

TOWN OF WEST WARWICK, RHODE ISLAND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024



Col. Mark Knott
Town Manager

Kristen Benoit, CPA
Finance Director

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TOWN OF WEST WARWICK

Introductory Section

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- List of Town Officials

Town of West Warwick, Rhode Island

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Town of West Warwick, Rhode Island

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 Dennison (Ward 5)

TOWN MANAGER

Colonel 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	Lisa Cash
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
Personnel Director	Sherri A. Fournier
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	Christopher Mann
Special Education Director - School Department	Jessica M. Perry
Director of Technology - School Department	James Monti

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TOWN OF WEST WARWICK

Financial Section

- Independent Auditor's Report
- Management's Discussion and Analysis
- Basic Financial Statements
- Required Supplementary Information
- Other Supplementary Information

CERTIFIED PUBLIC ACCOUNTANTS
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Independent Auditor's Report

To the Members of the West Warwick Town Council
Town of West Warwick, Rhode Island

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, 2024, 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, 2024, 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.

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 financial statements, the Tax Collector's Report and the Annual Supplemental Transparency Report (MPT2) 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 financial statements, the Tax Collector's Report and the Annual Supplemental Transparency Report (MPT2), 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 March 14, 2025 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., CPAs, P.C.

Hague, Sahady & Co., CPA's, P.C.

Fall River, Massachusetts

March 14, 2025

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Town of West Warwick, Rhode Island

Management Discussion and Analysis

For the year ended June 30, 2024

(Unaudited)

As management of the Town of West Warwick, we offer readers of the Town's financial statements this narrative overview and analysis of the financial activities for the fiscal year ended June 30, 2024. 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 decreased by \$300,570 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 \$136,450,613. The net position of the business-type activities decreased by \$638,825, and the net position of Governmental Activities increased by \$338,255.

The Town's Government-wide (governmental and business-type activities) operating expenses were \$152,738,473 while revenues collected were \$152,437,903.

As of the close of the fiscal year, the Town's governmental funds reported combined ending fund balances of \$18,019,271. Of this amount, \$5,854,333 is unassigned (or 32.50%).

At the end of the current fiscal year, the General Fund's unassigned fund balance was \$7,300,665 or 9.20% 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 \$1,111,996.

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, 2024

(Unaudited)

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, 2024

(Unaudited)

The Town of West Warwick maintains a number of 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, and also charges for the rental of the ice rink and field house.

The Town's internal service funds represent accounting devices used to accumulate and allocate costs internally among the Town's various functions. The Town has a premium based financing plan with the Interlocal Trust in order to finance the costs of covered health care and dental insurance benefits. 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.

Town of West Warwick, Rhode Island

Management Discussion and Analysis

For the year ended June 30, 2024

(Unaudited)

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.

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 \$136,450,613 as of June 30, 2024.

**Town of West Warwick, Rhode Island Statement of Net Position
June 30, 2024 and June 30, 2023**

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Assets						
Current assets and other assets	\$ 32,663,412	\$ 36,493,633	\$ 12,982,860	\$ 14,443,321	\$ 45,646,272	\$ 50,936,954
Right to use asset, net of amortization	1,450,620	1,533,513	-	-	1,450,620	1,533,513
Capital assets, net of accumulated depreciation	65,425,685	63,484,204	44,697,171	46,020,330	110,122,856	109,504,534
Total assets	<u>99,539,717</u>	<u>101,511,350</u>	<u>57,680,031</u>	<u>60,463,651</u>	<u>157,219,748</u>	<u>161,975,001</u>
Deferred outflows of resources	<u>22,169,400</u>	<u>28,447,817</u>	<u>801,251</u>	<u>800,763</u>	<u>22,970,651</u>	<u>29,248,580</u>
Liabilities						
Current liabilities	13,415,326	12,377,162	2,668,916	3,502,736	16,084,242	15,879,898
Long-term liabilities	264,759,397	271,294,184	15,936,451	17,249,726	280,695,848	288,543,910
Total liabilities	<u>278,174,723</u>	<u>283,671,346</u>	<u>18,605,367</u>	<u>20,752,462</u>	<u>296,780,090</u>	<u>304,423,808</u>
Deferred inflows of resources	<u>19,634,136</u>	<u>22,732,031</u>	<u>220,573</u>	<u>217,785</u>	<u>19,854,709</u>	<u>22,949,816</u>
Net Position						
Net investment in capital assets	33,408,596	28,799,332	34,924,171	33,825,330	68,332,767	62,624,662
Restricted	6,108,874	5,626,331	-	-	6,108,874	5,626,331
Unrestricted	<u>(215,617,212)</u>	<u>(210,869,873)</u>	<u>4,731,171</u>	<u>6,468,837</u>	<u>(210,886,041)</u>	<u>(204,401,036)</u>
Total net position	<u>\$ (176,099,742)</u>	<u>\$ (176,444,210)</u>	<u>\$ 39,655,342</u>	<u>\$ 40,294,167</u>	<u>\$ (136,444,400)</u>	<u>\$ (136,150,043)</u>

The Town's net position includes \$68,446,167 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.

Town of West Warwick, Rhode Island

Management Discussion and Analysis

For the year ended June 30, 2024

(Unaudited)

The Town's overall negative net position of \$136,450,613 at June 30, 2024 is primarily attributable to the legacy costs related to unfunded pension and OPEB liabilities which totaled \$238,766,937 at June 30, 2024.

Town of West Warwick, Rhode Island Statement of Activities
June 30, 2024 and June 30, 2023

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Revenues						
Program Revenues						
Charges for service	\$ 13,582,442	\$ 4,842,765	\$ 10,224,028	\$ 10,028,965	\$ 23,806,470	\$ 14,871,730
Operating grants & contributions	47,671,566	50,443,185	1,299,889	1,328,383	48,971,455	51,771,568
Capital grants & contributions	1,073,562	926,865	-	-	1,073,562	926,865
General Revenues						
Property taxes	68,372,247	67,513,009	-	-	68,372,247	67,513,009
Motor vehicle phase-out taxes	5,673,744	5,673,744	-	-	5,673,744	5,673,744
State aid and in lieu of taxes not restricted for specific programs	1,167,490	2,112,155	-	-	1,167,490	2,112,155
Grants and contributions not restricted for specific programs	1,132,169	-	-	-	1,132,169	-
Earnings on investments	539,198	144,674	244,494	-	783,692	144,674
Miscellaneous	1,463,287	1,692,785	-	186,755	1,463,287	1,879,540
Total revenues	<u>140,675,705</u>	<u>133,349,182</u>	<u>11,768,411</u>	<u>11,544,103</u>	<u>152,444,116</u>	<u>144,893,285</u>
Expenses						
General government	19,811,386	12,846,675	-	-	19,811,386	12,846,675
Public safety	25,970,116	25,985,430	-	-	25,970,116	25,985,430
Public works	6,428,827	5,714,168	-	-	6,428,827	5,714,168
Public libraries	1,154,188	1,103,055	-	-	1,154,188	1,103,055
Parks and recreation	656,173	759,931	-	-	656,173	759,931
Senior center	233,000	223,000	-	-	233,000	223,000
Education	85,568,059	78,624,922	-	-	85,568,059	78,624,922
Interest on long-term debt	386,202	668,697	-	-	386,202	668,697
Debt Service	-	-	-	-	-	-
Wastewater	-	-	9,940,074	8,346,475	9,940,074	8,346,475
Civic Center	-	-	769,460	743,693	769,460	743,693
Municipal Court	-	-	89,469	36,847	89,469	36,847
School Lunch Program	-	-	1,731,519	1,957,733	1,731,519	1,957,733
Total expenses	<u>140,207,951</u>	<u>125,925,878</u>	<u>12,530,522</u>	<u>11,084,748</u>	<u>152,738,473</u>	<u>137,010,626</u>
Excess(deficiency) in net assets before transfers	<u>467,754</u>	<u>7,423,304</u>	<u>(762,111)</u>	<u>459,355</u>	<u>(294,357)</u>	<u>7,882,659</u>
Transfers in (out)	(123,286)	(857,242)	123,286	857,242	-	-
Change in net position	344,468	6,566,062	(638,825)	1,316,597	(294,357)	7,882,659
Net position - beginning, restated	<u>(176,444,210)</u>	<u>(183,010,271)</u>	<u>40,294,167</u>	<u>38,977,570</u>	<u>(136,150,043)</u>	<u>(144,032,702)</u>
Net position - ending	<u>\$ (176,099,742)</u>	<u>\$ (176,444,210)</u>	<u>\$ 39,655,342</u>	<u>\$ 40,294,167</u>	<u>\$ (136,444,400)</u>	<u>\$ (136,150,043)</u>

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, 2024. Comparative data for fiscal 2024 and 2023 is presented in the table above. Governmental activities increased the Town's net position by \$338,255 for the current period, while business-type

Town of West Warwick, Rhode Island

Management Discussion and Analysis

For the year ended June 30, 2024

(Unaudited)

activities decreased the Town's net position by \$638,825. Overall, the Town's net position decreased by \$300,570 over the prior year's net position.

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 \$18,019,271. Approximately 32.5% of the total amount, or \$5,854,333 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 \$4,731,171 while the net investment in capital assets for these funds was \$34,924,171 resulting in a total net position of \$39,655,342. This net position consisted of \$37,102,922 for the Wastewater Authority, \$75,454 for the Municipal Court, \$1,879,964 for the School Lunch Program, and \$597,002 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, 2024 the Internal Service Funds reported a change in net position of \$230,275. As a result, ending net position as of June 30, 2024 was a cumulative surplus of \$1,000,698. There is \$313,594 in net position in the Healthcare Management Fund. The \$687,105 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, 2024, the General Fund revenues and other financing sources were over budget by \$1,725,873 (revenue surplus 1.5%) while expenditures and other financing uses were over budget by \$613,877 (1% over expended). This resulted in budgetary basis surplus of \$1,111,996 for the fiscal year ended June 30, 2024. See RSI on the pages indicated in the table of contents for details.

General Fund Budgetary Highlight (Continued)

The Town converted its private pension plan to the State of Rhode Island's Municipal Employee Pension Plan (MERS). The conversion was officially completed July 1, 2022 after the Town's budget was approved in the Spring of 2022. The Town does now have the rates to apply to the salaries and budget for the expense in each department, therefore the Town budgeted for the ARC provided by Nyhart Actuarial services in the General Government department as done in previous years.

Town of West Warwick, Rhode Island

Management Discussion and Analysis

For the year ended June 30, 2024

(Unaudited)

Starting in fiscal year 2024, rates are provided in a timely manner and the Town is now budgeting pension expenses in each department. As a result of applying State provided rates to covered salaries, the pension expense was approximately \$478,899 under budget.

Revenues - Total tax revenues exceeded budgetary estimates by \$597,130, due to strong tax collection efforts by the Tax Collector's office.

Intergovernmental revenues exceeded budgetary estimates by \$72,645.

Departmental revenues exceeded budgetary estimates by \$1,056,098, due to better than anticipated revenues in the investment income, town clerk and building offices.

Expenditures - General Government came in over budgetary estimates by \$1,200,218 as a result of increase in EMA expenses.

Public Safety expenditures were over budgetary estimates by \$142,413. The over expenditures were a direct result of an increase in overtime to cover reduced staffing due to attrition, injured on duty and other related absences.

Public Works expenditure came in \$123,983 under 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 \$478,899 under budgetary estimates due to the reallocation of benefits for the conversion into the MERS program.

Capital Assets

The Town of West Warwick's investment in capital assets for its governmental and business-type activities as of June 30, 2024 amounts to \$111,573,476 (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.

Town of West Warwick, Rhode Island

Management Discussion and Analysis

For the year ended June 30, 2024

(Unaudited)

**Statement of Capital Assets, Net
June 30, 2024 and June 30, 2023**

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Land	\$ 9,268,414	\$ 9,268,414	\$ 432,700	\$ 432,700	\$ 9,701,114	\$ 9,701,114
Construction in progress	3,815,190	797,318	12,000	975,995	3,827,190	1,773,313
Land and improvements	1,892,236	1,923,542	473,438	514,088	2,365,674	2,437,630
Right to Use - Lease Wind Turbine	1,450,619	1,533,513	-	-	1,450,619	1,533,513
Buildings and improvements	16,521,879	14,922,950	32,776,931	33,155,712	49,298,810	48,078,662
Machinery, equipment and vehicles	19,228,254	20,715,773	3,369,175	3,518,784	22,597,429	24,234,557
Infrastructure	14,699,713	15,856,207	7,632,927	7,423,051	22,332,640	23,279,258
Total	\$ 66,876,305	\$ 65,017,718	\$ 44,697,171	\$ 46,020,330	\$ 111,573,476	\$ 111,038,048

Debt Administration

At the end of the current fiscal year, the Town of West Warwick's Governmental Activities had a total bonded debt of \$30,735,515. 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 \$9,773,000 for a total of \$40,508,515 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, 2024 and June 30, 2023**

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Bonds and notes payable	\$ 30,735,515	\$ 33,224,515	\$ 9,773,000	\$ 12,195,000	\$ 40,508,515	\$ 45,419,515
Lease purchase obligations	2,412,833	2,670,708	-	-	2,412,833	2,670,708
Unamortized bond premiums	122,390	133,192	-	-	122,390	133,192
Total	\$ 33,270,738	\$ 36,028,415	\$ 9,773,000	\$ 12,195,000	\$ 43,043,738	\$ 48,223,415

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 \$91,853,105 at year end. The Town's outstanding general obligation debt is \$30,735,515 at year-end; of which \$13,194,000 is subject to the legal debt margin.

Town of West Warwick, Rhode Island

Management Discussion and Analysis

For the year ended June 30, 2024

(Unaudited)

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 2024 amounts to \$112,465,675 which reflects an increase of \$3,604,762, or 3.31% above the fiscal year 2023 budget of \$108,860,913. Of the Town's 2024 budget, 59.41% is budgeted for education expenditures and 40.59% is budgeted for general government. The State of Rhode Island is budgeted to contribute \$37,698,619 to the Town's education department based on the final State Aid in fiscal 2024.

The Town's tax rate for residential real estate for fiscal year 2024 is \$18.32 per \$1,000 of assessed value with 39.6% allocated for general government and 59.4% allocated for education. For fiscal year 2025 the Town's tax rate for residential real estate was \$18.69 per \$1,000 of assessed value with 39.78% allocated for general government and 60.22% 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 2024, sales generated totaled \$320,331 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.

TOWN OF WEST WARWICK

Basic Financial Statements

- Government-Wide Statements
- Governmental Funds
- Proprietary Funds
- Fiduciary Funds
- Notes to the Financial Statements

Town of West Warwick, Rhode Island

Statement of Net Position

June 30, 2024

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS:			
Current Assets:			
Cash and cash equivalents	\$ 21,938,913	\$ 5,631,829	\$ 27,570,742
Restricted cash	-	1,022,448	1,022,448
Investments	577,322	-	577,322
Accounts receivables:			
Property taxes	1,572,480	-	1,572,480
Municipal debt service assessment receivable	-	402,410	402,410
Departmental and other	1,763,858	1,687,065	3,450,923
Internal balances	343,485	(343,485)	-
Intergovernmental receivables	5,497,226	58,428	5,555,654
Prepaid items	269,712	5,489	275,201
Total Current Assets	31,962,996	8,464,184	40,427,180
Noncurrent Assets:			
Net MERS Pension asset	700,416	-	700,416
Assessment fees	-	2,278,025	2,278,025
Municipal debt service assessments receivable	-	2,240,651	2,240,651
Right to use asset, net of accumulated amortization	1,450,620	-	1,450,620
Capital assets not being depreciated	13,083,604	444,700	13,528,304
Capital assets, net of accumulated depreciation	52,342,081	44,252,471	96,594,552
Total Noncurrent Assets	67,576,721	49,215,847	116,792,568
Total Assets	99,539,717	57,680,031	157,219,748
DEFERRED OUTFLOWS OF RESOURCES:			
Deferred charges on refunding	100,322	-	100,322
Deferred outflows related to pension plan obligations	15,840,528	777,860	16,618,388
Deferred outflows related to OPEB plan obligations	6,228,550	23,391	6,251,941
Total deferred outflows of resources	22,169,400	801,251	22,970,651
Total assets and deferred outflows of resources	\$ 121,709,117	\$ 58,481,282	\$ 180,190,399

The accompanying notes are an integral part of the financial statements

Town of West Warwick, Rhode Island

Statement of Net Position

June 30, 2024

	Primary Government		
	Governmental	Business-Type	Total
	Activities	Activities	
LIABILITIES:			
Current Liabilities:			
Accounts payable and accrued expenses	\$ 6,995,239	\$ 1,088,726	\$ 8,083,965
Accrued interest payable	458,764	130,100	588,864
Accrued compensated absences	2,298,350	89,309	2,387,659
Unearned revenue	-	4,781	4,781
Current portion of lease obligation	312,458	-	312,458
Current portion of bonds and notes payable	3,350,515	1,356,000	4,706,515
Total Current Liabilities	13,415,326	2,668,916	16,084,242
Noncurrent Liabilities:			
Compensated absences	3,749,941	154,205	3,904,146
Net OPEB liability	54,011,604	202,840	54,214,444
Net pension liability	177,390,087	7,162,406	184,552,493
Lease obligations	2,100,375	-	2,100,375
Bonds and loans payable	27,385,000	8,417,000	35,802,000
Bond premium	122,390	-	122,390
Total Noncurrent Liabilities	264,759,397	15,936,451	280,695,848
Total liabilities	278,174,723	18,605,367	296,780,090
DEFERRED INFLOWS OF RESOURCES:			
Deferred revenue	2,516,649	-	2,516,649
Deferred inflows related to pension plan obligations	4,659,524	174,308	4,833,832
Deferred inflows related to OPEB plan obligations	12,457,963	46,265	12,504,228
Total deferred inflows of resources	19,634,136	220,573	19,854,709
NET POSITION			
Net investment in capital assets	33,408,596	34,924,171	68,332,767
Restricted			
General Government	1,437,348	-	1,437,348
Public Safety	219,138	-	219,138
Public Works	737,863	-	737,863
Parks	346,773	-	346,773
Education	406,607	-	406,607
Capital projects	2,260,729	-	2,260,729
MERS pension asset	700,416	-	700,416
Unrestricted	(215,617,212)	4,731,171	(210,886,041)
Total net position	(176,099,742)	39,655,342	(136,444,400)
Total liabilities, deferred inflows or resources and net position	\$ 121,709,117	\$ 58,481,282	\$ 180,190,399

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, 2024

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	\$ 19,811,386	\$ 3,165,920	\$ 2,807,214	\$ -	\$ (13,838,252)	\$ -	\$ (13,838,252)
Public safety	25,970,116	1,968,119	207,116	-	(23,794,881)	-	(23,794,881)
Public works	6,428,827	2,210	1,763,588	-	(4,663,029)	-	(4,663,029)
Parks and recreation	656,173	145,000	-	-	(511,173)	-	(511,173)
Public libraries	1,154,188	18,501	231,304	-	(904,383)	-	(904,383)
Senior center	233,000	-	-	-	(233,000)	-	(233,000)
Education	85,568,059	8,282,692	42,662,344	1,073,562	(33,549,461)	-	(33,549,461)
Interest on long-term debt	386,202	-	-	-	(386,202)	-	(386,202)
Total governmental activities	140,207,951	13,582,442	47,671,566	1,073,562	(77,880,381)	-	(77,880,381)
Business-Type Activities							
Wastewater Authority	9,940,074	9,048,782	-	-	-	(891,292)	(891,292)
Civic Center	769,460	729,741	-	-	-	(39,719)	(39,719)
Municipal Court	89,469	77,306	-	-	-	(12,163)	(12,163)
School Lunch Program	1,731,519	368,199	1,299,889	-	-	(63,431)	(63,431)
Total business-type activities	12,530,522	10,224,028	1,299,889	-	-	(1,006,605)	(1,006,605)
Total	\$ 152,738,473	\$ 23,806,470	\$ 48,971,455	\$ 1,073,562	\$ (77,880,381)	\$ (1,006,605)	\$ (78,886,986)
General revenues							
Property taxes, levied for general purposes					68,372,247	-	68,372,247
Motor vehicle phase-out taxes					5,673,744	-	5,673,744
Utilities taxes					437,342	-	437,342
State aid to distressed communities					1,167,490	-	1,167,490
Hotel, meals, and beverage tax					694,827	-	694,827
Grants not restricted to specific purposes					-	-	-
Miscellaneous and other					1,463,287	-	1,463,287
Investment earnings					539,198	244,494	783,692
Total general revenues					78,348,135	244,494	78,592,629
Special Items and transfers							
Transfers in (out)					(123,286)	123,286	-
Total Special Items and transfers					(123,286)	123,286	-
Total general revenues and transfers					78,224,849	367,780	78,592,629
Changes in net position					344,468	(638,825)	(294,357)
Net position - beginning, restated					(176,444,210)	40,294,167	(136,150,043)
Net position - ending					\$ (176,099,742)	\$ 39,655,342	\$ (136,444,400)

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, 2024

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The accompanying notes are an integral part of the financial statements

Town of West Warwick, Rhode Island

Governmental Funds

Balance Sheet

June 30, 2024

	Major Funds		Non-Major	Total
	General Fund	School Unrestricted Fund	Governmental Funds	Governmental Funds
Assets				
Cash and cash equivalents	\$ 17,285,868	\$ 572,753	\$ 4,080,292	\$ 21,938,913
Investments	577,322	-	-	577,322
Accounts receivable:				
Real estate and personal property taxes, net	1,572,480	-	-	1,572,480
Intergovernmental	437,342	628,501	4,431,383	5,497,226
Other receivable, net	954,852	48,452	359,904	1,363,208
Due from other funds	193,557	3,187,848	6,653,184	10,034,589
Prepaid items	112,185	-	-	112,185
Total assets	21,133,606	4,437,554	15,524,763	41,095,923
Deferred outflows of resources				
None	-	-	-	-
Total deferred outflows of resources	-	-	-	-
Total assets and deferred outflows of resources	\$ 21,133,606	\$ 4,437,554	\$ 15,524,763	\$ 41,095,923
Liabilities				
Accounts payable	1,680,824	3,295,958	\$ 1,549,657	\$ 6,526,439
Accrued liabilities	430,650	-	-	430,650
Deposits in custody	-	-	20,602	20,602
Due to other funds	5,327,207	-	6,282,477	11,609,684
Total liabilities	11,754,341	(1,019,702)	7,852,736	18,587,375
Deferred inflows of resources				
Unavailable revenues, taxes	1,366,146	-	-	1,366,146
Unavailable revenues, EMS	600,269	-	-	600,269
Deferred revenue	-	-	2,516,649	2,516,649
Total deferred inflows of resources	1,966,415	-	2,516,649	4,483,064
Fund balance				
Nonspendable	112,185	-	-	112,185
Restricted	-	-	5,408,458	5,408,458
Committed	-	5,457,256	1,187,039	6,644,295
Assigned	-	-	-	-
Unassigned	7,300,665	-	(1,440,119)	5,860,546
Total fund balance	7,412,850	5,457,256	5,155,378	18,025,484
Total liabilities, deferred inflows of resources, and fund balance	\$ 21,133,606	\$ 4,437,554	\$ 15,524,763	\$ 41,095,923

The accompanying notes are an integral part of the financial statements

Town of West Warwick, Rhode Island
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
June 30, 2024

Total governmental fund balances	\$ 18,025,484
Assets used in governmental activities are not financial resources and, therefore, are not reported in the Governmental Fund Balance Sheet	
Capital assets, net	51,952,434
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	15,840,528
OPEB related outflows	6,228,550
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	(4,659,524)
OPEB related inflows	(12,457,963)
Net Pension and OPEB liabilities/asset 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 asset	700,416
Pension related liabilities	(177,390,087)
OPEB related liabilities	(54,011,604)
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	(16,181,515)
Compensated Absences	(6,048,291)
Capital leases payable	(745,922)
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.	
	1,966,415
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	
	1,000,698
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.	
	(297,293)
Net premium on refunding has been recorded as long-term debt on the Statement of Net Position	
	<u>(122,390)</u>
Net position of governmental activities	<u>\$ (176,099,742)</u>

The accompanying notes are an integral part of the financial statements

Town of West Warwick, Rhode Island

Governmental Funds

Statement of Revenues, Expenditures and Changes in Fund Balances

For the Year Ended June 30, 2024

	Major Fund		Non-Major	Total Governmental Funds
	General Fund	School Unrestricted Fund	Governmental Funds	
	Revenues			
General property taxes	\$ 68,290,988	\$ -	\$ -	\$ 68,290,988
Intergovernmental	8,132,127	37,828,661	14,230,432	60,191,220
Charges for services	3,467,316	-	1,832,432	5,299,748
Contributions and private grants	-	-	7,756	7,756
Medicaid	-	694,484	-	694,484
State on behalf pension contributions	-	4,560,489	-	4,560,489
Interest income	539,198	-	-	539,198
Other revenue	-	400,133	610,430	1,010,563
Total revenues	80,429,629	43,483,767	16,681,050	140,594,446
Expenditures				
General government	5,162,778	-	2,953,394	8,116,172
Public safety	26,289,868	-	1,046,595	27,336,463
Public works	5,340,883	-	812,304	6,153,187
Parks	574,084	-	111,174	685,258
Public libraries	886,111	-	231,474	1,117,585
Senior Center	233,000	-	-	233,000
Education	-	77,843,841	8,809,428	86,653,269
Benefits and other miscellaneous	4,997,072	-	-	4,997,072
Debt Service:				
Principal	2,370,626	-	123,191	2,493,817
Interest and other costs	405,695	-	-	405,695
Capital outlay	-	-	3,402,130	3,402,130
Total expenditures	46,260,117	77,843,841	17,489,690	141,593,648
Excess (deficiency) of revenues over expenditures	34,169,512	(34,360,074)	(808,640)	(999,202)
Other financing sources (uses)				
Transfers in	-	33,057,516	-	33,057,516
Transfers out	(33,057,516)	-	(123,286)	(33,180,802)
Total other financing sources (uses)	(33,057,516)	33,057,516	(123,286)	(123,286)
Net change in fund balance	1,111,996	(1,302,558)	(931,926)	(1,122,488)
Fund balance - beginning (restated)	6,300,854	6,759,814	6,087,304	19,147,972
Fund balance - ending	\$ 7,412,850	\$ 5,457,256	\$ 5,155,378	\$ 18,025,484

The accompanying notes are an integral part of the financial statements

Town of West Warwick, Rhode Island
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and
Changes in Fund Balances to the Statement of Activities
For the Year Ended June 30, 2024

Net change in fund balances - total governmental funds	\$ (1,122,488)
<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	5,490,545
Depreciation expense	<u>(2,764,734)</u>
	2,725,811
<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	(1,229,921)
Change in OPEB related inflows	1,700,716
Change in net OPEB liability	(494,378)
<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	(5,048,496)
Change in Pension related inflows	(1,810,454)
Change in net Pension liability (asset)	4,172,772
<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	78,009
Deferred EMS	3,250
<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	1,567,000
Bond premium amortized	10,802
Lease proceeds, net of payment	195,500
<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>	
	(230,275)
<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>	
	19,493
<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>(192,873)</u>
Change in net position of governmental activities	<u>\$ 344,468</u>

The accompanying notes are an integral part of the financial statements

Town of West Warwick, Rhode Island

Proprietary Funds

Statement of Net Position

June 30, 2024

	Business-Type Activities				Total	Governmental
	Major	Non-Major				Internal Service
	Wastewater Authority	Civic Center	Municipal Court	School Lunch Program		
Assets						
Current assets						
Cash and cash equivalents	\$ 4,621,043	\$ 200	\$ -	\$ 1,010,586	\$ 5,631,829	\$ -
Municipal debt service assessments receivable	402,410	-	-	-	402,410	-
Intergovernmental	-	-	-	58,428	58,428	-
Other receivables, net	9,542	274,232	30,170	1,373,121	1,687,065	400,650
Due from other funds	889,178	-	71,600	-	960,778	1,918,580
Prepaid expenses	5,489	-	-	-	5,489	157,527
Total current assets	<u>5,927,662</u>	<u>274,432</u>	<u>101,770</u>	<u>2,442,135</u>	<u>8,745,999</u>	<u>2,476,757</u>
Non-current assets						
Restricted cash and cash equivalents	1,022,448	-	-	-	1,022,448	-
Assessment and usage fees receivable, net	2,278,025	-	-	-	2,278,025	-
Municipal debt service assessments receivable	2,240,651	-	-	-	2,240,651	-
Capital assets not being depreciated	301,600	143,100	-	-	444,700	-
Right to use asset, net of accumulated amortization	-	-	-	-	-	1,450,620
Capital assets, net of accumulated depreciation	43,064,209	1,120,488	-	67,774	44,252,471	13,473,251
Total noncurrent assets	<u>48,906,933</u>	<u>1,263,588</u>	<u>-</u>	<u>67,774</u>	<u>50,238,295</u>	<u>14,923,871</u>
Total Assets	<u>54,834,595</u>	<u>1,538,020</u>	<u>101,770</u>	<u>2,509,909</u>	<u>58,984,294</u>	<u>17,400,628</u>
Deferred outflows of resources						
Related to pensions	777,860	-	-	-	777,860	-
Related to OPEB	23,391	-	-	-	23,391	-
Total deferred outflows of resources	<u>801,251</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>801,251</u>	<u>-</u>
Total assets and deferred outflows of resources	<u>\$ 55,635,846</u>	<u>\$ 1,538,020</u>	<u>\$ 101,770</u>	<u>\$ 2,509,909</u>	<u>\$ 59,785,545</u>	<u>\$ 17,400,628</u>

