

TOWN OF WEST WARWICK, RHODE ISLAND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022



Col. Mark Knott
Town Manager

Kristen Benoit, CPA
Finance Director

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JUNE 30, 2022

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Introductory Section

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List of Town Officials

TOWN COUNCIL

David Gosselin, Jr., President (Ward 2)
Maribeth Q. Williamson, Vice President (Ward 1)
Jason K. Messier (Ward 3)
Jason E. Licciardi, Sr. (Ward 4)
Mark Bourget (Ward 5)

TOWN MANAGER

Mark Knott

**SCHOOL
COMMITTEE**

Luis R. Colon, Jr., Chairperson
Rene Coutu, Vice Chairman
Susan St. Amand, Clerk
Joseph A. DiMartino
Angela Coburn

DEPARTMENT DIRECTORS

Town Finance Director	Kristen B. Benoit, CPA
Superintendent of Schools	Karen Tarasevich
Director of Financial Operations - School Department	Joseph Spagna
Town Solicitor	Timothy Williamson
Town Clerk	Sarah Rapose
Chief of Police	Colonel Ernest Lavigne
Fire Chief	Jeffrey Varone
Tax Assessor	Salvatore Saccoccio, Jr.
Tax Collector	Rosemarie Silva
Director of Public Works	Jeff Caldwell
Town Planner	Marilyn Shellman
Building Official	Robert Assalone
CDBG Coordinator	Elaine Mansour
Superintendent of Sewer Treatment Plant	Jeffrey Chapdelaine
Director of Human Resources	Greg Gonsalves
Director of Federal Programming and Innovative Practice	Keith Remillard
Director of Property & Maintenance - School Department	Kenneth Townsend
Special Education Director - School Department	Jessica M. Perry
Director of Technology - School Department	James Monti

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Financial Section

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CERTIFIED PUBLIC ACCOUNTANTS
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FAX (508) 675-7859
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To the Members of the West Warwick Town Council
Town of West Warwick, Rhode Island

Independent Auditor's Report

Opinions

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

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

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standard applicable to financial audits contained in the *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 West Warwick, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of the Matter

As discussed in the Notes of the financial statements, during fiscal year 2022 the Town adopted new accounting guidance, Governmental Accounting Standards Board Statement No. 87 "Leases." Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town of West Warwick's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town of West Warwick'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, OPEB related disclosures, Pension related disclosures, and budgetary comparison information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of West Warwick's basic financial statements. The combining and individual nonmajor fund and internal service fund financial statements, as well as the tax collector's report, schedule of property taxes and annual supplemental transparency report (MTP2) as are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund and internal service fund financial statements, the tax collector's report, schedule of property taxes and annual supplemental transparency report (MTP2) are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 16, 2022 on our consideration of the Town of West Warwick, Rhode Island's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town of West Warwick, Rhode Island's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of West Warwick, Rhode Island's internal control over financial reporting and compliance.



Hague, Sahady & Co., CPA's, P.C.
Fall River, Massachusetts
December 16, 2022

TOWN OF WEST WARWICK, RHODE ISLAND
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2022

As management of the Town of West Warwick, we offer readers of the Town of West Warwick's financial statements this narrative overview and analysis of the financial activities for the fiscal year ended June 30, 2022. We encourage readers to consider the information presented here in conjunction with the Town's financial statements that follow this section.

Financial Highlights

The Town's government-wide net position increased by \$2,527,999 as a result of this year's current operations. On a government-wide basis the liabilities and deferred inflows of resources exceeded the Town's assets and deferred outflows of resource creating a net position deficiency of \$143,628,522 Net position of the business-type activities increased by \$343,089, and the net position of Governmental Activities increased by \$2,184,910.

The Town's Government-wide (governmental and business-type activities) operating expenses were \$132,547,681 while revenues collected were \$135,075,680.

As of the close of the fiscal year, the Town's governmental funds reported combined ending fund balances of \$19,706,466. 22.1% of this amount, \$4,359,601 is unassigned.

At the end of the current fiscal year, the General Fund's unassigned fund balance was \$4,670,300 or 6.0% of the total General Fund budgetary expenditures (excluding education) for the fiscal year. In accordance with generally accepted accounting principles (GAAP), the current fiscal year's revenues and other financing sources exceeded expenditures and other financing uses transfers by \$495,987.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Town of West Warwick'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 other supplementary information. The Town's basic financial statements and other supplementary information provide information about 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 that is 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 WEST WARWICK, RHODE ISLAND
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2022

The *Statement of Net Position* presents information on all of the Town's assets, deferred outflow of resources, liabilities, and deferred inflow of resources with the difference between these 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 of West Warwick, 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, public safety, public works, public assistance, development, recreation, public libraries, education, senior center activities, and interest on long-term debt. The business-type activities of the Town include the West Warwick Wastewater Authority, Municipal Court, School Lunch Program, and the Civic Center.

The government-wide financial statements can be found on the pages indicated on the table of contents.

Fund financial statements - A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town of West Warwick, 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.

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.

TOWN OF WEST WARWICK, RHODE ISLAND
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2022

The Town of West Warwick maintains 86 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 and School Unrestricted Fund which are considered to be major funds. Data from the other nonmajor governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements which can be found in the supplementary information section of the audited financial statements. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements in the pages indicated on the table of contents.

Proprietary Funds - The Town of West Warwick's Proprietary Funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Town has four Enterprise Funds. The Wastewater Authority accounts for the Town's Wastewater system. The Municipal Court collects and levies fines and fees. The School Lunch Program which accounts for the activity of the School's food service program. The Civic Center collects admission and concession stand revenues at the Town-owned venue.

The Town's internal service funds represent accounting devices used to accumulate and allocate costs internally among the Town's various functions. The Town is self-insured in its health coverage, and the Healthcare Management Fund reports the actual claims as well as the Town's contribution to the Fund along with employee deductions for the benefit program. The Energy Efficiency Fund reports on the expenses and revenues generated to provide clean and efficient energy to the Town's properties. The Internal Service Funds are combined with the Governmental Activities in the Government-Wide Financial Statements.

Proprietary Funds provide the same type of information as the government-wide financial statements, only in more detail. The Proprietary Fund financial statements provide separate information for the Wastewater Authority, Municipal Court, School Lunch Program, Civic Center, Healthcare Management, and Energy Efficiency, since all of these funds were considered by the Town to be major funds.

The proprietary fund financial statements are presented on the pages indicated on the table of contents.

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 of West Warwick's own programs. The accounting used for Fiduciary Funds is much like that used for Proprietary Funds.

The Fiduciary Fund financial statements can be found on the pages indicated on the table of contents

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 the pages indicated on the table of contents.

Other Information - In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information pertinent to the Town of West Warwick's operations. Required Supplementary information is presented on the pages indicated on the table of contents.

TOWN OF WEST WARWICK, RHODE ISLAND
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2022

The combining statements referred to earlier in connection with nonmajor governmental funds and fiduciary funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules are presented on the pages indicated on the table of contents.

Government-wide Financial Analysis

As noted earlier, over time net position may serve 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 West Warwick, liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by \$143,628,522 as of June 30, 2022.

Town of West Warwick, Rhode Island Statement of Net Position
June 30, 2022 and June 30, 2021

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Assets						
Current assets and other assets	\$ 30,284,248	\$ 28,693,206	\$ 15,629,397	\$ 15,266,804	\$ 45,913,645	\$ 43,960,010
Right to use asset, net of amortization	1,616,406	-	-	-	1,616,406	-
Capital assets, net of accumulated depreciation	63,441,457	61,372,161	47,111,905	49,330,442	110,553,362	110,702,603
Total assets	<u>95,342,111</u>	<u>90,065,367</u>	<u>62,741,302</u>	<u>64,597,246</u>	<u>158,083,413</u>	<u>154,662,613</u>
Deferred outflows of resources	<u>29,892,634</u>	<u>28,150,050</u>	<u>921,632</u>	<u>441,065</u>	<u>30,814,266</u>	<u>28,591,115</u>
Liabilities						
Current liabilities	9,423,930	16,199,546	3,242,343	3,191,416	12,666,273	19,390,962
Long-term liabilities	275,365,149	267,853,269	20,598,618	22,336,942	295,963,767	290,190,211
Total liabilities	<u>284,789,079</u>	<u>284,052,815</u>	<u>23,840,961</u>	<u>25,528,358</u>	<u>308,630,040</u>	<u>309,581,173</u>
Deferred inflows of resources	<u>23,569,947</u>	<u>19,628,247</u>	<u>326,214</u>	<u>357,283</u>	<u>23,896,161</u>	<u>19,985,530</u>
Net Position						
Net investment in capital assets	26,264,377	25,389,573	32,546,905	35,612,884	58,811,282	61,002,457
Restricted	4,834,943	5,532,102	-	-	4,834,943	5,532,102
Unrestricted	(214,223,601)	(216,387,320)	6,948,854	3,539,786	(207,274,747)	(212,847,534)
Total net position	<u>\$ (183,124,281)</u>	<u>\$ (185,465,645)</u>	<u>\$ 39,495,759</u>	<u>\$ 39,152,670</u>	<u>\$ (143,628,522)</u>	<u>\$ (146,312,975)</u>

The Town's net position includes \$58,811,282 invested in capital assets (e.g., land, buildings, infrastructure, machinery, and equipment); less any related debt used to acquire these assets that are still outstanding and any restricted cash still remaining on these debt obligations. 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 cannot be used to liquidate these liabilities.

The Town's overall negative net position of \$143,628,522 at June 30, 2022 is primarily attributable to the legacy costs related to unfunded pension and OPEB liabilities which totaled \$243,282,783 at June 30, 2022.

TOWN OF WEST WARWICK, RHODE ISLAND
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2022

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Revenues						
Program Revenues						
Charges for service	\$ 4,523,464	\$ 3,968,438	\$ 9,779,874	\$ 8,457,017	\$ 14,303,338	\$ 12,425,455
Operating grants & contributions	43,908,455	39,412,505	1,862,075	666,798	45,770,530	40,079,303
Capital grants & contributions	317,629	193,895	-	-	317,629	193,895
General Revenues						
Property taxes	69,519,533	67,763,701	-	-	69,519,533	67,763,701
Motor vehicle phase-out taxes	2,599,058	757,501	-	-	2,599,058	757,501
State aid and in lieu of taxes not restricted for specific programs	1,883,955	1,011,081	-	-	1,883,955	1,011,081
Grants and contributions not restricted for specific programs	210,948	4,383,041	-	-	210,948	4,383,041
Earnings on investments	21,960	226,503	-	8,563	21,960	235,066
Miscellaneous	438,207	298,576	10,522	-	448,729	298,576
Total revenues	<u>123,423,209</u>	<u>118,015,241</u>	<u>11,652,471</u>	<u>9,132,378</u>	<u>135,075,680</u>	<u>127,147,619</u>
Expenses						
General government	19,440,836	17,355,429	-	-	19,440,836	17,355,429
Public safety	19,910,844	21,018,849	-	-	19,910,844	21,018,849
Public works	5,352,300	5,128,630.00	-	-	5,352,300	5,128,630
Public libraries	1,063,878	664,678	-	-	1,063,878	664,678
Parks and recreation	653,182	1,031,565	-	-	653,182	1,031,565
Senior center	223,000	223,000	-	-	223,000	223,000
Education	73,990,013	70,767,356	-	-	73,990,013	70,767,356
Interest on long-term debt	614,245	-	-	-	614,245	-
Debt Service	-	1,558,844	-	-	-	1,558,844
Wastewater	-	-	9,148,855	8,449,658	9,148,855	8,449,658
Civic Center	-	-	695,999	577,621	695,999	577,621
Municipal Court	-	-	42,739	89,886	42,739	89,886
School Lunch Program	-	-	1,411,789	682,259	1,411,789	682,259
Total expenses	<u>121,248,299</u>	<u>117,748,351</u>	<u>11,299,382</u>	<u>9,799,424</u>	<u>132,547,681</u>	<u>127,547,775</u>
Excess(deficiency) in net assets before transfers	<u>2,174,910</u>	<u>266,890</u>	<u>353,089</u>	<u>(667,046)</u>	<u>2,527,999</u>	<u>(400,156)</u>
Transfers in (out)	<u>10,000</u>	<u>-</u>	<u>(10,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in net position	2,184,910	266,890	343,089	(667,046)	2,527,999	(400,156)
Net position - beginning, restated	<u>(185,309,190)</u>	<u>(185,732,535)</u>	<u>39,152,670</u>	<u>39,819,716</u>	<u>(146,156,520)</u>	<u>(145,912,819)</u>
Net position - ending	<u><u>\$ (183,124,281)</u></u>	<u><u>\$ (185,465,645)</u></u>	<u><u>\$ 39,495,759</u></u>	<u><u>\$ 39,152,670</u></u>	<u><u>\$ (143,628,522)</u></u>	<u><u>\$ (146,312,975)</u></u>

Note: Prior year net position was restated, balances represent financials prior to restatement.
Allocation of certain revenues and expenses across functions have been realigned in the current period. See Restatement Note.

Analysis of the Town of West Warwick's Operations

The following analysis provides a summary of the Town's operations for the fiscal year ended June 30, 2022. Comparative data for fiscal 2022 and 2021 is presented in the table above. Governmental activities increased the Town's net position by \$2,184,910 for the current period, while business-type activities increased the Town's net position by \$343,089. Overall, the Town's net position increased by \$2,527,999, over the prior year's net position. The net change in fund balance for the fiscal year ended June 30, 2022 was an increase of \$1,930,659 for the Town's governmental fund types.

TOWN OF WEST WARWICK, RHODE ISLAND
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2022

Financial Analysis of the Town of West Warwick's Funds

Governmental Funds - The focus of the Town of West Warwick'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 unassigned 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 \$19,706,466. Approximately 22.1% of the total amount, or \$4,359,601 constituted unassigned fund balances. The remainder of the fund balance is nonspendable, restricted, or committed specific purposes.

Proprietary Funds - The Town of West Warwick's proprietary fund statements provide the same type of information as presented in the government-wide financial statements, but in more detail.

Unrestricted net position of the enterprise funds totaled \$6,948,854 while the net investment in capital assets for these funds was \$32,546,905 resulting in a total net position of \$39,495,759. This net position consisted of \$36,748,648 for the Wastewater Authority, \$91,189 for the Municipal Court, \$2,027,438 for the School Lunch Program, and \$628,484 for the Civic Center.

The Town also maintains Internal Service Funds for the Town and School Department's self-insured medical and dental claims and activity (Healthcare Management Fund), and for renewable and energy efficiency activities (Energy Efficiency Fund). During the fiscal year ended June 30, 2022 the Internal Service Funds reported a change in net position of \$615,308. As a result, ending net position as of June 30, 2022 was a cumulative surplus of \$661,088. There is \$56,862 in net position in the Healthcare Management Fund. The \$604,226 surplus in the Energy Efficiency Fund is expected to continue to grow with future renewable energy credits from the Wind Turbines.

General Fund Budgetary Highlights

For the year ended June 30, 2022, the General Fund revenues and other financing sources were over budget by \$2,213,559 (revenue surplus 2%) while expenditures and other financing uses were over budget by 1,217,573 (2% over expended). This resulted in budgetary basis surplus of \$495,987 for the fiscal year ended June 30, 2022. See RSI on the pages indicated in the table of contents for details.

Revenues - Total tax revenues exceeded budgetary estimates by \$881,298, due to strong tax collection efforts by the Tax Collector's office.

Intergovernmental revenues exceeded budgetary estimates by \$791,597, due to an increase to State Aid to Schools and the receipt of the American Rescue Plan funds. This increase stemmed from the federal relief package distributed to the State and was passed through to the local communities to cover issues arising from the current Covid-19 Pandemic.

Departmental revenues exceeded budgetary estimates by \$303,688, due to better than anticipated revenues in the town clerk and building offices.

TOWN OF WEST WARWICK, RHODE ISLAND
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2022

Expenditures - General Government came in under budgetary estimates by \$63,272 as a result of vacant positions in various departments town wide. These vacancies lead to less employee costs and a reduction in completed projects resulting in less spending.

Public Safety expenditures were over budgetary estimates by \$536,680. The over expenditures were a direct result of an increase in overtime to cover reduced staffing due to attrition, injured on duty and covid related absences.

Public Works expenditures came in \$162,690 over budgetary estimates due to appropriate staffing conditions leading to the ability to complete current and past projects that had back logged due to the prior years lack of staffing.

Town Miscellaneous expenditures came in \$1,075,278 over budgetary estimates, specifically in State Aid – Education and Benefits. The Town receives State Aid on behalf of the School Department and transfers the allocation throughout the year. In fiscal year 2022 the Town received a surplus of State Aid. Benefits costs were significantly higher in the current fiscal year mainly due to increase in retirements.

Other Financing Uses came in under budgetary estimates by \$337,000, primarily due to an increase in School State Aid (which would be transferred to the School Department if received).

Capital Assets

The Town of West Warwick's investment in capital assets for its governmental and business-type activities as of June 30, 2022 amounts to \$112,169,768 (net of accumulated depreciation). The investment in capital assets includes land, buildings, improvements, machinery and equipment, vehicles, plant facilities, infrastructure, extensions and mains, and construction in progress.

Statement of Capital Assets, Net
June 30, 2022 and June 30, 2021

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Land	\$ 9,268,414	\$ 9,268,414	\$ 432,700	\$ 432,700	\$ 9,701,114	\$ 9,701,114
Construction in progress	1,061,450	672,285	116,706	-	1,178,156	672,285
Land and improvements	1,296,388	1,259,129	554,873	595,793	1,851,261	1,854,922
Right to Use - Lease Wind Turbine	1,616,406	-	-	-	1,616,406	-
Buildings and improvements	15,065,396	16,543,048	34,260,701	35,381,413	49,326,097	51,924,461
Machinery, equipment and vehicles	19,737,110	19,910,110	4,298,025	4,912,236	24,035,135	24,822,346
Infrastructure	17,012,699	13,719,175	7,448,900	8,008,300	24,461,599	21,727,475
Total	\$ 65,057,863	\$ 61,372,161	\$ 47,111,905	\$ 49,330,442	\$ 112,169,768	\$ 110,702,603

Additional information on the Town's capital assets can be found on pages 50 and 51.

TOWN OF WEST WARWICK, RHODE ISLAND
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2022

Debt Administration

At the end of the current fiscal year, the Town of West Warwick's Governmental Activities had a total bonded debt of \$35,630,515. Of this amount, 100% comprises bonded debt backed by the full faith and credit of the government, while the business-type activities bonded debt of \$14,565,000 for a total of \$50,195,515 outstanding debt for the Town. The following is a summary of the Town's long-term debt.

Bonds, Notes, and Lease Purchase Obligations
June 30, 2022 and June 30, 2021

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Bonds and notes payable	\$ 35,630,515	\$ 35,164,515	\$ 14,565,000	\$ 16,905,000	\$ 50,195,515	\$ 52,069,515
Lease purchase obligations	2,970,297	1,164,160	-	27,649	2,970,297	1,191,809
Unamortized bond premiums	143,994	154,796	-	-	143,994	154,796
Total	\$ 38,744,806	\$ 36,483,471	\$ 14,565,000	\$ 16,932,649	\$ 53,309,806	\$ 53,416,120

The Town's general obligation bond rating as assigned by Moody's Investors Service was recently raised to A3 as a result of a review and the determination that the Town had a positive outlook. The State of Rhode Island imposes a limit of 3% of the fair value of all taxable Town property on the general obligation debt that a municipality can issue. The Town of West Warwick's limit is approximately \$75,900,000 at year end. The Town's outstanding general obligation debt is \$50,195,515 at year-end; of which \$32,800,515 is subject to the legal debt margin.

Additional information on the Town's long-term debt can be found on pages 53-57

TOWN OF WEST WARWICK, RHODE ISLAND
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2022

Economic Factors, Next Year's Budgets and Rates, and Other Important Developments

The Town of West Warwick's total General Fund budget for fiscal year 2022 amounts to \$107,418,514 which reflects an increase of \$5,667,001, or 5.57% above the fiscal year 2021 budget of \$101,751,513. Of the Town's 2022 budget, 58.37% is budgeted for education expenditures and 41.63% is budgeted for general government. The State of Rhode Island is budgeted to contribute \$30,338,359 to the Town's education department based on State Aid in fiscal 2022.

The Town's tax rate for residential real estate for fiscal year 2022 is \$23.00 per \$1,000 of assessed value with 40% allocated for general government and 60% allocated for education. For fiscal year 2021 the Town's tax rate for residential real estate was \$22.57 per \$1,000 of assessed value with 40% allocated for general government and 60% allocated for education.

Previous to fiscal year 2019, the Town completed several projects as part of our green initiative goals. In August of 2016, West Warwick became the first Town in the state to have all of its electric energy supplied through renewable energy projects. This was made possible by the completion of the \$18 million, 4.5KW wind turbine project and the installation of solar arrays on both the Ice rink and field house.

With the completion of these projects, every Town-owned building, including all schools, Town Hall, Wastewater facility, ice rink, field house, library and senior center are now using 100% renewable energy that we are producing. The estimated savings of this initiative over the next 20 years is in excess of \$20 million after debt service. During Fiscal year 2019, the Town contracted with a consultant to sell excess energy credits. In FY 2022, sales generated totaled \$595,724 in revenue for the energy fund.

Request for Information

The financial report is designed to provide our citizens, taxpayers and creditors with a general overview of the Town's finances and to show the Town's accountability for the tax dollars received. If you have questions about this report or need additional financial information, contact the Finance Director's Office, Town of West Warwick, 1170 Main Street, West Warwick, RI 02893.

Basic Financial Statements

TOWN OF WEST WARWICK, RHODE ISLAND
STATEMENT OF NET POSITION
JUNE 30, 2022

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS:			
Current Assets:			
Cash and cash equivalents	\$ 20,839,560	\$ 3,692,372	\$ 24,531,932
Cash on deposit with funding agency	3,329,042	-	3,329,042
Restricted cash	-	3,217,655	3,217,655
Investments	541,114	-	541,114
Accounts receivable	-	-	-
Property taxes	1,677,689	-	1,677,689
Assessment and usage fees receivable, net	-	696,500	696,500
Municipal debt service assessment receivable	-	632,671	632,671
Departmental and other	1,334,697	845,061	2,179,758
Internal balances	(1,288,125)	1,288,125	(0)
Intergovernmental receivables	2,902,605	107,484	3,010,089
Prepaid items	947,666	-	947,666
Total Current Assets	<u>30,284,248</u>	<u>10,479,868</u>	<u>40,764,116</u>
Noncurrent Assets:			
Assessment fees	-	1,826,651	1,826,651
Municipal debt service assessments receivable	-	3,322,878	3,322,878
Right to use asset, net of accumulated amortization	1,616,406	-	1,616,406
Capital assets not being depreciated	10,329,864	549,406	10,879,270
Capital assets, net of accumulated depreciation	53,111,593	46,562,499	99,674,092
Total Noncurrent Assets	<u>65,057,863</u>	<u>52,261,434</u>	<u>117,319,297</u>
Total Assets	<u>95,342,111</u>	<u>62,741,302</u>	<u>158,083,413</u>
DEFERRED OUTFLOWS OF RESOURCES:			
Deferred charges on refunding	100,322	-	100,322
Deferred outflows related to pension plan obligations	22,392,755	776,895	23,169,650
Deferred outflows related to OPEB plan obligations	7,399,557	144,737	7,544,294
Total deferred outflows of resources	<u>29,892,634</u>	<u>921,632</u>	<u>30,814,266</u>
Total assets and deferred outflows of resources	<u>\$ 125,234,745</u>	<u>\$ 63,662,934</u>	<u>\$ 188,897,679</u>

The accompanying notes are an integral part of the financial statements

TOWN OF WEST WARWICK, RHODE ISLAND
STATEMENT OF NET POSITION
JUNE 30, 2022

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
LIABILITIES:			
Current Liabilities:			
Accounts payable and accrued expenses	\$ 3,043,722	\$ 640,326	\$ 3,684,048
Accrued interest payable	322,414	125,900	448,314
Accrued compensated absences	2,667,059	86,988	2,754,047
Unearned revenue	-	19,129	19,129
Payables to external parties	632,279	-	632,279
Current portion of lease purchase obligations	352,456	-	352,456
Current portion of bonds and notes payable	2,406,000	2,370,000	4,776,000
Total Current Liabilities	<u>9,423,930</u>	<u>3,242,343</u>	<u>12,666,273</u>
Noncurrent Liabilities:			
Compensated absences	4,351,517	148,117	4,499,634
Net OPEB liability	59,857,591	1,093,095	60,950,686
Net pension liability	175,169,691	7,162,406	182,332,097
Lease purchase obligations	2,617,841	-	2,617,841
Bonds and loans payable	33,224,515	12,195,000	45,419,515
Bond premium	143,994	-	143,994
Total Noncurrent Liabilities	<u>275,365,149</u>	<u>20,598,618</u>	<u>295,963,767</u>
Total liabilities	<u>284,789,079</u>	<u>23,840,961</u>	<u>308,630,040</u>
DEFERRED INFLOWS OF RESOURCES:			
Deferred gain on refunding	-	-	-
Deferred revenue	2,930,734	-	2,930,734
Deferred inflows related to pension plan obligations	12,847,095	174,308	13,021,403
Deferred inflows related to OPEB plan obligations	7,792,118	151,906	7,944,024
Total deferred inflows of resources	<u>23,569,947</u>	<u>326,214</u>	<u>23,896,161</u>
NET POSITION			
Net investment in capital assets	26,264,377	32,546,905	58,811,282
Restricted			
General Government	50,354	-	50,354
Public Safety	1,632,176	-	1,632,176
Public Works	132,246	-	132,246
Parks	270,891	-	270,891
Education	393,091	-	393,091
Capital projects	2,317,780	-	2,317,780
Economic development	38,405	-	38,405
Unrestricted	(214,223,601)	6,948,854	(207,274,747)
Total net position	<u>(183,124,281)</u>	<u>39,495,759</u>	<u>(143,628,522)</u>
Total liabilities, deferred inflows or resources and net position	<u>\$ 125,234,745</u>	<u>\$ 63,662,934</u>	<u>\$ 188,897,679</u>

The accompanying notes are an integral part of the financial statements

TOWN OF WEST WARWICK, RHODE ISLAND
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022

Functions/Programs:	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities:							
General government	\$ 19,440,836	\$ 2,002,081	\$ 1,421,183	\$ -	\$ (16,017,572)	\$ -	\$ (16,017,572)
Public safety	19,910,844	1,330,941	351,668	-	(18,228,235)	-	(18,228,235)
Public works	5,352,300	1,033,129	748,914	25,079	(3,545,179)	-	(3,545,179)
Parks and recreation	653,182	94,490	-	-	(558,692)	-	(558,692)
Public libraries	1,063,878	18,373	209,955	-	(835,550)	-	(835,550)
Senior center	223,000	-	-	-	(223,000)	-	(223,000)
Education	73,990,013	44,450	41,176,735	292,550	(32,476,278)	-	(32,476,278)
Interest on long-term debt	614,245	-	-	-	(614,245)	-	(614,245)
Total governmental activities	121,248,299	4,523,464	43,908,455	317,629	(72,498,751)	-	(72,498,751)
Business-Type Activities							
Wastewater Authority	9,148,855	8,810,512	-	-	-	(338,343)	(338,343)
Civic Center	695,999	788,382	-	-	-	92,383	92,383
Municipal Court	42,739	35,750	-	-	-	(6,989)	(6,989)
School Lunch Program	1,411,789	145,230	1,862,075	-	-	595,516	595,516
Total business-type activities	11,299,382	9,779,874	1,862,075	-	-	342,567	342,567
Total	\$ 132,547,681	\$ 14,303,338	\$ 45,770,530	\$ 317,629	\$ (72,498,751)	\$ 342,567	\$ (72,156,184)

The accompanying notes are an integral part of the financial statements

TOWN OF WEST WARWICK, RHODE ISLAND
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Town of West Warwick, Rhode Island	\$ (72,498,751)	\$ 342,567	\$ (72,156,184)
General revenues			
Property taxes, levied for general purposes	69,519,533	-	69,519,533
Motor vehicle phase-out taxes	2,599,058	-	2,599,058
Utilities taxes	358,481	-	358,481
State aid to distressed communities	953,745	-	953,745
Hotel, meals, and beverage tax	571,729	-	571,729
Grants not restricted to specific purposes	210,948	-	210,948
Miscellaneous and other	438,207	-	438,207
Unrestricted investment earnings	21,960	10,522	32,482
Total general revenues	<u>74,673,661</u>	<u>10,522</u>	<u>74,684,183</u>
Special Items and transfers			
Transfers in (out)	10,000	(10,000)	-
Total Special Items and transfers	<u>10,000</u>	<u>(10,000)</u>	<u>-</u>
Total general revenues and transfers	<u>74,683,661</u>	<u>522</u>	<u>74,684,183</u>
Changes in net position	2,184,910	343,089	2,527,999
Net position - July 1, 2021, restated	<u>(185,309,190)</u>	<u>39,152,670</u>	<u>(146,156,520)</u>
Net position - June 30, 2022	<u>\$ (183,124,281)</u>	<u>\$ 39,495,759</u>	<u>\$ (143,628,522)</u>

The accompanying notes are an integral part of the financial statements

TOWN OF WEST WARWICK, RHODE ISLAND
BALANCE SHEET – GOVERNMENTAL FUNDS
JUNE 30, 2022

	Major Funds		Non-Major	Total
	General Fund	School Unrestricted Fund	Governmental Funds	Governmental Funds
Assets				
Cash and cash equivalents	\$ 13,481,286	\$ 3,228,521	\$ 4,129,753	\$ 20,839,560
Restricted cash	-	-	-	-
Cash held in escrow	-	-	3,329,042	3,329,042
Investments	541,114	-	-	541,114
Accounts receivable:				
Real estate and personal property taxes, net	1,677,689	-	-	1,677,689
Intergovernmental	276,437	2,498,581	127,587	2,902,605
Other receivable, net	728,596	503,962	28,776	1,261,334
Interfund payable	-	-	-	-
Due from other funds	97,845	3,401,875	5,749,033	9,248,753
Prepaid items	223,580	43,772	-	267,352
Total assets	<u>17,026,547</u>	<u>9,676,711</u>	<u>13,364,191</u>	<u>40,067,449</u>
Deferred outflows of resources				
None	-	-	-	-
Total deferred outflows of resources	-	-	-	-
Total assets and deferred outflows of resources	<u>\$ 17,026,547</u>	<u>\$ 9,676,711</u>	<u>\$ 13,364,191</u>	<u>\$ 40,067,449</u>
Liabilities				
Accounts payable	\$ 909,829	\$ 27,152	\$ 634,040	\$ 1,571,021
Accrued liabilities	523,358	-	-	523,358
Interfund payable	-	632,279	-	632,279
Due to other funds	9,030,080	3,149,368	854,743	13,034,191
Total liabilities	<u>10,463,267</u>	<u>3,808,799</u>	<u>1,488,783</u>	<u>15,760,849</u>
Deferred inflows of resources				
Unavailable revenues, taxes	1,445,819	-	-	1,445,819
Unavailable revenues, EMS	223,581	-	-	223,581
Deferred revenue	-	-	2,930,734	2,930,734
Total deferred inflows of resources	<u>1,669,400</u>	<u>-</u>	<u>2,930,734</u>	<u>4,600,134</u>
Fund balance				
Nonspendable	223,580	43,772	-	267,352
Restricted	-	-	4,834,943	4,834,943
Committed	-	5,824,140	4,420,430	10,244,570
Assigned	-	-	-	-
Unassigned	4,670,300	-	(310,699)	4,359,601
Total fund balance	<u>4,893,880</u>	<u>5,867,912</u>	<u>8,944,674</u>	<u>19,706,466</u>
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 17,026,547</u>	<u>\$ 9,676,711</u>	<u>\$ 13,364,191</u>	<u>\$ 40,067,449</u>

