



## MUNICIPAL TRAINING EVENT HIGHLIGHTS

### 2023 Municipal Training Event



The Office of the Auditor General and the Division of Municipal Finance sponsored an annual training event on October 20, 2023, at CCRI. The event was open to municipal finance and accounting professionals. The

training covered a variety of governmental accounting and financial reporting topics relevant to finance directors, school business managers, and auditors. Below is a brief summary of topics covered and information presented.

### Office of the Auditor General



David A. Bergantino, CPA, CFE, introduced himself to the group as the Auditor General and provided background on his 30 years of experience, including decades of experience with the Office of the Auditor General (OAG) managing the State's financial statement audit. Those years of experience bring a deep understanding of the challenges that relate to

timely financial reporting at all levels of government.

The Auditor General also provided an overview of the OAG's statutory role regarding municipal oversight including requirements for municipalities and school districts for timely financial reporting, communicating general and school fund deficits, pension contribution monitoring, and requesting approval to exceed the municipal tax cap due to a qualifying "emergency". He provided statistics on compliance with the annual financial reporting deadline for fiscal 2022 and discussed the recently revised [Policy for Requesting an Extension](#) for filing audited financial statements. The goal of the revised policy is to highlight those municipalities facing significant delays with their financial reporting so that discussions can begin sooner.

The presentation also highlighted:

- [Proposed changes to the Uniform Guidance by the Office of Management and Budget \(OMB\) 2023-21078.pdf \(govinfo.gov\).](#)
- [Proposed Interim Rule Federal Register: Coronavirus State and Local Fiscal Recovery Funds](#)

### Division of Municipal Finance



Stephen E. Coleman, Jr., Chief, presented the requirements of 2023 Senate Bill 767 which created RI General Laws 16-97-11 and 44-35-11, and mandates specific reporting to the State on American Rescue Plan funds.

Kimberly O'Donnell, State Aid & Finance Specialist, highlighted the Collection Report. This report can assist in calculating five revenue line items for the Annual Municipal Data Report (AMDR). The Collection Report can be found at: [ALL Phase Documents | RI Division of Municipal Finance](#) (Select MTP Docs & Data – All Phase – FY23 Final Documents, select open the .zip file, open the folder FY23 Final Documents, and it is the file "Collection report").

Diana Wilby, State Aid & Finance Specialist, presented the Municipal Data Report forms for fiscal 2023 reporting and related due dates:

- [Municipal Timeline | RI Division of Municipal Finance](#)
- [MTP1 forms and instructions - ALL Phase Documents | RI Division of Municipal Finance](#) (See FY23 Final Documents)

Keith Kelliher, State Aid & Finance Specialist, highlighted changes made to MTP account definitions and UCOA crosswalk. The documents can also be found at [ALL Phase Documents | RI Division of Municipal Finance](#) (under FY23 Adjusted Documents). The presentation also highlighted Municipal Transparency Portal Reports and Visualizations:

- [All Data | RI Division of Municipal Finance](#)
- [Municipalities & School Districts Reports | RI Division of Municipal Finance](#)
- [Transparency Comparison](#)

### Rhode Island Department of Education



Senior Finance Officers for Data Systems and Analysis, Santiago Guerrero, Ph.D., and Juan Taveras, provided a presentation on Uniform Chart of Accounts (UCOA) Resources. The presentation highlighted:

- Steps to broaden the use of the UCOA data while improving the quality.

- Combining UCOA with other education data to explore relationships between expenditures, needs, and outcomes.
- UCOA initiatives including: Training Series, UCOA Streamlining, UCOA Dashboards, and Fiscal Accountability Reports.

The presentation also included live demonstrations of:

- [UCOA dashboards - Workbook: UCOA Dashboards \(ri.gov\)](#)
- [LEA financial profiles - Workbook: UCOA Benchmarks 21-22 \(ri.gov\)](#)
- [LEA Budgets - Workbook: Budgets2 \(ri.gov\)](#)
- [Federal COVID Relief Funds allocated and disbursed - Workbook: Esser Funds Dashboard2 \(ri.gov\)](#)

## Attorney General



Julia Harvey Esq., Special Assistant Attorney General, Health Care Advocate, presented information on the opioid settlement agreements. The presentation provided an overview of the opioid settlements, discussion of the payments, and reporting requirements. Highlights of the presentation included:

- The RI Office of the Attorney General (RIAG) litigated and reached settlements, valued at over \$300 million, with opioid manufacturers, distributors, and others involved in the opioid epidemic in the State.
- The State and all RI municipalities entered into a Memorandum of Understanding (MOU) that agrees on a distribution of opioid settlement proceeds, allocating 80% to the State and 20% to municipalities.
- All funds resulting from the opioid settlements must be used for opioid abatement activities.
- Although RIAG negotiated the settlements, all municipalities are, individually, parties to each of the settlements and are represented by their own legal counsel.
- Each municipality is individually responsible for the requirements of the settlements, including ensuring that funds are used for appropriate uses and any reporting requirements to the defendants are met.
- Each settlement has its own payment schedule. Payments are made directly to municipalities from the defendant or an administrator and do not come from the State.
- Agreements with three pharmacies have not yet been effectuated in RI. Payments are expected to begin by the end of the calendar year.
- Review of various resources available for information regarding the State's opioid settlements (see Opioid Settlement Resources section to follow).

## Opioid Settlement Resources

- Government Finance Officers Association (GFOA) Accounting Guidance – [GFOA - Just a T.A.D. Video: Accounting for the Opioid Settlement Payments - YouTube](#)
- GFOA issued its 2023 implementation guidance update for its *Government Accounting, Auditing, and Financial Reporting* publication – the update provided some accounting guidance for opioid settlements.
- Attorney General's Website – News and settlement documents relating to Rhode Island opioid settlements - [AG Opioid Information](#)
- Executive Office of Health and Human Services Website – Opioid Settlement Advisory Committee – [EOHHS Opioid Settlement Advisory Committee Resources](#)

## GASB Update



Kara Deiana, CPA, Assistant Project Manager, from the Governmental Accounting Standards Board (GASB) provided an update which included pronouncements being implemented, projects currently being deliberated by the Board, pre-agenda research activities, and post-implementation review. [GASB Standards & Guidance.](#)

Specific Statements discussed included:

- Statement No. 91, *Conduit Debt Obligations*
- Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements (PPPs)*
- Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITAs)*
- Statement No. 99, *Omnibus*
- Statement No. 100, *Accounting Changes and Error Corrections*
- Statement No. 101, *Compensated Absences*

Also highlighted were reporting similarities and comparisons of Statement No. 87, *Leases* (implemented for fiscal 2022 by most governments) with Statement No. 94, *PPPs*, and Statement No. 96, *SBITAs* (both effective for fiscal 2023 for most governments).

The OAG MUNI-UPDATE provides periodic information of interest to municipal entities relating to financial reporting and other statutory oversight requirements.

Contact the Office of the Auditor General for additional information.

**David A. Bergantino, CPA, CFE**  
**Auditor General**  
 tel. 401.222.2435  
 email: [David.Bergantino@rioag.gov](mailto:David.Bergantino@rioag.gov)

