

TOWN OF PORTSMOUTH, RHODE ISLAND

ANNUAL COMPREHENSIVE FINANCIAL REPORT

Fiscal Year Ended June 30, 2024



Richard A. Rainer Jr.
Town Administrator

Kayla Marsden
Finance Director

Town of Portsmouth, Rhode Island
Annual Comprehensive Financial Report

June 30, 2024

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Introductory Section



TOWN OF PORTSMOUTH

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Richard A. Rainer Jr.
Town Administrator

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Fax (401) 683-6804
rainer@portsmouthri.com

December 19, 2024

To the Citizens of Portsmouth, Rhode Island, and the Town Council:

We are pleased to present the Annual Comprehensive Financial Report (ACFR) of the Town of Portsmouth, Rhode Island, for the fiscal year ended June 30, 2024. The ACFR was prepared by the Office of the Finance Director with the assistance of the Town's external auditors and is intended to provide information regarding the financial position of the Town. This report is submitted as required by state law, which mandates that all general-purpose local governments publish, within six months of the close of each fiscal year, a complete set of financial statements prepared in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a certified public accounting firm licensed in the State of Rhode Island.

The Town of Portsmouth's financial statements have been audited by Hague, Sahady, & Co., P.C., a firm of licensed certified public accountants. Based on their audit, the independent auditor has issued an unmodified "clean" opinion, concluding that the Town's financial statements for the fiscal year ending June 30, 2024, are fairly presented in conformity with GAAP.

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

Management's Discussion and Analysis (MD&A) follows the independent auditors' report in this ACFR and provides a narrative introduction, overview, and analysis to accompany the basic financial statements. This letter of transmittal is intended to complement the MD&A and should be read in conjunction with it.

Profile of the Government

General

The Town of Portsmouth, established in 1638 and incorporated in 1640, is the second oldest municipality in Rhode Island. As of 2023, the Town had a population of 17,659 and occupies the northern portion of Aquidneck Island. Portsmouth is bordered by the Town of Bristol to the north, Middletown to the south,

the Sakonnet River to the east, and Narragansett Bay to the west. The Town encompasses 59.3 square miles, including 23.2 square miles of land and 36.1 square miles of inland water.

Government

The Town operates under a Home Rule Charter, with governance provided by a seven-member Town Council elected biennially and an appointed Town Administrator. The Town Council holds legislative and policy-making authority and appoints the Town Administrator to oversee day-to-day operations. Portsmouth provides a full range of municipal services, including public safety, infrastructure maintenance, education, recreational facilities, planning, zoning, and solid waste management.

The annual budget serves as the foundation for the Town's financial planning and control. Each year, Town departments and the School Committee submit appropriation requests and revenue estimates to the Town Administrator, who uses them to prepare the proposed budget. This proposed budget is submitted to the Town Council by April 2nd, followed by Council work sessions to revise and adopt a preliminary budget within 30 days. The final budget is adopted by ordinance during a June Council meeting.

Qualified electors may petition for a referendum on the approved budget within two weeks of its adoption. If no petition is filed, the budget is considered final. If a referendum is required, it must occur within 35-45 days of petition certification.

The appropriated budget is organized by fund, major program function (e.g., public safety), and department (e.g., police). Department heads may transfer funds within their department, while transfers between program functions require approval from the Town Administrator and notification to the Town Council.

Local Economy

As of October 10, 2024, Portsmouth was home to 616 businesses, ranging from small home-based enterprises to larger international companies. Raytheon Integrated Defense Systems, the Town's largest employer, is among these businesses, with a combined tax-assessed value of \$65.9 million. An additional \$76.3 million in tax-assessed value comes from leased equipment in Town, while utility properties add \$61.4 million.

Portsmouth's extensive coastline supports its leadership in marine trades. Collaborative efforts with the Navy and the State aim to transfer prime waterfront property, including a former Navy fueling facility, to the Town for marine industry expansion. A mixed-use development initiative in the Marina District Planned Unit Development area will combine public access, residential condominiums, marine uses, and retail spaces, further stimulating economic growth.

Pension and Other Post-Employment Benefits

The Town administers several pension and retirement plans for employees. Most active Fire and Police personnel participate in the Rhode Island Municipal Employees' Retirement System (MERS), while some employees are grandfathered into a closed defined benefit plan. Other employees participate in a defined contribution plan.

As of June 30, 2024, the pension plan's funded ratio improved to 61.33%, up from 57.20% the previous year. The Town assumes a 6.75% investment return for calculating annual pension contributions.

Portsmouth has a net Other Post-Employment Benefits (OPEB) liability of \$14.1 million, with an OPEB Trust funded at 16.58% as of June 30, 2024.

Transparency and Accountability

Portsmouth remains committed to financial transparency. This is the seventh year the Town's audit has been presented as an Annual Comprehensive Financial Report. Monthly budget reports are reviewed at the second Town Council meeting each month, and additional financial data-including debt service schedules, monthly check registers, and actuary reports-is available on the Town website.

The preparation of this report reflects the dedicated efforts of the Town and School finance departments. We also acknowledge the invaluable support of the Town Council and School Committee in upholding the highest standards of financial management.

Respectfully submitted,



Richard A. Rainer Jr.
Town Administrator

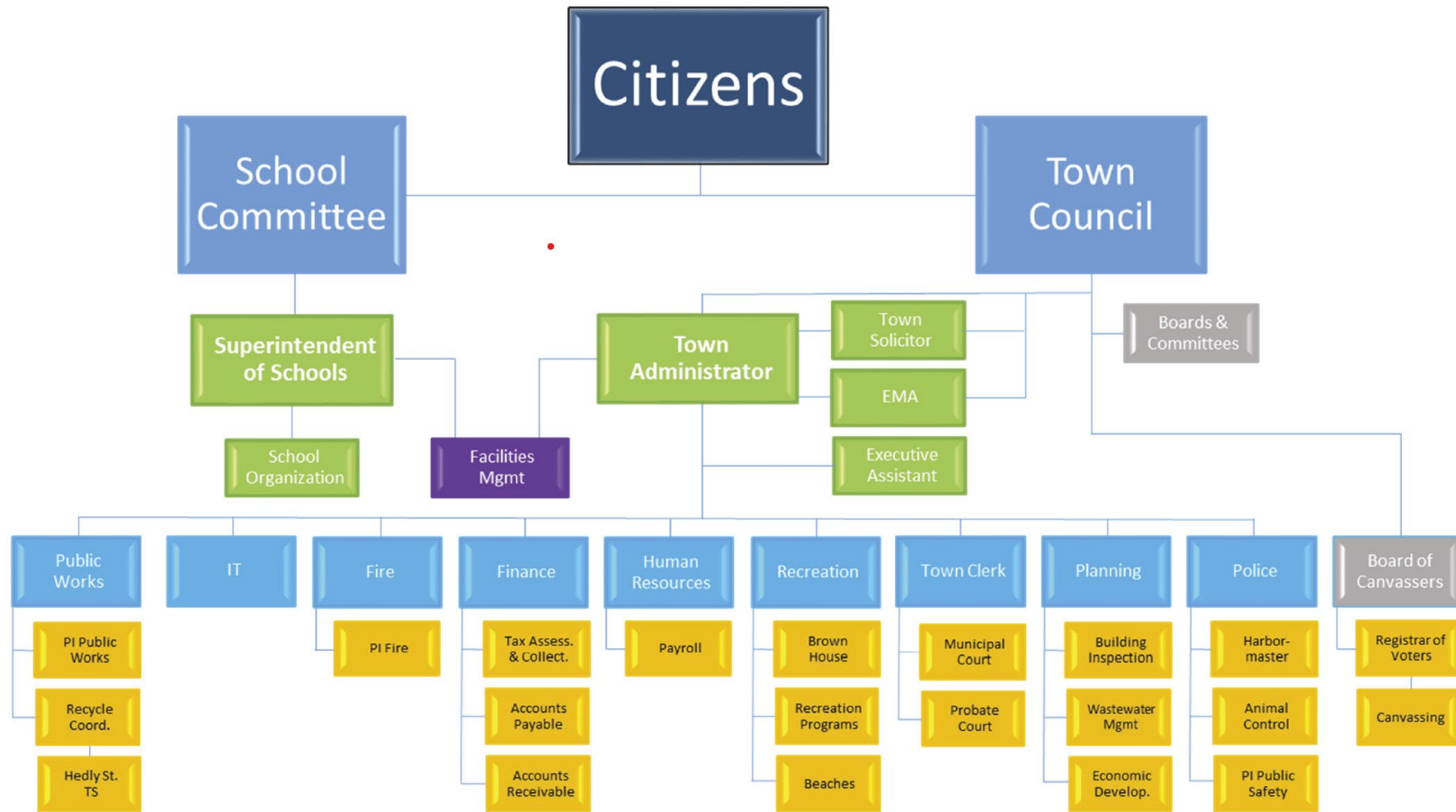


Kayla T. Marsden
Finance Director

Town of Portsmouth, Rhode Island

Organizational Chart

Fiscal Year 2023-2024





Elected Town Officials

Portsmouth Town Council

Kevin M. Aguiar, President

Len Katzman, Vice President

Daniela T. Abbott

David M. Gleason

Keith E. Hamilton

Charles J. Levesque

J. Mark Ryan



Portsmouth School Committee

Emily Copeland, Chair

Juan Carlos Payero, Vice-Chair

Karen McDaid

Sondra Blank

Frederick Faerber III

Isabelle Kelly

Emily Skeehan



Government Finance Officers Association

Certificate of
Achievement for
Excellence in
Financial
Reporting

Presented to

**Town of Portsmouth
Rhode Island**

For its Annual Comprehensive Financial Report
For the Fiscal Year Ended June 30, 2023

Christopher P. Morill

Executive Director/CEO

Financial Section

This Section contains the Following Subsections:

Independent Auditors' Report

Management's Discussion and Analysis

Basic Financial Statements

Independent Auditors' Report

To the Honorable Members of the Town Council
Town of Portsmouth, Rhode Island

Report on the Audit of the Financial Statements

Opinions

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 Portsmouth, Rhode Island ("the Town"), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town, as of June 30, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, OPEB related disclosure, and Pension related disclosure, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The combining and individual nonmajor fund financial statements, tax collector's annual report, and annual supplemental transparency portal (MTP2) are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, tax collector's annual report, and annual supplemental transparency portal (MTP2) are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 19, 2024 on our consideration of the Town's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town's internal control over financial reporting and compliance.

Hague, Sahady & Co., CPA's, P.C.

Fall River, Massachusetts
December 19, 2024

Management's Discussion and Analysis

Town of Portsmouth, Rhode Island

Management Discussion & Analysis (MD&A)

For the Year Ended June 30, 2024

As management of the Town of Portsmouth, we offer the readers of the Town's financial statements this narrative overview and analysis of the Town's financial activities for the fiscal year ended June 30, 2024. We encourage the readers to consider the information presented here in conjunction with the letter of transmittal on pages i-iii of this report as well as the Town's basic financial statements that follow this section.

Financial Highlights

Government-Wide Financial Statements:

Net Position – The liabilities and deferred inflows of the Town’s governmental activities exceeded its assets and deferred outflows for the fiscal year ending June 30, 2024, by \$38,716,558 (presented as “total net position”). Of this amount, a negative of \$81,085,282 was reported as “unrestricted”. The net investment in capital assets was \$28,858,491. The assets and deferred outflows of the Town’s business-type activities exceed its liabilities and deferred inflows by \$524,246. Of this amount, \$214,732 represents the Town’s business-type activities net investment in capital assets.

Change in Net Position – The Town’s total net position increased by \$1894,306 in fiscal year 2024. Net position of governmental activities increased by \$1,576,731 due mainly to an increase in State operating grants and contributions. In addition, net position of business-type activities increased by \$317,575.

Fund Highlights:

Governmental Funds – Fund Balances – As of June 30, 2024, the Town’s governmental funds reported a combined ending fund balance of \$29,337,372, a \$5,191,582 decrease from the prior year. Of the total fund balance reported, \$10,924,003 represents “unassigned fund balance”.

Overview of the Financial Statements

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

- Government-wide financial statements
- Fund financial statements; and
- Notes to the financial statements.

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

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the Town’s finances in a manner similar to a private-sector business.

The *statement of net position* presents information on the entire Town’s assets and deferred outflows of resources, and liabilities and deferred inflows of resources, 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.

Town of Portsmouth, Rhode Island

Management Discussion & Analysis (MD&A)

For the Year Ended June 30, 2024

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

Both of the government-wide financial statements distinguish functions of the Town that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of costs through user fees and charges (*business-type activities*). The governmental activities of the Town include general government, public safety, streets and highways, education, beach and recreation. The business-type activities of the Town include the Arthur Daniel House, Septic System Loan Program, Glen Farm Equestrian, Transfer Station fund, and Glen Manor House. The government-wide financial statements can be found on the pages indicated on the table of contents of this report.

In the statement of activities, the operations of the Town are presented in a format that reports the net of expenses and revenues of its individual functions – the objective being to report the relative burden of each of the Town's functions to the taxpayers. Revenue's offsetting related functional expenses are separated into three categories: charges for services, operating grants and contributions, and capital grants and contributions.

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 of 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 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 activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The Town maintains individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, School Unrestricted Fund, Town Capital Project Fund, and Debt Service Fund which are considered to be major funds. Data for the other governmental funds are combined into a single, aggregated presentation. Fund data for each of these non-major governmental funds is provided in the form of combining statements included in the other supplementary information.

The Town adopts an annual appropriated budget for its General Fund and School Unrestricted Fund. Budgetary comparison statements have been provided for the General Fund and the School Unrestricted

Town of Portsmouth, Rhode Island

Management Discussion & Analysis (MD&A)

For the Year Ended June 30, 2024

Fund to demonstrate compliance with this budget. These comparison statements can be found on the pages indicated on the table of contents of this report.

The basic governmental fund financial statements can be found on the pages indicated on the table of contents of this report.

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. The Town has five proprietary funds. The Transfer Station accounts for the solid waste operations of the town. The main transfer station is located on Hedley Street. An additional transfer station is located on Prudence Island to serve the citizens living there. The other proprietary funds are the Arthur Daniel House, Septic System Loan Program Fund, Glen Farm Equestrian Fund, and Glen Manor House. The Town has no internal service funds.

The basic proprietary fund financial statements can be found on the pages indicated on the table of contents of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of 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's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on the pages indicated on the table of contents of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on the pages indicated on the table of contents of this report.

Required supplementary information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* which presents schedules relating to the Town's pension and other postemployment benefit plans, as well as budgetary comparison schedules for the General Fund to demonstrate compliance with their respective budgets. Required supplementary information can be found on the pages indicated on the table of contents of this report.

Supplementary information. In addition to the basic financial statements, accompanying notes, and required supplementary information this report also presents certain *supplementary information* which presents the budgetary comparison information for the school unrestricted fund, combining financial statement information, tax collector's annual report and the annual supplemental transparency report (MTP2). Supplementary information can be found on the pages indicated on the table of contents of this report.

Town of Portsmouth, Rhode Island

Management Discussion & Analysis (MD&A)

For the Year Ended June 30, 2024

Government-wide Financial Analysis

Statement of Net Position June 30, 2024 and 2023

	Governmental Activities		Business-Type Activities		Total		Total Percentage Change
	2024	2023	2024	2023	2024	2023	
Assets							
Current assets	\$ 35,174,730	\$ 41,505,219	\$ 438,109	\$ 277,079	\$ 35,612,839	\$ 41,782,298	-14.8%
Other assets	12,965,783	11,629,935	-	-	12,965,783	11,629,935	11.5%
Capital assets	51,905,870	47,490,960	347,282	386,316	52,253,152	47,877,276	9.1%
Total assets	100,046,383	100,626,114	785,391	663,395	100,831,774	101,289,509	-0.5%
Deferred outflows of resources							
Pension related outflows	11,721,574	9,887,285	-	-	11,721,574	9,887,285	18.6%
OPEB related outflows	2,748,966	2,347,202	-	-	2,748,966	2,347,202	17.1%
Total deferred outflows of resources	14,470,540	12,234,487	-	-	14,470,540	12,234,487	18.3%
Liabilities							
Current liabilities	3,750,576	4,246,607	162,878	219,158	3,913,454	4,465,765	-12.4%
Long-term liabilities	123,370,669	129,377,704	40,000	134,735	123,410,669	129,512,439	-4.7%
Total liabilities	127,121,245	133,624,311	202,878	353,893	127,324,123	133,978,204	-5.0%
Deferred inflows of resources							
Pension related inflows	12,370,451	5,159,581	-	-	12,370,451	5,159,581	139.8%
OPEB related inflows	7,363,215	6,669,015	-	-	7,363,215	6,669,015	10.4%
Unearned revenue - other	6,902,816	8,225,228	58,267	102,833	6,961,083	8,328,061	-16.4%
Total deferred inflows of resources	26,636,482	20,053,824	58,267	102,833	26,694,749	20,156,657	32.4%
Net Position							
Net investment in capital assets	28,643,759	29,448,127	214,732	277,974	28,858,491	29,726,101	-2.9%
Restricted	13,510,233	30,136,835	-	69,231	13,510,233	30,206,066	-55.3%
Unrestricted	(81,394,796)	(100,402,496)	309,514	(140,536)	(81,085,282)	(100,543,032)	-19.4%
Total net position	\$ (39,240,804)	\$ (40,817,534)	\$ 524,246	\$ 206,669	\$ (38,716,558)	\$ (40,610,865)	-4.7%

Town of Portsmouth, Rhode Island

Management Discussion & Analysis (MD&A)

For the Year Ended June 30, 2024

Government-wide Financial Analysis (continued)

Net Position

As noted earlier, net position may serve as a useful indicator of the government's financial position over time. The Town's combined net position (government and business-type activities) totaled a deficit of \$38,716,558 at the end of 2024, compared to a deficit of \$40,610,865 at the end of the prior year.

Of the Town's net position, \$28,858,491 reflects its investment in capital assets, like land, buildings, equipment, and infrastructure less any outstanding related debt used to acquire that asset. The Town uses these capital assets to provide services to citizens; consequentially, these assets are not available for future spending. Although the Town's investments 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 cannot be used to liquidate these liabilities.

The restricted net position of \$13,241,297 primarily represents net pension assets for teachers survivor benefit, municipal fire and police plans of \$8,291,742. Internally imposed designations of resources are not presented as restricted net position.

Changes in Net Position

The Town's net position increased by \$1,894,306 for governmental activities and increased by \$317,577 for business-type activities for a combined increase in net position of \$1,576,731.

Governmental activity revenues increased due to an increase in property tax revenue, departmental revenue, and federal and state grants and reimbursements. Approximately 68.0% of the Town's total governmental activity revenues were generated from taxes and payments in lieu of taxes, which is an increase from the prior year. Grants and contributions resulted for 12.59% of revenues. There were slight changes in charges for various goods and services, which provided 7.14% of total revenues, while other revenues and investment and lease income accounted for 12.30% of total revenues, respectively.

The Town's expenses cover a range of services. The most significant expenses were for education, and public safety.

Business-Type Activities

The business-type activities reported revenue at approximately the same as in the prior year, while expenses decreased by 46.6% from the prior year.

The business-type activities increased the Town's net position by \$317,577. This resulted primarily from a \$2,682 decrease in net position of the Septic System Loan Program. There was an increase in net position of \$14,530 by the Glen Manor House, and an increase of \$305,727 from the Transfer Station; each of which contributed to the overall decrease.

Town of Portsmouth, Rhode Island

Management Discussion & Analysis (MD&A)

For the Year Ended June 30, 2024

Government-wide Financial Analysis (continued)

Changes in Net Position for the period ending June 30, 2024 and June 30, 2023 (Government-wide level)

	Statement of Activities						Total Percentage Change
	Governmental Activities		Business-Type Activities		Total		
	2024	2023	2024	2023	2024	2023	
Revenues							
Program Revenues:							
Charges for service	\$ 6,133,028	\$ 4,120,799	\$ 1,120,142	\$ 1,121,130	\$ 7,253,170	\$ 5,241,929	38.4%
Operating grants & contributions	9,470,023	15,465,475	-	-	9,470,023	15,465,475	-38.8%
Capital grants & contributions	2,027,486	-	-	-	2,027,486	-	100.0%
General Revenues:							
Property taxes	62,301,207	59,478,590	-	-	62,301,207	59,478,590	4.7%
State aid to town	3,745,258	4,116,199	-	-	3,745,258	4,116,199	-9.0%
Other revenue	3,298,304	1,852,610	-	-	3,298,304	1,852,610	78.0%
Earnings on investments	649,110	292,707	-	-	649,110	292,707	121.8%
Total revenues	87,624,416	85,326,380	1,120,142	1,121,130	88,744,558	86,447,510	2.7%
Expenses							
General government	6,369,377	7,223,743	-	-	6,369,377	7,223,743	-11.8%
Public safety	23,322,799	16,676,200	-	-	23,322,799	16,676,200	39.9%
Public works	2,029,886	4,648,119	-	-	2,029,886	4,648,119	-56.3%
Education	51,724,725	46,766,851	-	-	51,724,725	46,766,851	10.6%
Community services	2,300,378	1,204,681	-	-	2,300,378	1,204,681	91.0%
Interest on debt	371,421	556,103	-	-	371,421	556,103	-33.2%
Transfer station	-	-	774,398	750,383	774,398	750,383	3.2%
Septic system loan program	-	-	2,682	351,061	2,682	351,061	100.0%
Glen farm equestrian	-	-	(4,513)	2,333	(4,513)	2,333	-293.4%
Arthur Daniel house	-	-	30,000	30,000	30,000	30,000	0.0%
Glen Manor house	-	-	-	370,258	-	370,258	-100.0%
Total expenses	86,118,586	77,075,697	802,567	1,504,035	86,921,153	78,579,732	10.6%
Excess(deficiency) in net assets before transfers	1,505,830	8,250,683	317,575	(382,905)	1,823,405	7,867,778	-76.8%
Transfers in (out)	-	153,145	-	(153,145)	-	-	0.0%
Change in net position	1,505,830	8,403,828	317,575	(536,050)	1,823,405	7,867,778	-76.8%
Net position, July 1,	(40,817,536)	(49,221,362)	206,671	742,719	(40,610,865)	(48,478,643)	-16.2%
Net position, June 30	\$ (39,311,706)	\$ (40,817,534)	\$ 524,246	\$ 206,669	\$ (38,787,460)	\$ (40,610,865)	-4.5%

Town of Portsmouth, Rhode Island

Management Discussion & Analysis (MD&A)

For the Year Ended June 30, 2024

Financial Analysis of the Town of Portsmouth's Funds

As noted earlier, the Town of Portsmouth 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. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At the end of the current fiscal year, the Town's governmental funds reported a combined ending fund balance of \$29,337,372. Approximately 37.2% or \$10,924,003 is available from the Town's fund balance for spending at the government's discretion. The remaining fund balance of \$18,413,369 includes \$1,061,148 non-spendable for prepaid items, inventory and permanent funds, \$16,128,691 restricted to specific programs and \$1,223,530 committed.

The General Fund is the chief operation fund of the Town of Portsmouth. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$11,409,948, while the total fund balance of the General Fund was \$12,087,779. As a measure of the General Fund's liquidity, it may be useful to compare both the unassigned fund balance and total fund balance to the total General Fund budgeted expenditures. Unassigned fund balance represents 15.95% of the FY 2024 Adopted General Fund Expenditure Budget. Total fund balance represents 16.90% of the same budget.

The School Unrestricted fund ending fund balance of \$1,337,911, which includes a committed fund balance of \$855,444 and \$482,467 non-spendable fund balance for prepaid items at June 30, 2024. The committed fund balance represents 1.88% of total School Department expenditures of \$44,434,472. The School Unrestricted fund balance decreased by \$44,761 during the fiscal year ended June 30, 2024.

The Town is reporting one of its capital projects funds as a major fund in fiscal year 2024. This fund began in the fiscal year 2019. This fund expended \$9,247,076 for capital outlay and had revenue of \$975,988 and a transfer in of \$798,824 resulting in a net change of \$7,472,264. This fund reported a fund balance at year-end of \$126,125.

The Non-Major Governmental Funds had a total fund balance of \$4,732,547, which represents a \$1,107,546 increase in fund balance during the fiscal year ended June 30, 2024.

Town of Portsmouth, Rhode Island

Management Discussion & Analysis (MD&A)

For the Year Ended June 30, 2024

Proprietary Funds

The Town’s proprietary fund financial statements provide the same type of information found in the government-wide financial statements, but in more detail.

As discussed in the business-type activities above, the Town’s proprietary net position decreased by \$536,050 as a result of operations in the individual enterprise funds. This decrease is due to a \$435,538 decrease in net position of the Glen Manor House, a decrease in net position of \$185,236 by the Septic System Loan Program, an decrease in net position of \$21,918 by the Glen Farm Equestrian, and a \$106,642 increase in the Transfer Station for fiscal year 2024.

General Fund Budgetary Highlights

The general fund reported a favorable surplus in the revenues due to Town Clerks collecting an additional \$266,455 of real estate transfer fees over the budgeted \$295,000.00. Also, Finance earned an additional \$436,990 from the budgeted \$100,000 in investment interest income. The general fund also reports a favorable variance in the expenses, which is due to reclassification of general fund expenditures to transfers out, including \$100,000 for Tax Assessor’s Property Revaluation Reserve, \$130,000 to Planning’s Zoning Ordinance Reserve, \$608,823 to the Capital Improvement Fund and \$811,358 to pay the interest payment on the 2022E School Bond. The Department of Public Works also recorded a favorable amount of \$307,972 due to 2 vacancies that were later filled in June 2024 & September 2024.

Capital Assets and Debt Administration

Capital Assets -The Town of Portsmouth's capital assets for its governmental activities and business-type activities as of June 30, 2024 amount to \$52,700,870 (net of accumulated depreciation). This net investment in capital assets includes land, buildings, improvements, machinery and equipment, park and recreation facilities, infrastructure and construction in progress. Additional information on the Town of Portsmouth's capital assets can be found in Note 5 to the financial statements.

TOWN OF PORTSMOUTH'S CAPITAL ASSETS AT YEAR END NET OF ACCUMULATED DEPRECIATION

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Land and land easements	\$ 6,175,279	\$ 6,175,279	\$ 37,251	\$ 37,251	\$ 6,212,530	\$ 6,212,530
Construction in progress	7,307,838	1,868,151	-	-	7,307,838	1,868,151
Land improvements, net	983,169	1,010,733	-	-	983,169	1,010,733
Building & improvements, net	21,738,726	21,841,974	239,686	271,862	21,978,412	22,113,836
Machinery and equipment, net	2,252,942	3,226,872	70,346	77,203	2,323,288	3,304,075
Infrastructure, net	9,839,593	10,169,409	-	-	9,839,593	10,169,409
Vehicles, net	1,848,153	2,422,045	-	-	1,848,153	2,422,045
Right to use-equipment	1,760,170	776,497	-	-	1,760,170	776,497
Total	\$ 51,905,870	\$ 47,490,960	\$ 347,283	\$ 386,316	\$ 52,253,153	\$ 47,877,276

Town of Portsmouth, Rhode Island

Management Discussion & Analysis (MD&A)

For the Year Ended June 30, 2024

Capital Assets and Debt Administration (continued)

Debt Administration - At the end of the current fiscal year, the Town of Portsmouth had total bonded debt outstanding of \$33,741,077 and leases outstanding of \$700,170, entirely backed by the full faith and credit of the Town. Additional information on the Town of Portsmouth's debt obligations can be found in Note 7 to the financial statements.

TOWN OF PORTSMOUTH'S OUTSTANDING DEBT AT YEAR END BONDS, LOANS AND CAPITALIZED LEASES PAYABLE

	Governmental Activities		Debt Administration Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
	Bonds and notes payable	\$ 33,741,077	\$ 35,155,485	\$ 99,932	\$ 159,866	\$ 33,841,009
Leases	700,170	776,497	32,618	68,476	732,788	844,973
Total	<u>\$ 34,441,247</u>	<u>\$ 35,931,982</u>	<u>\$ 132,550</u>	<u>\$ 228,342</u>	<u>\$ 34,573,797</u>	<u>\$ 36,160,324</u>

State statutes limit the amount of general obligation bonded debt a town can issue to 3 percent of net assessed property values. The Town of Portsmouth has a policy that places the limit at 2 percent of net assessed property values and the ratio of annual debt service payments shall not exceed 15% of the operating budget's expenditures. Bonds approved by the State enabling legislation and voter referendums are exempt from the limit. As of June 30, 2024, the Town had a debt limit of \$144,381,914 at the State level and \$10,718,914 at a local level.

In October of 2015 the Town of Portsmouth was rated “AAA” by S&P Global Ratings as part of a bond offering, their highest rating. S&P Global Ratings affirmed the Town’s “AAA” rating on January 5, 2023. Moody’s Investors Service rates the Town “Aa2.” Moody’s affirmed the Town’s rating on January 12, 2023.

Economic Factors

The Town of Portsmouth’s total proposed General Fund budget for fiscal year 2024 amounts to \$71,527,874, which reflects an increase of 2.06% over the fiscal 2024 budget. Of the Town’s \$71,527,874 budget, \$40,784,044 or 57.02% is budgeted for the Portsmouth Public Schools. The Town is budgeted to receive \$3,592,615 or 5.00% from the State of Rhode Island for aid for Education.

The Town’s tax rate for fiscal year 2024 is \$12.782 per thousand vs \$15.651 per thousand in fiscal year 2024.

Requests for Information

This financial report is designed to provide a general overview of the Town of Portsmouth’s finances for all those with an interest in the government’s finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Finance Director, 2200 East Main Road, Portsmouth, RI 02871.

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Town of Portsmouth, Rhode Island

Statement of Net Position

June 30, 2024

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
<i>Current Assets:</i>			
Cash and cash equivalents	\$ 20,069,596	\$ -	\$ 20,069,596
Restricted cash	11,017,424	15,712	11,033,136
Investments	88,997	-	88,997
Receivables, net			
Personal property taxes	1,329,364	-	1,329,364
Ambulance receivables, net	892,116	-	892,116
Intergovernmental	378,929	-	378,929
Departmental and other	805,699	86,748	892,447
Lease receivable-current	136,042	-	136,042
Internal balances	(335,649)	335,649	-
Prepaid items	734,637	-	734,637
Inventory	57,575	-	57,575
Noncurrent Assets:			
Lease receivable long-term	4,674,041	-	4,674,041
Net pension asset	8,291,742	-	8,291,742
Capital assets:			
Nondepreciable assets	13,483,117	37,251	13,520,368
Depreciable assets, net	36,662,583	310,031	36,972,614
Right-to-use lease asset, net	1,760,170	-	1,760,170
Total capital assets	51,905,870	347,282	52,253,152
Total assets	100,046,383	785,391	100,831,774
DEFERRED OUTFLOWS OF RESOURCES			
Pension related outflows	11,721,574	-	11,721,574
OPEB related outflows	2,748,966	-	2,748,966
Total deferred outflows of resources	14,470,540	-	14,470,540
Total assets and deferred outflows of resources	\$ 114,516,923	\$ 785,391	\$ 115,302,314

The accompanying notes are an integral part of this statement

Town of Portsmouth, Rhode Island

Statement of Net Position

June 30, 2024

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
LIABILITIES			
Current liabilities:			
Accounts payable and accrued expenses	\$ 1,364,370	\$ 64,814	\$ 1,429,184
Other liabilities	67,220	-	67,220
Accrued interest	164,664	5,514	170,178
Payables to external parties	438,217	-	438,217
Current position of lease payable	266,379	32,618	298,997
Current portion of bonds and notes payable	1,341,254	59,932	1,401,186
Current portion of compensated absences	108,472	-	108,472
Noncurrent liabilities			
Leases payable	433,791	-	433,791
Bonds and notes payable	32,399,823	40,000	32,439,823
Compensated absences	2,060,959	-	2,060,959
Net other post-employment benefit liability	19,802,094	-	19,802,094
Net pension liability	68,674,002	-	68,674,002
Total liabilities	127,121,245	202,878	127,324,123
DEFERRED INFLOWS OF RESOURCES			
Pension related inflows	12,370,451	-	12,370,451
OPEB related inflows	7,363,215	-	7,363,215
Deferred leases	4,810,083	-	4,810,083
Deferred prepaid tax in advance	89,779	-	89,779
Deferred Melville Campground rent	54,579	-	54,579
Deferred Glen Manor rent	564,095	-	564,095
Deferred America Rescue Plan Act	1,304,360	-	1,304,360
Deferred revenue - other	79,920	58,267	138,187
Total deferred inflows of resources	26,636,482	58,267	26,694,749
NET POSITION			
Net investment in capital assets	28,643,759	214,732	28,858,491
Restricted for:			
Nonexpendable:			
Corpus of endowment fund	268,936	-	268,936
Expendable:			
General government	1,306,216	-	1,306,216
Public safety programs	1,663,989	-	1,663,989
Educational purposes	682,752	-	682,752
Public works and social services	344,811	-	344,811
Community services	27,462	-	27,462
Capital projects	908,204	-	908,204
Permanent fund expendable	16,121	-	16,121
Pension Asset:			
Teacher's survivor benefit	7,605,832	-	7,605,832
MERS - Fire	145,366	-	145,366
MERS - Police	540,544	-	540,544
Unrestricted	(81,394,796)	309,514	(81,085,282)
Total net position	(39,240,804)	524,246	(38,716,558)
Total liabilities, deferred inflows or resources and net position	\$ 114,516,923	\$ 785,391	\$ 115,302,314

The accompanying notes are an integral part of this statement

Town of Portsmouth, Rhode Island

Statement of Activities

For the Year Ended June 30, 2024

	<u>Net (Expense) Revenue and Changes in Net Position</u>						
	<u>Expenses</u>	<u>Program Revenues</u>			<u>Primary Government</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Governmental Activities							
General government	\$ 6,369,377	\$ 2,319,180	\$ 587,626	\$ -	\$ (3,462,571)	\$ -	\$ (3,462,571)
Public safety	23,322,799	724,386	1,469,268	1,051,498	(20,077,647)	-	(20,077,647)
Public works	2,029,886	385,130	69,900	-	(1,574,856)	-	(1,574,856)
Education	51,724,725	2,704,332	6,952,504	975,988	(41,091,901)	-	(41,091,901)
Community services	2,300,378	-	390,725	-	(1,909,653)	-	(1,909,653)
Interest on debt	371,421	-	-	-	(371,421)	-	(371,421)
Total governmental activities	<u>86,118,586</u>	<u>6,133,028</u>	<u>9,470,023</u>	<u>2,027,486</u>	<u>(68,488,049)</u>	<u>-</u>	<u>(68,488,049)</u>
Business-Type Activities							
Portsmouth transfer station	774,398	1,080,125	-	-	-	305,727	305,727
Septic system loan program	2,682	-	-	-	-	(2,682)	(2,682)
Glen farm equestrian	(4,513)	10,017	-	-	-	14,530	14,530
Arthur Daniel house	30,000	30,000	-	-	-	-	-
Glen Manor house	-	-	-	-	-	-	-
Total business-type activities	<u>802,567</u>	<u>1,120,142</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>317,575</u>	<u>317,575</u>
Total Town of Portsmouth	<u>\$ 86,921,153</u>	<u>\$ 7,253,170</u>	<u>\$ 9,470,023</u>	<u>\$ 2,027,486</u>	<u>\$ (68,488,049)</u>	<u>\$ 317,575</u>	<u>\$ (68,170,474)</u>

