

TOWN OF WESTERLY RHODE ISLAND



Annual Comprehensive Financial Report
For the Fiscal Year Ended June 30, 2025

TOWN OF WESTERLY, RHODE ISLAND

CONTENTS

	Page
Introductory Section	
Letter of Transmittal.....	1-8
List of Principal Officials	9
Organizational Chart.....	10
Public Schools Organizational Chart.....	11
Financial Section	
Independent Auditors' Report	12-14
Management's Discussion and Analysis	15-25
Basic Financial Statements	
<u>Exhibit</u>	
Government-wide Financial Statements:	
I Statement of Net Position	26-27
II Statement of Activities	28
Fund Financial Statements:	
Governmental Funds:	
III Balance Sheet	29-30
IV Statement of Revenues, Expenditures and Changes in Fund Balances	31-32
Proprietary Funds:	
V Statement of Net Position	33
VI Statement of Revenues, Expenses and Changes in Net Position.....	34
VII Statement of Cash Flows	35-36
Fiduciary Funds:	
VIII Statement of Net Position	37
IX Statement of Changes in Net Position	38
Notes to the Financial Statements	39-106
Required Supplementary Information	
General Fund:	
RSI-1 Schedule of Revenues and Expenditures - Budget and Actual (Town General Fund)	107
RSI-2 Schedule of Revenues and Other Financing Sources - Budget and Actual (Town General Fund)	108
RSI-3 Schedule of Expenditures and Other Financing Sources - Budget and Actual (Town General Fund)	109-110
RSI-4 Schedule of Revenues and Expenditures - Budget and Actual (School Unrestricted Fund)	111
Pension Funds:	
RSI-5 Schedule of Town's Proportionate Share of Net Pension Liability – Employees' Retirement System - Teachers.....	112
RSI-6 Schedule of Town's Contributions - Employees Retirement System – Teachers.....	113
RSI-7 Schedule of Changes in Town's Net Pension Liability and Related Ratios - MERS Plan	114

TOWN OF WESTERLY, RHODE ISLAND

CONTENTS

<u>Exhibit</u>	Required Supplementary Information (Continued)	<u>Page</u>
RSI-8	Schedule of Town's Contributions MERS Plan	115
RSI-9	Schedule of Changes in Net Pension Liability and Related Ratios – Police	116
RSI-10	Schedule of Employer Contributions - Police	117
RSI-11	Schedule of Investment Returns - Police.....	118
RSI-12	Schedule of Changes in the Town's Proportionate Share of Net Pension Liability – Teachers' Survivors Benefit Plan	119
RSI-13	Schedule of Town's Contributions - Teachers' Survivor Benefit Plan	120
RSI-14	Schedule of Changes in Net OPEB Liability and Related Ratios	121
RSI-15	Schedule of Town's Contributions - Other Post-Employment Benefits Plan	122
RSI-16	Schedule of Investment Returns - Other Post-Employment Benefits Plan	123
RSI-17	Notes to Required Supplementary Information.....	124-126
Supplementary Information		
Municipal Transparency Reporting:		
A-1	Annual Supplemental Transparency Report (MTP2).....	127-131
A-2	Notes to Supplementary Information	132-133
Non-major Governmental Funds:		
B-1	Combining Balance Sheet	134
B-2	Combining Statement of Revenues, Expenditures and Changes in Fund Balances.....	135
B-3	Combining Balance Sheet-Special Revenue Funds.....	136-142
B-4	Combining Statement of Revenues, Expenditures and Changes in Fund Balances-Special Revenue Funds.....	143-149
B-5	Combining Balance Sheet-Capital Projects Funds	150
B-6	Combining Statement of Revenues, Expenditures and Changes in Fund Balances-Capital Projects Funds	151
Fiduciary Funds – Employee Retirement Funds:		
C-1	Combining Statement of Fiduciary Net Position.....	152
C-2	Combining Statement of Changes in Fiduciary Net Position.....	153
Fiduciary Funds – Private Purpose Trust Funds:		
D-1	Combining Statement of Fiduciary Net Position.....	154-155
D-2	Combining Statement of Changes in Fiduciary Net Position.....	156-157

TOWN OF WESTERLY, RHODE ISLAND

CONTENTS

Other Supplementary Information

Fiduciary Funds – Custodial Funds:

E-1	Combining Statement of Fiduciary Net Position.....	158
E-2	Combining Statement of Changes in Fiduciary Net Position.....	159

Governmental Funds – Detail of General Fund Components:

F-1	Combining Balance Sheet	160
F-2	Statement of Revenues, Expenditures, and Changes in Fund Balances	161

Statistical Section

<u>Table</u>		<u>Page</u>
	Financial Trends:	
1	Net Position by Component.....	162
2	Changes in Net Position	163-164
3	Fund Balances, Governmental Funds	165
4	Changes in Fund Balances, Governmental Funds	166
	Revenue Capacity:	
5	Assessed Value and Actual Value of Taxable Property	167
6	Property Tax Rates	168
7	Principal Property Taxpayers	169
8	Property Tax Levies and Collections.....	170
	Debt Capacity:	
9	Ratios of Outstanding Debt by Type	171
10	Ratios of General Bonded Debt Outstanding	172
11	Legal Debt Margin Information	173
	Demographic and Economic Statistics:	
12	Demographic and Employment Statistics.....	174
	Operating Information:	
13	Full-Time Equivalent Town Government Employees by Function/Program	175
14	Operating Indicators by Function/Program	176
15	Capital Asset Statistics by Function/Program	177
16	Tax Collectors Annual Report.....	178

This page left intentionally blank.

INTRODUCTORY SECTION

This page left intentionally blank.



Westerly Rhode Island

Finance Department

45 Broad Street Westerly, RI 02891
(401) 348-2548

March 13, 2026

To the Citizens of Westerly, Rhode Island

The annual comprehensive financial report of the Town of Westerly, Rhode Island, for the fiscal year ended June 30, 2025, is hereby submitted as mandated by state statute. State laws require that all general-purpose local governments publish 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 certified public accountants licensed to practice in the State of Rhode Island, within six months of the close of each fiscal year.

This report consists of management's representations concerning the finances of the Town of Westerly, Rhode Island. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management of the Town has established a comprehensive internal control framework that is designed to both protect the government's accounts from loss, theft, or misuse, and to compile sufficient reliable information for the preparation of the Town of Westerly's financial statements in conformity with GAAP. As the cost of internal controls should not outweigh their benefits, the Town of Westerly's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute assurance that the financial statements 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 Westerly's financial statements have been audited by CBIZ CPAs P.C., 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 Westerly for the fiscal year ended June 30, 2025, are 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 auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion, that the Town of Westerly's financial statement for the fiscal year ended June 30, 2025, are fairly presented in conformity with GAAP. The independent auditors' 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 Westerly is part of the 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 presentations of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are included in the separately issued Uniform Guidance report.

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). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The Town of Westerly's MD&A can be found immediately following the report of the independent auditors.

PROFILE OF THE GOVERNMENT

General

The Town of Westerly, established in 1669, is in the southwest corner of the State of Rhode Island, bounded on the west by the Town of Stonington, Connecticut; on the north by the Towns of North Stonington, Connecticut and Hopkinton, Rhode Island; on the east by the Town of Charlestown, Rhode Island; and on the south by the Atlantic Ocean. Covering 32.5 square miles, Westerly is located approximately 42 miles from Providence, Rhode Island, 60 miles from Hartford, Connecticut, 80 miles from Boston, Massachusetts, and 130 miles from New York City, New York.

According to the U.S. Census, the Town has an estimated population of 23,298, up 2.2% from 2010. As of July 1, 2023, the Town's median household income was \$89,289. Not reflected in the Census average income statistics is the above average income of the more than 17,000 summer inhabitants of the Town and an additional 25,000 summer day-trippers who contribute to the Town's economy.

Westerly is an economically diverse residential community with a well-established commercial base and small pockets of industry and recreational facilities. Due to its many miles of saltwater beaches and ocean frontage, the Town is a well-known vacation and tourist center, and part of Rhode Island's South County summer vacation area. Stately summer residences located in the Watch Hill area along with summer cottage colonies located in the Misquamicut, Weekapaug and Shelter Harbor areas of the Town add substantially to the Town's tax base.

Revaluations are completed every three years in conformity with Rhode Island General Statutes. As of December 31, 2024, the net assessed property value totaled \$10,987,844,745.

Government

The Town of Westerly, established in 1669, operates under a Home Rule Charter adopted in 1968, which provides for a council/manager form of government. The Town Council, which is comprised of seven members who are elected at-large and serve two-year terms, are vested by the Charter with all legislative powers of the Town. These powers include the ordering of any tax, making appropriations, the power to enact, amend, or repeal ordinances related to the Town's property and to authorize the issuance of bonds or notes by resolution; subject to approval by a majority of electors voting who are qualified to vote on financial matters of the Town.

The Town Council appoints a Town Manager for a definite term based on his or her executive and administrative qualifications and experience. The Town Manager is the chief executive officer and the head of the administrative branch of the Town government. The Town Manager is responsible for carrying out the policies of the Town Council, for overseeing the day-to-day operations of the Town, and for appointing all Town employees, except for School District personnel.

The Town provides a full range of municipal services including public safety protection; the maintenance of highways, streets, and other infrastructure; recreational activities; economic and development services; high-quality education; water and sewer utilities; waste disposal services; and other administrative services.

The annual budget serves as the foundation for the Town of Westerly's financial planning and control. Town departments submit requests for appropriation and revenue estimates to the Town Manager no later than January 15th. The Town Manager uses these requests as the starting point for developing a proposed budget. On the third Monday in March of each year the Town Manager submits to the Finance Board, with copies to the Town Council, the proposed budget of the Town of Westerly. The Board of Finance holds several budget work sessions with the Town Manager to discuss the proposed budget document and make recommended edits to the Town Council. After the recommended Board of Finance budget is delivered to the Town Council, the Town Manager and Town Council hold several budget work sessions to revise and, eventually, adopt a preliminary budget not later than the fourth Wednesday in April of each year.

Following the adoption of the preliminary budget by the Town Council, any qualified elector of the Town may circulate and file a petition contesting any of the proposed budget items, within eight (8) days of the publishing of the budget. If no petition is filed by this date, the budget is considered adopted. If there is a petition, a referendum must be held within 32 days of the date the Board of Canvassers validates the signatures on the budget petition.

The appropriated budget is prepared by fund, major program function (e.g., public safety) and department (e.g., police). At any time during the fiscal year the Town Manager may transfer part or all of an unencumbered appropriation balance among programs within a department, office or agency and, upon written request by the Town Manager, the Council may by ordinance transfer part or all of any unencumbered appropriation balance from one department, office or agency to another. If during the fiscal year the Town Manager certified that there are available for appropriation revenues in excess of those estimated in the budget, the Council by ordinance may make supplemental appropriations for the year up to the amount of such excess. If at any time during the fiscal year it appears probable to the Town Manager that the revenues available will be insufficient to meet the amount appropriated, he shall report to the Council without delay, indicating the estimated amount of the deficit, any remedial action taken by him and his recommendations as to any other steps to be taken. The Council shall then take such further action as it deems necessary to prevent or minimize any deficit and for that purpose it may by ordinance reduce one or more appropriations.

Budget-to-actual comparisons are provided in this report for the General Fund and the School Unrestricted Fund on Pages 107-111.

Education

The general administration of the Westerly Public Schools is directed by a seven-member School Committee that is elected at-large at the regular biennial elections for staggered four-year terms. The School Committee determines and controls all policies affecting the administration, maintenance, and operation of the public schools in the Town. The School Committee appoints a Superintendent as its chief administrative agent; submits a detailed budget of expenditures and revenue to the Town Council and, once the school budget has been approved, determines the allocation of the amount appropriated. The cost of operating the School District for the fiscal year ended June 30, 2025, was \$62,442,084. The Town currently has three elementary schools, (Bradford Elementary was closed at the end of the 2017 school year and the Tower Street Community Center was closed in September of 2021) one middle school, and one high school. At the beginning of each school year, the student enrollment in the Westerly School System has been and is projected to be as follows:

Enrollment PK-12 - Projected Enrollment *

FY 2025	2,357
FY 2026	2,319
FY 2027	2,308
FY 2028	2,296
FY 2029	2,326
FY 2030	2,350
FY 2031	2,391
FY 2032	2,430

**Source: Westerly Public Schools Population and Enrollment Forecasts, BESDEC Demographics November 2023*

Municipal Services

The Town provides major public services which are detailed as follows:

Water Facilities

Westerly's water system is owned by the Town and operated by the Public Works Utilities Department. This system serves portions of Westerly and the Pawcatuck section of Stonington, Connecticut. A small portion of Town (approximately 6%) depends on private wells. Most properties that are not served by the Town water system are residences remote from the Town water system. A study titled, "Town of Westerly, Rhode Island - Water Supply System Management Plan", prepared by C&E Engineering Partners, Inc. May 2013, describes existing conditions and includes a long-range program to improve the quality and quantity of water. Water studies are conducted on five-year cycles and results are submitted to both Rhode Island and Connecticut Departments of Health for evaluation.

Sanitary Sewer System

Westerly owns and operates a wastewater collection and treatment system that services approximately 45% of the parcels in the Town. In terms of residential parcels only, 39% have public sewers and 61% use individual septic systems. The Town has not extended sewer service in several years. Developers of some projects have extended sewers in conjunction with completing the projects. The wastewater in areas not serviced by sewers has been accommodated in many ways including cesspools and septic systems installed during time periods where no regulations existed or where there were minimal local regulations. Later systems were installed under regulations of Rhode Island Department of Environmental Management (RIDEM) relating to Individual Septic Disposal Systems including, effective January 1, 2008, the new RIDEM-Rules Establishing Minimum Standards Relating to Location, Design, Construction and Maintenance of Onsite Wastewater Treatment Systems.

Public Works

The Town's Public Works Department recorded in the general fund provides a full range of services including vehicle, roads, grounds, and building maintenance and snow removal. The Public Works Department expended \$4,924,729 for fiscal year ended June 30, 2025, and budgeted \$5,540,718.

Public Safety

Services include police patrol, investigations, community education, dispatching, harbor patrol and animal control functions. The Westerly Police Department has a force that consists of 50 full-time police officers and 11 support personnel. The Police Department recorded in the general fund expended \$8,857,329 for fiscal year ended June 30, 2025, and budgeted \$8,677,638 respectively.

Financing

In July of 2017, the Town refinanced an existing bond, thereby reducing the interest rate and debt service over the life of the bond without extending the bond maturity date. The original bond was issued in 2007.

In 2018, the Town issued a Sewer Improvement bond totaling \$1,664,000 to address sewer system infrastructure improvements and groundwater infiltration.

In 2019, the Town issued a Road and Bridge Improvement bond totaling \$15,000,000 to address the reconditioning and resurfacing of 21 miles of roads and the construction of a bridge. The plan was anticipated to span three years and include a partnership project with Rhode Island Department of Transportation and Connecticut Department of Transportation to repair the Boombridge Road Bridge.

In 2021, the Town issued a Road and Bridge Improvement bond through the Rhode Island Infrastructure Bank totaling \$9,000,000 to address additional roads and sidewalks. These projects will run consecutively with the 2019 Road bond projects.

Also in 2021, the Town refinanced an existing bond, thereby reducing the interest rate and providing \$2,000,000 in additional resources for school capital needs.

In 2025, the Town issued \$6,000,000 of Road and Bridge Improvement bonds through the Rhode Island Infrastructure Bank, representing a portion of the \$18,000,000 authorization, to fund improvements to roads and sidewalks.

Employee Relations

As of June 30, 2025, the Town employed 176 full-time equivalent employees exclusive of those employed by the School District. The School District employed 483 full-time equivalent employees.

The status of union contracts for municipal and school employees is as follows:

- Police Department: Three-year contract expires June 30, 2028
- Public Works & Municipal Clerical: Three-year contract expires June 30, 2027
- Teachers: Three-year contract expires August 31, 2028
- Local 808 Bus Drivers and Aids: Three-year contract expires June 30, 2027
- Local 808 Monitors: Three-year contract expires June 30, 2027

- Local 808 Clerical-Custodial-Mechanical-Secretarial: Three-year contract expires June 30, 2028

Factors Affecting Financial Condition

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

Local Economy

Westerly is known for its granite and stone-cutting industry. A type of granite, known as Westerly granite, has been and continues to be quarried here. The granite is ideal for statuary and has been used in numerous government buildings of states along the eastern seaboard.

Salt ponds lie along the coast of Westerly, which serve as shallow reef-like pools, whose outer walls form the long, white beaches that the Town is renowned for. These ponds, Maschaug Pond, Winnapaug Pond and the Quonochontaug Pond are assets that the Town continues to utilize. Further, they are part of the Rhode Island's growing aquaculture industry. Portions of the ponds are leased to small commercial oyster farms.

Westerly is home to the Westerly State Airport and an Amtrak Station. Westerly is also home to multiple public and private golf courses. Other recreation facilities include two yacht clubs, and several marinas and boat yards. The Westerly downtown area includes the YMCA, an outdoor ice-skating rink, the Westerly Library and many restaurants and retail stores. Westerly is a popular tourist destination during the summer months and specific taxes, such as hotel tax and sales tax, are shared with the Town and support the annual budget.

The Town of Westerly, in partnership with Stand up for Animals (SUFA) completed the Santo Algiere Dog Park in 2016, which also includes a new boat launch that is adjacent to the dog park.

In October 2016 the Town entered into a memorandum of agreement with Cherenzia Excavations Inc. a tax-exempt lease purchase \$2,800,000 for a 20-year period, subject to non-appropriation on annual basis, a declaration of covenants, restrictions and conditions with respect to the Aquifer Protection Property, including a prohibition of an incinerator and a Conditional right of first refusal and option to purchase with respect to the aquifer protection property.

Over the past several years, the Town has invested in a new police station, public works facility, middle and high school. The Town is currently working on developing a plan to upgrade the Town's three elementary schools.

In November 2022 the Westerly voters approved a \$50,000,000 school bond to include renovations and improvements for Dunn's Corners School and Springbrook School and a new building on State Street.

In the spring of 2017, the Town welcomed the opening of the Westerly Educational Center. This multi-occupant facility offers academic courses provided by several private and public post-secondary schools, such as the Community College of Rhode Island (CCRI) and the Rhode Island School of Design (RISD) and provides job skills training to prepare potential employees for work in their chosen industry. Working with General Dynamics Electric Boat division, more than 750 potential employees have already undergone training since the facility's opening.

Prior to 2017, Lawrence and Memorial (L&M), which previously acquired the Westerly Hospital in 2013, was acquired by and affiliated with Yale-New Haven Health System (YNHHS). After this, YNHHS has committed \$300 million in capital upgrades over a five-year period to Westerly Hospital and other facilities in eastern Connecticut and western Rhode Island it has acquired through its purchase, thereby preserving the work force that support these operations.

To address Town infrastructure conditions, the Town has issued bonds (2018 and 2021) through the Rhode Island Infrastructure Bank to improve, roads, bridges, drainage and sidewalks. In 2018 a referendum was passed approving the issuance of \$15,000,000 and this project was anticipated to span three fiscal years ending in the summer of 2022. The second issue totaled \$9,000,000, again through the Rhode Island Infrastructure Bank, to continue to address roads. In 2025, a referendum was approved authorizing the issuance of \$18,000,000 with the related projects anticipated to span three fiscal years, ending in the summer of 2027. The first bond issue totaled \$6,000,000 and, again through the Rhode Island Infrastructure Bank, was used to continue improvements to roads and sidewalks.

To address Town infrastructure conditions, the Town has issued bonds in 2018, 2021, and 2025 through the Rhode Island Infrastructure Bank to improve roads, bridges, drainage, and sidewalks. In 2025, a referendum was approved authorizing the issuance of \$18,000,000, with the related projects anticipated to span three fiscal years, ending in the summer of 2027. The first bond issue totaled \$6,000,000 and, again through the Rhode Island Infrastructure Bank, was used to continue improvements to roads and sidewalks.

Pension and Other Postemployment Benefits

All non-union Town employees participate in a defined contribution 401(a) plan. The police union, public works/clerical union, and teachers have defined benefit plans.

Teachers participate in the State plan. In November 2011, the State of Rhode Island passed major changes to this plan including the creation of a hybrid program with both defined benefit and defined contribution components and the required length of service.

The public works/clerical union participate in a federally managed, union plan. Employee contributions and fund management are dictated by the union. The police participate in a defined benefit plan whereby plan assets are professionally managed.

The police pension is currently funded at 86.44%. The Town continues to fund the Annual Required Contribution (ARC) at 100%.

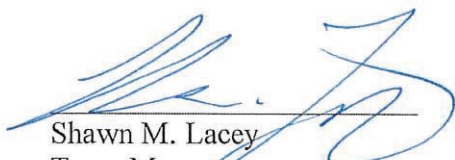
Westerly has a net OPEB obligation of \$9,007,298 related to retired and active employees. The OPEB is 54.2% funded.

Other

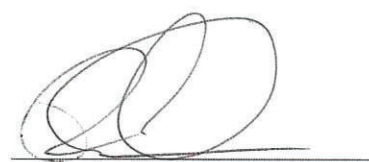
Westerly believes in transparency and the accountability it inspires. This is the tenth year that the Town's annual audit is presented in the form of an Annual Comprehensive Financial Report (ACFR)

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the finance department. We would like to express our appreciation to all members of the department. Credit must also be given to the Town Council and its President, and the School Committee and its Chair, for the unfailing support for achieving and maintaining the highest standards of professionalism in the management of the Town of Westerly's finances.

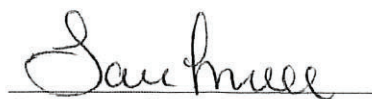
Respectfully submitted,



Shawn M. Lacey
Town Manager



Mark Garceau, Ed.D.
Superintendent of Schools



Sara Hassell
Town Director of Finance



Cindy Kirchhoff.
School Director of Finance and Operations

TOWN OF WESTERLY, RHODE ISLAND

LIST OF PRINCIPAL OFFICIALS

YEAR ENDED JUNE 30, 2025

Town Council:

William J. Aiello, President
Phillip M. Overton, Vice President
Joy L. Cordio
Dylan J. Lapietra
Robert L. Lombardo
Kevin J. Lowther, II
Mary E. Scialabba

School Committee:

Leslie Dunn, Chair
Michael Ober, Vice Chair
Tim Killan, Clerk
Angela Goethals
Peter Nero
Joe Jackson
Lori E. Wycall

Town Manager: Shawn Lacey

School Superintendent: Mark Garceau, Ed.D.

Director of Finance: Sara Hassell

School Director of Finance and Operations: Cindy Kirchhoff

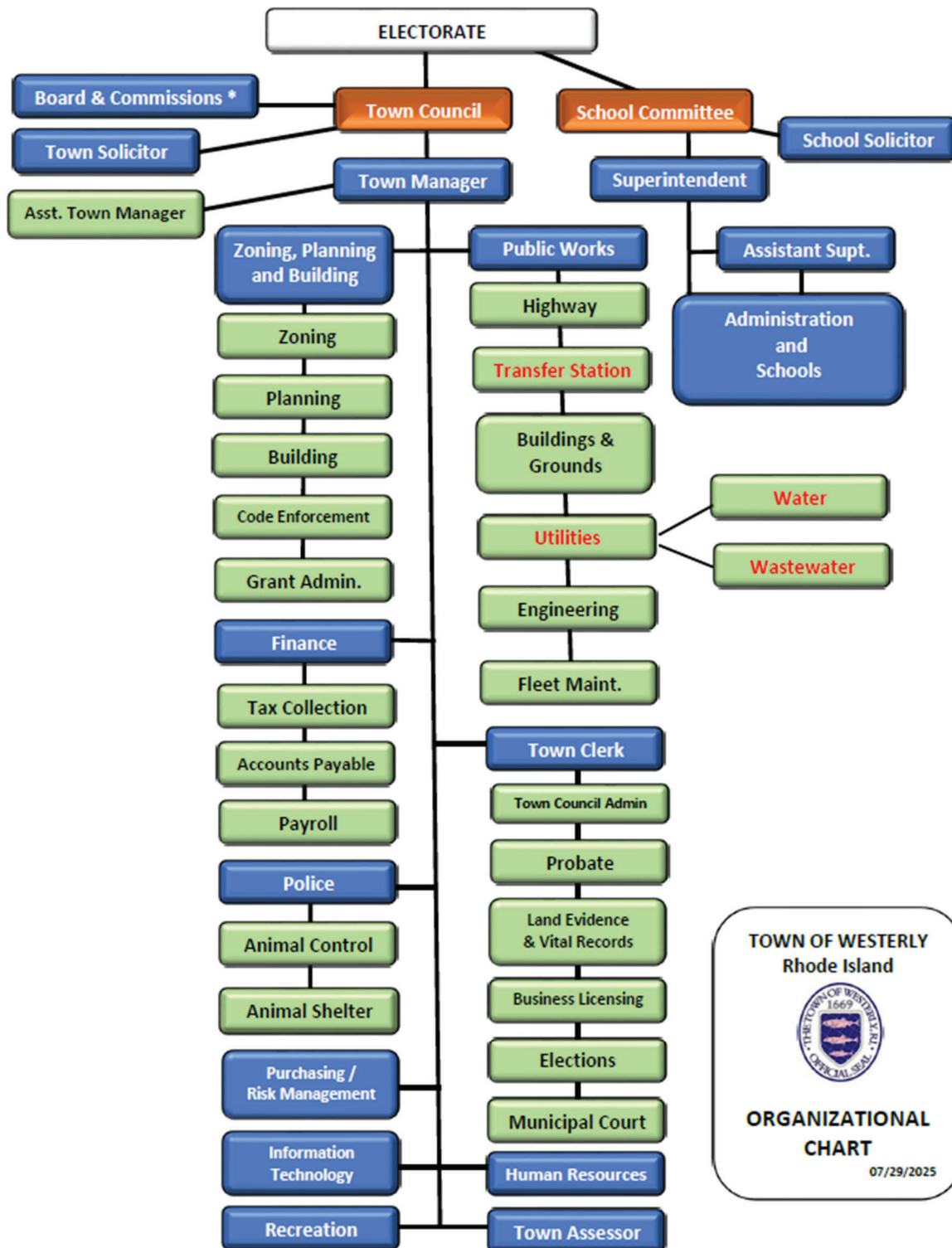
Police Chief: Paul Gingerella

Town Clerk: Mary LeBlanc, MMC

TOWN OF WESTERLY, RHODE ISLAND

ORGANIZATIONAL CHART

YEAR ENDED JUNE 30, 2025

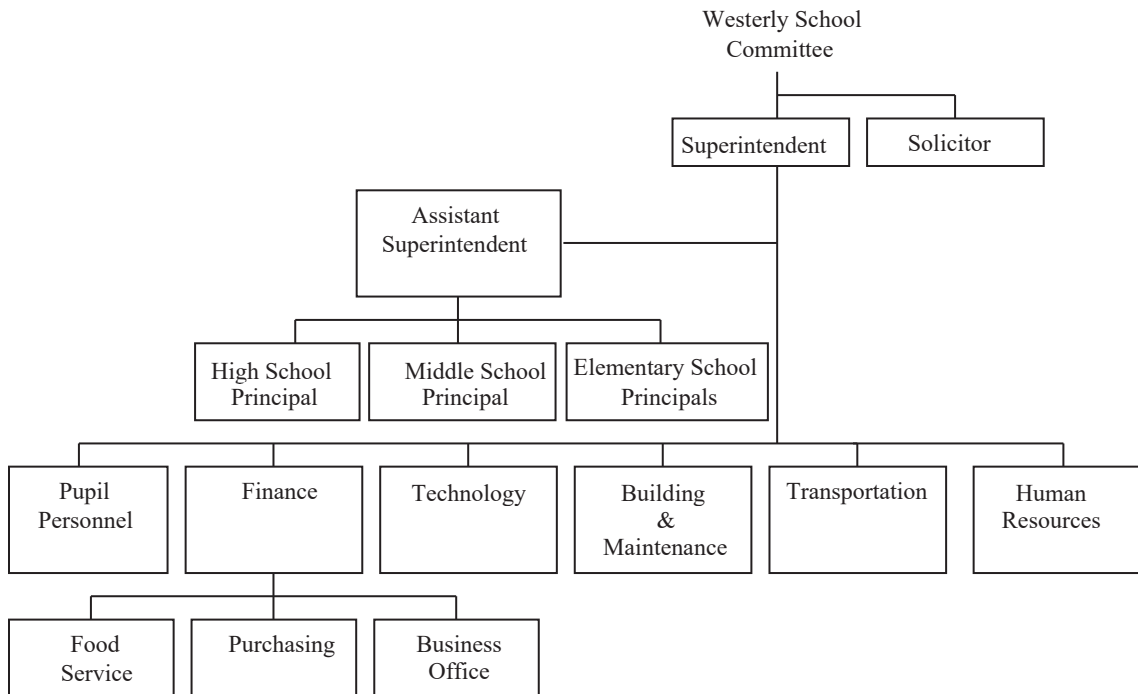


NOTE: Red Lettered Departments are ENTERPRISE FUNDS. Sanitation (Transfer Station) & Utilities (Water & Sewer)

* The majority of appointments are by the Town Council; however some Board members are appointed by the Town Manager.



Westerly Public Schools Organizational Chart June 2025



School Committee

Leslie Dunn, Chair
Michael Ober, Vice Chair
Tim Killan, Clerk
Angela Goethals
Peter Nero
Joe Jackson
Lori Wycall

Solicitors

William Nardone, Esq.
Jon Lallo, Esq.

Superintendent

Mark C. Garceau, Ed.D.

Assistant Superintendent

Steven Morrone

Director of Pupil Personnel

Christina Amanti Mathieu

Director of Finance & Operations

Cindy Kirchhoff

Director of Technology

Michael Sujka

Director of Facilities

Mark McKinnon

Director of Transportation

Scott Fedsbo

Human Resources Coordinator

Kerri Butler

High School Principal

Kellie Moulin

Middle School Principal

Desiree Derix

Elementary School Principals

Paul Fusco, Dunn's Corners
Jennifer Enck, Springbrook
Audrey Faubert, State Street

This page left intentionally blank.

FINANCIAL SECTION

This page left intentionally blank.

Independent Auditors' Report

To the Honorable President and
Members of the Town Council
Town of Westerly, Rhode Island

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Westerly, Rhode Island (the "Town"), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town, as of June 30, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS") and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States ("*Government Auditing Standards*"). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Entity and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Entity's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control—related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussions and analysis, the budgetary comparison information and the pension and OPEB schedules be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Westerly, Rhode Island's basic financial statements. The accompanying annual supplemental transparency report, and the combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the annual supplemental transparency report, and combining the individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 13, 2026, on our consideration of the Town's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town'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's internal control over financial reporting and compliance.

CBIZ CPAs P.C.

Providence, RI
March 13, 2026

This page left intentionally blank.

MANAGEMENT'S DISCUSSION AND ANALYSIS

This page left intentionally blank.

TOWN OF WESTERLY, RHODE ISLAND
MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2025

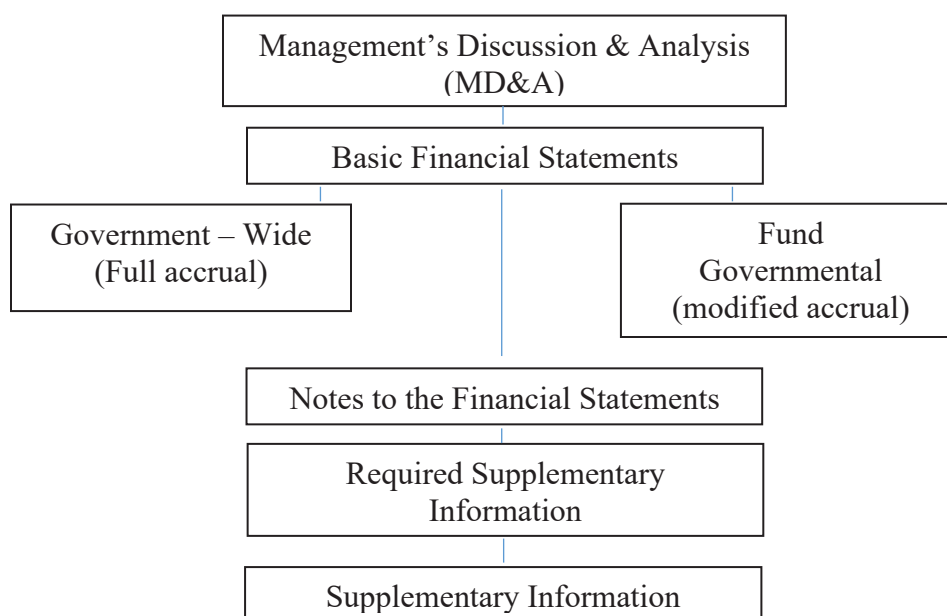
As management of the Town of Westerly, we offer readers of the Town’s financial statements this narrative overview and analysis of the Town’s financial activities for the fiscal year ended June 30, 2025. We encourage the readers to consider the information presented here in conjunction with the letter of transmittal on pages 1-8 of this report as well as the Town’s basic financial statements that follow this section.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Town of Westerly’s basic financial statements. The Town’s basic financial statements are comprised of three components:

1. Government-Wide Financial Statements
2. Fund Financial Statements
3. Notes to the Financial Statements

This report also contains required supplementary information and 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’s finances in a manner like a private-sector business.

The Statement of Net Position presents information on the Town’s assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference between them 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.

TOWN OF WESTERLY, RHODE ISLAND
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2025

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. Examples are uncollected taxes and compensated absences earned but unused.

Government-wide financial statements distinguish functions of the Town of Westerly that are principally supported by taxes and intergovernmental revenue (governmental activities) from other functions that are intended to recover all or a significant portion of their cost through user fees and charges (business-type activities). The government activities of the Town include general government, public safety, streets and highways, education, beach, and recreation. The business-type activities of the Town include the Water Fund and Sewer Funds, and the Transfer Station.

The government-wide financial statements are reported on pages 26 through 28.

Fund Financial Statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town of Westerly, like other state and local governments, uses fund accounting to ensure compliance with finance related legal requirements. All Town funds 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 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 financing 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 Westerly maintains 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 Restricted Fund, \$9.0 Million Bond Fund, RIHEBC \$50 million Bond Fund, and American Rescue Plan Fund which are major funds. Data from the other governmental 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 included in the supplementary information.

The Town of Westerly adopts an annual appropriated budget for its General Fund and School Unrestricted Fund. Budgetary comparison schedules have been provided for the General Fund and School Unrestricted Fund to demonstrate compliance with this budget.

TOWN OF WESTERLY, RHODE ISLAND
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2025

Proprietary Funds. The Town's proprietary funds are used to report the same functions presented as business-type activities in the government-wide financial statements except for the Internal Service Fund which is reported as governmental fund type activity. The Town has three enterprise funds. The Water Fund accounts for the water system of the entire Town of Westerly as well as a portion of neighboring Pawcatuck, Connecticut. The Sewer Fund accounts for sewer system user charges and costs associated with wastewater collection for approximately 45% of the parcels in Town. The Transfer Station fund accounts for residential and commercial waste and recycling.

The Town uses internal service funds to account for employee healthcare expenses in the Health Fund. Included in the Health Fund activities are contributions from the Town and employees, as well as claims paid.

The propriety fund financial statements are presented on pages 33-36.

Fiduciary Funds and GASB 84. The Governmental Accounting Standards Board (GASB) issued this statement (84) to provide clearer guidance on identifying fiduciary activities for accounting and reporting. There are three types of fiduciary activities used to account for resources held for the benefit of parties outside the government. These financials are reporting Pension and OPEB arrangements, Private Purpose Trust Funds and Custodial Funds under this category. Fiduciary funds are not reflected in the government-wide financial statements because resources of those funds are not available to support the Town's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The fiduciary fund financial statements can be found on pages 37-38.

Notes to Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statement are presented on pages 39-106.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Town of Westerly.

Required supplementary information is presented on pages 107-123.

The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 134-157.

Government-Wide Financial Analysis

As noted earlier, net position may serve as a useful indicator over time of a government's financial position. In the case of the Town of Westerly, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$199,883,848 as of June 30, 2025.

TOWN OF WESTERLY, RHODE ISLAND
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2025

	<u>Government Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>		Percent Change
	2025	2024	2025	2024	2025	2024	
Current & other assets	\$ 117,029,933	\$ 84,468,087	\$ 14,911,810	\$ 16,272,524	\$ 131,941,743	\$ 100,740,611	31.0%
Capital assets	<u>202,771,231</u>	<u>175,554,037</u>	<u>41,606,692</u>	<u>42,187,417</u>	<u>244,377,923</u>	<u>217,741,454</u>	12.2%
Total assets	<u>319,801,164</u>	<u>260,022,124</u>	<u>56,518,502</u>	<u>58,459,941</u>	<u>376,319,666</u>	<u>318,482,065</u>	18.2%
Deferred outflows of resources	<u>8,123,075</u>	<u>8,266,198</u>	--	--	<u>8,123,075</u>	<u>8,266,198</u>	-1.7%
Current liabilities	22,452,183	24,217,479	2,219,261	1,646,199	24,671,444	25,863,678	-4.6%
Long-term liabilities	<u>139,871,437</u>	<u>103,739,352</u>	<u>4,592,360</u>	<u>5,289,336</u>	<u>144,463,797</u>	<u>109,028,688</u>	32.5%
Total liabilities	<u>162,323,620</u>	<u>127,956,831</u>	<u>6,811,621</u>	<u>6,935,535</u>	<u>169,135,241</u>	<u>134,892,366</u>	25.4%
Deferred inflows of resources	<u>15,047,782</u>	<u>13,271,190</u>	<u>352,043</u>	<u>367,865</u>	<u>15,399,825</u>	<u>13,639,055</u>	12.9%
Net investment in capital assets	107,041,583	116,097,680	36,834,502	37,423,038	143,876,085	153,520,718	-6.3%
Restricted	14,192,207	13,043,966	--	--	14,192,207	13,043,966	8.8%
Unrestricted	<u>29,319,047</u>	<u>(2,081,345)</u>	<u>12,520,336</u>	<u>13,733,503</u>	<u>41,839,383</u>	<u>11,652,158</u>	259.1%
Total net position	<u>\$ 150,552,837</u>	<u>\$ 127,060,301</u>	<u>\$ 49,354,838</u>	<u>\$ 51,156,541</u>	<u>\$ 199,907,675</u>	<u>\$ 178,216,842</u>	12.2%

The largest portion of the Town's net position, \$150,529,010, is its investment in capital assets (e.g., land, buildings, infrastructure, machinery, and equipment); less any related debt used to acquire those assets that is still outstanding. The Town uses these capital assets to provide service to citizens; consequently, these assets are not available for future spending. Although the Town's investment in capital assets is reported net of related debt, it should be noted that the resources to repay this debt must be provided from other sources, since the capital asset cannot be used to liquidate these liabilities.

An additional portion of the Town's net position, \$14,192,207, represents resources that are subject to external restriction on how they may be used. The remaining balance of the unrestricted net position is \$29,295,200.

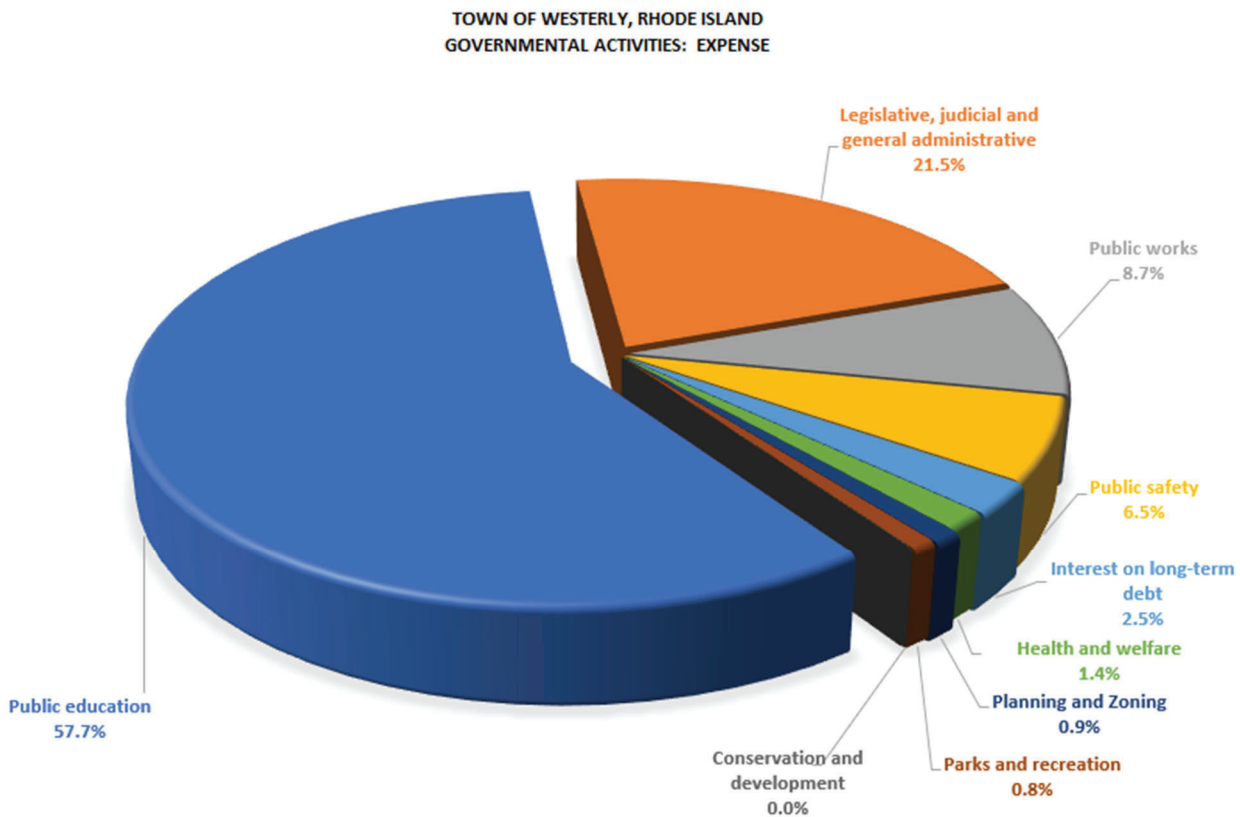
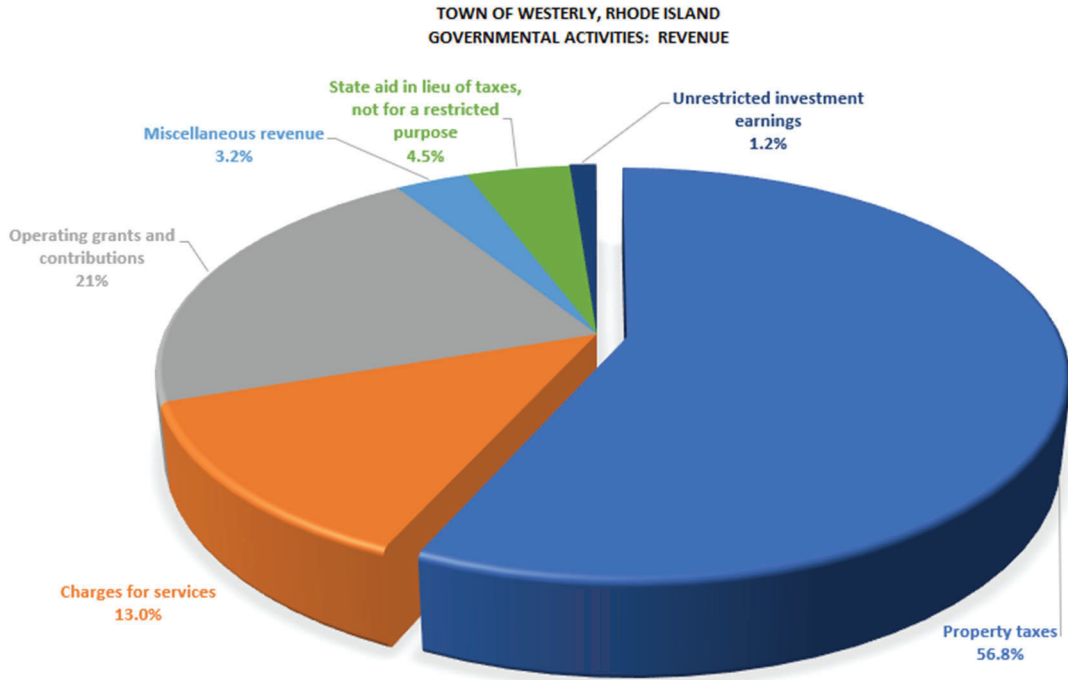
TOWN OF WESTERLY, RHODE ISLAND
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2025

Governmental Activities

Governmental activities increased the Town's net position by \$23,468,709.