The accompanying notes are an integral part of the financial statements

TOWN OF WEST WARWICK, RHODE ISLAND
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TOTAL
FUND BALANCES TO THE STATEMENT OF NET POSITION
JUNE 30, 2022

Total governmental fund balances	\$ 19,706,466
Assets used in governmental activities are not financial resources and, therefore, are not reported in the Governmental Fund Balance Sheet	
Capital assets, net	48,399,546
Deferred debt charges resulting from issuance of refunding and advance refunding of bonds	
These charges have been included in the governmental activities in the Statement of Net Position	100,322
Net Pension and OPEB related Deferred Outflows of Resources for pension and OPEB plans are reported in the Statement of Net Position of the Governmental Activities but are not reported on the Fund Statements	
Pension related outflows	22,392,755
OPEB related outflows	7,399,557
Net Pension and OPEB related Deferred Inflows of Resources for pension and OPEB plans are reported in the Statement of Net Positions of the Governmental Activities, but are not reported on the Fund Statements	
Pension related inflows	(12,847,095)
OPEB related inflows	(7,792,118)
Net Pension and OPEB liabilities for pension and OPEB plans are reported in the Statement of Net Position of the Governmental Activities, but are not reported on the Fund Statements.	
Pension related liabilities	(175,169,691)
OPEB related liabilities	(59,857,591)
Long-term obligations are not due and payable in the current period and therefore are not reported in the funds.	
These liabilities are reported in the Statement of Net Position (excludes net premium noted below)	
Bonds and Notes Payable	(19,297,515)
Compensated Absences	(7,018,576)
Capital leases payable	(1,180,478)
Unavailable tax revenue and fire rescue fees (net of an allowance for uncollectibles) are recorded in the funds, but are not recorded under the measurement focus employed in the State of Net Position.	1,669,400
The net position of the Internal Service Fund is recorded as a component of the Proprietary Funds for the fund level statements. However, the net position is considered a governmental activity and reported as such in the Government-wide Statement of Net Position	661,088
Interest accrued on long-term debt obligations is reported as a liability in the Statement of Net Position but does not get reported in the Fund Statements.	(146,357)
Net premium on refunding has been recorded as long-term debt on the Statement of Net Position	(143,994)
Net position of governmental activities	<u>\$ (183,124,281)</u>

The accompanying notes are an integral part of the financial statements

TOWN OF WEST WARWICK, RHODE ISLAND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	Major Fund		Non-Major	Total
	General Fund	School Unrestricted Fund	Governmental Funds	Governmental Funds
Revenues				
General property taxes	\$ 69,519,533	\$ -	\$ -	\$ 69,519,533
Intergovernmental	5,388,315	30,878,318	9,702,826	45,969,459
Charges for services	3,129,464	-	1,036,312	4,165,776
Contributions and private grants	-	-	44,450	44,450
Medicaid	-	527,917	-	527,917
State on behalf pension contributions	-	3,060,232	-	3,060,232
State on behalf transportation contributions	-	54,379	-	54,379
Interest income	-	-	19,929	19,929
Other revenue	-	261,454	169,019	430,473
Total revenues	78,037,311	34,782,300	10,972,536	123,792,148
Expenditures				
General government	3,651,228	-	1,225,916	4,877,144
Public safety	18,707,926	-	868,410	19,576,336
Public works	4,890,273	-	275,626	5,165,899
Parks	541,508	-	11,632	553,140
Public libraries	779,710	-	247,565	1,027,275
Senior Center	223,000	-	-	223,000
Education	-	65,627,557	6,824,735	72,452,292
Benefits and other miscellaneous	12,692,095	-	-	12,692,095
Debt Service:				
Principal	2,735,465	-	3,887,511	6,622,976
Interest and other costs	500,540	-	107,348	607,888
Capital outlay	-	-	5,413,467	5,413,467
Total expenditures	44,721,746	65,627,557	18,862,210	129,211,513
Excess (deficiency) of revenues over expenditures	33,315,565	(30,845,257)	(7,889,674)	(5,419,365)
Other financing sources (uses)				
Proceeds from debt obligations - Bonds	-	-	7,000,000	7,000,000
Proceeds from debt obligations - Leases	-	-	340,000	340,000
Other	-	-	24	24
Transfers in	236,977	32,357,516	1,949,040	34,543,533
Transfers out	(33,056,556)	(1,250,000)	(226,977)	(34,533,533)
Total other financing sources (uses)	(32,819,579)	31,107,516	9,062,087	7,350,024
Net change in fund balance	495,987	262,259	1,172,413	1,930,659
Fund balance, July 1, 2021, Restated	4,397,893	5,605,653	7,772,261	17,775,807
Fund balance, June 30, 2022	\$ 4,893,880	\$ 5,867,912	\$ 8,944,674	\$ 19,706,466

The accompanying notes are an integral part of the financial statements

TOWN OF WEST WARWICK, RHODE ISLAND
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022

Net change in fund balances - total governmental funds	\$	1,930,659
<p>Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets are allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation expense exceeded capital expenditures (which are capitalized as capital assets) in the current period.</p>		
Cost basis, acquisition of assets		5,395,504
Depreciation expense		<u>(2,541,879)</u>
		2,853,625
<p>The other postemployment benefit expense reported in the Statement of Activities requires the use of current financial resources and is not reported as an expenditure in the governmental funds.</p>		
Change in OPEB related outflows		(672,224)
Change in OPEB related inflows		2,205,871
Change in net OPEB liability		(2,950,436)
<p>The Pension benefit expense reported in the Statement of Activities requires the use of current financial resources and is not reported as an expenditure in the governmental funds.</p>		
Change in Pension related outflows		2,414,808
Change in Pension related inflows		(3,217,087)
Change in net Pension liability (asset)		51,634
<p>Revenues in the Statement of Activities that do not provide current financial resources are fully deferred in the Statement of Revenues, Expenditures and Changes in Fund Balances. Therefore, the recognition of revenue for various types of accounts receivable (i.e., real estate and personal property, motor vehicle excise, etc.) differ between the two statements. This amount represents the net change in deferred inflows of resources.</p>		
Deferred taxes		(246,922)
Deferred EMS		66,605
<p>The issuance of long-term debt (e.g., bonds and leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.</p>		
Debt proceeds, net of payment		(1,310,000)
Bond premium amortized		10,802
Lease proceeds, net of payment		(16,318)
<p>Internal Service funds are used by management to charge the costs of utilities and risk management to individual funds. The change in net position of the internal service fund is reported as a proprietary fund for fund level purposes, but is a governmental activity for the government-wide statements</p>		
		615,308
<p>In the Statement of Activities, interest is accrued on outstanding long-term debt, whereas in governmental funds interest is not reported until due.</p>		
		(6,357)
<p>Some expenses reported in the Statement of Activities, such as compensated absences, and forward contracts, etc, do not require the current financial resources, and therefore, are not reported as expenditures in the governmental funds.</p>		
		<u>454,942</u>
Change in net position of governmental activities	\$	<u>2,184,910</u>

The accompanying notes are an integral part of the financial statements

TOWN OF WEST WARWICK, RHODE ISLAND
STATEMENT OF NET POSITION – PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	Business-Type Activities				Total	Governmental
	Major	Non-Major				Activities
	Wastewater Authority	Civic Center	Municipal Court	School Lunch Program		Internal Service Funds
Assets						
Current assets						
Cash and cash equivalents	\$ 3,244,495	\$ 200	\$ -	\$ 447,677	\$ 3,692,372	\$ -
Assessments and usage fees receivable, net	695,889	-	-	611	696,500	-
Municipal debt service assessments receivable	632,671	-	-	-	632,671	-
Intergovernmental	-	-	-	107,484	107,484	-
Other receivables, net	-	186,061	26,662	59	212,782	73,363
Interfund receivable	-	-	-	632,279	632,279	-
Due from other funds	1,158,388	-	72,986	890,553	2,121,927	3,020,542
Prepaid expenses	-	-	-	-	-	680,314
Total current assets	<u>5,731,443</u>	<u>186,261</u>	<u>99,648</u>	<u>2,078,663</u>	<u>8,096,015</u>	<u>3,774,219</u>
Non-current assets						
Restricted cash and cash equivalents	3,217,655	-	-	-	3,217,655	-
Assessment and usage fees receivable, net	1,826,651	-	-	-	1,826,651	-
Municipal debt service assessments receivable	3,322,878	-	-	-	3,322,878	-
Capital assets not being depreciated	418,306	131,100	-	-	549,406	-
Right to use asset, net of accumulated amortization	-	-	-	-	-	1,616,406
Capital assets, net of accumulated depreciation	45,223,719	1,192,219	-	146,561	46,562,499	15,041,910
Total noncurrent assets	<u>54,009,209</u>	<u>1,323,319</u>	<u>-</u>	<u>146,561</u>	<u>55,479,089</u>	<u>16,658,316</u>
Total Assets	<u>59,740,652</u>	<u>1,509,580</u>	<u>99,648</u>	<u>2,225,224</u>	<u>63,575,104</u>	<u>20,432,535</u>
Deferred outflows of resources						
Related to pensions	776,895	-	-	-	776,895	-
Related to OPEB	144,737	-	-	-	144,737	-
Total deferred outflows of resources	<u>921,632</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>921,632</u>	<u>-</u>
Total assets and deferred outflows of resources	<u>\$60,662,284</u>	<u>\$ 1,509,580</u>	<u>\$ 99,648</u>	<u>\$ 2,225,224</u>	<u>\$64,496,736</u>	<u>\$ 20,432,535</u>

The accompanying notes are an integral part of the financial statements

TOWN OF WEST WARWICK, RHODE ISLAND
STATEMENT OF NET POSITION – PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	Business-Type Activities				Total	Governmental
	Major	Non-Major		Internal Service		
	Wastewater Authority	Civic Center	Municipal Court			School Lunch Program
Liabilities						
Current liabilities						
Accounts payable	\$ 181,333	\$ 16,179	\$ 8,459	\$ 178,657	\$ 384,628	\$ 940,311
Accrued liabilities	252,874	2,824	-	-	255,698	9,031
Accrued interest payable	125,900	-	-	-	125,900	176,057
Accrued compensated absences	82,639	4,349	-	-	86,988	-
Due to other funds	-	833,802	-	-	833,802	523,229
Unearned revenue	-	-	-	19,129	19,129	-
Current portion of lease liability	-	-	-	-	-	113,400
Current portion of bonds and notes payable	2,370,000	-	-	-	2,370,000	857,000
Total current liabilities	<u>3,012,746</u>	<u>857,154</u>	<u>8,459</u>	<u>197,786</u>	<u>4,076,145</u>	<u>2,619,028</u>
Non-current liabilities						
Accrued compensated absences	124,175	23,942	-	-	148,117	-
Net pension liability	7,162,406	-	-	-	7,162,406	-
Net OPEB liability	1,093,095	-	-	-	1,093,095	-
Lease liability	-	-	-	-	-	1,676,419
Bonds and loans payable	12,195,000	-	-	-	12,195,000	15,476,000
Total noncurrent liabilities	<u>20,574,676</u>	<u>23,942</u>	<u>-</u>	<u>-</u>	<u>20,598,618</u>	<u>17,152,419</u>
Total liabilities	<u>23,587,422</u>	<u>881,096</u>	<u>8,459</u>	<u>197,786</u>	<u>24,674,763</u>	<u>19,771,447</u>
Deferred inflows of resources						
Related to pensions	174,308	-	-	-	174,308	-
Related to OPEB	151,906	-	-	-	151,906	-
Total deferred inflows of resources	<u>326,214</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>326,214</u>	<u>-</u>
Net position						
Net investment in capital assets	34,294,680	1,323,319	-	146,561	32,546,905	(1,467,147)
Unrestricted	2,453,968	(694,835)	91,189	1,880,877	6,948,854	2,128,235
Total net position	<u>\$36,748,648</u>	<u>\$ 628,484</u>	<u>\$ 91,189</u>	<u>\$ 2,027,438</u>	<u>\$39,495,759</u>	<u>\$ 661,088</u>

The accompanying notes are an integral part of the financial statements

TOWN OF WEST WARWICK, RHODE ISLAND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN NET POSITION – PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	Business-Type Activities				Total	Governmental
	Major	Non-Major				Internal Service
	Wastewater Authority	Civic Center	Municipal Court	School Lunch Program		Funds
Operating revenues						
Sales and charges for services	\$ 8,791,322	\$ 719,926	\$ 35,750	\$ 145,230	\$ 9,692,228	\$ 13,606,001
Intergovernmental	-	-	-	1,862,075	1,862,075	-
Other revenues	19,190	68,456	-	-	87,646	1,082,194
Total operating revenues:	8,810,512	788,382	35,750	2,007,305	11,641,949	14,688,195
Operating expenses						
Salaries and benefits	2,981,271	38,097	36,739	27,070	3,083,177	-
Operations and supplies	3,261,288	574,671	6,000	1,353,725	5,195,684	234,959
Claims	-	-	-	-	-	10,781,471
Administrations	-	-	-	-	-	1,657,879
Depreciation and amortization	2,510,111	82,622	-	30,994	2,623,727	867,222
Total operating expenses	8,752,670	695,390	42,739	1,411,789	10,902,588	13,541,531
Operating income (loss)	57,842	92,992	(6,989)	595,516	739,361	1,146,664
Nonoperating revenues (expenses):						
Investment income	10,522	-	-	-	10,522	-
Interest expense	(396,185)	(609)	-	-	(396,794)	(531,356)
Net nonoperating revenues	(385,663)	(609)	-	-	(386,272)	(531,356)
Income (Loss) before contributions	(327,821)	92,383	(6,989)	595,516	353,089	615,308
Transfers						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	(10,000)	-	(10,000)	-
Total transfers	-	-	(10,000)	-	(10,000)	-
Change in Net Position	(327,821)	92,383	(16,989)	595,516	343,089	615,308
Total Net Position, beginning of year, restated	37,076,469	536,101	108,178	1,431,922	39,152,670	45,780
Total Net Position, end of year	\$ 36,748,648	\$ 628,484	\$ 91,189	\$ 2,027,438	\$ 39,495,759	\$ 661,088

The accompanying notes are an integral part of the financial statements

TOWN OF WEST WARWICK, RHODE ISLAND
STATEMENT OF CASH FLOWS– PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	Business-Type Activities				Total	Governmental Activities	
	Wastewater Authority	Civic Center	Municipal Court	School Lunch Program		Healthcare Management	Energy Efficiency Fund
Cash flows from operating activities							
Receipts from customers and users	\$ 8,247,332	\$ 773,297	\$ 35,750	\$ 141,873	\$ 9,198,252	\$ 13,181,337	\$ 2,931,838
Operating grants	-	-	-	(31,310)	(31,310)	-	-
Other receipts	630,133	-	815	2,565,834	3,196,782	489,470	(592,724)
Payments to suppliers	(3,296,997)	(580,199)	(11,352)	(1,296,802)	(5,185,350)	(2,208,004)	(401,914)
Payments to employees	(2,827,537)	(30,803)	(36,739)	(27,070)	(2,922,149)	-	9,031
Claims paid	-	-	-	-	-	(10,781,471)	-
Net cash provided (used) by operating activities	<u>2,752,931</u>	<u>162,295</u>	<u>(11,526)</u>	<u>1,352,525</u>	<u>4,256,225</u>	<u>681,332</u>	<u>1,946,231</u>
Cash flows from noncapital financing activities							
(Increase) decrease transfer from/to other funds	-	-	(10,000)	-	(10,000)	-	-
(Increase) decrease in due to/ due from other funds	386,918	(134,037)	21,526	(1,929,860)	(1,655,453)	(681,332)	(508,433)
Net cash provided (used) by noncapital financing activities	<u>386,918</u>	<u>(134,037)</u>	<u>11,526</u>	<u>(1,929,860)</u>	<u>(1,665,453)</u>	<u>(681,332)</u>	<u>(508,433)</u>
Cash flows from capital and related financing activities							
Acquisition of capital assets	(405,190)	-	-	-	(405,190)	-	-
Principal paid on bonds, notes, and loans	(2,340,000)	-	-	-	(2,340,000)	-	(844,000)
Payments on leases	-	(27,649)	-	-	(27,649)	-	(56,070)
Interest paid on bonds, notes and loans	(396,185)	-	-	-	(396,185)	-	(537,728)
Net cash provided (used) by capital and related financing activities	<u>(3,141,375)</u>	<u>(27,649)</u>	<u>-</u>	<u>-</u>	<u>(3,169,024)</u>	<u>-</u>	<u>(1,437,798)</u>
Cash flows from investing activities							
Interest and dividends on investments	10,522	(609)	-	-	9,913	-	-
Net cash provided (used) by investing activities	<u>10,522</u>	<u>(609)</u>	<u>-</u>	<u>-</u>	<u>9,913</u>	<u>-</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	8,996	-	-	(577,335)	(568,339)	-	-
Cash and cash equivalents at beginning of year	<u>6,453,154</u>	<u>200</u>	<u>-</u>	<u>1,025,012</u>	<u>7,478,366</u>	<u>-</u>	<u>-</u>
Cash and cash equivalents at end of year	<u>\$ 6,462,150</u>	<u>\$ 200</u>	<u>\$ -</u>	<u>\$ 447,677</u>	<u>\$ 6,910,027</u>	<u>\$ -</u>	<u>\$ -</u>
Displayed as:							
Cash and cash equivalents	\$ 3,244,495	\$ 200	\$ -	\$ 447,677	\$ 3,692,372	\$ -	\$ -
Cash on deposit with funding agency	-	-	-	-	-	-	-
Restricted cash	3,217,655	-	-	-	3,217,655	-	-
Total	<u>\$ 6,462,150</u>	<u>\$ 200</u>	<u>\$ -</u>	<u>\$ 447,677</u>	<u>\$ 6,910,027</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of the financial statements

TOWN OF WEST WARWICK, RHODE ISLAND
STATEMENT OF CASH FLOWS– PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	Business-Type Activities				Total	Governmental Activities	
	Major	Non-Major				Healthcare Management	Energy Efficiency Fund
	Wastewater Authority	Civic Center	Municipal Court	School Lunch Program			
Reconciliation of operating income (loss) to net cash provided (used) by operating activities							
Operating income (loss)	\$ 57,842	\$ 92,992	\$ (6,989)	\$ 595,516	\$ 739,361	\$ 56,862	\$ 1,089,802
Adjustments to reconcile operating income to net cash provided (used) by operating activities:							
Depreciation and amortization expense	2,510,111	82,622	-	30,994	2,623,727	-	867,222
(Increase) decrease in accounts receivable	63,956	(15,083)	815	671,838	721,526	1,174,595	147,131
(Increase) decrease in prepaid expenses	-	-	-	-	-	-	(167,725)
(Increase) decrease in deferred outflows related to OPEB	7,532	-	-	-	7,532	-	-
(Increase) decrease in deferred outflows related to pensions	(488,099)	-	-	-	(488,099)	-	-
Increase (decrease) in accounts payable	(35,709)	(5,530)	(5,352)	56,923	10,332	(550,125)	770
Increase (decrease) in accrued liabilities	-	-	-	-	-	-	9,031
Increase (decrease) in unearned revenue	-	-	-	(2,746)	(2,746)	-	-
Increase (decrease) in Net OPEB liability	19,580	-	-	-	19,580	-	-
Increase (decrease) in Net pension liability	648,787	-	-	-	648,787	-	-
Increase (decrease) in deferred inflows related to OPEB	(36,699)	-	-	-	(36,699)	-	-
Increase (decrease) in deferred inflows related to pension	5,630	-	-	-	5,630	-	-
Increase (decrease) in accrued compensated absences.	-	7,294	-	-	7,294	-	-
Net cash provided (used) by operating activities	<u>\$ 2,752,931</u>	<u>\$ 162,295</u>	<u>\$ (11,526)</u>	<u>\$ 1,352,525</u>	<u>\$ 4,256,225</u>	<u>\$ 681,332</u>	<u>\$ 1,946,231</u>

The accompanying notes are an integral part of the financial statements

TOWN OF WEST WARWICK, RHODE ISLAND
STATEMENT OF NET POSTION – FIDUCIARY FUNDS
JUNE 30, 2022

	Pension & OPEB Trust Funds	Custodial Funds
Assets		
Cash and cash equivalents	\$ 49,382,097	\$ -
Investments, at fair value		
Mutual funds	4,659,038	-
Other receivable	110,019	-
Accounts receivable	373,727	38,000
Total assets	<u>54,524,881</u>	<u>38,000</u>
Liabilities		
Accounts payable	<u>1,099,653</u>	-
Total liabilities	<u>1,099,653</u>	-
Net Position		
Restricted for custodial funds	-	38,000
Restricted for pension	49,380,570	-
Restricted for OPEB	<u>4,044,658</u>	-
Total net position	<u>53,425,228</u>	<u>38,000</u>
Total liabilities and net position	<u>\$ 54,524,881</u>	<u>\$ 38,000</u>

The accompanying notes are an integral part of the financial statements

TOWN OF WEST WARWICK, RHODE ISLAND
STATEMENT OF CHANGES NET POSITION – FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	Pension & OPEB Trust Funds	Custodial Funds
Additions		
Contributions		
Employer contributions	\$15,098,693	\$ -
Plan member contributions	1,843,479	-
Funds received on behalf of others	-	-
Realized	(756,350)	-
Investment earning	-	-
	<u>16,185,822</u>	<u>-</u>
Total additions		
	<u>16,185,822</u>	<u>-</u>
Deductions		
Benefits paid	16,187,347	-
Operating expenses	6,419,515	-
Fund distributed on behalf of others	-	1,000
Administrative expenses	125,915	-
	<u>22,732,777</u>	<u>1,000</u>
Total deductions		
	<u>22,732,777</u>	<u>1,000</u>
Changes in net position held in trust for individuals, organizations, and other governments	(6,546,955)	(1,000)
Net position, July 1, 2021	<u>59,972,183</u>	<u>39,000</u>
Net position, June 30, 2022	<u>\$53,425,228</u>	<u>\$ 38,000</u>

The accompanying notes are an integral part of the financial statements

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TOWN OF WEST WARWICK, RHODE ISLAND

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Town of West Warwick was incorporated in 1913 and is located in Kent County, Rhode Island. The Town is governed largely under the Home Rule Charter approved by the electorate on November 4, 1986 and effective December 5, 1988. In some matters, including the issuance of short and long-term debt, the General Laws of the State of Rhode Island govern the Town. The Town is run under a Town Council/Town Manager form of government. The Town provides the following services as authorized by its charter: Public Safety (police, fire, traffic safety, inspections, zoning and building), Public Works (sanitation, highways and streets, engineering and building maintenance), Parks and Recreation, Education, Social Services, and General Administrative Services.

In evaluating the inclusion of other separate and distinct legal entities as component units within its financial reporting entity, the Town applied the criteria prescribed by GASB, a legally separate 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 burdens on, the primary government. A potential component unit has a financial benefit or burden relationship with the primary government if, for example, any one of the following conditions exists:

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

B. Basis of Presentation - Government-Wide Financial Statements

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

C. Basis of Presentation - 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, deferred outflows of resources, liabilities, deferred inflow of resources, fund equity, revenues and expenditures. Funds are organized into three major categories: governmental, proprietary and fiduciary. Major individual governmental funds and enterprise funds are reported as separate columns in the fund financial statements. A fund is considered a major fund if it is the primary operating fund of the Town or meets the following criteria

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation - Fund Financial Statements (continued)

- Total assets and deferred outflow of resources, liabilities, and deferred inflow of resources, revenues, or expenditures of that individual governmental or enterprise fund are at least 10% of the corresponding total for all funds of that category type, and
- Total assets and deferred outflow of resources, liabilities, and deferred inflow of resources, revenues, or expenditures of the individual, governmental fund, or enterprise funds are at least 5% of the corresponding total for all governmental and enterprise funds combined.

The Town reports the following major governmental funds:

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

The *School Unrestricted Fund* accounts for the budgeted resources devoted to financing the general operations of the School Department.

The Town reports the following major proprietary funds:

The *Wastewater Authority* is a proprietary (enterprise) fund used to account for sewer use operations of the Town of West Warwick which also includes services provided to some of the surrounding communities.

Additionally, the Town reports the following fund types:

Internal Service Funds

Used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the Town on a cost-reimbursement basis. The Town's internal service funds are its Healthcare management Fund and its Energy Efficiency Fund.

Fiduciary Fund Types

These funds account for assets held by the government in a trustee's capacity or as an agent on behalf of others. Trust funds account for assets held by the government under the terms of a formal trust agreement. Fiduciary funds are not reflected in the government-wide financial statements because the resources of these funds are not available to support the Town's own programs.

The *Employee Retirement Trust Fund* accounts for the activities of the Pension Plan of the Town of West Warwick, which accumulates resources for pension benefit payments to qualified employees.

The *OPEB Trust Fund* accounts resources held in trust for other post-employment benefit obligations of the Town.

The *Custodial Funds* account for assets held by the Town in a purely custodial capacity for student scholarships.

TOWN OF WEST WARWICK, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*Continued*)

D. Measurement Focus and Basis of Accounting

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

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

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

Property taxes, charges for services, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The proprietary, pension trust fund, other postemployment benefit trust funds, and custodial funds are reported using the economic resources measurement focus and the accrual basis of accounting.

E. Cash and Cash Equivalents

Cash and cash equivalents are carried at cost. Cash equivalents include amounts invested in certificate of deposits as management believes that these certificates can be accessed at any point in time. 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 institutions are required to insure accounts which hold public funds in excess of the \$250,000 which is guaranteed by FDIC. At times, the Town pools cash resources of its various funds to facilitate the management of cash and maximize investment returns. State statutes authorize governments to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds and repurchase agreements.

TOWN OF WEST WARWICK, RHODE ISLAND

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*Continued*)

F. Investments

The Town invests in various types of investments, which are stated at fair value. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Realized and unrealized gains and losses are reported as investment income. The Town invests in Government Securities, Commercial Paper, alternative investments and various corporate stocks and bonds which are held in the Town's Governmental Funds and Fiduciary Funds.

Investment securities, in general, are exposed to various risks, such as interest rate, credit and overall market volatility. Due to the level of risks associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such change could materially affect the amounts reported in the statements of net position and activities.

G. Property Taxes

Real and personal property taxes are based on values assessed as of each December 31 (lien date) and attach as an enforceable lien on property as of July 1 (levy date). Taxes are due in equal quarterly installments on July 15th, October 15th, January 15th and April 15th following the levy date. The taxpayer may elect to pay the taxes in full or pay quarterly as noted above. Taxes due and unpaid after the respective due dates are subject to interest at a rate of 12% per annum calculated on the unpaid portion of the total tax dating back to July 15th. An automatic lien is placed on the taxpayer's property if payment has not been received by the tax due date. Property taxes levied are recorded as receivables in the fiscal year of the levy. Property tax revenues are recorded in accordance with the modified accrual basis of accounting in the fund financial statements.

H. Other Receivables

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Major receivable balances for the governmental activities include property taxes and intergovernmental receivables. Business-type activities report service and special assessment fees as its major receivables. In addition, at June 30, 2022 the Town's Wastewater Authority also reported a debt service assessments receivable due from local communities. This receivable represents the portion of long-term debt obligations which are reported as a liability of the Town of West Warwick, but which are to be reimbursed by surrounding communities in accordance with provisions of executed inter-municipal agreements.

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. Nonexchange transactions earned/measurable 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. Proprietary fund receivables consist of all revenues earned at year end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable.

The Town uses the allowance method for reporting potential uncollectable accounts in the government-wide statements as well as the fund statements when deemed appropriate. In the fund statements the allowance may also be applied to the unearned revenue balance rather than impacting the operations.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I. Interfund Receivables and Payables

During the course of its operations, the Town has numerous transactions between funds to finance operations, provide services and construct assets. To the extent that certain transactions between funds had not been paid or received as of year-end, balances of interfund amounts receivable or payable have been recorded in the fund financial statements. Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as internal balances.

J. Prepaid Items

Prepaid items are accounted for under the allocation method whereby a prepaid asset is established at the date of payment and subsequently amortized over the accounting periods expected to benefit from the initial payment. Prepaid items recorded in the governmental type fund do not reflect current appropriate resources and, as such, an equivalent portion of the fund balance is reported as nonspendable.

K. Capital Assets

The accounting treatment over capital assets depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements as discussed below.

In the government-wide financial statements, long-lived assets are accounted for as capital assets. All capital assets are valued at historical cost, or estimated historical cost if actual is unavailable, except for donated capital assets, which are recorded at their acquisition value at the date of donation. The Town established a capitalization threshold of \$10,000 for an individual item with a useful life in excess of one year. The government-wide financial statements include all infrastructure assets.

Depreciation of all exhaustible capital assets is recorded, as an allocated expense in the statement of activities, with accumulated depreciation reflected in the statement of net position. Depreciation is provided over the estimated useful life using the straight-line method of depreciation. The range of estimated useful lives by type of asset is follows:

Description	Useful Life
Land	5-10 years
Infrastructure	25-35 years
Buildings and improvements	10-40 years
Machinery, equipment and vehicles	5-10 years

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets used in proprietary fund operations are accounted for in the same manner as in the government-wide statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*Continued*)

K. Capital Assets (*Continued*)

The Town reviews the carrying value of its long-lived assets to ensure that any impairment issues are identified and appropriately reflected in the financial statements. Should the expected cash flows be less than the carrying value, an impairment loss would be recognized to reduce the carrying value. There were no impairment losses recognized in fiscal 2022.

Right to Use Intangible Asset - A lease is a contract that conveys the control of the right to use another entity's nonfinancial asset (the underlying asset) for a period of time in an exchange or exchange-like transaction. The Town has contracts in which it is a lessee and lessor. Lessors recognize a lease receivable and a deferred inflow of resources. Lessees recognize an intangible right to use asset and a lease liability. These transactions are measured at the present value of payments expected to be made during the lease term using the discount rate in the lease. If the lease discount rate cannot be readily determined from the lease, the Town uses its incremental borrowing rate.

