

TOWN OF EXETER, RHODE ISLAND



BASIC FINANCIAL STATEMENTS

For the Fiscal Year Ended June 30, 2022

TOWN OF EXETER, RHODE ISLAND

BASIC FINANCIAL STATEMENTS

For the Fiscal Year Ended June 30, 2022

Maria Lawler
Treasurer

Daniel W. Patterson
President, Town Council

Prepared by: Treasurer's Office

EXETER, RHODE ISLAND

INTRODUCTORY SECTION

**THIS SECTION CONTAINS
THE FOLLOWING SUBSECTION:**

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List of Town Officials

TOWN OF EXETER, RHODE ISLAND
 AUDITED FINANCIAL STATEMENTS
 For the Fiscal Year Ended June 30, 2022

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TOWN OF EXETER, RHODE ISLAND
AUDITED FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2022

LIST OF TOWN OFFICIALS

TOWN OF EXETER, RHODE ISLAND

TOWN COUNCIL

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

TREASURER

Maria Lawler

TOWN CLERK

Lynn Hawkins

FINANCIAL SECTION

**THIS SECTION CONTAINS
THE FOLLOWING SUBSECTIONS:**

Independent Auditor's Report

Management's Discussion and Analysis

Basic Financial Statements

Required Supplementary Information

Other Supplementary Information

Annual Supplemental Transparency Report

INDEPENDENT AUDITOR'S REPORT

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

Opinion

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

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

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town of Exeter, Rhode Island and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe 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 these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 4 – 10 and 41 – 45 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 the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Exeter, Rhode Island's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, Schedule of Property Tax Receivables, Schedules of Long-term Liabilities, and Annual Supplemental Transparency Report and accompanying notes, are presented for purposes of additional analysis and are not a required part of the basic financial statements. 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 combining and individual non-major fund financial statements, Schedule of Property Tax Receivables, Schedules of Long-term Liabilities and Annual Supplemental Transparency Report and its accompanying notes are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 7, 2022, on our consideration of the Town of Exeter, Rhode Island's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town of Exeter, Rhode Island's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Exeter, Rhode Island's internal control over financial reporting and compliance.

WADOVICK + COMPANY

West Warwick, Rhode Island
November 7, 2022

TOWN OF EXETER, RHODE ISLAND
MANAGEMENT'S DISCUSSION AND ANALYSIS
Unaudited
For the Fiscal Year Ended June 30, 2022

As the management of the Town of Exeter (Town), we offer readers of the Town's Financial Statements this narrative overview and analysis of the Town's financial activities for the fiscal year ended June 30, 2022. Included within our discussion will be a series of comparative tables, serving to more clearly illustrate changes in the Town's financial position. These tables will reflect governmental activities for the fiscal years ended 2022 and 2021.

FINANCIAL HIGHLIGHTS

- ❖ On the government-wide basis, the assets of the Town of Exeter exceeded its liabilities at the close of the most recent fiscal year ended by \$10,748,507. Of that amount, \$4,590,468 may be used to meet the Town's ongoing obligations to citizens and creditors in accordance with the Town's fund designation and fiscal policies.
- ❖ The Town's net position decreased by \$34,924 or approximately 0.3% through current year activities. **This increase was mainly due to favorable General Fund collections and spending and receipt of pandemic related funds.**
- ❖ As of the close of the fiscal year, the Town's governmental funds reported combined ending fund balances of \$4,444,974. Approximately 19.1% of this amount, \$850,880 is unassigned and available for use within the Town's designation and fiscal policies.
- ❖ At the end of the current fiscal year, the general fund's unassigned fund balance was \$850,880, or 5.2% of the total general fund expenditures for the fiscal year. The general fund's current fiscal year expenditures and transfers exceeded revenues and transfers by \$36,397 on the Fund Financial Statement basis.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

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

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

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

TOWN OF EXETER, RHODE ISLAND
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
Unaudited
For the Fiscal Year Ended June 30, 2022

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

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

Both of the government-wide financial statements distinguish functions of the Town, which are supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The Town's governmental activities include general government and administration, public works, public safety, health and welfare, conservation and development, parks and recreation, and planning and zoning. The Town had no business activities as of June 30, 2022.

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

Fund Financial Statements – A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Town can be divided into two categories: governmental funds and proprietary funds. For the fiscal year ending June 30, 2022, the Town does not have any proprietary funds.

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental fund statements of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Town maintains governmental funds. Information is presented separately in the Governmental Fund Balance Sheet and in the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances for the General Fund, which is considered to be a major fund. Data from the other funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statement because resources of those funds are *not* available to support the Town's own programs.

TOWN OF EXETER, RHODE ISLAND
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
Unaudited
For the Fiscal Year Ended June 30, 2022

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

Notes to Financial Statements – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

The notes to the financial statements are presented on pages 20 through 38.

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

Required Supplementary Information is presented on pages 39 and 40.

The combining statements and supplementary information referred to earlier in connection with non-major governmental funds are presented on pages 41 through 57.

Annual Supplementary Transparency Report (MTP2) – This is a supplemental schedule required by the State of Rhode Island. This report is presented on pages 58-64.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Analysis of the Town of Exeter's Net Position

As noted earlier, the Town's net position may serve over time as a useful indicator of a government's financial position and an important determinant of its ability to finance services in the future. In the case of the Town of Exeter, assets exceeded liabilities by \$10,748,507 as of June 30, 2022. This reflects an decrease of \$34,924 for the current year's activity.

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

	<u>Governmental Activities</u>	
	<u>2022</u>	<u>2021</u>
ASSETS		
Current Assets	\$ 6,046,040	\$ 5,060,458
Capital Assets	6,489,500	6,415,571
TOTAL ASSETS	<u>12,535,540</u>	<u>11,476,029</u>
 LIABILITIES		
Current Liabilities	1,537,781	435,260
Long-term Liabilities	249,252	304,505
TOTAL LIABILITIES	<u>1,787,033</u>	<u>739,765</u>
 NET POSITION		
Net invested in Capital Assets	6,158,039	6,034,499
Restricted	2,452,308	2,682,706
Permanent	29,132	27,129
Unrestricted	2,109,028	1,991,930
TOTAL NET POSITION	<u>\$ 10,748,507</u>	<u>\$ 10,736,264</u>

TOWN OF EXETER, RHODE ISLAND
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
Unaudited
For the Fiscal Year Ended June 30, 2022

The largest portion of the Town's net position \$6,158,039 (57.3%) consists of its investments in capital assets such as land, buildings and improvements, motor vehicles, furniture and equipment and infrastructure, less any debt used to acquire these assets which is still outstanding. The Town uses these capital assets to provide services to its citizens. Consequently, these assets are not available for future spending. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves are unlikely to be used to liquidate these liabilities.

Analysis of the Town of Exeter's Operations

The following analysis provides a summary of the Town's operations for the year ended June 30, 2022. Governmental activities decreased the Town's net position by \$34,924 for the current period.

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

	Governmental Activities	
	2022	2021
REVENUES		
Program revenues:		
Charges for services	\$ 774,672	\$ 691,555
Operating grants and contributions	108,006	315,069
Capital grants and contributions	28,684	27,867
General revenues:		
Property taxes, levied for general purposes	14,626,445	14,441,155
Grants and contributions	1,243,853	1,052,313
Investment earnings	86,362	104,070
TOTAL REVENUES	16,868,022	16,632,029
EXPENSES		
General government	1,853,912	2,563,183
Public works	1,615,490	1,369,384
Public safety	161,256	42,675
Public libraries	206,809	-
Social services	50,441	76,644
Park and recreation	750	-
Education	13,005,889	12,300,326
Capital outlay	5,965	11,440
Interest	2,434	6,012
TOTAL EXPENSES	16,902,946	16,369,664
CHANGE IN NET POSITION	(34,924)	262,365
Net Position - July 1st (Restated)	10,783,431	10,521,066
Net Position - June 30th	\$ 10,748,507	\$ 10,783,431

TOWN OF EXETER, RHODE ISLAND
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
Unaudited
For the Fiscal Year Ended June 30, 2022

FINANCIAL ANALYSIS OF THE TOWN OF EXETER'S FUNDS

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

At the end of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$4,444,974. Approximately 19.1% of the total amount, or \$850,880 constituted unassigned fund balances. The remainder of the fund balance is non-spendable, restricted, committed or assigned. The fund balance in the General Fund decreased by \$36,397.

Reserved Fund Balances:

Education Contingency	\$575,000
Re-appropriated for fiscal year 2022/2023	\$537,654

GENERAL FUND BUDGETARY HIGHLIGHTS

The final amended budget for the Town's General Fund reflected total revenues and re-appropriations of \$17,030,641 and total expenditures and transfers to other funds of \$17,030,641. Actual total revenues were \$16,772,928 which includes transfers from other funds of \$-0- and total expenditures were \$16,225,124 which included transfers to other funds of \$584,201 resulted in a deficit of \$36,397.

REVENUES

- Property taxes were over budget by \$90,687 as a result of timely collections and increased collections of delinquent taxes
- The State motor vehicle tax phase-out program was under budget by \$143,060 as a result of a late change in the State of Rhode Island's governors' budget which decreased the amount owed.
- The State meals tax was over budget by \$21,045 as a result of higher than projected meals and beverage income.
- Town clerk collections were over budget by \$110,453 as a result of increased activity in Town Clerk's office.
- License and permits were over budget by \$105,826 as a result of an increased construction, permits and projects by taxpayers.

EXPENDITURES

- The Town Sergeant's salary expense was under budget by \$12,086 as a result of the position being unfilled as the constable was interim until the next election.
- The Building Inspector's salary expense was over budget by \$39,854 as a result of additional compensation for increased inspections.
- Legal expenses were over budget by \$39,978 as a result of increased in legal matters.
- Medical and dental expenses were under budget by \$46,386 as a result of fewer employees required coverage.
- Transfer station expense was under budget by \$20,575 as a result of Town purchasing the land which reduced rents.
- The contingency fund was under budget by \$130,000 as no matters arose which were not previously budgeted.

TOWN OF EXETER, RHODE ISLAND
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
Unaudited
For the Fiscal Year Ended June 30, 2022

- Computer support was under budget by \$17,149 as a result of a decrease in the annual support cost due to hiring an IT Director, thereby needing less support from outside vendors.
- Highway workers' salary expense was under budget by \$32,492 as a result of turnover in the public works employees.
- Highway supplies and expenses was over budget by \$24,980 as a result of higher than projected fuel and repair costs.

CAPITAL ASSETS

The Town of Exeter's investment in capital assets for its governmental activities amounts to \$6,489,500, net of accumulated depreciation at June 30, 2022. Included are land, intangible assets, infrastructure, building and improvements, motor vehicles, machinery and equipment, and office furniture and equipment (which are fully depreciated as of June 30, 2022).

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

	2022	2021
Land	\$ 486,651	\$ 253,701
Development rights - Schartner Farms	3,450,000	3,450,000
Buildings and improvements	1,141,321	1,194,400
Motor vehicles	254,808	362,556
Machinery and equipment	367,062	336,343
Infrastructure	789,658	818,571
	\$ 6,489,500	\$ 6,415,571

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

DEBT ADMINISTRATION

At the end of the current fiscal year, the Town of Exeter had a total bonded debt of \$45,023. All bonded debt is backed by the full faith and credit of the Town.

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

	2022	2021
Public library bond	\$ -	\$ 18,099
Development rights bond	45,023	92,615
Landfill post-closure care costs	201,838	201,838
Compensated absences	84,600	68,325
	\$ 331,461	\$ 380,877

TOWN OF EXETER, RHODE ISLAND
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
Unaudited
For the Fiscal Year Ended June 30, 2022

The State of Rhode Island imposes a limit of three percent (3%) of the fair value of all taxable Town property on the general obligation debt that a municipality can issue. The Town of Exeter's limit is \$30,551,297 (based on net assessed valuation at December 31, 2020 of \$1,056,752,611) at June 30, 2022. The town's outstanding general obligation debt is \$45,023 at June 30, 2022, which is \$30,506,274 under the State-imposed limitation.

