
TOWN OF COVENTRY

***ANNUAL
FINANCIAL REPORT***

***FOR THE FISCAL YEAR ENDED
JUNE 30, 2016***

***Robert Thibeault
FINANCE DIRECTOR***

Prepared by: Finance Department

COVENTRY, RHODE ISLAND

**TOWN OF COVENTRY, RHODE ISLAND
ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

TABLE OF CONTENTS

	<u>PAGE</u>
I. INTRODUCTORY SECTION	
<i>LIST OF TOWN OFFICIALS</i>	i
II. FINANCIAL SECTION	
<i>INDEPENDENT AUDITORS' REPORT</i>	1
<i>MANAGEMENT'S DISCUSSION AND ANALYSIS</i>	4
<i>BASIC FINANCIAL STATEMENTS</i>	
<u><i>Government Wide Financial Statements</i></u>	
Statement of Net Position	14
Statement of Activities	15
<u><i>Fund Financial Statements</i></u>	
Balance Sheet – Governmental Funds	16
Statement of Revenues, Expenditures and Changes in Unreserved Fund Balances - Governmental Funds	17
Reconciliation of the Statement of Revenues, Expenditures and Changes in Unreserved Fund Balances of the Governmental Funds to the Statement of Activities	18
Statement of Net Position – Proprietary Funds	19
Statement of Revenue, Expenses, and Changes in Net Position – Proprietary Funds	20
Statement of Cash Flows – Proprietary Funds	21
Statement of Fiduciary Net Position	22
Statement of Changes in Fiduciary Net Position	23
<u><i>Notes to the Financial Statements</i></u>	
Required Disclosures and Other Information	24
<i>REQUIRED SUPPLEMENTARY INFORMATION (RSI)</i>	
Budgetary Comparison Schedule – Schedule of Revenues, and Expenditures– General Fund	86
Budgetary Comparison Schedule – Schedule of Revenues Budget and Actual (Budgetary Basis) - General Fund	87
Budgetary Comparison Schedule – Schedule of Expenditures Budget and Actual (Budgetary Basis) - General Fund	89

(continued)

TOWN OF COVENTRY, RHODE ISLAND
ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

TABLE OF CONTENTS
(continued)

	<u>PAGE</u>
<i>REQUIRED SUPPLEMENTARY INFORMATION (RSI) (continued)</i>	
Budgetary Comparison Schedule – Statement of Revenues, Expenditures and – School Unrestricted Fund	91
Notes to Required Supplementary Information – Reconciliation of Budgetary Basis to GAAP –General Fund and School Unrestricted Fund	92
Schedule of Changes in Net Pension Liability and Related Ratios-Town Plan	93
Schedule of Town Contributions and Investment Returns	94
Schedule of Changes in Net Pension Liability and Related Ratios-Police Plan	95
Schedule of Town Police Plan Contributions and Investment Returns	96
Schedule of Contributions Teacher’s Retirement Plan and Schedule of Proportionate Share of Net Pension Liability – ERS	97
Schedule of Contributions Teacher’s Survivor Benefit Plan and Schedule of Proportionate Share of Net Pension Liability (Asset) – ERS	98
 <i>Supplementary Information</i>	
Combining Balance Sheet – Non-major Governmental Funds	99
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Non-major Governmental Funds	100
Combining Balance Sheet – Restricted Special Revenue Funds Town	101
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Restricted Special Revenue Funds Town	108
Combining Balance Sheet – Restricted Special Revenue Funds School	115
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Restricted Special Revenue Funds School	123
Combining Balance Sheet – Capital Project Funds	131
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Capital Project Funds	134
Combining Balance Sheet – Private Purpose Trust Funds	137
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Private Purpose Trust Funds	138
Combining Statement of Changes in Assets and Liabilities – Agency Funds	139
Town General Fund Balance Sheet – Funds Combined with the Town General Fund for GASB 54 Reporting Purposes	144
Town General Fund Statement of Revenues, Expenditures, Other Financing Sources (Uses) and Changes in Fund Balance - Funds Combined with the General Fund for GASB 54 Reporting Purposes	148
School Unrestricted Fund Balance Sheet – Funds Combined with the School Unrestricted Fund for GASB 54 Reporting Purposes	152
School Unrestricted Fund Statement of Revenues, Expenditures, Other Financing Sources (Uses) and Changes in Fund Balance - Funds Combined with the School Unrestricted Fund for GASB 54 Reporting Purposes	153

(continued)

TOWN OF COVENTRY, RHODE ISLAND
ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

III. STATISTICAL SECTION

Schedule of Tax Collections	154
Schedule of Assessed Property Valuations	155
Schedule of Long-term Liabilities – Primary Government	156
Computation of Legal Debt Margin	157

IV. SINGLE AUDIT SECTION

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	158
Report on Compliance for Each Major Federal Program and on Internal Control Over Compliance as Required by the Uniform Guidance	160
Schedule of Expenditures of Federal Awards	162
Schedule of Findings and Questioned Costs	164
Schedule of Prior Year Findings and Questioned Costs	166
Notes to Schedule of Expenditures of Federal Awards	167

(concluded)

INTRODUCTORY SECTION

This Section Contains the Following Subsections:

List of Town Officials

TOWN OF COVENTRY, RHODE ISLAND

As of June 30, 2016

TOWN COUNCIL

Glenford Shibley – President
Karen M. Carlson – Vice President
Gregory Laboissonniere
Tammy J. Duxbury
Kerry L. McGee

TOWN MANAGER

Graham Waters

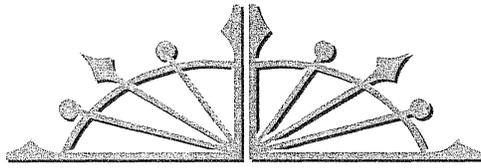
FINANCE DIRECTOR

Robert Thibeault

FINANCIAL SECTION

This Section Contains the Following Subsections:

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



BAXTER DANSEREAU & ASSOCIATES, LLP
Accounting, Consulting & Tax Services

Partners
William J. Baxter, Jr., CPA
Paul L. Dansereau, CPA

INDEPENDENT AUDITOR'S REPORT

The Honorable President and
Members of the Town Council
Town of Coventry
Coventry, Rhode Island

Report on the Financial Statements

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 Coventry, Rhode Island (Town) as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

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 Coventry, Rhode Island as of June 30, 2016, and the respective changes in financial position thereof, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 4-13 and 86-92 be presented to supplement the basic financial statements. Such information, 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Coventry, Rhode Island's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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 and schedules and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 2, 2017, on our consideration of the Town of Coventry, 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 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 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 Coventry, Rhode Island's internal control over financial reporting and compliance.



Baxter Dansereau & Associates, LLP

West Warwick, Rhode Island

February 2, 2017

Management's Discussion and Analysis

TOWN OF COVENTRY, RHODE ISLAND
Management's Discussion and Analysis
For the Year Ended June 30, 2016
(Un-audited)

Management of the Town of Coventry provides this Management's Discussion and Analysis of the Town of Coventry's Annual Financial Report for the readers of the Town's financial statements. This narrative overview and analysis of the financial statements of the Town of Coventry is for the fiscal year ended June 30, 2016. We encourage readers to consider this information in conjunction with the Town's financial statements that follow.

Financial Highlights

- ❖ The net position of the Town's primary government decreased by \$1,678,125 as a result of current year's operations. On a government-wide basis the liabilities of the Town of Coventry exceeded its assets at the close of the most recent fiscal year by \$113,759,458. The net position of the Town's business activities increased by \$2,669,975 or 30.6%, and the net position of Governmental Activities decreased by \$4,348,100 or 4% in the current period. The increase in the net position of the business activities was due to the transfer of assets from the governmental activities which caused a decrease in the net position of the governmental activities. The amount of the asset transfer was \$2,805,068.
- ❖ The Town's Government-wide (governmental and business activities) operating expenses were \$112,750,260 a 12.3% increase from the prior year, while revenues collected were \$111,072,135 a 6.3% increase from the prior year. The large increase in the operating expenses of the government-wide financial statements was mainly due to a substantial increase in the Town's Net Pension Liability and decrease in the Town's Net Pension Asset.
- ❖ As of the close of the fiscal year, the Town's governmental funds reported combined ending fund balances of \$19,410,598. Over 41.8% of this amount, \$8,120,101 is unassigned and available for use within the Town's specific designations and fiscal policies or subject to outside restrictions.
- ❖ At the end of the current fiscal year, the general fund unassigned fund balance was \$9,631,831 or 13% of the total general fund expenditures for the fiscal year. The current fiscal year's revenues and transfers in exceeded expenditures and transfers out by \$287,079. On a budgetary basis revenues exceeded expenditures and transfers by \$275,975.

Debt Service

In the spring of 2016, the Town Council authorized the issue of \$5,880,000 in General Obligation Bonds for the improvement and maintenance of roads & infrastructure and automated collection program equipment. Also included as part of these bonds were judgement bonds issued in accordance with Rhode Island General Laws Section 45-12-4.4 to pay for its share of the environmental remediation of the Arnold Road Landfill as well as the repair of the Upper Pond Dam.

TOWN OF COVENTRY, RHODE ISLAND
Management's Discussion and Analysis
For the Year Ended June 30, 2016
(Un-audited)

Overview of the Financial Statements

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

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

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

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

Government-wide financial statements - are designed to provide readers with a broad overview of the Town's finances in a manner, which 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.

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

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

Both of the government-wide financial statements distinguish functions of the Town, which are supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The Town's governmental activities include general government, public safety, education, public works, community and economic development services, health and human services, cultural and recreational services and interest on long-term debt. The Town's business activities include the Sewer Fund.

The government wide financial statements are reported on pages 14 through 15.

TOWN OF COVENTRY, RHODE ISLAND
Management's Discussion and Analysis
For the Year Ended June 30, 2016
(Un-audited)

Fund financial statements – A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Town can be divided into three categories governmental funds, proprietary funds and fiduciary funds.

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

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

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

Proprietary Funds - The Town's proprietary fund is used to report the same functions presented as business-type activities in the government-wide financial statements. The Town has one enterprise fund. The Coventry Sewer Fund, which accounts for the Town's sewer system.

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 Coventry Sewer Fund since it is considered to be a major fund of the Town.

The basic proprietary fund financial statements are presented on pages 19 through 21.

TOWN OF COVENTRY, RHODE ISLAND
Management's Discussion and Analysis
For the Year Ended June 30, 2016
(Un-audited)

Fiduciary Funds - Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statement because resources of those funds are *not* available to support the Town's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on pages 22 and 23.

Notes to Financial Statements - The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements are presented on pages 24 through 85.

Other Information - In addition to the basic financial statements and accompanying notes, this report also presents certain supplementary information pertinent to the Town's operations. Required Supplementary information is presented on pages 86 through 98.

The combining statements referred to earlier in connection with non-major governmental funds, are presented on pages 99 through 136.

Government-wide Financial Analysis

Analysis of the Town of Coventry's Net Position

As noted earlier, the Town's net position may serve over time as a useful indicator of a government's financial position and an important determinant of its ability to finance services in the future. The Town of Coventry, governmental activities liabilities and deferred inflows of resources exceeded assets and deferred outflow of resources by \$113,759,458 as of June 30, 2016. The cumulative deficit in the governmental activities net position increased by \$4,348,100 from current year activity.

Listed on the following page is a comparison of the current and prior fiscal years.

TOWN OF COVENTRY, RHODE ISLAND
Management's Discussion and Analysis
For the Year Ended June 30, 2016
(Un-audited)

Town of Coventry
Net Position

	<u>June 30, 2016</u>			<u>June 30, 2015</u>		
	Govern- mental Activities	Business Type Activities	Total	Govern- mental Activities	Business Type Activities	Total
Current and Other Assets	\$ 35,392,054	\$ 14,347,951	\$ 49,740,005	\$ 44,541,264	\$ 13,102,638	\$ 57,643,902
Capital assets	44,966,370	26,913,522	71,879,892	39,686,867	24,220,700	63,907,567
Total Assets	<u>80,358,424</u>	<u>41,261,473</u>	<u>121,619,897</u>	<u>84,228,131</u>	<u>37,323,338</u>	<u>121,551,469</u>
Deferred outflows of resources	12,321,325	-	12,321,325	5,502,059	-	5,502,059
Other Liabilities	6,922,228	1,334,917	8,257,145	9,393,035	610,421	10,003,456
Long-Term Liabilities	190,719,238	19,435,847	210,155,085	179,603,495	20,556,311	200,159,806
Total Liabilities	<u>197,641,466</u>	<u>20,770,764</u>	<u>218,412,230</u>	<u>188,996,530</u>	<u>21,166,732</u>	<u>210,163,262</u>
Deferred inflows of resources	8,797,741	9,110,985	17,908,726	8,737,319	7,446,857	16,184,176
Net Position:						
Net investment in capital assets	7,856,695	9,896,915	17,753,610	12,193,512	4,788,201	16,981,713
Restricted for:						
Education programs	919,508	-	919,508	780,145	-	780,145
Public safety programs	218,284	-	218,284	205,351	-	205,351
Culture and recreation	39,492	-	39,492	37,917	-	37,917
Health & human services	75,643	-	75,643	87,977	-	87,977
Unrestricted	<u>(122,869,080)</u>	<u>1,482,809</u>	<u>(121,386,271)</u>	<u>(121,308,561)</u>	<u>3,921,548</u>	<u>(117,387,013)</u>
Total Net Position	<u>\$ (113,759,458)</u>	<u>\$ 11,379,724</u>	<u>\$ (102,379,734)</u>	<u>\$ (108,003,659)</u>	<u>\$ 8,709,749</u>	<u>\$ (99,293,910)</u>

The largest portion of the Town's Governmental net position, \$7,856,695 consists of its investments in capital assets such as land, buildings and improvements, motor vehicles, furniture and equipment and infrastructure, less any debt used to acquire these assets, which is still outstanding. The Town uses these capital assets to provide services to its citizens. Consequently, these assets are not available for future spending. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves are unlikely to be used to liquidate these liabilities.

The remaining balance of the Town's unrestricted net position may be used to meet the government's ongoing obligations to its citizens and creditors. The unrestricted net position for governmental activities reported a \$122,869,080 deficit while the business-type activities reported a \$1,482,809 positive balance.

As of June 30, 2016 the Town of Coventry reports positive balances in the net investment in capital assets category and restricted items.

TOWN OF COVENTRY, RHODE ISLAND
Management's Discussion and Analysis
For the Year Ended June 30, 2016
(Un-audited)

Analysis of the Town of Coventry's Operations

The following analysis provides a summary of the Town's operations for the year ended June 30, 2016. The Town first implemented GASB Statement 34, Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments for the fiscal year June 30, 2003. Prior year comparative data is available and is presented in the following schedules. Governmental activities decreased the Town's net position by \$4,348,100 for the current period accounting for a 4% decrease in the Town's governmental net position, while business-type activities increased the Town's net position by \$2,669,975 or 30.6% for the current period. Overall the Town's decrease in net position was \$1,678,125 for current year's activity.

The following page presents the Changes in Net Position for the current year's activity.

Town of Coventry
Changes in Net Position

	June 30, 2016			June 30, 2015		
	Govern- mental Activities	Business Type Activities	Total	Govern- mental Activities	Business Type Activities	Total
<i>Revenues</i>						
<i>Program revenues</i>						
Charges for services	\$ 5,435,977	\$ 2,436,608	\$ 7,872,585	\$ 4,607,169	\$ 2,416,537	\$ 7,023,706
Federal/State grants	33,464,125	-	33,464,125	29,709,694	-	29,709,694
<i>General Revenues</i>						
Property taxes	68,444,330	-	68,444,330	66,435,611	-	66,435,611
Investment earnings	256,047	1,508	257,555	115,464	1,490	116,954
Miscellaneous	1,033,540	-	1,033,540	730,821	-	730,821
Total revenues	<u>108,634,019</u>	<u>2,438,116</u>	<u>111,072,135</u>	<u>101,598,759</u>	<u>2,418,027</u>	<u>104,016,786</u>
<i>Expenses</i>						
General government	7,389,205	-	7,389,205	5,764,859	-	5,764,859
Public safety	12,801,326	-	12,801,326	11,222,403	-	11,222,403
Education	77,694,675	-	77,694,675	67,204,294	-	67,204,294
Public works	6,978,570	-	6,978,570	8,777,167	-	8,777,167
Community and economic development	585,619	-	585,619	415,063	-	415,063
Health and human services	1,299,650	-	1,299,650	1,204,694	-	1,204,694
Culture and recreation	2,180,046	-	2,180,046	2,176,723	-	2,176,723
Interest on long-term debt	1,247,960	-	1,247,960	870,183	-	870,183
Sewer Fund Expenses	-	2,573,209	2,573,209	-	2,737,111	2,737,111
Total expenses	<u>110,177,051</u>	<u>2,573,209</u>	<u>112,750,260</u>	<u>97,635,386</u>	<u>2,737,111</u>	<u>100,372,497</u>
Transfers	(2,805,068)	2,805,068	-	-	-	-
Change in net position	(4,348,100)	2,669,975	(1,678,125)	3,963,373	(319,084)	3,644,289
Net position - beginning restated	(109,411,358)	8,709,749	(100,701,609)	(111,967,032)	9,028,833	(102,938,199)
Net position - ending	<u>\$ (113,759,458)</u>	<u>\$ 11,379,724</u>	<u>\$ (102,379,734)</u>	<u>\$ (108,003,659)</u>	<u>\$ 8,709,749</u>	<u>\$ (99,293,910)</u>

TOWN OF COVENTRY, RHODE ISLAND
Management's Discussion and Analysis
For the Year Ended June 30, 2016
(Un-audited)

Financial Analysis of the Town of Coventry's Funds

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

As of the close of the fiscal year, the Town's governmental funds reported combined ending fund balances of \$19,410,598. Over 41% of this amount, \$8,120,101 is unassigned and available for use within the Town's specific designations and fiscal policies.

TOWN OF COVENTRY, RHODE ISLAND
Fund Balance Categories

<i>Restricted for:</i>	
Educational programs	\$ 919,508
Public safety programs	218,284
Culture and recreation	39,492
Health & human services	75,643
<i>Committed for:</i>	
Public works programs	7,612,294
Use of budgeted surplus 2017	292,976
Public safety programs	23,042
Culture and recreation	2,109,258
<i>Unassigned:</i>	8,120,101
Total fund balances	\$ 19,410,598

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

The unrestricted net position of the Sewer Fund was \$1,482,809.

General Fund Budgetary Highlights

Revenues:

Total Revenues – were over budget by \$75,560.

General Property Taxes – were over budget by \$23,946 because of higher than anticipated collection of the same.

Intergovernmental Revenue – was under budget by \$616,684 because of lower than anticipated State School Housing Aid and other state reimbursements.

Licenses and Permit Revenues – were over budget by \$115,558 because of higher than anticipated collection of the same.

TOWN OF COVENTRY, RHODE ISLAND
Management's Discussion and Analysis
For the Year Ended June 30, 2016
(Un-audited)

General Fund Budgetary Highlights – (continued)

Other Revenue – was over budget by \$570,635 mainly because of higher than anticipated collection of Miscellaneous Receipts and Land Trust Fees.

Expenses:

Total Expenses – were under budget by \$247,940.

Public Works – was under budget by \$197,446 mainly because of lower than anticipated gasoline prices, refuse disposal expenses, and health insurance expenses.

Parks and Recreation – was under budget by \$50,800 primarily due to lower than budgeted Payroll and Operating expenses.

The Town of Coventry's Capital Assets

The Town of Coventry's investment in capital assets for its governmental and business-type activities amounts to \$71,879,892 net of accumulated depreciation at June 30, 2016. Included are land, building and improvements, motor vehicles, furniture, machinery and equipment and infrastructure.

Additional information on the Town of Coventry's capital assets is located in Note 6 of the notes to the financial statements.

Town of Coventry
Capital Assets (Net of Accumulated Depreciation)

	June 30, 2016			June 30, 2015		
	Govern- mental Activities	Business Type Activities	Total	Govern- mental Activities	Business Type Activities	Total
Land	9,688,933	-	9,688,933	9,051,904	-	9,051,904
Construction in progress	539,933	21,185	561,118	4,977,232	1,732,768	6,710,000
Infrastructure	842,973	-	842,973	488,233	-	488,233
Buildings & Improvements	29,471,061	-	29,471,061	23,555,830	-	23,555,830
Machinery and equipment	238,781	-	238,781	253,943	-	253,943
Office equipment and furniture	331,117	-	331,117	415,889	-	415,889
Vehicles	3,853,572	-	3,853,572	943,836	-	943,836
Wastewater collection system	-	26,892,337	26,892,337	-	22,487,932	22,487,932
Total	44,966,370	26,913,522	71,879,892	39,686,867	24,220,700	63,907,567

TOWN OF COVENTRY, RHODE ISLAND
Management's Discussion and Analysis
For the Year Ended June 30, 2016
(Un-audited)

The Town of Coventry's Debt Administration

At the end of the current fiscal year, the Town of Coventry's Governmental Activities had a total bonded debt of \$44,289,336. Of this amount, 100% comprises bonded debt backed by the full faith and credit of the government. The following is a summary of the Town's long-term debt.

Town of Coventry
Outstanding Debt
General Obligation & Notes Payable

	<i>June 30, 2016</i>			<i>June 30, 2015</i>		
	Govern- mental Activities	Business Type Activities	Total	Govern- mental Activities	Business Type Activities	Total
Bonds Payable	44,289,336	-	44,289,336	42,133,989	-	42,133,989
Notes Payable	717,880	19,435,848	20,153,728	28,531	20,556,311	20,584,842
Totals	45,007,216	19,435,848	64,443,064	42,162,520	20,556,311	62,718,831

Additional information on the Town's long-term debt can be found in Note 9 of the Notes to the Financial Statements and on pages 156 and 157.

Economic Factors and Next Year's Budgets and Rates

The Town of Coventry's total budget for fiscal year 2017 amounts to \$100,334,719, which reflects an increase of \$3,052,564 over fiscal 2016's budget of \$97,282,155. Of the Town's 2017 budget, \$68,442,965, or 68.2% is budgeted for educational purposes, \$26,087,074 or 26.0% for municipal government, \$4,596,993 or 4.6% for debt service and \$1,207,687 or 1.2% for capital improvements and library resource sharing.

The State of Rhode Island is budgeted to contribute \$22,921,325 toward the Town's educational expenses for the fiscal year 2017. This is an increase of \$1,307,774 over the \$21,613,551 contributed by the State in the fiscal year 2016.

For fiscal 2017 the Town's residential and commercial property tax rates were \$21.411 and \$25.805, respectively, with 63.0% allocated for education, 32.4% for municipal government, 4.6% for debt service, capital improvements and library resource sharing. The Town's residential and commercial property tax rates for fiscal 2016 are \$20.825 and \$25.10, respectively, with 63.6% allocated for education, 32.7% for municipal government, 3.7% for debt service and capital improvements & library resource sharing.

TOWN OF COVENTRY, RHODE ISLAND
Management's Discussion and Analysis
For the Year Ended June 30, 2016
(Un-audited)

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 Coventry, 1670 Flat River Road, Coventry RI 02816.

Robert Thibeault
Finance Director/Treasurer

BASIC FINANCIAL STATEMENTS

Government-Wide Financial Statements

TOWN OF COVENTRY
Statement of Net Position
June 30, 2016

	<u>Primary Government</u>		
	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
<i>Assets:</i>			
<i>Current Assets:</i>			
Cash and cash equivalents	\$ 22,614,837	\$ 17,390	\$ 22,632,227
Real estate and personal property tax receivable, net	2,393,942	-	2,393,942
Water and sewer use fees receivable, net	-	974,544	974,544
Due from federal and state government	1,789,232	2,419,240	4,208,472
Net pension asset	6,794,407	-	6,794,407
Prepaid expenses	556,636	-	556,636
Other receivables, net	1,243,000	-	1,243,000
Total current assets	<u>35,392,054</u>	<u>3,411,174</u>	<u>38,803,228</u>
<i>Noncurrent assets:</i>			
Sewer assessments receivable	-	9,182,814	9,182,814
Capital assets:			
Land	9,688,933	-	9,688,933
Construction in progress	539,933	21,184	561,117
Property, plant & equipment - net	34,737,504	26,892,338	61,629,842
Capital assets, net	<u>44,966,370</u>	<u>26,913,522</u>	<u>71,879,892</u>
Other assets, net	-	1,753,963	1,753,963
Total noncurrent assets	<u>44,966,370</u>	<u>37,850,299</u>	<u>82,816,669</u>
Total assets	<u>80,358,424</u>	<u>41,261,473</u>	<u>121,619,897</u>
Deferred outflow of resources	<u>12,321,325</u>	<u>-</u>	<u>12,321,325</u>
<i>Liabilities:</i>			
Accounts payable and accrued liabilities	7,248,473	259,400	7,507,873
Internal balances	(1,075,517)	1,075,517	-
Unearned revenues	188,164	-	188,164
Other	561,108	-	561,108
Total current liabilities	<u>6,922,228</u>	<u>1,334,917</u>	<u>8,257,145</u>
<i>Long-term liabilities:</i>			
Due within one year	3,269,000	1,153,120	4,422,120
Due in more than one year	187,450,238	18,282,727	205,732,965
Total noncurrent liabilities	<u>190,719,238</u>	<u>19,435,847</u>	<u>210,155,085</u>
Total liabilities	<u>197,641,466</u>	<u>20,770,764</u>	<u>218,412,230</u>
Deferred inflows of resources	<u>8,797,741</u>	<u>9,110,985</u>	<u>17,908,726</u>
<i>Net Position:</i>			
Net investment in capital assets	7,856,695	9,896,915	17,753,610
<i>Restricted for:</i>			
Education programs	919,508	-	919,508
Public safety programs	218,284	-	218,284
Culture and recreation	39,492	-	39,492
Health & human services	75,643	-	75,643
Unrestricted	(122,869,080)	1,482,809	(121,386,271)
Total net position	<u>\$ (113,759,458)</u>	<u>\$ 11,379,724</u>	<u>\$ (102,379,734)</u>

See auditor's report and accompanying notes to these financial statements

TOWN OF COVENTRY, RHODE ISLAND
Statement of Activities
For the Year Ended June 30, 2016

	Program revenues			Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Governmental Activities	Primary Government Business-type Activities	Total
<i>Functions/ Programs</i>						
<i>Governmental Activities:</i>						
Governmental activities:						
General government	\$ 7,389,205	\$ 789,253	\$ 3,090,979	\$ (3,508,973)		\$ (3,508,973)
Public safety	12,801,326	130,614	-	(12,670,712)		(12,670,712)
Education	77,694,675	2,098,865	30,275,429	(45,320,381)		(45,320,381)
Public works	6,978,570	170,407	-	(6,808,163)		(6,808,163)
Community and economic development	585,619	1,984,628	-	1,399,009		1,399,009
Health and human services	1,299,650	-	-	(1,299,650)		(1,299,650)
Culture and recreation	2,180,046	262,210	97,717	(1,820,119)		(1,820,119)
Interest on long-term debt	1,247,960	-	-	(1,247,960)		(1,247,960)
<i>Total governmental activities</i>	110,177,051	5,435,977	33,464,125	(71,276,949)		(71,276,949)
<i>Business type activities:</i>						
Sewer Fund	2,573,209	2,436,608	-	-	\$ (136,601)	(136,601)
<i>Total business-type activities</i>	2,573,209	2,436,608	-	-	(136,601)	(136,601)
<i>Total</i>	\$ 112,750,260	\$ 7,872,585	\$ 33,464,125	(71,276,949)	(136,601)	(71,413,550)
<i>General revenues:</i>						
Real estate and personal property taxes				68,444,330	-	68,444,330
Interest on property taxes				523,343	-	523,343
Investment earnings				256,047	1,508	257,555
Miscellaneous				510,197	-	510,197
Transfers				(2,805,068)	2,805,068	-
<i>Total general revenues</i>				66,928,849	2,806,576	69,735,425
<i>Change in net position</i>				(4,348,100)	2,669,975	(1,678,125)
<i>Net position-beginning - restated see note 20</i>				(109,411,358)	8,709,749	(100,701,609)
<i>Net position-ending</i>				\$ (113,759,458)	\$ 11,379,724	\$ (102,379,734)

See auditor's report and accompanying notes to these financial statements

Fund Financial Statements

TOWN OF COVENTRY, RHODE ISLAND
Balance Sheet
Governmental Funds
June 30, 2016

	<i>General Fund</i>	<i>School Unrestricted Fund</i>	<i>Coventry Landfill Fund</i>	<i>Other Governmental Funds</i>	<i>Total Governmental Funds</i>
ASSETS					
Cash and cash equivalents	\$ 13,102,086	\$ 675,783	\$ -	\$ 8,836,968	\$ 22,614,837
Accounts receivable:					
Real estate and personal property taxes	2,393,942	-	-	-	2,393,942
Due from federal and state governments	-	70,910	-	1,718,322	1,789,232
Other receivables	1,026,980	201,763	-	14,257	1,243,000
Due from other funds	3,660,920	5,476,962	-	1,678,663	10,816,545
Prepays	-	520,570	-	-	520,570
Total assets	\$ 20,183,928	\$ 6,945,988	\$ -	\$ 12,248,210	\$ 39,378,126
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities:					
Accounts payable and accrued expenditures	\$ 384,223	\$ 6,042,668	\$ -	\$ 622,844	\$ 7,049,735
Due to other funds	5,347,796	643,529	-	3,608,163	9,599,488
Unearned revenues	-	-	-	188,164	188,164
Other liabilities	702,648	-	-	-	702,648
Total liabilities	6,434,667	6,686,197	-	4,419,171	17,540,035
DEFERRED INFLOWS OF RESOURCES					
Unavailable tax revenue	2,427,493	-	-	-	2,427,493
Fund balances:					
Restricted for:					
Educational programs	-	259,791	-	659,717	919,508
Public safety programs	-	-	-	218,284	218,284
Culture and recreation	-	-	-	39,492	39,492
Health & human services	-	-	-	75,643	75,643
Committed for:					
Public works programs	47,561	-	-	7,564,733	7,612,294
Use of budgeted surplus 2017	292,976	-	-	-	292,976
Public safety programs	23,042	-	-	-	23,042
Culture and recreation	1,326,358	-	-	782,900	2,109,258
Unassigned:	9,631,831	-	-	(1,511,730)	8,120,101
Total fund balances	11,321,768	259,791	-	7,829,039	19,410,598
Total liabilities, deferred inflows of resources and fund balances	\$ 20,183,928	\$ 6,945,988	\$ -	\$ 12,248,210	

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. (Note 7)	44,825,370
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds. (Note 7)	2,228,755
Some liabilities, including bonds payable, pension liabilities and deferred inflows and outflows of resources, are not due and payable in the current period and therefore are not reported in the funds. (Note 7)	(180,365,181)
Internal service fund equity balance (Note 7)	141,000
Net position of governmental activities	\$(113,759,458)

See auditor's report and accompanying notes to these financial statements

TOWN OF COVENTRY, RHODE ISLAND
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2016

	<u>General Fund</u>	<u>School Unrestricted Fund</u>	<u>Coventry Landfill Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues					
Real estate and personal property taxes	\$ 67,685,504	\$ -	\$ -	\$ -	\$ 67,685,504
Other taxes	936,460	-	-	-	936,460
Penalties and interest on taxes	523,343	-	-	-	523,343
Licenses, fees and permits	864,108	-	-	-	864,108
Investment income	195,807	-	-	60,240	256,047
Intergovernmental	2,026,484	25,669,788	-	6,513,146	34,209,418
Contributions and private grants	-	-	-	59,804	59,804
Charges for services	386,443	720,888	-	1,161,089	2,268,420
Miscellaneous	1,508,316	140,062	-	290,770	1,939,148
Total revenues	<u>74,126,465</u>	<u>26,530,738</u>	<u>-</u>	<u>8,085,049</u>	<u>108,742,252</u>
Expenditures					
Current:					
General government	5,918,157	-	-	208,807	6,126,964
Public safety	12,355,884	-	-	85,081	12,440,965
Education	-	69,097,371	-	4,447,501	73,544,872
Public works	5,128,738	-	14,395	1,273,109	6,416,242
Community and economic development	312,237	-	-	273,382	585,619
Health and human services	798,564	-	-	443,016	1,241,580
Culture and recreation	2,062,512	-	-	-	2,062,512
Capital outlay	-	-	-	12,613,872	12,613,872
Debt service					
Principal payments	3,193,000	-	-	860,000	4,053,000
Interest and fiscal charges	1,226,802	-	-	-	1,226,802
Total expenditures	<u>30,995,894</u>	<u>69,097,371</u>	<u>14,395</u>	<u>20,204,768</u>	<u>120,312,428</u>
Excess of revenues over (under) expenditures before other financing sources (uses)	<u>43,130,571</u>	<u>(42,566,633)</u>	<u>(14,395)</u>	<u>(12,119,719)</u>	<u>(11,570,176)</u>
Other financing sources (uses)					
Issuance of debt	-	-	-	6,602,349	6,602,349
Debt issuance cost	-	-	-	(148,671)	(148,671)
Premium on issue of debt	201,132	-	-	157,815	358,947
Transfers from other funds	58,701	42,725,777	563,664	490,201	43,838,343
Transfers to other funds	(43,103,325)	(106,910)	-	(628,108)	(43,838,343)
Total other financing sources (uses)	<u>(42,843,492)</u>	<u>42,618,867</u>	<u>563,664</u>	<u>6,473,586</u>	<u>6,812,625</u>
Excess of revenues and other sources over (under) expenditures and other uses	<u>287,079</u>	<u>52,234</u>	<u>549,269</u>	<u>(5,646,133)</u>	<u>(4,757,551)</u>
Fund balances - beginning	<u>11,034,689</u>	<u>207,557</u>	<u>(549,269)</u>	<u>13,475,172</u>	<u>24,168,149</u>
Fund balances - ending	<u>\$ 11,321,768</u>	<u>\$ 259,791</u>	<u>\$ -</u>	<u>\$ 7,829,039</u>	<u>\$ 19,410,598</u>

See auditor's report and accompanying notes to these financial statements

TOWN OF COVENTRY, RHODE ISLAND
Reconciliation of the Statement of Revenues,
Expenditures, and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Year Ended June 30, 2016

Net change in fund balances-total governmental funds \$ (4,757,551)

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds reported capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. Also, other various capital activity is not recognized in the governmental funds but is recognized in the Statement of Activities.

