

TOWN OF JOHNSTON, RHODE ISLAND
ANNUAL FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2021

TOWN OF JOHNSTON, RHODE ISLAND

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PRINCIPAL OFFICIALS
Town of Johnston, Rhode Island

ELECTED OFFICIALS
Joseph M. Polisena, Mayor

TOWN COUNCIL

Robert V. Russo, President
Robert J. Civetti
Lauren Garzone

Joseph Polisena, Jr., Vice President
Linda Folcarelli

SCHOOL COMMITTEE

Robert A. Lafazia, Chairperson
David Santilli
Susan M. Mansolillo

Joseph W. Rotella, Vice Chairperson
Dawn M. Aloisio

DEPARTMENT DIRECTORS

Police Chief
Fire Chief
Chief of Staff
Town Clerk
Finance Director
Tax Collector
Tax Assessor
Town Solicitor
Superintendent of Schools
Director of Parks and Recreation
School Business Manager
Director of Public Works

Joseph P. Razza
Peter Lamb
Doug Jeffrey
Vincent Bacari Jr.
Joseph L Chiodo, CPA
Bethany Alviano
Kim Gallonio
William Conley
Dr. Bernard DiLullo, Jr.
Chris Correia
Lesli-Ann Powell
Robert Parker

INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and
Members of the Town Council
Town of Johnston, Rhode Island

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Johnston, Rhode Island as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Johnston, Rhode Island as of June 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

During fiscal year ended June 30, 2021, the Town adopted GASB Statement No. 84 *Fiduciary Activities*. As a result of the implementation of this standard, the Town reported a restatement for the change in accounting principle (see Note 16). The Town also reported restatements for the correction of errors relating to the beginning balance of various payable and receivable balances (see Note 16). Our opinion is not modified with respect to these matters.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedules of budgetary comparison information, Schedule of Changes in Town's Net Pension Liability and Related Ratios, Schedule of Town's Contributions and Investment Returns, Schedule of Town's Proportionate Share of the Net Pension Liability, Schedule of Town's Contributions, Schedule of Changes in Town's Net OPEB Liability and Related Ratios, Schedule of Town's Contributions and Investment Returns and accompanying notes on pages 4 through 12, and pages 109 through 143 respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Johnston, Rhode Island's financial statements. The combining and individual non-major fund statements, annual supplemental transparency report and accompanying notes, and the tax collector's annual report, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The tax collector's annual report, annual supplemental transparency report and accompanying notes, and combining and individual non-major fund statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, tax collector's annual report, annual supplemental transparency report and accompanying notes, and combining and individual non-major fund statements are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory section has not been subjected to the audit procedures applied in the audit of the basic financial statements, and, accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 17, 2022, on our consideration of the Town of Johnston, Rhode Island's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town of Johnston, Rhode Island's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Johnston, Rhode Island's internal control over financial reporting and compliance.

Marcum LLP

Providence, RI
June 17, 2022

TOWN OF JOHNSTON, RHODE ISLAND

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2021

As management of the Town of Johnston, Rhode Island, we offer readers of the Town of Johnston's financial statements this narrative overview and analysis of the Town's financial activities for the fiscal year ended June 30, 2021. The information complements the data presented in the basic financial statements and is intended to enhance the reader's understanding of the Town's financial performance.

Financial Highlights:

- The assets and deferred outflows of resources for the Town of Johnston were exceeded by its liabilities and deferred inflows of resources at the end of the fiscal year ended June 30, 2021 by \$303,500,347 for its Governmental Activities and its assets and deferred outflows exceeded its liabilities and deferred inflows at the end of fiscal year ended June 30, 2021 by \$2,687,677 for its Business-Type Activities (net position). The total net position is broken down into three captions: 1) Net investment in capital assets (capital assets section), which is essentially the net worth of the infrastructure the Town owns; 2) Restricted, which is not spendable by the Town; and 3) Unrestricted, which is unassigned.
- The Town's total net position increased by \$6,625,450 and decreased \$10,063,448 for its Governmental Activities and Business-Type Activities, respectively.
- As of the close of the current fiscal year, the Town of Johnston's total governmental funds reported combined ending fund balances of \$48.3 million an increase of \$2.4 million from the previous year. Approximately 86.3% of this total, \$41.7 million, is available for spending at the Town's discretion (unassigned).
- At the end of the current fiscal year, the total unassigned fund balance of the General Fund was \$42.8 million, or 37.7% of total general fund expenditures and other net financing uses.
- The remaining balance consisted of:
 - \$885,734 non-spendable prepaid items.
 - Restricted Funds of \$4,155,799 which consists of School Special Revenue Grant Funds in the amount of \$563,697, Capital Projects Funds of \$2,821,173, Town and Special Revenue Grant Funds of \$770,929.
 - Committed Funds of \$1,581,652 which consists of Capital Projects of \$1,081,153 and Town Special Revenue Funds of \$500,499.

TOWN OF JOHNSTON, RHODE ISLAND

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2021

Overview of the Financial Statements:

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

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

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

Government-Wide Financial Statements – The government-wide financial statements are designed to provide readers with a broad overview of the Town of Johnston's finances, in a manner, which is similar to a private-sector business. They are presented on the accrual basis of accounting where revenues and expenses are recognized on the date they occurred rather than on the date they were collected or paid.

The *Statement of Net Position* presents information on all the Town's assets, deferred outflows of resources, liabilities and deferred inflows of resources, and with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

The *Statement of Activities* presents information showing how the Town's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the Town that are principally supported by taxes and intergovernmental revenues (governmental activities) from the business-type activities that are supported by user fees and charges. The governmental activities of the Town include public safety, public works, parks and recreation education, library, and general government. The business-type activities of the Town include its sewer fund, water fund, cafeteria fund, summer school fund and credit recovery fund and athletic field fund.

The Town's Water fund which began the fiscal year with a net position of \$10,396,946 was annexed and services are now being provided to the Town by the Providence Water Supply Board.

Government-wide financial statements (statement of net position and statement of activities) are on pages 13-16 of this report.

TOWN OF JOHNSTON, RHODE ISLAND

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2021

Fund Financial Statements

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All the funds of the Town can be divided into three categories: *governmental funds, proprietary funds and fiduciary funds.*

Governmental Funds: Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term (current) inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financial decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Town of Johnston maintains seventy-six (76) 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, and School Unrestricted Fund, which are considered to be major funds. Data from the other funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

Basic Governmental Fund Financial Statements are on pages 17-20 of this report.

The Town of Johnston adopts an annual budget for its General Fund and School Unrestricted Fund. A Budgetary comparison statement has been provided on pages 128 through 142.

Proprietary Funds: The Town of Johnston maintains one type of proprietary fund: Enterprise Funds. Enterprise Funds are used to report the same functions presented as business-type activities in the government-wide financial statements, only in more detail. The Town of Johnston uses enterprise funds to account for its sewer fund, water fund, cafeteria fund, summer school fund, credit recovery fund, and athletic field fund.

Basic proprietary fund financial statements can be found on pages 21-25 of this report.

TOWN OF JOHNSTON, RHODE ISLAND

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2021

Fiduciary Funds: Fiduciary funds are used to account for resources held for parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Town of Johnston's own programs. The Town maintains three types of fiduciary funds: Custodial Funds, Employee Benefit Trust Funds and Private Purpose Trust Funds. The accounting used for fiduciary funds is that used for proprietary funds.

Basic fiduciary fund financial statements can be found on pages 26-27 of this report.

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

Notes to the Financial Statements can be found on pages 28-108 of this report.

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

Required supplementary information can be found on pages 109-143 of this report.

Combining Statements referred to earlier in connection with non-major governmental funds and fiduciary funds are presented immediately following the required supplementary information on pages 153-179 of this report.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position and an important determinant of its ability to finance services in the future. In the case of the Town of Johnston, Rhode Island, liabilities, and deferred inflows of resources for the Town exceeded its assets and deferred outflows of resources by \$300,812,670 at the end of the fiscal year ended June 30, 2021.

The Town of Johnston's unrestricted net deficit at June 30, 2021 is \$(341,713,164). Consistent with prior year, the Town of Johnston has significant investment in capital assets (e.g., land, buildings, and equipment), less any related debt used to acquire those assets that are still outstanding. The Town of Johnston uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

TOWN OF JOHNSTON, RHODE ISLAND

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2021

The restricted net position of \$10.7 million is subject to external restrictions on how it may be used.

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

Town of Johnston Net Position

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>		Percent Change
	2021	Restated 2020	2021	Restated 2020	2021	Restated 2020	
Current & other assets	\$ 81,530,822	\$ 76,364,161	\$ 2,355,500	\$ 4,535,139	\$ 83,886,322	\$ 80,899,300	3.7%
Capital assets	<u>49,736,860</u>	<u>49,038,186</u>	<u>2,434,010</u>	<u>12,111,855</u>	<u>52,170,870</u>	<u>61,150,041</u>	-14.7%
Total assets	<u>131,267,682</u>	<u>125,402,347</u>	<u>4,789,510</u>	<u>16,646,994</u>	<u>136,057,192</u>	<u>142,049,341</u>	-4.2%
Deferred outflows of resources	<u>43,896,522</u>	<u>31,837,227</u>	<u>17,588</u>	<u>23,450</u>	<u>43,914,110</u>	<u>31,860,677</u>	37.8%
Current liabilities	13,259,491	413,131,651	404,060	3,235,857	13,663,551	416,367,508	-96.7%
Long-term liabilities	<u>413,685,200</u>	<u>17,453,629</u>	<u>982,630</u>	<u>683,462</u>	<u>414,667,830</u>	<u>18,137,091</u>	2186.3%
Total liabilities	<u>426,944,691</u>	<u>430,585,280</u>	<u>1,386,690</u>	<u>3,919,319</u>	<u>428,331,381</u>	<u>434,504,599</u>	-1.4%
Deferred inflows of resources	<u>51,719,860</u>	<u>36,780,091</u>	<u>732,731</u>	--	<u>52,452,591</u>	<u>36,780,091</u>	42.6%
Net investment in capital assets	28,886,379	30,615,578	1,268,720	9,368,389	30,155,099	39,983,967	-24.6%
Restricted	10,745,395	8,521,362	--	--	10,745,395	8,521,362	26.1%
Unrestricted	<u>(343,132,121)</u>	<u>(349,262,737)</u>	<u>1,418,957</u>	<u>3,382,736</u>	<u>(341,713,164)</u>	<u>(345,880,001)</u>	-1.2%
Total net position	<u>\$ (303,500,347)</u>	<u>\$ (310,125,797)</u>	<u>\$ 2,687,677</u>	<u>\$ 12,751,125</u>	<u>\$ (300,812,670)</u>	<u>\$ (297,374,672)</u>	1.2%

The assets and deferred outflows of resources for the Town of Johnston were exceeded by its liabilities and deferred inflows of resources at the end of the fiscal year ended June 30, 2021 by \$303,500,347 for its Governmental Activities and its assets and deferred outflows exceeded its liabilities and deferred inflows at the end of fiscal year ended June 30, 2021 by \$2,687,677 for its Business-Type Activities (net position).

TOWN OF JOHNSTON, RHODE ISLAND

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2021

Governmental Activities

Governmental Activities net position increased by \$6,625,450. Property taxes are the largest revenue source for governmental activities, accounting for 59.5% of total revenues while operating grants and contributions contributed to 21.4% of the revenues. A comparison of FY 2021 and FY 2020 activity can be found below:

Town of Johnston Changes in Net Position

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>		<u>Percent Change</u>
	<u>2021</u>	<u>Restated 2020</u>	<u>2021</u>	<u>Restated 2020</u>	<u>2021</u>	<u>Restated 2020</u>	
Revenues							
Program revenues:							
Charges for services	\$ 6,549,913	\$ 7,592,847	\$ 1,541,473	\$ 3,695,977	\$ 8,091,386	\$ 11,288,824	-28.3%
Operating grants	27,450,910	26,653,622	764,131	545,734	28,215,041	27,199,356	3.7%
General revenues:							
Property taxes	76,383,906	78,563,608	--	--	76,383,906	78,563,608	-2.8%
Motor vehicle phase-out taxes	2,140,867	4,281,733	--	--	2,140,867	4,281,733	-50.0%
Unrestricted grants and contributions	10,282,850	4,361,210	--	--	10,282,850	4,361,210	135.8%
State COVID aid	3,648,118	--	--	--	3,648,118	--	100.0%
Unrestricted investment earnings	970,789	1,035,620	--	4,194	970,789	1,039,814	-6.6%
Other	<u>962,770</u>	<u>341,786</u>	<u>--</u>	<u>--</u>	<u>962,770</u>	<u>341,786</u>	<u>181.7%</u>
Total Revenue	<u>128,390,123</u>	<u>122,830,426</u>	<u>2,305,604</u>	<u>4,245,905</u>	<u>130,695,727</u>	<u>127,076,331</u>	<u>2.8%</u>
Program Expenses							
General government	6,710,802	6,334,916	--	--	6,710,802	6,334,916	5.9%
Public safety	42,597,311	40,382,284	--	--	42,597,311	40,382,284	5.5%
Public works	5,815,352	7,065,624	--	--	5,815,352	7,065,624	-17.7%
Public libraries	707,250	774,700	--	--	707,250	774,700	-8.7%
Education	63,931,824	64,208,657	--	--	63,931,824	64,208,657	-0.4%
Parks and recreation	1,325,546	1,269,589	--	--	1,325,546	1,269,589	4.4%
Interest on long-term debt	676,588	760,729	--	--	676,588	760,729	-11.1%
Water	--	--	1,113,835	1,284,954	1,113,835	1,284,954	-13.3%
Sewer	--	--	668,790	652,937	668,790	652,937	2.4%
Other business-type activities	<u>--</u>	<u>--</u>	<u>777,206</u>	<u>882,156</u>	<u>777,206</u>	<u>882,156</u>	<u>-11.9%</u>
Total Program Expenses	<u>121,764,673</u>	<u>120,796,499</u>	<u>2,559,831</u>	<u>2,820,047</u>	<u>124,324,504</u>	<u>123,616,546</u>	<u>0.6%</u>
Change in net position prior to transfers	6,625,450	2,033,927	(254,227)	1,425,858	6,371,223	3,459,785	84.2%
Transfers / Special Items	<u>--</u>	<u>3,646,773</u>	<u>(9,809,221)</u>	<u>(3,646,773)</u>	<u>(9,809,221)</u>	<u>--</u>	<u>0.0%</u>
Change in net position	6,625,450	5,680,700	(10,063,448)	(2,220,915)	(3,437,998)	3,459,785	-199.4%
Net Position - Beginning	<u>(310,125,797)</u>	<u>(315,806,497)</u>	<u>12,751,125</u>	<u>14,972,040</u>	<u>(297,374,672)</u>	<u>(300,834,457)</u>	<u>-1.2%</u>
Net Position - Ending	<u>\$ (303,500,347)</u>	<u>\$ (310,125,797)</u>	<u>\$ 2,687,677</u>	<u>\$ 12,751,125</u>	<u>\$ (300,812,670)</u>	<u>\$ (297,374,672)</u>	<u>1.2%</u>

TOWN OF JOHNSTON, RHODE ISLAND

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2021

- Grant Income saw an increase of \$797,288 or 3.0%.
- Education expenses account for approximately 52.5% of the total expenses within the governmental activities of the Town. Public safety and public works expenses account for 35.0% and 4.8%, respectively, general government makes up 5.5% and the remainder relates to the public library, parks and recreation and interest on long-term debt.

Business-Type Activities: Net position of business-type activities decreased by \$10,063,448 which consists of the annexation of its Water Fund of \$10,396,946 offset by an increase of \$198,388 in its Sewer Fund and an increase of \$135,110 in its Non-Mmajor Enterprise Funds.

Charges for services for Sewer Fund decreased \$271,470 or 24.3% while expenses increased \$24,150 or 3.9%.

Financial Analysis of the Government's Funds

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

Governmental Funds: The focus of the Town'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 year.

As of the end of the current fiscal year, the Town of Johnston's governmental funds reported combined ending fund balances of \$48.3 million. Approximately 86.3% of this amount, \$41.7 million constitutes unassigned fund balance which is available for spending at the government's discretion.

General Fund. The General Fund is the chief operating fund of the Town. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$42.8 million. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 37.7% of the 2021 Adopted General Fund Expenditure Budget.

The total fund balance of the Town's General Fund increased by \$4,760,716 during the current fiscal year.

School Unrestricted Fund: The school fund has a total fund balance of \$(855,000). The total fund balance of the School Unrestricted Fund decreased by \$498 thousand during the current fiscal year.

TOWN OF JOHNSTON, RHODE ISLAND

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2021

General Fund Budgetary Highlights

The Town finished the 2020-2021 Fiscal Year with budgetary surplus (deficit) as follows:

- General Fund – \$4,525,878
- School Unrestricted Fund – (\$498,076)

The Town continues to increase collection efforts on prior year taxes with tax revenue received over anticipated budget by \$1.0 million. Federal and State funds, primarily associated with Covid pandemic increased intergovernmental funds. Public work expenditures were under budget by \$735 thousand whereas Fire expenditures were over budget by \$1.1 million.

Capital Asset and Debt Administration:

Capital Assets – The Town's investment in capital assets for its governmental and business-type activities as of June 30, 2021, amounts to \$52,170,870 (net of accumulated depreciation). This investment in capital assets includes investments in land and building improvements, machinery and equipment, park facilities, infrastructure and construction in progress. The total gross increased in the Town's investment in governmental activities capital assets, prior to accumulated depreciation, for the current fiscal year was \$3,780,308.

	Gross Governmental Capital Assets	
	June 30, 2021	June 30, 2020
Land	\$ 8,979,477	\$ 8,979,477
Land improvements	3,356,064	3,356,064
Infrastructure	61,781,251	59,206,674
Buildings and improvements	49,955,743	49,919,219
Vehicles and equipment	16,800,309	15,631,102
	<u>\$ 140,872,844</u>	<u>\$ 137,092,536</u>

TOWN OF JOHNSTON, RHODE ISLAND

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2021

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

- Public Safety and Public Works Vehicles
- Road improvements

Information on the Town of Johnston's capital assets can be found in Note 5 of this report.

Long-term Debt – At the end of the current fiscal year, the Town of Johnston's governmental activities had \$20,643,475 in bonds outstanding, compared to \$23,179,325 last year, a decrease of \$2,546,387. Total bonded debt for the Town is entirely backed by the full faith and credit of the Town.

State statutes limit the amount of general obligation bonded debt a town can issue to 3% of net assessed property values. However, all bonds approved through State enabling legislation and voter referendums are exempt from the limit. As of June 30, 2021, the Town had a legal debt limit of \$82,925,790, based on net assessed valuations as of December 31, 2020. As of June 30, 2021, the Town had outstanding debt subject to the 3% debt limit of \$19,530,000.

The Town currently has an "AA" rating from Standard and Poor's and an "A1" rating from Moody's for general obligation Debt.

Information on the Town of Johnston's long-term debt can be found in Note 6 of this report.

Subsequent Fiscal Year 2021-2022 Budget and Tax Rates

The 2021-2022 general fund budget will be \$116,712,069, an increase of \$3,006,015 over the fiscal year 2021 budget of \$113,706,054. This represents an increase of 2.64%.

On November 19, 2021, the Town entered into a Tax Stabilization Agreement with Amazon.com Services, LLC, which will result in an annual tax payment at a base of \$5,700,000 in year one, increasing at a compounding rate of 2.5% annually over the 20-year term.

Requests for Information: The financial report is designed to provide our citizens, taxpayers, and creditors with a general overview of the Town's finances and to show the Town's accountability for the tax dollars received. If you have any questions about this report or need additional financial information, please contact the Finance Director, Johnston Town Hall, 1385 Hartford Avenue, Johnston, RI 02919.

TOWN OF JOHNSTON, RHODE ISLAND

STATEMENT OF NET POSITION

JUNE 30, 2021

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Assets			
Current Assets			
Cash and cash equivalents	\$ 63,161,382	\$ 600	\$ 63,161,982
Tax receivable, net	7,974,486	--	7,974,486
Accounts receivable, net	1,866,896	337,221	2,204,117
Internal balances	(1,264,543)	1,264,543	--
Due from federal and state governments	1,920,468	--	1,920,468
Prepays and other assets	<u>1,282,537</u>	<u>20,405</u>	<u>1,302,942</u>
Total Current Assets	<u>74,941,226</u>	<u>1,622,769</u>	<u>76,563,995</u>
Noncurrent Assets			
Assessment and fees receivable	--	732,731	732,731
Net pension asset	6,589,596	--	6,589,596
Capital assets not being depreciated	8,979,477	--	8,979,477
Capital assets, net of accumulated depreciation	<u>40,757,383</u>	<u>2,434,010</u>	<u>43,191,393</u>
Total Noncurrent Assets	<u>56,326,456</u>	<u>3,166,741</u>	<u>59,493,197</u>
Total Assets	<u>131,267,682</u>	<u>4,789,510</u>	<u>136,057,192</u>
Deferred Outflows of Resources			
Deferred charge on bond refunding, net	150,863	17,588	168,451
Pension related deferred outflows of resources	16,520,169	--	16,520,169
OPEB related deferred outflows of resources	<u>27,225,490</u>	<u>--</u>	<u>27,225,490</u>
Total Deferred Outflows of Resources	<u>43,896,522</u>	<u>17,588</u>	<u>43,914,110</u>

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

TOWN OF JOHNSTON, RHODE ISLAND

STATEMENT OF NET POSITION (CONTINUED)

JUNE 30, 2021

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Liabilities			
Current Liabilities			
Accounts payable and accrued expenses	7,303,609	216,400	7,520,009
Unearned revenue	1,045,017	5,000	1,050,017
Escrow deposits	77,686	--	77,686
Current portion of compensated absences	1,926,000	--	1,926,000
Current portion of general obligation bonds	2,604,179	182,660	2,786,839
Current portion of capital lease obligations	303,000	--	303,000
Total Current Liabilities	<u>13,259,491</u>	<u>404,060</u>	<u>13,663,551</u>
Noncurrent Liabilities			
Compensated absences, net	7,681,711	--	7,681,711
General obligation bonds, net	18,142,302	982,630	19,124,932
Capital lease obligations, net	1,125,000	--	1,125,000
Fire longevity obligation	5,563,479	--	5,563,479
Net pension liability	167,458,339	--	167,458,339
Net OPEB liability	213,714,369	--	213,714,369
Total Noncurrent Liabilities	<u>413,685,200</u>	<u>982,630</u>	<u>414,667,830</u>
Total Liabilities	<u>426,944,691</u>	<u>1,386,690</u>	<u>428,331,381</u>
Deferred inflows of resources			
Deferred sewer assessment	--	732,731	732,731
Pension related deferred inflows of resources	14,363,888	--	14,363,888
OPEB related deferred inflows of resources	37,355,972	--	37,355,972
Total Deferred Inflows of Resources	<u>51,719,860</u>	<u>732,731</u>	<u>52,452,591</u>
Net Position			
Net investment in capital assets	28,886,379	1,268,720	30,155,099
Restricted:			
Net pension asset	6,589,596	--	6,589,596
School grant funds	563,697	--	563,697
Town grant funds	770,929	--	770,929
Capital project funds	2,821,173	--	2,821,173
Unrestricted	(343,132,121)	1,418,957	(341,713,164)
Total Net Position	<u>\$ (303,500,347)</u>	<u>\$ 2,687,677</u>	<u>\$ (300,812,670)</u>

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

TOWN OF JOHNSTON, RHODE ISLAND

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2021

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		Total
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-type Activities	
Governmental Activities							
General government	\$ 6,710,802	\$ 2,416,793	\$ 165,544	\$ --	\$ (4,128,465)		\$ (4,128,465)
Public safety	42,597,311	2,338,204	475,741	--	(39,783,366)		(39,783,366)
Public works	5,815,352	1,424,660	367,914	--	(4,022,778)		(4,022,778)
Public libraries	707,250	--	--	--	(707,250)		(707,250)
Education	63,931,824	112,406	26,403,711	--	(37,415,707)		(37,415,707)
Parks and recreation	1,325,546	257,850	38,000	--	(1,029,696)		(1,029,696)
Interest on long-term debt	<u>676,588</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>(676,588)</u>		<u>(676,588)</u>
Total Governmental Activities	<u>121,764,673</u>	<u>6,549,913</u>	<u>27,450,910</u>	<u>--</u>	<u>(87,763,850)</u>		<u>(87,763,850)</u>
Business-Type Activities							
Water	1,113,835	526,110	--	--		\$ (587,725)	(587,725)
Sewer	668,790	846,304	20,874	--		198,388	198,388
Other business-type activities	<u>777,206</u>	<u>169,059</u>	<u>743,257</u>	<u>--</u>		<u>135,110</u>	<u>135,110</u>
Total Business-Type Activities	<u>2,559,831</u>	<u>1,541,473</u>	<u>764,131</u>	<u>--</u>		<u>(254,227)</u>	<u>(254,227)</u>
Total	<u>\$ 124,324,504</u>	<u>\$ 8,091,386</u>	<u>\$ 28,215,041</u>	<u>\$ --</u>	<u>(87,763,850)</u>	<u>(254,227)</u>	<u>(88,018,077)</u>

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

TOWN OF JOHNSTON, RHODE ISLAND

STATEMENT OF ACTIVITIES (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2021

	Primary Government		
	Governmental Activities	Business-type Activities	Total
General Revenues			
Property taxes, levied for general purposes	76,383,906	--	76,383,906
Motor vehicle phase-out taxes	2,140,867	--	2,140,867
Other State aid	5,627,807	--	5,627,807
Grants and aid not restricted for specific programs	4,655,043	--	4,655,043
State COVID aid	3,648,118	--	3,648,118
Unrestricted investment earnings	970,789	--	970,789
Miscellaneous	962,770	--	962,770
Special Item - Loss on annexation of water fund	--	(9,809,221)	(9,809,221)
Total General Revenues and Special Items	<u>94,389,300</u>	<u>(9,809,221)</u>	<u>84,580,079</u>
Change in Net Position	6,625,450	(10,063,448)	(3,437,998)
Net Position - Beginning of Year, As Restated	<u>(310,125,797)</u>	<u>12,751,125</u>	<u>(297,374,672)</u>
Net Position - End of Year	<u>\$ (303,500,347)</u>	<u>\$ 2,687,677</u>	<u>\$ (300,812,670)</u>

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

TOWN OF JOHNSTON, RHODE ISLAND

BALANCE SHEET GOVERNMENTAL FUNDS

JUNE 30, 2021

	General Fund	School Unrestricted Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets				
Cash and cash equivalents	\$ 46,197,040	\$ 11,594	\$ 5,495,558	\$ 51,704,192
Taxes receivable, net	5,573,141	--	--	5,573,141
Other receivables, net	1,380,954	473,442	12,500	1,866,896
Due from federal and state governments	1,656,756	43,929	219,783	1,920,468
Prepays	745,233	140,501	--	885,734
Due from other funds	1,729,018	--	1,898,522	3,627,540
Total Assets	<u>\$ 57,282,142</u>	<u>\$ 669,466</u>	<u>\$ 7,626,363</u>	<u>\$ 65,577,971</u>
Liabilities				
Accounts payable and accrued liabilities	\$ 4,271,842	\$ 1,404,127	\$ 129,849	\$ 5,805,818
Due to other funds	3,902,987	120,339	804,756	4,828,082
Unearned revenue	46,259	--	998,758	1,045,017
Escrow deposits	--	--	77,686	77,686
Total Liabilities	<u>8,221,088</u>	<u>1,524,466</u>	<u>2,011,049</u>	<u>11,756,603</u>
Deferred Inflows of Resources				
Unavailable tax and EMS revenue	5,482,466	--	--	5,482,466
Total Deferred Inflows of Resources	<u>5,482,466</u>	<u>--</u>	<u>--</u>	<u>5,482,466</u>
Fund Balances				
Non-spendable	745,233	140,501	--	885,734
Restricted	--	--	4,155,799	4,155,799
Committed	--	--	1,581,652	1,581,652
Unassigned	42,833,355	(995,501)	(122,137)	41,715,717
Total Fund Balances	<u>43,578,588</u>	<u>(855,000)</u>	<u>5,615,314</u>	<u>48,338,902</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 57,282,142</u>	<u>\$ 669,466</u>	<u>\$ 7,626,363</u>	<u>\$ 65,577,971</u>

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

TOWN OF JOHNSTON, RHODE ISLAND

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

JUNE 30, 2021

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

Total Fund Balance reported in Governmental Funds	\$ 48,338,902
Capital assets, net of accumulated depreciation, used in governmental activities are not financial resources and, therefore are not reported in the Governmental Funds Balance Sheet	49,736,860
Deferred outflows related to pension plan and OPEB plan are not current measurable and available resources and therefore not reported in the Fund Statements but are reported in the Statement of Net Position	43,745,659
Deferred inflows related to pension plan and OPEB plan are not current measurable and available resources and therefore not reported in the Fund Statements but are reported in the Statement of Net Position	(51,719,860)
Deferred loss on refunding of bonds which is amortized over the life of the new bond	150,863
Long-term assets (liabilities) and related items are not due and payable in the current period and therefore are not reported in the funds. These liabilities are reported in the Statement of Net Position:	
Accrual for net pension asset	6,589,596
Accrual for net pension and net OPEB liabilities	(381,172,708)
Accrual for compensated absences	(9,607,711)
Fire longevity obligation	(5,563,479)
Capital lease obligations	(1,428,000)
General obligation bonds	(20,643,475)
Bond premium, net of amortization	(103,006)
Unavailable tax and EMS revenues (net of an allowance for uncollectibles) are recorded in the funds, but are not recorded under the measurement focus employed in the Statement of Net Position	5,482,466
Internal Service Funds are recorded as Proprietary Funds in the Fund Statements but are recorded as Governmental Activities on the Government-Wide Statement of Net Position. This is the fiscal 2021 impact on the Statement of Net Position, excluding capital assets, net of accumulated depreciation, and long-term liabilities, the impact of which is reflected above	10,418,715
Interest receivable on property taxes, net of allowance	2,401,345
Interest accrued on long-term debt obligations is reported as a liability in the Statement of Net Position but does not get reported in the Fund Statements	<u>(126,514)</u>
Total Net Position reported in Statement of Net Position	<u><u>\$ (303,500,347)</u></u>

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

TOWN OF JOHNSTON, RHODE ISLAND

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

FOR THE YEAR ENDED JUNE 30, 2021

	General Fund	School Unrestricted Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues				
Property taxes	\$ 75,489,563	\$ --	\$ --	\$ 75,489,563
Intergovernmental	12,538,954	19,480,572	4,461,816	36,481,342
Charges for services	9,345,922	112,406	703,436	10,161,764
Investment income	964,652	--	6,137	970,789
State on behalf pension contribution	--	2,652,234	--	2,652,234
Other miscellaneous	--	176,496	392,283	568,779
Total Revenues	<u>98,339,091</u>	<u>22,421,708</u>	<u>5,563,672</u>	<u>126,324,471</u>
Expenditures				
Current				
General government	6,354,353	--	32,941	6,387,294
Public safety	39,712,986	--	458,700	40,171,686
Public works	4,995,087	--	--	4,995,087
Public libraries	596,705	--	3,453	600,158
Education	--	60,948,799	4,343,903	65,292,702
Parks and recreation	1,064,859	--	75,508	1,140,367
Debt Service				
Principal	2,448,850	--	255,000	2,703,850
Interest and other costs	562,858	--	113,730	676,588
Capital Outlays	293,368	--	3,486,940	3,780,308
Total Expenditures	<u>56,029,066</u>	<u>60,948,799</u>	<u>8,770,175</u>	<u>125,748,040</u>
Excess of Revenues Over (Under) Expenditures				
Before Other Financing Sources (Uses)	<u>42,310,025</u>	<u>(38,527,091)</u>	<u>(3,206,503)</u>	<u>576,431</u>
Other Financing Sources (Uses)				
Proceeds from long-term debt	--	--	1,310,000	1,310,000
Transfers in	579,706	38,029,015	600,000	39,208,721
Transfers out	(38,129,015)	--	(579,706)	(38,708,721)
Total Other Financing Sources (Uses)	<u>(37,549,309)</u>	<u>38,029,015</u>	<u>1,330,294</u>	<u>1,810,000</u>
Net Change in Fund Balances	4,760,716	(498,076)	(1,876,209)	2,386,431
Fund Balance - Beginning of Year, as restated	<u>38,817,872</u>	<u>(356,924)</u>	<u>7,491,523</u>	<u>45,952,471</u>
Fund Balance - End of Year	<u>\$ 43,578,588</u>	<u>\$ (855,000)</u>	<u>\$ 5,615,314</u>	<u>\$ 48,338,902</u>

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

TOWN OF JOHNSTON, RHODE ISLAND

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

FOR THE YEAR ENDED JUNE 30, 2021

Net Change in Fund Balances - Total Governmental Funds	\$ 2,386,431
<p>Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.</p>	
Capital outlay, net of disposals	3,780,308
Depreciation expense, net of disposals	(3,081,634)
<p>Governmental funds report bond, premium on bond, and capital lease proceeds as revenues. However, in the statement of activities, these funds are reported as additions to long-term debt.</p>	
	(1,310,000)
<p>Governmental funds report principal repayments on debt obligations as an expenditure. However, the repayment of principal has no effect on the net position.</p>	
	2,703,850
<p>Governmental funds do not report fire longevity obligations as a liability. This reports the adoption of the liability for 2021.</p>	
	(278,174)
<p>Changes to the following accounts related to the Town's pension and OPEB plans are reported as an expense for governmental activities but are not reported as an expenditure in the fund financial statements until they are paid with measurable and available resources:</p>	
Increase in net pension asset	617,292
Decrease in net pension liability	5,901,656
Increase in net OPEB liability	(3,273,082)
Increase in deferred outflows of resources	12,103,613
Increase in deferred inflows of resources	(14,939,769)
<p>Governmental funds report premiums received on debt financing as other financing sources when received. However, the Statement of Activities amortizes these premiums over the life of the obligations and records the amortization as a credit to expenses. This is the amortization amount for fiscal 2021.</p>	
	10,537
<p>Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in governmental funds. Net unavailable tax and EMS revenue increased from fiscal 2020.</p>	
	1,166,390
<p>Accrued interest on long-term debt obligations is reported in the governmental activities but is not reported in the governmental fund statements. This is the decrease in accrued interest expense from fiscal 2020.</p>	
	14,224
<p>The governmental funds reflect compensated absences when they will be paid with measurable and available resources. The change from prior year balances is reflected in the statement of activities. Compensated absences decreased from fiscal 2020.</p>	
	468,864
<p>The activity for the current year amortization of loss on bond refundings.</p>	
	(44,318)
<p>The activity reported in the Internal Service Funds is presented with the Proprietary Fund Statements. However, this activity is reported as a component of the Governmental Activities in the Statement of Activities. This is the net activity reported for fiscal 2021.</p>	
	399,262
Change in Net Position of Governmental Activities in the Statement of Activities	\$ <u>6,625,450</u>

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

TOWN OF JOHNSTON, RHODE ISLAND

**STATEMENT OF NET POSITION
PROPRIETARY FUNDS**

JUNE 30, 2021

	Business-type Activities-Enterprise Funds				
	Water	Sewer	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Fund
Assets					
Current Assets					
Cash and cash equivalents	\$ --	\$ 200	\$ 400	\$ 600	\$ 11,457,190
User charges receivable	--	224,312	--	224,312	--
Other receivables	--	--	112,909	112,909	--
Due from other funds	--	879,334	431,296	1,310,630	--
Deposits	--	--	--	--	393,000
Other assets	--	--	20,405	20,405	3,803
Total Current Assets	<u>--</u>	<u>1,103,846</u>	<u>565,010</u>	<u>1,668,856</u>	<u>11,853,993</u>
Noncurrent Assets					
Assessments receivable	--	732,731	--	732,731	--
Capital assets, net of accumulated depreciation	--	2,395,695	38,315	2,434,010	--
Total Noncurrent Assets	<u>--</u>	<u>3,128,426</u>	<u>38,315</u>	<u>3,166,741</u>	<u>--</u>
Total Assets	<u>--</u>	<u>4,232,272</u>	<u>603,325</u>	<u>4,835,597</u>	<u>11,853,993</u>
Deferred Outflows of Resources					
Deferred charge on refunding	--	17,588	--	17,588	--
Total Deferred Outflows of Resources	<u>--</u>	<u>17,588</u>	<u>--</u>	<u>17,588</u>	<u>--</u>