The accompanying notes are an integral part of this statement

Town of Portsmouth, Rhode Island

Statement of Activities

For the Year Ended June 30, 2024

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Town of Portsmouth, Rhode Island	\$ (68,488,049)	\$ 317,575	\$ (68,170,474)
General revenues			
Real estate and personal property, net of reserve for abatements	62,301,207	-	62,301,207
Hotels and meals tax	-	-	-
Telephone tax	-	-	-
Earnings on investments	649,110	-	649,110
State aid to town	3,503,298	-	3,503,298
Group home aid	-	-	-
Medicaid	241,960	-	241,960
Miscellaneous	3,298,304	-	3,298,304
Total general revenues	69,993,879	-	69,993,879
Transfers			
Transfers in (out)	-	-	-
Total transfers	-	-	-
Total general revenues and transfers	69,993,879	-	69,993,879
Changes in net position	1,505,830	317,575	1,823,405
Net position - July 1, 2023	(40,817,536)	206,671	(40,610,865)
Net position - June 30, 2024	\$ (39,311,706)	\$ 524,246	\$ (38,787,460)

The accompanying notes are an integral part of this statement

Town of Portsmouth, Rhode Island

Governmental Funds

Balance Sheet

June 30, 2024

	Major Fund			Non-Major	Total
	General Fund	School Unrestricted Fund	School Bond Project	Governmental Funds	Governmental Funds
Assets					
Cash and cash equivalents	17,480,859	1,558,350	\$ -	\$ 1,030,387	\$ 20,069,596
Restricted cash	-	-	11,017,424	-	11,017,424
Investments	-	-	-	88,997	88,997
Receivables:					
Property taxes, net	1,329,364	-	-	-	1,329,364
Intergovernmental	-	79,140	-	299,789	378,929
Ambulance receivable, net	892,116	-	-	-	892,116
Lease receivable	4,810,083	-	-	-	4,810,083
Other	794,130	11,569	-	-	805,699
Due from other funds	-	-	161,712	5,993,868	6,155,580
Inventory	57,575	-	-	-	57,575
Prepaid items	252,170	482,467	-	-	734,637
Total assets	25,616,297	2,131,526	11,179,136	7,413,041	46,340,000
Deferred outflows of resources					
Deferred outflows	-	-	-	-	-
Total deferred outflows of resources	-	-	-	-	-
Total assets and deferred outflows of resources	25,616,297	2,131,526	11,179,136	7,413,041	46,340,000
Liabilities					
Accounts payable and accrued expenses	700,520	529,562	-	134,289	1,364,371
Other liabilities	67,220	-	-	-	67,220
Payable to external parties	438,217	-	-	-	438,217
Due to other funds	5,042,502	206,881	-	1,241,846	6,491,229
Total liabilities	6,248,459	736,443	-	1,376,135	8,361,037
Deferred inflows of resources					
Deferred ambulance revenue	892,116	-	-	-	892,116
Deferred leases	4,810,083	-	-	-	4,810,083
Deferred prepaid taxes in advance	89,779	-	-	-	89,779
Deferred property tax revenue	846,659	-	-	-	846,659
Deferred Melville Campground rent	54,579	-	-	-	54,579
Deferred Glen Manor rent	564,095	-	-	-	564,095
Deferred America Rescue Plan Act	-	-	-	1,304,360	1,304,360
Deferred revenue - other	22,748	57,172	-	-	79,920
Total deferred inflows of resources	7,280,059	57,172	-	1,304,360	8,641,591
Fund balance					
Nonspendable	309,745	482,467	-	268,936	1,061,148
Restricted	-	-	11,179,136	4,949,555	16,128,691
Committed	368,086	855,444	-	-	1,223,530
Assigned	-	-	-	-	-
Unassigned	11,409,948	-	-	(485,945)	10,924,003
Total fund balance	12,087,779	1,337,911	11,179,136	4,732,546	29,337,372
Total liabilities, deferred inflows of resources, and fund balance	\$ 25,616,297	\$ 2,131,526	\$ 11,179,136	\$ 7,413,041	\$ 46,340,000

The accompanying notes are an integral part of this statement

Town of Portsmouth, Rhode Island

Reconciliation of the Governmental Funds Balance Sheet Total

Fund Balances to the Statement of Net Position

June 30, 2024

Total governmental fund balances	\$ 29,337,372
Assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	
Capital assets, net	51,905,870
TSB and MERS net pension asset	8,291,742
Other deferred taxes and ambulance receivables are not available to pay for current period expenditures and, therefore, are deferred inflows of resources in the funds.	
Deferred property taxes revenue	846,659
Deferred ambulance revenue	892,116
Other long-term assets related to net pension and OPEB activity and therefore, are deferred inflows of resources in the funds.	
Pension related inflows	(12,370,450)
OPEB related inflows	(7,363,215)
Other long-term liabilities related to net pension and OPEB activity and therefore, are deferred outflows of resources in the funds.	
Pension related outflows	11,721,574
OPEB related outflows	2,748,966
In the statement of activities, interest is accrued on outstanding long-term debt whereas in governmental funds interest is not reported until due.	(164,664)
Long-term liabilities are not due and payable in the current period and, therefore are not reported in the governmental funds.	
Bonds and notes payable	(33,741,077)
Leases	(700,170)
Compensated absences	(2,169,432)
Other postemployment benefits	(19,802,094)
Town net pension liability	(45,016,924)
ERS net pension liability	(23,657,078)
Net position (deficit) of governmental activities	<u>\$ (39,240,804)</u>

The accompanying notes are an integral part of this statement

Town of Portsmouth, Rhode Island

Governmental Funds

Statement of Revenues, Expenditures and Changes in Fund Balances

For the Year Ended June 30, 2024

	Major Fund			Non-Major	Total
	General Fund	School Unrestricted Fund	School Bond Project	Governmental Funds	Governmental Funds
Revenues					
General property taxes and interest	\$ 62,097,603	\$ -	\$ -	\$ -	\$ 62,097,603
State aid and grants	3,503,298	3,592,615	975,988	4,645,094	12,716,995
Contributions and private grants	-	-	-	452,795	452,795
Licenses, permits, and fees	2,091,671	-	-	-	2,091,671
Charges for services	878,852	2,067,066	-	984,915	3,930,833
Investment income	611,484	-	-	37,626	649,110
Medicare	-	241,960	-	-	241,960
Other revenue	-	481,009	-	1,350,008	1,831,017
State contribution to pension plan	-	2,208,755	-	-	2,208,755
Total revenues	69,182,908	8,591,405	975,988	7,470,438	86,220,739
Expenditures					
General government	6,087,913	-	-	422,339	6,510,252
Public safety	14,917,555	-	-	1,282,804	16,200,359
Public works	3,971,891	-	-	31,487	4,003,378
Public and social services	1,096,669	-	-	66,489	1,163,158
Parks and recreation	317,191	-	-	766,921	1,084,112
Education	-	44,775,892	-	3,227,116	48,003,008
Capital outlay	97,412	658,580	9,247,076	2,665,537	12,668,605
Debt service					
Principal	1,303,937	-	-	-	1,303,937
Interest	470,112	-	-	-	470,112
Admin fee	5,400	-	-	-	5,400
Total expenditures	28,268,080	45,434,472	9,247,076	8,462,693	91,412,321
Excess (deficiency) of revenues over expenditures	40,914,828	(36,843,067)	(8,271,088)	(992,255)	(5,191,582)
Other financing sources (uses)					
Transfers in	22,266	37,191,429	798,824	2,342,679	40,355,198
Transfers out	(39,719,197)	(393,123)	-	(242,878)	(40,355,198)
Total other financing sources (uses)	(39,696,931)	36,798,306	798,824	2,099,801	-
Net change in fund balance	1,217,897	(44,761)	(7,472,264)	1,107,546	(5,191,582)
Fund balance, July 1, 2023	10,869,882	1,382,672	18,651,400	3,625,000	34,528,954
Fund balance, June 30, 2024	\$ 12,087,779	\$ 1,337,911	\$ 11,179,136	\$ 4,732,546	\$ 29,337,372

The accompanying notes are an integral part of this statement

Town of Portsmouth, Rhode Island

Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities

For the Year Ended June 30, 2024

Net change in fund balances - total governmental funds	\$ (5,191,582)
<p>Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets are allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.</p>	
Cost basis, acquisition of assets	8,161,086
Depreciation expense	(3,746,176)
	4,414,910
<p>Revenues in the Statement of Activities that do not provide current financial resources are fully deferred in the Statement of Revenues, Expenditures and Changes in Fund Balances. Therefore, the recognition of revenue for various types of accounts receivable (i.e., real estate and personal property, motor vehicle excise, etc.) differ between the two statements. This amount represents the net change in deferred inflows of resources.</p>	
Deferred taxes	203,605
Deferred ambulance revenue	181,425
<p>The issuance of long-term debt (e.g., bonds and leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.</p>	
Principal paid on bonds	1,304,068
Bond premium amortized	110,340
Lease payments	76,327
<p>In the Statement of Activities, interest is accrued on outstanding long-term debt, whereas in governmental funds interest, is not reported until due.</p>	
	103,960
<p>Some expenses reported in the Statement of Activities, such as compensated absences, do not require the current financial resources, and therefore, are not reported as expenditures in the governmental funds.</p>	
	(240,917)
<p>The other postemployment benefit expense reported in the Statement of Activities requires the use of current financial resources and is not reported as an expenditure in the governmental funds.</p>	
Change in OPEB related outflows	401,764
Change in OPEB related inflows	(694,200)
Change in net OPEB liability	(1,491,619)
<p>The net pension asset / liability expense reported in the Statement of Activities requires the use of current financial resources and is not reported as an expenditure in the governmental funds.</p>	
Change in net pension asset	1,470,464
Change in pension related outflows	1,834,289
Change in pension related inflows	(7,210,869)
Change in net pension liability	6,304,767
	6,304,767
Change in net position of governmental activities	\$ 1,576,732

The accompanying notes are an integral part of this statement

Town of Portsmouth, Rhode Island

Proprietary Funds

Statement of Net Position

June 30, 2024

	Arthur Daniel House	Septic System Loan Program	Glen Farm Equestrian	Transfer Station	Total
Assets					
Current assets					
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted cash	-	15,712	-	-	15,712
Receivables, net:					
Other	561	7,735	53,411	25,041	86,748
Due from other funds	6,939	71,369	72,078	185,263	335,649
Total current assets	7,500	94,816	125,489	210,304	438,109
Non-current assets					
Nondepreciable	-	-	-	37,251	37,251
Depreciable, net	-	-	-	310,031	310,031
Total non-current assets	-	-	-	347,282	347,282
Total assets	7,500	94,816	125,489	557,586	785,391
Deferred outflows of resources					
Deferred outflows	-	-	-	-	-
Total deferred outflows of resources	-	-	-	-	-
Total assets and deferred outflows of resources	\$ 7,500	\$ 94,816	\$ 125,489	\$ 557,586	\$ 785,391

The accompanying notes are an integral part of this statement

Town of Portsmouth, Rhode Island

Proprietary Funds

Statement of Net Position

June 30, 2024

	<u>Arthur Daniel House</u>	<u>Septic System Loan Program</u>	<u>Glen Farm Equestrian</u>	<u>Transfer Station</u>	<u>Total</u>
Liabilities					
Current liabilities:					
Accounts payable and accrued expenses	\$ 7,500	\$ 959	\$ -	\$ 56,355	\$ 64,814
Accrued interest payable	-	-	-	5,514	5,514
Due to other funds	-	-	-	-	-
Current portion of lease payable	-	-	-	32,618	32,618
Current portion of bonds payable	-	40,000	-	19,932	59,932
Total current liabilities	<u>7,500</u>	<u>40,959</u>	<u>-</u>	<u>114,419</u>	<u>162,878</u>
Non-current liabilities:					
Bonds payable	-	40,000	-	-	40,000
Total non-current liabilities	<u>-</u>	<u>40,000</u>	<u>-</u>	<u>-</u>	<u>40,000</u>
Total liabilities	<u>7,500</u>	<u>80,959</u>	<u>-</u>	<u>114,419</u>	<u>202,878</u>
Deferred inflows of resources					
Deferred revenue	-	-	58,267	-	58,267
Total liability and deferred inflows of resources	<u>7,500</u>	<u>80,959</u>	<u>58,267</u>	<u>114,419</u>	<u>261,145</u>
Net position					
Net investment in capital assets	-	(80,000)	-	294,732	214,732
Unrestricted	-	93,857	67,222	148,435	309,514
Total net position	<u>\$ -</u>	<u>\$ 13,857</u>	<u>\$ 67,222</u>	<u>\$ 443,167</u>	<u>\$ 524,246</u>

The accompanying notes are an integral part of this statement

Town of Portsmouth, Rhode Island

Proprietary Funds

Statement Revenues, Expenses and Changes in Net Position

For the Year Ended June 30, 2024

	<u>Arthur Daniel House</u>	<u>Septic System Loan Program</u>	<u>Glen Farm Equestrian</u>	<u>Transfer Station</u>	<u>Total</u>
Operating revenues					
Charges for sales and services	\$ 30,000	\$ -	\$ 10,017	\$ 1,080,125	\$ 1,120,142
Total operating revenues	30,000	-	10,017	1,080,125	1,120,142
Operating expenses					
Glen farm equestrian	-	-	(4,513)	-	(4,513)
Transfer station expenses	-	-	-	734,766	734,766
Septic system loan program	-	(554)	-	-	(554)
Arthur D. House	30,000	-	-	-	30,000
Depreciation and amortization	-	-	-	39,034	39,034
Total operating expenses	30,000	(554)	(4,513)	773,800	798,733
Operating income (loss)	-	554	14,530	306,325	321,409
Nonoperating revenues (expenses)					
Other income	-	-	-	-	-
Interest income (expense)	-	(3,236)	-	(598)	(3,834)
Income (loss) before transfers	-	(2,682)	14,530	305,727	317,575
Transfers					
Transfers in (out)	-	-	-	-	-
Total transfers	-	-	-	-	-
Change in net position	-	(2,682)	14,530	305,727	317,575
Net position, July 1, 2023	-	16,539	52,692	137,440	206,671
Net position, June 30, 2024	\$ -	\$ 13,857	\$ 67,222	\$ 443,167	\$ 524,246

The accompanying notes are an integral part of this statement

Town of Portsmouth, Rhode Island

Proprietary Funds

Statement of Cash Flows

For the Year Ended June 30, 2024

	Arthur Daniel House	Septic System Loan Program	Glen Farm Equestrian	Transfer Station	Total
Cash flows from operating activities:					
Receipts from customers and users	\$ 29,373	\$ 12,106	\$ 14,873	\$ 1,080,127	\$ 1,136,479
Payments to suppliers of goods and services	(30,000)	554	4,513	(736,579)	(761,512)
Net cash provided (used) by operating activities	(627)	12,660	19,386	343,548	374,967
Cash flows from noncapital financing activities:					
Due to/from other funds	627	43,236	(19,386)	(287,173)	(262,696)
Net cash provided (used) by noncapital financing activities	627	43,236	(19,386)	(287,173)	(262,696)
Cash flows from capital and related financing activities:					
Bond and lease principal payments	-	(40,000)	-	(55,791)	(95,791)
Bond interest payments	-	(3,236)	-	(584)	(3,820)
Net cash provided (used) by capital and related financing activities	-	(43,236)	-	(56,375)	(99,611)
Cash flows from investing activities:					
Interest received	-	-	-	-	-
Net cash provided by investing activities	-	-	-	-	-
Net increase (decrease) in cash and cash equivalents	-	12,660	-	-	12,660
Balances-beginning of the year	-	3,052	-	-	3,052
Balances-end of the year	<u>\$ -</u>	<u>\$ 15,712</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,712</u>
Displayed as:					
Cash and cash equivalents	-	-	-	-	-
Restricted cash	-	15,712	-	-	15,712
Total	<u>\$ -</u>	<u>\$ 15,712</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,712</u>

The accompanying notes are an integral part of this statement

Town of Portsmouth, Rhode Island

Proprietary Funds

Statement of Cash Flows

For the Year Ended June 30, 2024

Reconciliation of operating income (loss) to net cash provided (used) by operating activities:	Arthur Daniel House	Septic System Loan Program	Glen Farm Equestrian	Transfer Station	Total
Operating income (loss)	\$ -	\$ 554	\$ 14,530	\$ 306,325	\$ 321,409
Adjustments to reconcile operating income to net cash provided (used) by operating activities:					
Depreciation expense	-	-	-	39,034	39,034
Change in assets and liabilities:					
(Increase) decrease in user charges receivables, net	29,373	12,106	19,422	-	60,901
Increase (decrease) in deferred revenue	(30,000)	-	(14,566)	(1,813)	(46,379)
Net cash provided (used) by operating activities	\$ (627)	\$ 12,660	\$ 19,386	\$ 343,546	\$ 374,965

The accompanying notes are an integral part of this statement

Town of Portsmouth, Rhode Island

Fiduciary Funds

Statement of Fiduciary Net Position

June 30, 2024

	Employee Benefit Trust Funds	Custodial Funds
	<u> </u>	<u> </u>
Assets		
Cash and cash equivalents	\$ -	\$ 356,470
Investments, at fair value		
Mutual funds	71,404,967	-
Fixed income securities	2,792,773	-
Receivables	<u>-</u>	<u>442,987</u>
Total assets	<u>74,197,740</u>	<u>799,457</u>
Deferred outflows of resources		
Deferred outflows	<u>-</u>	<u>-</u>
Total assets and deferred outflows of resources	<u>\$ 74,197,740</u>	<u>\$ 799,457</u>
Liabilities		
Accounts payable	<u>-</u>	<u>4,770</u>
Total liabilities	<u>-</u>	<u>4,770</u>
Deferred inflows of resources		
Unearned revenue	<u>-</u>	<u>-</u>
Total deferred inflows of resources	<u>-</u>	<u>-</u>
Net Position		
Restricted for pension	71,404,967	-
Restricted for OPEB	2,792,773	-
Restricted for Custodial Funds	<u>-</u>	<u>794,687</u>
Total net position	<u>74,197,740</u>	<u>794,687</u>
Total liabilities and net position	<u>\$ 74,197,740</u>	<u>\$ 799,457</u>

The accompanying notes are an integral part of this statement

Town of Portsmouth, Rhode Island

Fiduciary Funds

Statement of Changes in Fiduciary Net Position

For the Year Ended June 30, 2024

	Employee Benefit Trust Funds	Custodial Funds
Additions		
Contributions:		
Employer contributions	\$ 4,836,046	\$ -
Plan member contributions	353,796	-
Other adjustments	-	-
Funds received on behalf of others	-	210,014
<i>Total contributions</i>	5,189,842	210,014
Investment Income:		
Net appreciation in the fair value	7,761,727	778
<i>Total investment income</i>	7,761,727	778
Less: Investment expense	(31,678)	-
Total additions	12,919,891	210,792
Deductions		
Benefits paid	6,270,512	-
Administrative expenses	109,904	-
Funds distributed on behalf of others	-	184,443
Total deductions	6,380,416	184,443
Changes in net position held in trust for individuals, organizations, and other governments	6,604,148	26,349
Net position, July 1, 2023	67,593,592	768,338
Net position, June 30, 2024	\$ 74,197,740	\$ 794,687

The accompanying notes are an integral part of this statement

Town of Portsmouth, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

1. Summary of significant accounting policies

The basic financial statements of the Town of Portsmouth, Rhode Island (the Town) have been prepared in conformity with accounting principles generally accepted in the United States of America applicable to governmental entities (U.S. GAAP). 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. Certain immaterial differences in the accompanying financial statements may exist due to rounding.

Financial reporting entity:

Portsmouth was established in 1638 and incorporated as a Town in 1640. The Town of Portsmouth (the Town) is governed largely under the 1958 Home Rule Charter, which provides for a Council- Administrator form of government. The Town provides various services including education, solid waste disposal, public safety (police and fire), public works, (engineering, highway, recycling, public buildings, parks and recreation), social services and general government services.

Generally, the effect of inter-fund activity has been eliminated from the Government-wide financial statements. However, inter-fund services provided and used are not eliminated in the process of consolidation.

Reporting Entity

In evaluating how to define the government for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in 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 obligated or has otherwise assumed the obligation to finance the deficits of, or provide financial support to, the organization.
- b) The primary government is obligated in some manner for the debt of the organization.

The following entity was considered for classification as a component unit for fiscal year 2024:

* Portsmouth Water and Fire District

The Portsmouth Water and Fire District is a separate legal entity that appoints its own board members, sets its own billing rates and is not fiscally dependent upon the Town of Portsmouth. As a result, the Portsmouth Water and Fire District has not been included as a component unit.

The Town of Portsmouth does not have any component units.

Town of Portsmouth, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

1. Summary of significant accounting policies (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 and distinguish between governmental and business-type activities. They include all funds of the Town except for fiduciary funds. 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 or services.

The statement of activities presents a comparison between expenses and program revenue 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 revenue.

Fund financial statements:

Fund financial statements of the Town are organized into funds, each of which is a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts which constitute its assets, liabilities, fund equity, revenues, and expenditures. 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 both of the following criteria:

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

All remaining governmental and enterprise funds are aggregated and reported as non-major funds.

Fund types used by the Town and a description of the funds comprising each are as follows:

Governmental funds:

Governmental funds are used to account for operations that supply basic government services.

The Town uses the following governmental funds:

General Fund:

The 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 activities except those legally or administratively required to be accounted for in other funds.

Town of Portsmouth, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

1. Summary of significant accounting policies (continued)

Basis of presentation (continued):

Fund financial statements (continued)

Special revenue 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 specific purposes other than debt service or capital projects. The Town's major special revenue fund is the School Unrestricted Fund, which provides primary education to the Town's children. Revenues for the School Unrestricted Fund derived primarily from State and Federal Aid and transfers from the Town.

Debt Service fund:

Accounts for the activities to funds received from the issuance of debt for the Schools' remodeling and improvement.

Capital projects funds:

Capital projects funds are used to account for and report financial resources that are restricted, committed, or assigned for the acquisition or construction of specific capital projects or items. The Town's Capital Projects Fund is a major fund.

Permanent funds:

Permanent funds account for, and report assets held by the Town where the principal portion of this fund type must remain intact, but the earnings may be used to achieve the objectives of the fund. The Town's permanent funds are all non-major funds.

Proprietary funds:

Proprietary funds are used to account for business-like activities provided to the 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 like the private sector. Of the Town's five enterprise funds, the Glen Manor House and the Transfer Station Funds are major funds. The Town's management has elected to present the remaining non-major enterprise funds as major funds. The Town has no internal service funds.

Fiduciary funds:

Fiduciary funds are used to account for resources held for the benefit of parties outside the Town government. Fiduciary funds are not reflected in the Government-wide Financial Statements because the resources of these funds are not available to support the Town's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. They use the economic resources measurement focus and accrual basis of accounting.

Town of Portsmouth, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

1. Summary of significant accounting policies (continued)

Basis of presentation (continued):

Fund financial statements – Governmental Funds (continued):

Pension trusts:

Pension trust funds account for contributions made by the Town and its participating employees to provide retirement benefits to participating employees.

Other postemployment benefits (OPEB) trust:

The OPEB Trust fund accounts for contributions made by the Town and its participating employees to provide postemployment benefits (health insurance) to participating employees.

The following fiduciary funds are used by the Town:

Custodial funds:

Custodial funds are established when the Town holds assets in custody for others in a custodial capacity. The reporting entity includes nine custodial funds (Soil Erosion Fund, New Development Road Bond, Glen Park Damage Deposit Fund, Probate Court Fund, Prescott Point Fund, and four Student Activities funds).

Measurement focus and basis of accounting:

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as 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 susceptible to accrual. Susceptibility occurs when revenues 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 (sixty days). Expenditures, including capital outlays, are recognized when a liability has been incurred, except for those involving debt service and other long-term obligations that are recognized when paid.

Those revenues susceptible to accrual are property taxes, special assessments, federal impact aid, state aid, meals and hotel taxes collected by the State of Rhode Island (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.

Town of Portsmouth, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

1. Summary of significant accounting policies (continued)

Basis of presentation (continued):

Fund financial statements – Governmental Funds (continued):

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.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The Town currently maintains five enterprise funds (Transfer Station Fund, Septic System Loan Program, Arthur Daniel House, Glen Manor House and Glen Farm Equestrian). The Town currently does not have Internal Service Funds. Operating expenses for the proprietary funds include the cost of programs and services, administrative expenses and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the Town's policy to use restricted resources first, and then unrestricted resources as they are needed.

Cash and Cash Equivalents:

Cash and cash equivalents consist of cash on hand, time and demand deposits and short-term investments maturing within three months of the date of acquisition.

Cash and cash equivalents consist of cash on hand, time and demand deposits and all highly liquid investments with a maturity of three months or less when purchased. Under Rhode Island laws, depository institutions holding deposits of the State, its agencies or governmental subdivision of the State, must insure or pledge eligible collateral equal to 100% of the deposits maturing in greater than sixty days. Any institutions not meeting certain federally prescribed minimum capital standards must insure deposits or pledged collateral equal to 100% of the deposits, regardless of maturity. The Town complied with these requirements.

The Town does not have a deposit policy for custodial credit risk or other risks.

Town of Portsmouth, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

1. Summary of significant accounting policies (continued)

Basis of presentation (continued):

Measurement focus and basis of accounting (continued)

Investments:

Investments are reported at fair value, based on quotations from applicable national securities exchanges. 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. Unrealized gains and losses from changes in fair value are recognized as investment income. The State does not have pertinent laws regarding investments that apply to cities and towns. The Town does not have an investment policy for custodial credit risk or other risks other than those relating to its pension trust fund and OPEB trust fund (Managed Funds). The Town's Pension/OPEB Trust Fund Investment Advisory Committee is responsible for the supervision of the investment of the Town's Managed Funds investments with the objective of preserving capital and investing with care to minimize the risk of large losses.

Receivables:

Accounts receivables are recorded in the General, Special Revenue and Enterprise funds. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable.

Real Estate and Personal Property Taxes:

For the Government-wide financial statements, property taxes are recognized as revenue in the fiscal year they are levied. For the fund financial statements, property taxes are recognized as revenue in the fiscal year they are levied and become available. To be considered available, property taxes must be due and collected during the year or within 60 days after year-end. Property taxes not considered available are reported as deferred inflows. Taxes are levied in July on (a) one hundred percent of the full and fair value of real and tangible personal property owned within the Town the previous December 31; and (b) the value, as determined by the Rhode Island Vehicle Valuation Commission, of vehicles registered within the Town the previous calendar year, prorated for the actual number of days so registered.

Taxes levied in July are payable quarterly on September 1, December 1, March 1 and June 1. Failure to make payments on the prior year's assessment by mid-March will result in a lien on the taxpayer's property. Real estate and personal property tax are shown net of an allowance for uncollectible accounts. The allowance is calculated based on the age of the individual receivables and amounted to \$536,510 on June 30, 2024, in the governmental statement and statement of net position, respectively.

Rhode Island general laws restrict the Town's ability to increase its total tax levy by more than 4.00% over that of the preceding fiscal year.

Town of Portsmouth, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

1. Summary of significant accounting policies (continued)

Basis of presentation (continued):

Measurement focus and basis of accounting (continued):

Due from Federal and State Government:

Various federal and state grants for operating and capital purposes are applied for and received annually. For non-expenditure driven grants, receivables are recorded as soon as all eligibility requirements imposed by the provider have been met. For expenditure driven grants, receivables are recorded when the qualifying expenditures are incurred, and all other grant requirements are met.

These receivables are considered 100% collectible and, therefore, do not report an allowance for uncollectible amounts.

Short Term Interfund Receivables and Payables:

During operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" on the governmental funds balance sheet. These internal balances are eliminated in the Government-wide statement of net position.

Inventory and Prepaid Items:

Inventory reported in the Town's general fund is maintained on a perpetual system and is stated at cost (first in, first out method of inventory valuation). Inventory is generally recorded as expenditures/expenses when consumed. Prepaid items are expenditures paid prior to year-end that relate directly to a future period and therefore are not considered current year expenditures / expenses. The consumption method is utilized by the Town for accounting for prepaid expenses.

Capital Assets and Depreciation:

Capital assets are reported in the statement of net position in the Government-wide financial statements. Capital assets acquired by governmental funds are reported as capital outlay expenditures.

Capital assets are defined by the Town as assets with an initial, individual cost of \$5,000 or more and an estimated useful life more than one year. All capital assets are valued at historical cost or estimated historical cost. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are recorded at acquisition value rather than fair. The cost of normal maintenance and repairs that do not add to the value of assets or materially extend assets' lives are not included in capital assets. Depreciation of all exhaustible capital assets is recorded as an allocated expense in the Government-wide 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 Town is reporting an intangible right to use assets related to leased equipment and vehicles. These intangible assets are being amortized in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset.

Town of Portsmouth, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

1. Summary of significant accounting policies (continued)

The estimated useful lives by type of capital asset are as follows:

Land improvements	20
Buildings and improvements	10-50
Machinery & equipment	4-20
Construction equipment	10
Infrastructure	10-50
Motor vehicles	6-20

Leases:

A lease is a contract that conveys the control of the right to use another entity's nonfinancial asset (the Underlying asset) for a period in an exchange or exchange like transaction. The Town has contracts in which it is a lessee and a lessor. Lessors recognize a lease receivable and a deferred inflow of resources. Lessees recognize an intangible right to use asset and a lease liability. These transactions are measured at the present value of payments expected to be made during the lease term using the discount rate in the lease. If the lease discount rate cannot be readily determined from the lease, the Town uses its incremental borrowing rate.

A right to use lease assets with a lease term greater than 1 year and an initial present value over \$60,000 are recorded as intangible assets. Right to use lease assets are amortized over the contract term of the lease. Leases that do not meet these criteria are recognized as current period revenues and expenses.

Bond Premiums and Issuance Costs:

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

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

Deferred Inflows and Outflows of Resources:

Deferred inflows of resources represent the acquisition of net assets that is applicable to a future reporting period. Deferred outflows of resources represent the consumption of net assets that is applicable to a future reporting period.

In addition to assets, the statement of net position and/or balance sheet can report deferred outflows of resources. Deferred outflow of resources represents a consumption of net assets that applies to future periods, and which will not be recognized as an outflow of resources (expense/expenditure) until that later date. At June 30, 2024 the Town of Portsmouth, Rhode Island reports deferred outflows related to pension, OPEB, and deferred charges on refunding in the Government-wide statement of net position. The deferred outflow of resources related to pension totaling \$11,708,541 results from differences between expected and actual experience, changes in assumptions or other inputs, the net differences between projected and actual earnings on pension plan investments, changes in proportionate share and system contributions and

Town of Portsmouth, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

1. Summary of significant accounting policies (continued)

Deferred Inflows and Outflows of Resources (continued):

contributions subsequent to the measurement date. These amounts are deferred and included in pension expense in a systematic and rational manner over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension plan (active employees and inactive employees).

The deferred outflow of resources related to OPEB totaling \$2,748,966 results from differences between expected and actual experience, changes in assumptions or other inputs. These amounts are deferred and included in 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 OPEB plan (active employees and inactive employees).

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate section represents an acquisition of net assets that applies to future periods and, therefore, will not be recognized as an inflow of resources (revenue) until a later date. At June 30, 2024, the Town had five items that qualified as a deferred inflow of resources in the governmental funds balance sheet. The unavailable tax revenue represents property taxes receivables which are assessed on December 31, 2023, and prior and are not collected within 60 days of June 30, 2024. Net unavailable property tax revenue included in the fund financial statements was \$868,188 at June 30, 2024. Prepaid taxes revenue as of June 30 was \$89,799. The unavailable ambulance revenue represents ambulance rescue fee receivables that are not collected as of June 30, 2024. Net unavailable ambulance rescue fee revenue included in the fund financial statements was \$892,116 at June 30, 2024. Deferred lease was \$4,810,083, deferred Glen Manor House rent was \$564,095, deferred Melville Campground rent was \$54,579, deferred America Rescue Plan Act of \$1,304,360, and deferred revenues-other totaled \$79,920 as of June 30, 2024. These amounts are deferred and will be recognized as an inflow of resources in the year in which the amounts become available.

At June 30, 2024 the Town of Portsmouth, Rhode Island reports deferred outflows related to pension and OPEB in the Government-wide statement of net position. The deferred outflow of resources related to pension totaling \$12,370,453 results from differences between expected and actual experience, changes in assumptions or other inputs and changes in proportion and differences between system contributions and proportionate share contributions. While the deferred outflow of resources related to OPEB totaled \$7,363,215.

These amounts are deferred and included as a reduction in pension expense in a systematic and rational manner over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension plan (active employees and inactive employees). The deferred inflow of resources related to pension and OPEB totaling \$19,733,666 results from differences between expected and actual experience, changes in assumptions or other inputs and net differences between projected and actual earnings on OPEB plan investments. These amounts are deferred and included as a reduction in 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 OPEB plan (active employees and inactive employees).

Town of Portsmouth, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

1. Summary of significant accounting policies (continued)

Compensated Absences:

Under the terms of various contracts and agreements, Town employees are granted vacation and sick leave in varying amounts based on length of service. Vacation benefits are accrued as a liability based on the accumulated benefits earned at June 30. Sick leave benefits are based on the sick leave accumulated at June 30 by those employees who are currently eligible to receive termination payments and those employees for whom it is probable they will become eligible to receive termination benefits in the future. The liability is calculated at the rate of pay in effect at June 30, 2024.

The entire compensated absence liability is reported in the statement of net position. For the governmental fund financial statements, accumulated vacation and sick leave has been recorded as a current liability to the extent that the amounts are expected to be paid using expendable available financial resources. The balance of the liability not paid with expendable available financial resources is not recorded in the governmental fund financial statements.

Accrued Liabilities and Long-Term Debt:

All accrued liabilities and long-term debt are reported in the Government-wide financial statements.

For the governmental fund financial statements, the accrued liabilities are generally reported as a fund liability if due for payment as of the balance sheet date, regardless of whether they will be liquidated with current financial resources. However, claims and judgments and compensated absences paid from governmental funds are reported as a liability in the fund financial statements only for the portion expected to be financed from expendable available financial resources. Long-term debt paid from governmental funds is not recognized as a liability in the fund financial statements until due. For other long-term obligations, only that portion expected to be financed from expendable available financial sources is reported as a fund liability of the governmental fund. The face amount of debt issued is reported as other financing source in the governmental fund's financial statements.

Interfund Activities:

Transactions between funds have been eliminated in the Government-wide financial statements but fully presented within the governmental fund financial statements with no elimination made between or within funds. Transfers between fiduciary funds and governmental or business-type activities do not get eliminated. 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 provider fund and as expenditures or expenses in the purchasing fund.

Town of Portsmouth, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

1. Summary of significant accounting policies (continued)

Reciprocal Interfund Activities (continued):

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 non-operating revenues and expenses.

Non-Reciprocal Interfund Activities:

Interfund reimbursements are repayments from the fund responsible for expenditures or expenses to other funds that initially paid for them. Reimbursements are not displayed separately within the financial statements.

Encumbrances:

Encumbrance accounting, under which purchase orders, contracts and other commitments for fund expenditures and/or expense are recorded in order to reserve portions of applicable appropriations, is employed in the governmental and business-type funds.

Fund equity:

Government-Wide Financial Statements – Net Position

The Town's net position has been segregated into the following three components:

Net investment in capital assets - represents the net book value of all capital assets less the outstanding balances of bonds and other debt, and deferred inflows of resources, if any, used to acquire, construct or improve these assets, increased by deferred outflows of resources related to those assets, if any.

Restricted – assets that have been limited to uses specified either externally by creditors, contributors, laws or regulations of other governments or internally by enabling legislation or law; reduced by liabilities and deferred inflows of resources related to the restricted assets.

Unrestricted – a residual category for the balance of net position.

Governmental Fund Financial Statements:

The Town's fund balance is reported in the following categories:

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.

Restricted – amounts that have been restricted to specific purposes either by creditors, grantors, contributors, or laws or regulations of other governments; or imposed by law through constitutional provisions or enabling legislation.