Capital Outlays	12,913,428
Depreciation expense	<u>(3,357,198)</u>
Change to Net Position	<u>9,556,230</u>

Transfer of capital assets to the business type activities (2,805,068)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. (177,634)

Interest expenses in the statement of activities includes accrued interest calculated for bonds payable (21,158)

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

Bond principal payments	4,053,000
Issuance of debt	(6,602,349)
Bond premium amortization	63,600
Premium on issuance of debt	(358,947)
Prepaid bond insurance	(2,121)

Changes in the Town's Net Pension Assets, Deferred Outflows of Resources related to pension plans or Net Pension Liability and Deferred Inflows of Resources related to pension plans result in an increase or decrease to the pension expense reported in the Statement of Activities. The effect of these adjustments resulted in a decrease in pension expense reported in the Statement of Activities. (2,018,536)

The Internal Service Fund is used by management to charge the costs of Worker's Compensation claims. The net revenues (expenses) of the Internal Service Fund is reported with Governmental Activities in the Government-Wide financial statements. (63,960)

Other certain accrued expenditures that do not use current financial resources are not reported in the fund financial statements. However, in the statement of activities these accrued expenses are recognized and charged to current activities. (1,213,606)

Change in net position of governmental activities. \$ (4,348,100)

Please see Note 8 for a more detailed explanation of the differences between the Government-Wide Financial Statements and the Fund Financial Statements

See auditor's report and accompanying notes to these financial statements

TOWN OF COVENTRY, RHODE ISLAND
Statement of Net Position
Proprietary Funds
June 30, 2016

	Enterprise Fund	Internal Service
	Sewer	Fund
	Fund	Self Insurance
		Reserve
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 17,390	\$ -
Accounts receivable, net:		
Water and sewer use fees	974,544	-
Due from RI infrastructure bank	2,419,240	-
Total current assets	3,411,174	-
Non-current assets:		
Capital assets		
Construction in progress	21,184	-
Depreciable assets - net	26,892,338	-
Sewer assessments	9,182,814	-
Other assets, net	1,753,963	-
Total noncurrent assets	37,850,299	-
Total assets	41,261,473	-
LIABILITIES & DEFERRED INFLOWS		
Current liabilities:		
Accounts payable and accrued expenses	259,400	-
Due to other funds	1,075,517	-
Current portion of long term debt	1,153,120	-
Total current liabilities	2,488,037	-
Non-current liabilities:		
Bonds and loans payable	18,282,727	-
Total noncurrent liabilities	18,282,727	-
Total liabilities	20,770,764	-
Deferred Inflows		
Deferred sewer assessment fees	8,862,832	-
Other deferred revenue	248,153	-
Total deferred inflows of resources	9,110,985	-
NET POSITION		
Invested in Capital assets, net of related debt	9,896,915	-
Unrestricted	1,482,809	-
Total net position	\$ 11,379,724	\$ -

See auditor's report and accompanying notes to these financial statements

TOWN OF COVENTRY, RHODE ISLAND
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For the Fiscal Year Ended June 30, 2016

	Enterprise Funds	Internal Service
	Sewer	Fund
	Fund	Self Insurance
		Reserve
<i>Operating revenues</i>		
Assessments and user fees	\$ 2,406,091	\$ -
Other revenues	30,517	-
<i>Total operating revenues</i>	2,436,608	-
<i>Operating expenses</i>		
Contract services	31,311	-
Operations & Maintenance	1,460,026	-
Depreciation and amortization	549,586	-
<i>Total operating expenses</i>	2,040,923	-
<i>Operating income (loss)</i>	395,685	-
<i>Non-operating revenues (expenses)</i>		
Interest and dividend income	1,508	-
Interest expense	(532,286)	-
Loss on disposal of capital asset	-	(63,960)
Transfers in (out)	2,805,068	(141,000)
<i>Total non-operating revenues (expenses)</i>	2,274,290	(204,960)
Change in Net Position	2,669,975	(204,960)
Total Net Position - Beginning restated see note 20	8,709,749	204,960
Total Net Position - Ending	\$ 11,379,724	\$ -

See auditor's report and accompanying notes to these financial statements

TOWN OF COVENTRY, RHODE ISLAND
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2016

	<u>Enterprise Funds</u>	<u>Internal Service Fund</u>
	<u>Sewer Fund</u>	<u>Self Insurance Reserve</u>
Cash flows from operating activities		
Cash received from customers	\$ 2,389,073	\$ -
Cash payments to suppliers for goods and services	(1,479,485)	-
Other operating receipts	30,517	-
Net cash provided by (used for) operating activities	<u>940,105</u>	<u>-</u>
Cash flows from non-capital financing activities		
Interfund loans	712,644	-
Net cash provided by (used for) non-capital financing activities	<u>712,644</u>	<u>-</u>
Cash flows from capital and related financing activities		
Additions to capital assets	(437,340)	-
Principal paid on bonds, notes and loans	(1,120,463)	-
Note drawdowns	437,340	-
Capitalized bond cost	(1,515)	-
Interest paid on notes	(532,286)	-
Net cash provided (used for) capital and related financing activities	<u>(1,654,264)</u>	<u>-</u>
Cash flows from investing activities		
Interest and dividends on investment	1,508	-
Net cash provided by (used for) investing activities	<u>1,508</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	(7)	-
Cash and cash equivalents at beginning of year	17,397	-
Cash and cash equivalents at end of year	<u>\$ 17,390</u>	<u>\$ -</u>
Reconciliation of operating income to net cash provided by operating activities		
Operating income (Loss)	\$ 395,685	\$ -
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation and amortization	549,586	-
Changes in assets and liabilities:		
(Increase) decrease in accounts receivable	(17,018)	-
Increase (decrease) in accounts payable	11,852	-
Total adjustments	<u>544,420</u>	<u>-</u>
Net cash provided by operating activities	<u>\$ 940,105</u>	<u>\$ -</u>

See auditor's report and accompanying notes to these financial statements

TOWN OF COVENTRY, RHODE ISLAND
Statement of Fiduciary Net Position
Fiduciary Funds
For the Fiscal Year Ended June 30, 2016

	<u>Police Pension Fund</u>	<u>Municipal Pension Fund</u>	<u>Private Purpose Trust Funds</u>	<u>Agency Funds</u>
ASSETS				
Cash	\$ 668,579	\$ 247,084	\$ 401,509	\$ 1,937,266
Receivables:				
Internal balances	-	-	350,544	-
Other	-	-	5,800	70,006
Total receivables	<u>-</u>	<u>-</u>	<u>356,344</u>	<u>70,006</u>
Investments, at fair value:				
Fixed income	2,754,249	2,064,335	34,741	-
Mutual funds	6,180,089	4,540,109	1,379,961	-
Equities	1,834,789	1,349,184	803,630	-
Total investments	<u>10,769,127</u>	<u>7,953,628</u>	<u>2,218,332</u>	<u>-</u>
Total Assets	<u>11,437,706</u>	<u>8,200,712</u>	<u>2,976,185</u>	<u>2,007,272</u>
LIABILITIES				
Internal balances	-	-	90,000	402,084
Deposits held in custody for others	-	-	-	1,605,188
Total liabilities	<u>-</u>	<u>-</u>	<u>90,000</u>	<u>\$ 2,007,272</u>
NET POSITION				
Held in trust for other purposes	<u>\$11,437,706</u>	<u>\$ 8,200,712</u>	<u>\$ 2,886,185</u>	

See auditor's report and accompanying notes to these financial statements

TOWN OF COVENTRY, RHODE ISLAND
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Fiscal Year Ended June 30, 2016

	<u>Police Pension Fund</u>	<u>Municipal Pension Fund</u>	<u>Private Purpose Trust Funds</u>
Additions			
Contributions			
Employer contributions	\$ 4,619,691	\$ 513,933	\$ -
Plan members contributions	362,764	865,340	-
Total contributions	<u>4,982,455</u>	<u>1,379,273</u>	<u>-</u>
Investment earnings			
Interest and dividends	261,711	194,554	-
Net increase (decrease) in fair value of investments	<u>(87,283)</u>	<u>(75,525)</u>	<u>23,261</u>
Total investment earnings	<u>174,428</u>	<u>119,029</u>	<u>23,261</u>
Total additions	<u>5,156,883</u>	<u>1,498,302</u>	<u>23,261</u>
Deductions			
Benefits paid	3,842,128	803,480	-
Operating expenses	<u>55,170</u>	<u>38,550</u>	<u>8,273</u>
Total deductions	<u>3,897,298</u>	<u>842,030</u>	<u>8,273</u>
Change in net position	1,259,585	656,272	14,988
Net position - beginning of year	10,178,121	7,544,440	2,871,197
Net position - end of year	<u>\$ 11,437,706</u>	<u>\$ 8,200,712</u>	<u>\$ 2,886,185</u>

See auditor's report and accompanying notes to these financial statements

Notes to Financial Statements

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Reporting Entity

The Town of Coventry was incorporated in 1741. The Town is governed largely under the 1973 Coventry Home Rule Charter. 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 operates under a Council/Manager form of government and provides the following services as authorized by its charter: Public Safety (police, fire alarm, animal control and inspections) Public Works (sanitation, roads and bridges, engineering and building maintenance), Parks and Recreation, Education, Social Services, and General Administrative Services.

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

This report includes all of the funds and account groups of the Town of Coventry. The reporting entity for the town consists of (a) the primary government, (b) organizations for which the primary government is financially accountable and (c) other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable.

In evaluating how to define the government for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in GASB Statement No. 14. Under GASB Statement No. 14, the financial reporting entity includes both the primary government, which is the Town of Coventry and all of its component units. Component units are legally separate entities that meet any one of the following three tests:

Test 1- the primary government appoints the voting majority of the board of the potential Component unit and

- * Is able to impose its will on the potential component unit and/or
- * Is in a relationship of financial benefit or burden with the potential component unit;

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Test 2- the potential component unit is fiscally dependent upon the primary government; or

Test 3 - the financial statements would be misleading if data from the potential component unit was not included.

The following entity was considered for classification as component units for fiscal year 2015:

* Coventry School System

Although the Coventry School System met certain criteria of the tests listed above, this entity is not deemed to have separate legal status apart from the Town. As a result, the financial data of this entity has been included as Special Revenue Fund within the Town's financial statements and is not considered a component unit of the Town.

BASIS OF PRESENTATION

Recently Issued Accounting Standards

The Town implemented the following accounting pronouncements for the year ended June 30, 2016:

- GASB Statement No. 72 – Fair Value Measurement and Application effective for the Town's fiscal year ending June 30, 2016.
- GASB Statement No. 73 – Accounting and Financial reporting for Pensions and Related Assets that are not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68 - effective for the Town's fiscal year ending June 30, 2016.
- GASB Statement No. 76 – The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments - effective for the Town's fiscal year ending June 30, 2016.

The Town will adopt the following new accounting pronouncements in future years:

- GASB Statement No. 74 – Financial Reporting for Postemployment Benefit Plans Other than Pension Plans - effective for the Town's fiscal year ending June 30, 2017.
- GASB Statement No. 75 – Accounting for Postemployment Benefit Plans Other than Pension Plans - effective for the Town's fiscal year ending June 30, 2018.
- GASB Statement No. 77 – Tax Abatement Disclosures - effective for the Town's fiscal year ending June 30, 2017.
- GASB Statement No. 78 – Pensions Provided through Certain Multiple-Employer Defined Pension Plans - effective for the Town's fiscal year ending June 30, 2017.

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Government-Wide Financial Statements

The statement of Net Position and the statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity except for *fiduciary funds* (the activity of these funds are reported in the statements of fiduciary Net Position and changes in fiduciary Net Position). The government-wide financial statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

Fund Financial Statements

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

- (a) Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total (assets, liabilities, and so forth) for all funds of that category or type (that is, total governmental or total enterprise funds), and
- (b) Total assets, liabilities, revenues or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

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

GOVERNMENTAL FUND TYPES

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

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

Special Revenue Funds - are used to account for restricted or committed revenues that comprise a substantial portion of the *inflows* of a fund.

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

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

PROPRIETARY FUND TYPE

This fund type accounts for operations that are organized to be self-supporting through user charges. The fund included in this category is as follows:

Enterprise Funds - are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy management control, accountability, or other purposes.

Internal Service Funds – are used to account for the financing of goods or services provided by an activity to other departments or funds of the Town on a cost-reimbursement basis.

FIDUCIARY FUND TYPES

These funds account for assets held by the Town as a trustee or agent for individuals, private organizations, and other units of governments. These funds are as follows:

Agency Funds - are used to account for funds that are to be used for educational and welfare expenditures and for funds held in escrow for other parties.

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

Pension Trust Funds - is established to provide pension benefits to various employees of the Town. The principal revenue source for this fund is employer and employee contributions and investment income.

BASIS OF ACCOUNTING

Measurement Focus – Government Wide Financial Statements

In the government wide financial statements the Statement of Net Position and Statement of Activities (governmental and business-type activities) are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expense, gains, losses, assets, deferred outflows of resources, liabilities and deferred inflows of resources resulting from exchange and exchange-like transactions should be recognized when the exchange takes place. Revenues, expense, gains, losses, assets, deferred outflows of resources, liabilities and deferred inflows of resources resulting from non-exchange transactions should be recognized in accordance with the requirements of Section N50.

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

BASIS OF ACCOUNTING

Those revenues susceptible to accrual are property taxes, franchise taxes, special assessments, licenses, interest revenue and charges for services. Sales taxes collected and held by the state at year-end on behalf of the government also are recognized as revenue. Fines, permits, and parking meter revenues are not susceptible to accrual because generally they are not measurable until received in cash.

The accounting and financial reporting treatment applied to the *fund financial statements* is determined by its measurement focus. All Governmental Fund Types are accounted for using a “current financial resources” measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

All Proprietary Fund Types and Fiduciary Fund Types are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Fund equity (i.e., net total position) is segregated into contributed capital and retained earnings components. Proprietary Fund Type operating statements present increases (i.e., revenues) and decreases (i.e. expenses) in net total position.

All Governmental Fund Types and Agency Funds are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual, i.e. both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Licenses and permits, charges for services, fines, forfeits, and miscellaneous revenue are recorded as revenues when received in cash. Those revenues susceptible to accrual are property taxes and investment earnings. Fines and permits are not susceptible to accrual because generally they are not measurable until received in cash. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except expenditures for debt service and other long-term obligations, which are recognized when paid.

Non-current portions of long-term receivables of Governmental Fund Types are reported on their balance sheets, in spite of their spending measurement focus. Special reporting treatments are used to indicate however, that they should not be considered “available expendable resources” since they do not represent net current assets. Recognition of Governmental Fund Type revenues represented by non-current receivables is deferred until they become current receivables.

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Because of their spending measurement focus, expenditure recognition for Governmental Fund Types excludes amounts represented by non-current liabilities. Since they do not affect net current position, such long-term amounts are not recognized as Governmental Fund Type expenditures or fund liabilities. They are instead reported as Long-term Liabilities – Governmental Activities.

In applying the “susceptible to accrual” concept to intergovernmental revenues the legal and contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially two types of such revenues. For one type, amounts must be expended on the specific purpose or project before any amounts will be paid to the Town; therefore revenues are recognized based upon the expenditures recorded.

For the other type, revenues are virtually unrestricted as to purpose of expenditure and revocable only for failure to comply with the prescribed requirements, such as a Community Development Block Grant. These resources are reflected as revenues at the time of receipt or earlier if they meet the “available” criteria.

All Proprietary Funds and Pension Trust Funds are accounted for using the accrual basis of accounting. Their revenues are recognized when they are earned, and their expenses are recognized when they are incurred.

Cash Equivalents

For the purpose of the Statement of Cash Flows, the Propriety Fund Types consider all highly liquid investments with a maturity date of three months or less when purchased to be cash equivalents.

Investments

Investments are Government Securities, Commercial Paper and various types of corporate stocks and bonds held in the Governmental and Fiduciary Fund types, which are recorded at fair value. Fair value is determined wherever possible, by use of published quoted amounts, where quotes are not available, formal valuations are obtained.

When discounts or premiums are present, the Town will capitalize and amortize the amount over the period of the related investment.

Inventories

Inventories of supplies are considered to be expenditures at the time of purchase. No significant inventory balances were on hand at June 30, 2016.

Capital Assets

Capital assets in Governmental Fund type operations are accounted for using the “current financial resources” measurement focus. Capital assets which include property, plant and equipment, and infrastructure (e.g. road, bridges, curbs and gutters, streets and sidewalks, and drainage systems) are reported in the applicable governmental or business-type activity columns in the government-wide financial statements. The Town

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

defines capital assets as assets with an individual cost of more than \$5,000 and an estimated useful life in excess of five years. Such assets are recorded at historical cost or estimated historical cost (for certain assets acquired prior to 1960). Donated assets are recorded at estimated fair market value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are recorded as expenditures as incurred.

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

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

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

<u>Description</u>	<u>Estimated Lives (years)</u>
Building	20
Machinery and equipment	5-10
Improvements	10-20
Other infrastructure	10-50

Unearned Revenues

Unearned revenues represent funds received in advance of being owed or receivables, which will be collected and included in revenues of future fiscal years.

Deferred Outflows of Resources

Represent a consumption of net position or fund balance by a government that is applicable to a future reporting period.

Deferred Inflows of Resources

In addition to liabilities, the statement of net position and/or balance sheet can report deferred inflows of resources. Deferred inflows of resources represent the acquisition of net position that applies to a future period and which will not be recognized as an inflow of resources (revenue) until a later date.

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Equity Classifications

Government-Wide Statements - Equity is classified as Net Position and displayed in three components:

- **Net Investment in capital assets** - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- **Restricted** - Consists of Net Position with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or 2) law through constitutional provisions or enabling legislation.
- **Unrestricted** - All other Net Position that do not meet the definition of "restricted" or "net investment in capital assets".

Governmental Funds – Equity is classified into five categories:

The Town has adopted the requirements of the Government Accounting Standards Board GASB Statement No. 54 - *Fund Balance Reporting and Governmental Fund Type Definitions*. Acceptance of this statement has changed the Town's presentation of the elements of fund balances, a key indicator of inter-period equity. Listed below are the new fund balance categories and their definitions.

- **Non-spendable** – are balances that are permanently precluded from conversion to cash such as permanent funds and inventories.
- **Restricted** – requires that inflows and outflows of resources and balances be constrained to a specific purpose of enabling legislation, external parties or constitutional provisions.
- **Committed** – are balances with constraints imposed by the government using the highest level of decision-making authority. These constraints can only be removed or changed by the same decision making authority taking the same type of action.
- **Assigned** – are balances intended for a specific purpose by the government's management and are also appropriations of existing fund balances.
- **Unassigned** – are balances available for any purpose. They are not precluded by a management decision, law constitutional provision in the general fund.

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

- a) For committed fund balances: the Town Council is the highest level of decision making authority and a meeting of the Town Council is required to establish, modify or rescind a fund balance commitment.
- b) For assigned fund balance: The Town's Finance Director and the School Department's Director of Administration are authorized to assign amounts to a purpose and with authorization given by the Town Council and the School Committee.
- c) The Town considers restricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available and considers committed amounts to have been spent when an expenditure is incurred for purposes for which amounts in any other unrestricted fund balance could be used.

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenues, Expenditures and Expenses

Revenues for governmental funds are recorded when they are determined to be both measurable and available. Generally, tax revenues, fees and non-tax revenues are recognized when received. Grants from other governments are recognized when qualifying expenditures are incurred. Expenditures for governmental funds are recorded when the related liability is incurred. Revenues and expenses of proprietary fund types are recognized using the full accrual basis of accounting. Revenue is recognized when earned and expenses as incurred.

Program Revenues and Expenses

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

Property Taxes

The Town is permitted by state law to levy property taxes. Current tax collections for the Town were approximately 98.85% of the total December 31, 2014 levy.

The Town's fiscal 2016 property taxes were levied in July of 2015 on assessed valuation as of December 31, 2014. Upon levy, taxes are billed quarterly and are due on August 15, November 15, February 15, and May 15. Failure to mail payments by due dates will result in lien on taxpayer's property. Assessed values are established by Tax Assessor's Office and are currently calculated at 100% of assessed value for real estate and 100% of market value for motor vehicles.

Vacation, Sick Leave, and Other Compensated Absences

Vacation leave is earned by all full-time Town employees. Upon termination, employees are entitled to receive compensation for their unused accrued vacation leave. Sick leave is earned by all full-time employees as well as part-time employees at the School Department. Unused vacation leave is paid upon an employee's termination. Upon retirement, municipal union employees are entitled to receive their accumulated sick leave up to 480 hours, policemen receive all accumulated unused sick leave up to 120 days, and school employees are entitled to receive compensation for their accrued sick leave balance, up to 140 days for teachers and classified personnel. Part-time employees are eligible to receive one half of the above amounts. Upon termination, the Town's non-union employees are entitled to one half of their accumulated sick leave up to 480 hours. Upon retirement eligible School Department employees are entitled to receive one half of their accumulated sick leave after 15 years of service.

For Governmental Fund Types accrued compensated absences are presented as a current liability for those amounts expected to be paid with current financial resources. For those compensated absences not to be paid with current financial resources the liability is recorded in the Statement of Net Position of the Government-Wide Financial Statements.

Inter-fund Transactions

Quasi-external transactions are accounted for as fund revenues, expenditures or expenses (as appropriate). Transactions which constitute reimbursements of a fund for expenditures or expenses initially made from it that are properly applicable to another fund are recorded as expenditures or expenses (as appropriate) in the reimbursing fund and as reductions of the expenditure or expense in the fund that is reimbursed. All inter-

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

fund transactions, except advances, quasi-external transactions and reimbursements, are accounted for as transfers. Nonrecurring or non-routine transfers of equity between funds are considered equity transfers. All other inter-fund transactions are treated as operating transfers.

Interfund Receivables and Payables

For the government-wide financial statements, all inter-fund transactions (sources and uses) were eliminated except for those with fiduciary funds.

The Town utilizes the inter-fund loan accounts as a short term vehicle to expedite the payment of vouchers from a consolidate vendor checking account.

The transfers between funds are to fund matching revenues related to federal grants; to fund and utilized funding for operations in the Special Revenue and Community Development funds.

Estimates

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

NOTE 2 – BUDGETARY DATA AND BUDGETARY COMPLIANCE

In accordance with the Home Rule Charter, the Town has formally established budgetary accounting control for its General Fund and the School Unrestricted Fund, which is a Special Revenue Fund.

The General Fund is subject to an annual operating budget adopted at the financial Town Meeting. The School Unrestricted Fund is subject to an annual operating budget approved by the School Committee and adopted at the financial Town meeting. 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. Appropriations which are not expended or encumbered lapse at year end.

The School Department has established formal budgetary accounting as a management control for all funds. Annual operating budgets are adopted each fiscal year through the passage of an annual budget. The School Department budgets its expenditures based upon its estimate of state aid and the funding provided by the Town. Federal and state grants, included in the restricted special revenue fund, are not part of the legally adopted Town or School Department budget since their receipt is uncertain at the time the budgeting process is completed.

The General Fund and Special Revenue - School Unrestricted Fund's annual operating budgets are in conformity with generally accepted accounting principles. The budget to actual presentation in the financial statements is reflected on the budgetary basis. The only Special Revenue fund that has a legally enacted budget is the School Unrestricted Fund. Therefore, the budget and actual figures presented for Special Revenue Funds in the Combined Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual only include this fund.

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 3 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Legal Debt Margin

The Town's legal debt margin as set forth by State Statute is limited to three percent of total assessed value, which approximates \$97,376,551 based on the December 31, 2014 assessment. As of June 30, 2016 the Town's debt is under the debt limit by \$64,446,551.

In addition to the bonding authority granted under §45-12-2 of the RI General Laws, the Town of Coventry can authorize bond issues pursuant to a special act of the RI General Assembly. Bond issues authorized by a special act of the General Assembly are normally not subject to any legal debt limit, but are subject to financial constraints such as the Town's ability and willingness to service the bonded debt.

NOTE 4 – CASH AND INVESTMENTS

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

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

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

Concentrations: The Town policy is to maintain a diversified portfolio to minimize the risk of loss resulting from over concentration of assets in a specific maturity.

Custodial Credit Risk

Deposits: This is the risk that, in the event of failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. As of June 30, 2016, \$2,241,882 of the Town's bank balance of \$27,349,203 was uninsured and uncollateralized.

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

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 4 – CASH AND INVESTMENTS (continued)

Cash and investments of the Town consist of the following at June 30, 2016

Cash and Cash Equivalents

Deposits with financial institutions	\$	25,886,665
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Investments

Private Purpose Trust Funds:

Fixed Income Pool		34,741
Mutual Funds		1,379,961
Equities		803,630
Total Private Purpose Trust Funds		2,218,332

Pension Trust Funds:

Fixed Income		2,456,276
Corporate Bonds		2,362,308
Mutual Funds		10,720,198
Equities		3,183,973
Total Pension Trust Funds		18,722,755
Total Cash and Investments	\$	46,827,752

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

Statement of Net Position

Cash and cash equivalents	\$	22,632,227
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Fiduciary Funds

Cash		3,254,438
Investments		20,941,087
		24,195,525
Total Cash and Investments	\$	46,827,752

Interest Rate Risk: This is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. Information about the exposure of the town's debt type investments to this risk using the segment time distribution model is as follows:

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 4 – CASH AND INVESTMENTS (continued)

Type of Investment	Fair Value	Investment Maturities (in Years)			
		Less Than 1 Year	1-5 Years	6-10 Years	Over 10 Years
Corporate Bonds	\$ 2,362,308	\$ 135,320	\$ 1,105,700	\$ 829,051	\$ 292,237
Government Bonds	2,456,276	50,060	728,945	636,006	1,041,265
Total	<u>\$ 4,818,584</u>	<u>\$ 185,380</u>	<u>\$ 1,834,645</u>	<u>\$ 1,465,057</u>	<u>\$ 1,333,502</u>

Credit Risk: Generally, credit risk is the risk that an issuer of a debt type investment will not fulfill its obligation to the holder of the investment. This is measured by assignment of a rating by a nationally recognized rating organization. U.S. government securities or obligations explicitly guaranteed by the U.S. Government are not considered to have credit risk exposure. Presented below is the minimum rating as required for each debt investment type.

<u>Average Rating</u>	<u>Municipal & Corporate Bonds</u>
Aaa	\$ 139,014
Aa1	67,861
Aa2	216,308
Aa3	209,309
A1	310,612
A2	375,003
A3	465,331
Ba1	10,902
Baa1	365,373
Baa2	81,495
Baa3	110,830
B1	10,270
	<u>\$ 2,362,308</u>

NOTE 5 - PROPERTY TAXES

The Town is responsible for assessing, collecting, and distributing property taxes in accordance with enabling state legislation.

All property taxes for fund statement purposes are recognized in compliance with NCGA Interpretation-3 (Revenue Recognition - Property Taxes), which states that such revenue is recorded when it becomes measurable and available. Available means due, or past due and receivable within the current period and collected no longer than 60 days after the close of the current period. The Town does not use an allowance method for bad debts. It directly writes off receivables as they become un-collectible as per state law.

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 6 – CAPITAL ASSETS

The Town defines capital assets as assets with an individual cost of more than \$5,000 and an estimated useful life in excess of five years. Such assets are recorded at historical cost or estimated historical cost (for certain assets acquired prior to 1960). The following schedules list prior year balances and current year activity for all Governmental Fund fixed asset transactions and Proprietary Funds.

Capital asset activity for government funds for the fiscal year ended June 30, 2016 was as follows:

	Primary Government				Ending Balance
	Beginning Balance	Increases	Decreases	Adjustments	
Governmental activities:					
Capital assets not being depreciated:					
Land	\$ 8,910,304	\$ 637,629	\$ -	\$ -	\$ 9,547,933
Construction in Progress	4,977,232	391,265	(622,987)	(4,205,577)	539,933
Total capital assets not being depreciated	<u>13,887,536</u>	<u>1,028,894</u>	<u>(622,987)</u>	<u>(4,205,577)</u>	<u>10,087,866</u>
Depreciable assets					
Infrastructure	33,005,324	401,880	-	-	33,407,204
Buildings & improvements	103,802,890	8,609,214	-	-	112,412,104
Machinery and equipment	1,398,542	76,450	(335,948)	-	1,139,044
Office equipment and furniture	7,166,217	12,704	(572,400)	16,481	6,623,002
Vehicles	7,519,257	3,407,273	(3,475,535)	(19,395)	7,431,600
Total other capital assets at historical cost	<u>152,892,230</u>	<u>12,507,521</u>	<u>(4,383,883)</u>	<u>(2,914)</u>	<u>161,012,954</u>
Less accumulated depreciation for:					
Infrastructure	32,517,091	47,140	-	-	32,564,231
Buildings & improvements	80,310,420	2,634,031	-	(3,408)	82,941,043
Machinery and equipment	1,144,599	92,325	(335,948)	(713)	900,263
Office equipment and furniture	6,750,328	85,507	(572,400)	28,450	6,291,885
Vehicles	6,575,421	498,195	(3,475,535)	(20,053)	3,578,028
Total accumulated depreciation	<u>127,297,859</u>	<u>3,357,198</u>	<u>(4,383,883)</u>	<u>4,276</u>	<u>126,275,450</u>
Net Depreciable Assets	<u>25,594,371</u>	<u>9,150,323</u>	<u>-</u>	<u>(7,190)</u>	<u>34,737,504</u>
Governmental activities capital assets, net	<u>\$ 39,481,907</u>	<u>\$ 10,179,217</u>	<u>\$ (622,987)</u>	<u>\$ (4,204,215)</u>	<u>\$ 44,825,370</u>

Depreciation expense was charged to functions/programs as follows:

Governmental activities:	
General Government	\$ 89,619
Public safety	121,326
Public Works	507,369
Health and Human Services	58,070
Education	2,463,280
Culture and Recreation	117,534
Total governmental activities depreciation expense	<u>\$ 3,357,198</u>

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 6 – CAPITAL ASSETS (continued)

Capital asset activity for business-type activity for the fiscal year ended June 30, 2016 was as follows:

	Primary Government				Ending Balance
	Beginning Balance	Increases	Decreases	Adjustments	
Business-type activities:					
Capital assets not being depreciated:					
Land	\$ 141,600	\$ -	\$ 141,600	-	\$ -
Construction in progress	1,732,768	-	1,711,583	-	21,185
Total capital assets not being depreciated	<u>1,874,368</u>	<u>-</u>	<u>1,853,183</u>	<u>-</u>	<u>21,185</u>
Other capital assets:					
Buildings	158,400	-	158,400	-	-
Wastewater collection system	27,155,801	2,148,923	-	2,805,068	32,109,792
Total other capital assets at historical cost	<u>27,314,201</u>	<u>2,148,923</u>	<u>158,400</u>	<u>2,805,068</u>	<u>32,109,792</u>
Less accumulated depreciation for:					
Buildings	95,040	-	95,040	-	-
Wastewater collection system	4,667,869	549,586	-	-	5,217,455
Total accumulated depreciation	<u>4,762,909</u>	<u>549,586</u>	<u>95,040</u>	<u>-</u>	<u>5,217,455</u>
Business-type activities capital assets, net	<u>\$ 24,425,660</u>	<u>\$ 1,599,337</u>	<u>\$ 1,916,543</u>	<u>\$ 2,805,068</u>	<u>\$ 26,913,522</u>

Depreciation expense was charged to functions as follows:

Business-type activities:

Sewer	<u>\$ 549,586</u>
Total business-type activities depreciation expense	<u>\$ 549,586</u>

TOWN OF COVENTRY
NOTES TO FINANCIAL STATEMENTS
June 30, 2016

NOTE 7 - DIFFERENCES BETWEEN GOVERNMENTAL FUND BALANCE SHEET AND THE STATEMENT OF NET POSITION.

"Total fund balances" of the Town's governmental funds of \$19,410,598 differs from the "net position" of governmental activities of \$(113,759,458) reported in the statement of net position. This difference primarily results from the long-term economic focus of the statement of net position versus the current financial resources focus of the governmental fund balance sheets. The effect of the differences is illustrated below.

Balance Sheet / Statement of Net Position

	Total Governmental Funds	Long-term Assets/ Liabilities (1)	Reclassifications and Eliminations (2)	Statement Net Position Totals
Assets				
Cash and cash equivalents	\$ 22,614,837	\$ -	\$ -	\$ 22,614,837
Investments	-	-	-	-
Accounts receivable:				
Real estate & personal property taxes receivable	2,393,942	-	-	2,393,942
Due from federal and state governments	1,789,232	-	-	1,789,232
Other receivables	1,243,000	-	-	1,243,000
Due from other funds	10,816,545	-	(10,816,545)	-
Net pension asset	-	6,794,407	-	6,794,407
Prepaid expenses	520,570	36,066	-	556,636
Land	-	9,547,933	141,000	9,688,933
Construction in progress	-	539,933	-	539,933
Depreciable capital assets - net	-	34,737,504	-	34,737,504
Total assets	39,378,126	51,655,843	(10,675,545)	80,358,424
Deferred outflow of resources	-	12,321,325	-	12,321,325
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES				
Liabilities:				
Accounts payable and accrued expenses	7,049,735	198,738	-	7,248,473
Due to other funds	9,599,488	-	(10,675,005)	(1,075,517)
Unearned revenues	188,164	-	-	188,164
Other liabilities	702,648	-	(141,540)	561,108
Long-term liabilities				
Due within one year	-	3,269,000	-	3,269,000
Due in more than one year	-	187,450,238	-	187,450,238
Total liabilities	17,540,035	190,917,976	(10,816,545)	197,641,466
Deferred inflow of resources	2,427,493	6,370,248	-	8,797,741
Fund Balances, Deferred Inflows/Net Position				
Total fund balances/net position	19,410,598	(133,311,056)	141,000	(113,759,458)
Total liabilities, deferred inflows of resources and fund balances/net position	<u>\$ 39,378,126</u>	<u>\$ 63,977,168</u>	<u>\$ (10,675,545)</u>	<u>\$ 92,679,749</u>

TOWN OF COVENTRY
NOTES TO FINANCIAL STATEMENTS
June 30, 2016

NOTE 7 - DIFFERENCES BETWEEN GOVERNMENTAL FUND BALANCE SHEET AND THE STATEMENT OF NET POSITION.

- (1) When capital assets (land, buildings, equipment) that are to be used in governmental activities are purchased or constructed, the cost of these assets are reported as expenditures in governmental funds. However, the statement of net position includes those capital assets among the assets of the Town as a whole.

Land	\$ 9,547,933
Construction in progress	539,933
Cost of capital assets	161,012,954
Accumulated depreciation	<u>(126,275,450)</u>
	<u>\$ 44,825,370</u>

Because the focus of governmental funds is on short term financing, some assets will not be available to pay for current-period expenditures. Those assets (for example receivables) are offset by deferred revenues in the governmental funds and thus are not included in the fund balance.