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

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The Town of Exeter's total general fund budget for fiscal year 2022-2023 is \$17,688,108, which is an increase from the fiscal 2021-2022 budget of \$17,030,641. Of the Town's 2022-2023 budget, \$4,162,661 or 23.5% is budgeted for the general government and \$13,525,447 or 76.5% is budgeted for education. The State of Rhode Island is budgeted to contribute \$1,136,032 in State aid.

The Town's tax rate for fiscal 2022-2023 is \$13.94 per thousand, with 23.5% allocated for general government and 76.5% allocated for education. For fiscal 2021-2022 the Town's tax rate was \$13.72 per thousand, with 24.2% allocated for general government and 75.8% allocated for education. The increase in tax rates from \$13.72 to \$13.94 resulted in a \$0.22 increase or 1.6% increase in the tax rate.

REQUEST FOR INFORMATION

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



Maria Lawler
Treasurer

BASIC FINANCIAL STATEMENTS

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

TOWN OF EXETER, RHODE ISLAND
GOVERNMENT-WIDE FINANCIAL STATEMENTS
STATEMENT OF NET POSITION
June 30, 2022

	Governmental Activities
<u>ASSETS</u>	
<i>Current Assets</i>	
Cash and cash equivalents	\$ 5,755,674
Accounts receivable:	
Property taxes, net of allowance for doubtful accounts of \$90,016	208,889
Tax title property	14,469
Other receivables	67,008
<i>Total Current Assets</i>	6,046,040
 <i>Noncurrent Assets</i>	
Capital assets not being depreciated	3,936,651
Capital assets being depreciated, net of depreciation	2,552,849
<i>Total Noncurrent Assets</i>	6,489,500
TOTAL ASSETS	12,535,540
 <u>LIABILITIES</u>	
<i>Current Liabilities</i>	
Accounts payable and accrued items	465,299
Unearned revenue	975,804
General obligations bonds	45,023
Compensated absences payable	37,186
Other liabilities	14,469
<i>Total Current Liabilities</i>	1,537,781
 <i>Noncurrent Liabilities</i>	
Landfill postclosure care costs	201,838
Compensated absences payable	47,414
<i>Total Noncurrent Liabilities</i>	249,252
TOTAL LIABILITIES	1,787,033
 <u>NET POSITION</u>	
Net invested in capital assets	6,158,039
Restricted:	
Grants and other statutory restrictions	2,452,308
Permanent funds:	
Nonexpendable	29,132
Unrestricted	2,109,028
TOTAL NET POSITION	\$ 10,748,507

TOWN OF EXETER, RHODE ISLAND
GOVERNMENT-WIDE FINANCIAL STATEMENTS
STATEMENT OF ACTIVITIES
For the Fiscal Year Ended June 30, 2022

Activities	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
General government	\$ 1,853,912	\$ 774,672	\$ 62,623	\$ 28,634	\$ (987,983)
Public works	1,615,490	-	3,000	-	(1,612,490)
Public safety	161,256	-	42,383	-	(118,873)
Public libraries	206,809	-	-	50	(206,759)
Social services	50,441	-	-	-	(50,441)
Parks and recreation	750	-	-	-	(750)
Education	13,005,889	-	-	-	(13,005,889)
Capital outlay	5,965	-	-	-	(5,965)
Interest	2,434	-	-	-	(2,434)
Total Activities	\$ 16,902,946	\$ 774,672	\$ 108,006	\$ 28,684	(15,991,584)

General Revenues:

Property taxes	14,626,445
Grants and contributions not restricted to specific purposes	1,243,853
Investment Earnings	86,362
Total General Revenues	15,956,660

Decrease in Net Position (34,924)

Net Position - July 1, 2021 (Restated) 10,783,431

Net Position - June 30, 2022 \$ 10,748,507

TOWN OF EXETER, RHODE ISLAND
 FUND FINANCIAL STATEMENTS
 BALANCE SHEET - GOVERNMENTAL FUNDS
 June 30, 2022

	GENERAL FUND	LANDFILL CLOSURE FUND	NONMAJOR OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
<u>ASSETS</u>				
Cash and cash equivalents	\$ 4,162,533	\$ -	\$ 1,593,141	\$ 5,755,674
Property tax receivable, net	208,889	-	-	208,889
Other - accounts receivable	-	-	67,008	67,008
Due from other funds	39,093	84,482	1,543,247	1,666,822
Tax title property	14,469	-	-	14,469
TOTAL ASSETS	<u>\$ 4,424,984</u>	<u>\$ 84,482</u>	<u>\$ 3,203,396</u>	<u>\$ 7,712,862</u>
<u>LIABILITIES</u>				
Accounts payable and accrued items	\$ 245,808	\$ -	\$ 219,491	\$ 465,299
Unearned revenue	-	-	975,804	975,804
Due to other funds	1,627,729	-	39,093	1,666,822
Other liabilities	14,469	-	-	14,469
TOTAL LIABILITIES	<u>1,888,006</u>	<u>-</u>	<u>1,234,388</u>	<u>3,122,394</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Unavailable revenue - property taxes	145,494	-	-	145,494
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>145,494</u>	<u>-</u>	<u>-</u>	<u>145,494</u>
<u>FUND BALANCES</u>				
Nonspendable	-	-	-	-
Restricted	-	-	193,242	193,242
Committed	427,950	84,482	462,894	975,326
Assigned	1,112,654	-	1,312,872	2,425,526
Unassigned	850,880	-	-	850,880
TOTAL FUND BALANCES	<u>2,391,484</u>	<u>84,482</u>	<u>1,969,008</u>	<u>4,444,974</u>
TOTAL LIABILITIES, DEFERRED INFLOW OF RESOURCES AND FUND BALANCE	<u>\$ 4,424,984</u>	<u>\$ 84,482</u>	<u>\$ 3,203,396</u>	<u>\$ 7,712,862</u>

TOWN OF EXETER, RHODE ISLAND
 FUND FINANCIAL STATEMENTS
 RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE
 STATEMENT OF NET POSITION
 June 30, 2022

Total Fund Balances for Governmental Funds	\$	4,444,974
Assets used in governmental activities which are not financial resources and, therefore, are not reported in the funds:		
Capital assets, net		6,489,500
Deferred revenue		145,494
		6,634,994
Liabilities not due and payable in the current period and, therefore, are not reported in the funds:		
General obligation bonds		(45,023)
Landfill postclosure care costs		(201,838)
Compensated absences payable		(84,600)
		(331,461)
Net Position of Governmental Activities	\$	10,748,507

TOWN OF EXETER, RHODE ISLAND
 FUND FINANCIAL STATEMENTS
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS
 For the Fiscal Year Ended June 30, 2022

	GENERAL FUND	LANDFILL CLOSURE FUND	NONMAJOR OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
<u>REVENUES</u>				
Property taxes	\$ 14,668,655	\$ -	\$ -	\$ 14,668,655
Intergovernmental revenues	1,333,798	-	21,030	1,354,828
Departmental revenues	455,536	-	-	455,536
Licenses and permits	169,826	-	-	169,826
Interest and investment income	3,606	-	614	4,220
Fines and interest on late payments	82,142	-	-	82,142
Other revenues	59,365	-	115,660	175,025
TOTAL REVENUES	<u>16,772,928</u>	<u>-</u>	<u>137,304</u>	<u>16,910,232</u>
<u>EXPENDITURES</u>				
<u>Current:</u>				
General government	1,758,153	-	40,372	1,798,525
Public works	1,004,112	-	379,148	1,383,260
Public safety	151,236	-	2,341	153,577
Public libraries	206,809	-	-	206,809
Social services	30,800	-	19,641	50,441
Parks and recreation	-	-	750	750
Education	13,005,889	-	-	13,005,889
Capital outlay	-	-	358,915	358,915
<u>Debt service:</u>				
Principal	65,691	-	-	65,691
Interest	2,434	-	-	2,434
TOTAL EXPENDITURES	<u>16,225,124</u>	<u>-</u>	<u>801,167</u>	<u>17,026,291</u>

See notes to basic financial statements.

TOWN OF EXETER, RHODE ISLAND
 FUND FINANCIAL STATEMENTS
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS
 For the Fiscal Year Ended June 30, 2022

	GENERAL FUND	LANDFILL CLOSURE FUND	NONMAJOR OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
Excess of Revenues Over (Under) Expenditures Before Other Financing Sources (Uses)	547,804	-	(663,863)	(116,059)
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers from other funds	-	-	584,201	584,201
Transfers to other funds	(584,201)	-	-	(584,201)
TOTAL OTHER FINANCING SOURCES (USES)	(584,201)	-	584,201	-
Net Change in Fund Balances	(36,397)	-	(79,662)	(116,059)
FUND BALANCE - July 1, 2021 (Restated)	2,427,881	84,482	2,048,670	4,561,033
FUND BALANCE - June 30, 2022	\$ 2,391,484	\$ 84,482	\$ 1,969,008	\$ 4,444,974

TOWN OF EXETER RHODE ISLAND
 FUND FINANCIAL STATEMENTS
 RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,
 EXPENDITURES AND CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES
 For the Fiscal Year Ended June 30, 2022

Net Change in Fund Balances - Total Governmental Funds	\$	(116,059)
<p>Governmental funds reported capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which the increase in capital outlays of \$352,950 is more than depreciation of \$279,021 in the current period.</p>		
		73,929
<p>Property taxes that are not collected in the current period and do not represent current financial resources are deferred in the fund financial statement, however they are recognized as revenues in the statement of activities. This is the amount the unavailable revenue - property taxes decreased from the prior year.</p>		
		(42,210)
<p>Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the statement of activities, however, which is presented on the full accrual basis, expenses and liabilities are recorded regardless of when financial resources are available. This is the amount the accrued compensated absences increased from the prior year.</p>		
		(16,275)
<p>Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the statement of activities, however, which is presented on the full accrual basis, expenses and liabilities are recorded regardless of when financial resources are available. This is the amount of principal payments made on long-term debt</p>		
		65,691
Change in Net Position of Governmental Activities in the Statement of Activities	\$	(34,924)

TOWN OF EXETER, RHODE ISLAND
 FUND FINANCIAL STATEMENTS
 STATEMENT OF FIDUCIARY NET POSITION
 FIDUCIARY FUNDS
 June 30, 2022

	<u>REYNOLDS FUND</u>	<u>EMILY J. ANTHONY FUNDS</u>
<u>ASSETS</u>		
Cash and cash equivalents	\$ 51,520	\$ 3,969
Investments at fair value:		
Equities:		
Equity mutual funds	185,965	-
Fixed income mutual funds	-	-
Common equity securities	481,665	-
Mutual funds:		
Equity mutual funds	154,576	-
Fixed income mutual funds	897,389	-
Total investments	<u>1,719,595</u>	<u>-</u>
 TOTAL ASSETS	 <u>\$ 1,771,115</u>	 <u>\$ 3,969</u>
 <u>LIABILITIES</u>	 <u>\$ -</u>	 <u>\$ -</u>
<u>NET POSITION</u>		
Restricted for:		
Pension	1,771,115	-
Individuals and organizations	<u>-</u>	<u>3,969</u>
 TOTAL NET POSITION	 <u>\$ 1,771,115</u>	 <u>\$ 3,969</u>

TOWN OF EXETER, RHODE ISLAND
 FUND FINANCIAL STATEMENTS
 STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 FIDUCIARY FUNDS
 For the Fiscal Year Ended June 30, 2022

	REYNOLDS FUND	EMILY J. ANTHONY FUNDS
<u>ADDITIONS</u>		
Contributions:		
Bequests	\$ -	\$ 2,403
Total contributions	-	2,403
Investment earnings:		
Interest and dividends	52,880	-
Net realized and unrealized losses	(303,941)	-
Net investment earnings	(251,061)	-
TOTAL ADDITIONS	(251,061)	2,403
<u>DEDUCTIONS</u>		
Scholarship expenses	-	1,500
Investment management fee	20,083	-
Support services	21,982	-
TOTAL DEDUCTIONS	42,065	1,500
CHANGE IN FIDUCIARY NET POSITION	(293,126)	903
NET POSITION - July 1, 2021	2,064,241	3,066
NET POSITION - June 30, 2022	\$ 1,771,115	\$ 3,969

TOWN OF EXETER, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
June 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

FINANCIAL REPORTING ENTITY

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

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

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

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

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

TOWN OF EXETER, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2022

Blended Component Units

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

Recently Issued Accounting Standards

During the fiscal year ended June 30, 2022, the Town implemented the following accounting pronouncements:

GASB Statement No. 87 – *Leases*

GASB Statement No. 92 – *Omnibus 2020*

GASB Statement No. 98 – *The Annual Comprehensive Financial Report*

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

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

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

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

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

GASB Statement No. 99 – *Omnibus 2022, effective for fiscal year ending June 30, 2024*

GASB Statement No. 100 – Accounting Changes and Error Corrections – an Amendment of GASB Statement No. 62, effective for fiscal year ending June 30, 2025

GASB Statement No. 101 – Compensated Absences, effective for fiscal year ending June 30, 2024

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

BASIS OF PRESENTATION

Government-Wide Financial Statements

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

TOWN OF EXETER, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2022

position. The government-wide financial statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. The Town had no business-type activities for the fiscal year ended June 30, 2022.