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

TOWN OF JOHNSTON, RHODE ISLAND

**STATEMENT OF NET POSITION (CONTINUED)
PROPRIETARY FUNDS**

JUNE 30, 2021

	Business-type Activities-Enterprise Funds				
	Water	Sewer	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Fund
Liabilities					
Current Liabilities					
Accounts payable and accrued expenses	--	--	209,313	209,313	1,371,277
Due to other funds	--	--	46,087	46,087	64,001
Unearned revenue	--	--	5,000	5,000	--
Accrued interest	--	7,087	--	7,087	--
Current portion of general obligation bonds	--	182,660	--	182,660	--
Total Current Liabilities	<u>--</u>	<u>189,747</u>	<u>260,400</u>	<u>450,147</u>	<u>1,435,278</u>
Noncurrent Liabilities					
General obligation bonds, net	--	982,630	--	982,630	--
Total Noncurrent Liabilities	<u>--</u>	<u>982,630</u>	<u>--</u>	<u>982,630</u>	<u>--</u>
Total Liabilities	<u>--</u>	<u>1,172,377</u>	<u>260,400</u>	<u>1,432,777</u>	<u>1,435,278</u>
Deferred Inflows of Resources					
Deferred sewer assessment	--	732,731	--	732,731	--
Total Deferred Inflows of Resources	<u>--</u>	<u>732,731</u>	<u>--</u>	<u>732,731</u>	<u>--</u>
Net Position					
Net investment in capital assets	--	1,230,405	38,315	1,268,720	--
Unrestricted	--	1,114,347	304,610	1,418,957	10,418,715
Total Net Position	<u>\$ --</u>	<u>\$ 2,344,752</u>	<u>\$ 342,925</u>	<u>\$ 2,687,677</u>	<u>\$ 10,418,715</u>

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

TOWN OF JOHNSTON, RHODE ISLAND

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

FOR THE YEAR ENDED JUNE 30, 2021

	Business-type Activities-Enterprise Funds				
	Water	Sewer	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Operating Revenues					
Charges for usage, service, and assessments	\$ 526,110	\$ 846,304	\$ 169,059	\$ 1,541,473	\$ 21,153,376
Intergovernmental	--	20,874	743,257	764,131	--
Total Operating Revenues	526,110	867,178	912,316	2,305,604	21,153,376
Operating Expenses					
Salaries and benefits	--	264,338	--	264,338	--
Contractual services	538,660	22,313	771,732	1,332,705	--
Repairs and maintenance	93,207	158,182	--	251,389	--
Utilities	37,176	38,257	--	75,433	--
Administration	253,416	--	--	253,416	--
Health care management	--	--	--	--	20,267,594
Depreciation and amortization	169,531	156,352	5,474	331,357	--
Total Operating Expenses	1,091,990	639,442	777,206	2,508,638	20,267,594
Operating Income (Loss)	(565,880)	227,736	135,110	(203,034)	885,782
Nonoperating Revenues (Expenses)					
Loss on annexation of water fund	(9,809,221)	--	--	(9,809,221)	--
Interest income	--	--	--	--	13,480
Interest expense	(21,845)	(29,348)	--	(51,193)	--
Net Nonoperating Revenues	(9,831,066)	(29,348)	--	(9,860,414)	13,480
Income (Loss) Before Transfers	(10,396,946)	198,388	135,110	(10,063,448)	899,262
Transfers out	--	--	--	--	(500,000)
Total transfers	--	--	--	--	(500,000)
Changes in Net Position	(10,396,946)	198,388	135,110	(10,063,448)	399,262
Total Net Position - Beginning, restated	10,396,946	2,146,364	207,815	12,751,125	10,019,453
Total Net Position - Ending	\$ --	\$ 2,344,752	\$ 342,925	\$ 2,687,677	\$ 10,418,715

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

TOWN OF JOHNSTON, RHODE ISLAND

STATEMENT OF CASH FLOWS PROPRIETARY FUNDS

FOR THE YEAR ENDED JUNE 30, 2021

	Business-type Activities-Enterprise Funds				
	Water	Sewer	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Fund
Cash Flows from Operating Activities					
Cash received from customers	\$ 2,431,426	\$ 897,051	\$ 169,059	\$ 3,497,536	\$ 21,140,576
Cash received from grantor	--	20,874	576,898	597,772	--
Claims paid	--	--	--	--	(20,836,229)
Cash paid to suppliers for goods and services and other operating payments	(1,012,576)	(218,752)	(699,529)	(1,930,857)	--
Cash paid for employees and benefits	--	(264,338)	--	(264,338)	--
Net Cash Provided by (Used in) Operating Activities	<u>1,418,850</u>	<u>434,835</u>	<u>46,428</u>	<u>1,900,113</u>	<u>304,347</u>
Cash Flows from Noncapital Financing Activities					
Transfers to other funds	--	--	--	--	(500,000)
(Payments to) receipts from other funds	--	(171,884)	(213,382)	(385,266)	3,175,843
Net Cash (Used in) Provided by Noncapital Financing Activities	<u>--</u>	<u>(171,884)</u>	<u>(213,382)</u>	<u>(385,266)</u>	<u>2,675,843</u>
Cash Flows from Capital and Related Financing Activities					
Acquisition of capital assets	--	(45,323)	--	(45,323)	--
Principal payments on long-term debt	(1,385,000)	(193,176)	--	(1,578,176)	--
Interest and finance charges paid on debt obligations	(34,050)	(24,252)	--	(58,302)	--
Net Cash Used in Capital and Related Financing Activities	<u>(1,419,050)</u>	<u>(262,751)</u>	<u>--</u>	<u>(1,681,801)</u>	<u>--</u>
Cash Flows from Investing Activities					
Investment income	--	--	--	--	13,480
Net Cash Provided by Investing Activities	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>13,480</u>
Net Increase (Decrease) in Cash and Cash Equivalents	<u>(200)</u>	<u>200</u>	<u>(166,954)</u>	<u>(166,954)</u>	<u>2,993,670</u>
Cash, Cash Equivalents, and Restricted Cash - Beginning of Year	<u>200</u>	<u>--</u>	<u>167,354</u>	<u>167,554</u>	<u>8,463,520</u>
Cash, Cash Equivalents, and Restricted Cash - End of Year	<u>\$ --</u>	<u>\$ 200</u>	<u>\$ 400</u>	<u>\$ 600</u>	<u>\$ 11,457,190</u>

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

TOWN OF JOHNSTON, RHODE ISLAND

**STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS (CONTINUED)**

FOR THE YEAR ENDED JUNE 30, 2021

	Business-type Activities-Enterprise Funds				
	Water	Sewer	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Fund
Reconciliation of Operating Income to Net Cash					
Provided by Operating Activities					
Operating income (loss)	\$ (565,880)	\$ 227,736	\$ 135,110	\$ (203,034)	\$ 885,782
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:					
Depreciation and amortization expense	169,531	156,352	5,474	331,357	--
(Increase) decrease in assessments and fees receivable	1,905,316	50,747	--	1,956,063	--
(Increase) decrease in deposits	--	--	--	--	(12,800)
(Increase) decrease in prepaid expenses and inventory	--	--	--	--	197
(Increase) decrease in intergovernmental receivables	--	--	(92,884)	(92,884)	--
Increase (decrease) in accounts payable and accrued expenses	(90,117)	--	72,203	(17,914)	(568,832)
Increase (decrease) in unearned revenue	--	--	(73,475)	(73,475)	--
Net Cash Provided by Operating Activities	<u>\$ 1,418,850</u>	<u>\$ 434,835</u>	<u>\$ 46,428</u>	<u>\$ 1,900,113</u>	<u>\$ 304,347</u>

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

TOWN OF JOHNSTON, RHODE ISLAND

**STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS**

JUNE 30, 2021

	Pension and OPEB Trust Funds	Private Purpose Trust Funds	Custodial Funds
Assets			
Cash and cash equivalents	\$ 340,769	\$ 23,733	\$ 248,498
Restricted cash	200,917	--	--
Funds held in escrow	833,782	--	--
Investments, at fair value:			
Money market mutual funds	66,319,115	--	--
Accounts receivable	--	--	107,750
Prepaid items	829,339	--	--
Total Assets	<u>68,523,922</u>	<u>23,733</u>	<u>356,248</u>
Liabilities			
Accrued expenses	2,956	--	--
Deposits held in custody for others	193,190	--	--
Claims and judgments	1,034,699	--	--
Total Liabilities	<u>1,230,845</u>	<u>--</u>	<u>--</u>
Net Position			
Held for individuals, organizations, and other governments	--	--	356,248
Restricted for other post-employment benefits	7,164,371	--	--
Restricted for pension benefits	60,128,706	--	--
Held in trust for private purposes per trust agreement	--	23,733	--
Total Net Position	<u>\$ 67,293,077</u>	<u>\$ 23,733</u>	<u>\$ 356,248</u>

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

TOWN OF JOHNSTON, RHODE ISLAND

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION FIDUCIARY FUNDS

FOR THE YEAR ENDED JUNE 30, 2021

	Pension and OPEB Trust Funds	Private Purpose Trust Funds	Custodial Funds
Additions			
Contributions:			
Employer contributions	\$ 16,370,485	\$ --	\$ --
Plan member contributions	<u>459,871</u>	<u>--</u>	<u>--</u>
Total Contributions	<u>16,830,356</u>	<u>--</u>	<u>--</u>
Investment earnings:			
Net change in fair value of investments	12,776,285		
Interest and dividends	<u>2,645,341</u>	<u>1</u>	<u>--</u>
Total Investment Earnings	<u>15,421,626</u>	<u>1</u>	<u>--</u>
Total Additions	<u>32,251,982</u>	<u>1</u>	<u>--</u>
Deductions			
Benefits paid	16,362,075	--	--
Administration	<u>127,487</u>	<u>--</u>	<u>--</u>
Total Deductions	<u>16,489,562</u>	<u>--</u>	<u>--</u>
Change in Net Position	15,762,420	1	--
Net Position - Beginning of Year	<u>51,530,657</u>	<u>23,732</u>	<u>356,248</u>
Net Position - End of Year	<u>\$ 67,293,077</u>	<u>\$ 23,733</u>	<u>\$ 356,248</u>

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

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

REPORTING ENTITY

The Town of Johnston, Rhode Island (the Town) was incorporated in 1759. The Town covers 24.4 square miles located in southeastern New England. The Town operates under a Council-Mayor form of government and the charter provides for public safety (police and fire), highway and streets, sanitation, health and social services, culture-recreation, education, public improvement, planning and zoning and general administrative services.

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

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

Through the application of GASB Statement No. 61 criteria, the Town does not have any component units.

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

REPORTING ENTITY (CONTINUED)

BASIS OF PRESENTATION

Government-Wide Financial Statements

The Statement of Net Position and Statement of Activities display information about the Town as a whole. They include all funds of the Town except for fiduciary funds and distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues and other non-exchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods and services.

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

Fund Financial Statements

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

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

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

BASIS OF PRESENTATION (CONTINUED)

Fund Financial Statements (Continued)

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

GOVERNMENTAL FUNDS

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

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

Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. The Town's major special revenue funds is the School Unrestricted Fund.

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

Proprietary Funds

Proprietary Funds are used to account for business-like activities provided to the general public (enterprise funds) or within the government (internal service funds). These activities are financed primarily by user charges and the measurement of financial activity focuses on net income measurement similar to the private sector. Operating revenues of the Proprietary Funds consist of customer charges for uses and services and certain other miscellaneous revenues. All other revenues of the Proprietary Funds are considered non-operating sources of revenue. The Proprietary Funds include Enterprise Funds. During the year ended June 30, 2021 the Town maintained six enterprise funds including the Water Fund and Sewer Fund which are reported as major funds.

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

BASIS OF PRESENTATION (CONTINUED)

Fund Financial Statements (Continued)

Fiduciary Funds (Not Included in Government-Wide Statements)

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

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

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

Custodial Funds account for assets held by the Town in a purely custodial capacity.

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

MAJOR AND NON-MAJOR FUNDS

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

<u>Fund</u>	<u>Brief Description</u>
<i>Major:</i>	
General Fund	See above for description.
Special Revenue Funds:	
School Unrestricted	Acts as the primary operating fund for the Johnston School Department.
Proprietary Funds:	
Water Fund	Accounts for the operations of the Town's Water Department.
Sewer Fund	Accounts for the operations of the Town's Sewer Department.
Internal Service Fund	Accounts for the operations of the Town and School Department's Healthcare Management.
<i>Non-Major:</i>	
Special Revenue Funds	Grant programs including federal grants, state grants, and private grants. The Town currently maintains sixty-five (65) special revenue funds which have been classified as non-major Governmental Funds. The details of these funds may be found in the combining non-major fund statements in the other supplementary information section of these financial statements.

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

MAJOR AND NON-MAJOR FUNDS (CONTINUED)

Non Major (Continued):

Capital Project Funds The Town currently maintains nine (9) Capital Project Funds. The details of these funds may be found in the combining non-major fund statements in the other supplementary information section of these financial statements.

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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

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

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING (CONTINUED)

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

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

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

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

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

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING (CONTINUED)

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

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

Cash and Cash Equivalents

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

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

Investments

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

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

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Accounts Receivable

In the Government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Major receivable balances for the governmental activities include property taxes and intergovernmental receivables. Business-type activities report service and special assessment fees as its major receivables.

In the fund financial statements, material receivables in governmental funds include revenue accruals such as property taxes collected within 60 days of year-end and grants and other similar intergovernmental revenues since they are usually both measurable and available. Non-exchange transactions earned/measurable but not available are deferred in the fund financial statements in accordance with modified accrual, but not deferred in the Government-wide financial statements in accordance with the accrual basis. Proprietary fund receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. At June 30, 2021 the Town has estimated the allowance for uncollectible receivables for delinquent taxes of \$4,191,596 and an allowance for uncollectible receivables for municipal court receivables and fire rescue receivables of \$635,997.

Property Taxes

Real and personal property taxes are based on values assessed as of each December 31 (lien date), and attach as an enforceable lien on property as of August 1 (levy date). Taxes are due in equal quarterly installments in August 24, October 24, January 24, and April 24 (delayed one month each quarter in fiscal year 2021 due to COVID). Taxes due and unpaid after the respective due dates are subject to interest at the rate of 12% per annum calculated on the unpaid portion of the total tax. An automatic lien is placed on the taxpayer's property if payment has not been received by the tax due date. Property taxes are recognized as revenue in the year they are levied. Property tax revenues are recorded in accordance with the modified accrual basis of accounting in the fund financial statements.

For 2021, Rhode Island General Law restricts the Town's ability to increase its total tax levy by more than 4.00% over that of the preceding fiscal year.

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Prepays

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

Encumbrances

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

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

Capital Assets

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

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

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Capital Assets (Continued)

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

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

Buildings and improvements	10 - 50 years
Land improvements	20 years
Infrastructure	20-100 years
Machinery and equipment	5-10 years
Vehicles	5-10 years

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

The Town reviews the carrying value of its long-lived assets to ensure that any impairment issues are identified and appropriately reflected in the financial statements. Should the expected cash flows be less than the carrying value, an impairment loss would be recognized to reduce the carrying value. There was no impairment loss recorded during fiscal year 2021.

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Bond Premiums, Discounts and Issuance Costs

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

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

Long-Term Obligations

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

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

Compensated Absences

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

Judgments and Claims

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

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position and/or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate section represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until that later date. At June 30, 2021 the Town reported \$43,745,659 of deferred outflows of resources related to pension and OPEB in the Government-wide statement of net position. A deferred outflow of resources related to pension and OPEB results from differences between expected and actual experience, changes in assumptions or other inputs. These amounts are deferred and included in pension expense in a systematic and rational manner over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension and OPEB plan (active employees and inactive employees). In addition, at June 30, 2021 the Town also reported \$168,451 of deferred outflows related to deferred loss on refundings in the Government-wide statement of net position. The deferred loss on refunding is the unamortized balance of the difference between the carrying value of the refunded debt and the new debt.

In addition to liabilities, the statement of net position and/or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate section represents the acquisition of net position that applies to a future period and therefore will not be recognized as an inflow of resources (revenue) until a later date. At June 30, 2021 the Town reported \$51,719,860 of deferred inflows of resources related to pension and OPEB in the Government-wide statement of net position. A deferred inflow of resources related to pension and OPEB results from differences between expected and actual experience, changes in assumptions or other inputs. These amounts are deferred and included in pension/OPEB expense in a systematic and rational manner over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension and OPEB plans (active employees and inactive employees). In addition, at June 30, 2021 the Town also reported in the Government-wide statement of net position \$732,731 of deferred inflows related to deferred sewer assessments.

At June 30, 2021 the Town also had two items that qualified as a deferred inflow of resources in the governmental funds balance sheet, the unavailable tax and EMS revenue of \$5,482,466. The unavailable tax revenue at June 30, 2021 represents property taxes receivables which are assessed on December 31, 2019 and prior and are not collected within 60 days of June 30, 2021. The unearned EMS revenue represents rescue fees for services provided prior to June 30, 2021 but not recognized as revenue since they are considered unavailable as of June 30, 2021. The net unavailable tax and EMS revenue are considered unavailable and will be recognized as an inflow of resources in the year(s) in which the amounts become available.

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Interfund Transactions

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

Reciprocal interfund activities:

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

Non-reciprocal interfund activities:

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

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

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

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Net Position/Fund Balance

Government-Wide Financial Statements

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

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

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

Governmental Fund Financial Statements

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

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

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Net Position/Fund Balance (Continued)

Governmental Fund Financial Statements (Continued)

- Committed – the Town Council and Mayor with the adoption of an ordinance or resolution, may commit fund balance for specific purposes pursuant to constraints imposed by formal actions taken, such as an ordinance or resolution. These committed amounts cannot be used for any other purpose unless the Town Council removes or changes the specific use through the same type of formal action taken to establish the commitment. This constraint must be imposed prior to the fiscal year-end, but the specific amount may be determined at a later date.
- Assigned – amounts that are intended by the Town to be used for specific purposes, but are neither restricted nor committed. The authority to assign fund balance is designated to the Mayor.
- Unassigned – the residual amount in the General Fund available for any purpose.

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

PENSIONS

Employees' Retirement System (ERS)

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

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

PENSIONS (CONTINUED)

Municipal Employees' Retirement System (MERS)

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

Teachers' Survivors Benefit plan (TSB)

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

Police and Fire Pension

The Pension Trust Fund's financial statements are prepared using the accrual basis of accounting and in accordance with generally accepted accounting principles that apply to governmental accounting for defined benefit plans. Employer contributions are recognized when made, because there are no required due dates for contributions. Other additions are recognized when due. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan document. Plan expenses, other than benefits and refunds are recognized on the accrual basis in accordance with generally accepted accounting principles.

POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

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

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

RECENTLY ISSUED ACCOUNTING STANDARDS

During the year ended June 30, 2021 the Town adopted GASB Statement No. 84, *Fiduciary Activities*, the impact of which resulted in a reclassification of funds previously reported as Agency funds that are now classified as non-major governmental funds. See restatements Note 16. Implementation of this standard also resulted in the classification of certain Agency funds to Custodial funds. There was no significant impact on these financial statements from the implementation of additional accounting standards.

USE OF ESTIMATES

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

SUBSEQUENT EVENTS

Management has evaluated subsequent events through June 17, 2022, which is the date these financial statements were available to be issued and has concluded that the following events have occurred that would require recognition in the financial statements or disclosure in the notes to the financial statements.

On November 19, 2021, the Town entered into a Tax Stabilization Agreement with Amazon.com Services, LLC, which will result in an annual tax payment at a base of \$5,700,000 in year one, increasing at a compounding rate of 2.5% annually over the course of 20 years.

On March 14, 2022, the Town approved a contribution of \$3,500,000 to be made to the OPEB Trust Fund from the reserves which are currently maintained in the Town's Healthcare Management Internal Service Fund.

On April 5, 2022, the Town voted to approve a \$215 million general obligation school construction and renovation plan. The project will build a new early-childhood education center and will also renovate the Nicholas A. Ferri Middle School and Johnston Senior High School.

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

SUBSEQUENT EVENTS (CONTINUED)

On April 11, 2022 the Town established a compensated absences retirement special revenue escrow fund with a transfer from the General Fund unassigned fund balance of \$1,750,000. On an annual basis the Town will allocate any amount of tax revenue collected during the fiscal year for all preceding tax years which exceed the amounts budgeted for that year. These excess receipts will be allocated to the Compensated Absences Retirement Escrow Fund up to a maximum of \$250,000, annually. If the positive budgetary variance of these tax collections exceed \$250,000, then the amounts collected in excess of the \$250,000 variance shall remain in the General Fund.

The Town also established a capital projects fund with a transfer from the General Fund unassigned fund balance of \$1,714,435 and street light savings in the accrued expense account. Commencing with fiscal 2022 and on an annual basis thereafter, the funding for this capital projects fund will include all amounts by which the actual revenue exceeds the budgeted revenue for the line items noted as investment and interest income, interest and penalties on property taxes, in the Town's General Fund. The maximum amount transferred from these line items will not exceed, in the aggregate, \$500,000 annually. In addition to these revenue sources, the Town Council in conjunction with the Mayor may also choose to include a budget line item expenditure transfer in the annual operating budget to help fund road improvement projects. The revenue will accumulate in the capital projects fund and is committed to be used for road improvement and maintenance projects, property, facilities and equipment. Expenditures from this fund must be approved by the Town Council and the Mayor.

On April 14, 2022, the Town entered into a settlement agreement with the Narragansett Electric Company whereby the Town shall make a one-time lump sum payment to Narragansett Electric in the amount of \$802,407 to resolve pending disputes and claims and to dismiss the pending tax appeals.

In August, 2019, a trial justice sitting on the Rhode Island Superior Court issued a decision in favor of three (3) retired police officers. This decision concluded that the three (3) officers were entitled to the funds being held in the registry of the court, which as of June, 2021 totaled approximately \$833,782. The Town of Johnston appealed the trial justice's decision to the Rhode Island Supreme Court. The parties filed briefs with the Court and held oral arguments in November, 2021. On May 25, 2022, the Supreme Court issued a Decision which reversed the trial justice's ruling. The Supreme Court held that the trial justice abused his discretion in awarding the three (3) retired officers the funds being held in the registry of the court, and held that said monies belong to the Town. The Town is in the process of inquiring how it will obtain the monies being held in the registry of the court.

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 2 - CASH DEPOSITS AND INVESTMENTS

CASH AND CASH EQUIVALENTS

At June 30, 2021, the carrying amount of the Town's cash and cash equivalents was \$63,975,899 (including \$200,917 of restricted cash and \$613,000 of cash held in fiduciary funds). The Town's entire balance was covered by either FDIC insurance or collateral held in the Town's name.

INVESTMENTS

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

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

- Level 1 – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical assets or liabilities.
- Level 2 – Inputs other than quoted prices in active markets for identical assets and liabilities that are observable either directly or indirectly for substantially the full term of the asset or liability.
- Level 3 – Unobservable inputs for the asset or liability (supported by little or no market activity). Level 3 inputs include management's own assumption about the assumptions that market participants would use in pricing the asset or liability (including assumptions about risk).

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

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

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 2 - CASH DEPOSITS AND INVESTMENTS (CONTINUED)

INVESTMENTS (CONTINUED)

The following table summarizes the investments of the Town and also held in the Pension and OPEB trust fund, at fair value, as of June 30, 2021:

	Level 1	Level 2	Level 3	Total
Investments by Fair Value Level				
Mutual Funds	<u>\$ 66,319,115</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 66,319,115</u>
Total Investments by Fair Value Level	<u>\$ 66,319,115</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 66,319,115</u>

Custodial Credit Risk

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

Interest Rate Risk

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

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 2 - CASH DEPOSITS AND INVESTMENTS (CONTINUED)

INVESTMENTS (CONTINUED)

Credit Risk

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

Concentration of Credit Risk

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

NOTE 3 - PROPERTY TAXES

The Town is responsible for assessing, collecting and distributing property taxes in accordance with enabling state legislation. Net property taxes levied for fiscal year 2021 were based on a net asset value of \$2,764,193,009, and amounted to \$76,009,377.

Unpaid property taxes as of June 30, 2021 of \$9,666,733, are recorded as a receivable, net of an allowance for uncollectible property taxes of \$4,191,596. Those net property taxes receivable which were not collected within 60 days immediately following June 30, 2021, are recorded as a deferred inflow in fiscal 2021. Property taxes collected within 60 days following June 30, 2021, are recognized as revenue in the governmental fund financial statements and amounted to \$1,317,117. As of July 1, 2020 the Town levied property taxes for its fiscal year as follows:

	Taxable Assessment	Exemptions	Net Tax Assessment	Rate Per \$1,000	Net Levy
Real property Residential	\$ 2,315,765,799	\$ 452,409,309	\$ 1,863,356,490	\$ 22.89	\$ 42,652,255
Real property Other	553,697,664	3,465,678	550,231,986	27.99	15,400,994
Motor vehicle	235,270,183	80,785,474	154,484,709	35.00	5,406,408
Tangible property	<u>196,119,824</u>	<u>--</u>	<u>196,119,824</u>	63.99	<u>12,549,720</u>
	<u>\$ 3,300,853,470</u>	<u>\$ 536,660,461</u>	<u>\$ 2,764,193,009</u>		<u>\$ 76,009,377</u>

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 4 - INTERFUND BALANCES AND TRANSFERS

Due to/from balances represent short-term advances from one fund (primarily the General Fund) to another fund. The advances may represent balances resulting from operating advances or reimbursements for expenditures paid by one fund on behalf of another fund. The composition of interfund balances at June 30, 2021, was as follows:

	Due From	Due To
General Fund	\$ 1,729,018	\$ 3,902,987
School Unrestricted	--	120,339
Non-Major Governmental Funds	1,898,522	804,756
Internal Service Funds	--	64,001
Sewer	879,334	--
Non-Major Enterprise Funds	<u>431,296</u>	<u>46,087</u>
Total	<u>\$ 4,938,170</u>	<u>\$ 4,938,170</u>

The Town had interfund transfers totaling \$39,208,721 during the year ended June 30, 2021. The composition of these interfund transfers was as follows:

	Transfers In	Transfers Out
General Fund	\$ 579,706	\$ 38,129,015
School Unrestricted	38,029,015	--
Non-Major Governmental Funds	600,000	579,706
Internal Service Funds	<u>--</u>	<u>500,000</u>
Total	<u>\$ 39,208,721</u>	<u>\$ 39,208,721</u>

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 5 - CAPITAL ASSETS

	Beginning Balance 7/1/2020	Increases	Decreases	Ending Balance 6/30/2021
Capital Assets Not Being Depreciated				
Land	\$ 8,979,477	\$ --	\$ --	\$ 8,979,477
Total Capital Assets Not Being Depreciated	<u>8,979,477</u>	<u>--</u>	<u>--</u>	<u>8,979,477</u>
Capital Assets Being Depreciated				
Land improvements	3,356,064	--	--	3,356,064
Buildings and improvements	49,919,219	36,524	--	49,955,743
Infrastructure	59,206,674	2,574,577	--	61,781,251
Vehicles and equipment	<u>15,631,102</u>	<u>1,169,207</u>	<u>--</u>	<u>16,800,309</u>
Total Capital Assets Being Depreciated	<u>128,113,059</u>	<u>3,780,308</u>	<u>--</u>	<u>131,893,367</u>
Less: Accumulated Depreciation For				
Land improvements	381,038	68,810	--	449,848
Buildings and improvements	24,037,221	1,150,175	--	25,187,396
Infrastructure	52,612,055	496,170	--	53,108,225
Vehicles and equipment	<u>11,024,036</u>	<u>1,366,479</u>	<u>--</u>	<u>12,390,515</u>
Total Accumulated Depreciation	<u>88,054,350</u>	<u>3,081,634</u>	<u>--</u>	<u>91,135,984</u>
Governmental Activities Capital Assets, Net	<u>\$ 49,038,186</u>	<u>\$ 698,674</u>	<u>\$ --</u>	<u>\$ 49,736,860</u>

Depreciation was charged to functions as follows:

Governmental Activities:

General government	\$ 155,009
Public safety	1,064,530
Public works	820,265
Parks and recreation	185,179
Education	749,559
Public libraries	<u>107,092</u>
Total Governmental Activities Depreciation Expense	<u>\$ 3,081,634</u>

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 5 - CAPITAL ASSETS (CONTINUED)

Business-Type Activities:

	Beginning Balance 7/1/2020	Increases	Decreases	Ending Balance 6/30/2021
Capital assets not being depreciated:				
Land	\$ 40,000	\$ --	\$ (40,000)	\$ --
Total Capital Assets Not Being Depreciated	40,000	--	(40,000)	--
Capital Assets Being Depreciated:				
Distribution and collection systems	16,833,019	--	(13,610,250)	3,222,769
Machinery and equipment	593,636	--	--	593,636
Vehicles	309,377	45,323	(37,477)	317,223
Total Capital Assets Being Depreciated	17,736,032	45,323	(13,647,727)	4,133,628
Less: Accumulated Depreciation For				
Distribution and collection systems	(5,018,598)	(224,421)	4,252,576	(990,443)
Machinery and equipment	(370,189)	(68,409)	--	(438,598)
Vehicles	(275,390)	(27,190)	37,477	(265,103)
Total Accumulated Depreciation	(5,664,177)	(320,020)	4,290,053	(1,694,144)
Business-Type Activities Capital Assets, Net	\$ 12,111,855	\$ (274,697)	\$ (9,397,674)	\$ 2,439,484

Depreciation was charged to functions as follows:

Business-Type Activities:

Water	\$ 169,531
Sewer	145,015
Nutrition Fund	5,474
Total Business-Type Activities Depreciation Expense	\$ 320,020

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 6 - LONG-TERM OBLIGATIONS

A summary of long-term obligations as of June 30, 2021, is as follows:

	Original Amount	Date of Issue	Date of Maturity	Interest Rate %	Beginning Balance	Additions	Retirements	Ending Balance	Due Within One Year
Governmental Activities:									
Bonds and notes:									
Public offerings									
General obligation bonds	\$ 5,000,000	6/12/2013	6/1/2033	2.00-4.00%	\$ 3,315,000	\$ --	\$ 255,000	\$ 3,060,000	\$ 255,000
Direct borrowings and placements:									
General obligation refunding bonds	6,955,000	5/29/2012	6/1/2024	2.85%	2,358,325	--	563,850	1,794,475	581,750
General obligation bonds	4,000,000	5/1/2014	5/1/2029	2.48%	2,690,000	--	250,000	2,440,000	265,000
General obligation bonds	3,990,000	3/5/2015	6/1/2025	1.89%	2,040,000	--	395,000	1,645,000	400,000
General obligation bonds	2,500,000	5/24/2016	5/1/2031	2.19%	1,910,000	--	155,000	1,755,000	160,000
General obligation bonds	1,238,000	11/16/2016	11/1/2031	2.63%	1,025,000	--	75,000	950,000	76,000
Tax increments financing bond	1,400,000	2/15/2017	6/15/2042	4.66%	1,346,000	--	22,000	1,324,000	25,000
General obligation bonds	710,000	8/16/2017	8/15/2027	2.35%	570,000	--	70,000	500,000	71,429
General obligation bonds	5,600,000	6/14/2018	7/15/2028	2.94%	5,125,000	--	495,000	4,630,000	510,000
General obligation refunding bonds	2,800,000	10/16/2019	9/1/2029	2.07%	2,800,000	--	255,000	2,545,000	260,000
Total direct borrowing and placements					<u>19,864,325</u>	<u>--</u>	<u>2,280,850</u>	<u>17,583,475</u>	<u>2,349,179</u>
Total bonds and notes					23,179,325	--	2,535,850	20,643,475	2,604,179
Premiums					113,543	--	10,537	103,006	--
Total bonds, notes and premiums					<u>23,292,868</u>	<u>--</u>	<u>2,546,387</u>	<u>20,746,481</u>	<u>2,604,179</u>
Capital leases payable					286,000	1,310,000	168,000	1,428,000	303,000
Compensated absences					10,076,575	1,551,196	2,020,000	9,607,771	1,926,000
Fire longevity obligation					--	5,563,479	--	5,563,479	--
Net pension liability					173,359,995	--	5,901,656	167,458,339	--
Net OPEB liability					210,441,287	3,273,082	--	213,714,369	--
Total Governmental Activities									
Long-Term Liabilities					<u>\$ 417,456,725</u>	<u>\$ 11,697,757</u>	<u>\$ 10,636,043</u>	<u>\$ 418,518,439</u>	<u>\$ 4,833,179</u>

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 6 - LONG-TERM OBLIGATIONS (CONTINUED)

	<u>Original Amount</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate %</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Business-Type Activities:									
<u>Water Control Fund</u>									
Direct placement:									
General obligation bonds	\$ 1,725,000	8/16/2017	8/15/2027	2.35%	\$ 1,385,000	\$ --	\$ 1,385,000	\$ --	\$ --
<u>Sewer Fund</u>									
Direct borrowings and placements:									
General obligation refunding bonds	6,955,000	6/29/2012	6/1/2024	2.85%	276,675	--	66,150	210,525	65,830
RIIB Revolving Fund	750,000	4/1/2002	9/1/2022	0.00%	145,791	--	47,026	98,765	48,580
RIIB Revolving Fund	2,500,000	10/6/2009	9/1/2029	2.69%-3.08%	936,000	--	80,000	856,000	68,250
Total direct borrowings and placements					<u>1,358,466</u>	<u>--</u>	<u>193,176</u>	<u>1,165,290</u>	<u>182,660</u>
Total Business-Type Activities									
Long-Term Liabilities					<u>\$ 2,743,466</u>	<u>\$ --</u>	<u>\$ 1,578,176</u>	<u>\$ 1,165,290</u>	<u>\$ 182,660</u>

The sewer improvement bonds are supported by means of an assessment program. All obligations are backed by the full faith and credit of the Town.

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 6 - LONG-TERM OBLIGATIONS (CONTINUED)

The annual debt service requirements of bonds and notes are as follows:

The annual debt service requirements of bonds and notes are as follows:

Fiscal Year Ending June 30,	Pubic Offerings		Direct Borrowings and Placements			
	Governmental Activities		Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest	Principal	Interest
2022	\$ 255,000	\$ 106,080	\$ 2,349,179	\$ 456,407	\$ 182,660	\$ 58,498
2023	255,000	98,430	2,408,746	396,634	185,236	50,878
2024	255,000	88,230	2,482,550	335,204	142,072	43,032
2025	255,000	80,580	1,912,000	271,861	69,018	35,041
2026	255,000	72,930	1,546,000	224,758	73,264	26,882
2027-2031	1,275,000	232,050	5,859,000	545,649	513,040	48,192
2032-2036	510,000	28,305	455,000	186,930	--	--
2037-2041	--	--	571,000	88,587	--	--
	<u>\$ 3,060,000</u>	<u>\$ 706,605</u>	<u>\$ 17,583,475</u>	<u>\$ 2,506,030</u>	<u>\$ 1,165,290</u>	<u>\$ 262,523</u>

TAX INCREMENT FINANCING BONDS

Tax increment financing (TIF) is an economic development tool in which a municipality earmarks a portion of its property taxes to help finance development in a particular area or site. During fiscal year 2017, the Town of Johnston participated in a tax incremental financing agreement with a local real estate developer to advance empty space along Hartford Avenue. The types of businesses that have been or will be completed on this site include: a supermarket, a bank, two restaurants and a gasoline station. All of the bond proceeds will go toward site improvement.

In fiscal year 2017, the Town issued \$1,400,000 in special obligation tax increment revenue bonds. The debt service on these bonds is payable solely from the tax increment generated by the property within the project area. The Town and its taxpayer are not liable for such bonds, except to the extent of the additional property taxes generated within the project area and dedicated to repayment of the bonds. If the project does not generate enough additional taxes to pay the debt service on the bonds, the bondholders do not have any rights for claims against the Town's other taxes and revenues. The special obligation tax increment revenue bonds are not general obligations of the Town nor do they count against the Town's statutory debt limit. Total principal and interest remaining on the bonds is \$2,146,071 payable through 2041. For the current year, principal and interest paid was \$22,000 and \$62,724, respectively, while total incremental property tax revenue generated were \$84,724.

