
TOWN OF COVENTRY

***ANNUAL
FINANCIAL REPORT***

***FOR THE FISCAL YEAR ENDED
JUNE 30, 2018***

***John R. Arnett
FINANCE DIRECTOR***

Prepared by: Finance Department

COVENTRY, RHODE ISLAND

TOWN OF COVENTRY, RHODE ISLAND
ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

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(concluded)

INTRODUCTORY SECTION

This Section Contains the Following Subsections:

List of Town Officials

TOWN OF COVENTRY, RHODE ISLAND

As of June 30, 2018

TOWN COUNCIL

Glenford Shibley – President
Gregory Laboissonniere – Vice-President
Karen M. Carlson
Debra Bacon
Kerry L. McGee

TOWN MANAGER INTERIM

Edward Warzycha

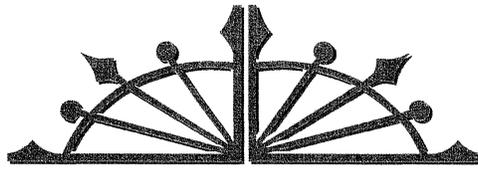
FINANCE DIRECTOR

John R. Arnett

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, 2018, 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, 2018, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 19 for the financial statements, during the fiscal year ended June 30, 2018, the Town adopted new accounting guidance, Government Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (OPEB)*. The net position of the Town has been restated to recognize the Net OPEB Liability required in implementing GASB No. 75. Our opinion is not modified with respect to this matter.

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 91-97 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

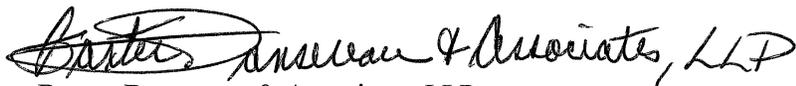
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Coventry, Rhode Island's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, other supplementary information, schedules, the Annual Supplemental Transparency Report (MTP2) 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, other supplementary information, the Annual Supplementary Transparency Report (MTP2) 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, other supplementary information, the Annual Supplementary Transparency Report, MTP2 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 14, 2019, 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 14, 2019

Management's Discussion and Analysis

TOWN OF COVENTRY, RHODE ISLAND
Management's Discussion and Analysis
For the Year Ended June 30, 2018
(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, 2018. 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 \$126,555 as a result of current year's operations. On a government-wide basis the liabilities and deferred inflows of resources of the Town of Coventry exceeded its assets and deferred outflows of resources at the close of the most recent fiscal year by \$130,962,282. The net position of the Town's business activities decreased by \$232,963 or 2.06%, and the net position of Governmental Activities increased by \$106,408 or less than .07% in the current period. Also, during the fiscal year ended June 30, 2018, the Town adopted new accounting guidance, GASB Statement No. 75, *Accounting and Financial Reporting by Employers for Post-Employment Benefits Other than Pension*. Therefore, the beginning net position of the Town has been restated to recognize the net OPEB liability required in implementing GASB No. 75. The effect of the implementation caused the unrestricted net position to decrease by net (\$13,607,086). See note 19 for explanations of other restatement items that had to do with previous accounting periods.
- ❖ The Town's Government-wide (governmental and business activities) operating expenses were \$114,835,816 a 1.7% increase from the prior year, while revenues collected were \$114,709,261 a 1.7% increase from the prior year.
- ❖ As of the close of the fiscal year, the Town's governmental funds reported combined ending fund balances of \$20,535,998. Over 32.8% of this amount, \$6,737,749 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 \$7,984,573 or 10% 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 \$1,100,470. On a budgetary basis revenue exceeded expenditures and transfers by \$674,243.

TOWN OF COVENTRY, RHODE ISLAND
Management's Discussion and Analysis
For the Year Ended June 30, 2018
(Un-audited)

Overview of the Financial Statements

This discussion and analysis are 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 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, 2018
(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 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 and School Special Revenue Unrestricted 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 supplementary information 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 and one internal service fund. The Coventry Sewer Enterprise Fund, which accounts for the Town's sewer system and the Self Insurance Reserve Fund which is an internal service fund. This fund accounts for the School Departments health care self-insurance activity with WB Community Health.

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 a major fund of the Town. The Internal Service Fund is folded into the Governmental Activities of the Government-Wide Financial Statements when the fund financial statements are consolidated.

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, 2018
(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 90.

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 91 through 107.

The combining statements referred to earlier in connection with non-major governmental funds, are presented on pages 108 through 168.

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 \$130,962,282 as of June 30, 2018. The cumulative deficit in the governmental activities net position decreased by \$106,408 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, 2018
(Un-audited)

Town of Coventry
Net Position

	<i>June 30, 2018</i>			<i>June 30, 2017</i>		
	Govern- mental Activities	Business Type Activities	Total	Govern- mental Activities	Business Type Activities	Total
Current and Other Assets	\$ 35,924,427	\$ 11,931,952	\$ 47,856,379	\$ 38,563,604	\$ 14,001,306	\$ 52,564,910
Capital assets	45,592,088	27,953,223	73,545,311	44,191,449	28,027,902	72,219,351
Total Assets	<u>81,516,515</u>	<u>39,885,175</u>	<u>121,401,690</u>	<u>82,755,053</u>	<u>42,029,208</u>	<u>124,784,261</u>
Deferred outflows of resources	22,233,596	-	22,233,596	17,162,272	-	17,162,272
Other Liabilities	5,206,999	2,964,615	8,171,614	5,457,658	2,927,370	8,385,028
Long-Term Liabilities	226,548,839	18,202,509	244,751,348	217,058,268	19,482,727	236,540,995
Total Liabilities	<u>231,755,838</u>	<u>21,167,124</u>	<u>252,922,962</u>	<u>222,515,926</u>	<u>22,410,097</u>	<u>244,926,023</u>
Deferred inflows of resources	14,013,899	7,660,707	21,674,606	9,655,894	8,328,804	17,984,698
Net Position:						
Net investment in capital assets	7,517,224	11,100,041	18,617,265	7,689,162	11,141,342	18,830,504
Restricted for:						
Education programs	668,840	-	668,840	1,046,486	-	1,046,486
Public safety programs	374,158	-	374,158	393,231	-	393,231
Culture and recreation	42,892	-	42,892	42,492	-	42,492
Health & human services	184,185	-	184,185	175,947	-	175,947
Unrestricted	<u>(150,806,925)</u>	<u>(42,697)</u>	<u>(150,849,622)</u>	<u>(141,601,813)</u>	<u>148,965</u>	<u>(141,452,848)</u>
Total Net Position	<u>\$ (142,019,626)</u>	<u>\$ 11,057,344</u>	<u>\$ (130,962,282)</u>	<u>\$ (132,254,495)</u>	<u>\$ 11,290,307</u>	<u>\$ (120,964,188)</u>

The largest portion of the Town's Governmental net position, \$7,517,224 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 \$150,806,925 deficit while the business-type activities reported a \$42,697 deficit position.

As of June 30, 2018 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, 2018
(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, 2018. 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 increased the Town's net position by \$106,408 for the current period accounting for a less than 1% increase in the Town's governmental net position, while business-type activities decreased the Town's net position by \$232,963 or 2.06% for the current period. Overall the Town's decrease in net position was \$126,555 for current year's activity.

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

	<i>Town of Coventry</i>			<i>Changes in Net Position</i>		
	June 30, 2018			June 30, 2017		
	Govern- mental Activities	Business Type Activities	Total	Govern- mental Activities	Business Type Activities	Total
Revenues						
Program revenues						
Charges for services	\$ 4,754,982	\$ 2,620,627	\$ 7,375,609	\$ 4,488,409	\$ 2,788,347	\$ 7,276,756
Federal/State grants	33,689,481	-	33,689,481	32,763,017	209,333	32,972,350
General Revenues						
Property taxes	72,613,394	-	72,613,394	71,157,398	-	71,157,398
Investment earnings	223,076	5,581	228,657	620,005	2,053	622,058
Miscellaneous	802,120	-	802,120	888,525	-	888,525
Total revenues	<u>112,083,053</u>	<u>2,626,208</u>	<u>114,709,261</u>	<u>109,917,354</u>	<u>2,999,733</u>	<u>112,917,087</u>
Expenses						
General government	6,512,174	-	6,512,174	6,707,887	-	6,707,887
Public safety	12,786,220	-	12,786,220	12,926,648	-	12,926,648
Education	80,458,843	-	80,458,843	78,507,798	-	78,507,798
Public works	6,524,759	-	6,524,759	6,095,250	-	6,095,250
Community and economic development	421,182	-	421,182	395,229	-	395,229
Health and human services	1,473,237	-	1,473,237	1,778,433	-	1,778,433
Culture and recreation	2,403,972	-	2,403,972	2,440,262	-	2,440,262
Interest on long-term debt	1,396,258	-	1,396,258	1,375,098	-	1,375,098
Sewer Fund Expenses	-	2,859,171	2,859,171	-	2,652,693	2,652,693
Total expenses	<u>111,976,645</u>	<u>2,859,171</u>	<u>114,835,816</u>	<u>110,226,605</u>	<u>2,652,693</u>	<u>112,879,298</u>
Transfers	-	-	-	436,457	(436,457)	-
Change in net position	106,408	(232,963)	(126,555)	127,206	(89,417)	37,789
Net position - beginning restated	<u>(142,126,034)</u>	<u>11,290,307</u>	<u>(130,835,727)</u>	<u>(132,381,701)</u>	<u>11,379,724</u>	<u>(121,001,977)</u>
Net position - ending	<u>\$ (142,019,626)</u>	<u>\$ 11,057,344</u>	<u>\$ (130,962,282)</u>	<u>\$ (132,254,495)</u>	<u>\$ 11,290,307</u>	<u>\$ (120,964,188)</u>

TOWN OF COVENTRY, RHODE ISLAND
Management's Discussion and Analysis
For the Year Ended June 30, 2018
(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 \$20,535,998. Over 32% of this amount, \$6,737,749 is unassigned and available for use within the Town's specific designations and fiscal policies.

TOWN OF COVENTRY, RHODE ISLAND
Fund Balance Categories

<i>Non-spendable for:</i>	
Sewer fund inter-fund receivable	\$ 2,656,700
Prepaid items	637,250
<i>Restricted for:</i>	
Educational programs	668,840
Public safety programs	374,158
Culture and recreation	42,892
Health & human services	184,185
<i>Committed for:</i>	
Public works programs	6,307,570
Public safety programs	52,391
Culture and recreation	2,874,263
<i>Unassigned:</i>	<u>6,737,749</u>
Total fund balances	<u><u>\$ 20,535,998</u></u>

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 is a deficit of \$42,697.

General Fund Budgetary Highlights

Revenues:

Total Revenues – were under budget by \$230,469.

General Property Taxes – were under budget by \$636,846 because of lower than anticipated collection of the same.

Intergovernmental revenue – exceeded budget \$696,676 due to the unknown exact reimbursement from the Rhode Island's Motor Vehicle phase out.

TOWN OF COVENTRY, RHODE ISLAND
Management's Discussion and Analysis
For the Year Ended June 30, 2018
(Un-audited)

General Fund Budgetary Highlights – (continued)

Other Revenue – was under budget by \$200,469 mainly because of lower than anticipated collection of Miscellaneous Receipts and Police Car Rentals.

Expenses:

Total Expenses – were under budget by \$904,712.

Public Works – was under budget by \$308,325 mainly because of salaries and fringe benefits savings from employee turnover as well as efficiency gains throughout the department.

Public Safety – was under budget by 463,314. The primary driver of cost savings was the military activation of some police officers during the fiscal year.

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 \$73,545,311 net of accumulated depreciation at June 30, 2018. 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, 2018			June 30, 2017		
	Govern- mental Activities	Business Type Activities	Total	Govern- mental Activities	Business Type Activities	Total
Land	9,688,933	-	9,688,933	9,688,933	-	9,688,933
Construction in progress	4,940,363	2,259,136	7,199,499	152,101	1,685,150	1,837,251
Infrastructure	2,875,917	-	2,875,917	3,055,454	-	3,055,454
Buildings & Improvements	24,427,177	-	24,427,177	27,129,143	-	27,129,143
Machinery and equipment	230,673	-	230,673	325,457	-	325,457
Office equipment and furniture	214,169	-	214,169	298,636	-	298,636
Vehicles	3,214,856	-	3,214,856	3,541,725	-	3,541,725
Wastewater collection system	-	25,694,087	25,694,087	-	26,342,752	26,342,752
Total	45,592,088	27,953,223	73,545,311	44,191,449	28,027,902	72,219,351

TOWN OF COVENTRY, RHODE ISLAND
Management's Discussion and Analysis
For the Year Ended June 30, 2018
(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 \$42,717,163. 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, 2018</i>			<i>June 30, 2017</i>		
	Govern- mental Activities	Business Type Activities	Total	Govern- mental Activities	Business Type Activities	Total
Bonds Payable	42,717,163	-	42,717,163	46,451,028	-	46,451,028
Notes Payable	1,015,576	18,202,509	19,218,085	1,051,009	19,482,727	20,533,736
Totals	43,732,739	18,202,509	61,935,248	47,502,037	19,482,727	66,984,764

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 179 and 171.

Economic Factors and Next Year's Budgets and Rates

The Town of Coventry's total budget for fiscal year 2019 amounts to \$103,934,261, which reflects an increase of \$1,795,855 over fiscal 2018's budget of \$102,227,455. Of the Town's 2019 budget, \$70,473,482, or 67.8% is budgeted for educational purposes, 27,410,163 or 26.4% for municipal government, \$5,056,423 or 4.9% for debt service and \$993,490 or 1.0% for library resource sharing.

The State of Rhode Island is budgeted to contribute \$ 24,074,085 toward the Town's educational expenses for the fiscal year 2019. This is an increase of \$871,110 from the \$23,202,975 contributed by the State in the fiscal year 2018.

For fiscal 2019 the Town's residential and commercial property tax rates were 21.609 and 26.047, respectively, with 62.1% allocated for education, 29.7% for municipal government, 8.2% for debt service, capital improvements and library resource sharing. For fiscal 2018 the Town's residential and commercial property tax rates were \$20.977 and \$25.285, respectively, with 61.6% allocated for education, 33.1% for municipal government, 5.3% for debt service, capital improvements and library resource sharing

TOWN OF COVENTRY, RHODE ISLAND
Management's Discussion and Analysis
For the Year Ended June 30, 2018
(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.

John Arnett
Finance Director/Treasurer

BASIC FINANCIAL STATEMENTS

Government-Wide Financial Statements

TOWN OF COVENTRY
Statement of Net Position
June 30, 2018

	<u>Primary Government</u>		
	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Assets:			
Current Assets:			
Cash and cash equivalents	\$ 17,692,174	\$ 17,394	\$ 17,709,568
Investments	4,557,670	-	4,557,670
Real estate and personal property tax receivable, net	2,556,336	-	2,556,336
Water and sewer use fees receivable, net	-	1,066,963	1,066,963
Due from federal and state government	1,170,644	1,349,327	2,519,971
Net pension asset	6,023,168	-	6,023,168
Prepaid expenses	669,074	-	669,074
Other assets, net	1,778,566	-	1,778,566
Other receivables, net	1,476,795	-	1,476,795
Total current assets	<u>35,924,427</u>	<u>2,433,684</u>	<u>38,358,111</u>
Noncurrent assets:			
Sewer assessments receivable	-	7,738,436	7,738,436
Capital assets:			
Land	9,688,933	-	9,688,933
Construction in progress	4,940,363	2,259,136	7,199,499
Property, plant & equipment - net	30,962,792	25,694,087	56,656,879
Capital assets, net	<u>45,592,088</u>	<u>27,953,223</u>	<u>73,545,311</u>
Other assets, net	-	1,759,832	1,759,832
Total noncurrent assets	<u>45,592,088</u>	<u>37,451,491</u>	<u>83,043,579</u>
Total assets	<u>81,516,515</u>	<u>39,885,175</u>	<u>121,401,690</u>
Deferred outflow of resources	<u>22,233,596</u>	<u>-</u>	<u>22,233,596</u>
Liabilities:			
Accounts payable and accrued liabilities	7,235,029	307,915	7,542,944
Internal balances	(2,656,700)	2,656,700	-
Unearned revenues	188,000	-	188,000
Other	440,670	-	440,670
Total current liabilities	<u>5,206,999</u>	<u>2,964,615</u>	<u>8,171,614</u>
Long-term liabilities:			
Due within one year	3,817,865	1,318,121	5,135,986
OPEB liability	17,107,002	-	17,107,002
Pension liability	161,583,565	-	161,583,565
Due in more than one year	44,040,407	16,884,388	60,924,795
Total noncurrent liabilities	<u>226,548,839</u>	<u>18,202,509</u>	<u>244,751,348</u>
Total liabilities	<u>231,755,838</u>	<u>21,167,124</u>	<u>252,922,962</u>
Deferred inflows of resources	<u>14,013,899</u>	<u>7,660,707</u>	<u>21,674,606</u>
Net Position:			
Net investment in capital assets	7,517,224	11,100,041	18,617,265
<i>Restricted for:</i>			
Education programs	668,840	-	668,840
Public safety programs	374,158	-	374,158
Culture and recreation	42,892	-	42,892
Health & human services	184,185	-	184,185
Unrestricted	(150,806,925)	(42,697)	(150,849,622)
Total net position	<u>\$ (142,019,626)</u>	<u>\$ 11,057,344</u>	<u>\$ (130,962,282)</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, 2018

	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
Functions/ Programs						
Governmental Activities:						
Governmental activities:						
General government	\$ 6,512,174	\$ 747,873	\$ 1,941,884	\$ (3,822,417)		\$ (3,822,417)
Public safety	12,786,220	113,122	-	(12,673,098)		(12,673,098)
Education	80,458,843	2,336,436	31,427,384	(46,695,023)		(46,695,023)
Public works	6,524,759	165,177	285,213	(6,074,369)		(6,074,369)
Community and economic development	421,182	1,037,914	-	616,732		616,732
Health and human services	1,473,237	-	-	(1,473,237)		(1,473,237)
Culture and recreation	2,403,972	354,460	35,000	(2,014,512)		(2,014,512)
Interest on long-term debt	1,396,258	-	-	(1,396,258)		(1,396,258)
Total governmental activities	<u>111,976,645</u>	<u>4,754,982</u>	<u>33,689,481</u>	<u>(73,532,182)</u>		<u>(73,532,182)</u>
Business type activities:						
Sewer Fund	2,859,171	2,620,627	-	-	\$ (238,544)	(238,544)
Total business-type activities	<u>2,859,171</u>	<u>2,620,627</u>	<u>-</u>	<u>-</u>	<u>(238,544)</u>	<u>(238,544)</u>
Total	<u>\$ 114,835,816</u>	<u>\$ 7,375,609</u>	<u>\$ 33,689,481</u>	<u>(73,532,182)</u>	<u>(238,544)</u>	<u>(73,770,726)</u>
General revenues:						
Real estate and personal property taxes				72,613,394	-	72,613,394
Interest on property taxes				461,433	-	461,433
Investment earnings				223,076	5,581	228,657
Miscellaneous				340,687	-	340,687
Total general revenues				<u>73,638,590</u>	<u>5,581</u>	<u>73,644,171</u>
Change in net position				<u>106,408</u>	<u>(232,963)</u>	<u>(126,555)</u>
Net position-beginning				<u>(142,126,034)</u>	<u>11,290,307</u>	<u>(130,835,727)</u>
Net position-ending				<u>\$ (142,019,626)</u>	<u>\$ 11,057,344</u>	<u>\$ (130,962,282)</u>

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, 2018**

	<i>General Fund</i>	<i>School Unrestricted Fund</i>	<i>Other Governmental Funds</i>	<i>Total Governmental Funds</i>
ASSETS				
Cash and cash equivalents	\$ 10,522,689	\$ 86,033	\$ 7,083,452	\$ 17,692,174
Investments	4,557,670	-	-	4,557,670
Accounts receivable:				
Real estate and personal property taxes	2,556,336	-	-	2,556,336
Due from federal and state governments	-	73,855	1,096,789	1,170,644
Other receivables	835,753	201,109	-	1,036,862
Due from other funds	3,716,747	5,996,366	2,106,467	11,819,580
Prepays	-	637,250	-	637,250
Total assets	\$ 22,189,195	\$ 6,994,613	\$ 10,286,708	\$ 39,470,516
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts payable and accrued expenditures	\$ 301,986	\$ 5,707,709	\$ 993,550	\$ 7,003,245
Due to other funds	6,187,945	259,354	2,275,648	8,722,947
Unearned revenues	-	-	188,000	188,000
Other liabilities	440,670	-	-	440,670
Total liabilities	6,930,601	5,967,063	3,457,198	16,354,862
DEFERRED INFLOWS OF RESOURCES				
Unavailable tax revenue	2,579,656	-	-	2,579,656
Fund balances:				
Non-spendable for:				
Sewer inter-fund receivable	2,656,700	-	-	2,656,700
Prepaid items	-	637,250	-	637,250
Restricted for:				
Educational programs	-	390,300	278,540	668,840
Public safety programs	-	-	374,158	374,158
Culture and recreation	-	-	42,892	42,892
Health & human services	-	-	184,185	184,185
Committed for:				
Public works programs	29,261	-	6,278,309	6,307,570
Public safety programs	52,391	-	-	52,391
Culture and recreation	1,956,013	-	918,250	2,874,263
Unassigned:	7,984,573	-	(1,246,824)	6,737,749
Total fund balances	12,678,938	1,027,550	6,829,510	20,535,998
Total liabilities, deferred inflows of resources and fund balances	\$ 22,189,195	\$ 6,994,613	\$ 10,286,708	

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) 45,592,088

Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds. (Note 7) 4,126,438

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) (212,274,150)

Net position of governmental activities **\$(142,019,626)**

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, 2018

	<u>General Fund</u>	<u>School Unrestricted Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues				
Real estate and personal property taxes	\$ 71,652,257	\$ -	\$ -	\$ 71,652,257
Other taxes	1,005,987	-	-	1,005,987
Penalties and interest on taxes	461,433	-	-	461,433
Licenses, fees and permits	789,512	-	-	789,512
Investment income	151,181	-	71,895	223,076
Intergovernmental	2,358,888	27,589,846	4,468,593	34,417,327
Contributions and private grants	-	-	24,091	24,091
Charges for services	517,589	908,205	1,075,397	2,501,191
Miscellaneous	787,938	2,368	183,858	974,164
Total revenues	<u>77,724,785</u>	<u>28,500,419</u>	<u>5,823,834</u>	<u>112,049,038</u>
Expenditures				
Current:				
General government	5,890,896	-	49,064	5,939,960
Public safety	12,530,200	-	219,487	12,749,687
Education	-	72,321,147	4,429,616	76,750,763
Public works	5,450,874	-	5,178,738	10,629,612
Community and economic development	344,198	-	76,984	421,182
Health and human services	708,822	-	691,345	1,400,167
Culture and recreation	2,237,014	-	8,977	2,245,991
Capital outlay	-	-	131,851	131,851
Debt service				
Principal payments	3,745,000	-	-	3,745,000
Interest and fiscal charges	1,412,861	-	-	1,412,861
Total expenditures	<u>32,319,865</u>	<u>72,321,147</u>	<u>10,786,062</u>	<u>115,427,074</u>
Excess of revenues over (under) expenditures before other financing sources (uses)	<u>45,404,920</u>	<u>(43,820,728)</u>	<u>(4,962,228)</u>	<u>(3,378,036)</u>
Other financing sources (uses)				
Issuance of debt	-	-	54,567	54,567
Transfers from other funds	-	44,315,756	254,254	44,570,010
Transfers to other funds	(44,304,450)	(12,279)	(253,281)	(44,570,010)
Total other financing sources (uses)	<u>(44,304,450)</u>	<u>44,303,477</u>	<u>55,540</u>	<u>54,567</u>
Excess of revenues and other sources over (under) expenditures and other uses	<u>1,100,470</u>	<u>482,749</u>	<u>(4,906,688)</u>	<u>(3,323,469)</u>
Fund balances - beginning restated	<u>11,578,468</u>	<u>544,801</u>	<u>11,736,198</u>	<u>23,859,467</u>
Fund balances - ending	<u>\$ 12,678,938</u>	<u>\$ 1,027,550</u>	<u>\$ 6,829,510</u>	<u>\$ 20,535,998</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, 2018

Net change in fund balances-total governmental funds \$ (3,323,469)

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	5,205,688
Depreciation expense	<u>(3,805,049)</u>
Change to Net Position	<u>1,400,639</u>

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. (44,850)

Interest expenses in the statement of activities includes accrued interest calculated for bonds payable 16,603

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	3,745,000
Issuance of debt	(54,567)
Bond premium amortization	78,865
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. (1,925,046)

The Internal Service Fund is used by management to charge the costs of Employee Health claims. The net revenues (expenses) of the Internal Service Fund is reported with Governmental Activities in the Government-Wide financial statements. (86,546)

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. 301,900

Change in net position of governmental activities. \$ 106,408

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 Fund
June 30, 2018

	Enterprise Fund	Internal Service
	Sewer	Fund
	Fund	Self Insurance
		Reserve
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 17,394	\$ -
Accounts receivable, net:		
Water and sewer use fees	1,066,963	-
Other assets held for health benefits	-	1,778,566
Due from borrowing sources	1,349,327	-
Total current assets	2,433,684	1,778,566
Non-current assets:		
Capital assets		
Construction in progress	2,259,136	-
Depreciable assets - net	25,694,087	-
Sewer assessments	7,738,436	-
Other assets, net	1,759,832	-
Total noncurrent assets	37,451,491	-
Total assets	39,885,175	1,778,566
LIABILITIES & DEFERRED INFLOWS		
Current liabilities:		
Accounts payable and accrued expenses	307,915	-
Due to other funds	2,656,700	-
Current portion of long term debt	1,318,121	-
Total current liabilities	4,282,736	-
Non-current liabilities:		
Bonds and loans payable	16,884,388	-
Total noncurrent liabilities	16,884,388	-
Total liabilities	21,167,124	-
Deferred Inflows		
Deferred sewer assessment fees	7,442,657	-
Other deferred revenue	218,050	-
Total deferred inflows of resources	7,660,707	-
NET POSITION		
Invested in Capital assets, net of related debt	11,100,041	-
Unrestricted	(42,697)	1,778,566
Total net position	\$ 11,057,344	\$ 1,778,566

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 Fund
For the Fiscal Year Ended June 30, 2018

	Enterprise Funds	Internal Service
	Sewer	Fund
	Fund	Self Insurance
		Reserve
<i>Operating revenues</i>		
Assessments and user fees	\$ 2,593,434	\$ -
Charges for services	-	8,865,405
Other revenues	27,193	-
<i>Total operating revenues</i>	2,620,627	8,865,405
<i>Operating expenses</i>		
Contract services	60,894	-
Health care management	-	8,951,951
Operations & Maintenance	1,615,095	-
Depreciation and amortization	648,665	-
<i>Total operating expenses</i>	2,324,654	8,951,951
<i>Operating income (loss)</i>	295,973	(86,546)
<i>Non-operating revenues (expenses)</i>		
Interest and dividend income	5,581	-
Interest expense	(534,517)	-
<i>Total non-operating revenues (expenses)</i>	(528,936)	-
Change in Net Position	(232,963)	(86,546)
Total Net Position - Restated	11,290,307	1,865,112
Total Net Position - Ending	\$ 11,057,344	\$ 1,778,566

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, 2018

	Enterprise Funds	Internal Service
	Sewer	Fund
	Fund	Self Insurance
		Reserve
Cash flows from operating activities		
Cash received from customers	\$ 2,751,670	\$ 8,951,951
Cash payments to suppliers for goods and services	(2,009,358)	(8,951,951)
Other operating receipts	27,193	-
Net cash provided by (used for) operating activities	769,505	-
Cash flows from non-capital financing activities		
Interfund loans	370,614	-
Net cash provided by (used for) non-capital financing activities	370,614	-
Cash flows from capital and related financing activities		
Additions to capital assets	(573,986)	-
Principal paid on bonds, notes and loans	(1,280,218)	-
Note drawdowns	1,246,840	-
Capitalized bond cost	(3,818)	-
Interest paid on notes	(534,517)	-
Net cash provided (used for) capital and related financing activities	(1,145,699)	-
Cash flows from investing activities		
Interest and dividends on investment	5,581	-
Net cash provided by (used for) investing activities	5,581	-
Net increase (decrease) in cash and cash equivalents	1	-
Cash and cash equivalents at beginning of year	17,393	-
Cash and cash equivalents at end of year	\$ 17,394	\$ -
Reconciliation of operating income to net cash provided by operating activities		
Operating income (Loss)	\$ 295,973	\$ (86,546)
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation and amortization	648,665	-
Changes in assets and liabilities:		
(Increase) decrease in accounts receivable or other assets	158,236	86,546
Increase (decrease) in accounts payable	(333,369)	-
Total adjustments	473,532	86,546
Net cash provided by operating activities	\$ 769,505	\$ -

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, 2018

	Pension Trust Funds	Private Purpose Trust Funds	Agency Funds
	<u> </u>	<u> </u>	<u> </u>
ASSETS			
Cash	\$ 3,684,358	\$ 531,302	\$ 2,035,294
Receivables:			
Internal balances	-	240,421	-
Other	-	-	67,334
Total receivables	<u>-</u>	<u>240,421</u>	<u>67,334</u>
Investments, at fair value:			
Fixed income	6,680,193	9,467	-
Mutual funds	15,274,505	1,810,618	-
Equities	14,015,514	784,456	-
Total investments	<u>35,970,212</u>	<u>2,604,541</u>	<u>-</u>
Total Assets	<u>39,654,570</u>	<u>3,376,264</u>	<u>\$ 2,102,628</u>
LIABILITIES			
Internal balances	-	90,000	\$ 590,354
Deposits held in custody for others	-	-	1,512,274
Total liabilities	<u>-</u>	<u>90,000</u>	<u>\$ 2,102,628</u>
NET POSITION			
Restricted for:			
Employees' pension benefits	39,654,570		
Held in trust other purposes	-	3,286,264	
TOTAL NET POSITION	<u>\$ 39,654,570</u>	<u>\$ 3,286,264</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, 2018

	Pension Trust Funds	Private Purpose Trust Funds
	<u> </u>	<u> </u>
Additions		
Contributions		
Employer contributions	\$ 6,873,647	\$ -
Plan members contributions	1,414,763	-
Other contributions	1,012	-
Total contributions	<u>8,289,422</u>	<u>-</u>
Investment earnings		
Interest and dividends	406,112	24,199
Net increase (decrease) in fair value of investments	2,809,891	154,400
Total investment earnings	<u>3,216,003</u>	<u>178,599</u>
Less investment expense	215,371	-
Net investment earnings	<u>3,000,632</u>	<u>178,599</u>
Total additions	<u>11,290,054</u>	<u>178,599</u>
Deductions		
Benefits paid	7,217,397	-
Operating expenses	-	9,247
Total deductions	<u>7,217,397</u>	<u>9,247</u>
Change in net position	4,072,657	169,352
Net position - beginning of year	35,581,913	3,116,912
Net position - end of year	<u>\$ 39,654,570</u>	<u>\$ 3,286,264</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, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Town of Coventry, Rhode Island have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following notes to the financial statements are an integral part of the Town's financial statements.

