

**New Issue****Rating: See "Rating" herein**

*In the opinion of Taft & McSally LLP, Bond Counsel, based upon an analysis of existing law and assuming, among other matters, compliance with certain covenants, interest on the \$7,985,000 General Obligation Bonds, 2021 Series A (the "Bonds") is excluded from gross income for federal income tax purposes under the Internal Revenue Code of 1986 as amended (the "Code"). Interest on the Bonds will not be included in computing the federal alternative minimum tax of individuals. Under existing law, income from the Bonds is free from taxation by the State of Rhode Island (the "State") or any political subdivision or other instrumentality of the State, although Bonds and the income therefrom, including any profit made on the sale thereof, may be included in the measure of Rhode Island estate taxes and certain Rhode Island corporate and business taxes. Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the accrual or receipt of interest on the Bonds. See "TAX STATUS" and "APPENDIX C" herein.*

**Town of North Kingstown, Rhode Island**  
**Relating to**  
**\$7,985,000**  
**GENERAL OBLIGATION BONDS, 2021 SERIES A**

**Dated: March 18, 2021**

**Due: April 1, 2022 – 2041 (as shown below)**

The Bonds are issuable only as fully registered Bonds without coupons, and, when issued, will be registered in the name of Cede & Co., as Bondowner and nominee for The Depository Trust Company ("DTC"), New York, New York. DTC will act as securities depository for the Bonds. Purchases of the Bonds will be made in book-entry form, in the denomination of \$5,000 or any integral multiple in excess thereof. Purchasers will not receive certificates representing their interest in Bonds purchased. So long as Cede & Co. is the Bondowner, as nominee of DTC, references herein to the Bondowners or registered owners shall mean Cede & Co., as aforesaid, and shall not mean the Beneficial Owners (as defined herein) of the Bonds. So long as DTC, or its nominee Cede & Co., is the Bondholder, principal and semiannual interest payments will be made directly to such Bondholder. Principal of and interest on the Bonds will be payable to DTC by U.S. Bank National Association, Corporate Trust Department, Boston, Massachusetts, as Paying Agent. Disbursement of such payments to the DTC Participants is the responsibility of DTC and disbursements of such payments to Beneficial Owners is the responsibility of the DTC Participants and the Indirect Participants, as more fully described herein. (See "THE BONDS—Book-Entry Only System" herein.) **Interest is computed on the basis of a 360-day year consisting of twelve 30-day months.**

The Bonds will be dated the date of delivery. Interest on the Bonds will be payable on October 1, 2021 and semiannually thereafter on April 1 and October 1 of each year at the rates as shown in the maturity schedule below. Principal of the Bonds will be payable on April 1 as shown in the maturity schedule below.

<b>Maturity April 1</b>	<b>Principal Amount</b>	<b>Interest Rate</b>	<b>Price or Yield</b>	<b>CUSIP No. †</b>	<b>Maturity April 1</b>	<b>Principal Amount</b>	<b>Interest Rate</b>	<b>Price or Yield</b>	<b>CUSIP No. †</b>
2022	\$200,000	4.00%	0.26%	660325ZR5	2029	\$420,000	4.00%	1.14%	660325ZY0
2023	200,000	4.00	0.31	660325ZS3	2030	420,000	4.00	1.28	660325ZZ7
2024	425,000	4.00	0.44	660325ZT1	2038	420,000	3.00	109.688*	660325A68
2025	425,000	4.00	0.56	660325ZU8	2039	420,000	3.00	109.307*	660325A76
2026	425,000	4.00	0.70	660325ZV6	2040	420,000	3.00	108.928*	660325A84
2027	425,000	3.00	0.84	660325ZW4	2041	420,000	3.00	108.550*	660325A92
2028	425,000	3.00	0.98	660325ZX2					

\$2,940,000 3.50% Term Bond due April 1, 2037 to Yield 1.70%, Price 116.488\* CUSIP No. † 660325 A50

\*Priced to the stated yield to the April 1, 2031 optional redemption date at the redemption price of 100%.

†CUSIP® is a registered trademark of the American Bankers Association (ABA). The numbers have been assigned by an independent company not affiliated with the Town, Underwriters or the Financial Advisor and are included solely for the convenience of the holders of the Bonds. None of the Town, the Financial Advisor or the Underwriters is responsible for the selection or uses of the CUSIP numbers, and no representation is made as to their correctness on the Bonds or as indicated above. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of such maturity.

**The Bonds are subject to redemption prior to maturity as described herein.**

**The Bonds will not be designated as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code.**

*The Bonds are offered for delivery when, as, and if issued, subject to the final approving opinion of Taft & McSally LLP, Cranston, Rhode Island, Bond Counsel to the Town, and to certain other conditions referred to herein. Certain legal matters will be passed upon for the Underwriters by its counsel, Partridge Snow & Hahn LLP, Providence, Rhode Island. PFM Financial Advisors LLC is serving as municipal advisor for the Town in connection with the issuance of the Bonds. It is expected that the Bonds in definitive form will be available for delivery to DTC in New York, New York, or to its Custodial Agent, on or about April 1, 2021.*

**Piper Sandler & Co.**

**Ramirez & Co., Inc.**

Official Statement Dated March 18, 2021

## TABLE OF CONTENTS

	<u>Page</u>
<b>THE BONDS.....</b>	<b>1</b>
Description of the Bonds .....	1
Record Date.....	1
Authorization and Purpose of the Bonds .....	1
Book-Entry-Only System .....	1
Sources and Uses of Funds .....	3
Redemption Prior to Maturity .....	4
Security for the Bonds .....	4
<b>TOWN OF NORTH KINGSTOWN .....</b>	<b>6</b>
General .....	6
Government.....	6
Public Education .....	7
Government Services .....	8
Risk Management .....	10
Employee Relations.....	12
Employee Retirement Plans .....	12
Other Post-Employment Benefits .....	15
<b>ECONOMIC CHARACTERISTICS.....</b>	<b>16</b>
Population.....	16
Employment .....	16
Unemployment .....	17
Top Ten Largest Employers.....	17
Income Levels.....	17
Housing and Building Permits .....	18
<b>ECONOMIC DEVELOPMENT AND OUTLOOK .....</b>	<b>18</b>
Industrial Development .....	18
Quonset Business Park .....	18
Commercial Development .....	19
<b>BUSINESS TAX EXEMPTIONS AND ECONOMIC DEVELOPMENT TAX INCENTIVE .....</b>	<b>20</b>
<b>MUNICIPAL PLANNING AND DEVELOPMENT .....</b>	<b>20</b>
Planning.....	20
Zoning and Subdivision Regulation.....	21
Growth Management.....	21
<b>PROPERTY TAXES .....</b>	<b>21</b>
General .....	21
Tax Limitations.....	21
Assessed Valuations .....	22
Property Revaluation.....	22
Principal Taxpayers.....	23
Payment in Lieu of Taxes .....	23
Analysis of Property .....	24
Tax Rate, Levy and Collection Records .....	24
<b>TOWN DEBT .....</b>	<b>24</b>
Debt Limit .....	24
Current Outstanding Debt .....	25
Actual Bonded Debt Service Requirements .....	26
Debt Ratios and Debt Per Capita .....	26
Overlapping and Underlying Debt .....	26
Outstanding Bond Authorizations.....	27
<b>TOWN FINANCES .....</b>	<b>27</b>
Budgetary Procedures .....	27
Comparative Budgets .....	28
Tax Anticipation Notes .....	29
State Aid .....	29
Comparative Financial Statements.....	30
Reporting Requirements of Municipalities and School Districts .....	31
State Oversight.....	32
State Aid Intercept.....	33
<b>LITIGATION .....</b>	<b>34</b>
<b>TAX STATUS.....</b>	<b>34</b>
<b>CERTAIN LEGAL MATTERS .....</b>	<b>35</b>
<b>CONTINUING DISCLOSURE .....</b>	<b>35</b>
<b>MUNICIPAL ADVISOR .....</b>	<b>36</b>
<b>UNDERWRITING .....</b>	<b>36</b>
<b>RATING.....</b>	<b>36</b>
<b>MISCELLANEOUS .....</b>	<b>36</b>
APPENDIX A—Financial Statements for the Fiscal Year ended June 30, 2020.....	A—1
APPENDIX B—Proposed Form of Legal Opinion for the Bonds.....	B—1
APPENDIX C—Proposed Form of Continuing Disclosure Certificate .....	C—1

This Official Statement is not to be construed as a contract or agreement between the Town and the purchasers or holders of any of the Bonds. Any statements made in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended merely as opinion and not as representations of fact. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Town since the date hereof.

All quotations from and summaries and explanations of provisions of laws and documents described herein do not purport to be complete and reference is made to said laws and documents for full and complete statements of their provisions.

No dealer, salesman or any other person has been authorized to give any information or to make any representations, other than information and representations contained herein, in connection with the offering of the Bonds, and if given or made, such information or representations must not be relied upon. This Official Statement does not constitute an offer to sell or solicitation of an offer to buy any of the Bonds in any jurisdiction to any person to whom it is unlawful to make such offer or solicitation in such jurisdiction. The information set forth herein has been furnished by the Town and other sources which are believed to be reliable, but is not guaranteed as to accuracy or completeness. Neither the delivery of this Official Statement nor any sale made hereunder shall under any circumstances create any implication that there has been no change in the affairs of the Town since the date hereof.

Upon issuance, the Bonds will not be registered under the Securities Act of 1933, as amended, in reliance upon exemptions contained in such Act. The Bonds will not be listed on any stock or other securities exchange. Any registration or qualification of the Bonds in accordance with applicable provisions of securities laws of the states in which the Bonds may be registered or qualified and the exemption from registration or qualification in other states cannot be regarded as a recommendation thereof. Neither the Securities and Exchange Commission nor any other federal, state or other governmental entity or agency will have passed upon the accuracy of the Official Statement or, except for the Town, approved the Bonds for sale. Any representation to the contrary may be a criminal offense.

The information relating to The Depository Trust Company ("DTC") and the book-entry only system contained in this Official Statement have been furnished by DTC (see "THE BONDS- Book-Entry Only System" herein). No representation is made by the Town as to the adequacy or accuracy of such information. The Town has not made any independent investigation of DTC or the book-entry only system.

The municipal advisor to the Town has provided the following sentence for inclusion in this official statement. The municipal advisor has reviewed the information in this official statement in accordance with, and as part of, its responsibilities to the Town and, as applicable, to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the municipal advisor does not guarantee the accuracy or completeness of such information.

The cover page and inside cover page hereof, this page and the appendices attached hereto are part of this Official Statement.

**OFFICIAL STATEMENT  
of the  
TOWN OF NORTH KINGSTOWN, RHODE ISLAND  
Relating to  
\$7,985,000  
GENERAL OBLIGATION BONDS, 2021 SERIES A**

This Official Statement provides certain information concerning the Town of North Kingstown, Rhode Island (the "Town") in connection with the issuance by the Town of its \$7,985,000 General Obligation Bonds, 2021 Series A (the "Bonds").

**THE BONDS**

**Description of the Bonds**

The Bonds will be dated the date of delivery. Interest on the Bonds will be payable on October 1, 2021 and semiannually thereafter on April 1 and October 1 of each year at the rates as shown in the maturity schedule on the front cover. Principal of the Bonds will be payable on April 1 as shown in the maturity schedule on the front cover.

The Bonds are issuable only as fully registered Bonds without coupons, and, when issued, will be registered in the name of Cede & Co., as Bondholder and nominee for The Depository Trust Company ("DTC"), New York, New York. DTC will act as securities depository for the Bonds. Purchases of the Bonds will be made in book-entry form, in the denomination of \$5,000 or any integral multiple thereof. Purchasers will not receive certificates representing their interest in Bonds purchased. So long as Cede & Co. is the Bondholder, as nominee of DTC, references herein to the Bondholders or registered owners shall mean Cede & Co., as aforesaid, and shall not mean the Beneficial Owners (as defined herein) of the Bonds. See "THE BONDS Book-Entry Only System" below.

Principal of and interest on the Bonds will be paid by U.S. Bank National Association, Corporate Trust Department, Boston, Massachusetts as Paying Agent or a successor thereof to DTC. So long as DTC or its nominee, Cede & Co., is the Bondholder, such payments will be made directly to such Bondholder. Disbursement of such payments to the DTC participants is the responsibility of DTC and disbursement of such payments to the Beneficial Owners is the responsibility of the DTC Participants and the Indirect Participants, as more fully described herein. **Interest on the Bonds is computed on the basis of a 30-day month and a 360 day year.**

For every transfer and exchange of the Bonds, whether in certificated form or otherwise, the Beneficial Owner may be charged a sum sufficient to cover any tax, fee or other governmental charge that may be imposed in relation thereto. Adequate indemnification may be required to replace any lost, stolen or destroyed Bonds, whether in certificated form or otherwise.

**Record Date**

The Record Date for the payment of interest on the Bonds is the fifteenth day preceding the interest payment date or, if such a day is not a business day of the Paying Agent, the next preceding day which is a regular business day of the Paying Agent.

**Authorization and Purpose of the Bonds**

Bonds in the amount of \$7,985,000 are authorized pursuant to Chapters 122/131 of the Rhode Island Local Laws of 2018 and resolutions passed by the Town Council on March 16, 2020, August 17, 2020 and February 22, 2021 to finance construction, renovations, remediation, alterations, additions and other improvements and/or related equipment for Town purposes.

**Book-Entry-Only System**

*This section describes how ownership of the Bonds is to be transferred and how the principal of, premium, if any, and interest on the Bonds are to be paid to and credited by The Depository Trust Company ("DTC") while the Bonds are registered in its nominee name. The information in this section concerning DTC and the Book-Entry-Only System has been provided by DTC for use in disclosure documents such as this Official Statement. The Town believes the source of such information to be reliable, but takes no responsibility for the accuracy or completeness thereof.*

*The Town cannot and does not give any assurance that (1) DTC will distribute payments of debt service on the Bonds, or redemption or other notices, to DTC Participants, (2) DTC Participants or others will distribute debt service payments paid to DTC or its nominee (as the registered owner of the Bonds), or redemption or other notices, to the Beneficial Owners, or that they will do so on a timely basis, or (3) DTC will serve and act in the manner described in this Official Statement. The current rules applicable to DTC are on file with the Securities and Exchange Commission, and the current procedures of DTC to be followed in dealing with DTC Participants are on file with DTC.*

DTC, New York, New York, will act as securities depository for the Bonds. The Bonds will be issued as fully-registered Bonds and Notes registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond and Note certificate will be issued for each maturity of the Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com) and [www.dtc.org](http://www.dtc.org).

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the

Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Bonds within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Town as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

All payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Town or the Paying Agent/Registrar, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with Bonds held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent/Registrar, or the Town, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Town or the Paying Agent/Registrar, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the Town or the Paying Agent/Registrar. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

The Town may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Town believes to be reliable, but neither the Town nor the Municipal Advisor take any responsibility for the accuracy thereof.

## **Sources and Uses of Funds**

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The proceeds of the Bonds are to be applied as follows:

### **SOURCES OF FUNDS:**

Principal of the Bonds.....	\$7,985,000.00
Original Issue Premium .....	<u>1,131,642.50</u>
<b>TOTAL SOURCES OF FUNDS .....</b>	<b>\$9,116,642.50</b>

### **USES OF FUNDS:**

Project Funds .....	\$3,200,000.00
Note Principal Repayment .....	5,800,000.00
Note Interest Repayment .....	26,100.00
Costs of Issuance <sup>(1)</sup> .....	<u>90,542.50</u>
<b>TOTAL USES OF FUNDS</b>	<b>\$9,116,642.50</b>

(1) Includes Underwriters' discount and other costs associated with the issuance of the Bonds.

## **Redemption Prior to Maturity**

### *Optional Redemption*

The Bonds maturing on or after April 1, 2032, shall be subject to optional redemption prior to their stated dates of maturity, at the option of the Town, on or after April 1, 2031, as a whole or in part at any time (by lot by DTC), in any order of maturity designated by the Town, at 100% of the aggregate principal amount of the Bonds to be redeemed, together with interest accrued and unpaid to the redemption date.

### *Mandatory Sinking Fund Redemption*

The Bonds maturing on April 1, 2037 are also subject to redemption, in part, on each of the dates of the years and in the respective principal amounts set forth below, at a redemption price of 100% of the principal amount thereof, plus accrued interest to the date of redemption, from mandatory sinking fund installments which are required to be made in amounts sufficient to redeem the principal amount of Bonds specified for each of the dates shown below:

<u>April 1</u>	<u>Principal Amount</u>
2031	\$420,000
2032	420,000
2033	420,000
2034	420,000
2035	420,000
2036	420,000
2037 <sup>†</sup>	420,000

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<sup>†</sup> Maturity

Notice of any redemption of the Bonds, specifying the numbers and other designations of the Bonds to be redeemed, shall be given not more than 60 days nor less than 30 days prior to the date set for redemption by mailing a copy of such notice to DTC or its nominees.

The Town, so long as a book-entry system is used for determining beneficial ownership of the Bonds, shall send any notice of redemption to DTC, or its nominee, as registered owner of the Bonds. Transfer of such notice to the DTC Participants is the responsibility of DTC. Transfer of such notice to Beneficial Owners by DTC Participants is the responsibility of the DTC Participants and other nominees of Beneficial Owners of the Bonds. Any failure of DTC to mail such notice to any DTC Participant, or any failure by any DTC Participant to notify any Beneficial Owner, will not affect the validity of the redemption of the Bonds. The Town can make no assurances that DTC, the DTC Participants or other nominees of the Beneficial Owners of the Bonds will distribute such redemption notices to the Beneficial Owners of the Bonds, or that they will do so on a timely basis, or that DTC will act as described in this Official Statement.

## **Security for the Bonds**

The Bonds will be general obligations of the Town, for the payment of which the full faith and credit, *ad valorem* taxes and general fund revenues of the Town are pledged. The Rhode Island General Laws provide that the Town shall annually appropriate a sum sufficient to pay the principal and interest coming due within the year on all of its general obligation bonds and notes to the extent that monies therefore are not otherwise provided, and that if such sum is not appropriated, it shall nevertheless be added to the annual tax levy. In order to provide such amount, all taxable property in the Town is subject to *ad valorem* taxation without limitation as to rate or amount.

### *Claims for Payment Due*

Rhode Island General Laws Section 45-15-5 permits any person who shall have any claim for money due from any town, for any matter, to present a demand for such claim to the town council and if satisfaction of such claim is not made within 40 days, to commence an action against the town treasurer for recovery of the claim. If judgment is obtained for such debt due and if the treasurer of the town does not have sufficient monies to pay the judgment, Rhode Island General Laws Section 45-15-6 authorizes the town treasurer to apply to any justice of the peace in the town for an order requiring the town to hold a special meeting of the town council "for the speedy ordering and making a tax" to be collected for such purpose. If the town council shall fail to assess voluntarily a tax sufficient to satisfy judgment on a town debt, the Superior Court of the State is authorized to order the assessors of the town "to assess upon the ratable property, and the collector to collect, a tax

sufficient for the payment of the judgment, with all incidental costs and charges, and the expense of assessing and collecting the tax,” pursuant to Rhode Island General Laws Section 45-15-7.

The enforceability of rights or remedies with respect to the Bonds may be subject to bankruptcy, insolvency, reorganization, moratorium, or other laws affecting creditors’ rights or remedies heretofore or hereafter enacted to the extent constitutionally applicable, and their enforcement may also be subject to the exercise of judicial discretion in appropriate cases.

#### *Statutory Lien*

In July 2011, the Rhode Island General Assembly (the “General Assembly”) enacted amendments to Section 45-12-1 of the Rhode Island General Laws (the “July Amendments”) to provide for a statutory lien on *ad valorem* taxes and general fund revenues for the benefit of general obligation debt of cities and towns and for giving priority to general obligation debt in a bankruptcy. The validity and priority of the lien granted by Section 45-12-1 have not been adjudicated in any proceeding brought under Chapter 9 of the United States Bankruptcy Code. The July Amendments provide, in part, that the faith and credit, *ad valorem* taxes and general fund revenues of each city and town are pledged for the payment of principal of, premium and interest on all general obligation bonds and notes of the city or town, whether or not the pledge is stated in the bonds and notes or in the proceedings authorizing their issue and the pledge constitutes a first lien on such *ad valorem* taxes and general fund revenues.

In addition, annual appropriations for payment of financing leases and obligations securing bonds, notes or certificates (“other financing obligations”), have a first lien on *ad valorem* taxes and general fund revenues commencing on the date of each annual appropriation. Amounts appropriated or added to the tax levy to pay principal of, premium and interest on general obligation bonds or notes and payments of other financing obligations are applied to the payment of such obligations. Any municipal employee or official who intentionally violates such provisions of Section 45-12-1 is personally liable to the city or town for any amounts not expended in accordance with such appropriations. The State Superior Court has jurisdiction to adjudicate claims brought by any city or town and to order such relief as the Court may find appropriate to prevent further violations under such provisions of Section 45-12-1. Any municipal employee or official who violates such provisions of Section 45-12-1 is subject to removal.

Section 45-12-1 further provides in part, that: notwithstanding any provision of any other law, including the Uniform Commercial Code, Title 6A of the Rhode Island General Laws: (1) the pledge of *ad valorem* taxes and general fund revenues to the payment of the principal, premium and interest on general obligation bonds and notes and payment of other financing obligations is valid and binding, and deemed continuously perfected from the time the bonds or notes or other financing obligations are issued; (2) no filing need be made under the Uniform Commercial Code or otherwise to perfect the first lien on *ad valorem taxes* and general fund revenues; (3) the pledge of *ad valorem taxes* or general fund revenues is subject to the lien of the pledge without delivery or segregation, and the first lien on *ad valorem taxes* and general fund revenues is valid and binding against all parties having claims of contract or tort or otherwise against the city or town, whether or not the parties have notice thereof; and (4) the pledge shall be a statutory lien effective by operation of law and shall apply to all general obligation bonds and notes and financing obligations of cities, towns and districts and shall not require a security agreement to be effective.

The July Amendments provide that *ad valorem* taxes and general fund revenues may be applied as required by the pledge without further appropriation except for financing obligations which are subject to annual appropriation.

#### *State Aid Intercept*

Rhode Island General Laws Section 45-12-32 creates a mechanism to enhance the creditworthiness of cities and towns in financial stress by providing for a state aid intercept mechanism to pay general obligation bonds and notes. Under the statute, the finance director is required to notify the mayor and the town council if it appears to the finance director that the town is likely to be unable to pay in whole or in part the principal or interest, or both, on any of its bonds, notes or certificates of indebtedness when due. If the mayor or town council, whether or not so notified, finds upon investigation that the payment cannot or is not likely to be made when due, he, she, or they are required to certify the inability or likely inability to the State Director of Revenue (the “Director”). Upon receipt of the certificate, the Director shall immediately investigate the circumstances and, if the Director finds that the city is, or in the Director’s opinion will be, unable to make the payment when due, the Director shall forthwith certify the inability, the amount of the due or overdue payment and the name of the paying agent for the bonds, notes or certificates of indebtedness to the General Treasurer of the State. The Town has never made such a certification.

Notwithstanding any provision of general or special law or any rules or regulations with respect to the timing of payment of state aid payments, not later than three days after receipt of the certification from the Director or one business day prior to the date on which the principal or interest, or both, becomes due, whichever is later, the General Treasurer of the State is required to pay to the paying agent the amount of the due or overdue payment certified to him/her to the extent of the sums otherwise then payable and the sums estimated to become payable during the remainder of the fiscal year, from the State treasury to the town. The amounts so paid to the paying agent are held in trust and exempt from being levied upon, taken, sequestered or applied for any purpose other than paying principal or interest, or both, on bonds, notes or certificates of indebtedness of the town.

For purposes of the statute, the sums otherwise payable from the State treasury to a city or town shall be the funds made available to cities or towns: (i) as state aid pursuant to Chapter 45-13 of the Rhode Island General Laws, but specifically excluding reimbursements to cities and towns for the cost of state mandates pursuant to Section 45-13-9 of the Rhode Island General Laws; (ii) as school housing aid pursuant to Sections 16-7-35 through 16-7-47 of the Rhode Island General Laws, but subject to any pledge to bonds issued to finance school projects by the Rhode Island Health and Educational Building Corporation, and specifically excluding school operations aid provided for in Sections 16-7-15 through 16-7-34.3 of the Rhode Island General Laws; (iii) in replacement of motor vehicle and trailer excise taxes pursuant to Chapter 44-34.1 of the Rhode Island General Laws; (iv) from the public service corporation tax pursuant to Chapter 44-13 of the Rhode Island General Laws; (v) from the local meal and beverage tax pursuant to Section 44-18-18.1 and the hotel tax pursuant to Section 44-18-36.1 of the Rhode Island General Laws; and (vi) pursuant to all acts supplementing such chapters.

#### *Enforceability of Town Obligations*

Enforcement of a claim for payment of principal of or interest on a bond or note issued by the Town is subject to the applicable provisions of the federal bankruptcy laws and of statutes, if any, hereafter enacted by the federal government or the State extending the time for payment of such obligations or imposing other constitutionally valid constraints upon such enforcement.

Judicial enforcement of statutes such as Rhode Island General Laws Sections 45-15-5 through 45-15-7 described above under the heading “*Claims for Payments Due*”, the statutory lien provided for in Section 45-12-1 and state aid intercepts such as that provided for in Section 45-12-32 are within the discretion of a court. The status of these rights and remedies of owners of bonds and notes in a proceeding to restructure city or town debt under Chapter 9 of the United States Bankruptcy Code, or pursuant to other subsequently enacted laws relating to creditors’ rights, has not been adjudicated.

## **TOWN OF NORTH KINGSTOWN**

### **General**

The Town, settled in 1641 and incorporated as a Town in 1674, covers an area of 54 square miles and is primarily a residential suburb approximately 22 miles south of Providence but is also emerging as an important employment center because of the location of the Quonset Business Park. North Kingstown, with a population of 26,486 as of the 2010 U.S. Census, has a current full value of real and tangible personal property of \$5,424,557,859 as of December 31, 2019 and a budget of \$116,551,205 (i.e. all budgeted funds) for the fiscal year ending June 30, 2021.

Theodore Francis Green Airport is located 12 miles north in the City of Warwick and is accessible via Interstate Route 95.

### **Government**

The Town operates under a home rule charter adopted in 1954, and subsequently amended, providing for a council/town manager form of government with a five-member Town Council headed by a Council President. All legislative powers of the Town are vested in the Town Council by the Charter including the adoption of the Town budget, the ordering of any tax and enacting the necessary ordinances and resolutions for the preservation of public peace, health, safety, comfort and welfare of the residents of the community.

The Town Manager is appointed by a majority vote of the Town Council for an indefinite term solely on the basis of his or her executive and administrative qualifications. The Town Manager is the chief executive officer and head of the administrative branch of government. The Charter grants to the Town Manager the authority to appoint or remove all officers or employees of the Town except the Town Solicitor and School Department employees, to prepare and submit to the Town Council the annual budget and annual report of the Town, to recommend to the Town Council pay schedules for Town employees and to recommend to the Town Council the adoption of such measures as he or she may deem necessary for the health, safety or welfare of the Town. The current Town Manager, A. Ralph Mollis, was appointed in February 2017.

Previously he served as an elected Mayor of the Town of North Providence (1997-2007) and the Rhode Island Secretary of State (2007-2015). Subsequent to serving as Rhode Island Secretary of State he was in the private sector, working in the area of finance, focusing on pensions and business management.

Per the Town Charter, the Town Treasurer is the Town Manager or the person appointed by the Town Manager. Also, per its Charter, the Town Treasurer is also the Director of Finance. Pursuant to a Town Charter Amendment of November 6, 2012, appointments of a department head by the Town Manager, or any employee who reports directly to the Town Manager, requires the advice and consent of the majority of the Town Council. The current Director of Finance and Town Treasurer is James Lathrop. Mr. Lathrop is a Certified Public Accountant and holds a Master's Degree in Public Administration from NYU. He has worked in Municipal Government for over 10 years, holding positions as Deputy Finance Director, Finance Director and Town Manager. He was the 2015 recipient of the RI Public Expenditure Council Goodrich Award for Distinguished Public Service and the 2019 Providence Business News CFO of the Year.

Members of the Town Council are elected on a partisan basis at large for a term of two years. The Charter grants to the Town Council 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, to preserve the public peace, health and safety, to establish personnel policies, to authorize the issuance of bonds and to provide for an annual audit of the Town's accounts.

## Public Education

The general administration of the Town's school system is directed by a five-member School Committee elected on a partisan basis from the Town at large to staggered four-year terms. The School Committee determines and controls all policies affecting the administration, maintenance and operations of the public schools in the Town, appoints a Superintendent of Schools as its chief administrative agent and appoints and removes all school employees upon recommendation of the Superintendent of Schools, except as may be provided otherwise by the laws of the State.

The Town has five elementary schools, two middle schools, one senior high school, and one alternative learning academy.

The School Department has 598 full time equivalent professional staff members comprised of 377 full time equivalent teachers, 192 support staff and 29 administrators. There are approximately 15-25 students per teacher in the system, depending upon grade level. Historically, more than 90% of the graduating students have attended college.

The total cost of operating the public-school system for the 2019-20 school year was \$67,214,755 of which \$14,608,287 came from the State of Rhode Island and other sources and \$52,606,468 came from the Town's 2020 appropriation. The school budget for fiscal year 2021 is \$70,432,526. Set forth below are actual and projected enrollment data for the years indicated (excluding out-of-district students):

	Actual					Projected				
	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Pre-K.....	112	128	113	98	78	90	105	105	106	104
Kindergarten.....	247	214	261	259	222	252	248	255	261	256
Grade 1.....	237	244	237	263	255	237	267	259	266	272
Grade 2.....	234	237	244	226	256	259	226	258	250	257
Grade 3.....	257	239	249	235	233	246	246	227	260	252
Grade 4.....	294	295	246	265	248	227	269	257	238	272
Grade 5.....	277	301	262	251	267	277	245	274	262	243
Grade 6.....	307	324	307	288	270	249	265	261	292	279
Grade 7.....	325	323	287	306	282	289	293	268	264	295
Grade 8.....	321	367	327	287	298	300	272	294	269	264
Grade 9.....	383	367	388	391	359	360	347	331	358	327
Grade 10.....	339	316	367	387	378	363	363	345	329	356
Grade 11.....	340	328	371	366	377	377	350	355	337	321
Grade 12.....	326	337	348	370	356	379	370	350	355	337
Totals.....	3,999	3,920	4,007	3,992	3,872	3,905	3,866	3,839	3,847	3,835

In addition to its schools, the Town provides major public services, certain of which are described below.

## **Government Services**

### *Police and Fire Protection*

As of July 1, 2020, the North Kingstown Police Department consisted of 51 law enforcement personnel, 5 full-time civilians (clerical and custodian), 8 civilian dispatchers, 1 full-time and 1 part-time animal control officer and 1 full time and 4 part time harbor personnel. The Town expended \$9,3199,949 in fiscal year 2020 for the police department expenses. The Town's budget for police department expenses for fiscal year 2021 is \$9,968,337.

As of July 1, 2020, the Fire Department had a force of 71 employees including three civilian worker and 68 fire and rescue personnel. The Town expended \$9,890,434 in fiscal year 2020 for fire department expenses. The Town's budget for fire department expenses for fiscal year 2021 is \$9,966,984. The Fire Department is in the third year of a SAFER grant that provides funding for additional fire personnel. The Town will receive \$154,442 in fiscal year 2021.

### *Highway & Public Works*

The Town has approximately 155 miles of paved streets maintained by the Public Works Department. In addition to other services, the department maintains Town property and provides snow removal services. The Town operates a trash transfer station, composting facility and recycling program. Refuse collection for the Town is provided by private collectors. The Public Works Department expended \$4,378,754 in fiscal year 2020. The Department's budget for fiscal 2021 is \$5,907,529.

### *Recreation and Leisure Activities*

The Recreation Department/Leisure Activities Department provides a variety of activities for the Town's youth including field trips, art and creative dramatics, and several sports that are available through the department or through organizations that rely on facilities provided by the Town. These facilities include five major areas for active and passive recreation including boating. They are Ryan Park, Wilson Park, Yorktown Park, Signal Rock Park and McGinn Park. The Recreation Department's Secretary schedules the Cold Spring Community Center, a building used to host meetings, family outings and Recreation Activities. The Town also enjoys 30 miles of shoreline on Narragansett Bay and has its own Town Beach. The Arts Council sponsors numerous activities throughout the Town including Children's and Family Concerts and Theater Productions. The Town and the Wickford Art Association work collectively to hold the Annual Wickford Art Festival in Historic Wickford each July.

The Recreation/Leisure Activities Department is continuing its plan to improve the conditions of the town beach complex, municipal golf course and the Allen Harbor/Calf Pasture Point Recreation Complex that consists of approximately 250 acres on Narragansett Bay including the Allen Harbor Marina and the recently acquired Calf Pasture Point. Funding for the Operation and Maintenance of Municipal Golf Course and the Allen Harbor Marina as well as the planned Capital Improvements for these facilities will come from the proceeds of the operation of the Golf Course and the Marina that are deposited in the Town's Quonset/Davisville Enterprise Account.

The North Kingstown Municipal Golf Course, which is owned and operated by the Town, generated fees in excess of \$1,560,000 and over 40,000 rounds in fiscal year 2020. The golf course remains one of top golf destinations in Rhode Island and hosted the US Open Qualifier in May 2006. Projects recommended by the USGA Greens Section Course Evaluation have been identified and are included in the Golf Course Capital Improvement Plan such as drainage improvements, tee rehabilitation, tree removal, additional car paths, and sand bunker rehabilitation. In 2018, the course replaced its fleet of carts and renovated its driving range. Revenue is projected to be in excess of \$1.6 million for fiscal year 2021.

The Town has expanded the Marina by adding 54 slips and 4 moorings to bring the total number of slips and moorings to 203. The Allen Harbor Capital Improvement Plan has identified a number of projects which include paving, boat ramp rebuild, and the roof recoating of the maintenance shed.

The Town received a grant in 2012 from Rhode Island Department of Environmental Management ("RIDEM") which covered the cost to extend the Quonset Davisville Corporation bike path through Calf Pasture Point as well as some additional work in 2013 to include general site work, signs, benches, trail and bike path improvements, wetlands restoration,

and an overlook structure. This 180-plus-acre waterfront park, connected to Post Road by the newly constructed 2-1/2 mile bike path, is open to the public.

The Town received funding from the RIDEM and Quonset Development Corporation for several projects completed in 2017 and 2018. They include a new ball field in the Quonset Development Park, refurbishing of basketball and tennis courts and the creation of a skate park in the Town's McGinn Park.

#### *Libraries*

The North Kingstown Free Library is governed by the Library Board of Trustees, which is made up of seven (7) members appointed by the Town Council for a three-year term. The North Kingstown Free Library, with a staff of 14 full-time and 4 part-time employees, continues to be one of the seven busiest public libraries in Rhode Island. The library has more than 143,000 books, magazines, newspapers, videos, DVDs, compact discs, and talking books in its collection. In fiscal year 2018 more than 140,000 people visited the library to borrow books, to use the Internet computers, to attend public events, to find information, and to enjoy the warmth and hospitality of one of the most attractive public libraries in Rhode Island. The library staff hosted over 400 public events that were attended by more than 10,000 children, teens, and adults. Library staff answered more than 25,000 reference questions for library patrons. The Library's 38 public Internet computers were used more than 14,000 times. North Kingstown OSL cardholders accessed the Library's 46 online reference databases either here at the library or from their homes more than 67,000 times. In addition to the North Kingstown Free Library, there are two small, non-municipal libraries in North Kingstown: the Willett Free Library in Saunderstown and the Davisville Free Library in Davisville.

#### *Water*

The Town draws groundwater from three aquifers using 11 gravel packed wells. Average system demand is approximately 2.6 million gallons per day (MGD) but can be as high as 8 MGD in the summer months. Maximum daily production for all wells is 8 MGD. Revenue is collected on approximately 85% of total well production.

The Town meters all active service connections. Inactive accounts are charged a quarterly flat fee. Private fire protection services are charged a quarterly fee based on connection size. All Town-owned buildings and sales of water to the Town of Narragansett are metered and charged in accordance with the rate schedule. There is no discount for large volume users. All requests for additional services, such as turn on/off, are charged a service fee of \$25.00. Accounts that fall into arrears are served shut-off notices. The total budget for the Water Department for fiscal year 2021 is \$4,811,629. Ninety-five percent of revenues are from the sale of water. Non-operating revenues such as service fees, lateral charges, penalties, interest and investments make up the remaining five percent of the needed revenue. A full cost of service rate study is nearing completion. The Town's water rates are not regulated by the Rhode Island Public Utilities Commission. The Town Council, by their legislative authority, sets water rates in the Town. The Water Department updates the Clean Water Infrastructure Replacement Plan in accordance with State law every five years.

#### *Sewer*

The Town's Wastewater Facility Plan (Plan) for the Post Road Corridor and Wickford has been approved by the RIDEM. That Plan separated Post Road into two major phases, Post Road North (Route 403 to Austin Road) and Post Road South (Route 403 to State Police Barracks). Each of these phases was further divided into sub-phases to be designed and built over multiple years. The Town Council approved the Plan in the spring of 2012. Installing sewers along Post Road is consistent with the economic development goals of the Planning Commission and Town Council. A bond issue in the amount of \$10 million for sewers and sewage systems was approved by the voters in 2009 and an additional \$9.2 million bond issue was approved by the voters in 2010. The Town completed the first portion of the Post Road South Phase in the spring of 2014 from the \$5 million portion of the bonds approved by the voters in 2009. The Town intends to use \$5 million remaining of the \$10 million of bonds authorized in 2009 to upgrade the Quonset Development Corporation ("QDC") treatment facility. This upgrade will be required when Town sewer flows to the QDC Treatment Facility reaches the threshold number contained in the QDC/Town Wastewater Agreement. The Town completed the second phase of the Post Road South Project in 2016 with \$5 million of the \$9.2 million bonds authorized in 2010. This phase completed the Post Road South phase to the State Police Barracks. The remaining \$4.2 million of the \$9.2 million of bonds authorized by the voters in 2010 was expected to be used for Shore Acres, but the amount is insufficient to complete such a project and therefore there are no present plans to undertake the sewerage of Shore Acres. Bond issues in the amount of \$6.6 million for sewers along the Post Road North corridor, as well as \$4.9 million for sewers in the Wickford Village, were approved by the voters in 2014. The Wickford Village Project was completed in the spring of 2018, with a small extension in 2019.

Future sewer phases include residential areas off Post Road South, Post Road North commercial, residential areas off Post Road North and Poplar Point. Other estimated costs contained in the Plan include Post Road South Residential at \$5 million, additional Post Road North Commercial at \$4 million, Post Road North Residential at \$24 million, Shore Acres at \$13 million, additional Wickford Village and Poplar Point at \$29 million. The establishment of a Sewer Department has resulted in the staffing of two part time employees, with the anticipated need of 3 full time positions in the near future. Current personnel include a part time superintendent to oversee construction and maintenance and a part time clerical employee to handle administration and billing, all to be funded from sewer usage fees. Operation and maintenance costs will also be funded from sewer usage fees.

The Town has created a Sewer Enterprise Fund and initially issued a \$10 million bond anticipation note (the “Notes”) to finance the aforesaid Post Road South sewer projects. The Town refunded the Notes in April 2014 with a long-term loan from Rhode Island Infrastructure Bank (“RIIB”) (formerly Rhode Island Clean Water Finance Agency) in the amount of \$6 million and \$4 million General Obligation Bond issue of April 2014. The Town has passed ordinances intended to recover construction costs through sewer assessments and operation costs through user fees. The single-family residential assessment is \$18,500 per dwelling unit (regardless of frontage), and the multi-family and commercial assessments varies based on the sewer project district. The Town has also passed ordinances intended to recover construction costs through sewer assessments for the recently completed Wickford Sewer Project, which was also financed by \$3,600,000 and \$315,000 long-term loans from RIIB.

## **Risk Management**

### *Climate Change*

The Town has exposure to the potential impacts of sea level rise and climate change with approximately 30 miles of shoreline along Narragansett Bay. The issue of climate change has been at the forefront of planning activities for many years with the Town participating in several planning efforts related to climate change and adaptation. The foundation of our efforts was a pilot project to map assets of the town vulnerable to sea level rise. The second phase of the project assessed the level of risks, identified vulnerable populations, sectors and assets, and provided adaptation strategies by sector. It also tabulated assessed property value of parcels and roadway segments exposed to projected sea level rise scenarios and provided an implementation program. These two efforts have helped the Town to identify our risks and vulnerabilities to the impacts of climate change and provide a foundation for decision-making that will protect assets and mitigate and reduce future fiscal impacts.

The Town has a Natural Hazards and Climate Adaptation element in the comprehensive plan which addresses resilience and climate change. The plan was approved on December 12, 2019. The goals, policies and actions of this element address priority actions to address impacts from natural hazards for the 20-year planning horizon. The overall goal for the element calls for promoting resilience and adaptation to natural hazards and a changing climate to protect lives, infrastructure, resources, and property. Some of the policies found in this element focus on ensuring knowledge of exposure and risk to hazards; supporting efforts to improve resiliency; avoiding or minimizing exposure to natural hazards and climate change; protecting and preserving natural resources to promote resilience and adaptation to natural hazards and climate change; and considering natural hazards and climate change impacts in all long-range planning and critical public facilities and infrastructure projects.

The Town also has a local hazard mitigation plan (HMP) approved on August 23, 2019. The plan includes objectives and actions for the town to minimize the social and economic loss and disruption associated with natural hazard events. An approved HMP makes the town eligible for federal grants and funds for disasters, as well as allowing the town to participate in the National Flood Insurance Program’s (NFIP) Community Rating System Program (CRS). One of the goals of the HMP is to reduce the vulnerability of the Town’s infrastructure. With adequate preparation the Town can significantly reduce the economic and social disruptions caused by natural disasters and reduce the costs of recovery for the Town, local businesses, and residents.

Town staff and commission members reference these reports and plans as they review projects and proposals in determining the long-range capital spending decisions for municipal assets and facilities.

### *Cyber Security*

The Town, like many other public and private entities, relies on a large and complex technology environment to conduct its operations. As recipient and provider of personal, private or sensitive information, the Town may be subject

to cyber threats including, but not limited to, hacking, viruses, malware and other attacks on computer and other sensitive digital networks and systems.

The Town uses Tyler Technology's MUNIS software for its accounting and financial reporting. In September 2020 Tyler experienced a ransomware attack, which compromised its phone and information technology systems. No data for the Town was compromised and the incident was limited to their internal corporate network.

The Town is currently developing policies and procedures utilizing standards of the Center for Internet Security (CIS) Controls<sup>TM</sup>, that will be the framework for continued adoption of defense-in-depth best practices. The Town is also developing a Written Information Security Program (WISP), a document by which the Town will spell out the administrative, technical and physical safeguards for protecting the privacy of the personally identifiable information it stores, in compliance with State law.

Entities or individuals may attempt to gain unauthorized access to the Town's digital systems for the purposes of misappropriating assets or information or causing operational disruption and damage. The Town has implemented policies and procedures to protect against malicious activity targeting critical technology infrastructure, including firewalls and anti-virus and spam software, regular staff training and testing, and nightly onsite and offsite back-ups of critical systems and data to mitigate the risk of losing data in a cyberattack. No assurances can be given that the Town's efforts to manage cyber threats and attacks will be successful or that any such attack will not materially impact the operations or finances of the Town.

#### *Coronavirus (COVID-19) Disclosure*

COVID-19 (Coronavirus Disease 2019) is a new respiratory disease caused by a novel coronavirus that has not previously been seen in humans. On March 9, 2020, the Governor of the State declared a state of emergency to support the State's response to the outbreak of the virus and the Governor has extended the state of emergency until March 17, 2021. On March 11, 2020 the World Health Organization declared COVID-19 a pandemic. On March 13, 2020, the President of the United States declared a national emergency due to the outbreak, which has enabled disaster funds to be made available to states to fight the pandemic. The Town, in consultation with the Rhode Island Department of Health, is actively monitoring the spread of the virus. The Town Manager, in an effort to implement social distancing, required all Town buildings to be opened to the public on an appointment only basis. The Town is adhering to these actions by strictly following the public health recommendations of social distancing guidelines and limiting public gatherings and has implemented restrictions and closures at Town recreational facilities and parks. The Town continues to operate and provide all necessary and essential services, including public safety, public works, release of public information and all necessary financial transactions, among others. The Town Manager has issued communications regarding the Coronavirus and has implemented plans to share health information, updates, and guidance with Town employees and the public. The Town does not expect that Town services will be materially impacted. The Town has also advised Town employees and residents to review standard sanitary protocols which help minimize transmission of contagious conditions generally.

The virus and the resulting actions by national, state and local governments is altering the behavior of businesses and people in a manner that will have negative impacts on global and local economies. There can be no assurances regarding the extent to which COVID-19 will impact the national and State economies and, accordingly, how it may adversely impact municipalities, including the Town. Although the Town does not currently expect material delays or reductions in the collection of taxes and other revenue, these negative impacts may include reduced or delayed collections of property taxes and other revenues, including hotel, meals and beverage tax revenue received from the State, and motor vehicle excise taxes and other fees and charges collected by the Town. COVID-19 has brought on some manageable financial challenges specifically related to the School Department's reopening plan and distance learning requirements. To date, the Town and School Department have incurred costs of approximately \$170,000 in COVID-19 related expenses of which it is expected to receive 75% reimbursement from FEMA; the remaining 25% has been absorbed in their operating budgets. In addition, the School Department's full year reopening costs are estimated to be approximately \$1.8 million. The School Department has received reimbursement by the State through the Cares Act funds and other COVID-19 related grants from the State. Savings in operations and reserve funding will make up the shortfall.

In addition, stock markets in the U.S. and globally have seen significant volatility that have been attributed to coronavirus concerns and may impact the ability of many state and local governments, including the State's Municipal Employees Retirement System, which includes the Town's retirement plans for teachers and municipal employees, to fund municipal pension liabilities in accordance with current funding schedules. While any impact on the local economy is

currently uncertain, the Town's administration is monitoring the impact of COVID-19 and will address such impact as necessary.

## **Employee Relations**

As of July 1, 2020, the Town had 285 full-time employees exclusive of the School Department. The School Department employs 394 full time equivalent professional employees. In addition, there are 171 full time equivalent non-professional employees. Set forth below is the current status of union contracts for school and municipal employees.

Teachers—3-year contract expires June 30, 2022

Firemen—3-year contract expires June 30, 2022

Policemen—3-year contract expires June 30, 2021

Public Works/Clerical—3-year contract expires June 30, 2021

School Support Professionals—3-year contract expires June 30, 2021

## **Employee Retirement Plans**

All eligible employees of the Town are covered by one of two pension plans: The Municipal Employees' Retirement System of the State of Rhode Island (the "Municipal Plan") or the Employees' Retirement System of the State of Rhode Island (the "Teachers' Plan").

### *Municipal Plan*

The Municipal Plan is a cost-sharing multiple-employer public employee retirement system administered by the State. Participants' rights to pension benefits become fully vested after ten years of service. They are also eligible to retire after ten years of service if they have attained age 58 (55 for police and fire) or after 30 years of service (20 years for police and fire) regardless of age. Benefits are equal to 2% of final average salary for each year of service for municipal employees, and 2.5% of final average salary for each year of service for fire and police, with a maximum benefit of 75% of final average salary. Retiree benefits are adjusted annually by 3% (not compounded) to allow for cost-of-living increases under an optional benefit provision adopted by the Town.

The Municipal Plan also provides nonservice-connected disability benefits after five years of service, service-connected disability benefits with no minimum service requirement, vested benefits after ten years of service, survivor's benefits for service-connected death, and certain lump-sum benefits. As of June 30, 2020, 416 active employees (including 115 police and firefighters) were members of the Municipal Plan.

Rhode Island General Law sets contributions of participating employees at 6% of salary (8% for police). An additional 1% of salary is assessed to employees under the optional cost-of-living provision. Annual required contributions are actuarially determined for each separate employer and are assessed to each as a percentage of their participating employees' payroll. The State makes no contributions to the Municipal Plan on behalf of the Town nor does it assume any liability for funding pension benefits for the Town's participants.

Effective July 1, 2012, general employees contribute 1% of their salary per year, and police officers and firefighters contribute 7% to the defined benefit plan, and if the municipality has elected one of the optional cost-of-living provisions, an additional members' contribution of 1% of salary is required. For the defined contribution plan, a 5% contribution, with an additional 2% contribution for employees that do not participate in Social Security, is required.

The following table shows the Town's required contributions and unfunded liability over the past six years:

**Municipal Employees' Retirement System (Municipal Employees)**

<b>Fiscal Year</b>	<b>Actuarially Determined Contribution</b>	<b>Actual Contribution</b>	<b>Percent Contributed</b>	<b>Unfunded Liability<sup>(1)</sup></b>	<b>Funded Ratio</b>
2020	\$ 2,123,699	\$ 2,123,699	100 %	\$ 16,916,215	76 %
2019	2,007,543	2,007,543	100	17,147,370	75
2018	2,066,476	2,066,476	100	20,745,311	69
2017	1,916,344	1,916,344	100	19,620,850	71
2016	1,669,112	1,669,112	100	16,039,252	75
2015	1,737,697	1,737,697	100	15,173,420	75

(1) Assumes asset appreciation of 7.50% and salary growth of 4.00% to 8.00% annually for fiscal years 2015-2016 and payroll growth of 3.25% to 7.25% annually for fiscal years 2017-2020.

A contribution in the amount of \$2,169,737 has been budgeted for fiscal year 2021. The contribution represents 100% of the annual required contributions.

**Municipal Employees' Retirement System (Police Employees)**

<b>Fiscal Year</b>	<b>Actuarially Determined Contribution</b>	<b>Actual Contribution</b>	<b>Percent Contributed</b>	<b>Unfunded Liability<sup>(1)</sup></b>	<b>Funded Ratio</b>
2020	\$ 1,038,338	\$ 1,038,338	100 %	\$ 9,830,302	72 %
2019	908,307	908,307	100	9,869,686	71
2018	910,527	910,527	100	10,665,533	66
2017	825,646	825,646	100	11,001,451	66
2016	860,582	860,582	100	8,467,790	71
2015	644,767	644,767	100	8,200,841	71

(1) Assumes asset appreciation of 7.50% and salary growth of 4.00% to 8.00% annually for fiscal years 2015-2016 and payroll growth of 3.25% to 7.25% annually for fiscal years 2017-2020.

A contribution in the amount of \$1,411,148 has been budgeted for fiscal year 2021. The contribution represents 100% of the annual required contributions.

**Municipal Employees' Retirement System (Fire Employees)**

<b>Fiscal Year</b>	<b>Actuarially Determined Contribution</b>	<b>Actual Contribution</b>	<b>Percent Contributed</b>	<b>Unfunded Liability<sup>(1)</sup></b>	<b>Funded Ratio</b>
2020	\$ 1,526,866	\$ 1,526,866	100 %	\$ 13,241,583	74 %
2019	1,340,527	1,340,527	100	13,614,726	72
2018	1,398,263	1,398,263	100	15,533,422	67
2017	1,395,501	1,395,501	100	15,614,245	67
2016	1,069,831	1,069,831	100	12,263,594	71
2015	758,704	758,704	100	10,853,039	73

(1) Assumes asset appreciation of 7.50% and salary growth of 4.00% to 8.00% annually for fiscal years 2015-2016 and payroll growth of 3.25% to 7.25% annually for fiscal years 2017-2020.

A contribution in the amount of \$1,703,629 has been budgeted for fiscal year 2021. The contribution represents 100% of the annual required contributions.

*School Teachers' Retirement Plan*

The Town provides retirement benefits to its public school teachers through its participation in the Employees' Retirement System of Rhode Island ("ERSRI" or the "Teachers' Retirement System"), a statutory, mandatory, statewide, cost-sharing multi-employer defined benefit plan, which first covered State teachers on July 1, 1949. ERSRI is administered as a unified statewide system by the State Retirement Board, the composition of which is set forth in the pertinent State statute. The assets are held in the custody of the State Treasurer as an undivided single fund.

Effective July 1, 2012, Teachers contribute 3.75% of their salary per year. For Teachers with 20 or more years of service as of June 30, 2012 the contribution rate beginning July 1, 2015 will be 11.0%.

The actuarial valuation prepared by Gabriel, Roeder, Smith & Company uses the entry age normal cost. The valuation assumes an annual salary increase on a scale of age/service. In addition, other actuarial assumptions are made for post-retirement increases and other contingencies as set forth in the published annual reports of the State Retirement Board.

The ERSRI does not maintain separate data for each of its participants. The ERSRI's website contains additional information ([www.ersri.org](http://www.ersri.org)).

The following are comparative highlights for 2016 through 2020 for the Teachers' Retirement System as a whole:

	<b>6/30/2020</b>	<b>6/30/2019</b>	<b>6/30/2018</b>	<b>6/30/2017</b>	<b>6/30/2016</b>
Active Participants	13,474	13,511	13,297	13,310	13,206
Pensioners & Beneficiaries	11,274	11,196	11,320	11,211	11,087
Inactive Participants	4,001	3,888	3,643	3,501	3,313
Market Value of Assets	\$ 3,798,755,901	\$ 3,829,895,134	\$ 3,781,560,920	\$ 3,696,400,551	\$ 3,733,025,598
Employer Contributions	\$ 266,034,899	\$ 249,634,988	\$ 239,092,095	\$ 233,828,518	\$ 225,569,556
Member & Other Misc. Contributions	<u>\$ 50,781,701</u>	<u>\$ 50,054,921</u>	<u>\$ 50,768,637</u>	<u>\$ 50,960,566</u>	<u>\$ 50,458,325</u>
Total Contributions	\$ 316,816,600	\$ 299,689,909	\$ 289,860,732	\$ 284,789,084	\$ 276,027,881
Investment income	139,896,962	233,855,078	282,535,405	391,115,013	-
Total Income Available for Benefit Payments	\$ 456,713,562	\$ 533,544,987	\$ 572,396,137	\$ 675,904,097	\$ 276,027,881
Benefit Payment	\$ (487,783,008)	\$ (378,292,374)	\$ (486,818,998)	\$ (490,467,141)	\$ (490,467,141)
Transfer and Other Adjustments	<u>\$ (69,787)</u>	<u>\$ 364,683</u>	<u>\$ (416,770)</u>	<u>\$ 427,703</u>	<u>\$ 252,229</u>
Excess of Income Over Expenses	\$ (31,139,233)	\$ 155,617,296	\$ 85,160,369	\$ 185,864,659	\$ (214,187,031)
Funded Ratio	56.2%	55.3%	54.9%	54.8%	58.3%

\*Compiled from Employees' Retirement System of Rhode Island - Actuarial Valuation Reports as of June 30, 2016 - 2020.

Actuarial costs and liabilities, as shown in the summary presentation, are determined in the aggregate for the ERSRI. Accordingly, employer contributions are first determined in the aggregate for all participating employers in this multi-employer system and are then expressed as a percentage of the aggregate participating payroll. For fiscal year 2020, the Town applied 60 percent of this factor to its participating payroll (the remaining 40 percent of the employer cost is contributed by the State as well as the full cost of deferred contributions by the State).

As of June 30, 2020, with respect to the ERSRI, Gabriel, Roeder, Smith & Company, independent actuaries advising the State Retirement Board have calculated the pension plan to be fully funded in 18 years.

According to the statutory funding schedule, the combined contributions required each year by the Town and the State will remain relatively level as a percent of payroll as the ERSRI moves toward funding the full actuarial liability. Ultimately, however, because the actuarial funding results in the accumulation of reserves that are invested, the required appropriation will be significantly less than would be required if the ERSRI were on a pay-as-you-go basis.

Over the past six years, the Town has made the following required contributions:

<b>Employees' Retirement System of Rhode Island (Teachers)</b>				
<b>Fiscal Year</b>	<b>Annual Required Pension Cost</b>			
	<b>Pension Cost</b>	<b>Actual Contribution</b>	<b>Percent Contributed</b>	
2020	\$ 4,389,316	\$ 4,389,316	100%	
2019	4,066,401	4,066,401	100%	
2018	3,768,742	3,768,742	100%	
2017	3,991,302	3,991,302	100%	
2016	3,765,968	3,765,968	100%	
2015	3,761,697	3,761,697	100%	

A contribution in the amount of \$5,284,514 has been budgeted for fiscal year 2021. The contribution represents 100% of the annual required pension costs.

### *Hybrid Plan for ERSRI and MERS Participants*

In November 2011, the State enacted the Rhode Island Retirement Security Act (“RIRSA”), which made broad changes to the Teachers’ Plan and the MERS plan effective July 1, 2012. The most significant changes include: (i) changing the structure of the retirement program from a traditional defined benefit plan to a hybrid plan designed with a smaller defined benefit plan and a supplemental defined contribution plan; (ii) changing the automatic COLA from a CPI-related formula to a formula contingent on the actual investment performance over time; (iii) suspension/reduction of the COLA during times when the funded ratio is lower than targeted 80% levels; and (iv) the re-amortization of the Unfunded Actuarial Accrued Liability (UAAL) to 25 years from the 19-year schedule as of June 30, 2010. Currently, all employees in ERSRI and MERS are required to participate in the hybrid plan. For the Teachers’ Plan, teachers not covered by Social Security will participate in additional defined contribution allocations equal to 2% member plus 2% employer. Included within these significant changes are certain rules for transitioning from the defined benefit structure to the smaller defined benefit plan going forward. The changes in the defined benefit plan instituted by RIRSA have been fully reflected in the actuarial valuation beginning with June 30, 2012. These changes resulting from RIRSA are the subject of ongoing litigation which has been preliminarily settled by most parties. See also “Challenges to Pension Reform Under the Employees’ Retirement System of Rhode Island” herein.

RIRSA changed the ERSRI and MERS defined benefit plans to hybrid plans which include a defined contribution plan. The State selected TIAA-CREF to administer the plan. ERSRI and MERS employees contribute 5% of their annual salary into the defined contribution plan, with an additional 2% contribution for those employees that do not participate in Social Security, and the Town must contribute 1% of salary. Participants have a selection of investment options chosen by the State and provided by TIAA-CREF.

### **Other Post-Employment Benefits**

In addition to pension benefits, cities and towns may provide retired employees with health care and/or life insurance benefits. The Governmental Accounting Standards Board (“GASB”) recently promulgated its Statement Nos. 43 and 45, which require public sector entities to report the future costs of these non-pension, post-employment benefits in their financial statements. These new accounting standards do not require pre-funding such benefits, but the basis applied by the standards for measurement of costs and liabilities for these benefits is conservative if they continue to be funded on a pay-as-you-go basis and will result in larger yearly cost and liability accruals than if such benefits were pre-funded in a trust fund in the same manner as traditional pension benefits.

The unfunded liability as of June 30, 2020 was \$18,892,095. Currently, 165 retirees meet the eligibility requirements.

Over the past six years, the Town has made the following contributions:

<b>Fiscal Year</b>	<b>Annual OPEB Cost</b>	<b>Other Post Employment Benefits</b>			<b>Unfunded Liability<sup>(2)</sup></b>	<b>Funded Ratio</b>
		<b>Actual Contribution<sup>(1)</sup></b>	<b>Percent Contributed</b>	<b> </b>		
2020	\$ 1,969,635	\$ 1,534,432	78 %		\$ 18,312,731	7.8 %
2019	2,038,110	1,457,719	72		20,665,575	5.9
2018	2,950,586	2,431,147	94		26,588,314	4.0
2017	3,007,454	1,283,994	43		32,516,538	0
2016	2,881,518	1,045,469	36		32,516,538	0
2015	3,201,523	1,380,037	43		32,970,946	0

(1) Represents pay-as-you go annual requirement.

(2) Assumes 6.25% discount rate for Town, 3.50% for School.

The Town has an OPEB Trust. As of June 30, 2020, the Trust fund had a balance of \$1,552,211. The Town continues to pay for post-employment benefits on a pay-as you-go basis but beginning in fiscal year 2019 the Town began budgeted additional payments to the OPEB Trust. The Town has budgeted \$245,000 in fiscal year 2021.

## ECONOMIC CHARACTERISTICS

### Population

North Kingstown ranks thirteenth among thirty-nine cities and towns in Rhode Island in population, with 26,486 residents according to the 2010 U.S. Census. North Kingstown is the second largest of nine communities in Washington County, having approximately 20% of the total county population.

<u>Year</u>	<u>Population</u>
1980	21,938
1990	23,786
2000	26,326
2010	26,486

Source: U.S. Bureau of the Census.

### Employment

In 2018, the Town of North Kingstown had 1,038 private business and industrial firms subject to employment security taxes, with yearly payrolls which totaled \$864,949,013 and the average number of persons employed was 16,195 according to the most recent statistics. The following is a listing of the various types of industry in the Town covered by the Department of Employment Security:

	<u>Total Wages</u>	<u>Number of Employers</u>	<u>Average Employment</u>	<u>% of Covered Employment</u>
Agriculture, Forestry, Fishing & Hunting	7,241,721	11	88	0.54 %
Utilities	*	1	*	*
Construction	35,694,846	100	521	3.22
Manufacturing	427,520,911	62	6,610	40.82
Wholesale Trade	50,074,920	81	676	4.17
Retail Trade	63,810,791	109	2,016	12.45
Transportation & Warehousing	25,712,102	33	449	2.77
Information	24,406,685	18	191	1.18
Finance & Insurance	24,110,379	47	348	2.15
Real Estate & Rental & Leasing	4,499,457	24	83	0.51
Professional & Technical Services	34,227,407	153	411	2.54
Management of Companies and Enterprises	42,502,603	18	821	5.07
Administrative & Waste Services	23,903,118	81	559	3.45
Educational Services	3,702,341	21	133	0.82
Health Care & Social Assistance	58,538,762	94	1,642	10.14
Arts, Entertainment & Recreation	8,561,470	34	298	1.84
Accommodations & Food Services	16,696,777	63	927	5.72
Other Service Except Public Administration	13,744,723	87	422	2.61
Unclassified Establishments	*	1	*	*
<b>Total</b>	<b>\$ 864,949,013</b>	<b>1,038</b>	<b>16,195</b>	<b>100.00 %</b>

\*Data not shown due to the possibility of identifying data of a specific employer.

Source: RI Department of Labor & Training

Data compiled May 2020, subject to revision.

## Unemployment

The most recent labor market information summary indicates annualized unemployment for the years and months indicated as shown in the following table:

	Annualized								
	2012	2013	2014	2015	2016	2017	2018	2019	
North Kingstown	8.7	9.1	6.1%	4.7%	4.2%	3.5%	3.2%	2.9%	
Rhode Island	10.4	7.4	7.7	6.0	5.3	4.5	5.3	3.2	
United States	8.1	7.4	6.2	5.3	4.9	4.4	4.86	3.7	

	2020 Monthly										
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov
North Kingstown	3.3%	3.3%	4.1%	15.4%	13.4%	9.6%	8.9%	10.0%	7.4%	4.9%	5.5%
Rhode Island	4.1	4.0	5.0	17.9	16.2	12.3	11.5	13.0	10.2	6.5	7.0
United States	4.0	3.8	4.5	14.4	13.0	11.2	10.5	8.5	7.7	6.6	6.4

Source: RI Department of Labor & Training  
Not seasonally adjusted

## Top Ten Largest Employers

Name	Type of Business	# of Employees
General Dynamics Electric Boat	Mfr/Submarine	3,374
134d Air Wing	Air National Guard	1,000
Ocean State Jobbers	Retail	624
Toray Plastics of America	Mfr/Plastic	601
North Atlantic Distributions	Mfr/Machinery	392
RI Army National Guard	Air National Guard	362
Hexagon	Manufacturing	280
Senesco Marine LLC	Mfr/Boats	257
Home Depot	Retail	250
Stop & Shop	Retail	225

Source: Town Finance Department.

## Income Levels

According to the 2015-2019 American Community Survey of the U.S. Census Bureau, median household income for the Town of North Kingstown was \$91,796 compared with \$67,167 for the State as a whole. According to the 2015-2019 American Community Survey of the U.S. Census Bureau, per capita income for the Town of North Kingstown was \$47,120 compared with \$36,121 for the State as a whole.

## **Housing and Building Permits**

The U.S. Census reported a total of 10,743 housing units in the Town in 2000 and 11,327 housing units in 2010; this represents an increase of 584 new units, or a 5.4 percent increase.

Building permits issued by the Town's Building Inspector for the fiscal years indicated and the declared value of construction are as follows:

<b><u>Fiscal Year</u></b>	<b><u>Permits Issued</u></b>	<b><u>Value</u></b>
2009	2,407	\$44,921,630
2010	2,106	23,950,609
2011	2,028	27,810,454
2012	1,906	52,453,429
2013	2,075	33,366,580
2014	2,179	26,689,805
2015	2,917	30,904,478
2016	2,716	41,997,357
2017	1,664	24,793,992
2018	2,668	52,690,849
2019	2,824	47,383,105
2020	2,612	47,505,075

Source: Town Building Inspector

## **ECONOMIC DEVELOPMENT AND OUTLOOK**

Over the past two decades, North Kingstown's economy has emerged as a dominant employment center for the southern Rhode Island region. Employment has grown in industrial, commercial and office sectors.

### **Industrial Development**

About one third of North Kingstown employment is associated with manufacturing and industry. The majority of new manufacturing employment in the Town has been the result of migration of firms into North Kingstown. Eight major employers account for most of the manufacturing employment: Electric Boat Corporation; Toray Plastics of America; Ocean State Jobbers; SENESCO shipbuilding; Finlay Extracts & Ingredients; Fuji Film (formerly Arch Chemicals); NORAD; and Illumination Concepts and Engineering, Inc.

Other significant employers include: 143<sup>rd</sup> Air Wing, Rhode Island Air National Guard; Wal-Mart; Scalabrini Villa; Seafreeze Limited; New England Stone; Maro Display; Dominion Diagnostics; Goldline Controls; Emissive Energy; South County Nursing Center; Hope Valley Industries; Stop and Shop Supermarkets; Dave's Supermarkets; Kohl's; and Home Depot.

### **Quonset Business Park**

The centerpiece of industrial development in North Kingstown is the Quonset Business Park (QBP), which is operated by the Quonset Development Corporation (QDC). The industrial and commerce park complex contains approximately 3,200 acres of land; approximately 300 acres remain available for project development. Currently one out of every fifty jobs in Rhode Island is located at Quonset. Overall, the park area is served by an airport, rail, and deep-water piers and is thus suitable for a wide diversity of manufacturing and port activities. With more than 200 companies, 12,000 full-time and part-time jobs, and the Port of Davisville now the 7<sup>th</sup> largest auto-port in North America, both sea and rail shipping at Quonset Business Park continue to show gains. The complex also includes an 18-hole golf course and marina owned and operated by the Town.

The QBP generates \$1.28 billion in annual income for Rhode Island Families and generates \$128.8 million in taxes for the State annually. The QBP is responsible for over 7% of the State's GDP.

The vision for the Quonset Business Park calls for mixed industrial, commercial, limited service/retail and waterfront uses. The QDC has completed improvements to the freight rail system, internal roadways, a bike path and a limited access highway from Route 4.

Several major facilities have been proposed, have recently expanded or are under construction at Quonset Point/Davisville. Keifer Park, the technology center of Quonset Point Davisville, exemplifies the mixed industrial development that has characterized the growth of the Quonset Business Park. Another area of the park boasting significant current and anticipated growth is Commerce Park, located at the heart of Quonset Point. Here, existing park tenants and new arrivals continue to prosper. The Executive Park area, under development by a private investment firm, the New Boston Group, is developing the “Quonset Gateway” into a mixed-use office and service area to serve existing and future residents of the business park. The Gateway complex currently houses a Kohl’s department store, a new Home Goods store, and a Dave’s Marketplace, as well as several smaller tenants such as Subway, Verizon Wireless and Sally’s Nail Salon. A 110-room Marriot Extended Stay was completed in May 2011. In addition, the Wide World of Indoor Sports indoor recreation facility recently opened a 90,800 square foot structure in the area. Most recently, the Gateway Offices at the Quonset Business Park has been partially completed and occupied. After all of the phases have been completed, this complex will provide over 70,000 square feet of office space. North Davisville and West Davisville are the final areas of the park slated for industrial development. In 2010, the Town and the QDC entered into a Memorandum of Agreement to create a unified development process for all future development at the business park. The review process for projects inside the park has become more streamlined, allowing for a quicker turnaround time for potential tenants. Quonset has also partnered with the RIDEM and the Coastal Resources Management Council to pre-permit all of the vacant properties at the business park for all environmental permitting.