Adjustment of unearned revenue	<u>\$ 2,427,493</u>
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Interest on long-term debt is accrued in the statement of net position but is not accrued in governmental funds, rather it is recognized as an expenditure when due.

Adjustment of accrued interest expense	<u>\$ (198,738)</u>
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Long-term liabilities applicable to the city's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities, both current and long-term are reported in the statement of net position.

Bonds & notes payable	\$ 44,002,880
Bond premium	1,004,336
Prepaid bond insurance	(36,066)
Accrued compensated absences	3,814,958
Net pension liability	138,445,228
Net OPEB obligation	<u>3,451,836</u>
	<u>\$ 190,683,172</u>

Town pension plans with a net pension asset balance at the end of the year.

Net pension asset - TSB	<u>\$ (6,794,407)</u>
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Deferred inflows and outflows of resources are amounts used under GASB 68 in developing the annual pension expense. Deferred inflows and outflows arise with differences between expected and actual experiences; such as changes of assumptions or differences in expected and actual investment returns. These amounts will be recognized in future periods.

Deferred inflows of resources - pensions	\$ (8,797,741)
Deferred outflows of resources - pensions	\$ 12,321,325

- (2) The Internal Service Fund used in prior years by management to charge the costs of Worker's Compensation claims. has been closed and it's assets permanently transferred to the Government-Wide Statement of Net Position.

	<u>\$ 141,000</u>
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The elimination of internal balances of governmental and business type activities.

	<u>\$ 10,675,005</u>
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The reclassification of monies owed to and from fiduciary funds

	<u>\$ (141,540)</u>
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TOWN OF COVENTRY
NOTES TO FINANCIAL STATEMENTS
June 30, 2016

NOTE 8 - DIFFERENCES BETWEEN GOVERNMENTAL FUND OPERATING STATEMENTS AND THE STATEMENT OF ACTIVITIES

The "net change in the fund balances" for governmental funds \$(4,757,551) differs from the "change in net position" for governmental activities \$(4,348,100) reported in the statement of activities. The differences are primarily from the long-term economic focus of the statement of activities versus the current financial resources focus of the governmental funds. The effect of the differences are illustrated below.

Statement of Revenues, Expenditures, and Changes in Fund Balances / Statement of Activities

	Total Governmental Funds	Long-term Revenues/ Expenses & Reclassifications (1)	Capital- related Items (2)	Internal Service Fund (3)	Long-term Debt Transactions (4)	Statement of Activities Totals
Revenues						
Real estate and personal property taxes	\$ 67,685,504	\$ (177,634)	\$ -	\$ -	\$ -	\$ 67,507,870
Other taxes	936,460	-	-	-	-	936,460
Penalties and interest on taxes	523,343	-	-	-	-	523,343
Licenses, fees and permits	864,108	-	-	-	-	864,108
Investment income	256,047	-	-	-	-	256,047
Intergovernmental	34,209,418	-	-	-	-	34,209,418
Contributions and private grants	59,804	-	-	-	-	59,804
Charges for services	2,268,420	-	-	-	-	2,268,420
Miscellaneous	1,939,148	-	5,801	-	63,600	2,008,549
Total revenues	108,742,252	(177,634)	5,801	-	63,600	108,634,019
Expenditures						
Current:						
General government	6,126,964	-	(67,190)	-	1,180,760	7,240,534
Public safety	12,440,965	-	90,251	-	270,110	12,801,326
Education	73,544,872	-	2,366,410	-	1,783,393	77,694,675
Public works	6,416,242	-	498,368	63,960	-	6,978,570
Community and economic development	585,619	-	-	-	-	585,619
Health and human services	1,241,580	-	58,070	-	-	1,299,650
Culture and recreation	2,062,512	-	117,534	-	-	2,180,046
Capital outlay	12,613,872	-	(12,613,872)	-	-	-
Debt service						
Principal payments	4,053,000	-	-	-	(4,053,000)	-
Interest and fiscal charges	1,226,802	21,158	-	-	-	1,247,960
Total expenditures	120,312,428	21,158	(9,550,429)	63,960	(818,737)	110,028,380
Other financing uses/changes in net position						
Net transfers (to) from other funds	-	-	(2,805,068)	-	-	(2,805,068)
Debt issuance cost	(148,671)	-	-	-	-	(148,671)
Premium on issue of debt	358,947	-	-	-	(358,947)	-
Issuance of debt	6,602,349	-	-	-	(6,602,349)	-
Total other financing uses	6,812,625	-	(2,805,068)	-	(6,961,296)	(2,953,739)
Net change for the year	\$ (4,757,551)	\$ (198,792)	\$ 6,751,162	\$ (63,960)	\$ (6,078,959)	\$ (4,348,100)

TOWN OF COVENTRY
NOTES TO FINANCIAL STATEMENTS
June 30, 2016

NOTE 8 - DIFFERENCES BETWEEN GOVERNMENTAL FUND OPERATING STATEMENTS AND THE STATEMENT OF ACTIVITIES

- (1) Because some property taxes and other receivables will not be collected for several months after fiscal year ends, they are not considered as "available" revenues in the governmental funds.

Unearned revenue property taxes	(177,634)
	\$ (177,634)

Interest expense in the statement of activities differs from the amount reported in governmental funds . Accrued interest was calculated for bonds and notes payable.

Accrued interest expenditure adjustment	\$ (21,158)
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- (2) When capital assets that are to be used in governmental activities are purchased or constructed, the resources expended for those assets are reported as expenditures in governmental funds. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. As a result, fund balance decreases by the amount of financial resources expended, whereas net position decrease by the amount of depreciation expense charged for the year.

Capital outlay	12,913,428
Depreciation expense	(3,357,198)
Difference	\$ 9,556,230

Capital assets being transferred from the government-wide financial statements to the sewer fund.

	\$ (2,805,068)
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When a asset is donated to the government there is not an expenditure recorded in the funds to reclass out of the governmental fund presentation. The donation is recorded as an increase in capital assets and in increase in other revenue.

Reclass of capital items	\$ 5,801
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- (3) Internal service funds are use by management to charge the cost of certain activates, such as workers compensation insurance coverage to individual funds. The adjustments for internal service funds "close" those funds by charging additional amounts or reducing expenditures to the governmental funds thus eliminating any surplus or deficit on the internal service fund.

	\$ (63,960)
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- (4) Other accrued expenditures are not recorded on the funds statement but are shown on the statement of activities in order to present the true financial position of the Town on its long-term liabilities.

Net (increase)/decrease in compensated absences	\$ (568,561)
Net (increase)/decrease in net pension liability	(6,348,452)
Net increase/(decrease) in net pension asset	(2,428,928)
Net (increase)/decrease in net OPEB obligation	(645,045)
Net increase/(decrease) in net deferred outflows	6,819,266
Net (increase)/decrease in deferred inflows	(60,422)
Difference	\$ (3,232,142)

Repayment of bond and note principal is reported as an expenditure in the governmental funds and, thus, has the effect of reducing fund balance because current financial resources have been used. For the town as a whole, however, the principal payments reduce the liabilities in the statement of net position an do not result in an expense in the statement of activities.

Bond principal payments	4,053,000
Issuance of debt	(6,602,349)
Bond premium amortization	63,600
Premium on issuance of debt	(358,947)
Prepaid bond insurance amortization	(2,121)
Total principal payments made	\$ (2,846,817)

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 9 –LONG-TERM LIABILITIES

Governmental long-term liabilities do not appear in the fund financial statements but rather are a reconciling item in the presentation of the government-wide financial statements and are included in the statement of Net Position. Long-Term liabilities directly related to and intended to be paid from the Proprietary Fund Types are included in the accounts of such fund.

Long-term liability activity for the fiscal year ended June 30, 2016 was as follows:

	<u>Balance July 1, 2015</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance June 30, 2016</u>	<u>Amounts Due within One Year</u>
Governmental Activities					
Bonds Payable	\$ 41,425,000	\$ 5,880,000	\$ 4,020,000	\$ 43,285,000	\$ 3,180,000
Issuance premium on bonds	708,989	358,947	63,600	1,004,336	-
Total bonds payable	<u>42,133,989</u>	<u>6,238,947</u>	<u>4,083,600</u>	<u>44,289,336</u>	<u>3,180,000</u>
Other liabilities:					
Notes payable	28,531	722,349	33,000	717,880	89,000
Accrued compensated absences	3,246,397	647,393	78,832	3,814,958	-
Net pension liability	132,096,776	6,348,452	-	138,445,228	-
Net OPEB obligation	2,806,791	645,045	-	3,451,836	-
Total other liabilities	<u>138,178,495</u>	<u>8,363,239</u>	<u>111,832</u>	<u>146,429,902</u>	<u>89,000</u>
Governmental Activities long-term liabilities	<u>\$ 180,312,484</u>	<u>\$ 14,602,186</u>	<u>\$ 4,195,432</u>	<u>\$ 190,719,238</u>	<u>\$ 3,269,000</u>
Business-Type Activities					
Rhode Island Infrastructure Bank	<u>20,556,311</u>	<u>-</u>	<u>1,120,463</u>	<u>19,435,848</u>	<u>1,153,120</u>
Business-Type long-term liabilities	<u>20,556,311</u>	<u>-</u>	<u>1,120,463</u>	<u>19,435,848</u>	<u>1,153,120</u>

The following schedule summarizes the Town's bonds and notes

	Interest Rates	Principal	Due Dates
Governmental bonds	2.00% - 4.00%	\$ 44,289,336	2017-2036
Enterprise Funds notes payable	.47% - 5.08%	19,435,848	2017-2035
Total All Funds		<u>\$ 63,725,184</u>	

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 9 –LONG-TERM LIABILITIES (continued)

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

Fiscal Year Ended <u>June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	3,180,000	1,301,872	4,481,872
2018	3,465,000	1,301,872	4,766,872
2019	3,460,000	1,211,743	4,671,743
2020	3,465,000	1,113,619	4,578,619
2021	3,460,000	1,024,967	4,484,967
2022	3,460,000	933,663	4,393,663
2023	2,180,000	838,643	3,018,643
Thereafter	20,615,000	3,803,739	24,418,739
TOTALS	<u>\$ 43,285,000</u>	<u>\$ 11,530,118</u>	<u>\$ 54,815,118</u>

The debt service through maturity for the Enterprise funds loans are as follows:

Fiscal Year Ended <u>June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	1,153,120	588,027	1,741,147
2018	1,181,777	556,026	1,737,803
2019	1,215,433	522,318	1,737,751
2020	1,250,090	487,403	1,737,493
2021	1,289,632	449,261	1,738,893
2022	1,327,174	409,872	1,737,046
2023	1,371,716	368,598	1,740,314
Thereafter	10,646,906	1,367,554	12,014,460
TOTALS	<u>\$ 19,435,848</u>	<u>\$ 4,749,059</u>	<u>\$ 24,184,907</u>

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 10 – FUND DEFICITS

The following individual funds had deficit fund equity balances as of June 30, 2016:

Governmental Funds

Special Revenue Funds

Anthony Village	\$ 18,882	**
Resource Sharing	1,219	**
RIRCC Composting Grant	4,571	**
Byrne Grant	14,375	**
Document Preservation	115	**
RIEMA Maple Valley & Franklin	18,296	**
RIEMA Industrial Drive	3,470	**
RIEMA Hammet Ave	6,462	**
RIEMA Johnson Blvd	24,577	**
Bullet Proof Vest	6,963	**
Click it or Ticket	2,285	**
63 Isle of Capri	236,693	**
Isle of Capri Road	3,895	**
Federal Energy Grant 2	13,088	**
CDBG Funds	3,969	**
RIDOT Leap Road	69,554	**
Storm Juno	8,685	**
EDA Flat River Road	436,457	**
Blizzard Nemo	97,913	**
Perkins Odd Year	126	**
Perkins Vocational ED	3,221	**
Western After School Academy	3	**
Teacher Quality Recruitment	65	**
CPEF Fund	1,785	**
Sports Program	9,114	**
Direct Reimbursement	6,035	*
School Food Service	78,627	*
Wireless Classroom	6,968	**
<i>Capital Project Funds</i>		
Hook Lift Truck	46,319	**
School Impact Fees	21,826	*
High School AC Unit	3,957	**
School Improvement Capital Fund	8,439	*
Capital Improvement Fund 2012	372,937	**
<i>Private Purpose Trust Fund</i>		
Cemetery Fund	51,113	*
Total	<u>\$ 1,530,891</u>	

* The deficit balance will require a future administration plan to fund this deficit.

** The deficit balance will be eliminated by future reimbursements from either the State, the Federal Government or external financing.

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 11 – NOTES RECEIVABLE

As of June 30, 2016, a balance of \$467,389 is due to the Town of Coventry from two mortgage promissory notes. These notes were issued by the Maple Root Corporation and Ramblewood Housing Cooperative Corporation. The original, amount of the notes were for \$560,912 and \$439,088 respectively, and were issued on February 3, 2004 with an interest rate of 3.5% per annum. The notes are to be paid with 240 monthly installments of \$3,523.06 and \$2,546.53 respectively, commencing March 1, 2004. The above receivables are secured by land.

NOTE 12 – OPERATING LEASE

The School department leases Google Chromebooks for its students use under a non-cancelable operating lease with a term extending over the next three years. As of June 30, 2016, total future minimum lease payments are as follows:

<u><i>ENDED JUNE 30,</i></u>	<u><i>FISCAL YEAR</i></u> <u><i>PAYMENTS</i></u>
2017	\$ 240,821
<i>Future Minimum Rental Payments</i>	240,821
Interest Portion of Payments	11,141
<i>Obligation Under Operating Lease</i>	\$ 251,962

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 13 – INTERFUND RECEIVABLES AND PAYABLES

Inter-fund receivables represent loans to various funds for use in operations. These amounts are expected to be repaid at certain future dates. Below are balances at June 30, 2016.

	<u>Due from other funds</u>		<u>Due to other funds</u>
General Fund	\$ 3,660,920		\$ 5,347,796
Special Revenue Funds:			
School Unrestricted	5,476,962		643,529
School Restricted	523,765		802,692
School Food Service	79,074		-
Town Restricted	492,343		1,397,626
Coventry Landfill Fund	-	6,572,144	-
			2,843,847
Capital Projects:			
School Improvement	284,800		293,239
Town Capital Improvement	298,681	583,481	1,114,606
			1,407,845
Fiduciary Funds:			
Permanent Funds	350,544		90,000
Agency Funds	-	350,544	402,084
			492,084
Proprietary Funds			
Sewer Fund	-		1,075,517
Totals	\$ 11,167,089		\$ 11,167,089

NOTE 14 - FUND EQUITY

The following fund balance category reservations are recorded in the financial statements at June 30, 2016:

- **Non-spendable** – are balances that are permanently precluded from conversion to cash such as permanent funds and inventories.
- **Restricted** – requires that inflows and outflows of resources and balances be constrained to a specific purpose of enabling legislation, external parties or constitutional provisions.
- **Committed** – are balances with constraints imposed by the government using the highest level of decision-making authority. These constraints can only be removed or changed by the same decision making authority taking the same type of action.
- **Assigned** – are balances intended for a specific purpose by the government’s management and are also appropriations of existing fund balances.
- **Unassigned** – are balances available for any purpose. They are not precluded by a management decision, law constitutional provision in the general fund.

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 15 - SUMMARY DISCLOSURE OF SIGNIFICANT CONTINGENCIES

A. Litigation

The Town has been named as a responsible party in connection with the investigation and remediation of the former Coventry landfill owned and operated by the Town and located off Arnold Road in Coventry. The Town is one of a number of persons to whom a Letter of Responsibility was issued in June, 2003 by the Rhode Island Department of Environmental Management requiring such persons to conduct the investigation and remediation of the landfill under applicable state and federal law and regulations. The Town is one of a number of such persons who executed and delivered that certain Partial Consent Decree in 2005 in the case of State of Rhode Island, Department of Environmental Management v. Town of Coventry, pursuant to which the signatories agree to conduct and pay for an environmental investigation of the site.

As a result of that investigation, the Town is obligated to conduct and pay for the remediation of the landfill as approved by the Rhode Island Department of Environmental Management. Pursuant to that certain Settlement Contribution Agreement dated as of March 1, 2010, by and between (i) the Town and (ii) Mallinckrodt, LLC, Oce Imaging Supplies, Inc., Chevron Environmental Management Company, CAN Holdings Inc., Sunoco, Inc. and Teknor Apex Company, the Town Agreed to pay for sixty Percent (60%) of the cost of investigation and remediation of the Landfill, and the other parties thereto agreed to pay the remaining forty percent (40%).

The current estimate of the cost of the remediation of the Landfill is approximately \$6.5 million (of which the Town is obligated under the above Agreement to pay sixty percent (60%) thereof.) The Town continues to participate in the remediation of the site as part of the potentially responsible party (“PRP”) group.

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

B. Federally Assisted Programs - Compliance Audits

The Town participates in a number of federally assisted programs. The audits of these programs through the year ended June 30, 2016 were audited in connection with the accompanying financial statements under the Single Audit Concept and the auditor's reports thereon are presented in the Single Audit Report. Management believes that the amounts, if any, of expenditures, which may be disallowed, will not be material to the financial position of the Town.

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 16 - PENSION PLANS

In the fiscal year ended June 30, 2015 the Town adopted the requirements of the Government Accounting Standards Board GASB Statement No. 68 - Accounting and Financial Reporting for Pension – an amendment of GASB Statement No. 27. The objective of the Statement is to improve financial reporting by state and local governmental pension plans. The Statement resulted from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions with regard to providing decision-useful information, supporting assessments of accountability and inter-period equity, and creating additional transparency. The Statement amends Statement No. 27 *Accounting for Pensions by State and Local Governmental Employees*, as it relates to pension plans that are administered through trusts or equivalent arrangements (hereafter jointly referred to as trusts) that meet certain criteria.

Substantially all full-time employees of the Town of Coventry are covered by one of seven separate pension plans, each one of which are discussed below.

1. Municipal Employees Retirement Plan (Town Plan)

Plan Description

The Town of Coventry contributes to the Town's Municipal Employee Retirement Plan, which is a single- employer public employee retirement system (PERS). This plan was established by the Town in accordance with the Town Charter and Federal and State Statues.

Substantially all employees of the Town, except police, school employees and administrators, and some Town administrators are covered under this defined benefit municipal plan. All members of the Plan contribute specified percentages of their annual compensation to the plan.

As of July 1, 2016, employee membership data related to this plan was as follows:

Active Members	95
Inactive Members	37
Retired Members	<u>74</u>
TOTAL	<u>206</u>

Under the provisions of the plan, benefits vest after ten years of creditable service. An employee may retire at age 62 with ten years of creditable service for full benefits, or at age 55 with ten years of creditable services for reduced benefits. This pension plan also provides disability and death benefits. Benefits begin vesting after four years of service and become fully vested after ten years of service. An employee's annual pension is determined by multiplying 2% of his average monthly pay by a benefit service rate. The average monthly pay is determined using the five highest consecutive pay years out of the ten latest pay years which give the highest average. The benefit service rate is the sum of the total periods of service. Under the provisions of the plan, all active employees are required to contribute 10% of total pay.

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 16 – PENSION PLANS – (continued)

1. Municipal Employees Retirement Plan (Town Plan) (continued)

Plan Description

In addition to pension benefits, this plan also provides disability and death benefits. In order to receive disability benefits an employee must have at least ten years of creditable service when he becomes disabled and the employee must be totally disabled. Monthly disability benefits equal 25% of the employee's average monthly pay. Payments continue for the duration of the disability or until the employee reaches his early or normal retirement date.

Death benefits are available to qualified employees. An employee is a qualified if he/she 1) dies before retirement benefits begin, 2) was married for the full year before his death, and 3) if becoming an active member on or after July 1, 1991, has an account, or if becoming an active member prior to July 1, 1991, has a vesting percentage greater than zero. The death benefit equals the survivor's benefit at 50% survivor form and is payable as of the earliest date the employee could have retired on or after the date of death.

Summary of Significant Accounting Policies

Basis of Accounting

The plan's policy is to prepare its financial statements on the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions to the plan are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Valuation of Investments

Investments are reported at fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates.

Contributions

All Active members are required to contribute 10% of compensation to the plan. Any remaining obligation with respect to the pension plan shall be paid by the employer. The Town makes annual contributions to the plan based on its legally adopted budget.

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 16 - PENSION PLANS – (continued)

1. Municipal Employees Retirement Plan (Town Plan) (continued)

Summary of Significant Accounting Policies

Investments

The pension plan’s policy in regard to the allocation of invested assets is established and may be amended by the MERP Board by a majority vote of its members. It is the policy of the MERP Board to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The pension plan’s investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time spans. The following was the Board’s adopted asset allocation policy as of June 30, 2016:

Asset Class	Target Allocation
Domestic equity	34.89%
International equity	21.78%
Fixed income	35.83%
Other	7.50%
Total allocation	100.00%

Rate of return: For the year ended June 30, 2016, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 1.04%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

The components of the net position liability of the Town of Coventry at June 30, 2016, were as follows:

Net Pension Liability of the Town

	<u>June 30, 2016</u>
Total pension liability	\$ 22,686,528
Plan fiduciary net position	8,200,712
Town's net pension liability	\$ 14,485,816
Plan fiduciary net position as a percentage of the total pension liability	36.15%

**TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 16 - PENSION PLANS – (continued)

1. Municipal Employees Retirement Plan (Town Plan) (continued)

Summary of Significant Accounting Policies

Actuarial Assumptions

Summary of Actuarial Assumptions Used in the Valuations to determine the Net Pension Liability at the June 30, 2016 measurement date (July 1, 2015 valuation date)	
Actuarial Cost Method	Entry Age Normal - the Individual Entry Age Actuarial Cost methodology is used.
Amortization Method	Level Percent of Payroll – Closed
Equivalent Single Remaining Amortization Period	27 years at July 1, 2015
Actuarial Assumptions	
Amortized Growth Rate	3.40%
Investment Rate of Return	7.00%
Projected Salary Increases	Based on service with an ultimate rate of 3.55%
Inflation	2.70%
Mortality	RP-2000 Combined Healthy Mortality Table with generational projection per Scale AA.
Cost of Living Adjustments	None

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

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 16 - PENSION PLANS (continued)

1. Municipal Employees Retirement Plan (Town Plan) (continued)

Summary of Significant Accounting Policies

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic equity	5.11% to 6.53%
International equity	5.66% to 8.19%
Fixed income	2.69% to 5.70%
Other	2.17% to 4.16%

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 plan member contributions will be made at the current contribution rate and that Town contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. 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 of the Town, calculated using the discount rate of 7.00%, as well as what the Town's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage point higher (8.00%) than the current rate: 7.00%

	1% Decrease <u>6.00%</u>	Current Discount Rate <u>7.00%</u>	1% Increase <u>8.00%</u>
Total pension liability	\$ 25,543,125	\$ 22,686,528	\$ 20,292,812
Fiduciary net position	<u>8,200,712</u>	<u>8,200,712</u>	<u>8,200,712</u>
Net position liability	<u>\$ 17,342,413</u>	<u>\$ 14,485,816</u>	<u>\$ 12,092,100</u>

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 16 - PENSION PLANS (continued)

1. Municipal Employees Retirement Plan (Town Plan) (continued)

Changes in Net Pension Liability
Coventry Municipal Plan

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances as of June 30, 2015	\$ 22,159,059	\$ 7,544,439	\$ 14,614,620
Changes for the year:			
Service cost	519,496		519,496
Interest on total pension liability	1,511,450		1,511,450
Effect of plan changes	-		-
Effect of economic/demographic gains or losses	(508,985)		(508,985)
Effect of assumptions changes or inputs	(191,012)		(191,012)
Benefit payments	(803,480)	(803,480)	-
Employer contributions		864,293	(864,293)
Member contributions		514,980	(514,980)
Net investment income		81,953	(81,953)
Administrative expenses		(1,473)	1,473
Net changes	527,469	656,273	(128,804)
Balance as of June 30, 2016	\$ 22,686,528	\$ 8,200,712	\$ 14,485,816

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 16 - PENSION PLANS (continued)

1. Municipal Employees Retirement Plan (Town Plan) (continued)

Pension Expense and Deferred Outflow of Resources and Deferred Inflow of Resources Related to the Municipal Employees Retirement Plan

For the year ended June 30, 2016 the Town recognized pension expense of \$962,895. At June 30, 2016, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Town Municipal Plan	
	Deferred Inflows of Resources	Deferred Outflows of Resources
Deferred Inflows / Outflows:		
Differences between expected and actual experience	\$ (557,768)	\$ -
Changes of assumptions	(152,030)	-
Net difference between projected and actual earnings	-	639,992
Total	\$ (709,798)	\$ 639,992

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

	Net Deferred Inflows/Outflows of Resources
Year ended June 30:	
2017	(8,191)
2018	(8,191)
2019	(8,189)
2020	(45,235)
Net Total	(69,806)

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 16 - PENSION PLANS (continued)

2. Town Police Pension Plan

Plan Description

The Retirement Income Plan for the Police Officers of the Town of Coventry Pension Plan is a single-employer defined benefit pension plan. The plan is governed by the Town of Coventry which may amend plan provisions, and which is responsible for the management of the assets.

As of July 1, 2016 employee membership data related to this plan was as follows:

Active members	56
Inactive members	7
Retired members	81
	<u>144</u>

Under the provisions of the plan, benefits vest at various times depending on the date of hire. An employee may retire at age 55 with twenty years of creditable service if employed prior to January 1, 1994 or twenty-three years if employed on or after January 1, 1994. This plan also provides disability and death benefits. A participant's earned benefit is equal to 50% of earnings. A participant's earnings are the compensation received during the preceding twelve month period, including holiday pay, longevity, vacation time and overtime. In addition, participants employed prior to January 1, 1994, may be eligible for a cost-of-living adjustment.

In addition to pension benefits, this plan also provides disability and death benefits. In order to receive disability benefits a participant must become disabled in the line of duty and that disability must be expected to last at least two years. In this situation the participant will receive a 66 2/3% disability retirement benefit on the earlier of the date of completion of ten years of service or the date at which the participant reaches his normal retirement date. If the disability is not in the line of duty, but it is expected that the participant will be unable to return to active duty and the participant has ten years of service with the Town of Coventry, the participant will be entitled to a 25% disability benefit for up to one year. If after one year, the participant is still unable to work, the participant will automatically be retired.

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 16 - PENSION PLANS (continued)

2. Police Pension Plan

Death benefits are available to qualified employees. If a participant dies before his normal retirement date, his beneficiary will receive a single sum payment of the employee's account, accumulated with interest. If death occurs after the normal retirement date, but before actual retirement, the participants' surviving spouse will receive a monthly benefit equal to the retirement benefit that participant would have received if retired on the date of death. If death occurs after retirement date, a death benefit will be paid to the participant's surviving spouse, dependent child, or beneficiary.

Plan Changes

For members hired after December 31, 2012:

- The employee contribution rate is 12%
- Longevity pay is removed from pensionable compensation.
- Retirement eligibility is 25 years of Credited Service, but no earlier than age 55.
- The final average earnings period is the final 5 years of base compensation.
- The normal benefit equals 50% of the average base pay of the 5 years immediately preceding retirement. For any member who works beyond 25 years, his or her pension benefit shall be increased by 2% for each year worked to a maximum of 60% of the 5-year average base pay.

Basis of Accounting

The plan's policy is to prepare its financial statements on the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions to the plan are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Valuation of Investments

Investments are reported at fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates.

Contributions

Active members hired between January 1, 1994 and December 31, 2012 will continue to contribute 11% of their base pay effective on July 1, 2016 with an increase to 12% effective July 1, 2017 (previously 10% effective on July 1, 2015). All other employees will contribute 9.5% of their total annual compensation effective on July 1, 2016 with an increase to 11% effective on July 1, 2017 (previously 8% effective on 7/1/2000).

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 16 - PENSION PLANS (continued)

2. Police Pension Plan

Summary of Significant Accounting Policies

Investments

The pension plan's policy in regard to the allocation of invested assets is established and may be amended by the Police Pension Board by a majority vote of its members. It is the policy of the Police Pension Board to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The pension plan's investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time spans. The following was the Board's adopted asset allocation policy as of June 30, 2016:

Asset Class	Target Allocation
Domestic equity	34.89%
International equity	21.78%
Fixed income	35.83%
Other	7.50%
Total allocation	100.00%

Rate of return: For the year ended June 30, 2016, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 1.15%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

The components of the net position liability of the Police Pension Plan at June 30, 2016, were as follows:

Net Pension Liability of the Police Pension Plan

	June 30, 2016
Total pension liability	\$ 75,238,765
Plan fiduciary net position	11,437,706
Town's net pension liability	\$ 63,801,059
Plan fiduciary net position as a percentage of the total pension liability	15.20%

**TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 16 - PENSION PLANS (continued)

2. Police Pension Plan

Actuarial Assumptions

Summary of Actuarial Assumptions Used in the Valuations to determine the Net Pension Liability at the June 30, 2016 measurement date (July 1, 2015 valuation date)	
Actuarial Cost Method	Entry Age Normal - the Individual Entry Age Actuarial Cost methodology is used.
Amortization Method	Level Percent of Payroll – Closed
Equivalent Single Remaining Amortization Period	23 years at July 1, 2015
Actuarial Assumptions	
Amotized Growth Rate	3.50%
Investment Rate of Return	7.00%
Projected Salary Increases	Based on service with an ultimate rate of 3.75%
Inflation	2.70%
Mortality	RP-2000 Combined Healthy Mortality Table with generational projection per Scale AA.
Cost of Living Adjustments	For officers retired prior to July 1, 1986; 1.5% compounded, For officers retired after July 1, 1986 (and hired prior to January 1, 1994) 2.50% compounded, For officers hired on or after January 1, 1994, 2.70% non-compounded

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 16 - PENSION PLANS (continued)

2. Police Pension Plan

Summary of Significant Accounting Policies

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation are from our actuary firm Milliman's investment consulting practice as of December 31, 2015.

Asset Class	Long-Term Expected Real Rate of Return
Domestic equity	5.11% to 6.53%
International equity	5.66% to 8.19%
Fixed income	2.69% to 5.70%
Other	2.17% to 4.16%

Discount rate: The discount rate used to measure the total pension liability was 7.00 percent. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that Town contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. 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 of the Town, calculated using the discount rate of 7.00%, as well as what the Town's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage point higher (8.00%) than the current rate: 7.00%

	1% Decrease 6.00%	Current Discount Rate 7.00%	1% Increase 8.00%
Total pension liability	\$ 85,973,334	\$ 75,238,765	\$ 66,934,655
Fiduciary net position	11,437,706	11,437,706	11,437,706
Net position liability	\$ 74,535,628	\$ 63,801,059	\$ 55,496,949

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 16 - PENSION PLANS (continued)

2. Police Pension Plan

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances as of June 30, 2015	\$ 73,709,070	\$ 10,178,121	\$ 63,530,949
Changes for the year:			
Service cost	811,806		811,806
Interest on total pension liability	5,049,965		5,049,965
Effect of plan changes	-		-
Effect of economic/demographic gains or losses	(378,509)		(378,509)
Effect of assumptions changes or inputs	(111,439)		(111,439)
Benefit payments	(3,842,128)	(3,842,128)	-
Employer contributions		4,619,691	(4,619,691)
Member contributions		362,764	(362,764)
Net investment income		125,285	(125,285)
Administrative expenses		(6,027)	6,027
Net changes	<u>1,529,695</u>	<u>1,259,585</u>	<u>270,110</u>
Balance as of June 30, 2016	<u>\$ 75,238,765</u>	<u>\$ 11,437,706</u>	<u>\$ 63,801,059</u>

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 16 - PENSION PLANS (continued)

2. Police Pension Plan

Pension Expense and Deferred Outflow of Resources and Deferred Inflow of Resources Related to the Municipal Employees Retirement Plan

For the year ended June 30, 2016 the Town recognized pension expense of \$4,756,232. At June 30, 2016, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Town Police Plan	
	Deferred Inflows of Resources	Deferred Outflows of Resources
Deferred Inflows / Outflows:		
Differences between expected and actual experience	\$ (921,824)	\$ -
Changes of assumptions	(92,225)	-
Net difference between projected and actual earnings	-	874,013
Total	\$ (1,014,049)	\$ 874,013

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

	Net Deferred Inflows/Outflows of Resources
Year ended June 30:	
2017	766
2018	766
2019	767
2020	(74,757)
2021	(67,578)
Net Total	(140,036)

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 16 - PENSION PLANS (continued)

3. Coventry Teacher's Alliance School Related Personnel (CTASRP) Pension Plan

Plan Description

The Coventry Teacher's Alliance School Related Personnel Pension Plan covers school related personnel (non-teaching personnel) who are members of the bargaining unit. As of the September 1, 2013 actuarial valuation date, there were 345 plan members of which 197 were active members. Each school employee who is a member of the Union shall be a participant of the plan. Participants contribute 8% of their annual compensation received in a Plan year. The Town makes two types of annual contributions to the plan. The first such amount as is set forth under the relevant terms of the collective bargaining agreement between the Employer and the Union and is equal to 12.75% of the regular payroll of employees subject to the Plan. The second such amount shall be annually determined by an actuary for the Plan.

The pension plan is considered to be a single-employer defined benefit pension plan that was administered by an independent board of trustees as of December 31, 2016. This plan, originally established in April 1977, was most recently restated as of February 11, 2016 by the School Committee of the Town of Coventry and the CTA/SRP Local 1075 (the "Union") in accordance with Federal and State Statutes.

Under the provisions of the Plan, benefits vest after ten years of creditable service. A participant may retire at age 65 with ten years of creditable service or upon completion of thirty years of creditable service, regardless of age, for full benefits, or age 60 with fifteen years of creditable service for reduced benefits. Benefits fully vest after ten years of service. An employee's annual pension is determined by multiplying a specified percentage to the employee's annual compensation and the number of years of service.

In addition to pension benefits, this plan also provides disability and death benefits. A participant is entitled to receive disability benefits determined at the date of disability retirement, in an amount equal to the actuarial equivalent of accrued benefit the employee must be separates from service by reason of total and permanent disability. The condition must have existed for a period of at least three months and must prevent the participant from engaging in substantial gainful activity.

Death benefits are available to qualified employees. A participant's beneficiary shall be entitled to death benefits equal to the actuarial equivalent of the participant's accrued benefit, determined as of the date of death. Qualified pre-retirement survivor annuity benefits provide a monthly pension benefit equal to the amount which the spouse would have received if the participant had retired on the day before death and elected a joint and 50% surviving spouse annuity which was the actuarial equivalent of the vested accrued benefit.