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 the inclusion of other separate and distinct legal entities as component units within its financial reporting entity, the Town applied the criteria prescribed by GASB Statement No. 14, as amended by GASB Statement No. 39, "Determining Whether Certain Organizations are Component Units." A component unit is a legally separate organization for which the elected officials of the primary government are financially accountable or for which the nature and significance of its relationship with the primary government is such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Through the application of GASB Statement Nos. 14 and 39 criteria, no separate entities have been determined to be component units of the Town. Component units are legally separate entities that meet any one of the following three tests:

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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;

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 2018:

- * 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

The accounts of the Town are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows, liabilities, deferred inflows, fund equity, net position, revenues, and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds to demonstrate legal compliance and to aid management by segregating transactions related to specific Town functions or activities.

Recently Issued Accounting Standards

The Town implemented the following accounting pronouncements for the year ended June 30, 2018:

- 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. 80 – Blending Requirements for Certain Component Units, an Amendment of GASB Statement No. 14 – effective for the Town's fiscal year ending June 30, 2018.
- GASB Statement No. 81 – Irrevocable Split – Interest Agreements – effective for the Town's fiscal year ending June 30, 2018.
- GASB Statement No. 82 – Pension Issues, an Amendment of GASB Statements No. 67, 68, and 73 – effective for the Town's fiscal year ending June 30, 2018.
- GASB Statement No. 86 – Certain Debt Extinguishment Issues – effective for the Town's fiscal year ending June 30, 2018.

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

- GASB Statement No. 83 – Certain Asset Retirement Obligations – effective for the Town’s fiscal year ending June 30, 2019.
- GASB Statement No. 84 – Fiduciary Activities – effective for the Town’s fiscal year ending June 30, 2020.
- GASB Statement No. 85 – Omnibus 2017 – effective for the Town’s fiscal year ending June 30, 2019.
- GASB Statement No. 87 – Leases – effective for the Town’s fiscal year ending June 30, 2021.
- GASB Statement No. 88 – Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements – effective for the Town’s fiscal year ending June 30, 2019.

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 is 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.

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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).

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 Fund – this fund is used by the School Department to manage their self-insured health care cost with WB Community Health.

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.

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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.

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.

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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.

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, 2018.

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, 2018

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.

Pensions - For purposes of measuring the net pension liability, net pension asset, deferred outflows of resources, and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Town of Coventry, Rhode Island's various pension plans (described in more detail in Note 15) and additions to/deductions from the pension plans fiduciary net position have been determined on the same basis as they have been reported by the pension plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

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, 2018

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 99.4% of the total December 31, 2016 levy.

The Town's fiscal 2018 property taxes were levied in July of 2017 on assessed valuation as of December 31, 2016. 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, 2018

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.

Short-Term Inter-fund Receivable/Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or serviced rendered. These receivables and payables are classified as “internal balances” on the balance sheet.

Advances to Other Funds

Noncurrent portions of long-term inter-fund loan receivables are reported as advances and are offset equally by a fund balance reserve account which indicates that they do not constitute expendable available financial resources and, therefore, are not available for appropriations.

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, 2018

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 \$103,897,331 based on the December 31, 2016 assessment. As of June 30, 2018 the Town's debt is under the debt limit by \$76,387,331.

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, 2018, \$4,725,055 of the Town's bank balance of \$27,119,384 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, 2018

NOTE 4 – CASH AND INVESTMENTS (continued)

Cash and investments of the Town consist of the following at June 30, 2018

<i>Cash and Cash Equivalents</i>	
Deposits with financial institutions	\$ 23,960,522
<i>Investments</i>	
<i>General Fund</i>	
Fixed Income	3,224,087
Mutual Funds	1,333,583
Total General Fund	4,557,670
<i>Private Purpose Trust Funds:</i>	
Fixed Income Pool	9,467
Mutual Funds	1,810,618
Equities	784,456
Total Private Purpose Trust Funds	2,604,541
<i>Pension Trust Funds:</i>	
Fixed Income	6,680,193
Mutual Funds	15,274,505
Equities	14,015,514
Total Pension Trust Funds	35,970,212
Total Cash and Investments	\$ 67,092,945

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

<i>Statement of Net Position</i>	
Cash and cash equivalents	\$ 17,709,568
Investments	4,557,670
	22,267,238
<i>Fiduciary Funds</i>	
Cash	6,250,954
Investments	38,574,753
	44,825,707
Total Cash and Investments	\$ 67,092,945

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, 2018

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	\$ 6,379,400	\$ 232,159	\$ 2,412,142	2,429,439	1,305,660
Government Bonds	3,524,880	88,506	1,144,550	1,091,794	1,200,030
Total	<u>\$ 9,904,280</u>	<u>\$ 320,665</u>	<u>\$ 3,556,692</u>	<u>3,521,233</u>	<u>2,505,690</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	\$ 2,046,638
Aa1	160,019
Aa2	249,855
Aa3	294,920
A1	793,997
A2	547,998
A3	1,234,476
Baa1	608,480
Baa2	215,863
Baa3	<u>227,274</u>
	<u>\$ 6,379,520</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, 2018

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, 2018 was as follows:

	Primary Government			Ending Balance
	Beginning Balance	Increases	Decreases	
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 9,688,933	\$ -	\$ -	\$ 9,688,933
Construction in Progress	152,101	4,788,262	-	4,940,363
Total capital assets not being depreciated	<u>9,841,034</u>	<u>4,788,262</u>	<u>-</u>	<u>14,629,296</u>
Depreciable assets				
Infrastructure	35,693,674	-	-	35,693,674
Buildings & improvements	112,946,906	188,479	-	113,135,385
Machinery and equipment	1,322,437	-	-	1,322,437
Office equipment and furniture	6,674,336	-	-	6,674,336
Vehicles	7,706,567	228,947	-	7,935,514
Total other capital assets at historical cost	<u>164,343,920</u>	<u>417,426</u>	<u>-</u>	<u>164,761,346</u>
Less accumulated depreciation for:				
Infrastructure	32,638,220	179,537	-	32,817,757
Buildings & improvements	85,817,763	2,890,445	-	88,708,208
Machinery and equipment	996,980	94,784	-	1,091,764
Office equipment and furniture	6,375,700	84,467	-	6,460,167
Vehicles	4,164,842	555,816	-	4,720,658
Total accumulated depreciation	<u>129,993,505</u>	<u>3,805,049</u>	<u>-</u>	<u>133,798,554</u>
Net Depreciable Assets	<u>34,350,415</u>	<u>(3,387,623)</u>	<u>-</u>	<u>30,962,792</u>
Governmental activities capital assets, net	<u>\$ 44,191,449</u>	<u>\$ 1,400,639</u>	<u>\$ -</u>	<u>\$ 45,592,088</u>

Depreciation expense was charged to functions/programs as follows:

Governmental activities:	
General Government	\$ 127,145
Public safety	121,938
Public Works	814,284
Health and Human Services	73,070
Education	2,510,631
Culture and Recreation	157,981
Total governmental activities depreciation expense	<u>\$ 3,805,049</u>

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 6 – CAPITAL ASSETS (continued)

Capital asset activity for business-type activity for the fiscal year ended June 30, 2018 was as follows:

	Primary Government			Ending Balance
	Beginning Balance	Increases	Decreases	
Business-type activities:				
Capital assets not being depreciated:				
Construction in progress	\$ 1,685,150	\$ 595,170	\$ 21,184	\$ 2,259,136
Total capital assets not being depreciated	1,685,150	595,170	21,184	2,259,136
Other capital assets:				
Wastewater collection system	32,109,792	-	-	32,109,792
Total other capital assets at historical cost	32,109,792	-	-	32,109,792
Less accumulated depreciation for:				
Wastewater collection system	5,767,040	648,665	-	6,415,705
Total accumulated depreciation	5,767,040	648,665	-	6,415,705
Business-type activities capital assets, net	\$ 28,027,902	\$ (53,495)	\$ 21,184	\$ 27,953,223

Depreciation expense was charged to functions as follows:

Business-type activities:	
Sewer	\$ 648,665
Total business-type activities depreciation expense	\$ 648,665

TOWN OF COVENTRY
NOTES TO FINANCIAL STATEMENTS
June 30, 2018

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

"Total fund balances" of the Town's governmental funds of \$20,535,998 differs from the "net position" of governmental activities of \$(142,019,626) 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	\$ 17,692,174	\$ -	\$ -	\$ 17,692,174
Investments	4,557,670	-	-	4,557,670
Accounts receivable:				
Real estate & personal property taxes receivable	2,556,336	-	-	2,556,336
Due from federal and state governments	1,170,644	-	-	1,170,644
Other receivables	1,036,862	-	439,933	1,476,795
Due from other funds	11,819,580	-	(11,819,580)	-
Net pension asset	-	6,023,168	-	6,023,168
Other assets	-	-	1,778,566	1,778,566
Prepaid expenses	637,250	31,824	-	669,074
Land	-	9,688,933	-	9,688,933
Construction in progress	-	4,940,363	-	4,940,363
Depreciable capital assets - net	-	30,962,792	-	30,962,792
Total assets	39,470,516	51,647,080	(9,601,081)	81,516,515
Deferred outflow of resources	-	22,233,596	-	22,233,596
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES				
Liabilities:				
Accounts payable and accrued expenses	7,003,245	231,784	-	7,235,029
Due to other funds	8,722,947	-	(11,379,647)	(2,656,700)
Unearned revenues	188,000	-	-	188,000
Other liabilities	440,670	-	-	440,670
Long-term liabilities				
Due within one year	-	3,817,865	-	3,817,865
Due in more than one year	-	222,730,974	-	222,730,974
Total liabilities	16,354,862	226,780,623	(11,379,647)	231,755,838
Deferred inflow of resources	2,579,656	11,434,243	-	14,013,899
Fund Balances, Deferred Inflows/Net Position				
Total fund balances/net position	20,535,998	(164,334,190)	1,778,566	(142,019,626)
Total liabilities, deferred inflows of resources and fund balances/net position	\$ 39,470,516	\$ 73,880,676	\$ (9,601,081)	\$ 103,750,111

TOWN OF COVENTRY
NOTES TO FINANCIAL STATEMENTS
June 30, 2018

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	\$ 9,688,933
Construction in progress	4,940,363
Cost of capital assets	164,761,346
Accumulated depreciation	<u>(133,798,554)</u>
	<u>\$ 45,592,088</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>\$ 2,579,656</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>\$ (231,784)</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	\$ 42,565,576
Bond premium	1,167,163
Prepaid bond insurance	(31,824)
Accrued compensated absences	4,125,533
Net pension liability	161,583,565
Net OPEB liability	<u>17,107,002</u>
	<u>\$ 226,517,015</u>

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

Net pension asset - TSB	<u>\$ (6,023,168)</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	\$ (14,013,899)
Deferred outflows of resources - pensions	\$ 22,233,596

- (2) The Internal Service Fund is used by management to recognize revenues and charge the costs of Health Care activity. The assets and liabilities of the Internal Service Fund are included in Governmental Activities in the Government-Wide Statement of Net Position.

	<u>\$ 1,778,566</u>
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- (2) The elimination of internal balances of governmental and business type activities.

	<u>\$ 11,379,647</u>
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The reclassification of monies owed to and from fiduciary funds

	<u>\$ (439,933)</u>
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TOWN OF COVENTRY
NOTES TO FINANCIAL STATEMENTS
June 30, 2018

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

The "net change in the fund balances" for governmental funds (\$3,323,469) differs from the "change in net position" for governmental activities \$106,408 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	\$ 71,652,257	\$ (44,850)	\$ -	\$ -	\$ -	\$ 71,607,407
Other taxes	1,005,987	-	-	-	-	1,005,987
Penalties and interest on taxes	461,433	-	-	-	-	461,433
Licenses, fees and permits	789,512	-	-	-	-	789,512
Investment income	223,076	-	-	-	-	223,076
Intergovernmental	34,417,327	-	-	-	-	34,417,327
Contributions and private grants	24,091	-	-	-	-	24,091
Charges for services	2,501,191	-	-	-	-	2,501,191
Miscellaneous	974,164	-	-	-	78,865	1,053,029
Total revenues	<u>112,049,038</u>	<u>(44,850)</u>	<u>-</u>	<u>-</u>	<u>78,865</u>	<u>112,083,053</u>
Expenditures						
Current:						
General government	5,939,960	-	127,145	86,546	358,523	6,512,174
Public safety	12,749,687	-	121,938	-	(85,405)	12,786,220
Education	76,750,763	-	2,355,931	-	1,352,149	80,458,843
Public works	10,629,612	-	(4,104,853)	-	-	6,524,759
Community and economic development	421,182	-	-	-	-	421,182
Health and human services	1,400,167	-	73,070	-	-	1,473,237
Culture and recreation	2,245,991	-	157,981	-	-	2,403,972
Capital outlay	131,851	-	(131,851)	-	-	-
Debt service						
Principal payments	3,745,000	-	-	-	(3,745,000)	-
Interest and fiscal charges	1,412,861	(16,603)	-	-	-	1,396,258
Total expenditures	<u>115,427,074</u>	<u>(16,603)</u>	<u>(1,400,639)</u>	<u>86,546</u>	<u>(2,119,733)</u>	<u>111,976,645</u>
Other financing uses/changes in net position						
Issuance of debt	54,567	-	-	-	(54,567)	-
Total other financing uses	<u>54,567</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(54,567)</u>	<u>-</u>
Net change for the year	<u>\$ (3,323,469)</u>	<u>\$ (28,247)</u>	<u>\$ 1,400,639</u>	<u>\$ (86,546)</u>	<u>\$ 2,144,031</u>	<u>\$ 106,408</u>

TOWN OF COVENTRY
NOTES TO FINANCIAL STATEMENTS
June 30, 2018

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	(44,850)
	\$ (44,850)

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	\$ 16,603
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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	5,205,688
Depreciation expense	(3,805,049)
Difference	\$ 1,400,639

- (3) Internal service funds are use by management to charge the cost of certain activates, such as health care 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.

	\$ (86,546)
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- (3) 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	\$ (168,743)
Net (increase)/decrease in net pension liability	(1,602,409)
Net increase/(decrease) in net pension asset	(1,035,956)
Net (increase)/decrease in net OPEB liability	470,643
Net increase/(decrease) in net deferred outflows	5,071,324
Net (increase)/decrease in deferred inflows	(4,358,005)
Difference	\$ (1,623,146)

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 and do not result in an expense in the statement of activities.

Bond principal payments	3,745,000
Issuance of debt	(54,567)
Bond premium amortization	78,865
Prepaid bond insurance amortization	(2,121)
Total principal payments made	\$ 3,767,177

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

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, 2018 was as follows:

	<u>Balance</u> <u>July 1, 2017</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance</u> <u>June 30, 2018</u>	<u>Amounts</u> <u>Due within</u> <u>One Year</u>
Governmental Activities					
Bonds Payable	\$ 45,205,000	\$ -	\$ 3,655,000	\$ 41,550,000	\$ 3,650,000
Issuance premium on bonds	1,246,028	-	78,865	1,167,163	78,865
Total bonds payable	<u>46,451,028</u>	<u>-</u>	<u>3,733,865</u>	<u>42,717,163</u>	<u>3,728,865</u>
Other liabilities:					
Notes payable	1,051,009	54,567	90,000	1,015,576	89,000
Accrued compensated absences	3,956,790	168,743	-	4,125,533	-
Net pension liability	159,981,156	1,602,409	-	161,583,565	-
Net OPEB liability	17,577,645	-	470,643	17,107,002	-
Total other liabilities	<u>182,566,600</u>	<u>1,825,719</u>	<u>560,643</u>	<u>183,831,676</u>	<u>89,000</u>
Governmental Activities long-term liabilities	<u>\$ 229,017,628</u>	<u>\$ 1,825,719</u>	<u>\$ 4,294,508</u>	<u>\$ 226,548,839</u>	<u>\$ 3,817,865</u>
Business-Type Activities					
Rhode Island Infrastructure Bank	19,482,727	-	1,280,218	18,202,509	1,318,121
Business-Type long-term liabilities	<u>19,482,727</u>	<u>-</u>	<u>1,280,218</u>	<u>18,202,509</u>	<u>1,318,121</u>

The following schedule summarizes the Town's bonds and notes

	Interest Rates	Principal	Due Dates
Governmental bonds	2.00% - 4.00%	\$ 42,717,163	2019-2037
Enterprise Funds notes payable	.47% - 5.08%	18,202,509	2019-2035
Total All Funds		<u>\$ 60,919,672</u>	

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

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>
2019	3,650,000	1,291,519	4,941,519
2020	3,660,000	1,197,167	4,857,167
2021	3,660,000	1,098,063	4,758,063
2022	3,670,000	995,043	4,665,043
2023	2,395,000	901,336	3,296,336
2024	2,055,000	826,962	2,881,962
2025	2,105,000	762,730	2,867,730
Thereafter	20,355,000	3,892,733	24,247,733
TOTALS	\$ 41,550,000	\$ 10,965,553	\$ 52,515,553

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>
2019	1,318,121	570,120	1,888,241
2020	1,357,213	530,771	1,887,984
2021	1,401,387	487,997	1,889,384
2022	1,443,766	443,771	1,887,537
2023	1,493,361	397,443	1,890,804
2024	1,535,181	349,327	1,884,508
2025	1,586,121	298,190	1,884,311
Thereafter	8,067,359	780,245	8,847,604
TOTALS	\$ 18,202,509	\$ 3,857,864	\$ 22,060,373

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 9 –LONG-TERM LIABILITIES (continued)

SEWER FUND INTER-MUNICIPAL AGREEMENT

The Town of Coventry has entered into an Inter-Municipal Agreement with the Town of West Warwick, RI. Under the provisions of this agreement, the Town of Coventry is responsible for certain costs and improvements to the wastewater/sewer treatment facility and operations located in the Town of West Warwick. In addition to its own normal operating costs and outstanding debt obligations, the Town of Coventry is also responsible for portions of the outstanding debt obligations and interest which is due annually on these debt obligations which are presented on the Town of West Warwick’s annual financial statements. The portion of the debt obligations to be paid by the Town of Coventry in accordance with the Inter-Municipal Agreement has been recorded as a special assessments receivable and revenue by the Town of West Warwick when the project was completed and the obligation entered into. The Town of Coventry records the annual related expenses assessed to the town as operating expenses on its Sewer Fund which is accounted for as an enterprise fund on its annual financial statements. The following schedule shows the annual percentage share of the cost related to the Town of West Warwick’s debt service payments the Town of Coventry has contracted to pay.

Fiscal Year Ended June 30	Total
2019	\$ 682,301
2020	677,796
2021	672,319
2022	667,772
2023	663,049
2024	665,060
Thereafter	2,637,628
TOTALS	\$ <u>6,665,925</u>

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 10 – FUND DEFICITS

The following individual funds had deficit fund equity balances as of June 30, 2018:

Governmental Funds

Special Revenue Funds

RIRRC Composting Grant	\$ 1,610	**
63 Isle of Capri	4,320	**
Read Schoolhouse Renovations	26,404	**
Anthony Village	18,882	**
Byrne Grant	580	**
Drug Seizure Fund	17,075	**
Resource Sharing	539	**
RIEMA Maple Valley & Franklin	18,296	**
RIEMA Industrial Drive	7,990	**
RIEMA Hammet Ave	6,462	**
RIEMA Johnson Blvd	24,577	**
Coventry Emergency Management	297	**
Federal Energy Grant 2	13,088	**
RIDOT Leap Road	197,267	**
Blizzard Nemo	21,263	**
Storm Juno	6,810	**
Perkins Vocational Ed	3,348	**
Title III	3,919	**
Direct Reimbursement	4,246	*
CTE Categorical Fund	10,372	**
CTE Categorical Fund Even Year	3,202	**
CTE Categorical Fund 2	39,115	**
CTE Development & Implmentation	1,496	**
Feinstein Restricted Fund	2,496	**
CPEF Fund	2,779	**
Sports Programs	20,313	*
School Food Service Fund	411,409	*
<i>Capital Project Funds</i>		
Capital Improvement Fund 2012	372,937	**
High School AC Unit	3,957	**
Hammett Road/Island Drive	1,775	**
<i>Private Purpose Trust Fund</i>		
Cemetery Fund	29,009	*
Total	\$ 1,275,833	

* 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, 2018

NOTE 11 – NOTES RECEIVABLE

As of June 30, 2018, a balance of \$357,266 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 – 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, 2018.

	<u>Due from other funds</u>		<u>Due to other funds</u>
General Fund	\$ 3,716,747		\$ 6,187,945
Special Revenue Funds:			
School Unrestricted	5,996,366		259,354
School Restricted	259,354		850,149
School Food Service	9,425		-
Town Restricted	736,301		521,833
Coventry Landfill Fund	<u>-</u>	7,001,446	<u>-</u> 1,631,336
Capital Projects:			
School Improvement	284,800		284,800
Town Capital Improvement	<u>816,587</u>	1,101,387	<u>618,866</u> 903,666
Fiduciary Funds:			
Permanent Funds	240,421		90,000
Agency Funds	<u>-</u>	240,421	<u>590,354</u> 680,354
Proprietary Funds			
Sewer Fund		-	<u>2,656,700</u>
Totals		<u>\$ 12,060,001</u>	<u>\$ 12,060,001</u>

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 13 - FUND EQUITY

The following fund balance category reservations are recorded in the financial statements at June 30, 2018:

- ***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.

NOTE 14 - 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.

The current estimate of the total cost of the remediation of the landfill is approximately \$7 - \$10 million (of which the Town is obligated under the above Agreement to pay 60% thereof). However, it is expected that due to the ongoing use of Beneficial Use Determination (“BUD”) materials, which Performing Parties accept tipping fees for the material it receives to use as cover at the Landfill, the overall cost of the remediation may be significantly less than the estimated amount, and the Performing Parties could complete the remediation with a monetary surplus. For a period of approximately 30 years thereafter, the Performing Parties will need to fund operation and maintenance of the landfill to satisfy RIDEM requirements, which could cost the Town approximately \$600,000 over that 30-year period. Negotiations are under way which, if successful, may result in the further acceptance of additional BUD materials at the landfill which would be used to offset most of the \$600,000 in going-forward operation and maintenance costs following landfill closure.

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.

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 14 - SUMMARY DISCLOSURE OF SIGNIFICANT CONTINGENCIES (continued)

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, 2018 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.

NOTE 15 - 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 Statutes.

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, 2017, employee membership data related to this plan was as follows:

Active Members	89
Inactive Members	39
Retired Members	<u>76</u>
TOTAL	<u>204</u>

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 15 – PENSION PLANS – (continued)

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

Plan Description

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.

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.

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 15 – PENSION PLANS – (continued)

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

Plan Description

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.

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, 2018:

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

Rate of return: For the year ended June 30, 2018, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 8.13%. 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, 2018, were as follows:

**TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 15 – PENSION PLANS – (continued)

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

Summary of Significant Accounting Policies

Net Pension Liability of the Town

	<u>June 30, 2018</u>
Total pension liability	\$ 24,555,490
Plan fiduciary net position	10,447,416
Town's net pension liability	\$ 14,108,074
Plan fiduciary net position as a percentage of the total pension liability	42.55%

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, 2018 measurement date (July 1, 2017 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	25 years at July 1, 2017
Actuarial Assumptions	
Amortized Growth Rate	3.40%
Investment Rate of Return	7.00%
Projected Salary Increases	Based on service with an ultimate rate of 3.40%
Inflation	2.70%
Mortality	RP-2000 Combined Healthy Mortality Table with generational projection per Scale AA.
Cost of Living Adjustments	None

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 15 - PENSION PLANS (continued)

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

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.

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%. 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	\$ 27,421,541	\$ 24,555,490	\$ 22,055,508
Fiduciary net position	10,447,416	10,447,416	10,447,416
Net position liability	\$ 16,974,125	\$ 14,108,074	\$ 11,608,092

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 15 - 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, 2017	\$ 23,583,082	\$ 9,406,576	\$ 14,176,506
Changes for the year:			
Service cost	468,760		468,760
Interest on total pension liability	1,646,935		1,646,935
Effect of plan changes	-		-
Effect of economic/demographic gains or losses	(76,843)		(76,843)
Effect of assumptions changes or inputs	-		-
Benefit payments	(1,066,444)	(1,066,444)	-
Employer contributions		845,691	(845,691)
Member contributions		483,603	(483,603)
Net investment income		779,447	(779,447)
Administrative expenses		(1,457)	1,457
Net changes	<u>972,408</u>	<u>1,040,840</u>	<u>(68,432)</u>
Balance as of June 30, 2018	<u>\$ 24,555,490</u>	<u>\$ 10,447,416</u>	<u>\$ 14,108,074</u>

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 15 - 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, 2018 the Town recognized pension expense of \$816,152. At June 30, 2018, 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	\$ (458,861)	\$ -
Changes of assumptions	(74,066)	-
Net difference between projected and actual earnings	-	62,361
Total	\$ (532,927)	\$ 62,361

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:	
2019	(149,570)
2020	(186,616)
2021	(112,054)
2022	(22,326)
Thereafter	-
Net Total	(470,566)

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 15 - 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, 2017 employee membership data related to this plan was as follows:

Active members	57
Inactive members	10
Retired members	81
	<hr/> 148

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, 2018

NOTE 15 - 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, 2018

NOTE 15 - 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, 2018:

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

Rate of return: For the year ended June 30, 2018, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 7.68%. 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, 2018, were as follows:

Net Pension Liability of the Police Pension Plan

	<u>June 30, 2018</u>
Total pension liability	\$ 80,275,899
Plan fiduciary net position	<u>15,974,327</u>
Town's net pension liability	<u>\$ 64,301,572</u>
Plan fiduciary net position as a percentage of the total pension liability	19.90%

**TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 15 - 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, 2018 measurement date (July 1, 2017 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	21 years at July 1, 2017
Actuarial Assumptions	
Amortized Growth Rate	3.50%
Investment Rate of Return	7.00%
Projected Salary Increases	Based on service with an ultimate rate of 3.50%
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, 2018

NOTE 15 - 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, 2017.

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	\$ 90,931,322	\$ 80,275,899	\$ 71,123,269
Fiduciary net position	15,974,327	15,974,327	15,974,327
Net position liability	\$ 74,956,995	\$ 64,301,572	\$ 55,148,942

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 15 - PENSION PLANS (continued)

2. Police Pension Plan

Changes in Net Pension Liability
Coventry Police Plan

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances as of July 1, 2017	\$ 78,099,606	\$ 13,712,629	\$ 64,386,977
Changes for the year:			
Service cost	924,177		924,177
Interest on total pension liability	5,391,727		5,391,727
Effect of plan changes	-		-
Effect of economic/demographic gains or losses	(72,638)		(72,638)
Effect of assumptions changes or inputs	-		-
Benefit payments	(4,066,973)	(4,066,973)	-
Employer contributions		4,808,076	(4,808,076)
Member contributions		421,127	(421,127)
Net investment income		1,105,511	(1,105,511)
Administrative expenses		(6,043)	6,043
Net changes	<u>2,176,293</u>	<u>2,261,698</u>	<u>(85,405)</u>
Balance as of June 30, 2018	<u>\$ 80,275,899</u>	<u>\$ 15,974,327</u>	<u>\$ 64,301,572</u>

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 15 - 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, 2018 the Town recognized pension expense of \$4,932,608. At June 30, 2018, 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	\$ (522,460)	\$ 463,943
Changes of assumptions	(53,797)	-
Net difference between projected and actual earnings	-	135,564
Total	\$ (576,257)	\$ 599,507

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:	
2019	31,605
2020	(43,919)
2021	(36,740)
2022	82,322
2023	(10,018)
Thereafter	-
Net Total	23,250

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 15 - 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 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, 2017, employee membership data related to this plan was as follows:

Active members	224
Inactive members	26
Retired members	<u>150</u>
	<u>400</u>

Under the provisions of the plan, benefits vest at various times depending on the date of hire. The plan covers school related personnel (non-teaching personnel) who are members of the bargaining unit. 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, 2018

NOTE 15 - PENSION PLANS – (continued)

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

Summary of Significant Accounting Policies

Basis of Accounting

The Plan’s policy is to prepare 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 after April 1, 1996 will continue to contribute 8.00% of their base pay.

Investments

The pension plan’s policy in regard to the allocation of invested assets is established and may be amended by the Pension Board by a majority vote of its members. It is the policy of the Pension Board to pursue and 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, 2018:

<u>Asset Class</u>	<u>June 30, 2018 Asset Allocation</u>	<u>Target Allocation</u>
Large Cap Equity	55.59%	26.80%
Mid Cap Equity	3.49%	5.00%
Small Cap Equity	1.10%	4.50%
Developed International Equity	11.66%	17.00%
Emerging International Equity	1.00%	8.00%
Real Estate/MLPs	0.00%	7.50%
Private Equity	1.27%	1.20%
Intermediate Fixed Income	15.68%	20.00%
High Yield Fixed Income	0.00%	6.00%
Emerging Market Bonds	0.00%	2.00%
Cash Equivalents	10.21%	2.00%
Total allocation	<u>100.00%</u>	<u>100.00%</u>

**TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 15 - PENSION PLANS – (continued)

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

Rate of Return: For the year ended June 30, 2018, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 6.71%. 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 Coventry Teachers Alliance Pension Plan at June 30, 2018, were as follows:

Net Pension Liability of the Coventry Teachers Alliance School Related Personnel Pension Plan

	<u>June 30, 2018</u>
Total pension liability	\$ 30,972,783
Plan fiduciary net position	<u>(13,242,408)</u>
Town's net pension liability	<u>\$ 17,730,375</u>

Plan fiduciary net position as a percentage of the total pension liability	42.75%
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Summary of Actuarial Assumptions Used in the Valuations to determine the Net Pension Liability at the June 30, 2018 measurement date (July 1, 2017 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, 2017
Actuarial Assumptions	
Amortized Growth Rate	4.00%
Investment Rate of Return	6.50%
Projected Salary Increases	Based on service with an ultimate rate of 4.0%
Inflation	3.00%
Mortality	RP-2014 Blue Collar Healthy Annuitant with Scale MP-2018 Generational Improvements from 2006 (Male/Female)
Cost of Living Adjustments	None

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 15 - PENSION PLANS – (continued)

3. Coventry Teacher’s Alliance School Related Personnel (CTASRP) 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 the 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’s investment manager.