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 6 - LONG-TERM OBLIGATIONS (CONTINUED)

CAPITAL LEASES

At June 30, 2021, scheduled annual debt service requirements to maturity for governmental capital leases are as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Governmental Activity</u>
2022	\$ 327,481
2023	197,597
2024	195,340
2025	193,082
2026	195,795
Thereafter	384,636
Total minimum lease payments	1,493,931
Less amount for interest	(65,931)
Present value of Minimum Lease Payments	<u>\$ 1,428,000</u>

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 7 - FUND BALANCES

The Town has classified governmental fund balances at June 30, 2021 as follows:

Non-Spendable:

General Fund - prepaid expenditures	\$ 745,233
School Unrestricted Fund - prepaid expenditures	140,501
Total Non-Spendable	\$ 885,734

Restricted:

School Special Revenue - grant funds	\$ 563,697
Town Special Revenue - grant funds	770,929
Capital Projects	2,821,173
Total Restricted Fund Balance	\$ 4,155,799

Committed:

Town Special Revenue - nongrant funds	\$ 500,499
Capital Projects	1,081,153
Total Assigned Fund Balance	\$ 1,581,652

Unassigned:

General Fund	\$ 42,833,355
School Special Revenue - deficit fund balances	(122,137)
School Unrestricted Fund	(995,501)
Total Unassigned Fund Balance	\$ 41,715,717

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 7 - FUND BALANCES (CONTINUED)

For the year ended June 30, 2021, the following funds recognized an operating deficit:

Governmental Funds:

School Special Revenue Funds:

CTE Consultant	\$	300
Title IV		1,742
RISCA		1,944
CTE Categorical		1,857
EL Categorical		15,382
SBA Tech		98,226
Champlin Manufact		27,608
Feinstein Grant		2,630
Janice Mele Scholarship		500
Total School Department Funds		<u>150,189</u>

Town Special Revenue Funds:

Police State		10,608
Fire Plan Review		159,404
Total Town Special Revenue Funds		<u>170,012</u>

Capital Project Funds:

Capital Projects Series A		369,210 *
Capital Projects Fund		454,449 *
2018 Capital Projects		<u>2,614,290 *</u>
Total Capital Project Funds		<u>3,437,949</u>
School Unrestricted		<u>498,076</u>

Total Operating Deficits - Governmental Funds

\$ 4,256,226

Proprietary Funds:

Water	\$	<u>10,396,946</u>	**
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Total Operating Deficits - Proprietary Funds

\$ 10,396,946

* Fund spent down accumulated funding in conjunction with capital plan

** Deficit due to annexation of Water Fund

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 7 - FUND BALANCES (CONTINUED)

At June 30, 2021, the following funds had a deficit (negative) fund balance or deficit net position, as applicable:

Proprietary Funds:

Non-Major Proprietary Funds:

Summer School	\$	46,087	*
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Total Cummulative Deficits - Proprietary Funds	\$	46,087	
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Governmental Funds:

School Unrestricted Fund	\$	855,000	**
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School Special Revenue Funds:

IDEA Pre K	\$	1,213	**
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Student Support		6,200	**
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CTE Consultant		300	**
----------------	--	-----	----

Title IV		1,742	**
----------	--	-------	----

RTTT		1,000	**
------	--	-------	----

EL Categorical		7,602	**
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SBA Tech		96,529	**
----------	--	--------	----

Feinstein Grant		553	**
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Target Grant		3,786	**
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Misc Donations		144	**
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AJR Grant		3,068	**
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Total School Special Revenue Funds		122,137	
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Total Cummulative Deficits - Governmental Funds	\$	977,137	
--	-----------	----------------	--

* Deficit will be covered via user fees

** Deficit will be covered via transfer of funds or additional revenue sources

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 8 - PENSION PLANS

All eligible employees of the Town are covered by one of two pension plans: the Municipal Employees' Retirement System of the State of Rhode Island ("Municipal Plan"), or the Employees' Retirement System of the State of Rhode Island ("Teachers' Plan"). The Teachers' Plan covers all School Department personnel certified by the Rhode Island Department of Education who are or have been engaged in teaching as a principal occupation. The Municipal Plan covers all Town Hall employees sworn in on or after January 1, 2000, all Fire Department employees hired on or after January 1, 2001, and all School Department clerks, custodians and teacher assistants.

MUNICIPAL PLAN

Plan Description

The Municipal Employees' Retirement System ("MERS") – an agent multiple-employer defined benefit pension plan – provides certain retirement, disability and death benefits to plan members and beneficiaries. MERS was established under Rhode Island General Laws and placed under the management of the Employees' Retirement System of Rhode Island ("ERSRI") Board to provide retirement allowances to employees of municipalities, housing authorities, water and sewer districts, and municipal police and fire personnel that have elected to participate. Benefit provisions are subject to amendment by the General Assembly.

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

Benefits Provided

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

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

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 8 - PENSION PLANS (CONTINUED)

MUNICIPAL PLAN (CONTINUED)

Benefits Provided (Continued)

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

Final Compensation: Prior to July 1, 2012 and for general employee members eligible to retire as of June 30, 2012, the average was based on the member's highest three consecutive annual salaries. Effective July 1, 2012, the average was based on the member's highest five consecutive annual salaries. Once a member retires or is terminated, the applicable FAC will be the greater of the member's highest three-year FAC as of July 1, 2012 or the five-year FAC as of the retirement/termination date. Monthly benefits are based on one-twelfth of this amount.

General Employees

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

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

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

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

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 8 - PENSION PLANS (CONTINUED)

MUNICIPAL PLAN (CONTINUED)

Benefits Provided (Continued)

General Employees (Continued)

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

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

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

Police and Fire Employees

Members are eligible to retire when they are at least 50 years old and have a minimum of 25 years of contributing service or if they have 27 years of contributing service at any age. Members with less than 25 years of contributing service are eligible for retirement on or after their Social Security normal retirement age.

Members who, as of June 30, 2012, had at least 10 years of contributing service, had attained age 45, and had a prior Retirement Date before age 52 may retire at age 52.

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

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

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 8 - PENSION PLANS (CONTINUED)

MUNICIPAL PLAN (CONTINUED)

Benefits Provided (Continued)

Police and Fire Employees (Continued)

Prior to July 1, 2012, members designated as police officers or firefighters were eligible for retirement at or after age 55 with credit for at least 10 years of service or at any age with credit for 25 or more years of service. Members were also eligible to retire and receive a reduced benefit if they are at least age 50 and have at least 20 years of service. If the municipality elected to adopt the 20-year retirement provisions for police officers and/or firefighters, then such a member was eligible to retire at any age with 20 or more years of service. Members eligible to retire before July 1, 2012 were not impacted by the changes to retirement eligibility above.

A monthly benefit is paid equal to 2.00% of the member's monthly FAC for each year of service, up to 37.5 years (75% of FAC maximum). If the optional 20-year retirement provisions were adopted by the municipality prior to July 1, 2012: benefits are based on 2.50% of the member's FAC for each year of service prior to July 1, 2012 and 2.00% of the member's FAC for each year of service after July 1, 2012. The benefit cannot exceed 75% of the member's FAC.

Active members (including future hires), members who retire after July 1, 2015 and after attaining age 57 with 30 years of service will have a benefit equal to the greater of their current benefit described above and one calculated based on a 2.25% multiplier for all years of service.

Other Benefit Provisions

Death and disability benefits are also provided to members. A member is eligible for a disability retirement provided he/she has credit for at least five years of service or if the disability is work-related. Members are not eligible for an ordinary disability benefit if they are eligible for unreduced retirement.

Joint and survivor benefit options are available to retirees. For some employees, a Social Security option is also available where an annuity is paid at one amount prior to age 62, and at a reduced amount after age 62, designed to provide a level total income when combined with the member's age 62 Social Security benefit. Benefits cease upon the member's death.

Post-retirement benefit increases are paid to members who retire after June 30, 2012. Members will be eligible to receive cost of living increases at the later of the member's third anniversary of retirement and the month following their SSNRA (age 55 for members designated as police officers and/or firefighters). When a municipality elects coverage, it may elect either COLA C (covering only current and future active members and excluding members already retired) or COLA B (covering current retired members as well as current and future active members).

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 8 - PENSION PLANS (CONTINUED)

MUNICIPAL PLAN (CONTINUED)

Benefits Provided (Continued)

Other Benefit Provisions (Continued)

a. The COLA will be suspended for any unit whose funding level is less than 80%; however, an interim COLA may be granted in four-year intervals while the COLA is suspended. The first interim COLA may begin January 1, 2018.

b. Effective July 1, 2015, the COLA is determined based on 50% of the plan's five-year average investment rate of return less 5.5% limited to a range of 0.0% to 4.0%, plus 50% of the lesser of 3.0% or last year's CPI-U increase for a total maximum increase of 3.50%. Previously, it was the plan's five-year average investment rate of return less 5.5% limited to a range of 0.0% to 4.0%.

c. The COLA will be limited to the first \$25,000 of the member's annual pension benefit. For retirees and beneficiaries who retired on or before July 1, 2015, years in which a COLA is payable based on every fourth year provision described in (a) above will be limited to the first \$30,000. These limits will be indexed annually to increase in the same manner as COLAs, with the known values of \$25,000 for 2013, \$25,000 for 2014, \$25,168 for 2015, \$25,855 for 2016, and \$26,098 for 2017.

Employees Covered by Benefit Terms

At the June 30, 2020 valuation date, the following employees were covered by the benefit terms:

	General	Police	Fire
Retirees and beneficiaries	226	0	6
Inactive, nonretired members	124	1	5
Active members	223	20	68
	<u>573</u>	<u>21</u>	<u>79</u>

Contributions

The amounts of employee and employer contributions have been established under Rhode Island General Laws Chapter 45-21. General employees with less than 20 years of service as of June 30, 2012, are required to contribute 2% of their salaries. General employees with more than 20 years of service as of June 30, 2012,

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 8 - PENSION PLANS (CONTINUED)

MUNICIPAL PLAN (CONTINUED)

Contributions (Continued)

are required to contribute 8.25%. Public safety employees are required to contribute 10% of their salaries. The Town contributes at a rate of covered payroll as determined by an independent actuary on an annual basis. The General Assembly can amend the amount of these contribution requirements. The Town contributed \$1,299,952, \$135,655 and \$553,319 for general, police and fire, respectively, in the year ended June 30, 2021, which was 15.94%, 10.61% and 11.03% of covered payroll, respectively.

Net Pension Liability

The total pension liability was determined by actuarial valuations performed as of June 30, 2019, and rolled forward to June 30, 2020, 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, 2020 measurement date (June 30, 2019 valuation rolled forward to June 30, 2020)	
Actuarial Cost Method	Entry Age Normal - the Individual Entry Age Actuarial Cost methodology is used.
Amortization Method	Level Percent of Payroll – Closed
Actuarial Assumptions	
Investment Rate of Return	7.00%
Projected Salary Increases	General Employees - 3.50% to 7.50%; Police & Fire Employees - 4.00% to 14.00%
Inflation	2.5 %
Mortality	Mortality – variants of the PUB (10) Tables for Healthy and Disabled Retirees, projected with Scale Ultimate MP16.
Cost of Living Adjustments	A 2.1% COLA is assumed for all MERS units with the COLA provision.

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 8 - PENSION PLANS (CONTINUED)

MUNICIPAL PLAN (CONTINUED)

Net Pension Liability (Continued)

The actuarial assumptions used in the June 30, 2019, valuation rolled forward to June 30, 2020, and the calculation of the total pension liability at June 30, 2020, were consistent with the results of an actuarial experience study performed as of June 30, 2019.

The long-term expected rate of return best-estimate on pension plan investments were determined by the actuary using a building-block method. The actuary started by calculating best-estimate future expected real rates of return (expected returns net of pension plan investment expense and inflation) for each major asset class, based on a collective summary of capital market expectations from 39 sources. The June 30, 2019, expected arithmetic returns over the long term (20 years) by asset class are summarized in the following table:

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

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 8 - PENSION PLANS (CONTINUED)

MUNICIPAL PLAN (CONTINUED)

Net Pension Liability (Continued)

Asset Class	Long-Term Target Asset Allocation	Long-Term Expected Arithmetic Real Rate of Return
<i>GROWTH</i>		
Global Equity:		
U.S. Equity	23.00%	6.31%
International Developed Equity	12.10%	6.71%
Emerging Markets Equity	4.90%	8.69%
Sub-Total	40.00%	
Private Growth:		
Private Equity	11.25%	9.71%
Non-Core RE	2.25%	5.66%
OPP Private Credit	1.50%	9.71%
Sub-Total	15.00%	
<i>INCOME</i>		
High Yield Infrastructure	1.00%	3.88%
REITS	1.00%	5.66%
Equity Options	2.00%	6.04%
EMD (50/50 Blend)	2.00%	2.28%
Liquid Credit	2.80%	3.88%
Private Credit	3.20%	3.88%
Sub-Total	12.00%	
<i>STABILITY</i>		
Crisis Protection Class:		
Treasury Duration	5.00%	0.10%
Systematic Trend	5.00%	3.84%
Sub-Total	10.00%	
Inflation Protection:		
Core Real Estate	3.60%	5.66%
Private Infrastructure	2.40%	6.06%
TIPs	2.00%	0.74%
Sub-Total	8.00%	
Volatility Protection:		
IG Fixed Income	3.25%	1.54%
Securitized Credit	3.25%	1.54%
Absolute Return	6.50%	3.84%
Cash	2.00%	0.10%
Sub-Total	15.00%	
Total	100.00%	

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 8 - PENSION PLANS (CONTINUED)

MUNICIPAL PLAN (CONTINUED)

Discount Rate

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

Changes in the Net Pension Liability

	General	Police	Fire	Total
Pension Liability:				
Balances as of July 1, 2019	\$ 46,286,183	\$ 1,149,619	\$ 11,569,267	\$ 59,005,069
Changes for the year:				
Service cost	676,854	229,209	914,417	1,820,480
Interest on the total pension liability	3,152,442	88,496	833,886	4,074,824
Difference between expected and actual experience	(65,758)	(36,268)	958,842	856,816
Changes in assumptions	(488,463)	(25,130)	34,904	(478,689)
Benefit payments	(3,179,445)	--	(227,646)	(3,407,091)
	46,381,813	1,405,926	14,083,670	61,871,409
Balances as of June 30, 2020				
Fiduciary Net Position:				
Balances as of July 1, 2019	32,771,056	1,121,601	10,364,462	44,257,119
Employer contributions	1,293,724	111,070	516,401	1,921,195
Employee contributions	188,607	111,688	438,449	738,744
Pension plan net investment income	1,178,978	51,069	421,053	1,651,100
Benefit payments	(3,179,445)	--	(227,646)	(3,407,091)
Pension plan administrative expense	(32,484)	(1,407)	(11,601)	(45,492)
Other changes	73,323	4,840	32,080	110,243
	32,293,759	1,398,861	11,533,198	45,225,818
Balances as of June 30, 2020				
Net Pension Liability	\$ 14,088,054	\$ 7,065	\$ 2,550,472	\$ 16,645,591

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 8 - PENSION PLANS (CONTINUED)

MUNICIPAL PLAN (CONTINUED)

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

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

	1% Decrease (6.0%)	Current Discount Rate (7.0%)	1% Increase (8.0%)
General employee plan	\$ 18,317,946	\$ 14,088,054	\$ 8,983,455
Police employee plan	127,367	7,065	(137,800)
Fire employee plan	3,769,827	2,550,472	1,079,606
Total	<u>\$ 22,215,140</u>	<u>\$ 16,645,591</u>	<u>\$ 9,925,261</u>

Pension Plan Fiduciary Net Position

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

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

For the year ended June 30, 2021, the Town recognized pension expense of \$1,723,587, \$117,062 and \$721,661 for their General, Police and Fire Plans, respectively.

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 8 - PENSION PLANS (CONTINUED)

MUNICIPAL PLAN (CONTINUED)

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

The Town reported deferred outflows and inflows or resources related to pensions from the following sources:

	General	Police	Fire	Total
Deferred Outflows of Resources:				
Contributions after the measurement period	\$ 1,299,952	\$ 135,655	\$ 553,319	\$ 1,988,926
Differences between expected and actual experience	--	24,314	1,357,299	1,381,613
Changes in assumptions	122,477	56,787	451,425	630,689
Net differences between projected and actual earnings on pension plan investments	948,742	28,288	275,021	1,252,051
	\$ 2,371,171	\$ 245,044	\$ 2,637,064	\$ 5,253,279
Deferred Inflows of Resources:				
Differences between expected and actual experience	\$ 575,161	\$ 108,142	\$ 479,076	\$ 1,162,379
Changes in assumptions	376,266	24,848	72,331	473,445
Net differences between projected and actual earnings on pension plan investments	342,617	13,004	110,366	465,987
	\$ 1,294,044	\$ 145,994	\$ 661,773	\$ 2,101,811

\$1,988,926 reported as deferred outflows of resources related to pensions resulting from the Town's contributions in fiscal year 2020 subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent period.

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 8 - PENSION PLANS (CONTINUED)

MUNICIPAL PLAN (CONTINUED)

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

Other amounts reported as deferred outflows and inflows of resources related to the MERS will be recognized in pension expense as follows:

Year Ended June 30,	Net Deferred Outflows/(Inflows) of Resources			
	General	Police	Fire	Total
2022	\$ (338,056)	\$ (5,042)	\$ 91,762	\$ (251,336)
2023	(129,832)	1,146	158,480	29,794
2024	78,674	3,924	180,302	262,900
2025	166,389	4,344	176,795	347,528
2026	--	(2,728)	110,671	107,943
Thereafter	--	(38,249)	703,962	665,713
Total	\$ (222,825)	\$ (36,605)	\$ 1,421,972	\$ 1,162,542

The police and fire plan liabilities are typically liquidated in the Town’s general fund whereas the general plan is liquidated through a combination of the Town’s general fund and the School’s unrestricted fund.

TEACHERS’ PLAN

Plan Description

Certain employees of the Town participate in a cost-sharing multiple-employer defined benefit pension plan – the Employees’ Retirement System plan (“ERS”) – administered by the Employees’ Retirement System of the State of Rhode Island (“System”). Under a cost-sharing plan, pension obligations for employees of any participating employer providing pension benefits through the plan, regardless of the status of the employers’ payment of its pension obligation to the plan. The plan provides retirement, disability and death benefits to plan members and beneficiaries.

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

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 8 - PENSION PLANS (CONTINUED)

TEACHERS' PLAN (CONTINUED)

Benefit Provisions

The level of benefits provided to participants is established by Chapter 36-10 of the General Laws, which is subject to amendment by the General Assembly. Member benefit provisions vary based on service credits accumulated at dates specified in various amendments to the General Laws outlining minimum retirement age, benefit accrual rates and maximum benefit provisions. In general, members accumulate service credits for each year of service subject to maximum benefit accruals of 80% or 75%. For those hired after June 30, 2012, the benefit accrual rate is 1% per year with a maximum benefit accrual of 40%. Members eligible to retire at September 30, 2009, may retire with 10 years of service at age 60 or after 28 years of service at any age. The retirement eligibility age increases proportionately for other members reflecting years of service and other factors until it aligns with the Social Security Normal Retirement Age, which applies to any member with less than five years of service as of July 1, 2012. Members are vested after five years of service. The plan provides for survivor's benefits for service connected death and certain lump sum death benefits. Joint and survivor benefit provision options are available to members. Cost of living adjustments are provided but are currently suspended until the collective plans administered by ERSRI reach a funded status of 80%. Until the plans reach an 80% funded status, interim cost of living adjustments are provided at four-year intervals commencing with the plan year ended June 30, 2016. The plan also provides nonservice-connected disability benefits after five years of service and service-connected disability benefits with no minimum service requirement.

Contributions

The funding policy, as set forth in the General Laws, Section 16-16-22, provides for actuarially determined periodic contributions to the plan. For fiscal 2019, the Town's teachers were required to contribute 3.75% of their annual covered salary, except that teachers with twenty or more years of service as of June 30, 2012, must contribute 11% of their annual covered salary. The State of Rhode Island ("State") and the Town are required to contribute at an actuarially determined rate, 40% of which is to be paid by the State and the remaining 60% is to be paid by the Town; the rates were 10.75% and 14.50% of annual covered payroll for the fiscal year ended June 30, 2021, for the State and the Town, respectively. The Town contributed \$4,281,144, \$4,247,379, and \$3,588,539 for the fiscal years ended June 30, 2021, 2020, and 2019, respectively, equal to 100% of the required contributions for each year. The State's share of contribution for fiscal 2021 was \$2,652,234 and is reported as on-behalf payments and included in both revenue and expenditures on the financial statements.

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 8 - PENSION PLANS (CONTINUED)

TEACHERS' PLAN (CONTINUED)

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

At June 30, 2021, the Town reported a liability of \$43,614,392 for its proportionate share of the net pension liability that reflected a reduction for contributions made by the State. The amount recognized by the Town as its proportionate share of the net pension liability, the related State support and the total portion of the net pension liability that was associated with the Town were as follows:

Town's proportionate share of the net pension liability	\$ 43,614,392
State's proportionate share of the net pension liability	<u>32,406,561</u>
Total Net Pension Liability	<u>\$ 76,020,953</u>

The net pension liability was measured as of June 30, 2020, 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, 2019, rolled forward to June 30, 2020. The Town's proportion of the net pension liability was based on a projection of the Town's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers and the State, actuarially determined. At June 30, 2020, the Town's proportion was 1.68%.

For the year ended June 30, 2021, the Town recognized gross pension expense of \$7,804,286 and revenue of \$3,279,582 for support provided by the State.

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 8 - PENSION PLANS (CONTINUED)

TEACHERS' PLAN (CONTINUED)

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

At June 30, 2021, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Deferred Outflows of Resources

Contributions subsequent to the measurement date	\$ 4,281,144
Difference between expected and actual experience	426,432
Changes in assumptions	1,947,016
Net difference between projected and actual earnings on pension plan investments	1,455,824
Change in proportion and differences between employer contributions and proportionate share of contributions	<u>1,581,781</u>

Total \$ 9,692,197

Deferred Inflows of Resources

Difference between expected and actual experience	\$ (849,979)
Changes in assumptions	(1,016,360)
Net difference between projected and actual earnings on pension plan investments	(570,364)
Changes in proportion and differences between employer contributions and proportionate share of contributions	<u>(1,484,265)</u>

Total \$ (3,920,968)

\$4,281,144 reported as deferred outflows of resources related to pensions resulting from the School's contributions in fiscal year 2021 subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent period. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 8 - PENSION PLANS (CONTINUED)

TEACHERS' PLAN (CONTINUED)

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

Year Ended June 30,	
2022	\$ 312,660
2023	747,289
2024	677,835
2025	346,257
2026	(300,694)
Thereafter	<u>(293,262)</u>
Total	<u>\$ 1,490,085</u>

Actuarial Assumptions

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

Inflation	2.5%
Salary increases	3.0% to 13.0%
Investment rate of return	7.0%

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

The actuarial assumptions used in the June 30, 2019 valuation rolled forward to June 30, 2020 and the calculation of the total pension liability at June 30, 2020 were consistent with the results of an actuarial experience study performed as of June 30, 2019.

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 8 - PENSION PLANS (CONTINUED)

TEACHERS' PLAN (CONTINUED)

Actuarial Assumptions (Continued)

The long-term expected rate of return best-estimate on pension plan investments was determined by the actuary using a building-block method. The actuary started by calculating best-estimate future expected real rates of return (expected returns net of pension plan investment expense and inflation) for each major asset class, based on a collective summary of capital market expectations from 39 sources. The June 30, 2020, expected arithmetic returns over the long term (20 years) by asset class are summarized in the following table:

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 8 - PENSION PLANS (CONTINUED)

TEACHERS' PLAN (CONTINUED)

Actuarial Assumptions (Continued)

Asset Class	Long-Term Target Asset Allocation	Long-Term Expected Arithmetic Real Rate of Return
<i>GROWTH</i>		
Global Equity:		
U.S. Equity	23.00%	6.31%
International Developed Equity	12.10%	6.71%
Emerging Markets Equity	4.90%	8.69%
Sub-Total	40.00%	
Private Growth:		
Private Equity	11.25%	9.71%
Non-Core RE	2.25%	5.66%
OPP Private Credit	1.50%	9.71%
Sub-Total	15.00%	
<i>INCOME</i>		
High Yield Infrastructure	1.00%	3.88%
REITS	1.00%	5.66%
Equity Options	2.00%	6.04%
EMD (50/50 Blend)	2.00%	2.28%
Liquid Credit	2.80%	3.88%
Private Credit	3.20%	3.88%
Sub-Total	12.00%	
<i>STABILITY</i>		
Crisis Protection Class:		
Treasury Duration	5.00%	0.10%
Systematic Trend	5.00%	3.84%
Sub-Total	10.00%	
Inflation Protection:		
Core Real Estate	3.60%	5.66%
Private Infrastructure	2.40%	6.06%
TIPs	2.00%	0.74%
Sub-Total	8.00%	
Volatility Protection:		
IG Fixed Income	3.25%	1.54%
Securitized Credit	3.25%	1.54%
Absolute Return	6.50%	3.84%
Cash	2.00%	0.10%
Sub-Total	15.00%	
Total	100.00%	

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 8 - PENSION PLANS (CONTINUED)

TEACHERS' PLAN (CONTINUED)

Actuarial Assumptions (Continued)

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

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%)
\$ 52,330,371	\$ 43,614,392	\$ 33,095,636

Pension Plan Fiduciary Net Position

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

The teachers' plan liabilities are typically liquidated in the School's unrestricted fund.

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 8 - PENSION PLANS (CONTINUED)

TEACHERS' SURVIVORS BENEFIT

Plan Description

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

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

Benefit Provisions

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. Parent's benefits are payable to the parent or parents of a deceased member if the member did not leave a widow, widower, or child who could ever qualify for monthly benefits on the member's wages and the parent has reached the age of 60 years, has not remarried, and received support from the member.

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

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

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 8 - PENSION PLANS (CONTINUED)

TEACHERS' SURVIVORS BENEFIT (CONTINUED)

Benefit Provisions (Continued)

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:

<u>Highest Annual Salary</u>	<u>Basic Monthly Spouses' benefit</u>
\$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:

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

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 \$42,206, \$41,379 and \$39,265 for the fiscal years ended June 30, 2021, 2020 and 2019, respectively, equal to 100% of the required contributions for each year.

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

At June 30, 2021 the Town reported an asset of \$6,589,596 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, 2020, 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, 2019 rolled forward to June 30, 2020. The Town's proportion of the net pension asset was based on its share of contributions to the TSB for fiscal year 2020 relative to the total contributions of all participating employers for that fiscal year. At June 30, 2020 the Town's proportion was 5.55%.

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 8 - PENSION PLANS (CONTINUED)

TEACHERS' SURVIVORS BENEFIT (CONTINUED)

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

For the year ended June 30, 2021, the Town recognized pension expense of (\$223,788).

At June 30, 2021, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Deferred Outflows of Resources

Contributions subsequent to the measurement date	\$ 42,206
Difference between expected and actual experience	565,171
Changes in assumptions	444,624
Net difference between projected and actual earnings on pension plan investments	<u>522,692</u>

Total \$ 1,574,693

Deferred Inflows of Resources

Difference between expected and actual experience	\$ (1,405,156)
Changes in assumptions	(455,358)
Net difference between projected and actual earnings on pension plan investments	(201,120)
Changes in proportion and differences between employer contributions and proportionate share of contributions	<u>(589,136)</u>

Total \$ (2,650,770)

\$42,206 reported as deferred outflows of resources related to pensions resulting from the Town's contributions in fiscal year 2021 subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent period. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 8 - PENSION PLANS (CONTINUED)

TEACHERS' SURVIVORS BENEFIT (CONTINUED)

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

Year Ended June 30,	
2022	\$ (210,163)
2023	(76,076)
2024	(42,560)
2025	(147,544)
2026	(243,803)
Thereafter	<u>(398,137)</u>
Total	<u>\$ (1,118,283)</u>

Actuarial Assumptions

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

Inflation	2.5%
Salary increases	3.0% to 13.0%
Investment rate of return	7.0%

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

The actuarial assumptions used in the June 30, 2019 valuation rolled forward to June 30, 2020 and the calculation of the total pension liability at June 30, 2020 were consistent with the results of an actuarial experience study performed as of June 30, 2019.

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 8 - PENSION PLANS (CONTINUED)

TEACHERS' SURVIVORS BENEFIT (CONTINUED)

Actuarial Assumptions (Continued)

The long-term expected rate of return best-estimate on pension plan investments was determined by the actuary using a building-block method. The actuary started by calculating best-estimate future expected real rates of return (expected returns net of pension plan investment expense and inflation) for each major asset class, based on a collective summary of capital market expectations from 39 sources. The June 30, 2020, expected arithmetic returns over the long term (20 years) by asset class are summarized in the following table:

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 8 - PENSION PLANS (CONTINUED)

TEACHERS' SURVIVORS BENEFIT (CONTINUED)

Actuarial Assumptions (Continued)

Asset Class	Long-Term Target Asset Allocation	Long-Term Expected Arithmetic Real Rate of Return
<i>GROWTH</i>		
Global Equity:		
U.S. Equity	23.00%	6.31%
International Developed Equity	12.10%	6.71%
Emerging Markets Equity	4.90%	8.69%
Sub-Total	40.00%	
Private Growth:		
Private Equity	11.25%	9.71%
Non-Core RE	2.25%	5.66%
OPP Private Credit	1.50%	9.71%
Sub-Total	15.00%	
<i>INCOME</i>		
High Yield Infrastructure	1.00%	3.88%
REITS	1.00%	5.66%
Equity Options	2.00%	6.04%
EMD (50/50 Blend)	2.00%	2.28%
Liquid Credit	2.80%	3.88%
Private Credit	3.20%	3.88%
Sub-Total	12.00%	
<i>STABILITY</i>		
Crisis Protection Class:		
Treasury Duration	5.00%	0.10%
Systematic Trend	5.00%	3.84%
Sub-Total	10.00%	
Inflation Protection:		
Core Real Estate	3.60%	5.66%
Private Infrastructure	2.40%	6.06%
TIPs	2.00%	0.74%
Sub-Total	8.00%	
Volatility Protection:		
IG Fixed Income	3.25%	1.54%
Securitized Credit	3.25%	1.54%
Absolute Return	6.50%	3.84%
Cash	2.00%	0.10%
Sub-Total	15.00%	
Total	100.00%	

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 8 - PENSION PLANS (CONTINUED)

TEACHERS' SURVIVORS BENEFIT (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 Asset to Changes in the Discount Rate

The following presents the net pension asset 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%)
\$ 5,481,258	\$ 6,589,596	\$ 7,927,544

Pension Plan Fiduciary Net Position

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

The teachers' survivors benefit plan liabilities are typically liquidated in the Town's general fund.

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 8 - PENSION PLANS (CONTINUED)

LOCAL POLICE AND FIRE PENSION PLAN

The Town administers and contributes to the Police and Fire Pension Plan, a single employer retirement plan. The assets of the Police and Fire Pension Plan are held in a Trust which is reported in the fiduciary fund on the Town's annual financial statements. The Police and Fire Pension Plan was established by the Town in accordance with the Town Charter. The plan does not issue stand-alone financial statements.

Police and fire department employees are covered under this pension plan, except for firefighters hired after July 1, 1999 and police employees hired after July 1, 2010 who are covered under the State of Rhode Island MERS retirement system. The pay-as-you-go retirement plans are considered, in the labor contracts, to be defined benefit plans although they are currently not set up to meet the specifications of a defined benefit plan.

Any police officer or firefighter currently receiving a pension under the pay-as-you-go plan of the Town will also receive a cost of living allowance (COLA) equal to 50% of the increase awarded to current active police officers and firefighters.

Plan Membership – The Plan consisted of the following as of the date of the latest actuarial valuation of July 1, 2020:

Police:

Inactive employees or beneficiaries currently receiving benefit payments	95
Active employees	16
Total	<u>111</u>

Fire:

Inactive employees or beneficiaries currently receiving benefit payments	104
Vested terminated members entitled to but not yet receiving benefits	2
Active employees	42
Total	<u>148</u>

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 8 - PENSION PLANS (CONTINUED)

LOCAL POLICE AND FIRE PENSION PLAN (CONTINUED)

Benefits Provided – In April 2011, the Town established an irrevocable Police and Fire Pension Trust Fund.

Effective July 1, 2021 and July 1, 1992, the required contribution rate for the pay-as-you-go police and fire pension plan, respectively is 8% by the employees and 12% by the Town. The contribution is calculated on the employee's annual salary, holiday pay, overtime pay, etc.

The police officer pay-as-you-go plan provides retirement benefits as well as death and disability benefits. All members of the police department hired before July 1, 2010 are eligible to participate. Participants in the plan are eligible to retire after 18 years of service. Benefits are equal to a percentage of the employee's final average salary, documented on the W-2 tax form, over a three-year period (see chart below). Employees are vested in their retirement benefits upon completion of 10 years of service. All police officers who retire on disability receive sixty-six and two-thirds percent of their salary as defined in their collective bargaining agreement, at the time of disability. For retirements prior to July 1, 2005, pensions for retirees are indexed to one-half of the negotiated base pay increases for active police after benefit commencement. For retirements after July 1, 2005, pensions for retirees shall increase by a 3.00% compounded cost of living adjustment (COLA). The COLA shall begin the 25th month following the date of the officer's retirement.

The firefighter pay-as-you-go plan provides retirement benefits as well as death and disability benefits. All members of the fire department hired before July 1, 1999 are eligible to participate. Participants in the plan are eligible to retire after 20 years of service. Benefits are equal to a percentage of the final average of the employee's three highest consecutive years of compensation based on the base salary, holiday, longevity, clothing allowance, clothing maintenance allowance, "severance pay" (unused sick and vacation pay distributed at retirement), and seventy-five percent of overtime pay (see chart below). Employees shall be able to accrue an additional 2-1/2% in benefits for each year of service credited over 20 years up to a maximum of 30 years for a benefit of 75% of final average salary. Employees are vested in their retirement benefits on completion of 10 years of service and attainment of age 55. All firefighters who retire on disability receive sixty-six and two-thirds percent of their final average salary. Retirees receive a COLA of one-half of the negotiated pay increases for active firefighters.

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 8 - PENSION PLANS (CONTINUED)

LOCAL POLICE AND FIRE PENSION PLAN (CONTINUED)

Benefits Provided (Continued)

Years of Service	Percentage of Final Average Salary	
	Police	Fire
18	45.00%	
19	47.50%	
20	50.00%	50.00%
21	52.50%	52.50%
22	55.00%	55.00%
23	57.50%	57.50%
24	60.00%	60.00%
25	65.00%	62.50%
26	66.00%	65.00%
27	67.00%	67.50%
28	68.00%	70.00%
29	69.00%	72.50%
30+	70.00%	75.00%

Contributions – The amount of employee contributions has been established under the plan. For the police department, employee contributions are equal to 8% of gross pay. Police employees terminated before retirement may withdraw the employee-provided account and forfeit their right to pension benefits. The Town of Johnston has adopted a policy to increase the prior year’s employer contribution 2.75% annually.

For the fire department, employee contributions are equal to 8% of salary including base, holiday, longevity, clothing allowance, clothing maintenance allowance, severance and overtime. The town of Johnston has adopted a policy to increase the prior year’s employer contribution 2.75% annually.

Summary of Significant Accounting Policies

Basis of Accounting – The Plan is accounted for using the accrual basis of accounting. Revenues (contributions and investment income) are recognized when they are earned and expenses (benefits, administration and refunds) are recognized when due and payable in accordance with the terms of the Plan. Liabilities are recorded when due and payable in accordance with the terms of the Plan. Administrative costs of the Plan are funded by the Plan.

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 8 - PENSION PLANS (CONTINUED)

LOCAL POLICE AND FIRE PENSION PLAN (CONTINUED)

Investments – Investments are reported at fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. By contract, an independent appraisal is obtained once every year to determine the fair market value of the assets.

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic equity	60.00%	6.55%
International equity - developed markets	10.00%	7.30%
International equity - emerging markets	5.00%	9.20%
Fixed income - core	25.00%	0.40%

Rate of return – For the year ended June 30, 2021 the annual money-weighted rate of return on pension plan investments, net of pension plan investment expenses, was 30.26%. The money-weighted rate of return expresses investment performance, net of investment expense adjusted for the changing amounts actually invested.

