971	(322,423)	404,679	(107,909)	1,399,336	1,264,408	(835,428)	991,037
Benefit payments, including refunds of employee contributions	(3,040,904)	(2,565,862)	(2,449,903)	#####	(2,194,835)	(2,248,159)	(2,029,473)	(1,795,715)
Interest on benefit payments	--	--	--	--	--	--	--	--
Net change in total pension liability	2,027,483	1,974,084	3,782,684	1,953,955	3,128,992	2,332,976	1,324,356	2,584,221
Total pension liability – beginning	57,591,879	55,617,795	51,835,111	49,881,156	46,752,164	44,419,188	43,094,832	40,510,611
Total pension liability – ending (a)	\$ 59,619,362	\$ 57,591,879	\$ 55,617,795	\$ 51,835,111	\$ 49,881,156	\$ 46,752,164	\$ 44,419,188	\$ 43,094,832
<b>Plan Fiduciary Net Position</b>								
Contributions – employer	\$ 1,891,700	\$ 1,786,470	\$ 1,759,248	\$ 1,795,200	\$ 1,850,000	\$ 1,720,000	\$ 1,713,800	\$ 1,716,400
Contributions – employee	479,675	504,550	465,602	473,884	447,302	388,426	382,932	384,672
Net investment income	(6,989,098)	10,864,997	1,634,808	2,781,295	2,863,907	3,482,244	129,896	1,255,952
Benefit payments, including refunds of employee contributions	(3,040,904)	(2,565,862)	(2,449,903)	(2,371,675)	(2,194,835)	(2,248,159)	(2,029,473)	(1,795,715)
Other	2,555	259	--	--	--	--	--	--
Net change in plan fiduciary net position	(7,656,072)	10,590,414	1,409,755	2,678,704	2,966,374	3,342,511	197,155	1,561,309
Plan fiduciary net position – beginning	50,247,208	39,656,794	38,247,039	35,568,335	32,601,961	29,259,450	29,062,295	27,500,986
Plan fiduciary net position – ending (b)	\$ 42,591,136	\$ 50,247,208	\$ 39,656,794	\$ 38,247,039	\$ 35,568,335	\$ 32,601,961	\$ 29,259,450	\$ 29,062,295
Net pension liability - ending (a) - (b)	\$ 17,028,226	\$ 7,344,671	\$ 15,961,001	\$ 13,588,072	\$ 14,312,821	\$ 14,150,203	\$ 15,159,738	\$ 14,032,537
<b>Plan Fiduciary Net Position as a Percentage of the Total Pension Liabi</b>	71.44%	87.25%	71.30%	73.79%	71.31%	69.73%	65.87%	67.44%
<b>Covered Employee Payroll</b>	\$ 4,448,415	\$ 3,975,573	\$ 3,768,316	\$ 3,866,804	\$ 3,665,217	\$ 4,077,370	\$ 4,077,370	\$ 3,802,837
<b>Net Pension Liability as a Percentage of Covered-Employee Payroll</b>	382.79%	184.74%	423.56%	351.40%	390.50%	347.04%	371.80%	369.00%

Schedule is intended to show information for 10 years - additional years will be displayed as they become available.

See notes to required supplementary information.

TOWN OF WESTERLY, RHODE ISLAND

RSI-10

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF TOWN'S CONTRIBUTIONS-POLICE PENSION  
TOWN OF WESTERLY, RHODE ISLAND  
LAST TEN FISCAL YEARS

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Actuarially determined contribution	\$ 1,891,700	\$ 1,786,470	\$ 1,759,248	\$ 1,636,400	\$ 1,610,200	\$ 1,667,700	\$ 1,713,800	\$ 1,716,400	\$ 1,816,000	\$ 1,272,700
Contributions in relation to the actuarially determined contribution	<u>1,891,700</u>	<u>1,786,470</u>	<u>1,759,248</u>	<u>1,795,200</u>	<u>1,850,000</u>	<u>1,720,000</u>	<u>1,713,800</u>	<u>1,716,400</u>	<u>1,816,000</u>	<u>1,586,044</u>
Contribution deficiency (excess)	\$ <u>    --</u>	\$ <u>    --</u>	\$ <u>(158,800)</u>	\$ <u>(239,800)</u>	\$ <u>(52,300)</u>	\$ <u>    --</u>	\$ <u>    --</u>	\$ <u>    --</u>	\$ <u>(313,344)</u>	\$ <u>(313,344)</u>
Covered-employee payroll	\$ 4,448,415	\$ 3,975,573	\$ 3,768,316	\$ 3,866,804	\$ 3,665,217	\$ 4,077,370	\$ 4,077,370	\$ 3,802,837	\$ 3,497,794	\$ 3,039,511
Contributions as a percentage of covered-employee payroll	42.53%	44.94%	46.69%	46.43%	50.47%	42.18%	42.03%	45.13%	51.92%	52.18%

**Notes:**

1.) Schedule is intended to show information for 10 years - additional years will be displayed as they become available.

**Notes to Schedule**

Valuation date: July 1, 2021  
Measurement date: June 30, 2022

Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age method
Amortization method	Closed 30-year level dollar amortization of the Unfunded Actuarial Accrued Liability
Asset valuation method	Fair market value of assets on the measurement date adjusted for a five year phase in of gains and losses of plan assets at 20% per year
Inflation	2%
Salary increases	4% to 15%
Investment rate of return	7.00%, net of pension plan investment expenses
Retirement age	Various based on service years, with separate scales for hires before and after July 1, 2010
Mortality	PubS-2010 Public Safety Mortality Table with generational improvements from 2010 using scale MP-19.

See notes to required supplementary information.

TOWN OF WESTERLY, RHODE ISLAND

RSI-11

REQUIRED SUPPLEMENTARY INFORMATION

WESTERLY RETIREMENT SYSTEM - POLICE PENSION  
SCHEDULE OF INVESTMENT RETURNS  
LAST NINE FISCAL YEARS

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Annual money-weighted rate of return, net of investment expenses	-14.24%	27.56%	3.65%	7.92%	7.49%	11.26%	0.45%	4.46%	12.20%

1.) Schedule is intended to show information for 10 years - additional years will be displayed as they become available.

See notes to required supplementary information.

TOWN OF WESTERLY, RHODE ISLAND

RSI-12

REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF CHANGES IN THE TOWN'S PROPORTIONATE SHARE OF NET PENSION LIABILITY  
 TEACHERS' SURVIVORS BENEFIT PLAN  
 LAST EIGHT FISCAL YEARS

	2022	2021	2020	2019	2018	2017	2016	2015
Town's portion of the net pension asset	4.66962827%	4.48687935%	4.59546894%	4.74506999%	4.79335383%	4.90954266%	5.13115531%	5.15362918%
Town's proportionate share of the net pension asset	\$ 9,138,145	\$ 5,328,778	\$ 5,213,368	\$ 4,233,992	\$ 3,965,369	\$ 4,888,524	\$ 4,790,221	\$ 6,407,029
Town's covered employee payroll	\$ 24,670,999	\$ 24,590,735	\$ 24,460,018	\$ 24,795,819	\$ 24,882,810	\$ 24,036,620	\$ 23,007,389	\$ 24,523,661
Town's proportionate share of the net pension liability as a percentage of its covered employee payroll	37.04%	21.67%	21.31%	17.08%	15.94%	20.34%	20.82%	26.13%
Plan fiduciary net position as a percentage of the total pension liability	185.70%	153.10%	150.20%	137.40%	136.10%	153.30%	146.60%	173.30%

Schedule is intended to show information for 10 years - additional years will be displayed as they become available

See notes to required supplementary information.

TOWN OF WESTERLY, RHODE ISLAND

RSI-13

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF TOWN'S CONTRIBUTIONS  
TEACHERS' SURVIVORS BENEFIT PLAN  
LAST EIGHT FISCAL YEARS

	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially determined contribution	\$ 34,377	\$ 33,461	\$ 33,672	\$ 34,276	\$ 35,305	\$ 29,664	\$ 30,144	\$ 30,983
Contributions in relation to the actuarially determined contribution	<u>34,377</u>	<u>33,461</u>	<u>33,672</u>	<u>34,276</u>	<u>35,305</u>	<u>29,664</u>	<u>30,144</u>	<u>30,983</u>
Contribution deficiency (excess)	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
Covered-employee payroll	\$ 24,670,999	\$ 24,590,735	\$ 24,460,018	\$ 24,795,819	\$ 24,882,810	\$ 24,036,620	\$ 23,007,389	\$ 24,523,661
Contributions as a percentage of covered-employee payroll	0.14%	0.14%	0.14%	0.14%	0.14%	0.12%	0.13%	0.13%

Notes:

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

2.) Schedule is intended to show information for 10 years - additional years will be displayed as they become available.

See notes to required supplementary information.

TOWN OF WESTERLY, RHODE ISLAND

RSI-14

REQUIRED SUPPLEMENTARY INFORMATION

TOWN OF WESTERLY, RHODE ISLAND  
SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS  
LAST SIX FISCAL YEARS

	2022	2021	2020	2019	2018	2017
<b>Total OPEB Liability:</b>						
Service cost	\$ 180,480	\$ 167,514	\$ 166,945	\$ 298,837	\$ 341,151	\$ 1,254,229
Interest	1,244,036	1,292,683	1,238,966	1,100,334	1,106,276	1,331,128
Changes in benefit terms	--	--	--	--	--	(11,013,747)
Differences between expected and actual experience	359,802	(1,527,984)	179,938	(1,605,924)	(2,380,680)	(5,228,968)
Changes of assumptions	--	266,810	--	(8,040,490)	(2,185,085)	383,434
Benefit payments	(961,230)	(854,489)	(784,748)	(738,632)	(725,982)	(691,914)
Net change in total OPEB liability	823,088	(655,466)	801,101	(8,985,875)	(3,844,320)	(13,965,838)
Total OPEB Liability-beginning	18,063,949	18,719,415	17,918,314	26,904,189	30,748,509	44,714,347
Total OPEB Liability-ending	18,887,037	18,063,949	18,719,415	17,918,314	26,904,189	30,748,509
Plan fiduciary net position:						
Contributions-employer	1,276,541	1,258,061	1,252,893	1,535,800	1,912,794	400,000
Net investment income (loss)	(867,388)	1,290,874	325,129	448,087	239,784	271,666
Benefit payments	(961,230)	(854,489)	(784,748)	(738,632)	(725,982)	(691,914)
Administrative expense	(57,173)	(51,872)	(49,940)	(35,575)	(37,013)	(22,640)
Net change in plan fiduciary net position	(609,250)	1,642,574	743,334	1,209,680	1,389,583	(42,888)
Plan fiduciary net position-beginning	7,785,220	6,142,646	5,399,312	4,189,632	2,800,049	2,842,937
Plan fiduciary net position-ending	7,175,970	7,785,220	6,142,646	5,399,312	4,189,632	2,800,049
Net OPEB Liability	\$ 11,711,067	\$ 10,278,729	\$ 12,576,769	\$ 12,519,002	\$ 22,714,557	\$ 27,948,460
Plan fiduciary net position as a percentage of the total OPEB liability	37.99%	43.10%	32.81%	30.13%	15.57%	9.11%
Covered-employee payroll	\$ 3,990,113	\$ 3,911,875	\$ 3,603,494	\$ 3,463,796	\$ 3,778,768	\$ 3,668,707
Net OPEB liability as a percentage of covered-employee payroll	293.50%	262.76%	349.02%	361.42%	601.11%	761.81%

Schedule is intended to show information for 10 years - additional years will be displayed as they become available.

See notes to required supplementary information.

TOWN OF WESTERLY, RHODE ISLAND

RSI-15

REQUIRED SUPPLEMENTARY INFORMATION

WESTERLY RETIREMENT SYSTEM - OTHER POSTEMPLOYMENT BENEFITS  
 SCHEDULE OF TOWN OF WESTERLY'S CONTRIBUTIONS  
 LAST TEN FISCAL YEARS

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Actuarially determined contribution	\$ 1,104,980	\$ 1,275,774	\$ 1,252,893	\$ 1,365,184	\$ 1,501,065	\$ 1,912,794	\$ 2,784,810	\$ 936,800	\$ 966,300	\$ 922,800
Contributions in relation to the actuarially determined contribution	<u>1,276,541</u>	<u>1,258,061</u>	<u>1,252,893</u>	<u>1,535,800</u>	<u>1,912,794</u>	<u>400,000</u>	<u>386,000</u>	<u>429,600</u>	<u>429,600</u>	<u>467,920</u>
Contribution deficiency (excess)	<u>\$ (171,561)</u>	<u>\$ 17,713</u>	<u>\$ --</u>	<u>\$ (170,616)</u>	<u>\$ (411,729)</u>	<u>\$ 1,512,794</u>	<u>\$ 2,398,810</u>	<u>\$ 507,200</u>	<u>\$ 536,700</u>	<u>\$ 454,880</u>
Percentage contributed	116%	99%	100%	112%	127%	21%	14%	46%	44%	51%
Employee covered payroll	\$ 3,990,113	\$ 3,911,875	\$ 3,603,494	\$ 3,463,796	\$ 3,778,768	\$ 3,668,707	\$ 3,406,417	\$ 3,307,201	\$ 3,384,654	\$ 3,039,511
Contribution as a % of covered payroll	32.0%	32.2%	34.8%	44.3%	50.6%	10.9%	11.3%	13.0%	12.7%	15.4%

See notes to required supplementary information.

TOWN OF WESTERLY, RHODE ISLAND

RSI-16

REQUIRED SUPPLEMENTARY INFORMATION

WESTERLY OTHER POST EMPLOYMENT BENEFITS PLAN  
SCHEDULE OF INVESTMENT RETURNS  
LAST SIX FISCAL YEARS

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	2022	2021	2020	2019	2018	2017
Annual money-weighted rate of return, net of investment expenses	-11.92%	19.53%	5.48%	6.94%	4.75%	9.63%

1.) Schedule is intended to show information for 10 years - additional years will be displayed as they become available.

See notes to required supplementary information.

# TOWN OF WESTERLY, RHODE ISLAND

RSI-17

## NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

### FOR THE FISCAL YEAR ENDED JUNE 30, 2022

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Budget preparation and budgetary basis of accounting:

In accordance with the Town's charter, the Town has formally established budgetary accounting control for its General Fund. It is the responsibility of the Town Manager to submit a proposed General Fund budget to the Town Council and the Board of Finance. The General Fund budget includes the Municipal budget and the School budget. The proposed School budget is approved by the School Committee and presented to the Town Manager. The Board of Finance has the power to recommend revisions to any School budget item and must conduct one public hearing after a tentative School budget is formed. The Board of Finance must also review the proposed municipal budget and make revisions as appropriate and hold one public hearing on the Municipal budget. The Town Council may then revise and adopt a recommended General Fund budget including changes to the School appropriation. At least two public hearings are conducted on the recommended General Fund budget and the final recommended budget is legally enacted through an ordinance by the Town Council prior to the start of the fiscal year.

Budgets are adopted on a basis consistent with generally accepted accounting principles for the General Fund and the School Unrestricted Fund. The Capital Projects Fund is appropriated on a project-length basis. Other special revenue funds and the permanent funds do not have appropriated budgets since other means control the use of these resources (e.g., grant awards and endowment requirements) and sometimes span a period of more than one fiscal year.

At any time during the fiscal year, the Town Manager may transfer part or all of any unencumbered appropriation balance among programs within a department, office or agency and, upon written request by the Town Manager, the Council may by ordinance transfer part or all of any unencumbered appropriation balance from one department, office or agency to another.

The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the department level.

Every appropriation, except an appropriation for a capital expenditure or the appropriation for support of public schools, shall lapse at the close of the fiscal year to the extent that it has not been expended or encumbered. An appropriation for a capital expenditure shall continue in force until the purpose for which it was made has been accomplished or abandoned; the purpose of any such appropriation shall be deemed abandoned if three years pass without any disbursement from or encumbrance of the appropriation.