Asset Class	Long-Term Expected Real Rate of Return
Large Cap Equity	6.50%
Mid Cap Equity	7.10%
Small Cap Equity	7.60%
Developed International Equity	8.60%
Emerging International Equity	10.80%
Real Estate/MLPs	7.70%
Private Equity	9.10%
Intermediate Fixed Income	3.70%
High Yield Fixed Income	6.00%
Emerging Market Bonds	5.70%
Cash Equivalents	2.30%
Total allocation	
 Projected rate of return	 6.71%

Discount Rate: The discount rate used to measure the total pension liability was 6.50%. 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.

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 15 - PENSION PLANS – (continued)

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

Sensitivity of the net pension liability to changes in the discount rate: The following presents the net position liability of the Town, calculated using the discount rate of 6.50%, 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 (5.50%) or 1-percentage point higher (7.50%) than the current rate.

	1% Decrease 5.50%	Current Discount Rate 6.50%	1% Increase 7.50%
Net pension liability	\$ 21,019,236	\$ 17,730,375	\$ 14,922,594

Changes in Net Pension Liability
Coventry Teacher's Alliance School Related Personnel Pension Plan

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances as of July 1, 2017	\$ 28,486,826	\$ 12,462,740	\$ 16,024,086
Changes for the year:			
Service cost	330,922	-	330,922
Interest on total pension liability	1,938,862	-	1,938,862
Difference between expected and actual experience	915,100	-	915,100
Changes in assumptions	1,385,191	-	1,385,191
Benefit payments	(2,084,118)	(2,084,118)	-
Employer contributions	-	1,218,936	(1,218,936)
Member contributions	-	508,905	(508,905)
Net investment income	-	1,226,407	(1,226,407)
Administrative expenses	-	(90,462)	90,462
Net changes	2,485,957	779,668	1,706,289
Balance as of June 30, 2018	\$ 30,972,783	\$ 13,242,408	\$ 17,730,375

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 15 - PENSION PLANS – (continued)

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

Pension Expense and Deferred Outflow of Resources and Deferred Inflow of Resources Related to the Coventry Teacher’s Alliance School Related Personnel Pension Plan

For the year ended June 30, 2018 the Town recognized pension expense of \$1,069,566. At June 30, 2018, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	School Resource Personnel Plan	
	Deferred Inflows of Resources	Deferred Outflows of Resources
Deferred Inflows / Outflows:		
Differences between expected and actual experience	\$ -	\$ 805,802
Changes of assumptions	-	1,199,683
Net difference between projected and actual earnings	(751,231)	-
Total	\$ (751,231)	\$ 2,005,485

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:	
2019	84,293
2020	84,293
2021	84,293
2022	238,614
Thereafter	762,761
Net Total	1,254,254

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 15 - PENSION PLANS – (continued)

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

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.

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

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

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 15 - PENSION PLANS – (continued)

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

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

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 2017, Coventry School Department teachers were required to contribute 3.75% of their annual covered salary except for teachers with twenty or more years of service as of June 30, 2012 must contribute 11% of their annual covered salary. The state and the 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 9.89% and 13.24% of annual covered payroll for the fiscal year ended June 30, 2018 for the state and Coventry School Department, respectively. The Coventry School Department contributed \$4,760,634, \$4,948,791 and \$5,039,744 for the fiscal years ended June 30, 2018, 2017 and 2016, 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, 2018, the Coventry School Department reported a liability of \$65,443,544 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	\$ 65,443,544
State's proportionate share of the net pension liability associated with the Coventry School Dept.	<u>49,459,596</u>
Total net pension liability	<u>\$ 114,903,140</u>

The net pension liability was measured as of June 30, 2017, 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, 2016 rolled forward to June 30, 2017. 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, 2017 the Coventry School Department proportion was 2.07488106%.

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 15 - 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, 2018 the Coventry School Department recognized gross pension expense of \$9,872,802 and revenue of \$4,582,770 for support provided by the State. At June 30, 2018 the Coventry School Department reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Schedule of Deferred Inflows & Outflows

Deferred outflows of resources:

Net difference between projected and actual investment earnings	\$ 5,063,681
Changes in proportion and difference between employer contributions and proportionate share of contributions	135,071
Changes in assumptions	5,715,551
Contributions made subsequent to the measurement date	<u>4,760,634</u>
Total	<u><u>\$ 15,674,937</u></u>

Deferred inflows of resources:

Difference between expected and actual experience	\$ 1,551,512
Changes in assumptions	1,031,288
Changes in proportion and difference between employer contributions and proportionate share of contributions	3,219,833
Net difference between projected and actual earnings on pension plan investments	<u>3,410,533</u>
Total	<u><u>\$ 9,213,166</u></u>

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 15 - PENSION PLANS – (continued)

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

\$4,760,634 reported as deferred outflows of resources related to pensions resulting from the Coventry School Department’s contributions in fiscal year 2018 subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ended June 30, 2019. 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:	
2019	\$ 135,724
2020	1,225,275
2021	418,908
2022	(731,407)
2023	178,083
thereafter	<u>474,554</u>
	<u>\$ 1,701,137</u>

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

Inflation	2.50%
Salary increases	3.0% to 13.50%
Investment rate of return	7.0%

Mortality – variants of the RP-2014 mortality tables – for the improvement scale, update to the ultimate rates of the MP-2016 projection scale.

The actuarial assumptions used in the June 30, 2016 valuation rolled forward to June 30, 2017 and the calculation of the total pension liability at June 30, 2016 were consistent with the results of an actuarial experience study performed as of June 30, 2016.

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 35 sources. The June 30, 2016 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, 2018

NOTE 15 - PENSION PLANS – (continued)

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

Asset Class	Long-Term Target Asset Allocation	Long-Term Expected Arithmetic Real Rate of Return
Global Equity		
US Equity	20.60%	6.85%
International Developed Equity	15.90%	6.71%
Emerging Markets Equity	3.50%	8.91%
Private Growth		
Private Equity	11.30%	9.62%
Non-Core RE	2.20%	5.17%
OPP Private Credit	1.50%	9.62%
Income		
High Yield Infrastructure	1.00%	4.26%
REITS	1.00%	5.17%
Liquid Credit	2.80%	4.26%
Private Credit	3.20%	4.26%
Crisis Protection Class		
Treasury Duration	4.00%	0.83%
Systematic Trend	4.00%	3.81%
Inflation Protection		
Core Real Estate	3.60%	5.17%
Private Infrastructure	2.40%	5.57%
TIPs	1.00%	1.72%
Natural Resources	1.00%	3.98%
Volatility Protection		
IG Fixed Income	11.50%	2.12%
Absolute Return	6.50%	3.81%
Cash	3.00%	0.83%

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

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

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 15 - 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 7.0 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 (6.0%)	Current Discount Rate (7.0%)	1.00% Increase (8.0%)
\$ 82,246,898	\$ 65,443,544	\$ 52,927,719

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. Investments are reported at fair value.

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, 2018

NOTE 15 - 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, 2018

NOTE 15 - 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 \$53,687, \$42,948 and \$45,534 for the fiscal years ended June 30, 2018, 2017 and 2016, 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, 2018 the Coventry School Department reported an asset of \$6,023,168 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, 2017, 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, 2017. The Coventry School Department's proportion of the net pension asset was based on its share of contributions to the TSB for fiscal year 2016 relative to the total contributions of all participating employers for that fiscal year. At June 30, 2017 the Coventry School Department's proportion was 7.28082835%.

For the year ended June 30, 2018 the Coventry School Department recognized pension expense of \$1,247,234 – a decrease in the net pension asset. At June 30, 2018 the Coventry School Department reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 15 - PENSION PLANS – (continued)

5. Defined Benefit Pension Plan (Survivors Benefit)

Deferred Outflows of resources	
Difference between expected and actual experience	1,188,716
Net difference between projected and actual investment earnings	1,384,782
Changes in proportion and differences between employer contributions and proportionate share of contributions	271,857
Changes in assumptions	992,264
Contributions subsequent to the measurement date	53,687
Total	<u>3,891,306</u>
 Deferred inflows of resources	
Net difference between projected and actual investment earnings	999,957
Changes in proportion and differences between employer contributions and proportionate share of contributions	196,757
Difference between projected and actual experience	1,265,700
Total	<u>2,462,414</u>

\$53,687 reported as deferred outflows of resources related to pensions resulting from the Coventry School Department's contributions in fiscal year 2018 subsequent to the measurement date will be recognized as an addition to the net pension asset for the year ended June 30, 2019. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2019	226,573
2020	522,722
2021	306,803
2022	(10,845)
2023	165,107
Thereafter	164,845
	<u>1,375,205</u>

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 15 - PENSION PLANS – (continued)

5. Defined Benefit Pension Plan (Survivors Benefit)

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

Inflation	2.55%
Salary increases	3.0% to 13.50%
Investment rate of return	7.0%

Mortality – variants of the RP-2014 mortality tables – for the improvement scale, update to the ultimate rates of the MP-2016 projection scale.

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

The actuarial assumptions used in the June 30, 2016 valuation and the calculation of the total pension liability at June 30, 2017 were consistent with the results of an actuarial experience study performed as of June 30, 2016.

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 35 sources. The June 30, 2017 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, 2018

NOTE 15 - PENSION PLANS – (continued)

5. Defined Benefit Pension Plan (Survivors Benefit)

Asset Class	Long-Term Target Asset Allocation	Long-Term Expected Arithmetic Real Rate of Return
Global Equity		
US Equity	20.60%	6.85%
International Developed Equity	15.90%	6.71%
Emerging Markets Equity	3.50%	8.91%
Private Growth		
Private Equity	11.30%	9.62%
Non-Core RE	2.20%	5.17%
OPP Private Credit	1.50%	9.62%
Income		
High Yield Infrastructure	1.00%	4.26%
REITS	1.00%	5.17%
Liquid Credit	2.80%	4.26%
Private Credit	3.20%	4.26%
Crisis Protection Class		
Treasury Duration	4.00%	0.83%
Systematic Trend	4.00%	3.81%
Inflation Protection		
Core Real Estate	3.60%	5.17%
Private Infrastructure	2.40%	5.57%
TIPs	1.00%	1.72%
Natural Resources	1.00%	3.98%
Volatility Protection		
IG Fixed Income	11.50%	2.12%
Absolute Return	6.50%	3.81%
Cash	3.00%	0.83%

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

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

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 15 - PENSION PLANS – (continued)

5. Defined Benefit Pension Plan (Survivors Benefit)

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 7.0 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 (6.0%)	Current Discount Rate (7.0%)	1.00% Increase (8.0%)
\$ (4,119,678)	\$ (6,023,168)	\$ (7,440,267)

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

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, 2018 employee membership data related to this plan was as follows:

Active members	<u>10</u>
Total	10

Required Contributions:

Fiscal Yr Ended June 30,	Required Pension Cost	Percentage Contributed
2018	73,225	100%
2017	69,234	100%
2016	67,797	100%

**TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 15 - PENSION PLANS – (continued)

7. Defined Contribution Plan

A. State of Rhode Island Defined Contribution Retirement Plan

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

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

The Coventry School Department recognized pension expense of \$824,863 for the fiscal year ended June 30, 2018.

ERS members	EE contribution	ER contribution
ERS - Teachers - contribute to Social Security - less than 20 years of service at 7/1/2012	5%	1% to 1.5% depending on years of service
ERS - Teachers - do not contribute to Social Security - less than 20 years of service at 7/1/2012	7%	3% to 3.5% depending on years of service
ERS - Teachers - more than 20 years of service at 7/1/2012	NO DC plan contributions (ee and er) after July 1, 2015	

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, 2018

NOTE 15 - 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, 2018 employee membership data related to this plan was as follows:

Active members 20

Required Contributions:

Fiscal Yr Ended June 30,	Annual Required Pension Cost	Percentage Contributed
2018	84,072	100%
2017	63,002	100%
2016	49,088	100%

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 16 – OTHER POST EMPLOYMENT BENEFITS

Plan Description and Eligibility

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, 2017

Active members -	101
Retired members -	1
Spouses of retirees -	<u>0</u>
Total	<u>102</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): age 55 with 25 years of service

The cost of benefits is 100% retiree-paid.

Membership as of July 1, 2017

Active members -	66
Retired members -	10
Spouses of retirees -	<u>7</u>
Total	<u>83</u>

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 16 – 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.

Balance of premium is 100% retiree paid.

Membership as of July 1, 2017

Active members -	476
Retired members -	272
Spouses of retirees -	<u>175</u>
Total	<u>923</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, 2017

Active members -	235
Retired members -	28
Spouses of retirees -	<u>0</u>
Total	<u>263</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, 2018 was \$222,278 for Town employees and \$271,208 for School employees.

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 16 – OTHER POST EMPLOYMENT BENEFITS (continued)

Net OPEB Liability of the Town

The components of the net OPEB liability of the Town at June 30, 2018, were as follows:

Total OPEB liability	\$ 17,107,002
Plan fiduciary net position	-
Town's net OPEB liability	\$ 17,107,002
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%

Actuarial assumptions: The total OPEB liability was determined by an actuarial valuation as of June 30, 2018, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Summary of Actuarial Assumptions Used in the Valuations to determine the Net OPEB Liability at the June 30, 2018 measurement date (July 1, 2017 valuation rolled forward to June 30, 2018)	
Actuarial Cost Method	Entry Age Normal - the Individual Entry Age Actuarial Cost methodology is used.
Actuarial Assumptions	
Inflation Rate	2.70%
Discount rate	3.58% 20 year Tax Exempt Municipal Bond Rate
Projected Salary Increases	Graded by service
Health Care Cost Trend Rates	5.48% - 4.40% over 75 years
Participation Rate	20% of Police and Town, 25% of School Others, and 70% of School Teachers are assumed to elect coverage upon retirement. 30% of School Teachers are assumed to purchase health insurance elsewhere and receive the Town stipend.
Mortality	RP-2000 Combined Healthy Table for males and females with generational projection per Scale AA.

Discount Rate

The discount rate used to measure the total OPEB liability was 3.58%. The projection of cash flows used to determine the discount 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 plans 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 investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 16 – OTHER POST EMPLOYMENT BENEFITS (continued)

Changes in Net Opeb Liability

	Increase (Decrease)		Net OPEB
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Liability (a) - (b)
Balances as of June 30, 2017	\$ 17,577,645	\$ -	\$ 17,577,645
Changes for the Year			
Service Cost	352,175		352,175
Interest on the total OPEB liability	625,753		625,753
Changes in benefits	-		-
Difference between expected and actual experience	-		-
Changes in assumptions	(539,174)		(539,174)
Employer contributions	-	-	-
Net investment income	-	-	-
Benefit payments, including employee refunds	(909,397)	-	(909,397)
Administrative expense	-	-	-
Other changes	-	-	-
Net changes	(470,643)	-	(470,643)
Balances as of June 30, 2018	\$ 17,107,002	\$ -	\$ 17,107,002

Sensitivity of the OPEB liability to changes in the discount rate: The following presents the net OPEB liability of the Town, calculated using the discount rate of 3.87%, as well as what the Town's net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.87%) or 1 percentage point higher (4.87%) than the current discount rate.

1.00% Decrease (2.87%)	Current Discount Rate (3.87%)	1.00% Increase (4.87%)
\$ 19,087,280	\$ 17,107,002	\$ 15,437,552

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 16 – OTHER POST EMPLOYMENT BENEFITS (continued)

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates: The following presents the net OPEB liability of the Town, calculated using the trend rate of 5.50% per year graded down by the getzen model to an ultimate rate of 3.84% per year, as well as what the Town's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower or 1 percentage point higher than the current healthcare trend rates.

1% Decrease	Current HCCTR	1% Increase
\$ 16,236,389	\$ 17,107,002	\$ 18,140,126

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

For the year ended June 30, 2018, the Town recognized OPEB expense of \$916,658. At June 30, 2018, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ -
Changes of assumptions	-	(477,904)
Total	\$ -	\$ (477,904)

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

Year Ending June 30	OPEB Plan Net Deferred (outflows)/inflow s of resources
2019	\$ (61,270)
2020	(61,270)
2021	(61,270)
2022	(61,270)
2023	(61,270)
Thereafter	(171,554)
Total	\$ (477,904)

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 17 - 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.

Self-insurance:

The School Department participates in a multi-employer cost reimbursement healthcare self-insurance risk pool managed by WB Community Health (WBCH) which is presented as an Internal Service Fund in the Proprietary Funds of the Towns financial statements. 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, 2018, the reported expenditures exceeded premiums on deposit by \$86,546 which resulted in a balance of \$1,778,566 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.

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 17 - RISK MANAGEMENT (continued)

Changes in the deposit balance for fiscal year 2018 is as follows:

	Year ended June 30, 2018
Beginning cumulative surplus (deficit)	\$ 1,350,351
Premium deposits	8,865,405
Incurred claims (excluding IBNR)	(8,901,269)
Administrative fees	(44,730)
Ending cash deposit balance	1,269,757
Change in IBNR (three month estimate)	5,448
Run out reserve balance	503,361
Net adjusted reserve	\$ 1,778,566

NOTE 18 – SUBSEQUENT EVENT

Management has evaluated subsequent events through February 14, 2019 the date the financial statements were available to be issued.

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 19 – PRIOR PERIOD RESTATEMENT

Basic Financial statements

The following restatements were recorded to the beginning of net position of the governmental activities as a result of implementation of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The Town also adjusted for other various liabilities and deposits the required restatement of prior period balances for the General Fund and for a new Proprietary Internal Service Fund.

Beginning net position - Governmental Activities	\$ (132,254,495)
Restatement for:	
Reversal of net OPEB obligation per GASB 45	3,970,559
Record net OPEB liability at July 1, 2017 per GASB 75	(17,577,645)
Prior years reserve for abatement	222,709
WB Community Health Deposit	1,865,112
Restatement of School Department Total Pension Liability	1,647,726
Total adjustment to net position:	(9,871,539)
Beginning net position - Restated as of 7/1/2017	\$ (142,126,034)
Beginning net position - Internal Service Fund	\$ -
WB Community Health Deposit	1,865,112
Beginning net position - Restated as of 7/1/2017	\$ 1,865,112
Beginning fund balance - General Fund	\$ 11,355,759
Prior years reserve for abatement	222,709
Beginning fund balance - Restated as of 7/1/2017	\$ 11,578,468

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, 2018

	<u>Original Budgeted</u>	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:				
General property taxes	\$ 72,289,103	\$ 72,289,103	\$ 71,652,257	\$ (636,846)
Other taxes	1,005,380	1,005,380	1,005,987	607
Intergovernmental revenue	1,700,418	1,700,418	2,358,888	658,470
Licenses, fees and permits	787,680	787,680	789,512	1,832
Fines and interest on late payments	550,000	550,000	457,167	(92,833)
Interest on investments	112,000	112,000	151,181	39,181
Other revenue	919,000	919,000	718,120	(200,880)
Total revenues	<u>77,363,581</u>	<u>77,363,581</u>	<u>77,133,112</u>	<u>(230,469)</u>
Expenditures:				
Legislative, judicial and general administrative	1,575,223	1,575,223	1,554,641	20,582
Financial administrative	770,734	770,734	745,828	24,906
Public safety	12,955,428	12,955,428	12,492,114	463,314
Public works	5,610,127	5,674,814	5,366,489	308,325
Parks & Recreation	2,159,008	2,159,008	2,073,608	85,400
Human resources	822,209	757,522	699,354	58,168
Planning & Development	338,616	338,616	342,227	(3,611)
General government	3,739,925	3,739,925	3,792,297	(52,372)
Debt service:				
Principal payments	3,745,000	3,745,000	3,745,000	-
Interest and fiscal charges	1,412,861	1,412,861	1,412,861	-
Total expenditures	<u>33,129,131</u>	<u>33,129,131</u>	<u>32,224,419</u>	<u>904,712</u>
Excess/(deficiency) of revenues over expenditures	<u>44,234,450</u>	<u>44,234,450</u>	<u>44,908,693</u>	<u>674,243</u>
Other financing sources/(uses):				
Transfers (to) other funds	(10,000)	(10,000)	(10,000)	-
School appropriation	(44,224,450)	(44,224,450)	(44,224,450)	-
Total other financing sources	<u>(44,234,450)</u>	<u>(44,234,450)</u>	<u>(44,234,450)</u>	<u>-</u>
Excess/(deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 674,243</u>	<u>\$ 674,243</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, 2018

	<u>Original Budget Revenues</u>	<u>Revised Budget Revenues</u>	<u>Actual Revenues</u>	<u>Variance</u>
General property taxes				
Real Estate Taxes - Current	\$ 62,699,878	\$ 62,699,878	\$ 62,468,317	\$ (231,561)
Real Estate Taxes - Prior	486,000	486,000	406,101	(79,899)
Real Estate Taxes - Debt Service - School	1,444,077	1,444,077	1,444,077	-
Real Estate Taxes - Debt Service - Town	2,395,167	2,395,167	2,395,167	-
Motor Vehicle Excise Tax	5,263,981	5,263,981	4,938,595	(325,386)
Total general property taxes	<u>72,289,103</u>	<u>72,289,103</u>	<u>71,652,257</u>	<u>(636,846)</u>
Other Taxes				
Telephone Tax	450,490	450,490	423,558	(26,932)
Hotel Tax	116,310	116,310	131,496	15,186
Meal and Beverage Tax	438,580	438,580	450,933	12,353
Total other taxes	<u>1,005,380</u>	<u>1,005,380</u>	<u>1,005,987</u>	<u>607</u>
Intergovernmental Revenue				
State Aid School Housing	1,313,729	1,313,729	1,313,730	1
State Motor Vehicle Phase out	-	-	696,676	696,676
Payment in Lieu of Taxes	106,898	106,898	62,238	(44,660)
State Aid to Libraries	35,000	35,000	35,000	-
State Reimbursement Auto Tax	244,791	244,791	251,244	6,453
Total Intergovernmental Revenue	<u>1,700,418</u>	<u>1,700,418</u>	<u>2,358,888</u>	<u>658,470</u>
Licenses and Permits				
Building Permits	135,000	135,000	143,026	8,026
Plumbing and Heating	23,000	23,000	25,653	2,653
Electrical Permits	21,000	21,000	25,045	4,045
Recording Fees	330,000	330,000	327,398	(2,602)
Probate Fees	53,000	53,000	54,340	1,340
Marriage Licenses	1,400	1,400	1,256	(144)
Dog Licenses	16,355	16,355	10,174	(6,181)
Animal Rescue Fees	9,400	9,400	6,421	(2,979)
Realty Fees	40,000	40,000	40,000	-
Alcoholic Beverage Licenses	21,300	21,300	21,023	(277)
Hunting and Fishing Licenses	25	25	2	(23)
Library Fees	22,000	22,000	17,780	(4,220)
Planning Commission Fees	8,200	8,200	10,120	1,920
Planning Commission Steno Fees	4,000	4,000	4,137	137
Miscellaneous Fees	103,000	103,000	103,137	137
Total Licenses and Permits	<u>787,680</u>	<u>787,680</u>	<u>789,512</u>	<u>1,832</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, 2018
(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	550,000	550,000	457,167	(92,833)
Total Fines and Interest on Late Payments	<u>550,000</u>	<u>550,000</u>	<u>457,167</u>	<u>(92,833)</u>
Interest on Investments				
Interest Earnings	112,000	112,000	151,181	39,181
Total Interest on Investments	<u>112,000</u>	<u>112,000</u>	<u>151,181</u>	<u>39,181</u>
Other Revenue				
Police Car Rental	150,000	150,000	107,881	(42,119)
Municipal Court	78,000	78,000	87,422	9,422
Westwood Reimbursement	8,000	8,000	9,876	1,876
Land Trust Fees	350,000	350,000	371,312	21,312
Miscellaneous Receipts	333,000	333,000	141,629	(191,371)
Total Other Revenue	<u>919,000</u>	<u>919,000</u>	<u>718,120</u>	<u>(200,880)</u>
Total Town Revenue	<u>\$ 77,363,581</u>	<u>\$ 77,363,581</u>	<u>\$ 77,133,112</u>	<u>\$ (230,469)</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, 2018

	<u>Original Budgeted Expenditures</u>	<u>Revised Budgeted Expenditures</u>	<u>Actual Expenditures</u>	<u>Variance</u>
Legislative, Judicial and General Administrative				
Town Council	\$ 26,398	\$ 26,398	\$ 28,432	\$ (2,034)
Town Manager	211,209	211,209	199,749	11,460
Citizens Advisory Committee	1,077	1,077	36	1,041
Human Relations	85,347	85,347	76,083	9,264
Information Technology	333,892	333,892	328,893	4,999
Town Clerk	327,292	327,292	312,790	14,502
Town Solicitor	440,000	440,000	487,043	(47,043)
Board of Canvassers	84,388	84,388	59,885	24,503
Probate Court	17,972	17,972	15,238	2,734
Municipal Court	47,648	47,648	46,492	1,156
Total Legislative, Judicial and General Administrative	<u>1,575,223</u>	<u>1,575,223</u>	<u>1,554,641</u>	<u>20,582</u>
Financial Administration				
Treasurer	342,712	342,712	321,879	20,833
Board of Assessment Review	3,219	3,219	3,014	205
Tax Assessor	179,572	179,572	181,043	(1,471)
Tax Collector	245,231	245,231	239,892	5,339
Total Financial Administration	<u>770,734</u>	<u>770,734</u>	<u>745,828</u>	<u>24,906</u>
Public Safety				
Police	12,664,711	12,662,550	12,209,467	453,083
Animal Control	231,109	233,270	230,452	2,818
Emergency Management	27,580	27,580	21,022	6,558
Town Sergeant	2,358	2,358	2,311	47
Crossing Guards	29,670	29,670	28,862	808
Total Public Safety	<u>12,955,428</u>	<u>12,955,428</u>	<u>12,492,114</u>	<u>463,314</u>
Public Works				
Engineering	154,608	140,733	125,190	15,543
Inspection and Permits	230,506	232,049	215,258	16,791
Roads and Bridges	2,169,857	2,119,064	1,872,126	246,938
Snow Removal	311,488	451,595	452,880	(1,285)
Building Maintenance	491,687	522,857	507,512	15,345
Refuse Collection	859,456	860,281	840,407	19,874
Refuse Disposal	518,467	417,367	430,244	(12,877)
Vehicle Maintenance	874,058	930,868	922,872	7,996
Total Public Works	<u>5,610,127</u>	<u>5,674,814</u>	<u>5,366,489</u>	<u>308,325</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, 2018
Continued

	<u>Original Budgeted Expenditures</u>	<u>Revised Budgeted Expenditures</u>	<u>Actual Expenditures</u>	<u>Variance</u>
Human Resources				
Human Services	822,209	757,522	699,354	58,168
Total Human Resources	<u>822,209</u>	<u>757,522</u>	<u>699,354</u>	<u>58,168</u>
Parks and Recreation				
Public Libraries	993,490	993,490	985,799	7,691
Recreation	1,165,518	1,165,518	1,087,809	77,709
Total Parks and Recreation	<u>2,159,008</u>	<u>2,159,008</u>	<u>2,073,608</u>	<u>85,400</u>
Planning and Development				
Planning Commission	289,064	289,064	301,060	(11,996)
Planning Department	17,380	17,880	17,339	541
Zoning Board	10,363	15,863	15,671	192
Conservation Commission	2,760	2,760	1,090	1,670
Land Trust Commission	7,365	7,365	1,594	5,771
Economic Development	-	-	2,000	(2,000)
Historic District Commission	7,615	1,615	502	1,113
Coventry Housing Authority	4,069	4,069	2,971	1,098
Total Planning and Development	<u>338,616</u>	<u>338,616</u>	<u>342,227</u>	<u>(3,611)</u>
General Government				
Town General	3,739,925	3,739,925	3,792,297	(52,372)
Total General Government	<u>3,739,925</u>	<u>3,739,925</u>	<u>3,792,297</u>	<u>(52,372)</u>
Debt Service				
Principal	3,745,000	3,745,000	3,745,000	-
Interest	1,412,861	1,412,861	1,412,861	-
Total Debt Service	<u>5,157,861</u>	<u>5,157,861</u>	<u>5,157,861</u>	<u>-</u>
Other Financing Uses				
Transfers to School Unrestricted	44,224,450	44,224,450	44,224,450	-
Transfers to Other Funds	10,000	10,000	10,000	-
Total Other Uses	<u>44,234,450</u>	<u>44,234,450</u>	<u>44,234,450</u>	<u>-</u>
Total Expenditures and Other Financing Uses	<u><u>\$ 77,363,581</u></u>	<u><u>\$ 77,363,581</u></u>	<u><u>\$ 76,458,869</u></u>	<u><u>\$ 904,712</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, 2018**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues				
State Aid	\$ 23,202,975	\$ 23,202,975	\$ 23,189,487	\$ (13,488)
Federal Aid	745,210	745,210	844,273	99,063
Charges for Service	762,000	762,000	888,549	126,549
Miscellaneous	7,500	7,500	2,368	(5,132)
Total revenues	<u>24,717,685</u>	<u>24,717,685</u>	<u>24,924,677</u>	<u>206,992</u>
Expenditures				
Salaries	44,139,500	44,139,500	43,646,710	492,790
Employee benefits	15,183,869	15,183,869	15,196,376	(12,507)
Purchased services	7,124,128	7,124,128	7,279,618	(155,490)
Supplies and materials	2,114,800	2,114,800	2,015,598	99,202
Capital outlay	474,000	474,000	569,020	(95,020)
Other	52,027	52,027	39,417	12,610
Total expenditures	<u>69,088,324</u>	<u>69,088,324</u>	<u>68,746,739</u>	<u>(341,585)</u>
Excess of revenues over (under) expenditures before other financing sources	(44,370,639)	(44,370,639)	(43,822,062)	548,577
Other financing sources (uses)				
Operating transfers - Town appropriation	44,224,450	44,224,450	44,224,450	-
Transfer from Cell Tower Fund	70,000	70,000	70,000	-
Transfer in from Restricted Funds	-	-	21,306	21,306
Transfer out to Restricted Funds	-	-	(92,391)	(92,391)
Budgeted use of Fund Balance	76,189	76,189	76,189	-
Total other financing sources/(uses)	<u>44,370,639</u>	<u>44,370,639</u>	<u>44,299,554</u>	<u>(71,085)</u>
Excess (deficiency) of revenue and other sources over expenditures and other uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 477,492</u>	<u>\$ 477,492</u>

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2018

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, 2018 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)	\$ 674,243	\$ 477,492
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	426,227	81,446
Use of accumulated fund balance surplus	-	(76,189)
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses (GAAP basis)	\$ 1,100,470	\$ 482,749

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2018

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

Fiscal Year Ending June 30,

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Total Pension Liability										
Service Cost	\$ 469	\$ 482	\$ 519	\$ 546	\$ 539	N/A	N/A	N/A	N/A	N/A
Interest on Total Pension Liability	1,647	1,591	1,511	1,477	1,402	N/A	N/A	N/A	N/A	N/A
Effect of Economic/Demographic Gains or Losses	(78)	(264)	(509)	(248)	-	N/A	N/A	N/A	N/A	N/A
Effect of Assumption Changes or Inputs	-	-	(191)	-	-	N/A	N/A	N/A	N/A	N/A
Benefit Payments	(1,066)	(912)	(803)	(690)	(695)	N/A	N/A	N/A	N/A	N/A
Net Change in Total Pension Liability	972	897	527	1,085	1,246	N/A	N/A	N/A	N/A	N/A
Total Pension Liability, beginning	23,583	22,686	22,159	21,074	19,828	N/A	N/A	N/A	N/A	N/A
Total Pension Liability, ending (a)	\$ 24,555	\$ 23,583	\$ 22,686	\$ 22,159	\$ 21,074	N/A	N/A	N/A	N/A	N/A
Fiduciary Net Position										
Employer Contributions	\$ 846	\$ 836	\$ 864	\$ 829	\$ 1,080	N/A	N/A	N/A	N/A	N/A
Member Contributions	484	489	515	446	447	N/A	N/A	N/A	N/A	N/A
Investment Income Net of Investment Expenses	778	794	82	55	671	N/A	N/A	N/A	N/A	N/A
Benefit Expenses	(1,066)	(912)	(803)	(690)	(695)	N/A	N/A	N/A	N/A	N/A
Administrative Expenses	(1)	(1)	(1)	(1)	(1)	N/A	N/A	N/A	N/A	N/A
Net Change in Fiduciary net Position	1,041	1,206	657	639	1,502	N/A	N/A	N/A	N/A	N/A
Fiduciary Net Position, beginning	9,407	8,201	7,544	6,905	5,403	N/A	N/A	N/A	N/A	N/A
Fiduciary net Position, ending (b)	\$ 10,448	\$ 9,407	\$ 8,201	\$ 7,544	\$ 6,905	N/A	N/A	N/A	N/A	N/A
Net Pension Liability, ending = (a) - (b)	14,107	14,176	14,485	14,615	14,169	N/A	N/A	N/A	N/A	N/A
Fiduciary Net Position as a % of Total Pension Liability	42.55%	39.89%	36.15%	34.04%	32.77%	N/A	N/A	N/A	N/A	N/A
Covered Payroll	\$ 4,850	\$ 5,239	\$ 5,412	\$ 5,382	\$ 5,469	N/A	N/A	N/A	N/A	N/A
Net Pension Liability as a % of Covered Payroll	290.9%	270.6%	267.6%	271.6%	259.1%	N/A	N/A	N/A	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.