Net Pension Liability

The components of the change in the net pension asset of the Town Plan for the year ended June 30, 2021, were as follows:

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 8 - PENSION PLANS (CONTINUED)

LOCAL POLICE AND FIRE PENSION PLAN (CONTINUED)

Police Plan

Changes in the Town's Pension Liability

Pension Liability:	
Balance at July 1, 2020	\$ 80,481,832
Changes for the year:	
Service cost	653,960
Interest	5,698,225
Changes in assumptions	2,590,059
Differences in experience	116,928
Benefit payments	<u>(5,079,175)</u>
Net changes	<u>3,979,997</u>
Balance at June 30, 2021	<u>\$ 84,461,829</u>
Fiduciary Net Position:	
Balance at July 1, 2020	\$ 23,315,819
Changes for the year:	
Employer contributions	4,417,120
Member contributions	159,733
Net investment income	6,832,623
Benefit payments	(5,079,175)
Administrative expense	<u>(55,175)</u>
Net changes	<u>6,275,126</u>
Balance at June 30, 2021	<u>\$ 29,590,945</u>
Town's Net Pension Liability	<u>\$ 54,870,884</u>

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 8 - PENSION PLANS (CONTINUED)

LOCAL POLICE AND FIRE PENSION PLAN (CONTINUED)

Fire Plan

Changes in the Town's Pension Liability

Pension Liability:	
Balance at July 1, 2020	\$ 79,561,721
Changes for the year:	
Service cost	1,378,435
Interest	5,705,789
Changes in assumptions	2,198,486
Differences in experience	(1,499,958)
Benefit payments	<u>(4,479,240)</u>
Net changes	<u>3,303,512</u>
Balance at June 30, 2021	<u>\$ 82,865,233</u>
Fiduciary Net Position:	
Balance at July 1, 2020	\$ 22,740,001
Changes for the year:	
Employer contributions	5,149,705
Member contributions	300,138
Net investment income	6,880,535
Benefit payments	(4,479,240)
Administrative expense	<u>(53,378)</u>
Net changes	<u>7,797,760</u>
Balance at June 30, 2021	<u>\$ 30,537,761</u>
Town's Net Pension Liability	<u>\$ 52,327,472</u>

Actuarial assumptions – The total pension liability was determined by an actuarial valuation as of July 1, 2020, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation 2.50 percent

Salary increases 3.25 percent

Discount rate 7.00 percent

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 8 - PENSION PLANS (CONTINUED)

LOCAL POLICE AND FIRE PENSION PLAN (CONTINUED)

Actuarial assumptions (Continued)

Investment rate of return 7.00 percent, net of pension plan investment expense, including inflation

Mortality – Sex-distinct PubG-2010 General Employee Amount-weighted Mortality Table

Discount rate – The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that the Town’s contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs of future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions, the Plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the net pension liability to changes in the discount rate – The following presents the net pension liability of the Town, calculated using the discount rate of 7.0%, 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%).

Police Plan:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Net Pension Liability	\$ 64,822,908	\$ 54,870,884	\$ 46,647,147

Fire Plan:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Net Pension Liability	\$ 62,705,314	\$ 52,327,472	\$ 43,823,391

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 8 - PENSION PLANS (CONTINUED)

LOCAL POLICE AND FIRE PENSION PLAN (CONTINUED)

Pension Expense and Deferred Outflows and Inflows of Resources

For the year ended June 30, 2021, the Town recognized pension expense related to the Police Plan of \$5,154,849 and pension expense related to the Fire Plan of \$6,591,196. At June 30, 2021, the Town reported deferred outflows and inflows of resources related to the Plan from the following sources:

Police Plan:

	Deferred Inflows of Resources
Differences between expected and actual earnings on investments	\$ 2,786,531

Fire Plan:

	Deferred Inflows of Resources
Differences between expected and actual earnings on investments	\$ 2,903,808

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

Police Plan

Year Ended June 30:		
2022	\$	(548,541)
2023		(519,418)
2024		(686,085)
2025		(1,032,487)
	\$	(2,786,531)

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 8 - PENSION PLANS (CONTINUED)

LOCAL POLICE AND FIRE PENSION PLAN (CONTINUED)

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

Fire Plan

Year Ended June 30:	
2022	\$ (588,140)
2023	(563,859)
2024	(712,082)
2025	(1,039,727)
	<u>\$ (2,903,808)</u>

Payable to the Plan

The Town does not have a reported payable liability to the Plan as of June 30, 2021.

SUMMARY OF PENSION EXPENSE, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES RELATED TO ALL PENSIONS OF THE TOWN

	MERS General Plan	MERS Police Plan	MERS Fire Plan	Town Police Plan	Town Fire Plan	ERS Teachers Plan	TSB Teachers Plan	Total
Deferred outflows	\$ 2,371,171	\$ 245,044	\$ 2,637,064	\$ --	\$ --	\$ 9,692,197	\$ 1,574,693	\$ 16,520,169
Deferred inflows	1,294,044	145,994	661,773	2,786,531	2,903,808	3,920,968	2,650,770	14,363,888
Net pension liability	14,088,054	7,065	2,550,472	54,870,884	52,327,472	43,614,392	--	167,458,339
Net pension asset	--	--	--	--	--	--	6,589,596	6,589,596
Pension expense	1,723,587	117,062	721,661	5,154,849	6,591,196	4,247,379	(223,788)	18,331,946

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 8 - PENSION PLANS (CONTINUED)

The following schedules present the net position held in trust for pension and OPEB benefits at June 30, 2021 and the changes in net position for the year ended June 30, 2021.

	Police / Fire Pension Trust	Town OPEB Trust	Total
Assets			
Cash and cash equivalents	\$ 340,769	\$ --	\$ 340,769
Restricted cash	200,917	--	200,917
Funds held in escrow	833,782	--	833,782
Investments, at fair value:			
Money market mutual funds	59,154,743	7,164,372	66,319,115
Prepaid items	<u>829,339</u>	<u>--</u>	<u>829,339</u>
Total Assets	<u>61,359,550</u>	<u>7,164,372</u>	<u>68,523,922</u>
Accrued expenses	2,956	--	2,956
Deposits held in custody for others	193,190	--	193,190
Claims and judgments	<u>1,034,699</u>	<u>--</u>	<u>1,034,699</u>
Total Liabilities	<u>1,230,845</u>	<u>--</u>	<u>1,230,845</u>
Net Position			
Restricted for other post-employment benefits	--	7,164,372	7,164,372
Restricted for pension benefits	<u>60,128,705</u>	<u>--</u>	<u>60,128,705</u>
Total Net Position	<u>\$ 60,128,705</u>	<u>\$ 7,164,372</u>	<u>\$ 67,293,077</u>

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 8 - PENSION PLANS (CONTINUED)

	Police / Fire Pension Trust	Town OPEB Trust	Total
Additions			
Contributions:			
Employer contributions	\$ 9,566,825	\$ 6,803,660	\$ 16,370,485
Plan member contributions	<u>459,871</u>	<u>--</u>	<u>459,871</u>
Total Contributions	<u>10,026,696</u>	<u>6,803,660</u>	<u>16,830,356</u>
Investment earnings:			
Net change in fair value of investments	12,776,285	--	12,776,285
Interest and dividends	<u>936,872</u>	<u>1,708,469</u>	<u>2,645,341</u>
Total Investment Earnings	<u>13,713,157</u>	<u>1,708,469</u>	<u>15,421,626</u>
 Total Additions	 <u>23,739,853</u>	 <u>8,512,129</u>	 <u>32,251,982</u>
 Deductions			
Benefits paid	9,558,415	6,803,660	16,362,075
Administration	<u>108,553</u>	<u>18,934</u>	<u>127,487</u>
Total Deductions	<u>9,666,968</u>	<u>6,822,594</u>	<u>16,489,562</u>
 Change in Net Position	 14,072,885	 1,689,535	 15,762,420
 Net Position - Beginning of Year	 <u>46,055,820</u>	 <u>5,474,837</u>	 <u>51,530,657</u>
 Net Position - End of Year	 <u>\$ 60,128,705</u>	 <u>\$ 7,164,372</u>	 <u>\$ 67,293,077</u>

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 8 - PENSION PLANS (CONTINUED)

DEFINED CONTRIBUTION PLAN

Plan Description

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

The Town recognized pension expense of \$766,576 for the fiscal year ended June 30, 2021. The System issues a publicly available financial report that includes financial statements and required supplementary information for plans administered by the System. The report may be obtained at <https://www.ersi.org>.

NOTE 9 - OTHER POSTEMPLOYMENT BENEFITS (OPEB)

Plan Description

The Town provides post-employment health benefits for Firefighters, Police Officers, Teachers and certain other retirees. This benefit is provided per various bargaining agreements. The Town pays for 100% of retiree and spouse costs. The Town is also required to provide dental insurance to certain other retirees until the retirees reach the age of 65 or unless covered elsewhere. The post-employment benefits plan is a single-employer defined benefit healthcare plan administered by the Town. The post-employment benefits plan is considered to be part of the Town's financial reporting entity and is included in the Town's financial report as the Other Post-Employment Benefits Trust Fund. The Town does not issue a separate stand-alone financial statement for this program. Management of the post-employment benefits plan is vested with the Town.

Covered Participants

At June 30, 2021, the date of the latest actuarial valuation, plan membership consisted of the following:

Inactive employees or beneficiaries currently receiving benefit payments	621
Active employees	620
Total	<u>1,241</u>

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 9 - OTHER POSTEMPLOYMENT BENEFITS (OPEB) (CONTINUED)

Funding Policy and Benefits Provided

The Town has established a trust fund to irrevocably segregate assets to fund the liability associated with post-employment benefits. The fund is reported as a trust fund in accordance with GASB guidelines. The annual actuarially determined contribution payment is transferred into this account annually from the General Fund and budgeted as part of the budgeting process, which is approved by the Town Council.

Firefighters are eligible for lifetime retiree health benefits upon attainment of 20 years of service.

Police officers are eligible for lifetime retiree health benefits upon attainment of 18 years of service.

Town general employees are eligible for lifetime retiree health benefits upon attainment of age 58 with 10 years of service or 26 years of service with no age requirement. For Laborers' Local 808, only employees hired prior to April 19, 2012 are eligible for retiree health benefits.

School Certified employees are eligible for retiree health benefits upon meeting Rhode Island Employees Retirement System eligibility requirements as described in the next section. Retirees electing spousal coverage are required to pay the full incremental spouse cost. No spousal coverage is available once the retiree reaches Medicare eligibility.

School Noncertified employees are eligible for retiree health benefits according to the requirements below:

Hired prior to September 1, 1999: age 58 with 15 years of service or 25 years of service

Hired on/after September 1, 1999: age 60 with 20 years of service or age 55 with 25 years of service

There is no spousal coverage available at retirement (pre or post Medicare)

Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of July 1, 2020, rolled forward to June 30, 2021, the measurement date. The following actuarial assumptions applied to all periods in the measurements:

- Actuarial cost method – Entry Age Normal
- Health Care Cost Trend Rates – 8.00 percent decreasing to an ultimate rate of 4.50 percent

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 9 - OTHER POSTEMPLOYMENT BENEFITS (OPEB) (CONTINUED)

Actuarial Assumptions (Continued)

- Discount rate – The discount rate used to measure the OPEB liability 2.5% for Town. The projection of cash flows used to determine the discount rate assumed that contributions will be made at rates equal to and above the expected benefit payments. Based on those assumptions, the OPEB plan’s net fiduciary position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected payments to determine the total OPEB liability.

The long-term expected rate of return on OPEB plan investments is based on the real rates of returns, the asset allocation percentages. The June 30, 2021, real returns and target asset allocation by major asset class are as follows:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	48.30%	5.10%
Non-U.S. Equity	20.70%	7.40%
U.S. Aggregate Bonds	9.00%	1.20%
Intermediate-Term Credit	5.40%	1.90%
Short-Term Credit	3.60%	1.70%
Intermediate-Term TIPS	5.00%	0.70%
REITs	8.00%	4.00%

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 9 - OTHER POSTEMPLOYMENT BENEFITS (OPEB) (CONTINUED)

Net OPEB Liability

OPEB Liability:	
Balance at July 1, 2020	\$ 215,916,124
Changes for the year:	
Service cost	6,181,660
Interest	6,561,633
Changes in assumptions	19,536,911
Differences in experience	(20,513,927)
Benefit payments	<u>(6,803,660)</u>
Net changes	<u>4,962,617</u>
Balance at June 30, 2021	<u>\$ 220,878,741</u>
Fiduciary Net Position:	
Balance at July 1, 2020	\$ 5,474,837
Changes for the year:	
Employer contributions	6,803,660
Net investment income	1,708,469
Benefit payments	(6,803,660)
Administrative expense	<u>(18,934)</u>
Net changes	<u>1,689,535</u>
Balance at June 30, 2021	<u>\$ 7,164,372</u>
Town's Net OPEB Liability	<u>\$ 213,714,369</u>

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 9 - OTHER POSTEMPLOYMENT BENEFITS (OPEB) (CONTINUED)

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

The following presents the net OPEB liability calculated using the discount rate of 2.50 percent for the Town as well as what the net OPEB liability would be if it were calculated using a healthcare cost trend that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	1% Decrease (1.50%)	Current Discount Rate (2.50%)	1% Increase (3.50%)
Town	\$ 256,117,261	\$ 213,714,369	\$ 181,022,147

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

The following presents the net OPEB liability calculated using the healthcare cost trend of 4.5 percent for the Town as well as what the net OPEB liability would be if it were calculated using a healthcare cost trend that is 1-percentage-point lower or 1-percentage-point higher than the current rate.

	1% Decrease (3.50%)	Current Health Care Trend Rates (4.50%)	1% Increase (5.50%)
Town	\$ 179,437,679	\$ 213,714,369	\$ 258,383,481

OPEB Expense and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2021, the Town recognized OPEB expense of \$4,313,476. At June 30, 2021, the Town reported deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 548,606	\$ (26,876,569)
Net difference between projected actual earnings	--	(1,007,011)
Changes in assumptions	26,676,884	(9,472,392)
Total	<u>\$ 27,225,490</u>	<u>\$ (37,355,972)</u>

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 9 - OTHER POSTEMPLOYMENT BENEFITS (OPEB) (CONTINUED)

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

Amounts reported as deferred outflows and inflows or resources related to the Town OPEB plan will be recognized in OPEB expense as follows:

<u>Year Ended June 30,</u>	
2022	\$ (8,083,015)
2023	(3,834,189)
2024	(425,421)
2025	<u>2,212,143</u>
	<u>\$ (10,130,482)</u>

The Town's OPEB liabilities are typically liquidated in the Town's general fund.

NOTE 10 - FIRE LONGEVITY OBLIGATIONS

Effective July 1, 1987, all employees who retire after twenty (20) years of service on the Johnston Fire Department that are members of the local pension plan shall receive a longevity payment of five and one-half (5½) percent of their annual salary at the time of retirement. Such longevity payment shall be paid beginning with the first anniversary following the first year of retirement, and shall continue each anniversary date thereafter. The obligation related to this accrual totaled \$5,563,479 at June 30, 2021.

NOTE 11 - CONTINGENCIES AND COMMITMENTS

Litigation

The Town is a defendant in various lawsuits and the outcome of these lawsuits is not presently determinable. In the opinion of the Town attorney, the resolution of these matters will not have a material adverse effect on the financial condition of the Town.

On April 14, 2022, the Town entered into a settlement agreement with the Narragansett Electric Company whereby the Town shall make a one-time lump sum payment to Narragansett Electric in the amount of \$802,407 to resolve pending disputes and claims and to dismiss the pending tax appeals.

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 11 - CONTINGENCIES AND COMMITMENTS (CONTINUED)

In August, 2019, a trial justice sitting on the Rhode Island Superior Court issued a decision in favor of three (3) retired police officers. This decision concluded that the three (3) officers were entitled to the funds being held in the registry of the court, which as of June, 2021 totaled approximately \$833,782. The Town of Johnston appealed the trial justice's decision to the Rhode Island Supreme Court. The parties filed briefs with the Court and held oral arguments in November, 2021. On May 25, 2022, the Supreme Court issued a Decision which reversed the trial justice's ruling. The Supreme Court held that the trial justice abused his discretion in awarding the three (3) retired officers the funds being held in the registry of the court, and held that said monies belong to the Town. The Town is in the process of inquiring how it will obtain the monies being held in the registry of the court.

Grants

The Town has received federal and state grants for specific purposes that are subject to audit by the grantors or their representatives. Such audits could lead to requests for reimbursement to the grantor agency for expenditures disallowed under terms of the grant, Town officials believe such disallowances, if any, would be immaterial.

NOTE 12 - RISK MANAGEMENT

Healthcare

Effective July 1, 2008 the Town of Johnston established a healthcare management fund (an internal service fund) to account for its healthcare coverage programs for current active and retired employees. In addition, effective July 1, 2008, the Town became a member of Rhode Island Municipal Insurance Corporation (RIMIC), a collaborative of various municipal entities, for health insurance claims. All departments of the Town participate in the self-insurance program (cost plus basis) through RIMIC. Effective fiscal year 2011, the Town also became self-insured for dental insurance.

The Town currently maintains stop loss insurance to protect the taxpayers from catastrophic loss resulting from excessive health insurance claims. At June 30, 2021 the stop loss insurance contract covered all claims exceeding \$250,000 per individual on an annual basis. In addition, specific stop loss maximum for the Town for the year is maintained at approximately \$1,750,000. Settlements have not exceeded coverage in any of the last three years.

The Town's financial department oversees the self-insured program for all Town employees and claims payment services are provided by Blue Cross Blue Shield of Rhode Island and Delta Dental of Rhode Island (Plan Administration). All funds of the Town make payments to the Healthcare Management Fund (an internal service fund) based on actual claims of estimated working rates.

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 12 - RISK MANAGEMENT (CONTINUED)

An analysis of the activity in the claims liability for the medical insurance fund is as follows:

Medical Insurance					
	Liability		Current Year		Liability
	July 1,		Claims and		June 30,
			Changes in	Claims	
			Estimates	Payments	
2019-20	\$ 1,200,277	\$	20,045,491	\$ (19,305,659)	\$ 1,940,109
2020-21	1,940,109		20,267,594	(20,836,426)	1,371,277

Unemployment

The Town is self-insured for unemployment benefits.

Other Insurance

The Town is a member of the Rhode Island Inter-Local Risk Management Trust. This cooperative pool with other Rhode Island cities and towns provides insurance coverage for the Town risks of loss.

The Trust provides all property and liability insurance coverage for the Town. Property and liability claims are subject to a \$2,500 per occurrence deductible with the exception of public officials' liability claims, which are subject to a \$5,000 per occurrence deductible. The Trust's self-insured retention levels range from \$100,000 to \$500,000 depending on the type of coverage provided. In addition to the self-insurance provided by the Trust, there is also reinsurance through third-party sources for claims up to \$4,000,000.

The Trust is a nonprofit organization which is governed by a board of Trustees composed of officials of member organizations or their representatives. In addition to insurance coverage, the Trust provides risk management services with emphasis on loss control, risk management, education and training, claims administrations, and other services to its members. Upon joining the Trust, members sign a participation agreement which outline the rights and responsibilities of both members and the Trust. The agreement states that for premiums paid by members, the Trust will assume financial responsibility for member's losses up to a maximum amount of insurance purchased, minus member's deductible amounts. Additionally, should a member decide to withdraw from a Trust, the participation agreement requires three months' notice and the payment of a severance penalty.

Net Position

At June 30, 2021, net position is split between the Town and School Department at \$6,539,161 and \$3,879,554, respectively.

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 13 - OTHER AGREEMENTS

In March, 1996, the Town entered into an agreement with the Rhode Island Solid Waste Management Corporation (the Corporation). The agreement shall remain in effect for as long as the Corporation, its successor or assignee owns or operates solid waste management facilities and landfills on the property in the Town.

The terms of the agreement are as follows:

- The Town received \$3,150,000 in April 1996 as settlement of all disputed amounts owed to the Town by the Corporation from the beginning of time up to the effective date of the agreement.
- Annual payments shall be made to the Town in the amount of \$1,500,000 plus 3-1/2% of the Corporation's gross revenue. However, the annual payment must not be less than \$1,500,000 nor greater than 10% of the Corporation's gross revenue.
- The annual payments are due on a quarterly basis beginning July 1996. If the corporation fails to make a payment within thirty (30) days after the due date, interest shall accrue from the expiration of the due date at the rate of six percent (6%) per annum.
- For the contract year beginning April 1, 2001, and every five (5) years shall be increased ten percent (10%).

On March 16, 2015, the Town and Energy Rhode Island State Energy L.P. (ERISE) entered into an agreement regarding the supply of energy to certain parts of the Town. In May 1999, the Town entered into the original agreement regarding this matter with predecessors' organizations. The current agreement commenced on January 2015 and expires on December 31, 2035.

ERISE agrees to provide energy at a significant benefit to the industrial customers located in the industrial park site where the energy facility is constructed. Also, the agreement provides additional benefits to the Town through the provision of discounted generation supply to the Town for use in its municipal facilities.

The agreement allows for an evaluation of the escalation rate every fifth year. Annual payments are due on before January 31 of each year of the term.

Total revenue of \$3,312,242 was received under the terms of the agreement for the year ended June 30, 2021.

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 14 - TAX ABATEMENTS

The Town of Johnston, Rhode Island, may, from time to time, enter into Tax Stabilization agreement (tax treaty agreements) with local businesses in accordance with provisions of Rhode Island Public Laws, 1960, Chapter 7, and various provisions of the General Laws of the State of Rhode Island. In accordance with the applicable Public Law and the General Laws of the State of Rhode Island, the Town may enter into tax treaty agreements which provide stabilization of taxes as a means to induce businesses to locate to the Town of Johnston. These agreements are considered to be in the best public interest of the Town as they provide incentives for businesses to locate in the Town of Johnston, which will result in an increase in the tax base of the Town, provide increased tax revenue, enhance property values in the Town, help the overall economic climate of the Town, and, in some instances, create employment opportunity for the residents of the Town of Johnston.

As of June 30, 2021 the Town maintained two tax treaty/tax stabilization agreements. These agreements provided tax relief to businesses in the form of stabilization agreements for real and tangible property taxes. Listed below is a summary of information pertaining to these agreements for the fiscal year ended June 30, 2021

Tax Treaty Agreements

- Agreement with Citizens Bank National Association entered into April 11, 2016, regarding the stabilized tax agreement at a new development site. The agreement shall be for a time period of 20 years. The developer and/or any other successor Project Owner shall make stabilized tax payments to the Town in the amount of \$250,000 per tax year, in lieu of any and all other real and personal property taxes during the term. The total taxes abated for the fiscal year ended June 30, 2021 were \$1,337,181.
- Agreement was entered into on March 21, 2007 between the Town and A. Duie Pyle, Inc., regarding tax stabilization. The term of the agreement is for the period of 17 years. The corporation made a one-time payment of \$650,000 due during the 17-year period. The total taxes abated for the fiscal year ended June 30, 2021 were \$56,327.
- Agreement was entered into on June 29, 2017 between the Town and WED Developers for seven wind turbines at \$20,000 per year, regarding tax stabilization. The term of the agreement is for the period of 20 years at \$140,000 per year.

NOTE 15 - ECONOMIC UNCERTAINTIES

The COVID-19 outbreak in the United States has caused business disruption through mandated and voluntary closings of business across the country for non-essential services. There is considerable uncertainty about the duration of closings. The Town has been able to continue most of its operations in a remote environment, however, at this point, the extent to which COVID-19 may impact the Town's financial condition or results of operations is uncertain.

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 16 - RESTATEMENTS

The Town recorded the following restatements at July 1, 2020:

Governmental Activities	
Net Position as originally stated at July 1, 2020	\$ (303,890,806)
Restatement for the implementation of GASB 84	255,917
Restatement for Fire Longevity Obligation	(5,285,305)
Restatement to remove school special revenue general assembly fund that did not exist at year end	(3,827)
Restatement for pension expense relating to prior year summer payroll accrual	(543,348)
Restatement for 2019 state medicaid receivables that were not reversed when funds were received	(190,834)
Restatement for certified staff health and medical expenses that were erroneously posted as receivables in fiscal year 2019	(459,238)
Restatement for employer contributions relating to the School Department's defined contribution plan due to TIAA-CREF	(398,776)
Restatement for health savings account receivable that was owed back to the School Department for funds frontloaded to staff on a calendar year basis	<u>390,420</u>
Net Position at July 1, 2020, as restated	<u>\$ (310,125,797)</u>

Business-Type Activities	
Net Position as originally stated at July 1, 2020	\$ 12,731,250
Restatement to allocate June 2020 revenue to correct year	<u>19,875</u>
Net Position at July 1, 2020, as restated	<u>\$ 12,751,125</u>

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 16 - RESTATEMENTS (CONTINUED)

School Unrestricted Fund

Fund Balance as originally stated at July 1, 2020	\$	844,852
Restatement for pension expense relating to prior year summer payroll accrual		(543,348)
Restatement for 2019 state medicaid receivables that were not reversed when funds were received		(190,834)
Restatement for certified staff health and medical expenses that were erroneously posted as receivables in fiscal year 2019		(459,238)
Restatement for employer contributions relating to the School Department's defined contribution plan due to TIAA-CREF		(398,776)
Restatement for health savings account receivable that was owed back to the School Department for funds frontloaded to staff on a calendar year basis		<u>390,420</u>
Fund Balance at July 1, 2020, as restated	\$	<u><u>(356,924)</u></u>

Nonmajor Governmental Funds

Fund Balance as originally stated at July 1, 2020	\$	7,239,433
Restatement for the implementation of GASB 84		255,917
Restatement to remove school special revenue general assembly fund that did not exist at year end		<u>(3,827)</u>
Fund Balance at July 1, 2020, as restated	\$	<u><u>7,491,523</u></u>

Nonmajor Enterprise Funds

Net Position as originally stated at July 1, 2020	\$	187,940
Restatement to allocate June 2020 revenue to correct year		<u>19,875</u>
Net Position at July 1, 2020, as restated	\$	<u><u>207,815</u></u>

REQUIRED SUPPLEMENTARY INFORMATION

This section presents the Schedule of Changes and Related Ratios for the Town and School's Pension and OPEB Plans, and budgetary comparison schedules for the Town's General Fund and School Unrestricted Fund. These schedules are not a required part of the basic financial statements, but are required supplementary information required by the Governmental Accounting Standards Board.

TOWN OF JOHNSTON, RHODE ISLAND

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF CHANGES IN TOWN'S NET OPEB LIABILITY AND RELATED RATIOS

LAST FIVE FISCAL YEARS

	2021	2020	2019	2018	2017
Total OPEB Liability					
Service cost	\$ 6,181,660	\$ 5,219,371	\$ 6,198,704	\$ 7,067,566	\$ 8,833,235
Interest	6,561,633	6,899,657	7,987,364	7,777,513	6,598,353
Change of benefit terms	--	--	--	1,555,927	--
Differences between expected and actual experience	(20,513,927)	(508,457)	(11,697,088)	(7,400,008)	2,971,612
Changes of assumptions	19,536,911	16,571,033	(4,383,253)	(12,833,741)	(26,076,367)
Benefit payments	(6,803,660)	(7,173,184)	(6,718,528)	(8,027,130)	(5,793,237)
Net change in total OPEB liability	4,962,617	21,008,420	(8,612,801)	(11,859,873)	(13,466,404)
Total OPEB Liability - Beginning	<u>215,916,124</u>	<u>194,907,704</u>	<u>203,520,505</u>	<u>215,380,378</u>	<u>228,846,782</u>
Total OPEB Liability - Ending	<u>\$ 220,878,741</u>	<u>\$ 215,916,124</u>	<u>\$ 194,907,704</u>	<u>\$ 203,520,505</u>	<u>\$ 215,380,378</u>
Plan Fiduciary Net Position					
Contributions - employer	\$ 6,803,660	\$ 7,673,184	\$ 7,618,528	\$ 9,367,130	\$ 6,043,237
Net investment income	1,708,469	(28,426)	330,700	15,818	102,793
Benefit payments	(6,803,660)	(7,173,184)	(6,718,528)	(8,027,130)	(5,793,237)
Administrative expenses	(18,934)	(13,388)	(10,877)	(6,309)	(5,466)
Net change in plan fiduciary net position	1,689,535	458,186	1,219,823	1,349,509	347,327
Plan Fiduciary Net Position - Beginning	<u>5,474,837</u>	<u>5,016,651</u>	<u>3,796,828</u>	<u>2,447,319</u>	<u>2,099,992</u>
Plan Fiduciary Net Position - Ending	<u>\$ 7,164,372</u>	<u>\$ 5,474,837</u>	<u>\$ 5,016,651</u>	<u>\$ 3,796,828</u>	<u>\$ 2,447,319</u>
Town's Net OPEB Liability - Ending	<u>\$ 213,714,369</u>	<u>\$ 210,441,287</u>	<u>\$ 189,891,053</u>	<u>\$ 199,723,677</u>	<u>\$ 212,933,059</u>
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	3.24%	2.54%	2.57%	1.87%	1.14%
Covered Payroll	N/A	N/A	N/A	N/A	N/A
Town's Net OPEB Liability as a Percentage of Covered Payroll	N/A	N/A	N/A	N/A	N/A

Notes:

*The information in this schedule is intended to show 10 years
- additional years will be displayed as they become available.*

The notes to the required supplementary information are an integral part of this schedule.

TOWN OF JOHNSTON, RHODE ISLAND

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF TOWN'S OPEB CONTRIBUTIONS**

LAST TEN FISCAL YEARS

Year Ended June 30	Actuarially Determined Contribution	Actual Contribution	Contribution (Deficiency) Excess	Covered Payroll	Actual Contribution as a % of Covered Payroll
2021	\$ 12,180,877	\$ 6,803,660	\$ (5,377,217)	N/A	N/A
2020	\$ 15,779,391	\$ 7,673,184	\$ (8,106,207)	N/A	N/A
2019	\$ 18,140,760	\$ 7,618,528	\$ (10,522,232)	N/A	N/A
2018	\$ 18,051,553	\$ 9,367,130	\$ (8,684,423)	N/A	N/A
2017	\$ 16,785,322	\$ 6,043,237	\$ (10,742,085)	N/A	N/A
2016	\$ 16,032,814	\$ 6,167,417	\$ (9,865,397)	N/A	N/A
2015	\$ 15,214,424	\$ 4,764,265	\$ (10,450,159)	N/A	N/A
2014	\$ 15,214,424	\$ 4,764,265	\$ (10,450,159)	N/A	N/A
2013	\$ 14,727,631	\$ 5,189,692	\$ (9,537,939)	N/A	N/A
2012	\$ 17,249,186	\$ 5,284,569	\$ (11,964,617)	N/A	N/A

The notes to the required supplementary information are an integral part of this schedule.

TOWN OF JOHNSTON, RHODE ISLAND

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF TOWN'S OPEB INVESTMENT RETURNS**

LAST FIVE FISCAL YEARS

OPEB Trust Fund - Town	Year	Money
	Ended	Weighted
	June 30	Rate of Return
	2021	31.21%
	2020	-0.57%
	2019	8.01%
	2018	0.56%
	2017	3.56%

Notes:

The information in this schedule is intended to show 10 years - additional years will be displayed as they become available.

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TOWN OF JOHNSTON, RHODE ISLAND

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM – GENERAL EMPLOYEES

LAST SEVEN FISCAL YEARS

Measurement Date:	Year Ended June 30, 2020	Year Ended June 30, 2019	Year Ended June 30, 2018	Year Ended June 30, 2017	Year Ended June 30, 2016	Year Ended June 30, 2015	Year Ended June 30, 2014
Total Pension Liability							
Service cost	\$ 676,854	\$ 772,077	\$ 766,931	\$ 737,891	\$ 724,766	\$ 726,120	\$ 742,315
Interest	3,152,442	3,149,856	3,099,262	3,141,434	3,069,317	2,976,813	2,908,421
Changes of benefit terms	--	--	--	--	--	817,330	--
Differences between expected and actual experience	(65,758)	(773,499)	(240,905)	(911,415)	38,342	(474,099)	--
Changes of assumptions	(488,463)	--	--	2,265,521	--	--	30,100
Benefit payments	(3,179,445)	(2,948,308)	(2,861,885)	(2,855,249)	(2,899,591)	(2,724,611)	(2,797,073)
Net change in total pension liability	95,630	200,126	763,403	2,378,182	932,834	1,321,553	883,763
Total Pension Liability - Beginning	46,286,183	46,086,057	45,322,654	42,944,472	42,011,638	40,690,085	39,806,322
Total Pension Liability - Ending	<u>\$ 46,381,813</u>	<u>\$ 46,286,183</u>	<u>\$ 46,086,057</u>	<u>\$ 45,322,654</u>	<u>\$ 42,944,472</u>	<u>\$ 42,011,638</u>	<u>\$ 40,690,085</u>
Plan Fiduciary Net Position							
Contributions - employer	\$ 1,293,724	\$ 1,361,051	\$ 1,279,294	\$ 1,313,489	\$ 1,241,203	\$ 1,254,378	\$ 1,050,131
Contributions - employee	188,607	215,773	220,303	233,647	220,343	162,213	145,488
Net investment income	1,178,978	2,029,157	2,405,314	3,324,653	8,614	721,793	4,198,765
Benefit payments, including refunds of employee contributions	(3,179,445)	(2,948,308)	(2,861,885)	(2,855,249)	(2,899,591)	(2,724,611)	(2,797,073)
Administrative expenses	(32,484)	(32,016)	(32,021)	(31,410)	(46,174)	(28,933)	(26,293)
Other	73,323	840	(173,048)	(2,573)	(2)	(110,090)	253,162
Net change in plan fiduciary net position	(477,297)	626,497	837,957	1,982,557	(1,475,607)	(725,250)	2,824,180
Plan Fiduciary Net Position - Beginning	32,771,056	32,144,559	31,306,602	29,324,045	30,799,652	31,524,902	28,700,722
Plan Fiduciary Net Position - Ending	<u>\$ 32,293,759</u>	<u>\$ 32,771,056</u>	<u>\$ 32,144,559</u>	<u>\$ 31,306,602</u>	<u>\$ 29,324,045</u>	<u>\$ 30,799,652</u>	<u>\$ 31,524,902</u>
Plan's Net Pension Liability - Ending	<u>\$ 14,088,054</u>	<u>\$ 13,515,127</u>	<u>\$ 13,941,498</u>	<u>\$ 14,016,052</u>	<u>\$ 13,620,427</u>	<u>\$ 11,211,986</u>	<u>\$ 9,165,183</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	69.63%	70.80%	69.75%	69.07%	68.28%	73.31%	77.48%
Covered Payroll	\$ 7,815,866	\$ 8,437,995	\$ 8,005,543	\$ 8,020,555	\$ 7,835,304	\$ 7,996,917	\$ 7,748,594
Net Pension Liability as a Percentage of Covered Payroll	180.25%	160.17%	174.15%	174.75%	173.83%	140.20%	118.28%

Notes:

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TOWN OF JOHNSTON, RHODE ISLAND

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM – POLICE EMPLOYEES

LAST SEVEN FISCAL YEARS

Measurement Date:	Year Ended June 30, 2020	Year Ended June 30, 2019	Year Ended June 30, 2018	Year Ended June 30, 2017	Year Ended June 30, 2016	Year Ended June 30, 2015	Year Ended June 30, 2014
Total Pension Liability							
Service cost	\$ 229,209	\$ 210,311	\$ 166,174	\$ 125,451	\$ 110,120	\$ 93,320	\$ 79,271
Interest	88,496	70,696	55,621	41,289	30,769	17,733	10,616
Changes of benefit terms	--	--	--	--	--	16,739	--
Differences between expected and actual experience	(36,268)	(36,170)	(28,509)	(17,348)	(8,279)	37,616	--
Changes of assumptions	(25,130)	--	--	74,307	--	--	(2,021)
Benefit payments	--	--	--	--	--	--	(7)
Net change in total pension liability	256,307	244,837	193,286	223,699	132,610	165,408	87,859
Total Pension Liability - Beginning	1,149,619	904,782	711,496	487,797	355,187	189,779	101,920
Total Pension Liability - Ending	<u>\$ 1,405,926</u>	<u>\$ 1,149,619</u>	<u>\$ 904,782</u>	<u>\$ 711,496</u>	<u>\$ 487,797</u>	<u>\$ 355,187</u>	<u>\$ 189,779</u>
Plan Fiduciary Net Position							
Contributions - employer	\$ 111,070	\$ 78,612	\$ 65,893	\$ 65,378	\$ 61,293	\$ 56,198	\$ 35,823
Contributions - employee	111,688	102,536	81,237	70,238	61,429	42,390	35,823
Net investment income	51,069	69,449	65,258	70,152	(158)	7,812	30,268
Benefit payments, including refunds of employee contributions	--	--	--	--	--	--	(7)
Administrative expenses	(1,407)	(1,096)	(869)	(663)	(425)	(312)	(190)
Other	4,840	(2)	--	(1)	(1)	(1)	37,680
Net change in plan fiduciary net position	277,260	249,499	211,519	205,104	122,138	106,087	139,397
Plan Fiduciary Net Position - Beginning	1,121,601	872,102	660,583	455,479	333,341	227,254	87,857
Plan Fiduciary Net Position - Ending	<u>\$ 1,398,861</u>	<u>\$ 1,121,601</u>	<u>\$ 872,102</u>	<u>\$ 660,583</u>	<u>\$ 455,479</u>	<u>\$ 333,341</u>	<u>\$ 227,254</u>
Plan's Net Pension Liability - Ending	<u>\$ 7,065</u>	<u>\$ 28,018</u>	<u>\$ 32,680</u>	<u>\$ 50,913</u>	<u>\$ 32,318</u>	<u>\$ 21,846</u>	<u>\$ (37,475)</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	99.50%	97.56%	96.39%	92.84%	93.37%	93.85%	119.75%
Covered Payroll	\$ 1,240,982	\$ 1,139,280	\$ 902,628	\$ 780,165	\$ 678,916	\$ 605,582	\$ 511,759
Net Pension Liability as a Percentage of Covered Payroll	0.57%	2.46%	3.62%	6.53%	4.76%	3.61%	-7.32%

Notes:

The information in this schedule is intended to show 10 years - additional years will be displayed as they become available.

