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## **DEBT SUMMARY**

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Town of Westerly, Rhode Island  
Debt Summary as of June 30, 2017

(Includes General Obligation Refunding Bonds, Series 2017 A )

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## **Debt Summary**

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Town of Westerly, Rhode Island  
 General Obligation Debt  
 As of June 30, 2017 (Includes 2017A Refunding Bonds)

Fiscal Year Ended June 30,	\$560,000 GO School Bonds Dated 07/15/1998		\$8,000,000 General Obligation Bonds Dated 09/15/2007		\$3,855,000 RIHEBC Loan Dated 06/15/2010		\$5,496,000 RIHEBC Loan Dated 12/02/2010	
	Principal	Interest	Principal	Interest	Principal	Interest <sup>(1)</sup>	Principal	Interest <sup>(1)</sup>
2018	25,000	5.20%	410,000 *	4.000%	240,938	5.75%	343,500	6.286%
2019	25,000	5.20%			240,938	5.75%	343,500	6.286%
2020					240,938	5.75%	343,500	6.286%
2021					240,938	5.75%	343,500	6.286%
2022					240,938	5.75%	343,500	6.286%
2023					240,938	5.75%	343,500	6.286%
2024					240,938	5.75%	343,500	6.286%
2025					240,938	5.75%	343,500	6.286%
2026					240,938	5.75%	343,500	6.286%
2027					240,938	5.75%	343,500	6.286%
2028								
2029								
2030								
2031								
2032								
2033								
2034								
2035								
2036								
2037								
<b>Total</b>	<b>\$ 50,000</b>		<b>\$ 410,000</b>		<b>\$ 2,409,375</b>		<b>\$ 3,435,000</b>	
<b>Details</b>	Interest Payment Date(s) January 15      July 15		Interest Payment Date(s) March 15      September 15		Interest Payment Date(s) April 01      October 01		Interest Payment Date(s) April 01      October 01	
	Principal Payment Date(s) July 15		Principal Payment Date(s) September 15		Principal Payment Date(s) April 01		Principal Payment Date(s) April 01	
	Paying Agent State Street Bank		Paying Agent US Bank		Paying Agent US Bank		Paying Agent US Bank	
<b>Issuance Details</b>	Type of Sale Negotiated		Type of Sale Competitive		Type of Sale Negotiated		Type of Sale Negotiated	
	UW/Purchaser Fleet Securities		UW/Purchaser Morgan Keegan		UW/Purchaser Morgan Keegan		UW/Purchaser Morgan Keegan	
	Purpose School Facilities		Purpose Roads and Open Space		Purpose School Facilities		Purpose School Facilities	
	Insurance None		Insurance Ambac		Insurance None		Insurance None	

(1) Does not include QSCB subsidy.

(1) Does not include QSCB subsidy.

Non-callable

Callable

\* Unrefunded Bonds



Town of Westerly, Rhode Island  
 General Obligation Debt  
 As of June 30, 2017 (Includes 2017A Refunding Bonds)

Fiscal Year Ended June 30,	\$6,000,000 RIHEBC Loan Dated 02/03/2011		\$14,645,000 RIHEBC Loan Dated 07/14/2011		\$6,500,000 GO Bonds, Series 2012A Dated 07/03/2012		\$20,073,678 GO Bonds Series 2012B (Town Portion) Dated 07/03/2012	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2018	315,000	4.0000%	770,000	3.000%	365,000	2.000%	1,565,538	4.000%
2019	315,000	4.0000%	770,000	4.000%	365,000	2.000%	1,645,058	5.000%
2020	315,000	5.0000%	770,000	5.000%	360,000	3.000%	1,724,577	3.0 / 5.0%
2021	315,000	4.1250%	770,000	5.000%	360,000	3.000%	1,794,156	3.0 / 5.0%
2022	315,000	5.0000%	770,000	4.000%	360,000	3.000%	1,868,706	3.0 / 5.0%
2023	315,000	4.5000%	770,000	4.000%	360,000	3.000%	1,948,225	4.0 / 5.0%
2024	315,000	4.6250%	770,000	4.125%	360,000	3.000%	2,042,655	4.0 / 4.5%
2025	315,000	4.7500%	770,000	4.250%	360,000	3.000%	2,137,084	4.000%
2026	315,000	5.0000%	770,000	4.500%	360,000	3.000%		
2027	315,000	5.0000%	770,000	4.500%	360,000	3.125%		
2028	315,000	5.1250%	770,000	4.500%	360,000	3.125%		
2029	315,000	5.2500%	770,000	4.625%	360,000	3.125%		
2030	315,000	5.3750%	770,000	4.750%	360,000	4.000%		
2031	315,000	5.5000%	770,000	4.750%	360,000	4.000%		
2032					360,000	4.000%		
2033					360,000	4.000%		
2034								
2035								
2036								
2037								
<i>Total</i>	<b>\$ 4,410,000</b>		<b>\$ 10,780,000</b>		<b>\$ 5,770,000</b>		<b>\$ 14,725,999</b>	
<b><i>Details</i></b>	Interest Payment Date(s)		Interest Payment Date(s)		Interest Payment Date(s)		Interest Payment Date(s)	
	April 01	October 01	April 01	October 01	January 01	July 01	February 15	August 15
	Principal Payment Date(s)		Principal Payment Date(s)		Principal Payment Date(s)		Principal Payment Date(s)	
	April 01		April 01		July 01		August 15	
	Paying Agent		Paying Agent		Paying Agent		Paying Agent	
	US Bank		US Bank		US Bank		US Bank	
<b><i>Issuance Details</i></b>	Type of Sale		Type of Sale		Type of Sale		Type of Sale	
	Negotiated		Negotiated		Negotiated		Negotiated	
	UW/Purchaser		UW/Purchaser		UW/Purchaser		UW/Purchaser	
	Janney Montgomery Scott		Janney Montgomery Scott		Janney Montgomery Scott		Janney Montgomery Scott	
	Purpose		Purpose		Purpose		Purpose	
	School Facilities		School Facilities		Roads and Town Hall		Refunding of 04 Bonds	
	Insurance		Insurance		Insurance		Insurance	
	None		None		None		None	

Non-callable  
 Callable



Town of Westerly, Rhode Island  
 General Obligation Debt  
 As of June 30, 2017 (Includes 2017A Refunding Bonds)

Fiscal Year Ended June 30,	\$746,300 ESCO Lease Dated 03/26/2013		\$14,401,428 2014 Series A (Town Ref) Dated 06/04/2014		\$625,000 RIIB Road & Bridge Loan* Dated 9/3/2014		\$6,000,000 2015 Series A Dated 04/28/2015	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2018	36,867	3.0500%	1,466,000	3.000%	28,000	0.55%	320,000	2.00%
2019	39,937	3.0500%	1,446,286	3.000%	28,000	0.79%	320,000	2.00%
2020	43,169	3.0500%	1,436,429	4.000%	29,000	1.05%	320,000	2.00%
2021	46,571	3.0500%	1,426,571	4.000%	29,000	1.20%	320,000	2.00%
2022	50,149	3.0500%	1,416,714	4.000%	30,000	1.35%	320,000	2.00%
2023	53,913	3.0500%	1,411,714	5.000%	30,000	1.49%	320,000	2.00%
2024	57,870	3.0500%	1,416,571	5.000%	31,000	1.64%	320,000	2.00%
2025	62,029	3.0500%	1,421,571	5.000%	31,000	1.71%	320,000	2.00%
2026	66,398	3.0500%	1,426,429	5.000%	32,000	1.85%	320,000	2.50%
2027	70,988	3.0500%	790,000	4.000%	33,000	2.05%	320,000	2.75%
2028	75,809	3.0500%			34,000	2.18%	320,000	3.00%
2029					35,000	2.28%	320,000	3.00%
2030					35,000	2.37%	320,000	3.00%
2031					36,000	2.44%	320,000	3.00%
2032					38,000	2.51%	320,000	3.00%
2033					39,000	2.55%	320,000	3.00%
2034					40,000	2.45%	320,000	3.00%
2035					39,000	2.48%	320,000	3.25%
2036								
2037								
<i>Total</i>	<b>\$ 603,700</b>		<b>\$ 13,658,286</b>		<b>\$ 597,000</b>		<b>\$ 5,760,000</b>	
<b><i>Details</i></b>								
Interest Payment Date(s)	March 26	September 26	January 01	July 01	March 01	September 01	October 15	April 15
Principal Payment Date(s)	March 26	September 26		July 01		September 1		April 15
Paying Agent		Town		US Bank		US Bank		Town
<b><i>Issuance Details</i></b>								
Type of Sale		Private Placement		Negotiated				Competitive
UW/Purchaser		TD Equipment Finance		Piper Jaffray		RIIB		FTN Financial
Purpose		Town/Sch Energy Projects		2005 and 2006 Refunding		Road Improvements		Infrastructure Improvements
Insurance		None		None		None		None

Non-callable  
 Callable

\*Formerly known as the Rhode Island Clean Water Finance Agency



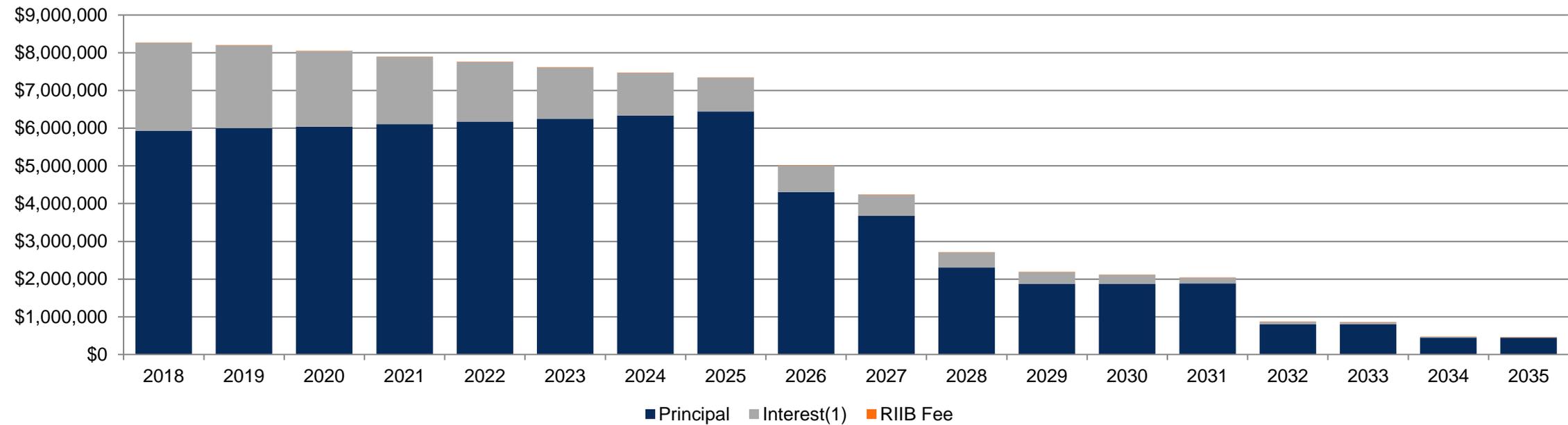
Town of Westerly, Rhode Island  
 General Obligation Debt  
 As of June 30, 2017 (Includes 2017A Refunding Bonds)