**TOWN OF WESTERLY, RHODE ISLAND**

**RSI-17**

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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*(a) Budgetary to GAAP Basis Reconciliation*

The following reconciliation summarizes the difference for the Town’s General Fund between budgetary and GAAP basis accounting principles for the fiscal year ended June 30, 2022:

Total Revenues and Other Financing Sources	\$	97,845,693
Budgetary revenues are different than GAAP revenues because of the following reconciling items:		
Capital Lease Issue		1,753,194
Revenues for funds not reported as budgetary revenues, but included for financial reporting purposes:		
Self Insurance Fund revenues		110
Revaluation Fund revenues		8
Miscellaneous Donation Fund revenues		60,237
Athletic Fund revenues		12,117
School Unrestricted Fund revenues		1,169,865
School Unrestricted Fund transfers in		4,091
State of Rhode Island on behalf of the Town payments to the Employee Retirement System		2,670,323
Total Revenues and Other Financing Sources as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds - <i>Exhibit IV</i>		\$ 103,515,638
Total Expenditures and Other Financing Uses	\$	96,655,918
Budgetary expenditures are different than GAAP expenditures because of the following reconciling items:		
Town change in encumbrances		(12,169)
School change in encumbrances		(58,966)
Equipment purchased through capital lease		1,753,194
Expenditures for funds not reported as budgetary expenditures, but are included in GAAP expenditures:		
Miscellaneous Donation Fund expenditures		30,242
School Unrestricted Fund expenditures		56,965,627
School Unrestricted Fund transfers out		74,208
State of Rhode Island on behalf of the Town payments to the Employee Retirement System		2,670,323
Town General Fund appropriation to School General Fund		(49,059,463)
Town General Fund transfer out of LEA Aid to School General Fund		(8,078,504)
Town General Fund transfer out to School General Fund		(270,000)
Total Expenditures and Other Financing Uses as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds - <i>Exhibit IV</i>		\$ 100,670,410

**TOWN OF WESTERLY, RHODE ISLAND**

**RSI-17**

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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Budget compliance:

Appropriations in addition to those contained in the annual operating budget require Town Council approval. Amendments to the operating budget that do not result in additional appropriations may be made within departments by means of transfer. Transfers made within and outside the departmental level require Town Council approval. The level at which the General Fund and School Unrestricted Fund budgeted expenditures may not legally exceed appropriations is at the department level. Unexpended appropriations lapse at fiscal year-end, but unexpended capital and special appropriation have historically been carried forward.

## **OTHER SUPPLEMENTARY INFORMATION**

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

<u>REVENUE</u>	<u>Municipal</u>	<u>Education Department</u>
Current Year Levy Tax Collection	\$ 77,091,309	\$ -
Last Year's Levy Tax Collection	495,334	-
Prior Years Property Tax Collection	136,530	-
Interest & Penalty	412,099	-
PILOT & Tax Treaty (excluded from levy) Collection	10,160	-
Other Local Property Taxes	101,332	-
Licenses and Permits	1,664,471	-
Fines and Forfeitures	268,378	-
Investment Income	289,133	-
Departmental	874,581	-
Rescue Run Revenue	-	-
Police & Fire Detail	492,733	-
Other Local Non-Property Tax Revenues	28,749	-
Tuition	-	88,977
Impact Aid	-	-
Medicaid	-	940,942
Federal Stabilization Funds	-	-
Federal Food Service Reimbursement	-	1,085,539
CDBG	17,792	-
COPS Grants	10,631	-
SAFER Grants	-	-
Other Federal Aid Funds	-	2,037,274
COVID - ESSER	-	734,573
COVID - CRF	-	-
COVID - CDBG	-	-
COVID - FEMA	44,477	-
COVID - Other	2,063	-
COVID - ARPA	336,108	-
MV Excise Tax Reimbursement	220,009	-
State PILOT Program	-	-
Distressed Community Relief Fund	-	-
Library Resource Aid	316,165	-
Library Construction Aid	-	-
Public Service Corporation Tax	-	-
Meals & Beverage Tax / Hotel Tax	2,206,686	-
LEA Aid	-	8,080,496
Group Home	-	-
Housing Aid Capital Projects	-	444,831
Housing Aid Bonded Debt	1,611,134	-
State Food Service Revenue	-	87,968
Incentive Aid	-	-
Property Revaluation Reimbursement	-	-
Other State Revenue	310,069	605,778
Motor Vehicle Phase Out	2,335,147	-
Other Revenue	916,553	500,162
Local Appropriation for Education	-	49,059,463
Regional Appropriation for Education	-	-
Supplemental Appropriation for Education	-	-
Regional Supplemental Appropriation for Education	-	-
Other Education Appropriation	-	-
Rounding	-	-
<b>Total Revenue</b>	<u><u>\$ 90,191,642</u></u>	<u><u>\$ 63,666,003</u></u>
Financing Sources: Transfer from Capital Funds	\$ -	\$ -
Financing Sources: Transfer from Other Funds	-	270,000
Financing Sources: Debt Proceeds	51,996	-
Financing Sources: Other	9,480,033	-
Rounding	-	-
<b>Total Other Financing Sources</b>	<u><u>\$ 9,532,029</u></u>	<u><u>\$ 270,000</u></u>

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

EXPENDITURES	General		Social	Centralized	Planning	Libraries	Public	Parks and	Police
	Government	Finance	Services	IT			Works	Rec	Department
Compensation- Group A	\$ 678,533	\$ 739,598	\$ -	\$ 300,190	\$ 614,924	\$ -	\$ 1,858,437	\$ 339,488	\$ 4,906,532
Compensation - Group B	-	-	-	-	-	-	-	-	557,551
Compensation - Group C	-	-	-	-	-	-	-	-	-
Compensation -Volunteer	-	-	-	-	-	-	-	-	-
Overtime- Group A	4,163	2,578	-	5,601	173	-	156,816	4,174	600,595
Overtime - Group B	-	-	-	-	-	-	-	-	20,768
Overtime - Group C	-	-	-	-	-	-	-	-	-
Police & Fire Detail	-	-	-	-	-	-	-	-	326,433
Active Medical Insurance - Group A	92,936	126,258	-	49,792	106,397	-	436,521	21,149	758,835
Active Medical Insurance- Group B	-	-	-	-	-	-	-	-	79,325
Active Medical Insurance- Group C	-	-	-	-	-	-	-	-	-
Active Dental insurance- Group A	5,586	5,875	-	2,348	5,210	-	23,408	1,221	36,376
Active Dental Insurance- Group B	-	-	-	-	-	-	-	-	6,764
Active Dental Insurance- Group C	-	-	-	-	-	-	-	-	-
Payroll Taxes	41,365	72,181	-	22,351	44,370	-	147,573	26,182	160,404
Life Insurance	26,640	2,093	-	702	1,686	-	3,959	283	6,250
State Defined Contribution- Group A	-	-	-	-	-	-	-	-	-
State Defined Contribution - Group B	-	-	-	-	-	-	-	-	-
State Defined Contribution - Group C	-	-	-	-	-	-	-	-	-
Other Benefits- Group A	10,323	1,901	-	585	1,391	-	2,085	229	43,664
Other Benefits- Group B	-	-	-	-	-	-	-	-	-
Other Benefits- Group C	-	-	-	-	-	-	-	-	-
Local Defined Benefit Pension- Group A	11,721	-	-	-	-	-	-	-	1,891,700
Local Defined Benefit Pension - Group B	-	-	-	-	-	-	-	-	-
Local Defined Benefit Pension - Group C	-	-	-	-	-	-	-	-	-
State Defined Benefit Pension- Group A	10,378	8,716	-	-	4,564	-	112,718	-	-
State Defined Benefit Pension - Group B	-	-	-	-	-	-	-	-	38,416
State Defined Benefit Pension - Group C	-	-	-	-	-	-	-	-	-
Other Defined Benefit / Contribution	28,891	63,556	-	25,621	53,140	-	46,696	8,689	59,556
Purchased Services	395,549	131,980	-	142,770	250,014	-	423,082	39,427	14,596
Materials/Supplies	31,184	24,563	16,696	108,065	5,290	-	177,398	40,586	129,425
Software Licenses	79,661	82,967	-	65,609	-	-	-	-	-
Capital Outlays	3,129,876	-	-	72,681	-	-	1,332,106	-	432,786
Insurance	444,246	-	-	-	-	-	-	-	-
Maintenance	111,118	-	2,625	-	-	-	134,650	32,301	-
Vehicle Operations	-	-	-	-	-	-	383,296	26,813	237,870
Utilities	54,713	-	34,852	24,941	-	-	123,066	93,101	104,984
Contingency	-	-	-	-	-	-	-	-	-
Street Lighting	-	-	-	-	-	-	162,230	-	-
Revaluation	-	-	-	-	-	-	-	-	-
Snow Removal-Raw Material & External Contracts	-	-	-	-	-	-	-	-	-
Trash Removal & Recycling	-	-	-	-	-	-	-	-	-
Claims & Settlements	70,122	-	-	-	-	-	-	-	-
Community Support	391,018	-	-	-	-	-	-	-	-
Other Operation Expenditures	139,147	73,156	266,778	8,217	254,181	731,165	43,359	7,565	101,888
Tipping Fees	-	-	-	-	-	-	-	-	-
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	-	-	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>\$ 5,757,171</b>	<b>\$ 1,335,422</b>	<b>\$ 320,951</b>	<b>\$ 829,472</b>	<b>\$ 1,341,337</b>	<b>\$ 731,165</b>	<b>\$ 5,567,399</b>	<b>\$ 641,208</b>	<b>\$ 10,514,717</b>

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

EXPENDITURES	Fire Department	Centralized Dispatch	Public Safety Other	Education Appropriation	Debt	OPEB	Total Municipal	Education Department
Compensation- Group A	\$ -	\$ -	\$ 208,713	\$ -	\$ -	\$ -	\$ 9,646,415	\$ 23,391,941
Compensation - Group B	-	-	-	-	-	-	557,551	3,051,663
Compensation - Group C	-	-	-	-	-	-	-	7,533,026
Compensation -Volunteer	-	-	-	-	-	-	-	-
Overtime- Group A	-	-	7,395	-	-	-	781,494	-
Overtime - Group B	-	-	113	-	-	-	20,881	-
Overtime - Group C	-	-	-	-	-	-	-	150,955
Police & Fire Detail	-	-	-	-	-	-	326,433	-
Active Medical Insurance - Group A	-	-	12,886	-	-	-	1,604,774	3,881,310
Active Medical Insurance- Group B	-	-	-	-	-	-	79,325	364,231
Active Medical Insurance- Group C	-	-	-	-	-	-	-	2,127,169
Active Dental insurance- Group A	-	-	355	-	-	-	80,379	204,037
Active Dental Insurance- Group B	-	-	-	-	-	-	6,764	19,205
Active Dental Insurance- Group C	-	-	-	-	-	-	-	90,320
Payroll Taxes	-	-	16,761	-	-	-	531,186	1,075,529
Life Insurance	-	-	416	-	-	-	42,029	230,495
State Defined Contribution- Group A	-	-	-	-	-	-	-	547,968
State Defined Contribution - Group B	-	-	-	-	-	-	-	49,326
State Defined Contribution - Group C	-	-	-	-	-	-	-	-
Other Benefits- Group A	-	-	863	-	-	-	61,041	136,657
Other Benefits- Group B	-	-	-	-	-	-	-	26,287
Other Benefits- Group C	-	-	-	-	-	-	-	44,029
Local Defined Benefit Pension- Group A	-	-	-	-	-	-	1,903,421	7,336
Local Defined Benefit Pension - Group B	-	-	-	-	-	-	-	33,905
Local Defined Benefit Pension - Group C	-	-	-	-	-	-	-	42,857
State Defined Benefit Pension- Group A	-	-	8,860	-	-	-	145,236	3,414,392
State Defined Benefit Pension - Group B	-	-	-	-	-	-	38,416	405,536
State Defined Benefit Pension - Group C	-	-	-	-	-	-	-	-
Other Defined Benefit / Contribution	-	-	3,748	-	-	-	289,896	836,244
Purchased Services	-	-	42,122	-	-	-	1,439,540	8,014,347
Materials/Supplies	-	-	74,554	-	-	-	607,760	1,524,985
Software Licenses	-	-	-	-	-	-	228,237	408,820
Capital Outlays	-	-	-	-	-	-	4,967,448	672,975
Insurance	-	-	-	-	-	-	444,246	383,735
Maintenance	-	-	8,250	-	-	-	288,944	818,024
Vehicle Operations	-	-	-	-	-	-	647,979	325,556
Utilities	-	-	46,745	-	-	-	482,401	1,129,874
Contingency	-	-	-	-	-	-	-	-
Street Lighting	-	-	-	-	-	-	162,230	-
Revaluation	-	-	-	-	-	-	-	-
Snow Removal-Raw Material & External Contracts	-	-	-	-	-	-	-	-
Trash Removal & Recycling	-	-	-	-	-	-	-	-
Claims & Settlements	-	-	-	-	-	-	70,122	52,525
Community Support	-	-	-	-	-	-	391,018	-
Other Operation Expenditures	-	-	21,781	-	-	-	1,647,237	399,867
Tipping Fees	-	-	-	-	-	-	-	-
Local Appropriation for Education	-	-	-	49,059,463	-	-	49,059,463	-
Regional Appropriation for Education	-	-	-	-	-	-	-	-
Supplemental Appropriation for Education	-	-	-	-	-	-	-	-
Regional Supplemental Appropriation for Education	-	-	-	-	-	-	-	-
Other Education Appropriation	-	-	-	-	-	-	-	-
Municipal Debt- Principal	-	-	-	-	3,137,499	-	3,137,499	-
Municipal Debt- Interest	-	-	-	-	840,559	-	840,559	-
School Debt- Principal	-	-	-	-	4,559,272	-	4,559,272	-
School Debt- Interest	-	-	-	-	1,354,092	-	1,354,092	-
Retiree Medical Insurance- Total	-	-	-	-	-	-	-	-
Retiree Dental Insurance- Total	-	-	-	-	-	-	-	-
OPEB Contribution- Total	-	-	-	-	-	1,276,541	1,276,541	-
Rounding	-	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 453,561</b>	<b>\$ 49,059,463</b>	<b>\$ 9,891,423</b>	<b>\$ 1,276,541</b>	<b>\$ 87,719,831</b>	<b>\$ 61,395,127</b>

Financing Uses: Transfer to Capital Funds	\$ -	\$ -
Financing Uses: Transfer to Other Funds	2,808,652	-
Financing Uses: Payment to Bond Escrow Agent	8,099,800	-
Financing Uses: Other	-	-
<b>Total Other Financing Uses</b>	<b>\$ 10,908,452</b>	<b>\$ -</b>
<b>Net Change in Fund Balance<sup>1</sup></b>	<b>1,095,388</b>	<b>2,540,876</b>
<b>Fund Balance1- beginning of year</b>	<b>\$16,908,549</b>	<b>\$5,452,795</b>
Funds removed from Reportable Government Services (RGS)	-	-
Funds added to Reportable Government Services (RGS)	-	-
Prior period adjustments	-	-
Misc. Adjustment	(54,222)	1
<b>Fund Balance<sup>1</sup> - beginning of year adjusted</b>	<b>16,854,327</b>	<b>5,452,796</b>
Rounding		
<b>Fund Balance<sup>1</sup> - end of year</b>	<b>\$ 17,949,715</b>	<b>\$ 7,993,672</b>