The accompanying notes are an integral part of the financial statements

Town of West Warwick, Rhode Island

Proprietary Funds

Statement of Net Position

June 30, 2024

	Business-Type Activities				Total	Governmental
	Major	Non-Major				Internal Service
	Wastewater Authority	Civic Center	Municipal Court	School Lunch Program		
Liabilities						
Current liabilities						
Accounts payable	\$ 801,877	\$ 55,984	\$ 24,121	\$ 167,774	\$ 1,049,756	\$ 17,548
Accrued liabilities	28,699	8,076	2,195	-	38,970	-
Accrued interest payable	130,100		-	-	130,100	161,471
Accrued compensated absences	89,309	-	-	-	89,309	-
Due to other funds	-	846,873	-	457,390	1,304,263	-
Unearned revenue	-	-	-	4,781	4,781	-
Current portion of lease liability	-	-	-	-	-	113,400
Current portion of bonds and notes payable	1,356,000	-	-	-	1,356,000	822,000
Total current liabilities	<u>2,405,985</u>	<u>910,933</u>	<u>26,316</u>	<u>629,945</u>	<u>3,973,179</u>	<u>1,114,419</u>
Non-current liabilities						
Accrued compensated absences	124,120	30,085	-	-	154,205	-
Net pension liability	7,162,406	-	-	-	7,162,406	-
Net OPEB liability	202,840	-	-	-	202,840	-
Lease liability	-	-	-	-	-	1,553,511
Bonds and loans payable	8,417,000	-	-	-	8,417,000	13,732,000
Total noncurrent liabilities	<u>15,906,366</u>	<u>30,085</u>	<u>-</u>	<u>-</u>	<u>15,936,451</u>	<u>15,285,511</u>
Total liabilities	<u>18,312,351</u>	<u>941,018</u>	<u>26,316</u>	<u>629,945</u>	<u>19,909,630</u>	<u>16,399,930</u>
Deferred inflows of resources						
Related to pensions	174,308	-	-	-	174,308	-
Related to OPEB	46,265	-	-	-	46,265	-
Total deferred inflows of resources	<u>220,573</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>220,573</u>	<u>-</u>
Net position						
Net investment in capital assets	33,592,809	1,263,588	-	67,774	34,924,171	(1,297,040)
Unrestricted	3,510,113	(666,586)	75,454	1,812,190	4,731,171	2,297,738
Total net position	<u>\$ 37,102,922</u>	<u>\$ 597,002</u>	<u>\$ 75,454</u>	<u>\$ 1,879,964</u>	<u>\$ 39,655,342</u>	<u>\$ 1,000,698</u>

The accompanying notes are an integral part of the financial statements

Town of West Warwick, Rhode Island
Proprietary Funds
Statement of Revenues, Expenditures and Changes in Net Position
For the Year Ended June 30, 2024

	Business-Type Activities				Total	Governmental Activities
	Major	Non-Major				Internal Service Funds
	Wastewater Authority	Civic Center	Municipal Court	School Lunch Program		
Operating revenues						
Sales and charges for services	\$ 9,045,744	\$ 708,703	\$ 77,306	\$ 368,199	\$ 10,199,952	4,281,270
Intergovernmental	-	-	-	1,299,889	1,299,889	-
Other revenues	3,038	21,038	-	-	24,076	1,677,830
Total operating revenues:	<u>9,048,782</u>	<u>729,741</u>	<u>77,306</u>	<u>1,668,088</u>	<u>11,523,917</u>	<u>5,959,100</u>
Operating expenses						
Salaries and benefits	3,005,393	399,301	60,801	53,023	3,518,518	-
Operations and supplies	4,179,763	317,274	28,668	1,632,268	6,157,973	1,032,389
Claims	-	-	-	-	-	3,574,218
Administrations	-	-	-	-	-	227,229
Depreciation and amortization	2,327,449	52,885	-	46,228	2,426,562	867,222
Total operating expenses	<u>9,512,605</u>	<u>769,460</u>	<u>89,469</u>	<u>1,731,519</u>	<u>12,103,053</u>	<u>5,701,058</u>
Operating income (loss)	<u>(463,823)</u>	<u>(39,719)</u>	<u>(12,163)</u>	<u>(63,431)</u>	<u>(579,136)</u>	<u>258,042</u>
Nonoperating revenues (expenses):						
Investment income	244,494	-	-	-	244,494	-
Interest expense	(427,469)	-	-	-	(427,469)	(488,317)
Net nonoperating revenues	<u>(182,975)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(182,975)</u>	<u>(488,317)</u>
Income (Loss) before transfers	(646,798)	(39,719)	(12,163)	(63,431)	(762,111)	(230,275)
Transfers						
Transfers in	123,286	-	-	-	123,286	-
Transfers out	-	-	-	-	-	-
Total transfers	<u>123,286</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>123,286</u>	<u>-</u>
Change in Net Position	(523,512)	(39,719)	(12,163)	(63,431)	(638,825)	(230,275)
Total Net Position, beginning of year	37,626,434	636,721	87,617	1,943,395	40,294,167	1,230,973
Total Net Position, end of year	<u>\$ 37,102,922</u>	<u>\$ 597,002</u>	<u>\$ 75,454</u>	<u>\$ 1,879,964</u>	<u>\$ 39,655,342</u>	<u>\$ 1,000,698</u>

The accompanying notes are an integral part of the financial statements

Town of West Warwick, Rhode Island

Proprietary Funds

Statement of Cash Flows

For the Year Ended June 30, 2024

	Business-Type Activities				Governmental Activities	
	Wastewater Authority	Civic Center	Municipal Court	School Lunch Program	Total	Internal Service Funds
Cash flows from operating activities						
Receipts from customers and users	\$ 9,030,268	\$ 630,574	\$ 77,306	\$ 365,867	\$ 10,104,015	\$ 4,226,581
Operating grants	-	-	-	(50,837)	(50,837)	-
Other receipts	821,719	-	(2,273)	1,241,185	2,060,631	1,677,831
Payments to suppliers	(3,716,075)	(285,894)	(15,136)	(1,909,693)	(5,926,798)	(1,376,195)
Payments to employees	(2,963,556)	(403,885)	(58,606)	(53,022)	(3,479,069)	-
Claims paid	-	-	-	-	-	(3,574,218)
Net cash provided (used) by operating activities	<u>3,172,356</u>	<u>(59,205)</u>	<u>1,291</u>	<u>(406,500)</u>	<u>2,707,942</u>	<u>953,999</u>
Cash flows from noncapital financing activities						
(Increase) decrease transfer from/to other funds	123,286	-	-	-	123,286	-
(Increase) decrease in due to/ due from other funds	(652,785)	119,311	(1,291)	55,881	(478,884)	526,501
Net cash provided (used) by noncapital financing activities	<u>(529,499)</u>	<u>119,311</u>	<u>(1,291)</u>	<u>55,881</u>	<u>(355,598)</u>	<u>526,501</u>
Cash flows from capital and related financing activities						
Acquisition of capital assets	(1,043,297)	(60,106)	-	-	(1,103,403)	-
Principal paid on bonds, notes, and loans	(2,422,000)	-	-	-	(2,422,000)	(922,000)
Payments on leases	-	-	-	-	-	(62,375)
Interest paid on bonds, notes and loans	(427,469)	-	-	-	(427,469)	(496,125)
Net cash provided (used) by capital and related financing activities	<u>(3,892,766)</u>	<u>(60,106)</u>	<u>-</u>	<u>-</u>	<u>(3,952,872)</u>	<u>(1,480,500)</u>
Cash flows from investing activities						
Interest and dividends on investments	244,494	-	-	-	244,494	-
Net cash provided (used) by investing activities	<u>244,494</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>244,494</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	(1,005,415)	-	-	(350,619)	(1,356,034)	-
Cash and cash equivalents at beginning of year	6,648,905	200	-	1,361,206	8,010,311	-
Cash and cash equivalents at end of year	<u>\$ 5,643,490</u>	<u>\$ 200</u>	<u>\$ -</u>	<u>\$ 1,010,587</u>	<u>\$ 6,654,277</u>	<u>\$ -</u>
Displayed as:						
Cash and cash equivalents	\$ 4,621,043	\$ 200	\$ -	\$ 1,010,586	\$ 5,631,829	\$ -
Cash on deposit with funding agency	-	-	-	-	-	-
Restricted cash	1,022,448	-	-	-	1,022,448	-
Total	<u>\$ 5,643,491</u>	<u>\$ 200</u>	<u>\$ -</u>	<u>\$ 1,010,586</u>	<u>\$ 6,654,277</u>	<u>\$ -</u>

The accompanying notes are an integral part of the financial statements

Town of West Warwick, Rhode Island

Proprietary Funds

Statement of Cash Flows

For the Year Ended June 30, 2024

	<u>Business-Type Activities</u>				<u>Total</u>	<u>Governmental</u>
	<u>Major</u>	<u>Non-Major</u>				<u>Internal Service</u>
	<u>Wastewater Authority</u>	<u>Civic Center</u>	<u>Municipal Court</u>	<u>School Lunch Program</u>		<u>Funds</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities						
Operating income (loss)	\$ (463,823)	\$ (39,719)	\$ (12,163)	\$ (63,431)	\$ (579,136)	\$ 258,043
Adjustments to reconcile operating income to net cash provided (used) by operating activities:						
Depreciation and amortization expense	2,327,449	52,885	-	46,228	2,426,562	867,223
(Increase) decrease in accounts receivable	794,500	(99,167)	(78)	(108,911)	586,344	(54,689)
(Increase) decrease in prepaid expenses	(838)	-	-	-	(838)	598,146
(Increase) decrease in deferred outflows related to OPEB	(488)	-	-	-	(488)	-
(Increase) decrease in deferred outflows related to pensions	(965)	-	-	-	(965)	-
(Increase) decrease in deferred outflows related to pensions (MERS)	965	-	-	-	965	-
Increase (decrease) in accounts payable	463,688	31,380	13,532	(277,425)	231,175	(714,724)
Increase (decrease) in accrued liabilities	16,589	-	-	-	16,589	-
Increase (decrease) in unearned revenue	-	-	-	(2,961)	(2,961)	-
Increase (decrease) in Net OPEB liability	38,506	-	-	-	38,506	-
Increase (decrease) in Net pension liability (MERS)	(6,015)	-	-	-	(6,015)	-
Increase (decrease) in deferred inflows related to OPEB	2,788	-	-	-	2,788	-
Increase (decrease) in accrued compensated absences.	-	(4,584)	-	-	(4,584)	-
Net cash provided (used) by operating activities	<u>\$ 3,172,356</u>	<u>\$ (59,205)</u>	<u>\$ 1,291</u>	<u>\$ (406,500)</u>	<u>\$ 2,707,942</u>	<u>\$ 953,999</u>

The accompanying notes are an integral part of the financial statements

Town of West Warwick, Rhode Island

Proprietary Funds

Statement of Cash Flows

For the Year Ended June 30, 2024

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The accompanying notes are an integral part of the financial statements

Town of West Warwick, Rhode Island

Fiduciary Funds

Statement of Net Position

June 30, 2024

	OPEB Trust Funds	Custodial Funds
Assets		
Cash and cash equivalents	\$ -	\$ -
Investments, at fair value		
Mutual funds	6,618,529	-
Other receivable	36,041	-
Accounts receivable	-	-
Interfund receivable	-	34,000
Total assets	6,654,570	34,000
 Deferred outflows of resources		
Deferred outflows	-	-
Total assets	-	-
 Liabilities		
Accounts payable	-	-
Interfund payable	-	-
Due to other funds	-	-
Total liabilities	-	-
 Deferred inflows of resources		
Unearned revenue	-	-
 Net Position		
Restricted for custodial funds	-	34,000
Restricted for OPEB	6,654,570	-
Total net position	6,654,570	34,000
Total liabilities and net position	\$ 6,654,570	\$ 34,000

The accompanying notes are an integral part of the financial statements

Town of West Warwick, Rhode Island
Fiduciary Funds
Statement of Changes in Fiduciary Net Position
For the Year ended June 30, 2024

	OPEB Trust Funds	Custodial Funds
Additions		
Contributions		
Employer contributions	\$ 3,998,051	\$ -
Funds received on behalf of others	-	-
Realized and unrealized gains (losses)	774,990	-
Interest and dividends	-	-
	4,773,041	-
Deductions		
Benefits paid	3,691,551	-
Operating expenses	17,905	-
Fund distributed on behalf of others	-	3,000
	3,709,456	3,000
Changes in net position held in trust for individuals, organizations, and other governments	1,063,585	(3,000)
Net position - beginning	5,590,985	37,000
Net position - ending	\$ 6,654,570	\$ 34,000

The accompanying notes are an integral part of the financial statements

Town of West Warwick, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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.

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.

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:

Town of West Warwick, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 **OPEB Trust Fund** accounts for 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

For the Year Ended June 30, 2024

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

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

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

For the Year Ended June 30, 2024

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

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.

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. 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.

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, 2024 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.

Town of West Warwick, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

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 non-spendable.

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.

Town of West Warwick, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 2024.

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.

Leases

A lease is a contract that conveys the controls of the right to use another entity's nonfinancial asset (the underlying asset) for a period of time in an exchange or exchange-like transactions. 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 cannot be readily determined from the lease agreement, the Town would use its incremental borrowing rate.

A right to use lease asset with a lease term greater than one year are recorded as intangible assets. Right to use lease assets are amortized over the contract term of the lease. Leases that do not meet the criteria are recognized as current period revenues and expenses.

Subscription-Based Information Technology Arrangements (SBITA)

A SBITA is defined as a contract that conveys control of the right to use another party's information technology software, alone or in conjunction with tangible capital assets, as specified in the contract for a period of time in an exchange or exchange-like transaction.

The subscription term includes the period in which the municipality has a noncancellable right to use the IT asset. The subscription also includes the periods covered by an option to extend or to terminate the contract. The Town would recognize a right-to-use subscription-based asset as an intangible asset with a corresponding subscription-based liability. The liability should be initially measured at the present value of the payments expected to be made during the term. Future payments should be discounted using the interest rate the Software vendor charges or the government's incremental borrowing rate.

Town of West Warwick, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

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

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This 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.

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.

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.

Town of West Warwick, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Long-Term Obligations (Continued)

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.

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.

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.

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.

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.

Town of West Warwick, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Equity (Continued)

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:

Non-spendable 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.

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.

Fund Balance

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.

Town of West Warwick, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

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

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%.

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.

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".

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."

Town of West Warwick, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

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

Accounting Pronouncements

During the fiscal year June 30, 2024, the Town of West Warwick has adopted the following new standards issued by the GASB:

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.

Future Pronouncements

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

- GASB Statement No. 101, *Compensated Absences*, which is required to be implemented during fiscal year 2025. Management will evaluate the potential impact that the implementation of this Statement will have on the financial statements at some point in the future.
- GASB Statement No. 102, *Certain Risk Disclosures*, which is required to be implemented during fiscal year 2025. Management will evaluate the potential impact that the implementation of this Statement will have on the financial statements at some point in the future.
- GASB Statement No. 103, *Financial Reporting Model Improvements*, which is required to be implemented during fiscal year 2026. Management will evaluate the potential impact that the implementation of this Statement will have on the financial statements at some point in the future.

Town of West Warwick, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

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 a Voter Referendum. 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.

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 \$91,853,105. As of June 30, 2024, \$40,508,515 of the Town's debt was subject to the legal debt margin.

Excess of Expenditures over Appropriations

For the year ended June 30, 2024, expenditures exceeded appropriations in the following categories:

<u>General Fund</u>	
General Government	\$ (1,200,218)
Public Safety	(142,493)
<u>School Unrestricted Fund</u>	
Salaries	\$ (68,652)
Employee benefits	(163,350)
Supplies and materials	(22,658)
Other	(13,732)

Town of West Warwick, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

Fund Deficits

At June 30, 2024, the Town reported deficit fund balance/net position in the following funds:

Major Governmental Funds:

None -

Non-Major Governmental Funds:

Town Special Revenue

Library Grants \$ 39,349

School Special Revenue

Perkins Vocational Instruction 725

McKinney Vento 16,729

ARP Act - ELC 381

U.S. DoE- Pre- School Development Grant 596

Comprehensive Literacy Grant State Development 7,701

AWARE 134

RI Energy Resource 36,133

CTE Categorical Even Year 24,874

School Building Authority Grant - Cap Fund Grant #3 6,014

School Building Authority Grant - Facilities Equity Initiative 21,700

Thundermist - Health Center 2,252

Thundermist - Preschool 5,168

Smile 242

NE Dairy & Food Council 100

Share our Strength 122

School Capital Projects

Capital Reserve- School Improvements 272,177

School Housing Aid- Capital Projects #3 920,438

Capital Projects Major Improvements 88,391

Wireless Classroom Initiative (3,107)

Total aggregate deficit fund balances \$ 1,354,835

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

For the Year Ended June 30, 2024

2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (Continued)

Fund Deficits (Continued)

The following individual funds had operating deficits for the year ending June 30, 2024:

Major Governmental Funds:

General Fund	\$ -
School Unrestricted	1,302,558
Total Major Governmental Funds	<u>\$ 1,302,558</u>

Business-Type Activities:

Wastewater	\$ 463,823
Civic Center	39,719
Municipal Court	12,163
School Lunch	63,431
Total Business-Type Activities	<u>\$ 579,136</u>

Non-major Governmental Funds:

Town Special Revenue

Brambley Bill Fund	\$ 1,004
Assistance to Firefighters - 2020	4,041
Assistance to Firefighters	13
Community Development Block Grant	19,199
Revolving Fund	291,827
Police Detail Car Fund	6,799

School Special Revenue

Title I Part A	265,746
McKinney - Vento	16,729
ESSER III District Support - Instruction	34,266
Comprehensive Literacy Grant State Development K-5	44,999
Comprehensive Literacy Grant State Development K-5 #2	1,453
SAELP Grant	6,691
RI Energy Resource	38,073
CTE Categorical - Odd Year	62,848
SBA - Facilities Equity Initiative FY23	21,700
Education Development Center	8,508
Thundermist Health Center	7,065
Smile	77
CASIT	747

Town Capital Projects

EMS Rescue Fund	309,792
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School Capital Projects

Capital Reserve- School Improvements	167,563
School Housing Aid- Capital Projects #3	566,597
Capital Projects - Major Improvements	88,391
Wireless Classroom Initiative	6,213
	<u>\$ 1,970,341</u>

Town of West Warwick, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

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.

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	\$ 25,157,075
Debt service reserve	1,022,448
Money Market	556,328
Petty Cash	2,550
School	
Deposits	1,879,893
Petty cash	161
Total cash and cash equivalents	<u>28,618,455</u>
Investments	
Mutual Funds	552,057
OPEB	6,618,529
Total Investments	<u>7,170,586</u>
Total cash and investments	<u>\$ 35,789,041</u>
Statement of Net Position	
Cash and cash equivalents	\$ 27,570,742
Restricted cash	1,022,448
Investments	577,322
Fiduciary Funds	
Investments	6,618,529
Total cash and investments	<u>\$ 35,789,041</u>

Town of West Warwick, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

3. CASH AND INVESTMENTS (Continued)

Deposit Custodial Credit Risk (continued)

As of June 30, 2024, the Town's and School's entire bank balance of \$25,414,512 and \$1,881,999, 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.

As of June 30, 2024, the Town had the following investments:

<u>Description</u>	<u>Fair Value</u>
Other investments	
Mutual Funds	\$ 7,170,586
Total Investments	<u>\$ 7,170,586</u>

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

<u>Average Rating</u>	<u>Mutual Funds</u>
Unrated	\$ 7,170,586
	<u>\$ 7,170,586</u>

Town of West Warwick, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

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

For the Year Ended June 30, 2024

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

For the Year Ended June 30, 2024

3. CASH AND INVESTMENTS (Continued)

Fair Value (continued)

At June 30, 2024, the Town had the following recurring fair value measurements:

	Fair Value	Fair Value Measurements Using		
		Level 1	Level 2	Level 3
Investments by fair value level:				
Mutual Funds	\$ 7,170,586	\$ 7,170,586	\$ -	\$ -
Total Investments by Fair Value Level	\$ 7,170,586	\$ 7,170,586	\$ -	\$ -
Total Investments	\$ 7,170,586			

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, 2024 as follows:

	General Fund	School Unrestricted Fund	Nonmajor Funds	Total
Receivables:				
Property Taxes	\$ 2,949,480	\$ -	\$ -	\$ 2,949,480
Intergovernmental	437,342	628,501	4,431,383	5,497,226
Other receivables	954,852	48,452	359,904	1,363,208
Gross Receivables	4,341,674	676,953	4,791,287	9,809,914
Less allowance for uncollectibles	(1,377,000)	-	-	(1,377,000)
Total Receivables	\$ 2,964,674	\$ 676,953	\$ 4,791,287	\$ 8,432,914

Town of West Warwick, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

5. CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2024 was as follows:

	Balance July 1, 2023	Additions	Retirements & Disposals	Balance June 30, 2024
Governmental Activities:				
Nondepreciable assets:				
Land	\$ 9,268,414	\$ -	\$ -	\$ 9,268,414
Construction in progress	797,318	3,278,564	260,692	3,815,190
Total capital assets not being depreciated	10,065,732	3,278,564	260,692	13,083,604
Depreciable assets:				
Land improvements	2,518,687	106,490	-	2,625,177
Buildings and improvements	39,062,306	653,326	-	39,715,632
Machinery, equipment & vehicles	36,601,586	1,712,857	-	38,314,443
Infrastructure	61,927,325	-	-	61,927,325
Total capital assets being depreciated	140,109,904	2,472,673	-	142,582,577
Amortized assets:				
Intangible right to use:				
Leased Land for Wind Turbine	2,072,315	-	-	2,072,315
Less accumulated depreciation for				
Land improvements	(595,145)	(137,796)	-	(732,941)
Buildings and improvements	(24,139,356)	(759,617)	-	(24,898,973)
Machinery, equipment & vehicles	(15,885,811)	(1,495,158)	-	(17,380,969)
Infrastructure	(46,071,118)	(1,156,492)	-	(47,227,610)
Total Accumulated Depreciation	(86,691,430)	(3,549,063)	-	(90,240,493)
Less accumulated amortization for				
Leased Land for Wind Turbine	(538,803)	(82,893)	-	(621,696)
Total capital assets being depreciated, net	54,951,986	(1,159,283)	-	53,792,703
Total Governmental Activities	\$ 65,017,719	\$ 2,119,281	\$ 260,692	\$ 66,876,308
 <i>Governmental Activities (Depreciation)</i>				
General Government	\$ 965,065			
Education	849,547			
Public Safety	349,639			
Public Works	1,273,935			
Library	36,603			
Recreation	157,167			
Total	\$ 3,631,956			

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 \$3,549,063 of added depreciation expense, \$2,764,734 is considered to be from governmental funds and \$784,330 is considered to be from internal service funds. The \$82,893 of amortization expense is considered to be from governmental activities.

Town of West Warwick, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

5. CAPITAL ASSETS (Continued)

	Balance July 1, 2023	Additions	Retirements & Disposals	Balance June 30, 2024
<i>Business-Type Activities:</i>				
Capital assets not being depreciated				
Land	\$ 432,700	\$ -	\$ -	\$ 432,700
Construction in progress	975,995	12,000	975,995	12,000
Total capital assets not being depreciated	1,408,695	12,000	975,995	444,700
Capital assets being depreciated				
Land improvements	1,348,913	-	-	1,348,913
Buildings, pump stations & tanks	52,327,805	657,972	-	52,985,777
Machinery, equipment & vehicles	17,695,034	621,488	-	18,316,522
Infrastructure	45,608,940	787,935	-	46,396,875
Total capital assets being depreciated	116,980,692	2,067,395	-	119,048,087
Accumulated Depreciation:				
Land improvements	(834,825)	(40,650)	-	(875,475)
Buildings, pump stations & tanks	(19,172,093)	(1,106,125)	-	(20,278,218)
Machinery, equipment & vehicles	(14,176,250)	(701,726)	-	(14,877,976)
Infrastructure	(38,185,889)	(578,058)	-	(38,763,947)
Total Accumulated Depreciation	(72,369,057)	(2,426,559)	-	(74,795,616)
Total capital assets being depreciated, net	44,611,635	(359,164)	-	44,252,471
Total Business-Type activities	\$ 46,020,330	\$ (359,164)	\$ -	\$ 44,697,171
 <i>Business-Type Activities (Depreciation)</i>				
Civic Center	\$ 52,885			
School Lunch	46,226			
WasteWater	2,327,447			
Total Depreciation Expense	\$ 2,426,558			

Town of West Warwick, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

6. INTERFUND BALANCES AND TRANSFERS

A summary of interfund balances as of June 30, 2024 is as follows:

Governmental Funds:	Due from Other Funds	Due to Other Funds	Other Financing Sources	Other Financing Uses
Major Governmental Funds:				
General fund	\$ 193,557	\$ 5,327,207	\$ -	\$ 33,057,516
School Unrestricted Fund	3,187,848	-	33,057,516	-
Total Major Governmental Funds	3,381,405	5,327,207	33,057,516	33,057,516
Non-Major Governmental Funds:				
Town special revenue	3,024,515	856,576	-	123,286
School special revenue	132,154	2,964,802	-	-
Town capital projects	3,496,515	2,461,099	-	-
Total Non-Major Governmental Funds	6,653,184	6,282,477	-	123,286
Proprietary Funds:				
Wastewater	889,178	-	123,286	-
Civic Center	-	846,873	-	-
Municipal Court	71,600	-	-	-
School Lunch Program	-	457,390	-	-
Internal Service Fund - Healthcare Management	1,918,580	-	-	-
Total Proprietary Funds	2,879,358	1,304,263	123,286	-
Total all funds	\$ 12,913,947	\$ 12,913,947	\$ 33,180,802	\$ 33,180,802

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

For the Year Ended June 30, 2024

7. CHANGES IN LONG-TERM LIABILITIES

Long-term liability activity for the year ended June 30, 2024 was as follows:

	Beginning Balance	Increase	Decrease	Ending Balance	Amount Due Within One Year
<u>Governmental Activities:</u>					
General obligation debt	\$ 14,314,000	\$ -	\$ 1,120,000	\$ 13,194,000	\$1,135,000
Direct borrowing debt	18,910,515	-	1,369,000	17,541,515	1,393,515
Lease purchase obligations	2,670,708	-	308,900	2,361,808	312,458
Unamortized bond premiums	133,192	-	10,802	122,390	10,802
Accrued compensated absences	5,855,418	192,873	-	6,048,291	2,298,350
Net private pension liability	139,429,050	(139,429,050)	-	-	-
Net ERS liability	41,880,054	-	3,665,698	38,214,356	-
Net MERS liability (New Plan)	48,980	139,429,050	302,299	139,175,731	-
Net OPEB liability	53,517,226	494,378	-	54,011,604	-
Total Governmental Activities - long-term liabilities	\$ 276,759,143	\$ 687,251	\$ 6,776,699	\$ 270,669,695	\$ 5,150,125
<u>Business-type Activities:</u>					
Direct borrowing debt	\$ 12,195,000	\$ -	\$ 2,422,000	\$ 9,773,000	\$ 1,356,000
Accrued compensated absences	231,509	12,005	-	243,514	89,309
Net pension liability	7,162,406	(7,162,406)	-	-	-
Net MERS liability (New)	6,015	7,162,406	6,015	7,162,406	-
Net OPEB liability	164,334	38,506	-	202,840	-
Total Business-Type Activities - Long-Term Liabilities	\$ 19,759,264	\$ 50,511	\$ 2,428,015	\$ 17,381,760	\$ 1,445,309

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

Town of West Warwick, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

7. CHANGES IN LONG-TERM LIABILITIES (Continued)

Bonds and Loans Payable

Bonds and notes outstanding as of June 30, 2024 consisted of the following:

Governmental Activities:

Description of Purpose	Date of Issue	Amount of Original Issue	Interest Rates	Date of Maturity	Balance 6/30/2023	Additions	Refundings & Retirements	Balance 6/30/2024	Due Within One Year
<i>General obligation bonds:</i>									
General Obligation Refunding Bonds	7/19/2017	6,890,000	2.40%	7/19/2017	\$ 4,560,000	\$ -	\$ 355,000	\$ 4,205,000	\$ 365,000
General Obligation Bonds	10/3/2017	6,159,000	3.96%	9/1/2037	5,909,000	-	100,000	5,809,000	100,000
General Obligation Bonds, Series 2015A	11/12/2015	6,890,000	2.00% - 5.00%	10/1/2035	3,845,000	-	665,000	3,180,000	670,000
Total General Obligation Bonds		<u>\$ 23,627,000</u>			<u>\$ 14,314,000</u>	<u>\$ -</u>	<u>\$ 1,120,000</u>	<u>\$ 13,194,000</u>	<u>\$ 1,135,000</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	\$ 2,635,000	\$ -	\$ 200,000	\$ 2,435,000	\$ 205,000
Municipal Road and Bridge Program	5/28/2015	150,515	0.75% - 2.25%	9/1/2024	35,515	-	18,000	17,515	17,515
RIIB Energy Efficient Buildings Fund	7/8/2016	7,184,000	1.08% - 2.53%	9/1/1932	5,014,000	-	455,000	4,559,000	464,000
RIIB Energy Efficient Buildings Fund	12/13/2017	5,957,000	1.91% - 3.66%	9/1/2023	4,553,000	-	367,000	4,186,000	375,000
Road and Bridget Improvement	8/3/2021	7,000,000	.31%-2.17%	9/1/2040	6,673,000	-	329,000	6,344,000	332,000
Total General obligation bonds and notes									
Direct Borrowings and Direct Placements:		<u>30,071,515</u>		7/2/2024	<u>18,910,515</u>	<u>-</u>	<u>1,369,000</u>	<u>17,541,515</u>	<u>1,393,515</u>
Total general obligation bonds payable		<u>\$ 53,698,515</u>			<u>\$ 33,224,515</u>	<u>\$ -</u>	<u>\$ 2,489,000</u>	<u>\$ 30,735,515</u>	<u>\$ 2,528,515</u>

Town of West Warwick, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

7. CHANGES IN LONG-TERM LIABILITIES (Continued)

Bonds and Loans Payable (continued)

<u>Business-Type Activities</u>									
<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 6/30/2023</u>	<u>Additions</u>	<u>Refundings & Retirements</u>	<u>Balance 6/30/2024</u>	<u>Due Within One Year</u>
<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	\$ 1,098,000	\$ -	\$ 1,098,000	\$ -	\$ -
Wastewater System Revenue Bonds - RIIB	12/30/2004	3,000,000	0.78% - 1.55%	9/1/2025	525,000	-	171,000	354,000	175,000
Wastewater System Revenue Bonds - RIIB	3/9/2006	7,719,000	1.11% - 1.57%	9/1/2025	1,355,000	-	443,000	912,000	452,000
Wastewater System Revenue Bonds - RIIB	12/21/2006	500,000	1.91% - 3.66%	9/1/2026	116,000	-	28,000	88,000	28,000
Wastewater System Revenue Bonds - RIIB	12/12/2007	1,675,000	1.19% - 1.36%	9/1/2028	572,000	-	91,000	481,000	92,000
Wastewater System Revenue Bonds - RIIB	7/24/2014	5,500,000	1.19% - 2.91%	9/1/2034	3,630,000	-	256,000	3,374,000	263,000
Wastewater System Revenue Bonds - RIIB	7/30/2015	7,000,000	1.95% - 3.30%	9/1/2034	4,899,000	-	335,000	4,564,000	346,000
Total bonds obligations		<u>\$ 46,317,000</u>			<u>\$ 12,195,000</u>	<u>\$ -</u>	<u>\$ 2,422,000</u>	<u>\$ 9,773,000</u>	<u>\$ 1,356,000</u>

Town of West Warwick, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

7. CHANGES IN LONG-TERM LIABILITIES (Continued)

Annual debt service requirements of bonds and notes as of June 30, 2024 were as follows:

Year ending June 30:	Governmental Activities	
	General Obligations Bonds	
	Principal	Interest
2025	\$ 1,135,000	\$ 455,251
2026	1,150,000	422,233
2027	1,075,000	391,985
2028	1,085,000	362,367
2029	920,000	211,226
2030-2041	7,829,000	1,823,342
	\$ 13,194,000	\$ 3,666,404

Year ending June 30:	Governmental Activities		Business-Type Activities		Total	
	Direct Borrowings		Direct Borrowings & Direct Placement			
	Principal	Interest	Principal	Interest	Principal	Interest
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	241,943	2,794,000	660,521
2027	1,431,000	385,334	775,000	215,356	2,206,000	600,690
2028	1,464,000	349,603	767,000	192,654	2,231,000	542,257
2029	1,495,000	272,370	793,000	168,992	2,288,000	441,362
2030-2041	10,353,000	1,167,328	4,693,000	484,848	15,046,000	1,652,176
	\$ 17,541,515	\$ 3,042,809	\$ 9,773,000	\$ 1,575,527	\$ 27,314,515	\$ 4,618,336

Town of West Warwick, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

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 assessment's receivable and revenue when the project was completed and the obligation entered into. At June 30, 2024, the amount of the municipal debt service assessment receivable which is expected to be collected in future years totaled \$2,643,061. Of this amount, \$402,410 is expected to be received in fiscal 2025 to help cover the principal balance due of \$2,422,000 during fiscal 2024.