Fiscal Year Ended June 30,	\$3,890,000 Refunding Bonds 2017 Series A Dated 07/19/2017	
	Principal	Interest
2018		
2019	410,000	2.00%
2020	410,000	4.00%
2021	405,000	3.00%
2022	405,000	4.00%
2023	405,000	4.00%
2024	380,000	2.00%
2025	375,000	2.00%
2026	370,000	4.00%
2027	365,000	4.00%
2028	365,000	4.00%
2029		
2030		
2031		
2032		
2033		
2034		
2035		
2036		
2037		
<i>Total</i>	<b>\$ 3,890,000</b>	
<b><u>Details</u></b>	September 15	March 15
Interest Payment Date(s)	September 15	
Principal Payment Date(s)	Town	
Paying Agent		
<b><u>Issuance Details</u></b>	Competitive	
Type of Sale	Robert W. Baird	
UW/Purchaser	Refunding of 2007 Bonds	
Purpose	None	
Insurance		

Non-callable  
 Callable



Town of Westerly, Rhode Island  
 General Obligation Debt Statistics  
 As of June 30, 2017 (Includes 2017A Refunding Bonds)



<b>Average Annual Debt Service</b>	\$5,314,458
<b>Maximum Annual Debt Service</b>	\$8,709,625
<b>Callable Par (\$)</b>	\$24,366,167
<b>Callable Par (%)</b>	35.99%
<b>Average Life</b>	7.49 Years
<b><u>Ratings</u></b>	
<b>Moody's</b>	Aa3
<b>Standard &amp; Poor's</b>	AA
<b>Fitch</b>	Not Rated

(1) Net of QSCB subsidy.

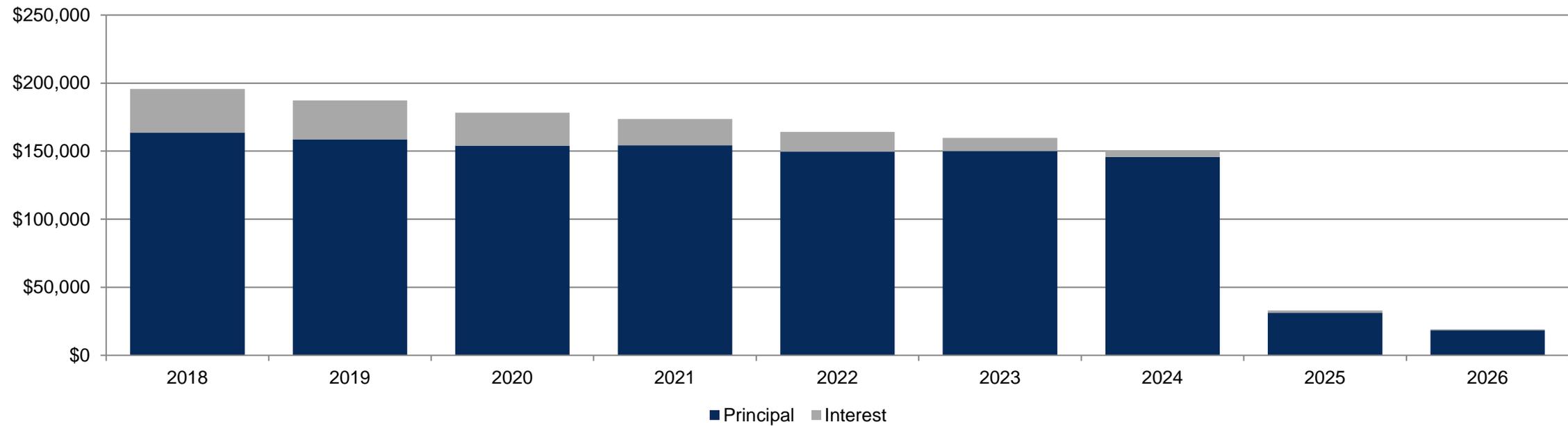
Town of Westerly, Rhode Island  
 Beach Fund Debt  
 As of June 30, 2017

Fiscal Year Ended June 30,	\$121,322 Series 2012B (Beach Portion) Dated 07/03/2012		\$1,290,000 GO Taxable Bonds, Series 2012C Dated 07/03/2012		\$188,571 2014 Series A (Beach Portion) Dated 06/04/2014	
	Principal	Interest	Principal	Interest	Principal	Interest
2018	9,462	4.000%	135,000	2.073%	19,000	3.000%
2019	9,942	5.000%	130,000	2.073%	18,714	3.000%
2020	10,423	3.0 / 5.0%	125,000	3.000%	18,571	4.000%
2021	10,844	3.0 / 5.0%	125,000	3.000%	18,429	4.000%
2022	11,294	3.0 / 5.0%	120,000	3.000%	18,286	4.000%
2023	11,775	4.0 / 5.0%	120,000	3.000%	18,286	5.000%
2024	12,345	4.0 / 4.5%	115,000	3.000%	18,429	5.000%
2025	12,916	4.000%			18,429	5.000%
2026					18,571	5.000%
2027						
2028						
2029						
2030						
2031						
2032						
2033						
2034						
2035						
2036						
2037						
<b>Total</b>	<b>\$ 89,001</b>		<b>\$ 870,000</b>		<b>\$ 166,714</b>	
<b>Details</b>	February 15 August 15		April 15 October 15		January 01 July 01	
Interest Payment Date(s)	August 15		October 15		July 01	
Principal Payment Date(s)	US Bank		US Bank		US Bank	
Paying Agent	Negotiated		Negotiated		Negotiated	
<b>Issuance Details</b>	Janney Montgomery Scott		Janney Montgomery Scott		Piper Jaffray	
Type of Sale	Refunding of 04 Bonds		Refunding of 03 Bonds		2005 Refunding	
UW/Purchaser	None		None		None	
Purpose						
Insurance						

Non-callable  
 Callable



Town of Westerly, Rhode Island  
 Beach Fund Debt Statistics  
 As of June 30, 2017



<b>Average Annual Debt Service</b>	\$140,172
<b>Maximum Annual Debt Service</b>	\$195,786
<b>Callable Par (\$)</b>	\$43,833
<b>Callable Par (%)</b>	3.89%
<b>Average Life</b>	5.13 Years
<b><u>Ratings</u></b>	
<b>Moody's</b>	Aa3
<b>Standard &amp; Poor's</b>	AA
<b>Fitch</b>	Not Rated

Town of Westerly, Rhode Island  
 Sewer Fund Debt  
 As of June 30, 2017

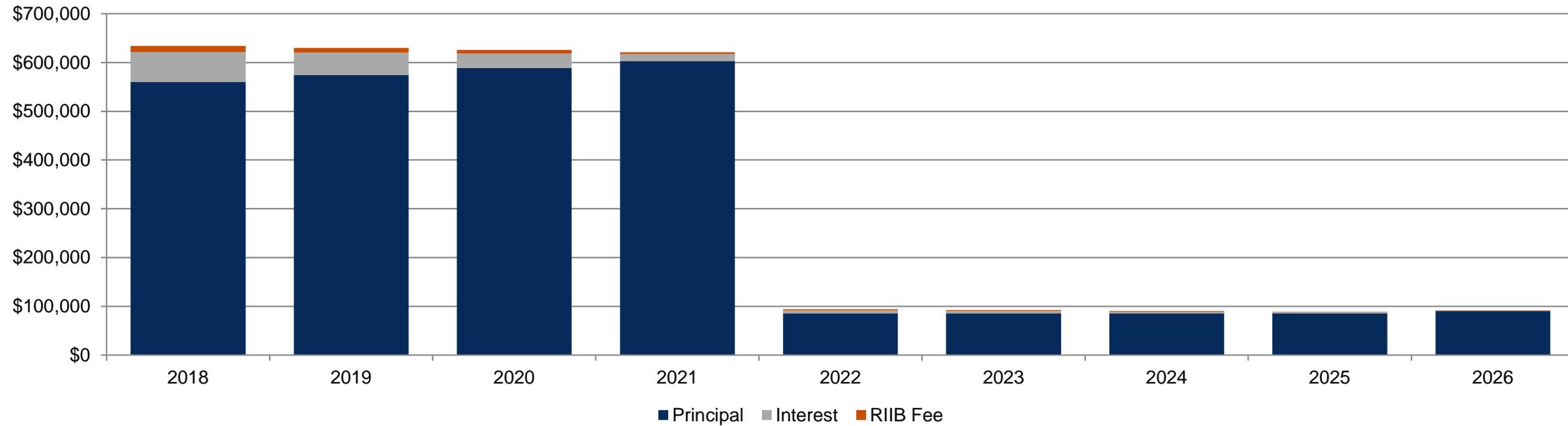
Fiscal Year Ended June 30,	\$255,000 RIIB Loan* Dated 05/01/2000		\$7,995,000 RIIB Loan* Dated 12/19/2000		\$1,724,300 RIIB Loan* Dated 12/16/2004	
	Principal	Interest	Principal	Interest	Principal	Interest
2018	15,679	3.0365%	458,925	2.86395%	86,000	1.370%
2019	16,237	3.0365%	472,068	2.86395%	86,000	1.395%
2020	16,814	3.0365%	485,588	2.86395%	86,000	1.420%
2021	17,412	3.0365%	499,495	2.86395%	86,000	1.445%
2022					86,000	1.465%
2023					86,000	1.485%
2024					86,000	1.505%
2025					86,000	1.525%
2026					90,300	1.545%
2027						
2028						
2029						
2030						
2031						
2032						
2033						
2034						
2035						
2036						
2037						
<i>Total</i>	<b>\$ 66,142</b>		<b>\$ 1,916,077</b>		<b>\$ 778,300</b>	
<b>Details</b>	March 01      September 01		March 01      September 01		March 01      September 01	
Interest Payment Date(s)	September 01		September 01		September 01	
Principal Payment Date(s)	US Bank		US Bank		US Bank	
Paying Agent						

**Non-callable**  
**Callable**

\*Formerly Known as the Rhode Island Clean Water Finance Agency.