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

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

Per Audited Fund Financial Statements Fund Description	Total Revenue	Total Other Financing Sources	Total Expenditures	Total Other Financing Uses	Net Change in Fund Balance <sup>1</sup>	Beginning Fund Fund Balance <sup>1</sup> (Deficit)	Prior Period Adjustment	Restated Beginning Fund Balance <sup>1</sup> (Deficit)	Ending Fund Balance <sup>1</sup> (Deficit)
<b>Fund Balance<sup>1</sup> - per MTP-2 at June 30, 2021 adjusted</b>						\$ 16,908,549	-	\$ 16,908,549	
<i>(0106) General Fund Refinancing was added to RGS for fiscal 2021</i>						-	-	-	-
<i>(0948) ARPA was added to RGS for fiscal 2021</i>						-	-	-	-
<i>(1014) COPS Grants was added to RGS for fiscal 2021</i>						-	-	-	-
<i>(0163) CDBG PY16 WARM Shelter was removed from RGS for fiscal 2021 due to no activity</i>						-	-	-	-
<i>(0180) Miscellaneous Grants was removed from RGS for fiscal 2021 due to no activity</i>						-	-	-	-
<i>(0943) Take it Outside Fund was removed from RGS for fiscal 2021 due to no activity</i>						-	-	-	-
<i>To remove Town Special Revenue Funds - MEDS PODS (Civil Defense) Fund (0860) as it did not relate to COVID in 2021</i>						(54,248)	-	(54,248)	
<i>To add back Civil Defense reconciling item in 2021</i>						26	-	26	
<b>Fund Balance<sup>1</sup> - per MTP-2 at June 30, 2022 adjusted</b>						<u>\$ 16,854,327</u>	<u>-</u>	<u>\$ 16,854,327</u>	
General Fund	\$ 97,793,834	\$ 1,357,011	\$ 38,046,641	\$ 59,902,142	\$ 1,202,062	\$ 16,564,516	\$ -	\$ 16,564,516	\$ 17,766,578
Town Special Revenue Funds - RIIB Bond Winnepaug Dredging Grant Match Fund (0124)	-	-	110,000	-	(110,000)	112,569	-	112,569	2,569
Town Special Revenue Funds - Federal Forfeiture Fund (1005)	65,243	18	65,261	-	-	177,242	-	177,242	177,242
Town Special Revenue Funds - FEMA Public Assistance COVID 19	44,477	-	-	44,477	-	-	-	-	-
Town Special Revenue Funds - CDBG PY19 Microenterprise Stabilization Program (0177)	48,204	-	48,204	-	-	-	-	-	-
Town Capital Projects Funds - CDBG PY17 North End and Granite Hill Accessibility (0174)	147,529	-	147,529	-	-	-	-	-	-
Town Capital Projects Funds - CDBG PY18 Senior Center Improvements and Training (0176)	201,172	-	201,172	-	-	-	-	-	-
Town Special Revenue Funds - MEDS PODS (Civil Defense) Fund (0860)	34,246	-	2,063	-	32,183	54,248	-	54,248	86,431
Town Special Revenue Funds - 2012 A&B Refunding (0106)	-	8,175,000	71,880	8,099,800	3,320	-	-	-	3,320
Town Special Revenue Funds - ARPA (0948)	426,838	-	426,838	-	-	-	-	-	-
Town Special Revenue Funds - COPS Grants (1014)	10,630	-	10,624	-	6	-	-	-	6
<b>Totals per audited financial statements</b>	<u>\$ 98,772,173</u>	<u>\$ 9,532,029</u>	<u>\$ 39,130,212</u>	<u>\$ 68,046,419</u>	<u>\$ 1,127,571</u>	<u>\$ 16,908,575</u>	<u>\$ -</u>	<u>\$ 16,908,575</u>	<u>\$ 18,036,146</u>
<b><u>Reconciliation from financial statements to MTP2</u></b>									
Reclassify transfer of municipal appropriation to Education Department as expenditure on MTP2	\$ -	\$ -	\$ 49,059,462.98	\$ (49,059,462.98)	\$ -	\$ -	\$ -	\$ -	\$ -
Reclass of LEA Aid reported in audit as use to expense	-	-	8,078,504	(8,078,504)	-	-	-	-	-
Reduction in Other State Revenue for LEA Aid reported in General Fund	(8,078,504)	-	(8,078,504)	-	-	-	-	-	-
Program activity in CDBG Funds (0177,0174,0176) that are not reported on the MTP2 because they are for program revenues & expenses and not for administration.	(379,114)	-	(379,114)	-	-	-	-	-	-
Activity in Civil Defense Fund (0860) that are not reported on the MTP2 because they are not related to COVID Expenses	(32,183)	-	-	-	(32,183)	(54,248)	-	(54,248)	(86,431)
Activity in ARPA (0948) that are not reported on the MTP2 because they are capital related	(90,730)	-	(90,730)	-	-	-	-	-	-
Rounding	-	-	-	-	-	-	-	-	-
<b>Totals Per MTP2</b>	<u>\$ 90,191,642</u>	<u>\$ 9,532,029</u>	<u>\$ 87,719,831</u>	<u>\$ 10,908,452</u>	<u>\$ 1,095,388</u>	<u>\$ 16,854,327</u>	<u>\$ -</u>	<u>\$ 16,854,327</u>	<u>\$ 17,949,715</u>

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

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

Per Audited Fund Financial Statements Fund Description	Total Revenue	Total Other Financing Sources	Total Expenditures	Total Other Financing Uses	Net Change in Fund Balance <sup>1</sup>	Beginning Fund Fund Balance <sup>1</sup> (Deficit)	Prior Period Adjustment	Restated Beginning Fund Balance <sup>1</sup> (Deficit)	Ending Fund Balance <sup>1</sup> (Deficit)
<b>Fund Balance<sup>1</sup> - per MTP-2 at June 30, 2021 adjusted</b>						\$ 5,452,795	-	\$ 5,452,795	
<i>(0106) General Fund Refinancing was added to RGS for fiscal 2021</i>						-	-	-	
<i>School Unrestricted Fund adjustment for 2021</i>						1	-	1	
<i>(0948) ARPA was added to RGS for fiscal 2021</i>						-	-	-	
<i>(1014) COPS Grants was added to RGS for fiscal 2021</i>						-	-	-	
<b>Fund Balance<sup>1</sup> - per MTP-2 at June 30, 2022 adjusted</b>						\$ 5,452,796	-	\$ 5,452,796	
School Unrestricted Fund	\$ 3,912,542	\$ 57,860,218	\$ 60,055,386	\$ 74,208	\$ 1,643,166	\$ 4,951,085	\$ -	\$ 4,951,085	\$ 6,594,251
School Special Revenue Funds	5,285,817	74,208	4,458,224	4,091	897,710	501,711	-	501,711	1,399,421
<b>Totals per audited financial statements</b>	<b>\$ 9,198,359</b>	<b>\$ 57,934,426</b>	<b>\$ 64,513,610</b>	<b>\$ 78,299</b>	<b>\$ 2,540,876</b>	<b>\$ 5,452,796</b>	<b>\$ -</b>	<b>\$ 5,452,796</b>	<b>\$ 7,993,672</b>
<b><u>Reconciliation from financial statements to MTP2</u></b>									
Municipal appropriation for Education reported as a transfer on financial statements but a revenue on MTP2	\$ 49,059,463	\$ (49,059,463)	-	-	-	-	-	-	-
Reclass of LEA Aid reported in audit as source to revenue	8,078,504	(8,078,504)	-	-	-	-	-	-	-
State contributions on behalf of teacher pensions are reported as revenue and expenditures on financial statements only	(2,670,323)	-	(2,670,323)	-	-	-	-	-	-
GAAP reporting on loan proceeds for HVAC SBA Loan Project & capital outlay as a Other Source but reported as revenue on MTP2	-	(448,160)	(448,160)	-	-	-	-	-	-
For financial statements, indirect cost charges and recovery are reported in federal grant funds and also actual expenditures & reimbursement reported in School Unrestricted Fund.	-	(4,091)	-	(4,091)	-	-	-	-	-
Elimination of transfers between school funds	-	(74,208)	-	(74,208)	-	-	-	-	-
Rounding	-	-	-	-	-	-	-	-	-
<b>Totals Per MTP2</b>	<b>\$ 63,666,003</b>	<b>\$ 270,000</b>	<b>\$ 61,395,127</b>	<b>\$ -</b>	<b>\$ 2,540,876</b>	<b>\$ 5,452,796</b>	<b>\$ -</b>	<b>\$ 5,452,796</b>	<b>\$ 7,993,672</b>
<b><u>Reconciliation from MTP2 to UCOA</u></b>									
Transfer from the the Town Fund Balance is reported as an Other Financing Sources and Use for GAAP.	\$ 270,000	\$ (270,000)	-	-	-	-	-	-	-
Miscellaneous variance between MTP2 & UCOA	(1)	-	2	-	-	-	-	-	-
<b>Totals per UCOA Validated Totals Report Dated 1/11/23</b>	<b>\$ 63,936,002</b>	<b>\$ -</b>	<b>\$ 61,395,129</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

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

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

NOTE 1. Basis of Presentation

The *Annual Supplemental Transparency Report (MTP2)* is a supplemental schedule required by the State of Rhode Island General Laws 45-12-22.2 and 44-35-10. This supplementary schedule included within the audit report is part of a broader project to create a municipal transparency portal (MTP) website to host municipal financial information in a centralized location.

The format of the *Annual Supplemental Transparency Report (MTP2)* was prescribed by the State Department of Revenue (Division of Municipal Finance), Office of the Auditor General, and the Department of Education.

NOTE 2. Reportable Government Services

Data consistency and comparability are among the key objectives of the State's Municipal Transparency portal. Consistent with that goal, the State has defined "reportable government services", RGS, to include those operational revenues, expenditures, and transfers related to activities which are essential to the achievement of municipal operations. The determination of RGS may be different from the activities included within the legally adopted budget of the municipality. In practice, some communities report certain RGS in separate funds (e.g., special revenue funds, enterprise funds) rather than the municipality's general fund. The *Annual Supplemental Transparency Report (MTP2)* includes a reconciliation to the fund level statements.

NOTE 3. Allocations

The State reporting requires expenditures to be reported by departments, as defined by the State. Some of the departmental groupings are not consistent with the departments reflected in the City's (or Town's) budget and accounting system. To report these costs, the City (or Town) made allocations of costs to the State's departmental groupings based on a reasonable basis.

NOTE 4. Employee Groups - Compensation and Benefit Costs

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

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

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

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

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

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

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

NOTE 5. Education Revenue and Expenditures

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

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

# TOWN OF WESTERLY, RHODE ISLAND

B-1

## COMBINING BALANCE SHEET NON-MAJOR GOVERNMENTAL FUNDS JUNE 30, 2022

	Special Revenue Funds	Capital Projects Funds	Total Non-Major Governmental Funds
<b>Assets</b>			
Cash and cash equivalents	\$ 836,113	\$ 4,027,560	\$ 4,863,673
Restricted cash held in escrow	2,005,719	--	2,005,719
Investments	1,728	--	1,728
Accounts and other receivables	18,233	--	18,233
Due from federal and state governments	150,008	438,117	588,125
Due from other funds	502,335	--	502,335
<b>Total Assets</b>	<b>\$ 3,514,136</b>	<b>\$ 4,465,677</b>	<b>\$ 7,979,813</b>
<b>Liabilities</b>			
Accounts payable and accrued liabilities	\$ 135,539	\$ 317,574	\$ 453,113
Due to other funds	1,329,247	162,163	1,491,410
Unearned Revenue	81,179	--	81,179
<b>Total Liabilities</b>	<b>1,545,965</b>	<b>479,737</b>	<b>2,025,702</b>
<b>Fund Balance</b>			
Restricted	1,963,504	--	1,963,504
Committed	4,667	3,985,940	3,990,607
<b>Total Fund Balance</b>	<b>1,968,171</b>	<b>3,985,940</b>	<b>5,954,111</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 3,514,136</b>	<b>\$ 4,465,677</b>	<b>\$ 7,979,813</b>

**TOWN OF WESTERLY, RHODE ISLAND**

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**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NON-MAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2022**

	Special Revenue Funds	Capital Projects Funds	Total Non-Major Governmental Funds
<b>Revenues</b>			
Intergovernmental	\$ 1,500,513	\$ 661,953	\$ 2,162,466
Charges for services	35,578	--	35,578
Capital grants and contributions	222,148	--	222,148
Investment income	1,260	--	1,260
<b>Total Revenues</b>	<u>1,759,499</u>	<u>661,953</u>	<u>2,421,452</u>
<b>Expenditures</b>			
Current:			
Legislative, executive and administrative	31,561	185,190	216,751
Public works	--	23,950	23,950
Public safety	54,205	679	54,884
Health and welfare	134,151	97,260	231,411
Conservation and development	157,172	--	157,172
Education	995,606	--	995,606
Debt service	71,880	--	71,880
Capital outlay	840,324	1,551,332	2,391,656
<b>Total Expenditures</b>	<u>2,284,899</u>	<u>1,858,411</u>	<u>4,143,310</u>
<b>Excess (Deficiency) of Revenues Over (Under)</b>			
<b>Expenditures Before Other Financing Sources (Uses)</b>	<u>(525,400)</u>	<u>(1,196,458)</u>	<u>(1,721,858)</u>
<b>Other Financing Sources (Uses)</b>			
Transfers from other funds	18	1,689,703	1,689,721
Transfers to other funds	(51,995)	--	(51,995)
Payment to refunding bond escrow agent	(8,099,800)	--	(8,099,800)
Bond proceeds	8,175,000	--	8,175,000
<b>Total Other Financing Sources (Uses)</b>	<u>23,223</u>	<u>1,689,703</u>	<u>1,712,926</u>
<b>Net Change in Fund Balances</b>	<u>(502,177)</u>	<u>493,245</u>	<u>(8,932)</u>
<b>Fund Balances - Beginning of Year</b>	<u>2,470,348</u>	<u>3,492,695</u>	<u>5,963,043</u>
<b>Fund Balances - End of Year</b>	<u>\$ 1,968,171</u>	<u>\$ 3,985,940</u>	<u>\$ 5,954,111</u>

**TOWN OF WESTERLY, RHODE ISLAND**

**B-3**

**NON-MAJOR GOVERNMENTAL - SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET  
JUNE 30, 2022**

	School Lunch Fund	Neuter Surcharge Fund	Town Clerks Fund	Civil Defense Fund	Conservation Grants (NOAA)	2012 A&B Refunding	Opioid Settlements
<b>Assets</b>							
Cash and cash equivalents	\$ 16,754	\$ 4,100	\$ 135,492	\$ 86,431	\$ 88,877	\$ 3,320	\$ 130,401
Restricted cash held in escrow	--	--	--	--	--	--	--
Investments	--	--	--	--	--	--	--
Accounts and other receivables	14,483	--	--	--	--	--	--
Due from federal and state governments	86,564	--	--	--	--	--	--
Due from other funds	502,335	--	--	--	--	--	--
<b>Total Assets</b>	<u>\$ 620,136</u>	<u>\$ 4,100</u>	<u>\$ 135,492</u>	<u>\$ 86,431</u>	<u>\$ 88,877</u>	<u>\$ 3,320</u>	<u>\$ 130,401</u>
<b>Liabilities and Fund Balance</b>							
Liabilities							
Accounts payable	\$ 93,557	\$ --	\$ --	\$ --	\$ 34,869	\$ --	\$ --
Due to other funds	327,952	--	--	--	--	--	--
Deferred revenue	16,275	--	--	--	54,008	--	--
<b>Total Liabilities</b>	<u>437,784</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>88,877</u>	<u>--</u>	<u>--</u>
Fund Balance							
Restricted	182,352	4,100	135,492	86,431	--	3,320	130,401
Committed	--	--	--	--	--	--	--
<b>Total Fund Balance</b>	<u>182,352</u>	<u>4,100</u>	<u>135,492</u>	<u>86,431</u>	<u>--</u>	<u>3,320</u>	<u>130,401</u>
<b>Total Liabilities and Fund Balance</b>	<u>\$ 620,136</u>	<u>\$ 4,100</u>	<u>\$ 135,492</u>	<u>\$ 86,431</u>	<u>\$ 88,877</u>	<u>\$ 3,320</u>	<u>\$ 130,401</u>

TOWN OF WESTERLY, RHODE ISLAND

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NON-MAJOR GOVERNMENTAL - SPECIAL REVENUE FUNDS  
 COMBINING BALANCE SHEET  
 JUNE 30, 2022