Fund Financial Statements

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

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

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

Governmental Fund Types

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

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

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

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

Permanent Funds – are used to account for assets held by the Town where the principal portion of this fund type must remain intact, but the earnings may be used to achieve the objectives of the

TOWN OF EXETER, RHODE ISLAND
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 June 30, 2022

fund. The Town’s only permanent fund is for perpetual care of cemeteries and was determined to be non-major.

Proprietary Fund Types

These fund types account for operations that are organized to be self-supporting through user charges. For the year ended June 30, 2022, the Town held no proprietary funds.

Fiduciary Fund Types

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

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

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

Custodial Funds – are used to account for funds that are to be used for educational and welfare expenditures and for funds held in escrow for other parties. As of June 30, 2022, the Town reported no custodial funds.

Major and Non-Major Funds

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

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

TOWN OF EXETER, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2022

Permanent Fund: Cemetery Fund

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Measurement Focus

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

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

- a) All governmental funds utilize a “current financial resource” measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period. The Town considers property taxes as available if they are collected within sixty days after year end.
- b) Under the “economic resources” measurement focus, the accounting objectives are the determination of net income, financial position and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported.
- c) Custodial funds utilized the “economic resources” measurement focus as noted above.

Basis of Accounting

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

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

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

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

TOWN OF EXETER, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2022

Cash and Cash Equivalents – Cash and cash equivalents are carried at cost. Cash equivalents are all highly liquid investments with a maturity of three months or less when purchased. Substantially all of the Town’s cash and cash equivalents are held in public deposit institutions. Pursuant to Section 35-10-1 of the Rhode Island General Laws, as of October 1, 1991, public deposit institutions are required to insure accounts which hold public funds in excess of \$250,000 which is guaranteed by the FDIC. The Town pools cash resources of its various funds to facilitate the management of cash. Cash applicable to a particular fund is readily identifiable. Cash in excess of current requirements is invested in short-term treasury securities or as disclosed as part of the Town’s investments. The Town had no cash equivalents at June 30, 2022.

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

Accounts Receivable – In the government-wide financial statements, receivables consist of all revenues earned at year-end and not yet received. Major receivable balances for the governmental activities include property taxes (levied on July 1, 2021 of the current year), intergovernmental grants and aid and other receivables.

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

Allowances for uncollectible accounts receivables are based upon historical trends and the periodic aging of accounts receivable. The allowance for uncollectible accounts receivable amounted to \$90,016 at June 30, 2022. Major receivable balances for the governmental activities include property taxes and intergovernmental receivables.

Property Taxes – The Town is permitted by state law to levy property taxes. Current tax collections for the Town were approximately 99.2% of the total December 31, 2020 levy. The tax rate of the Town is established by the Town Council. The Town’s fiscal 2022 property taxes were levied on July 1, 2021 on assessed valuation as of December 31, 2020. Upon levy, taxes are billed yearly and due quarterly on September 1st, December 1st, March 1st, and June 1st. A fifteen (15) day grace period from the due date is given. Failure to postmark payments by the 15th will result in a lien on taxpayer’s property, and eventually to the sale of the same. A complete revaluation of all property was completed December 31, 2020 as per State requirements. On December 31, 2018, a statistical revaluation was completed.

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

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

TOWN OF EXETER, RHODE ISLAND
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 June 30, 2022

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

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

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

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

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

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

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

Reciprocal interfund activities:

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

Non-reciprocal interfund activities:

- Interfund transfers are reported in governmental funds as other financing uses in the funds making transfers and as other financing sources in the funds receiving transfers.
- Interfund reimbursements are repayments from the fund responsible for particular expenditures or expenses to other funds that initially paid for them. Reimbursements are not displayed separately within the financial statements.
- Interfund transactions are accounted for as expenditures/expenses when they constitute reimbursements from one fund to another. These transactions are recorded as expenditures/expenses in the reimbursing fund and are recorded as reductions of expenditures/expenses in the fund receiving the reimbursement. All other interfund transactions are reported as transfers.

TOWN OF EXETER, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2022

Unearned Revenues – Represent funds received or billed in advance of being owed, or receivables, which will be collected and included in revenues of future fiscal years. In the General Fund, unearned revenue relates to property tax receivables which were assessed on or before December 31, 2020 and not collected within 60 days following June 30, 2022.

In the government-wide financial statements, unearned revenue represents funds received in advance of being earned/owed or receivables which will be collected and included in revenues of future fiscal years. In the General Fund, (of the fund financial statements), unearned revenue includes property taxes receivable which were assessed on December 31, 2020 and prior and are not collected within 60 days following June 30, 2022. Net unearned taxes included in the fund financial statements were \$145,494.

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

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

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

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

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

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

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

TOWN OF EXETER, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2022

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

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

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

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

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

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

Subsequent Events – The Town has evaluated subsequent events for recognition and disclosure through November 7, 2022, which is the date the financial statements were available to be issued.

TOWN OF EXETER, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2022

NOTE 2 – BUDGETARY AND LEGAL COMPLIANCE

Budgetary Data

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

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

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditures of funds are recorded in order to preserve that portion of the applicable appropriation, is employed in the General Fund Budget. Open encumbrances are reported as reservations of fund balances. Encumbrances do not constitute expenditures or liabilities. There were no open encumbrances at June 30, 2022.

NOTE 3 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Legal Debt Margin – The Town’s legal debt margin as set forth by State Statute is limited to three percent (3%) of total taxable assessed value that approximates \$30,551,297 based on the December 31, 2020 assessment. As of June 30, 2022, the Town’s debt is under this limit by \$30,506,274.

NOTE 4 – CASH AND INVESTMENTS

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

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

TOWN OF EXETER, RHODE ISLAND
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 June 30, 2022

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

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

Custodial Credit Risk:

Deposits – This is the risk that, in the event of failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. As of June 30, 2022, all the Town’s bank balance of \$5,821,381 was insured or collateralized.

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

Cash and investments of the Town consist of the following at June 30, 2022:

<u>Cash and Cash Equivalents</u>	
Deposits with financial institutions	\$ 5,821,381
 <u>Investments</u>	
Equities	667,630
Mututal funds	<u>1,051,965</u>
<i>Total Cash and Investments</i>	<u>\$ 7,540,976</u>

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

<u>Statement of Net Position</u>	
Cash and cash equivalents	\$ 5,755,674
 <u>Fiduciary Funds</u>	
Cash and cash equivalents	55,489
Investments	<u>1,719,595</u>
<i>Total Cash and Investments</i>	<u>\$ 7,530,758</u>

TOWN OF EXETER, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2022

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

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

NOTE 5 – PROPERTY TAXES

The Town’s property tax is levied each July 1, for its next fiscal year on the assessed valued listed as of the prior December 31, for all real property, tangible property and motor vehicles located in the Town. Assessed values of real property and tangible personal property were established by the Town Assessor’s office at 100% of appraised market value as of December 31, 2020. A complete revaluation of all property was performed as of December 31, 2020 as required by the State. The assessed values were effective for the property levy for fiscal year 2021-2022. The assessed value of motor vehicles is determined annually at 100% of retail market value, net of State of Rhode Island credits. Taxes are due in equal quarterly installments on September 1st, December 1st, March 1st, and June 1st during the fiscal year. A fifteen (15) day grace period from the due date is given before penalties and interest are incurred.

The Town entered into a contractual relationship with a law firm to act as a collection agency to pursue delinquent tangible and personal property accounts. The Town has forwarded past due accounts for collection. At June 30, 2022, an allowance for doubtful accounts totaling \$90,016 has been established for the property taxes considered uncollectible.

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

The Town recognizes property tax revenues in accordance with Section P70, “Property Taxes” of the *Codification of Governmental Accounting and Financial Reporting Standards* in the governmental fund financial statements. In those statements, unpaid property taxes at year end are recorded as property tax receivable and those property tax receivables which were not collected within 60 days immediately following the fiscal year are recorded as unavailable revenue. Unavailable revenue at June 30, 2022 amounted to \$145,494.

Net property taxes levied for the fiscal year 2021-2022 were based on an assessed value of approximately \$1,018,376,576 at December 31, 2020 and amounted to \$14,628,901. Total property tax recognized for the current fiscal year amounted to \$14,511,080 which represents 99.2% of the total 2022 levy. Of that amount, \$63,394 was collected within 60 days following year end, including tax revenue relating to current and prior years. Tax abatements for the year ended June 30, 2022 totaled \$31,802.