The Plan does not provide for Cost of Living Adjustments (COLA's).

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 16 - PENSION PLANS – (continued)

3. Coventry Teacher’s Alliance School Related Personnel (CTASRP) Pension Plan

Plan Status

On March 5, 2014 an Actuarial Valuation Report was issued on the “Coventry School Employees” Pension Plan” that reported an Unfunded Actuarial Accrued Liability (UAAL) of \$24,100,770 using a valuation date of September 1, 2013 and also, reported a Net Pension Obligation (NPO) of \$4,646,437 as of June 30, 2013. As of 9/1/13, the Plan was 31.7% funded, thus meaning that it is critical status. The Plan’s actuary (The Angell Pension Group) had determined that absent of additional funding, the Plan will have insufficient funds to pay benefits and will fail.

In May 2013, officials from the Town of Coventry, the Coventry School Department, and the SRP Pension Plan had an informational meeting with the state’s Pension Study Commission to discuss the SRP Pension Plan. The Town Council and School Committee defended their positions, through resolutions, that their funding responsibility was limited to making the contractually required contribution of 12.75% of covered payroll. At the urging of the Chair of the Pension Study Commission, the Town, the School Department, and SRP Pension Plan representatives have held several subsequent meetings amongst themselves to try to find a resolution to the problem.

The parties continued to meet during 2014. At the request of the then-Governor, a representative from the Governor’s Office and the State Director of Revenue started attending meetings in the summer of 2014 to help move the process along. The Department of Municipal Finance offered the services of the state’s consulting actuary (Sherman Actuarial Services), who ran various actuarial scenarios in an effort create a revised FIP that would be favorable to all interested parties. Meetings were held in November and December of 2014 in which the actuarial scenarios were discussed. At the November meeting, all parties agreed there were sufficient areas of agreement on responsibility for the unfunded liability in order to draft a tentative agreement to present to all bodies for their consideration. A Tentative Agreement (TA) was signed in April 2015 by representatives of the Town of Coventry, Coventry School Department School Committee, Trustees of the Coventry School Employees Pension Plan and Trust, and the Coventry Teachers Alliance/School Related Personnel (Local 1075).The TA’s provisions include the following: Creation of a New Plan with modifications to the current Plan’s pension-benefit structure, the Town would pay the remaining actuarial-determined contribution, the Coventry School Department would be responsible for the administration of the New Plan, and the Trustees would not have a role once the New Plan is adopted by all parties. The Tentative Agreement was subject to and conditioned upon agreement on a final plan of action for the Coventry School Employees Pension Plan and Trust and would have no effect unless and until final agreement is reached on all issues and final ratification has been received from the Coventry Town Council, the Coventry School Department School Committee, and the Trustees of the Coventry School Employees Pension Plan and Trust.

**TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 16 - PENSION PLANS – (continued)

3. Coventry Teacher’s Alliance School Related Personnel (CTASRP) Pension Plan

The Town of Coventry's Solicitor had opined that the as of 6/30/15, none of the parties were responsible for any of the changes in the signed Tentative Agreement, including control of the Plan assets and the day-to-day administration of the Plan; therefore the Plan was not included as a pension trust fund within those financial statements and the net pension obligation for this plan had not been included on the Town's government-wide financial statements. Pension related note disclosures and required supplementary information had also not been included for this Plan. It was anticipated that the final draft of the New Plan - Plan Document would be distributed to and adopted by the Coventry Town Council, the Coventry School Department School Committee, and the Trustees of the Coventry School Employees Pension Plan and Trust during January or early February of 2016.

The Final Plan – Plan Document was approved by the Coventry Town Council, the Coventry School Department School Committee, and the Trustees of the Coventry School Employees Pension Plan and Trust in February 2016; however as of 12/31/16, control of the Plan assets and the day-to-day administration of the Plan were still with the Trustees of the Coventry School Employees Pension Plan and Trust. The School Department had asked to delay the implementation of the transfer of the Plan assets and the day-to-day management of the Plan until the School Department had an opportunity to administratively prepare to take the Plan over. While reviewing the approved Final Plan – Plan Document, the School Department determined that there were some differences between the language in the Final Plan – Plan Document and the previously signed Tentative Agreement regarding the administrative responsibility of the School Department. As a result, the control of the Plan assets and the day-to-day administration of the Plan have not been transferred to the School Department. The attorneys for the Town and the School Department are working on an Addendum to the Final Plan – Plan Document that they expect to present to the Coventry Town Council and the Coventry School Committee for their consideration in early 2017.

As such, the Plan is not included as a pension trust fund within these financial statements and the net pension obligation for this plan has not been included on the Town's government-wide financial statements. Pension related note disclosures and required supplementary information have also not been included for this Plan.

It is important to note that the financial terms of the Final Plan – Plan Document are still being adhered to as the modifications to the Plan's pension-benefit structure are still in force and the Town is still paying the newly instituted remaining actuarial-determined contribution and the pre-existing 12.75% of the regular payroll of employees as set forth in the collective bargaining agreement.

Required Contributions:

Fiscal Year Ended June 30,	Annual Required Pension Cost	Annual Required Pension Cost	Percent Contributed
	Town	Employees	Both Plans
2015	688,710	432,052	100%
2014	688,850	432,389	100%
2013	656,923	412,187	100%

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 16 - PENSION PLANS – (continued)

4. Employee's Retirement System of the State of Rhode Island (ERS)

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.

General Information about the Pension Plan

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

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

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

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

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

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 16 - PENSION PLANS – (continued)

4. Employee’s Retirement System of the State of Rhode Island (ERS)

Contributions - The funding policy, as set forth in the General Laws, Section 16-16-22, provides for actuarially determined periodic contributions to the plan. For fiscal 2015, Coventry School Department teachers were required to contribute 3.75% of their annual covered salary. The state and the Coventry 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 Coventry School Department; the rates were 9.41% and 13.73% of annual covered payroll for the fiscal year ended June 30, 2016 for the state and Coventry School Department, respectively. The Coventry School Department contributed \$5,021,844, \$4,610,827 and \$4,364,664 for the fiscal years ended June 30, 2016, 2015 and 2014, respectively, equal to 100% of the required contributions for each year.

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

At June 30, 2016, the Coventry School Department reported a liability of \$60,158,353 for its proportionate share of the net pension liability that reflected a reduction for contributions made by the state. The amount recognized by the Coventry School Department as its proportionate share of the net pension liability, the related state support and the total portion of the net pension liability that was associated with the Coventry School Department were as follows:

Coventry School Dept's proportionate share of the net pension liability	\$ 60,158,353
State's proportionate share of the net pension liability associated with the Coventry School Dept.	<u>41,098,299</u>
Total net pension liability	<u><u>\$ 101,256,652</u></u>

The net pension liability was measured as of June 30, 2015, 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, 2014 rolled forward to June 30, 2015. The Coventry School Department’s proportion of the net pension liability was based on a projection of the Coventry 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, 2015 the Coventry School Department proportion was 2.18519050%.

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 16 - PENSION PLANS – (continued)

4. Employee’s Retirement System of the State of Rhode Island (ERS)

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

For the year ended June 30, 2016 the Coventry School Department recognized gross pension expense of \$12,198,525 and revenue of \$4,990,452 for support provided by the State. At June 30, 2016 the Coventry School Department reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Deferred outflows of resources:

Net difference between projected and actual investment earnings	\$ 3,389,629
Contributions made subsequent to the measurement date	<u>5,021,844</u>
Total	<u><u>\$ 8,411,473</u></u>

Deferred inflows of resources:

Difference between expected and actual experience	\$ 391,713
Changes in proportion and difference between employer contributions and proportionate share of contributions	741,808
Change of Assumptions	1,617,261
Net difference between projected and actual earnings on pension plan investments	<u>3,435,013</u>
Total	<u><u>\$ 6,185,795</u></u>

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 16 - PENSION PLANS – (continued)

4. Employee’s Retirement System of the State of Rhode Island (ERS)

\$5,021,844 reported as deferred outflows of resources related to pensions resulting from the Coventry School Department’s contributions in fiscal year 2016 subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2016	\$ 739,552
2017	\$ 739,552
2018	\$ 739,552
2019	\$ (405,452)
2020	\$ 441,955
thereafter	<u>\$ 541,007</u>
	<u>\$ 2,796,166</u>

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

Inflation	2.75%
Salary increases	3.50% to 6.50%
Investment rate of return	7.50%

Mortality – male and female teachers: 97% and 92%, respectively of rates in a GRS table based on male and female teacher experience, projected with Scale AA from 2000.

The actuarial assumptions used in the June 30, 2014 valuation rolled forward to June 30, 2015 and the calculation of the total pension liability at June 30, 2015 were consistent with the results of an actuarial experience study performed as of June 30, 2013.

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 23 sources. The June 30, 2015 expected arithmetic returns over the long-term (20 years) by asset class are summarized in the following table:

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 16 - PENSION PLANS – (continued)

4. Employee’s Retirement System of the State of Rhode Island (ERS)

<u>Type of Investment</u>	<u>Target Allocation</u>	<u>Long-term expected real rate of return</u>
Global Equity:	38.0%	-
U.S. Equity	-	6.93%
International Developed	-	7.32%
International Emerging Markets	-	9.52%
Equity Hedge Funds	8.0%	3.98%
Private Equity	7.0%	9.99%
Core Fixed Income	15.0%	2.18%
Absolute Return Hedge Funds	7.0%	3.98%
Infrastructure	3.0%	5.70%
Real Estate	8.0%	4.85%
Other Real Return Assets:	11.0%	-
Master Limited Partnerships	-	4.51%
Credit	-	4.51%
Inflation Linked Bonds	-	1.24%
Cash, Overlay, Money Market	<u>3.0%</u>	7.80%
	100.0%	

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.

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

Discount rate - the discount rate used to measure the total pension liability was 7.5 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 COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 16 - PENSION PLANS – (continued)

4. Employee’s Retirement System of the State of Rhode Island (ERS)

Sensitivity of the net pension liability (asset) to changes in the discount rate - the following presents the net pension liability (asset) calculated using the discount rate of 7.5 percent as well as what the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate.

1.00% Decrease (6.5%)	Current Discount Rate (7.5%)	1.00% Increase (8.5%)
\$ 75,438,091	\$ 60,158,353	\$ 47,649,725

Pension plan fiduciary net position - detailed information about the pension plan’s fiduciary net position is available in the separately issued ERSRI financial report.

5. Defined Benefit Pension Plan (Survivors Benefit)

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pension, and pension expense, information about the fiduciary net position of the Teachers’ Survivors Benefit plan (TSB) and the additions to/deductions from TSB fiduciary net position have been determined on the same basis as they are reported by TSB. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

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

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

**TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 16 - PENSION PLANS – (continued)

5. Defined Benefit Pension Plan (Survivors Benefit)

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

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

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

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

Highest Annual Salary	Basic Monthly Spouses' Benefit
\$17,000 or less	\$ 750
\$17,001 to \$25,000	\$ 875
\$25,000 to \$33,000	\$ 1,000
\$33,001 to \$40,000	\$ 1,125
\$40,001 and over	\$ 1,250

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

Parent and 1 child	Parent and 2 or more children	One child alone	Two children alone	Three or more children alone	Dependent parent
150%	175%	75%	150%	175%	100%

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 16 - PENSION PLANS – (continued)

5. Defined Benefit Pension Plan (Survivors Benefit)

Contributions - The contribution requirements of active employees and the participating school districts were established under Chapter 16-16 of the Rhode Island General Laws, which may be amended by the General Assembly. The cost of the benefits provided by the plan are two percent (2%) of the member's annual salary up to but not exceeding an annual salary of \$9,600; one-half (1/2) of the cost is contributed by the member by deductions from his or her salary, and the other half (1/2) is contributed and paid by the respective school district by which the member is employed. These contributions are in addition to the contributions required for regular pension benefits.

The Coventry School Department contributed \$43,597, \$43,914 and \$33,821 for the fiscal years ended June 30, 2016, 2015 and 2014, respectively, equal to 100% of the required contributions for each year.

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

At June 30, 2016 the Coventry School Department reported an asset of \$6,794,407 for its proportionate share of the net pension asset related to its participation in TSB. The net pension asset was measured as of June 30, 2015, the measurement date, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of June 30, 2014 rolled forward to June 30, 2015. The Coventry School Department's proportion of the net pension asset was based on its share of contributions to the TSB for fiscal year 2015 relative to the total contributions of all participating employers for that fiscal year. At June 30, 2015 the Coventry School Department's proportion was 7.27798561%.

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 16 - PENSION PLANS – (continued)

5. Defined Benefit Pension Plan (Survivors Benefit)

For the year ended June 30, 2015 the Coventry School Department recognized pension expense of \$(416,139) – a decrease in the net pension asset. At June 30, 2016 the Coventry School Department reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Deferred Outflows of resources	
Difference between expected and actual experience	1,570,862
Net difference between projected and actual investment earnings	863,336
Changes in proportion and differences between employer contributions and proportionate share of contributions	135,810
Contributions subsequent to the measurement date	43,597
	\$ 2,613,605
Deferred inflows of resources	
Net difference between projected and actual earnings on pension plan investments	\$ 888,099

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 16 - PENSION PLANS – (continued)

5. Defined Benefit Pension Plan (Survivors Benefit)

\$43,597 reported as deferred outflows of resources related to pensions resulting from the Coventry School Department's contributions in fiscal year 2016 subsequent to the measurement date will be recognized as an addition to the net pension asset for the year ended June 30, 2016. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2017	127,645
2018	127,645
2019	127,645
2020	423,678
2021	207,844
Thereafter	<u>667,452</u>
	<u><u>1,681,909</u></u>

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

Inflation	2.75%
Salary increases	3.50% to 13.50%
Investment rate of return	7.50%

Mortality rates for male and female teachers were based on 97% (males) and 92% (females) of rates in a GRS table based on male and female teacher experience, projected with scale AA from 2000.

Cost of living adjustment – eligible survivors receive a yearly cost of living adjustment based on the annual social security adjustment – for valuation purposes, a 2.75% cost of living adjustment is assumed.

The actuarial assumptions used in the June 30, 2014 valuation rolled forward to June 30, 2015 and the calculation of the total pension liability at June 30, 2015 were consistent with the results of an actuarial experience study performed as of June 30, 2013.

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 collective summary of capital market expectations from 23 sources. The June 30, 2015 expected arithmetic returns over the long-term (20 years) by asset class are summarized in the following table:

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 16 - PENSION PLANS – (continued)

5. Defined Benefit Pension Plan (Survivors Benefit)

Type of Investment	Target Allocation	Long-term expected real rate of return
Global Equity:	38.0%	-
U.S. Equity	-	6.93%
International Developed	-	7.32%
International Emerging Markets	-	9.52%
Equity Hedge Funds	8.0%	3.98%
Private Equity	7.0%	9.99%
Core Fixed Income	15.0%	2.18%
Absolute Return Hedge Funds	7.0%	3.98%
Infrastructure	3.0%	5.70%
Real Estate	8.0%	4.85%
Other Real Return Assets:	11.0%	-
Master Limited Partnerships	-	4.51%
Credit	-	4.51%
Inflation Linked Bonds	-	1.24%
Cash, Overlay, Money Market	3.0%	7.80%
	100.0%	

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

Discount rate - the discount rate used to measure the total pension liability was 7.5 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from the employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the net pension liability (asset) to changes in the discount rate - the following presents the net pension liability (asset) calculated using the discount rate of 7.5 percent as well as what the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate.

1.00% Decrease (6.5%)	Current Discount Rate (7.5%)	1.00% Increase (8.5%)
\$ (5,276,377)	\$ (6,794,407)	\$ (8,036,705)

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 COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 16 - PENSION PLANS – (continued)

6. School Administration Pension Plan

The Town of Coventry contributes to the School Administration Pension Plan. This plan is a defined contribution plan that covers certain school administrators who do not qualify for other school pension plans. The plan was established by the Town in accordance with the Town Charter and Federal and State Statutes.

The Town makes contributions to this plan based on the Town’s contribution requirements for the Certified School Employees Pension Plan. In addition, participants may contribute a percentage of their annual salary to the plan based on applicable tax law. Under the provisions of the plan, benefits vest in the Town’s contributions after three years of creditable service. This pension plan also provides disability and death benefits.

As of June 30, 2015 employee membership data related to this plan was as follows:

Active members	7
Inactive members	<u>2</u>
Total	9

Required Contributions:

Fiscal Yr Ended June 30,	Required Pension Cost	Percentage Contributed
2016	67,797	100%
2015	44,186	100%
2014	60,460	100%

7. Town Administration 401a Pension and 457 Deferred Comp Plan

The Town of Coventry contributes up to 8% to a defined contribution 401a plan established for certain town employees who do not participate in other town pension plans. The plan was established in accordance with the Town Charter, and Federal and State statutes. The plan provides for 100% vesting from the day of enrollment. One employee was enrolled in FY 2016, with contributions of \$5,032 being made on their behalf.

Required Contributions:

Fiscal Yr Ended June 30,	Annual Required Pension Cost	Percentage Contributed
2016	5,032	100%
2015	11,355	100%
2014	18,260	100%

**TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 16 - PENSION PLANS – (continued)

8. Defined Contribution Plan

A. State of Rhode Island Defined Contribution Retirement Plan

Employees participating in the defined benefit plan, as described above, also participate in a defined contribution plan authorized by General Law Chapter 36-10.3. The defined contribution plan is established under IRS section 401(a) and is administered by TIAA-CREF. Employees may choose among various investment options available to plan participants. As of July 1, 2015, due to pension settlement, contributions are as follows for employees with a certain number of years as of June 30, 2012:

	<u>CERTIFIED</u>	
	<u>Employee</u>	<u>Employer</u>
20 plus years	0%	0%
15 years/less than 20	7%	3.5%
10 years/less than 15	7%	3.25%
Less than 10 years	7%	3%

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 Coventry School Department recognized pension expense of \$782,305, for the fiscal year ended June 30, 2016.

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 COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 16 - PENSION PLANS – (continued)

8. Defined Contribution Plan

B. Local Defined Contribution Plan

Plan Description

In fiscal year 2014, the Town created a new defined contribution plan for employees hired after July 1, 2013. The Plan, which is a single-employer public employees defined contribution plan, was established by the Town Council in accordance with the Town charter and Federal and State statutes. Under the provisions of the Plan, all employees hired on or after July 1, 2013 are able to participate in a defined contribution plan in which the Town will match employee contributions, up to 10% of an employee’s annual base wage, the terms of which shall be negotiated by the parties. Employee contributions are 100% vested from day one of employment.

As of June 30, 2016 employee membership data related to this plan was as follows:

Active members	15
Inactive members	<u>2</u>
Total	17

Required Contributions:

Fiscal Yr Ended June 30,	Required Pension Cost	Percentage Contributed
2016	49,088	100%
2015	24,393	100%
2014	9,629	100%

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 17 – OTHER POST EMPLOYMENT BENEFITS

Plan Description

In addition to the pension benefits described above, the Town provides post-employment health care benefits in accordance with Town union contracts. These benefits are for continued full family or individual health care for the employee groups as described below. Retiree medical coverage is only to age 65, while dental continues post-65.

Town Hall Employees

Members of this group are eligible to receive medical and dental benefits for themselves and their spouse at the earlier of age 62 or age 55 with 10 years of service. The cost of benefits is 100% retiree-paid.

Membership as of July 1, 2015

Active members -	77
Retired members -	1
Spouses of retirees -	<u>0</u>
Total	<u>78</u>

Police Employees

Members of this group are eligible to receive medical and dental benefits for themselves and their spouse at the earlier of:

1. Schedule A (hired prior to 1/1/1994): 20 years of service
2. Schedule B (hired after 1/1/1994 but prior to January 1, 2013): 23 years of service
3. Schedule C (hired after 1/1/2013): 25 years of service

The cost of benefits is 100% retiree-paid.

Membership as of July 1, 2015

Active members -	55
Retired members -	10
Spouses of retirees -	<u>6</u>
Total	<u>71</u>

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 17 – OTHER POST EMPLOYMENT BENEFITS (continued)

School Teachers and Administrators

Members of this group who have retired under the Employees’ Retirement System of Rhode Island, with a minimum of 15 years of service with the Coventry School District are eligible to receive medical and dental benefits for themselves and their spouse at the earlier of:

1. Schedule A (vested prior to 7/1/05)
 - a. 28 years of service
 - b. Age 60 with 10 years of service
2. Schedule B (vested after 7/1/05)
 - a. Age 65 with 10 years of service
 - b. Age 59 with 29 years of service

The cost of benefits is as follows:

1. Pre-65: The District pays an annual health premium not to exceed \$1,200 for members and their spouses from their date of retirement through age 64.
2. Post-65: The District pays an annual health premium not to exceed \$1,000 for members and their spouses.

Membership as of July 1, 2015

Active members -	412
Retired members -	257
Spouses of retirees -	<u>153</u>
Total	<u>822</u>

School Others

Members who have retired from the Coventry School District shall be eligible to receive medical and dental benefits for themselves and their spouse at the earlier of 30 years of service or age 58 with 10 years of service. The cost of benefits for other school employees is limited. For a period of six years following the member’s retirement date, the School District pays an annual health premium not to exceed \$1,200. There are no OPEB benefits beyond the initial six years after retirement.

Membership as of July 1, 2015

Active members -	173
Retired members -	19
Spouses of retirees -	<u>0</u>
Total	<u>192</u>

Funding Policy

The Town pays for the other post-employment benefits on a pay-as-you-go basis. The annual medical & dental benefits premium cost for fiscal year ended June 30, 2016 was \$109,189 for Town employees and \$192,961 for School employees.

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 17 – OTHER POST EMPLOYMENT BENEFITS (continued)

The following chart projects the “Actuarial Required Contribution (“ARC”), Pay-As-You-Go, Annual OPEB cost and the Net OPEB Obligation for the next five years under an unfunded (pay-as-you-go) scenario.

Actuarial Valuation Date	Actuarial Value of Assets (a)	Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	Percentage of Covered Payroll ((b-a)/c)
7/1/2011	-	12,523,000	12,523,000	-	44,622,000	28.06%
7/1/2013	-	16,443,000	16,443,000	-	44,842,000	36.67%
7/1/2015	-	16,319,000	16,319,000	-	45,338,000	35.99%

Annual OPEB Cost and Net OPEB Obligation

Actuarial Methods and Assumptions

The information presented was determined as part of the actuarial valuation. Additional information as of the last valuation follows:

Valuation Date:	July 1, 2015
Discount Rate	4.00%
Inflation Rate	2.75%
Medical Inflation Rate	5.28% - 4.40% over 77 years
Dental Inflation Rate	3.00%
Actuarial Cost Method:	Projected Unit Credit Cost Method
Asset Valuation Method:	Plan is currently unfunded
Payroll Growth Rate:	4.00%
Amortization Method:	Level dollar

THREE YEAR TREND INFORMATION

Fiscal Yr Ended June 30,	OPEB Cost	Actual Contribution	Cost Contributed	Net OPEB Obligation
2016	1,501,777	856,732	57.05%	3,451,836
2015	1,464,049	873,179	59.64%	2,806,791
2014	1,195,785	777,000	64.98%	2,215,921

Annual OPEB Cost and Net OPEB Obligation: Below are the required OPEB obligation presentations per GASB 45 for the period ending June 30, 2016:

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 17 – OTHER POST EMPLOYMENT BENEFITS (continued)

	2016
Annual required contribution	\$ 1,603,210
Interest on NOO	112,272
Adjustment to annual required contribution	<u>(213,705)</u>
Annual OPEB cost	1,501,777
Contributions made	(856,732)
Increase (decrease) in NOO	<u>645,045</u>
NOO Beginning of Fiscal year	<u>2,806,791</u>
NOO End of Fiscal Year	<u><u>\$ 3,451,836</u></u>

NOTE 18 - RISK MANAGEMENT

The Town of Coventry 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 non-profit, 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 the 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 \$5,000,000 per occurrence. Settled claims resulting from these risks have not exceeded the Trust coverage in any of the past three fiscal years. And it is not anticipated that the risks will exceed the trust coverage in the current year. There were no reductions in the insurance coverage during the fiscal year up and through the report date.

The town insures the entire risk arising from employee related health issues through the purchase of standard health insurance policies for all employees. Policy costs are charged in full to insurance expense in the general, special revenue and enterprise funds on a monthly basis. There are no retrospective adjustments to the monthly premiums charged to the town. The carrier, in advance of the new policy year and to account for the town's historical costs, adjusts the premiums annually.

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 18 - RISK MANAGEMENT (continued)

Self-insurance:

The School Department participates in a multi-employer cost reimbursement healthcare self-insurance risk pool managed by West Bay Community Health (WBCH). The School Department pays WBCH monthly premiums based upon "working rates" that are periodically adjusted to reflect changes in actual costs. Funds on deposit with WBCH are made available to pay claims, claim reserves and administrative costs. As of June 30, 2016, the reported premiums exceeded expenditures on deposit by \$93,895. Incurred but not reported (IBNR) claims, of \$243,671 resulted in a \$2,552,017 balance in the net adjusted reserve.

Liabilities of the fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for IBNR claims. The result of the process to estimate the claims liability is not an exact amount as it depends on many complex factors, including retroactive assessments for hospital costs and other settlements occurring after the end of the fiscal year and not determinable at the end of the fiscal year. An excess coverage insurance policy covers individual claims exceeding \$125,000.

Changes in the deposit balance for fiscal year 2016 is as follows:

	Year ended June 30, 2016
Beginning cumulative surplus (deficit)	\$ 2,381,120
Premium deposits	7,928,426
Incurred claims (excluding IBNR)	(7,834,531)
Administrative fees	(194,088)
Ending cash deposit balance	2,280,927
Estimated IBNR (two month estimate)	(243,671)
Run out reserve balance	514,761
Net adjusted reserve	\$ 2,552,017

NOTE 19 – SUBSEQUENT EVENT

Management has evaluated subsequent events through February 2, 2017 the date the financial statements were available to be issued.

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 20 – PRIOR PERIOD RESTATEMENT

Governmental Activities – Net Position

The Town's Net Position as of June 30, 2015 is being restated due to a net overstatement of construction in progress in the Governmental Activities of the Government-Wide financial statements. The major item affecting this restatement was due to a recognition of construction in progress in the Business Activities and in the Governmental Activities of the Statement of Net Position. The net adjustment to the Governmental Activities resulted in a decrease in Net Position of \$1,407,699.

REQUIRED SUPPLEMENTARY INFORMATION

REQUIRED SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Budgetary Comparison Schedule-General Fund
Schedule of Revenues and Expenditures (Budgetary Basis and Actual)
For the Fiscal Year Ended June 30, 2016

	<u>Original Budgeted</u>	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:				
General property taxes	\$ 67,661,558	\$ 67,661,558	\$ 67,685,504	\$ 23,946
Other taxes	963,097	963,097	936,460	(26,637)
Intergovernmental revenue	2,643,168	2,643,168	2,026,484	(616,684)
Licenses, fees and permits	748,550	748,550	864,108	115,558
Fines and interest on late payments	557,485	557,485	518,517	(38,968)
Interest on investments	148,097	148,097	195,807	47,710
Other revenue	928,631	928,631	1,499,266	570,635
Total revenues	<u>73,650,586</u>	<u>73,650,586</u>	<u>73,726,146</u>	<u>75,560</u>
Expenditures:				
Legislative, judicial and general administrative	1,560,296	1,556,096	1,567,675	(11,579)
Financial administrative	750,367	750,367	758,092	(7,725)
Public safety	12,017,232	12,351,094	12,350,325	769
Public works	5,341,017	5,282,900	5,085,454	197,446
Parks & Recreation	2,075,168	2,046,353	1,995,553	50,800
Human resources	787,585	773,855	795,537	(21,682)
Planning & Development	332,568	332,568	307,910	24,658
General government	3,809,047	3,580,047	3,583,411	(3,364)
Debt service:				
Principal payments	3,192,000	3,192,000	3,193,000	(1,000)
Interest and fiscal charges	1,246,419	1,246,419	1,226,802	19,617
Total expenditures	<u>31,111,699</u>	<u>31,111,699</u>	<u>30,863,759</u>	<u>247,940</u>
Excess/(deficiency) of revenues over expenditures	<u>42,538,887</u>	<u>42,538,887</u>	<u>42,862,387</u>	<u>323,500</u>
Other financing sources/(uses):				
Premium on issuance of debt	-	-	201,132	201,132
Use of prior years surplus	66,140	66,140	66,140	-
Transfers (to) other funds	(120,000)	(120,000)	(368,657)	(248,657)
Transfers from other funds	170,701	170,701	170,701	-
School appropriation	(42,655,728)	(42,655,728)	(42,655,728)	-
Total other financing sources	<u>(42,538,887)</u>	<u>(42,538,887)</u>	<u>(42,586,412)</u>	<u>(47,525)</u>
Excess/(deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 275,975</u>	<u>\$ 275,975</u>

REQUIRED SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Budgetary Comparison Schedule - General Fund
Schedule of Revenues - Budget and Actual (Budgetary Basis)
For the Fiscal Year Ended June 30, 2016

	<u>Original Budget Revenues</u>	<u>Revised Budget Revenues</u>	<u>Actual Revenues</u>	<u>Variance</u>
General property taxes				
Real Estate Taxes - Current	\$ 59,401,345	\$ 59,401,345	\$ 59,157,052	\$ (244,293)
Real Estate Taxes - Prior	557,120	557,120	530,130	(26,990)
Real Estate Taxes - Debt Service - School	1,210,957	1,210,957	1,479,678	268,721
Real Estate Taxes - Debt Service - Town	1,282,494	1,282,494	1,282,494	-
Motor Vehicle Excise Tax	5,209,642	5,209,642	5,236,150	26,508
Total general property taxes	<u>67,661,558</u>	<u>67,661,558</u>	<u>67,685,504</u>	<u>23,946</u>
Other Taxes				
Telephone Tax	474,601	474,601	450,490	(24,111)
Hotel Tax	89,853	89,853	96,031	6,178
Meal and Beverage Tax	398,643	398,643	389,939	(8,704)
Total other taxes	<u>963,097</u>	<u>963,097</u>	<u>936,460</u>	<u>(26,637)</u>
Intergovernmental Revenue				
State Aid School Housing	1,713,487	1,713,487	1,444,766	(268,721)
State Aid Revaluation	97,200	97,200	-	(97,200)
State Reimbursement Energy Bond	261,341	261,341	-	(261,341)
Payment in Lieu of Taxes	60,979	60,979	66,898	5,919
State Aid to Libraries	97,718	97,718	97,717	(1)
Municipal Incentive Aid	166,346	166,346	171,006	4,660
State Reimbursement Auto Tax	246,097	246,097	246,097	-
Total Intergovernmental Revenue	<u>2,643,168</u>	<u>2,643,168</u>	<u>2,026,484</u>	<u>(616,684)</u>
Licenses and Permits				
Building Permits	110,430	110,430	213,917	103,487
Plumbing and Heating	17,322	17,322	23,422	6,100
Electrical Permits	16,510	16,510	26,164	9,654
Recording Fees	314,429	314,429	325,624	11,195
Probate Fees	50,506	50,506	54,969	4,463
Marriage Licenses	1,333	1,333	1,264	(69)
Dog Licenses	17,898	17,898	15,618	(2,280)
Animal Rescue Fees	15,463	15,463	9,507	(5,956)
Realty Fees	40,000	40,000	40,000	-
Alcoholic Beverage Licenses	23,860	23,860	21,300	(2,560)
Hunting and Fishing Licenses	22	22	26	4
Library Fees	25,149	25,149	22,639	(2,510)
Planning Commission Fees	10,023	10,023	7,980	(2,043)
Planning Commission Steno Fees	1,657	1,657	4,635	2,978
Miscellaneous Fees	103,948	103,948	97,043	(6,905)
Total Licenses and Permits	<u>748,550</u>	<u>748,550</u>	<u>864,108</u>	<u>115,558</u>

(continued)

REQUIRED SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Budgetary Comparison Schedule - General Fund
Schedule of Revenues - Budget and Actual (Budgetary Basis)
For the Fiscal Year Ended June 30, 2016
(continued)

	<u>Original Budget Revenues</u>	<u>Revised Budget Revenues</u>	<u>Actual Revenues</u>	<u>Variance</u>
Fines and Interest on Late Payments				
Interest and Penalties	557,485	557,485	518,517	(38,968)
Total Fines and Interest on Late Payments	<u>557,485</u>	<u>557,485</u>	<u>518,517</u>	<u>(38,968)</u>
Interest on Investments				
Interest Earnings	148,097	148,097	195,807	47,710
Total Interest on Investments	<u>148,097</u>	<u>148,097</u>	<u>195,807</u>	<u>47,710</u>
Other Revenue				
Police Car Rental	93,830	93,830	118,090	24,260
Municipal Court	33,300	33,300	51,353	18,053
Westwood Reimbursement	7,500	7,500	9,964	2,464
Land Trust Fees	215,030	215,030	348,888	133,858
Miscellaneous Receipts	578,971	578,971	970,971	392,000
Total Other Revenue	<u>928,631</u>	<u>928,631</u>	<u>1,499,266</u>	<u>570,635</u>
Total Revenue	<u>73,650,586</u>	<u>73,650,586</u>	<u>73,726,146</u>	<u>75,560</u>
Other Financing Sources and transfers				
Premium on issuance of debt	-	-	201,132	201,132
Use of prior years surplus	66,140	66,140	66,140	-
Transfer from School Energy Bond	58,701	58,701	58,701	-
Transfer from Other Funds	112,000	112,000	112,000	-
Total Other Financing Sources	<u>236,841</u>	<u>236,841</u>	<u>437,973</u>	<u>201,132</u>
Total Town Revenue	<u>\$ 73,887,427</u>	<u>\$ 73,887,427</u>	<u>\$ 74,164,119</u>	<u>\$ 276,692</u>

(concluded)

REQUIRED SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Budgetary Comparison Schedule - General Fund
Schedule of Expenditures - Budget and Actual (Budgetary Basis)
For the Fiscal Year Ended June 30, 2016