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2018

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

	Fiscal Year Ending June 30,									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Actuarially determined contribution	\$ 845,691	\$ 821,825	\$ 852,707	\$ 841,584	\$ 991,124	1,068,188	986,087	887,077	806,558	806,558
Contributions in relation to the actuarially determined contribution	845,691	835,741	864,293	829,250	1,080,077	773,054	559,077	442,837	550,000	550,000
Contribution deficiency/(excess)	-	(13,916)	(11,586)	12,334	(88,953)	295,134	427,010	444,240	256,558	256,558
Covered payroll per employee	4,850,270	5,239,342	5,412,437	5,382,148	5,469,059	5,289,322	5,486,026	5,275,025	N/A	5,191,876
Contributions as a percentage of covered-employee payroll	17.44%	15.95%	15.97%	15.41%	19.75%	14.62%	10.19%	8.39%	N/A	10.59%

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,									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Annual money-weighted rate of return, net of investment expense	8.13%	9.42%	1.04%	0.77%	11.76%	N/A	N/A	N/A	N/A	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, 2018

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

	Fiscal Year Ending June 30,									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Total Pension Liability										
Service Cost	\$ 924	\$ 903	\$ 812	\$ 918	\$ 903	N/A	N/A	N/A	N/A	N/A
Interest on Total Pension Liability	5,392	5,195	5,050	4,944	4,844	N/A	N/A	N/A	N/A	N/A
Effect of Plan Changes	-	(1)	-	-	(12)	N/A	N/A	N/A	N/A	N/A
Effect of Economic/Demographic Gains or Losses	(73)	696	(379)	(938)	-	N/A	N/A	N/A	N/A	N/A
Effect of Assumption Changes or Inputs	-	-	(111)	-	-	N/A	N/A	N/A	N/A	N/A
Benefit Payments	(4,067)	(3,932)	(3,842)	(3,495)	(3,437)	N/A	N/A	N/A	N/A	N/A
Net Change in Total Pension Liability	2,176	2,861	1,530	1,429	2,298	N/A	N/A	N/A	N/A	N/A
Total Pension Liability, beginning	78,100	75,239	73,709	72,280	69,982	N/A	N/A	N/A	N/A	N/A
Total Pension Liability, ending (a)	\$ 80,276	\$ 78,100	\$ 75,239	\$ 73,709	\$ 72,280	N/A	N/A	N/A	N/A	N/A
Fiduciary Net Position										
Employer Contributions	\$ 4,808	\$ 4,716	\$ 4,620	\$ 4,152	\$ 4,564	N/A	N/A	N/A	N/A	N/A
Member Contributions	421	398	363	287	306	N/A	N/A	N/A	N/A	N/A
Investment Income Net of Investment Expenses	1,106	1,099	125	50	784	N/A	N/A	N/A	N/A	N/A
Benefit Expenses	(4,067)	(3,932)	(3,842)	(3,495)	(3,437)	N/A	N/A	N/A	N/A	N/A
Administrative Expenses	(6)	(6)	(6)	(6)	(6)	N/A	N/A	N/A	N/A	N/A
Net Change in Fiduciary net Position	2,262	2,275	1,260	988	2,211	N/A	N/A	N/A	N/A	N/A
Fiduciary Net Position, beginning	13,713	11,438	10,178	9,190	6,979	N/A	N/A	N/A	N/A	N/A
Fiduciary net Position, ending (b)	\$ 15,975	\$ 13,713	\$ 11,438	\$ 10,178	\$ 9,190	N/A	N/A	N/A	N/A	N/A
Net Pension Liability, ending = (a) - (b)	\$ 64,301	\$ 64,387	\$ 63,801	\$ 63,531	\$ 63,090	N/A	N/A	N/A	N/A	N/A
Fiduciary Net Position as a % of Total Pension Liability	19.90%	17.56%	15.20%	13.81%	12.71%	N/A	N/A	N/A	N/A	N/A
Covered Payroll	\$ 3,523	\$ 3,077	\$ 3,145	\$ 3,047	\$ 3,125	N/A	N/A	N/A	N/A	N/A
Net Pension Liability as a % of Covered Payroll	1825.2%	2092.5%	2028.6%	2085.0%	2018.9%	N/A	N/A	N/A	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.

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2018

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

	Fiscal Year Ending June 30,									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Actuarially determined contribution	\$ 4,808,076	\$ 4,656,200	\$ 4,565,873	\$ 4,495,252	\$ 4,481,020	4,784,708	3,530,006	3,278,626	3,084,953	3,084,953
Contributions in relation to the actuarially determined contribution	4,808,076	4,715,528	4,619,691	4,148,062	4,563,733	3,260,756	2,274,733	2,274,733	2,274,733	2,274,733
Contribution deficiency/(excess)	-	(59,328)	(53,818)	347,190	(82,713)	1,523,952	1,255,273	1,003,893	810,220	810,220
Covered payroll per employee	3,523,041	3,076,771	3,144,906	3,047,317	3,124,718	3,246,617	3,513,681	3,378,540	N/A	3,598,495
Contributions as a percentage of covered-employee payroll	136.48%	153.26%	146.89%	136.12%	146.05%	100.44%	64.74%	67.33%	N/A	63.21%

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,									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Annual money-weighted rate of return, net of investment expense	7.68%	9.12%	1.15%	0.52%	10.81%	N/A	N/A	N/A	N/A	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, 2018

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

	Fiscal Year Ending June 30,									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Actuarially determined contribution	\$ 4,760,634	\$ 4,851,664	\$ 4,943,999	\$ 4,610,827	-	-	-	-	-	-
Contributions in relation to the actuarially determined contribution	4,760,634	4,851,664	4,943,999	4,610,827	-	-	-	-	-	-
Contribution deficiency/(excess)	-	-	-	-	-	-	-	-	-	-
Covered employee payroll	35,956,339	35,843,399	35,677,230	32,958,819	-	-	-	-	-	-
Contributions as a percentage of covered-employee payroll	13.24%	13.54%	13.86%	13.99%	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
Last 10 Fiscal Years
State of Rhode Island Employees Retirement System

	Fiscal Year Ending June 30,									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Coventry proportion of the net pension liability	2.07488106%	2.19178440%	2.18519050%	2.21656528%	N/A	N/A	N/A	N/A	N/A	N/A
Coventry proportionate share of the net pension liability	\$ 65,443,544	\$ 65,393,587	\$ 60,158,353	\$ 53,951,207	N/A	N/A	N/A	N/A	N/A	N/A
State's proportionate share of the net pension liability associated with the school district	49,459,596	44,785,005	41,098,299	36,996,828	N/A	N/A	N/A	N/A	N/A	N/A
Total:	<u>\$ 114,903,140</u>	<u>\$ 110,178,592</u>	<u>\$ 101,256,652</u>	<u>\$ 90,948,035</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Coventry covered payroll	35,956,339	35,843,399	35,677,230	32,958,819	N/A	N/A	N/A	N/A	N/A	N/A
Coventry proportionate share of the net pension liability as a percentage of it's covered employee payroll	182.01%	182.44%	168.62%	163.69%	N/A	N/A	N/A	N/A	N/A	N/A
Plan fiduciary net position as a % of the total pension liability	54.0%	54.06%	57.55%	61.40%	N/A	N/A	N/A	N/A	N/A	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, 2018

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

	Fiscal Year Ending June 30,									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Statutorily determined contribution	\$ 53,687	\$ 42,948	\$ 45,534	\$ 33,821	-	-	-	-	-	-
Contributions in relation to the actuarially determined contribution	53,687	42,948	45,534	33,821	-	-	-	-	-	-
Contribution deficiency/(excess)	-	-	-	-	-	-	-	-	-	-
Covered employee payroll	35,956,339	35,843,399	35,677,230	32,958,819	-	-	-	-	-	-
Contributions as a percentage of covered-employee payroll	0.15%	0.12%	0.13%	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,									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Coventry proportion of the net pension asset	7.28082835%	7.08947564%	7.27798561%	7.41898361%	N/A	N/A	N/A	N/A	N/A	N/A
Coventry proportionate share of the net pension asset	6,023,168	7,059,124	6,794,407	9,223,335	N/A	N/A	N/A	N/A	N/A	N/A
Coventry covered payroll	35,956,339	35,843,399	35,677,230	32,958,819	N/A	N/A	N/A	N/A	N/A	N/A
Coventry proportionate share of the net pension liability as a percentage of it's covered employee payroll	16.75%	19.69%	19.04%	27.98%	N/A	N/A	N/A	N/A	N/A	N/A
Plan fiduciary net position as a % of the total pension liability	136.1%	153.3%	146.6%	173.3%	N/A	N/A	N/A	N/A	N/A	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.

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2018

Schedule of Changes in Net Pension Liability and Related Ratios
Coventry School Employees' Retirement Plan

Fiscal Year Ending June 30,

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Total Pension Liability										
Service Cost	\$ 330,922	\$ 309,273	N/A							
Interest on Total Pension Liability	1,938,862	1,905,251	N/A							
Differences between expected and actual experience	915,100	18,495	N/A							
Effect of Assumption Changes or Inputs	1,385,191	-	N/A							
Benefit Payments	(2,084,118)	(1,756,434)	N/A							
Net Change in Total Pension Liability	2,485,957	476,585	N/A							
Total Pension Liability, beginning	28,486,826	28,010,241	N/A							
Total Pension Liability, ending (a)	<u>\$ 30,972,783</u>	<u>\$ 28,486,826</u>	N/A							
Fiduciary Net Position										
Employer Contributions	\$ 1,218,936	\$ 1,157,788	N/A							
Member Contributions	508,905	463,321	N/A							
Net Investment Income	1,226,407	1,546,143	N/A							
Benefit Expenses	(2,084,118)	(1,756,434)	N/A							
Administrative Expenses	(90,462)	(149,427)	N/A							
Net Change in Fiduciary net Position	779,668	1,261,391	N/A							
Fiduciary Net Position, beginning	12,462,740	11,201,349	N/A							
Fiduciary net Position, ending (b)	<u>\$ 13,242,408</u>	<u>\$ 12,462,740</u>	N/A							
Net Pension Liability, ending = (a) - (b)	17,730,375	16,024,086	N/A							
Fiduciary Net Position as a % of Total Pension Liability	42.75%	43.75%	N/A							
Covered Payroll	\$ 5,625,341	\$ 5,249,633	N/A							
Net Pension Liability as a % of Covered Payroll	315.2%	305.2%	N/A							

Notes:

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TOWN OF COVENTRY, RHODE ISLAND
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2018

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

	Fiscal Year Ending June 30,									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Actuarially determined contribution	\$ 1,339,244	\$ 1,264,236	N/A							
Contributions in relation to the actuarially determined contribution	TBD	1,218,936	N/A							
Contribution deficiency/(excess)	-	45,300	N/A							
Covered employee payroll	\$ 5,625,341	\$ 5,249,633	N/A							
Contributions as a percentage of covered-employee payroll	TBD	23.22%	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 School Employees Retirement Plan

	Fiscal Year Ending June 30,									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Annual money-weighted rate of return, net of investment expense	10.16%	14.13%	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, 2018

Town of Coventry, Rhode Island
Schedule of Changes in the Town of Coventry's Net OPEB Liability and Related Ratios
Last 10 Fiscal Years

	Fiscal Year Ending June 30,									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
A. Total OPEB liability										
1. Service Cost	\$ 352,175	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2. Interest on the Total OPEB Liability	625,753	-	-	-	-	-	-	-	-	-
3. Changes of benefit terms	-	-	-	-	-	-	-	-	-	-
4. Difference between expected and actual experience of the Total OPEB Liability	-	-	-	-	-	-	-	-	-	-
5. Changes of assumptions	(539,174)	-	-	-	-	-	-	-	-	-
6. Benefit payments, including refunds of employee contributions	(909,397)	-	-	-	-	-	-	-	-	-
7. Net change in total OPEB liability	(470,643)	-	-	-	-	-	-	-	-	-
8. Total OPEB liability – beginning	17,577,645	-	-	-	-	-	-	-	-	-
9. Total OPEB liability – ending (a)	<u>\$ 17,107,002</u>	<u>\$ -</u>								
B. Plan fiduciary net position										
1. Contributions – employer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2. Contributions – employee	-	-	-	-	-	-	-	-	-	-
3. Net investment income	-	-	-	-	-	-	-	-	-	-
4. Benefit payments, including refunds of employee contributions	-	-	-	-	-	-	-	-	-	-
5. OPEB Plan Administrative Expense	-	-	-	-	-	-	-	-	-	-
6. Other	-	-	-	-	-	-	-	-	-	-
7. Net change in plan fiduciary net position	-	-	-	-	-	-	-	-	-	-
8. Plan fiduciary net position – beginning	-	-	-	-	-	-	-	-	-	-
9. Plan fiduciary net position – ending (b)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
C. Net OPEB liability - ending (a) - (b)	17,107,002	-	-	-	-	-	-	-	-	-
D. Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	-	-	-	-	-	-	-	-	-
E. Covered employee payroll	N/A	-	-	-	-	-	-	-	-	-
F. Net OPEB liability as a percentage of covered payroll	0.00%	-	-	-	-	-	-	-	-	-

Notes:

1.) 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, 2018

Schedule of Plan Contributions
Last 10 Fiscal Years
Coventry OPEB Plan

	Fiscal Year Ending June 30,									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Actuarially determined contribution	**	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions in relation to the actuarially determined contribution	-	-	-	-	-	-	-	-	-	-
Contribution deficiency/(excess)	-	-	-	-	-	-	-	-	-	-
Covered payroll per employee	-	-	-	-	-	-	-	-	-	-
Contributions as a percentage of covered-employee payroll	-	-	-	-	-	-	-	-	-	-

Notes:

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

** The town does not pre-fund benefits. The current funding policy is to pay benefits directly from general assets on a pay as you go basis.

Schedule of Investment Returns
Last 10 Fiscal Years
Coventry OPEB Plan

	Fiscal Year Ending June 30,									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Annual money-weighted rate of return, net of investment expense	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

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

SUPPLEMENTARY INFORMATION

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Combining Balance Sheet - Non-Major Governmental Funds
June 30, 2018

	Special Revenue Restricted Town	Special Revenue Restricted School	School Food Service	School Improvement Capital Fund	Town Capital Improvement Funds	Totals
ASSETS						
Cash	\$ 1,180,462	\$ 82,239	\$ 162,876	\$ -	\$ 5,657,875	\$ 7,083,452
Intergovernmental receivables	81,090	960,868	54,831	-	-	1,096,789
Due from other funds	736,301	259,354	9,425	284,800	816,587	2,106,467
Total assets	\$ 1,997,853	\$ 1,302,461	\$ 227,132	\$ 284,800	\$ 6,474,462	\$ 10,286,708
LIABILITIES AND FUND BALANCES						
Liabilities						
Accounts payable	\$ 12,404	\$ 56,243	\$ 638,541	\$ -	\$ 58,056	\$ 765,244
Due to other funds	521,833	850,149	-	284,800	618,866	2,275,648
Accrued salaries	-	228,306	-	-	-	228,306
Unearned revenue	188,000	-	-	-	-	188,000
Total liabilities	722,237	1,134,698	638,541	284,800	676,922	3,457,198
Fund balances (deficits)						
<i>Restricted for:</i>						
Educational programs	-	259,049	-	-	19,491	278,540
Public safety programs	374,158	-	-	-	-	374,158
Culture and recreation	42,892	-	-	-	-	42,892
Health & human services	184,185	-	-	-	-	184,185
<i>Committed for:</i>						
Public works programs	121,591	-	-	-	6,156,718	6,278,309
Culture and recreation	918,250	-	-	-	-	918,250
Unassigned	(365,460)	(91,286)	(411,409)	-	(378,669)	(1,246,824)
Fund balances (deficits)	1,275,616	167,763	(411,409)	-	5,797,540	6,829,510
Total liabilities and fund balances	\$ 1,997,853	\$ 1,302,461	\$ 227,132	\$ 284,800	\$ 6,474,462	\$ 10,286,708

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, 2018

	Special Revenue Restricted Town	Special Revenue Restricted School	School Food Service	School Improvement Capital Fund	Town Capital Improvement Funds	Totals
REVENUES						
Intergovernmental	\$ 931,726	\$ 2,523,808	\$ 727,846	\$ -	\$ 285,213	\$ 4,468,593
Charges for service	375,012	-	700,385	-	-	1,075,397
Investment income	1,867	-	-	-	70,028	71,895
Contributions and private grants	24,091	-	-	-	-	24,091
Other	169,515	14,343	-	-	-	183,858
Total Revenues	1,502,211	2,538,151	1,428,231	-	355,241	5,823,834
EXPENDITURES						
Executive and administration	49,064	-	-	-	-	49,064
Public safety	219,487	-	-	-	-	219,487
Public works	107,137	-	-	-	5,071,601	5,178,738
Community and economic development	76,984	-	-	-	-	76,984
Health and human services	691,345	-	-	-	-	691,345
Culture & recreation	8,977	-	-	-	-	8,977
Education	-	2,829,067	1,543,174	57,375	-	4,429,616
Capital expenditures	130,485	-	-	-	1,366	131,851
Total Expenditures	1,283,479	2,829,067	1,543,174	57,375	5,072,967	10,786,062
Excess of revenues over (under) Expenditures	218,732	(290,916)	(114,943)	(57,375)	(4,717,726)	(4,962,228)
Other Financing Sources (uses)						
Operating transfers in	10,000	7,036	-	-	237,218	254,254
Operating transfers out	(85,326)	(21,306)	-	-	(146,649)	(253,281)
Issuance of debt	-	-	-	-	54,567	54,567
Total other financing sources	(75,326)	(14,270)	-	-	145,136	55,540
Excess of revenues and other sources over (under) expenditures and other uses	143,406	(305,186)	(114,943)	(57,375)	(4,572,590)	(4,906,688)
FUND BALANCE - July 1, 2017	1,132,210	472,949	(296,466)	57,375	10,370,130	11,736,198
FUND BALANCE - June 30, 2018	\$ 1,275,616	\$ 167,763	\$ (411,409)	\$ -	\$ 5,797,540	\$ 6,829,510

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Special Revenue Restricted Town
Combining Balance Sheet
June 30, 2018

	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	-	-	-	-	-	-	-
Due from other funds	-	4,000	128,147	-	3,239	-	4,100
Total assets	\$ -	\$ 4,000	\$ 128,147	\$ -	\$ 3,239	\$ -	\$ 4,100
LIABILITIES AND FUND BALANCES							
Liabilities							
Due to other funds	\$ 1,610	\$ -	\$ -	\$ 18,882	\$ -	\$ -	-
Unearned revenue	-	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-	-
Total liabilities	1,610	-	-	18,882	-	-	-
Fund balances (deficits)							
<i>Restricted for:</i>							
Public safety programs	-	-	-	-	3,239	-	-
Culture and recreation	-	-	-	-	-	-	-
Health and human services	-	4,000	128,147	-	-	-	-
<i>Committed for:</i>							
Public works programs	-	-	-	-	-	-	4,100
Culture and recreation	-	-	-	-	-	-	-
<i>Unassigned</i>	(1,610)	-	-	(18,882)	-	-	-
Total fund balances (deficits)	(1,610)	4,000	128,147	(18,882)	3,239	-	4,100
Total liabilities and fund balances	\$ -	\$ 4,000	\$ 128,147	\$ -	\$ 3,239	\$ -	\$ 4,100

(continued)

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Special Revenue Restricted Town
Combining Balance Sheet
June 30, 2018

	255 Document Preservation	262 Drug Seizure Fund	265 Teen Center Operations	267 Byrne Grant	276 Resource Sharing	202 63 Isle of Capri	207 Coventry Emergency Management
ASSETS							
Cash	\$ -	\$ 180,106	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental receivables	-	-	-	15,205	-	-	25,000
Due from other funds	802	-	5,826	-	2,114	-	-
Total assets	\$ 802	\$ 180,106	\$ 5,826	\$ 15,205	\$ 2,114	\$ -	\$ 25,000
LIABILITIES AND FUND BALANCES							
Liabilities							
Due to other funds	\$ -	\$ 9,181	\$ -	\$ 9,575	\$ -	\$ 4,320	\$ 24,677
Unearned revenue	-	188,000	-	-	-	-	-
Accounts payable	-	-	-	6,210	2,653	-	323
Total liabilities	-	197,181	-	15,785	2,653	4,320	25,000
Fund balances (deficits)							
<i>Restricted for:</i>							
Public safety programs	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Health and human services	802	-	5,826	-	-	-	-
<i>Committed for:</i>							
Public works programs	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
<i>Unassigned</i>	-	(17,075)	-	(580)	(539)	(4,320)	-
Total fund balances (deficits)	802	(17,075)	5,826	(580)	(539)	(4,320)	-
Total liabilities and fund balances	\$ 802	\$ 180,106	\$ 5,826	\$ 15,205	\$ 2,114	\$ -	\$ 25,000

(continued)

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Special Revenue Restricted Town
Combining Balance Sheet
June 30, 2018

	164 Oaks Offsite Resurfacing	281 RIEMA Maple Valley & Franklin	282 RIEMA Industrial Drive	283 RIEMA Hammet Road	285 RIEMA Johnson Blvd Drainage	286 Coventry Emergency Management	205 Legislative Grant Raptakis
ASSETS							
Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Intergovernmental receivables	-	-	-	-	-	10,571	-
Due from other funds	115,482	-	-	-	-	-	3
Total assets	\$ 115,482	\$ -	\$ -	\$ -	\$ -	\$ 10,571	\$ 3
LIABILITIES AND FUND BALANCES							
Liabilities							
Due to other funds	\$ -	\$ 18,296	\$ 7,990	\$ 6,462	\$ 24,577	\$ 10,868	\$ -
Unearned revenue	-	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-	-
Total liabilities	-	18,296	7,990	6,462	24,577	10,868	-
Fund balances (deficits)							
<i>Restricted for:</i>							
Public safety programs	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Health and human services	-	-	-	-	-	-	3
<i>Committed for:</i>							
Public works programs	115,482	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
<i>Unassigned</i>							
	-	(18,296)	(7,990)	(6,462)	(24,577)	(297)	-
Total fund balances (deficits)	115,482	(18,296)	(7,990)	(6,462)	(24,577)	(297)	3
Total liabilities and fund balances	\$ 115,482	\$ -	\$ -	\$ -	\$ -	\$ 10,571	\$ 3

(continued)

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Special Revenue Restricted Town
Combining Balance Sheet
June 30, 2018

	165 National Grid Arnold Rd	290 Health & Wellness	303 Bulletproof Vests	306 DUI/Speed Click it or Ticket	212 DEA & US Marshals	309 US Fish & Wildlife Sandy Acre	310 Laurel Ave/ Anthony Mill River
ASSETS							
Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental receivables	-	-	1,351	7,115	-	-	-
Due from other funds	174,293	1,783	-	-	861	9,508	3,997
Total assets	\$ 174,293	\$ 1,783	\$ 1,351	\$ 7,115	\$ 861	\$ 9,508	\$ 3,997
LIABILITIES AND FUND BALANCES							
Liabilities							
Due to other funds	\$ -	\$ -	\$ 1,351	\$ 6,825	\$ -	\$ -	\$ -
Unearned revenue	-	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-	-
Total liabilities	-	-	1,351	6,825	-	-	-
Fund balances (deficits)							
<i>Restricted for:</i>							
Public safety programs	174,293	-	-	290	861	-	3,997
Culture and recreation	-	-	-	-	-	9,508	-
Health and human services	-	1,783	-	-	-	-	-
<i>Committed for:</i>							
Public works programs	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
<i>Unassigned</i>							
	-	-	-	-	-	-	-
Total fund balances (deficits)	174,293	1,783	-	290	861	9,508	3,997
Total liabilities and fund balances	\$ 174,293	\$ 1,783	\$ 1,351	\$ 7,115	\$ 861	\$ 9,508	\$ 3,997

(continued)

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Special Revenue Restricted Town
Combining Balance Sheet
June 30, 2018

	321 Federal Energy Grant I	322 MEDS Grant	109 Recycling Grant	326 Federal Energy Grant 2	327 Federal Energy Grant 3	332 Tropical Storm Irene 2011	204 Dual-Electric Charging Station
ASSETS							
Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental receivables	-	-	-	-	-	-	-
Due from other funds	1,885	31,499	212	-	49,682	11,730	2,648
Total assets	\$ 1,885	\$ 31,499	\$ 212	\$ -	\$ 49,682	\$ 11,730	\$ 2,648
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	2,648
Culture and recreation	1,885	31,499	-	-	-	-	-
Health and human services	-	-	-	-	-	-	-
<i>Committed for:</i>							
Public works programs	-	-	212	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
<i>Unassigned</i>	-	-	-	(13,088)	-	-	-
Total fund balances (deficits)	1,885	31,499	212	(13,088)	49,682	11,730	2,648
Total liabilities and fund balances	\$ 1,885	\$ 31,499	\$ 212	\$ -	\$ 49,682	\$ 11,730	\$ 2,648

(continued)

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Special Revenue Restricted Town
Combining Balance Sheet
June 30, 2018

	333 RIDOT Leap Road Resurfacing	338 Storm Juno	221 Read Schoolhouse Renovations	336 Hurricane Sandy	337 Blizzard Nemo	400 Food Bank	238 RIEMA Police Awards
ASSETS							
Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental receivables	-	-	-	-	-	-	2,495
Due from other funds	-	-	-	6,461	-	44,386	-
Total assets	\$ -	\$ -	\$ -	\$ 6,461	\$ -	\$ 44,386	\$ 2,495
LIABILITIES AND FUND BALANCES							
Liabilities							
Due to other funds	\$ 197,267	\$ 6,810	\$ 23,948	\$ -	\$ 21,263	\$ -	\$ 2,495
Unearned revenue	-	-	-	-	-	-	-
Accounts payable	-	-	2,456	-	-	762	-
Total liabilities	197,267	6,810	26,404	-	21,263	762	2,495
Fund balances (deficits)							
<i>Restricted for:</i>							
Public safety programs	-	-	-	6,461	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Health and human services	-	-	-	-	-	43,624	-
<i>Committed for:</i>							
Public works programs	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
<i>Unassigned</i>	(197,267)	(6,810)	(26,404)	-	(21,263)	-	-
Total fund balances (deficits)	(197,267)	(6,810)	(26,404)	6,461	(21,263)	43,624	-
Total liabilities and fund balances	\$ -	\$ -	\$ -	\$ 6,461	\$ -	\$ 44,386	\$ 2,495

(continued)

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Special Revenue Restricted Town
Combining Balance Sheet
June 30, 2018

	408 Faith in Action	420 Impact Fees	203 CDBG Funds	232 Hazard Mitigation	412 Champlin Fund	404 Fire District EMA	413 DPW Public Events
ASSETS							
Cash	\$ -	\$ 996,861	\$ -	\$ -	\$ 3,495	\$ -	\$ -
Intergovernmental receivables	-	-	2,028	17,325	-	-	-
Due from other funds	9,389	-	-	-	-	120,957	1,797
Total assets	\$ 9,389	\$ 996,861	\$ 2,028	\$ 17,325	\$ 3,495	\$ 120,957	\$ 1,797
LIABILITIES AND FUND BALANCES							
Liabilities							
Due to other funds	\$ -	\$ 89,519	\$ 2,028	\$ 17,325	\$ 3,476	\$ -	\$ -
Unearned revenue	-	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-	-
Total liabilities	-	89,519	2,028	17,325	3,476	-	-
Fund balances (deficits)							
<i>Restricted for:</i>							
Public safety programs	-	-	-	-	-	120,957	-
Culture and recreation	-	-	-	-	-	-	-
Health and human services	-	-	-	-	-	-	-
<i>Committed for:</i>							
Public works programs	-	-	-	-	-	-	1,797
Culture and recreation	9,389	907,342	-	-	19	-	-
<i>Unassigned</i>							
	-	-	-	-	-	-	-
Total fund balances (deficits)	9,389	907,342	-	-	19	120,957	1,797
Total liabilities and fund balances	\$ 9,389	\$ 996,861	\$ 2,028	\$ 17,325	\$ 3,495	\$ 120,957	\$ 1,797

(continued)

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Special Revenue Restricted Town
Combining Balance Sheet
June 30, 2018