Authorized but Unissued Bonds

The total of authorized but unissued bonds at June 30, 2024 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

For the Year Ended June 30, 2024

8. LEASES

Lease Purchase obligations

Lease purchase obligations outstanding as of June 30, 2024 consisted of the follow:

<u>LEASES:</u>									
Description of Purpose	Date of Issue	Amount of Original Issue	Interest Rates	Date of Maturity	Balance 6/30/2023	Additions	Refundings & Retirements	Balance 6/30/2024	Due Within One Year
Governmental Activities:									
Equipment - JP Morgan Chase	12/2/2020	\$ 922,000	1.58%	11/1/2027	\$ 667,917	\$ -	\$ 129,428	\$ 538,489	\$ 131,473
Equipment - Signature Public Funding Corporation	3/1/2022	340,000	2.29%	12/1/2026	273,505	-	66,072	207,433	67,585
Wind Turbine	12/1/2016	2,072,315	2.0-5.0%	12/31/2041	1,729,286	-	113,400	1,615,886	113,400
Total Governmental Activities		<u>\$ 3,334,315</u>			<u>\$ 2,670,708</u>	<u>\$ -</u>	<u>\$ 308,900</u>	<u>\$ 2,361,808</u>	<u>\$ 312,458</u>

Governmental Activities		
Leases		
	Principal	Interest
Year ending June 30:		
2025	\$ 312,458	\$ 61,416
2026	269,909	55,808
2027	281,396	49,991
2028	215,105	43,946
2029	119,064	40,704
2030-2042	1,163,876	291,714
	<u>\$ 2,361,808</u>	<u>\$ 543,579</u>

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

Town of West Warwick, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

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, 2024.

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, 2024 are as follows:

	<u>Major Funds</u>		<u>Non-Major</u>	<u>Total</u>
	<u>General Fund</u>	<u>School Unrestricted</u>	<u>Governmental Funds</u>	
Fund Balances				
Nonspendable				
Prepaid expenditures	\$ 112,185	\$ -	\$ -	\$ 112,185
Restricted for				
General government			1,437,348	1,437,348
Public safety	-	-	219,138	219,138
Public works	-	-	737,863	737,863
Recreational purposes	-	-	346,773	346,773
Educational purposes	-	-	406,607	406,607
Educational capital improvements	-	-	2,260,729	2,260,729
Committed to				
Educational programs	-	5,457,256	-	5,457,256
Public safety	-	-	1,187,039	1,187,039
Assigned to				
Subsequent budget	-	-	-	-
Unassigned	7,300,665	-	(1,440,119)	5,860,546
Total	<u>\$ 7,412,850</u>	<u>\$ 5,457,256</u>	<u>\$ 5,155,378</u>	<u>\$ 18,025,484</u>

Town of West Warwick, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

10. PENSION PLANS

The Town contributes to two defined benefit pension plans. The Municipal Employees' Retirement System (MERS) – an agent multiple-employer defined benefit pension plan, and the Employees' Retirement System of the State of Rhode Island (ERS), a cost-sharing multiple-employer plan.

A. Municipal Employees' Retirement System (MERS) – Legacy Plans

Plan Description

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

This section of the notes to the financial statements discusses the Town, School, Police, Fire and Library “Legacy” plans.

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

Benefits provided

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

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

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

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

Town of West Warwick, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

10. PENSION PLANS (Continued)

A. Municipal Employees' Retirement System (MERS) – Legacy Plans

General employees

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

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

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

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

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

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

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

Police and Fire employees

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

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

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

Town of West Warwick, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

10. PENSION PLANS *(Continued)*

A. Municipal Employees' Retirement System (MERS) – Legacy Plans

Police and Fire employees (continued)

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

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

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

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

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

Other benefit provisions

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

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

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

Cost of living adjustments are provided to retirees based on statutory provisions (Section 36-10-35 of the Rhode Island General Laws). For members and/or beneficiaries of members who retired on or before June 30, 2012, cost of living adjustments are computed annually. For members retiring on or after July 1, 2012, twenty-five percent (or 1/4th) of the cost of living adjustment is computed annually until the plan reaches a 75% funded status. The full benefit adjustment is reinstated for all members upon the plan reaching the 75% funded status.

Town of West Warwick, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

10. PENSION PLANS (Continued)

A. Municipal Employees' Retirement System (MERS) – Legacy Plans

Other benefit provisions (continued)

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

b. The COLA will be limited to the first \$25,000 of the member's annual pension benefit. For retirees and beneficiaries who retired on or before July 1, 2015, years in which a COLA is payable based on the every fourth year provision described in (a) above will be limited to the first \$30,000. These limits will be indexed annually to increase in the same manner as COLAs, with the known values of \$27,608 for 2021, \$27,901 for 2022 and \$28,878 for 2023.

Employees covered by benefit terms

At the June 30, 2023 valuation date, the following employees were covered by the benefit terms (all legacy plans):

	<u>Town</u>	<u>School</u>	<u>Police</u>	<u>Fire</u>	<u>Library</u>	<u>Total</u>
Inactive plan members and beneficiaries currently receiving benefits	123	90	81	84	9	387
Inactive plan members entitled to but not yet receiving benefits	26	34	12	6	6	84
Active Members	50	100	39	58	7	<u>254</u>
Total						<u><u>725</u></u>

Contributions

The amount of employee and employer contributions have been established under Rhode Island General Law Chapter 45-21. General employees with less than 20 years of service as of June 30, 2012 are required to contribute 1% (2% if the employer opted to provide a COLA) of their salaries. General employees with more than 20 years of service as of June 30, 2012 are required to contribute 8.25%. Public safety employees are required to contribute 9% (10% if employer opted to provide a COLA) of their salaries. The Town of West Warwick contributes at a rate of covered employee payroll as determined by an independent actuary on an annual basis. The General Assembly can amend the amount of these contribution requirements. The Town contributed \$10,158,589 at the year ended June 30, 2023 measurement date. There was no covered payroll for this plan.

Town of West Warwick, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

10. PENSION PLANS (Continued)

A. Municipal Employees' Retirement System (MERS) – Legacy Plans

Net Pension Liability (Asset)

The total pension liability was determined by actuarial valuations performed as of June 30, 2022 and rolled forward to June 30, 2023, using the following actuarial assumptions, applied to all periods included in the measurement.

Summary of Actuarial Assumptions Used in the Valuations to determine the Net Pension Liability at the June 30, 2023 measurement date (June 30, 2022 valuation rolled forward to June 30, 2023)	
Actuarial Cost Method	Entry Age Normal - the Individual Entry Age Actuarial Cost methodology is used.
Amortization Method	Level Percent of Payroll – Closed
Actuarial Assumptions	
Investment Rate of Return	7.00%
Projected Salary Increases	General Employees - 3.25% to 7.25%; Police & Fire Employees - 4.00% to 14.00%
Inflation	2.5 %
Mortality	Mortality – Variants of the PUB (10) Tables for Healthy and Disabled Retirees, projected with Scale Ultimate MP16.
Cost of Living Adjustments	All future COLAs were assumed to be 2.1% per annum for all MERS units with the COLA provision.

The actuarial assumptions used in the calculation of the total pension liability at June 30, 2023 measurement date were based on the 2023 Actuarial Experience Investigation Study for the six-year period ended June 30, 2022 as approved by the System's Board on May 17, 2023.

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 42 sources. The June 30, 2023 expected arithmetic returns over the long-term (20 years) by asset class are summarized in the following table:

Town of West Warwick, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

10. PENSION PLANS (Continued)

A. Municipal Employees' Retirement System (MERS) – Legacy Plans

Net Pension Liability (Asset)

<u>Asset class</u>	<u>Target allocation</u>	<u>Long-term expected real rate of return</u>
Global equity:		
U.S. equity	25.10%	6.46%
International Developed Equity	10.70%	6.91%
Emerging Markets Equity	4.20%	8.92%
Private Growth		
Private Equity	12.50%	10.30%
Non-Core RE	2.50%	5.01%
Income		
Equity Options	2.00%	6.20%
Liquid Credit	5.00%	4.56%
Private Credit	3.00%	4.56%
Collateralized Loan Obligations(CLO)	2.00%	4.56%
Crisis Protection Class		
Treasury Duration	5.00%	0.76%
Systematic Trend	5.00%	4.07%
Inflation Protection		
Core Real Estate	4.00%	5.01%
Private Infrastructure	4.00%	5.91%
Volatility Protection		
IG Corp Credit	3.25%	2.46%
Securitized Credit	3.25%	2.46%
Absolute Return	6.50%	4.07%
Cash	2.00%	0.76%
Total	<u>100.00%</u>	

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

Discount rate

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

Town of West Warwick, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

10. PENSION PLANS (Continued)

A. Municipal Employees' Retirement System (MERS) – Legacy Plans

Discount rate (continued)

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances as of July 1, 2022	\$ 195,973,553	\$ 49,382,097	\$ 146,591,456
Changes for the year:			
Service cost	3,437,664	-	3,437,664
Interest	13,310,749	-	13,310,749
Differences between expected and actual experience	(1,437,351)	-	(1,437,351)
Employer contributions	-	10,158,589	(10,158,589)
Member contributions	-	2,184,177	(2,184,177)
Net investment income	-	3,265,522	(3,265,522)
Benefit payments, including refunds of member contributions	(12,202,951)	(12,202,951)	-
Administrative expenses	-	(43,907)	43,907
Net changes	3,108,111	3,361,430	(253,319)
Balance as of June 30, 2023	\$ 199,081,664	\$ 52,743,527	\$ 146,338,137

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

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Unit 1609 - Town Legacy	\$ 45,814,169	\$ 40,985,158	\$ 36,597,550
Unit 1610 - School NC Legacy	23,659,085	20,461,803	17,557,058
Unit 1617 - Police Legacy	45,415,933	40,295,251	35,642,693
Unit 1618 - Fire Legacy	48,039,513	42,418,828	37,312,371
Unit 1619 - Library Legacy	2,482,816	2,177,097	1,899,315
Net Pension Liability	\$ 165,411,516	\$ 146,338,137	\$ 129,008,987

Pension plan fiduciary net position

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

Town of West Warwick, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

10. PENSION PLANS (Continued)

A. Municipal Employees' Retirement System (MERS) – Legacy Plans

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

For the year ended June 30, 2024 the employer recognized pension expense in the Government-Wide Statement of Activities for the various MERS legacy plans as follows:

Unit #		
1609	\$	3,593,197
1610		2,114,190
1617		4,043,896
1618		4,309,481
1619		<u>235,582</u>
	<u>\$</u>	<u>14,296,346</u>

The employer reported deferred outflows and inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 1,475,524	\$ 1,049,827
Changes of assumptions	1,312,876	-
Net difference between projected and actual earnings on pension plan investments	<u>4,913,162</u>	<u>-</u>
Total	<u>\$ 7,701,562</u>	<u>\$ 1,049,827</u>

\$0 is reported as deferred outflows of resources related to pensions resulting from the Town's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent period.

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

<u>Year Ending June 30,</u>	<u>Net Deferred Outflows (Inflows) of Resource</u>
2025	\$ 3,219,858
2026	1,210,443
2027	2,217,889
2028	3,545
2029	-
Thereafter	-
Total	<u>\$ 6,651,735</u>

Town of West Warwick, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

10. PENSION PLANS (Continued)

B. Employees' Retirement System (ERSRI)

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%. For members retiring after July 1, 2024, retiree benefit amounts are based on the average three consecutive years of compensation. 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 to retirees based on statutory provisions (Section 36-10-35 of the Rhode Island General Laws). For members and/or beneficiaries of members who retired on or before June 30, 2012, cost of living adjustments are computed annually. For members retiring on or after July 1, 2012, twenty-five percent (or 1/4th) of the cost of living adjustment is computed annually until the plan reaches a 75% funded status. The full benefit adjustment is reinstated for all members upon the plan reaching the 75% funded status.

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

For the Year Ended June 30, 2024

10. 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 2024, 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 15.03% and 15.39% of annual covered payroll for the fiscal year ended June 30, 2024 for the state and the West Warwick School Department, respectively. The West Warwick School Department contributed \$5,142,505, \$4,342,335 and \$4,463,813 for the fiscal years ended June 30, 2024, 2023 and 2022, respectively, equal to 100% of the required contributions for each year. The State's share of contribution for fiscal 2024 was \$4,560,489 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, 2024, the West Warwick School Department reported a liability of \$38,214,356 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	\$ 38,214,356
State's proportionate share of the net pension liability associated with the school district	<u>29,060,936</u>
Total net pension liability	<u>\$ 67,275,292</u>

The net pension liability was measured as of June 30, 2023, 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, 2022 rolled forward to June 30, 2023. 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, 2023, the West Warwick School Department's proportion was 1.57%.

Town of West Warwick, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

10. 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, 2024, the Town's government-wide statement of activities recognized gross pension expense of \$4,560,489 and revenue of \$3,806,541 for support provided by the State. At June 30, 2024, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<u>Description of Outflows/Inflows</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 443,083	\$ 888,778
Changes of assumptions	163,602	1,510,889
Net difference between projected and actual earnings on pension plan investments	-	1,357,434
Changes in proportion and differences between employer contributions and proportionate share of contributions	3,020,541	7,986
Contributions subsequent to the measurement date	<u>5,142,505</u>	<u>-</u>
	<u>\$ 8,769,731</u>	<u>\$ 3,765,087</u>
Net amount of deferred outflows and (inflows) excluding PSD contributions subsequent to measurement date		<u>\$ (137,861)</u>

\$5,142,505 reported as deferred outflows of resources related to pensions resulting from the Town's contributions in fiscal year 2024 subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year ended June 30,</u>	
2025	\$ (178,797)
2026	(1,117,614)
2027	1,288,010
2028	(94,957)
2029	5,155
Thereafter	<u>(39,658)</u>
Total	<u>\$ (137,861)</u>

Town of West Warwick, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

10. 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	2.50%
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 MP16.	

The actuarial assumptions used in the calculation of the total pension liability at June 30, 2023 measurement date were based on the 2023 Actuarial Experience Investigation Study for the six-year period ended June 30, 2022 as approved by the System's Board on May 17, 2023.

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 40 sources. The June 30, 2023 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

For the Year Ended June 30, 2024

10. PENSION PLANS (Continued)

B. Employees' Retirement System (Continued)

Investments (continued)

<u>Asset Class</u>	<u>Long-Term Target Asset Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Global Equity		
U.S. Equity	25.10%	6.46%
International Developed Equity	10.70%	6.91%
Emerging Markets Equity	4.20%	8.92%
Subtotal	<u>40.00%</u>	
Private Equity		
Private Energy	12.50%	10.30%
Non-Core RE	2.50%	5.01%
OPP Private Credit	0.00%	0.00%
Subtotal	<u>15.00%</u>	
INCOME		
Equity Options	2.00%	6.20%
Liquid Credit	5.00%	4.56%
Private Credit	3.00%	4.56%
Collateralized Loan Obligations (CLO)	2.00%	4.56%
Subtotal	<u>12.00%</u>	
STABILITY		
Crisis Protection Class		
Treasury Duration	5.00%	0.76%
Systematic Trend	5.00%	4.07%
Subtotal	<u>10.00%</u>	
Inflation Protection		
Core Real Estate	4.00%	5.01%
Private Infrastructure	4.00%	5.91%
Subtotal	<u>8.00%</u>	
Volatility Protection		
IG Fixed Income	3.25%	2.46%
Securitized Credit	3.25%	2.46%
Absolute Return	6.50%	4.07%
Cash	2.00%	0.76%
Subtotal	<u>15.00%</u>	
	<u>100.00%</u>	

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.

Town of West Warwick, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

10. 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%)
\$ 49,002,167	\$ 38,214,356	\$ 28,412,392

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

For the Year Ended June 30, 2024

10. PENSION PLANS (Continued)

C. Municipal Employees' Retirement System (MERS)

Plan Description

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

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

Benefits provided

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

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

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

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

Town of West Warwick, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

10. PENSION PLANS (Continued)

C. Municipal Employees' Retirement System (MERS)

General employees

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

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

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

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

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

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

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

Police and Fire employees

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

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

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

Town of West Warwick, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

10. PENSION PLANS *(Continued)*

C. Municipal Employees' Retirement System (MERS)

Police and Fire employees (continued)

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

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

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

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

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

Other benefit provisions

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

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

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

Cost of living adjustments are provided to retirees based on statutory provisions (Section 36-10-35 of the Rhode Island General Laws). For members and/or beneficiaries of members who retired on or before June 30, 2012, cost of living adjustments are computed annually. For members retiring on or after July 1, 2012, twenty-five percent (or 1/4th) of the cost of living adjustment is computed annually until the plan reaches a 75% funded status. The full benefit adjustment is reinstated for all members upon the plan reaching the 75% funded status.

Town of West Warwick, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

10. PENSION PLANS (Continued)

C. Municipal Employees' Retirement System (MERS)

Other benefit provisions (continued)

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

b. The COLA will be limited to the first \$25,000 of the member's annual pension benefit. For retirees and beneficiaries who retired on or before July 1, 2015, years in which a COLA is payable based on the every fourth year provision described in (a) above will be limited to the first \$30,000. These limits will be indexed annually to increase in the same manner as COLAs, with the known values of \$27,608 for 2021, \$27,901 for 2022 and \$28,878 for 2023.

Employees covered by benefit terms

At the June 30, 2023 valuation date, the following employees were covered by the benefit terms:

	General Employees	School Department (NC)	Fire Department	Police Department
Retirees and Beneficiaries	0	0	0	0
Inactive, Non-retired Members	3	1	1	2
Active Members	10	33	10	4
Total	13	34	11	6

Contributions

The amount of employee and employer contributions have been established under Rhode Island General Law Chapter 45-21. General employees with less than 20 years of service as of June 30, 2012 are required to contribute 1% (2% if the employer opted to provide a COLA) of their salaries. General employees with more than 20 years of service as of June 30, 2012 are required to contribute 8.25%. Public safety employees are required to contribute 9% (10% if employer opted to provide a COLA) of their salaries. The Town of West Warwick contributes at a rate of covered employee payroll as determined by an independent actuary on an annual basis. The General Assembly can amend the amount of these contribution requirements. The Town contributed \$280,051 in the year ended June 30, 2023 which was 7.90% of annual covered payroll.

	General Employees	School Department (NC)	Fire Department	Police Department	Total
Employer Contributions	\$ 66,433	\$ 83,502	\$ 79,017	\$ 51,099	\$ 280,051
Covered Payroll	1,022,039	1,284,635	752,548	486,658	3,545,880
Percentage of annual covered payroll	6.50%	6.50%	10.50%	10.50%	7.90%

Town of West Warwick, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

10. PENSION PLANS (Continued)

C. Municipal Employees' Retirement System (MERS)

Net Pension Liability (Asset)

The total pension liability was determined by actuarial valuations performed as of June 30, 2022 and rolled forward to June 30, 2023, using the following actuarial assumptions, applied to all periods included in the measurement.

Summary of Actuarial Assumptions Used in the Valuations to determine the Net Pension Liability at the June 30, 2023 measurement date (June 30, 2022 valuation rolled forward to June 30, 2023)	
Actuarial Cost Method	Entry Age Normal - the Individual Entry Age Actuarial Cost methodology is used.
Amortization Method	Level Percent of Payroll – Closed
Actuarial Assumptions	
Investment Rate of Return	7.00%
Projected Salary Increases	General Employees - 3.25% to 7.25%; Police & Fire Employees - 4.00% to 14.00%
Inflation	2.5 %
Mortality	Mortality – Variants of the PUB (10) Tables for Healthy and Disabled Retirees, projected with Scale Ultimate MP16.
Cost of Living Adjustments	All future COLAs were assumed to be 2.1% per annum for all MERS units with the COLA provision.

The actuarial assumptions used in the calculation of the total pension liability at June 30, 2023 measurement date were based on the 2023 Actuarial Experience Investigation Study for the six-year period ended June 30, 2022 as approved by the System's Board on May 17, 2023.

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 42 sources. The June 30, 2023 expected arithmetic returns over the long-term (20 years) by asset class are summarized in the following table:

Town of West Warwick, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

10. PENSION PLANS (Continued)

C. Municipal Employees' Retirement System (MERS)

Net Pension Liability (Asset)

<u>Asset class</u>	<u>Target allocation</u>	<u>Long-term expected real rate of return</u>
Global equity:		
U.S. equity	25.10%	6.46%
International Developed Equity	10.70%	6.91%
Emerging Markets Equity	4.20%	8.92%
Private Growth		
Private Equity	12.50%	10.30%
Non-Core RE	2.50%	5.01%
Income		
Equity Options	2.00%	6.20%
Liquid Credit	5.00%	4.56%
Private Credit	3.00%	4.56%
Collateralized Loan Obligations(CLO)	2.00%	4.56%
Crisis Protection Class		
Treasury Duration	5.00%	0.76%
Systematic Trend	5.00%	4.07%
Inflation Protection		
Core Real Estate	4.00%	5.01%
Private Infrastructure	4.00%	5.91%
Volatility Protection		
IG Corp Credit	3.25%	2.46%
Securitized Credit	3.25%	2.46%
Absolute Return	6.50%	4.07%
Cash	2.00%	0.76%
Total	<u>100.00%</u>	

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

Discount rate

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

Town of West Warwick, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

10. PENSION PLANS (Continued)

C. Municipal Employees' Retirement System (MERS)

Discount rate (continued)

	Changes in the Net Pension Liability/(Asset)		
	General Employees MERS Plan Town		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension (Asset) Liability
Balance as of June 30, 2022	\$ 98,118	\$ 74,394	\$ 23,724
Changes for the year:			
Service cost	70,112	-	70,112
Interest on total pension liability	9,322	-	9,322
Changes in assumptions	(1,033)	-	(1,033)
Contributions - employer	-	66,433	(66,433)
Contributions - employee	-	20,440	(20,440)
Net investment income	-	15,737	(15,737)
Administrative expense	-	(169)	169
Other changes	-	21,456	(21,456)
Net changes	<u>78,401</u>	<u>123,897</u>	<u>(45,496)</u>
Balance as of June 30, 2023	<u>\$ 176,519</u>	<u>\$ 198,291</u>	<u>\$ (21,772)</u>

	Changes in the Net Pension Liability/(Asset)		
	School Non-Certified MERS Plan		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension (Asset) Liability
Balance as of June 30, 2022	\$ 73,331	\$ 52,659	\$ 20,672
Changes for the year:			
Service cost	79,647	-	79,647
Interest on total pension liability	7,921	-	7,921
Changes in assumptions	(2,393)	-	(2,393)
Contributions - employer	-	83,502	(83,502)
Contributions - employee	-	25,691	(25,691)
Net investment income	-	14,272	(14,272)
Administrative expense	-	(154)	154
Other changes	-	3,836	(3,836)
Net changes	<u>85,175</u>	<u>127,147</u>	<u>(41,972)</u>
Balance as of June 30, 2023	<u>\$ 158,506</u>	<u>\$ 179,806</u>	<u>\$ (21,300)</u>

Town of West Warwick, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

10. PENSION PLANS (Continued)

C. Municipal Employees' Retirement System (MERS)

Discount rate (continued)

	Changes in the Net Pension Liability/(Asset)		
	Fire Employees MERS Plan		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension (Asset) Liability
Balance as of June 30, 2022	\$ 482,787	\$ 978,428	\$ (495,641)
Changes for the year:			
Service cost	143,586	-	143,586
Interest on total pension liability	37,669	-	37,669
Changes in assumptions	(5,686)	-	(5,686)
Contributions - employer	-	79,017	(79,017)
Contributions - employee	-	75,255	(75,255)
Net investment income	-	100,983	(100,983)
Benefit payments, including employee refunds	(32,892)	(32,892)	-
Administrative expense	-	(1,087)	1,087
Other changes	-	73,028	(73,028)
Net changes	<u>142,677</u>	<u>294,304</u>	<u>(151,627)</u>
Balance as of June 30, 2023	<u>\$ 625,464</u>	<u>\$ 1,272,732</u>	<u>\$ (647,268)</u>

	Changes in the Net Pension Liability/(Asset)		
	Police Employees MERS Plan		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension (Asset) Liability
Balance as of June 30, 2022	\$ 46,364	\$ 35,765	\$ 10,599
Changes for the year:			
Service cost	94,996	-	94,996
Interest on total pension liability	6,570	-	6,570
Changes in assumptions	(1,228)	-	(1,228)
Contributions - employer	-	51,099	(51,099)
Contributions - employee	-	48,666	(48,666)
Net investment income	-	12,445	(12,445)
Administrative expense	-	(134)	134
Other changes	-	8,937	(8,937)
Net changes	<u>100,338</u>	<u>121,013</u>	<u>(20,675)</u>
Balance as of June 30, 2023	<u>\$ 146,702</u>	<u>\$ 156,778</u>	<u>\$ (10,076)</u>

Town of West Warwick, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

10. PENSION PLANS (Continued)

C. Municipal Employees' Retirement System (MERS)

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

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

	1% Decrease	Current	1% Increase
	6%	Discount Rate	8%
		7%	
General Employees MERS Plan - Town	\$ (5,578)	\$ (21,772)	\$ (36,451)
School Non-Certified MERS Plan	(6,675)	(21,300)	(34,553)
Fire Employees MERS Plan	(587,203)	(647,268)	(701,783)
Police Employees MERS Plan	3,571	(10,076)	(22,434)

Pension plan fiduciary net position

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

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

For the year ended June 30, 2024 the employer recognized pension expense in the Government-Wide Statement of Activities for the various MERS plans as follows:

General Employees MERS Plan - Town	\$28,206
School Non-Certified MERS Plan	49,711
Fire Employees MERS Plan	(34,193)
Police Employees MERS Plan	36,913

Town of West Warwick, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

10. PENSION PLANS (Continued)

C. Municipal Employees' Retirement System (MERS)

The employer reported deferred outflows and inflows of resources related to pensions from the following sources:

	MERS General	MERS Non-Certified	MERS Fire	MERS Police	Total MERS Plans
Deferred Outflows of Resources					
Contributions subsequent to measurement date	\$ -	\$ -	\$ 79,017	\$ 51,099	\$ 130,116
Net difference between projected and actual earnings on pension plan investments	-	-	16,979	-	16,979
Subtotal Deferred Outflows of Resources	-	-	95,996	51,099	147,095
Deferred Inflows of Resources					
Contributions subsequent to measurement date	\$ -	\$ -	\$ -	\$ -	\$ -
Net difference between projected and actual earnings on pension plan investments	2,539	3,286	-	3,540	9,365
Changes in assumptions	922	2,199	5,315	1,117	9,553
Subtotal Deferred Inflows of Resources	3,461	5,485	5,315	4,657	18,918
Net Deferred Outflows (Inflows)	\$ (3,461)	\$ (5,485)	\$ 11,664	\$ (4,657)	\$ (1,939)

\$130,116 reported as deferred outflows of resources related to pensions resulting from the Town's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent period.