	<u>Original Budgeted Expenditures</u>	<u>Revised Budgeted Expenditures</u>	<u>Actual Expenditures</u>	<u>Variance</u>
Legislative, Judicial and General Administrative				
Town Council	\$ 25,821	\$ 25,821	\$ 25,568	\$ 253
Town Manager	322,255	318,055	331,938	(13,883)
Information Technology	340,434	340,434	312,612	27,822
Town Clerk	295,840	295,840	331,659	(35,819)
Town Solicitor	416,500	416,500	442,082	(25,582)
Board of Canvassers	99,047	99,047	66,486	32,561
Probate Court	17,873	17,873	16,252	1,621
Municipal Court	42,526	42,526	41,078	1,448
Total Legislative, Judicial and General Administrative	<u>1,560,296</u>	<u>1,556,096</u>	<u>1,567,675</u>	<u>(11,579)</u>
Financial Administration				
Treasurer	321,141	321,141	321,440	(299)
Board of Assessment Review	4,296	4,296	2,522	1,774
Tax Assessor	193,578	193,578	201,995	(8,417)
Tax Collector	231,352	231,352	232,135	(783)
Total Financial Administration	<u>750,367</u>	<u>750,367</u>	<u>758,092</u>	<u>(7,725)</u>
Public Safety				
Police	11,745,938	12,079,800	12,095,860	(16,060)
Animal Control	220,025	220,025	212,213	7,812
Emergency Management	19,075	19,075	12,162	6,913
Town Sergeant	2,335	2,335	2,311	24
Crossing Guards	29,859	29,859	27,779	2,080
Total Public Safety	<u>12,017,232</u>	<u>12,351,094</u>	<u>12,350,325</u>	<u>769</u>
Public Works				
Engineering	110,820	110,820	103,992	6,828
Inspection and Permits	219,919	219,919	201,917	18,002
Roads and Bridges	2,052,389	2,013,378	1,949,299	64,079
Snow Removal	286,988	286,988	295,316	(8,328)
Building Maintenance	471,395	471,395	519,921	(48,526)
Refuse Collection	786,532	767,426	735,883	31,543
Refuse Disposal	502,380	502,380	459,535	42,845
Vehicle Maintenance	910,594	910,594	819,591	91,003
Total Public Works	<u>5,341,017</u>	<u>5,282,900</u>	<u>5,085,454</u>	<u>197,446</u>

(continued)

REQUIRED SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Budgetary Comparison Schedule - General Fund
Schedule of Expenditures - Budget and Actual (Budgetary Basis)
For the Fiscal Year Ended June 30, 2016
Continued

	<u>Original Budgeted Expenditures</u>	<u>Revised Budgeted Expenditures</u>	<u>Actual Expenditures</u>	<u>Variance</u>
Human Resources				
Human Services	787,585	773,855	795,537	(21,682)
Total Human Resources	<u>787,585</u>	<u>773,855</u>	<u>795,537</u>	<u>(21,682)</u>
Parks and Recreation				
Public Libraries	987,955	987,955	987,955	-
Recreation	1,087,213	1,058,398	1,007,598	50,800
Total Parks and Recreation	<u>2,075,168</u>	<u>2,046,353</u>	<u>1,995,553</u>	<u>50,800</u>
Planning and Development				
Planning Commission	15,191	15,191	13,993	1,198
Planning Department	294,838	294,838	277,051	17,787
Zoning Board	10,363	10,363	10,272	91
Conservation Commission	1,500	1,500	650	850
Land Trust Commission	1,615	1,615	1,085	530
Economic Development	1,777	1,777	-	1,777
Historic District Commission	3,215	3,215	1,140	2,075
Coventry Housing Authority	4,069	4,069	3,719	350
Total Planning and Development	<u>332,568</u>	<u>332,568</u>	<u>307,910</u>	<u>24,658</u>
General Government				
Town General	3,516,547	3,287,547	3,448,624	(161,077)
Capital	292,500	292,500	134,787	157,713
Total General Government	<u>3,809,047</u>	<u>3,580,047</u>	<u>3,583,411</u>	<u>(3,364)</u>
Debt Service				
Principal	3,192,000	3,192,000	3,193,000	(1,000)
Interest	1,246,419	1,246,419	1,226,802	19,617
Total Debt Service	<u>4,438,419</u>	<u>4,438,419</u>	<u>4,419,802</u>	<u>18,617</u>
Other Financing Uses				
Transfers to School Unrestricted	42,655,728	42,655,728	42,655,728	-
Transfers to Land Trust	120,000	120,000	194,444	(74,444)
Transfers to Capital Fund	-	-	157,713	(157,713)
Transfers to Other Funds	-	-	16,500	(16,500)
Total Other Uses	<u>42,775,728</u>	<u>42,775,728</u>	<u>43,024,385</u>	<u>(248,657)</u>
Total Expenditures and Other Financing Uses	<u><u>\$ 73,887,427</u></u>	<u><u>\$ 73,887,427</u></u>	<u><u>\$ 73,888,144</u></u>	<u><u>\$ (717)</u></u>

(concluded)

REQUIRED SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Schedule of Revenues and Expenditures
Budget (Budgetary Basis) and Actual
Special Revenue Funds - School Unrestricted
For the Fiscal Year Ended June 30, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues				
State Aid	\$ 21,709,040	\$ 21,709,040	\$ 21,650,854	\$ (58,186)
Federal Aid	625,000	625,000	726,486	101,486
Charges for Service	835,000	835,000	720,888	(114,112)
Miscellaneous	40,000	40,000	30,282	(9,718)
Total revenues	<u>23,209,040</u>	<u>23,209,040</u>	<u>23,128,510</u>	<u>(80,530)</u>
Expenditures				
Salaries	42,247,772	42,245,610	42,315,851	(70,241)
Employee benefits	14,366,099	14,366,099	14,055,729	310,370
Purchased services	6,624,995	6,701,749	6,939,610	(237,861)
Supplies and materials	2,075,454	2,062,320	1,965,071	97,249
Capital outlay	560,774	499,301	377,038	122,263
Other	175,362	175,377	69,867	105,510
Total expenditures	<u>66,050,456</u>	<u>66,050,456</u>	<u>65,723,166</u>	<u>(327,290)</u>
Excess of revenues over (under) expenditures before other financing sources	(42,841,416)	(42,841,416)	(42,594,656)	246,760
Other financing sources (uses)				
Operating transfers - Town appropriation	42,655,728	42,655,728	42,655,728	-
Transfer from Cell Tower Fund	70,000	70,000	70,000	-
Transfer from Restricted Funds	-	-	49	49
Transfer to Restricted Funds	-	-	(48,209)	(48,209)
Transfer to General Fund - Performance Bond	-	-	(58,701)	(58,701)
Budgeted use of Fund Balance	115,688	115,688	115,688	-
Total other financing sources/(uses)	<u>42,841,416</u>	<u>42,841,416</u>	<u>42,734,555</u>	<u>(106,861)</u>
Excess (deficiency) of revenue and other sources over expenditures and other uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 139,899</u>	<u>\$ 139,899</u>

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2016

The accompanying Statement of Revenues, Expenditures / Expenses (GAAP or Budgetary Basis Non-GAAP) presents comparisons of the legally adopted budget with actual data on a budgetary basis. Because accounting principals applied for purposes of developing data on a budgetary basis differ significantly from those used to present financial statements in conformity with GAAP, a reconciliation of resultant basis, entity and timing differences in the excess (deficiency) of revenues and other financial resources over expenditure / expenses and other uses of financial resources for the year ended June 30, 2016 is presented below:

	<u>General Fund</u>	<u>School Unrestricted</u>
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses (budgetary basis)	\$ 275,975	\$ 139,899
Excess of revenues and other sources over expenditures and other uses of funds classified with the General Fund for purposes of GASB Statement No. 54	77,244	28,023
Use of accumulated fund balance surplus	(66,140)	(115,688)
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses (GAAP basis)	\$ 287,079	\$ 52,234

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2016

Schedule of Changes in Net Pension Liability and Related Ratios
Coventry Municipal Employees' Retirement Plan
(in 1,000s)

	Fiscal Year Ending June 30,									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Total Pension Liability										
Service Cost	\$ 519	\$ 546	\$ 539	N/A						
Interest on Total Pension Liability	1,511	1,477	1,402	N/A						
Effect of Economic/Demographic Gains or Losses	(509)	(248)	-	N/A						
Effect of Assumption Changes or Inputs	(191)	-	-	N/A						
Benefit Payments	(803)	(690)	(695)	N/A						
Net Change in Total Pension Liability	527	1,085	1,246	N/A						
Total Pension Liability, beginning	22,159	21,074	19,828	N/A						
Total Pension Liability, ending (a)	<u>\$ 22,686</u>	<u>\$ 22,159</u>	<u>\$ 21,074</u>	N/A						
Fiduciary Net Position										
Employer Contributions	\$ 864	\$ 829	\$ 1,080	N/A						
Member Contributions	515	446	447	N/A						
Investment Income Net of Investment Expenses	82	55	671	N/A						
Benefit Expenses	(803)	(690)	(695)	N/A						
Administrative Expenses	(1)	(1)	(1)	N/A						
Net Change in Fiduciary net Position	657	639	1,502	N/A						
Fiduciary Net Position, beginning	7,544	6,905	5,403	N/A						
Fiduciary net Position, ending (b)	<u>\$ 8,201</u>	<u>\$ 7,544</u>	<u>\$ 6,905</u>	N/A						
Net Pension Liability, ending = (a) - (b)	14,485	14,615	14,169	N/A						
Fiduciary Net Position as a % of Total Pension Liability	36.15%	34.04%	32.77%	N/A						
Covered Payroll	\$ 5,412	\$ 5,382	\$ 5,469	N/A						
Net Pension Liability as a % of Covered Payroll	267.6%	271.6%	259.1%	N/A						

Notes:

1.) This schedule is presented to illustrate the requirement to show information for 10 years. However, recalculations of prior years are not required, and if prior years are not reported in accordance with the current GASB standards, they should not be reported.

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2016

Schedule of Town Contributions
Last 10 Fiscal Years
Coventry Municipal Employees Retirement Plan

	Fiscal Year Ending June 30,									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Actuarially determined contribution	\$ 852,707	\$ 841,584	\$ 991,124	1,068,188	986,087	887,077	806,558	806,558	1,361,081	N/A
Contributions in relation to the actuarially determined contribution	864,293	829,250	1,080,077	773,054	559,077	442,837	550,000	550,000	784,442	N/A
Contribution deficiency/(excess)	(11,586)	12,334	(88,953)	295,134	427,010	444,240	256,558	256,558	576,639	N/A
Covered payroll per employee	5,412,437	5,382,148	5,469,059	5,289,322	5,486,026	5,275,025	N/A	5,191,876	N/A	N/A
Contributions as a percentage of covered-employee payroll	15.97%	15.41%	19.75%	14.62%	10.19%	8.39%	N/A	10.59%	N/A	N/A

Notes:

1.) This schedule is presented to illustrate the requirement to show information for 10 years. However, recalculations of prior years are not required, and if prior years are not reported in accordance with the current GASB standards, they should not be reported.

Schedule of Investment Returns
Last 10 Fiscal Years
Coventry Municipal Employees Retirement Plan

	Fiscal Year Ending June 30,									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Annual money-weighted rate of return, net of investment expense	1.04%	0.77%	11.76%	N/A						

Notes:

1.) The money-weighted rate of return considers the changing amounts actually invested during a period and weights the amount of pension plan investments by the proportion of time they are available to earn a return during that period.

2.) This schedule is presented to illustrate the requirement to show information for 10 years. However, recalculations of prior years are not required, and if prior years are not reported in accordance with the current GASB standards, they should not be reported.

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2016

Schedule of Changes in Net Pension Liability and Related Ratios
Coventry Police Officers' Retirement Plan
(in 1,000s)

	Fiscal Year Ending June 30,									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Total Pension Liability										
Service Cost	\$ 812	\$ 918	\$ 903	N/A						
Interest on Total Pension Liability	5,050	4,944	4,844	N/A						
Effect of Plan Changes	-	-	(12)	N/A						
Effect of Economic/Demographic Gains or Losses	(379)	(938)	-	N/A						
Effect of Assumption Changes or Inputs	(111)	-	-	N/A						
Benefit Payments	(3,842)	(3,495)	(3,437)	N/A						
Net Change in Total Pension Liability	1,530	1,429	2,298	N/A						
Total Pension Liability, beginning	73,709	72,280	69,982	N/A						
Total Pension Liability, ending (a)	<u>\$ 75,239</u>	<u>\$ 73,709</u>	<u>\$ 72,280</u>	N/A						
Fiduciary Net Position										
Employer Contributions	\$ 4,620	\$ 4,152	\$ 4,564	N/A						
Member Contributions	363	287	306	N/A						
Investment Income Net of Investment Expenses	125	50	784	N/A						
Benefit Expenses	(3,842)	(3,495)	(3,437)	N/A						
Administrative Expenses	(6)	(6)	(6)	N/A						
Net Change in Fiduciary net Position	1,260	988	2,211	N/A						
Fiduciary Net Position, beginning	10,178	9,190	6,979	N/A						
Fiduciary net Position, ending (b)	<u>\$ 11,438</u>	<u>\$ 10,178</u>	<u>\$ 9,190</u>	N/A						
Net Pension Liability, ending = (a) - (b)	\$ 63,801	\$ 63,531	\$ 63,090	N/A						
Fiduciary Net Position as a % of Total Pension Liability	15.20%	13.81%	12.71%	N/A						
Covered Payroll	\$ 3,145	\$ 3,047	\$ 3,125	N/A						
Net Pension Liability as a % of Covered Payroll	2028.6%	2085.0%	2018.9%	N/A						

Notes:

1.) This schedule is presented to illustrate the requirement to show information for 10 years. However, recalculations of prior years are not required, and if prior years are not reported in accordance with the current GASB standards, they should not be reported.

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2016

Schedule of Town Contributions
Last 10 Fiscal Years
Coventry Police Officers Retirement Plan

	Fiscal Year Ending June 30,									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Actuarially determined contribution	\$ 4,565,873	\$ 4,495,252	\$ 4,481,020	4,784,708	3,530,006	3,278,626	3,084,953	3,084,953	4,071,928	N/A
Contributions in relation to the actuarially determined contribution	4,619,691	4,148,062	4,563,733	3,260,756	2,274,733	2,274,733	2,274,733	2,274,733	2,769,961	N/A
Contribution deficiency/(excess)	(53,818)	347,190	(82,713)	1,523,952	1,255,273	1,003,893	810,220	810,220	1,301,967	N/A
Covered payroll per employee	3,144,906	3,047,317	3,124,718	3,246,617	3,513,681	3,378,540	N/A	3,598,495	N/A	N/A
Contributions as a percentage of covered-employee payroll	146.89%	136.12%	146.05%	100.44%	64.74%	67.33%	N/A	63.21%	N/A	N/A

Notes:

1.) This schedule is presented to illustrate the requirement to show information for 10 years. However, recalculations of prior years are not required, and if prior years are not reported in accordance with the current GASB standards, they should not be reported.

Schedule of Investment Returns
Last 10 Fiscal Years
Coventry Police Officers Retirement Plan

	Fiscal Year Ending June 30,									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Annual money-weighted rate of return, net of investment expense	1.15%	0.52%	10.81%	N/A						

Notes:

1.) The money-weighted rate of return considers the changing amounts actually invested during a period and weights the amount of pension plan investments by the proportion of time they are available to earn a return during that period.

2.) This schedule is presented to illustrate the requirement to show information for 10 years. However, recalculations of prior years are not required, and if prior years are not reported in accordance with the current GASB standards, they should not be reported.

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2016

Schedule of Town Contributions
Last 10 Fiscal Years
State of Rhode Island Employees Retirement System

	Fiscal Year Ending June 30,									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Actuarially determined contribution	\$ 5,021,844	\$ 4,610,827	-	-	-	-	-	-	-	-
Contributions in relation to the actuarially determined contribution	5,021,844	4,610,827	-	-	-	-	-	-	-	-
Contribution deficiency/(excess)	-	-	-	-	-	-	-	-	-	-
Covered employee payroll	35,677,230	32,958,819	-	-	-	-	-	-	-	-
Contributions as a percentage of covered-employee payroll	14.08%	13.99%	N/A							

Notes:

- 1.) The amounts presented for each fiscal year were determined as of June 30 measurement date prior to the fiscal year-end.
- 2.) This schedule is intended to show information for 10 years - additional years will be displayed as they become available.

Schedule of Coventry's Proportionate Share of Net Pension Liability
Last 10 Fiscal Years
State of Rhode Island Employees Retirement System

	Fiscal Year Ending June 30,									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Coventry proportion of the net pension liability	2.18519050%	2.21656528%	N/A							
Coventry proportionate share of the net pension liability	\$ 60,158,353	\$ 53,951,207	N/A							
State's proportionate share of the net pension liability associated with the school district	41,098,299	36,996,828	N/A							
Total:	<u>\$101,256,652</u>	<u>\$ 90,948,035</u>	N/A							
Coventry covered payroll	35,677,230	32,958,819	N/A							
Coventry proportionate share of the net pension liability as a percentage of it's covered employee payroll	168.62%	163.69%	N/A							
Plan fiduciary net position as a % of the total pension liability	57.55%	61.40%	N/A							

Notes:

- 1.) Employers participating in the State Employee's Retirement System are required by RI General Laws, Section 36-10-2, to contribute an actuarially determined contribution rate each year.
- 2.) This schedule is intended to show information for 10 years - additional years will be displayed as they become available.

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2016

Schedule of Town of Coventry's Contributions
Teachers' Survivor Benefit Plan
Last 10 Fiscal Years

	Fiscal Year Ending June 30,									
	2016	2015	2013	2012	2011	2010	2009	2008	2007	2006
Statutorily determined contribution	\$ 43,597	\$ 33,821	-	-	-	-	-	-	-	-
Contributions in relation to the actuarially determined contribution	43,597	33,821	-	-	-	-	-	-	-	-
Contribution deficiency/(excess)	-	-	-	-	-	-	-	-	-	-
Covered employee payroll	35,677,230	32,958,819	-	-	-	-	-	-	-	-
Contributions as a percentage of covered-employee payroll	0.12%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Notes:

- 1.) The amounts presented for each fiscal year were determined as of June 30 measurement date prior to the fiscal year-end.
- 2.) This schedule is intended to show information for 10 years - additional years will be displayed as they become available.

Schedule of Coventry's Proportionate Share of Net Pension Liability (Asset)
Teachers' Survivor Benefit Plan
Last 10 Fiscal Years

	Fiscal Year Ending June 30,									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Coventry proportion of the net pension asset	7.27798561%	7.41898361%	N/A							
Coventry proportionate share of the net pension asset	6,794,407	9,223,335	N/A							
Coventry covered payroll	35,677,230	35,677,230	N/A							
Coventry proportionate share of the net pension liability as a percentage of it's covered employee payroll	19.04%	25.85%	N/A							
Plan fiduciary net position as a % of the total pension liability	146.6%	173.3%	N/A							

Notes:

- 1.) Employers participating in the Teachers' Survivor's Benefit Plan contribute at a rate established by the RI General Laws, Section 16-16-35.
- 2.) This schedule is intended to show information for 10 years - additional years will be displayed as they become available.

SUPPLEMENTARY INFORMATION

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Combining Balance Sheet - Non-Major Governmental Funds
June 30, 2016

	Special Revenue Restricted Town	Special Revenue Restricted School	School Food Service	School Improvement Capital Fund	Town Capital Improvement Funds	Totals
ASSETS						
Cash	\$ 914,073	\$ -	\$ 25,354	\$ -	\$ 7,897,541	\$ 8,836,968
Other receivables	-	14,257	-	-	-	14,257
Intergovernmental receivables	431,461	1,145,077	141,784	-	-	1,718,322
Due from other funds	492,343	523,765	79,074	284,800	298,681	1,678,663
Total assets	\$ 1,837,877	\$ 1,683,099	\$ 246,212	\$ 284,800	\$ 8,196,222	\$ 12,248,210
LIABILITIES AND FUND BALANCES						
Liabilities						
Accounts payable	\$ 19,884	\$ 66,046	\$ 324,839	\$ -	\$ 30,442	\$ 441,211
Due to other funds	1,397,626	802,692	-	293,239	1,114,606	3,608,163
Accrued salaries	-	181,633	-	-	-	181,633
Unearned revenue	188,000	164	-	-	-	188,164
Total liabilities	1,605,510	1,050,535	324,839	293,239	1,145,048	4,419,171
Fund balances (deficits)						
<i>Restricted for:</i>						
Educational programs	-	659,717	-	-	-	659,717
Public safety programs	218,284	-	-	-	-	218,284
Culture and recreation	39,492	-	-	-	-	39,492
Health & human services	75,643	-	-	-	-	75,643
<i>Committed for:</i>						
Public works programs	68,520	-	-	-	7,496,213	7,564,733
Culture and recreation	782,900	-	-	-	-	782,900
Unassigned	(952,472)	(27,153)	(78,627)	(8,439)	(445,039)	(1,511,730)
Fund balances (deficits)	232,367	632,564	(78,627)	(8,439)	7,051,174	7,829,039
Total liabilities and fund balances	\$ 1,837,877	\$ 1,683,099	\$ 246,212	\$ 284,800	\$ 8,196,222	\$ 12,248,210

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance - Non-Major Governmental Funds
For the fiscal year ended June 30, 2016

	Special Revenue Restricted Town	Special Revenue Restricted School	School Food Service	School Improvement Capital Fund	Town Capital Improvement Funds	Totals
REVENUES						
Intergovernmental	\$ 2,606,978	\$ 3,160,875	\$ 745,293	\$ -	\$ -	\$ 6,513,146
Charges for service	528,405	-	632,684	-	-	1,161,089
Investment income	-	-	-	-	60,240	60,240
Contributions and private grants	59,804	-	-	-	-	59,804
Other	255,235	35,535	-	-	-	290,770
Total Revenues	3,450,422	3,196,410	1,377,977	-	60,240	8,085,049
EXPENDITURES						
Executive and administration	208,807	-	-	-	-	208,807
Public safety	85,081	-	-	-	-	85,081
Public works	501,670	-	-	-	771,439	1,273,109
Community and economic development	273,382	-	-	-	-	273,382
Health and human services	443,016	-	-	-	-	443,016
Education	-	3,008,417	1,439,084	-	-	4,447,501
Principal payments	-	-	-	-	860,000	860,000
Capital expenditures	1,450,110	-	-	-	11,163,762	12,613,872
Total Expenditures	2,962,066	3,008,417	1,439,084	-	12,795,201	20,204,768
Excess of revenues over (under) Expenditures	488,356	187,993	(61,107)	-	(12,734,961)	(12,119,719)
Other Financing Sources (uses)						
Operating transfers in	216,677	48,209	-	-	225,315	490,201
Operating transfers out	-	(49)	-	-	(628,059)	(628,108)
Debt issuance cost	-	-	-	-	(148,671)	(148,671)
Premium on issue of debt	-	-	-	-	157,815	157,815
Issuance of debt	-	-	-	-	6,602,349	6,602,349
Total other financing sources	216,677	48,160	-	-	6,208,749	6,473,586
Excess of revenues and other sources over (under) expenditures and other uses	705,033	236,153	(61,107)	-	(6,526,212)	(5,646,133)
FUND BALANCE - July 1, 2015	(472,666)	396,411	(17,520)	(8,439)	13,577,386	13,475,172
FUND BALANCE - June 30, 2016	\$ 232,367	\$ 632,564	\$ (78,627)	\$ (8,439)	\$ 7,051,174	\$ 7,829,039

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Special Revenue Restricted Town
Combining Balance Sheet
June 30, 2016

	201 RIRRC Composting Grant	210 Friends of Human Services	211 Project Friends	225 Anthony Village	230 Bramley Grant	298 Legislative Grant Police	246 Mapleroot Cemetery
ASSETS							
Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental receivables	-	-	-	-	9,258	-	3,000
Due from other funds	-	4,000	111,264	-	-	-	1,500
Total assets	\$ -	\$ 4,000	\$ 111,264	\$ -	\$ 9,258	\$ -	\$ 4,500
LIABILITIES AND FUND BALANCES							
Liabilities							
Due to other funds	\$ 4,571	\$ -	\$ -	\$ 18,882	\$ 5,264	\$ -	\$ -
Unearned revenue	-	-	-	-	-	-	-
Accounts payable	-	-	658	-	-	-	2,400
Total liabilities	4,571	-	658	18,882	5,264	-	2,400
Fund balances (deficits)							
<i>Restricted for:</i>							
Public safety programs	-	-	-	-	3,994	-	-
Culture and recreation	-	-	-	-	-	-	-
Health and human services	-	-	-	-	-	-	-
<i>Committed for:</i>							
Public works programs	-	-	-	-	-	-	2,100
Culture and recreation	-	4,000	110,606	-	-	-	-
<i>Unassigned</i>	(4,571)	-	-	(18,882)	-	-	-
Total fund balances (deficits)	(4,571)	4,000	110,606	(18,882)	3,994	-	2,100
Total liabilities and fund balances	\$ -	\$ 4,000	\$ 111,264	\$ -	\$ 9,258	\$ -	\$ 4,500

(continued)

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Special Revenue Restricted Town
Combining Balance Sheet
June 30, 2016

	255 Document Preservation	262 Drug Seizure Fund	265 Teen Center Operations	267 Byrne Grant	276 Resource Sharing	299 Grote Property	202 63 Isle of Capri
ASSETS							
Cash	\$ -	\$ 252,539	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental receivables	-	-	-	-	-	-	-
Due from other funds	-	-	6,878	-	9,915	-	-
Total assets	\$ -	\$ 252,539	\$ 6,878	\$ -	\$ 9,915	\$ -	\$ -
LIABILITIES AND FUND BALANCES							
Liabilities							
Due to other funds	\$ 115	\$ 4,593	\$ -	\$ 14,375	\$ -	\$ -	\$ 236,693
Unearned revenue	-	188,000	-	-	-	-	-
Accounts payable	-	-	-	-	11,134	-	-
Total liabilities	115	192,593	-	14,375	11,134	-	236,693
Fund balances (deficits)							
<i>Restricted for:</i>							
Public safety programs	-	59,946	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Health and human services	-	-	6,878	-	-	-	-
<i>Committed for:</i>							
Public works programs	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
<i>Unassigned</i>	(115)	-	-	(14,375)	(1,219)	-	(236,693)
Total fund balances (deficits)	(115)	59,946	6,878	(14,375)	(1,219)	-	(236,693)
Total liabilities and fund balances	\$ -	\$ 252,539	\$ 6,878	\$ -	\$ 9,915	\$ -	\$ -

(continued)

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Special Revenue Restricted Town
Combining Balance Sheet
June 30, 2016

	164 Oaks Offsite Resurfacing	281 RIEMA Maple Valley & Franklin	282 RIEMA Industrial Drive	283 RIEMA Hammet Road	285 RIEMA Johnson Blvd Drainage	266 Library Playground	205 Legislative Grant Raptakis
ASSETS							
Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental receivables	-	-	10,410	-	-	-	-
Due from other funds	50,000	-	-	-	-	15,000	1
Total assets	\$ 50,000	\$ -	\$ 10,410	\$ -	\$ -	\$ 15,000	\$ 1
LIABILITIES AND FUND BALANCES							
Liabilities							
Due to other funds	\$ -	\$ 18,296	\$ 13,880	\$ 6,462	\$ 24,577	\$ -	\$ -
Unearned revenue	-	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-	-
Total liabilities	-	18,296	13,880	6,462	24,577	-	-
Fund balances (deficits)							
<i>Restricted for:</i>							
Public safety programs	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Health and human services	-	-	-	-	-	-	1
<i>Committed for:</i>							
Public works programs	50,000	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
<i>Unassigned</i>	-	(18,296)	(3,470)	(6,462)	(24,577)	15,000	-
Total fund balances (deficits)	50,000	(18,296)	(3,470)	(6,462)	(24,577)	15,000	1
Total liabilities and fund balances	\$ 50,000	\$ -	\$ 10,410	\$ -	\$ -	\$ 15,000	\$ 1

(continued)

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Special Revenue Restricted Town
Combining Balance Sheet
June 30, 2016

	235 RIEMA Homeland Security	304 Senior Ctr Renovation	303 Bulletproof Vests	306 DUI/Speed Click it or Ticket	289 Isle of Capri Road	309 US Fish & Wildlife Sandy Acre	310 Laurel Ave/ Anthony Mill River
ASSETS							
Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental receivables	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	9,508	3,997
Total assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,508	\$ 3,997
LIABILITIES AND FUND BALANCES							
Liabilities							
Due to other funds	\$ -	\$ -	6,963	\$ 2,285	\$ 3,895	\$ -	\$ -
Unearned revenue	-	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-	-
Total liabilities	-	-	6,963	2,285	3,895	-	-
Fund balances (deficits)							
<i>Restricted for:</i>							
Public safety programs	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	9,508	-
Health and human services	-	-	-	-	-	-	-
<i>Committed for:</i>							
Public works programs	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
<i>Unassigned</i>	-	-	(6,963)	(2,285)	(3,895)	-	3,997
Total fund balances (deficits)	-	-	(6,963)	(2,285)	(3,895)	9,508	3,997
Total liabilities and fund balances	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,508	\$ 3,997

(continued)

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Special Revenue Restricted Town
Combining Balance Sheet
June 30, 2016

	321		322		109		326		327		330		332		
	Federal		MEDS		Recycling		Federal		Federal		March Flood		Tropical Storm		
	Energy		Grant		Grant		Energy		Energy		Disaster		Irene 2011		
	Grant I						Grant 2		Grant 3						
ASSETS															
Cash	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$		
Intergovernmental receivables		-		-		-		-		-		-			
Due from other funds		1,885		28,099		9,964		-		49,682		-	11,730		
Total assets	\$	1,885	\$	28,099	\$	9,964	\$	-	\$	49,682	\$	-	\$	11,730	
LIABILITIES AND FUND BALANCES															
Liabilities															
Due to other funds		\$		-		\$		13,088		\$		-	\$		-
Unearned revenue		-		-		-		-		-		-		-	
Accounts payable		-		-		-		-		-		-		-	
Total liabilities		-		-		-		13,088		-		-		-	
Fund balances (deficits)															
<i>Restricted for:</i>															
Public safety programs		-		-		-		-		49,682		-		11,730	
Culture and recreation		1,885		28,099		-		-		-		-		-	
Health and human services		-		-		-		-		-		-		-	
<i>Committed for:</i>															
Public works programs		-		-		9,964		-		-		-		-	
Culture and recreation		-		-		-		-		-		-		-	
<i>Unassigned</i>															
		-		-		-		(13,088)		-		-		-	
Total fund balances (deficits)		1,885		28,099		9,964		(13,088)		49,682		-		11,730	
Total liabilities and fund balances	\$	1,885	\$	28,099	\$	9,964	\$	-	\$	49,682	\$	-	\$	11,730	

(continued)

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Special Revenue Restricted Town
Combining Balance Sheet
June 30, 2016

	333 RIDOT Leap Road Resurfacing	338 Storm Juno	335 EDA Flat River Road	336 Hurricane Sandy	337 Blizzard Nemo	400 Food Bank	404 Fire District EMA
ASSETS							
Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental receivables	282,086	120,750	-	-	4,904	-	-
Due from other funds	-	-	-	6,456	-	66,981	92,932
Total assets	\$ 282,086	\$ 120,750	\$ -	\$ 6,456	\$ 4,904	\$ 66,981	\$ 92,932
LIABILITIES AND FUND BALANCES							
Liabilities							
Due to other funds	\$ 351,640	\$ 129,435	\$ 436,457	\$ -	\$ 102,817	\$ -	\$ -
Unearned revenue	-	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-	-
Total liabilities	351,640	129,435	436,457	-	102,817	-	-
Fund balances (deficits)							
<i>Restricted for:</i>							
Public safety programs	-	-	-	-	-	-	92,932
Culture and recreation	-	-	-	-	-	-	-
Health and human services	-	-	-	-	-	66,981	-
<i>Committed for:</i>							
Public works programs	-	-	-	6,456	-	-	-
Culture and recreation	-	-	-	-	-	-	-
<i>Unassigned</i>	(69,554)	(8,685)	(436,457)	-	(97,913)	-	-
Total fund balances (deficits)	(69,554)	(8,685)	(436,457)	6,456	(97,913)	66,981	92,932
Total liabilities and fund balances	\$ 282,086	\$ 120,750	\$ -	\$ 6,456	\$ 4,904	\$ 66,981	\$ 92,932

(continued)

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Special Revenue Restricted Town
Combining Balance Sheet
June 30, 2016

	408 Faith in Action	420 Impact Fees	273,287 291 & 296 CDBG Funds	290 Health & Wellness	Total Special Revenue Revenue Town
ASSETS					
Cash	\$ -	\$ 661,534	\$ -	\$ -	\$ 914,073
Intergovernmental receivables	-	-	1,053	-	431,461
Due from other funds	10,768	-	-	1,783	492,343
Total assets	\$ 10,768	\$ 661,534	\$ 1,053	\$ 1,783	\$ 1,837,877
LIABILITIES AND FUND BALANCES					
Liabilities					
Due to other funds	\$ -	\$ 2,285	\$ 1,053	\$ -	\$ 1,397,626
Unearned revenue	-	-	-	-	188,000
Accounts payable	-	1,723	3,969	-	19,884
Total liabilities	-	4,008	5,022	-	1,605,510
Fund balances (deficits)					
<i>Restricted for:</i>					
Public safety programs	-	-	-	-	218,284
Culture and recreation	-	-	-	-	39,492
Health and human services	-	-	-	1,783	75,643
<i>Committed for:</i>					
Public works programs	-	-	-	-	68,520
Culture and recreation	10,768	657,526	-	-	782,900
<i>Unassigned</i>	-	-	(3,969)	-	(952,472)
Total fund balances (deficits)	10,768	657,526	(3,969)	1,783	232,367
Total liabilities and fund balances	\$ 10,768	\$ 661,534	\$ 1,053	\$ 1,783	\$ 1,837,877

(concluded)

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Special Revenue Restricted Town
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the fiscal year ended June 30, 2016

	201 RIRRC Composting Grant	210 Friends of Human Services	211 Project Friends	225 Anthony Village	230 Bramley Grant	298 Legislative Grant Police	246 Mapleroot Cemetary
REVENUES							
Intergovernmental	\$ 1,450	\$ -	\$ 301,742	\$ -	\$ 26,414	\$ 2,500	\$ 3,000
Charges for services	-	-	-	646	-	-	-
Contributions and private grants	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total Revenues	1,450	-	301,742	646	26,414	2,500	3,000
EXPENDITURES							
Executive and administration	-	-	-	646	-	-	-
Public safety	-	-	-	-	26,079	2,500	-
Public works	6,021	-	-	-	-	-	2,400
Community and economic development	-	-	-	-	-	-	-
Health and human services	-	-	403,277	-	-	-	-
Capital expenditures	-	-	25,960	-	-	-	-
Total Expenditures	6,021	-	429,237	646	26,079	2,500	2,400
Excess of revenues over (under) Expenditures	(4,571)	-	(127,495)	-	335	-	600
Other Financing Sources (uses)							
Operating transfers in	-	-	-	-	-	-	-
Total other financing sources	-	-	-	-	-	-	-
Excess of revenues and other sources over (under) expenditures and other uses	(4,571)	-	(127,495)	-	335	-	600
FUND BALANCE - July 1, 2015	-	4,000	238,101	(18,882)	3,659	-	1,500
FUND BALANCE - June 30, 2016	\$ (4,571)	\$ 4,000	\$ 110,606	\$ (18,882)	\$ 3,994	\$ -	\$ 2,100