TOWN OF EXETER, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2022

NOTE 6 – INFORMATION ABOUT CAPITAL ASSETS

Capital asset activity consists of the following at June 30, 2022:

	Primary Government			Ending Balances
	Beginning Balances	Increases	Decreases	
Governmental activities				
Capital assets not being depreciated				
Land	\$ 253,701	\$ 232,950	\$ -	\$ 486,651
Development rights - Schartner Farms	3,450,000	-	-	3,450,000
Total capital assets not being depreciated	<u>3,703,701</u>	<u>232,950</u>	<u>-</u>	<u>3,936,651</u>
Other capital assets:				
Buildings and improvements	2,250,263	-	-	2,250,263
Motor vehicles	1,630,812	-	-	1,630,812
Machinery and equipment	1,683,393	120,000	85,900	1,717,493
Office furniture and equipment	172,275	-	-	172,275
Infrastructure	1,156,557	-	-	1,156,557
Total other capital assets at historical cost	<u>6,893,300</u>	<u>120,000</u>	<u>85,900</u>	<u>6,927,400</u>
Less accumulated depreciation for:				
Buildings and improvements	1,055,863	53,079	-	1,108,942
Motor vehicles	1,268,256	107,748	-	1,376,004
Machinery and equipment	1,355,770	87,695	85,900	1,357,565
Office furniture and equipment	163,556	1,585	-	165,141
Infrastructure	337,985	28,914	-	366,899
Total accumulated depreciation	<u>4,181,430</u>	<u>279,021</u>	<u>85,900</u>	<u>4,374,551</u>
Governmental activities capital assets, net	<u>\$ 6,415,571</u>	<u>\$ 73,929</u>	<u>\$ -</u>	<u>\$ 6,489,500</u>

Depreciation was charged to functions as follows:

Governmental activities:	
General government	\$ 59,768
Public works	<u>219,253</u>
Total governmental activities depreciation expense	<u>\$ 279,021</u>

TOWN OF EXETER, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2022

NOTE 7 – INFORMATION ABOUT LONG-TERM LIABILITIES

	Balance July 1, 2021	Additions	Retirements	Balance June 30, 2022	Amounts Due Within One Year
Governmental Activities					
Exeter public library bond	\$ 18,099	\$ -	\$ 18,099	\$ -	\$ -
Exeter development rights bond	92,615	-	47,592	45,023	45,023
Total bonds and notes payable	110,714	-	65,691	45,023	45,023
Landfill post closure care costs (Note 11)	201,838	-	-	201,838	-
Compensated absences	68,325	23,043	6,768	84,600	37,186
Total other long-term debt	270,163	23,043	6,768	286,438	37,186
Total Governmental Activities	\$ 380,877	\$ 23,043	\$ 72,459	\$ 331,461	\$ 82,209

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

	Interest Rates	Principal	Due Dates
Exeter public library bond	3.67%	\$ -	2021-2022
Exeter development rights bond	3.25%	\$ 45,023	2021-2023

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

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

Fiscal Year Ended June 30	Governmental Long-term Liabilities		
	Principal	Interest	Total
2023	\$ 45,023	\$ 746	\$ 45,769

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

TOWN OF EXETER, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2022

NOTE 8 – NET POSITION/FUND BALANCE

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

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

	Restricted Purposes	Committed Purposes	Assigned Purposes
<u>General Fund</u>			
Education Contingency	\$ -	\$ -	\$ 575,000
State Trooper Education	-	427,950	-
Re-appropriated Fiscal Year 2022/2023	-	-	537,654
 <u>Major Fund</u>			
Landfill Closure	-	84,482	-
 <u>Nonmajor Funds</u>			
Preservation and Technology Fund	-	21,054	-
Emergency Management	75,078	-	-
Planning Board Project Review Fee	-	14,831	-
Capital Facilities Impact Fees	-	427,009	-
CDBG	74,107	-	-
Property Revaluation Fund	-	-	42,574
Spay/Neuter Fund	-	-	10,329
Memorial Day Parade	-	-	8,948
Pension Liability Fund	-	-	22,210
Historic Preservation Fund	-	-	66,321
Veteran's Memorial Fund	-	-	29,099
Animal Shelter Donations Fund	-	-	75,620
Social Service Grants Fund	14,925	-	-

TOWN OF EXETER, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2022

Nonmajor Funds (continued)

Vehicle Replacement Fund	-	-	266,765
Public Works/Road	-	-	68,407
Computer Upgrade Fund	-	-	19,099
Public Works/Equipment	-	-	65,432
Town Hall Renovations Fund	-	-	88,010
Chelsea Park Fund	-	-	31,031
Video Equipment	-	-	3,478
Office Equipment	-	-	56,808
GIS Mapping System	-	-	10,000
Transfer Station Move	-	-	109,997
New Town Hall	-	-	152,000
Comprehensive Town Plan	-	-	37,750
Animal Shelter Improvements	-	-	23,685
Transfer Station Improvements	-	-	50,000
Website Development Fund	-	-	2,650
Economic Development Fund	-	-	4,500
Library Fund	-	-	5,945
Spill Control & Countermeasures	-	-	15,000
Cemetery Fund	29,132	-	-
	<u>\$ 193,242</u>	<u>\$ 975,326</u>	<u>\$ 2,378,312</u>

NOTE 9 – NET ASSETS - RESTRICTED

As of June 30, 2022, the Town has restricted \$3,594,094 of its General, Landfill Closure, and Special Revenue funds for contingency appropriations as follows:

General Fund Balance	\$ 1,540,604
Landfill Closure Fund Balance	84,482
Non-Major Governmental Fund Balance	<u>1,969,008</u>
	<u>\$ 3,594,094</u>

NOTE 10 – INTERFUND RECEIVABLES AND PAYABLES

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

TOWN OF EXETER, RHODE ISLAND
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 June 30, 2022

Interfund receivable and payable balances at June 30, 2022 are as follows:

	Due From Other Funds	Due to Other Funds
General Fund	\$ 39,093	\$ 1,627,729
Landfill Closure Fund	84,482	-
Special Revenue Funds	444,007	37,934
Capital Projects Funds	1,099,240	-
Permanent Fund	-	1,159
	\$ 1,666,822	\$ 1,666,822

Transfers are used to 1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, 2) move receipts restricted to debt service from the funds collecting receipts to the debt service fund as debt service payments become due, and 3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary information. Transfers between funds during the fiscal year ended June 30, 2022 are as follows:

Fund	Transfers from other funds	Transfers to other funds
General Fund	\$ -	\$ (584,201)
Special Revenue Funds	22,000	-
Capital Projects Funds	562,201	-
	\$ 584,201	\$ (584,201)

NOTE 11 – LANDFILL POST-CLOSURE CARE COSTS

GASB Statement No. 18 – *Accounting for Municipal Solid Waste Landfill Closure and Post-Closure Care Costs*, requires the recognition of closure and post-closure costs of landfills as long-term liabilities. State and federal laws and regulations require the Town perform certain maintenance and monitoring functions for 30 years after its landfill has been closed. The estimated liability of \$736,290, was reported in the Town’s financial statements as a long-term debt. This estimate is made up of costs for a bulldozer and excavator in the amount of \$233,460, and survey, site preparation and remedial work in the amount of \$502,830. During fiscal year 2022, no expenses were incurred for survey, site preparation or remedial work, leaving a closure cost balance of \$201,838 at June 30, 2022.

NOTE 12 – COMMITMENTS AND CONTINGENCIES

At June 30, 2022, the Town had several lawsuits pending and had been placed on written notice of potential claims. The Town intends to vigorously pursue its claims and/or defend its position with respect to each matter. In the opinion of the Town’s legal counsel, the Town’s liability with respect to these cases, if any, was not determinable. It is the opinion of Town management, based in part on the advice of legal counsel, that settlement on the above lawsuits will not materially affect the Town’s financial position.

TOWN OF EXETER, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2022

NOTE 13 – RISK MANAGEMENT

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

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

NOTE 14 – PENSION PLAN

Effective October 1, 1979, the Town established a defined contribution plan, the Town of Exeter Money Purchase Pension Plan, to provide retirement benefits to all eligible employees as approved by the Town Council. The plan provides for employer only contributions made at rate of 8.0% of total compensation. Eligibility requirements call for employees to have completed one year and one thousand hours of service. Contributions are made by the Town on behalf of eligible employees in accordance with a vesting schedule documented within the retirement plan. Any amends to the plan require authorization from the Town Council. As of November 1, 2010, the Town retained the services of the International City County Management Association (ICMA) to administer the plan on an ongoing basis. All assets were transferred to ICMA who handles distributions, plan administration, investing, etc. As of June 30, 2022, the plan had 21 active participants and made contributions totaling \$97,122.

NOTE 15 – DEFERRED COMPENSATION PLAN

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

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

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

TOWN OF EXETER, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2022

NOTE 16 – RELATED PARTIES

The Town of Exeter reviews its records on an annual basis to determine if any related party transactions exist that would represent a conflict of interest with parties related to its officers and department heads. No such transactions were noted in the fiscal year ended June 30, 2022.

NOTE 17 – PRIOR PERIOD RECLASSIFICATION, ADJUSTMENT AND RESTATEMENTS

The Town previously reported the activities of its Agency Funds as fiduciary funds. As a result of the implementation of GASB No. 84, *Fiduciary Activities* as of July 1, 2020, the Town has reclassified the activities of these funds and reported them as special revenue funds. These funds do not meet the definition of fiduciary funds under GASB No. 84.

TOWN OF EXETER, RHODE ISLAND
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET (BUDGETARY BASIS) AND ACTUAL - GENERAL FUND
 For the Fiscal Year Ended June 30, 2022

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
<u>REVENUES</u>				
Property taxes	\$ 14,577,968	\$ 14,577,968	\$ 14,668,655	\$ 90,687
Intergovernmental revenues	1,455,558	1,455,558	1,333,798	(121,760)
Departmental revenues	334,095	334,095	455,536	121,441
Building permits and inspection fees	64,000	64,000	169,826	105,826
Interest and investment income	6,000	6,000	3,606	(2,394)
Fines and interest on late payments	73,000	73,000	82,142	9,142
Other revenue	44,392	44,392	59,365	14,973
TOTAL REVENUES	16,555,013	16,555,013	16,772,928	217,915
<u>EXPENDITURES</u>				
General government	1,920,096	1,920,096	1,758,153	161,943
Public works	1,034,697	1,034,697	1,004,112	30,585
Public safety	155,684	155,684	151,236	4,448
Public libraries	221,976	221,976	206,809	15,167
Social services	33,623	33,623	30,800	2,823
Parks and recreation	-	-	-	-
Education	13,005,889	13,005,889	13,005,889	-
Capital outlay	74,475	74,475	68,125	6,350
TOTAL EXPENDITURES	16,446,440	16,446,440	16,225,124	221,316
EXCESS OF REVENUES OVER EXPENDITURES BEFORE OTHER FINANCING SOURCES AND USES	108,573	108,573	547,804	439,231

TOWN OF EXETER, RHODE ISLAND
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET (BUDGETARY BASIS) AND ACTUAL - GENERAL FUND
 For the Fiscal Year Ended June 30, 2022

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
OTHER FINANCING SOURCES (USES)				
Re-appropriation of Fund Balance	475,628	475,628	-	(475,628)
Transfer from other funds	-	-	-	-
Transfer to other funds	(584,201)	(584,201)	(584,201)	-
TOTAL OTHER FINANCING SOURCES (USES)	(108,573)	(108,573)	(584,201)	(475,628)
EXCESS OF REVENUES OVER				
EXPENDITURES AND OTHER SOURCES AND USES	\$ -	\$ -	\$ (36,397)	\$ (36,397)

TOWN OF EXETER, RHODE ISLAND
OTHER SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
SCHEDULE OF REVENUES - BUDGET AND ACTUAL (BUDGETARY BASIS)
For the Fiscal Year Ended June 30, 2022

	Original Budget	Revised Budget	Actual	Variance Positive (Negative)
<u>REVENUES</u>				
<u>PROPERTY TAX REVENUES</u>				
Property taxes	\$ 14,577,968	\$ 14,577,968	\$ 14,668,655	\$ 100,828
TOTAL PROPERTY TAX REVENUES	<u>14,577,968</u>	<u>14,577,968</u>	<u>14,668,655</u>	<u>100,828</u>
<u>INTERGOVERNMENTAL</u>				
State Motor Vehicle tax phase-out program	1,174,231	1,174,231	1,031,171	(143,060)
Public service corporate tax	84,468	84,468	79,366	(5,102)
State meal tax	112,271	112,271	133,316	21,045
State aid to libraries	60,044	60,044	60,044	-
Library bond reimbursement	24,544	24,544	29,901	5,357
TOTAL INTERGOVERNMENTAL REVENUES	<u>1,455,558</u>	<u>1,455,558</u>	<u>1,333,798</u>	<u>(121,760)</u>
<u>DEPARTMENTAL REVENUES</u>				
Town clerk collections	153,000	153,000	263,453	110,453
Transfer station	148,635	148,635	158,160	9,525
Animal shelter	21,960	21,960	16,323	(5,637)
Planning board fees	6,500	6,500	12,500	6,000
Zoning fees	4,000	4,000	5,100	1,100
TOTAL DEPARTMENTAL REVENUES	<u>334,095</u>	<u>334,095</u>	<u>455,536</u>	<u>121,441</u>
<u>LICENSES AND PERMITS</u>	64,000	64,000	169,826	105,826
<u>INTEREST AND INVESTMENT INCOME</u>	6,000	6,000	3,606	(2,394)
<u>FINES AND INTEREST ON LATE PAYMENTS</u>	73,000	73,000	82,142	9,142
<u>OTHER REVENUE</u>	44,392	44,392	59,365	14,973
<u>OTHER FINANCING SOURCES</u>				
Re-appropriation of Fund Balance	475,628	475,628	-	(475,628)
TOTAL OTHER FINANCING SOURCES	<u>475,628</u>	<u>475,628</u>	<u>-</u>	<u>(475,628)</u>
TOTAL REVENUE AND OTHER FINANCING SOURCES	<u>\$ 17,030,641</u>	<u>\$ 17,030,641</u>	<u>\$ 16,772,928</u>	<u>\$ (247,572)</u>