Town of West Warwick, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

10. PENSION PLANS (Continued)

C. Municipal Employees' Retirement System (MERS)

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

	<u>MERS General</u>	<u>MERS Non-Certified</u>	<u>MERS Fire</u>	<u>MERS Police</u>	<u>Total MERS</u>
2025	\$ (508)	\$ (846)	\$ 7,004	\$ (881)	\$ 4,769
2026	(508)	(846)	7,004	(881)	4,769
2027	(508)	(846)	7,005	(881)	4,770
2028	(1,459)	(1,520)	(5,518)	(1,341)	(9,838)
2029	(111)	(193)	(371)	(111)	(786)
Thereafter	(367)	(1,234)	(3,460)	(562)	(5,623)
Total	<u>\$ (3,461)</u>	<u>\$ (5,485)</u>	<u>\$ 11,664</u>	<u>\$ (4,657)</u>	<u>\$ (1,939)</u>

D. 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.

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 \$1,597,349 and \$352,306, respectively during the fiscal year ended June 30, 2024.

The West Warwick School Department recognized pension expense of \$352,306 for the fiscal year ended June 30, 2024.

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>.

Town of West Warwick, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

10. PENSION PLANS (Continued)

E. 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>ERS Teachers</u>	<u>MERS General</u>	<u>MERS Non-Certified</u>	<u>MERS Fire</u>	<u>MERS Police</u>	<u>MERS Legacy</u>	<u>Total All Plans</u>
Deferred Outflows of Resources							
Contributions subsequent to measurement date	\$ 5,142,505	\$ -	\$ -	\$ 79,017	\$ 51,099	\$ -	\$ 5,272,621
Net difference between projected and actual earnings on pension plan investments	-	-	-	16,979	-	4,913,162	4,930,141
Difference between expected and actual experience	443,083	-	-	-	-	1,475,524	1,918,607
Changes in assumptions	163,602	-	-	-	-	1,312,876	1,476,478
Changes in proportion and difference in employer contribution	3,020,541	-	-	-	-	-	3,020,541
Subtotal Deferred Outflows of Resources	<u>8,769,731</u>	<u>-</u>	<u>-</u>	<u>95,996</u>	<u>51,099</u>	<u>7,701,562</u>	<u>16,618,388</u>
Deferred Inflows of Resources							
Net difference between projected and actual earnings on pension plan investments	\$ 1,357,434	\$ 2,539	\$ 3,286	\$ -	\$ 3,540	\$ -	\$ 1,366,799
Difference between expected and actual experience	888,778	-	-	-	-	1,049,827	1,938,605
Changes in assumptions	1,510,889	922	2,199	5,315	1,117	-	1,520,442
Changes in proportion and difference in employer contribution	7,986	-	-	-	-	-	7,986
Subtotal Deferred Inflows of Resources	<u>3,765,087</u>	<u>3,461</u>	<u>5,485</u>	<u>5,315</u>	<u>4,657</u>	<u>1,049,827</u>	<u>4,833,832</u>
Net Deferred Outflows (Inflows)	<u>\$ (137,861)</u>	<u>\$ (3,461)</u>	<u>\$ (5,485)</u>	<u>\$ 11,664</u>	<u>\$ (4,657)</u>	<u>\$ 6,651,735</u>	<u>\$ 6,511,935</u>

Town of West Warwick, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

10. PENSION PLANS (Continued)

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

Deferred outflows of resources related to 2024 contributions to pension plans subsequent to the measurement date (June 30, 2023 where applicable) will be recognized as a reduction of the net pension liability for the year ended June 30, 2025.

	<u>Teachers' ERS</u>	<u>MERS General</u>	<u>MERS Non-Certified</u>	<u>MERS Fire</u>	<u>MERS Police</u>	<u>MERS Legacy</u>	<u>Total All Plans</u>
2025	\$ (178,797)	\$ (508)	\$ (846)	\$ 7,004	\$ (881)	\$ 3,219,858	\$ 3,045,830
2026	(1,117,614)	(508)	(846)	7,004	(881)	1,210,443	97,598
2027	1,288,010	(508)	(846)	7,005	(881)	2,217,889	3,510,669
2028	(94,957)	(1,459)	(1,520)	(5,518)	(1,341)	3,545	(101,250)
2029	5,155	(111)	(193)	(371)	(111)	-	4,369
Thereafter	(39,658)	(367)	(1,234)	(3,460)	(562)	-	(45,281)
Total	<u>\$ (137,861)</u>	<u>\$ (3,461)</u>	<u>\$ (5,485)</u>	<u>\$ 11,664</u>	<u>\$ (4,657)</u>	<u>\$ 6,651,735</u>	<u>\$ 6,511,935</u>

Town of West Warwick, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

10. PENSION PLANS (Continued)

F. Aggregate Pension Amounts Reported in the Financial Statements

As required by GASB Statement No. 68, *Accounting and Financial Reporting for Pensions, an Amendment of GASB Statement No. 34*, the table below presents the aggregate amount of pension expense, pension liabilities (assets) and deferred outflows and inflows for the defined benefit plans of the Town of West Warwick, Rhode Island.

	ERS Teachers	MERS General	MERS Non-Certified	MERS Fire	MERS Police	MERS Legacy	Total
Net Pension Asset	\$ -	\$ 21,772	\$ 21,300	\$ 647,268	10,076	\$ -	\$ 700,416
Deferred Outflows of Resources - Pension	8,769,731	-	-	95,996	51,099	7,701,562	16,618,388
Deferred Inflows of Resources - Pension	3,765,087	3,461	5,485	5,315	4,657	1,049,827	4,833,832
Net Pension Liability	38,214,356	-	-	-	-	146,338,137	184,552,493
Pension Expense (Income)	2,785,691	28,206	49,711	(34,193)	36,913	14,296,346	17,162,674
Total	<u>\$ 53,534,865</u>	<u>\$ 53,439</u>	<u>\$ 76,496</u>	<u>\$ 714,386</u>	<u>\$ 102,745</u>	<u>\$ 169,385,872</u>	<u>\$ 223,867,803</u>

Town of West Warwick, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

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, 2024 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

For the Year Ended June 30, 2024

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, 2024, plan membership consisted of the following:

Total active participants	610
Total retiree participants	<u>438</u>
Total	<u><u>1048</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, 2024 the actuarially determined contribution for the Town (including the School Department) was \$5,382,406, and actual contributions made in relation to ADC were \$3,998,051.

Town of West Warwick, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

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, 2024, the annual money-weighted rate of return on investments, net of investment expense, was 4.51%. 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, 2024. The components of the net OPEB liability of the Town at June 30, 2024, were as follows:

Description	Amounts
Total OPEB Liability	\$ 60,869,013
Plan fiduciary net position	6,654,569
Net OPEB Liability	<u>\$ 54,214,444</u>
Funded ratio (Fiduciary Net Position / NOL)	10.93%

Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of June 30, 2024 using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Description	Assumption
Inflation	2.20% per year
Salary increases	3.50% for valuation purposes, 2.50% per year for amortization purposes
Investment rate of return	7.20% as of June 30, 2024
Healthcare cost trend rates	8.00% for 2025, decreasing 0.5% per year to an ultimate rate of 4.50%

Town of West Warwick, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

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

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, 2024 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	45.0%	U.S. Equity	N/A
Non-U.S. Equity	22.4%	Non-U.S. Equity	N/A
Real Estate ETF	3.8%	Real Estate ETF	N/A
Global Infrastructure ETF	3.8%	Global Infrastructure ETF	N/A
US Aggregate Fixed Income	18.1%	US Aggregate Fixed Income	N/A
Investment Grade Bonds	4.4%	Investment Grade Bonds	N/A
High Yield Bonds	2.5%	High Yield Bonds	N/A
Total	<u>100.0%</u>		<u>7.20%</u>

Discount Rate

The discount rate used to measure the total OPEB liability was 7.20%. 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

For the Year Ended June 30, 2024

11. OTHER POST EMPLOYMENT BENEFITS (Continued)

Change in the Net OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
	(a)	(b)	(a)-(b)
Balances - beginning of year	\$ 59,772,544	\$ 6,090,984	\$ 53,681,560
Changes for the year:			
Service cost	1,226,434	-	1,226,434
Interest	4,083,696	-	4,083,696
Differences between expected and actual experience	(1,117,697)	-	(1,117,697)
Changes of assumptions	595,587	-	595,587
Employer contributions	-	3,998,051	(3,998,051)
Net investment income	-	274,990	(274,990)
Benefit payments, including refunds of member contributions	(3,691,551)	(3,691,551)	-
Administrative expenses	-	(17,905)	17,905
Net changes	1,096,469	563,585	532,884
Balances - end of year	\$ 60,869,013	\$ 6,654,569	\$ 54,214,444

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 (6.20%) or 1 percentage point higher (8.20%) than the current discount rate:

	Impact of 1% Change in Discount Rate		
	Current		
	1% Decrease	Discount Rate	1% Increase
Net OPEB Liability	\$ 60,095,411	\$ 54,214,444	\$ 49,154,427

Town of West Warwick, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

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 (7.00% decreasing to 3.50%) or 1 percentage point higher (9.00% decreasing to 5.50%) than the current healthcare cost trend rates:

	Impact of 1% Change in Healthcare Cost Trend Rates		
	Healthcare Cost		
	1% Decrease	Trend Rates	1% Increase
Net OPEB Liability	\$ 48,031,490	\$ 54,214,444	\$ 61,590,717

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

For the year ended June 30, 2024, the Town recognized OPEB expense of \$4,062,440. At June 30, 2024, 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	\$ 2,077,014	\$ 12,138,424
Changes of assumptions	3,904,114	365,804
Net difference between projected and actual earnings on OPEB plan investments	270,813	-
Total	\$ 6,251,941	\$ 12,504,228

Town of West Warwick, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

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>	<u>Net Deferred Outflows (Inflows) of Resource</u>
2025	\$ (891,764)
2026	(719,850)
2027	(1,828,841)
2028	(905,932)
2029	(912,375)
Thereafter	<u>(993,525)</u>
Total	<u>\$ (6,252,287)</u>

12. 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.

Town of West Warwick, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

Health Care

The Town has a premium based financing plan with the Interlocal Trust 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.

Unemployment

The Town is self-insured for unemployment benefits. As of June 30, 2024, 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.

13. 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, 2024, the Town abated property taxes totaling \$740,493 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:

<u>Purpose</u>	<u>Amount of Taxes Abated</u>
Redevelopment of building into multi-family residential units	\$ 239,892
New Condominium construction	139,166
Town Litigation Agreements	100,333
Business development food distribution center	99,919
Upgrade of building for storage units	58,441
New Industrial Construction	56,147
Expansion of Car dealership in a central business area	41,595
Easement Agreement	5,000
Total	<u>\$ 740,493</u>

14. 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, 2024, 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, 2024 does not include any liability for claims, judgments or unasserted claims.

Town of West Warwick, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

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.

15. SUBSEQUENT EVENT

On July 30, 2024, the Town voted to approve the financing of the design, construction, equipping, replacement, repair and rehabilitation of the Town’s Regional Wastewater Treatment Facility in an amount not to exceed \$7,400,000.

On September 17, 2024, the Town voted to finance the acquisition of public safety, public works and recreation vehicles and equipment by the issuance of not more than \$2,500,000 of General Obligation Bonds and/or notes therefor.

16. 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>School Special Revenue</u>
Beginning balance, July 1, 2023	\$ (316,732)
To correct the PY revenue recorded to "RI Energy" grant	<u>790,968</u>
Beginning balance, July 1, 2023, restated	<u>\$ 474,236</u>
	 <u>Governmental Activities</u>
Beginning balance, July 1, 2023	\$ (177,235,178)
To correct the school special revenue funds as noted above	<u>790,968</u>
Beginning balance, July 1, 2023, restated	<u>\$ (176,444,210)</u>

TOWN OF WEST WARWICK

Required Supplementary Information

- Budgetary Comparison Schedule – General Fund
- Budgetary Comparison Schedule – Unrestricted Fund
- Schedule of Changes in Net Pension Liability and Related Ratios
- Schedule of Contributions

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Town of West Warwick, Rhode Island
Required Supplementary Information
Budgetary Comparison Schedule – General Fund
For the Year Ended June 30, 2024

	Original Budget Revenues	Final Budget	Actual Revenues	Final Budget vs. Actual Positive (Negative) Variance
Tax Revenues				
Current tax collections	\$ 65,893,858	\$ 65,893,858	\$ 67,001,017	\$ 1,107,159
Prior year taxes	1,300,000	1,300,000	879,974	(420,026)
Tax interest and liens	500,000	500,000	383,919	(116,081)
Tax sale fees and other	-	-	26,078	26,078
Total tax revenues	<u>67,693,858</u>	<u>67,693,858</u>	<u>68,290,988</u>	<u>597,130</u>
Intergovernmental revenues				
State aid for education	33,761,919	37,698,619	37,698,619	-
School housing aid	154,882	154,882	158,725	3,843
Distressed community relief	1,167,490	1,167,490	1,167,490	-
State meals tax distribution	523,396	523,396	528,810	5,414
State hotel tax distribution	181,490	181,490	166,017	(15,473)
Public utilities tax	358,481	358,481	437,342	78,861
Motor vehicle phase out	5,673,744	5,673,744	5,673,744	-
Total intergovernmental revenues	<u>41,821,402</u>	<u>45,758,102</u>	<u>45,830,747</u>	<u>72,645</u>
Departmental and other revenue				
Investment income	100,000	100,000	539,198	439,198
Town clerk	800,000	800,000	913,500	113,500
Building official	400,000	400,000	647,395	247,395
Miscellaneous income	5,000	5,000	17,340	12,340
DPW / Recycling	7,500	7,500	33,779	26,279
Planner Revenue & CDBG	10,000	10,000	13,075	3,075
Animal shelter collections	3,000	3,000	510	(2,490)
Police revenue	15,000	15,000	27,596	12,596
Municipal court	15,000	15,000	15,000	-
Fire rescue fees	950,000	950,000	1,099,878	149,878
Fire plans review	20,000	20,000	28,170	8,170
Pilot - West Warwick housing	60,000	60,000	84,037	24,037
Road opening permit	10,000	10,000	-	(10,000)
Field revenue	15,000	15,000	41,622	26,622
Sewer administrative fees	361,582	361,582	361,582	-
School crossing guards / SRO	177,233	177,233	182,731	5,498
Lease revenue	1,100	1,100	1,100	-
Total departmental revenues	<u>2,950,415</u>	<u>2,950,415</u>	<u>4,006,513</u>	<u>1,056,098</u>
Total Revenues	<u>\$ 112,465,675</u>	<u>\$ 116,402,375</u>	<u>\$ 118,128,248</u>	<u>\$ 1,725,873</u>

Town of West Warwick, Rhode Island
Required Supplementary Information
Budgetary Comparison Schedule – General Fund
For the Year Ended June 30, 2024

	Original Budgeted Expenditures	Final Budget	Actual Expenditures	Final Budget vs. Actual Positive (Negative) Variance
General Government:				
Town manager	\$ 288,947	\$ 288,947	\$ 286,437	\$ 2,510
Town planner	237,723	237,723	155,614	82,109
Human resources	179,021	179,021	161,077	17,944
Town council	50,622	50,622	47,489	3,133
Town clerk	325,237	325,237	302,709	22,528
Board of canvassers	104,815	104,815	87,286	17,529
Legal	455,000	455,000	413,475	41,525
Probate court	120,199	120,199	117,350	2,849
EMA	8,690	8,690	1,429,842	(1,421,152)
Town sergeant	754	754	696	58
Finance	604,483	604,483	589,268	15,215
Tax collector	471,471	471,471	460,634	10,837
Tax assessor	328,149	328,149	290,415	37,734
Board of assessment review	3,488	3,488	2,128	1,360
Town engineer	25,000	25,000	50,331	(25,331)
Street lighting	85,000	85,000	92,503	(7,503)
Building official	661,343	661,343	665,094	(3,751)
Zoning	8,119	8,119	7,681	438
Housing board	4,500	4,500	2,750	1,750
Total General Government	<u>3,962,561</u>	<u>3,962,561</u>	<u>5,162,779</u>	<u>(1,200,218)</u>
Public Safety:				
Police department	12,228,913	12,228,913	12,223,948	4,965
Fire department	13,918,463	13,918,463	14,065,921	(147,458)
Total Public Safety	<u>26,147,376</u>	<u>26,147,376</u>	<u>26,289,869</u>	<u>(142,493)</u>
Public Works:				
Public work department	5,464,866	5,464,866	5,340,883	123,983
Total Public Works	<u>5,464,866</u>	<u>5,464,866</u>	<u>5,340,883</u>	<u>123,983</u>
Parks and Recreation				
Parks	690,376	690,376	574,084	116,292
Total Parks and recreation	<u>690,376</u>	<u>690,376</u>	<u>574,084</u>	<u>116,292</u>

Town of West Warwick, Rhode Island
Required Supplementary Information
Budgetary Comparison Schedule – General Fund
For the Year Ended June 30, 2024

	Original Budgeted Expenditures	Final Budget	Actual Expenditures	Final Budget vs. Actual Positive (Negative) Variance
Debt Service:				
Lease payments	89,127	89,127	89,127	-
Financing cost and other use	2,216,500	2,216,500	2,216,500	-
Interest on bonds and notes	480,355	480,355	470,695	9,660
Total Debt Service	<u>2,785,982</u>	<u>2,785,982</u>	<u>2,776,322</u>	<u>9,660</u>
Miscellaneous Town:				
Education - State Aid	33,761,919	37,698,619	37,698,619	-
Benefits and other miscellaneous	5,475,971	5,475,971	4,997,072	478,899
Public Libraries	886,108	886,108	886,108	-
Senior Center	233,000	233,000	233,000	-
Total Miscellaneous - Town	<u>40,356,998</u>	<u>44,293,698</u>	<u>43,814,799</u>	<u>478,899</u>
Municipal Capital Improvements	-	-	-	-
Total Expenditures	<u>79,408,159</u>	<u>83,344,859</u>	<u>83,958,736</u>	<u>(613,877)</u>
Excess of revenues over (under) expenditures before other financing sources (uses)	<u>33,057,516</u>	<u>33,057,516</u>	<u>34,169,512</u>	<u>1,111,996</u>
Other Financing Sources (Uses)				
Transfers out - School Appropriation	(33,057,516)	(33,057,516)	(33,057,516)	-
Transfers out - Other	-	-	-	-
Total other financing sources (uses)	<u>(33,057,516)</u>	<u>(33,057,516)</u>	<u>(33,057,516)</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses, budgetary basis	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,111,996</u>	<u>\$ 1,111,996</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			1,111,996	
Fund balance, beginning of year			<u>\$ 6,300,854</u>	
Fund balance, end of year			<u>\$ 7,412,850</u>	

Town of West Warwick, Rhode Island
Required Supplementary Information
Budgetary Comparison Schedule – School Unrestricted Fund
For the Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues				
State Aid	\$ 34,061,919	\$ 37,650,695	\$ 37,828,661	\$ 177,966
Medicaid reimbursements	650,000	650,000	694,484	44,484
Other revenue	860,759	360,759	400,133	39,374
Total revenues	<u>35,572,678</u>	<u>38,661,454</u>	<u>38,923,278</u>	<u>261,824</u>
Expenditures				
Salaries	39,153,096	41,669,487	41,738,628	(69,141)
Employee benefits	19,242,133	19,488,169	19,651,519	(163,350)
Purchased services	8,609,671	10,980,922	10,540,419	440,503
Supplies and materials	1,065,045	864,864	887,522	(22,658)
Other	106,578	60,920	74,652	(13,732)
Capital outlay	453,671	446,928	390,612	56,316
Total expenditures	<u>68,630,194</u>	<u>73,511,290</u>	<u>73,283,352</u>	<u>227,938</u>
Excess of expenditures over revenues, budgetary basis	<u>(33,057,516)</u>	<u>(34,849,836)</u>	<u>(34,360,074)</u>	<u>489,762</u>
Other financing sources (uses)				
Appropriation from Town	33,057,516	33,057,516	33,057,516	-
Transfer in	-	1,792,320	-	(1,792,320)
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>33,057,516</u>	<u>34,849,836</u>	<u>33,057,516</u>	<u>(1,792,320)</u>
Excess of revenues and other financing sources over expenditures and other financing uses, budgetary basis	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,302,558)</u>	<u>\$ (1,302,558)</u>
Adjustment of budgetary revenues basis to U.S. GAAP basis			\$ -	
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses, U.S. GAAP basis			(1,302,558)	
Fund Balance, Beginning of year			<u>6,759,814</u>	
Fund Balance, End of Year			<u>\$ 5,457,256</u>	

Town of West Warwick, Rhode Island

Required Supplementary Information

Notes to Required Supplementary Information – Budgetary Comparison

For the Year Ended June 30, 2024

Budgetary Compliance

Municipal budgetary control is legally enforceable at the department level. An appropriation transfer between departments and intra-departmental transfers of municipal appropriations requires approval of the Town Council. In addition to limits enforced by the budget, the Town’s Home Rule charter further restricts municipal expenditures relative to budgeted revenues.

Budgetary to GAAP Basis Reconciliation

There were no differences between budgetary basis and GAAP basis of accounting for the Town’s General Fund for the year ended June 30, 2024. There were differences between the budgetary basis and GAAP basis of accounting for the School Unrestricted Fund for the year ended June 30, 2024:

Excess (deficiency) of revenues and other sources over expenditures and other uses (budgetary basis)	\$ (1,302,558)
State contribution to teachers' pension plan revenue on behalf	4,560,489
State contribution to teacher's pension plan expense on behalf	<u>(4,560,489)</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses (GAAP)	<u>\$ (1,302,558)</u>

Town of West Warwick, Rhode Island

Required Supplementary Information

Notes to Required Supplementary Information – Budgetary Comparison

For the Year Ended June 30, 2024

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Town of West Warwick, Rhode Island

Required Supplementary Information

Schedule of Changes in Net Pension Liability and Related Ratios

Employee Retirement Trust Fund – Town Pension Plan

Last 10 fiscal years

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total pension liability:										
Service cost	\$ 3,437,664	\$ 2,843,310	\$ 2,843,310	\$ 2,740,813	\$ 2,612,554	\$ 2,561,513	\$ 2,502,614	\$ 2,549,974	\$ 2,441,566	\$ 2,258,766
Interest	13,310,749	13,980,738	13,980,738	13,563,814	12,525,290	12,201,514	11,980,238	11,562,789	10,941,637	10,651,438
Changes of benefit terms	-	-	-	-	-	-	-	38,333	-	-
Differences between expected and actual experience	(1,437,351)	1,372,718	1,372,718	313,007	2,633,442	508,056	(1,491,599)	1,685,538	1,300,570	-
Changes of assumptions	-	-	-	-	6,564,376	(720,316)	(215,129)	(749,423)	2,751,398	-
Benefit payments, including refunds of member contributions	(12,202,951)	(11,579,479)	(11,579,479)	(10,742,806)	(10,491,070)	(10,078,516)	(9,690,832)	(9,256,920)	(9,266,182)	(9,181,180)
Net change in total pension liability	3,108,111	6,617,287	6,617,287	5,874,828	13,844,592	4,472,251	3,085,292	5,830,291	8,168,989	3,729,024
Total pension liability - beginning	195,973,553	189,356,266	189,356,266	183,481,438	169,636,846	165,164,595	162,079,303	156,249,012	148,080,023	144,350,999
Total pension liability - ending	\$ 199,081,664	\$ 195,973,553	\$ 195,973,553	\$ 189,356,266	\$ 183,481,438	\$ 169,636,846	\$ 165,164,595	\$ 162,079,303	\$ 156,249,012	\$ 148,080,023
Pension fiduciary net position:										
Contributions - employer	\$ 10,158,589	\$ 11,000,374	\$ 11,000,374	\$ 10,680,162	\$ 10,038,041	\$ 9,805,598	\$ 9,247,549	\$ 8,739,745	\$ 8,179,980	\$ 8,062,234
Contributions - employee	2,184,177	1,988,243	1,988,243	2,197,162	2,037,223	1,973,630	2,065,202	1,966,741	1,885,444	1,748,791
Net investment income	3,265,522	(6,571,406)	(6,571,406)	8,029,406	2,268,350	1,604,927	2,402,891	3,604,321	(918,239)	592,127
Benefit payments, including refunds of member contributions	(12,202,951)	(11,579,479)	(11,579,479)	(10,742,806)	(10,491,070)	(10,078,516)	(9,690,832)	(9,256,920)	(9,266,182)	(9,181,180)
Pension plan administrative expense	(43,907)	(109,916)	(109,916)	(77,682)	(120,785)	(83,403)	(108,358)	(68,194)	(133,947)	(185,951)
Net change in plan fiduciary net position	3,361,430	(5,272,184)	(5,272,184)	10,086,242	3,731,759	3,222,236	3,916,452	4,985,693	(252,944)	1,036,021
Plan fiduciary net position - beginning	49,382,097	54,654,281	54,654,281	44,568,039	40,836,280	37,614,044	33,697,592	28,711,899	28,964,843	27,928,822
Plan fiduciary net position - ending	\$ 52,743,527	\$ 49,382,097	\$ 49,382,097	\$ 54,654,281	\$ 44,568,039	\$ 40,836,280	\$ 37,614,044	\$ 33,697,592	\$ 28,711,899	\$ 28,964,843
Town's net pension liability (asset) - ending	\$ 146,338,137	\$ 146,591,456	\$ 146,591,456	\$ 134,701,985	\$ 138,913,399	\$ 128,800,566	\$ 127,550,551	\$ 128,381,711	\$ 127,537,113	\$ 119,115,180
Plan fiduciary net position as a percentage of the total pension liability	26.49%	25.20%	25.20%	28.86%	24.29%	24.07%	22.77%	20.79%	18.38%	19.56%
Covered payroll	\$ 16,125,207	\$ -	\$ 18,264,783	\$ 17,338,285	\$ 16,651,108	\$ 16,387,887	\$ 15,781,633	\$ 16,091,817	\$ 15,208,402	\$ 14,203,313
Net pension liability as a percentage of covered payroll	907.51%	#DIV/0!	802.59%	776.90%	834.26%	785.95%	808.22%	797.81%	838.60%	838.64%

* During the fiscal year 2023, the Town of West Warwick transferred their private pension plan and entered the State of Rhode Island Municipal Employee's Retirement System (MERS). The Town is using information from the fiscal year 2022 actuary report.

Town of West Warwick, Rhode Island

Required Supplementary Information

Schedule of Contributions

Employee Retirement Trust Fund – Town Pension Plan

Last 10 fiscal years

	<u>2024</u>	<u>2023</u>	<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	\$ 10,158,589	\$ 10,926,742	\$ 11,000,362	\$ 10,495,443	\$ 10,007,263	\$ 9,620,720	\$ 9,257,300	\$ 8,739,745	\$ 8,309,706	\$ 8,103,839
Contributions in relation to the actuarially-determined contribution	<u>10,158,589</u>	<u>10,926,742</u>	<u>11,000,374</u>	<u>10,680,162</u>	<u>10,038,041</u>	<u>9,805,598</u>	<u>9,247,549</u>	<u>8,739,745</u>	<u>8,179,980</u>	<u>8,062,234</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<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>
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
Contributions as a percentage of covered payroll	0.00%	0.00%	60.23%	61.60%	60.28%	59.83%	58.60%	54.31%	53.79%	56.76%

* During the fiscal year 2023, the Town of West Warwick transferred their private pension plan and entered the State of Rhode Island Municipal Employee’s Retirement System (MERS). The Town is using information from the fiscal year 2022 actuary report.

Town of West Warwick, Rhode Island

Required Supplementary Information

Schedule of Investment Returns

Employee Retirement Trust Fund – Town Pension Plan

Last 10 fiscal years

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Annual money-weighted rate of return, net of investment expense	0.00%	0.00%	7.50%	5.31%	4.09%	6.97%	12.30%	5.92%	5.01%	15.20%

* During the fiscal year 2023, the Town of West Warwick transferred their private pension plan and entered the State of Rhode Island Municipal Employee's Retirement System (MERS). The Town is using information from the fiscal year 2022 actuary report. The transfer of funds out of the private pension plan is shown in the Fiduciary Funds.