(continued)

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Special Revenue Restricted Town
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the fiscal year ended June 30, 2016

	255 Document Preservation	262 Drug Seizure Fund	265 Teen Center Operations	267 Byrne Grant	276 Resource Sharing	299 Grote Property	202 63 Isle of Capri
REVENUES							
Intergovernmental	\$ -	\$ 13,261	\$ -	\$ -	\$ 119,432	\$ -	\$ -
Charges for services	43,740	-	-	-	-	-	-
Contributions and private grants	-	-	-	-	-	-	-
Other	-	-	-	16,000	-	188,299	936
Total Revenues	43,740	13,261	-	16,000	119,432	188,299	936
EXPENDITURES							
Executive and administration	43,855	-	-	-	113,228	4,976	-
Public safety	-	16,555	-	10	-	-	-
Public works	-	-	-	-	-	-	-
Community and economic development	-	-	-	-	-	-	-
Health and human services	-	-	-	-	-	-	-
Capital expenditures	-	-	-	29,600	7,260	400,000	237,629
Total Expenditures	43,855	16,555	-	29,610	120,488	404,976	237,629
Excess of revenues over (under) Expenditures	(115)	(3,294)	-	(13,610)	(1,056)	(216,677)	(236,693)
Other Financing Sources (uses)							
Operating transfers in	-	-	-	-	-	216,677	-
Total other financing sources	-	-	-	-	-	216,677	-
Excess of revenues and other sources over (under) expenditures and other uses	(115)	(3,294)	-	(13,610)	(1,056)	-	(236,693)
FUND BALANCE - July 1, 2015	-	63,240	6,878	(765)	(163)	-	-
FUND BALANCE - June 30, 2016	\$ (115)	\$ 59,946	\$ 6,878	\$ (14,375)	\$ (1,219)	\$ -	\$ (236,693)

(continued)

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Special Revenue Restricted Town
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the fiscal year ended June 30, 2016

	164 Oaks Offsite Resurfacing	281 RIEMA Maple Valley & Franklin	282 RIEMA Industrial Drive	283 RIEMA Hammet Road	285 RIEMA Johnson Blvd & Drainage	266 Library Playground	205 Legislative Grant Raptakis
REVENUES							
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,000
Charges for services	-	-	-	-	-	-	-
Contributions and private grants	-	-	-	-	-	15,000	-
Other	50,000	-	-	-	-	-	-
Total Revenues	50,000	-	-	-	-	15,000	4,000
EXPENDITURES							
Executive and administration	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-
Community and economic development	-	-	-	-	-	-	-
Health and human services	-	-	-	-	-	-	4,000
Capital expenditures	-	-	-	-	-	-	-
Total Expenditures	-	-	-	-	-	-	4,000
Excess of revenues over (under) Expenditures	50,000	-	-	-	-	15,000	-
Other Financing Sources (uses)							
Operating transfers in	-	-	-	-	-	-	-
Total other financing sources	-	-	-	-	-	-	-
Excess of revenues and other sources over (under) expenditures and other uses	50,000	-	-	-	-	15,000	-
FUND BALANCE - July 1, 2015	-	(18,296)	(3,470)	(6,462)	(24,577)	-	1
FUND BALANCE - June 30, 2016	\$ 50,000	\$ (18,296)	\$ (3,470)	\$ (6,462)	\$ (24,577)	\$ 15,000	\$ 1

(continued)

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Special Revenue Restricted Town
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the fiscal year ended June 30, 2016

	235 RIEMA Homeland Security	304 Senior Ctr Renovation	303 Bulletproof Vests	306 DUI/Speed Click it or Ticket	289 Isle of Capri Road	309 US Fish & Wildlife Sandy Acre	310 Laurel Ave/ Anthony Mill River
REVENUES							
Intergovernmental	\$ 2,516	\$ 190,665	\$ -	\$ 23,844	\$ -	\$ -	\$ 490,941
Charges for services	-	-	-	-	-	-	-
Contributions and private grants	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total Revenues	2,516	190,665	-	23,844	-	-	490,941
EXPENDITURES							
Executive and administration	-	-	-	-	-	-	-
Public safety	2,516	-	6,963	25,206	-	-	-
Public works	-	-	-	-	3,000	-	465,565
Community and economic development	-	-	-	-	-	-	-
Health and human services	-	-	-	-	-	-	-
Capital expenditures	-	190,665	-	-	-	-	-
Total Expenditures	2,516	190,665	6,963	25,206	3,000	-	465,565
Excess of revenues over (under) Expenditures	-	-	(6,963)	(1,362)	(3,000)	-	25,376
Other Financing Sources (uses)							
Operating transfers in	-	-	-	-	-	-	-
Total other financing sources	-	-	-	-	-	-	-
Excess of revenues and other sources over (under) expenditures and other uses	-	-	(6,963)	(1,362)	(3,000)	-	25,376
FUND BALANCE - July 1, 2015	-	-	-	(923)	(895)	9,508	(21,379)
FUND BALANCE - June 30, 2016	\$ -	\$ -	\$ (6,963)	\$ (2,285)	\$ (3,895)	\$ 9,508	\$ 3,997

(continued)

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Special Revenue Restricted Town
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the fiscal year ended June 30, 2016

	321 Federal Energy Grant I	322 MEDS Grant	109 Recycling Grant	326 Federal Energy Grant 2	327 Federal Energy Grant 3	330 March Flood Disaster	332 Tropical Storm Irene 2011
REVENUES							
Intergovernmental	\$ -	\$ 1,575	\$ 24,786	\$ -	\$ -	\$ 106,075	\$ -
Charges for services	-	-	-	-	-	-	-
Contributions and private grants	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total Revenues	-	1,575	24,786	-	-	106,075	-
EXPENDITURES							
Executive and administration	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-
Public works	-	-	24,684	-	-	-	-
Community and economic development	-	-	-	-	-	-	-
Health and human services	-	-	-	-	-	-	-
Capital expenditures	-	-	-	-	-	-	-
Total Expenditures	-	-	24,684	-	-	-	-
Excess of revenues over (under) Expenditures	-	1,575	102	-	-	106,075	-
Other Financing Sources (uses)							
Operating transfers in	-	-	-	-	-	-	-
Total other financing sources	-	-	-	-	-	-	-
Excess of revenues and other sources over (under) expenditures and other uses	-	1,575	102	-	-	106,075	-
FUND BALANCE - July 1, 2015	1,885	26,524	9,862	(13,088)	49,682	(106,075)	11,730
FUND BALANCE - June 30, 2016	\$ 1,885	\$ 28,099	\$ 9,964	\$ (13,088)	\$ 49,682	\$ -	\$ 11,730

(continued)

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Special Revenue Restricted Town
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the fiscal year ended June 30, 2016

	333 RIDOT Leap Road Resurfacing	338 Storm Juno	335 EDA Flat River Road	336 Hurricane Sandy	337 Blizzard Nemo	400 Food Bank	404 Fire District EMA
REVENUES							
Intergovernmental	\$ 412,233	\$ 174,681	\$ 665,730	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	-	-	-	-
Contributions and private grants	-	-	-	-	-	15,349	21,144
Other	-	-	-	-	-	-	-
Total Revenues	412,233	174,681	665,730	-	-	15,349	21,144
EXPENDITURES							
Executive and administration	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	5,252
Public works	-	-	-	-	-	-	-
Community and economic development	-	-	-	-	-	-	-
Health and human services	-	-	-	-	-	27,683	-
Capital expenditures	107,852	-	238,430	-	-	-	-
Total Expenditures	107,852	-	238,430	-	-	27,683	5,252
Excess of revenues over (under) Expenditures	304,381	174,681	427,300	-	-	(12,334)	15,892
Other Financing Sources (uses)							
Operating transfers in	-	-	-	-	-	-	-
Total other financing sources	-	-	-	-	-	-	-
Excess of revenues and other sources over (under) expenditures and other uses	304,381	174,681	427,300	-	-	(12,334)	15,892
FUND BALANCE - July 1, 2015	(373,935)	(183,366)	(863,757)	6,456	(97,913)	79,315	77,040
FUND BALANCE - June 30, 2016	\$ (69,554)	\$ (8,685)	\$ (436,457)	\$ 6,456	\$ (97,913)	\$ 66,981	\$ 92,932

(continued)

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Special Revenue Restricted Town
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the fiscal year ended June 30, 2016

	408 Faith in Action	420 Impact Fees	273,287 291 & 296 CDBG Funds	290 Health & Wellness	TOTAL Special Revenue Restricted Town
REVENUES					
Intergovernmental	\$ -	\$ -	\$ 42,133	\$ -	\$ 2,606,978
Charges for services	-	484,019	-	-	528,405
Contributions and private grants	8,311	-	-	-	59,804
Other	-	-	-	-	255,235
Total Revenues	<u>8,311</u>	<u>484,019</u>	<u>42,133</u>	<u>-</u>	<u>3,450,422</u>
EXPENDITURES					
Executive and administration	-	-	46,102	-	208,807
Public safety	-	-	-	-	85,081
Public works	-	-	-	-	501,670
Community and economic development	-	273,382	-	-	273,382
Health and human services	8,056	-	-	-	443,016
Capital expenditures	-	212,714	-	-	1,450,110
Total Expenditures	<u>8,056</u>	<u>486,096</u>	<u>46,102</u>	<u>-</u>	<u>2,962,066</u>
Excess of revenues over (under) Expenditures	255	(2,077)	(3,969)	-	488,356
Other Financing Sources (uses)					
Operating transfers in	-	-	-	-	216,677
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>216,677</u>
Excess of revenues and other sources over (under) expenditures and other uses	255	(2,077)	(3,969)	-	705,033
FUND BALANCE - July 1, 2015	10,513	659,603	-	1,783	(472,666)
FUND BALANCE - June 30, 2016	<u>\$ 10,768</u>	<u>\$ 657,526</u>	<u>\$ (3,969)</u>	<u>\$ 1,783</u>	<u>\$ 232,367</u>

(concluded)

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Special Revenue Restricted School
Combining Balance Sheet
June 30, 2016

	21011100 IDEA Part B	21011200 IDEA Pre School	21021100 Title I	21031100 Title II	21091100 Perkins Vocational Ed.	21091101 Perkins Odd Year	21092104 Perkins VTA
ASSETS							
Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental receivables	421,436	12,384	251,264	73,480	68,054	-	-
Due from other funds	-	-	-	-	-	-	-
Miscellaneous receivables	-	-	-	-	-	-	-
Total assets	\$ 421,436	\$ 12,384	\$ 251,264	\$ 73,480	\$ 68,054	\$ -	\$ -
LIABILITIES AND FUND BALANCES							
Liabilities							
Accounts payable	\$ 3,207	\$ -	\$ 1,517	\$ -	\$ -	\$ -	\$ -
Due to other funds	354,073	7,397	184,142	44,359	66,828	126	-
Accrued salaries	64,156	4,987	65,605	29,121	4,447	-	-
Unearned Revenues	-	-	-	-	-	-	-
Total liabilities	421,436	12,384	251,264	73,480	71,275	126	-
Fund balances (deficits)							
<i>Restricted for:</i>							
Educational programs	-	-	-	-	-	-	-
<i>Unassigned</i>	-	-	-	-	(3,221)	(126)	-
Total fund balances (deficits)	-	-	-	-	(3,221)	(126)	-
Total liabilities and fund balances	\$ 421,436	\$ 12,384	\$ 251,264	\$ 73,480	\$ 68,054	\$ -	\$ -

(continued)

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Special Revenue Restricted School
Combining Balance Sheet
June 30, 2016

	21013100	21092105	21264101	21264102	23112003	23523000	21264110
	School Support Plan Implement.	Perkins VTA Odd Year	RTTT - Inst. Improvement	RTTT - Educator Effectiveness	Leg. Grant HH Art Club	Teacher Quality Recruitment	RTTT - PLC Mini Grant
ASSETS							
Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental receivables	7,172	-	-	-	-	-	-
Due from other funds	-	-	-	-	164	-	-
Miscellaneous receivables	-	-	-	-	-	-	-
Total assets	\$ 7,172	\$ -	\$ -	\$ -	\$ 164	\$ -	\$ -
LIABILITIES AND FUND BALANCES							
Liabilities							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	7,172	-	-	-	-	65	-
Accrued salaries	-	-	-	-	-	-	-
Unearned Revenue	-	-	-	-	-	-	-
Total liabilities	7,172	-	-	-	-	65	-
Fund balances (deficits)							
<i>Restricted for:</i>							
Educational programs	-	-	-	-	-	-	-
<i>Unassigned</i>	-	-	-	-	164	(65)	-
Total fund balances (deficits)	-	-	-	-	164	(65)	-
Total liabilities and fund balances	\$ 7,172	\$ -	\$ -	\$ -	\$ 164	\$ -	\$ -

(continued)

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Special Revenue Restricted School
Combining Balance Sheet
June 30, 2016

	23612000	23112004	23112006	23142000	23183000	23183001	23183002
	Full Day	Leg. Grant	Western After	RISCA	RISCA	RISCA	RISCA Arts
	Kindergarten	WC Wireless	School Academy		Give Me 5	Big Yellow Bus	Talk HS
ASSETS							
Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental receivables	142,588	-	-	-	-	-	-
Due from other funds	-	12	-	225	800	611	1,911
Miscellaneous receivables	-	-	-	-	-	-	-
Total assets	\$ 142,588	\$ 12	\$ -	\$ 225	\$ 800	\$ 611	\$ 1,911
LIABILITIES AND FUND BALANCES							
Liabilities							
Accounts payable	\$ 56,110	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	86,478	-	3	-	-	-	-
Accrued salaries	-	-	-	-	-	-	-
Unearned Revenue	-	-	-	-	-	-	-
Total liabilities	142,588	-	3	-	-	-	-
Fund balances (deficits)							
<i>Restricted for:</i>							
Educational programs	-	12	-	225	800	611	1,911
<i>Unassigned</i>	-	-	(3)	-	-	-	-
Total fund balances (deficits)	-	12	(3)	225	800	611	1,911
Total liabilities and fund balances	\$ 142,588	\$ 12	\$ -	\$ 225	\$ 800	\$ 611	\$ 1,911

(continued)

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Special Revenue Restricted School
Combining Balance Sheet
June 30, 2016

	23523001 CCSS Math	23581000 CTE Categorical Fund	23581001 CTE Categorical Fund - Even Year	23582000 CTE Categorical Fund 2	23582001 CTE Develop. & Implement	24012004 Feinstein	24012005 Feinstein Comm. Support
ASSETS							
Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental receivables	3,746	-	-	149,240	-	-	-
Due from other funds	-	-	50,025	92,316	63,322	189,400	10,315
Miscellaneous receivables	-	-	-	-	-	2,000	-
Total assets	\$ 3,746	\$ -	\$ 50,025	\$ 241,556	\$ 63,322	\$ 191,400	\$ 10,315
LIABILITIES AND FUND BALANCES							
Liabilities							
Accounts payable	\$ -	\$ -	\$ 1,156	\$ 1,101	\$ -	\$ -	\$ -
Due to other funds	3,711	-	-	-	-	-	-
Accrued salaries	-	-	12,170	-	-	-	-
Unearned Revenue	-	-	-	-	-	-	-
Total liabilities	3,711	-	13,326	1,101	-	-	-
Fund balances (deficits)							
<i>Restricted for:</i>							
Educational programs	35	-	36,699	240,455	63,322	191,400	10,315
<i>Unassigned</i>	-	-	-	-	-	-	-
Total fund balances (deficits)	35	-	36,699	240,455	63,322	191,400	10,315
Total liabilities and fund balances	\$ 3,746	\$ -	\$ 50,025	\$ 241,556	\$ 63,322	\$ 191,400	\$ 10,315

(continued)

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Special Revenue Restricted School
Combining Balance Sheet
June 30, 2016

	24012009 United Way	24012024 Feinstein Restricted Fund	24012035 Amgen	24012044 CPEF Fund	24012072 Whole Kids Foundation	24030023 Kids Consortium	24030052 Schwab Scholarship
ASSETS							
Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental receivables	-	-	-	-	-	-	-
Due from other funds	436	-	663	-	164	224	575
Miscellaneous receivables	-	-	-	1,005	-	-	-
Total assets	\$ 436	\$ -	\$ 663	\$ 1,005	\$ 164	\$ 224	\$ 575
LIABILITIES AND FUND BALANCES							
Liabilities							
Accounts payable	\$ -	\$ -	\$ -	\$ 11	\$ -	\$ -	\$ -
Due to other funds	-	-	-	2,779	-	-	-
Accrued salaries	-	-	-	-	-	-	-
Unearned Revenue	-	-	-	-	164	-	-
Total liabilities	-	-	-	2,790	164	-	-
Fund balances (deficits)							
<i>Restricted for:</i>							
Educational programs	436	-	663	-	-	224	575
<i>Unassigned</i>	-	-	-	(1,785)	-	-	-
Total fund balances (deficits)	436	-	663	(1,785)	-	224	575
Total liabilities and fund balances	\$ 436	\$ -	\$ 663	\$ 1,005	\$ 164	\$ 224	\$ 575

(continued)

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Special Revenue Restricted School
Combining Balance Sheet
June 30, 2016

	24040059 New England Dairy & Food	24040137 Trout Unlimited	24050005 Transportation Fundraiser	24050006 Learn & Serve Raffle	24050008 Athletic Field Fund	24050037 Sports Program	24012071 RI Foundation Grants
ASSETS							
Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental receivables	-	-	-	-	-	-	-
Due from other funds	3,218	-	2,047	185	7,501	-	993
Miscellaneous receivables	1,211	-	-	-	-	6,286	-
Total assets	\$ 4,429	\$ -	\$ 2,047	\$ 185	\$ 7,501	\$ 6,286	\$ 993
LIABILITIES AND FUND BALANCES							
Liabilities							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 993
Due to other funds	-	-	-	-	-	15,400	-
Accrued salaries	-	-	-	-	-	-	-
Unearned Revenue	-	-	-	-	-	-	-
Total liabilities	-	-	-	-	-	15,400	993
Fund balances (deficits)							
<i>Restricted for:</i>							
Educational programs	4,429	-	2,047	185	7,501	-	-
<i>Unassigned</i>	-	-	-	-	-	(9,114)	-
Total fund balances (deficits)	4,429	-	2,047	185	7,501	(9,114)	-
Total liabilities and fund balances	\$ 4,429	\$ -	\$ 2,047	\$ 185	\$ 7,501	\$ 6,286	\$ 993

(continued)

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Special Revenue Restricted School
Combining Balance Sheet
June 30, 2016

	24012006	24012008	32000004	24040172	24030061	60020000	60060000
	Kiducation	RI Foundation	WCI Wireless Class.	NE Secondary Sch. Consortium	LISC	Adult Ed	Remedial Summer School
ASSETS							
Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental receivables	-	-	-	-	-	-	230
Due from other funds	33	37	-	11,492	13	63,684	21,207
Miscellaneous receivables	-	-	-	-	-	-	-
Total assets	\$ 33	\$ 37	\$ -	\$ 11,492	\$ 13	\$ 63,684	\$ 21,437
LIABILITIES AND FUND BALANCES							
Liabilities							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	6,968	-	-	-	-
Accrued salaries	-	-	-	-	-	-	-
Unearned Revenue	-	-	-	-	-	-	-
Total liabilities	-	-	6,968	-	-	-	-
Fund balances (deficits)							
<i>Restricted for:</i>							
Educational programs	33	37	-	11,492	13	63,684	21,437
<i>Unassigned</i>	-	-	(6,968)	-	-	-	-
Total fund balances (deficits)	33	37	(6,968)	11,492	13	63,684	21,437
Total liabilities and fund balances	\$ 33	\$ 37	\$ -	\$ 11,492	\$ 13	\$ 63,684	\$ 21,437

(continued)

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Special Revenue Restricted School
Combining Balance Sheet
June 30, 2016

	21092101 VTA Grant Rev.	24012025 Feinstein 2014	21264115 RTTT IIS	21264116 RTTT IIS 2	24040010 RI Center for the Arts	90000001 Direct Reimbursement	21334100 Q1 Pre-K Round 1	Total Spec. Revenue Restricted School
ASSETS								
Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Intergovernmental receivables	15,483	-	-	-	-	-	-	1,145,077
Due from other funds	-	381	-	-	586	-	1,225	523,765
Miscellaneous receivables	-	-	-	-	-	3,755	-	14,257
Total assets	\$ 15,483	\$ 381	\$ -	\$ -	\$ 586	\$ 3,755	\$ 1,225	\$ 1,683,099
LIABILITIES AND FUND BALANCES								
Liabilities								
Accounts payable	\$ 935	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,016	\$ 66,046
Due to other funds	14,502	-	-	-	-	8,689	-	802,692
Accrued salaries	46	-	-	-	-	1,101	-	181,633
Unearned Revenue	-	-	-	-	-	-	-	164
Total liabilities	15,483	-	-	-	-	9,790	1,016	1,050,535
Fund balances (deficits)								
<i>Restricted for:</i>								
Educational programs	-	381	-	-	586	-	209	659,717
<i>Unassigned</i>	-	-	-	-	-	(6,035)	-	(27,153)
Total fund balances (deficits)	-	381	-	-	586	(6,035)	209	632,564
Total liabilities and fund balances	\$ 15,483	\$ 381	\$ -	\$ -	\$ 586	\$ 3,755	\$ 1,225	\$ 1,683,099

(concluded)

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Special Revenue Restricted School
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the fiscal year ended June 30, 2016

	21011100 IDEA Part B	21011200 IDEA Pre School	21021100 Title I	21031100 Title II	21091100 Perkins Vocational Ed.	21091101 Perkins Odd Year	21092104 Perkins VTA
REVENUES							
Federal Grants	\$ 1,303,475	\$ 30,922	\$ 585,650	\$ 213,179	\$ 200,062	\$ -	\$ -
State Grants	-	-	-	-	-	-	-
Other	-	-	-	-	-	161	-
Total revenues	<u>1,303,475</u>	<u>30,922</u>	<u>585,650</u>	<u>213,179</u>	<u>200,062</u>	<u>161</u>	<u>-</u>
EXPENDITURES							
Salaries	838,825	25,221	382,860	155,620	43,637	-	-
Employee benefits	311,437	5,701	130,136	57,559	27,320	-	-
Purchased services	50,879	-	4,951	-	74,961	-	-
Supplies and materials	93,352	-	37,497	-	36,261	-	-
Property and equipment	8,982	-	30,206	-	2,341	-	-
Capital expenses	-	-	-	-	15,542	-	-
Total expenditures	<u>1,303,475</u>	<u>30,922</u>	<u>585,650</u>	<u>213,179</u>	<u>200,062</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-	-	161	-
Other Financing Sources (uses)							
Operating transfers in	-	-	-	-	-	-	87
Operating transfers out	-	-	-	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>87</u>
Excess of revenues and other sources over (under) expenditures and other uses	-	-	-	-	-	161	87
FUND BALANCE - July 1, 2015	-	-	-	-	(3,221)	(287)	(87)
FUND BALANCE - June 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (3,221)</u>	<u>\$ (126)</u>	<u>\$ -</u>

(continued)

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Special Revenue Restricted School
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the fiscal year ended June 30, 2016

	21013100	21092105	21264101	21264102	23112003	23523000	21264110
	School Support	Perkins VTA	RTTT - Inst.	RTTT - Educator	Leg. Grant	Teacher Quality	RTTT - PLC
	Plan Implement.	Odd Year	Improvement	Effectiveness	HH Art Club	Recruitment	Mini Grant
REVENUES							
Federal Grants	\$ 7,172	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State Grants	-	-	-	-	-	1,600	-
Other	-	-	-	-	-	-	-
Total revenues	7,172	-	-	-	-	1,600	-
EXPENDITURES							
Salaries	960	-	-	-	-	-	-
Employee benefits	68	-	-	2	-	-	-
Purchased services	3,445	-	-	-	-	1,600	-
Supplies and materials	2,699	-	-	-	-	-	-
Property and equipment	-	-	-	-	-	-	-
Capital expenses	-	-	-	-	-	-	-
Total expenditures	7,172	-	-	2	-	1,600	-
Excess (deficiency) of revenues over (under) expenditures	-	-	-	(2)	-	-	-
Other Financing Sources (uses)							
Operating transfers in	-	1,064	1,160	23	-	-	-
Operating transfers out	-	-	-	-	-	-	(49)
Total other financing sources	-	1,064	1,160	23	-	-	(49)
Excess of revenues and other sources over (under) expenditures and other uses	-	1,064	1,160	21	-	-	(49)
FUND BALANCE - July 1, 2015	-	(1,064)	(1,160)	(21)	164	(65)	49
FUND BALANCE - June 30, 2016	\$ -	\$ -	\$ -	\$ -	\$ 164	\$ (65)	\$ -

(continued)

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Special Revenue Restricted School
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the fiscal year ended June 30, 2016

	23612000 Full Day Kindergarten	23112004 Leg. Grant WC Wireless	23112006 Western After School Academy	23142000 RISCA	23183000 RISCA Give Me 5	23183001 RISCA Big Yellow Bus	23183002 RISCA Arts Talk HS
REVENUES							
Federal Grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State Grants	240,622	-	-	-	-	-	-
Other	-	-	-	-	-	800	377
Total revenues	<u>240,622</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>800</u>	<u>377</u>
EXPENDITURES							
Salaries	-	-	-	-	-	-	-
Employee benefits	-	-	-	-	-	-	-
Purchased services	-	-	-	-	-	674	274
Supplies and materials	86,412	-	-	-	-	-	-
Property and equipment	154,210	-	-	-	-	-	-
Capital expenses	-	-	-	-	-	-	-
Total expenditures	<u>240,622</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>674</u>	<u>274</u>
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-	-	126	103
Other Financing Sources (uses)							
Operating transfers in	-	-	-	-	-	-	-
Operating transfers out	-	-	-	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues and other sources over (under) expenditures and other uses	-	-	-	-	-	126	103
FUND BALANCE - July 1, 2015	-	12	(3)	225	800	485	1,808
FUND BALANCE - June 30, 2016	<u>\$ -</u>	<u>\$ 12</u>	<u>\$ (3)</u>	<u>\$ 225</u>	<u>\$ 800</u>	<u>\$ 611</u>	<u>\$ 1,911</u>

(continued)

**SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Special Revenue Restricted School
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the fiscal year ended June 30, 2016**

	23523001 CCSS Math	23581000 CTE Categorical Fund	23581001 CTE Categorical Fund - Even Yr.	23582000 CTE Categorical Fund 2	23582001 CTE Develop. & Implement	24012004 Feinstein	24012005 Feinstein Comm. Support
REVENUES							
Federal Grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State Grants	3,746	-	127,844	149,240	59,248	-	-
Other	-	-	-	-	-	-	-
Total revenues	<u>3,746</u>	<u>-</u>	<u>127,844</u>	<u>149,240</u>	<u>59,248</u>	<u>-</u>	<u>-</u>
EXPENDITURES							
Salaries	3,654	4,500	37,339	340	-	-	-
Employee benefits	92	1,842	19,834	5	-	-	-
Purchased services	-	6,460	753	1,869	-	-	-
Supplies and materials	-	3,015	9,315	15,482	-	-	-
Property and equipment	-	30,678	23,904	48,555	-	-	-
Capital expenses	-	-	-	-	-	-	-
Total expenditures	<u>3,746</u>	<u>46,495</u>	<u>91,145</u>	<u>66,251</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	-	(46,495)	36,699	82,989	59,248	-	-
Other Financing Sources (uses)							
Operating transfers in	-	-	-	-	-	-	-
Operating transfers out	-	-	-	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues and other sources over (under) expenditures and other uses	-	(46,495)	36,699	82,989	59,248	-	-
FUND BALANCE - July 1, 2015	35	46,495	-	157,466	4,074	191,400	10,315
FUND BALANCE - June 30, 2016	<u>\$ 35</u>	<u>\$ -</u>	<u>\$ 36,699</u>	<u>\$ 240,455</u>	<u>\$ 63,322</u>	<u>\$ 191,400</u>	<u>\$ 10,315</u>

(continued)

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Special Revenue Restricted School
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the fiscal year ended June 30, 2016

	24012009 United Way	24012024 Feinstein Restricted Fund	24012035 Amgen	24012044 CPEF Fund	24012072 Whole Kids Foundation	24030023 Kids Consortium	24030052 Schwab Scholarship
REVENUES							
Federal Grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State Grants	-	-	-	-	-	-	-
Other	-	-	-	-	999	-	-
Total revenues	-	-	-	-	999	-	-
EXPENDITURES							
Salaries	-	-	-	-	-	-	-
Employee benefits	-	-	-	-	-	-	-
Purchased services	-	3,600	-	-	-	-	-
Supplies and materials	-	-	-	-	-	-	-
Property and equipment	-	-	-	-	-	-	-
Capital expenses	-	-	-	-	-	-	-
Total expenditures	-	3,600	-	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	-	(3,600)	-	-	999	-	-
Other Financing Sources (uses)							
Operating transfers in	-	3,600	-	-	-	-	-
Operating transfers out	-	-	-	-	-	-	-
Total other financing sources	-	3,600	-	-	-	-	-
Excess of revenues and other sources over (under) expenditures and other uses	-	-	-	-	999	-	-
FUND BALANCE - July 1, 2015	436	-	663	(1,785)	(999)	224	575
FUND BALANCE - June 30, 2016	\$ 436	\$ -	\$ 663	\$ (1,785)	\$ -	\$ 224	\$ 575

(continued)

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Special Revenue Restricted School
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the fiscal year ended June 30, 2016

	24040059 New England Diary & Food	24040137 Trout Unlimited	24050005 Transportation Fundraiser	24050006 Learn & Serve Raffle	24050008 Athletic Field Fund	24050037 Sports Program	24012071 RI Foundation Grants
REVENUES							
Federal Grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
State Grants	-	-	-	-	-	-	-
Other	-	-	-	-	-	16,027	4,850
Total revenues	-	-	-	-	-	16,027	4,850
EXPENDITURES							
Salaries	-	-	-	-	-	4,320	-
Employee benefits	-	-	-	-	-	713	-
Purchased services	-	-	-	-	-	7,955	1,000
Supplies and materials	-	-	-	-	-	44	1,874
Property and equipment	-	1,500	-	-	-	109	1,976
Capital expenses	-	-	-	-	-	-	-
Total expenditures	-	1,500	-	-	-	13,141	4,850
Excess (deficiency) of revenues over (under) expenditures	-	(1,500)	-	-	-	2,886	-
Other Financing Sources (uses)							
Operating transfers in	-	-	-	-	-	-	-
Operating transfers out	-	-	-	-	-	-	-
Total other financing sources	-	-	-	-	-	-	-
Excess of revenues and other sources over (under) expenditures and other uses	-	(1,500)	-	-	-	2,886	-
FUND BALANCE - July 1, 2015	4,429	1,500	2,047	185	7,501	(12,000)	-
FUND BALANCE - June 30, 2016	\$ 4,429	\$ -	\$ 2,047	\$ 185	\$ 7,501	\$ (9,114)	\$ -

(continued)

**SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Special Revenue Restricted School
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the fiscal year ended June 30, 2016**

	24012006	24012008	32000004	24040172	24030061	60020000	60060000
	Kiducation	RI Foundation	WCI Wireless Class.	NE Secondary Sch. Consortium	LISC	Adult Education	Remedial Summer School
REVENUES							
Federal Grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State Grants	-	-	148,223	-	-	-	-
Other	-	-	-	-	-	12,321	-
Total revenues	-	-	148,223	-	-	12,321	-
EXPENDITURES							
Salaries	-	-	-	7,895	-	4,919	-
Employee benefits	-	-	-	599	-	71	-
Purchased services	-	-	-	2,937	-	-	-
Supplies and materials	-	-	-	150	-	-	-
Property and equipment	-	-	11,972	-	-	-	-
Capital expenses	-	-	-	-	-	-	-
Total expenditures	-	-	11,972	11,581	-	4,990	-
Excess (deficiency) of revenues over (under) expenditures	-	-	136,251	(11,581)	-	7,331	-
Other Financing Sources (uses)							
Operating transfers in	-	-	-	-	-	-	-
Operating transfers out	-	-	-	-	-	-	-
Total other financing sources	-	-	-	-	-	-	-
Excess of revenues and other sources over (under) expenditures and other uses	-	-	136,251	(11,581)	-	7,331	-
FUND BALANCE - July 1, 2015	33	37	(143,219)	23,073	13	56,353	21,437
FUND BALANCE - June 30, 2015	\$ 33	\$ 37	\$ (6,968)	\$ 11,492	\$ 13	\$ 63,684	\$ 21,437

(continued)

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Special Revenue Restricted School
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the fiscal year ended June 30, 2016

	21092101 VTA Grant Rev.	24012025 Feinstein 2014	21264115 RTTT IIS	21264116 RTTT IIS 2	24040010 RI Center for the Arts	90000001 Direct Reimbursement	21334100 Q1 Pre-K Round 1	Total Special Revenue Restricted School
REVENUES								
Federal Grants	\$ 40,395	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ 2,380,855
State Grants	-	-	-	-	-	-	49,497	780,020
Other	-	-	-	-	-	-	-	35,535
Total revenues	<u>40,395</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>49,497</u>	<u>3,196,410</u>
EXPENDITURES								
Salaries	32,271	-	-	-	-	-	160	1,542,521
Employee benefits	1,554	-	-	-	-	-	-	556,933
Purchased services	3,391	-	356	6,223	-	36,187	400	207,915
Supplies and materials	3,246	-	-	-	-	-	1,016	290,363
Property and equipment	-	-	-	-	-	-	80,710	395,143
Capital expenses	-	-	-	-	-	-	-	15,542
Total expenditures	<u>40,462</u>	<u>-</u>	<u>356</u>	<u>6,223</u>	<u>-</u>	<u>36,187</u>	<u>82,286</u>	<u>3,008,417</u>
Excess (deficiency) of revenues over (under) expenditures	(67)	-	(356)	(6,223)	-	(36,187)	(32,789)	187,993
Other Financing Sources (uses)								
Operating transfers in	-	-	356	6,223	-	35,696	-	48,209
Operating transfers out	-	-	-	-	-	-	-	(49)
Total other financing sources	<u>-</u>	<u>-</u>	<u>356</u>	<u>6,223</u>	<u>-</u>	<u>35,696</u>	<u>-</u>	<u>48,160</u>
Excess of revenues and other sources over (under) expenditures and other uses	(67)	-	-	-	-	(491)	(32,789)	236,153
FUND BALANCE - July 1, 2015	67	381	-	-	586	(5,544)	32,998	396,411
FUND BALANCE - June 30, 2016	<u>\$ -</u>	<u>\$ 381</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 586</u>	<u>\$ (6,035)</u>	<u>\$ 209</u>	<u>\$ 632,564</u>