## **Commercial Development**

Post Road (U.S. 1) and the intersection of Routes 4/102 are the primary areas where the larger-scale commercial and shopping plaza uses have located in North Kingstown. Post Road has a typical mix of retail stores, offices, restaurants and services, for a commercial corridor. The Town has adopted zoning and design regulations that implement a number of recommendations of the Post Road corridor study and has adopted such recommendations as a component of the Town Comprehensive Community Plan. These innovative zoning techniques won two Rhode Island American Planning Association Awards, in 2008 and 2009. The Town worked with consultants to update and amend the zoning regulations for the Post Road corridor as well as installing sewer service to the Post Road Corridor to foster additional commercial and residential development. See “THE TOWN OF NORTH KINGSTOWN-Government Services-Sewers” herein.

With the installation of sewers, the Town envisions the Post Road area as having a more high density, village scale development pattern. With sewers and zoning tools in place, this corridor will mature into a “growth center” with a focus towards pedestrian-scale design and architectural improvements. The zoning regulations in place will encourage mixed use development, less reliance on the automobile and increased use of alternative transportation methods such as bicycle, walking and public transportation through the expansion of existing bus services to the area and in conjunction with the commuter rail station at Wickford Junction. It is the continued intent of the Town to encourage redevelopment of the Post Road Corridor through the use of residential and commercial density allowances and other zoning incentives as allowed by the Post Road zoning.

With a diminishing amount of commercially zoned land, it is anticipated that development will continue to focus on redevelopment of sites along Post Road. The Reynolds Farm development is under development for 574 mixed residential units and approximately 20,000 square feet of commercial space, representing the first major project attributable to the installation of sewers.

The Town expects that the commercial sector will continue to grow, particularly in response to development at the Quonset Business Park. Wickford Junction, a commercial project of nearly 300,000 square feet, includes a commuter rail station near the village of Lafayette that was completed in the spring of 2012. The commuter rail station now connects North Kingstown to points in Providence and Boston via rail. The Town began planning for new development opportunities around the Wickford Junction commuter station to capitalize on the construction of the rail station and associated 1,100 car parking garage. Tarbox Toyota completed the construction of a new larger car dealership on eight acres of commercial land on Quaker Lane/Route 2. Wal-Mart completed construction of a 20,000 square foot addition to their commercial building located on Ten Rod Road. Ocean State Community Wellness completed renovations of former YMCA facility on Route 1.

The Town has created a façade improvement program for business on Post Road. \$200,000 has been budgeted for this program in fiscal year 2020.

The Planning Department is responsible for reviewing land development plans and new commercial and residential subdivisions. The Planning Department also continues to manage the phases of the Reynolds Farm development, located on Post Road. The review of building permits is and will be an ongoing process for planning staff for this entire development throughout 2021, until the full build out is compete for the 626 units. The commercial portions of phase one and the Senior Housing are the only areas of this project that require further approval. Other major land development projects, subdivisions, development plan review and zoning applications that received approval in 2017 and that we anticipate construction in 2021 include:

- Wickford Woods (40 units);
- Development plan and zoning approval for a 13,000 square foot CVS at the former park and ride lot; completed and opened December 2020
- Saw Mill Square;
- Dragon Palace Restaurant; Opened end of 2020
- Expansion of Tilted Barn Brewery; Opened December 2020
- West Passage Brewery;
- Development plan review approval for an Organic Farmer Training Facility.

In addition to the above, the Town continually receives and works on smaller applications, to include minor subdivisions, which do go before the Planning Commission for review and administrative subdivisions that are reviewed as received and usually only require staff review.

## **BUSINESS TAX EXEMPTIONS AND ECONOMIC DEVELOPMENT TAX INCENTIVE**

The Town adopted an ordinance in 1997, which allows a phase-in over a period of six years of the assessment on property located at the Quonset Point Davisville Port and Commerce Park. The phase-in applies to any new buildings, new structures or to substantial improvements to existing buildings used essentially for offices, manufacturing or commercial enterprises. The phase-in was expanded town-wide in 2008, and in 2013, further expanded to include retail businesses.

## **MUNICIPAL PLANNING AND DEVELOPMENT**

### **Planning**

The North Kingstown Planning Commission was established in 1946. A full-time professional Planning Department assists this and other boards in the growth management of the Town. The Town adopted a Comprehensive Plan in 1992 that was prepared by a citizen advisory committee under the review of the Planning Commission; the Comprehensive Plan received approval from the State Department of Administration in 1995. The Town submitted the 2018 updated Comprehensive Plan to the State for review. The Plan has received comments from the State and the Town is preparing a response. All responses were received by August 31, 2019. The Comprehensive plan has been completed and accepted by the State and Town Council.

The Department of Planning and Development role is providing information to the public concerning land use, zoning, flood hazard areas, demographics, open space and other Town regulations. The department's staff provides planning, administrative, and technical support to the Town Council, Planning Commission, Zoning Board of Review, Historic District Commission, Community Development Block Grant Program Advisory Committee, Conservation Commission, Economic Development Advisory Board, and Wickford Economic Development Advisory Board. In addition, the department provides assistance to other Town boards such as the Harbor Management Commission, and the Wickford Plan Committee. The department also manages the Town's Technical Review Committee, which provides technical support for projects and applications.

The Planning Department has assisted with Economic Development Advisory Board to work to remove the National Grid easements located along Post Road which inhibit development. The request is based upon the constraints that the easement has on development opportunities for certain Post Road properties, that a joint effort similar to that done with the Department of Transportation/National Grid easements on Route 403 was accomplished, and that removing the easement constraints will make Post Road properties more amenable to new development and redevelopment.

The Department of Planning and Development also prepares the Town's application for the Community Development Block Grant Program and Certified Local Government (CLG) funds.

## **Zoning and Subdivision Regulation**

In May 1998, the Town completed the zoning implementing the Comprehensive Community Plan. The resulting zoning ordinance expanded the number of zones in North Kingstown and directs growth into Town villages. Certain types of uses are restricted by soil limitations and groundwater protection overlay regulation. Subdivision regulations first adopted by North Kingstown in 1946 have been amended a number of times, more recently to implement the Comprehensive Plan, respond to new State Enabling legislation and incorporate conservation development subdivision regulations. The Town has recently updated the Zoning Ordinances to facilitate a more orderly and streamlined review process for commercial and mixed-use development and for the implementation of the Post Road Corridor Plan. The Town has also completed the necessary zoning ordinance updates to implement the Town's Affordable Housing Plan.

## **Growth Management**

In support of the North Kingstown Comprehensive Plan, the North Kingstown Town Council has focused on implementing the Plan through a set of growth management strategies and as a component of the Town budget process, Town departments are asked to document how proposed activities meet the vision of the Town and the Comprehensive Plan.

Over the past few years many of the growth management objectives have been achieved. These activities included the adoption of zoning ordinance amendments; subdivision and land development regulation amendments; the acquisition of farmland development rights; the preparation of cost of community services reports and adoption of wastewater management and revised groundwater protection ordinances. The Town Council also adopted a Water Service Area, which helped recognize the limits of growth in the community and directs growth into areas with existing services.

One component of the Growth Management Program and the Action Plan is the acquisition of farmland development rights. The community electorate expressed their support for this activity in 1998, 2000, and 2006 by approving a total of three \$4.0 million bond referenda for continued acquisitions. The proceeds of the first two bond authorizations, along with federal and state grants and in-kind charitable donations, allowed for the permanent open space preservation of nearly 1,300 acres of land. The 2006 bond, in conjunction with state and federal grant funds, allowed for protection through development rights acquisition of large tracts of land in the groundwater protection areas and the northern, more developed area of Town. In addition, the North Kingstown Town Council annual budgets for transfers to the Town's Open Space Fund. The Town also recently adopted a transfer of developments rights ordinance that will allow for the transfer of development rights from the more rural areas of Town, to the Post Road Corridor, an area targeted for redevelopment. This ordinance in conjunction with the recently adopted Post Road zoning, will allow for better planned growth in the future, while also protecting open space at no cost to the taxpayers of the Town.

## **PROPERTY TAXES**

### **General**

In North Kingstown, the fiscal year begins July 1 with taxes based on the prior December 31 assessment payable on July 31 or quarterly thereafter.

Rhode Island municipalities, including the Town, are restricted from levying general taxes except *ad valorem* taxes upon real and personal property and an excise tax on motor vehicles.

### **Tax Limitations**

Rhode Island General Laws Section 44-5-2 limits the amount by which a city or town may increase its tax levy unless it qualifies for certain exemptions relating to loss of non-property tax revenue, emergencies, payment of debt service and substantial increase in the tax base necessitating significant expenditures. For fiscal year 2013 and thereafter, the tax levy cap is four percent (4.00%) in excess of the prior year levy.

The amount levied by a city or town may exceed the tax levy cap described above if the city or town qualifies under one or more of the following provisions: (1) the city or town forecasts or experiences a loss in total non-property tax revenues and the loss is certified by the State Department of Revenue; (2) the city or town experiences or anticipates an emergency situation, which causes or will cause the levy to exceed the tax levy cap described above; (3) a city or town forecasts or experiences debt services expenditures which exceed the prior year's debt service expenditures by an amount greater than the percentage increase as specified above and which are the result of bonded debt issued in a manner consistent with State

general law or a special act; or (4) the city or town experiences substantial growth in its tax base as the result of major new construction which necessitates either significant infrastructure or school housing expenditures by the city or town or a significant increase in the need for essential municipal services.

Any levy in excess of the tax levy cap described above must be approved by the affirmative vote of at least four-fifths (4/5) of the full membership of the governing body of the city or town and, in the case of a city or town with a financial town meeting, the majority of electors present and voting at the financial town meeting.

Section 44-5-2 provides that nothing contained therein constrains the payment of obligations as described by Section 45-12-1 of the Rhode Island General Laws, which provides that the outstanding notes, bonds and contracts of cities and towns shall be paid and be fulfilled and that the power and obligation of each city and town to pay its general obligation bonds and notes shall be unlimited and each city and town shall levy ad valorem taxes upon all taxable property within the city or town for the payment of such bonds and notes and interest thereon, without limitation as to rate or amount, except as otherwise provided by or pursuant to law.

#### *Motor Vehicle Tax Exemption*

Prior to fiscal year 2018, State legislation required cities and towns to exempt a minimum of \$500 on all motor vehicles subject to taxation. With adoption of the fiscal year 2018 State Budget the State directed implementation of a five-year phase-out of municipal authority to tax motor vehicles. The State will reimburse cities and towns for all lost revenue resulting from the close out of this municipal tax program. The Town's approved budget for fiscal year 2021 included an exemption of \$4,000.

#### **Assessed Valuations**

The following table indicates assessed valuations of taxable real and personal property as of December 31 for the years 2015—2019.

	<u>12/31/2015<sup>(2)</sup></u>	<u>12/31/2016</u>	<u>12/31/2017</u>	<u>12/31/2018<sup>(2)</sup></u>	<u>12/31/2019</u>
Real Estate	\$ 3,952,125,195	\$3,980,396,150	\$4,017,237,425	\$4,454,653,145	\$4,514,121,054
Personal Property	<u>307,977,222</u>	<u>281,053,460</u>	<u>276,956,087</u>	<u>441,539,488</u>	<u>451,981,525</u>
Total	4,260,102,417	4,261,449,610	4,294,193,512	4,896,192,633	4,966,102,579
Less Exemptions <sup>(1)</sup>	<u>155,213,082</u>	<u>148,458,744</u>	<u>151,270,026</u>	<u>157,396,010</u>	<u>179,799,123</u>
Net Total	\$ 4,104,889,335	\$4,112,990,866	\$4,142,923,486	\$4,738,796,623	\$4,786,303,456
Full Value Ratio of Assessment		1.00	1.00	1.00	1.00
Estimated Full Value	\$ 4,104,889,335	\$4,112,990,866	\$4,142,923,486	\$4,738,796,623	\$4,786,303,456

(1) Tax exemptions are applied for on an accrual basis and are allowed as provided under State law.

(2) Statistical Revaluation

#### **Property Revaluation**

The Rhode Island General Laws require that a full real property revaluation shall be completed every nine years by all cities and towns within State and a statistical update every three years. The last full town-wide property revaluation was completed December 31, 2012. The last statistical update was completed December 31, 2018.

## Principal Taxpayers

The following table sets forth the principal taxpayers in the Town and the assessed valuation of the property held by such taxpayers as of December 31, 2019 (FY2021).

<u>Taxpayer</u>	<u>Type of Business</u>	<u>Assessed Value*</u>	<u>% of Total Valuation</u>
National Grid	Electric Utility	\$ 63,000,480	1.32%
Toray Plastics	Polypropylene & Polyester Film	53,420,300	1.12%
Zakopane Real Estate Assoc Inc	Warehouse	17,664,400	0.37%
Heritage Preservation Assoc Ltd Partner	Apartments	17,008,800	0.36%
Lischio Development Company LLC	Apartments	15,849,800	0.33%
Wal-Mart Real Estate Business Trust	Retail Store with Market	15,692,400	0.33%
Reynolds Farm Apartments	Apartments	15,613,400	0.32%
Unison Hunt River	Commercial Retail Real Estate	15,553,700	0.27%
Home Depot USA Inc	Building Supply Store	13,090,700	0.27%
Millcreek Limited Liability Co	Apartments	12,551,500	0.26%

\*Agreed upon values upon which assessments are based.

## Payment in Lieu of Taxes

The following are taxed under Payment in Lieu of Taxes (PILOT) Agreements which are not part of the Town's assessed valuation.

<u>Taxpayer</u>	<u>Type of Business</u>	<u>Assessed Valuation*</u>	<u>FY2021 PILOT</u>
Electric Boat Corporation	Submarine Components	\$ 40,045,475	\$ 1,670,000
Zakopane Realty	Corporate Office & Warehouse	27,041,430	462,138
Infinity Meal	Prepared foods	6,776,000	155,000
Hexagon Metrology Inc	Office & Warehouse	9,280,300	158,600
Finlays	Coffee/Tea Manufacturer	3,607,700	75,000
Flex Tech	Flexible Warehousing and Office Space Facility	2,559,100	65,000
Edesia Nutrition	Food Manufacturer	440,000	15,324
Nexamp	Solar Farm	392,876	7,500

\*Agreed upon values on which PILOT payments are based.

The Town also receives PILOT payments from QDC that is equal to 15% of its annual rents. For fiscal year 2021 the Town has budgeted \$1,068,294 from QDC.

The Town competed a new agreement with Electric Boat that increased their pilot payment to \$1,670,000 for fiscal year 2021. The Town's fiscal year 2021 budgeted payments total \$2,608,562, which does not include the \$1,068,294 mentioned below.

## Analysis of Property

The following table shows an analysis of taxable real and personal property in the Town, assessed as of December 31, 2019 and as reflected in the Tax Rolls for the fiscal year ended June 30, 2021:

% of Total Assessed Valuation			
	<u>Town</u>	<u>State</u>	
Residential	75.97 %	76.97 %	
Commercial/Industrial	16.40	16.73	
Tangible	3.83	4.02	
Motor Vehicle	3.80	2.28	
	100.00 %	100.00 %	

## Tax Rate, Levy and Collection Records

Fiscal Year Ended	Taxes Levied for the <u>Fiscal Year</u>	Collected within the <u>Fiscal Year of the Levy</u>		Amount Uncollected <u>as of 6/30/20</u>	Amount Collected in Subsequent Years <u>as of 6/30/20</u>	Total Collections <u>as of 6/30/20</u>	Total Collected Amount as a Percentage <u>of Levy</u>
		<u>Amount</u>	<u>Percentage</u>				
<u>30-Jun</u>	<u>Fiscal Year</u>						
2021 <sup>(1)</sup>	\$ 82,739,500	\$ 45,669,000	55.20%	-	-	-	-
2020	82,149,686	80,318,105	97.77	\$ 1,831,581	-	\$ 80,318,105	99.77 %
2019	79,743,217	78,683,122	98.67	280,544	\$ 779,551	79,462,673	99.65
2018	77,179,000	75,200,739	97.44	119,161	1,859,100	77,059,839	99.85
2017	74,961,075	73,113,804	97.54	140,613	1,706,658	74,820,462	99.81
2016	73,845,736	71,826,526	97.27	141,049	1,878,161	73,704,689	99.81
2015	71,703,472	69,791,872	97.33	97,696	1,843,904	71,602,776	99.86
2014	70,092,179	68,130,329	97.20	89,493	1,872,357	70,002,686	99.87
2013	69,092,967	67,235,236	97.31	75,997	1,781,734	69,016,970	99.89

Source: Town of North Kingstown Tax Assessor and Finance Departments

(1) Collections through 12/30/2020.

The Town has an annual tax sale for prior year delinquent real property taxes. Due to COVID-19 the 2020 tax sale was cancelled. A tax sale (including water and sewer delinquencies) is scheduled for May/June 2021 and will be done virtually. Delinquent automobile excise taxes are collected in cooperation with the Rhode Island Registry of Motor Vehicles. If automobile taxes have not been paid, registration renewals are not mailed to the taxpayer and information is supplied to the Registry of Motor Vehicles and the taxpayer. Motor vehicles may not be re-registered until taxes are paid in full. After 2 years, all unpaid tax accounts are turned over to a collection agency. Other delinquent personal property taxes are collected through delinquency notices and use of collection with legal action by the Town Solicitor. The Town assesses an interest charge of 12% per annum on delinquent accounts.

## TOWN DEBT

### Debt Limit

Except as provided below, under Rhode Island law the Town may not, without special statutory authorization or ministerial approval by the Auditor General of the State (described below), incur any debt which would increase its aggregate indebtedness not otherwise excepted by law to an amount greater than 3% of the full assessed value of the taxable property within the Town. Deducted from the computation of aggregated indebtedness is the amount of any borrowing in anticipation of taxes authorized by law and the amount of any fund held on account to pay such indebtedness maintained by the Town. In computing the value of taxable property, motor vehicles and trailers are valued at full value without regard to assessed value reductions provided for in other sections of the general laws. In July 2007, the Rhode Island State Legislature enacted legislation providing for ministerial approval by the State's Auditor General of debt outside of the 3% debt limit for communities with an "A" rating or better, if the community satisfies certain requirements. The 3% debt limit of the Town is \$143,589,103 based on net assessed valuations of \$4,786,303,456 as of December 31, 2019. As of June 30, 2020, the Town had \$0 debt outstanding under the 3% debt limit provision or under the ministerial approval process. All other outstanding

general obligation debt has been authorized by special act of the Rhode Island State Legislature and referenda approved by the Town electorate.

In addition to debt authorized within the 3% debt limit and debt authorized by special act of the Legislature, Rhode Island General Laws 45-12-11 authorizes the Rhode Island State Director of Revenue, upon petition by a municipality, to authorize such municipality to incur indebtedness in excess of the 3% debt limit whenever the Director shall determine that the sums appropriated by the municipality or its funds available are insufficient to pay the necessary expenses of the municipality. The Town has never requested the State Director of Revenue to authorize indebtedness of the Town under section 45-12-11.

### Current Outstanding Debt

The outstanding general obligation debt of the Town for the fiscal years ended June 30, 2016 through 2020 was as follows:

Government	FY2016	FY2017	FY2018	FY2019	FY2020
2007 GO Bond (Open Space)	\$ 370,000	\$ 190,000	\$ -	\$ -	\$ -
2007B RIHEBC Loan	340,000	-	-	-	-
2009 GOB	7,560,000	7,020,000	6,480,000	-	-
2009 GOB School Athletics	345,000	235,000	120,000	-	-
2009 GOB	1,130,000	745,000	370,000	-	-
2009 GOB Farmland/Open Space	830,000	615,000	405,000	200,000	-
2013 GO Bond	280,000	245,000	210,000	175,000	140,000
2013 RIHEBC School Renovations and Improvements	6,495,000	6,110,000	5,725,000	5,340,000	4,955,000
2015 GOB Refunding Bonds Open Space	15,030,000	13,565,000	12,140,000	10,555,000	8,980,000
2015 RIHEBC Refunding Bonds School	4,030,000	4,030,000	3,700,000	3,360,000	3,010,000
2018 GO Refunding Bonds	-	-	-	5,790,000	5,250,000
2018 RIIB Loan <sup>(1)</sup>	-	-	-	935,000	849,000
2019 GO School Bond	-	-	-	-	2,910,000
2019 GO Town Bond	-	-	-	-	4,135,000
<b>Total</b>	<b>\$ 36,410,000</b>	<b>\$ 32,755,000</b>	<b>\$ 29,150,000</b>	<b>\$ 26,355,000</b>	<b>\$ 30,229,000</b>
Enterprise <sup>(2)</sup>	FY2016	FY2017	FY2018	FY2019	FY2020
2009 RICWFA Bond	\$ 3,167,831	\$ 3,005,248	\$ 2,837,593	\$ 2,664,330	\$ 2,484,458
2009 GOB (Q/D Recreation Asset Protection)	88,140	58,110	28,860	-	-
2013 Wastewater Services	2,068,611	1,963,945	1,856,401	1,745,900	1,633,360
2014 GO Sewer Bond	3,720,000	3,575,000	3,425,000	3,270,000	3,105,000
2014 RIIB Sewer Bonds Series B	5,750,000	5,500,000	5,248,000	4,993,000	4,735,000
2017 RIIB Loan RI Infrastructure	-	3,600,000	3,600,000	3,442,000	3,282,000
2019 Sewer Loan <sup>(3)</sup>	-	-	-	-	315,000
<b>Total</b>	<b>\$ 14,794,582</b>	<b>\$ 17,702,303</b>	<b>\$ 16,995,854</b>	<b>\$ 16,115,230</b>	<b>\$ 15,554,818</b>

(1) Subject to annual appropriation.

(2) Enterprise debt is general obligation debt except \$4,800,000 Water Revenue Bonds of November 19, 2009.

(3) 2019 Sewer Loan was authorized by Wickford Sewer Act below.

## Actual Bonded Debt Service Requirements

Fiscal Year Ended 6/30	Existing GO Debt Service <sup>(1)</sup>		Existing Enterprise Debt Service <sup>(2)</sup>		The Bonds			Total
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	
2021	\$ 3,342,000	\$ 1,131,068	\$ 915,375	\$ 407,589	\$ -	\$ -	\$ 200,000	\$ 279,400
2022	3,239,000	1,325,276	938,727	387,484			200,000	271,400
2023	3,680,000	1,135,364	967,400	365,865			425,000	263,400
2024	3,667,000	995,704	993,163	342,672			425,000	246,400
2025	3,634,000	857,528	1,025,788	317,980			425,000	229,400
2026	3,641,000	708,860	1,052,508	291,664			425,000	212,400
2027	2,598,000	579,417	1,088,327	263,896			425,000	199,650
2028	2,110,000	476,739	1,124,015	234,357			425,000	186,900
2029	1,808,000	407,457	1,160,806	202,779			420,000	170,100
2030	1,580,000	343,310	1,194,472	169,230			420,000	153,300
2031	1,140,000	288,388	1,234,008	134,268			420,000	138,600
2032	1,135,000	253,975	995,229	102,087			420,000	94,500
2033	1,125,000	223,440	866,000	73,436			420,000	79,800
2034	765,000	192,750	899,000	46,959			420,000	65,100
2035	765,000	169,800	633,000	19,499			420,000	50,400
2036	765,000	142,700	229,000	8,542			420,000	37,800
2037	765,000	115,600	237,000	2,891			420,000	25,200
2038	765,000	88,500	-	-			420,000	12,600
2039	765,000	65,550	-	-			420,000	8,500
2040	765,000	42,600	-	-			420,000	0
2041	415,000	24,900	-	-			420,000	0
2042	415,000	12,450	-	-			-	0
<b>Total</b>	<b>\$ 38,884,000</b>	<b>\$ 9,581,375</b>	<b>\$ 15,553,818</b>	<b>\$ 3,371,198</b>	<b>\$ 7,985,000</b>	<b>\$ 2,949,450</b>	<b>\$ 78,324,841</b>	

(1) Included the Town's RIHEBC Series 2021 A and Series 2021 B Bonds scheduled to close 3/23/2021

(2) Self Supporting

## Debt Ratios and Debt Per Capita

Fiscal Year	Population <sup>(1)</sup>	Assessed Value <sup>(2)</sup>	Gross Bonded Debt and Bond Anticipation Notes		Debt Payable from Enterprise Revenue		Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt Per Capita
2020	26,486	\$ 4,738,796,623	\$ 45,783,818	\$ 15,554,818	\$ 30,229,000		0.64 %	\$ 1,141.32	
2019	26,486	4,142,923,486	42,470,230	16,115,230	26,355,000		0.64	995.05	
2018	26,486	4,112,990,866	46,145,854	16,995,854	29,150,000		0.71	1,100.58	
2017	26,486	4,104,889,335	50,457,303	17,702,303	32,755,000		0.80	1,236.69	
2016	26,486	3,794,759,142	51,204,582	14,794,583	36,410,000		0.96	1,374.69	
2015	26,486	3,755,338,760	53,474,575	13,184,575	40,290,000		1.07	1,521.18	
2014	26,486	3,689,257,472	59,428,316	13,479,246	45,949,070		1.25	1,734.84	
2013	26,486	3,891,322,648	52,887,001	3,167,001	49,720,000		1.28	1,877.22	
2012	26,486	3,862,369,046	48,756,763	3,347,823	45,408,940		1.18	1,714.45	
2011	26,486	3,844,989,239	53,000,726	4,024,936	48,975,790		1.27	1,849.12	

(1) 2010 US Census

(2) Net Assessed Values

## Overlapping and Underlying Debt

The Town has no overlapping or underlying governmental units and accordingly has no overlapping or underlying debt.

## Outstanding Bond Authorizations

The following schedule sets forth the status of various bond authorizations.

<u>Authorization</u>	<u>Year</u>	<u>Purpose</u>	Original				<u>Unissued</u>
			<u>Total</u>	<u>Bonds</u>	<u>Notes</u>	<u>Issued</u>	
RI Public Laws 25 & 37	2009	Sewers	\$ 10,000,000	\$ 5,000,000	\$ -	\$ 5,000,000	
RI Public Laws 263 & 291	2010	Sewers	9,200,000	5,000,000	-	-	4,200,000
RI Public Laws 21 & 27	2013	Post Road North Sewers	6,600,000	-	-	-	6,600,000
RI Public Laws 23 & 26	2014	Sewers (Wickford)	4,900,000	3,915,000	-	-	985,000
RI Local Acts 122/131	2018	Miscellaneous Town Improvements	13,500,000	13,500,000	5,800,000 <sup>(2)</sup>	-	-
RI Local Acts 122/131	2018	Miscellaneous School Improvements	13,500,000	13,500,000	5,263,000 <sup>(3)</sup>	-	-
RI Public Laws 226 & 265	2016	Community Septic System Loans	2,000,000	1,300,000	-	-	700,000
<b>TOTALS</b>			<b>\$ 59,700,000</b>	<b>\$ 42,215,000</b>	<b>\$ 11,063,000</b>		<b>\$ 17,485,000</b>

(1) Includes this Issue of Bonds.

(2) Notes in the amount of \$5,800,000 due May 5, 2021 will be paid off with proceeds of the Bonds.

(3) Notes in the amount of \$5,263,000 due May 5, 2021 will be paid off with proceeds of the Town's RIHEBC Series 2021 A Bonds scheduled to close on March 23, 2021.

\* Historically the Town has obtained lines of credit from the Rhode Island Infrastructure Bank for the Community Septic System Loan Program ("Loan Program"). The Loan Program makes low-interest loans available to North Kingstown property owners for cesspool/septic system repairs or replacements and is administered by Rhode Island Housing. The Town is only liable to the Rhode Island Infrastructure Bank in the event of default by the property owner. The Town's current \$1.3 million line of credit had a balance of \$626,322 drawn down at June 30, 2020.

## TOWN FINANCES

### Budgetary Procedures

The Town Charter requires the following process for adoption of the Town's annual budget. The preliminary preparation for the fiscal year 2022 budget began in September 2020 when capital budgets were submitted to the Town Manager by department heads. In December 2020, department heads worked on their proposed operating budgets which were submitted to the Town Manager in January 2021. During the months of January and February 2021, department heads met with the Town Manager to discuss their capital and operating budget requests.

The Library Board of Trustees and the School Committee are required by the Town Charter to submit their budget requests to the Town Manager not later than March 2021.

## Comparative Budgets

Set forth below are the Town's adopted budgets for fiscal years 2020 and 2021.

	<b>2019-2020</b>	<b>2020-2021</b>
	<b>Adopted</b>	<b>Adopted</b>
	<b>Budget</b>	<b>Budget</b>
<b>REVENUES</b>		
Current Property Tax	\$ 80,198,263	\$ 82,800,243
Local Revenues	9,918,851	8,839,931
State & Federal	13,201,338	15,307,238
Other (Enterprise)	8,701,750	9,603,793
<b>TOTAL REVENUES</b>	<b>\$ 112,020,202</b>	<b>\$ 116,551,205</b>
<b>EXPENDITURES</b>		
Town Council	\$ 89,614	\$ 69,614
Town Manager	312,755	298,007
Town Clerk	652,739	683,805
Legal Expenses	215,000	200,000
Finance and General Operating	3,756,815	3,683,590
Information Tech	781,280	714,063
Tax Assessment	350,407	304,892
Fire	10,005,398	9,966,984
Police	8,885,386	9,188,402
Communications/Dispatch	-	779,935
Planning & Development	826,199	764,932
Public Works	5,212,415	4,877,829
Contributions	178,238	189,238
Senior Citizens	602,120	616,826
Code Enforce	500,335	552,196
Recreation	-	681,174
QDC - Mun Svgs Agre	703,933	645,376
	33,072,634	34,216,863
Debt Service	\$ 4,446,250	\$ 4,558,420
Library	1,605,338	1,612,608
Municipal Court	240,000	225,000
Transfer Station	-	584,700
Q/D Recreation	2,027,415	1,720,645
Water	3,606,468	4,811,629
Sewer	2,208,141	2,261,789
Town Capital Reserve	619,726	445,000
School	64,194,230	66,114,551
<b>TOTAL</b>	<b>\$ 112,020,202</b>	<b>\$ 116,551,205</b>

## **Tax Anticipation Notes**

Under Rhode Island Law the Town may borrow in each fiscal year in anticipation of the receipt of the proceeds of the property tax due in such fiscal year, an amount which shall not exceed the total tax levy of the then current fiscal year. Tax anticipation notes must be payable no later than one year from their date, but notes issued for less than one year may be renewed provided such renewal notes are payable within one year of the date of the original notes. The Town has not borrowed in anticipation of taxes since 1983 and does not expect to do so in the future.

## **State Aid**

### *State School Basic Education Aid*

Pursuant to Rhode Island General Laws Sections 16-7-15 to 16-7-34 et seq., as amended, the State provides basic education aid to each municipality and school district in the State, subject to annual appropriation by the General Assembly. The statutes provide for reimbursement of school expenditures based on a formula which adjusts the reimbursement ratio based on the relative equalized valuation of property and median family income relative to the State as a whole. There are no assurances, however, that the Rhode Island General Assembly will continue this program or appropriate sufficient funds for its implementation. State School Basic Education Aid is subject to pro-rata reduction in accordance with State law. Under this program the Town's School Department received \$11,486,289 in the fiscal year ended June 30, 2020. The Town budgeted \$10,808,025 of such receipts for the fiscal year ending June 30, 2021. The estimate from the Rhode Island Department of Education (RIDE) for the fiscal year ending June 30, 2022 is \$11,286,140.

In 2012, the General Assembly amended the general laws to provide that basic education aid may be intercepted to pay debt service on bonds issued by the Rhode Island Health and Educational Building Corporation ("RIHEBC") for the benefit of a municipality in the event the municipality fails to make timely payments of debt service on school construction bonds issued for the municipality through RIHEBC.

### *State School Construction Aid*

Pursuant to Rhode Island General Laws Sections 16-7-35 to 16-7-47, as amended, the State provides construction aid to Rhode Island municipalities for the cost of building or renovating public schools. All buildings constructed or renovated since July 1, 1949 are eligible for assistance of a minimum of 30% of the full cost of such buildings. Such assistance level may be further increased by a formula which takes into account the equalized assessed valuation and debt service burden of the particular municipality. State aid reimbursement for school construction projects is based on the share ratio established for that year by the Rhode Island Department of Education. The recently enacted funding formula also raises the minimum reimbursement percentage to 35% for the fiscal year 2012 payments and thereafter. For the fiscal year ending June 30, 2021 the Town's share ratio is 35%. This ratio can vary from year to year. The State has implemented a bonus reimbursement program in 2020 where communities with a 35% share ratio can receive up to 50% reimbursement on eligible projects.

For projects approved by the voters after June 30, 2003, the cost of interest on any bond will be reimbursed as an eligible project cost only if the bonds for these projects are issued through the RIHEBC. School housing costs subject to State aid reimbursement shall not include bond issuance costs and demolition costs for buildings, facilities, or sites deemed surplus by the school committee. The legislation authorizing State School Construction Aid is subject to future change and all State aid is subject to annual appropriation by the Rhode Island General Assembly. The Town received \$1,502,360 for the fiscal year ended June 30, 2020. The Town budgeted \$958,530 for the fiscal year ending June 30, 2021.

Pursuant to Chapter 370 of the 2007 Rhode Island Public Laws, any net interest savings resulting from the issuance of refunding bonds issued by any local community in support of school housing projects for the community shall be allocated between the city and the State of Rhode Island according to the school housing aid ratio at the time of the issuance of the refunding bonds, calculated pursuant to R.I. Gen. Law § 16-7-39, that would otherwise apply in connection with school housing projects of the community. In connection with any refunding bond issue, school housing project costs shall include the cost of interest payments on such refunding bonds, if the cost of interest payments was included as a school housing cost for the bonds being refunded. In addition, school housing projects costs in connection with any such refunding bond issue shall include bond issuance costs incurred in connection with the issuance. The benefits of this law are available only if the net present value savings resulting from the refunding is at least three percent (3%) of the refunded bond issue.

### Summary of State Aid Revenues

Shown below is a summary of various State Aid revenues credited to the Town's General Fund (excluding School Operations Aid and School Construction Aid, which are accounted for in the Special Revenue Fund and Debt Service Funds, respectively) for fiscal years 2016-2020.

	2016	2017	2018	2019	2020
Telephone Tax	\$ 326,128	\$ 339,927	\$ 328,695	\$ 331,080	\$ 329,948
State PILOT	1,494	1,737	1,716	1,941	1,136
Excise Tax Phase Out	184,758	192,589	192,589	539,103	789,159
Hotel, Meal & Beverage Tax	614,982	658,567	717,194	738,761	740,396
Total State Aid	\$ 1,127,362	\$ 1,192,820	\$ 1,240,194	\$ 1,610,885	\$ 1,860,639

### Comparative Financial Statements

Set forth below are comparative financial statements which were prepared from audited financial statements.

**Balance Sheet**  
**General Fund**  
**Fiscal Year Ended June 30,**

ASSETS	2016	2017	2018	2019	2020
Cash & cash equivalents	\$ 8,942,872	\$ 7,613,154	\$ 3,766,250	\$ 6,681,697	\$ 10,037,243
Taxes receivable	2,558,951	2,881,791	3,059,509	2,568,576	2,896,043
Other receivable	740,276	1,148,794	421,807	380,112	1,124,390
Due from federal & state governments	18,615	18,615	18,645	80,538	193,356
Due from other funds	4,422,698	3,628,957	9,503,199	7,935,824	2,546,383
Advance to other funds	343,426	359,682	521,654	399,920	3,207,296
Prepaid items	571,325	514,190	457,055	-	-
<b>TOTAL ASSETS</b>	<b>\$ 17,598,163</b>	<b>\$ 16,165,183</b>	<b>\$ 17,748,119</b>	<b>\$ 18,046,667</b>	<b>\$ 20,004,711</b>
<b>LIABILITIES AND FUND BALANCES</b>					
Liabilities:					
Accounts payable & accrued expenditures	\$ 1,300,825	\$ 1,235,607	\$ 1,270,309	\$ 1,045,569	\$ 1,500,278
Due to other funds	368,255	466,260	294,014	23,105	-
Deferred revenues	2,410,837	2,958,228	-	-	-
Other liabilities	1,008,843	689,972	-	-	-
Escrow Deposits	-	-	1,422,997	793,910	194,418
<b>TOTAL LIABILITIES</b>	<b>\$ 5,088,760</b>	<b>\$ 5,350,067</b>	<b>\$ 2,987,320</b>	<b>\$ 1,862,584</b>	<b>\$ 1,694,696</b>
Deferred inflows	\$ -	\$ -	\$ 3,138,316	\$ 2,352,386	\$ 2,703,897
Fund Balances:					
Non-spendable	\$ 914,751	\$ 873,872	\$ 978,709	\$ 399,920	\$ 3,207,296
Committed	-	1,000,000	-	-	-
Assigned	\$ 4,926,972	881,105	104,588	148,622	769,752
Unassigned	6,667,680	8,060,139	10,539,186	13,283,155	11,629,070
<b>TOTAL FUND BALANCES</b>	<b>\$ 12,509,403</b>	<b>\$ 10,815,116</b>	<b>\$ 11,622,483</b>	<b>\$ 13,831,697</b>	<b>\$ 15,606,118</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 17,598,163</b>	<b>\$ 16,165,183</b>	<b>\$ 17,748,119</b>	<b>\$ 18,046,667</b>	<b>\$ 20,004,711</b>

**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**General Fund**  
**Fiscal Year Ended June 30,**

	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
<b>REVENUES</b>					
General property taxes	\$ 75,696,508	\$ 78,000,391	\$ 80,267,297	\$ 83,821,811	\$ 85,323,103
Intergovernmental	1,759,871	1,629,067	2,283,267	2,898,676	4,267,290
Departmental	1,833,839	2,173,267	2,454,060	2,793,526	3,101,928
Investment income	3,550	70,182	284,393	358,717	427,654
Other	96,228	193,444	55,586	165,399	1,391,254
<b>TOTAL REVENUES</b>	<b>\$ 79,389,996</b>	<b>\$ 82,066,351</b>	<b>\$ 85,344,603</b>	<b>\$ 90,038,129</b>	<b>\$ 94,511,229</b>
<b>EXPENDITURES</b>					
Current:					
General Government	\$ 6,043,284	\$ 6,146,274	\$ 7,230,710	\$ 6,882,214	\$ 6,722,456
Public Safety	14,837,436	15,801,428	16,389,635	18,704,150	19,003,294
Public Works	4,609,274	4,665,043	4,841,652	4,875,550	5,081,610
Parks and Recreation	19,955	29,992	48,341	43,249	39,046
Senior Service	479,221	493,587	533,697	548,619	524,507
Debt Service	-	-	213,639	222,926	258,204
Capital:					
Capital expenditures	1,557,915	1,671,746	1,482,117	781,539	1,873,071
<b>TOTAL EXPENDITURES</b>	<b>\$ 27,547,085</b>	<b>\$ 28,808,070</b>	<b>\$ 30,739,791</b>	<b>\$ 32,058,247</b>	<b>\$ 33,502,188</b>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>					
BEFORE OTHER FINANCING SOURCES (USES)	51,842,911	53,258,281	54,604,812	57,979,882	61,009,041
<b>OTHER FINANCING SOURCES (USES)</b>					
Capital Leases	-	-	747,866	375,845	515,650
Transfers in	1,144,600	1,174,915	1,190,005	4,900,056	1,179,063
Transfers out	(52,647,834)	(56,127,483)	(55,735,316)	(61,046,569)	(60,572,244)
<b>NET OTHER FINANCING SOURCES (USES)</b>	<b>(51,503,234)</b>	<b>(54,952,568)</b>	<b>(53,797,445)</b>	<b>(55,770,668)</b>	<b>(58,877,531)</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>334,677</b>	<b>(1,694,287)</b>	<b>807,367</b>	<b>2,209,214</b>	<b>2,131,510</b>
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<b>12,174,726</b>	<b>12,509,403</b>	<b>10,815,116</b>	<b>11,622,483</b>	<b>13,474,608 *</b>
<b>FUND BALANCE, END OF YEAR</b>	<b>\$ 12,509,403</b>	<b>\$ 10,815,116</b>	<b>\$ 11,622,483</b>	<b>\$ 13,831,697</b>	<b>\$ 15,606,118</b>

\*Restated

### Reporting Requirements of Municipalities and School Districts

In June 2003, the Rhode Island General Assembly passed new financial reporting requirements for municipalities in order to ensure that municipalities and school districts monitor their financial operations on an ongoing basis and to prevent potential budget deficits (Rhode Island General Laws § 45-12-22.2 (the "Financial Reporting Act")).

#### Reporting

- The chief financial officer of the municipality must submit monthly reports to the municipality's chief executive officer, each member of the city or town council, and school district committee certifying the status of the municipal budget, including the school department budget or regional school budget.
- The chief financial officer of the municipality must also submit quarterly reports to the State Office of Municipal Affairs certifying the status of the municipal budget. The chief financial officer of the school department or school district shall certify the status of the school district's budget and shall assist in the preparation of these reports.
- If any reports project a year-end deficit, the chief financial officer of the municipality must submit a corrective action plan, providing for the avoidance of a year-end deficit, to the State Office of Municipal Affairs no later than thirty (30) days after completion of his or her monthly budget analysis.
- If, at the end of the fiscal year, the chief financial officer determines that it is likely that the city or town's general

fund or combined general fund and unrestricted school special revenue fund will incur a deficit, the municipality must immediately develop a plan to eliminate the accumulated year-end deficit by annual appropriation over no more than five (5) years. This plan must be submitted to the State Auditor General for approval.

#### *Restrictions and Requirements*

- No municipality can sell long-term bonds in order to fund a deficit without prior approval by the Rhode Island Auditor General and the Director of the Rhode Island Department of Revenue.
- No municipality can incur expenditures or obligate the municipality to expend unbudgeted amounts in excess of \$100,000 without first notifying the city or town council of the proposed expenditure and identifying the source of funding. Any such expenditure must be included in the chief financial officer's monthly report.
- No school committee or school department can incur accumulated unbudgeted expenditures in excess of \$100,000 without notifying the chief financial officer of the municipality of the proposed expenditure and identifying the source of funding. Any such expenditure must be included in the chief financial officer's monthly report.
- School committees, boards or regional school districts that are independent government entities within a municipality must cooperate in providing to the chief financial officer all information needed to formulate his or her reports and the deficit elimination plan.

#### *Remedies*

- If a municipality does not comply with the requirements of the Financial Reporting Act, the State Auditor General or State Office of Municipal Affairs, through the Director of Revenue, may elect any or all of the following remedies:
  - Petition the Superior Court for mandatory injunctive relief seeking compliance with the provisions of the Financial Reporting Act;
  - In the event a municipality fails to provide a year-end deficit elimination plan, implement a financial review commission pursuant to Rhode Island General Laws Section 45-9-3; or
  - Withhold State Aid.
- If a school committee or board fails to cooperate with the municipality or provide all information requested by the chief financial officer needed to formulate a plan:
  - The Auditor General or the Director of Revenue may petition the Superior Court to order the school committee or board to cooperate; and
  - The Director of Revenue may also direct the Rhode Island Controller and General Treasurer to withhold state aid from a school committee until the school committee or board cooperates in the formulation of the plan.

The Town has not been advised by the Auditor General or Director of Revenue that it is not in compliance with the Financial Reporting Act.

#### **State Oversight**

On June 11, 2010, the Rhode Island General Assembly enacted “An Act Relating to Cities and Towns—Providing Financial Stability” the purposes of which are (1) to provide a mechanism for the State to work with cities and towns undergoing financial distress that threatens the fiscal well-being, public safety and welfare of such cities and towns, or welfare of other cities and towns or the state, and (2) to provide stability to the municipal credit markets for Rhode Island and its cities and towns through a predictable, stable mechanism for addressing cities and towns in financial distress.

The Financial Stability Act prohibits municipalities from filing for judicial receivership and clarifies that the Superior Court has no jurisdiction to hear such matters.

The Financial Stability Act gives the State, acting primarily through the department of revenue, the power to exercise varying levels of support and control depending circumstances. It creates three levels of State oversight and control: Level I--Fiscal Overseer, Level II-- Budget Commission, and Level III -- Receiver. The State director of revenue, in consultation with the auditor general, may skip fiscal overseer and budget commission by appointing a receiver in a fiscal emergency.

#### *Fiscal Overseer (Level 1)*

A fiscal overseer may be appointed by request of the municipality, or the State director of revenue may appoint a fiscal overseer if the director finds, in his or her sole discretion, that any two of the following events have occurred whereby the city or town:

- Projects a deficit in the municipal budget in the current fiscal year and again in the upcoming fiscal year
- Has not filed its audits with the auditor general by the deadlines required by law for two (2) successive fiscal years (not including extensions authorized by the auditor general)
- Has been downgraded by one of the nationally recognized statistical rating organizations
- Otherwise unable to obtain access to credit markets on reasonable terms
- Does not promptly respond to requests made by the director of revenue, or the auditor general, or the chairpersons of the house or senate finance committees for financial information

The director of revenue may also appoint a fiscal overseer for failure to comply with the financial reporting and action plan requirements relating to budget deficits. A fiscal overseer acts in an advisory capacity to municipal officials, approves budgets and reports to State officials regarding progress.

#### *Budget Commission (Level II)*

A budget commission may be established by request of a municipality or without such a request, if the fiscal overseer reports to the State director of revenue that the city or town is unable to present a balanced municipal budget, faces a fiscal crisis that poses an imminent danger to the safety of the citizens of the city or town or their property, will not achieve fiscal stability without the assistance of a budget commission the tax levy should not be approved, or otherwise determines that a budget commission should be established. A budget commission is composed of five (5) members: three (3) designees of the director of revenue, the elected chief executive officer of the city, and the president of the city or town council (or in cities or towns in which the elected chief executive officer is the president of the city or town council, then the appointed city or town manager).

A budget commission has more significant powers over financial matters, including but not limited to the power to:

- Amend, formulate and execute annual and supplemental municipal budgets and capital budgets;
- Reorganize, consolidate or abolish municipal departments, commissions, authorities, boards, offices or functions;
- Issue bonds, notes or certificates of indebtedness to fund a deficit of the city or town, to fund cash flow and to finance capital projects.

#### *Receiver (Level III)*

The State director of revenue may appoint a receiver if the budget commission recommends appointment of a receiver after concluding that its powers are insufficient to restore fiscal stability to the city or town. A receiver may exercise any function or power of any municipal officer, employee, board or commission and has the power to file on behalf of a city or town for bankruptcy in federal bankruptcy court.

The Town is not currently subject to the Financial Stability Act.

#### **State Aid Intercept**

Rhode Island General Laws § 45-12-32 creates a mechanism to enhance the creditworthiness of cities and towns in financial stress by providing for a state aid intercept mechanism to pay general obligation bonds and notes. The intercept mechanism is not a state guarantee. The statute provides that upon request of a city, town or regional school district, the

General Treasurer of the State will pay bonds, notes or certificates of indebtedness from certain available state aid otherwise payable to the city, town or regional school district. The Town has never made such a request for any of the Town's bonds or notes.

## LITIGATION

While Town Officials are of the opinion that the Town is not a party to any litigation that is likely to result either individually or in the aggregate in final judgments against the Town which would materially affect its ability to pay the principal of, and interest on, its bonds and notes, the following matter should be noted:

There are several challenges to sewer assessments made in Post Road South District which if abated or granted could require either increased assessments in that District generally or contribution from the General Fund. The Town anticipates expanding the Post Road Sewer District to add additional properties which would provide new assessments to offset any reductions which may result from the granting of the sewer assessment appeals.

## TAX STATUS

In the opinion of Taft & McSally LLP, Bond Counsel to the Town ("Bond Counsel"), based upon an analysis of existing laws, regulations, rulings, and court decisions, and assuming, among other matters, compliance with certain covenants, interest on the Bonds is excludable from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 (the "Code"). Bond Counsel is of the further opinion that interest on the Bonds will not be included in computing the federal alternative minimum tax imposed on individuals. Bond Counsel expresses no opinion regarding any other federal tax consequences arising with respect to the ownership or disposition of, or the accrual or receipt of interest on, the Bonds.

The Code imposes various requirements relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the Bonds. Failure to comply with these requirements may result in interest on the Bonds being included in gross income for federal income tax purposes, possibly from the date of original issuance of the Bonds. The Town has covenanted to comply with such requirements to ensure that interest on the Bonds will not be included in federal gross income. The opinion of Bond Counsel assumes compliance with these covenants.

Bond Counsel is also of the opinion that, under existing law, interest on the Bonds is free from taxation by the State or any political subdivision or other instrumentality of the State, although the Bonds and the income therefrom may be included in the measure of certain Rhode Island corporate and business taxes. Bond Counsel has not opined as to other Rhode Island tax consequences arising with respect to the Bonds. Prospective holders of the Bonds should be aware, however, that the Bonds may be included in the measure of Rhode Island estate taxes, and the Bonds and the income therefrom may be included in the measure of certain Rhode Island corporate and business taxes. Bond Counsel has not opined as to the taxability of the Bonds or the income therefrom under the laws of any state other than Rhode Island. A complete copy of the proposed form of opinion of Bond Counsel is set forth in APPENDIX C hereto.

To the extent the issue price of any maturity of the Bonds is less than the amount to be paid at maturity of such Bonds (excluding amounts stated to be interest and payable at least annually over the term of such Bonds), the difference constitutes "original issue discount," the accrual of which, to the extent properly allocable to each owner thereof, is treated as interest on the Bonds which is excluded from gross income for federal income tax purposes and is exempt from Rhode Island income taxes. For this purpose, the issue price of a particular maturity of the Bonds is the first price at which a substantial amount of such maturity of the Bonds is sold to the public (excluding bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers). The original issue discount with respect to any maturity of the Bonds accrues daily over the term to maturity of such Bonds on the basis of a constant interest rate compounded semiannually (with straight-line interpolations between compounding dates). The accruing original issue discount is added to the adjusted basis of such Bonds to determine taxable gain or loss upon disposition (including sale, redemption, or payment on maturity) of such Bonds. Holders of the Bonds should consult their own tax advisors with respect to the tax consequences of ownership of Bonds with original issue discount, including the treatment of purchasers who do not purchase such Bonds in the original offering to the public at the first price at which a substantial amount of such Bonds is sold to the public.

Bonds purchased, whether at original issuance or otherwise, for an amount greater than the stated principal amount to be paid at maturity of such Bonds, or, in some cases, at the earlier redemption date of such Bonds ("Premium Bonds"), will be treated as having amortizable bond premium for federal income tax purposes and Rhode Island income tax purposes.

No deduction is allowable for the amortizable bond premium in the case of obligations, such as the Premium Bonds, the interest on which is excluded from gross income for federal income tax purposes. However, a holder's basis in a Premium Bond will be reduced by the amount of amortizable bond premium properly allocable to such holder. Holders of Premium Bonds should consult their own tax advisors with respect to the proper treatment of amortizable bond premium in their particular circumstances.

Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken) or events occurring (or not occurring) after the date of issuance of the Bonds may adversely affect the value of, or the tax status of interest on, the Bonds. Further, no assurance can be given that pending or future legislation, including amendments to the Code, if enacted into law, or any proposed legislation, including amendments to the Code, or any future judicial, regulatory or administrative interpretation or development with respect to existing law, will not adversely affect the value of, or the tax status of interest on, the Bonds. Prospective holders of the Bonds are urged to consult their own tax advisors with respect to proposals to restructure the federal income tax.

Although Bond Counsel is of the opinion that interest on the Bonds is excluded from gross income for federal income tax purposes and income from the Bonds is exempt from Rhode Island income taxes, the ownership or disposition of, or the accrual or receipt of interest on, the Bonds may otherwise affect the federal or state tax liability of a holder of the Bonds. Among other possible consequences of the ownership or disposition of, or the accrual or receipt of interest on the Bonds, the Code requires recipients of certain social security and certain railroad retirement benefits to take into account receipts or accruals of interest on the Bond in determining the portion of such benefits that are included in gross income. The nature and extent of these other tax consequences will depend upon the particular tax status of such holder or such holder's other items of income or deduction. Bond Counsel expresses no opinion regarding any such other tax consequences, and holders of the Bonds should consult with their own tax advisors with respect to such consequences.

#### *Risk of Future Legislative Changes and/or Court Decisions*

Prospective holders of the Bonds should be aware that from time to time legislation is or may be proposed which, if enacted into law, could result in interest on the Bonds being subject directly or indirectly to federal income taxation, or otherwise prevent holders of the Bonds from realizing the full benefit provided under current federal tax law of the exclusion of interest on the Bonds from gross income. There can be no assurance that any pending or future legislation, including amendments to the Code, if enacted into law, or any proposed legislation, including amendments to the Code, or any future judicial, regulatory or administrative interpretation or development with respect to existing law, will not adversely affect the market value and marketability of, or the tax status of interest on, the Bonds. In all such events, the market value of the Bonds may be affected and the ability of Bondholders to sell their Bonds in the secondary market may be reduced. The Bonds are not subject to special mandatory redemption, and the interest rates on the Bonds are not subject to adjustment, in the event of any such change in the tax treatment of interest on the Bonds.

Prospective holders of the Bonds are urged to consult their own tax advisors with respect to any such legislation, interpretation or development.

### **CERTAIN LEGAL MATTERS**

All legal matters incidental to the authorization, issuance, sale and delivery of the Bonds are subject to the approval of Taft & McSally LLP, Cranston, Rhode Island, Bond Counsel to the Town, whose approving opinion substantially in the form appended hereto as APPENDIX B will be delivered with the issuance of the Bonds. Certain legal matters will be passed upon for the Underwriters by Partridge Snow & Hahn LLP, Providence, Rhode Island.

### **CONTINUING DISCLOSURE**

In order to assist the Underwriters in complying with Rule 15c2-12(b)(5) promulgated by the Securities and Exchange Commission (the "Rule"), the Town will covenant for the benefit of owners of the Bonds to provide certain financial information and operating data relating to the Town by not later than nine (9) months after the end of each fiscal year commencing with the fiscal year ending June 30, 2021 (the "Annual Report"), to provide notices of the occurrence of certain enumerated events, if material, and to provide notice of failure to provide the Annual Report. The covenants will be contained in a Continuing Disclosure Certificate, the proposed form of which is provided in APPENDIX C.

In the past five years, the Town believes that it has complied in all material respects with its previous undertakings to provide financial and operating information of the Town and notices of certain enumerated events in accordance with the Rule.

### **MUNICIPAL ADVISOR**

PFM Financial Advisors LLC (“PFM”) has served as municipal advisor to the Town for the issuance of the Bonds. PFM is not obligated to undertake, and has not undertaken, either to make an independent verification of or to assume responsibility for, the accuracy, completeness, or fairness of the information contained in the Official Statement. PFM is an independent financial advisory firm and is not engaged in the business of underwriting, trading, or distributing public securities.

### **UNDERWRITING**

The Bonds are being purchased for reoffering by Piper Sandler & Co. as representative of the Underwriters shown on the cover page for the Bonds (the “Underwriters”). Subject to the terms and conditions set forth in the Bond Purchase Agreement between the Town and the Underwriters, the Underwriters have agreed to purchase the Bonds at a price of \$9,071,952.50 (which is equal to the par amount of the Bonds, plus original issue premium of \$1,131,642.50, and less an Underwriters’ discount of \$44,690.00), and will offer the Bonds for resale at the interest rates and prices stated on the cover page hereof. Such initial public offering prices may be changed from time to time and the Bonds may be offered and sold to dealers and others (including dealers depositing the Bonds into unit investment trusts and other municipal securities portfolios) at prices lower than such initial public offering prices.

Piper Sandler & Co. has entered into a distribution agreement (the “CS & Co. Distribution Agreement”) with Charles Schwab & Co., Inc. (“CS & Co.”) for the retail distribution of certain securities offerings including the Bonds, at the original issue prices. Pursuant to the CS & Co. Distribution Agreement, CS & Co. will purchase the Bonds from Piper Sandler & Co. at the original issue price less a negotiated portion of the selling concession applicable to any Bonds that CS & Co. sells.

### **RATING**

The Town received a rating on the Bonds from S&P Global Ratings Service (“S&P”) of “AA+”. The rating reflects only the views of S&P and an explanation of the significance of such rating may be obtained from S&P.

The above rating is not a recommendation to buy, sell or hold the Bonds, and such rating may be subject to revision or withdrawal at any time by S&P. Any downward revision or withdrawal of the ratings may have an adverse effect on the market price of the Bonds.

### **MISCELLANEOUS**

All quotations from and summaries and explanations of laws herein do not purport to be complete, and reference is made to said laws for full and complete statements of their provisions.

This Official Statement is submitted only in connection with the sale of the Bonds by the Town and may not be reproduced or used in whole or in part for any other purpose.

### **TOWN OF NORTH KINGSTOWN, RHODE ISLAND**

By: /s/ James Lathrop \_\_\_\_\_  
*Director of Finance/Town Treasurer*

Dated: March 18, 2021

**APPENDIX A**

**FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**TOWN OF NORTH KINGSTOWN, RHODE ISLAND**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**FOR THE YEAR ENDED JUNE 30, 2020**



# **TOWN OF NORTH KINGSTOWN, RHODE ISLAND**

## **TABLE OF CONTENTS**

---

### **INTRODUCTORY SECTION**

<b>Transmittal Letter .....</b>	i-v
<b>Organizational Chart.....</b>	vi
<b>List of Town Officials .....</b>	vii

### **FINANCIAL SECTION**

<b>Independent Auditors' Report.....</b>	1-3
<b>Management's Discussion and Analysis .....</b>	4-17
<b>Basic Financial Statements</b>	
<b>Government-Wide Financial Statements:</b>	
Statement of Net Position .....	18-19
Statement of Activities.....	20-21
<b>Fund Financial Statements:</b>	
Balance Sheet – Governmental Funds .....	22
Reconciliation of the Governmental Funds Balance Sheet to the Government-Wide	
Statement of Net Position .....	23
Statement of Revenues, Expenditures and Changes in Fund Balances –	
Governmental Funds .....	24
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures	
And Changes in Fund Balances to the Government-Wide Statement of Activities ....	25
Statement of Net Position – Proprietary Funds.....	26-27
Statement of Revenues, Expenses and Changes in Net Position – Proprietary Funds .....	28
Statement of Cash Flows – Proprietary Funds.....	29-30
Statement of Fiduciary Net Position – Fiduciary Funds.....	31
Statement of Changes in Fiduciary Net Position – Fiduciary Funds .....	32
<b>Notes to Financial Statements.....</b>	33-96

# **TOWN OF NORTH KINGSTOWN, RHODE ISLAND**

## **TABLE OF CONTENTS (CONTINUED)**

---

### **Required Supplementary Information**

Schedule of Changes in Town's Net OPEB Liability and Related Ratios .....	97
Schedule of Changes in School's OPEB Liability and Related Ratios .....	98
Schedule of Town's OPEB Contributions .....	99
Schedule of Town's OPEB Investment Returns.....	100
Schedule of Changes in Net Pension Liability and Related Ratios – MERS .....	101-103
Schedule of the Town's Contributions – MERS.....	104
Schedule of the Town's Proportionate Share of the Net Pension Liability – ERS .....	105
Schedule of the Town's Contributions – ERS .....	106
Notes to Required Supplementary Information .....	107-109
Budgetary Comparison Schedule – General Fund.....	110
Budgetary Comparison Schedule – School Unrestricted Fund.....	111
Notes to Budgetary Comparison Schedules.....	112-113

### **Other Supplementary Information**

Tax Collector's Annual Report.....	114-115
Annual Supplemental Transparency Report ("MTP2").....	116-120
Notes to Supplementary Information – Annual Supplemental Transparency Report ("MTP2") .....	121-122
Budgetary Comparison Schedule – Debt Service Fund.....	123
Budgetary Comparison Schedule – Library Fund .....	124
Nonmajor Governmental Funds:	
Combining Balance Sheet.....	125-132
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	133-140
School Department:	
Combining Balance Sheet.....	141-150
Combining Statement of Revenues, Expenditures and Changes in Fund Balance..	151-160
Nonmajor Enterprise Funds:	
Combining Statement of Net Position .....	161
Combining Statement of Revenues, Expenses and Changes in Net Position .....	162
Combining Statement of Cash Flows .....	163
Employee Benefit Trust Funds:	
Combining Statement of Fiduciary Net Position .....	164
Combining Statement of Changes in Fiduciary Net Position .....	165
Private Purpose Trust Funds:	
Combining Statement of Fiduciary Net Position .....	166-169
Combining Statement of Changes in Fiduciary Net Position .....	170-173
Agency Funds:	
Combining Statement of Changes in Assets and Liabilities .....	174

# **TOWN OF NORTH KINGSTOWN, RHODE ISLAND**

## **TABLE OF CONTENTS (CONTINUED)**

---

### **STATISTICAL SECTION**

#### **Financial Trends**

Net Position by Component .....	175
Changes in Net Position .....	176-177
Fund Balances – Governmental Funds .....	178-180
Changes in Fund Balances – Governmental Funds .....	181

#### **Revenue Capacity**

Assessed and Estimated Actual Value of Taxable Property .....	182
Property Tax Rates .....	183
Principal Taxpayers .....	184
Property Tax Levies and Collections .....	185

#### **Debt Capacity**

Ratios of Outstanding Debt by Type .....	186
Computation of Legal Debt Margin .....	187

#### **Economic and Demographic Information**

Principal Employers .....	188
Demographic and Economic Statistics .....	189

#### **Operating Information**

Water Sold .....	190
Water Rates .....	191
Capital Asset Statistics by Function - Town .....	192
Capital Asset Statistics by Function - School .....	193-194
Operating Indicators – Town .....	195
Operating Indicators – School .....	196
Full Time Employees .....	197

## **INTRODUCTORY SECTION**

This section presents the Transmittal Letter, Organizational Chart, and List of Elected Officials of the Town of North Kingstown, Rhode Island.

# Town of North Kingstown, Rhode Island 02852

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December 29, 2020

To the Town Council and Citizens of the Town of North Kingstown, Rhode Island:

State law requires that all general-purpose local governments publish within six months of the close of each fiscal year (June 30) a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of the Town of North Kingstown, Rhode Island as of and for the fiscal year ended June 30, 2020.

This report consists of management's representations concerning the finances of the Town of North Kingstown, Rhode Island. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To prove a reasonable basis for making these representations, management of the Town of North Kingstown has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft or misuse, and to compile sufficient reliable information for the preparation of the Town of North Kingstown, Rhode Island's financial statement in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the Town of North Kingstown, Rhode Island's comprehensive framework of internal controls have been designed to provide reasonable rather than absolute assurance that the financial statement will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The Town of North Kingstown, Rhode Island's financial statements have been audited by Marcum, LLP, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Town of North Kingstown, Rhode Island for the fiscal year ended June 30, 2020 were free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was reasonable basis for rendering an unmodified opinion that the Town of North Kingstown, Rhode Island's financial statement as of and for the fiscal year ended June 30, 2020 are fairly presented in conforming with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the Town of North Kingstown, Rhode Island was part of a broader, federally mandated "Single Audit", designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also special emphasis on the audited government's internal controls and compliance with legal requirements involving the administration of federal awards. The Single Audit Report is available at the Town of North Kingstown, RI Municipal Office.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). The letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The Town of North Kingstown, Rhode Island's MD&A can be found immediately following the report of the independent auditor.

## **Profile of the Government**

The Town, settled in 1641 and incorporated as a Town in 1674, covers an area of 54 square miles and is primarily a residential suburb, approximately 22 miles south of Providence. The Town is also emerging as an important employment center due to the location of the Quonset Business Park.

North Kingstown's population, last reported in the 2010 U.S. Census, was 26,486.

The Town operates under a home rule charter, adopted in 1954, and subsequently amended, providing for a Town Council/Town Manager form of government, with a five-member Town Council led by a Council President. All legislative powers of the Town are vested in the Town Council by the Charter, which includes the adoption of the Town's annual budgets, the ordering of any tax, and enacting the necessary ordinances and resolutions for the preservation of public peace, health, safety, comfort and welfare of the residents of the community.

The Town Manager is appointed by a majority vote of the Town Council for an indefinite term solely based on his or her executive and administrative qualifications. The Town Manager is the chief executive officer and head of the administrative branch of government. The Charter grants the Town Manager the authority to appoint or remove all officers or employees of the Town, except the Town Solicitor, Municipal Judges and School Department employees. The Charter also grants the Town Manager authority to prepare and submit to the Town Council the annual budget and annual report of the Town. The Town Manager also recommends to the Town Council the adoption of such measures as he or she may deem necessary for the health, safety, or welfare of the Town.

The general administration of the Town's school system is directed by a five-member School Committee, elected on a partisan basis from the Town at large to staggered four-year terms. The School Committee determines and controls all policies affecting the administration, maintenance and operations of the public schools in the Town, appoints a Superintendent of Schools as its chief administrative agent and appoints and removes all school employees upon recommendation of the Superintendent of Schools.

Municipal services include public safety; potable water and wastewater collection, treatment and distribution; solid waste, recyclables collection and disposal; street and sidewalk maintenance; beach, harbor, recreation, planning, zoning and economic development; code enforcement, municipal and probate court functions.

The annual budget serves as the foundation for the Town's financial planning and control. All Departments, including the North Kingstown Public Schools, are required to submit requests for appropriations to the Town Manager. Department requests are due to the Town Manager on the first Monday of January. School Department and Library requests are due two weeks prior to the date the Town Manager is required to submit the budget to the Town Council. The Town Manager must submit his/her budget recommendation to the Town Council on the 50<sup>th</sup> day prior to the first Wednesday in May. The Town Council is required to hold 2 public hearings on the proposed budget and to adopt a final budget no later than the first Wednesday in May.

Department heads may make transfers of appropriations within their department with Town Manager approval. Transfer of appropriations between departments require the approval of the Town Council. Budget to actual comparisons are provided in this report for the Town's general operating fund and school general operating fund.

## **Factors Affecting Financial Condition**

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the Town operates.

### Local Economy

In the 18<sup>th</sup> century North Kingstown was an agricultural community made up of small and medium sized family farms. Wickford was a thriving seaport that grew to rival Newport, Rhode Island's. The 19<sup>th</sup> century brought an influx of textile businesses to the community that could take advantage of the many streams and rivers. By 1930 most of the textile factories had closed. The next form of economic growth came from the construction of the Quonset/Davisville military complex in 1938 and the Quonset Point Naval Air Station and Navy Construction Battalion Center in 1941-42.

It is during this later period that many summer communities sprouted: Saunderstown, Mount View, Shore Acres and Plum Beach. Tourism and summer visitors still have an important economic impact on the community.

In 1974 the Quonset Point Naval Air Station was decommissioned and later the Navy Construction Battalion closed. This resulted in a sharp decrease of population (10,000). In 1974 the Quonset Development Corporation was created on the former naval base. This modern development park (300 acres) now hosts over 200 businesses and employs over 12,000 people. Today, nearly one third of North Kingstown employment is associated with manufacturing and industry.

Personal income per capita in 2017 (latest available date) for North Kingstown is \$43,928 compared to \$33,315 and \$ 31,982 for Rhode Island and the United States, respectively. The unemployment rate is 10.2%, compared to the state unemployment rate 12.3% as of June 2020. The median selling price of an existing home in June 2020 was \$366,500, compared to \$348,000 in June 2019. The Town continues to attract residents as evidenced by the recent creation of 72 new housing units in fiscal year 2020.

### Long-Term Financial Planning

The Town approved a \$27 million bond in 2018. These bonds are being issued as needed. The final round of this authorization will be issued in spring of 2021. \$13.5 million of these funds are being spent on improvements and upgrades within the School Department, which includes \$2.6 million for a new artificial turf field, along with track and other athletic facilities improvements. Funds will also be used to complete the capping of the Town's landfill. Once completed, a solar farm will be placed at the site.

The Town, working with neighboring communities, has entered into an agreement to purchase the streetlights in the community. The Town is planning to convert these streetlights to LED, with the expectation that there will be a significant reduction in energy use.

The Town's Water Department recently completed a rate study. The Town Council is now working with this information to set future rates. The purpose of any rate increases will be to address deteriorating infrastructure of the water system.

The Town continues to look at surplus property and considers how to repurpose or dispose of it in a manner beneficial to the Town. The sale of the Town Hall Annex closed in the fall of 2020. The Wickford Elementary School property is under contract through a purchase and sales agreement as the developer is preparing his submissions for land use approvals. The former Town Hall is currently unoccupied. \$5 million of the recent bond approval is designated to address restoration of this property.