Committed – amounts constrained to specific purposes by the Town, using its highest level of decision-making authority. Commitments will only be used for specific purposes pursuant to a formal action of the Town Council. Town Council Resolution is required to approve, modify, or rescind a fund balance commitment.

Town of Portsmouth, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

1. Summary of significant accounting policies (continued)

Governmental Fund Financial Statements(continued):

Assigned – amounts that are intended by the Town to be used for specific purposes but are neither restricted nor committed. The Town Council delegates to the Town Administrator or designee the authority to assign amounts to be used for specific purposes. Such assignments cannot exceed the available (spendable, unrestricted, uncommitted) fund balance in any fund.

Unassigned – amounts available for any purpose. Only the general fund can report a positive fund balance amount. In other governmental funds, it is not appropriate to report a positive unassigned fund balance amount. However, in governmental funds other than the general fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

Expenditures may be incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) amounts are available. Composition of the ending fund balance will be determined by applying the following: In those instances where both restricted and unrestricted amounts are available, restricted amounts will be considered to have been spent first (as allowed and in compliance with stated and specified terms or requirements), followed by committed amounts, followed by assigned amounts, and then unassigned amounts.

Pensions

Private Pension

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pension and the pension expense, information about the fiduciary net position of the Town's Retirement 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.

Employees' Retirement System plan (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.

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.

Town of Portsmouth, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

1. Summary of significant accounting policies (continued)

Pensions (continued):

Municipal Employee's 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.

Other Post-Employment Benefits (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Town's plan and additions to/deductions from Town's fiduciary net position have been determined on the same basis as they are reported by the Town. For this purpose, the Town recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost.

The Town's general fund has typically been used to liquidate the pension and OPEB liabilities historically.

Intergovernmental Revenues:

State aid is recognized as revenue in the year in which funds are appropriated by the Rhode Island General Assembly, provided they are collected during the fiscal year.

Enterprise Revenue:

Program income in enterprise funds is recorded as charges for sales and services and is considered revenue when it is both measurable and available. In the current year, only charges for sales and services were operating revenue. Whereas revenue generated as investment income was non-operating revenue.

Claims and Judgements:

The Town is exposed with respect to risks including, but not limited to, property damages, personal injury and workers' compensation. In the governmental fund financial statements, expenditures for claims and judgments are recorded on the basis of whether the liability has matured in the current period. The Town and the School Department are members of the Rhode Island Interlocal Risk Management Trust (the Trust). The Trust was established to offer a viable alternative to commercial insurance for public entities through intergovernmental pooling of risk. The Trust is a protected, self-insurance plan. The Town pays annual premiums for its liability, property and worker's compensation coverage. The membership participation agreement provides that, in return for the payment of the annual premium, the Trust member transfers the financial responsibility for loss, but only according to the conditions of coverage and up to the stated maximum amount of insurance purchased by the Town or School Department. In the Government-wide financial statements, the estimated liability for all claims and judgments is recorded as a liability and as an expense.

Town of Portsmouth, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

1. Summary of significant accounting policies (continued)

Use of Estimates:

The preparation of basic financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and 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. Actual results could differ from those estimates.

Reconciliation of Government-Wide Net Position and Fund Financial Statements Fund Balance:

The governmental fund Balance Sheet includes a reconciliation between fund balance - total governmental funds and net position - governmental activities as reported in the Government-wide Statement of Net Position. One element of that reconciliation explains that "long-term liabilities are not due and payable in the current period and, therefore, are not reported in the fund statements".

Explanation of Certain Differences between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balance and the Government-Wide Statement of Activities:

The governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances includes reconciliation between net changes in fund balances - total governmental funds and changes in net position of governmental activities as reported in the Government-wide Statement of Activities. One element of the reconciliation states that "the governmental funds report principal repayments on debt obligations as an expenditure."

Another element of that reconciliation states that, "Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in governmental funds." Also, the allowance adjustment on the ambulance receivables affects the revenue recorded in the Statement of Activities.

Accounting pronouncements implemented in the current year:

For the year ending June 30, 2024, the Authority implemented GASB Statement Nos. 99 (Omnibus 2022) and 100 (Accounting Changes and Error Corrections – an amendment of GASB Statement No. 62). The effects of the implementation of these statements had no material reporting impact on these financial statements.

Recent issued accounting pronouncements not yet effective:

The Town of Portsmouth is currently analyzing its accounting practices to determine the potential impact on the financial statements for the following GASB Statements:

- GASB Statement No. 101, *Compensated Absences*, which is required to be implemented during fiscal year 2025. Management will evaluate the potential impact that the implementation of this Statement will have on the financial statements at some point in the future.
- GASB Statement No. 102, *Certain Risk Disclosures*, which is required to be implemented during fiscal year 2025. Management will evaluate the potential impact that the implementation of this Statement will have on the financial statements at some point in the future.

Town of Portsmouth, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

1. Summary of significant accounting policies (continued)

• GASB Statement No. 103, *Financial Reporting Model Improvements*, which is required to be implemented during fiscal year 2026. Management will evaluate the potential impact that the implementation of this Statement will have on the financial statements at some point in the future.

These pronouncements will be implemented by their respective implementation dates.

2. Cash Deposits and Investments

The State of Rhode Island requires that certain uninsured deposits be collateralized. Section 35-10.1-7 of the General Laws of the State of Rhode Island, dealing with the collateralization of public deposits, requires that all time deposits with maturities of greater than 60 days and all deposits in institutions that do not meet the minimum capital requirements of its Federal regulator must be collateralized.

Deposits

As of June 30, 2024, the carrying amount of the Town's cash, cash equivalents and investments was \$105,747,939 (including Fiduciary Funds and cash held in escrow) while the bank balance was \$108,053,249. Of the bank balance, \$681,029 was covered by federal depository insurance, \$32,794,328 was covered by collateralization agreements and \$293,156 was uninsured. The remaining investments of \$74,286,796 are uninsured. The Town's cash and cash equivalents also included petty cash of \$650 and is reported in the financial statement as follows:

<i>Government-wide Statement of Net Position</i>	
Governmental activities	\$ 31,176,017
Business-type activities	15,712
<i>Fiduciary Funds Statement of Net Position</i>	
Pension Trust Fund	71,404,967
OPEB Trust Fund	2,792,773
Custodial Funds	356,470
<i>Total carrying amount of deposits</i>	<u>\$ 105,745,939</u>

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the Town will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The Town has a formal deposit policy for custodial credit risk, which follows State Laws as described below.

Restricted Cash Held in Escrow

Restricted cash held in escrow of \$15,712 reported in the Statement of Net Position at June 30, 2024 consists of funds reported in the Business-Type Activities (Proprietary Fund) representing cash held in escrow by Rhode Island Housing for administration of the Town's Septic System Loan Program.

Town of Portsmouth, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

2. Cash Deposits and Investments (continued)

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 priced 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 helped by the Town are deemed to be actively traded.

Fixed income securities: Valued using market quotations or prices obtained from independent pricing sources which may employ various pricing methods to value the investments, including matrix pricing based on quoted prices for securities with similar coupons, ratings and maturities.

Town of Portsmouth, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

2. Cash Deposits and Investments (continued):

Investments (continued)

The following table summarizes the assets and liabilities of the Town for which fair values are determined on a recurring basis as of June 30, 2024:

Description	Fair Value	Level 1	Level 2	Level 3
Private Pension:				
Fixed income	\$ 23,584,434	\$ 23,584,434	\$ -	\$ -
Large U.S. Equity	26,477,088	26,477,088	-	-
Global/International Equity	12,754,176	12,754,176	-	-
Other	4,614,876	4,614,876	-	-
Small/Mid U.S. Equity	3,974,393	3,974,393	-	-
OPEB:				
Mutual Funds	2,792,773	2,792,773	-	-
Non-major funds:				
Mutual Funds	88,996	88,996	-	-
	<u>\$ 74,286,736</u>	<u>\$ 74,286,736</u>	<u>\$ -</u>	<u>\$ -</u>

The following are maturities of the Town's debt related securities:

Town Debt Related Securities

Description	Fair Value	0-3 Years	3-5 Years	Over 5 Years
Fixed Income Securities	\$ 23,584,434	\$ 7,799,220	\$ 5,311,221	\$ 10,473,993

Average ratings of the investments comprising the debt related securities above, as determined by Standards & Poor's are as follows:

	Fixed Income Securities
AAA	\$ 10,129,515
AA	6,745,148
A	3,231,067
BBB	<u>3,478,704</u>
Total	<u>\$ 23,584,434</u>

Concentration of Credit Risk

At June 30, 2024, the Town had a diversified portfolio in its General Fund and Pension and OPEB Trust Funds were invested in various mutual funds and fixed income securities, as detailed above.

Town of Portsmouth, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

2. Cash Deposits and Investments (continued):

Investments (continued)

Interest Rate Risk

The Town's investments are held in mutual funds which do not bear specified interest rates. The rate of return on these investments is dependent on the operating results of the entities included in the portfolio of the mutual funds as well as overall economic conditions.

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of financial institution failure, the Town's deposits and/or investments may not be returned. The Town does not believe that it has a significant custodial credit risk as all the investments are registered and held in the name of the Town. Additionally, the Town's deposit policy requires that deposits be placed in financial institutions that are FDIC insured. The Town deposits are maintained in highly rated financial institutions and the ratings of these institutions is reviewed by management on a periodic basis.

Credit Risk Policies

The Town does not currently have a specific policy relating to the credit risks of investments.

As of June 30, 2024, the following pension investments represent 5% or more of the Town Plan's net position:

Asset Class		
Investment Sub-Advisor		
Fixed Income		
Insight/Polen/Post	\$	1,705,552
Principal Global Investors	\$	3,047,197
Principal Global Investors	\$	18,831,685
Large U.S. Equity		
Principal Global Investors	\$	26,477,088
Global/International Equity		
Origin Asset Management LLP	\$	2,041,161
Causeway /Barrow Hanley	\$	3,223,620
Principal Global Investors	\$	7,489,395
Other		
Principal Real Estate Inv	\$	4,614,876
Small/Mid U.S. Equity		
LA Capital Mgmt/Victory	\$	1,322,497
Robert Baird/Eagle Asset Mgmt	\$	1,313,849
Vaughan Nelson/H&W	\$	670,195
AB/Brown/Emerald	\$	667,852

3. Budgetary and Legal Compliance

The General Fund and the Public-School Operations Fund are subject to an annual operating budget. The annual operating budgets' appropriation amounts are supported by revenue estimates and can be amended by either a special financial voter referendum or by the Town Council.

Town of Portsmouth, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

3. Budgetary and Legal Compliance (continued)

Actual revenue and expenditures in the Budgetary Basis Statements of Revenues and Expenditures for the General Fund and the Public-School Operations Fund are presented on the budgetary basis which includes the net effect of non-budgeting for certain other items. Thus, the actual revenues and expenditures differ from those in the Governmental Fund financial statements which are presented in accordance with accounting principles generally accepted in the United States of America.

The following individual funds reported deficits in the unreserved fund balances in the fund financial statements at June 30, 2024.

<u>Town Special Revenue Funds</u>	
Body Worn Camera	\$ 49,262
NHTSA-Distracted Driver	334
Turnpike Playground	3,677
Commercial Vehicle Enforcement	489
Homeland Security Investigations	6,774
RIIB Grant	22,993
NCPC Compliance Check	1,712
Marshall Service	7,848
<u>Town Capital Projects Funds</u>	
08-09 Warrants	19,027
09-10 Warrants	5,743
12-13 Warrants	368,086
Total	<u>\$ 485,945</u>

Management will devise an administrative plan to fund the deficits noted above.

4. Lease Revenue

During the current fiscal year, the Town leased cell towers to various third parties. The lease terms were initially 5 years with lessee option to extend until 2049 if all renewal options are exercised.

The Town recognized \$136,042 in lease revenue in the current year. As of June 30, 2024, the Town's lease receivable was \$4,810,083. Also, the Town has deferred inflows of resources associated with these leases that will be recognized as revenue over the lease terms. As of June 30, 2024, the balance of the deferred inflow of resources was \$4,810,083.

Lease Revenue	
<u>Year Ended June 30,</u>	Governmental Activities
2025	\$ 139,940
2026	144,033
2027	148,331
2028	152,843
2029-2033	869,248
2034-2038	1,053,093
2039-2043	895,579
2044-2048	1,143,010
2049	264,007
Total	<u>\$ 4,810,083</u>

Town of Portsmouth, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

5. Capital Assets

Capital asset activity for the year ended June 30, 2024 is as follows:

	<i>Balance July 1, 2023</i>	<i>Increases</i>	<i>Decreases</i>	<i>Balance June 30, 2024</i>
Governmental Activities:				
Nondepreciable assets:				
Land	\$ 4,755,279	\$ -	\$ -	\$ 4,755,279
Land easements	1,420,000	-	-	1,420,000
Construction in progress	1,868,151	6,496,702	1,057,015	7,307,838
Total capital assets not being depreciated	8,043,430	6,496,702	1,057,015	13,483,117
Capital assets being depreciated:				
Land improvements	1,869,032	46,900	-	1,915,932
Buildings	32,381,020	-	-	32,381,020
Buildings and improvements	16,409,082	1,314,909	-	17,723,991
Machinery and equipment	11,227,254	295,799	-	11,523,053
Construction equipment	534,327	-	-	534,327
Infrastructure	32,028,855	553,551	-	32,582,406
Vehicles	7,249,333	510,240	-	7,759,573
Total Capital assets being depreciated	101,698,903	2,721,399	-	104,420,302
Capital assets being amortized:				
<i>Righ-to-use</i>				
Machinery and equipment	1,510,301	-	-	1,510,301
Vehicles	1,780,800	-	-	1,780,800
Total Capital assets being amortized:	3,291,101	-	-	3,291,101
Total Capital Assets	113,033,434	9,218,101	1,057,015	121,194,520
Less accumulated depreciation for:				
Land improvements	858,299	74,464	-	932,763
Buildings	18,879,465	385,089	-	19,264,554
Buildings and improvements	8,068,663	1,033,068	-	9,101,731
Machinery and equipment	8,894,686	471,618	-	9,366,304
Construction equipment	424,392	13,742	-	438,134
Infrastructure	21,859,446	883,367	-	22,742,813
Vehicles	5,305,070	606,350	-	5,911,420
Total Accumulated Depreciation	64,290,021	3,467,698	-	67,757,719
Less: accumulated amortization:				
Machinery and equipment	426,746	110,990	-	537,736
Vehicles	825,707	167,488	-	993,195
Total accumulated amortization	1,252,453	278,478	-	1,530,931
Governmental Activities Capital Assets, Net	\$ 47,490,960	\$ 5,471,925	\$ 1,057,015	\$ 51,905,870

Depreciation expense was charged to governmental functions as follows:

General government	\$ 591,355
Public safety	1,061,279
Public works	924,129
Community service	53,108
Education	1,116,305
Total Depreciation and amortization expense	\$ 3,746,176

Town of Portsmouth, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

5. Capital Assets (continued):

	<i>Balance July 1, 2023</i>	<i>Increases</i>	<i>Decreases</i>	<i>Balance June 30, 2024</i>
<i>Business-Type Activities</i>				
Nondepreciable assets:				
Land	\$ 37,251	\$ -	\$ -	\$ 37,251
Total Capital assets not being depreciated	37,251	-	-	37,251
Depreciable assets:				
Buildings and improvements	458,111	-	-	458,111
Machinery and equipment	171,434	-	-	171,434
Total Capital assets being depreciated	629,545	-	-	629,545
<i>Total Capital Assets</i>	666,796	-	-	666,796
Less accumulated depreciation for:				
Buildings and improvements	186,249	32,176	-	218,425
Machinery and equipment	94,231	6,857	-	101,088
<i>Total Accumulated Depreciation</i>	280,480	39,033	-	319,513
<i>Business-Type Activities Capital Assets, Net</i>	\$ 386,316	\$ (39,033)	\$ -	\$ 347,283

Depreciation expense was charged to business-type activities as follows:

Transfer Station	39,033
<i>Total Depreciation and amortization expense</i>	\$ 39,033

The Town entered into a lease agreement for the Compactor that commenced on June 29, 2019, and an initial liability and capital asset was recorded. As of June 30, 2024, remaining payments for the lease total \$34,802.

6. Stewardship, Compliance and Accountability

The Town issues general obligation bonds to provide funds for the acquisition of equipment, as well as construction and improvements to capital facilities. General obligation bonds have been issued for both general governmental and school department activities. In addition, general obligation bonds have been issued to refund previously outstanding general obligation bonds. The Town's legal debt margin as set forth by State statute is limited to three percent of the total taxable assessed value and approximates \$144,381,914 at the State level and \$110,718,914 at a local level. Exceptions apply to bonds financed from non-tax revenues and special exemptions are granted for other purposes as well. At June 30, 2024, the Town's bonds outstanding totaled \$32,199,066.

Town of Portsmouth, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

7. Long-Term Obligations:

The following is a summary of changes in long-term debt for the year ended June 30, 2024:

Description of Purpose	Amount of Original Issue	Date of Issue	Interest Rates	Date of Maturity	Balance 6/30/2023	Transfers in & Additions	Transfers Out & Retirements	Balance 6/30/2024	Amounts Due Within One Year
Governmental Activities issued through public sale:									
<i>General obligation, revenue bonds, and loans:</i>									
Open Space/Recreation Bond	\$ 1,980,000	6/15/2010	2.00-4.00%	6/15/2025	\$ 230,000	\$ -	\$ 125,000	\$ 105,000	\$ 105,000
Open Space/Recreation Bond	250,000	5/23/2013	2.35%	2/15/2028	91,382	-	12,960	78,422	12,960
Town Improvements	562,000	5/23/2013	2.35%	2/15/2028	181,618	-	41,040	140,578	41,040
Town Projects	1,305,000	10/23/2014	1.75%-4%	10/15/2024	260,133	-	130,067	130,066	130,066
Open Space	600,000	11/18/2015	2.00-4.00%	10/1/2035	387,450	-	30,375	357,075	30,375
School Projects	471,500	11/18/2015	2.00-4.00%	10/1/2035	304,506	-	23,873	280,633	23,873
Town Projects	3,373,500	11/18/2015	2.00-4.00%	10/1/2035	2,178,043	-	170,752	2,007,291	170,752
School Projects	2,180	12/22/2015	3.00-5.00%	5/15/2026	465,000	-	155,000	310,000	155,000
Town Projects-Police Station	10,000,000	2/9/2017	3.00-5.00%	2/1/2038	8,103,316	-	418,959	7,684,357	435,887
Town Projects-Recreational	520,000	2/9/2017	3.00-5.00%	2/1/2038	421,418	-	21,786	399,632	22,666
Town Projects	648,861	2/9/2017	3.00-5.00%	2/1/2038	525,844	-	27,185	498,659	28,283
School Improvements	646,139	2/9/2017	3.00-5.00%	2/1/2038	524,424	-	27,071	497,353	28,164
School Projects-Series 2022E	19,510,000	6/28/2022	3.87-5.00%	5/15/2045	19,510,000	-	-	19,510,000	-
Total General Obligation Bonds, Revenue Bonds, and Loans issued through public sale					<u>\$ 33,183,134</u>	<u>\$ -</u>	<u>\$ 1,184,068</u>	<u>\$ 31,999,066</u>	<u>\$ 1,184,066</u>
Governmental Activities issued through direct placements:									
<i>General obligation, revenue bonds, and loans:</i>									
Portsmouth High School Sprinklers	\$ 1,100,000	8/7/2008	3.75-6.00%	5/15/2024	\$ 70,000	\$ -	\$ 70,000	\$ -	\$ -
General Obligation Refunding Bond - Series A									
School Projects	1,100,000	8/28/2013	3.06%	6/30/2028	250,000	-	50,000	200,000	50,000
Total General Obligation Bonds, Revenue Bonds, and Loans issued through direct placements					<u>320,000</u>	<u>-</u>	<u>120,000</u>	<u>200,000</u>	<u>50,000</u>
Total General Obligation Bonds, Revenue Bonds, and Loans					<u>\$ 33,503,134</u>	<u>\$ -</u>	<u>\$ 1,304,068</u>	<u>\$ 32,199,066</u>	<u>\$ 1,234,066</u>

Town of Portsmouth, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

7. Long-Term Obligations (continued)

Description of Purpose	Amount of Original Issue	Date of Issue	Interest Rates	Date of Maturity	Balance 6/30/2023	Transfers in & Additions	Transfers Out & Retirements	Balance 6/30/2024	Amounts Due Within One Year
Governmental Activities (continued):									
<i>Lease obligations:</i>									
DPW Vehicle	148,638	8/18/2017	2.87%	8/18/2023	\$ 21,826	\$ -	\$ 21,826	\$ -	\$ -
Town Vehicles & Equipment	328,495	8/6/2018	3.26%	8/6/2024	24,944	-	11,786	13,158	12,710
Ambulance	253,845	9/27/2018	3.34%	9/27/2024	74,868	-	37,394	37,474	37,474
School IT	261,810	7/15/2020	2.16%	7/15/2024	105,934	-	52,401	53,533	53,533
Town Fire Boat	450,000	9/29/2020	1.97%	9/29/2029	317,831	-	42,791	275,040	43,634
Town Vehicles & Equipment	581,363	9/24/2020	1.648%	9/24/2024	96,507	-	71,076	25,431	25,430
School IT & Town Vehicles	260,000	7/15/2023	5.070%	7/15/2027		260,000	56,838	203,162	47,087
School IT	229,171	7/15/2021	1.590%	7/15/2025	134,587	-	42,215	92,372	46,511
<i>Total lease obligations</i>					<u>776,497</u>	<u>260,000</u>	<u>336,327</u>	<u>700,170</u>	<u>266,379</u>
Deferred amount for issuance premiums					1,652,351	-	110,339	1,542,012	107,188
Compensated absences					1,928,514	1,401,585	1,160,667	2,169,432	108,472
Net pension liability					74,978,769	-	6,304,767	68,674,002	-
Net OPEB Liability					18,310,475	95,109	-	18,405,584	-
<i>Total governmental funds long-term debt</i>					<u>\$ 130,829,740</u>	<u>\$ 1,756,694</u>	<u>\$ 9,096,168</u>	<u>\$ 123,490,266</u>	<u>\$ 1,666,105</u>
Business-Type Activities:									
<i>General obligation bonds and loans (issued through public sale):</i>									
Transfer Station Renovation Project	200,000	10/23/2014	1.75%-4%	10/15/2024	39,866	-	19,934	19,932	19,933
Septic Loan Program	415,000	11/18/2015	2.34-3.236%	10/1/2025	120,000	-	40,000	80,000	40,000
<i>Total general obligation bonds and loans issued through public sale</i>					<u>159,866</u>	<u>-</u>	<u>59,934</u>	<u>99,932</u>	<u>59,933</u>
<i>Lease obligations:</i>									
TS Compactor	228,509	6/29/2018	3.31%	7/2/2024	68,476	-	35,858	32,618	32,618
<i>Total lease obligations</i>					<u>68,476</u>	<u>-</u>	<u>35,858</u>	<u>32,618</u>	<u>32,618</u>
<i>Total business type long-term debt</i>					<u>228,342</u>	<u>-</u>	<u>95,792</u>	<u>132,550</u>	<u>92,551</u>
Total long-term obligations					<u>\$ 131,058,082</u>	<u>\$ 1,756,694</u>	<u>\$ 9,191,960</u>	<u>\$ 123,622,816</u>	<u>\$ 1,758,656</u>

Town of Portsmouth, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

7. Long-Term Obligations (continued):

The debt service requirements for long-term debt at June 30, 2024 were as follows:

	<i>Issued Through Public Sale</i>					
	Governmental Activities			Business-Type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2025	\$ 1,234,066	\$ 1,241,441	\$ 2,475,507	\$ 59,934	\$ 1,942	\$ 61,876
2026	1,625,001	1,200,843	2,825,844	39,999	647	40,646
2027	1,520,000	1,129,520	2,649,520	-	-	-
2028	1,575,000	1,059,248	2,634,248	-	-	-
2029-2033	8,200,000	4,344,950	12,544,950	-	-	-
2034-2038	9,390,000	2,594,676	11,984,676	-	-	-
2039-2043	5,955,000	1,200,144	7,155,144	-	-	-
2044-2045	2,700,000	157,903	2,857,903	-	-	-
	<u>\$ 32,199,067</u>	<u>\$ 12,928,725</u>	<u>\$ 45,127,792</u>	<u>\$ 99,933</u>	<u>\$ 2,589</u>	<u>\$ 102,522</u>

	Governmental Activities (Direct Placements)			Governmental Activities Capital Leases			Business-Type Activities Capital Leases		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
	2025	\$ 50,000	\$ 6,120	\$ 56,120	\$ 226,068	\$ 20,608	\$ 246,676	\$ 32,618	\$ 5,494
2026	50,000	4,590	54,590	93,967	13,750	107,717	-	-	-
2027	50,000	3,060	53,060	97,353	9,964	107,317	-	-	-
2028	50,000	1,530	51,530	282,782	12,064	294,846	-	-	-
	<u>\$ 200,000</u>	<u>\$ 15,300</u>	<u>\$ 215,300</u>	<u>\$ 700,170</u>	<u>\$ 56,386</u>	<u>\$ 756,556</u>	<u>\$ 32,618</u>	<u>\$ 5,494</u>	<u>\$ 38,112</u>

Events of default include failure to make principal and interest payments when due, defaults related to the performance or observance of any other covenants, agreements or conditions that have not been remedied, or the Town's inability to pay its debts. Upon notice of any events of default, all principal and accrued interest may be declared due and payable immediately. In addition to the principal above for the governmental activities also includes \$1,542,012 of deferred amount for issuance premiums totaling \$35,155,485.

Town of Portsmouth, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

8. Risk Management

Through their operations, the Town and the School Department are exposed to various risks of loss related, but not limited to, torts, general liability, errors and omissions, property losses due to theft, damage, or destruction, and employee injuries, each of which is insured through a public entity risk pool. The Town and the School Department are also exposed to risk loss related to claims for unemployment, for which the Town and the School Department retain the risk of loss.

The Town and the School Department are members of the Rhode Island Interlocal Risk Management Trust (the Trust), a nonprofit public entity risk pool which provides insurance coverage to participants in exchange for an annual premium and a pro-rata share of certain administrative expenses. Coverage is provided in accordance with each member's policy, subject to maximum insurable limits and deductibles, through a pooling of risks among participants, supplemented by commercial reinsurance for excess losses. Management believes the Trust's reserves to be adequate to meet all reported claims, as well as an estimate of potential claims for losses incurred but not reported. Accordingly, no accrual has been made for potential liabilities arising from risks once they have been transferred to the Trust. The Town and the School Department are members of the Trust, a joint purchasing group which provides health and dental insurance coverage to participants in exchange for a premium. There have been no significant reductions in insurance coverage during the year ended June 30, 2024 and no settlements exceeding the insurance coverage in the past three years.

Upon joining the Trust, members execute a member agreement. That document, pursuant to which the Trust was established and operates, outlines the rights and responsibilities of both the members and the Trust. Members of the Trust participated in the Trust's health insurance plan administered by Blue Cross Blue Shield of Rhode Island (BCBSRI).

Using the rate calculations prepared by BCBSRI for individually rated entities, the Trust sets annual contribution rates for the subscribers of each member for each program offered. The Trust agreement requires that those contribution rates be set at a level sufficient, in the aggregate, to satisfy the funding requirements of the Trust. The contributions of each member are deposited in the Trust's general fund, and are used to pay for claims, reinsurance and all administrative expenses. The Trust agreement provides for an annual independent audit of its financial statements.

The Group agreement provides the Trust's Board of Directors a discretionary, fully allocable assessment feature with respect to specified circumstances. After it has been a member of the Trust for an initial three-year period, a member may withdraw from the Trust by providing the Trust's Board of Directors with 90 days' notice.

Town of Portsmouth, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

9. Interfund Balances

The Town reports interfund balances between many of its funds. The totals of all balances agree with the sum of interfund balances presented in the fund statements.

Interfund receivables and payables are as follows:

	Due from Other Funds	Due to Other Funds	Other Financing Sources	Other Financing Uses
<u>Major Governmental Funds</u>				
General fund	\$ -	\$ 5,042,502	\$ 22,266	\$ 39,719,197
School unrestricted fund	-	206,881	37,191,429	393,123
Debt Service Fund	161,712	-	798,824	-
<u>Non-Major Governmental Funds</u>				
Town special revenue	4,690,959	94,080	796,683	109,482
School special revenue	357,315	754,910	129	53,419
Town capital projects	318,871	392,856	1,099,454	79,977
School capital projects	604,474	-	446,413	-
Permanent funds	22,249	-	-	-
<u>Proprietary Funds</u>				
Septic system loan program	71,369	-	-	-
Glen farm equestrian	72,078	-	-	-
Arthur Daniel house	6,939	-	-	-
Transfer station	185,263	-	-	-
Glen Manor house	-	-	-	-
Totals	\$ 6,491,229	\$ 6,491,229	\$ 40,355,198	\$ 40,355,198

Town of Portsmouth, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

10. Fund Balances

The Town has classified governmental fund balances at June 30, 2024 as follows:

	Major Funds			Non-Major Funds				Total	
	General Fund	School Unrestricted	Debt Service Fund	Town Special Revenue	School Special Revenue	Town Capital Projects	School Capital Projects		Permanent Funds
Fund Balances									
Nonspendable									
Corpus of endowment funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 268,936	
Inventory	57,575	-	-	-	-	-	-	57,575	
Prepaid	252,170	482,467	-	-	-	-	-	734,637	
Restricted for									
General government	-	-	-	1,306,216	-	-	-	1,306,216	
Public safety programs	-	-	-	1,663,989	-	-	-	1,663,989	
Educational purposes	-	-	-	-	682,752	-	-	682,752	
Public works and social services	-	-	-	344,811	-	-	-	344,811	
Community services	-	-	-	27,462	-	-	-	27,462	
Capital projects	-	-	11,179,136	-	-	308,191	600,013	12,087,340	
Expendable	-	-	-	-	-	-	16,121	16,121	
Committed to									
Educational purposes	-	855,444	-	-	-	-	-	855,444	
Warrant 12-13 paydown	368,086	-	-	-	-	-	-	368,086	
Unassigned	11,409,948	-	-	(93,089)	-	(392,856)	-	10,924,003	
Total	<u>\$ 12,087,779</u>	<u>\$ 1,337,911</u>	<u>\$ 11,179,136</u>	<u>\$ 3,249,389</u>	<u>\$ 682,752</u>	<u>\$ (84,665)</u>	<u>\$ 600,013</u>	<u>\$ 285,057</u>	<u>\$ 29,337,372</u>

Town of Portsmouth, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

11. Post-Employment Health Care Benefits

Other Post-Employment Benefits (OPEB) – Town Employees

Plan Description

Through its single employer defined benefit plan (OPEB Plan), the Town provides postretirement healthcare benefits to all Town employees who meet years of service and age requirements. For police and fire employees, upon death of the retiree, health care coverage continues to the unmarried surviving spouse and dependent children up to age 10. For general employees, retiree health care coverage is discontinued upon death of the retiree. The plan's provisions may be amended by the Town and the Trustees of the plan. The trust is accounted for as an OPEB trust fund in the Town's financial statements. The Plan does not issue a standalone financial report.

The most recent actuarial valuation for the OPEB Plan was performed as of June 30, 2024.

Summary of Significant Accounting Policies and Plan Asset Matters

Basis of Accounting

The OPEB activity is accounted for on the accrual basis of accounting. Contributions are recognized when they are due, pursuant to formal commitments and contractual requirements. Investment income is recognized when earned. Expenses (benefits and administration) are recognized when they are due and payable in accordance with terms of the plan. Administration costs are generally financed through the Town's General Fund.

Benefits and Employee Contributions:

The Trust paid 100% of the amount for medical and dental costs incurred by eligible retirees, which totaled \$1,056,226 for the year ended June 30, 2024.

Public Works, Fire and Police contributed 0.25%, 1.0% and 1.0% of salary respectively, to the OPEB Trust which amounted to \$60,014 in employee contributions and \$1,081,226 in employer contributions for the year ended June 30, 2024.

The Town pays 100% of the cost of the individual health care and dental insurance for all retired eligible employees until Medicare eligibility, except for Public Works employees who contribute 20% of the medical and dental premiums.

As of June 30, 2024, the plan membership data is as follows:

<u>Description</u>	<u>Inactive or Beneficiaries Receiving Benefits</u>	<u>Inactive Employees Entitled but not yet Receiving Benefits</u>	<u>Active Employees</u>	<u>Total</u>
Number	45	0	131	176

Town of Portsmouth, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

11. Post-Employment Health Care Benefits (continued):

Other Post-Employment Benefits (OPEB) – Town Employees (continued):

Investment policy:

The Town's policy in regard to the allocation of invested assets is established and may be amended by the committee by a majority vote of its members. It is the policy of the Town to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The following was the Town's adopted asset allocation policy as of June 30, 2024.

<u>Asset Class</u>	<u>Target Allocation</u>
US Large Cap	43.88%
US Small/Mid Cap	2.95%
International Equity	10.18%
Emerging Market Equity	3.03%
US Bonds*	24.45%
US High Yield Bonds	4.78%
TIPS	3.25%
US Long-Duration Treasuries	0.48%
Diversifying Strategies	7.00%
Total	<u>100.00%</u>

*Includes US Aggregate Bonds (19.80%) and US Short Gov/Credit (4.65%)

Concentrations:

There were no concentrations noted as of June 30, 2024.