A right to use lease asset with a lease term greater than one year and an initial present value over \$50,000 are recorded as intangible assets. Right to use lease assets are amortized over the contract term of the lease. Leases that do not meet these criteria are recognized as current period revenues and expenses.

L. Deferred Outflows/Inflows of Resources

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

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period or periods and so will not be recognized as an inflow of resources (revenue) until that time. The Town reports deferred inflows of resources related to pensions and OPEB in the government-wide statement of net position. A deferred inflow of resources related to pension and OPEB results from differences between expected and actual experience, changes in assumptions or other inputs. These amounts are deferred and included in pension and OPEB expense in a systematic and rational manner over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension and OPEB plans (active employees and inactive employees). Also, for governmental funds, the Town reports unavailable revenue, which arises only under the modified accrual basis of accounting. The governmental funds report unavailable revenues from property taxes and EMS revenues. These amounts are deferred and recognized as an inflow of resources (revenue) in the period that the amounts become available.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*Continued*)

M. Compensated Absences

Under the terms of various contracts and agreements, Town employees are granted vacation and sick leave in varying amounts based on length of service. They are allowed to accumulate the vacation and sick leave in accordance with the limits of the contracts. This time will be paid upon separation from Town service.

The entire compensated absence liability is reported in the government-wide financial statements. For governmental fund financial statements, the amount of accumulated vacation and sick leave has been recorded as a current liability to the extent that the amounts are expected to be paid using expendable available financial resources (i.e., upon an employee's resignation or retirement). The balance of the liability not paid with expendable available financial resources is not recorded in the governmental fund financial statements.

N. Long-Term Obligations

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

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

O. Net Pension Liability

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

P. Pensions

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

TOWN OF WEST WARWICK, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*Continued*)

Q. Net OPEB Liability

The net OPEB liability is measured as the portion of the present value of projected benefit payments to be provided to current active and inactive employees that is attributed to those employees' past periods of service (total OPEB liability), less the amount of the OPEB plan's fiduciary net position. The OPEB plan's fiduciary net position is determined using the same valuation methods that are used by the OPEB plan for purposes of preparing its statement of fiduciary net position. The net OPEB liability is measured as of a date (measurement date) no earlier than the end of the employer's prior fiscal year, consistently applied from period to period.

R. Fund Equity

Equity in the government-wide financial statements is defined as "net position." Net position represents the difference between assets, deferred outflows of resources, liabilities and deferred inflows of resources. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the Town or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The components of net position are detailed below:

Net Investment in Capital Assets - The component of net position that reports the difference between capital assets less both the accumulated depreciation and the outstanding balance of debt, excluding unexpended proceeds, that is directly attributable to the acquisition, construction or improvement of those assets.

Restricted Net Position - Consists of net position with constraints placed on the use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or 2) law through constitutional provisions or enabling legislation.

Unrestricted - All other amounts that do not meet the definition of "restricted" or "net investment in capital assets."

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

Nonspendable Fund Balance - Includes amounts that cannot be spent because they are either not in spendable form (inventories, prepaid amounts, long-term receivables) or they are legally or contractually required to be maintained intact (the corpus of a permanent fund).

Restricted Fund Balance - Is to be reported when constraints placed on the use of the resources are imposed by grantors, contributors, laws or regulations of other governments or imposed by law through enabling legislation. Enabling legislation includes a legally enforceable requirement that these resources be used only for the specific purposes as provided in the legislation. This fund balance classification will be used to report funds that are restricted for capital projects and debt service obligations and for other items contained in the Rhode Island General Laws.

Committed Fund Balance - Will be reported for amounts that can only be used for specific purposes pursuant to formal action of the Town's highest level of decision-making authority. The Town Council is the highest level of decision-making authority for the Town that can, by the adoption of a resolution prior to the end of the fiscal year, commit fund balance. Once adopted, these funds may only be used for the purpose specified unless the Town Council removes or changes the purpose by taking the same action that was used to establish the commitment. This classification includes certain amounts established and approved by the Town Council.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

R. Fund Equity (Continued)

Assigned Fund Balance - This represents amounts constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed. The intent should be expressed by (a) the governing body itself or (b) a body (a budget or finance committee) or official to which the governing body has delegated the authority to assign amounts to be used for specific purposes.

Unassigned Fund Balance - This represents the residual classification for the general fund and deficit fund balances in other funds.

S. Fund Balance Flow Assumptions

The Town of West Warwick does not currently have a spending policy regarding the order in which restricted, committed, assigned, and unassigned fund balances are spent when more than one amount is available for the expenditures incurred. Accordingly, by default, the Town is following the policy prescribed by GASB Statement No. 54 which specifies that fund balance is reduced first by committed, then by assigned, then by unassigned when expenditures are incurred for purposes for which any unrestricted fund balance could be used. In all situations, the Town considers restricted fund balance to when available and when expenditures are incurred that meet the requirements of the restricted fund balance.

T. Minimum Fund Balance

The Town's Home Rule Charter, Section 509, requires the Town to maintain an unassigned fund balance in the General Fund equal to 5% of the annual operating budget. This unassigned fund balance shall be used as a source of funds to meet Town obligations in anticipation of tax receipts and anticipated state and federal aid. The unassigned fund balance may also be used as a contingency fund for emergency appropriations. In the event that this unassigned fund balance is less than 5%, the Town Manager shall include in the budget recommendations a sum of no less than 0.35% of the operating budget until such time as the unassigned fund balance of the General Fund is restored to 5%.

U. 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.

TOWN OF WEST WARWICK, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

V. Reconciliation of Government-wide Net Position and Fund Financial Statements Fund Balance:

The governmental fund Balance Sheet includes a reconciliation between *fund balance - total governmental funds* and *net position - governmental activities* as reported in the Government-wide Statement of Net Position. One element of that reconciliation explains that "long-term liabilities are not due and payable in the current period and, therefore, are not reported in the fund statements".

W. Explanation of Certain Differences between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balance and the Government-Wide Statement of Activities:

The governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances includes reconciliation between *net changes in fund balances - total governmental funds and changes in net position of governmental activities* as reported in the Government-wide Statement of Activities. One element of the reconciliation states that "the governmental funds report principal repayments on debt obligations as an expenditure."

X. Accounting Pronouncements:

During the fiscal year June 30, 2022, the Town of West Warwick has adopted the following new standards issued by the GASB:

Statement No. 87, "Leases". GASB Statement No. 87 requires that government lessees recognize a lease liability and intangible assets representing the lessee's right to use the leased asset and report in its financial statements amortization expense for using the lease asset for the shorter of the lease term or the useful life of the underlying asset, interest expense on the lease liability and note disclosures about the lease. The Statement also requires government lessors recognize a lease receivable and a deferred inflow of resources and continue to report the leased asset in its financial statements. The revenue, recognized over the term of the lease, corresponding with the reduction of the deferred inflow, interest income on the receivable and note disclosures about the lease must also be included in the financial statements. ***This statement was implemented in the current fiscal year with material impact to the financial statements.***

Statement No. 89, "Accounting for Interest Cost Incurred before the End of a Construction Period". GASB Statement No. 89 provides accounting requirements for interest cost incurred before the end of a construction period. It establishes guidance designed to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity. The requirements of this Statement were originally effective for reporting periods beginning after December 15, 2019, however it was postponed an additional year by GASB Statement 95. This statement is now effective for reporting periods beginning after December 15, 2020. ***The Town has determined that these requirements have no effect on the financial reporting.***

TOWN OF WEST WARWICK, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

X. Accounting Pronouncements (continued):

Statement No. 92, “Omnibus 2021” was originally effective for reporting periods beginning after June 15, 2020, however, it was postponed an additional year by GASB 95. The Statement enhances the consistency of authoritative literature by addressing practice issues identified during implementation and application of certain GASB Statements. This statement addresses a variety of topics including, but not limited to: effective dates of GASB 87 leases for interim financial reports, reporting of transfers between the primary government and component unit defined benefit or defined benefit OPEB plan and the applicability of GASB 84 Fiduciary Activities to post employment benefit arrangements.

Statement No. 93, “Replacement of Interbank Offered Rates”. GASB Statement No. 93 assists state and local governments in the transition away from existing interbank offered rates (IBOR) to other reference rates because of global reference rate reform, wherein the London Interbank Offered Rate (LIBOR) is expected to cease to exist in its current form at the end of 2021. The objective of this Statement is to address implications that result from the replacement of an IBOR in Statement No. 53, Accounting and Financial Reporting for Derivative Instruments and Statement No. 87, Leases and other accounting and financial reporting implications. ***The Town has determined that these requirements have no effect on the financial reporting.***

Statement No. 91, “Conduit Debt Obligations”. The primary objectives of GASB Statement No. 91 are to provide a single method to report conduit debt obligation and to eliminate diversity in practice associated with commitments extended by issuers, arrangements associated with conduit debt obligations and related note disclosures. ***The Town has determined that these requirements have no effect on the financial reporting.***

Future Pronouncements

The Town of West Warwick is currently analyzing its accounting practices to determine the potential impact on the financial statements for the following GASB Statements:

Statement No. 94, “Public-Private and Public-Public Partnerships and Availability Payment Arrangements”. GASB Statement No. 94 establishes standards of accounting and financial reporting for Public-Private and Public-Public Partnerships (PPPs) and Availability Payment Arrangements (APAs). The impact of this standard will be evaluated by the Town of West Warwick, Rhode Island’s management for fiscal year ending June 30, 2023.

Statement No. 96, “Subscription-Based Information Technology Arrangements”. GASB Statement No. 96 establishes standards of accounting and financial reporting for subscription-based information technology (SBITAs) for government end users. Under this Statement, a government generally should recognize a right-to-use subscription asset, an intangible asset, and a corresponding subscription liability. The impact of this standard will be evaluated by the Town of West Warwick, Rhode Island’s management for fiscal year ending June 30, 2023.

Statement No. 97, “Certain Component Unit Criteria, and Accounting and Financial Reporting for internal Revenue Code Section 457 Deferred Compensation Plans - an Amendment of GFASB Statements No. 14 and No. 84, and a Supersession of GASB Statement No. 32”. The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other

TOWN OF WEST WARWICK, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

X. Accounting Pronouncements *(continued)*:

Future Pronouncements (continued)

than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. The impact of this standard will be evaluated by the Town of West Warwick, Rhode Island’s management for fiscal year ending June 30, 2023.

Statement No. 99, “Omnibus 2022”, the requirements of this Statement are effective as follows: The requirements related to extension of the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges of future revenues by pleading governments, clarification of certain provisions in Statement 34, as amended, and terminology updates related to Statement 53 and Statement 63 are effective upon issuance. The requirements relate to leases, PPS, and SBITAs are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter.

Statement No. 100, “Accounting Changes and Error Corrections” – an amendment of GASB Statement No.62, This Statement defines *accounting changes* as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. As part of those descriptions, for (1) certain changes in accounting principles and (2) certain changes in accounting estimates that result from a change in measurement methodology, a new principle or methodology should be justified on the basis that it is preferable to the principle or methodology used before the change. That preferability should be based on the qualitative characteristics of financial reporting—understandability, reliability, relevance, timeliness, consistency, and comparability. This Statement also addresses corrections of errors in previously issued financial statements.

Statement No. 101, “Compensated Absences”, This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. Leave is attributable to services already rendered when an employee has performed the services required to earn the leave. Leave that accumulates is carried forward from the reporting period in which it is earned to a future reporting period during which it may be used for time off or otherwise paid or settled. In estimating the leave that is more likely than not to be used or otherwise paid or settled, a government should consider relevant factors such as employment policies related to compensated absences and historical information about the use or payment of compensated absences. However, leave that is more likely than not to be settled through conversion to defined benefit postemployment benefits should not be included in a liability for compensated absences

TOWN OF WEST WARWICK, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

In accordance with the West Warwick Home Rule Charter, the Town has formally established budgetary accounting control for its General Fund and the School Unrestricted Fund, which is presented as a Special Revenue Fund. The General Fund is subject to an annual operating budget that is prepared by the administration of the Town Manager and submitted to the Town Council for approval. The General Fund budget is then presented at the Financial Town meeting to the Citizens of the Town for their approval. The School Unrestricted Fund is subject to an annual operating budget approved by the School Committee and adopted in total by the Town Council as part of the General Fund budget. The annual operating budgets' appropriation amounts are supported by revenue estimates and take into account the elimination of accumulated deficits and the re-appropriation of accumulated surpluses to the extent necessary. The General Fund and School Unrestricted Special Revenue Fund's annual operating budgets are prepared on the budgetary basis of accounting which is not in conformity with accounting principles generally accepted in the United States of America. The budget to actual presentation included in the required supplementary information is reflected utilizing the budgetary basis of accounting. Other than the Town's General Fund, the only other governmental fund that has a legally adopted budget is the School's Unrestricted Fund. Therefore, the required supplementary information includes budget versus actual comparisons for the Town's General Fund and the School's Unrestricted Fund only.

Appropriations, if any, in addition to those contained in the annual operating budgets, except for the purpose of meeting a public emergency, are made upon the recommendation of the Town Manager with the Director of Finance's certification as to the General Fund surplus to meet such appropriations and with the Town Council's approval and approval of the citizens at a Financial Town Meeting.

Amendments to the operating budgets that do not result in additional appropriations may be made within departments by means of a transfer. The Finance Director has authority to make such transfers within departments for the first nine months of the fiscal year. Any other departmental transfers made and transfers made outside of the departmental level in the last three months of the fiscal year require Town Council approval through passage of an ordinance.

B. Legal Debt Margin

The Town's legal debt margin as set forth by State Statute is limited to 3% of total taxable assessed value. The legal debt margin for the Town is \$75,978,531. As of June 30, 2022, \$32,800,515 of the Town's debt was subject to the legal debt margin.

TOWN OF WEST WARWICK, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY *(Continued)*

C. Excess of Expenditures over Appropriations

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

<u>General Fund</u>	
Public Safety	\$ 536,680
Public Works	162,690
Parks and Recreation	12,198
Miscellaneous Town	1,085,278
<u>School Unrestricted Fund</u>	
Capital outlay	\$ 307,845

D. Fund Deficits

At June 30, 2022, the Town reported deficit fund balance/net position in the following funds:

Major Governmental Funds:

None

Non-Major Governmental Funds:

LEAP	\$ 981
Library Grants	66,131
Smile Grant	75
Perkins Grant	725
Pre-School Expansion Supplemental	596
Comprehensive Literacy Development	46
Thundermist Health Center	2,692
Police Highway safety	2,890
School Facilities Equity Capital	169,197
Other Capital Projects	71,500
Total aggregate deficit fund balances	<u>\$ 314,833</u>

The fund deficits will be eliminated by future bond issuances, grant funding, and/or transfers from the Town's General Fund.

TOWN OF WEST WARWICK, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY *(Continued)*

D. Fund Deficits *(Continued)*

The following individual funds had operating deficits for the year ending June 30, 2022

Business-Type Activities:	
Wastewater Authority	327,821
Municipal Court	16,989
Total Business-Type Activities	<u>344,810</u>
Non-major Governmental Funds:	
Special Revenue Funds:	
Police Highway Grant	800
Police Highway Safety	2,890
LEAP	981
JAG Peer to Peer	433
Police Grant	438
JAG ARRA	4,687
JAG Fund	2,865
Library	19,237
Home Equity Zone Grant	517
Police Detail Car Fund	81,468
Perkins Grant	699
Center for Civic Education	7,000
Thundermist Health Center	660
Pre-School	4,097
Student Activities	7,539
Total Special Revenue Fund:	<u>134,311</u>
Capital Projects Funds:	
School Facilities Equity Capital	169,197
Other Capital Projects	71,500
Total Capital Projects Fund:	<u>\$ 240,697</u>

3. CASH AND INVESTMENTS

Deposits

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

TOWN OF WEST WARWICK, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

3. CASH AND INVESTMENTS (Continued)

Deposit Custodial Credit Risk

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

Cash and cash equivalents	
Town	
Deposits	\$ 69,441,724
Debt service reserve	3,217,656
Cash held in escrow	3,329,042
Money Market	555,216
Petty Cash	2,550
School	
Deposits	3,914,365
Petty cash	173
Total cash and cash equivalents	<u>80,460,726</u>
Investments	
Mutual Funds	541,114
OPEB	4,659,038
Total Investments	<u>5,200,152</u>
Total cash and investments	<u><u>\$ 85,660,878</u></u>
Statement of Net Position	
Cash and cash equivalents	\$ 24,531,932
Cash on deposit with funding agency	3,329,042
Restricted cash	3,217,655
Investments	541,114
Fiduciary Funds	
Cash and cash equivalents	49,382,097
Investments	4,659,038
Total cash and investments	<u><u>\$ 85,660,878</u></u>

TOWN OF WEST WARWICK, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

3. CASH AND INVESTMENTS (Continued)

Deposit Custodial Credit Risk (continued)

As of June 30, 2022, the Town's and School's entire bank balance of \$77,260,759 and 5,667,113, respectively, was covered by either FDIC insurance or collateral held in the Town's name.

Investments

The Town invests in various types of investments, which are stated at fair value. The Pension Board is responsible for all aspects of the Employee Retirement Trust Fund's investments and has an adopted investment policy. Beginning in the fiscal year of 2023, the Town will not longer be investing retirement funds within the Private Pension Plan. All investments will be moved to the Municipal Employees' Retirement Services Plan.

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

<u>Description</u>	<u>Fair Value</u>
Other investments	
Mutual Funds	5,200,152
Total Investments	<u>\$ 5,200,152</u>

Presented below are the ratings for debt and mutual fund investments:

<u>Average Rating</u>	<u>Mutual Funds</u>
Unrated	<u>\$ 5,200,152</u>
	<u>\$ 5,200,152</u>

3. CASH AND INVESTMENTS (*Continued*)

Interest Rate Risk

Interest rate risk 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 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. The Town invests operating funds primarily in shorter-term securities, money market funds, or similar investment pools although the Town does not have a formal policy relating to a specific investment related risk.

Credit Risk

Generally, credit risk is the risk that an issuer of a debt type investment will not fulfill its obligation to the holder of the investment. This is measured by assignment of a rating by nationally recognized 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 has a formalized investment policy that limits investment choices for its pension funds.

Concentration of Credit Risk

The Town does not have a formal investment policy that limits the amount that can be invested with one issuer. Currently, the Town has no investments, to which this requirement applies, in any one issuer that represents more than five percent of the total investments.

Custodial Credit Risk

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

TOWN OF WEST WARWICK, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

3. CASH AND INVESTMENTS (*Continued*)

Fair Value

The Town uses fair value measurements to record fair value adjustments to certain assets and to determine fair value disclosures. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value is best determined based upon quoted market prices. However, in certain instances, there are no quoted market prices for certain assets or liabilities. In cases where quoted market prices are not available, fair values are based on estimates using present value or other valuation techniques. Those techniques are significantly affected by the assumptions used, including the discount rate and estimates of future cash flows. Accordingly, the fair value estimates may not be realized in an immediate settlement of the asset or liability.

Fair value measurements focus on exit prices in an orderly transaction (that is, not a forced liquidation or distressed sale) between market participants at the measurement date under current market conditions. If there has been a significant decrease in the volume and level of activity for the asset or liability, a change in valuation technique or the use of multiple valuation techniques may be appropriate. In such instances, determining the price at which willing market participants would transact at the measurement date under current market conditions depends on the facts and circumstances and requires the use of significant judgment.

The Town's fair value measurements are classified into a fair value hierarchy based on the markets in which the assets and liabilities are traded and the reliability of the assumptions used to determine fair value.

The three categories within the hierarchy are as follows:

Level 1 - Quoted prices in active markets for identical assets and liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, including quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, interest rates and yield curves observable at commonly quoted intervals, implied volatilities, credit spreads and market-corroborated inputs.

Level 3 - Unobservable inputs shall be used to measure fair value to the extent that relevant observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date. Level 3 assets and liabilities include financial instruments whose value is determined using pricing models, discounted cash flows methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant management judgement.

TOWN OF WEST WARWICK, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

3. CASH AND INVESTMENTS (Continued)

Fair Value (continued)

At June 30, 2022, the Town had the following recurring fair value measurements:

	<u>Fair Value</u>	<u>Fair Value Measurements Using</u>		
		<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Investments by fair value level:				
Mutual Funds	\$ 5,200,152	\$ 5,200,152	\$ -	\$ -
Total Investments by Fair Value Level	\$ 5,200,152	\$ 5,200,152	\$ -	\$ -
Total Investments	\$ 5,200,152			

Alternative Investments

As a practical expedient, a government can use the NAV per share for investments in a nongovernmental entity that does not have a readily determinable fair value, e.g., a hedge fund. The NAV is not permitted for valuation if it is probable the government will sell the investment at a different price. Investments measured at NAV would be excluded from the fair value hierarchy (Level I, 2 or 3). Alternative investments held by the Town are open-ended limited partnerships. These funds typically use a third-party custodian to price the assets on a periodic basis. Liquidity is based on the investment strategy, the liquidity of the underlying investments and may have limited liquidity based on the terms outlined in the private placement memorandum. There are no unfunded commitments impacting the Town's alternative investments.

Derivative Instrument

In connection with the issuance of its Qualified Zone Academy Bonds, Series 2005, the Town entered into a Forward Purchase Contract (Contract) with a financial institution. The contract is considered to be a derivative instrument. The contract provisions require the Town to purchase eligible securities selected by the financial institution on a periodic basis and provides the Town with a stated, fixed rate of return on those investments. The stated investment yield is 4.85% annually during the term of the contract, which was executed on December 15, 2005 and remains in effect until the redemption of the Series 2005 bonds on November 29, 2021.

Pursuant to the contract, the Town will make its final bond sinking fund deposits of \$188,000 into a fund held in custody of the Town's fiscal agent, and the financial institution will sell qualified securities to the Fiscal Agent to be held in the fund. These qualified securities will be priced to provide the Town with a fixed yield of 4.85%, and mature annually in coordination with the Town's next sinking fund deposit, for continued investment in similar manner until redemption of the Series 2005 bonds.

TOWN OF WEST WARWICK, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

3. CASH AND INVESTMENTS (Continued)

Derivative Instrument (continued)

From the Forward Purchase Contract, the Town is exposed to concentration of credit risk since the Town is required to purchase only selected investments but not necessarily diversify such holdings. The fair value of the Forward Purchase Contract is computed based on the present value of its future cash flows and is sensitive to interest rate changes. The term of the Contract coincides with the Town's outstanding Series 2005 bonds and maintenance of the sinking fund held to retire such indebtedness. The Contract provides for the payment of a termination amount under certain conditions (e.g., defeasance, default). The termination amount payable between the financial institution and the Town would vary depending on prevailing interest rates at the time the termination amount was calculated. Under certain market conditions, the termination amount payable by the Town could be substantial.

4. RECEIVABLES

Receivable balances of the governmental activities, including allowances for doubtful accounts, have been disaggregated by type and presented separately in the fund financial statements as of June 30, 2022 as follows:

	General Fund	School Unrestricted Fund	Nonmajor Funds	Total
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Receivables:				
Property Taxes	\$ 3,336,689	\$ -	\$ -	\$ 3,336,689
Intergovernmental	276,437	2,498,581	127,587	2,902,605
Other receivables	<u>728,596</u>	<u>503,962</u>	<u>28,776</u>	<u>1,261,334</u>
Gross Receivables	4,341,722	3,002,543	156,363	7,500,628
Less allowance for uncollectibles	<u>(1,659,000)</u>	<u>-</u>	<u>-</u>	<u>(1,659,000)</u>
Total Receivables	<u>\$ 2,682,722</u>	<u>\$ 3,002,543</u>	<u>\$ 156,363</u>	<u>\$ 5,841,628</u>

TOWN OF WEST WARWICK, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

5. CAPITAL ASSETS

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

	Balance July 1, 2021	Additions	Retirements & Disposals	Balance June 30, 2022
Governmental Activities:				
Nondepreciable assets:				
Land	\$ 9,268,414	\$ -	\$ -	\$ 9,268,414
Construction in progress	672,285	462,073	72,908	1,061,450
Total capital assets not being depreciated	<u>9,940,699</u>	<u>462,073</u>	<u>72,908</u>	<u>10,329,864</u>
Depreciable assets:				
Land improvements	1,643,054	131,938	-	1,774,992
Buildings and improvements	37,699,710	-	-	37,699,710
Machinery, equipment & vehicles	34,441,879	532,447	-	34,974,326
Infrastructure	57,585,371	4,341,954	-	61,927,325
Total capital assets being depreciated	<u>131,370,014</u>	<u>5,006,339</u>	<u>-</u>	<u>136,376,353</u>
Amortized assets:				
Intangible right to use:				
Leased Wind Turbine	2,072,315	-	-	2,072,315
Less accumulated depreciation for				
Land improvements	(383,925)	(94,679)	-	(478,604)
Buildings and improvements	(21,156,662)	(1,477,652)	-	(22,634,314)
Machinery, equipment & vehicles	(14,531,769)	(705,447)	-	(15,237,216)
Infrastructure	(43,866,196)	(1,048,430)	-	(44,914,626)
Total Accumulated Depreciation	<u>(79,938,552)</u>	<u>(3,326,208)</u>	<u>-</u>	<u>(83,264,760)</u>
Less accumulated amortization for				
Leased Wind Turbine	(373,017)	(82,893)	-	(455,910)
Total capital assets being depreciated, net	<u>53,130,760</u>	<u>1,597,238</u>	<u>-</u>	<u>54,727,998</u>
Total Governmental Activities	<u>\$ 63,071,459</u>	<u>\$ 2,059,311</u>	<u>\$ 72,908</u>	<u>\$ 65,057,863</u>

Of the current year capital asset depreciation, \$82,893 is presented as general government expense on the Statement of Activities related to the Town's Internal Service Fund's intangible asset, which is included in the above table as Intangible right to use lease. With the implementation of GASB Statement No. 87, "Leases," a lease meeting the criteria of this statement requires the lessee to recognize the lease liability and an intangible right to use asset.

The capital asset chart above includes activity for both governmental funds and internal service funds. Of the total \$3,326,208 of added depreciation expense, \$2,541,879 is considered to be from governmental funds and \$784,329 is considered to be from internal service funds.

TOWN OF WEST WARWICK, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

5. CAPITAL ASSETS (Continued)

Depreciation expense was charged to functions/programs as follows:

Governmental Activities:	
General Government	\$ 853,942
Education	876,889
Public Safety	334,508
Public Works	1,124,224
Library	36,603
Recreation	100,042
Total	<u>\$ 3,326,208</u>

	<u>Balance</u> <u>July 1, 2021</u>	<u>Additions</u>	<u>Retirements &</u> <u>Disposals</u>	<u>Balance</u> <u>June 30, 2022</u>
Business-Type Activities:				
Capital assets not being depreciated				
Land	\$ 432,700	\$ -	\$ -	\$ 432,700
Construction in progress	-	116,706	-	116,706
Total capital assets not being depreciated	<u>432,700</u>	<u>116,706</u>	<u>-</u>	<u>549,406</u>
Capital assets being depreciated				
Land improvements	1,348,913	-	-	1,348,913
Buildings, pump stations & tanks	52,327,805	-	-	52,327,805
Machinery, equipment & vehicles	17,406,547	288,487	-	17,695,034
Infrastructure	45,070,000	-	-	45,070,000
Total capital assets being depreciated	<u>116,153,265</u>	<u>288,487</u>	<u>-</u>	<u>116,441,752</u>
Accumulated Depreciation:				
Land improvements	(753,120)	(40,920)	-	(794,040)
Buildings, pump stations & tanks	(16,946,392)	(1,120,712)	-	(18,067,104)
Machinery, equipment & vehicles	(12,494,311)	(902,698)	-	(13,397,009)
Infrastructure	(37,061,700)	(559,400)	-	(37,621,100)
Total Accumulated Depreciation	<u>(67,255,523)</u>	<u>(2,623,730)</u>	<u>-</u>	<u>(69,879,253)</u>
Total capital assets being depreciated, net	<u>48,897,742</u>	<u>(2,335,243)</u>	<u>-</u>	<u>46,562,499</u>
Total Business-Type activities	<u>\$ 49,330,442</u>	<u>\$ (2,335,243)</u>	<u>\$ -</u>	<u>\$ 47,111,905</u>

Depreciation expense was charged to functions/programs as follows:

Business-Type Activities	
Civic Center	\$ 82,625
School Lunch	30,994
WasteWater	2,510,111
Total Depreciation Expense	<u>\$ 2,623,730</u>

TOWN OF WEST WARWICK, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

6. INTERFUND BALANCES AND TRANSFERS

A summary of interfund balances as of June 30, 2022 is as follows:

Governmental Funds:	Due from Other Funds	Due to Other Funds	Other Financing Sources	Other Financing Uses
Major Governmental Funds:				
General fund	\$ 97,845	\$ 9,030,080	\$ 236,977	\$ 33,056,556
School Unrestricted Fund	<u>3,401,875</u>	<u>3,149,368</u>	<u>32,357,516</u>	<u>1,250,000</u>
Total Major Governmental Funds	3,499,720	12,179,448	32,594,493	34,306,556
Non-Major Governmental Funds:				
Town special revenue	1,815,607	575,867	-	226,977
School special revenue	167,670	35,093	-	-
Town capital projects	3,765,756	243,783	1,761,040	-
Debt Service Fund	-	-	<u>188,000</u>	-
Total Non-Major Governmental Funds	<u>5,749,033</u>	<u>854,743</u>	1,949,040	226,977
Proprietary Funds:				
Wastewater	1,158,388	-	-	-
Civic Center	-	833,802	-	-
Municipal Court	72,986	-	-	10,000
School Lunch Program	890,553	-	-	-
Internal Service Fund - Healthcare Management	1,447,740	523,229	-	-
Internal Service Fund - Energy Efficiency	<u>1,572,802</u>	-	-	-
Total Proprietary Funds	5,142,469	1,357,031	-	10,000
 Total all Funds	 <u>\$ 14,391,222</u>	 <u>\$ 14,391,222</u>	 <u>\$ 34,543,533</u>	 <u>\$ 34,543,533</u>

Interfund balances represent short-term advances from one fund (primarily the General Fund) to another fund. The advances may represent balances resulting from operating advances or reimbursement for expenditures paid by one fund on behalf of another fund or may simply be the result of pooling financial resources to maximize investment income/return.

The principal purpose of interfund transfers is to provide a financing source to various funds that may not have the ability to cover all operating costs or capital expenditures with revenue generated by the fund.