	Government Activities		Business-Type Activities		Total		Percent Change
	2025	2024	2025	2024	2025	2024	
Revenues							
Program Revenues							
Charges for services	\$ 18,135,942	\$ 16,983,463	\$ 14,109,378	\$ 13,515,327	\$ 32,245,320	\$ 30,498,790	5.7%
Operating grants	29,855,500	21,431,929	--	--	29,855,500	21,431,929	39.3%
Capital grants	34,128	75,334	--	--	34,128	75,334	100.0%
General Revenues							
Property taxes	79,449,947	77,132,861	--	--	79,449,947	77,132,861	3.0%
State aid and lieu of taxes, not for a restricted purpose	6,330,938	6,206,772	--	--	6,330,938	6,206,772	2.0%
Unrestricted investment earnings	1,612,469	2,406,093	398,546	876	2,011,015	2,406,969	-16.5%
On-behalf pension contribution	2,731,875	2,737,594	--	--	2,731,875	2,737,594	-0.2%
Miscellaneous revenue	<u>1,745,261</u>	<u>466,157</u>	<u>1,667,677</u>	<u>1,765,393</u>	<u>3,412,938</u>	<u>2,231,550</u>	<u>52.9%</u>
Total Revenues	<u>139,896,060</u>	<u>127,440,203</u>	<u>16,175,601</u>	<u>15,281,596</u>	<u>156,071,661</u>	<u>142,721,799</u>	<u>9.4%</u>
Program Expenses							
Legislative, judicial and general administrative	24,826,574	18,745,755	--	--	24,826,574	18,745,755	32.4%
Public works	10,123,503	8,137,693	--	--	10,123,503	8,137,693	24.4%
Public safety	7,479,015	7,033,256	--	--	7,479,015	7,033,256	6.3%
Health and welfare	1,644,708	1,622,869	--	--	1,644,708	1,622,869	1.3%
Conservation and development	30,174	276,799	--	--	30,174	276,799	-89.1%
Parks and recreation	1,651,643	759,688	--	--	1,651,643	759,688	117.4%
Planning and zoning	1,097,310	952,595	--	--	1,097,310	952,595	15.2%
Public education	66,768,490	68,262,111	--	--	66,768,490	68,262,111	-2.2%
Interest on long-term debt	2,139,522	1,083,389	--	--	2,139,522	1,083,389	97.5%
Water fund	--	--	6,386,885	5,494,093	6,386,885	5,494,093	16.3%
Sewer fund	--	--	8,132,024	5,316,807	8,132,024	5,316,807	52.9%
Transfer station	<u>--</u>	<u>--</u>	<u>4,100,980</u>	<u>3,638,959</u>	<u>4,100,980</u>	<u>3,638,959</u>	<u>12.7%</u>
Total Program Expenses	<u>115,760,939</u>	<u>106,874,155</u>	<u>18,619,889</u>	<u>14,449,859</u>	<u>134,380,828</u>	<u>121,324,014</u>	<u>10.8%</u>
Change in net position prior to transfers	24,135,121	20,566,048	(2,444,288)	831,737	21,690,833	21,397,785	1.4%
Transfers	<u>(642,585)</u>	<u>--</u>	<u>642,585</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>0.0%</u>
Change in net position	23,492,536	20,566,048	(1,801,703)	831,737	21,690,833	21,397,785	1.4%
Net Position - Beginning	<u>127,060,301</u>	<u>106,494,253</u>	<u>51,156,541</u>	<u>50,324,804</u>	<u>178,216,842</u>	<u>156,819,057</u>	<u>13.6%</u>
Net Position - Ending	<u>\$ 150,552,837</u>	<u>\$ 127,060,301</u>	<u>\$ 49,354,838</u>	<u>\$ 51,156,541</u>	<u>\$ 199,907,675</u>	<u>\$ 178,216,842</u>	<u>12.2%</u>

TOWN OF WESTERLY, RHODE ISLAND
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2025



TOWN OF WESTERLY, RHODE ISLAND
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2025

Business-type Activities - Net position in business-type activities decreased by \$1,801,703 resulting in a 3.5% decrease in business-type assets.

Charges for services for business-type activities accounted for 87% of the total revenue sources. The balance of revenues for business-type activities was from investment income and miscellaneous revenue.

The total expenses within the business-type activities of the Town include the following: Water Fund 34.3%, Sewer Fund 43.7%, Transfer Station 22.0%.

Financial Analysis of the Town of Westerly's Funds

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

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

At the end of the current fiscal year, the Town's governmental funds reported a combined ending fund balance of \$37,606,442. Approximately 65%, or \$24,522,397 is available for spending at the government's discretion within the Town's total Fund Balance. The remaining fund balance of \$13,084,045 includes \$2,976,130 of Committed Fund Balance for Capital Projects, \$6,209,936 non-spendable for prepaid items and health deposit accounts, \$3,793,163 restricted to specific programs, and \$104,816 assigned for definite uses.

The General Fund is the chief operating fund of the Town of Westerly. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$24,522,397 while total fund balance was \$37,606,442. 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 General Fund budgeted expenditures. Unassigned fund balance represents 31.94% of the 2025 FY Adopted General Fund Expenditure Budget.

Key Factors in the Change of the Town's Governmental Fund Balances

The School Unrestricted Fund, which is combined into the general fund, reported ending fund balance of \$7,478,239 of this amount \$1,093,039 is considered non-spendable as it relates to prepaid expenditures and advances to other funds.

Proprietary Funds - The Town of Westerly's proprietary funds provide the same type of information found in government-wide financial statements, but in more detail.

Unrestricted net position in Business Type Activities was \$12,153,894. The Water Fund at the end of the fiscal year amounted to \$4,960,743; unrestricted net position in the Sewer Fund was \$3,527,740; and unrestricted net position in the Transfer Station was \$3,665,411. Increases in fiscal 2025 are in part a result of rate changes.

TOWN OF WESTERLY, RHODE ISLAND
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2025

General Fund Budgetary Highlights

The Town of Westerly, Rhode Island, finished the 2024-2025 fiscal year with a budgetary surplus of \$4,636,058.

Revenue exceeded the budget by \$5,268,028 due to three major factors; General property taxes and PILOT revenue exceeded budget by \$1,109,892, intergovernmental revenue exceeded budget by \$1,116,205, and Use of Property for investment income exceeded the budget by \$1,104,342.

Expenditures and Other Finance Sources (Uses) were over budget by \$631,907, which is comprised of general government \$301,745, and Public Works \$606,989, under budget due to less overtime and changes in staffing (retirements and vacancies). Other Financing Sources include \$58,487,356 of transfers out as a result of \$57,844,771 use of committed funds by the School and \$2,397,910 transfers to prior year capital, restricted, and Business Type Activities. Expenditures are comprised of Public Safety of \$179,691 and Parks and Rec of \$128,526 over budget due to increased overtime. Capital expenditures exceeded the budget as a result of the acquisition of properties located at 328 Atlantic Avenue and 302–308 Atlantic Avenue.

Major General Fund Revenue Factors:

Property taxes are the largest single revenue source for the General Fund and account for 72.49% of total budgetary revenues. The tax collection rate for both current and prior year assessments was approximately 99%.

Major Expenditure Factors:

Education Expense accounts for approximately 57.7% of the total budgetary expenditures within the General Fund of the Town of Westerly, followed by Debt Service representing 10%, Public Works at 8.7%, Public Safety at 6.5%, and General, Capital, and Restricted expenditures comprising the remaining 5%.

TOWN OF WESTERLY, RHODE ISLAND
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2025

Capital Assets and Debt Administration

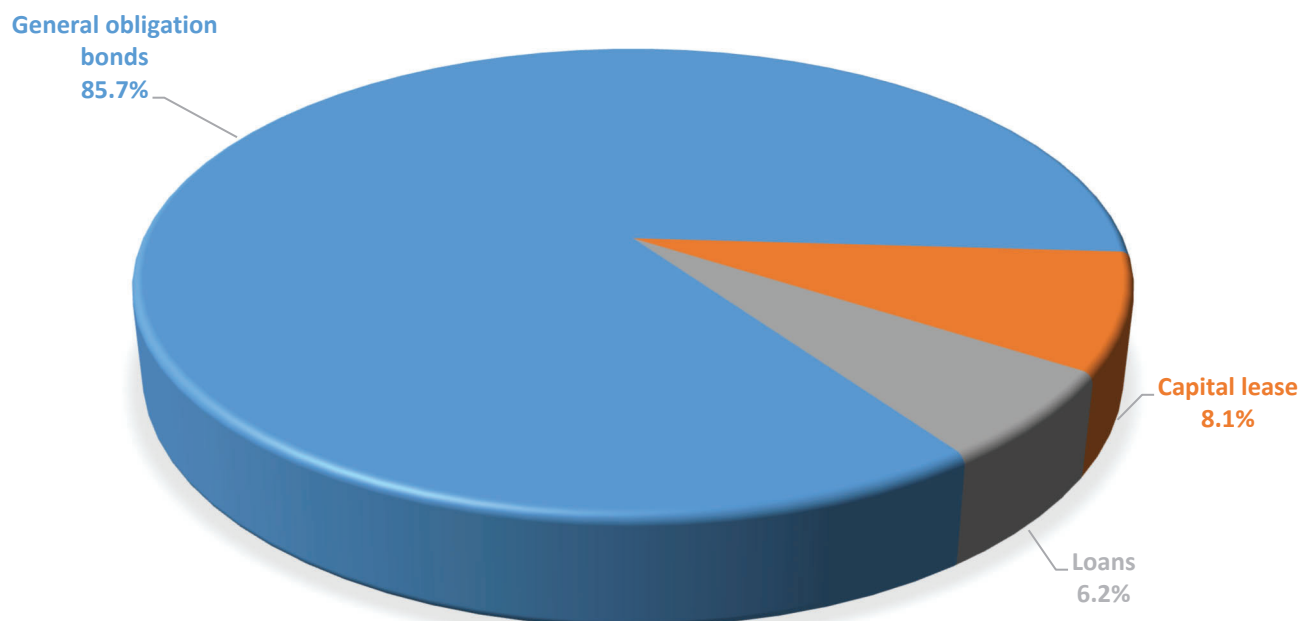
Capital Assets - The Town of Westerly's capital assets for its governmental and business-type activities amounted to \$244,377,923 (net of accumulated depreciation) as of June 30, 2025. This investment in capital assets includes land, buildings, improvements, machinery and equipment, motor vehicles, infrastructure, and construction in progress.

	Government Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Land	\$ 23,884,120	\$ 19,204,411	\$ 5,931,635	\$ 5,931,635	\$ 29,815,755	\$ 25,136,046
Construction in progress	28,597,419	5,900,327	252,951	630,873	28,850,370	6,531,200
Land Improvements	5,705,733	6,049,487	--	--	5,705,733	6,049,487
Buildings and improvements	59,199,464	59,958,718	9,250,168	9,257,790	68,449,632	69,216,508
Mains, wells, pumps and hydrants	--	--	15,332,581	15,531,525	15,332,581	15,531,525
Tanks and structures	--	--	8,303,483	8,468,688	8,303,483	8,468,688
Motor vehicles	5,783,476	5,086,194	--	--	5,783,476	5,086,194
Machinery, equipment and furniture	3,369,457	3,171,331	1,882,291	2,181,787	5,251,748	5,353,118
Infrastructure	76,176,778	76,047,735	--	--	76,176,778	76,047,735
Right of Use Lease Assets	54,784	135,834	653,583	185,830	708,367	321,664
Total	<u>\$ 202,771,231</u>	<u>\$ 175,554,037</u>	<u>\$ 41,606,692</u>	<u>\$ 42,188,128</u>	<u>\$ 244,377,923</u>	<u>\$ 217,742,165</u>

TOWN OF WESTERLY, RHODE ISLAND
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2025

Debt Administration - At the end of the current fiscal year, the Town of Westerly had total bonded debt outstanding of \$82,571,000, finance leases of \$3,706,363, and \$10,029,300 of loans payable.

	Government Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
General Obligation	\$ 81,046,000	\$ 45,129,000	\$ 1,525,000	\$ 1,585,000	\$ 82,571,000	\$ 46,714,000
Finance Lease	2,199,833	2,221,720	1,506,630	1,970,109	3,706,463	4,191,829
Loans	9,351,000	9,351,000	678,300	952,300	10,029,300	10,303,300
Total	<u>\$ 92,596,833</u>	<u>\$ 56,701,720</u>	<u>\$ 3,709,930</u>	<u>\$ 4,507,409</u>	<u>\$ 96,306,763</u>	<u>\$ 61,209,129</u>



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 this limit. As of June 30, 2025, the Town had a debt limit of \$329,365,342, of which the Town has existing debt applicable to the limit in the amount of \$301,894,769.

Standard and Poor's rated the Town of Westerly's credit at AA, while Moody's Investors Service rated the Town at Aa3.

TOWN OF WESTERLY, RHODE ISLAND
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2025

Economic Factors and Next Year's Budget and Rates

The Town of Westerly's adopted General Fund budget for fiscal year 2025-2026 amounted to \$103,993,022 which reflects an increase of \$1,959,014 (1.92%) over the fiscal year 2024-2025 budget. Of the total Town budget, \$58,994,354 or 56.73% is budgeted for Westerly Public Schools. The Town is budgeted to receive \$8,585,247 from the State of Rhode Island in Local Aid for Education. The Town's levy increased by 36.41% for fiscal year 2024-2025 vs. 2025-2026 as a result of revaluations.

The Town's debt service will remain fairly level until 2026, when the Town will see significant reductions.

Request for Information: This financial report is designed to provide a general overview of the Town of Westerly's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Director of Finance, 45 Broad Street, Westerly, RI 02891.

This page left intentionally blank.

BASIC FINANCIAL STATEMENTS

This page left intentionally blank.

TOWN OF WESTERLY, RHODE ISLAND

I

STATEMENT OF NET POSITION

JUNE 30, 2025

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Assets			
Current Assets			
Cash and cash equivalents	\$ 36,602,807	\$ 10,063,502	\$ 46,666,309
Investments	71,884	--	71,884
Real estate and personal property taxes receivable	629,567	--	629,567
Fees receivable	--	4,202,624	4,202,624
Due from federal and state government	2,720,157	--	2,720,157
Other receivables	2,880,566	9,930	2,890,496
Prepaid items	11,492,388	--	11,492,388
Other assets	39,962,533	--	39,962,533
Net pension asset	9,744,653	--	9,744,653
Inventories	--	277,575	277,575
Lease receivable, current portion	--	13,540	13,540
Notes receivable	90,484	--	90,484
Total Current Assets	<u>104,195,039</u>	<u>14,567,171</u>	<u>118,762,210</u>
Noncurrent Assets			
Restricted assets:			
Cash and cash equivalents	8,732,684	--	8,732,684
Cash held in escrow	634,217	--	634,217
Advances to other funds	3,467,993	--	3,467,993
Lease receivable, net of current portion	--	344,639	344,639
Lease asset	54,784	653,583	708,367
Capital assets:			
Capital assets not being depreciated	52,481,539	6,184,586	58,666,125
Capital assets being depreciated	150,234,908	34,768,523	185,003,431
Total Noncurrent Assets	<u>215,606,125</u>	<u>41,951,331</u>	<u>257,557,456</u>
Total Assets	<u>319,801,164</u>	<u>56,518,502</u>	<u>376,319,666</u>
Deferred Outflows of Resources			
Deferred charge on refunding bonds	805,748	--	805,748
OPEB - related	1,167,961	--	1,167,961
Pension - related	6,149,366	--	6,149,366
Total Deferred Outflows of Resources	<u>8,123,075</u>	<u>--</u>	<u>8,123,075</u>

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

TOWN OF WESTERLY, RHODE ISLAND

I

STATEMENT OF NET POSITION (CONTINUED)

JUNE 30, 2025

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Liabilities			
Current Liabilities			
Accounts payable and accrued liabilities	\$ 6,811,953	\$ 1,157,092	\$ 7,969,045
Accrued interest payable	796,185	63,458	859,643
Advances from other funds	3,467,993	--	3,467,993
Unearned revenue	2,841,968	27,646	2,869,614
Claims payable	633,235	--	633,235
Long-term liabilities due within one year	7,900,849	971,065	8,871,914
Total Current Liabilities	<u>22,452,183</u>	<u>2,219,261</u>	<u>24,671,444</u>
Noncurrent Liabilities			
Other noncurrent liabilities	--	547,119	547,119
Net Pension liability	37,863,020	--	37,863,020
Net OPEB liability	9,007,298	--	9,007,298
Long-term liabilities	93,001,119	4,045,241	97,046,360
Total Noncurrent Liabilities	<u>139,871,437</u>	<u>4,592,360</u>	<u>144,463,797</u>
Total Liabilities	<u>162,323,620</u>	<u>6,811,621</u>	<u>169,135,241</u>
Deferred Inflows of Resources			
Lease related	2,580,000	352,043	2,932,043
OPEB - related	2,374,709	--	2,374,709
Pension - related	10,093,073	--	10,093,073
Total Deferred Inflows of Resources	<u>15,047,782</u>	<u>352,043</u>	<u>15,399,825</u>
Net Position			
Net investment in capital assets	107,041,583	36,834,502	143,876,085
Restricted for:			
Education	4,447,554	--	4,447,554
Pension asset	9,744,653	--	9,744,653
Unrestricted	29,319,047	12,520,336	41,839,383
Total Net Position	<u>\$ 150,552,837</u>	<u>\$ 49,354,838</u>	<u>\$ 199,907,675</u>

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

TOWN OF WESTERLY, RHODE ISLAND

STATEMENT OF ACTIVITIES

FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-type Activities	Total
Governmental Activities:							
Legislative, judicial and general administrative	\$ 24,826,574	\$ 12,797,258	\$ 282,455	\$ --	\$ (11,746,861)	\$ --	\$ (11,746,861)
Public works	10,123,503	269,243	3,875,024	14,646	(5,964,590)	--	(5,964,590)
Public safety	7,479,015	1,188,425	294,472	19,482	(5,976,636)	--	(5,976,636)
Health and welfare	1,644,708	23,563	3,820,116	--	2,198,971	--	2,198,971
Conservation and development	30,174	--	94,506	--	64,332	--	64,332
Parks and recreation	1,651,643	489,220	585,850	--	(576,573)	--	(576,573)
Planning and zoning	1,097,310	1,166,272	163,792	--	232,754	--	232,754
Education	66,768,490	1,961,728	20,739,285	--	(44,067,477)	--	(44,067,477)
Interest on long-term debt	2,139,522	240,233	--	--	(1,899,289)	--	(1,899,289)
Total Governmental Activities	115,760,939	18,135,942	29,855,500	34,128	(67,735,369)	--	(67,735,369)
Business-Type Activity:							
Water fund	6,386,885	5,338,583	--	--	--	(1,048,302)	(1,048,302)
Sewer fund	8,132,024	4,825,247	--	--	--	(3,306,777)	(3,306,777)
Transfer station fund	4,100,980	3,945,548	--	--	--	(155,432)	(155,432)
Total Business-Type Activity	18,619,889	14,109,378	--	--	--	(4,510,511)	(4,510,511)
Total Primary Government	\$ 134,380,828	\$ 32,245,320	\$ 29,855,500	\$ 34,128	\$ (67,735,369)	\$ (4,510,511)	\$ (72,245,880)
General Revenues:							
Taxes:							
Property taxes levied for general purposes							
State aid in lieu of taxes, not for a restricted purpose							
Investment and interest income							
Other revenues							
Transfer (in) out							
Total General Revenues					91,227,905	2,708,808	93,936,713
Change in Net Position					23,492,536	(1,801,703)	21,690,833
Net Position - Beginning of Year					127,060,301	51,156,541	178,216,842
Net Position - End of Year					\$ 150,552,837	\$ 49,354,838	\$ 199,907,675

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

This page left intentionally blank.

FUND FINANCIAL STATEMENTS

This page left intentionally blank.

TOWN OF WESTERLY, RHODE ISLAND

III

BALANCE SHEET GOVERNMENTAL FUNDS

JUNE 30, 2025

	General Fund	School Restricted Fund	\$9,000,000 Bond Fund	American Rescue Plan	RIHEBC \$50M School Bond	Formerly Major Fund Capital Projects	Other Non-Major Governmental Funds	Total Governmental Funds
Assets								
Cash and cash equivalents	\$ 20,927,281	\$ --	\$ --	\$ 2,104,862	\$ --	\$ --	\$ 10,022,483	\$ 33,054,626
Restricted cash held in escrow	--	--	634,071	--	--	--	146	634,217
Advances to other funds	3,467,993	--	--	--	--	--	--	3,467,993
Investments	--	--	--	--	--	--	71,884	71,884
Real estate and personal property tax receivable	149,963	--	--	--	--	--	--	149,963
Due from federal and state governments	218,396	1,184,231	--	--	--	--	1,317,530	2,720,157
Due from other funds	14,938,521	--	--	--	--	--	2	14,938,523
Other receivables	2,003,791	282,357	--	--	--	--	357,795	2,643,943
Prepaid items	2,741,943	--	--	--	--	--	--	2,741,943
Other assets	--	--	--	--	39,962,533	--	--	39,962,533
Total Assets	\$ 44,447,888	\$ 1,466,588	\$ 634,071	\$ 2,104,862	\$ 39,962,533	\$ --	\$ 11,769,840	\$ 100,385,782
Liabilities, Deferred Inflows and Fund Balances								
Liabilities								
Accounts payable and accrued liabilities	\$ 3,190,132	\$ 282,452	\$ 677	\$ 1,976	2,486,141	--	\$ 850,575	\$ 6,811,953
Due to other funds	494,136	129,745	136,594	--	10,158,651	--	1,853,987	12,773,113
Unearned revenue	569,512	400,000	--	1,871,357	--	--	1,099	2,841,968
Total Liabilities	4,253,780	812,197	137,271	1,873,333	12,644,792	--	2,705,661	22,427,034
Deferred Inflows of Resources								
Lease related revenue	2,580,000	--	--	--	--	--	--	2,580,000
Unavailable revenue - property taxes	7,666	--	--	--	--	--	--	7,666
Total Deferred Inflows of Resources	2,587,666	--	--	--	--	--	--	2,587,666
Fund Balances								
Non-spendable	6,209,936	--	--	--	--	--	--	6,209,936
Restricted	3,793,163	654,391	496,800	231,529	27,317,741	--	1,538,184	34,031,808
Committed	2,976,130	--	--	--	--	--	7,637,165	10,613,295
Assigned	104,816	--	--	--	--	--	--	104,816
Unassigned	24,522,397	--	--	--	--	--	(111,170)	24,411,227
Total Fund Balances	37,606,442	654,391	496,800	231,529	27,317,741	--	9,064,179	75,371,082
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 44,447,888	\$ 1,466,588	\$ 634,071	\$ 2,104,862	\$ 39,962,533	\$ --	\$ 11,769,840	\$ 100,385,782

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

TOWN OF WESTERLY, RHODE ISLAND

III

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS (III) TO THE STATEMENT OF NET POSITION (I)

JUNE 30, 2025

Amounts Reported for Governmental Activities in the Statement of Net Position Differ Because:

Total Fund Balance (III)	\$ 75,371,082
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	202,771,231
Net Pension Asset	9,744,653
Penalties and interest on tax receivables	479,604
Sinking bond fund investments	8,732,684
Advance tax collections deferred in funds and not deferred in measurement for Statement of Net Position	7,666
Deferred outflows relating to deferred loss on refunding	805,748
Deferred outflows relating to pensions and OPEB are recorded in the statement of net position	7,317,327
Deferred inflows relating to pensions and OPEB are recorded in the statement of net position	(12,467,782)
Long-term liabilities and related items are not due and payable in the current period and therefore are not reported as liabilities in the governmental funds. Long-term liabilities (net of premiums) at year-end consist of:	
Bonds and loans payable	(90,397,000)
Bond premium	(5,240,952)
Lease liability	(2,666,324)
Compensated absences	(2,597,691)
Accrual for net OPEB liability	(9,007,298)
Accrual for net pension liability	(37,863,020)
Accrued interest payable is recorded in government activities, but is not recorded in the funds.	(796,184)
Internal service funds are recorded as proprietary funds in the fund financial statements but are recorded as governmental activities on the Government-wide statement of net position.	<u>6,359,093</u>
Total Net Position (I)	<u>\$ 150,552,837</u>

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

TOWN OF WESTERLY, RHODE ISLAND

IV

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

FOR THE YEAR ENDED JUNE 30, 2025

	General Fund	School Restricted Fund	\$9,000,000 Bond Fund	American Rescue Plan	RIHEBC \$50M School Bond	Formerly Major Fund Capital Projects	Other Non-Major Governmental Funds	Total Governmental Funds
Revenues								
General property taxes and payments in lieu of taxes	\$ 79,567,692	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 79,567,692
Intergovernmental and departmental	22,430,187	5,856,907	--	2,432,033	3,727,127	--	927,474	35,373,728
Licenses and permits	1,293,659	--	--	--	--	--	--	1,293,659
Fines and penalties	314,219	--	--	--	--	--	--	314,219
Charges for service	3,133,768	--	--	--	--	--	516,621	3,650,389
Operating grants and contributions	--	--	--	--	--	--	957	957
Recreation	489,220	--	--	--	--	--	2,607,784	3,097,004
Investment income	1,796,342	--	--	--	--	--	16,472	1,812,814
On behalf pension contribution	2,731,875	--	--	--	--	--	--	2,731,875
Other revenues	174,663	729,587	--	--	--	--	--	904,250
Total Revenues	<u>111,931,625</u>	<u>6,586,494</u>	<u>--</u>	<u>2,432,033</u>	<u>3,727,127</u>	<u>--</u>	<u>4,069,308</u>	<u>128,746,587</u>
Expenditures								
Legislative, executive and administrative	8,367,205	--	--	--	--	--	1,189,468	9,556,673
Public works	4,924,729	--	--	2,063,353	--	--	--	6,988,082
Public safety	8,857,329	--	--	--	--	--	149,129	9,006,458
Health and welfare	1,639,149	--	--	--	--	--	5,559	1,644,708
Conservation and development	8,349	--	--	--	--	--	21,825	30,174
Parks and recreation	849,115	--	--	57,946	--	--	702,454	1,609,515
Planning	1,089,053	--	--	--	--	--	--	1,089,053
Education	59,710,209	5,844,557	--	--	--	--	1,031,294	66,586,060
Debt service - principal	8,825,497	--	--	--	--	--	--	8,825,497
Debt service - interest	2,950,111	--	--	--	--	--	--	2,950,111
Capital outlay	5,498,210	832,685	275,378	83,905	19,701,311	--	3,989,840	30,381,329
Miscellaneous	--	--	--	--	--	--	17,561	17,561
On behalf pension contribution	2,731,875	--	--	--	--	--	--	2,731,875
Total Expenditures	<u>105,450,831</u>	<u>6,677,242</u>	<u>275,378</u>	<u>2,205,204</u>	<u>19,701,311</u>	<u>--</u>	<u>7,107,130</u>	<u>141,417,096</u>
Excess of Revenues Over (Under) Expenditures								
Before Other Financing Sources (Uses)	<u>6,480,794</u>	<u>(90,748)</u>	<u>(275,378)</u>	<u>226,829</u>	<u>(15,974,184)</u>	<u>--</u>	<u>(3,037,822)</u>	<u>(12,670,509)</u>
Other Financing Sources (Uses)								
Transfers from other funds	--	3,558,770	--	--	--	--	2,741,285	6,300,055
Transfers to other funds	(3,979,460)	(25,697)	--	--	(2,937,483)	--	--	(6,942,640)
Finance lease proceeds	1,299,486	--	--	--	--	--	--	1,299,486
Bond premium	--	--	--	--	3,107,873	--	--	3,107,873
Bond proceeds	--	--	--	--	43,160,000	--	--	43,160,000
Total Other Financing Sources (Uses)	<u>(2,679,974)</u>	<u>3,533,073</u>	<u>--</u>	<u>--</u>	<u>43,330,390</u>	<u>--</u>	<u>2,741,285</u>	<u>46,924,774</u>
Net Change in Fund Balances	<u>3,800,820</u>	<u>3,442,325</u>	<u>(275,378)</u>	<u>226,829</u>	<u>27,356,206</u>	<u>--</u>	<u>(296,537)</u>	<u>34,254,265</u>
Fund Balances - July 1, 2025, as previously reported	<u>33,805,622</u>	<u>(2,787,934)</u>	<u>772,178</u>	<u>4,700</u>	<u>(38,465)</u>	<u>8,104,285</u>	<u>1,256,431</u>	<u>41,116,817</u>
Change within financial reporting entity (Major to non-major fund)	--	--	--	--	--	(8,104,285)	8,104,285	--
Fund Balances - July 1, 2025, as adjusted	<u>33,805,622</u>	<u>(2,787,934)</u>	<u>772,178</u>	<u>4,700</u>	<u>(38,465)</u>	<u>--</u>	<u>9,360,716</u>	<u>41,116,817</u>
Fund Balances - End of Year	<u>\$ 37,606,442</u>	<u>\$ 654,391</u>	<u>\$ 496,800</u>	<u>\$ 231,529</u>	<u>\$ 27,317,741</u>	<u>\$ --</u>	<u>\$ 9,064,179</u>	<u>\$ 75,371,082</u>

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

TOWN OF WESTERLY, RHODE ISLAND

IV

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS (IV) TO THE STATEMENT OF ACTIVITIES (II)

FOR THE YEAR ENDED JUNE 30, 2025

Net Change in Fund Balances - Total Governmental Funds (IV)	\$ 34,254,265
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 and amortization expense. The capital outlays are as follows:	
Capital asset additions	35,181,391
Depreciation expense	(7,964,202)
Change in deferred charge on refunding	(256,878)
Proceeds from issuance of long-term debt	(46,267,873)
Lease proceeds	(1,299,486)
Change in accrued interest	(726,398)
Lease revenue recognized in accordance with GASB 87	(333,262)
Change in property tax interest and lien revenue	(117,745)
Principal payments made on long-term obligations	9,435,741
Change in compensated absences	(1,289,315)
Excess of internal service funds' revenues over expenses, reported as governmental activities in the Government-wide statement of activities	(1,094,233)
Change in net OPEB liability	1,312,076
Change in net pension asset	934,767
Change in net pension liability	3,530,352
Change in deferred inflows of resources	(1,920,419)
Change in deferred outflows of resources	<u>113,755</u>
Change in Net Position of Governmental Activities (II)	<u>\$ 23,492,536</u>

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

TOWN OF WESTERLY, RHODE ISLAND

V

STATEMENT OF NET POSITION PROPRIETARY FUNDS

JUNE 30, 2025

	Business-Type Activities Enterprise Funds				Governmental Activities
	Water Fund	Sewer Fund	Transfer Station Fund	Total Enterprise Funds	Internal Service Fund
Assets					
Current Assets					
Cash and cash equivalents	\$ 3,113,876	\$ 2,988,586	\$ 3,961,040	\$ 10,063,502	\$ 3,548,181
Fee receivables, net	2,332,967	1,419,668	449,989	4,202,624	--
Inventories	264,962	12,613	--	277,575	--
Other receivables	--	--	9,930	9,930	236,621
Deposit with claims-paying agent	--	--	--	--	8,840,929
Current portion of lease receivable	--	13,540	--	13,540	--
Total Current Assets	<u>5,711,805</u>	<u>4,434,407</u>	<u>4,420,959</u>	<u>14,567,171</u>	<u>12,625,731</u>
Noncurrent Assets					
Lease receivable, net of current portion	--	344,639	--	344,639	--
Capital assets not being depreciated	5,434,048	675,250	75,288	6,184,586	--
Capital assets, net of accumulated depreciation	17,561,007	15,871,685	1,335,831	34,768,523	--
Lease assets, net of accumulated amortization	278,607	--	374,976	653,583	--
Total Noncurrent Assets	<u>23,273,662</u>	<u>16,891,574</u>	<u>1,786,095</u>	<u>41,951,331</u>	<u>--</u>
Total Assets	<u>28,985,467</u>	<u>21,325,981</u>	<u>6,207,054</u>	<u>56,518,502</u>	<u>12,625,731</u>
Liabilities					
Current Liabilities					
Accounts payable and accrued expenses	441,316	287,789	427,987	1,157,092	--
Accrued interest payable	50,713	3,969	8,776	63,458	--
Due to other funds	--	--	--	--	2,165,410
Unearned revenue	--	27,633	13	27,646	--
Advances from other funds	--	--	--	--	3,467,993
Claims payable	--	--	--	--	633,235
Current portion of long-term liabilities	465,855	293,767	211,443	971,065	--
Total Current Liabilities	<u>957,884</u>	<u>613,158</u>	<u>648,219</u>	<u>2,219,261</u>	<u>6,266,638</u>
Noncurrent Liabilities					
Lease liabilities	1,308,193	--	308,941	1,617,134	--
Other liabilities	--	547,119	--	547,119	--
Compensated absences	220,546	45,867	60,235	326,648	--
Bonds, loans and notes payable	1,705,459	396,000	--	2,101,459	--
Total Noncurrent Liabilities	<u>3,234,198</u>	<u>988,986</u>	<u>369,176</u>	<u>4,592,360</u>	<u>--</u>
Total Liabilities	<u>4,192,082</u>	<u>1,602,144</u>	<u>1,017,395</u>	<u>6,811,621</u>	<u>6,266,638</u>
Deferred inflows of resources					
Lease related	--	352,043	--	352,043	--
Total deferred inflows of resources	<u>--</u>	<u>352,043</u>	<u>--</u>	<u>352,043</u>	<u>--</u>
Net Position					
Net investment in capital assets	19,739,604	15,844,054	1,250,844	36,834,502	--
Restricted for:					
Other purposes	--	--	--	--	6,359,093
Unrestricted	5,053,781	3,527,740	3,938,815	12,520,336	--
Total Net Position	<u>\$ 24,793,385</u>	<u>\$ 19,371,794</u>	<u>\$ 5,189,659</u>	<u>\$ 49,354,838</u>	<u>\$ 6,359,093</u>

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

TOWN OF WESTERLY, RHODE ISLAND

VI

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

FOR THE YEAR ENDED JUNE 30, 2025

	Business-Type Activities Enterprise Funds				Governmental Activities
	Water Fund	Sewer Fund	Transfer Station Fund	Total Enterprise Funds	Internal Service Fund
Operating Revenues					
User fees and rental income	\$ 5,338,583	\$ 3,218,888	\$ 3,945,548	\$ 12,503,019	\$ --
Sewer and water assessments and taxes	--	1,606,359	--	1,606,359	--
Charges for insurance	--	--	--	--	11,467,563
Other income	441,964	457,654	768,059	1,667,677	--
Total Operating Revenues	<u>5,780,547</u>	<u>5,282,901</u>	<u>4,713,607</u>	<u>15,777,055</u>	<u>11,467,563</u>
Operating Expenses					
Salaries and benefits	2,899,956	749,527	978,962	4,628,445	--
Materials and supplies	663,775	24,082	359,601	1,047,458	--
Repairs and maintenance	487,806	3,378,064	173,569	4,039,439	--
Depreciation and amortization	749,851	739,793	415,071	1,904,715	--
Utilities	598,124	--	16,313	614,437	--
Administrative expense	406,866	651,195	56,521	1,114,582	22,758
Insurance	105,398	61,511	--	166,909	--
Claims and benefits	--	--	--	--	12,539,038
Contracted services	445,463	2,517,063	2,100,943	5,063,469	--
Total Operating Expenses	<u>6,357,239</u>	<u>8,121,235</u>	<u>4,100,980</u>	<u>18,579,454</u>	<u>12,561,796</u>
Income from Operations	<u>(576,692)</u>	<u>(2,838,334)</u>	<u>612,627</u>	<u>(2,802,399)</u>	<u>(1,094,233)</u>
Non-Operating Revenues (Expenses)					
Interest income	151,127	--	247,419	398,546	--
Interest expense	(29,646)	(10,789)	--	(40,435)	--
Total Non-Operating Revenues (Expenses)	<u>121,481</u>	<u>(10,789)</u>	<u>247,419</u>	<u>358,111</u>	<u>--</u>
Transfers					
Transfers from other funds	543,534	1,134,299	21,125	1,698,958	--
Transfers to other funds	(543,534)	(491,714)	(21,125)	(1,056,373)	--
Total Transfers	<u>--</u>	<u>642,585</u>	<u>--</u>	<u>642,585</u>	<u>--</u>
Change in Net Position	(455,211)	(2,206,538)	860,046	(1,801,703)	(1,094,233)
Net Position - Beginning of Year	<u>25,248,596</u>	<u>21,578,332</u>	<u>4,329,613</u>	<u>51,156,541</u>	<u>7,453,326</u>
Net Position - End of Year	\$ 24,793,385	\$ 19,371,794	\$ 5,189,659	\$ 49,354,838	\$ 6,359,093

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

TOWN OF WESTERLY, RHODE ISLAND

VII

STATEMENT OF CASH FLOWS PROPRIETARY FUNDS

FOR THE YEAR ENDED JUNE 30, 2025

	Business-Type Activities				Governmental
	Enterprise Funds				Activities
	Water Fund	Sewer Fund	Transfer Station Fund	Total	Internal Service Fund
Cash Flows from Operating Activities					
Cash received from customers	\$ 5,192,299	\$ 4,851,054	\$ 3,668,151	\$ 13,711,504	\$ 10,904,649
Cash received from other operating services	441,964	457,654	768,059	1,667,677	--
Cash payments to suppliers for goods and services	(2,602,805)	(6,790,498)	(2,471,371)	(11,864,674)	(13,050,632)
Cash payments to employees for services	(2,899,956)	(749,527)	(978,962)	(4,628,445)	--
Cash payments of administrative expenses	--	--	--	--	(22,758)
Net Cash Provided by (Used in) Operating Activities	<u>131,502</u>	<u>(2,231,317)</u>	<u>985,877</u>	<u>(1,113,938)</u>	<u>(2,168,741)</u>
Cash Flows from Non-Capital Financing Activities					
Interfund borrowings	(237,555)	--	(2,500)	(240,055)	--
Transfers from other funds	--	642,585	--	642,585	--
Net Cash Provided by (Used in) Non-Capital Financing Activities	<u>(237,555)</u>	<u>642,585</u>	<u>(2,500)</u>	<u>402,530</u>	<u>--</u>
Cash Flows from Capital and Related Financing Activities					
Principal paid on bonds, notes and loans	(382,210)	(274,000)	(388,774)	(1,044,984)	--
Additions to capital assets	(444,854)	(168,133)	(5,300)	(618,287)	--
Interest paid on bonds, notes and loans	(34,335)	(33,914)	(8,998)	(77,247)	--
Net Cash (Used in) Capital and Related Financing Activities	<u>(861,399)</u>	<u>(476,047)</u>	<u>(403,072)</u>	<u>(1,740,518)</u>	<u>--</u>
Cash Flows from Investing Activities					
Investment income	151,127	--	247,419	398,546	--
Net Cash Provided by Investing Activities	<u>151,127</u>	<u>--</u>	<u>247,419</u>	<u>398,546</u>	<u>--</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(816,325)	(2,064,779)	827,724	(2,053,380)	(2,168,741)
Cash and Cash Equivalents - Beginning of Year	<u>3,930,201</u>	<u>5,053,365</u>	<u>3,133,316</u>	<u>12,116,882</u>	<u>5,716,922</u>
Cash and Cash Equivalents - End of Year	<u>\$ 3,113,876</u>	<u>\$ 2,988,586</u>	<u>\$ 3,961,040</u>	<u>\$ 10,063,502</u>	<u>\$ 3,548,181</u>

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

TOWN OF WESTERLY, RHODE ISLAND

VII (Continued)

STATEMENT OF CASH FLOWS PROPRIETARY FUNDS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2025

	Business-Type Activities Enterprise Funds				Governmental Activities
	Water Fund	Sewer Fund	Transfer Station Fund	Total Enterprise Funds	Internal Service Fund
Reconciliation of Operating Income to Net Cash Provided by Operating Activities					
Operating income	\$ (576,692)	\$ (2,838,334)	\$ 612,627	\$ (2,802,399)	\$ (1,094,233)
Adjustments to Reconcile Operating Income to Net Cash (Used in) Provided by Operating Activities					
Depreciation and amortization	749,851	739,793	415,071	1,904,715	--
Changes in assets and liabilities:					
(Increase) decrease in fees receivable and other receivables	(146,284)	25,807	(277,408)	(397,885)	--
(Increase) decrease in inventories	(57,592)	429	--	(57,163)	--
(Increase) decrease in deposits with claims-paying agent	--	--	--	--	(562,914)
Increase (decrease) in accounts payable and accrued expenses	162,219	(159,012)	235,576	238,783	--
Increase (decrease) in claims payable	--	--	--	--	(511,594)
Increase (decrease) in unearned revenues	--	--	11	11	--
Total Adjustments	<u>708,194</u>	<u>607,017</u>	<u>373,250</u>	<u>1,688,461</u>	<u>(1,074,508)</u>
Net Cash Provided by (Used in) Operating Activities					
	<u>\$ 131,502</u>	<u>\$ (2,231,317)</u>	<u>\$ 985,877</u>	<u>\$ (1,113,938)</u>	<u>\$ (2,168,741)</u>

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

TOWN OF WESTERLY, RHODE ISLAND

VIII

STATEMENT OF FIDUCIARY NET POSITION

JUNE 30, 2025

	Employee Retirement Funds	Custodial Funds	Private Purpose Trust Funds	Total Fiduciary Funds
Assets				
Cash equivalents	\$ 3,447,809	\$ 70,468	\$ 2,731	\$ 3,521,008
Investments, at fair value				
Money markets	--	5,634	280,361	285,995
Certificates of deposit	908,110	--	--	908,110
U.S. Government agency obligations	1,022,265	--	--	1,022,265
Municipal bonds	2,145,074	--	--	2,145,074
Domestic corporate bonds	11,273,777	--	--	11,273,777
Asset-backed security	86,521	--	--	86,521
Mutual funds	2,573,863	--	--	2,573,863
Common stock	47,134,317	--	--	47,134,317
Total Investments	65,143,927	5,634	280,361	65,429,922
Receivables:				
Other	203,457	--	--	203,457
Total Assets	<u>\$ 68,795,193</u>	<u>\$ 76,102</u>	<u>\$ 283,092</u>	<u>\$ 69,154,387</u>
Liabilities				
Other payable	\$ 195,725	\$ --	\$ 22,076	\$ 217,801
Total Liabilities	<u>195,725</u>	<u>--</u>	<u>22,076</u>	<u>217,801</u>
Net Position				
Restricted for employee benefits	68,599,468	--	--	68,599,468
Restricted for other organizations	--	76,102	--	76,102
Restricted for individuals	--	--	261,016	261,016
Total Net Position	<u>68,599,468</u>	<u>76,102</u>	<u>261,016</u>	<u>68,936,586</u>
Total Liabilities and Net Position	<u>\$ 68,795,193</u>	<u>\$ 76,102</u>	<u>\$ 283,092</u>	<u>\$ 69,154,387</u>

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

TOWN OF WESTERLY, RHODE ISLAND

IX

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

FOR THE YEAR ENDED JUNE 30, 2025

	Employee Retirement Funds	Custodial Funds	Private Purpose Trust Funds	Total Fiduciary Funds
Additions				
Contributions:				
Employer	\$ 3,495,051	\$ --	\$ --	\$ 3,495,051
Plan members	474,895	--	--	474,895
Total Contributions	<u>3,969,946</u>	<u>--</u>	<u>--</u>	<u>3,969,946</u>
Investment Income				
Net increase in fair value of investments	5,660,019	--	--	5,660,019
Interest and dividends	1,532,532	1,067	42,326	1,575,925
Other	--	273,732	--	273,732
Net Investment Earnings	<u>7,192,551</u>	<u>274,799</u>	<u>42,326</u>	<u>7,509,676</u>
Total Investment Income	<u>7,192,551</u>	<u>274,799</u>	<u>42,326</u>	<u>7,509,676</u>
Total Additions	<u>11,162,497</u>	<u>274,799</u>	<u>42,326</u>	<u>11,479,622</u>
Deductions				
Benefits paid	3,534,896	--	--	3,534,896
Police health	932,306	--	--	932,306
Administrative and other expenses	202,944	268,724	2,458	474,126
Total Deductions	<u>4,670,146</u>	<u>268,724</u>	<u>2,458</u>	<u>4,941,328</u>
Change in Net Position	6,492,351	6,075	39,868	6,538,294
Net Position Restricted for Employee Benefits, Individuals, and Other Organizations - Beginning of Year	<u>62,107,117</u>	<u>70,027</u>	<u>221,148</u>	<u>62,398,292</u>
Net Position Restricted for Employee Benefits, Individuals, and Other Organizations - End of Year	<u>\$ 68,599,468</u>	<u>\$ 76,102</u>	<u>\$ 261,016</u>	<u>\$ 68,936,586</u>

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

NOTES TO FINANCIAL STATEMENTS

This page left intentionally blank.