	<u>414 ASPCA Grant</u>	<u>Total Special Revenue Town</u>
ASSETS		
Cash	\$ -	\$ 1,180,462
Intergovernmental receivables	-	81,090
Due from other funds	<u>1,500</u>	<u>736,301</u>
Total assets	<u>\$ 1,500</u>	<u>\$ 1,997,853</u>
 LIABILITIES AND FUND BALANCES		
Liabilities		
Due to other funds	\$ -	\$ 521,833
Unearned revenue	-	188,000
Accounts payable	<u>-</u>	<u>12,404</u>
Total liabilities	<u>-</u>	<u>722,237</u>
 Fund balances (deficits)		
<i>Restricted for:</i>		
Public safety programs	-	374,158
Culture and recreation	-	42,892
Health and human services	-	184,185
<i>Committed for:</i>		
Public works programs	-	121,591
Culture and recreation	1,500	918,250
<i>Unassigned</i>	<u>-</u>	<u>(365,460)</u>
Total fund balances (deficits)	<u>1,500</u>	<u>1,275,616</u>
Total liabilities and fund balances	<u>\$ 1,500</u>	<u>\$ 1,997,853</u>

(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, 2018

	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	\$ 325	\$ -	\$ 477,813	\$ -	\$ -	\$ 620	\$ -
Charges for services	-	-	-	-	-	-	-
Investment income	-	-	-	-	-	-	-
Contributions and private grants	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total Revenues	325	-	477,813	-	-	620	-
EXPENDITURES							
Executive and administration	-	-	-	-	-	-	-
Public safety	-	-	-	-	6	500	-
Public works	-	-	-	-	-	-	-
Community and economic development	-	-	-	-	-	-	-
Health and human services	-	-	451,293	-	-	-	-
Culture & recreation	-	-	-	-	-	-	-
Capital expenditures	-	-	-	-	-	-	-
Total Expenditures	-	-	451,293	-	6	500	-
Excess of revenues over (under) Expenditures	325	-	26,520	-	(6)	120	-
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	325	-	26,520	-	(6)	120	-
FUND BALANCE - July 1, 2017	(1,935)	4,000	101,627	(18,882)	3,245	(120)	4,100
FUND BALANCE - June 30, 2018	\$ (1,610)	\$ 4,000	\$ 128,147	\$ (18,882)	\$ 3,239	\$ -	\$ 4,100

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**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, 2018**

	255 Document Preservation	262 Drug Seizure Fund	265 Teen Center Operations	267 Byrne Grant	276 Resource Sharing	202 63 Isle of Capri	207 Coventry Emergency Management
REVENUES							
Intergovernmental	\$ -	\$ -	\$ -	\$ 15,205	\$ 203,140	\$ -	\$ 25,000
Charges for services	36,299	-	-	-	-	-	-
Investment income	-	-	-	-	-	-	-
Contributions and private grants	-	-	-	-	-	-	-
Other	-	69,515	-	-	-	-	-
Total Revenues	36,299	69,515	-	15,205	203,140	-	25,000
EXPENDITURES							
Executive and administration	44,066	-	-	-	-	-	-
Public safety	-	123,741	-	15,205	-	-	25,000
Public works	-	-	-	-	-	-	-
Community and economic development	-	-	1,052	-	-	-	-
Health and human services	-	-	-	-	203,140	-	-
Culture & recreation	-	-	-	-	-	-	-
Capital expenditures	-	-	-	-	-	-	-
Total Expenditures	44,066	123,741	1,052	15,205	203,140	-	25,000
Excess of revenues over (under) Expenditures	(7,767)	(54,226)	(1,052)	-	-	-	-
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	(7,767)	(54,226)	(1,052)	-	-	-	-
FUND BALANCE - July 1, 2017	8,569	37,151	6,878	(580)	(539)	(4,320)	-
FUND BALANCE - June 30, 2018	\$ 802	\$ (17,075)	\$ 5,826	\$ (580)	\$ (539)	\$ (4,320)	\$ -

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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, 2018

	164 Oaks Offsite Resurfacing	281 RIEMA Maple Valley & Franklin	282 RIEMA Industrial Drive	283 RIEMA Hammet Road	285 RIEMA Johnson Blvd Drainage	286 Coventry Emergency Management	205 Legislative Grant Raptakis
REVENUES							
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	10,570	\$ 5,000
Charges for services	-	-	-	-	-	-	-
Investment income	-	-	-	-	-	-	-
Contributions and private grants	-	-	-	-	-	-	-
Other	100,000	-	-	-	-	-	-
Total Revenues	100,000	-	-	-	-	10,570	5,000
EXPENDITURES							
Executive and administration	-	-	-	-	-	-	4,998
Public safety	-	-	-	-	-	10,867	-
Public works	34,518	-	-	-	-	-	-
Community and economic development	-	-	-	-	-	-	-
Health and human services	-	-	-	-	-	-	-
Culture & recreation	-	-	-	-	-	-	-
Capital expenditures	-	-	-	-	-	-	-
Total Expenditures	34,518	-	-	-	-	10,867	4,998
Excess of revenues over (under) Expenditures	65,482	-	-	-	-	(297)	2
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	65,482	-	-	-	-	(297)	2
FUND BALANCE - July 1, 2017	50,000	(18,296)	(7,990)	(6,462)	(24,577)	-	1
FUND BALANCE - June 30, 2018	\$ 115,482	\$ (18,296)	\$ (7,990)	\$ (6,462)	\$ (24,577)	\$ (297)	\$ 3

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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, 2018

	165 National Grid Arnold Rd	290 Health & Wellness	303 Bulletproof Vests	306 DUI/Speed Click it or Ticket	212 DEA & US Marshals	309 US Fish & Wildlife Sandy Acre	310 Laurel Ave/ Anthony Mill River
REVENUES							
Intergovernmental	\$ -	\$ -	\$ 6,389	\$ 32,659	\$ 8,375	\$ -	\$ -
Charges for services	-	-	-	-	-	-	-
Investment income	-	-	-	-	-	-	-
Contributions and private grants	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total Revenues	-	-	6,389	32,659	8,375	-	-
EXPENDITURES							
Executive and administration	-	-	-	-	-	-	-
Public safety	-	-	6,389	24,703	7,514	-	-
Public works	-	-	-	-	-	-	-
Community and economic development	-	-	-	-	-	-	-
Health and human services	-	-	-	-	-	-	-
Culture & recreation	-	-	-	-	-	-	-
Capital expenditures	-	-	-	-	-	-	-
Total Expenditures	-	-	6,389	24,703	7,514	-	-
Excess of revenues over (under) Expenditures	-	-	-	7,956	861	-	-
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	-	-	-	7,956	861	-	-
FUND BALANCE - July 1, 2017	174,293	1,783	-	(7,666)	-	9,508	3,997
FUND BALANCE - June 30, 2018	\$ 174,293	\$ 1,783	\$ -	\$ 290	\$ 861	\$ 9,508	\$ 3,997

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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, 2018

	321 Federal Energy Grant I	322 MEDS Grant	109 Recycling Grant	326 Federal Energy Grant 2	327 Federal Energy Grant 3	332 Tropical Storm Irene 2011	204 Dual-Electric Charging Station
REVENUES							
Intergovernmental	\$ -	\$ 400	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	-	-	-	-
Investment income	-	-	-	-	-	-	-
Contributions and private grants	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total Revenues	-	400	-	-	-	-	-
EXPENDITURES							
Executive and administration	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-
Community and economic development	-	-	-	-	-	-	-
Health and human services	-	-	-	-	-	-	-
Culture & recreation	-	-	-	-	-	-	-
Capital expenditures	-	-	-	-	-	-	-
Total Expenditures	-	-	-	-	-	-	-
Excess of revenues over (under) Expenditures	-	400	-	-	-	-	-
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	-	400	-	-	-	-	-
FUND BALANCE - July 1, 2017	1,885	31,099	212	(13,088)	49,682	11,730	2,648
FUND BALANCE - June 30, 2018	\$ 1,885	\$ 31,499	\$ 212	\$ (13,088)	\$ 49,682	\$ 11,730	\$ 2,648

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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, 2018

	333 RIDOT Leap Road Resurfacing	338 Storm Juno	221 Read Schoolhouse Renovations	336 Hurricane Sandy	337 Blizzard Nemo	400 Food Bank	238 RIEMA Police Awards
REVENUES							
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	2,495
Charges for services	-	-	-	-	-	-	-
Investment income	-	-	-	-	-	-	-
Contributions and private grants	-	-	-	-	-	15,091	-
Other	-	-	-	-	-	-	-
Total Revenues	-	-	-	-	-	15,091	2,495
EXPENDITURES							
Executive and administration	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	2,495
Public works	-	-	-	-	-	-	-
Community and economic development	-	-	26,404	-	-	-	-
Health and human services	-	-	-	-	-	24,556	-
Culture & recreation	-	-	-	-	-	-	-
Capital expenditures	-	-	-	-	-	-	-
Total Expenditures	-	-	26,404	-	-	24,556	2,495
Excess of revenues over (under) Expenditures	-	-	(26,404)	-	-	(9,465)	-
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	-	-	(26,404)	-	-	(9,465)	-
FUND BALANCE - July 1, 2017	(197,267)	(6,810)	-	6,461	(21,263)	53,089	-
FUND BALANCE - June 30, 2018	\$ (197,267)	\$ (6,810)	\$ (26,404)	\$ 6,461	\$ (21,263)	\$ 43,624	\$ -

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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, 2018

	408 Faith in Action	420 Impact Fees	203 CDBG Funds	232 Hazard Mitigation	412 Champlin Fund	404 Fire District EMA	413 DPW Public Events
REVENUES							
Intergovernmental	\$ 11,625	\$ -	\$ 49,528	\$ 17,325	\$ 55,257	\$ 10,000	\$ -
Charges for services	-	338,713	-	-	-	-	-
Investment income	-	1,828	-	-	39	-	-
Contributions and private grants	-	-	-	-	-	-	2,000
Other	-	-	-	-	-	-	-
Total Revenues	11,625	340,541	49,528	17,325	55,296	10,000	2,000
EXPENDITURES							
Executive and administration	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	3,067	-
Public works	-	69,817	-	2,599	-	-	203
Community and economic development	-	-	49,528	-	-	-	-
Health and human services	12,356	-	-	-	-	-	-
Culture & recreation	-	-	-	-	3,477	-	-
Capital expenditures	-	78,685	-	-	51,800	-	-
Total Expenditures	12,356	148,502	49,528	2,599	55,277	3,067	203
Excess of revenues over (under) Expenditures	(731)	192,039	-	14,726	19	6,933	1,797
Other Financing Sources (uses)							
Operating transfers in	-	-	-	-	-	10,000	-
Operating transfers out	-	(85,326)	-	-	-	-	-
Total other financing sources	-	(85,326)	-	-	-	10,000	-
Excess of revenues and other sources over (under) expenditures and other uses	(731)	106,713	-	14,726	19	16,933	1,797
FUND BALANCE - July 1, 2017	10,120	800,629	-	(14,726)	-	104,024	-
FUND BALANCE - June 30, 2018	\$ 9,389	\$ 907,342	\$ -	\$ -	\$ 19	\$ 120,957	\$ 1,797

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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, 2018

	414 ASPCA Grant	Total Special Revenue Revenue Town
REVENUES		
Intergovernmental	\$ -	\$ 931,726
Charges for services	-	375,012
Investment income	-	1,867
Contributions and private grants	7,000	24,091
Other	-	169,515
Total Revenues	7,000	1,502,211
EXPENDITURES		
Executive and administration	-	49,064
Public safety	-	219,487
Public works	-	107,137
Community and economic development	-	76,984
Health and human services	-	691,345
Culture & recreation	5,500	8,977
Capital expenditures	-	130,485
Total Expenditures	5,500	1,283,479
Excess of revenues over (under) Expenditures	1,500	218,732
Other Financing Sources (uses)		
Operating transfers in	-	10,000
Operating transfers out	-	(85,326)
Total other financing sources	-	(75,326)
Excess of revenues and other sources over (under) expenditures and other uses	1,500	143,406
FUND BALANCE - July 1, 2017	-	1,132,210
FUND BALANCE - June 30, 2018	\$ 1,500	\$ 1,275,616

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Special Revenue Restricted School
Combining Balance Sheet
June 30, 2018

	21011100 IDEA Part B	21011200 IDEA Pre School	21021100 Title I	21031100 Title II	21091100 Perkins Vocational Ed.	21041100 Title III	23692000 CS4RI
ASSETS							
Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Intergovernmental receivables	516,089	9,184	233,945	68,590	84,018	-	6,275
Due from other funds	-	-	-	-	-	-	1,408
Total assets	\$ 516,089	\$ 9,184	\$ 233,945	\$ 68,590	\$ 84,018	\$ -	\$ 7,683
LIABILITIES AND FUND BALANCES							
Liabilities							
Accounts payable	\$ 31,753	\$ -	\$ -	\$ -	\$ 185	\$ 1,941	\$ 3,750
Due to other funds	388,732	9,184	167,200	41,250	75,100	1,978	-
Accrued salaries	95,604	-	66,745	27,340	12,081	-	-
Total liabilities	516,089	9,184	233,945	68,590	87,366	3,919	3,750
Fund balances (deficits)							
<i>Restricted for:</i>							
Educational programs	-	-	-	-	-	-	3,933
<i>Unassigned</i>	-	-	-	-	(3,348)	(3,919)	-
Total fund balances (deficits)	-	-	-	-	(3,348)	(3,919)	3,933
Total liabilities and fund balances	\$ 516,089	\$ 9,184	\$ 233,945	\$ 68,590	\$ 84,018	\$ -	\$ 7,683

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SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Special Revenue Restricted School
Combining Balance Sheet
June 30, 2018

	24040010 RI Center for the Arts	23112003 Leg. Grant HH Art Club	23523000 Teacher Quality Recruitment	24012000 Champlin Advance Place	24040196 Environmental Systems Inst.	90000001 Direct Reimbursement	23582003 CTE Trust
ASSETS							
Cash	\$ -	\$ -	\$ -	\$ 82,239	\$ -	\$ -	\$ -
Intergovernmental receivables	-	-	-	-	-	5,543	-
Due from other funds	586	164	-	-	950	-	50,000
Total assets	\$ 586	\$ 164	\$ -	\$ 82,239	\$ 950	\$ 5,543	\$ 50,000
LIABILITIES AND FUND BALANCES							
Liabilities							
Accounts payable	\$ -	\$ -	\$ -	\$ 10,244	\$ -	\$ -	\$ -
Due to other funds	-	-	-	59,639	-	9,382	-
Accrued salaries	-	-	-	-	-	407	-
Total liabilities	-	-	-	69,883	-	9,789	-
Fund balances (deficits)							
<i>Restricted for:</i>							
Educational programs	586	164	-	12,356	950	-	50,000
<i>Unassigned</i>	-	-	-	-	-	(4,246)	-
Total fund balances (deficits)	586	164	-	12,356	950	(4,246)	50,000
Total liabilities and fund balances	\$ 586	\$ 164	\$ -	\$ 82,239	\$ 950	\$ 5,543	\$ 50,000

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SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Special Revenue Restricted School
Combining Balance Sheet
June 30, 2018

	23671000 English Lang. Categorical	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
ASSETS							
Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental receivables	-	-	-	-	-	-	-
Due from other funds	220	-	-	225	800	1,199	2,542
Total assets	\$ 220	\$ -	\$ -	\$ 225	\$ 800	\$ 1,199	\$ 2,542
LIABILITIES AND FUND BALANCES							
Liabilities							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-	-	-
Accrued salaries	-	-	-	-	-	-	-
Total liabilities	-	-	-	-	-	-	-
Fund balances (deficits)							
<i>Restricted for:</i>							
Educational programs	220	-	-	225	800	1,199	2,542
<i>Unassigned</i>	-	-	-	-	-	-	-
Total fund balances (deficits)	220	-	-	225	800	1,199	2,542
Total liabilities and fund balances	\$ 220	\$ -	\$ -	\$ 225	\$ 800	\$ 1,199	\$ 2,542

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SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Special Revenue Restricted School
Combining Balance Sheet
June 30, 2018

	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	-	-	-	-	-	2,000	-
Due from other funds	-	14,185	-	-	-	77,646	10,315
Total assets	\$ -	\$ 14,185	\$ -	\$ -	\$ -	\$ 79,646	\$ 10,315
LIABILITIES AND FUND BALANCES							
Liabilities							
Accounts payable	\$ -	\$ -	\$ 1,156	\$ 1,102	\$ -	\$ -	\$ -
Due to other funds	-	-	2,046	38,013	1,496	-	-
Accrued salaries	-	24,557	-	-	-	544	-
Total liabilities	-	24,557	3,202	39,115	1,496	544	-
Fund balances (deficits)							
<i>Restricted for:</i>							
Educational programs	-	-	-	-	-	79,102	10,315
<i>Unassigned</i>	-	(10,372)	(3,202)	(39,115)	(1,496)	-	-
Total fund balances (deficits)	-	(10,372)	(3,202)	(39,115)	(1,496)	79,102	10,315
Total liabilities and fund balances	\$ -	\$ 14,185	\$ -	\$ -	\$ -	\$ 79,646	\$ 10,315

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SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Special Revenue Restricted School
Combining Balance Sheet
June 30, 2018

	24012009	24012024	24012035	24012044	21272109	24030023	24030052
	United Way	Feinstein Restricted Fund	Amgen	CPEF Fund	USDA Kitchen Equipment	Kids Consortium	Schwab Scholarship
ASSETS							
Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental receivables	-	-	-	-	-	-	-
Due from other funds	436	-	663	-	-	224	575
Total assets	\$ 436	\$ -	\$ 663	\$ -	\$ -	\$ 224	\$ 575
LIABILITIES AND FUND BALANCES							
Liabilities							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	2,496	-	2,779	-	-	-
Accrued salaries	-	-	-	-	-	-	-
Total liabilities	-	2,496	-	2,779	-	-	-
Fund balances (deficits)							
<i>Restricted for:</i>							
Educational programs	436	-	663	-	-	224	575
<i>Unassigned</i>	-	(2,496)	-	(2,779)	-	-	-
Total fund balances (deficits)	436	(2,496)	663	(2,779)	-	224	575
Total liabilities and fund balances	\$ 436	\$ -	\$ 663	\$ -	\$ -	\$ 224	\$ 575

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SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Special Revenue Restricted School
Combining Balance Sheet
June 30, 2018

	24040059 New England Dairy & Food	23682002 RI Learning Champions	24050005 Transportation Fundraiser	24050006 Learn & Serve Raffle	24050008 Athletic Field Fund	24050037 Sports Program	21162100 Fresh Fruits and Vegetables
ASSETS							
Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental receivables	-	-	-	-	-	4,686	9,552
Due from other funds	4,369	-	2,047	185	7,501	-	-
Total assets	\$ 4,369	\$ -	\$ 2,047	\$ 185	\$ 7,501	\$ 4,686	\$ 9,552
LIABILITIES AND FUND BALANCES							
Liabilities							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	127
Due to other funds	-	-	-	-	-	24,794	9,425
Accrued salaries	-	-	-	-	-	205	-
Total liabilities	-	-	-	-	-	24,999	9,552
Fund balances (deficits)							
<i>Restricted for:</i>							
Educational programs	4,369	-	2,047	185	7,501	-	-
<i>Unassigned</i>	-	-	-	-	-	(20,313)	-
Total fund balances (deficits)	4,369	-	2,047	185	7,501	(20,313)	-
Total liabilities and fund balances	\$ 4,369	\$ -	\$ 2,047	\$ 185	\$ 7,501	\$ 4,686	\$ 9,552

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SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Special Revenue Restricted School
Combining Balance Sheet
June 30, 2018

	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	-	-	-	-	-	-	-
Due from other funds	258	-	-	265	-	79,694	-
Total assets	\$ 258	\$ -	\$ -	\$ 265	\$ -	\$ 79,694	\$ -
LIABILITIES AND FUND BALANCES							
Liabilities							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-	-	-
Accrued salaries	-	-	-	-	-	-	-
Total liabilities	-	-	-	-	-	-	-
Fund balances (deficits)							
<i>Restricted for:</i>							
Educational programs	258	-	-	265	-	79,694	-
<i>Unassigned</i>	-	-	-	-	-	-	-
Total fund balances (deficits)	258	-	-	265	-	79,694	-
Total liabilities and fund balances	\$ 258	\$ -	\$ -	\$ 265	\$ -	\$ 79,694	\$ -

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SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Special Revenue Restricted School
Combining Balance Sheet
June 30, 2018

	23682003 RI Learning Champions 18-19	23702000 RI Kindergarten Curriculum	24030010 Walmart	24030025 RI Interlocal Trust	24040204 RI Math Interventions	23112008 ROTC Naval Leadership	24012025 Feinstein 2014
ASSETS							
Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental receivables	527	6,956	-	-	657	-	-
Due from other funds	-	-	2,500	16	-	-	381
Total assets	\$ 527	\$ 6,956	\$ 2,500	\$ 16	\$ 657	\$ -	\$ 381
LIABILITIES AND FUND BALANCES							
Liabilities							
Accounts payable	\$ -	\$ 3,528	\$ 2,457	\$ -	\$ -	\$ -	\$ -
Due to other funds	527	3,428	-	-	657	-	-
Accrued salaries	-	-	-	-	-	-	-
Total liabilities	527	6,956	2,457	-	657	-	-
Fund balances (deficits)							
<i>Restricted for:</i>							
Educational programs	-	-	43	16	-	-	381
<i>Unassigned</i>	-	-	-	-	-	-	-
Total fund balances (deficits)	-	-	43	16	-	-	381
Total liabilities and fund balances	\$ 527	\$ 6,956	\$ 2,500	\$ 16	\$ 657	\$ -	\$ 381

(continued)

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Special Revenue Restricted School
Combining Balance Sheet
June 30, 2018

	21092101	Total
	<u>VTA Grant Rev.</u>	<u>Special Revenue</u>
		<u>Restricted School</u>
ASSETS		
Cash	\$ -	\$ 82,239
Intergovernmental receivables	12,846	960,868
Due from other funds	-	259,354
Total assets	<u>\$ 12,846</u>	<u>\$ 1,302,461</u>
LIABILITIES AND FUND BALANCES		
Liabilities		
Accounts payable	\$ -	\$ 56,243
Due to other funds	12,023	850,149
Accrued Salaries	823	228,306
Total liabilities	<u>12,846</u>	<u>1,134,698</u>
Fund balances (deficits)		
<i>Restricted for:</i>		
Educational programs	-	259,049
<i>Unassigned</i>	-	(91,286)
Total fund balances (deficits)	<u>-</u>	<u>167,763</u>
Total liabilities and fund balances	<u>\$ 12,846</u>	<u>\$ 1,302,461</u>

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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, 2018

	21011100 IDEA Part B	21011200 IDEA Pre School	21021100 Title I	21031100 Title II	21091100 Perkins Vocational Ed.	21041100 Title III	23692000 CS4RI
REVENUES							
Federal Grants	\$ 1,382,892	\$ 29,113	\$ 574,213	\$ 183,174	\$ 210,621	\$ -	\$ -
State Grants	-	-	-	-	-	-	6,275
Other	-	-	-	-	-	-	-
Total revenues	1,382,892	29,113	574,213	183,174	210,621	-	6,275
EXPENDITURES							
Salaries	834,183	19,111	396,856	125,860	77,117	-	-
Employee benefits	334,272	5,322	142,309	51,500	48,947	-	-
Purchased services	159,025	4,070	5,879	5,814	64,640	508	3,750
Supplies and materials	25,177	610	17,264	-	15,324	2,944	-
Property and equipment	30,235	-	11,905	-	4,620	467	-
Capital expenses	-	-	-	-	256	-	-
Total expenditures	1,382,892	29,113	574,213	183,174	210,904	3,919	3,750
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-	(283)	(3,919)	2,525
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	-	-	-	-	(283)	(3,919)	2,525
FUND BALANCE - July 1, 2017	-	-	-	-	(3,065)	-	1,408
FUND BALANCE - June 30, 2018	\$ -	\$ -	\$ -	\$ -	\$ (3,348)	\$ (3,919)	\$ 3,933

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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, 2018

	24040010 RI Center for the Arts	23112003 Leg. Grant HH Art Club	23523000 Teacher Quality Recruitment	24012000 Champlin Advance Place	24040196 Environmental Systems Inst.	90000001 Direct Reimbursement	23582003 CTE Trust
REVENUES							
Federal Grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
State Grants	-	-	-	-	-	-	50,000
Other	-	-	-	106	1,000	-	-
Total revenues	-	-	-	106	1,000	-	50,000
EXPENDITURES							
Salaries	-	-	-	-	850	-	-
Employee benefits	-	-	-	-	-	-	-
Purchased services	-	-	-	-	-	-	-
Supplies and materials	-	-	-	59,773	-	-	-
Property and equipment	-	-	-	-	-	-	-
Capital expenses	-	-	-	10,110	-	-	-
Total expenditures	-	-	-	69,883	850	-	-
Excess (deficiency) of revenues over (under) expenditures	-	-	-	(69,777)	150	-	50,000
Other Financing Sources (uses)							
Operating transfers in	-	-	65	-	-	-	-
Operating transfers out	-	-	-	-	-	-	-
Total other financing sources	-	-	65	-	-	-	-
Excess of revenues and other sources over (under) expenditures and other uses	-	-	65	(69,777)	150	-	50,000
FUND BALANCE - July 1, 2017	586	164	(65)	82,133	800	(4,246)	-
FUND BALANCE - June 30, 2018	\$ 586	\$ 164	\$ -	\$ 12,356	\$ 950	\$ (4,246)	\$ 50,000

(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, 2018

	23671000 English Lang. Categorical	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	593	-	-	-	-	800	1,667
Other	-	-	-	-	-	-	-
Total revenues	593	-	-	-	-	800	1,667
EXPENDITURES							
Salaries	-	-	-	-	-	-	-
Employee benefits	-	-	-	-	-	-	-
Purchased services	-	-	-	-	-	700	900
Supplies and materials	593	-	-	-	-	-	427
Property and equipment	-	-	-	-	-	-	-
Capital expenses	-	-	-	-	-	-	-
Total expenditures	593	-	-	-	-	700	1,327
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-	-	100	340
Other Financing Sources (uses)							
Operating transfers in	-	-	3	-	-	-	-
Operating transfers out	-	(12)	-	-	-	-	-
Total other financing sources	-	(12)	3	-	-	-	-
Excess of revenues and other sources over (under) expenditures and other uses	-	(12)	3	-	-	100	340
FUND BALANCE - July 1, 2017	220	12	(3)	225	800	1,099	2,202
FUND BALANCE - June 30, 2018	\$ 220	\$ -	\$ -	\$ 225	\$ 800	\$ 1,199	\$ 2,542

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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, 2018

	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	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total revenues	-	-	-	-	-	-	-
EXPENDITURES							
Salaries	-	126,252	1,838	-	2,809	1,870	-
Employee benefits	-	44,360	1,364	30,000	-	-	-
Purchased services	-	-	-	8,511	5,000	29,834	-
Supplies and materials	-	-	-	-	285	-	-
Property and equipment	-	-	-	-	-	-	-
Capital expenses	-	-	-	8,833	4,074	253	-
Total expenditures	-	170,612	3,202	47,344	12,168	31,957	-
Excess (deficiency) of revenues over (under) expenditures	-	(170,612)	(3,202)	(47,344)	(12,168)	(31,957)	-
Other Financing Sources (uses)							
Operating transfers in	-	-	-	-	-	-	-
Operating transfers out	(35)	-	-	-	-	-	-
Total other financing sources	(35)	-	-	-	-	-	-
Excess of revenues and other sources over (under) expenditures and other uses	(35)	(170,612)	(3,202)	(47,344)	(12,168)	(31,957)	-
FUND BALANCE - July 1, 2017	35	160,240	-	8,229	10,672	111,059	10,315
FUND BALANCE - June 30, 2018	\$ -	\$ (10,372)	\$ (3,202)	\$ (39,115)	\$ (1,496)	\$ 79,102	\$ 10,315

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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, 2018

	24012009	24012024	24012035	24012044	21272109	24030023	24030052
	United Way	Feinstein Restricted Fund	Amgen	CPEF Fund	USDA Kitchen Equipment	Kids Consortium	Schwab Scholarship
REVENUES							
Federal Grants	\$ -	\$ -	\$ -	\$ -	\$ 4,140	\$ -	\$ -
State Grants	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total revenues	-	-	-	-	4,140	-	-
EXPENDITURES							
Salaries	-	-	-	-	317	-	-
Employee benefits	-	-	-	-	49	-	-
Purchased services	-	-	-	-	-	-	-
Supplies and materials	-	-	-	-	100	-	-
Property and equipment	-	-	-	-	3,674	-	-
Capital expenses	-	-	-	-	-	-	-
Total expenditures	-	-	-	-	4,140	-	-
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-	-	-	-
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	-	-	-	-	-	-	-
FUND BALANCE - July 1, 2017	436	(2,496)	663	(2,779)	-	224	575
FUND BALANCE - June 30, 2018	\$ 436	\$ (2,496)	\$ 663	\$ (2,779)	\$ -	\$ 224	\$ 575

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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, 2018

	24040059 New England Diary & Food	23682002 RI Learning Champions	24050005 Transportation Fundraiser	24050006 Learn & Serve Raffle	24050008 Athletic Field Fund	24050037 Sports Program	21162100 Fresh Fruits and Vegetables
REVENUES							
Federal Grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	31,632
State Grants	-	4,297	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total revenues	-	4,297	-	-	-	-	31,632
EXPENDITURES							
Salaries	-	804	-	-	-	6,513	-
Employee benefits	-	63	-	-	-	-	-
Purchased services	-	3,428	-	-	-	4,686	-
Supplies and materials	1,211	-	-	-	-	-	31,632
Property and equipment	-	-	-	-	-	-	-
Capital expenses	-	-	-	-	-	-	-
Total expenditures	1,211	4,295	-	-	-	11,199	31,632
Excess (deficiency) of revenues over (under) expenditures	(1,211)	2	-	-	-	(11,199)	-
Other Financing Sources (uses)							
Operating transfers in	-	-	-	-	-	-	-
Operating transfers out	-	(2)	-	-	-	-	-
Total other financing sources	-	(2)	-	-	-	-	-
Excess of revenues and other sources over (under) expenditures and other uses	(1,211)	-	-	-	-	(11,199)	-
FUND BALANCE - July 1, 2017	5,580	-	2,047	185	7,501	(9,114)	-
FUND BALANCE - June 30, 2018	\$ 4,369	\$ -	\$ 2,047	\$ 185	\$ 7,501	\$ (20,313)	\$ -

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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, 2018

	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	-	-	-	-	-	-	-
Other	-	-	-	-	-	7,580	-
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,580</u>	<u>-</u>
EXPENDITURES							
Salaries	-	-	-	-	-	-	-
Employee benefits	-	-	-	-	-	-	-
Purchased services	-	-	-	-	-	-	-
Supplies and materials	-	-	-	-	-	-	-
Property and equipment	-	-	-	-	-	-	-
Capital expenses	-	-	-	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-	-	7,580	-
Other Financing Sources (uses)							
Operating transfers in	-	-	6,968	-	-	-	-
Operating transfers out	-	(37)	-	-	(13)	-	(21,207)
Total other financing sources	<u>-</u>	<u>(37)</u>	<u>6,968</u>	<u>-</u>	<u>(13)</u>	<u>-</u>	<u>(21,207)</u>
Excess of revenues and other sources over (under) expenditures and other uses	-	(37)	6,968	-	(13)	7,580	(21,207)
FUND BALANCE - July 1, 2017	258	37	(6,968)	265	13	72,114	21,207
FUND BALANCE - June 30, 2018	<u>\$ 258</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 265</u>	<u>\$ -</u>	<u>\$ 79,694</u>	<u>\$ -</u>