Town of Westerly, Rhode Island  
 Sewer Fund Debt Statistics  
 As of June 30, 2017



<b>Average Annual Debt Service</b>	\$329,631
<b>Maximum Annual Debt Service</b>	\$633,870
<b>Callable Par (\$)</b>	\$1,982,219
<b>Callable Par (%)</b>	71.81%
<b>Average Life</b>	4.24 Years
<b><u>Ratings</u></b>	
<b>Moody's</b>	Not Rated
<b>Standard &amp; Poor's</b>	Not Rated
<b>Fitch</b>	Not Rated

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## **Aggregate Debt Schedules**

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**NET DEBT SERVICE**

Town of Westerly, RI  
 General Obligation Debt  
 As of June 30, 2017

<b>Period Ending</b>	<b>Principal</b>	<b>Coupon</b>	<b>Interest</b>	<b>Total Debt Service</b>	<b>QSCB Subsidy</b>	<b>RIIB Fee</b>	<b>Net Debt Service</b>
06/30/2018	5,930,842.67	** %	2,844,232.46	8,775,075.13	-509,507.10	2,915.00	8,268,483.03
06/30/2019	5,998,717.78	** %	2,706,525.51	8,705,243.29	-509,507.10	2,775.00	8,198,511.19
06/30/2020	6,042,612.05	** %	2,509,082.04	8,551,694.09	-509,507.10	2,632.50	8,044,819.49
06/30/2021	6,105,736.38	** %	2,299,607.28	8,405,343.66	-509,507.10	2,487.50	7,898,324.06
06/30/2022	6,175,006.67	** %	2,092,655.54	8,267,662.21	-509,507.10	2,340.00	7,760,495.11
06/30/2023	6,253,290.07	** %	1,873,101.40	8,126,391.47	-509,507.10	2,190.00	7,619,074.37
06/30/2024	6,337,533.50	** %	1,640,815.50	7,978,349.00	-509,507.10	2,037.50	7,470,879.40
06/30/2025	6,441,121.78	** %	1,408,328.46	7,849,450.24	-509,507.10	1,882.50	7,341,825.64
06/30/2026	4,309,264.07	** %	1,212,613.03	5,521,877.10	-509,507.10	1,725.00	5,014,095.00
06/30/2027	3,678,425.50	** %	1,071,307.93	4,749,733.43	-509,507.10	1,562.50	4,241,788.83
06/30/2028	2,309,809.00	** %	397,956.13	2,707,765.13		1,395.00	2,709,160.13
06/30/2029	1,875,000.00	** %	314,333.66	2,189,333.66		1,222.50	2,190,556.16
06/30/2030	1,875,000.00	** %	236,694.91	2,111,694.91		1,047.50	2,112,742.41
06/30/2031	1,881,000.00	** %	155,859.70	2,036,859.70		870.00	2,037,729.70
06/30/2032	798,000.00	** %	74,343.60	872,343.60		685.00	873,028.60
06/30/2033	804,000.00	** %	46,585.08	850,585.08		492.50	851,077.58
06/30/2034	445,000.00	** %	25,929.08	470,929.08		295.00	471,224.08
06/30/2035	449,000.00	** %	12,402.35	461,402.35		97.50	461,499.85
	67,709,359.47		20,922,373.66	88,631,733.13	-5,095,071.00	28,652.50	83,565,314.63



pfm

**BOND DEBT SERVICE**

Town of Westerly, RI  
Beach Fund Debt  
As of June 30, 2017

<b>Period Ending</b>	<b>Principal</b>	<b>Coupon</b>	<b>Interest</b>	<b>Debt Service</b>
06/30/2018	163,461.83	** %	32,324.33	195,786.16
06/30/2019	158,656.72	** %	28,574.09	187,230.81
06/30/2020	153,994.45	** %	24,264.54	178,258.99
06/30/2021	154,272.12	** %	19,395.46	173,667.58
06/30/2022	149,579.83	** %	14,604.26	164,184.09
06/30/2023	150,060.43	** %	9,749.16	159,809.59
06/30/2024	145,774.00	** %	4,807.82	150,581.82
06/30/2025	31,344.72	** %	1,647.61	32,992.33
06/30/2026	18,571.43	5.000%	464.29	19,035.72
	1,125,715.53		135,831.56	1,261,547.09



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NET DEBT SERVICE

Town of Westerly, RI  
Sewer Debt  
As of June 30, 2017

Period Ending	Principal	Coupon	Interest	Total Debt Service	RIIB Fee	Net Debt Service
06/30/2018	560,604.06	** %	60,864.78	621,468.84	12,401.08	633,869.92
06/30/2019	574,305.45	** %	45,859.67	620,165.12	9,563.81	629,728.93
06/30/2020	588,402.27	** %	30,434.02	618,836.29	6,657.04	625,493.33
06/30/2021	602,906.97	** %	14,576.29	617,483.26	3,678.77	621,162.03
06/30/2022	86,000.00	1.465%	5,907.99	91,907.99	1,956.50	93,864.49
06/30/2023	86,000.00	1.485%	4,639.49	90,639.49	1,526.50	92,165.99
06/30/2024	86,000.00	1.505%	3,353.79	89,353.79	1,096.50	90,450.29
06/30/2025	86,000.00	1.525%	2,050.89	88,050.89	666.50	88,717.39
06/30/2026	90,300.00	1.545%	697.57	90,997.57	225.75	91,223.32
	2,760,518.75		168,384.49	2,928,903.24	37,772.45	2,966,675.69

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## **Individual Debt Schedules**

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**NET DEBT SERVICE**

Town of Westerly, Rhode Island  
General Obligation School Bonds, Dated 7/15/98  
General Obligation Debt  
As of June 30, 2017

<b>Date</b>	<b>Principal</b>	<b>Coupon</b>	<b>Interest</b>	<b>Total Debt Service</b>	<b>Net Debt Service</b>	<b>Annual Net D/S</b>
07/15/2017	25,000	5.200%	1,300	26,300	26,300	
01/15/2018			650	650	650	
06/30/2018						26,950
07/15/2018	25,000	5.200%	650	25,650	25,650	
06/30/2019						25,650
	50,000		2,600	52,600	52,600	52,600



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**NET DEBT SERVICE**

Town of Westerly, Rhode Island  
General Obligation Bonds, Dated 9/15/07  
General Obligation Debt  
As of June 30, 2017

<b>Date</b>	<b>Principal</b>	<b>Coupon</b>	<b>Interest</b>	<b>Total Debt Service</b>	<b>Net Debt Service</b>	<b>Annual Net D/S</b>
09/15/2017	410,000	4.000%	8,200	418,200	418,200	
06/30/2018						418,200
	410,000		8,200	418,200	418,200	418,200

**NET DEBT SERVICE**

Town of Westerly, Rhode Island  
 RI Health and Educational Building Corp, 2010A QSCB Loan, Dated 6/15/10  
 General Obligation Debt  
 As of June 30, 2017

Date	Principal	Coupon	Interest	Total Debt Service	QSCB Subsidy	Net Debt Service	Annual Net D/S
10/01/2017			110,831.25	110,831.25	-101,964.75	8,866.50	
04/01/2018	240,937.50		110,831.25	351,768.75	-101,964.75	249,804.00	
06/30/2018							258,670.50
10/01/2018			110,831.25	110,831.25	-101,964.75	8,866.50	
04/01/2019	240,937.50		110,831.25	351,768.75	-101,964.75	249,804.00	
06/30/2019							258,670.50
10/01/2019			110,831.25	110,831.25	-101,964.75	8,866.50	
04/01/2020	240,937.50		110,831.25	351,768.75	-101,964.75	249,804.00	
06/30/2020							258,670.50
10/01/2020			110,831.25	110,831.25	-101,964.75	8,866.50	
04/01/2021	240,937.50		110,831.25	351,768.75	-101,964.75	249,804.00	
06/30/2021							258,670.50
10/01/2021			110,831.25	110,831.25	-101,964.75	8,866.50	
04/01/2022	240,937.50		110,831.25	351,768.75	-101,964.75	249,804.00	
06/30/2022							258,670.50
10/01/2022			110,831.25	110,831.25	-101,964.75	8,866.50	
04/01/2023	240,937.50		110,831.25	351,768.75	-101,964.75	249,804.00	
06/30/2023							258,670.50
10/01/2023			110,831.25	110,831.25	-101,964.75	8,866.50	
04/01/2024	240,937.50		110,831.25	351,768.75	-101,964.75	249,804.00	
06/30/2024							258,670.50
10/01/2024			110,831.25	110,831.25	-101,964.75	8,866.50	
04/01/2025	240,937.50		110,831.25	351,768.75	-101,964.75	249,804.00	
06/30/2025							258,670.50
10/01/2025			110,831.25	110,831.25	-101,964.75	8,866.50	
04/01/2026	240,937.50		110,831.25	351,768.75	-101,964.75	249,804.00	
06/30/2026							258,670.50
10/01/2026			110,831.25	110,831.25	-101,964.75	8,866.50	
04/01/2027	240,937.50	** %	110,831.25	351,768.75	-101,964.75	249,804.00	
06/30/2027							258,670.50
	2,409,375.00		2,216,625.00	4,626,000.00	-2,039,295.00	2,586,705.00	2,586,705.00

**NET DEBT SERVICE**

Town of Westerly, Rhode Island  
 RI Health and Educational Building Corp, QSCB Loan 2010G, Dated 12/2/10  
 General Obligation Debt  
 As of June 30, 2017

Date	Principal	Coupon	Interest	Total Debt Service	QSCB Subsidy	Net Debt Service	Annual Net D/S
10/01/2017			172,739.28	172,739.28	-152,788.80	19,950.48	
04/01/2018	343,500		172,739.28	516,239.28	-152,788.80	363,450.48	
06/30/2018							383,400.96
10/01/2018			172,739.28	172,739.28	-152,788.80	19,950.48	
04/01/2019	343,500		172,739.28	516,239.28	-152,788.80	363,450.48	
06/30/2019							383,400.96
10/01/2019			172,739.28	172,739.28	-152,788.80	19,950.48	
04/01/2020	343,500		172,739.28	516,239.28	-152,788.80	363,450.48	
06/30/2020							383,400.96
10/01/2020			172,739.28	172,739.28	-152,788.80	19,950.48	
04/01/2021	343,500		172,739.28	516,239.28	-152,788.80	363,450.48	
06/30/2021							383,400.96
10/01/2021			172,739.28	172,739.28	-152,788.80	19,950.48	
04/01/2022	343,500		172,739.28	516,239.28	-152,788.80	363,450.48	
06/30/2022							383,400.96
10/01/2022			172,739.28	172,739.28	-152,788.80	19,950.48	
04/01/2023	343,500		172,739.28	516,239.28	-152,788.80	363,450.48	
06/30/2023							383,400.96
10/01/2023			172,739.28	172,739.28	-152,788.80	19,950.48	
04/01/2024	343,500		172,739.28	516,239.28	-152,788.80	363,450.48	
06/30/2024							383,400.96
10/01/2024			172,739.28	172,739.28	-152,788.80	19,950.48	
04/01/2025	343,500		172,739.28	516,239.28	-152,788.80	363,450.48	
06/30/2025							383,400.96
10/01/2025			172,739.28	172,739.28	-152,788.80	19,950.48	
04/01/2026	343,500		172,739.28	516,239.28	-152,788.80	363,450.48	
06/30/2026							383,400.96
10/01/2026			172,739.28	172,739.28	-152,788.80	19,950.48	
04/01/2027	343,500	** %	172,739.28	516,239.28	-152,788.80	363,450.48	
06/30/2027							383,400.96
	3,435,000		3,454,785.60	6,889,785.60	-3,055,776.00	3,834,009.60	3,834,009.60



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## NET DEBT SERVICE

Town of Westerly, Rhode Island  
 RI Health and Educational Building Corporation  
 General Obligation Debt  
 As of June 30, 2017