### **COVID-19**

The Covid-19 outbreak has caused business disruption through mandated and voluntary closing of businesses for non-essential services. The disruption is expected to be temporary but there is considerable uncertainty about the duration of these closings and the impact to the local economy. The Town has continued the majority of its operations, monitors and tracks Covid-19 related expenses, and has made requests for reimbursement from FEMA. In addition, the Town will apply to the State of RI for reimbursement from Care Act funds. The Town lowered tax collection rates, hotel, and meals and beverage tax income as part of the FY 2021 budget to address any potential economic downturn. The extent to which COVID-19 may impact the Town's financial condition or operations moving forward is uncertain.

### **Financial Policies**

The Town has a set of Council Approved financial policies that were developed to ensure that financial resources are well managed and to meet the present and future needs of the citizens of the Town of North Kingstown, Rhode Island.

One key policy is that budgets must balance, meaning budgeted current revenues must be equal to or greater than budgeted current expenditures in governmental funds; revenues and other sources of cash must equal expenditures and other uses of cash in the enterprise funds.

The Town has adopted a fund balance policy that identifies a threshold of a minimum (8%) and a maximum (15%) for unassigned fund balance as a percentage of general fund expenditures. It dictates actions should the fund balance fall outside these thresholds. Should the level fall below the 8% minimum, the Town Manager and Finance Director must develop a plan to restore the level of fund balance to 8% within 5 years. Should the balance exceed the maximum, funds shall be used for one-time expenditures that will not require future additional expenditures for maintenance or staffing.

The Town has adopted debt policies that debt burden must be less than 2% of the Town's full assessed value. This is less than the 3% allowed under RI State legislation. The policy requires at least 50% of debt to be retired in the first half of the terms. Lastly, the policy limits annual general fund debt service to 10% of the year's general fund expenditures.

There are reporting compliance polices that require the Town administration to provide budget to actual reports to the Town Council on a monthly basis and to provide quarterly budget information to the State Office of Municipal Affairs via their Municipal Transparency Portal. The Town administration complied with these polices during FY 2020.

### **Pension and Other Postemployment Benefits**

The Town provides pension benefits for employees through a state-wide plan managed by the State Treasurer. North Kingstown teachers are members of the State of Rhode Island Employees Retirement System. State hired actuaries determine the funding level and unfunded actuarial accrued liability for each individual participating employer. The Town is 71% funded in the State's municipal employees' retirement plan. The State of Rhode Island General Assembly enacted legislation that significantly changed the pension plan for participants in the State Municipal Employee Plan and the State Teacher Plan, reducing the long-term liability.

The Town provides post-retirement health coverage for all vested retirees, certain dependents, and beneficiaries. Vesting and participation is determined by bargaining contracts and varies by length of employment, type of employment, and hire date. As of June 30, 2020, 138 retirees were eligible to receive health insurance benefits, which are currently financed on a pay as you go basis. The actuarial calculation of the combined municipal and school liability as of July 1, 2020 is \$20,444,306. The Town has established and is funding a trust to accumulate assets for the payment of other post-employment benefits in the future. Assets of \$1,552,211 have been accumulate as of July 1, 2020. Benefits will not be paid from the trust until such time as the Town management feels that sufficient assets are available.

Additional information on the Town's pension arrangement and postemployment benefits can be found in Notes 9 and 10 in the notes to the basic financial statements.

The preparation of this report would not have been possible without the efficient and dedicated services of the Finance Department staff. We would like to express our appreciation to all members of the Department. We must also give credit to the unfailing support received from the Audit Committee, Town Manager and Town Council for achieving and maintaining the highest standards of professionalism in the management of the Town of North Kingstown, Rhode Island finances.

Respectfully,

James Lathrop, CPA, MPA  
Director of Finance

***TOWN OF NORTH KINGSTOWN, RHODE ISALND***

***ORGANIZATIONAL CHART***



## **TOWN OF NORTH KINGSTOWN, RHODE ISALND**

### ***TOWN COUNCIL***

*Gregory A. Mancini, President  
Mary Brimer  
Kevin V. Maloney  
Kerry P. McKay  
Richard A. Welch*

### ***SCHOOL COMMITTEE***

*Gregory Blasbalg, Chairman  
Robert Jones, Vice Chairman  
Lisa Hildebrand  
Jennifer Hoskins  
Jake Mather  
Sally Schott*

<i>TOWN MANAGER</i>	.....	<i>A. Ralph Mollis</i>
<i>FINANCE DIRECTOR</i>	.....	<i>James Lathrop</i>
<i>DEPUTY FINANCE DIRECTOR</i>	.....	<i>Angela P. Murray</i>
<i>SCHOOL SUPERINTENDENT</i>	.....	<i>Phil Auger</i>
<i>SCHOOL CHIEF OPERATING OFFICER</i>	.....	<i>Mary King</i>
<i>SCHOOL CONTROLLER</i>	.....	<i>Steven Janelle</i>
<i>INDEPENDENT AUDITORS</i>	.....	<i>Marcum LLP</i>

## **FINANCIAL SECTION**

This section presents the Independent Auditors' Report, Management's Discussion and Analysis, Basic Financial Statements, and Notes to the Basic Financial Statements.

## INDEPENDENT AUDITORS' REPORT

To the Honorable Members of the Town Council  
**Town of North Kingstown, Rhode Island**

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Town of North Kingstown, Rhode Island as of and for the year ended June 30, 2020, 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.

#### *Auditors' 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 auditors' 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, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Town of North Kingstown, Rhode Island as of June 30, 2020, 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.

### ***Other Matters***

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedules of budgetary comparison information, Schedule of Changes in Town's Net Pension Liability and Related Ratios, Schedule of Town's Contributions and Investment Returns, Schedule of Town's Proportionate Share of the Net Pension Liability, Schedule of Town's Contributions, Schedule of Changes in Town and School's OPEB Liability and Related Ratios, Schedule of Town's Contributions and accompanying notes on pages 4 through 17, and pages 97 through 113 respectively, 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 North Kingstown, Rhode Island's financial statements. The introductory section, combining and individual non-major fund statements, the agency fund financial statements, annual supplemental transparency report and accompanying notes, the schedule of property taxes receivable, and statistical information are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual non-major fund statements, the agency fund financial statements, annual supplemental transparency report and accompanying notes, and the schedule of property taxes receivable 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 non-major fund statements, the agency fund financial statements, annual supplemental transparency report and accompanying notes and the schedule of property taxes receivable 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 December 29, 2020, on our consideration of the Town of North Kingstown, 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 the effectiveness of the Town of North Kingstown, Rhode Island's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of North Kingstown, Rhode Island's internal control over financial reporting and compliance.

*Marcum LLP*

Providence, RI  
December 29, 2020

# **TOWN OF NORTH KINGSTOWN, RHODE ISLAND**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**JUNE 30, 2020**

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As management of the Town of North Kingstown, Rhode Island, we offer readers of the Town of North Kingstown's financial statements this narrative overview and analysis of the Town's financial activities for the fiscal year ended June 30, 2020. The information complements the data presented in the basic financial statements and is intended to enhance the reader's understanding of the Town's financial performance. We encourage readers to consider the information presented here in conjunction with the additional information that we have furnished in our letter of transmittal, which can be found in the Introductory section of this report.

### **Financial Highlights:**

- The liabilities and deferred inflows of resources for the Town of North Kingstown exceeded its assets and deferred outflows of resources at the end of the fiscal year ended June 30, 2020 by \$9,403,692 (net position). The total net position is broken down into three captions: 1) Net investment in capital assets (capital assets section), which is essentially the net worth of the infrastructure the Town owns; 2) Restricted, which is not spendable by the Town; and 3) Unrestricted, which is unassigned.
- The Town's total net position increased by \$2,028,096 as compared to the previous year that was restated.
- As of the close of the current fiscal year, the Town of North Kingstown's total governmental funds reported combined ending fund balances of \$28.4 million an increase of \$5.9 million from the previous year. Approximately 32% of this total, \$9.2 million, is available for spending at the Town's discretion (unassigned).
- At the end of the current fiscal year, the total fund balance of the General Fund was \$15.6 million, or 16.6% of total general fund expenditures and other net financing uses. Of this amount, the unassigned fund balance for the General Fund was \$11.6 million, which is available for spending at the Town's discretion. The remaining balance consisted of \$3.2 million non-spendable which are funds advanced to the Sewer Fund and Quonset/Davisville Recreation Fund for the fund's golf course irrigation project as well as funds advanced to the School Unrestricted Fund in advance of the receipt of federal ESSER funds. \$769,752 is assigned for encumbrances.
- The Town's remaining fund balance of \$12.8 million is classified as follows: \$4.5 million – School Department, principally assigned for education and encumbrances, but also grant-restricted and non-spendable for certain prepaid expenses; \$1.0 million - Debt Service Fund assigned; \$7.3 million – Other Governmental Funds, including \$5.8 million assigned for Town Capital Reserve funds and Infrastructure Replacement, \$1.5 million, principally restricted for Capital Projects such as GO Bonds, Revenue Bonds, and Open Space/Farmland, \$310,290 for grants and \$89,153 for Permanent Funds.

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2020

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- The Town's governmental activities total liabilities, both long-term and short-term (including general obligation bonds, capital leases, notes payable, compensated absences, pollution remediation obligations, net pension liabilities and OPEB liabilities) increased by \$5,407,795 (15.8%) during the current fiscal year.

Overview of the Financial Statements:

This discussion and analysis is intended to serve as an introduction to the Town of North Kingstown's basic financial statements, which are comprised of three components:

- 1) Government-wide financial statements
- 2) Fund financial statements
- 3) Notes to the financial statements

This report also contains other supplementary information in addition to the basic financial statements.

**Government-Wide Financial Statements** – The government-wide financial statements are designed to provide readers with a broad overview of the Town of North Kingstown'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 the Town's assets, deferred outflows of resources, liabilities and deferred inflows of resources, and with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

The *Statement of Activities* presents information showing how the Town's net position changed during the most recent fiscal year. All changes in net position are reported as soon as 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 future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the Town that are principally supported by taxes and intergovernmental revenues (governmental activities) from the business-type activities that are supported by user fees and charges. The governmental activities of the Town include public safety, public works, education, library, senior services, and general government. The business-type activities of the Town include a water fund, sewer fund, transfer station, municipal court, recreation fund, school cafeteria fund and capital reserve funds. The Quonset/Davisville Recreation Fund is comprised of the North Kingstown Municipal Golf Course, and the Allen Harbor Marina Facility.

# **TOWN OF NORTH KINGSTOWN, RHODE ISLAND**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**JUNE 30, 2020**

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Government-wide financial statements (statement of net position and statement of activities) are on pages 18-21 of this report.

### **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 near-term (current) inflows and outflows 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 financial decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Town of North Kingstown maintains sixty-eight (68) individual governmental funds. Information is presented separately in the Governmental Fund Balance Sheet and in the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances for the General Fund, School Department (unrestricted and special revenue funds), and Debt Service Fund, which are considered to be major funds. Data from the other funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

Basic Governmental Fund Financial Statements are on pages 22-25 of this report.

The Town of North Kingstown adopts an annual budget for its General Fund and School Unrestricted Fund.

A Budgetary comparison statement has been proved on pages 110 and 111.

**Proprietary Funds:** The Town of North Kingstown maintains two types of proprietary funds: Enterprise Funds and Internal Service Funds. Enterprise Funds are used to report the same functions presented as business-type activities in the government-wide financial statements, only

# **TOWN OF NORTH KINGSTOWN, RHODE ISLAND**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**JUNE 30, 2020**

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in more detail. The Town of North Kingstown uses enterprise funds to account for its water fund, recreation fund, sewer fund and non-major enterprise funds (i.e., nutrition fund, school sports camps, gate receipts, summer school, etc.). Internal service funds are an accounting device used to accumulate costs internally among the Town's various functions. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements. The internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements.

Basic proprietary fund financial statements can be found on pages 26-30 of this report.

**Fiduciary Funds:** Fiduciary funds are used to account for resources held for parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the Town of North Kingstown's own programs. The Town maintains three types of fiduciary funds: Police Pension Trust, OPEB Trust and Private Purpose Trust Funds. The accounting used for fiduciary funds is much like that used for proprietary funds.

Basic fiduciary fund financial statements can be found on pages 31-32 of this report.

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

Notes to the Financial Statements can be found on pages 33-96 of this report.

**Other Information:** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Town of North Kingstown's progress in funding its obligations to provide pension and other postemployment benefits to its employees.

Required supplementary information can be found on pages 97-113 of this report.

Combining Statements referred to earlier in connection with school department, non-major governmental funds proprietary funds and fiduciary funds are presented immediately following the required supplementary information on pages 125-174 of this report.

### **Government-Wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position and an important determinant of its ability to finance services in the future. In the case of the Town of North Kingstown, Rhode Island, liabilities, and deferred inflows of

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## MANAGEMENT'S DISCUSSION AND ANALYSIS

**JUNE 30, 2020**

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resources for the Town exceeded its assets and deferred outflows of resources by \$9,403,692 at the end of the fiscal year ended June 30, 2020.

The Town of North Kingstown's net position at the beginning of the year prior to restatement was \$(14,330,032). The net position was reduced by \$2,898,244 to a restated net position at the beginning of the year \$(11,431,788). The unrestricted net deficit at June 30, 2020 is \$(86,820,024). Consistent with prior year, the Town of North Kingstown has significant investment in capital assets (e.g., land, buildings, and equipment), less any related debt used to acquire those assets that are still outstanding. The Town of North Kingstown uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The restricted net position of \$3.8 million is subject to external restrictions on how it may be used.

*Listed below is a comparison of the current and prior fiscal years.*

### Town of North Kingstown Net Position

	<u>Government Activities</u>		<u>Business -Type Activities</u>		<u>Total</u>		<u>Percent Change</u>
	<u>2020</u>	<u>Restated 2019</u>	<u>2020</u>	<u>Restated 2019</u>	<u>2020</u>	<u>Restated 2019</u>	
Current & other assets	\$44,145,639	\$29,559,309	\$10,374,745	\$16,474,620	\$54,520,384	\$46,033,929	<b>18.44%</b>
Capital assets	\$97,586,117	\$94,891,484	\$34,352,840	\$25,234,502	\$131,938,957	\$120,125,986	<b>9.83%</b>
<b>Total Assets</b>	<b>\$141,731,756</b>	<b>\$124,450,793</b>	<b>\$44,727,585</b>	<b>\$41,709,122</b>	<b>\$186,459,341</b>	<b>\$166,159,915</b>	<b>12.22%</b>
Deferred outflows of resources	<u>\$21,524,431</u>	<u>\$28,960,802</u>	<u>\$714,332</u>	<u>\$870,175</u>	<u>\$22,238,763</u>	<u>\$29,830,977</u>	<b>-50.81%</b>
Current liabilities	\$19,097,334	\$10,634,620	\$2,414,592	\$2,222,852	\$21,512,926	\$12,857,472	<b>67.32%</b>
Long-term liabilities	\$143,608,095	\$144,076,660	\$20,223,132	\$21,030,423	\$163,831,227	\$165,107,083	<b>-0.77%</b>
<b>Total liabilities</b>	<b>\$162,705,429</b>	<b>\$154,711,280</b>	<b>\$22,637,724</b>	<b>\$23,253,275</b>	<b>\$185,343,153</b>	<b>\$177,964,555</b>	<b>4.15%</b>
Deferred inflows of resources	<u>\$21,965,368</u>	<u>\$21,953,277</u>	<u>\$10,793,275</u>	<u>\$7,504,848</u>	<u>\$32,758,643</u>	<u>\$29,458,125</u>	<b>11.20%</b>
<b>Net position</b>							
Net investment in capital assets	\$64,219,047	\$66,422,306	\$9,334,919	\$8,978,657	\$73,553,966	\$75,400,963	<b>-2.45%</b>
Restricted	\$3,130,341	\$3,222,732	\$659,686	\$918,651	\$3,790,027	\$4,141,383	<b>-6.39%</b>
Unrestricted	(\$88,763,998)	(\$92,898,000)	\$2,016,313	\$1,923,866	(\$86,747,685)	(\$90,974,134)	<b>-4.65%</b>
<b>Total net position</b>	<b>(\$21,414,610)</b>	<b>(\$23,252,962)</b>	<b>\$12,010,918</b>	<b>\$11,821,174</b>	<b>(\$9,403,692)</b>	<b>(\$11,431,788)</b>	<b>-17.74%</b>

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## MANAGEMENT'S DISCUSSION AND ANALYSIS

**JUNE 30, 2020**

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At June 30, 2020, the Town of North Kingstown has a positive balance in the Water Fund and negative balances in the Sewer and Quonset/Davisville/Recreation Funds. The Water Fund had an increase in net position of \$346,077. The Sewer Fund reported an increase in net position of \$156,923. The Quonset/Davisville Recreation Fund reported a decrease of \$368,504.

### **Governmental Activities**

Governmental Activities net position increased by \$1,838,352. Property taxes are the largest revenue source for governmental activities, accounting for 72.5% of total revenues. Operating grants and contributions contributed to 16.7% of the revenues followed by 6.6% from program revenues such as charges for services, fees, and licenses; the remaining 4.2% is unrestricted revenues (i.e., intergovernmental and investment earnings).

A comparison of FY 2020 and FY 2019 activity can be found below:

#### **Town of North Kingstown Changes in Net Position**

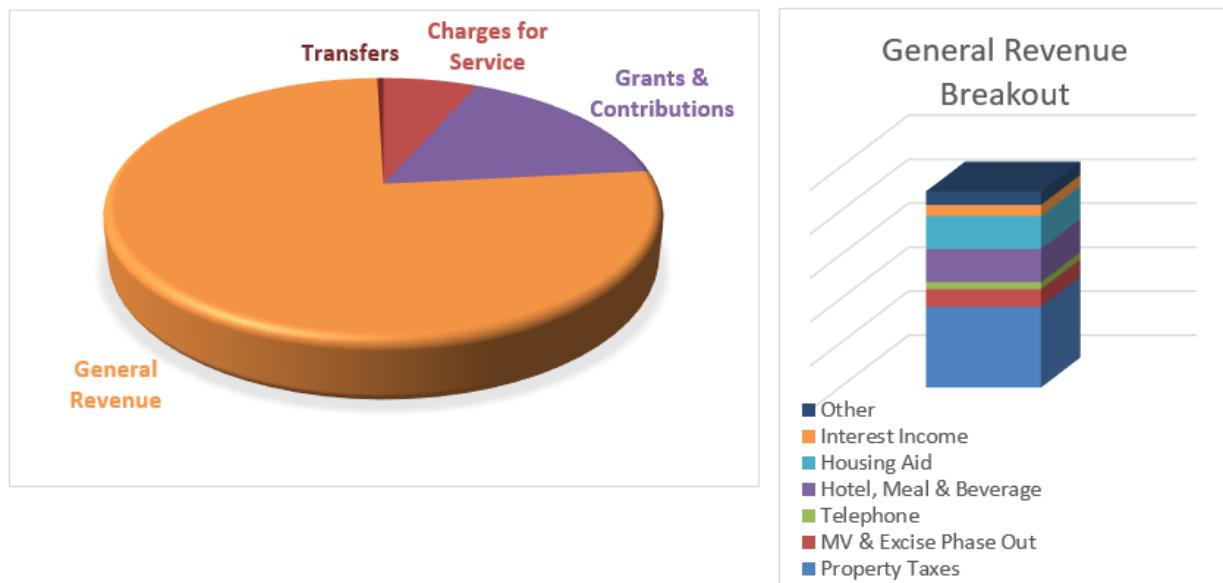
	<u>Government Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>		<b>Percent Change</b>
	<b>2020</b>	<b>Restated 2019</b>	<b>2020</b>	<b>Restated 2019</b>	<b>2020</b>	<b>Restated 2019</b>	
<b>Revenues</b>							
Charges for services	\$ 7,855,266	\$ 7,153,464	\$ 9,473,896	\$ 8,279,154	\$ 17,329,162	\$ 15,432,618	12.3%
Operating grants	19,098,025	18,854,098	659,434	986,169	19,757,459	19,840,267	-0.4%
Capital grants	636,261	651,353	--	--	636,261	651,353	-2.3%
Property taxes	85,674,614	83,035,881	--	--	85,674,614	83,035,881	3.2%
Motor vehicle phase-out taxes	192,589	192,589	--	--	192,589	192,589	0.0%
Excise tax phase-out	596,570	539,103	--	--	596,570	539,103	10.7%
Telephone tax	329,948	331,080	--	--	329,948	331,080	-0.3%
Hotel, meals, and beverage tax	740,396	738,761	--	--	740,396	738,761	0.2%
Housing aid	1,502,360	1,128,916	--	--	1,502,360	1,128,916	33.1%
Unrestricted investment earnings	502,650	360,367	4,650	133,945	507,300	494,312	2.6%
Other	613,596	455,442	--	--	613,596	455,442	34.7%
<b>Total Revenue</b>	<b>117,742,275</b>	<b>113,441,054</b>	<b>10,137,980</b>	<b>9,399,268</b>	<b>127,880,255</b>	<b>122,840,322</b>	<b>4.1%</b>
<b>Program Expenses</b>							
General government	8,496,465	7,108,438	--	--	8,496,465	7,108,438	19.5%
Public safety	22,650,252	20,049,135	--	--	22,650,252	20,049,135	13.0%
Public works	7,128,451	5,835,776	--	--	7,128,451	5,835,776	22.2%
Public libraries	1,827,185	1,698,921	--	--	1,827,185	1,698,921	7.5%
Education	74,372,907	71,101,318	--	--	74,372,907	71,101,318	4.6%
Senior services	649,916	659,241	--	--	649,916	659,241	-1.4%
Parks and recreation	39,046	43,249	--	--	39,046	43,249	-9.7%
Interest on long-term debt	1,248,535	1,326,620	--	--	1,248,535	1,326,620	-5.9%
Water	--	--	3,583,599	3,473,903	3,583,599	3,473,903	3.2%
Quonset / Davisville recreation	--	--	2,505,944	1,329,173	2,505,944	1,329,173	88.5%
Sewer	--	--	1,513,924	1,272,463	1,513,924	1,272,463	19.0%
Other business-type activities	--	--	1,835,935	1,750,030	1,835,935	1,750,030	6.1%
<b>Total Program Expenses</b>	<b>116,412,757</b>	<b>107,822,698</b>	<b>9,439,402</b>	<b>7,805,569</b>	<b>125,852,159</b>	<b>115,628,267</b>	<b>8.8%</b>
Change in net position prior to transfer:	1,329,518	5,618,356	698,578	1,593,699	2,028,096	7,212,055	-71.9%
Transfers	508,834	211,880	(508,834)	(211,880)	--	--	0.0%
Change in net position	1,838,352	5,830,236	189,744	1,381,819	2,028,096	7,212,055	-71.9%
Net Position - Beginning	(23,252,962)	(29,083,198)	11,821,174	10,439,355	(11,431,788)	(18,643,843)	-38.7%
Net Position - Ending	<b>\$ (21,414,610)</b>	<b>\$ (23,252,962)</b>	<b>\$ 12,010,918</b>	<b>\$ 11,821,174</b>	<b>\$ (9,403,692)</b>	<b>\$ (11,431,788)</b>	<b>-17.7%</b>

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2020

### 2020 Governmental Activities – Revenues



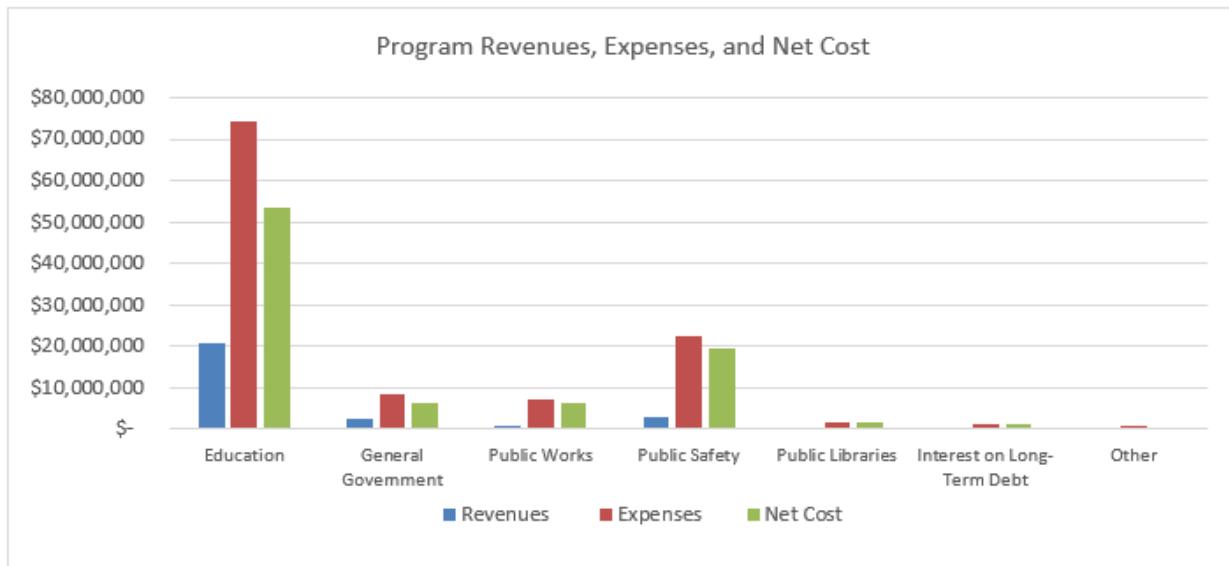
### 2020 Cost of Services

	Total Cost of Services			Net Cost of Services		
	2020	2019	Change	2020	2019	Change
Education	\$ 74,372,907	\$ 71,101,318	4.58%	\$ 53,606,741	\$ 51,880,454	3.33%
General Government	\$ 8,496,465	\$ 7,108,438	19.53%	\$ 6,105,196	\$ 4,930,765	23.82%
Public Works	\$ 7,128,451	\$ 5,835,776	22.15%	\$ 6,263,350	\$ 4,755,410	31.71%
Public Safety	\$ 22,650,252	\$ 20,049,135	12.97%	\$ 19,679,299	\$ 16,413,725	19.90%
Public Libraries	\$ 1,827,185	\$ 1,698,921	7.55%	\$ 1,513,965	\$ 1,396,834	8.39%
Interest on Long-Term Debt	\$ 1,248,535	\$ 1,326,620	5.89%	\$ 1,248,535	\$ 1,326,620	-5.89%
Other	\$ 688,962	\$ 702,490	-1.93%	\$ 406,119	\$ 459,975	-11.71%
Total Expenses	<b>\$ 116,412,757</b>	<b>\$ 107,822,698</b>	<b>7.95%</b>	<b>\$ 88,823,205</b>	<b>\$ 81,163,783</b>	<b>9.44%</b>

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2020



- Property taxes levied increased \$2,381,329 or 3.0% for fiscal year 2020. This is an increase of \$90 per capita. The Town's taxable property decreased by \$3,800,966 from \$4,067,361,645 to \$4,063,560,679. This represents a 0.1% decrease in taxable property and can be attributed to the State of Rhode Island's motor vehicle tax phase-out program. Excluding motor vehicles there would have been an increase in taxable property of \$6,062,032. A booming housing market, commercial growth and property revaluation resulted in the property tax rate decreasing from \$19.09 to \$17.09 per thousand dollars of assessed value to provide the same level of services the taxpayers have come to appreciate.
- Charges for services increased by \$683,182. (9.6%). This is primarily a result of an increase in education charges of \$682,222 and \$315,807 in public safety charges, which are offset in part by decreases of \$215,265 in public works charges and \$129,826 in general government charges.
- Grant Income (Operation and Capital) saw a combined increase of \$228,835 (1.2%) The majority of this increase is from general government grants increasing by \$343,422, education grants increasing by \$844,460, and a decrease in public safety grants of \$980,264.
- Education expenses account for approximately 63.9% of the total expenses within the governmental activities of the Town. Public safety and public works expenses account for 19.5% and 6.1%, respectively, general government makes up 7.3% and the remainder relates to the public library, interest on long-term debt and other areas.

# **TOWN OF NORTH KINGSTOWN, RHODE ISLAND**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**JUNE 30, 2020**

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- GASB No. 75 – Recognizes the accrual of net OPEB obligations in the government-wide statement of net position. This accrual is recognized within general government expenditures (Note 10, page 85). The net liability has decreased from \$20,665,575 to \$18,892,095, or \$1,773,480. At June 30, 2020, \$16,720,393 of the OPEB liability is recorded in the governmental activities with the remaining \$2,171,702 recorded in the business-type activities.
- As of June 30, 2020, the Town's OPEB was 7.8% funded. This is an increase of 1.7%.
- For FY 2020 the Town recognized OPEB expense of \$(59,597), deferred outflows of resources related to OPEB of \$39,338 and deferred inflows of resources related to OPEB of \$13,228,390. In FY 2020 the total OPEB cost was \$1,969,635 of which the town contributed \$1,534,432 (77.9%).

**Business-Type Activities:** Net position of business-type activities increased by \$189,744 which is a 1.6% increase in business-type activities net position. Water had the most significant increase of \$346,077. There was a significant decrease of \$368,504 in the Quonset/Davisville Recreation fund.

Charges for services for business-type activities accounted for 87.0% of the total revenue sources. The balance of revenues for business-type activities was from operating grants. Of total revenue coming into the business-type activities, 39.6% is being generated by the water fund, 18.3% from the sewer fund, 21.8% from the recreation fund, and the remaining from the school cafeteria fund and other non-major enterprise funds.

Charges for services for business-type activities increased from \$8,279,154 to \$8,815,158 or 6.4%. The water fund reported an increase of \$358,544 (9.8%) and the Quonset/Davisville Recreation fund reported an increase of \$489,196 (28.5%).

The water fund expenses accounted for 38.8% of the expenditures within the business-type activities of the Town. Quonset/Davisville recreation fund and the sewer fund accounted for 27.9% and 12.9%, respectively, of the business-type activities expenditures for the 2020 fiscal year. Further, included in the Non-major Enterprise funds, the Nutrition Fund accounted for 11.3% of the business-type activities expenditures for the 2020 fiscal year.

Expenses associated with the water fund increased by \$109,696. This is primarily a result of higher wages. The Quonset/Davisville Recreation Fund expenses increased by \$1,176,771, which is related to reduced costs associated with the golf course. Expenses associated with the Sewer Fund increased by \$241,461 due to an increase in flows and resulting fees as part of the wastewater service agreement (Quonset Development Corporation Annual Capacity Price Purchase).

# **TOWN OF NORTH KINGSTOWN, RHODE ISLAND**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**JUNE 30, 2020**

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### **Financial Analysis of the Government's Funds**

As noted earlier, the Town of North Kingstown uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental Funds:** The focus of the Town of North Kingstown'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 of North Kingstown's financing requirements. Unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the year.

As of the end of the current fiscal year, the Town of North Kingstown's governmental funds reported combined ending fund balances of \$28.4 million. Approximately 32.4% of this amount, \$9.2 million constitutes unassigned fund balance which is available for spending at the government's discretion within the Town's General Fund. The remaining fund balances remain classified for specific purposes such as: Debt Service Fund restricted of \$1,050,158, and Other Governmental Funds restricted of \$1.9 million, of which \$1.45 is for bonded capital projects and assigned of \$12.9 million primarily consisting of \$6.7 million for Capital Reserve funds and Infrastructure Replacement and \$4.2 million for school department funds. Non-spendable include General Fund of \$3.2 million for advances to the Sewer Fund, Golf Course Irrigation Project, School Department and prepaid expenses. The School Department's non-spendable amount of \$8,604 is for prepaid expenses, assigned for education of \$4.2 million, and grant-restricted for \$226,380.

**General Fund.** The General Fund is the chief operating fund of the Town. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$11.6 million, which is included in the total fund balance of \$15.6 million. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 11.0% of the 2021 Adopted General Fund Expenditure Budget. The total fund balance of the Town of North Kingstown's General Fund increased by \$2,131,510 during the current fiscal year due primarily to higher than anticipated departmental and other revenue compared to budgeted amounts.

**School Department:** The school fund has a total fund balance of \$4.5 million, of which \$4.2 million has been assigned to the School Department (to help finance future years' school budgets). The School Department ended with a surplus of \$2.5 which includes a transfer from the School Operation Fund to the School's Capital Fund in the amount of \$259,932. Excluding this transfer, the School Department operated at a surplus of \$2.7 million due to savings in professional services and supplies and materials compared to budgeted amounts. The School's Capital Fund had a fund balance of \$521,762 as of June 30, 2020.

**Debt Service Fund:** The Town's debt service fund has a total fund balance of \$1.1 million, all of which is restricted for future debt service.

# **TOWN OF NORTH KINGSTOWN, RHODE ISLAND**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**JUNE 30, 2020**

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**Proprietary Funds:** The Town of North Kingstown's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Separate information is provided for the water fund, the sewer fund, and the Quonset/Davisville recreation fund, which includes the Municipal Golf Course and the Allen Harbor Marina, all of which are considered major funds of the Town of North Kingstown.

Net position in the water fund at the end of the fiscal year was \$13.9 million, an increase of \$346,077 from the prior year. Long-term debt of \$2.5 million is a liability within the Water Fund and was issued to pay for projects that were approved by the RI Infrastructure Bank (formerly known as the RI Clean Water Finance Agency). The Water Fund took advantage of The American Recovery and Reinvestment Act of 2009 which provided an additional Drinking Water State Revolving Fund capitalization grant to the State of Rhode Island. A portion of the Borrower Loan will be forgiven annually as debt service is paid. The amount of principal forgiveness that the Water Fund will recognize at the end of the term will be approximately \$876,000.

Net deficit position in the Quonset/Davisville Recreation fund increased by \$368,504 from \$(718,371) to \$(1,086,875).

Other factors concerning the finances of these funds have already been addressed in the discussion of the Town of North Kingstown's business-type activities.

### **General Fund Budgetary Highlights**

The Town finished the 2019-2020 Fiscal Year with budgetary surpluses (deficits) as follows:

- General Fund - \$2,090,293

Differences between the original budget and the final amended budget for the General Fund were concentrated in the revenue section. The Town continues to increase collection efforts on prior year taxes, which included participation in the State of Rhode Island Income Tax Refund Offset program. In addition, the town experienced significantly higher than budgeted income from police detail, and interest income. Increased Intergovernmental income was a combination of increased revenue from hotel, meal, and beverage tax and school housing aid. The increased school housing aid was transferred out to the School Capital Fund.

The budgeted collection rate was estimated to be 97.81% while the actual collections achieved was 97.85% of the total levy. The Town collects supplemental taxes during the year for real estate construction that receives a certificate of occupancy after the assessment date. The amount generated from this is recorded as tax revenue but has not historically been used in the calculation of the tax rate because it is uncertain as to what may occur.

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2020

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### Capital Asset and Debt Administration:

**Capital Assets** – The Town of North Kingstown's investment in capital assets for its governmental and business-type activities as of June 30, 2020, amounts to \$122,686,506 (net of accumulated depreciation). This investment in capital assets includes investments in development rights, land and building improvements, machinery and equipment, park facilities, infrastructure and construction in progress. The total gross increased in the Town's investment in governmental activities capital assets, prior to accumulated depreciation, for the current fiscal year was \$1,076,862.

<u>Gross Capital Assets</u>			
	June 30, 2020	June 30, 2019 (restated)	
Land	\$ 9,959,507	\$ 9,959,507	
Development Rights	\$ 17,495,465	\$ 17,495,465	
Land Improvements	\$ 2,061,448	\$ 2,004,648	
Building & Improvements	\$ 119,605,403	\$ 112,144,987	
Equipment	\$ 20,049,103	\$ 19,599,873	
Infrastructure	\$ 75,848,791	\$ 74,558,665	
Construction in Progress	\$ 5,362,638	\$ 6,550,088	
<b>Total</b>	<b>\$ 250,382,355</b>	<b>\$ 242,313,233</b>	

Major capital asset events during the current fiscal year included the following:

- Restatement and reclassifications. The School restated capital assets for assets purchased prior to fiscal year 2019 which consisted of primarily building improvements.
- The NK School Department upgraded flooring at the Fishing Cove, Forest Park and Stony Land Elementary Schools. In addition, they completed the athletic field project started in the previous fiscal year.
- The Town upgraded the public safety communication system, senior center and safety equipment. In addition, it replaced various public safety equipment, included spreader/cutter and portable firefighting equipment.
- The Town purchased multiple vehicles including a street sweeper, four (4) police interceptors and three (3) vehicles for the Department of Public Works (2) and Recreation Department (1).
- Construction in Progress at June 30, 2020 consisted of improvements to Wilson Park and design work for the Town Hall upgrades and Fire Stations #2 & #3. School Department construction in progress included work for the High School air conditioning and window replacement at the Davisville Middle School.

At June 30, 2020, the Town is committed under various contracts primarily related to Sewer and work related to the School Department.

# **TOWN OF NORTH KINGSTOWN, RHODE ISLAND**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**JUNE 30, 2020**

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Information on the Town of North Kingstown's capital assets can be found in Note 5 on pages 56-57 of this report.

**Long-term Debt** – At the end of the current fiscal year, the Town of North Kingstown's governmental activities had \$33,216,813 in bonds outstanding, compared to \$28,963,394 last year, an increase of \$4,253,419. Total bonded debt for the Town is entirely backed by the full faith and credit of the Town. Bonds authorized but unissued totaled an additional \$17,800,000 for business-type activities and \$14,692,000 for general fund activities, resulting in a total authorized but unissued of \$32,492,000. State statutes limit the amount of general obligation bonded debt a town can issue to 3% of net assessed property values. However, all bonds approved through State enabling legislation and voter referendums are exempt from the limit. As of June 30, 2020, the Town had a legal debt limit of \$148,983,077, based on net assessed valuations as of December 31, 2019. As of June 30, 2020, the Town had outstanding debt subject to the 3% debt limit of \$0.

The Town's debt limit calculation is shown on page 58 of this report.

The Town received a bond rating by Mood's Investors Services of Aa2 and from S&P Global Rating Service of AA+ in June of 2019 based on the following factors:

- Primarily residential property tax base with a diverse and growing commercial presence;
- Very strong management, with good financial policies and practices; and
- Very strong budgetary flexibility and very strong liquidity.

Information on the Town of North Kingstown's long-term debt can be found in Note 7 on pages 58-62 of this report.

### **Economic Factors and Next Year's Budgets and Rates:**

- Rhode Island General Laws limit the amount by which a city or town may increase its tax levy in each year unless the city or town qualifies for certain exemptions relating to loss of non-property tax revenue, emergencies, payment of debt service and substantial increase in the tax base necessitate significant expenditures. The maximum amount by which a city or town can increase its levy for 2021 is 4.0%. This levy would allow the Town to raise an additional \$3.1 million in new tax dollars.

# **TOWN OF NORTH KINGSTOWN, RHODE ISLAND**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**JUNE 30, 2020**

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- As of June 2020, the Town had an unemployment rate of 10.2% as compared to the State of Rhode Island's rate of 12.3% and the national average of 11.2%. The increase in the Town's unemployment rate was 7.3% compared to June 2019 and is due to the impact that COVID-19 has had. While the pandemic has impacted national, state and local economies, additional businesses continue to locate to the Quonset Business Park, and the Town's largest employer, Electric Boat, continues to expand and seek qualified new employees.

These additional factors will be considered as we plan for our 2022 budget.

- Growing Infrastructure needs as a result of increases in housing stock, expansion of Quonset Business Park, and development of Post Road.
- Long term plan for Town Hall/Municipal Office and development of Public Safety Facilities.
- Impact of Covid-19 pandemic and projected decreases in non-tax revenue, particularly hotel and meal & beverage tax.
- Impact of Covid-19 related additional cost for public safety and schools.
- Impact that climate change and rising oceans have on our coastal community.
- Increased needs for public transportation.
- Changes in demographics of the community.

Unassigned fund balance in the Town's general operating fund at June 30, 2020 is \$14,039,029 or 15.1% of the Town general operation fund expenditures, which complies the Town's fiscal policy of maintaining a minimum of 10% of total General Fund expenditures and transfer out as a reserve.

The fiscal year 2020 rate of collection of current taxes was 97.85%. It is anticipated that the fiscal year 2021 rate of collection will fall within the budgeted collection rate which took into consideration the local and state economic conditions. With an overwhelming reliance on property taxes (approximately 90.3% of the current year revenues are derived from property taxes) any reduction in other revenues would necessitate either a use of a portion of the fund balance, a property tax increase or a reduction in services in the upcoming year or some combination thereof. Based upon preliminary discussion regarding the state budget, we are anticipating being level funded by the state and a minor increase in tax appropriations to maintain the Town's existing services and oblige contractual obligations.

**Requests for Information:** This financial report is designed to provide a general overview of the Town of North Kingstown's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Director, James Lathrop, CPA, MPA, Finance Office, Town of North Kingstown, Municipal Offices, 100 Fairway Drive, North Kingstown, RI 02852.

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## STATEMENT OF NET POSITION

JUNE 30, 2020

	Primary Government			Component Unit
	Governmental Activities		Business-type Activities	North Kingstown
			Total	Free Library
<b>Assets</b>				
<b>Current Assets</b>				
Cash and cash equivalents	\$ 30,810,025	\$ 12,550,416	\$ 43,360,441	\$ 349,396
Restricted cash	2,190,408	659,686	2,850,094	--
Tax receivable, net	2,896,043	--	2,896,043	--
Accounts receivable, net	2,041,594	1,681,789	3,723,383	--
Internal balances	2,518,136	(2,518,136)	--	--
Due from federal and state governments	1,268,870	61,081	1,329,951	--
Prepays and other assets	8,604	351,868	360,472	--
Beneficial interest in assets held by other	--	--	--	371,367
<b>Total Current Assets</b>	<u>41,733,680</u>	<u>12,786,704</u>	<u>54,520,384</u>	<u>720,763</u>
<b>Noncurrent Assets</b>				
Internal balances	2,411,959	(2,411,959)	--	--
Assessment and fees receivable	--	9,252,451	9,252,451	--
Capital assets not being depreciated	31,685,144	1,132,466	32,817,610	--
Capital assets, net of accumulated depreciation	65,900,973	23,967,923	89,868,896	--
<b>Total Noncurrent Assets</b>	<u>99,998,076</u>	<u>31,940,881</u>	<u>131,938,957</u>	<u>--</u>
<b>Total Assets</b>	<u>141,731,756</u>	<u>44,727,585</u>	<u>186,459,341</u>	<u>720,763</u>
<b>Deferred Outflows of Resources</b>				
Deferred charge on bond refunding, net	843,483	--	843,483	--
Pension related deferred outflows of resources	20,646,275	709,667	21,355,942	--
OPEB related deferred outflows of resources	34,673	4,665	39,338	--
<b>Total Deferred Outflows of Resources</b>	<u>21,524,431</u>	<u>714,332</u>	<u>22,238,763</u>	<u>--</u>

*The accompanying notes are an integral part of these financial statements.*

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## STATEMENT OF NET POSITION (CONTINUED)

JUNE 30, 2020

	Primary Government			Component Unit North Kingstown Free Library	
	Governmental Activities	Business-type Activities	Total		
<b>Liabilities</b>					
<b>Current Liabilities</b>					
Accounts payable and accrued expenses	6,840,843	905,519	7,746,362	--	
Other liabilities	--	5,747	5,747	--	
Short term notes payable	6,023,000	--	6,023,000	--	
Unearned revenue	--	372,241	372,241	--	
Escrow deposits	194,418	--	194,418	--	
Current portion of compensated absences	2,460,945	146,146	2,607,091	--	
Current portion of general obligation bonds	3,342,000	915,375	4,257,375	--	
Current portion of capital lease obligations	236,128	69,564	305,692	--	
<b>Total Current Liabilities</b>	<u>19,097,334</u>	<u>2,414,592</u>	<u>21,511,926</u>	<u>--</u>	
<b>Noncurrent Liabilities</b>					
Compensated absences, net	213,995	12,448	226,443	--	
General obligation bonds, net	29,874,813	14,708,192	44,583,005	--	
Capital lease obligations, net	757,612	72,339	829,951	--	
Pollution remediation obligation	1,800,000	--	1,800,000	--	
Net pension liability	94,241,282	3,258,451	97,499,733	--	
Net OPEB liability	16,720,393	2,171,702	18,892,095	--	
<b>Total Noncurrent Liabilities</b>	<u>143,608,095</u>	<u>20,223,132</u>	<u>163,831,227</u>	<u>--</u>	
<b>Total Liabilities</b>	<u>162,705,429</u>	<u>22,637,724</u>	<u>185,343,153</u>	<u>--</u>	
<b>Deferred inflows of resources</b>					
Deferred sewer assessment	--	8,942,639	8,942,639	--	
Deferred loans	423,357	--	423,357	--	
Pension related deferred inflows of resources	9,725,225	439,032	10,164,257	--	
OPEB related deferred inflows of resources	11,816,786	1,411,604	13,228,390	--	
<b>Total Deferred Inflows of Resources</b>	<u>21,965,368</u>	<u>10,793,275</u>	<u>32,758,643</u>	<u>--</u>	
<b>Net Position</b>					
Net investment in capital assets	64,219,047	9,334,919	73,553,966	--	
Restricted:					
School grant funds	226,380	--	226,380	--	
Debt service	1,050,158	--	1,050,158	--	
Town grant funds	310,290	--	310,290	--	
Capital project funds	1,454,360	--	1,454,360	--	
Permanent trust funds	89,153	--	89,153	--	
Water projects	--	295,058	295,058		
Sewer projects	--	364,628	364,628		
Library funds	--	--	--	720,763	
Unrestricted	<u>(88,763,998)</u>	<u>2,016,313</u>	<u>(86,747,685)</u>	<u>--</u>	
<b>Total Net Position</b>	<u><u>\$ (21,414,610)</u></u>	<u><u>\$ 12,010,918</u></u>	<u><u>\$ (9,403,692)</u></u>	<u><u>\$ 720,763</u></u>	

*The accompanying notes are an integral part of these financial statements.*

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## STATEMENT OF ACTIVITIES

**FOR THE YEAR ENDED JUNE 30, 2020**

Functions/Programs	Expenses	Program Revenues				Net (Expense) Revenue and Changes in Net Position			Component Unit North Kingstown Free Library	
		Charges for Services	Operating	Capital	Primary Government					
			Grants and Contributions	Grants and Contributions	Governmental Activities	Business-type Activities	Total			
<b>Governmental Activities</b>										
General government	\$ 8,496,465	\$ 1,324,141	\$ 961,418	\$ 105,710	\$ (6,105,196)			\$ (6,105,196)		
Public safety	22,650,252	1,431,538	1,539,415	--	(19,679,299)			(19,679,299)		
Public works	7,128,451	865,101	--	--	(6,263,350)			(6,263,350)		
Public libraries	1,827,185	13,438	299,782	--	(1,513,965)			(1,513,965)		
Education	74,372,907	3,960,700	16,274,915	530,551	(53,606,741)			(53,606,741)		
Senior services	649,916	136,742	22,495	--	(490,679)			(490,679)		
Parks and recreation	39,046	123,606	--	--	84,560			84,560		
Interest on long-term debt	1,248,535	--	--	--	(1,248,535)			(1,248,535)		
<b>Total Governmental Activities</b>	<b>116,412,757</b>	<b>7,855,266</b>	<b>19,098,025</b>	<b>636,261</b>	<b>(88,823,205)</b>			<b>(88,823,205)</b>		
<b>Business-Type Activities</b>										
Water	3,583,599	4,011,595	--	--	\$ 427,996			427,996		
Quonset / Davisville recreation	2,505,944	2,205,155	--	--	(300,789)			(300,789)		
Sewer	1,513,924	1,850,668	--	--	336,744			336,744		
Other business-type activities	1,835,935	1,406,478	659,434	--	229,977			229,977		
<b>Total Business-Type Activities</b>	<b>9,439,402</b>	<b>9,473,896</b>	<b>659,434</b>	<b>--</b>	<b>693,928</b>			<b>693,928</b>		
<b>Total</b>	<b>\$ 125,852,159</b>	<b>\$ 17,329,162</b>	<b>\$ 19,757,459</b>	<b>\$ 636,261</b>	<b>(88,823,205)</b>	<b>693,928</b>		<b>(88,129,277)</b>		

*The accompanying notes are an integral part of these financial statements.*

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## STATEMENT OF ACTIVITIES (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2020

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Functions/Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Position			Component Unit North Kingstown Free Library
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	
						Total	
<b>Component unit:</b>							
North Kingstown Free Library	\$ 27,009	\$ --	\$ 300,509				\$ 273,500
<b>General Revenues</b>							
Property taxes				85,674,614	--	85,674,614	--
Motor vehicle phase-out taxes				192,589	--	192,589	--
Excise tax phase-out				596,570	--	596,570	--
Telephone tax				329,948	--	329,948	--
Hotel, meals, and beverage tax				740,396	--	740,396	--
Housing aid				1,502,360	--	1,502,360	--
Unrestricted investment earnings				502,650	4,650	507,300	(30,164)
Other				613,596	--	613,596	--
<b>Transfers in (out)</b>				508,834	(508,834)	--	--
<b>Total General Revenues and Transfers</b>				<u>90,661,557</u>	<u>(504,184)</u>	<u>90,157,373</u>	<u>(30,164)</u>
<b>Change in Net Position</b>				1,838,352	189,744	2,028,096	243,336
<b>Net Position - Beginning of Year, As Restated</b>				(23,252,962)	11,821,174	(11,431,788)	477,427
<b>Net Position - End of Year</b>				<u>\$ (21,414,610)</u>	<u>\$ 12,010,918</u>	<u>\$ (9,403,692)</u>	<u>\$ 720,763</u>

*The accompanying notes are an integral part of these financial statements.*

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## BALANCE SHEET GOVERNMENTAL FUNDS

JUNE 30, 2020

	General Fund	School Department	School Bond	27.5M Bond Fund	Debt Service Fund	Nommajor Governmental Funds	Total Governmental Funds
<b>Assets</b>							
Cash and cash equivalents	\$ 10,037,243	\$ 6,434,354	\$ 4,312,680	\$ 4,308,466	\$ --	\$ 5,717,282	\$ 30,810,025
Restricted cash	--	--	--	778,789	1,411,619	--	2,190,408
Taxes receivable, net	2,896,043	--	--	--	--	--	2,896,043
Other receivables, net	1,124,390	104,700	--	--	--	812,504	2,041,594
Due from federal and state governments	193,356	915,007	--	--	--	160,507	1,268,870
Prepays	--	8,604	--	--	--	--	8,604
Advanced to other fund	3,207,296	--	--	--	--	--	3,207,296
Due from other funds	2,546,383	863,054	--	--	--	--	3,409,437
<b>Total Assets</b>	<b>\$ 20,004,711</b>	<b>\$ 8,325,719</b>	<b>\$ 4,312,680</b>	<b>\$ 5,087,255</b>	<b>\$ 1,411,619</b>	<b>\$ 6,690,293</b>	<b>\$ 45,832,277</b>
<b>Liabilities</b>							
Accounts payable and accrued expenses	\$ 1,500,278	\$ 2,554,983	\$ 1,452,210	\$ 466,971	\$ --	\$ 294,082	\$ 6,268,524
Short term notes payable	--	--	5,263,000	760,000	--	--	6,023,000
Due to other funds	--	841,077	--	--	361,461	31,548	1,234,086
Advance from Town	--	452,552	--	--	--	--	452,552
Unearned revenue	--	--	--	6,658	--	79,793	86,451
Escrow deposits	194,418	--	--	--	--	--	194,418
<b>Total Liabilities</b>	<b>1,694,696</b>	<b>3,848,612</b>	<b>6,715,210</b>	<b>1,233,629</b>	<b>361,461</b>	<b>405,423</b>	<b>14,259,031</b>
<b>Deferred Inflows of Resources</b>							
Deferred loans	--	--	--	--	--	423,357	423,357
Unavailable tax and EMS revenue	2,703,897	--	--	--	--	--	2,703,897
<b>Total Deferred Inflows of Resources</b>	<b>2,703,897</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>423,357</b>	<b>3,127,254</b>
<b>Fund Balances</b>							
Non-spendable	3,207,296	8,604	--	--	--	--	3,215,900
Restricted	--	226,380	--	--	1,050,158	1,853,803	3,130,341
Assigned	769,752	4,242,123	--	3,853,626	--	4,022,485	12,887,986
Unassigned	11,629,070	--	(2,402,530)	--	--	(14,775)	9,211,765
<b>Total Fund Balances</b>	<b>15,606,118</b>	<b>4,477,107</b>	<b>(2,402,530)</b>	<b>3,853,626</b>	<b>1,050,158</b>	<b>5,861,513</b>	<b>28,445,992</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 20,004,711</b>	<b>\$ 8,325,719</b>	<b>\$ 4,312,680</b>	<b>\$ 5,087,255</b>	<b>\$ 1,411,619</b>	<b>\$ 6,690,293</b>	<b>\$ 45,832,277</b>

*The accompanying notes are an integral part of these financial statements.*

# **TOWN OF NORTH KINGSTOWN, RHODE ISLAND**

## **RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE GOVERNMENT-WIDE STATEMENT OF NET POSITION**

**JUNE 30, 2020**

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*Amounts reported for governmental activities in the Statement of Net Position are different because of the following:*

<i>Total Fund Balance reported in Governmental Funds</i>	\$ 28,445,992
Capital assets, net of accumulated depreciation, used in governmental activities are not financial resources and, therefore are not reported in the Governmental Funds Balance Sheet	97,586,117
Deferred outflows related to pension plan and OPEB plan are not current measurable and available resources and therefore not reported in the Fund Statements but are reported in the Statement of Net Position	20,680,948
Deferred inflows related to pension plan and OPEB plan are not current measurable and available resources and therefore not reported in the Fund Statements but are reported in the Statement of Net Position	(21,542,011)
Deferred loss on refunding of bonds which is amortized over the life of the new bond	843,483
Long-term liabilities and related items are not due and payable in the current period and therefore are not reported in the funds. These liabilities are reported in the Statement of Net Position:	
Accrual for net pension and net OPEB liabilities	(110,961,675)
Accrual for compensated absences	(2,674,940)
Pollution remediation obligation	(1,800,000)
Capital lease obligations	(993,740)
General obligation bonds	(30,229,000)
Bond premium, net of amortization	(2,987,813)
Unavailable tax and EMS revenues (net of an allowance for uncollectibles) are recorded in the funds, but are not recorded under the measurement focus employed in the Statement of Net Position	2,703,897
Interest accrued on long-term debt obligations is reported as a liability in the Statement of Net Position but does not get reported in the Fund Statements	<u>(485,868)</u>
<i>Total Net Position reported in Statement of Net Position</i>	<u>\$ (21,414,610)</u>

*The accompanying notes are an integral part of these financial statements.*

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS

FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	General Fund	School Department	School Bond	27.5M Bond Fund	Debt Service Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>Revenues</b>							
Property taxes	\$ 85,323,103	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 85,323,103
Intergovernmental	4,267,290	12,826,825	--	--	--	1,697,997	18,792,112
Licenses, fees, fines, charges, and assessments	3,101,928	--	--	--	--	--	3,101,928
Investment income (loss)	427,654	--	--	--	432	75	428,161
Contributions and grants	--	--	--	--	--	66,440	66,440
State on behalf pension contribution	--	3,261,477	--	--	--	--	3,261,477
Other miscellaneous	1,391,254	4,221,802	--	--	542	803,945	6,417,543
<b>Total Revenues</b>	<b>94,511,229</b>	<b>20,310,104</b>	<b>--</b>	<b>--</b>	<b>974</b>	<b>2,568,457</b>	<b>117,390,764</b>
<b>Expenditures</b>							
Current							
General government	6,722,456	--	24,816	115,410	--	1,233,495	8,096,177
Public safety	19,003,294	--	--	81,840	--	1,019,655	20,104,789
Public works	5,081,610	--	--	236,689	--	79,706	5,398,005
Public libraries	--	--	--	22,396	--	1,771,217	1,793,613
Education	--	71,211,756	--	--	--	--	71,211,756
Senior services	524,507	--	--	--	--	125,409	649,916
Parks and recreation	39,046	--	--	--	--	--	39,046
Debt Service							
Principal	232,186	--	--	--	3,171,000	--	3,403,186
Interest and other costs	26,018	--	--	--	1,222,517	--	1,248,535
Capital Outlays	1,873,071	741,570	1,855,336	3,409,348	--	465,200	8,344,525
<b>Total Expenditures</b>	<b>33,502,188</b>	<b>71,953,326</b>	<b>1,880,152</b>	<b>3,865,683</b>	<b>4,393,517</b>	<b>4,694,682</b>	<b>120,289,548</b>
<b>Excess of Revenues Over (Under) Expenditures</b>							
<b>Before Other Financing Sources (Uses)</b>	<b>61,009,041</b>	<b>(51,643,222)</b>	<b>(1,880,152)</b>	<b>(3,865,683)</b>	<b>(4,392,543)</b>	<b>(2,126,225)</b>	<b>(2,898,784)</b>
<b>Other Financing Sources (Uses)</b>							
Issuance of bonds, refundings and capital leases	515,650	--	--	7,045,000	--	--	7,560,650
Bond premium	--	--	--	719,526	--	--	719,526
Transfers in	1,179,063	54,362,817	--	778,789	4,515,212	2,320,280	63,156,161
Transfers out	(60,572,244)	(259,932)	(522,378)	--	--	(1,292,823)	(62,647,377)
<b>Total Other Financing Sources (Uses)</b>	<b>(58,877,531)</b>	<b>54,102,885</b>	<b>(522,378)</b>	<b>8,543,315</b>	<b>4,515,212</b>	<b>1,027,457</b>	<b>8,788,960</b>
<b>Net Change in Fund Balances</b>	<b>2,131,510</b>	<b>2,459,663</b>	<b>(2,402,530)</b>	<b>4,677,632</b>	<b>122,669</b>	<b>(1,098,768)</b>	<b>5,890,176</b>
<b>Fund Balance - Beginning of Year, As Restated</b>	<b>13,474,608</b>	<b>2,017,444</b>	<b>--</b>	<b>(824,006)</b>	<b>927,489</b>	<b>6,960,281</b>	<b>22,555,816</b>
<b>Fund Balance - End of Year</b>	<b>\$ 15,606,118</b>	<b>\$ 4,477,107</b>	<b>\$ (2,402,530)</b>	<b>\$ 3,853,626</b>	<b>\$ 1,050,158</b>	<b>\$ 5,861,513</b>	<b>\$ 28,445,992</b>

*The accompanying notes are an integral part of these financial statements.*

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES TO THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES

### FOR THE FISCAL YEAR ENDED JUNE 30, 2020

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<b>Net Change in Fund Balances - Total Governmental Funds</b>	\$ 5,890,176
 Governmental funds report 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.	
Capital outlay	6,785,022
Depreciation expense	(4,090,389)
 Governmental funds report bond, premium on bond, and capital lease proceeds as revenues. However, in the statement of activities, these funds are reported as additions to long-term debt.	
	(8,280,176)
 Governmental funds report principal repayments on debt obligations as an expenditure. However, the repayment of principal has no effect on the net position.	
	3,403,187
 Changes to the following accounts related to the Town's pension and OPEB plans are reported as an expense for governmental activities but are not reported as an expenditure in the fund financial statements until they are paid with measurable and available resources:	
Increase in net pension liability	2,816,033
Increase in net OPEB liability	1,961,118
Increase in deferred outflows of resources	(7,075,361)
Increase in deferred inflows of resources	2,715
 Governmental funds report premiums received on debt financing as other financing sources when received. However, the Statement of Activities amortizes these premiums over the life of the obligations and records the amortization as a credit to expenses. This is the amortization amount for fiscal 2020.	
	340,107
 Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in governmental funds. Net unavailable tax and EMS revenue increased from fiscal 2019.	
	351,511
 Accrued interest on long-term debt obligations is reported in the governmental activities but is not reported in the governmental fund statements. This is the increase in accrued interest expense from fiscal 2019.	
	(23,986)
 The governmental funds reflect compensated absences when they will be paid with measurable and available resources. The change from prior year balances is reflected in the statement of activities. Compensated absences decreased from fiscal 2019.	
	119,355
 The activity for the current year amortization of loss on bond refundings.	
	(361,010)
 The activity reported in the Internal Service Funds is presented with the Proprietary Fund Statements. However, this activity is reported as a component of the Governmental Activities in the Statement of Activities. This is the net activity reported for fiscal 2020.	
	50
<b>Change in Net Position of Governmental Activities in the Statement of Activities</b>	<b>\$ 1,838,352</b>

*The accompanying notes are an integral part of these financial statements.*

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## STATEMENT OF NET POSITION PROPRIETARY FUNDS

JUNE 30, 2020

	Business-type Activities-Enterprise Funds							
	Water		Quonset/ Davisville Recreation		Nonmajor Enterprise Funds		Total Enterprise Funds	
	Operations	Capital Reserve	Sewer			Internal Service Fund		
<b>Assets</b>								
<b>Current Assets</b>								
Cash and cash equivalents	\$ 11,895,985	\$ 404,347	\$ (332)	\$ --	\$ 250,416	\$ 12,550,416	\$ --	
Restricted cash	295,058	--	--	364,628	--	659,686	--	
User charges receivable	1,272,176	--	--	291,511	--	1,563,687	--	
Other receivables	--	11,500	2,250	23,495	80,857	118,102	--	
Due from federal and state governments	--	--	--	--	61,081	61,081	--	
Due from other funds	--	--	--	--	92,762	92,762	--	
Prepaid expenses	--	--	--	--	42,157	42,157	--	
Inventory	275,150	--	34,561	--	--	309,711	--	
<b>Total Current Assets</b>	<b>13,738,369</b>	<b>415,847</b>	<b>36,479</b>	<b>679,634</b>	<b>527,273</b>	<b>15,397,602</b>	<b>--</b>	
<b>Noncurrent Assets</b>								
Assessments receivable	--	--	--	9,252,451	--	9,252,451	--	
Capital assets not being depreciated	535,162	--	494,950	102,354	--	1,132,466	--	
Capital assets, net of accumulated depreciation	7,111,346	--	3,138,577	13,693,547	24,453	23,967,923	--	
<b>Total Noncurrent Assets</b>	<b>7,646,508</b>	<b>--</b>	<b>3,633,527</b>	<b>23,048,352</b>	<b>24,453</b>	<b>34,352,840</b>	<b>--</b>	
<b>Total Assets</b>	<b>21,384,877</b>	<b>415,847</b>	<b>3,670,006</b>	<b>23,727,986</b>	<b>551,726</b>	<b>49,750,442</b>	<b>--</b>	
<b>Deferred Outflows of Resources</b>								
Pension-related outflows	537,045	--	172,622	--	--	709,667	--	
OPEB-related outflows	3,530	--	1,135	--	--	4,665	--	
<b>Total Deferred Outflows of Resources</b>	<b>540,575</b>	<b>--</b>	<b>173,757</b>	<b>--</b>	<b>--</b>	<b>714,332</b>	<b>--</b>	

*The accompanying notes are an integral part of these financial statements.*

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## STATEMENT OF NET POSITION (CONTINUED) PROPRIETARY FUNDS

JUNE 30, 2020

	Business-type Activities-Enterprise Funds						
	Water		Quonset/ Davisville Recreation		Nonmajor Enterprise Funds		Total Enterprise Funds
	Operations	Capital Reserve	Sewer	Funds	Internal Service Fund		
<b>Liabilities</b>							
<b>Current Liabilities</b>							
Accounts payable and accrued expenses	316,188	--	116,888	223,953	98,030	755,059	--
Other liabilities	--	--	5,747	--	--	5,747	--
Due to other funds	--	--	2,117,093	--	151,020	2,268,113	--
Advances from other funds	--	--	342,785	--	--	342,785	--
Current portion of compensated absences	62,399	--	57,940	2,993	22,814	146,146	--
Unearned revenue	--	--	372,241	--	--	372,241	--
Accrued interest	32,416	--	--	118,044	--	150,460	--
Current portion of general obligation bonds	185,712	--	--	729,663	--	915,375	--
Current portion of capital lease obligations	--	--	69,564	--	--	69,564	--
<b>Total Current Liabilities</b>	<b>596,715</b>	<b>--</b>	<b>3,082,258</b>	<b>1,074,653</b>	<b>271,864</b>	<b>5,025,490</b>	<b>--</b>
<b>Noncurrent Liabilities</b>							
Long term advance from Town	--	--	--	2,411,959	--	2,411,959	--
General obligation bonds, net	2,298,746	--	--	12,409,446	--	14,708,192	--
Capital lease obligations, net	--	--	72,339	--	--	72,339	--
Net pension liability	2,465,855	--	792,596	--	--	3,258,451	--
Net OPEB liability	1,643,450	--	528,252	--	--	2,171,702	--
Compensated absences, net	5,426	--	5,038	--	1,984	12,448	--
<b>Total Noncurrent Liabilities</b>	<b>6,413,477</b>	<b>--</b>	<b>1,398,225</b>	<b>14,821,405</b>	<b>1,984</b>	<b>22,635,091</b>	<b>--</b>
<b>Total Liabilities</b>	<b>7,010,192</b>	<b>--</b>	<b>4,480,483</b>	<b>15,896,058</b>	<b>273,848</b>	<b>27,660,581</b>	<b>--</b>
<b>Deferred Inflows of Resources</b>							
Deferred sewer assessment	--	--	--	8,942,639	--	8,942,639	--
Pension related inflows	332,240	--	106,792	--	--	439,032	--
OPEB related inflows	1,068,241	--	343,363	--	--	1,411,604	--
<b>Total Deferred Inflows of Resources</b>	<b>1,400,481</b>	<b>--</b>	<b>450,155</b>	<b>8,942,639</b>	<b>--</b>	<b>10,793,275</b>	<b>--</b>
<b>Net Position</b>							
Net investment in capital assets	5,162,050	--	3,491,624	656,792	24,453	9,334,919	--
Restricted							
Water projects	295,058	--	--	--	--	295,058	--
Sewer projects	--	--	--	364,628	--	364,628	--
Unrestricted	8,057,671	415,847	(4,578,499)	(2,132,131)	253,425	2,016,313	--
<b>Total Net Position</b>	<b>\$ 13,514,779</b>	<b>\$ 415,847</b>	<b>\$ (1,086,875)</b>	<b>\$ (1,110,711)</b>	<b>\$ 277,878</b>	<b>\$ 12,010,918</b>	<b>\$ --</b>

*The accompanying notes are an integral part of these financial statements.*

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION PROPRIETARY FUNDS

FOR THE YEAR ENDED JUNE 30, 2020

	Business-type Activities-Enterprise Funds							Internal Service Funds
	Water		Quonset/ Davisville Recreation		Sewer		Nonmajor Enterprise Funds	Total Enterprise Funds
	Operations	Capital Reserve	Operations	Recreation	Sewer	Funds	Funds	
<b>Operating Revenues</b>								
Charges for usage, service, and assessments	\$ 3,446,728	\$ 165,043	\$ 1,975,371	\$ 1,821,538	\$ 1,406,478	\$ 8,815,158	\$	--
Intergovernmental	--	--	--	--	659,434	659,434		--
Sundry sales and rentals	175,356	--	--	--			175,356	--
Other revenues	224,468	--	229,784	29,130			483,382	--
<b>Total Operating Revenues</b>	<b>3,846,552</b>	<b>165,043</b>	<b>2,205,155</b>	<b>1,850,668</b>	<b>2,065,912</b>	<b>10,133,330</b>		--
<b>Operating Expenses</b>								
Operations	2,967,847	--	796,849	765,635	726,408	5,256,739		--
Pro shop	--	--	423,580	--	--	423,580		--
Allen's Harbor	--	--	288,802	--	--	288,802		--
Recreation	--	--	465,335	--	--	465,335		--
Education	--	--	--	--	1,106,810	1,106,810		--
Depreciation and amortization	517,426	--	531,378	389,515	2,717	1,441,036		--
<b>Total Operating Expenses</b>	<b>3,485,273</b>	<b>--</b>	<b>2,505,944</b>	<b>1,155,150</b>	<b>1,835,935</b>	<b>8,982,302</b>		--
<b>Operating Income (Loss)</b>	<b>361,279</b>	<b>165,043</b>	<b>(300,789)</b>	<b>695,518</b>	<b>229,977</b>	<b>1,151,028</b>		--
<b>Nonoperating Revenues (Expenses)</b>								
Interest income	4,261	--	--	389	--	4,650		--
Interest expense	(98,326)	--	--	(358,774)	--	(457,100)		--
<b>Net Nonoperating Revenues</b>	<b>(94,065)</b>	<b>--</b>	<b>--</b>	<b>(358,385)</b>	<b>--</b>	<b>(452,450)</b>		--
<b>Income (Loss) Before Transfers</b>	<b>267,214</b>	<b>165,043</b>	<b>(300,789)</b>	<b>337,133</b>	<b>229,977</b>	<b>698,578</b>		--
Transfers in	85,828	--	25,536	--	--	111,364		50
Transfers out	(86,179)	(85,829)	(93,251)	(180,210)	(174,729)	(620,198)		--
<b>Total transfers</b>	<b>(351)</b>	<b>(85,829)</b>	<b>(67,715)</b>	<b>(180,210)</b>	<b>(174,729)</b>	<b>(508,834)</b>		50
<b>Changes in Net Position</b>	<b>266,863</b>	<b>79,214</b>	<b>(368,504)</b>	<b>156,923</b>	<b>55,248</b>	<b>189,744</b>		50
<b>Total Net Position - Beginning, as restated</b>	<b>13,247,916</b>	<b>336,633</b>	<b>(718,371)</b>	<b>(1,267,634)</b>	<b>222,630</b>	<b>11,821,174</b>		(50)
<b>Total Net Position - Ending</b>	<b>\$ 13,514,779</b>	<b>\$ 415,847</b>	<b>\$ (1,086,875)</b>	<b>\$ (1,110,711)</b>	<b>\$ 277,878</b>	<b>\$ 12,010,918</b>	<b>\$ --</b>	

*The accompanying notes are an integral part of these financial statements.*

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## STATEMENT OF CASH FLOWS PROPRIETARY FUNDS

**FOR THE YEAR ENDED JUNE 30, 2020**

	Business-type Activities-Enterprise Funds						
	Water		Quonset/ Davisville Recreation		Sewer	Nonmajor Enterprise Funds	Total Enterprise Funds
	Operations	Capital Reserve					Internal Service Fund
<b>Cash Flows from Operating Activities</b>							
Cash received from customers	\$ 3,674,562	\$ 153,543	\$ 2,228,476	\$ 1,693,606	\$ 1,351,676	\$ 9,101,863	\$ --
Cash received from grantor	--	--	--	--	629,583	629,583	--
Cash paid to suppliers for goods and services and other operating payments	(1,178,306)	--	(822,671)	(642,879)	(1,108,932)	(3,752,788)	(50)
Cash paid for employees and benefits	(1,137,565)	--	(1,094,509)	(76,351)	(760,960)	(3,069,385)	--
<b>Net Cash Provided by (Used in) Operating Activities</b>	<b>1,358,691</b>	<b>153,543</b>	<b>311,296</b>	<b>974,376</b>	<b>111,367</b>	<b>2,909,273</b>	<b>(50)</b>
<b>Cash Flows from Noncapital Financing Activities</b>							
Transfers from (to) other funds	(351)	(85,829)	(67,715)	(180,210)	(174,729)	(508,834)	50
(Payments to) receipts from other funds	--	--	60,233	(76,862)	38,918	22,289	--
<b>Net Cash (Used in) Provided by Noncapital Financing Activities</b>	<b>(351)</b>	<b>(85,829)</b>	<b>(7,482)</b>	<b>(257,072)</b>	<b>(135,811)</b>	<b>(486,545)</b>	<b>50</b>
<b>Cash Flows from Capital and Related Financing Activities</b>							
Acquisition of capital assets	(954,636)	--	(304,078)	(227,586)	(27,170)	(1,513,470)	--
Proceeds from long-term debt obligations	--	--	315,000	--	315,000	--	--
Principal payments on long-term debt	(179,872)	--	(66,895)	(696,540)	--	(943,307)	--
Interest and finance charges paid on debt obligations	(100,484)	--	--	(371,793)	--	(472,277)	--
<b>Net Cash Used in Capital and Related Financing Activities</b>	<b>(1,234,992)</b>	<b>--</b>	<b>(370,973)</b>	<b>(980,919)</b>	<b>(27,170)</b>	<b>(2,614,054)</b>	<b>--</b>
<b>Cash Flows from Investing Activities</b>							
Investment income	4,261	--	--	389	--	4,650	--
<b>Net Cash Provided by Investing Activities</b>	<b>4,261</b>	<b>--</b>	<b>--</b>	<b>389</b>	<b>--</b>	<b>4,650</b>	<b>--</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>127,609</b>	<b>67,714</b>	<b>(67,159)</b>	<b>(263,226)</b>	<b>(51,614)</b>	<b>(186,676)</b>	<b>--</b>
<b>Cash, Cash Equivalents, and Restricted Cash - Beginning of Year</b>	<b>12,063,434</b>	<b>336,633</b>	<b>66,827</b>	<b>627,854</b>	<b>302,030</b>	<b>13,396,778</b>	<b>--</b>
<b>Cash, Cash Equivalents, and Restricted Cash - End of Year</b>	<b>\$ 12,191,043</b>	<b>\$ 404,347</b>	<b>\$ (332)</b>	<b>\$ 364,628</b>	<b>\$ 250,416</b>	<b>\$ 13,210,102</b>	<b>\$ --</b>

*The accompanying notes are an integral part of these financial statements.*

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## STATEMENT OF CASH FLOWS PROPRIETARY FUNDS (CONTINUED)

**FOR THE YEAR ENDED JUNE 30, 2020**

	Business-type Activities-Enterprise Funds						
	Water		Quonset/ Davisville		Nonmajor Enterprise Funds		Total Enterprise Funds
	Operations	Capital Reserve	Recreation	Sewer	Funds	Internal Service Fund	
<b>Reconciliation of Operating Income (Loss) to Net Cash</b>							
<b>Provided by (Used in) Operating Activities</b>							
Operating income (loss)	\$ 361,279	\$ 165,043	\$ (300,789)	\$ 695,518	\$ 229,977	\$ 1,151,028	\$ --
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:							
Depreciation and amortization expense	517,426	--	531,378	389,515	2,716	1,441,035	--
(Increase) decrease in assessments and fees receivable	(171,990)	--	--	(157,062)	--	(329,052)	--
(Increase) decrease in other receivable	--	(11,500)	(2,250)	--	(53,077)	(66,827)	--
(Increase) decrease in due from federal and state governments	--	--	--	--	(28,403)	(28,403)	--
(Increase) decrease in deferred outflows of resources	117,936	--	37,907	--	--	155,843	--
(Increase) decrease in prepaid expenses and inventory	57,687	--	1,347	--	(16,841)	42,193	--
Increase (decrease) in accounts payable and accrued expenses	154,120	--	3,172	44,504	(22,382)	179,414	(50)
Increase (decrease) in compensated absences, net pension liability, net OPEB liability	67,520	--	(66,912)	1,901	2,550	5,059	--
Increase (decrease) in unearned revenue	--	--	25,571	--	(3,173)	22,398	--
Increase (decrease) in deferred inflows of resources	<u>254,713</u>	<u>--</u>	<u>81,872</u>	<u>--</u>	<u>--</u>	<u>336,585</u>	<u>--</u>
<b>Net Cash Provided by (Used in) Operating Activities</b>	<b><u>\$ 1,358,691</u></b>	<b><u>\$ 153,543</u></b>	<b><u>\$ 311,296</u></b>	<b><u>\$ 974,376</u></b>	<b><u>\$ 111,367</u></b>	<b><u>\$ 2,909,273</u></b>	<b><u>\$ (50)</u></b>

*The accompanying notes are an integral part of these financial statements.*

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## STATEMENT OF FIDUCIARY NET POSITION FIDUCIARY FUNDS

JUNE 30, 2020

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	Employee Benefit Trust Funds	Private Purpose Trust Funds	Agency Funds
<b>Assets</b>			
Cash and cash equivalents	\$ --	\$ 40,192	\$ 472,455
<i>Investments, at fair value:</i>			
Money market funds	<u>1,552,211</u>	<u>--</u>	<u>--</u>
<b>Total Assets</b>	<u>1,552,211</u>	<u>40,192</u>	<u>472,455</u>
<b>Liabilities</b>			
Due to student groups	--	--	355,495
Deposits held in custody for others	<u>--</u>	<u>--</u>	<u>116,960</u>
<b>Total Liabilities</b>	<u>--</u>	<u>--</u>	<u>472,455</u>
<b>Net Position</b>			
Restricted for pension	--	--	--
Restricted for other post-employment benefits	1,552,211	--	--
Held in trust for private purposes per trust agreement	<u>--</u>	<u>40,192</u>	<u>--</u>
<b>Total Net Position</b>	<u>\$ 1,552,211</u>	<u>\$ 40,192</u>	<u>\$ --</u>

*The accompanying notes are an integral part of these financial statements.*

**TOWN OF NORTH KINGSTOWN, RHODE ISLAND**

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUNDS**

**FOR THE YEAR ENDED JUNE 30, 2020**

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	Employee Benefit Trust Funds	Private Purpose Trust Funds
<b>Additions</b>		
Contributions:		
Employer contributions	\$ 1,534,432	\$ --
<b>Total Contributions</b>	<u>1,534,432</u>	<u>--</u>
Investment earnings:		
Interest and dividends	55,697	50
<b>Total Investment Earnings</b>	<u>55,697</u>	<u>50</u>
<b>Total Additions</b>	<u>1,590,129</u>	<u>50</u>
<b>Deductions</b>		
Benefits paid	1,334,432	--
Other operating expenses	306,719	--
<b>Total Deductions</b>	<u>1,641,151</u>	<u>--</u>
<b>Change in Net Position</b>	<b>(51,022)</b>	<b>50</b>
<b>Net Position - Beginning of Year</b>	<u>1,603,233</u>	<u>40,142</u>
<b>Net Position - End of Year</b>	<u>\$ 1,552,211</u>	<u>\$ 40,192</u>

*The accompanying notes are an integral part of these financial statements.*

# **TOWN OF NORTH KINGSTOWN, RHODE ISLAND**

## **NOTES TO BASIC FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED JUNE 30, 2020**

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#### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the Town of North Kingstown, Rhode Island (Town) have been prepared in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) as applicable to governmental entities. In certain instances, summaries of the Town's significant accounting policies have been presented throughout the notes to the basic financial statements in conjunction with other disclosures to which they relate.