TOWN OF WEST WARWICK, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

7. CHANGES IN LONG-TERM LIABILITIES

Long-term liability activity for the year ended June 30, 2022 was as follows:

	<u>Beginning Balance</u>	<u>Increase</u>	<u>Decrease</u>	<u>Ending Balance</u>	<u>Amount Due Within One Year</u>
Governmental Activities:					
General obligation debt	\$ 20,117,000	\$ -	\$ 4,743,000	\$ 15,374,000	\$ 1,060,000
Direct borrowing debt	15,047,515	7,000,000	1,791,000	20,256,515	1,346,000
Lease purchase obligations	3,010,049	340,000	379,752	2,970,297	352,456
Unamortized bond premiums	154,796	-	10,802	143,994	-
Accrued compensated absences	7,624,000	-	605,424	7,018,576	2,667,059
Net pension liability	175,221,325	11,240,684	11,292,318	175,169,691	-
Net OPEB liability	56,907,155	2,950,436	-	59,857,591	-
Total Governmental Activities - long-term liabilities	\$ 278,081,840	\$ 21,531,120	\$ 18,822,296	\$ 280,790,664	\$ 5,425,515
<u>Business-type Activities:</u>					
Direct borrowing debt	\$ 16,905,000	\$ -	\$ 2,340,000	\$ 14,565,000	\$ 2,370,000
Lease purchase obligations	27,649	-	27,649	-	-
Accrued compensated absences	230,808	7,293	2,998	235,103	86,988
Net pension liability	6,513,619	648,787	-	7,162,406	-
Net OPEB liability	1,073,515	19,580	-	1,093,095	-
Total Business-Type Activities - Long-Term Liabilities	\$ 24,750,591	\$ 675,660	\$ 2,370,647	\$ 23,055,604	\$ 2,456,988

All long-term liabilities for the governmental activities are generally liquidated by the General Fund.

TOWN OF WEST WARWICK, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

7. CHANGES IN LONG-TERM LIABILITIES (Continued)

Bonds and Loans Payable

Bonds and notes outstanding as of June 30, 2022 consisted of the following:

<u>Description of Purpose</u>	<u>Date of Issue</u>	<u>Amount of Original Issue</u>	<u>Interest Rates</u>	<u>Date of Maturity</u>	<u>Balance 6/30/2021</u>	<u>Additions</u>	<u>Refundings & Retirements</u>	<u>Balance 6/30/2022</u>	<u>Due Within One Year</u>
Governmental Activities:									
<i>General obligation bonds:</i>									
General Obligation Bonds, Series 2005 (QZAB)	11/29/2005	\$ 3,688,000	1.47%	11/29/2021	\$ 3,688,000	\$ -	\$ 3,688,000	\$ -	\$ -
General Obligation Refunding Bonds	7/19/2017	6,890,000	2.40%	7/19/2017	5,260,000	-	350,000	4,910,000	350,000
General Obligation Bonds	10/3/2017	6,159,000	3.96%	9/1/2037	6,009,000	-	50,000	5,959,000	50,000
General Obligation Bonds, Series 2015A	11/12/2015	6,890,000	2.00% - 5.00%	10/1/2035	5,160,000	-	655,000	4,505,000	660,000
Total General Obligation Bonds		<u>\$ 23,627,000</u>			<u>\$ 20,117,000</u>	<u>\$ -</u>	<u>\$ 4,743,000</u>	<u>\$ 15,374,000</u>	<u>\$ 1,060,000</u>
<i>General revenue bonds and notes</i>									
<i>Direct Borrowings and Direct Placements:</i>									
RIHEBC Public School Bond Financing	7/10/2014	\$ 9,780,000	2.00% - 4.13%	5/25/2029	\$ 3,810,000	\$ -	\$ 980,000	\$ 2,830,000	\$ 195,000
Municipal Road and Bridge Program	5/28/2015	150,515	0.75% - 2.25%	9/1/2024	69,515	-	17,000	52,515	17,000
RIIB Energy Efficient Buildings Fund	7/8/2016	7,184,000	1.08% - 2.53%	9/1/1932	5,901,000	-	440,000	5,461,000	447,000
RIIB Energy Efficient Buildings Fund	12/13/2017	5,957,000	1.91% - 3.66%	9/1/2023	5,267,000	-	354,000	4,913,000	360,000
Road and Bridget Improvement	8/3/2021	7,000,000	.31%-2.17%	9/1/2040	-	7,000,000	-	7,000,000	327,000
Total General obligation bonds and notes									
Direct Borrowings and Direct Placements:		<u>30,071,515</u>		7/2/2024	<u>15,047,515</u>	<u>7,000,000</u>	<u>1,791,000</u>	<u>20,256,515</u>	<u>1,346,000</u>
Total general obligation bonds payable		<u>\$ 53,698,515</u>			<u>\$ 35,164,515</u>	<u>\$ 7,000,000</u>	<u>\$ 6,534,000</u>	<u>\$ 35,630,515</u>	<u>\$ 2,406,000</u>

TOWN OF WEST WARWICK, RHODE ISLAND

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2022

7. CHANGES IN LONG-TERM LIABILITIES (Continued)

Bonds and Loans Payable (continued)

Description of Purpose	Date of Issue	Amount of Original Issue	Interest Rates	Date of Maturity	Balance 6/30/2021	Additions	Refundings & Retirements	Balance 6/30/2022	Due Within One Year
<i>General revenue bonds and notes</i>									
<i>Direct Borrowings and Direct Placements:</i>									
Wastewater System Revenue Bonds - RIIB	6/5/2003	\$ 20,923,000	2.37% - 3.03%	9/1/2023	\$ 3,252,000	\$ -	\$ 1,077,000	\$ 2,175,000	\$ 1,077,000
Wastewater System Revenue Bonds - RIIB	12/30/2004	3,000,000	0.78% - 1.55%	9/1/2025	857,000	-	164,000	693,000	168,000
Wastewater System Revenue Bonds - RIIB	3/9/2006	7,719,000	1.11% - 1.57%	9/1/2025	2,214,000	-	425,000	1,789,000	434,000
Wastewater System Revenue Bonds - RIIB	12/21/2006	500,000	1.91% - 3.66%	9/1/2026	170,000	-	27,000	143,000	27,000
Wastewater System Revenue Bonds - RIIB	12/12/2007	1,675,000	1.19% - 1.36%	9/1/2028	748,000	-	87,000	661,000	89,000
Wastewater System Revenue Bonds - RIIB	7/24/2014	5,500,000	1.19% - 2.91%	9/1/2034	4,124,000	-	244,000	3,880,000	250,000
Wastewater System Revenue Bonds - RIIB	7/30/2015	7,000,000	1.95% - 3.30%	9/1/2034	5,540,000	-	316,000	5,224,000	325,000
Total bonds obligations		<u>\$ 46,317,000</u>			<u>\$ 16,905,000</u>	<u>\$ -</u>	<u>\$ 2,340,000</u>	<u>\$ 14,565,000</u>	<u>\$ 2,370,000</u>

TOWN OF WEST WARWICK, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

7. CHANGES IN LONG-TERM LIABILITIES (Continued)

Annual debt service requirements of bonds and notes as of June 30, 2022 were as follows:

Year ending June 30:	Governmental Activities	
	General Obligations	
	Principal	Interest
2023	\$ 1,060,000	\$ 517,288
2024	1,120,000	487,850
2025	1,135,000	455,251
2026	1,150,000	422,233
2027	1,075,000	391,985
2028-2032	3,455,000	1,567,456
2033-2037	5,285,613	807,830
2038-2042	1,093,387	21,649
	<u>\$ 15,374,000</u>	<u>\$ 4,671,542</u>

Year ending June 30:	Governmental Activities		Business-Type Activities		Total	
	Direct Borrowings		Direct Borrowings & Direct Placement		Principal	Interest
	Principal	Interest	Principal	Interest		
2023	\$ 1,346,000	\$ 485,990	\$ 2,370,000	\$ 340,246	\$ 3,716,000	\$ 826,236
2024	1,369,000	478,631	2,422,000	304,420	3,791,000	783,051
2025	1,393,515	449,596	1,356,000	271,734	2,749,515	721,330
2026	1,405,000	418,578	1,389,000	241,944	2,794,000	660,522
2027	1,431,000	385,334	775,000	215,356	2,206,000	600,690
2028-2032	7,678,000	1,333,310	3,785,000	722,555	11,463,000	2,055,865
2033-2037	3,956,000	373,901	2,468,000	123,940	6,424,000	497,841
2038-2042	1,678,000	82,090	-	-	1,678,000	82,090
	<u>\$ 20,256,515</u>	<u>\$ 4,007,430</u>	<u>\$ 14,565,000</u>	<u>\$ 2,220,195</u>	<u>\$ 34,821,515</u>	<u>\$ 6,227,625</u>

7. CHANGES IN LONG-TERM LIABILITIES (Continued)

Municipal Debt Service Assessment Receivable

The Town of West Warwick has entered into several Inter-Municipal Agreements with surrounding local communities. Under the provisions of these agreements, the participating communities are responsible for certain costs and improvements to the wastewater/sewer treatment facility and operations. In addition to the normal operating costs and assessments these local communities are also responsible for portions of the outstanding debt obligations and interest which is due annually on these debt obligations. The portion of the debt obligations to be paid by the local communities in accordance with the Inter-Municipal Agreements has been recorded as a special assessments receivable and revenue when the project was completed and the obligation entered into. At June 30, 2022, the amount of the municipal debt service assessment receivable which is expected to be collected in future years totaled \$3,955,549 . Of this amount, \$632,671 is expected to be received in fiscal 2022 to help cover the principal balance due of \$2,370,000 during fiscal 2023.

Qualified Zone Academy Bonds

The 2005 Qualified Zone Academy Bonds outstanding totaling \$3,688,000 at June 30, 2021 requires annual interest and principal payments. However, under the terms of this debt obligation the principal payments are held in escrow until the maturity of the debt in fiscal 2022. Accordingly, the principal payment is not reflected as a current maturity obligation until fiscal 2022 when the payment will be applied to the outstanding debt obligation. As of June 30, 2022, This full payment of \$3,688,000 has been applied.

Authorized but Unissued Bonds

The total of authorized but unissued bonds at June 30, 2022 is \$6,150,000. In some cases, interim financing is obtained through bond anticipation notes or other short-term borrowings until the issuance of long-term debt.

Asset Retirement Obligation

The Town of West Warwick has an asset retirement obligation arising from contract agreements with the Town of Coventry, Rhode Island, to perform certain decommissioning activities at the time of disposal of its three (3) wind-powered turbine towers (the turbines) located in the Town of Coventry, Rhode Island. The Town of West Warwick does not have any requirement to set aside funding for the future decommissioning. At year end, the estimated remaining useful of the turbines was 20 years. The total amount of the liability cannot be reasonably estimated due to changes in wind turbine technologies currently taking place.

TOWN OF WEST WARWICK, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

8. LEASES

Lease Purchase obligations

Lease purchase obligations outstanding as of June 30, 2022 consisted of the follow:

<u>Description of Purpose</u>	<u>Date of Issue</u>	<u>Amount of Original Issue</u>	<u>Interest Rates</u>	<u>Date of Maturity</u>	<u>Balance 6/30/2021</u>	<u>Additions</u>	<u>Refundings & Retirements</u>	<u>Balance 6/30/2022</u>	<u>Due Within One Year</u>
Governmental Activities:									
Equipment - US Bank	9/27/2016	\$ 522,781	2.33%	9/27/2021	\$ 109,427	\$ -	\$ 109,427	\$ -	\$ -
Equipment - Webster Capital Finance	2/2/2017	207,693	2.43%	1/15/2022	43,521	-	43,521	-	-
Equipment - PNC Equipment Finance	11/9/2017	545,575	2.45%	11/9/2022	89,212	-	44,066	45,146	45,146
Equipment - JP Morgan Chase	12/2/2020	922,000	1.58%	11/1/2027	922,000	-	126,668	795,332	127,415
Equipment - Signature Public Funding Corporation	3/1/2022	340,000	2.29%	12/1/2026	-	340,000	-	340,000	66,495
Wind Turbine	12/1/2016	2,072,315	2.0-5.0%	12/31/2041	1,845,889	-	56,070	1,789,819	113,400
Total Governmental Activities		\$ 4,610,364			\$ 3,010,049	\$ 340,000	\$ 379,752	\$ 2,970,297	\$ 352,456

Year ending June 30:	Governmental Activities	
	Lease Purchase Obligations	
	Principal	Interest
2023	\$ 352,456	\$ 71,466
2024	258,816	66,900
2025	264,300	61,416
2026	269,909	55,808
2027	281,396	49,991
2028-2032	554,584	186,701
2033-2037	516,514	114,854
2038-2041	472,322	30,863
	\$ 2,970,297	\$ 637,999

Lease purchase obligations are secured by the assets they were utilized to purchase.

TOWN OF WEST WARWICK, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

8. LEASES

In December 2016, the Town entered into three Assignment and Assumptions of lease agreements for the use of land located in Coventry, Rhode Island, to be used for three Wind Turbines. The initial term of these leases is 25 years, with up to three 5-year renewal options. Under the terms of two of the leases, monthly rent payments are \$4,500 (for each lease) for the initial 6-year term, with 5% rent increase commencing at the end of 6 years and on each 5-year anniversary thereafter during the term of the lease. The lease has one rental payment of \$1 for the entire lease. Rent expense incurred under these lease agreements was \$108,000 for the year ended June 30, 2022.

The implementation of GASB Statement No. 87, "Leases," requires that a lease meeting the criteria of this statements is to be recognized as a lease liability and in intangible right to use asset.

9. FUND BALANCE

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

	Major Funds		Non-Major	Total
	General Fund	School Unrestricted	Governmental Funds	
Fund Balances				
Nonspendable				
Prepaid expenditures	\$ 223,580	\$ 43,772	\$ -	\$ 267,352
Restricted for				
Public safety	-	-	1,632,176	1,632,176
Equipment maintenance	-	-	132,246	132,246
Recreational purposes	-	-	270,891	270,891
Economic development	-	-	38,405	38,405
Educational purposes	-	-	393,091	393,091
Educational capital improvements	-	-	2,317,780	2,317,780
Town committees	-	-	50,354	50,354
Committed to				
General government capital improvements	-	-	3,582,437	3,582,437
Educational programs	-	5,824,140	-	5,824,140
Public safety	-	-	837,993	837,993
Fire safety equipment	-	-	-	-
Unassigned	4,670,300	-	(310,699)	4,359,601
Total	\$ 4,893,880	\$ 5,867,912	\$ 8,944,674	\$ 19,706,466

TOWN OF WEST WARWICK, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

10. DEFINED BENEFIT PENSION PLANS

The Town contributes to two defined benefit pension plans. The Retirement Plan of the Town of West Warwick, a single-employer plan, and the Employees' Retirement System of the State of Rhode Island (ERS), a cost-sharing multiple-employer plan.

For the start of Fiscal Year 2023, the Town of West Warwick is moving its Employees Retirement System for the administration. All new hires after September 1, 2021 will be part of the Municipal Employees' Retirement System of Rhode Island.

A. Retirement Plan of the Town of West Warwick

Summary of Significant Accounting Policies

Plan Description

The Retirement Plan of the Town of West Warwick covers all employees of the Town except for Certified School Department personnel which are covered by the Employees' Retirement System administered by the State of Rhode Island (ERS). The plan was established and is maintained in accordance with the Town Charter. The pension plan is reported as a Pension Trust Fund in the Town's financial statements. The Town does not issue a separate publicly available financial report that includes financial statements and required supplementary information (RSI) for the Retirement Plan of the Town of West Warwick.

Benefit Provisions

The Plan pays both normal retirement benefits as well as preretirement and postretirement death benefits. Effective July 1, 2014, Fire personnel receive normal retirement benefits equal to 2.2% of average annual compensation for each of the first 25 years of service and 3% of average annual pay for up to 5 additional years with a maximum benefit of 70% of average annual compensation. Calculation of average annual pay effective July 1, 2014 is the monthly average of the highest three consecutive years of employment. Prior to July 1, 2014, Police hired on or after July 1, 2011 receive a benefit equal to 2.5% of average annual compensation multiplied by credited service up to 20 years, plus 2% of average annual compensation multiplied by up to ten additional years of service with a maximum of 70% of average pay at 30 years of service. These benefits remain unchanged for members who have 20 years of service as of June 30, 2014. For all others the police benefit has changed to 2.5% of average annual pay for the first 20 years of service plus 1% of average annual pay for the next 5 years of service plus 2.5% of average annual pay for up to 6 additional years of service. The maximum benefit of 70% of average annual compensation will be attained at 31 years of service. Effective July 1, 2014, all other employees covered under this plan earn a benefit equal to 2.4% of average annual compensation for each year of service after July 1, 2014 and 2.5% of average annual compensation for years prior to July 1, 2014.

The Plan also provides for cost of living adjustments (COLA) as follows: Police and Fire members 2.25% simple COLA suspended for first 7 years of retirement then continuing for 15 years thereafter. For "civilian" Fire members the 15-year 2.25% simple COLA will be suspended for the first 7 years of retirement or up until age 67, if earlier. Municipal Union, Waste Water, and School (Council 94) receive a COLA of 2% suspended for first 5 years of retirement followed by 15 years of a compounded COLA.

TOWN OF WEST WARWICK, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

10. DEFINED BENEFIT PENSION PLANS (Continued)

A. Retirement Plan of the Town of West Warwick (continued)

A lump-sum preretirement death benefit equal to \$400 times the number of years of service, with a minimum of \$2,000 and a maximum of \$8,000 is payable to the employee's beneficiary. If a survivor's pension is not payable, an additional amount equal to employee contributions with credited interest is payable to the employee's beneficiary. If the employee dies after 10 years of service and while married, his/her spouse will receive a monthly pension equal to the amount which would be payable if he/she had retired with a 50% joint and survivor annuity.

A lump-sum postretirement death benefit is payable to a participant's beneficiary in an amount equal to the greater of \$400 times years of service, with a maximum of \$8,000, reducing by 25% per year following retirement to a minimum of \$2,000, or the excess of the employee's contributions plus credited interest to the retirement date over any benefits already paid. In addition, a spouse's pension equal to 67.5% of the participant's pension is payable until the earlier of the spouse's death or remarriage, or to surviving dependent children under age 18.

As of June 30, 2022, the following employees and other participants were members of the Retirement Plan of the Town of West Warwick:

Inactive plan members and beneficiaries currently receiving benefits	366
Inactive plan members entitled to but not yet receiving benefits	62
Active Members	<u>334</u>
Total	<u><u>762</u></u>

Plan Administration

In accordance with the Plan Document, management of the Plan is overseen by the West Warwick Pension Board, which consists of seven members. Per the Plan Document, the Pension Board shall hold regular meetings at least once every calendar quarter. The primary responsibilities of the members of the Pension Board are to oversee and administer investment-related actions and decision with respect to the assets of the Town's Retirement Plan.

Contributions

The actual contributions required to be made to the Plan by the Town each year are determined based on an actuarially determined rate recommended by an independent actuary. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by members during the year, with an additional amount to finance the unfunded accrued liability. The Town contributions to the Plan for the fiscal year ended June 30, 2022 were 60.23% of covered payroll. Police officers, Fire and others are required to contribute between 9% and 13% of their salary to the Plan.

TOWN OF WEST WARWICK, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

10. DEFINED BENEFIT PENSION PLANS *(Continued)*

A. Retirement Plan of the Town of West Warwick (continued)

Actuarial Assumptions

The Town's net pension liability has been measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021.

The total pension liability at June 30, 2022 was determined using the following actuarial assumptions, applied to all periods in the measurement:

Actuarial cost method	Entry Age Method
Inflation	2.50%
Salary increases	3.50%
Investment rate of return	7.50%
Mortality rates	Rates were based on the Pub-2010 Mortality Tables

The actuarial assumptions used in the July 1, 2021 actuarial valuation have been based on the results of the March 2018 experience study taking into account nine years of data experience.

Investments

Investment Policy

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

The long-term expected rate of return on pension plan investments can be approximated by using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentages and by adding the annual expected annual rate of inflation.

TOWN OF WEST WARWICK, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

10. DEFINED BENEFIT PENSION PLANS (Continued)

A. Retirement Plan of the Town of West Warwick (continued)

Investments (continued)

Best estimates of geometric real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2022 are summarized in the following table:

Asset Class	Target Allocation	Long -Term Expected Rate of Return
Domestic equities	33.0%	7.25%
Fixed income	22.5%	2.75%
International equities	22.0%	7.75%
Alternatives	18.5%	5.75%
Cash	4.0%	2.75%
	100.0%	

Discount Rate

The discount rate used to determine the total pension liability was 7.50%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rates and that Town contributions will be made at rates equal to the difference between the total actuarially determined contribution rates and the employee contribution rates. Professional judgment on future contributions has been applied in those cases where contribution patterns deviate from the actuarially determined rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Rate of Return

The annual money-weighted rate of return on pension plan investments, net of pension plan investment expense was 7.50% for the year ended June 30, 2022. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

TOWN OF WEST WARWICK, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

10. DEFINED BENEFIT PENSION PLANS (Continued)

A. Retirement Plan of the Town of West Warwick (continued)

Net Pension Liability

The Town's net pension liability was measured as of June 30, 2022. The components of the net pension liability of the Town at June 30, 2022 were as follows:

Total pension liability	\$ 195,973,553
Plan fiduciary net position	<u>49,382,097</u>
Town's Net Pension Liability	<u><u>\$ 146,591,456</u></u>
Plan fiduciary net position as a percentage of the total pension liability	25.2%

Changes in the Net Pension Liability

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances as of July 1, 2021	<u>\$ 189,356,266</u>	<u>\$ 54,654,281</u>	<u>\$ 134,701,985</u>
Changes for the year:			
Service cost	2,843,310	-	2,843,310
Interest	13,980,738	-	13,980,738
Differences between expected and actual experience	1,372,718	-	-
Changes of assumptions	-	-	-
Employer contributions	-	11,000,374	(11,000,374)
Member contributions	-	1,988,243	(1,988,243)
Net investment income	-	(6,571,406)	6,571,406
Benefit payments, including refunds of member contributions	(11,579,479)	(11,579,479)	-
Administrative expenses	-	(109,916)	109,916
Net changes	<u>6,617,287</u>	<u>(5,272,184)</u>	<u>11,889,471</u>
Balance as of 6/30/2022	<u><u>\$ 195,973,553</u></u>	<u><u>\$ 49,382,097</u></u>	<u><u>\$ 146,591,456</u></u>

TOWN OF WEST WARWICK, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

10. DEFINED BENEFIT PENSION PLANS (Continued)

A. Retirement Plan of the Town of West Warwick (continued)

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

Below is a table providing the sensitivity of the net pension liability to changes in the discount rate. In particular, the table presents the plan's net pension liability if it was calculated using a single discount rate that is 1 percentage point lower (6.50%) or 1 percentage point higher (8.50%) than the single discount rate:

	<u>1% Decrease</u> <u>(6.50%)</u>	<u>Current</u> <u>Discount Rate</u> <u>(7.50%)</u>	<u>1% Increase</u> <u>(8.50%)</u>
Net Pension Liability	\$ 169,348,109	\$ 146,591,456	\$ 127,548,940

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

For the year ended June 30, 2022, the Retirement Plan of the Town of West Warwick recognized pension expense of \$14,331,080. As of June 30, 2022, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred</u> <u>Outflows of</u> <u>Resources</u>	<u>Deferred Inflows</u> <u>of Resources</u>
Differences between expected and actual experience	\$ 2,440,969	\$ 248,599
Changes of assumptions	2,625,751	179,918
Net difference between projected and actual earnings on pension plan investments	<u>6,404,608</u>	<u>-</u>
Total	<u>\$ 11,471,328</u>	<u>\$ 428,517</u>

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

<u>Year Ending</u> <u>June 30,</u>	<u>Net Deferred</u> <u>Outflows (Inflows)</u> <u>of Resource</u>
2023	\$ 3,496,914
2024	3,568,466
2025	1,559,051
2026	2,418,380
2027	<u>-</u>
Total	<u>\$ 11,042,811</u>

10. DEFINED BENEFIT PENSION PLANS (*Continued*)

B. Employees' Retirement System

Plan Description

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

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

Benefit Provisions

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

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

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

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

TOWN OF WEST WARWICK, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

10. DEFINED BENEFIT PENSION PLANS (Continued)

B. Employees' Retirement System (Continued)

Funding Policy

The funding policy, as set forth in the General Laws, Section 16-16-22, provides for actuarially determined periodic contributions to the plan. For fiscal 2019, West Warwick School Department teachers were required to contribute 3.75% of their annual covered salary, except for teachers with 20 or more years of service as of June 30, 2012 must contribute 11% of their annual covered salary. The state and the West Warwick School Department are required to contribute at an actuarially determined rate, 40% of which is to be paid by the state and the remaining 60% is to be paid by the West Warwick School Department; the rates were 10.94% and 14.78% of annual covered payroll for the fiscal year ended June 30, 2022 for the state and the West Warwick School Department, respectively. The West Warwick School Department contributed \$4,185,007, \$4,359,372 and \$4,038,124 for the fiscal years ended June 30, 2022, 2021 and 2020, respectively, equal to 100% of the required contributions for each year. The State's share of contribution for fiscal 2022 was \$3,060,232 and is reported as on-behalf payments and included in both revenue and expenditures in the financial statements (School Unrestricted Fund).

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

At June 30, 2022, the West Warwick School Department reported a liability of \$35,740,641 for its proportionate share of the net pension liability that reflected a reduction for contributions made by the state. The amount recognized by the Town as its proportionate share of the net pension liability, the related state support and the total portion of the net pension liability that was associated with the Town were as follows:

Town's proportionate share of the net pension liability	\$ 35,740,641
State's proportionate share of the net pension liability associated with the school district	<u>26,504,889</u>
Total net pension liability	<u>\$ 62,245,530</u>

The net pension liability was measured as of June 30, 2021, the measurement date and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2020 rolled forward to June 30, 2021. The West Warwick School Department's proportion of the net pension liability was based on a projection of the West Warwick School Department's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers and the state, actuarially determined. At June 30, 2021, the West Warwick School Department's proportion was 1.52%.

TOWN OF WEST WARWICK, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

10. DEFINED BENEFIT PENSION PLANS (Continued)

B. Employees' Retirement System (Continued)

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

For the year ended June 30, 2022, the Town's government-wide statement of activities recognized gross pension expense of \$3,410,782 and revenue of \$1,610,797 for support provided by the State. At June 30, 2022, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description of Outflows/Inflows	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 358,741	\$ 1,154,444
Changes of assumptions	1,496,662	785,975
Net difference between projected and actual earnings on pension plan investments	-	8,365,521
Changes in proportion and differences between employer contributions and proportionate share of contributions	5,657,912	2,286,946
Contributions subsequent to the measurement date	<u>4,185,007</u>	<u>-</u>
	<u>\$ 11,698,322</u>	<u>\$ 12,592,886</u>
Net amount of deferred outflows and (inflows) excluding PSD contributions subsequent to measurement date		<u><u>\$ (5,079,571)</u></u>

\$4,185,007 reported as deferred outflows of resources related to pensions resulting from the Town's contributions in fiscal year 2022 subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30,	
2023	\$ (1,724,782)
2024	(28,501)
2025	(1,308,744)
2026	(2,225,241)
2027	91,882
Thereafter	<u>115,815</u>
Total	<u><u>\$ (5,079,571)</u></u>

TOWN OF WEST WARWICK, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

10. DEFINED BENEFIT PENSION PLANS (Continued)

B. Employees' Retirement System (Continued)

Actuarial Assumptions

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

Inflation	2.5%
Salary increases	3.00% to 13.00%
Investment rate of return	7.00%
Mortality	Variants of the PUB (10) Tables for Healthy and Disabled Retirees, projected with Scale Ultimate MP-16

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

Investments

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

TOWN OF WEST WARWICK, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

10. DEFINED BENEFIT PENSION PLANS (Continued)

B. Employees' Retirement System (Continued)

Investments (continued)

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

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

10. DEFINED BENEFIT PENSION PLANS (Continued)

B. Employees' Retirement System (Continued)

Measurement of the Net Pension Liability

Discount Rate

The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from the employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

The following presents the net pension liability calculated using the discount rate of 7.00% as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate.

1.00% Decrease (6.0%)	Current Discount Rate (7.0%)	1.00% Increase (8.0%)
\$ 45,137,692	\$ 35,740,641	\$ 23,747,318

Pension Plan Fiduciary Net Position

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

TOWN OF WEST WARWICK, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

10. DEFINED BENEFIT PENSION PLANS (Continued)

C. Aggregate Deferred Outflows of Resources and Deferred Inflows of Resources

The Town of West Warwick, Rhode Island reported deferred outflows of resources and deferred inflows of resources related to its various pension plans from the following sources:

	<u>Teachers'</u> <u>ERS</u>	<u>Town</u> <u>Pension Plan</u>	<u>Total</u> <u>All Plans</u>
Deferred Outflows of Resources			
Contributions subsequent to measurement date	\$ 4,185,007	\$ -	\$ 4,185,007
Net difference between projected and actual earnings on pension plan investments	-	6,404,608	6,404,608
Difference between expected and actual experience	358,741	2,440,969	2,799,710
Changes in assumptions	1,496,662	2,625,751	4,122,413
Changes in proportion and difference in employer contribution	<u>5,657,912</u>	<u>-</u>	<u>5,657,912</u>
Subtotal Deferred Outflows of Resources	<u>11,698,322</u>	<u>11,471,328</u>	<u>23,169,650</u>
Deferred Inflows of Resources			
Contributions subsequent to measurement date	\$ -	\$ -	\$ -
Net difference between projected and actual earnings on pension plan investments	8,365,521	-	8,365,521
Difference between expected and actual experience	1,154,444	248,599	1,403,043
Changes in assumptions	785,975	179,918	965,893
Changes in proportion and difference in employer contribution	<u>2,286,946</u>	<u>-</u>	<u>2,286,946</u>
Subtotal Deferred Inflows of Resources	<u>12,592,886</u>	<u>428,517</u>	<u>13,021,403</u>
Net Deferred Outflows (Inflows)	<u>\$ (5,079,571)</u>	<u>\$ 11,042,811</u>	<u>\$ 5,963,240</u>

Deferred outflows of resources related to 2022 contributions to pension plans subsequent to the measurement date (June 30, 2021 where applicable) will be recognized as a reduction of the net pension liability for the year ended June 30, 2023.