Town of West Warwick, Rhode Island

Notes to the Required Supplementary Information

Employee Retirement Trust Fund – Town Pension Plan

Last 10 fiscal years

Notes to Schedule:

Valuation Date: June 30, 2023
Measurement Date: June 30, 2023

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

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age Normal
Amortization method	Level Percentage of Payroll, Closed
Asset valuation method	5-Year Smoothed Market
Inflation	2.50%
Salary increases	3.00% to 14.00% including inflation
Investment rate of return	7.00%

Mortality - Health - Police and Fire	Male Employees: PUB(10) Median Table for Healthy General Employee Males, loaded by 115%, projected with Scale Ultimate MP16. Female Employees: PUB(10) Median Table for Healthy General Employee Females, loaded by 111%, projected with Scale Ultimate MP16.
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Mortality - Health - Other	Male Employees: PUB(10) Median Table for Healthy General Employee Males, loaded by 115%, projected with Scale Ultimate MP16. Female Employees: PUB(10) Median Table for Healthy General Employee Females, loaded by 111%, projected with Scale Ultimate MP16.
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Town of West Warwick, Rhode Island
Required Supplementary Information
Schedule of Proportionate Share of the Net Pension Liability
Employees' Retirement System – Teachers
Last 10 fiscal years

Fiscal Year	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Measurement Date	6/30/2023	6/30/2022	6/30/2021	6/30/2020	06/30/2019	06/30/2018	06/30/2017	06/30/2016	06/30/2015	06/30/2014
Town's proportion of the net pension liability	1.57%	1.55%	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	\$ 38,214,356	\$ 41,880,054	\$ 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	<u>29,060,936</u>	<u>30,973,242</u>	<u>26,504,889</u>	<u>34,946,641</u>	<u>34,444,352</u>	<u>33,882,753</u>	<u>39,113,803</u>	<u>22,822,341</u>	<u>30,444,235</u>	<u>24,318,677</u>
Total	<u>\$ 67,275,292</u>	<u>\$ 72,853,296</u>	<u>\$ 62,245,530</u>	<u>\$ 81,979,600</u>	<u>\$ 80,425,113</u>	<u>\$ 79,306,367</u>	<u>\$ 84,275,833</u>	<u>\$ 56,146,770</u>	<u>\$ 75,007,516</u>	<u>\$ 59,781,770</u>
Town's covered payroll	\$ 33,396,487	\$ 28,881,613	\$ 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	114.43%	145.01%	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	65.80%	62.10%	66.50%	54.30%	54.60%	54.30%	54.00%	54.10%	57.60%	61.40%

Notes to Schedule

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

Town of West Warwick, Rhode Island

Required Supplementary Information

Schedule of Contributions

Employees' Retirement System – Teachers

Last 10 fiscal years

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially-determined contribution	\$ 5,142,505	\$ 4,342,335	\$ 4,463,813	\$ 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	5,142,505	4,342,335	4,463,813	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	\$ 33,396,487	\$ 28,881,613	\$ 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	15.40%	15.03%	15.68%	15.99%	15.19%	14.47%	13.22%	Not available	11.01%	15.90%

Notes to Schedule

Valuation date: June 30, 2024

Measurement date: June 30, 2023

- 1.) The amounts presented for each fiscal year were determined as of the June 30 measurement date prior to the fiscal year end.
- 2.) The schedules are intended to show information for 10 years – additional years will be displayed as they become available.
- 3.) Employers participating in the State Employee's Retirement System are required by RI General Laws, Section 36-10-2, to contribute an actuarially determined contribution rate each year.

Town of West Warwick, Rhode Island

Required Supplementary Information

Schedule of Changes in Net Pension Liability and Related Ratios

Municipal Employees' Retirement System – General Employees

Last 10 fiscal years

Measurement period	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Total pension liability									
1. Service Cost	\$ 70,112	\$ 94,800	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2. Interest on the Total Pension Liability	9,322	3,318	N/A	N/A	N/A	N/A	N/A	N/A	N/A
3. Changes of benefit terms	-	-	N/A	N/A	N/A	N/A	N/A	N/A	N/A
4. Difference between expected and actual experience of the Total Pension Liability	-	-	N/A	N/A	N/A	N/A	N/A	N/A	N/A
5. Changes of assumptions	(1,033)	-	N/A	N/A	N/A	N/A	N/A	N/A	N/A
6. Benefit payments, including refunds of employee contributions	-	-	N/A	N/A	N/A	N/A	N/A	N/A	N/A
7. Net change in total pension liability	78,401	98,118	-	-	-	-	-	-	-
8. Total pension liability – beginning	98,118	-	N/A	N/A	N/A	N/A	N/A	N/A	N/A
9. Total pension liability – ending (a)	<u>\$ 176,519</u>	<u>\$ 98,118</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Plan fiduciary net position									
1. Contributions – employer	66,433	12,489	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2. Contributions – employee	20,440	3,843	N/A	N/A	N/A	N/A	N/A	N/A	N/A
3. Net investment income	15,737	(2,083)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
4. Benefit payments, including refunds of employee contributions	-	-	N/A	N/A	N/A	N/A	N/A	N/A	N/A
5. Pension Plan Administrative Expense	(169)	(71)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
6. Other	21,456	60,216	N/A	N/A	N/A	N/A	N/A	N/A	N/A
7. Net change in plan fiduciary net position	123,897	74,394	N/A	N/A	N/A	N/A	N/A	N/A	N/A
8. Plan fiduciary net position – beginning	74,394	-	N/A	N/A	N/A	N/A	N/A	N/A	N/A
9. Plan fiduciary net position – ending (b)	<u>198,291</u>	<u>74,394</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Net pension liability - ending (a) - (b)	\$ (21,772)	\$ 23,724	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Plan fiduciary net position as a percentage of the total pension liability	112.33%	75.82%	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Covered payroll	\$ 1,022,039	\$ 192,138	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Net pension liability as a percentage of covered payroll	-2.13%	12.35%	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Town of West Warwick, Rhode Island

Required Supplementary Information

Schedule of Contributions

Municipal Employees' Retirement System – General Employees

Last 10 fiscal years

	<u>Fiscal 2023</u>	<u>Fiscal 2022</u>	<u>Fiscal 2022</u>	<u>Fiscal 2021</u>	<u>Fiscal 2020</u>	<u>Fiscal 2019</u>	<u>Fiscal 2018</u>	<u>Fiscal 2017</u>	<u>Fiscal 2016</u>
Actuarially determined contribution	\$ 66,433	\$ 12,489	\$ 12,489	N/A	N/A	N/A	N/A	N/A	N/A
Contributions in relation to the actuarially determined contribution	66,433	12,489	12,489	N/A	N/A	N/A	N/A	N/A	N/A
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 1,022,359	\$ 192,318	\$ 192,138	N/A	N/A	\$ -	\$ -	\$ -	\$ -
Contributions as a percentage of covered payroll	6.50%	6.49%	6.50%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Notes:

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

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

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

Town of West Warwick, Rhode Island

Required Supplementary Information

Schedule of Changes in Net Pension Liability and Related Ratios

Municipal Employees' Retirement System – School Non-Certified

Last 10 fiscal years

Measurement period	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Total pension liability									
1. Service Cost	\$ 79,647	\$ 70,851	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2. Interest on the Total Pension Liability	7,921	2,480	N/A	N/A	N/A	N/A	N/A	N/A	N/A
3. Changes of benefit terms	-	-	N/A	N/A	N/A	N/A	N/A	N/A	N/A
4. Difference between expected and actual experience of the Total Pension Liability	-	-	N/A	N/A	N/A	N/A	N/A	N/A	N/A
5. Changes of assumptions	(2,393)	-	N/A	N/A	N/A	N/A	N/A	N/A	N/A
6. Benefit payments, including refunds of employee contributions	-	-	N/A	N/A	N/A	N/A	N/A	N/A	N/A
7. Net change in total pension liability	85,175	73,331	-	-	-	-	-	-	-
8. Total pension liability – beginning	73,331	-	N/A	N/A	N/A	N/A	N/A	N/A	N/A
9. Total pension liability – ending (a)	<u>\$ 158,506</u>	<u>\$ 73,331</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Plan fiduciary net position									
1. Contributions – employer	83,502	39,796	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2. Contributions – employee	25,691	12,244	N/A	N/A	N/A	N/A	N/A	N/A	N/A
3. Net investment income	14,272	(1,475)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
4. Benefit payments, including refunds of employee contributions	-	-	N/A	N/A	N/A	N/A	N/A	N/A	N/A
5. Pension Plan Administrative Expense	(154)	(50)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
6. Other	3,836	2,144	N/A	N/A	N/A	N/A	N/A	N/A	N/A
7. Net change in plan fiduciary net position	127,147	52,659	N/A	N/A	N/A	N/A	N/A	N/A	N/A
8. Plan fiduciary net position – beginning	52,659	-	N/A	N/A	N/A	N/A	N/A	N/A	N/A
9. Plan fiduciary net position – ending (b)	<u>179,806</u>	<u>52,659</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Net pension liability - ending (a) - (b)	\$ (21,300)	\$ 20,672	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Plan fiduciary net position as a percentage of the total pension liability	113.44%	71.81%	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Covered payroll	\$ 1,284,635	\$ 612,230	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Net pension liability as a percentage of covered payroll	-1.66%	3.38%	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Town of West Warwick, Rhode Island

Required Supplementary Information

Schedule of Contributions

Municipal Employees' Retirement System – School Non-Certified

Last 10 fiscal years

	<u>Fiscal 2024</u>	<u>Fiscal 2023</u>	<u>Fiscal 2022</u>	<u>Fiscal 2021</u>	<u>Fiscal 2020</u>	<u>Fiscal 2019</u>	<u>Fiscal 2018</u>	<u>Fiscal 2017</u>	<u>Fiscal 2016</u>
Actuarially determined contribution	\$ 83,502	\$ 80,759	\$ 39,796	N/A	N/A	N/A	N/A	N/A	N/A
Contributions in relation to the actuarially determined contribution	83,502	80,759	39,796	N/A	N/A	N/A	N/A	N/A	N/A
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 1,284,635	\$ 1,242,434	\$ 612,230	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions as a percentage of covered payroll	6.50%	6.50%	6.50%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Notes:

- 1.) The amounts presented for each fiscal year were determined as of the June 30 measurement date prior to the fiscal year end.
- 2.) Schedule is intended to show information for 10 years - additional years will be displayed as they become available.
- 3.) Employers participating in the Municipal Employee's Retirement System are required by RI General Laws, Section 45-21-42, to contribute an actuarially determined contribution rate each year.

Town of West Warwick, Rhode Island

Required Supplementary Information

Schedule of Changes in Net Pension Asset and Related Ratios

Municipal Employees' Retirement System – Fire Department Plan

Last 10 fiscal years

Measurement period	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
Total pension liability										
1. Service Cost	\$ 143,586	\$ 466,461	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2. Interest on the Total Pension Liability	37,669	16,326	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
3. Changes of benefit terms	-	-	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
4. Difference between expected and actual experience of the Total Pension Liability	-	-	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
5. Changes of assumptions	(5,686)	-	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
6. Benefit payments, including refunds of employee contributions	(32,892)	-	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
7. Net change in total pension liability	142,677	482,787	-	-	-	-	-	-	-	-
8. Total pension liability – beginning	482,787	-	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
9. Total pension liability – ending (a)	\$ 625,464	\$ 482,787	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Plan fiduciary net position										
1. Contributions – employer	79,017	951,739	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2. Contributions – employee	75,255	50,705	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
3. Net investment income	100,983	(27,397)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
4. Benefit payments, including refunds of employee contributions	(32,892)	-	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
5. Pension Plan Administrative Expense	(1,087)	(934)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
6. Other	73,028	4,315	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
7. Net change in plan fiduciary net position	294,304	978,428	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
8. Plan fiduciary net position – beginning	978,428	-	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
9. Plan fiduciary net position – ending (b)	1,272,732	978,428	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Net pension liability - ending (a) - (b)	\$ (647,268)	\$ (495,641)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Plan fiduciary net position as a percentage of the total pension liability	203.49%	202.66%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Covered payroll	\$ 752,548	\$ 507,055	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Net pension liability as a percentage of covered payroll	-86.01%	-97.75%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Town of West Warwick, Rhode Island

Required Supplementary Information

Schedule of Contributions

Municipal Employees' Retirement System – Fire Department Plan

Last 10 fiscal years

	<u>Fiscal 2024</u>	<u>Fiscal 2023</u>	<u>Fiscal 2022</u>	<u>Fiscal 2021</u>	<u>Fiscal 2020</u>	<u>Fiscal 2019</u>	<u>Fiscal 2018</u>	<u>Fiscal 2017</u>	<u>Fiscal 2016</u>	<u>Fiscal 2015</u>
Actuarially determined contribution	\$ 79,017	\$ 154,358	\$ 951,739	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Contributions in relation to the actuarially determined contribution	79,017	154,358	951,739	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 752,548	\$ 756,176	\$ 507,055	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions as a percentage of covered payroll	10.50%	20.41%	187.70%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Notes:

- 1.) *The amounts presented for each fiscal year were determined as of the June 30 measurement date prior to the fiscal year end.*
- 2.) *Schedule is intended to show information for 10 years - additional years will be displayed as they become available.*
- 3.) *Employers participating in the Municipal Employee's Retirement System are required by RI General Laws, Section 45-21-42, to contribute an actuarially determined contribution rate each year.*

Town of West Warwick, Rhode Island

Required Supplementary Information

Schedule of Changes in Net Pension Liability and Related Ratios

Municipal Employees' Retirement System – Police Department Plan

Last 10 fiscal years

Measurement period	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Total pension liability									
1. Service Cost	\$ 94,996	\$ 44,796	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2. Interest on the Total Pension Liability	6,570	1,568	N/A	N/A	N/A	N/A	N/A	N/A	N/A
3. Changes of benefit terms	-	-	N/A	N/A	N/A	N/A	N/A	N/A	N/A
4. Difference between expected and actual experience of the Total Pension Liability	-	-	N/A	N/A	N/A	N/A	N/A	N/A	N/A
5. Changes of assumptions	(1,228)	-	N/A	N/A	N/A	N/A	N/A	N/A	N/A
6. Benefit payments, including refunds of employee contributions	-	-	N/A	N/A	N/A	N/A	N/A	N/A	N/A
7. Net change in total pension liability	100,338	46,364	-	-	-	-	-	-	-
8. Total pension liability – beginning	46,364	-	N/A	N/A	N/A	N/A	N/A	N/A	N/A
9. Total pension liability – ending (a)	<u>\$ 146,702</u>	<u>\$ 46,364</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Plan fiduciary net position									
1. Contributions – employer	51,099	18,849	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2. Contributions – employee	48,666	17,952	N/A	N/A	N/A	N/A	N/A	N/A	N/A
3. Net investment income	12,445	(1,002)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
4. Benefit payments, including refunds of employee contributions	-	-	N/A	N/A	N/A	N/A	N/A	N/A	N/A
5. Pension Plan Administrative Expense	(134)	(34)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
6. Other	8,937	-	N/A	N/A	N/A	N/A	N/A	N/A	N/A
7. Net change in plan fiduciary net position	121,013	35,765	N/A	N/A	N/A	N/A	N/A	N/A	N/A
8. Plan fiduciary net position – beginning	35,765	-	N/A	N/A	N/A	N/A	N/A	N/A	N/A
9. Plan fiduciary net position – ending (b)	<u>156,778</u>	<u>35,765</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Net pension liability - ending (a) - (b)	\$ (10,076)	\$ 10,599	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Plan fiduciary net position as a percentage of the total pension liability	106.87%	77.14%	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Covered payroll	\$ 486,658	\$ 179,516	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Net pension liability as a percentage of covered payroll	-2.07%	5.90%	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Town of West Warwick, Rhode Island

Required Supplementary Information

Schedule of Contributions

Municipal Employees' Retirement System – Police Department Plan

Last 10 fiscal years

	Fiscal 2024	Fiscal 2023	Fiscal 2022	Fiscal 2021	Fiscal 2020	Fiscal 2019	Fiscal 2018	Fiscal 2017	Fiscal 2016
Actuarially determined contribution	\$ 51,099	\$ 99,765	\$ 18,849	N/A	N/A	N/A	N/A	N/A	N/A
Contributions in relation to the actuarially determined contribution	51,099	99,765	18,849	N/A	N/A	N/A	N/A	N/A	N/A
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 486,658	\$ 486,206	\$ 179,516	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions as a percentage of covered payroll	10.50%	20.52%	10.50%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Notes:

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

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

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

Town of West Warwick, Rhode Island

Required Supplementary Information

Notes to Schedules

MERS and ERS-Teachers Benefit Pension Plan Administered by ERSRI

Last 10 fiscal years

June 30, 2023 measurement date –

As part of the 2023 Actuarial Experience Study for the six-year period ending June 30, 2022 as approved by the System Board on May 17, 2023, certain assumptions were modified and reflected in the determination of net pension liability (asset) at the June 30, 2023 measurement date. The following summarizes the more significant changes in assumptions:

- Decreased individual salary increases and projected payroll growth for most groups. These two items mainly offset each other in calculating contribution requirements, especially as dollar amounts, but create a much lower projected annual growth rate in the dollar amounts of contributions.
- Updated the mortality projection scales to the ultimate rates of the most recently published ones, this had no material impact to the liabilities or contributions.
- Modestly increased turnover rates.
- Slight modifications to the retirement rates.
- Modified slightly the rates of disability.

June 30, 2022 measurement date –

There were no changes in actuarial methods or assumptions reflected in the calculation of the net pension liability (asset) of the plans as of the June 30, 2022 measurement date compared to the June 30, 2021 measurement date

June 30, 2021 measurement date –

There were no changes in actuarial methods or assumptions reflected in the calculation of the net pension liability (asset) of the plans as of the June 30, 2021 measurement date compared to the June 30, 2020 measurement date.

June 30, 2020 measurement date –

As part of the 2020 Actuarial Experience Study for the six-year period ending June 30, 2019 as approved by the System Board on May 22, 2020, certain assumptions were modified and reflected in the determination of net pension liability (asset) at the June 30, 2020 measurement date. The following summarizes the more significant changes in assumptions:

- Updated the underlying mortality tables from the RP-2014 set of tables to the public sector-based PUB (10) tables.
- Increased slightly the probabilities of turnover.
- Decreased slightly the probabilities of retirement.
- Modified slightly the probabilities of disability, including adding material incidence of disability for members in the age ranges that historically have been eligible to retire but under prospective provisions are not.

June 30, 2019 measurement date –

There were no changes in actuarial methods or assumptions reflected in the calculation of the net pension liability (asset) of the plans as of the June 30, 2019 measurement date compared to the June 30, 2018 measurement date.

June 30, 2018 measurement date –

Town of West Warwick, Rhode Island

Required Supplementary Information

Notes to Schedules

MERS and ERS-Teachers Benefit Pension Plan Administered by ERSRI

Last 10 fiscal years

There were no changes in actuarial methods or assumptions reflected in the calculation of the net pension liability (asset) of the plans as of the June 30, 2018 measurement date compared to the June 30, 2017 measurement date.

June 30, 2017 measurement date –

As part of the 2017 Actuarial Experience Investigation Study for the six-year period ending June 30, 2016 as approved by the System Board on May 15, 2017, certain assumptions were modified and reflected in the determination of the net pension liability (asset) at the June 30, 2017 measurement date. The following summarizes the more significant changes in assumptions:

- Decreased the general inflation assumption from 2.75% to 2.50%;
- Decreased the nominal investment return assumption from 7.50% to 7.00%;
- Decreased the general wage growth assumption from 3.25% to 3.00%;
- Decreased salary increase assumptions; and
- Updated the post-retirement mortality tables to variants of the RP-2014 table. For the improvement scale, update to the ultimate rates of the MP-2016 projection scale.

June 30, 2016 measurement date –

There were no changes in actuarial methods or assumptions reflected in the calculation of the net pension liability (asset) of the plans as of the June 30, 2016 measurement date compared to the June 30, 2015 measurement date.

June 30, 2015 measurement date –

There were no changes in actuarial methods or assumptions reflected in the calculation of the net pension liability (asset) of the plans as of the June 30, 2015 measurement date compared to the June 30, 2014 measurement date.

The June 30, 2015 measurement date determination of the net pension liability for the ERS and MERS plans reflects changes in benefit changes resulting from the settlement of litigation challenging the various pension reform measures enacted in previous years by the General Assembly. The final settlement approved by the Court on July 8, 2015 also included enactment of the pension settlement provisions by the General Assembly. These amended benefit provisions, are summarized below:

- Employees with more than 20 years of service at July 1, 2012 will increase their employee contribution rates to 11% for state employees and municipal general employees will contribute 8.25% (9.25% for units with a COLA provision) and participate solely in the defined benefit plan going forward – service credit accruals will increase from 1% to 2% per year.
- Members are eligible to retire upon the attainment of: age 65 with 30 years of service, 64 with 31 years of service, 63 with 32 years of service, or 62 with 33 years of service. Members may retire earlier if their RIRSA date is earlier or are eligible under a transition rule.

Town of West Warwick, Rhode Island

Required Supplementary Information

Notes to Schedules

MERS and ERS-Teachers Benefit Pension Plan Administered by ERSRI

Last 10 fiscal years

- MERS public safety employees may retire at age 50 with 25 years of service, or any age with 27 years of service. MERS public safety employees will contribute 9.00% (10.00% for units with a COLA provision)
- Employees with more than 10 but less than 20 years of service at July 1, 2012 will receive an increased employer contribution to the defined contribution plan. Also, members who earn less than \$35,000 per year will not be required to pay the administrative fees to the defined contribution plan.
- Members who retired from a COLA eligible plan before July 1, 2012 will received a one-time cost of living adjustment of 2% of the first \$25,000 paid as soon as administratively possible.
- Retirees as of June 30, 2015 will receive two \$500 stipends; the interim cost of living increases will occur at 4 year rather than 5 year intervals.
- The COLA formula was adjusted to: 50% of the COLA is calculated by taking the previous 5-year average investment return, less 5.5% (5yr Return - 5.5%, with a max of 4%) and 50% calculated using previous year's CPI-U (max of 3%) for a total max COLA of 3.5%. This COLA is calculated on the first \$25,855, effective 01/01/16, and indexed as of that date as well. (The indexing formula is run annually regardless of funding level each year.)
- Minor adjustments were made to the actuarial reduction for employees choosing to retire early.

Town of West Warwick, Rhode Island

Required Supplementary Information

Notes to Schedules

MERS and ERS-Teachers Benefit Pension Plan Administered by ERSRI

Last 10 fiscal years

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Town of West Warwick, Rhode Island
Required Supplementary Information
Schedule of Changes in Net OPEB Liability and Related Ratios
Other Post-Employment Benefits Plan
Last 10 fiscal years

Fiscal Year	2024	2023	2022	2021	2020
Total OPEB liability					
Service cost	\$ 1,226,434	\$ 1,381,544	\$ 1,357,951	\$ 1,273,220	\$ 1,157,884
Interest	4,083,696	4,499,505	4,367,951	4,298,334	4,481,764
Changes of assumptions	595,587	2,030,011	-	981,145	2,959,620
Differences between expected and actual experience	(1,117,697)	(8,934,045)	503,929	(1,405,019)	(3,180,743)
Benefit payments	(3,691,551)	(4,133,250)	(4,606,868)	(3,881,167)	(3,886,122)
Net change in total OPEB liability	1,096,469	(5,156,235)	1,622,963	1,266,513	1,532,403
Total OPEB liability - beginning	59,772,544	64,928,779	63,305,816	62,039,303	60,506,900
Total OPEB liability - ending	<u>\$ 60,869,013</u>	<u>\$ 59,772,544</u>	<u>\$ 64,928,779</u>	<u>\$ 63,305,816</u>	<u>\$ 62,039,303</u>
Plan fiduciary net position					
Contributions - employer	\$ 3,998,051	\$ 5,700,839	\$ 4,061,755	\$ 4,444,857	\$ 5,218,060
Net investment income	274,990	560,641	(786,350)	1,133,384	142,995
Benefit payments	(3,691,551)	(4,133,250)	(4,606,868)	(3,881,167)	(3,886,122)
Administrative expense	(17,905)	(15,339)	(15,590)	(12,575)	(7,588)
Net change in plan fiduciary net position	563,585	2,112,891	(1,347,053)	1,684,499	1,467,345
Plan fiduciary net position - beginning	6,090,984	3,978,093	5,325,146	3,640,647	2,173,302
Plan fiduciary net position - ending	<u>\$ 6,654,569</u>	<u>\$ 6,090,984</u>	<u>\$ 3,978,093</u>	<u>\$ 5,325,146</u>	<u>\$ 3,640,647</u>
Plan's net pension liability - ending	<u>\$ 54,214,444</u>	<u>\$ 53,681,560</u>	<u>\$ 60,950,686</u>	<u>\$ 57,980,670</u>	<u>\$ 58,398,656</u>
Plan fiduciary net position as a percentage of the total OPEB liability	10.9%	10.2%	6.1%	8.4%	5.9%
Covered payroll	\$ 40,911,050	\$ 39,527,585	\$ 42,665,542	\$ 37,524,825	\$ 35,945,463
Net OPEB liability as a percentage of covered payroll	132.5%	135.8%	142.9%	154.5%	162.5%

Note:

The information in this schedule is intended to show 10 years. Additional years' information will be displayed as it becomes available.

Town of West Warwick, Rhode Island
Required Supplementary Information
Schedule of Changes in Net OPEB Liability and Related Ratios
Other Post-Employment Benefits Plan

Last 10 fiscal years

Fiscal Year	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total OPEB liability			
Service cost	\$ 1,181,380	\$ 1,000,384	\$ 1,063,571
Interest	4,915,859	4,247,890	4,066,880
Changes of assumptions	(1,097,408)	-	(1,379,744)
Differences between expected and actual experience	(6,797,032)	7,929,261	1,719,595
Benefit payments	<u>(4,045,470)</u>	<u>(4,844,657)</u>	<u>(3,297,753)</u>
Net change in total OPEB liability	(5,842,671)	8,332,878	2,172,549
Total OPEB liability - beginning	66,349,571	58,016,693	55,844,144
Total OPEB liability - ending	<u>\$ 60,506,900</u>	<u>66,349,571</u>	<u>58,016,693</u>
Plan fiduciary net position			
Contributions - employer	\$ 4,548,824	\$ 4,270,977	\$ 3,646,994
Net investment income	182,659	199,561	189,167
Benefit payments	(4,045,470)	(4,844,657)	(3,297,753)
Administrative expense	<u>(6,257)</u>	<u>(5,568)</u>	<u>(3,990)</u>
Net change in plan fiduciary net position	679,756	(379,687)	534,418
Plan fiduciary net position - beginning	1,493,546	1,873,233	1,338,815
Plan fiduciary net position - ending	<u>\$ 2,173,302</u>	<u>\$ 1,493,546</u>	<u>\$ 1,873,233</u>
Plan's net pension liability - ending	<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	3.6%	2.3%	3.2%
Covered payroll	\$ 39,892,830	\$ 40,918,261	\$ 39,534,552
Net OPEB liability as a percentage of covered payroll	146.2%	158.5%	142.0%

Note:

The information in this schedule is intended to show 10 years. Additional years' information will be displayed as it becomes available.

Town of West Warwick, Rhode Island

Required Supplementary Information

Schedule of Contributions

Other Post-Employment Benefit Plan

Last 10 Fiscal Years

	2024	2023	2022	2021	2020
Actuarial determined contribution	\$ 5,382,406	\$ 6,011,882	\$ 5,641,265	\$ 5,471,405	\$ 5,451,021
Contributions in relation to the actuarially determined contribution	3,998,051	5,700,839	4,061,755	4,444,857	5,218,060
Contribution Deficiency (Excess)	\$ 1,384,355	\$ 311,043	\$ 1,579,510	\$ 1,026,548	\$ 232,961
Covered payroll	\$ 40,911,050	\$ 39,527,585	\$ 42,665,542	\$ 44,193,209	\$ 35,945,463
Contributions as a percentage of covered payroll	9.8%	14.4%	9.5%	10.1%	14.5%
	2019	2018	2017		
Actuarial determined contribution	\$ 5,855,458	\$ 4,956,467	\$ 4,759,537		
Contributions in relation to the actuarially determined contribution	4,548,827	4,270,977	3,646,994		
Contribution Deficiency (Excess)	\$ 1,306,631	\$ 685,490	\$ 1,112,543		
Covered payroll	\$ 39,892,830	\$ 40,918,261	\$ 39,534,552		
Contributions as a percentage of covered payroll	11.4%	10.4%	9.2%		

Note:

The information in this schedule is intended to show 10 years. Additional years' information will be displayed as it becomes available.

Town of West Warwick, Rhode Island
 Required Supplementary Information
 Schedule of Investment Returns
 Other Post-Employment Benefit Plan
Last 10 Fiscal Years

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Annual money-weighted rate of return, net of investment expense	4.51%	10.57%	-13.93%	25.00%	4.66%
	<u>2019</u>	<u>2018</u>	<u>2017</u>		
Annual money-weighted rate of return, net of investment expense	9.62%	11.52%	11.53%		

Note:

The information in this schedule is intended to show 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
Required Supplementary Information
Notes to the Required Supplementary Information
Other Post-Employment Benefit Plan
Last 10 Fiscal Years

Notes to Required Supplementary Information:

Valuation date: July 01, 2023
Liabilities as of June 30, 2024 are based on an actuarial valuation date of July 1, 2023 rolled forward to the June 30, 2024 measurement date.