#### ***REPORTING ENTITY***

The Town was incorporated in 1674 and is governed largely under the 1954 North Kingstown Home Rule Charter. In some matters, including the issuance of short and long-term debt, the Town is governed by the general laws of the State of Rhode Island (the State). The Town operates under a Town Council form of government and provides the following services as authorized by its charter: Public Safety (police, fire, civil preparedness, animal control, and harbors and wharfs), Public Works (engineering, highways and facilities maintenance), Water Supply, Library, Education, Senior Services and General Administration Services.

In evaluating the inclusion of other separate and distinct legal entities as component units within its financial reporting structure, the Town applied the criteria prescribed by Governmental Accounting Standards Board (GASB) Statement No. 61, *The Financial Reporting entity: Omnibus an amendment of GASB Statements No. 14 and No. 34*. Under GASB Statement No. 61, a legally separate entity is required to be included as a component unit if it is fiscally dependent upon the primary government and there is a financial benefit or burden relationship present. The primary government is financially accountable if it appoints the voting majority of the organization's governing board and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government. A potential component unit has a financial benefit or burden relationship with the primary government if, for example, any one of the following conditions exists:

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

Through the application of GASB Statement No. 61 criteria, the North Kingstown Free Library ("Library") has been presented as a component unit of the Town in the accompanying government-wide financial statements.

# **TOWN OF NORTH KINGSTOWN, RHODE ISLAND**

## **NOTES TO BASIC FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED JUNE 30, 2020**

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#### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

##### ***REPORTING ENTITY (CONTINUED)***

The North Kingstown Free Library Corporation, a not-for-profit agency formed in July 1993, supports the charitable, scientific and educational purposes of the Library, a component unit of the Town. The Town is able to impose its will on the component unit as the Town appoints the Library Trustees who serve as the Library's Board of Directors. Accordingly, the Library is included as a discretely presented component unit in the basic financial statements of the Town. The North Kingstown Free Library Corporation filed its form 990 tax return for the year ended December 31, 2019, during May 2020, a copy of which can be obtained by contacting the North Kingstown Free Library Corporation, 100 Fairway Drive, North Kingstown, RI 02852.

##### ***BASIC OF PRESENTATION***

##### ***Government-wide Financial Statements***

The Statement of Net Position and Statement of Activities display information about the Town as a whole. They include all funds of the Town except for fiduciary funds and 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 and services.

The Statement of Activities presents a comparison between expenses and program revenues for each function of the Town's governmental activities. Program revenues include a) fees, fines and charges paid by the recipients of goods or services offered by the programs and b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

##### ***Fund Financial Statements***

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

# **TOWN OF NORTH KINGSTOWN, RHODE ISLAND**

## **NOTES TO BASIC FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED JUNE 30, 2020**

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#### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

##### ***BASIC OF PRESENTATION (CONTINUED)***

###### ***Fund Financial Statements (Continued)***

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

Management may also designate a fund as major which does not meet the above parameters. The funds of the Town are described below:

##### ***GOVERNMENTAL FUNDS***

Governmental funds are used to account for operations that supply basic governmental services. The Town uses the following types of governmental funds:

***General Fund*** is the primary operating fund of the Town and is always classified as a major fund. It is used to account for and report all financial resources not accounted for and reported in other funds.

***Special Revenue Funds*** are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. The Town's major special revenue fund is the School Department, which provides primary education to the Town's children.

***Capital Project Funds*** are used to account for and report resources that are restricted, committed, or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

***Debt Service Funds*** are used to account for and report financial resources that are restricted, committed, or assigned for payment of principal and interest on long-term obligations of governmental funds.

***Permanent Funds*** are used to account for and report assets held by the Town pursuant to trust agreements. The principal portion of this fund type must remain intact, but the earnings may be used to achieve the objectives of the fund.

# **TOWN OF NORTH KINGSTOWN, RHODE ISLAND**

## **NOTES TO BASIC FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED JUNE 30, 2020**

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#### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

##### ***GOVERNMENTAL FUNDS (CONTINUED)***

###### **Proprietary Funds**

Proprietary Funds are used to account for business-like activities provided to the general public (enterprise funds) or within the government (internal service funds). These activities are financed primarily by user charges and the measurement of financial activity focuses on net income measurement similar to the private sector. Operating revenues of the Proprietary Funds consist of customer charges for uses and services and certain other miscellaneous revenues. All other revenues of the Proprietary Funds are considered non-operating sources of revenue. The Proprietary Funds include Enterprise and Internal Service Funds. During the year ended June 30, 2020 the Town maintained twelve Enterprise Funds and one Internal Service Fund.

###### **Fiduciary Funds (Not Included in Government-wide Statements)**

Fiduciary Funds are used to report assets held by the Town in a trustee or agency capacity and, therefore, cannot be used to support the Town's own programs. The following fiduciary funds are used by the Town:

***Pension Trust Fund*** is used to account for resources held for payment of pension benefits, and cannot be used at the Town's discretion or to support the Town's general operations.

***OPEB (Other Post-Employment Benefits) Trust Fund*** is used to account for payment of post-employment benefits that the Town provides to qualified retirees in accordance with union contract provisions.

***Private Purpose Trust Funds*** account for resources legally held in trust for use by an outside committee to provide awards and scholarships in accordance with a donor's instructions. All resources of the fund, including any earnings on investments, may be used. There is no requirement that any portion of these resources be preserved as capital. The Town has twenty-one private purpose trust funds.

***Agency Funds*** account for assets held by the Town in a purely custodial capacity. The Town has two agency funds (Student Activity Funds and Developer Surety Escrow). Since agency funds are custodial in nature (i.e., assets equal liabilities), they do not involve the measurement of results of operations.

# **TOWN OF NORTH KINGSTOWN, RHODE ISLAND**

## **NOTES TO BASIC FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED JUNE 30, 2020**

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#### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

##### ***MAJOR AND NON-MAJOR FUNDS***

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

<u>Fund</u>	<u>Brief Description</u>
-------------	--------------------------

***Major:***

General Fund: See above for description

**Special Revenue Funds:**

School Department Account for and report all financial transactions of the North Kingstown School Department. Included here is the School Unrestricted Fund and all School Department grant funds.

Capital Project Funds Account for the activities of the Town and School bonds

Debt Service Fund: See above for description. This fund did not meet the criteria for reporting as a major fund however, management has elected to present the fund as a major fund.

**Proprietary Funds:**

Water Operations and Capital Reserve Funds Account for the operations of the Town's Water Department and related reserve. The capital reserve fund did not meet the criteria for reporting as a major fund however, management has elected to present it as such.

Quonset/Davisville Recreation Fund Accounts for the operations of the Town's Recreation Department.

Sewer Fund Accounts for the Town's sewer operations and related projects.

***Non Major:***

Special Revenue Funds: Grant programs including federal grants, state grants, and private grants. The Town currently maintains thirty-eight (38) special revenue funds which have been classified as non-major Governmental Funds. The details of these funds may be found in the combining fund statements in the other supplementary information section of these financial statements.

# **TOWN OF NORTH KINGSTOWN, RHODE ISLAND**

## **NOTES TO BASIC FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED JUNE 30, 2020**

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#### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

##### ***MAJOR AND NON-MAJOR FUNDS (CONTINUED)***

###### ***Non Major (Continued):***

Capital Project Funds:	The Town currently maintains four (4) Capital Project Funds. The details of these funds may be found in the combining fund statements in the other supplementary information section of these financial statements.
Permanent Funds:	The Town has fourteen (14) permanent funds. The details of these funds may be found in the combining fund statements in the other supplementary information section of these financial statements.

###### ***Proprietary Funds:***

Enterprise Funds	Quonset/Davisville Reserve, School Lunch, Computer Repair & Maintenance Program, Athletic Gate Receipts, Athletic Activities Sports Camp, Music Choir and Orchestra, Municipal Court, and Transfer Station.
Internal Service Funds	Workers Compensation

##### ***MEASUREMENT FOCUS AND BASIS OF ACCOUNTING***

On the Government-wide Statement of Net Position and the Statement of Activities both governmental and business-type activities (proprietary funds) are presented using the economic resources measurement focus as defined in item (b) below and the accrual basis of accounting. In the fund financial statements, the current financial resources measurement focus (modified accrual) or the economic resources measurement focus (full accrual) is used as appropriate:

- (a) All governmental funds utilize a current financial resources measurement focus and a modified accrual basis of accounting. Only current financial assets, deferred outflows of resources, liabilities, and deferred inflows of resources are generally included on their balance sheets. Operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.
- (b) The proprietary fund utilizes an economic resources measurement focus and accrual basis of accounting. The accounting objectives of this measurement focus are the determination of net income, financial position and cash flows. All assets and deferred outflows of resources, and liabilities and deferred inflows of resources (whether current or noncurrent) associated with their activities are reported. Proprietary fund equity is classified as net position.
- (c) Agency funds are not involved in the measurement of results of operations; therefore, measurement focus is not applicable to them.

# **TOWN OF NORTH KINGSTOWN, RHODE ISLAND**

## **NOTES TO BASIC FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED JUNE 30, 2020**

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#### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

##### ***MEASUREMENT FOCUS AND BASIS OF ACCOUNTING (CONTINUED)***

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measureable and available for liquidating liabilities of the current period. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period (usually 60 days). Revenues not considered to be available are recorded as deferred inflows. Expenditures, including capital outlays, are recognized when a related fund liability has been incurred, except for those involving debt service and other long-term obligations that are recognized when due.

Those revenues susceptible to accrual are property taxes, special assessments, federal impact aid, state aid, meals and hotel taxes collected by the State on behalf of the Town, interest and charges for services. Fines, licenses and permit revenues are not susceptible to accrual because generally they are not measurable until received in cash; therefore, they are recognized when received.

Recognition of grant revenues is based on the susceptibility of accrual as determined by the legal and contractual requirements established by each grantor. For grants not restrictive as to specific purposes and revocable only for failure to comply with general prescribed requirements, revenues are recognized when actually received. Where expenditure is the prime factor in determining eligibility, grant revenue is recognized as allowable expenditures are made provided they are collected during the year or within 60 days subsequent to year-end. Prior to expenditure, proceeds are recorded as unearned revenues.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than program revenues. Likewise, general revenues include all taxes.

# **TOWN OF NORTH KINGSTOWN, RHODE ISLAND**

## **NOTES TO BASIC FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED JUNE 30, 2020**

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#### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

##### ***MEASUREMENT FOCUS AND BASIS OF ACCOUNTING (CONTINUED)***

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating expenses for the proprietary funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All other revenues and expenses not meeting this definition are reported as nonoperating revenues and expense.

##### ***ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, AND NET POSITION/FUND BALANCE***

###### ***Cash and Cash Equivalents***

For purposes of the cash flow statement, all investments with original maturities of three months or less when purchased are considered to be cash equivalents. Cash and cash equivalents consist of cash on hand, time and demand deposits and short-term investments maturing within three months from the date of acquisition. The Town maintains deposits in various financial institutions, which are separately displayed in the financial statements as "cash and cash equivalents."

Under Rhode Island General Law, as of October 1, 1991, public deposit institutions are required to insure accounts that hold public funds in excess of the \$250,000 that is guaranteed by Federal Deposit Insurance Corporation (FDIC).

###### ***Investments***

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

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

# **TOWN OF NORTH KINGSTOWN, RHODE ISLAND**

## **NOTES TO BASIC FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED JUNE 30, 2020**

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#### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

##### **ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, AND NET POSITION/FUND BALANCE (CONTINUED)**

###### ***Accounts Receivable***

In the Government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Major receivable balances for the governmental activities include property taxes and intergovernmental receivables. Business-type activities report service and special assessment fees as its major receivables. In addition, at June 30, 2020 the Town's Sewer fund also reported assessments receivable of \$9,252,451.

In the fund financial statements, material receivables in governmental funds include revenue accruals such as property taxes collected within 60 days of year-end and grants and other similar intergovernmental revenues since they are usually both measurable and available. Non-exchange transactions earned/measurable but not available are deferred in the fund financial statements in accordance with modified accrual, but not deferred in the Government-wide financial statements in accordance with the accrual basis. Proprietary fund receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. At June 30, 2020 the Town has estimated the allowance for doubtful accounts for delinquent taxes of \$76,582.

###### ***Property Taxes***

Real and personal property taxes are based on values assessed as of each December 31 (lien date), and attach as an enforceable lien on property as of July 1 (levy date). Taxes are due in equal quarterly installments on July 31, October 31, January 31 and April 30, annually. Taxes due and unpaid after the respective due dates are subject to interest at the rate of 12% per annum calculated on the unpaid portion of the total tax. An automatic lien is placed on the taxpayer's property if payment has not been received by the tax due date. Property taxes are recognized as revenue in the year they are levied. Property tax revenues are recorded in accordance with the modified accrual basis of accounting in the fund financial statements.

For 2020, Rhode Island General Law restricts the Town's ability to increase its total tax levy by more than 4.00% over that of the preceding fiscal year.

# **TOWN OF NORTH KINGSTOWN, RHODE ISLAND**

## **NOTES TO BASIC FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED JUNE 30, 2020**

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#### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

#### **ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, AND NET POSITION/FUND BALANCE (CONTINUED)**

##### ***Prepays***

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid assets. Prepays recorded in governmental-type funds do not reflect current appropriated resources and, as such are reported as non-spendable fund balance.

##### ***Inventory***

Proprietary fund inventory is stated at cost using the first-in, first-out method. Inventory consists primarily of materials and supplies. Inventory maintained in governmental funds is recorded as expenditures at the time of purchase.

##### ***Encumbrances***

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriation, is employed in governmental funds.

Certain unexpended and unencumbered appropriations for incomplete projects are carried over to succeeding years. Such continuing appropriations are accounted for similar to encumbrances. Other unencumbered appropriations lapse at year-end.

##### ***Capital Assets***

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

In the Government-wide financial statements, long-lived assets are accounted for as capital assets. All capital assets are valued at historical cost, or estimated historical cost if actual is unavailable, except for donated capital assets or donated works of art and similar items, which are recorded at acquisition value. Also, capital assets received in a service concession arrangement should be reported at acquisition value rather than fair value.

# **TOWN OF NORTH KINGSTOWN, RHODE ISLAND**

## **NOTES TO BASIC FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED JUNE 30, 2020**

---

#### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

#### **ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, AND NET POSITION/FUND BALANCE (CONTINUED)**

##### ***Capital Assets (Continued)***

Capital assets are defined by the Town as assets with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of one year. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. The costs of normal maintenance and repairs that do not add to value of the asset or materially extend asset lives are not capitalized.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method. The ranges of estimated useful lives by type of asset are as follows:

Buildings	10 - 50 years
Property and leasehold improvements	5 - 10 years
Furniture and equipment	5 - 10 years
Infrastructure	20 - 40 years
Vehicles and golf carts	3 - 4 years

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

The Town reviews the carrying value of its long-lived assets to ensure that any impairment issues are identified and appropriately reflected in the financial statements. Should the expected cash flows be less than the carrying value, an impairment loss would be recognized to reduce the carrying value. There was no impairment loss recorded during fiscal year 2020.

# **TOWN OF NORTH KINGSTOWN, RHODE ISLAND**

## **NOTES TO BASIC FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED JUNE 30, 2020**

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#### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

#### **ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLows OF RESOURCES, AND NET POSITION/FUND BALANCE (CONTINUED)**

##### ***Bond Premiums and Issuance Costs***

In the Government-wide statement of net position, bond premiums and discounts are deferred and amortized over the term of the related bonds using the straight-line method. Bond premiums are presented as an addition to the face amount of the bonds payable. Bond issuance costs are expensed in the year incurred.

In the governmental funds, bond premiums and issuance costs are treated as period costs in the year the bonds are issued. Bond issuance costs are included in debt service expenditures and bond premiums are reflected as other financing sources in the governmental funds financial statements, while discounts are reported as other financing uses.

##### ***Long-term Obligations***

In the Government-wide and proprietary fund financial statements, long-term debt and other long-term obligations (including compensated absences, and accrued claims and judgements) are reported as liabilities in the statement of net position.

In the governmental fund financial statements, long-term debt is recognized as a liability of a governmental fund when due. For other long-term obligations, only that portion expected to be financed from expendable available financial resources is reported as a fund liability of a governmental fund. The face amount of debt issued is reported as other financing sources in the governmental funds financial statements.

##### ***Compensated Absences***

Under the terms of various contracts and policies, Town employees are granted vacation and sick leave based on length of service. The Town's policy is to recognize the cost of vacation and sick leave in governmental funds when paid and on the accrual basis in proprietary funds. The amount of earned but unpaid vacation and sick leave is recorded as a long-term obligation in the government-wide financial statements.

##### ***Judgments and Claims***

Liabilities for legal cases and other claims against Governmental funds are recorded when the ultimate liability can be estimated and such cases are expected to be liquidated with expendable available financial resources. Proprietary fund types record these liabilities using the accrual basis of accounting.

# **TOWN OF NORTH KINGSTOWN, RHODE ISLAND**

## **NOTES TO BASIC FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED JUNE 30, 2020**

---

#### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

##### **ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, AND NET POSITION/FUND BALANCE (CONTINUED)**

###### ***Deferred Outflows/Inflows of Resources***

In addition to assets, the statement of net position and/or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate section represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until that later date. At June 30, 2020 the Town reported \$21,395,280 of deferred outflows of resources related to pension and OPEB in the Government-wide statement of net position. A deferred outflow of resources related to pension and OPEB results from differences between expected and actual experience, changes in assumptions or other inputs. These amounts are deferred and included in pension expense in a systematic and rational manner over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension and OPEB plan (active employees and inactive employees). In addition, at June 30, 2020 the Town also reported \$843,483 of deferred outflows related to deferred charges on refundings in the Government-wide statement of net position. The deferred charge on refunding is the unamortized balance of the difference between the carrying value of the refunded debt and the new debt. This amount is deferred and amortized over the shorter of the life of the refunded or the refunding debt.

In addition to liabilities, the statement of net position and/or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate section represents the acquisition of net position that applies to a future period and therefore will not be recognized as an inflow of resources (revenue) until a later date. At June 30, 2020 the Town reported \$23,392,647 of deferred inflows of resources related to pension and OPEB in the Government-wide statement of net position. A deferred inflow of resources related to pension and OPEB results from differences between expected and actual experience, changes in assumptions or other inputs. These amounts are deferred and included in pension/OPEB expense in a systematic and rational manner over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension and OPEB plans (active employees and inactive employees). In addition, at June 30, 2020 the Town also reported in the Government-wide statement of net position \$8,942,639 of deferred inflows related to deferred sewer assessments and \$423,357 of deferred inflows related to deferred loans.

At June 30, 2020 the Town also had three items that qualified as a deferred inflow of resources in the governmental funds balance sheet. The unavailable tax and EMS revenue of \$2,703,897 and deferred loans of \$423,357. The unavailable tax revenue at June 30, 2020 represents property taxes receivables which are assessed on December 31, 2018 and prior and are not collected within 60 days of June 30, 2020. The unearned EMS revenue represents rescue fees for services provided prior to June 30, 2020 but not recognized as revenue since they are considered unavailable as of June 30, 2020. The net unavailable tax and EMS revenue are considered unavailable and will be recognized as an inflow of resources in the year(s) in which the amounts become available.

# **TOWN OF NORTH KINGSTOWN, RHODE ISLAND**

## **NOTES TO BASIC FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED JUNE 30, 2020**

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#### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

#### **ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, AND NET POSITION/FUND BALANCE (CONTINUED)**

##### ***Interfund Transactions***

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

Reciprocal interfund activities:

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

Non-reciprocal interfund activities:

- Interfund transfers are reported in governmental funds as other financing uses in the funds making transfers and as other financing sources in the funds receiving transfers. In proprietary funds transfers are reported after nonoperating revenues and expenses.
- Interfund reimbursements are repayments from the fund responsible for particular expenditures or expenses to other funds that initially paid for them. Reimbursements are not displayed separately within the financial statements.

Transactions between funds have been eliminated in the Government-wide financial statements but fully presented within the governmental fund of financial statements with no elimination made between or within funds.

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as either “due from/to other funds” (current portion) or “advances from/to other funds” (noncurrent portion). All other outstanding balances between funds are reported as “due from/to other funds.” Any residual balances outstanding between the governmental activities and business-type activities are reported in the Government-wide financial statements as “internal balances.”

# **TOWN OF NORTH KINGSTOWN, RHODE ISLAND**

## **NOTES TO BASIC FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED JUNE 30, 2020**

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#### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

#### **ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, AND NET POSITION/FUND BALANCE (CONTINUED)**

##### ***Net Position/Fund Balance***

##### **Government-wide Financial Statements**

Net position is classified and displayed in the following three components:

- (a) 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, notes, or other borrowings, and deferred inflows of resources, if any, that are attributable to the acquisition, construction, or improvement of those assets, increased by deferred outflows of resources related to those assets, if any.
- (b) Restricted net position – Consists of net position with constraints placed on the use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or 2) law through constitutional provisions or enabling legislation.
- (c) Unrestricted net position – the remaining net position that does not meet the definition of “restricted” or “net investment in capital assets.

Proprietary fund net position is classified the same as in the Government-wide statements.

##### **Governmental Fund Financial Statements**

In accordance with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, fund balance is classified as non-spendable, restricted, committed, assigned, or unassigned. These categories are defined below:

- Non-spendable – amounts that cannot be spent because they are either a) not in spendable form or b) legally or contractually required to be maintained intact. “Not in spendable form” includes items that are not expected to be converted to cash within one year.
- Restricted – includes amounts that are restricted for specific purposes. Fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

# **TOWN OF NORTH KINGSTOWN, RHODE ISLAND**

## **NOTES TO BASIC FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED JUNE 30, 2020**

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#### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

##### **ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLows OF RESOURCES, AND NET POSITION/FUND BALANCE (CONTINUED)**

###### ***Net Position/Fund Balance (Continued)***

###### **Governmental Fund Financial Statements (Continued)**

- Committed – the Town Council, as the Town's highest level of decision-making authority, may commit fund balance for specific purposes pursuant to constraints imposed by formal actions taken, such as an ordinance or resolution. These committed amounts cannot be used for any other purpose unless the Town Council removes or changes the specific use through the same type of formal action taken to establish the commitment. This constraint must be imposed prior to the fiscal year-end, but the specific amount may be determined at a later date.
- Assigned – amounts that are intended by the Town to be used for specific purposes, but are neither restricted nor committed. The authority to assign fund balance is designated to the Town Manager.
- Unassigned – the residual amount in the General Fund available for any purpose. Although there is generally no set spending plan for the unassigned portion, there is a need to maintain a certain funding level which is clearly identified in the Debt Policy & Management/Fiscal Practices policy adopted by the Town Council on April 7, 2008. Unassigned fund balance is commonly used for emergency expenditures not previously considered. In addition, the resources classified as unassigned can be used to cover expenditures for revenues not yet received. The Finance Director shall have a goal of an unassigned fund balance of no less than 4-5% of total General Fund Budgeted Operating Expenditures in order to accommodate unanticipated expenditures and/or emergencies. In the event that the amounts assigned for cash flow fall above or below the desired range of unassigned fund balance, the Finance Director shall report such amounts to the Town Council as soon as practical after the end of the fiscal year. Should the actual amount assigned for cash flow fall below the desired range, the Town Council shall create a plan to restore the fund to the appropriate level.

###### ***Minimum Fund Balances***

###### ***Unassigned***

It is the goal of the Town Council to achieve and maintain a general fund unassigned fund balance of 10% with an acceptable range of not less than 8% and not more of 15% at fiscal year-end. If the unassigned fund balance at fiscal year-end falls below the minimum range (8%), the Town Manager shall develop a restoration plan to achieve and maintain the minimum fund balance within 5 years. Should unassigned fund balance of the general fund ever exceed the maximum (15%) range, the Town Manager, with Town Council approval, will consider such fund balance surpluses for one-time expenditures that are non-recurring in nature and which will not require additional expense outlays for maintenance, additional staffing or other recurring expenditures.

# **TOWN OF NORTH KINGSTOWN, RHODE ISLAND**

## **NOTES TO BASIC FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED JUNE 30, 2020**

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#### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

##### **ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, AND NET POSITION/FUND BALANCE (CONTINUED)**

###### ***Net Position/Fund Balance (Continued)***

###### **Governmental Fund Financial Statements (Continued)**

At the end of each fiscal year, the School Department Director of Financial Operations will report the portion of the unassigned fund balance. In addition, the Director of Financial Operations shall maintain an unassigned fund balance of no less than 5% of total School Unrestricted Fund Budgeted Operating Expenditures in order to accommodate immediate cash flow (2%) needs for unanticipated expenditures and/or emergencies (3%). In the event that the amounts assigned for cash flow fall below the desired range of unassigned fund balance, the Director of Financial Operations shall report such amounts to the School Committee as soon as practical after the end of the fiscal year. Should the actual amount assigned for cash flow fall below the desired range, the School Committee shall create a plan to restore the fund to the appropriate levels.

In accordance with the Town's spending policy, the Town shall, when possible, expend funds beginning with those funds that have the highest level of restriction first, and will spend those funds with the lowest level of restriction last. It shall be the Finance Director's responsibility to ensure the Town's expenditures are appropriately classified based on the restrictions (both external and internal) of the revenue and fund balance(s) in accordance with the definitions listed above.

###### **PENSIONS**

###### ***Employees' Retirement System (ERS)***

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

# **TOWN OF NORTH KINGSTOWN, RHODE ISLAND**

## **NOTES TO BASIC FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED JUNE 30, 2020**

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#### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

##### ***PENSIONS (CONTINUED)***

###### ***Municipal Employees' Retirement System (MERS)***

For purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Municipal Employees' Retirement System (MERS) of Rhode Island and additions to/deductions from MERS' fiduciary net position have been determined on the same basis as they are reported by MERS. 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.

###### ***POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)***

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Town of North Kingstown's Post Employment Health Insurance Plan (the "Plan") and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, the Plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value.

##### ***RECENTLY ISSUED ACCOUNTING STANDARDS***

During the year ended June 30, 2020 the Town did not implement any new accounting standards.

##### ***SUBSEQUENT EVENTS***

Management has evaluated subsequent events through December 29, 2020, which is the date these financial statements were available to be issued and has concluded that, except for the events disclosed in Note 14, no other events have occurred that would require recognition in the financial statements or disclosure in the notes to the financial statements.

##### ***USE OF ESTIMATES***

The preparation of basic financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, and liabilities and deferred inflows of resources, and disclosure of contingent assets and liabilities at the date of the basic financial statements. Estimates also affect the reported amounts of revenues, expenditures and expenses during the reporting period. Significant items subject to such estimates include the pollution remediation obligation and the other postemployment benefit liability. Actual results could differ from those estimates.

# **TOWN OF NORTH KINGSTOWN, RHODE ISLAND**

## **NOTES TO BASIC FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED JUNE 30, 2020**

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#### **NOTE 2 - CASH DEPOSITS AND INVESTMENTS**

##### ***CASH AND CASH EQUIVALENTS***

At June 30, 2020, the carrying amount of the Town's cash and cash equivalents was \$46,723,182 (including \$2,850,094 of restricted cash and \$512,647 of cash held in fiduciary funds), and the total bank balance was \$47,872,576. The Town's entire bank balance of \$47,872,576 was covered by either FDIC insurance or collateral held in the Town's name.

In addition, at June 30, 2020, the carrying amount of cash and cash equivalents of the Town's component unit, North Kingstown Free Library, was \$349,396 and the total bank balance was \$349,396. Of the bank balance, \$250,000 was covered by federal depository insurance and the remainder was uninsured.

##### ***INVESTMENTS***

Investments are stated at fair value which is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Town follows the guidance for fair value measurements and disclosures in accordance with GASB Statement No. 72, *Fair Value Measurement and Application*.

In determining fair value, the Town uses various valuation approaches, as appropriate in the circumstances. GASB Statement No. 72 establishes a fair value hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. The fair value hierarchy is categorized into three levels based on the inputs as follows:

Level 1 – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical assets or liabilities.

Level 2 – Inputs other than quoted prices in active markets for identical assets and liabilities that are observable either directly or indirectly for substantially the full term of the asset or liability.

Level 3 – Unobservable inputs for the asset or liability (supported by little or no market activity). Level 3 inputs include management's own assumption about the assumptions that market participants would use in pricing the asset or liability (including assumptions about risk).

The following is a description of the valuation methodologies used for assets and liabilities measured at fair value:

*Mutual funds:* Valued at the daily closing price as reported by the fund. Mutual funds held by the Town are open-ended mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held by the Town are deemed to be actively traded.

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## NOTES TO BASIC FINANCIAL STATEMENTS

### FOR THE YEAR ENDED JUNE 30, 2020

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#### NOTE 2 - CASH DEPOSITS AND INVESTMENTS (CONTINUED)

##### *INVESTMENTS (CONTINUED)*

The following table summarizes the investments of the Town, at fair value, as of June 30, 2020:

	Level 1	Level 2	Level 3	Total	% of OPEB Plan's Net Position
<b>Investments by Fair Value Level</b>					
Mutual Funds:					
Vanguard Total Stock Market Index Fund	\$ 597,710	\$ --	\$ --	\$ 597,710	38.5%
Vanguard Total International Stock Market Index Fund	256,162	--	--	256,162	16.5%
Vanguard Inflation-Protected Securities Fund	213,332	--	--	213,332	13.7%
Vanguard Total Bond Market Index Fund	180,415	--	--	180,415	11.6%
Vanguard Intermediate-Term Investment-Grade Fund	108,249	--	--	108,249	7.0%
Vanguard Short-Term Investment-Grade Fund	72,166	--	--	72,166	4.6%
Vanguard REIT Index Fund	<u>124,177</u>	<u>--</u>	<u>--</u>	<u>124,177</u>	<u>8.1%</u>
<b>Total Investments by Fair Value</b>	<b><u>\$ 1,552,211</u></b>	<b><u>\$ --</u></b>	<b><u>\$ --</u></b>	<b><u>\$ 1,552,211</u></b>	<b><u>100.0%</u></b>

##### *Custodial Credit*

Custodial credit risk is the risk that, in the event of a bank failure, the Town's deposits may not be returned to it. It is the Town's policy to follow the requirements contained in Section 35-10.1-7 of the General Laws of the State, dealing with the collateralization of public deposits, which requires that all time deposits with maturities of greater than 60 days and all deposits in institutions that do not meet the minimum capital requirements of its federal regulator must be collateralized. Custodial credit risk for investments is the risk that, in the event of a failure of the counterparty or agent of the counterparty, the Town will not be able to recover the value of its investments or collateral securities that are in the possession of the outside party.

With the exception of Short-Term Investment-Grade Funds, all of the Town's investments noted above represent 5% or more of the Town OPEB Plan's net position at June 30, 2020.

# **TOWN OF NORTH KINGSTOWN, RHODE ISLAND**

## **NOTES TO BASIC FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED JUNE 30, 2020**

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#### **NOTE 2 - CASH DEPOSITS AND INVESTMENTS (CONTINUED)**

##### ***INVESTMENTS (CONTINUED)***

###### ***Interest Rate Risk***

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in interest rates. The Town manages this risk by investing in certificates of deposit with a maturity date of three months or less.

###### ***Credit Risk***

Credit risk, the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment, is measured by the assignment of a rating to debt securities by a nationally recognized statistical rating organization.

###### ***Concentration of Credit Risk***

Concentration of credit risk is the risk of loss attributed to the magnitude of the investment in a single issuer. The Town manages its risk by participating in a certificate of deposit pool, maximizing the Federal Deposit Insurance Corporation (“FDIC”) coverage over deposits by limiting the amount on deposit in any one financial institution, and also by securing full collateralization of any remaining uninsured deposits.

#### **NOTE 3 - PROPERTY TAXES**

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

Net property taxes levied for fiscal year 2020 were based on a net asset value of \$4,738,796,600 at December 31, 2018, and amounted to \$82,016,265. Collections through June 30, 2020, amounted to \$80,318,105, which represents approximately 98% of the net tax levy.

Unpaid property taxes as of June 30, 2020 of \$2,896,043, are recorded as a receivable, net of an allowance for uncollectible property taxes of \$76,582. Those net property taxes receivable which were not collected within 60 days immediately following June 30, 2020, are recorded as a deferred inflow in fiscal 2020. Property taxes collected within 60 days following June 30, 2020, are recognized as revenue in the governmental fund financial statements and amounted to \$740,268. As of June 30, 2020, the Town levied property taxes for its next fiscal year based on the December 31, 2018, assessment as follows (unaudited):

# **TOWN OF NORTH KINGSTOWN, RHODE ISLAND**

## **NOTES TO BASIC FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED JUNE 30, 2020**

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#### **NOTE 3 - PROPERTY TAXES (CONTINUED)**

	<b>Taxable Assessment</b>	<b>Exemptions</b>	<b>Net Tax Assessment</b>	<b>Rate Per \$1,000</b>	<b>Rate Per Net Levy</b>
Real property	\$ 4,454,653,145	\$ 91,173,230	\$ 4,363,479,915	\$ 17	\$ 74,571,878
Motor vehicle	273,993,367	65,717,512	208,275,855	22	4,589,659
Tangible property	<u>167,546,090</u>	<u>505,260</u>	<u>167,040,830</u>	<u>17</u>	<u>2,854,728</u>
	<u><b>\$ 4,896,192,602</b></u>	<u><b>\$ 157,396,002</b></u>	<u><b>\$ 4,738,796,600</b></u>		<u><b>\$ 82,016,265</b></u>

#### ***ECONOMIC DEVELOPMENT TAX INCENTIVE***

The Town offers an economic development tax incentive through Town Ordinance Section 19-40. The incentive is offered to only new buildings, new structures, new additions to existing buildings or structures on taxable property, and for substantial improvements to existing structures costing in excess of 50 percent of the assessed value of the existing structure. The incentive is intended to inure to the benefit of the Town because of the willingness of the business to locate in the Town, or the willingness of a business to replace, reconstruct, expand, or remodel existing buildings or facilities with modern buildings or facilities resulting in an increase in building investment.

The Town Council, in its sole discretion, is authorized but not required to phase in over a period of six years, the taxes due on certain business property located in the Town, not to include residential purposes or multi-family housing.

The real estate taxes shall be phased in pursuant to the following schedule:

<u>Year</u>	<u>Phase-In Percentage</u>
1	0%
2	20%
3	40%
4	60%
5	80%
6	100%

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## NOTES TO BASIC FINANCIAL STATEMENTS

### FOR THE YEAR ENDED JUNE 30, 2020

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#### NOTE 4 - INTERFUND BALANCES AND TRANSFERS

Due to/from balances represent short-term advances from one fund (primarily the General Fund) to another fund. The advances may represent balances resulting from operating advances or reimbursements for expenditures paid by one fund on behalf of another fund. The composition of interfund balances at June 30, 2020, was as follows:

	Due From	Due To
General Fund	\$ 5,753,679	\$ --
School Department	863,054	1,293,629
Debt Service	--	361,461
Non-Major Governmental Funds	--	31,548
Quonset/Davisville Recreation	--	2,459,878
Sewer	--	--
Non-Major Enterprise Funds	<u>92,762</u>	<u>151,020</u>
<b>Total</b>	<b><u>\$ 6,709,495</u></b>	<b><u>\$ 4,297,536</u></b>

The Town had interfund transfers totaling \$63,267,575 during the year ended June 30, 2020. The composition of these interfund transfers was as follows:

	Transfers In	Transfers Out
General Fund	\$ 1,179,063	\$ 60,572,244
School Department	54,362,817	259,932
School Bond Fund	--	522,378
27.5M Bond Fund	778,789	--
Debt Service	4,515,212	--
Non-Major Governmental Funds	2,320,280	1,292,823
Water Operations	85,828	86,179
Water Capital Reserve	--	85,829
Quonset/Davisville Recreation	25,536	93,251
Sewer	--	180,210
Non-Major Enterprise Funds	--	174,729
Internal Service Funds	<u>50</u>	<u>--</u>
<b>Total</b>	<b><u>\$ 63,267,575</u></b>	<b><u>\$ 63,267,575</u></b>

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## NOTES TO BASIC FINANCIAL STATEMENTS

**FOR THE YEAR ENDED JUNE 30, 2020**

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### **NOTE 5 - CAPITAL ASSETS**

<b>Governmental Activities:</b>	Beginning			Ending
	Balance			Balance
	7/1/2019			6/30/2020
	(As Restated)	Increases	Decreases	(As Restated)
<b>Capital Assets Not Being Depreciated</b>				
Land	\$ 9,017,218	\$ --	\$ --	\$ 9,017,218
Development rights	17,495,465	--	--	17,495,465
Construction in progress	<u>859,600</u>	4,780,389	(467,529)	<u>5,172,460</u>
<b>Total Capital Assets Not Being Depreciated</b>	<u>27,372,283</u>	4,780,389	(467,529)	<u>31,685,143</u>
<b>Capital Assets Being Depreciated</b>				
Land improvements	2,004,648	56,800	--	2,061,448
Building	81,298,201	1,064,110	--	82,362,311
Equipment	17,641,920	1,570,630	(1,509,503)	17,703,047
Infrastructure	<u>74,558,665</u>	1,340,126	(50,000)	<u>75,848,791</u>
<b>Total Capital Assets Being Depreciated</b>	<u>175,503,434</u>	4,031,666	(1,559,503)	<u>177,975,597</u>
<b>Less: Accumulated Depreciation For</b>				
Land improvements	(892,764)	(213,759)	--	(1,106,523)
Building	(36,657,062)	(2,297,759)	--	(38,954,821)
Equipment	(10,830,767)	(1,420,065)	1,207,673	(11,043,159)
Infrastructure	<u>(59,603,641)</u>	(1,366,479)	--	<u>(60,970,120)</u>
<b>Total Accumulated Depreciation</b>	<u>(107,984,234)</u>	<u>(5,298,062)</u>	<u>1,207,673</u>	<u>(112,074,623)</u>
<b>Governmental Activities Capital Assets, Net</b>	<u>\$ 94,891,483</u>	<u>\$ 3,513,993</u>	<u>\$ (819,359)</u>	<u>\$ 97,586,117</u>

Depreciation was charged to functions as follows:

<b>Governmental Activities:</b>	
General government	\$ 246,316
Public safety	1,036,009
Public works	1,622,443
Education	2,359,723
Public libraries	<u>33,571</u>
<b>Total Governmental Activities Depreciation Expense</b>	<u>\$ 5,298,062</u>

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## NOTES TO BASIC FINANCIAL STATEMENTS

### FOR THE YEAR ENDED JUNE 30, 2020

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#### NOTE 5 - CAPITAL ASSETS (CONTINUED)

Business-Type Activities:	Beginning Balance 7/1/2019 (As Restated)	Increases	Decreases	Ending Balance 6/30/2020
<b>Capital assets not being depreciated:</b>				
Land	\$ 942,289	\$ --	\$ --	\$ 942,289
Construction in progress	<u>5,690,488</u>	<u>85,828</u>	<u>(5,586,138)</u>	<u>190,178</u>
<b>Total Capital Assets Not Being Depreciated</b>	<b><u>6,632,777</u></b>	<b><u>85,828</u></b>	<b><u>(5,586,138)</u></b>	<b><u>1,132,467</u></b>
<b>Capital Assets Being Depreciated:</b>				
Buildings	15,104,529	94,200	--	15,198,729
Property and leasehold improvements	15,742,257	6,302,106	--	22,044,363
Furniture and equipment	1,121,552	106,788	(58,237)	1,170,103
Vehicles and golf carts	<u>836,401</u>	<u>339,552</u>	<u>--</u>	<u>1,175,953</u>
<b>Total Capital Assets Being Depreciated</b>	<b><u>32,804,739</u></b>	<b><u>6,842,646</u></b>	<b><u>(58,237)</u></b>	<b><u>39,589,148</u></b>
<b>Less: Accumulated Depreciation For</b>				
Buildings	(8,678,963)	(312,583)	--	(8,991,546)
Property and leasehold improvements	(4,459,586)	(897,406)	--	(5,356,992)
Furniture and equipment	(496,973)	(88,350)	24,595	(560,728)
Vehicles and golf carts	<u>(567,492)</u>	<u>(144,468)</u>	<u>--</u>	<u>(711,960)</u>
<b>Total Accumulated Depreciation</b>	<b><u>(14,203,014)</u></b>	<b><u>(1,442,807)</u></b>	<b><u>24,595</u></b>	<b><u>(15,621,226)</u></b>
<b>Business-Type Activities Capital Assets, Net</b>	<b><u>\$ 25,234,502</u></b>	<b><u>\$ 5,485,667</u></b>	<b><u>\$ (5,619,780)</u></b>	<b><u>\$ 25,100,389</u></b>

Depreciation was charged to functions as follows:

Business-Type Activities:	
Water	\$ 517,426
Sewer	391,286
Quonset/Davisville Recreation	531,378
Nutrition Fund	<u>2,717</u>
<b>Total Business-Type Activities Depreciation Expense</b>	<b><u>\$ 1,442,807</u></b>

# **TOWN OF NORTH KINGSTOWN, RHODE ISLAND**

## **NOTES TO BASIC FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED JUNE 30, 2020**

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#### **NOTE 6 - SHORT TERM NOTES PAYABLE**

##### ***BOND ANTICIPATION NOTES (BAN) PAYABLE***

On July 20, 2019, the Town entered into a General Obligation BAN, 2019 Series 1 in the amount of \$760,000, bearing interest at the rate of 1.60% due July 6, 2020. On May 7, 2020 the Town entered into a General Obligation BAN, 2020 Series 1 in the amount of \$5,263,000, bearing interest at the rate of 1.175% due May 5, 2021. These BAN's will either be paid off at maturity or will be converted to long-term debt.

#### **NOTE 7 - LONG-TERM OBLIGATIONS**

##### ***GENERAL OBLIGATION BONDS PAYABLE***

The Town issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for both general government and proprietary activities, as well as to refund previously outstanding general obligation bonds. General obligation bonds pledge the full faith and credit of the Town.

The Town's maximum aggregate indebtedness under Rhode Island General Laws 45-12-2 is limited to 3% of total assessed value, with certain exemptions. The assessed value of the Town's properties at December 31, 2019, was \$4,966,102,555, limiting the amount of non-exempted debt outstanding to \$148,983,077. At June 30, 2020, the Town had \$0 outstanding subject to the limit. All Town debt has been incurred through special statutory authority which consists of approval by the legislature and voter referendum. Payments on all long-term debt and other long-term liabilities that pertain to the Town's governmental activities are made by the Debt Service Fund and General Fund. The General Fund typically has been used in prior years to liquidate the liability for compensated absences.

##### ***AUTHORIZED BUT UNISSUED***

At June 30, 2020, the Town had \$17,100,000 of bonds authorized but unissued for construction of the Town's sewer system. The Town had \$14,692,000 of authorized but unissued for School and Town improvements. This is in addition to \$700,000 for the Rhode Island Community Septic System Loan (CSSL) program.

##### ***LINE OF CREDIT***

The Town has a \$1,500,000 available line of credit from the Rhode Island Infrastructure Bank for the Community Septic System Loan Program ("Loan Program"). The Loan Program makes low-interest loans available to North Kingstown property owners for cesspool/septic system repairs or replacements and is administered by Rhode Island Housing. The Town is only liable to the Rhode Island Infrastructure Bank in event of default by the property owner. A balance of \$626,322 was drawn down on the line of credit at June 30, 2020.

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## NOTES TO BASIC FINANCIAL STATEMENTS

### FOR THE YEAR ENDED JUNE 30, 2020

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#### NOTE 7 - LONG-TERM OBLIGATIONS (CONTINUED)

A summary of long-term obligations as of June 30, 2020, is as follows:

	Governmental Activities	Business-Type Activities	Total
General obligation debt	\$ 30,229,000	\$ 15,554,818	\$ 45,783,818
Bond premium	<u>2,987,813</u>	<u>68,749</u>	<u>3,056,562</u>
	33,216,813	15,623,567	48,840,380
Capital leases	993,740	141,903	1,135,643
Accrued compensated absences	3,665,208	158,594	3,823,802
Pollution remediation obligation	<u>1,800,000</u>	<u>--</u>	<u>1,800,000</u>
	39,675,761	15,924,064	55,599,825
Less: portion due within one year	<u>(6,039,073)</u>	<u>(1,131,085)</u>	<u>(7,170,158)</u>
	<u>\$ 33,636,688</u>	<u>\$ 14,792,979</u>	<u>\$ 48,429,667</u>

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## NOTES TO BASIC FINANCIAL STATEMENTS

### FOR THE YEAR ENDED JUNE 30, 2020

#### NOTE 7 - LONG-TERM OBLIGATIONS (CONTINUED)

<b>Governmental Activities:</b>	Date of Issuance	Amount Issued	Interest Rate	Maturity Date	Balance Outstanding July 1, 2019	Additions	Retirements	Balance Outstanding June 30, 2020	Amounts Due Within One Year
<b>General Obligation Bonds Payable:</b>									
\$2.003M GOB	12/15/2009	\$ 2,003,000	1.25-3.50%	12/15/2019	\$ 200,000	\$ --	\$ 200,000	\$ --	\$ --
\$7.665M GOB	4/18/2013	7,655,000	2.00-4.00%	5/15/2033	5,340,000	--	385,000	4,955,000	385,000
\$0.350M GOB 2013 series A	9/1/2013	350,000	2.00-3.75%	9/1/2023	175,000	--	35,000	140,000	35,000
\$15.03M GOB refunding bonds	9/1/2015	15,030,000	2.00-5.00%	7/15/2027	10,555,000	--	1,575,000	8,980,000	1,570,000
\$4.03M RIHEBC refunding bonds	12/2/2015	4,030,000	3.00-5.00%	5/15/2027	3,360,000	--	350,000	3,010,000	370,000
\$5.79M GOB refunding bonds, 2018 series A	10/15/2018	5,790,000	3.00-5.00%	1/15/2030	5,790,000	--	540,000	5,250,000	540,000
\$0.935M RIIB loan	11/29/2018	935,000	1.607-2.518%	9/1/2028	935,000	--	86,000	849,000	87,000
\$2.91M GOB School	7/10/2019	2,910,000	3.00-5.00%	7/1/2039	--	2,910,000	--	2,910,000	150,000
\$4.13M GOB Town	7/10/2019	<u>4,135,000</u>	3.00-5.00%	7/1/2039	<u>--</u>	<u>4,135,000</u>	<u>--</u>	<u>4,135,000</u>	<u>205,000</u>
		42,838,000			26,355,000	7,045,000	3,171,000	30,229,000	3,342,000
Deferred bond premium		<u>4,555,790</u>			<u>2,608,394</u>	<u>719,526</u>	<u>340,107</u>	<u>2,987,813</u>	<u>--</u>
<b>Total General Obligation Bonds Payable</b>		<b><u>\$ 47,393,790</u></b>			<b>28,963,394</b>	<b>7,764,526</b>	<b>3,511,107</b>	<b>33,216,813</b>	<b>3,342,000</b>
<b>Capital Leases:</b>									
	7/28/2017	\$ 154,462	2.87%	10/9/2021	31,330	--	31,330	--	--
	7/28/2017	60,000	3.17%	10/9/2021	22,847	--	7,380	15,467	7,614
	6/15/2018	98,346	3.47%	6/15/2022	59,320	--	19,103	40,217	19,766
	6/15/2018	435,058	3.47%	6/15/2024	312,280	--	58,269	254,011	60,291
	6/22/2018	131,190	3.38%	7/15/2021	91,473	--	29,483	61,990	30,480
	10/2/2018	244,655	3.32%	11/2/2022	193,027	--	45,919	147,108	47,443
	7/15/2019	224,590	3.41%	7/15/2025	--	224,590	18,000	206,590	22,955
	6/30/2020	185,417	2.48%	10/15/2023	--	185,417	--	185,417	47,579
	6/22/2020	<u>105,643</u>	3.69%	7/1/2024	<u>--</u>	<u>105,643</u>	<u>22,703</u>	<u>82,940</u>	<u>--</u>
<b>Total Capital Leases</b>		<b><u>\$ 1,639,361</u></b>			<b>710,277</b>	<b>515,650</b>	<b>232,187</b>	<b>993,740</b>	<b>236,128</b>
<b>Compensated Absences</b>					2,794,295	3,184,000	2,313,087	3,665,208	2,460,945
<b>Pollution Remediation Obligation</b>					<u>1,800,000</u>	<u>--</u>	<u>--</u>	<u>1,800,000</u>	<u>--</u>
<b>Total Governmental Activities Long-Term Obligations</b>					<b><u>\$ 34,267,966</u></b>	<b><u>\$ 11,464,176</u></b>	<b><u>\$ 6,056,381</u></b>	<b><u>\$ 39,675,761</u></b>	<b><u>\$ 6,039,073</u></b>

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## NOTES TO BASIC FINANCIAL STATEMENTS

### FOR THE YEAR ENDED JUNE 30, 2020

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#### NOTE 7 - LONG-TERM OBLIGATIONS (CONTINUED)

Business-Type Activities:	Date of Issuance	Amount Issued	Interest Rate	Maturity Date	Balance			Balance Outstanding June 30, 2020	Amounts Due Within One Year
					Outstanding July 1, 2019	Additions	Retirements		
<b>General Obligation Bonds Payable:</b>									
\$4.8 RIIB bond	11/19/2009	\$ 4,800,000	0.650-3.54%	9/1/2030	\$ 2,664,330	\$ --	\$ 179,872	\$ 2,484,458	\$ 185,712
\$2.46M Waterwater services	1/2/2013	2,460,000	2.75%	1/2/2033	1,745,900	\$ --	112,540	1,633,360	116,663
\$4.0M GOB sewer bonds series 2014	4/1/2014	4,000,000	2.00-4.00%	4/15/2034	3,270,000	\$ --	165,000	3,105,000	170,000
\$6.0M RIIB sewer bonds 2014 series B	4/10/2014	6,000,000	2.01%	9/1/2034	4,993,000	\$ --	258,000	4,735,000	262,000
\$3.6M RIIB series 2017 A	4/13/2017	3,600,000	0.68-2.44%	6/30/2037	3,442,000	\$ --	160,000	3,282,000	162,000
\$315K Sewers in Wickford	12/5/2019	<u>315,000</u>	0.72-1.86%	9/1/1934	<u>--</u>	<u>315,000</u>	<u>--</u>	<u>315,000</u>	<u>19,000</u>
		21,175,000			16,115,230	315,000	875,412	15,554,818	915,375
Deferred bond premium		<u>99,398</u>			<u>73,720</u>	<u>--</u>	<u>4,971</u>	<u>68,749</u>	<u>--</u>
<b>Total General Obligation Bonds Payable</b>		<b><u>\$ 21,274,398</u></b>			<b>16,188,950</b>	<b>315,000</b>	<b>880,383</b>	<b>15,623,567</b>	<b>915,375</b>
Capital lease	2/15/2018	<u>\$ 343,125</u>	3.99%	2/15/2022	208,797	\$ --	66,894	141,903	69,564
Compensated Absences					<u>233,041</u>	<u>58,548</u>	<u>132,995</u>	<u>158,594</u>	<u>146,146</u>
<b>Total Business-Type Activities Long-Term Obligations</b>		<b><u>\$ 16,630,788</u></b>			<b><u>\$ 373,548</u></b>	<b><u>\$ 1,080,272</u></b>	<b><u>\$ 15,924,064</u></b>	<b><u>\$ 1,131,085</u></b>	

# **TOWN OF NORTH KINGSTOWN, RHODE ISLAND**

## **NOTES TO BASIC FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED JUNE 30, 2020**

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#### **NOTE 7 - LONG-TERM OBLIGATIONS (CONTINUED)**

At June 30, 2020, scheduled annual debt service requirements to maturity for general obligation bonds are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
<b>Governmental Activities:</b>			
2021	\$ 3,342,000	\$ 1,212,393	\$ 4,554,393
2022	3,174,000	1,071,502	4,245,502
2023	3,190,000	934,409	4,124,409
2024	3,187,000	798,424	3,985,424
2025	3,164,000	665,658	3,829,658
2026-2030	9,532,000	1,672,453	11,204,453
2031-2035	2,890,000	484,950	3,374,950
2036-2040	<u>1,750,000</u>	<u>131,250</u>	<u>1,881,250</u>
	<u><u>\$ 30,229,000</u></u>	<u><u>\$ 6,971,039</u></u>	<u><u>\$ 37,200,039</u></u>
<b>Business-Type Activities:</b>			
2021	\$ 915,375	\$ 407,589	\$ 1,322,964
2022	938,727	387,484	1,326,211
2023	967,400	365,865	1,333,265
2024	993,163	342,672	1,335,835
2025	1,025,788	317,980	1,343,768
2026-2030	5,620,128	1,161,926	6,782,054
2031-2035	4,627,237	376,249	5,003,486
2036-2037	<u>467,000</u>	<u>11,433</u>	<u>478,433</u>
	<u><u>\$ 15,554,818</u></u>	<u><u>\$ 3,371,198</u></u>	<u><u>\$ 18,926,016</u></u>

# **TOWN OF NORTH KINGSTOWN, RHODE ISLAND**

## **NOTES TO BASIC FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED JUNE 30, 2020**

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#### **NOTE 8 - FUND BALANCES**

The Town has classified governmental fund balances at June 30, 2020 as follows:

#### **Non-Spendable:**

General Fund - Advance to Quonset/Davisville	
Recreation for Golf Course Irrigation	\$ 342,785
General Fund - Advance of ESSER Funds to School	452,552
General Fund - Advance to Sewer Fund	2,411,959
School Unrestricted Fund - prepaid expenses	8,604
Total Non-Spendable	<u>\$ 3,215,900</u>

#### **Restricted:**

School Special Revenue - grant funds	\$ 226,380
Debt Service	1,050,158
Town Special Revenue - grant funds	310,290
Capital Projects - grant funds	1,454,360
Permanent Trust Funds	89,153
Total Restricted Fund Balance	<u>\$ 3,130,341</u>

#### **Assigned:**

General Government Encumbrances	\$ 177,389
General Fund Codification Reserve	12,450
General Fund Retirement Reserve	500,000
General Fund Reserved for Snow Plowing	79,913
School Unrestricted Fund - Encumbrances	664,369
School Unrestricted Fund - Education	3,577,754
Town Special Revenue - nongrant funds	2,107,424
Capital Projects	5,768,687
Total Assigned Fund Balance	<u>\$ 12,887,986</u>

#### **Unassigned:**

General Fund	\$ 11,629,070
Town Special Revenue - deficit fund balances	(14,775)
Capital Projects - deficit fund balances	(2,402,530)
Total Unassigned Fund Balance	<u>\$ 9,211,765</u>

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

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### NOTE 8 - FUND BALANCES (CONTINUED)

For the year ended June 30, 2020, the following funds recognized an operating deficit:

#### **Governmental Funds:**

##### *School Department Funds:*

CTE Competitive	\$ 11,040
Scholarship America	69
United Way	14,241
Women's Club	200
Drug Free Donations	49
RIIL	395
COZ Misc Donations	3,657
Scholarship America DMS/HS	1,589
RI Children's Dentistry	82
Peoples Credit Union	902
Fuji Film Company - HS	3,000
NEARI Childrens Fund	100
Undersea Science	80
<b>Total School Department Funds</b>	<b><u>35,404</u></b>

##### *Town Special Revenue Funds:*

Library Fund	182,705
State Grant Police Department	1,602
Seized and Forfeited Property Escrow	1,135
Misc Historic District Preservation	674
Technology Replacement	6,576
Snr Center Legislative Grant	1,453
Emergency Medical Services	1,104,795
CDBG Grants	237,314
SAFER Grant	2,872
Senior Outreach Escrow	304
Parade Committee	210
Leisure Services Brochures	1,400
Recreation Escrow	13,576
<b>Total Town Special Revenue Funds</b>	<b><u>1,554,616</u></b>

##### *Capital Project Funds:*

Capital Reserve	180,379
6.4M School Renovation Bond	51,638
4M Farmland Open Space Fund	6,816
School Bond	2,402,530
School Capital Projects	153,834
<b>Total Capital Project Funds</b>	<b><u>2,795,197</u></b>

##### *Permanent Trust Funds:*

J.B. Spink Outside Poor Fund	2,111
T Casey Outside Poor Fund	1,684
<b>Total Permanent Trust Funds</b>	<b><u>3,795</u></b>

##### **Total Operating Deficits - Governmental Funds**

**\$ 4,389,012**

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## NOTES TO BASIC FINANCIAL STATEMENTS

### FOR THE YEAR ENDED JUNE 30, 2020

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#### NOTE 8 - FUND BALANCES (CONTINUED)

##### **Proprietary Funds:**

###### *Non-Major Proprietary Funds:*

Athletic Gate Receipts	\$ 14,623
Quonset / Davisville Recreation	<u>300,789</u>
<b>Total Operating Deficits - Proprietary Funds</b>	<b><u>\$ 315,412</u></b>

At June 30, 2020, the following funds had a deficit (negative) fund balance or deficit net position, as applicable:

##### **Proprietary Funds:**

Quonset/Davisville Recreation	\$ 1,086,875 *
Sewer	1,110,711 *

###### *Non-Major Proprietary Funds:*

Transfer Station	<u>198,539</u> *
<b>Total Cummulative Deficits - Proprietary Funds</b>	<b><u>\$ 2,396,125</u></b>

##### **Governmental Funds:**

###### *Town Special Revenue Funds:*

State Grant Police Department	\$ 2,415 **
SAFER Grant	2,872 **
Special Purpose Donations	<u>9,488 **</u>
Total Town Special Revenue Funds	<u>14,775</u>

###### *Capital Project Funds:*

School Bond	<u>2,402,530</u> ***
Total Capital Project Funds	<u>2,402,530</u>
<b>Total Cummulative Deficits - Governmental Funds</b>	<b><u>\$ 2,417,305</u></b>

\* Deficit will be covered via user fees

\*\* Deficit will be covered via transfer of funds

\*\*\* Defecit will be covered via proceeds from long term debt

# **TOWN OF NORTH KINGSTOWN, RHODE ISLAND**

## **NOTES TO BASIC FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED JUNE 30, 2020**

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#### **NOTE 9 - PENSION PLANS**

All eligible employees of the Town are covered by one of two pension plans: the Municipal Employees' Retirement System of the State of Rhode Island ("Municipal Plan"), or the Employees' Retirement System of the State of Rhode Island ("Teachers' Plan"). The Teachers' Plan covers all School Department personnel certified by the Rhode Island Department of Education who are or have been engaged in teaching as a principal occupation. The Municipal Plan covers all Town Hall employees sworn in on or after January 1, 2000, all Fire Department employees hired on or after January 1, 2001, and all School Department clerks, custodians and teacher assistants.

#### ***MUNICIPAL PLAN***

##### ***Plan Description***

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

MERS issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained by accessing the ERSRI website at [www.ersri.org](http://www.ersri.org).