Date	Principal	Coupon	Interest	Total Debt Service	Net Debt Service	Annual Net D/S
10/01/2017			105,918.75	105,918.75	105,918.75	
04/01/2018	315,000	4.000%	105,918.75	420,918.75	420,918.75	
06/30/2018						526,837.50
10/01/2018			99,618.75	99,618.75	99,618.75	
04/01/2019	315,000	4.000%	99,618.75	414,618.75	414,618.75	
06/30/2019						514,237.50
10/01/2019			93,318.75	93,318.75	93,318.75	
04/01/2020	315,000	5.000%	93,318.75	408,318.75	408,318.75	
06/30/2020						501,637.50
10/01/2020			85,443.75	85,443.75	85,443.75	
04/01/2021	315,000	4.125%	85,443.75	400,443.75	400,443.75	
06/30/2021						485,887.50
10/01/2021			78,946.88	78,946.88	78,946.88	
04/01/2022	315,000	5.000%	78,946.88	393,946.88	393,946.88	
06/30/2022						472,893.76
10/01/2022			71,071.88	71,071.88	71,071.88	
04/01/2023	315,000	4.500%	71,071.88	386,071.88	386,071.88	
06/30/2023						457,143.76
10/01/2023			63,984.38	63,984.38	63,984.38	
04/01/2024	315,000	4.625%	63,984.38	378,984.38	378,984.38	
06/30/2024						442,968.76
10/01/2024			56,700.00	56,700.00	56,700.00	
04/01/2025	315,000	4.750%	56,700.00	371,700.00	371,700.00	
06/30/2025						428,400.00
10/01/2025			49,218.75	49,218.75	49,218.75	
04/01/2026	315,000	5.000%	49,218.75	364,218.75	364,218.75	
06/30/2026						413,437.50
10/01/2026			41,343.75	41,343.75	41,343.75	
04/01/2027	315,000	5.000%	41,343.75	356,343.75	356,343.75	
06/30/2027						397,687.50
10/01/2027			33,468.75	33,468.75	33,468.75	
04/01/2028	315,000	5.125%	33,468.75	348,468.75	348,468.75	
06/30/2028						381,937.50
10/01/2028			25,396.88	25,396.88	25,396.88	
04/01/2029	315,000	5.250%	25,396.88	340,396.88	340,396.88	
06/30/2029						365,793.76
10/01/2029			17,128.13	17,128.13	17,128.13	
04/01/2030	315,000	5.375%	17,128.13	332,128.13	332,128.13	
06/30/2030						349,256.26
10/01/2030			8,662.50	8,662.50	8,662.50	
04/01/2031	315,000	5.500%	8,662.50	323,662.50	323,662.50	
06/30/2031						332,325.00
	4,410,000		1,660,443.80	6,070,443.80	6,070,443.80	6,070,443.80



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## NET DEBT SERVICE

Town of Westerly, Rhode Island  
 RI Health and Educational Building Corp, Loan 2011C, Dated 7/14/11  
 General Obligation Debt  
 As of June 30, 2017

Date	Principal	Coupon	Interest	Total Debt Service	Net Debt Service	Annual Net D/S
10/01/2017			234,850.00	234,850.00	234,850.00	
04/01/2018	770,000	3.000%	234,850.00	1,004,850.00	1,004,850.00	
06/30/2018						1,239,700.00
10/01/2018			223,300.00	223,300.00	223,300.00	
04/01/2019	770,000	4.000%	223,300.00	993,300.00	993,300.00	
06/30/2019						1,216,600.00
10/01/2019			207,900.00	207,900.00	207,900.00	
04/01/2020	770,000	5.000%	207,900.00	977,900.00	977,900.00	
06/30/2020						1,185,800.00
10/01/2020			188,650.00	188,650.00	188,650.00	
04/01/2021	770,000	5.000%	188,650.00	958,650.00	958,650.00	
06/30/2021						1,147,300.00
10/01/2021			169,400.00	169,400.00	169,400.00	
04/01/2022	770,000	4.000%	169,400.00	939,400.00	939,400.00	
06/30/2022						1,108,800.00
10/01/2022			154,000.00	154,000.00	154,000.00	
04/01/2023	770,000	4.000%	154,000.00	924,000.00	924,000.00	
06/30/2023						1,078,000.00
10/01/2023			138,600.00	138,600.00	138,600.00	
04/01/2024	770,000	4.125%	138,600.00	908,600.00	908,600.00	
06/30/2024						1,047,200.00
10/01/2024			122,718.75	122,718.75	122,718.75	
04/01/2025	770,000	4.250%	122,718.75	892,718.75	892,718.75	
06/30/2025						1,015,437.50
10/01/2025			106,356.25	106,356.25	106,356.25	
04/01/2026	770,000	4.500%	106,356.25	876,356.25	876,356.25	
06/30/2026						982,712.50
10/01/2026			89,031.25	89,031.25	89,031.25	
04/01/2027	770,000	4.500%	89,031.25	859,031.25	859,031.25	
06/30/2027						948,062.50
10/01/2027			71,706.25	71,706.25	71,706.25	
04/01/2028	770,000	4.500%	71,706.25	841,706.25	841,706.25	
06/30/2028						913,412.50
10/01/2028			54,381.25	54,381.25	54,381.25	
04/01/2029	770,000	4.625%	54,381.25	824,381.25	824,381.25	
06/30/2029						878,762.50
10/01/2029			36,575.00	36,575.00	36,575.00	
04/01/2030	770,000	4.750%	36,575.00	806,575.00	806,575.00	
06/30/2030						843,150.00
10/01/2030			18,287.50	18,287.50	18,287.50	
04/01/2031	770,000	4.750%	18,287.50	788,287.50	788,287.50	
06/30/2031						806,575.00
	10,780,000		3,631,512.50	14,411,512.50	14,411,512.50	14,411,512.50



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## NET DEBT SERVICE

Town of Westerly, Rhode Island  
 General Obligation Bonds, 2012 Series A  
 General Obligation Debt  
 As of June 30, 2017

Date	Principal	Coupon	Interest	Total Debt Service	Net Debt Service	Annual Net D/S
07/01/2017	365,000	2.000%	90,775	455,775	455,775	
01/01/2018			87,125	87,125	87,125	
06/30/2018						542,900
07/01/2018	365,000	2.000%	87,125	452,125	452,125	
01/01/2019			83,475	83,475	83,475	
06/30/2019						535,600
07/01/2019	360,000	3.000%	83,475	443,475	443,475	
01/01/2020			78,075	78,075	78,075	
06/30/2020						521,550
07/01/2020	360,000	3.000%	78,075	438,075	438,075	
01/01/2021			72,675	72,675	72,675	
06/30/2021						510,750
07/01/2021	360,000	3.000%	72,675	432,675	432,675	
01/01/2022			67,275	67,275	67,275	
06/30/2022						499,950
07/01/2022	360,000	3.000%	67,275	427,275	427,275	
01/01/2023			61,875	61,875	61,875	
06/30/2023						489,150
07/01/2023	360,000	3.000%	61,875	421,875	421,875	
01/01/2024			56,475	56,475	56,475	
06/30/2024						478,350
07/01/2024	360,000	3.000%	56,475	416,475	416,475	
01/01/2025			51,075	51,075	51,075	
06/30/2025						467,550
07/01/2025	360,000	3.000%	51,075	411,075	411,075	
01/01/2026			45,675	45,675	45,675	
06/30/2026						456,750
07/01/2026	360,000	3.125%	45,675	405,675	405,675	
01/01/2027			40,050	40,050	40,050	
06/30/2027						445,725
07/01/2027	360,000	3.125%	40,050	400,050	400,050	
01/01/2028			34,425	34,425	34,425	
06/30/2028						434,475
07/01/2028	360,000	3.125%	34,425	394,425	394,425	
01/01/2029			28,800	28,800	28,800	
06/30/2029						423,225
07/01/2029	360,000	4.000%	28,800	388,800	388,800	
01/01/2030			21,600	21,600	21,600	
06/30/2030						410,400
07/01/2030	360,000	4.000%	21,600	381,600	381,600	
01/01/2031			14,400	14,400	14,400	
06/30/2031						396,000
07/01/2031	360,000	4.000%	14,400	374,400	374,400	
01/01/2032			7,200	7,200	7,200	
06/30/2032						381,600
07/01/2032	360,000	4.000%	7,200	367,200	367,200	
06/30/2033						367,200
	5,770,000		1,591,175	7,361,175	7,361,175	7,361,175



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**NET DEBT SERVICE**

Town of Westerly, Rhode Island  
 General Obligation Refunding Bonds, 2012 Series B (Town Portion)  
 General Obligation Debt  
 As of June 30, 2017

<b>Date</b>	<b>Principal</b>	<b>Coupon</b>	<b>Interest</b>	<b>Total Debt Service</b>	<b>Net Debt Service</b>	<b>Annual Net D/S</b>
08/15/2017	1,565,538.17	4.000%	291,687.10	1,857,225.27	1,857,225.27	
02/15/2018			260,376.33	260,376.33	260,376.33	
06/30/2018						2,117,601.60
08/15/2018	1,645,057.57	5.000%	260,376.33	1,905,433.90	1,905,433.90	
02/15/2019			219,249.89	219,249.89	219,249.89	
06/30/2019						2,124,683.79
08/15/2019	1,724,576.98	** %	219,249.89	1,943,826.87	1,943,826.87	
02/15/2020			188,411.28	188,411.28	188,411.28	
06/30/2020						2,132,238.15
08/15/2020	1,794,156.45	** %	188,411.28	1,982,567.73	1,982,567.73	
02/15/2021			156,528.97	156,528.97	156,528.97	
06/30/2021						2,139,096.70
08/15/2021	1,868,705.88	** %	156,528.97	2,025,234.85	2,025,234.85	
02/15/2022			125,218.20	125,218.20	125,218.20	
06/30/2022						2,150,453.05
08/15/2022	1,948,225.28	** %	125,218.20	2,073,443.48	2,073,443.48	
02/15/2023			85,011.21	85,011.21	85,011.21	
06/30/2023						2,158,454.69
08/15/2023	2,042,654.57	** %	85,011.21	2,127,665.78	2,127,665.78	
02/15/2024			42,741.68	42,741.68	42,741.68	
06/30/2024						2,170,407.46
08/15/2024	2,137,083.85	4.000%	42,741.68	2,179,825.53	2,179,825.53	
06/30/2025						2,179,825.53
	14,725,998.75		2,446,762.22	17,172,760.97	17,172,760.97	17,172,760.97



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**NET DEBT SERVICE**

Town of Westerly, Rhode Island  
 ESCO Lease, Dated 9/26/13  
 General Obligation Debt  
 As of June 30, 2017