Measurement date: June 30, 2024

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age Normal
Amortization method	Level percentage of salary
Amortization period	20 years
Asset valuation method	Market value
Inflation	2.20% per year
Healthcare cost trend rates - medical	8.00% initial, decreasing 0.50% per year to an ultimate rate of 4.50%
Healthcare cost trend rates - dental	Assumed to grow at 4.00% annually and 3.00% annually, respectively
Payroll growth	3.50% for valuation purposes, 2.50% for amortization purposes
Investment rate of return	7.20% as of June 30, 2024

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

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TOWN OF WEST WARWICK

Supplementary Information

- Combining Non-Major Governmental Funds
 - Town Special Revenue
 - School Special Revenue
 - Town Capital Projects
 - School Capital Projects
- Internal Service Funds
 - Combining Statement of Net Position
 - Combining Statement of Revenues, Expenditures and Changes in Net Position
 - Combining Statement of Cash Flows
- Tax Collector's Report
- Annual Supplemental Transparency Report (MTP2)

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Town of West Warwick, Rhode Island

Non-Major Governmental Funds

Combining Balance Sheet

June 30, 2024

	Town Special Revenue Funds	School Restricted Special Revenue Funds	Capital Project Funds	Total Nonmajor Governmental Funds
Assets				
Cash and cash equivalents	\$ 3,673,061	\$ 296,715	\$ 110,516	\$ 4,080,292
Accounts receivable:				
Intergovernmental	245,152	2,877,131	1,309,100	4,431,383
Other receivables	359,904	-	-	359,904
Due from other funds	3,024,515	132,154	3,496,515	6,653,184
Prepaid expenditures	-	-	-	-
Total Assets	7,302,632	3,306,000	4,916,131	15,524,763
Liabilities and Fund Balances				
Liabilities				
Accounts payable	1,227,634	36,860	285,163	1,549,657
Due to other funds	856,576	2,964,802	2,461,099	6,282,477
Deposits in custody	-	20,602	-	20,602
Total liabilities	2,084,210	3,022,264	2,746,262	7,852,736
Deferred inflows of resources				
Deferred revenue	2,516,649	-	-	2,516,649
Total Deferred inflows of resources	2,516,649	-	-	2,516,649
Fund balances				
Nonspendable	-	-	-	-
Restricted	2,741,122	406,607	2,260,729	5,408,458
Committed	-	-	1,187,039	1,187,039
Assigned	-	-	-	-
Unassigned	(39,349)	(122,871)	(1,277,899)	(1,440,119)
Total fund balances	2,701,773	283,736	2,169,869	5,155,378
Total liabilities and fund balances	\$ 7,302,632	\$ 3,306,000	\$ 4,916,131	\$ 15,524,763

See Independent Auditor's Report

Town of West Warwick, Rhode Island

Non-Major Governmental Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balance

For the Year Ended June 30, 2024

	Town Special Revenue Funds	School Restricted Special Revenue Funds	Capital Project Funds	Total Nonmajor Governmental Funds
Revenues				
Intergovernmental	\$ 4,630,088	\$ 8,282,692	\$ 1,317,652	\$ 14,230,432
Charges for services	1,565,503	-	266,929	1,832,432
Contributions and private grants	-	7,756	-	7,756
Other revenue	344,992	265,438	-	610,430
	<u>6,540,583</u>	<u>8,555,886</u>	<u>1,584,581</u>	<u>16,681,050</u>
Total revenues				
Expenditures				
General government	2,953,394	-	-	2,953,394
Public Safety	1,046,595	-	-	1,046,595
Public Works	812,304	-	-	812,304
Library	231,474	-	-	231,474
Parks and recreation	111,174	-	-	111,174
Education	-	8,746,386	63,042	8,809,428
Debt Service	-	-	123,191	123,191
Capital Outlay	970,483	-	2,431,647	3,402,130
	<u>6,125,424</u>	<u>8,746,386</u>	<u>2,617,880</u>	<u>17,489,690</u>
Total expenditures				
Excess (deficiency) of revenues over (under) expenditures				
Before other financing sources (uses)	415,159	(190,500)	(1,033,299)	(808,640)
Other financing sources (uses)				
Transfers from other funds	-	-	-	-
Transfers to other funds	(123,286)	-	-	(123,286)
	<u>(123,286)</u>	<u>-</u>	<u>-</u>	<u>(123,286)</u>
Total other financing sources (uses)				
Net change in fund balance	291,873	(190,500)	(1,033,299)	(931,926)
Fund balance - beginning, restated	2,409,900	474,236	3,203,168	6,087,304
Fund balance - ending	<u>\$ 2,701,773</u>	<u>\$ 283,736</u>	<u>\$ 2,169,869</u>	<u>\$ 5,155,378</u>

See Independent Auditor's Report

Town of West Warwick, Rhode Island

Non-Major Governmental Funds

Special Revenue Funds – Town

Combining Balance Sheet

June 30, 2024

	Tricentennial Committee	Benjamin R. Vaughn	Annie Livsey Fund	Drug Evidence	Police Highway Safety
Assets					
Cash and cash equivalent	\$ 1,014	\$ 1,107	\$ -	\$ 342,882	\$ -
Intergovernmental	-	-	-	-	11,187
Miscellaneous	-	-	-	5,110	-
Due from other funds	-	-	-	-	-
	1,014	1,107	-	347,992	11,187
Deferred outflows of resources					
Deferred outflows	-	-	-	-	-
	-	-	-	-	-
Total assets and deferred outflows of resources	1,014	1,107	-	347,992	11,187
Liabilities					
Accounts payable and accrued liabilities	-	-	-	7,663	479
Due to other funds	-	-	-	2,423	10,174
	-	-	-	10,086	10,653
Deferred inflows of resources					
Deferred revenue	-	-	-	-	-
	-	-	-	-	-
Fund balance					
Nonspendable	-	-	-	-	-
Restricted	1,014	1,107	-	337,906	534
Committed	-	-	-	-	-
Unassigned	-	-	-	-	-
	1,014	1,107	-	337,906	534
Total liabilities, deferred inflows of resources and fund balance	\$ 1,014	\$ 1,107	\$ -	\$ 347,992	\$ 11,187

See Independent Auditor's Report

Town of West Warwick, Rhode Island

Non-Major Governmental Funds

Special Revenue Funds – Town

Combining Balance Sheet

June 30, 2024

	Brambley Bill Fund	Opioid Dist Settlement	Riverwalk Fund	Open Space Recreation
Assets				
Cash and cash equivalent	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Miscellaneous	-	-	-	-
Due from other funds	5,517	387,016	10,124	333,767
	5,517	387,016	10,124	333,767
Total assets	5,517	387,016	10,124	333,767
Deferred outflows of resources				
Deferred outflows	-	-	-	-
	-	-	-	-
Total deferred outflows of resources	-	-	-	-
Total assets and deferred outflows of resources	5,517	387,016	10,124	333,767
Liabilities				
Accounts payable and accrued liabilities	-	22,036	-	170
Due to other funds	-	-	-	-
	-	22,036	-	170
Total liabilities	-	22,036	-	170
Deferred inflows of resources				
Deferred revenue	-	-	-	-
	-	-	-	-
Total deferred inflows of resources	-	-	-	-
Fund balance				
Nonspendable	-	-	-	-
Restricted	5,517	364,980	10,124	333,597
Committed	-	-	-	-
Unassigned	-	-	-	-
	-	-	-	-
Total fund balance	5,517	364,980	10,124	333,597
Total liabilities, deferred inflows of resources and fund balance	\$ 5,517	\$ 387,016	\$ 10,124	\$ 333,767

See Independent Auditor's Report

Town of West Warwick, Rhode Island

Non-Major Governmental Funds

Special Revenue Funds – Town

Combining Balance Sheet

June 30, 2024

	JAG ARRA Fund	JAG Grant	Bulletproof Vest Partnership	Hazard Mitigation Plan	Library Grants	Health Equity Zone Grant	RI DOH Community Paramedicine	Assistance to Firefighters - 2020	Assistance to Firefighters
Assets									
Cash and cash equivalent	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	24,879	-	-	16,000	-	-
Miscellaneous	-	515	2,779	-	-	-	-	-	-
Due from other funds	1,012	-	-	-	-	5,782	-	-	-
Total assets	1,012	515	2,779	24,879	-	5,782	16,000	-	-
Deferred outflows of resources									
Deferred outflows	-	-	-	-	-	-	-	-	-
Total deferred outflows of resources	-	-	-	-	-	-	-	-	-
Total assets and deferred outflows of resources	1,012	515	2,779	24,879	-	5,782	16,000	-	-
Liabilities									
Accounts payable and accrued liabilities	-	-	-	188	2,253	-	3,873	-	-
Due to other funds	-	515	2,779	24,691	37,096	-	11,617	-	-
Total liabilities	-	515	2,779	24,879	39,349	-	15,490	-	-
Deferred inflows of resources									
Deferred revenue	-	-	-	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-	-	-	-
Fund balance									
Nonspendable	-	-	-	-	-	-	-	-	-
Restricted	1,012	-	-	-	-	5,782	510	-	-
Committed	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	(39,349)	-	-	-	-
Total fund balance	1,012	-	-	-	(39,349)	5,782	510	-	-
Total liabilities, deferred inflows of resources and fund balance	\$ 1,012	\$ 515	\$ 2,779	\$ 24,879	\$ -	\$ 5,782	\$ 16,000	\$ -	\$ -

See Independent Auditor's Report

Town of West Warwick, Rhode Island

Non-Major Governmental Funds

Special Revenue Funds – Town

Combining Balance Sheet

June 30, 2024

	Meds Contract Fund	Community Development Block Grant	NEU- American Rescue Plan	County- American Rescue Plan	Warming Center	Probate Court Registry	Revolving Fund	DARE Fund
Assets								
Cash and cash equivalent	\$ -	\$ -	\$ 1,183,831	\$ 2,141,805	\$ -	\$ 2,422	\$ -	\$ -
Intergovernmental	-	140,915	-	-	15,267	-	30,709	-
Miscellaneous	-	-	-	351,000	-	-	500	-
Due from other funds	9,357	-	960,262	1	103,484	-	906,196	9,515
Total assets	9,357	140,915	2,144,093	2,492,806	118,751	2,422	937,405	9,515
Deferred outflows of resources								
Deferred outflows	-	-	-	-	-	-	-	-
Total deferred outflows of resources	-	-	-	-	-	-	-	-
Total assets and deferred outflows of resources	9,357	140,915	2,144,093	2,492,806	118,751	2,422	937,405	9,515
Liabilities								
Accounts payable and accrued liabilities	-	60,615	-	1,085,256	21,684	-	23,417	-
Due to other funds	-	78,759	-	688,522	-	-	-	-
Total liabilities	-	139,374	-	1,773,778	21,684	-	23,417	-
Deferred inflows of resources								
Deferred revenue	-	-	1,991,672	524,977	-	-	-	-
Total deferred inflows of resources	-	-	1,991,672	524,977	-	-	-	-
Fund balance								
Nonspendable	-	-	-	-	-	-	-	-
Restricted	9,357	1,541	152,421	194,051	97,067	2,422	913,988	9,515
Committed	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-
Total fund balance	9,357	1,541	152,421	194,051	97,067	2,422	913,988	9,515
Total liabilities, deferred inflows of resources and fund balance	\$ 9,357	\$ 140,915	\$ 2,144,093	\$ 2,492,806	\$ 118,751	\$ 2,422	\$ 937,405	\$ 9,515

See Independent Auditor's Report

Town of West Warwick, Rhode Island

Non-Major Governmental Funds

Special Revenue Funds – Town

Combining Balance Sheet

June 30, 2024

	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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,673,061
Intergovernmental	-	6,195	-	-	-	245,152
Miscellaneous	-	-	-	-	-	359,904
Due from other funds	45,852	81,522	139,159	23,909	2,040	3,024,515
 Total assets	45,852	87,717	139,159	23,909	2,040	7,302,632
Deferred outflows of resources						
Deferred outflows	-	-	-	-	-	-
 Total deferred outflows of resources	-	-	-	-	-	-
Total assets and deferred outflows of resources	45,852	87,717	139,159	23,909	2,040	7,302,632
Liabilities						
Accounts payable and accrued liabilities	-	-	-	-	-	1,227,634
Due to other funds	-	-	-	-	-	856,576
 Total liabilities	-	-	-	-	-	2,084,210
Deferred inflows of resources						
Deferred revenue	-	-	-	-	-	2,516,649
 Total deferred inflows of resources	-	-	-	-	-	2,516,649
Fund balance						
Nonspendable	-	-	-	-	-	-
Restricted	45,852	87,717	139,159	23,909	2,040	2,741,122
Committed	-	-	-	-	-	-
Unassigned	-	-	-	-	-	(39,349)
 Total fund balance	45,852	87,717	139,159	23,909	2,040	2,701,773
Total liabilities, deferred inflows of resources and fund balance	\$ 45,852	\$ 87,717	\$ 139,159	\$ 23,909	\$ 2,040	\$ 7,302,632

See Independent Auditor's Report

Town of West Warwick, Rhode Island

Non-Major Governmental Funds

Special Revenue Funds – Town

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

For the Year Ended June 30, 2024

	Tricentennial Committee	Benjamin R. Vaughn	Annie Livsey Fund	Drug Evidence	Police Highway Safety
Revenues					
Intergovernmental	\$ -	\$ -	\$ 11,416	\$ -	\$ 32,206
Charges for services		-	-	296,055	-
Other revenue	-	-	-	3	-
Total revenues	-	-	11,416	296,058	32,206
Expenditures					
General Government	-	-	11,416	-	-
Public Safety	-	-	-	83,440	31,672
Public Works	-	-	-	-	-
Library	-	-	-	-	-
Parks and Recreation	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Total expenditures	-	-	11,416	83,440	31,672
Excess (deficiency) of revenues over (under) expenditures Before other financing sources (uses)	-	-	-	212,618	534
Other financing sources (uses)					
Transfers from other funds	-	-	-	-	-
Transfers to other funds	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-
Net change in fund balance	-	-	-	212,618	534
Fund balance - beginning	1,014	1,107	-	125,288	-
Fund balance - ending	<u>\$ 1,014</u>	<u>\$ 1,107</u>	<u>\$ -</u>	<u>\$ 337,906</u>	<u>\$ 534</u>

See Independent Auditor's Report

Town of West Warwick, Rhode Island

Non-Major Governmental Funds

Special Revenue Funds – Town

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

For the Year Ended June 30, 2024

	Brambley Bill Fund	Opioid Dist Settlement	Riverwalk Fund	Open Space Recreation
Revenues				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Charges for services	-	133,578	-	145,000
Other revenue	459	-	-	-
Total revenues	459	133,578	-	145,000
Expenditures				
General Government	1,463	88,146	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Library	-	-	-	-
Parks and Recreation	-	-	-	111,174
Capital Outlay	-	-	-	-
Total expenditures	1,463	88,146	-	111,174
Excess (deficiency) of revenues over (under) expenditures Before other financing sources (uses)	(1,004)	45,432	-	33,826
Other financing sources (uses)				
Transfers from other funds	-	-	-	-
Transfers to other funds	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balance	(1,004)	45,432	-	33,826
Fund balance - beginning	6,521	319,548	10,124	299,771
Fund balance - ending	\$ 5,517	\$ 364,980	\$ 10,124	\$ 333,597

See Independent Auditor's Report

Town of West Warwick, Rhode Island

Non-Major Governmental Funds

Special Revenue Funds – Town

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

For the Year Ended June 30, 2024

	JAG ARRA Fund	JAG Fund	Bulletproof Vest Partnership	Hazard Mitigation Plan	Library Grants	Health Equity Zone Grant	RI DOH Community Paramedicine	Assistance to Firefighters - 2020	Assistance to Firefighters
Revenues									
Intergovernmental	\$ -	515	\$ 9,360	17,446	\$ 231,304	\$ -	94,188	\$ 49,401	\$ -
Charges for services	-	-	-	-	18,501	-	-	-	-
Other revenue	-	-	-	-	-	-	-	-	-
Total revenues	-	515	9,360	17,446	249,805	-	94,188	49,401	-
Expenditures									
General Government	-	-	-	17,446	-	-	-	-	-
Public Safety	-	515	9,360	-	-	-	93,678	53,442	13
Public Works	-	-	-	-	-	-	-	-	-
Library	-	-	-	-	231,474	-	-	-	-
Parks and Recreation	-	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-	-
Total expenditures	-	515	9,360	17,446	231,474	-	93,678	53,442	13
Excess (deficiency) of revenues over (under) expenditures Before other financing sources (uses)	-	-	-	-	18,331	-	510	(4,041)	(13)
Other financing sources (uses)									
Transfers from other funds	-	-	-	-	-	-	-	-	-
Transfers to other funds	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Net change in fund balance	-	-	-	-	18,331	-	510	(4,041)	(13)
Fund balance - beginning	1,012	-	-	-	(57,680)	5,782	-	4,041	13
Fund balance - ending	\$ 1,012	\$ -	\$ -	\$ -	\$ (39,349)	\$ 5,782	\$ 510	\$ -	\$ -

See Independent Auditor's Report

Town of West Warwick, Rhode Island

Non-Major Governmental Funds

Special Revenue Funds – Town

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

For the Year Ended June 30, 2024

	Meds Contract Fund	Community Development Block Grant	NEU- American Rescue Plan	County- American Rescue Plan	Warming Center	Probate Court Registry	Revolving Fund	DARE Fund
Revenues								
Intergovernmental	4,000	\$ 1,763,588	\$ 18,300	\$ 2,398,364	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	-	-	-	821,128	-
Other revenue	-	-	87,900	111,872	134,585	1	7,350	-
Total revenues	4,000	1,763,588	106,200	2,510,236	134,585	1	828,478	-
Expenditures								
General Government	-	-	18,300	2,275,078	37,518	-	496,138	-
Public Safety	-	-	-	-	-	-	624,167	-
Public Works	-	812,304	-	-	-	-	-	-
Library	-	-	-	-	-	-	-	-
Parks and Recreation	-	-	-	-	-	-	-	-
Capital Outlay	-	970,483	-	-	-	-	-	-
Total expenditures	-	1,782,787	18,300	2,275,078	37,518	-	1,120,305	-
Excess (deficiency) of revenues over (under) expenditures Before other financing sources (uses)	4,000	(19,199)	87,900	235,158	97,067	1	(291,827)	-
Other financing sources (uses)								
Transfers from other funds	-	-	-	-	-	-	-	-
Transfers to other funds	-	-	-	(123,286)	-	-	-	-
Total other financing sources (uses)	-	-	-	(123,286)	-	-	-	-
Net change in fund balance	4,000	(19,199)	87,900	111,872	97,067	1	(291,827)	-
Fund balance - beginning	5,357	20,740	64,521	82,179	-	2,421	1,205,815	9,515
Fund balance - ending	\$ 9,357	\$ 1,541	\$ 152,421	\$ 194,051	\$ 97,067	\$ 2,422	\$ 913,988	\$ 9,515

See Independent Auditor's Report

Town of West Warwick, Rhode Island

Non-Major Governmental Funds

Special Revenue Funds – Town

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

For the Year Ended June 30, 2024

	Tower Rent Revolving Fund	Police Detail Car Fund	Demolition Revolving Fund	Animal Shelter Fund	Recreation Fund	Total Special Revenue Funds - Town
Revenues						
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,630,088
Charges for services	-	143,509	2,210	5,522	-	1,565,503
Other revenue	-	-	-	2,822	-	344,992
Total revenues	-	143,509	2,210	8,344	-	6,540,583
Expenditures						
General Government	-	-	-	7,889	-	2,953,394
Public Safety	-	150,308	-	-	-	1,046,595
Public Works	-	-	-	-	-	812,304
Library	-	-	-	-	-	231,474
Parks and Recreation	-	-	-	-	-	111,174
Capital Outlay	-	-	-	-	-	970,483
Total expenditures	-	150,308	-	7,889	-	6,125,424
Excess (deficiency) of revenues over (under) expenditures Before other financing sources (uses)	-	(6,799)	2,210	455	-	415,159
Other financing sources (uses)						
Transfers from other funds	-	-	-	-	-	-
Transfers to other funds	-	-	-	-	-	(123,286)
Total other financing sources (uses)	-	-	-	-	-	(123,286)
Net change in fund balance	-	(6,799)	2,210	455	-	291,873
Fund balance - beginning	45,852	94,516	136,949	23,454	2,040	2,409,900
Fund balance - ending	\$ 45,852	\$ 87,717	\$ 139,159	\$ 23,909	\$ 2,040	\$ 2,701,773

See Independent Auditor's Report

Town of West Warwick, Rhode Island
Non-Major Governmental Funds
Special Revenue Funds – School Restricted
Combining Balance Sheet
June 30, 2024

	IDEA- Part B	IDEA - Pre-School	IDEA - Part B Targeted	Title I - Part A	Title II - Part A	Title III
Assets						
Cash and cash equivalent	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	437,336	22,525	-	618,977	84,189	17,246
Due from other funds	-	-	180	-	-	-
Total assets	437,336	22,525	180	618,977	84,189	17,246
Deferred outflows of resources						
Deferred outflows	-	-	-	-	-	-
Total deferred outflows of resources	-	-	-	-	-	-
Total assets and deferred outflows of resources	437,336	22,525	180	618,977	84,189	17,246
Liabilities						
Accounts payable and accrued liabilities	5,553	7,500	-	(166)	-	277
Due to other funds	431,783	15,025	-	618,230	73,722	16,969
Deposits in custody	-	-	-	-	-	-
Total liabilities	437,336	22,525	-	618,064	73,722	17,246
Deferred inflows of resources						
Deferred revenue	-	-	-	-	-	-
Deferred inflows	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-
Fund balance						
Nonspendable	-	-	-	-	-	-
Restricted	-	-	180	913	10,467	-
Committed	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
Total fund balance	-	-	180	913	10,467	-
Total liabilities, deferred inflows of resources and fund balance	\$ 437,336	\$ 22,525	\$ 180	\$ 618,977	\$ 84,189	\$ 17,246

See Independent Auditor's Report

Town of West Warwick, Rhode Island
Non-Major Governmental Funds
Special Revenue Funds – School Restricted
Combining Balance Sheet

June 30, 2024

	Title IV	Title IV - BSCA Stronger Connections Grant	Perkins Vocational Education	Perkins CTE PL Differently Abled Students	Perkins CTE Targeted Leadership	Homeless Children and Youth	McKinney- Vento
Assets							
Cash and cash equivalent	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	56,584	108,503	42,516	5,382	-	-	-
Due from other funds	-	-	-	-	-	-	-
Total assets	<u>56,584</u>	<u>108,503</u>	<u>42,516</u>	<u>5,382</u>	<u>-</u>	<u>-</u>	<u>-</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>56,584</u>	<u>108,503</u>	<u>42,516</u>	<u>5,382</u>	<u>-</u>	<u>-</u>	<u>-</u>
Liabilities							
Accounts payable and accrued liabilities	3,103	-	-	-	-	-	-
Due to other funds	53,007	108,503	43,241	5,382	-	-	16,729
Deposits in custody	-	-	-	-	-	-	-
Total liabilities	<u>56,110</u>	<u>108,503</u>	<u>43,241</u>	<u>5,382</u>	<u>-</u>	<u>-</u>	<u>16,729</u>
Deferred inflows of resources							
Deferred revenue	-	-	-	-	-	-	-
Deferred inflows	-	-	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance							
Nonspendable	-	-	-	-	-	-	-
Restricted	474	-	-	-	-	-	-
Committed	-	-	-	-	-	-	-
Unassigned	-	-	(725)	-	-	-	(16,729)
Total fund balance	<u>474</u>	<u>-</u>	<u>(725)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(16,729)</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 56,584</u>	<u>\$ 108,503</u>	<u>\$ 42,516</u>	<u>\$ 5,382</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See Independent Auditor's Report

Town of West Warwick, Rhode Island
Non-Major Governmental Funds
Special Revenue Funds – School Restricted
Combining Balance Sheet

June 30, 2024

	Fresh Fruits & Vegetables	RI Emergency Management	CARES Act- ESSER	CARES Act - Ed Stabil	ESSER II CRRSA Act Priority I: Back to School
Assets					
Cash and cash equivalent	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	10,627	-	-	-	-
Due from other funds	(10,627)	311	7,613	-	25,877
Total assets	<u>-</u>	<u>311</u>	<u>7,613</u>	<u>-</u>	<u>25,877</u>
Deferred outflows of resources					
Deferred outflows	-	-	-	-	-
Total deferred outflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets and deferred outflows of resources	<u>-</u>	<u>311</u>	<u>7,613</u>	<u>-</u>	<u>25,877</u>
Liabilities					
Accounts payable and accrued liabilities	-	-	-	-	-
Due to other funds	-	-	-	-	-
Unearned revenue	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred inflows of resources					
Deferred revenue	-	-	-	-	-
Deferred inflows	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance					
Nonspendable	-	-	-	-	-
Restricted	-	311	7,613	-	25,877
Committed	-	-	-	-	-
Unassigned	-	-	-	-	-
Total fund balance	<u>-</u>	<u>311</u>	<u>7,613</u>	<u>-</u>	<u>25,877</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ -</u>	<u>\$ 311</u>	<u>\$ 7,613</u>	<u>\$ -</u>	<u>\$ 25,877</u>

See Independent Auditor's Report

Town of West Warwick, Rhode Island
Non-Major Governmental Funds
Special Revenue Funds – School Restricted
Combining Balance Sheet

June 30, 2024

	<u>ESSER III ARP Act Priority I: Back to School</u>	<u>ESSER III ARP Act Priority II: Extended Learning</u>
Assets		
Cash and cash equivalent	\$ -	\$ -
Intergovernmental	-	421
Due from other funds	-	-
Total assets	<u>-</u>	<u>421</u>
Deferred outflows of resources		
Deferred outflows	-	-
Total deferred outflows of resources	<u>-</u>	<u>-</u>
Total assets and deferred outflows of resources	<u>-</u>	<u>421</u>
Liabilities		
Accounts payable and accrued liabilities	-	-
Due to other funds	-	421
Deposits in custody	-	-
Total liabilities	<u>-</u>	<u>421</u>
Deferred inflows of resources		
Deferred revenue	-	-
Deferred inflows	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>
Fund balance		
Nonspendable	-	-
Restricted	-	-
Committed	-	-
Unassigned	-	-
Total fund balance	<u>-</u>	<u>-</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ -</u>	<u>\$ 421</u>

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Town of West Warwick, Rhode Island
Non-Major Governmental Funds
Special Revenue Funds – School Restricted
Combining Balance Sheet
June 30, 2024

	ESSER III ARP Act Priority V: Digital Divide	ESSER III ARP Act Other Priority	ESSER III District Support - Equity	ESSER III District Support - Expanded	ESSER III District Support - Instruction	ARP Homeless Fund	ESSER III District Support - Student Well Being
Assets							
Cash and cash equivalent	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	72,779	405,060	1,017	381,007	29,126	774
Due from other funds	-	-	-	-	-	-	-
Total assets	-	72,779	405,060	1,017	381,007	29,126	774
Deferred outflows of resources							
Deferred outflows	-	-	-	-	-	-	-
Total deferred outflows of resources	-	-	-	-	-	-	-
Total assets and deferred outflows of resources	-	72,779	405,060	1,017	381,007	29,126	774
Liabilities							
Accounts payable and accrued liabilities	-	-	5,508	-	494	-	292
Due to other funds	-	72,779	399,552	1,017	380,513	29,126	482
Deposits in custody	-	-	-	-	-	-	-
Total liabilities	-	72,779	405,060	1,017	381,007	29,126	774
Deferred inflows of resources							
Deferred revenue	-	-	-	-	-	-	-
Deferred inflows	-	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-	-
Fund balance							
Nonspendable	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-
Committed	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-
Total fund balance	-	-	-	-	-	-	-
Total liabilities, deferred inflows of resources and fund balance	\$ -	\$ 72,779	\$ 405,060	\$ 1,017	\$ 381,007	\$ 29,126	\$ 774

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Town of West Warwick, Rhode Island
Non-Major Governmental Funds
Special Revenue Funds – School Restricted
Combining Balance Sheet
June 30, 2024

	ESSER III District Support - Talent	ESSER III District Support - Instruction	ARP Act - IDEA	ARP Act - IDEA Preschool	ARP Act - ELC	ARRA Energy
Assets						
Cash and cash equivalent	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	56,058	-	-	-	-	-
Due from other funds	-	-	4,793	-	-	1,162
Total assets	<u>56,058</u>	<u>-</u>	<u>4,793</u>	<u>-</u>	<u>-</u>	<u>1,162</u>
Deferred outflows of resources						
Deferred outflows	-	-	-	-	-	-
Total deferred outflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets and deferred outflows of resources	<u>56,058</u>	<u>-</u>	<u>4,793</u>	<u>-</u>	<u>-</u>	<u>1,162</u>
Liabilities						
Accounts payable and accrued liabilities	485	-	4,793	-	-	-
Due to other funds	55,573	-	-	-	381	-
Deposits in custody	-	-	-	-	-	-
Total liabilities	<u>56,058</u>	<u>-</u>	<u>4,793</u>	<u>-</u>	<u>381</u>	<u>-</u>
Deferred inflows of resources						
Deferred revenue						
Deferred inflows	-	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance						
Nonspendable	-	-	-	-	-	-
Restricted	-	-	-	-	-	1,162
Committed	-	-	-	-	-	-
Unassigned	-	-	-	-	(381)	-
Total fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(381)</u>	<u>1,162</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 56,058</u>	<u>\$ -</u>	<u>\$ 4,793</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,162</u>

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Town of West Warwick, Rhode Island
Non-Major Governmental Funds
Special Revenue Funds – School Restricted
Combining Balance Sheet