TOWN OF EXETER, RHODE ISLAND
OTHER SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (BUDGETARY BASIS)
For the Fiscal Year Ended June 30, 2022

	ORIGINAL BUDGET	REVISED BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
<u>EXPENDITURES</u>				
<u>GENERAL GOVERNMENT</u>				
<u>SALARIES AND WAGES</u>				
Town Treasurer	\$ 52,076	\$ 52,076	\$ 53,023	\$ (156)
Town Moderator	535	535	535	-
Town Clerk	66,091	66,091	66,270	(198)
Deputy Town Clerk	43,428	43,428	43,552	(296)
911 Coordinator	5,202	5,202	5,211	(15)
Town Clerical Salaries	36,963	36,963	38,567	(261)
Town Council Stipend	15,530	15,530	15,209	102
Council Assistant	33,881	33,881	34,650	(107)
Tax Collector	54,956	54,956	55,107	(165)
Tax Collector Clerical	17,117	17,117	-	16,781
Board of Canvassers	10,652	10,652	10,677	(30)
Board of Canvassers Clerk	17,116	17,116	11,722	2,027
Tax Assessor	53,160	53,160	53,308	(160)
Tax Assessor Clerical	17,117	17,117	12,576	1,370
Library Director	64,000	64,000	64,879	36,833
Assistant Director - Youth Library	41,769	41,769	34,802	36,833
Library Staff	45,455	45,455	37,491	(43,526)
Planning Board	15,922	15,922	16,323	430
Planning Board Clerk	18,545	18,545	18,527	(3,410)
Town Planner	40,364	40,364	40,462	13,520
Zoning Inspector	16,796	16,796	16,837	(48)
Zoning Board	15,756	15,756	15,362	(50)
Zoning Board Clerk	14,830	14,830	13,093	852
Town Sergeant	12,276	12,276	190	4,208
Town Constable	8,895	8,895	9,492	(3,850)
Animal Shelter	79,334	79,334	80,004	(18)
Transfer station	41,798	41,798	41,940	(542)
Building Inspector	32,000	32,000	71,854	(52,125)
Building Inspector Clerical	3,588	3,588	-	6,076
IT Director	20,808	20,808	20,858	(58)
TOTAL SALARIES AND WAGES	895,960	895,960	882,521	14,017
<u>GENERAL EXPENSES</u>				
Treasurer Expense	11,900	11,900	13,558	(1,658)
Mileage Reimbursement	3,500	3,500	1,392	2,108
Postage	11,000	11,000	10,000	1,000
Advertising Expense	6,000	6,000	5,605	395
Legal Fees	105,000	105,000	144,978	(39,978)
Life Insurance Premium	1,317	1,317	1,189	128
Town FICA Expense	109,471	109,471	113,597	(4,126)
Blue Cross/Dental Expenses	407,927	407,927	361,541	46,386
Town Retirement Expense	98,463	98,463	97,122	1,341
Longevity	20,000	20,000	18,500	1,500
Insurance Expense	141,327	141,327	144,036	(2,709)
Auditing Expense	15,650	15,650	15,650	-
Town Clerk Expense	110,749	110,749	117,323	(6,574)
Animal Shelter Expense	37,350	37,350	36,148	1,202
Transfer Station Expense	185,933	185,933	165,358	20,575
Municipal Fuel Costs	5,000	5,000	5,000	-

TOWN OF EXETER, RHODE ISLAND
OTHER SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (BUDGETARY BASIS)
For the Fiscal Year Ended June 30, 2022

	ORIGINAL BUDGET	REVISED BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
Collection Fees	7,000	7,000	6,302	698
Contingency Fund	130,000	130,000	-	130,000
RI League of Cities and Towns	2,527	2,527	-	2,527
Council Expenses	1,500	1,500	3,383	(1,883)
Town Council Assistant Expense	1,000	1,000	764	236
Computer Support	53,852	53,852	36,703	17,149
Website	-	-	-	-
Tax Collector Expense	5,935	5,935	2,828	3,107
Board of Canvassers Expense	8,900	8,900	1,220	7,680
Tax Assessor Expenses	12,050	12,050	9,035	3,015
Exeter Public Library	70,552	70,552	69,637	915
Library Board of Trustees	200	200	-	200
Planning Board Expense	5,000	5,000	768	4,232
Planning Office Expense	1,800	1,800	1,775	25
Zoning Inspector Expenses	600	600	-	600
Zoning Board Expense	5,750	5,750	3,598	2,152
Town Sergeant Expense	5,200	5,200	10,676	(5,476)
Building Inspector Expense	6,924	6,924	7,943	(1,019)
Land Trust Expense	1,150	1,150	262	-
TOTAL GENERAL EXPENSE	<u>1,590,527</u>	<u>1,590,527</u>	<u>1,405,891</u>	<u>183,748</u>
 TOTAL GENERAL GOVERNMENT	 <u>2,486,487</u>	 <u>2,486,487</u>	 <u>2,288,412</u>	 <u>197,765</u>
 <u>PUBLIC WORKS</u>				
<u>SALARIES AND WAGES</u>				
Director of Public Works	76,220	76,220	76,405	(185)
Public Works Superintendent	57,349	57,349	55,282	2,067
Highway Workers	319,311	319,311	285,819	33,492
Highway Workers - OT	45,528	45,528	45,770	(242)
TOTAL SALARIES AND WAGES	<u>498,408</u>	<u>498,408</u>	<u>463,276</u>	<u>35,132</u>
 <u>PUBLIC WORKS EXPENSES</u>				
Highway Department	308,558	308,558	333,538	(24,980)
TOTAL PUBLIC WORKS EXPENSES	<u>308,558</u>	<u>308,558</u>	<u>333,538</u>	<u>(24,980)</u>
 TOTAL PUBLIC WORKS	 <u>806,966</u>	 <u>806,966</u>	 <u>796,814</u>	 <u>10,152</u>
 <u>PUBLIC SAFETY</u>				
<u>SALARIES AND WAGES</u>				
Exeter Emergency Director	25,000	25,000	25,129	(129)
Exeter Emergency Assistant Director	5,000	5,000	5,000	-
TOTAL SALARIES AND WAGES	<u>30,000</u>	<u>30,000</u>	<u>30,129</u>	<u>(129)</u>
 <u>PUBLIC SAFETY EXPENSES</u>				
Exeter Emergency Management	9,000	9,000	4,955	4,045
TOTAL PUBLIC SAFETY EXPENSES	<u>9,000</u>	<u>9,000</u>	<u>4,955</u>	<u>4,045</u>
 TOTAL PUBLIC SAFETY	 <u>39,000</u>	 <u>39,000</u>	 <u>35,084</u>	 <u>3,916</u>

TOWN OF EXETER, RHODE ISLAND
OTHER SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (BUDGETARY BASIS)
For the Fiscal Year Ended June 30, 2022

	ORIGINAL BUDGET	REVISED BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
<u>SOCIAL SERVICES</u>				
<u>SALARIES AND WAGES</u>				
Welfare Director	6,623	6,623	6,716	(93)
TOTAL SALARIES AND WAGES	6,623	6,623	6,716	(93)
<u>SOCIAL SERVICES EXPENSES</u>				
Community Youth Programs	5,000	5,000	3,000	2,000
Juvenile Hearing Board	500	500	-	500
Public Access Television	700	700	700	-
TOTAL SOCIAL SERVICES EXPENSES	6,200	6,200	3,700	2,500
TOTAL SOCIAL SERVICES	12,823	12,823	10,416	2,407
<u>PUBLIC HEALTH AND WELFARE</u>				
Public Welfare Expense	20,000	20,000	20,000	-
Veterans Graves	800	800	384	416
TOTAL PUBLIC HEALTH & WELFARE	20,800	20,800	20,384	416
<u>TOTAL EDUCATION - REGIONAL SCHOOL DISTRICT</u>	13,005,889	13,005,889	13,005,889	-
<u>TOTAL CAPITAL OUTLAY</u>	-	-	-	-
<u>DEBT SERVICE</u>				
Public Library Bond	24,544	24,544	18,194	6,350
Development Rights Bond	49,931	49,931	49,931	-
TOTAL DEBT SERVICE	74,475	74,475	68,125	6,350
TOTAL EXPENDITURES	16,446,440	16,446,440	16,225,124	221,006
<u>OTHER FINANCING USES</u>				
Transfer to Animal Shelter Improvements	5,500	5,500	5,500	-
Transfer to Property Revaluation	15,000	15,000	15,000	-
Transfer to Public Works/Roads	375,472	375,472	375,472	-
Transfer to Public Works/Equipment	137,729	137,729	137,729	-
Transfer to Library/Chelsea Park Renovation	2,000	2,000	2,000	-
Transfer to Office Equipment	5,000	5,000	5,000	-
Transfer to Transfer Station Improvements	10,000	10,000	10,000	-
Transfer to Historical Preservation	5,000	5,000	5,000	-
Transfer to Comprehensive Plan	5,000	5,000	5,000	-
Transfer to Economic Development	1,500	1,500	1,500	-
Transfer to Library Fund	5,000	5,000	5,000	-
Transfer to Spill Control & Countermeasures Plan	15,000	15,000	15,000	-
Transfer to Memorial Day Parade	2,000	2,000	2,000	-
TOTAL OTHER FINANCING USES	584,201	584,201	584,201	-
TOTAL EXPENDITURES AND OTHER FINANCING USES	\$ 17,030,641	\$ 17,030,641	\$ 16,809,325	\$ 221,006

TOWN OF EXETER, RHODE ISLAND
OTHER SUPPLEMENTARY INFORMATION
NOTES TO BUDGETARY COMPARISON – GENERAL FUND
June 30, 2022

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

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

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

TOWN OF EXETER, RHODE ISLAND
OTHER SUPPLEMENTARY INFORMATION
COMBINING BALANCE SHEET
NON-MAJOR OTHER GOVERNMENTAL FUNDS
June 30, 2022

	SPECIAL REVENUE FUNDS								
	Preservation and Technology Fund	Emergency Management	Planning Board Project Review Fees	Capital Facilities Impact Fees	CDBG	Property Revaluation Fund	Spay/Neuter Fund	Memorial Day Parade	Pension Liability Fund
<u>ASSETS</u>									
Cash and cash equivalents	\$ 39,354	\$ -	\$ -	\$ 441,577	\$ 7,099	\$ -	\$ 15,945	\$ -	\$ -
Accounts receivable	-	-	-	-	67,008	-	-	-	-
Due from other funds	-	75,078	14,831	-	-	42,574	-	8,948	22,210
TOTAL ASSETS	\$ 39,354	\$ 75,078	\$ 14,831	\$ 441,577	\$ 74,107	\$ 42,574	\$ 15,945	\$ 8,948	\$ 22,210
<u>LIABILITIES</u>									
Accounts payable and accrued expenses	\$ -	\$ -	\$ -	\$ 550	\$ -	\$ -	\$ -	\$ -	\$ -
Unearned revenue	-	-	-	-	-	-	-	-	-
Due to other funds	18,300	-	-	14,018	-	-	5,616	-	-
TOTAL LIABILITIES	18,300	-	-	14,568	-	-	5,616	-	-
<u>FUND BALANCE</u>									
Restricted	-	75,078	-	-	74,107	-	-	-	-
Committed	21,054	-	14,831	427,009	-	-	-	-	-
Assigned	-	-	-	-	-	42,574	10,329	8,948	22,210
Unassigned	-	-	-	-	-	-	-	-	-
TOTAL FUND BALANCE	21,054	75,078	14,831	427,009	74,107	42,574	10,329	8,948	22,210
TOTAL LIABILITIES AND FUND BALANCE	\$ 39,354	\$ 75,078	\$ 14,831	\$ 441,577	\$ 74,107	\$ 42,574	\$ 15,945	\$ 8,948	\$ 22,210