<b>Date</b>	<b>Principal</b>	<b>Coupon</b>	<b>Interest</b>	<b>Total Debt Service</b>	<b>Net Debt Service</b>	<b>Annual Net D/S</b>
09/26/2017	18,433	3.050%	9,206.43	27,639.43	27,639.43	
03/26/2018	18,434	3.050%	8,925.32	27,359.32	27,359.32	
06/30/2018						54,998.75
09/26/2018	19,968	3.050%	8,644.20	28,612.20	28,612.20	
03/26/2019	19,969	3.050%	8,339.69	28,308.69	28,308.69	
06/30/2019						56,920.89
09/26/2019	21,584	3.050%	8,035.16	29,619.16	29,619.16	
03/26/2020	21,585	3.050%	7,706.01	29,291.01	29,291.01	
06/30/2020						58,910.17
09/26/2020	23,285	3.050%	7,376.84	30,661.84	30,661.84	
03/26/2021	23,286	3.050%	7,021.74	30,307.74	30,307.74	
06/30/2021						60,969.58
09/26/2021	25,074	3.050%	6,666.63	31,740.63	31,740.63	
03/26/2022	25,075	3.050%	6,284.25	31,359.25	31,359.25	
06/30/2022						63,099.88
09/26/2022	26,956	3.050%	5,901.86	32,857.86	32,857.86	
03/26/2023	26,957	3.050%	5,490.78	32,447.78	32,447.78	
06/30/2023						65,305.64
09/26/2023	28,935	3.050%	5,079.68	34,014.68	34,014.68	
03/26/2024	28,935	3.050%	4,638.42	33,573.42	33,573.42	
06/30/2024						67,588.10
09/26/2024	31,015	3.050%	4,197.17	35,212.17	35,212.17	
03/26/2025	31,014	3.050%	3,724.19	34,738.19	34,738.19	
06/30/2025						69,950.36
09/26/2025	33,199	3.050%	3,251.22	36,450.22	36,450.22	
03/26/2026	33,199	3.050%	2,744.94	35,943.94	35,943.94	
06/30/2026						72,394.16
09/26/2026	35,494	3.050%	2,238.65	37,732.65	37,732.65	
03/26/2027	35,494	3.050%	1,697.37	37,191.37	37,191.37	
06/30/2027						74,924.02
09/26/2027	37,905	3.050%	1,156.09	39,061.09	39,061.09	
03/26/2028	37,904	3.050%	578.04	38,482.04	38,482.04	
06/30/2028						77,543.13
	603,700		118,904.68	722,604.68	722,604.68	722,604.68



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## NET DEBT SERVICE

Town of Westerly, Rhode Island  
 General Obligation Bonds, 2014 Series (Town Refunding Portion)  
 General Obligation Debt  
 As of June 30, 2017

Date	Principal	Coupon	Interest	Total Debt Service	Net Debt Service	Annual Net D/S
07/01/2017	1,466,000.00	3.000%	286,985.71	1,752,985.71	1,752,985.71	
01/01/2018			264,995.71	264,995.71	264,995.71	
06/30/2018						2,017,981.42
07/01/2018	1,446,285.71	3.000%	264,995.71	1,711,281.42	1,711,281.42	
01/01/2019			243,301.43	243,301.43	243,301.43	
06/30/2019						1,954,582.85
07/01/2019	1,436,428.57	4.000%	243,301.43	1,679,730.00	1,679,730.00	
01/01/2020			214,572.86	214,572.86	214,572.86	
06/30/2020						1,894,302.86
07/01/2020	1,426,571.43	4.000%	214,572.86	1,641,144.29	1,641,144.29	
01/01/2021			186,041.43	186,041.43	186,041.43	
06/30/2021						1,827,185.72
07/01/2021	1,416,714.29	4.000%	186,041.43	1,602,755.72	1,602,755.72	
01/01/2022			157,707.14	157,707.14	157,707.14	
06/30/2022						1,760,462.86
07/01/2022	1,411,714.29	5.000%	157,707.14	1,569,421.43	1,569,421.43	
01/01/2023			122,414.29	122,414.29	122,414.29	
06/30/2023						1,691,835.72
07/01/2023	1,416,571.43	5.000%	122,414.29	1,538,985.72	1,538,985.72	
01/01/2024			87,000.00	87,000.00	87,000.00	
06/30/2024						1,625,985.72
07/01/2024	1,421,571.43	5.000%	87,000.00	1,508,571.43	1,508,571.43	
01/01/2025			51,460.71	51,460.71	51,460.71	
06/30/2025						1,560,032.14
07/01/2025	1,426,428.57	5.000%	51,460.71	1,477,889.28	1,477,889.28	
01/01/2026			15,800.00	15,800.00	15,800.00	
06/30/2026						1,493,689.28
07/01/2026	790,000.00	4.000%	15,800.00	805,800.00	805,800.00	
06/30/2027						805,800.00
	13,658,285.72		2,973,572.85	16,631,858.57	16,631,858.57	16,631,858.57



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## NET DEBT SERVICE

Town of Westerly, Rhode Island  
 General Obligation Bonds, 2014 Series A (New Money)  
 General Obligation Debt  
 As of June 30, 2017

Date	Principal	Coupon	Interest	Total Debt Service	Net Debt Service	Annual Net D/S
07/01/2017	45,000	3.000%	22,537.50	67,537.50	67,537.50	
01/01/2018			21,862.50	21,862.50	21,862.50	
06/30/2018						89,400.00
07/01/2018	50,000	3.000%	21,862.50	71,862.50	71,862.50	
01/01/2019			21,112.50	21,112.50	21,112.50	
06/30/2019						92,975.00
07/01/2019	50,000	4.000%	21,112.50	71,112.50	71,112.50	
01/01/2020			20,112.50	20,112.50	20,112.50	
06/30/2020						91,225.00
07/01/2020	55,000	4.000%	20,112.50	75,112.50	75,112.50	
01/01/2021			19,012.50	19,012.50	19,012.50	
06/30/2021						94,125.00
07/01/2021	55,000	4.000%	19,012.50	74,012.50	74,012.50	
01/01/2022			17,912.50	17,912.50	17,912.50	
06/30/2022						91,925.00
07/01/2022	55,000	5.000%	17,912.50	72,912.50	72,912.50	
01/01/2023			16,537.50	16,537.50	16,537.50	
06/30/2023						89,450.00
07/01/2023	60,000	5.000%	16,537.50	76,537.50	76,537.50	
01/01/2024			15,037.50	15,037.50	15,037.50	
06/30/2024						91,575.00
07/01/2024	65,000	5.000%	15,037.50	80,037.50	80,037.50	
01/01/2025			13,412.50	13,412.50	13,412.50	
06/30/2025						93,450.00
07/01/2025	65,000	5.000%	13,412.50	78,412.50	78,412.50	
01/01/2026			11,787.50	11,787.50	11,787.50	
06/30/2026						90,200.00
07/01/2026	70,000	4.000%	11,787.50	81,787.50	81,787.50	
01/01/2027			10,387.50	10,387.50	10,387.50	
06/30/2027						92,175.00
07/01/2027	70,000	3.000%	10,387.50	80,387.50	80,387.50	
01/01/2028			9,337.50	9,337.50	9,337.50	
06/30/2028						89,725.00
07/01/2028	75,000	3.000%	9,337.50	84,337.50	84,337.50	
01/01/2029			8,212.50	8,212.50	8,212.50	
06/30/2029						92,550.00
07/01/2029	75,000	3.000%	8,212.50	83,212.50	83,212.50	
01/01/2030			7,087.50	7,087.50	7,087.50	
06/30/2030						90,300.00
07/01/2030	80,000	3.375%	7,087.50	87,087.50	87,087.50	
01/01/2031			5,737.50	5,737.50	5,737.50	
06/30/2031						92,825.00
07/01/2031	80,000	3.375%	5,737.50	85,737.50	85,737.50	
01/01/2032			4,387.50	4,387.50	4,387.50	
06/30/2032						90,125.00
07/01/2032	85,000	3.375%	4,387.50	89,387.50	89,387.50	
01/01/2033			2,953.13	2,953.13	2,953.13	
06/30/2033						92,340.63
07/01/2033	85,000	3.375%	2,953.13	87,953.13	87,953.13	



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**NET DEBT SERVICE**

Town of Westerly, Rhode Island  
General Obligation Bonds, 2014 Series A (New Money)  
General Obligation Debt  
As of June 30, 2017

<b>Date</b>	<b>Principal</b>	<b>Coupon</b>	<b>Interest</b>	<b>Total Debt Service</b>	<b>Net Debt Service</b>	<b>Annual Net D/S</b>
01/01/2034			1,518.75	1,518.75	1,518.75	
06/30/2034						89,471.88
07/01/2034	90,000	3.375%	1,518.75	91,518.75	91,518.75	
06/30/2035						91,518.75
	1,210,000		435,356.26	1,645,356.26	1,645,356.26	1,645,356.26



**NET DEBT SERVICE**

Town of Westerly, Rhode Island  
 2014 Road & Bridge Fund Loan  
 General Obligation Debt  
 As of June 30, 2017

<b>Date</b>	<b>Principal</b>	<b>Coupon</b>	<b>Interest</b>	<b>Total Debt Service</b>	<b>RIIB Fee</b>	<b>Net Debt Service</b>	<b>Annual Net D/S</b>
09/01/2029	35,000	2.370%	2,801.70	37,801.70	567.50	38,369.20	
03/01/2030			2,386.95	2,386.95	480.00	2,866.95	
06/30/2030							41,236.15
09/01/2030	36,000	2.440%	2,386.95	38,386.95	480.00	38,866.95	
03/01/2031			1,947.75	1,947.75	390.00	2,337.75	
06/30/2031							41,204.70
09/01/2031	38,000	2.510%	1,947.75	39,947.75	390.00	40,337.75	
03/01/2032			1,470.85	1,470.85	295.00	1,765.85	
06/30/2032							42,103.60
09/01/2032	39,000	2.550%	1,470.85	40,470.85	295.00	40,765.85	
03/01/2033			973.60	973.60	197.50	1,171.10	
06/30/2033							41,936.95
09/01/2033	40,000	2.450%	973.60	40,973.60	197.50	41,171.10	
03/01/2034			483.60	483.60	97.50	581.10	
06/30/2034							41,752.20
09/01/2034	39,000	2.480%	483.60	39,483.60	97.50	39,581.10	
06/30/2035							39,581.10
	597,000		126,935.75	723,935.75	28,652.50	752,588.25	752,588.25



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**NET DEBT SERVICE**

Town of Westerly, Rhode Island  
 General Obligation Bonds, 2015 Series A  
 Final Numbers  
 General Obligation Debt  
 As of June 30, 2017

<b>Date</b>	<b>Principal</b>	<b>Coupon</b>	<b>Interest</b>	<b>Total Debt Service</b>	<b>Net Debt Service</b>	<b>Annual Net D/S</b>
10/15/2017			72,800	72,800	72,800	
04/15/2018	320,000	2.000%	72,800	392,800	392,800	
06/30/2018						465,600
10/15/2018			69,600	69,600	69,600	
04/15/2019	320,000	2.000%	69,600	389,600	389,600	
06/30/2019						459,200
10/15/2019			66,400	66,400	66,400	
04/15/2020	320,000	2.000%	66,400	386,400	386,400	
06/30/2020						452,800
10/15/2020			63,200	63,200	63,200	
04/15/2021	320,000	2.000%	63,200	383,200	383,200	
06/30/2021						446,400
10/15/2021			60,000	60,000	60,000	
04/15/2022	320,000	2.000%	60,000	380,000	380,000	
06/30/2022						440,000
10/15/2022			56,800	56,800	56,800	
04/15/2023	320,000	2.000%	56,800	376,800	376,800	
06/30/2023						433,600
10/15/2023			53,600	53,600	53,600	
04/15/2024	320,000	2.000%	53,600	373,600	373,600	
06/30/2024						427,200
10/15/2024			50,400	50,400	50,400	
04/15/2025	320,000	2.000%	50,400	370,400	370,400	
06/30/2025						420,800
10/15/2025			47,200	47,200	47,200	
04/15/2026	320,000	2.500%	47,200	367,200	367,200	
06/30/2026						414,400
10/15/2026			43,200	43,200	43,200	
04/15/2027	320,000	2.750%	43,200	363,200	363,200	
06/30/2027						406,400
10/15/2027			38,800	38,800	38,800	
04/15/2028	320,000	3.000%	38,800	358,800	358,800	
06/30/2028						397,600
10/15/2028			34,000	34,000	34,000	
04/15/2029	320,000	3.000%	34,000	354,000	354,000	
06/30/2029						388,000
10/15/2029			29,200	29,200	29,200	
04/15/2030	320,000	3.000%	29,200	349,200	349,200	
06/30/2030						378,400
10/15/2030			24,400	24,400	24,400	
04/15/2031	320,000	3.000%	24,400	344,400	344,400	
06/30/2031						368,800
10/15/2031			19,600	19,600	19,600	
04/15/2032	320,000	3.000%	19,600	339,600	339,600	
06/30/2032						359,200
10/15/2032			14,800	14,800	14,800	
04/15/2033	320,000	3.000%	14,800	334,800	334,800	
06/30/2033						349,600
10/15/2033			10,000	10,000	10,000	
04/15/2034	320,000	3.000%	10,000	330,000	330,000	