June 30, 2024

	RI School Support - Adolescent Health & Academic Achievement	Dept of HHS - Substance Abuse & Mental Health	US DoE - Pre-School Development Grant-Expansion	Comprehensive Literacy Grant State Development	Comprehensive Literacy Grant State Development K-5	Comprehensive Literacy Grant State Development K-5 - Award #2	Comprehensive Literacy Grant - Supplemental	Comprehensive Literacy Grant - Birth to Pre K	Investing in Innovation
Assets									
Cash and cash equivalent	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	(18,308)	304,914	-	-	61,497	-	-	4,941	12,675
Due from other funds	19,774	-	-	-	-	(7,701)	-	-	-
Total assets	<u>1,466</u>	<u>304,914</u>	<u>-</u>	<u>-</u>	<u>61,497</u>	<u>(7,701)</u>	<u>-</u>	<u>4,941</u>	<u>12,675</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>	<u>-</u>	<u>-</u>
Total assets and deferred outflows of resources	<u>1,466</u>	<u>304,914</u>	<u>-</u>	<u>-</u>	<u>61,497</u>	<u>(7,701)</u>	<u>-</u>	<u>4,941</u>	<u>12,675</u>
Liabilities									
Accounts payable and accrued liabilities	1,466	1,145	-	-	-	-	-	-	-
Due to other funds	-	303,769	596	-	61,497	-	-	4,941	12,675
Deposits in custody	-	-	-	-	-	-	-	-	-
Total liabilities	<u>1,466</u>	<u>304,914</u>	<u>596</u>	<u>-</u>	<u>61,497</u>	<u>-</u>	<u>-</u>	<u>4,941</u>	<u>12,675</u>
Deferred inflows of resources									
Deferred revenue	-	-	-	-	-	-	-	-	-
Deferred inflows	-	-	-	-	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance									
Nonspendable	-	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-	-	-
Committed	-	-	-	-	-	-	-	-	-
Unassigned	-	-	(596)	-	-	(7,701)	-	-	-
Total fund balance	<u>-</u>	<u>-</u>	<u>(596)</u>	<u>-</u>	<u>-</u>	<u>(7,701)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 1,466</u>	<u>\$ 304,914</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 61,497</u>	<u>\$ (7,701)</u>	<u>\$ -</u>	<u>\$ 4,941</u>	<u>\$ 12,675</u>

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Town of West Warwick, Rhode Island
Non-Major Governmental Funds
Special Revenue Funds – School Restricted
Combining Balance Sheet
June 30, 2024

	AWARE Substance Abuse & Mental Health Services	SAELP Grant	RI State Council for Arts
Assets			
Cash and cash equivalent	\$ (63)	\$ -	\$ -
Intergovernmental	-	-	-
Due from other funds	-	-	-
Total assets	<u>(63)</u>	<u>-</u>	<u>-</u>
Deferred outflows of resources			
Deferred outflows	-	-	-
Total deferred outflows of resources	<u>-</u>	<u>-</u>	<u>-</u>
Total assets and deferred outflows of resources	<u><u>(63)</u></u>	<u><u>-</u></u>	<u><u>-</u></u>
Liabilities			
Accounts payable and accrued liabilities	-	-	-
Due to other funds	71	-	-
Deposits in custody	-	-	-
Total liabilities	<u>71</u>	<u>-</u>	<u>-</u>
Deferred inflows of resources			
Deferred revenue			
Deferred inflows	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance			
Nonspendable	-	-	-
Restricted	-	-	-
Committed	-	-	-
Unassigned	(134)	-	-
Total fund balance	<u>(134)</u>	<u>-</u>	<u>-</u>
Total liabilities, deferred inflows of resources and fund balance	<u><u>\$ (63)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

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Town of West Warwick, Rhode Island
Non-Major Governmental Funds
Special Revenue Funds – School Restricted
Combining Balance Sheet
June 30, 2024

	RI Department of Health	RI Energy Resources	CTE Categorical - Odd Year	CTE Categorical - Even Year	CS4RI Grant	English Learner Categorical Aid
Assets						
Cash and cash equivalent	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	3,071	79,964	-	-	-	78,250
Due from other funds	-	-	-	40,053	16	-
Total assets	<u>3,071</u>	<u>79,964</u>	<u>-</u>	<u>40,053</u>	<u>16</u>	<u>78,250</u>
Deferred outflows of resources						
Deferred outflows	-	-	-	-	-	-
Total deferred outflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets and deferred outflows of resources	<u>3,071</u>	<u>79,964</u>	<u>-</u>	<u>40,053</u>	<u>16</u>	<u>78,250</u>
Liabilities						
Accounts payable and accrued liabilities	-	-	100	-	-	-
Due to other funds	1,657	116,097	24,774	-	-	78,114
Deposits in custody	-	-	-	-	-	-
Total liabilities	<u>1,657</u>	<u>116,097</u>	<u>24,874</u>	<u>-</u>	<u>-</u>	<u>78,114</u>
Deferred inflows of resources						
Deferred revenue	-	-	-	-	-	-
Deferred inflows	-	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance						
Nonspendable	-	-	-	-	-	-
Restricted	1,414	-	-	40,053	16	136
Committed	-	-	-	-	-	-
Unassigned	-	(36,133)	(24,874)	-	-	-
Total fund balance	<u>1,414</u>	<u>(36,133)</u>	<u>(24,874)</u>	<u>40,053</u>	<u>16</u>	<u>136</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 3,071</u>	<u>\$ 79,964</u>	<u>\$ -</u>	<u>\$ 40,053</u>	<u>\$ 16</u>	<u>\$ 78,250</u>

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Town of West Warwick, Rhode Island
Non-Major Governmental Funds
Special Revenue Funds – School Restricted
Combining Balance Sheet
June 30, 2024

	School Building Authority Capital Fund - Grant #3	SBA - Facilities Equity Initiative FY23 (Horgan)	The ACT Foundation
Assets			
Cash and cash equivalent	\$ -	\$ -	\$ -
Intergovernmental	-	-	-
Due from other funds	-	-	-
Total assets	<u>-</u>	<u>-</u>	<u>-</u>
Deferred outflows of resources			
Deferred outflows	-	-	-
Total deferred outflows of resources	<u>-</u>	<u>-</u>	<u>-</u>
Total assets and deferred outflows of resources	<u>-</u>	<u>-</u>	<u>-</u>
Liabilities			
Accounts payable and accrued liabilities	138	0	-
Due to other funds	5,876	21,700	-
Deposits in custody	-	-	-
Total liabilities	<u>6,014</u>	<u>21,700</u>	<u>-</u>
Deferred inflows of resources			
Deferred revenue			
Deferred inflows	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance			
Nonspendable	-	-	-
Restricted	-	-	-
Committed	-	-	-
Unassigned	(6,014)	(21,700)	-
Total fund balance	<u>(6,014)</u>	<u>(21,700)</u>	<u>-</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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Town of West Warwick, Rhode Island
Non-Major Governmental Funds
Special Revenue Funds – School Restricted
Combining Balance Sheet

June 30, 2024

	Education Development Center	We The People	Thundermist Health Center Grant
Assets			
Cash and cash equivalent	\$ -	\$ -	\$ -
Intergovernmental	-	-	-
Due from other funds	114	972	-
Total assets	<u>114</u>	<u>972</u>	<u>-</u>
Deferred outflows of resources			
Deferred outflows	-	-	-
Total deferred outflows of resources	<u>-</u>	<u>-</u>	<u>-</u>
Total assets and deferred outflows of resources	<u>114</u>	<u>972</u>	<u>-</u>
Liabilities			
Accounts payable and accrued liabilities	114	-	-
Due to other funds	-	-	2,252
Deposits in custody	-	-	-
Total liabilities	<u>114</u>	<u>-</u>	<u>2,252</u>
Deferred inflows of resources			
Deferred revenue	-	-	-
Deferred inflows	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance			
Nonspendable	-	-	-
Restricted	-	972	-
Committed	-	-	-
Unassigned	-	-	(2,252)
Total fund balance	<u>-</u>	<u>972</u>	<u>(2,252)</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 114</u>	<u>\$ 972</u>	<u>\$ -</u>

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Town of West Warwick, Rhode Island
Non-Major Governmental Funds
Special Revenue Funds – School Restricted
Combining Balance Sheet
June 30, 2024

	Intel Corporation	Thundermist - Preschool	Smile Grant	NE Dairy & Food Council	CASIT	American Federation of Teachers
Assets						
Cash and cash equivalent	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-	-
Due from other funds	5,000	-	-	-	3,751	6
Total assets	<u>5,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,751</u>	<u>6</u>
Deferred outflows of resources						
Deferred outflows	-	-	-	-	-	-
Total deferred outflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets and deferred outflows of resources	<u>5,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,751</u>	<u>6</u>
Liabilities						
Accounts payable and accrued liabilities	-	-	-	-	-	6
Due to other funds	-	5,168	242	100	-	-
Deposits in custody	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>5,168</u>	<u>242</u>	<u>100</u>	<u>-</u>	<u>6</u>
Deferred inflows of resources						
Deferred revenue	-	-	-	-	-	-
Deferred inflows	-	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance						
Nonspendable	-	-	-	-	-	-
Restricted	5,000	-	-	-	3,751	-
Committed	-	-	-	-	-	-
Unassigned	-	(5,168)	(242)	(100)	-	-
Total fund balance	<u>5,000</u>	<u>(5,168)</u>	<u>(242)</u>	<u>(100)</u>	<u>3,751</u>	<u>-</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 5,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,751</u>	<u>\$ 6</u>

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Town of West Warwick, Rhode Island
Non-Major Governmental Funds
Special Revenue Funds – School Restricted
Combining Balance Sheet
June 30, 2024

	Share our Strength	Summer School Program - Remedial	School Play	Pre-School Program	Student Activity	Total School Special Revenue Funds
Assets						
Cash and cash equivalent	\$ -	\$ -	\$ -	\$ -	\$ 296,778	\$ 296,715
Intergovernmental	-	-	-	-	-	2,877,131
Due from other funds	-	13,100	2,183	23,078	2,499	132,154
Total assets	<u>-</u>	<u>13,100</u>	<u>2,183</u>	<u>23,078</u>	<u>299,277</u>	<u>3,306,000</u>
Deferred outflows of resources						
Deferred outflows	-	-	-	-	-	-
Total deferred outflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets and deferred outflows of resources	<u>-</u>	<u>13,100</u>	<u>2,183</u>	<u>23,078</u>	<u>299,277</u>	<u>3,306,000</u>
Liabilities						
Accounts payable and accrued liabilities	-	-	-	2,697	3,355	36,860
Due to other funds	122	-	-	-	2,716	2,964,802
Deposits in custody	-	-	-	-	20,602	20,602
Total liabilities	<u>122</u>	<u>-</u>	<u>-</u>	<u>2,697</u>	<u>26,673</u>	<u>3,022,264</u>
Deferred inflows of resources						
Deferred revenue	-	-	-	-	-	-
Deferred inflows	-	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance						
Nonspendable	-	-	-	-	-	-
Restricted	-	13,100	2,183	20,381	272,604	406,607
Committed	-	-	-	-	-	-
Unassigned	(122)	-	-	-	-	(122,871)
Total fund balance	<u>(122)</u>	<u>13,100</u>	<u>2,183</u>	<u>20,381</u>	<u>272,604</u>	<u>283,736</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ -</u>	<u>\$ 13,100</u>	<u>\$ 2,183</u>	<u>\$ 23,078</u>	<u>\$ 299,277</u>	<u>\$ 3,306,000</u>

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Town of West Warwick, Rhode Island

Non-Major Governmental Funds

Special Revenue Funds – School Restricted

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

For the Year Ended June 30, 2024

	IDEA- Part B	IDEA - Pre-School	IDEA - Part B Targeted	Title I - Part A	Title II - Part A	Title III
Revenues						
Intergovernmental	\$ 1,127,512	\$ 47,327	\$ -	\$ 1,283,731	\$ 154,334	\$ 22,365
Contributions and private grants	-	-	-	-	-	-
Other revenues	-	-	-	-	-	-
Total revenues	1,127,512	47,327	-	1,283,731	154,334	22,365
Expenditures						
Education	1,127,512	47,327	-	1,283,731	154,334	22,365
Total expenditures	1,127,512	47,327	-	1,283,731	154,334	22,365
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 - beginning, restated	-	-	180	913	10,467	-
Fund balance - ending	\$ -	\$ -	\$ 180	\$ 913	\$ 10,467	\$ -

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Town of West Warwick, Rhode Island

Non-Major Governmental Funds

Special Revenue Funds – School Restricted

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

For the Year Ended June 30, 2024

	Title IV	Title IV - BSCA Stronger Connections Grant	Perkins Vocational Education	Perkins CTE PL Differently Able Students	Perkins CTE Targeted Leadership	Homeless Children and Youth	McKinney- Vento
Revenues							
Intergovernmental	\$ 205,453	108,503	\$ 141,975	\$ 5,382	\$ 1,500	22,270	\$ -
Contributions and private grants	-	-	-	-	-	-	-
Other revenues	-	-	-	-	-	-	-
Total revenues	205,453	108,503	141,975	5,382	1,500	22,270	-
Expenditures							
Education	205,454	108,503	141,975	5,382	1,500	22,270	16,729
Total expenditures	205,454	108,503	141,975	5,382	1,500	22,270	16,729
Excess (deficiency) of revenues over (under) expenditures Before other financing sources (uses)	(1)	-	-	-	-	-	(16,729)
Other financing sources (uses)							
Transfers from other funds	-	-	-	-	-	-	-
Transfers to other funds	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Net change in fund balance	(1)	-	-	-	-	-	(16,729)
Fund balance - beginning, restated	475	-	(725)	-	-	-	-
Fund balance - ending	\$ 474	\$ -	\$ (725)	\$ -	\$ -	\$ -	\$ (16,729)

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Town of West Warwick, Rhode Island

Non-Major Governmental Funds

Special Revenue Funds – School Restricted

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

For the Year Ended June 30, 2024

	Fresh Fruits & Vegetables	RI Emergency Management	CARES Act- ESSER	CARES Act - Ed Stabil	ESSER II CRRSA Act Priority I: Back to School
Revenues					
Intergovernmental	\$ 60,048	\$ -	\$ -	\$ 1,692	\$ -
Contributions and private grants	-	-	-	-	-
Other revenues	-	-	-	-	-
Total revenues	60,048	-	-	1,692	-
Expenditures					
Education	60,048	-	-	1,692	(25,877)
Total expenditures	60,048	-	-	1,692	(25,877)
Excess (deficiency) of revenues over (under) expenditures Before other financing sources (uses)	-	-	-	-	25,877
Other financing sources (uses)					
Transfers from other funds	-	-	-	-	-
Transfers to other funds	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-
Net change in fund balance	-	-	-	-	25,877
Fund balance - beginning, restated	-	311	7,613	-	-
Fund balance - ending	\$ -	\$ 311	\$ 7,613	\$ -	\$ 25,877

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Town of West Warwick, Rhode Island

Non-Major Governmental Funds

Special Revenue Funds – School Restricted

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

For the Year Ended June 30, 2024

	ESSER III ARP Act Priority I: Back to School	ESSER III ARP Act Priority II: Extended Learning
Revenues		
Intergovernmental	\$ 22,703	\$ 9,815
Contributions and private grants	-	-
Other revenues	-	-
Total revenues	<u>22,703</u>	<u>9,815</u>
Expenditures		
Education	<u>22,703</u>	<u>9,815</u>
Total expenditures	<u>22,703</u>	<u>9,815</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>
Net change in fund balance	-	-
Fund balance - beginning, restated	<u>-</u>	<u>-</u>
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>

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Town of West Warwick, Rhode Island

Non-Major Governmental Funds

Special Revenue Funds – School Restricted

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

For the Year Ended June 30, 2024

	ESSER III ARP Act Priority V: Digital Divide	ESSER III ARP Act Other Priority	ESSER III District Support - Equity	ESSER III District Support - Expanded	ESSER III District Support - Instruction	ARP Homeless Fund	ESSER III District Support - Student Well Being
Revenues							
Intergovernmental	\$ 36,826	\$ 1,752,385	\$ 940,842	\$ 48,622	\$ 815,598	88,085	\$ 168,442
Contributions and private grants	-	-	-	-	-	-	-
Other revenues	-	-	-	-	-	-	-
Total revenues	36,826	1,752,385	940,842	48,622	815,598	88,085	168,442
Expenditures							
Education	36,826	1,752,385	940,842	48,622	846,850	88,085	168,442
Total expenditures	36,826	1,752,385	940,842	48,622	846,850	88,085	168,442
Excess (deficiency) of revenues over (under) expenditures Before other financing sources (uses)	-	-	-	-	(31,252)	-	-
Other financing sources (uses)							
Transfers from other funds	-	-	-	-	-	-	-
Transfers to other funds	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Net change in fund balance	-	-	-	-	(31,252)	-	-
Fund balance - beginning, restated	-	-	-	-	31,252	-	-
Fund balance - ending	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

See Independent Auditor's Report

Town of West Warwick, Rhode Island

Non-Major Governmental Funds

Special Revenue Funds – School Restricted

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

For the Year Ended June 30, 2024

	ESSER III District Support - Talent	ESSER III District Support - Instruction	ARP Act - IDEA	ARP Act - IDEA Preschool	ARP Act - ELC	ARRA Energy
Revenues						
Intergovernmental	\$ 134,314	\$ 14,237	\$ 201,055	\$ 5,203	\$ -	\$ -
Contributions and private grants	-	-	-	-	-	-
Other revenues	-	-	-	-	-	-
Total revenues	134,314	14,237	201,055	5,203	-	-
Expenditures						
Education	134,314	17,251	200,655	5,203	-	-
Total expenditures	134,314	17,251	200,655	5,203	-	-
Excess (deficiency) of revenues over (under) expenditures Before other financing sources (uses)	-	(3,014)	400	-	-	-
Other financing sources (uses)						
Transfers from other funds	-	-	-	-	-	-
Transfers to other funds	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Net change in fund balance	-	(3,014)	400	-	-	-
Fund balance - beginning, restated	-	3,014	(400)	-	(381)	1,162
Fund balance - ending	\$ -	\$ -	\$ -	\$ -	\$ (381)	\$ 1,162

See Independent Auditor's Report

Town of West Warwick, Rhode Island

Non-Major Governmental Funds

Special Revenue Funds – School Restricted

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

For the Year Ended June 30, 2024

	RI School Support - Adolescent Health & Academic Achievement	Dept of HHS - Substance Abuse & Mental Health	US DoE - Pre-School Development Grant-Expansion	Comprehensive Literacy Grant State Development	Comprehensive Literacy Grant State Development K-5	Comprehensive Literacy Grant State Development K-5 - Award #2	Comprehensive Literacy Grant - Supplemental	Comprehensive Literacy Grant - Birth to Pre K	Investing in Innovation
Revenues									
Intergovernmental	\$ 107,413	\$ 405,700	\$ 11,674	\$ -	\$ 106,496	\$ -	\$ 27,600	4,941	\$ 12,675
Contributions and private grants	-	-	-	-	-	-	-	-	-
Other revenues	-	-	-	-	-	-	-	-	-
Total revenues	<u>107,413</u>	<u>405,700</u>	<u>11,674</u>	<u>-</u>	<u>106,496</u>	<u>-</u>	<u>27,600</u>	<u>4,941</u>	<u>12,675</u>
Expenditures									
Education	103,848	405,700	11,674	(46)	106,496	46,452	27,600	4,941	12,675
Total expenditures	<u>103,848</u>	<u>405,700</u>	<u>11,674</u>	<u>(46)</u>	<u>106,496</u>	<u>46,452</u>	<u>27,600</u>	<u>4,941</u>	<u>12,675</u>
Excess (deficiency) of revenues over (under) expenditures Before other financing sources (uses)	3,565	-	-	46	-	(46,452)	-	-	-
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>	<u>-</u>	<u>-</u>
Net change in fund balance	3,565	-	-	46	-	(46,452)	-	-	-
Fund balance - beginning, restated	(3,565)	-	(596)	(46)	-	38,751	-	-	-
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (596)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (7,701)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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Town of West Warwick, Rhode Island

Non-Major Governmental Funds

Special Revenue Funds – School Restricted

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

For the Year Ended June 30, 2024

	AWARE Substance Abuse & Mental Health Services	SAELP Grant	RI State Council for Arts
Revenues			
Intergovernmental	\$ -	\$ -	\$ 500
Contributions and private grants	-	-	-
Other revenues	-	-	-
Total revenues	-	-	500
Expenditures			
Education	-	6,691	500
Total expenditures	-	6,691	500
Excess (deficiency) of revenues over (under) expenditures Before other financing sources (uses)	-	(6,691)	-
Other financing sources (uses)			
Transfers from other funds	-	-	-
Transfers to other funds	-	-	-
Total other financing sources (uses)	-	-	-
Net change in fund balance	-	(6,691)	-
Fund balance - beginning, restated	(134)	6,691	-
Fund balance - ending	\$ (134)	\$ -	\$ -

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Town of West Warwick, Rhode Island

Non-Major Governmental Funds

Special Revenue Funds – School Restricted

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

For the Year Ended June 30, 2024

	RI Department of Health	RI Energy Resources	CTE Categorical - Odd Year	CTE Categorical - Even Year	CS4RI Grant	English Learner Categorical Aid
Revenues						
Intergovernmental	\$ -	\$ 53,664	\$ -	\$ 24,744	\$ -	\$ 107,066
Contributions and private grants	-	-	-	-	-	-
Other revenues	-	-	-	-	-	-
Total revenues	-	53,664	-	24,744	-	107,066
Expenditures						
Education	-	89,797	62,848	18,844	-	107,066
Total expenditures	-	89,797	62,848	18,844	-	107,066
Excess (deficiency) of revenues over (under) expenditures Before other financing sources (uses)	-	(36,133)	(62,848)	5,900	-	-
Other financing sources (uses)						
Transfers from other funds	-	-	-	-	-	-
Transfers to other funds	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Net change in fund balance	-	(36,133)	(62,848)	5,900	-	-
Fund balance - beginning, restated	1,414	-	37,974	34,153	16	136
Fund balance - ending	\$ 1,414	\$ (36,133)	\$ (24,874)	\$ 40,053	\$ 16	\$ 136

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Town of West Warwick, Rhode Island

Non-Major Governmental Funds

Special Revenue Funds – School Restricted

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

For the Year Ended June 30, 2024

	School Building Authority Capital Fund - Grant #3	SBA - Facilities Equity Initiative FY23 (Horgan)	The ACT Foundation
Revenues			
Intergovernmental	-	-	-
Contributions and private grants	-	-	3,456
Other revenues	-	-	-
Total revenues	-	-	3,456
Expenditures			
Education	-	21,700	3,456
Total expenditures	-	21,700	3,456
Excess (deficiency) of revenues over (under) expenditures Before other financing sources (uses)	-	(21,700)	-
Other financing sources (uses)			
Transfers from other funds	-	-	-
Transfers to other funds	-	-	-
Total other financing sources (uses)	-	-	-
Net change in fund balance	-	(21,700)	-
Fund balance - beginning, restated	(6,014)	-	-
Fund balance - ending	\$ (6,014)	\$ (21,700)	\$ -

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Town of West Warwick, Rhode Island

Non-Major Governmental Funds

Special Revenue Funds – School Restricted

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

For the Year Ended June 30, 2024

	Education Development Center	We The People	Thundermist Health Center Grant
Revenues			
Intergovernmental	\$ -	\$ -	\$ -
Contributions and private grants	-	3,000	-
Other revenues	-	-	-
Total revenues	-	3,000	-
Expenditures			
Education	8,508	3,000	7,065
Total expenditures	8,508	3,000	7,065
Excess (deficiency) of revenues over (under) expenditures Before other financing sources (uses)	(8,508)	-	(7,065)
Other financing sources (uses)			
Transfers from other funds	-	-	-
Transfers to other funds	-	-	-
Total other financing sources (uses)	-	-	-
Net change in fund balance	(8,508)	-	(7,065)
Fund balance - beginning, restated	8,508	972	4,813
Fund balance - ending	\$ -	\$ 972	\$ (2,252)

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Town of West Warwick, Rhode Island

Non-Major Governmental Funds

Special Revenue Funds – School Restricted

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

For the Year Ended June 30, 2024

	Intel Corporation	Thundermist - Preschool	Smile Grant	NE Dairy & Food Council	CASIT	American Federation of Teachers
Revenues						
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions and private grants	-	-	1,000	-	-	-
Other revenues	-	-	-	-	-	-
Total revenues	-	-	1,000	-	-	-
Expenditures						
Education	-	-	1,077	-	747	-
Total expenditures	-	-	1,077	-	747	-
Excess (deficiency) of revenues over (under) expenditures Before other financing sources (uses)	-	-	(77)	-	(747)	-
Other financing sources (uses)						
Transfers from other funds	-	-	-	-	-	-
Transfers to other funds	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Net change in fund balance	-	-	(77)	-	(747)	-
Fund balance - beginning, restated	5,000	(5,168)	(165)	(100)	4,498	-
Fund balance - ending	\$ 5,000	\$ (5,168)	\$ (242)	\$ (100)	\$ 3,751	\$ -

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Town of West Warwick, Rhode Island

Non-Major Governmental Funds

Special Revenue Funds – School Restricted

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

For the Year Ended June 30, 2024

	Share our Strength	Summer School Program - Remedial	School Play	Pre-School Program	Student Activity	Total School Special Revenue Funds
Revenues						
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,282,692
Contributions and private grants	-	-	-	300	-	7,756
Other revenues	-	-	-	11,619	253,819	265,438
Total revenues	-	-	-	11,919	253,819	8,555,886
Expenditures						
Education	-	-	-	11,641	239,168	8,746,386
Total expenditures	-	-	-	11,641	239,168	8,746,386
Excess (deficiency) of revenues over (under) expenditures Before other financing sources (uses)	-	-	-	278	14,651	(190,500)
Other financing sources (uses)						
Transfers from other funds	-	-	-	-	-	-
Transfers to other funds	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Net change in fund balance	-	-	-	278	14,651	(190,500)
Fund balance - beginning, restated	(122)	13,100	2,183	20,103	257,953	474,236
Fund balance - ending	\$ (122)	\$ 13,100	\$ 2,183	\$ 20,381	\$ 272,604	\$ 283,736

See Independent Auditor's Report

Town of West Warwick, Rhode Island

Non-Major Governmental Funds

Capital Projects

Combining Balance Sheet

June 30, 2024

	Town Capital Projects		School Capital Projects								
	EMS Rescue Fund	Town Capital Project Fund	School Building Authority Capital Fund	School Building Authority Capital Fund - COVID 19 Projects	Capital Reserve - School Improvements	School Housing Aid - Capital Project #2	School Housing Aid - Capital Project #3	Capital Projects - Major Improvements	Fire Code Capital Projects	Wireless Classroom Initiative	
Assets											
Cash and cash equivalent	\$ 110,516	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 110,516
Intergovernmental	-	7,780	-	76	268,141	122,278	898,445	-	-	12,380	1,309,100
Due from other funds	485,261	621,537	1,277	-	-	2,381,021	-	-	7,419	-	3,496,515
Total assets	595,777	629,317	1,277	76	268,141	2,503,299	898,445	-	7,419	12,380	4,916,131
Deferred outflows of resources											
Deferred outflows	-	-	-	-	-	-	-	-	-	-	-
Total deferred outflows of resources	-	-	-	-	-	-	-	-	-	-	-
Total assets and deferred outflows of resources	595,777	629,317	1,277	76	268,141	2,503,299	898,445	-	7,419	12,380	4,916,131
Liabilities											
Accounts payable and accrued liabilities	5,901	32,154	-	-	21,000	119,943	17,774	88,391	-	-	285,163
Due to other funds	-	-	-	76	519,318	131,323	1,801,109	-	-	9,273	2,461,099
Total liabilities	5,901	32,154	-	76	540,318	251,266	1,818,883	88,391	-	9,273	2,746,262
Deferred inflows of resources											
Unavailable revenue - loans receivable	-	-	-	-	-	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-	-	-	-	-	-
Fund balance											
Nonspendable	-	-	-	-	-	-	-	-	-	-	-
Restricted	-	-	1,277	-	-	2,252,033	-	-	7,419	-	2,260,729
Committed	589,876	597,163	-	-	-	-	-	-	-	-	1,187,039
Unassigned	-	-	-	-	(272,177)	-	(920,438)	(88,391)	-	3,107	(1,277,899)
Total fund balance	589,876	597,163	1,277	-	(272,177)	2,252,033	(920,438)	(88,391)	7,419	3,107	2,169,869
Total liabilities, deferred inflows of resources and fund balance	\$ 595,777	\$ 629,317	\$ 1,277	\$ 76	\$ 268,141	\$ 2,503,299	\$ 898,445	\$ -	\$ 7,419	\$ 12,380	\$ 4,916,131

See Independent Auditor's Report

Town of West Warwick, Rhode Island

Non-Major Governmental Funds

Capital Projects

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

For the Year Ended June 30, 2024

	Town Capital Projects		School Capital Projects								Total Capital Projects Funds
	EMS Rescue Fund	Town Capital Project Fund	School Building Authority Capital Fund	School Building Authority Capital Fund - COVID 19 Projects	Capital Reserve - School Improvements	School Housing Aid - Capital Project #2	School Housing Aid - Capital Project #3	Capital Projects - Major Improvements	Fire Code Capital Projects	Wireless Classroom Initiative	
Revenues											
Intergovernmental	\$ -	\$ 244,090	\$ -	\$ -	\$ -	\$ 175,117	\$ 898,445	\$ -	\$ -	\$ -	\$ 1,317,652
Charges for services	266,929	-	-	-	-	-	-	-	-	-	266,929
Other revenue	-	-	-	-	-	-	-	-	-	-	-
Total revenues	266,929	244,090	-	-	-	175,117	898,445	-	-	-	1,584,581
Expenditures											
Capital outlay	453,530	237,413	-	-	167,563	82,750	1,402,000	88,391	-	-	2,431,647
Other	-	-	-	-	-	-	63,042	-	-	-	63,042
Debt service	123,191	-	-	-	-	-	-	-	-	-	123,191
Total expenditures	576,721	237,413	-	-	167,563	82,750	1,465,042	88,391	-	-	2,617,880
Excess (deficiency) of revenues over (under) expenditures											
Before other financing sources (uses)	(309,792)	6,677	-	-	(167,563)	92,367	(566,597)	(88,391)	-	-	(1,033,299)
Other financing sources (uses)											
Transfers from other funds	-	-	-	-	-	-	-	-	-	-	-
Transfers to other funds	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	-
Net change in fund balance	(309,792)	6,677	-	-	(167,563)	92,367	(566,597)	(88,391)	-	-	(1,033,299)
Fund balance - beginning	899,668	590,486	1,277	-	(104,614)	2,159,666	(353,841)	-	7,419	3,107	3,203,168
Fund balance - ending	\$ 589,876	\$ 597,163	\$ 1,277	\$ -	\$ (272,177)	\$ 2,252,033	\$ (920,438)	\$ (88,391)	\$ 7,419	\$ 3,107	\$ 2,169,869