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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, 2018

	23682003 RI Learning Champions 18-19	23702000 RI Kindergarten Curriculum	24030010 Walmart	24030025 RI Interlocal Trust	24040204 RI Math Interventions	23112008 ROTC Naval Leadership	24012025 Feinstein 2014
REVENUES							
Federal Grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State Grants	527	6,720	-	-	-	-	-
Other	-	-	2,500	2,000	657	500	-
Total revenues	<u>527</u>	<u>6,720</u>	<u>2,500</u>	<u>2,000</u>	<u>657</u>	<u>500</u>	<u>-</u>
EXPENDITURES							
Salaries	527	1,565	-	-	657	-	-
Employee benefits	-	-	-	-	-	-	-
Purchased services	-	-	-	1,984	-	-	-
Supplies and materials	-	5,155	2,457	-	-	500	-
Property and equipment	-	-	-	-	-	-	-
Capital expenses	-	-	-	-	-	-	-
Total expenditures	<u>527</u>	<u>6,720</u>	<u>2,457</u>	<u>1,984</u>	<u>657</u>	<u>500</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	-	-	43	16	-	-	-
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	-	-	43	16	-	-	-
FUND BALANCE - July 1, 2017	-	-	-	-	-	-	381
FUND BALANCE - June 30, 2018	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 43</u>	<u>\$ 16</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 381</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, 2018

	21092101	Total
	<u>VTA Grant Rev.</u>	<u>Special Revenue Restricted School</u>
REVENUES		
Federal Grants	\$ 37,144	\$ 2,452,929
State Grants	-	70,879
Other	-	14,343
Total revenues	<u>37,144</u>	<u>2,538,151</u>
EXPENDITURES		
Salaries	33,034	1,630,163
Employee benefits	824	659,010
Purchased services	540	299,269
Supplies and materials	2,746	166,198
Property and equipment	-	50,901
Capital expenses	-	23,526
Total expenditures	<u>37,144</u>	<u>2,829,067</u>
Excess (deficiency) of revenues over (under) expenditures	-	(290,916)
Other Financing Sources (uses)		
Operating transfers in	-	7,036
Operating transfers out	-	(21,306)
Total other financing sources	<u>-</u>	<u>(14,270)</u>
Excess of revenues and other sources over (under) expenditures and other uses	-	(305,186)
FUND BALANCE - July 1, 2017	<u>-</u>	<u>472,949</u>
FUND BALANCE - June 30, 2018	<u>\$ -</u>	<u>\$ 167,763</u>

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SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Capital Project Funds
Combining Balance Sheet
June 30, 2018

	184 Police Human Services	128 Capital Improvement Fund 17	122 Capital Improvement Fund 12	124 RIHEBC Capital Fund	125 2013-2014 School Capital	185 Bus Yard School	123 Capital Improvement Fund 14	175 High School AC Unit
ASSETS								
Cash	\$ 4,579,558	\$ -	\$ -	\$ 61,583	\$ -	\$ 25,649	\$ -	\$ -
Due from other funds	-	85,217	-	-	19,356	-	90,606	-
Total assets	<u>\$ 4,579,558</u>	<u>\$ 85,217</u>	<u>\$ -</u>	<u>\$ 61,583</u>	<u>\$ 19,356</u>	<u>\$ 25,649</u>	<u>\$ 90,606</u>	<u>\$ -</u>
LIABILITIES AND FUND BALANCES								
Liabilities								
Accounts payable	\$ 45,197	\$ -	\$ -	\$ -	\$ -	\$ 5,898	\$ -	\$ -
Due to other funds	14,654	-	372,937	-	-	260	-	3,957
Total liabilities	<u>59,851</u>	<u>-</u>	<u>372,937</u>	<u>-</u>	<u>-</u>	<u>6,158</u>	<u>-</u>	<u>3,957</u>
Fund balances (deficits)								
<i>Committed for:</i>								
Public works programs	4,519,707	85,217	-	61,583	19,356	-	90,606	-
<i>Reserved for:</i>								
Education programs	-	-	-	-	-	19,491	-	-
<i>Unassigned</i>	-	-	(372,937)	-	-	-	-	(3,957)
Total fund balances (deficits)	<u>4,519,707</u>	<u>85,217</u>	<u>(372,937)</u>	<u>61,583</u>	<u>19,356</u>	<u>19,491</u>	<u>90,606</u>	<u>(3,957)</u>
Total liabilities and fund balances	<u>\$ 4,579,558</u>	<u>\$ 85,217</u>	<u>\$ -</u>	<u>\$ 61,583</u>	<u>\$ 19,356</u>	<u>\$ 25,649</u>	<u>\$ 90,606</u>	<u>\$ -</u>

continued

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Capital Project Funds
Combining Balance Sheet
June 30, 2018

	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	\$ -	\$ -	\$ 98,744	\$ 47,297	\$ 117,443	\$ 389,132	\$ -	\$ -
Due from other funds	23,983	86,513	285,213	-	-	-	-	85,326
Total assets	\$ 23,983	\$ 86,513	\$ 383,957	\$ 47,297	\$ 117,443	\$ 389,132	\$ -	\$ 85,326
LIABILITIES AND FUND BALANCES								
Liabilities								
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 1,251	\$ 5,710	\$ -	\$ -
Due to other funds	-	-	-	45,403	-	100	1,775	85,326
Total liabilities	-	-	-	45,403	1,251	5,810	1,775	85,326
Fund balances (deficits)								
<i>Committed for:</i>								
Public works programs	23,983	86,513	383,957	1,894	116,192	383,322	-	-
<i>Reserved for:</i>								
Education programs	-	-	-	-	-	-	-	-
<i>Unassigned</i>	-	-	-	-	-	-	(1,775)	-
Total fund balances (deficits)	23,983	86,513	383,957	1,894	116,192	383,322	(1,775)	-
Total liabilities and fund balances	\$ 23,983	\$ 86,513	\$ 383,957	\$ 47,297	\$ 117,443	\$ 389,132	\$ -	\$ 85,326

continued

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Capital Project Funds
Combining Balance Sheet
June 30, 2018

	<u>176</u> Energy Bond	<u>177</u> Road Bond	<u>178</u> Refuse Collection Bond	<u>182</u> Automated Collection Bond	<u>Total</u> Capital Projects
ASSETS					
Cash	\$ 224,665	\$ -	\$ 98,668	\$ 15,136	\$ 5,657,875
Due from other funds	-	140,373	-	-	816,587
Total assets	<u>\$ 224,665</u>	<u>\$ 140,373</u>	<u>\$ 98,668</u>	<u>\$ 15,136</u>	<u>\$ 6,474,462</u>
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 58,056
Due to other funds	-	-	85,632	8,822	618,866
Total liabilities	<u>-</u>	<u>-</u>	<u>85,632</u>	<u>8,822</u>	<u>676,922</u>
Fund balances (deficits)					
<i>Committed for:</i>					
Public works programs	224,665	140,373	13,036	6,314	6,156,718
<i>Reserved for:</i>					
Education programs	-	-	-	-	19,491
<i>Unassigned</i>	-	-	-	-	(378,669)
Total fund balances (deficits)	<u>224,665</u>	<u>140,373</u>	<u>13,036</u>	<u>6,314</u>	<u>5,797,540</u>
Total liabilities and fund balances	<u>\$ 224,665</u>	<u>\$ 140,373</u>	<u>\$ 98,668</u>	<u>\$ 15,136</u>	<u>\$ 6,474,462</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, 2018

	184 Police Human Services	128 Capital Improvement Fund 17	122 Capital Improvement Fund 12	124 RIHEBC Capital Fund	125 2013-2014 School Capital	185 Bus Yard School	123 Capital Improvement Fund 14	175 High School AC Unit
REVENUES								
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest income	39,678	-	-	-	-	396	-	-
Total revenues	<u>39,678</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>396</u>	<u>-</u>	<u>-</u>
EXPENDITURES								
Non- capital	527,561	3,829	-	14,813	-	126,939	-	-
Capital	-	1,366	-	-	-	-	-	-
Total expenditures	<u>527,561</u>	<u>5,195</u>	<u>-</u>	<u>14,813</u>	<u>-</u>	<u>126,939</u>	<u>-</u>	<u>-</u>
Excess of revenues over (under) Expenditures	(487,883)	(5,195)	-	(14,813)	-	(126,543)	-	-
Other Financing Sources (uses)								
Operating transfers in	-	-	-	-	-	146,649	-	-
Operating transfers out	(146,649)	-	-	-	-	-	-	-
Issuance of debt	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>(146,649)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>146,649</u>	<u>-</u>	<u>-</u>
Excess of revenues and other sources over (under) expenditures and other uses	(634,532)	(5,195)	-	(14,813)	-	20,106	-	-
FUND BALANCE - July 1, 2017	<u>5,154,239</u>	<u>90,412</u>	<u>(372,937)</u>	<u>76,396</u>	<u>19,356</u>	<u>(615)</u>	<u>90,606</u>	<u>(3,957)</u>
FUND BALANCE - June 30, 2018	<u>\$ 4,519,707</u>	<u>\$ 85,217</u>	<u>\$ (372,937)</u>	<u>\$ 61,583</u>	<u>\$ 19,356</u>	<u>\$ 19,491</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, 2018

	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
REVENUES								
Intergovernmental	\$ -	\$ -	\$ 285,213	\$ -	\$ -	\$ -	\$ -	\$ -
Interest income	-	-	15,613	273	2,941	7,054	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>300,826</u>	<u>273</u>	<u>2,941</u>	<u>7,054</u>	<u>-</u>	<u>-</u>
EXPENDITURES								
Non- capital	-	-	3,174,144	-	413,484	97,871	-	88,480
Capital	-	-	-	-	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>3,174,144</u>	<u>-</u>	<u>413,484</u>	<u>97,871</u>	<u>-</u>	<u>88,480</u>
Excess of revenues over (under) Expenditures	-	-	(2,873,318)	273	(410,543)	(90,817)	-	(88,480)
Other Financing Sources (uses)								
Operating transfers in	-	-	-	-	-	-	-	90,569
Operating transfers out	-	-	-	-	-	-	-	-
Issuance of debt	-	-	-	-	-	-	54,567	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>54,567</u>	<u>90,569</u>
Excess of revenues and other sources over (under) expenditures and other uses	-	-	(2,873,318)	273	(410,543)	(90,817)	54,567	2,089
FUND BALANCE - July 1, 2017	<u>23,983</u>	<u>86,513</u>	<u>3,257,275</u>	<u>1,621</u>	<u>526,735</u>	<u>474,139</u>	<u>(56,342)</u>	<u>(2,089)</u>
FUND BALANCE - June 30, 2018	<u>\$ 23,983</u>	<u>\$ 86,513</u>	<u>\$ 383,957</u>	<u>\$ 1,894</u>	<u>\$ 116,192</u>	<u>\$ 383,322</u>	<u>\$ (1,775)</u>	<u>\$ -</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, 2018

	176 Energy Bond	177 Road Bond	178 Refuse Collection Bond	182 Automated Collection Bond	TOTAL Capital Projects
REVENUES					
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ 285,213
Interest income	1,817	1,599	570	87	70,028
Total revenues	<u>1,817</u>	<u>1,599</u>	<u>570</u>	<u>87</u>	<u>355,241</u>
EXPENDITURES					
Non- capital	-	615,658	-	8,822	5,071,601
Capital	-	-	-	-	1,366
Total expenditures	<u>-</u>	<u>615,658</u>	<u>-</u>	<u>8,822</u>	<u>5,072,967</u>
Excess of revenues over (under) Expenditures	1,817	(614,059)	570	(8,735)	(4,717,726)
Other Financing Sources (uses)					
Operating transfers in	-	-	-	-	237,218
Operating transfers out	-	-	-	-	(146,649)
Issuance of debt	-	-	-	-	54,567
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>145,136</u>
Excess of revenues and other sources over (under) expenditures and other uses	1,817	(614,059)	570	(8,735)	(4,572,590)
FUND BALANCE - July 1, 2017	<u>222,848</u>	<u>754,432</u>	<u>12,466</u>	<u>15,049</u>	<u>10,370,130</u>
FUND BALANCE - June 30, 2018	<u>\$ 224,665</u>	<u>\$ 140,373</u>	<u>\$ 13,036</u>	<u>\$ 6,314</u>	<u>\$ 5,797,540</u>

concluded

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Combining Statement of Net Position
Pension Trust Funds
For the Fiscal Year Ended June 30, 2018

	<u>Police Pension Fund</u>	<u>Municipal Pension Fund</u>	<u>School SRP Pension Fund</u>	<u>Total</u>
ASSETS				
Cash	\$ 1,992,146	\$ 517,227	\$ 1,174,985	\$ 3,684,358
Investments, at fair value:				
Fixed income	3,294,720	2,344,664	1,040,809	6,680,193
Mutual funds	8,284,259	3,659,697	3,330,549	15,274,505
Equities	<u>2,402,983</u>	<u>3,925,761</u>	<u>7,686,770</u>	<u>14,015,514</u>
Total investments	<u>13,981,962</u>	<u>9,930,122</u>	<u>12,058,128</u>	<u>35,970,212</u>
Total Assets	<u>15,974,108</u>	<u>10,447,349</u>	<u>13,233,113</u>	<u>39,654,570</u>
NET POSITION				
Restricted for:				
Employees' pension benefits	<u>15,974,108</u>	<u>10,447,349</u>	<u>13,233,113</u>	<u>39,654,570</u>
TOTAL NET POSITION	<u><u>\$15,974,108</u></u>	<u><u>\$ 10,447,349</u></u>	<u><u>\$ 13,233,113</u></u>	<u><u>\$ 39,654,570</u></u>

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Combining Statement of Revenues, Expenses and Changes in Net Position
Pension Trust Funds
For the Fiscal Year Ended June 30, 2018

	<u>Police Pension Fund</u>	<u>Municipal Pension Fund</u>	<u>School SRP Pension Fund</u>	<u>Total</u>
Additions				
Contributions				
Employer contributions	\$ 4,808,076	\$ 845,691	\$ 1,219,880	\$ 6,873,647
Plan members contributions	421,300	484,558	508,905	1,414,763
Other contributions	1,012	-	-	1,012
Total contributions	<u>5,230,388</u>	<u>1,330,249</u>	<u>1,728,785</u>	<u>8,289,422</u>
Investment earnings				
Interest and dividends	159,383	128,433	118,296	406,112
Net increase (decrease) in fair value of investments	<u>1,012,961</u>	<u>695,882</u>	<u>1,101,048</u>	<u>2,809,891</u>
Total investment earnings	<u>1,172,344</u>	<u>824,315</u>	<u>1,219,344</u>	<u>3,216,003</u>
Less investment expense	<u>73,233</u>	<u>47,889</u>	<u>94,249</u>	<u>215,371</u>
Net investment earnings	<u>1,099,111</u>	<u>776,426</u>	<u>1,125,095</u>	<u>3,000,632</u>
Total additions	<u>6,329,499</u>	<u>2,106,675</u>	<u>2,853,880</u>	<u>11,290,054</u>
Deductions				
Benefits paid	<u>4,067,989</u>	<u>1,065,902</u>	<u>2,083,506</u>	<u>7,217,397</u>
Total deductions	<u>4,067,989</u>	<u>1,065,902</u>	<u>2,083,506</u>	<u>7,217,397</u>
Change in net position	2,261,510	1,040,773	770,374	4,072,657
Net position - beginning of year	13,712,598	9,406,576	12,462,739	35,581,913
Net position - end of year	<u>\$ 15,974,108</u>	<u>\$ 10,447,349</u>	<u>\$ 13,233,113</u>	<u>\$ 39,654,570</u>

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Private Purpose Trust Funds
Combining Balance Sheet
June 30, 2018

	Waterman Fund	Fiske Fund	Cemetery Fund	Total
ASSETS				
Cash	\$ 523,127	\$ 4,029	\$ 4,146	\$ 531,302
Investments	2,266,043	281,653	56,845	2,604,541
Due from other funds	237,324	3,097	-	240,421
Total assets	\$ 3,026,494	\$ 288,779	\$ 60,991	\$ 3,376,264
LIABILITIES				
Due to other funds	\$ -	\$ -	\$ 90,000	\$ 90,000
Total liabilities	-	-	90,000	90,000
FUND BALANCES				
Unreserved	3,026,494	288,779	(29,009)	3,286,264
Total fund balances (deficits)	3,026,494	288,779	(29,009)	3,286,264
Total liabilities and fund balances	\$ 3,026,494	\$ 288,779	\$ 60,991	\$ 3,376,264

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, 2018

	600 Waterman Fund	601 Fiske Fund	602 Cemetery Fund	Total
REVENUES				
Investment income	\$ 21,256	\$ 2,943	\$ -	\$ 24,199
Net increase(decrease) in fair value of investments	126,566	14,030	13,804	154,400
Total Revenues	<u>147,822</u>	<u>16,973</u>	<u>13,804</u>	<u>178,599</u>
EXPENDITURES				
Social services	8,187	1,060	-	9,247
Total Expenditures	<u>8,187</u>	<u>1,060</u>	<u>-</u>	<u>9,247</u>
Excess of revenues over (under) Expenditures	139,635	15,913	13,804	169,352
FUND BALANCE - July 1, 2017	<u>2,886,859</u>	<u>272,866</u>	<u>(42,813)</u>	<u>3,116,912</u>
FUND BALANCE - June 30, 2018	<u>\$ 3,026,494</u>	<u>\$ 288,779</u>	<u>\$ (29,009)</u>	<u>\$ 3,286,264</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, 2018

	<u>Balance</u> <u>July 1, 2017</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2018</u>
PARKS & RECREATION				
Assets				
Cash	\$ 128,816	\$ 75,755	\$ 80,774	\$ 123,797
Total assets	<u>\$ 128,816</u>	<u>\$ 75,755</u>	<u>\$ 80,774</u>	<u>\$ 123,797</u>
Liabilities				
Deposits held in custody for others	\$ 128,816	\$ 75,755	\$ 80,774	\$ 123,797
Total liabilities	<u>\$ 128,816</u>	<u>\$ 75,755</u>	<u>\$ 80,774</u>	<u>\$ 123,797</u>
PERFORMANCE BONDS				
Assets				
Cash	\$ 1,272,578	\$ 38,436	\$ 42,212	\$ 1,268,802
Total assets	<u>\$ 1,272,578</u>	<u>\$ 38,436</u>	<u>\$ 42,212</u>	<u>\$ 1,268,802</u>
Liabilities				
Deposits held in custody for others	\$ 1,272,578	\$ 38,436	\$ 42,212	\$ 1,268,802
Total liabilities	<u>\$ 1,272,578</u>	<u>\$ 38,436</u>	<u>\$ 42,212</u>	<u>\$ 1,268,802</u>
TOTAL				
Assets				
Cash	\$ 1,401,394	\$ 114,191	\$ 122,986	\$ 1,392,599
Total assets	<u>\$ 1,401,394</u>	<u>\$ 114,191</u>	<u>\$ 122,986</u>	<u>\$ 1,392,599</u>
Liabilities				
Deposits held in custody for others	\$ 1,401,394	\$ 114,191	\$ 122,986	\$ 1,392,599
Total liabilities	<u>\$ 1,401,394</u>	<u>\$ 114,191</u>	<u>\$ 122,986</u>	<u>\$ 1,392,599</u>
TOTAL TOWN & SCHOOL				
Assets				
Cash	\$ 2,030,622	\$ 2,526,103	\$2,521,431	\$ 2,035,294
Due from Retirees	82,016	67,334	82,016	67,334
Total assets	<u>\$ 2,112,638</u>	<u>\$ 2,593,437</u>	<u>\$2,603,447</u>	<u>\$ 2,102,628</u>
Liabilities				
Due to other funds	\$ 497,841	\$ 826,108	\$ 733,595	\$ 590,354
Deposits held in custody for others	1,614,797	1,767,329	1,869,852	1,512,274
Total liabilities	<u>\$ 2,112,638</u>	<u>\$ 2,593,437</u>	<u>\$2,603,447</u>	<u>\$ 2,102,628</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, 2018

	<u>Balance</u> <u>July 1, 2017</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2018</u>
COVENTRY HIGH SCHOOL				
Assets				
Cash	\$ 153,166	\$ 554,210	\$ 507,119	\$ 200,257
Total assets	<u>\$ 153,166</u>	<u>\$ 554,210</u>	<u>\$ 507,119</u>	<u>\$ 200,257</u>
Liabilities				
Due to other funds	\$ -	\$ -	\$ -	\$ -
Deposits held in custody for others	153,166	554,210	507,119	200,257
Total liabilities	<u>\$ 153,166</u>	<u>\$ 554,210</u>	<u>\$ 507,119</u>	<u>\$ 200,257</u>
FEINSTEIN MIDDLE SCHOOL				
Assets				
Cash	\$ 95,808	\$ 490,046	\$ 495,774	\$ 90,080
Total assets	<u>\$ 95,808</u>	<u>\$ 490,046</u>	<u>\$ 495,774</u>	<u>\$ 90,080</u>
Liabilities				
Due to other funds	\$ -	\$ -	\$ -	\$ -
Deposits held in custody for others	95,808	490,046	495,774	90,080
Total liabilities	<u>\$ 95,808</u>	<u>\$ 490,046</u>	<u>\$ 495,774</u>	<u>\$ 90,080</u>
CULINARY ARTS SCHOLARSHIP FUND				
Assets				
Cash	\$ 11,953	\$ 15	\$ -	\$ 11,968
Total assets	<u>\$ 11,953</u>	<u>\$ 15</u>	<u>\$ -</u>	<u>\$ 11,968</u>
Liabilities				
Deposits held in custody for others	\$ 11,953	\$ 15	\$ -	\$ 11,968
Total liabilities	<u>\$ 11,953</u>	<u>\$ 15</u>	<u>\$ -</u>	<u>\$ 11,968</u>
HOPKINS HILL				
Assets				
Cash	\$ 21,138	\$ 11,407	\$ 8,479	\$ 24,066
Total assets	<u>\$ 21,138</u>	<u>\$ 11,407</u>	<u>\$ 8,479</u>	<u>\$ 24,066</u>
Liabilities				
Due to other funds	\$ -	\$ -	\$ -	\$ -
Deposits held in custody for others	21,138	11,407	8,479	24,066
Total liabilities	<u>\$ 21,138</u>	<u>\$ 11,407</u>	<u>\$ 8,479</u>	<u>\$ 24,066</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, 2018

	<u>Balance</u> <u>July 1, 2017</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2018</u>
BLACK ROCK				
Assets				
Cash	\$ 24,134	\$ 17,694	\$ 29,712	\$ 12,116
Total assets	<u>\$ 24,134</u>	<u>\$ 17,694</u>	<u>\$ 29,712</u>	<u>\$ 12,116</u>
Liabilities				
Due to other funds	\$ -	\$ -	\$ -	\$ -
Deposits held in custody for others	24,134	17,694	29,712	12,116
Total liabilities	<u>\$ 24,134</u>	<u>\$ 17,694</u>	<u>\$ 29,712</u>	<u>\$ 12,116</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	\$ 54,286	\$ 285,377	\$ 274,515	\$ 65,148
Total assets	<u>\$ 54,286</u>	<u>\$ 285,377</u>	<u>\$ 274,515</u>	<u>\$ 65,148</u>
Liabilities				
Due to other funds	\$ -	\$ -	\$ -	\$ -
Deposits held in custody for others	54,286	285,377	274,515	65,148
Total liabilities	<u>\$ 54,286</u>	<u>\$ 285,377</u>	<u>\$ 274,515</u>	<u>\$ 65,148</u>
TIOGUE SCHOOL				
Assets				
Cash	\$ 8,912	\$ 27,875	\$ 24,947	\$ 11,840
Total assets	<u>\$ 8,912</u>	<u>\$ 27,875</u>	<u>\$ 24,947</u>	<u>\$ 11,840</u>
Liabilities				
Due to other funds	\$ -	\$ -	\$ -	\$ -
Deposits held in custody for others	8,912	27,875	24,947	11,840
Total liabilities	<u>\$ 8,912</u>	<u>\$ 27,875</u>	<u>\$ 24,947</u>	<u>\$ 11,840</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, 2018

	<u>Balance</u> <u>July 1, 2017</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2018</u>
WESTERN COVENTRY				
Assets				
Cash	\$ 21,695	\$ 53,006	\$ 53,954	\$ 20,747
Total assets	<u>\$ 21,695</u>	<u>\$ 53,006</u>	<u>\$ 53,954</u>	<u>\$ 20,747</u>
Liabilities				
Due to other funds	\$ -	\$ -	\$ -	\$ -
Deposits held in custody for others	21,695	53,006	53,954	20,747
Total liabilities	<u>\$ 21,695</u>	<u>\$ 53,006</u>	<u>\$ 53,954</u>	<u>\$ 20,747</u>
WASHINGTON OAK SCHOOL				
Assets				
Cash	\$ 31,613	\$ 42,570	\$ 34,837	\$ 39,346
Total assets	<u>\$ 31,613</u>	<u>\$ 42,570</u>	<u>\$ 34,837</u>	<u>\$ 39,346</u>
Liabilities				
Due to other funds	\$ -	\$ -	\$ -	\$ -
Deposits held in custody for others	31,613	42,570	34,837	39,346
Total liabilities	<u>\$ 31,613</u>	<u>\$ 42,570</u>	<u>\$ 34,837</u>	<u>\$ 39,346</u>
PHYSICAL PLANT				
Assets				
Cash	\$ 1,012	\$ -	\$ 233	\$ 779
Total assets	<u>\$ 1,012</u>	<u>\$ -</u>	<u>\$ 233</u>	<u>\$ 779</u>
Liabilities				
Due to other funds	\$ -	\$ -	\$ -	\$ -
Deposits held in custody for others	1,012	-	233	779
Total liabilities	<u>\$ 1,012</u>	<u>\$ -</u>	<u>\$ 233</u>	<u>\$ 779</u>
LITTLE OAKERS PRE SCHOOL				
Assets				
Cash	\$ 58,387	\$ 72,757	\$ 59,490	\$ 71,654
Accounts receivable	-	1,100	-	1,100
Total assets	<u>\$ 58,387</u>	<u>\$ 73,857</u>	<u>\$ 59,490</u>	<u>\$ 72,754</u>
Liabilities				
Due to other funds	\$ -	\$ -	\$ -	\$ -
Deposits held in custody for others	58,387	73,857	59,490	72,754
Total liabilities	<u>\$ 58,387</u>	<u>\$ 73,857</u>	<u>\$ 59,490</u>	<u>\$ 72,754</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, 2018

	<u>Balance</u> <u>July 1, 2017</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2018</u>
BENEFITS				
Assets				
Cash	\$ 112,806	\$ 840,721	\$ 901,707	\$ 51,820
Accounts receivable	82,016	66,234	82,016	66,234
Total assets	<u>\$ 194,822</u>	<u>\$ 906,955</u>	<u>\$ 983,723</u>	<u>\$ 118,054</u>
Liabilities				
Due to other funds	\$ 497,841	\$ 826,108	\$ 733,595	590,354
Deposits held in custody for others	(303,019)	80,847	250,128	(472,300)
Total liabilities	<u>\$ 194,822</u>	<u>\$ 906,955</u>	<u>\$ 983,723</u>	<u>\$ 118,054</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	\$ 11,298	\$ 16,234	\$ 7,678	\$ 19,854
Total assets	<u>\$ 11,298</u>	<u>\$ 16,234</u>	<u>\$ 7,678</u>	<u>\$ 19,854</u>
Liabilities				
Due to other funds	\$ -	\$ -	\$ -	-
Deposits held in custody for others	11,298	16,234	7,678	19,854
Total liabilities	<u>\$ 11,298</u>	<u>\$ 16,234</u>	<u>\$ 7,678</u>	<u>\$ 19,854</u>
TOTAL AGENCY FUNDS				
Assets				
Cash	\$ 629,228	\$ 2,411,912	\$ 2,398,445	\$ 642,695
Accounts receivable	82,016	67,334	82,016	67,334
Total assets	<u>\$ 711,244</u>	<u>\$ 2,479,246</u>	<u>\$ 2,480,461</u>	<u>\$ 710,029</u>
Liabilities				
Due to other funds	\$ 497,841	\$ 826,108	\$ 733,595	\$ 590,354
Deposits held in custody for others	213,403	1,653,138	1,746,866	119,675
Total liabilities	<u>\$ 711,244</u>	<u>\$ 2,479,246</u>	<u>\$ 2,480,461</u>	<u>\$ 710,029</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, 2018

	<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	\$ 10,322,108	\$ -	\$ -	\$ -	\$ -	\$ -
Investments	4,557,670	-	-	-	-	-
Accounts receivable:						
Real estate and personal property taxes	2,556,336	-	-	-	-	-
Other receivables	835,753	-	-	-	-	-
Due from other funds	3,716,747	-	-	-	-	-
Total assets	<u>\$ 21,988,614</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	\$ 298,963	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	8,027,781	(45,301)	(120)	(18,679)	(1,376,549)	(193,653)
Other liabilities	440,670	-	-	-	-	-
Total liabilities	<u>8,767,414</u>	<u>(45,301)</u>	<u>(120)</u>	<u>(18,679)</u>	<u>(1,376,549)</u>	<u>(193,653)</u>
DEFERRED INFLOWS OF RESOURCES						
Unavailable tax revenue	2,579,656	-	-	-	-	-
Fund balances:						
Non-spendable for:						
Sewer fund receivable	2,656,700	-	-	-	-	-
Committed for:						
Public works programs	-	-	-	-	-	-
Public safety programs	-	-	-	-	-	-
Culture and recreation	-	45,301	120	18,679	1,376,549	193,653
Unassigned:	7,984,844	-	-	-	-	-
Total fund balances	<u>10,641,544</u>	<u>45,301</u>	<u>120</u>	<u>18,679</u>	<u>1,376,549</u>	<u>193,653</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 21,988,614</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, 2018