	RIIB Bond Dredging Grant Match	RIIB Bond 2011 Refunding	Recreation Grants	MRP Rain & Garden Basin	Highway Safety Grant	Substance Abuse 132
<b>Assets</b>						
Cash and cash equivalents	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 7,336
Restricted cash held in escrow	2,569	2,003,150	--	--	--	--
Investments	--	--	--	--	--	--
Accounts and other receivables	--	--	--	3,750	--	--
Due from federal and state governments	--	--	--	--	1,721	--
Due from other funds	--	--	--	--	--	--
<b>Total Assets</b>	<u>\$ 2,569</u>	<u>\$ 2,003,150</u>	<u>\$ --</u>	<u>\$ 3,750</u>	<u>\$ 1,721</u>	<u>\$ 7,336</u>
<b>Liabilities and Fund Balance</b>						
Liabilities						
Accounts payable	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
Due to other funds	--	769,974	--	3,750	1,721	--
Deferred revenue	--	--	--	--	--	--
<b>Total Liabilities</b>	<u>--</u>	<u>769,974</u>	<u>--</u>	<u>3,750</u>	<u>1,721</u>	<u>--</u>
Fund Balance						
Restricted	2,569	1,233,176	--	--	--	7,336
Committed	--	--	--	--	--	--
<b>Total Fund Balance</b>	<u>2,569</u>	<u>1,233,176</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>7,336</u>
<b>Total Liabilities and Fund Balance</b>	<u>\$ 2,569</u>	<u>\$ 2,003,150</u>	<u>\$ --</u>	<u>\$ 3,750</u>	<u>\$ 1,721</u>	<u>\$ 7,336</u>

TOWN OF WESTERLY, RHODE ISLAND

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NON-MAJOR GOVERNMENTAL - SPECIAL REVENUE FUNDS  
 COMBINING BALANCE SHEET  
 JUNE 30, 2022

	COPS Grant	Federal Forfeiture	CDBG PY19 MicroE	Substance Abuse Grant	FEMA Public Assistance COVID19	Pumpout Boat	EMA Grant
<b>Assets</b>							
Cash and cash equivalents	\$ --	\$ 349,201	\$ --	\$ 4,520	\$ --	\$ --	\$ --
Restricted cash held in escrow	--	--	--	--	--	--	--
Investments	--	--	--	--	--	--	--
Accounts and other receivables	--	--	--	--	--	--	--
Due from federal and state governments	10,630	--	23,581	--	--	23,281	4,231
Due from other funds	--	--	--	--	--	--	--
<b>Total Assets</b>	<u>\$ 10,630</u>	<u>\$ 349,201</u>	<u>\$ 23,581</u>	<u>\$ 4,520</u>	<u>\$ --</u>	<u>\$ 23,281</u>	<u>\$ 4,231</u>
<b>Liabilities and Fund Balance</b>							
Liabilities							
Accounts payable	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 7,113	\$ --
Due to other funds	10,624	171,132	23,581	--	--	16,168	4,231
Deferred revenue	--	827	--	4,520	--	--	--
<b>Total Liabilities</b>	<u>10,624</u>	<u>171,959</u>	<u>23,581</u>	<u>4,520</u>	<u>--</u>	<u>23,281</u>	<u>4,231</u>
Fund Balance							
Restricted	6	177,242	--	--	--	--	--
Committed	--	--	--	--	--	--	--
<b>Total Fund Balance</b>	<u>6</u>	<u>177,242</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<b>Total Liabilities and Fund Balance</b>	<u>\$ 10,630</u>	<u>\$ 349,201</u>	<u>\$ 23,581</u>	<u>\$ 4,520</u>	<u>\$ --</u>	<u>\$ 23,281</u>	<u>\$ 4,231</u>

**TOWN OF WESTERLY, RHODE ISLAND**

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**NON-MAJOR GOVERNMENTAL - SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET  
JUNE 30, 2022**

	Permanent Neighbor Fund	Honor Roll Fund	Class of 1886	Police Misc Grants	Animal Shelter Grants	Total Special Revenue Funds
<b>Assets</b>						
Cash and cash equivalents	\$ 1,734	\$ 1,314	\$ 5	\$ 3,148	\$ 3,480	\$ 836,113
Restricted cash held in escrow	--	--	--	--	--	2,005,719
Investments	--	--	1,728	--	--	1,728
Accounts and other receivables	--	--	--	--	--	18,233
Due from federal and state governments	--	--	--	--	--	150,008
Due from other funds	--	--	--	--	--	502,335
<b>Total Assets</b>	<u>\$ 1,734</u>	<u>\$ 1,314</u>	<u>\$ 1,733</u>	<u>\$ 3,148</u>	<u>\$ 3,480</u>	<u>\$ 3,514,136</u>
<b>Liabilities and Fund Balance</b>						
Liabilities						
Accounts payable	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 135,539
Due to other funds	114	--	--	--	--	1,329,247
Deferred revenue	--	--	--	2,047	3,502	81,179
<b>Total Liabilities</b>	<u>114</u>	<u>--</u>	<u>--</u>	<u>2,047</u>	<u>3,502</u>	<u>1,545,965</u>
Fund Balance						
Restricted	--	--	--	1,101	(22)	1,963,504
Committed	1,620	1,314	1,733	--	--	4,667
<b>Total Fund Balance</b>	<u>1,620</u>	<u>1,314</u>	<u>1,733</u>	<u>1,101</u>	<u>(22)</u>	<u>1,968,171</u>
<b>Total Liabilities and Fund Balance</b>	<u>\$ 1,734</u>	<u>\$ 1,314</u>	<u>\$ 1,733</u>	<u>\$ 3,148</u>	<u>\$ 3,480</u>	<u>\$ 3,514,136</u>

TOWN OF WESTERLY, RHODE ISLAND

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NON-MAJOR GOVERNMENTAL - SPECIAL REVENUE FUNDS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	School Lunch Fund	Neuter Surcharge Fund	Town Clerks Fund	Civil Defense Fund	Conservation Grants (NOAA)	2012 A&B Refunding	Opioid Settlements
<b>Revenues</b>							
Intergovernmental	\$ 1,177,958	\$ --	\$ --	\$ 34,246	\$ 52,658	\$ --	\$ --
Charges for services	--	579	34,999	--	--	--	--
Investment Income	--	--	--	--	--	--	--
Capital grants and contributions	--	--	--	--	48,542	--	130,401
<b>Total Revenues</b>	<u>1,177,958</u>	<u>579</u>	<u>34,999</u>	<u>34,246</u>	<u>101,200</u>	<u>--</u>	<u>130,401</u>
<b>Expenditures</b>							
Current:							
Legislative, executive and administrative	--	--	5,958	--	--	--	--
Public safety	--	--	--	2,063	--	--	--
Health and welfare	--	--	--	--	101,200	--	--
Conservation and development	--	--	--	--	--	--	--
Education	995,606	--	--	--	--	--	--
Debt service	--	--	--	--	--	71,880	--
Capital outlay	--	--	--	--	--	--	--
<b>Total Expenditures</b>	<u>995,606</u>	<u>--</u>	<u>5,958</u>	<u>2,063</u>	<u>101,200</u>	<u>71,880</u>	<u>--</u>
<b>Excess (Deficiency) of Revenues Over (Under)</b>							
Expenditures Before Other Financing Sources (Uses)	<u>182,352</u>	<u>579</u>	<u>29,041</u>	<u>32,183</u>	<u>--</u>	<u>(71,880)</u>	<u>130,401</u>
<b>Other Financing Sources (Uses)</b>							
Transfers from other funds	--	--	--	--	--	--	--
Transfers to other funds	--	--	--	--	--	--	--
Payment to refunding bond escrow agent	--	--	--	--	--	(8,099,800)	--
Bond proceeds	--	--	--	--	--	8,175,000	--
<b>Total Other Financing Sources (Uses)</b>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>75,200</u>	<u>--</u>
<b>Net Change in Fund Balances</b>	<u>182,352</u>	<u>579</u>	<u>29,041</u>	<u>32,183</u>	<u>--</u>	<u>3,320</u>	<u>130,401</u>
<b>Fund Balances - Beginning of Year</b>	<u>--</u>	<u>3,521</u>	<u>106,451</u>	<u>54,248</u>	<u>--</u>	<u>--</u>	<u>--</u>
<b>Fund Balances - End of Year</b>	<u>\$ 182,352</u>	<u>\$ 4,100</u>	<u>\$ 135,492</u>	<u>\$ 86,431</u>	<u>\$ --</u>	<u>\$ 3,320</u>	<u>\$ 130,401</u>

TOWN OF WESTERLY, RHODE ISLAND

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NON-MAJOR GOVERNMENTAL - SPECIAL REVENUE FUNDS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	RIB Bond Dredging Grant Match	RIB Bond 2011 Refunding	Recreation Grants	MRP Rain & Garden Basin	Highway Safety Grant	Substance Abuse 132
<b>Revenues</b>						
Intergovernmental	\$ --	\$ --	\$ --	\$ --	\$ 12,845	\$ --
Charges for services	--	--	--	--	--	--
Investment Income	--	--	--	--	--	--
Capital grants and contributions	--	--	29,500	3,750	--	--
<b>Total Revenues</b>	<u>--</u>	<u>--</u>	<u>29,500</u>	<u>3,750</u>	<u>12,845</u>	<u>--</u>
<b>Expenditures</b>						
Current:						
Legislative, executive and administrative	--	--	19,431	--	--	--
Public safety	--	--	--	--	12,845	--
Health and welfare	--	--	10,069	3,750	--	--
Conservation and development	110,000	--	--	--	--	--
Education	--	--	--	--	--	--
Debt service	--	--	--	--	--	--
Capital outlay	--	769,974	--	--	--	--
<b>Total Expenditures</b>	<u>110,000</u>	<u>769,974</u>	<u>29,500</u>	<u>3,750</u>	<u>12,845</u>	<u>--</u>
<b>Excess (Deficiency) of Revenues Over (Under)</b>						
Expenditures Before Other Financing Sources (Uses)	(110,000)	(769,974)	--	--	--	--
<b>Other Financing Sources (Uses)</b>						
Transfers from other funds	--	--	--	--	--	--
Transfers to other funds	--	--	--	--	--	--
Payment to refunding bond escrow agent	--	--	--	--	--	--
Bond proceeds	--	--	--	--	--	--
<b>Total Other Financing Sources (Uses)</b>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<b>Net Change in Fund Balances</b>	<u>(110,000)</u>	<u>(769,974)</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<b>Fund Balances - Beginning of Year</b>	<u>112,569</u>	<u>2,003,150</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>7,336</u>
<b>Fund Balances - End of Year</b>	<u>\$ 2,569</u>	<u>\$ 1,233,176</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 7,336</u>

TOWN OF WESTERLY, RHODE ISLAND

B-4

NON-MAJOR GOVERNMENTAL - SPECIAL REVENUE FUNDS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	COPS Grant	Federal Forfeiture	CDBG PY19 MicroE	Substance Abuse Grant	FEMA Public Assistance COVID19	Pumpout Boat	EMA Grant
<b>Revenues</b>							
Intergovernmental	\$ 10,630	\$ 63,986	\$ 48,204	\$ --	\$ 44,477	\$ 47,172	\$ 6,106
Charges for services	--	--	--	--	--	--	--
Investment Income	--	1,257	--	--	--	--	--
Capital grants and contributions	--	--	--	--	--	--	--
<b>Total Revenues</b>	<u>10,630</u>	<u>65,243</u>	<u>48,204</u>	<u>--</u>	<u>44,477</u>	<u>47,172</u>	<u>6,106</u>
<b>Expenditures</b>							
Current:							
Legislative, executive and administrative	--	--	--	--	--	--	6,106
Public safety	10,624	23,983	--	--	--	--	--
Health and welfare	--	--	19,132	--	--	--	--
Conservation and development	--	--	--	--	--	47,172	--
Education	--	--	--	--	--	--	--
Debt service	--	--	--	--	--	--	--
Capital outlay	--	41,278	29,072	--	--	--	--
<b>Total Expenditures</b>	<u>10,624</u>	<u>65,261</u>	<u>48,204</u>	<u>--</u>	<u>--</u>	<u>47,172</u>	<u>6,106</u>
<b>Excess (Deficiency) of Revenues Over (Under)</b>							
Expenditures Before Other Financing Sources (Uses)	<u>6</u>	<u>(18)</u>	<u>--</u>	<u>--</u>	<u>44,477</u>	<u>--</u>	<u>--</u>
<b>Other Financing Sources (Uses)</b>							
Transfers from other funds	--	18	--	--	--	--	--
Transfers to other funds	--	--	--	--	(44,477)	--	--
Payment to refunding bond escrow agent	--	--	--	--	--	--	--
Bond proceeds	--	--	--	--	--	--	--
<b>Total Other Financing Sources (Uses)</b>	<u>--</u>	<u>18</u>	<u>--</u>	<u>--</u>	<u>(44,477)</u>	<u>--</u>	<u>--</u>
<b>Net Change in Fund Balances</b>	<u>6</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<b>Fund Balances - Beginning of Year</b>	<u>--</u>	<u>177,242</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<b>Fund Balances - End of Year</b>	<u>\$ 6</u>	<u>\$ 177,242</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>

TOWN OF WESTERLY, RHODE ISLAND

B-4

NON-MAJOR GOVERNMENTAL - SPECIAL REVENUE FUNDS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Permanent Neighbor Fund	Honor Roll Fund	Class of 1886	Police Misc Grants	Animal Shelter Grants	Total Special Revenue Funds
<b>Revenues</b>						
Intergovernmental	\$ --	\$ --	\$ --	\$ 2,231	\$ --	\$ 1,500,513
Charges for services	--	--	--	--	--	35,578
Investment Income	2	1	--	--	--	1,260
Capital grants and contributions	--	--	--	--	9,955	222,148
<b>Total Revenues</b>	<u>2</u>	<u>1</u>	<u>--</u>	<u>2,231</u>	<u>9,955</u>	<u>1,759,499</u>
<b>Expenditures</b>						
Current:						
Legislative, executive and administrative	--	--	66	--	--	31,561
Public safety	--	--	--	2,213	2,477	54,205
Health and welfare	--	--	--	--	--	134,151
Conservation and development	--	--	--	--	--	157,172
Education	--	--	--	--	--	995,606
Debt service	--	--	--	--	--	71,880
Capital outlay	--	--	--	--	--	840,324
<b>Total Expenditures</b>	<u>--</u>	<u>--</u>	<u>66</u>	<u>2,213</u>	<u>2,477</u>	<u>2,284,899</u>
<b>Excess (Deficiency) of Revenues Over (Under)</b>						
Expenditures Before Other Financing Sources (Uses)	<u>2</u>	<u>1</u>	<u>(66)</u>	<u>18</u>	<u>7,478</u>	<u>(525,400)</u>
<b>Other Financing Sources (Uses)</b>						
Transfers from other funds	--	--	--	--	--	18
Transfers to other funds	--	--	--	(18)	(7,500)	(51,995)
Payment to refunding bond escrow agent	--	--	--	--	--	(8,099,800)
Bond proceeds	--	--	--	--	--	8,175,000
<b>Total Other Financing Sources (Uses)</b>	<u>--</u>	<u>--</u>	<u>--</u>	<u>(18)</u>	<u>(7,500)</u>	<u>23,223</u>
<b>Net Change in Fund Balances</b>	<u>2</u>	<u>1</u>	<u>(66)</u>	<u>--</u>	<u>(22)</u>	<u>(502,177)</u>
<b>Fund Balances - Beginning of Year</b>	<u>1,618</u>	<u>1,313</u>	<u>1,799</u>	<u>1,101</u>	<u>--</u>	<u>2,470,348</u>
<b>Fund Balances - End of Year</b>	<u>\$ 1,620</u>	<u>\$ 1,314</u>	<u>\$ 1,733</u>	<u>\$ 1,101</u>	<u>\$ (22)</u>	<u>\$ 1,968,171</u>

TOWN OF WESTERLY, RHODE ISLAND

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NON-MAJOR GOVERNMENTAL - CAPITAL PROJECTS FUNDS  
 COMBINING BALANCE SHEET  
 JUNE 30, 2022