##### ***Benefits Provided***

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

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

# **TOWN OF NORTH KINGSTOWN, RHODE ISLAND**

## **NOTES TO BASIC FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED JUNE 30, 2020**

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#### **NOTE 9 - PENSION PLANS (CONTINUED)**

##### ***MUNICIPAL PLAN (CONTINUED)***

###### ***Benefits Provided (Continued)***

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

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

###### ***General Employees***

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

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

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

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

# **TOWN OF NORTH KINGSTOWN, RHODE ISLAND**

## **NOTES TO BASIC FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED JUNE 30, 2020**

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#### **NOTE 9 - PENSION PLANS (CONTINUED)**

##### ***MUNICIPAL PLAN (CONTINUED)***

###### ***Benefits Provided (Continued)***

###### ***General Employees (Continued)***

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

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

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

###### ***Police and Fire Employees***

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

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

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

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

# **TOWN OF NORTH KINGSTOWN, RHODE ISLAND**

## **NOTES TO BASIC FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED JUNE 30, 2020**

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#### **NOTE 9 - PENSION PLANS (CONTINUED)**

##### ***MUNICIPAL PLAN (CONTINUED)***

###### ***Benefits Provided (Continued)***

###### ***Police and Fire Employees (Continued)***

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

A monthly benefit is paid equal to 2.00% of the member's monthly FAC for each year of service, up to 37.5 years (75% of FAC maximum). If the optional 20-year retirement provisions were adopted by the municipality prior to July 1, 2012: benefits are based on 2.50% of the member's FAC for each year of service prior to July 1, 2012 and 2.00% of the member's FAC for each year of service after July 1, 2012. The benefit cannot exceed 75% of the member's FAC.

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

###### ***Other Benefit Provisions***

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

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

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

# **TOWN OF NORTH KINGSTOWN, RHODE ISLAND**

## **NOTES TO BASIC FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED JUNE 30, 2020**

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#### **NOTE 9 - PENSION PLANS (CONTINUED)**

##### ***MUNICIPAL PLAN (CONTINUED)***

###### ***Benefits Provided (Continued)***

###### ***Other Benefit Provisions (Continued)***

- a. The COLA will be suspended for any unit whose funding level is less than 80%; however, an interim COLA may be granted in four-year intervals while the COLA is suspended. The first interim COLA may begin January 1, 2018.
- b. Effective July 1, 2015, the COLA is determined based on 50% of the plan's five-year average investment rate of return less 5.5% limited to a range of 0.0% to 4.0%, plus 50% of the lesser of 3.0% or last year's CPI-U increase for a total maximum increase of 3.50%. Previously, it was the plan's five-year average investment rate of return less 5.5% limited to a range of 0.0% to 4.0%.
- c. The COLA will be limited to the first \$25,000 of the member's annual pension benefit. For retirees and beneficiaries who retired on or before July 1, 2015, years in which a COLA is payable based on the every fourth year provision described in (a) above will be limited to the first \$30,000. These limits will be indexed annually to increase in the same manner as COLAs, with the known values of \$25,000 for 2013, \$25,000 for 2014, \$25,168 for 2015, \$25,855 for 2016, and \$26,098 for 2017.

###### ***Employees Covered by Benefit Terms***

At the June 30, 2019 valuation date, the following employees were covered by the benefit terms:

	General	Police	Fire
Retirees and beneficiaries	252	43	71
Inactive, nonretired members	173	5	12
Active members	301	46	69
	<hr/>	<hr/>	<hr/>
	726	94	152

###### ***Contributions***

The amounts of employee and employer contributions have been established under Rhode Island General Laws Chapter 45-21. General employees with less than 20 years of service as of June 30, 2012, are required to contribute 2% of their salaries. General employees with more than 20 years of service as of June 30, 2012, are required to contribute 8.25%. Public safety employees are required to contribute 10% of their salaries. The Town contributes at a rate of covered payroll as determined by an independent

# **TOWN OF NORTH KINGSTOWN, RHODE ISLAND**

## **NOTES TO BASIC FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED JUNE 30, 2020**

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#### **NOTE 9 - PENSION PLANS (CONTINUED)**

##### ***MUNICIPAL PLAN (CONTINUED)***

###### ***Contributions (Continued)***

actuary on an annual basis. The General Assembly can amend the amount of these contribution requirements. The Town contributed \$2,026,233, \$1,248,430 and \$1,633,916 for general, police, and fire, respectively, in the year ended June 30, 2020, which was 16.33%, 32.19% and 31.07% of covered payroll, respectively.

###### ***Net Pension Liability***

The total pension liability was determined by actuarial valuations performed as of June 30, 2018, and rolled forward to June 30, 2019, using the following actuarial assumptions applied to all periods included in the measurement:

<b>Summary of Actuarial Assumptions Used in the Valuations to determine the Net Pension Liability at the June 30, 2019 measurement date (June 30, 2018 valuation rolled forward to June 30, 2019)</b>	
Actuarial Cost Method	Entry Age Normal - the Individual Entry Age Actuarial Cost methodology is used.
Amortization Method	Level Percent of Payroll – Closed
Actuarial Assumptions	
Investment Rate of Return	7.00%
Projected Salary Increases	General Employees - 3.50% to 7.50% ; Police & Fire Employees - 4.00% to 14.00%
Inflation	2.5 %
Mortality	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 Adjustments	A 2% COLA is assumed after January 1, 2014.

# **TOWN OF NORTH KINGSTOWN, RHODE ISLAND**

## **NOTES TO BASIC FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED JUNE 30, 2020**

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#### **NOTE 9 - PENSION PLANS (CONTINUED)**

##### ***MUNICIPAL PLAN (CONTINUED)***

###### ***Net Pension Liability (Continued)***

The actuarial assumptions used in the June 30, 2018, valuation rolled forward to June 30, 2019, and the calculation of the total pension liability at June 30, 2019, 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 were 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 34 sources. The June 30, 2019, expected arithmetic returns over the long term (20 years) by asset class are summarized in the following table:

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 the arithmetic basis.

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## NOTES TO BASIC FINANCIAL STATEMENTS

### FOR THE YEAR ENDED JUNE 30, 2020

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#### NOTE 9 - PENSION PLANS (CONTINUED)

##### ***MUNICIPAL PLAN (CONTINUED)***

##### ***Net Pension Liability (Continued)***

Asset Class	Long-Term Target Asset Allocation	Long-Term Expected Arithmetic Real Rate of Return
<b><i>GROWTH</i></b>		
<b><i>Global Equity:</i></b>		
U.S. Equity	22.10%	6.16%
International Developed Equity	13.20%	6.83%
Emerging Markets Equity	4.70%	8.90%
<b>Sub-Total</b>	<b>40.00%</b>	
<b><i>Private Growth:</i></b>		
Private Equity	11.25%	9.81%
Non-Core RE	2.25%	5.51%
OPP Private Credit	1.50%	9.81%
<b>Sub-Total</b>	<b>15.00%</b>	
<b><i>INCOME</i></b>		
High Yield Infrastructure	1.00%	3.98%
REITS	1.00%	5.51%
Liquid Credit	2.80%	3.98%
Private Credit	3.20%	3.98%
<b>Sub-Total</b>	<b>8.00%</b>	
<b><i>STABILITY</i></b>		
<b><i>Crisis Protection Class:</i></b>		
Treasury Duration	4.00%	0.77%
Systematic Trend	4.00%	4.20%
<b>Sub-Total</b>	<b>8.00%</b>	
Inflation Protection:		
<b>Core Real Estate</b>		
Private Infrastructure	3.60%	5.51%
TIPs	2.40%	5.85%
Natural Resources	1.00%	1.37%
<b>Sub-Total</b>	<b>8.00%</b>	3.76%
<b><i>Volatility Protection:</i></b>		
IG Fixed Income	11.50%	2.15%
Absolute Return	6.50%	4.20%
Cash	3.00%	0.77%
<b>Sub-Total</b>	<b>21.00%</b>	
<b>Total</b>	<b>100.0%</b>	

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

### NOTE 9 - PENSION PLANS (CONTINUED)

#### ***MUNICIPAL PLAN (CONTINUED)***

##### ***Discount Rate***

The discount rate used to measure the total pension liability of the plan was 7.0 percent. The projection of cash flows used to determine the discount rate assumed that contributions from the 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.

#### Changes in the Net Pension Liability

	General	Police	Fire	Total
<b>Pension Liability:</b>				
Balances as of July 1, 2018	\$ 69,174,347	\$ 33,902,691	\$ 49,678,332	\$ 152,755,370
<b>Changes for the year:</b>				
Service cost	1,085,287	769,529	1,052,624	2,907,440
Interest on the total pension liability	4,735,504	2,345,903	3,430,653	10,512,060
Difference between expected and actual experience	(1,665,283)	(794,471)	(1,738,380)	(4,198,134)
Benefit payments	<u>(4,133,876)</u>	<u>(1,549,110)</u>	<u>(2,390,625)</u>	<u>(8,073,611)</u>
Balances as of June 30, 2019	<u>69,195,979</u>	<u>34,674,542</u>	<u>50,032,604</u>	<u>153,903,125</u>
<b>Fiduciary Net Postion:</b>				
Balances as of July 1, 2018	49,280,709	22,515,278	33,556,329	105,352,316
Employer contributions	2,123,699	1,038,338	1,526,866	4,688,903
Employee contributions	341,289	376,483	510,489	1,228,261
Pension plan net investment income	3,139,386	1,475,740	2,182,635	6,797,761
Benefit payments	(4,133,876)	(1,549,110)	(2,390,625)	(8,073,611)
Pension plan administrative expense	(49,061)	(23,062)	(34,109)	(106,232)
Other changes	(80)	--	(101,345)	(101,425)
Balances as of June 30, 2019	<u>50,702,066</u>	<u>23,833,667</u>	<u>35,250,240</u>	<u>109,785,973</u>
Net Pension Liability	<u>\$ 18,493,913</u>	<u>\$ 10,840,875</u>	<u>\$ 14,782,364</u>	<u>\$ 44,117,152</u>

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

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### NOTE 9 - PENSION PLANS (CONTINUED)

#### *MUNICIPAL PLAN (CONTINUED)*

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

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

	1% Decrease (6.0%)	Current Discount Rate (7.0%)	1% Increase (8.0%)
General employee plan	\$ 25,840,198	\$ 18,493,913	\$ 12,480,769
Police employee plan	14,466,837	10,840,875	7,873,381
Fire employee plan	20,030,839	14,782,364	10,486,867
Total	<u>\$ 60,337,874</u>	<u>\$ 44,117,152</u>	<u>\$ 30,841,017</u>

#### *Pension Plan Fiduciary Net Position*

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

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

For the year ended June 30, 2020, the Town recognized pension expense of \$6,883,702.

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## NOTES TO BASIC FINANCIAL STATEMENTS

### FOR THE YEAR ENDED JUNE 30, 2020

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#### NOTE 9 - PENSION PLANS (CONTINUED)

##### ***MUNICIPAL PLAN (CONTINUED)***

##### ***Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)***

The Town reported deferred outflows and inflows or resources related to pensions from the following sources:

	General	Police	Fire	Total
Deferred Outflows of Resources:				
Contributions after the measurement period	\$ 2,026,233	\$ 1,248,430	\$ 1,633,916	\$ 4,908,579
Differences between expected and actual experience	47,607	492,489	934,464	1,474,560
Changes in assumptions	1,083,912	775,117	989,221	2,848,250
Net differences between projected and actual earnings on pension plan investments	<u>870,086</u>	<u>365,359</u>	<u>556,951</u>	<u>1,792,396</u>
	<u><u>\$ 4,027,838</u></u>	<u><u>\$ 2,881,395</u></u>	<u><u>\$ 4,114,552</u></u>	<u><u>\$ 11,023,785</u></u>
Deferred Inflows of Resources:				
Differences between expected and actual experience	\$ 1,513,117	\$ 780,065	\$ 1,468,705	\$ 3,761,887
Changes in assumptions	--	13,063	10,018	23,081
Net differences between projected and actual earnings on pension plan investments	<u>978,685</u>	<u>457,551</u>	<u>677,676</u>	<u>2,113,912</u>
	<u><u>\$ 2,491,802</u></u>	<u><u>\$ 1,250,679</u></u>	<u><u>\$ 2,156,399</u></u>	<u><u>\$ 5,898,880</u></u>

\$4,908,579 reported as deferred outflows of resources related to pensions resulting from the Town's contributions in fiscal year 2019 subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent period.

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

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### NOTE 9 - PENSION PLANS (CONTINUED)

#### *MUNICIPAL PLAN (CONTINUED)*

##### *Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)*

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

Year Ended June 30,	Net Deferred Outflows/ (Inflows) of Resources				Total
	General	Police	Fire		
2021	\$ 545,145	\$ 294,595	\$ 625,872	\$ 1,465,612	
2022	(498,590)	21,004	253,691	(223,895)	
2023	(458,050)	193,084	(147,045)	(412,011)	
2024	(78,702)	6,314	(295,226)	(367,614)	
2025	--	(132,352)	(113,055)	(245,407)	
Thereafter	--	(359)	--	(359)	
Total	\$ (490,197)	\$ 382,286	\$ 324,237	\$ 216,326	

#### *TEACHERS' PLAN*

#### *Plan Description*

Certain employees of the Town participate in a cost-sharing multiple-employer defined benefit pension plan – the Employees' Retirement System plan (“ERS”) – administered by the Employees' Retirement System of the State of Rhode Island (“System”). Under a cost-sharing plan, pension obligations for 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, disability 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.ersi.org>

# **TOWN OF NORTH KINGSTOWN, RHODE ISLAND**

## **NOTES TO BASIC FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED JUNE 30, 2020**

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#### **NOTE 9 - PENSION PLANS (CONTINUED)**

##### ***TEACHERS' PLAN (CONTINUED)***

###### ***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 services and other factors until it aligns with the Social Security Normal Retirement Age, which applies to any member with less than five years of service as of July 1, 2012. Members are vested after five years of service. The plan provides for survivor's benefits for service connected death and certain lump sum death benefits. Joint and survivor benefit provision options are available to members. Cost of living adjustments are provided but are currently suspended until the collective plans administered by ERSRI reach a funded status of 80%. Until the plans reach an 80% funded status, interim cost of living adjustments are provided at four-year intervals commencing with the plan year ended June 30, 2016. The plan also provides nonservice-connected disability benefits after five years of service and service-connected disability benefits with no minimum service requirement.

###### ***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 2019, the Town's teachers were required to contribute 3.75% of their annual covered salary, except that teachers with twenty or more years of service as of June 30, 2012, must contribute 11% of their annual covered salary. The State of Rhode Island ("State") and the Town are required to contribute at an actuarially determined rate, 40% of which is to be paid by the State and the remaining 60% is to be paid by the Town; the rates were 10.49% and 14.12% of annual covered payroll for the fiscal year ended June 30, 2020, for the State and the Town, respectively. The Town contributed \$4,389,316, \$4,066,500, and \$3,768,742 for the fiscal years ended June 30, 2020, 2019, and 2018, respectively, equal to 100% of the required contributions for each year. The State's share of contribution for fiscal 2020 was \$3,261,477 and is reported as on-behalf payments and included in both revenue and expenditures on the financial statements.

# **TOWN OF NORTH KINGSTOWN, RHODE ISLAND**

## **NOTES TO BASIC FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED JUNE 30, 2020**

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#### **NOTE 9 - PENSION PLANS (CONTINUED)**

##### ***TEACHERS' PLAN (CONTINUED)***

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

At June 30, 2020, the Town reported a liability of \$53,382,581 for its proportionate share of the net pension liability that reflected a reduction for contributions made by the State. The amount recognized by the Town as its proportionate share of the net pension liability, the related State support and the total portion of the net pension liability that was associated with the Town were as follows:

Town's proportionate share of the net pension liability	\$ 53,382,581
State's proportionate share of the net pension liability	<u>39,989,081</u>
Total Net Pension Liability	<u>\$ 93,371,662</u>

The net pension liability was measured as of June 30, 2019, 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, 2018, rolled forward to June 30, 2019. The Town's proportion of the net pension liability was based on a projection of the Town'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, 2019, the Town's proportion was 1.67%.

For the year ended June 30, 2020, the Town recognized gross pension expense of \$9,946,454 and revenue of \$4,436,278 for support provided by the State.

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

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### NOTE 9 - PENSION PLANS (CONTINUED)

#### *TEACHERS' PLAN (CONTINUED)*

##### *Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources (Continued)*

At June 30, 2020, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

#### **Deferred Outflows of Resources**

Contributions subsequent to the measurement date	\$ 4,389,316
Difference between expected and actual experience	650,063
Changes in assumptions	3,123,723
Net difference between projected and actual earnings on pension plan investments	1,197,980
Change in proportion and differences between employer contributions and proportionate share of contributions	<u>971,075</u>

Total \$ 10,332,157

#### **Deferred Inflows of Resources**

Difference between expected and actual experience	\$ (891,488)
Changes in assumptions	(421,315)
Net difference between projected and actual earnings on pension plan investments	(1,281,981)
Changes in proportion and differences between employer contributions and proportionate share of contributions	<u>(1,670,593)</u>

Total \$ (4,265,377)

\$4,389,316 reported as deferred outflows of resources related to pensions resulting from the School's contributions in fiscal year 2020 subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent period. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

# **TOWN OF NORTH KINGSTOWN, RHODE ISLAND**

## **NOTES TO BASIC FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED JUNE 30, 2020**

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#### **NOTE 9 - PENSION PLANS (CONTINUED)**

##### ***TEACHERS' PLAN (CONTINUED)***

##### ***Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources (Continued)***

Year Ended June 30,

2021	\$ 668,527
2022	(257,005)
2023	485,500
2024	564,013
2025	217,458
Thereafter	<u>(1,029)</u>
 Total	 <u>\$ 1,677,464</u>

##### ***Actuarial Assumptions***

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

Inflation	2.5%
Salary increases	3.0% to 13.0%
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, 2018 valuation rolled forward to June 30, 2019 and the calculation of the total pension liability at June 30, 2019 were consistent with the results of an actuarial experience study performed as of June 30, 2016.

# **TOWN OF NORTH KINGSTOWN, RHODE ISLAND**

## **NOTES TO BASIC FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED JUNE 30, 2020**

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#### **NOTE 9 - PENSION PLANS (CONTINUED)**

##### ***TEACHERS' PLAN (CONTINUED)***

###### ***Actuarial Assumptions (Continued)***

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 34 sources. The June 30, 2019, expected arithmetic returns over the long term (20 years) by asset class are summarized in the following the total pension liability was determined using:

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## NOTES TO BASIC FINANCIAL STATEMENTS

**FOR THE YEAR ENDED JUNE 30, 2020**

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### **NOTE 9 - PENSION PLANS (CONTINUED)**

#### **TEACHERS' PLAN (CONTINUED)**

##### *Actuarial Assumptions (Continued)*

Asset Class	Long-Term Target Asset Allocation	Long-Term Expected Arithmetic Real Rate of Return
<b><i>GROWTH</i></b>		
<b>Global Equity:</b>		
U.S. Equity	22.10%	6.16%
International Developed Equity	13.20%	6.83%
Emerging Markets Equity	4.70%	8.90%
<b>Sub-Total</b>	<b>40.00%</b>	
<b>Private Growth:</b>		
Private Equity	11.25%	9.81%
Non-Core RE	2.25%	5.51%
OPP Private Credit	1.50%	9.81%
<b>Sub-Total</b>	<b>15.00%</b>	
<b><i>INCOME</i></b>		
High Yield Infrastructure	1.00%	3.98%
REITS	1.00%	5.51%
Liquid Credit	2.80%	3.98%
Private Credit	3.20%	3.98%
<b>Sub-Total</b>	<b>8.00%</b>	
<b><i>STABILITY</i></b>		
<b>Crisis Protection Class:</b>		
Treasury Duration	4.00%	0.77%
Systematic Trend	4.00%	4.20%
<b>Sub-Total</b>	<b>8.00%</b>	
<b>Inflation Protection:</b>		
Core Real Estate	3.60%	5.51%
Private Infrastructure	2.40%	5.85%
TIPs	1.00%	1.37%
Natural Resources	1.00%	3.76%
<b>Sub-Total</b>	<b>8.00%</b>	
<b>Volatility Protection:</b>		
IG Fixed Income	11.50%	2.15%
Absolute Return	6.50%	4.20%
Cash	3.00%	0.77%
<b>Sub-Total</b>	<b>21.00%</b>	
<b>Total</b>	<b>100.00%</b>	

# **TOWN OF NORTH KINGSTOWN, RHODE ISLAND**

## **NOTES TO BASIC FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED JUNE 30, 2020**

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#### **NOTE 9 - PENSION PLANS (CONTINUED)**

##### ***TEACHERS' PLAN (CONTINUED)***

###### ***Actuarial Assumptions (Continued)***

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.

###### ***Discounted 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.

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

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

<b>Current</b>		
<b>1% Decrease</b> <b>(6.0%)</b>	<b>Discount Rate</b> <b>(7.0%)</b>	<b>1% Increase</b> <b>(8.0%)</b>
\$ 65,971,797	\$ 53,382,581	\$ 43,077,040

###### ***Pension Plan Fiduciary Net Position***

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

# **TOWN OF NORTH KINGSTOWN, RHODE ISLAND**

## **NOTES TO BASIC FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED JUNE 30, 2020**

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#### **NOTE 9 - PENSION PLANS (CONTINUED)**

##### ***DEFINED CONTRIBUTION PLAN***

###### ***Plan Description***

Certain employees participating in the Municipal Plan or Teachers' 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 IRS guidelines for such plans.

The Town recognized pension expense of \$344,059 for the fiscal year ended June 30, 2020. 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 <https://www.ersi.org>.

#### **NOTE 10 - OTHER POSTEMPLOYMENT BENEFITS (OPEB)**

###### ***Plan Description***

Through its single-employer defined benefit plan ("OPEB Plan"), the Town provides postretirement health care benefits to all Town employees who meet years of service and age requirements, and in some cases to their surviving spouses, who are eligible under the terms of collective bargaining agreements or personnel contracts. The Plan does not issue a stand-alone financial report.

The most recent actuarial valuation for the OPEB Plan was performed as of July 1, 2018.

The Town paid 100% of the amount of medical and dental costs incurred by eligible retirees.

Employer contributions are recognized in the period to which the contribution relates. Benefit payments are charged to expenses in the period paid.

# **TOWN OF NORTH KINGSTOWN, RHODE ISLAND**

## **NOTES TO BASIC FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED JUNE 30, 2020**

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#### **NOTE 10 - OTHER POSTEMPLOYMENT BENEFITS (OPEB) (CONTINUED)**

##### ***Covered Participants***

As of July 1, 2018, the date of the latest available actuarial valuation, membership census is as follows:

##### **TOWN EMPLOYEES**

Inactive employees or beneficiaries currently receiving benefit payments	138
Active employees	224
<b>Total</b>	<b>362</b>

##### **SCHOOL EMPLOYEES**

Inactive employees or beneficiaries currently receiving benefit payments	27
Active employees	547
<b>Total</b>	<b>574</b>

##### ***Actuarial Assumptions***

The total OPEB liability was determined by an actuarial valuation as of July 1, 2018, rolled forward to June 30, 2020, the measurement date. The following actuarial assumptions applied to all periods in the measurements:

- Actuarial cost method – Entry Age Normal
- Participation – 100% of eligible school retirees and eligible Town employees are assumed to elect medical and dental coverage.
- Health Care Cost Trend Rates – Medical 8.00% per year in 2020, decreasing to an ultimate rate of 5.50% in 2023 and later for Town, Medical 8.00% per year in 2020, decreasing to an ultimate rate of 5.00% in 2023 and later for School.
- Discount rate – The discount rate used to measure the OPEB liability 7.50% for Town, 3.50% for School. The projection of cash flows used to determine the discount rate assumed that contributions will be made at rates equal to and above the expected benefit payments. Based on those assumptions, the OPEB plan's net fiduciary 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 plan investments was applied to all periods of projected payments to determine the total OPEB liability.

# **TOWN OF NORTH KINGSTOWN, RHODE ISLAND**

## **NOTES TO BASIC FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED JUNE 30, 2020**

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#### **NOTE 10 - OTHER POSTEMPLOYMENT BENEFITS (OPEB) (CONTINUED)**

##### *Actuarial Assumptions (Continued)*

The long-term expected rate of return on OPEB plan investments is based on the real rates of returns, the asset allocation percentages. The June 30, 2020, real returns and target asset allocation by major asset class are as follows:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	38.50%	7.00%
Non-U.S. Equity	16.50%	7.50%
U.S. Aggregate Bonds	11.60%	2.00%
Intermediate-Term Credit	7.00%	2.50%
Short-Term Credit	4.65%	2.50%
Intermediate-Term TIPS	13.75%	0.50%
REITs	8.00%	5.50%

# **TOWN OF NORTH KINGSTOWN, RHODE ISLAND**

## **NOTES TO BASIC FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED JUNE 30, 2020**

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#### **NOTE 10 - OTHER POSTEMPLOYMENT BENEFITS (OPEB) (CONTINUED)**

##### ***Net OPEB Liability***

###### **Changes in the Town's OPEB Liability**

	<b>Total OPEB Liability</b>
<b>OPEB Liability:</b>	
Balance at July 1, 2019	\$ 21,408,749
Changes for the year:	
Service cost	574,074
Interest	1,328,748
Changes in assumptions	(2,112,197)
Benefit payments	<u>(1,334,432)</u>
Net changes	<u>(1,543,807)</u>
Balance at June 30, 2020	<u><u>\$ 19,864,942</u></u>
 <b>Fiduciary Net Position:</b>	
Balance at July 1, 2019	\$ 1,299,996
Changes for the year:	
Employer contributions	1,534,432
Net investment income	55,697
Benefit payments	(1,334,432)
Administrative expense	<u>(3,482)</u>
Net changes	<u><u>252,215</u></u>
Balance at June 30, 2020	<u><u>\$ 1,552,211</u></u>
 <b>Town's Net OPEB Liability</b>	<u><u>\$ 18,312,731</u></u>

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

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### NOTE 10 - OTHER POSTEMPLOYMENT BENEFITS (OPEB) (CONTINUED)

#### *Net OPEB Liability (Continued)*

##### **Changes in the School's OPEB Liability**

	<u>Total OPEB Liability</u>
Balance at July 1, 2019	\$ 556,822
Changes for the year:	
Service cost	39,479
Interest	20,226
Benefit payments	<u>(37,163)</u>
Net changes	<u>22,542</u>
Balance at June 30, 2020	<u><u>\$ 579,364</u></u>

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

The following presents the net OPEB liability calculated using the discount rate of 7.50 percent for the Town and 3.50 percent for the School as well as what the net OPEB liability would be if it were calculated using a healthcare cost trend that is 1-percentage-point lower or 1-percentage-point higher than the current rate. The long-term expected rate of return

	Current		
	1% Decrease	Discount Rate	1% Increase
	(6.50%)	(7.50%)	(8.50%)
Town	\$ 20,026,934	\$ 18,312,731	\$ 16,806,303
	Current		
	1% Decrease	Discount Rate	1% Increase
	(2.50%)	(3.50%)	(4.50%)
School	\$ 620,589	\$ 579,364	\$ 540,047

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## NOTES TO BASIC FINANCIAL STATEMENTS

### FOR THE YEAR ENDED JUNE 30, 2020

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#### NOTE 10 - OTHER POSTEMPLOYMENT BENEFITS (OPEB) (CONTINUED)

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

The following presents the net OPEB liability calculated using the healthcare cost trend of 8.5 percent decreasing to 5.5 percent for the Town and 8.0 percent decreasing to 5.0 percent for the School as well as what the net OPEB liability would be if it were calculated using a healthcare cost trend that is 1-percentage-point lower or 1-percentage-point higher than the current rate.

	Current Health		
	1% Decrease (4.50%)	Care Trend Rates (5.50%)	1% Increase (6.50%)
Town	\$ 16,174,350	\$ 18,312,731	\$ 20,833,249

	Current Health		
	1% Decrease (4.00%)	Care Trend Rates (5.00%)	1% Increase (6.00%)
School	\$ 514,410	\$ 579,364	\$ 655,942

##### ***OPEB Expense and Deferred Inflows of Resources Related to OPEB***

For the year ended June 30, 2020, the Town recognized OPEB expense of \$65,880. At June 30, 2020, the Town reported deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ --	\$ (2,947,985)
Net difference between projected actual earnings	39,338	(13,118)
Changes in assumptions	<u>--</u>	<u>(8,942,152)</u>
<b>Total</b>	<b><u>\$ 39,338</u></b>	<b><u>\$ (11,903,255)</u></b>

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

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### NOTE 10 - OTHER POSTEMPLOYMENT BENEFITS (OPEB) (CONTINUED)

#### *OPEB Expense and Deferred Inflows of Resources Related to OPEB (Continued)*

Amounts reported as deferred outflows and inflows or resources related to the Town OPEB plan will be recognized in OPEB expense as follows:

Year Ended June 30:	
2021	\$ (1,735,555)
2022	(1,735,555)
2023	(1,731,810)
2024	(1,729,934)
2025	(1,739,768)
Thereafter	<u>(3,191,295)</u>
	<u>\$ (11,863,917)</u>

For the year ended June 30, 2020, the School recognized an OPEB expense of \$(125,477). At June 30, 2020, the School reported deferred inflows of resources related to OPEB from the following sources:

	Deferred Inflows of Resources
Differences between expected and actual experience	\$ (684,153)
Changes in assumptions	<u>(640,982)</u>
Total	<u>\$ (1,325,135)</u>

Amounts reported as deferred outflows and inflows or resources related to the School OPEB plan will be recognized in OPEB expense as follows:

Year Ended June 30:	
2021	\$ (185,182)
2022	(185,182)
2023	(185,182)
2024	(185,182)
2025	(185,182)
Thereafter	<u>(399,225)</u>
	<u>\$ (1,325,135)</u>

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

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### NOTE 11 - CONTINGENCIES AND COMMITMENTS

#### *Litigation*

During the ordinary course of its operations, the Town is a party to various claims, legal actions and complaints. The Town accrues liabilities for losses when they are both probable and can be reasonably estimated. At June 30, 2020, management and the legal counsel have reviewed these outstanding claims and have estimated a favorable outcome at over 60%. Management does not believe that these claims will have a material effect on the basic financial statements and consequently, no liability for such matters has been recorded in the Statement of Net Position at June 30, 2020.

#### *Communication Tower Rentals*

The Town leases several communication towers to unrelated parties under separate operating leases. The rental revenue and lease terms range from a month-to-month basis on some and up to ten-year commitments on other. Total rental revenue was \$397,273 for the year ended June 30, 2020.

#### *Projects*

The Town had several outstanding construction projects as of June 30, 2020. These projects are evidenced by contractual commitments with contractors and consist of the following:

Fund/Project	Spent to Date	Commitment Remaining	Funding Source
Wilson Park Irrigation	\$ 390,117	\$ 365,433	Capital Reserve
Annual Paving Contact Extension	948,036	251,964	Capital Reserve
Land Evidence Conversion	--	72,437	General Fund
Library Fire Alarm System	17,976	67,774	Capital Reserve
Forty Grindge Pumps	139,777	56,223	Sewer Fund
Engineering Services - Gilbert Stuart Bridge / Culvert	--	49,339	General Fund
Police Department Evidence Room HVAC	41,206	33,474	Capital Reserve
Disaster Recovery as a Service	50	32,833	General Fund
Paving Inspection	--	24,360	General Fund
Information Systems Security Risk	17,100	17,100	General Fund
Aerial Photography / Digital Orthophotography	8,000	11,000	General Fund
Oak Hill Landfill Monitoring	11,969	9,607	General Fund
Study of Slocum High Service Area	--	9,500	Water Fund
Upgrade of Scada System	--	5,915	Water Fund
Road Striping	19,656	3,344	General Fund
Environmental Site Assess - Oak Hill	22,500	2,500	General Fund
Engineering Services - Old Town House	1,520	2,450	General Fund
Engineering Services - Gold Course Building C	2,162	2,438	Capital Reserve
Engineering Services - Town Beach Improvements	3,695	1,205	General Fund
North Kingstown School Athletic Field Improvements	<u>2,282,443</u>	<u>375,589</u>	School Department
	<u>\$ 3,906,207</u>	<u>\$ 1,394,485</u>	

# **TOWN OF NORTH KINGSTOWN, RHODE ISLAND**

## **NOTES TO BASIC FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED JUNE 30, 2020**

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#### **NOTE 11 - CONTINGENCIES AND COMMITMENTS (CONTINUED)**

##### ***Grants***

The Town has received federal and state grants for specific purposes that are subject to audit by the grantors or their representatives. Such audits could lead to requests for reimbursement to the grantor agency for expenditures disallowed under terms of the grant, Town officials believe such disallowances, if any, would be immaterial.

##### ***Encumbrances***

The Town has encumbered purchase orders in the general fund and the school unrestricted fund in the amounts of \$177,389 and \$664,369, respectively.

##### ***Operating Leases***

The Town's future minimum lease payments relating to operating leases are as follows:

<b>Year Ending June 30,</b>	<b>Future Minimum Lease Payment</b>
2021	\$ 202,891
2022	203,569
2023	208,049
2024	136,335
2025	126,948
2026	95,211
	<hr/>
	\$ 973,003

#### **NOTE 12 - POLLUTION REMEDIATION OBLIGATIONS**

The Town is currently involved in the State of Rhode Island's Landfill Closure Program for both the Hamilton Allenton and Oak Hill Landfills. ACT Lincoln Environmental, the Town's consultant, has completed a Site Investigation Report for the Hamilton Allenton Landfill and submitted closure recommendations to the Rhode Island Department of Environmental Management ("DEM"). The highest priority recommendations include soil gas extraction and monitoring, wetland and drainage remediation, landfill cap improvements and additional groundwater monitoring. The Town continues to work with the DEM to establish final closure requirements. Closure requirements established by DEM will be designed and bid for construction. At June 30, 2020, the preliminary total closure estimate for both landfills is \$1,800,000, which has been reported as a liability in governmental activities. The estimate may be adjusted each year due to changes in plan, inflation, technology, or applicable laws or regulations. A bond referendum was held in November 2018 to fund this project, which could also be combined with other infrastructure improvements. Immediate and more minor remediation efforts during fiscal year 2021 are to be funded from the Town's Capital Reserve, with ongoing ground water and soil gas testing funded by budgeted operational line items.

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## NOTES TO BASIC FINANCIAL STATEMENTS

### FOR THE YEAR ENDED JUNE 30, 2020

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#### NOTE 13 - TAX ABATEMENTS

The Town enters into property tax abatement agreements with commercial and industrial developers to help promote economic development. The intent of these agreements is to attract or retain businesses within the Town. For fiscal year ended June 30, 2020, the Town abated property taxes totaling approximately \$136,853 under this program, which includes the following tax abatement agreements to new businesses located in a commercially zoned property or existing business that are expanding:

Lot/Plot	Property	Percentage of Taxes Abated During the Fiscal Year	Amount of Taxes Abated During the Fiscal Year	Gross Tax for FY20	
79/48	Dina Realty LLC - 2nd building only	31.08%	\$ 1,707	\$	5,493
79/175	Hill Top Warehouse LLC	20.59%	972		4,722
79/176	Dry Bridge Commerce Park LLC	20.61%	993		4,818
79/177	Dry Bridge Commerce Park LLC	20.59%	972		4,722
101/218	Lischio Development (Wendy's)	20.37%	1,844		9,053
117/2	Ocean Avenue Marina Inc - Bldg #2 & #3	15.43%	1,788		11,585
119/1	Ruff Life LLC (12/31/17 bldg u/c)	20.75%	802		3,862
129/10	Tarbox Toyota - 2nd building only	3.21%	2,774		86,303
129/18	Tarbox Hyundai	60.55%	26,804		44,265
176/63	Riverhead - Building #4 (bldg U/C=6-0%)	80.00%	10,555		13,193
179/8	Fujifilm Electronic Material USA-addition	1.76%	2,292		130,383
179/12	Supfina Machine Co -add front of building	4.79%	1,998		41,734
180/74	Compass Circle LLC	41.46%	1,133		2,733
180/75	RWT Properties 2 LLC	40.84%	1,143		2,799
180/76	RMB Properties II LLC	40.84%	1,143		2,799
180/77	PRM LLC	40.85%	1,102		2,699
180/78	PRM LLC	40.85%	1,102		2,699
180/79	Hephaestus Properties LLC	40.85%	1,102		2,699
180/80	Hephaestus Properties LLC	40.85%	1,102		2,699
180/81	MJG Realty LLC	40.85%	1,102		2,699
180/82	MJG Realty LLC	40.85%	1,102		2,699
180/83	Hephaestus Properties LLC	40.85%	1,102		2,699
180/84	Hephaestus Properties LLC	40.85%	1,102		2,699
180/85	Keller, Michael J & Michael J Jr	40.85%	1,102		2,699
180/86	Fiore Investment Corporation	40.85%	1,102		2,699
180/87	Grosvenor, Richard C	40.85%	1,102		2,699
180/88	MJG Realty LLC	40.85%	1,102		2,699
180/89	MJG Realty LLC	40.84%	1,143		2,799
181/26-10	T. Miozzi, Inc -	58.43%	574		983
182/20-10	MBQ LLC - 2nd, 3rd, and 4th building u/c 2014/ 2016/ 2018	35.23%	33,139		94,053
183/32	QP LLC = 35% complete 12/31/2015	20.00%	3,116		15,578
183/54	Montana Realty-25 Job Lot Way-Bldg 1	40.44%	1,135		2,806
185/23	Jaysea (Shoreline)	18.84%	17,627		93,547
190/103-10	Wide World Sports-land exempt/ 1 & 2 bldg only	5.49%	5,242		95,497
193/6	NORAD-new building fndt only there 2014	14.94%	4,731		31,668
			\$ <u>136,853</u>		

# **TOWN OF NORTH KINGSTOWN, RHODE ISLAND**

## **NOTES TO BASIC FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED JUNE 30, 2020**

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#### **NOTE 14 - SUBSEQUENT EVENTS**

The following events have occurred subsequent to June 30, 2020 that require disclosure in the notes to the financial statements:

On July 9, 2020 the Town paid a settlement on an outstanding lawsuit related to a planning matter for \$37,500.

On September 19, 2020 the Town issued \$5.8 million of Bond Anticipation Notes that are part of the Town's \$27 million school and town improvement debt approved in 2018.

On December 2, 2020 the Town purchased all of the street lighting located in the Town from Narragansett Electric/National Gird for \$286,125. This is part of the Town's program to convert to LED streetlights. This program will require the Town to maintain the lights.

#### **NOTE 15 - ECONOMIC UNCERTAINTIES**

The COVID-19 outbreak in the United States has caused business disruption through mandated and voluntary closings of business across the country for non-essential services. While the disruption is currently expected to be temporary, there is considerable uncertainty about the duration of closings. The Town has been able to continue most of its operations in a remote environment, however, at this point, the extent to which COVID-19 may impact the Town's financial condition or results of operations is uncertain.

#### **NOTE 16 - RESTATEMENTS**

The Town recorded the following restatements at July 1, 2019:

<b>Governmental Activities</b>	
Net Position as originally stated at July 1, 2019	\$ (26,197,700)
Reclassification of Municipal Court to enterprise funds	(11,808)
Fixed asset restatement for assets purchased prior to fiscal year 2019	3,313,635
Restatement for payroll related liabilities not considered withholdings in prior year	<u>(357,089)</u>
Net Position at July 1, 2019, as restated	<u>\$ (23,252,962)</u>
<b>Business Type Activities</b>	
Net Position as originally stated at July 1, 2019	\$ 11,867,668
Fixed asset restatement for assets purchased prior to fiscal year 2019	31,764
Restatement to increase sewer assessment deferred revenue	(90,066)
Reclassification of Municipal Court to enterprise funds	<u>11,808</u>
Net Position at July 1, 2019, as restated	<u>\$ 11,821,174</u>

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## NOTES TO BASIC FINANCIAL STATEMENTS

### FOR THE YEAR ENDED JUNE 30, 2020

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#### NOTE 16 - RESTATEMENTS (CONTINUED)

General Fund	
Fund Balance as originally stated at July 1, 2019	\$ 13,831,697
Restatement for payroll related liabilities not considered withholdings in prior year	<u>(357,089)</u>
Fund Balance at July 1, 2019, as restated	<u>\$ 13,474,608</u>
Nonmajor Governmental Funds	
Fund Balance as originally stated at July 1, 2019	\$ 6,148,083
Reclassification of Municipal Court to enterprise funds	<u>(11,808)</u>
Fund Balance at July 1, 2019, as restated	<u>\$ 6,136,275</u>
Water Fund	
Net Position as originally stated at July 1, 2019	\$ 13,216,152
Fixed asset restatement for assets purchased prior to fiscal year 2019	<u>31,764</u>
Net Position at July 1, 2019, as restated	<u>\$ 13,247,916</u>
Sewer Fund	
Net Position as originally stated at July 1, 2019	\$ (1,177,568)
Restatement to increase sewer assessment deferred revenue	<u>(90,066)</u>
Net Position at July 1, 2019, as restated	<u>\$ (1,267,634)</u>
Nonmajor Enterprise Funds	
Net Position as originally stated at July 1, 2019	\$ 210,822
Reclassification of Municipal Court to enterprise funds	<u>11,808</u>
Net Position at July 1, 2019, as restated	<u>\$ 222,630</u>

## **REQUIRED SUPPLEMENTARY INFORMATION**

This section presents the Schedule of Changes and Related Ratios for the Town and School's Pension and OPEB Plans, and budgetary comparison schedules for the Town's General Fund. These schedules are not a required part of the basic financial statements, but are required supplementary information required by the Governmental Accounting Standards Board.

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF CHANGES IN TOWN'S NET OPEB LIABILITY AND RELATED RATIOS

### LAST THREE FISCAL YEARS

	2020	2019	2018
<b>Total OPEB Liability</b>			
Service cost	\$ 574,074	\$ 629,298	\$ 1,272,219
Interest	1,328,748	1,663,671	1,107,847
Change of benefit terms	--	(1,300,309)	--
Differences between expected and actual experience	--	(3,790,267)	--
Changes of assumptions	(2,112,197)	(342,722)	(9,935,659)
Benefit payments	(1,334,432)	(1,341,871)	(1,341,095)
Net change in total OPEB liability	(1,543,807)	(4,482,200)	(8,896,688)
<b>Total OPEB Liability - Beginning</b>	<u>21,408,749</u>	<u>25,890,949</u>	<u>34,787,637</u>
<b>Total OPEB Liability - Ending</b>	<u>\$ 19,864,942</u>	<u>\$ 21,408,749</u>	<u>\$ 25,890,949</u>
 <b>Plan Fiduciary Net Position</b>			
Contributions - employer	\$ 1,534,432	\$ 1,457,719	\$ 2,431,147
Net investment income	55,697	81,971	19,422
Benefit payments	(1,334,432)	(1,341,871)	(1,431,147)
Administrative expenses	(3,482)	(2,821)	--
Net change in plan fiduciary net position	252,215	194,998	1,019,422
<b>Plan Fiduciary Net Position - Beginning</b>	<u>1,299,996</u>	<u>1,104,998</u>	<u>85,576</u>
<b>Plan Fiduciary Net Position - Ending</b>	<u>\$ 1,552,211</u>	<u>\$ 1,299,996</u>	<u>\$ 1,104,998</u>
 <b>Town's Net OPEB Liability - Ending</b>	<u>\$ 18,312,731</u>	<u>\$ 20,108,753</u>	<u>\$ 24,785,951</u>
 <b>Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability</b>	7.81%	6.07%	4.27%
 <b>Covered Payroll</b>	\$ 14,527,723	\$ 14,527,723	\$ 12,603,767
 <b>Town's Net OPEB Liability as a Percentage of Covered Payroll</b>	126.05%	138.42%	196.66%
 <b>Notes:</b>			
<i>The information in this schedule is intended to show 10 years - additional years will be displayed as they become available.</i>			

*The notes to the required supplementary information are an integral part of this schedule.*

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF CHANGES IN SCHOOL'S OPEB LIABILITY AND RELATED RATIOS

### LAST THREE FISCAL YEARS

	2020	2019	2018
<b>Total OPEB Liability</b>			
Service cost	\$ 39,479	\$ 22,702	\$ 139,962
Interest	20,226	28,370	70,558
Differences between expected and actual experience	--	(869,061)	--
Changes of assumptions	--	(399,596)	(477,059)
Benefit payments	<u>(37,163)</u>	<u>(27,956)</u>	<u>(90,052)</u>
Net change in total OPEB liability	22,542	(1,245,541)	(356,591)
<b>Total OPEB Liability - Beginning</b>	<u>556,822</u>	<u>1,802,363</u>	<u>2,158,954</u>
<b>Total OPEB Liability - Ending</b>	<u><u>\$ 579,364</u></u>	<u><u>\$ 556,822</u></u>	<u><u>\$ 1,802,363</u></u>
 <b>Covered Payroll</b>	 N/A	 N/A	 N/A
 <b>School's OPEB Liability as a Percentage of Covered Payroll</b>	 N/A	 N/A	 N/A

### Notes:

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- additional years will be displayed as they become available.*

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## TOWN OF NORTH KINGSTOWN, RHODE ISLAND

### REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF TOWN'S OPEB CONTRIBUTIONS

#### LAST THREE FISCAL YEARS

<b>OPEB Trust Fund - Town</b>	Year Ended June 30	Actuarially Determined Contribution	Actual Contribution	Contribution (Deficiency) Excess	Covered Payroll	Actual Contribution as a % of Covered Payroll
	2020	\$ 1,969,635	\$ 1,534,432	\$ (435,203)	\$ 14,527,723	10.56%
	2019	\$ 2,038,110	\$ 1,457,719	\$ (580,391)	\$ 14,527,723	10.03%
	2018	\$ 2,012,090	\$ 2,431,147	\$ 419,057	\$ 12,603,767	19.29%

#### Notes:

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## TOWN OF NORTH KINGSTOWN, RHODE ISLAND

### REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF TOWN'S OPEB INVESTMENT RETURNS

#### LAST THREE FISCAL YEARS

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	Year Ended June 30	Money Weighted Rate of Return
<b>OPEB Trust Fund - Town</b>	2020	4.28%
	2019	7.42%
	2018	22.70%

#### Notes:

*The information in this schedule is intended to show 10 years - additional years will be displayed as they become available.*

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM – GENERAL EMPLOYEES

### LAST SIX FISCAL YEARS

	Year Ended June 30, 2019	Year Ended June 30, 2018	Year Ended June 30, 2017	Year Ended June 30, 2016	Year Ended June 30, 2015	Year Ended June 30, 2014
<b>Total Pension Liability</b>						
Service cost	\$ 1,085,287	\$ 1,089,773	\$ 1,062,996	\$ 1,042,638	\$ 997,418	\$ 1,039,648
Interest	4,735,504	4,646,759	4,597,903	4,577,185	4,380,228	4,248,626
Changes of benefit terms	--	--	--	--	1,115,610	--
Differences between expected and actual experience	(1,665,283)	(349,873)	145,080	--	(128,199)	--
Changes of assumptions	--	--	3,303,228	(1,426,358)	--	162,324
Benefit payments	(4,133,876)	(4,099,387)	(3,992,027)	(3,862,780)	(3,660,362)	(3,689,223)
Net change in total pension liability	21,632	1,287,272	5,117,180	330,685	2,704,695	1,761,375
<b>Total Pension Liability - Beginning</b>	<u>69,174,347</u>	<u>67,887,075</u>	<u>62,769,895</u>	<u>62,439,210</u>	<u>59,734,515</u>	<u>57,973,140</u>
<b>Total Pension Liability - Ending</b>	<u><b>\$ 69,195,979</b></u>	<u><b>\$ 69,174,347</b></u>	<u><b>\$ 67,887,075</b></u>	<u><b>\$ 62,769,895</b></u>	<u><b>\$ 62,439,210</b></u>	<u><b>\$ 59,734,515</b></u>
<b>Plan Fiduciary Net Position</b>						
Contributions - employer	\$ 2,123,699	\$ 2,007,543	\$ 2,066,476	\$ 1,916,344	\$ 1,669,112	\$ 1,737,697
Contributions - employee	341,289	346,900	338,355	358,384	221,011	224,417
Net investment income	3,139,386	3,687,578	5,006,293	(3,387)	1,064,954	6,151,942
Benefit payments, including refunds of employee contributions	(4,133,876)	(4,099,387)	(3,992,027)	(3,862,780)	(3,660,362)	(3,689,223)
Administrative expenses	(49,061)	(49,091)	(47,297)	(52,707)	(42,261)	(38,523)
Other	(80)	245,402	(24,449)	(4,083)	570	(7,037)
Net change in plan fiduciary net position	1,421,357	2,138,945	3,347,351	(1,648,229)	(746,976)	4,379,273
<b>Plan Fiduciary Net Position - Beginning</b>	<u>49,280,709</u>	<u>47,141,764</u>	<u>43,794,413</u>	<u>45,442,642</u>	<u>46,189,618</u>	<u>41,810,345</u>
<b>Plan Fiduciary Net Position - Ending</b>	<u><b>\$ 50,702,066</b></u>	<u><b>\$ 49,280,709</b></u>	<u><b>\$ 47,141,764</b></u>	<u><b>\$ 43,794,413</b></u>	<u><b>\$ 45,442,642</b></u>	<u><b>\$ 46,189,618</b></u>
<b>Plan's Net Pension Liability - Ending</b>	<u><b>\$ 18,493,913</b></u>	<u><b>\$ 19,893,638</b></u>	<u><b>\$ 20,745,311</b></u>	<u><b>\$ 18,975,482</b></u>	<u><b>\$ 16,996,568</b></u>	<u><b>\$ 13,544,897</b></u>
<b>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b>	73.27%	71.24%	69.44%	69.77%	72.78%	77.32%
<b>Covered Payroll</b>	\$ 12,045,359	\$ 11,768,609	\$ 11,745,810	\$ 11,259,586	\$ 10,996,890	\$ 10,751,271
<b>Net Pension Liability as a Percentage of Covered Payroll</b>	153.54%	169.04%	176.62%	168.53%	154.56%	125.98%

**Notes:**

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# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM – POLICE EMPLOYEES

### LAST SIX FISCAL YEARS

	Year Ended June 30, 2019	Year Ended June 30, 2018	Year Ended June 30, 2017	Year Ended June 30, 2016	Year Ended June 30, 2015	Year Ended June 30, 2014
<b>Total Pension Liability</b>						
Service cost	\$ 769,529	\$ 698,407	\$ 640,549	\$ 588,881	\$ 529,996	\$ 506,306
Interest	2,345,903	2,194,964	2,144,129	2,060,814	1,905,286	1,844,294
Changes of benefit terms	--	--	--	--	1,023,411	--
Differences between expected and actual experience	(794,471)	741,015	(133,548)	(133,325)	(17,170)	--
Changes of assumptions	--	--	1,557,061	--	--	(170,239)
Benefit payments	(1,549,110)	(1,478,246)	(1,459,517)	(1,403,155)	(1,391,341)	(1,366,622)
Net change in total pension liability	771,851	2,156,140	2,748,674	1,113,215	2,050,182	813,739
<b>Total Pension Liability - Beginning</b>	<u>33,902,691</u>	<u>31,746,551</u>	<u>28,997,877</u>	<u>27,884,662</u>	<u>25,834,480</u>	<u>25,020,741</u>
<b>Total Pension Liability - Ending</b>	<u><u>\$ 34,674,542</u></u>	<u><u>\$ 33,902,691</u></u>	<u><u>\$ 31,746,551</u></u>	<u><u>\$ 28,997,877</u></u>	<u><u>\$ 27,884,662</u></u>	<u><u>\$ 25,834,480</u></u>
<b>Plan Fiduciary Net Position</b>						
Contributions - employer	\$ 1,038,338	\$ 908,307	\$ 910,527	\$ 825,646	\$ 860,582	\$ 644,767
Contributions - employee	376,483	341,854	343,854	322,075	249,263	226,530
Net investment income	1,475,740	1,684,774	2,238,732	(6,619)	453,434	2,556,525
Benefit payments, including refunds of employee contributions	(1,549,110)	(1,478,246)	(1,459,517)	(1,403,155)	(1,391,341)	(1,366,622)
Administrative expenses	(23,062)	(22,429)	(21,151)	(17,805)	(18,198)	(16,009)
Other	--	--	(50)	(1)	2	471
Net change in plan fiduciary net position	1,318,389	1,434,260	2,012,395	(279,859)	153,742	2,045,662
<b>Plan Fiduciary Net Position - Beginning</b>	<u>22,515,278</u>	<u>21,081,018</u>	<u>19,068,623</u>	<u>19,348,482</u>	<u>19,194,740</u>	<u>17,149,078</u>
<b>Plan Fiduciary Net Position - Ending</b>	<u><u>\$ 23,833,667</u></u>	<u><u>\$ 22,515,278</u></u>	<u><u>\$ 21,081,018</u></u>	<u><u>\$ 19,068,623</u></u>	<u><u>\$ 19,348,482</u></u>	<u><u>\$ 19,194,740</u></u>
<b>Plan's Net Pension Liability - Ending</b>	<u><u>\$ 10,840,875</u></u>	<u><u>\$ 11,387,413</u></u>	<u><u>\$ 10,665,533</u></u>	<u><u>\$ 9,929,254</u></u>	<u><u>\$ 8,536,180</u></u>	<u><u>\$ 6,639,740</u></u>
<b>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b>	68.74%	66.41%	66.40%	65.76%	69.39%	74.30%
<b>Covered Payroll</b>	\$ 3,764,820	\$ 3,418,537	\$ 3,441,963	\$ 3,244,522	\$ 3,115,788	\$ 3,008,355
<b>Net Pension Liability as a Percentage of Covered Payroll</b>	287.95%	333.11%	309.87%	306.03%	273.97%	220.71%

**Notes:**

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*The notes to the required supplementary information are an integral part of this schedule.*

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM – FIRE EMPLOYEES

### LAST SIX FISCAL YEARS

	Year Ended June 30, 2019	Year Ended June 30, 2018	Year Ended June 30, 2017	Year Ended June 30, 2016	Year Ended June 30, 2015	Year Ended June 30, 2014
<b>Total Pension Liability</b>						
Service cost	\$ 1,052,624	\$ 967,458	\$ 879,334	\$ 796,191	\$ 682,212	\$ 664,922
Interest	3,430,653	3,252,240	3,084,238	3,029,512	2,960,263	2,867,574
Changes of benefit terms	--	--	--	--	1,017,404	--
Differences between expected and actual experience	(1,738,380)	658,833	1,311,215	(782,794)	(1,597,605)	--
Changes of assumptions	--	--	2,387,812	--	--	(218,872)
Benefit payments	<u>(2,390,625)</u>	<u>(2,354,088)</u>	<u>(2,384,429)</u>	<u>(2,325,181)</u>	<u>(2,066,701)</u>	<u>(2,106,121)</u>
Net change in total pension liability	354,272	2,524,443	5,278,170	717,728	995,573	1,207,503
<b>Total Pension Liability - Beginning</b>	<u>49,678,332</u>	<u>47,153,889</u>	<u>41,875,719</u>	<u>41,157,991</u>	<u>40,162,418</u>	<u>38,954,915</u>
<b>Total Pension Liability - Ending</b>	<u><u>\$ 50,032,604</u></u>	<u><u>\$ 49,678,332</u></u>	<u><u>\$ 47,153,889</u></u>	<u><u>\$ 41,875,719</u></u>	<u><u>\$ 41,157,991</u></u>	<u><u>\$ 40,162,418</u></u>
<b>Plan Fiduciary Net Position</b>						
Contributions - employer	\$ 1,526,866	\$ 1,340,527	\$ 1,398,263	\$ 1,395,501	\$ 1,069,831	\$ 758,704
Contributions - employee	510,489	466,922	467,432	462,780	309,288	294,378
Net investment income	2,182,635	2,510,954	3,357,985	(10,000)	685,646	3,899,709
Benefit payments, including refunds of employee contributions	(2,390,625)	(2,354,088)	(2,384,429)	(2,325,181)	(2,066,701)	(2,106,121)
Administrative expenses	(34,109)	(33,427)	(31,725)	(26,903)	(27,520)	(24,420)
Other	<u>(101,345)</u>	<u>4,974</u>	<u>1,549</u>	<u>57,957</u>	<u>7,145</u>	<u>6,333</u>
Net change in plan fiduciary net position	1,693,911	1,935,862	2,809,075	(445,846)	(22,311)	2,828,583
<b>Plan Fiduciary Net Position - Beginning</b>	<u>33,556,329</u>	<u>31,620,467</u>	<u>28,811,392</u>	<u>29,257,238</u>	<u>29,279,549</u>	<u>26,450,966</u>
<b>Plan Fiduciary Net Position - Ending</b>	<u><u>\$ 35,250,240</u></u>	<u><u>\$ 33,556,329</u></u>	<u><u>\$ 31,620,467</u></u>	<u><u>\$ 28,811,392</u></u>	<u><u>\$ 29,257,238</u></u>	<u><u>\$ 29,279,549</u></u>
<b>Plan's Net Pension Liability - Ending</b>	<u><u>\$ 14,782,364</u></u>	<u><u>\$ 16,122,003</u></u>	<u><u>\$ 15,533,422</u></u>	<u><u>\$ 13,064,327</u></u>	<u><u>\$ 11,900,753</u></u>	<u><u>\$ 10,882,869</u></u>
<b>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b>	70.45%	67.55%	67.06%	68.80%	71.09%	72.90%
<b>Covered Payroll</b>	\$ 5,104,867	\$ 4,669,199	\$ 4,662,428	\$ 4,248,619	\$ 3,792,172	\$ 3,773,677
<b>Net Pension Liability as a Percentage of Covered Payroll</b>	289.57%	345.28%	333.16%	307.50%	313.82%	288.39%

**Notes:**

The information in this schedule is intended to show 10 years - additional years will be displayed as they become available.

*The notes to the required supplementary information are an integral part of this schedule.*

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF TOWN CONTRIBUTIONS MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM

### LAST SIX FISCAL YEARS

	Year Ended June 30	Actuarially Determined Contribution	Actual Contribution	Contribution (Deficiency) Excess	Covered Payroll	Actual Contribution as a % of Covered Payroll
<b>General Employees Plan</b>	2020	\$ 2,026,233	\$ 2,026,233	\$ --	\$ 12,406,720	16.33%
	2019	\$ 2,123,699	\$ 2,123,699	\$ --	\$ 12,045,359	17.63%
	2018	\$ 2,007,543	\$ 2,007,543	\$ --	\$ 11,768,609	17.06%
	2017	\$ 2,066,476	\$ 2,066,476	\$ --	\$ 11,745,810	17.59%
	2016	\$ 1,916,344	\$ 1,916,344	\$ --	\$ 11,259,586	17.02%
	2015	\$ 1,669,112	\$ 1,669,112	\$ --	\$ 10,996,890	15.18%
<b>Police Employees Plan</b>	2020	\$ 1,248,430	\$ 1,248,430	\$ --	\$ 3,877,765	32.19%
	2019	\$ 1,038,338	\$ 1,038,338	\$ --	\$ 3,764,820	27.58%
	2018	\$ 908,307	\$ 908,307	\$ --	\$ 3,418,537	26.57%
	2017	\$ 910,527	\$ 910,527	\$ --	\$ 3,441,963	26.45%
	2016	\$ 825,646	\$ 825,646	\$ --	\$ 3,244,522	25.45%
	2015	\$ 860,582	\$ 860,582	\$ --	\$ 3,115,788	27.62%
<b>Fire Employees Plan</b>	2020	\$ 1,633,916	\$ 1,633,916	\$ --	\$ 5,258,013	31.07%
	2019	\$ 1,526,866	\$ 1,526,866	\$ --	\$ 5,104,867	29.91%
	2018	\$ 1,340,527	\$ 1,340,527	\$ --	\$ 4,669,199	28.71%
	2017	\$ 1,398,263	\$ 1,398,263	\$ --	\$ 4,662,428	29.99%
	2016	\$ 1,395,501	\$ 1,395,501	\$ --	\$ 4,248,619	32.85%
	2015	\$ 1,069,831	\$ 1,069,831	\$ --	\$ 3,792,172	28.21%

*The notes to the required supplementary information are an integral part of this schedule.*

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF TOWN'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

### LAST SIX FISCAL YEARS

	Year Ended June 30, 2019	Year Ended June 30, 2018	Year Ended June 30, 2017	Year Ended June 30, 2016	Year Ended June 30, 2015	Year Ended June 30, 2014
Town's proportion of the net pension liability	1.67%	1.67%	1.67%	1.76%	1.69%	1.72%
Town's proportionate share of the net pension liability	\$ 53,382,581	\$ 53,227,391	\$ 52,602,454	\$ 52,412,244	\$ 46,548,312	\$ 41,903,775
State's proportionate share of the net pension liability associated with the Town	<u>39,989,081</u>	<u>39,703,810</u>	<u>39,754,817</u>	<u>35,894,691</u>	<u>31,800,346</u>	<u>28,735,349</u>
Total	<u>\$93,371,662</u>	<u>\$92,931,201</u>	<u>\$ 92,357,271</u>	<u>\$88,306,935</u>	<u>\$78,348,658</u>	<u>\$ 70,639,124</u>
Town's covered payroll	<u>\$30,535,792</u>	<u>\$30,233,457</u>	<u>\$ 30,202,110</u>	<u>\$29,671,738</u>	<u>\$24,366,583</u>	<u>\$ 27,457,413</u>
Town's proportionate share of the net pension liability as a percentage of its covered payroll	174.82%	176.05%	174.17%	176.64%	191.03%	152.61%
Plan fiduciary net position as a percentage of the total pension liability	54.60%	54.30%	54.00%	54.06%	57.55%	61.40%

#### Notes:

1.) The amounts presented for each fiscal year were determined as of 6/30 measurement date prior to the fiscal year-end.

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

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF TOWN'S CONTRIBUTIONS

### LAST SIX FISCAL YEARS

	2020	2019	2018	2017	2016	2015
Actuarially determined contribution	\$ 4,389,316	\$ 4,066,500	\$ 3,768,742	\$ 3,991,302	\$ 3,962,561	\$ 3,684,342
Contributions in relation to the actuarially determined contribution	<u>4,389,316</u>	<u>4,066,500</u>	<u>3,768,742</u>	<u>3,991,302</u>	<u>3,962,561</u>	<u>3,684,342</u>
Contribution deficiency (excess)	<u>\$ --</u>					
Covered payroll	<u>\$ 30,535,792</u>	<u>\$ 30,233,457</u>	<u>\$ 30,202,110</u>	<u>\$ 29,671,738</u>	<u>\$ 24,366,583</u>	<u>\$ 27,457,413</u>
Contributions as a percentage of covered payroll	14.37%	13.45%	12.48%	13.45%	16.26%	13.42%

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

# **TOWN OF NORTH KINGSTOWN, RHODE ISLAND**

## **NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

### **FOR THE YEAR ENDED JUNE 30, 2020**

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#### **OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLAN**

The amounts presented for each fiscal year were determined as of the June 30 fiscal year-end.

The schedules are intended to show information for 10 years; additional years will be displayed as they become available.

The following actuarial methods and assumptions were used to determine contribution amounts:

- Actuarial cost method – Entry Age Normal
- Participation – 100% of eligible school retirees and eligible Town employees are assumed to elect medical and dental coverage
- Health Care Cost Trend Rates – Medical 8.00% per year in 2020, decreasing to an ultimate rate of 5.50% in 2023 and later for Town, Medical 8.00% per year in 2020, decreasing to an ultimate rate of 5.00% in 2023 and later for School
- Discount rate – The discount rate used to measure the OPEB liability 7.50% for Town (previously 6.25%), 3.50% for School. The projection of cash flows used to determine the discount rate assumed that contributions will be made at rates equal to and above the expected benefit payments. Based on those assumptions, the OPEB plan's net fiduciary 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 plan investments was applied to all periods of projected payments to determine the total OPEB liability.

#### **MUNICIPAL PLAN (MERS) AND TEACHERS' PLAN (ERS)**

The amounts presented for each fiscal year were determined as of the June 30 measurement date prior to the fiscal year end. The schedules are intended to show information for 10 years – additional years will be displayed as they become available.

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.

Employers participating in the Municipal Employee's Retirement System are required by RI General Laws, Section 45-21-42, to contribute an actuarially.

***June 30, 2019 measurement date –***

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

# **TOWN OF NORTH KINGSTOWN, RHODE ISLAND**

## **NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

### **FOR THE YEAR ENDED JUNE 30, 2020**

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#### **MUNICIPAL PLAN (MERS) AND TEACHERS' PLAN (ERS) (CONTINUED)**

##### ***June 30, 2018 measurement date –***

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

##### ***June 30, 2017 measurement date –***

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

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

##### ***June 30, 2016 measurement date –***

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

##### ***June 30, 2015 measurement date –***

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

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

# **TOWN OF NORTH KINGSTOWN, RHODE ISLAND**

## **NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

### **FOR THE YEAR ENDED JUNE 30, 2020**

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#### **MUNICIPAL PLAN (MERS) AND TEACHERS' PLAN (ERS) (CONTINUED)**

- Employees with more than 20 years of service at July 1, 2012 will increase their employee contribution rates to 11% for state employees and municipal general employees will contribute 8.25% (9.25% for units with a COLA provision) and participate solely in the defined benefit plan going forward – service credit accruals will increase from 1% to 2% per year.
- Members are eligible to retire upon the attainment of: age 65 with 30 years of service, 64 with 31 years of service, 63 with 32 years of service, or 62 with 33 years of service. Members may retire earlier if their RIRSA date is earlier or are eligible under a transition rule.
- MERS public safety employees may retire at age 50 with 25 years of service, or any age with 27 years of service. MERS public safety employees will contribute 9.00% (10.00% for units with a COLA provision).
- Employees with more than 10 but less than 20 years of service at July 1, 2012 will receive an increased employer contribution to the defined contribution plan. Also, members who earn less than \$35,000 per year will not be required to pay the administrative fees to the defined contribution plan.
- Members who retired from a COLA eligible plan before July 1, 2012 will received a one-time cost of living adjustment of 2% of the first \$25,000 paid as soon as administratively possible.
- Retirees as of June 30, 2015 will receive two \$500 stipends; the interim cost of living increases will occur at 4 year rather than 5 year intervals.
- The COLA formula was adjusted to: 50% of the COLA is calculated by taking the previous 5-year average investment return, less 5.5% (5yr Return - 5.5%, with a max of 4%) and 50% calculated using previous year's CPI-U (max of 3%) for a total max COLA of 3.5%. This COLA is calculated on the first \$25,855, effective 01/01/16, and indexed as of that date as well. (The indexing formula is run annually regardless of funding level each year.)
- Minor adjustments were made to the actuarial reduction for employees choosing to retire early.