TOWN OF WESTERLY, RHODE ISLAND

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

REPORTING ENTITY

The Town of Westerly, Rhode Island (Town) was founded in 1669. The Town is governed largely under the 1968 Westerly 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 Town operates under a Town Council-Town Manager form of government with a seven-member Town Council headed by a Council President and a Council Vice-President. The Town Manager exercises the executive power of the Town government and is responsible to the Town Council for day-to-day operations of the Town's affairs. All legislative powers of the Town are vested in the Town Council.

The Town provides the following services as authorized by its charter: public safety (police, traffic safety, inspections); public works (sanitation, highways and streets, engineering and building maintenance); zoning and planning; parks and recreation; education; social services; and general administrative services.

BASIS OF PRESENTATION – GOVERNMENT-WIDE FINANCIAL STATEMENTS

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

As a general rule, the effect of interfund activity has been eliminated from the Government-wide financial statements. Exceptions to this general rule are payments in lieu of taxes where the amounts are reasonably equivalent in value to the interfund services provided and other charges between the Town's water and transit functions and various other functions of the Town. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

DESCRIPTION OF GOVERNMENT-WIDE FINANCIAL STATEMENTS

The Government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Town of Westerly, Rhode Island (the Town). All fiduciary activities are reported only in the fund financial statements. Governmental activities, which normally are supported by taxes, intergovernmental revenues and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external customers for support.

TOWN OF WESTERLY, RHODE ISLAND

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

BASIS OF PRESENTATION – FUND FINANCIAL STATEMENTS

The fund financial statements provide information about the Town's funds, including its fiduciary funds. Separate statements for each fund category (governmental, proprietary and fiduciary) are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

The Town reports the following major governmental funds:

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

The School Restricted Fund is used to account for activities related to educational programs funded by state and federal grants.

The \$9,000,000 Bond Fund is used to account for projects funded by the RIIB Municipal Road and Bridge Program. This project will use funds as part of the Town's street pavement improvement program.

The American Rescue Plan Fund is used to account for projects funded by the Federal American Rescue Plan. The Town will use funds to invest in small businesses, infrastructure and health care.

The \$50,000,000 RIHEBC School Bond Fund is used to account for projects funded by RIHEBC to renovate facilities for Westerly Public Schools.

The Town reports the following major proprietary funds:

The *Water Fund* is a proprietary (enterprise) fund used to account for the operation and maintenance of the Town's water system, which is primarily supported through charges to customers.

The *Sewer Fund* is a proprietary (enterprise) fund used to account for sewer use fees and the expenses associated with providing wastewater services to Town residents. The fund is primarily supported through charges to customers.

The *Transfer Station Fund* is a proprietary (enterprise) fund used to account for transfer station fees and the expenses associated with operation of the transfer station. The fund is primarily supported through charges to customers.

TOWN OF WESTERLY, RHODE ISLAND

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

BASIS OF PRESENTATION – FUND FINANCIAL STATEMENTS (CONTINUED)

Additionally, the Town reports the following fund types:

The *Internal Service Fund* is used to account for the Town's self-insurance program for medical and dental health insurance coverage for persons covered by the health benefit plan of the Town.

The *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 most significant special revenue fund is the School Unrestricted Fund, which provides primary education to the Town's children. While the Rhode Island Department of Education requires the School Unrestricted Fund to be accounted for as a special revenue fund, the composition of the fund's revenue sources cause the fund to not meet the definition to be presented as a special revenue fund for general purpose financial reporting. Accordingly, the School Unrestricted Fund is reported as a component of the Town's General Fund in the accompanying financial statements.

The *Capital Project Funds* are used to account for and report resources that are restricted, committed, or assigned to expenditures for specific capital projects.

The *Private Purpose Trust Funds* are used to account for resources legally held in trust for use by parties outside of the Town, and cannot be used at the Town's discretion or to support the Town's general operations. The activities of the Town's private purpose trust fund are utilized for various purposes with the Town.

The *Pension and Other Employee Benefit Trust Funds* are used to account for funding and payment of pension benefits provided to police officer retirees.

The *Custodial Funds* account for assets held by the Town as agent for various organizations for construction deposits held in escrow and for unclaimed probate estate assets.

During the course of operations, the Town has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the governmental-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

TOWN OF WESTERLY, RHODE ISLAND

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

BASIS OF PRESENTATION – FUND FINANCIAL STATEMENTS (CONTINUED)

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements, these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the Government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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

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

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

Property taxes, charges for services, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the Town.

TOWN OF WESTERLY, RHODE ISLAND

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING (CONTINUED)

The proprietary, trust funds, private purpose trust funds and custodial funds are reported using the economic resources measurement focus and the accrual basis of accounting.

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

Cash and Cash Equivalents

The Town's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

Investments

Investments for the Town are reported at fair value (generally based on quoted market prices), except for nonparticipating interest earning investment contracts (i.e. certificates of deposit) which are recorded at amortized cost. 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 participants at the measurement date. State statutes authorize the Town to invest in obligations of the U.S. Treasury, commercial paper and corporate bonds.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the Government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

Inventories

Inventories are valued at net realizable value using the first-in, first-out (FIFO) method of valuation. Inventory is generally recorded as expenditures/expenses when consumed.

Unbilled Services Receivable

Water and sewer revenue is recorded when earned. Customers are billed semi-annually and some commercial customers are billed quarterly. The estimated value of services provided but unbilled at June 30, 2025, is recorded as an accounts receivable in the water and sewer funds.

TOWN OF WESTERLY, RHODE ISLAND

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items), are reported in the applicable governmental or business-type activities column in the Government-wide financial statements. Capital assets are defined by the Town as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of three years. Pursuant to the implementation of GASB Statement No. 34, the historical cost of infrastructure assets (retroactive to January 1, 1979) is included as part of the governmental capital assets reported in the Government-wide statements.

As the Town constructs or acquires additional capital assets each period, including infrastructure assets, they are capitalized and reported at historical cost. The reported value excludes normal maintenance and repairs that are essentially amounts spent in relation to capital assets and that do not increase the capacity or efficiency of the item or increase its estimated useful life. Donated capital assets are recorded at their estimated fair value at the date of acquisition.

The Town reviews long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. As of June 30, 2025, there were no impairment losses recognized for long-lived assets.

Excluding land and construction in progress, 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 of depreciation. The range of estimated useful lives by type of asset is as follows:

Assets	Years
Tanks and structures	100
Mains, wells, pumps, hydrants, laterals, connections, filter beds	75
Buildings and improvements	25-65
Machinery and equipment	3-20
Vehicles	5-10

TOWN OF WESTERLY, RHODE ISLAND

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

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 will sometimes report a separate section for deferred outflows of resources. This section represents a consumption of net position or fund balance that applies to a future period or periods, and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Town reports a deferred charge on refunding and deferred outflows related to pension in the Government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. A deferred outflow of resources related to pension 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 plan (active employees and inactive employees).

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This section represents an acquisition of net position or fund balance that applies to a future period or periods and so will not be recognized as an inflow of resources (revenue) until then. The Town reports advance property tax collections in the Government-wide statement of net position and in the governmental funds balance sheet. The Town also reports deferred inflows of resources related to pensions and leases in the Government-wide statement of net position. Advance property tax collections represent taxes inherently associated with a future period. This amount is recognized during the period in which the revenue is associated. A deferred inflow of resources related to pension 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 plan (active employees and inactive employees). A deferred inflow related to leases results from differences between amortization of revenue and interest over the life of the lease. In addition, for governmental funds, the Town reports unavailable revenue, which arises only under the modified accrual basis of accounting. The governmental funds report unavailable revenues from property taxes. This amount is deferred and recognized as an inflow of resources (revenue) in the period in which the amount becomes available.

Leases (As Lessor and Lessee)

Lessor

The Town recognizes a lease receivable and a deferred inflow of resources in the government-wide, governmental fund and proprietary fund financial statements. At the commencement of a lease, the Town initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received.

TOWN OF WESTERLY, RHODE ISLAND

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the Town determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments. The Town uses its estimated incremental borrowing rate as the discount rate for leases where a stated rate is not present. The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee. The Town monitors changes in circumstances that would require a remeasurement of its lease, and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

Lessee

The Town recognizes a lease asset and liability in the government-wide and proprietary fund financial statements. At the commencement of a lease, the Town initially measures the lease liability at the present value of payments expected to be paid during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date.

Key estimates and judgments include how the Town determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments. The Town uses its estimated incremental borrowing rate as the discount rate for leases where a stated rate is not present. The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability is composed of fixed payments to the lessor. The Town monitors changes in circumstances that would require a remeasurement of its lease asset and liability, and will remeasure the lease asset and receivable if certain changes occur that are expected to significantly affect the amount of the lease liability.

Net Position/Fund Balance

Fund balance in the Government-wide financial statements is defined as "net position" and is classified in the following categories:

Net Investment in Capital Assets

This component of net position consists of capital assets and leased assets, net of accumulated depreciation, and reduced by the outstanding balances of any bonds, notes, lease liability or other borrowings that are attributable to the acquisition, construction or improvement of those assets.

TOWN OF WESTERLY, RHODE ISLAND

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

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)

Restricted Net Position

Restrictions are externally imposed by creditors (such as through debt covenants), grantors, contributors or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Position

This component consists of net position that does not meet the definition of "restricted" or "invested in capital assets".

The fund balance in the fund financial statements is classified in the following categories:

Non-spendable Fund Balance

This represents amounts that cannot be spent due to the form (e.g., inventories and prepaid amounts) or legally or contractually required to be maintained intact.

Restricted Fund Balance

This represents amounts constrained for a specific purpose by external parties, such as grantors, creditors, contributors, or laws and regulations of their governments.

Committed Fund Balance

This represents amounts constrained for a specific purpose imposed by formal action of the Town's highest level of decision-making authority. Those committed amounts cannot be used for any other purpose unless the Town removes or changes the specified use by taking the same type of action it employed to previously commit those amounts. The Town Council is the highest level of decision-making authority and utilizes Town Ordinances or resolution as a formal procedure to commit fund balance.

Assigned Fund Balance

This represents amounts constrained for the intent to be used for a specific purpose, but are neither restricted nor committed. The intent should be expressed by the Town Council, or an official to which the Town Council has delegated the authority.

Unassigned Fund Balance

This represents fund balance in the General Fund in excess of non-spendable, restricted, committed and assigned fund balance. If another governmental fund has a fund balance deficit, it is reported as a negative amount in unassigned fund balance.

TOWN OF WESTERLY, RHODE ISLAND

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

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)

Fund Balance Policies

Sometimes the Town will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Town's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

REVENUE AND EXPENDITURES/EXPENSES

Program Revenues

Amounts reported as program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

Property Taxes

Property taxes attach as an enforceable lien on real property. Real and personal property taxes are based on values assessed as of each December 31 (lien date) and are levied as of July 1st.

Taxes are due in equal quarterly installments on August 1, November 1, February 1, and May 1 following the levy date. The taxpayer may elect to pay the taxes in full by September 1, annually. Taxes due and unpaid after the respective due dates are subject to interest at a rate of 12% per annum calculated on the unpaid portion of the total tax. An automatic lien is placed on the taxpayer's property if payment has not been received by the tax due date. Property taxes levied are recorded as receivables in the fiscal year of the levy.

TOWN OF WESTERLY, RHODE ISLAND

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

REVENUE AND EXPENDITURES/EXPENSES (CONTINUED)

Compensated Absences

Vacation and Sick Leave

The Town's policy permits certain employees to accumulate earned but unused vacation and sick benefits. Upon retirement, termination or death, these employees are compensated for unused vacation and sick leave (subject to certain limitations) at their current rates of pay. The liability for such leave is reported as incurred in the Government-wide and proprietary fund financial statements. A liability for those amounts is recorded in the governmental funds only if the liability has matured as a result of employee resignations or retirements. For governmental activities, the General Fund is used to satisfy this liability as it becomes due, while each enterprise fund accounts for all its settlement of business-type liabilities for compensated absences. The liability for compensated absences is accrued at varying amounts based on the collective bargaining unit contracts of the various unions and includes salary-related benefits, where applicable.

Net Pension Liability/Asset

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

Net OPEB Liability

The net OPEB liability represents the cumulative difference between the annual OPEB cost and the Town's contributions to the Plan. This amount is calculated on an actuarial basis and is recorded as noncurrent liabilities in the Government-wide financial statements.

Proprietary Funds Operating and Nonoperating Revenues and Expenses

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. The principal operating revenues of the wastewater fund, solid waste fund, water fund, school cafeteria fund and internal service funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

TOWN OF WESTERLY, RHODE ISLAND

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

ACCOUNTING ESTIMATES

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

ACCOUNTING CHANGES

For the fiscal year ended June 30, 2025, the Capital Project Fund has been reclassified as a nonmajor governmental fund. This classification is based on the fund's financial activity, which previously met the quantitative thresholds established for major fund reporting. The effects of this reclassification is reflected in the accompanying financial statements for the fiscal year ended June 30, 2025, in accordance with GASB Statement #100, *Accounting Changes and Error Corrections*. The reclassification did not impact the total net position or change in net position of the Town.

	Reporting Units Affected by Adjustment to Beginning Fund Balances	
	Capital Projects	Nonmajor Governmental Funds
June 30, 2025, as previously reported	\$ 7,557,535	\$ 1,506,644
Adjustment - change from major to nonmajor fund	<u>(7,557,535)</u>	<u>7,557,535</u>
June 30, 2025, as adjusted	<u>\$ --</u>	<u>\$ 9,064,179</u>

TOWN OF WESTERLY, RHODE ISLAND

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

RECENTLY ISSUED ACCOUNTING STANDARDS

The following are recently issued governmental accounting standards that were adopted in the current year:

GASB Statement No. 101 – *Compensated Absences*, is effective for the Town’s fiscal year ending June 30, 2025. Management has completed its review of the requirements of this standard and implemented them for the fiscal year ending June 30, 2025. The new methodology has had an immaterial impact on the Town’s compensated absences liability and did not require a restatement of the June 30, 2024, balance.

GASB Statement 102 – *Certain Risk Disclosures*, is effective for the Town’s fiscal year ended June 30, 2025. Management has completed its review of the requirements of this standard and has determined that it is not applicable to the Town of Westerly, RI as the Town does not currently have concentrations or constraints that fall within the scope of this standard.

The following are recently issued governmental accounting standards which may be applicable in future years:

GASB Statement 103 – *Financial Reporting Model Improvements*, is effective for the Town’s fiscal year ended June 30, 2026.

GASB Statement 104 – *Disclosure of Certain Capital Assets*, is effective for the Town’s fiscal year ended June 30, 2026.

GASB Statement 105 – *Subsequent Events*, is effective for the Town’s fiscal year ended June 30, 2027.

Management will assess the impact of each of these statements on the financial statements.

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGETARY INFORMATION

In accordance with the Town's charter, the Town has formally established budgetary accounting control for its General Fund. It is the responsibility of the Town Manager to submit a proposed General Fund budget to the Town Council and the Board of Finance. The General Fund budget includes the Municipal budget and the School budget. The proposed School budget is approved by the School Committee and presented to the Town Manager. The Board of Finance has the power to recommend revisions to any School budget item and must conduct one public hearing after a tentative School budget is formed. The Board of Finance must also review the proposed Municipal budget and make revisions as appropriate and hold one public hearing on the Municipal budget. The Town Council may then revise and adopt a recommended General Fund budget including changes to the School appropriation. At least two public hearings are conducted on the recommended General Fund budget and the final recommended budget is legally enacted through an ordinance by the Town Council prior to the start of the fiscal year.

TOWN OF WESTERLY, RHODE ISLAND

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)

BUDGETARY INFORMATION (CONTINUED)

Budgets are adopted on a basis consistent with generally accepted accounting principles for the General Fund and the School Unrestricted Fund. The Capital Projects Fund is appropriated on a project-length basis. Other special revenue funds do not have appropriated budgets since other means control the use of these resources (e.g., grant awards and endowment requirements) and sometimes span a period of more than one fiscal year.

At any time during the fiscal year, the Town Manager may transfer part or all of any unencumbered appropriation balance among programs within a department, office or agency and, upon written request by the Town Manager, the Council may by ordinance transfer part or all of any unencumbered appropriation balance from one department, office or agency to another.

The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the department level.

Every appropriation, except an appropriation for a capital expenditure, restricted funds, or the appropriation for support of public schools, shall lapse at the close of the fiscal year to the extent that it has not been expended or encumbered. An appropriation for a capital expenditure shall continue in force until the purpose for which it was made has been accomplished or abandoned; the purpose of any such appropriation shall be deemed abandoned if three years pass without any disbursement from or encumbrance of the appropriation.

EXCESS OF EXPENDITURES OVER APPROPRIATIONS

For the year ended June 30, 2025, General Fund expenditures exceeded appropriations in the following categories:

Probate Court	\$ 1,134
Finance department	19,750
Assessment Administration	3,136
Insurance	57,738
Settlement	103,383
Recreation and leisure	129,684
Restricted programs	1
Capital improvements	806,517
Department of Public Works	8,962
Snow and ice control	20,416
Engineering	4,535
Police Department	213,868
School debt service	406,350
Total excess expenditures	<u>\$ 1,775,474</u>

TOWN OF WESTERLY, RHODE ISLAND

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

NOTE 3 - CASH DEPOSITS WITH FINANCIAL INSTITUTIONS

DEPOSITS

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

Deposits Custodial Credit Risk

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

As of June 30, 2025, the Town's entire bank balance of \$54,624,489 was covered by either FDIC insurance or collateral held in the Town's name.

CASH EQUIVALENTS

Cash equivalents are short-term, highly liquid investments that are both readily convertible to known amounts of cash and purchased within 90 days of maturity. As of June 30, 2025, the Town held \$972,867 in money market funds that are considered to be cash equivalents.

NOTE 4 - INVESTMENTS

General Fund investments are governed by Title 35, Chapter 10, Section 11 of the State's General Laws. These laws generally allow for short-term investments, such as certificates of deposit, money market funds and obligations guaranteed by the United States government with the goal of seeking reasonable income while preserving capital. The Pension and OPEB Trust Fund's investments are not restricted in this manner.

TOWN OF WESTERLY, RHODE ISLAND

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

NOTE 4 – INVESTMENTS (CONTINUED)

As of June 30, 2025, the Town held the following investments:

	Investment Maturities (Years)				
	Fair Value	Less Than 1	1 - 3	3 - 5	5 or Later
Municipal Bonds	\$ 2,145,074	\$ 198,888	\$ 94,155	\$ 431,357	\$ 1,420,674
Interest-bearing investments:					
Certificate of Deposit*	908,110	756,567	--	--	151,543
U.S. Government Agencies	1,022,265	24,718	366,708	452,800	178,039
Corporate Bonds	11,273,777	745,841	1,243,884	1,830,475	7,453,577
Asset-Backed Security	86,521	--	--	86,521	--
Sub-Total	13,290,673	1,527,126	1,610,592	2,369,796	7,783,159
Total	<u>\$ 15,435,747</u>	<u>\$ 1,726,014</u>	<u>\$ 1,704,747</u>	<u>\$ 2,801,153</u>	<u>\$ 9,203,833</u>
Other investments					
Mutual Funds	2,573,863				
Common Stock	<u>47,134,317</u>				
Total Investments	<u>\$ 65,143,927</u>				

* Subject to coverage by the FDIC and financial institution collateralization

Presented below is the credit rating of each investment type:

Average Rating	U.S.				
	Corporate Bonds	Government Agencies	Certificate of Deposit	Municipal Bonds	Asset-Backed Security
Aaa	\$ 120,375	\$ --	\$ --	\$ 593,675	\$ --
Aa1	--	1,022,265	--	412,516	--
Aa2	281,794	--	--	167,080	--
Aa3	--	--	--	371,241	--
A1	637,235	--	--	--	--
A2	3,379,222	--	--	--	--
A3	2,367,652	--	--	--	--
Baa1	1,144,622	--	--	--	--
Unrated	<u>3,342,877</u>	<u>--</u>	<u>908,110</u>	<u>600,563</u>	<u>86,521</u>
	<u>\$ 11,273,777</u>	<u>\$ 1,022,265</u>	<u>\$ 908,110</u>	<u>\$ 2,145,074</u>	<u>\$ 86,521</u>

TOWN OF WESTERLY, RHODE ISLAND

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

NOTE 4 - INVESTMENTS (CONTINUED)

The Town categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements); followed by quoted prices in inactive markets or for similar assets or with observable inputs (Level 2 measurements); and the lowest priority to unobservable inputs (Level 3 measurements). The Town has the following recurring fair value measurements as of June 30, 2025:

	Fair Value Measurements			
	Fair Value	Level 1	Level 2	Level 3
Investments by Fair Value Level:				
U.S. Government Agencies	\$ 1,022,265	\$ --	\$ 1,022,265	\$ --
Corporate Bonds	11,273,777	--	11,273,777	--
Municipal Bonds	2,145,074	--	2,145,074	--
Common Stock	47,134,317	47,134,317	--	--
Asset-Backed Securities	86,521	--	86,521	--
Mutual Funds	2,573,863	2,573,863	--	--
Total Investments by Fair Value Level	<u>\$ 64,235,817</u>	<u>\$ 49,708,180</u>	<u>\$ 14,527,637</u>	<u>\$ --</u>
Investments not included above:				
Certificate of Deposit	<u>908,110</u>			
Total Investments	<u>\$ 65,143,927</u>			

Debt and equity securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Debt securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

Interest Rate Risk

The Town does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The Town has made it a practice to limit the maturities on General Fund investments to sixty (60) days or less. Information about the exposure of the Town's securities to the risk are presented in the table on page 70.

Credit Risk

State law limits investments in U.S. Treasury bills, U.S. Treasury notes and bonds, U.S. Agency obligations, certificates of deposit, repurchase agreements, commercial paper, money market mutual funds and money market mutual funds. The Town has no investment policy that would further limit its investment choices. The ratings for the Town's investments are presented in the table on page 71.

TOWN OF WESTERLY, RHODE ISLAND

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

NOTE 4 - INVESTMENTS (CONTINUED)

Concentration of Credit Risk

The Town does not have any policies that limit the amount that can be invested in any one issuer.

Custodial Credit Risk

For an investment, this is the risk that, in the event of the failure 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 an outside party. The Town does not have a policy related to custodial credit risk. The Town's investments held by the Town's counterparty are held in the name of the Town.

TOWN OF WESTERLY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

NOTE 5 - RECEIVABLES

Below is the detail of receivables for each major governmental fund, proprietary funds and the aggregate remaining funds, including the applicable allowances for uncollectible accounts:

	General	School Restricted Fund	Water	Sewer	Transfer Station	Nonmajor and Other Funds	Total
Receivables:							
Property taxes	\$ 646,818	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 646,818
Accounts receivable	--	--	2,377,507	1,441,928	508,022	--	4,327,457
Other receivable	2,006,914	282,357	--	--	9,930	357,795	2,656,996
Intergovernmental	218,396	1,184,231	--	--	--	1,317,530	2,720,157
Gross receivables	2,872,128	1,466,588	2,377,507	1,441,928	517,952	1,675,325	10,351,428
Less allowance for uncollectables	(499,978)	--	(44,540)	(22,260)	(58,033)	--	(624,811)
Net Total Receivables	<u>\$ 2,372,150</u>	<u>\$ 1,466,588</u>	<u>\$ 2,332,967</u>	<u>\$ 1,419,668</u>	<u>\$ 459,919</u>	<u>\$ 1,675,325</u>	<u>\$ 9,726,617</u>

Receivables of \$327,361 related to accrued interest on property taxes are included in the Government-wide statement of net position but not included in the table above.

TOWN OF WESTERLY, RHODE ISLAND

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

NOTE 6 - INTERFUND RECEIVABLES AND PAYABLES AND TRANSFERS

INTERFUND RECEIVABLES AND PAYABLES

The composition of interfund balances as of June 30, 2025, is as follows:

Payable Fund	Amount
Internal Service Fund	\$ 2,165,410
Nonmajor Governmental Funds	1,853,987
School Restricted Fund	129,745
General Fund	494,136
\$9,000,000 Bond Fund	136,594
RIHEBC \$50M School Bond Fund	10,158,651
	<u>\$ 14,938,523</u>

Receivable Fund	Amount
General Fund	\$ 14,938,521
Nonmajor Governmental Funds	2
	<u>\$ 14,938,523</u>

The outstanding balances between funds result mainly from advances from one fund (primarily the General Fund) to another fund. The advances may represent balances resulting from operating advances or reimbursement for expenditures paid by one fund on behalf of another fund.

INTERFUND TRANSFERS

The composition of interfund transfers for the year ended June 30, 2025, is as follows:

Fund	Transfers From Other Funds	Transfers To Other Funds
General Fund	\$ --	\$ 3,979,460
School Restricted Fund	3,558,770	25,697
RIHEBC \$50M School Bond	--	2,937,483
Non-Major Governmental Funds	2,741,285	--
Enterprise Funds	642,585	--
	<u>\$ 6,942,640</u>	<u>\$ 6,942,640</u>

During the year, transfers are used to provide a financing source to various funds that may not have the ability to cover all operating costs with revenue generated by the fund.

TOWN OF WESTERLY, RHODE ISLAND

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

NOTE 7 - CAPITAL ASSETS AND LEASE LIABILITIES

Governmental capital assets activity for the year ended June 30, 2025, was as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental Activities:					
Capital assets not being depreciated:					
Land	\$ 19,204,411	\$ 4,679,709	\$ --	\$ --	\$ 23,884,120
Construction in progress	5,900,327	24,885,057	--	(2,187,965)	28,597,419
Total capital assets not being depreciated	<u>25,104,738</u>	<u>29,564,766</u>	<u>--</u>	<u>(2,187,965)</u>	<u>52,481,539</u>
Capital assets being depreciated:					
Land improvements	10,650,554	39,849	--	--	10,690,403
Buildings and improvements	122,666,569	2,369,124	--	--	125,035,693
Motor vehicles	12,300,910	1,927,902	837,908	--	13,390,904
Machinery, equipment and furniture	9,934,405	1,175,521	1,088,821	--	10,021,105
Software	130,000	--	--	--	130,000
Infrastructure	112,127,252	2,390,628	--	--	114,517,880
Lease assets	360,342	--	--	--	360,342
Total capital assets being depreciated	<u>268,170,032</u>	<u>7,903,024</u>	<u>1,926,729</u>	<u>--</u>	<u>274,146,327</u>
Less Accumulated Depreciation for:					
Land improvements	4,601,067	383,603	--	--	4,984,670
Buildings and improvements	62,707,851	3,128,378	--	--	65,836,229
Motor vehicles	7,214,716	1,230,620	837,908	--	7,607,428
Machinery, equipment and furniture	6,763,074	878,966	990,392	--	6,651,648
Software	130,000	--	--	--	130,000
Infrastructure	36,079,517	2,261,585	--	--	38,341,102
Lease assets	224,508	81,050	--	--	305,558
Total accumulated depreciation	<u>117,720,733</u>	<u>7,964,202</u>	<u>1,828,300</u>	<u>--</u>	<u>123,856,635</u>
Total capital assets being depreciated, net	<u>150,449,299</u>	<u>(61,178)</u>	<u>98,429</u>	<u>--</u>	<u>150,289,692</u>
Governmental Activities Capital Assets, Net	<u>\$ 175,554,037</u>	<u>\$ 29,503,588</u>	<u>\$ 98,429</u>	<u>\$ (2,187,965)</u>	<u>\$ 202,771,231</u>

Capital assets net of depreciation, excluding the Town's lease assets, totaled \$150,234,908 as of December 31, 2025.

TOWN OF WESTERLY, RHODE ISLAND

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

NOTE 7 - CAPITAL ASSETS AND LEASE LIABILITIES (CONTINUED)

Depreciation and amortization expense was charged to the functions of the governmental activities of the primary government as follows:

Governmental Activities		
Legislative, judicial and general administrative	\$	141,157
Public Works		3,054,371
Public Safety		573,111
Planning and zoning		8,257
Parks and recreation		42,128
Animal Shelter		47,418
Education		<u>4,097,760</u>
Total	\$	<u>7,964,202</u>

Business-type capital asset activity for the year ended June 30, 2025, was as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Business-type activities					
Capital assets not being depreciated:					
Land	\$ 5,931,635	\$ --	\$ --		\$ 5,931,635
Construction in progress	<u>630,873</u>	<u>177,662</u>	<u>--</u>	<u>(555,584)</u>	<u>252,951</u>
Total capital assets not being depreciated/amortized	<u>6,562,508</u>	<u>177,662</u>	<u>--</u>	<u>(555,584)</u>	<u>6,184,586</u>
Capital assets being depreciated/amortized					
Buildings and improvements	25,290,643	--	--	472,400	25,763,043
Mains, wells, pumps and hydrants	25,515,824	285,444	--	--	25,801,268
Tanks and structures	15,497,368	25,802	--	--	15,523,170
Machinery and equipment	6,617,647	129,364	197,219	--	6,549,792
Odor control plant	1,024,302	--	--	--	1,024,302
Lease assets	<u>261,038</u>	<u>705,007</u>	<u>--</u>	<u>83,184</u>	<u>1,049,229</u>
Total capital assets being depreciated/amortized	<u>74,206,822</u>	<u>1,145,617</u>	<u>197,219</u>	<u>555,584</u>	<u>75,710,804</u>
Less accumulated depreciation/amortization for:					
Buildings and improvements	16,032,853	480,022	--	--	16,512,875
Mains, wells, pumps and hydrants	9,984,299	484,388	--	--	10,468,687
Tanks and structures	7,028,680	191,007	--	--	7,219,687
Machinery and equipment	4,435,860	519,974	197,219	(91,114)	4,667,501
Odor control plant	1,024,302	--	--	--	1,024,302
Lease assets	<u>75,208</u>	<u>229,324</u>	<u>--</u>	<u>91,114</u>	<u>395,646</u>
Total Accumulated Depreciation/Amortization	<u>38,581,202</u>	<u>1,904,715</u>	<u>197,219</u>	<u>--</u>	<u>40,288,698</u>
Total Capital Assets Being Depreciated/Amortized, Net	<u>35,625,620</u>	<u>(759,098)</u>	<u>--</u>	<u>555,584</u>	<u>35,422,106</u>
Business-Type Activities Capital Assets, Net	<u>\$ 42,188,128</u>	<u>\$ (581,436)</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 41,606,692</u>

TOWN OF WESTERLY, RHODE ISLAND

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

NOTE 7 - CAPITAL ASSETS AND LEASE LIABILITIES (CONTINUED)

Depreciation and amortization was charged to the following business-type activities:

Business-type activities:	
Water	\$ 749,851
Sewer	739,793
Transfer Station	<u>415,071</u>
Total	<u><u>\$ 1,904,715</u></u>

LEASE LIABILITIES

The Town has entered into various lease agreements as lessee for vehicles, equipment, and land improvements valued at \$14,149,597. The depreciable assets have a three to twenty-year useful life. For the year ended June 30, 2025, \$1,422,565 was included in depreciation expense. These lease agreements qualify as finance leases for accounting purposes and, therefore, have been recorded at the present value of future minimum lease payments as of the inception date.

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2025, are as follows:

Year Ending June 30,	Governmental Activities Principal	Governmental Activities Interest	Business Activities Principal	Business Activities Interest
2026	1,104,189	\$ 140,981	\$ 485,103	\$ 105,712
2027	765,364	296,041	398,510	79,612
2028	371,026	7,358	300,022	56,950
2029	151,319	5,010	240,090	40,821
2030	36,310	4,396	177,047	28,953
Thereafter	<u>238,116</u>	<u>12,906</u>	<u>546,788</u>	<u>43,225</u>
Total minimum lease payments	<u><u>\$ 2,666,324</u></u>	<u><u>\$ 466,692</u></u>	<u><u>\$ 2,147,560</u></u>	<u><u>\$ 355,273</u></u>

LEASE ASSETS AND RECEIVABLES – GASB 87

The Town has entered into various leases as the lessee and lessor for property such as copiers, sewer facilities and parking facilities.

TOWN OF WESTERLY, RHODE ISLAND

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

NOTE 7 - CAPITAL ASSETS AND LEASE LIABILITIES (CONTINUED)

GOVERNMENTAL ACTIVITIES – LESSEE

Annual requirements to amortize the lease liability and related interest are as follows:

Years Ending June 30,	Principal	Interest
2026	\$ 69,313	\$ 7,034
2027	51,961	6,245
2028	35,094	5,613
2029	35,697	5,010
2030	36,310	4,396
Thereafter	238,117	12,906
Total	<u>\$ 466,492</u>	<u>\$ 41,204</u>

GOVERNMENTAL ACTIVITIES – LESSOR

In December 2021, the Town entered into a 25-year land lease as the lessor in which the lease payment was paid in a lump sum of \$3,000,000. The Town will amortize the lease straight-line over the 25-year term. At June 30, 2025 total deferred inflows related to leases is \$2,580,000.

BUSINESS-TYPE ACTIVITIES – LESSEE

Annual requirements to amortize the lease liability and related interest are as follows:

Years Ending June 30,	Principal	Interest
2026	229,168	44,687
2027	205,580	28,987
2028	136,322	14,640
2029	69,860	5,058
Total	<u>\$ 640,930</u>	<u>\$ 93,372</u>

TOWN OF WESTERLY, RHODE ISLAND

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

NOTE 7 - CAPITAL ASSETS AND LEASE LIABILITIES (CONTINUED)

BUSINESS-TYPE ACTIVITIES – LESSOR

Future payments due to the sewer fund under non-cancellable agreements are as follows:

<u>Years Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>
2026	13,540	1,660
2027	13,604	1,596
2028	14,239	1,531
2029	14,497	1,463
2030	14,565	1,395
Thereafter	287,735	12,323
Total	<u>\$ 358,180</u>	<u>\$ 19,968</u>

CONSTRUCTION COMMITMENTS

The Town has active construction projects as of June 30, 2025. The projects include renovations to public buildings and various demolition and remediation projects.

Interest costs incurred and charged to expense for projects totaled \$2,822,197.

The following is a summary of significant capital projects as of June 30, 2025:

<u>Project</u>	<u>Project Authorization</u>	<u>Expenditures to June 30, 2025</u>
Town Hall Window Replacement	\$ 630,000	\$ 18,763
Bowling Ln Drainage & Roadway	\$ 2,953,085	\$ 1,537,234
Westerly Public Schools- State St.	\$ 31,406,849	\$ 8,705,829
Westerly Public Schools- Dunn's Corner	\$ 12,900,203	\$ 6,212,712
Westerly Public Schools- Springbrook	\$ 7,618,845	\$ 4,782,771

Expenditures in excess of project authorization were covered within the Town's capital or restricted budget or by grants for the year ended June 30, 2025.

TOWN OF WESTERLY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

NOTE 8 - FUND BALANCE

The components of fund balance for the governmental funds at June 30, 2025, are as follows:

	General Fund	School Restricted Fund	\$9.0 Million Bond Fund	American Rescue Plan	RIHEBC \$50M School Bond	Nonmajor Governmental Fund	Total
Fund balances:							
Nonspendable for:							
Prepaid expenditures and other assets - Town	\$ 5,116,897	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 5,116,897
Prepaid expenditures and other assets - Schools	1,093,039	--	--	--	--	--	1,093,039
Restricted for:							
Educational programs	3,793,163	654,391	--	--	--	--	4,447,554
School nutrition program	--	--	--	--	--	130,961	130,961
Animal shelter	--	--	--	--	--	40,191	40,191
Historical records preservation grant	--	--	--	--	--	193,974	193,974
Public safety grant programs	--	--	--	--	--	625,397	625,397
General government	--	--	--	--	--	539,745	539,745
Road improvement projects	--	--	496,800	--	--	--	496,800
Capital projects	--	--	--	--	27,317,741	7,916	27,325,657
Committed for:							
Town capital projects	384,093	--	--	--	--	7,609,511	7,993,604
Public works	--	--	--	--	--	27,654	27,654
Educational programs	2,592,037	--	--	--	--	--	2,592,037
Assigned for:							
Encumbrances / general use	104,816	--	--	231,529	--	--	336,345
Unassigned	24,522,397	--	--	--	--	(111,170)	24,411,227
Total Fund Balances	\$ 37,606,442	\$ 654,391	\$ 496,800	\$ 231,529	\$ 27,317,741	\$ 9,064,179	\$ 75,371,082

TOWN OF WESTERLY, RHODE ISLAND

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

NOTE 9 - LONG-TERM LIABILITIES

CHANGES IN LONG-TERM LIABILITIES

Changes in the Town's long-term liabilities for the year ended June 30, 2025, are as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Governmental Activities					
Bonds and loans payable					
General obligation bonds	\$ 45,129,000	\$ 43,160,000	\$ 7,243,000	\$ 81,046,000	\$ 8,102,767
Loan payable	9,351,000	--	--	9,351,000	--
Premium on bond issuance	2,620,349	3,107,873	487,270	5,240,952	465,002
Total bonds and notes payable	57,100,349	46,267,873	7,730,270	95,637,952	8,567,769
Lease liability	2,356,012	1,746,468	1,436,156	2,666,324	1,104,189
Compensated absences	1,308,377	1,289,315	--	2,597,692	519,538
Net Pension liability	49,095,086	--	11,232,066	37,863,020	--
Net OPEB liability	11,894,029	--	2,886,731	9,007,298	--
Total Governmental Activities					
Long-Term Liabilities	<u>\$ 121,753,853</u>	<u>\$ 49,303,656</u>	<u>\$ 23,285,223</u>	<u>\$ 147,772,286</u>	<u>\$ 10,191,496</u>
Business-Type Activities					
Loans payable	\$ 952,300	\$ --	\$ 274,000	\$ 678,300	\$ 282,300
General obligation bonds	1,585,000	--	60,000	1,525,000	60,000
Premium on bond issuance	273,817	--	16,678	257,138	16,679
Lease liability	2,151,792	706,752	710,984	2,147,560	530,426
Compensated absences	300,798	107,510	--	408,308	81,660
Total Business-Type Activities					
Long-Term Liabilities	<u>\$ 5,263,707</u>	<u>\$ 814,262</u>	<u>\$ 1,061,662</u>	<u>\$ 5,016,306</u>	<u>\$ 971,065</u>

Compensated absences are normally liquidated by the General Fund inclusive of the School Department.