(concluded)

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Capital Project Funds
Combining Balance Sheet
June 30, 2016

	295 Reservoir Road Sidewalk	120 Capital Improvement Fund 09	122 Capital Improvement Fund 12	124 RIHEBC Capital Fund	125 2013-2014 School Capital	561 Landfill Remediation	123 Capital Improvement Fund 14	175 High School AC Unit
ASSETS								
Cash	\$ -	\$ -	\$ -	\$ 76,646	\$ -	\$ -	\$ -	\$ -
Due from other funds	-	-	-	-	21,468	-	90,606	-
Total assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 76,646</u>	<u>\$ 21,468</u>	<u>\$ -</u>	<u>\$ 90,606</u>	<u>\$ -</u>
LIABILITIES AND FUND BALANCES								
Liabilities								
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	372,937	-	-	-	-	3,957
Total liabilities	<u>-</u>	<u>-</u>	<u>372,937</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,957</u>
Fund balances (deficits)								
<i>Committed for:</i>								
Public works programs	-	-	-	76,646	21,468	-	90,606	-
<i>Reserved for:</i>								
Education programs	-	-	-	-	-	-	-	-
<i>Unassigned</i>	-	-	(372,937)	-	-	-	-	(3,957)
Total fund balances (deficits)	<u>-</u>	<u>-</u>	<u>(372,937)</u>	<u>76,646</u>	<u>21,468</u>	<u>-</u>	<u>90,606</u>	<u>(3,957)</u>
Total liabilities and fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 76,646</u>	<u>\$ 21,468</u>	<u>\$ -</u>	<u>\$ 90,606</u>	<u>\$ -</u>

continued

**SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Capital Project Funds
Combining Balance Sheet
June 30, 2016**

	126 Capital Program Fund 15-16	127 Capital Improvement Fund 2016	179 Road Bond Fund 2016	180 Automated Collection Bond Fund 2016	181 Upper Pond Dam Repair 2016	563 Landfill Remediation Bond 2016	297 Hammet Road Island Drive	32000005 School Impact Fees
ASSETS								
Cash	\$ -	\$ -	\$ 3,236,172	\$ 46,977	\$ 533,857	\$ 1,083,248	\$ -	\$ -
Due from other funds	23,983	157,713	-	-	-	-	-	-
Total assets	<u>\$ 23,983</u>	<u>\$ 157,713</u>	<u>\$ 3,236,172</u>	<u>\$ 46,977</u>	<u>\$ 533,857</u>	<u>\$ 1,083,248</u>	<u>\$ -</u>	<u>\$ -</u>
LIABILITIES AND FUND BALANCES								
Liabilities								
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,589	\$ -	\$ -
Due to other funds	-	-	-	45,403	-	538,532	-	21,826
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>45,403</u>	<u>-</u>	<u>544,121</u>	<u>-</u>	<u>21,826</u>
Fund balances (deficits)								
<i>Committed for:</i>								
Public works programs	23,983	157,713	3,236,172	1,574	533,857	539,127	-	-
<i>Reserved for:</i>								
Education programs	-	-	-	-	-	-	-	-
<i>Unassigned</i>	-	-	-	-	-	-	-	(21,826)
Total fund balances (deficits)	<u>23,983</u>	<u>157,713</u>	<u>3,236,172</u>	<u>1,574</u>	<u>533,857</u>	<u>539,127</u>	<u>-</u>	<u>(21,826)</u>
Total liabilities and fund balances	<u>\$ 23,983</u>	<u>\$ 157,713</u>	<u>\$ 3,236,172</u>	<u>\$ 46,977</u>	<u>\$ 533,857</u>	<u>\$ 1,083,248</u>	<u>\$ -</u>	<u>\$ -</u>

continued

**SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Capital Project Funds
Combining Balance Sheet
June 30, 2016**

	<u>176 Energy Bond</u>	<u>177 Road Bond</u>	<u>178 Refuse Collection Bond</u>	<u>182 Hook Lift Truck</u>	<u>Total Capital Projects</u>
ASSETS					
Cash	\$ 242,754	\$ 2,579,887	\$ 98,000	\$ -	\$ 7,897,541
Due from other funds	-	4,911	-	-	298,681
Total assets	<u>\$ 242,754</u>	<u>\$ 2,584,798</u>	<u>\$ 98,000</u>	<u>\$ -</u>	<u>\$ 8,196,222</u>
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts payable	\$ -	\$ 24,853	\$ -	\$ -	\$ 30,442
Due to other funds	-	-	85,632	46,319	1,114,606
Total liabilities	<u>-</u>	<u>24,853</u>	<u>85,632</u>	<u>46,319</u>	<u>1,145,048</u>
Fund balances (deficits)					
<i>Committed for:</i>					
Public works programs	242,754	2,559,945	12,368	-	7,496,213
<i>Reserved for:</i>					
Education programs	-	-	-	-	-
Unassigned	-	-	-	(46,319)	(445,039)
Total fund balances (deficits)	<u>242,754</u>	<u>2,559,945</u>	<u>12,368</u>	<u>(46,319)</u>	<u>7,051,174</u>
Total liabilities and fund balances	<u>\$ 242,754</u>	<u>\$ 2,584,798</u>	<u>\$ 98,000</u>	<u>\$ -</u>	<u>\$ 8,196,222</u>

concluded

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Capital Project Funds
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the fiscal year ended June 30, 2016

	295 Reservoir Road Sidewalk	120 Capital Improvement Fund 09	122 Capital Improvement Fund 12	124 RIHEBC Capital Fund	125 2013-2014 School Capital	561 Landfill Remediation	123 Capital Improvement Fund 14	175 High School AC Unit
REVENUES								
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest income	-	-	-	-	-	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES								
Non- capital	-	-	-	250	14,535	162,834	-	-
Principal payments	-	-	-	-	-	-	-	-
Capital	307,430	-	-	-	-	-	-	-
Total expenditures	<u>307,430</u>	<u>-</u>	<u>-</u>	<u>250</u>	<u>14,535</u>	<u>162,834</u>	<u>-</u>	<u>-</u>
Excess of revenues over (under) Expenditures	(307,430)	-	-	(250)	(14,535)	(162,834)	-	-
Other Financing Sources (uses)								
Operating transfers in	-	3,207	-	-	-	-	-	-
Operating transfers out	-	-	(64,395)	-	-	(25,132)	-	-
Cost of issuance	-	-	-	-	-	-	-	-
Premium on issue	-	-	-	-	-	-	-	-
Issuance of debt	320,469	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>320,469</u>	<u>3,207</u>	<u>(64,395)</u>	<u>-</u>	<u>-</u>	<u>(25,132)</u>	<u>-</u>	<u>-</u>
Excess of revenues and other sources over (under) expenditures and other uses	13,039	3,207	(64,395)	(250)	(14,535)	(187,966)	-	-
FUND BALANCE - July 1, 2015	<u>(13,039)</u>	<u>(3,207)</u>	<u>(308,542)</u>	<u>76,896</u>	<u>36,003</u>	<u>187,966</u>	<u>90,606</u>	<u>(3,957)</u>
FUND BALANCE - June 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (372,937)</u>	<u>\$ 76,646</u>	<u>\$ 21,468</u>	<u>\$ -</u>	<u>\$ 90,606</u>	<u>\$ (3,957)</u>

continued

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Capital Project Funds
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the fiscal year ended June 30, 2016

	<u>126</u> <u>Capital</u> <u>Program</u> <u>Fund 15-16</u>	<u>127</u> <u>Capital</u> <u>Improvement</u> <u>Fund 2016</u>	<u>179</u> <u>Road Bond</u> <u>Fund 2016</u>	<u>180</u> <u>Automated</u> <u>Collection Bond</u> <u>Fund 2016</u>	<u>181</u> <u>Upper Pond</u> <u>Dam Repair</u> <u>2016</u>	<u>563</u> <u>Landfill</u> <u>Remediation</u> <u>Bond 2016</u>	<u>297</u> <u>Hammet Road</u> <u>Island</u> <u>Drive</u>	<u>32000005</u> <u>School</u> <u>Impact</u> <u>Fees</u>
REVENUES								
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest income	-	-	6,157	43	1,050	2,072	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>6,157</u>	<u>43</u>	<u>1,050</u>	<u>2,072</u>	<u>-</u>	<u>-</u>
EXPENDITURES								
Non- capital	40,412	-	-	62,349	-	22,453	-	28,548
Principal payments	-	-	-	-	-	860,000	-	-
Capital	-	-	-	86,354	18,048	-	401,880	-
Total expenditures	<u>40,412</u>	<u>-</u>	<u>-</u>	<u>148,703</u>	<u>18,048</u>	<u>882,453</u>	<u>401,880</u>	<u>28,548</u>
Excess of revenues over (under) Expenditures	(40,412)	-	6,157	(148,660)	(16,998)	(880,381)	(401,880)	(28,548)
Other Financing Sources (uses)								
Operating transfers in	64,395	157,713	-	-	-	-	-	-
Operating transfers out	-	-	-	-	-	(538,532)	-	-
Cost of issuance	-	-	(90,867)	(4,226)	(15,497)	(38,081)	-	-
Premium on issue	-	-	95,882	4,460	16,352	41,121	-	-
Issuance of debt	-	-	3,225,000	150,000	550,000	1,955,000	401,880	-
Total other financing sources (uses)	<u>64,395</u>	<u>157,713</u>	<u>3,230,015</u>	<u>150,234</u>	<u>550,855</u>	<u>1,419,508</u>	<u>401,880</u>	<u>-</u>
Excess of revenues and other sources over (under) expenditures and other uses	23,983	157,713	3,236,172	1,574	533,857	539,127	-	(28,548)
FUND BALANCE - July 1, 2015	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,722</u>
FUND BALANCE - June 30, 2016	<u>\$ 23,983</u>	<u>\$ 157,713</u>	<u>\$ 3,236,172</u>	<u>\$ 1,574</u>	<u>\$ 533,857</u>	<u>\$ 539,127</u>	<u>\$ -</u>	<u>\$ (21,826)</u>

continued

TOWN OF COVENTRY, RHODE ISLAND
Capital Project Funds
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the fiscal year ended June 30, 2016

	176	177	178	182	TOTAL
	Energy	Road	Refuse	Hook Lift	Capital Projects
	Bond	Bond	Collection	Truck	
	Bond	Bond	Bond	Truck	
REVENUES					
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -
Interest income	12,324	32,697	5,897	-	60,240
Total revenues	<u>12,324</u>	<u>32,697</u>	<u>5,897</u>	<u>-</u>	<u>60,240</u>
EXPENDITURES					
Non- capital	-	248	439,810	-	771,439
Principal payments	-	-	-	-	860,000
Capital	3,923,456	3,913,142	2,467,133	46,319	11,163,762
Total expenditures	<u>3,923,456</u>	<u>3,913,390</u>	<u>2,906,943</u>	<u>46,319</u>	<u>12,795,201</u>
Excess of revenues over (under) Expenditures	(3,911,132)	(3,880,693)	(2,901,046)	(46,319)	(12,734,961)
Other Financing Sources (uses)					
Operating transfers in	-	-	-	-	225,315
Operating transfers out	-	-	-	-	(628,059)
Cost of issuance	-	-	-	-	(148,671)
Premium on issue	-	-	-	-	157,815
Issuance of debt	-	-	-	-	6,602,349
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,208,749</u>
Excess of revenues and other sources over (under) expenditures and other uses	(3,911,132)	(3,880,693)	(2,901,046)	(46,319)	(6,526,212)
FUND BALANCE - July 1, 2015	<u>4,153,886</u>	<u>6,440,638</u>	<u>2,913,414</u>	<u>-</u>	<u>13,577,386</u>
FUND BALANCE - June 30, 2016	<u>\$ 242,754</u>	<u>\$ 2,559,945</u>	<u>\$ 12,368</u>	<u>\$ (46,319)</u>	<u>\$ 7,051,174</u>

concluded

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Private Purpose Trust Funds
Combining Balance Sheet
June 30, 2016

	<u>Waterman Fund</u>	<u>Fiske Fund</u>	<u>Cemetery Fund</u>	<u>Total</u>
ASSETS				
Cash	\$ 393,234	\$ 4,129	\$ 4,146	\$ 401,509
Investments	1,942,549	241,042	34,741	2,218,332
Other receivables	5,800	-	-	5,800
Due from other funds	347,447	3,097	-	350,544
Total assets	<u>\$ 2,689,030</u>	<u>\$ 248,268</u>	<u>\$ 38,887</u>	<u>\$ 2,976,185</u>
LIABILITIES				
Due to other funds	\$ -	\$ -	\$ 90,000	\$ 90,000
Total liabilities	<u>-</u>	<u>-</u>	<u>90,000</u>	<u>90,000</u>
FUND BALANCES				
Unreserved	2,689,030	248,268	(51,113)	2,886,185
Total fund balances (deficits)	<u>2,689,030</u>	<u>248,268</u>	<u>(51,113)</u>	<u>2,886,185</u>
Total liabilities and fund balances	<u>\$ 2,689,030</u>	<u>\$ 248,268</u>	<u>\$ 38,887</u>	<u>\$ 2,976,185</u>

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Private Purpose Trust Funds
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the fiscal year ended June 30, 2016

	600 Waterman Fund	601 Fiske Fund	602 Cemetery Fund	Total
REVENUES				
Investment income	\$ -	\$ -	\$ -	\$ -
Net increase(decrease) in fair value of investments	26,648	1,138	(4,525)	23,261
Total Revenues	<u>26,648</u>	<u>1,138</u>	<u>(4,525)</u>	<u>23,261</u>
EXPENDITURES				
Social services	7,136	1,137	-	8,273
Total Expenditures	<u>7,136</u>	<u>1,137</u>	<u>-</u>	<u>8,273</u>
Excess of revenues over (under) Expenditures	19,512	1	(4,525)	14,988
FUND BALANCE - July 1, 2015	<u>2,669,518</u>	<u>248,267</u>	<u>(46,588)</u>	<u>2,871,197</u>
FUND BALANCE - June 30, 2016	<u>\$ 2,689,030</u>	<u>\$ 248,268</u>	<u>\$ (51,113)</u>	<u>\$ 2,886,185</u>

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Agency Funds - Town
Combining Statement of Changes in Assets and Liabilities
For the Fiscal Year Ended June 30, 2016

	<u>Balance</u> <u>July 1, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2016</u>
PARKS & RECREATION				
Assets				
Cash	44,553	79,798	109,345	15,006
Total assets	<u>\$ 44,553</u>	<u>\$ 79,798</u>	<u>\$ 109,345</u>	<u>\$ 15,006</u>
Liabilities				
Deposits held in custody for others	\$ 44,553	\$ 79,798	\$ 109,345	\$ 15,006
Total liabilities	<u>\$ 44,553</u>	<u>\$ 79,798</u>	<u>\$ 109,345</u>	<u>\$ 15,006</u>
PERFORMANCE BONDS				
Assets				
Cash	\$ 1,175,147	\$ -	\$ -	\$ 1,175,147
Total assets	<u>\$ 1,175,147</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,175,147</u>
Liabilities				
Deposits held in custody for others	\$ 1,175,147	\$ -	\$ -	\$ 1,175,147
Total liabilities	<u>\$ 1,175,147</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,175,147</u>
TOTAL				
Assets				
Cash	\$ 1,219,700	\$ 79,798	\$ 109,345	\$ 1,190,153
Total assets	<u>\$ 1,219,700</u>	<u>\$ 79,798</u>	<u>\$ 109,345</u>	<u>\$ 1,190,153</u>
Liabilities				
Deposits held in custody for others	\$ 1,219,700	\$ 79,798	\$ 109,345	\$ 1,190,153
Total liabilities	<u>\$ 1,219,700</u>	<u>\$ 79,798</u>	<u>\$ 109,345</u>	<u>\$ 1,190,153</u>

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Agency Funds School Department
Combining Statement of Changes in Assets and Liabilities
For the Fiscal Year Ended June 30, 2016

	<u>Balance</u> <u>July 1, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2016</u>
COVENTRY HIGH SCHOOL				
Assets				
Cash	\$ 213,528	\$ 705,783	\$ 776,125	\$ 143,186
Total assets	<u>\$ 213,528</u>	<u>\$ 705,783</u>	<u>\$ 776,125</u>	<u>\$ 143,186</u>
Liabilities				
Due to other funds	\$ -	\$ -	\$ -	\$ -
Deposits held in custody for others	213,528	705,783	776,125	143,186
Total liabilities	<u>\$ 213,528</u>	<u>\$ 705,783</u>	<u>\$ 776,125</u>	<u>\$ 143,186</u>
FEINSTEIN MIDDLE SCHOOL				
Assets				
Cash	\$ 122,585	\$ 605,529	\$ 606,935	\$ 121,179
Total assets	<u>\$ 122,585</u>	<u>\$ 605,529</u>	<u>\$ 606,935</u>	<u>\$ 121,179</u>
Liabilities				
Due to other funds	\$ -	\$ -	\$ -	\$ -
Deposits held in custody for others	122,585	605,529	606,935	121,179
Total liabilities	<u>\$ 122,585</u>	<u>\$ 605,529</u>	<u>\$ 606,935</u>	<u>\$ 121,179</u>
CULINARY ARTS SCHOLARSHIP FUND				
Assets				
Cash	\$ -	\$ 11,925	\$ -	\$ 11,925
Total assets	<u>\$ -</u>	<u>\$ 11,925</u>	<u>\$ -</u>	<u>\$ 11,925</u>
Liabilities				
Deposits held in custody for others	\$ -	\$ 11,925	\$ -	\$ 11,925
Total liabilities	<u>\$ -</u>	<u>\$ 11,925</u>	<u>\$ -</u>	<u>\$ 11,925</u>
HOPKINS HILL				
Assets				
Cash	\$ 17,943	\$ 28,796	\$ 30,965	\$ 15,774
Total assets	<u>\$ 17,943</u>	<u>\$ 28,796</u>	<u>\$ 30,965</u>	<u>\$ 15,774</u>
Liabilities				
Due to other funds	\$ -	\$ -	\$ -	\$ -
Deposits held in custody for others	17,943	28,796	30,965	15,774
Total liabilities	<u>\$ 17,943</u>	<u>\$ 28,796</u>	<u>\$ 30,965</u>	<u>\$ 15,774</u>

(continued)

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Agency Funds School Department
Combining Statement of Changes in Assets and Liabilities
For the Fiscal Year Ended June 30, 2016

	<u>Balance</u> <u>July 1, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2016</u>
BLACK ROCK				
Assets				
Cash	\$ 29,017	\$ 20,036	\$ 32,463	\$ 16,590
Total assets	<u>\$ 29,017</u>	<u>\$ 20,036</u>	<u>\$ 32,463</u>	<u>\$ 16,590</u>
Liabilities				
Due to other funds	\$ -	\$ -	\$ -	\$ -
Deposits held in custody for others	29,017	20,036	32,463	16,590
Total liabilities	<u>\$ 29,017</u>	<u>\$ 20,036</u>	<u>\$ 32,463</u>	<u>\$ 16,590</u>
OAK HAVEN				
Assets				
Cash	\$ 1,020	\$ -	\$ -	\$ 1,020
Total assets	<u>\$ 1,020</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,020</u>
Liabilities				
Due to other funds	\$ -	\$ -	\$ -	\$ -
Deposits held in custody for others	1,020	-	-	1,020
Total liabilities	<u>\$ 1,020</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,020</u>
REGIONAL CAREER & TECH CTR				
Assets				
Cash	\$ 42,048	\$ 207,868	\$ 200,812	\$ 49,104
Total assets	<u>\$ 42,048</u>	<u>\$ 207,868</u>	<u>\$ 200,812</u>	<u>\$ 49,104</u>
Liabilities				
Due to other funds	\$ -	\$ -	\$ -	\$ -
Deposits held in custody for others	42,048	207,868	200,812	49,104
Total liabilities	<u>\$ 42,048</u>	<u>\$ 207,868</u>	<u>\$ 200,812</u>	<u>\$ 49,104</u>
TIOGUE SCHOOL				
Assets				
Cash	\$ 6,170	\$ 29,540	\$ 23,170	\$ 12,540
Total assets	<u>\$ 6,170</u>	<u>\$ 29,540</u>	<u>\$ 23,170</u>	<u>\$ 12,540</u>
Liabilities				
Due to other funds	\$ -	\$ -	\$ -	\$ -
Deposits held in custody for others	6,170	29,540	23,170	12,540
Total liabilities	<u>\$ 6,170</u>	<u>\$ 29,540</u>	<u>\$ 23,170</u>	<u>\$ 12,540</u>

(continued)

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Agency Funds School Department
Combining Statement of Changes in Assets and Liabilities
For the Fiscal Year Ended June 30, 2016

	<u>Balance</u> <u>July 1, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2016</u>
WESTERN COVENTRY				
Assets				
Cash	\$ 17,232	\$ 59,412	\$ 55,424	\$ 21,220
Total assets	<u>\$ 17,232</u>	<u>\$ 59,412</u>	<u>\$ 55,424</u>	<u>\$ 21,220</u>
Liabilities				
Due to other funds	\$ -	\$ -	\$ -	\$ -
Deposits held in custody for others	17,232	59,412	55,424	21,220
Total liabilities	<u>\$ 17,232</u>	<u>\$ 59,412</u>	<u>\$ 55,424</u>	<u>\$ 21,220</u>
WASHINGTON OAK SCHOOL				
Assets				
Cash	\$ 35,796	\$ 30,284	\$ 25,527	\$ 40,553
Total assets	<u>\$ 35,796</u>	<u>\$ 30,284</u>	<u>\$ 25,527</u>	<u>\$ 40,553</u>
Liabilities				
Due to other funds	\$ -	\$ -	\$ -	\$ -
Deposits held in custody for others	35,796	30,284	25,527	40,553
Total liabilities	<u>\$ 35,796</u>	<u>\$ 30,284</u>	<u>\$ 25,527</u>	<u>\$ 40,553</u>
PHYSICAL PLANT				
Assets				
Cash	\$ 979	\$ 394	\$ 380	\$ 993
Total assets	<u>\$ 979</u>	<u>\$ 394</u>	<u>\$ 380</u>	<u>\$ 993</u>
Liabilities				
Due to other funds	\$ -	\$ -	\$ -	\$ -
Deposits held in custody for others	979	394	380	993
Total liabilities	<u>\$ 979</u>	<u>\$ 394</u>	<u>\$ 380</u>	<u>\$ 993</u>
LITTLE OAKERS PRE SCHOOL				
Assets				
Cash	\$ 177,278	\$ 73,878	\$ 155,600	\$ 95,556
Total assets	<u>\$ 177,278</u>	<u>\$ 73,878</u>	<u>\$ 155,600</u>	<u>\$ 95,556</u>
Liabilities				
Due to other funds	\$ -	\$ -	\$ -	\$ -
Deposits held in custody for others	177,278	73,878	155,600	95,556
Total liabilities	<u>\$ 177,278</u>	<u>\$ 73,878</u>	<u>\$ 155,600</u>	<u>\$ 95,556</u>

(continued)

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Agency Funds School Department
Combining Statement of Changes in Assets and Liabilities
For the Fiscal Year Ended June 30, 2016

	<u>Balance</u> <u>July 1, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2016</u>
BENEFITS				
Assets				
Cash	\$ 279,034	\$ 725,992	\$ 821,148	\$ 183,878
Due from Retirees	45,169	24,837	-	70,006
Total assets	<u>\$ 324,203</u>	<u>\$ 750,829</u>	<u>\$ 821,148</u>	<u>\$ 253,884</u>
Liabilities				
Due to other funds	\$ 325,687	\$ 76,397	\$ -	402,084
Deposits held in custody for others	(1,484)	674,432	821,148	(148,200)
Total liabilities	<u>\$ 324,203</u>	<u>\$ 750,829</u>	<u>\$ 821,148</u>	<u>\$ 253,884</u>
RETIREE MEDICAL				
Assets				
Cash	\$ 22,000	\$ -	\$ -	\$ 22,000
Total assets	<u>\$ 22,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 22,000</u>
Liabilities				
Due to other funds	\$ -	\$ -	\$ -	-
Deposits held in custody for others	22,000	-	-	22,000
Total liabilities	<u>\$ 22,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 22,000</u>
ADMIN CHECKING				
Assets				
Cash	\$ 12,153	\$ -	\$ 558	\$ 11,595
Total assets	<u>\$ 12,153</u>	<u>\$ -</u>	<u>\$ 558</u>	<u>\$ 11,595</u>
Liabilities				
Due to other funds	\$ -	\$ -	\$ -	-
Deposits held in custody for others	12,153	-	558	11,595
Total liabilities	<u>\$ 12,153</u>	<u>\$ -</u>	<u>\$ 558</u>	<u>\$ 11,595</u>
TOTAL AGENCY FUNDS				
Assets				
Cash	\$ 976,783	\$ 2,499,437	\$ 2,729,107	\$ 747,113
Due from Retirees	45,169	24,837	-	70,006
Total assets	<u>\$ 1,021,952</u>	<u>\$ 2,524,274</u>	<u>\$ 2,729,107</u>	<u>\$ 817,119</u>
Liabilities				
Due to other funds	\$ 325,687	\$ 76,397	\$ -	\$ 402,084
Deposits held in custody for others	696,265	2,447,877	2,729,107	415,035
Total liabilities	<u>\$ 1,021,952</u>	<u>\$ 2,524,274</u>	<u>\$ 2,729,107</u>	<u>\$ 817,119</u>

(concluded)

Funds Combined for GASB 54 Reporting Purposes

Town General Fund
School Department

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Town General Fund Balance Sheet
Funds Combined with Town General Fund for GASB 54 Purposes
June 30, 2016

	<u>General Fund</u>	<u>104 Town Gymnasium</u>	<u>106 Personal Watercraft</u>	<u>107 Pilot Program</u>	<u>144 Land Trust</u>	<u>146 Cellphone Tower</u>
ASSETS						
Cash and cash equivalents	\$ 12,943,717	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts receivable:						
Real estate and personal property taxes	2,393,942	-	-	-	-	-
Other receivables	1,026,980	-	-	-	-	-
Due from other funds	3,660,920	-	-	-	-	-
Total assets	<u>\$ 20,025,559</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
Liabilities:						
Accounts payable and accrued expenditures	\$ 377,238	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	6,588,377	(9,410)	(120)	(1,333)	(976,045)	(79,375)
Other liabilities	702,648	-	-	-	-	-
Total liabilities	<u>7,668,263</u>	<u>(9,410)</u>	<u>(120)</u>	<u>(1,333)</u>	<u>(976,045)</u>	<u>(79,375)</u>
DEFERRED INFLOWS OF RESOURCES						
Unavailable tax revenue	2,427,493	-	-	-	-	-
Fund balances:						
Committed for:						
Public works programs	-	-	-	-	-	-
Use of budgeted surplus 2017	292,976	-	-	-	-	-
Public safety programs	-	-	-	-	-	-
Culture and recreation	-	9,410	120	1,333	976,045	79,375
Unassigned:	9,636,827	-	-	-	-	-
Total fund balances	<u>9,929,803</u>	<u>9,410</u>	<u>120</u>	<u>1,333</u>	<u>976,045</u>	<u>79,375</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 20,025,559</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(Continued)

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Town General Fund Balance Sheet
Funds Combined with Town General Fund for GASB 54 Purposes
June 30, 2016

	<u>148</u> <i>Transfer Station DPW</i>	<u>150</u> <i>Scrap Metal DPW</i>	<u>151</u> <i>Scrap Metal Parks & Rec</i>	<u>153</u> <i>Transportation Programs</i>	<u>154</u> <i>Low Income Spay/Neuter</i>	<u>155</u> <i>Animal Care Fund</i>
ASSETS						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ 158,369	\$ -	\$ -
Accounts receivable:						
Real estate and personal property taxes	-	-	-	-	-	-
Other receivables	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-
Total assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 158,369</u>	<u>\$ -</u>	<u>\$ -</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
Liabilities:						
Accounts payable and accrued expenditures	\$ 2,608	\$ -	\$ -	\$ 3,110	\$ 130	\$ 82
Due to other funds	(27,248)	(9,843)	(65)	(33,464)	(7,756)	(2,265)
Other liabilities	-	-	-	-	-	-
Total liabilities	<u>(24,640)</u>	<u>(9,843)</u>	<u>(65)</u>	<u>(30,354)</u>	<u>(7,626)</u>	<u>(2,183)</u>
DEFERRED INFLOWS OF RESOURCES						
Unavailable tax revenue	-	-	-	-	-	-
Fund balances:						
Committed for:						
Public works programs	24,640	9,843	-	-	-	-
Use of budgeted surplus 2017	-	-	-	-	-	-
Public safety programs	-	-	-	-	7,626	2,183
Culture and recreation	-	-	65	188,723	-	-
Unassigned:	-	-	-	-	-	-
Total fund balances	<u>24,640</u>	<u>9,843</u>	<u>65</u>	<u>188,723</u>	<u>7,626</u>	<u>2,183</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 158,369</u>	<u>\$ -</u>	<u>\$ -</u>

(Continued)

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Town General Fund Balance Sheet
Funds Combined with Town General Fund for GASB 54 Purposes
June 30, 2016

	<i>156</i> <i>Concession Vendor</i> <i>Parks & Rec</i>	<i>157</i> <i>Collection Agency</i> <i>Tax Collector</i>	<i>158</i> <i>Historical Records</i> <i>Trust</i>	<i>159</i> <i>T Shirt Program</i> <i>Parks & Rec</i>	<i>160</i> <i>Donations</i> <i>Police</i>	<i>149</i> <i>Celebrate</i> <i>Coventry</i>
ASSETS						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts receivable:						
Real estate and personal property taxes	-	-	-	-	-	-
Other receivables	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-
<i>Total assets</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
<i>Liabilities:</i>						
Accounts payable and accrued expenditures	\$ -	\$ 780	\$ -	\$ -	\$ -	\$ -
Due to other funds	1,216	(5,501)	(31,257)	3,780	(3,214)	(11,399)
Other liabilities	-	-	-	-	-	-
<i>Total liabilities</i>	<u>1,216</u>	<u>(4,721)</u>	<u>(31,257)</u>	<u>3,780</u>	<u>(3,214)</u>	<u>(11,399)</u>
DEFERRED INFLOWS OF RESOURCES						
Unavailable tax revenue	-	-	-	-	-	-
<i>Fund balances:</i>						
<i>Committed for:</i>						
Public works programs	-	-	-	-	-	-
Use of budgeted surplus 2017	-	-	-	-	-	-
Public safety programs	-	-	-	-	3,214	-
Culture and recreation	-	4,721	31,257	-	-	11,399
<i>Unassigned:</i>	(1,216)	-	-	(3,780)	-	-
<i>Total fund balances</i>	<u>(1,216)</u>	<u>4,721</u>	<u>31,257</u>	<u>(3,780)</u>	<u>3,214</u>	<u>11,399</u>
<i>Total liabilities, deferred inflows of resources and fund balances</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(Continued)

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Town General Fund Balance Sheet
Funds Combined with Town General Fund for GASB 54 Purposes
June 30, 2016

	<i>161</i> <i>Library Book</i> <i>Sale</i>	<i>162</i> <i>Spay / Neuter</i> <i>Fund</i>	<i>152</i> <i>Donations</i> <i>Parks & Rec</i>	<i>163</i> <i>Recycling</i> <i>Garb/Waste Mgmt</i>	<i>TOTAL</i>
ASSETS					
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ 13,102,086
Accounts receivable:					
Real estate and personal property taxes	-	-	-	-	2,393,942
Other receivables	-	-	-	-	1,026,980
Due from other funds	-	-	-	-	3,660,920
Total assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 20,183,928</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities:					
Accounts payable and accrued expenditures	\$ -	\$ 275	\$ -	\$ -	\$ 384,223
Due to other funds	(23,225)	(10,294)	(685)	(13,078)	5,347,796
Other liabilities	-	-	-	-	702,648
Total liabilities	<u>(23,225)</u>	<u>(10,019)</u>	<u>(685)</u>	<u>(13,078)</u>	<u>6,434,667</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable tax revenue	-	-	-	-	2,427,493
Fund balances:					
Committed for:					
Public works programs	-	-	-	13,078	47,561
Use of budgeted surplus 2017	-	-	-	-	292,976
Public safety programs	-	10,019	-	-	23,042
Culture and recreation	23,225	-	685	-	1,326,358
Unassigned:	-	-	-	-	9,631,831
Total fund balances	<u>23,225</u>	<u>10,019</u>	<u>685</u>	<u>13,078</u>	<u>11,321,768</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 20,183,928</u>

(Concluded)

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Schedule of Revenues, Expenditures, Other Financing Sources (Uses) and
Changes in Fund Balance
Funds Combined with Town General Fund for GASB 54 Purposes
June 30, 2016