	<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>
ASSETS						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ 200,581	\$ -	\$ -
Investments	-	-	-	-	-	-
Accounts receivable:						
Real estate and personal property taxes	-	-	-	-	-	-
Other receivables	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-
Total assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 200,581</u>	<u>\$ -</u>	<u>\$ -</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
Liabilities:						
Accounts payable and accrued expenditures	\$ 2,100	\$ 200	\$ -	\$ -	\$ -	\$ -
Due to other funds	(1,829)	(18,551)	(10,313)	-	(9,262)	(2,732)
Other liabilities	-	-	-	-	-	-
Total liabilities	<u>271</u>	<u>(18,351)</u>	<u>(10,313)</u>	<u>-</u>	<u>(9,262)</u>	<u>(2,732)</u>
DEFERRED INFLOWS OF RESOURCES						
Unavailable tax revenue	-	-	-	-	-	-
Fund balances:						
<i>Non-spendable for:</i>						
Sewer fund receivable	-	-	-	-	-	-
<i>Committed for:</i>						
Public works programs	-	18,351	-	-	-	-
Public safety programs	-	-	-	-	9,262	2,732
Culture and recreation	-	-	10,313	200,581	-	-
<i>Unassigned:</i>	(271)	-	-	-	-	-
Total fund balances	<u>(271)</u>	<u>18,351</u>	<u>10,313</u>	<u>200,581</u>	<u>9,262</u>	<u>2,732</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 200,581</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, 2018

	<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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investments	-	-	-	-	-	-
Accounts receivable:						
Real estate and personal property taxes	-	-	-	-	-	-
Other receivables	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-
Total assets	<u>\$ -</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	\$ -	\$ 723	\$ -	\$ -	\$ -	\$ -
Due to other funds	(7,858)	(4,368)	(43,754)	(11,330)	(2,277)	-
Other liabilities	-	-	-	-	-	-
Total liabilities	<u>(7,858)</u>	<u>(3,645)</u>	<u>(43,754)</u>	<u>(11,330)</u>	<u>(2,277)</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES						
Unavailable tax revenue	-	-	-	-	-	-
Fund balances:						
Non-spendable for:						
Sewer fund receivable	-	-	-	-	-	-
Committed for:						
Public works programs	-	-	-	-	-	-
Public safety programs	-	-	-	-	2,277	-
Culture and recreation	7,858	3,645	43,754	11,330	-	-
Unassigned:	-	-	-	-	-	-
Total fund balances	<u>7,858</u>	<u>3,645</u>	<u>43,754</u>	<u>11,330</u>	<u>2,277</u>	<u>-</u>
Total liabilities, deferred inflows of resources and fund balances	<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, 2018

	<u>161</u> <i>Library Book Sale</i>	<u>162</u> <i>Spay / Neuter Fund</i>	<u>152</u> <i>Donations Parks & Rec</i>	<u>163</u> <i>Recycling Garb/Waste Mgmt</i>	<u>183</u> <i>Parks & Rec Field Fund</i>	<u>190</u> <i>Insurance Settlements</i>	<u>TOTAL</u>
ASSETS							
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,522,689
Investments	-	-	-	-	-	-	4,557,670
Accounts receivable:							
Real estate and personal property taxes	-	-	-	-	-	-	2,556,336
Other receivables	-	-	-	-	-	-	835,753
Due from other funds	-	-	-	-	-	-	3,716,747
Total assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 22,189,195</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES							
Liabilities:							
Accounts payable and accrued expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 301,986
Due to other funds	(26,233)	(5,516)	(10,121)	(10,910)	(7,876)	(32,604)	6,187,945
Other liabilities	-	-	-	-	-	-	440,670
Total liabilities	<u>(26,233)</u>	<u>(5,516)</u>	<u>(10,121)</u>	<u>(10,910)</u>	<u>(7,876)</u>	<u>(32,604)</u>	<u>6,930,601</u>
DEFERRED INFLOWS OF RESOURCES							
Unavailable tax revenue	-	-	-	-	-	-	2,579,656
Fund balances:							
Non-spendable for:							
Sewer fund receivable	-	-	-	-	-	-	2,656,700
Committed for:							
Public works programs	-	-	-	10,910	-	-	29,261
Public safety programs	-	5,516	-	-	-	32,604	52,391
Culture and recreation	26,233	-	10,121	-	7,876	-	1,956,013
Unassigned:	-	-	-	-	-	-	7,984,573
Total fund balances	<u>26,233</u>	<u>5,516</u>	<u>10,121</u>	<u>10,910</u>	<u>7,876</u>	<u>32,604</u>	<u>12,678,938</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 22,189,195</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, 2018

	<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	\$ 71,652,257	\$ -	\$ -	\$ -	\$ -	\$ -
Other taxes	1,005,987	-	-	-	-	-
Penalties and interest on taxes	457,167	-	-	-	-	-
Licenses, fees and permits	789,512	-	-	-	-	-
Investment income	151,181	-	-	-	-	-
Intergovernmental	2,358,888	-	-	-	-	-
Charges for services	-	4,250	-	523	-	127,636
Miscellaneous	718,120	-	-	-	-	-
Total revenues	77,133,112	4,250	-	523	-	127,636
Expenditures						
Current:						
General government	6,092,766	-	-	-	(205,656)	-
Public safety	12,492,114	-	-	-	-	-
Public works	5,366,489	-	-	-	-	-
Community and economic development	342,227	-	-	-	1,476	-
Health and human services	699,354	9,468	-	-	-	-
Culture and recreation	2,073,608	-	-	4,375	-	-
Debt service	-	-	-	-	-	-
Principal payments	3,745,000	-	-	-	-	-
Interest and fiscal charges	1,412,861	-	-	-	-	-
Total expenditures	32,224,419	9,468	-	4,375	(204,180)	-
Excess of revenues over (under) expenditures before other financing sources (uses)	44,908,693	(5,218)	-	(3,852)	204,180	127,636
Other financing sources (uses)						
Transfers to other funds	(44,234,450)	40,000	-	12,327	-	(70,000)
Total other financing sources (uses)	(44,234,450)	40,000	-	12,327	-	(70,000)
Excess of revenues and other sources over (under) expenditures and other uses	674,243	34,782	-	8,475	204,180	57,636
Fund balances - beginning restated	9,967,301	10,519	120	10,204	1,172,369	136,017
Fund balances - ending	\$ 10,641,544	\$ 45,301	\$ 120	\$ 18,679	\$ 1,376,549	\$ 193,653

(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, 2018

	<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	11,756	35,804	1,938	287,848	1,026	246
Miscellaneous	-	-	-	-	-	-
Total revenues	<u>11,756</u>	<u>35,804</u>	<u>1,938</u>	<u>287,848</u>	<u>1,026</u>	<u>246</u>
Expenditures						
Current:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	375	-
Public works	26,144	40,163	-	-	-	-
Community and economic development	-	-	-	-	-	-
Health and human services	-	-	-	-	-	-
Culture and recreation	-	-	2,055	133,703	-	-
Debt service	-	-	-	-	-	-
Principal payments	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Total expenditures	<u>26,144</u>	<u>40,163</u>	<u>2,055</u>	<u>133,703</u>	<u>375</u>	<u>-</u>
Excess of revenues over (under) expenditures before other financing sources (uses)	<u>(14,388)</u>	<u>(4,359)</u>	<u>(117)</u>	<u>154,145</u>	<u>651</u>	<u>246</u>
Other financing sources (uses)						
Transfers to other funds	-	-	-	(73,732)	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(73,732)</u>	<u>-</u>	<u>-</u>
Excess of revenues and other sources over (under) expenditures and other uses	<u>(14,388)</u>	<u>(4,359)</u>	<u>(117)</u>	<u>80,413</u>	<u>651</u>	<u>246</u>
Fund balances - beginning	<u>14,117</u>	<u>22,710</u>	<u>10,430</u>	<u>120,168</u>	<u>8,611</u>	<u>2,486</u>
Fund balances - ending	<u>\$ (271)</u>	<u>\$ 18,351</u>	<u>\$ 10,313</u>	<u>\$ 200,581</u>	<u>\$ 9,262</u>	<u>\$ 2,732</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, 2018

	<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	-	4,266	-	-	-	-
Licenses, fees and permits	-	-	-	-	-	-
Investment income	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	2,980	-	6,113	1,257	-	-
Miscellaneous	-	-	-	-	152	-
Total revenues	<u>2,980</u>	<u>4,266</u>	<u>6,113</u>	<u>1,257</u>	<u>152</u>	<u>-</u>
Expenditures						
Current:						
General government	-	3,786	-	-	-	-
Public safety	-	-	-	-	-	-
Public works	-	-	-	-	-	-
Community and economic development	-	-	-	-	-	-
Health and human services	-	-	-	-	-	-
Culture and recreation	-	-	-	7,601	-	-
Debt service						
Principal payments	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Total expenditures	<u>-</u>	<u>3,786</u>	<u>-</u>	<u>7,601</u>	<u>-</u>	<u>-</u>
Excess of revenues over (under) expenditures before other financing sources (uses)	<u>2,980</u>	<u>480</u>	<u>6,113</u>	<u>(6,344)</u>	<u>152</u>	<u>-</u>
Other financing sources (uses)						
Transfers to other funds	-	-	-	12,000	-	(1,027)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,000</u>	<u>-</u>	<u>(1,027)</u>
Excess of revenues and other sources over (under) expenditures and other uses	<u>2,980</u>	<u>480</u>	<u>6,113</u>	<u>5,656</u>	<u>152</u>	<u>(1,027)</u>
Fund balances - beginning	<u>4,878</u>	<u>3,165</u>	<u>37,641</u>	<u>5,674</u>	<u>2,125</u>	<u>1,027</u>
Fund balances - ending	<u>\$ 7,858</u>	<u>\$ 3,645</u>	<u>\$ 43,754</u>	<u>\$ 11,330</u>	<u>\$ 2,277</u>	<u>\$ -</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, 2018

	<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>183</i> <i>Parks & Rec</i> <i>Field Fund</i>	<i>190</i> <i>Insurance</i> <i>Settlements</i>	<i>Total</i>
Revenues							
Real estate and personal property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 71,652,257
Other taxes	-	-	-	-	-	-	1,005,987
Penalties and interest on taxes	-	-	-	-	-	-	461,433
Licenses, fees and permits	-	-	-	-	-	-	789,512
Investment income	-	-	-	-	-	-	151,181
Intergovernmental	-	-	-	-	-	-	2,358,888
Charges for services	-	3,817	8,068	14,480	9,847	-	517,589
Miscellaneous	3,946	-	-	-	-	65,720	787,938
Total revenues	<u>3,946</u>	<u>3,817</u>	<u>8,068</u>	<u>14,480</u>	<u>9,847</u>	<u>65,720</u>	<u>77,724,785</u>
Expenditures							
Current:							
General government	-	-	-	-	-	-	5,890,896
Public safety	-	4,595	-	-	-	33,116	12,530,200
Public works	-	-	-	18,078	-	-	5,450,874
Community and economic development	495	-	-	-	-	-	344,198
Health and human services	-	-	-	-	-	-	708,822
Culture and recreation	-	-	8,624	-	7,048	-	2,237,014
Debt service	-	-	-	-	-	-	-
Principal payments	-	-	-	-	-	-	3,745,000
Interest and fiscal charges	-	-	-	-	-	-	1,412,861
Total expenditures	<u>495</u>	<u>4,595</u>	<u>8,624</u>	<u>18,078</u>	<u>7,048</u>	<u>33,116</u>	<u>32,319,865</u>
Excess of revenues over (under) expenditures before other financing sources (uses)	<u>3,451</u>	<u>(778)</u>	<u>(556)</u>	<u>(3,598)</u>	<u>2,799</u>	<u>32,604</u>	<u>45,404,920</u>
Other financing sources (uses)							
Transfers to other funds	-	-	10,432	-	-	-	(44,304,450)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>10,432</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(44,304,450)</u>
Excess of revenues and other sources over (under) expenditures and other uses	<u>3,451</u>	<u>(778)</u>	<u>9,876</u>	<u>(3,598)</u>	<u>2,799</u>	<u>32,604</u>	<u>1,100,470</u>
Fund balances - beginning	<u>22,782</u>	<u>6,294</u>	<u>245</u>	<u>14,508</u>	<u>5,077</u>	<u>-</u>	<u>11,578,468</u>
Fund balances - ending	<u>\$ 26,233</u>	<u>\$ 5,516</u>	<u>\$ 10,121</u>	<u>\$ 10,910</u>	<u>\$ 7,876</u>	<u>\$ 32,604</u>	<u>\$ 12,678,938</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, 2018

	<u>SRUF</u> <u>GAAP BASIS</u>	<u>90000005</u> <u>Chromebook Ins</u>	<u>90000007</u> <u>Hopkins Hill</u> <u>Before Care</u>	<u>Total</u> <u>School</u> <u>Unrestricted</u>
ASSETS				
Cash	\$ 86,033	\$ -	\$ -	\$ 86,033
Due from General fund	4,195,162	-	-	4,195,162
Due from other school funds	1,801,204	-	-	1,801,204
Intergovernmental receivables	73,855	-	-	73,855
Other receivables	200,119	-	990	201,109
Prepaid expenses	637,250	-	-	637,250
Total assets	<u>\$ 6,993,623</u>	<u>\$ -</u>	<u>\$ 990</u>	<u>\$ 6,994,613</u>
LIABILITIES AND FUND BALANCE				
Liabilities				
Accounts Payable	\$ 465,186	\$ -	\$ -	\$ 465,186
Due to other funds	261,421	-	(2,067)	259,354
Accrued salaries	5,240,800	-	1,723	5,242,523
Total liabilities	<u>5,967,407</u>	<u>-</u>	<u>(344)</u>	<u>\$ 5,967,063</u>
Fund balance				
<i>Non-spendable for:</i>				
Prepaid items	637,250	-	-	637,250
<i>Restricted for:</i>				
Education programs	388,966	-	1,334	390,300
Unassigned	-	-	-	-
Total fund balance	<u>1,026,216</u>	<u>-</u>	<u>1,334</u>	<u>1,027,550</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 6,993,623</u>	<u>\$ -</u>	<u>\$ 990</u>	<u>\$ 6,994,613</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, 2018

	SRUF GAAP BASIS	90000005 Chromebook Ins.	90000007 Hopkins Hill Before Care	Total School Unrestricted
Revenues				
State Aid	\$ 26,745,573	\$ -	\$ -	\$ 26,745,573
Federal Aid	844,273	-	-	844,273
Charges for Service	888,549	-	19,656	908,205
Miscellaneous	2,368	-	-	2,368
Total revenues	28,480,763	-	19,656	28,500,419
Expenditures				
Salaries	43,646,710	-	17,601	43,664,311
Employee benefits	18,752,462	-	721	18,753,183
Purchased services	7,279,618	-	-	7,279,618
Supplies and materials	2,015,598	-	-	2,015,598
Capital outlay	569,020	-	-	569,020
Other	39,417	-	-	39,417
Total expenditures	72,302,825	-	18,322	72,321,147
Excess of revenues over (under) expenditures	(43,822,062)	-	1,334	(43,820,728)
Other financing sources (uses)				
Operating transfers - Town appropriation	44,224,450	-	-	44,224,450
Transfer from Cell Tower Fund	70,000	-	-	70,000
Transfer from Restricted Grants	21,306	-	-	21,306
Transfer out to Chrome Book	(80,112)	80,112	-	-
Transfer out to Restricted Grants	(12,279)	-	-	(12,279)
Total other financing sources/(uses)	44,223,365	80,112	-	44,303,477
Excess (deficiency) of revenue and other sources over expenditures and other uses	401,303	80,112	1,334	482,749
Fund Balance - beginning	624,913	(80,112)	-	544,801
Fund Balance - ending	\$ 1,026,216	\$ -	\$ 1,334	\$ 1,027,550

OTHER SUPPLEMENTARY INFORMATION

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

Annual Supplemental Transparency Report (MTP2) - Revenue

Annual Supplemental Transparency Report (MTP2) – Expenditures

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

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

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

Town of Coventry
Annual Supplemental Transparency Report (MTP2)
Fiscal Year Ended June 30, 2018

<u>REVENUE</u>	<u>Municipal</u>	<u>Education Department</u>
Current Year Levy Tax Collection	\$ 71,104,159	\$ -
Last Year's Levy Tax Collection	406,101	-
Prior Years Property Tax Collection	141,997	-
Interest & Penalty	457,167	-
PILOT & Tax Treaty (excluded from levy) Collection	62,238	-
Other Local Property Taxes	11,625	-
Licenses and Permits	329,316	-
Fines and Forfeitures	-	-
Investment Income	151,181	-
Departmental	1,388,577	-
Rescue Run Revenue	-	-
Police & Fire Detail	107,881	-
Other Local Non-Property Tax Revenues	273,531	-
Tuition	-	877,931
Impact Aid	-	-
Medicaid	-	844,273
Federal Stabilization Funds	-	-
Federal Food Service Reimbursement	-	756,147
CDBG	-	-
COPS Grants	-	-
SAFER Grants	-	-
Other Federal Aid Funds	123,768	2,421,298
MV Excise Tax Reimbursement & Phase-out	947,920	-
State PILOT Program	-	-
Distressed Community Relief Fund	-	-
Library Resource Aid	238,140	-
Library Construction Aid	-	-
Public Service Corporation Tax	423,558	-
Meals & Beverage Tax / Hotel Tax	582,429	-
LEA Aid	-	23,190,085
Group Home	-	-
Housing Aid Capital Projects	-	-
Housing Aid Bonded Debt	1,313,730	-
State Food Service Revenue	-	20,087
Incentive Aid	-	-
Property Revaluation Reimbursement	-	-
Other State Revenue	496,143	70,781
Other Revenue	-	707,247
Local Appropriation for Education	-	44,224,450
Regional Appropriation for Education	-	-
Supplemental Appropriation for Education	-	-
Regional Supplemental Appropriation for Education	-	-
Other Education Appropriation	-	-
Rounding	-	-
Total Revenue	\$ 78,559,461	\$ 73,112,298
Financing Sources: Transfer from Capital Funds	\$ -	\$ -
Financing Sources: Transfer from Other Funds	-	155,326
Financing Sources: Debt Proceeds	-	-
Financing Sources: Other	-	-
Rounding	-	-
Total Other Financing Sources	\$ -	\$ 155,326

Town of Coventry
Annual Supplemental Transparency Report (MTP2)
Fiscal Year Ended June 30, 2018

EXPENDITURES	General		Social	Centralized		Libraries	Public	Parks and	Police
	Government	Finance	Services	IT	Planning		Works	Rec	Department
Compensation- Group A	\$ 556,337	\$ 571,106	\$ 480,144	\$ 107,119	\$ 226,701	\$ 640,254	\$ 2,514,264	\$ 752,108	\$ 4,708,252
Compensation - Group B	-	-	-	-	-	-	-	-	357,707
Compensation - Group C	-	-	-	-	-	-	-	-	-
Compensation -Volunteer	-	-	-	-	-	-	-	-	-
Overtime- Group A	7,212	10,433	-	-	174	-	212,506	227	446,773
Overtime - Group B	-	-	-	-	-	-	-	-	33,919
Overtime - Group C	-	-	-	-	-	-	-	-	-
Police & Fire Detail	-	-	-	-	-	-	-	-	8,839
Active Medical Insurance - Group A	69,508	93,467	122,428	6,319	28,172	107,889	611,145	123,481	606,261
Active Medical Insurance- Group B	-	-	-	-	-	-	-	-	45,320
Active Medical Insurance- Group C	-	-	-	-	-	-	-	-	-
Active Dental Insurance- Group A	5,557	7,670	7,832	-	2,690	6,322	38,578	6,904	39,811
Active Dental Insurance- Group B	-	-	-	-	-	-	-	-	2,966
Active Dental Insurance- Group C	-	-	-	-	-	-	-	-	-
Payroll Taxes	49,238	43,311	34,936	8,105	17,870	48,481	198,556	55,130	428,711
Life Insurance	2,359	1,243	1,162	279	523	942	6,855	1,569	10,586
State Defined Contribution- Group A	412,000	-	-	-	-	-	-	-	-
State Defined Contribution - Group B	-	-	-	-	-	-	-	-	-
State Defined Contribution - Group C	-	-	-	-	-	-	-	-	-
Other Benefits- Group A	6,200	-	857	-	-	-	-	-	90,852
Other Benefits- Group B	-	-	-	-	-	-	-	-	-
Other Benefits- Group C	-	-	-	-	-	-	-	-	-
Local Defined Benefit Pension- Group A	82,850	55,233	82,850	9,206	18,411	55,233	423,455	92,055	4,852,387
Local Defined Benefit Pension - Group B	-	-	-	-	-	-	-	-	36,822
Local Defined Benefit Pension - Group C	-	-	-	-	-	-	-	-	-
State Defined Benefit Pension- Group A	-	-	-	-	-	-	-	-	-
State Defined Benefit Pension - Group B	-	-	-	-	-	-	-	-	-
State Defined Benefit Pension - Group C	-	-	-	-	-	-	-	-	-
Other Defined Benefit / Contribution	66,492	44,841	51,879	2,987	5,973	17,919	162,987	29,866	344,997
Purchased Services	666,254	519	8,123	185	37,665	1,700	113,012	12,188	47,133
Materials/Supplies	50,680	14,434	6,142	32,451	2,764	147,537	13,396	39,225	66,327
Software Licenses	-	-	-	40,099	-	-	-	-	-
Capital Outlays	-	-	-	-	-	-	-	-	19,879
Insurance	547,206	-	-	-	-	-	-	-	-
Maintenance	-	-	8,300	-	-	7,751	138,079	26,377	82,756
Vehicle Operations	-	-	-	-	-	-	462,406	33,916	263,022
Utilities	411,565	-	29,052	-	-	16,679	62,386	9,619	31,386
Contingency	-	-	-	-	-	-	-	-	-
Street Lighting	-	-	-	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-	-	-	-
Snow Removal-Raw Material & External Contracts	-	-	-	-	-	-	305,369	-	-
Trash Removal & Recycling	-	-	-	-	-	-	437,875	-	-
Claims & Settlements	1,837	-	-	-	-	-	-	-	-
Community Support	-	-	-	-	-	-	-	-	-
Other Operation Expenditures	85,632	3,673	498,051	134,336	22,668	211,385	345,762	191,326	236,799
Local Appropriation for Education	-	-	-	-	-	-	-	-	-
Regional Appropriation for Education	-	-	-	-	-	-	-	-	-
Supplemental Appropriation for Education	-	-	-	-	-	-	-	-	-
Regional Supplemental Appropriation for Education	-	-	-	-	-	-	-	-	-
Other Education Appropriation	-	-	-	-	-	-	-	-	-
Municipal Debt- Principal	-	-	-	-	-	-	-	-	-
Municipal Debt- Interest	-	-	-	-	-	-	-	-	-
School Debt- Principal	-	-	-	-	-	-	-	-	-
School Debt- Interest	-	-	-	-	-	-	-	-	-
Retiree Medical Insurance- Total	-	-	-	-	-	-	-	-	-
Retiree Dental Insurance- Total	-	-	-	-	-	-	-	-	-
OPEB Contribution- Total	-	-	-	-	-	-	-	-	-
Non-Qualified OPEB Trust Contribution	-	-	-	-	-	-	-	-	-
Rounding	-	-	-	-	-	-	-	-	-
Total Expenditures	\$ 3,020,927	\$ 845,931	\$ 1,331,756	\$ 341,085	\$ 363,610	\$ 1,262,092	\$ 6,046,632	\$ 1,373,993	\$ 12,761,505

Town of Coventry
Annual Supplemental Transparency Report (MTP2)
Fiscal Year Ended June 30, 2018

EXPENDITURES	Fire	Centralized	Public Safety	Education			Total	Education
	Department	Dispatch	Other	Appropriation	Debt	OPEB	Municipal	Department
Compensation- Group A	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,556,286	\$ 35,487,002
Compensation - Group B	-	4,868	44,573	-	-	-	407,148	3,154,616
Compensation - Group C	-	-	-	-	-	-	-	6,561,526
Compensation -Volunteer	-	-	-	-	-	-	-	-
Overtime- Group A	-	-	-	-	-	-	677,326	-
Overtime - Group B	-	-	-	-	-	-	33,919	-
Overtime - Group C	-	-	-	-	-	-	-	77,023
Police & Fire Detail	-	-	-	-	-	-	8,839	-
Active Medical Insurance - Group A	-	-	-	-	-	-	1,768,668	4,754,100
Active Medical Insurance- Group B	-	8,960	14,933	-	-	-	69,212	325,460
Active Medical Insurance- Group C	-	-	-	-	-	-	-	1,376,954
Active Dental Insurance- Group A	-	-	-	-	-	-	115,364	379,334
Active Dental Insurance- Group B	-	-	-	-	-	-	2,966	37,905
Active Dental Insurance- Group C	-	-	-	-	-	-	-	196,436
Payroll Taxes	-	355	4,299	-	-	-	888,992	1,094,376
Life Insurance	-	-	-	-	-	-	25,517	230,409
State Defined Contribution- Group A	-	-	-	-	-	-	412,000	768,043
State Defined Contribution - Group B	-	-	-	-	-	-	-	56,821
State Defined Contribution - Group C	-	-	-	-	-	-	-	-
Other Benefits- Group A	-	-	-	-	-	-	97,909	378,184
Other Benefits- Group B	-	-	-	-	-	-	-	2,922
Other Benefits- Group C	-	-	-	-	-	-	-	1,241
Local Defined Benefit Pension- Group A	-	-	-	-	-	-	5,671,679	366
Local Defined Benefit Pension - Group B	-	27,617	46,028	-	-	-	110,466	71,025
Local Defined Benefit Pension - Group C	-	-	-	-	-	-	-	740,597
State Defined Benefit Pension- Group A	-	-	-	-	-	-	-	4,704,263
State Defined Benefit Pension - Group B	-	-	-	-	-	-	-	334,752
State Defined Benefit Pension - Group C	-	-	-	-	-	-	-	-
Other Defined Benefit / Contribution	-	-	-	-	-	-	727,941	101,129
Purchased Services	-	404,700	674	-	-	-	1,292,155	8,456,070
Materials/Supplies	-	-	148	-	-	-	373,104	789,853
Software Licenses	-	-	-	-	-	-	40,099	213,193
Capital Outlays	-	-	-	-	-	-	19,879	601,044
Insurance	-	-	-	-	-	-	547,206	264,213
Maintenance	-	-	10,145	-	-	-	273,408	201,842
Vehicle Operations	-	-	-	-	-	-	759,345	237,321
Utilities	-	-	-	-	-	-	560,687	1,291,899
Contingency	-	-	-	-	-	-	-	-
Street Lighting	-	-	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-	-	-
Snow Removal-Raw Material & External Contracts	-	-	-	-	-	-	305,369	-
Trash Removal & Recycling	-	-	-	-	-	-	437,875	-
Claims & Settlements	-	-	-	-	-	-	1,837	-
Community Support	-	-	-	-	-	-	-	-
Other Operation Expenditures	-	-	2,356	-	-	-	1,731,988	91,440
Local Appropriation for Education	-	-	-	44,224,450	-	-	44,224,450	-
Regional Appropriation for Education	-	-	-	-	-	-	-	-
Supplemental Appropriation for Education	-	-	-	-	-	-	-	-
Regional Supplemental Appropriation for Education	-	-	-	-	-	-	-	-
Other Education Appropriation	-	-	-	-	-	-	-	-
Municipal Debt- Principal	-	-	-	-	1,480,000	-	1,480,000	-
Municipal Debt- Interest	-	-	-	-	919,305	-	919,305	-
School Debt- Principal	-	-	-	-	2,265,000	-	2,265,000	-
School Debt- Interest	-	-	-	-	492,806	-	492,806	-
Retiree Medical Insurance- Total	-	-	-	-	-	102,378	102,378	271,208
Retiree Dental Insurance- Total	-	-	-	-	-	5,626	5,626	-
OPEB Contribution- Total	-	-	-	-	-	-	-	-
Non-Qualified OPEB Trust Contribution	-	-	-	-	-	-	-	-
Rounding	-	-	-	-	-	-	-	-
Total Expenditures	\$ -	\$ 446,499	\$ 123,155	\$ 44,224,450	\$ 5,157,111	\$ 108,004	\$ 77,406,750	\$ 73,252,562

Financing Uses: Transfer to Capital Funds	\$ -	\$ -
Financing Uses: Transfer to Other Funds	80,000	-
Financing Uses: Payment to Bond Escrow Agent	-	-
Financing Uses: Other	-	-
Total Other Financing Uses	\$ 80,000	\$ -
Net Change in Fund Balance¹	1,072,711	15,062
Fund Balance1- beginning of year	\$11,563,296	\$799,540
Funds removed from Reportable Government Services (RGS)	-	(24,729)
Funds added to Reportable Government Services (RGS)	-	1,759
Prior period adjustments	222,709	-
Misc. Adjustment	-	-
Fund Balance¹ - beginning of year adjusted	11,786,005	776,570
Rounding	-	-
Fund Balance¹ - end of year	\$ 12,858,716	\$ 791,632

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

Town of Coventry
Combining Schedule of
Reportable Government Services with
Reconciliation to MTP2
Municipal
Fiscal Year Ended June 30, 2018

Per Audited Fund Financial Statements Fund Description	Total Revenue	Total Other Financing Sources	Total Expenditures	Total Other Financing Uses	Net Change in Fund Balance ¹	Beginning Fund Fund Balance ¹ (Deficit)	Prior Period Adjustment	Restated Beginning Fund Balance ¹ (Deficit)	Ending Fund Balance ¹ (Deficit)
Fund Balance¹ - per MTP-2 at June 30, 2017						\$ 11,563,296		\$ 11,563,296	
Click it or Ticket (RGS Fund) ending fund balance removed for FY 17						-		-	
Impaired Driving (RGS Fund) ending fund balance removed for FY 17						-		-	
Speed Enforcement (RGS Fund) ending fund balance removed for FY 17						-		-	
Speed Management (RGS Fund) ending fund balance removed for FY 17						-		-	
Impaired Driving (RGS Fund) ending fund balance removed for FY 17						-		-	
Prior period adjustments for FY 17						-	222,709	222,709	
Fund Balance¹ - per MTP-2 at June 30, 2017 adjusted						<u>\$ 11,563,296</u>		<u>\$ 11,786,005</u>	
General Fund	\$ 77,724,785	\$ -	\$ 32,319,865	\$ 44,304,450	1,100,470	\$ 11,355,759	222,709	\$ 11,578,468	\$ 12,678,938
Recycling Grant (RGS Fund)	-	-	-	-	-	212	-	212	212
Senior Center Operations (RGS Fund)	-	-	-	-	-	-	-	-	-
Friends of Human Services (RGS Fund)	-	-	-	-	-	4,000	-	4,000	4,000
Project Friends (RGS Fund)	477,813	-	451,293	-	26,520	101,627	-	101,627	128,147
RISAPA Task Force - Bramley Grant (RGS Fund)	3,239	-	-	-	3,239	3,245	-	3,245	6,484
Drug Seizure (RGS Fund)	69,515	-	123,741	-	(54,226)	37,151	-	37,151	(17,075)
Teen Center Operations (RGS Fund)	-	-	1,052	-	(1,052)	6,878	-	6,878	5,826
Byrne Grant (RGS Fund)	15,205	-	15,205	-	-	(580)	-	(580)	(580)
Grant in Aid/Resource Sharing (RGS Fund)	203,140	-	203,140	-	-	(539)	-	(539)	(539)
Help America Vote Act (RGS Fund)	-	-	-	-	-	-	-	-	-
Traffic Grant (RGS Fund)	-	-	-	-	-	-	-	-	-
Bulletproof Vests (RGS Fund)	6,389	-	6,389	-	-	-	-	-	-
DUI Speed Click or Ticket (RGS Fund)	32,659	-	24,703	-	7,956	(7,666)	-	(7,666)	290
Food Bank (RGS Fund)	15,091	-	24,556	-	(9,465)	53,089	-	53,089	43,624
Faith in Action (RGS Fund)	11,625	-	12,356	-	(731)	10,120	-	10,120	9,389
Totals per audited financial statements	<u>\$ 78,559,461</u>	<u>\$ -</u>	<u>\$ 33,182,300</u>	<u>\$ 44,304,450</u>	<u>\$ 1,072,711</u>	<u>\$ 11,563,296</u>	<u>\$ 222,709</u>	<u>\$ 11,786,005</u>	<u>\$ 12,858,716</u>
<u>Reconciliation from financial statements to MTP2</u>									
Reclassify transfer of municipal appropriation to Education Department as expenditure on MTP2	\$ -	\$ -	\$ 44,224,450	\$ (44,224,450)	\$ -	\$ -	\$ -	\$ -	\$ -
Rounding	-	-	-	-	-	-	-	-	-
Totals Per MTP2	<u>\$ 78,559,461</u>	<u>\$ -</u>	<u>\$ 77,406,750</u>	<u>\$ 80,000</u>	<u>\$ 1,072,711</u>	<u>\$ 11,563,296</u>	<u>\$ 222,709</u>	<u>\$ 11,786,005</u>	<u>\$ 12,858,716</u>