The notes to the required supplementary information are an integral part of this schedule.

TOWN OF JOHNSTON, RHODE ISLAND

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM – FIRE EMPLOYEES

LAST SEVEN FISCAL YEARS

Measurement Date:	Year Ended June 30, 2020	Year Ended June 30, 2019	Year Ended June 30, 2018	Year Ended June 30, 2017	Year Ended June 30, 2016	Year Ended June 30, 2015	Year Ended June 30, 2014
Total Pension Liability							
Service cost	\$ 914,417	\$ 881,187	\$ 846,595	\$ 719,151	\$ 657,278	\$ 543,904	\$ 516,218
Interest	833,886	760,619	624,347	535,882	457,138	390,096	340,281
Changes of benefit terms	--	--	--	--	--	187,802	--
Differences between expected and actual experience	958,842	(417,107)	602,544	(5,835)	6,024	(206,476)	--
Changes of assumptions	34,904	--	--	583,764	--	--	(134,099)
Benefit payments	(227,646)	(161,651)	(126,426)	(118,651)	(84,257)	(71,970)	(72,130)
Net change in total pension liability	2,514,403	1,063,048	1,947,060	1,714,311	1,036,183	843,356	650,270
Total Pension Liability - Beginning	<u>11,569,267</u>	<u>10,506,219</u>	<u>8,559,159</u>	<u>6,844,848</u>	<u>5,808,665</u>	<u>4,965,309</u>	<u>4,315,039</u>
Total Pension Liability - Ending	<u>\$ 14,083,670</u>	<u>\$ 11,569,267</u>	<u>\$ 10,506,219</u>	<u>\$ 8,559,159</u>	<u>\$ 6,844,848</u>	<u>\$ 5,808,665</u>	<u>\$ 4,965,309</u>
Plan Fiduciary Net Position							
Contributions - employer	\$ 516,401	\$ 358,292	\$ 338,814	\$ 334,335	\$ 352,791	\$ 330,728	\$ 276,573
Contributions - employee	438,449	422,066	407,671	400,601	341,251	239,904	231,191
Net investment income	421,053	641,756	681,992	842,725	(2,251)	134,680	681,794
Benefit payments, including refunds of employee contributions	(227,646)	(161,651)	(126,426)	(118,651)	(84,257)	(71,970)	(72,130)
Administrative expenses	(11,601)	(10,126)	(9,079)	(7,962)	(6,055)	(5,394)	(4,269)
Other	32,080	--	(114,369)	(18)	136,054	12	(1)
Net change in plan fiduciary net position	1,168,736	1,250,337	1,178,603	1,451,030	737,533	627,960	1,113,158
Plan Fiduciary Net Position - Beginning	<u>10,364,462</u>	<u>9,114,125</u>	<u>7,935,522</u>	<u>6,484,492</u>	<u>5,746,959</u>	<u>5,118,999</u>	<u>4,005,841</u>
Plan Fiduciary Net Position - Ending	<u>\$ 11,533,198</u>	<u>\$ 10,364,462</u>	<u>\$ 9,114,125</u>	<u>\$ 7,935,522</u>	<u>\$ 6,484,492</u>	<u>\$ 5,746,959</u>	<u>\$ 5,118,999</u>
Plan's Net Pension Liability - Ending	<u>\$ 2,550,472</u>	<u>\$ 1,204,805</u>	<u>\$ 1,392,094</u>	<u>\$ 623,637</u>	<u>\$ 360,356</u>	<u>\$ 61,706</u>	<u>\$ (153,690)</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	81.89%	89.59%	86.75%	92.71%	94.74%	98.94%	103.10%
Covered Payroll	\$ 4,871,693	\$ 4,689,661	\$ 4,529,668	\$ 4,273,030	\$ 3,990,758	\$ 3,427,246	\$ 3,302,741
Net Pension Liability as a Percentage of Covered Payroll	52.35%	25.69%	30.73%	14.59%	9.03%	1.80%	-4.65%

Notes:

The information in this schedule is intended to show 10 years - additional years will be displayed as they become available.

The notes to the required supplementary information are an integral part of this schedule.

TOWN OF JOHNSTON, RHODE ISLAND
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF TOWN'S CONTRIBUTIONS
MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM

LAST EIGHT FISCAL YEARS

	Year Ended June 30	Actuarially Determined Contribution	Actual Contribution	Contribution (Deficiency) Excess	Covered Payroll	Actual Contribution as a % of Covered Payroll
General Employees Plan	2021	\$ 1,299,952	\$ 1,299,952	\$ --	\$ 8,153,342	15.94%
	2020	\$ 1,293,724	\$ 1,293,724	\$ --	\$ 7,915,866	16.34%
	2019	\$ 1,361,051	\$ 1,361,051	\$ --	\$ 8,437,995	16.13%
	2018	\$ 1,279,294	\$ 1,279,294	\$ --	\$ 8,005,543	15.98%
	2017	\$ 1,313,489	\$ 1,313,489	\$ --	\$ 8,020,555	16.38%
	2016	\$ 1,241,203	\$ 1,241,203	\$ --	\$ 7,835,304	15.84%
	2015	\$ 1,254,378	\$ 1,254,378	\$ --	\$ 7,996,917	15.69%
	2014	\$ 1,050,131	\$ 1,050,131	\$ --	\$ 7,748,594	13.55%
Police Employees Plan	2021	\$ 135,655	\$ 135,655	\$ --	\$ 1,278,211	10.61%
	2020	\$ 111,070	\$ 111,070	\$ --	\$ 1,240,982	8.95%
	2019	\$ 78,612	\$ 78,612	\$ --	\$ 1,139,280	6.90%
	2018	\$ 65,893	\$ 65,893	\$ --	\$ 902,628	7.30%
	2017	\$ 65,378	\$ 65,378	\$ --	\$ 780,165	8.38%
	2016	\$ 61,293	\$ 61,293	\$ --	\$ 678,916	9.03%
	2015	\$ 56,198	\$ 56,198	\$ --	\$ 605,582	9.28%
	2014	\$ 35,823	\$ 35,823	\$ --	\$ 511,759	7.00%
Fire Employees Plan	2021	\$ 553,319	\$ 553,319	\$ --	\$ 5,017,844	11.03%
	2020	\$ 516,401	\$ 516,401	\$ --	\$ 4,871,693	10.60%
	2019	\$ 358,292	\$ 358,292	\$ --	\$ 4,689,661	7.64%
	2018	\$ 338,814	\$ 338,814	\$ --	\$ 4,529,668	7.48%
	2017	\$ 334,335	\$ 334,335	\$ --	\$ 4,273,030	7.82%
	2016	\$ 352,791	\$ 352,791	\$ --	\$ 3,990,758	8.84%
	2015	\$ 330,728	\$ 330,728	\$ --	\$ 3,427,246	9.65%
	2014	\$ 276,573	\$ 276,573	\$ --	\$ 3,302,741	8.37%

Notes:

The information in this schedule is intended to show 10 years - additional years will be displayed as they become available.

The notes to the required supplementary information are an integral part of this schedule.

TOWN OF JOHNSTON, RHODE ISLAND
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF TOWN'S PROPORTIONATE SHARE OF
THE NET PENSION LIABILITY – ERS

LAST SEVEN FISCAL YEARS

Measurement Date:	Year Ended June 30, 2020	Year Ended June 30, 2019	Year Ended June 30, 2018	Year Ended June 30, 2017	Year Ended June 30, 2016	Year Ended June 30, 2015	Year Ended June 30, 2014
Town's proportion of the net pension liability	1.68%	1.40%	1.39%	1.35%	1.41%	1.40%	1.30%
Town's proportionate share of the net pension liability	\$43,614,392	\$44,624,312	\$ 44,322,186	\$42,724,384	\$42,089,055	\$ 37,498,898	\$ 31,616,141
State's proportionate share of the net pension liability associated with the Town	<u>32,406,561</u>	<u>33,428,231</u>	<u>33,061,167</u>	<u>32,289,369</u>	<u>28,824,823</u>	<u>25,618,070</u>	<u>21,680,644</u>
Total	<u>\$76,020,953</u>	<u>\$78,052,543</u>	<u>\$ 77,383,353</u>	<u>\$75,013,753</u>	<u>\$70,913,878</u>	<u>\$ 63,116,968</u>	<u>\$ 53,296,785</u>
Town's covered payroll	<u>\$26,308,765</u>	<u>\$26,048,282</u>	<u>\$ 26,137,866</u>	<u>\$25,310,860</u>	<u>\$23,089,090</u>	<u>\$ 22,674,661</u>	<u>\$ 26,384,676</u>
Town's proportionate share of the net pension liability as a percentage of its covered payroll	165.78%	171.31%	169.57%	168.80%	182.29%	165.38%	119.83%
Plan fiduciary net position as a percentage of the total pension liability	54.30%	54.60%	54.30%	54.00%	54.06%	57.55%	61.40%

Notes:

- 1.) The amounts presented for each fiscal year were determined as of 6/30 measurement date prior to the fiscal year-end.
- 2.) Schedule is intended to show information for 10 years - additional years will be displayed as they become available.

The notes to the required supplementary information are an integral part of this schedule.

TOWN OF JOHNSTON, RHODE ISLAND

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF TOWN'S CONTRIBUTIONS – ERS**

LAST EIGHT FISCAL YEARS

	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially determined contribution	\$ 4,281,144	\$ 4,247,379	\$ 3,588,539	\$ 3,558,216	\$ 3,182,090	\$ 2,968,073	\$ 3,538,185	\$ 3,432,039
Contributions in relation to the actuarially determined contribution	<u>4,281,144</u>	<u>4,247,379</u>	<u>3,588,539</u>	<u>3,558,216</u>	<u>3,182,090</u>	<u>2,968,073</u>	<u>3,538,185</u>	<u>3,432,039</u>
Contribution deficiency (excess)	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>
Covered payroll	<u>\$ 26,308,765</u>	<u>\$ 26,048,282</u>	<u>\$ 26,137,866</u>	<u>\$ 25,310,860</u>	<u>\$ 23,089,090</u>	<u>\$ 22,674,661</u>	<u>\$ 26,384,676</u>	<u>\$ 25,725,059</u>
Contributions as a percentage of covered payroll	16.27%	16.31%	13.73%	14.06%	13.78%	13.09%	13.41%	13.34%

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.

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

The notes to the required supplementary information are an integral part of this schedule.

TOWN OF JOHNSTON, RHODE ISLAND

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF TOWN'S PROPORTIONATE SHARE OF
THE NET PENSION ASSET – TSB**

LAST SEVEN FISCAL YEARS

Measurement Date:	Year Ended June 30, 2020	Year Ended June 30, 2019	Year Ended June 30, 2018	Year Ended June 30, 2017	Year Ended June 30, 2016	Year Ended June 30, 2015	Year Ended June 30, 2014
Town's proportion of the net pension asset	5.55%	5.13%	5.13%	5.08%	4.98%	4.93%	4.65%
Town's proportionate share of the net pension asset	\$ 6,589,596	\$ 5,972,304	\$ 4,578,176	\$ 4,205,570	\$ 4,958,163	\$ 4,604,566	\$ 5,779,628
Town's covered payroll	\$ 26,308,765	\$ 26,048,282	\$ 26,137,866	\$ 25,310,860	\$23,089,090	\$ 22,674,661	\$ 26,384,676
Town's proportionate share of the net pension asset as a percentage of its covered payroll	25.05%	22.93%	17.52%	16.62%	21.47%	20.31%	21.91%
Plan fiduciary net position as a percentage of the total pension liability	153.10%	137.40%	137.40%	136.10%	153.30%	146.60%	173.30%

Notes:

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

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

The notes to the required supplementary information are an integral part of this schedule.

TOWN OF JOHNSTON, RHODE ISLAND

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF TOWN'S CONTRIBUTIONS – TSB**

LAST EIGHT FISCAL YEARS

	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially determined contribution	\$ 42,206	\$ 41,379	\$ 39,265	\$ 38,175	\$ 29,988	\$ 29,761	\$ 29,256	\$ 30,134
Contributions in relation to the actuarially determined contribution	<u>42,206</u>	<u>41,379</u>	<u>39,265</u>	<u>38,175</u>	<u>29,988</u>	<u>29,761</u>	<u>29,256</u>	<u>30,134</u>
Contribution deficiency (excess)	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>
Covered payroll	<u>\$ 26,308,765</u>	<u>\$ 26,048,282</u>	<u>\$ 26,137,866</u>	<u>\$ 25,310,860</u>	<u>\$ 23,089,090</u>	<u>\$ 22,674,661</u>	<u>\$ 26,384,676</u>	<u>\$ 25,725,059</u>
Contributions as a percentage of covered payroll	0.16%	0.16%	0.15%	0.15%	0.13%	0.13%	0.11%	0.12%

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.

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

The notes to the required supplementary information are an integral part of this schedule.

TOWN OF JOHNSTON, RHODE ISLAND

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF CHANGES IN TOWN'S POLICE NET PENSION LIABILITY AND RELATED RATIOS

LAST EIGHT FISCAL YEARS

	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability								
Service cost	\$ 1,378,435	\$ 1,502,837	\$ 1,477,049	\$ 1,494,639	\$ 5,820,728	\$ 4,354,675	\$ 3,237,765	\$ 3,486,338
Interest	5,705,789	5,590,184	5,447,208	5,264,762	5,023,358	5,462,015	5,320,690	4,843,141
Change in benefit terms	--	--	--	--	(15,869,440)	--	--	--
Differences between expected and actual experience	(1,499,958)	(941,623)	(588,200)	(608,109)	(853,055)	(3,200,839)	1,627,147	5,744,046
Changes of assumptions	2,198,486	--	--	3,182,625	(87,523,217)	29,239,726	15,613,100	--
Benefit payments	(4,479,240)	(4,385,639)	(4,393,907)	(4,364,593)	(4,100,493)	(4,002,706)	(3,982,881)	(3,929,063)
Net change in total pension liability	3,303,512	1,765,759	1,942,150	4,969,324	(97,502,119)	31,852,871	21,815,821	10,144,462
Total Pension Liability - Beginning	79,561,721	77,795,962	75,853,812	70,884,488	168,386,607	136,533,736	114,717,915	104,573,453
Total Pension Liability - Ending	\$ 82,865,233	\$ 79,561,721	\$ 77,795,962	\$ 75,853,812	\$ 70,884,488	\$ 168,386,607	\$ 136,533,736	\$ 114,717,915
Plan Fiduciary Net Position								
Contributions - employer	\$ 5,149,705	\$ 4,999,713	\$ 4,854,090	\$ 4,714,480	\$ 4,797,069	\$ 2,783,429	\$ 2,786,367	\$ 2,711,326
Contributions - employee	300,138	302,388	314,146	363,787	426,286	394,051	388,335	369,825
Net investment income	6,880,535	(19,621)	763,639	1,512,485	1,753,780	21,130	141,369	2,301,494
Benefit payments, including refunds of employee contributions	(4,479,240)	(4,385,639)	(4,393,907)	(4,364,593)	(4,100,493)	(4,002,706)	(3,982,881)	(3,929,063)
Administrative expenses	(55,175)	(50,096)	(66,174)	(73,110)	(84,157)	(77,728)	(71,000)	(127,317)
Other	1,797	1,754	37,077	4,215	(49,245)	--	(40,576)	--
Net change in plan fiduciary net position	7,797,760	848,499	1,508,871	2,157,264	2,743,240	(881,824)	(778,386)	1,326,265
Plan Fiduciary Net Position - Beginning	22,740,001	21,891,502	20,382,631	18,225,367	15,482,127	16,363,951	17,142,337	15,816,072
Plan Fiduciary Net Position - Ending	\$ 30,537,761	\$ 22,740,001	\$ 21,891,502	\$ 20,382,631	\$ 18,225,367	\$ 15,482,127	\$ 16,363,951	\$ 17,142,337
Plan's net pension liability - Ending	\$ 52,327,472	\$ 56,821,720	\$ 55,904,460	\$ 55,471,181	\$ 52,659,121	\$ 152,904,480	\$ 120,169,785	\$ 97,575,578
Plan fiduciary net position as a percentage of the total pension liability	36.85%	28.58%	28.14%	26.87%	25.71%	9.19%	11.99%	14.94%
Covered-employee payroll	\$ 4,401,235	\$ 4,615,136	\$ 4,671,254	\$ 4,741,461	\$ 5,019,760	\$ 5,054,901	\$ 5,049,628	\$ 4,573,055
Net pension liability as a percentage of covered-employee payroll	1188.93%	1231.20%	1196.78%	1169.92%	1049.04%	3024.88%	2379.78%	2133.71%

The notes to the required supplementary information are an integral part of this schedule.

TOWN OF JOHNSTON, RHODE ISLAND

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF TOWN'S POLICE PENSION CONTRIBUTIONS AND INVESTMENT RETURNS**

LAST EIGHT FISCAL YEARS

Year Ended June 30	Actuarially Determined Contribution	Actual Contribution	Contribution (Deficiency) Excess	Covered Payroll	Actual Contribution as a % of Covered Payroll	Weighted Rate of Return
2021	\$ 5,149,705	\$ 5,149,705	\$ --	\$ 4,401,235	117.01%	30.26%
2020	\$ 4,999,713	\$ 4,999,713	\$ --	\$ 4,615,136	108.33%	-0.09%
2019	\$ 4,854,090	\$ 4,854,090	\$ --	\$ 4,671,254	103.91%	3.61%
2018	\$ 8,509,584	\$ 4,714,480	\$ (3,795,104)	\$ 4,741,461	99.43%	7.84%
2017	\$ 8,073,936	\$ 4,797,069	\$ (3,276,867)	\$ 5,019,760	95.56%	0.01%
2016	\$ 7,197,627	\$ 2,783,429	\$ (4,414,198)	\$ 5,054,901	55.06%	-0.01%
2015	\$ 6,579,139	\$ 2,786,367	\$ (3,792,772)	\$ 5,049,628	55.18%	0.53%
2014	\$ 6,633,618	\$ 2,711,326	\$ (3,922,292)	\$ 4,573,055	59.29%	14.72%

The notes to the required supplementary information are an integral part of this schedule.

TOWN OF JOHNSTON, RHODE ISLAND

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF CHANGES IN TOWN'S FIRE NET PENSION LIABILITY AND RELATED RATIOS

LAST EIGHT FISCAL YEARS

	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability								
Service cost	\$ 653,960	\$ 651,848	\$ 621,647	\$ 528,576	\$ 2,268,136	\$ 2,314,587	\$ 1,991,455	\$ 2,208,787
Interest	5,698,225	5,630,730	5,644,481	5,808,544	4,778,023	5,227,209	5,462,967	5,185,774
Change in benefit terms	--	--	--	--	(8,256,305)	--	--	--
Differences between expected and actual experience	116,928	(347,071)	(1,558,937)	(4,039,743)	(3,153,677)	2,235,932	(2,195,103)	2,570,343
Changes of assumptions	2,590,059	--	--	2,939,026	(72,009,127)	24,437,339	12,115,339	--
Benefit payments	(5,079,175)	(4,934,125)	(4,920,012)	(4,923,617)	(4,918,521)	(4,584,209)	(4,148,770)	(4,035,577)
Net change in total pension liability	3,979,997	1,001,382	(212,821)	312,786	(81,291,471)	29,630,858	13,225,888	5,929,327
Total Pension Liability - Beginning	80,481,832	79,480,450	79,693,271	79,380,485	160,671,956	131,041,098	117,815,210	111,885,883
Total Pension Liability - Ending	<u>\$ 84,461,829</u>	<u>\$ 80,481,832</u>	<u>\$ 79,480,450</u>	<u>\$ 79,693,271</u>	<u>\$ 79,380,485</u>	<u>\$ 160,671,956</u>	<u>\$ 131,041,098</u>	<u>\$ 117,815,210</u>
Plan Fiduciary Net Position								
Contributions - employer	\$ 4,417,120	\$ 4,288,466	\$ 4,163,560	\$ 4,041,720	\$ 3,924,059	\$ 2,576,831	\$ 2,620,273	\$ 2,706,157
Contributions - employee	159,733	161,588	171,202	160,257	185,921	233,585	295,539	356,584
Net investment income	6,832,623	(20,744)	858,655	1,814,122	2,283,935	29,412	199,660	3,228,280
Benefit payments, including refunds of employee contributions	(5,079,175)	(4,934,125)	(4,920,012)	(4,923,617)	(4,918,521)	(4,584,209)	(4,148,770)	(4,035,577)
Administrative expenses	(55,175)	(50,097)	(66,174)	(73,110)	(84,157)	(77,829)	(71,000)	(127,317)
Net change in plan fiduciary net position	6,275,126	(554,912)	207,231	1,019,372	1,391,237	(1,822,210)	(1,104,298)	2,128,127
Plan Fiduciary Net Position - Beginning	23,315,819	23,870,731	23,663,500	22,644,128	21,252,891	23,075,101	24,179,399	22,051,272
Plan Fiduciary Net Position - Ending	<u>\$ 29,590,945</u>	<u>\$ 23,315,819</u>	<u>\$ 23,870,731</u>	<u>\$ 23,663,500</u>	<u>\$ 22,644,128</u>	<u>\$ 21,252,891</u>	<u>\$ 23,075,101</u>	<u>\$ 24,179,399</u>
Plan's net pension liability - Ending	<u>\$ 54,870,884</u>	<u>\$ 57,166,013</u>	<u>\$ 55,609,719</u>	<u>\$ 56,029,771</u>	<u>\$ 56,736,357</u>	<u>\$ 139,419,065</u>	<u>\$ 107,965,997</u>	<u>\$ 93,635,811</u>
Plan fiduciary net position as a percentage of the total pension liability	35.03%	28.97%	30.03%	29.69%	28.53%	13.23%	17.61%	20.52%
Covered-employee payroll	\$ 2,230,342	\$ 2,267,624	\$ 2,285,342	\$ 2,200,925	\$ 1,988,230	\$ 2,205,173	\$ 2,977,948	\$ 3,023,153
Net pension liability as a percentage of covered-employee payroll	2460.20%	2520.97%	2433.32%	2545.74%	2853.61%	6322.36%	3625.52%	3097.29%

The notes to the required supplementary information are an integral part of this schedule.

TOWN OF JOHNSTON, RHODE ISLAND

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF TOWN'S FIRE PENSION CONTRIBUTIONS AND INVESTMENT RETURNS**

LAST EIGHT FISCAL YEARS

Year Ended June 30	Actuarially Determined Contribution	Actual Contribution	Contribution (Deficiency) Excess	Covered Payroll	Actual Contribution as a % of Covered Payroll	Weighted Rate of Return
2021	\$ 4,417,120	\$ 4,417,120	\$ --	\$ 2,230,342	198.05%	30.26%
2020	\$ 4,288,466	\$ 4,288,466	\$ --	\$ 2,267,624	189.12%	-0.09%
2019	\$ 4,163,560	\$ 4,163,560	\$ --	\$ 2,285,342	182.19%	3.61%
2018	\$ 7,430,222	\$ 4,041,720	\$ (3,388,502)	\$ 2,200,925	183.64%	7.84%
2017	\$ 6,954,295	\$ 3,924,059	\$ (3,030,236)	\$ 1,988,230	197.36%	0.01%
2016	\$ 6,607,532	\$ 2,576,831	\$ (4,030,701)	\$ 2,205,173	116.85%	-0.01%
2015	\$ 6,331,388	\$ 2,620,273	\$ (3,711,115)	\$ 2,977,948	87.99%	0.53%
2014	\$ 6,325,477	\$ 2,706,157	\$ (3,619,320)	\$ 3,023,153	89.51%	14.72%

The notes to the required supplementary information are an integral part of this schedule.

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED JUNE 30, 2021

OTHER POST-EMPLOYMENT BENEFITS (OPEB) PLAN

The amounts presented for each fiscal year were determined as of the June 30 fiscal year end.

The schedules are intended to show information for 10 years; additional years will be displayed as they become available.

The following actuarial methods and assumptions were used to determine contribution amounts:

- Actuarial cost method – Entry Age Normal
- Health Care Cost Trend Rates – 2.5%
- Discount rate – The discount rate used to measure the OPEB liability 7.00% for Town. The projection of cash flows used to determine the discount rate assumed that contributions will be made at rates equal to and above the expected benefit payments. Based on those assumptions, the OPEB plan's net fiduciary position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected payments to determine the total OPEB liability.

MUNICIPAL PLAN (MERS), TEACHERS' PLAN (ERS) AND TEACHERS' SURVIVORS BENEFIT PLAN (TSB)

The amounts presented for each fiscal year were determined as of the June 30 measurement date prior to the fiscal year end. The schedules are intended to show information for 10 years – additional years will be displayed as they become available.

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

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

TOWN OF JOHNSTON, RHODE ISLAND
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2021

**MUNICIPAL PLAN (MERS), TEACHERS' PLAN (ERS) AND TEACHERS' SURVIVORS BENEFIT PLAN (TSB)
(CONTINUED)**

June 30, 2020 measurement date –

As part of the 2020 Actuarial Experience Study for the six-year period ending June 30, 2019 as approved by the System Board on May 22, 2020, certain assumptions were modified and reflected in the determination of net pension liability (asset) at the June 30, 2020 measurement date. The following summarizes the more significant changes in assumptions:

- Updated the underlying mortality tables from the RP-2014 set of tables to the public sector-based PUB (10) tables.
- Increased slightly the probabilities of turnover.
- Decreased slightly the probabilities of retirement.
- Modified slightly the probabilities of disability, including adding material incidence of disability for members in the age ranges that historically have been eligible to retire but under prospective provisions are not.

June 30, 2019 measurement date –

There were no changes in actuarial methods or assumptions reflected in the calculation of the net pension liability (asset) of the plans as of the June 30, 2019 measurement date compared to the June 30, 2018 measurement date.

June 30, 2018 measurement date –

There were no changes in actuarial methods or assumptions reflected in the calculation of the net pension liability (asset) of the plans as of the June 30, 2018 measurement date compared to the June 30, 2017 measurement date.

June 30, 2017 measurement date –

As part of the 2017 Actuarial Experience Investigation Study for the six-year period ending June 30, 2016 as approved by the System Board on May 15, 2017, certain assumptions were modified and reflected in the determination of the net pension liability (asset) at the June 30, 2017 measurement date. The following summarizes the more significant changes in assumptions:

- Decreased the general inflation assumption from 2.75% to 2.50%;
- Decreased the nominal investment return assumption from 7.50% to 7.00%;
- Decreased the general wage growth assumption from 3.25% to 3.00%;
- Decreased salary increase assumptions; and
- Updated the post-retirement mortality tables to variants of the RP-2014 table. For the improvement scale, updated to the ultimate rates of the MP-2016 projection scale.

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED JUNE 30, 2021

MUNICIPAL PLAN (MERS), TEACHERS' PLAN (ERS) AND TEACHERS' SURVIVORS BENEFIT PLAN (TSB) (CONTINUED)

June 30, 2016 measurement date –

There were no changes in actuarial methods or assumptions reflected in the calculation of the net pension liability (asset) of the plans as of the June 30, 2016 measurement date compared to the June 30, 2015 measurement date.

June 30, 2015 measurement date –

There were no changes in actuarial methods or assumptions reflected in the calculation of the net pension liability (asset) of the plans as of the June 30, 2015 measurement date compared to the June 30, 2014 measurement date.

The June 30, 2015 measurement date determination of the net pension liability for the ERS and MERS plans reflects changes in benefit changes resulting from the settlement of litigation challenging the various pension reform measures enacted in previous years by the General Assembly. The final settlement approved by the Court on July 8, 2015 also included enactment of the pension settlement provisions by the General Assembly. These amended benefit provisions, are summarized below:

- Employees with more than 20 years of service at July 1, 2012 will increase their employee contribution rates to 11% for state employees and municipal general employees will contribute 8.25% (9.25% for units with a COLA provision) and participate solely in the defined benefit plan going forward – service credit accruals will increase from 1% to 2% per year.
- Members are eligible to retire upon the attainment of: age 65 with 30 years of service, 64 with 31 years of service, 63 with 32 years of service, or 62 with 33 years of service. Members may retire earlier if their RIRSA date is earlier or are eligible under a transition rule.
- MERS public safety employees may retire at age 50 with 25 years of service, or any age with 27 years of service. MERS public safety employees will contribute 9.00% (10.00% for units with a COLA provision).
- Employees with more than 10 but less than 20 years of service at July 1, 2012 will receive an increased employer contribution to the defined contribution plan. Also, members who earn less than \$35,000 per year will not be required to pay the administrative fees to the defined contribution plan.
- Members who retired from a COLA eligible plan before July 1, 2012 will received a one-time cost of living adjustment of 2% of the first \$25,000 paid as soon as administratively possible.
- Retirees as of June 30, 2015 will receive two \$500 stipends; the interim cost of living increases will occur at 4 year rather than 5 year intervals.

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED JUNE 30, 2021

MUNICIPAL PLAN (MERS), TEACHERS' PLAN (ERS) AND TEACHERS' SURVIVORS BENEFIT PLAN (TSB) (CONTINUED)

- The COLA formula was adjusted to: 50% of the COLA is calculated by taking the previous 5-year average investment return, less 5.5% (5yr Return - 5.5%, with a max of 4%) and 50% calculated using previous year's CPI-U (max of 3%) for a total max COLA of 3.5%. This COLA is calculated on the first \$25,855, effective 01/01/16, and indexed as of that date as well. (The indexing formula is run annually regardless of funding level each year.)
- Minor adjustments were made to the actuarial reduction for employees choosing to retire early.

POLICE AND FIRE PLAN

Actuarial assumptions – The total pension liability was determined by an actuarial valuation as of July 1, 2020, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation 2.50 percent

Salary increases 3.25 percent

Discount rate 7.00 percent

Investment rate of return 7.00 percent, net of pension plan investment expense, including inflation

Mortality – Sex-distinct PubG-2010 General Employee Amount-weighted Mortality Table

Discount rate – The discount rate used to measure the total pension liability was 7.00%

TOWN OF JOHNSTON, RHODE ISLAND

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

GENERAL FUND

FOR THE YEAR ENDED JUNE 30, 2021

	Original	Final	Actual (Budgetary Basis)	Variances Favorable (Unfavorable)
Tax Revenues				
Current year	\$ 72,656,061	\$ 72,656,061	\$ 73,600,938	\$ 944,877
1st preceding year	1,696,563	1,696,563	1,341,296	(355,267)
2nd preceding year	--	--	462,612	462,612
All other preceding years	--	--	147,400	147,400
Tax refunds	(100,000)	(100,000)	(62,683)	37,317
Powerplant tax treaty	3,312,242	3,312,242	3,312,242	--
Tax stabilization	250,000	250,000	530,000	280,000
Total Tax Revenues	77,814,866	77,814,866	79,331,805	1,516,939
Departmental Fees and Revenues				
Business licenses and registration	65,000	65,000	63,914	(1,086)
Nonbusiness licenses and fees	100,000	100,000	125,421	25,421
Infrastructure Fees	12,000	12,000	18,000	6,000
Plumbing	72,000	72,000	101,892	29,892
Building	425,000	425,000	564,218	139,218
Electrical	120,500	120,500	117,360	(3,140)
Engineering fees	10,000	10,000	19,989	9,989
Public works	--	--	2,771	2,771
DPW - release and discharge of liens	32,000	32,000	13,698	(18,302)
Zoning board	45,000	45,000	51,840	6,840
Planning board fees	20,000	20,000	21,535	1,535
Tax collector's fees	30,000	30,000	46,612	16,612
Investment and interest income	250,000	250,000	204,281	(45,719)
Municipal court fees	262,000	262,000	249,783	(12,217)
Recreation program fees	15,000	15,000	15,000	--
Entertainment licenses	2,500	2,500	2,600	100
Marriage, death and birth certificates	27,000	27,000	31,380	4,380
Real estate conveyance - State of RI	--	--	15,577	15,577
Stamp	290,000	290,000	488,566	198,566
Advertising	16,000	16,000	19,740	3,740
Dog licenses	500	500	850	350
Other	15,000	15,000	16,336	1,336
Recording/probate land evidence	255,000	255,000	351,899	96,899
Probate fees	26,000	26,000	54,048	28,048
Recycling bins revenue	1,600	1,600	--	(1,600)
VIN number checks	55,000	55,000	23,086	(31,914)
BCI fees	2,500	2,500	1,265	(1,235)
Police department reimbursement	50,000	50,000	50,000	--
Pistol permit fees	6,000	6,000	29,460	23,460
Fire department revenues	500	500	1,499	999
Fire plan review	125,000	125,000	125,000	--
Medical reimbursement	200,150	200,150	255,445	55,295
Pilot and settlement payments	615,000	615,000	621,182	6,182
Commercial vehicle surcharges	400,000	400,000	283,803	(116,197)
Call phone towers	175,000	175,000	192,573	17,573
Interest and penalties on property tax	750,000	750,000	756,039	6,039
Rescue services reimbursement	950,000	950,000	754,248	(195,752)
Housing authority	28,000	28,000	29,257	1,257
Total Departmental Fees and Revenue	5,449,250	5,449,250	5,720,167	270,917

The notes to the required supplementary information are an integral part of this schedule.