	<i>General Fund</i>	<i>104 Town Gymnasium</i>	<i>106 Personal Watercraft</i>	<i>107 Pilot Program</i>	<i>144 Land Trust</i>	<i>146 Cellphone Tower</i>
Revenues						
Real estate and personal property taxes	\$ 67,685,504	\$ -	\$ -	\$ -	\$ -	\$ -
Other taxes	936,460	-	-	-	-	-
Penalties and interest on taxes	518,517	-	-	-	-	-
Licenses, fees and permits	864,108	-	-	-	-	-
Investment income	195,807	-	-	-	-	-
Intergovernmental	2,026,484	-	-	-	-	-
Charges for services	-	1,700	-	2,115	-	102,796
Miscellaneous	1,499,266	-	-	-	-	-
Total revenues	<u>73,726,146</u>	<u>1,700</u>	<u>-</u>	<u>2,115</u>	<u>-</u>	<u>102,796</u>
Expenditures						
Current:						
General government	5,909,178	-	-	-	-	-
Public safety	12,350,325	-	-	-	-	-
Public works	5,085,454	-	-	-	-	-
Community and economic development	307,910	-	-	-	4,327	-
Health and human services	795,537	3,027	-	-	-	-
Culture and recreation	1,995,553	-	-	3,265	-	-
Debt service						
Principal payments	3,193,000	-	-	-	-	-
Interest and fiscal charges	1,226,802	-	-	-	-	-
Total expenditures	<u>30,863,759</u>	<u>3,027</u>	<u>-</u>	<u>3,265</u>	<u>4,327</u>	<u>-</u>
Excess of revenues over (under) expenditures before other financing sources (uses)	<u>42,862,387</u>	<u>(1,327)</u>	<u>-</u>	<u>(1,150)</u>	<u>(4,327)</u>	<u>102,796</u>
Other financing sources (uses)						
Premium on issuance of debt	201,132	-	-	-	-	-
Transfers from other funds	170,701	-	-	-	-	-
Transfers to other funds	(43,024,385)	-	-	-	(22,233)	(70,000)
Total other financing sources (uses)	<u>(42,652,552)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(22,233)</u>	<u>(70,000)</u>
Excess of revenues and other sources over (under) expenditures and other uses	<u>209,835</u>	<u>(1,327)</u>	<u>-</u>	<u>(1,150)</u>	<u>(26,560)</u>	<u>32,796</u>
Fund balances - beginning	<u>9,719,968</u>	<u>10,737</u>	<u>120</u>	<u>2,483</u>	<u>1,002,605</u>	<u>46,579</u>
Fund balances - ending	<u>\$ 9,929,803</u>	<u>\$ 9,410</u>	<u>\$ 120</u>	<u>\$ 1,333</u>	<u>\$ 976,045</u>	<u>\$ 79,375</u>

(Continued)

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Schedule of Revenues, Expenditures, Other Financing Sources (Uses) and
Changes in Fund Balance
Funds Combined with Town General Fund for GASB 54 Purposes
June 30, 2016

	<i>148</i> <i>Transfer Station</i> <i>DPW</i>	<i>150</i> <i>Scrap Metal</i> <i>DPW</i>	<i>151</i> <i>Scrap Metal</i> <i>Parks & Rec</i>	<i>153</i> <i>Transportation</i> <i>Programs</i>	<i>154</i> <i>Low Income</i> <i>Spay/Neuter</i>	<i>155</i> <i>Animal Care</i> <i>Fund</i>
Revenues						
Real estate and personal property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other taxes	-	-	-	-	-	-
Penalties and interest on taxes	-	-	-	-	-	-
Licenses, fees and permits	-	-	-	-	-	-
Investment income	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	49,215	11,071	272	160,129	1,681	1,436
Miscellaneous	-	-	-	-	-	-
Total revenues	<u>49,215</u>	<u>11,071</u>	<u>272</u>	<u>160,129</u>	<u>1,681</u>	<u>1,436</u>
Expenditures						
Current:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	798	174
Public works	31,733	11,551	-	-	-	-
Community and economic development	-	-	-	-	-	-
Health and human services	-	-	-	-	-	-
Culture and recreation	-	-	1,410	52,423	-	-
Debt service	-	-	-	-	-	-
Principal payments	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Total expenditures	<u>31,733</u>	<u>11,551</u>	<u>1,410</u>	<u>52,423</u>	<u>798</u>	<u>174</u>
Excess of revenues over (under) expenditures before other financing sources (uses)	<u>17,482</u>	<u>(480)</u>	<u>(1,138)</u>	<u>107,706</u>	<u>883</u>	<u>1,262</u>
Other financing sources (uses)						
Premium on issuance of debt	-	-	-	-	-	-
Transfers from other funds	-	-	-	(100,000)	-	-
Transfers to other funds	-	-	-	-	4,903	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(100,000)</u>	<u>4,903</u>	<u>-</u>
Excess of revenues and other sources over (under) expenditures and other uses	<u>17,482</u>	<u>(480)</u>	<u>(1,138)</u>	<u>7,706</u>	<u>5,786</u>	<u>1,262</u>
Fund balances - beginning	<u>7,158</u>	<u>10,323</u>	<u>1,203</u>	<u>181,017</u>	<u>1,840</u>	<u>921</u>
Fund balances - ending	<u>\$ 24,640</u>	<u>\$ 9,843</u>	<u>\$ 65</u>	<u>\$ 188,723</u>	<u>\$ 7,626</u>	<u>\$ 2,183</u>

(Continued)

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Schedule of Revenues, Expenditures, Other Financing Sources (Uses) and
Changes in Fund Balance
Funds Combined with Town General Fund for GASB 54 Purposes
June 30, 2016

	<i>156</i> <i>Concession Vendor</i> <i>Parks & Rec</i>	<i>157</i> <i>Collection Agency</i> <i>Tax Collector</i>	<i>158</i> <i>Historical Records</i> <i>Trust</i>	<i>159</i> <i>T-Shirt Program</i> <i>Parks & Rec</i>	<i>160</i> <i>Donations</i> <i>Police</i>	<i>149</i> <i>Celebrate</i> <i>Coventry</i>
Revenues						
Real estate and personal property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other taxes	-	-	-	-	-	-
Penalties and interest on taxes	-	4,826	-	-	-	-
Licenses, fees and permits	-	-	-	-	-	-
Investment income	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	8,580	-	6,089	2,021	-	9,963
Miscellaneous	-	-	-	-	4,100	-
Total revenues	<u>8,580</u>	<u>4,826</u>	<u>6,089</u>	<u>2,021</u>	<u>4,100</u>	<u>9,963</u>
Expenditures						
Current:						
General government	-	4,959	4,020	-	-	-
Public safety	-	-	-	-	927	-
Public works	-	-	-	-	-	-
Community and economic development	-	-	-	-	-	-
Health and human services	-	-	-	-	-	-
Culture and recreation	-	-	-	5,083	-	2,053
Debt service						
Principal payments	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Total expenditures	<u>-</u>	<u>4,959</u>	<u>4,020</u>	<u>5,083</u>	<u>927</u>	<u>2,053</u>
Excess of revenues over (under) expenditures before other financing sources (uses)	<u>8,580</u>	<u>(133)</u>	<u>2,069</u>	<u>(3,062)</u>	<u>3,173</u>	<u>7,910</u>
Other financing sources (uses)						
Premium on issuance of debt	-	-	-	-	-	-
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>
Excess of revenues and other sources over (under) expenditures and other uses	<u>8,580</u>	<u>(133)</u>	<u>2,069</u>	<u>(3,062)</u>	<u>3,173</u>	<u>7,910</u>
Fund balances - beginning	<u>(9,796)</u>	<u>4,854</u>	<u>29,188</u>	<u>(718)</u>	<u>41</u>	<u>3,489</u>
Fund balances - ending	<u>\$ (1,216)</u>	<u>\$ 4,721</u>	<u>\$ 31,257</u>	<u>\$ (3,780)</u>	<u>\$ 3,214</u>	<u>\$ 11,399</u>

(Continued)

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Schedule of Revenues, Expenditures, Other Financing Sources (Uses) and
Changes in Fund Balance
Funds Combined with Town General Fund for GASB 54 Purposes
June 30, 2016

	<i>161</i> <i>Library Book</i> <i>Sale</i>	<i>162</i> <i>Spay Neuter</i> <i>Fund</i>	<i>152</i> <i>Donations</i> <i>Parks & Rec</i>	<i>163</i> <i>Recycling</i> <i>Garb/Waste Mgmt</i>	<i>Total</i>
Revenues					
Real estate and personal property taxes	\$ -	\$ -	\$ -	\$ -	\$ 67,685,504
Other taxes	-	-	-	-	936,460
Penalties and interest on taxes	-	-	-	-	523,343
Licenses, fees and permits	-	-	-	-	864,108
Investment income	-	-	-	-	195,807
Intergovernmental	-	-	-	-	2,026,484
Charges for services	-	5,307	10,990	13,078	386,443
Miscellaneous	4,950	-	-	-	1,508,316
Total revenues	<u>4,950</u>	<u>5,307</u>	<u>10,990</u>	<u>13,078</u>	<u>74,126,465</u>
Expenditures					
Current:					
General government	-	-	-	-	5,918,157
Public safety	-	3,660	-	-	12,355,884
Public works	-	-	-	-	5,128,738
Community and economic development	-	-	-	-	312,237
Health and human services	-	-	-	-	798,564
Culture and recreation	1,870	-	855	-	2,062,512
Debt service					
Principal payments	-	-	-	-	3,193,000
Interest and fiscal charges	-	-	-	-	1,226,802
Total expenditures	<u>1,870</u>	<u>3,660</u>	<u>855</u>	<u>-</u>	<u>30,995,894</u>
Excess of revenues over (under) expenditures before other financing sources (uses)	<u>3,080</u>	<u>1,647</u>	<u>10,135</u>	<u>13,078</u>	<u>43,130,571</u>
Other financing sources (uses)					
Premium on issuance of debt	-	-	-	-	201,132
Transfers from other funds	-	-	(12,000)	-	58,701
Transfers to other funds	-	8,390	-	-	(43,103,325)
Total other financing sources (uses)	<u>-</u>	<u>8,390</u>	<u>(12,000)</u>	<u>-</u>	<u>(42,843,492)</u>
Excess of revenues and other sources over (under) expenditures and other uses	<u>3,080</u>	<u>10,037</u>	<u>(1,865)</u>	<u>13,078</u>	<u>287,079</u>
Fund balances - beginning	<u>20,145</u>	<u>(18)</u>	<u>2,550</u>	<u>-</u>	<u>11,034,689</u>
Fund balances - ending	<u>\$ 23,225</u>	<u>\$ 10,019</u>	<u>\$ 685</u>	<u>\$ 13,078</u>	<u>\$ 11,321,768</u>

(Concluded)

**SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND**

School Balance Sheet

Funds Combined with School Unrestricted (School General Fund) for GASB 54 Purposes

June 30, 2016

	<u>SRUF GAAP BASIS</u>	<u>90000005 Chromebook Ins</u>	<u>Total School Unrestricted</u>
ASSETS			
Cash	\$ 600,570	\$ 75,213	\$ 675,783
Due from General fund	3,837,357		3,837,357
Due from other school funds	1,639,605	-	1,639,605
Intergovernmental receivables	70,910	-	70,910
Other receivables	162,945	38,818	201,763
Prepaid expenses	520,570	-	520,570
Total assets	<u>\$ 6,831,957</u>	<u>\$ 114,031</u>	<u>\$ 6,945,988</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts Payable	\$ 143,296	\$ -	\$ 143,296
Due to other funds:	523,762	119,767	643,529
Accrued salaries	5,899,372	-	5,899,372
Total liabilities	<u>6,566,430</u>	<u>119,767</u>	<u>\$ 6,686,197</u>
Fund balance			
Reserved for education	265,527	(5,736)	259,791
Unreserved	-	-	-
Total fund balance	<u>265,527</u>	<u>(5,736)</u>	<u>259,791</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 6,831,957</u>	<u>\$ 114,031</u>	<u>\$ 6,945,988</u>

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Schedule of Revenues, Expenditures, Other Financing Sources (Uses) and
Changes in Fund Balance
Funds Combined with School Unrestricted (School General Fund) for GASB 54 Purposes
June 30, 2016

	<u>SRUF</u> <u>GAAP BASIS</u>	<u>90000005</u> <u>Chromebook Ins.</u>	<u>Total</u> <u>School</u> <u>Unrestricted</u>
Revenues			
State Aid	\$ 24,943,302	\$ -	\$ 24,943,302
Federal Aid	726,486	-	726,486
Charges for Service	720,888	-	720,888
Miscellaneous	30,282	109,780	140,062
Total revenues	<u>26,420,958</u>	<u>109,780</u>	<u>26,530,738</u>
Expenditures			
Salaries	42,315,851	-	42,315,851
Employee benefits	17,348,177	-	17,348,177
Purchased services	6,939,610	-	6,939,610
Supplies and materials	1,965,071	81,757	2,046,828
Capital outlay	377,038	-	377,038
Other	69,867	-	69,867
Total expenditures	<u>69,015,614</u>	<u>81,757</u>	<u>69,097,371</u>
Excess of revenues over (under) expenditures	(42,594,656)	28,023	(42,566,633)
Other financing sources (uses)			
Operating transfers - Town appropriation	42,655,728	-	42,655,728
Transfer to General Fund - Performance Bond	(58,701)	-	(58,701)
Transfer from Cell Tower Fund	70,000	-	70,000
Transfer from Restricted Grants	49	-	49
Transfer out to Restricted Grants	(48,209)	-	(48,209)
Total other financing sources/(uses)	<u>42,618,867</u>	<u>-</u>	<u>42,618,867</u>
Excess (deficiency) of revenue and other sources over expenditures and other uses	24,211	28,023	52,234
Fund Balance beginning	<u>241,316</u>	<u>(33,759)</u>	<u>207,557</u>
Fund Balance ending	<u>\$ 265,527</u>	<u>\$ (5,736)</u>	<u>\$ 259,791</u>

STATISTICAL SECTION

The Statistical Schedules differ from other financial statement presentations because they generally disclose more than one fiscal year and may present non-accounting data such as social and economic data and financial trends of the Town.

TOWN OF COVENTRY, RHODE ISLAND
Schedule of Tax Collections
For the Fiscal Year Ended June 30, 2016

Real Estate and Property Tax Assessment of	Total Balance Uncollected 7/1/2015	Assessment	Additions Adjustments	Abatements	Refunds and Adjustments	Total Available for Collection	Collections	(a) Balance Uncollected 6/30/2016
2015		\$ 62,359,964	162,862	(244,681)	165,350	62,443,495	62,042,869	400,626
2014	605,001	-	66,426	(21,319)	8,566	658,674	433,107	225,567
2013	221,791	-	16,141	(14,624)	1,464	224,772	50,630	174,142
2012	176,254	-	32,885	(27,166)	-	181,973	23,058	158,915
2011	115,959	-	11,622	(17,698)	-	109,883	6,968	102,915
2010	115,632	-	-	(26,152)	730	90,210	7,204	83,006
2009	92,193	-	-	(25,217)	-	66,976	3,397	63,579
2008	70,642	-	-	(14,232)	-	56,410	2,564	53,846
2007	34,749	-	-	(9,536)	-	25,213	1,184	24,029
2006	54,140	-	-	(18,696)	-	35,444	-	35,444
2005	51,333	-	-	(17,017)	-	34,316	-	34,316
2004	55,547	-	-	(20,537)	-	35,010	-	35,010
2003 and prior	204,594	-	-	(86,192)	-	118,402	116	118,286
TOTAL PROPERTY	\$ 1,797,835	\$ 62,359,964	\$ 289,936	\$ (543,067)	\$ 176,110	\$ 64,080,778	\$ 62,571,097	\$ 1,509,681

Auto Excise Tax Assessment of	Total Balance Uncollected 7/1/2015	Assessment	Additions Adjustments	Abatements	Authorized Transfers and Adjustments	Total Available for Collection	Collections	Balance Uncollected 6/30/2016
2015		5,253,713	41,023	(12,743)	18,104	5,300,097	4,995,372	304,725
2014	316,921	-	-	(2,839)	1,032	315,114	200,527	114,587
2013	131,987	-	-	(1,785)	89	130,291	40,895	89,396
2012	97,869	-	-	(1,772)	437	96,534	16,619	79,915
2011	85,814	-	-	(1,149)	258	84,923	10,120	74,803
2010	28,059	-	1,293	(224)	-	29,128	2,509	26,619
2009	30,314	-	1,293	(39)	-	31,568	2,363	29,205
2008	38,514	-	-	(13)	-	38,501	1,381	37,120
2007	37,647	-	-	(99)	-	37,548	1,266	36,282
2006	34,680	-	-	(36)	29	34,673	535	34,138
2005	33,662	-	-	-	-	33,662	706	32,956
2004	24,779	-	-	-	-	24,779	302	24,477
2003 and prior	335	-	-	463	(236)	562	524	38
TOTAL AUTO	\$ 860,581	\$ 5,253,713	\$ 43,609	\$ (20,236)	\$ 19,713	\$ 6,157,380	\$ 5,273,119	\$ 884,261

**TOTAL PROPERTY
TAX AND AUTO
EXCISE TAX**

\$ 2,658,416	\$ 67,613,677	\$ 333,545	\$ (563,303)	\$ 195,823	\$ 70,238,158	\$ 67,844,216	\$ 2,393,942
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TOWN OF COVENTRY, RHODE ISLAND
Supplementary Information
Schedule of Assessed Property Valuations, Exemptions and Tax Levy
For the Year Ended June 30, 2016

	<u>December 31, 2014</u>	<u>December 31, 2013</u>	<u>December 31, 2012</u>	<u>December 31, 2011</u>	<u>December 31, 2010</u>	<u>December 31, 2009</u>	<u>December 31, 2008</u>	<u>December 31, 2007</u>	<u>December 31, 2006</u>	<u>December 31, 2005</u>
Assessed Property Valuations:										
Real Property	\$ 2,973,343,095	\$ 2,952,373,605	\$ 3,176,709,030	\$ 3,146,610,970	\$ 3,098,994,584	\$ 3,688,440,259	\$ 3,679,277,325	\$ 3,661,025,184	\$ 3,315,487,502	\$3,281,103,269
Tangibles	64,485,885	63,607,365	61,396,945	60,180,870	94,324,242	114,421,880	116,794,405	116,558,916	27,615,172	21,656,098
Motor Vehicles	328,603,241	321,736,932	320,210,910	318,637,853	309,336,216	298,253,258	250,975,340	283,134,618	271,963,528	271,118,304
	<u>3,366,432,221</u>	<u>3,337,717,902</u>	<u>3,558,316,885</u>	<u>3,525,429,693</u>	<u>3,502,655,042</u>	<u>4,101,115,397</u>	<u>4,047,047,070</u>	<u>4,060,718,718</u>	<u>3,615,066,202</u>	<u>3,573,877,671</u>
Less Exemptions:										
Blindness	356,872	389,872	455,872	515,722	521,872	488,872	445,500	392,830	409,330	343,330
Elderly and Disabled	20,897,200	20,510,000	20,382,000	20,106,268	19,792,580	19,752,580	19,488,580	19,472,580	18,779,111	18,857,004
Gold Star Mothers	9,000	9,000	9,000	9,000	9,000	15,000	15,000	18,000	15,000	15,000
Rectories and Parsonages	-	-	-	-	-	-	453,400	453,400	480,150	1,326,130
State Veterans	123,320	127,587	126,840	118,000	141,426	120,265	125,415	130,795	127,661	156,177
Veterans	16,270,500	16,763,300	17,546,300	18,127,946	18,640,480	18,959,180	19,303,080	19,750,880	20,087,370	20,613,470
POW's	15,000	15,000	15,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
100% Disabled Veterans	55,000	47,000	136,400	135,400	133,400	130,400	133,400	129,400	125,400	132,400
Variable	15,407,406	15,517,906	11,296,810	10,000	10,000	2,085,572	-	-	-	-
Specially Adapted Housing	-	-	-	-	-	-	12,300	30,300	30,300	32,638
Motor Vehicle Phase-out	48,306,003	47,830,923	47,139,090	45,879,416	42,749,639	163,838,839	-	-	-	-
Tax Relief Program	19,106,872	18,978,591	21,537,525	22,183,622	22,943,699	23,471,310	24,368,374	26,616,550	26,196,724	31,068,368
Total Exemptions	<u>120,547,173</u>	<u>120,189,179</u>	<u>118,644,837</u>	<u>107,115,374</u>	<u>104,972,096</u>	<u>228,892,018</u>	<u>64,375,049</u>	<u>67,024,735</u>	<u>66,281,046</u>	<u>72,574,517</u>
NET TAXABLE ASSESSED PROPERTY VALUATIONS	<u>\$ 3,245,885,048</u>	<u>\$ 3,217,528,723</u>	<u>\$ 3,439,672,048</u>	<u>\$ 3,418,314,319</u>	<u>\$ 3,397,682,946</u>	<u>\$ 3,872,223,379</u>	<u>\$ 3,982,672,021</u>	<u>\$ 3,993,693,983</u>	<u>\$ 3,548,785,156</u>	<u>\$3,501,303,154</u>
Tax Levy:										
Real and personal property and tangible tax	\$ 62,359,964	\$ 60,678,892	\$ 59,430,967	\$ 57,215,357	\$ 56,864,263	\$ 57,044,768	\$ 56,830,394	\$ 56,350,234	\$ 53,733,335	\$51,033,500
Motor vehicle tax	5,253,713	5,133,679	5,118,101	5,112,255	4,995,985	2,518,067	2,183,732	2,756,369	2,558,668	2,581,006
TOTAL TAXES ASSESSED, NET OF EXEMPTIONS	<u>\$ 67,613,677</u>	<u>\$ 65,812,571</u>	<u>\$ 64,549,068</u>	<u>\$ 62,327,612</u>	<u>\$ 61,860,248</u>	<u>\$ 59,562,835</u>	<u>\$ 59,014,126</u>	<u>\$ 59,106,603</u>	<u>\$ 56,292,003</u>	<u>\$53,614,506</u>

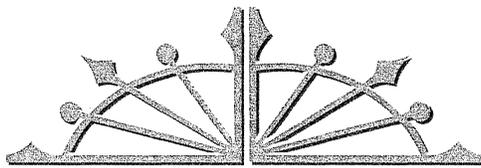
TOWN OF COVENTRY, RHODE ISLAND
Schedule of long-term liabilities - Primary Government
For the fiscal year ended June 30, 2016

	Date of Issuance	Interest Rate	Date of Maturity	Authorized	Outstanding July 1, 2015	Additions	Maturities During Year	Outstanding June 30, 2016	Interest Paid
General Obligation Bonds Payable									
GO Bond Refunding	10/27/11	2.00% to 3.375%	11/01/21	\$ 13,770,000	\$ 9,685,000	\$ -	\$ 1,445,000	\$ 8,240,000	\$ 273,613
GO Bond	3/17/15	2.12% to 4.00%	3/15/35	15,860,000	15,860,000	-	580,000	15,280,000	475,102
RIHEBC GO Bond	4/23/13	2.00% to 4.00%	04/01/27	12,520,000	11,225,000	-	870,000	10,355,000	335,832
GO Bond	4/11/12	3.00% to 4.00%	04/01/27	4,330,000	3,795,000	-	265,000	3,530,000	128,582
GO Bond	3/16/16	3.00%	3/15/36	5,880,000	-	5,880,000	-	5,880,000	-
GO Ban	3/17/15	1.25%	3/16/16	860,000	860,000	-	860,000	-	10,720
General obligation bonds payable				53,220,000	41,425,000	5,880,000	4,020,000	43,285,000	1,223,849
Issuance premium on bonds					708,989	358,947	63,600	1,004,336	-
Total general obligation bonds payable				53,220,000	42,133,989	6,238,947	4,083,600	44,289,336	1,223,849
Loans Payable									
RI Infrastructure Bank	9/3/14	.26% to 2.01%	9/1/24	340,000	19,531	320,469	32,000	308,000	1,500
RI Infrastructure Bank	5/28/15	.33% to 2.55%	9/1/29	900,000	9,000	401,880	1,000	409,880	2,108
Total loans payable				1,240,000	28,531	722,349	33,000	717,880	3,608
Total general obligation bonds and loans payable				54,460,000	42,162,520	6,961,296	4,116,600	45,007,216	1,227,457
Sewer Loans Payable									
RI Infrastructure Bank	12/6/06	1.33%	9/1/27	3,205,000	2,212,000	-	152,000	2,060,000	39,732
RI Infrastructure Bank	12/12/07	3.75% to 5.08%	9/1/28	5,000,000	3,697,000	-	231,000	3,466,000	74,892
RI Infrastructure Bank	6/28/12	0.47% - 2.99%	9/1/32	2,400,000	2,397,000	-	107,000	2,290,000	66,854
RI Infrastructure Bank	6/6/13	0.82% - 3.23%	9/1/34	2,400,000	2,398,000	-	98,000	2,300,000	51,494
RI Infrastructure Bank	10/6/09	.7%-2.64%	9/1/29	2,564,519	2,032,311	-	112,463	1,919,848	56,138
RI Infrastructure Bank	9/3/13	4.25%	9/1/28	8,225,000	7,820,000	-	420,000	7,400,000	338,640
Total Sewer loans payable				23,794,519	20,556,311	-	1,120,463	19,435,848	627,750
Total bonds and loans payable				\$ 78,254,519	62,718,831	6,961,296	5,237,063	64,443,064	1,855,207
Accrued expenses									
Compensated absences					3,246,397	647,393	78,832	3,814,958	n/a
Net pension liability					132,096,776	6,348,452	-	138,445,228	n/a
Net OPEB obligation					2,806,791	645,045	-	3,451,836	n/a
Total accrued expenses					138,149,964	7,640,890	78,832	145,712,022	
Total long-term liabilities					\$ 200,868,795	\$ 14,602,186	\$ 5,315,895	\$ 210,155,086	

TOWN OF COVENTRY, RHODE ISLAND
COMPUTATION OF LEGAL DEBT MARGIN
June 30, 2016

Grossed assessed value	\$ 3,366,432,221
Less: exemptions and adjustments	(120,547,173)
Total taxable assessed value	\$ 3,245,885,048
Debt Limit - 3 percent of total assessed value	\$ 97,376,551
Amount of debt applicable to debt limit:	
Total bonded debt-governmental bonds	32,930,000
Legal debt margin	\$ 64,446,551

***TOWN OF COVENTRY, RHODE ISLAND
SINGLE AUDIT
FOR THE YEAR ENDED JUNE 30, 2016***



BAXTER DANSEREAU & ASSOCIATES, LLP

Accounting, Consulting & Tax Services

Partners
William J. Baxter, Jr., CPA
Paul L. Dansereau, CPA

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*

INDEPENDENT AUDITOR'S REPORT

The Honorable President
and Members of the Town Council
Town of Coventry, 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 Coventry, Rhode Island as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the Town of Coventry's basic financial statements, and have issued our report thereon dated February 2, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Town of Coventry'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 Town of Coventry's internal control. Accordingly, we do not express an opinion on the effectiveness of Town of Coventry's internal control.

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Town of Coventry'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

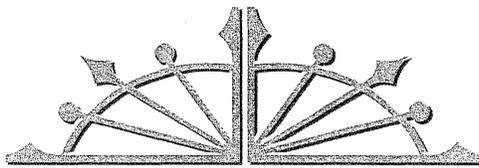
The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in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

Baxter, Dansereau & Associates, LLP

Baxter, Dansereau & Associates, LLP

West Warwick, Rhode Island

February 2, 2017



BAXTER DANSEREAU & ASSOCIATES, LLP

Accounting, Consulting & Tax Services

Partners
William J. Baxter, Jr., CPA
Paul L. Dansereau, CPA

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

INDEPENDENT AUDITOR'S REPORT

The Honorable President
and Members of the Town Council
Town of Coventry, Rhode Island

Report on Compliance for the Major Federal Program

We have audited the Town of Coventry's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Town of Coventry, Rhode Island's major federal programs for the year ended June 30, 2016. The Town of Coventry's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Town of Coventry, Rhode Island's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Town of Coventry, Rhode Island's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Town of Coventry, Rhode Island's compliance.

Opinion on Each Major Federal Program

In our opinion, the Town of Coventry, Rhode Island, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2016.

Report on Internal Control Over Compliance

Management of the Town of Coventry, Rhode Island, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Town of Coventry, Rhode Island's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Town of Coventry, Rhode Island's internal control over compliance.

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

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

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



Baxter, Dansereau & Associates, LLP
West Warwick, Rhode Island
February 2, 2017

TOWN OF COVENTRY, RHODE ISLAND
Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2016

<u>Federal Grantor/Pass-through Grantor/Program or Cluster Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Passed Through to Subrecipients</u>	<u>Expenditures</u>
U.S. Department of Agriculture:				
<i>Passed through State of Rhode Island Department of Education:</i>				
<i>Child Nutrition Cluster:</i>				
School Breakfast Program	10.553	N/A	\$ -	\$ 124,091
National School Lunch Program	10.555	N/A	-	569,607
Special School Milk Program for Children	10.556	N/A	-	4,698
Food Commodity Program - See Note 4	10.555	N/A	-	91,572
<i>Total Child Nutrition Cluster</i>			-	789,968
<i>Direct Award</i>				
Emergency Watershed Protection Program	10.923	N/A	-	465,565
Total U.S. Department of Agriculture			\$ -	\$ 1,255,533
U.S. Department of Commerce				
<i>Direct Award</i>				
Economic Adjustment Assistance	11.307	N/A	\$ -	\$ 171,670
Total U.S. Department of Commerce			\$ -	\$ 171,670
U.S. Department of Housing and Urban Development:				
<i>Pass-Through State of Rhode Island Division of Planning, Office of Housing and Community Development</i>				
Community Development Block Grant	14.228	N/A	\$ -	\$ 46,102
<i>Direct Award</i>				
Economic Development Initiative - Special Project	14.251	N/A	-	190,665
Total U.S. Department of Housing and Urban Development			\$ -	\$ 236,767
U.S. Department of Justice:				
<i>Pass-Through State of Rhode Island Governor's Justice Commission</i>				
Bulletproof Vests Partnership Program	16.607	N/A	\$ -	\$ 6,963
Total U.S. Department of Justice			\$ -	\$ 6,963
U.S. Department of Transportation				
<i>Pass-through State of Rhode Department of Transportation</i>				
Highway Planning and Construction	20.205	N/A	\$ -	\$ 107,853
Interagency Hazardous Materials Public Sector Training and Planning Grants	20.703	06-04-2013-SHSP/CERT	-	2,516
<i>Highway Safety Cluster:</i>				
State and Community Highway Safety	20.600	N/A	-	12,603
Alcohol Impaired Driving Countermeasures Incentive Grants I	20.601	N/A	-	12,603
<i>Total Highway Safety Cluster</i>			-	25,206
Total U.S. Department of Transportation			\$ -	\$ 135,575
U.S. Environmental Protection Agency				
<i>Direct Award</i>				
ARRA - Capitalization Grant for Clean Water State Revolving Fund	66.458	N/A	\$ -	\$ 14,537
Total U.S. Environmental Protection Agency			\$ -	\$ 14,537
U.S. Department of Education:				
<i>Passed through State of Rhode Island Department of Education:</i>				
Title I Grants to Local Education Agencies	84.010	2725-11702-601	\$ -	\$ 585,650
Career & Technical Education - Basic Grants to States	84.048	2725-15302-601	-	240,524
Improving Teacher Quality State Grants	84.367	2725-16402-601	-	213,179
<i>Special Education Cluster:</i>				
Special Education Grants to States	84.027	2725-13202-601	-	1,303,475
Special Education Grants to States - School Support Plan Implementation	84.027	2725-1302-610	-	7,172
Special Education Preschool Grants	84.173	2725-13502-601	-	30,922
<i>Total Special Education Cluster:</i>			-	1,341,569
ARRA - Race to the Top	84.395	4572-13502-130	-	6,581
Total U.S. Department of Education			\$ -	\$ 2,387,503

continued

TOWN OF COVENTRY, RHODE ISLAND
Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2016

<u>Federal Grantor/Pass-through Grantor/Program or Cluster Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Passed Through to Subrecipients</u>	<u>Expenditures</u>
U.S. Department of Health & Human Services				
<i>Passed through State of Rhode Island Department of Health</i>				
Medical Assistance Program	93.778	N/A	\$ -	\$ 429,237
Total U.S. Department of Health & Human Services			<u>\$ -</u>	<u>\$ 429,237</u>
U.S. Department of Homeland Security				
<i>Passed through State of Rhode Island Emergency Management Agency:</i>				
Flood Mitigation Grant	97.029	N/A	\$ -	\$ 237,629
Severe Repetitive Loss Program	97.110	N/A	-	3,000
Total U.S. Department of Homeland Security			<u>\$ -</u>	<u>\$ 240,629</u>
Total Expenditures of Federal Awards			<u>\$ -</u>	<u>\$ 4,878,414</u>

The accompanying notes are an integral part of this schedule.

concluded

TOWN OF COVENTRY, RHODE ISLAND
Schedule of Findings and Questioned Costs
For The Year Ended June 30, 2016

SECTION I - SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

Material weakness (es) identified? yes X no

Significant deficiency (ies) identified? yes X none reported

Noncompliance material to financial statements noted? yes X no

Federal Awards

Internal control over major federal programs:

Material weakness (es) identified? yes X no

Significant deficiency (ies) identified? yes X none reported

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? yes X no

Identification of major programs:

<i>CFDA Number(s)</i>	<i>Name of Federal Program or Cluster</i>
	<i>Education Cluster</i>
84.027	Special Education Grants to States
84.173	Special Education Preschool Grants
84.010	Title I Grants to Local Educational Agencies
14.251	Economic Development Initiative - Special Project

Dollar threshold used to distinguish between Type A and Type B programs: \$ 750,000

Auditee qualified as low risk auditee? yes X no

SECTION II – FINANCIAL STATEMENT FINDINGS yes X none

SECTION III – FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS yes X none

TOWN OF COVENTRY, RHODE ISLAND
Schedule of Findings and Questioned Costs
For The Year Ended June 30, 2016
(continued)

**SECTION II – FINDINGS RELATING TO THE FINANCIAL STATEMENT AUDIT
AS REQUIRED TO BE REPORTED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

A. Significant Deficiency in Internal Control

None Reported.

B. Compliance

None Reported.

SECTION III – FINDINGS AND QUESTIONED COST FOR FEDERAL AWARDS

A. Finding

None Reported

B. Questioned Costs

None Reported

TOWN OF COVENTRY, RHODE ISLAND
Schedule of Prior Year Findings and Questioned Costs
For the Year Ended June 30, 2016

PRIOR YEAR FINDINGS AND QUESTIONED COST FOR FEDERAL AWARDS

A. Findings

None Reported

B. Questioned Costs

None Reported

TOWN OF COVENTRY, RHODE ISLAND
Notes to Schedule of Expenditures of Federal Awards
June 30, 2016

NOTE 1 - *BASIS OF PRESENTATION*

The accompanying schedule of expenditures of federal awards (the schedule) includes the federal grant activity of the Town of Coventry, Rhode Island under programs of the federal government for the year ended June 30, 2016. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of the Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the Town of Coventry, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Town of Coventry, Rhode Island.

NOTE 2 - *SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES*

Expenditures reported on the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. *Code of the Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 3 - *Indirect Cost Rates*

The Town of Coventry has elected to use the 10 percent de-minimis indirect cost rate as allowed under the Uniform Guidance when applicable.

NOTE 4 - *Non-Cash Assistance*

U.S.D.A. Contributions: The United States Department of Agriculture makes available commodities for donations to schools. The amount of \$91,572 represents the market value of such commodities used during the period.