GENERAL OBLIGATION BONDS

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 governmental and business-type activities. General obligation bonds are direct obligations and pledge the full faith and credit of the Town. These bonds generally are issued as serial bonds with equal or varying amounts of principal maturing each year with maturities that range from 15 to 20 years. General obligation bonds outstanding at June 30, 2025, are as follows:

TOWN OF WESTERLY, RHODE ISLAND

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

NOTE 9 - LONG-TERM LIABILITIES (CONTINUED)

GENERAL OBLIGATION BONDS (CONTINUED)

Description	Date of Issue	Date of Maturity	Interest Rate (%)	Amount of Original Issue	Balance Outstanding June 30, 2025
Governmental Activities					
General obligation bonds:					
Refunding bonds - 2014 Series A	06/04/14	07/01/26	3.0-5.0%	\$ 15,890,000	\$ 3,010,000
General obligation bond, 2015 Series A	04/15/15	04/15/35	2.0-3.25%	6,000,000	3,200,000
SRF Revenue Bonds 2016B	07/08/16	09/01/32	0.77-2.07%	1,350,000	757,000
Refunding bonds - 2017 Series A	07/19/17	09/15/27	2.0-4.0%	3,890,000	1,100,000
General obligation efficient building bond	12/28/17	09/01/32	0.77-2.07%	250,000	142,000
2019 RIIB Road and Bridge Bond	05/02/19	09/01/38	1.56-3.62%	15,000,000	11,853,000
2020 RIIB Stormwater Bond	05/05/20	09/01/24	0.70-0.94%	1,000,000	606,000
Refunding bonds - 2021 Series E	06/22/21	04/01/31	3.0-5.0%	11,205,000	6,565,000
2021 RIIB Road and Bridge Bond	09/29/21	09/01/41	0.15-3.18%	9,000,000	7,773,000
2021B GO Refunding Bonds	11/23/21	11/15/31	0.57-1.70%	8,175,001	2,880,000
2025 Go Bond	07/25/24	05/15/50	1.45-4.88%	50,000,000	43,160,000
Total General Obligation Bonds				123,050,001	81,046,000
Loans:					
High school renovation loans	06/15/10	04/01/27	5.75%	3,855,000	3,855,000
High school renovation loans	12/02/10	04/01/27	6.29%	5,496,000	5,496,000
Total Loans				29,996,000	9,351,000
Total Governmental activities				153,046,001	90,397,000
Business-Type Activities					
General obligations bonds					
General obligation bond, 2021 Series A	11/23/21	11/15/32	0.85-2.04%	1,700,000	1,525,000
Loans Payable:					
Westerly Sewer Fund:					
RICWFA 04 SRF	12/16/04	09/01/25	1.37-1.55%	1,724,300	90,300
Sewer improvement bonds 2018	04/25/18	09/01/27	1.01-1.83%	1,664,000	588,000
Total loans payable				3,388,300	678,300
Total Outstanding				\$ 158,134,301	\$ 92,600,300

TOWN OF WESTERLY, RHODE ISLAND

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

NOTE 9 - LONG-TERM LIABILITIES (CONTINUED)

GENERAL OBLIGATION BONDS (CONTINUED)

The Wastewater and Superfund bonds payable presented in the financial statements as direct liabilities of the Wastewater and Solid Waste funds are general obligations of the Town backed ultimately by its taxing power. Because the proceeds of the bonds are used entirely for the benefits of the Wastewater and Solid Waste Funds, the liabilities and the related debt service of these bonds are accounted for in these funds.

The Sewer Fund bonds payable presented in the financial statements as direct liabilities of the Sewer Fund are revenue bonds backed by user fees and Ad Valorem taxes. Because the proceeds of the bonds are used entirely for the benefit of the Sewer Fund, the liability and the related debt service of these bonds are accounted for in the Sewer Fund.

The debt service requirements for the Town's bonds and loans are as follows:

	Bonds		Loans		Total
	Principal	Interest	Principal	Interest	
2026	\$ 5,050,000	\$ 3,686,732	\$ --	\$ 567,141	\$ 9,303,873
2027	5,392,000	3,104,126	9,351,000	567,141	18,414,267
2028	4,632,000	2,669,138	--	--	7,301,138
2029	4,344,000	2,520,875	--	--	6,864,875
2030-2034	18,820,000	3,534,012	--	--	22,354,012
2035-2039	15,507,000	443,167	--	--	15,950,167
2040-2042	27,301,000	48,757	--	--	27,349,757
Total	<u>\$ 81,046,000</u>	<u>\$ 16,006,807</u>	<u>\$ 9,351,000</u>	<u>\$ 1,134,282</u>	<u>\$ 107,538,089</u>

LOANS PAYABLE

The Town has entered into loan agreements with the Rhode Island Clean Water Protection Finance Agency (the Agency) as noted in the table above. The loan proceeds are to be used by the Town for the upgrade of the sewer treatment system.

The Town has also entered into loan agreements with the Rhode Island Health and Educational Building Corporation as noted in the table above. The Town will receive interest subsidies totaling \$2,753,366 for the June 15, 2010 loan and \$4,379,735 for the December 2, 2010 loan from the federal government over the life of the loans.

TOWN OF WESTERLY, RHODE ISLAND

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

NOTE 9 - LONG-TERM LIABILITIES (CONTINUED)

LEGAL DEBT MARGIN

The Town's legal debt margin as set forth by State Statute is limited to 3% of total taxable assessed value, which amounts to \$329,365,342. As of June 30, 2025, the Town's debt subject to the legal debt margin is \$27,470,546 and the Town is under the debt limit by \$301,894,796. The debt subject to the debt limitation is based on the type of debt that is issued.

AUTHORIZED BUT UNISSUED BOND AUTHORITY

The Town has remaining authorized but unissued bond authority of \$14,120,000. The unissued bond authority is as follows:

Chapter/Section	Year	Description	Original Authorization	Bonds Issued	BANs Outstanding	Remaining Authority
RI General Laws 45-12-2	2020	Wastewater	\$ 1,550,000	\$ --	\$ --	\$ 1,550,000
RI Local Acts 06/07	2021	School	2,000,000	1,730,000	--	270,000
RI Local Acts 09/10	2021	Road and Water	11,000,000	10,700,000	--	300,000
RI Local Acts 24/25-8	2024	Road and Sidewalk	18,000,000	6,000,000	--	12,000,000
		Total	<u>\$ 32,550,000</u>	<u>\$ 18,430,000</u>	<u>\$ --</u>	<u>\$ 14,120,000</u>

NOTE 10 - PENSION PLANS

EMPLOYEES' RETIREMENT SYSTEM (ERS) – DEFINED BENEFIT PLAN

General Information about the Pension Plan

Plan Description

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

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

TOWN OF WESTERLY, RHODE ISLAND

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

NOTE 10 - PENSION PLANS (CONTINUED)

EMPLOYEES' RETIREMENT SYSTEM (ERS) – DEFINED BENEFIT PLAN (CONTINUED)

General Information about the Pension 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 service and other factors until it aligns with the Social Security Normal Retirement Age, which applies to any member with less than 5 years of service as of July 1, 2012. Members are vested after 5 years of service.

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

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

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

At June 30, 2025, the Westerly School Department reported a liability of \$28,763,714 for its proportionate share of the net pension liability that reflected a reduction for contributions made by the state. The amount recognized by the Westerly School Department as its proportionate share of the net pension liability, the related state support and the total portion of the net pension liability that was associated with the School were as follows:

Westerly School Department proportionate share of the net pension liability	\$	28,763,714
State's proportionate share of the net pension liability associated with the Westerly School Department		<u>20,906,564</u>
Total Net Pension Liability	\$	<u><u>49,670,278</u></u>

TOWN OF WESTERLY, RHODE ISLAND

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

NOTE 10 - PENSION PLANS (CONTINUED)

EMPLOYEES' RETIREMENT SYSTEM (ERS) – DEFINED BENEFIT PLAN (CONTINUED)

General Information about the Pension Plan (Continued)

Benefit Provisions (Continued)

The net pension liability was measured as of June 30, 2024, 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, 2023, rolled forward to June 30, 2024. The Westerly School Department proportion of the net pension liability was based on a projection of the Westerly School Department's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers and the state, actuarially determined. At June 30, 2024 the Westerly School Department's proportion was 1.20669010%.

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 2025, the Westerly School Department teachers were required to contribute 3.75% of their annual covered salary, except for teachers with twenty or more years of service as of June 30, 2012 must contribute 11% of their annual covered salary. The state and the Westerly School Department are required to contribute at an actuarially determined rate, 40% of which is to be paid by the state and the remaining 60% is to be paid by the Westerly School Department; the rates were 11.13% and 15.03% of annual covered payroll for the fiscal year ended June 30, 2022, for the State and the Westerly School Department, respectively. The Westerly School Department contributed approximately \$4,351,332, \$4,319,429 and \$4,135,363 for the fiscal years ended June 30, 2025, 2024 and 2023, respectively, equal to 100% of the required contributions for each year. The on-behalf contribution made by the State of Rhode Island for the defined benefit pension plan for the fiscal year ended June 30, 2025 was \$2,731,875. This amount has been included in the Fund Statements (School Unrestricted Fund) as revenue and education expenditures.

TOWN OF WESTERLY, RHODE ISLAND

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

NOTE 10 - PENSION PLANS (CONTINUED)

EMPLOYEES' RETIREMENT SYSTEM (ERS) – DEFINED BENEFIT PLAN (CONTINUED)

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

For the year ended June 30, 2025, the Westerly School Department recognized net expense of \$3,054,977 for support provided by the State. At June 30, 2025, the Westerly School Department reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Contributions subsequent to the measurement date	\$ 4,351,332	\$ --
Differences between expected and actual experience	196,402	(685,721)
Changes of assumptions	--	(884,209)
Net difference between projected and actual earnings on pension plan investments	--	(1,764,207)
Changes in proportion and differences between employer contributions and proportionate share of contributions	74,103	(2,317,689)
Total	<u>\$ 4,621,837</u>	<u>\$ (5,651,826)</u>

The \$4,351,332 reported as deferred outflows of resources related to pensions resulting from the School contributions in fiscal year 2025 subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30,	
2026	\$ (2,560,518)
2027	(436,628)
2028	(1,208,597)
2029	(926,855)
2030	(232,914)
Thereafter	(15,809)
Total	<u>\$ (5,381,321)</u>

TOWN OF WESTERLY, RHODE ISLAND

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

NOTE 10 - PENSION PLANS (CONTINUED)

EMPLOYEES' RETIREMENT SYSTEM (ERS) – DEFINED BENEFIT PLAN (CONTINUED)

Actuarial Assumptions

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

Inflation	2.0%
Salary increases	4.0% to 15.0%
Investment rate of return	7.0%

Mortality – PubS-2010 Public Safety Mortality Table with generational improvements from 2010 using scale MP-21.

The actuarial assumptions used in the June 30, 2024, valuation, and the calculation of the total pension liability at June 30, 2024 were consistent with the results of an actuarial experience study performed as of June 30, 2022 for the six-year period ended June 30, 2022 as approved by the System's Board on May 17, 2023.

The long-term expected rate of return best-estimate on pension plan investments was determined by the actuary using a building-block method. The actuary started by calculating best-estimate future expected real rates of return (expected returns net of pension plan investment expense and inflation) for each major asset class, based on a collective summary of capital market expectations from 40 sources. The June 30, 2025, expected arithmetic returns over the long-term (20 years) by asset class are summarized in the following table:

TOWN OF WESTERLY, RHODE ISLAND

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

NOTE 10 - PENSION PLANS (CONTINUED)

EMPLOYEES' RETIREMENT SYSTEM (ERS) – DEFINED BENEFIT PLAN (CONTINUED)

Actuarial Assumptions (Continued)

Asset Class	Long-Term Target Asset Allocation	Long-Term Expected Arithmetic Real Rate of Return
Global Equity:		
U.S. Equity	25.90%	5.98%
International Developed Equity	10.00%	6.47%
Emerging Markets Equity	4.10%	8.10%
Sub-Total	40.00%	
Private Growth:		
Private Equity	12.50%	9.37%
Non-Core RE	2.50%	4.92%
Sub-Total	15.00%	
Income:		
Equity Options	2.00%	5.69%
Liquid Credit	5.00%	4.36%
Private Credit	3.00%	4.36%
Collateralized Loan Obligations (CLO)	2.00%	4.36%
Sub-Total	12.00%	
Crisis Protection Class:		
Treasury Duration	5.00%	1.00%
Systematic Trend	5.00%	4.02%
Sub-Total	10.00%	
Inflation Protection:		
Core Real Estate	4.00%	4.92%
Private Infrastructure	4.00%	6.02%
Sub-Total	8.00%	
Volatility Protection:		
IG Corp Credit	3.25%	2.60%
Securitized Credit	3.25%	2.60%
Absolute Return	6.50%	4.02%
Cash	2.00%	1.00%
Sub-Total	15.00%	
Total	100.00%	

TOWN OF WESTERLY, RHODE ISLAND

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

NOTE 10 - PENSION PLANS (CONTINUED)

EMPLOYEES' RETIREMENT SYSTEM (ERS) – DEFINED BENEFIT 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.

Discount Rate

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

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.

	1% Decrease (6.0%)	Current Discount Rate (7.0%)	1% Increase (8.0%)
Net Pension Liability	\$ 37,347,047	\$ 28,763,714	\$ 20,964,862

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 WESTERLY, RHODE ISLAND

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

NOTE 10 - PENSION PLANS (CONTINUED)

MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM (MERS) – DEFINED BENEFIT

General Information about the Pension 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 Law and placed under the management of the Employee's Retirement System of Rhode Island (ERSRI) Board to provide retirement allowances to employees of municipalities, housing authorities, water and sewer districts, and municipal police and fire persons that have elected to participate. Benefit provisions are subject to amendment by the General Assembly.

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

Benefits Provided

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

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

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

Final Average Compensation (FAC): 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.

TOWN OF WESTERLY, RHODE ISLAND

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

NOTE 10 - PENSION PLANS (CONTINUED)

MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM (MERS) – DEFINED BENEFIT (CONTINUED)

General Employees

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

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

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

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

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

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

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

TOWN OF WESTERLY, RHODE ISLAND

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

NOTE 10 - PENSION PLANS (CONTINUED)

MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM (MERS) – DEFINED BENEFIT (CONTINUED)

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).

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 every fourth-year provision described in (a) above will be limited to the first \$30,000. These limits will be indexed annually to increase in the same manner as COLAs, with the known values of \$27,901 for 2022, \$30,622 for 2023, and \$29,776 for 2024.

Employees Covered by Benefit Terms

At the June 30, 2025, valuation date, the following employees were covered by the benefit terms:

Retirees and Beneficiaries	7
Inactive, Nonretired Members	1
Total	<u>8</u>

TOWN OF WESTERLY, RHODE ISLAND

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

NOTE 10 - PENSION PLANS (CONTINUED)

MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM (MERS) – DEFINED BENEFIT (CONTINUED)

Contributions

The amount of employee and employer contributions have been established under Rhode Island General Law Chapter 45-21. General employees with less than 20 years of service as of June 30, 2012 are required to contribute 1% of their salaries. General employees with more than 20 years of service as of June 30, 2012 are required to contribute 8.25%. Public safety employees are required to contribute 9% of their salaries. The Town contributes at a rate of covered employee payroll as determined by an independent actuary on an annual basis. The General Assembly can amend the amount of these contribution requirements. The Town did not contribute to the Plan during the year ended June 30, 2025. There was no annual covered payroll as the Town has no active employees in The Plan.

Net Pension Liability (Asset)

The total pension liability (asset) was determined by actuarial valuations performed as of June 30, 2024, using the following actuarial assumptions, applied to all periods included in the measurement.

Summary of Actuarial Assumptions Used in the Valuations to determine the Net Pension Liability at the June 30, 2024 measurement date (June 30, 2023 valuation rolled forward to June 30, 2024)	
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 - 3.00% to 7.25% ; Police & Fire Employees - 3.5% to 13.50%
Inflation	2.50%
Mortality	Mortality – variants of the PUB (10) Tables for Health and Disabled Retirees, projected with Scale Ultimate MP2021 with immediate convergence
Cost of Living Adjustments	All future COLAs were assumed to be 2.1% per annum for all MERS units with the COLA provision.

The actuarial assumptions used in the June 30, 2024, and the calculation of the total pension liability at June 30, 2024 were consistent with the results of an actuarial experience study performed as of June 30, 2023 for the six year period ended June 30, 2022 as approved by the System's Board on May 22, 2023.

TOWN OF WESTERLY, RHODE ISLAND

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

NOTE 10 - PENSION PLANS (CONTINUED)

MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM (MERS) – DEFINED BENEFIT (CONTINUED)

Employees Covered by Benefit Terms (Continued)

Net Pension Liability (Asset)

The long-term expected rate of return best-estimate on pension plan investments was determined by the actuary using a building-block method. The actuary started by calculating best-estimate future expected real rates of return (expected returns net of pension plan investment expense and inflation) for each major asset class, based on a collective summary of capital market expectations from 40 sources. The June 30, 2024, expected arithmetic returns over the long-term (20 years) by asset class are summarized in the following table:

TOWN OF WESTERLY, RHODE ISLAND

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

NOTE 10 - PENSION PLANS (CONTINUED)

MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM (MERS) – DEFINED BENEFIT (CONTINUED)

Employees Covered by Benefit Terms (Continued)

Asset Class	Long-Term Target Asset Allocation	Long-Term Expected Arithmetic Real Rate of Return
Global Equity:		
U.S. Equity	25.90%	5.98%
International Developed Equity	10.00%	6.47%
Emerging Markets Equity	4.10%	8.10%
Sub-Total	<u>40.00%</u>	
Private Growth:		
Private Equity	12.50%	9.37%
Non-Core RE	2.50%	4.92%
Sub-Total	<u>15.00%</u>	
Income:		
Equity Options	2.00%	5.69%
Liquid Credit	5.00%	4.36%
Private Credit	3.00%	4.36%
Collateralized Loan Obligations (CLO)	2.00%	4.36%
Sub-Total	<u>12.00%</u>	
Crisis Protection Class:		
Treasury Duration	5.00%	1.00%
Systematic Trend	5.00%	4.02%
Sub-Total	<u>10.00%</u>	
Inflation Protection:		
Core Real Estate	4.00%	4.92%
Private Infrastructure	4.00%	6.02%
Sub-Total	<u>8.00%</u>	
Volatility Protection:		
IG Corp Credit	3.25%	2.60%
Securitized Credit	3.25%	2.60%
Absolute Return	6.50%	4.02%
Cash	2.00%	1.00%
Sub-Total	<u>15.00%</u>	
Total	<u><u>100.00%</u></u>	

TOWN OF WESTERLY, RHODE ISLAND

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

NOTE 10 - PENSION PLANS (CONTINUED)

MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM (MERS) – DEFINED BENEFIT (CONTINUED)

Employees Covered by Benefit Terms (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.

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 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 Net Pension Liabilities

		Increase (Decrease)	
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Balances as of June 30, 2024:	\$ 641,011	\$ 669,830	\$ (28,819)
Changes for the Year			
Interest on the total pension liability	40,648	--	40,648
Difference between expected and actual experience	57,199	--	57,199
Net investment income	--	57,324	(57,324)
Benefit payments, including employee refunds	(120,658)	(120,658)	--
Administrative expense	--	(591)	591
Net changes	<u>(22,811)</u>	<u>(63,925)</u>	<u>41,114</u>
Balances as of June 30, 2025	<u>\$ 618,200</u>	<u>\$ 605,905</u>	<u>\$ 12,295</u>

TOWN OF WESTERLY, RHODE ISLAND

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

NOTE 10 - PENSION PLANS (CONTINUED)

MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM (MERS) – DEFINED BENEFIT (CONTINUED)

Changes in Net Pension Liabilities (Continued)

Sensitivity of the Net Pension Liability (Asset) to changes in the discount rate

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

	Decrease (6.0%)	Discount Rate (7.0%)	Increase (8.0%)
Net Pension Liability (Asset)	\$ 79,567	\$ 12,295	\$ (48,866)

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, 2025, the employer recognized pension expense of \$41,146. The employer reported deferred outflows and inflows of resources related to pensions from the following sources:

	Outflows of Resources	Inflows of Resources
Net difference between projected and actual earnings on pension plan investments:	\$ --	\$ (12,590)
Total	<u>\$ --</u>	<u>\$ (12,590)</u>

TOWN OF WESTERLY, RHODE ISLAND

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

NOTE 10 - PENSION PLANS (CONTINUED)

MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM (MERS) – DEFINED BENEFIT (CONTINUED)

Changes in Net Pension Liabilities (Continued)

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

<u>Year Ending June 30,</u>	<u>Outflows (Inflows) of Resources</u>
2026	\$ (17,251)
2027	11,650
2028	(4,053)
2029	(2,936)
Total	<u>\$ (12,590)</u>

TEACHERS' SURVIVORS BENEFIT PLAN (TSB)

General Information about the Pension Plan

Plan Description

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

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

TOWN OF WESTERLY, RHODE ISLAND

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

NOTE 10 - PENSION PLANS (CONTINUED)

TEACHERS' SURVIVORS BENEFIT PLAN (TSB) (CONTINUED)

General Information about the Pension Plan (Continued)

Eligibility and Plan Benefits

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

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

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

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

Highest Annual Salary	Basic Monthly Spouses' Benefit
\$17,000 or less	\$ 825
\$17,001 to \$25,000	\$ 963
\$25,001 to \$33,000	\$ 1,100
\$33,001 to \$40,000	\$ 1,238
\$40,001 and over	\$ 1,375

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

Parent and 1 Child	Parent and 2 or more Children	One Child Alone	Two Children Alone	Three or more Children Alone	Dependent Parent
150%	175%	75%	150%	175%	100%

TOWN OF WESTERLY, RHODE ISLAND

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

NOTE 10 - PENSION PLANS (CONTINUED)

TEACHERS' SURVIVORS BENEFIT PLAN (TSB) (CONTINUED)

General Information about the Pension Plan (Continued)

Contributions

The contribution requirements of active employees and the participating school districts were established under Chapter 16-16 of the Rhode Island General Laws, which may be amended by the General Assembly. The cost of the benefits provided by the Plan are two percent (2%) of the member's annual salary up to but not exceeding an annual salary of \$11,500; one-half (1/2) of the cost is contributed by the member by deductions from his or her salary, and the other half (1/2) is contributed and paid by the respective school district by which the member is employed. These contributions are in addition to the contributions required for regular pension benefits.

The Town contributed \$33,443, \$33,497 and \$33,556 for the fiscal years ended June 30, 2025, 2024 and 2023, respectively, equal to 100% of the required contributions for each year.

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

At June 30, 2025, the Westerly School Department reported an asset of \$9,744,653 for its proportionate share of the net pension asset related to its participation in TSB. The net pension asset was measured as of June 30, 2024, the measurement date, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of June 30, 2023, rolled forward to June 30, 2024. The Westerly School Department proportion of the net pension asset was based on its share of contributions to the TSB for fiscal year 2023 relative to the total contributions of all participating employers for that fiscal year. At June 30, 2024, the Westerly School Department proportion was 4.40805537%.

TOWN OF WESTERLY, RHODE ISLAND

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

NOTE 10 - PENSION PLANS (CONTINUED)

TEACHERS' SURVIVORS BENEFIT PLAN (TSB) (CONTINUED)

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

For the year ended June 30, 2025, the Westerly School Department recognized pension benefit of \$998,633. At June 30, 2025, the Westerly School Department reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Contributions subsequent to the measurement date	\$ 31,885	\$ --
Differences between expected and actual experience	417,054	(502,480)
Changes of assumptions	23,217	(383,764)
Net difference between projected and actual earnings on pension plan investments	--	(629,317)
Changes in proportion and differences between employer contributions and proportionate share of contributions	<u>358,710</u>	<u>(165,325)</u>
Total	<u>\$ 830,866</u>	<u>\$ (1,680,886)</u>

The Westerly School Department \$31,885 reported as deferred outflows of resources related to pensions resulting from the Department's contributions in fiscal year 2025 subsequent to the measurement date will be recognized as an addition to the net pension asset in the subsequent period. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30,	
2026	\$ (549,675)
2027	29,113
2028	(272,766)
2029	(157,015)
2030	16,693
Thereafter	<u>51,745</u>
Total	<u>\$ (881,905)</u>

TOWN OF WESTERLY, RHODE ISLAND

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

NOTE 10 - PENSION PLANS (CONTINUED)

TEACHERS' SURVIVORS BENEFIT PLAN (TSB) (CONTINUED)

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

Actuarial Assumptions

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

Inflation	2.5%
Salary increases	2.75% to 8.25%
Investment rate of return	7.0%

Mortality – Variants of the PUB (10) Tables for Healthy and Disabled Retirees, projected with Scale Ultimate MP16.

Cost of living adjustment – eligible survivors receive a yearly cost of living adjustment based on the annual social security adjustment – for valuation purposes, a 2.5% cost of living adjustment is assumed.

The actuarial assumptions used in the June 30, 2023, valuation and the calculation of the total pension liability at June 30, 2024 were consistent with the results of an actuarial experience study performed as of June 30, 2022 for the six year period ended June 30, 2022 as approved by the System's Board on May 17, 2023.

The long-term expected rate of return best-estimate on pension plan investments was determined by the actuary using a building-block method. The actuary started by calculating best-estimate future expected real rates of return (expected returns net of pension plan investment expense and inflation) for each major asset class, based on a collective summary of capital market expectations from 40 sources. The June 30, 2024, expected arithmetic returns over the long-term (20 years) by asset class are summarized in the following table:

TOWN OF WESTERLY, RHODE ISLAND

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

NOTE 10 - PENSION PLANS (CONTINUED)

TEACHERS' SURVIVORS BENEFIT PLAN (TSB) (CONTINUED)

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

Asset Class	Long-Term Target Asset Allocation	Long-Term Expected Arithmetic Real Rate of Return
Global Equity:		
U.S. Equity	25.90%	5.98%
International Developed Equity	10.00%	6.47%
Emerging Markets Equity	4.10%	8.10%
Sub-Total	40.00%	
Private Growth:		
Private Equity	12.50%	9.37%
Non-Core RE	2.50%	4.92%
Sub-Total	15.00%	
Income:		
Equity Options	2.00%	5.69%
Liquid Credit	5.00%	4.36%
Private Credit	3.00%	4.36%
Collateralized Loan Obligations (CLO)	2.00%	4.36%
Sub-Total	12.00%	
Crisis Protection Class:		
Treasury Duration	5.00%	1.00%
Systematic Trend	5.00%	4.02%
Sub-Total	10.00%	
Inflation Protection:		
Core Real Estate	4.00%	4.92%
Private Infrastructure	4.00%	6.02%
Sub-Total	8.00%	
Volatility Protection:		
IG Corp Credit	3.25%	2.60%
Securitized Credit	3.25%	2.60%
Absolute Return	6.50%	4.02%
Cash	2.00%	1.00%
Sub-Total	15.00%	
Total	100.00%	

TOWN OF WESTERLY, RHODE ISLAND

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

NOTE 10 - PENSION PLANS (CONTINUED)

TEACHERS' SURVIVORS BENEFIT PLAN (TSB) (CONTINUED)

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

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

Sensitivity of the Net Pension Liability (Asset) to changes in the discount rate

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

	1% Decrease (6.0%)	Current Discount Rate (7.0%)	1% Increase (8.0%)
Net Pension Asset	\$ (8,752,398)	\$ (9,744,653)	\$ (10,646,210)

Pension Plan Fiduciary Net Position

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

POLICE PENSION PLAN TRUST FUNDS

General Information about the Pension Plan

The Town is the administrator of a single-employer defined-benefit pension plan established to provide pension benefits for its police officers. The Plan is considered to be part of the Town's financial reporting entity and is included in the Town's financial reports as a Pension Trust Fund. Stand-alone financial statements are not issued for The Plan. Plan provisions are established by contract and may be amended by union negotiation.

TOWN OF WESTERLY, RHODE ISLAND

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

NOTE 10 - PENSION PLANS (CONTINUED)

POLICE PENSION PLAN TRUST FUNDS (CONTINUED)

Plan Description and Benefits Provided

All regular police officers are eligible to participate in the Police Retirement Plan. The Plan provides retirement benefits as well as death and disability benefits. Members are 100% vested after 10 years of service. Normal retirement is after the completion of 20 years of service for officers hired prior to July 1, 2010. Officers hired after July 1, 2010 may retire upon completion of 25 years of service. The retirement benefit for officers hired prior to July 1, 2010 is calculated at 50% of annual pay for 20 years of service plus 2% times annual pay for each year of service over 20 years (maximum service equals 25 years). For officers hired after July 1, 2010, the retirement benefit is calculated at 50% of annual pay for 25 years of service plus 2% times annual pay for each year of service over 25 years (maximum service equals 30 years). Annual pay at retirement is a sum equal to the base salary received for the 12 months immediately preceding retirement. The normal form of benefit is 67.5% Joint and Survivor. If a member leaves covered employment or dies before vesting, accumulated member contributions are refunded with interest. If a member dies in the line of duty, the member's heirs shall receive the same benefits as though they had been members of the bargaining unit for 20 years. Retired members are entitled to a 3% cost of living adjustment, not compounded, each year if hired prior to July 1, 2010 (2 1/2% if retired before July 1, 1998). Officers hired after July 1, 2010 are entitled to a 3% cost of living adjustment, not compounded after 5 years on pension or age 52, whichever comes first. Disability retirement for occupational causes equals 50% of annual pay at time of disability. Non-occupational causes receive a lower percentage varying by years of service at time of disability. Members who retire with 25 or more years of service shall receive severance pay based on 1.5 days for each year of service at retirement.

The management of the Westerly Police Pension and OPEB plans consist of the Town Manager, the Finance Director, HR Director and a representative from the Police Pension. The Town Council is the governing body of approval of the Investment Policy Statements and the establishment of the OPEB share, and is responsible for the appointment of the investment committee.

At July 1, 2024, Plan membership consisted of the following:

Retirees and beneficiaries receiving benefits	60
Terminated plan member entitled to but not yet receiving benefits	2
Active Plan Members	<u>51</u>
Total	<u><u>113</u></u>

TOWN OF WESTERLY, RHODE ISLAND

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

NOTE 10 - PENSION PLANS (CONTINUED)

POLICE PENSION PLAN TRUST FUNDS (CONTINUED)

Summary of Significant Accounting Policies

Basis of Accounting

Financial statements are prepared using the accrual basis of accounting for the defined benefit pension plan. Employee and employer contributions are recognized as revenues in the period in which employee services are performed. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan.

Method Used to Value Investments

Investments are reported at fair value. Investment income is recognized as earned.

Funding Policy

Active plan members contribute 12% of their covered earnings. The Town has an actuarial valuation to determine the annual required contribution, but does not fund The Plan based on the valuation. The Town funds The Plan based on the annual budget.

Administrative costs of the Plan are financed through investment earnings.

Pension Trust Funds

The Town maintains a police pension trust fund to account for its fiduciary responsibility. The following schedules present the net position held in trust for pension benefits and OPEB Trust at June 30, 2025 and the changes in net position for the year then ended. Included in the Police Pension trust funds are OPEB assets related to a medical subaccount. Those assets are not used to offset the total pension liability.

Schedule of Plan Net Position

	Police Pension Trust	OPEB Trust	Total
Assets:			
Cash and cash equivalents	\$ 2,762,376	\$ 697,774	\$ 3,460,150
Investments, at fair value	55,185,109	10,107,986	65,293,095
Other accounts receivables	--	41,948	41,948
Total assets	<u>57,947,485</u>	<u>10,847,708</u>	<u>68,795,193</u>
Liabilities:			
Other payables	<u>--</u>	<u>195,725</u>	<u>195,725</u>
Net Position:			
Restricted for Pension and OPEB Benefits	<u>\$ 57,947,485</u>	<u>\$ 10,651,983</u>	<u>\$ 68,599,468</u>

TOWN OF WESTERLY, RHODE ISLAND

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

NOTE 10 - PENSION PLANS (CONTINUED)

POLICE PENSION PLAN TRUST FUNDS (CONTINUED)

Schedule of Changes in Plan Net Position

	Police Pension Trust	OPEB Trust	Total
Additions:			
Contributions			
Employer	\$ 2,204,614	\$ 1,290,437	\$ 3,495,051
Plan members	474,895	--	474,895
Total Contributions	<u>2,679,509</u>	<u>1,290,437</u>	<u>3,969,946</u>
Net investment income:			
Net increase in fair value of investments	4,865,848	831,645	5,697,493
Interest and dividends	1,222,969	272,089	1,495,058
Total Investment Income	<u>6,088,817</u>	<u>1,103,734</u>	<u>7,192,551</u>
Total Additions	<u>8,768,326</u>	<u>2,394,171</u>	<u>11,162,497</u>
Deductions:			
Benefits	3,534,896	--	3,534,896
Police retiree health care	--	932,306	932,306
Administration expense	128,304	74,640	202,944
Total Deductions	<u>3,663,200</u>	<u>1,006,946</u>	<u>4,670,146</u>
Changes in Net Position	5,105,126	1,387,225	6,492,351
Net Position at Beginning of Year	<u>52,842,359</u>	<u>9,264,758</u>	<u>62,107,117</u>
Net Position at End of Year	<u><u>\$ 57,947,485</u></u>	<u><u>\$ 10,651,983</u></u>	<u><u>\$ 68,599,468</u></u>

TOWN OF WESTERLY, RHODE ISLAND

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

NOTE 10 - PENSION PLANS (CONTINUED)

POLICE PENSION PLAN TRUST FUNDS (CONTINUED)

Investment Policy

The Town has established an investment policy for the prudent investment of funds with the objective of preservation and growth of capital. Appropriate diversification of the portfolio is required to be maintained as advised by the Plan's investment manager and the Town's finance director and approved by the Town Manager. The investment program shall be operated in conformance with federal, state and other legal requirements. All pertinent local and state ethic statutes are required to be adhered to by the Town administrative staff in regard to all investment fund activities. The investment manager may act autonomously in the selection of the fund investments within the framework of the required asset allocation. In terms of diversification, no individual security shall represent more than 5% of the portfolio's marker value. The following investment types are prohibited: special placements, venture capital, derivatives, commodities, futures and options. Securities cannot be purchased on margin and short sales cannot be conducted. The fund is not allowed to borrow money.

The following was the Board's adopted asset allocation policy as of June 30, 2025:

Asset Class	Target Allocation
Equity	70.00%
Fixed Income	28.00%
Cash	<u>2.00%</u>
Total	<u><u>100.00%</u></u>

Rate of Return

For the year ended June 30, 2025, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 11.28%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

TOWN OF WESTERLY, RHODE ISLAND

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

NOTE 10 - PENSION PLANS (CONTINUED)

POLICE PENSION PLAN TRUST FUNDS (CONTINUED)

Net Pension Liability

The components of the net pension liability of the Town at June 30, 2025, were as follows:

Total pension liability	\$ 67,034,496
Plan fiduciary net position	<u>(57,947,485)</u>
Total Net Pension Liability	<u>\$ 9,087,011</u>
Plan fiduciary net position as a percentage of the total pension liability	86.44%

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of July 1, 2023, using the following actuarial assumptions, applied to all periods included in the measurement.

Mortality rates were based on the PubS-2010 Public Safety Mortality table with generational improvements from 2010 using scale MP-21, the PubS-2010 Disabled Public Safety Mortality table with generational improvements from 2010 using scale MP-21, and the Continuing Survivor Mortality table with generational improvements from 2010 using scale MP-21.

The long-term expected rate of return on pension plan investments was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2024, (see discussion of the pension plan's investment policy) are summarized in the following table:

Asset Class	Long-Term Expected Real Rate of Return
Equity	4.90%
Fixed Income	2.90%
Cash	0.40%

TOWN OF WESTERLY, RHODE ISLAND

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

NOTE 10 - PENSION PLANS (CONTINUED)

POLICE PENSION PLAN TRUST FUNDS (CONTINUED)

Net Pension Liability (Continued)

The discount rate used to measure the total pension liability was 7.0%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that Town contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. 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.

The actuarial assumptions used in the valuation were based on the results of an actuarial experience study for the period June 1, 2010, through June 30, 2020.

		Increase (Decrease)	
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balances as of June 30, 2024	\$ 64,788,426	\$ 52,842,359	\$ 11,946,067
Changes for the Year			
Service cost	1,279,904	--	1,279,904
Interest on the total pension liability	4,501,062	--	4,501,062
Employer contributions	--	2,204,614	(2,204,614)
Employee contributions	--	474,895	(474,895)
Net investment income	--	5,960,513	(5,960,513)
Benefit payments, including employee refunds	(3,534,896)	(3,534,896)	--
Net changes	2,246,070	5,105,126	(2,859,056)
Balances as of June 30, 2025	\$ 67,034,496	\$ 57,947,485	\$ 9,087,011

TOWN OF WESTERLY, RHODE ISLAND

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

NOTE 10 - PENSION PLANS (CONTINUED)

POLICE PENSION PLAN TRUST FUNDS (CONTINUED)

Net Pension Liability (Continued)

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

The following presents the net pension liability of the Town, calculated using the discount rate of 7.0%, as well as what the Town's net pension liability would be if it were calculated using a discount rate that is 1-percentage point- lower (6.0%) or 1-percentage-point higher (8.0%) than the current rate:

	1% Decrease (6.0%)	Current Discount Rate (7.0%)	1% Increase (8.0%)
Net Pension Liability	\$ 17,948,737	\$ 9,087,011	\$ 1,831,126

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

For the year ended June 30, 2025, the Town recognized pension expense of \$579,938. At June 30, 2025, the Town reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience:	\$ 673,340	\$ (49,812)
Changes in assumption:	23,323	--
Net difference between projected and actual earnings on pension plan investments:	<u>--</u>	<u>(2,697,959)</u>
Total	<u>\$ 696,663</u>	<u>\$ (2,747,771)</u>

TOWN OF WESTERLY, RHODE ISLAND

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

NOTE 10 - PENSION PLANS (CONTINUED)

POLICE PENSION PLAN TRUST FUNDS (CONTINUED)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

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

Year Ending June 30,	Net Deferred Outflows of Resources
2026	\$ 627,156
2027	(1,468,928)
2028	(1,020,374)
2029	(323,630)
2030	134,668
Total	<u>\$ (2,051,108)</u>

SUMMARY OF DEFERRED INFLOWS/OUTFLOWS, NET PENSION LIABILITY AND ASSET FOR ALL DEFINED BENEFIT PENSION PLANS

	MERS General Plan	TSB Plan	ERS Teachers Plan	Police Pension Plan	Total
Deferred outflows	\$ --	\$ 830,866	\$ 4,621,837	\$ 696,663	\$ 6,149,366
Deferred inflows	12,590	1,680,886	5,651,826	2,747,771	10,093,073
Net pension liability	12,295	--	28,763,714	9,087,011	37,863,020
Net pension asset	--	9,744,653	--	--	9,744,653
Pension (expense) benefit	(41,146)	998,633	(3,054,977)	(579,938)	(2,677,428)

INTERNATIONAL CITY MANAGEMENT ASSOCIATION (ICMA) PENSION PLAN

General salaried employees hired after February 1981 were eligible to participate in this 401(a) defined contribution plan created as of September 1, 1995. Previously, these employees contributed to a defined contribution plan with the International City Management Association, established as a 457(b) deferred compensation plan; this plan was deemed ineligible by IRS codification and has been closed to new entrants, but assets cannot be transferred to the new 401(a) plan.

TOWN OF WESTERLY, RHODE ISLAND

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

NOTE 10 - PENSION PLANS (CONTINUED)

INTERNATIONAL CITY MANAGEMENT ASSOCIATION (ICMA) PENSION PLAN (CONTINUED)

Employees contribute 6% or more of their qualified salary to a maximum of 25% not to exceed \$30,000. The Town contributes 10% of the qualified salary. Plan provisions and contribution requirements are established and may be amended by the Town Council. The Town's contribution for the years ended June 30, 2025, and 2024, were \$497,717 and \$457,995, respectively.

LABORERS' INTERNATIONAL UNION OF NORTH AMERICA NATIONAL PENSION FUND

Plan Description and Benefits Provided

The Laborers' International Union of North America National Pension Fund is a cost sharing multiple employer defined benefit plan (The Plan), which is operating as a 401(a) plan. All Town non-salaried general employees participate in The Plan.

Information regarding The Plan can be obtained from the Fund Office maintained by the Board of Trustees at the following address: Laborers' International (Industrial) Pension Fund, 905 16th Street, N.W., Washington, DC 20006-1765 or at www.lnlpf.org.

Eligibility

An employee is eligible to receive pension benefits if they have attained age 62, have five or more years of pension credit and have earned at least one of the years of pension credit during the period that his or her employer is contributing to The Plan.

Benefits

The amount of regular pension benefits payable to an employee is determined by the highest contribution rate at which he or she earned pension credit and years of pension credits earned (up to a maximum of 30 years of pension credits). The regular monthly benefit is payable for each year of pension credit at each contribution rate accepted by The Plan up to \$1.86 per hour. The Plan also provides death and disability benefits.

Funding Policy

The contribution requirements of the Town and employees are established by contract and may be amended by union negotiation. The Town was required to contribute the following amounts for fiscal year ended June 30, 2025; bus drivers and aides – Employer \$2.74, Employee \$.53 per hour; school maintenance, secretarial and clerical employees - Employer \$3.46, Employee \$.35 per hour; town public works and secretarial employees: Employer: \$2.30, Employee \$1.37 per hour. The Town was also required to contribute \$0.06 per hour to an annuity fund (maximum of \$4,000 annually for School employees).