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF REVENUES AND EXPENDITURES BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

### GENERAL FUND

**FOR THE YEAR ENDED JUNE 30, 2020**

	Original Budget	Final Budget	Actual (Budgetary Basis)	Variance with Final Budget Positive (Negative)
<b>Revenues</b>				
Property tax	\$ 85,091,400	\$ 85,091,400	\$ 85,323,103	\$ 231,703
Intergovernmental	3,865,471	3,865,471	4,267,290	401,819
Licenses and permits	121,036	121,036	111,494	(9,542)
Investment income	--	225,000	427,654	202,654
Departmental	2,134,724	1,909,724	2,990,434	1,080,710
Other	506,500	506,500	1,391,254	884,754
<b>Total Revenues</b>	<b>91,719,131</b>	<b>91,719,131</b>	<b>94,511,229</b>	<b>2,792,098</b>
<b>Expenditures</b>				
Town council	89,614	89,614	29,604	60,010
Town manager	312,755	312,755	256,971	55,784
Town clerk and elections	652,739	652,739	558,134	94,605
Town solicitor	215,000	215,000	198,533	16,467
Finance	2,944,817	2,944,817	3,446,734	(501,917)
Information systems	781,280	781,280	702,394	78,886
Assessor	275,407	275,407	248,030	27,377
Planning	826,199	826,199	606,889	219,310
General operating	812,000	812,000	1,040,292	(228,292)
Code enforcement	500,335	500,335	510,650	(10,315)
Fire	10,004,634	10,004,634	9,901,236	103,398
Police, harbor and animal control	8,885,386	8,885,386	9,325,119	(439,733)
Public works	5,213,179	5,213,179	4,795,768	417,411
Senior citizens	602,120	602,120	525,230	76,890
Contributions	178,238	178,238	178,238	--
Quonset development	703,933	703,933	703,933	--
<b>Total Expenditures</b>	<b>32,997,636</b>	<b>32,997,636</b>	<b>33,027,755</b>	<b>(30,119)</b>
<b>Excess of Revenues Over Expenditures Before</b>				
<b>Other Financing Sources (Uses)</b>	<b>58,721,495</b>	<b>58,721,495</b>	<b>61,483,474</b>	<b>2,761,979</b>
<b>Other Financing Sources (Uses)</b>				
Transfers in	925,498	925,498	1,179,063	253,565
Transfers out	(59,646,993)	(59,646,993)	(60,572,244)	(925,251)
<b>Total Other Financing Sources (Uses)</b>	<b>(58,721,495)</b>	<b>(58,721,495)</b>	<b>(59,393,181)</b>	<b>(671,686)</b>
<b>Excess of Revenues and Other Financing Sources Over</b>				
<b>Expenditures and Other Financing Uses - Budgetary Basis</b>	<b>\$ --</b>	<b>\$ --</b>	<b>\$ 2,090,293</b>	<b>\$ 2,090,293</b>

*The notes to the required supplementary information are an integral part of this schedule.*

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF REVENUES AND EXPENDITURES BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

### SCHOOL UNRESTRICTED FUND

**FOR THE YEAR ENDED JUNE 30, 2020**

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	Original Budget	Final Budget	Actual (Budgetary Basis)	Variance with Final Budget
<b>Revenues</b>				
State aid	\$ 10,383,487	\$ 10,486,289	\$ 10,033,737	\$ (452,552)
Medicaid	400,000	400,000	566,207	166,207
Tuition	3,691,000	3,691,000	3,816,770	125,770
Other revenues	<u>10,500</u>	<u>10,500</u>	<u>191,538</u>	<u>181,038</u>
<b>Total Revenues</b>	<u>14,484,987</u>	<u>14,587,789</u>	<u>14,608,252</u>	<u>20,463</u>
<b>Expenditures</b>				
Salaries	38,069,691	38,068,991	38,355,048	(286,057)
Fringe benefits	15,371,053	14,969,410	14,726,259	243,151
Professional services	12,159,836	11,481,654	10,484,630	997,024
Supplies and materials	2,192,575	2,206,129	1,902,748	303,381
Capital outlay	400,045	1,506,405	1,320,409	185,996
Debt services	<u>147,530</u>	<u>210,943</u>	<u>149,988</u>	<u>60,955</u>
<b>Total Expenditures</b>	<u>68,340,730</u>	<u>68,443,532</u>	<u>66,939,082</u>	<u>1,504,450</u>
<b>Deficiency of Revenues Under Expenditures</b>				
<b>Before Other Financing Sources (Uses)</b>	<u>(53,855,743)</u>	<u>(53,855,743)</u>	<u>(52,330,830)</u>	<u>1,524,913</u>
<b>Other Financing Sources (Uses)</b>				
Operating transfer from Town	53,810,743	53,810,743	53,810,743	--
Transfers in	45,000	45,000	606,056	561,056
Transfers out	--	--	(259,932)	(259,932)
<b>Total Other Financing Sources (Uses)</b>	<u>53,855,743</u>	<u>53,855,743</u>	<u>54,156,867</u>	<u>301,124</u>
<b>Excess of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses</b>	<u>\$ _____ --</u>	<u>\$ _____ --</u>	<u>\$ 1,826,037</u>	<u>\$ 1,826,037</u>

*The notes to the required supplementary information are an integral part of this schedule.*

# **TOWN OF NORTH KINGSTOWN, RHODE ISLAND**

## **NOTES TO THE BUDGETARY COMPARISON SCHEDULES**

### **FOR THE YEAR ENDED JUNE 30, 2020**

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#### **BUDGETARY DATA AND BUDGETARY COMPLIANCE**

##### ***Adoption***

The Town Manager shall submit to the Council not later than the fiftieth day preceding the first Wednesday in May, a proposed budget of anticipated revenues and proposed expenditures after a review of estimated requirements from department heads. Town Council conducts all-day Public Work Sessions to discuss the Town Manager's Proposed Budget, which is not a Charter requirement.

The Council has two weeks to give preliminary approval to the Town Manager's budget, which the Council may revise. Approximately three weeks after preliminary approval by the Council, two (2) public hearings are held (one for school portion and one for all other budgets). After preliminary approval of the budget, any qualified elector may circulate a petition requesting that the Council increase or decrease the budget. At least 50 signatures, validated by the Board of Canvassers, are required. The Council is required to consider and vote on each valid petition.

On or before the first Wednesday in May, the Council is required to make any final changes to the budget by a majority vote and consider any petitions. Following final approval, the budget is published and copies are available for the public. After final approval by the Council, any qualified elector may circulate a petition requesting a referendum for either an increase or decrease to the total appropriation for a specific fund. Petition forms approved by the Town Clerk must be returned before the 20<sup>th</sup> day following the first Wednesday in May. Each valid petition with no less than 300 signatures, along with the Council's final adopted budget, is presented to the voters for a referendum vote on the second Saturday in June.

##### ***Budgetary to GAAP Basis Reconciliation***

Annual operating budgets are in conformity with the legal enacted budgetary basis, which differs from accounting principles generally accepted in the United States of America ("U.S. GAAP") in the several regards. Budgets are adopted on the modified accrual basis with certain exceptions. Budgetary revenues may include re-appropriations from fund equity previously recognized under the U.S. GAAP. Budgetary expenditures and expenses include expenses for capital assets additions, debt service issuance costs and debt service principal payments not recognized under U.S. GAAP but exclude depreciation and amortization, U.S. GAAP basis expense.

# **TOWN OF NORTH KINGSTOWN, RHODE ISLAND**

## **NOTES TO THE BUDGETARY COMPARISON SCHEDULES**

### **FOR THE YEAR ENDED JUNE 30, 2020**

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#### **BUDGETARY DATA AND BUDGETARY COMPLIANCE (CONTINUED)**

##### ***Budgetary to GAAP Basis Reconciliation (Continued)***

The following reconciliations summarize the differences between the budgetary basis and U.S. GAAP basis for the year ended June 30, 2020 for the General Fund:

<b>Excess of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses - Budgetary Basis</b>	\$	2,090,293
Prior year encumbrances		(136,172)
Current year encumbrances		<u>177,389</u>
<b>Excess of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses - GAAP Basis</b>	\$	<u>2,131,510</u>

The following reconciliations summarize the differences between the budgetary basis and U.S. GAAP basis for the year ended June 30, 2020 for the School Unrestricted Fund:

<b>Excess of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses</b>	\$	1,826,037
ERSRI on behalf pension revenue		3,261,477
ERSRI on behalf pension expenditures		(3,261,477)
Prior year encumbrances		(117,994)
Current year encumbrances		<u>664,369</u>
<b>Excess of Revenues and Other Financing Sources Under Expenditures and Other Financing Uses - GAAP Basis - School Unrestricted Fund</b>		2,372,412
Unbudgeted school restricted activity		<u>87,251</u>
<b>Excess of Revenues and Other Financing Sources Under Expenditures and Other Financing Uses - GAAP Basis - School Department Fund</b>	\$	<u>2,459,663</u>

## **OTHER SUPPLEMENTARY INFORMATION**

This section presents the Tax Collector's Annual Report, budgetary comparison schedules for the School Unrestricted Fund, Town Debt Service Fund, and Town Library Fund, Annual Supplemental Transparency Portal (MTP2), and Combining Non-Major Governmental Funds, Combining School Department Funds, Combining Non-Major Proprietary Funds, Combining Employee Benefit Trust Funds, Combining Non-Major Private Purpose Funds, and Combining Agency Funds. These schedules are not a required part of the basic financial statements.

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## TAX COLLECTOR'S ANNUAL REPORT

### FOR THE YEAR ENDED JUNE 30, 2020

Real estate and personal property taxes receivable:

Fiscal Year	July 1, 2019	Current Year				Refunds / Adjustments	Amount to be Collected	FY 2020		FY 2020 Collections Summary			
		Assessment	Additions	Abatements	Collections			June 30, 2020	FY19 Accrual	July - August 2019 (FY19) Collections	September - Subject to 60-day June 2020	Total FY 2020 Collections	July - August 2020 (FY 20) Collections Subject to 60-day FY20 Accrual
2020	\$ --	\$ 82,016,265	\$ 275,551	\$ (132,625)	\$ (9,504)	\$ 82,149,686	\$ 80,318,105	\$ 1,831,581	\$ --	\$ 80,318,105	\$ 80,318,105	\$ 693,217	
2019	1,579,371	--	--	(11,560)	3,744	1,571,555	1,291,011	280,544	519,276	771,735	1,291,011	39,649	
2018	192,576	--	--	(496)	4,722	196,802	77,641	119,161	41,447	36,194	77,641	3,825	
2017	177,793	--	--	(513)	(853)	176,427	35,814	140,613	6,455	29,359	35,814	1,179	
2016	165,935	--	--	--	--	165,935	24,886	141,049	2,331	22,555	24,886	609	
2015	121,715	--	--	--	(4,357)	117,358	19,662	97,696	1,295	18,367	19,662	416	
2014	95,936	--	--	--	7	95,943	6,450	89,493	1,722	4,728	6,450	316	
2013	70,880	--	--	--	3,862	74,742	(1,255)	75,997	399	(1,654)	(1,255)	476	
2012	79,329	--	--	--	58	79,387	3,032	76,355	785	2,247	3,032	217	
2011 and prior	174,283	--	--	(50,404)	(882)	122,997	2,861	120,136	915	1,946	2,861	363	
	\$ 2,657,818	\$ 82,016,265	\$ 275,551	\$ (195,598)	\$ (3,203)	\$ 84,750,832	\$ 81,778,208	\$ 2,972,625	\$ 574,625	\$ 81,203,583	\$ 81,778,208	\$ 740,267	
<i>Allowance for Uncollectible Accounts</i>		<u>(89,240)</u>						<u>(76,582)</u>					
<i>Net Property Tax Receivable</i>		<u>\$ 2,568,578</u>						<u>\$ 2,896,043</u>					

**TOWN OF NORTH KINGSTOWN, RHODE ISLAND**  
**TAX COLLECTOR'S ANNUAL REPORT (CONTINUED)**  
**FOR THE YEAR ENDED JUNE 30, 2020**

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**Schedule of Net Assessed Property, Value by Category**

Description of Property	Valuations	
	December 31, 2018	Levy July 1, 2019
Real Property	\$ 4,454,653,145	\$ 74,571,878
Motor Vehicle	273,993,367	4,589,659
Tangible	167,546,090	2,854,728
<b>Total</b>	<b>4,896,192,602</b>	<b>82,016,265</b>
Exemptions	<u>(157,396,002)</u>	<u>--</u>
<b>Net Assessed Value</b>	<b><u>\$ 4,738,796,600</u></b>	<b><u>\$ 82,016,265</u></b>

**Reconciliation of Current Year Property Tax Revenue**

Current Year Collections	\$ 81,778,208
July - August 2020 Collections	
Subject to 60-day FY 20 Accrual	<u>740,267</u>
	82,518,474
July - August 2019 Collections	
Subject to 60-day FY19 Accrual	<u>(574,625)</u>
Current Year Property Tax Revenue	81,943,849
Interest and penalties	275,417
Current Year Payment in Lieu of Taxes	<u>3,103,837</u>
Current year general fund tax revenue	<u>\$ 85,323,103</u>

**TOWN OF NORTH KINGSTOWN, RHODE ISLAND**  
**ANNUAL SUPPLEMENTAL TRANSPARENCY REPORT (MTP2)**  
**FISCAL YEAR ENDED JUNE 30, 2020**

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<u>REVENUE</u>	<u>Municipal</u>	<u>Education Department</u>
Current Year Levy Tax Collection	\$ 81,011,323	\$ -
Last Year's Levy Tax Collection	794,180	-
Prior Years Property Tax Collection	121,144	-
Interest & Penalty	382,619	-
PILOT & Tax Treaty (excluded from levy) Collection	3,013,837	-
Other Local Property Taxes	-	-
Licenses and Permits	656,607	-
Fines and Forfeitures	219,547	-
Investment Income	427,654	-
Departmental	3,239,189	-
Rescue Run Revenue	969,822	-
Police & Fire Detail	1,398,274	-
Other Local Non-Property Tax Revenues	646,807	-
Tuition	-	3,816,770
Impact Aid	-	-
Medicaid	-	566,207
Federal Stabilization Funds	-	-
Federal Food Service Reimbursement	-	647,491
CDBG	-	-
COPS Grants	-	-
SAFER Grants	491,835	-
Other Federal Aid Funds	-	1,651,888
COVID - ESSER	-	452,518
COVID - CRF	-	-
COVID - CDBG	-	-
COVID - FEMA	-	-
COVID - Other	20,010	-
MV Excise Tax Reimbursement	192,589	-
State PILOT Program	1,136	-
Distressed Community Relief Fund	-	-
Library Resource Aid	297,091	-
Library Construction Aid	-	-
Public Service Corporation Tax	329,948	-
Meals & Beverage Tax / Hotel Tax	740,396	-
LEA Aid	-	10,033,771
Group Home	-	-
Housing Aid Capital Projects	69,686	216,985
Housing Aid Bonded Debt	1,215,688	-
State Food Service Revenue	-	11,943
Incentive Aid	-	-
Property Revaluation Reimbursement	-	-
Other State Revenue	630,893	122,475
Motor Vehicle Phase Out	596,570	-
Other Revenue	1,391,255	1,177,151
Local Appropriation for Education	-	53,810,743
Regional Appropriation for Education	-	-
Supplemental Appropriation for Education	-	-
Regional Supplemental Appropriation for Education	-	-
Other Education Appropriation	-	-
Rounding	-	-
<b>Total Revenue</b>	<b><u>\$ 98,858,098</u></b>	<b><u>\$ 72,507,942</u></b>
Financing Sources: Transfer from Capital Funds	\$ -	\$ -
Financing Sources: Transfer from Other Funds	1,204,811	-
Financing Sources: Debt Proceeds	-	-
Financing Sources: Other	515,438	-
Rounding	-	-
<b>Total Other Financing Sources</b>	<b><u>\$ 1,720,249</u></b>	<b><u>\$ -</u></b>

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## ANNUAL SUPPLEMENTAL TRANSPARENCY REPORT (MTP2)

### FISCAL YEAR ENDED JUNE 30, 2020

EXPENDITURES	General Government	Finance	Social Services	Centralized IT	Planning	Libraries	Public Works	Parks and Rec	Police Department
Compensation- Group A	\$ 538,205	\$ 993,815	\$ 350,059	\$ 152,720	\$ 681,332	\$ 832,868	\$ 1,739,977	\$ 803,401	\$ 4,792,765
Compensation - Group B	-	-	-	-	-	-	-	-	108,976
Compensation - Group C	-	-	-	-	-	-	-	-	-
Compensation -Volunteer	-	-	-	-	-	-	-	-	-
Overtime- Group A	25,349	16,623	-	-	4,720	13,456	119,269	10,090	291,953
Overtime - Group B	-	-	-	-	-	-	-	-	-
Overtime - Group C	-	-	-	-	-	-	-	-	-
Police & Fire Detail	-	-	-	-	-	-	-	-	632,776
Active Medical Insurance - Group A	66,644	144,002	46,882	14,327	110,555	129,568	332,017	72,727	671,978
Active Medical Insurance- Group B	-	-	-	-	-	-	-	-	16,405
Active Medical Insurance- Group C	-	-	-	-	-	-	-	-	-
Active Dental Insurance- Group A	3,204	7,576	3,238	604	6,058	6,802	16,850	4,156	33,092
Active Dental Insurance- Group B	-	-	-	-	-	-	-	-	815
Active Dental Insurance- Group C	-	-	-	-	-	-	-	-	-
Payroll Taxes	41,348	82,224	25,370	11,388	50,254	62,872	136,140	63,432	460,531
Life Insurance	1,596	2,532	1,254	527	1,827	2,944	6,333	1,649	14,797
State Defined Contribution- Group A	3,880	7,571	3,333	1,517	5,566	8,041	15,757	4,632	4,029
State Defined Contribution - Group B	-	-	-	-	-	-	-	-	-
State Defined Contribution - Group C	-	-	-	-	-	-	-	-	-
Other Benefits- Group A	13,067	141,085	-	-	-	4,434	16,896	56,126	64,698
Other Benefits- Group B	-	-	-	-	-	-	-	-	-
Other Benefits- Group C	-	-	-	-	-	-	-	-	-
Local Defined Benefit Pension- Group A	-	-	-	-	-	-	-	-	-
Local Defined Benefit Pension - Group B	-	-	-	-	-	-	-	-	-
Local Defined Benefit Pension - Group C	-	-	-	-	-	-	-	-	-
State Defined Benefit Pension- Group A	81,992	132,761	60,142	27,069	107,195	136,258	291,951	85,376	1,308,248
State Defined Benefit Pension - Group B	-	-	-	-	-	-	-	-	33,476
State Defined Benefit Pension - Group C	-	-	-	-	-	-	-	-	-
Other Defined Benefit / Contribution	-	-	-	-	-	-	-	-	-
Purchased Services	265,089	101,219	6,266	17,100	136,670	52,033	544,789	187,940	57,302
Materials/Supplies	24,088	75,996	7,762	-	5,621	173,847	60,822	245,668	39,000
Software Licenses	-	-	-	-	-	21,669	-	-	-
Capital Outlays	243,860	-	-	-	-	-	730,051	6,585	185,417
Insurance	390,920	-	-	-	-	-	-	-	-
Maintenance	6,439	43,211	-	476,291	9,860	42,136	563,595	21,006	53,876
Vehicle Operations	-	-	6,756	-	651	-	343,125	58,387	98,055
Utilities	112,029	-	7,337	-	-	83,662	209,372	178,120	119,495
Contingency	-	-	-	-	-	-	-	-	-
Street Lighting	-	-	-	-	-	-	416,027	-	-
Revaluation	-	-	-	-	-	-	-	-	-
Snow Removal-Raw Material & External Contracts	-	-	-	-	-	-	123,000	-	-
Trash Removal & Recycling	-	-	-	-	-	-	304,959	-	-
Claims & Settlements	-	-	-	-	-	-	-	-	-
Community Support	178,238	-	-	-	-	-	-	-	-
Other Operation Expenditures	87,549	37,723	5,266	852	7,873	154,070	27,445	649,534	20,952
Tipping Fees	-	-	-	-	-	-	445,000	-	-
Local Appropriation for Education	-	-	-	-	-	-	-	-	-
Regional Appropriation for Education	-	-	-	-	-	-	-	-	-
Supplemental Appropriation for Education	-	-	-	-	-	-	-	-	-
Regional Supplemental Appropriation for Education	-	-	-	-	-	-	-	-	-
Other Education Appropriation	-	-	-	-	-	-	-	-	-
Municipal Debt- Principal	-	-	-	-	-	-	-	-	-
Municipal Debt- Interest	-	-	-	-	-	-	-	-	-
School Debt- Principal	-	-	-	-	-	-	-	-	-
School Debt- Interest	-	-	-	-	-	-	-	-	-
Retiree Medical Insurance- Total	-	-	-	-	-	-	-	-	-
Retiree Dental Insurance- Total	-	-	-	-	-	-	-	-	-
OPEB Contribution- Total	-	-	-	-	-	-	-	-	-
Rounding	-	-	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>\$ 2,083,498</b>	<b>\$ 1,786,338</b>	<b>\$ 524,464</b>	<b>\$ 702,394</b>	<b>\$ 1,128,183</b>	<b>\$ 1,724,662</b>	<b>\$ 6,443,371</b>	<b>\$ 2,448,829</b>	<b>\$ 9,008,634</b>

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## ANNUAL SUPPLEMENTAL TRANSPARENCY REPORT (MTP2)

### FISCAL YEAR ENDED JUNE 30, 2020

EXPENDITURES	Fire Department	Centralized Dispatch	Public Safety Other	Education Appropriation	Debt	OPEB	Total Municipal	Education Department
Compensation- Group A	\$ 5,608,938	\$ 8,555	\$ 133,011	\$ -	\$ -	\$ -	\$ 16,635,904	\$ 30,218,111
Compensation - Group B	108,943	-	-	-	-	-	217,919	3,618,329
Compensation - Group C	-	-	-	-	-	-	-	5,762,183
Compensation- Volunteer	-	-	-	-	-	-	-	-
Overtime- Group A	464,648	207	3,223	-	-	-	949,538	259
Overtime - Group B	-	-	-	-	-	-	-	-
Overtime - Group C	-	-	-	-	-	-	-	127,916
Police & Fire Detail	5,756	-	-	-	-	-	638,532	-
Active Medical Insurance - Group A	858,870	-	27,289	-	-	-	2,474,859	3,722,690
Active Medical Insurance- Group B	16,977	-	-	-	-	-	33,382	214,695
Active Medical Insurance- Group C	-	-	-	-	-	-	-	1,783,101
Active Dental Insurance- Group A	41,420	-	1,522	-	-	-	124,522	181,503
Active Dental Insurance- Group B	-	-	-	-	-	-	815	12,073
Active Dental Insurance- Group C	-	-	-	-	-	-	-	98,506
Payroll Taxes	423,619	646	9,929	-	-	-	1,367,754	2,978,307
Life Insurance	16,644	42	425	-	-	-	50,569	38,493
State Defined Contribution- Group A	470	51	1,147	-	-	-	55,993	191,238
State Defined Contribution - Group B	-	-	-	-	-	-	-	27,407
State Defined Contribution - Group C	-	-	-	-	-	-	-	47,076
Other Benefits- Group A	93,086	-	444	-	-	-	389,834	402,904
Other Benefits- Group B	-	-	-	-	-	-	-	25,254
Other Benefits- Group C	-	-	-	-	-	-	-	3,731
Local Defined Benefit Pension- Group A	-	-	-	-	-	-	-	-
Local Defined Benefit Pension - Group B	-	-	-	-	-	-	-	-
Local Defined Benefit Pension - Group C	-	-	-	-	-	-	-	-
State Defined Benefit Pension- Group A	1,520,008	1,491	20,473	-	-	-	3,772,962	4,245,933
State Defined Benefit Pension - Group B	34,512	-	-	-	-	-	67,988	505,731
State Defined Benefit Pension - Group C	-	-	-	-	-	-	-	865,665
Other Defined Benefit / Contribution	-	-	-	-	-	-	-	-
Purchased Services	1,828	-	529,857	-	-	-	1,900,092	8,051,497
Materials/Supplies	180,942	-	5,225	-	-	-	818,972	1,285,932
Software Licenses	-	-	-	-	-	-	21,689	692,722
Capital Outlays	713,743	-	-	-	-	-	1,879,656	779,897
Insurance	-	-	-	-	-	-	390,920	369,345
Maintenance	165,161	-	510	-	-	-	1,382,085	2,237,067
Vehicle Operations	175,058	-	980,454	-	-	-	1,662,485	234,558
Utilities	85,363	-	-	-	-	-	795,379	1,134,292
Contingency	-	-	-	-	-	-	-	-
Street Lighting	-	-	-	-	-	-	416,027	-
Revolving	-	-	-	-	-	-	-	-
Snow Removal-Raw Material & External Contracts	-	-	-	-	-	-	123,000	-
Trash Removal & Recycling	-	-	-	-	-	-	304,959	-
Claims & Settlements	-	-	-	-	-	-	-	72,309
Community Support	-	-	-	-	-	-	178,238	150
Other Operation Expenditures	150,376	-	-	-	-	-	1,141,641	266,788
Tipping Fees	-	-	-	-	-	-	445,000	-
Local Appropriation for Education	-	-	-	53,810,743	-	-	53,810,743	-
Regional Appropriation for Education	-	-	-	-	-	-	-	-
Supplemental Appropriation for Education	-	-	-	-	-	-	-	-
Regional Supplemental Appropriation for Education	-	-	-	-	-	-	-	-
Other Education Appropriation	-	-	-	-	-	-	-	-
Municipal Debt- Principal	-	-	-	-	2,668,188	-	2,668,188	-
Municipal Debt- Interest	-	-	-	-	821,974	-	821,974	-
School Debt- Principal	-	-	-	-	735,000	-	735,000	-
School Debt- Interest	-	-	-	-	426,561	-	426,561	-
Retiree Medical Insurance- Total	-	-	-	-	-	-	14,035	-
Retiree Dental Insurance- Total	-	-	-	-	-	-	1,072	-
OPEB Contribution- Total	-	-	-	-	1,509,353	-	1,509,353	-
Rounding	-	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>\$ 10,665,821</b>	<b>\$ 10,991</b>	<b>\$ 1,713,507</b>	<b>\$ 53,810,743</b>	<b>\$ 4,651,721</b>	<b>\$ 1,509,353</b>	<b>\$ 98,212,510</b>	<b>\$ 70,210,769</b>

Financing Uses: Transfer to Capital Funds	\$ -	\$ -
Financing Uses: Transfer to Other Funds	1,613,580	-
Financing Uses: Payment to Bond Escrow Agent	-	-
Financing Uses: Other	-	-
<b>Total Other Financing Uses</b>	<b>\$ 1,613,580</b>	<b>\$ -</b>
<b>Net Change in Fund Balance<sup>1</sup></b>	<b>752,277</b>	<b>2,297,173</b>
<b>Fund Balance<sup>1</sup>- beginning of year</b>	<b>\$ 17,660,999</b>	<b>\$ 3,037,224</b>
Funds removed from Reportable Government Services (RGS)	-	-
Funds added to Reportable Government Services (RGS)	-	-
Prior period adjustments	(357,089)	-
Misc. Adjustment	(4)	-
<b>Fund Balance<sup>1</sup> - beginning of year adjusted</b>	<b>17,303,906</b>	<b>3,037,224</b>
<b>Rounding</b>	<b>\$ 18,056,183</b>	<b>\$ 5,334,397</b>
<b>Fund Balance<sup>1</sup> - end of year</b>	<b>\$ 18,056,183</b>	<b>\$ 5,334,397</b>

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

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## COMBINING SCHEDULE OF REPORTABLE GOVERNMENTAL SERVICES WITH RECONCILIATION TO MTP2

### MUNICIPAL

#### FISCAL YEAR ENDED JUNE 30, 2020

Per Audited Fund Financial Statements Fund Description	Total Revenue	Total Other Financing Sources	Total Expenditures	Total Other Financing Uses	Net Change in Fund Balance <sup>1</sup>	Beginning Fund Fund Balance <sup>1</sup> (Deficit)	Prior Period Adjustment	Restated Beginning Fund Balance <sup>1</sup> (Deficit)	Ending Fund Balance <sup>1</sup> (Deficit)
Fund Balance <sup>1</sup> - per MTP-2 at June 30, 2019						\$ 17,660,999	(357,089)	\$ 17,303,910	
<i>No funds removed from RGS for fiscal 2020</i>						-	-	-	-
<i>No funds added to RGS for fiscal 2020</i>						-	-	-	-
<i>Misc. adjustments made for fiscal 2020</i>						(4)	-	(4)	
Fund Balance <sup>1</sup> - per MTP-2 at June 30, 2019 adjusted						\$ 17,660,995	-	\$ 17,303,906	
General Fund	\$ 94,511,229	\$ 1,694,713	\$ 33,502,188	\$ 60,572,244	\$ 2,131,510	\$ 13,831,697	\$ (357,089)	\$ 13,474,608	\$ 15,606,118
Library Fund	311,981	1,315,000	1,770,395	39,291	\$ (182,705)	211,386	-	211,386	28,681
Emergency Medical Services	988,832	-	1,493,627	600,000	\$ (1,104,795)	2,027,571	-	2,027,571	922,776
Tax Revaluation	-	225,000	-	-	\$ 225,000	46,022	-	46,022	271,022
Municipal Court	193,320	-	102,961	90,813	\$ (454)	11,808	-	11,808	11,354
Debt Service Fund	974	4,515,212	4,393,517	-	\$ 122,669	927,489	-	927,489	1,050,158
Transfer Station	646,607	-	623,447	83,916	\$ (60,756)	(137,783)	-	(137,783)	(198,539)
Recreation Enterprise Funds	2,205,155	25,536	2,505,944	93,251	\$ (368,504)	(718,371)	-	(718,371)	(1,086,875)
Farmland Open Space	-	-	6,816	-	\$ (6,816)	1,461,176	-	1,461,176	1,454,360
SAFER Grant	-	-	2,872	-	\$ (2,872)	-	-	-	(2,872)
<b>Totals per audited financial statements</b>	<b>\$ 98,858,098</b>	<b>\$ 7,775,461</b>	<b>\$ 44,401,767</b>	<b>\$ 61,479,515</b>	<b>\$ 752,277</b>	<b>\$ 17,660,995</b>	<b>\$ (357,089)</b>	<b>\$ 17,303,906</b>	<b>\$ 18,056,183</b>
<u>Reconciliation from financial statements to MTP2</u>									
Reclassify transfer of municipal appropriation to Education Department as expenditure on MTP2	\$ -	\$ -	\$ 53,810,743	\$ (53,810,743)	\$ -	\$ -	\$ -	\$ -	\$ -
Elimination of General Fund and Debt Service Fund	-	(4,515,212)	-	(4,515,212)	-	-	-	-	-
Elimination of General Fund to Library Fund	-	(1,315,000)	-	(1,315,000)	-	-	-	-	-
Elimination of General Fund to Tax Revaluation	-	(225,000)	-	(225,000)	-	-	-	-	-
Rounding	-	-	-	-	-	-	-	-	-
<b>Totals Per MTP2</b>	<b>\$ 98,858,098</b>	<b>\$ 1,720,249</b>	<b>\$ 98,212,510</b>	<b>\$ 1,613,560</b>	<b>\$ 752,277</b>	<b>\$ 17,660,995</b>	<b>\$ (357,089)</b>	<b>\$ 17,303,906</b>	<b>\$ 18,056,183</b>

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

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## COMBINING SCHEDULE OF REPORTABLE GOVERNMENTAL SERVICES WITH RECONCILIATION TO MTP2

### EDUCATION DEPARTMENT

#### FISCAL YEAR ENDED JUNE 30, 2020

Per Audited Fund Financial Statements Fund Description	Total Revenue	Total Other Financing Sources	Total Expenditures	Total Other Financing Uses	Net Change in Fund Balance <sup>1</sup>	Beginning Fund Fund Balance <sup>1</sup> (Deficit)	Prior Period Adjustment	Restated Beginning Fund Balance <sup>1</sup> (Deficit)	Ending Fund Balance <sup>1</sup> (Deficit)
Fund Balance <sup>1</sup> - per MTP-2 at June 30, 2019 No misc. adjustments made for fiscal 2020						\$ 3,037,224	-	\$ 3,037,224	-
Fund Balance <sup>1</sup> - per MTP-2 at June 30, 2019 adjusted						<u>\$ 3,037,224</u>	-	<u>\$ 3,037,224</u>	
School Unrestricted Fund	\$ 17,923,711	\$ 54,362,817	\$ 69,654,184	\$ 259,932	\$ 2,372,412	\$ 1,866,409	\$ -	\$ 1,866,409	\$ 4,238,821
Enterprise Fund1	1,225,985	-	1,109,527	-	116,458	325,422	-	325,422	441,880
SBA School Capital Project Fund	530,551	259,932	392,243	552,074	(153,834)	675,596	-	675,596	521,762
School Special Revenue Funds	2,386,393	-	2,299,142	-	87,251	151,035	-	151,035	238,286
Permanent Funds	-	-	120	-	(120)	18,762	-	18,762	18,642
<b>Totals per audited financial statements</b>	<b>\$ 22,066,640</b>	<b>\$ 54,622,749</b>	<b>\$ 73,455,216</b>	<b>\$ 812,006</b>	<b>\$ 2,422,167</b>	<b>\$ 3,037,224</b>	<b>\$ -</b>	<b>\$ 3,037,224</b>	<b>\$ 5,459,391</b>
<b><u>Reconciliation from financial statements to MTP2</u></b>									
Municipal appropriation for Education reported as a transfer on financial statements but as revenue on MTP2	\$ 53,810,743	\$ (53,810,743)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State contributions on behalf of teacher pensions are reported as revenue and expenditures on financial statements only	(3,261,477)	-	(3,261,477)	-	-	-	-	-	-
Transfer from School Unrestricted to the School SBA Capital Projects Fund is reported as an Other Financing Sources and Use for GAAP while it is not reported in UCOA or the MTP2 because the transfers net to zero	-	(259,932)	-	(259,932)	-	-	-	-	-
Transfer from CIP Fund to School Unrestricted	-	(552,074)	-	(552,074)	-	-	-	-	-
For financial statements, indirect cost charges and recovery are reported in federal grant funds and also actual reimbursement reported in School Unrestricted Fund.	(53,982)	-	(53,982)	-	-	-	-	-	-
For financial statements, indirect cost charges and recovery are reported in federal grant funds and also actual reimbursement reported in School Unrestricted Fund.	(53,982)	-	-	-	(53,982)	-	-	-	(53,982)
Food Service Depreciation not included in UCOA file per UCOA rules	-	-	(2,717)	-	2,717	-	-	-	2,717
Food Service capital purchase included as expense in UCOA file, but as a depreciable asset in audit	-	-	27,170	-	(27,170)	-	-	-	(27,170)
5000 GF Fund Contra Account Transportation Cost	-	-	9,454	-	(9,454)	-	-	-	(9,454)
3201 CIP Fund Contra Account Transportation Cost	-	-	37,105	-	(37,105)	-	-	-	(37,105)
Rounding	-	-	-	-	-	-	-	-	-
<b>Totals Per MTP2</b>	<b>\$ 72,507,942</b>	<b>\$ -</b>	<b>\$ 70,210,769</b>	<b>\$ -</b>	<b>\$ 2,297,173</b>	<b>\$ 3,037,224</b>	<b>\$ -</b>	<b>\$ 3,037,224</b>	<b>\$ 5,334,397</b>
<b><u>Reconciliation from MTP2 to UCOA</u></b>									
Re-Appropriation of Fund Balance	\$ 898,908	\$ -							
Miscellaneous Variance	35				(20)				
<b>Totals per UCOA Validated Totals Report</b>	<b>\$ 73,406,885</b>		<b>\$ 70,210,749</b>						

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

# **TOWN OF NORTH KINGSTOWN, RHODE ISLAND**

## **NOTES TO SUPPLEMENTARY INFORMATION – ANNUAL SUPPLEMENTAL TRANSPARENCY REPORT (MTP2)**

### **FISCAL YEAR ENDED JUNE 30, 2020**

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#### NOTE 1. Basis of Presentation

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

#### NOTE 2. Reportable Government Services

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

#### NOTE 3. Allocations

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

#### NOTE 4. Employee Groups - Compensation and Benefit Costs

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

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

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

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

# **TOWN OF NORTH KINGSTOWN, RHODE ISLAND**

## **NOTES TO SUPPLEMENTARY INFORMATION – ANNUAL SUPPLEMENTAL TRANSPARENCY REPORT (MTP2)**

### **FISCAL YEAR ENDED JUNE 30, 2020**

---

#### **NOTE 4. Employee Groups - Compensation and Benefit Costs (Continued)**

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/>.*

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## SCHEDULE OF REVENUES AND EXPENDITURES BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

### DEBT SERVICE FUND

**FOR THE YEAR ENDED JUNE 30, 2020**

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	Original Budget	Final Budget	Actual (Budgetary Basis)	Variance with Final Budget
<b>Revenues</b>				
State aid	\$ --	\$ --	\$ --	\$ --
Miscellaneous	<u>--</u>	<u>--</u>	<u>972</u>	<u>972</u>
<b>Total Revenues</b>	<u>--</u>	<u>--</u>	<u>972</u>	<u>972</u>
<b>Expenditures</b>				
Debt service - Municipal	3,159,400	3,159,400	3,230,982	(71,582)
Debt service - School	<u>1,286,850</u>	<u>1,286,850</u>	<u>1,162,533</u>	<u>124,317</u>
<b>Total Expenditures</b>	<u>4,446,250</u>	<u>4,446,250</u>	<u>4,393,515</u>	<u>52,735</u>
<b>Deficiency of Revenues (Under) Expenditures</b>				
<b>Before Other Financing Sources (Uses)</b>	<u>(4,446,250)</u>	<u>(4,446,250)</u>	<u>(4,392,543)</u>	<u>53,707</u>
<b>Other Financing Sources (Uses)</b>				
Operating transfer from General Fund	4,446,250	4,446,250	4,515,212	68,962
Transfers out	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<b>Total Other Financing Sources (Uses)</b>	<u>4,446,250</u>	<u>4,446,250</u>	<u>4,515,212</u>	<u>68,962</u>
<b>Excess of Revenues and Other Financing Sources (Under) Expenditures and Other Financing Uses</b>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 122,669</u>	<u>\$ 122,669</u>

# NORTH KINGSTOWN, RHODE ISLAND

## SCHEDULE OF REVENUES AND EXPENDITURES BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

### LIBRARY FUND

**FOR THE YEAR ENDED JUNE 30, 2020**

---

	Original Budget	Final Budget	Actual (Budgetary Basis)	Variance with Final Budget Positive (Negative)
<b>Revenues</b>				
State aid	\$ 290,338	\$ 290,338	\$ 298,543	\$ 8,205
Departmental revenue	<u>31,000</u>	<u>31,000</u>	<u>13,438</u>	<u>(17,562)</u>
<b>Total Revenues</b>	<u>321,338</u>	<u>321,338</u>	<u>311,981</u>	<u>(9,357)</u>
<b>Expenditures</b>				
Library	<u>1,712,286</u>	<u>1,712,286</u>	<u>1,770,395</u>	<u>(58,109)</u>
<b>Total Expenditures</b>	<u>1,712,286</u>	<u>1,712,286</u>	<u>1,770,395</u>	<u>(58,109)</u>
<b>Deficiency of Revenues (Under) Expenditures</b>				
<b>Before Other Financing Sources (Uses)</b>	<u>(1,390,948)</u>	<u>(1,390,948)</u>	<u>(1,458,414)</u>	<u>(67,466)</u>
<b>Other Financing Sources (Uses)</b>				
Operating transfer from Town	1,315,000	1,315,000	1,315,000	--
Transfers out	--	--	(39,291)	(39,291)
Transfers from fund balance	<u>75,948</u>	<u>75,948</u>	<u>--</u>	<u>(75,948)</u>
<b>Total Other Financing Sources (Uses)</b>	<u>1,390,948</u>	<u>1,390,948</u>	<u>1,275,709</u>	<u>(115,239)</u>
<b>Deficiency of Revenues and Other Financing Sources (Under) Expenditures and Other Financing Uses</b>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ (182,705)</u>	<u>\$ (182,705)</u>

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS JUNE 30, 2020

	<b>SPECIAL REVENUE FUNDS</b>								
	108	109	112	119	120	121	123	129	
	Land Record Preservation	Spay / Neuter	Library Fund	Juniper Hill Tank Grant	Miscellaneous State Grants	State Grant Police Department	Seized & Forfeited Property Escrow	RI Emergency Management	
<b>Assets</b>									
Cash and cash equivalents	\$ 538,032	\$ 11,936	\$ 113,669	\$ --	\$ --	\$ --	\$ 10,718	\$ 56,612	
Restricted cash	--	--	--	--	--	--	--	--	--
Due from federal & state governments	--	--	1,000	1,031	--	4,875	--	9,586	
Due from other funds	--	--	--	--	--	--	--	--	--
Other receivables, net	--	--	--	--	--	--	--	--	--
Prepays	--	--	--	--	--	--	--	--	--
<b>Total Assets</b>	<b>\$ 538,032</b>	<b>\$ 11,936</b>	<b>\$ 114,669</b>	<b>\$ 1,031</b>	<b>\$ --</b>	<b>\$ 4,875</b>	<b>\$ 10,718</b>	<b>\$ 66,198</b>	
<b>Liabilities</b>									
Accounts payable and accrued expenses	\$ --	\$ --	\$ 85,988	\$ --	\$ --	\$ 1,360	\$ --	\$ --	--
Short term notes payable	--	--	--	--	--	--	--	--	--
Due to other funds	--	--	--	1,031	--	5,930	--	--	--
Unearned revenue	--	--	--	--	--	--	--	--	--
<b>Total Liabilities</b>	<b>--</b>	<b>--</b>	<b>85,988</b>	<b>1,031</b>	<b>--</b>	<b>7,290</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>Deferred Inflows of Resources</b>									
Deferred loans	--	--	--	--	--	--	--	--	--
<b>Total Deferred Inflows of Resources</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>Fund Balances</b>									
Non-spendable	--	--	--	--	--	--	--	--	--
Restricted	--	--	--	--	--	--	10,718	66,198	
Assigned	538,032	11,936	28,681	--	--	--	--	--	--
Unassigned	--	--	--	--	--	(2,415)	--	--	--
<b>Total Fund Balances</b>	<b>538,032</b>	<b>11,936</b>	<b>28,681</b>	<b>--</b>	<b>--</b>	<b>(2,415)</b>	<b>10,718</b>	<b>66,198</b>	
<b>Total Liabilities Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 538,032</b>	<b>\$ 11,936</b>	<b>\$ 114,669</b>	<b>\$ 1,031</b>	<b>\$ --</b>	<b>\$ 4,875</b>	<b>\$ 10,718</b>	<b>\$ 66,198</b>	

*See independent auditors' report on supplementary information.*

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS JUNE 30, 2020

	<b>SPECIAL REVENUE FUNDS</b>								
	174	131	132	133	137	139	151	154	
	Federal Forfeiture	State Elderly Affairs Grant	Land Dedication	Senior Health Insurance Program	Misc Historic District Preservation	RI Foundation Grant	Technology Replacement	Misc Senior Citizens Grant	
<b>Assets</b>									
Cash and cash equivalents	\$ 3,334	\$ --	\$ --	\$ 292	\$ --	\$ --	\$ --	\$ 38,699	
Restricted cash	--	--	--	--	--	--	--	--	--
Due from federal & state governments	--	3,926	--	--	--	--	--	--	--
Due from other funds	--	--	--	--	--	--	--	--	--
Other receivables, net	--	--	--	--	--	--	--	--	--
Prepaids	--	--	--	--	--	--	--	--	--
<b>Total Assets</b>	<b>\$ 3,334</b>	<b>\$ 3,926</b>	<b>\$ --</b>	<b>\$ 292</b>	<b>\$ --</b>	<b>\$ --</b>	<b>\$ --</b>	<b>\$ 38,699</b>	
<b>Liabilities</b>									
Accounts payable and accrued expenses	\$ --	\$ 30	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
Short term notes payable	--	--	--	--	--	--	--	--	--
Due to other funds	--	3,767	--	--	--	--	--	--	--
Unearned revenue	--	--	--	--	--	--	--	--	--
<b>Total Liabilities</b>	<b>--</b>	<b>3,797</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>Deferred Inflows of Resources</b>									
Deferred loans	--	--	--	--	--	--	--	--	--
<b>Total Deferred Inflows of Resources</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>Fund Balances</b>									
Non-spendable	--	--	--	--	--	--	--	--	--
Restricted	3,334	129	--	--	--	--	--	38,699	
Assigned	--	--	--	292	--	--	--	--	--
Unassigned	--	--	--	--	--	--	--	--	--
<b>Total Fund Balances</b>	<b>3,334</b>	<b>129</b>	<b>--</b>	<b>292</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>38,699</b>	
<b>Total Liabilities Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 3,334</b>	<b>\$ 3,926</b>	<b>\$ --</b>	<b>\$ 292</b>	<b>\$ --</b>	<b>\$ --</b>	<b>\$ --</b>	<b>\$ 38,699</b>	

*See independent auditors' report on supplementary information.*

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS JUNE 30, 2020

	<b>SPECIAL REVENUE FUNDS</b>						
	160 Snr Center Legislative Grant	166 Impact Fees	167 Emergency Medical Services	177 Wickford Old Town House	181 CDBG Grants	196 Misc Library Donations	199 Special Purpose Donations
<b>Assets</b>							
Cash and cash equivalents	\$ --	\$ --	\$ 583,126	\$ 5,000	\$ 30,606	\$ 13,472	\$ --
Restricted cash	--	--	--	--	--	--	--
Due from federal & state governments	--	--	79,793	--	21,932	--	921
Due from other funds	--	--	--	--	--	--	--
Other receivables, net	--	--	387,013	--	423,357	--	--
Prepaids	--	--	--	--	--	--	--
<b>Total Assets</b>	<b>\$ --</b>	<b>\$ --</b>	<b>\$ 1,049,932</b>	<b>\$ 5,000</b>	<b>\$ 475,895</b>	<b>\$ 13,472</b>	<b>\$ 921</b>
<b>Liabilities</b>							
Accounts payable and accrued expenses	\$ --	\$ --	\$ 47,363	\$ --	\$ 11,496	\$ --	\$ 345
Short term notes payable	--	--	--	--	--	--	--
Due to other funds	--	--	--	--	10,756	--	10,064
Unearned revenue	--	--	79,793	--	--	--	--
<b>Total Liabilities</b>	<b>--</b>	<b>--</b>	<b>127,156</b>	<b>--</b>	<b>22,252</b>	<b>--</b>	<b>10,409</b>
<b>Deferred Inflows of Resources</b>							
Deferred loans	--	--	--	--	423,357	--	--
<b>Total Deferred Inflows of Resources</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>423,357</b>	<b>--</b>	<b>--</b>
<b>Fund Balances</b>							
Non-spendable	--	--	--	--	--	--	--
Restricted	--	--	--	--	30,286	13,472	--
Assigned	--	--	922,776	5,000	--	--	--
Unassigned	--	--	--	--	--	--	(9,488)
<b>Total Fund Balances</b>	<b>--</b>	<b>--</b>	<b>922,776</b>	<b>5,000</b>	<b>30,286</b>	<b>13,472</b>	<b>(9,488)</b>
<b>Total Liabilities Deferred Inflows of Resources and Fund Balances</b>	<b>\$ --</b>	<b>\$ --</b>	<b>\$ 1,049,932</b>	<b>\$ 5,000</b>	<b>\$ 475,895</b>	<b>\$ 13,472</b>	<b>\$ 921</b>

*See independent auditors' report on supplementary information.*

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS JUNE 30, 2020

	<b>SPECIAL REVENUE FUNDS</b>						
	201	378	420	442	856	858	
	Safer Grant	Tax Reval Reserve Fund	Beach Camps	Water Infra. Replacement	Senior Citizens Center	Arts Council	
<b>Assets</b>							
Cash and cash equivalents	\$ 6,510	\$ 271,022	\$ 16,332	\$ 15,977	\$ 130,505	\$ 20,365	
Restricted cash	--	--	--	--	--	--	
Due from federal & state governments	37,443	--	--	--	--	--	
Due from other funds	--	--	--	--	--	--	
Other receivables, net	--	--	--	2,134	--	--	
Prepays	--	--	--	--	--	--	
<b>Total Assets</b>	<b><u>43,953</u></b>	<b><u>271,022</u></b>	<b><u>16,332</u></b>	<b><u>18,111</u></b>	<b><u>130,505</u></b>	<b><u>20,365</u></b>	
<b>Liabilities</b>							
Accounts payable and accrued expenses	\$ 46,825	\$ --	\$ --	\$ --	\$ 485	\$ 2,931	
Short term notes payable	--	--	--	--	--	--	
Due to other funds	--	--	--	--	--	--	
Unearned revenue	--	--	--	--	--	--	
<b>Total Liabilities</b>	<b><u>46,825</u></b>	<b><u>--</u></b>	<b><u>--</u></b>	<b><u>--</u></b>	<b><u>485</u></b>	<b><u>2,931</u></b>	
<b>Deferred Inflows of Resources</b>							
Deferred loans	--	--	--	--	--	--	
<b>Total Deferred Inflows of Resources</b>	<b><u>--</u></b>	<b><u>--</u></b>	<b><u>--</u></b>	<b><u>--</u></b>	<b><u>--</u></b>	<b><u>--</u></b>	
<b>Fund Balances</b>							
Non-spendable	--	--	--	--	--	--	
Restricted	--	--	--	--	130,020	17,434	
Assigned	--	271,022	16,332	18,111	--	--	
Unassigned	(2,872)	--	--	--	--	--	
<b>Total Fund Balances</b>	<b><u>(2,872)</u></b>	<b><u>271,022</u></b>	<b><u>16,332</u></b>	<b><u>18,111</u></b>	<b><u>130,020</u></b>	<b><u>17,434</u></b>	
<b>Total Liabilities Deferred Inflows of Resources and Fund Balances</b>	<b><u>43,953</u></b>	<b><u>271,022</u></b>	<b><u>16,332</u></b>	<b><u>18,111</u></b>	<b><u>130,505</u></b>	<b><u>20,365</u></b>	

*See independent auditors' report on supplementary information.*

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS JUNE 30, 2020

	<b>SPECIAL REVENUE FUNDS</b>							Total Special Revenue Funds
	859 Senior Outreach Escrow	870 Parade Committee	871 Leisure Services Brouchure	873 Community Center Maintenance	874 Heritage Committee	875 Recreation Escrow		
<b>Assets</b>								
Cash and cash equivalents	\$ --	\$ 1,338	\$ --	\$ 68,886	\$ --	\$ 249,519	\$ 2,185,950	
Restricted cash	--	--	--	--	--	--	--	--
Due from federal & state governments	--	--	--	--	--	--	--	160,507
Due from other funds	--	--	--	--	--	--	--	--
Other receivables, net	--	--	--	--	--	--	--	812,504
Prepays	--	--	--	--	--	--	--	--
<b>Total Assets</b>	<b>\$ --</b>	<b>\$ 1,338</b>	<b>\$ --</b>	<b>\$ 68,886</b>	<b>\$ --</b>	<b>\$ 249,519</b>	<b>\$ 3,158,961</b>	
<b>Liabilities</b>								
Accounts payable and accrued expenses	\$ --	\$ 269	\$ --	\$ 177	\$ --	\$ 24,055	\$ 221,324	
Short term notes payable	--	--	--	--	--	--	--	--
Due to other funds	--	--	--	--	--	--	--	31,548
Unearned revenue	--	--	--	--	--	--	--	79,793
<b>Total Liabilities</b>	<b>--</b>	<b>269</b>	<b>--</b>	<b>177</b>	<b>--</b>	<b>24,055</b>	<b>332,665</b>	
<b>Deferred Inflows of Resources</b>								
Deferred loans	--	--	--	--	--	--	--	423,357
<b>Total Deferred Inflows of Resources</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>423,357</b>
<b>Fund Balances</b>								
Non-spendable	--	--	--	--	--	--	--	--
Restricted	--	--	--	--	--	--	--	310,290
Assigned	--	1,069	--	68,709	--	225,464	2,107,424	
Unassigned	--	--	--	--	--	--	(14,775)	
<b>Total Fund Balances</b>	<b>--</b>	<b>1,069</b>	<b>--</b>	<b>68,709</b>	<b>--</b>	<b>225,464</b>	<b>2,402,939</b>	
<b>Total Liabilities Deferred Inflows of Resources and Fund Balances</b>	<b>\$ --</b>	<b>\$ 1,338</b>	<b>\$ --</b>	<b>\$ 68,886</b>	<b>\$ --</b>	<b>\$ 249,519</b>	<b>\$ 3,158,961</b>	

*See independent auditors' report on supplementary information.*

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS JUNE 30, 2020

	<b>CAPITAL PROJECT FUNDS</b>					Total Capital Project Funds
	300	325	374	3201		
	Capital Reserve	'6.4M School Renovation Bond	Farmland & Open Space Reserve	School Capital Projects		
<b>Assets</b>						
Cash and cash equivalents	\$ 1,450,099	\$ --	\$ 1,454,360	\$ 537,257	\$ 3,441,716	
Restricted cash	--	--	--	--	--	
Due from federal & state governments	--	--	--	--	--	
Due from other funds	--	--	--	--	--	
Other receivables, net	--	--	--	--	--	
Prepays	--	--	--	--	--	
<b>Total Assets</b>	<b><u>\$ 1,450,099</u></b>	<b><u>\$ --</u></b>	<b><u>\$ 1,454,360</u></b>	<b><u>\$ 537,257</u></b>	<b><u>\$ 3,441,716</u></b>	
<b>Liabilities</b>						
Accounts payable and accrued expenses	\$ 56,800	\$ --	\$ --	\$ 15,495	\$ 72,295	
Short term notes payable	--	--	--	--	--	
Due to other funds	--	--	--	--	--	
Unearned revenue	--	--	--	--	--	
<b>Total Liabilities</b>	<b><u>56,800</u></b>	<b><u>--</u></b>	<b><u>--</u></b>	<b><u>15,495</u></b>	<b><u>72,295</u></b>	
<b>Deferred Inflows of Resources</b>						
Deferred loans	--	--	--	--	--	
<b>Total Deferred Inflows of Resources</b>	<b><u>--</u></b>	<b><u>--</u></b>	<b><u>--</u></b>	<b><u>--</u></b>	<b><u>--</u></b>	
<b>Fund Balances</b>						
Non-spendable	--	--	--	--	--	
Restricted	--	--	1,454,360	--	1,454,360	
Assigned	1,393,299	--	--	521,762	1,915,061	
Unassigned	--	--	--	--	--	
<b>Total Fund Balances</b>	<b><u>1,393,299</u></b>	<b><u>--</u></b>	<b><u>1,454,360</u></b>	<b><u>521,762</u></b>	<b><u>3,369,421</u></b>	
<b>Total Liabilities Deferred Inflows of Resources and Fund Balances</b>	<b><u>\$ 1,450,099</u></b>	<b><u>\$ --</u></b>	<b><u>\$ 1,454,360</u></b>	<b><u>\$ 537,257</u></b>	<b><u>\$ 3,441,716</u></b>	

*See independent auditors' report on supplementary information.*

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS JUNE 30, 2020

	<b>PERMANENT TRUST FUNDS</b>							
	702 Henry Reynolds Indigent Care	723 Tri Centennial Park	724 400th Anniversary	751 H Reynolds Outside Poor Fund	752 J.J. Spink Outside Poor Fund	753 J.B. Spink Outside Poor Fund	754 T Casey Outside Poor Fund	790 E Miller Library Fund
<b>Assets</b>								
Cash and cash equivalents	\$ 19,173	\$ 6,160	\$ 3,648	\$ 2,203	\$ 21,233	\$ 3,651	\$ 514	\$ 2,014
Restricted cash	--	--	--	--	--	--	--	--
Due from federal & state governments	--	--	--	--	--	--	--	--
Due from other funds	--	--	--	--	--	--	--	--
Other receivables, net	--	--	--	--	--	--	--	--
Prepays	--	--	--	--	--	--	--	--
<b>Total Assets</b>	<b>\$ 19,173</b>	<b>\$ 6,160</b>	<b>\$ 3,648</b>	<b>\$ 2,203</b>	<b>\$ 21,233</b>	<b>\$ 3,651</b>	<b>\$ 514</b>	<b>\$ 2,014</b>
<b>Liabilities</b>								
Accounts payable and accrued expenses	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 463	\$ --	\$ --
Short term notes payable	--	--	--	--	--	--	--	--
Due to other funds	--	--	--	--	--	--	--	--
Unearned revenue	--	--	--	--	--	--	--	--
<b>Total Liabilities</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>463</b>	<b>--</b>	<b>--</b>
<b>Deferred Inflows of Resources</b>								
Deferred loans	--	--	--	--	--	--	--	--
<b>Total Deferred Inflows of Resources</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>Fund Balances</b>								
Non-spendable	--	--	--	--	--	--	--	--
Restricted	19,173	6,160	3,648	2,203	21,233	3,188	514	2,014
Assigned	--	--	--	--	--	--	--	--
Unassigned	--	--	--	--	--	--	--	--
<b>Total Fund Balances</b>	<b>19,173</b>	<b>6,160</b>	<b>3,648</b>	<b>2,203</b>	<b>21,233</b>	<b>3,188</b>	<b>514</b>	<b>2,014</b>
<b>Total Liabilities Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 19,173</b>	<b>\$ 6,160</b>	<b>\$ 3,648</b>	<b>\$ 2,203</b>	<b>\$ 21,233</b>	<b>\$ 3,651</b>	<b>\$ 514</b>	<b>\$ 2,014</b>

*See independent auditors' report on supplementary information.*

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS JUNE 30, 2020

<b>PERMANENT TRUST FUNDS</b>											Total NonMajor Governmental Funds
	791 W. Davis Library Fund	792 Veterans Memorial Scholarship	8005 S. Belle Hendrick Library	8006 George E. Gardiner	8007 Daniel B. Updike	8008 Tennis Plaque	Total Permanent Trust Funds				
<b>Assets</b>											
Cash and cash equivalents	\$ 5,035	\$ 7,343	\$ 8,558	\$ 5,589	\$ 4,227	\$ 268	\$ 89,616	\$ 5,717,282			
Restricted cash	--	--	--	--	--	--	--	--			
Due from federal & state governments	--	--	--	--	--	--	--	--			160,507
Due from other funds	--	--	--	--	--	--	--	--			--
Other receivables, net	--	--	--	--	--	--	--	--			812,504
Prepays	--	--	--	--	--	--	--	--			--
<b>Total Assets</b>	<b>\$ 5,035</b>	<b>\$ 7,343</b>	<b>\$ 8,558</b>	<b>\$ 5,589</b>	<b>\$ 4,227</b>	<b>\$ 268</b>	<b>\$ 89,616</b>	<b>\$ 6,690,293</b>			
<b>Liabilities</b>											
Accounts payable and accrued expenses	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 463	\$ 294,082			
Short term notes payable	--	--	--	--	--	--	--	--			--
Due to other funds	--	--	--	--	--	--	--	--			31,548
Unearned revenue	--	--	--	--	--	--	--	--			79,793
<b>Total Liabilities</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>463</b>			405,423
<b>Deferred Inflows of Resources</b>											
Deferred loans	--	--	--	--	--	--	--	--			423,357
<b>Total Deferred Inflows of Resources</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>			423,357
<b>Fund Balances</b>											
Non-spendable	--	--	--	--	--	--	--	--			--
Restricted	5,035	7,343	8,558	5,589	4,227	268	89,153	1,853,803			
Assigned	--	--	--	--	--	--	--	--			4,022,485
Unassigned	--	--	--	--	--	--	--	--			(14,775)
<b>Total Fund Balances</b>	<b>5,035</b>	<b>7,343</b>	<b>8,558</b>	<b>5,589</b>	<b>4,227</b>	<b>268</b>	<b>89,153</b>	<b>5,861,513</b>			
<b>Total Liabilities Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 5,035</b>	<b>\$ 7,343</b>	<b>\$ 8,558</b>	<b>\$ 5,589</b>	<b>\$ 4,227</b>	<b>\$ 268</b>	<b>\$ 89,616</b>	<b>\$ 6,690,293</b>			

*See independent auditors' report on supplementary information.*

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS FOR THE YEAR ENDED JUNE 30, 2020

	SPECIAL REVENUE FUNDS								
	108	109	112	119	120	121	123	129	
	Land Record Preservation	Spay / Neuter	Library Fund	Juniper Hill Tank Grant	Miscellaneous State Grants	State Grant Police Department	Seized & Forfeited Property Escrow	RI Emergency Management	
<b>Revenues</b>									
Intergovernmental	\$ --	\$ --	\$ 298,543	\$ --	\$ --	\$ 1,534	\$ --	\$ 23,054	
Investment income	--	--	--	--	--	--	--	--	--
Departmental	38,483	--	12,438	--	3,272	--	--	--	--
Other	179	1,456	1,000	1,519	--	16,253	--	--	--
<b>Total Revenues</b>	<b>38,662</b>	<b>1,456</b>	<b>311,981</b>	<b>1,519</b>	<b>3,272</b>	<b>17,787</b>	<b>--</b>	<b>23,054</b>	
<b>Expenditures</b>									
<b>Current</b>									
General government	--	--	--	1,519	3,272	--	1,135	--	
Public safety	--	7,358	--	--	--	--	--	23,054	
Public works	--	--	--	--	--	19,389	--	--	
Public libraries	--	--	1,770,395	--	--	--	--	--	
Senior services	--	--	--	--	--	--	--	--	
<b>Capital Outlays</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	
<b>Total Expenditures</b>	<b>--</b>	<b>7,358</b>	<b>1,770,395</b>	<b>1,519</b>	<b>3,272</b>	<b>19,389</b>	<b>1,135</b>	<b>23,054</b>	
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>									
	38,662	(5,902)	(1,458,414)	--	--	(1,602)	(1,135)	--	
<b>Other Financing Sources (Uses)</b>									
Transfers in	499,370	17,838	1,315,000	--	--	--	--	--	
Transfers out	--	--	(39,291)	--	--	--	--	--	
<b>Total Other Financing Sources (Uses)</b>	<b>499,370</b>	<b>17,838</b>	<b>1,275,709</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	
<b>Net Change in Fund Balances</b>	<b>538,032</b>	<b>11,936</b>	<b>(182,705)</b>	<b>--</b>	<b>--</b>	<b>(1,602)</b>	<b>(1,135)</b>	<b>--</b>	
<b>Fund Balance - Beginning of Year, as restated</b>	<b>--</b>	<b>--</b>	<b>211,386</b>	<b>--</b>	<b>--</b>	<b>(813)</b>	<b>11,853</b>	<b>66,198</b>	
<b>Fund Balance - End of Year</b>	<b>\$ 538,032</b>	<b>\$ 11,936</b>	<b>\$ 28,681</b>	<b>\$ --</b>	<b>\$ --</b>	<b>\$ (2,415)</b>	<b>\$ 10,718</b>	<b>\$ 66,198</b>	

*See independent auditors' report on supplementary information.*

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS FOR THE YEAR ENDED JUNE 30, 2020

	<b>SPECIAL REVENUE FUNDS</b>							
	174	131	132	133	137	139	151	154
	Federal Forfeiture	State Elderly Affairs Grant	Land Dedication	Senior Health Insurance Program	Misc Historic District Preservation	RI Foundation Grant	Technology Replacement	Misc Senior Citizens Grant
<b>Revenues</b>								
Intergovernmental	\$ 12,334	\$ 22,495	\$ --	\$ 22,500	\$ --	\$ --	\$ --	\$ --
Investment income	--	--	--	--	--	--	--	--
Departmental	--	--	--	--	--	--	--	--
Other	--	--	--	--	--	--	(1,885)	--
<b>Total Revenues</b>	<b>12,334</b>	<b>22,495</b>	<b>--</b>	<b>22,500</b>	<b>--</b>	<b>--</b>	<b>(1,885)</b>	<b>--</b>
<b>Expenditures</b>								
<b>Current</b>								
General government	--	--	--	18,001	--	--	162	--
Public safety	9,000	--	--	--	--	--	--	--
Public works	--	--	--	--	--	--	--	--
Public libraries	--	--	--	--	--	--	--	--
Senior services	--	22,366	--	--	--	--	--	--
<b>Capital Outlays</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>Total Expenditures</b>	<b>9,000</b>	<b>22,366</b>	<b>--</b>	<b>18,001</b>	<b>--</b>	<b>--</b>	<b>162</b>	<b>--</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>								
	<b>3,334</b>	<b>129</b>	<b>--</b>	<b>4,499</b>	<b>--</b>	<b>--</b>	<b>(2,047)</b>	<b>--</b>
<b>Other Financing Sources (Uses)</b>								
Transfers in	--	--	--	--	--	--	--	--
Transfers out	--	--	--	--	(674)	--	(4,529)	--
<b>Total Other Financing Sources (Uses)</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>(674)</b>	<b>--</b>	<b>(4,529)</b>	<b>--</b>
<b>Net Change in Fund Balances</b>	<b>3,334</b>	<b>129</b>	<b>--</b>	<b>4,499</b>	<b>(674)</b>	<b>--</b>	<b>(6,576)</b>	<b>--</b>
<b>Fund Balance - Beginning of Year, as restated</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>(4,207)</b>	<b>674</b>	<b>--</b>	<b>6,576</b>	<b>38,699</b>
<b>Fund Balance - End of Year</b>	<b>\$ 3,334</b>	<b>\$ 129</b>	<b>\$ --</b>	<b>\$ 292</b>	<b>\$ --</b>	<b>\$ --</b>	<b>\$ --</b>	<b>\$ 38,699</b>

*See independent auditors' report on supplementary information.*

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS FOR THE YEAR ENDED JUNE 30, 2020

	<b>SPECIAL REVENUE FUNDS</b>						
	160 Snr Center Legislative Grant	166 Impact Fees	167 Emergency Medical Services	177 Wickford Old Town House	181 CDBG Grants	196 Misc Library Donations	199 Special Purpose Donations
<b>Revenues</b>							
Intergovernmental	\$ --	\$ --	\$ 988,832	\$ --	\$ 107,595	\$ 1,239	\$ --
Investment income	--	--	--	--	--	--	--
Departmental	--	--	--	--	--	--	--
Other	1,300	29,367	--	--	--	--	3,825
<b>Total Revenues</b>	<b>1,300</b>	<b>29,367</b>	<b>988,832</b>	<b>--</b>	<b>107,595</b>	<b>1,239</b>	<b>3,825</b>
<b>Expenditures</b>							
<b>    Current</b>							
General government	--	--	516,256	--	284,592	--	3,823
Public safety	--	--	977,371	--	--	--	--
Public works	--	--	--	--	60,317	--	--
Public libraries	--	--	--	--	--	142	--
Senior services	1,300	--	--	--	--	--	--
<b>    Capital Outlays</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>Total Expenditures</b>	<b>1,300</b>	<b>--</b>	<b>1,493,627</b>	<b>--</b>	<b>344,909</b>	<b>142</b>	<b>3,823</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>--</b>	<b>29,367</b>	<b>(504,795)</b>	<b>--</b>	<b>(237,314)</b>	<b>1,097</b>	<b>2</b>
<b>Other Financing Sources (Uses)</b>							
Transfers in	--	1,382	--	--	--	--	--
Transfers out	(1,453)	--	(600,000)	--	--	--	--
<b>Total Other Financing Sources (Uses)</b>	<b>(1,453)</b>	<b>1,382</b>	<b>(600,000)</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>Net Change in Fund Balances</b>	<b>(1,453)</b>	<b>30,749</b>	<b>(1,104,795)</b>	<b>--</b>	<b>(237,314)</b>	<b>1,097</b>	<b>2</b>
<b>Fund Balance - Beginning of Year, as restated</b>	<b>1,453</b>	<b>(30,749)</b>	<b>2,027,571</b>	<b>5,000</b>	<b>267,600</b>	<b>12,375</b>	<b>(9,490)</b>
<b>Fund Balance - End of Year</b>	<b>\$ --</b>	<b>\$ --</b>	<b>\$ 922,776</b>	<b>\$ 5,000</b>	<b>\$ 30,286</b>	<b>\$ 13,472</b>	<b>\$ (9,488)</b>

*See independent auditors' report on supplementary information.*

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS FOR THE YEAR ENDED JUNE 30, 2020

	<b>SPECIAL REVENUE FUNDS</b>					
	201	378	420	442	856	858
	Safer Grant	Tax Reval Reserve Fund	Beach Camps	Water Infra. Replacement	Senior Citizens Center	Arts Council
<b>Revenues</b>						
Intergovernmental	\$ --	\$ --	\$ --	\$ 2,886	\$ --	\$ --
Investment income	--	--	--	--	--	--
Departmental	--	--	12,247	--	--	--
Other	--	--	--	--	101,995	35,084
<b>Total Revenues</b>	<b>--</b>	<b>--</b>	<b>12,247</b>	<b>2,886</b>	<b>101,995</b>	<b>35,084</b>
<b>Expenditures</b>						
<b>Current</b>						
General government	--	--	--	--	--	21,982
Public safety	2,872	--	--	--	--	--
Public works	--	--	--	--	--	--
Public libraries	--	--	680	--	--	--
Senior services	--	--	--	--	100,155	--
<b>Capital Outlays</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>Total Expenditures</b>	<b>2,872</b>	<b>--</b>	<b>680</b>	<b>--</b>	<b>100,155</b>	<b>21,982</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(2,872)</b>	<b>--</b>	<b>11,567</b>	<b>2,886</b>	<b>1,840</b>	<b>13,102</b>
<b>Other Financing Sources (Uses)</b>						
Transfers in	--	225,000	--	--	1,758	--
Transfers out	--	--	--	--	--	--
<b>Total Other Financing Sources (Uses)</b>	<b>--</b>	<b>225,000</b>	<b>--</b>	<b>--</b>	<b>1,758</b>	<b>--</b>
<b>Net Change in Fund Balances</b>	<b>(2,872)</b>	<b>225,000</b>	<b>11,567</b>	<b>2,886</b>	<b>3,598</b>	<b>13,102</b>
<b>Fund Balance - Beginning of Year, as restated</b>	<b>--</b>	<b>46,022</b>	<b>4,765</b>	<b>15,225</b>	<b>126,422</b>	<b>4,332</b>
<b>Fund Balance - End of Year</b>	<b>\$ (2,872)</b>	<b>\$ 271,022</b>	<b>\$ 16,332</b>	<b>\$ 18,111</b>	<b>\$ 130,020</b>	<b>\$ 17,434</b>