Rate of return:

For the year ended June 30, 2024, the annual money-weighted rate of return on investments, net of investment expense was 10.56%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Net OPEB Liability of the Town:

The components of the net OPEB liability of the Town at June 30, 2024 were as follows:

<u>Description</u>	<u>Amounts</u>
Total OPEB Liability (TOL)	\$ 16,847,903
Fiduciary Net Position	<u>2,792,773</u>
Net OPEB Liability (NOL)	14,055,130
Funded ratio (Fiduciary Net Position / NOL)	16.58%
Covered payroll (active plan members)	\$ 10,449,206
NOL as a percentage of covered payroll	134.51%

Town of Portsmouth, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

11. Post-Employment Health Care Benefits (continued):

Other Post-Employment Benefits (OPEB) – Town Employees (continued):

Actuarial Methods and Assumptions

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to basic financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial liability for benefits.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

Key assumptions

Description	Assumption
Single Equivalent Discount Rate	4.38%, net of OPEB plan investment expense.
Inflation	2.50%
Investment rate of return	6.00%, net of OPEB plan investment expense.
Salary increases	3.50% annually as of June 30, 2020 and for future periods

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

Asset Class	Long-term Expected Real Rate of Return
US Large Cap Equity	7.30%
US Mid Cap Equity	9.30%
US Small Cap Equity	5.90%
International Equity	8.40%
EM Equity	1.86%
US Aggregate Bonds	4.20%
U.S. Short Duration	1.30%
US Long-Duration Treasuries	0.70%
US High Yield Bonds	5.14%

Town of Portsmouth, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

11. Post-Employment Health Care Benefits (continued):

Changes in the Net OPEB Liability

	Total OPEB Liability	Increase (Decrease) Plan Fiduciary Net Position	Net OPEB Liability
Balance at June 30, 2023	\$ 17,803,020	\$ 2,351,627	\$ 15,451,393
Service cost	671,990	-	671,990
Interest on net OPEB liability and service cost	874,852	-	874,852
Changes of benefit terms	-	-	-
Differences between actual and expected experience	(2,928,581)	-	(2,928,581)
Changes in assumptions	1,300,271	-	1,300,271
Benefit payments, including refunds	(873,649)	(873,649)	-
Trust administrative expenses	-	(2,413)	2,413
Contributions - employer	-	923,649	(923,649)
Contributions - active employees	-	55,900	(55,900)
Net investment income	-	337,659	(337,659)
Net changes	<u>(955,117)</u>	<u>441,146</u>	<u>(1,396,263)</u>
Balances at June 30, 2024	<u>\$ 16,847,903</u>	<u>\$ 2,792,773</u>	<u>\$ 14,055,130</u>

Discount rate

The discount rate used to measure the total OPEB liability was 4.38 percent. The projection of cash flows used to determine the discount rate assumed that Town contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB 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 OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Sensitivity of the net OPEB liability to changes in the discount rate

The following presents the net OPEB liability of the Town, as well as what the Town's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.38 percent) or 1-percentage-point higher (5.38 percent) than the current discount rate:

	Impact of 1% Change in Discount Rate		
	1% Decrease (3.38%)	Current discount rate (4.38%)	1% Increase (5.38%)
Total OPEB liability	\$ 18,496,286	\$ 16,847,903	\$ 15,404,687

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates

The following presents the net OPEB liability of the Town, as well as what the Town's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (5.8 percent decreasing to 3.94 percent) or 1-percentage-point higher (7.8 percent decreasing to 4.94 percent) than the current healthcare cost trend rates:

	Impact of 1% Change in Healthcare Trend Rate		
	1% Decrease (5.8%)	Current trend rate (6.80%)	1% Increase (7.80%)
Total OPEB liability	\$ 15,264,224	\$ 16,847,903	\$ 18,696,715

Town of Portsmouth, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

11. Post-Employment Health Care Benefits (continued):

Other Post-Employment Benefits (OPEB) - Town Employees (continued):

OPEB expense and deferred outflows and inflows of resources related to OPEB

For the year ended June 30, 2024 the Town recognized OPEB expense of \$20,563. At June 30, 2024, the Town reported deferred outflows and inflows of resources related to OPEB from the following sources:

Deferred outflows of resources	
Differences between actual and expected experience	\$ 159,133
Changes in assumptions	2,012,797
Net difference between projected and actual earnings on OPEB plan investments	-
Deferred inflows of resources	
Differences between actual and expected experience	(4,200,068)
Changes in assumptions	(2,067,361)
Net difference between projected and actual earnings on OPEB plan investments	<u>(135,568)</u>
Total	<u>\$ (4,231,067)</u>

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

Year ended June 30:	
2025	\$ (932,386)
2026	(771,639)
2027	(1,255,585)
2028	(581,058)
2029	(542,375)
Thereafter	<u>(148,024)</u>
Total	<u>\$ (4,231,067)</u>

Other Post-Employment Benefits (OPEB) - School Department Employees

Plan Description

The District administers a single employer defined-benefit post-employment healthcare plan (the Plan). Dependents are eligible to enroll, and benefits continue to surviving spouses.

Benefits Provided

Eligibility with the District for retiree health benefits varies by employee bargaining group. ASFME members must have 15 years of service with the District and must meet the Town of Portsmouth's pension eligibility requirements for general employees. NEA members must have 15 years of service with the District and meet the State of Rhode Island's pension eligibility requirements. Individual contractors, including administrators, are not eligible for retiree benefits, except for one administrator who had a special arrangement for benefits. Eligible retirees received a subsidy that varies by bargaining group and retirement date. There are no spousal benefits or District-subsidized dental, vision, or life insurance, or Medicare Part B reimbursements at retirement.

Town of Portsmouth, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

11. Post-Employment Health Care Benefits (continued):

Other Post-Employment Benefits (OPEB) – School Department Employees (continued):

Summary of Significant Accounting Policies and Plan Asset Matters

Basis of Accounting

The OPEB activity is accounted for on the accrual basis of accounting. Contributions are recognized when they are due, pursuant to formal commitments and contractual requirements. Investment income is recognized when earned. Expenses (benefits and administration) are recognized when they are due and payable in accordance with terms of the plan. Administrative costs are generally financed through the School Unrestricted Fund.

Benefits and Employee Contributions:

For the year ended June 30, 2024 the School Department has a new labor contract for NEA (Teachers) bargaining unit with the following benefit changes:

- The lump sum cash incentive at retirement for employees meeting the Early Notification Incentive and all other retiree health benefits eligibility requirements has increased from \$4,500 to \$5,000.
- In the pre-2023 labor contract, Teachers have the option of declining the lump sum cash incentive and receiving an additional three years of subsidized individual coverage. This option to decline the lump sum cash incentive has been eliminated. All Teachers are now eligible for six years of subsidized individual coverage only.

Additionally, for AFSCME, the School District will pay for a one-year Medicare Plan 65 supplement if it occurs during the post-employment benefit period. The School District subsidy for all retiree health benefits will be locked in at the premium rate less the employee co-pay in effect at the time of retirement. In the fiscal year ending June 30, 2023 GASB 75 report, the employee co-pay used was 14%. In this roll-forward report, the employee co-pays have been updated to 14% through 2024 followed by 15% in 2024 and 16% on/after 2025.

The net impact of the above benefit changes is an increase in the liability.

The School Department funds post-retirement benefits on a pay-as-you go basis, which totaled \$73,984 for the year ended June 30, 2024.

As of June 30, 2024, the plan membership data is as follows:

Description	Inactive or Beneficiaries Receiving Benefits	Inactive Employees Entitled but not yet Receiving Benefits	Active Employees	Total
Number	24	0	303	327

Net OPEB Liability of the School:

The components of the net OPEB liability of the School at June 30, 2024 were as follows:

Description	Amounts
Total OPEB Liability (TOL)	\$ 2,954,191
Fiduciary Net Position	-
Net OPEB Liability (NOL)	2,954,191
Funded ratio (Fiduciary Net Position / NOL)	0.00%
Covered payroll (active plan members)	\$ 21,324,327
NOL as a percentage of covered payroll	13.85%

Town of Portsmouth, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

11. Post-Employment Health Care Benefits (continued):

Other Post-Employment Benefits (OPEB) – School Department Employees (continued):

Actuarial Methods and Assumptions

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to basic financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial liability for benefits.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

Key assumptions

<u>Description</u>	<u>Assumption</u>
Single Equivalent Discount Rate	3.97%, net of OPEB plan investment expense, including inflation.
Inflation	2.30% based on June 30, 2024 SSA OASDI report.
Salary increases	3.00% The salary increase is used to determine the growth in the aggregate payroll

Changes in the Net OPEB Liability

	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Balances at June 30, 2023	\$ 2,859,082	\$ -	\$ 2,859,082
Service cost	62,182	-	62,182
Interest on net OPEB liability and service cost	117,248	-	117,248
Differences between actual and expected experience	109,456	-	109,456
Changes in benefit terms	-	-	-
Changes in assumptions	(29,161)	-	(29,161)
Implicit subsidy credit	(86,429)	-	(86,429)
Benefit payments, including refunds	(78,187)	78,187	(156,374)
Contributions - employer	-	(78,187)	78,187
Net changes	<u>95,109</u>	<u>-</u>	<u>95,109</u>
Balances at June 30, 2024	<u>\$ 2,954,191</u>	<u>\$ -</u>	<u>\$ 2,954,191</u>

Discount rate

The discount rate used to measure the total OPEB liability was 3.97 percent. The projection of cash flows used to determine the discount rate assumed that Town contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB 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 OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Town of Portsmouth, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

11. Post-Employment Health Care Benefits (continued):

Other Post-Employment Benefits (OPEB) - School Employees (continued):

Sensitivity of the net OPEB liability to changes in the discount rate

The following presents the net OPEB liability of the School, as well as what the School’s net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.97 percent) or 1-percentage-point higher (4.97 percent) than the current discount rate:

	Impact of 1% Change in Discount Rate		
	1% Decrease 2.97%	Current discount rate 3.97%	1% Increase 4.97%
Total OPEB liability	\$ 3,135,123	\$ 2,954,191	\$ 2,787,528

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates

The following presents the net OPEB liability of the School, as well as what the School’s net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (5.8 percent decreasing to 3.94 percent) or 1-percentage-point higher (7.8 percent decreasing to 4.94 percent) than the current healthcare cost trend rates:

	Impact of 1% Change in Healthcare Trend Rate		
	1% Decrease 5.8%	Current trend rate 6.8%	1% Increase 7.8%
Total OPEB liability	\$ 2,787,200	\$ 2,954,191	\$ 3,140,184

OPEB expense and deferred outflows and inflows of resources related to OPEB

For the year ended June 30, 2024 the School recognized OPEB expense of \$105,278. At June 30, 2024, the Town reported deferred outflows and inflows of resources related to OPEB from the following sources:

Deferred outflows of resources	
Change in assumptions	\$ 310,885
Differences between actual and expected experience	266,151
Deferred inflows of resources	
Change in assumptions	(641,110)
Differences between actual and expected experience	(319,108)
Total	\$ (383,182)

Town of Portsmouth, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

11. Post-Employment Health Care Benefits (continued):

Other Post-Employment Benefits (OPEB) - School Employees (continued):

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

Year ended June 30:	
2025	\$ (115,856)
2026	(61,309)
2027	(61,309)
2028	(20,290)
2029	(23,968)
Thereafter	(100,450)
Total	<u>\$ (383,182)</u>

Aggregate OPEB Amounts Reported in the Financial Statements:

As required by GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans (OPEB)* and GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* the table below presents the aggregate amount of OPEB expense, OPEB liabilities, and deferred inflows and outflows for other post-employment benefit plans of the Town of Portsmouth, Rhode Island.

	Town Plan	School Plan	Total
Deferred Outflows of Resources - OPEB	\$ 2,171,930	\$ 577,036	\$ 2,748,966
Deferred Inflows of Resources - OPEB	6,402,997	960,218	7,363,215
Net OPEB Liability	16,847,903	2,954,191	19,802,094
OPEB Expense	20,563	73,984	94,547

12. Pension Plans

Plan Description:

The Town administers a single-employer pension plan (the Plan). This plan includes benefits for surviving spouses, alternate payees and other beneficiaries.

(a) Town of Portsmouth Retirement Plan

Benefits Provided

Retirees are eligible for pension benefits if they terminate or retire from the town with 10+ years of service. They are also eligible for disability retirement if they become disabled with any amount of service. The Town pays varying amounts depending on bargaining unit and service as described later in this report. Full participation for all groups has been frozen, however, some new hires still qualify for disability retirement benefits under certain conditions.

Town of Portsmouth, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

12. Pension Plans

(a) Town of Portsmouth Retirement Plan (continued):

Employees Covered by Benefit Terms

At June 30, 2024 (the census date), the benefit terms covered the following employees:

Inactive employees, spouses, or beneficiaries currently receiving benefits payments	211
Inactive employees entitled to but not yet receiving benefits payment	11
Active employees	<u>74</u>
Subtotal	<u>296</u>

Contributions

The Town makes contributions based on an actuarially determined rate.

Contribution rate: 105.02% for 17 years,

25.77% thereafter.

Reporting period contributions: \$4,763,142

Financial Report

The Town issues a stand-alone financial report that is available to the public. The report is available at: www.portsmouthri.gov.

Net Pension Liability

The Town's total Pension liability was valued as of June 30, 2024 and was used to calculate the net pension liability measured as of June 30, 2024.

Actuarial Assumptions

The total pension liability in the June 30, 2024 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.00 percent
Salary increases	3.50 percent, average, including inflation
Investment rate of return	6.75 percent, net of pension plan investment expense, including inflation

Discount Rate

The discount rate used to measure the total pension liability is 6.75%. This is the expected long-term rate of return on assets using the asset allocation provided by Principal. The projection of cash flows used to determine the discount rate assumed that the Town contribution will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the pension plan's fiduciary net position is projected to cover all future Pension payments. Therefore, the discount rate was set equal to the long-term expected rate of return.

Town of Portsmouth, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

12. Pension Plans (continued)

(a) Town of Portsmouth Retirement Plan (continued):

Long-Term Expected Real Rate of Return

The long-term expected rate of return is determined using the long-term rates of return developed by Principal.

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>	<u>Total Expected Return (Real + Inflation)</u>
Domestic Equity	40.35%	6.28%	8.78%
International Developed Equity	13.91%	7.00%	9.50%
International Emerging Equity	9.74%	8.82%	11.32%
Core Fixed Income	24.00%	0.38%	2.88%
High-Yield Fixed Income	6.00%	2.97%	5.47%
Real estate	6.00%	3.50%	6.00%
Total/Average	100%		

Expected compound return (before netting expense) 7.35%

Uses and expected long-term inflation rate of 2.50%

The Town chose to use a more conservative discount rate and investment rate of return of 6.75%. We believe that this is a reasonable rate to use.

Total pension liability	\$ 116,421,621
Plan fiduciary net position	(71,404,967)
Town's net pension liability	\$ 45,016,654
Plan fiduciary net position as a percentage of the total pension liability	61.33%

Expected Average Remaining Service Lives (EARSL)

The effects on the total pension liability of (1) changes of economic and demographic assumptions or of other inputs and (2) differences between expected and actual experience are required to be included in pension expense in a systematic and rational manner over a closed period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension plan (active employees and inactive employees), beginning in the current period. The expected average remaining service lives (EARSL) for the current period follows. Note, however, that for calculation purposes, we use 1.0 when calculating amortizations if the EARSL is less than 1 year.

EARSL: 2.0 years

Town of Portsmouth, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

12. Pension Plans (continued)

(a) Town of Portsmouth Retirement Plan (continued):

Changes in Net Pension Liability

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a) - (b)
Balance as of 6/30/2023	\$ 114,050,378	\$ 65,241,964	\$ 48,808,414
Changes for the year:			
Service cost	1,026,471	-	1,026,471
Interest on total pension liability	7,557,172	-	7,557,172
Change of benefit terms	-	-	-
Differences between expected and actual experien	25,117	-	25,117
Changes in assumptions	-	-	-
Contributions - employer	-	4,763,142	(4,763,142)
Contributions - employee	-	353,796	(353,796)
Net investment income	-	7,424,068	(7,424,068)
Benefit payments	(6,237,517)	(6,237,517)	-
Administrative expense	-	(107,491)	107,491
Other miscellaneous income/(expense)	-	(32,995)	32,995
Net changes	2,371,243	6,163,003	(3,791,760)
Balance as of 6/30/2024	\$ 116,421,621	\$ 71,404,967	\$ 45,016,654

Sensitivity of Liabilities to Changes in the Discount Rate

Sensitivity of the total and net pension liability to changes in the discount rate. The total and net pension liability of the Town, as well as what the Town's total and net pension liability would be if they were calculated using a discount rate that is one percentage point lower (5.75%) or one percentage point higher (7.75%) follows:

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
Plan's Net Pension Liability	\$ 59,737,690	\$ 45,016,654	\$ 32,926,828

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

For the report ended June 30, 2024, the Town recognizes a pension expense of \$4,078,508. The Town reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

Town of Portsmouth, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

12. Pension Plans (continued)

(a) *Town of Portsmouth Retirement Plan (continued):*

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 171,088	\$ -
Changes of assumptions	-	(295,537)
Net difference between projected and actual earnings on plan investments	-	(96,156)
Total deferred outflows / (inflows)	<u>\$ 171,088</u>	<u>\$ (391,693)</u>

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

Report Year Ending June 30:	<u>Amount</u>
2025	\$ (559,324)
2026	2,043,607
2027	(1,092,107)
2028	<u>(612,781)</u>
	<u>\$ (220,605)</u>

Town of Portsmouth, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

12. Pension Plans (continued)

Basis of Valuation

A summary of the substantive plan used as the basis of the valuation follows:

Retiree Benefits - Police	
Eligibility	Police Officers hired prior to July 1, 2010 are eligible for full participation in this plan. Police Officers hired on or after July 1, 2010 are only eligible for the disability retirement provisions listed below.
Vesting Requirement	Ten years of service.
Normal Retirement Date	The first day after the completion of 20 years of service.
Final Earnings	The highest annual salary paid in the previous 36 months including the \$5,000 retirement bonus.
Normal Retirement Benefit	The annual benefit shall be 3% of Final Earnings for each year of service up to 20 years, plus 2% of Final Earnings for each year of service after 20 years. The maximum benefit payable is 70% of Final Earnings.
Vested Retirement Benefit	The annual benefit shall be calculated the same as the Normal Retirement Benefit.
Accidental Disability Benefit	The annual benefit shall be 67% of Final Earnings. There is no service requirement for this benefit.
Ordinary Disability Benefit	The annual benefit shall be 50% of two-year average earnings. This benefit ends when the participant reaches their normal retirement date.
Pre-Retirement Death Benefit	The annual benefit shall be 30% of five-year final average earnings to the surviving spouse, plus 10% of five-year final average earnings to each minor child. The maximum benefit payable is 50% of five-year final average earnings.
Cost of Living Adjustments	For Police Officers retired prior to July 1, 2003, the benefits are indexed at 50% of the salary increase received by active Police Officers. For Police Officers retired on or after July 1, 2003, the benefits shall be indexed with 3% annual cost of living adjustments. Effective July 1, 2010, adjustments begin on the second anniversary of the benefit commencement. There is no adjustment for deferred vested or pre-retirement death benefits.
Employee Contributions	Police Officers shall contribute 9% of compensation. Police Officers hired on or after July 1, 2010 have no contribution requirement.
Normal Form of Payment	Benefits shall be paid as a 67.5% Joint and Survivor Benefit in accordance with Section 45-21.3-1 of the State of Rhode Island General Laws.

Town of Portsmouth, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

12. Pension Plans (continued)

(a) Town of Portsmouth Retirement Plan (continued):

Basis of Valuation (continued):

Retiree Benefits - Fire	
Eligibility	Firefighters hired prior to July 1, 2013 are eligible for full participation in this plan. Firefighters hired on or after July 1, 2013 are only eligible for the disability retirement provisions listed below.
Vesting Requirement	Ten years of service.
Normal Retirement Date	The first day after the completion of 20 years of service.
Final Earnings	The highest annual salary paid in the previous 36 months including the \$5,000 retirement bonus.
Normal Retirement Benefit	For service earned prior to July 1, 2013, the annual benefit shall be 3% of Final Earnings for each year of service up to 20 years, plus 2% of Final Earnings for each year of service after 20 years. For service earned on or after July 1, 2013, the annual benefit shall be 1% of Final Earnings for each year of service. The maximum benefit payable is 74% of Final Earnings.
Vested Retirement Benefit	The annual benefit shall be calculated the same as the Normal Retirement Benefit.
Accidental Disability Benefit	The annual benefit shall be 66-2/3% of Final Earnings. There is no service requirement for this benefit.
Ordinary Disability Benefit	The annual benefit shall be 50% of three-year average earnings. This benefit ends when the participant reaches their normal retirement date.
Pre-Retirement Death Benefit	The annual benefit shall be 30% of five-year final average earnings to the surviving spouse, plus 10% of five-year final average earnings to each minor child. The maximum benefit payable is 50% of five-year final average earnings.
Cost of Living Adjustments	For Firefighters retired prior to July 1, 2007, the benefits are indexed at 50% of the salary increase received by active Firefighters. For Firefighters retired on or after July 1, 2007 and before July 1, 2013, the benefits shall be indexed with 3% annual cost of living adjustments. For Firefighters retired on or after July 1, 2013, the benefits shall be indexed with 1.7% annual cost of living adjustments. Effective July 1, 2013, adjustments begin on the fifth anniversary of the benefit commencement. There is no adjustment for deferred vested or pre-retirement death benefits.
Employee Contributions	Firefighters shall contribute 4% of compensation. Firefighters hired on or after July 1, 2013 have no contribution requirement.
Normal Form of Payment	Benefits shall be paid as a 67.5% Joint and Survivor Benefit in accordance with Section 45-21.3-1 of the State of Rhode Island General Laws.

Town of Portsmouth, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

12. Pension Plans (continued):

(a) Town of Portsmouth Retirement Plan (continued):

Basis of Valuation (continued):

Retiree Benefits - School Management	
Eligibility	School Management employees hired prior to September 9, 2020 are eligible for full participation in this plan.
Vesting Requirement	Ten years of service.
Normal Retirement Date	The first day after attaining at least age 60 and the completion of 10 years of service.
Early Retirement Date	The first day after attaining at least age 55 and the completion of 20 years of service.
Final Earnings	The highest annual salary paid in the previous 36 months.
Normal Retirement Benefit	The annual benefit shall be 2.5% of Final Earnings for each year of service.
Early Retirement Benefit	The annual benefit shall be calculated the same as the Normal Retirement Benefit except that it shall be multiplied by a fraction where the numerator is service at the Early Retirement Date and the denominator is projected service at the Normal Retirement Date.
Vested Retirement Benefit	The annual benefit shall be calculated the same as the Normal Retirement Benefit.
Ordinary Disability Benefit	The annual benefit shall be calculated the same as the Early Retirement Benefit.
Pre-Retirement Death Benefit	The annual benefit shall be calculated the same as the Early Retirement Benefit and paid as a 100% contingent annuitant benefit without reduction.
Cost of Living Adjustments	For School Management employees who retire after age 60 with 20 years of service or after age 55 with 25 years of service, the benefits are indexed with 1.7% annual cost of living adjustments. There is no adjustment for deferred vested or pre-retirement death benefits.
Employee Contributions	School Management employees shall contribute 6% of compensation.
Normal Form of Payment	Benefits shall be paid as a single life annuity.

Town of Portsmouth, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

12. Pension Plans (continued):

(a) Town of Portsmouth Retirement Plan (continued):

Basis of Valuation (continued):

Retiree Benefits - School Non-Management	
Eligibility	School Non-Management employees hired prior to July 1, 2012 are eligible for full participation in this plan.
Vesting Requirement	Ten years of service.
Normal Retirement Date	The first day after attaining at least age 60 and the completion of 10 years of service.
Early Retirement Date	The first day after attaining at least age 55 and the completion of 20 years of service.
Final Earnings	The highest annual salary paid in the previous 36 months.
Normal Retirement Benefit	For service earned prior to October 1, 2013, the annual benefit shall be 2.5% of Final Earnings for each year of service. For service earned on or after October 1, 2013, the annual benefit shall be 1% of Final Earnings for each year of service.
Early Retirement Benefit	The annual benefit shall be calculated the same as the Normal Retirement Benefit except that it shall be multiplied by a fraction where the numerator is service at the Early Retirement Date and the denominator is projected service at the Normal Retirement Date.
Vested Retirement Benefit	The annual benefit shall be calculated the same as the Normal Retirement Benefit.
Ordinary Disability Benefit	The annual benefit shall be calculated the same as the Early Retirement Benefit.
Pre-Retirement Death Benefit	The annual benefit shall be calculated the same as the Early Retirement Benefit and paid as a 100% contingent annuitant benefit without reduction.
Cost of Living Adjustments	For School Non-Management employees who retire after age 55 with 20 years of service, the benefits are indexed with 1.7% annual cost of living adjustments beginning on the fifth anniversary of the benefit commencement. There is no adjustment for deferred vested or pre-retirement death benefits.
Employee Contributions	School Non-Management employees shall contribute 4% of compensation.
Normal Form of Payment	Benefits shall be paid as a single life annuity.

Town of Portsmouth, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

12. Pension Plans (continued):

(a) Town of Portsmouth Retirement Plan (continued):

Basis of Valuation (continued):

Retiree Benefits - Town Management	
Eligibility	Town Management employees hired prior to July 1, 2012 are eligible for full participation in this plan.
Vesting Requirement	Ten years of service.
Normal Retirement Date	The first day after attaining at least age 60 and the completion of 10 years of service.
Early Retirement Date	The first day after attaining at least age 55 and the completion of 25 years of service.
Final Earnings	The highest annual salary paid in the previous 36 months.
Normal Retirement Benefit	The annual benefit shall be 3% of Final Earnings for each year of service up to 20 years, plus 2% of Final Earnings for each year of service after 20 years. Service is frozen as of July 1, 2014. The maximum benefit payable is 74% of Final Earnings.
Early Retirement Benefit	The annual benefit shall be calculated the same as the Normal Retirement Benefit except that it shall be multiplied by a fraction where the numerator is service at the Early Retirement Date and the denominator is projected service at the Normal Retirement Date.
Vested Retirement Benefit	The annual benefit shall be calculated the same as the Normal Retirement Benefit.
Ordinary Disability Benefit	The annual benefit shall be calculated the same as the Early Retirement Benefit.
Pre-Retirement Death Benefit	The annual benefit shall be 30% of five-year final average earnings to the surviving spouse, plus 10% of five-year final average earnings to each minor child. The maximum benefit payable is 50% of five-year final average earnings.
Cost of Living Adjustments	For Town Management employees retired on or after July 1, 2002 who have attained age 60 with 20 years of service or age 55 with 25 years of service, the benefits shall be indexed with 2% annual cost of living adjustments. For Town Management employees retired on or after July 1, 2004 who have attained age 60 with 20 years of service or age 55 with 25 years of service, the benefits shall be indexed with 3% annual cost of living adjustments. For Town Management employees retired on or after July 1, 2013 who have attained age 60 with 20 years of service or age 55 with 25 years of service, the benefits shall be indexed with 1.7% annual cost of living adjustments. Effective July 1, 2013, adjustments begin on the fifth anniversary of the benefit commencement. There is no adjustment for deferred vested or pre-retirement death benefits.
Employee Contributions	Town Management employees hired prior to July 1, 2004 shall contribute 5% of compensation. Town Management employees hired on or after July 1, 2004 no longer make contributions.
Normal Form of Payment	Benefits shall be paid as a single life annuity.

Town of Portsmouth, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

12. Pension Plans (continued):

(a) Town of Portsmouth Retirement Plan (continued):

Basis of Valuation (continued):

Retiree Benefits - Town Non-Management	
Eligibility	Town Non-Management employees hired prior to July 1, 2012 are eligible for full participation in this plan.
Vesting Requirement	Ten years of service.
Normal Retirement Date	The first day after attaining at least age 60 and the completion of 10 years of service.
Final Earnings	The highest annual salary paid in the previous 36 months.
Normal Retirement Benefit	For service earned prior to July 1, 2013, the annual benefit shall be 2.5% of Final Earnings for each year of service. For service earned on or after July 1, 2013, the annual benefit shall be 1% of Final Earnings for each year of service. The maximum benefit payable is 67.5% of Final Earnings.
Vested Retirement Benefit	The annual benefit shall be calculated the same as the Normal Retirement Benefit.
Ordinary Disability Benefit	The annual benefit shall be calculated the same as the Early Retirement Benefit.
Pre-Retirement Death Benefit	The annual benefit shall be 30% of five-year final average earnings to the surviving spouse, plus 10% of five-year final average earnings to each minor child. The maximum benefit payable is 50% of five-year final average earnings.
Cost of Living Adjustments	For Town Non-Management employees retired on or after July 1, 2003 who have attained age 60 with 20 years of service, the benefits shall be indexed with 2% annual cost of living adjustments. For Town Non-Management employees retired on or after July 1, 2005 who have attained age 60 with 20 years of service, the benefits shall be indexed with CPI, but not less than 2% nor more than 3% annual cost of living adjustments. For Town Non-Management employees retired on or after July 1, 2013 who have attained age 60 with 20 years of service, the benefits shall be indexed with 1.7% annual cost of living adjustments. Effective July 1, 2013, adjustments begin on the fifth anniversary of the benefit commencement. There is no adjustment for deferred vested or pre-retirement death benefits.
Employee Contributions	Town Non-Management employees shall contribute 6% of compensation.
Normal Form of Payment	Benefits shall be paid as a single life annuity.

Town of Portsmouth, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

12. Pension Plans (continued):

(a) Town of Portsmouth Retirement Plan (continued):

Basis of Valuation (continued):

Retiree Benefits - Public Works	
Eligibility	Public Works employees hired prior to July 1, 2010 are eligible for full participation in this plan. Public Works employees hired on or after July 1, 2010 are only eligible for the disability retirement provisions listed below.
Vesting Requirement	Ten years of service.
Normal Retirement Date	The first day after attaining at least age 60 and the completion of 10 years of service.
Early Retirement Date	The first day after attaining at least age 55 and the completion of 20 years of service.
Final Earnings	The average of the annual salary paid over the final five years of employment.
Normal Retirement Benefit	The annual benefit shall be 2.5% of Final Earnings for each year of service. Service is frozen at the later of July 1, 2013 or when the employee attains ten years of service. The maximum benefit payable is 67.5% of Final Earnings.
Early Retirement Benefit	The annual benefit shall be calculated the same as the Normal Retirement Benefit except that it shall be multiplied by a fraction where the numerator is service at the Early Retirement Date and the denominator is projected service at the Normal Retirement Date.
Vested Retirement Benefit	The annual benefit shall be calculated the same as the Normal Retirement Benefit.
Ordinary Disability Benefit	The annual benefit shall be calculated the same as the Early Retirement Benefit.
Pre-Retirement Death Benefit	The annual benefit shall be 30% of five-year final average earnings to the surviving spouse, plus 10% of five-year final average earnings to each minor child. The maximum benefit payable is 50% of five-year final average earnings.
Cost of Living Adjustments	For Public Works employees retired prior to July 1, 2007, who have attained age 60 with 20 years of service, the benefits are indexed at 50% of the salary increase received by active employees. For Public Works employees retired on or after July 1, 2013, with 10 years of service, the benefits shall be indexed with 1.7% annual cost of living adjustments. Effective July 1, 2013, adjustments begin on the fifth anniversary of the benefit commencement. There is no adjustment for deferred vested or pre-retirement death benefits.
Employee Contributions	Public Works employees shall contribute 4% of compensation. Public Works employees hired on or after July 1, 2010 or those who are no longer earning service have no contribution requirement.
Normal Form of Payment	Benefits shall be paid as a single life annuity.

Town of Portsmouth, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

12. Pension Plans (continued):

(b) Employees' Retirement System - Teachers (ERS) (continued):

Plan Description

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

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

Benefit Provisions

The level of benefits provided to participants is established by Chapter 36-10 of the General Laws, which is subject to amendment by the General Assembly. Member benefit provisions vary based on service credits accumulated at dates specified in various amendments to the General Laws outlining minimum retirement age, benefit accrual rates and maximum benefit provisions. In general, members accumulate service credits for each year of service subject to maximum benefit accruals of 80% or 75%. For those hired after June 30, 2012, the benefit accrual rate is 1% per year with a maximum benefit accrual of 40%. Members eligible to retire at September 30, 2009 may retire with 10 years of service at age 60 or after 28 years of service at any age. The retirement eligibility age increases proportionately for other members reflecting years of service and other factors until it aligns with the Social Security Normal Retirement Age, which applies to any member with less than 5 years of service as of July 1, 2012. Members are vested after 5 years of service.

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

Cost of living adjustments are provided to retirees based on statutory provisions (Section 36-10-35 of the Rhode Island General Laws). For members and/or beneficiaries of members who retired on or before June 30, 2012, cost of living adjustments are computed annually. For members retiring on or after July 1, 2012, twenty-five percent (or 1/4th) of the cost of living adjustment is computed annually until the plan reaches a 75% funded status. The full benefit adjustment is reinstated for all members upon the plan reaching the 75% funded status.

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

Town of Portsmouth, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

12. Pension Plans (continued):

(b) Employees' Retirement System - Teachers (ERS) (continued):

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 2024, Portsmouth School Department teachers were required to contribute 3.75% of their annual covered salary, except for teachers with twenty or more years of service as of June 30, 2012 must contribute 11% of their annual covered salary. The State and the Portsmouth School Department are required to contribute at an actuarially determined rate, 40% of which is to be paid by the State and the remaining 60% is to be paid by Portsmouth School Department. The rates were 11.13% and 15.03% of annual covered payroll for the fiscal year ended June 30, 2024 for the State and Portsmouth School Department, respectively. The Portsmouth School Department contributed \$3,159,227, \$3,045,145 and \$2,821,099, for the fiscal years ended June 30, 2024, 2023 and 2022, respectively, equal to 100% of the required contributions for each year.

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

At June 30, 2024, the Portsmouth School Department reported a liability of \$23,657,078 for its proportionate share of the net pension liability that reflected a reduction for contributions made by the state. The amount recognized by the Portsmouth School Department as its proportionate share of the net pension liability, the related state support and the total portion of the net pension liability that was associated with the Portsmouth School Department were as follows:

Portsmouth School Department proportionate share of net pension liability	\$ 23,657,078
State's proportionate share of the net pension liability associated with the Portsmouth School Department	<u>17,220,712</u>
Total net pension liability	<u>\$ 40,877,790</u>

The net pension liability was measured as of June 30, 2023, 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, 2021 rolled forward to June 30, 2023. The Portsmouth School Department's proportion of the net pension liability was based on a projection of the Portsmouth School Department's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers and the state, actuarially determined. At June 30, 2023 the Portsmouth School Department's proportion was 0.97481113%.

For the year ended June 30, 2024 the Portsmouth School Department recognized gross pension expense of \$2,208,755 and revenue of \$1,089,549 for support provided by the State. At June 30, 2023 the Portsmouth School Department reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Town of Portsmouth, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

12. Pension Plans (continued):

(b) Employees' Retirement System - Teachers (ERS) (continued):

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

Description of Outflows/Inflows	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 274,296	\$ 550,210
Changes of assumptions	101,280	935,335
Net difference between projected and actual earnings on pension plan investments	2,857,411	3,697,748
Changes in proportion and differences between System contributions and proportionate share contributions	212,810	656,846
	3,445,797	5,840,139
Contributions subsequent to the measurement date	3,159,227	-
	\$ 6,605,024	\$ 5,840,139
Net amount of deferred outflows and (inflows) excluding PSD contributions subsequent to measurement date		\$ (2,394,342)

\$3,159,227 reported as deferred outflows of resources related to pensions resulting from the Portsmouth School Department contributions in fiscal year 2024 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:

Year ended June 30:	
2025	\$ (904,531)
2026	(1,205,294)
2027	339,868
2028	(406,489)
2029	(168,459)
Thereafter	(49,437)
	\$ (2,394,342)

Town of Portsmouth, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

12. Pension Plans (continued):

(b) Employees' Retirement System - Teachers (ERS) (continued):

Actuarial Assumptions

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

Inflation	2.50%
Salary increases	3.00% to 13.00%
Investment rate of return	7.00%

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, 2021 valuation rolled forward to June 30, 2023 and the calculation of the total pension liability at June 30, 2023 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 was determined by the actuary using a building-block method. The actuary started by calculating best-estimate future expected real rates of return (expected returns net of pension plan investment expense and inflation) for each major asset class, based on a collective summary of capital market expectations from 40 sources. The June 30, 2023 expected arithmetic returns over the long-term (20 years) by asset class are summarized in the following table:

Town of Portsmouth, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

12. Pension Plans (continued):

(b) Employees' Retirement System - Teachers (ERS) (continued):

Actuarial Assumptions (continued):

Asset class	Target Asset Allocation	Long-term Expected rate Rate of Return
GROWTH		
Global equity:		
U.S. Equity	25.10%	6.46%
International Developed Equity	10.70%	6.91%
Emerging Markets Equity	4.20%	8.92%
Sub-total	40.00%	
Private Growth		
Private Equity	12.50%	10.30%
Non-Core Real Estate	2.50%	5.01%
Opportunistic Private Credit	0.00%	0.00%
Sub-total	15.00%	
INCOME		
Equity Options	2.00%	6.20%
Liquid Credit	5.00%	4.56%
Private Credit	3.00%	4.56%
Collateralized Loan Obligations (CLO)	2.00%	4.56%
Sub-total	12.00%	
STABILITY		
Crisis Protection Class		
Treasury Duration	5.00%	0.76%
Systematic Trend	5.00%	4.07%
Sub-total	10.00%	
Inflation Protection		
Core Real Estate	4.00%	5.01%
Private Infrastructure	4.00%	5.91%
Sub-total	8.00%	
Volatility Protection		
IG Corp Credit	3.25%	2.46%
Securitized Credit	3.25%	2.46%
Absolute Return	6.50%	4.07%
Cash	2.00%	0.76%
Sub-total	15.00%	
	100.00%	

Town of Portsmouth, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

12. Pension Plans (continued):

(b) Employees' Retirement System - Teachers (ERS) (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 (Asset) to Changes in the Discount Rate

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

	1.00% Decrease (6.0%)	Current Discount Rate (7.0%)	1.00% Increase (8.0%)
\$	30,335,408	\$ 23,657,078	\$ 17,589,049

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 report may be obtained at <http://www.ersri.org>.