The total contribution for fiscal years ended June 30, 2025, 2024, and 2023, was \$1,260,999, \$1,015,029 and \$1,034,741, respectively.

TOWN OF WESTERLY, RHODE ISLAND

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

NOTE 10 - PENSION PLANS (CONTINUED)

SCHOOL DEPARTMENT PENSION PROGRAM

All School Department unaffiliated, classified, appointed employees participate in an agreed-upon 403(b) pension program, which is funded by the School Department. The School Department's contribution is 10% of the qualified employee's salary per year. The employees do not contribute to The Plan. The contributions are made to an eligible plan of the employee's choice. All school employees are eligible by federal law to participate in a payroll deduction tax deferred plan, which must be arranged by a broker or private insurance carrier. Total contributions for the year ended June 30, 2025, were \$259,217.

NOTE 11 - OTHER POSTEMPLOYMENT BENEFIT (OPEB) OBLIGATIONS

POLICE OTHER POSTEMPLOYMENT BENEFIT PLAN

Plan Description

The Town administers a single-employer defined benefit healthcare plan for police. The Plan provides medical, dental and life insurance benefits to eligible retirees and their dependents. Coverage to retirees and spouses includes dental insurance for life and a reimbursement of Medicare Part B premium to retirees only after age 65. Most full-time employees of the police department are eligible to participate in The Plan. Benefit provisions are established through negotiations between the Town and the Police Officers Union.

Management of the post-employment benefits plan is vested with the Town Manager, Director of Human Resources and Director of Finance. Funds are managed by a third-party investment management firm.

Employees Covered by Benefit Terms

As of June 30, 2025, the following employees were covered by the benefit terms:

Retirees	58
Active employees	<u>50</u>
Total	<u><u>108</u></u>

TOWN OF WESTERLY, RHODE ISLAND

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

NOTE 11 - OTHER POSTEMPLOYMENT BENEFIT (OPEB) OBLIGATIONS (CONTINUED)

POLICE OTHER POSTEMPLOYMENT BENEFIT PLAN (CONTINUED)

Contributions

Required contributions to the Plan are determined by an actuarial calculation. The Town Manager proposes The Plan contribution as part of the Town's annual budget process. The final budgeted amount is approved by the Town Council. The Town is required to contribute the cost of medical and dental benefits for police officers who retire with at least 20 years of service, less the amount of any applicable employee share of premiums as follows:

- Employees hired before July 1, 1993 shall, upon retirement, contribute the same percentage of medical premium as they contributed at the time of their retirement.
- Employees hired on or after July 1, 1993 and retiring after at least 20 years of active service will be eligible to receive Town-provided medical insurance for the retiring member only (single plan). The retired member will pay 17.5% percent of the cost of health care coverage at the fully mature working rate or monthly premium cost. After the retired member reaches the age of 65, the Town will be under no obligation to provide medical insurance coverage.

Investments

Investment Policy

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

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

Rate of Return

For the year ended June 30, 2025, the annual money-weighted rate of return on plan investments, net of plan investment expense, was 11.91%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

TOWN OF WESTERLY, RHODE ISLAND

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

NOTE 11 - OTHER POSTEMPLOYMENT BENEFIT (OPEB) OBLIGATIONS (CONTINUED)

POLICE OTHER POSTEMPLOYMENT BENEFIT PLAN (CONTINUED)

The targeted investment allocation and expected real rate of return is as follows:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
US Large Cap Equity	45%	6.7%
US Mid Cap Equity	11%	7.0%
US Small Cap Equity	4%	6.9%
Core fixed Income	33%	4.6%
High Yield Fixed Income	5%	6.1%
Cash	2%	3.1%

Total OPEB Liability

The Town's total net OPEB liability of \$9,007,298 was measured as of June 30, 2025, and was determined by an actuarial valuation as of July 1, 2024.

Actuarial Assumptions

The total OPEB liability in the June 30, 2025, actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Valuation Date: July 1, 2023

Discount Rate: 7.00%

Payroll Growth: 2.00% per year for general wage inflation plus merit/productivity increases ranging between 2.25% - 13.00% over 0-15 years of service.

Inflation Rate: 2.30% per year

Cost Method: Entry Age Normal Level % Salary

Health Care Trend Rates: 8.0% for 2025, decreasing by 0.5% per year to an ultimate rate of 4.5% for 2033 and later years.

TOWN OF WESTERLY, RHODE ISLAND

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

NOTE 11 - OTHER POSTEMPLOYMENT BENEFIT (OPEB) OBLIGATIONS (CONTINUED)

POLICE OTHER POSTEMPLOYMENT BENEFIT PLAN (CONTINUED)

Changes in Total OPEB Liability

Changes in total OPEB liability for the year ended June 30, 2025, consisted of the following:

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balance at June 30, 2024	\$ 19,584,132	\$ 9,264,758	\$ 10,319,374
Changes for the year:			
Service Cost	182,263	--	182,263
Interest	1,351,569	--	1,351,569
Changes of assumptions	750,065	--	750,065
Differences between expected and actual experience	(1,276,441)	--	(1,276,441)
Contributions - employer	--	1,290,437	(1,290,437)
Net investment income	--	1,103,735	(1,103,735)
Benefit payments	(932,306)	(932,306)	--
Trust administrative expenses	--	(74,640)	74,640
Net Changes	75,150	1,387,226	(1,312,076)
Balance at June 30, 2025	<u>\$ 19,659,282</u>	<u>\$ 10,651,984</u>	<u>\$ 9,007,298</u>

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

The following presents the total Net OPEB liability of the Town, as well as what the Town's total Net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.0%) or 1-percentage-point higher (8.0%) than the current discount rate:

	1% Decrease (6.0%)	Current Discount Rate (7.0%)	1% Increase (8.0%)
Total Net OPEB liability	\$ 11,271,394	\$ 9,007,298	\$ 7,106,164

TOWN OF WESTERLY, RHODE ISLAND

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

NOTE 11 - OTHER POSTEMPLOYMENT BENEFIT (OPEB) OBLIGATIONS (CONTINUED)

POLICE OTHER POSTEMPLOYMENT BENEFIT PLAN (CONTINUED)

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

The following presents the total Net OPEB liability of the Town, as well as what the Town's total Net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (6.5% decreasing to 3.5%) or 1-percentage-point higher (8.5% decreasing to 5.5%) than the current healthcare cost trend rates:

	1% Decrease (6.5% Decreasing to 3.5%)	Current Health Care Trend Rates (7.5% Decreasing to 4.5%)	1% Increase (8.5% Decreasing to 5.5%)
Total Net OPEB liability	\$ 7,106,184	\$ 9,007,298	\$ 11,252,570

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

For the year ended June 30, 2025, the Town recognized OPEB expense of \$767,140 in the Government-wide Statement of Activities. At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 206,322	\$ (1,890,261)
Changes in assumptions	961,639	--
Net difference between projected and actual earnings in OPEB plan investments	--	(484,448)
Total	<u>\$ 1,167,961</u>	<u>\$ (2,374,709)</u>

TOWN OF WESTERLY, RHODE ISLAND

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

NOTE 11 - OTHER POSTEMPLOYMENT BENEFIT (OPEB) OBLIGATIONS (CONTINUED)

POLICE OTHER POSTEMPLOYMENT BENEFIT PLAN (CONTINUED)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

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

<u>Year Ended June 30,</u>	
2026	\$ (13,288)
2027	(369,496)
2028	(421,697)
2029	(314,537)
2030	<u>(87,730)</u>
Total	<u>\$ (1,206,748)</u>

NOTE 12 - RISK MANAGEMENT

CONTINGENCIES

Liabilities for legal cases and other claims against governmental funds are recorded in the governmental funds when the ultimate liability can be estimated and such cases are expected to be settled with available expendable financial resources. During the ordinary course of its operations, the Town is party to various claims, legal actions and complaints. In the opinion of the Town's management and legal counsel, these matters are not anticipated to have a material financial impact on the Town.

HEALTH FUND

The Town has chosen to establish a Health Fund for risks associated with the employees' health and dental insurance plans. This fund is accounted for as an Internal Service Fund where assets are set aside for claim settlements. The Town oversees the self-insured program. Plan administration is provided by Blue Cross/Blue Shield of Rhode Island and Delta Dental of Rhode Island.

A premium is charged to each fund that accounts for full or part-time employees. The total charge allocated to each of the funds is calculated using employee rates determined by the self-insurance administrator. The Town utilizes a "cost plus basis" plan under which the Town pays for the actual cost of covered health care services plus a fee to the provider for the administration of the program.

TOWN OF WESTERLY, RHODE ISLAND

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

NOTE 12 - RISK MANAGEMENT (CONTINUED)

HEALTH FUND (CONTINUED)

In order to avoid catastrophic losses, the Town purchases specific stop-loss re-insurance. Under the stop-loss, the Town is covered for medical claims over \$500,000 per person/per contract period.

Liabilities of the fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. The result of the process to estimate the claims liability is not an exact amount as it depends on many complex factors, such as inflation, changes in legal doctrines and damage awards. Accordingly, claims are re-evaluated periodically to consider the effects of inflation, recent claim settlement trends (including frequency and amount of pay-outs) and other economic and social factors. The estimate of the claims liability also includes amounts for incremental claim adjustment expenses related to specific claims and other claim adjustment expenses regardless of whether they are allocated to specific claims. Estimated recoveries, for example for salvage or subrogation, are another component of the claims liability estimate. Changes in the claims liability for the past two years are as follows:

Fiscal Year	Accrued Liability Beginning of Fiscal Year	Current Year Claims and Changes in Estimates	Accrued Liability Claim Payments	Accrued Liability End of Fiscal Year
2024-25	\$ 1,144,829	\$ 12,539,038	\$ 13,050,632	\$ 633,235
2023-24	\$ 674,684	\$ 10,057,436	\$ 9,587,291	\$ 1,144,829

NOTE 13 - TAX ABATEMENTS

The Town of Westerly enters into tax abatement agreements with local businesses under its Economic Development Tax Incentive Program for Commercially Zoned Property. Under the Program, new businesses locating in commercially zoned property with the Town or existing businesses that are expanding may qualify for a tax incentive. At June 30, 2025, the Town had three one-year tax abatements for local businesses, providing the establishments with an abatement of 8% of prior-year rental income. The value of the abated tax totaled \$22,434.

TOWN OF WESTERLY, RHODE ISLAND

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

NOTE 14 - RETIREMENT INCENTIVES

Westerly Public Schools offered retirement incentives to select teachers in the year ended June 30, 2025, totaling \$161,475. Teachers were deemed eligible if they were paid top step salary with at least 20 years of service at Westerly Public Schools and wished to retire at the end of the 2024-2025 school year. The teachers were offered two options: 1) employees receive a one-time payment totaling up to \$30,000 in July 2025, which will not be included as part of the teacher's salary or compensation for purposes of calculating the employee's pension but are subject to all applicable and lawful taxes, or; 2) employees receive individual medical coverage with a \$2,000 deductible for a maximum of 5 years, or until the first of the following occurrences: a) receipt of medical insurance from any other source; b) eligibility for Federal Medicare, Medicaid or comparable medical benefits; c) death. If the employee chooses option 2, they will be responsible for making a monthly co-share payment of 20% of the cost of the individual plan, as well as the aforementioned \$2,000 deductible.

As of June 30, 2025, the related liability is calculated based on the assumption each employee will choose the highest cash payment for which they are approved. The total liability of \$161,475 is included as part of the School Unrestricted Fund's accounts payable and accrued liabilities total balance of \$1,930,770 on the Combining Balance Sheet of Government Funds – Detail of General Fund on **page 181**, which is rolled into the Town's General Fund on the Governmental Balance Sheet on **page 43** and the Government-Wide Statement of Net Position on **page 37**.

NOTE 15 - SUBSEQUENT EVENTS

Subsequent events have been evaluated through March 13, 2026, which is the date the financial statements were available for issuance. All subsequent events requiring recognition or disclosure have been incorporated into these financial statements.

This page left intentionally blank.

REQUIRED SUPPLEMENTARY INFORMATION

This page left intentionally blank.

TOWN OF WESTERLY, RHODE ISLAND

RSI-1

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF REVENUES AND EXPENDITURES (NON-GAAP BUDGETARY BASIS) BUDGET AND ACTUAL – TOWN GENERAL FUND

FOR THE YEAR ENDED JUNE 30, 2025

	Original Budget	Revised Budget	Actual	Variance
Revenues				
General property taxes and payments in lieu of taxes	\$ 78,457,800	\$ 78,457,800	\$ 79,567,692	\$ 1,109,892
Intergovernmental and departmental	19,947,646	19,947,646	21,217,571	1,269,925
Licenses and permits	757,300	757,300	1,272,444	515,144
Fines and penalties	217,400	217,400	314,219	96,819
Use of property and money	692,000	692,000	1,796,342	1,104,342
Other revenue	1,961,862	1,961,862	3,133,768	1,171,906
Total Revenues	<u>102,034,008</u>	<u>102,034,008</u>	<u>107,302,036</u>	<u>5,268,028</u>
Expenditures				
Current:				
Legislative, judicial and general administrative	8,667,965	8,667,965	8,366,220	301,745
Public works	5,531,718	5,531,718	4,924,729	606,989
Public safety	8,677,638	8,677,638	8,857,329	(179,691)
Health and welfare	1,659,236	1,659,236	1,639,149	20,087
Conservation and development	39,500	39,500	8,349	31,151
Parks and recreation	720,589	720,589	849,115	(128,526)
Planning	1,119,753	1,119,753	1,089,053	30,700
Capital improvements/restricted programs	5,935,084	5,935,084	6,940,009	(1,004,925)
Debt services	11,466,108	11,466,108	11,775,608	(309,500)
Total Expenditures	<u>43,817,591</u>	<u>43,817,591</u>	<u>44,449,561</u>	<u>(631,970)</u>
Excess of Revenues Over Expenditures				
Before Other Financing Sources	<u>58,216,417</u>	<u>58,216,417</u>	<u>62,852,475</u>	<u>4,636,058</u>
Other Financing Sources (Uses)				
Transfers in	--	--	3,040,495	3,040,495
Transfers out - other	(642,586)	(642,586)	(642,585)	1
Transfers out - School unrestricted fund - appropriation	<u>(57,573,831)</u>	<u>(57,573,831)</u>	<u>(57,844,771)</u>	<u>(270,940)</u>
Net Other Financing Sources (Uses)	<u>(58,216,417)</u>	<u>(58,216,417)</u>	<u>(55,446,861)</u>	<u>2,769,556</u>
Excess of Revenues Over Expenditures and Other Financing Sources	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 7,405,614</u>	<u>\$ 7,405,614</u>

See notes to required supplementary information.

TOWN OF WESTERLY, RHODE ISLAND

RSI-2

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES (NON-GAAP BUDGETARY BASIS) BUDGET AND ACTUAL – TOWN GENERAL FUND

FOR THE YEAR ENDED JUNE 30, 2025

	Original Budgeted Revenues	Revised Budgeted Revenues	Actual Revenues	Variance
Property Taxes				
Current property taxes	\$ 76,398,935	\$ 76,398,935	\$ 77,779,048	\$ 1,380,113
Personal property taxes	1,422,216	1,422,216	1,174,751	(247,465)
Prior year property taxes	286,649	286,649	256,840	(29,809)
Pilot - housing authority	15,000	15,000	19,362	4,362
Tax interest, lien fees and other	<u>335,000</u>	<u>335,000</u>	<u>337,691</u>	<u>2,691</u>
Total Property Taxes	<u>78,457,800</u>	<u>78,457,800</u>	<u>79,567,692</u>	<u>1,109,892</u>
Intergovernmental and Departmental				
State motor vehicle - excise tax phase out	5,765,523	5,765,523	5,774,500	8,977
State grant-in-aid - general	2,739,097	2,739,097	3,518,582	779,485
State grant-in-aid - library	438,351	438,351	453,238	14,887
State grant-in-aid - school operation	8,514,368	8,514,368	8,785,308	270,940
State grant-in-aid - school housing aid	<u>2,154,807</u>	<u>2,154,807</u>	<u>2,196,723</u>	<u>41,916</u>
Total Intergovernmental and Departmental	<u>19,612,146</u>	<u>19,612,146</u>	<u>20,728,351</u>	<u>1,116,205</u>
Licenses and permits	757,300	757,300	1,272,444	515,144
Fines and penalties	217,400	217,400	314,219	96,819
Use of property and money	692,000	692,000	1,796,342	1,104,342
Other revenues	1,961,862	1,961,862	3,133,768	1,171,906
Recreation	<u>335,500</u>	<u>335,500</u>	<u>489,220</u>	<u>153,720</u>
Total Revenues	<u>\$ 102,034,008</u>	<u>\$ 102,034,008</u>	<u>\$ 107,302,036</u>	<u>\$ 5,268,028</u>
Transfers from Other Funds				
Transfers in	<u>--</u>	<u>--</u>	<u>3,040,495</u>	<u>3,040,495</u>
Total Revenue and Other Financing Sources	<u>\$ 102,034,008</u>	<u>\$ 102,034,008</u>	<u>\$ 110,342,531</u>	<u>\$ 8,308,523</u>

See notes to required supplementary information.

TOWN OF WESTERLY, RHODE ISLAND

RSI-3

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF EXPENDITURES AND OTHER FINANCING SOURCES (NON-GAAP BUDGETARY BASIS) BUDGET AND ACTUAL – TOWN GENERAL FUND

FOR THE YEAR ENDED JUNE 30, 2025

	Original Budgeted Expenditures	Revised Budgeted Expenditures	Actual Expenditures	Variance
Legislative, Judicial and General Administrative				
Legislative				
Town council	\$ 71,907	\$ 71,907	\$ 54,735	\$ 17,172
Finance board	2,000	2,000	2,000	--
Judicial				
Legal Services	624,724	624,724	624,573	151
Probate Court	114,102	114,102	115,236	(1,134)
Municipal Court	100,684	100,684	98,766	1,918
Administrative				
Board of canvassers	172,995	172,995	133,789	39,206
Town clerk	424,529	424,529	362,128	62,401
Town manager	611,522	611,522	433,698	177,824
Finance department	635,555	635,555	653,841	(18,286)
Assessment Administration	375,792	375,792	378,928	(3,136)
Management information systems	805,448	805,448	759,527	45,921
Human resources	322,102	322,102	269,044	53,058
Tax Collector	281,437	281,437	272,089	9,348
Insurance	509,070	509,070	566,808	(57,738)
Settlement	--	--	103,383	(103,383)
Pension and OPEB	3,616,098	3,616,098	3,537,675	78,423
Total Legislative, Judicial and General Administrative	8,667,965	8,667,965	8,366,220	301,745
Public Works				
Town buildings	851,759	851,759	758,401	93,358
Public works administration	268,821	268,821	277,783	(8,962)
Tree warden	1,000	1,000	1,000	--
Highway and drainage	2,956,435	2,956,435	2,560,901	395,534
Snow and ice control	119,530	119,530	139,946	(20,416)
Utilities	530,300	530,300	413,293	117,007
Equipment maintenance	496,263	496,263	461,260	35,003
Engineering	307,610	307,610	312,145	(4,535)
Total Public Works	5,531,718	5,531,718	4,924,729	606,989
Public Safety				
Police department	7,961,025	7,961,025	8,174,893	(213,868)
Animal shelter	368,353	368,353	339,948	28,405
Technology	273,796	273,796	269,196	4,600
Harbor master	62,876	62,876	62,043	833
Emergency preparedness	11,588	11,588	11,249	339
Total Public Safety	8,677,638	8,677,638	8,857,329	(179,691)
Health and Welfare				
Subsidies	1,659,236	1,659,236	1,639,149	20,087
Conservation and Development				
Conservation commission	19,500	19,500	--	19,500
Municipal land trust	20,000	20,000	8,349	11,651
Total Conservation and Development	39,500	39,500	8,349	31,151

See notes to required supplementary information.

TOWN OF WESTERLY, RHODE ISLAND

RSI-3

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF EXPENDITURES AND OTHER FINANCING SOURCES (NON-GAAP BUDGETARY BASIS) BUDGET AND ACTUAL – TOWN GENERAL FUND (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2025

	Original Budget Expenditures	Revised Budgeted Expenditures	Actual Expenditures	Variance
Parks and Recreation				
Recreation and leisure	715,389	715,389	845,073	(129,684)
Celebration of public events	5,200	5,200	4,042	1,158
Total Parks and Recreation	<u>720,589</u>	<u>720,589</u>	<u>849,115</u>	<u>(128,526)</u>
Planning and Zoning				
Planning and zoning/codes/grants	<u>1,119,753</u>	<u>1,119,753</u>	<u>1,089,053</u>	<u>30,700</u>
Capital Improvements/Restricted Programs				
Restricted programs	1,575,500	1,575,500	1,575,501	(1)
Capital improvements	4,359,584	4,359,584	5,364,508	(1,004,924)
Total Capital Improvements/Restricted Programs	<u>5,935,084</u>	<u>5,935,084</u>	<u>6,940,009</u>	<u>(1,004,925)</u>
Debt Service				
Town debt service	5,112,845	5,112,845	5,015,995	96,850
School debt service	6,353,263	6,353,263	6,759,613	(406,350)
Total Debt Service	<u>11,466,108</u>	<u>11,466,108</u>	<u>11,775,608</u>	<u>(309,500)</u>
Education	<u>57,573,831</u>	<u>57,573,831</u>	<u>57,844,771</u>	<u>(270,940)</u>
Total Expenditures	<u>101,391,422</u>	<u>101,391,422</u>	<u>102,294,332</u>	<u>(902,910)</u>
Transfers to Other Funds				
Transfers out	<u>642,586</u>	<u>642,586</u>	<u>642,585</u>	<u>1</u>
Total Expenditures and Other Financing Uses	<u>\$ 102,034,008</u>	<u>\$ 102,034,008</u>	<u>\$ 102,936,917</u>	<u>\$ (902,909)</u>

See notes to required supplementary information.

TOWN OF WESTERLY, RHODE ISLAND

RSI-4

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF REVENUES AND EXPENDITURES (NON-GAAP BUDGETARY BASIS) BUDGET AND ACTUAL – SCHOOL UNRESTRICTED FUND

FOR THE YEAR ENDED JUNE 30, 2025

	Original Budget	Revised Budget	Actual	Variance
Revenues				
Local appropriation	\$ 49,059,463	\$ 49,059,463	\$ 49,059,463	\$ --
Tuition preschool	51,500	51,500	40,045	(11,455)
Tuition from other districts	57,352	57,352	--	(57,352)
Transportation revenue	5,000	5,000	--	(5,000)
Rental income	17,323	17,323	23,958	6,635
Miscellaneous	6,825	6,825	144,090	137,265
Fund Balance	419,899	419,899	817,730	397,831
Unrestricted grant in aid	8,758,194	8,758,194	8,785,308	27,114
Medicaid reimbursement	1,158,803	1,158,803	1,637,810	479,007
Total Revenues	<u>59,534,359</u>	<u>59,534,359</u>	<u>60,508,404</u>	<u>974,045</u>
Expenditures				
Salaries & other compensation	33,491,799	33,432,671	33,427,200	5,471
Employee benefits	14,293,939	13,636,543	13,540,209	96,334
Purchased services	8,153,981	8,320,486	8,258,728	61,758
Supplies & materials	2,744,401	2,766,120	2,904,636	(138,516)
Equipment	751,952	1,136,807	1,157,299	(20,492)
Miscellaneous	98,287	241,732	210,411	31,321
Total Expenditures	<u>59,534,359</u>	<u>59,534,359</u>	<u>59,498,483</u>	<u>35,876</u>
Excess of Expenditures Over Revenues				
Before Other Financing Sources	<u>--</u>	<u>--</u>	<u>1,009,921</u>	<u>1,009,921</u>
Other Financing Sources				
Transfer out	<u>--</u>	<u>--</u>	<u>(595,590)</u>	<u>(595,590)</u>
Total Other Financing Sources	<u>--</u>	<u>--</u>	<u>(595,590)</u>	<u>(595,590)</u>
Excess Revenues and Other Sources Over				
(Under) Expenditures and Other Sources	<u>--</u>	<u>--</u>	<u>414,331</u>	<u>414,331</u>
Excess Revenues and Other Sources Over				
(Under) Expenditure and Other Sources				
After Consent Order Transfer from				
General Fund for Deficit Reduction	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 414,331</u>	<u>\$ 414,331</u>

See notes to required supplementary information.

TOWN OF WESTERLY, RHODE ISLAND

RSI-5

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF TOWN'S PROPORTIONATE SHARE OF NET PENSION LIABILITY EMPLOYEES' RETIREMENT SYSTEM - TEACHERS LAST TEN YEARS

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Employer's proportion of the net pension liability	1.20669010%	1.21340263%	1.27088347%	1.29729303%	1.29260947%	1.33240909%	1.37796227%	1.39327%	1.51113000%	1.53100236%
Employer's proportionate share of the net pension liability	\$ 28,763,714	\$ 29,447,305	\$ 34,322,991	\$ 30,530,471	\$ 41,298,948	\$ 42,514,093	\$ 43,780,963	\$ 43,944,932	\$ 45,085,674	\$ 42,148,536
State's proportionate share of the net pension liability associated with the school district	20,906,564	21,291,206	25,384,263	22,641,081	30,686,130	31,847,458	32,657,454	33,211,810	30,877,067	28,794,557
Total	\$ 49,670,278	\$ 50,738,511	\$ 59,707,254	\$ 53,171,552	\$ 71,985,078	\$ 74,361,551	\$ 76,438,417	\$ 77,156,742	\$ 75,962,741	\$ 70,943,093
Employer's covered employee payroll	\$ 22,899,082	\$ 23,427,025	\$ 22,371,796	\$ 21,814,977	\$ 21,207,968	\$ 21,372,258	\$ 21,022,126	\$ 21,166,211	\$ 20,549,149	\$ 19,317,292
Employer's proportionate share of the net pension liability as a percentage of its covered employee payroll	125.61%	125.70%	153.42%	139.95%	194.73%	198.92%	208.26%	207.62%	45.58%	45.83%
Plan fiduciary net position as a percentage of the total pension liability	63.10%	61.30%	62.10%	66.50%	54.30%	54.60%	54.30%	54.00%	61.40%	56.49%

Notes:

1.) The amounts presented for each fiscal year were determined as of 6/30 measurement date prior to the fiscal year-end.

See notes to required supplementary information.

TOWN OF WESTERLY, RHODE ISLAND

RSI-6

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF TOWN'S CONTRIBUTIONS EMPLOYEES' RETIREMENT SYSTEM - TEACHERS LAST TEN YEARS

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially determined contribution	\$ 4,351,332	\$ 4,319,429	\$ 4,135,363	\$ 4,008,561	\$ 3,867,975	\$ 3,734,519	\$ 3,529,793	\$ 3,257,862	\$ 3,020,763	\$ 3,097,654
Contributions in relation to the actuarially determined contribution	4,351,332	4,319,429	4,135,363	4,008,561	3,867,975	3,734,519	3,529,793	3,257,862	3,020,763	3,097,654
Contribution deficiency (excess)	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
Covered-employee payroll	\$ 22,899,082	\$ 23,427,025	\$ 22,371,796	\$ 21,814,977	\$ 21,207,968	\$ 21,372,258	\$ 21,022,126	\$ 21,166,211	\$ 22,919,294	\$ 22,561,209
Contributions as a percentage of covered- employee payroll	19.00%	18.44%	18.48%	18.38%	18.24%	17.47%	16.79%	15.39%	13.18%	13.73%
Contributions as a percentage of covered- federal employee payroll	30.93%	30.12%	30.42%	30.90%	30.53%	29.24%	28.76%	15.39%	21.44%	22.60%

Notes:

1.) Employers participating in the State Employees' Retirement System are required by RI General Laws, Section 36-10-2, to contribute an actuarially determined contribution rate each year.

See notes to required supplementary information.

TOWN OF WESTERLY, RHODE ISLAND

RSI-7

REQUIRED SUPPLEMENTARY INFORMATION MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM SCHEDULE OF CHANGES IN THE TOWN OF WESTERLY'S NET PENSION LIABILITY AND RELATED RATIOS LAST TEN YEARS

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total Pension Liability										
Interest on the total pension liability	\$ 40,648	\$ 43,258	\$ 43,642	\$ 41,159	\$ 57,000	\$ 59,413	\$ 60,644	\$ 63,046	\$ 64,320	\$ 60,047
Changes of benefit terms	--	--	--	--	--	--	--	--	--	(108)
Difference between expected and actual experience of the total pension liability	57,199	54,423	75,309	129,171	(132,536)	26,325	54,835	34,782	64,388	140,725
Changes of assumptions	--	(12,435)	--	--	(22,230)	--	--	69,481	--	--
Benefit payments, including refunds of employee contributions	(120,658)	(124,425)	(124,425)	(145,313)	(111,759)	(128,647)	(137,474)	(145,691)	(145,691)	(141,691)
Net change in total pension liability	(22,811)	(39,179)	(5,474)	25,017	(209,525)	(42,909)	(21,995)	21,618	(16,983)	58,973
Total pension liability - beginning	641,011	680,190	685,664	660,647	870,172	913,081	935,076	913,458	930,441	871,468
Total pension liability - ending (a)	\$ 618,200	\$ 641,011	\$ 680,190	\$ 685,664	\$ 660,647	\$ 870,172	\$ 913,081	\$ 935,076	\$ 913,458	\$ 930,441
Plan Fiduciary Net Position										
Contributions - employer	\$ --	\$ --	\$ --	\$ 181,261	\$ 181,261	\$ 181,261	\$ --	\$ 362,522	\$ 181,400	\$ 181,261
Net investment income	57,324	53,133	(20,768)	191,974	24,110	35,167	35,934	61,832	2,011	6,300
Benefit payments, including refunds of employee contributions	(120,658)	(124,425)	(124,425)	(145,313)	(111,759)	(128,647)	(137,474)	(145,691)	(145,691)	(141,691)
Pension plan administrative expense	(591)	(572)	(708)	(731)	(664)	(549)	(478)	(584)	(2,400)	(254)
Other	--	--	--	--	--	--	--	(2)	--	--
Net change in plan fiduciary net position	(63,925)	(71,864)	(145,901)	227,191	92,948	87,232	(102,018)	278,077	35,320	45,616
Plan fiduciary net position - beginning	669,830	741,694	887,595	660,404	567,456	480,224	582,242	304,165	268,845	223,229
Plan fiduciary net position - ending (b)	\$ 605,905	\$ 669,830	\$ 741,694	\$ 887,595	\$ 660,404	\$ 567,456	\$ 480,224	\$ 582,242	\$ 304,165	\$ 268,845
Net Pension Liability - Ending (a) - (b)	\$ 12,295	\$ (28,819)	\$ (61,504)	\$ (201,931)	\$ 243	\$ 302,716	\$ 432,857	\$ 352,834	\$ 609,293	\$ 661,596
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	98.01%	104.50%	109.04%	129.45%	99.96%	65.21%	52.59%	62.27%	33.30%	28.89%

Changes in assumptions - in 2015, amounts reported as changes in assumptions resulted primarily from a change in the salary increases from 4.00% - 14.25% to 3.5% - 14.00%.

See notes to required supplementary information.

TOWN OF WESTERLY, RHODE ISLAND
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF TOWN'S CONTRIBUTIONS
MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM AGENT PLAN
LAST TEN YEARS

RSI-8

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially determined contribution	\$ --	\$ --	\$ --	\$ 181,261	\$ 181,261	\$ 181,261	\$ --	\$ 362,522	\$ 181,400	\$ 182,261
Contributions in relation to the actuarially determined contribution	--	--	--	181,261	181,261	181,261	--	362,522	181,400	182,261
Contribution deficiency (excess)	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --

Notes:

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

See notes to required supplementary information.

TOWN OF WESTERLY, RHODE ISLAND

RSI-9

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF CHANGES IN THE TOWN OF WESTERLY'S POLICE PENSION LIABILITY AND RELATED RATIOS LAST TEN YEARS

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total Pension Liability										
Service cost	\$ 1,279,904	\$ 1,213,179	\$ 1,206,400	\$ 1,142,852	\$ 989,653	\$ 925,576	\$ 957,819	\$ 904,511	\$ 974,655	\$ 917,082
Interest on the total pension liability	4,501,062	4,289,993	4,146,842	4,005,000	3,872,716	3,607,501	3,475,720	3,375,546	3,320,232	3,224,788
Difference between expected and actual experience of the total pension liability	--	942,676	--	(149,436)	--	1,294,831	--	(355,566)	(978,160)	47,387
Changes of assumptions	--	--	--	69,971	(322,423)	404,679	(107,909)	1,399,336	1,264,408	(835,428)
Benefit payments, including refunds of employee contributions	(3,534,896)	(3,459,702)	(3,170,324)	(3,040,904)	(2,565,862)	(2,449,903)	(2,371,675)	(2,194,835)	(2,248,159)	(2,029,473)
Net change in total pension liability	2,246,070	2,986,146	2,182,918	2,027,483	1,974,084	3,782,684	1,953,955	3,128,992	2,332,976	1,324,356
Total pension liability – beginning	64,788,426	61,802,280	59,619,362	57,591,879	55,617,795	51,835,111	49,881,156	46,752,164	44,419,188	43,094,832
Total pension liability – ending (a)	67,034,496	64,788,426	61,802,280	59,619,362	57,591,879	55,617,795	51,835,111	49,881,156	46,752,164	44,419,188
Plan Fiduciary Net Position										
Contributions – employer	\$ 2,204,614	\$ 2,008,500	\$ 1,945,900	\$ 1,891,700	\$ 1,786,470	\$ 1,759,248	\$ 1,795,200	\$ 1,850,000	\$ 1,720,000	\$ 1,713,800
Contributions – employee	474,895	520,133	529,852	479,675	504,550	465,602	473,884	447,302	388,426	382,932
Net investment income	5,960,513	6,740,244	5,133,506	(6,989,098)	10,864,997	1,634,808	2,781,295	2,863,907	3,482,244	129,896
Benefit payments, including refunds of employee contributions	(3,534,896)	(3,459,702)	(3,170,324)	(3,040,904)	(2,565,862)	(2,449,903)	(2,371,675)	(2,194,835)	(2,248,159)	(2,029,473)
Other	--	2,999	115	2,555	259	--	--	--	--	--
Net change in plan fiduciary net position	5,105,126	5,812,174	4,439,049	(7,656,072)	10,590,414	1,409,755	2,678,704	2,966,374	3,342,511	197,155
Plan fiduciary net position – beginning	52,842,359	47,030,185	42,591,136	50,247,208	39,656,794	38,247,039	35,568,335	32,601,961	29,259,450	29,062,295
Plan fiduciary net position – ending (b)	57,947,485	52,842,359	47,030,185	42,591,136	50,247,208	39,656,794	38,247,039	35,568,335	32,601,961	29,259,450
Net pension liability - ending (a) - (b)	\$ 9,087,011	\$ 11,946,067	\$ 14,772,095	\$ 17,028,226	\$ 7,344,671	\$ 15,961,001	\$ 13,588,072	\$ 14,312,821	\$ 14,150,203	\$ 15,159,738
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	86.44%	81.56%	76.10%	71.44%	87.25%	71.30%	73.79%	71.31%	69.73%	65.87%
Covered Employee Payroll	\$ 5,214,455	\$ 4,942,612	\$ 4,693,078	\$ 4,448,415	\$ 3,975,573	\$ 3,768,316	\$ 3,866,804	\$ 3,665,217	\$ 4,077,370	\$ 4,077,370
Net Pension Liability as a Percentage of Covered-Employee Payroll	174.27%	241.70%	314.76%	382.79%	184.74%	423.56%	351.40%	390.50%	347.04%	371.80%

See notes to required supplementary information.

TOWN OF WESTERLY, RHODE ISLAND
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF TOWN'S CONTRIBUTIONS-POLICE PENSION
LAST TEN YEARS

RSI-10

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially determined contribution	\$ 2,122,400	\$ 2,008,500	\$ 1,945,900	\$ 1,891,700	\$ 1,786,470	\$ 1,759,248	\$ 1,636,400	\$ 1,610,200	\$ 1,667,700	\$ 1,713,800
Contributions in relation to the actuarially determined contribution	2,204,614	2,008,500	1,945,900	1,891,700	1,786,470	1,759,248	1,795,200	1,850,000	1,720,000	1,713,800
Contribution deficiency (excess)	\$ (82,214)	\$ --	\$ --	\$ --	\$ --	\$ (158,800)	\$ (239,800)	\$ (52,300)	\$ --	\$ --
Covered-employee payroll	\$ 5,214,455	\$ 4,942,612	\$ 4,693,078	\$ 4,448,415	\$ 3,975,573	\$ 3,768,316	\$ 3,866,804	\$ 3,665,217	\$ 4,077,370	\$ 4,077,370
Contributions as a percentage of covered-employee payroll	42.28%	40.64%	41.46%	42.53%	44.94%	46.69%	46.43%	50.47%	42.18%	42.03%

Notes to Schedule

Valuation date: July 1, 2024
Measurement date: June 30, 2025

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

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age method
Amortization method	Closed 30-year level dollar amortization of the Unfunded Actuarial Accrued Liability beginning July 1, 2013
Asset valuation method	Fair market value of assets on the measurement date adjusted for a five year phase in of gains and losses of plan assets at 20% per year
Initiation	2.00%
Salary increases	4% to 15%
Investment rate of return	7.00%, net of pension plan investment expenses
Retirement age	Various based on service years, with separate scales for hires before and after July 1, 2010
Mortality	PubS-2010 Public Safety Mortality Table with generational improvements from 2010 using scale MP-21.

See notes to required supplementary information.

TOWN OF WESTERLY, RHODE ISLAND
REQUIRED SUPPLEMENTARY INFORMATION
WESTERLY RETIREMENT SYSTEM - POLICE PENSION
SCHEDULE OF INVESTMENT RETURNS
LAST TEN YEARS

RSI-11

	2024	2024	2023	2022	2021	2020	2019	2018	2017	2016
Annual money-weighted rate of return, net of investment expenses	11.28%	14.96%	12.03%	-14.24%	27.56%	3.65%	7.92%	7.49%	11.26%	0.45%

See notes to required supplementary information.

TOWN OF WESTERLY, RHODE ISLAND

RSI-12

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF CHANGES IN THE TOWN'S PROPORTIONATE SHARE OF NET PENSION LIABILITY TEACHERS' SURVIVORS BENEFIT PLAN LAST TEN YEARS

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Town's portion of the net pension asset	4.40805537%	4.36746187%	4.36220589%	4.66962827%	4.48687935%	4.59546894%	4.74506999%	4.79335383%	4.90954266%	5.13115531%
Town's proportionate share of the net pension asset	\$ 9,744,653	\$ 8,781,067	\$ 7,665,664	\$ 9,138,145	\$ 5,328,778	\$ 5,213,368	\$ 4,233,992	\$ 3,965,369	\$ 4,888,524	\$ 4,790,221
Town's covered employee payroll	\$ 24,409,049	\$ 24,962,987	\$ 24,686,536	\$ 24,670,999	\$ 24,590,735	\$ 24,460,018	\$ 24,795,819	\$ 24,882,810	\$ 24,036,620	\$ 23,007,389
Town's proportionate share of the net pension liability as a percentage of its covered employee payroll	39.92%	35.18%	31.05%	37.04%	21.67%	21.31%	17.08%	15.94%	20.34%	20.82%
Plan fiduciary net position as a percentage of the total pension liability	193.80%	190.20%	177.70%	185.70%	153.10%	150.20%	137.40%	136.10%	153.30%	146.60%

See notes to required supplementary information.

TOWN OF WESTERLY, RHODE ISLAND
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF TOWN'S CONTRIBUTIONS
TEACHERS' SURVIVORS BENEFIT PLAN
LAST TEN YEARS

RSI-13

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially determined contribution	\$ 31,885	\$ 33,497	\$ 33,556	\$ 34,377	\$ 33,461	\$ 33,672	\$ 34,276	\$ 35,305	\$ 29,664	\$ 30,144 ^{52.01}
Contributions in relation to the actuarially determined contribution	31,885	33,497	33,556	34,377	33,461	33,672	34,276	35,305	29,664	30,144
Contribution deficiency (excess)	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
Covered-employee payroll	\$ 24,409,049	\$ 24,962,987	\$ 24,686,536	\$ 24,670,999	\$ 24,590,735	\$ 24,460,018	\$ 24,795,819	\$ 24,882,810	\$ 24,036,620	\$ 23,007,389
Contributions as a percentage of covered-employee payroll	0.13%	0.13%	0.14%	0.14%	0.14%	0.14%	0.14%	0.14%	0.12%	0.13%

Notes:

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

See notes to required supplementary information.