*See independent auditors' report on supplementary information.*

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS FOR THE YEAR ENDED JUNE 30, 2020

	<b>SPECIAL REVENUE FUNDS</b>						Total Special Revenue Funds
	859 Senior Outreach Escrow	870 Parade Committee	871 Leisure Services Brouchure	873 Community Center Maintenance	874 Heritage Committee	875 Recreation Escrow	
<b>Revenues</b>							
Intergovernmental	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 1,481,012
Investment income	--	--	--	--	--	--	--
Departmental	--	--	--	--	--	--	66,440
Other	--	1,500	--	8,862	144	272,092	472,691
<b>Total Revenues</b>	<b>--</b>	<b>1,500</b>	<b>--</b>	<b>8,862</b>	<b>144</b>	<b>272,092</b>	<b>2,020,143</b>
<b>Expenditures</b>							
<b>    Current</b>							
General government	--	1,522	--	2,935	--	285,668	1,140,867
Public safety	--	--	--	--	--	--	1,019,655
Public works	--	--	--	--	--	--	79,706
Public libraries	--	--	--	--	--	--	1,771,217
Senior services	--	188	1,400	--	--	--	125,409
<b>    Capital Outlays</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>Total Expenditures</b>	<b>--</b>	<b>1,710</b>	<b>1,400</b>	<b>2,935</b>	<b>--</b>	<b>285,668</b>	<b>4,136,854</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>--</b>	<b>(210)</b>	<b>(1,400)</b>	<b>5,927</b>	<b>144</b>	<b>(13,576)</b>	<b>(2,116,711)</b>
<b>Other Financing Sources (Uses)</b>							
Transfers in	--	--	--	--	--	--	2,060,348
Transfers out	(304)	--	--	--	--	--	(646,251)
<b>Total Other Financing Sources (Uses)</b>	<b>(304)</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>1,414,097</b>
<b>Net Change in Fund Balances</b>	<b>(304)</b>	<b>(210)</b>	<b>(1,400)</b>	<b>5,927</b>	<b>144</b>	<b>(13,576)</b>	<b>(702,614)</b>
<b>Fund Balance - Beginning of Year, as restated</b>	<b>304</b>	<b>1,279</b>	<b>1,400</b>	<b>62,782</b>	<b>(144)</b>	<b>239,040</b>	<b>3,105,553</b>
<b>Fund Balance - End of Year</b>	<b>\$ --</b>	<b>\$ 1,069</b>	<b>\$ --</b>	<b>\$ 68,709</b>	<b>\$ --</b>	<b>\$ 225,464</b>	<b>\$ 2,402,939</b>

*See independent auditors' report on supplementary information.*

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS FOR THE YEAR ENDED JUNE 30, 2020

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	<b>CAPITAL PROJECT FUNDS</b>				
	300	325	374	3201	Total Capital Project Funds
	Capital Reserve	'6.4M School Renovation Bond	Farmland & Open Space Reserve	School Capital Projects	
<b>Revenues</b>					
Intergovernmental	\$ --	\$ --	\$ --	\$ 216,985	\$ 216,985
Investment income	--	--	--	--	--
Departmental	--	--	--	--	--
Other	--	17,324	--	313,566	330,890
<b>Total Revenues</b>	<u>--</u>	<u>17,324</u>	<u>--</u>	<u>530,551</u>	<u>547,875</u>
<b>Expenditures</b>					
<b>    Current</b>					
General government	--	--	6,816	81,886	88,702
Public safety	--	--	--	--	--
Public works	--	--	--	--	--
Public libraries	--	--	--	--	--
Senior services	--	--	--	--	--
<b>    Capital Outlays</b>	<u>154,843</u>	<u>--</u>	<u>--</u>	<u>310,357</u>	<u>465,200</u>
<b>Total Expenditures</b>	<u>154,843</u>	<u>--</u>	<u>6,816</u>	<u>392,243</u>	<u>553,902</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>(154,843)</u>	<u>17,324</u>	<u>(6,816)</u>	<u>138,308</u>	<u>(6,027)</u>
<b>Other Financing Sources (Uses)</b>					
Transfers in	--	--	--	259,932	259,932
Transfers out	<u>(25,536)</u>	<u>(68,962)</u>	<u>--</u>	<u>(552,074)</u>	<u>(646,572)</u>
<b>Total Other Financing Sources (Uses)</b>	<u>(25,536)</u>	<u>(68,962)</u>	<u>--</u>	<u>(292,142)</u>	<u>(386,640)</u>
<b>Net Change in Fund Balances</b>	<u>(180,379)</u>	<u>(51,638)</u>	<u>(6,816)</u>	<u>(153,834)</u>	<u>(392,667)</u>
<b>Fund Balance - Beginning of Year, as restated</b>	<u>1,573,678</u>	<u>51,638</u>	<u>1,461,176</u>	<u>675,596</u>	<u>3,762,088</u>
<b>Fund Balance - End of Year</b>	<u>\$ 1,393,299</u>	<u>\$ --</u>	<u>\$ 1,454,360</u>	<u>\$ 521,762</u>	<u>\$ 3,369,421</u>

*See independent auditors' report on supplementary information.*

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS FOR THE YEAR ENDED JUNE 30, 2020

	<b>PERMANENT TRUST FUNDS</b>								
	702 Henry Reynolds Indigent Care	723 Tri Centennial Park	724 400th Anniversary	751 H Reynolds Outside Poor Fund	752 J.J. Spink Outside Poor Fund	753 J.B. Spink Outside Poor Fund	754 T Casey Outside Poor Fund	790 E Miller Library Fund	
	\$								
<b>Revenues</b>									
Intergovernmental	--	\$	--	\$	--	\$	--	\$	--
Investment income	--		11	--	4	37	8	3	3
Departmental	--		--	--	--	--	--	--	--
Other	--		--	--	--	--	--	--	--
<b>Total Revenues</b>	<b>--</b>	<b>11</b>	<b>--</b>	<b>4</b>	<b>37</b>	<b>8</b>	<b>3</b>	<b>3</b>	
<b>Expenditures</b>									
<b>Current</b>									
General government	--		--	--	--	--	2,119	1,687	--
Public safety	--		--	--	--	--	--	--	--
Public works	--		--	--	--	--	--	--	--
Public libraries	--		--	--	--	--	--	--	--
Senior services	--		--	--	--	--	--	--	--
<b>Capital Outlays</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	
<b>Total Expenditures</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>2,119</b>	<b>1,687</b>	
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>									
	--	11	--	4	37	(2,111)	(1,684)	3	
<b>Other Financing Sources (Uses)</b>									
Transfers in	--		--	--	--	--	--	--	--
Transfers out	--		--	--	--	--	--	--	--
<b>Total Other Financing Sources (Uses)</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	
<b>Net Change in Fund Balances</b>	<b>--</b>	<b>11</b>	<b>--</b>	<b>4</b>	<b>37</b>	<b>(2,111)</b>	<b>(1,684)</b>	<b>3</b>	
<b>Fund Balance - Beginning of Year, as restated</b>	<b>19,173</b>	<b>6,149</b>	<b>3,648</b>	<b>2,199</b>	<b>21,196</b>	<b>5,299</b>	<b>2,198</b>	<b>2,011</b>	
<b>Fund Balance - End of Year</b>	<b>\$ 19,173</b>	<b>\$ 6,160</b>	<b>\$ 3,648</b>	<b>\$ 2,203</b>	<b>\$ 21,233</b>	<b>\$ 3,188</b>	<b>\$ 514</b>	<b>\$ 2,014</b>	

*See independent auditors' report on supplementary information.*

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS FOR THE YEAR ENDED JUNE 30, 2020

PERMANENT TRUST FUNDS									Total NonMajor Governmental Funds
791 W. Davis Library Fund	792 Veterans Memorial Scholarship	8005 S. Belle Hendrick Library	8006 George E. Gardiner	8007 Daniel B. Updike	8008 Tennis Plaque	Total Permanent Trust Funds			
<b>Revenues</b>									
Intergovernmental	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 1,697,997
Investment income	9	--	--	--	--	--	--	75	75
Departmental	--	--	--	--	--	--	--	--	66,440
Other	--	364	--	--	--	--	--	364	803,945
<b>Total Revenues</b>	<b>9</b>	<b>364</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>439</b>	<b>2,568,457</b>
<b>Expenditures</b>									
<b>Current</b>									
General government	--	--	60	60	--	--	3,926	1,233,495	
Public safety	--	--	--	--	--	--	--	1,019,655	
Public works	--	--	--	--	--	--	--	79,706	
Public libraries	--	--	--	--	--	--	--	1,771,217	
Senior services	--	--	--	--	--	--	--	125,409	
<b>Capital Outlays</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>465,200</b>
<b>Total Expenditures</b>	<b>--</b>	<b>--</b>	<b>60</b>	<b>60</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>3,926</b>	<b>4,694,682</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>9</b>	<b>364</b>	<b>(60)</b>	<b>(60)</b>	<b>--</b>	<b>--</b>	<b>(3,487)</b>	<b>(2,126,225)</b>	
<b>Other Financing Sources (Uses)</b>									
Transfers in	--	--	--	--	--	--	--	2,320,280	
Transfers out	--	--	--	--	--	--	--	(1,292,823)	
<b>Total Other Financing Sources (Uses)</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>1,027,457</b>	
<b>Net Change in Fund Balances</b>	<b>9</b>	<b>364</b>	<b>(60)</b>	<b>(60)</b>	<b>--</b>	<b>--</b>	<b>(3,487)</b>	<b>(1,098,768)</b>	
<b>Fund Balance - Beginning of Year, as restated</b>	<b>5,026</b>	<b>6,979</b>	<b>8,618</b>	<b>5,649</b>	<b>4,227</b>	<b>268</b>	<b>92,640</b>	<b>6,960,281</b>	
<b>Fund Balance - End of Year</b>	<b>\$ 5,035</b>	<b>\$ 7,343</b>	<b>\$ 8,558</b>	<b>\$ 5,589</b>	<b>\$ 4,227</b>	<b>\$ 268</b>	<b>\$ 89,153</b>	<b>\$ 5,861,513</b>	

*See independent auditors' report on supplementary information.*

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## COMBINING BALANCE SHEET SCHOOL DEPARTMENT FUNDS JUNE 30, 2020

	SCHOOL DEPARTMENT FUNDS					
	School		2100	2104	2109	2110
	Unrestricted	IDEA Part B	Title III	CTE Competitive	Title I	2113
<b>Assets</b>						
Cash and cash equivalents	\$ 6,260,905	\$ --	\$ --	\$ 2,848	\$ --	\$ --
Due from federal & state governments	--	216,877	484	--	131,050	1,453
Due from other funds	847,527	--	--	--	--	--
Other receivables	103,793	--	--	--	--	--
Prepays	8,604	--	--	--	--	--
<b>Total Assets</b>	<b><u>\$ 7,220,829</u></b>	<b><u>\$ 216,877</u></b>	<b><u>\$ 484</u></b>	<b><u>\$ 2,848</u></b>	<b><u>\$ 131,050</u></b>	<b><u>\$ 1,453</u></b>
<b>Liabilities</b>						
Accounts payable and accrued expenditures	\$ 2,529,456	\$ 11,435	\$ 484	\$ --	\$ 1,659	\$ 793
Due to other funds	--	205,442	--	--	129,391	660
Advance from Town	452,552	--	--	--	--	--
Due to other governments	--	--	--	--	--	--
<b>Total Liabilities</b>	<b><u>2,982,008</u></b>	<b><u>216,877</u></b>	<b><u>484</u></b>	<b><u>--</u></b>	<b><u>131,050</u></b>	<b><u>1,453</u></b>
<b>Fund Balances</b>						
Nonspendable	8,604	--	--	--	--	--
Restricted	--	--	--	2,848	--	--
Assigned	4,230,217	--	--	--	--	--
Unassigned	--	--	--	--	--	--
<b>Total Fund Balances</b>	<b><u>4,238,821</u></b>	<b><u>--</u></b>	<b><u>--</u></b>	<b><u>2,848</u></b>	<b><u>--</u></b>	<b><u>--</u></b>
<b>Total Liabilities and Fund Balances</b>	<b><u>\$ 7,220,829</u></b>	<b><u>\$ 216,877</u></b>	<b><u>\$ 484</u></b>	<b><u>\$ 2,848</u></b>	<b><u>\$ 131,050</u></b>	<b><u>\$ 1,453</u></b>

*See independent auditors' report on supplementary information.*

**TOWN OF NORTH KINGSTOWN, RHODE ISLAND**

**COMBINING BALANCE SHEET  
SCHOOL DEPARTMENT FUNDS  
JUNE 30, 2020**

<b>SCHOOL DEPARTMENT FUNDS</b>						
	2114 McKinney Vento-Odd	2115 IDEA Part B-COZ	2116 Scholarship America	2120 ELL Categorical Aid	2122 Perkins - Coventry	2128 RI Leg-DMS
<b>Assets</b>						
Cash and cash equivalents	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 2,500
Due from federal & state governments	--	--	--	4,014	--	--
Due from other funds	--	2,239	--	--	--	--
Other receivables	--	--	--	--	--	--
Prepays	--	--	--	--	--	--
<b>Total Assets</b>	<b><u>\$ --</u></b>	<b><u>\$ 2,239</u></b>	<b><u>\$ --</u></b>	<b><u>\$ 4,014</u></b>	<b><u>\$ --</u></b>	<b><u>\$ 2,500</u></b>
<b>Liabilities</b>						
Accounts payable and accrued expenditures	\$ --	\$ --	\$ --	\$ 1,434	\$ --	\$ --
Due to other funds	--	2,239	--	2,580	--	--
Advance from Town	--	--	--	--	--	--
Due to other governments	--	--	--	--	--	--
<b>Total Liabilities</b>	<b><u>--</u></b>	<b><u>2,239</u></b>	<b><u>--</u></b>	<b><u>4,014</u></b>	<b><u>--</u></b>	<b><u>--</u></b>
<b>Fund Balances</b>						
Nonspendable	--	--	--	--	--	--
Restricted	--	--	--	--	--	2,500
Assigned	--	--	--	--	--	--
Unassigned	--	--	--	--	--	--
<b>Total Fund Balances</b>	<b><u>--</u></b>	<b><u>--</u></b>	<b><u>--</u></b>	<b><u>--</u></b>	<b><u>--</u></b>	<b><u>2,500</u></b>
<b>Total Liabilities and Fund Balances</b>	<b><u>\$ --</u></b>	<b><u>\$ 2,239</u></b>	<b><u>\$ --</u></b>	<b><u>\$ 4,014</u></b>	<b><u>\$ --</u></b>	<b><u>\$ 2,500</u></b>

*See independent auditors' report on supplementary information.*

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## COMBINING BALANCE SHEET SCHOOL DEPARTMENT FUNDS JUNE 30, 2020

	<b>SCHOOL DEPARTMENT FUNDS</b>						
	2130	2132	2133	2160	2180	2234	
	Title II	CTE Categorical	Healthy Schools	Wireless	IDEA Preschool	United Way	
<b>Assets</b>							
Cash and cash equivalents	\$ --	\$ 5,028	\$ 1,846	\$ 1	\$ --	\$ 1,601	
Due from federal & state governments	33,777	72,003	--	--	743	--	
Due from other funds	--	--	--	--	--	--	
Other receivables	--	--	--	--	--	--	
Prepays	--	--	--	--	--	--	
<b>Total Assets</b>	<b><u>33,777</u></b>	<b><u>77,031</u></b>	<b><u>1,846</u></b>	<b><u>1</u></b>	<b><u>743</u></b>	<b><u>1,601</u></b>	
<b>Liabilities</b>							
Accounts payable and accrued expenditures	\$ 1,700	\$ 1,200	\$ --	\$ --	\$ 563	\$ --	
Due to other funds	32,077	--	--	--	180	--	
Advance from Town	--	--	--	--	--	--	
Due to other governments	--	--	--	--	--	--	
<b>Total Liabilities</b>	<b><u>33,777</u></b>	<b><u>1,200</u></b>	<b><u>--</u></b>	<b><u>--</u></b>	<b><u>743</u></b>	<b><u>--</u></b>	
<b>Fund Balances</b>							
Nonspendable	--	--	--	--	--	--	
Restricted	--	75,831	1,846	1	--	1,601	
Assigned	--	--	--	--	--	--	
Unassigned	--	--	--	--	--	--	
<b>Total Fund Balances</b>	<b><u>--</u></b>	<b><u>75,831</u></b>	<b><u>1,846</u></b>	<b><u>1</u></b>	<b><u>--</u></b>	<b><u>1,601</u></b>	
<b>Total Liabilities and Fund Balances</b>	<b><u>33,777</u></b>	<b><u>77,031</u></b>	<b><u>1,846</u></b>	<b><u>1</u></b>	<b><u>743</u></b>	<b><u>1,601</u></b>	

*See independent auditors' report on supplementary information.*

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## COMBINING BALANCE SHEET SCHOOL DEPARTMENT FUNDS JUNE 30, 2020

<b>SCHOOL DEPARTMENT FUNDS</b>						
	2300 Women's Club	2304 Drug Free Donations	2311 RI Leg-April Vaca Camp	2102 Walmart Donations	2317 RI Council Humanities	2318 RISCA Big Yellow
<b>Assets</b>						
Cash and cash equivalents	\$ --	\$ 1,151	\$ 1,000	\$ 1,601	\$ 644	\$ 1,274
Due from federal & state governments	--	--	--	--	--	--
Due from other funds	--	--	--	--	--	--
Other receivables	--	--	--	--	--	--
Prepays	--	--	--	--	--	--
<b>Total Assets</b>	<b><u>\$ --</u></b>	<b><u>\$ 1,151</u></b>	<b><u>\$ 1,000</u></b>	<b><u>\$ 1,601</u></b>	<b><u>\$ 644</u></b>	<b><u>\$ 1,274</u></b>
<b>Liabilities</b>						
Accounts payable and accrued expenditures	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
Due to other funds	--	--	--	--	--	--
Advance from Town	--	--	--	--	--	--
Due to other governments	--	--	--	--	--	--
<b>Total Liabilities</b>	<b><u>--</u></b>	<b><u>--</u></b>	<b><u>--</u></b>	<b><u>--</u></b>	<b><u>--</u></b>	<b><u>--</u></b>
<b>Fund Balances</b>						
Nonspendable	--	--	--	--	--	--
Restricted	--	1,151	1,000	--	644	1,274
Assigned	--	--	--	1,601	--	--
Unassigned	--	--	--	--	--	--
<b>Total Fund Balances</b>	<b><u>--</u></b>	<b><u>1,151</u></b>	<b><u>1,000</u></b>	<b><u>1,601</u></b>	<b><u>644</u></b>	<b><u>1,274</u></b>
<b>Total Liabilities and Fund Balances</b>	<b><u>\$ --</u></b>	<b><u>\$ 1,151</u></b>	<b><u>\$ 1,000</u></b>	<b><u>\$ 1,601</u></b>	<b><u>\$ 644</u></b>	<b><u>\$ 1,274</u></b>

*See independent auditors' report on supplementary information.*

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## COMBINING BALANCE SHEET SCHOOL DEPARTMENT FUNDS JUNE 30, 2020

SCHOOL DEPARTMENT FUNDS						
	2319 COZ Family Center	2320 RISCA Silk Road	2321 Find Your Grind	2322 FM Global	2402 USDA FFVP	2403 Drug Free-Odd
<b>Assets</b>						
Cash and cash equivalents	\$ --	\$ 3,302	\$ 271	\$ 971	\$ --	\$ --
Due from federal & state governments	9,358	--	--	--	9,626	--
Due from other funds	13,288	--	--	--	--	--
Other receivables	--	--	--	--	--	--
Prepays	--	--	--	--	--	--
<b>Total Assets</b>	<b><u>\$ 22,646</u></b>	<b><u>\$ 3,302</u></b>	<b><u>\$ 271</u></b>	<b><u>\$ 971</u></b>	<b><u>\$ 9,626</u></b>	<b><u>\$ --</u></b>
<b>Liabilities</b>						
Accounts payable and accrued expenditures	\$ 293	\$ 400	\$ --	\$ --	\$ --	\$ --
Due to other funds	22,353	--	--	--	9,626	--
Advance from Town	--	--	--	--	--	--
Due to other governments	--	--	--	--	--	--
<b>Total Liabilities</b>	<b><u>22,646</u></b>	<b><u>400</u></b>	<b><u>--</u></b>	<b><u>--</u></b>	<b><u>9,626</u></b>	<b><u>--</u></b>
<b>Fund Balances</b>						
Nonspendable	--	--	--	--	--	--
Restricted	--	2,902	271	--	--	--
Assigned	--	--	--	971	--	--
Unassigned	--	--	--	--	--	--
<b>Total Fund Balances</b>	<b><u>--</u></b>	<b><u>2,902</u></b>	<b><u>271</u></b>	<b><u>971</u></b>	<b><u>--</u></b>	<b><u>--</u></b>
<b>Total Liabilities and Fund Balances</b>	<b><u>\$ 22,646</u></b>	<b><u>\$ 3,302</u></b>	<b><u>\$ 271</u></b>	<b><u>\$ 971</u></b>	<b><u>\$ 9,626</u></b>	<b><u>\$ --</u></b>

*See independent auditors' report on supplementary information.*

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## COMBINING BALANCE SHEET SCHOOL DEPARTMENT FUNDS JUNE 30, 2020

	SCHOOL DEPARTMENT FUNDS						
	2404	2405	2406	2111	2408	2409	
	R.I.I.L.	COZ Misc Donations	Scholarship America-DMS/HS	RISCA	Use of Buildings	Feinstein Foundation	
<b>Assets</b>							
Cash and cash equivalents	\$ 547	\$ 22,540	\$ 2,962	\$ 160	\$ --	\$ 44,240	
Due from federal & state governments	--	--	--	--	--	--	
Due from other funds	--	--	--	--	--	--	
Other receivables	--	--	--	--	907	--	
Prepays	--	--	--	--	--	--	
<b>Total Assets</b>	<b>\$ 547</b>	<b>\$ 22,540</b>	<b>\$ 2,962</b>	<b>\$ 160</b>	<b>\$ 907</b>	<b>\$ 44,240</b>	
<b>Liabilities</b>							
Accounts payable and accrued expenditures	\$ --	\$ 274	\$ 2,289	\$ --	\$ --	\$ --	
Due to other funds	--	--	--	--	907	--	
Advance from Town	--	--	--	--	--	--	
Due to other governments	--	--	--	--	--	--	
<b>Total Liabilities</b>	<b>--</b>	<b>274</b>	<b>2,289</b>	<b>--</b>	<b>907</b>	<b>--</b>	
<b>Fund Balances</b>							
Nonspendable	--	--	--	--	--	--	
Restricted	547	22,266	673	160	--	44,240	
Assigned	--	--	--	--	--	--	
Unassigned	--	--	--	--	--	--	
<b>Total Fund Balances</b>	<b>547</b>	<b>22,266</b>	<b>673</b>	<b>160</b>	<b>--</b>	<b>44,240</b>	
<b>Total Liabilities and Fund Balances</b>	<b>\$ 547</b>	<b>\$ 22,540</b>	<b>\$ 2,962</b>	<b>\$ 160</b>	<b>\$ 907</b>	<b>\$ 44,240</b>	

*See independent auditors' report on supplementary information.*

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## COMBINING BALANCE SHEET SCHOOL DEPARTMENT FUNDS JUNE 30, 2020

	SCHOOL DEPARTMENT FUNDS					
	2410 RI Foundation SPARKS	2413 Robotics Donations	2414 AASA Food Svc	2415 Donations Coaches	2412 RIA EYC	2429 Exxon Mobil
<b>Assets</b>						
Cash and cash equivalents	\$ 5,105	\$ 7,486	\$ 4,933	\$ --	\$ 8,000	\$ 1,399
Due from federal & state governments	--	--	--	--	--	--
Due from other funds	--	--	--	--	--	--
Other receivables	--	--	--	--	--	--
Prepays	--	--	--	--	--	--
<b>Total Assets</b>	<b>\$ 5,105</b>	<b>\$ 7,486</b>	<b>\$ 4,933</b>	<b>\$ --</b>	<b>\$ 8,000</b>	<b>\$ 1,399</b>
<b>Liabilities</b>						
Accounts payable and accrued expenditures	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
Due to other funds	--	--	--	--	--	--
Advance from Town	--	--	--	--	--	--
Due to other governments	--	--	--	--	--	--
<b>Total Liabilities</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>Fund Balances</b>						
Nonspendable	--	--	--	--	--	--
Restricted	5,105	7,486	4,933	--	8,000	1,399
Assigned	--	--	--	--	--	--
Unassigned	--	--	--	--	--	--
<b>Total Fund Balances</b>	<b>5,105</b>	<b>7,486</b>	<b>4,933</b>	<b>--</b>	<b>8,000</b>	<b>1,399</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 5,105</b>	<b>\$ 7,486</b>	<b>\$ 4,933</b>	<b>\$ --</b>	<b>\$ 8,000</b>	<b>\$ 1,399</b>

*See independent auditors' report on supplementary information.*

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## COMBINING BALANCE SHEET SCHOOL DEPARTMENT FUNDS JUNE 30, 2020

SCHOOL DEPARTMENT FUNDS						
	2434 RI Children's Dentistry	2438 People's Credit Union	2454 Credit Unions of RI	2601 Fuji Film Company-HS	2700 NEARI Childrens Fund	2701 Undersea Science
<b>Assets</b>						
Cash and cash equivalents	\$ --	\$ --	\$ 4,086	\$ 1,020	\$ --	\$ --
Due from federal & state governments	--	--	--	--	--	--
Due from other funds	--	--	--	--	--	--
Other receivables	--	--	--	--	--	--
Prepays	--	--	--	--	--	--
<b>Total Assets</b>	<b><u>\$ --</u></b>	<b><u>\$ --</u></b>	<b><u>\$ 4,086</u></b>	<b><u>\$ 1,020</u></b>	<b><u>\$ --</u></b>	<b><u>\$ --</u></b>
<b>Liabilities</b>						
Accounts payable and accrued expenditures	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
Due to other funds	--	--	--	--	--	--
Advance from Town	--	--	--	--	--	--
Due to other governments	--	--	--	--	--	--
<b>Total Liabilities</b>	<b><u>--</u></b>	<b><u>--</u></b>	<b><u>--</u></b>	<b><u>--</u></b>	<b><u>--</u></b>	<b><u>--</u></b>
<b>Fund Balances</b>						
Nonspendable	--	--	--	--	--	--
Restricted	--	--	4,086	1,020	--	--
Assigned	--	--	--	--	--	--
Unassigned	--	--	--	--	--	--
<b>Total Fund Balances</b>	<b><u>--</u></b>	<b><u>--</u></b>	<b><u>4,086</u></b>	<b><u>1,020</u></b>	<b><u>--</u></b>	<b><u>--</u></b>
<b>Total Liabilities and Fund Balances</b>	<b><u>\$ --</u></b>	<b><u>\$ --</u></b>	<b><u>\$ 4,086</u></b>	<b><u>\$ 1,020</u></b>	<b><u>\$ --</u></b>	<b><u>\$ --</u></b>

*See independent auditors' report on supplementary information.*

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## COMBINING BALANCE SHEET SCHOOL DEPARTMENT FUNDS JUNE 30, 2020

<b>SCHOOL DEPARTMENT FUNDS</b>							
	2702 NK Comm Chorus	2703 Sth Pov Law Cntr	2706 Schl Support Pln Implmnt	2712 German Amer Partn	2713 South County Health	2103 CARES ESSER	2207 Perkins TSA Grant
<b>Assets</b>							
Cash and cash equivalents	\$ --	\$ 4,449	\$ --	\$ 1,045	\$ 29,376	\$ --	\$ 2,729
Due from federal & state governments	--	--	--	--	--	435,622	--
Due from other funds	--	--	--	--	--	--	--
Other receivables	--	--	--	--	--	--	--
Prepays	--	--	--	--	--	--	--
<b>Total Assets</b>	<u><u>\$ --</u></u>	<u><u>\$ 4,449</u></u>	<u><u>\$ --</u></u>	<u><u>\$ 1,045</u></u>	<u><u>\$ 29,376</u></u>	<u><u>\$ 435,622</u></u>	<u><u>\$ 2,729</u></u>
<b>Liabilities</b>							
Accounts payable and accrued expenditures	\$ --	\$ --	\$ --	\$ --	\$ 274	\$ --	\$ 2,729
Due to other funds	--	--	--	--	--	435,622	--
Advance from Town	--	--	--	--	--	--	--
Due to other governments	--	--	--	--	--	--	--
<b>Total Liabilities</b>	<u><u>--</u></u>	<u><u>--</u></u>	<u><u>--</u></u>	<u><u>--</u></u>	<u><u>274</u></u>	<u><u>435,622</u></u>	<u><u>2,729</u></u>
<b>Fund Balances</b>							
Nonspendable	--	--	--	--	--	--	--
Restricted	--	4,449	--	1,045	29,102	--	--
Assigned	--	--	--	--	--	--	--
Unassigned	--	--	--	--	--	--	--
<b>Total Fund Balances</b>	<u><u>--</u></u>	<u><u>4,449</u></u>	<u><u>--</u></u>	<u><u>1,045</u></u>	<u><u>29,102</u></u>	<u><u>--</u></u>	<u><u>--</u></u>
<b>Total Liabilities and Fund Balances</b>	<u><u>\$ --</u></u>	<u><u>\$ 4,449</u></u>	<u><u>\$ --</u></u>	<u><u>\$ 1,045</u></u>	<u><u>\$ 29,376</u></u>	<u><u>\$ 435,622</u></u>	<u><u>\$ 2,729</u></u>

*See independent auditors' report on supplementary information.*

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## COMBINING BALANCE SHEET SCHOOL DEPARTMENT FUNDS JUNE 30, 2020

	SCHOOL DEPARTMENT FUNDS						Total School Department Funds
	2440 Youth Ser America	2705 Interbuild Donation	2707 Kid Wind	2708 Verizon Donation	2709 Preventum Initiative	2710 ACT AID	
<b>Assets</b>							
Cash and cash equivalents	\$ 600	\$ 2,500	\$ 238	\$ 750	\$ 3,000	\$ 2,246	\$ 6,434,354
Due from federal & state governments	--	--	--	--	--	--	915,007
Due from other funds	--	--	--	--	--	--	863,054
Other receivables	--	--	--	--	--	--	104,700
Prepays	--	--	--	--	--	--	8,604
<b>Total Assets</b>	<b><u>\$ 600</u></b>	<b><u>\$ 2,500</u></b>	<b><u>\$ 238</u></b>	<b><u>\$ 750</u></b>	<b><u>\$ 3,000</u></b>	<b><u>\$ 2,246</u></b>	<b><u>\$ 8,325,719</u></b>
<b>Liabilities</b>							
Accounts payable and accrued expenditures	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 2,554,983
Due to other funds	--	--	--	--	--	--	841,077
Advance from Town	--	--	--	--	--	--	452,552
Due to other governments	--	--	--	--	--	--	--
<b>Total Liabilities</b>	<b><u>--</u></b>	<b><u>--</u></b>	<b><u>--</u></b>	<b><u>--</u></b>	<b><u>--</u></b>	<b><u>--</u></b>	<b><u>3,848,612</u></b>
<b>Fund Balances</b>							
Nonspendable	--	--	--	--	--	--	8,604
Restricted	--	--	--	--	--	--	226,380
Assigned	600	2,500	238	750	3,000	2,246	4,242,123
Unassigned	--	--	--	--	--	--	--
<b>Total Fund Balances</b>	<b><u>600</u></b>	<b><u>2,500</u></b>	<b><u>238</u></b>	<b><u>750</u></b>	<b><u>3,000</u></b>	<b><u>2,246</u></b>	<b><u>4,477,107</u></b>
<b>Total Liabilities and Fund Balances</b>	<b><u>\$ 600</u></b>	<b><u>\$ 2,500</u></b>	<b><u>\$ 238</u></b>	<b><u>\$ 750</u></b>	<b><u>\$ 3,000</u></b>	<b><u>\$ 2,246</u></b>	<b><u>\$ 8,325,719</u></b>

*See independent auditors' report on supplementary information.*

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES SCHOOL DEPARTMENT FUNDS FOR THE YEAR ENDED JUNE 30, 2020

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	<b>SCHOOL DEPARTMENT FUNDS</b>					
	1000 School Unrestricted	2100 IDEA Part B	2104 Title III	2109 CTE Competitive	2110 Title I	2113 McKinney Vento-Even
<b>Revenues</b>						
Intergovernmental	\$ 10,599,944	\$ 915,466	\$ 9,785	\$ --	\$ 428,800	\$ 16,709
On behalf pension contribution	3,261,477	--	--	--	--	--
Other revenue	<u>4,062,290</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<b>Total Revenues</b>	<b><u>17,923,711</u></b>	<b><u>915,466</u></b>	<b><u>9,785</u></b>	<b><u>--</u></b>	<b><u>428,800</u></b>	<b><u>16,709</u></b>
<b>Expenditures</b>						
Education	65,651,137	915,466	9,785	11,040	428,800	16,709
On behalf pension contribution	3,261,477	--	--	--	--	--
Capital outlay	<u>741,570</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<b>Total Expenditures</b>	<b><u>69,654,184</u></b>	<b><u>915,466</u></b>	<b><u>9,785</u></b>	<b><u>11,040</u></b>	<b><u>428,800</u></b>	<b><u>16,709</u></b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b><u>(51,730,473)</u></b>	<b><u>--</u></b>	<b><u>--</u></b>	<b><u>(11,040)</u></b>	<b><u>--</u></b>	<b><u>--</u></b>
<b>Other Financing Sources (Uses)</b>						
Transfers in	54,362,817	--	--	--	--	--
Transfers out	<u>(259,932)</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<b>Total Other Financing Sources (Uses)</b>	<b><u>54,102,885</u></b>	<b><u>--</u></b>	<b><u>--</u></b>	<b><u>--</u></b>	<b><u>--</u></b>	<b><u>--</u></b>
<b>Net Change in Fund Balance</b>	<b><u>2,372,412</u></b>	<b><u>--</u></b>	<b><u>--</u></b>	<b><u>(11,040)</u></b>	<b><u>--</u></b>	<b><u>--</u></b>
<b>Fund Balances - Beginning of Year</b>	<b><u>1,866,409</u></b>	<b><u>--</u></b>	<b><u>--</u></b>	<b><u>13,888</u></b>	<b><u>--</u></b>	<b><u>--</u></b>
<b>Fund Balances - End of Year</b>	<b><u>\$ 4,238,821</u></b>	<b><u>\$ --</u></b>	<b><u>\$ --</u></b>	<b><u>\$ 2,848</u></b>	<b><u>\$ --</u></b>	<b><u>\$ --</u></b>

*See independent auditors' report on supplementary information.*

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES SCHOOL DEPARTMENT FUNDS FOR THE YEAR ENDED JUNE 30, 2020

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	<b>SCHOOL DEPARTMENT FUNDS</b>					
	2114 McKinney Vento-Odd	2115 IDEA Part B-COZ	2116 Scholarship America	2120 ELL Categorical Aid	2122 Perkins - Coventry	2128 RI Leg-DMS
<b>Revenues</b>						
Intergovernmental	\$ 16,794	\$ 4,986	\$ --	\$ 6,174	\$ 5,010	\$ --
On behalf pension contribution	--	--	--	--	--	--
Other revenue	--	--	--	--	--	--
<b>Total Revenues</b>	<u>16,794</u>	<u>4,986</u>	<u>--</u>	<u>6,174</u>	<u>5,010</u>	<u>--</u>
<b>Expenditures</b>						
Education	16,794	4,986	69	6,174	5,010	--
On behalf pension contribution	--	--	--	--	--	--
Capital outlay	--	--	--	--	--	--
<b>Total Expenditures</b>	<u>16,794</u>	<u>4,986</u>	<u>69</u>	<u>6,174</u>	<u>5,010</u>	<u>--</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>--</u>	<u>--</u>	<u>(69)</u>	<u>--</u>	<u>--</u>	<u>--</u>
<b>Other Financing Sources (Uses)</b>						
Transfers in	--	--	--	--	--	--
Transfers out	--	--	--	--	--	--
<b>Total Other Financing Sources (Uses)</b>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<b>Net Change in Fund Balance</b>	<u>--</u>	<u>--</u>	<u>(69)</u>	<u>--</u>	<u>--</u>	<u>--</u>
<b>Fund Balances - Beginning of Year</b>	<u>--</u>	<u>--</u>	<u>69</u>	<u>--</u>	<u>--</u>	<u>2,500</u>
<b>Fund Balances - End of Year</b>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 2,500</u>

*See independent auditors' report on supplementary information.*

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES SCHOOL DEPARTMENT FUNDS FOR THE YEAR ENDED JUNE 30, 2020

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	SCHOOL DEPARTMENT FUNDS					
	2130 Title II	2132 CTE Categorical	2133 Healthy Schools	2160 Wireless	2180 IDEA Preschool	2234 United Way
<b>Revenues</b>						
Intergovernmental	\$ 196,445	\$ 72,003	\$ --	\$ --	\$ 13,708	\$ --
On behalf pension contribution	--	--	--	--	--	--
Other revenue	--	--	--	--	--	12,000
<b>Total Revenues</b>	<b>196,445</b>	<b>72,003</b>	<b>--</b>	<b>--</b>	<b>13,708</b>	<b>12,000</b>
<b>Expenditures</b>						
Education	196,445	19,729	--	--	13,708	26,241
On behalf pension contribution	--	--	--	--	--	--
Capital outlay	--	--	--	--	--	--
<b>Total Expenditures</b>	<b>196,445</b>	<b>19,729</b>	<b>--</b>	<b>--</b>	<b>13,708</b>	<b>26,241</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>--</b>	<b>52,274</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>(14,241)</b>
<b>Other Financing Sources (Uses)</b>						
Transfers in	--	--	--	--	--	--
Transfers out	--	--	--	--	--	--
<b>Total Other Financing Sources (Uses)</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>Net Change in Fund Balance</b>	<b>--</b>	<b>52,274</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>(14,241)</b>
<b>Fund Balances - Beginning of Year</b>	<b>--</b>	<b>23,557</b>	<b>1,846</b>	<b>1</b>	<b>--</b>	<b>15,842</b>
<b>Fund Balances - End of Year</b>	<b>\$ --</b>	<b>\$ 75,831</b>	<b>\$ 1,846</b>	<b>\$ 1</b>	<b>\$ --</b>	<b>\$ 1,601</b>

*See independent auditors' report on supplementary information.*

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES SCHOOL DEPARTMENT FUNDS FOR THE YEAR ENDED JUNE 30, 2020

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	SCHOOL DEPARTMENT FUNDS					
	2300 Women's Club	2304 Drug Free Donations	2311 RI Leg-April Vaca Camp	2102 Walmart Donations	2317 RI Council Humanities	2318 RISCA Big Yellow
<b>Revenues</b>						
Intergovernmental	\$ --	\$ --	\$ 1,000	\$ --	\$ --	\$ --
On behalf pension contribution	--	--	--	--	--	--
Other revenue	--	--	--	2,600	--	--
<b>Total Revenues</b>	<u>--</u>	<u>--</u>	<u>1,000</u>	<u>2,600</u>	<u>--</u>	<u>--</u>
<b>Expenditures</b>						
Education	200	49	--	999	--	--
On behalf pension contribution	--	--	--	--	--	--
Capital outlay	--	--	--	--	--	--
<b>Total Expenditures</b>	<u>200</u>	<u>49</u>	<u>--</u>	<u>999</u>	<u>--</u>	<u>--</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>(200)</u>	<u>(49)</u>	<u>1,000</u>	<u>1,601</u>	<u>--</u>	<u>--</u>
<b>Other Financing Sources (Uses)</b>						
Transfers in	--	--	--	--	--	--
Transfers out	--	--	--	--	--	--
<b>Total Other Financing Sources (Uses)</b>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<b>Net Change in Fund Balance</b>	<u>(200)</u>	<u>(49)</u>	<u>1,000</u>	<u>1,601</u>	<u>--</u>	<u>--</u>
<b>Fund Balances - Beginning of Year</b>	<u>200</u>	<u>1,200</u>	<u>--</u>	<u>--</u>	<u>644</u>	<u>1,274</u>
<b>Fund Balances - End of Year</b>	<u>\$ --</u>	<u>\$ 1,151</u>	<u>\$ 1,000</u>	<u>\$ 1,601</u>	<u>\$ 644</u>	<u>\$ 1,274</u>

*See independent auditors' report on supplementary information.*

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES SCHOOL DEPARTMENT FUNDS FOR THE YEAR ENDED JUNE 30, 2020

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	SCHOOL DEPARTMENT FUNDS					
	2319 COZ Family Center	2320 RISCA Silk Road	2321 Find Your Grind	2322 FM Global	2402 USDA FFVP	2403 Drug Free-Odd
<b>Revenues</b>						
Intergovernmental	\$ 39,430	\$ 3,000	\$ --	\$ --	\$ 27,880	\$ 33,201
On behalf pension contribution	--	--	--	--	--	--
Other revenue	--	--	--	971	--	--
<b>Total Revenues</b>	<b>39,430</b>	<b>3,000</b>	<b>--</b>	<b>971</b>	<b>27,880</b>	<b>33,201</b>
<b>Expenditures</b>						
Education	39,430	400	--	--	27,880	33,201
On behalf pension contribution	--	--	--	--	--	--
Capital outlay	--	--	--	--	--	--
<b>Total Expenditures</b>	<b>39,430</b>	<b>400</b>	<b>--</b>	<b>--</b>	<b>27,880</b>	<b>33,201</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>--</b>	<b>2,600</b>	<b>--</b>	<b>971</b>	<b>--</b>	<b>--</b>
<b>Other Financing Sources (Uses)</b>						
Transfers in	--	--	--	--	--	--
Transfers out	--	--	--	--	--	--
<b>Total Other Financing Sources (Uses)</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>Net Change in Fund Balance</b>	<b>--</b>	<b>2,600</b>	<b>--</b>	<b>971</b>	<b>--</b>	<b>--</b>
<b>Fund Balances - Beginning of Year</b>	<b>--</b>	<b>302</b>	<b>271</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>Fund Balances - End of Year</b>	<b>\$ --</b>	<b>\$ 2,902</b>	<b>\$ 271</b>	<b>\$ 971</b>	<b>\$ --</b>	<b>\$ --</b>

*See independent auditors' report on supplementary information.*

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES SCHOOL DEPARTMENT FUNDS FOR THE YEAR ENDED JUNE 30, 2020

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	<b>SCHOOL DEPARTMENT FUNDS</b>					
	2404 R.I.I.L.	2405 COZ Misc Donations	2406 Scholarship America-DMS/HS	2111 RISCA	2408 Use of Buildings	2409 Feinstein Foundation
<b>Revenues</b>						
Intergovernmental	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
On behalf pension contribution	--	--	--	--	--	--
Other revenue	--	--	700	2,000	18,620	20,444
<b>Total Revenues</b>	--	--	700	2,000	18,620	20,444
<b>Expenditures</b>						
Education	395	3,657	2,289	1,840	18,620	2,431
On behalf pension contribution	--	--	--	--	--	--
Capital outlay	--	--	--	--	--	--
<b>Total Expenditures</b>	395	3,657	2,289	1,840	18,620	2,431
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	(395)	(3,657)	(1,589)	160	--	18,013
<b>Other Financing Sources (Uses)</b>						
Transfers in	--	--	--	--	--	--
Transfers out	--	--	--	--	--	--
<b>Total Other Financing Sources (Uses)</b>	--	--	--	--	--	--
<b>Net Change in Fund Balance</b>	(395)	(3,657)	(1,589)	160	--	18,013
<b>Fund Balances - Beginning of Year</b>	942	25,923	2,262	--	--	26,227
<b>Fund Balances - End of Year</b>	\$ 547	\$ 22,266	\$ 673	\$ 160	\$ --	\$ 44,240

*See independent auditors' report on supplementary information.*

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES SCHOOL DEPARTMENT FUNDS FOR THE YEAR ENDED JUNE 30, 2020

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	<b>SCHOOL DEPARTMENT FUNDS</b>					
	2410 RI Foundation SPARKS	2413 Robotics Donations	2414 AASA Food Svc	2415 Donations Coaches	2412 RIAEYC	2429 Exxon Mobil
<b>Revenues</b>						
Intergovernmental	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
On behalf pension contribution	--	--	--	--	--	--
Other revenue	<u>17,527</u>	<u>3,000</u>	<u>--</u>	<u>15,370</u>	<u>8,000</u>	<u>500</u>
<b>Total Revenues</b>	<u><b>17,527</b></u>	<u><b>3,000</b></u>	<u><b>--</b></u>	<u><b>15,370</b></u>	<u><b>8,000</b></u>	<u><b>500</b></u>
<b>Expenditures</b>						
Education	13,316	--	--	15,370	--	--
On behalf pension contribution	--	--	--	--	--	--
Capital outlay	--	--	--	--	--	--
<b>Total Expenditures</b>	<u><b>13,316</b></u>	<u><b>--</b></u>	<u><b>--</b></u>	<u><b>15,370</b></u>	<u><b>--</b></u>	<u><b>--</b></u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>						
	<u>4,211</u>	<u>3,000</u>	<u>--</u>	<u>--</u>	<u>8,000</u>	<u>500</u>
<b>Other Financing Sources (Uses)</b>						
Transfers in	--	--	--	--	--	--
Transfers out	--	--	--	--	--	--
<b>Total Other Financing Sources (Uses)</b>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<b>Net Change in Fund Balance</b>	<u><b>4,211</b></u>	<u><b>3,000</b></u>	<u><b>--</b></u>	<u><b>--</b></u>	<u><b>8,000</b></u>	<u><b>500</b></u>
<b>Fund Balances - Beginning of Year</b>	<u>894</u>	<u>4,486</u>	<u>4,933</u>	<u>--</u>	<u>--</u>	<u>899</u>
<b>Fund Balances - End of Year</b>	<u><b>\$ 5,105</b></u>	<u><b>\$ 7,486</b></u>	<u><b>\$ 4,933</b></u>	<u><b>\$ --</b></u>	<u><b>\$ 8,000</b></u>	<u><b>\$ 1,399</b></u>

*See independent auditors' report on supplementary information.*

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES SCHOOL DEPARTMENT FUNDS FOR THE YEAR ENDED JUNE 30, 2020

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	<b>SCHOOL DEPARTMENT FUNDS</b>					
	2434 RI Children's Dentistry	2438 People's Credit Union	2454 Credit Unions of RI	2601 Fuji Film Company-HS	2700 NEARI Childrens Fund	2701 Undersea Science
<b>Revenues</b>						
Intergovernmental	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
On behalf pension contribution	--	--	--	--	--	--
Other revenue	--	(320)	3,304	--	--	--
<b>Total Revenues</b>	<u>--</u>	<u>(320)</u>	<u>3,304</u>	<u>--</u>	<u>--</u>	<u>--</u>
<b>Expenditures</b>						
Education	82	582	--	3,000	100	80
On behalf pension contribution	--	--	--	--	--	--
Capital outlay	--	--	--	--	--	--
<b>Total Expenditures</b>	<u>82</u>	<u>582</u>	<u>--</u>	<u>3,000</u>	<u>100</u>	<u>80</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>(82)</u>	<u>(902)</u>	<u>3,304</u>	<u>(3,000)</u>	<u>(100)</u>	<u>(80)</u>
<b>Other Financing Sources (Uses)</b>						
Transfers in	--	--	--	--	--	--
Transfers out	--	--	--	--	--	--
<b>Total Other Financing Sources (Uses)</b>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<b>Net Change in Fund Balance</b>	<u>(82)</u>	<u>(902)</u>	<u>3,304</u>	<u>(3,000)</u>	<u>(100)</u>	<u>(80)</u>
<b>Fund Balances - Beginning of Year</b>	<u>82</u>	<u>902</u>	<u>782</u>	<u>4,020</u>	<u>100</u>	<u>80</u>
<b>Fund Balances - End of Year</b>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 4,086</u>	<u>\$ 1,020</u>	<u>\$ --</u>	<u>\$ --</u>

*See independent auditors' report on supplementary information.*

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES SCHOOL DEPARTMENT FUNDS FOR THE YEAR ENDED JUNE 30, 2020

	SCHOOL DEPARTMENT FUNDS						
	2702 NK Comm Chorus	2703 Sth Pov Law Cntr	2706 Schl Support Pln Implmnt	2712 German Amer Partn	2713 South County Health	2103 CARES ESSER	2207 Perkins TSA Grant
<b>Revenues</b>							
Intergovernmental	\$ --	\$ --	\$ 868	\$ --	\$ --	\$ 435,622	\$ --
On behalf pension contribution	--	--	--	--	--	--	--
Other revenue	3,000	--	--	--	40,000	--	--
<b>Total Revenues</b>	<b>3,000</b>	<b>--</b>	<b>868</b>	<b>--</b>	<b>40,000</b>	<b>435,622</b>	<b>--</b>
<b>Expenditures</b>							
Education	3,000	--	--	--	23,181	435,622	--
On behalf pension contribution	--	--	--	--	--	--	--
Capital outlay	--	--	--	--	--	--	--
<b>Total Expenditures</b>	<b>3,000</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>23,181</b>	<b>435,622</b>	<b>--</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>--</b>	<b>--</b>	<b>868</b>	<b>--</b>	<b>16,819</b>	<b>--</b>	<b>--</b>
<b>Other Financing Sources (Uses)</b>							
Transfers in	--	--	--	--	--	--	--
Transfers out	--	--	--	--	--	--	--
<b>Total Other Financing Sources (Uses)</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>Net Change in Fund Balance</b>	<b>--</b>	<b>--</b>	<b>868</b>	<b>--</b>	<b>16,819</b>	<b>--</b>	<b>--</b>
<b>Fund Balances - Beginning of Year</b>	<b>--</b>	<b>4,449</b>	<b>(868)</b>	<b>1,045</b>	<b>12,283</b>	<b>--</b>	<b>--</b>
<b>Fund Balances - End of Year</b>	<b>\$ --</b>	<b>\$ 4,449</b>	<b>\$ --</b>	<b>\$ 1,045</b>	<b>\$ 29,102</b>	<b>\$ --</b>	<b>\$ --</b>

*See independent auditors' report on supplementary information.*

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES SCHOOL DEPARTMENT FUNDS FOR THE YEAR ENDED JUNE 30, 2020

	SCHOOL DEPARTMENT FUNDS						Total School Restricted Funds
	2440 Youth Ser America	2705 Interbuild Donation	2707 Kid Wind	2708 Verizon Donation	2709 Preventum Initiative	2710 ACT AID	
<b>Revenues</b>							
Intergovernmental	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 12,826,825
On behalf pension contribution	--	--	--	--	--	--	3,261,477
Other revenue	600	2,500	700	750	5,000	2,246	4,221,802
<b>Total Revenues</b>	<b>600</b>	<b>2,500</b>	<b>700</b>	<b>750</b>	<b>5,000</b>	<b>2,246</b>	<b>20,310,104</b>
<b>Expenditures</b>							
Education	--	--	462	--	2,000	--	67,950,279
On behalf pension contribution	--	--	--	--	--	--	3,261,477
Capital outlay	--	--	--	--	--	--	741,570
<b>Total Expenditures</b>	<b>--</b>	<b>--</b>	<b>462</b>	<b>--</b>	<b>2,000</b>	<b>--</b>	<b>71,953,326</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>600</b>	<b>2,500</b>	<b>238</b>	<b>750</b>	<b>3,000</b>	<b>2,246</b>	<b>(51,643,222)</b>
<b>Other Financing Sources (Uses)</b>							
Transfers in	--	--	--	--	--	--	54,362,817
Transfers out	--	--	--	--	--	--	(259,932)
<b>Total Other Financing Sources (Uses)</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>54,102,885</b>
<b>Net Change in Fund Balance</b>	<b>600</b>	<b>2,500</b>	<b>238</b>	<b>750</b>	<b>3,000</b>	<b>2,246</b>	<b>2,459,663</b>
<b>Fund Balances - Beginning of Year</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>2,017,444</b>
<b>Fund Balances - End of Year</b>	<b>\$ 600</b>	<b>\$ 2,500</b>	<b>\$ 238</b>	<b>\$ 750</b>	<b>\$ 3,000</b>	<b>\$ 2,246</b>	<b>\$ 4,477,107</b>

*See independent auditors' report on supplementary information.*

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## COMBINING STATEMENT OF NET POSITION NONMAJOR PROPRIETARY FUNDS JUNE 30, 2020

	Business-type Activities - Enterprise Funds										Governmental Activities - Internal Service Funds	
	431 Quonset/ Davisville Reserve	6001 Nutrition- School Lunch	6002 Computer Repair Maint Program	6004 Athletic Gate Receipts	6014 Athletic Activities Sports Camp	6013 Music Choir and Orchestra	162 Transfer Station	130 Municipal Court	Total Enterprise Funds	165		
										Workers Compensation		
<b>Assets</b>												
<b>Current Assets</b>												
Cash and cash equivalents	\$ 23,183	\$ 80,967	\$ 38,787	\$ 35,187	\$ 36,056	\$ 15,475	\$ 200	\$ 20,561	\$ 250,416	\$ --		
Other receivables	--	59,454	--	300	--	--	21,103	--	80,857	--		
Due from federal and state governments	--	59,230	--	--	--	--	--	--	1,851	61,081		
Due from other funds	--	92,762	--	--	--	--	--	--	92,762	--		
Prepaid expenses	--	42,157	--	--	--	--	--	--	42,157	--		
<b>Total Current Assets</b>	<b>23,183</b>	<b>334,570</b>	<b>38,787</b>	<b>35,487</b>	<b>36,056</b>	<b>15,475</b>	<b>21,303</b>	<b>22,412</b>	<b>527,273</b>	<b>--</b>		
<b>Noncurrent Assets</b>												
Capital assets, net	--	24,453	--	--	--	--	--	--	24,453	--		
<b>Total Assets</b>	<b>23,183</b>	<b>359,023</b>	<b>38,787</b>	<b>35,487</b>	<b>36,056</b>	<b>15,475</b>	<b>21,303</b>	<b>22,412</b>	<b>551,726</b>	<b>--</b>		
<b>Liabilities</b>												
<b>Current Liabilities</b>												
Accounts payable and accrued expenses	--	28,320	--	14,592	36	--	44,024	11,058	98,030	--		
Due to other funds	--	--	--	--	--	--	151,020	--	151,020	--		
Current portion of compensated absences	--	--	--	--	--	--	22,814	--	22,814	--		
Unearned revenue	--	--	--	--	--	--	--	--	--	--		
<b>Total Current Liabilities</b>	<b>--</b>	<b>28,320</b>	<b>--</b>	<b>14,592</b>	<b>36</b>	<b>--</b>	<b>217,858</b>	<b>11,058</b>	<b>271,864</b>	<b>--</b>		
<b>Noncurrent Liabilities</b>											--	
Long-term portion of compensated absences	--	--	--	--	--	--	1,984	--	1,984	--		
<b>Total Liabilities</b>	<b>--</b>	<b>28,320</b>	<b>--</b>	<b>14,592</b>	<b>36</b>	<b>--</b>	<b>219,842</b>	<b>11,058</b>	<b>273,848</b>	<b>--</b>		
<b>Net Position</b>												
Investment in capital assets	--	24,453	--	--	--	--	--	--	24,453	--		
Unrestricted	23,183	306,250	38,787	20,895	36,020	15,475	(198,539)	11,354	253,425	--		
<b>Total Net Position</b>	<b>\$ 23,183</b>	<b>\$ 330,703</b>	<b>\$ 38,787</b>	<b>\$ 20,895</b>	<b>\$ 36,020</b>	<b>\$ 15,475</b>	<b>\$ (198,539)</b>	<b>\$ 11,354</b>	<b>\$ 277,878</b>	<b>\$ --</b>		

*See independent auditors' report on supplementary information.*

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## COMBINING STATEMENT OF CHANGES IN NET POSITION NONMAJOR PROPRIETARY FUNDS FOR THE YEAR ENDED JUNE 30, 2020

	Business-type Activities - Enterprise Funds										Governmental Activities - Internal Service Funds	
	431	6001	6002	6004	6014	6013	162	130	Total Enterprise Funds	Workers Compensation	165	
	Quonset/ Davisville Reserve	Nutrition- School Lunch	Computer Repair Maint Program	Athletic Gate Receipts	Athletic Activities Sports Camp	Music Choir and Orchestra	Transfer Station	Municipal Court				
<b>Operating Revenues</b>												
Charges for services	\$ --	\$ 430,975	\$ 29,959	\$ 29,917	\$ 60,225	\$ 15,475	\$ 646,607	\$ 193,320	\$ 1,406,478	\$ --	--	
Intergovernmental	____ --	659,434	____ --	____ --	____ --	____ --	____ --	____ --	659,434	____ --	--	
<b>Total Operating Revenues</b>	<u>____ --</u>	<u>1,090,409</u>	<u>29,959</u>	<u>29,917</u>	<u>60,225</u>	<u>15,475</u>	<u>646,607</u>	<u>193,320</u>	<u>2,065,912</u>	<u>____ --</u>	--	
<b>Operating Expenses</b>												
Transfer station operations	--	--	--	--	--	--	623,447	--	623,447	--	--	
Education	--	1,011,002	25	44,540	51,243	--	--	--	1,106,810	--	--	
Depreciation	--	2,717	--	--	--	--	--	--	2,717	--	--	
Other operating costs	____ --	____ --	____ --	____ --	____ --	____ --	____ --	102,961	102,961	____ --	--	
<b>Total Operating Expenses</b>	<u>____ --</u>	<u>1,013,719</u>	<u>25</u>	<u>44,540</u>	<u>51,243</u>	<u>--</u>	<u>623,447</u>	<u>102,961</u>	<u>1,835,935</u>	<u>____ --</u>	--	
<b>Operating Income (Loss)</b>	<u>____ --</u>	<u>76,690</u>	<u>29,934</u>	<u>(14,623)</u>	<u>8,982</u>	<u>15,475</u>	<u>23,160</u>	<u>90,359</u>	<u>229,977</u>	<u>____ --</u>	--	
Transfers in (out)	____ --	____ --	____ --	____ --	____ --	____ --	(83,916)	(90,813)	(174,729)	50		
<b>Change in Net Position</b>	<u>____ --</u>	<u>76,690</u>	<u>29,934</u>	<u>(14,623)</u>	<u>8,982</u>	<u>15,475</u>	<u>(60,756)</u>	<u>(454)</u>	<u>55,248</u>	<u>50</u>		
<b>Total Net Position - Beginning, as restated</b>	<u>23,183</u>	<u>254,013</u>	<u>8,853</u>	<u>35,518</u>	<u>27,038</u>	<u>--</u>	<u>(137,783)</u>	<u>11,808</u>	<u>222,630</u>	<u>(50)</u>		
<b>Total Net Position - Ending</b>	<u>\$ 23,183</u>	<u>\$ 330,703</u>	<u>\$ 38,787</u>	<u>\$ 20,895</u>	<u>\$ 36,020</u>	<u>\$ 15,475</u>	<u>\$ (198,539)</u>	<u>\$ 11,354</u>	<u>\$ 277,878</u>	<u>\$ --</u>	--	

*See independent auditors' report on supplementary information.*

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## COMBINING STATEMENT OF CASH FLOWS NONMAJOR PROPRIETARY FUNDS FOR THE YEAR ENDED JUNE 30, 2020

	431	6001	6002	6004	6014	6013	162	130		Governmental Activities - Internal Service Funds
	Quonset/ Davisville Reserve	Nutrition- School Lunch	Computer Repair Maint Program	Athletic Gate Receipts	Athletic Activities Sports Camp	Music Choir and Orchestra	Transfer Station	Municipal Court	Total Enterprise Funds	165
<b>Cash Flows from Operating Activities</b>										
Cash received from customers	\$ --	\$ 399,001	\$ 29,959	\$ 29,917	\$ 57,052	\$ 15,475	\$ 625,504	\$ 194,768	\$ 1,351,676	\$ --
Cash received from grantor	--	629,583	--	--	--	--	--	--	629,583	--
Cash paid to suppliers for goods and services and other operating payments	--	(538,298)	(25)	(39,900)	(14,588)	--	(438,632)	(77,489)	(1,108,932)	(50)
Cash paid for employees and benefits	--	(552,256)	--	--	(41,632)	--	(144,537)	(22,535)	(760,960)	--
<b>Net Cash (Used in) Provided by Operating Activities</b>	--	(61,970)	29,934	(9,983)	832	15,475	42,335	94,744	111,367	(50)
<b>Cash Flows from Noncapital Financing Activities</b>										
Transfers (to) from other funds	--	--	--	--	--	--	(83,916)	(90,813)	(174,729)	50
Payments to (receipts) from other funds	--	(2,863)	--	--	--	--	41,781	--	38,918	--
<b>Net Cash (Used in) Provided by Noncapital Financing Activities</b>	--	(2,863)	--	--	--	--	(42,135)	(90,813)	(135,811)	50
<b>Cash Flows from Capital and Related Financing Activities</b>										
Acquisition of capital assets	--	(27,170)	--	--	--	--	--	--	(27,170)	--
<b>Net cash used in capital and related financing activities</b>	--	(27,170)	--	--	--	--	--	--	(27,170)	--
<b>Net (Decrease) Increase in Cash and Cash Equivalents</b>	--	(92,003)	29,934	(9,983)	832	15,475	200	3,931	(51,614)	--
<b>Cash, Cash Equivalents, and Restricted Cash - Beginning of Year</b>	23,183	172,970	8,853	45,170	35,224	--	--	16,630	302,030	--
<b>Cash, Cash Equivalents, and Restricted Cash - End of Year</b>	\$ 23,183	\$ 80,967	\$ 38,787	\$ 35,187	\$ 36,056	\$ 15,475	\$ 200	\$ 20,561	\$ 250,416	\$ --
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities</b>										
Operating income (loss)	\$ --	\$ 76,690	\$ 29,934	\$ (14,623)	\$ 8,982	\$ 15,475	\$ 23,160	\$ 90,359	\$ 229,977	\$ --
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:	--	2,716	--	--	--	--	--	--	2,716	--
Depreciation and amortization expense	--	(31,974)	--	--	--	--	(21,103)	--	(53,077)	--
(Increase) decrease in other receivable	--	(29,851)	--	--	--	--	--	1,448	(28,403)	--
(Increase) decrease in due from federal and state governments	--	(16,841)	--	--	--	--	--	--	(16,841)	--
(Increase) decrease in prepaid expenses and inventory	--	(62,710)	--	4,640	(4,977)	--	37,728	2,937	(22,382)	(50)
Increase (decrease) in accounts payable and accrued expenses	--	--	--	--	--	--	2,550	--	2,550	--
Increase (decrease) in compensated absences	--	--	--	--	--	--	--	--	(3,173)	--
Increase (decrease) in unearned revenue	--	--	--	--	(3,173)	--	--	--	(3,173)	--
<b>Net Cash Provided by (Used in) Operating Activities</b>	\$ --	\$ (61,970)	\$ 29,934	\$ (9,983)	\$ 832	\$ 15,475	\$ 42,335	\$ 94,744	\$ 111,367	\$ (50)

*See independent auditors' report on supplementary information.*

**TOWN OF NORTH KINGSTOWN, RHODE ISLAND**

**COMBINING STATEMENT OF FIDUCIARY NET POSITION  
EMPLOYEE BENEFIT TRUST FUNDS  
JUNE 30, 2020**

---

	710	713	
	Police	Town	
	Pension	OPEB	
	Trust	Trust	Total
<b>Assets</b>			
Cash and cash equivalents	\$ --	\$ --	\$ --
<i>Investments, at fair value</i>			
Money market funds	--	1,552,211	1,552,211
<b>Total Assets</b>	<u>\$ --</u>	<u>\$ 1,552,211</u>	<u>\$ 1,552,211</u>
 <b>Net Position</b>			
Restricted for OPEB	\$ --	\$ 1,552,211	\$ 1,552,211
<b>Total Net Position</b>	<u>\$ --</u>	<u>\$ 1,552,211</u>	<u>\$ 1,552,211</u>

*See independent auditors' report on supplementary information.*

**NORTH KINGSTOWN, RHODE ISLAND**

**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
EMPLOYEE BENEFIT TRUST FUNDS  
FOR THE YEAR ENDED JUNE 30, 2020**

---

	710 Police Pension Trust	713 Town OPEB Trust	Total
<b>Additions</b>			
Employer contributions	\$ --	\$ 1,534,432	\$ 1,534,432
Net investment income	<u>--</u>	<u>55,697</u>	<u>55,697</u>
<b>Total Additions</b>	<u>--</u>	<u>1,590,129</u>	<u>1,590,129</u>
<b>Deductions</b>			
Benefits paid	--	1,334,432	1,334,432
Administrative expenses	<u>303,237</u>	<u>3,482</u>	<u>306,719</u>
<b>Total Deductions</b>	<u>303,237</u>	<u>1,337,914</u>	<u>1,641,151</u>
<b>Change in Net Position</b>	(303,237)	252,215	(51,022)
<b>Net Position - Beginning of Year</b>	<u>303,237</u>	<u>1,299,996</u>	<u>1,603,233</u>
<b>Net Position - End of Year</b>	<u>\$ --</u>	<u>\$ 1,552,211</u>	<u>\$ 1,552,211</u>

*See independent auditors' report on supplementary information.*

**TOWN OF NORTH KINGSTOWN, RHODE ISLAND**

**COMBINING STATEMENT OF FIDUCIARY NET POSITION  
PRIVATE PURPOSE TRUST FUNDS  
JUNE 30, 2020**

---

	<b>Burial Funds</b>						
	760	761	763	764	765	766	767
	Hall Burial	Vaughn Burial	Young Burial	Rebecca Hammond	W.H. Welling	George C. Hall	B.H. Davis
<b>Assets</b>							
Cash	\$ 504	\$ 101	\$ 302	\$ 302	\$ 8,754	\$ 201	\$ 504
<b>Net Position</b>							
Held in trust for private purposes per trust agreement	<u>\$ 504</u>	<u>\$ 101</u>	<u>\$ 302</u>	<u>\$ 302</u>	<u>\$ 8,754</u>	<u>\$ 201</u>	<u>\$ 504</u>

*See independent auditors' report on supplementary information.*

**TOWN OF NORTH KINGSTOWN, RHODE ISLAND**

**COMBINING STATEMENT OF FIDUCIARY NET POSITION  
PRIVATE PURPOSE TRUST FUNDS  
JUNE 30, 2020**

---

	<b>Burial Funds</b>						Total Burial Funds
	768	769	770	771	772		
	Updike Burial	Mary Carpenter	Smith- Lawton	Old Baptist Cemetery	Smith Burial		
<b>Assets</b>							
Cash	<u>\$ 1,597</u>	<u>\$ 1,007</u>	<u>\$ 5,639</u>	<u>\$ 705</u>	<u>\$ 1,007</u>	<u>\$ 20,623</u>	
<b>Net Position</b>							
Held in trust for private purposes per trust agreement	<u>\$ 1,597</u>	<u>\$ 1,007</u>	<u>\$ 5,639</u>	<u>\$ 705</u>	<u>\$ 1,007</u>	<u>\$ 20,623</u>	

*See independent auditors' report on supplementary information.*

**TOWN OF NORTH KINGSTOWN, RHODE ISLAND**

**COMBINING STATEMENT OF FIDUCIARY NET POSITION  
PRIVATE PURPOSE TRUST FUNDS  
JUNE 30, 2020**

---

	<b>Probate Funds</b>						
	807	818	819	820	821	822	823
	Beriah Law	James L. R. Weeks	Marguerite R. Cogan	Delphis R. Jones	J. Oliveira	Doris Horowitz	Lillian Mattia
<b>Assets</b>							
Cash	\$ 8,384	\$ 2,642	\$ 613	\$ 232	\$ 5,774	\$ 968	\$ 4
<b>Net Position</b>							
Held in trust for private purposes per trust agreement	<u>\$ 8,384</u>	<u>\$ 2,642</u>	<u>\$ 613</u>	<u>\$ 232</u>	<u>\$ 5,774</u>	<u>\$ 968</u>	<u>\$ 4</u>

*See independent auditors' report on supplementary information.*

**TOWN OF NORTH KINGSTOWN, RHODE ISLAND**

**COMBINING STATEMENT OF FIDUCIARY NET POSITION  
PRIVATE PURPOSE TRUST FUNDS  
JUNE 30, 2020**

---

	<b>Probate Funds</b>		<b>Total Probate Funds</b>	<b>Total Private Purpose Funds</b>
	<b>824</b>	<b>825</b>		
	Arthur Tarchis	Georgia Andrews		
<b>Assets</b>				
Cash	\$ 4	\$ 948	\$ 19,569	\$ 40,192
<b>Net Position</b>				
Held in trust for private purposes per trust agreement	\$ 4	\$ 948	\$ 19,569	\$ 40,192

*See independent auditors' report on supplementary information.*

**TOWN OF NORTH KINGSTOWN, RHODE ISLAND**

**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
PRIVATE PURPOSE TRUST FUNDS  
FOR THE YEAR ENDED JUNE 30, 2020**

---

	<b>Burial Funds</b>							
	760	761	763	764	765	766	767	768
	Hall Burial	Vaughn Burial	Young Burial	Rebecca Hammond	W.H. Welling	George C. Hall	B.H. Davis	Updike Burial
<b>Additions</b>								
Investment income	\$ 1	\$ --	\$ 1	\$ --	\$ 15	\$ --	\$ 1	\$ 3
<b>Deductions</b>								
Operating expense per trust agreement	_____-	_____-	_____-	_____-	_____-	_____-	_____-	_____-
<b>Changes in Net Position</b>								
	1	--	1	--	15	--	1	3
<b>Net Position - Beginning of Year</b>	<u>503</u>	<u>101</u>	<u>301</u>	<u>302</u>	<u>8,739</u>	<u>201</u>	<u>503</u>	<u>1,594</u>
<b>Net Position - End of Year</b>	<u>\$ 504</u>	<u>\$ 101</u>	<u>\$ 302</u>	<u>\$ 302</u>	<u>\$ 8,754</u>	<u>\$ 201</u>	<u>\$ 504</u>	<u>\$ 1,597</u>

*See independent auditors' report on supplementary information.*

**TOWN OF NORTH KINGSTOWN, RHODE ISLAND**

**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
PRIVATE PURPOSE TRUST FUNDS  
FOR THE YEAR ENDED JUNE 30, 2020**

---

	<b>Burial Funds</b>					Total Burial Funds
	769	770	771	772		
	Mary Carpenter	Smith- Lawton	Old Baptist Cemetery	Smith Burial		
<b>Additions</b>						
Investment income	\$ 2	\$ 10	\$ 1	\$ 2	\$ 36	
<b>Deductions</b>						
Operating expense per trust agreement	--	--	--	--	--	
<b>Changes in Net Position</b>	<u>2</u>	<u>10</u>	<u>1</u>	<u>2</u>	<u>36</u>	
<b>Net Position - Beginning of Year</b>	<u>1,005</u>	<u>5,629</u>	<u>704</u>	<u>1,005</u>	<u>20,587</u>	
<b>Net Position - End of Year</b>	<u><u>\$ 1,007</u></u>	<u><u>\$ 5,639</u></u>	<u><u>\$ 705</u></u>	<u><u>\$ 1,007</u></u>	<u><u>\$ 20,623</u></u>	

*See independent auditors' report on supplementary information.*

**TOWN OF NORTH KINGSTOWN, RHODE ISLAND**

**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
PRIVATE PURPOSE TRUST FUNDS  
FOR THE YEAR ENDED JUNE 30, 2020**

---

	<b>Probate Funds</b>						
	807	818	819	820	821	822	823
	Beriah Law	James L. R. Weeks	Marguerite R. Cogan	Delphis R. Jones	J. Oliveira	Doris Horowitz	Lillian Mattia
<b>Additions</b>							
Investment income	\$ 14	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
<b>Deductions</b>							
Operating expense per trust agreement	--	--	--	--	--	--	--
<b>Changes in Net Position</b>							
Net Position - Beginning of Year	<u>8,370</u>	<u>2,642</u>	<u>613</u>	<u>232</u>	<u>5,774</u>	<u>968</u>	<u>4</u>
Net Position - End of Year	<u>\$ 8,384</u>	<u>\$ 2,642</u>	<u>\$ 613</u>	<u>\$ 232</u>	<u>\$ 5,774</u>	<u>\$ 968</u>	<u>\$ 4</u>

*See independent auditors' report on supplementary information.*

**TOWN OF NORTH KINGSTOWN, RHODE ISLAND**

**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
PRIVATE PURPOSE TRUST FUNDS  
FOR THE YEAR ENDED JUNE 30, 2020**

---

		<b>Probate Funds</b>		Total Probate Funds	Total Private Purpose Funds
		824	825		
<b>Additions</b>		Arthur Tarchis	Georgia Andrews		
Investment income		\$ --	\$ --	\$ 14	\$ 50
<b>Deductions</b>					
Operating expense per trust agreement		--	--	--	--
<b>Changes in Net Position</b>		--	--	14	50
<b>Net Position - Beginning of Year</b>		4	948	19,555	40,142
<b>Net Position - End of Year</b>		<u>\$ 4</u>	<u>\$ 948</u>	<u>\$ 19,569</u>	<u>\$ 40,192</u>

*See independent auditors' report on supplementary information.*

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES AGENCY FUNDS FOR THE YEAR ENDED JUNE 30, 2020

---

	Beginning Balance	Additions	Deductions	Ending Balance
<b>Student Activity Funds</b>				
<b>Assets</b>				
Cash	\$ 334,475	\$ 400,604	\$ 379,584	\$ 355,495
<b>Total Assets</b>	<u><u>\$ 334,475</u></u>	<u><u>\$ 400,604</u></u>	<u><u>\$ 379,584</u></u>	<u><u>\$ 355,495</u></u>
<b>Liabilities</b>				
Due to student groups	\$ 334,475	\$ 400,604	\$ 379,584	\$ 355,495
<b>Total Liabilities</b>	<u><u>\$ 334,475</u></u>	<u><u>\$ 400,604</u></u>	<u><u>\$ 379,584</u></u>	<u><u>\$ 355,495</u></u>
<b>Developer Surety Escrow and Seized Assets</b>				
<b>Assets</b>				
Cash	\$ 16,374	\$ 108,889	\$ 8,303	\$ 116,960
<b>Total Assets</b>	<u><u>\$ 16,374</u></u>	<u><u>\$ 108,889</u></u>	<u><u>\$ 8,303</u></u>	<u><u>\$ 116,960</u></u>
<b>Liabilities</b>				
Deposits held in custody for others	\$ 16,374	\$ 108,889	\$ 8,303	\$ 116,960
<b>Total Liabilities</b>	<u><u>\$ 16,374</u></u>	<u><u>\$ 108,889</u></u>	<u><u>\$ 8,303</u></u>	<u><u>\$ 116,960</u></u>
<b>Total - All Agency Funds</b>				
<b>Assets</b>				
Cash	\$ 350,849	\$ 509,493	\$ 387,887	\$ 472,455
<b>Total Assets</b>	<u><u>\$ 350,849</u></u>	<u><u>\$ 509,493</u></u>	<u><u>\$ 387,887</u></u>	<u><u>\$ 472,455</u></u>
<b>Liabilities</b>				
Due to student groups	\$ 334,475	\$ 400,604	\$ 379,584	\$ 355,495
Deposits held in custody for others	16,374	108,889	8,303	116,960
<b>Total Liabilities</b>	<u><u>\$ 350,849</u></u>	<u><u>\$ 509,493</u></u>	<u><u>\$ 387,887</u></u>	<u><u>\$ 472,455</u></u>

*See independent auditors' report on supplementary information.*

## STATISTICAL SECTION

This part of the Town of North Kingstown's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Town's overall financial health.