	Capital Projects Fund	DEM Chapman Pond Boat Launch	DEM Riverfront Park	Accessibility CDBG PY17	Improvements & Training CDBG FY18	Bike Path Loops	Capital Projects Funds Totals
<b>Assets</b>							
Cash and cash equivalents	\$ 3,981,760	\$ --	\$ 45,800	\$ --	\$ --	\$ --	\$ 4,027,560
Due from federal and state governments	--	1,265	--	--	123,600	313,252	438,117
<b>Total Assets</b>	<u>\$ 3,981,760</u>	<u>\$ 1,265</u>	<u>\$ 45,800</u>	<u>\$ --</u>	<u>\$ 123,600</u>	<u>\$ 313,252</u>	<u>\$ 4,465,677</u>
<b>Liabilities and Fund Balance</b>							
Liabilities							
Accounts payable	\$ 41,620	\$ --	\$ --	\$ --	\$ --	\$ 275,954	\$ 317,574
Due to other funds	--	1,265	--	--	123,600	37,298	162,163
<b>Total Liabilities</b>	<u>41,620</u>	<u>1,265</u>	<u>--</u>	<u>--</u>	<u>123,600</u>	<u>313,252</u>	<u>479,737</u>
Fund Balance							
Committed	3,940,140	--	45,800	--	--	--	3,985,940
<b>Total Fund Balance</b>	<u>3,940,140</u>	<u>--</u>	<u>45,800</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>3,985,940</u>
<b>Total Liabilities and Fund Balance</b>	<u>\$ 3,981,760</u>	<u>\$ 1,265</u>	<u>\$ 45,800</u>	<u>\$ --</u>	<u>\$ 123,600</u>	<u>\$ 313,252</u>	<u>\$ 4,465,677</u>

TOWN OF WESTERLY, RHODE ISLAND

B-6

NON-MAJOR GOVERNMENTAL - CAPITAL PROJECTS FUNDS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Capital Projects Fund	DEM Chapman Pond Boat Launch	DEM Riverfront Park	Accessibility CDBG PY17	Improvements & Training CDBG FY18	Bike Path Loops	Capital Projects Funds Totals
<b>Revenues</b>							
Intergovernmental	\$ --	\$ --	\$ --	\$ 147,529	\$ 201,172	\$ 313,252	\$ 661,953
<b>Total Revenues</b>	<u>--</u>	<u>--</u>	<u>--</u>	<u>147,529</u>	<u>201,172</u>	<u>313,252</u>	<u>661,953</u>
<b>Expenditures</b>							
Legislative, executive and administrative	170,031	--	--	8,029	7,130	--	185,190
Public works	23,950	--	--	--	--	--	23,950
Public safety	679	--	--	--	--	--	679
Health and welfare	30,601	--	--	--	66,659	--	97,260
Capital outlay	971,197	--	--	139,500	127,383	313,252	1,551,332
<b>Total Expenditures</b>	<u>1,196,458</u>	<u>--</u>	<u>--</u>	<u>147,529</u>	<u>201,172</u>	<u>313,252</u>	<u>1,858,411</u>
<b>Excess (Deficiency) of Revenues Over (Under)</b>							
Expenditures Before Other Financing Sources (Uses)	(1,196,458)	--	--	--	--	--	(1,196,458)
<b>Other Financing Sources (Uses)</b>							
Transfers from other funds	1,689,703	--	--	--	--	--	1,689,703
Transfers to other funds	--	--	--	--	--	--	--
Payment to refunding bond escrow agent	--	--	--	--	--	--	--
Bond premium	--	--	--	--	--	--	--
Bond proceeds	--	--	--	--	--	--	--
<b>Total Other Financing Sources (Uses)</b>	<u>1,689,703</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>1,689,703</u>
<b>Net Change in Fund Balances</b>	<u>493,245</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>493,245</u>
<b>Fund Balances - Beginning of Year</b>	<u>3,446,895</u>	<u>--</u>	<u>45,800</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>3,492,695</u>
<b>Fund Balances - End of Year</b>	<u>\$ 3,940,140</u>	<u>\$ --</u>	<u>\$ 45,800</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 3,985,940</u>

TOWN OF WESTERLY, RHODE ISLAND

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FIDUCIARY FUNDS - PRIVATE PURPOSE TRUST FUNDS  
 COMBINING STATEMENT OF FIDUCIARY NET POSITION  
 JUNE 30, 2022

	Lois B. Stillment Fund	Richmond Brewer Fund	Irene Vose Fund	Martha C. Babcock Memorial	Premio L. Russo Memorial	Otis P. Chapman Fund	Francis Pat Coyle Memorial
<b>Assets</b>							
Cash and cash equivalents	\$ --	\$ --	\$ 1,786	\$ --	\$ --	\$ --	\$ --
Investments	<u>15,083</u>	<u>53,974</u>	<u>76,346</u>	<u>4,692</u>	<u>2,393</u>	<u>2,971</u>	<u>1,614</u>
<b>Total Assets</b>	<u>\$ 15,083</u>	<u>\$ 53,974</u>	<u>\$ 78,132</u>	<u>\$ 4,692</u>	<u>\$ 2,393</u>	<u>\$ 2,971</u>	<u>\$ 1,614</u>
<b>Liabilities and Net Position</b>							
Liabilities							
Accounts payable	\$ 1,000	\$ --	\$ --	\$ 50	\$ --	\$ --	\$ 150
Due to other funds	<u>10,993</u>	<u>1,182</u>	<u>--</u>	<u>147</u>	<u>420</u>	<u>102</u>	<u>1,050</u>
<b>Total Liabilities</b>	<u>11,993</u>	<u>1,182</u>	<u>--</u>	<u>197</u>	<u>420</u>	<u>102</u>	<u>1,200</u>
Net Position							
Net position held in trust	<u>3,090</u>	<u>52,792</u>	<u>78,132</u>	<u>4,495</u>	<u>1,973</u>	<u>2,869</u>	<u>414</u>
<b>Net Position</b>	<u>3,090</u>	<u>52,792</u>	<u>78,132</u>	<u>4,495</u>	<u>1,973</u>	<u>2,869</u>	<u>414</u>
<b>Total Liabilities and Net Position</b>	<u>\$ 15,083</u>	<u>\$ 53,974</u>	<u>\$ 78,132</u>	<u>\$ 4,692</u>	<u>\$ 2,393</u>	<u>\$ 2,971</u>	<u>\$ 1,614</u>

TOWN OF WESTERLY, RHODE ISLAND

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FIDUCIARY FUNDS - PRIVATE PURPOSE TRUST FUNDS  
 COMBINING STATEMENT OF FIDUCIARY NET POSITION  
 JUNE 30, 2022

	Betty Zerbarini Fund	Berardinelli Trust Fund	John J. & Mary C. Smith Scholarship	Robert F. Serra Fund	Interfund Eliminations	Private-Purpose Trust Funds Totals
<b>Assets</b>						
Cash and cash equivalents	\$ --	\$ 8	\$ --	\$ --	\$ --	\$ 1,794
Investments	1,735	29,547	19,275	2,757	--	210,387
<b>Total Assets</b>	<u>\$ 1,735</u>	<u>\$ 29,555</u>	<u>\$ 19,275</u>	<u>\$ 2,757</u>	<u>\$ --</u>	<u>\$ 212,181</u>
<b>Liabilities and Net Position</b>						
Liabilities						
Accounts payable	\$ 100	\$ --	\$ 125	\$ --	\$ --	\$ 1,425
Due to other funds	625	--	1,094	474	--	16,087
<b>Total Liabilities</b>	<u>725</u>	<u>--</u>	<u>1,219</u>	<u>474</u>	<u>--</u>	<u>17,512</u>
Net Position						
Net position held in trust	1,010	29,555	18,056	2,283	--	194,669
<b>Net Position</b>	<u>1,010</u>	<u>29,555</u>	<u>18,056</u>	<u>2,283</u>	<u>--</u>	<u>194,669</u>
<b>Total Liabilities and Net Position</b>	<u>\$ 1,735</u>	<u>\$ 29,555</u>	<u>\$ 19,275</u>	<u>\$ 2,757</u>	<u>\$ --</u>	<u>\$ 212,181</u>

TOWN OF WESTERLY, RHODE ISLAND

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C-2

FIDUCIARY FUNDS - PRIVATE-PURPOSE TRUST FUNDS  
 COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Lois B. Stillment Fund	Richmond Brewer Fund	Irene Vose Fund	Martha C. Babcock Memorial	Premio L. Russo Memorial	Otis P. Chapman Fund	Francis Pat Coyle Memorial
<b>Revenues</b>							
Operating grants & contributions	\$ --	\$ --	\$ 3,271	\$ --	\$ --	\$ --	\$ --
Investment income	--	--	--	--	--	--	--
<b>Total Revenues</b>	<u>--</u>	<u>--</u>	<u>3,271</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<b>Expenditures</b>							
Miscellaneous	<u>1,578</u>	<u>2,124</u>	<u>5,944</u>	<u>230</u>	<u>92</u>	<u>114</u>	<u>212</u>
<b>Total Expenditures</b>	<u>1,578</u>	<u>2,124</u>	<u>5,944</u>	<u>230</u>	<u>92</u>	<u>114</u>	<u>212</u>
<b>Excess (Deficiency) of Revenues Over (Under)</b>							
Expenditures Before Other Financing Sources (Uses)	<u>(1,578)</u>	<u>(2,124)</u>	<u>(2,673)</u>	<u>(230)</u>	<u>(92)</u>	<u>(114)</u>	<u>(212)</u>
<b>Net Change in Net Position</b>	<u>(1,578)</u>	<u>(2,124)</u>	<u>(2,673)</u>	<u>(230)</u>	<u>(92)</u>	<u>(114)</u>	<u>(212)</u>
<b>Net Position - Beginning of Year</b>	<u>4,668</u>	<u>54,916</u>	<u>80,805</u>	<u>4,725</u>	<u>2,065</u>	<u>2,983</u>	<u>626</u>
<b>Net Position - End of Year</b>	<u>\$ 3,090</u>	<u>\$ 52,792</u>	<u>\$ 78,132</u>	<u>\$ 4,495</u>	<u>\$ 1,973</u>	<u>\$ 2,869</u>	<u>\$ 414</u>

TOWN OF WESTERLY, RHODE ISLAND

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FIDUCIARY FUNDS - PRIVATE-PURPOSE TRUST FUNDS  
 COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Betty Zerbarini Fund	Berardinelli Trust Fund	John J. & Mary C. Smith Scholarship	Robert F. Serra Fund	Interfund Eliminations	Private-Purpose Trust Funds Totals
<b>Revenues</b>						
Operating grants & contributions	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 3,271
Investment income	--	--	--	--	--	--
<b>Total Revenues</b>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>3,271</u>
<b>Expenditures</b>						
Miscellaneous	<u>167</u>	<u>1,132</u>	<u>864</u>	<u>105</u>	<u>--</u>	<u>12,562</u>
<b>Total Expenditures</b>	<u>167</u>	<u>1,132</u>	<u>864</u>	<u>105</u>	<u>--</u>	<u>12,562</u>
<b>Excess (Deficiency) of Revenues Over (Under)</b>						
Expenditures Before Other Financing Sources (Uses)	<u>(167)</u>	<u>(1,132)</u>	<u>(864)</u>	<u>(105)</u>	<u>--</u>	<u>(9,291)</u>
<b>Net Change in Net Position</b>	<u>(167)</u>	<u>(1,132)</u>	<u>(864)</u>	<u>(105)</u>	<u>--</u>	<u>(9,291)</u>
<b>Net Position - Beginning of Year</b>	<u>1,177</u>	<u>30,687</u>	<u>18,920</u>	<u>2,388</u>	<u>--</u>	<u>203,960</u>
<b>Net Position - End of Year</b>	<u>\$ 1,010</u>	<u>\$ 29,555</u>	<u>\$ 18,056</u>	<u>\$ 2,283</u>	<u>\$ --</u>	<u>\$ 194,669</u>

TOWN OF WESTERLY, RHODE ISLAND

D-1

FIDUCIARY FUNDS - CUSTODIAL FUNDS  
 COMBINING STATEMENT OF FIDUCIARY NET POSITION  
 JUNE 30, 2022

	Title II P.W.E.A.	Probate Escrow	Construction Escrow Deposits Fund	Custodial Funds Totals
<b>Assets</b>				
Cash and cash equivalents	\$ 1	\$ 48,868	\$ 8,000	\$ 56,869
Investments	<u>4,228</u>	<u>--</u>	<u>--</u>	<u>4,228</u>
<b>Total Assets</b>	<u>\$ 4,229</u>	<u>\$ 48,868</u>	<u>\$ 8,000</u>	<u>\$ 61,097</u>
<b>Net Position</b>				
Net position held in trust	\$ 4,229	\$ 48,868	\$ 8,000	\$ 61,097
<b>Net Position</b>	<u>4,229</u>	<u>48,868</u>	<u>8,000</u>	<u>61,097</u>
<b>Total Net Position</b>	<u>\$ 4,229</u>	<u>\$ 48,868</u>	<u>\$ 8,000</u>	<u>\$ 61,097</u>

TOWN OF WESTERLY, RHODE ISLAND

D-2

FIDUCIARY FUNDS - CUSTODIAL FUNDS  
 COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Title II P.W.E.A.	Probate Escrow	Construction Escrow Deposits	Custodial Funds Totals
<b>Revenues</b>				
Operating grants & contributions	\$ --	\$ --	\$ --	\$ --
Investment income	--	22	3	25
Miscellaneous	--	13,604	--	13,604
<b>Total Revenues</b>	<u>--</u>	<u>13,626</u>	<u>3</u>	<u>13,629</u>
<b>Expenditures</b>				
Miscellaneous	162	--	--	162
Benefits paid	--	--	157	157
<b>Total Expenditures</b>	<u>162</u>	<u>--</u>	<u>157</u>	<u>319</u>
<b>Excess (Deficiency) of Revenues Over (Under)</b>				
Expenditures Before Other Financing Sources (Uses)	<u>(162)</u>	<u>13,626</u>	<u>(154)</u>	<u>13,310</u>
<b>Net Change in Net Position</b>	<u>(162)</u>	<u>13,626</u>	<u>(154)</u>	<u>13,310</u>
<b>Net Position - Beginning of Year</b>	<u>4,391</u>	<u>35,242</u>	<u>8,154</u>	<u>47,787</u>
<b>Net Position - End of Year</b>	<u>\$ 4,229</u>	<u>\$ 48,868</u>	<u>\$ 8,000</u>	<u>\$ 61,097</u>

TOWN OF WESTERLY, RHODE ISLAND

E-1

COMBINING BALANCE SHEET  
GOVERNMENTAL FUNDS - DETAIL OF GENERAL FUND  
JUNE 30, 2022

	General Fund	School General Fund	Total General Funds
<b>Assets</b>			
Cash and cash equivalents	\$ 13,444,866	\$ 7,564,121	\$ 21,008,987
Real estate and personal property tax receivable	463,210	--	463,210
Due from federal and state governments	444,015	--	444,015
Due from other funds	13,680,773	958,681	14,639,454
Other receivables	350,794	476,784	827,578
Prepaid items	<u>1,005,958</u>	<u>44,872</u>	<u>1,050,830</u>
<b>Total Assets</b>	<u>\$ 29,389,616</u>	<u>\$ 9,044,458</u>	<u>\$ 38,434,074</u>
<b>Liabilities, Deferred Inflows and Fund Balances</b>			
<b>Liabilities</b>			
Accounts payable and accrued liabilities	\$ 1,432,214	\$ 2,343,880	\$ 3,776,094
Due to other funds	<u>6,281,898</u>	<u>106,327</u>	<u>6,388,225</u>
<b>Total Liabilities</b>	<u>7,714,112</u>	<u>2,450,207</u>	<u>10,164,319</u>
<b>Deferred Inflows of Resources</b>			
Unavailable revenue - leases	2,940,000	--	2,940,000
Unavailable revenue - property taxes	<u>968,926</u>	<u>--</u>	<u>968,926</u>
<b>Total Deferred Inflows of Resources</b>	<u>3,908,926</u>	<u>--</u>	<u>3,908,926</u>
<b>Fund Balances</b>			
Non-spendable	1,005,958	44,872	1,050,830
Restricted	--	6,073,003	6,073,003
Committed	200,595	476,376	676,971
Unassigned	<u>16,560,025</u>	<u>--</u>	<u>16,560,025</u>
<b>Total Fund Balances</b>	<u>17,766,578</u>	<u>6,594,251</u>	<u>24,360,829</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<u>\$ 29,389,616</u>	<u>\$ 9,044,458</u>	<u>\$ 38,434,074</u>