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

Town of Coventry
Combining Schedule of
Reportable Government Services with
Reconciliation to MTP2
Education Department
Fiscal Year Ended June 30, 2018

Per Audited Fund Financial Statements Fund Description	Total Other		Total Other		Net Change in Fund Balance ¹	Beginning Fund Fund Balance ¹ (Deficit)	Prior Period Adjustment	Restated Beginning Fund Balance ¹ (Deficit)	Ending Fund Balance ¹ (Deficit)
	Total Revenue	Financing Sources	Total Expenditures	Financing Uses					
Fund Balance¹ - per MTP-2 at June 30, 2017						\$ 799,540		\$ 799,540	
Fund 90000001 is Special Revenue Fund in financial statements not in MTP2 included in FY 17						1,759		1,759	
Object code 7000 series in financial statements not MTP2 in FY 17						(19,510)		(19,510)	
Miscellaneous variances in FY 17						(5,219)		(5,219)	
Fund Balance¹ - per MTP-2 at June 30, 2017 adjusted						<u>\$ 776,570</u>		<u>\$ 776,570</u>	
School Unrestricted Fund	\$ 28,500,419	\$ 44,315,756	\$ 72,321,147	\$ 12,279	\$ 482,749	\$ 544,801	\$ -	\$ 544,801	\$ 1,027,550
School Special Revenue Funds-Restricted	2,538,151	7,036	2,829,067	21,306	(305,186)	472,949	-	472,949	167,763
School Food Service - reported as Non-Major Governmental Fund	1,428,231	-	1,543,174	-	(114,943)	(296,466)	-	(296,466)	(411,409)
School Improvement Capital Fund -reported as Non-Major Governmental Fund	-	-	57,375	-	(57,375)	57,375	-	57,375	-
School Capital Project Fund-Impact Fees	-	90,569	88,480	-	2,089	(2,089)	-	(2,089)	-
Totals per audited financial statements	<u>\$ 32,466,801</u>	<u>\$ 44,413,361</u>	<u>\$ 76,839,243</u>	<u>\$ 33,585</u>	<u>\$ 7,334</u>	<u>\$ 776,570</u>	<u>\$ -</u>	<u>\$ 776,570</u>	<u>\$ 783,904</u>

Reconciliation from financial statements to MTP2

Municipal appropriation for Education reported as a transfer in financial statements but as revenue in MTP2 and UCOA report.	\$ 44,224,450	\$ (44,224,450)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State contributions on behalf of teacher pensions reported as revenue and expenditures in financial statements only.	(3,556,086)	-	(3,556,086)	-	-	-	-	-	-
Transfer from School Unrestricted Fund to Fund 32000005 Impact Fees reported in financial statements but not reported in UCOA report or MTP 2.	-	(5,243)	-	(5,243)	-	-	-	-	-
Transfer from School Unrestricted Fund to School Restricted Funds reported in financial statements but not reported in UCOA report or MTP 2	-	(7,036)	-	(7,036)	-	-	-	-	-
Transfers From School Restricted Funds to School Unrestricted Fund reported in financial statements but not reported in UCOA report or MTP 2	-	(21,306)	-	(21,306)	-	-	-	-	-
Old accounts receivable was written off and reported as a reduction of revenue in MTP2 and UCOA report but not in financial statements Fund 24012004 Feinstein.	(2,000)	-	-	-	(2,000)	-	-	-	(2,000)
Old accounts receivable was written off and reported as reduction of revenue in MTP2 and UCOA report but as a write-off expenditure in financial statements Fund 24040059 New England Dairy .	(1,211)	-	(1,211)	-	(0)	-	-	-	(0)
Fund 21091100 expenditures in object code 7000 series are included in financial statements but not reported in the MTP2 and UCOA report.	-	-	(10,778)	-	10,778	-	-	-	10,778
Hopkins Hill Before Care Fund 90000007 combined in financial statements with School Unrestricted Special Revenue Fund (see page 169) for GASB 54 purposes, but not in MTP2 and UCOA reports since those reports exclude funds coded as 90000000 - Agency Funds.	(19,656)	-	(18,322)	-	(1,334)	-	-	-	(1,334)
Miscellaneous variances between MTP2 & financial statements	-	-	(284)	-	284	-	-	-	284
Rounding	-	-	-	-	-	-	-	-	-
Totals Per MTP2	<u>\$ 73,112,298</u>	<u>\$ 155,326</u>	<u>\$ 73,252,562</u>	<u>\$ -</u>	<u>\$ 15,062</u>	<u>\$ 776,570</u>	<u>\$ -</u>	<u>\$ 776,570</u>	<u>\$ 791,632</u>

Reconciliation from MTP2 to UCOA

Funds recorded as transfer in MTP2 but excluded in UCOA report	155,326	(155,326)	-						
Totals per UCOA Validated Totals Report	<u>\$ 73,267,624</u>	<u>-</u>	<u>\$ 73,252,562</u>						

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

TOWN OF COVENTRY, RHODE ISLAND
Notes to Supplementary Information
Annual Supplemental Transparency Report (MTP2)
June 30, 2018

NOTE 1. Basis of Presentation

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

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

NOTE 2. Reportable Government Services

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

NOTE 3. Allocations

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

NOTE 4. Employee Groups - Compensation and Benefit Costs

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

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

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

- Police Department - police officers (e.g., uniform personnel - including, leadership positions)
- Fire Department - fire fighters (e.g., uniform personnel - including, leadership positions)
- Centralized Dispatch Department - civilian dispatchers only
- Education Department - professional staff providing direct services to students

TOWN OF COVENTRY, RHODE ISLAND
Notes to Supplementary Information
Annual Supplemental Transparency Report (MTP2)
June 30, 2018

- For the remaining departments - all employees' compensation and benefits are reported under Group A

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

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

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

NOTE 5. Education Revenue and Expenditures

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

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

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, 2018

Real Estate and Property Tax Assessment of	Total Balance Uncollected 7/1/2017	Assessment	Additions Adjustments	Abatements	Refunds and Adjustments	Total Available for Collection	Collections	(a) Balance Uncollected 6/30/2018
2017	\$ -	\$ 66,948,511	\$ 139,156	\$ (406,265)	\$ 188,959	\$ 66,870,361	\$ 66,411,809	\$ 458,552
2016	460,205	-	1,862	(9,605)	18,815	471,277	322,983	148,294
2015	176,819	-	158	(2,076)	(14)	174,887	24,017	150,870
2014	203,844	-	155	(3,147)	-	200,852	10,740	190,112
2013	164,633	-	229	(21,491)	-	143,371	7,001	136,370
2012	153,915	-	-	(4,856)	-	149,059	8,334	140,725
2011	97,329	-	-	(3,974)	(577)	92,778	8,854	83,924
2010	79,307	-	-	(2,639)	-	76,668	7,349	69,319
2009	55,302	-	-	(2,360)	-	52,942	4,475	48,467
2008	47,572	-	-	(1,752)	-	45,820	4,032	41,788
2007	23,061	-	-	(1,286)	-	21,775	1,421	20,354
2006	34,158	-	-	-	-	34,158	1,377	32,781
2005 and prior	183,966	-	-	-	43	184,009	5,515	178,494
TOTAL PROPERTY	\$ 1,680,111	\$ 66,948,511	\$ 141,560	\$ (459,451)	\$ 207,226	\$ 68,517,957	\$ 66,817,907	\$ 1,700,050

Auto Excise Tax Assessment of	Total Balance Uncollected 7/1/2017	Assessment	Additions Adjustments	Abatements	Authorized Transfers and Adjustments	Total Available for Collection	Collections	Balance Uncollected 6/30/2018
2017	\$ -	\$ 4,924,475	\$ 3,500	\$ (8,205)	\$ 28,403	\$ 4,948,173	\$ 4,719,688	\$ 228,485
2016	305,098	-	-	(3,761)	912	302,249	188,472	113,777
2015	114,077	-	-	(3,087)	105	111,095	25,041	86,054
2014	86,769	-	-	(4,409)	49	82,409	9,100	73,309
2013	79,171	-	-	(2,803)	-	76,368	8,290	68,078
2012	75,800	-	-	(1,284)	-	74,516	8,455	66,061
2011	71,368	-	-	(1,589)	-	69,779	3,780	65,999
2010	25,684	-	-	(1,368)	-	24,316	707	23,609
2009	28,812	-	-	(1,433)	-	27,379	646	26,733
2008	36,156	-	-	(622)	-	35,534	938	34,596
2007	35,041	-	-	(309)	-	34,732	845	33,887
2006	33,189	-	-	(1,019)	-	32,170	50	32,120
2005 and prior	3,882	-	-	-	726	4,608	1,030	3,578
TOTAL AUTO	\$ 895,047	\$ 4,924,475	\$ 3,500	\$ (29,889)	\$ 30,195	\$ 5,823,328	\$ 4,967,042	\$ 856,286

**TOTAL PROPERTY
TAX AND AUTO
EXCISE TAX**

\$ 2,575,158	\$ 71,872,986	\$ 145,060	\$ (489,340)	\$ 237,421	\$ 74,341,285	\$ 71,784,949	\$ 2,556,336
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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, 2018

	<u>December 31, 2016</u>	<u>December 31, 2015</u>	<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>
Assessed Property Valuations:										
Real Property	\$ 3,197,529,325	\$ 3,003,102,100	\$ 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
Tangibles	71,394,235	67,006,090	64,485,885	63,607,365	61,396,945	60,180,870	94,324,242	114,421,880	116,794,405	116,558,916
Motor Vehicles	305,582,548	339,551,301	328,603,241	321,736,932	320,210,910	318,637,853	309,336,216	298,253,258	250,975,340	283,134,618
	<u>3,574,506,108</u>	<u>3,409,659,491</u>	<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>
Less Exemptions:										
Blindness	346,204	395,704	356,872	389,872	455,872	515,722	521,872	488,872	445,500	392,830
Elderly and Disabled	21,468,561	21,183,296	20,897,200	20,510,000	20,382,000	20,106,268	19,792,580	19,752,580	19,488,580	19,472,580
Gold Star Mothers	6,000	6,000	9,000	9,000	9,000	9,000	9,000	15,000	15,000	18,000
Rectories and Parsonages	-	-	-	-	-	-	-	-	453,400	453,400
State Veterans	114,815	124,852	123,320	127,587	126,840	118,000	141,426	120,265	125,415	130,795
Veterans	15,030,165	15,701,466	16,270,500	16,763,300	17,546,300	18,127,946	18,640,480	18,959,180	19,303,080	19,750,880
POW's	15,000	15,000	15,000	15,000	15,000	30,000	30,000	30,000	30,000	30,000
100% Disabled Veterans	53,000	55,000	55,000	47,000	136,400	135,400	133,400	130,400	133,400	129,400
Variable	14,397,533	15,385,144	15,407,406	15,517,906	11,296,810	10,000	10,000	2,085,572	-	-
Specially Adapted Housing	-	-	-	-	-	-	-	-	12,300	30,300
Motor Vehicle Phase-out	42,832,347	42,773,022	48,306,003	47,830,923	47,139,090	45,879,416	42,749,639	163,838,839	-	-
Tax Relief Program	16,998,110	18,118,775	19,106,872	18,978,591	21,537,525	22,183,622	22,943,699	23,471,310	24,368,374	26,616,550
	<u>111,261,735</u>	<u>113,758,259</u>	<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>
NET TAXABLE ASSESSED PROPERTY VALUATIONS	<u>\$ 3,463,244,373</u>	<u>\$ 3,295,901,232</u>	<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>
Tax Levy:										
Real and personal property and tangible tax	\$ 66,948,511	\$ 64,756,309	\$ 62,359,964	\$ 60,678,892	\$ 59,430,967	\$ 57,215,357	\$ 56,864,263	\$ 57,044,768	\$ 56,830,394	\$ 56,350,234
Motor vehicle tax	4,924,475	5,561,915	5,253,713	5,133,679	5,118,101	5,112,255	4,995,985	2,518,067	2,183,732	2,756,369
TOTAL TAXES ASSESSED, NET OF EXEMPTIONS	<u>\$ 71,872,986</u>	<u>\$ 70,318,224</u>	<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>

**TOWN OF COVENTRY, RHODE ISLAND
TAX COLLECTOR'S ANNUAL REPORT
For the Fiscal Year Ended June 30, 2018**

TAX YEAR END	BALANCE July 1, 2017	CURRENT YEAR ASSESSMENT	ADDITIONS	ABATEMENTS	REFUNDS/ADJUSTMENTS	AMOUNT TO BE COLLECTED	CURRENT YEAR COLLECTIONS	June 30, 2018
2017	\$ -	\$ 71,872,986	142,656	\$ (414,470)	\$ 217,362	\$ 71,818,534	\$ 71,131,497	\$ 687,037
2016	765,303	-	1,862	(13,366)	19,727	773,526	511,455	262,071
2015	290,896	-	158	(5,163)	91	285,982	49,058	236,924
2014	290,613	-	155	(7,556)	49	283,261	19,840	263,421
2013	243,804	-	229	(24,294)	-	219,739	15,291	204,448
2012	229,715	-	-	(6,140)	-	223,575	16,789	206,786
2011	168,697	-	-	(5,563)	(577)	162,557	12,634	149,923
2010	104,991	-	-	(4,007)	-	100,984	8,056	92,928
2009	84,114	-	-	(3,793)	-	80,321	5,121	75,200
2008	83,728	-	-	(2,374)	-	81,354	4,970	76,384
2007	58,102	-	-	(1,595)	-	56,507	2,266	54,241
2006	67,347	-	-	(1,019)	-	66,328	1,427	64,901
2005 & Prior	187,848	-	-	-	769	188,617	6,545	182,072
	<u>\$ 2,575,158</u>	<u>\$ 71,872,986</u>	<u>\$ 145,060</u>	<u>\$ (489,340)</u>	<u>\$ 237,421</u>	<u>\$ 74,341,285</u>	<u>\$ 71,784,949</u>	<u>\$ 2,556,336</u>

**SCHEDULE OF MOST RECENT NET
ASSESSED PROPERTY VALUE BY CATEGORY**

DESCRIPTION OF PROPERTY	VALUATIONS December 31, 2016	LEVY
Real property	\$ 3,197,529,325	\$ 67,726,597
Motor vehicles	305,582,548	5,729,681
Tangible personal	71,394,235	1,497,632
TOTAL	<u>3,574,506,108</u>	<u>74,953,910</u>
Less exemptions	111,261,735	(3,080,924)
NET ASSESSED VALUE	<u>\$ 3,463,244,373</u>	<u>\$ 71,872,986</u>

**RECONCILIATION OF CURRENT YEAR
PROPERTY TAX REVENUE**

Current year collections	\$ 71,784,949
Less: Refunds, adjustments	<u>(160,670)</u>
July - August 2018 Collections Subject to 60 - day FY 2018 Accrual	<u>235,776</u>
July - August 2017 Collections Subject to 60 - day FY 2017 Accrual	<u>(207,798)</u>
Current Year Property Tax Revenue	<u>\$ 71,652,257</u>

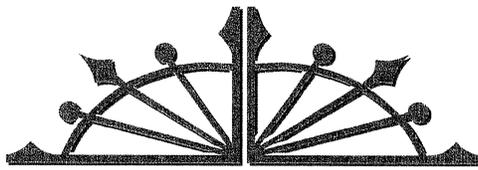
TOWN OF COVENTRY, RHODE ISLAND
Schedule of long-term liabilities - Primary Government
For the fiscal year ended June 30, 2018

	Date of Issuance	Interest Rate	Date of Maturity	Authorized	Outstanding July 1, 2017	Additions	Maturities During Year	Outstanding June 30, 2018	Interest Paid
General Obligation Bonds Payable									
GO Bond Refunding	10/27/11	2.00% to 3.375%	11/01/21	\$ 13,770,000	6,815,000	\$ -	\$ 1,405,000	\$ 5,410,000	\$ 191,675
GO Bond	3/17/15	2.12% to 4.00%	3/15/35	15,860,000	14,685,000	-	615,000	14,070,000	430,756
RIHEBC GO Bond	4/23/13	2.00% to 4.00%	04/01/27	12,520,000	9,490,000	-	860,000	8,630,000	301,131
GO Bond	4/11/12	3.00% to 4.00%	04/01/27	4,330,000	3,260,000	-	280,000	2,980,000	112,531
GO Bond	3/16/16	3.00%	3/15/36	5,880,000	5,855,000	-	305,000	5,550,000	175,650
GO Bond	3/30/17	3.00% to 4.00%	3/15/37	5,100,000	5,100,000	-	190,000	4,910,000	175,950
General obligation bonds payable				57,460,000	45,205,000	-	3,655,000	41,550,000	1,387,693
Issuance premium on bonds					1,246,028	-	78,865	1,167,163	-
Total general obligation bonds payable				57,460,000	46,451,028	-	3,733,865	42,717,163	1,387,693
Loans Payable									
RI Infrastructure Bank	9/3/14	.26% to 2.01%	9/1/24	340,000	276,000	-	32,000	244,000	5,640
RI Infrastructure Bank	5/28/15	.33% to 2.55%	9/1/29	900,000	775,009	54,567	58,000	771,576	17,186
Total loans payable				1,240,000	1,051,009	54,567	90,000	1,015,576	22,826
Total general obligation bonds and loans payable				58,700,000	47,502,037	54,567	3,823,865	43,732,739	1,410,519
Sewer Loans Payable									
RI Infrastructure Bank	12/6/06	1.33%	9/1/27	3,205,000	1,905,000	-	158,000	1,747,000	34,767
RI Infrastructure Bank	12/12/07	3.75% to 5.08%	9/1/28	5,000,000	3,231,000	-	240,000	2,991,000	56,482
RI Infrastructure Bank	6/28/12	0.47% - 2.99%	9/1/32	2,400,000	2,181,000	-	111,000	2,070,000	65,859
RI Infrastructure Bank	6/6/13	0.82% - 3.23%	9/1/34	2,400,000	2,201,000	-	100,000	2,101,000	51,914
RI Infrastructure Bank	10/6/09	.7%-2.64%	9/1/29	2,564,519	1,804,727	-	117,777	1,686,950	44,293
RI Infrastructure Bank	9/3/13	4.25%	9/1/28	8,225,000	6,960,000	-	455,000	6,505,000	309,466
All American Investment	5/1/17	3.79%	5/15/27	750,000	750,000	-	63,079	686,921	28,425
All American Investment	5/1/17	5.25%	5/15/27	450,000	450,000	-	35,362	414,638	23,625
Total Sewer loans payable				24,994,519	19,482,727	-	1,280,218	18,202,509	614,831
Total bonds and loans payable				\$ 83,694,519	66,984,764	54,567	5,104,083	61,935,248	2,025,350
Accrued expenses									
Compensated absences					3,956,790	168,743	-	4,125,533	n/a
Net pension liability					159,981,156	1,602,409	-	161,583,565	n/a
Net OPEB liability					17,577,645	-	470,643	17,107,002	n/a
Total accrued expenses					181,515,591	1,771,152	470,643	182,816,100	
Total long-term liabilities					248,500,355	\$ 1,825,719	\$ 5,574,726	\$ 244,751,348	

**TOWN OF COVENTRY, RHODE ISLAND
COMPUTATION OF LEGAL DEBT MARGIN
June 30, 2018**

Grossed assessed value	\$ 3,574,506,108
Less: exemptions and adjustments	(111,261,735)
Total taxable assessed value	\$ 3,463,244,373
Debt Limit - 3 percent of total assessed value	\$ 103,897,331
Amount of debt applicable to debt limit:	
Total bonded debt-governmental bonds	27,510,000
Legal debt margin	\$ 76,387,331

***TOWN OF COVENTRY, RHODE ISLAND
SINGLE AUDIT
FOR THE YEAR ENDED JUNE 30, 2018***



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, 2018, 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 14, 2019

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

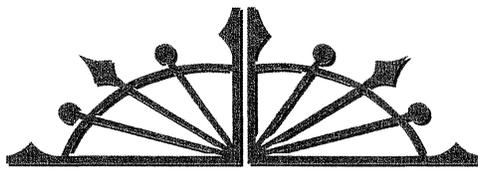
The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in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

A handwritten signature in cursive script that reads "Baxter, Dansereau & Associates, LLP". The signature is written in black ink and is positioned above the printed name of the firm.

Baxter, Dansereau & Associates, LLP

West Warwick, Rhode Island

February 14, 2019



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, 2018. 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, 2018.

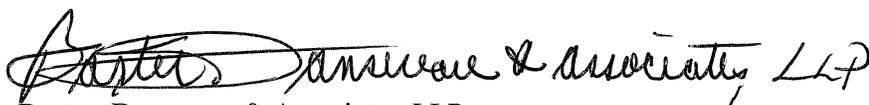
Report on Internal Control Over Compliance

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 14, 2019

TOWN OF COVENTRY, RHODE ISLAND
Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2018

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Expenditures
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	\$ -	\$ 131,225
National School Lunch Program	10.555	N/A	-	596,095
Special School Milk Program for Children	10.556	N/A	-	527
Child Nutrition Discretionary Grants Limited Availability	10.579	N/A	-	4,140
Food Commodity Program - See Note 4	10.555	N/A	-	91,817
<i>Total Child Nutrition Cluster</i>			-	823,804
Fresh Fruit and Vegetable Program	10.582	N/A	-	31,632
Total U.S. Department of Agriculture			\$ -	\$ 855,436
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	\$ -	\$ 49,528
Total U.S. Department of Housing and Urban Development			\$ -	\$ 49,528
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	\$ -	\$ 6,339
Edward Byrne Memorial Justice Assistance Grant	16.738	N/A	-	15,205
Total U.S. Department of Justice			\$ -	\$ 21,544
U.S. Department of Transportation				
<i>Pass-through State of Rhode Department of Transportation</i>				
Alcohol Impaired Driving Countermeasures Incentive Grants I	20.601	N/A	\$ -	\$ 24,703
Total U.S. Department of Transportation			\$ -	\$ 24,703
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	2725-11702-801	\$ -	\$ 574,213
Career & Technical Education - Basic Grants to States	84.048	2725-15302-801	-	247,765
Improving Teacher Quality State Grants	84.367	2725-16402-801	-	183,174
Consolidated Grant to Outlying Areas	84.403	N/A	-	3,919
<i>Special Education Cluster:</i>				
Special Education Grants to States	84.027	2725-13202-801	-	1,382,892
Special Education Preschool Grants	84.173	2725-13502-801	-	29,113
<i>Total Special Education Cluster:</i>			-	1,412,005
Total U.S. Department of Education			\$ -	\$ 2,421,076
U.S. Department of Health & Human Services				
<i>Passed-through the State of Rhode Island Department of Behavioral Healthcare</i>				
Medical Assistance Program	93.778	N/A	\$ -	\$ 451,293
Total U.S. Department of Health & Human Services			\$ -	\$ 451,293
U.S. Department of Homeland Security				
<i>Pass-through State of Rhode Island Emergency Management Agency:</i>				
Hazard Mitigation Grant	97.039	N/A	-	2,599
Emergency Management Performance Grants	97.042	N/A	-	13,363
Homeland Security Grant Program	97.067	N/A	-	25,000
Total U.S. Department of Homeland Security			\$ -	\$ 40,962
Total Expenditures of Federal Awards			\$ -	\$ 3,879,079

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, 2018

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 no

Significant deficiency (ies) identified? yes none reported

Noncompliance material to financial statements noted? yes no

Federal Awards

Internal control over major federal programs:

Material weakness (es) identified? yes no

Significant deficiency (ies) identified? yes 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 no

Identification of major programs:

<i>CFDA Number(s)</i>	<i>Name of Federal Program or Cluster</i>
	<i>Special Education Cluster</i>
84.027	Special Education Grants to States
84.173	Special Education Preschool Grants
93.778	Medical Assistance Program

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

Auditee qualified as low risk auditee? yes no

SECTION II – FINANCIAL STATEMENT FINDINGS yes none

SECTION III – FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS yes none

TOWN OF COVENTRY, RHODE ISLAND
Schedule of Findings and Questioned Costs
For The Year Ended June 30, 2018
(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. Findings

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, 2018

PRIOR YEAR FINDINGS AND QUESTIONS COSTS FOR FEDERAL AWARDS

A. Findings

None Reported

B. Questioned Costs

Finding - 2018-001

Material Weakness – New Finding

MEDICAL ASSISTANCE PROGRAM – 93,778

Federal Award Agency: U.S. Department of Health and Human Services

Passed through – State of Rhode Island Department of Health

Award Year: 2016-2018 Fiscal Year ended 6/30/2018

Condition

During or audit it was noted that some of the final time sheets submitted to the payroll clerk did not agree to the original time sheets prepared by the employee or service provider. In each case the time worked for that employee was increased. Time sheets were altered prior to their final submission to the payroll clerk. Also we noted during our inquiry and testing of compliance program officials could not provide us with documentation that would support the billing for services provided to their clients. This documentation would have been used to bill the State of Rhode Island (BHDDH) for reimbursement and also support the amount of remittance received by the program. It appeared that the program was billing the state for the maximum allowed for each client they serviced.

Criteria

The Town of Coventry maintains a federally funded health care services organization through the Coventry Resource and Senior Center called “Project Friends”. This program works in coordination with the State of Rhode Island Department of Behavioral Healthcare, Developmental Disabilities, and Hospitals (BHDDH) and is regulated by the “Rules and Regulations for the Licensing of Developmental Disability Organizations. Under the Federal Uniform Guidance (200.52 Improper Payment) and state laws (Section 9.0 – Program Documentation Requirements of the Rules and Regulations for the Licensing of Developmental Disability Organizations) the provider shall maintain program documentation and records for all services provided and for all request for reimbursement under the program.

Questioned Cost: Unknown

Cause:

We were not able to discuss the reasons for the missing documentation or for the discrepancies in the employee’s timesheets due to the fact that the former program director had since retired and other individuals were not able to provide us with complete answers. It appears from our review of the documentation that was available time sheets were intentionally changed to increase the pay of certain individuals and billing for services were arbitrarily charged for program clients.

TOWN OF COVENTRY, RHODE ISLAND
Schedule of Prior Year Findings and Questioned Costs
For the Year Ended June 30, 2018

SECTION III – FINDINGS AND QUESTIONED COST FOR FEDERAL AWARDS (continued)

Effect:

The State of Rhode Island and the Federal Government program may have been overcharged for program services related to the clients they served.

Auditor's Recommendation:

Town officials should meet with current employees who are running the program and develop written procedural controls that provide for the safeguarding and accurate reporting of federal funds and there request for reimbursement. These controls should follow the federal and state guidelines noted in the *criteria* above. As with any well written internal control procedure it is the execution of the process and its follow up that makes the system work.

Views of Responsible Officials and Planned Corrective Actions:

During the course of the audit, the DHS staff fully cooperated with the auditor; however some documentation was missing and the former director was retired and not available to answer questions that the then-current DHS staff didn't know the answers to. Immediately following the departure of the former DHS Director, Town officials met in early July 2018 with the then Interim Director regarding billing and payroll inconsistencies within the Project Friends program. Written procedures were developed and implemented in July 2018 that includes the following:

- All Project Friends employees will use a time clock at the start and end of their work shift when working during normal work hours. A biometric timeclock was installed in at DHS in August 2018.
- The time clock is not able to be utilized for the family support functions that take place after hours during the week and/or weekends. Employees involved in these support functions are now required to complete case notes on the family support date and sign out sheets for the after hours worked.
- Both the supervisor and coordinator of the Project Friends program shall sign all the case notes to insure the work being claimed has actually been completed.
- All program documentation and records for all services provided as well as all requests for reimbursement under the program shall be kept in a manner that is consistent with the requirements set forth by the Federal Uniform Guidance (200.52 Improper Payment) and state laws (Section 9.0 – Program Documentation Requirements of the Rules and Regulations for the Licensing of Developmental Disability Organizations).
- Any deviation from the schedule needs to be authorized by the Project Friends supervisor who also now is responsible for the billing.
- Employees and client families may also receive a call from the administrative assistant or Project Friends supervisor during the family support time to verify the hours are in fact being provided.

TOWN OF COVENTRY, RHODE ISLAND
Schedule of Prior Year Findings and Questioned Costs
For the Year Ended June 30, 2018

SECTION III – FINDINGS AND QUESTIONED COST FOR FEDERAL AWARDS (continued)

- Mileage reimbursement claims submitted by Project Friends employees must be made on an official Town Mileage Reimbursement Request Form. The mileage to and from each individual trip must be stated. When signing the Form, the Project Friends Supervisor and DHS Director (or his/her designee) is attesting that the mileage is accurate.
- All future hiring in the Project Friends program is now subject to approval by the Town of Coventry Human Resources department.

On a go-forward basis, the Town is confident that the creation, implementation, and execution of these new procedures/controls will provide for the safeguarding of information and the accurate reporting of all Project Friends activities.

Status: Implemented

TOWN OF COVENTRY, RHODE ISLAND
Notes to Schedule of Expenditures of Federal Awards
June 30, 2018

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, 2018. 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 – School Lunch Commodities*

Nonmonetary assistance is reported in the Schedule of Expenditures of Federal Awards at the cost of commodities provided by the School Lunch Program. The total federal share of these commodities was \$91,817 for the fiscal year ended June 30, 2018. The amounts have been included in the schedule of expenditures of federal awards under CFDA 10.555.