(c) Teachers Defined Contribution Pension Plan

Employees participating in the defined benefit 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% (7% for teachers not covered by social security) of their annual covered salary and employers contribute between 1% and 1.5% (between 3% and 3.5% for teachers not covered by social security) 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.

Town of Portsmouth, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

12. Pension Plans (continued):

(c) Teachers Defined Contribution Pension Plan (continued):

Amounts in the defined contribution plan are available to participants in accordance with Internal Revenue Service guidelines for such plans.

The Portsmouth School Department recognized pension expense of \$514,373, for the fiscal year ended June 30, 2024.

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 <http://www.ersri.org>.

(d) Teachers Survivor Benefits

General Information about the Pension Plan

Plan Description

Certain employees of the Portsmouth 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>.

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

Town of Portsmouth, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

12. Pension Plans (continued):

(d) Teachers Survivor Benefits (continued):

Eligibility and Plan Benefits

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.

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 Spouse's Benefits</u>
\$17,000 or less	\$ 825.00
\$17,001 to \$25,000	\$ 962.50
\$25,001 to \$33,000	\$ 1,100.00
\$33,001 to \$40,000	\$ 1,237.50
\$40,001 and over	\$ 1,375.00

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

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

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 Portsmouth School Department contributed \$28,154, \$28,019 and \$27,108 for the fiscal years ended June 30, 2024, 2023 and 2022, respectively, equal to 100% of the required contributions for each year.

Town of Portsmouth, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

12. Pension Plans (continued):

(d) Teachers Survivor Benefits (continued):

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

At June 30, 2024, the Portsmouth School Department reported an asset of \$7,605,832 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, 2023, 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, 2021, rolled forward to 2023. The Portsmouth School Department proportion of the net pension asset was based on its share of contributions to the TSB for fiscal year 2023 relative to the total contributions of all participating employers for that fiscal year. At June 30, 2024 the Portsmouth School Department proportion was 3.78%.

For the year ended June 30, 2024 the Town recognized pension expense of \$(687,968) – an increase in the net pension asset. At June 30, 2024, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description of Outflows/Inflows	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 52,379	\$ 653,095
Changes of assumptions	90,729	406,989
Net difference between projected and actual earnings on pension plan investments	1,001,392	1,220,610
Changes in proportion and differences between System contributions and proportionate share contributions	199,109	312,442
	1,343,609	2,593,136
Contributions subsequent to the measurement date	28,154	-
	<u>\$ 2,715,372</u>	<u>\$ 5,186,272</u>
Net amount of deferred outflows and (inflows) excluding Town contributions subsequent to measurement date		<u>\$ (1,249,527)</u>

Town of Portsmouth, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

12. Pension Plans (continued):

(d) Teachers Survivor Benefits (continued):

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

\$28,256 reported as deferred outflows of resources related to pensions resulting from the Portsmouth School Department contributions in fiscal year 2024 subsequent to the measurement date will be recognized as an addition to the net pension asset in the subsequent period. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:		
2025	\$	(372,278)
2026		(470,613)
2027		27,517
2028		(211,529)
2029		(95,481)
Thereafter		<u>(127,143)</u>
	\$	<u>(1,249,527)</u>

Actuarial Assumptions

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

Inflation	2.50%
Salary increases	3.00% to 13.00%
Investment rate of return	7.00%

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

Cost of living adjustment – eligible survivors receive a yearly cost of living adjustment based on the annual social security adjustment – for valuation purposes, a 2.50% cost of living adjustment is assumed.

The actuarial assumptions used in the June 30, 2021 valuation and the calculation of the total pension liability at June 30, 2023 were consistent with the results of an actuarial experience study performed as of June 30, 2020.

The long-term expected rate of return best-estimate on pension plan investments was determined by the actuary using a building-block method. The actuary started by calculating best-estimate future expected real rates of return (expected returns net of pension plan investment expense and inflation) for each major asset class, based on a collective summary of capital market expectations from 40 sources. The June 30, 2023 expected arithmetic returns over the long-term (20 years) by asset class are summarized in the following table:

Town of Portsmouth, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

12. Pension Plans (continued):

(d) Teachers Survivor Benefits (continued):

<u>Asset class</u>	<u>Target Asset Allocation</u>	<u>Long-term Expected rate Rate of Return</u>
GROWTH		
Global equity:		
U.S. Equity	25.10%	6.46%
International Developed Equity	10.70%	6.91%
Emerging Markets Equity	4.20%	8.92%
Sub-total	40.00%	
Private Growth		
Private Equity	12.50%	10.30%
Non-Core Real Estate	2.50%	5.01%
Opportunistic Private Credit	0.00%	0.00%
Sub-total	15.00%	
INCOME		
Equity Options	2.00%	6.20%
Liquid Credit	5.00%	4.56%
Private Credit	3.00%	4.56%
Collateralized Loan Obligations (CLO)	2.00%	4.56%
Sub-total	12.00%	
STABILITY		
Crisis Protection Class		
Treasury Duration	5.00%	0.76%
Systematic Trend	5.00%	4.07%
Sub-total	10.00%	
Inflation Protection		
Core Real Estate	4.00%	5.01%
Private Infrastructure	4.00%	5.91%
Sub-total	8.00%	
Volatility Protection		
IG Corp Credit	3.25%	2.46%
Securitized Credit	3.25%	2.46%
Absolute Return	6.50%	4.07%
Cash	2.00%	0.76%
Sub-total	15.00%	
	100.00%	

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

Town of Portsmouth, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

12. Pension Plans (continued):

(d) Teachers Survivor Benefits (continued):

Discount Rate (continued):

of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate

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

1.00% Decrease (6.0%)	Current Discount Rate (7.0%)	1.00% Increase (8.0%)
\$ (6,801,579)	\$ (7,605,832)	\$ (8,336,615)

Pension plan fiduciary net position

Detailed information about this pension plan’s fiduciary net position is available in the separately issued ERSRI financial report. The report may be obtained at <http://www.ersri.org>.

(e) Municipal Employees’ Retirement System (MERS)

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

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

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

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

Town of Portsmouth, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

12. Pension Plans (continued)

(e) Municipal Employees' Retirement System (MERS) (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.

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

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

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

Town of Portsmouth, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

12. Pension Plan (continued)

(e) Municipal Employees' Retirement System (MERS) (continued)

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.

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 in (a) and (b) 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.

Town of Portsmouth, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

12. Pension Plan (continued)

(e) Municipal Employees' Retirement System (MERS) (continued)

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).

Cost of living adjustments are provided to retirees based on statutory provisions (Section 36-10-35 of the Rhode Island General Laws). For members and/or beneficiaries of members who retired on or before June 30, 2012, cost of living adjustments are computed annually. For members retiring on or after July 1, 2012, twenty-five percent (or 1/4th) of the cost of living adjustment is computed annually until the plan reaches a 75% funded status. The full benefit adjustment is reinstated for all members upon the plan reaching the 75% funded status.

- a. 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%
- b. The COLA will be limited to the first \$25,000 of the member's annual pension benefit. For retirees and beneficiaries who retired on or before July 1, 2015, years in which a COLA is payable based on the every fourth year provision described in (a) above will be limited to the first \$30,000. These limits will be indexed annually to increase in the same manner as COLAs, with the known values of \$27,608 for 2021, \$27,901 for 2022 and \$28,878 for 2023.

Employees covered by benefit terms

At the June 30, 2023 valuation date, the following employees were covered by the benefit terms:

	Fire Department	Police Department
Retirees and Beneficiaries	0	0
Inactive, Non-retired Members	1	0
Active Members	24	25
Total	<u>25</u>	<u>25</u>

Contributions - The amount of employee and employer contributions have been established under Rhode Island General Law Chapter 45-21. General employees with less than 20 years of service as of June 30, 2012 are required to contribute 1% (2% if the employer opted to provide a COLA) of their salaries. General employees with more than 20 years of service as of June 30, 2012 are required to contribute 8.25%. Public safety employees are required to contribute 9% (10% if employer opted to provide a COLA) of their salaries. The Town of Portsmouth contributes at a rate of covered employee payroll as determined by an independent actuary on an annual basis. The General Assembly can amend the amount of these contribution requirements. The Town of Portsmouth-Fire contributed \$150,464 in the year ended June 30, 2024 which was 8.81% of annual covered payroll and Police contributed \$171,602 in the year ended June 30, 2024 which was 8.41% of annual covered payroll.

Town of Portsmouth, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

12. Pension Plan (continued)

(e) Municipal Employees' Retirement System (MERS) (continued)

Net Pension Liability (Asset) - The total pension liability was determined by actuarial valuations performed as of June 30, 2021 and rolled forward to June 30, 2023, 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, 2022 measurement date (June 30, 2021 valuation rolled forward to June 30, 2022)	
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 - 3.25% to 7.25%; 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	All future COLAs were assumed to be 2.1% per annum for all MERS units with the COLA provision.

The actuarial assumptions used in the calculation of the total pension liability at June 30, 2023 measurement date were based on the 2023 Actuarial Experience Investigation Study for the six-year period ended June 30, 2022 as approved by the System's Board on May 17, 2023.

The long-term expected rate of return best-estimate on pension plan investments was determined by the actuary using a building-block method. The actuary started by calculating best-estimate future expected real rates of return (expected returns net of pension plan investment expense and inflation) for each major asset class, based on a collective summary of capital market expectations from 42 sources. The June 30, 2023 expected arithmetic returns over the long-term (20 years) by asset class are summarized in the following table:

Town of Portsmouth, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

12. Pension Plan (continued)

(e) Municipal Employees' Retirement System (MERS) (continued)

Asset class	Target Asset Allocation	Long-term Expected rate Rate of Return
GROWTH		
Global equity:		
U.S. Equity	25.10%	6.46%
International Developed Equity	10.70%	6.91%
Emerging Markets Equity	4.20%	8.92%
Sub-total	40.00%	
Private Growth		
Private Equity	12.50%	10.30%
Non-Core Real Estate	2.50%	5.01%
Opportunistic Private Credit	0.00%	0.00%
Sub-total	15.00%	
INCOME		
Equity Options	2.00%	6.20%
Liquid Credit	5.00%	4.56%
Private Credit	3.00%	4.56%
Collateralized Loan Obligations (CLO)	2.00%	4.56%
Sub-total	12.00%	
STABILITY		
Crisis Protection Class		
Treasury Duration	5.00%	0.76%
Systematic Trend	5.00%	4.07%
Sub-total	10.00%	
Inflation Protection		
Core Real Estate	4.00%	5.01%
Private Infrastructure	4.00%	5.91%
Sub-total	8.00%	
Volatility Protection		
IG Corp Credit	3.25%	2.46%
Securitized Credit	3.25%	2.46%
Absolute Return	6.50%	4.07%
Cash	2.00%	0.76%
Sub-total	15.00%	
	100.00%	

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

Discount rate - The discount rate used to measure the total pension liability of the plans 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

Town of Portsmouth, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

12. Pension Plan (continued)

(e) Municipal Employees' Retirement System (MERS) (continued)

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.

Fire Department	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balance as of June 30, 2022	\$ 1,859,008	\$ 1,865,217	\$ (6,209)
Changes for the year:			
Service cost	310,850	-	310,850
Interest on total pension liability	141,010	-	141,010
Differences between expected and actual experience of the total pension liability	(86,472)	-	(86,472)
Changes in assumptions	(16,455)	-	(16,455)
Contributions - employer	-	137,511	(137,511)
Contributions - employee	-	165,874	(165,874)
Net investment income	-	186,716	(186,716)
Benefit payments, including employee refunds	-	-	-
Administrative expense	-	(2,010)	2,010
Other changes	-	(1)	1
Net changes	<u>348,933</u>	<u>488,090</u>	<u>(139,157)</u>
Balance as of June 30, 2023	<u>\$ 2,207,941</u>	<u>\$ 2,353,307</u>	<u>\$ (145,366)</u>
Police Department	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balance as of June 30, 2022	\$ 1,751,382	\$ 2,171,226	\$ (419,844)
Changes for the year:			
Service cost	340,963	-	340,963
Interest on total pension liability	133,283	-	133,283
Differences between expected and actual experience of the total pension liability	(15,050)	-	(15,050)
Changes in assumptions	(27,802)	-	(27,802)
Contributions - employer	-	156,842	(156,842)
Contributions - employee	-	184,305	(184,305)
Net investment income	-	213,242	(213,242)
Benefit payments, including employee refunds	(35,645)	(35,645)	-
Administrative expense	-	(2,295)	2,295
Other changes	-	-	-
Net changes	<u>395,749</u>	<u>516,449</u>	<u>(120,700)</u>
Balance as of June 30, 2023	<u>\$ 2,147,131</u>	<u>\$ 2,687,675</u>	<u>\$ (540,544)</u>

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

Town of Portsmouth, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

12. Pension Plan (continued)

(e) Municipal Employees' Retirement System (MERS) (continued)

Fire Department Plan		
Current		
1% Decrease 6%	Discount Rate 7%	1% Increase 8%
\$ 54,302	\$ (145,366)	\$ (326,604)

Police Department Plan		
Current		
1% Decrease 6%	Discount Rate 7%	1% Increase 8%
\$ (342,702)	\$ (540,544)	\$ (720,129)

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, 2023 the employer recognized pension expense of \$156,125. The employer reported deferred outflows and inflows of resources related to pensions from the following sources:

Fire Department Plan	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in assumptions	\$ -	\$ 15,461
Difference between expected and actual experience	786,574	81,250
Net difference between projected and actual earnings on pension plan investments	105,584	153,270
	892,158	249,981
Contributions subsequent to the measurement date	150,464	-
	\$ 1,934,780	\$ 499,962
Net amount of deferred outflows and (inflows) excluding contributions subsequent to measurement date		\$ 642,177

Town of Portsmouth, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

12. Pension Plan (continued)

(e) Municipal Employees' Retirement System (MERS) (continued)

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

For the year ended June 30, 2023 the employer recognized pension expense of \$85,803. The employer reported deferred outflows and inflows of resources related to pensions from the following sources:

Police Department Plan	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in assumptions	\$ -	\$ 26,275
Difference between expected and actual experience	-	14,223
Net difference between projected and actual earnings on pension plan investments	123,708	185,693
Contributions subsequent to the measurement date	123,708	226,191
	171,602	-
	\$ 295,310	\$ 452,382
Net amount of deferred outflows and (inflows) excluding contributions subsequent to measurement date		\$ (102,483)

\$150,464 for the fire department plan and \$171,602 for the police department plan was reported as deferred outflows of resources related to pensions resulting from the Town of Portsmouth contributions 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 and inflows of resources related to pensions will be recognized in pension expense as follows:

Fire Department Plan	
Year ended June 30:	
2025	\$ 9,241
2026	9,469
2027	67,748
2028	32,556
2029	41,675
Thereafter	481,488
	\$ 642,177

Town of Portsmouth, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

12. Pension Plan (continued)

(e) Municipal Employees' Retirement System (MERS) (continued)

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

<u>Police Department Plan</u>		
Year ended June 30:		
2025	\$	(43,835)
2025		(43,837)
2027		28,753
2028		(12,482)
2029		(2,354)
Thereafter		(28,728)
	<u>\$</u>	<u>(102,483)</u>

(f) Aggregate Pension Amounts Reported in the Financial Statements

As required by GASB Statement No. 68, *Accounting and Financial Reporting for Pensions an Amendment of GASB Statement No. 34*, the table below presents the aggregate amount of pension expense, pension liabilities (assets) and deferred inflows and outflows for the defined benefit plans of the Town of Portsmouth, Rhode Island.

	ERS Teachers	TSB Teachers	MERS Fire	MERS Police	Town Plan	Total
Net Pension Asset	\$ -	\$ 7,605,832	\$ 145,366	\$ 540,544	\$ -	\$ 8,291,742
Deferred Outflows of Resources - Pension	6,605,024	2,715,372	1,934,780	295,310	171,088	11,721,574
Deferred Inflows of Resources - Pension	5,840,139	5,186,272	499,962	452,382	391,695	12,370,450
Net Pension Liability	23,657,078	-	-	-	45,016,924	68,674,002
Pension Expense (Income)	2,460,089	(687,968)	156,125	85,803	4,078,508	6,092,557

Town of Portsmouth, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

13. Financial Statements for Individual Pension and Other Postemployment Benefit Trust Funds:

GAAP requires that all Pension and Other Postemployment Trust Funds be combined and presented in one column in the Fiduciary Funds financial statements and that the individual financial statements for each trust fund plan are reported in the notes to the financial statements. Provided below are the individual financial statements for the pension and OPEB plan that are included in the Fiduciary Funds as Pension and Other Postemployment Benefits Trust Funds.

Statement of Fiduciary Net Position

	Town Pension Trust	OPEB Trust	Total
Assets			
Cash and cash equivalents	\$ -	\$ -	\$ -
Investments, at fair value			
Investment funds	71,404,967	-	71,404,967
Fixed income securities	-	2,792,773	2,792,773
Total assets	71,404,967	2,792,773	74,197,740
Deferred outflows of resources			
Deferred outflows	-	-	-
Total assets and deferred outflows of resources	71,404,967	2,792,773	74,197,740
Liabilities			
Account payable	-	-	-
Total liabilities	-	-	-
Deferred inflows of resources			
Unearned revenue	-	-	-
Total deferred inflows of resources	-	-	-
Net Position			
Restricted for pension	71,404,967	-	71,404,967
Restricted for OPEB	-	2,792,773	2,792,773
Total net position	71,404,967	2,792,773	74,197,740
Total liabilities and net position	\$ 71,404,967	\$ 2,792,773	\$ 74,197,740

Town of Portsmouth, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

13. Financial Statements for Individual Pension and Other Postemployment Benefit Trust Funds (continued):

Statement of Changes in Fiduciary Net Position

	Town Pension Trust	OPEB Trust	Total
Additions			
Contributions:			
Employer contributions	\$ 4,730,146	\$ 105,900	\$ 4,836,046
Plan member contributions	353,796	-	353,796
Other adjustments	-	-	-
<i>Total contributions</i>	5,083,942	105,900	5,189,842
Investment Income:			
Net appreciation in the fair value	7,424,068	337,659	7,761,727
<i>Total investment income</i>	7,424,068	337,659	7,761,727
Less: Investment expense	32,995	-	32,995
Total additions	12,541,005	443,559	12,984,564
Deductions			
Administrative expenses	107,491	2,413	109,904
Benefits paid	6,270,512	-	6,270,512
Total deductions	6,378,003	2,413	6,380,416
Changes in net position held in trust for individuals, organizations, and other governments	6,163,002	441,146	6,604,148
Net position, July 1, 2022	65,241,965	2,351,627	67,593,592
Net position, June 30, 2023	\$ 71,404,967	\$ 2,792,773	\$ 74,197,740

Town of Portsmouth, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

14. Public Private Partnership (GASB Statement No. 94)

The Town entered into a public private partnership with Russell Morin Catering & Events (RMCE). RMCE shall be the sole and exclusive caterer, operator, and manager of the Glen Manor House.

The initial term of the partnership is for five (5) years beginning January 1, 2024. RMCE covenants and agrees to pay the Town \$900,000 in fixed monthly payments of \$15,000.

The Town entered into a public private partnership with Mellville Campground LLC (referred to as “Concessionaire”).

The Concessionaire on behalf of the Town agrees to operate and manage the Melville Ponds Campgrounds.

The initial term began on April 1, 2020 and will end March 31, 2025. The Concessionaire agrees to pay a base fee of \$35,000 per year, plus 5% of its semi-annual gross receipts or \$15,000 (whichever is greater).

For accounting purposes, the partnership asset and associated deferred inflows of resources are reported at the present value of the future partnership payments using 5.00% interest rate.

As of June 30, 2024 the principal and interest payment by the partnership are as follows:

Governmental Activities				
<i>Principal</i>				
	Glen Manor	Melville	Total	
2025	\$ 153,844	\$ 29,771	\$ 183,615	
2026	153,844	24,809	178,652.66	
2027	153,844	-	153,843.96	
2028	102,563	-	102,562.64	
2029	-	-	-	
Thereafter	-	-	-	
	\$ 564,095	\$ 54,579	\$ 618,674	
<i>Interest</i>				
	Glen Manor	Melville	Total	
2025	\$ 25,330	\$ 2,181	\$ 27,511	
2026	17,417	539	17,956	
2027	9,099	-	9,099	
2028	1,298	-	1,298	
2029	-	-	-	
Thereafter	-	-	-	
	\$ 53,144	\$ 2,720	\$ 55,864	
<i>Total</i>				
	Glen Manor	Melville	Total	
2025	\$ 179,174	\$ 31,952	\$ 211,126	
2026	171,261	25,347	196,608	
2027	162,943	-	162,943	
2028	103,861	-	103,861	
2029	-	-	-	
Thereafter	-	-	-	
	\$ 617,239	\$ 57,299	\$ 674,538	

Town of Portsmouth, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2024

15. Deferred Compensation Plan

The Town offers its municipal employees a deferred compensation plan established in accordance with the provisions of Internal Revenue Code Section 457. The Plan, available to certain municipal employees, permits the deferral of a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

During the year ended June 30, 2000, the Town implemented the Governmental Accounting Standards Board, Statement No. 32, *Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plan*. All assets and income of the plan are held in trust for the exclusive benefit of the participants and their beneficiaries. As a result, deferred compensation investments and the respective liability have been removed from the Town's financial statements.

16. Contingent Liabilities and Commitments

The Town is a defendant in various lawsuits. Although the outcome of most of these lawsuits is not presently determinable, it is the opinion of the government's counsel that resolution of some of these matters may have a material effect on the financial condition of the government. The Town has appropriately provided for these matters, as applicable.

Under the terms of federal and state grants, periodic compliance audits by the grantors or their representatives are required and, consequently, certain costs may be questioned as not being appropriate, and result in reimbursement to the grantor agencies. The amount, if any, of expenditures which may be disallowed by the granting agencies could not be determined at this time. Town officials believe that such disallowances, if any, would not be material. Currently, there are no reviews taking place. The School Department participates as part of the East Bay Collaborative for the school lunch program administered by the Compass Group, USA, Inc. through its Chartwells Division under five one-year agreements.

The School Department has a five-year agreement, through June 30, 2026, with First Student, Inc. to provide busing for the School Department based on the rate schedule specified in the agreement. Busing costs associated with this agreement totaled approximately \$3,163,897 for the year ended June 30, 2024. Estimated costs to be incurred over the remaining 5-year life of this contract is approximately \$6,663,880. At June 30, 2024 the Town (including the School Department) contract with Aramark Management Services expired and was not extended for purposes of facilities management.

17. Subsequent Events

Management reviewed subsequent events through the report date of December 19, 2024. No material events have occurred that require disclosures.

Required Supplementary Information Section

Town of Portsmouth, Rhode Island

Required Supplementary Information

Budgetary Comparison Schedule – General Fund

For the Year Ended June 30, 2024

	Budget Amounts		Actual Amounts (Budgetary Basis)	Variance Over (Under)
	Original	Final		
Revenues:				
Property Taxes				
Current collections	60,279,279	60,279,279	60,645,832	366,553
Prior year collections	1,300,000	1,300,000	1,258,400	(41,600)
Prorated collections	65,000	65,000	193,374	128,374
State Aid	6,942,462	6,942,462	7,095,913	153,451
General Government:				
Town Clerk	573,000	573,000	851,171	278,171
Finance	105,600	105,600	631,428	525,828
Tax Collector	275,800	275,800	11,563	(264,237)
Building	716,000	716,000	783,609	67,609
Planning	12,000	12,000	119,436	107,436
Public Safety:				
Police	191,700	191,700	190,052	(1,648)
Harbor Master	112,000	112,000	113,378	1,378
Fire	225,000	225,000	246,038	21,038
Public Works:				
Prudence Transfer Station	11,410	11,410	18,171	6,761
Recreation & Parks:				
Recreation	259,905	259,905	185,404	(74,501)
Rental & Other	458,714	458,714	431,756	(26,958)
Total revenues	71,527,870	71,527,870	72,775,525	1,247,655
Expenditures:				
General Government:				
Town Council	10,916	10,916	10,480	436
Town Admin	341,526	341,526	340,689	837
Town Clerk	485,454	485,454	470,340	15,114
Canvassing	320,278	320,278	267,784	52,494
Finance	1,089,302	1,089,302	959,844	129,458
Human resources	2,298,337	2,298,337	2,091,013	207,324
Legal	275,300	275,300	328,195	(52,895)
Information Technology	275,493	275,493	269,440	6,053
Tax assessor / collector	563,743	563,743	444,242	119,501
Economic Development	49,993	49,993	47,484	2,509
Planning	558,051	558,051	402,275	155,776
Building official	392,657	392,657	389,346	3,311
Planning board	-	-	561	(561)
Public Safety:				
Police	7,184,194	7,184,194	7,209,668	(25,474)
Prudence Safety Officer	119,913	119,913	115,560	4,353
Animal Control	130,345	130,345	122,245	8,100
Harbor Master	110,383	110,383	67,417	42,966
Fire	7,252,559	7,252,559	7,351,268	(98,709)
Emergency Management	51,368	51,368	51,396	(28)
Public Works:				
Public Works	3,086,254	3,086,254	2,778,282	307,972
Snow Removal	142,672	142,672	142,004	668
Road Improvements	950,000	950,000	949,755	245
Prudence Transfer Station	128,173	128,173	101,851	26,322

See accompanying notes to required supplementary information

See independent auditor's report

Town of Portsmouth, Rhode Island

Required Supplementary Information

Budgetary Comparison Schedule – General Fund

For the Year Ended June 30, 2024

	Budget Amounts Original	Final	Actual Amounts (Budgetary Basis)	Variance Over (Under)
Parks and Recreation:				
Recreation Dept	385,696	385,696	304,203	81,493
Melville Park	18,000	18,000	12,988	5,012
Civil Support:				
A. Ports Public Services	930,132	930,132	1,096,669	(166,537)
Library	134,841	134,841	-	134,841
Debt Service	2,590,807	2,590,807	1,779,449	811,358
Other:				
State Aid	3,592,615	3,592,615	3,592,615	-
Capital Improvement Plan	608,823	608,823	-	608,823
Open Space Reserve Fund	12,500	12,500	-	12,500
Capital Reserve Fund	171,116	171,116	97,412	73,704
Town contingency	25,000	25,000	15,895	9,105
OPEB discretionary	50,000	50,000	50,000	-
Bad Debts	-	-	326	(326)
 Total expenditures	\$ 34,336,441	\$ 34,336,441	\$ 31,860,696	\$ 2,475,745
 Excess (deficiency) of revenues over expenditures	 \$ 37,191,429	 \$ 37,191,429	 \$ 40,914,829	 \$ 3,723,400
 Other financing sources and (uses):				
School local appropriation	(37,191,429)	(37,191,429)	(37,191,429)	-
Transfer from other funds	-	-	22,265	22,265
Transfer to other funds	-	-	(2,527,768)	(2,527,768)
 Total other financing sources and uses	 (37,191,429)	 (37,191,429)	 (39,696,932)	 (2,505,503)
 Excess (deficiency) of revenues and other sources over expenditures and other uses, budgetary basis	 -	 -	 1,217,897	 1,217,897
 Adjustment of budgetary basis to U.S. GAAP			 -	
 Excess of revenue and other financing sources over expenditures and other financing uses, U.S. GAAP basis			 1,217,897	
 Fund balance, beginning of year			 10,869,882	
 Fund balance, end of year			 \$ 12,087,779	

See accompanying notes to required supplementary information

See independent auditor's report

Town of Portsmouth, Rhode Island

Required Supplementary Information

Budgetary Comparison Schedule – School Unrestricted

For the Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Over (Under)
Revenues				
State aid for education	\$ 3,592,615	\$ 3,592,615	\$ 3,592,615	\$ -
Impact aid	270,000	270,000	452,481	182,481
Tuition - other districts/ individuals	1,928,000	1,928,000	2,067,066	139,066
Medicaid	300,000	300,000	241,960	(58,040)
Miscellaneous	30,000	30,000	28,527	(1,473)
Total revenues	6,120,615	6,120,615	6,382,649	262,034
Expenditures				
Personnel Services	24,898,654	24,655,575	24,710,982	(55,407)
Employee benefits	8,914,125	8,814,753	8,858,005	(43,252)
Purchased professional & technical services	1,307,177	1,217,013	1,096,840	120,173
Purchased property services	673,426	646,606	624,151	22,455
Other purchased services	5,832,643	5,756,249	5,766,018	(9,769)
Supplies	1,066,842	1,317,719	1,269,793	47,926
Property	350,486	662,131	658,580	3,551
Miscellaneous	268,691	241,998	241,347	651
Total expenditures	43,312,044	43,312,044	43,225,716	86,328
Excess of expenditures over revenues, budgetary basis	(37,191,429)	(37,191,429)	(36,843,067)	348,362
Other financing sources (uses)				
Appropriation from Town's general fund	37,191,429	37,191,429	37,191,429	-
Transfer from other funds	-	-	-	-
Transfer to other funds	-	-	(393,123)	(393,123)
Total other financing sources (uses)	37,191,429	37,191,429	36,798,306	(393,123)
Excess of revenues and other financing sources over expenditures and other financing uses, budgetary basis	\$ -	\$ -	(44,761)	\$ (44,761)
Adjustment of budgetary basis to U.S. GAAP basis			-	
Excess of revenues and other financing sources over expenditures and other financing uses, U.S. GAAP basis			(44,761)	
Fund balance, beginning of year			1,382,672	
Fund balance, end of year			\$ 1,337,911	

See independent auditor's report

Town of Portsmouth, Rhode Island

Required Supplementary Information

Notes to Required Supplementary Information

Budgetary Comparison Schedule – General Fund and School Unrestricted Fund

For the Year Ended June 30, 2024

Adoption:

In accordance with Town's Home Rule Charter, the Town Administrator must present to the Town Council a recommended annual budget for the operations of all municipal departments no later than 90 days prior to the commencement of each fiscal year. The recommended budget must include the School Department's annual budget as approved by the School Committee. A final budget must be adopted by the Town Council by June 30.

Budget is adopted for the General Fund on a legally enacted budgetary basis which differs from accounting principles generally accepted in the United States of America (U.S. GAAP) in several regards. Budget is adopted on the modified accrual basis of accounting, except that budgetary expenditures include encumbrances in the year incurring the commitment to purchase, and budgetary revenues include subsidies from fund balance previously recognized under U.S. GAAP.

Encumbrances are not liabilities and, therefore, are not recognized as expenditures under U.S. GAAP until receipt of materials or services. For budgetary purposes, unencumbered and unexpended appropriations lapse at year end and outstanding encumbrances are included in the budgetary expenditures in the year committed. The Town reserves a portion of fund balance in the governmental fund financial statements equal to outstanding encumbrances at year end. At June 30, 2024, the Town did not have open encumbrances.

Budgetary Compliance:

Municipal budgetary control is legally enforceable at the department level. An appropriation transfer between departments and intra-departmental transfers of municipal appropriations require approval of the Town Council. In addition to limits enforced by the budget, the Town's Home Rule Charter further restricts municipal expenditures relative to budgeted revenues.

Budgetary to GAAP Basis Reconciliation:

There were differences between budgetary basis and GAAP basis of accounting for the Town's General Fund for the year ended June 30, 2024. There were differences between the budgetary basis and GAAP Basis of accounting for the School Unrestricted Fund for the year ended June 30, 2024.

See independent auditor's report

Town of Portsmouth, Rhode Island

Required Supplementary Information

Notes to Required Supplementary Information

Budgetary Comparison Schedule – General Fund and School Unrestricted Fund

For the Year Ended June 30, 2024

	<u>School Unrestricted</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses (budgetary basis)	\$ (44,761)
State contribution to teachers' pension plan revenue on behalf	(2,208,755)
State contribution to teacher's pension plan expense on behalf	<u>2,208,755</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses (GAAP)	<u>\$ (44,761)</u>

See independent auditor's report

Town of Portsmouth, Rhode Island

Required Supplementary Information

Employees' Retirement System – Teacher's Pension Plan

Schedule of Town's Proportionate Share of the Net Pension Liability

Last 10 Years

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Measurement Date	6/30/2023	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014
Employer's proportion of the net pension liability	0.97481113%	0.96901439%	0.98492263%	0.98644934%	0.98554032%	0.98734301%	0.99184793%	1.06672268%	1.05741609%	1.17765085%
Employer's proportionate share of the net pension liability	\$ 23,657,078	\$ 26,170,355	\$ 23,179,151	\$ 31,517,114	\$ 31,446,313	\$ 31,370,338	\$ 31,283,742	\$ 31,826,498	\$ 29,110,693	\$ 28,664,026
State's proportionate share of the net pension liability associated with the school district	17,220,712	19,354,816	17,189,419	23,417,987	23,556,545	23,400,019	23,642,993	21,796,478	19,887,512	19,656,243
Total	<u>\$ 40,877,790</u>	<u>\$ 45,525,171</u>	<u>\$ 40,368,570</u>	<u>\$ 54,935,101</u>	<u>\$ 55,002,858</u>	<u>\$ 54,770,357</u>	<u>\$ 54,926,735</u>	<u>\$ 53,622,976</u>	<u>\$ 48,998,205</u>	<u>\$ 48,320,269</u>
Employer's covered payroll	\$ 19,755,525	\$ 18,872,706	\$ 18,732,363	\$ 18,298,517	\$ 17,823,609	\$ 17,590,459	\$ 17,812,753	\$ 16,528,974	\$ 16,047,548	\$ 15,698,623
Employer's proportionate share of the net pension liability as a percentage of its covered payroll	119.75%	138.67%	123.74%	172.24%	176.43%	178.34%	175.63%	192.55%	181.40%	182.59%
Plan fiduciary net position as a percentage of the total pension liability	62.10%	62.10%	66.50%	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.) *Employers participating in the State Employee's Retirement System are required by RI General Laws, Section 36-10-2, to contribute an actuarially determined contribution rate each year.*

See accompanying notes to required supplementary information

See independent auditor's report

Town of Portsmouth, Rhode Island

Required Supplementary Information

Employees' Retirement System – Teacher's Pension Plan

Schedule of Town's Contributions

Last 10 Years

	Fiscal 2024	Fiscal 2023	Fiscal 2022	Fiscal 2021	Fiscal 2020	Fiscal 2019	Fiscal 2018	Fiscal 2017	Fiscal 2016	Fiscal 2015
Actuarially determined contribution	\$ 3,159,227	\$ 3,047,307	\$ 2,821,099	\$ 2,743,469	\$ 2,624,299	\$ 2,460,253	\$ 2,318,997	\$ 2,273,897	\$ 2,406,202	\$ 2,304,139
Contributions in relation to the actuarially determined contribution	3,159,227	3,047,307	2,821,099	2,743,469	2,624,299	2,460,253	2,318,997	2,273,897	2,406,202	2,304,139
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 20,569,332	\$ 19,755,525	\$ 18,872,706	\$ 18,732,363	\$ 18,298,517	\$ 17,823,609	\$ 17,590,459	\$ 17,812,753	\$ 16,528,974	\$ 16,047,548
Contributions as a percentage of covered payroll	15.36%	15.43%	14.95%	14.65%	14.34%	13.80%	13.18%	12.77%	14.56%	11.63%

Notes:

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

See accompanying notes to required supplementary information

See independent auditor's report

Town of Portsmouth, Rhode Island

Required Supplementary Information

Employees' Retirement System – Teacher's Survivor Benefit Plan

Schedule of Town's Proportionate Share of the Net Pension Asset

Last 10 Years

	<u>Fiscal 2024</u>	<u>Fiscal 2023</u>	<u>Fiscal 2022</u>	<u>Fiscal 2021</u>	<u>Fiscal 2020</u>	<u>Fiscal 2019</u>	<u>Fiscal 2018</u>	<u>Fiscal 2017</u>	<u>Fiscal 2016</u>	<u>Fiscal 2015</u>
Measurement Date	6/30/2023	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014
Employer's proportion of the net pension asset	3.78%	3.64%	3.77%	3.67%	3.59%	3.59%	3.64%	3.83%	3.78%	3.91%
Employer's proportionate share of the net pension asset	\$ 7,605,832	\$ 6,395,225	\$ 7,373,961	\$ 4,360,405	\$ 4,205,948	\$ 3,202,420	\$ 3,013,282	\$ 3,817,161	\$ 3,529,932	\$ 4,865,868
Employer's covered payroll	\$ 19,755,525	\$ 18,872,706	\$ 18,732,363	\$ 18,298,517	\$ 17,823,609	\$ 17,590,459	\$ 17,812,753	\$ 16,528,974	\$ 16,047,548	\$ 15,698,623
Employer's proportionate share of the net pension asset as a percentage of its covered payroll	38.50%	33.89%	39.36%	23.83%	23.60%	18.21%	16.92%	23.09%	22.00%	31.00%
Plan fiduciary net position as a percentage of the total pension asset	177.7%	177.7%	185.7%	153.1%	150.2%	137.4%	136.1%	153.3%	146.6%	173.3%

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.
- 3.) Employers participating in the Teachers' Survivors Benefit Plan contribute at a rate established by RI General Laws, Section 16-16-35.