TOWN OF WEST WARWICK, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

10. DEFINED BENEFIT PENSION PLANS (Continued)

C. Aggregate Deferred Outflows of Resources and Deferred Inflows of Resources

Other amounts noted above and reported as deferred outflow or inflows of resources at June 30, 2022, will be recognized as a component of pension expense over the following periods of time:

	<u>Teachers'</u> <u>ERS</u>	<u>Town</u> <u>Pension Plan</u>	<u>Total</u> <u>All Plans</u>
2023	\$(1,724,782)	\$ 3,496,914	\$1,772,132
2024	(28,501)	3,568,466	3,539,965
2025	(1,308,744)	1,559,051	250,307
2026	(2,225,241)	2,418,380	193,139
2027	91,882	-	91,882
Thereafter	115,815	-	115,815
Total	<u>\$(5,079,571)</u>	<u>\$11,042,811</u>	<u>\$5,963,240</u>

D. Aggregate Pension Amounts Reported in the Financial Statements

	<u>Teachers'</u> <u>ERS</u>	<u>Town</u> <u>Pension Plan</u>	<u>Total</u> <u>All Plans</u>
Net Pension Asset	\$ -	\$ -	\$ -
Deferred Outflows of Resources	11,698,322	11,471,328	23,169,650
Deferred Inflows of Resources	(12,592,886)	(428,517)	(13,021,403)
Net Pension Liability	35,740,641	146,591,456	182,332,097
Pension Expense	3,410,782	14,331,080	17,741,862
Total	<u>\$38,256,859</u>	<u>\$171,965,347</u>	<u>\$210,222,206</u>

E. Defined Contribution Plan

Plan Description

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

10. DEFINED BENEFIT PENSION PLANS (Continued)

E. Defined Contribution Plan (Continued)

Plan Description (continued)

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

The plan members and West Warwick School Department contributed \$1,333,160 and \$299,191, respectively during the fiscal year ended June 30, 2022.

The West Warwick School Department recognized pension expense of \$299,191 for the fiscal year ended June 30, 2022.

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

11. OTHER POST EMPLOYMENT BENEFITS

Plan Description

In addition to the pension benefits described earlier, the Town maintains a single-employer OPEB plan administered by the Town of West Warwick. The plan provides post-employment health care benefits to employees in accordance with their respective collective bargaining agreements. These benefits are for continued full family or individual health care for the employee groups as described below. The Town has established an OPEB Trust Fund for these benefits. The OPEB benefits include health and dental coverage. The Town's OPEB Plan is presented in the accompanying financial statements as an OPEB trust fund. A separate financial statement is not issued.

A copy of June 30, 2022 actuarial valuation report can be obtained in the Finance Department at West Warwick Town Hall. Management of the post-employment benefits plan is vested with the Finance Director under the direction of the Town Manager. Funds are managed by a third-party investment management firm.

Benefits Provided

Eligibility

Firefighters hired prior to July 1, 2014 are eligible to retire at the earlier of age 62 or age 50 with 25 years of service. Those hired on or after July 1, 2014 are eligible at the earlier of age 62 or age 55 with 25 years of service. Four grandfathered firefighters are eligible to retire upon attaining age 62.5 or 20 years of service. Police officers are eligible to retire once they have 20 years of service. For those hired on or after July 1, 2014 retiree health benefits will commence at age 50. Municipal Union employees (including Wastewater and School Non-Certified personnel) are eligible to retire at the earlier of age 62 with 12 years of service or 25 years of service. For those hired on or after July 1, 2014, if they retire with 25 years of service, retiree health benefits will commence at age 55.

TOWN OF WEST WARWICK, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

11. OTHER POST EMPLOYMENT BENEFITS (Continued)

Eligibility (continued)

School certified employees are eligible to retire once they have 15 years of service or 25 years of service or 28 years of service (with no age requirements). The cost sharing requirements differ at each eligibility requirement. Municipal Non-Union and Library employees are not eligible for health benefits at retirement.

Duration of Retiree Health Benefits

Firefighters and police officers are eligible for lifetime subsidized retiree health benefits. Municipal Union (including Wastewater) employees are eligible for subsidized medical benefits until Medicare eligibility and lifetime free dental benefits. School Non-Certified employees are eligible for lifetime retiree health benefits, but they are only eligible for five years of free retiree health benefits if they have 20 years of service at retirement. School Certified employees are eligible to either four years of subsidized retiree health benefits or until Medicare eligibility depending on years of service at retirement.

The Town provides free lifetime dental benefits to all retiree groups, except for School Certified employees who retire with less than 25 years of service.

Retirees may be required to contribute towards the benefits at various levels dependent upon the terms of the respective collective bargaining agreements.

Employees Covered by Benefit Terms

At June 30, 2022, plan membership consisted of the following:

Total active participants	545
Total retiree participants	<u>333</u>
Total	<u><u>878</u></u>

Contributions

The funding policy provides for actuarially determined contributions (ADC) to the OPEB plan. ADC are based on the Annual Required Contribution (ARC) calculated in the prior GASB 45 actuarial valuations. For fiscal year ended June 30, 2022 the actuarially determined contribution for the Town (including the School Department) was \$5,641,265, and actual contributions made in relation to ADC were \$4,061,755 for the year ended June 30, 2022.

TOWN OF WEST WARWICK, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

11. OTHER POST EMPLOYMENT BENEFITS (Continued)

Investments

Investment Policy

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

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

Rate of Return

For the year ended June 30, 2022, the annual money-weighted rate of return on investments, net of investment expense, was -13.93%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Net OPEB Liability of the Town

The Town's net OPEB liability was measured as of June 30, 2022. The components of the net OPEB liability of the Town at June 30, 2022, were as follows:

<u>Description</u>	<u>Amounts</u>
Total OPEB Liability	\$ 64,928,779
Plan fiduciary net position	3,978,093
Net OPEB Liability	<u>60,950,686</u>
Funded ratio (Fiduciary Net Position / NOL)	6.1%

Actuarial Assumptions

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

<u>Description</u>	<u>Assumption</u>
Inflation	2.20%
Salary increases	3.50% for valuation purposes, 2.50% per year for amortization purposes
Investment rate of return	7.00%
Healthcare cost trend rates	7.50% for 2023, decreasing 0.5% per year to an ultimate rate of 4.50%

Mortality rates were based on SOA Pub-2010 Mortality Tables with generational improvements from 2010 based on assumptions from the 2021 SSA Trustees Report.

TOWN OF WEST WARWICK, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

11. OTHER POST EMPLOYMENT BENEFITS (Continued)

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset as of June 30, 2022 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Asset Class</u>	<u>Long-term Expected Real Rate of Return</u>
U.S. Equity	41.0%	U.S. Equity	3.4%
Non-U.S. Equity	26.0%	Non-U.S. Equity	6.0%
U.S. Aggregate Bonds	10.0%	U.S. Aggregate Bonds	1.5%
Intermediate-Term Credit	7.0%	Intermediate-Term Credit	2.0%
Short-Term Credit	3.0%	Short-Term Credit	1.8%
Intermediate-Term TIPS	5.0%	Intermediate-Term TIPS	1.2%
REITs	8.0%	REITs	3.1%
Total	<u>100.0%</u>		

Discount Rate

The discount rate used to measure the total OPEB liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that Town contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

TOWN OF WEST WARWICK, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

11. OTHER POST EMPLOYMENT BENEFITS (Continued)

Change in the Net OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a)-(b)
Balances as of June 30, 2021	\$ 63,305,816	\$ 5,325,146	\$ 57,980,670
Changes for the year:			
Service cost	1,357,951	-	1,357,951
Interest	4,367,951	-	4,367,951
Differences between expected and actual experience	503,929	-	503,929
Changes of assumptions	-	-	-
Employer contributions	-	4,061,755	(4,061,755)
Member contributions	-	-	-
Net investment income	-	(786,350)	786,350
Benefit payments, including refunds of member contributions	(4,606,868)	(4,606,868)	-
Administrative expenses	-	(15,590)	15,590
Net changes	<u>1,622,963</u>	<u>(1,347,053)</u>	<u>2,970,016</u>
Balances as of June 30, 2022	<u>\$ 64,928,779</u>	<u>\$ 3,978,093</u>	<u>\$ 60,950,686</u>

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

The following presents the net OPEB liability of the Town, as well as what the Town's net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.00%) or 1 percentage point higher (8.00%) than the current discount rate:

	Impact of 1% Change in Discount Rate		
	1% Decrease	Current Discount Rate	1% Increase
Net OPEB Liability	\$ 67,303,538	\$ 60,950,686	\$ 55,471,234

TOWN OF WEST WARWICK, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

11. OTHER POST EMPLOYMENT BENEFITS (Continued)

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

The following presents the net OPEB liability of the Town, as well as what the Town's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower (7.50% decreasing to 4.50%) or 1 percentage point higher (8.50% decreasing to 5.50%) than the current healthcare cost trend rates:

	Impact of 1% Change in Healthcare Cost Trend Rates		
	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Net OPEB Liability	\$ 54,258,035	\$ 60,950,686	\$ 68,930,431

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

For the year ended June 30, 2022, the Town recognized OPEB expense of \$5,468,956. At June 30, 2022, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 4,394,955	\$ 6,989,416
Changes of assumptions	2,736,192	954,608
Net difference between projected and actual earnings on OPEB plan investments	413,147	-
Total	<u>7,544,294</u>	<u>\$ 7,944,024</u>

TOWN OF WEST WARWICK, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

11. OTHER POST EMPLOYMENT BENEFITS (Continued)

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

<u>Year Ending June 30,</u>	Net Deferred Outflows (Inflows) of Resource
2023	\$ 97,011
2024	107,479
2025	51,242
2026	223,156
2027	(885,835)
Thereafter	<u>7,217</u>
Total	<u>\$ (399,730)</u>

12. Combining Statements – Pensions and OPEB Trust Funds

The following schedule presents the net position held in trust for pension and OPEB benefits at June 30, 2022 and the changes in net position for the year ended June 30, 2022:

	<u>Employee Retirement Trust Fund</u>	<u>OPEB Trust Fund</u>	<u>Total Pension & OPEB Trust Funds</u>
Assets			
Cash and cash equivalents	\$ 49,382,097	\$ -	\$ 49,382,097
Investments, at fair value			
Mutual funds	-	4,659,038	4,659,038
Other receivable	-	110,019	110,019
Accounts receivable	301,543	72,184	373,727
Total assets	<u>49,683,640</u>	<u>4,841,241</u>	<u>54,524,881</u>
Liabilities			
Accounts payable	<u>303,070</u>	<u>796,583</u>	<u>1,099,653</u>
Total liabilities	<u>303,070</u>	<u>796,583</u>	<u>1,099,653</u>
Net Position			
Restricted for pensions	49,380,570	-	49,380,570
Restricted for OPEB	<u>-</u>	<u>4,044,658</u>	<u>4,044,658</u>
Total net position	<u>49,380,570</u>	<u>4,044,658</u>	<u>53,425,228</u>
Total liabilities and net position	<u>\$ 49,683,640</u>	<u>\$ 4,841,241</u>	<u>\$ 54,524,881</u>

TOWN OF WEST WARWICK, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

12. Combining Statements – Pensions and OPEB Trust Funds

	<u>Pension Trust</u> <u>Trust Fund</u>	<u>OPEB</u> <u>Trust Fund</u>	<u>Total</u>
Additions			
Contributions			
Employer contributions	\$ 11,000,374	\$ 4,098,319	\$ 15,098,693
Employee contributions	1,843,479	-	1,843,479
Total Contributions	<u>12,843,853</u>	<u>4,098,319</u>	<u>16,942,172</u>
Investment Earnings			
Realized and unrealized gains (losses)	-	(756,350)	(756,350)
Interest and dividends	-	-	-
Total investment earnings	<u>-</u>	<u>(756,350)</u>	<u>(756,350)</u>
Total additions	<u>12,843,853</u>	<u>3,341,969</u>	<u>16,185,822</u>
Deductions			
Benefits paid	11,580,479	4,606,868	16,187,347
Closing of private pension	-	-	-
Investment expenses	6,403,925	15,590	6,419,515
Operating expenses	<u>125,915</u>	<u>-</u>	<u>125,915</u>
Total deductions	<u>18,110,319</u>	<u>4,622,458</u>	<u>22,732,777</u>
Changes in net position held in trust for individuals, organizations, and other governments	(5,266,466)	(1,280,489)	(6,546,955)
Net position, July 1, 2021	<u>54,647,036</u>	<u>5,325,147</u>	<u>59,972,183</u>
Net position, June 30, 2022	<u>\$ 49,380,570</u>	<u>\$ 4,044,658</u>	<u>\$ 53,425,228</u>

TOWN OF WEST WARWICK, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

13. RISK MANAGEMENT

The Town of West Warwick is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors or omissions; injuries to employees and natural disasters. As a result, the Town participates in a nonprofit, public entity risk pool (Rhode Island Inter-local Risk Management Trust, Inc.) that provides coverage for property/liability claims and workers' compensation claims. Upon joining the Trust, the Town signed a participation agreement that outlines the rights and responsibilities of both the Trust and the Town. The agreement states that for premiums paid by the Town, the Trust will assume financial responsibility for the Town's losses up to the maximum amount of insurance purchased, minus the Town's deductible amounts. The policy is not retrospectively rated, but rather, premiums are based on the ultimate cost of the groups experience to date. The pool is allowed to make additional assessments for claims that are reasonably possible and estimable.

The Trust provides this insurance coverage through a pooled, self-insurance mechanism, which includes reinsurance purchased by the Trust to protect against large, catastrophic claims above losses the Trust retains internally for payment from the pooled contributions of its members. Under the participation agreement, the Town is insured for a maximum of \$4,000,000 per occurrence. Settled claims resulting from these risks have not exceeded the Trust coverage in any of the past three fiscal years, and are not expected to increase the Trust coverage in future fiscal years. There were no reductions in the insurance coverage during the fiscal year up to and through the date of this report.

Health Care

The Town has a cost-plus financing plan in order to finance the costs of its health and dental insurance benefits. Under this cost-plus plan the Town pays for the actual cost of covered health care and dental services plus a fee to the provider for the administration of the program.

The Town currently maintains stop loss insurance to protect the taxpayers from catastrophic loss resulting from excessive health insurance claims. At June 30, 2022, the stop loss insurance contract covered all claims exceeding \$175,000 per individual on an annual basis.

The Town's Finance Department oversees the self-insured program for all employees and claims payment services are provided by Blue Cross and Blue Shield of Rhode Island (Plan Administrator). At June 30, 2022 the Town has estimated a liability for incurred but not reported claims (IBNR) based on actual claims paid subsequent to year end but related to claims incurred prior to June 30, 2022. Approximate changes in the balances of self-insured claims liabilities were as follows:

	Medical Insurance			
	Liability July 1,	Current Year Claims and Changes in Estimates	Claim Payments	Liability June 30,
2020-21	842,415	14,343,914	(14,449,457)	736,872
2021-22	736,872	12,848,804	12,662,078	923,608

TOWN OF WEST WARWICK, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

13. RISK MANAGEMENT (Continued)

The IBNR claims outstanding at June 30, 2022 are comprised of \$499,257 and \$424,351 related to Town and School employees, respectively.

At June 30, 2022, the Town has a deposit with the Plan Administrator totaling \$220,700. This deposit was required as part of the contract with the Plan Administrator to ensure reimbursement of claims is made in a timely manner. This deposit has been classified as a prepaid of the General Fund and as such has been included in non-spendable fund balance in the governmental activities of the Fund Statements.

Unemployment

The Town is self-insured for unemployment benefits. As of June 30, 2022, management does not believe that there are any incurred but not reported claims that are required to be accrued in the Fund Statements of the Government-wide Statement of Net Position.

14. TAX ABATEMENTS

The Town enters into property tax abatement agreements, under its Tax Incentive Program as prescribed in the Town's Code of Ordinances, Section 18-31, with commercial and industrial developers to help promote economic development. The intent of these agreements is to attract or retain businesses within the Town.

For the fiscal year ended June 30, 2022, the Town abated property taxes totaling \$204,868 under this program, which includes the following tax abatement agreements to new businesses located in a commercially zoned property or existing businesses that are expanding:

Purpose	Amount of Taxes Abated
Expansion of car dealership in a central business area	\$ 41,595
Redevelopment of building into multi-family residential units	116,964
New condominium construction - 8 units	28,740
Upgrade of building for storage units	17,569
Total	\$ 204,868

TOWN OF WEST WARWICK, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

15. COMMITMENTS AND CONTINGENCIES

Liabilities for legal cases and other claims against governmental funds are recorded in the governmental funds when the ultimate liability can be estimated, and such cases are expected to be settled with available expendable financial resources. The government-wide statements would include all estimated claims regardless of when they are expected to be settled. At June 30, 2022, the Town (including the School Department) had a number of legal cases and claims in process. These cases include claims made by Unions. Management and legal counsel have reviewed these outstanding claims and determined that the estimated liability, if any, that may result from these claims would not materially affect the basic financial statements of the Town. As such, the statement of net position at June 30, 2022 does not include any liability for claims, judgments or unasserted claims.

The Town (including the School Department) has received grants from various federal and state agencies for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to request for reimbursement to the grantor agencies for expenditures disallowed under the terms of the grant agreement. Town officials are of the opinion that such disallowances, if any, would be immaterial.

16. SUBSEQUENT EVENT

On July 20, 2022 a judgement was rendered against the Town of West Warwick in the amount of \$800,000. The Town's insurer, the Interlocal Trust, will pay \$160,000 of the judgement, the remaining \$640,000 will be paid by the Town of West Warwick. \$319,375 has been paid to date. Three additional payments of \$106,875 will be paid on 1/5/2023, 1/5/2024, and 1/5/2025 respectively.

In addition, effective September 2021, the Town of West Warwick, entered the State of Rhode Island's Municipal Employers' Retirement System (MERS). Since MERS is one year behind, we will have data provided by the State in the fiscal year 2023 financial statements.

17. PRIOR PERIOD ADJUSTMENT AND RESTATEMENTS

In some instances, beginning fund balances have been restated as a result of adjustment made to correct or reclassify prior year balances. Such adjustments are summarized as follows:

	<u>Governmental Activities</u>	<u>School Unrestricted Funds</u>	<u>Non-Major Governmental Funds</u>	<u>Internal Service Fund</u>
Beginning balance, July 1, 2021	\$ (185,465,645)	\$ 5,394,614	\$ 7,680,254	\$ 192,371
To correct for missing capital project fund	3,107	-	3,107	-
To correct accounts payable error	88,900	-	88,900	-
Restatement resulting from overstatement of prior year interfund liability	211,039	211,039	-	-
GASB Statement No. 87 Implementation	<u>(146,591)</u>	<u>-</u>	<u>-</u>	<u>(146,591)</u>
Beginning balance, July 1, 2021, restated	<u>\$ (185,309,190)</u>	<u>\$ 5,605,653</u>	<u>\$ 7,772,261</u>	<u>\$ 45,780</u>

Required Supplementary Information

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TOWN OF WEST WARWICK, RHODE ISLAND
BUDGETARY COMPARISON SCHEDULE – GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2022

	Original Budget Revenues	Final Budget	Actual Revenues	Variance
Tax Revenues				
Current tax collections	\$ 66,638,235	\$ 66,638,235	\$ 67,825,072	\$ 1,186,837
Prior year taxes	1,500,000	1,500,000	1,180,154	(319,846)
Tax interest and liens	500,000	500,000	482,236	(17,764)
Tax sale fees and other	-	-	32,070	32,070
Total tax revenues	68,638,235	68,638,235	69,519,533	881,298
Intergovernmental revenues				
State aid for education	30,338,359	30,338,359	30,857,785	519,426
School housing aid	694,587	694,587	694,354	(233)
FEMA coronavirus relief	-	-	183,448	183,448
MEDS reimbursement	-	-	27,500	27,500
Distressed community relief	953,745	953,745	953,745	0
State meals tax distribution	410,149	410,149	448,313	38,164
State hotel tax distribution	100,210	100,210	123,416	23,206
Public utilities tax	360,627	360,627	358,481	(2,146)
Motor vehicle phase out	2,596,826	2,596,826	2,599,058	2,232
Total intergovernmental revenues	35,454,503	35,454,503	36,246,100	791,597
Departmental and other revenue				
Town clerk and finance	800,000	800,000	1,101,470	301,470
Building official	385,000	385,000	578,415	193,415
DPW	7,500	7,500	8,374	874
Recycling	-	-	17,124	17,124
Planning, engineering and zoning fees	20,000	20,000	9,100	(10,900)
Animal shelter	3,000	3,000	854	(2,146)
Police department	15,000	15,000	15,538	538
Municipal court	10,000	10,000	-	(10,000)
Fire rescue fees	950,000	950,000	849,852	(100,148)
Fire plans review	20,000	20,000	38,063	18,063
Road opening permits	10,000	10,000	-	(10,000)
Field rental - parks and recreation	15,000	15,000	6,990	(8,010)
Sewer administrative fees	341,011	341,011	341,011	-
School crossing guard	184,265	184,265	82,044	(102,221)
Pilot - West Warwick housing	60,000	60,000	70,890	10,890
Sales of town assets	-	-	-	-
Miscellaneous	5,000	5,000	9,740	4,740
Total departmental revenues	2,825,776	2,825,776	3,129,464	303,688
Total Revenues	\$ 106,918,514	\$ 106,918,514	\$ 108,895,096	\$ 1,976,582

*See accompanying notes to required supplementary information
See Independent Auditor's Report*

TOWN OF WEST WARWICK, RHODE ISLAND
BUDGETARY COMPARISON SCHEDULE – GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2022

	<u>Original Budgeted Expenditures</u>	<u>Final Budget</u>	<u>Actual Expenditures</u>	<u>Variance</u>
General Government:				
Town manager	\$ 251,642	\$ 251,642	\$ 270,133	\$ (18,491)
Town planner	181,569	181,569	123,880	57,689
Human resources	148,238	148,238	162,759	(14,521)
Town council	54,122	54,122	44,604	9,518
Town clerk	275,793	275,793	282,860	(7,067)
Board of canvassers	127,434	127,434	110,656	16,778
Legal	335,000	335,000	373,578	(38,578)
Probate court	81,943	81,943	82,891	(948)
EMA	8,690	8,690	13,386	(4,696)
Town sergeant	754	754	666	88
Finance	524,579	524,579	509,895	14,684
Tax collector	390,488	390,488	395,803	(5,315)
Tax assessor	623,032	623,032	625,173	(2,141)
Board of assessment review	3,396	3,396	2,007	1,389
Town engineer	30,000	30,000	5,650	24,350
Street lighting	100,000	100,000	73,872	26,129
Building official	565,059	565,059	561,633	3,426
Zoning	8,119	8,119	8,783	(664)
Housing board	4,642	4,642	3,000	1,642
Total General Government	<u>3,714,500</u>	<u>3,714,500</u>	<u>3,651,228</u>	<u>63,272</u>
Public Safety:				
Police department	8,158,381	8,158,381	8,072,395	85,986
Fire department	10,012,865	10,012,865	10,635,532	(622,667)
Total Public Safety	<u>18,171,246</u>	<u>18,171,246</u>	<u>18,707,926</u>	<u>(536,680)</u>
Public Works:				
Public work department	4,727,583	4,727,583	4,890,273	(162,690)
Total Public Works	<u>4,727,583</u>	<u>4,727,583</u>	<u>4,890,273</u>	<u>(162,690)</u>
Parks and Recreation				
Parks	529,310	529,310	541,508	(12,198)
Total Parks and recreation	<u>529,310</u>	<u>529,310</u>	<u>541,508</u>	<u>(12,198)</u>

*See accompanying notes to required supplementary information
See Independent Auditor's Report*

TOWN OF WEST WARWICK, RHODE ISLAND
BUDGETARY COMPARISON SCHEDULE – GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2022

	Original Budgeted Expenditures	Final Budget	Actual Expenditures	Variance
Debt Service:				
Lease payments	132,723	132,723	133,465	(742)
Financing cost and other use	2,810,000	2,810,000	2,602,000	208,000
Interest on bonds and notes	462,284	462,284	500,540	(38,256)
Total Debt Service	<u>3,405,007</u>	<u>3,405,007</u>	<u>3,236,006</u>	<u>169,001</u>
Miscellaneous Town:				
Education - State Aid	30,338,359	30,338,359	30,857,785	(519,426)
Benefits and other miscellaneous	12,136,243	12,136,243	12,692,095	(555,852)
Public Libraries	779,710	779,710	779,710	-
Senior Center	223,000	223,000	223,000	-
Total Miscellaneous - Town	<u>43,477,312</u>	<u>43,477,312</u>	<u>44,552,590</u>	<u>(1,075,278)</u>
Municipal Capital Improvements	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>74,024,958</u>	<u>74,024,958</u>	<u>75,579,531</u>	<u>(1,554,573)</u>
Excess of revenues over (under) expenditures before other financing sources (uses)	<u>32,893,556</u>	<u>32,893,556</u>	<u>33,315,565</u>	<u>422,009</u>
Other Financing Sources (Uses)				
Appropriated fund balance	500,000	500,000	-	(500,000)
Transfers in	-	-	236,977	236,977
Transfers out - School Appropriation	(32,357,516)	(32,357,516)	(32,357,516)	0
Transfers out - Other	(1,036,040)	(1,036,040)	(699,040)	337,000
Total other financing sources (uses)	<u>(32,893,556)</u>	<u>(32,893,556)</u>	<u>(32,819,579)</u>	<u>73,977</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses, budgetary basis	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 495,987</u>	<u>\$ 495,986</u>
Adjustments of budgetary basis to U.S. GAAP basis			-	
Excess (deficiency) of revenue and other financing sources over expenditures and other financing uses, U.S. GAAP basis			495,987	
Fund balance, beginning of year			<u>\$ 4,397,894</u>	
Fund balance, end of year			<u>\$ 4,893,881</u>	

*See accompanying notes to required supplementary information
See Independent Auditor's Report*

TOWN OF WEST WARWICK, RHODE ISLAND

**BUDGETARY COMPARISON SCHEDULE – SCHOOL UNRESTRICTED FUND
FOR THE YEAR ENDED JUNE 30, 2022**

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues				
State Aid	\$ 30,338,359	\$ 30,338,359	\$ 30,878,318	\$ 539,959
Medicaid reimbursements	650,000	650,000	527,917	(122,083)
Other revenue	287,609	287,609	261,454	(26,155)
Total revenues	<u>31,275,968</u>	<u>31,275,968</u>	<u>31,667,689</u>	<u>391,721</u>
Expenditures				
Salaries	36,311,878	36,260,978	36,143,899	117,079
Employee benefits	18,429,847	18,420,707	17,705,191	715,517
Purchased services	7,272,018	7,382,031	7,251,461	130,570
Supplies and materials	1,061,425	1,025,898	934,911	90,987
Other	458,323	437,441	63,210	374,231
Capital outlay	99,993	106,429	414,274	(307,845)
Total expenditures	<u>63,633,484</u>	<u>63,633,484</u>	<u>62,512,946</u>	<u>1,120,538</u>
Excess of expenditures over revenues, budgetary basis	<u>(32,357,516)</u>	<u>(32,357,516)</u>	<u>(30,845,257)</u>	<u>1,512,259</u>
Other financing sources (uses)				
Transfers in	32,357,516	32,357,516	32,357,516	-
Transfers out	-	-	(1,250,000)	(1,250,000)
Total other financing sources (uses)	<u>32,357,516</u>	<u>32,357,516</u>	<u>31,107,516</u>	<u>(1,250,000)</u>
Excess of revenues and other financing sources over expenditures and other financing uses, budgetary basis	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 262,259</u>	<u>\$ 262,259</u>
Adjustment of budgetary revenues basis to U.S. GAAP basis			-	
State of Rhode Island on-behalf contributions to State pension plans are not budgeted			3,060,232	
State of Rhode Island on-behalf contributions for transportations are not budgeted			54,379	
Adjustment of budgetary expenditures basis to U.S. GAAP basis				
State of Rhode Island on-behalf contributions to State pension plans are not budgeted			(3,060,232)	
State of Rhode Island on-behalf contributions for transportations are not budgeted			<u>(54,379)</u>	
Net Change in Fund Balances - GAAP Basis			<u>\$ 262,259</u>	

*See accompanying notes to required supplementary information
See Independent Auditor's Report*

TOWN OF WEST WARWICK, RHODE ISLAND
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
EMPLOYEE RETIREMENT TRUST FUND
FOR THE LAST NINE YEARS*

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total pension liability:									
Service cost	\$ 2,843,310	\$ 2,740,813	\$ 2,612,554	\$ 2,561,513	\$ 2,502,614	\$ 2,549,974	\$ 2,441,566	\$ 2,258,766	\$ 2,815,702
Interest	13,980,738	13,563,814	12,525,290	12,201,514	11,980,238	11,562,789	10,941,637	10,651,438	11,467,012
Changes of benefit terms	-	-	-	-	-	38,333	-	-	(12,421,981)
Differences between expected and actual experience	1,372,718	313,007	2,633,442	508,056	(1,491,599)	1,685,538	1,300,570	-	(493,359)
Changes of assumptions	-	-	6,564,376	(720,316)	(215,129)	(749,423)	2,751,398	-	(2,583,350)
Benefit payments, including refunds of member contributions	(11,579,479)	(10,742,806)	(10,491,070)	(10,078,516)	(9,690,832)	(9,256,920)	(9,266,182)	(9,181,180)	(9,021,629)
Net change in total pension liability	6,617,287	5,874,828	13,844,592	4,472,251	3,085,292	5,830,291	8,168,989	3,729,024	(10,237,605)
Total pension liability - beginning	189,356,266	183,481,438	169,636,846	165,164,595	162,079,303	156,249,012	148,080,023	144,350,999	154,588,604
Total pension liability - ending	\$ 195,973,553	\$ 189,356,266	\$ 183,481,438	\$ 169,636,846	\$ 165,164,595	\$ 162,079,303	\$ 156,249,012	\$ 148,080,023	\$ 144,350,999
Pension fiduciary net position:									
Contributions - employer	\$ 11,000,374	\$ 10,680,162	\$ 10,038,041	\$ 9,805,598	\$ 9,247,549	\$ 8,739,745	\$ 8,179,980	\$ 8,062,234	\$ 6,000,000
Contributions - employee	1,988,243	2,197,162	2,037,223	1,973,630	2,065,202	1,966,741	1,885,444	1,748,791	1,318,539
Net investment income	(6,571,406)	8,029,406	2,268,350	1,604,927	2,402,891	3,604,321	(918,239)	592,127	3,265,405
Benefit payments, including refunds of member contributions	(11,579,479)	(10,742,806)	(10,491,070)	(10,078,516)	(9,690,832)	(9,256,920)	(9,266,182)	(9,181,180)	(9,021,629)
Pension plan administrative expense	(109,916)	(77,682)	(120,785)	(83,403)	(108,358)	(68,194)	(133,947)	(185,951)	(198,764)
Net change in plan fiduciary net position	(5,272,184)	10,086,242	3,731,759	3,222,236	3,916,452	4,985,693	(252,944)	1,036,021	1,363,551
Plan fiduciary net position - beginning	54,654,281	44,568,039	40,836,280	37,614,044	33,697,592	28,711,899	28,964,843	27,928,822	26,565,271
Plan fiduciary net position - ending	\$ 49,382,097	\$ 54,654,281	\$ 44,568,039	\$ 40,836,280	\$ 37,614,044	\$ 33,697,592	\$ 28,711,899	\$ 28,964,843	\$ 27,928,822
Town's net pension liability (asset) - ending	\$ 146,591,456	\$ 134,701,985	\$ 138,913,399	\$ 128,800,566	\$ 127,550,551	\$ 128,381,711	\$ 127,537,113	\$ 119,115,180	\$ 116,422,177
Plan fiduciary net position as a percentage of the total pension liability	25.20%	28.86%	24.29%	24.07%	22.77%	20.79%	18.38%	19.56%	19.35%
Covered payroll	18,264,783	17,338,285	\$ 16,651,108	\$ 16,387,887	\$ 15,781,633	\$ 16,091,817	\$ 15,208,402	\$ 14,203,313	\$ 13,956,326
Net pension liability as a percentage of covered payroll	802.59%	776.90%	834.26%	785.95%	808.22%	797.81%	838.60%	838.64%	834.19%