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**NET DEBT SERVICE**

Town of Westerly, Rhode Island  
General Obligation Bonds, 2015 Series A  
Final Numbers  
General Obligation Debt  
As of June 30, 2017

<b>Date</b>	<b>Principal</b>	<b>Coupon</b>	<b>Interest</b>	<b>Total Debt Service</b>	<b>Net Debt Service</b>	<b>Annual Net D/S</b>
06/30/2034						340,000
10/15/2034			5,200	5,200	5,200	
04/15/2035	320,000	3.250%	5,200	325,200	325,200	
06/30/2035						330,400
	5,760,000		1,518,400	7,278,400	7,278,400	7,278,400



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**NET DEBT SERVICE**

Town of Westerly, Rhode Island  
 General Obligation Refunding Bonds, 2017A  
 General Obligation Debt  
 As of June 30, 2017

<b>Date</b>	<b>Principal</b>	<b>Coupon</b>	<b>Interest</b>	<b>Total Debt Service</b>	<b>Net Debt Service</b>	<b>Annual Net D/S</b>
09/15/2017			19,950	19,950	19,950	
03/15/2018			64,125	64,125	64,125	
06/30/2018						84,075
09/15/2018	410,000	2.000%	64,125	474,125	474,125	
03/15/2019			60,025	60,025	60,025	
06/30/2019						534,150
09/15/2019	410,000	4.000%	60,025	470,025	470,025	
03/15/2020			51,825	51,825	51,825	
06/30/2020						521,850
09/15/2020	405,000	3.000%	51,825	456,825	456,825	
03/15/2021			45,750	45,750	45,750	
06/30/2021						502,575
09/15/2021	405,000	4.000%	45,750	450,750	450,750	
03/15/2022			37,650	37,650	37,650	
06/30/2022						488,400
09/15/2022	405,000	4.000%	37,650	442,650	442,650	
03/15/2023			29,550	29,550	29,550	
06/30/2023						472,200
09/15/2023	380,000	2.000%	29,550	409,550	409,550	
03/15/2024			25,750	25,750	25,750	
06/30/2024						435,300
09/15/2024	375,000	2.000%	25,750	400,750	400,750	
03/15/2025			22,000	22,000	22,000	
06/30/2025						422,750
09/15/2025	370,000	4.000%	22,000	392,000	392,000	
03/15/2026			14,600	14,600	14,600	
06/30/2026						406,600
09/15/2026	365,000	4.000%	14,600	379,600	379,600	
03/15/2027			7,300	7,300	7,300	
06/30/2027						386,900
09/15/2027	365,000	4.000%	7,300	372,300	372,300	
06/30/2028						372,300
	3,890,000		737,100	4,627,100	4,627,100	4,627,100



**BOND DEBT SERVICE**

Town of Westerly, Rhode Island  
General Obligation Refunding Bonds, 2012 Series B (Beach Portion)  
Beach Fund Debt  
As of June 30, 2017

<b>Period Ending</b>	<b>Principal</b>	<b>Coupon</b>	<b>Interest</b>	<b>Debt Service</b>	<b>Annual Debt Service</b>
08/15/2017	9,461.83	4.000%	1,762.90	11,224.73	
02/15/2018			1,573.67	1,573.67	
06/30/2018					12,798.40
08/15/2018	9,942.43	5.000%	1,573.67	11,516.10	
02/15/2019			1,325.11	1,325.11	
06/30/2019					12,841.21
08/15/2019	10,423.02	** %	1,325.11	11,748.13	
02/15/2020			1,138.72	1,138.72	
06/30/2020					12,886.85
08/15/2020	10,843.55	** %	1,138.72	11,982.27	
02/15/2021			946.03	946.03	
06/30/2021					12,928.30
08/15/2021	11,294.12	** %	946.03	12,240.15	
02/15/2022			756.80	756.80	
06/30/2022					12,996.95
08/15/2022	11,774.72	** %	756.80	12,531.52	
02/15/2023			513.79	513.79	
06/30/2023					13,045.31
08/15/2023	12,345.43	** %	513.79	12,859.22	
02/15/2024			258.32	258.32	
06/30/2024					13,117.54
08/15/2024	12,916.15	4.000%	258.32	13,174.47	
06/30/2025					13,174.47
	89,001.25		14,787.78	103,789.03	103,789.03



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**BOND DEBT SERVICE**

Town of Westerly, Rhode Island  
 General Obligation Taxable Refunding Bonds, 2012 Series C  
 Beach Fund Debt  
 As of June 30, 2017

<b>Period Ending</b>	<b>Principal</b>	<b>Coupon</b>	<b>Interest</b>	<b>Debt Service</b>	<b>Annual Debt Service</b>
10/15/2017	135,000	2.073%	11,821.73	146,821.73	
04/15/2018			10,422.45	10,422.45	
06/30/2018					157,244.18
10/15/2018	130,000	2.073%	10,422.45	140,422.45	
04/15/2019			9,075.00	9,075.00	
06/30/2019					149,497.45
10/15/2019	125,000	3.000%	9,075.00	134,075.00	
04/15/2020			7,200.00	7,200.00	
06/30/2020					141,275.00
10/15/2020	125,000	3.000%	7,200.00	132,200.00	
04/15/2021			5,325.00	5,325.00	
06/30/2021					137,525.00
10/15/2021	120,000	3.000%	5,325.00	125,325.00	
04/15/2022			3,525.00	3,525.00	
06/30/2022					128,850.00
10/15/2022	120,000	3.000%	3,525.00	123,525.00	
04/15/2023			1,725.00	1,725.00	
06/30/2023					125,250.00
10/15/2023	115,000	3.000%	1,725.00	116,725.00	
06/30/2024					116,725.00
	870,000		86,366.63	956,366.63	956,366.63



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**BOND DEBT SERVICE**

Town of Westerly, Rhode Island  
 General Obligation Bonds, 2014 Series (Beach Refunding Portion)  
 Beach Fund Debt  
 As of June 30, 2017

<b>Period Ending</b>	<b>Principal</b>	<b>Coupon</b>	<b>Interest</b>	<b>Debt Service</b>	<b>Annual Debt Service</b>
07/01/2017	19,000.00	3.000%	3,514.29	22,514.29	
01/01/2018			3,229.29	3,229.29	
06/30/2018					25,743.58
07/01/2018	18,714.29	3.000%	3,229.29	21,943.58	
01/01/2019			2,948.57	2,948.57	
06/30/2019					24,892.15
07/01/2019	18,571.43	4.000%	2,948.57	21,520.00	
01/01/2020			2,577.14	2,577.14	
06/30/2020					24,097.14
07/01/2020	18,428.57	4.000%	2,577.14	21,005.71	
01/01/2021			2,208.57	2,208.57	
06/30/2021					23,214.28
07/01/2021	18,285.71	4.000%	2,208.57	20,494.28	
01/01/2022			1,842.86	1,842.86	
06/30/2022					22,337.14
07/01/2022	18,285.71	5.000%	1,842.86	20,128.57	
01/01/2023			1,385.71	1,385.71	
06/30/2023					21,514.28
07/01/2023	18,428.57	5.000%	1,385.71	19,814.28	
01/01/2024			925.00	925.00	
06/30/2024					20,739.28
07/01/2024	18,428.57	5.000%	925.00	19,353.57	
01/01/2025			464.29	464.29	
06/30/2025					19,817.86
07/01/2025	18,571.43	5.000%	464.29	19,035.72	
06/30/2026					19,035.72
	166,714.28		34,677.15	201,391.43	201,391.43



**NET DEBT SERVICE**

Town of Westerly, Rhode Island  
RICWFA Loan, Dated 5/1/00  
Sewer Debt  
As of June 30, 2017

<b>Date</b>	<b>Principal</b>	<b>Coupon</b>	<b>Interest</b>	<b>Total Debt Service</b>	<b>RIIB Fee</b>	<b>Net Debt Service</b>	<b>Annual Net D/S</b>
09/01/2017	15,679.02	3.0365%	1,004.20	16,683.22	165.35	16,848.57	
03/01/2018			766.15	766.15	126.16	892.31	
06/30/2018							17,740.88
09/01/2018	16,237.02	3.0365%	766.15	17,003.17	126.16	17,129.33	
03/01/2019			519.63	519.63	85.56	605.19	
06/30/2019							17,734.52
09/01/2019	16,814.02	3.0365%	519.63	17,333.65	85.56	17,419.21	
03/01/2020			264.35	264.35	43.53	307.88	
06/30/2020							17,727.09
09/01/2020	17,411.76	3.0365%	264.35	17,676.11	43.53	17,719.64	
06/30/2021							17,719.64
	66,141.82		4,104.46	70,246.28	675.85	70,922.13	70,922.13

**NET DEBT SERVICE**

Town of Westerly, Rhode Island  
 RICWFA Loan, Dated 12/19/00  
 Sewer Debt  
 As of June 30, 2017

<b>Date</b>	<b>Principal</b>	<b>Coupon</b>	<b>Interest</b>	<b>Total Debt Service</b>	<b>RIIB Fee</b>	<b>Net Debt Service</b>	<b>Annual Net D/S</b>
09/01/2017	458,925.04	2.86395%	27,437.74	486,362.78	4,790.19	491,152.97	
03/01/2018			20,866.05	20,866.05	3,642.88	24,508.93	
06/30/2018							515,661.90
09/01/2018	472,068.43	2.86395%	20,866.05	492,934.48	3,642.88	496,577.36	
03/01/2019			14,106.15	14,106.15	2,462.71	16,568.86	
06/30/2019							513,146.22
09/01/2019	485,588.25	2.86395%	14,106.15	499,694.40	2,462.71	502,157.11	
03/01/2020			7,152.65	7,152.65	1,248.74	8,401.39	
06/30/2020							510,558.50
09/01/2020	499,495.21	2.86395%	7,152.65	506,647.86	1,248.74	507,896.60	
06/30/2021							507,896.60
	1,916,076.93		111,687.44	2,027,764.37	19,498.85	2,047,263.22	2,047,263.22