### **Content**

#### **Financial Trends**

These schedules contain trend information to help the reader understand how the Town's financial position has changed over time.

#### **Revenue Capacity**

These schedules contain information to help the reader understand and assess the factors affecting the Town's ability to generate its most significant local revenue sources, the real and personal property tax.

#### **Debt Capacity**

These schedules present information to help the reader assess the affordability of the Town's current levels of outstanding debt and the Town's ability to issue additional debt in the future.

#### **Economic and Demographic Information**

These schedules offer economic and demographic indicators to help the reader understand the environment within which the Town's financial activities take place and to provide information that facilitates comparisons of financial information over time and among governments.

#### **Operating Information**

These Schedules contain service and infrastructure data to help the reader understand how the information in the Town's financial report relates to the services the Town provides and the activities it performs.

**Sources:** Unless otherwise noted, the information in these schedules is derived from the financial statement reports for the relevant year.

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## NET POSITION BY COMPONENT LAST TEN FISCAL YEARS (UNAUDITED)

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
<b>Govermental Activities</b>										
Net investment in capital assets	\$ 64,219,047	\$ 63,108,671	\$ 58,684,731	\$ 59,054,289	\$ 57,663,524	\$ 55,901,918	\$ 53,884,433	\$ 46,753,807	\$ 51,077,216	\$ 49,135,116
Restricted For:										
Permanent Funds	89,153	92,640	92,668	92,696	92,662	97,887	97,796	97,725	97,552	240,910
Capital Projects funded with bond proceeds	1,454,360	1,512,814	1,849,068	2,042,873	2,318,278	2,422,366	2,488,091	7,218,583	--	--
Specific Programs	1,586,828	1,617,278	--	--	--	--	--	--	--	--
Unrestricted	(88,763,998)	(92,529,103)	(92,654,403)	(68,651,876)	(68,516,653)	(66,305,919)	10,212,981	11,099,667	12,796,663	15,754,856
<b>Total Governmental Activities Net Position</b>	<b>(21,414,610)</b>	<b>(26,197,700)</b>	<b>(32,027,936)</b>	<b>(7,462,018)</b>	<b>(8,442,189)</b>	<b>(7,883,748)</b>	<b>66,683,301</b>	<b>65,169,782</b>	<b>63,971,431</b>	<b>65,130,882</b>
<b>Business-Type Activities</b>										
Net investment in capital assets	9,407,258	8,946,893	8,658,169	7,461,500	6,729,243	7,449,075	12,159,816	11,210,553	7,998,348	7,106,317
Restricted for debt service	659,686	918,651	284,826	281,691	280,565	280,565	280,565	280,565	--	--
Unrestricted	1,943,974	2,002,124	1,542,854	10,022,783	10,237,221	266,305	(392,718)	368,665	6,733,829	5,971,817
<b>Total Business-Type Activities Net Position</b>	<b>12,010,918</b>	<b>11,867,668</b>	<b>10,485,849</b>	<b>17,765,974</b>	<b>17,247,029</b>	<b>7,995,945</b>	<b>12,047,663</b>	<b>11,859,783</b>	<b>14,732,177</b>	<b>13,078,134</b>
<b>Primary Government</b>										
Net investment in capital assets	73,626,305	72,055,564	67,342,900	66,515,789	64,392,767	63,350,993	66,044,249	57,964,360	59,075,564	56,241,433
Restricted for:										
Permanent Funds	89,153	92,640	92,668	92,696	92,662	97,887	97,796	97,725	--	240,910
Debt Service	659,686	918,651	284,826	281,691	280,565	280,565	280,565	280,565	--	--
Capital Projects funded with bond proceeds	1,454,360	1,512,814	1,849,068	2,042,873	2,318,278	2,422,366	2,488,091	7,218,583	--	--
Specific Programs	1,586,828	1,617,278	--	--	--	--	--	--	--	--
Unrestricted	(86,820,024)	(90,526,979)	(91,111,549)	(58,629,093)	(58,279,432)	(66,039,614)	9,820,263	11,468,332	19,530,492	21,726,673
<b>Total Primary Government Net Position</b>	<b>\$ (9,403,692)</b>	<b>\$ (14,330,032)</b>	<b>\$ (21,542,087)</b>	<b>\$ 10,303,956</b>	<b>\$ 8,804,840</b>	<b>\$ 112,197</b>	<b>\$ 78,730,964</b>	<b>\$ 77,029,565</b>	<b>\$ 78,606,056</b>	<b>\$ 78,209,016</b>

(1) - The Town implemented GASB Statement 68 in fiscal year 2015.

(2) - The Town implemented GASB Statement 75 in fiscal year 2018.

(3) - See restatement note in 2019.

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## CHANGE IN NET POSITION LAST TEN FISCAL YEARS (UNAUDITED)

Fiscal Year	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
<b>Expenses</b>										
Governmental activities:										
General government	\$ 8,496,465	\$ 7,108,438	\$ 8,601,132	\$ 9,321,807	\$ 9,278,025	\$ 8,845,848	\$ 9,061,255	\$ 8,956,016	\$ 9,974,165	\$ 9,023,524
Public Safety	22,650,252	20,049,135	18,750,108	15,905,977	15,656,636	16,979,794	15,787,288	14,751,690	14,892,924	15,079,560
Public Works	7,128,451	5,835,776	6,245,000	6,808,582	6,632,235	7,349,670	6,535,343	6,667,690	5,473,361	5,752,332
Parks and recreation	39,046	43,249	--	--	--	--	--	--	--	--
Senior Services	649,916	659,241	693,053	640,717	561,017	625,113	556,831	446,749	585,405	602,691
Education	74,372,907	71,101,318	71,165,239	68,859,796	68,924,806	63,437,782	63,685,372	62,417,592	64,204,131	63,759,458
Public libraries	1,827,185	1,698,921	1,710,688	1,742,078	1,611,604	1,462,576	1,579,174	1,560,944	1,485,486	1,540,763
Debt Services	1,248,535	1,326,620	1,295,492	1,415,305	1,244,451	1,770,593	2,024,795	1,845,049	1,900,192	2,002,951
Other	--	--	--	--	189,422	--	--	--	--	--
Amortization	--	--	(100,251)	(100,251)	(79,037)	45,548	(11,593)	96,442	99,859	99,859
<b>Total Governmental Activities</b>	<b>116,412,757</b>	<b>107,822,698</b>	<b>108,360,461</b>	<b>104,594,011</b>	<b>104,019,159</b>	<b>100,516,924</b>	<b>99,218,465</b>	<b>96,742,172</b>	<b>98,615,523</b>	<b>97,861,138</b>
Business-type activities:										
Water	3,583,599	3,473,903	3,184,602	3,524,839	3,061,272	3,219,850	3,169,967	2,810,281	1,376,463	2,178,836
Q/D Recreation	2,505,944	1,329,173	2,249,380	2,287,841	2,001,742	1,991,405	2,054,439	2,076,967	1,934,804	1,992,442
School Cafeteria (Other Business-Type Activities)	1,013,719	987,728	1,098,868	955,649	945,900	928,293	893,340	878,320	1,213,750	1,222,544
Water Capital Reserve Fund	--	--	--	--	48,500	--	--	495,017	1,268,737	112,129
Sewer	1,513,924	1,272,463	1,135,988	1,248,726	955,909	531,647	273,941	2,736,363	113,592	--
Other business-type activities	822,216	742,302	--	291	28,097	30,247	111,236	116,535	152,315	153,564
<b>Total Business-Type Activities</b>	<b>9,439,402</b>	<b>7,805,569</b>	<b>7,668,838</b>	<b>8,017,346</b>	<b>7,041,420</b>	<b>6,701,442</b>	<b>6,502,923</b>	<b>9,113,483</b>	<b>6,059,661</b>	<b>5,659,515</b>
<b>Total Primary Government Expense</b>	<b>125,852,159</b>	<b>115,628,267</b>	<b>116,029,299</b>	<b>112,611,357</b>	<b>111,060,579</b>	<b>107,218,366</b>	<b>105,721,388</b>	<b>105,855,655</b>	<b>104,675,184</b>	<b>103,520,653</b>

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## CHANGE IN NET POSITION (CONTINUED) LAST TEN FISCAL YEARS (UNAUDITED)

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
<b>Program Revenues</b>										
Governmental activities:										
Charges for services:										
General government	1,324,141	1,453,967	1,941,168	1,765,871	2,516,202	1,978,326	1,749,064	1,986,632	2,107,218	1,473,838
Public safety	1,431,538	1,115,731	2,066,431	1,782,709	1,575,726	1,370,881	1,394,520	1,089,947	1,202,739	1,483,923
Public works	865,101	1,080,366	681,048	534,719	531,452	538,953	512,455	557,987	638,723	629,129
Education	3,960,700	3,259,858	3,311,280	2,561,817	2,541,989	2,476,681	2,369,596	2,430,666	2,670,209	2,215,041
Public libraries	13,438	22,152	289,290	304,234	283,331	38,016	262,126	243,200	288,221	252,329
Department of senior services	136,742	104,934	18,119	21,651	19,524	50,826	60,366	49,611	--	--
Parks and recreation	123,606	116,456	--	--	--	--	--	--	--	--
Operating grants and contributions	<u>19,734,286</u>	<u>19,505,451</u>	<u>17,240,847</u>	<u>17,496,582</u>	<u>17,845,648</u>	<u>17,170,214</u>	<u>17,793,124</u>	<u>18,867,539</u>	<u>18,510,107</u>	<u>18,355,271</u>
<b>Total Governmental Activities Program Revenue</b>	<b><u>27,589,552</u></b>	<b><u>26,658,915</u></b>	<b><u>25,548,183</u></b>	<b><u>24,467,583</u></b>	<b><u>25,313,872</u></b>	<b><u>23,623,897</u></b>	<b><u>24,141,251</u></b>	<b><u>25,225,582</u></b>	<b><u>25,417,217</u></b>	<b><u>24,409,531</u></b>
Business-type activities:										
Charges for services:										
Water	3,846,552	3,653,051	3,681,338	3,772,934	4,074,333	3,752,299	4,146,297	3,540,370	3,764,056	3,596,310
Sewer	1,850,668	1,671,326	724,684	661,261	564,438	100	50,718	--	--	--
Q/D Recreation	2,205,155	1,715,959	1,691,921	2,545,491	1,839,863	1,713,235	1,530,798	1,666,294	1,741,758	1,797,973
School Cafeteria	430,975	503,021	450,424	480,719	471,025	475,505	440,062	463,245	560,199	624,765
Water Capital Reserve Fund	165,043	--	--	--	--	--	--	--	148,413	--
Other business-type activities	975,503	735,797	589,621	93,772	125,440	126,541	111,614	129,086	109,964	126,430
Operating grants and contributions	<u>659,434</u>	<u>986,169</u>	<u>430,642</u>	<u>474,930</u>	<u>478,878</u>	<u>452,788</u>	<u>453,278</u>	<u>426,360</u>	<u>445,432</u>	<u>437,736</u>
<b>Total Business-Type Activities</b>	<b><u>10,133,330</u></b>	<b><u>9,265,323</u></b>	<b><u>7,568,630</u></b>	<b><u>8,029,107</u></b>	<b><u>7,553,977</u></b>	<b><u>6,520,468</u></b>	<b><u>6,732,767</u></b>	<b><u>6,225,355</u></b>	<b><u>6,769,822</u></b>	<b><u>6,583,214</u></b>
<b>Total Primary Government Revenues</b>	<b><u>37,722,882</u></b>	<b><u>35,924,238</u></b>	<b><u>33,116,813</u></b>	<b><u>32,496,690</u></b>	<b><u>32,867,849</u></b>	<b><u>30,144,365</u></b>	<b><u>30,874,018</u></b>	<b><u>31,450,937</u></b>	<b><u>32,187,039</u></b>	<b><u>30,992,745</u></b>
Net (Expense)/Revenue:										
Governmental activities	(88,823,205)	(81,163,783)	(82,812,278)	(80,126,428)	(78,705,287)	(76,893,027)	(75,077,214)	(71,516,590)	(73,198,306)	(73,451,607)
Business-type activities	<u>693,928</u>	<u>1,459,754</u>	<u>(100,208)</u>	<u>11,761</u>	<u>512,557</u>	<u>(180,974)</u>	<u>229,844</u>	<u>(2,888,128)</u>	<u>710,161</u>	<u>923,699</u>
<b>Total Primary Government Net Expense</b>	<b><u>\$ (88,129,277)</u></b>	<b><u>\$ (79,704,029)</u></b>	<b><u>\$ (82,912,486)</u></b>	<b><u>\$ (80,114,667)</u></b>	<b><u>\$ (78,192,730)</u></b>	<b><u>\$ (77,074,001)</u></b>	<b><u>\$ (74,847,370)</u></b>	<b><u>\$ (74,404,718)</u></b>	<b><u>\$ (72,488,145)</u></b>	<b><u>\$ (72,527,908)</u></b>

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## FUND BALANCES – GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS (UNAUDITED)

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
<b>General Fund</b>										
Non-Spendable	\$ 3,207,296	\$ 399,920	\$ 978,709	\$ 873,872	\$ 914,751	\$ 571,325	\$ 628,460	\$ 685,595	\$ 742,730	\$ --
Restricted	--	--	--	--	--	--	--	--	--	1,200,000
Committed	--	--	--	1,000,000	--	--	--	--	--	304,749
Assigned	769,752	148,622	104,588	881,105	4,926,972	3,387,739	2,955,150	3,209,358	3,152,790	--
Unassigned	11,629,070	13,283,155	10,539,186	8,060,139	6,667,680	8,215,662	8,988,495	9,619,195	9,463,442	9,157,720
Reserved	--	--	--	--	--	--	--	--	--	--
Unreserved	--	--	--	--	--	--	--	--	--	--
<b>Total General Fund</b>	<b>15,606,118</b>	<b>13,831,697</b>	<b>11,622,483</b>	<b>10,815,116</b>	<b>12,509,403</b>	<b>12,174,726</b>	<b>12,572,105</b>	<b>13,514,148</b>	<b>13,358,962</b>	<b>10,662,469</b>
<b>All Other Governmental Funds</b>										
Non-Spendable	8,604	896,733	546,918	540,752	910,686	--	--	118,957	118,957	240,910
Restricted	3,130,341	3,222,732	2,798,409	2,969,181	3,414,409	3,444,973	4,521,281	8,823,638	4,567,027	5,180,939
Committed	--	--	--	--	--	--	--	--	148,034	4,068,819
Assigned	12,118,234	5,843,828	5,753,918	6,733,036	5,259,693	6,655,303	6,433,601	4,811,657	270,275	--
Unassigned	(2,417,305)	(870,277)	(251,582)	(135,182)	(1,614,092)	(1,207,630)	(235,619)	(24,097)	(7,223)	(75,506)
Reserved	--	--	--	--	--	--	--	--	--	--
Unreserved, reported in:										
Special revenue funds	--	--	--	--	--	--	--	--	--	--
Capital project funds	--	--	--	--	--	--	--	--	--	--
Permanent funds	--	--	--	--	--	--	--	--	--	--
<b>Total All Other Governmental Funds</b>	<b>12,839,874</b>	<b>9,093,016</b>	<b>8,847,663</b>	<b>10,107,787</b>	<b>7,970,696</b>	<b>8,892,646</b>	<b>10,719,263</b>	<b>13,730,155</b>	<b>5,097,070</b>	<b>9,415,162</b>
<b>Total Governmental Funds</b>	<b>\$ 28,445,992</b>	<b>\$ 22,924,713</b>	<b>\$ 20,470,146</b>	<b>\$ 20,922,903</b>	<b>\$ 20,480,099</b>	<b>\$ 21,067,372</b>	<b>\$ 23,291,368</b>	<b>\$ 27,244,303</b>	<b>\$ 18,456,032</b>	<b>\$ 20,077,631</b>

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## FUND BALANCES – GOVERNMENTAL FUNDS (CONTINUED) LAST TEN FISCAL YEARS (UNAUDITED)

	<b>Special Revenue</b>	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
105	Willet Library	\$ --	\$ --	\$ (8,677)	\$ (8,677)	\$ (8,677)	\$ (5,125)	\$ --	\$ 3,143	\$ (8,614)	\$ --
108	Land Record Preservation	538,032	--	--	--	--	--	--	--	--	--
109	Spay/Neuter	11,936	--	--	--	--	--	--	--	--	--
112	Library Fund	28,681	211,386	249,697	257,226	236,986	216,080	146,669	134,297	81,707	71,763
120	Misc State Grant	--	--	(17,636)	(2)	(234,182)	(248,788)	(294,210)	48,100	(1,291,613)	(277)
121	State Grant - Police	(2,415)	(813)	(2,588)	(1,574)	371	683	3,086	4,515	1,778	756
123	Seized & Forfeited	10,718	11,853	22,864	24,660	27,577	25,128	25,982	29,013	14,605	16,023
129	RI EMA	66,198	66,198	65,225	(445)	66,635	51,408	51,408	34,941	40,298	(21,394)
130	Muni Court	--	11,808	(21,298)	--	--	--	--	--	--	--
131	Elderly Affairs Grant	129	--	--	--	--	--	(613)	(614)	--	--
174	Federal Forfeiture	3,334	--	--	--	--	--	--	--	--	--
133	Sr Health	292	(4,207)	(1,168)	(780)	(725)	1,430	6,710	--	--	--
137	Historic District	--	674	674	8,195	10,000	--	--	--	--	--
139	RI Foundation	--	--	--	--	--	--	--	--	--	--
151	Tech Replace	--	6,576	23,257	35,578	44,255	50,474	30,054	28,833	8,549	15,419
154	Misc. Sr Citizens Grant	38,699	38,699	38,699	27,537	42,339	22,527	27,650	25,955	23,230	2,220
160	Sr Citizens Legislative Grant	--	1,453	1,453	1,453	1,453	1,453	3,665	1,620	1,620	1,118
166	Impact	--	(30,749)	(110,258)	(110,258)	(89,168)	71,712	36,292	60,889	37,708	38,206
167	EMS	922,776	2,027,571	1,238,137	996,717	637,839	1,038,113	1,009,723	625,069	--	--
177	Old Town House - Wickford	5,000	5,000	--	--	--	--	--	--	--	--
181	CDBG	30,286	267,600	325,939	337,100	339,404	355,325	69,333	9,841	--	--
195	Groundwater	--	--	(2,655)	--	(10,230)	(14,025)	(4,182)	10,184	11,649	13,311
196	Misc Library	13,472	12,375	11,999	11,809	10,781	11,412	13,908	10,867	8,948	6,831
199	Special Purpose	(9,488)	(9,490)	70,643	45,643	20,403	56,541	56,398	56,264	59,918	41,138
201	Safer	(2,872)	--	(67,672)	--	--	--	--	--	--	--
378	Tax Revel	271,022	46,022	--	--	--	--	--	--	--	--
420	Beach Campus	16,332	4,765	--	--	--	--	--	--	--	--
442	Water Infrastructure	18,111	15,225	--	--	--	--	--	--	--	--
726	Ann Ward	--	--	(901)	(901)	(901)	(901)	(894)	(901)	(901)	(901)
856	Sr Citizen	130,020	126,422	121,067	110,739	105,497	98,065	57,907	39,952	43,255	22,792
858	Arts Council	17,434	4,332	8,785	10,433	30,424	25,197	46,825	6,143	17,941	17,862
859	Sr Outreach	--	304	304	1,327	1,327	4,844	4,844	1,227	1,227	1,227
870	Parade	1,069	1,279	870	(980)	(313)	(844)	60	166	689	709
871	Leisure Services	--	1,400	1,400	1,400	1,400	1,400	1,400	1,400	900	900
873	Community Center	68,709	62,782	(18,585)	(11,421)	(5,374)	877	41,665	34,193	31,284	28,318
874	Heritage	--	(144)	(144)	(144)	--	--	--	--	--	--
875	Recreation	225,464	239,040	212,294	153,155	131,319	99,529	66,428	19,401	(7,223)	(9,905)
		<u>\$ 2,402,939</u>	<u>\$ 3,117,361</u>	<u>\$ 2,141,725</u>	<u>\$ 1,887,790</u>	<u>\$ 1,358,440</u>	<u>\$ 1,862,515</u>	<u>\$ 1,400,108</u>	<u>\$ 1,184,498</u>	<u>\$ (923,045)</u>	<u>\$ 246,116</u>

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## FUND BALANCES – GOVERNMENTAL FUNDS (CONTINUED) LAST TEN FISCAL YEARS (UNAUDITED)

<b>Capital Funds</b>		2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
3201	School Capital Funds	\$ 521,762	\$ 675,596	\$ 191,936	\$ 395,402	\$ --	\$ --	\$ 20,984	\$ 20,984	\$ 20,879	\$ 194,891
300	Town Capital	1,393,299	1,573,678	982,039	1,758,738	(453,626)	1,002,194	995,028	1,028,203	1,312,433	1,336,881
311	27.5M Bond Fund	3,853,626	(824,006)	--	--	--	--	--	--	--	--
325	Renovation Bond	--	51,638	51,638	51,638	81,234	81,234	--	--	(37,141)	--
374	Farm/Open Space	1,454,360	1,461,176	1,419,323	1,613,128	1,529,160	1,634,720	1,677,008	1,572,454	1,113,354	1,038,149
375	Facilities Bond	--	--	378,107	378,107	378,107	376,635	375,682	374,796	374,121	373,559
	\$9 Million School Renov	--	--	--	--	299,062	299,062	299,062	1,030,357	(110,868)	72,085
	Public Safety Facility	--	--	--	--	21,940	21,940	21,940	21,940	21,940	57,556
313	School Bond	(2,402,530)	--	--	--	--	--	--	--	--	--
	Sr Center Bond	--	--	--	--	8,775	8,775	8,775	8,775	8,775	8,775
		<u>\$ 4,820,517</u>	<u>\$ 2,938,082</u>	<u>\$ 3,023,043</u>	<u>\$ 4,197,013</u>	<u>\$ 1,864,652</u>	<u>\$ 3,424,560</u>	<u>\$ 3,398,479</u>	<u>\$ 4,057,509</u>	<u>\$ 2,703,493</u>	<u>\$ 3,081,896</u>
<b>Permanent Funds</b>		2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
702	Reynolds Indigent Care	\$ 19,173	\$ 19,173	\$ 19,173	\$ 19,173	\$ 19,092	\$ 19,018	\$ 18,970	\$ 18,925	\$ 18,891	\$ 18,863
723	Tri Centennial Park	6,160	6,149	6,137	6,124	6,120	6,118	6,118	6,118	6,107	6,107
724	400 Anniversary	3,648	3,648	3,648	3,648	3,648	3,634	3,621	3,617	3,610	3,604
751	Reynolds Outside Poor	2,203	2,199	2,194	2,189	2,188	2,187	2,187	2,187	2,183	2,183
752	Spink Outside Poor	21,233	21,196	21,151	21,109	21,093	21,087	21,087	21,087	21,049	21,049
753	Spink Outside Poor	3,188	5,299	5,289	5,277	5,274	5,772	5,772	5,772	5,262	5,262
754	Casey Outside Poor	514	2,198	2,194	2,190	2,188	2,187	2,187	2,187	2,183	2,183
790	Miller Library	2,014	2,011	2,006	2,002	2,000	2,007	2,007	2,007	2,004	2,004
791	Davis Library	5,035	5,026	5,015	5,005	5,001	5,018	5,018	5,018	5,009	5,009
792	Vet Memorial	7,343	6,979	6,979	6,979	6,979	6,952	6,928	6,918	6,906	6,896
8005	Hendrick	8,558	8,618	8,678	8,738	8,778	8,772	8,769	8,763	8,742	8,718
8006	Gardner	5,589	5,649	5,709	5,769	5,809	5,805	5,803	5,799	5,785	5,761
8007	Updike	4,227	4,227	4,227	4,225	4,224	4,222	4,221	4,219	4,213	4,203
	Olsen Memorial Fund	--	--	--	--	--	--	--	5,340	5,340	5,340
8008	Tennis	268	268	268	268	268	268	268	268	268	268
		<u>\$ 89,153</u>	<u>\$ 92,640</u>	<u>\$ 92,668</u>	<u>\$ 92,696</u>	<u>\$ 92,662</u>	<u>\$ 93,047</u>	<u>\$ 92,956</u>	<u>\$ 98,225</u>	<u>\$ 97,552</u>	<u>\$ 97,450</u>

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## CHANGES IN FUND BALANCE LAST TEN FISCAL YEARS (UNAUDITED)

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
<b>Revenues:</b>										
General property taxes	\$ 85,323,103	\$ 83,821,811	\$ 80,267,297	\$ 78,000,391	\$ 75,696,508	\$ 73,752,817	\$ 73,546,768	\$ 72,280,113	\$ 70,520,575	\$ 68,789,883
Intergovernmental	18,792,112	19,948,648	22,360,876	20,852,318	21,768,865	20,133,476	20,745,738	21,919,281	20,857,798	23,345,847
Departmental	3,101,928	2,793,526	2,483,340	2,206,197	1,968,212	2,329,606	2,389,957	2,033,636	2,187,839	2,366,540
Licenses and permits	--	--	--	--	--	--	--	--	--	--
Investment income	428,161	360,367	284,761	91,414	50,497	10,166	39,070	46,900	51,089	89,055
Contributions and Grants	66,440	24,417								
On behalf pension contribution	3,261,477	3,041,562	3,029,109	2,986,260	2,744,835	2,549,284	2,332,235	2,181,034	2,361,865	2,042,196
Other	6,417,543	4,236,653	691,228	823,752	772,030	815,215	1,855,802	1,232,171	596,518	384,996
<b>Total Revenues</b>	<b>117,390,764</b>	<b>114,226,984</b>	<b>109,116,611</b>	<b>104,960,332</b>	<b>103,000,947</b>	<b>99,590,564</b>	<b>100,909,570</b>	<b>99,693,135</b>	<b>96,575,684</b>	<b>97,018,517</b>
<b>Expenditures:</b>										
General Government	8,096,177	9,129,514	9,092,808	7,737,222	7,391,485	7,208,853	7,376,327	7,059,080	8,300,521	6,775,968
Public Safety	20,104,789	18,834,781	17,023,231	15,914,151	15,071,535	15,368,738	15,387,702	14,275,672	14,687,912	14,444,093
Public works	5,398,005	4,878,285	4,841,652	4,665,045	4,609,274	4,512,269	5,118,880	4,566,197	4,111,437	4,096,839
Parks and recreation	39,046	43,249	55,862	29,992	19,955	25,152	19,410	12,734	10,880	12,363
Senior services	649,916	659,241	660,367	639,120	618,523	559,028	561,715	539,452	593,228	597,116
Education	67,950,279	66,909,625	65,779,079	63,220,617	62,515,355	59,879,940	59,793,472	58,649,695	60,359,429	60,097,643
Public libraries	1,793,613	1,665,777	1,644,619	1,595,477	1,475,064	1,481,601	1,432,952	1,409,551	1,417,361	1,472,638
Per trust agreements	--	--	--	--	--	--	--	--	--	485,692
Human resources	--	--	--	--	--	--	--	--	--	--
On behalf pension contribution	3,261,477	3,041,562	3,029,109	2,986,260	2,744,835	2,549,284	2,332,235	2,181,034	2,361,865	2,042,196
Debt service:										
Principal	3,403,186	3,654,870	3,785,454	3,624,970	3,968,800	3,963,410	13,937,630	3,527,240	3,566,850	3,686,694
Interest and other costs	1,248,535	1,326,620	1,335,086	1,445,439	1,395,979	1,823,919	2,054,519	1,807,102	1,926,236	2,059,589
Capital expenditures	8,344,525	3,702,027	3,547,745	2,746,783	3,954,321	4,446,822	7,258,260	4,778,607	1,194,849	965,437
<b>Total Expenditures</b>	<b>120,289,548</b>	<b>113,845,551</b>	<b>110,795,012</b>	<b>104,605,076</b>	<b>103,765,126</b>	<b>101,819,016</b>	<b>115,273,102</b>	<b>98,806,364</b>	<b>98,530,568</b>	<b>96,736,268</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>(2,898,784)</b>	<b>381,433</b>	<b>(1,678,401)</b>	<b>355,256</b>	<b>(764,179)</b>	<b>(2,228,452)</b>	<b>(14,363,532)</b>	<b>886,771</b>	<b>(1,954,884)</b>	<b>282,249</b>
<b>Other Financing Sources (Uses):</b>										
Proceeds of bond issuance	--	--	--	--	19,060,000	--	10,350,000	7,655,000	--	--
Refunding Debt Escrow Agent	--	--	--	--	(21,585,655)	--	--	--	--	--
Bond premium	719,526	416,821	--	--	2,715,761	--	72,821	534,436	--	--
Bond issuance	7,560,650	7,100,845	--	--	--	--	(9,474)	--	--	--
Bond issuance costs	--	(6,118,800)	--	--	--	--	--	(124,436)	--	--
Lease Proceeds	--	--	747,866	--	--	--	--	--	--	--
Transfers in	63,156,161	65,535,743	57,955,884	59,285,838	54,581,760	55,484,714	53,356,828	50,558,130	50,348,573	51,428,979
Transfers out	(62,647,377)	(64,861,475)	(57,458,106)	(59,198,290)	(54,594,960)	(55,484,714)	(53,359,578)	(50,721,630)	(50,649,572)	(51,679,580)
<b>Total Other Financing Sources (Uses)</b>	<b>8,788,960</b>	<b>2,073,134</b>	<b>1,245,644</b>	<b>87,548</b>	<b>176,906</b>	<b>--</b>	<b>10,410,597</b>	<b>7,901,500</b>	<b>(300,999)</b>	<b>(250,601)</b>
<b>Net Change in Fund Balances</b>	<b>\$ 5,890,176</b>	<b>\$ 2,454,567</b>	<b>\$ (432,757)</b>	<b>\$ 442,804</b>	<b>\$ (587,273)</b>	<b>\$ (2,228,452)</b>	<b>\$ (3,952,935)</b>	<b>\$ 8,788,271</b>	<b>\$ (2,255,883)</b>	<b>\$ 31,648</b>
Ratio of debt service to noncapital expenditures	4.34%	4.74%	5.01%	5.24%	5.68%	6.32%	17.38%	6.01%	5.98%	6.38%

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY LAST TEN FISCAL YEARS (UNAUDITED)

FYE	Condos, Apartments & Multi Family			Industrial, Utility, & Misc.		Tangible Personal		Less Personal		Total Taxable	Total Direct Tax Rate
	Single Family	Multi Family	Commercial	Property	Personal	Motor Vehicles	Exemption&MV	Phaseout	Property	Assed Value	
2020	\$ 3,181,790,300	\$ 615,254,100	\$ 458,934,900	\$ 258,141,750	\$ 184,050,170	\$ 267,931,335	\$ 178,155,241	\$ 724,386,635	\$ 4,063,560,679	17.28	
2019	\$ 3,153,264,595	\$ 585,702,100	\$ 455,759,400	\$ 259,927,050	\$ 167,546,090	\$ 273,993,367	\$ 157,396,002	\$ 671,434,955	\$ 4,067,361,645	17.13	
2018	\$ 2,718,591,305	\$ 497,775,400	\$ 403,082,000	\$ 232,733,460	\$ 165,055,260	\$ 276,956,087	\$ 151,270,026	\$ 594,505,325	\$ 3,548,418,161	19.24	
2017	\$ 2,708,071,020	\$ 483,710,000	\$ 404,264,600	\$ 226,246,260	\$ 158,104,270	\$ 281,053,468	\$ 148,458,744	\$ 584,329,525	\$ 3,528,661,349	18.78	
2016	\$ 2,687,630,745	\$ 476,716,400	\$ 400,094,000	\$ 234,055,550	\$ 153,628,500	\$ 307,977,222	\$ 155,213,082	\$ 581,143,350	\$ 3,523,745,985	18.29	
2015	\$ 2,491,254,995	\$ 438,192,200	\$ 348,546,200	\$ 221,082,550	\$ 147,104,420	\$ 297,434,850	\$ 148,856,073	\$ 586,702,050	\$ 3,208,057,092	19.46	
2014	\$ 2,481,476,150	\$ 429,965,500	\$ 343,868,900	\$ 221,518,850	\$ 139,868,020	\$ 288,633,216	\$ 149,991,876	\$ 588,517,950	\$ 3,166,820,810	19.09	
2013	\$ 2,469,228,055	\$ 422,996,900	\$ 342,236,000	\$ 184,350,590	\$ 132,239,520	\$ 287,489,627	\$ 149,283,220	\$ 626,775,110	\$ 3,062,482,362	17.76	
2012	\$ 2,624,454,320	\$ 439,980,080	\$ 370,862,000	\$ 190,966,650	\$ 125,405,040	\$ 285,001,053	\$ 145,346,495	\$ 675,277,750	\$ 3,216,044,898	17.50	
2011	\$ 2,615,522,025	\$ 435,353,300	\$ 370,079,100	\$ 193,235,550	\$ 123,644,070	\$ 269,726,063	\$ 145,191,062	\$ 647,920,650	\$ 3,214,448,396	17.10	

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## PROPERTY TAX RATES LAST TEN FISCAL YEARS (UNAUDITED)

Category	Assessed Value	Assessed Value	Direct Rate Per			Total Tax Levy
	\$	\$	\$1,000	\$	\$	
Real Estate	\$ 4,514,121,054					
Less Exemptions	\$ (91,915,580)					
Net Real Estate		\$ 4,422,205,474	\$ 17.09	\$ 75,575,497		
Tangible/Personal Property		\$ 183,538,760	\$ 17.09	\$ 3,136,865		
Motor Vehicles	\$ 267,931,335					
Less Exemptions	\$ (85,728,251)					
Net Motor Vehicles		\$ 182,203,084	\$ 22.04	\$ 4,014,826		
				<u><u>\$ 82,727,188</u></u>		
Total Assessed Value:	\$ 4,787,947,318					
Divided by Total Levy:	\$ 82,727,188					
	(times 1,000)	\$ 17.28	Weighted Avg/Total Direct Rate			

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## PRINCIPAL TAXPAYERS CURRENT YEAR PERIOD & TEN YEARS AGO (UNAUDITED)

Taxpayer	Taxable Assessed		Percentage of Total Assessed Value	Taxable Assessed Value		Percentage of Total Assessed Value
	Value	Rank		Value	Rank	
Narragansett Electric	\$ 63,000,480	1	1.32%	\$ 51,092,470	1	1.14%
Toray Plastics	\$ 53,420,300	2	1.12%			
Zakopane Real Estate	\$ 17,664,400	3	0.37%	\$ 13,812,800	5	0.31%
Heritage Preservation	\$ 17,008,800	4	0.36%	\$ 11,020,500	8	0.25%
Lischio Development	\$ 15,849,800	5	0.33%	\$ 14,072,900	4	0.32%
Wal-Mart Real Estate	\$ 15,692,400	6	0.33%	\$ 13,050,770	6	0.29%
Reynold Farms Apartments	\$ 15,613,400	7	0.33%			
Hunt River Commons	\$ 15,553,700	8	0.32%	\$ 12,284,200	7	0.28%
Home Depot	\$ 13,090,700	9	0.27%	\$ 14,512,310	3	0.32%
Millcreek Limited	\$ 12,551,500	10	0.26%	\$ 10,560,000	10	0.24%
Precision Park RI				\$ 14,652,000	2	0.33%
Lowes Home Centers				\$ 10,907,940	9	0.24%

	Assessed	PILOT
Electric Boat Corporation	\$ 40,045,475	\$ 684,377
Zakopane Realty	\$ 27,041,430	\$ 462,138
Hexagon Metrology	\$ 9,280,300	\$ 158,600
Edesia Nutrition	\$ 440,100	\$ 7,521
Infinity Meat Solutions	\$ 7,558,000	\$ 140,000
Finleys	\$ 3,607,700	\$ 70,000
Flex Technology	\$ 3,486,300	\$ 65,000
Nexamp	\$ 392,876	\$ 7,500

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## PROPERTY TAX LEVIES AND COLLECTIONS LAST TEN FISCAL YEARS (UNAUDITED)

Fiscal Year Ended June 30	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy			Amount Collected in Subsequent Years			Total Collected	
		Fiscal Year of the Levy		Amount	Uncollected	Total	Collections	Amount as a Percentage of Levy	
		Percentage	of Levy	as of end of FY	as of 6/30/19	as of 6/30/19	as of 6/30/19	Amount as a Percentage of Levy	
2020	\$ 82,099,616	\$ 80,333,183	97.85%	\$ 1,831,581	\$ --	\$ 80,333,183		97.85%	
2019	\$ 79,718,287	\$ 78,147,311	98.03%	\$ 1,570,976	\$ 1,290,432	\$ 79,437,743		99.65%	
2018	\$ 77,719,000	\$ 75,209,739	96.77%	\$ 197,298	\$ 2,390,100	\$ 77,599,839		99.85%	
2017	\$ 74,961,075	\$ 73,113,804	97.54%	\$ 176,943	\$ 1,706,657	\$ 74,820,461		99.81%	
2016	\$ 73,845,736	\$ 71,826,525	97.27%	\$ 165,935	\$ 1,878,163	\$ 73,704,688		99.81%	
2015	\$ 71,703,472	\$ 69,791,872	97.33%	\$ 117,348	\$ 1,872,358	\$ 71,664,230		99.95%	
2014	\$ 70,092,179	\$ 68,130,329	97.20%	\$ 95,942	\$ 1,780,840	\$ 69,911,169		99.74%	
2013	\$ 69,092,073	\$ 67,235,236	97.31%	\$ 70,882	\$ 1,758,166	\$ 68,993,402		99.86%	
2012	\$ 67,597,376	\$ 65,762,857	97.29%	\$ 79,285	\$ 1,755,881	\$ 67,518,738		99.88%	
2011	\$ 65,779,328	\$ 60,789,176	92.41%	\$ 82,343	\$ 4,909,918	\$ 65,699,094		99.88%	

## TOWN OF NORTH KINGSTOWN, RHODE ISLAND

### RATIOS OF OUTSTANDING DEBT BY TYPE LAST TEN FISCAL YEARS (UNAUDITED)

Fiscal Year	Governmental Activities			Business-Type Activities						Net Bonded Debt as % of Taxable		
	General		Capital	Water	Quonset/ Davisville			Total	Percentage of Personal Income	Net		Debt as % of Taxable Assessed
	Obligation	Bonds			Recreation	Sewer	Business-Type			Primary	Bonded	Taxable Assessed
June 30,	Bonds	Leases	Bonds	Bonds	Bonds	Note Payable	Leases	Government	Income	Capita	Value	Value
2020	\$ 33,216,813	\$ 993,740	\$ 2,484,458	\$ --	\$ 13,139,109	\$ 141,903	\$ 49,976,023	4.18%	\$ 1,887	\$ 4,063,560,679	1.23%	
2019	\$ 28,963,394	\$ 710,277	\$ 2,664,330	\$ --	\$ 13,450,900	\$ 208,797	\$ 45,997,698	3.95%	\$ 1,737	\$ 4,142,923,486	1.11%	
2018	\$ 29,121,140	\$ 538,162	\$ 2,837,593	\$ 28,860	\$ 14,129,401	\$ --	\$ 46,655,156	4.01%	\$ 1,762	\$ 4,142,923,486	1.13%	
2017	\$ 32,696,890	\$ --	\$ 3,005,248	\$ 58,110	\$ 9,193,945	\$ --	\$ 44,954,193	3.87%	\$ 1,697	\$ 4,104,889,335	1.10%	
2016	\$ 36,321,860	\$ --	\$ 3,167,831	\$ 88,140	\$ 11,538,611	\$ --	\$ 51,116,442	4.40%	\$ 1,930	\$ 3,794,759,142	1.35%	
2015	\$ 41,985,660	\$ --	\$ 3,325,574	\$ 119,340	\$ 12,030,475	\$ --	\$ 57,461,049	4.94%	\$ 2,169	\$ 3,755,338,760	1.53%	
2014	\$ 45,949,070	\$ --	\$ 3,749,245	\$ 150,930	\$ 12,269,613	\$ --	\$ 62,118,858	5.02%	\$ 2,345	\$ 3,689,257,472	1.68%	
2013	\$ 49,536,700	\$ --	\$ 2,983,701	\$ 183,300	\$ 2,366,098	\$ --	\$ 55,069,799	4.45%	\$ 2,079	\$ 3,891,322,648	1.42%	
2012	\$ 45,408,940	\$ --	\$ 3,131,763	\$ 216,060	\$ --	\$ --	\$ 48,756,763	3.94%	\$ 1,841	\$ 3,862,369,046	1.26%	
2011	\$ 48,975,790	\$ --	\$ 3,775,726	\$ 249,210	\$ --	\$ --	\$ 53,000,726	4.28%	\$ 2,001	\$ 3,844,989,239	1.38%	

## TOWN OF NORTH KINGSTOWN, RHODE ISLAND

### COMPUTATION OF LEGAL DEBT MARGIN LAST TEN FISCAL YEARS (UNAUDITED)

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Total Assessed Value	\$4,966,102,555	\$4,896,192,602	\$4,294,193,512	\$4,261,449,618	\$4,260,102,417	\$3,943,615,215	\$3,905,330,636	\$3,838,540,692	\$4,036,699,143	\$4,007,560,108
RI Gen Law Debt Limit										
3% of assesed value	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%
Debt Limit	\$ 148,983,077	\$ 146,885,778	\$ 128,825,805	\$ 127,843,489	\$ 127,803,073	\$ 118,308,456	\$ 117,159,919	\$ 115,156,221	\$ 121,100,974	\$ 120,226,803
NK Debt Limit										
2% of assessed value	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%
Debt Limit	\$ 99,322,051	\$ 97,923,852	\$ 85,883,870	\$ 85,228,992	\$ 85,202,048	\$ 78,872,304	\$ 78,106,613	\$ 76,770,814	\$ 80,733,983	\$ 80,151,202

## TOWN OF NORTH KINGSTOWN, RHODE ISLAND

### PRINCIPAL EMPLOYERS CURRENT YEAR PERIOD & TEN YEARS AGO (UNAUDITED)

2020				2011			
Name	Type of Business	# of Employees	Name	Type of Business	# of Employees		
General Dynamics Electric Boat	Mfr/Submarine	3,374	1	General Dynamics Electric Boat	Mfr/Submarine	1,821	
134d Air Wing	Air National Guard	1,000	2	Perspective Corps	Disabled Support Svc	850	
Ocean State Jobbers	Retail	624	3	North Kingstown School Dept	Education	606	
Toray Plastics of America	Mfr/Plastic	601	4	Toray Plastics of America	Mfr/Plastic	600	
North Kingstown School Dept	Education	595	5	Ocean State Jobbers	Retail	551	
North Atlantic Distributes	Mfr/Machinery	392	6	134d Air Wing	Air National Guard	303	
RI Army National Guard	Air National Guard	362	7	North Atlantic Distributes	Mfr/Machinery	260	
Town of North Kingstown	Government	285	8	Walmart	Retail	260	
Hexagon	Manufacturing	280	9	Brown & Sharpe	Manufacturing	250	
Senseco Marine	Mfr/Boats	257	10	Town of North Kingstown	Government	232	

## TOWN OF NORTH KINGSTOWN, RHODE ISLAND

### DEMOGRAPHIC AND ECONOMIC STATISTICS LAST TEN FISCAL YEARS (UNAUDITED)

FY	Population	Per Capital Income	Estimated Total Personal Income	School Enrollment	Unemployment Rate
2020	26,320	\$ 45,117	\$ 1,187,479,440	3,967	10.2%
2019	26,489	\$ 43,928	\$ 1,163,608,792	4,007	2.7%
2018	26,489	\$ 42,567	\$ 1,127,557,263	3,920	3.2%
2017	26,178	\$ 40,540	\$ 1,061,256,120	3,999	3.5%
2016	26,197	\$ 40,977	\$ 1,073,474,469	3,989	5.3%
2015	26,197	\$ 39,138	\$ 1,025,298,186	4,145	4.7%
2014	26,551	\$ 36,972	\$ 981,643,572	4,056	6.1%
2013	26,551	\$ 35,111	\$ 932,232,161	4,138	7.4%
2012	26,500	\$ 33,123	\$ 877,759,500	4,364	8.7%
2011	26,500	\$ 31,546	\$ 835,969,000	4,409	9.3%

## TOWN OF NORTH KINGSTOWN, RHODE ISLAND

### WATER SOLD LAST TEN FISCAL YEARS (UNAUDITED)

Fiscal Year	Type of Service					Total
	Commercial	Residential	Other	Public		
2020	\$ 94,923,430	\$ 1,504,289,807	\$ 1,022,080	\$ 26,940	\$ 1,600,262,257	
2019	\$ 68,553,088	\$ 616,297,228	\$ 6,496,277	\$ 19,690,887	\$ 711,037,480	
2018	\$ 63,518,410	\$ 584,426,732	\$ 25,416,627	\$ 9,092,906	\$ 682,454,675	
2017	\$ 62,884,880	\$ 637,274,822	\$ 12,305,320	\$ 14,969,950	\$ 727,434,972	
2016	\$ 63,289,280	\$ 644,751,545	\$ 15,481,800	\$ 11,725,440	\$ 735,248,065	
2015	\$ 58,330,340	\$ 609,462,707	\$ 12,450,560	\$ 14,826,630	\$ 695,070,237	
2014	\$ 61,986,590	\$ 596,958,292	\$ 5,260,610	\$ 12,669,350	\$ 676,874,842	
2013	\$ 60,762,327	\$ 575,976,559	\$ 13,932,390	\$ 12,323,760	\$ 662,995,036	
2012	\$ 63,070,940	\$ 582,696,249	\$ 16,087,950	\$ 14,196,238	\$ 676,051,377	
2011	\$ 153,245,450	\$ 692,475,957	\$ 18,734,980	\$ 15,855,300	\$ 880,311,687	

Information provided by North Kingstown Water Department

## TOWN OF NORTH KINGSTOWN, RHODE ISLAND

### WATER RATES LAST TEN FISCAL YEARS (UNAUDITED)

Fiscal Year	Base Rate	Rate per 1,000 Gallons
2020	\$ 14.26 *	\$ 3,280
2019	\$ 14.26 *	\$ 3,280
2018	\$ 14.26 *	\$ 3.280
2017	\$ 14.26 *	\$ 3.280
2016	\$ 14.26 *	\$ 3.280
2015	\$ 14.26 *	\$ 3.280
2014	\$ 14.26 *	\$ 3.280
2013	\$ 14.26 *	\$ 3.280
2012	\$ 14.26 *	\$ 3.280
2011	\$ 14.26 *	\$ 3.000

\*Base Rate is shown for meter sizes 5/8" and 3/4". Base Rate increases with size of meter.

**Source:** North Kingstown Water Department

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## CAPITAL ASSET STATISTICS BY FUNCTION – TOWN LAST TEN FISCAL YEARS (UNAUDITED)

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
<b>General Government</b>										
Number of general government buildings										
Municipal Building	1	1	1	1	1	0	0	0	0	0
Town Hall	1	1	1	1	1	1	1	1	1	1
Other (Annex, Wickford Elementary, Meeting House)	3	3	3	3	3	3	3	2	2	2
<b>Public Safety</b>										
Police Stations	1	1	1	1	1	1	1	1	1	1
Patrol Vehicles	31	22	22	22	20	20	21	23	23	23
Fire Stations	5	5	5	5	4	4	4	4	4	4
Fire Engines	11	10	10	10	10	10	10	10	10	10
Rescue Vehicles	3	3	3	3	3	3	3	3	3	3
<b>Public Works</b>										
Public Work Facilities	1	1	1	1	1	1	1	1	1	1
Salt Sheds	1	1	1	1	1	1	1	1	1	1
DPW Registered Vehicles	81									
Miles of streets	153	153	153	153	153	151	151	151	151	157
Number of Street Lights	2,510	2,510	2,510	2,510	2,510	2,510	2,510	2,510	2,510	2,510
<b>Senior Services</b>										
Senior Centers	1	1	1	1	1	1	1	1	1	1
Senior Buses	2	2	2	2	2	2	2	2	2	2
<b>Recreations &amp; Parks</b>										
Number of Parks & Facilities	37									
Beaches	1	1	1	1	1	1	1	1	1	1
Community Centers	1	1	1	1	1	1	1	1	1	1
Acres of Parks	776	776	776	776	480	480	480	480	480	480
Acres of Open Space										
Boat Launches	1	1	1	1	1	1	1	1	1	1
Golf Courses	1	1	1	1	1	1	1	1	1	1
Marinas	1	1	1	1	1	1	1	1	1	1
Vehicles	5									
<b>Water</b>										
Miles of water mains	168	181	181	177	177	177	177	177	177	177
Number of Fire Hydrants	1,088	1,089	1,089	1,070	1,055	1,045	1,050	1,050	1,048	1,048
Water Towers	5	5	5	5	5	5	5	5	5	5
<b>Sewer</b>										
Miles of Sanitary sewers	5.0	4.4	4.1	4.1	4.1	3.0	3.0	3.0	3.0	3.0
Number storm drains	2,054	1,803	1,603	1,603	1,590	1,590	1,590	1,590	1,587	1,587

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## CAPITAL ASSET STATISTICS BY FUNCTION – SCHOOL LAST TEN FISCAL YEARS (UNAUDITED)

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Fishing Cove Elementary (1957)										
Square Feet	46,160	46,160	46,160	46,160	46,160	46,160	46,160	46,160	46,160	46,160
Capacity	335	335	335	335	335	335	335	335	335	335
Enrollment	291	305	303	287	271	274	282	282	266	246
Forest Park Elementary (1962)										
Square Feet	31,812	31,812	31,812	31,812	31,812	31,812	31,812	31,812	31,812	31,812
Capacity	275	275	275	275	275	275	275	275	275	275
Enrollment	242	235	234	244	256	280	258	257	248	246
Hamilton Elementary (1962)										
Square Feet	49,274	49,274	49,274	49,274	49,274	49,274	49,274	49,274	49,274	49,274
Capacity	450	450	450	450	450	450	450	450	450	450
Enrollment	399	345	343	357	347	339	376	406	425	421
Quidnessett Elementary (1971)										
Square Feet	43,544	43,544	43,544	43,544	43,544	43,544	43,544	43,544	43,544	43,544
Capacity	383	383	383	383	383	383	383	383	383	383
Enrollment	233	269	288	281	292	313	308	318	344	333
Stony Lane Elementary (1971)										
Square Feet	49,319	49,319	49,319	49,319	49,319	49,319	49,319	49,319	49,319	49,319
Capacity	450	450	450	450	450	450	450	450	450	450
Enrollment	364	397	395	417	412	386	380	382	404	432
Davisville Middle (1967)										
Square Feet	96,748	96,748	96,748	96,748	96,748	96,748	96,748	96,748	96,748	96,748
Capacity	680	680	680	680	680	680	680	680	680	680
Enrollment	504	541	520	533	542	530	533	521	537	541

## TOWN OF NORTH KINGSTOWN, RHODE ISLAND

### CAPITAL ASSET STATISTICS BY FUNCTION – SCHOOL (CONTINUED) LAST TEN FISCAL YEARS (UNAUDITED)

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Wickford Middle (1932)										
Square Feet	63,129	63,129	63,129	63,129	63,129	63,129	63,129	63,129	63,129	63,129
Capacity	465	465	465	465	465	465	465	465	465	465
Enrollment	367	390	388	404	428	430	422	394	394	431
North Kingstown High (2001)										
Square Feet	253,600	253,600	253,600	253,600	253,600	253,600	253,600	253,600	253,600	253,600
Capacity	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600
Enrollment	1,480	1,413	1,406	1,353	1,335	1,358	1,361	1,409	1,507	1,603
Out of District										
Enrollment	187	191	190	191	197	204	178	153	115	114
Administration (1968)										
Square Feet	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000
Data Center (1971)										
Square Feet	10,440	10,440	10,440	10,440	10,440	10,440	10,440	10,440	10,440	10,440
Maintenance (1978)										
Square Feet	5,390	5,390	5,390	5,390	5,390	5,390	5,390	5,390	5,390	5,390

Source: North Kingstown School Department Business Office

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## OPERATING INDICATORS – TOWN LAST TEN FISCAL YEARS (UNAUDITED)

Function/Program	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
<b>Police</b>										
Calls for Service	35,268	28,262	25,050	24,865	24,065	26,811	27,113	30,803	33,316	30,111
Physical Arrest	549	613	675	697	773	751	713	658	961	1,268
Traffic Violations	2,349	2,143	2,900	3,045	2,696	2,743	2,555	2,413	2,383	2,861
Prosecutions	549	613	675	697	773	751	713	658	961	1,268
<b>Animal Controls</b>										
Number of Complaints	694	754	825	803	n/a	n/a	n/a	n/a	n/a	n/a
<b>Fire</b>										
Fire Reponses	5,651	3,005	2,415	2,086	2,068	2,211	2,400	2,320	2,098	2,081
Ambulance Responses	3,104	3,342	3,587	3,228	2,914	3,543	3,321	2,963	4,761	4,790
Residential Inspections	613	702	423	475	518	435	388	300	414	410
Box Alarms	234	269	302	239	250	n/a	n/a	n/a	n/a	n/a
<b>Streets &amp; Highway</b>										
Street Sweeping (miles)	153	150	150	150	148	146	146	146	146	146
Road Paving (miles)	6.89	3.46	7.92	2.75	3.10	4.20	3.00	n/a	n/a	n/a
Snowplow OT	\$ 27,569	\$ 60,028	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
<b>Refuse</b>										
Refuse Collected (tons)	6,677	5,972	6,125	6,007	6,145	5,963	5,665	6,632	7,751	7,466
Recyclables Collected (tons)	3,247	3,248	3,200	3,320	3,268	3,213	3,332	3,084	3,018	3,164
<b>Recreation</b>										
Programs	39	28	25	25	26	23	n/a	n/a	n/a	n/a
Participates	1,983	3,587	3,478	3,598	3,356	2,946	n/a	n/a	n/a	n/a
<b>Golf Course</b>										
Rounds Played	33,484	35,598	33,605	33,666	36,507	38,158	38,227	35,860	39,268	38,164
<b>Libraries</b>										
Volumes in Collection	258,697	225,149	214,492	202,732	188,709	170,273	169,009	136,779	123,973	136,749
Reference request	31,144	26,227	25,429	28,815	29,904	37,544	30,789	37,356	21,827	20,889
Visitors	99,079	140,517	142,444	145,995	157,750	160,689	173,860	180,799	187,133	187,828
<b>Water</b>										
New Connections	50	78	158	43	154	16	8	n/a	n/a	n/a
Average Daily Consumption	2,488,404	2,390,353	2,689,599	2,756,051	2,589,662	2,479,594	2,756,789	n/a	n/a	n/a
<b>Waste Water</b>										
Average Daily Treatment	190,000	151,689	122,124	n/a	n/a	n/a	n/a	n/a	n/a	n/a
<b>Senior Services</b>										
Meals on Wheels	6,541	7,343	8,301	9,051	7,942	6,755	5,848	6,127	6,371	5,800
Sr Service Calls	48,938	60,239	58,712	57,363	55,012	48,693	46,132	44,972	42,776	34,301
Other Service Calls	1,710	1,651	1,810	1,687	1,422	1,516	1,403	2,422	2,114	2,064
Heat Cases	6	5	8	6	11	31	29	35	33	30
Rent Cases	10	10	17	21	14	14	20	13	16	
Electric Shut Offs	5	10	4	11	26	14	20	15	24	17
Transportation Calls	4,768	7,412	7,172	7,282	7,574	7,232	8,434	9,532	9,466	8,906
<b>Board of Canvassers</b>										
Registered Votes	22,112	23,325	23,614	22,860	22,737	22,130	21,953			

## TOWN OF NORTH KINGSTOWN, RHODE ISLAND

### OPERATING INDICATORS – SCHOOL LAST TEN FISCAL YEARS (UNAUDITED)

Fiscal Year	Expenses	ADM Enrollment	Cost		Pupil/Teacher Ratio	Student Attendance Percentage	Free & Reduced Lunch	Substitutes
			Per Pupil	Percentage Change				
2020	\$ 70,208,322	3,780	(2)	\$ 18,754	0.92%	1:13	95.5%	20.0%
2019	\$ 70,180,271	3,938	(2)	\$ 17,821	0.92%	1:13	97.6%	22.0%
2018	\$ 68,716,343	3,891	(2)	\$ 17,659	9.27%	1:13	95.2%	20.7%
2017	\$ 64,186,563	3,972	(2)	\$ 16,161	-0.22%	1:13	95.4%	22.0%
2016	\$ 63,477,396	3,919	(2)	\$ 16,197	4.29%	1:13	95.7%	22.0%
2015	\$ 61,457,035	3,957	(2)	\$ 15,531	0.53%	1:16	95.7%	21.6%
2014	\$ 60,989,833	3,948	(2)	\$ 15,449	3.69%	1:16	95.3%	21.5%
2013	\$ 59,869,304	3,999	(2)	\$ 14,899	2.36%	1:17	95.6%	23.2%
2012	\$ 61,703,133	4,239	(2)	\$ 14,556	4.04%	n/a	94.0%	19.3%
2011	\$ 61,099,845	4,367	(2)	\$ 13,991	4.04%	n/a	95.1%	22.5%

**Source:** North Kingstown School Department In\$ite and UCOA Reports

#### **ADM Enrollment**

(1) School Enrollment: Based on an Average Daily Membership (ADM) using 180 days of school as a base (i.e. if a student is only enrolled in a school for 175 days of the 180 day base, the ADM for the student would be .97 (175 day enrollment ÷ 180 day base = .97 ADM). Enrollment also includes resident students tuitioned out and Jamestown students attending the High School

(2) School Enrollment: Based on an Average Daily Membership (ADM) using 180 days of school as a base (i.e. if a student is only enrolled in a school for 175 days of the 180 day base, the ADM for the student would be .97 (175 day enrollment ÷ 180 day base = .97 ADM). Enrollment also includes resident students tuitioned out and Jamestown students attending the High School but does NOT include Charter School and Out of District Vocational students

**Cost per Pupil:** Total Expenses ÷ ADM Enrollment = Cost Per Pupil

**Source:** North Kingstown School Department Business Office

# TOWN OF NORTH KINGSTOWN, RHODE ISLAND

## FULL TIME EMPLOYEES LAST TEN FISCAL YEARS (UNAUDITED)

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Town Council	5	5	5	5	5	5	5	5	5	5
Town Manager	2	2	2	2	2	2	2	2	2	2
Town Clerk/Bd. Of Canvassers	5	5	5	5	5	5	5	5	5	5
Finance	7	6	6	6	6	5	5	3	3	3
Tax	3	3	3	3	3	3	3	3	3	2
Technology	3	3	3	3	3	3	3	2	2	1
Assessor	3	3	3	3	3	2	2	2	2	3
Fire	72	72	72	6	62	62	64	67	68	77
Police	89	62	57	53	55	55	56	56	56	61
Animal Control	2	2	2	1	1	1	1	1	1	1
Harbor Master	1	1	1	1	1	1	1	1	1	1
Planning	5	4	5	5	5	4	4	4	4	4
Public Works	30	30	30	30	29	28	27	26	26	29
Senior Citizens	6	6	6	5	5	4	4	4	4	3
Code Enforcement	5	5	5	5	4	4	4	3	3	3
Recreation	3	2	0	0	0	0	0	0	0	0
Library	20	17	16	16	15	15	15	14	14	14
Municipal Court	1	1	1	1	1	1	1	1	1	1
Quonset/Davisville Recreation Fund/Golf Course/Allens Harbor	6	6	6	6	6	7	7	8	8	8
Sewer Fund	1	1	0	0	0	0	0	0	0	0
Water Fund	16	15	15	14	14	14	14	14	14	14
<b>Total</b>	<b>285</b>	<b>251</b>	<b>243</b>	<b>170</b>	<b>225</b>	<b>221</b>	<b>223</b>	<b>221</b>	<b>222</b>	<b>237</b>

### Public Education by UCOA Job Class:

Executive Administration	30	29	29	28	28	28	28	27	27
Teachers	376	377	373	372	370	373	368	366	366
Teacher Asst/Food Service	117	119	119	116	118	113	120	123	121
Clerk/Secretary	37	36	36	36	36	37	36	35	33
Physical Plant Staff	10	11	11	11	11	12	12	12	42
Transportation	25	27	27	26	26	26	32	32	30
	<b>595</b>	<b>599</b>	<b>595</b>	<b>589</b>	<b>589</b>	<b>589</b>	<b>596</b>	<b>596</b>	<b>619</b>

**NOTE: School Full Time Equivalent (FTE) Counts are now categorized by Uniform Chart of Accounts (UCOA) Job Classification Code**

#### *Job Classification Examples*

1000 - Teachers, Guidance, Social Workers, Psychologist, PT, PTA, OT, COTA, Nurse, etc.

2000 - Superintendent, Asst Superintendent, Directors, Asst. Director, Principals, Asst. Principals, Deans

3000 - Supervisors, Controller, Coordinators, Athletic Director, Food Service Director

4000 - Clerical, Paraprofessionals, Bus Drivers/Para's, Admin. Assistant, Truant Officer, Custodial, Maintenance, Food Service, Computer Techs

**Source:** Town of North Kingstown Municipal and School In\$ite and UCOA Full Time Equivalent (FTE) Reports