Note: This schedule is intended to show information for 10 years. Additional years' information will be displayed as it becomes available

*See accompanying notes to required supplementary information
See Independent Auditor's Report*

TOWN OF WEST WARWICK, RHODE ISLAND
SCHEDULE OF CONTRIBUTIONS
EMPLOYEE RETIREMENT TRUST FUND
FOR THE LAST TEN YEARS*

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Actuarially determined contribution	\$ 11,000,362	\$ 10,495,443	\$ 10,007,263	\$ 9,620,720	\$ 9,257,300	\$ 8,739,745	\$ 8,309,706	\$ 8,103,839	\$ 10,322,474	\$ 9,264,065
Contributions in relation to the actuarially-determined contribution	11,000,374	10,680,162	10,038,041	9,805,598	9,247,549	8,739,745	8,179,980	8,062,234	6,000,000	5,301,532
Contribution Deficiency (Excess)	<u>\$ (12)</u>	<u>\$ (184,719)</u>	<u>\$ (30,778)</u>	<u>\$ (184,878)</u>	<u>\$ 9,751</u>	<u>\$ -</u>	<u>\$ 129,726</u>	<u>\$ 41,605</u>	<u>\$ 4,322,474</u>	<u>\$ 3,962,533</u>
Covered payroll	\$ 18,264,783	\$ 17,338,285	\$ 16,651,108	\$ 16,387,887	\$ 15,781,633	\$ 16,091,817	\$ 15,208,402	\$ 14,203,313	\$ 13,956,326	\$ 14,855,258
Contributions as a percentage of covered payroll	60.23%	61.60%	60.28%	59.83%	58.60%	54.31%	53.79%	56.76%	42.99%	35.69%

Notes to Schedule:

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

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

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age Normal
Amortization method	25-year closed level % of pay amortization of the excess of the entry age actuarial accrued liability over the actuarial value of plan assets beginning 7/1/14. For this purpose, pay is assumed to grow at 3.50% annually.
Asset valuation method	Market value of assets
Inflation	2.50%
Salary increases	3.50%
Investment rate of return	7.50%
Mortality - Health - Police and Fire	PubS-2010 Public Safety mortality table with generational improvements based on assumptions from the 2020 SSA Trustee's Report
Mortality - Health - Other	PubG-2010 General mortality table with generational improvements based on assumptions from the 2020 SSA Trustee's Report
Mortality - Disabled	PubS-2010 Public Safety Disabled mortality table with generational improvements based on assumptions from the 2020 SSA Trustee's Report

*See accompanying notes to required supplementary information
See Independent Auditor's Report*

TOWN OF WEST WARWICK, RHODE ISLAND
SCHEDULE OF INVESTMENT RETURNS
EMPLOYEE RETIREMENT TRUST FUND
FOR THE LAST TEN YEARS*

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Annual money-weighted rate of return, net of investment expense	7.50%	5.31%	4.09%	6.97%	12.30%	5.92%	5.01%	15.20%

Note: This schedule is intended to show information for 10 years. Additional years' information will be displayed as it becomes available

*See accompanying notes to required supplementary information
See Independent Auditor's Report*

TOWN OF WEST WARWICK, RHODE ISLAND
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
EMPLOYEES' RETIREMENT SYSTEM - TEACHERS
FOR THE LAST TEN YEARS*

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Town's proportion of the net pension liability	1.52%	1.47%	1.44%	1.43%	1.64%	1.12%	1.62%	1.46%
Town's proportionate share of the net pension liability	\$ 35,740,641	\$ 47,032,959	\$ 45,980,761	\$ 45,423,614	\$ 45,162,030	\$ 33,324,429	\$ 44,563,281	\$ 35,463,093
State's proportionate share of the net pension liability associated with the school district	26,504,889	34,946,641	34,444,352	33,882,753	39,113,803	22,822,341	30,444,235	24,318,677
Total	\$ 62,245,530	\$ 81,979,600	\$ 80,425,113	\$ 79,306,367	\$ 84,275,833	\$ 56,146,770	\$ 75,007,516	\$ 59,781,770
Town's covered payroll	\$ 28,469,936	\$ 27,255,298	\$ 26,576,406	\$ 25,635,430	\$ 26,628,988	Not available	\$ 23,509,337	\$ 22,772,066
Town's proportionate share of the net pension liability as a percentage of its covered payroll	125.54%	172.56%	173.01%	177.19%	169.60%	Not available	189.56%	155.73%
Plan fiduciary net position as a percentage of the total pension liability	66.50%	54.30%	54.60%	54.30%	54.00%	54.10%	57.60%	61.40%

Note: This schedule is intended to show information for 10 years. Additional years' information will be displayed as it becomes available

Notes to Schedule

The amounts presented for each fiscal year were determined as of June 30 measurement date prior to the fiscal year end.

*See accompanying notes to required supplementary information
See Independent Auditor's Report*

TOWN OF WEST WARWICK, RHODE ISLAND
SCHEDULE OF CONTRIBUTIONS
EMPLOYEES' RETIREMENT SYSTEM - TEACHERS
FOR THE LAST TEN YEARS*

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially-determined contribution	\$ 4,185,007	\$ 4,359,372	\$ 4,038,124	\$ 3,708,668	\$ 3,521,155	\$ 3,969,629	\$ 2,587,950	\$ 3,620,613
Contributions in relation to the actuarially-determined contribution	4,185,007	4,359,372	4,038,124	3,708,668	3,521,155	3,969,629	2,587,950	3,620,613
Contribution Deficiency (Excess)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 28,469,936	\$ 27,255,298	\$ 26,576,406	\$ 25,635,430	\$ 26,628,988	Not available	\$ 23,509,337	\$ 22,772,066
Contributions as a percentage of covered payroll	14.70%	15.99%	15.19%	14.47%	13.22%	Not available	11.01%	15.90%

Note: This schedule is intended to show information for 10 years. Additional years' information will be displayed as it becomes available

Notes to Schedule

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

- 1) Employers participating in the State Employee's Retirement System are required by RI General Laws, Section 36-10-2, to contribute an actuarially determined contribution rate each year.
- 2) In May 2017, the Employees' Retirement System of Rhode Island Board voted to lower the investment rate of return assumption from 7.5% to 7.0% which will be reflected in the determination of the net pension liability for the various plans administered by the System beginning with the June 30, 2017 measurement date valuations.
- 3) The amounts presented for each fiscal year were determined as of the June 30 measurement date prior to the fiscal year end.

*See accompanying notes to required supplementary information
See Independent Auditor's Report*

TOWN OF WEST WARWICK, RHODE ISLAND
SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS
OTHER POST-EMPLOYMENT BENEFITS PLAN
FOR THE LAST TEN YEARS*

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total OPEB liability						
Service cost	\$ 1,357,951	\$ 1,273,220	\$ 1,157,884	\$ 1,181,380	\$ 1,000,384	\$ 1,063,571
Interest	4,367,951	4,298,334	4,481,764	4,915,859	4,247,890	4,066,880
Changes of assumptions	-	981,145	2,959,620	(1,097,408)	-	(1,379,744)
Differences between expected and actual experience	503,929	(1,405,019)	(3,180,743)	(6,797,032)	7,929,261	1,719,595
Benefit payments	<u>(4,606,868)</u>	<u>(3,881,167)</u>	<u>(3,886,122)</u>	<u>(4,045,470)</u>	<u>(4,844,657)</u>	<u>(3,297,753)</u>
Net change in total OPEB liability	1,622,963	1,266,513	1,532,403	(5,842,671)	8,332,878	2,172,549
Total OPEB liability - beginning	63,305,816	62,039,303	60,506,900	66,349,571	58,016,693	55,844,144
Total OPEB liability - ending	<u>\$ 64,928,779</u>	<u>\$ 63,305,816</u>	<u>\$ 62,039,303</u>	<u>\$ 60,506,900</u>	<u>\$ 66,349,571</u>	<u>\$ 58,016,693</u>
Plan fiduciary net position						
Contributions - employer	\$ 4,061,755	\$ 4,444,857	\$ 5,218,060	\$ 4,548,824	\$ 4,270,977	\$ 3,646,994
Net investment income	(786,350)	1,133,384	142,995	182,659	199,561	189,167
Benefit payments	(4,606,868)	(3,881,167)	(3,886,122)	(4,045,470)	(4,844,657)	(3,297,753)
Administrative expense	<u>(15,590)</u>	<u>(12,575)</u>	<u>(7,588)</u>	<u>(6,257)</u>	<u>(5,568)</u>	<u>(3,990)</u>
Net change in plan fiduciary net position	(1,347,053)	1,684,499	1,467,345	679,756	(379,687)	534,418
Plan fiduciary net position - beginning	5,325,146	3,640,647	2,173,302	1,493,546	1,873,233	1,338,815
Plan fiduciary net position - ending	<u>\$ 3,978,093</u>	<u>\$ 5,325,146</u>	<u>\$ 3,640,647</u>	<u>\$ 2,173,302</u>	<u>\$ 1,493,546</u>	<u>\$ 1,873,233</u>
Plan's net pension liability - ending	<u>\$ 60,950,686</u>	<u>\$ 57,980,670</u>	<u>\$ 58,398,656</u>	<u>\$ 58,333,598</u>	<u>\$ 64,856,025</u>	<u>\$ 56,143,460</u>
Plan fiduciary net position as a percentage of the total OPEB liability	6.1%	8.4%	5.9%	3.6%	2.3%	3.2%
Covered payroll	\$ 42,665,542	\$ 37,524,825	\$ 35,945,463	\$ 39,892,830	\$ 40,918,261	\$ 39,534,552
Net OPEB liability as a percentage of covered payroll	142.9%	154.5%	162.5%	146.2%	158.5%	142.0%

*Note: This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.

*See accompanying notes to required supplementary information
See Independent Auditor's Report*

TOWN OF WEST WARWICK, RHODE ISLAND
SCHEDULE OF EMPLOYERS CONTRIBUTIONS
OTHER POST-EMPLOYMENT BENEFITS PLAN
FOR THE LAST TEN YEARS

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Actuarial determined contribution	\$ 5,641,265	\$ 5,471,405	\$ 5,451,021	\$ 5,855,458	\$ 4,956,467	\$ 4,759,537	\$ 4,485,667	\$ 4,712,809	\$ 4,803,612	\$ 7,552,618
Contributions in relation to the actuarially determined contribution	4,061,755	4,444,857	5,218,060	4,548,827	4,270,977	3,646,994	4,111,091	4,019,034	3,467,681	5,303,716
Contribution Deficiency (Excess)	\$ 1,579,510	\$ 1,026,548	\$ 232,961	\$ 1,306,631	\$ 685,490	\$ 1,112,543	\$ 374,576	\$ 693,775	\$ 1,335,931	\$ 2,248,902
Covered payroll	\$42,665,542	\$44,193,209	\$35,945,463	\$39,892,830	\$40,918,261	\$39,534,552	N/A	N/A	N/A	N/A
Contributions as a percentage of covered payroll	9.5%	10.1%	14.5%	11.4%	10.4%	9.2%	N/A	N/A	N/A	N/A

Notes to Required Supplementary Information:

Valuation date: June 30, 2022 with no adjustments to get to the June 30, 2022 measurement date.
Liabilities as of July 1, 2021 are based on an actuarial valuation date of July 1, 2020 projected to July 1, 2021 on a "no gain / loss" basis

Measurement date: June 30, 2022

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age
Amortization method	Level percentage of salary
Amortization period	22 years
Asset valuation method	Market value
Inflation	2.50% per year
Healthcare cost trend rates - medical	8.50% initial, decreasing 0.50% per year to an ultimate rate of 5.50%
Healthcare cost trend rates - dental	4.50% initial, decreasing 0.25% per year to an ultimate rate of 3.00%
Payroll growth	3.50% for valuation purposes, 2.50% for amortization purposes
Investment rate of return	7.00%
Mortality - Healthy Retirees - Public Safety	SOA Pub-2010 Public Safety Headcount Weighted Mortality Table with generational improvements from 2010 based assumptions form the 2021 SSA Trustees' Report
Mortality - Healthy Retirees - Teachers	SOA Pub-2010 Teachers Headcount Weighted Mortality Table with generational improvements from 2010 based assumptions form the 2021 SSA Trustees' Report
Mortality - All others	SOA Pub-2010 General Headcount Weighted Mortality Table with generational improvements from 2010 based assumptions form the 2021 SSA Trustees' Report

*See accompanying notes to required supplementary information
See Independent Auditor's Report*

TOWN OF WEST WARWICK, RHODE ISLAND
SCHEDULE OF INVESTMENT RETURNS
OTHER POST-EMPLOYMENT BENEFITS PLAN
FOR THE LAST TEN YEARS*

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Annual money-weighted rate of return, net of investment expense	-13.93%	25.00%	4.66%	9.62%	11.52%	11.53%

*Note: This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.

*See accompanying notes to required supplementary information
See Independent Auditor's Report*

Other Supplementary Information

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Nonmajor Governmental Funds

TOWN OF WEST WARWICK, RHODE ISLAND
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2022

	Special Revenue Funds - Town	Special Revenue Funds - School Restricted	Capital Project Funds	Debt Service Fund	Total Nonmajor Governmental Funds
Assets					
Cash and cash equivalents	\$ 3,763,522	\$ 237,730	\$ 128,501	\$ -	\$ 4,129,753
Restricted cash	-	-	-	-	-
Cash held in escrow	-	-	3,329,042	-	3,329,042
Restricted investments	-	-	-	-	-
Accounts receivable:	-	-	-	-	-
Intergovernmental	59,548	57,536	10,503	-	127,587
Other receivables	2,539	26,237	-	-	28,776
Due from other funds	1,815,607	167,670	3,765,756	-	5,749,033
Prepaid expenditures	-	-	-	-	-
Total Assets	<u>5,641,216</u>	<u>489,173</u>	<u>7,233,802</u>	<u>-</u>	<u>13,364,191</u>
Liabilities and Fund Balances					
Liabilities					
Accounts payable	\$ 77,840	\$ 71,113	\$ 485,087	\$ -	\$ 634,040
Due to other funds	575,867	35,093	243,783	-	854,743
Total liabilities	<u>653,707</u>	<u>106,206</u>	<u>728,870</u>	<u>-</u>	<u>1,488,783</u>
Deferred inflows of resources					
Deferred revenue	2,930,734	-	-	-	2,930,734
Total Deferred inflows of resources	<u>2,930,734</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,930,734</u>
Fund balances					
Nonspendable	-	-	-	-	-
Restricted	2,126,777	382,967	2,325,199	-	4,834,943
Committed	-	-	4,420,430	-	4,420,430
Assigned	-	-	-	-	-
Unassigned	(70,002)	-	(240,697)	-	(310,699)
Total fund balances	<u>2,056,775</u>	<u>382,967</u>	<u>6,504,932</u>	<u>-</u>	<u>8,944,674</u>
Total liabilities and fund balances	<u>\$ 5,641,216</u>	<u>\$ 489,173</u>	<u>\$ 7,233,802</u>	<u>\$ -</u>	<u>\$ 13,364,191</u>

See Independent Auditor's Report

TOWN OF WEST WARWICK, RHODE ISLAND
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2022

	Special Revenue Funds - Town	Special Revenue Funds - School Restricted	Capital Projects Funds	Debt Service Fund	Total Nonmajor Governmental Funds
Revenues					
Intergovernmental	\$ 2,731,720	\$ 6,653,477	\$ 317,629	\$ -	\$ 9,702,826
Charges for services	845,696	-	190,616	-	1,036,312
Contributions and private grants	-	44,450	-	-	44,450
Investment and interest income	-	-	-	19,929	19,929
Other revenue	12,674	156,345	-	-	169,019
Total revenues	<u>3,590,090</u>	<u>6,854,272</u>	<u>508,245</u>	<u>19,929</u>	<u>10,972,536</u>
Expenditures					
General government	1,225,916	-	-	-	1,225,916
Public Safety	868,410	-	-	-	868,410
Public Works	275,626	-	-	-	275,626
Library	247,565	-	-	-	247,565
Parks and recreation	11,632	-	-	-	11,632
Education	-	6,824,735	-	-	6,824,735
Debt Service	-	-	306,837	3,688,022	3,994,859
Capital Outlay	480,032	-	4,933,435	-	5,413,467
Total expenditures	<u>3,109,181</u>	<u>6,824,735</u>	<u>5,240,272</u>	<u>3,688,022</u>	<u>18,862,210</u>
Excess (deficiency) of revenues over (under) expenditures					
Before other financing sources (uses)	480,909	29,537	(4,732,027)	(3,668,093)	(7,889,674)
Other financing sources (uses)					
Transfers from other funds	-	-	1,761,040	188,000	1,949,040
Transfers to other funds	(226,977)	-	-	-	(226,977)
Proceeds from debt obligations - Bonds	-	-	7,000,000	-	7,000,000
Proceeds from debt obligations - Leases	-	-	340,000	-	340,000
Other	-	-	24	-	24
Total other financing sources (uses)	<u>(226,977)</u>	<u>-</u>	<u>9,101,064</u>	<u>188,000</u>	<u>9,062,087</u>
Net change in fund balance	253,932	29,537	4,369,037	(3,480,093)	1,172,413
Fund balance, July 1, 2021, restated	<u>1,802,843</u>	<u>353,430</u>	<u>2,135,895</u>	<u>3,480,093</u>	<u>7,772,261</u>
Fund balance, June 30, 2022	<u>\$ 2,056,775</u>	<u>\$ 382,967</u>	<u>\$ 6,504,932</u>	<u>\$ -</u>	<u>\$ 8,944,674</u>

TOWN OF WEST WARWICK, RHODE ISLAND
NONMAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS – TOWN
COMBINING BALANCE SHEET
JUNE 30, 2022

	Tricentennial Committee	Benjamin R. Vaughn	Annie Livsey Fund	Greene Cemetery Fund	Drug Evidence	Police Highway Grant	Police Highway Safety
Assets							
Cash and cash equivalent	\$ 1,014	\$ 1,107	\$ -	\$ -	\$ 283,011	\$ -	\$ -
Intergovernmental	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-
Total assets	1,014	1,107	-	-	283,011	-	-
Deferred outflows of resources							
Deferred outflows	-	-	-	-	-	-	-
Total deferred outflows of resources	-	-	-	-	-	-	-
Total assets and deferred outflows of resources	1,014	1,107	-	-	283,011	-	-
Liabilities							
Accounts payable and accrued liabilities	-	-	-	-	7,662	-	-
Due to other funds	-	-	-	-	2,424	-	2,890
Total liabilities	-	-	-	-	10,086	-	2,890
Deferred inflows of resources							
Deferred revenue	-	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-	-
Fund balance							
Restricted	1,014	1,107	-	-	272,925	-	-
Committed	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	(2,890)
Total fund balance	1,014	1,107	-	-	272,925	-	(2,890)
Total liabilities, deferred inflows of resources and fund balance	\$ 1,014	\$ 1,107	\$ -	\$ -	\$ 283,011	\$ -	\$ -

See Independent Auditor's Report

TOWN OF WEST WARWICK, RHODE ISLAND
NONMAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS – TOWN
COMBINING BALANCE SHEET
JUNE 30, 2022

	Brambley Bill Fund	LEAP	JAG Peer to Peer	Opioid Dist Settlement	Police Grants	Riverwalk Fund	Open Space Recreation
Assets							
Cash and cash equivalent	\$ 1,004	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
Due from other funds	5,517	-	-	195,836	-	10,124	269,021
Total assets	6,521	-	-	195,836	-	10,124	269,021
Deferred outflows of resources							
Deferred outflows	-	-	-	-	-	-	-
Total deferred outflows of resources	-	-	-	-	-	-	-
Total assets and deferred outflows of resources	6,521	-	-	195,836	-	10,124	269,021
Liabilities							
Accounts payable and accrued liabilities	-	-	-	-	-	-	170
Due to other funds	-	981	-	-	-	-	-
Total liabilities	-	981	-	-	-	-	170
Deferred inflows of resources							
Deferred revenue	-	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-	-
Fund balance							
Restricted	6,521	-	-	195,836	-	10,124	268,851
Committed	-	-	-	-	-	-	-
Unassigned	-	(981)	-	-	-	-	-
Total fund balance	6,521	(981)	-	195,836	-	10,124	268,851
Total liabilities, deferred inflows of resources and fund balance	\$ 6,521	\$ -	\$ -	\$ 195,836	\$ -	\$ 10,124	\$ 269,021

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TOWN OF WEST WARWICK, RHODE ISLAND
NONMAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS – TOWN
COMBINING BALANCE SHEET
JUNE 30, 2022

	JAG ARRA Fund	JAG Grant	Bulletproof Vest Partnership	Library Grants	Health Equity Zone Grant	Assistance to Firefighters - 2020	Assistance to Firefighters
Assets							
Cash and cash equivalent	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-	-	-
Miscellaneous	-	-	2,539	-	-	-	-
Due from other funds	1,012	-	-	-	6,483	-	13
Total assets	1,012	-	2,539	-	6,483	-	13
Deferred outflows of resources							
Deferred outflows	-	-	-	-	-	-	-
Total deferred outflows of resources	-	-	-	-	-	-	-
Total assets and deferred outflows of resources	1,012	-	2,539	-	6,483	-	13
Liabilities							
Accounts payable and accrued liabilities	-	-	-	-	-	-	-
Due to other funds	-	-	2,539	66,131	-	-	-
Total liabilities	-	-	2,539	66,131	-	-	-
Deferred inflows of resources							
Deferred revenue	-	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-	-
Fund balance							
Restricted	1,012	-	-	-	6,483	-	13
Committed	-	-	-	-	-	-	-
Unassigned	-	-	-	(66,131)	-	-	-
Total fund balance	1,012	-	-	(66,131)	6,483	-	13
Total liabilities, deferred inflows of resources and fund balance	\$ 1,012	\$ -	\$ 2,539	\$ -	\$ 6,483	\$ -	\$ 13

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TOWN OF WEST WARWICK, RHODE ISLAND
NONMAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS – TOWN
COMBINING BALANCE SHEET
JUNE 30, 2022

	Meds Contract Fund	Community Development Block Grant	NEU- American Rescue Plan	County- American Rescue Plan	Probate Court Registry	Revolving Fund	DARE Fund
Assets							
Cash and cash equivalent	\$ -	\$ -	\$ 1,516,594	\$ 1,948,896	\$ 2,381	\$ -	\$ 9,515
Intergovernmental	-	59,548	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
Due from other funds	3,857	-	-	-	-	1,033,520	-
Total assets	3,857	59,548	1,516,594	1,948,896	2,381	1,033,520	9,515
Deferred outflows of resources							
Deferred outflows	-	-	-	-	-	-	-
Total deferred outflows of resources	-	-	-	-	-	-	-
Total assets and deferred outflows of resources	3,857	59,548	1,516,594	1,948,896	2,381	1,033,520	9,515
Liabilities							
Accounts payable and accrued liabilities	-	-	6,091	62,922	-	35	-
Due to other funds	-	37,190	325,971	137,741	-	-	-
Total liabilities	-	37,190	332,062	200,663	-	35	-
Deferred inflows of resources							
Deferred revenue	-	-	1,183,643	1,747,091	-	-	-
Total deferred inflows of resources	-	-	1,183,643	1,747,091	-	-	-
Fund balance							
Restricted	3,857	22,358	889	1,142	2,381	1,033,485	9,515
Committed	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-
Total fund balance	3,857	22,358	889	1,142	2,381	1,033,485	9,515
Total liabilities, deferred inflows of resources and fund balance	\$ 3,857	\$ 59,548	\$ 1,516,594	\$ 1,948,896	\$ 2,381	\$ 1,033,520	\$ 9,515

See Independent Auditor's Report

TOWN OF WEST WARWICK, RHODE ISLAND
NONMAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS – TOWN
COMBINING BALANCE SHEET
JUNE 30, 2022

	Tower Rent Revolving Fund	Police Detail Car Fund	Demolition Revolving Fund	Animal Shelter Fund	Recreation Fund	Total Special Revenue Funds - Town
Assets						
Cash and cash equivalent	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,763,522
Intergovernmental	-	-	-	-	-	59,548
Miscellaneous	-	-	-	-	-	2,539
Due from other funds	45,852	87,176	132,246	22,910	2,040	1,815,607
Total assets	45,852	87,176	132,246	22,910	2,040	5,641,216
Deferred outflows of resources						
Deferred outflows	-	-	-	-	-	-
Total deferred outflows of resources	-	-	-	-	-	-
Total assets and deferred outflows of resources	45,852	87,176	132,246	22,910	2,040	5,641,216
Liabilities						
Accounts payable and accrued liabilities	-	-	-	960	-	77,840
Due to other funds	-	-	-	-	-	575,867
Total liabilities	-	-	-	960	-	653,707
Deferred inflows of resources						
Deferred revenue	-	-	-	-	-	2,930,734
Total deferred inflows of resources	-	-	-	-	-	2,930,734
Fund balance						
Restricted	45,852	87,176	132,246	21,950	2,040	2,126,777
Committed	-	-	-	-	-	-
Unassigned	-	-	-	-	-	(70,002)
Total fund balance	45,852	87,176	132,246	21,950	2,040	2,056,775
Total liabilities, deferred inflows of resources and fund balance	\$ 45,852	\$ 87,176	\$ 132,246	\$ 22,910	\$ 2,040	\$ 5,641,216

See Independent Auditor's Report

TOWN OF WEST WARWICK, RHODE ISLAND
NONMAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS – TOWN
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2022

	Tricentennial Committee	Benjamin R. Vaughn	Annie Livsey Fund	Greene Cemetery Fund	Drug Evidence	Police Highway Grant	Police Highway Safety
Revenues							
Intergovernmental	\$ -	\$ -	\$ 10,666	\$ -	\$ -	\$ -	\$ 2,661
Charges for services	1	1	-	-	79,976	-	-
Other revenue	-	-	-	-	-	-	-
Total revenues	1	1	10,666	-	79,976	-	2,661
Expenditures							
General Government	-	-	10,666	-	-	-	372
Public Safety	-	-	-	-	40,045	800	5,179
Public Works	-	-	-	-	-	-	-
Library	-	-	-	-	-	-	-
Parks and Recreation	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-
Total expenditures	-	-	10,666	-	40,045	800	5,551
Excess (deficiency) of revenues over (under) expenditures Before other financing sources (uses)	1	1	-	-	39,931	(800)	(2,890)
Other financing sources (uses)							
Transfers from other funds	-	-	-	-	-	-	-
Transfers to other funds	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Net change in fund balance	1	1	-	-	39,931	(800)	(2,890)
Fund balance, July 1, 2021	1,013	1,106	-	-	232,994	800	-
Fund balance, June 30, 2022	<u>\$ 1,014</u>	<u>\$ 1,107</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 272,925</u>	<u>\$ -</u>	<u>\$ (2,890)</u>

See Independent Auditor's Report

TOWN OF WEST WARWICK, RHODE ISLAND
NONMAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS – TOWN
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2022

	Brambley Bill Fund	LEAP	JAG Peer to Peer	Opioid Dist Settlement	Police Grants	Riverwalk Fund	Open Space Recreation
Revenues							
Intergovernmental	\$ -	\$ -	\$ -	\$ 195,836	\$ -	\$ -	\$ -
Charges for services	-	-	-	-	-	-	87,500
Other revenue	-	-	-	-	-	-	-
Total revenues	-	-	-	195,836	-	-	87,500
Expenditures							
General Government	-	981	-	-	-	-	-
Public Safety	-	-	433	-	438	-	-
Public Works	-	-	-	-	-	-	-
Library	-	-	-	-	-	-	-
Parks and Recreation	-	-	-	-	-	-	4,080
Capital Outlay	-	-	-	-	-	-	-
Total expenditures	-	981	433	-	438	-	4,080
Excess (deficiency) of revenues over (under) expenditures Before other financing sources (uses)	-	(981)	(433)	195,836	(438)	-	83,420
Other financing sources (uses)							
Transfers from other funds	-	-	-	-	-	-	-
Transfers to other funds	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Net change in fund balance	-	(981)	(433)	195,836	(438)	-	83,420
Fund balance, July 1, 2021	6,521	-	433	-	438	10,124	185,431
Fund balance, June 30, 2022	\$ 6,521	\$ (981)	\$ -	\$ 195,836	\$ -	\$ 10,124	\$ 268,851

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TOWN OF WEST WARWICK, RHODE ISLAND
NONMAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS – TOWN
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2022

	JAG ARRA Fund	JAG Fund	Bulletproof Vest Partnership	Library Grants	Health Equity Zone Grant	Assistance to Firefighters - 2020	Assistance to Firefighters
Revenues							
Intergovernmental	\$ -	\$ -	\$ 2,539	\$ 209,955	\$ -	\$ 150,632	\$ -
Charges for services	-	-	-	18,373	-	-	-
Other revenue	-	-	-	-	-	-	-
Total revenues	-	-	2,539	228,328	-	150,632	-
Expenditures							
General Government	-	-	-	-	-	164	-
Public Safety	-	-	-	-	517	150,468	-
Public Works	-	-	2,539	-	-	-	-
Library	-	-	-	247,565	-	-	-
Parks and Recreation	4,687	2,865	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-
Total expenditures	4,687	2,865	2,539	247,565	517	150,632	-
Excess (deficiency) of revenues over (under) expenditures Before other financing sources (uses)	(4,687)	(2,865)	-	(19,237)	(517)	-	-
Other financing sources (uses)							
Transfers from other funds	-	-	-	-	-	-	-
Transfers to other funds	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Net change in fund balance	(4,687)	(2,865)	-	(19,237)	(517)	-	-
Fund balance, July 1, 2021	5,699	2,865	-	(46,894)	7,000	-	13
Fund balance, June 30, 2022	\$ 1,012	\$ -	\$ -	\$ (66,131)	\$ 6,483	\$ -	\$ 13

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TOWN OF WEST WARWICK, RHODE ISLAND
NONMAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS – TOWN
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2022