See accompanying notes to required supplementary information

See independent auditor's report

Town of Portsmouth, Rhode Island

Required Supplementary Information

Employees' Retirement System – Teacher's Survivor Benefit Plan

Schedule of Town's Contributions

Last 10 Years

	<u>Fiscal 2024</u>	<u>Fiscal 2023</u>	<u>Fiscal 2022</u>	<u>Fiscal 2021</u>	<u>Fiscal 2020</u>	<u>Fiscal 2019</u>	<u>Fiscal 2018</u>	<u>Fiscal 2017</u>	<u>Fiscal 2016</u>	<u>Fiscal 2015</u>
Statutorily determined contribution	\$ 28,256	\$ 28,980	\$ 27,495	\$ 27,741	\$ 27,381	\$ 27,652	\$ 26,703	\$ 21,486	\$ 24,622	\$ 22,815
Contributions in relation to the statutorily determined contribution	<u>28,256</u>	<u>28,980</u>	<u>27,495</u>	<u>27,741</u>	<u>27,381</u>	<u>27,652</u>	<u>26,703</u>	<u>21,486</u>	<u>24,622</u>	<u>22,815</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 20,568,332	\$ 19,755,525	\$ 18,872,706	\$ 18,732,363	\$ 18,298,517	\$ 17,947,924	\$ 17,823,609	\$ 17,590,459	\$ 17,812,753	\$ 16,528,974
Contributions as a percentage of covered payroll	0.14%	0.15%	0.15%	0.15%	0.15%	0.15%	0.15%	0.12%	0.14%	0.14%

Notes:

1.) Employers participating in the Teachers' Survivors Benefit Plan contribute at a rate established by RI General Laws, Section 16-16-35.

See accompanying notes to required supplementary information

See independent auditor's report

Town of Portsmouth, Rhode Island

Required Supplementary Information

Municipal Employees' Retirement System – MERS

Schedule of Changes in the Town of Portsmouth's Net Pension Liability and Related Ratios – Fire Department Plan

Last 10 Years

	<u>Fiscal 2024</u>	<u>Fiscal 2023</u>	<u>Fiscal 2022</u>	<u>Fiscal 2021</u>	<u>Fiscal 2020</u>	<u>Fiscal 2019</u>	<u>Fiscal 2018</u>	<u>Fiscal 2017</u>	<u>Fiscal 2016</u>	<u>Fiscal 2015</u>
Measurement Date	6/30/2023	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014
A. Total pension liability										
1. Service Cost	\$ 310,850	\$ 280,032	\$ 193,812	\$ 398,475	N/A	N/A	N/A	N/A	N/A	N/A
2. Interest on the Total Pension Liability	141,010	54,733	35,653	13,947	N/A	N/A	N/A	N/A	N/A	N/A
3. Changes of benefit terms	-	-	-	-	N/A	N/A	N/A	N/A	N/A	N/A
4. Difference between expected and actual experience of the Total Pension Liability	(86,472)	882,356	-	-	N/A	N/A	N/A	N/A	N/A	N/A
5. Changes of assumptions	(16,455)	-	-	-	N/A	N/A	N/A	N/A	N/A	N/A
6. Benefit payments, including refunds of employee contributions	-	-	-	-	N/A	N/A	N/A	N/A	N/A	N/A
7. Net change in total pension liability	348,933	1,217,121	229,465	412,422	-	-	-	-	-	-
8. Total pension liability – beginning	1,859,008	641,887	412,422	-	N/A	N/A	N/A	N/A	N/A	N/A
9. Total pension liability – ending (a)	<u>\$ 2,207,941</u>	<u>\$ 1,859,008</u>	<u>\$ 641,887</u>	<u>\$ 412,422</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
B. Plan fiduciary net position										
1. Contributions – employer	137,511	150,763	105,937	332,208	N/A	N/A	N/A	N/A	N/A	N/A
2. Contributions – employee	165,874	150,312	105,620	59,139	N/A	N/A	N/A	N/A	N/A	N/A
3. Net investment income	186,716	(52,228)	349,995	14,813	N/A	N/A	N/A	N/A	N/A	N/A
4. Benefit payments, including refunds of employee contributions	-	-	-	-	N/A	N/A	N/A	N/A	N/A	N/A
5. Pension Plan Administrative Expense	(2,010)	(1,780)	(1,333)	(408)	N/A	N/A	N/A	N/A	N/A	N/A
6. Other	(1)	-	652,179	-	N/A	N/A	N/A	N/A	N/A	N/A
7. Net change in plan fiduciary net position	488,090	247,067	1,212,398	405,752	N/A	N/A	N/A	N/A	N/A	N/A
8. Plan fiduciary net position – beginning	1,865,217	1,618,150	405,752	-	N/A	N/A	N/A	N/A	N/A	N/A
9. Plan fiduciary net position – ending (b)	<u>2,353,307</u>	<u>1,865,217</u>	<u>1,618,150</u>	<u>405,752</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
C. Net pension liability - ending (a) - (b)	<u>\$ (145,366)</u>	<u>\$ (6,209)</u>	<u>\$ (976,263)</u>	<u>\$ 6,670</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
D. Plan fiduciary net position as a percentage of the total pension liability	106.58%	100.33%	252.09%	98.38%	N/A	N/A	N/A	N/A	N/A	N/A
E. Covered payroll	\$ 1,658,750	\$ 1,503,123	\$ 1,056,195	\$ 591,394	N/A	N/A	N/A	N/A	N/A	N/A

See accompanying notes to required supplementary information

See independent auditor's report

Town of Portsmouth, Rhode Island

Required Supplementary Information

Municipal Employees' Retirement System – MERS

Schedule of Town's Contributions – Fire Department Plan

Last 10 Years

Municipal Employees' Retirement System

	<u>Fiscal 2024</u>	<u>Fiscal 2023</u>	<u>Fiscal 2022</u>	<u>Fiscal 2021</u>	<u>Fiscal 2020</u>	<u>Fiscal 2019</u>	<u>Fiscal 2018</u>	<u>Fiscal 2017</u>	<u>Fiscal 2016</u>	<u>Fiscal 2015</u>
Actuarially determined contribution	\$ 150,464	\$ 137,511	\$ 150,763	\$ 105,937	\$ 332,208	N/A	N/A	N/A	N/A	N/A
Contributions in relation to the actuarially determined contribution	150,464	137,511	150,763	105,937	332,208	N/A	N/A	N/A	N/A	N/A
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	<u>\$ 1,707,885</u>	<u>\$ 1,658,750</u>	<u>\$ 1,503,123</u>	<u>\$ 1,056,195</u>	<u>\$ 591,394</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Contributions as a percentage of covered payroll	8.81%	8.29%	10.03%	10.03%	56.17%					

Notes:

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

See accompanying notes to required supplementary information

See independent auditor's report

Town of Portsmouth, Rhode Island

Required Supplementary Information

Municipal Employees' Retirement System – MERS

Schedule of Changes in the Town of Portsmouth's Net Pension Liability and Related Ratios – Police Department Plan

Last 10 Years

Measurement Date	Fiscal 2024	Fiscal 2023	Fiscal 2022	Fiscal 2021	Fiscal 2020	Fiscal 2019	Fiscal 2018	Fiscal 2017	Fiscal 2016	Fiscal 2015
6/30/2023	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014	6/30/2014
A. Total pension liability										
1. Service Cost	\$ 340,963	\$ 310,953	\$ 1,290,844	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2. Interest on the Total Pension Liability	133,283	104,405	45,180	N/A	N/A	N/A	N/A	N/A	N/A	N/A
3. Changes of benefit terms	-	-	-	N/A	N/A	N/A	N/A	N/A	N/A	N/A
4. Difference between expected and actual experience of the Total Pension Liability	(15,050)	-	-	N/A	N/A	N/A	N/A	N/A	N/A	N/A
5. Changes of assumptions	(27,802)	-	-	N/A	N/A	N/A	N/A	N/A	N/A	N/A
6. Benefit payments, including refunds of employee contributions	(35,645)	-	-	N/A	N/A	N/A	N/A	N/A	N/A	N/A
7. Net change in total pension liability	395,749	415,358	1,336,024	-	-	-	-	-	-	-
8. Total pension liability – beginning	1,751,382	1,336,024	-	N/A	N/A	N/A	N/A	N/A	N/A	N/A
9. Total pension liability – ending (a)	<u>\$ 2,147,131</u>	<u>\$ 1,751,382</u>	<u>\$ 1,336,024</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
B. Plan fiduciary net position										
1. Contributions – employer	156,842	143,581	1,358,873	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2. Contributions – employee	184,305	168,721	148,847	N/A	N/A	N/A	N/A	N/A	N/A	N/A
3. Net investment income	213,242	(60,796)	415,657	N/A	N/A	N/A	N/A	N/A	N/A	N/A
4. Benefit payments, including refunds of employee contributions	(35,645)	-	-	N/A	N/A	N/A	N/A	N/A	N/A	N/A
5. Pension Plan Administrative Expense	(2,295)	(2,073)	(1,584)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
6. Other	-	-	-	N/A	N/A	N/A	N/A	N/A	N/A	N/A
7. Net change in plan fiduciary net position	516,449	249,433	1,921,793	N/A	N/A	N/A	N/A	N/A	N/A	N/A
8. Plan fiduciary net position – beginning	2,171,226	1,921,793	-	N/A	N/A	N/A	N/A	N/A	N/A	N/A
9. Plan fiduciary net position – ending (b)	<u>2,687,675</u>	<u>2,171,226</u>	<u>1,921,793</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
C. Net pension liability - ending (a) - (b)	<u>\$ (540,544)</u>	<u>\$ (419,844)</u>	<u>\$ (585,769)</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
D. Plan fiduciary net position as a percentage of the total pension liability	125.18%	123.97%	143.84%	N/A	N/A	N/A	N/A	N/A	N/A	N/A
E. Covered payroll	\$ 1,843,044	\$ 1,687,211	\$ 1,488,466	N/A	N/A	N/A	N/A	N/A	N/A	N/A
F. Net pension liability as a percentage of covered payroll	-29.33%	-24.88%	-39.35%	N/A	N/A	N/A	N/A	N/A	N/A	N/A

See accompanying notes to required supplementary information

See independent auditor's report

Town of Portsmouth, Rhode Island

Required Supplementary Information

Municipal Employees' Retirement System – MERS

Schedule of Town's Contributions – Police Department Plan

Last 10 Years

	Municipal Employees' Retirement System									
	<u>Fiscal 2024</u>	<u>Fiscal 2023</u>	<u>Fiscal 2022</u>	<u>Fiscal 2021</u>	<u>Fiscal 2020</u>	<u>Fiscal 2019</u>	<u>Fiscal 2018</u>	<u>Fiscal 2017</u>	<u>Fiscal 2016</u>	<u>Fiscal 2015</u>
Actuarially determined contribution	\$ 171,602	\$ 156,842	\$ 143,581	\$ 148,847	N/A	N/A	N/A	N/A	N/A	N/A
Contributions in relation to the actuarially determined contribution	<u>171,602</u>	<u>156,842</u>	<u>143,581</u>	<u>148,847</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	<u>\$ 2,008,693</u>	<u>\$ 1,843,044</u>	<u>\$ 1,687,303</u>	<u>\$ 1,488,466</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Contributions as a percentage of covered payroll	8.54%	8.51%	8.51%	10.00%						

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

See accompanying notes to required supplementary information

See independent auditor's report

Town of Portsmouth, Rhode Island

Required Supplementary Information

Notes to State ERS, TSB and MERS Plans

For the Year Ended June 30, 2024

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

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

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

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

Employers participating in the Teachers’ Survivors Benefit Plan contribute at a rate established by RI General Laws, Section 16-16-35.

June 30, 2023 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, 2023 measurement date compared to the June 30, 2021 measurement date.

June 30, 2021 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, 2021 measurement date compared to the June 30, 2020 measurement date.

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.

See accompanying notes to required supplementary information

See independent auditor’s report

Town of Portsmouth, Rhode Island

Required Supplementary Information

Notes to State ERS, TSB and MERS Plans

For the Year Ended June 30, 2024

June 30, 2018 measurement date –

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

June 30, 2017 measurement date –

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

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

June 30, 2016 measurement date –

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

June 30, 2015 measurement date –

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

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

- 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.

See accompanying notes to required supplementary information

See independent auditor's report

Town of Portsmouth, Rhode Island

Required Supplementary Information

Notes to State ERS, TSB and MERS Plans

For the Year Ended June 30, 2024

- Members are eligible to retire upon the attainment of: age 65 with 30 years of service, 64 with 31 years of service, 63 with 32 years of service, or 62 with 33 years of service. Members may retire earlier if their RIRSA date is earlier or are eligible under a transition rule.
- MERS public safety employees may retire at age 50 with 25 years of service, or any age with 27 years of service. MERS public safety employees will contribute 9.00% (10.00% for units with a COLA provision)
- Employees with more than 10 but less than 20 years of service at July 1, 2012 will receive an increased employer contribution to the defined contribution plan. Also, members who earn less than \$35,000 per year will not be required to pay the administrative fees to the defined contribution plan.
- Members who retired from a COLA eligible plan before July 1, 2012 will received a one-time cost of living adjustment of 2% of the first \$25,000 paid as soon as administratively possible.
- Retirees as of June 30, 2015 will receive two \$500 stipends; the interim cost of living increases will occur at 4 year rather than 5-year intervals.
- The COLA formula was adjusted to: 50% of the COLA is calculated by taking the previous 5-year average investment return, less 5.5% (5yr Return - 5.5%, with a max of 4%) and 50% calculated using previous year's CPI-U (max of 3%) for a total max COLA of 3.5%. This COLA is calculated on the first \$25,855, effective 01/01/16, and indexed as of that date as well. (The indexing formula is run annually regardless of funding level each year.)
- Minor adjustments were made to the actuarial reduction for employees choosing to retire early.

Teachers Survivors Benefit Plan – the employee and employer contribution rates were applied to the first \$11,500 of member salary for fiscal year 2018. In fiscal year 2017 and prior the rate was applied to salary up to \$9,600.

Covered employee is the full amount of employee payroll for plan members and not just the capped salary amount to which the contribution rate is applied.

See accompanying notes to required supplementary information

See independent auditor's report

Town of Portsmouth, Rhode Island

Required Supplementary Information

Town Pension Plan

Schedule of Changes in Town's Net Pension Liability and Related Ratios

Last 10 Years

	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Total pension liability										
Service cost	\$ 1,026,471	\$ 908,903	\$ 898,771	\$ 1,217,126	\$ 1,091,474	\$ 1,153,715	\$ 1,354,501	\$ 1,316,275	\$ 1,252,788	\$ 1,240,913
Interest	7,557,172	7,234,775	7,167,954	7,108,648	6,903,374	6,507,380	6,194,141	5,988,522	5,652,355	5,245,240
Differences between expected and actual experience	25,117	688,109	1,125,231	(1,568,488)	682,436	1,525,148	1,978,473	-	1,024,895	1,229,633
Changes in assumptions	-	966,096	(2,068,774)	(5,924,255)	5,424,302	2,358,787	487,587	-	-	2,343,849
Changes of benefit terms	-	985,123	-	373,382	-	-	(15,093)	-	1,122,120	-
Benefit payments, including refunds of participant contributions	(6,237,517)	(6,011,159)	(6,275,605)	(5,261,905)	(5,591,756)	(5,640,660)	(4,675,839)	(3,917,789)	(4,353,001)	(3,727,333)
Net change in total pension liability	<u>2,371,243</u>	<u>4,771,847</u>	<u>847,577</u>	<u>(4,055,492)</u>	<u>8,509,830</u>	<u>5,904,370</u>	<u>5,323,770</u>	<u>3,387,008</u>	<u>4,699,157</u>	<u>6,332,302</u>
Total pension liability - beginning	<u>114,050,378</u>	<u>109,278,531</u>	<u>108,430,954</u>	<u>112,486,446</u>	<u>103,976,616</u>	<u>98,072,246</u>	<u>92,748,476</u>	<u>89,361,468</u>	<u>84,662,311</u>	<u>78,330,009</u>
Total pension liability - ending	<u>\$ 116,421,621</u>	<u>\$ 114,050,378</u>	<u>\$ 109,278,531</u>	<u>\$ 108,430,954</u>	<u>\$ 112,486,446</u>	<u>\$ 103,976,616</u>	<u>\$ 98,072,246</u>	<u>\$ 92,748,476</u>	<u>\$ 89,361,468</u>	<u>\$ 84,662,311</u>
Pension fiduciary net position										
Contributions - employer	\$ 4,763,142	\$ 4,424,009	\$ 5,939,829	\$ 4,918,997	\$ 4,484,385	\$ 4,324,436	\$ 4,322,591	\$ 3,955,207	\$ 3,623,290	\$ 4,054,721
Contributions - employee	353,796	327,498	191,351	230,102	246,659	271,175	301,399	334,211	347,245	348,380
Net investment income	7,424,068	6,414,653	(10,864,814)	15,952,848	(773,812)	1,706,305	3,897,741	5,647,914	(395,702)	277,740
Benefit payments, including refunds of participant contributions	(6,237,517)	(6,011,159)	(6,275,605)	(5,261,905)	(5,591,756)	(5,640,660)	(4,675,839)	(3,917,789)	(4,353,001)	(3,727,333)
Administrative expense	(107,491)	(137,952)	(243,510)	(37,500)	-	(36,000)	(46,104)	(33,000)	(45,000)	(30,000)
Other miscellaneous income/(expense)	(32,995)	(31,678)	-	-	-	-	-	-	-	-
Net change in plan fiduciary net position	<u>6,163,003</u>	<u>4,985,371</u>	<u>(11,252,749)</u>	<u>15,802,542</u>	<u>(1,634,524)</u>	<u>625,256</u>	<u>3,799,788</u>	<u>5,986,543</u>	<u>(823,168)</u>	<u>923,508</u>
Plan fiduciary net position - beginning	<u>65,241,964</u>	<u>60,256,593</u>	<u>71,509,342</u>	<u>55,706,800</u>	<u>57,341,324</u>	<u>56,716,068</u>	<u>52,916,280</u>	<u>46,929,737</u>	<u>47,752,905</u>	<u>46,829,397</u>
Plan fiduciary net position - ending	<u>\$ 71,404,967</u>	<u>\$ 65,241,964</u>	<u>\$ 60,256,593</u>	<u>\$ 71,509,342</u>	<u>\$ 55,706,800</u>	<u>\$ 57,341,324</u>	<u>\$ 56,716,068</u>	<u>\$ 52,916,280</u>	<u>\$ 46,929,737</u>	<u>\$ 47,752,905</u>
Town's net pension liability (asset) - ending	<u>\$ 45,016,654</u>	<u>\$ 48,808,414</u>	<u>\$ 49,021,938</u>	<u>\$ 36,921,612</u>	<u>\$ 56,779,646</u>	<u>\$ 46,635,292</u>	<u>\$ 41,356,178</u>	<u>\$ 39,832,196</u>	<u>\$ 42,431,731</u>	<u>\$ 36,909,406</u>

See accompanying notes to required supplementary information

See independent auditor's report

Town of Portsmouth, Rhode Island

Required Supplementary Information

Town Pension Plan

Schedule of Changes in Town's Net Pension Liability and Related Ratios

Last 10 Years

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Total pension liability	\$ 116,421,621	\$ 114,050,378	\$ 109,278,531	\$ 108,430,954	\$ 112,486,446	\$ 103,976,616	\$ 98,072,246	\$ 92,748,476	\$ 89,361,468	\$ 84,662,311
Plan fiduciary net position	71,404,967	65,241,964	60,256,593	71,509,342	55,706,800	57,341,324	56,716,068	52,916,280	46,929,737	47,752,905
Town's net pension liability (asset)	<u>\$ 45,016,654</u>	<u>\$ 48,808,414</u>	<u>\$ 49,021,938</u>	<u>\$ 36,921,612</u>	<u>\$ 56,779,646</u>	<u>\$ 46,635,292</u>	<u>\$ 41,356,178</u>	<u>\$ 39,832,196</u>	<u>\$ 42,431,731</u>	<u>\$ 36,909,406</u>
Plan fiduciary net position as a percentage of the total pension liability	61.33%	57.20%	55.14%	65.95%	49.52%	55.15%	57.83%	57.05%	52.52%	56.40%
Covered payroll	\$ 5,002,646	\$ 5,466,812	\$ 8,707,714	\$ 5,843,765	\$ 7,260,027	\$ 7,750,088	\$ 7,820,129	\$ 8,356,102	\$ 8,073,529	\$ 7,969,261
Net pension liability (asset) as a percentage of covered payroll	899.86%	892.81%	562.97%	631.81%	782.09%	601.74%	528.84%	476.68%	525.57%	463.15%

See accompanying notes to required supplementary information

See independent auditor's report

Town of Portsmouth, Rhode Island

Required Supplementary Information

Town Pension Plan

Schedule of Town Contributions

Last 10 Years

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially determined contribution	\$ 4,750,530	\$ 4,385,799	\$ 5,679,202	\$ 4,918,997	\$ 4,484,385	\$ 4,324,436	\$ 4,322,591	\$ 3,955,207	\$ 3,623,290	\$ 3,948,654
Contributions in relation to the actuarially determined contribution	<u>4,763,142</u>	<u>4,424,009</u>	<u>5,939,829</u>	<u>4,918,997</u>	<u>4,484,385</u>	<u>4,324,436</u>	<u>4,322,591</u>	<u>3,955,207</u>	<u>3,623,290</u>	<u>4,054,721</u>
Contribution deficiency (excess)	<u>\$ (12,612)</u>	<u>\$ (38,210)</u>	<u>\$ (260,627)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (106,067)</u>
Covered payroll	\$ 5,002,646	\$ 5,466,812	\$ 8,707,714	\$ 5,843,765	\$ 7,260,027	\$ 7,750,088	\$ 7,820,129	\$ 8,356,102	\$ 8,073,529	\$ 7,969,261
Contributions as a percentage of covered payroll	95.21%	80.92%	68.21%	84.18%	61.77%	55.80%	55.28%	47.33%	44.88%	50.88%

See accompanying notes to required supplementary information

See independent auditor's report

Town of Portsmouth, Rhode Island

Required Supplementary Information

Town Pension Plan

Schedule of Investment Returns and Notes

Last 10 Years

	<u>June 30, 2024</u>	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>June 30, 2018</u>	<u>June 30, 2017</u>	<u>June 30, 2016</u>	<u>June 30, 2015</u>
Annual money-weighted rate of return, net of investment expense	11.49%	10.77%	-15.23%	28.68%	-1.36%	3.04%	7.37%	12.03%	-0.83%	0.59%

Actuarial Assumptions:

Valuation Date:	June 30, 2024
Actuarial cost method	Entry age normal, level percentage of salary
Measurement date	June 30, 2024
Discount rate	The discount rate selected is 6.75%. The discount rate is the long-term rate of return for the plan's assets, as our projections show that the assets will be sufficient to cover the projected benefit payments should the Plan continue to contribute to the plan with an amount of at least the ADC each year. Should the assets not be sufficient to cover the projected benefits payments at any time in the future, we would employ a discount rate reflecting the 20 year tax-exempt municipal bond yield or index rate to the period after which we project assets to run out. We would then use a single, blended discount rate equivalent to the long-term rate of return and the 20-year tax-exempt municipal bond yield. If there are no assets, we would use only the 20-year tax-exempt municipal bond yield for the valuation.
Healthy mortality	SOA Pub-2010 healthy mortality tables (General, Safety, Teachers) projected with mortality improvement scale MP-21.
Disabled mortality	SOA Pub-2010 disabled mortality tables (General, Safety, Teachers) projected with mortality improvement scale MP-21.
Cost of living	2.50%, used as a building block for expected asset returns.
Salary increase	3.5%, used to project future salaries and benefit increases for those whose annual cost of living increases are based on the salary increase of current employees.

See accompanying notes to required supplementary information

See independent auditor's report

Town of Portsmouth, Rhode Island

Required Supplementary Information

Town OPEB Plan

Net OPEB Liability and Related Ratios

Last 10 Years

	<u>June 30, 2024</u>	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>June 30, 2018</u>	<u>June 30, 2017</u>
Total OPEB liability								
Service cost	\$ 671,990	\$ 766,605	\$ 1,023,437	\$ 789,052	\$ 685,689	\$ 782,916	\$ 887,744	\$ 826,446
Interest on net OPEB liability and service cost	874,852	847,601	582,433	597,862	740,008	807,833	825,756	564,081
Change of benefit terms	-	(61,671)	-	-	-	-	(8,005)	-
Differences between actual and expected experience	(2,928,581)	(1,170,682)	(1,057,241)	477,405	(1,273,550)	(966,904)	(2,179,438)	2,651,611
Changes of assumptions	1,300,271	(898,915)	(2,850,557)	1,954,574	1,517,261	35,933	(607,184)	(335,511)
Benefit payments, including refunds	<u>(873,649)</u>	<u>(1,056,226)</u>	<u>(1,184,022)</u>	<u>(998,793)</u>	<u>(1,027,477)</u>	<u>(1,034,008)</u>	<u>(1,019,210)</u>	<u>(890,092)</u>
Net change in total OPEB liability	(955,117)	(1,573,288)	(3,485,950)	2,820,100	641,931	(374,230)	(2,100,337)	2,816,535
Total OPEB liability - beginning	<u>17,803,020</u>	<u>19,376,308</u>	<u>22,862,258</u>	<u>20,042,158</u>	<u>19,400,227</u>	<u>19,774,457</u>	<u>21,874,794</u>	<u>19,058,259</u>
Total OPEB liability - ending	<u>\$ 16,847,903</u>	<u>\$ 17,803,020</u>	<u>\$ 19,376,308</u>	<u>\$ 22,862,258</u>	<u>\$ 20,042,158</u>	<u>\$ 19,400,227</u>	<u>\$ 19,774,457</u>	<u>\$ 21,874,794</u>
OPEB fiduciary net position								
Benefit payments, including refunds	\$ (873,649)	\$ (1,056,226)	\$ (1,184,022)	\$ (998,793)	\$ (1,027,477)	\$ (1,034,008)	\$ (1,019,210)	\$ (890,092)
Trust administrative expenses	(2,413)	(2,117)	(2,231)	(6,739)	(5,000)	(14,515)	(10,486)	(458)
Contributions - employer	923,649	1,081,226	1,199,269	1,128,104	1,052,477	1,059,008	1,069,210	1,169,270
Other adjustments	-	25,558						
Contribution - active employees	55,900	60,014	75,045	61,988	58,601	53,312	53,958	55,310
Net investment income	<u>337,659</u>	<u>219,960</u>	<u>(280,146)</u>	<u>426,595</u>	<u>65,540</u>	<u>85,681</u>	<u>101,350</u>	<u>90,454</u>
Net change in plan fiduciary net position	441,146	328,415	(192,085)	611,155	144,141	149,478	194,822	424,484
Plan fiduciary net position - beginning	<u>2,351,627</u>	<u>2,023,212</u>	<u>2,215,297</u>	<u>1,604,142</u>	<u>1,460,001</u>	<u>1,310,523</u>	<u>1,115,701</u>	<u>691,217</u>
Plan fiduciary net position - ending	<u>\$ 2,792,773</u>	<u>\$ 2,351,627</u>	<u>\$ 2,023,212</u>	<u>\$ 2,215,297</u>	<u>\$ 1,604,142</u>	<u>\$ 1,460,001</u>	<u>\$ 1,310,523</u>	<u>\$ 1,115,701</u>
Plan's net pension liability - ending	<u>\$ 14,055,130</u>	<u>\$ 15,451,393</u>	<u>\$ 17,353,096</u>	<u>\$ 20,646,961</u>	<u>\$ 18,438,016</u>	<u>\$ 17,940,226</u>	<u>\$ 18,463,934</u>	<u>\$ 20,759,093</u>

* Seventh year of implementation of GASB 74/75, therefore only seven years of the ten required data is available.

See accompanying notes to required supplementary information

See independent auditor's report

Town of Portsmouth, Rhode Island

Required Supplementary Information

Town OPEB Plan

Net OPEB Liability and Related Ratios

Last 10 Years

Actuarial Valuation Date	Fiduciary Net Position	Total OPEB Liability (TOL)	Net OPEB Liability (NOL)	Funded Ratio	Covered Payroll	NOL as a % of Covered Payroll
6/30/2024	\$ 2,792,773	\$ 16,847,903	\$ 14,055,130	16.58%	\$ 10,449,206	134.51%
6/30/2023	\$ 2,351,627	\$ 17,803,020	\$ 15,451,393	13.21%	\$ 9,771,419	158.13%
6/30/2022	\$ 2,023,212	\$ 19,376,308	\$ 17,353,096	10.44%	\$ 9,427,054	184.08%
6/30/2021	\$ 2,215,297	\$ 22,862,258	\$ 20,646,961	9.69%	\$ 8,987,551	229.73%
6/30/2020	\$ 1,604,142	\$ 20,042,158	\$ 18,438,016	8.00%	\$ 7,902,464	233.32%
6/30/2019	\$ 1,460,001	\$ 19,400,227	\$ 17,940,226	7.53%	\$ 7,635,231	234.97%
6/30/2018	\$ 1,310,523	\$ 19,774,457	\$ 18,463,934	6.63%	\$ 7,441,122	248.13%
6/30/2017	\$ 1,115,701	\$ 21,874,794	\$ 20,759,093	5.10%	\$ 7,189,490	288.74%

See accompanying notes to required supplementary information

See independent auditor's report

Town of Portsmouth, Rhode Island

Required Supplementary Information

Town OPEB Plan

Schedule of Contributions

Last 10 Years

	<u>June 30, 2024</u>	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>June 30, 2018</u>	<u>June 30, 2017</u>
Actuarial determined contribution	\$ 1,733,964	\$ 1,944,405	\$ 1,696,125	\$ 1,522,495	\$ 1,586,153	\$ 1,695,662	\$ 1,629,782	\$ 1,739,943
Contributions in relation to the actuarially determined contribution	923,649	1,081,226	1,199,269	1,128,104	1,052,477	1,059,008	1,069,210	1,169,270
Contribution deficiency (excess)	<u>\$ 810,315</u>	<u>\$ 863,179</u>	<u>\$ 496,856</u>	<u>\$ 394,391</u>	<u>\$ 533,676</u>	<u>\$ 636,654</u>	<u>\$ 560,572</u>	<u>\$ 570,673</u>
Covered payroll	\$ 10,449,206	\$ 9,771,419	\$ 9,427,054	\$ 8,987,551	\$ 7,902,464	\$ 7,635,231	\$ 7,441,122	\$ 7,189,490
Contributions as a percentage of covered payroll	8.84%	11.07%	12.72%	12.55%	13.32%	13.87%	14.37%	16.26%

* Eighth year of implementation of GASB 74/75, therefore only seven years of the ten required data is available.

See accompanying notes to required supplementary information

See independent auditor's report

Town of Portsmouth, Rhode Island

Required Supplementary Information

Town OPEB Plan

Schedule of Investment Returns and Notes

Last 10 Years

	<u>June 30, 2024</u>	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>June 30, 2018</u>	<u>June 30, 2017</u>
Annual money-weighted rate of return, net of investment expense	14.05%	10.56%	-17.68%	26.17%	6.46%	7.33%	8.80%	5.50%

* 8th year of implementation of GASB 74/75, therefore only seven years of the ten required data is available.

Notes to Required Supplementary Information:

Valuation Date:	June 30, 2024
Actuarial Cost Method:	Entry-age normal, level percent of pay
Amortization Method:	Closed period, level percent of pay
Amortization period:	20 years
Inflation:	2.50%
Healthcare trend Rates	6.8%, trending down to 4.04%
Rate of Return on assets:	2.50%
Assumed Payroll Growth:	6.00%
Mortality Rate:	CalPERS Rates
Retirement Rates:	CalPERS Rates
Medical/Rx trend rates	Pre-Medicare Trending 6.80% to 2031 at 5.18%, Medicare 4.90% for all years
Dental/Vision trend rates	Dental: 4.0% for all years Vision: 2.8.0% for all years

See accompanying notes to required supplementary information

See independent auditor's report

Town of Portsmouth, Rhode Island

Required Supplementary Information

School OPEB Plan

Net OPEB Liability and Related Ratios

Last 10 Years

	<u>June 30, 2024</u>	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>June 30, 2018</u>	<u>June 30, 2017</u>
Total OPEB liability								
Service cost	\$ 62,182	\$ 62,121	\$ 72,696	\$ 70,573	\$ 61,389	\$ 83,679	\$ 86,311	\$ 98,924
Interest on net OPEB liability and service cost	117,248	123,118	78,652	79,481	104,155	130,322	137,405	111,824
Change of benefit terms	-	34,119	-	-	-	-	22,101	-
Differences between actual and expected experience	109,456	(257,535)	(214,664)	383,759	(161,761)	(545,866)	(350,776)	222,319
Changes of assumptions	(29,161)	(8,632)	(413,504)	217,162	194,887	176,668	(85,586)	(139,055)
Implicit subsidy credit	(86,429)	-	-	-	-	-	-	-
Benefit payments, including refunds	<u>(78,187)</u>	<u>(83,591)</u>	<u>(104,258)</u>	<u>(194,426)</u>	<u>(179,755)</u>	<u>(264,530)</u>	<u>(333,087)</u>	<u>(367,665)</u>
Net change in total OPEB liability	95,109	(130,400)	(581,078)	556,549	18,915	(419,727)	(523,632)	(73,653)
Total OPEB liability - beginning	<u>2,859,082</u>	<u>2,989,482</u>	<u>3,570,560</u>	<u>3,014,011</u>	<u>2,995,096</u>	<u>3,414,823</u>	<u>3,938,455</u>	<u>4,012,108</u>
Total OPEB liability - ending	<u>\$ 2,954,191</u>	<u>\$ 2,859,082</u>	<u>\$ 2,989,482</u>	<u>\$ 3,570,560</u>	<u>\$ 3,014,011</u>	<u>\$ 2,995,096</u>	<u>\$ 3,414,823</u>	<u>\$ 3,938,455</u>
OPEB fiduciary net position								
Benefit payments, including refunds	\$ 78,187	\$ 83,591	\$ 104,258	\$ (194,426)	\$ (179,755)	\$ (264,530)	\$ (333,087)	\$ (367,665)
Contributions - employer	(78,187)	(83,591)	(104,258)	194,426	179,755	264,530	333,087	367,665
Net investment income	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in plan fiduciary net position	-	-	-	-	-	-	-	-
Plan fiduciary net position - beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Plan fiduciary net position - ending	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Plan's net pension liability - ending	<u>\$ 2,954,191</u>	<u>\$ 2,859,082</u>	<u>\$ 2,989,482</u>	<u>\$ 3,570,560</u>	<u>\$ 3,014,011</u>	<u>\$ 2,995,096</u>	<u>\$ 3,414,823</u>	<u>\$ 3,938,455</u>

* 8th year of implementation of GASB 75, therefore only seven years of the ten required data is available.