**TOWN OF WESTERLY, RHODE ISLAND**

E-2

**STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS - DETAIL OF GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	General Fund	School General Fund	Total General Funds
<b>Revenues</b>			
General property taxes and payments in lieu of taxes	\$ 78,153,783	\$ --	\$ 78,153,783
Intergovernmental and departmental	15,413,154	1,199,690	16,612,844
Licenses and permits	1,035,998	12,117	1,048,115
Fines and forfeitures	236,044	--	236,044
Charges for service	1,916,399	--	1,916,399
Investment income	119,972	--	119,972
On behalf pension contribution	--	2,670,323	2,670,323
Other revenues	918,484	30,412	948,896
<b>Total revenues</b>	<u>97,793,834</u>	<u>3,912,542</u>	<u>101,706,376</u>
<b>Expenditures</b>			
Legislative and executive	6,886,588	--	6,886,588
Parks and recreation	540,659	--	540,659
Planning	920,318	--	920,318
Public safety	8,645,212	--	8,645,212
Public works	4,579,085	--	4,579,085
Health, welfare and community development	1,297,666	--	1,297,666
Conservation and development	2,395	--	2,395
Education	--	56,936,903	56,936,903
Debt service	9,965,549	--	9,965,549
Capital outlay	5,209,169	448,160	5,657,329
On behalf pension contribution	--	2,670,323	2,670,323
<b>Total expenditures</b>	<u>38,046,641</u>	<u>60,055,386</u>	<u>98,102,027</u>
<b>Excess of revenues over (under) expenditures before other financing sources (uses)</b>	<u>59,747,193</u>	<u>(56,142,844)</u>	<u>3,604,349</u>
<b>Other financing sources (uses)</b>			
Transfers from other funds	51,977	57,412,058	56,068
Transfers to other funds	(59,902,142)	(74,208)	(2,568,383)
Capital lease proceeds	1,305,034	448,160	1,753,194
<b>Total other financing sources (uses)</b>	<u>(58,545,131)</u>	<u>57,786,010</u>	<u>(759,121)</u>
<b>Net change in fund balances</b>	1,202,062	1,643,166	2,845,228
<b>Fund balances (deficit) - beginning of year</b>	<u>16,564,516</u>	<u>4,951,085</u>	<u>21,515,601</u>
<b>Fund balances - end of year</b>	<u>\$ 17,766,578</u>	<u>\$ 6,594,251</u>	<u>\$ 24,360,829</u>

# **STATISTICAL SECTION**

TOWN OF WESTERLY, RHODE ISLAND

TABLE 1

NET POSITION BY COMPONENT  
LAST TEN FISCAL YEARS  
(Accrual Basis of Accounting)

	FISCAL YEAR									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Governmental Activities										
Net investment in capital assets	\$ 72,528,400	\$ 82,591,557	\$ 83,443,820	\$ 86,169,198	\$ 91,221,136	\$ 91,523,267	\$ 85,256,075	\$ 92,791,496	\$ 96,776,891	\$ 97,685,775
Restricted	2,542,513	6,519,002	7,790,677	7,601,874	6,453,686	6,744,578	19,168,409	18,144,714	16,832,687	21,272,630
Unrestricted	14,787,475	(37,643,132)	(35,741,526)	(42,181,757)	(42,281,476)	(60,982,992)	(54,669,124)	(52,378,261)	(36,159,494)	(28,731,452)
Total Governmental Activities net position	89,858,388	51,467,427	55,492,971	51,589,315	55,393,346	37,284,853	49,755,360	58,557,949	77,450,084	90,226,953
Business-Type Activities										
Net investment in capital assets	30,714,945	29,236,676	29,485,916	30,030,849	31,019,004	31,789,291	34,632,105	35,268,483	35,444,002	35,338,334
Unrestricted	5,751,583	7,163,504	8,059,250	8,357,137	8,257,819	10,831,669	9,106,258	9,313,578	10,560,328	12,766,001
Total Business-Type Activities net position	36,466,528	36,400,180	37,545,166	38,387,986	39,276,823	42,620,960	43,738,363	44,582,061	46,004,330	48,104,335
Total										
Net investment in capital assets	103,243,345	111,828,233	112,929,736	116,200,047	122,240,140	123,312,558	119,888,180	128,059,979	132,220,893	133,024,109
Restricted	2,542,513	6,519,002	7,790,677	7,601,874	6,453,686	6,744,578	19,168,409	18,144,714	16,832,687	21,272,630
Unrestricted	20,539,058	(30,479,628)	(27,682,276)	(33,824,620)	(34,023,657)	(50,151,323)	(45,562,866)	(43,064,683)	(25,599,166)	(15,965,451)
Total Net Position	\$ 126,324,916	\$ 87,867,607	\$ 93,038,137	\$ 89,977,301	\$ 94,670,169	\$ 79,905,813	\$ 93,493,723	\$ 103,140,010	\$ 123,454,414	\$ 138,331,288

Source: Town of Westerly Annual Financial Statements

TOWN OF WESTERLY, RHODE ISLAND

TABLE 2

CHANGES IN NET POSITION, LAST TEN FISCAL YEARS  
GOVERNMENTAL ACTIVITIES  
(ACCRUAL BASIS OF ACCOUNTING)

	FISCAL YEAR									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Expenses</b>										
<b>Governmental Activities</b>										
Legislative, judicial & general administrative	\$ 4,331,225	\$ 5,047,531	\$ 4,708,957	\$ 4,707,273	\$ 6,148,593	\$ 20,376,569	\$ 19,339,909	\$ 17,729,465	\$ 18,702,398	\$ 18,330,858
Public works	8,421,798	7,634,376	7,891,734	8,030,694	6,962,464	5,313,151	5,994,189	6,285,256	6,897,337	6,980,662
Public safety	7,641,412	8,569,273	10,097,782	11,395,743	9,023,890	6,300,762	3,739,044	5,849,362	4,041,929	6,655,688
Health and welfare	2,648,904	1,193,857	932,767	1,625,117	1,444,325	1,598,964	1,304,095	1,399,797	1,541,288	1,683,661
Conservation and development	13,723	8,058	24,852	18,168	44,730	948,771	287,270	933,919	49,409	159,567
Parks and recreation	835,358	1,162,690	1,400,753	1,295,865	1,309,351	1,266,933	846,809	834,164	791,124	771,399
Planning and zoning	659,533	762,142	743,772	782,652	198,784	800,231	851,445	994,332	1,036,939	928,575
Public education	60,152,421	61,614,560	60,242,455	62,732,292	62,428,690	68,507,646	69,042,392	68,366,203	66,829,820	68,669,619
Interest	3,417,931	2,131,894	4,597,122	3,898,458	3,435,937	1,857,957	2,117,781	1,932,042	2,038,437	1,356,732
<b>Total Governmental Activities</b>	<u>88,122,305</u>	<u>88,124,381</u>	<u>90,640,194</u>	<u>94,486,262</u>	<u>90,996,764</u>	<u>106,970,984</u>	<u>103,522,934</u>	<u>104,324,740</u>	<u>101,928,681</u>	<u>105,536,761</u>
<b>Business-Type Activities</b>										
Water	4,040,375	4,255,925	4,087,550	4,274,095	4,239,920	4,185,008	4,419,105	4,627,534	4,927,301	4,423,782
Sewer	3,428,731	3,437,290	3,577,374	3,758,100	3,719,113	3,508,531	3,570,498	4,052,068	3,649,601	4,003,813
Transfer station	--	--	--	--	--	1,953,345	2,601,240	2,836,332	2,757,179	3,222,049
Other nonmajor	--	--	--	--	--	368,562	451,069	392,975	7,540	--
Beach	279,307	--	--	--	--	--	--	--	--	--
<b>Total Business-Type Activities</b>	<u>7,748,413</u>	<u>7,693,215</u>	<u>7,664,924</u>	<u>8,032,195</u>	<u>7,959,033</u>	<u>10,015,446</u>	<u>11,041,912</u>	<u>11,908,909</u>	<u>11,341,621</u>	<u>11,649,644</u>
<b>Total Expenses</b>	<u>\$ 95,870,718</u>	<u>\$ 95,817,596</u>	<u>\$ 98,305,118</u>	<u>\$ 102,518,457</u>	<u>\$ 98,955,797</u>	<u>\$ 116,986,430</u>	<u>\$ 114,564,846</u>	<u>\$ 116,233,649</u>	<u>\$ 113,270,302</u>	<u>\$ 117,186,405</u>
<b>Program Revenues</b>										
<b>Governmental Activities</b>										
Charges for services:										
Legislative, judicial & general administrative	\$ 2,064,851	\$ 1,170,950	\$ 1,004,773	\$ 1,211,251	\$ 1,164,508	\$ 11,654,047	\$ 12,677,812	\$ 13,129,554	\$ 13,066,479	\$ 12,566,627
Public works	2,539,006	2,451,873	2,369,581	2,561,957	2,901,374	31,471	32,563	36,239	34,475	35,509
Public safety	331,011	261,017	384,141	361,958	507,607	980,614	945,592	782,544	2,926,061	807,646
Health and welfare	46,226	51,367	49,498	38,606	95,320	12,489	5,167	1,926	3,646	579
Conservation and development	18,914	34,504	11,876	16,759	7,577	--	--	--	--	--
Parks and recreation	132,186	223,944	226,461	300,888	239,660	351,884	311,411	319,168	354,911	358,281
Planning and zoning	68,532	75,703	67,330	65,508	52,239	557,855	605,677	728,532	725,434	974,681
Public education	885,397	794,130	825,349	822,436	836,314	2,165,528	1,866,086	1,239,646	1,558,316	2,215,109
Other activities	--	--	--	--	--	475,878	476,899	478,682	480,752	467,280
Operating grants and contributions	19,613,142	17,480,083	18,292,668	15,552,575	16,052,500	14,577,457	13,700,087	12,194,415	13,725,293	16,711,119
Capital grants and contributions	--	129,017	482,120	91,443	147,507	2,845,247	2,431,095	191,118	368,611	661,953
<b>Total Governmental Activities Program Revenues</b>	<u>25,699,265</u>	<u>22,672,588</u>	<u>23,713,797</u>	<u>21,023,381</u>	<u>22,004,606</u>	<u>33,652,470</u>	<u>33,052,389</u>	<u>29,101,824</u>	<u>33,243,978</u>	<u>34,798,784</u>
<b>Business-Type Activities</b>										
Charges for services:										
Water	4,263,283	4,724,623	4,481,837	4,856,600	4,867,342	4,134,104	4,297,693	4,323,065	5,002,900	4,285,743
Sewer	3,707,640	3,750,359	3,738,352	3,757,947	3,661,087	3,390,651	3,633,827	3,754,515	3,813,804	3,695,197
Transfer station	--	--	--	--	--	1,964,107	2,450,499	2,750,959	3,115,091	3,509,252
Other non major funds	--	--	--	--	--	91,104	123,847	81,854	--	--
Beach	66,577	--	--	--	--	--	--	--	--	--
<b>Total Business-Type Activities</b>	<u>8,037,500</u>	<u>8,474,982</u>	<u>8,220,189</u>	<u>8,614,547</u>	<u>8,528,429</u>	<u>9,579,966</u>	<u>10,505,866</u>	<u>10,910,393</u>	<u>11,931,795</u>	<u>11,490,192</u>
<b>Total Program Revenues</b>	<u>\$ 33,736,765</u>	<u>\$ 31,147,570</u>	<u>\$ 31,933,986</u>	<u>\$ 29,637,928</u>	<u>\$ 30,533,035</u>	<u>\$ 43,232,436</u>	<u>\$ 43,558,255</u>	<u>\$ 40,012,217</u>	<u>\$ 45,175,773</u>	<u>\$ 46,288,976</u>

TOWN OF WESTERLY, RHODE ISLAND

TABLE 2

CHANGES IN NET POSITION, LAST TEN FISCAL YEARS (CONTINUED)  
 GOVERNMENTAL ACTIVITIES  
 (ACCRUAL BASIS OF ACCOUNTING)

	FISCAL YEAR									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Net (Expenses) Revenues</b>										
Governmental activities	\$ (62,423,040)	\$ (65,451,793)	\$ (66,926,397)	\$ (73,462,881)	\$ (68,992,158)	\$ (73,318,514)	\$ (70,470,545)	\$ (75,222,916)	\$ (68,684,703)	\$ (70,737,977)
Business-type activities	289,087	781,767	555,265	582,352	569,396	(435,480)	(536,046)	(998,516)	590,174	(159,452)
<b>Total Net Expense</b>	<u>\$ (62,133,953)</u>	<u>\$ (64,670,026)</u>	<u>\$ (66,371,132)</u>	<u>\$ (72,880,529)</u>	<u>\$ (68,422,762)</u>	<u>\$ (73,753,994)</u>	<u>\$ (71,006,591)</u>	<u>\$ (76,221,432)</u>	<u>\$ (68,094,529)</u>	<u>\$ (70,897,429)</u>
<b>General Revenues and other Changes in Net Position</b>										
Governmental activities										
Property taxes	\$ 65,108,718	\$ 65,605,977	\$ 68,528,551	\$ 68,367,279	\$ 70,244,120	\$ 71,442,426	\$ 74,137,027	\$ 73,224,033	\$ 77,500,103	\$ 77,380,216
On-behalf pension contributions	--	--	--	--	--	5,141,470	4,960,954	6,048,306	5,711,553	-
State aid and in lieu of taxes not restricted	1,927,032	2,400,544	2,519,706	2,737,650	2,735,220	1,393,019	1,747,784	2,268,079	1,178,723	2,931,295
Unrestricted investment earnings	55,779	30,786	32,886	50,854	71,802	165,931	257,337	331,867	123,888	121,232
Miscellaneous	84,964	133,290	247,693	146,118	31,120	2,494,828	2,629,567	3,118,131	2,141,660	3,886,575
Transfers	(604,580)	850,232	(376,895)	(369,522)	(316,002)	(817,699)	(791,617)	(964,911)	(771,844)	(804,472)
Residual equity on transfer	--	--	--	--	--	(2,125,451)	--	--	1,456,309	--
<b>Total Governmental Activities</b>	<u>66,571,913</u>	<u>69,020,829</u>	<u>70,951,941</u>	<u>70,932,379</u>	<u>72,766,260</u>	<u>77,694,524</u>	<u>82,941,052</u>	<u>84,025,505</u>	<u>87,340,392</u>	<u>83,514,846</u>
<b>Business-Type Activities</b>										
Unrestricted investment earnings	2,111	2,121	6,826	3,434	3,439	3,457	3,471	1,952	871	873
Miscellaneous	--	--	--	--	--	734,277	858,361	875,351	1,515,689	1,454,112
Residual equity on transfer	--	--	--	--	--	2,125,451	--	--	(1,456,309)	--
Transfers	604,580	(850,232)	376,895	369,522	316,002	817,699	791,617	964,911	771,844	804,472
<b>Total Business-Type Activities</b>	<u>606,691</u>	<u>(848,111)</u>	<u>383,721</u>	<u>372,956</u>	<u>319,441</u>	<u>3,680,884</u>	<u>1,653,449</u>	<u>1,842,214</u>	<u>832,095</u>	<u>2,259,457</u>
<b>Total</b>	<u>67,178,604</u>	<u>68,172,718</u>	<u>71,335,662</u>	<u>71,305,335</u>	<u>73,085,701</u>	<u>81,375,408</u>	<u>84,594,501</u>	<u>85,867,719</u>	<u>88,172,487</u>	<u>85,774,303</u>
<b>Change in Net Position</b>										
Governmental activities	4,148,873	3,569,036	4,025,544	(2,530,502)	3,774,102	4,376,010	12,470,507	8,802,589	18,655,689	12,776,869
Business-type activities	895,778	(66,344)	938,986	955,308	888,837	3,245,404	1,117,403	843,698	1,422,269	2,100,005
<b>Total</b>	<u>\$ 5,044,651</u>	<u>\$ 3,502,692</u>	<u>\$ 4,964,530</u>	<u>\$ (1,575,194)</u>	<u>\$ 4,662,939</u>	<u>\$ 7,621,414</u>	<u>\$ 13,587,910</u>	<u>\$ 9,646,287</u>	<u>\$ 20,077,958</u>	<u>\$ 14,876,874</u>