	Meds Contract Fund	Community Development Block Grant	NEU- American Rescue Plan	County- American Rescue Plan	Probate Court Registry	Revolving Fund	DARE Fund
Revenues							
Intergovernmental	\$ -	\$ 748,914	\$ 332,062	\$ 1,065,674	\$ 2,381	\$ 10,400	\$ -
Charges for services	-	7,380	-	-	-	567,226	-
Other revenue	-	-	889	1,142	-	6,000	-
Total revenues	-	756,294	332,951	1,066,816	2,381	583,626	-
Expenditures							
General Government	-	-	105,085	1,065,674	-	34,088	-
Public Safety	-	-	-	-	-	515,063	-
Public Works	-	273,087	-	-	-	-	-
Library	-	-	-	-	-	-	-
Parks and Recreation	-	-	-	-	-	-	-
Capital Outlay	-	480,032	-	-	-	-	-
Total expenditures	-	753,119	105,085	1,065,674	-	549,151	-
Excess (deficiency) of revenues over (under) expenditures Before other financing sources (uses)	-	3,175	227,866	1,142	2,381	34,475	-
Other financing sources (uses)							
Transfers from other funds	-	-	-	-	-	-	-
Transfers to other funds	-	-	(226,977)	-	-	-	-
Total other financing sources (uses)	-	-	(226,977)	-	-	-	-
Net change in fund balance	-	3,175	889	1,142	2,381	34,475	-
Fund balance, July 1, 2021	3,857	19,183	-	-	-	999,010	9,515
Fund balance, June 30, 2022	\$ 3,857	\$ 22,358	\$ 889	\$ 1,142	\$ 2,381	\$ 1,033,485	\$ 9,515

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TOWN OF WEST WARWICK, RHODE ISLAND
NONMAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS – TOWN
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2022

	Tower Rent Revolving Fund	Police Detail Car Fund	Demolition Revolving Fund	Animal Shelter Fund	Recreation Fund	Total Special Revenue Funds - Town
Revenues						
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,731,720
Charges for services	-	73,999	1,335	9,905	-	845,696
Other revenue	-	-	-	4,643	-	12,674
Total revenues	-	73,999	1,335	14,548	-	3,590,090
Expenditures						
General Government	-	-	-	8,886	-	1,225,916
Public Safety	-	155,467	-	-	-	868,410
Public Works	-	-	-	-	-	275,626
Library	-	-	-	-	-	247,565
Parks and Recreation	-	-	-	-	-	11,632
Capital Outlay	-	-	-	-	-	480,032
Total expenditures	-	155,467	-	8,886	-	3,109,181
Excess (deficiency) of revenues over (under) expenditures Before other financing sources (uses)	-	(81,468)	1,335	5,662	-	480,909
Other financing sources (uses)						
Transfers from other funds	-	-	-	-	-	-
Transfers to other funds	-	-	-	-	-	(226,977)
Total other financing sources (uses)	-	-	-	-	-	(226,977)
Net change in fund balance	-	(81,468)	1,335	5,662	-	253,932
Fund balance, July 1, 2021	45,852	168,644	130,911	16,288	2,040	1,802,843
Fund balance, June 30, 2022	\$ 45,852	\$ 87,176	\$ 132,246	\$ 21,950	\$ 2,040	\$ 2,056,775

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TOWN OF WEST WARWICK, RHODE ISLAND
NONMAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS – SCHOOL RESTRICTED
COMBINING BALANCE SHEET
JUNE 30, 2022

	IDEA	Title I	Title II	Title III	Title IV	Perkins	Fresh Fruits & Vegetables
Assets							
Cash and cash equivalent	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investments	-	-	-	-	-	-	-
Intergovernmental	-	3,278	-	-	-	-	1,212
Other receivables	592	-	-	-	-	-	-
Due from other funds	-	-	918	-	575	-	-
Prepaid	-	-	-	-	-	-	-
Total assets	592	3,278	918	-	575	-	1,212
Deferred outflows of resources							
Deferred outflows	-	-	-	-	-	-	-
Total deferred outflows of resources	-	-	-	-	-	-	-
Total assets and deferred outflows of resources	592	3,278	918	-	575	-	1,212
Liabilities							
Accounts payable and accrued liabilities	-	-	-	-	100	-	-
Due to other funds	592	2,375	-	-	-	725	1,212
Total liabilities	592	2,375	-	-	100	725	1,212
Deferred inflows of resources							
Deferred inflows	-	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-	-
Fund balance							
Restricted	-	903	918	-	475	-	-
Unassigned	-	-	-	-	-	(725)	-
Total fund balance	-	903	918	-	475	(725)	-
Total liabilities, deferred inflows of resources and fund balance	\$ 592	\$ 3,278	\$ 918	\$ -	\$ 575	\$ -	\$ 1,212

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TOWN OF WEST WARWICK, RHODE ISLAND
NONMAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS – SCHOOL RESTRICTED
COMBINING BALANCE SHEET
JUNE 30, 2022

	Homeless Children and Youth	RI Emergency Management	Cares Act ESSER	ESSER II Priority I	ESSER II Priority II	ESSER II Universal Screening	ESSER II Priority IV
Assets							
Cash and cash equivalent	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investments	-	-	-	-	-	-	-
Intergovernmental	-	-	7,613	337	42,027	-	-
Other receivables	-	-	-	-	-	-	-
Due from other funds	-	311	-	-	7,401	-	-
Prepaid	-	-	-	-	-	-	-
Total assets	-	311	7,613	337	49,428	-	-
Deferred outflows of resources							
Deferred outflows	-	-	-	-	-	-	-
Total deferred outflows of resources	-	-	-	-	-	-	-
Total assets and deferred outflows of resources	-	311	7,613	337	49,428	-	-
Liabilities							
Accounts payable and accrued liabilities	-	-	-	153	49,428	-	-
Due to other funds	-	-	7,613	184	-	-	-
Total liabilities	-	-	7,613	337	49,428	-	-
Deferred inflows of resources							
Deferred inflows	-	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-	-
Fund balance							
Restricted	-	311	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-
Total fund balance	-	311	-	-	-	-	-
Total liabilities, deferred inflows of resources and fund balance	\$ -	\$ 311	\$ 7,613	\$ 337	\$ 49,428	\$ -	\$ -

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TOWN OF WEST WARWICK, RHODE ISLAND
NONMAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS – SCHOOL RESTRICTED
COMBINING BALANCE SHEET
JUNE 30, 2022

	ESSER II Priority V	ESSER II Other Priorities	ESSER III Extended Learning	ESSER III Other Priorities	ESSER III DSP Instruction	ARP Homeless	ARP ELC
Assets							
Cash and cash equivalent	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investments	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Other receivables	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-
Prepaid	-	-	-	-	-	-	-
Total assets	-	-	-	-	-	-	-
Deferred outflows of resources							
Deferred outflows	-	-	-	-	-	-	-
Total deferred outflows of resources	-	-	-	-	-	-	-
Total assets and deferred outflows of resources	-	-	-	-	-	-	-
Liabilities							
Accounts payable and accrued liabilities	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	-
Total liabilities	-	-	-	-	-	-	-
Deferred inflows of resources							
Deferred inflows	-	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-	-
Fund balance							
Restricted	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-
Total fund balance	-	-	-	-	-	-	-
Total liabilities, deferred inflows of resources and fund balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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TOWN OF WEST WARWICK, RHODE ISLAND
NONMAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS – SCHOOL RESTRICTED
COMBINING BALANCE SHEET
JUNE 30, 2022

	Pandemic EBT Local	ARRA Energy	Pre-School Expansion Supplemental	Comprehensive Literacy Develop Birth to PreK	Comprehensive Literacy Develop K-5	Education Innovation & Research	School Support System
Assets							
Cash and cash equivalent	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investments	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Other receivables	-	-	-	-	-	-	-
Due from other funds	-	1,162	-	-	-	-	180
Prepaid	-	-	-	-	-	-	-
Total assets	-	1,162	-	-	-	-	180
Deferred outflows of resources							
Deferred outflows	-	-	-	-	-	-	-
Total deferred outflows of resources	-	-	-	-	-	-	-
Total assets and deferred outflows of resources	-	1,162	-	-	-	-	180
Liabilities							
Accounts payable and accrued liabilities	-	-	-	-	-	-	-
Due to other funds	-	-	596	46	-	-	-
Total liabilities	-	-	596	46	-	-	-
Deferred inflows of resources							
Deferred inflows	-	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-	-
Fund balance							
Restricted	-	1,162	-	-	-	-	180
Unassigned	-	-	(596)	(46)	-	-	-
Total fund balance	-	1,162	(596)	(46)	-	-	180
Total liabilities, deferred inflows of resources and fund balance	\$ -	\$ 1,162	\$ -	\$ -	\$ -	\$ -	\$ 180

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TOWN OF WEST WARWICK, RHODE ISLAND
NONMAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS – SCHOOL RESTRICTED
COMBINING BALANCE SHEET
JUNE 30, 2022

	AWARE Services	State Grants	RI State Council for Arts	RISCA Pottery Grant	RI Council of Humanities	RI Department of Health	CTE Categorical Fund - 00	CTE Categorical Fund - 01
Assets								
Cash and cash equivalent	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investments	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	3,069	-	-
Other receivables	-	-	-	-	-	-	-	-
Due from other funds	-	3,649	964	240	1,839	-	37,780	35,947
Prepaid	-	-	-	-	-	-	-	-
Total assets	-	3,649	964	240	1,839	3,069	37,780	35,947
Deferred outflows of resources								
Deferred outflows	-	-	-	-	-	-	-	-
Total deferred outflows of resources	-	-	-	-	-	-	-	-
Total assets and deferred outflows of resources	-	3,649	964	240	1,839	3,069	37,780	35,947
Liabilities								
Accounts payable and accrued liabilities	-	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	1,655	-	-
Total liabilities	-	-	-	-	-	1,655	-	-
Deferred inflows of resources								
Deferred inflows	-	-	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-	-	-
Fund balance								
Restricted	-	3,649	964	240	1,839	1,414	37,780	35,947
Unassigned	-	-	-	-	-	-	-	-
Total fund balance	-	3,649	964	240	1,839	1,414	37,780	35,947
Total liabilities, deferred inflows of resources and fund balance	\$ -	\$ 3,649	\$ 964	\$ 240	\$ 1,839	\$ 3,069	\$ 37,780	\$ 35,947

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TOWN OF WEST WARWICK, RHODE ISLAND
NONMAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS – SCHOOL RESTRICTED
COMBINING BALANCE SHEET
JUNE 30, 2022

	CS4RI Grant	English Learner Categorical	Facilities Equity Initiative	School Building Authority	Champlain Foundation	Champlain Foundation DMS Music	RI Foundation Rotary Scholarship
Assets							
Cash and cash equivalent	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investments	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Other receivables	-	-	-	-	-	-	-
Due from other funds	16	136	-	-	6,425	8	1,044
Prepaid	-	-	-	-	-	-	-
Total assets	<u>16</u>	<u>136</u>	<u>-</u>	<u>-</u>	<u>6,425</u>	<u>8</u>	<u>1,044</u>
Deferred outflows of resources							
Deferred outflows	-	-	-	-	-	-	-
Total deferred outflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets and deferred outflows of resources	<u>16</u>	<u>136</u>	<u>-</u>	<u>-</u>	<u>6,425</u>	<u>8</u>	<u>1,044</u>
Liabilities							
Accounts payable and accrued liabilities	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred inflows of resources							
Deferred inflows	-	-	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance							
Restricted	16	136	-	-	6,425	8	1,044
Unassigned	-	-	-	-	-	-	-
Total fund balance	<u>16</u>	<u>136</u>	<u>-</u>	<u>-</u>	<u>6,425</u>	<u>8</u>	<u>1,044</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 16</u>	<u>\$ 136</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,425</u>	<u>\$ 8</u>	<u>\$ 1,044</u>

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TOWN OF WEST WARWICK, RHODE ISLAND
NONMAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS – SCHOOL RESTRICTED
COMBINING BALANCE SHEET
JUNE 30, 2022

	Nordson Corp	RI Interlocal Risk Management Grant	Tufts	Center for Civic Education	We the People	Thundermist Health Center	Thundermist PreSchool Development
Assets							
Cash and cash equivalent	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investments	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Other receivables	-	-	-	11,165	-	8,117	6,363
Due from other funds	66	437	255	-	972	3,266	-
Prepaid	-	-	-	-	-	-	-
Total assets	66	437	255	11,165	972	11,383	6,363
Deferred outflows of resources							
Deferred outflows	-	-	-	-	-	-	-
Total deferred outflows of resources	-	-	-	-	-	-	-
Total assets and deferred outflows of resources	66	437	255	11,165	972	11,383	6,363
Liabilities							
Accounts payable and accrued liabilities	-	-	-	200	-	336	-
Due to other funds	-	-	-	10,965	-	-	9,055
Total liabilities	-	-	-	11,165	-	336	9,055
Deferred inflows of resources							
Deferred inflows	-	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-	-
Fund balance							
Restricted	66	437	255	-	972	11,047	-
Unassigned	-	-	-	-	-	-	(2,692)
Total fund balance	66	437	255	-	972	11,047	(2,692)
Total liabilities, deferred inflows of resources and fund balance	\$ 66	\$ 437	\$ 255	\$ 11,165	\$ 972	\$ 11,383	\$ 6,363

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TOWN OF WEST WARWICK, RHODE ISLAND
NONMAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS – SCHOOL RESTRICTED
COMBINING BALANCE SHEET
JUNE 30, 2022

	Smile Grant	NE Dairy & Food Council	CASIT	RI Mentoring Partnership	I3 Grant	RIESS	Share our Strength Grant
Assets							
Cash and cash equivalent	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investments	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Other receivables	-	-	-	-	-	-	-
Due from other funds	-	223	5,773	17	19,605	2,940	1,000
Prepaid	-	-	-	-	-	-	-
Total assets	-	223	5,773	17	19,605	2,940	1,000
Deferred outflows of resources							
Deferred outflows	-	-	-	-	-	-	-
Total deferred outflows of resources	-	-	-	-	-	-	-
Total assets and deferred outflows of resources	-	223	5,773	17	19,605	2,940	1,000
Liabilities							
Accounts payable and accrued liabilities	-	-	-	-	6	-	-
Due to other funds	75	-	-	-	-	-	-
Total liabilities	75	-	-	-	6	-	-
Deferred inflows of resources							
Deferred inflows	-	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-	-
Fund balance							
Restricted	-	223	5,773	17	19,599	2,940	1,000
Unassigned	(75)	-	-	-	-	-	-
Total fund balance	(75)	223	5,773	17	19,599	2,940	1,000
Total liabilities, deferred inflows of resources and fund balance	\$ -	\$ 223	\$ 5,773	\$ 17	\$ 19,605	\$ 2,940	\$ 1,000

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TOWN OF WEST WARWICK, RHODE ISLAND
NONMAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS – SCHOOL RESTRICTED
COMBINING BALANCE SHEET
JUNE 30, 2022

	Google Donations	Summer School	DMS Play	Pre school	Student Activity	Total School Special Revenue Funds
Assets						
Cash and cash equivalent	\$ -	\$ -	\$ -	\$ -	\$ 237,730	\$ 237,730
Investments	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	57,536
Other receivables	-	-	-	-	-	26,237
Due from other funds	935	13,100	2,183	18,303	-	167,670
Prepaid	-	-	-	-	-	-
Total assets	<u>935</u>	<u>13,100</u>	<u>2,183</u>	<u>18,303</u>	<u>237,730</u>	<u>489,173</u>
Deferred outflows of resources						
Deferred outflows	-	-	-	-	-	-
Total deferred outflows of resources	-	-	-	-	-	-
Total assets and deferred outflows of resources	<u>935</u>	<u>13,100</u>	<u>2,183</u>	<u>18,303</u>	<u>237,730</u>	<u>489,173</u>
Liabilities						
Accounts payable and accrued liabilities	-	-	-	-	20,890	71,113
Due to other funds	-	-	-	-	-	35,093
Total liabilities	-	-	-	-	<u>20,890</u>	<u>106,206</u>
Deferred inflows of resources						
Deferred inflows	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-
Fund balance						
Restricted	935	13,100	2,183	18,303	216,840	382,967
Unassigned	-	-	-	-	-	-
Total fund balance	<u>935</u>	<u>13,100</u>	<u>2,183</u>	<u>18,303</u>	<u>216,840</u>	<u>382,967</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 935</u>	<u>\$ 13,100</u>	<u>\$ 2,183</u>	<u>\$ 18,303</u>	<u>\$ 237,730</u>	<u>\$ 489,173</u>

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TOWN OF WEST WARWICK, RHODE ISLAND
NONMAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS – SCHOOL RESTRICTED
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2022

	IDEA	Title I	Title II	Title III	Title IV	Perkins	Fresh Fruits & Vegetables
Revenues							
Intergovernmental	\$ 1,029,845	\$ 1,150,633	\$ 196,876	\$ 10,210	\$ 128,857	\$ 80,737	\$ 71,407
Contributions and private grants	-	-	-	-	-	-	-
Other revenues	-	-	-	-	-	-	-
Total revenues	<u>1,029,845</u>	<u>1,150,633</u>	<u>196,876</u>	<u>10,210</u>	<u>128,857</u>	<u>80,737</u>	<u>71,407</u>
Expenditures							
Education	<u>1,029,845</u>	<u>1,149,730</u>	<u>195,958</u>	<u>10,210</u>	<u>128,382</u>	<u>81,436</u>	<u>71,407</u>
Total expenditures	<u>1,029,845</u>	<u>1,149,730</u>	<u>195,958</u>	<u>10,210</u>	<u>128,382</u>	<u>81,436</u>	<u>71,407</u>
Excess (deficiency) of revenues over (under) expenditures Before other financing sources (uses)	-	903	918	-	475	(699)	-
Other financing sources (uses)							
Transfers from other funds	-	-	-	-	-	-	-
Transfers to other funds	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Net change in fund balance	-	903	918	-	475	(699)	-
Fund balance, July 1, 2021	-	-	-	-	-	(26)	-
Fund balance, June 30, 2022	<u>\$ -</u>	<u>\$ 903</u>	<u>\$ 918</u>	<u>\$ -</u>	<u>\$ 475</u>	<u>\$ (725)</u>	<u>\$ -</u>

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TOWN OF WEST WARWICK, RHODE ISLAND
NONMAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS – SCHOOL RESTRICTED
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2022

	Homeless Children and Youth	RI Emergency Management	Cares Act ESSER	ESSER II Priority I	ESSER II Priority II	ESSER II Universal Screening	ESSER II Priority IV
Revenues							
Intergovernmental	\$ 30,727	\$ -	\$ 65,198	\$ 119,184	\$ 1,369,667	\$ 427,542	\$ 543,086
Contributions and private grants	-	-	-	-	-	-	-
Other revenues	-	-	-	-	-	-	-
Total revenues	<u>30,727</u>	<u>-</u>	<u>65,198</u>	<u>119,184</u>	<u>1,369,667</u>	<u>427,542</u>	<u>543,086</u>
Expenditures							
Education	<u>30,727</u>	<u>-</u>	<u>65,198</u>	<u>119,184</u>	<u>1,369,667</u>	<u>427,542</u>	<u>543,086</u>
Total expenditures	<u>30,727</u>	<u>-</u>	<u>65,198</u>	<u>119,184</u>	<u>1,369,667</u>	<u>427,542</u>	<u>543,086</u>
Excess (deficiency) of revenues over (under) expenditures Before other financing sources (uses)	-	-	-	-	-	-	-
Other financing sources (uses)							
Transfers from other funds	-	-	-	-	-	-	-
Transfers to other funds	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	-	-	-	-	-	-	-
Fund balance, July 1, 2021	<u>-</u>	<u>311</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, June 30, 2022	<u>\$ -</u>	<u>\$ 311</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See Independent Auditor's Report

TOWN OF WEST WARWICK, RHODE ISLAND
NONMAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS – SCHOOL RESTRICTED
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2022

	ESSER II Priority V	ESSER II Other Priorities	ESSER III Extended Learning	ESSER III Other Priorities	ESSER III DSP Instruction	ARP Homeless	ARP ELC
Revenues							
Intergovernmental	\$ 293,763	\$ 6,017	\$ 15,730	\$ 28,925	\$ 34,267	\$ 31,778	\$ 105,985
Contributions and private grants	-	-	-	-	-	-	-
Other revenues	-	-	-	-	-	-	-
Total revenues	<u>293,763</u>	<u>6,017</u>	<u>15,730</u>	<u>28,925</u>	<u>34,267</u>	<u>31,778</u>	<u>105,985</u>
Expenditures							
Education	<u>293,763</u>	<u>6,017</u>	<u>15,730</u>	<u>28,925</u>	<u>34,267</u>	<u>31,778</u>	<u>105,985</u>
Total expenditures	<u>293,763</u>	<u>6,017</u>	<u>15,730</u>	<u>28,925</u>	<u>34,267</u>	<u>31,778</u>	<u>105,985</u>
Excess (deficiency) of revenues over (under) expenditures Before other financing sources (uses)	-	-	-	-	-	-	-
Other financing sources (uses)							
Transfers from other funds	-	-	-	-	-	-	-
Transfers to other funds	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	-	-	-	-	-	-	-
Fund balance, July 1, 2021	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, June 30, 2022	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See Independent Auditor's Report

TOWN OF WEST WARWICK, RHODE ISLAND
NONMAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS – SCHOOL RESTRICTED
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2022

	Pandemic EBT Local	ARRA Energy	Pre-School Expansion Supplemental	Comprehensive Literacy Develop Birth to PreK	Comprehensive Literacy Develop K-5	Education Innovation & Research	School Support System
Revenues							
Intergovernmental	\$ 3,684	\$ -	\$ -	\$ 299,486	\$ 296,429	\$ 3,975	\$ 9,696
Contributions and private grants	-	-	-	-	-	-	-
Other revenues	-	-	-	-	-	-	-
Total revenues	<u>3,684</u>	<u>-</u>	<u>-</u>	<u>299,486</u>	<u>296,429</u>	<u>3,975</u>	<u>9,696</u>
Expenditures							
Education	<u>3,684</u>	<u>-</u>	<u>-</u>	<u>299,486</u>	<u>296,429</u>	<u>3,975</u>	<u>9,516</u>
Total expenditures	<u>3,684</u>	<u>-</u>	<u>-</u>	<u>299,486</u>	<u>296,429</u>	<u>3,975</u>	<u>9,516</u>
Excess (deficiency) of revenues over (under) expenditures Before other financing sources (uses)	-	-	-	-	-	-	180
Other financing sources (uses)							
Transfers from other funds	-	-	-	-	-	-	-
Transfers to other funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	-	-	-	-	-	-	180
Fund balance, July 1, 2021	<u>-</u>	<u>1,162</u>	<u>(596)</u>	<u>(46)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, June 30, 2022	<u>\$ -</u>	<u>\$ 1,162</u>	<u>\$ (596)</u>	<u>\$ (46)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 180</u>

See Independent Auditor's Report

TOWN OF WEST WARWICK, RHODE ISLAND
NONMAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS – SCHOOL RESTRICTED
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2022

	AWARE Services	State Grants	RI State Council for Arts	RISCA Pottery Grant	RI Council of Humanities	RI Department of Health	CTE Categorical Fund - 00	CTE Categorical Fund - 01
Revenues								
Intergovernmental	\$ 92,247	\$ -	\$ -	\$ -	\$ -	\$ 6,658	\$ 110,184	\$ 38,309
Contributions and private grants	-	-	-	-	-	-	-	-
Other revenues	-	-	-	-	-	-	-	-
Total revenues	92,247	-	-	-	-	6,658	110,184	38,309
Expenditures								
Education	92,247	-	-	-	-	6,658	75,036	28,586
Total expenditures	92,247	-	-	-	-	6,658	75,036	28,586
Excess (deficiency) of revenues over (under) expenditures Before other financing sources (uses)	-	-	-	-	-	-	35,148	9,723
Other financing sources (uses)								
Transfers from other funds	-	-	-	-	-	-	-	-
Transfers to other funds	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Net change in fund balance	-	-	-	-	-	-	35,148	9,723
Fund balance, July 1, 2021	-	3,649	964	240	1,839	1,414	2,632	26,224
Fund balance, June 30, 2022	\$ -	\$ 3,649	\$ 964	\$ 240	\$ 1,839	\$ 1,414	\$ 37,780	\$ 35,947

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TOWN OF WEST WARWICK, RHODE ISLAND
NONMAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS – SCHOOL RESTRICTED
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2022

	CS4RI Grant	English Learner Categorical	Facilities Equity Initiative	School Building Authority	Champlain Foundation	Champlain Foundation DMS Music	RI Foundation Rotary Scholarship
Revenues							
Intergovernmental	\$ -	\$ 8,960	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions and private grants	-	-	-	-	-	-	-
Other revenues	-	-	-	-	-	-	-
Total revenues	-	8,960	-	-	-	-	-
Expenditures							
Education	-	8,960	-	-	-	-	-
Total expenditures	-	8,960	-	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures Before other financing sources (uses)	-	-	-	-	-	-	-
Other financing sources (uses)							
Transfers from other funds	-	-	-	-	-	-	-
Transfers to other funds	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Net change in fund balance	-	-	-	-	-	-	-
Fund balance, July 1, 2021	16	136	-	-	6,425	8	1,044
Fund balance, June 30, 2022	\$ 16	\$ 136	\$ -	\$ -	\$ 6,425	\$ 8	\$ 1,044

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TOWN OF WEST WARWICK, RHODE ISLAND
NONMAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS – SCHOOL RESTRICTED
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2022

	Nordson Corp	RI Interlocal Risk Management Grant	Tufts	Center for Civic Education	We the People	Thundermist Health Center	Thundermist PreSchool Development
Revenues							
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,117	\$ 35,298
Contributions and private grants	-	-	-	39,145	3,000	-	-
Other revenues	-	-	-	-	-	-	-
Total revenues	-	-	-	39,145	3,000	8,117	35,298
Expenditures							
Education	-	-	-	46,145	3,000	5,137	35,958
Total expenditures	-	-	-	46,145	3,000	5,137	35,958
Excess (deficiency) of revenues over (under) expenditures Before other financing sources (uses)	-	-	-	(7,000)	-	2,980	(660)
Other financing sources (uses)							
Transfers from other funds	-	-	-	-	-	-	-
Transfers to other funds	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Net change in fund balance	-	-	-	(7,000)	-	2,980	(660)
Fund balance, July 1, 2021	66	437	255	7,000	972	8,067	(2,032)
Fund balance, June 30, 2022	\$ 66	\$ 437	\$ 255	\$ -	\$ 972	\$ 11,047	\$ (2,692)

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TOWN OF WEST WARWICK, RHODE ISLAND
NONMAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS – SCHOOL RESTRICTED
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2022

	Smile Grant	NE Dairy & Food Council	CASIT	RI Mentoring Partnership	I3 Grant	RIESS	Share our Strength Grant
Revenues							
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions and private grants	1,200	-	-	-	-	-	-
Other revenues	-	-	-	-	-	-	-
Total revenues	1,200	-	-	-	-	-	-
Expenditures							
Education	1,290	-	705	-	-	-	-
Total expenditures	1,290	-	705	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures Before other financing sources (uses)	(90)	-	(705)	-	-	-	-
Other financing sources (uses)							
Transfers from other funds	-	-	-	-	-	-	-
Transfers to other funds	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Net change in fund balance	(90)	-	(705)	-	-	-	-
Fund balance, July 1, 2021	15	223	6,478	17	19,599	2,940	1,000
Fund balance, June 30, 2022	\$ (75)	\$ 223	\$ 5,773	\$ 17	\$ 19,599	\$ 2,940	\$ 1,000

See Independent Auditor's Report

TOWN OF WEST WARWICK, RHODE ISLAND
NONMAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS – SCHOOL RESTRICTED
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2022

	Google Donations	Summer School	DMS Play	Pre school	Student Activity	Total School Special Revenue Funds
Revenues						
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,653,477
Contributions and private grants	-	-	-	1,105	-	44,450
Other revenues	-	-	-	685	155,660	156,345
Total revenues	-	-	-	1,790	155,660	6,854,272
Expenditures						
Education	-	-	-	5,887	163,199	6,824,735
Total expenditures	-	-	-	5,887	163,199	6,824,735
Excess (deficiency) of revenues over (under) expenditures Before other financing sources (uses)	-	-	-	(4,097)	(7,539)	29,537
Other financing sources (uses)						
Transfers from other funds	-	-	-	-	-	-
Transfers to other funds	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Net change in fund balance	-	-	-	(4,097)	(7,539)	29,537
Fund balance, July 1, 2021	935	13,100	2,183	22,400	224,379	353,430
Fund balance, June 30, 2022	<u>\$ 935</u>	<u>\$ 13,100</u>	<u>\$ 2,183</u>	<u>\$ 18,303</u>	<u>\$ 216,840</u>	<u>\$ 382,967</u>

See Independent Auditor's Report

TOWN OF WEST WARWICK, RHODE ISLAND
NONMAJOR GOVERNMENTAL FUNDS
CAPITAL PROJECTS
COMBINING BALANCE SHEET
JUNE 30, 2022

	Town Capital Projects		School Capital Projects						Total Capital Projects Funds
	EMS Rescue Fund	Town Capital Project Fund	School Facilities Equity Capital	School Building Authority Capital Fund	School Capital Project Fund	Other Capital Projects-	Fire Code Capital Projects	Wireless Classroom Initiative	
Assets									
Cash and cash equivalent	\$ 128,501	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 128,501
Cash held in escrow	340,000	2,989,042	-	-	-	-	-	-	3,329,042
Intergovernmental	-	4,260	-	76	-	-	-	6,167	10,503
Due from other funds	369,492	1,058,029	-	-	2,330,816	-	7,419	-	3,765,756
Total assets	837,993	4,051,331	-	76	2,330,816	-	7,419	6,167	7,233,802
Deferred outflows of resources									
Deferred outflows	-	-	-	-	-	-	-	-	-
Total deferred outflows of resources	-	-	-	-	-	-	-	-	-
Total assets and deferred outflows of resources	837,993	4,051,331	-	76	2,330,816	-	7,419	6,167	7,233,802
Liabilities									
Accounts payable and accrued liabilities	-	468,894	50	-	16,143	-	-	-	485,087
Due to other funds	-	-	169,147	76	-	71,500	-	3,060	243,783
Total liabilities	-	468,894	169,197	76	16,143	71,500	-	3,060	728,870
Deferred inflows of resources									
Unavailable revenue - loans receivable	-	-	-	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-	-	-	-
Fund balance									
Nonspendable	-	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	2,314,673	-	7,419	3,107	2,325,199
Committed	837,993	3,582,437	-	-	-	-	-	-	4,420,430
Unassigned	-	-	(169,197)	-	-	(71,500)	-	-	(240,697)
Total fund balance	837,993	3,582,437	(169,197)	-	2,314,673	(71,500)	7,419	3,107	6,504,932
Total liabilities, deferred inflows of resources and fund balance	\$ 837,993	\$ 4,051,331	\$ -	\$ 76	\$ 2,330,816	\$ -	\$ 7,419	\$ 6,167	\$ 7,233,802

See Independent Auditor's Report

TOWN OF WEST WARWICK, RHODE ISLAND
NONMAJOR GOVERNMENTAL FUNDS
CAPITAL PROJECTS
COMBINING STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2022