There are no assets accumulated in a trust to pay related benefits for the OPEB plan.

See accompanying notes to required supplementary information

See independent auditor's report

Town of Portsmouth, Rhode Island

Required Supplementary Information

School OPEB Plan

Net OPEB Liability and Related Ratios

Last 10 Years

Actuarial Valuation Date	Fiduciary Net Position	Total OPEB Liability (TOL)	Net OPEB Liability (NOL)	Funded Ratio	Covered Payroll	NOL as a % of Covered Payroll
6/30/2024	\$ -	\$ 2,954,191	\$ 2,954,191	0.00%	\$ 21,324,327	13.85%
6/30/2023	\$ -	\$ 2,859,082	\$ 2,859,082	0.00%	\$ 20,724,130	13.80%
6/30/2022	\$ -	\$ 2,989,482	\$ 2,989,482	0.00%	\$ 19,439,209	15.38%
6/30/2021	\$ -	\$ 3,570,560	\$ 3,570,560	0.00%	\$ 19,698,136	18.13%
6/30/2020	\$ -	\$ 3,014,011	\$ 3,014,011	0.00%	\$ 18,850,532	15.99%
6/30/2019	\$ -	\$ 2,995,096	\$ 2,995,096	0.00%	\$ 18,518,146	16.17%
6/30/2018	\$ -	\$ 3,414,823	\$ 3,414,823	0.00%	\$ 19,626,791	17.40%
6/30/2017	\$ -	\$ 3,938,455	\$ 3,938,455	0.00%	\$ 18,963,083	20.77%

See accompanying notes to required supplementary information

See independent auditor's report

Town of Portsmouth, Rhode Island

Required Supplementary Information

School OPEB Plan

Schedule of Contributions and Notes

Last 10 Years

	<u>June 30, 2024</u>	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>June 30, 2018</u>
Actuarial determined contribution	\$ 78,187	\$ 83,591	\$ 104,258	\$ 194,426	\$ 179,755	\$ 264,530	\$ 333,087
Contributions in relation to the actuarially determined contribution	<u>78,187</u>	<u>83,591</u>	<u>104,258</u>	<u>194,426</u>	<u>179,755</u>	<u>264,530</u>	<u>333,087</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered-employee payroll	\$ 21,324,327	\$ 20,724,130	\$ 19,439,209	\$ 19,698,136	\$ 18,850,532	\$ 18,518,146	\$ 19,626,791
Contributions as a percentage of covered payroll	0.37%	0.40%	0.54%	0.99%	0.95%	1.43%	1.70%

* Seventh year of implementation of GASB 75, therefore only seven years of the ten required data is available.

Notes to Required Supplementary Information:

Valuation Date: June 30, 2024

Measurement Date: June 30, 2024

Actuarial Cost Method: Entry Age Normal Level Percentage of Pay; a method that allocates the actuarial present value of the projected benefits of each individual on a level basis over the earnings of the individual between entry age and assumed exit age(s).

- The portion allocated to a valuation year is called the Normal Cost.
- The portion allocated to past periods is called the Actuarial Accrued Liability (AAL) or Total OPEB Liability (TOL).

Actuarial Assumptions:

Inflation 2.30% per year

Payroll growth 3.00% The salary increase is used to determine the growth in the aggregate payroll

Investment rate of return N/A; OPEB Plan is unfunded

Discount rate 3.97%

See accompanying notes to required supplementary information

See independent auditor's report

Supplementary Information Section

Town of Portsmouth, Rhode Island

Supplementary Information

Combining Non-Major Governmental Funds Balance Sheet

June 30, 2024

	Town Special Revenue	School Special Revenue	Town Capital Projects	School Capital Projects	Permanent Trust Funds	Total Non-Major Funds
Assets						
Cash and cash equivalent	\$ 24,664	\$ 831,912	\$ -	\$ -	\$ 173,811	\$ 1,030,387
Investment	-	-	-	-	88,997	88,997
Due from other governments	-	299,789	-	-	-	299,789
Due from other funds	4,690,959	357,315	318,871	604,474	22,249	5,993,868
Other receivables, net	-	-	-	-	-	-
Total assets	4,715,623	1,489,016	318,871	604,474	285,057	7,413,041
Deferred outflows of resources						
Deferred outflows	-	-	-	-	-	-
Total deferred outflows of resources	-	-	-	-	-	-
Total assets and deferred outflows of resources	4,715,623	1,489,016	318,871	604,474	285,057	7,413,041
Liabilities						
Accounts payable	65,422	48,266	10,680	4,461	-	128,829
Accrued expenses	2,372	3,088	-	-	-	5,460
Due to other funds	94,080	754,910	392,856	-	-	1,241,846
Total liabilities	161,874	806,264	403,536	4,461	-	1,376,135
Deferred inflows of resources						
Deferred revenue	1,304,360	-	-	-	-	1,304,360
Total deferred inflows of resources	1,304,360	-	-	-	-	1,304,360
Fund balance						
Nonspendable	-	-	-	-	268,936	268,936
Restricted	3,342,478	682,752	308,191	600,013	16,121	4,949,555
Unassigned	(93,089)	-	(392,856)	-	-	(485,945)
Total fund balance	3,249,389	682,752	(84,665)	600,013	285,057	4,732,546
Total liabilities, deferred inflows of resources, and fund balances	\$ 4,715,623	\$ 1,489,016	\$ 318,871	\$ 604,474	\$ 285,057	\$ 7,413,041

See accompanying notes to required supplementary information

See independent auditor's report

Town of Portsmouth, Rhode Island

Supplementary Information

Combining Non-Major Governmental Funds Statement of Revenue, Expenditures, and Changes in Fund Balance

For the Year Ended June 30, 2024

	Town Special Revenue	School Special Revenue	Town Capital Projects	School Capital Projects	Permanent Trust Funds	Total Non Major Funds
Revenues						
Federal and state grants	\$ 1,873,214	\$ 2,771,880	\$ -	\$ -	\$ -	\$ 4,645,094
Charges for services	347,649	637,266	-	-	-	984,915
Contributions and private grants	452,795	-	-	-	-	452,795
Interest and investment income (loss)	-	-	-	-	37,626	37,626
Other revenues	1,272,008	78,000	-	-	-	1,350,008
Total revenue	<u>3,945,666</u>	<u>3,487,146</u>	<u>-</u>	<u>-</u>	<u>37,626</u>	<u>7,470,438</u>
Expenditures						
General government	414,381	-	7,958	-	-	422,339
Public safety	1,282,804	-	-	-	-	1,282,804
Public works	31,487	-	-	-	-	31,487
Public and social services	66,489	-	-	-	-	66,489
Parks and recreation	766,921	-	-	-	-	766,921
Education	29,000	3,198,116	-	-	-	3,227,116
Capital	1,115,746	325,257	575,648	648,886	-	2,665,537
Total Expenditures	<u>3,706,828</u>	<u>3,523,373</u>	<u>583,606</u>	<u>648,886</u>	<u>-</u>	<u>8,462,693</u>
Excess (deficiency) of revenues over expenditures	238,838	(36,227)	(583,606)	(648,886)	37,626	(992,255)
Other financing sources (uses)						
Transfers in	796,683	129	1,099,454	446,413	-	2,342,679
Transfers out	(109,482)	(53,419)	(79,977)	-	-	(242,878)
Total other financing sources (uses)	<u>687,201</u>	<u>(53,290)</u>	<u>1,019,477</u>	<u>446,413</u>	<u>-</u>	<u>2,099,801</u>
Net change in fund balance	926,039	(89,517)	435,871	(202,473)	37,626	1,107,546
Fund balance, July 1, 2023	2,323,350	772,269	(520,536)	802,486	247,431	3,625,000
Fund balance, June 30, 2024	<u>\$ 3,249,389</u>	<u>\$ 682,752</u>	<u>\$ (84,665)</u>	<u>\$ 600,013</u>	<u>\$ 285,057</u>	<u>\$ 4,732,546</u>

See accompanying notes to required supplementary information

See independent auditor's report

Town of Portsmouth, Rhode Island

Supplementary Information

Combining Non-Major Governmental Funds Balance Sheet –

Town Special Revenue

June 30, 2024

	NHTSA- Distracted Driver	Body Worn Camera Program	Safer Grant (8- Firefighters)	Fire Boat- (Repair, Maintenance,	Beach Patrol	Town Wide Contingency
Assets						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other governments	-	-	-	-	-	-
Due from other funds	-	-	-	2,350	804	9,105
Other receivables, net	-	-	-	-	-	-
Total assets	-	-	-	2,350	804	9,105
Deferred outflows of resources						
Deferred outflows	-	-	-	-	-	-
Total deferred outflows of resources	-	-	-	-	-	-
Total assets and deferred outflows of resource	-	-	-	2,350	804	9,105
Liabilities						
Accounts payable	-	-	-	-	804	-
Accrued expenses	327	520	-	-	-	-
Due to other funds	7	48,742	-	-	-	-
Total liabilities	334	49,262	-	-	804	-
Deferred inflows of resources						
Deferred revenue	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-
Fund balance						
Nonspendable	-	-	-	-	-	-
Restricted	-	-	-	2,350	-	9,105
Committed	-	-	-	-	-	-
Unassigned	(334)	(49,262)	-	-	-	-
Total fund balance	(334)	(49,262)	-	2,350	-	9,105
Total liabilities, deferred inflows of resources and fund balance	\$ -	\$ -	\$ -	\$ 2,350	\$ 804	\$ 9,105

See independent auditor's report

Town of Portsmouth, Rhode Island

Supplementary Information

Combining Non-Major Governmental Funds Balance Sheet –

Town Special Revenue

June 30, 2024

	Wastewater Enforcement Fund	Energy Efficiency - Nat'l Grid	Turnpike Ave Playground	Property Revaluation	Zoning Ordinance Planning	Commercial Vehicle Enforcement
Assets						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other governments	-	-	-	-	-	-
Due from other funds	18,725	3,383	-	100,000	130,000	-
Other receivables, net	-	-	-	-	-	-
Total assets	<u>18,725</u>	<u>3,383</u>	<u>-</u>	<u>100,000</u>	<u>130,000</u>	<u>-</u>
Deferred outflows of resources						
Deferred outflows	-	-	-	-	-	-
Total deferred outflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets and deferred outflows of resources	<u>18,725</u>	<u>3,383</u>	<u>-</u>	<u>100,000</u>	<u>130,000</u>	<u>-</u>
Liabilities						
Accounts payable	-	3,383	-	-	-	-
Accrued expenses	-	-	-	-	-	-
Due to other funds	-	-	3,677	-	-	489
Total liabilities	<u>-</u>	<u>3,383</u>	<u>3,677</u>	<u>-</u>	<u>-</u>	<u>489</u>
Deferred inflows of resources						
Deferred revenue	-	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance						
Nonspendable	-	-	-	-	-	-
Restricted	18,725	-	-	100,000	130,000	-
Committed	-	-	-	-	-	-
Unassigned	-	-	(3,677)	-	-	(489)
Total fund balance	<u>18,725</u>	<u>-</u>	<u>(3,677)</u>	<u>100,000</u>	<u>130,000</u>	<u>(489)</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 18,725</u>	<u>\$ 3,383</u>	<u>\$ -</u>	<u>\$ 100,000</u>	<u>\$ 130,000</u>	<u>\$ -</u>

See independent auditor's report

Town of Portsmouth, Rhode Island

Supplementary Information

Combining Non-Major Governmental Funds Balance Sheet –

Town Special Revenue

June 30, 2024

	Enbridge Smoke Alarm Grant	RI Street Transformation Project	Homeland Security Investigaions	Police Retention	Police Comfort Dog	Police Misc. Restricted
Assets						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other governments	-	-	-	-	-	-
Due from other funds	5,606	-	-	281,633	7,771	40,217
Other receivables, net	-	-	-	-	-	-
Total assets	5,606	-	-	281,633	7,771	40,217
Deferred outflows of resources						
Deferred outflows	-	-	-	-	-	-
Total deferred outflows of resources	-	-	-	-	-	-
Total assets and deferred outflows of resources	5,606	-	-	281,633	7,771	40,217
Liabilities						
Accounts payable	3,198	-	-	-	-	949
Accrued expenses	-	-	491	-	-	-
Due to other funds	-	-	6,283	-	-	-
Total liabilities	3,198	-	6,774	-	-	949
Deferred inflows of resources						
Deferred revenue	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-
Fund balance						
Nonspendable	-	-	-	-	-	-
Restricted	2,408	-	-	281,633	7,771	39,268
Committed	-	-	-	-	-	-
Unassigned	-	-	(6,774)	-	-	-
Total fund balance	2,408	-	(6,774)	281,633	7,771	39,268
Total liabilities, deferred inflows of resources and fund balance	\$ 5,606	\$ -	\$ -	\$ 281,633	\$ 7,771	\$ 40,217

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Town of Portsmouth, Rhode Island

Supplementary Information

Combining Non-Major Governmental Funds Balance Sheet –

Town Special Revenue

June 30, 2024

	RIIB Grant	NCPC Compliance Check	Portsmouth Pre Coalition	DPW Snow Removal Reserve	Community Septic Town Grant	Evidence Fund - (Non Narcotic)
Assets						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other governments	-	-	-	-	-	-
Due from other funds	-	-	4,234	249,681	1,398	6,378
Other receivables, net	-	-	-	-	-	-
Total assets	-	-	4,234	249,681	1,398	6,378
Deferred outflows of resources						
Deferred outflows	-	-	-	-	-	-
Total deferred outflows of resources	-	-	-	-	-	-
Total assets and deferred outflows of resources	-	-	4,234	249,681	1,398	6,378
Liabilities						
Accounts payable	-	-	-	-	-	-
Accrued expenses	-	262	-	-	-	-
Due to other funds	22,993	1,450	-	-	-	-
Total liabilities	22,993	1,712	-	-	-	-
Deferred inflows of resources						
Deferred revenue	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-
Fund balance						
Nonspendable	-	-	-	-	-	-
Restricted	-	-	4,234	249,681	1,398	6,378
Committed	-	-	-	-	-	-
Unassigned	(22,993)	(1,712)	-	-	-	-
Total fund balance	(22,993)	(1,712)	4,234	249,681	1,398	6,378
Total liabilities, deferred inflows of resources and fund balance	\$ -	\$ -	\$ 4,234	\$ 249,681	\$ 1,398	\$ 6,378

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Town of Portsmouth, Rhode Island

Supplementary Information

Combining Non-Major Governmental Funds Balance Sheet –

Town Special Revenue

June 30, 2024

	Police Buela Jr. Bequest	RIEMA EMPG	AFG	Algonquin Trees - DPW	Impact fees School	New Police Station
Assets						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other governments	-	-	-	-	-	-
Due from other funds	-	10,505	11,488	65,900	316,510	-
Other receivables, net	-	-	-	-	-	-
Total assets	-	10,505	11,488	65,900	316,510	-
Deferred outflows of resources						
Deferred outflows	-	-	-	-	-	-
Total deferred outflows of resources	-	-	-	-	-	-
Total assets and deferred outflows of resources	-	10,505	11,488	65,900	316,510	-
Liabilities						
Accounts payable	-	-	-	-	-	-
Accrued expenses	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-
Total liabilities	-	-	-	-	-	-
Deferred inflows of resources						
Deferred revenue	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-
Fund balance						
Nonspendable	-	-	-	-	-	-
Restricted	-	10,505	11,488	65,900	316,510	-
Committed	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
Total fund balance	-	10,505	11,488	65,900	316,510	-
Total liabilities, deferred inflows of resources and fund balance	\$ -	\$ 10,505	\$ 11,488	\$ 65,900	\$ 316,510	\$ -

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Town of Portsmouth, Rhode Island

Supplementary Information

Combining Non-Major Governmental Funds Balance Sheet –

Town Special Revenue

June 30, 2024

	Town Commons	RIDEM Recreation Grant	Hazardous Materials Mitigation	Fire Mitigation	AIPC West Side Project	Explorer Program
Assets						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other governments	-	-	-	-	-	-
Due from other funds	289	-	10,318	2,746	20,000	1,266
Other receivables, net	-	-	-	-	-	-
Total assets	289	-	10,318	2,746	20,000	1,266
Deferred outflows of resources						
Deferred outflows	-	-	-	-	-	-
Total deferred outflows of resources	-	-	-	-	-	-
Total assets and deferred outflows of resources	289	-	10,318	2,746	20,000	1,266
Liabilities						
Accounts payable	-	-	-	-	-	-
Accrued expenses	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-
Total liabilities	-	-	-	-	-	-
Deferred inflows of resources						
Deferred revenue	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-
Fund balance						
Nonspendable	-	-	-	-	-	-
Restricted	289	-	10,318	2,746	20,000	1,266
Committed	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
Total fund balance	289	-	10,318	2,746	20,000	1,266
Total liabilities, deferred inflows of resources and fund balance	\$ 289	\$ -	\$ 10,318	\$ 2,746	\$ 20,000	\$ 1,266

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Town of Portsmouth, Rhode Island

Supplementary Information

Combining Non-Major Governmental Funds Balance Sheet –

Town Special Revenue

June 30, 2024

	Fire Alarm Maintenance	Fire Plan review	Historical records	Joan Haskins Memorial	Veterans Wall	Melville Recreation
Assets						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ 1,598	\$ -
Due from other governments	-	-	-	-	-	-
Due from other funds	55,678	89,166	55,602	3,715	-	942
Other receivables, net	-	-	-	-	-	-
Total assets	<u>55,678</u>	<u>89,166</u>	<u>55,602</u>	<u>3,715</u>	<u>1,598</u>	<u>942</u>
Deferred outflows of resources						
Deferred outflows	-	-	-	-	-	-
Total deferred outflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets and deferred outflows of resources	<u>55,678</u>	<u>89,166</u>	<u>55,602</u>	<u>3,715</u>	<u>1,598</u>	<u>942</u>
Liabilities						
Accounts payable	1,994	27	-	-	-	-
Accrued expenses	-	-	-	-	-	-
Due to other funds	-	-	-	-	180	-
Total liabilities	<u>1,994</u>	<u>27</u>	<u>-</u>	<u>-</u>	<u>180</u>	<u>-</u>
Deferred inflows of resources						
Deferred revenue	-	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance						
Nonspendable	-	-	-	-	-	-
Restricted	53,684	89,139	55,602	3,715	1,418	942
Committed	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
Total fund balance	<u>53,684</u>	<u>89,139</u>	<u>55,602</u>	<u>3,715</u>	<u>1,418</u>	<u>942</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 55,678</u>	<u>\$ 89,166</u>	<u>\$ 55,602</u>	<u>\$ 3,715</u>	<u>\$ 1,598</u>	<u>\$ 942</u>

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Town of Portsmouth, Rhode Island

Supplementary Information

Combining Non-Major Governmental Funds Balance Sheet –

Town Special Revenue

June 30, 2024

	NARC Forfeiture (PPD & A/G Holding)	ICAC	Dog Park Fund	Tank Farm	Marshall Service	Tech Upgrade & Document Preservation
Assets						
Cash and cash equivalents	\$ -	\$ -	\$ 23,066	\$ -	\$ -	\$ -
Due from other governments	-	-	-	-	-	-
Due from other funds	23,393	2,445	-	26,077	-	191,297
Other receivables, net	-	-	-	-	-	-
Total assets	23,393	2,445	23,066	26,077	-	191,297
Deferred outflows of resources						
Deferred outflows	-	-	-	-	-	-
Total deferred outflows of resources	-	-	-	-	-	-
Total assets and deferred outflows of resources	23,393	2,445	23,066	26,077	-	191,297
Liabilities						
Accounts payable	-	-	-	-	-	50,970
Accrued expenses	-	-	-	-	772	-
Due to other funds	-	-	3,183	-	7,076	-
Total liabilities	-	-	3,183	-	7,848	50,970
Deferred inflows of resources						
Deferred revenue	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-
Fund balance						
Nonspendable	-	-	-	-	-	-
Restricted	23,393	2,445	19,883	26,077	-	140,327
Committed	-	-	-	-	-	-
Unassigned	-	-	-	-	(7,848)	-
Total fund balance	23,393	2,445	19,883	26,077	(7,848)	140,327
Total liabilities, deferred inflows of resources and fund balance	\$ 23,393	\$ 2,445	\$ 23,066	\$ 26,077	\$ -	\$ 191,297

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Town of Portsmouth, Rhode Island

Supplementary Information

Combining Non-Major Governmental Funds Balance Sheet –

Town Special Revenue

June 30, 2024

	Glen Farm Stables donation	Fire Smoke Detector	Public Safety Capital	Byrne Grant	MED PODS	Low Income Spay-Neuter
Assets						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other governments	-	-	-	-	-	-
Due from other funds	443	833	932,523	-	64,034	10,358
Other receivables, net	-	-	-	-	-	-
Total assets	443	833	932,523	-	64,034	10,358
Deferred outflows of resources						
Deferred outflows	-	-	-	-	-	-
Total deferred outflows of resources	-	-	-	-	-	-
Total assets and deferred outflows of resources	443	833	932,523	-	64,034	10,358
Liabilities						
Accounts payable	-	-	670	-	-	-
Accrued expenses	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-
Total liabilities	-	-	670	-	-	-
Deferred inflows of resources						
Deferred revenue	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-
Fund balance						
Nonspendable	-	-	-	-	-	-
Restricted	443	833	931,853	-	64,034	10,358
Committed	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
Total fund balance	443	833	931,853	-	64,034	10,358
Total liabilities, deferred inflows of resources and fund balance	\$ 443	\$ 833	\$ 932,523	\$ -	\$ 64,034	\$ 10,358

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Town of Portsmouth, Rhode Island

Supplementary Information

Combining Non-Major Governmental Funds Balance Sheet –

Town Special Revenue

June 30, 2024

	Shelter Spay- Neuter	Conserv. Comm. Commom	Trust Safety Grant	Portsmouth Tree Commission	Friends of Glen Park	Conservation Comm Grant
Assets						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other governments	-	-	-	-	-	-
Due from other funds	14,245	50	1,506	-	-	115
Other receivables, net	-	-	-	-	-	-
Total assets	14,245	50	1,506	-	-	115
Deferred outflows of resources						
Deferred outflows	-	-	-	-	-	-
Total deferred outflows of resources	-	-	-	-	-	-
Total assets and deferred outflows of resources	14,245	50	1,506	-	-	115
Liabilities						
Accounts payable	-	-	655	-	-	-
Accrued expenses	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-
Total liabilities	-	-	655	-	-	-
Deferred inflows of resources						
Deferred revenue	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-
Fund balance						
Nonspendable	-	-	-	-	-	-
Restricted	14,245	50	851	-	-	115
Committed	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
Total fund balance	14,245	50	851	-	-	115
Total liabilities, deferred inflows of resources and fund balance	\$ 14,245	\$ 50	\$ 1,506	\$ -	\$ -	\$ 115

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Town of Portsmouth, Rhode Island

Supplementary Information

Combining Non-Major Governmental Funds Balance Sheet –

Town Special Revenue

June 30, 2024

	Opioid Settlement	RI Learn 365	Van Beuren Grant	ARPA Fund	Mayflower Wind	Total Town Special Revenue
Assets						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 24,664
Due from other governments	-	-	-	-	-	-
Due from other funds	111,098	-	-	1,307,132	500,000	4,690,959
Other receivables, net	-	-	-	-	-	-
Total assets	111,098	-	-	1,307,132	500,000	4,715,623
Deferred outflows of resources						
Deferred outflows	-	-	-	-	-	-
Total deferred outflows of resources	-	-	-	-	-	-
Total assets and deferred outflows of resources	111,098	-	-	1,307,132	500,000	4,715,623
Liabilities						
Accounts payable	-	-	-	2,772	-	65,422
Accrued expenses	-	-	-	-	-	2,372
Due to other funds	-	-	-	-	-	94,080
Total liabilities	-	-	-	2,772	-	161,874
Deferred inflows of resources						
Deferred revenue	-	-	-	1,304,360	-	1,304,360
Total deferred inflows of resources	-	-	-	1,304,360	-	1,304,360
Fund balance						
Nonspendable	-	-	-	-	-	-
Restricted	111,098	-	-	-	500,000	3,342,478
Committed	-	-	-	-	-	-
Unassigned	-	-	-	-	-	(93,089)
Total fund balance	111,098	-	-	-	500,000	3,249,389
Total liabilities, deferred inflows of resources and fund balance	\$ 111,098	\$ -	\$ -	\$ 1,307,132	\$ 500,000	\$ 4,715,623

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Town of Portsmouth, Rhode Island

Supplementary Information

Combining Non-Major Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balance –

Town Special Revenue

For the Year Ended June 30, 2024

	NHTSA- Distracted Driver	Body Worn Camera Program	Safer Grant (8- Firefighters)	Fire Boat- (Repair, Maintenance,	Beach Patrol	Town Wide Contingency
Revenues:						
Federal and state grants	\$ 43,628	\$ 59,766	\$ 575,185	\$ -	\$ -	\$ -
Charges for services	-	-	-	1,442	-	-
Contributions and private grants	-	-	-	-	-	-
Other revenues	-	-	-	-	-	-
Total revenues	43,628	59,766	575,185	1,442	-	-
Expenditures :						
General government	-	-	-	-	-	-
Public safety	48,272	53,656	518,015	1,792	-	-
Public works	-	-	-	-	-	-
Public and social services	-	-	-	-	-	-
Parks and recreation	-	-	-	-	-	-
Education	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	48,272	53,656	518,015	1,792	-	-
Excess (deficiency) of revenues over expenditures	(4,644)	6,110	57,170	(350)	-	-
Other financing sources (uses):						
Transfers in	-	-	16,587	-	-	9,105
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	16,587	-	-	9,105
Net change in fund balance	(4,644)	6,110	73,757	(350)	-	9,105
Fund balance, July 1, 2023	4,310	(55,372)	(73,757)	2,700	-	-
Fund balance, June 30, 2024	\$ (334)	\$ (49,262)	\$ -	\$ 2,350	\$ -	\$ 9,105

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Town of Portsmouth, Rhode Island

Supplementary Information

Combining Non-Major Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balance –

Town Special Revenue

For the Year Ended June 30, 2024

	Wastewater Enforcement Fund	Energy Efficiency - Nat'l Grid	Turnpike Ave Playground	Property Revaluation	Zoning Ordinance Planning	Commercial Vehicle Enforcement
Revenues:						
Federal and state grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,220
Charges for services	5,725	-	-	-	-	-
Contributions and private grants	-	-	372,798	-	-	-
Other revenues	-	-	-	-	-	-
Total revenues	5,725	-	372,798	-	-	2,220
Expenditures :						
General government	-	-	-	-	-	-
Public safety	-	3,383	-	-	-	923
Public works	-	-	-	-	-	-
Public and social services	-	-	-	-	-	-
Parks and recreation	-	-	766,529	-	-	-
Education	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	-	3,383	766,529	-	-	923
Excess (deficiency) of revenues over expenditures	5,725	(3,383)	(393,731)	-	-	1,297
Other financing sources (uses):						
Transfers in	-	3	-	100,000	130,000	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	3	-	100,000	130,000	-
Net change in fund balance	5,725	(3,380)	(393,731)	100,000	130,000	1,297
Fund balance, July 1, 2023	13,000	3,380	390,054	-	-	(1,786)
Fund balance, June 30, 2024	\$ 18,725	\$ -	\$ (3,677)	\$ 100,000	\$ 130,000	\$ (489)

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Town of Portsmouth, Rhode Island

Supplementary Information

Combining Non-Major Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balance –

Town Special Revenue

For the Year Ended June 30, 2024

	Enbridge Smoke Alarm Grant	RI Street Transformation Project	Homeland Security Investigaions	Police Retention	Police Comfort Dog	Police Misc. Restricted
Revenues:						
Federal and state grants	\$ -	\$ 4,000	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	-	-	-
Contributions and private grants	-	-	-	-	8,199	4,500
Other revenues	-	-	-	-	-	32,738
Total revenues	-	4,000	-	-	8,199	37,238
Expenditures :						
General government	-	-	-	-	-	-
Public safety	6,311	-	6,774	88,367	1,178	8,945
Public works	-	4,000	-	-	-	-
Public and social services	-	-	-	-	-	-
Parks and recreation	-	-	-	-	-	-
Education	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	6,311	4,000	6,774	88,367	1,178	8,945
Excess (deficiency) of revenues over expenditures	(6,311)	-	(6,774)	(88,367)	7,021	28,293
Other financing sources (uses):						
Transfers in	-	-	-	370,000	750	117
Transfers out	-	-	-	-	-	(750)
Total other financing sources (uses)	-	-	-	370,000	750	(633)
Net change in fund balance	(6,311)	-	(6,774)	281,633	7,771	27,660
Fund balance, July 1, 2023	8,719	-	-	-	-	11,608
Fund balance, June 30, 2024	\$ 2,408	\$ -	\$ (6,774)	\$ 281,633	\$ 7,771	\$ 39,268

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Town of Portsmouth, Rhode Island

Supplementary Information

Combining Non-Major Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balance –

Town Special Revenue

For the Year Ended June 30, 2024

	RIIB Grant	NCP Compliance Check	Portsmouth Pre Coalition	DPW Snow Removal Reserve	Community Septic Town Grant	Evidence Fund - (Non Narcotic)
Revenues:						
Federal and state grants	\$ -	\$ -	\$ 2,254	\$ -	\$ -	\$ -
Charges for services	-	-	-	-	-	-
Contributions and private grants	-	-	-	-	-	-
Other revenues	-	-	-	-	1,964	-
Total revenues	-	-	2,254	-	1,964	-
Expenditures :						
General government	-	-	-	-	-	-
Public safety	-	2,463	-	-	581	-
Public works	12,269	-	-	15,218	-	-
Public and social services	-	-	-	-	-	-
Parks and recreation	-	-	-	-	-	-
Education	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	12,269	2,463	-	15,218	581	-
Excess (deficiency) of revenues over expenditures	(12,269)	(2,463)	2,254	(15,218)	1,383	-
Other financing sources (uses):						
Transfers in	-	681	-	80,646	15	-
Transfers out	(1,376)	-	-	-	-	-
Total other financing sources (uses)	(1,376)	681	-	80,646	15	-
Net change in fund balance	(13,645)	(1,782)	2,254	65,428	1,398	-
Fund balance, July 1, 2023	(9,348)	70	1,980	184,253	-	6,378
Fund balance, June 30, 2024	\$ (22,993)	\$ (1,712)	\$ 4,234	\$ 249,681	\$ 1,398	\$ 6,378

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Town of Portsmouth, Rhode Island

Supplementary Information

Combining Non-Major Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balance –

Town Special Revenue

For the Year Ended June 30, 2024

	Police Buela Jr. Bequest	RIEMA EMPG	AFG	Algonquin Trees - DPW	Impact fees School	New Police Station
Revenues:						
Federal and state grants	\$ -	\$ 5,000	\$ 67,136	\$ -	\$ -	\$ -
Charges for services	-	-	-	-	277,530	-
Contributions and private grants	-	-	6,228	-	-	-
Other revenues	-	-	-	65,900	-	-
Total revenues	-	5,000	73,364	65,900	277,530	-
Expenditures :						
General government	-	-	-	-	217,617	-
Public safety	-	-	88,055	-	-	-
Public works	-	-	-	-	-	-
Public and social services	-	-	-	-	-	-
Parks and recreation	-	-	-	-	-	-
Education	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	-	-	88,055	-	217,617	-
Excess (deficiency) of revenues over expenditures		5,000	(14,691)	65,900	59,913	-
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	(74)	-	-	-	-	(43)
Total other financing sources (uses)	(74)	-	-	-	-	(43)
Net change in fund balance	(74)	5,000	(14,691)	65,900	59,913	(43)
Fund balance, July 1, 2023	74	5,505	26,179	-	256,597	43
Fund balance, June 30, 2024	\$ -	\$ 10,505	\$ 11,488	\$ 65,900	\$ 316,510	\$ -

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Town of Portsmouth, Rhode Island

Supplementary Information

Combining Non-Major Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balance –

Town Special Revenue

For the Year Ended June 30, 2024

	Town Commons	RIDEM Recreation Grant	Hazardous Materials Mitigation	Fire Mitigation	AIPC West Side Project	Explorer Program
Revenues:						
Federal and state grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	-	-	-
Contributions and private grants	-	-	-	-	-	-
Other revenues	-	-	-	-	-	-
Total revenues	-	-	-	-	-	-
Expenditures :						
General government	-	-	-	-	-	-
Public safety	-	-	500	-	-	-
Public works	-	-	-	-	-	-
Public and social services	-	-	-	-	-	-
Parks and recreation	-	-	-	-	-	-
Education	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	-	-	500	-	-	-
Excess (deficiency) of revenues over expenditures	-	-	(500)	-	-	-
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	(200)	-	-	-	-
Total other financing sources (uses)	-	(200)	-	-	-	-
Net change in fund balance	-	(200)	(500)	-	-	-
Fund balance, July 1, 2023	289	200	10,818	2,746	20,000	1,266
Fund balance, June 30, 2024	\$ 289	\$ -	\$ 10,318	\$ 2,746	\$ 20,000	\$ 1,266

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Town of Portsmouth, Rhode Island

Supplementary Information

Combining Non-Major Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balance –

Town Special Revenue

For the Year Ended June 30, 2024

	Fire Alarm Maintenance	Fire Plan review	Historical records	Joan Haskins Memorial	Veterans Wall	Melville Recreation
Revenues:						
Federal and state grants	\$ -	\$ 21,808	\$ 3,002	\$ -	\$ 942	\$ -
Charges for services	45,355	-	-	-	-	-
Contributions and private grants	-	2,150	-	-	-	-
Other revenues	-	-	-	-	-	-
Total revenues	45,355	23,958	3,002	-	942	-
Expenditures :						
General government	-	-	-	-	-	-
Public safety	9,036	4,927	-	-	-	-
Public works	-	-	-	-	-	-
Public and social services	-	-	-	-	362	-
Parks and recreation	-	-	-	-	-	-
Education	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	9,036	4,927	-	-	362	-
Excess (deficiency) of revenues over expenditures	36,319	19,031	3,002	-	580	-
Other financing sources (uses):						
Transfers in	200	-	-	-	-	-
Transfers out	-	(10,000)	-	-	-	-
Total other financing sources (uses)	200	(10,000)	-	-	-	-
Net change in fund balance	36,519	9,031	3,002	-	580	-
Fund balance, July 1, 2023	17,165	80,108	52,600	3,715	838	942
Fund balance, June 30, 2024	\$ 53,684	\$ 89,139	\$ 55,602	\$ 3,715	\$ 1,418	\$ 942

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Supplementary Information

Combining Non-Major Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balance –