TOWN OF JOHNSTON, RHODE ISLAND
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

GENERAL FUND

FOR THE YEAR ENDED JUNE 30, 2021

	Original	Final	Actual (Budgetary Basis)	Variances Favorable (Unfavorable)
Intergovernmental				
State Aid - School	19,246,374	19,246,374	18,921,667	(324,707)
School housing aid	250,000	250,000	284,426	34,426
Motor vehicle phase out	4,150,587	4,150,587	1,784,056	(2,366,531)
Coronavirus relief funds	--	--	4,004,929	4,004,929
FEMA reimbursements	--	--	367,914	367,914
Public service corporation tax	367,606	367,606	349,035	(18,571)
Meal and beverage tax distribution	740,016	740,016	671,186	(68,830)
Host community agreement	4,140,631	4,140,631	4,655,043	514,412
Library aid	116,724	116,724	125,400	8,676
Total Intergovernmental	<u>29,011,938</u>	<u>29,011,938</u>	<u>31,163,656</u>	<u>2,151,718</u>
Miscellaneous				
Town	35,000	35,000	197,059	162,059
School	1,170,000	1,170,000	581,382	(588,618)
Police detail	225,000	225,000	--	(225,000)
	<u>1,430,000</u>	<u>1,430,000</u>	<u>778,441</u>	<u>(651,559)</u>
Total Revenue	<u>113,706,054</u>	<u>113,706,054</u>	<u>116,994,069</u>	<u>3,288,015</u>
Legislative, Judicial and General Administrative				
Town Council				
Salaries	32,700	32,700	32,700	--
FICA	2,685	2,685	2,685	--
Retirement Town's share	1,221	1,221	645	576
Department	150	150	150	--
Telephone	2,000	2,000	1,492	508
Office	100	100	203	(103)
Town Sargent's salary	2,400	2,400	2,400	--
Claims	2,000	2,000	--	2,000
Contingency	4,000	4,000	--	4,000
Total Town Council	<u>47,256</u>	<u>47,256</u>	<u>40,274</u>	<u>6,982</u>
Mayor				
Mayor's salary	75,000	75,000	74,798	202
Chief of Staff's salary	45,700	45,700	45,577	123
Full-time salaries	66,000	66,000	67,113	(1,113)
FICA	13,900	13,900	14,201	(301)
Health Insurance	48,695	48,695	48,695	--
Life Insurance	288	288	284	4
Dental Insurance	2,823	2,823	2,823	--
Retirement Town's share	11,084	11,084	12,042	(958)
Postage	1,250	1,250	671	579
Office	3,000	3,000	1,524	1,476
Equipment Lease	2,295	2,295	1,572	723
Telephone	500	500	--	500
Department expense	4,000	4,000	6,171	(2,171)
Total Mayor	<u>274,535</u>	<u>274,535</u>	<u>275,473</u>	<u>(938)</u>

The notes to the required supplementary information are an integral part of this schedule.

TOWN OF JOHNSTON, RHODE ISLAND

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

GENERAL FUND

FOR THE YEAR ENDED JUNE 30, 2021

	Original	Final	Actual (Budgetary Basis)	Variances Favorable (Unfavorable)
Courts				
Probate court	7,500	7,500	7,480	20
FICA	574	574	550	24
Health Insurance	18,497	18,497	18,497	--
Dental Insurance	1,411	1,411	1,411	--
Department	150	150	161	(11)
Total Courts	28,132	28,132	28,099	33
Canvassers				
Full-time salaries	54,170	54,170	54,029	141
Part-time salaries	5,000	5,000	--	5,000
Overtime salaries	--	--	6,379	(6,379)
FICA	4,986	4,986	4,948	38
Life Insurance	95	95	95	--
Dental Insurance	1,411	1,411	1,411	--
Retirement Town's share	9,707	9,707	9,673	34
Office	1,000	1,000	688	312
Postage	7,500	7,500	2,988	4,512
Board salaries	6,000	6,000	5,500	500
Election expense	35,000	35,000	35,548	(548)
Department expense	500	500	--	500
Equipment lease	1,200	1,200	840	360
Total Canvassers	126,569	126,569	122,100	4,470
Legal				
Salaries	52,000	52,000	53,660	(1,660)
Hourly billings	475,000	475,000	400,566	74,434
FICA	3,978	3,978	3,967	11
Health Insurance	10,330	10,330	10,330	--
Dental Insurance	401	401	401	--
Postage	150	150	204	(54)
Contingency: Judgments	50,000	50,000	66,383	(16,383)
Legal services	25,000	25,000	22,077	2,923
Office	250	250	--	250
Total Legal	617,109	617,109	557,587	59,522
Town Clerk				
Town clerk's salary	81,737	81,737	81,485	252
Deputy clerk's salary	15,000	15,000	11,284	3,716
Full-time salaries	78,637	78,637	78,504	133
Overtime salaries	12,000	12,000	14,064	(2,064)
FICA	14,334	14,334	13,716	618
Health Insurance	43,390	43,390	43,390	--
Life insurance	379	379	284	95
Dental Insurance	2,212	2,212	2,212	--
Retirement Town's share	29,942	29,942	28,244	1,698
Postage	7,500	7,500	2,614	4,886
Advertising	17,000	17,000	23,623	(6,623)
Training	500	500	135	365
Operating	42,600	42,600	47,701	(5,101)
Equipment lease	2,500	2,500	1,572	928
Office	700	700	114	586
Stenographer	14,000	14,000	8,480	5,521
Department	1,500	1,500	1,570	(70)
Total Town Clerk	363,931	363,931	358,991	4,940

The notes to the required supplementary information are an integral part of this schedule.

TOWN OF JOHNSTON, RHODE ISLAND

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

GENERAL FUND

FOR THE YEAR ENDED JUNE 30, 2021

	Original	Final	Actual (Budgetary Basis)	Variances Favorable (Unfavorable)
Zoning Board				
FICA	681	681	798	(117)
Postage	200	200	--	200
Building and Advertising	4,000	4,000	2,153	1,847
Board Salaries	8,900	8,900	10,429	(1,529)
Stenographer	5,500	5,500	3,356	2,144
Total Zoning Board	<u>19,281</u>	<u>19,281</u>	<u>16,735</u>	<u>2,546</u>
Total Legislative, Judicial and General Administrative	<u>1,476,813</u>	<u>1,476,813</u>	<u>1,399,259</u>	<u>77,554</u>
Financial Administration				
Finance				
Salaries	465,004	465,004	455,148	9,856
Overtime	45,000	45,000	47,054	(2,054)
FICA	39,015	39,015	39,314	(299)
Health Insurance	175,578	175,578	175,578	--
Life Insurance	758	758	806	(48)
Dental Insurance	9,870	9,870	9,870	--
Retirement Town's share	78,958	78,958	81,645	(2,687)
Postage	35,500	35,500	5,075	30,425
Audit	46,245	46,245	46,245	--
Dues, publications and subscriptions	1,100	1,100	55	1,045
Tax collection costs	100,000	100,000	56,648	43,352
Payroll processing	62,000	62,000	40,001	21,999
Training	3,200	3,200	640	2,560
Conference fees	250	250	--	250
Computer service contracts	58,500	58,500	23,721	34,779
Consulting fees	85,000	85,000	67,112	17,888
Fiscal advisor	5,000	5,000	5,500	(500)
Equipment Lease	2,500	2,500	2,110	390
Telephone	6,000	6,000	7,178	(1,178)
Office	4,000	4,000	4,056	(56)
Bank and bond fees	5,000	5,000	3,501	1,499
Department expense	24,000	24,000	23,034	966
Total Finance	<u>1,252,478</u>	<u>1,252,478</u>	<u>1,094,291</u>	<u>158,187</u>
Assessor				
Full-time salaries	111,371	111,371	111,096	275
Part-time and overtime salaries	12,500	12,500	7,547	4,953
Overtime	7,500	7,500	18,992	(11,492)
FICA	10,050	10,050	10,124	(74)
Health insurance	53,695	53,695	53,695	--
Life insurance	190	190	190	--
Dental insurance	2,823	2,823	2,823	--
Retirement Town's share	20,010	20,010	19,870	140
Postage	2,500	2,500	519	1,981
Bidding and advertising	250	250	250	--
Processing tax roll	50,000	50,000	47,973	2,027
Computer service contracts	17,500	17,500	10,000	7,500
Equipment service contract	1,700	1,700	1,277	423
Equipment lease	1,000	1,000	--	1,000
Maps and reproduction supplies	850	850	--	850
Tax Maintenance & Revaluation	125,000	125,000	56,570	68,430
Office	3,000	3,000	2,725	275
Department expense	1,950	1,950	866	1,084
Total Assessor	<u>421,889</u>	<u>421,889</u>	<u>344,516</u>	<u>77,373</u>

The notes to the required supplementary information are an integral part of this schedule.

TOWN OF JOHNSTON, RHODE ISLAND

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

GENERAL FUND

FOR THE YEAR ENDED JUNE 30, 2021

	Original	Final	Actual (Budgetary Basis)	Variances Favorable (Unfavorable)
Public Safety				
Police Department				
Full-time salaries	5,067,704	5,067,704	5,005,839	61,865
Part-time salaries	128,700	128,700	62,770	65,930
Overtime salaries	1,000,000	1,000,000	1,065,247	(65,247)
JARE overtime salaries	75,000	75,000	76,268	(1,268)
Civilian overtime salaries	55,000	55,000	45,597	9,403
Holiday salaries	273,577	273,577	262,254	11,323
Severance pay	150,000	150,000	99,967	50,033
Longevity	410,334	410,334	391,465	18,869
Stipend police retirees local plan	15,750	15,750	15,400	350
Firearm allowance	34,500	34,500	33,500	1,000
Police Accreditation Stipend	71,000	71,000	67,000	4,000
Police Employer Contribution	5,149,705	5,149,705	5,149,705	--
FICA	561,316	561,316	577,753	(16,437)
Health insurance	1,426,323	1,426,323	1,426,323	--
Life insurance	15,722	15,722	15,791	(69)
Dental insurance	94,562	94,562	94,562	--
Retirement Town's Share	236,677	236,677	240,286	(3,609)
Medicare	259,478	259,478	259,478	--
Supplementary medical	11,222	11,222	11,222	--
Admin costs HRA	5,481	5,481	5,481	--
HRA payments and claims	109,635	109,635	109,635	--
Retiree health insurance	1,674,264	1,674,264	1,674,264	--
Retiree life insurance	69,908	69,908	69,908	--
Retiree dental insurance	37,504	37,504	45,075	(7,571)
Injured on duty TPA	5,600	5,600	5,600	--
Postage	2,960	2,960	1,299	1,661
Dues and publications	5,500	5,500	3,142	2,358
Bids and advertising	1,750	1,750	181	1,569
Training	25,000	25,000	27,809	(2,809)
College Reimbursements	20,000	20,000	5,812	14,188
Accreditation Expense	16,450	16,450	3,426	13,024
Medical examinations	3,750	3,750	500	3,250
Bureau of criminal investigation	36,900	36,900	8,313	28,587
Animal control	7,500	7,500	1,749	5,751
SWAT Team (Special Response Team)	8,000	8,000	5,193	2,807
Computer service contracts	50,760	50,760	44,739	6,021
Vehicle repair deductible	25,000	25,000	15,241	9,759
Gasoline	125,000	125,000	87,257	37,743
Arms and ammunition	31,000	31,000	25,604	5,396
Clothing and maintenance	134,150	134,150	130,750	3,400
Radio maintenance	4,000	4,000	1,930	2,070
Explorer	10,000	10,000	--	10,000
Equipment rental	8,850	8,850	4,913	3,937
Equipment maintenance	28,700	28,700	21,246	7,454
Building maintenance	50,000	50,000	51,100	(1,100)
Heat	4,500	4,500	3,228	1,272
Electric	65,460	65,460	28,185	37,275
Telephone	41,840	41,840	38,370	3,470
Water	9,900	9,900	5,468	4,432
Office	15,000	15,000	12,425	2,575
Police chief department expense	3,000	3,000	2,709	291
Recruits expense	35,050	35,050	48,709	(13,659)
Information technology	8,500	8,500	6,155	2,345
Department expense	22,000	22,000	16,280	5,720
Grant matching funds	5,238	5,238	5,238	--
Total Police Department	<u>17,744,720</u>	<u>17,744,720</u>	<u>17,417,362</u>	<u>327,358</u>

The notes to the required supplementary information are an integral part of this schedule.

TOWN OF JOHNSTON, RHODE ISLAND

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**

GENERAL FUND

FOR THE YEAR ENDED JUNE 30, 2021

	<u>Original</u>	<u>Final</u>	<u>Actual (Budgetary Basis)</u>	<u>Variances Favorable (Unfavorable)</u>
Municipal Court				
Full-time salaries	88,959	88,959	88,741	218
Part-time salaries	40,000	40,000	40,612	(612)
Overtime salaries	1,500	1,500	--	1,500
FICA	10,094	10,094	9,677	417
Health Insurance	64,025	64,025	64,025	--
Life Insurance	190	190	289	(99)
Dental Insurance	3,223	3,223	3,223	--
Retirement Town's Share	15,950	15,950	15,863	87
Postage	1,700	1,700	614	1,086
Service contracts	6,500	6,500	12,276	(5,776)
Equipment leases	2,300	2,300	588	1,712
Building maintenance	3,500	3,500	3,105	395
Auxiliary Judge	15,000	15,000	14,900	100
Heat	2,300	2,300	2,674	(374)
Electric	7,000	7,000	10,949	(3,949)
Telephone	2,000	2,000	1,331	669
Water	1,200	1,200	1,669	(469)
Office	1,500	1,500	418	1,082
Interpreter Services	500	500	--	500
Department	4,000	4,000	3,935	65
Total Municipal Court	<u>271,441</u>	<u>271,441</u>	<u>274,890</u>	<u>(3,449)</u>

The notes to the required supplementary information are an integral part of this schedule.

TOWN OF JOHNSTON, RHODE ISLAND

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

GENERAL FUND

FOR THE YEAR ENDED JUNE 30, 2021

	Original	Final	Actual (Budgetary Basis)	Variances Favorable (Unfavorable)
Fire Department				
Full-time salaries	5,587,748	5,587,748	5,676,847	(89,099)
Part-time salaries	14,100	14,100	13,154	946
Call back and overtime salaries	2,712,000	2,712,000	3,588,810	(876,810)
Haz Mat Salaries	68,640	68,640	90,740	(22,100)
Longevity	712,903	712,903	783,375	(70,472)
Stipend police retirees local plan	3,150	3,150	3,500	(350)
Holiday salaries	395,128	395,128	394,302	826
Unused sickday bonus	18,000	18,000	13,293	4,707
Severance pay	150,000	150,000	14,710	135,290
Employer Contribution - Fire	4,417,120	4,417,120	4,417,120	--
FICA	732,990	732,990	779,725	(46,735)
Health insurance	1,577,749	1,577,749	1,577,749	--
Life insurance	18,670	18,670	18,512	158
Dental insurance	88,479	88,479	88,479	--
Retirement Town's Share	547,248	547,248	553,978	(6,730)
Firefighter Retiree COLA State Plan	9,804	9,804	8,983	821
Medicare	295,157	295,157	295,157	--
Supp Medical surcharge	10,248	10,248	10,248	--
Admin Costs - HRA	11,644	11,644	11,644	--
HRA payments and claims	175,737	175,737	175,737	--
Health insurance - firefighters	1,415,747	1,415,747	1,415,747	--
Dental insurance - firefighters	87,898	87,898	87,898	--
Injured on duty TPA	8,800	8,800	8,800	--
Postage	1,000	1,000	366	634
Training	20,000	20,000	17,640	2,360
Training and college	25,000	25,000	25,516	(516)
Medical examinations	35,000	35,000	60	34,940
Fire prevention	7,000	7,000	6,432	568
SCBA operations	15,000	15,000	30,939	(15,939)
Hydrants	218,339	218,339	308,167	(89,828)
Hazardous materials	3,500	3,500	2,714	786
Gasoline	60,000	60,000	66,783	(6,783)
Clothing and maintenance	159,400	159,400	158,500	900
Radio Maintenance	25,000	25,000	37,936	(12,936)
Fire fighter equipment and supplies	92,500	92,500	90,889	1,611
Sanitary Supplies	20,000	20,000	20,052	(52)
Fire alarm	15,000	15,000	17,106	(2,106)
First aid and ambulance service	150,000	150,000	120,425	29,575
Vehicle repairs	130,000	130,000	151,339	(21,339)
Equipment rental	2,000	2,000	1,092	908
Building maintenance	80,000	80,000	61,293	18,707
Heat	25,000	25,000	30,278	(5,278)
Electric	45,000	45,000	38,541	6,459
Telephone	50,000	50,000	96,544	(46,544)
Water	17,500	17,500	20,282	(2,782)
Office	8,500	8,500	12,690	(4,190)
Fire chief contracted expense	3,500	3,500	255	3,245
Fire chief department expense	1,000	1,000	875	125
Department expense	6,000	6,000	6,320	(320)
Grant matching funds	50,000	50,000	50,000	--
Total Fire Department	<u>20,324,199</u>	<u>20,324,199</u>	<u>21,401,544</u>	<u>(1,077,345)</u>

The notes to the required supplementary information are an integral part of this schedule.

TOWN OF JOHNSTON, RHODE ISLAND

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

GENERAL FUND

FOR THE YEAR ENDED JUNE 30, 2021

	Original	Final	Actual (Budgetary Basis)	Variances Favorable (Unfavorable)
Emergency Management				
Salaries	15,000	15,000	15,043	(43)
FICA	1,148	1,148	1,717	(569)
Total Emergency Management	16,148	16,148	16,760	(612)
Total Public Safety	38,356,508	38,356,508	39,110,556	(754,048)
 <i>Public Works Department</i>				
Street and Highways				
Salaries	702,344	702,344	453,528	248,816
Overtime	65,000	65,000	74,844	(9,844)
FICA	58,702	58,702	38,253	20,449
Health insurance	336,642	336,642	336,642	--
Life insurance	1,422	1,422	1,059	363
Dental insurance	17,127	17,127	17,127	--
Retirement Town's share	123,470	123,470	79,570	43,900
Snow removal	125,000	125,000	185,599	(60,599)
Drainage	12,000	12,000	9,113	2,887
Street lighting	850,000	850,000	479,601	370,399
Street and highway control	20,000	20,000	8,772	11,228
Street and highway materials	60,000	60,000	29,200	30,800
Equipment maintenance	2,500	2,500	879	1,621
GPS Expenditures	7,598	7,598	6,530	1,068
Department expense	60,000	60,000	3,850	56,150
Total Streets and Highways	2,441,805	2,441,805	1,724,567	717,238
 Building Maintenance				
Salaries	206,610	206,610	155,767	50,843
Part-time salaries	10,000	10,000	8,447	1,553
Overtime	7,000	7,000	5,936	1,064
Severance pay	--	--	43,531	(43,531)
FICA	17,106	17,106	16,432	674
Health insurance	64,025	64,025	64,025	--
Life insurance	379	379	300	79
Dental insurance	3,223	3,223	3,223	--
Retirement Town's share	37,112	37,112	28,057	9,055
Building maintenance	25,000	25,000	17,127	7,873
Building supplies	800	800	322	478
Department expense	500	500	--	500
Total Building Maintenance	371,755	371,755	343,167	28,588

The notes to the required supplementary information are an integral part of this schedule.

TOWN OF JOHNSTON, RHODE ISLAND

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

GENERAL FUND

FOR THE YEAR ENDED JUNE 30, 2021

	Original	Final	Actual (Budgetary Basis)	Variances Favorable (Unfavorable)
Public Works Administration				
Director salary	85,000	85,000	83,994	1,006
Full-time Salaries	140,949	140,949	205,493	(64,544)
Overtime	10,000	10,000	29,350	(19,350)
Severance pay	--	--	12,485	(12,485)
FICA	18,050	18,050	25,435	(7,385)
Health insurance	47,507	47,507	47,507	--
Life insurance	379	379	474	(95)
Dental insurance	2,212	2,212	2,212	--
Retirement Town's share	40,247	40,247	53,995	(13,748)
Postage	700	700	269	431
Bidding and advertising	700	700	--	700
Emergency repairs and security	30,000	30,000	8,000	22,000
Garbage collections	1,674,000	1,674,000	1,674,000	--
Tree removal	20,000	20,000	28,125	(8,125)
Computer and software upgrades	7,000	7,000	--	7,000
Gasoline	100,000	100,000	49,869	50,131
Uniforms	6,700	6,700	9,489	(2,789)
Leased equipment	10,000	10,000	3,192	6,808
Heat	18,000	18,000	13,789	4,211
Electric	15,000	15,000	16,905	(1,905)
Telephone	7,500	7,500	3,161	4,339
Cell phone	6,000	6,000	4,820	1,180
Water	2,000	2,000	824	1,176
Sewer	4,400	4,400	3,771	629
Recycling bins	6,000	6,000	2,535	3,465
Safety equipment	7,000	7,000	1,607	5,393
Office expense	7,000	7,000	5,154	1,846
Department	5,000	5,000	3,133	1,867
Total Public Works Administration	<u>2,271,344</u>	<u>2,271,344</u>	<u>2,289,587</u>	<u>(18,243)</u>
Sewer Department				
Full-time salaries	72,550	72,550	96,786	(24,236)
Part-time salaries	12,000	12,000	--	12,000
Town engineer	30,333	30,333	18,869	11,464
FICA	8,789	8,789	8,805	(16)
Health insurance	26,847	26,847	26,847	--
Life insurance	95	95	95	--
Dental insurance	1,411	1,411	1,411	--
Retirement Town's share	12,820	12,820	12,090	730
Computer service contract	10,000	10,000	--	10,000
GPS Expenditures	1,036	1,036	--	1,036
Department	500	500	--	500
Total Sewer Department	<u>176,381</u>	<u>176,381</u>	<u>164,903</u>	<u>11,478</u>

The notes to the required supplementary information are an integral part of this schedule.

TOWN OF JOHNSTON, RHODE ISLAND

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

GENERAL FUND

FOR THE YEAR ENDED JUNE 30, 2021

	Original	Final	Actual (Budgetary Basis)	Variances Favorable (Unfavorable)
Waste Water Management				
Part-time salaries	8,925	8,925	2,052	6,873
FICA	1,142	1,142	157	985
Postage	350	350	205	145
Bidding and advertising	200	200	--	200
Board salaries	6,000	6,000	--	6,000
Total Waste Water Management	<u>16,617</u>	<u>16,617</u>	<u>2,414</u>	<u>14,203</u>
Fleet Maintenance				
Salaries	105,935	105,935	132,953	(27,018)
Overtime Salaries	10,000	10,000	9,244	756
FICA	8,869	8,869	10,775	(1,906)
Health insurance	53,695	53,695	53,695	--
Life insurance	190	190	253	(63)
Dental insurance	2,823	2,823	2,823	--
Retirement Town's share	18,718	18,718	23,369	(4,651)
Vehicle repair-Inspectors	1,000	1,000	500	500
Vehicle repair-Police	70,000	70,000	55,846	14,154
Vehicle repair-Highway	120,000	120,000	116,726	3,274
Department expense	1,000	1,000	634	366
Total Fleet Maintenance	<u>392,230</u>	<u>392,230</u>	<u>406,818</u>	<u>(14,588)</u>
Inspector's Fees				
Overtime	2,500	2,500	--	2,500
Plumbing inspector's salary	18,682	18,682	18,566	116
Building inspector's salary	36,400	36,400	100,948	(64,548)
Electrical inspector's salary	14,300	14,300	14,060	240
Building official	35,000	35,000	--	35,000
FICA	8,177	8,177	10,218	(2,041)
Postage	7,000	7,000	2,972	4,028
Dues, publications and subscriptions	300	300	--	300
Office	2,000	2,000	501	1,499
Department expense	4,000	4,000	815	3,185
Total Inspector's Fees	<u>128,359</u>	<u>128,359</u>	<u>148,080</u>	<u>(19,721)</u>

The notes to the required supplementary information are an integral part of this schedule.

TOWN OF JOHNSTON, RHODE ISLAND

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

GENERAL FUND

FOR THE YEAR ENDED JUNE 30, 2021

	Original	Final	Actual (Budgetary Basis)	Variances Favorable (Unfavorable)
Parks and Recreation				
Director salary	71,400	71,400	71,234	166
Part-time salaries	105,000	105,000	73,220	31,780
Overtime salaries	25,000	25,000	37,958	(12,958)
Park salaries	230,706	230,706	265,647	(34,941)
Recreation salaries	153,851	153,851	147,735	6,116
FICA	44,826	44,826	45,444	(618)
Health insurance	174,180	174,180	174,180	--
Life insurance	853	853	924	(71)
Dental insurance	8,651	8,651	8,651	--
Retirement Town's share	81,173	81,173	82,424	(1,251)
Postage	500	500	283	217
Gasoline	13,000	13,000	8,698	4,302
Uniforms	3,600	3,600	853	2,747
Vehicle repairs	8,500	8,500	4,775	3,725
Equipment lease	1,800	1,800	1,092	708
Equipment maintenance	4,500	4,500	3,605	895
Building maintenance	5,000	5,000	2,164	2,836
Park maintenance	40,000	40,000	36,342	3,658
Recreation supplies	500	500	--	500
Day Camp	5,000	5,000	1,900	3,100
Heat/Oil	10,000	10,000	6,985	3,015
Electric	30,000	30,000	55,995	(25,995)
Telephone	7,000	7,000	4,061	2,939
GPS expenditures	2,100	2,100	1,573	527
Water	23,000	23,000	19,961	3,039
Office	1,500	1,500	1,319	181
Department	5,000	5,000	2,835	2,165
Rainone gym rent	5,000	5,000	5,000	--
Total Parks and Recreation	<u>1,061,640</u>	<u>1,061,640</u>	<u>1,064,859</u>	<u>(3,219)</u>
Total Public Works Department	<u>6,860,131</u>	<u>6,860,131</u>	<u>6,144,395</u>	<u>715,736</u>
Municipal Land Trust				
FICA	551	551	393	158
Board salaries	7,203	7,203	5,143	2,060
Department expense	500	500	115	385
Utilities	3,800	3,800	1,771	2,029
Total Municipal and Trust	<u>12,054</u>	<u>12,054</u>	<u>7,422</u>	<u>4,632</u>
Human Resources				
General Public Assistance				
Salaries	2,400	2,400	2,400	--
FICA	184	184	184	--
Food stamps and holidays	1,000	1,000	--	1,000
Department expense	50	50	--	50
Total General Public Assistance	<u>3,634</u>	<u>3,634</u>	<u>2,584</u>	<u>1,050</u>

The notes to the required supplementary information are an integral part of this schedule.

TOWN OF JOHNSTON, RHODE ISLAND

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

GENERAL FUND

FOR THE YEAR ENDED JUNE 30, 2021

	Original	Final	Actual (Budgetary Basis)	Variances Favorable (Unfavorable)
Personnel				
Full-time salaries	80,000	80,000	79,785	215
FICA	6,120	6,120	6,104	16
Life insurance	96	96	95	1
Retirement Town's share	14,136	14,136	14,010	126
Postage	500	500	154	346
Training	500	500	--	500
Department expense	600	600	90	510
Total Personnel	101,952	101,952	100,238	1,714
Total Human Resources	105,586	105,586	102,822	2,764
Administrative and Miscellaneous Appropriations				
Salaries	--	--	31,018	(31,018)
General liability insurance	756,305	756,305	743,588	12,717
Workers compensation insurance	368,355	368,355	348,979	19,376
FICA	16,190	16,190	18,758	(2,568)
Health insurance retirees	290,096	290,096	290,096	--
Dental Insurance	45,463	45,463	45,463	--
Declination Health and dental insurance	228,078	228,078	241,592	(13,514)
Medicare	552,200	552,200	552,200	--
Supplementary Medical Surcharge	25,160	25,160	25,160	--
Admin costs	6,800	6,800	6,800	--
ACA Fed Govt costs	3,000	3,000	5,533	(2,533)
HRA Retiree Reimbursement	130,000	130,000	130,000	--
Unemployment compensation	7,500	7,500	21,611	(14,111)
Tree warden	600	600	--	600
Sealer of weights and measures	6,000	6,000	5,500	500
Contingency	12,000	12,000	12,207	(207)
Dues, publications and subscriptions	15,000	15,000	13,258	1,742
Rent	3,800	3,800	3,800	--
Tri Town	35,000	35,000	35,000	--
Human needs program	6,000	6,000	5,000	1,000
Stop loss Health insurance	560,428	560,428	560,428	--
Building Maintenance	22,000	22,000	22,529	(529)
Utilities	33,000	33,000	22,997	10,003
Actuarial and consulting services	25,000	25,000	13,200	11,800
Total Administrative and Miscellaneous Appropriations	3,147,975	3,147,975	3,154,717	(6,742)

The notes to the required supplementary information are an integral part of this schedule.

TOWN OF JOHNSTON, RHODE ISLAND

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

GENERAL FUND

FOR THE YEAR ENDED JUNE 30, 2021

	Original	Final	Actual (Budgetary Basis)	Variances Favorable (Unfavorable)
Planning and Assessment Board				
Planning Board				
Town Planner	52,000	52,000	37,800	14,200
Full-time salaries	35,736	35,736	37,481	(1,745)
Overtime	1,000	1,000	--	1,000
FICA	7,477	7,477	6,499	978
Health insurance	10,330	10,330	10,330	--
Life insurance	95	95	95	--
Dental insurance	400	400	400	--
Retirement Town's share	6,314	6,314	6,617	(303)
Postage	1,000	1,000	427	573
Dues, publication's and subscriptions	2,000	2,000	1,600	400
Bidding and advertising	2,500	2,500	2,464	36
Board salaries	9,000	9,000	10,029	(1,029)
Stenographer	5,650	5,650	4,538	1,112
Department expense	1,800	1,800	1,000	800
Capital expenditures	--	--	8,197	(8,197)
Total Planning Board	135,302	135,302	127,476	7,826
Assessment Board				
Board salaries	2,550	2,550	2,550	--
FICA	195	195	195	--
Total Assessment Board	2,745	2,745	2,745	--
Total Planning and Assessment Board	138,047	138,047	130,221	7,826
Library				
Full-time salaries	269,850	269,850	234,291	35,559
Part-time salaries	124,488	124,488	32,767	91,721
Overtime	500	500	--	500
Severance pay	--	--	15,176	(15,176)
FICA	30,205	30,205	21,126	9,079
Health insurance	154,897	154,897	154,897	--
Life insurance	664	664	593	72
Dental insurance	7,858	7,858	7,858	--
Retirement Town's share	47,823	47,823	41,634	6,189
Postage	800	800	228	572
Books and media	16,000	16,000	3,795	12,205
Dues and publications	300	300	734	(434)
Bidding and advertising	250	250	--	250
Training	500	500	--	500
Auto expense	500	500	--	500
Conferences	200	200	--	200
Electronic Resources Contracts	5,500	5,500	--	5,500
Computer service contracts	50,000	50,000	49,538	462
Building maintenance	22,000	22,000	23,022	(1,022)
Printing	500	500	--	500
Heat	7,000	7,000	4,953	2,047
Electric	16,000	16,000	13,000	3,000
Telephone	1,200	1,200	713	487
Water	5,000	5,000	5,383	(383)
Office	4,200	4,200	252	3,948
Department expense	3,200	3,200	613	2,587
Information technology equipment	4,000	4,000	133	3,867
Total Library	773,435	773,435	610,704	162,731

The notes to the required supplementary information are an integral part of this schedule.

TOWN OF JOHNSTON, RHODE ISLAND

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

GENERAL FUND

FOR THE YEAR ENDED JUNE 30, 2021

	Original	Final	Actual (Budgetary Basis)	Variances Favorable (Unfavorable)
Debt Service				
Bond interest expense	514,296	514,296	513,524	772
Master lease interest expense	16,370	16,370	5,675	10,695
Bonded debt payments	2,285,850	2,285,850	2,280,850	5,000
Master lease principal payments	166,733	166,733	161,659	5,074
Total Debt Service	<u>2,983,249</u>	<u>2,983,249</u>	<u>2,961,708</u>	<u>21,541</u>
Senior Services				
Repairs & Utilities	50,500	50,500	35,480	15,020
Other financing uses	182,000	182,000	182,000	--
Total Senior Services	<u>232,500</u>	<u>232,500</u>	<u>217,480</u>	<u>15,020</u>
Total Expenditures	<u>55,760,665</u>	<u>55,760,665</u>	<u>55,278,092</u>	<u>482,573</u>
Excess of Revenues over Expenditures	<u>57,945,389</u>	<u>57,945,389</u>	<u>61,715,977</u>	<u>3,770,588</u>
Other Budgeted Financing (Sources) Uses				
Transfer to School-Town appropriation	37,529,015	37,529,015	37,529,015	--
Transfer to School-State aid and miscellaneous receipts	19,246,374	19,246,374	18,921,667	324,707
Transfer to School-Medicaid	955,000	955,000	581,382	373,618
Transfer to School-Miscellaneous	215,000	215,000	12,741	202,259
Transfer out	--	--	600,000	(600,000)
Transfer in	--	--	(454,706)	454,706
Total Other Budgeted Financing (Sources) Uses	<u>57,945,389</u>	<u>57,945,389</u>	<u>57,190,099</u>	<u>755,290</u>
Net Change in Fund Balance	<u>\$ --</u>	<u>\$ --</u>	<u>4,525,878</u>	<u>\$ 4,525,878</u>
Investment earnings on restoration fund note part of budget			4,175	
Inclusion of net income of police detail fund with the General Fund, for GAAP purposes not part of budget			211,622	
Inclusion of net income of Town grants fund with the General Fund, for GAAP purposes not part of budget			<u>19,041</u>	
Net Changes in Fund Balance - GAAP Basis			<u>\$ 4,760,716</u>	

The notes to the required supplementary information are an integral part of this schedule.

TOWN OF JOHNSTON, RHODE ISLAND
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

SCHOOL UNRESTRICTED FUND

FOR THE YEAR ENDED JUNE 30, 2021

	Original Budget	Final Budget	Actual (Budgetary Basis)	Variance with Final Budget Positive (Negative)
Revenues				
State aid	\$ 19,246,374	\$ 19,246,374	\$ 18,921,667	\$ (324,707)
Medicaid	955,000	955,000	581,382	(373,618)
Other revenues	215,000	215,000	266,425	51,425
Total Revenues	<u>20,416,374</u>	<u>20,416,374</u>	<u>19,769,474</u>	<u>(646,900)</u>
Expenditures				
Salaries	29,939,532	29,939,532	29,475,709	463,823
Fringe benefits	13,603,012	13,603,012	16,003,797	(2,400,785)
Professional services	12,493,425	12,493,425	11,694,594	798,831
Supplies and materials	1,400,020	1,400,020	939,172	460,848
Capital outlay	509,400	509,400	183,293	326,107
Total Expenditures	<u>57,945,389</u>	<u>57,945,389</u>	<u>58,296,565</u>	<u>(351,176)</u>
Deficiency of Revenues Under Expenditures				
Before Other Financing Sources (Uses)	<u>(37,529,015)</u>	<u>(37,529,015)</u>	<u>(38,527,091)</u>	<u>(998,076)</u>
Other Financing Sources (Uses)				
Operating transfer from Town	37,529,015	37,529,015	37,529,015	--
Transfers in	--	--	500,000	500,000
Total Other Financing Sources (Uses)	<u>37,529,015</u>	<u>37,529,015</u>	<u>38,029,015</u>	<u>500,000</u>
Excess of Expenditures and Other Financing Uses				
Over Revenue and Other Financing Sources	<u>\$ --</u>	<u>\$ --</u>	<u>\$ (498,076)</u>	<u>\$ (498,076)</u>

The notes to the required supplementary information are an integral part of this schedule.

TOWN OF JOHNSTON, RHODE ISLAND
NOTES TO THE BUDGETARY COMPARISON SCHEDULES
FOR THE YEAR ENDED JUNE 30, 2021

BUDGETARY DATA AND BUDGETARY COMPLIANCE

Budgetary to GAAP Basis Reconciliation

Annual operating budgets are in conformity with the legal enacted budgetary basis, which differs from accounting principles generally accepted in the United States of America (“U.S. GAAP”) in several regards. Budgets are adopted on the modified accrual basis with certain exceptions. Budgetary revenues may include re-appropriations from fund equity previously recognized under the U.S. GAAP. Budgetary expenditures include capital assets additions, debt service issuance costs and debt service principal payments not recognized under U.S. GAAP but exclude depreciation and amortization, U.S. GAAP basis expense.

The following reconciliations summarize the differences between the budgetary basis and U.S. GAAP basis for the year ended June 30, 2021 for the School Unrestricted Fund:

Excess of Expenditures and Other Financing Uses	
Over Revenue and Other Financing Sources	\$ (498,076)
ERSRI on behalf pension revenue	2,652,234
ERSRI on behalf pension expenditures	<u>(2,652,234)</u>
Excess of Expenditures and Other Financing Uses Under Revenues	
and Other Financing Sources - GAAP Basis - School Unrestricted Fund	<u><u>\$ (498,076)</u></u>

OTHER SUPPLEMENTARY INFORMATION

This section presents the Tax Collector's Annual Report, Annual Supplemental Transparency Portal (MTP2), Combining Non-Major Governmental Funds and Combining Non-Major Enterprise Funds. These schedules are not a required part of the basic financial statements.