	Town Capital Projects		School Capital Projects						Total Capital Projects Funds
	EMS Rescue Fund	Town Capital Project Fund	School Facilities Equity Capital	School Building Authority Capital Fund	School Capital Project Fund	Other Capital Projects-	Fire Code Capital Projects	Wireless Classroom Initiative	
Revenues									
Intergovernmental	\$ -	\$ 25,079	\$ -	\$ 2,412	\$ 290,138	\$ -	\$ -	\$ -	\$ 317,629
Charges for services	190,616	-	-	-	-	-	-	-	190,616
Other revenue	-	-	-	-	-	-	-	-	-
Total revenues	190,616	25,079	-	2,412	290,138	-	-	-	508,245
Expenditures									
Capital outlay	65,326	4,450,979	169,197	2,412	174,021	71,500	-	-	4,933,435
Debt service	209,087	97,750	-	-	-	-	-	-	306,837
Total expenditures	274,413	4,548,729	169,197	2,412	174,021	71,500	-	-	5,240,272
Excess (deficiency) of revenues over (under) expenditures Before other financing sources (uses)	(83,797)	(4,523,650)	(169,197)	-	116,117	(71,500)	-	-	(4,732,027)
Other financing sources (uses)									
Proceeds from bond	-	7,000,000	-	-	-	-	-	-	7,000,000
Proceeds from lease	340,000	-	-	-	-	-	-	-	340,000
Other	-	24	-	-	-	-	-	-	24
Transfers from other funds	-	511,040	-	-	1,250,000	-	-	-	1,761,040
Transfers to other funds	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	340,000	7,511,064	-	-	1,250,000	-	-	-	9,101,064
Net change in fund balance	256,203	2,987,414	(169,197)	-	1,366,117	(71,500)	-	-	4,369,037
Fund balance, July 1, 2021, Restated	581,790	595,023	-	-	948,556	-	7,419	3,107	2,135,895
Fund balance, June 30, 2022	\$ 837,993	\$ 3,582,437	\$ (169,197)	\$ -	\$ 2,314,673	\$ (71,500)	\$ 7,419	\$ 3,107	\$ 6,504,932

See Independent Auditor's Report

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Internal Service Funds

TOWN OF WEST WARWICK, RHODE ISLAND
COMBINING STATEMENT OF NET POSITION – INTERNAL SERVICE FUNDS
JUNE 30, 2022

	Internal Service Funds		
	Healthcare Management Fund	Energy Efficiency Fund	Total
Assets			
Current assets			
Other receivables	\$ 62,311	\$ 11,052	\$ 73,363
Due from other funds	1,447,740	1,572,802	3,020,542
Prepaid expenses	-	680,314	680,314
Total current assets	<u>1,510,051</u>	<u>2,264,168</u>	<u>3,774,219</u>
Noncurrent assets			
Right to use asset, net of accumulated amortization	-	1,616,406	1,616,406
Capital assets, net of accumulated depreciation	-	15,041,910	15,041,910
Total noncurrent assets	<u>-</u>	<u>16,658,316</u>	<u>16,658,316</u>
Total assets	<u>1,510,051</u>	<u>18,922,484</u>	<u>20,432,535</u>
Liabilities			
Current liabilities			
Accounts payable	929,960	10,351	940,311
Accrued liabilities	-	9,031	9,031
Accrued interest payable	-	176,057	176,057
Due to other funds	523,229	-	523,229
Current portion of long-term obligations	-	857,000	857,000
Current portion of lease liability	-	113,400	113,400
Total current liabilities	<u>1,453,189</u>	<u>1,165,839</u>	<u>2,619,028</u>
Noncurrent liabilities			
Bonds and loans payable	-	15,476,000	15,476,000
Lease liability	-	1,676,419	1,676,419
Total noncurrent liabilities	<u>-</u>	<u>17,152,419</u>	<u>17,152,419</u>
Total liabilities	<u>1,453,189</u>	<u>18,318,258</u>	<u>19,771,447</u>
Net Position			
Net investment in capital assets	-	(1,464,503)	(1,464,503)
Unrestricted	56,862	2,068,729	2,125,591
Total Net Position	<u>\$ 56,862</u>	<u>\$ 604,226</u>	<u>\$ 661,088</u>

See Independent Auditor's Report

TOWN OF WEST WARWICK, RHODE ISLAND
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN NET POSITION – INTERNAL SERVICE FUND
FOR THE YEAR ENDED JUNE 30, 2022

	Internal Service Funds		
	Healthcare Management Fund	Energy Efficiency Fund	Total
Operating Revenues			
Charges for services	\$ 12,006,742	\$ 1,599,259	\$ 13,606,001
Other revenues	489,470	592,724	1,082,194
Total revenues	<u>12,496,212</u>	<u>2,191,983</u>	<u>14,688,195</u>
Operating Expenses			
Operations and supplies	-	234,959	234,959
Claims	10,781,471	-	10,781,471
Administration	1,657,879	-	1,657,879
Depreciation and amortization	-	867,222	867,222
Total operating expenses	<u>12,439,350</u>	<u>1,102,181</u>	<u>13,541,531</u>
Operating Income (loss)	<u>56,862</u>	<u>1,089,802</u>	<u>1,146,664</u>
Nonoperating Revenues (Expenses)			
Interest expense	-	(531,356)	(531,356)
Income (Loss) Before Transfers	56,862	558,446	615,308
Transfer In	-	-	-
Change in net position	56,862	558,446	615,308
Net Position at Beginning of Year, restated	-	45,780	45,780
Net Position at End of Year	<u>\$ 56,862</u>	<u>\$ 604,226</u>	<u>\$ 661,088</u>

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Other Schedules

TOWN OF WEST WARWICK, RHODE ISLAND
TAX COLLECTOR'S ANNUAL REPORT
FOR THE YEAR ENDED JUNE 30, 2022

Tax Roll Year	Mill Rate	Balance July 1, 2021	Current year assessment	Transfers Addendums (net)	Abatements/ Adjustments	Amount to be collected	Collections Net of Refunds	Balance, June 30, 2022	July-August 2021 Collections Subject to 60-Day FY21 Accrual	September - June 2022 Collections	Total FY 2022 Cash Collections
2021	23.00	\$ -	\$ 68,937,375	\$ (93,923)	\$ 42,101	\$ 68,885,553	\$ 67,668,946	\$ 1,216,607	\$ -	\$ 67,668,946	\$ 67,668,946
2020	23.00	1,304,777	-	56,146	(3,306)	1,357,617	1,148,483	209,134	303,524	844,959	1,148,483
2019	22.57	397,111	-	1,131	(166)	398,076	227,139	170,937	33,977	193,162	227,139
2018	27.18	237,699	-	796	(486)	238,009	62,361	175,648	16,008	46,353	62,361
2017	26.31	162,516	-	1,511	(2,498)	161,529	23,373	138,156	4,179	19,194	23,373
2016	25.84	143,907	-	173	(649)	143,431	4,464	138,967	810	3,654	4,464
2015	25.96	159,969	-	-	-	159,969	3,230	156,739	949	2,281	3,230
2014	25.39	172,112	-	-	(978)	171,134	6,056	165,078	1,120	4,936	6,056
2013	24.67	173,326	-	-	(1,100)	172,226	4,583	167,643	468	4,115	4,583
2012	21.40	127,545	-	(117)	(723)	126,705	3,656	123,049	38	3,618	3,656
2011	21.40	96,642	-	-	(327)	96,315	1,973	94,342	272	1,701	1,973
2010	16.82	78,636	-	277	(586)	78,327	1,036	77,291	328	708	1,036
2009 and prior	Various	558,286	-	168	(50,961)	507,493	4,395	503,098	1,026	3,369	4,395
		<u>\$ 3,612,526</u>	<u>\$ 68,937,375</u>		<u>\$ (19,679)</u>	<u>\$ 72,496,384</u>	<u>\$ 69,159,695</u>	<u>\$ 3,336,689</u>	<u>\$ 362,699</u>	<u>\$ 68,796,996</u>	<u>\$ 69,159,695</u>
Less allowance for uncollectible accounts		<u>\$ (1,627,000)</u>						<u>\$ (1,659,000)</u>			
Net property taxes receivables		<u>\$ 1,985,526</u>						<u>\$ 1,677,689</u>			

See Independent Auditor's Report

TOWN OF WEST WARWICK, RHODE ISLAND
SCHEDULE OF PROPERTY TAXES RECEIVABLE
FOR THE YEAR ENDED JUNE 30, 2022

SCHEDULE OF NET ASSESSED PROPERTY VALUE BY CATEGORY

Description of Property	Valuations December 31, 2020	Levy July 1, 2021
Real Property	\$ 2,329,417,620	\$ 58,590,720
Motor Vehicles	\$ 261,271,991	\$ 3,074,686
Tangible	\$ 159,052,720	\$ 7,271,969
Total	\$ 2,749,742,331	\$ 68,937,375
Exemptions	\$ (217,124,624)	\$ -
<i>Net assessed value</i>	<u>\$ 2,532,617,707</u>	<u>\$ 68,937,375</u>

RECONCILLATION OF CURRENT YEAR PROPERTY TAX REVENUE

Current year collections	\$ 69,159,695
July - August 2022 Collections Subject to 60-day FY22 Accrual	\$ 231,870
	<u>\$ 69,391,565</u>
July - August 2021 Collections Subject to 60-day FY21 Accrual	\$ (362,699)
	<u>\$ (362,699)</u>
Current year property tax revenue	<u>\$ 69,028,866</u>

See Independent Auditor's Report

TOWN OF WEST WARWICK, RHODE ISLAND
ANNUAL SUPPLEMENTAL TRANSPARENCY REPORT (MTP2)
FOR THE YEAR ENDED JUNE 30, 2022

OTHER SUPPLEMENTARY INFORMATION

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

Annual Supplemental Transparency Report (MTP2) – Revenue

Annual Supplemental Transparency Report (MTP2) – Expenditures

Combining Schedule of Reportable Government Services with Reconciliation to MTP2 - Municipal

Combining Schedule of Reportable Government Services with Reconciliation to MTP2 – Education
Department

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

TOWN OF WEST WARWICK, RHODE ISLAND
ANNUAL SUPPLEMENTAL TRANSPARENCY REPORT (MTP2)
FOR THE YEAR ENDED JUNE 30, 2022

<u>REVENUE</u>	<u>Municipal</u>	<u>Education Department</u>
Current Year Levy Tax Collection	\$ 67,851,883	\$ -
Last Year's Levy Tax Collection	844,877	-
Prior Years Property Tax Collection	308,466	-
Interest & Penalty	514,306	-
PILOT & Tax Treaty (excluded from levy) Collection	70,890	-
Other Local Property Taxes	-	-
Licenses and Permits	1,676,832	-
Fines and Forfeitures	-	-
Investment Income	22,983	-
Departmental	528,837	-
Rescue Run Revenue	1,040,468	-
Police & Fire Detail	617,949	-
Other Local Non-Property Tax Revenues	39,676	-
Tuition	-	242,516
Impact Aid	-	-
Medicaid	-	527,917
Federal Stabilization Funds	-	-
Federal Food Service Reimbursement	-	1,850,213
CDBG	55,244	-
COPS Grants	5,200	-
SAFER Grants	-	-
Other Federal Aid Funds	172,276	3,401,125
COVID - ESSER	-	3,044,826
COVID - CRF	-	-
COVID - CDBG	-	-
COVID - FEMA	38,672	-
COVID - Other	-	-
COVID - ARPA	1,253,942	-
MV Excise Tax Reimbursement	238,429	-
State PILOT Program	-	-
Distressed Community Relief Fund	953,745	-
Library Resource Aid	-	-
Library Construction Aid	-	-
Public Service Corporation Tax	358,481	-
Meals & Beverage Tax / Hotel Tax	571,729	-
LEA Aid	-	30,878,318
Group Home	-	-
Housing Aid Capital Projects	-	200,138
Housing Aid Bonded Debt	694,354	-
State Food Service Revenue	-	11,862
Incentive Aid	-	-
Property Revaluation Reimbursement	-	-
Other State Revenue	-	256,522
Motor Vehicle Phase Out	2,360,629	-
Other Revenue	-	408,379
Local Appropriation for Education	-	32,357,516
Regional Appropriation for Education	-	-
Supplemental Appropriation for Education	-	-
Regional Supplemental Appropriation for Education	-	-
Other Education Appropriation	-	-
Rounding	-	-
Total Revenue	<u>\$ 80,219,867</u>	<u>\$ 73,179,332</u>
Financing Sources: Transfer from Capital Funds	\$ -	\$ -
Financing Sources: Transfer from Other Funds	236,977	-
Financing Sources: Debt Proceeds	-	-
Financing Sources: Other	-	-
Rounding	-	-
Total Other Financing Sources	<u>\$ 236,977</u>	<u>\$ -</u>

See Independent Auditor's Report

TOWN OF WEST WARWICK, RHODE ISLAND
ANNUAL SUPPLEMENTAL TRANSPARENCY REPORT (MTP2)
FOR THE YEAR ENDED JUNE 30, 2022

<u>EXPENDITURES</u>	<u>General Government</u>	<u>Finance</u>	<u>Social Services</u>	<u>Centralized IT</u>	<u>Planning</u>	<u>Libraries</u>	<u>Public Works</u>	<u>Parks and Rec</u>	<u>Police Department</u>
Compensation- Group A	\$ 1,033,851	\$ 738,976	\$ -	\$ -	\$ 99,414	\$ 447,259	\$ 1,407,667	\$ 255,855	\$ 4,121,036
Compensation - Group B	-	-	-	-	-	-	-	-	296,714
Compensation - Group C	-	-	-	-	-	-	-	-	-
Compensation -Volunteer	-	-	-	-	-	-	-	-	-
Overtime- Group A	12,795	3,180	-	-	-	-	176,124	22,209	1,079,139
Overtime - Group B	-	-	-	-	-	-	-	-	290,537
Overtime - Group C	-	-	-	-	-	-	-	-	-
Police & Fire Detail	-	-	-	-	-	-	-	-	481,812
Active Medical Insurance- Group A	349,709	219,295	-	-	10,400	95,245	450,502	98,376	663,046
Active Medical Insurance- Group B	-	-	-	-	-	-	-	-	178,513
Active Medical Insurance- Group C	-	-	-	-	-	-	-	-	-
Active Dental Insurance- Group A	14,741	15,815	-	-	1,285	3,279	27,240	7,064	51,463
Active Dental Insurance- Group B	-	-	-	-	-	-	-	-	13,855
Active Dental Insurance- Group C	-	-	-	-	-	-	-	-	-
Payroll Taxes	139,693	55,190	-	-	9,083	34,109	110,828	27,648	448,885
Life Insurance	2,584	1,710	-	-	587	-	4,315	931	23,000
State Defined Contribution- Group A	195	-	-	-	-	-	952	382	-
State Defined Contribution - Group B	-	-	-	-	-	-	-	-	387
State Defined Contribution - Group C	-	-	-	-	-	-	-	-	-
Other Benefits- Group A	1,126,263	900	-	-	-	400	5,100	900	327,822
Other Benefits- Group B	-	-	-	-	-	-	-	-	720
Other Benefits- Group C	-	-	-	-	-	-	-	-	-
Local Defined Benefit Pension- Group A	275,807	275,807	-	-	34,476	199,339	930,848	172,379	3,202,269
Local Defined Benefit Pension - Group B	-	-	-	-	-	-	-	-	379,234
Local Defined Benefit Pension - Group C	-	-	-	-	-	-	-	-	-
State Defined Benefit Pension- Group A	155,995	-	-	-	-	-	5,214	2,482	14,697
State Defined Benefit Pension - Group B	-	-	-	-	-	-	-	-	1,438
State Defined Benefit Pension - Group C	-	-	-	-	-	-	-	-	-
Other Defined Benefit / Contribution	35,602	20,186	-	-	2,112	4,433	6,091	2,195	7,230
Purchased Services	445,624	61,804	-	-	-	20,954	61,266	-	85,012
Materials/Supplies	54,530	28,367	-	-	82	-	117,543	119,245	36,135
Software Licenses	28,272	39,387	-	-	2,343	-	-	-	36,106
Capital Outlays	-	-	-	-	-	15,667	-	93,588	147,498
Insurance	529,978	-	-	-	-	-	-	-	-
Maintenance	79,303	-	-	-	-	19,152	-	15,236	4,736
Vehicle Operations	-	-	-	-	-	-	260,632	-	56,862
Utilities	109,112	-	-	-	-	54,662	-	-	98,834
Contingency	-	-	-	-	-	-	-	-	-
Street Lighting	-	-	-	-	-	-	73,872	-	-
Revaluation	-	358,000	-	-	-	-	-	-	-
Snow Removal-Raw Material & External Contracts	-	-	-	-	-	-	200,927	-	-
Trash Removal & Recycling	-	-	-	-	-	-	1,317,107	-	-
Claims & Settlements	11,771	-	-	-	-	-	-	-	-
Community Support	32,284	-	-	-	-	-	-	-	-
Other Operation Expenditures	167,510	2,271	223,000	-	45,923	34,550	276,190	-	315,217
Tipping Fees	-	-	-	-	-	-	511,375	-	-
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	\$ 4,605,617	\$ 1,820,889	\$ 223,000	\$ -	\$ 205,707	\$ 929,049	\$ 5,943,793	\$ 818,491	\$ 12,362,198

TOWN OF WEST WARWICK, RHODE ISLAND
ANNUAL SUPPLEMENTAL TRANSPARENCY REPORT (MTP2)
FOR THE YEAR ENDED JUNE 30, 2022

EXPENDITURES	Fire Department	Centralized Dispatch	Public Safety Other	Education Appropriation	Debt	OPEB	Total Municipal	Education Department
Compensation- Group A	\$ 5,340,725	\$ -	\$ 4,450	\$ -	\$ -	\$ -	\$ 13,449,232	\$ 30,411,229
Compensation - Group B	275,127	-	-	-	-	-	571,842	3,181,376
Compensation - Group C	-	-	-	-	-	-	-	5,828,162
Compensation - Volunteer	-	-	-	-	-	-	-	-
Overtime - Group A	1,638,581	-	-	-	-	-	2,932,027	-
Overtime - Group B	173,789	-	-	-	-	-	464,326	-
Overtime - Group C	-	-	-	-	-	-	-	92,324
Police & Fire Detail	16,416	-	-	-	-	-	498,228	-
Active Medical Insurance - Group A	1,171,422	-	-	-	-	-	3,057,996	4,995,212
Active Medical Insurance- Group B	124,242	-	-	-	-	-	302,754	434,289
Active Medical Insurance- Group C	-	-	-	-	-	-	-	1,803,416
Active Dental Insurance- Group A	74,311	-	-	-	-	-	195,198	299,474
Active Dental Insurance- Group B	7,882	-	-	-	-	-	21,737	28,167
Active Dental Insurance- Group C	-	-	-	-	-	-	-	122,034
Payroll Taxes	567,739	-	340	-	-	-	1,393,517	2,954,799
Life Insurance	50,601	-	-	-	-	-	83,729	397,004
State Defined Contribution- Group A	-	-	-	-	-	-	1,529	165,111
State Defined Contribution - Group B	-	-	-	-	-	-	387	14,469
State Defined Contribution - Group C	-	-	-	-	-	-	-	6,123
Other Benefits- Group A	154,496	-	-	-	-	-	1,615,881	278,007
Other Benefits- Group B	-	-	-	-	-	-	720	65,620
Other Benefits- Group C	-	-	-	-	-	-	-	121,331
Local Defined Benefit Pension- Group A	3,064,666	-	-	-	-	-	8,155,591	32,120
Local Defined Benefit Pension - Group B	68,964	-	-	-	-	-	448,198	156,373
Local Defined Benefit Pension - Group C	-	-	-	-	-	-	-	1,589,156
State Defined Benefit Pension- Group A	7,893	-	-	-	-	-	186,281	4,363,995
State Defined Benefit Pension - Group B	-	-	-	-	-	-	1,438	419,377
State Defined Benefit Pension - Group C	-	-	-	-	-	-	-	41,419
Other Defined Benefit / Contribution	7,159	-	-	-	-	-	85,007	-
Purchased Services	146,049	-	-	-	-	-	820,709	8,905,370
Materials/Supplies	59,343	-	1,935	-	-	-	417,180	993,152
Software Licenses	10,092	-	-	-	-	-	116,201	141,162
Capital Outlays	65,327	-	-	-	-	-	322,080	1,108,634
Insurance	-	-	-	-	-	-	529,978	232,624
Maintenance	-	-	-	-	-	-	118,427	289,389
Vehicle Operations	212,807	-	-	-	-	-	530,302	13,793
Utilities	454,802	-	-	-	-	-	717,411	661,326
Contingency	-	-	-	-	-	-	-	-
Street Lighting	-	-	-	-	-	-	73,872	-
Revaluation	-	-	-	-	-	-	358,000	-
Snow Removal-Raw Material & External Contracts	-	-	-	-	-	-	200,927	-
Trash Removal & Recycling	-	-	-	-	-	-	1,317,107	-
Claims & Settlements	-	-	-	-	-	-	11,771	-
Community Support	-	-	-	-	-	-	32,284	-
Other Operation Expenditures	179,825	-	6,660	-	-	-	1,251,148	251,436
Tipping Fees	-	-	-	-	-	-	511,375	-
Local Appropriation for Education	-	-	-	32,357,516	-	-	32,357,516	-
Regional Appropriation for Education	-	-	-	-	-	-	-	-
Supplemental Appropriation for Education	-	-	-	-	-	-	-	-
Regional Supplemental Appropriation for Education	-	-	-	-	-	-	-	-
Other Education Appropriation	-	-	-	-	-	-	-	-
Municipal Debt- Principal	-	-	-	-	1,993,270	-	1,993,270	-
Municipal Debt- Interest	-	-	-	-	317,996	-	317,996	-
School Debt- Principal	-	-	-	-	4,668,022	-	4,668,022	-
School Debt- Interest	-	-	-	-	153,826	-	153,826	-
Retiree Medical Insurance- Total	-	-	-	-	-	2,400,000	2,400,000	-
Retiree Dental Insurance- Total	-	-	-	-	-	150,000	150,000	-
OPEB Contribution- Total	-	-	-	-	-	-	-	738,133
Rounding	-	-	-	-	-	-	-	-
Total Expenditures	\$ 13,872,259	\$ -	\$ 13,386	\$ 32,357,516	\$ 7,133,115	\$ 2,550,000	\$ 82,835,018	\$ 71,135,606

Financing Uses: Transfer to Capital Funds	\$ 511,040	\$ -
Financing Uses: Transfer to Other Funds	226,977	-
Financing Uses: Payment to Bond Escrow Agent	-	-
Financing Uses: Other	-	-
Total Other Financing Uses	\$ 738,017	\$ -
Net Change in Fund Balance¹	(3,116,191)	2,043,726
Fund Balance¹- beginning of year	\$9,046,071	\$7,869,487
Funds removed from Reportable Government Services (RGS)	-	-
Funds added to Reportable Government Services (RGS)	581,791	-
Prior period adjustments	-	303,046
Misc. Adjustment	3	(1)
Fund Balance¹ - beginning of year adjusted	9,627,865	8,172,532
Rounding	\$ 6,511,674	\$ 10,216,258

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

TOWN OF WEST WARWICK, RHODE ISLAND
ANNUAL SUPPLEMENTAL TRANSPARENCY REPORT (MTP2)
FOR THE 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)	Restated Beginning Fund Balance ¹ (Deficit)	Ending Fund Balance ¹ (Deficit)
Fund Balance ¹ - per MTP-2 at June 30, 2021 adjusted						\$ 9,046,071	-	\$ 9,046,071
<i>No funds removed from RGS for fiscal 2021</i>						-	-	-
<i>Arpa - NEU Funds (610) was added to RGS for fiscal 2021</i>						-	-	-
<i>Arpa - County Funds (611) was added to RGS for fiscal 2021</i>						-	-	-
<i>Rescue Billing Fund 804 was added to RGS for fiscal 2021</i>						581,791	-	581,791
<i>Misc. adjustments made for fiscal 2021</i>						3	-	3
Fund Balance¹ - per MTP-2 at June 30, 2022 adjusted						\$ 9,627,865	-	\$ 9,627,865
General Fund (100)	\$ 78,037,311	\$ 236,977	\$ 44,721,746	\$ 33,056,556	\$ 495,987	\$ 4,397,893	\$ -	\$ 4,397,893
Debt Service Fund (190)	19,929	188,000	3,688,022	-	(3,480,093)	3,480,093	-	3,480,093
Police Highway Grant Fund (419)	2,661	-	5,551	-	(2,890)	-	-	(2,890)
JAG Peer to Peer Fund (455)	-	-	433	-	(433)	433	433	-
Bulletproof Vest Partnership Fund (474)	2,539	-	2,539	-	-	-	-	-
CDBG Community Development (606)	756,294	-	753,119	-	3,175	19,183	-	19,183
Arpa - NEU Funds (610)	332,951	-	105,085	226,977	809	-	-	809
Arpa - County Funds (611)	1,066,816	-	1,065,674	-	1,142	-	-	1,142
Revolving Fund (800)	583,626	-	549,151	-	34,475	999,010	-	999,010
Rescue Billing (804)	190,616	340,000	274,414	-	256,202	581,791	-	581,791
Police Detail Car fund (805)	73,999	-	155,467	-	(81,468)	168,644	-	168,644
Totals per audited financial statements	\$ 81,066,742	\$ 764,977	\$ 51,321,201	\$ 33,283,533	\$ (2,773,015)	\$ 9,647,047	\$ -	\$ 9,647,047
Reconciliation from financial statements to MTP2								
Reclassify transfer of municipal appropriation to Education Department as expenditure on MTP2	\$ -	\$ -	\$ 32,357,516.00	\$ (32,357,516.00)	\$ -	\$ -	\$ -	\$ -
Program activity in CDBG Funds that are not reported on the MTP2 because they are for program revenues & expenses and not for administration.	(701,050)	-	(697,874)	-	(3,176)	(19,182)	-	(19,182)
GASB 87 Proceeds from lease	-	(340,000)	-	-	(340,000)	-	-	(340,000)
Eliminate transfers between Funds reported on MTP2:	-	(188,000)	-	(188,000)	-	-	-	-
Expense in Arpa for Wastewater and Civic Center - Enterprise funds -not in RGS	(145,825)	-	(145,825)	-	-	-	-	-
Rounding	-	-	-	-	-	-	-	-
Totals Per MTP2	\$ 80,219,867	\$ 236,977	\$ 82,835,018	\$ 738,017	\$ (3,116,191)	\$ 9,627,865	\$ -	\$ 9,627,865

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

TOWN OF WEST WARWICK, RHODE ISLAND
ANNUAL SUPPLEMENTAL TRANSPARENCY REPORT (MTP2)
FOR THE 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 Beginning Fund Balance ¹ (Deficit)	Ending Fund Balance ¹ (Deficit)
Fund Balance¹ - per MTP-2 at June 30, 2021 adjusted						\$ 7,869,487	\$ -	\$ 7,869,487	
School Unrestricted Fund						-	211,039	211,039	
School Capital Fund						-	88,900	88,900	
Wireless Classroom Initiative						-	3,107	3,107	
Miscellaneous Adjustment						(1)	-	(1)	
Fund Balance¹ - per MTP-2 at June 30, 2022 adjusted						\$ 7,869,486	303,046	\$ 8,172,532	
School Unrestricted Fund	\$ 34,782,300	\$ 32,357,516	\$ 65,627,557	\$ 1,250,000	\$ 262,259	\$ 5,394,614	\$ 211,039	\$ 5,605,653	\$ 5,867,912
Enterprise Fund1	2,007,305	-	1,411,789	-	595,516	1,431,922	-	1,431,922	2,027,438
School Facilities Equity Capital	-	-	169,197	-	(169,197)	-	-	-	(169,197)
SBA School Capital Fund	2,412	-	2,412	-	-	-	-	-	-
School Capital Projects Fund	290,138	1,250,000	174,021	-	1,366,117	859,656	88,900	948,556	2,314,673
Other Capital Projects	-	-	71,500	-	(71,500)	-	-	-	(71,500)
Fire Code Capital Projects	-	-	-	-	-	7,419	-	7,419	7,419
Wireless Classroom Initiative	-	-	-	-	-	-	3,107	3,107	3,107
School Special Revenue Funds	6,854,272	-	6,824,735	-	29,537	353,430	-	353,430	382,967
Totals per audited financial statements	\$ 43,936,427	\$ 33,607,516	\$ 74,281,211	\$ 1,250,000	\$ 2,012,732	\$ 8,047,041	\$ 303,046	\$ 8,350,087	\$ 10,362,819
Reconciliation from financial statements to MTP2									
Municipal appropriation for Education reported as a transfer on financial statements but a revenue on MTP2	\$ 32,357,516	\$ (32,357,516)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State contributions on behalf of teacher pensions are reported as revenue and expenditures on financial statements only	(3,114,611)	-	(3,114,611)	-	-	-	-	-	-
Elimination of transfers between reported funds	-	(1,250,000)	-	(1,250,000)	-	-	-	-	-
Lunch depreciation	-	-	(30,994)	-	30,994	(177,555)	-	(177,555)	(146,561)
Rounding	-	-	-	-	-	-	-	-	-
Totals Per MTP2	\$ 73,179,332	\$ -	\$ 71,135,606	\$ -	\$ 2,043,726	\$ 7,869,486	\$ 303,046	\$ 8,172,532	\$ 10,216,258
Reconciliation from MTP2 to UCOA									
Miscellaneous variance between MTP2 & UCOA	\$ (3,685)		\$ (3,523)						
Horgan Student activity fund not captured in UCOA upload file	-		(11,863)						
Totals per UCOA Validated Totals Report Dated 12/30/22	\$ 73,175,647		\$ 71,120,220						

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

TOWN OF WEST WARWICK, RHODE ISLAND
NOTES TO SUPPLEMENTARY INFORMATION - ANNUAL SUPPLEMENTAL TRANSPARENCY
REPORT (MTP2)
FOR THE YEAR ENDED 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

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.

TOWN OF WEST WARWICK, RHODE ISLAND
NOTES TO SUPPLEMENTARY INFORMATION - ANNUAL SUPPLEMENTAL TRANSPARENCY
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FOR THE YEAR ENDED JUNE 30, 2022

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/>.

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Independent Auditor's 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 Members of the Town Council
Town of West Warwick, Rhode Island

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of West Warwick, Rhode Island (“the Town”), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Town’s basic financial statements, and have issued our report thereon dated December 16, 2022.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Town’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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Town’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.

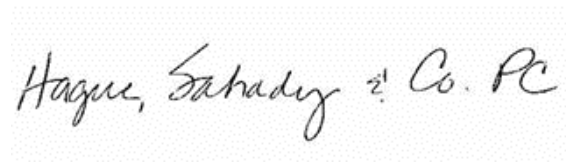
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town'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.

A handwritten signature in black ink that reads "Hague, Sabady & Co. PC". The signature is written in a cursive style and is positioned above a light gray dotted rectangular box.

Fall River, Massachusetts
December 16, 2022