See Independent Auditor's Report

Town of West Warwick, Rhode Island

Internal Service Fund

Combining Statement of Net Position

June 30, 2024

	Internal Service Funds		
	Healthcare Management Fund	Energy Efficiency Fund	Total
Assets			
Current assets			
Other receivables	\$ 3,400	397,250	\$ 400,650
Due from other funds	311,706	1,606,874	1,918,580
Prepaid expenses	-	157,527	157,527
Total current assets	315,106	2,161,651	2,476,757
Noncurrent assets			
Right to use asset, net of accumulated amortization	-	1,450,620	1,450,620
Capital assets, net of accumulated depreciation	-	13,473,251	13,473,251
Total noncurrent assets	-	14,923,871	14,923,871
Total assets	315,106	17,085,522	17,400,628
Liabilities			
Current liabilities			
Accounts payable	1,512	16,035	17,547
Accrued interest payable	-	161,471	161,471
Current portion of long-term obligations	-	822,000	822,000
Current portion of lease liability	-	113,400	113,400
Total current liabilities	1,512	1,112,906	1,114,418
Noncurrent liabilities			
Bonds and loans payable	-	13,732,000	13,732,000
Lease liability	-	1,553,511	1,553,511
Total noncurrent liabilities	-	15,285,511	15,285,511
Total liabilities	1,512	16,398,417	16,399,929
Net Position			
Net investment in capital assets	-	(1,297,040)	(1,297,040)
Unrestricted	313,594	1,984,145	2,297,739
Total Net Position	\$ 313,594	\$ 687,105	\$ 1,000,699

See Independent Auditor's Report

Town of West Warwick, Rhode Island

Internal Service Fund

Combining Statement of Revenues, Expenditures and Change in Net Position

For the Year Ended June 30, 2024

	Internal Service Funds		
	Healthcare Management Fund	Energy Efficiency Fund	Total
Operating Revenues			
Charges for services	\$ 3,740,234	\$ 541,036	\$ 4,281,270
Other revenues	-	1,677,831	1,677,831
Total revenues	<u>3,740,234</u>	<u>2,218,867</u>	<u>5,959,101</u>
Operating Expenses			
Operations and supplies	-	1,032,389	1,032,389
Claims	3,574,218	-	3,574,218
Administration	227,229	-	227,229
Depreciation and amortization	-	867,222	867,222
Total operating expenses	<u>3,801,447</u>	<u>1,899,611</u>	<u>5,701,058</u>
Operating Income (loss)	<u>(61,213)</u>	<u>319,256</u>	<u>258,043</u>
Nonoperating Revenues (Expenses)			
Interest expense	-	(488,317)	(488,317)
Income (Loss) Before Transfers	(61,213)	(169,061)	(230,274)
Transfer Out	-	-	-
Change in net position	(61,213)	(169,061)	(230,274)
Net Position at Beginning of Year	<u>374,807</u>	<u>856,166</u>	<u>1,230,973</u>
Net Position at End of Year	<u>\$ 313,594</u>	<u>\$ 687,105</u>	<u>\$ 1,000,699</u>

See Independent Auditor's Report

Town of West Warwick, Rhode Island

Internal Service Fund

Combining Statement of Cash Flows

For the Year Ended June 30, 2024

	Governmental Activities		
	Healthcare	Energy	
	Management	Efficiency Fund	
Cash flows from operating activities			
Receipts from customers and users	\$ 3,868,185	\$ 358,396	\$ 4,226,581
Operating grants	-	-	-
Other receipts	-	1,677,831	1,677,831
Payments to suppliers	(941,159)	(435,036)	(1,376,195)
Payments to employees	-	-	-
Claims paid	(3,574,218)	-	(3,574,218)
Net cash provided (used) by operating activities	(647,192)	1,601,191	953,999
Cash flows from noncapital financing activities			
(Increase) decrease transfer from/to other funds	-	-	-
(Increase) decrease in due to/ due from other funds	647,192	(120,691)	526,501
Net cash provided (used) by noncapital financing activities	647,192	(120,691)	526,501
Cash flows from capital and related financing activities			
Acquisition of capital assets	-	-	-
Principal paid on bonds, notes, and loans	-	(922,000)	(922,000)
Payments on leases	-	(62,375)	(62,375)
Interest paid on bonds, notes and loans	-	(496,125)	(496,125)
Net cash provided (used) by capital and related financing activities	-	(1,480,500)	(1,480,500)
Cash flows from investing activities			
Interest and dividends on investments	-	-	-
Net cash provided (used) by investing activities	-	-	-
Net increase (decrease) in cash and cash equivalents	-	-	-
Cash and cash equivalents at beginning of year	-	-	-
Cash and cash equivalents at end of year	\$ -	\$ -	\$ -
Displayed as:			
Cash and cash equivalents	\$ -	\$ -	\$ -
Cash on deposit with funding agency	-	-	-
Restricted cash	-	-	-
Total	\$ -	\$ -	\$ -

See Independent Auditor's Report

Town of West Warwick, Rhode Island

Internal Service Fund

Combining Statement of Cash Flows

For the Year Ended June 30, 2024

	Governmental Activities		
	Healthcare Management	Energy Efficiency Fund	Total
Reconciliation of operating income (loss) to net cash provided (used) by operating activities			
Operating income (loss)	\$ (61,213)	\$ 319,256	\$ 258,043
Adjustments to reconcile operating income to net cash provided (used) by operating activities:			
Depreciation and amortization expense	-	867,223	867,223
(Increase) decrease in accounts receivable	127,951	(182,640)	(54,689)
(Increase) decrease in prepaid expenses	-	598,146	598,146
(Increase) decrease in deferred outflows related to OPEB	-	-	-
(Increase) decrease in deferred outflows related to pensions	-	-	-
(Increase) decrease in deferred outflows related to pensions (MERS)	-	-	-
Increase (decrease) in accounts payable	(713,930)	(794)	(714,724)
Increase (decrease) in accrued liabilities	-	-	-
Increase (decrease) in unearned revenue	-	-	-
Increase (decrease) in Net OPEB liability	-	-	-
Increase (decrease) in Net pension liability	-	-	-
Increase (decrease) in Net pension liability (MERS)	-	-	-
Increase (decrease) in deferred inflows related to OPEB	-	-	-
Increase (decrease) in deferred inflows related to pension	-	-	-
Increase (decrease) in accrued compensated absences.	-	-	-
Net cash provided (used) by operating activities	\$ (647,192)	\$ 1,601,191	\$ 953,999

See Independent Auditor's Report

Town of West Warwick, Rhode Island

Schedule of Property Tax Receivable

For the Year Ended June 30, 2024

Tax Roll Year	Mill Rate	Balance July 1, 2023	Current Year Assessment	Transfers Addendums (Net)	Abatements and Adjustments	Amount to be Collected	Collections Net of Refunds	Balance June 30, 2024	Cash Collections Summary			
									Subject to 60 Day Rule July 1, 2023 to August 31, 2023	Not Subject to 60 Day Rule July 1, 2023 to June 30, 2024	Subject to 60 Day Rule July 1, 2024 to August 31, 2024	Total FY 2024 Cash Collections
2023	\$18.39	\$ -	\$ 68,147,359	\$ (25,246)	\$ (53,801)	\$ 68,068,312	\$ 66,760,701	\$ 1,307,611	\$ -	\$ 66,819,382	\$ 198,202	\$ 67,017,584
2022	\$18.04	1,256,312	-	24,853	(79)	1,281,086	1,200,708	80,378	366,518	834,190	4,216	838,406
2021	\$23.00	217,016	-	11,047	(2,281)	225,782	61,277	164,504	10,882	50,395	796	51,191
2020	\$23.00	111,353	-	3,644	(2,457)	112,540	13,993	98,547	6,514	7,479	1,044	8,522
2019	\$22.57	139,006	-	35	(3,225)	135,815	6,827	128,988	1,454	5,373	463	5,836
2018	\$27.18	151,475	-	574	(8,340)	143,709	6,939	136,770	746	6,193	-	6,193
2017	\$26.31	130,787	-	189	(6,181)	124,794	2,047	122,748	502	1,544	-	1,544
2016	\$25.84	132,204	-	-	(4,115)	128,089	2,270	125,819	319	1,951	148	2,100
2015	\$25.96	148,993	-	(94)	(4,817)	144,082	2,124	141,959	57	2,067	235	2,302
2014	\$25.39	160,425	-	451	(6,384)	154,492	2,275	152,217	676	1,599	489	2,088
2013 and prior	various	497,294	-	1,440	(5,059)	493,674	3,734	489,940	570	3,164	742	3,906
Total		\$ 2,944,865	\$ 68,147,359	\$ 16,891	\$ (96,740)	\$ 71,012,375	\$ 68,062,895	\$ 2,949,480	\$ 388,238	\$ 67,733,338	\$ 206,334	\$ 67,939,672
uncollectible		(1,649,000)						(1,377,000)				
Net property taxes receivable		\$ 1,295,865						\$ 1,572,480				

See Independent Auditor's Report

Town of West Warwick, Rhode Island

Schedule of Property Tax Receivable

For the Year Ended June 30, 2024

Schedule of Net Assessed Property Value by Category

Description of Property	Valuations	Levy
	December 31, 2022	July 1, 2023
Real Property	\$ 2,974,537,900	\$ 59,997,818
Tangible	<u>\$ 173,431,260</u>	<u>\$ 8,149,541</u>
Total	\$ 3,147,969,160	\$ 68,147,359
Exemptions	<u>\$ (86,199,304)</u>	<u>\$ -</u>
<i>Net assessed value</i>	<u><u>\$ 3,061,769,856</u></u>	<u><u>\$ 68,147,359</u></u>

Reconciliation of Current Year Property Tax Revenue

Current year collections	\$ 68,062,895
July - August 2024 Collections Subject to 60-day FY24 Accrual	<u>\$ 206,334</u>
Subtotal	\$ 68,269,229
July - August 2023 Collections Subject to 60-day FY23 Accrual	<u>\$ (388,238)</u>
Current Year Property Tax Revenue	* <u>\$ 67,880,991</u>

**Please see Budgetary Comparison Schedule for breakout of Tax Revenue*

See Independent Auditor's Report

Town of West Warwick, Rhode Island
Annual Supplemental Transparency Report (MTP2)
For the Year Ended June 30, 2024

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, 2024

<u>REVENUE</u>	<u>Municipal</u>	<u>Education Department</u>
Current Year Levy Tax Collection	\$ 67,017,584	\$ -
Last Year's Levy Tax Collection	838,406	-
Prior Years Property Tax Collection	83,682	-
Interest & Penalty	351,315	-
PILOT & Tax Treaty (excluded from levy) Collection	84,037	-
Other Local Property Taxes	-	-
Licenses and Permits	1,563,146	-
Fines and Forfeitures	-	-
Investment Income	539,198	-
Departmental	720,191	-
Rescue Run Revenue	1,366,807	-
Police & Fire Detail	943,596	-
Other Local Non-Property Tax Revenues	28,391	-
Tuition	-	309,736
Impact Aid	-	-
Medicaid	-	694,484
Federal Stabilization Funds	-	-
Federal Food Service Reimbursement	-	1,278,186
CDBG	76,884	-
COPS Grants	41,567	-
SAFER Grants	-	-
Other Federal Aid Funds	-	3,856,891
COVID - ESSER	-	4,031,868
COVID - CRF	-	-
COVID - CDBG	-	-
COVID - FEMA	0	-
COVID - Other	-	1,692
COVID - ARPA	2,493,150	206,257
MV Excise Tax Reimbursement	238,429	-
State PILOT Program	-	-
Distressed Community Relief Fund	1,167,490	-
Library Resource Aid	-	-
Library Construction Aid	-	-
Public Service Corporation Tax	437,342	-
Meals & Beverage Tax / Hotel Tax	694,827	-
LEA Aid	-	37,828,661
Group Home	-	-
Housing Aid Capital Projects	-	1,073,562
Housing Aid Bonded Debt	158,725	-
State Food Service Revenue	-	21,703
Incentive Aid	-	-
Property Revaluation Reimbursement	-	-
Other State Revenue	63	183,980
Motor Vehicle Phase Out	5,435,315	-
Other Revenue	-	733,794
Local Appropriation for Education	-	33,057,516
Regional Appropriation for Education	-	-
Supplemental Appropriation for Education	-	-
Regional Supplemental Appropriation for Education	-	-
Other Education Appropriation	-	-
Rounding	-	-
Total Revenue	\$ 84,280,145	\$ 83,278,330
Financing Sources: Transfer from Capital Funds	\$ -	\$ -
Financing Sources: Transfer from Other Funds	-	-
Financing Sources: Debt Proceeds	-	-
Financing Sources: Other	-	-
Rounding	-	-
Total Other Financing Sources	\$ -	\$ -

See Independent Auditor's Report

Town of West Warwick, Rhode Island
Annual Supplemental Transparency Report (MTP2)
For the Year Ended June 30, 2024

EXPENDITURES	General		Social	Centralized				Public	Parks and	Police	Fire
	Government	Finance	Services	IT	Planning	Libraries	Works	Rec	Department	Department	
Compensation- Group A	\$ 1,100,109	\$ 736,581	\$ -	\$ -	\$ 88,858	\$ 571,987	\$ 1,385,621	\$ 269,342	\$ 4,644,105	\$ 5,620,020	
Compensation - Group B	-	-	-	-	-	-	-	-	322,106	316,315	
Compensation - Group C	-	-	-	-	-	-	-	-	-	-	
Compensation -Volunteer	-	-	-	-	-	-	-	-	-	-	
Overtime- Group A	10,597	3,719	-	-	-	-	144,034	21,254	1,001,394	1,793,100	
Overtime - Group B	-	-	-	-	-	-	-	-	228,155	25,016	
Overtime - Group C	-	-	-	-	-	-	-	-	-	-	
Police & Fire Detail	-	-	-	-	-	-	-	-	1,055,535	9,610	
Active Medical Insurance - Group A	161,384	168,885	-	-	-	101,231	357,812	66,808	714,479	1,153,060	
Active Medical Insurance- Group B	-	-	-	-	-	-	-	-	150,592	73,492	
Active Medical Insurance- Group C	-	-	-	-	-	-	-	-	-	-	
Active Dental insurance- Group A	12,443	9,306	-	-	1,702	3,366	22,766	4,158	44,352	67,320	
Active Dental Insurance- Group B	-	-	-	-	-	-	-	-	8,316	5,148	
Active Dental Insurance- Group C	-	-	-	-	-	-	-	-	-	-	
Payroll Taxes	116,195	56,257	-	-	12,961	41,327	115,215	22,127	488,707	592,169	
Life Insurance	2,495	2,048	-	-	475	277	4,125	978	22,600	50,856	
State Defined Contribution- Group A	1,340	995	-	-	-	999	5,193	1,582	-	-	
State Defined Contribution - Group B	-	-	-	-	-	-	-	-	999	-	
State Defined Contribution - Group C	-	-	-	-	-	-	-	-	-	-	
Other Benefits- Group A	660,620	1,200	-	-	-	800	3,300	900	368,370	161,204	
Other Benefits- Group B	-	-	-	-	-	-	-	-	-	-	
Other Benefits- Group C	-	-	-	-	-	-	-	-	-	-	
Local Defined Benefit Pension- Group A	-	-	-	-	-	-	-	-	-	-	
Local Defined Benefit Pension - Group B	-	-	-	-	-	-	-	-	-	-	
Local Defined Benefit Pension - Group C	-	-	-	-	-	-	-	-	-	-	
State Defined Benefit Pension- Group A	151,544	196,674	-	-	39,189	190,748	498,341	57,079	3,336,823	3,082,064	
State Defined Benefit Pension - Group B	-	-	-	-	-	-	-	-	451,632	68,423	
State Defined Benefit Pension - Group C	-	-	-	-	-	-	-	-	-	-	
Other Defined Benefit / Contribution	37,264	20,764	-	-	5,927	5,000	10,767	2,499	10,783	7,593	
Purchased Services	322,271	59,979	-	-	3,000	25,063	101,602	-	75,073	101,646	
Materials/Supplies	49,021	29,020	-	-	1,133	-	95,999	80,114	32,927	131,568	
Software Licenses	55,328	51,632	-	-	2,343	-	-	-	54,810	33,269	
Capital Outlays	-	-	-	-	-	10,341	-	78,036	-	524,217	
Insurance	588,078	-	-	-	-	-	-	-	-	-	
Maintenance	54,828	-	-	-	-	19,740	2,093,159	68,682	5,998	-	
Vehicle Operations	-	-	-	-	-	-	220,659	-	54,172	222,824	
Utilities	103,348	-	-	-	-	50,272	-	-	108,099	456,975	
Contingency	-	-	-	-	-	-	-	-	-	-	
Street Lighting	-	-	-	-	-	-	92,503	-	-	-	
Revaluation	-	-	-	-	-	-	-	-	-	-	
Snow Removal-Raw Material & External Contracts	-	-	-	-	-	-	142,692	-	-	-	
Trash Removal & Recycling	-	-	-	-	-	-	1,464,640	-	-	-	
Claims & Settlements	107,525	-	-	-	-	-	-	-	-	-	
Community Support	19,053	-	-	-	-	-	-	-	-	-	
Other Operation Expenditures	136,392	3,256	233,000	-	71,853	5,709	223,729	-	290,794	164,291	
Tipping Fees	-	-	-	-	-	-	610,219	-	-	-	
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	\$ 3,689,837	\$ 1,340,317	\$ 233,000	\$ -	\$ 227,442	\$ 1,026,859	\$ 7,592,376	\$ 673,560	\$ 13,470,822	\$ 14,660,179	

See Independent Auditor's Report

Town of West Warwick, Rhode Island
Annual Supplemental Transparency Report (MTP2)
For the Year Ended June 30, 2024

EXPENDITURES	Centralized	Public Safety	Education			Total	Education
	Dispatch	Other	Appropriation	Debt	OPEB	Municipal	Department
Compensation- Group A	\$ -	\$ 4,450	\$ -	\$ -	\$ -	\$ 14,421,073	\$ 34,759,767
Compensation - Group B	-	-	-	-	-	638,421	3,717,345
Compensation - Group C	-	-	-	-	-	-	6,298,586
Compensation -Volunteer	-	-	-	-	-	-	-
Overtime - Group A	-	-	-	-	-	2,974,098	-
Overtime - Group B	-	-	-	-	-	253,172	-
Overtime - Group C	-	-	-	-	-	-	109,684
Police & Fire Detail	-	-	-	-	-	1,065,144	-
Active Medical Insurance - Group A	-	-	-	-	-	2,723,659	5,231,183
Active Medical Insurance- Group B	-	-	-	-	-	224,084	436,874
Active Medical Insurance- Group C	-	-	-	-	-	-	1,483,509
Active Dental insurance- Group A	-	-	-	-	-	165,414	256,517
Active Dental Insurance- Group B	-	-	-	-	-	13,464	23,603
Active Dental Insurance- Group C	-	-	-	-	-	-	102,043
Payroll Taxes	-	340	-	-	-	1,445,298	3,381,301
Life Insurance	-	-	-	-	-	83,854	327,114
State Defined Contribution- Group A	-	-	-	-	-	10,109	190,498
State Defined Contribution - Group B	-	-	-	-	-	999	20,073
State Defined Contribution - Group C	-	-	-	-	-	-	16,822
Other Benefits- Group A	-	-	-	-	-	1,196,394	117,796
Other Benefits- Group B	-	-	-	-	-	-	61,734
Other Benefits- Group C	-	-	-	-	-	-	2,500
Local Defined Benefit Pension- Group A	-	-	-	-	-	-	-
Local Defined Benefit Pension - Group B	-	-	-	-	-	-	-
Local Defined Benefit Pension - Group C	-	-	-	-	-	-	-
State Defined Benefit Pension- Group A	-	-	-	-	-	7,552,463	5,097,837
State Defined Benefit Pension - Group B	-	-	-	-	-	520,055	639,880
State Defined Benefit Pension - Group C	-	-	-	-	-	-	2,331,732
Other Defined Benefit / Contribution	-	-	-	-	-	100,597	-
Purchased Services	-	-	-	-	-	688,634	12,603,437
Materials/Supplies	-	1,423,422	-	-	-	1,843,205	1,280,768
Software Licenses	-	-	-	-	-	197,382	335,909
Capital Outlays	-	-	-	-	-	612,594	3,819,295
Insurance	-	-	-	-	-	588,078	591,262
Maintenance	-	-	-	-	-	2,242,407	205,313
Vehicle Operations	-	-	-	-	-	497,655	15,141
Utilities	-	-	-	-	-	718,694	759,699
Contingency	-	-	-	-	-	-	-
Street Lighting	-	-	-	-	-	92,503	-
Revaluation	-	-	-	-	-	-	-
Snow Removal-Raw Material & External Contracts	-	-	-	-	-	142,692	-
Trash Removal & Recycling	-	-	-	-	-	1,464,640	-
Claims & Settlements	-	-	-	-	-	107,525	-
Community Support	-	-	-	-	-	19,053	-
Other Operation Expenditures	-	1,632	-	-	-	1,130,656	434,276
Tipping Fees	-	-	-	-	-	610,219	-
Local Appropriation for Education	-	-	33,057,516	-	-	33,057,516	-
Regional Appropriation for Education	-	-	-	-	-	-	-
Supplemental Appropriation for Education	-	-	-	-	-	-	-
Regional Supplemental Appropriation for Education	-	-	-	-	-	-	-
Other Education Appropriation	-	-	-	-	-	-	-
Municipal Debt- Principal	-	-	-	2,220,340	-	2,220,340	-
Municipal Debt- Interest	-	-	-	381,400	-	381,400	-
School Debt- Principal	-	-	-	200,000	-	200,000	-
School Debt- Interest	-	-	-	97,771	-	97,771	-
Retiree Medical Insurance- Total	-	-	-	-	3,060,000	3,060,000	-
Retiree Dental Insurance- Total	-	-	-	-	215,000	215,000	-
OPEB Contribution- Total	-	-	-	-	-	-	867,276
Rounding	-	-	-	-	-	-	-
Total Expenditures	\$ -	\$ 1,429,844	\$ 33,057,516	\$ 2,899,511	\$ 3,275,000	\$ 83,576,262	\$ 85,518,775

Financing Uses: Transfer to Capital Funds	\$ -	\$ -
Financing Uses: Transfer to Other Funds	-	-
Financing Uses: Payment to Bond Escrow Agent	-	-
Financing Uses: Other	-	-
Total Other Financing Uses	\$ -	\$ -
Net Change in Fund Balance¹	703,883	(2,240,445)
Fund Balance¹- beginning of year	\$8,647,552	\$9,985,478
Funds removed from Reportable Government Services (RGS)	-	-
Funds added to Reportable Government Services (RGS)	-	-
Prior period adjustments	-	790,979
Misc. Adjustment	-	-
Fund Balance¹ - beginning of year adjusted	8,647,552	10,776,457
Rounding	-	-
Fund Balance¹ - end of year	\$ 9,351,435	\$ 8,536,012

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, 2024

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, 2023						\$ 8,647,552	\$ -	\$ 8,647,552	
<i>No misc. adjustments made for fiscal 2023</i>						-	-	-	
Fund Balance¹ - per MTP-2 at June 30, 2024 adjusted						\$ 8,647,552	\$ -	\$ 8,647,552	
General Fund (100)	\$ 80,429,629	\$ -	\$ 46,260,117	\$ 33,057,516	\$ 1,111,996	\$ 6,300,854	\$ -	\$ 6,300,854	\$ 7,412,850
Police Highway Grant Fund (419)	32,206	-	31,672	-	534	-	-	-	534
Bulletproof Vest Partnership Fund (474)	9,360	-	9,360	-	(0)	-	-	-	(0)
CDBG Community Development (606)	1,763,588	-	1,782,787	-	(19,199)	20,740	-	20,740	1,541
Arpa - NEU Funds (610)	106,200	-	18,300	-	87,900	64,521	-	64,521	152,421
Arpa - County Funds (611)	2,510,236	-	2,275,078	123,286	111,872	82,179	-	82,179	194,051
Revolving Fund (800)	828,478	-	1,120,305	-	(291,827)	1,205,815	-	1,205,815	913,988
Rescue Billing (804)	266,929	-	576,721	-	(309,792)	899,668	-	899,668	589,876
Police Detail Car fund (805)	143,509	-	150,308	-	(6,799)	94,516	-	94,516	87,717
Totals per audited financial statements	\$ 86,090,135	\$ -	\$ 52,224,649	\$ 33,180,802	\$ 684,684	\$ 8,668,293	\$ -	\$ 8,668,293	\$ 9,352,977
Reconciliation from financial statements to MTP2									
Reclassify transfer of municipal appropriation to Education Department as expenditure on MTP2	\$ -	\$ -	\$ 33,057,516	\$ (33,057,516)	\$ -	\$ -	\$ -	\$ -	\$ -
Program activity in CDBG Funds that are not reported on the MTP2 because they are for program revenues & expenses and not for administration.	(1,686,704)	-	(1,705,903)	-	19,199	(20,741)	-	(20,741)	(1,542)
Expense in Arpa for Wastewater and Civic Center - Enterprise funds - not in RGS	(123,286)	-	-	(123,286)	-	-	-	-	-
Rounding	-	-	-	-	-	-	-	-	-
Totals Per MTP2	\$ 84,280,145	\$ -	\$ 83,576,262	\$ -	\$ 703,883	\$ 8,647,552	\$ -	\$ 8,647,552	\$ 9,351,435

Town of West Warwick, Rhode Island
Annual Supplemental Transparency Report (MTP2)
For the Year Ended June 30, 2024

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, 2023 adjusted <i>No prior period adjustment for Fiscal Year 2023</i>						\$ 9,985,478	\$ 790,979	\$ 10,776,457	
Fund Balance¹ - per MTP-2 at June 30, 2024 adjusted						<u>\$ 9,985,478</u>	<u>\$ 790,979</u>	<u>\$ 10,776,457</u>	
School Unrestricted Fund	\$ 43,483,767	\$ 33,057,516	\$ 77,843,841	\$ -	\$ (1,302,558)	\$ 6,759,814	\$ -	\$ 6,759,814	\$ 5,457,256
Enterprise Fund ¹	1,668,088	-	1,731,519	-	(63,431)	1,943,395	-	1,943,395	1,879,964
School Facilities Equity Capital	-	-	-	-	-	1,277	-	1,277	1,277
School Improvements	-	-	167,563	-	(167,563)	(104,614)	-	(104,614)	(272,177)
School Capital Projects Fund	175,117	-	82,750	-	92,367	2,159,666	-	2,159,666	2,252,033
Other Capital Projects (School Housing Aid #2 & #3)	898,445	-	1,465,042	-	(566,597)	(353,841)	-	(353,841)	(920,438)
Capital Projects - Major Improvements	-	-	88,391	-	(88,391)	-	-	-	(88,391)
Fire Code Capital Projects	-	-	-	-	-	7,419	-	7,419	7,419
Wireless Classroom Initiative	-	-	-	-	-	3,107	-	3,107	3,107
School Special Revenue Funds	8,555,886	-	8,746,386	-	(190,500)	(316,743)	790,979	474,236	283,736
Totals per audited financial statements	<u>\$ 54,781,303</u>	<u>\$ 33,057,516</u>	<u>\$ 90,125,492</u>	<u>\$ -</u>	<u>\$ (2,286,673)</u>	<u>\$ 10,099,480</u>	<u>\$ 790,979</u>	<u>\$ 10,890,459</u>	<u>\$ 8,603,786</u>
Reconciliation from financial statements to MTP2									
Municipal appropriation for Education reported as a transfer on financial statements but a revenue on MTP2	\$ 33,057,516	\$ (33,057,516)	-	-	-	-	-	-	-
State contributions on behalf of teacher pensions are reported as revenue and expenditures on financial statements only	(4,560,489)	-	(4,560,489)	-	-	-	-	-	-
Lunch Depreciation	-	-	(46,228)	-	46,228	(114,002)	-	(114,002)	(67,774)
Rounding	-	-	-	-	-	-	-	-	-
Totals Per MTP2	<u>\$ 83,278,330</u>	<u>\$ -</u>	<u>\$ 85,518,775</u>	<u>\$ -</u>	<u>\$ (2,240,445)</u>	<u>\$ 9,985,478</u>	<u>\$ 790,979</u>	<u>\$ 10,776,457</u>	<u>\$ 8,536,012</u>
Reconciliation from MTP2 to UCOA									
Miscellaneous Variance between MTP2 and UCOA	<u>\$ 1,994</u>		<u>\$ (50,800)</u>						
Totals per UCOA Validated Totals Report Dated 3/10/2025	<u>\$ 83,280,324</u>		<u>\$ 85,467,975</u>						

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, 2024

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

Annual Supplemental Transparency Report (MTP2)

For the Year Ended June 30, 2024

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, 2024, and the related notes to the financial statements, which collectively comprise the Town’s basic financial statements, and have issued our report thereon dated March 14, 2025.

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.

Hague, Sahady & Co., CPAs, P.C.

Fall River, Massachusetts
March 14, 2025