TOWN OF WESTERLY, RHODE ISLAND

RSI-14

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS LAST EIGHT YEARS

	2025	2024	2023	2022	2021	2020	2019	2018
Total OPEB Liability:								
Service cost	\$ 182,263	\$ 180,139	\$ 179,814	\$ 180,480	\$ 167,514	\$ 166,945	\$ 298,837	\$ 341,151
Interest	1,351,569	1,369,853	1,301,769	1,244,036	1,292,683	1,238,966	1,100,334	1,106,276
Changes in benefit terms	--	--	--	--	--	--	--	--
Differences between expected and actual experience	(1,276,441)	(1,239,840)	335,897	359,802	(1,527,984)	179,938	(1,605,924)	(2,380,680)
Changes of assumptions	750,065	413,515	152,270	--	266,810	--	(8,040,490)	(2,185,085)
Benefit payments	(932,306)	(1,039,859)	(956,463)	(961,230)	(854,489)	(784,748)	(738,632)	(725,982)
Net change in total OPEB liability	75,150	(316,192)	1,013,287	823,088	(655,466)	801,101	(8,985,875)	(3,844,320)
Total OPEB Liability-beginning	19,584,132	19,900,324	18,887,037	18,063,949	18,719,415	17,918,314	26,904,189	30,748,509
Total OPEB Liability-ending	19,659,282	19,584,132	19,900,324	18,887,037	18,063,949	18,719,415	17,918,314	26,904,189
Plan fiduciary net position:								
Contributions-employer	1,290,437	1,257,000	1,109,481	1,276,541	1,258,061	1,252,893	1,535,800	1,912,794
Net investment income (loss)	1,103,735	1,101,622	732,838	(867,388)	1,290,874	325,129	448,087	239,784
Benefit payments	(932,306)	(1,039,859)	(956,463)	(961,230)	(854,489)	(784,748)	(738,632)	(725,982)
Administrative expense	(74,639)	(60,300)	(55,531)	(57,173)	(51,872)	(49,940)	(35,575)	(37,013)
Net change in plan fiduciary net position	1,387,227	1,258,463	830,325	(609,250)	1,642,574	743,334	1,209,680	1,389,583
Plan fiduciary net position-beginning	9,264,758	8,006,295	7,175,970	7,785,220	6,142,646	5,399,312	4,189,632	2,800,049
Plan fiduciary net position-ending	10,651,985	9,264,758	8,006,295	7,175,970	7,785,220	6,142,646	5,399,312	4,189,632
Net OPEB Liability	\$ 9,007,297	\$ 10,319,374	\$ 11,894,029	\$ 11,711,067	\$ 10,278,729	\$ 12,576,769	\$ 12,519,002	\$ 22,714,557
Plan fiduciary net position as a percentage of the total OPEB liability	54.20%	47.31%	40.23%	37.99%	43.10%	32.81%	30.13%	15.57%
Covered-employee payroll	\$ 5,455,297	\$ 4,584,932	\$ 4,420,685	\$ 3,990,113	\$ 3,911,875	\$ 3,603,494	\$ 3,463,796	\$ 3,778,768
Net OPEB liability as a percentage of covered-employee payroll	165.11%	225.07%	269.05%	293.50%	262.76%	349.02%	361.42%	601.11%

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

See notes to required supplementary information.

TOWN OF WESTERLY, RHODE ISLAND

RSI-15

REQUIRED SUPPLEMENTARY INFORMATION WESTERLY RETIREMENT SYSTEM - OTHER POSTEMPLOYMENT BENEFITS SCHEDULE OF TOWN OF WESTERLY'S CONTRIBUTIONS LAST TEN YEARS

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially determined contribution	\$ 1,169,097	\$ 1,290,437	\$ 1,251,149	\$ 1,104,980	\$ 1,275,774	\$ 1,252,893	\$ 1,365,184	\$ 1,501,065	\$ 1,912,794	\$ 2,784,810
Contributions in relation to the actuarially determined contribution	1,290,437	1,257,000	1,109,481	1,276,541	1,258,061	1,252,893	1,535,800	1,912,794	400,000	386,000
Contribution deficiency (excess)	<u>\$ (121,340)</u>	<u>\$ 33,437</u>	<u>\$ 141,668</u>	<u>\$ (171,561)</u>	<u>\$ 17,713</u>	<u>\$ --</u>	<u>\$ (170,616)</u>	<u>\$ (411,729)</u>	<u>\$ 1,512,794</u>	<u>\$ 2,398,810</u>
Percentage contributed	110%	97%	89%	116%	99%	100%	112%	127%	21%	14%
Employee covered payroll	\$ 5,455,297	\$ 4,584,932	\$ 4,420,685	\$ 3,990,113	\$ 3,911,875	\$ 3,603,494	\$ 3,463,796	\$ 3,778,768	\$ 3,668,707	\$ 3,406,417
Contribution as a % of covered payroll	23.7%	27.4%	25.1%	32.0%	32.2%	34.8%	44.3%	50.6%	10.9%	11.3%

See notes to required supplementary information.

TOWN OF WESTERLY, RHODE ISLAND
REQUIRED SUPPLEMENTARY INFORMATION
WESTERLY OTHER POST EMPLOYMENT BENEFITS PLAN
SCHEDULE OF INVESTMENT RETURNS
LAST EIGHT YEARS

RSI-16

	2025	2024	2023	2022	2021	2020	2019	2018
Annual money-weighted rate of return, net of investment expenses	11.91%	13.35%	9.03%	-11.92%	19.53%	5.48%	6.94%	4.75%

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

See notes to required supplementary information.

TOWN OF WESTERLY, RHODE ISLAND
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2025

RSI-17

Budget preparation and budgetary basis of accounting:

In accordance with the Town's charter, the Town has formally established budgetary accounting control for its General Fund. It is the responsibility of the Town Manager to submit a proposed General Fund budget to the Town Council and the Board of Finance. The General Fund budget includes the Municipal budget and the School budget. The proposed School budget is approved by the School Committee and presented to the Town Manager. The Board of Finance has the power to recommend revisions to any School budget item and must conduct one public hearing after a tentative School budget is formed. The Board of Finance must also review the proposed municipal budget and make revisions as appropriate and hold one public hearing on the Municipal budget. The Town Council may then revise and adopt a recommended General Fund budget including changes to the School appropriation. At least two public hearings are conducted on the recommended General Fund budget and the final recommended budget is legally enacted through an ordinance by the Town Council prior to the start of the fiscal year.

Budgets are adopted on a basis consistent with generally accepted accounting principles for the General Fund and the School Unrestricted Fund. The Capital Projects Fund is appropriated on a project-length basis. Other special revenue funds and the permanent funds do not have appropriated budgets since other means control the use of these resources (e.g., grant awards and endowment requirements) and sometimes span a period of more than one fiscal year.

At any time during the fiscal year, the Town Manager may transfer part or all of any unencumbered appropriation balance among programs within a department, office or agency and, upon written request by the Town Manager, the Council may by ordinance transfer part or all of any unencumbered appropriation balance from one department, office or agency to another.

The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the department level.

Every appropriation, except an appropriation for a capital expenditure or the appropriation for support of public schools, shall lapse at the close of the fiscal year to the extent that it has not been expended or encumbered. An appropriation for a capital expenditure shall continue in force until the purpose for which it was made has been accomplished or abandoned; the purpose of any such appropriation shall be deemed abandoned if three years pass without any disbursement from or encumbrance of the appropriation.

TOWN OF WESTERLY, RHODE ISLAND

RSI-17

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2025

(a) Budgetary to GAAP Basis Reconciliation

The following reconciliation summarizes the difference for the Town's General Fund between budgetary and GAAP basis accounting principles for the fiscal year ended June 30, 2025:

Total Revenues and Other Financing Sources	110,342,532
Budgetary revenues are different than GAAP revenues because of the following reconciling items:	
Proceeds from financing lease	1,299,486
Use of fund balance budgeted as a transfer	(3,858,226)
School Unrestricted Fund transfers in	817,730
Revenues for funds not reported as budgetary revenues, but included for financial reporting purposes:	
Miscellaneous Donation Fund revenues	30,533
Athletic Fund revenues	21,256
School Unrestricted Fund revenues	1,845,925
State of Rhode-Island on behalf of the Town payments to the Employee Retirement System	<u>2,731,875</u>
Total Revenues and Other Financing Sources as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds - <i>Exhibit IV</i>	<u><u>113,231,111</u></u>
 Total Expenditures and Other Financing Uses	 102,936,917
Budgetary expenditures are different than GAAP expenditures because of the following reconciling items:	
Town change in encumbrances	(121,713)
School change in encumbrances	423,169
Equipment purchased through financing lease	1,299,486
Expenditures for funds not reported as budgetary expenditures, but are included in GAAP expenditures:	
Miscellaneous Donation Fund expenditures	31,036
Athletic Fund expenditures	17,570
School Unrestricted Fund expenditures	59,498,483
School Unrestricted Fund transfers out	595,590
State of Rhode-Island on behalf of the Town payments to the Employee Retirement System	2,731,875
Town General Fund appropriation to School General Fund	(49,059,463)
Town General Fund transfer out of LEA Aid to School General Fund	<u>(8,922,659)</u>
Total Expenditures and Other Financing Uses as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds - <i>Exhibit IV</i>	<u><u>109,430,291</u></u>

TOWN OF WESTERLY, RHODE ISLAND

RSI-17

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2025

Budget Compliance:

Appropriations in addition to those contained in the annual operating budget require Town Council approval. Amendments to the operating budget that do not result in additional appropriations may be made within departments by means of transfer. Transfers made within and outside the departmental level require Town Council approval. The level at which the General Fund and School Unrestricted Fund budgeted expenditures may not legally exceed appropriations is at the department level. Unexpended appropriations lapse at fiscal year-end, but unexpended capital and special appropriation have historically been carried forward.

SUPPLEMENTARY INFORMATION

This page left intentionally blank.

Town of Westerly
Annual Supplemental Transparency Report (MTP2)
Fiscal Year Ended June 30, 2025

<u>REVENUE</u>	<u>Municipal</u>	<u>Education Department</u>
Current Year Levy Tax Collection	\$ 78,953,799	\$ -
Last Year's Levy Tax Collection	221,877	-
Prior Years Property Tax Collection	34,963	-
Interest & Penalty	307,700	-
PILOT & Tax Treaty (excluded from levy) Collection	19,362	-
Other Local Property Taxes	29,991	-
Licenses and Permits	1,272,443	-
Fines and Forfeitures	585,375	-
Investment Income	1,803,841	-
Departmental	2,858,712	-
Rescue Run Revenue	-	-
Police & Fire Detail	-	-
Other Local Non-Property Tax Revenues	-	-
Tuition	-	40,045
Impact Aid	-	-
Medicaid	-	1,637,810
Federal Stabilization Funds	-	-
Federal Food Service Reimbursement	-	522,118
CDBG	719,403	-
COPS Grants	27,809	-
SAFER Grants	-	-
Other Federal Aid Funds	319,218	2,728,833
COVID - ESSER	-	2,286,754
COVID - CRF	-	-
COVID - CDBG	-	-
COVID - FEMA	19,975	-
COVID - Other	-	-
COVID - ARPA	2,432,033	-
MV Excise Tax Reimbursement	-	-
State PILOT Program	151,026	-
Distressed Community Relief Fund	-	-
Library Resource Aid	453,238	-
Library Construction Aid	-	-
Public Service Corporation Tax	330,204	-
Meals & Beverage Tax / Hotel Tax	2,728,344	-
LEA Aid	-	8,785,308
Group Home	-	-
Housing Aid Capital Projects	-	-
Housing Aid Bonded Debt	2,196,723	-
State Food Service Revenue	-	81,048
Incentive Aid	-	-
Property Revaluation Reimbursement	-	-
Other State Revenue	9,094,316	1,172,959
Motor Vehicle Phase Out	5,774,500	-
Tangible Property Reimbursement	485,171	-
Cannabis Tax Distribution	452	-
Other Revenue	-	760,609
Local Appropriation for Education	-	49,059,463
Regional Appropriation for Education	-	-
Supplemental Appropriation for Education	-	-
Regional Supplemental Appropriation for Education	-	-
Other Education Appropriation	-	-
Rounding	-	-
Total Revenue	\$ 110,820,474	\$ 67,074,947
Financing Sources: Transfer from Capital Funds	\$ -	\$ -
Financing Sources: Transfer from Other Funds	-	2,937,483
Financing Sources: Debt Proceeds	-	-
Financing Sources: Other	-	-
Rounding	-	-
Total Other Financing Sources	\$ -	\$ 2,937,483

Town of Westerly
Annual Supplemental Transparency Report (MTP2)
Fiscal Year Ended June 30, 2025

<u>EXPENDITURES</u>	<u>General</u> <u>Government</u>	<u>Finance</u>	<u>Social</u> <u>Services</u>	<u>Centralized</u> <u>IT</u>	<u>Planning</u>	<u>Libraries</u>	<u>Public</u> <u>Works</u>	<u>Parks and</u> <u>Rec</u>	<u>Police</u> <u>Department</u>
Compensation- Group A	\$ 1,486,763	\$ 370,651	\$ -	\$ 244,715	\$ 719,190	\$ -	\$ 2,424,830	\$ 468,025	\$ 5,376,556
Compensation - Group B	-	-	-	-	-	-	-	-	-
Compensation - Group C	-	-	-	-	-	-	-	-	-
Compensation -Volunteer	-	-	-	-	-	-	-	-	-
Overtime- Group A	2,735	9,368	-	9,067	396	-	130,788	9,587	821,042
Overtime - Group B	-	-	-	-	-	-	-	-	-
Overtime - Group C	-	-	-	-	-	-	-	-	-
Police & Fire Detail	-	-	-	-	-	-	-	-	520,945
Active Medical Insurance - Group A	192,646	54,681	-	49,037	137,596	-	518,911	27,561	913,904
Active Medical Insurance- Group B	-	-	-	-	-	-	-	-	-
Active Medical Insurance- Group C	-	-	-	-	-	-	-	-	-
Active Dental insurance- Group A	10,027	2,580	-	2,208	6,859	-	29,279	1,265	46,650
Active Dental Insurance- Group B	-	-	-	-	-	-	-	-	-
Active Dental Insurance- Group C	-	-	-	-	-	-	-	-	-
Payroll Taxes	96,712	31,446	-	18,052	53,333	-	193,929	37,701	171,235
Life Insurance	10,579	946	-	538	1,801	-	5,100	540	6,929
State Defined Contribution- Group A	-	-	-	-	-	-	-	-	-
State Defined Contribution - Group B	-	-	-	-	-	-	-	-	-
State Defined Contribution - Group C	-	-	-	-	-	-	-	-	-
Other Benefits- Group A	2,544	1,223	-	603	1,932	-	6,283	1,876	114,486
Other Benefits- Group B	-	-	-	-	-	-	-	-	-
Other Benefits- Group C	-	-	-	-	-	-	-	-	-
Local Defined Benefit Pension- Group A	117,891	35,102	-	20,469	71,129	-	231,604	15,047	98,386
Local Defined Benefit Pension - Group B	-	-	-	-	-	-	-	-	-
Local Defined Benefit Pension - Group C	-	-	-	-	-	-	-	-	-
State Defined Benefit Pension- Group A	-	-	-	-	-	-	-	-	-
State Defined Benefit Pension - Group B	-	-	-	-	-	-	-	-	-
State Defined Benefit Pension - Group C	-	-	-	-	-	-	-	-	-
Other Defined Benefit / Contribution	3,412,837	-	-	-	-	-	-	-	-
Purchased Services	203,689	112,211	-	352,384	78,390	-	241,472	107,205	170,071
Materials/Supplies	73,118	33,393	-	900	5,707	-	147,424	48,211	22,920
Software Licenses	-	-	-	61,554	-	-	-	-	34,627
Capital Outlays	6,604,021	-	-	-	-	-	306,632	49,415	23,184
Insurance	545,410	-	-	-	-	-	-	-	-
Maintenance	2,398	-	-	-	7,425	-	64,293	46,936	-
Vehicle Operations	-	-	-	-	-	-	412,501	-	203,125
Utilities	-	-	-	-	-	-	426,279	74,310	-
Contingency	-	-	-	-	-	-	-	-	-
Street Lighting	-	-	-	-	-	-	46,608	-	-
Revaluation	-	25,754	-	-	-	-	-	-	-
Snow Removal-Raw Material & External Contracts	-	-	-	-	-	-	-	-	-
Trash Removal & Recycling	-	-	-	-	-	-	40,992	-	-
Claims & Settlements	609,701	-	-	-	-	-	-	-	-
Community Support	1,661,676	-	-	-	-	-	-	-	-
Other Operation Expenditures	736,165	4,140	-	-	5,846	868,238	45,865	4,810	249,742
Tipping Fees	-	-	-	-	-	-	-	-	-
Local Appropriation for Education	-	-	-	-	-	-	-	-	-
Regional Appropriation for Education	-	-	-	-	-	-	-	-	-
Supplemental Appropriation for Education	-	-	-	-	-	-	-	-	-
Regional Supplemental Appropriation for Education	-	-	-	-	-	-	-	-	-
Other Education Appropriation	-	-	-	-	-	-	-	-	-
Municipal Debt- Principal	-	-	-	-	-	-	-	-	-
Municipal Debt- Interest	-	-	-	-	-	-	-	-	-
School Debt- Principal	-	-	-	-	-	-	-	-	-
School Debt- Interest	-	-	-	-	-	-	-	-	-
Retiree Medical Insurance- Total	-	-	-	-	-	-	-	-	-
Retiree Dental Insurance- Total	-	-	-	-	-	-	-	-	-
OPEB Contribution- Total	-	-	-	-	-	-	-	-	-
Rounding	-	-	-	-	-	-	-	-	-
Total Expenditures	\$ 15,768,913	\$ 681,495	\$ -	\$ 759,526	\$ 1,089,604	\$ 868,238	\$ 5,272,790	\$ 892,488	\$ 8,773,801

Town of Westerly
Annual Supplemental Transparency Report (MTP2)
Fiscal Year Ended June 30, 2025

EXPENDITURES	Fire Department	Centralized Dispatch	Public Safety Other	Education Appropriation	Debt	OPEB	Total Municipal	Education Department
Compensation- Group A	\$ -	\$ -	\$ 234,472	\$ -	\$ -	\$ -	\$ 11,325,201	\$ 23,717,364
Compensation - Group B	-	-	-	-	-	-	-	3,272,189
Compensation - Group C	-	-	-	-	-	-	-	7,905,606
Compensation -Volunteer	-	-	-	-	-	-	-	-
Overtime- Group A	-	-	11,289	-	-	-	994,273	-
Overtime - Group B	-	-	-	-	-	-	-	324
Overtime - Group C	-	-	-	-	-	-	-	191,187
Police & Fire Detail	-	-	-	-	-	-	520,945	-
Active Medical Insurance - Group A	-	-	18,120	-	-	-	1,912,455	4,270,798
Active Medical Insurance- Group B	-	-	-	-	-	-	-	483,860
Active Medical Insurance- Group C	-	-	-	-	-	-	-	2,129,902
Active Dental insurance- Group A	-	-	380	-	-	-	99,246	189,808
Active Dental Insurance- Group B	-	-	-	-	-	-	-	20,103
Active Dental Insurance- Group C	-	-	-	-	-	-	-	72,354
Payroll Taxes	-	-	19,112	-	-	-	621,519	1,199,292
Life Insurance	-	-	327	-	-	-	26,760	239,528
State Defined Contribution- Group A	-	-	-	-	-	-	-	551,469
State Defined Contribution - Group B	-	-	-	-	-	-	-	61,716
State Defined Contribution - Group C	-	-	-	-	-	-	-	-
Other Benefits- Group A	-	-	2,329	-	-	-	131,277	191,421
Other Benefits- Group B	-	-	-	-	-	-	-	14,580
Other Benefits- Group C	-	-	-	-	-	-	-	10,136
Local Defined Benefit Pension- Group A	-	-	14,697	-	-	-	604,325	24,552
Local Defined Benefit Pension - Group B	-	-	-	-	-	-	-	44,616
Local Defined Benefit Pension - Group C	-	-	-	-	-	-	-	924,071
State Defined Benefit Pension- Group A	-	-	-	-	-	-	-	3,525,037
State Defined Benefit Pension - Group B	-	-	-	-	-	-	-	450,387
State Defined Benefit Pension - Group C	-	-	-	-	-	-	-	-
Other Defined Benefit / Contribution	-	-	-	-	-	-	3,412,837	-
Purchased Services	-	-	75,764	-	-	-	1,341,186	8,567,978
Materials/Supplies	-	-	15,453	-	-	-	347,126	1,471,137
Software Licenses	-	-	-	-	-	-	96,180	668,942
Capital Outlays	-	-	-	-	-	-	6,983,252	673,726
Insurance	-	-	-	-	-	-	545,410	837,049
Maintenance	-	-	5,257	-	-	-	126,309	2,719,950
Vehicle Operations	-	-	-	-	-	-	615,626	649,444
Utilities	-	-	-	-	-	-	500,589	1,588,702
Contingency	-	-	-	-	-	-	-	-
Street Lighting	-	-	-	-	-	-	46,608	-
Revaluation	-	-	-	-	-	-	25,754	-
Snow Removal-Raw Material & External Contracts	-	-	-	-	-	-	-	-
Trash Removal & Recycling	-	-	-	-	-	-	40,992	-
Claims & Settlements	-	-	-	-	-	-	609,701	127,000
Community Support	-	-	-	-	-	-	1,661,676	-
Other Operation Expenditures	-	-	4,791	-	-	-	1,919,597	484,991
Tipping Fees	-	-	-	-	-	-	-	-
Local Appropriation for Education	-	-	-	49,059,463	-	-	49,059,463	-
Regional Appropriation for Education	-	-	-	-	-	-	-	-
Supplemental Appropriation for Education	-	-	-	-	-	-	-	-
Regional Supplemental Appropriation for Education	-	-	-	-	-	-	-	-
Other Education Appropriation	-	-	-	-	-	-	-	-
Municipal Debt- Principal	-	-	-	-	4,186,174	-	4,186,174	-
Municipal Debt- Interest	-	-	-	-	829,830	-	829,830	-
School Debt- Principal	-	-	-	-	4,543,687	-	4,543,687	-
School Debt- Interest	-	-	-	-	2,215,925	-	2,215,925	-
Retiree Medical Insurance- Total	-	-	-	-	-	-	-	2,175
Retiree Dental Insurance- Total	-	-	-	-	-	-	-	-
OPEB Contribution- Total	-	-	-	-	-	-	-	-
Rounding	-	-	-	-	-	-	-	-
Total Expenditures	\$ -	\$ -	\$ 401,991	\$ 49,059,463	\$ 11,775,616	\$ -	\$ 95,343,924	\$ 67,281,395

Financing Uses: Transfer to Capital Funds	\$ -	\$ -
Financing Uses: Transfer to Other Funds	10,869,692	-
Financing Uses: Payment to Bond Escrow Agent	-	-
Financing Uses: Other	-	-
Total Other Financing Uses	\$ 10,869,692	\$ -
Net Change in Fund Balance¹	4,606,857	2,731,035
Fund Balance1- beginning of year	\$26,525,724	\$5,532,556
Funds removed from Reportable Government Services (RGS)	-	-
Funds added to Reportable Government Services (RGS)	(3,544)	-
Prior period adjustments	-	-
Misc. Adjustment	(40,000)	-
Fund Balance¹ - beginning of year adjusted	26,482,180	5,532,556
Rounding	-	-
Fund Balance¹ - end of year	\$ 31,089,037	\$ 8,263,591

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

Town of Westerly
Annual Supplemental Transparency Report (MTP2)
Combining Schedule of
Reportable Government Services with
Reconciliation to MTP2
Municipal
Fiscal Year Ended June 30, 2025

Per Audited Fund Financial Statements		Total Other Financing Sources		Total Expenditures		Total Other Financing Uses		Net Change in Fund Balance ¹		Beginning Fund Balance ^a (Deficit)		Prior Period Adjustment		Restated Beginning Fund Balance ^a (Deficit)		Ending Fund Balance ^a (Deficit)	
Fund Description		Total Revenue	Total Other Financing Sources	Total Expenditures	Total	Total Other Financing Uses	Total Other Financing Uses	Balance ¹		(Deficit)		Adjustment		(Deficit)		(Deficit)	
Fund Balance¹ - per MTP-2 at June 30, 2024																	
<i>Removed funds for fiscal 2024</i>																	
<i>Added funds for fiscal 2024 (FEMA Storms)</i>																	
<i>Miscellaneous adjustment(s) made for fiscal 2024</i>																	
Fund Balance¹ - per MTP-2 at June 30, 2025 adjusted																	
General Fund		\$ 107,302,036	\$ -	\$ 43,008,747	\$ 43,008,747	\$ 59,929,155	\$ 59,929,155	\$ 4,364,134	\$ 25,764,069	\$ 25,764,069	\$ -	\$ -	\$ -	\$ 25,764,069	\$ 30,128,203		
Town Special Revenue Funds - Federal Forfeiture Fund (1005)		16,923	-	1,500	1,500	-	-	15,423	219,746	219,746	-	-	-	219,746	235,169		
Town Special Revenue Funds - CDBG PY20 (0178)		663,109	-	648,592	648,592	-	-	14,517	17,527	17,527	-	-	-	17,527	32,044		
Town Special Revenue Funds - CDBG PY22 (0179)		56,294	-	52,159	52,159	-	-	4,135	-	-	-	-	-	-	4,135		
Town Special Revenue Funds - MEDS PODS (Civil Defense) Fund (0860)		1,957	-	-	-	-	-	1,957	99,724	99,724	-	-	-	99,724	101,681		
Town Special Revenue Funds - ARPA (0948)		2,432,033	-	2,205,204	2,205,204	-	-	226,829	4,700	4,700	-	-	-	4,700	231,529		
Town Special Revenue Funds - COPS Grants (1014)		27,809	-	26,717	26,717	-	-	1,092	35	35	-	-	-	35	1,127		
Other Federal- Highway Safety Grant (1012)		50,034	-	45,540	45,540	-	-	4,494	10,645	10,645	-	-	-	10,645	15,139		
Other Federal- Pumpout Boat (0955)		46,976	-	50,387	50,387	-	-	(3,411)	25,648	25,648	-	-	-	25,648	22,237		
Other Federal- Opioid		53,969	-	95,327	95,327	-	-	(41,358)	301,721	301,721	-	-	-	301,721	260,363		
Other Federal- EMA Grant		4,000	-	5,000	5,000	-	-	(1,000)	(5,417)	(5,417)	-	-	-	(5,417)	(6,417)		
Other Federal- Police Misc. Grants		97,829	-	91,080	91,080	-	-	6,749	21,066	21,066	-	-	-	21,066	27,815		
Other Federal- FEMA Storms		19,975	-	16,430	16,430	-	-	3,545	(3,544)	(3,544)	-	-	-	(3,544)	1		
Other Federal- Conservation Grants (NOAA)		47,530	-	37,778	37,778	-	-	9,752	(9,690)	(9,690)	-	-	-	(9,690)	62		
Other Federal- FEMA Public Assistance Covid 19		-	-	-	-	-	-	-	35,950	35,950	-	-	-	35,950	35,950		
Totals per audited financial statements		\$ 110,820,474	\$ -	\$ 46,284,461	\$ 46,284,461	\$ 59,929,155	\$ 59,929,155	\$ 4,606,857	\$ 26,482,180	\$ 26,482,180	\$ -	\$ -	\$ -	\$ 26,482,180	\$ 31,089,037		

Reconciliation from financial statements to MTP2

Reclassify transfer of municipal appropriation to Education Department as expenditure on MTP2 Rounding

\$ -	\$ -	\$ 49,059,463	\$ (49,059,463)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 110,820,474	\$ -	\$ 95,343,924	\$ 10,869,692	\$ 4,606,857	\$ 26,482,180	\$ 31,089,037	\$ 31,089,037	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Totals Per MTP2

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

Town of Westerly
Annual Supplemental Transparency Report (MTP2)
Combining Schedule of
Reportable Government Services with
Reconciliation to MTP2
Education Department
Fiscal Year Ended June 30, 2025

Per Audited Fund Financial Statements		Fund Description									
Total Revenue	Total Financing Sources	Total Expenditures	Total Other Financing Uses	Net Change in Fund Balance ¹	Beginning Fund Fund Balance ¹ (Deficit)	Prior Period Adjustment	Restated Beginning Fund Balance ¹ (Deficit)	Ending Fund Balance ¹ (Deficit)			
Fund Balance ¹ - per MTP-2 at June 30, 2024											
No misc. adjustments made for fiscal 2024											
Fund Balance ¹ - per MTP-2 at June 30, 2025 adjusted											
\$ 4,492,238	\$ 57,982,122	\$ 62,442,084	\$ 595,590	\$ (563,314)	\$ 8,041,553	\$ -	\$ 8,041,553	\$ 7,478,239			
883,319	-	1,031,295	-	(147,976)	278,937	-	278,937	130,961			
6,586,494	3,558,770	6,677,242	25,697	3,442,325	(2,787,934)	-	(2,787,934)	654,391			
\$ 11,962,051	\$ 61,540,892	\$ 70,150,621	\$ 621,287	\$ 2,731,035	\$ 5,532,556	\$ -	\$ 5,532,556	\$ 8,263,591			
Reconciliation from financial statements to MTP2											
Municipal appropriation for Education reported as a transfer on financial statements but a revenue on MTP2											
\$ 49,059,463	\$ (49,059,463)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
8,785,308	(8,785,308)	-	-	-	-	-	-	-			
(2,731,875)	-	(2,731,875)	-	-	-	-	-	-			
-	(137,351)	(137,351)	-	-	-	-	-	-			
-	(621,287)	-	(621,287)	-	-	-	-	-			
-	-	-	-	-	-	-	-	-			
\$ 67,074,947	\$ 2,937,483	\$ 67,281,395	\$ -	\$ 2,731,035	\$ 5,532,556	\$ -	\$ 5,532,556	\$ 8,263,591			
Totals Per MTP2											
Reconciliation from MTP2 to UCOA											
Transfer from town represented in audit/MTP2 as source but as revenue for UCOA											
\$ 2,937,483	\$ (2,937,483)	\$ -	\$ -								
\$ 70,012,430	\$ -	\$ 67,281,395	\$ -								
Totals per UCOA Validated Totals Report Dated 01/29/26											

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

TOWN OF WESTERLY, RHODE ISLAND

A-2

NOTES TO SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED JUNE 30, 2025

NOTE 1 - BASIS OF PRESENTATION

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

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

NOTE 2 - REPORTABLE GOVERNMENT SERVICES

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

NOTE 3 - ALLOCATIONS

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

NOTE 4 - EMPLOYEE GROUPS

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

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

NOTES TO SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED JUNE 30, 2025

NOTE 4 - EMPLOYEE GROUPS (CONTINUED)

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

- Police Department - police officers (e.g., uniform personnel - including, leadership positions)
- Fire Department - fire fighters (e.g., uniform personnel - including, leadership positions)
- Centralized Dispatch Department - civilian dispatchers only
- Education Department - professional staff providing direct services to students
- For the remaining departments - all employees' compensation and benefits are reported under Group A

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

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

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 WESTERLY, RHODE ISLAND

B-1

COMBINING BALANCE SHEET NON-MAJOR GOVERNMENTAL FUNDS JUNE 30, 2025

	Special Revenue Funds	Capital Projects Funds	Total Non-Major Governmental Funds
Assets			
Cash and cash equivalents	\$ 2,270,747	\$ 7,751,736	\$ 10,022,483
Restricted cash held in escrow	146	--	146
Investments	71,884	--	71,884
Accounts and other receivables	357,795	--	357,795
Due from federal and state governments	1,312,968	4,562	1,317,530
Due from other funds	<u>2</u>	<u>--</u>	<u>2</u>
Total Assets	<u><u>\$ 4,013,542</u></u>	<u><u>\$ 7,756,298</u></u>	<u><u>\$ 11,769,840</u></u>
Liabilities			
Accounts payable and accrued liabilities	\$ 471,550	\$ 142,441	\$ 613,991
Accrued Expenditures	232,238	4,346	236,584
Due to other funds	1,853,987	--	1,853,987
Unearned Revenue	<u>1,099</u>	<u>--</u>	<u>1,099</u>
Total Liabilities	<u><u>2,558,874</u></u>	<u><u>146,787</u></u>	<u><u>2,705,661</u></u>
Fund Balance			
Restricted	1,538,184	--	1,538,184
Committed	27,654	7,609,511	7,637,165
Unassigned	<u>(111,170)</u>	<u>--</u>	<u>(111,170)</u>
Total Fund Balance	<u><u>1,454,668</u></u>	<u><u>7,609,511</u></u>	<u><u>9,064,179</u></u>
Total Liabilities and Fund Balance	<u><u>\$ 4,013,542</u></u>	<u><u>\$ 7,756,298</u></u>	<u><u>\$ 11,769,840</u></u>

TOWN OF WESTERLY, RHODE ISLAND

B-2

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES NON-MAJOR GOVERNMENTAL FUNDS FOR THE YEAR ENDED JUNE 30, 2025

	Special Revenue Funds	Capital Projects Funds	Total Non-Major Governmental Funds
Revenues			
Intergovernmental	\$ 912,828	\$ 14,646	\$ 927,474
Charges for services	516,621	--	516,621
Capital grants and contributions	2,607,784	--	2,607,784
Investment income	16,472	--	16,472
Total Revenues	<u>4,054,662</u>	<u>14,646</u>	<u>4,069,308</u>
Expenditures			
Current:			
Legislative, executive and administrative	1,189,468	--	1,189,468
Public safety	149,129	--	149,129
Health and welfare	5,559	--	5,559
Parks and recreation	702,454	--	702,454
Conservation and development	21,825	--	21,825
Education	1,031,294	--	1,031,294
Capital outlay	693,464	3,296,376	3,989,840
Total Expenditures	<u>3,793,193</u>	<u>3,296,376</u>	<u>7,089,569</u>
Operating Expenses			
Contracted services	16,430	--	16,430
Administrative expense	1,001	--	1,001
Total Operating Expense	<u>17,431</u>	<u>--</u>	<u>17,431</u>
Non-Operating Revenues (Expenses)			
Miscellaneous Expenses	--	130	130
Total Non-Operating Revenues (Expenses)	<u>--</u>	<u>130</u>	<u>130</u>
Excess (Deficiency) of Revenues Over (Under)			
Expenditures Before Other Financing Sources (Uses)	<u>244,038</u>	<u>(3,281,860)</u>	<u>(3,037,822)</u>
Other Financing Sources (Uses)			
Transfers from other funds	--	2,741,285	2,741,285
Total Other Financing Sources (Uses)	<u>--</u>	<u>2,741,285</u>	<u>2,741,285</u>
Net Change in Fund Balances	<u>244,038</u>	<u>(540,575)</u>	<u>(296,537)</u>
Fund Balances - Beginning of Year, as adjusted	<u>1,210,630</u>	<u>8,150,086</u>	<u>9,360,716</u>
Fund Balances - End of Year	<u><u>\$ 1,454,668</u></u>	<u><u>\$ 7,609,511</u></u>	<u><u>\$ 9,064,179</u></u>

TOWN OF WESTERLY, RHODE ISLAND

B-3

NON-MAJOR GOVERNMENTAL - SPECIAL REVENUE FUNDS COMBINING BALANCE SHEET JUNE 30, 2025

	School Lunch Fund	Neuter Surcharge Fund	Town Clerks Fund	Civil Defense Fund	Conservation Grants (NOAA)	Opioid Settlements
Assets						
Cash and cash equivalents	\$ 763,454	\$ 6,095	\$ 171,607	\$ 57,377	\$ --	\$ 260,363
Restricted cash held in escrow	--	--	--	--	--	--
Investments	--	--	22,465	44,304	--	--
Accounts and other receivables	217,657	--	--	--	28,888	--
Due from federal and state governments	--	--	--	--	--	--
Due from other funds	--	--	1	--	1	--
Total Assets	<u>\$ 981,111</u>	<u>\$ 6,095</u>	<u>\$ 194,073</u>	<u>\$ 101,681</u>	<u>\$ 28,889</u>	<u>\$ 260,363</u>
Liabilities and Fund Balance						
Liabilities						
Accounts payable	\$ 187,615	\$ --	\$ --	\$ --	\$ --	\$ --
Accrued liabilities	--	--	--	--	--	--
Due to other funds	662,535	--	--	--	28,827	--
Unearned revenue	--	--	99	--	--	--
Total Liabilities	<u>850,150</u>	<u>--</u>	<u>99</u>	<u>--</u>	<u>28,827</u>	<u>--</u>
Fund Balance						
Restricted	130,961	6,095	193,974	101,681	62	260,363
Committed	--	--	--	--	--	--
Unassigned	--	--	--	--	--	--
Total Fund Balance	<u>130,961</u>	<u>6,095</u>	<u>193,974</u>	<u>101,681</u>	<u>62</u>	<u>260,363</u>
Total Liabilities and Fund Balance	<u>\$ 981,111</u>	<u>\$ 6,095</u>	<u>\$ 194,073</u>	<u>\$ 101,681</u>	<u>\$ 28,889</u>	<u>\$ 260,363</u>

TOWN OF WESTERLY, RHODE ISLAND

B-3

NON-MAJOR GOVERNMENTAL - SPECIAL REVENUE FUNDS COMBINING BALANCE SHEET (CONTINUED) JUNE 30, 2025

	RIIB Bond Dredging Grant Match	RIIB Bond 2011 Refunding	\$15,000,000 Bond Fund	Highway Safety Grant	Substance Abuse 132
Assets					
Cash and cash equivalents	\$ --	5,201	\$ --	\$ 15,139	\$ 11,856
Restricted cash held in escrow	--	--	146	--	--
Investments	--	--	--	--	--
Accounts and other receivables	2,569	--	--	--	--
Due from federal and state governments	--	--	--	--	--
Due from other funds	--	--	--	--	--
Total Assets	<u>\$ 2,569</u>	<u>\$ 5,201</u>	<u>\$ 146</u>	<u>\$ 15,139</u>	<u>\$ 11,856</u>
Liabilities and Fund Balance					
Liabilities					
Accounts payable	\$ --	\$ --	\$ --	\$ --	\$ --
Accrued liabilities	--	--	--	--	--
Due to other funds	--	--	--	--	--
Unearned revenue	--	--	--	--	--
Total Liabilities	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Fund Balance					
Restricted	2,569	5,201	146	15,139	11,856
Committed	--	--	--	--	--
Unassigned	--	--	--	--	--
Total Fund Balance	<u>2,569</u>	<u>5,201</u>	<u>146</u>	<u>15,139</u>	<u>11,856</u>
Total Liabilities and Fund Balance	<u>\$ 2,569</u>	<u>\$ 5,201</u>	<u>\$ 146</u>	<u>\$ 15,139</u>	<u>\$ 11,856</u>

TOWN OF WESTERLY, RHODE ISLAND

B-3

NON-MAJOR GOVERNMENTAL - SPECIAL REVENUE FUNDS COMBINING BALANCE SHEET (CONTINUED) JUNE 30, 2025

	COPS Grant	Federal Forfeiture	South County Health Grant	FEMA Storms	FEMA Public Assistance COVID19	Pumpout Boat	EMA Grant
Assets							
Cash and cash equivalents	\$ 1,126	\$ 386,351	\$ 2,389	\$ --	\$ 35,950	\$ 12,600	\$ --
Restricted cash held in escrow	--	--	--	--	--	--	--
Investments	--	--	--	--	--	--	--
Accounts and other receivables	--	--	--	1	--	--	--
Due from federal and state governments	--	--	--	--	--	13,331	5,567
Due from other funds	--	--	--	--	--	--	--
Total Assets	<u>\$ 1,126</u>	<u>\$ 386,351</u>	<u>\$ 2,389</u>	<u>\$ 1</u>	<u>\$ 35,950</u>	<u>\$ 25,931</u>	<u>\$ 5,567</u>
Liabilities and Fund Balance							
Liabilities							
Accounts payable	\$ --	\$ --	\$ --	\$ --	--	\$ 500	\$ 833
Accrued liabilities	--	--	--	--	--	3,194	--
Due to other funds	--	151,181	--	--	--	--	11,151
Unearned revenue	--	--	--	--	--	--	--
Total Liabilities	<u>--</u>	<u>151,181</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>3,694</u>	<u>11,984</u>
Fund Balance							
Restricted	1,126	235,170	2,389	1	35,950	--	--
Committed	--	--	--	--	--	22,237	--
Unassigned	--	--	--	--	--	--	(6,417)
Total Fund Balance	<u>1,126</u>	<u>235,170</u>	<u>2,389</u>	<u>1</u>	<u>35,950</u>	<u>22,237</u>	<u>(6,417)</u>
Total Liabilities and Fund Balance	<u>\$ 1,126</u>	<u>\$ 386,351</u>	<u>\$ 2,389</u>	<u>\$ 1</u>	<u>\$ 35,950</u>	<u>\$ 25,931</u>	<u>\$ 5,567</u>

TOWN OF WESTERLY, RHODE ISLAND

B-3

NON-MAJOR GOVERNMENTAL - SPECIAL REVENUE FUNDS COMBINING BALANCE SHEET (CONTINUED) JUNE 30, 2025

	United Way 2025		Wild Rivers		Learn 365		Learn 365		Ice Risk
	Homeland Security	Summer Learning Initiative	Homelessness	Community	Grant	Grant	Round 3	Grant	
	Grant	Grant	Grant	Grant	Grant	Grant	Grant	Grant	
Assets									
Cash and cash equivalents	\$ --	\$ 13,640	\$ --	\$ 5,226	\$ 24,797	\$ --	\$ --	\$ 57,348	
Restricted cash held in escrow	--	--	--	--	--	--	--	--	
Investments	--	--	--	--	--	--	--	--	
Accounts and other receivables	--	--	--	--	--	--	--	75,000	
Due from federal and state governments	39,597	--	106,185	--	--	--	--	--	
Due from other funds	--	--	--	--	--	--	--	--	
Total Assets	<u>\$ 39,597</u>	<u>\$ 13,640</u>	<u>\$ 106,185</u>	<u>\$ 5,226</u>	<u>\$ 24,797</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 132,348</u>	
Liabilities and Fund Balance									
Liabilities									
Accounts payable	\$ --	\$ 1,531	\$ 106,185	\$ 2,003	\$ --	\$ --	\$ --	\$ --	
Accrued liabilities	--	1,543	--	--	--	--	--	57,348	
Due to other funds	39,597	--	--	--	--	--	1,998	--	
Unearned revenue	--	--	--	--	--	--	--	--	
Total Liabilities	<u>39,597</u>	<u>3,074</u>	<u>106,185</u>	<u>2,003</u>	<u>--</u>	<u>1,998</u>	<u>--</u>	<u>57,348</u>	
Fund Balance									
Restricted	--	10,566	--	3,223	24,797	--	--	75,000	
Committed	--	--	--	--	--	--	--	--	
Unassigned	--	--	--	--	--	(1,998)	--	--	
Total Fund Balance	<u>--</u>	<u>10,566</u>	<u>--</u>	<u>3,223</u>	<u>24,797</u>	<u>(1,998)</u>	<u>--</u>	<u>75,000</u>	
Total Liabilities and Fund Balance	<u>\$ 39,597</u>	<u>\$ 13,640</u>	<u>\$ 106,185</u>	<u>\$ 5,226</u>	<u>\$ 24,797</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 132,348</u>	