TOWN OF WESTERLY, RHODE ISLAND

TABLE 3

FUND BALANCES, GOVERNMENTAL FUNDS, LAST TEN FISCAL YEARS  
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	FISCAL YEAR									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>General Fund</b>										
Nonspendable	\$ 2,443,435	\$ 840,328	\$ 3,727,798	\$ 2,481,536	\$ 1,964,480	\$ 65,142	\$ 1,160,288	\$ 1,074,747	\$ 1,204,941	\$ 1,050,830
Restricted	2,410,035	2,651,915	899,551	2,016,389	2,962,109	2,553,308	2,934,327	4,446,897	4,464,952	6,073,003
Committed	188,496	187,137	631,100	1,023,198	999,360	1,428,760	1,194,821	1,251,351	980,478	676,971
Assigned	642,000	500,000	275,000	475,000	--	--	--	--	--	--
Unassigned	7,542,061	8,606,291	5,873,316	5,498,327	8,565,108	10,148,541	9,421,232	11,091,308	14,865,230	16,560,025
<b>Total General Fund</b>	<u>13,226,027</u>	<u>12,785,671</u>	<u>11,406,765</u>	<u>11,494,450</u>	<u>14,491,057</u>	<u>14,195,751</u>	<u>14,710,668</u>	<u>17,864,303</u>	<u>21,515,601</u>	<u>24,360,829</u>
<b>All Other Governmental Funds</b>										
Nonspendable	--	--	--	--	--	--	--	26,522	74,826	50,984
Restricted	4,250,044	4,350,125	6,891,126	5,585,485	3,491,577	2,459,251	14,378,168	9,597,853	7,557,331	10,422,441
Committed	2,718,537	2,829,358	1,993,649	2,052,305	3,176,002	2,741,307	2,587,070	2,727,288	3,497,425	3,990,607
Unassigned	(34,313)	(644,817)	(56,941)	(86,125)	(296,685)	(15,470)	--	--	--	--
<b>Total All Other Governmental Funds</b>	<u>\$ 6,934,268</u>	<u>\$ 6,534,666</u>	<u>\$ 8,827,834</u>	<u>\$ 7,551,665</u>	<u>\$ 6,370,894</u>	<u>\$ 5,185,088</u>	<u>\$ 16,965,238</u>	<u>\$ 12,351,663</u>	<u>\$ 11,129,582</u>	<u>\$ 14,464,032</u>

Source: Town of Westerly Annual Financial Statements

TOWN OF WESTERLY, RHODE ISLAND

TABLE 4

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS, LAST TEN FISCAL YEARS  
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	For the Fiscal Year Ended June 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Revenues</b>										
General property taxes	\$ 65,284,340	\$ 67,111,282	\$ 67,701,397	\$ 68,353,018	\$ 71,006,084	\$ 71,539,943	\$ 73,698,475	\$ 75,129,029	\$ 76,154,156	\$ 78,153,783
Intergovernmental revenue	23,610,581	21,714,929	23,507,224	23,605,520	23,674,677	22,850,796	21,775,419	18,377,181	21,960,082	23,026,597
Operating grants and contributions	--	--	--	--	--	--	3,802	--	--	--
Capital grants and contributions	--	--	--	--	--	425,766	333,300	178,156	33,110	222,148
Licenses and permits	987,140	924,890	892,998	1,004,702	957,454	560,357	654,952	802,626	792,566	1,048,115
Charges for services	--	--	--	--	--	2,219,786	2,203,092	1,997,505	2,118,140	1,951,977
Fines and penalties	170,433	164,292	189,849	248,243	257,925	256,321	170,452	186,060	279,242	236,044
Interest on investments	52,418	27,407	29,172	49,446	70,392	165,931	257,337	331,867	123,888	121,232
On behalf pension contribution	--	--	--	--	--	2,428,738	2,452,730	2,515,237	2,606,081	2,670,323
Other revenues	2,848,970	2,341,541	2,246,949	1,703,633	2,183,082	624,886	645,411	987,855	1,443,433	1,232,306
<b>Total Revenues</b>	<b>92,953,882</b>	<b>92,284,341</b>	<b>94,567,589</b>	<b>94,964,562</b>	<b>98,149,614</b>	<b>101,072,524</b>	<b>102,194,970</b>	<b>100,505,516</b>	<b>105,510,698</b>	<b>108,662,525</b>
<b>Expenditures</b>										
Current:										
Legislative, judicial and general administrative	4,246,621	4,210,763	4,071,190	3,632,451	5,315,071	8,373,194	8,193,359	7,469,708	7,386,842	7,275,693
Public works	8,007,654	6,622,126	6,410,305	6,380,205	6,192,932	3,991,546	4,643,131	4,533,140	4,771,380	4,603,035
Public safety	7,419,524	8,087,246	8,797,203	8,475,679	6,859,372	7,265,723	7,199,836	7,482,934	8,179,195	8,700,096
Health and welfare	2,633,209	3,189,709	1,509,542	1,572,619	1,436,949	1,598,964	1,304,095	1,399,797	1,541,288	1,683,661
Conservation and development	20,724	8,058	28,591	16,756	43,642	948,771	287,270	933,919	49,409	159,567
Parks and recreation	853,703	988,760	1,169,251	1,431,213	1,130,853	1,084,395	615,498	662,115	638,917	540,659
Planning and zoning	680,536	784,507	749,471	771,227	654,428	788,633	836,315	986,275	1,028,682	920,318
Public education	57,657,340	58,575,405	59,794,583	59,884,514	60,841,322	59,568,409	60,505,306	58,678,106	61,914,837	61,259,343
On behalf pension contribution	--	--	--	--	--	2,428,738	2,452,730	2,515,237	2,606,081	2,670,323
Capital improvement/restricted programs	4,880,804	4,005,779	7,468,346	3,875,406	5,879,811	7,918,267	9,290,338	8,887,777	7,210,185	14,556,097
Debt service:										
Principal	5,874,438	5,874,438	5,874,438	5,874,438	5,874,438	9,449,364	9,897,806	9,854,483	10,024,564	10,137,977
Interest	3,894,578	4,004,773	4,557,382	5,269,860	4,178,583	--	--	--	--	--
<b>Total Expenditures</b>	<b>96,169,131</b>	<b>96,351,564</b>	<b>100,430,302</b>	<b>97,184,368</b>	<b>98,407,401</b>	<b>103,416,004</b>	<b>105,225,684</b>	<b>103,403,491</b>	<b>105,351,380</b>	<b>112,506,769</b>
<b>Excess of revenues over (under) expenditures</b>	<b>(3,215,249)</b>	<b>(4,067,223)</b>	<b>(5,862,713)</b>	<b>(2,219,806)</b>	<b>(257,787)</b>	<b>(2,343,480)</b>	<b>(3,030,714)</b>	<b>(2,897,975)</b>	<b>159,318</b>	<b>(3,844,244)</b>
<b>Other Financing Sources (Uses)</b>										
Bond and loan proceeds	6,500,000	--	--	--	1,350,000	--	15,000,000	1,000,000	11,205,000	17,175,000
Lease proceeds	1,208,876	2,347,516	778,992	1,194,433	1,039,625	1,254,864	1,117,398	1,402,946	615,804	1,753,194
Premium on debt	1,933,872	2,136,371	145,374	--	--	366,446	--	--	1,933,838	--
Issuance of refunding bonds	20,073,678	15,890,000	6,000,000	--	--	4,140,000	--	--	--	--
Payment to refunding bond escrow agent	(21,813,976)	(16,489,170)	--	--	--	(4,179,386)	--	--	(10,949,344)	(8,099,800)
Transfers from other funds	1,210,145	1,264,685	1,174,147	1,248,986	1,137,099	1,511,463	1,244,623	1,525,748	3,456,043	1,819,997
Transfers to other funds	(1,814,725)	(1,922,137)	(1,321,542)	(1,273,508)	(1,453,101)	(2,329,162)	(2,036,240)	(2,490,659)	(4,227,887)	(2,624,469)
<b>Total Other Financing Sources</b>	<b>7,297,870</b>	<b>3,227,265</b>	<b>6,776,971</b>	<b>1,169,911</b>	<b>2,073,623</b>	<b>764,225</b>	<b>15,325,781</b>	<b>1,438,035</b>	<b>2,033,454</b>	<b>10,023,922</b>
<b>Net Change in Fund Balances</b>	<b>\$ 4,082,621</b>	<b>\$ (839,958)</b>	<b>\$ 914,258</b>	<b>\$ (1,049,895)</b>	<b>\$ 1,815,836</b>	<b>\$ (1,579,255)</b>	<b>\$ 12,295,067</b>	<b>\$ (1,459,940)</b>	<b>\$ 2,192,772</b>	<b>\$ 6,179,678</b>
<b>Debt Service as a Percentage of Noncapital Expenditures</b>	<b>10.70%</b>	<b>10.70%</b>	<b>11.22%</b>	<b>11.94%</b>	<b>10.86%</b>	<b>9.89%</b>	<b>10.32%</b>	<b>10.43%</b>	<b>10.21%</b>	<b>10.35%</b>

Source: Town of Westerly Annual Financial Statements

**TOWN OF WESTERLY, RHODE ISLAND**

**TABLE 5**

**ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY  
LAST TEN YEARS  
(UNAUDITED)**

<b>Fiscal Year Ended June 30</b>	<b>Real Property</b>	<b>Tangible Property</b>	<b>Motor Vehicles</b>	<b>Less Exemptions</b>	<b>Total Taxable Assessed Value</b>	<b>Total Direct Tax Rate Real</b>	<b>Total Direct Tax Rate MV</b>
2022	\$ 6,383,996,780	\$ 136,608,805	\$ 186,320,112	\$ 141,896,778	\$ 6,565,028,919	11.52	29.67
2021	\$ 6,344,781,480	\$ 133,872,207	\$ 180,057,582	\$ 130,358,756	\$ 6,528,352,513	11.31	29.67
2020	\$ 6,299,240,580	\$ 131,163,952	\$ 186,792,202	\$ 117,406,794	\$ 6,499,753,939	11.20	29.67
2019	\$ 5,718,629,930	\$ 125,509,234	\$ 189,482,508	\$ 101,133,577	\$ 5,932,488,094	11.88	29.67
2018	\$ 5,668,135,260	\$ 119,592,185	\$ 220,615,299	\$ 100,261,288	\$ 5,908,081,456	11.59	29.67
2017	\$ 5,618,394,130	\$ 121,142,653	\$ 218,935,856	\$ 102,135,031	\$ 5,856,336,030	11.36	29.67
2016	\$ 5,767,432,015	\$ 115,459,093	\$ 215,176,591	\$ 108,693,817	\$ 5,989,385,500	10.82	29.67
2015	\$ 5,720,353,700	\$ 117,617,714	\$ 208,705,482	\$ 109,796,164	\$ 5,936,880,732	10.64	29.67
2014	\$ 5,681,316,650	\$ 113,754,910	\$ 206,850,868	\$ 187,685,148	\$ 5,887,246,189	10.53	29.67
2013	\$ 6,029,044,940	\$ 111,092,881	\$ 207,200,816	\$ 123,833,594	\$ 6,223,505,043	9.74	29.67

**TOWN OF WESTERLY, RHODE ISLAND**

**TABLE 6**

**PROPERTY TAX RATES  
(PER \$1,000 OF ASSESSED VALUE)  
LAST TEN YEARS  
(UNAUDITED)**

---

<b>Fiscal Year Ended June 30</b>	<b>Real Estate and Personal Property</b>	<b>Motor Vehicle</b>
2013	9.74	29.67
2014	10.53	29.67
2015	10.64	29.67
2016	10.82	29.67
2017	11.36	29.67
2018	11.59	29.67
2019	11.88	29.67
2020	11.20	29.67
2021	11.31	29.67
2022	11.52	29.67

Source: Finance Department, Westerly, Rhode Island

**TOWN OF WESTERLY, RHODE ISLAND**

**TABLE 7**

**PRINCIPAL PROPERTY TAXPAYERS  
CURRENT YEAR AND TEN YEARS AGO  
(UNAUDITED)**

2021				2012			
Name	Assessed Value	Rank	% Net Taxable Grand List	Name	Assessed Value	Rank	% Net Taxable Grand List
National Grid	\$ 40,859,398	1	0.609%	Ocean House Hotel Partners, LLC	\$ 24,702,900	1	0.389%
Ocean House Hotel Partners, LLC	\$ 25,257,400	2	0.377%	Washington Trust Company	\$ 19,871,300	2	0.313%
Kahuna Rhode Island, LLC	\$ 22,302,400	3	0.333%	National Grid	\$ 19,076,200	3	0.301%
Washington Trust Co. (The)	\$ 19,152,500	4	0.286%	Franklin Plaza, LLC	\$ 17,315,047	4	0.273%
Westerly Ventures, LLC	\$ 19,130,000	5	0.285%	Westerly Ventures, LLC	\$ 13,930,900	5	0.219%
Wall, Thomas R. IV	\$ 18,502,900	6	0.276%	Royce, Charles M.	\$ 13,028,800	6	0.205%
Harbor Land Strategic Realty, LLC	\$ 17,151,700	7	0.256%	Kahuna Rhode Island, LLC	\$ 12,675,100	7	0.200%
Misquamicut Club	\$ 16,987,700	8	0.253%	Misquamicut Club	\$ 12,352,900	8	0.195%
Vogt Associates Ltd	\$ 16,530,200	9	0.246%	Bluff Avenue, LLC	\$ 12,091,500	9	0.190%
George W Whitney Rev Trust &	\$ 15,513,800	10	0.231%	Home Depot USA, Inc.	\$ 11,816,800	10	0.186%
GROSS ASSESSED VALUE AS OF 12/31/20:			\$ 6,706,925,697	GROSS ASSESSED VALUE AS OF 12/31/11			\$ 6,347,338,637

**TOWN OF WESTERLY, RHODE ISLAND**

**TABLE 8**

**PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN YEARS  
(UNAUDITED)**

<b>Fiscal Year Ended June 30</b>	<b>Taxes Levied (net abatements)</b>	<b>Collected within the Fiscal Year Amount</b>	<b>% of Levy</b>	<b>Collected in Subsequent Years</b>	<b>Total Collections Amount</b>	<b>Balance Remaining</b>	<b>% of Levy</b>
2013	\$ 65,309,604	\$ 63,930,910	97.89%	\$ 1,378,694	\$ 65,309,604	\$ -	100.00%
2014	\$ 67,067,280	\$ 64,645,348	96.39%	\$ 2,285,119	\$ 66,930,467	\$ 136,813	99.80%
2015	\$ 67,067,280	\$ 66,274,258	98.82%	\$ 684,446	\$ 66,958,704	\$ 108,576	99.84%
2016	\$ 69,019,265	\$ 67,949,144	98.45%	\$ 959,573	\$ 68,908,717	\$ 110,548	99.84%
2017	\$ 70,419,912	\$ 70,062,864	99.49%	\$ 252,320	\$ 70,315,184	\$ 104,728	99.85%
2018	\$ 71,870,646	\$ 71,490,180	99.47%	\$ 289,053	\$ 71,779,233	\$ 91,413	99.87%
2019	\$ 73,984,340	\$ 73,737,407	99.67%	\$ 147,582	\$ 73,884,989	\$ 99,351	99.87%
2020	\$ 76,259,195	\$ 75,457,592	98.95%	\$ 706,768	\$ 76,164,360	\$ 94,835	99.88%
2021	\$ 76,863,404	\$ 76,230,890	99.18%	\$ 546,894	\$ 76,777,784	\$ 85,620	99.89%
2022	\$ 78,570,089	\$ 78,159,894	99.48%	-	\$ 78,159,894	\$ 410,194	99.48%