**NET DEBT SERVICE**

Town of Westerly, Rhode Island  
 RICWFA Loan, Dated 12/16/04  
 Sewer Debt  
 As of June 30, 2017

Date	Principal	Coupon	Interest	Total Debt Service	RIIB Fee	Net Debt Service	Annual Net D/S
09/01/2017	86,000	1.370%	5,689.87	91,689.87	1,945.75	93,635.62	
03/01/2018			5,100.77	5,100.77	1,730.75	6,831.52	
06/30/2018							100,467.14
09/01/2018	86,000	1.395%	5,100.77	91,100.77	1,730.75	92,831.52	
03/01/2019			4,500.92	4,500.92	1,515.75	6,016.67	
06/30/2019							98,848.19
09/01/2019	86,000	1.420%	4,500.92	90,500.92	1,515.75	92,016.67	
03/01/2020			3,890.32	3,890.32	1,300.75	5,191.07	
06/30/2020							97,207.74
09/01/2020	86,000	1.445%	3,890.32	89,890.32	1,300.75	91,191.07	
03/01/2021			3,268.97	3,268.97	1,085.75	4,354.72	
06/30/2021							95,545.79
09/01/2021	86,000	1.465%	3,268.97	89,268.97	1,085.75	90,354.72	
03/01/2022			2,639.02	2,639.02	870.75	3,509.77	
06/30/2022							93,864.49
09/01/2022	86,000	1.485%	2,639.02	88,639.02	870.75	89,509.77	
03/01/2023			2,000.47	2,000.47	655.75	2,656.22	
06/30/2023							92,165.99
09/01/2023	86,000	1.505%	2,000.47	88,000.47	655.75	88,656.22	
03/01/2024			1,353.32	1,353.32	440.75	1,794.07	
06/30/2024							90,450.29
09/01/2024	86,000	1.525%	1,353.32	87,353.32	440.75	87,794.07	
03/01/2025			697.57	697.57	225.75	923.32	
06/30/2025							88,717.39
09/01/2025	90,300	1.545%	697.57	90,997.57	225.75	91,223.32	
06/30/2026							91,223.32
	778,300		52,592.59	830,892.59	17,597.75	848,490.34	848,490.34

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## Rating Reports

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# RatingsDirect®

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**Summary:**

## Westerly, Rhode Island; General Obligation

**Primary Credit Analyst:**

Christian Richards, Boston (1) 617-530-8325; christian.richards@spglobal.com

**Secondary Contact:**

Victor M Medeiros, Boston (1) 617-530-8305; victor.medeiros@spglobal.com

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## Summary:

# Westerly, Rhode Island; General Obligation

### Credit Profile

US\$3.895 mil GO bnds ser 2017 due 09/15/2027

<i>Long Term Rating</i>	AA/Stable	New
Town of Westerly GO		
<i>Long Term Rating</i>	AA/Stable	Affirmed

## Rationale

S&P Global Ratings has assigned its 'AA' long-term rating to Westerly, R.I.'s 2017 series A general obligation (GO) refunding bonds, and affirmed its 'AA' rating on the town's existing GO debt. The outlook is stable.

A pledge of the town's full faith credit secures the bonds. Proceeds will be used to refund existing GO bonds.

The rating reflects our assessment of the town's:

- Very strong economy, with access to a broad and diverse metropolitan statistical area (MSA);
- Strong management, with "good" financial policies and practices under our Financial Management Assessment (FMA) methodology;
- Adequate budgetary performance, with operating results that should remain stable but which could deteriorate in the near term relative to fiscal 2016, which closed with a slight operating surplus in the general fund and break-even operating results at the total governmental fund level;
- Adequate budgetary flexibility, with an available fund balance in fiscal 2016 of 6.8% of operating expenditures;
- Very strong liquidity, with total government available cash at 25.3% of total governmental fund expenditures and 2.1x governmental debt service, and access to external liquidity we consider strong;
- Strong debt and contingent liability position, with debt service carrying charges at 11.8% of expenditures and net direct debt that is 81.7% of total governmental fund revenue, as well as low overall net debt at less than 3% of market value and rapid amortization, with 83.7% of debt scheduled to be retired in 10 years; and
- Strong institutional framework score.

### Very strong economy

We consider Westerly's economy very strong. The town, with an estimated population of 22,433, is in Washington County in the southwest corner of the state, approximately 42 miles south of Providence and bordered to the south by the Atlantic Ocean. It is in the Providence-Warwick MSA, which we consider to be broad and diverse. It has a projected per capita effective buying income of 116% of the national level and per capita market value of \$263,311. Overall, market value grew by 0.9% over the past year to \$5.9 billion in 2018. The county unemployment rate was 4.8% in 2016.

Westerly is a primarily residential community and a popular summer tourist destination. As a result, the year-round population of roughly 22,680 adds another 17,000 summer residents. In addition, we understand the town sees about 25,000 day visitors during this time.

Recently, a new public-private partnership between the Community College of Rhode Island (CCRI) and Electric Boat (EB), a large manufacturing company operating elsewhere in the state, opened in Westerly. The CCRI-EB partnership opened earlier this calendar year and is expected to provide training opportunities for EB's next 15,000 employees. Large employers in Westerly include Westerly Hospital (658), which is now part of the Yale-New Haven Medical Group; the Washington Trust Co. (313); and Darlington Fabric (226). Several small businesses have relocated to or are opening in Westerly.

Additionally, Westerly has seen continued rebuilding of homes following Hurricane Sandy, as well as new housing in several different areas.

### **Strong management**

We view the town's management as strong, with "good" financial policies and practices under our FMA methodology, indicating financial practices exist in most areas, but that governance officials might not formalize or monitor all of them on a regular basis.

Town management is committed to ending the appropriation of fund balance to meet recurring expenditures. New proposals before the town council would formalize new long-term financial, debt, and reserve policies. Currently, management provides monthly budget-to-actuals to the town council, maintains a rolling five-year capital improvement plan with one-year of funding sources identified, complies with state law regarding investments and reports on investments on a yearly basis, and follows state-guidelines on debt management.

### **Adequate budgetary performance**

Westerly's budgetary performance is adequate, in our opinion. The town had slight surplus operating results in the general fund of 0.6% of expenditures, and balanced results across all governmental funds of 0.3% in fiscal 2016. We adjusted general fund and total governmental fund results to reflect the use of previous bond proceeds. Our assessment factors both the likelihood that performance should be stable, and the use of past budgetary performance and mixed operating results based on management's use of reserves to fund budgetary appropriations.

Westerly's general fund performance has steadily improved in 2016 following two years of budgeted fund drawdowns. We believe improvement in budgetary performance for the current and next fiscal years could continue if the town keeps monitoring its spending patterns as it has recently shown. While the school fund was budgeted to see a drawdown in fiscal 2016, management worked with school administrators and executed reforms leading to balanced operations. It is the expectation over the next several years that management will not budget fund balance for either the town or school budgets.

In 2017, budgetary performance is expected to remain adequate. Property taxes are the leading revenue source, accounting for 75% of revenues, and have been stable over the past several years.

### **Adequate budgetary flexibility**

Westerly's budgetary flexibility is adequate, in our view, with an available fund balance in fiscal 2016 of 6.7% of operating expenditures, or \$6.1 million.

Westerly has seen its available fund balance drop from \$9.1 million (10.2% available fund balance) in fiscal 2014 due to the appropriation of fund balance to meet expenditures both for general government purposes and school district

expenses. The town has also reassigned approximately \$2.1 million in general fund unassigned funds to non-spendable, further reducing the available fund balance. Management has expressed its intent to end fund balance appropriation for expenditures. We expect Westerly's available fund balance to remain level in fiscal years 2017 and 2018.

### **Very strong liquidity**

In our opinion, Westerly's liquidity is very strong, with total government available cash at 24.6% of total governmental fund expenditures and 2.1x governmental debt service in 2016. In our view, the town has strong access to external liquidity if necessary.

Westerly is a regular market participant, having issued GO bonds frequently over the past several years. We understand the town has not entered into any bank loans, direct-purchase debt, or contingent liquidity risks from financial instruments with payment provisions that change on the occurrence of certain events. It has consistently had very strong liquidity and we do not anticipate a change to these ratios. The town does not have any variable-rate or direct-purchase debt. Management confirmed it does not currently have any contingent liquidity risks from financial instruments with payment provisions that change on the occurrence of certain events. The town's investments are limited to short-term certificates of deposit, money market funds, and obligations guaranteed by the U.S. government. We expect Westerly's liquidity to remain very strong over the next two fiscal years.

### **Strong debt and contingent liability profile**

In our view, Westerly's debt and contingent liability profile is strong. Total governmental fund debt service is 11.5% of total governmental fund expenditures, and net direct debt is 81.7% of total governmental fund revenue. Overall net debt is low at 1.3% of market value, and approximately 83.7% of the direct debt is scheduled to be repaid within 10 years, which are, in our view, positive credit factors. The town's pension and OPEB liabilities could potentially be a source of budgetary pressure in the future, but we expect costs to remain manageable over the next several years.

Following this issuance, the town will have net direct debt totaling \$81.8 million. It may issue bond anticipation notes next year to begin a regular road improvement program, with issuances every three-to-four years. The town is also working with the Rhode Island Infrastructure Bank to plan an upcoming a sewer line project. The estimated cost for the sewer project is \$1.8 million and is expected to be paid from user fees. Town management has also proposed a debt management plan, which would cap annual debt service at 10% of expenditures. The town council is expected to consider the proposal in calendar year 2017.

Westerly's combined required pension and actual other postemployment benefit (OPEB) contributions totaled 5.7% of total governmental fund expenditures in 2016. The town made its full pension annual required contribution (ARC) in 2016 and is committed to fully funding all future pension and OPEB ARCs.

Westerly provides retirement benefits to teachers and police through the Employees' Retirement System of Rhode Island (ERSRI) and its local police pension plan, respectively. The school district has a proportionate net pension liability of \$42.148 million for ERSRI and is 58.3% funded. The police pension plan has a net pension liability of \$15.159 million and is 65.87% funded.

Westerly moved to a defined-contribution plan for new town employees beginning in fiscal 1996, but continues to pay

into the Municipal Employees' Retirement System (MERS), a cost-sharing multiemployer public employee system administered by the State Retirement Board. The town does not have any active employees in MERS, but is required by state law to continue making its employer contributions for the vested pension obligation of its members. In fiscal years 2016-2018, the town is required to contribute \$181,261 to cover existing obligations.

The town maintains an OPEB trust and recently hired a new actuary for a liability valuation. Using new assumptions, the town saw its OPEB unfunded liability rise from \$10.8 million to \$32.1 million, a decrease in funded ratio from 23.5% to 8.7%.

**Strong institutional framework**

The institutional framework score for Rhode Island municipalities is strong.

**Outlook**

The stable outlook reflects our opinion of Westerly's very strong economics, strong debt and contingent liability profile, and very strong liquidity. We consider the adequate budgetary flexibility and performance weak factors currently limiting the rating.

**Upside scenario**

We could raise the rating if Westerly's budgetary flexibility and budgetary performance improve, while the town maintains its current debt and contingent liabilities profile.