TOWN OF JOHNSTON, RHODE ISLAND

TAX COLLECTOR'S ANNUAL REPORT

FOR THE YEAR ENDED JUNE 30, 2021

Real estate and personal property taxes receivable:

Fiscal Year	July 1, 2020	Current Year		Refunds / Adjustments	Amount to be Collected	FY 2021 Collections	June 30, 2021	FY 2021 Collections Summary				
		Assessment	Additions					Abatements	July - August 2020 (FY21) Collections Subject to 60-day FY20 Accrual	September - June 2021 Collections	Total FY 2021 Collections	July - August 2021 (FY22) Collections Subject to 60-day FY21 Accrual
2020	\$ --	\$ 76,009,377	\$ 857,151	\$ (753,283)	\$ (62,683)	\$ 76,050,562	\$ 72,537,798	\$ 3,512,764	\$ --	\$ 72,537,798	\$ 72,537,798	\$ 1,063,140
2019	3,132,193	--	--	39,792	--	3,171,985	1,924,270	1,247,715	756,737	1,167,533	1,924,270	173,763
2018	1,272,579	--	--	(11,364)	--	1,261,215	546,956	714,259	136,173	410,783	546,956	51,829
2017	526,038	--	--	(11,811)	--	514,227	39,423	474,804	8,507	30,916	39,423	4,834
2016	546,959	--	--	(4,863)	--	542,096	24,483	517,613	3,389	21,094	24,483	3,266
2015	540,444	--	--	(375)	--	540,069	20,570	519,499	4,177	16,393	20,570	4,190
2014	432,848	--	--	(283)	--	432,565	18,221	414,344	2,977	15,244	18,221	6,461
2013	441,947	--	--	(16,875)	--	425,072	19,029	406,043	10,323	8,706	19,029	2,675
2012	434,089	--	--	(1,994)	--	432,095	12,735	419,360	2,966	9,769	12,735	2,421
2011	477,866	--	--	(1,468)	--	476,398	10,740	465,658	1,499	9,241	10,740	2,344
2010 and prior	985,957	--	--	(2,224)	--	983,733	9,059	974,674	1,407	7,652	9,059	2,194
	<u>\$ 8,790,920</u>	<u>\$ 76,009,377</u>	<u>\$ 857,151</u>	<u>\$ (764,748)</u>	<u>\$ (62,683)</u>	<u>\$ 84,830,017</u>	<u>\$ 75,163,284</u>	<u>\$ 9,666,733</u>	<u>\$ 928,155</u>	<u>\$ 74,235,129</u>	<u>\$ 75,163,284</u>	<u>\$ 1,317,117</u>
<i>Allowance for Uncollectible Accounts</i>	(3,663,462)							(4,191,596)				
<i>Tax sale receivable</i>	<u>--</u>							<u>98,004</u>				
<i>Net Property Tax Receivable</i>	<u>\$ 5,127,458</u>							<u>\$ 5,573,141</u>				

TOWN OF JOHNSTON, RHODE ISLAND
TAX COLLECTOR'S ANNUAL REPORT (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2021

Schedule of Net Assessed Property, Value by Category		
<u>Description of Property</u>	Valuations	
	December 31, 2019	Levy July 1, 2020
Real Property	\$ 2,869,463,463	\$ 58,053,249
Motor Vehicle	235,270,183	5,406,408
Tangible	<u>196,119,824</u>	<u>12,549,720</u>
Total	3,300,853,470	76,009,377
Exemptions	<u>(536,660,461)</u>	<u>--</u>
Net Assessed Value	<u>\$ 2,764,193,009</u>	<u>\$ 76,009,377</u>

Reconciliation of Current Year Property Tax Revenue	
Current Year Collections	\$ 75,163,284
July - August 2021 Collections Subject to 60-day FY21 Accrual	<u>1,317,117</u>
	76,480,401
July - August 2020 Collections Subject to 60-day FY20 Accrual	<u>(928,155)</u>
Current Year Property Tax Revenue	75,552,246
Abatements	<u>(62,683)</u>
Current year general fund tax revenue	<u>\$ 75,489,563</u>

TOWN OF JOHNSTON, RHODE ISLAND
ANNUAL SUPPLEMENTAL TRANSPARENCY REPORT (MTP2)
FOR THE YEAR ENDED JUNE 30, 2021

<u>REVENUE</u>	<u>Municipal</u>	<u>Education Department</u>
Current Year Levy Tax Collection	\$ 72,986,050	\$ -
Last Year's Levy Tax Collection	1,872,662	-
Prior Years Property Tax Collection	630,851	-
Interest & Penalty	756,039	-
PILOT & Tax Treaty (excluded from levy) Collection	3,842,242	-
Other Local Property Taxes	-	-
Licenses and Permits	253,665	-
Fines and Forfeitures	249,783	-
Investment Income	210,575	-
Departmental	8,370,992	-
Rescue Run Revenue	754,248	-
Police & Fire Detail	883,137	-
Other Local Non-Property Tax Revenues	-	-
Tuition	-	112,406
Impact Aid	-	-
Medicaid	-	565,562
Federal Stabilization Funds	-	-
Federal Food Service Reimbursement	-	738,486
CDBG	-	-
COPS Grants	2,593	-
SAFER Grants	-	-
Other Federal Aid Funds	-	2,471,620
COVID - ESSER	-	22,944
COVID - CRF	4,004,929	732,570
COVID - CDBG	-	-
COVID - FEMA	781,279	-
COVID - Other	-	124,614
COVID - ARPA	-	-
MV Excise Tax Reimbursement	1,346,703	-
State PILOT Program	-	-
Distressed Community Relief Fund	-	-
Library Resource Aid	125,400	-
Library Construction Aid	-	-
Public Service Corporation Tax	349,035	-
Meals & Beverage Tax / Hotel Tax	671,186	-
LEA Aid	-	18,915,010
Group Home	-	-
Housing Aid Capital Projects	284,426	-
Housing Aid Bonded Debt	-	-
State Food Service Revenue	-	4,542
Incentive Aid	-	-
Property Revaluation Reimbursement	-	-
Other State Revenue	70,815	645,962
Motor Vehicle Phase Out	437,352	-
Other Revenue	392,570	618,979
Local Appropriation for Education	-	37,529,015
Regional Appropriation for Education	-	-
Supplemental Appropriation for Education	-	-
Regional Supplemental Appropriation for Education	-	-
Other Education Appropriation	-	-
Rounding	-	-
Total Revenue	\$ 99,276,534	\$ 62,481,710
Financing Sources: Transfer from Capital Funds	\$ -	\$ -
Financing Sources: Transfer from Other Funds	579,706	500,000
Financing Sources: Debt Proceeds	-	-
Financing Sources: Other	-	-
Rounding	-	-
Total Other Financing Sources	\$ 579,706	\$ 500,000

TOWN OF JOHNSTON, RHODE ISLAND

ANNUAL SUPPLEMENTAL TRANSPARENCY REPORT (MTP2)

FOR THE YEAR ENDED JUNE 30, 2021

<u>EXPENDITURES</u>	General Government	Finance	Social Services	Centralized IT	Planning	Libraries	Public Works	Parks and Rec	Police Department
Compensation- Group A	\$ 1,049,235	\$ 573,791	\$ 24,747	\$ -	\$ 85,309	\$ 267,058	\$ 1,279,770	\$ 557,836	\$ 5,356,500
Compensation - Group B	-	-	-	-	-	-	-	-	679,364
Compensation - Group C	-	-	-	-	-	-	-	-	-
Compensation -Volunteer	-	-	-	-	-	-	-	-	-
Overtime- Group A	14,064	66,046	-	-	-	-	119,375	41,510	1,147,114
Overtime - Group B	-	-	-	-	-	-	-	-	45,597
Overtime - Group C	-	-	-	-	-	-	-	-	-
Police & Fire Detail	-	-	-	-	-	-	-	-	-
Active Medical Insurance - Group A	525,550	229,273	-	-	10,330	154,897	528,716	174,180	1,426,323
Active Medical Insurance- Group B	-	-	-	-	-	-	-	-	-
Active Medical Insurance- Group C	-	-	-	-	-	-	-	-	-
Active Dental Insurance- Group A	11,481	12,693	-	-	400	7,858	26,796	8,651	94,562
Active Dental Insurance- Group B	-	-	-	-	-	-	-	-	-
Active Dental Insurance- Group C	-	-	-	-	-	-	-	-	-
Payroll Taxes	76,854	49,438	212	-	6,499	21,126	109,180	45,444	579,470
Life Insurance	1,048	995	-	-	95	593	2,180	924	60,866
State Defined Contribution- Group A	5,264	6,487	5	-	361	2,570	12,369	4,406	104,631
State Defined Contribution - Group B	-	-	-	-	-	-	-	-	-
State Defined Contribution - Group C	-	-	-	-	-	-	-	-	-
Other Benefits- Group A	620,886	-	-	-	-	15,176	56,016	-	99,967
Other Benefits- Group B	-	-	-	-	-	-	-	-	-
Other Benefits- Group C	-	-	-	-	-	-	-	-	-
Local Defined Benefit Pension- Group A	-	-	-	-	-	-	-	-	5,149,705
Local Defined Benefit Pension - Group B	-	-	-	-	-	-	-	-	-
Local Defined Benefit Pension - Group C	-	-	-	-	-	-	-	-	-
State Defined Benefit Pension- Group A	75,213	95,029	-	-	6,256	39,064	184,711	78,018	135,655
State Defined Benefit Pension - Group B	-	-	-	-	-	-	-	-	-
State Defined Benefit Pension - Group C	-	-	-	-	-	-	-	-	-
Other Defined Benefit / Contribution	-	-	-	-	-	-	-	-	-
Purchased Services	459,955	263,479	10,699	-	4,538	-	28,125	-	15,892
Materials/Supplies	62,466	36,274	-	-	1,427	4,887	17,971	93,523	106,191
Software Licenses	-	33,722	-	-	-	49,538	-	-	50,894
Capital Outlays	4,573	2,110	-	-	-	134	4,799	6,092	8,814
Insurance	743,588	-	-	-	-	-	-	-	-
Maintenance	25,634	-	98,855	-	8,197	23,022	26,006	85,382	129,860
Vehicle Operations	-	-	-	-	-	-	222,941	13,473	110,557
Utilities	41,113	7,178	-	-	-	-	46,751	150,506	75,251
Contingency	-	-	-	-	-	24,049	-	-	-
Street Lighting	-	-	-	-	-	-	517,574	-	-
Revaluation	-	56,570	-	-	-	-	-	-	-
Snow Removal-Raw Material & External Contracts	-	-	-	-	-	-	185,599	-	-
Trash Removal & Recycling	-	-	-	-	-	-	1,676,535	-	-
Claims & Settlements	78,590	-	-	-	-	-	-	-	-
Community Support	64,000	-	-	-	-	-	-	-	-
Other Operation Expenditures	283,671	5,723	217,480	-	4,064	4,187	23,422	156,753	104,879
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	\$ 4,143,185	\$ 1,438,807	\$ 351,998	\$ -	\$ 127,476	\$ 614,159	\$ 5,068,836	\$ 1,416,699	\$ 15,482,093

TOWN OF JOHNSTON, RHODE ISLAND
ANNUAL SUPPLEMENTAL TRANSPARENCY REPORT (MTP2)
FOR THE YEAR ENDED JUNE 30, 2021

<u>EXPENDITURES</u>	Fire Department	Centralized Dispatch	Public Safety Other	Education Appropriation	Debt	OPEB	Total Municipal	Education Department
Compensation- Group A	\$ 7,010,985	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 16,205,231	\$ 25,028,221
Compensation - Group B	122,726	-	-	-	-	-	802,090	2,126,300
Compensation - Group C	-	-	-	-	-	-	-	4,183,569
Compensation -Volunteer	-	-	-	-	-	-	-	-
Overtime- Group A	3,675,420	-	-	-	-	-	5,063,529	-
Overtime - Group B	3,555	-	-	-	-	-	49,152	-
Overtime - Group C	-	-	-	-	-	-	-	108,478
Police & Fire Detail	-	-	-	-	-	-	-	-
Active Medical Insurance - Group A	1,577,749	-	-	-	-	-	4,627,018	5,220,393
Active Medical Insurance- Group B	-	-	-	-	-	-	-	560,762
Active Medical Insurance- Group C	-	-	-	-	-	-	-	1,849,447
Active Dental Insurance- Group A	88,479	-	-	-	-	-	250,920	292,643
Active Dental Insurance- Group B	-	-	-	-	-	-	-	29,871
Active Dental Insurance- Group C	-	-	-	-	-	-	-	95,173
Payroll Taxes	779,725	-	-	-	-	-	1,667,948	720,823
Life Insurance	18,512	-	-	-	-	-	85,213	137,194
State Defined Contribution- Group A	562,301	-	-	-	-	-	698,394	997,099
State Defined Contribution - Group B	659	-	-	-	-	-	659	67,617
State Defined Contribution - Group C	-	-	-	-	-	-	-	38,344
Other Benefits- Group A	14,710	-	-	-	-	-	806,755	477,488
Other Benefits- Group B	-	-	-	-	-	-	-	-
Other Benefits- Group C	-	-	-	-	-	-	-	3,896
Local Defined Benefit Pension- Group A	4,417,120	-	-	-	-	-	9,566,825	-
Local Defined Benefit Pension - Group B	-	-	-	-	-	-	-	-
Local Defined Benefit Pension - Group C	-	-	-	-	-	-	-	-
State Defined Benefit Pension- Group A	-	-	-	-	-	-	613,947	3,642,945
State Defined Benefit Pension - Group B	-	-	-	-	-	-	-	243,339
State Defined Benefit Pension - Group C	-	-	-	-	-	-	-	615,956
Other Defined Benefit / Contribution	-	-	-	-	-	-	-	-
Purchased Services	2,969	-	-	-	-	-	785,657	12,425,440
Materials/Supplies	419,690	-	-	-	-	-	742,428	1,267,736
Software Licenses	-	-	-	-	-	-	134,154	92,962
Capital Outlays	1,092	-	-	-	-	-	27,615	645,948
Insurance	-	-	-	-	-	-	743,588	221,919
Maintenance	99,229	-	-	-	-	-	496,186	290,180
Vehicle Operations	218,122	-	-	-	-	-	565,093	54,017
Utilities	185,646	-	-	-	-	-	506,445	686,443
Contingency	-	-	-	-	-	-	24,049	-
Street Lighting	-	-	-	-	-	-	517,574	-
Revaluation	-	-	-	-	-	-	56,570	-
Snow Removal-Raw Material & External Contracts	-	-	-	-	-	-	185,599	-
Trash Removal & Recycling	-	-	-	-	-	-	1,676,535	-
Claims & Settlements	-	-	-	-	-	-	78,590	-
Community Support	-	-	-	-	-	-	64,000	-
Other Operation Expenditures	455,861	-	-	-	-	-	1,256,040	73,707
Tipping Fees	-	-	-	-	-	-	-	-
Local Appropriation for Education	-	-	-	37,529,015	-	-	37,529,015	-
Regional Appropriation for Education	-	-	-	-	-	-	-	-
Supplemental Appropriation for Education	-	-	-	-	-	-	-	-
Regional Supplemental Appropriation for Education	-	-	-	-	-	-	-	-
Other Education Appropriation	-	-	-	-	-	-	-	-
Municipal Debt- Principal	-	-	-	-	2,442,509	-	2,442,509	-
Municipal Debt- Interest	-	-	-	-	519,199	-	519,199	-
School Debt- Principal	-	-	-	-	-	-	-	-
School Debt- Interest	-	-	-	-	-	-	-	-
Retiree Medical Insurance- Total	-	-	-	-	-	5,198,217	5,198,217	-
Retiree Dental Insurance- Total	-	-	-	-	-	203,269	203,269	-
OPEB Contribution- Total	-	-	-	-	-	-	-	1,236,290
Rounding	-	-	-	-	-	-	-	-
Total Expenditures	\$ 19,654,551	\$ -	\$ -	\$ 37,529,015	\$ 2,961,708	\$ 5,401,486	\$ 94,190,013	\$ 63,412,202

Financing Uses: Transfer to Capital Funds	\$ 600,000	\$ -
Financing Uses: Transfer to Other Funds	125,000	-
Financing Uses: Payment to Bond Escrow Agent	-	-
Financing Uses: Other	-	-
Total Other Financing Uses	\$ 725,000	\$ -
Net Change in Fund Balance¹	4,941,225	(430,492)
Fund Balance¹ - beginning of year	\$39,902,196	\$1,274,926
Funds removed from Reportable Government Services (RGS)	-	-
Funds added to Reportable Government Services (RGS)	-	-
Prior period adjustments	-	(531,035)
Misc. Adjustment	-	(23,455)
Fund Balance¹ - beginning of year adjusted	39,902,196	720,436
Rounding	-	-
Fund Balance¹ - end of year	\$ 44,843,421	\$ 289,944

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

TOWN OF JOHNSTON, RHODE ISLAND

COMBINING SCHEDULE OF REPORTABLE GOVERNMENTAL SERVICES WITH RECONCILIATION TO MTP2

MUNICIPAL

FOR THE YEAR ENDED JUNE 30, 2021

Per Audited Fund Financial Statements Fund Description	Total Revenue	Total Other Financing Sources	Total Expenditures	Total Other Financing Uses	Net Change in Fund Balance ¹	Beginning Fund Fund Balance ¹ (Deficit)	Prior Period Adjustment	Restated Beginning Fund Balance ¹ (Deficit)	Ending Fund Balance ¹ (Deficit)
Fund Balance ¹ - per MTP-2 at June 30, 2020 <i>No misc. adjustments made for fiscal 2020</i>						\$ 39,902,196	-	\$ 39,902,196	
Fund Balance ¹ - per MTP-2 at June 30, 2021 adjusted						\$ 39,902,196	-	\$ 39,902,196	
General Fund 001	\$ 98,339,091	\$ 579,706	\$ 56,029,066	\$ 38,129,015	\$ 4,760,716	\$ 38,817,872	-	\$ 38,817,872	\$ 43,578,588
Scholarship Fund	115,311	-	12,000	-	103,311	171,565	-	171,565	274,876
Johnston Memorial Library Fund	4,085	-	3,454	-	631	154,735	-	154,735	155,366
Police Seizure Fund - Federal	41	-	-	-	41	28,368	-	28,368	28,409
Covid 19 Special Revenue Fund	413,527	-	413,527	-	-	-	-	-	-
Police Seizure Fund - Other Than Federal Funds	10,109	-	20,716	-	(10,607)	16,326	-	16,326	5,719
Memorial Park Recreation Fields Restoration Fund	38,083	-	21,883	-	16,200	49,690	-	49,690	65,890
Fire Prevention Fund	14,494	-	-	-	14,494	42,520	-	42,520	57,014
Indoor Athletic Complex Fund	242,900	-	53,625	-	189,275	26,057	-	26,057	215,332
Blue Riptide Grant Fund	2,593	-	2,593	-	-	-	-	-	-
Fire Plan Review Fund	49,633	-	84,037	125,000	(159,404)	444,571	-	444,571	285,167
Historical Records Fund	46,667	-	20,097	-	26,570	150,492	-	150,492	177,062
Totals per audited financial statements	\$ 99,276,534	\$ 579,706	\$ 56,660,998	\$ 38,254,015	\$ 4,941,227	\$ 39,902,196	-	\$ 39,902,196	\$ 44,843,423
Reconciliation from financial statements to MTP2									
Municipal Appropriation for Education Reported as transfer on financial statements	\$ -	\$ -	\$ 37,529,015.00	\$ (37,529,015.00)	\$ -	\$ -	\$ -	\$ -	\$ -
Rounding	-	-	-	-	-	-	-	-	-
Totals Per MTP2	\$ 99,276,534	\$ 579,706	\$ 94,190,013	\$ 725,000	\$ 4,941,227	\$ 39,902,196	-	\$ 39,902,196	\$ 44,843,423

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

TOWN OF JOHNSTON, RHODE ISLAND

COMBINING SCHEDULE OF REPORTABLE GOVERNMENTAL SERVICES WITH RECONCILIATION TO MTP2

EDUCATION DEPARTMENT

FOR THE YEAR ENDED JUNE 30, 2021

Per Audited Fund Financial Statements Fund Description	Total Revenue	Total Other Financing Sources	Total Expenditures	Total Other Financing Uses	Net Change in Fund Balance ¹	Beginning Fund Fund Balance ¹ (Deficit)	Prior Period Adjustment	Restated Beginning Fund Balance ¹ (Deficit)	Ending Fund Balance ¹ (Deficit)
Fund Balance¹ - per MTP-2 at June 30, 2020						\$ 1,274,926	(531,035)	\$ 743,891	
<i>Misc. adjustments made for fiscal 2020</i>						(23,455)	-	\$ (23,455)	
Fund Balance¹ - per MTP-2 at June 30, 2021 adjusted						<u>\$ 1,251,471</u>	<u>(531,035)</u>	<u>\$ 720,436</u>	
School Unrestricted Fund	\$ 22,421,708	\$ 38,029,015	\$ 60,767,392	\$ -	\$ (316,669)	\$ 844,852	\$ (803,000)	\$ 41,852	\$ (274,817)
Enterprise Fund1	912,316	-	777,206	-	135,110	187,940	19,875	207,815	342,925
School Special Revenue Funds	4,030,768	-	4,106,076	-	(75,308)	262,468	(3,827)	258,641	183,333
Student Activity Accounts	240,137	-	237,829	-	2,308	-	255,917	255,917	258,225
Totals per audited financial statements	<u>\$ 27,604,929</u>	<u>\$ 38,029,015</u>	<u>\$ 65,888,503</u>	<u>\$ -</u>	<u>\$ (254,559)</u>	<u>\$ 1,295,260</u>	<u>\$ (531,035)</u>	<u>\$ 764,225</u>	<u>\$ 509,666</u>
<u>Reconciliation from financial statements to MTP2</u>									
Municipal appropriation for Education reported as a transfer on financial statements but as revenue on MTP2	\$ 37,529,015	\$ (37,529,015)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State contributions on behalf of teacher pensions are reported as revenue and expenditures on financial statements only	(2,652,234)	-	(2,652,234)	-	-	-	-	-	-
Depreciation expense not recognized on MTP or UCOA for Cafeteria Fund	-	-	(5,474)	-	5,474	(43,789)	-	(43,789)	(38,315)
Rounding	-	-	181,407	-	(181,407)	-	-	-	(181,407)
Totals Per MTP2	<u>\$ 62,481,710</u>	<u>\$ 500,000</u>	<u>\$ 63,412,202</u>	<u>\$ -</u>	<u>\$ (430,492)</u>	<u>\$ 1,251,471</u>	<u>\$ (531,035)</u>	<u>\$ 720,436</u>	<u>\$ 289,944</u>
<u>Reconciliation from MTP2 to UCOA</u>									
Miscellaneous variance between MTP2 & UCOA	-		-						
Totals per UCOA Validated Totals Report - Dated 4/1/2022	<u>\$ 62,481,710</u>		<u>\$ 63,412,202</u>						

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

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO SUPPLEMENTARY INFORMATION – ANNUAL SUPPLEMENTAL TRANSPARENCY REPORT (MTP2)

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 1. Basis of Presentation

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

NOTE 2. Reportable Government Services

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

NOTE 3. Allocations

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

NOTE 4. Employee Groups - Compensation and Benefit Costs

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

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

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

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

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO SUPPLEMENTARY INFORMATION – ANNUAL SUPPLEMENTAL TRANSPARENCY REPORT (MTP2)

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 4. Employee Groups - Compensation and Benefit Costs (Continued)

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

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

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

NOTE 5. Education Revenue and Expenditures

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

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

TOWN OF JOHNSTON, RHODE ISLAND

**COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2021**

	SPECIAL REVENUE FUNDS						
	205	305	318	326	328	329	330
	Mayor's Scholarship	Memorial Library	Police Federal	Police Grant	Police State	Memorial Park	Fire Prevention
Assets							
Cash and cash equivalents	\$ 274,876	\$ 155,965	\$ 106,095	\$ 1,235,695	\$ 5,719	\$ 72,485	\$ --
Due from federal & state governments	--	--	--	--	--	--	--
Due from other funds	--	--	--	--	--	4,000	57,014
Other receivables, net	--	--	--	--	--	--	--
Total Assets	<u>\$ 274,876</u>	<u>\$ 155,965</u>	<u>\$ 106,095</u>	<u>\$ 1,235,695</u>	<u>\$ 5,719</u>	<u>\$ 76,485</u>	<u>\$ 57,014</u>
Liabilities							
Accounts payable and accrued liabilities	\$ --	\$ 599	\$ --	\$ 24,627	\$ --	\$ 10,595	\$ --
Escrow deposits	--	--	77,686	--	--	--	--
Unearned revenue	--	--	--	998,758	--	--	--
Due to other funds	--	--	--	212,310	--	--	--
Total Liabilities	<u>--</u>	<u>599</u>	<u>77,686</u>	<u>1,235,695</u>	<u>--</u>	<u>10,595</u>	<u>--</u>
Fund Balances							
Restricted	274,876	155,366	28,409	--	5,719	65,890	57,014
Committed	--	--	--	--	--	--	--
Unassigned	--	--	--	--	--	--	--
Total Fund Balances	<u>274,876</u>	<u>155,366</u>	<u>28,409</u>	<u>--</u>	<u>5,719</u>	<u>65,890</u>	<u>57,014</u>
Total Liabilities Deferred Inflows of Resources and Fund Balances	<u>\$ 274,876</u>	<u>\$ 155,965</u>	<u>\$ 106,095</u>	<u>\$ 1,235,695</u>	<u>\$ 5,719</u>	<u>\$ 76,485</u>	<u>\$ 57,014</u>

See independent auditors' report on supplementary information.

TOWN OF JOHNSTON, RHODE ISLAND

**COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2021**

	SPECIAL REVENUE FUNDS					Total Town Special Revenue
	331	340	350	360	500	
	Indoor Athletic	Blue RIPTIDE	CDBG	Fire Plan Review	Historical Trust	
Assets						
Cash and cash equivalents	\$ 196,401	\$ --	\$ 30,543	\$ --	\$ 172,592	\$ 2,250,371
Due from federal & state governments	--	--	--	--	--	--
Due from other funds	30,472	--	--	285,167	4,470	381,123
Other receivables, net	--	--	--	--	--	--
Total Assets	<u>\$ 226,873</u>	<u>\$ --</u>	<u>\$ 30,543</u>	<u>\$ 285,167</u>	<u>\$ 177,062</u>	<u>\$ 2,631,494</u>
Liabilities						
Accounts payable and accrued liabilities	\$ 11,541	\$ --	\$ 23,950	\$ --	\$ --	\$ 71,312
Escrow deposits	--	--	--	--	--	77,686
Unearned revenue	--	--	--	--	--	998,758
Due to other funds	--	--	--	--	--	212,310
Total Liabilities	<u>11,541</u>	<u>--</u>	<u>23,950</u>	<u>--</u>	<u>--</u>	<u>1,360,066</u>
Fund Balances						
Restricted	--	--	6,593	--	177,062	770,929
Committed	215,332	--	--	285,167	--	500,499
Unassigned	--	--	--	--	--	--
Total Fund Balances	<u>215,332</u>	<u>--</u>	<u>6,593</u>	<u>285,167</u>	<u>177,062</u>	<u>1,271,428</u>
Total Liabilities Deferred Inflows of Resources and Fund Balances	<u>\$ 226,873</u>	<u>\$ --</u>	<u>\$ 30,543</u>	<u>\$ 285,167</u>	<u>\$ 177,062</u>	<u>\$ 2,631,494</u>

See independent auditors' report on supplementary information.

TOWN OF JOHNSTON, RHODE ISLAND

**COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2021**

	SCHOOL SPECIAL REVENUE					
	21011100 IDEA Part B	21011200 IDEA Pre-K	21013100 Student Support	21014100 CTE Consultant	21021100 Title I	21023102 ATSI Grant
Assets						
Cash and cash equivalents	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
Due from federal & state governments	17,797	922	--	--	25,052	--
Due from other funds	84,203	--	--	--	219,067	1,701
Other receivables	--	--	--	--	--	--
Total Assets	<u>\$ 102,000</u>	<u>\$ 922</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 244,119</u>	<u>\$ 1,701</u>
Liabilities						
Accounts payable and accrued liabilities	\$ 28,860	\$ --	\$ --	\$ 300	\$ --	\$ --
Due to other funds	73,140	2,135	6,200	--	244,119	--
Total Liabilities	<u>102,000</u>	<u>2,135</u>	<u>6,200</u>	<u>300</u>	<u>244,119</u>	<u>--</u>
Fund Balances						
Restricted	--	--	--	--	--	1,701
Unassigned	--	(1,213)	(6,200)	(300)	--	--
Total Fund Balances	<u>--</u>	<u>(1,213)</u>	<u>(6,200)</u>	<u>(300)</u>	<u>--</u>	<u>1,701</u>
Total Liabilities and Fund Balances	<u>\$ 102,000</u>	<u>\$ 922</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 244,119</u>	<u>\$ 1,701</u>

See independent auditors' report on supplementary information.

TOWN OF JOHNSTON, RHODE ISLAND

**COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2021**

	SCHOOL SPECIAL REVENUE					
	21031100	21041100	21051100	21091100	21162100	21251100
	Title II	Title III	Title IV	Perkins	FFVP	ESSER
Assets						
Cash and cash equivalents	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
Due from federal & state governments	6,466	3,390	22,090	18,541	8,521	5,000
Due from other funds	69	3,324	--	1,615	--	203
Other receivables	--	--	--	--	--	--
Total Assets	<u>\$ 6,535</u>	<u>\$ 6,714</u>	<u>\$ 22,090</u>	<u>\$ 20,156</u>	<u>\$ 8,521</u>	<u>\$ 5,203</u>
Liabilities						
Accounts payable and accrued liabilities	\$ --	\$ --	\$ 4,927	\$ 1,839	\$ --	\$ --
Due to other funds	2,797	6,375	18,905	17,561	8,521	--
Total Liabilities	<u>2,797</u>	<u>6,375</u>	<u>23,832</u>	<u>19,400</u>	<u>8,521</u>	<u>--</u>
Fund Balances						
Restricted	3,738	339	--	756	--	5,203
Unassigned	--	--	(1,742)	--	--	--
Total Fund Balances	<u>3,738</u>	<u>339</u>	<u>(1,742)</u>	<u>756</u>	<u>--</u>	<u>5,203</u>
Total Liabilities and Fund Balances	<u>\$ 6,535</u>	<u>\$ 6,714</u>	<u>\$ 22,090</u>	<u>\$ 20,156</u>	<u>\$ 8,521</u>	<u>\$ 5,203</u>

See independent auditors' report on supplementary information.

TOWN OF JOHNSTON, RHODE ISLAND

**COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2021**

	SCHOOL SPECIAL REVENUE					
	21251300 CRF CARES	21251304 CRF Sub/Tech	21264107 RTTT	21413100 Rising Star	21422100 Pre-K	21422101 School Climate
Assets						
Cash and cash equivalents	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
Due from federal & state governments	--	114	--	--	490	10,677
Due from other funds	--	--	--	2,000	--	--
Other receivables	--	--	--	--	--	--
Total Assets	<u>\$ --</u>	<u>\$ 114</u>	<u>\$ --</u>	<u>\$ 2,000</u>	<u>\$ 490</u>	<u>\$ 10,677</u>
Liabilities						
Accounts payable and accrued liabilities	\$ --	\$ --	\$ --	\$ --	\$ 105	\$ 9,732
Due to other funds	--	114	1,000	--	385	823
Total Liabilities	<u>--</u>	<u>114</u>	<u>1,000</u>	<u>--</u>	<u>490</u>	<u>10,555</u>
Fund Balances						
Restricted	--	--	--	2,000	--	122
Unassigned	--	--	(1,000)	--	--	--
Total Fund Balances	<u>--</u>	<u>--</u>	<u>(1,000)</u>	<u>2,000</u>	<u>--</u>	<u>122</u>
Total Liabilities and Fund Balances	<u>\$ --</u>	<u>\$ 114</u>	<u>\$ --</u>	<u>\$ 2,000</u>	<u>\$ 490</u>	<u>\$ 10,677</u>

See independent auditors' report on supplementary information.

TOWN OF JOHNSTON, RHODE ISLAND

**COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2021**

	SCHOOL SPECIAL REVENUE					
	21422300	21422400	22192000	23031000	23153001	23183001
	Literacy	CS4RI Spring	Healthier Schools	Student Equity	Pre-K Grant	RISCA
Assets						
Cash and cash equivalents	\$ --	\$ 19,359	\$ --	\$ --	\$ --	\$ --
Due from federal & state governments	8,380	--	--	--	54,341	--
Due from other funds	178	--	2,000	7,684	3,421	4,825
Other receivables	--	--	--	--	--	--
Total Assets	<u>\$ 8,558</u>	<u>\$ 19,359</u>	<u>\$ 2,000</u>	<u>\$ 7,684</u>	<u>\$ 57,762</u>	<u>\$ 4,825</u>
Liabilities						
Accounts payable and accrued liabilities	\$ --	\$ --	\$ --	\$ --	\$ 4,841	\$ --
Due to other funds	8,419	7,766	--	--	50,795	--
Total Liabilities	<u>8,419</u>	<u>7,766</u>	<u>--</u>	<u>--</u>	<u>55,636</u>	<u>--</u>
Fund Balances						
Restricted	139	11,593	2,000	7,684	2,126	4,825
Unassigned	--	--	--	--	--	--
Total Fund Balances	<u>139</u>	<u>11,593</u>	<u>2,000</u>	<u>7,684</u>	<u>2,126</u>	<u>4,825</u>
Total Liabilities and Fund Balances	<u>\$ 8,558</u>	<u>\$ 19,359</u>	<u>\$ 2,000</u>	<u>\$ 7,684</u>	<u>\$ 57,762</u>	<u>\$ 4,825</u>

See independent auditors' report on supplementary information.

TOWN OF JOHNSTON, RHODE ISLAND

**COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2021**

	SCHOOL SPECIAL REVENUE					
	23183002 RISCA JHS	23493000 Electrify RI	23581001 CTE Categorical	23591003 CS4RI	23671000 EL Categorical	23682001 Science Mini
Assets						
Cash and cash equivalents	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
Due from federal & state governments	--	--	--	--	--	750
Due from other funds	1,000	56	--	8,627	973	--
Other receivables	--	--	--	--	--	--
Total Assets	<u>\$ 1,000</u>	<u>\$ 56</u>	<u>\$ --</u>	<u>\$ 8,627</u>	<u>\$ 973</u>	<u>\$ 750</u>
Liabilities						
Accounts payable and accrued liabilities	\$ --	\$ --	\$ --	\$ 372	\$ 2,059	\$ --
Due to other funds	--	--	--	--	6,516	750
Total Liabilities	<u>--</u>	<u>--</u>	<u>--</u>	<u>372</u>	<u>8,575</u>	<u>750</u>
Fund Balances						
Restricted	1,000	56	--	8,255	--	--
Unassigned	--	--	--	--	(7,602)	--
Total Fund Balances	<u>1,000</u>	<u>56</u>	<u>--</u>	<u>8,255</u>	<u>(7,602)</u>	<u>--</u>
Total Liabilities and Fund Balances	<u>\$ 1,000</u>	<u>\$ 56</u>	<u>\$ --</u>	<u>\$ 8,627</u>	<u>\$ 973</u>	<u>\$ 750</u>

See independent auditors' report on supplementary information.

TOWN OF JOHNSTON, RHODE ISLAND

**COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2021**

SCHOOL SPECIAL REVENUE

	23682002 Learning Champion	23911000 SBA Tech	23911003 SBA COVID-19	24012001 Champlin Manufact	24012004 Feinstein Grant	24012021 Education Fund
Assets						
Cash and cash equivalents	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
Due from federal & state governments	--	--	32,457	--	--	--
Due from other funds	4,053	--	--	20,721	--	150
Other receivables	--	--	--	--	--	--
Total Assets	<u>\$ 4,053</u>	<u>\$ --</u>	<u>\$ 32,457</u>	<u>\$ 20,721</u>	<u>\$ --</u>	<u>\$ 150</u>
Liabilities						
Accounts payable and accrued liabilities	\$ --	\$ 2,098	\$ --	\$ --	\$ 14	\$ --
Due to other funds	--	94,431	32,457	--	539	--
Total Liabilities	<u>--</u>	<u>96,529</u>	<u>32,457</u>	<u>--</u>	<u>553</u>	<u>--</u>
Fund Balances						
Restricted	4,053	--	--	20,721	--	150
Unassigned	--	(96,529)	--	--	(553)	--
Total Fund Balances	<u>4,053</u>	<u>(96,529)</u>	<u>--</u>	<u>20,721</u>	<u>(553)</u>	<u>150</u>
Total Liabilities and Fund Balances	<u>\$ 4,053</u>	<u>\$ --</u>	<u>\$ 32,457</u>	<u>\$ 20,721</u>	<u>\$ --</u>	<u>\$ 150</u>

See independent auditors' report on supplementary information.