TOWN OF WESTERLY, RHODE ISLAND

B-3

NON-MAJOR GOVERNMENTAL - SPECIAL REVENUE FUNDS COMBINING BALANCE SHEET (CONTINUED) JUNE 30, 2025

	Municipal Affordable Housing	Municipal Fellows Program	RIEMA HMGP Hazard Mitigation Plan Fund	RIDOT M&B	Donations	NOAA Grant	EECBG Grant	CRMC Grant
Assets								
Cash and cash equivalents	\$ 123,000	\$ --	\$ 50,669	\$ --	\$ 135,253	\$ --	\$ --	\$ 5,000
Restricted cash held in escrow	--	--	--	--	--	--	--	--
Investments	--	--	--	--	--	--	--	--
Accounts and other receivables	--	--	--	--	--	--	--	--
Due from federal and state governments	--	14,152	--	206,838	--	466,718	8,611	--
Due from other funds	--	--	--	--	--	--	--	--
Total Assets	<u>\$ 123,000</u>	<u>\$ 14,152</u>	<u>\$ 50,669</u>	<u>\$ 206,838</u>	<u>\$ 135,253</u>	<u>\$ 466,718</u>	<u>\$ 8,611</u>	<u>\$ 5,000</u>
Liabilities and Fund Balance								
Liabilities								
Accounts payable	\$ --	\$ --	\$ --	\$ 39,097	\$ --	\$ 82,238	\$ --	\$ --
Accrued liabilities	--	3,464	--	163,314	--	--	--	--
Due to other funds	--	10,688	--	86,084	--	384,480	8,611	--
Unearned revenue	--	--	--	--	--	--	--	--
Total Liabilities	<u>--</u>	<u>14,152</u>	<u>--</u>	<u>288,495</u>	<u>--</u>	<u>466,718</u>	<u>8,611</u>	<u>--</u>
Fund Balance								
Restricted	123,000	--	50,669	--	135,253	--	--	5,000
Committed	--	--	--	--	--	--	--	--
Unassigned	--	--	--	(81,657)	--	--	--	--
Total Fund Balance	<u>123,000</u>	<u>--</u>	<u>50,669</u>	<u>(81,657)</u>	<u>135,253</u>	<u>--</u>	<u>--</u>	<u>5,000</u>
Total Liabilities and Fund Balance	<u>\$ 123,000</u>	<u>\$ 14,152</u>	<u>\$ 50,669</u>	<u>\$ 206,838</u>	<u>\$ 135,253</u>	<u>\$ 466,718</u>	<u>\$ 8,611</u>	<u>\$ 5,000</u>

TOWN OF WESTERLY, RHODE ISLAND

B-3

NON-MAJOR GOVERNMENTAL - SPECIAL REVENUE FUNDS COMBINING BALANCE SHEET (CONTINUED) JUNE 30, 2025

	DEM Water Safety Instruction Grant	2020 CDBG Grants	2022 CDBG Grants	DEM Reimbursement Grant	Town Grants	Town Restricted Grants
Assets						
Cash and cash equivalents	\$ 9,412	\$ --	\$ 50,594	\$ --	\$ --	\$ 491
Restricted cash held in escrow	--	--	--	--	--	--
Investments	--	--	--	--	--	--
Accounts and other receivables	--	--	--	--	33,680	--
Due from federal and state governments	--	432,829	--	19,140	--	--
Due from other funds	--	--	--	--	--	--
Total Assets	<u>\$ 9,412</u>	<u>\$ 432,829</u>	<u>\$ 50,594</u>	<u>\$ 19,140</u>	<u>\$ 33,680</u>	<u>\$ 491</u>
Liabilities and Fund Balance						
Liabilities						
Accounts payable	\$ --	2,609	\$ 46,459	\$ --	\$ --	\$ --
Accrued liabilities	--	--	--	3,375	--	--
Due to other funds	--	398,176	--	27,028	43,515	--
Unearned revenue	--	--	--	--	--	--
Total Liabilities	<u>--</u>	<u>400,785</u>	<u>46,459</u>	<u>30,403</u>	<u>43,515</u>	<u>--</u>
Fund Balance						
Restricted	9,412	32,044	4,135	--	--	491
Committed	--	--	--	--	--	--
Unassigned	--	--	--	(11,263)	(9,835)	--
Total Fund Balance	<u>9,412</u>	<u>32,044</u>	<u>4,135</u>	<u>(11,263)</u>	<u>(9,835)</u>	<u>491</u>
Total Liabilities and Fund Balance	<u>\$ 9,412</u>	<u>\$ 432,829</u>	<u>\$ 50,594</u>	<u>\$ 19,140</u>	<u>\$ 33,680</u>	<u>\$ 491</u>
						141

TOWN OF WESTERLY, RHODE ISLAND

B-3

NON-MAJOR GOVERNMENTAL - SPECIAL REVENUE FUNDS COMBINING BALANCE SHEET (CONTINUED) JUNE 30, 2025

	Permanent Neighbor Fund	Honor Roll Fund	Class of 1886	Police Misc Grants	Animal Shelter Grants	Total Special Revenue Funds
Assets						
Cash and cash equivalents	\$ --	\$ 413	\$ 5	27,815	\$ 37,576	\$ 2,270,747
Restricted cash held in escrow	--	--	--	--	--	146
Investments	1,850	962	2,303	--	--	71,884
Accounts and other receivables	--	--	--	--	--	357,795
Due from federal and state governments	--	--	--	--	--	1,312,968
Due from other funds	--	--	--	--	--	2
Total Assets	<u>\$ 1,850</u>	<u>\$ 1,375</u>	<u>\$ 2,308</u>	<u>\$ 27,815</u>	<u>\$ 37,576</u>	<u>\$ 4,013,542</u>
Liabilities and Fund Balance						
Liabilities						
Accounts payable	\$ --	\$ --	\$ --	\$ --	\$ 2,480	\$ 471,550
Accrued liabilities	--	--	--	--	--	232,238
Due to other funds	116	--	--	--	--	1,853,987
Unearned revenue	--	--	--	--	1,000	1,099
Total Liabilities	<u>116</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>3,480</u>	<u>2,558,874</u>
Fund Balance						
Restricted	--	--	--	27,815	34,096	1,538,184
Committed	1,734	1,375	2,308	--	--	27,654
Unassigned	--	--	--	--	--	(111,170)
Total Fund Balance	<u>1,734</u>	<u>1,375</u>	<u>2,308</u>	<u>27,815</u>	<u>34,096</u>	<u>1,454,668</u>
Total Liabilities and Fund Balance	<u>\$ 1,850</u>	<u>\$ 1,375</u>	<u>\$ 2,308</u>	<u>\$ 27,815</u>	<u>\$ 37,576</u>	<u>\$ 4,013,542</u>
						142

TOWN OF WESTERLY, RHODE ISLAND

B-4

NON-MAJOR GOVERNMENTAL - SPECIAL REVENUE FUNDS COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES FOR THE YEAR ENDED JUNE 30, 2025

	School Lunch Fund	Neuter Surcharge Fund	Town Clerks Fund	Civil Defense Fund	Conservation Grants (NOAA)	Opioid Settlements
Revenues						
Intergovernmental	\$ 603,166	\$ --	\$ --	1,000	\$ --	\$ --
Charges for services	280,153	654	24,964	--	--	--
Investment Income	--	--	--	--	--	--
Capital grants and contributions	--	--	--	957	--	--
Other/Miscellaneous revenue	--	--	--	--	47,530	53,969
Total Revenues	<u>883,319</u>	<u>654</u>	<u>24,964</u>	<u>1,957</u>	<u>47,530</u>	<u>53,969</u>
Expenditures						
Current:						
Legislative, executive and administrative	--	--	7,500	--	37,778	--
Public safety	--	--	--	--	--	--
Health and welfare	--	--	--	--	--	--
Conservation and development	--	--	--	--	--	--
Purchased services	1,031,294	--	--	--	--	--
Other	--	--	--	--	--	95,327
Capital outlay	--	--	--	--	--	--
Total Expenditures	<u>1,031,294</u>	<u>--</u>	<u>7,500</u>	<u>--</u>	<u>37,778</u>	<u>95,327</u>
Operating Expenses						
Contracted services	--	--	--	--	--	--
Administrative expense	--	--	--	--	--	--
Total Operating Expense	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Excess (Deficiency) of Revenues Over (Under)	<u>(147,975)</u>	<u>654</u>	<u>17,464</u>	<u>1,957</u>	<u>9,752</u>	<u>(41,358)</u>
Expenditures Before Other Financing Sources (Uses)	<u>(147,975)</u>	<u>654</u>	<u>17,464</u>	<u>1,957</u>	<u>9,752</u>	<u>(41,358)</u>
Net Change in Fund Balances						
	<u>278,936</u>	<u>5,441</u>	<u>176,510</u>	<u>99,724</u>	<u>(9,690)</u>	<u>301,721</u>
Fund Balances - Beginning of Year						
	<u>\$ 130,961</u>	<u>\$ 6,095</u>	<u>\$ 193,974</u>	<u>\$ 101,681</u>	<u>\$ 62</u>	<u>\$ 260,363</u>
Fund Balances - End of Year						

TOWN OF WESTERLY, RHODE ISLAND

B-4

NON-MAJOR GOVERNMENTAL - SPECIAL REVENUE FUNDS COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES FOR THE YEAR ENDED JUNE 30, 2025

	RIIB Bond Dredging Grant Match	RIIB Bond 2011 Refunding	\$15,000,000 Bond Fund	Highway Safety Grant	Substance Abuse 132
Revenues					
Intergovernmental	\$ --	\$ --	\$ --	\$ 50,034	\$ --
Charges for services	--	--	--	--	--
Investment Income	--	--	--	--	--
Capital grants and contributions	--	--	--	--	--
Other/Miscellaneous revenue	--	4,225	--	--	--
Total Revenues	--	4,225	--	50,034	--
Expenditures					
Current:					
Legislative, executive and administrative	--	--	--	--	--
Public safety	--	--	--	45,540	--
Health and welfare	--	--	--	--	--
Conservation and development	--	--	--	--	--
Purchased services	--	--	--	--	--
Other	--	--	--	--	--
Capital outlay	--	--	--	--	--
Total Expenditures	--	--	--	45,540	--
Operating Expenses					
Contracted services	--	--	--	--	--
Administrative expense	--	--	--	--	--
Total Operating Expense	--	--	--	--	--
Excess (Deficiency) of Revenues Over (Under)	--	4,225	--	4,494	--
Expenditures Before Other Financing Sources (Uses)	--	4,225	--	4,494	--
Net Change in Fund Balances	--	4,225	--	4,494	--
Fund Balances - Beginning of Year	2,569	976	146	10,645	11,856
Fund Balances - End of Year	\$ 2,569	\$ 5,201	\$ 146	\$ 15,139	\$ 11,856

TOWN OF WESTERLY, RHODE ISLAND

B-4

NON-MAJOR GOVERNMENTAL - SPECIAL REVENUE FUNDS COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES FOR THE YEAR ENDED JUNE 30, 2025

	COPS Grant	Federal Forfeiture	South County Health Grant	FEMA Storms	FEMA Public Assistance COVID19	Pumpout Boat	EMA Grant
Revenues							
Intergovernmental	\$ --	\$ 827	\$ --	\$ 19,975	--	\$ --	\$ 4,000
Charges for services	--	--	--	--	--	--	--
Investment Income	--	16,096	--	--	--	--	--
Capital grants and contributions	--	--	--	--	--	--	--
Other/Miscellaneous revenue	27,809	--	22,910	--	--	46,976	--
Total Revenues	<u>27,809</u>	<u>16,923</u>	<u>22,910</u>	<u>19,975</u>	<u>--</u>	<u>46,976</u>	<u>4,000</u>
Expenditures							
Current:							
Legislative, executive and administrative	--	--	--	--	--	50,387	5,000
Public safety	26,718	1,500	--	--	--	--	--
Health and welfare	--	--	--	--	--	--	--
Conservation and development	--	--	21,825	--	--	--	--
Purchased services	--	--	--	--	--	--	--
Other	--	--	284	--	--	--	--
Capital outlay	--	--	--	--	--	--	--
Total Expenditures	<u>26,718</u>	<u>1,500</u>	<u>22,109</u>	<u>--</u>	<u>--</u>	<u>50,387</u>	<u>5,000</u>
Operating Expenses							
Contracted services	--	--	--	16,430	--	--	--
Administrative expense	--	--	--	--	--	--	--
Total Operating Expense	<u>--</u>	<u>--</u>	<u>--</u>	<u>16,430</u>	<u>--</u>	<u>--</u>	<u>--</u>
Excess (Deficiency) of Revenues Over (Under)							
Expenditures Before Other Financing Sources (Uses)	<u>1,091</u>	<u>15,423</u>	<u>801</u>	<u>3,545</u>	<u>--</u>	<u>(3,411)</u>	<u>(1,000)</u>
Net Change in Fund Balances	<u>1,091</u>	<u>15,423</u>	<u>801</u>	<u>3,545</u>	<u>--</u>	<u>(3,411)</u>	<u>(1,000)</u>
Fund Balances - Beginning of Year	<u>35</u>	<u>219,747</u>	<u>1,588</u>	<u>(3,544)</u>	<u>35,950</u>	<u>25,648</u>	<u>(5,417)</u>
Fund Balances - End of Year	<u>\$ 1,126</u>	<u>\$ 235,170</u>	<u>\$ 2,389</u>	<u>\$ 1</u>	<u>\$ 35,950</u>	<u>\$ 22,237</u>	<u>\$ (6,417)</u>

TOWN OF WESTERLY, RHODE ISLAND

B-4

NON-MAJOR GOVERNMENTAL - SPECIAL REVENUE FUNDS COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2025

	Homeland Security Grant	United Way 2025 Summer Learning Grant	Homelessness Grant	Wild Rivers Community Boat	Learn 365 Grant	Learn 365 Round 3 Grant	Ice Rink
Revenues							
Intergovernmental	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	--
Charges for services	--	--	--	--	--	--	210,850
Investment Income	--	--	--	--	--	--	--
Capital grants and contributions	--	--	--	--	--	--	--
Other/Miscellaneous revenue	39,597	40,585	106,185	5,226	25,789	--	413,000
Total Revenues	<u>39,597</u>	<u>40,585</u>	<u>106,185</u>	<u>5,226</u>	<u>25,789</u>	<u>--</u>	<u>623,850</u>
Expenditures							
Current:							
Legislative, executive and administrative	39,597	30,019	106,185	2,003	992	1,998	--
Public safety	--	--	--	--	--	--	--
Health and welfare	--	--	--	--	--	--	--
Conservation and development	--	--	--	--	--	--	--
Purchased services	--	--	--	--	--	--	--
Other	--	--	--	--	--	--	548,850
Capital outlay	--	--	--	--	--	--	--
Total Expenditures	<u>39,597</u>	<u>30,019</u>	<u>106,185</u>	<u>2,003</u>	<u>992</u>	<u>1,998</u>	<u>548,850</u>
Operating Expenses							
Contracted services	--	--	--	--	--	--	--
Administrative expense	--	--	--	--	--	--	--
Total Operating Expense	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Excess (Deficiency) of Revenues Over (Under)							
Expenditures Be fore Other Financing Sources (Uses)	--	10,566	--	3,223	24,797	(1,998)	75,000
Net Change in Fund Balances	<u>--</u>	<u>10,566</u>	<u>--</u>	<u>3,223</u>	<u>24,797</u>	<u>(1,998)</u>	<u>75,000</u>
Fund Balances - Beginning of Year	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Fund Balances - End of Year	<u>\$ --</u>	<u>\$ 10,566</u>	<u>\$ --</u>	<u>\$ 3,223</u>	<u>\$ 24,797</u>	<u>\$ (1,998)</u>	<u>\$ 75,000</u>

TOWN OF WESTERLY, RHODE ISLAND

B-4

NON-MAJOR GOVERNMENTAL - SPECIAL REVENUE FUNDS COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2025

	Municipal Affordable Housing	Municipal Fellows Program	RIEMA HMGP Hazard Mitigation Plan Fund	RIDOT M&B	Donations	NOAA Grant	EECBG Grant	CRMC Grant
Revenues								
Intergovernmental	\$ --	\$ 36,425	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 5,000
Charges for services	--	--	--	--	--	--	--	--
Investment Income	--	--	--	--	--	--	--	--
Capital grants and contributions	--	--	--	--	--	--	--	--
Other/Miscellaneous revenue	123,000	4,367	50,669	221,925	135,253	497,385	8,611	--
Total Revenues	<u>123,000</u>	<u>40,792</u>	<u>50,669</u>	<u>221,925</u>	<u>135,253</u>	<u>497,385</u>	<u>8,611</u>	<u>5,000</u>
Expenditures								
Current:								
Legislative, executive and administrative	--	40,792	--	221,925	--	497,385	8,611	--
Public safety	--	--	--	--	--	--	--	--
Health and welfare	--	--	--	--	--	--	--	--
Conservation and development	--	--	--	--	--	--	--	--
Purchased services	--	--	--	--	--	--	--	--
Other	--	--	--	--	--	--	--	--
Capital outlay	--	--	--	81,657	--	--	--	--
Total Expenditures	<u>--</u>	<u>40,792</u>	<u>--</u>	<u>303,582</u>	<u>--</u>	<u>497,385</u>	<u>8,611</u>	<u>--</u>
Operating Expenses								
Contracted services	--	--	--	--	--	--	--	--
Administrative expense	--	--	--	--	--	--	--	--
Total Operating Expense	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Excess (Deficiency) of Revenues Over (Under)								
Expenditures Before Other Financing Sources (Uses)	<u>123,000</u>	<u>--</u>	<u>50,669</u>	<u>(81,657)</u>	<u>135,253</u>	<u>--</u>	<u>--</u>	<u>5,000</u>
Net Change in Fund Balances	<u>123,000</u>	<u>--</u>	<u>50,669</u>	<u>(81,657)</u>	<u>135,253</u>	<u>--</u>	<u>--</u>	<u>5,000</u>
Fund Balances - Beginning of Year	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Fund Balances - End of Year	<u>\$ 123,000</u>	<u>\$ --</u>	<u>\$ 50,669</u>	<u>\$ (81,657)</u>	<u>\$ 135,253</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 5,000</u>

TOWN OF WESTERLY, RHODE ISLAND

B-4

NON-MAJOR GOVERNMENTAL - SPECIAL REVENUE FUNDS COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2025

	DEM Water Safety Instruction Grant	2020 CDBG Grants	2022 CDBG Grants	DEM Reimbursement Grant	Town Grants	Town Restricted Grants
Revenues						
Intergovernmental	--	\$	--	\$	77,590	\$
Charges for services	--	--	--	--	--	--
Investment Income	--	--	--	--	--	--
Capital grants and contributions	--	--	--	--	--	--
Other/Miscellaneous revenue	9,412	663,109	56,294	--	--	1,458
Total Revenues	9,412	663,109	56,294	--	77,590	1,458
Expenditures						
Current:						
Legislative, executive and administrative	--	--	52,159	11,263	66,264	--
Public safety	--	--	--	--	--	--
Health and welfare	--	--	--	--	559	--
Conservation and development	--	--	--	--	--	--
Purchased services	--	--	--	--	--	--
Other	--	36,785	--	--	7,362	--
Capital outlay	--	611,807	--	--	--	--
Total Expenditures	--	648,592	52,159	11,263	74,185	--
Operating Expenses						
Contracted services	--	--	--	--	--	--
Administrative expense	--	--	--	--	--	--
Total Operating Expense	--	--	--	--	--	--
Excess (Deficiency) of Revenues Over (Under) Expenditures Before Other Financing Sources (Uses)	9,412	14,517	4,135	(11,263)	3,405	1,458
Net Change in Fund Balances	9,412	14,517	4,135	(11,263)	3,405	1,458
Fund Balances - Beginning of Year	--	17,527	--	--	(13,240)	(967)
Fund Balances - End of Year	9,412	32,044	\$ 4,135	\$ (11,263)	\$ (9,835)	\$ 491

TOWN OF WESTERLY, RHODE ISLAND

B-4

NON-MAJOR GOVERNMENTAL - SPECIAL REVENUE FUNDS COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2025

	Permanent Neighbor Fund	Honor Roll Fund	Class of 1886	Police Misc Grants	Animal Shelter Grants	Total Special Revenue Funds
Revenues						
Intergovernmental	\$ --	\$ --	\$ --	\$ 95,329	\$ 19,482	\$ 912,828
Charges for services	--	--	--	--	--	516,621
Investment Income	38	22	316	--	--	16,472
Capital grants and contributions	--	--	--	--	--	957
Other/Miscellaneous revenue	--	--	--	2,500	--	2,607,784
Total Revenues	<u>38</u>	<u>22</u>	<u>316</u>	<u>97,829</u>	<u>19,482</u>	<u>4,054,662</u>
Expenditures						
Current:						
Legislative, executive and administrative	--	--	--	1,863	7,747	1,189,468
Public safety	--	--	--	75,371	--	149,129
Health and welfare	--	--	--	--	5,000	5,559
Conservation and development	--	--	--	--	--	21,825
Purchased services	--	--	--	--	--	1,031,294
Other	--	--	--	13,846	--	702,454
Capital outlay	--	--	--	--	--	693,464
Total Expenditures	<u>--</u>	<u>--</u>	<u>--</u>	<u>91,080</u>	<u>12,747</u>	<u>3,793,193</u>
Operating Expenses						
Contracted services	--	--	--	--	--	16,430
Administrative expense	--	--	--	--	1,001	1,001
Total Operating Expense	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>1,001</u>	<u>17,431</u>
Excess (Deficiency) of Revenues Over (Under)						
Expenditures Before Other Financing Sources (Uses)	<u>38</u>	<u>22</u>	<u>316</u>	<u>6,749</u>	<u>5,734</u>	<u>244,038</u>
Net Change in Fund Balances	<u>38</u>	<u>22</u>	<u>316</u>	<u>6,749</u>	<u>5,734</u>	<u>244,038</u>
Fund Balances - Beginning of Year	<u>1,696</u>	<u>1,353</u>	<u>1,992</u>	<u>21,066</u>	<u>28,362</u>	<u>1,210,630</u>
Fund Balances - End of Year	<u>\$ 1,734</u>	<u>\$ 1,375</u>	<u>\$ 2,308</u>	<u>\$ 27,815</u>	<u>\$ 34,096</u>	<u>\$ 1,454,668</u>

TOWN OF WESTERLY, RHODE ISLAND

B-5

NON-MAJOR GOVERNMENTAL – CAPITAL PROJECTS FUNDS COMBINING BALANCE SHEET JUNE 30, 2025

	Formerly Major Fund Capital Fund Project	DEM Riverfront Park	RIDEM Chapman Pond & Lake Mgmt	Capital Projects Funds Totals
Assets				
Cash and cash equivalents	\$ 7,704,322	\$ 45,800	\$ 1,614	\$ 7,751,736
Due from federal and state governments	--	--	4,562	4,562
Total Assets	<u>\$ 7,704,322</u>	<u>\$ 45,800</u>	<u>\$ 6,176</u>	<u>\$ 7,756,298</u>
Liabilities and Fund Balance				
Liabilities				
Accounts payable	142,441	--	--	142,441
Accrued Liabilities	4,346	--	--	4,346
Total Liabilities	<u>146,787</u>	<u>--</u>	<u>--</u>	<u>146,787</u>
Fund Balance				
Committed	7,557,535	45,800	6,176	7,609,511
Total Fund Balance	<u>7,557,535</u>	<u>45,800</u>	<u>6,176</u>	<u>7,609,511</u>

TOWN OF WESTERLY, RHODE ISLAND

B-6

NON-MAJOR GOVERNMENTAL - CAPITAL PROJECTS FUNDS COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES FOR THE YEAR ENDED JUNE 30, 2025

	Formerly Major Fund Capital Fund Project	DEM Riverfront Park	RIDEM Chapman Pond & Lake Mgmt	Capital Projects Funds Totals
Revenues				
Intergovernmental	\$ --	\$ --	\$ 14,646	\$ 14,646
Total Revenues	--	--	14,646	14,646
Expenditures				
Capital outlay	3,287,906	--	8,470	3,296,376
Total Expenditures	3,287,906	--	8,470	3,296,376
Non-Operating Revenues (Expenses)				
Miscellaneous Expenses	130	--	--	130
Total Non-Operating Revenues (Expenses)	130	--	--	130
Excess (Deficiency) of Revenues Over (Under)				
Expenditures Before Other Financing Sources (Uses)	(3,288,036)	--	6,176	(3,281,860)
Other Financing Sources (Uses)				
Transfers from other funds	2,741,285	--	--	2,741,285
Total Other Financing Sources (Uses)	2,741,285	--	--	2,741,285
Net Change in Fund Balances	(546,751)	--	6,176	(540,575)
Fund Balances - July 1, 2025, as previously stated	--	45,800	--	45,800
Change within financial reporting entity				

TOWN OF WESTERLY, RHODE ISLAND

C-1

FIDUCIARY FUNDS – EMPLOYEE RETIREMENT FUNDS COMBINING STATEMENT OF FIDUCIARY NET POSITION JUNE 30, 2025

	Pension Benefit Trust Fund	Other Employee Benefit Trust Fund	Custodial Funds	Private Purpose Trust Funds	Fiduciary Fund Totals
Assets					
Cash equivalents	\$ 2,750,035	\$ 697,774	\$ 70,468	\$ 2,731	\$ 3,521,008
Investments, at fair value					
Money markets	--	--	5,634	280,361	285,995
Certificates of deposit	648,309	259,801	--	--	908,110
U.S. Government agency obligations	794,165	228,100	--	--	1,022,265
Municipal bonds	1,931,070	214,004	--	--	2,145,074
Domestic corporate bonds	9,024,672	2,249,105	--	--	11,273,777
Asset-backed security	57,680	28,841	--	--	86,521
Mutual funds	2,188,044	385,819	--	--	2,573,863
Common stock	40,392,002	6,742,315	--	--	47,134,317
Total Investments	55,035,942	10,107,985	5,634	280,361	65,429,922
Receivables:					
Other	161,508	41,949	--	--	203,457
Total Assets	\$ 57,947,485	\$ 10,847,708	\$ 76,102	\$ 283,092	\$ 69,154,387
Liabilities					
Other payable	\$ --	\$ 195,725	\$ --	\$ 22,076	\$ 217,801
Total Liabilities	--	195,725	--	22,076	217,801
Net Position					
Restricted for employee benefits	57,947,485	10,651,983	--	--	68,599,468
Restricted for other organizations	--	--	76,102	--	76,102
Restricted for individuals	--	--	--	261,016	261,016
Total Liabilities and Net Position	\$ 57,947,485	\$ 10,847,708	\$ 76,102	\$ 283,092	\$ 69,154,387

TOWN OF WESTERLY, RHODE ISLAND

C-2

FIDUCIARY FUNDS – EMPLOYEE RETIREMENT FUNDS COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION FOR THE YEAR ENDED JUNE 30, 2025

	Pension Benefit Trust Fund	Other Employee Benefit Trust Fund	Custodial Funds	Private Purpose Trust Funds	Fiduciary Fund Totals
Additions					
Contributions:					
Employer	\$ 2,204,614	\$ 1,290,437	\$ --	\$ --	\$ 3,495,051
Plan members	474,895	--	--	--	474,895
Total Contributions	<u>2,679,509</u>	<u>1,290,437</u>	<u>--</u>	<u>--</u>	<u>3,969,946</u>
Investment Income					
Net increase in fair value of investments	4,828,374	831,645	--	--	5,660,019
Interest and dividends	1,260,443	272,089	1,067	42,326	1,575,925
Other	--	--	273,732	--	273,732
Total Investment Income	<u>6,088,817</u>	<u>1,103,734</u>	<u>274,799</u>	<u>42,326</u>	<u>7,509,676</u>
Total Additions	<u>8,768,326</u>	<u>2,394,171</u>	<u>274,799</u>	<u>42,326</u>	<u>11,479,622</u>
Deductions					
Benefits paid	3,534,896	--	--	--	3,534,896
Police health	--	932,306	--	--	932,306
Administrative and other expenses	128,304	74,640	268,724	2,458	474,126
Total Deductions	<u>3,663,200</u>	<u>1,006,946</u>	<u>268,724</u>	<u>2,458</u>	<u>4,941,328</u>
Change in Net Position	<u>5,105,126</u>	<u>1,387,225</u>	<u>6,075</u>	<u>39,868</u>	<u>6,538,294</u>
Net Position Restricted for Employee Benefits, Individuals, and Other Organizations - Beginning of Year	<u>52,842,359</u>	<u>9,264,758</u>	<u>70,027</u>	<u>221,148</u>	<u>62,398,292</u>
Net Position Restricted for Employee Benefits, Individuals, and Other Organizations - End of Year	<u>\$ 57,947,485</u>	<u>\$ 10,651,983</u>	<u>\$ 76,102</u>	<u>\$ 261,016</u>	<u>\$ 68,936,586</u>

TOWN OF WESTERLY, RHODE ISLAND

1 of 2 D-1

FIDUCIARY FUNDS - PRIVATE PURPOSE TRUST FUNDS COMBINING STATEMENT OF FIDUCIARY NET POSITION JUNE 30, 2025

	Lois B. Stillment Fund	Richmond Brewer Fund	Irene Vose Fund	Martha C. Babcock Memorial	Premio L. Russo Memorial	Otis P. Chapman Fund	Francis Pat Coyle Memorial
Assets							
Cash and cash equivalents	\$ --	\$ --	\$ 2,723	\$ --	\$ --	\$ --	\$ --
Investments	20,099	71,926	101,738	6,253	3,189	3,959	2,151
Total Assets	<u>\$ 20,099</u>	<u>\$ 71,926</u>	<u>\$ 104,461</u>	<u>\$ 6,253</u>	<u>\$ 3,189</u>	<u>\$ 3,959</u>	<u>\$ 2,151</u>
Liabilities and Net Position							
Liabilities							
Accounts payable	\$ --	\$ --	\$ --	\$ --	\$ 35	\$ --	\$ --
Other payable	14,993	1,356	--	347	525	377	1,350
Total Liabilities	<u>14,993</u>	<u>1,356</u>	<u>--</u>	<u>347</u>	<u>560</u>	<u>377</u>	<u>1,350</u>
Net Position							
Net position held in trust	5,106	70,570	104,461	5,906	2,629	3,582	801
Net Position	<u>5,106</u>	<u>70,570</u>	<u>104,461</u>	<u>5,906</u>	<u>2,629</u>	<u>3,582</u>	<u>801</u>
Total Liabilities and Net Position	<u>\$ 20,099</u>	<u>\$ 71,926</u>	<u>\$ 104,461</u>	<u>\$ 6,253</u>	<u>\$ 3,189</u>	<u>\$ 3,959</u>	<u>\$ 2,151</u>

TOWN OF WESTERLY, RHODE ISLAND

2 of 2 D-1

FIDUCIARY FUNDS - PRIVATE PURPOSE TRUST FUNDS COMBINING STATEMENT OF FIDUCIARY NET POSITION (CONTINUED) JUNE 30, 2025

	Betty Zerbarini Fund	Berardinelli Trust Fund	John J. & Mary C. Smith Scholarship	Robert F. Serra Fund	Private-Purpose Trust Funds Totals
Assets					
Cash and cash equivalents	\$ --	\$ 8	\$ --	\$ --	\$ 2,731
Investments	2,313	39,374	25,686	3,673	280,361
Total Assets	<u>\$ 2,313</u>	<u>\$ 39,382</u>	<u>\$ 25,686</u>	<u>\$ 3,673</u>	<u>\$ 283,092</u>
Liabilities and Net Position					
Liabilities					
Accounts payable	\$ 100	\$ --	\$ --	\$ --	\$ 135
Other payable	925	--	1,544	524	21,941
Total Liabilities	<u>1,025</u>	<u>--</u>	<u>1,544</u>	<u>524</u>	<u>22,076</u>
Net Position					
Net position held in trust	1,288	39,382	24,142	3,149	261,016
Net Position	<u>1,288</u>	<u>39,382</u>	<u>24,142</u>	<u>3,149</u>	<u>261,016</u>
Total Liabilities and Net Position	<u>\$ 2,313</u>	<u>\$ 39,382</u>	<u>\$ 25,686</u>	<u>\$ 3,673</u>	<u>\$ 283,092</u>

TOWN OF WESTERLY, RHODE ISLAND

1 of 2 D-2

FIDUCIARY FUNDS - PRIVATE PURPOSE TRUST FUNDS COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION FOR THE YEAR ENDED JUNE 30, 2025

	Lois B. Stillment Fund	Richmond Brewer Fund	Irene Vose Fund	Martha C. Babcock Memorial	Premio L. Russo Memorial	Otis P. Chapman Fund	Francis Pat Coyle Memorial
Revenues							
Investment income	\$ 2,759	\$ 9,875	\$ 17,803	\$ 858	\$ 438	\$ 544	\$ 295
Total Revenues	<u>2,759</u>	<u>9,875</u>	<u>17,803</u>	<u>858</u>	<u>438</u>	<u>544</u>	<u>295</u>
Expenditures							
Miscellaneous	2,000	--	--	49	35	--	149
Total Expenditures	<u>2,000</u>	<u>--</u>	<u>--</u>	<u>49</u>	<u>35</u>	<u>--</u>	<u>149</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures Before Other Financing Sources (Uses)	<u>759</u>	<u>9,875</u>	<u>17,803</u>	<u>809</u>	<u>403</u>	<u>544</u>	<u>146</u>
Net Change in Net Position	<u>759</u>	<u>9,875</u>	<u>17,803</u>	<u>809</u>	<u>403</u>	<u>544</u>	<u>146</u>
Net Position - Beginning of Year	<u>4,347</u>	<u>60,695</u>	<u>86,658</u>	<u>5,097</u>	<u>2,226</u>	<u>3,038</u>	<u>655</u>
Net Position - End of Year	<u>\$ 5,106</u>	<u>\$ 70,570</u>	<u>\$ 104,461</u>	<u>\$ 5,906</u>	<u>\$ 2,629</u>	<u>\$ 3,582</u>	<u>\$ 801</u>

TOWN OF WESTERLY, RHODE ISLAND

2 of 2

D-2

FIDUCIARY FUNDS - PRIVATE PURPOSE TRUST FUNDS COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION FOR THE YEAR ENDED JUNE 30, 2025

	Betty Zerbarini Fund	Berardinelli Trust Fund	John J. & Mary C. Smith Scholarship	Robert F. Serra Fund	Private-Purpose Trust Funds Totals
Revenues					
Investment income	\$ 317	\$ 5,406	\$ 3,527	\$ 504	\$ 42,326
Total Revenues	<u>317</u>	<u>5,406</u>	<u>3,527</u>	<u>504</u>	<u>42,326</u>
Expenditures					
Miscellaneous	99	--	126	--	2,458
Total Expenditures	<u>99</u>	<u>--</u>	<u>126</u>	<u>--</u>	<u>2,458</u>
Excess (Deficiency) of Revenues Over (Under)	<u>218</u>	<u>5,406</u>	<u>3,401</u>	<u>504</u>	<u>39,868</u>
Expenditures Before Other Financing Sources (Uses)	<u>218</u>	<u>5,406</u>	<u>3,401</u>	<u>504</u>	<u>39,868</u>
Net Change in Net Position	<u>1,070</u>	<u>33,976</u>	<u>20,741</u>	<u>2,645</u>	<u>221,148</u>
Net Position - Beginning of Year					
Net Position - End of Year	\$ 1,288	\$ 39,382	\$ 24,142	\$ 3,149	\$ 261,016

TOWN OF WESTERLY, RHODE ISLAND

E-1

FIDUCIARY FUNDS - CUSTODIAL FUNDS COMBINING STATEMENT OF FIDUCIARY NET POSITION JUNE 30, 2025

	Title II P.W.E.A.	Probate Escrow	Community Center Tower St.	Construction Escrow Deposits Fund	Custodial Funds Totals
Assets					
Cash and cash equivalents	\$ 1	\$ 57,467	\$ 5,000	\$ 8,000	\$ 70,468
Investments	<u>5,634</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>5,634</u>
Total Assets	<u>\$ 5,635</u>	<u>\$ 57,467</u>	<u>\$ 5,000</u>	<u>\$ 8,000</u>	<u>\$ 76,102</u>
Net Position					
Net position held in trust	\$ 5,634	\$ 57,468	\$ 5,000	\$ 8,000	\$ 76,102
Net Position	<u>5,634</u>	<u>57,468</u>	<u>5,000</u>	<u>8,000</u>	<u>76,102</u>
Total Net Position	<u>\$ 5,634</u>	<u>\$ 57,468</u>	<u>\$ 5,000</u>	<u>\$ 8,000</u>	<u>\$ 76,102</u>

TOWN OF WESTERLY, RHODE ISLAND

E-2

FIDUCIARY FUNDS - CUSTODIAL FUNDS COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION FOR THE YEAR ENDED JUNE 30, 2025

	Title II P.W.E.A.	Probate Escrow	Community Center Tower St.	Construction Escrow Deposits	Custodial Funds Totals
Revenues					
Investment income	\$ 773	\$ 294	\$ --	\$ --	\$ 1,067
Miscellaneous	--	8	273,724	--	273,732
Total Revenues	<u>773</u>	<u>302</u>	<u>273,724</u>	<u>--</u>	<u>274,799</u>
Expenditures					
Miscellaneous	--	--	268,724	--	268,724
Total Expenditures	<u>--</u>	<u>--</u>	<u>268,724</u>	<u>--</u>	<u>268,724</u>
Excess (Deficiency) of Revenues Over (Under)					
Expenditures Before Other Financing Sources (Uses)	<u>773</u>	<u>302</u>	<u>5,000</u>	<u>--</u>	<u>6,075</u>
Net Change in Net Position	<u>773</u>	<u>302</u>	<u>5,000</u>	<u>--</u>	<u>6,075</u>
Net Position - Beginning of Year	<u>4,861</u>	<u>57,166</u>	<u>--</u>	<u>8,000</u>	<u>70,027</u>
Net Position - End of Year	<u>\$ 5,634</u>	<u>\$ 57,468</u>	<u>\$ 5,000</u>	<u>\$ 8,000</u>	<u>\$ 76,102</u>

TOWN OF WESTERLY, RHODE ISLAND

F-1

COMBINING BALANCE SHEET GOVERNMENTAL FUNDS - DETAIL OF GENERAL FUND COMPONENTS JUNE 30, 2025

	General Fund	School Unrestricted Fund	Total General Funds
Assets			
Cash and cash equivalents	\$ 13,960,728	\$ 6,966,553	\$ 20,927,281
Advances to other funds	2,404,244	1,063,749	3,467,993
Real estate and personal property tax receivable	149,963	--	149,963
Due from federal and state governments	218,396	--	218,396
Due from other funds	14,938,521	--	14,938,521
Other receivables	160,238	1,843,553	2,003,791
Prepaid items	2,712,653	29,290	2,741,943
Total Assets	<u>\$ 34,544,743</u>	<u>\$ 9,903,145</u>	<u>\$ 44,447,888</u>
Liabilities, Deferred Inflows and Fund Balances			
Liabilities			
Accounts payable and accrued liabilities	\$ 1,259,362	\$ 1,930,770	\$ 3,190,132
Due to other funds	--	494,136	494,136
Unearned revenue	569,512	--	569,512
Total Liabilities	<u>1,828,874</u>	<u>2,424,906</u>	<u>4,253,780</u>
Deferred Inflows of Resources			
Related to leases	2,580,000	--	2,580,000
Unavailable revenue - property taxes	7,666	--	7,666
Total Deferred Inflows of Resources	<u>2,587,666</u>	<u>--</u>	<u>2,587,666</u>
Fund Balances			
Non-spendable	5,116,897	1,093,039	6,209,936
Restricted	--	3,793,163	3,793,163
Committed	384,093	2,592,037	2,976,130
Assigned	104,816	--	104,816
Unassigned	24,522,397	--	24,522,397
Total Fund Balances	<u>30,128,203</u>	<u>7,478,239</u>	<u>37,606,442</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 34,544,743</u>	<u>\$ 9,903,145</u>	<u>\$ 44,447,888</u>

TOWN OF WESTERLY, RHODE ISLAND

F-2

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS - DETAIL OF GENERAL FUND COMPONENTS FOR THE YEAR ENDED JUNE 30, 2025

	General Fund	School Unrestricted Fund	Total General Funds
Revenues			
General property taxes and payments in lieu of taxes	\$ 79,567,692	\$ --	\$ 79,567,692
Intergovernmental and departmental	20,728,351	1,701,836	22,430,187
Licenses and permits	1,272,444	21,215	1,293,659
Fines and forfeitures	314,219	--	314,219
Charges for service	3,133,768	--	3,133,768
Recreation	489,220	--	489,220
Use of money and property	1,796,342	--	1,796,342
On behalf pension contribution	--	2,731,875	2,731,875
Other revenues	--	174,663	174,663
Total revenues	<u>107,302,036</u>	<u>4,629,589</u>	<u>111,931,625</u>
Expenditures			
Legislative and executive	8,367,205	--	8,367,205
Parks and recreation	849,115	--	849,115
Planning	1,089,053	--	1,089,053
Public safety	8,857,329	--	8,857,329
Public works	4,924,729	--	4,924,729
Health, welfare and community development	1,639,149	--	1,639,149
Conservation and development	8,349	--	8,349
Education	--	59,710,209	59,710,209
Debt service - principal	8,825,497	--	8,825,497
Debt service - interest	2,950,111	--	2,950,111
Capital outlay	5,498,210	--	5,498,210
On behalf pension contribution	--	2,731,875	2,731,875
Total expenditures	<u>43,008,747</u>	<u>62,442,084</u>	<u>105,450,831</u>
Excess of revenues over (under) expenditures before other financing sources (uses)	<u>64,293,289</u>	<u>(57,812,495)</u>	<u>6,480,794</u>
Other financing sources (uses)			
Transfers from other funds	--	57,844,771	--
Transfers to other funds	(61,228,641)	(595,590)	(3,979,460)
Lease proceeds	1,299,486	--	1,299,486
Total other financing sources (uses)	<u>(59,929,155)</u>	<u>57,249,181</u>	<u>(2,679,974)</u>
Net change in fund balances	4,364,134	(563,314)	3,800,820
Fund balances - beginning of year	<u>25,764,069</u>	<u>8,041,553</u>	<u>33,805,622</u>
Fund balances - end of year	<u>\$ 30,128,203</u>	<u>\$ 7,478,239</u>	<u>\$ 37,606,442</u>

This page left intentionally blank.

STATISTICAL SECTION

This page left intentionally blank.