**Downside scenario**

We could lower the rating if the town's debt and contingent liabilities increase pressure on the budget. Additionally, we could do so if the financial performance were to deteriorate, resulting in lower budgetary flexibility and/or performance.

**Related Research**

- S&P Public Finance Local GO Criteria: How We Adjust Data For Analytic Consistency, Sept. 12, 2013
- Incorporating GASB 67 And 68: Evaluating Pension/OPEB Obligations Under Standard & Poor's U.S. Local Government GO Criteria, Sept. 2, 2015

Ratings Detail (As Of June 20, 2017)		
Town of Westerly go bnds		
<i>Long Term Rating</i>	AA/Stable	Affirmed
<b>Town of Westerly GO</b>		
<i>Unenhanced Rating</i>	AA(SPUR)/Stable	Affirmed
Many issues are enhanced by bond insurance.		

Certain terms used in this report, particularly certain adjectives used to express our view on rating relevant factors, have specific meanings ascribed to them in our criteria, and should therefore be read in conjunction with such criteria.

*Summary: Westerly, Rhode Island; General Obligation*

Please see Ratings Criteria at [www.standardandpoors.com](http://www.standardandpoors.com) for further information. Complete ratings information is available to subscribers of RatingsDirect at [www.globalcreditportal.com](http://www.globalcreditportal.com). All ratings affected by this rating action can be found on the S&P Global Ratings' public website at [www.standardandpoors.com](http://www.standardandpoors.com). Use the Ratings search box located in the left column.

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## CREDIT OPINION

22 August 2016

Update

Rate this Research >>

### Contacts

Chris Salcedo 212-553-3761  
 Associate Analyst  
 chris.salcedo@moodys.com

Robert Azrin 617-535-7692  
 VP-Senior Analyst  
 robert.azrin@moodys.com

## Westerly (Town of) RI

Update - Moody's Downgrades Westerly, RI's GO to Aa3

### Summary Rating Rationale

Moody's Investors Service has downgraded to Aa3 from Aa2 the rating on the Town of Westerly, RI's general obligation debt. Concurrently, we have downgraded to Aa3 the Rhode Island Health and Educational Building corporation's (RIHBEC) series 2011C secured solely by the town's general obligation pledge under its financing agreement.

The downgrade reflects the town's adequate but reduced financial position after several years of consecutive deficits. The rating also incorporates a sizeable and stable tax base near Providence, RI (Baa1 negative) and a slightly above-average and growing debt burden.

### Credit Strengths

- » Sizeable and stable tax base with seasonal/tourism component
- » Strong full value per capita given the significant presence of seasonal residences
- » Sound funding of OPEB liability

### Credit Challenges

- » Below-average reserve and liquidity levels
- » Slightly higher than average debt burden
- » Increasing costs for employee benefits

### Rating Outlook

Outlooks are usually not assigned to local government credits with this amount of debt outstanding.

### Factors that Could Lead to an Upgrade

- » Significant improvement in fund balance and liquidity
- » Material improvement in resident wealth levels

### Factors that Could Lead to a Downgrade

- » Further reduction of liquidity
- » Continued use of reserve appropriations that result in further fund balance declines
- » Significant declines in the tax base or deterioration of the demographic profile

» Significant growth in debt burden

## Key Indicators

Exhibit 1

Westerly (Town of) RI	2011	2012	2013	2014	2015
Economy/Tax Base					
Total Full Value (\$000)	\$ 6,145,010	\$ 6,187,004	\$ 6,223,505	\$ 5,887,246	\$ 5,936,881
Full Value Per Capita	\$ 269,826	\$ 269,398	\$ 273,116	\$ 258,496	\$ 271,835
Median Family Income (% of US Median)	N/A	117.9%	117.9%	117.9%	117.9%
Finances					
Operating Revenue (\$000)	\$ 77,660	\$ 81,303	\$ 87,986	\$ 89,920	\$ 89,734
Fund Balance as a % of Revenues	11.7%	10.0%	9.5%	10.3%	7.6%
Cash Balance as a % of Revenues	21.2%	13.6%	7.2%	5.8%	4.8%
Debt/Pensions					
Net Direct Debt (\$000)	\$ 75,937	\$ 90,472	\$ 87,017	\$ 81,854	\$ 82,114
Net Direct Debt / Operating Revenues (x)	1.0x	1.1x	1.0x	0.9x	0.9x
Net Direct Debt / Full Value (%)	1.2%	1.5%	1.4%	1.4%	1.4%
Moody's - adjusted Net Pension Liability (3-yr average) to Revenues (x)	N/A	N/A	1.2x	1.4x	1.4x
Moody's - adjusted Net Pension Liability (3-yr average) to Full Value (%)	N/A	N/A	1.7%	2.1%	2.1%

Source: Moody's Investors Service

## Detailed Rating Considerations

### Economy and Tax Base: Sizeable Coastal Community with a Significant Seasonal Component Will Remain Stable

Westerly's sizable \$5.9 billion tax base is expected to remain stable as it continues to benefit from its commutability to Providence (Baa1 negative) and parts of Connecticut (Aa3 negative). Additionally, the town has long been a popular summer home and vacation destination given its seaside location. The population increases to approximately 40,000 in the summer months, nearly doubling its year-round population. Over the last five years full valuation has declined at a 0.7% compound annual rate, a relatively manageable decline compared to that of many other Rhode Island communities. Favorably, the tax base increased 0.8% in fiscal 2015, and although the town is mostly built out, modest new growth is expected from several economic development projects in various areas of the town. Projects include a new medical facility, shopping center, and a coastal mixed-use development with a boutique hotel, condominiums, and restaurants.

Income levels slightly exceed state and national medians - median family income is 111.7% and 99.9% of the state and nation, respectively. Full value per capita is a very strong \$271,835 and reflects the significant presence of seasonal residences. The unemployment rate (6% in April 2015) lags the state (4.9%) and nation (4.7%).

### Financial Operations and Reserves: Adequate but Reduced Financial Flexibility

The town's financial flexibility will improve, albeit slowly, as management is committed to eliminating its reliance on fund balance appropriations. The town ended fiscal 2015 with its fifth consecutive drawdown, reducing General Fund balance to \$11.4 million (12.7% of revenues) from \$14.2 million (18.4% of revenues) in fiscal 2011. The drawdown of \$1.3 million largely stems from management's reliance on budgeted reserve appropriations to fund both operating and capital costs. Positively, budgeted reserve appropriations have been declining from \$1 million in 2015 to \$200,000 in the fiscal 2017 budget. Management's ability to produce structurally balanced budgets will remain an important factor in the rating given that current reserve levels are below the median for the rating.

In fiscal 2016 the town has shown progress in stabilizing operations as management estimates a \$250,000 surplus. While helpful, it will take several years of these modest surpluses to rebuild fund balance to levels more consistent with the rating category. The estimated surplus was achieved despite a reserve appropriation of \$675,000 across school and town budgets.

This publication does not announce a credit rating action. For any credit ratings referenced in this publication, please see the ratings tab on the issuer/entity page on [www.moody's.com](http://www.moody's.com) for the most updated credit rating action information and rating history.

The fiscal 2017 budget increased 2% and was balanced with a 2.6% levy increase. The property levy remains Westerly's primary revenue source (75.4% in fiscal 2015) and collections remain strong at approximately 98%. State aid, including aid for education, comprised 20.9% of 2015 revenues. The largest expenditures are education (62.6% of 2015 operating expenditures), debt service (11.4%) and public safety (8.8%).

#### LIQUIDITY

Liquidity is narrow, but likely to modestly improve in the near term. The net cash position at the close of fiscal 2015 was \$4.3 million, or 4.8% of General Fund revenues. The town benefits from supplemental liquidity in its health insurance reserve of \$2 million and is expected to receive \$975,000 FEMA reimbursement this year.

#### Debt and Pensions: Slightly Above Average Debt Burden; Manageable Pension Liability

Westerly's debt position will potentially grow by \$38.5 million over the next few years to finance renovations in its elementary schools. The renovations will accommodate the consolidation of its four elementary schools down to three. Voter's are expected to approve the consolidation in November with construction to follow shortly thereafter. The direct debt burden, is currently slightly above average at 1.4% of full valuation while debt service comprises an above-average 11.4% of operating expenditures. The town has no overlapping debt.

#### DEBT STRUCTURE

All debt is fixed rate and amortization of principal is average, with 82.2% repaid within ten years.

#### DEBT-RELATED DERIVATIVES

Westerly has no derivatives.

#### PENSIONS AND OPEB

The town maintains various defined benefit pension plans and a defined contribution plan. The total combined ARC for all pension plans was \$6.3 million or 6.9% of expenditures in fiscal 2015. The combined adjusted net pension liability for all plans, under Moody's methodology for adjusting reported pension data, for the State administered ERS teachers plan, the MERS plan and the locally administered police plan is \$106 million, which represents 1.8% of full value or 1.2 times General Fund revenues. Moody's uses the adjusted net pension liability to improve comparability of reported pension liabilities. The adjustments are not intended to replace the town's reported liability information, but to improve comparability with other rated entities. We determined the town's share of liability for the state-run plans in proportion to its contributions to the plans.

The total unfunded OPEB liability is \$11.1 million as of July 1, 2014, the most recent valuation report, and the plan's funded ratio is a strong 22.4%. The town contributed \$429,000 in fiscal 2015, which represents 46.3% of the ARC and less than 1% of expenditures.

Total fixed costs for fiscal 2015, including debt service, required pension contributions and retiree health care payments, represented \$17.2 million or 18.9% of the town's operating expenditures.

#### Management and Governance

Rhode Island towns and cities have an institutional framework score of "A," or moderate. Revenues, consisting mostly of property taxes and state aid, are moderately predictable with economically sensitive revenues accounting for a fairly small portion. Revenue raising flexibility is moderate; although there is a limit on annual property tax levy increases, the cap is a fairly generous 4%. Expenditures mostly consist of personnel costs which are moderately predictable. Expenditure reduction ability is also moderate given the presence of public sector unions in the state. Pension costs will continue to rise despite reform on the state level.

#### Legal Security

The bonds are secured by an unlimited tax general obligation pledge of the town.

#### Use of Proceeds

Not applicable.

#### Obligor Profile

Westerly has a population of approximately 21,840 and is located on the southwestern coast of Rhode Island, approximately 40 miles from Providence.

## Methodology

The principal methodology used in this rating was US Local Government General Obligation Debt published in January 2014. Please see the Ratings Methodologies page on [www.moodys.com](http://www.moodys.com) for a copy of this methodology.

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## Contact Information

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**The PFM  
Group**

**Stephen Maceroni**  
Director  
[maceronis@pfm.com](mailto:maceronis@pfm.com)

**Public Financial Management Inc.**  
10 Weybosset Street  
Suite 902  
Providence, Rhode Island 02903  
(401) 709-5111 – Office  
(401) 277-8451 – Fax



**The PFM  
Group**

**Gary Pascoa**  
Analyst  
[pascoag@pfm.com](mailto:pascoag@pfm.com)

**Public Financial Management Inc.**  
10 Weybosset Street  
Suite 902  
Providence, Rhode Island 02903  
(401) 709-5113 – Office  
(401) 277-8451 – Fax