TOWN OF EXETER, RHODE ISLAND
OTHER SUPPLEMENTARY INFORMATION
COMBINING BALANCE SHEET
NON-MAJOR OTHER GOVERNMENTAL FUNDS
June 30, 2022

	SPECIAL REVENUE FUNDS						CAPITAL PROJECT FUNDS		
	Historic Preservation Fund	Veteran's Memorial	Animal Shelter Donations	Social Service Grants	American Rescue	Open Space	Performance Bonds	Vehicle Replacement Fund	Public Works/ Roads
ASSETS									
Cash and cash equivalents	\$ -	\$ 29,099	\$ -	\$ -	\$ 975,804	\$ 47,214	\$ 6,758	\$ -	\$ -
Accounts receivable	-	-	-	-	-	-	-	-	-
Due from other funds	66,321	-	75,620	14,925	-	-	123,500	266,765	154,292
TOTAL ASSETS	\$ 66,321	\$ 29,099	\$ 75,620	\$ 14,925	\$ 975,804	\$ 47,214	\$ 130,258	\$ 266,765	\$ 154,292
LIABILITIES									
Accounts payable and accrued expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 130,258	\$ -	\$ 85,885
Unearned revenue	-	-	-	-	975,804	-	-	-	-
Due to other funds	-	-	-	-	-	-	-	-	-
TOTAL LIABILITIES	-	-	-	-	975,804	-	130,258	-	85,885
FUND BALANCE									
Restricted	-	-	-	14,925	-	-	-	-	-
Committed	-	-	-	-	-	-	-	-	-
Assigned	66,321	29,099	75,620	-	-	47,214	-	266,765	68,407
Unassigned	-	-	-	-	-	-	-	-	-
TOTAL FUND BALANCE	66,321	29,099	75,620	14,925	-	47,214	-	266,765	68,407
TOTAL LIABILITIES AND FUND BALANCE	\$ 66,321	\$ 29,099	\$ 75,620	\$ 14,925	\$ 975,804	\$ 47,214	\$ 130,258	\$ 266,765	\$ 154,292

TOWN OF EXETER, RHODE ISLAND
OTHER SUPPLEMENTARY INFORMATION
COMBINING BALANCE SHEET
NON-MAJOR OTHER GOVERNMENTAL FUNDS
June 30, 2022

	CAPITAL PROJECTS FUNDS								
	Computer Upgrades Fund	Public Works/ Equipment	Town Hall Renovations Fund	Chelsea Park Fund	Video Equipment	Office Equipment	GIS Mapping System	Transfer Station Move	New Town Hall
<u>ASSETS</u>									
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts receivable	-	-	-	-	-	-	-	-	-
Due from other funds	21,897	65,432	88,010	31,031	3,478	56,808	10,000	109,997	152,000
TOTAL ASSETS	\$ 21,897	\$ 65,432	\$ 88,010	\$ 31,031	\$ 3,478	\$ 56,808	\$ 10,000	\$ 109,997	\$ 152,000
<u>LIABILITIES</u>									
Accounts payable and accrued expenses	\$ 2,798	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unearned revenue	-	-	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	-	-	-
TOTAL LIABILITIES	2,798	-	-	-	-	-	-	-	-
<u>FUND BALANCE</u>									
Restricted	-	-	-	-	-	-	-	-	-
Committed	-	-	-	-	-	-	-	-	-
Assigned	19,099	65,432	88,010	31,031	3,478	56,808	10,000	109,997	152,000
Unassigned	-	-	-	-	-	-	-	-	-
TOTAL FUND BALANCE	19,099	65,432	88,010	31,031	3,478	56,808	10,000	109,997	152,000
TOTAL LIABILITIES AND FUND BALANCE	\$ 21,897	\$ 65,432	\$ 88,010	\$ 31,031	\$ 3,478	\$ 56,808	\$ 10,000	\$ 109,997	\$ 152,000

TOWN OF EXETER, RHODE ISLAND
OTHER SUPPLEMENTARY INFORMATION
COMBINING BALANCE SHEET
NON-MAJOR OTHER GOVERNMENTAL FUNDS
June 30, 2022

	CAPITAL PROJECTS FUNDS							PERMANENT FUND	Total Non-Major Governmental Funds
	Comprehensive Town Plan	Animal Shelter Improvements	Transfer Station Improvements	Website Development	Economic Development	Library Fund	Spill Control & Countermeasures	Cemetery Fund	
<u>ASSETS</u>									
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 30,291	\$ 1,593,141
Accounts receivable	-	-	-	-	-	-	-	-	67,008
Due from other funds	37,750	23,685	50,000	2,650	4,500	5,945	15,000	-	1,543,247
TOTAL ASSETS	\$ 37,750	\$ 23,685	\$ 50,000	\$ 2,650	\$ 4,500	\$ 5,945	\$ 15,000	\$ 30,291	\$ 3,203,396
<u>LIABILITIES</u>									
Accounts payable and accrued expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 219,491
Unearned revenue	-	-	-	-	-	-	-	-	975,804
Due to other funds	-	-	-	-	-	-	-	1,159	39,093
TOTAL LIABILITIES	-	-	-	-	-	-	-	1,159	1,234,388
<u>FUND BALANCE</u>									
Restricted	-	-	-	-	-	-	-	29,132	193,242
Committed	-	-	-	-	-	-	-	-	462,894
Assigned	37,750	23,685	50,000	2,650	4,500	5,945	15,000	-	1,312,872
Unassigned	-	-	-	-	-	-	-	-	-
TOTAL FUND BALANCE	37,750	23,685	50,000	2,650	4,500	5,945	15,000	29,132	1,969,008
TOTAL LIABILITIES AND FUND BALANCE	\$ 37,750	\$ 23,685	\$ 50,000	\$ 2,650	\$ 4,500	\$ 5,945	\$ 15,000	\$ 30,291	\$ 3,203,396

TOWN OF EXETER, RHODE ISLAND
OTHER SUPPLEMENTARY INFORMATION
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NON-MAJOR OTHER GOVERNMENTAL FUNDS
For the Fiscal Year Ended June 30, 2022

	SPECIAL REVENUE FUNDS								
	Preservation and Technology Fund	Emergency Management	Planning Board Project Review Fees	Capital Facilities Impact Fees	CDBG	Property Revaluation Fund	Spay/Neuter Fund	Memorial Day Parade	Pension Liability Fund
<u>REVENUES</u>									
Intergovernmental revenues	\$ -	\$ 19,750	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Earnings on investments	18	-	-	418	65	-	7	-	-
Other revenues	7,165	-	6,916	48,542	-	-	1,622	-	-
TOTAL REVENUES	7,183	19,750	6,916	48,960	65	-	1,629	-	-
<u>EXPENDITURES</u>									
General government	20,987	7,679	8,477	2,072	1,157	-	-	-	-
Public works	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	491	-	-
Public libraries	-	-	-	-	-	-	-	-	-
Social services	-	-	-	-	-	-	-	500	-
Parks and recreation	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	20,987	7,679	8,477	2,072	1,157	-	491	500	-
Excess (Deficiency) of Revenues Over (Under) Expenditures Before Other Financing Sources (Uses)	(13,804)	12,071	(1,561)	46,888	(1,092)	-	1,138	(500)	-
<u>OTHER FINANCING SOURCES (USES)</u>									
Transfer from other funds	-	-	-	-	-	15,000	-	2,000	-
Transfer to other funds	-	-	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-	-	15,000	-	2,000	-
Excess (Deficiency) of Revenues Over (Under) Expenditures After Other Financing Sources (Uses)	(13,804)	12,071	(1,561)	46,888	(1,092)	15,000	1,138	1,500	-
FUND BALANCE - July 1, 2021 (Restated)	34,858	63,007	16,392	380,121	75,199	27,574	9,191	7,448	22,210
FUND BALANCE - June 30, 2022	\$ 21,054	\$ 75,078	\$ 14,831	\$ 427,009	\$ 74,107	\$ 42,574	\$ 10,329	\$ 8,948	\$ 22,210

TOWN OF EXETER, RHODE ISLAND
OTHER SUPPLEMENTARY INFORMATION
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NON-MAJOR OTHER GOVERNMENTAL FUNDS
For the Fiscal Year Ended June 30, 2022

	SPECIAL REVENUE FUNDS						CAPITAL PROJECT FUNDS		
	Historic Preservation Fund	Veteran's Memorial	Animal Shelter Donations	Social Service Grants	American Rescue	Open Space	Performance Bonds	Vehicle Replacement Fund	Public Works/ Roads
REVENUES									
Intergovernmental revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,280	\$ -
Earnings on investments	-	29	-	-	-	47	-	-	-
Other revenues	-	-	21,011	-	-	-	-	27,354	-
TOTAL REVENUES	-	29	21,011	-	-	47	-	28,634	-
EXPENDITURES									
General government	-	-	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-	-	379,148
Public safety	-	-	1,850	-	-	-	-	-	-
Public libraries	-	-	-	-	-	-	-	-	-
Social services	-	-	-	18,114	-	-	-	-	-
Parks and recreation	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	-	-	1,850	18,114	-	-	-	-	379,148
Excess (Deficiency) of Revenues Over (Under) Expenditures Before Other Financing Sources (Uses)	-	29	19,161	(18,114)	-	47	-	28,634	(379,148)
OTHER FINANCING SOURCES (USES)									
Transfer from other funds	5,000	-	-	-	-	-	-	-	375,472
Transfer to other funds	-	-	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	5,000	-	-	-	-	-	-	-	375,472
Excess (Deficiency) of Revenues Over (Under) Expenditures After Other Financing Sources (Uses)	5,000	29	19,161	(18,114)	-	47	-	28,634	(3,676)
FUND BALANCE - July 1, 2021 (Restated)	61,321	29,070	56,459	33,039	-	47,167	-	238,131	72,083
FUND BALANCE - June 30, 2022	\$ 66,321	\$ 29,099	\$ 75,620	\$ 14,925	\$ -	\$ 47,214	\$ -	\$ 266,765	\$ 68,407

TOWN OF EXETER, RHODE ISLAND
OTHER SUPPLEMENTARY INFORMATION
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NON-MAJOR OTHER GOVERNMENTAL FUNDS
For the Fiscal Year Ended June 30, 2022