TOWN OF WESTERLY, RHODE ISLAND

TABLE 1

NET POSITION BY COMPONENT LAST TEN YEARS (ACCRUAL BASIS OF ACCOUNTING)

	FISCAL YEAR									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Governmental Activities										
Net investment in capital assets	\$ 86,169,198	\$ 91,221,136	\$ 91,523,267	\$ 85,256,075	\$ 92,791,496	\$ 96,776,891	\$ 97,685,775	\$ 106,743,192	\$ 116,097,680	\$ 107,041,583
Restricted	7,601,874	6,453,686	6,744,578	19,168,409	18,144,714	16,832,687	21,272,630	21,541,222	13,043,966	14,192,207
Unrestricted	(42,181,757)	(42,281,476)	(60,982,992)	(54,669,124)	(52,378,261)	(36,159,494)	(28,731,452)	(21,790,161)	(2,081,345)	29,295,220
Total Governmental Activities net position	\$ 51,589,315	\$ 55,393,346	\$ 37,284,853	\$ 49,755,360	\$ 58,557,949	\$ 77,450,084	\$ 90,226,953	\$ 106,494,253	\$ 127,060,301	\$ 150,529,010
Business-Type Activities										
Net investment in capital assets	30,030,849	31,019,004	31,789,291	34,632,105	35,268,483	35,444,002	35,338,334	36,384,946	37,423,038	37,200,944
Unrestricted	8,357,137	8,257,819	10,831,669	9,106,258	9,313,578	10,560,328	12,766,001	13,939,858	13,733,503	12,151,549
Total Business-Type Activities net position	\$ 38,387,986	\$ 39,276,823	\$ 42,620,960	\$ 43,738,363	\$ 44,582,061	\$ 46,004,330	\$ 48,104,335	\$ 50,324,804	\$ 51,156,541	\$ 49,352,493
Total										
Net investment in capital assets	116,200,047	122,240,140	123,312,558	119,888,180	128,059,979	132,220,893	133,024,109	143,128,138	153,520,718	144,242,527
Restricted	7,601,874	6,453,686	6,744,578	19,168,409	18,144,714	16,832,687	21,272,630	21,541,222	13,043,966	14,192,207
Unrestricted	(33,824,620)	(34,023,657)	(50,151,323)	(45,562,866)	(43,064,683)	(25,599,166)	(15,965,451)	(7,850,303)	11,652,158	41,446,769
Total Net Position	\$ 89,977,301	\$ 94,670,169	\$ 79,905,813	\$ 93,493,723	\$ 103,140,010	\$ 123,454,414	\$ 138,331,288	\$ 156,819,057	\$ 178,216,842	\$ 199,881,503

Source: Town of Westerly Annual Financial Statements

TOWN OF WESTERLY, RHODE ISLAND

CHANGES IN NET POSITION, LAST TEN YEARS

GOVERNMENTAL ACTIVITIES

(ACCRUAL BASIS OF ACCOUNTING)

TABLE 2

Expenses		FISCAL YEAR																				
		2016	2017	2018	2019	2020	2021	2022	2023	2024	2025											
Governmental Activities																						
Legislative, judicial & general administrative	\$	4,707,273	\$	6,148,593	\$	20,376,569	\$	19,339,909	\$	17,729,465	\$	18,702,398	\$	18,330,858	\$	17,227,201	\$	18,745,755	\$	31,063,112		
Public works		8,030,694		6,962,464		5,313,151		5,994,189		6,285,256		6,897,337		6,980,662		7,473,800		8,137,693		10,123,503		
Public safety		11,395,743		9,023,890		6,300,762		3,739,044		5,849,362		4,041,929		6,655,688		6,868,106		7,033,256		7,479,015		
Health and welfare		1,625,117		1,444,325		1,598,964		1,304,095		1,399,797		1,541,288		1,683,661		1,520,843		1,622,869		1,644,708		
Conservation and development		18,168		44,730		948,771		287,270		933,919		49,409		159,567		66,209		276,799		301,74		
Parks and recreation		1,295,865		1,309,351		1,266,933		846,809		834,164		791,124		771,399		813,674		759,688		14,437,789		
Planning and zoning		782,652		198,784		800,231		851,445		994,532		1,036,939		928,575		973,187		952,595		1,097,310		
Public education		62,732,292		62,428,690		68,507,646		69,042,392		68,366,203		66,829,820		68,669,619		71,462,478		68,262,111		47,067,179		
Interest		3,898,458		3,435,937		1,857,957		2,117,781		1,932,042		2,038,437		1,356,732		1,290,088		1,083,389		2,841,976		
Total Governmental Activities		94,486,262		90,996,764		106,970,984		103,522,934		104,324,740		101,928,681		105,536,761		107,695,586		106,874,155		115,784,766		
Business-Type Activities																						
Water		4,274,095		4,239,920		4,185,008		4,419,105		4,627,534		4,927,301		4,423,782		4,995,329		5,494,093		6,386,885		
Sewer		3,758,100		3,719,113		3,508,531		3,570,498		4,052,068		3,649,601		4,003,813		4,375,829		5,316,807		8,133,747		
Transfer station		--		--		1,953,345		2,601,240		2,836,332		2,757,179		3,222,049		3,709,775		3,638,959		4,100,980		
Other nonmajor		--		--		368,562		451,069		392,975		7,540		--		--		--		--		
Beach		--		--		--		--		--		--		--		--		--		--		
Total Business-Type Activities		8,032,195		7,959,033		10,015,446		11,041,912		11,908,909		11,341,621		11,649,644		13,080,933		14,449,859		18,621,612		
Total Expenses																						
	\$	102,518,457		98,955,797		116,986,430		114,564,846		116,233,649		113,270,302		117,186,405		120,776,519		121,324,014		134,406,378		
Program Revenues																						
Governmental Activities																						
Charges for services:																						
Legislative, judicial & general administrative	\$	1,211,251	\$	1,164,508	\$	11,654,047	\$	12,677,812	\$	13,129,554	\$	13,066,479	\$	12,566,627	\$	12,087,066	\$	12,252,374	\$	12,797,258		
Public works		2,561,957		2,901,374		31,471		32,563		36,239		34,475		35,509		33,458		163,044		269,243		
Public safety		361,958		507,607		980,614		945,592		782,544		2,926,061		807,646		981,591		903,136		1,188,425		
Health and welfare		38,606		95,320		12,489		5,167		1,926		3,646		579		661		680		23,563		
Conservation and development		16,759		7,577		--		--		--		--		--		15,000		--		--		
Parks and recreation		300,888		239,660		351,884		311,411		319,168		354,911		358,281		408,964		468,519		489,220		
Planning and zoning		65,508		52,239		557,855		605,677		728,532		725,434		974,681		873,821		883,641		1,166,272		
Public education		822,436		836,314		2,165,528		1,866,086		1,239,646		1,558,316		2,215,109		1,427,158		1,824,394		1,961,728		
Other activities		--		--		475,878		476,899		478,682		480,752		467,280		381,133		487,675		240,233		
Operating grants and contributions		15,552,575		16,052,500		14,577,457		13,700,087		12,194,415		13,725,293		16,711,119		21,022,965		21,431,929		29,855,500		
Capital grants and contributions		91,443		147,507		2,845,247		2,431,095		191,118		368,611		661,953		167,748		75,334		34,128		
Total Governmental Activities Program Revenues		21,023,381		22,004,606		33,652,470		33,052,389		29,101,824		33,243,978		34,798,784		37,248,565		38,490,726		48,025,570		
Business-Type Activities																						
Charges for services:																						
Water		4,856,600		4,867,342		4,134,104		4,297,693		4,323,065		5,002,900		4,285,743		5,195,962		5,361,401		5,338,583		
Sewer		3,757,947		3,661,087		3,390,651		3,633,827		3,754,515		3,813,804		3,695,197		3,917,926		4,555,857		4,825,247		
Transfer station		--		--		1,964,107		2,450,499		2,790,959		3,115,091		3,509,252		4,597,184		3,598,069		3,945,548		
Other non major funds		--		--		91,104		123,847		81,854		--		--		--		--		--		
Total Business-Type Activities		8,614,547		8,528,429		9,579,966		10,505,866		10,910,393		11,931,795		11,490,192		13,711,072		13,515,327		14,109,378		
Total Program Revenues		29,637,928		30,533,035		43,232,436		43,558,255		40,012,217		45,175,773		46,288,976		50,959,637		52,006,053		62,134,948		

TOWN OF WESTERLY, RHODE ISLAND
CHANGES IN NET POSITION, LAST TEN YEARS
GOVERNMENTAL ACTIVITIES
(ACCRUAL BASIS OF ACCOUNTING)

TABLE 2

	FISCAL YEAR								
	2016	2017	2018	2019	2020	2021	2022	2023	2024
Net (Expenses) Revenues									
Governmental activities	\$ (73,462,881)	\$ (68,992,158)	\$ (73,318,514)	\$ (70,470,545)	\$ (75,222,916)	\$ (68,684,703)	\$ (70,737,977)	\$ (70,447,021)	\$ (69,600,341)
Business-type activities	582,352	569,396	(435,480)	(536,046)	(998,516)	590,174	(159,452)	630,139	(934,532)
Total Net Expense	<u>\$ (72,880,529)</u>	<u>\$ (68,422,762)</u>	<u>\$ (73,753,994)</u>	<u>\$ (71,006,591)</u>	<u>\$ (76,221,432)</u>	<u>\$ (68,094,529)</u>	<u>\$ (70,897,429)</u>	<u>\$ (69,816,882)</u>	<u>\$ (70,534,873)</u>
General Revenues and other Changes in Net Position									
Governmental activities									
Property taxes	\$ 68,367,279	\$ 70,244,120	\$ 71,442,426	\$ 74,137,027	\$ 73,224,033	\$ 77,500,103	\$ 77,380,216	\$ 75,964,318	\$ 77,132,861
On-behalf pension contributions	--	--	5,141,470	4,960,954	6,048,306	5,711,553	--	--	--
State aid and in lieu of taxes not restricted	2,737,650	2,735,220	1,393,019	1,747,784	2,268,079	1,178,723	2,931,295	6,232,320	6,206,772
Unrestricted investment earnings	50,854	71,802	165,931	257,337	331,867	123,888	121,232	998,355	2,406,093
Miscellaneous	146,118	31,120	2,494,828	2,629,567	3,118,131	2,141,660	3,886,575	3,741,290	3,203,751
Transfers	(369,522)	(316,002)	(817,699)	(791,617)	(964,911)	(771,844)	(804,472)	(221,962)	--
Residual equity on transfer	--	--	(2,125,451)	--	--	1,456,309	--	--	--
Total Governmental Activities	<u>70,932,379</u>	<u>72,766,260</u>	<u>77,694,524</u>	<u>82,941,052</u>	<u>84,025,505</u>	<u>87,340,392</u>	<u>83,514,846</u>	<u>86,714,321</u>	<u>88,949,477</u>
Business-Type Activities									
Unrestricted investment earnings	3,434	3,439	3,457	3,471	1,952	871	873	874	876
Miscellaneous	--	--	734,277	858,361	875,351	1,515,689	1,454,112	1,367,494	1,765,393
Residual equity on transfer	--	--	2,125,451	--	--	(1,456,309)	--	--	--
Transfers	369,522	316,002	817,699	791,617	964,911	771,844	804,472	221,962	--
Total Business-Type Activities	<u>372,956</u>	<u>319,441</u>	<u>3,680,884</u>	<u>1,653,449</u>	<u>1,842,214</u>	<u>832,095</u>	<u>2,259,457</u>	<u>1,590,330</u>	<u>1,766,269</u>
Total	<u>71,305,335</u>	<u>73,085,701</u>	<u>81,375,408</u>	<u>84,594,501</u>	<u>85,867,719</u>	<u>88,172,487</u>	<u>85,774,303</u>	<u>88,304,651</u>	<u>90,715,746</u>
Change in Net Position									
Governmental activities	(2,530,502)	3,774,102	4,376,010	12,470,507	8,802,589	18,655,689	12,776,869	16,267,300	19,349,136
Business-type activities	955,308	888,837	3,245,404	1,117,403	843,698	1,422,269	2,100,005	2,220,469	831,737
Total	<u>\$ (1,575,194)</u>	<u>\$ 4,662,939</u>	<u>\$ 7,621,414</u>	<u>\$ 13,587,910</u>	<u>\$ 9,646,287</u>	<u>\$ 20,077,958</u>	<u>\$ 14,876,874</u>	<u>\$ 18,487,769</u>	<u>\$ 20,180,873</u>

TOWN OF WESTERLY, RHODE ISLAND

TABLE 3

FUND BALANCES, GOVERNMENTAL FUNDS, LAST TEN YEARS (MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	FISCAL YEAR									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Fund										
Nonspendable	\$ 2,481,536	\$ 1,964,480	\$ 65,142	\$ 1,160,288	\$ 1,074,747	\$ 1,204,941	\$ 1,050,830	\$ 8,659,366	\$ 10,773,836	\$ 6,209,936
Restricted	2,016,389	2,962,109	2,553,308	2,934,327	4,446,897	4,464,952	6,073,003	4,812,992	4,128,455	3,793,163
Committed	1,023,198	999,360	1,428,760	1,194,821	1,251,351	980,478	676,971	1,452,742	3,795,913	2,976,130
Assigned	475,000	--	--	--	--	--	--	--	380,423	104,816
Unassigned	5,498,327	8,565,108	10,148,541	9,421,232	11,091,308	14,865,230	16,560,025	18,137,219	14,726,995	24,522,397
Total General Fund	<u>11,494,450</u>	<u>14,491,057</u>	<u>14,195,751</u>	<u>14,710,668</u>	<u>17,864,303</u>	<u>21,515,601</u>	<u>24,360,829</u>	<u>33,062,319</u>	<u>33,805,622</u>	<u>37,606,442</u>
All Other Governmental Funds										
Nonspendable	--	--	--	--	26,522	74,826	50,984	7,828	3,946	--
Restricted	5,585,485	3,491,577	2,459,251	14,378,168	9,597,853	7,557,331	10,422,441	2,550,929	2,094,335	30,238,645
Committed	2,052,305	3,176,002	2,741,307	2,587,070	2,727,288	3,497,425	3,990,607	2,919,660	8,180,774	7,637,165
Unassigned	(86,125)	(296,685)	(15,470)	--	--	--	--	--	(2,967,861)	(111,170)
Total All Other Governmental Funds	<u>\$ 7,551,665</u>	<u>\$ 6,370,894</u>	<u>\$ 5,185,088</u>	<u>\$ 16,965,238</u>	<u>\$ 12,351,663</u>	<u>\$ 11,129,582</u>	<u>\$ 14,464,032</u>	<u>\$ 5,478,417</u>	<u>\$ 7,311,194</u>	<u>\$ 37,764,640</u>

TOWN OF WESTERLY, RHODE ISLAND

TABLE 4

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS, LAST TEN YEARS (MODIFIED ACCRUAL BASIS OF ACCOUNTING)

For the Fiscal Year Ended June 30,										
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenues										
General property taxes	\$ 68,353,018	\$ 71,006,084	\$ 71,539,943	\$ 73,698,475	\$ 75,129,029	\$ 76,154,156	\$ 78,153,783	\$ 76,228,367	\$ 77,257,196	\$ 79,567,692
Intergovernmental revenue	23,605,520	23,674,677	22,850,796	21,775,419	18,377,181	21,960,082	23,026,597	29,074,117	29,322,758	35,373,728
Operating grants and contributions	--	--	--	3,802	--	--	--	--	--	957
Capital grants and contributions	--	--	425,766	333,300	178,156	33,110	222,148	36,000	515,043	1,293,659
Licenses and permits	1,004,702	957,454	560,357	654,952	802,626	792,566	1,048,115	976,175	941,212	314,219
Charges for services	--	--	2,219,786	2,203,092	1,997,505	2,118,140	1,951,977	2,226,510	2,542,884	3,650,389
Fines and penalties	248,243	257,925	256,321	170,452	186,060	279,242	236,044	226,314	334,036	3,097,004
Interest on investments	49,446	70,392	165,931	257,337	331,867	123,888	121,232	783,931	2,018,108	1,812,814
On behalf pension contribution	--	--	2,428,738	2,452,730	2,515,237	2,606,081	2,670,323	2,669,740	2,737,594	2,731,875
Other revenues	1,703,633	2,183,082	624,886	645,411	987,855	1,443,433	1,232,306	1,168,176	421,765	904,250
Total Revenues	94,964,562	98,149,614	101,072,524	102,194,970	100,505,516	105,510,698	108,662,525	113,389,330	116,090,596	128,746,587
Expenditures										
Current:										
Legislative, judicial and general administrative	3,632,451	5,315,071	8,373,194	8,193,359	7,469,708	7,386,842	7,275,693	7,239,242	8,910,187	15,769,384
Public works	6,380,205	6,192,932	3,991,546	4,643,131	4,533,140	4,771,380	4,603,035	4,803,156	5,255,198	6,988,082
Public safety	8,475,679	6,859,372	7,265,723	7,199,836	7,482,934	8,179,195	8,700,096	8,485,906	8,944,758	9,066,458
Health and welfare	1,572,619	1,436,949	1,598,964	1,304,095	1,399,797	1,541,288	1,683,661	1,520,843	1,622,869	1,644,708
Conservation and development	16,756	43,642	948,771	287,270	933,919	49,409	159,567	66,209	276,799	30,174
Parks and recreation	1,431,213	1,130,853	1,084,395	615,498	662,115	638,917	540,659	632,255	623,496	14,395,661
Planning and zoning	771,227	654,428	788,633	836,315	986,275	1,028,682	920,318	964,930	944,338	1,089,053
Public education	59,884,514	60,841,322	59,568,409	60,505,306	58,678,106	61,914,837	61,259,343	63,925,179	64,220,171	66,586,060
On behalf pension contribution	--	--	2,428,738	2,452,730	2,515,237	2,606,081	2,670,323	2,669,740	2,737,594	2,731,875
Other	--	--	--	--	--	--	--	--	--	17,561
Capital improvement/restricted programs	3,875,406	5,879,811	7,918,267	9,290,338	8,887,777	7,210,185	14,556,097	13,195,364	10,338,548	10,680,018
Debt service:										
Principal	5,874,438	5,874,438	9,449,364	9,897,806	9,854,483	10,024,564	10,137,977	11,009,233	11,079,233	12,478,062
Interest	52,69,860	4,178,583	--	--	--	--	--	--	--	--
Total Expenditures	97,184,368	98,407,401	103,416,004	105,225,684	103,403,491	105,351,380	112,506,769	114,512,057	114,953,191	141,417,096
Excess of revenues over (under) expenditures	(2,219,806)	(257,787)	(2,343,480)	(3,030,714)	(2,897,975)	159,318	(3,844,244)	(1,122,727)	1,137,405	(12,670,509)
Other Financing Sources (Uses)										
Bond and loan proceeds	--	1,350,000	--	15,000,000	1,000,000	11,205,000	17,175,000	--	--	43,160,000
Lease proceeds	1,194,433	1,039,625	1,254,864	1,117,398	1,402,946	615,804	1,753,194	1,060,564	1,438,670	1,299,486
Premium on debt	--	--	366,446	--	--	1,933,838	--	--	--	3,107,873
Issuance of refunding bonds	--	--	4,140,000	--	--	--	--	--	--	--
Payment to refunding bond escrow agent	--	--	(4,179,386)	--	--	(10,949,344)	(8,099,800)	--	--	--
Transfers from other funds	1,248,986	1,137,099	1,511,463	1,244,623	1,525,748	3,456,043	1,819,997	545,264	7,602,902	6,300,055
Transfers to other funds	(1,273,508)	(1,453,101)	(2,329,162)	(2,036,240)	(2,490,659)	(4,227,887)	(2,624,469)	(767,226)	(7,602,902)	(6,942,640)
Total Other Financing Sources	1,169,911	2,073,623	764,225	15,325,781	1,438,035	2,033,454	10,023,922	838,602	1,438,670	46,924,774
Net Change in Fund Balances	\$ (1,049,895)	\$ 1,815,836	\$ (1,579,255)	\$ 12,295,067	\$ (1,459,940)	\$ 2,192,772	\$ 6,179,678	\$ (284,125)	\$ 2,576,075	\$ 34,254,265
Debt Service as a Percentage of Noncapital Expenditures	11.94%	10.86%	9.89%	9.89%	10.43%	10.21%	10.35%	10.87%	10.59%	9.54%

Source: Town of Westerly Annual Financial Statements

TOWN OF WESTERLY, RHODE ISLAND

TABLE 5

ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY LAST TEN YEARS (UNAUDITED)

Fiscal Year Ended June 30	Real Property	Tangible Property	Motor Vehicles	less Exemptions	Total Taxable Assessed Value	Total Direct	
						Tax Rate Real	Tax Rate MV
2025	\$ 10,971,518,269	\$ 150,161,424	\$ -	\$ 142,834,948	\$ 10,978,844,745	7.11	0
2024	\$ 8,019,657,897	\$ 145,073,886	\$ -	\$ 73,679,737	\$ 8,048,286,015	9.81	0
2023	\$ 7,911,599,997	\$ 140,432,073	\$ -	\$ 84,309,335	\$ 7,967,722,735	9.62	0
2022	\$ 6,383,996,780	\$ 136,608,805	\$ 186,320,112	\$ 141,896,778	\$ 6,565,028,919	11.52	29.67
2021	\$ 6,344,781,480	\$ 133,872,207	\$ 180,057,582	\$ 130,358,756	\$ 6,528,352,513	11.31	29.67
2020	\$ 6,299,240,580	\$ 131,163,952	\$ 186,792,202	\$ 117,406,794	\$ 6,499,753,939	11.20	29.67
2019	\$ 5,718,629,930	\$ 125,509,234	\$ 189,482,508	\$ 101,133,577	\$ 5,932,488,094	11.88	29.67
2018	\$ 5,668,135,260	\$ 119,592,185	\$ 220,615,299	\$ 100,261,288	\$ 5,908,081,456	11.59	29.67
2017	\$ 5,618,394,130	\$ 121,142,653	\$ 218,935,856	\$ 102,135,031	\$ 5,856,336,030	11.36	29.67
2016	\$ 5,767,432,015	\$ 115,459,093	\$ 215,176,591	\$ 108,693,817	\$ 5,989,385,500	10.82	29.67
2015	\$ 5,720,353,700	\$ 117,617,714	\$ 208,705,482	\$ 109,796,164	\$ 5,936,880,732	10.64	29.67
2014	\$ 5,681,316,650	\$ 113,754,910	\$ 206,850,868	\$ 187,685,148	\$ 5,887,246,189	10.53	29.67

TOWN OF WESTERLY, RHODE ISLAND**TABLE 6****PROPERTY TAX RATES
LAST TEN YEARS
(UNAUDITED)**

Fiscal Year Ended June 30	Real Estate and Personal Property	Motor Vehicle
2015	10.64	29.67
2016	10.82	29.67
*2017	11.36	29.67
2018	11.59	29.67
2019	11.88	29.67
*2020	11.20	29.67
2021	11.31	29.67
2022	11.52	29.67
*2023	9.56	0.00
2024	9.62	0.00
2025	9.81	0.00

Source: Finance Department, Westerly, Rhode Island

* Stastical Revaluation

TOWN OF WESTERLY, RHODE ISLAND

TABLE 7

PRINCIPAL PROPERTY TAXPAYERS CURRENT YEAR AND TEN YEARS AGO (UNAUDITED)

Name	12/31/2024			12/31/2013		
	Assessed Value	Rank	% Net Taxable Grand List	Assessed Value	Rank	% Net Taxable Grand List
Rhode Island Energy Company	\$ 42,587,350	1	0.383%	\$ 26,884,203	1	0.473%
Kahuna Rhode Island, LLC	\$ 37,379,900	2	0.336%	\$ 26,505,217	2	0.467%
Ocean House Hotel Partners LLC	\$ 33,269,400	3	0.299%	\$ 23,731,479	3	0.418%
Wall, Thomas R. IV	\$ 31,959,500	4	0.287%	\$ 19,639,800	4	0.346%
Harbor Land Strategic Realty, LLC	\$ 28,288,500	5	0.254%	\$ 18,024,180	5	0.317%
Vogt Associates	\$ 27,026,800	6	0.243%	\$ 17,844,374	6	0.314%
George W. Whitney Rev.Trust et al	\$ 26,056,200	7	0.234%	\$ 17,176,400	7	0.302%
Lamm Peter	\$ 24,422,700	8	0.220%	\$ 14,326,106	8	0.252%
Westerly Ventures, LLC	\$ 24,292,600	9	0.218%	\$ 13,441,134	9	0.237%
Washington Trust Co.	\$ 23,763,771	10	0.214%	\$ 12,571,700	10	0.221%

GROSS ASSESSED VALUE AS OF 12/31/24:

\$ 11,121,679,693

GROSS ASSESSED VALUE AS OF 12/31/12

\$ 5,681,316,650

TOWN OF WESTERLY, RHODE ISLAND
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN YEARS
(UNAUDITED)

TABLE 8

Year Ended	Taxes Levied (net abatements)	Collected within the		% of Levy	Collected in Subsequent Years	Total Collections Amount	Balance	
		Fiscal Year Amount					Remaining	% of Levy
2016	\$ 69,019,265	\$ 67,949,144		98.45%	\$ 1,070,121	\$ 69,019,265	\$ -	100.00%
2017	\$ 70,419,912	\$ 70,062,864		99.49%	\$ 277,114	\$ 70,339,978	\$ 79,934	99.89%
2018	\$ 71,870,646	\$ 71,490,180		99.47%	\$ 315,719	\$ 71,805,899	\$ 64,747	99.91%
2019	\$ 73,984,340	\$ 73,737,407		99.67%	\$ 177,967	\$ 73,915,374	\$ 68,966	99.91%
2020	\$ 76,259,195	\$ 75,457,592		98.95%	\$ 737,401	\$ 76,194,993	\$ 64,202	99.92%
2021	\$ 76,863,404	\$ 76,230,890		99.18%	\$ 582,117	\$ 76,813,007	\$ 50,397	99.93%
2022	\$ 78,570,089	\$ 78,159,894		99.48%	\$ 359,371	\$ 78,519,265	\$ 50,824	99.94%
2023	\$ 76,880,386	\$ 76,666,623		99.72%	\$ 194,550	\$ 76,861,173	\$ 19,213	99.98%
2024	\$ 78,057,055	\$ 77,802,097		99.67%	\$ -	\$ 77,802,097	\$ 32,549	99.67%
2025	\$ 80,578,879	\$ 80,353,116		99.72%	\$ -	\$ 80,353,116	\$ 225,763	99.72%

TOWN OF WESTERLY, RHODE ISLAND
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN YEARS
(UNAUDITED)

TABLE 9

Year	Governmental Activities				Business Type Activities					Total Primary Government	Percentage of Personal Income	Per Capita	
	General		Notes and		General		ROU		Capital Leases				Liabilities
	Obligation Bonds	Payable	Loan		Obligation Bonds	Payable	Liabilities						
2025	\$ 81,046,000	\$ 9,351,000	\$ 2,199,834		1,525,000	\$ 678,300	\$ 2,137,797		\$ 96,937,931	116.88%	\$ 47,918		
2024	\$ 45,129,000	\$ 9,351,000	\$ 2,221,725		1,585,000	\$ 952,300	\$ 2,151,791		\$ 61,390,816	6.38%	\$ 2,614		
2023	\$ 52,467,000	\$ 9,351,000	\$ 2,351,850		\$ 215,273	\$ 1,222,300	\$ 2,142,225	\$ 89,181	\$ 69,483,829	7.22%	\$ 2,959		
2022	\$ 59,749,000	\$ 9,351,000	\$ 2,639,393		\$ 1,700,000	\$ 1,489,300	\$ 2,214,289		\$ 77,142,982	8.43%	\$ 3,455		
2021	\$ 56,854,000	\$ 9,351,000	\$ 2,004,524		\$ -	\$ 1,752,300	\$ 2,187,725		\$ 72,149,549	7.88%	\$ 3,231		
2020	\$ 50,603,000	\$ 21,286,000	\$ 2,140,086		\$ -	\$ 2,529,212	\$ 2,479,221		\$ 79,037,519	8.25%	\$ 3,384		
2019	\$ 54,323,000	\$ 22,371,000	\$ 1,957,708		\$ -	\$ 3,289,610	\$ 2,714,859		\$ 84,656,177	9.13%	\$ 3,755		
2018	\$ 43,840,000	\$ 23,456,000	\$ 2,121,462		\$ -	\$ 3,863,915	\$ 2,692,776		\$ 75,974,153	8.65%	\$ 3,358		
2017	\$ 48,160,000	\$ 24,541,000	\$ 2,190,137		\$ -	\$ 2,760,519	\$ 2,459,388		\$ 80,111,045	9.48%	\$ 3,541		
2016	\$ 51,145,000	\$ 22,703,812	\$ 2,342,516		\$ -	\$ 3,307,808	\$ 2,491,760		\$ 81,990,896	10.25%	\$ 3,620		
2015	\$ 59,347,000	\$ 20,476,250	\$ 2,503,007		\$ -	\$ 3,944,878	\$ 2,594,000		\$ 88,865,135	10.98%	\$ 3,918		

TOWN OF WESTERLY, RHODE ISLAND

TABLE 10

RATIOS OF GENERAL BONDED DEBT OUTSTANDING LAST TEN YEARS (UNAUDITED)

Fiscal Year	General Obligation Bonds	Notes and Loan Payable	(a)		Per Capita
			Total	Percentage of Actual Taxable Value of Property	
2025	\$ 81,046,000	\$ 11,550,834	\$ 92,596,834	0.84%	\$ 45,772
2024	\$ 45,129,000	\$ 11,572,725	\$ 56,701,725	0.52%	\$ 2,415
2023	\$ 54,832,850	\$ 13,238,050	\$ 68,070,900	0.85%	\$ 2,899
2022	\$ 59,749,000	\$ 9,351,000	\$ 69,100,000	1.05%	\$ 2,943
2021	\$ 56,854,000	\$ 9,351,000	\$ 66,205,000	1.01%	\$ 2,965
2020	\$ 50,603,000	\$ 21,286,000	\$ 71,889,000	1.11%	\$ 3,078
2019	\$ 54,323,000	\$ 22,371,000	\$ 76,694,000	1.29%	\$ 3,402
2018	\$ 43,840,000	\$ 23,456,000	\$ 67,296,000	1.14%	\$ 2,975
2017	\$ 48,160,000	\$ 24,541,000	\$ 72,701,000	1.24%	\$ 3,213
2016	\$ 51,145,000	\$ 22,703,812	\$ 73,848,812	1.23%	\$ 3,260
2015	\$ 59,347,000	\$ 20,476,250	\$ 79,823,250	1.34%	\$ 3,519

Source: Finance Department , Westerly, Rhode Island

(a) Total taxable assessed value

TOWN OF WESTERLY, RHODE ISLAND

LEGAL DEBT MARGIN INFORMATION

LAST TEN YEARS

(UNAUDITED)

TABLE 11

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total assessed value	\$ 5,989,385,500	\$ 5,856,336,030	\$ 5,908,081,456	\$ 5,932,488,094	\$ 6,499,753,939	\$ 6,528,352,513	\$ 6,565,028,919	\$ 7,967,722,735	\$ 8,049,190,885	\$ 10,978,844,745
Debt Limit (1)	\$ 179,681,565	\$ 175,690,081	\$ 177,242,444	\$ 177,974,643	\$ 194,992,618	\$ 195,850,575	\$ 196,950,868	\$ 239,031,682	\$ 241,475,727	\$ 329,365,342
Amount of Debt Subject to Limit	\$ 28,598,118	\$ 28,834,874	\$ 28,825,852	\$ 41,875,272	\$ 38,296,170	\$ 36,111,110	\$ 32,302,539	\$ 29,264,194	\$ 32,793,856	\$ 27,470,546
Legal Debt Margin	\$ 151,083,447	\$ 146,855,207	\$ 148,416,592	\$ 136,099,371	\$ 156,696,448	\$ 159,739,465	\$ 164,648,329	\$ 209,767,488	\$ 208,681,871	\$ 301,894,796
Legal Debt Margin as a Percentage of the Debt Limit	84.08%	83.59%	83.74%	76.47%	80.36%	81.56%	83.60%	87.76%	86.42%	91.66%

Source: Finance Department, Westerly, Rhode Island

(1) The Town's legal debt margin as set forth by Rhode Island State Statute is limited to three percent of total taxable assessed value

TOWN OF WESTERLY, RHODE ISLAND

TABLE 12

DEMOGRAPHIC AND ECONOMIC STATISTICS (UNAUDITED) CURRENT AND HISTORIC COMPARISON

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Population	23,288	23,154	23,483	23,483	22,328	23,359	22,544	22,624	22,626	22,651
Median Age	N/A	N/A	N/A	N/A	N/A	49.3 years	46.6 years	45.6 years	45.7 years	45.6 years
High School Graduate Attainment (ages 18+)	N/A	N/A	N/A	N/A	N/A	93.0%	85.9%	90.1%	90.0%	89.5%
Bachelor's Degree Attainment (ages 25+)	N/A	N/A	N/A	N/A	N/A	37.1%	34.8%	32.8%	32.4%	31.6%
Median Household Income (past 12 months)	N/A	N/A	N/A	N/A	N/A	\$76,835	\$70,784	\$65,810	\$63,507	\$60,800
Per Capita Income (past 12 months)	N/A	N/A	N/A	N/A	N/A	\$44,360	\$40,999	\$38,821	\$37,358	\$35,304

Source: United States Census Bureau (including American Community Survey) Not updated since 2020

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Public School Enrollment	2,133	2,231	2,278	2,372	2,431	2,639	2,730	2,775	2,851	3,007

Source: Westerly Public Schools

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Unemployment Rate	3.5%	3.6%	2.8%	4.1%	6.2%	11.8%	3.9%	5.1%	5.1%	6.1%

Source: Rhode Island Department of Labor and Training

TOWN OF WESTERLY, RHODE ISLAND

TABLE 13

FULL-TIME EQUIVALENT TOWN GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM (UNAUDITED)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
General Government										
Town Manager	3	3	3	2	2	2	2	2	2	2
Town Solicitor	-	-	-	-	-	-	-	-	-	-
Finance	8	8	8	8	8	8	8	6	7	9
Town Clerk	6	6	6	6	6	6	6.5	7	7	7
Development Services	10	10	9	9	11	10.5	10	9.5	9.5	4
Assessment	5	5	5	5	4	5	5	5	5	5
Other	-	-	-	-	-	-	-	-	-	16
Human Resources	2	2	2	2	2	2	2	3.5	3.5	-
Information Technology	3	3	3	3	4	3.5	3.5	3	3	-
Animal Shelter	3	3	3	1	1	1.5	1.5	3	3	-
Tax Collections	4	4	4	4	4	4	4	4	4	-
Purchasing	1	1	1	1	1	1	1	1	0.5	-
Public Safety										
Sworn Officers	48	48	52	50	51	52	53	50	50	45
Support	11	11	9	12	16	13	13	12	11	11
Public Health										
Public Works	43	48	49	45	47	43	49	46	45	45
Water & Sewer	26	23	27	22	29	25	31	27	28	28
Public Welfare										
Recreation	3	2	2	2	2	2	2	1.5	1.5	2
Public Education										
Teachers	259	271	271	265	281	276	278	286	297	302
Pupil Support	204	207	216	207	221	261	263	236	230	234
Administration	20	20	20	20	22	19	23	36	39	38
Town:	176	177	183	172	175	166	192	181	180	174
School:	483	498	507	492	524	556	564	558	566	574

TOWN OF WESTERLY, RHODE ISLAND

TABLE 14

OPERATING INDICATORS BY FUNCTION/PROGRAM (UNAUDITED)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
General Government										
Marriage Licenses Issued	187	200	193	208	177	165	197	188	219	195
Death Certificates Recorded	-	-	-	184	468	426	340	309	313	357
Land Records Recorded	4,216	4,238	4,528	6,096	7,762	5,565	5,282	5,594	5,907	5,764
Registered Voters	17,881	17,395	17,122	19,638	19,535	19,134	18,477	18,296	18,014	17,728
Elections & Referenda	-	-	2	-	4	2	2	2	2	2
Planning & Development										
Building Permits Issued	2,916	2,714	3,028	2,922	2,809	2,466	2,416	2,310	2,230	2,399
Cost of Construction	115,540,118	87,013,170	98,761,076	103,770,683	76,193,467	77,780,036	68,950,851	55,964,294	54,592,394	69,905,961
Police										
Arrest	508	679	722	1,096	1,369	998	918	953	1,316	1,099
Parking Violations	2,065	1,951	1,739	1,095	2,295	1,813	1,642	1,918	626	1,754
Calls for Service	56,725	50,377	59,228	60,631	69,581	49,722	48,120	46,882	42,793	34,704
Public Works										
Street Resurfacing (miles)	2	5.6	2.7	8	3	5	1	3	1	9
Transfer station refuse (tons)	11,819	11,664	16,259	16,091	17,398	12,587	12,208	10,674	9,760	10,077
Transfer station recyclables (tons)	3,732	3,780	4,221.73	5,100	5,140	3,573	4,435	4,401	5,093	4,410
Parks & Recreation										
Programs Offered	55	52	55	46	71	77	78	101	70	68
Beach Passes Issued	4,363	4,351	3,915	3,465	3,470	3,429	3,085	2,972	2,756	2,591
Larkin Road Stickers	8,573	917								
Education										
Number of Students	2,133	2,231	2,278	2,372	2,431	2,639	2,730	2,775	2,851	3,007
Water										
New Connections	31	49	24	17	20	80	64	65	59	69
Water Main Breaks	24	20	15	16	12	34	20	18	22	22
Avg daily consumption (MGD-Million Gallons/Day)	3.6 MGD	3,293	3,904	3,877	3,695	2,951	3,270	3,965	3,477	3,559
Sewer										
Average daily treatment (MGD-Million Gallons/Day)	2.1 MGD	2,600	2,200	2,151	2,020	2,573	2,743	2,634	2,167	2,195
Sewer treatment capacity (MGD-Million Gallons/Day)	3.3 MGD	3,300	3,300	3,300	3,300	3,300	3,300	3,300	3,300	3,300

TOWN OF WESTERLY, RHODE ISLAND

TABLE 15

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM (UNAUDITED)

Function/Program	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units	60	60	60	60	60	60	60	60	55	52
Fire										
Fire Prevention is covered by five separate self-taxing Fire Districts										
Public Works										
Streets (miles)	137	137	137	137	136	136	136	156	156	156
Street Lights	3,355	3,354	3,354	3,354	3,348	3,348	3,348	3,028	3,028	3,153
Register Vehicles	107	89	117	119	100	109	122	113	115	103
Parks & Recreation										
Acreage	101	92	92	85	88	85	85	85	85	85
Parks & Playing Fields	9	7	7	6	7	6	6	6	6	6
Beaches	2	2	2	2	2	2	2	2	2	2
Community Centers	1	2	1	1	1	1	1	1	1	1
Senior Centers	1	2	1	1	1	1	1	1	1	1
Marina	1	2	1	1	1	1	1	1	1	1
Town Forest 54 Acres	1	2	1	1	1	1	1	1	1	1
Public Libraries										
Libraries	1	1	1	1	1	1	1	1	1	1
Schools										
Elementary Schools	3	3	3	3	3	3	3	4	4	4
Middle Schools	1	1	1	1	1	1	1	1	1	1
High Schools	1	1	1	1	1	1	1	1	1	1
School Buses	35	35	35	34	42	40	54	54	47	48
Water										
Water Mains (miles)	200	207	207	207	207	207	207	207	207	207
Fire Hydrants	1,107	1,105	1,092	1,092	1,092	1,092	1,092	1,092	1,092	1,091
Sewer										
Storm sewers (miles)	65	65	65	65	65	65	65	65	65	65
Treatment capacity (thousand gallons)	3,300	3,300	3,300	3,300	3,300	3,300	3,300	3,300	3,300	3,300

Source: Town capital asset records and various Town Departments

**TOWN OF WESTERLY, RHODE ISLAND
TAX COLLECTORS ANNUAL REPORT
(UNAUDITED)**

TABLE 16

Tax Roll List Year	Fiscal Year	Balance 1-Jul-24	Current year Assessment	Additions	Adjustments & Abatements	over 10 yr old Receivables	Amount to be Collected	Current Year Collections	Balance 30-Jun-25	FY 2025 Cash Collections Summary		
										July - August 2024 Collections Subject to 60-day FY 24 Accrual	September - June 2025 Collections	Total FY 2025 Cash Collections
2024	2025		80,560,820	76,964	(58,905)		80,578,879	80,353,116	225,763			
2023	2024	254,958	-	-	(531)		254,427	221,877	32,549	126,155	80,353,116	140,889
2022	2023	24,547	-	-	-		24,547	5,333	19,213	958	220,919	1,817
2021	2022	61,331	-	-	-		59,690	8,866	50,824	1,063	7,802	931
2020	2021	57,300	-	-	(335)		56,965	6,568	50,397	758	5,810	1,196
2019	2020	83,885	-	-	(15,325)		68,560	4,358	64,202	1,547	2,811	399
2018	2019	90,644	-	-	(18,069)		72,576	3,609	68,966	1,022	2,587	804
2017	2018	85,183	-	-	(17,640)		67,542	2,796	64,747	868	1,927	288
2016	2017	99,571	-	-	(15,164)		84,407	4,473	79,934	1,246	3,227	372
2015	2016	102,814	-	-	(14,752)	82,494	88,062	5,568	-	-	5,568	554
		860,232	80,560,820	76,964	(142,363)	82,494	81,355,654	80,616,563	656,597	136,704	80,479,859	147,248
					25,070/SOOL Overpaid	82,411		Allowance for Doubtful Accounts	(603,516)			
						83			53,081			

per cert	80,560,820.00
per QDS	80,560,820.00

Reconciliation of Current Year Property Tax Revenue

Current Year Collections	80,616,563
July - August 2025 Collections Subject to 60-day FY25 Accrual	<u>147,248</u> 80,763,811
July - August 2024 Collections Subject to 60-day FY24 Accrual	<u>(136,704)</u> 80,627,107

Schedule of Net Assessed Property, Value by Category		
Description of Property	Valuations	
	December 31, 2023	Levy July 1, 2024
Real Property	\$ 8,371,645,897	\$ 79,309,875
Motor Vehicle	-	-
Tangible	162,014,258	1,250,945
Total	\$ 8,533,660,155	\$ 80,560,820
Exemptions	(368,928,372)	
Net Assessed Value	\$ 8,164,731,783	\$ 80,560,820