**TOWN OF WESTERLY, RHODE ISLAND**

**TABLE 9**

**RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST TEN YEARS  
(UNAUDITED)**

Year	Governmental Activities			Business Type Activities			Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Notes and Loan Payable	Capital Leases	General Obligation Bonds	Loans Payable	Capital Leases			
2022	\$ 59,749,000	\$ 9,351,000	\$ 2,639,393	\$ 1,700,000	\$ 1,489,300	\$ 2,214,289	\$ 77,142,982	8.43%	\$ 3,455
2021	\$ 56,854,000	\$ 9,351,000	\$ 2,004,524	\$ -	\$ 1,752,300	\$ 2,187,725	\$ 72,149,549	7.88%	\$ 3,231
2020	\$ 50,603,000	\$ 21,286,000	\$ 2,140,086	\$ -	\$ 2,529,212	\$ 2,479,221	\$ 79,037,519	8.55%	\$ 3,506
2019	\$ 54,323,000	\$ 22,371,000	\$ 1,957,708	\$ -	\$ 3,289,610	\$ 2,714,859	\$ 84,656,177	9.13%	\$ 3,755
2018	\$ 43,840,000	\$ 23,456,000	\$ 2,121,462	\$ -	\$ 3,863,915	\$ 2,692,776	\$ 75,974,153	8.65%	\$ 3,358
2017	\$ 48,160,000	\$ 24,541,000	\$ 2,190,137	\$ -	\$ 2,760,519	\$ 2,459,388	\$ 80,111,045	9.48%	\$ 3,541
2016	\$ 51,145,000	\$ 22,703,812	\$ 2,342,516	\$ -	\$ 3,307,808	\$ 2,491,760	\$ 81,990,896	10.25%	\$ 3,620
2015	\$ 59,347,000	\$ 20,476,250	\$ 2,503,007	\$ -	\$ 3,944,878	\$ 2,594,000	\$ 88,865,135	10.98%	\$ 3,918
2014	\$ 52,955,000	\$ 26,052,688	\$ 2,844,049	\$ -	\$ 4,569,370	\$ 20,000	\$ 86,441,107	10.74%	\$ 3,803
2013	\$ 56,233,678	\$ 27,732,124	\$ 1,379,633	\$ 1,671,322	\$ 5,181,638	\$ 12,507	\$ 92,210,902	11.99%	\$ 4,059

**TOWN OF WESTERLY, RHODE ISLAND**

**TABLE 10**

**RATIOS OF GENERAL BONDED DEBT OUTSTANDING  
LAST TEN YEARS  
(UNAUDITED)**

<b>Fiscal Year</b>	<b>General Obligation Bonds</b>	<b>Notes and Loan Payable</b>	<b>Total</b>	<b>(a) Percentage of Actual Taxable Value of Property</b>	<b>Per Capita</b>
2022	\$ 59,749,000	\$ 9,351,000	\$ 69,100,000	1.05%	\$ 2,943
2021	\$ 56,854,000	\$ 9,351,000	\$ 66,205,000	1.01%	\$ 2,965
2020	\$ 50,603,000	\$ 21,286,000	\$ 71,889,000	1.11%	\$ 3,189
2019	\$ 54,323,000	\$ 22,371,000	\$ 76,694,000	1.29%	\$ 3,402
2018	\$ 43,840,000	\$ 23,456,000	\$ 67,296,000	1.14%	\$ 2,975
2017	\$ 48,160,000	\$ 24,541,000	\$ 72,701,000	1.24%	\$ 3,213
2016	\$ 51,145,000	\$ 22,703,812	\$ 73,848,812	1.23%	\$ 3,260
2015	\$ 59,347,000	\$ 20,476,250	\$ 79,823,250	1.34%	\$ 3,519
2014	\$ 52,955,000	\$ 26,052,688	\$ 79,007,688	1.34%	\$ 3,476
2013	\$ 56,233,678	\$ 27,732,124	\$ 83,965,802	1.35%	\$ 3,696

Source: Finance Department, Westerly, Rhode Island

(a) Total taxable assessed value

TOWN OF WESTERLY, RHODE ISLAND

TABLE 11

LEGAL DEBT MARGIN INFORMATION  
LAST TEN YEARS  
(UNAUDITED)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Total assessed value	\$ 6,223,505,043	\$ 5,887,246,189	\$ 5,936,880,732	\$ 5,989,385,500	\$ 5,856,336,030	\$ 5,908,081,456	\$ 5,932,488,094	\$ 6,499,753,939	\$ 6,528,352,513	\$ 6,565,028,919
Debt Limit (1)	\$ 186,705,151	\$ 176,617,386	\$ 178,106,422	\$ 179,681,565	\$ 175,690,081	\$ 177,242,444	\$ 177,974,643	\$ 194,992,618	\$ 195,850,575	\$ 196,950,868
Amount of Debt Subject to Limit	\$ 32,446,768	\$ 29,787,516	\$ 28,597,811	\$ 28,598,118	\$ 28,834,874	\$ 28,825,852	\$ 41,875,272	\$ 38,296,170	\$ 36,111,110	\$ 32,302,539
Legal Debt Margin	\$ 154,258,383	\$ 146,829,870	\$ 149,508,611	\$ 151,083,447	\$ 146,855,207	\$ 148,416,592	\$ 136,099,371	\$ 156,696,448	\$ 159,739,465	\$ 164,648,329
Legal Debt Margin as a Percentage of the Debt Limit	82.62%	83.13%	83.94%	84.08%	83.59%	83.74%	76.47%	80.36%	81.56%	83.60%

Source: Finance Department, Westerly, Rhode Island

(1) The Town's legal debt margin as set forth by Rhode Island State Statute is limited to three percent of total taxable assessed value

**TOWN OF WESTERLY, RHODE ISLAND**

**TABLE 12**

**DEMOGRAPHIC AND ECONOMIC STATISTICS  
CURRENT AND HISTORIC COMPARISON**

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>Population</b>	23,483	22,328	22,544	22,544	22,624	22,626	22,651	22,683	22,727	22,720
<b>Median Age</b>	N/A	N/A	49.3 years	46.6 years	45.6 years	45.7 years	45.6 years	45.1 years	44.5 years	44.1 years
<b>High School Graduate Attainment (ages 18+)</b>	N/A	N/A	93%*	85.9%	90.1%	90.0%	89.5%	89.8%	88.8%	87.1%
<b>Bachelor's Degree Attainment (ages 25+)</b>	N/A	N/A	37.1%	34.8%	32.8%	32.4%	31.6%	31.6%	31.9%	30.4%
<b>Median Household Income (past 12 months)</b>	N/A	N/A	\$76,835	\$70,784	\$65,810	\$63,507	\$60,800	\$61,500	\$62,381	\$60,532
<b>Per Capita Income (past 12 months)</b>	N/A	N/A	\$44,360	\$40,999	\$38,821	\$37,358	\$35,304	\$35,694	\$35,420	\$33,854

Source: United States Census Bureau (including American Community Survey)

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>Public School Enrollment</b>	2,372	2,431	2,639	2,730	2,775	2,851	3,007	2,997	2,996	3,037

Source: Westerly Public Schools

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>Unemployment Rate</b>	4.1%	6.2%	11.8%	3.9%	5.1%	5.1%	6.1%	7.2%	9.2%	10.6%

Source: Rhode Island Department of Labor and Training

<https://dlt.ri.gov/labor-market-information/data-center/unemployment-ratelabor-force-statistics-laus>

**TOWN OF WESTERLY, RHODE ISLAND**

**TABLE 13**

**FULL-TIME EQUIVALENT TOWN GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM  
(UNAUDITED)**

	For the Fiscal Year Ended June 30,									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>General Government</b>										
Town Manager	2	2	2	2	2	2	2	2	2	2
Town Solicitor	--	--	--	--	--	--	--	--	--	--
Finance	8	8	8	8	6	7	9	9	9	9
Town Clerk	6	6	6	6.5	7	7	7	7	7	5
Development Services	9	11	10.5	10	9.5	9.5	4	4	4	4
Assessment	5	4	5	5	5	5	5	5	5	5
Other	-	-	-	-	-	-	16	16	16	16
Human Resources	2	2	2	2	3.5	3.5	--	--	--	--
Information Technology	3	4	3.5	3.5	3	3	--	--	--	--
Animal Shelter	1	1	1.5	1.5	3	3	--	--	--	--
Tax Collections	4	4	4	4	4	4	--	--	--	--
Purchasing	1	1	1	1	1	0.5	--	--	--	--
<b>Public Safety</b>										
Sworn Officers	50	51	52	53	50	50	45	50	50	48
Support	12	16	13	13	12	11	11	11	11	12
<b>Public Health</b>										
Public Works	45	47	43	49	46	45	45	45	45	43
Water & Sewer	22	29	25	31	27	28	28	28	29	29
<b>Public Welfare</b>										
Recreation	2	2	2	2	1.5	1.5	2	2	2	1
<b>Public Education</b>										
Teachers	265	281	276	278	286	297	302	302	310	307
Pupil Support	207	221	261	263	236	230	234	234	233	235
Administration	20	22	19	23	36	39	38	38	34	38

**TOWN OF WESTERLY, RHODE ISLAND**  
**OPERATING INDICATORS BY FUNCTION/PROGRAM**  
**(UNAUDITED)**

**TABLE 14**

	For the Fiscal Year Ended June 30,									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013 (Revised)
<b>General Government</b>										
Marriage Licenses Issued	208	177	165	197	188	219	195	185	212	212
Death Certificates Recorded	184	468	426	340	309	313	357	368	287	325
Land Records Recorded	6,096	7,762	5,565	5,282	5,594	5,907	5,764	5,450	6,302	7,162
Registered Voters	19,638	19,535	19,134	18,477	18,296	18,014	17,728	17,224	17,729	17,422
Elections & Referenda	--	4	2	2	2	2	2	2	1	2
<b>Planning &amp; Development</b>										
Building Permits Issued	2922	2,809	2,466	2,416	2,310	2,230	2,399	1,984	2,482	976
Cost of Construction	103,770,683	76,193,467	77,780,036	68,950,851	55,964,294	54,592,394	69,905,961	47,232,404	52,404,978	40,874,909
<b>Police</b>										
Arrest	1096	1,369	998	918	953	1,316	1,099	1,198	1,061	972
Parking Violations	1095	2,295	1,813	1,642	1,918	626	1,754	1,860	1,196	1,223
Calls for Service	60,631	69,581	49,722	48,120	46,882	42,793	34,704	30,948	28,825	30,139
<b>Public Works</b>										
Street Resurfacing (miles)	8	3	5	1	3	1	9	6	7	7
Transfer station refuse (tons)	16091	17,398	12,587	12,208	10,674	9,760	10,077	12,692	13,383	11,881
Transfer station recyclables (tons)	5100	5,140	3,573	4,435	4,401	5,093	4,410	4,343	4,159	3,739
<b>Parks &amp; Recreation</b>										
Programs Offered	46	71	77	78	101	70	68	63	61	61
Beach Passes Issued	3465	3,470	3,429	3,085	2,972	2,756	2,591	2,552	2,454	2,061
<b>Education</b>										
Number of Students	2372	2,431	2,639	2,730	2,775	2,851	3,007	2,997	2,996	3,037
<b>Water</b>										
New Connections	17	20	80	64	65	59	69	76	86	46
Water Main Breaks	16	12	34	20	18	22	22	38	18	17
Avg daily consumption (thousands of gallons)	3,877	3,695	2,951	3,270	3,965	3,477	3,559	3,287	3,440	3,321
<b>Sewer</b>										
Average daily treatment (thousands of gallons)	2,151	2,020	2,573	2,743	2,634	2,167	2,195	2,060	2,227	2,120
Sewer treatment capacity (thousands of gallons)	3,300	3,300	3,300	3,300	3,300	3,300	3,300	3,300	3,300	3,300

**TOWN OF WESTERLY, RHODE ISLAND**

**TABLE 15**

**CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM  
(UNAUDITED)**

Function/Program	For the Fiscal Year Ended June 30, 2022									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>Police</b>										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units	60	60	60	60	60	55	52	47	46	46
<b>Fire</b>										
Fire Prevention is covered by five separate self-taxing Fire Districts										
<b>Public Works</b>										
Streets (miles)	137	136	136	136	156	156	156	156	145	145
Street Lights	3354	3348	3348	3348	3028	3028	3153	3152	3150	3150
Register Vehicles	119	100	109	122	113	115	103	107	103	103
<b>Parks &amp; Recreation</b>										
Acreage	85	88	85	85	85	85	85	85	85	85
Parks & Playing Fields	6	7	6	6	6	6	6	6	6	6
Beaches	2	2	2	2	2	2	2	2	2	2
Community Centers	1	1	1	1	1	1	1	1	1	1
Senior Centers	1	1	1	1	1	1	1	1	1	1
Marina	1	1	1	1	1	1	1	1	1	1
Town Forest 54 Acres	1	1	1	1	1	1	1	1	1	1
<b>Public Libraries</b>										
Libraries	1	1	1	1	1	1	1	1	1	1
<b>Schools</b>										
Elementary Schools	3	3	3	3	4	4	4	4	4	4
Middle Schools	1	1	1	1	1	1	1	1	1	1
High Schools	1	1	1	1	1	1	1	1	1	1
School Buses	34	42	40	54	54	47	48	48	43	49
<b>Water</b>										
Water Mains (miles)	207	207	207	207	207	207	207	207	207	207
Fire Hydrants	1092	1092	1092	1092	1092	1092	1091	1091	1091	1085
<b>Sewer</b>										
Sanitary Sewers (miles)	61	61	61	61	61	61	61	61	61	61
Storm sewers (miles)	65	65	65	65	65	65	65	65	65	65
Treatment capacity (thousand gallons)	3300	3300	3300	3300	3300	3300	3300	3300	3300	3300

Source: Town capital asset records and various Town Departments

TOWN OF WESTERLY, RHODE ISLAND

TABLE 16

TAX COLLECTORS ANNUAL REPORT  
(UNAUDITED)

For the Fiscal Year Ended June 30, 2022

Tax Roll List Year	Fiscal Year	Balance 1-Jul-21	Current year Assessment	Additions	Adjustments & Abatements	over 10 yr old Receivables	Amount to be Collected	Current Year Collections	Balance 30-Jun-22
2021	2022		78,585,807	76,763	(92,482)		78,570,089	78,159,894	410,194
2020	2021	632,515		-	(20,921)		611,594	525,974	85,620
2019	2020	180,867		-	3		180,870	86,035	94,835
2018	2019	110,969		-	-		110,969	11,618	99,351
2017	2018	103,072		-	-	-	103,072	11,659	91,413
2016	2017	114,819		-	-	-	114,819	10,092	104,728
2015	2016	115,099		-	(36)	-	115,063	4,515	110,548
2014	2015	112,046		-	(427)	-	111,619	3,043	108,576
2013	2014	142,181		-	(162)	-	142,019	5,206	136,813
2012	2013	157,846		-	(225)	151,092	157,621	6,530	-
		<u>1,669,414</u>	<u>78,585,807</u>	<u>76,763</u>	<u>(114,250)</u>	<u>151,092</u>	<u>80,217,735</u>	<u>78,824,566</u>	<u>1,242,078</u>
							Allowance for Doubtful Accounts		<u>(775,957)</u>
									<u>466,121</u>

FY 2022 Cash Collections Summary			
July - August 2021 Collections Subject to 60-day FY 21 Accrual	September - June 2022 Collections	Total FY 2022 Cash Collections	July - August 2022 (FY 23) Cash Collections Subject to 60-day FY 22 Accrual
228,689	77,931,205	78,159,894	150,993
34,652	491,322	525,974	4,012
1,333	84,702	86,035	1,473
648	10,970	11,618	891
1,170	10,489	11,659	257
538	9,554	10,092	12
255	4,260	4,515	104
444	2,599	3,043	150
985	4,221	5,206	319
-	6,530	6,530	-
<u>268,714</u>	<u>78,555,851</u>	<u>78,824,565</u>	<u>158,211</u>

per cert 78,585,806.76  
per QDS 78,585,806.76  
-

Reconciliation of Current Year Property Tax Revenue

Current Year Collections	78,824,565
July - August 2022 Collections Subject to 60-day FY22 Accrual	<u>158,211</u>
	78,982,776
July - August 2021 Collections Subject to 60-day FY21 Accrual	<u>(268,714)</u>
	<u>78,714,062</u> *

\* Total revenues include property tax and sewer assessment revenues.

Schedule of Net Assessed Property, Value by Category

Description of Property	Valuations December 31, 2020	Levy July 1, 2021
Real Property	\$ 6,383,996,780	\$ 73,751,659
Motor Vehicle	186,320,112	3,210,367
Tangible	136,608,805	1,623,781
<b>Total</b>	<u>\$ 6,706,925,697</u>	<u>\$ 78,585,807</u>
Exemptions	(141,986,778)	
<b>Net Assessed Value</b>	<u>\$ 6,564,938,919</u>	<u>\$ 78,585,807</u>