	CAPITAL PROJECTS FUNDS								
	Computer Upgrades Fund	Public Works/ Equipment	Town Hall Renovations Fund	Chelsea Park Fund	Video Equipment	Office Equipment	GIS Mapping System	Transfer Station Move	New Town Hall
<u>REVENUES</u>									
Intergovernmental revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Earnings on investments	-	-	-	-	-	-	-	-	-
Other revenues	-	-	-	-	-	-	-	-	-
TOTAL REVENUES	-	-	-	-	-	-	-	-	-
<u>EXPENDITURES</u>									
General government	-	-	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	-
Public libraries	-	-	-	-	-	-	-	-	-
Social services	-	-	-	-	-	-	-	-	-
Parks and recreation	-	-	-	750	-	-	-	-	-
Capital outlay	5,965	120,000	-	-	-	-	-	232,950	-
TOTAL EXPENDITURES	5,965	120,000	-	750	-	-	-	232,950	-
Excess (Deficiency) of Revenues Over (Under) Expenditures Before Other Financing Sources (Uses)	(5,965)	(120,000)	-	(750)	-	-	-	(232,950)	-
<u>OTHER FINANCING SOURCES (USES)</u>									
Transfer from other funds	-	137,729	-	2,000	-	5,000	-	-	-
Transfer to other funds	-	-	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	137,729	-	2,000	-	5,000	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures After Other Financing Sources (Uses)	(5,965)	17,729	-	1,250	-	5,000	-	(232,950)	-
FUND BALANCE - July 1, 2021 (Restated)	25,064	47,703	88,010	29,781	3,478	51,808	10,000	342,947	152,000
FUND BALANCE - June 30, 2022	\$ 19,099	\$ 65,432	\$ 88,010	\$ 31,031	\$ 3,478	\$ 56,808	\$ 10,000	\$ 109,997	\$ 152,000

TOWN OF EXETER, RHODE ISLAND
OTHER SUPPLEMENTARY INFORMATION
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NON-MAJOR OTHER GOVERNMENTAL FUNDS
For the Fiscal Year Ended June 30, 2022

	CAPITAL PROJECTS FUNDS							PERMANENT FUND	Total NonMajor Governmental Funds
	Comprehensive Town Plan	Animal Shelter Improvements	Transfer Station Improvements	Website Development	Economic Development	Library Fund	Spill Control & Countermeasures	Cemetery Fund	
<u>REVENUES</u>									
Intergovernmental revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 21,030
Earnings on investments	-	-	-	-	-	-	-	30	614
Other revenues	-	-	-	-	-	50	-	3,000	115,660
TOTAL REVENUES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>50</u>	<u>-</u>	<u>3,030</u>	<u>137,304</u>
<u>EXPENDITURES</u>									
General government	-	-	-	-	-	-	-	-	40,372
Public works	-	-	-	-	-	-	-	-	379,148
Public safety	-	-	-	-	-	-	-	-	2,341
Public libraries	-	-	-	-	-	-	-	-	-
Social services	-	-	-	-	-	-	-	1,027	19,641
Parks and recreation	-	-	-	-	-	-	-	-	750
Capital outlay	-	-	-	-	-	-	-	-	358,915
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,027</u>	<u>801,167</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures Before Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>50</u>	<u>-</u>	<u>2,003</u>	<u>(663,863)</u>
<u>OTHER FINANCING SOURCES (USES)</u>									
Transfer from other funds	5,000	5,500	10,000	-	1,500	5,000	15,000	-	584,201
Transfer to other funds	-	-	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>5,000</u>	<u>5,500</u>	<u>10,000</u>	<u>-</u>	<u>1,500</u>	<u>5,000</u>	<u>15,000</u>	<u>-</u>	<u>584,201</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures After Other Financing Sources (Uses)	<u>5,000</u>	<u>5,500</u>	<u>10,000</u>	<u>-</u>	<u>1,500</u>	<u>5,050</u>	<u>15,000</u>	<u>2,003</u>	<u>(79,662)</u>
FUND BALANCE - July 1, 2021 (Restated)	<u>32,750</u>	<u>18,185</u>	<u>40,000</u>	<u>2,650</u>	<u>3,000</u>	<u>895</u>	<u>-</u>	<u>27,129</u>	<u>2,048,670</u>
FUND BALANCE - June 30, 2022	<u>\$ 37,750</u>	<u>\$ 23,685</u>	<u>\$ 50,000</u>	<u>\$ 2,650</u>	<u>\$ 4,500</u>	<u>\$ 5,945</u>	<u>\$ 15,000</u>	<u>\$ 29,132</u>	<u>\$ 1,969,008</u>

TOWN OF EXETER, RHODE ISLAND
OTHER SUPPLEMENTARY INFORMATION
SCHEDULE OF LONG-TERM LIABILITIES - GOVERNMENTAL ACTIVITIES
For the Fiscal Year Ended June 30, 2022

	<u>Date of Issuance</u>	<u>Interest Rate</u>	<u>Date of Maturity</u>	<u>Authorized and Issued</u>	<u>Outstanding July 1, 2021</u>	<u>Additions</u>	<u>Reductions During Year</u>	<u>Outstanding June 30, 2022</u>	<u>Interest Paid During Year</u>	<u>Amounts Due Within One Year</u>
GOVERNMENTAL LONG-TERM LIABILITIES										
<u>BONDS AND NOTES PAYABLE</u>										
Exeter public library bond	9/16/2011	3.67%	9/16/2021	\$ 614,000	\$ 18,099	\$ -	\$ 18,099	\$ -	\$ 95	\$ -
Exeter development rights bond	5/15/2013	3.25%	5/18/2023	<u>424,819</u>	<u>92,615</u>	<u>-</u>	<u>47,592</u>	<u>45,023</u>	<u>2,339</u>	<u>45,023</u>
TOTAL BONDS AND NOTES PAYABLE				1,038,819	110,714	-	65,691	45,023	2,434	45,023
<u>OTHER LONG-TERM LIABILITIES</u>										
Landfill post closure care costs (Note 12)					201,838	-	-	201,838	-	-
Compensated absences					<u>68,325</u>	<u>23,043</u>	<u>6,768</u>	<u>84,600</u>	<u>-</u>	<u>37,186</u>
TOTAL OTHER LONG-TERM LIABILITIES				-	270,163	23,043	6,768	286,438	-	37,186
TOTAL GOVERNMENTAL LONG-TERM LIABILITIES				<u>\$ 1,038,819</u>	<u>\$ 380,877</u>	<u>\$ 23,043</u>	<u>\$ 72,459</u>	<u>\$ 331,461</u>	<u>\$ 2,434</u>	<u>\$ 82,209</u>

TOWN OF EXETER, RHODE ISLAND
 OTHER SUPPLEMENTARY INFORMATION
 SCHEDULE OF LONG-TERM LIABILITIES - DEBT SERVICE REQUIREMENTS
 GOVERNMENTAL ACTIVITIES
 June 30, 2022

Maturing in Fiscal Year	General Obligation Bonds	Total Interest	Total Principal & Interest
2023	\$ 45,023	\$ 746	\$ 45,769
	\$ 45,023	\$ 746	\$ 45,769

TOWN OF EXETER, RHODE ISLAND
OTHER SUPPLEMENTARY INFORMATION
COMPUTATION OF LEGAL DEBT MARGIN
June 30, 2022

TAXABLE ASSESSED VALUE

Gross assessed value	\$ 1,056,752,611
Less: Exemptions	<u>(38,376,035)</u>
NET TOTAL TAXABLE ASSESSED VALUE	<u>\$ 1,018,376,576</u>

TOTAL DEBT MARGIN

Debt Limit - three percent (3%) of total assessed value	\$ 30,551,297
Total bonded debt	<u>(45,023)</u>
TOTAL DEBT MARGIN	<u>\$ 30,506,274</u>

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

<u>REVENUE</u>	<u>Municipal</u>
Current Year Property Tax Collection	\$ 14,534,506
Last Year's Levy Tax Collection	121,090
Prior Year's Property Tax Collection	13,059
Interest & Penalty	82,142
PILOT & Tax Treaty (excluded from certified levy)	-
Other Local Property Taxes	-
Licenses and Permits	169,826
Fines and Forfeitures	-
Investment Income	3,606
Departmental	485,660
Rescue Run Revenue	-
Police & Fire Detail	128,386
Other Local Non Property Tax Revenues	-
Tuition	-
Impact Aid	-
Medicaid	-
Federal Stabilization Funds	-
Federal Food Service Reimbursement	-
CDBG	65
COPS Grants	-
SAFER Grants	-
Other Federal Aid Funds	-
COVID - Esser	-
COVID - CRF	-
COVID - CDBG	-
COVID - ARPA	-
COVID - Other	-
MV Excise Tax Reimbursement	93,419
State PILOT Program	-
Distressed Community Relief Fund	-
Library Resource Aid	60,044
Library Construction Aid	29,902
Public Service Corporation Tax	79,366
Meals & Beverage Tax/Hotel Tax	133,316
LEA Aid	-
Group Home	-
Housing Aid Capital Projects	-
Housing Aid Bonded Debt	-
State Food Service Revenue	-
Incentive Aid	-
Property Revaluation Reimbursement	-
Other State Revenue	-
Motor Vehicle Phase Out	937,751
Other Revenue	50,252
Local Appropriation for Education	-
Regional Appropriation for Education	-
Supplemental Appropriation for Education	-
Regional Supplemental Appropriation for Education	-
Other Education Appropriation	-
Rounding	-
Total Revenue	\$ 16,922,390
Financing Resources: Transfer from Capital Funds	\$ -
Financing Resources: Transfer from Other Funds	-
Financing Resources: Debt Proceeds	-
Financing Resources: Other	-
Rounding	-
Total Other Financing Sources	\$ -

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

EXPENDITURES	General Government	Finance	Social Services	Information Technology	Planning	Libraries	Public Works	Parks and Rec
Compensation - Group A	\$ 464,530	\$ 53,023	\$ 6,716	\$ 20,858	\$ 75,312	\$ 137,172	459,446	\$ -
Compensation - Group B	-	-	-	-	-	-	-	-
Compensation - Group C	-	-	-	-	-	-	-	-
Compensation - Volunteer	-	-	-	-	-	-	-	-
Overtime - Group A	-	-	-	-	-	-	34,538	-
Overtime - Group B	-	-	-	-	-	-	-	-
Overtime - Group C	-	-	-	-	-	-	-	-
Police & Fire Detail	-	-	-	-	-	-	-	-
Active Medical Insurance - Group A	73,098	28,872	-	-	-	37,644	196,126	-
Active Medical Insurance - Group B	-	-	-	-	-	-	-	-
Active Medical Insurance - Group C	-	-	-	-	-	-	-	-
Active Dental Insurance - Group A	2,856	1,741	-	-	432	3,488	5,935	-
Active Dental Insurance - Group B	-	-	-	-	-	-	-	-
Active Dental Insurance - Group C	-	-	-	-	-	-	-	-
Payroll Taxes	40,232	2,367	2,367	2,367	2,367	16,566	23,666	-
Life Insurance	347	50	-	-	50	99	495	-
State Defined Contribution - Group A	-	-	-	-	-	-	-	-
State Defined Contribution - Group B	-	-	-	-	-	-	-	-
State Defined Contribution - Group C	-	-	-	-	-	-	-	-
Other Benefits - Group A	6,166	-	-	-	1,234	1,234	8,632	-
Other Benefits - Group B	-	-	-	-	-	-	-	-
Other Benefits - Group C	-	-	-	-	-	-	-	-
Local Defined Benefit Pension - Group A	-	-	-	-	-	-	-	-
Local Defined Benefit Pension - Group B	-	-	-	-	-	-	-	-
Local Defined Benefit Pension - Group C	-	-	-	-	-	-	-	-
State Defined Benefit Pension - Group A	-	-	-	-	-	-	-	-
State Defined Benefit Pension - Group B	-	-	-	-	-	-	-	-
State Defined Benefit Pension - Group C	-	-	-	-	-	-	-	-
Other Defined Benefit/Contribution	37,624	6,342	768	2,391	4,273	-	38,922	-
Purchased Services	159,406	29,208	-	36,703	-	11,385	51,231	-
Materials/Supplies	32,566	-	-	-	-	28,948	72,050	-
Software Licenses	13,839	-	-	-	-	-	-	-
Capital Outlays	-	-	-	-	-	-	352,950	-
Insurance	144,036	-	-	-	-	-	-	-
Maintenance	1,141	-	-	-	-	877	-	-
Vehicle Operations	5,000	-	-	-	-	-	80,311	-
Utilities	34,611	-	-	-	-	22,446	63,303	-
Contingency	-	-	-	-	-	-	-	-
Street Lighting	-	-	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-	-	-
Snow Removal, Raw Material & External Contracts	-	-	-	-	-	-	65,697	-
Trash Removal & Recycling	-	-	-	-	-	-	84,513	-
Claims & Settlements	-	-	-	-	-	-	-	-
Community Support	-	-	-	-	-	-	-	-
Other Operations Expenditures	74,047	-	42,198	-	2,543	5,981	391,326	-
Tipping Fees	-	-	-	-	-	-	81,025	-
Local Appropriation for Education	-	-	-	-	-	-	-	-
Regional Appropriation for Education	-	-	-	-	-	-	-	-
Supplemental Appropriation for Education	-	-	-	-	-	-	-	-
Regional Supplemental Appropriation for Education	-	-	-	-	-	-	-	-
Other Education Appropriation	-	-	-	-	-	-	-	-
Municipal Debt - Principal	-	-	-	-	-	-	-	-
Municipal Debt - Interest	-	-	-	-	-	-	-	-
School Debt - Principal	-	-	-	-	-	-	-	-
School Debt - Interest	-	-	-	-	-	-	-	-
Retiree Medical Insurance - Total	-	-	-	-	-	-	-	-
Retiree Dental Insurance - Total	-	-	-	-	-	-	-	-
OPEB Contribution - Total	-	-	-	-	-	-	-	-
Rounding	-	-	-	-	-	-	-	-
Total Expenditures	\$ 1,089,499	\$ 121,603	\$ 52,049	\$ 62,319	\$ 86,210	\$ 265,840	2,010,166	\$ -