TOWN OF JOHNSTON, RHODE ISLAND

**COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2021**

SCHOOL SPECIAL REVENUE

	24012024 Feinstein Warrior	24012043 Verizon Foundation	24020045 Scholarship	24020059 Janice Mele Scholarship	24030009 Target Grant	24030011 WalMart
Assets						
Cash and cash equivalents	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
Due from federal & state governments	--	--	--	--	--	--
Due from other funds	42,499	3,512	1,220	515	--	150
Other receivables	--	--	--	--	--	--
Total Assets	<u>\$ 42,499</u>	<u>\$ 3,512</u>	<u>\$ 1,220</u>	<u>\$ 515</u>	<u>\$ --</u>	<u>\$ 150</u>
Liabilities						
Accounts payable and accrued liabilities	\$ 1,065	\$ --	\$ --	\$ --	\$ --	\$ --
Due to other funds	--	--	--	--	3,786	--
Total Liabilities	<u>1,065</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>3,786</u>	<u>--</u>
Fund Balances						
Restricted	41,434	3,512	1,220	515	--	150
Unassigned	--	--	--	--	(3,786)	--
Total Fund Balances	<u>41,434</u>	<u>3,512</u>	<u>1,220</u>	<u>515</u>	<u>(3,786)</u>	<u>150</u>
Total Liabilities and Fund Balances	<u>\$ 42,499</u>	<u>\$ 3,512</u>	<u>\$ 1,220</u>	<u>\$ 515</u>	<u>\$ --</u>	<u>\$ 150</u>

See independent auditors' report on supplementary information.

TOWN OF JOHNSTON, RHODE ISLAND

**COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2021**

	SCHOOL SPECIAL REVENUE					
	24030049 Stop & Shop	24030057 Broadrock	24030075 Panther Donation	24040021 EDC Grant	24040061 Lifetouch	24040079 Misc Donations
Assets						
Cash and cash equivalents	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
Due from federal & state governments	--	--	--	4,795	--	--
Due from other funds	3,592	103,620	18,615	--	24,465	--
Other receivables	--	12,500	--	--	--	--
Total Assets	<u>\$ 3,592</u>	<u>\$ 116,120</u>	<u>\$ 18,615</u>	<u>\$ 4,795</u>	<u>\$ 24,465</u>	<u>\$ --</u>
Liabilities						
Accounts payable and accrued liabilities	\$ --	\$ --	\$ --	\$ --	\$ 2,325	\$ --
Due to other funds	--	--	--	230	--	144
Total Liabilities	<u>--</u>	<u>--</u>	<u>--</u>	<u>230</u>	<u>2,325</u>	<u>144</u>
Fund Balances						
Restricted	3,592	116,120	18,615	4,565	22,140	--
Unassigned	--	--	--	--	--	(144)
Total Fund Balances	<u>3,592</u>	<u>116,120</u>	<u>18,615</u>	<u>4,565</u>	<u>22,140</u>	<u>(144)</u>
Total Liabilities and Fund Balances	<u>\$ 3,592</u>	<u>\$ 116,120</u>	<u>\$ 18,615</u>	<u>\$ 4,795</u>	<u>\$ 24,465</u>	<u>\$ --</u>

See independent auditors' report on supplementary information.

TOWN OF JOHNSTON, RHODE ISLAND

**COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2021**

	SCHOOL SPECIAL REVENUE					Total School Special Revenue Funds
	24040186 SEAC	24040204 AIR Grant	24050025 Special Olympics	24050045 HS Donation	90010000 Student Activities	
Assets						
Cash and cash equivalents	\$ --	\$ --	\$ --	\$ --	\$ 258,225	\$ 277,584
Due from federal & state governments	--	--	--	--	--	219,783
Due from other funds	12,365	1,470	250	4,533	--	582,676
Other receivables	--	--	--	--	--	12,500
Total Assets	<u>\$ 12,365</u>	<u>\$ 1,470</u>	<u>\$ 250</u>	<u>\$ 4,533</u>	<u>\$ 258,225</u>	<u>\$ 1,092,543</u>
Liabilities						
Accounts payable and accrued liabilities	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 58,537
Due to other funds	--	4,538	--	--	--	592,446
Total Liabilities	<u>--</u>	<u>4,538</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>650,983</u>
Fund Balances						
Restricted	12,365	--	250	4,533	258,225	563,697
Unassigned	--	(3,068)	--	--	--	(122,137)
Total Fund Balances	<u>12,365</u>	<u>(3,068)</u>	<u>250</u>	<u>4,533</u>	<u>258,225</u>	<u>441,560</u>
Total Liabilities and Fund Balances	<u>\$ 12,365</u>	<u>\$ 1,470</u>	<u>\$ 250</u>	<u>\$ 4,533</u>	<u>\$ 258,225</u>	<u>\$ 1,092,543</u>

See independent auditors' report on supplementary information.

TOWN OF JOHNSTON, RHODE ISLAND

**COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS**

JUNE 30, 2021

	CAPITAL PROJECT FUNDS									Total NonMajor Governmental Funds	
	212 School Facilities	611 Pezza DPW Facility	650 Fire Equipment	656 RIDEM Dams Escrow	660 Capital Projects Series A	661 Capital Projects Fund	664 2018 Capital Projects	665 Capital Lease Fund	667 Rainone Gym		Total Capital Projects
Assets											
Cash and cash equivalents	\$ 139,944	\$ 5,991	\$ 731,153	\$ 1,501,029	\$ 166,251	\$ --	\$ 10,879	\$ 412,356	\$ --	\$ 2,967,603	\$ 5,495,558
Due from federal & state governments	--	--	--	--	--	--	--	--	--	--	219,783
Due from other funds	--	--	350,000	--	--	--	--	584,723	934,723	1,898,522	1,898,522
Other receivables, net	--	--	--	--	--	--	--	--	--	--	12,500
Total Assets	<u>\$ 139,944</u>	<u>\$ 5,991</u>	<u>\$ 1,081,153</u>	<u>\$ 1,501,029</u>	<u>\$ 166,251</u>	<u>\$ --</u>	<u>\$ 10,879</u>	<u>\$ 412,356</u>	<u>\$ 584,723</u>	<u>\$ 3,902,326</u>	<u>\$ 7,626,363</u>
Liabilities											
Accounts payable and accrued liabilities	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 129,849
Escrow deposits	--	--	--	--	--	--	--	--	--	--	77,686
Unearned revenue	--	--	--	--	--	--	--	--	--	--	998,758
Due to other funds	--	--	--	--	--	--	--	--	--	--	804,756
Total Liabilities	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>2,011,049</u>
Fund Balances											
Restricted	139,944	5,991	--	1,501,029	166,251	--	10,879	412,356	584,723	2,821,173	4,155,799
Committed	--	--	1,081,153	--	--	--	--	--	--	1,081,153	1,581,652
Unassigned	--	--	--	--	--	--	--	--	--	--	(122,137)
Total Fund Balances	<u>139,944</u>	<u>5,991</u>	<u>1,081,153</u>	<u>1,501,029</u>	<u>166,251</u>	<u>--</u>	<u>10,879</u>	<u>412,356</u>	<u>584,723</u>	<u>3,902,326</u>	<u>5,615,314</u>
Total Liabilities Deferred Inflows of Resources and Fund Balances	<u>\$ 139,944</u>	<u>\$ 5,991</u>	<u>\$ 1,081,153</u>	<u>\$ 1,501,029</u>	<u>\$ 166,251</u>	<u>\$ --</u>	<u>\$ 10,879</u>	<u>\$ 412,356</u>	<u>\$ 584,723</u>	<u>\$ 3,902,326</u>	<u>\$ 7,626,363</u>

See independent auditors' report on supplementary information.

TOWN OF JOHNSTON, RHODE ISLAND

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES NON-MAJOR GOVERNMENTAL FUNDS FOR THE YEAR ENDED JUNE 30, 2021

	SPECIAL REVENUE FUNDS						
	205	305	318	326	328	329	330
	Mayor's Scholarship	Memorial Library	Police Federal	Police Grant	Police State	Memorial Park	Fire Prevention
Revenues							
Intergovernmental	\$ --	\$ --	\$ 41	\$ 413,365	\$ 10,109	\$ 38,000	\$ --
Investment income	311	--	--	162	--	83	--
Charges for services	--	--	--	--	--	--	14,495
Other	115,000	4,085	--	--	--	--	--
Total Revenues	<u>115,311</u>	<u>4,085</u>	<u>41</u>	<u>413,527</u>	<u>10,109</u>	<u>38,083</u>	<u>14,495</u>
Expenditures							
Current							
General government	12,000	--	--	--	--	--	--
Public safety	--	--	--	394,052	20,717	--	--
Education	--	--	--	--	--	--	--
Parks and recreation	--	--	--	--	--	21,883	--
Public libraries	--	3,453	--	--	--	--	--
Debt Service	--	--	--	--	--	--	--
Capital Outlays	--	--	--	19,475	--	--	--
Total Expenditures	<u>12,000</u>	<u>3,453</u>	<u>--</u>	<u>413,527</u>	<u>20,717</u>	<u>21,883</u>	<u>--</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>103,311</u>	<u>632</u>	<u>41</u>	<u>--</u>	<u>(10,608)</u>	<u>16,200</u>	<u>14,495</u>
Other Financing Sources (Uses)							
Proceeds from long-term debt	--	--	--	--	--	--	--
Transfers in	--	--	--	--	--	--	--
Transfers out	--	--	--	--	--	--	--
Total Other Financing Sources (Uses)	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Net Change in Fund Balances	103,311	632	41	--	(10,608)	16,200	14,495
Fund Balance - Beginning of Year	<u>171,565</u>	<u>154,734</u>	<u>28,368</u>	<u>--</u>	<u>16,327</u>	<u>49,690</u>	<u>42,519</u>
Fund Balance - End of Year	<u>\$ 274,876</u>	<u>\$ 155,366</u>	<u>\$ 28,409</u>	<u>\$ --</u>	<u>\$ 5,719</u>	<u>\$ 65,890</u>	<u>\$ 57,014</u>

See independent auditors' report on supplementary information.

TOWN OF JOHNSTON, RHODE ISLAND

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES NON-MAJOR GOVERNMENTAL FUNDS FOR THE YEAR ENDED JUNE 30, 2021

	SPECIAL REVENUE FUNDS					Total Town Special Revenue
	331	340	350	360	500	
	Indoor Athletic	Blue RIPTIDE	CDBG	Fire Plan Review	Historical Trust	
Revenues						
Intergovernmental	\$ --	\$ 2,593	\$ --	\$ --	\$ --	\$ 464,108
Investment income	50	--	--	--	209	815
Charges for services	242,850	--	--	49,633	46,458	353,436
Other	--	--	--	--	--	119,085
Total Revenues	242,900	2,593	--	49,633	46,667	937,444
Expenditures						
Current						
General government	--	--	--	--	20,098	32,098
Public safety	--	2,593	--	--	--	417,362
Education	--	--	--	--	--	--
Parks and recreation	53,625	--	--	--	--	75,508
Public libraries	--	--	--	--	--	3,453
Debt Service	--	--	--	--	--	--
Capital Outlays	--	--	--	84,037	--	103,512
Total Expenditures	53,625	2,593	--	84,037	20,098	631,933
Excess (Deficiency) of Revenues Over (Under) Expenditures	189,275	--	--	(34,404)	26,569	305,511
Other Financing Sources (Uses)						
Proceeds from long-term debt	--	--	--	--	--	--
Transfers in	--	--	--	--	--	--
Transfers out	--	--	--	(125,000)	--	(125,000)
Total Other Financing Sources (Uses)	--	--	--	(125,000)	--	(125,000)
Net Change in Fund Balances	189,275	--	--	(159,404)	26,569	180,511
Fund Balance - Beginning of Year	26,057	--	6,593	444,571	150,493	1,090,917
Fund Balance - End of Year	\$ 215,332	\$ --	\$ 6,593	\$ 285,167	\$ 177,062	\$ 1,271,428

See independent auditors' report on supplementary information.

TOWN OF JOHNSTON, RHODE ISLAND

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021**

	SCHOOL SPECIAL REVENUE					
	21011100	21011200	21013100	21014100	21021100	21023102
	IDEA Part B	IDEA Pre-K	Student Support	CTE Consultant	Title I	ATSI Grant
Revenues						
Intergovernmental	\$ 968,640	\$ 32,119	\$ --	\$ --	\$ 791,886	\$ --
Other revenue	--	--	--	--	--	--
Total Revenues	<u>968,640</u>	<u>32,119</u>	<u>--</u>	<u>--</u>	<u>791,886</u>	<u>--</u>
Expenditures						
Education	968,640	32,119	--	300	791,886	--
Total Expenditures	<u>968,640</u>	<u>32,119</u>	<u>--</u>	<u>300</u>	<u>791,886</u>	<u>--</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>--</u>	<u>--</u>	<u>--</u>	<u>(300)</u>	<u>--</u>	<u>--</u>
Other Financing Sources (Uses)						
Transfers in	--	--	--	--	--	--
Transfers out	--	--	--	--	--	--
Total Other Financing Sources (Uses)	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Net Change in Fund Balances	<u>--</u>	<u>--</u>	<u>--</u>	<u>(300)</u>	<u>--</u>	<u>--</u>
Fund Balances - Beginning of Year, as restated	<u>--</u>	<u>(1,213)</u>	<u>(6,200)</u>	<u>--</u>	<u>--</u>	<u>1,701</u>
Fund Balances - End of Year	<u>\$ --</u>	<u>\$ (1,213)</u>	<u>\$ (6,200)</u>	<u>\$ (300)</u>	<u>\$ --</u>	<u>\$ 1,701</u>

See independent auditors' report on supplementary information.

TOWN OF JOHNSTON, RHODE ISLAND

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021**

	SCHOOL SPECIAL REVENUE					
	21031100	21041100	21051100	21091100	21162100	21251100
	Title II	Title III	Title IV	Perkins	FFVP	ESSER
Revenues						
Intergovernmental	\$ 231,350	\$ 27,665	\$ 146,334	\$ 79,825	\$ 26,439	\$ 22,944
Other revenue	--	--	--	--	--	--
Total Revenues	<u>231,350</u>	<u>27,665</u>	<u>146,334</u>	<u>79,825</u>	<u>26,439</u>	<u>22,944</u>
Expenditures						
Education	<u>231,350</u>	<u>27,665</u>	<u>148,076</u>	<u>74,465</u>	<u>26,439</u>	<u>22,944</u>
Total Expenditures	<u>231,350</u>	<u>27,665</u>	<u>148,076</u>	<u>74,465</u>	<u>26,439</u>	<u>22,944</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>--</u>	<u>--</u>	<u>(1,742)</u>	<u>5,360</u>	<u>--</u>	<u>--</u>
Other Financing Sources (Uses)						
Transfers in	--	--	--	--	--	--
Transfers out	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Total Other Financing Sources (Uses)	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Net Change in Fund Balances	<u>--</u>	<u>--</u>	<u>(1,742)</u>	<u>5,360</u>	<u>--</u>	<u>--</u>
Fund Balances - Beginning of Year, as restated	<u>3,738</u>	<u>339</u>	<u>--</u>	<u>(4,604)</u>	<u>--</u>	<u>5,203</u>
Fund Balances - End of Year	<u>\$ 3,738</u>	<u>\$ 339</u>	<u>\$ (1,742)</u>	<u>\$ 756</u>	<u>\$ --</u>	<u>\$ 5,203</u>

See independent auditors' report on supplementary information.

TOWN OF JOHNSTON, RHODE ISLAND

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021**

	SCHOOL SPECIAL REVENUE					
	21251300 CRF CARES	21251304 CRF Sub/Tech	21264107 RTTT	21413100 Rising Star	21422100 Pre-K	21422101 School Climate
Revenues						
Intergovernmental	\$ 732,569	\$ 124,614	\$ --	\$ --	\$ 490	\$ 10,677
Other revenue	--	--	--	--	--	--
Total Revenues	<u>732,569</u>	<u>124,614</u>	<u>--</u>	<u>--</u>	<u>490</u>	<u>10,677</u>
Expenditures						
Education	732,569	124,614	--	--	490	10,677
Total Expenditures	<u>732,569</u>	<u>124,614</u>	<u>--</u>	<u>--</u>	<u>490</u>	<u>10,677</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Other Financing Sources (Uses)						
Transfers in	--	--	--	--	--	--
Transfers out	--	--	--	--	--	--
Total Other Financing Sources (Uses)	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Net Change in Fund Balances	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Fund Balances - Beginning of Year, as restated	<u>--</u>	<u>--</u>	<u>(1,000)</u>	<u>2,000</u>	<u>--</u>	<u>122</u>
Fund Balances - End of Year	<u>\$ --</u>	<u>\$ --</u>	<u>\$ (1,000)</u>	<u>\$ 2,000</u>	<u>\$ --</u>	<u>\$ 122</u>

See independent auditors' report on supplementary information.

TOWN OF JOHNSTON, RHODE ISLAND

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021**

	SCHOOL SPECIAL REVENUE					
	21422300	21422400	22192000	23031000	23153001	23183001
	Literacy	CS4RI Spring	Healthier Schools	Student Equity	Pre-K Grant	RISCA
Revenues						
Intergovernmental	\$ 536,959	\$ 22,660	\$ --	\$ --	\$ 167,361	\$ --
Other revenue	--	--	--	--	--	--
Total Revenues	<u>536,959</u>	<u>22,660</u>	<u>--</u>	<u>--</u>	<u>167,361</u>	<u>--</u>
Expenditures						
Education	536,820	11,067	--	--	165,290	1,944
Total Expenditures	<u>536,820</u>	<u>11,067</u>	<u>--</u>	<u>--</u>	<u>165,290</u>	<u>1,944</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>139</u>	<u>11,593</u>	<u>--</u>	<u>--</u>	<u>2,071</u>	<u>(1,944)</u>
Other Financing Sources (Uses)						
Transfers in	--	--	--	--	--	--
Transfers out	--	--	--	--	--	--
Total Other Financing Sources (Uses)	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Net Change in Fund Balances	<u>139</u>	<u>11,593</u>	<u>--</u>	<u>--</u>	<u>2,071</u>	<u>(1,944)</u>
Fund Balances - Beginning of Year, as restated	<u>--</u>	<u>--</u>	<u>2,000</u>	<u>7,684</u>	<u>55</u>	<u>6,769</u>
Fund Balances - End of Year	<u>\$ 139</u>	<u>\$ 11,593</u>	<u>\$ 2,000</u>	<u>\$ 7,684</u>	<u>\$ 2,126</u>	<u>\$ 4,825</u>

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TOWN OF JOHNSTON, RHODE ISLAND

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021**

	SCHOOL SPECIAL REVENUE					
	23183002 RISCA JHS	23493000 Electrify RI	23581001 CTE Categorical	23591003 CS4RI	23671000 EL Categorical	23682001 Science Mini
Revenues						
Intergovernmental	\$ 500	\$ 56	\$ --	\$ --	\$ 15,262	\$ --
Other revenue	--	--	--	--	--	--
Total Revenues	<u>500</u>	<u>56</u>	<u>--</u>	<u>--</u>	<u>15,262</u>	<u>--</u>
Expenditures						
Education	--	--	1,857	--	30,644	--
Total Expenditures	<u>--</u>	<u>--</u>	<u>1,857</u>	<u>--</u>	<u>30,644</u>	<u>--</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>500</u>	<u>56</u>	<u>(1,857)</u>	<u>--</u>	<u>(15,382)</u>	<u>--</u>
Other Financing Sources (Uses)						
Transfers in	--	--	--	--	--	--
Transfers out	--	--	--	--	--	--
Total Other Financing Sources (Uses)	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Net Change in Fund Balances	<u>500</u>	<u>56</u>	<u>(1,857)</u>	<u>--</u>	<u>(15,382)</u>	<u>--</u>
Fund Balances - Beginning of Year, as restated	<u>500</u>	<u>--</u>	<u>1,857</u>	<u>8,255</u>	<u>7,780</u>	<u>--</u>
Fund Balances - End of Year	<u>\$ 1,000</u>	<u>\$ 56</u>	<u>\$ --</u>	<u>\$ 8,255</u>	<u>\$ (7,602)</u>	<u>\$ --</u>

See independent auditors' report on supplementary information.

TOWN OF JOHNSTON, RHODE ISLAND

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021**

	SCHOOL SPECIAL REVENUE					
	23682002 Learning Champion	23911000 SBA Tech	23911003 SBA COVID-19	24012001 Champlin Manufact	24012004 Feinstein Grant	24012021 Education Fund
Revenues						
Intergovernmental	\$ --	\$ --	\$ 32,457	\$ --	\$ --	\$ --
Other revenue	--	--	--	--	--	--
Total Revenues	<u>--</u>	<u>--</u>	<u>32,457</u>	<u>--</u>	<u>--</u>	<u>--</u>
Expenditures						
Education	--	98,226	32,457	27,608	2,630	--
Total Expenditures	<u>--</u>	<u>98,226</u>	<u>32,457</u>	<u>27,608</u>	<u>2,630</u>	<u>--</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>--</u>	<u>(98,226)</u>	<u>--</u>	<u>(27,608)</u>	<u>(2,630)</u>	<u>--</u>
Other Financing Sources (Uses)						
Transfers in	--	--	--	--	--	--
Transfers out	--	--	--	--	--	--
Total Other Financing Sources (Uses)	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Net Change in Fund Balances	<u>--</u>	<u>(98,226)</u>	<u>--</u>	<u>(27,608)</u>	<u>(2,630)</u>	<u>--</u>
Fund Balances - Beginning of Year, as restated	<u>4,053</u>	<u>1,697</u>	<u>--</u>	<u>48,329</u>	<u>2,077</u>	<u>150</u>
Fund Balances - End of Year	<u>\$ 4,053</u>	<u>\$ (96,529)</u>	<u>\$ --</u>	<u>\$ 20,721</u>	<u>\$ (553)</u>	<u>\$ 150</u>

See independent auditors' report on supplementary information.

TOWN OF JOHNSTON, RHODE ISLAND

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021**

	SCHOOL SPECIAL REVENUE					
	24012024 Feinstein Warrior	24012043 Verizon Foundation	24020045 Scholarship	24020059 Janice Mele Scholarship	24030009 Target Grant	24030011 WalMart
Revenues						
Intergovernmental	\$ 26,901	\$ --	\$ --	\$ --	\$ --	\$ --
Other revenue	--	--	--	--	--	--
Total Revenues	<u>26,901</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Expenditures						
Education	2,265	--	--	500	--	--
Total Expenditures	<u>2,265</u>	<u>--</u>	<u>--</u>	<u>500</u>	<u>--</u>	<u>--</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>24,636</u>	<u>--</u>	<u>--</u>	<u>(500)</u>	<u>--</u>	<u>--</u>
Other Financing Sources (Uses)						
Transfers in	--	--	--	--	--	--
Transfers out	--	--	--	--	--	--
Total Other Financing Sources (Uses)	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Net Change in Fund Balances	<u>24,636</u>	<u>--</u>	<u>--</u>	<u>(500)</u>	<u>--</u>	<u>--</u>
Fund Balances - Beginning of Year, as restated	<u>16,798</u>	<u>3,512</u>	<u>1,220</u>	<u>1,015</u>	<u>(3,786)</u>	<u>150</u>
Fund Balances - End of Year	<u>\$ 41,434</u>	<u>\$ 3,512</u>	<u>\$ 1,220</u>	<u>\$ 515</u>	<u>\$ (3,786)</u>	<u>\$ 150</u>

See independent auditors' report on supplementary information.

TOWN OF JOHNSTON, RHODE ISLAND

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021**

	SCHOOL SPECIAL REVENUE					
	24030049 Stop & Shop	24030057 Broadrock	24030075 Panther Donation	24040021 EDC Grant	24040061 Lifetouch	24040079 Misc Donations
Revenues						
Intergovernmental	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
Other revenue	861	25,000	--	--	5,170	--
Total Revenues	<u>861</u>	<u>25,000</u>	<u>--</u>	<u>--</u>	<u>5,170</u>	<u>--</u>
Expenditures						
Education	--	--	--	--	2,532	--
Total Expenditures	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>2,532</u>	<u>--</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>861</u>	<u>25,000</u>	<u>--</u>	<u>--</u>	<u>2,638</u>	<u>--</u>
Other Financing Sources (Uses)						
Transfers in	--	--	--	--	--	--
Transfers out	--	--	--	--	--	--
Total Other Financing Sources (Uses)	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Net Change in Fund Balances	<u>861</u>	<u>25,000</u>	<u>--</u>	<u>--</u>	<u>2,638</u>	<u>--</u>
Fund Balances - Beginning of Year, as restated	<u>2,731</u>	<u>91,120</u>	<u>18,615</u>	<u>4,565</u>	<u>19,502</u>	<u>(144)</u>
Fund Balances - End of Year	<u>\$ 3,592</u>	<u>\$ 116,120</u>	<u>\$ 18,615</u>	<u>\$ 4,565</u>	<u>\$ 22,140</u>	<u>\$ (144)</u>

See independent auditors' report on supplementary information.

TOWN OF JOHNSTON, RHODE ISLAND

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021**

	SCHOOL SPECIAL REVENUE					Total School Department Funds
	24040186 SEAC	24040204 AIR Grant	24050025 Special Olympics	24050045 HS Donation	90010000 Student Activities	
Revenues						
Intergovernmental	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 3,997,708
Other revenue	305	1,470	250	4	240,137	273,197
Total Revenues	<u>305</u>	<u>1,470</u>	<u>250</u>	<u>4</u>	<u>240,137</u>	<u>4,270,905</u>
Expenditures						
Education	--	--	--	--	237,829	4,343,903
Total Expenditures	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>237,829</u>	<u>4,343,903</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>305</u>	<u>1,470</u>	<u>250</u>	<u>4</u>	<u>2,308</u>	<u>(72,998)</u>
Other Financing Sources (Uses)						
Transfers in	--	--	--	--	--	--
Transfers out	--	--	--	--	--	--
Total Other Financing Sources (Uses)	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Net Change in Fund Balances	<u>305</u>	<u>1,470</u>	<u>250</u>	<u>4</u>	<u>2,308</u>	<u>(72,998)</u>
Fund Balances - Beginning of Year, as restated	<u>12,060</u>	<u>(4,538)</u>	<u>--</u>	<u>4,529</u>	<u>255,917</u>	<u>514,558</u>
Fund Balances - End of Year	<u>\$ 12,365</u>	<u>\$ (3,068)</u>	<u>\$ 250</u>	<u>\$ 4,533</u>	<u>\$ 258,225</u>	<u>\$ 441,560</u>

See independent auditors' report on supplementary information.

TOWN OF JOHNSTON, RHODE ISLAND

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES NON-MAJOR GOVERNMENTAL FUNDS FOR THE YEAR ENDED JUNE 30, 2021

	CAPITAL PROJECT FUNDS									Total Capital Projects	Total NonMajor Governmental Funds
	212 School Facilities	611 Pezza DPW Facility	650 Fire Equipment	656 RIDEM Dams Escrow	660 Capital Projects Series A	661 Capital Projects Fund	664 2018 Capital Projects	665 Capital Lease Fund	667 Rainone Gym		
Revenues											
Intergovernmental	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 4,461,816
Investment income	183	--	878	1,964	308	312	1,625	52	--	5,322	6,137
Charges for services	--	--	350,000	--	--	--	--	--	--	350,000	703,436
Other	--	1	--	--	--	--	--	--	--	1	392,283
Total Revenues	<u>183</u>	<u>1</u>	<u>350,878</u>	<u>1,964</u>	<u>308</u>	<u>312</u>	<u>1,625</u>	<u>52</u>	<u>--</u>	<u>355,323</u>	<u>5,563,672</u>
Expenditures											
Current											
General government	--	--	--	--	788	55	--	--	--	843	32,941
Public safety	--	--	--	--	--	--	41,338	--	--	41,338	458,700
Education	--	--	--	--	--	--	--	--	--	--	4,343,903
Parks and recreation	--	--	--	--	--	--	--	--	--	--	75,508
Public libraries	--	--	--	--	--	--	--	--	--	--	3,453
Debt Service	--	--	--	--	368,730	--	--	--	--	368,730	368,730
Capital Outlays	--	--	58,444	--	--	--	2,574,577	735,130	15,277	3,383,428	3,486,940
Total Expenditures	<u>--</u>	<u>--</u>	<u>58,444</u>	<u>--</u>	<u>369,518</u>	<u>55</u>	<u>2,615,915</u>	<u>735,130</u>	<u>15,277</u>	<u>3,794,339</u>	<u>8,770,175</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>183</u>	<u>1</u>	<u>292,434</u>	<u>1,964</u>	<u>(369,210)</u>	<u>257</u>	<u>(2,614,290)</u>	<u>(735,078)</u>	<u>(15,277)</u>	<u>(3,439,016)</u>	<u>(3,206,503)</u>
Other Financing Sources (Uses)											
Proceeds from long-term debt	--	--	--	--	--	--	--	1,310,000	--	1,310,000	1,310,000
Transfers in	--	--	--	--	--	--	--	--	600,000	600,000	600,000
Transfers out	--	--	--	--	--	(454,706)	--	--	--	(454,706)	(579,706)
Total Other Financing Sources (Uses)	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>(454,706)</u>	<u>--</u>	<u>1,310,000</u>	<u>600,000</u>	<u>1,455,294</u>	<u>1,330,294</u>
Net Change in Fund Balances	<u>183</u>	<u>1</u>	<u>292,434</u>	<u>1,964</u>	<u>(369,210)</u>	<u>(454,449)</u>	<u>(2,614,290)</u>	<u>574,922</u>	<u>584,723</u>	<u>(1,983,722)</u>	<u>(1,876,209)</u>
Fund Balance - Beginning of Year	<u>139,761</u>	<u>5,990</u>	<u>788,719</u>	<u>1,499,065</u>	<u>535,461</u>	<u>454,449</u>	<u>2,625,169</u>	<u>(162,566)</u>	<u>--</u>	<u>5,886,048</u>	<u>7,491,523</u>
Fund Balance - End of Year	<u>\$ 139,944</u>	<u>\$ 5,991</u>	<u>\$ 1,081,153</u>	<u>\$ 1,501,029</u>	<u>\$ 166,251</u>	<u>\$ --</u>	<u>\$ 10,879</u>	<u>\$ 412,356</u>	<u>\$ 584,723</u>	<u>\$ 3,902,326</u>	<u>\$ 5,615,314</u>

See independent auditors' report on supplementary information.

TOWN OF JOHNSTON, RHODE ISLAND

**COMBINING STATEMENT OF NET POSITION
NON-MAJOR ENTERPRISE FUNDS**

JUNE 30, 2021

	Business-type Activities - Enterprise Funds				Total Enterprise Funds
	60010000	60030000	60060000	60140000	
	Cafeteria Fund	Credit Recovery	Summer School	Athletic Field	
Assets					
Current Assets					
Cash and cash equivalents	\$ 400	\$ --	\$ --	\$ --	\$ 400
Other receivables	112,909	--	--	--	112,909
Due from other funds	326,145	19,571	--	85,580	431,296
Inventory	20,405	--	--	--	20,405
Total Current Assets	<u>459,859</u>	<u>19,571</u>	<u>--</u>	<u>85,580</u>	<u>565,010</u>
Noncurrent Assets					
Capital assets, net	38,315	--	--	--	38,315
Total Assets	<u>498,174</u>	<u>19,571</u>	<u>--</u>	<u>85,580</u>	<u>603,325</u>
Liabilities					
Current Liabilities					
Accounts payable and accrued expenses	209,313	--	--	--	209,313
Due to other funds	--	--	46,087	--	46,087
Unearned revenue	5,000	--	--	--	5,000
Total Current Liabilities	<u>214,313</u>	<u>--</u>	<u>46,087</u>	<u>--</u>	<u>260,400</u>
Total Liabilities	<u>214,313</u>	<u>--</u>	<u>46,087</u>	<u>--</u>	<u>260,400</u>
Net Position					
Investment in capital assets	38,315	--	--	--	38,315
Unrestricted	245,546	19,571	(46,087)	85,580	304,610
Total Net Position	<u>\$ 283,861</u>	<u>\$ 19,571</u>	<u>\$ (46,087)</u>	<u>\$ 85,580</u>	<u>\$ 342,925</u>

See independent auditors' report on supplementary information.

TOWN OF JOHNSTON, RHODE ISLAND

**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
NON-MAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED JUNE 30, 2021**

	Business-type Activities - Enterprise Funds				Total Enterprise Funds
	60010000 Cafeteria Fund	60030000 Credit Recovery	60060000 Summer School	60140000 Athletic Field	
Operating Revenues					
Charges for services	\$ 118,777	\$ --	\$ --	\$ 50,282	\$ 169,059
Intergovernmental	<u>743,257</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>743,257</u>
Total Operating Revenues	<u>862,034</u>	<u>--</u>	<u>--</u>	<u>50,282</u>	<u>912,316</u>
Operating Expenses					
Education	771,732	--	--	--	771,732
Depreciation	<u>5,474</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>5,474</u>
Total Operating Expenses	<u>777,206</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>5,474</u>
Operating Income (Loss)	<u>84,828</u>	<u>--</u>	<u>--</u>	<u>50,282</u>	<u>135,110</u>
Transfers in (out)	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Change in Net Position	<u>84,828</u>	<u>--</u>	<u>--</u>	<u>50,282</u>	<u>135,110</u>
Total Net Position - Beginning	<u>199,033</u>	<u>19,571</u>	<u>(46,087)</u>	<u>35,298</u>	<u>207,815</u>
Total Net Position - Ending	<u>\$ 283,861</u>	<u>\$ 19,571</u>	<u>\$ (46,087)</u>	<u>\$ 85,580</u>	<u>\$ 342,925</u>

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TOWN OF JOHNSTON, RHODE ISLAND

**COMBINING STATEMENT OF CASH FLOWS
NON-MAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED JUNE 30, 2021**

	Business-type Activities - Enterprise Funds				Total Enterprise Funds
	60010000	60030000	60060000	60140000	
	Cafeteria Fund	Credit Recovery	Summer School	Athletic Field	
Cash Flows from Operating Activities					
Cash received from customers	\$ 118,777	\$ --	\$ --	\$ 50,282	\$ 169,059
Cash received from grantor	576,898	--	--	--	576,898
Cash paid to suppliers for goods and services and other operating payments	(699,529)	--	--	--	(699,529)
Net Cash (Used in) Provided by Operating Activities	<u>(3,854)</u>	<u>--</u>	<u>--</u>	<u>50,282</u>	<u>46,428</u>
Cash Flows from Noncapital Financing Activities					
Receipts from other funds	(163,100)	--	--	(50,282)	(213,382)
Net Cash (Used in) Provided by Noncapital Financing Activities	<u>(163,100)</u>	<u>--</u>	<u>--</u>	<u>(50,282)</u>	<u>(213,382)</u>
Net Decrease in Cash and Cash Equivalents	(166,954)	--	--	--	(166,954)
Cash, Cash Equivalents, and Restricted Cash - Beginning of Year	<u>167,354</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>167,354</u>
Cash, Cash Equivalents, and Restricted Cash - End of Year	<u>\$ 400</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 400</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities					
Operating income (loss)	\$ 84,828	\$ --	\$ --	\$ 50,282	\$ 135,110
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation and amortization expense	5,474	--	--	--	5,474
(Increase) decrease in intergovernmental receivables	(92,884)	--	--	--	(92,884)
Increase (decrease) in accounts payable and accrued expenses	72,203	--	--	--	72,203
Increase (decrease) in unearned revenue	(73,475)	--	--	--	(73,475)
Net Cash Provided by (Used in) Operating Activities	<u>\$ (3,854)</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 50,282</u>	<u>\$ 46,428</u>

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