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

EXPENDITURES	Police Department	Fire Department	Dispatch	Public Safety Other	Education Appropriation	Debt	OPEB	Total Municipal
Compensation - Group A	\$ -	\$ -	\$ -	\$ 214,567	\$ -	\$ -	\$ -	\$ 1,431,624
Compensation - Group B	-	-	-	-	-	-	-	-
Compensation - Group C	-	-	-	-	-	-	-	-
Compensation - Volunteer	-	-	-	-	-	-	-	-
Overtime - Group A	-	-	-	-	-	-	-	34,538
Overtime - Group B	-	-	-	-	-	-	-	-
Overtime - Group C	-	-	-	-	-	-	-	-
Police & Fire Detail	-	-	-	-	-	-	-	-
Active Medical Insurance - Group A	-	-	-	10,937	-	-	-	346,677
Active Medical Insurance - Group B	-	-	-	-	-	-	-	-
Active Medical Insurance - Group C	-	-	-	-	-	-	-	-
Active Dental Insurance - Group A	-	-	-	412	-	-	-	14,864
Active Dental Insurance - Group B	-	-	-	-	-	-	-	-
Active Dental Insurance - Group C	-	-	-	-	-	-	-	-
Payroll Taxes	-	-	-	23,665	-	-	-	113,597
Life Insurance	-	-	-	149	-	-	-	1,189
State Defined Contribution - Group A	-	-	-	-	-	-	-	-
State Defined Contribution - Group B	-	-	-	-	-	-	-	-
State Defined Contribution - Group C	-	-	-	-	-	-	-	-
Other Benefits - Group A	-	-	-	1,234	-	-	-	18,500
Other Benefits - Group B	-	-	-	-	-	-	-	-
Other Benefits - Group C	-	-	-	-	-	-	-	-
Local Defined Benefit Pension - Group A	-	-	-	-	-	-	-	-
Local Defined Benefit Pension - Group B	-	-	-	-	-	-	-	-
Local Defined Benefit Pension - Group C	-	-	-	-	-	-	-	-
State Defined Benefit Pension - Group A	-	-	-	-	-	-	-	-
State Defined Benefit Pension - Group B	-	-	-	-	-	-	-	-
State Defined Benefit Pension - Group C	-	-	-	-	-	-	-	-
Other Defined Benefit/Contribution	-	-	-	6,802	-	-	-	97,122
Purchased Services	-	-	-	18,788	-	-	-	306,721
Materials/Supplies	-	-	-	528	-	-	-	134,092
Software Licenses	-	-	-	-	-	-	-	13,839
Capital Outlays	-	-	-	-	-	-	-	352,950
Insurance	-	-	-	-	-	-	-	144,036
Maintenance	-	-	-	-	-	-	-	2,018
Vehicle Operations	-	-	-	151	-	-	-	85,462
Utilities	-	-	-	11,127	-	-	-	131,487
Contingency	-	-	-	-	-	-	-	-
Street Lighting	-	-	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-	-	-
Snow Removal, Raw Material & External Contracts	-	-	-	-	-	-	-	65,697
Trash Removal & Recycling	-	-	-	-	-	-	-	84,513
Claims & Settlements	-	-	-	-	-	-	-	-
Community Support	-	-	-	-	-	-	-	-
Other Operations Expenditures	-	-	-	28,036	-	-	-	544,131
Tipping Fees	-	-	-	-	-	-	-	81,025
Local Appropriation for Education	-	-	-	-	13,005,889	-	-	13,005,889
Regional Appropriation for Education	-	-	-	-	-	-	-	-
Supplemental Appropriation for Education	-	-	-	-	-	-	-	-
Regional Supplemental Appropriation for Education	-	-	-	-	-	-	-	-
Other Education Appropriation	-	-	-	-	-	-	-	-
Municipal Debt - Principal	-	-	-	-	-	65,691	-	65,691
Municipal Debt - Interest	-	-	-	-	-	2,434	-	2,434
School Debt - Principal	-	-	-	-	-	-	-	-
School Debt - Interest	-	-	-	-	-	-	-	-
Retiree Medical Insurance - Total	-	-	-	-	-	-	-	-
Retiree Dental Insurance - Total	-	-	-	-	-	-	-	-
OPEB Contribution - Total	-	-	-	-	-	-	-	-
Rounding	-	-	-	-	-	-	-	-
Total Expenditures	\$ -	\$ -	\$ -	\$ 316,396	\$ 13,005,889	\$ 68,125	\$ -	\$ 17,078,095

Transfer to Capital Project Funds	\$ 18,500
Transfer to Other Funds	7,000
Payment to Bond Escrow Agent	-
Other Financing Uses	-
Total Other Financing Uses	\$ 25,500
Net Change in Fund Balance*	(181,205)
Fund Balance - Beginning of year	2,876,379
Funds removed from Reportable Government Services (RGS)	(63,007)
Funds added to Reportable Government Services (RGS)	565,829
Prior period adjustments	-
Misc. adjustments	-
Fund Balance - Beginning of year (adjusted)	3,379,201
Fund Balance - End of year	\$ 3,197,996

* = and Net Position if Enterprise Fund activity is included in the portal report.

Town of Exeter
Annual Supplemental Transparency Report (MTP2)
Combining Schedule of
Reportable Government Services with
Reconciliation to MTP2
Municipal
For the 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 ¹	Beginning Fund Fund Balance ¹ (Deficit)	Prior Period Adjustment	Restated Beginnir Fund Balance ¹ (Deficit)	Ending Fund Balance ¹ (Deficit)
Fund Balance¹ - per MTP-2 at June 30, 2021						\$ 2,876,379		\$ 2,876,379	
Emergency Management Grant was removed from RGS for fiscal 2022						(63,007)	-	(63,007)	
Animal Shelter Donations Fund was added to RGS for fiscal 2022						56,459	-	56,459	
Animal Shelter Improvements Fund was added to RGS for fiscal 2022						18,185	-	18,185	
CDBG was added to RGS for fiscal 2022						75,199	-	75,199	
Social Service Grant was added to RGS for fiscal 2022						33,039	-	33,039	
Transfer Station Improvements Fund was added to RGS for fiscal 2022						40,000	-	40,000	
Transfer Station Move Fund was added to RGS for fiscal 2022						342,947	-	342,947	
Fund Balance¹ - per MTP-2 at June 30, 2022 adjusted						<u>\$ 3,379,201</u>		<u>\$ 3,379,201</u>	
General Fund	\$ 16,772,928	\$ -	\$ 16,225,124	\$ 584,201	\$ (36,397)	\$ 2,427,881	\$ -	\$ 2,427,881	\$ 2,391,484
Animal Shelter Donations Fund	21,011	-	1,850	-	19,161	56,459	-	56,459	75,620
Animal Shelter Improvements Fund	-	5,500	-	-	5,500	18,185	-	18,185	23,685
CDBG	65	-	1,157	-	(1,092)	75,199	-	75,199	74,107
Property Revaluation	-	15,000	-	-	15,000	27,574	-	27,574	42,574
Public Works - Roads	-	375,472	379,148	-	(3,676)	72,083	-	72,083	68,407
Public Works - Equipment	-	137,729	120,000	-	17,729	47,703	-	47,703	65,432
Social Services Grant	-	-	18,114	-	(18,114)	33,039	-	33,039	14,925
Spill Control & Countermeasures	-	15,000	-	-	15,000	-	-	-	15,000
Transfer Station Improvements Fund	-	10,000	-	-	10,000	40,000	-	40,000	50,000
Transfer Station Move Fund	-	-	232,950	-	(232,950)	342,947	-	342,947	109,997
Vehicle Replacement Fund	28,634	-	-	-	28,634	238,131	-	238,131	266,765
Totals per audited financial statements	<u>\$ 16,822,638</u>	<u>\$ 558,701</u>	<u>\$ 16,978,343</u>	<u>\$ 584,201</u>	<u>\$ (181,205)</u>	<u>\$ 3,379,201</u>	<u>\$ -</u>	<u>\$ 3,379,201</u>	<u>\$ 3,197,996</u>
Reconciliation from financial statements to MTP2									
Eliminate transfers between Funds reported on MTP2:									
- From General Fund to Animal Shelter Improvements Fund	\$ -	\$ (5,500)	\$ -	\$ (5,500)	\$ -	\$ -	\$ -	\$ -	\$ -
- From General Fund to Property Revaluation Fund	-	(15,000)	-	(15,000)	-	-	-	-	-
- From General Fund to Public Works - Roads	-	(375,472)	-	(375,472)	-	-	-	-	-
- From General Fund to Public Works - Equipment	-	(137,729)	-	(137,729)	-	-	-	-	-
- From General Fund to Spill Control & Countermeasures	-	(15,000)	-	(15,000)	-	-	-	-	-
- From General Fund to Transfer Station Improvements	-	(10,000)	-	(10,000)	-	-	-	-	-
Police and Fire detail net in audit, gross on MTP2	99,752	-	99,752	-	-	-	-	-	-
Rounding	-	-	-	-	-	-	-	-	-
Totals Per MTP2	<u>\$ 16,922,390</u>	<u>\$ -</u>	<u>\$ 17,078,095</u>	<u>\$ 25,500</u>	<u>\$ (181,205)</u>	<u>\$ 3,379,201</u>	<u>\$ -</u>	<u>\$ 3,379,201</u>	<u>\$ 3,197,996</u>

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

TOWN OF EXETER, RHODE ISLAND
ANNUAL SUPPLEMENTARY INFORMATION
NOTES TO THE ANNUAL SUPPLEMENTARY REPORT (MTP2)
June 30, 2022

NOTE 1 – BASIS OF PRESENTATION

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

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

NOTE 2 – REPORTABLE GOVERNMENT SERVICES

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

NOTE 3 – ALLOCATIONS

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

NOTE 4 – EMPLOYEE GROUPS – COMPENSATION AND BENEFIT COSTS

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

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

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

TOWN OF EXETER, RHODE ISLAND
ANNUAL SUPPLEMENTARY INFORMATION
NOTES TO THE ANNUAL SUPPLEMENTARY REPORT (MTP2)
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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/>.

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Exeter, Rhode Island, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Town of Exeter, Rhode Island's basic financial statements, and have issued our report thereon dated November 7, 2022.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

WADOVICK + COMPANY

West Warwick, Rhode Island
November 7, 2022