Town Special Revenue

For the Year Ended June 30, 2024

	NARC Forfeiture (PPD & A/G Holding)	ICAC	Dog Park Fund	Tank Farm	Marshall Service	Tech Upgrade & Document Preservation
Revenues:						
Federal and state grants	\$ -	\$ 2,775	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	-	-	-
Contributions and private grants	20,028	-	25,796	-	13,095	-
Other revenues	-	-	-	-	-	16,985
Total revenues	20,028	2,775	25,796	-	13,095	16,985
Expenditures :						
General government	-	-	191,433	-	-	-
Public safety	13,388	3,047	-	-	14,861	-
Public works	-	-	-	-	-	-
Public and social services	-	-	-	-	-	52,188
Parks and recreation	-	-	-	-	-	-
Education	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	13,388	3,047	191,433	-	14,861	52,188
Excess (deficiency) of revenues over expenditures	6,640	(272)	(165,637)	-	(1,766)	(35,203)
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Net change in fund balance	6,640	(272)	(165,637)	-	(1,766)	(35,203)
Fund balance, July 1, 2023	16,753	2,717	185,520	26,077	(6,082)	175,530
Fund balance, June 30, 2024	\$ 23,393	\$ 2,445	\$ 19,883	\$ 26,077	\$ (7,848)	\$ 140,327

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Supplementary Information

Combining Non-Major Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balance –

Town Special Revenue

For the Year Ended June 30, 2024

	Glen Farm Stables donation	Fire Smoke Detector	Public Safety Capital	Byrne Grant	MED PODS	Low Income Spay-Neuter
Revenues:						
Federal and state grants	\$ -	\$ -	\$ -	\$ -	\$ 4,000	\$ -
Charges for services	-	16,873	-	-	-	-
Contributions and private grants	-	-	-	-	-	-
Other revenues	-	-	597,122	-	-	725
Total revenues	-	16,873	597,122	-	4,000	725
Expenditures :						
General government	-	-	-	-	-	-
Public safety	-	31,962	374,723	-	900	-
Public works	-	-	-	-	-	-
Public and social services	-	-	-	-	-	-
Parks and recreation	-	-	-	-	-	-
Education	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	-	31,962	374,723	-	900	-
Excess (deficiency) of revenues over expenditures	-	(15,089)	222,399	-	3,100	725
Other financing sources (uses):						
Transfers in	-	10,000	-	-	-	-
Transfers out	-	-	(56,820)	(8,330)	-	-
Total other financing sources (uses)	-	10,000	(56,820)	(8,330)	-	-
Net change in fund balance	-	(5,089)	165,579	(8,330)	3,100	725
Fund balance, July 1, 2023	443	5,922	766,274	8,330	60,934	9,633
Fund balance, June 30, 2024	\$ 443	\$ 833	\$ 931,853	\$ -	\$ 64,034	\$ 10,358

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Combining Non-Major Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balance –

Town Special Revenue

For the Year Ended June 30, 2024

	Shelter Spay- Neuter	Conserv. Comm. Commom	Trust Safety Grant	Portsmouth Tree Commission	Friends of Glen Park	Conservation Comm Grant
Revenues:						
Federal and state grants	\$ -	\$ -	\$ 1,000	\$ -	\$ -	\$ -
Charges for services	725	-	-	-	-	-
Contributions and private grants	-	-	-	-	-	-
Other revenues	-	-	-	-	-	-
Total revenues	<u>725</u>	<u>-</u>	<u>1,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures :						
General government	-	-	-	-	-	-
Public safety	-	-	746	-	-	-
Public works	-	-	-	-	-	-
Public and social services	-	-	-	-	-	-
Parks and recreation	-	-	-	-	-	-
Education	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>746</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	725	-	254	-	-	-
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	(15)	(178)	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(15)</u>	<u>(178)</u>	<u>-</u>
Net change in fund balance	725	-	254	(15)	(178)	-
Fund balance, July 1, 2023	<u>13,520</u>	<u>50</u>	<u>597</u>	<u>15</u>	<u>178</u>	<u>115</u>
Fund balance, June 30, 2024	<u>\$ 14,245</u>	<u>\$ 50</u>	<u>\$ 851</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 115</u>

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Supplementary Information

Combining Non-Major Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balance –

Town Special Revenue

For the Year Ended June 30, 2024

	<u>Opiod Settlement</u>	<u>RI Learn 365</u>	<u>Van Beuren Grant</u>	<u>ARPA Fund</u>	<u>Mayflower Wind</u>	<u>Total Town Special Revenue</u>
Revenues:						
Federal and state grants	\$ -	\$ 29,000	\$ -	1,051,498	\$ -	\$ 1,873,214
Charges for services	-	-	-	-	-	347,650
Contributions and private grants	-	-	-	-	-	452,794
Other revenues	56,574	-	-	-	500,000	1,272,008
Total revenues	<u>56,574</u>	<u>29,000</u>	<u>-</u>	<u>1,051,498</u>	<u>500,000</u>	<u>3,945,666</u>
Expenditures :						
General government	-	-	-	-	5,331	414,381
Public safety	-	-	-	-	-	1,282,805
Public works	-	-	-	-	-	31,487
Public and social services	-	-	-	13,939	-	66,489
Parks and recreation	-	-	392	-	-	766,921
Education	-	29,000	-	-	-	29,000
Capital outlay	-	-	-	1,115,746	-	1,115,746
Total expenditures	<u>-</u>	<u>29,000</u>	<u>392</u>	<u>1,129,685</u>	<u>5,331</u>	<u>3,706,829</u>
Excess (deficiency) of revenues over expenditures	56,574	-	(392)	(78,187)	494,669	238,837
Other financing sources (uses):						
Transfers in	-	-	392	78,187	-	796,683
Transfers out	(31,696)	-	-	-	-	(109,482)
Total other financing sources (uses)	<u>(31,696)</u>	<u>-</u>	<u>392</u>	<u>78,187</u>	<u>-</u>	<u>687,201</u>
Net change in fund balance	24,878	-	-	-	494,669	926,038
Fund balance, July 1, 2023	86,220	-	-	-	5,331	2,323,351
Fund balance, June 30, 2024	<u>\$ 111,098</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 500,000</u>	<u>\$ 3,249,389</u>

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Town of Portsmouth, Rhode Island

Supplementary Information

Combining Non-Major Governmental Funds Balance Sheet –

School Special Revenue

June 30, 2024

	SPED Part B	IDEA Preschool	Title I Part A	Title II Part A	Title III- Immigrant Assistance	Perkins
Assets						
Cash and cash equivalent	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other governments	51,267	4,674	69,123	19,740	426	1,192
Due from other funds	-	-	-	-	-	-
Other receivables, net	-	-	-	-	-	-
Total assets	<u>51,267</u>	<u>4,674</u>	<u>69,123</u>	<u>19,740</u>	<u>426</u>	<u>1,192</u>
Deferred outflows of resources						
Deferred outflows	-	-	-	-	-	-
Total deferred outflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets and deferred outflows of resources	<u>51,267</u>	<u>4,674</u>	<u>69,123</u>	<u>19,740</u>	<u>426</u>	<u>1,192</u>
Liabilities						
Accounts payable	-	-	-	-	-	-
Accrued expenses	-	-	-	-	-	-
Due to other funds	51,267	4,674	69,123	19,740	426	1,192
Unearned revenue	-	-	-	-	-	-
Total liabilities	<u>51,267</u>	<u>4,674</u>	<u>69,123</u>	<u>19,740</u>	<u>426</u>	<u>1,192</u>
Deferred inflows of resources						
Deferred revenue	-	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance						
Nonspendable	-	-	-	-	-	-
Restricted	-	-	-	-	-	-
Committed	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
Total fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 51,267</u>	<u>\$ 4,674</u>	<u>\$ 69,123</u>	<u>\$ 19,740</u>	<u>\$ 426</u>	<u>\$ 1,192</u>

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Supplementary Information

Combining Non-Major Governmental Funds Balance Sheet –

School Special Revenue

June 30, 2024

	Perkins CTE- Reserves	Perkins-CTE- Target- Leadership	USDA Fresh Fruit & Vegetables Program	ESSER II - Priority 1	ESSERII - CRRSA - Priority 2	ESSER II Priority 5
Assets						
Cash and cash equivalent	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other governments	3,044	-	2,370	-	-	-
Due from other funds	-	-	-	-	-	-
Other receivables, net	-	-	-	-	-	-
Total assets	3,044	-	2,370	-	-	-
Deferred outflows of resources						
Deferred outflows	-	-	-	-	-	-
Total deferred outflows of resources	-	-	-	-	-	-
Total assets and deferred outflows of resources	3,044	-	2,370	-	-	-
Liabilities						
Accounts payable	-	-	-	-	-	-
Accrued expenses	-	-	-	-	-	-
Due to other funds	3,044	-	2,370	-	-	-
Unearned revenue	-	-	-	-	-	-
Total liabilities	3,044	-	2,370	-	-	-
Deferred inflows of resources						
Deferred revenue	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-
Fund balance						
Nonspendable	-	-	-	-	-	-
Restricted	-	-	-	-	-	-
Committed	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
Total fund balance	-	-	-	-	-	-
Total liabilities, deferred inflows of resources and fund balance	\$ 3,044	\$ -	\$ 2,370	\$ -	\$ -	\$ -

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Town of Portsmouth, Rhode Island

Supplementary Information

Combining Non-Major Governmental Funds Balance Sheet –

School Special Revenue

June 30, 2024

	ESSER II- CRRSA- Other Priority	ESSER III	ESSER III ARP - Other Priority	ARP Homeless Youth	ARP IDEA Part B	US DoE- Preschool Development Grants- Expansion
Assets						
Cash and cash equivalent	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other governments	-	96,566	-	-	-	-
Due from other funds	-	-	-	-	-	-
Other receivables, net	-	-	-	-	-	-
Total assets	-	96,566	-	-	-	-
Deferred outflows of resources						
Deferred outflows	-	-	-	-	-	-
Total deferred outflows of resources	-	-	-	-	-	-
Total assets and deferred outflows of resources	-	96,566	-	-	-	-
Liabilities						
Accounts payable	-	-	-	-	-	-
Accrued expenses	-	-	-	-	-	-
Due to other funds	-	96,566	-	-	-	-
Unearned revenue	-	-	-	-	-	-
Total liabilities	-	96,566	-	-	-	-
Deferred inflows of resources						
Deferred revenue	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-
Fund balance						
Nonspendable	-	-	-	-	-	-
Restricted	-	-	-	-	-	-
Committed	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
Total fund balance	-	-	-	-	-	-
Total liabilities, deferred inflows of resources and fund balance	\$ -	\$ 96,566	\$ -	\$ -	\$ -	\$ -

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Town of Portsmouth, Rhode Island

Supplementary Information

Combining Non-Major Governmental Funds Balance Sheet –

School Special Revenue

June 30, 2024

	Environmental Protection Agency (EPA)	SAMHSA DFC Grant	US Department of Defense	Literacy Set Aside State	VIS	Career & Tech Odd Year	Career & Tech Even Year
Assets							
Cash and cash equivalent	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other governments	-	-	12,251	-	-	-	-
Due from other funds	1,533	-	-	-	-	1,114	6,949
Other receivables, net	-	-	-	-	-	-	-
Total assets	1,533	-	12,251	-	-	1,114	6,949
Deferred outflows of resources							
Deferred outflows	-	-	-	-	-	-	-
Total deferred outflows of resources	-	-	-	-	-	-	-
Total assets and deferred outflows of resources	1,533	-	12,251	-	-	1,114	6,949
Liabilities							
Accounts payable	-	-	-	-	-	774	201
Accrued expenses	-	-	-	-	-	-	-
Due to other funds	-	-	12,251	-	-	-	-
Unearned revenue	-	-	-	-	-	-	-
Total liabilities	-	-	12,251	-	-	774	201
Deferred inflows of resources							
Deferred revenue	-	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-	-
Fund balance							
Nonspendable	-	-	-	-	-	-	-
Restricted	1,533	-	-	-	-	340	6,748
Committed	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-
Total fund balance	1,533	-	-	-	-	340	6,748
Total liabilities, deferred inflows of resources and fund balance	\$ 1,533	\$ -	\$ 12,251	\$ -	\$ -	\$ 1,114	\$ 6,949

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 Combining Non-Major Governmental Funds Balance Sheet –
 School Special Revenue
June 30, 2024

	ELL Categorical	RIDE Grant- OpenSciEd	SBA Capital Fund- Learning Inside Out	Chaplin Foundation	Rhode Island Foundation	Van Beuren Grant	Exxon Mobil Educational Alliance Program
Assets							
Cash and cash equivalent	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other governments	-	-	1,973	-	-	-	-
Due from other funds	-	-	-	-	4,399	78,350	500
Other receivables, net	-	-	-	-	-	-	-
Total assets	-	-	1,973	-	4,399	78,350	500
Deferred outflows of resources							
Deferred outflows	-	-	-	-	-	-	-
Total deferred outflows of resources	-	-	-	-	-	-	-
Total assets and deferred outflows of resources	-	-	1,973	-	4,399	78,350	500
Liabilities							
Accounts payable	-	-	66	-	-	-	-
Accrued expenses	-	-	-	-	-	-	-
Due to other funds	-	-	1,907	-	-	-	-
Unearned revenue	-	-	-	-	-	-	-
Total liabilities	-	-	1,973	-	-	-	-
Deferred inflows of resources							
Deferred revenue	-	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-	-
Fund balance							
Nonspendable	-	-	-	-	-	-	-
Restricted	-	-	-	-	4,399	78,350	500
Committed	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-
Total fund balance	-	-	-	-	4,399	78,350	500
Total liabilities, deferred inflows of resources and fund balance	\$ -	\$ -	\$ 1,973	\$ -	\$ 4,399	\$ 78,350	\$ 500

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Supplementary Information

Combining Non-Major Governmental Funds Balance Sheet –

School Special Revenue

June 30, 2024

	Prevention Coalition Task Force	Building Use	Athletic Event Gate Revenue	COVID 19 Funding Restricted Local Revenue	School Lunch	Total School Special Revenue Funds
Assets						
Cash and cash equivalent	\$ -	\$ -	\$ -	\$ -	\$ 831,912	\$ 831,912
Due from other governments	-	-	-	-	37,163	299,789
Due from other funds	-	139,833	120,756	3,881	-	357,315
Other receivables, net	-	-	-	-	-	-
Total assets	-	139,833	120,756	3,881	869,075	1,489,016
Deferred outflows of resources						
Deferred outflows	-	-	-	-	-	-
Total deferred outflows of resources	-	-	-	-	-	-
Total assets and deferred outflows of resources	-	139,833	120,756	3,881	869,075	1,489,016
Liabilities						
Accounts payable	-	-	-	-	47,225	48,266
Accrued expenses	-	3,088	-	-	-	3,088
Due to other funds	-	-	-	-	492,350	754,910
Unearned revenue	-	-	-	-	-	-
Total liabilities	-	3,088	-	-	539,575	806,264
Deferred inflows of resources						
Deferred revenue	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-
Fund balance						
Nonspendable	-	-	-	-	-	-
Restricted	-	136,745	120,756	3,881	329,500	682,752
Committed	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
Total fund balance	-	136,745	120,756	3,881	329,500	682,752
Total liabilities, deferred inflows of resources and fund balance	\$ -	\$ 139,833	\$ 120,756	\$ 3,881	\$ 869,075	\$ 1,489,016

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Combining Non-Major Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balance –

School Special Revenue

June 30, 2024

	SPED Part B	IDEA Preschool	Title I Part A	Title II Part A	Title III- Immigrant Assistance	Perkins
Revenues:						
Federal and state grants	\$ 804,025	\$ 22,950	\$ 339,067	\$ 102,577	\$ 1,217	\$ 68,590
Charges for services	-	-	-	-	-	-
Interest and investment income	-	-	-	-	-	-
Other revenues	-	-	-	-	-	-
Total revenues	<u>804,025</u>	<u>22,950</u>	<u>339,067</u>	<u>102,577</u>	<u>1,217</u>	<u>68,590</u>
Expenditures :						
Education	804,025	22,950	339,067	102,577	1,217	45,492
Other	-	-	-	-	-	-
Capital	-	-	-	-	-	23,098
Total expenditures	<u>804,025</u>	<u>22,950</u>	<u>339,067</u>	<u>102,577</u>	<u>1,217</u>	<u>68,590</u>
Excess (deficiency) of revenues over expenditures	-	-	-	-	-	-
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 balance	-	-	-	-	-	-
Fund balance, July 1, 2023	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, June 30, 2024	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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Combining Non-Major Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balance –

School Special Revenue

June 30, 2024

	Perkins CTE- Reserves	Perkins-CTE- Target- Leadership	USDA Fresh Fruit & Vegetables Program	ESSER II - Priority 1	ESSERII - CRRSA - Priority 2	ESSER II Priority 5
Revenues:						
Federal and state grants	\$ 5,217	\$ 464	\$ 21,657	\$ 29,115	\$ 147,763	\$ 1,256
Charges for services	-	-	-	-	-	-
Interest and investment income	-	-	-	-	-	-
Other revenues	-	-	-	-	-	-
Total revenues	<u>5,217</u>	<u>464</u>	<u>21,657</u>	<u>29,115</u>	<u>147,763</u>	<u>1,256</u>
Expenditures :						
Education	5,217	464	21,657	29,115	147,763	1,256
Other	-	-	-	-	-	-
Capital	-	-	-	-	-	-
Total expenditures	<u>5,217</u>	<u>464</u>	<u>21,657</u>	<u>29,115</u>	<u>147,763</u>	<u>1,256</u>
Excess (deficiency) of revenues over expenditures	-	-	-	-	-	-
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 balance	-	-	-	-	-	-
Fund balance, July 1, 2023	-	-	-	-	-	-
Fund balance, June 30, 2024	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See independent auditor's report

Town of Portsmouth, Rhode Island

Supplementary Information

Combining Non-Major Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balance –

School Special Revenue

June 30, 2024

	ESSER II- CRRSA- Other Priority	ESSER III	ESSER III ARP - Other Priority	ARP Homeless Youth	ARP IDEA Part B	US DoE- Preschool Development Grants- Expansion
Revenues:						
Federal and state grants	\$ 5,757	\$ 459,867	\$ 300,368	\$ 518	\$ 36,181	\$ 14,351
Charges for services	-	-	-	-	-	-
Interest and investment income	-	-	-	-	-	-
Other revenues	-	-	-	-	-	-
Total revenues	<u>5,757</u>	<u>459,867</u>	<u>300,368</u>	<u>518</u>	<u>36,181</u>	<u>14,351</u>
Expenditures :						
Education	5,757	459,867	83,477	518	33,464	14,351
Other	-	-	-	-	-	-
Capital	-	-	216,891	-	2,717	-
Total expenditures	<u>5,757</u>	<u>459,867</u>	<u>300,368</u>	<u>518</u>	<u>36,181</u>	<u>14,351</u>
Excess (deficiency) of revenues over expenditures	-	-	-	-	-	-
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 balance	-	-	-	-	-	-
Fund balance, July 1, 2023	-	-	-	-	-	-
Fund balance, June 30, 2024	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See independent auditor's report

Town of Portsmouth, Rhode Island

Supplementary Information

Combining Non-Major Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balance –

School Special Revenue

June 30, 2024

	Environmental Protection Agency (EPA)	SAMHSA DFC Grant	US Department of Defense	Literacy Set Aside State	VIS	Career & Tech Odd Year	Career & Tech Even Year
Revenues:							
Federal and state grants	\$ 2,500	\$ 23,934	\$ 71,615	\$ -	\$ -	\$ -	\$ 46,257
Charges for services	-	-	-	-	-	-	-
Interest and investment income	-	-	-	-	-	-	-
Other revenues	-	-	-	-	-	-	-
Total revenues	<u>2,500</u>	<u>23,934</u>	<u>71,615</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>46,257</u>
Expenditures :							
Education	967	23,934	71,615	-	-	5,803	20,418
Other	-	-	-	-	-	-	-
Capital	-	-	-	-	-	10,772	36,188
Total expenditures	<u>967</u>	<u>23,934</u>	<u>71,615</u>	<u>-</u>	<u>-</u>	<u>16,575</u>	<u>56,606</u>
Excess (deficiency) of revenues over expenditures	1,533	-	-	-	-	(16,575)	(10,349)
Other financing sources (uses):							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	(49,539)	(3,880)	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(49,539)</u>	<u>(3,880)</u>	<u>-</u>	<u>-</u>
Net change in fund balance	1,533	-	-	(49,539)	(3,880)	(16,575)	(10,349)
Fund balance, July 1, 2023	<u>-</u>	<u>-</u>	<u>-</u>	<u>49,539</u>	<u>3,880</u>	<u>16,915</u>	<u>17,097</u>
Fund balance, June 30, 2024	<u>\$ 1,533</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 340</u>	<u>\$ 6,748</u>

See independent auditor's report

Town of Portsmouth, Rhode Island

Supplementary Information

Combining Non-Major Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balance –

School Special Revenue

June 30, 2024

	ELL Categorical	RIDE Grant- OpenSciEd	SBA Capital Fund- Learning Inside Out	Chaplin Foundation	Rhode Island Foundation	Van Beuren Grant	Exxon Mobil Educational Alliance Program
Revenues:							
Federal and state grants	\$ -	\$ 2,002	\$ 5,972	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	-	-	-	-
Interest and investment income	-	-	-	-	-	-	-
Other revenues	-	-	-	-	-	78,000	-
Total revenues	-	2,002	5,972	-	-	78,000	-
Expenditures :							
Education	-	2,002	5,972	-	-	996	-
Other	-	-	-	-	-	-	-
Capital	-	-	-	821	-	-	-
Total expenditures	-	2,002	5,972	821	-	996	-
Excess (deficiency) of revenues over expenditures	-	-	-	(821)	-	77,004	-
Other financing sources (uses):							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Net change in fund balance	-	-	-	(821)	-	77,004	-
Fund balance, July 1, 2023	-	-	-	821	4,399	1,346	500
Fund balance, June 30, 2024	\$ -	\$ -	\$ -	\$ -	\$ 4,399	\$ 78,350	\$ 500

See independent auditor's report

Town of Portsmouth, Rhode Island

Supplementary Information

Combining Non-Major Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balance –

School Special Revenue

June 30, 2024

	Prevention Coalition Task Force	Building Use	Athletic Event Gate Revenue	COVID 19 Funding Restricted Local Revenue	School Lunch	Total School Special Revenue Funds
Revenues:						
Federal and state grants	\$ -	\$ -	\$ -	\$ -	258,660	\$ 2,771,880
Charges for services	-	47,150	30,424	-	559,692	637,266
Interest and investment income	-	-	-	-	-	-
Other revenues	-	-	-	-	-	78,000
Total revenues	<u>-</u>	<u>47,150</u>	<u>30,424</u>	<u>-</u>	<u>818,352</u>	<u>3,487,146</u>
Expenditures :						
Education	-	33,881	11,249	-	877,244	3,172,315
Other	25,801	-	-	-	-	25,801
Capital	-	-	2,854	21,699	10,217	325,257
Total expenditures	<u>25,801</u>	<u>33,881</u>	<u>14,103</u>	<u>21,699</u>	<u>887,461</u>	<u>3,523,373</u>
Excess (deficiency) of revenues over expenditures	(25,801)	13,269	16,321	(21,699)	(69,109)	(36,227)
Other financing sources (uses):						
Transfers in	-	-	-	-	129	129
Transfers out	-	-	-	-	-	(53,419)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>129</u>	<u>(53,290)</u>
Net change in fund balance	(25,801)	13,269	16,321	(21,699)	(68,980)	(89,517)
Fund balance, July 1, 2023	<u>25,801</u>	<u>123,476</u>	<u>104,435</u>	<u>25,580</u>	<u>398,480</u>	<u>772,269</u>
Fund balance, June 30, 2024	<u>\$ -</u>	<u>\$ 136,745</u>	<u>\$ 120,756</u>	<u>\$ 3,881</u>	<u>\$ 329,500</u>	<u>\$ 682,752</u>

See independent auditor's report

Town of Portsmouth, Rhode Island

Supplementary Information

Combining Non-Major Governmental Funds Balance Sheet –

Town Capital Projects

June 30, 2024

	Capital Project Reserve	Glen Manor House	Capital Improvement Plan	08-09 Warrants	09-10 Warrants	12-13 Warrant	Total Town Capital Project
Assets							
Cash and cash equivalent	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other funds	158,291	9,924	150,656	-	-	-	318,871
Total assets	158,291	9,924	150,656	-	-	-	318,871
Deferred outflows of resources							
Deferred outflows	-	-	-	-	-	-	-
Total deferred outflows of resources	-	-	-	-	-	-	-
Total assets and deferred outflows of resources	158,291	9,924	150,656	-	-	-	318,871
Liabilities							
Accounts payable	-	-	10,680	-	-	-	10,680
Due to other funds	-	-	-	19,027	5,743	368,086	392,856
Total liabilities	-	-	10,680	19,027	5,743	368,086	403,536
Deferred inflows of resources							
Unearned revenues	-	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-	-
Fund balance							
Restricted	158,291	9,924	139,976	-	-	-	308,191
Unassigned	-	-	-	(19,027)	(5,743)	(368,086)	(392,856)
Total fund balance	158,291	9,924	139,976	(19,027)	(5,743)	(368,086)	(84,665)
Total liabilities, deferred inflows of resources, and fund balances	\$ 158,291	\$ 9,924	\$ 150,656	\$ -	\$ -	\$ -	\$ 318,871

See independent auditor's report

Town of Portsmouth, Rhode Island

Supplementary Information

Combining Non-Major Governmental Funds Statement of Revenue, Expenditures and Changes in Fund Balance

Town Capital Projects

For the Year Ended June 30, 2024

	Capital Project Reserve	Glen Manor House	Capital Improvement Plan	08-09 Warrants	09-10 Warrants	12-13 Warrant	Total Town Capital Project
Revenues							
Charges for services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest and investment income	-	-	-	-	-	-	-
Other revenues	-	-	-	-	-	-	-
Total revenues	-	-	-	-	-	-	-
Expenditures							
General government	-	7,958	-	-	-	-	7,958
Education	-	-	-	-	-	-	-
Capital	-	-	575,648	-	-	-	575,648
Total expenditures	-	7,958	575,648	-	-	-	583,606
Excess (deficiency) of revenues over expenditures	-	(7,958)	(575,648)	-	-	-	(583,606)
Other financing sources (uses)							
Transfers in	10,000	-	589,499	-	-	499,955	1,099,454
Transfers out	(79,977)	-	-	-	-	-	(79,977)
Total other financing sources (uses)	(69,977)	-	589,499	-	-	499,955	1,019,477
Net change in fund balance	(69,977)	(7,958)	13,851	-	-	499,955	435,871
Fund balance, July 1, 2023	228,268	17,882	126,125	(19,027)	(5,743)	(868,041)	(520,536)
Fund balance, June 30, 2024	\$ 158,291	\$ 9,924	\$ 139,976	\$ (19,027)	\$ (5,743)	\$ (368,086)	\$ (84,665)

See independent auditor's report

Town of Portsmouth, Rhode Island

Supplementary Information

Combining Non-Major Governmental Funds Balance Sheet –

School Capital Projects

June 30, 2024

	School Capital Projects	Phase 2 Project	Athletic Improvements	Total School Capital Project
Assets				
Cash and cash equivalent	\$ -	\$ -	\$ -	\$ -
Due from other funds	119,027	485,433	14	604,474
Total assets	119,027	485,433	14	604,474
Deferred outflows of resources				
Deferred outflows	-	-	-	-
Total deferred outflows of resources	-	-	-	-
Total assets and deferred outflows of resources	119,027	485,433	14	604,474
Liabilities				
Accounts payable	-	4,462	-	4,462
Due to other funds	-	-	-	-
Total liabilities	-	4,462	-	4,462
Deferred inflows of resources				
Unearned revenues	-	-	-	-
Total deferred inflows of resources	-	-	-	-
Fund balance				
Restricted	119,027	480,972	14	600,013
Unassigned	-	-	-	-
Total fund balance	119,027	480,972	14	600,013
Total liabilities, deferred inflows of resources, and fund balances	\$ 119,027	\$ 485,434	\$ 14	\$ 604,475

See independent auditor's report

Town of Portsmouth, Rhode Island

Supplementary Information

Combining Non-Major Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balance – School Capital Projects

For the Year Ended June 30, 2024

	School Capital Projects	Phase 2 Project	Athletic Improvements	Total School Capital Project
Revenues				
Charges for services	\$ -	\$ -	\$ -	\$ -
Interest and investment income	-	-	-	-
Other revenues	-	-	-	-
Total revenues	-	-	-	-
Expenditures				
General government	-	-	-	-
Education	-	-	-	-
Capital	-	648,886	-	648,886
Total expenditures	-	648,886	-	648,886
Excess (deficiency) of revenues over expenditures	-	(648,886)	-	(648,886)
Other financing sources (uses)				
Transfers in	-	446,413	-	446,413
Transfers out	-	-	-	-
Total other financing sources (uses)	-	446,413	-	446,413
Net change in fund balance	-	(202,473)	-	(202,473)
Fund balance, July 1, 2023	119,027	683,445	14	802,486
Fund balance, June 30, 2024	\$ 119,027	\$ 480,972	\$ 14	\$ 600,013

See independent auditor's report

Town of Portsmouth, Rhode Island

Supplementary Information

Combining Non-Major Governmental Funds Balance Sheet –

Permanent Funds

June 30, 2024

	Sherman Trust	Cemetery Trust	Total
Assets			
Cash and cash equivalents	\$ 18,517	155,294	\$ 173,811
Investment	-	88,997	88,997
Due from other funds	4,769	17,480	22,249
Total assets	23,286	261,771	285,057
Deferred outflows of resources			
Deferred outflows	-	-	-
Total assets and deferred outflows of resources	23,286	261,771	285,057
Liabilities			
Due to other funds	-	-	-
Total liabilities	-	-	-
Deferred inflows of resources			
Deferred revenue	-	-	-
Fund Balances			
Nonspendable	17,722	251,214	268,936
Restricted - Expendable	5,564	10,557	16,121
Unassigned	-	-	-
Total liabilities, deferred inflows of resources, and fund balances	\$ 23,286	\$ 261,771	\$ 285,057

See independent auditor's report

Town of Portsmouth, Rhode Island

Supplementary Information

Combining Non-Major Governmental Funds Statement of Revenue, Expenditures and Changes
in Fund Balance

Permanent Funds

For the Year Ended June 30, 2024

	<u>Sherman Trust</u>	<u>Cemetery Trust</u>	<u>Total</u>
Revenues			
Investment income	5,564	32,062	\$ 37,626
Total revenues	5,564	32,062	37,626
Expenditures			
None	-	-	-
Total expenditures	-	-	-
Excess (deficiency) of revenue over expenditures	5,564	32,062	37,626
Other financing sources (uses)			
Transfer from (to) other funds	-	-	-
Total other financing sources (uses)	-	-	-
Net change in fund balance	5,564	32,062	37,626
Fund Balance, July 1, 2023	17,722	229,709	247,431
Fund Balance, June 30, 2024	<u>\$ 23,286</u>	<u>\$ 261,771</u>	<u>\$ 285,057</u>

See independent auditor's report

Town of Portsmouth, Rhode Island

Supplementary Information

Combining Custodial Funds Statement of Fiduciary Net Position

June 30, 2024

	Soil Erosion	New Development - Road Bonds	Glen Park Damage Deposit	Probate Court	Prescott Point	Total Town Custodial Funds
Assets						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ 236,764	\$ 119,706	\$ 356,470
Receivables from external parties	442,020	17	950	-	-	442,987
Total assets	442,020	17	950	236,764	119,706	799,457
Liabilities						
Accounts payable						
Payable to external parties	-	-	-	-	4,770	4,770
Total liabilities	-	-	-	-	4,770	4,770
Net Position Restricted	\$ 442,020	\$ 17	\$ 950	\$ 236,764	\$ 114,936	\$ 794,687

	Hathaway	Melville	PMS	PHS	Total School Custodial Funds	Total Town and School Custodial Funds
Assets						
Cash and cash equivalents	\$ 69,316	\$ 53,891	\$ 20,803	\$ 243,141	\$ 387,151	\$ 743,621
Receivables from external parties	-	-	-	-	-	442,987
Total assets	69,316	53,891	20,803	243,141	387,151	1,186,608
Liabilities						
Accounts payable	39	-	-	-	39	4,809
Total liabilities	39	-	-	-	39	4,809
Net Position Restricted	\$ 69,277	\$ 53,891	\$ 20,803	\$ 243,141	\$ 387,112	\$ 1,181,799

See independent auditor's report

Town of Portsmouth, Rhode Island

Supplementary Information

Combining Custodial Funds Statement of Changes in Net Position

For the Year Ended June 30, 2024

	Soil Erosion	New Development - Road Bonds	Glen Park Damage Deposit	Probate Court	Prescott Point	Total Town Custodial Funds
Additions						
Net investment income	\$ -	\$ 660	\$ -	\$ 118	\$ -	\$ 778
Funds received on behalf of others	209,600	-	-	-	414	210,014
Total additions	209,600	660	-	118	414	210,792
Deductions						
Funds distributed on behalf of others	120,150	64,293	-	-	-	184,443
Total deductions	120,150	64,293	-	-	-	184,443
Change in net position	89,450	(63,633)	-	118	414	26,349
Net position - beginning	352,570	63,650	950	236,646	114,522	768,338
Net position - ending	\$ 442,020	\$ 17	\$ 950	\$ 236,764	\$ 114,936	\$ 794,687

	Hathaway	Melville	PMS	PHS	Total School Custodial Funds	Total Town and School Custodial Funds
Additions						
Net investment income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 778
Funds received on behalf of others	35,773	14,508	27,871	161,897	240,049	450,063
Total additions	35,773	14,508	27,871	161,897	240,049	450,841
Deductions						
Funds distributed on behalf of others	27,766	15,538	28,793	175,149	247,246	431,689
Total deductions	27,766	15,538	28,793	175,149	247,246	431,689
Change in net position	8,007	(1,030)	(922)	(13,252)	(7,197)	19,152
Net position - beginning	61,270	54,921	21,725	256,393	394,309	1,162,647
Net position - ending	\$ 69,277	\$ 53,891	\$ 20,803	\$ 243,141	\$ 387,112	\$ 1,181,799

See independent auditor's report

Town of Portsmouth, Rhode Island

Tax Collector's Annual Report

For the Year Ended June 30, 2024

Tax Roll Year	Balance July 1, 2023	Assessment	Abatements	Amount to be collected	Current Year Collections	Payment Adjustments & Refunds	Transfers	Balance June 30, 2024
2023	\$ (59,517)	\$ 61,906,830	\$ (35,456)	\$ 61,811,857	\$ 60,728,435	\$ 154,590	\$ (262)	\$ 1,237,750
2023 - Prorated	-	194,406	(257)	194,149	193,067	-	2,218	3,300
2022	1,078,290	-	(36)	1,078,254	1,026,512	26,938	(1,452)	77,228
2022 - Prorated	3,873	-	-	3,873	3,873	-	-	-
2021	69,759	-	(1,182)	68,577	7,132	16	69	61,530
2020	48,646	-	(64)	48,582	3,687	16	(25)	44,886
2019	44,243	-	-	44,243	3,545	1	25	40,724
2018	77,876	-	-	77,876	2,610	-	-	75,266
2017	64,593	-	-	64,593	1,307	-	-	63,286
2016	70,932	-	-	70,932	1,110	-	-	69,822
2015	51,069	-	-	51,069	1,515	-	-	49,554
2014	54,466	-	-	54,466	80	-	-	54,386
2013	44,037	-	-	44,037	298	-	-	43,739
2012	40,295	-	(24,835)	15,460	1,649	-	-	13,811
2011 and prior	30,788	-	(197)	30,591	-	-	-	30,591
	<u>\$ 1,619,350</u>	<u>\$ 62,101,236</u>	<u>\$ (62,027)</u>	<u>\$ 63,658,559</u>	<u>\$ 61,974,820</u>	<u>\$ 181,561</u>	<u>\$ 573</u>	<u>\$ 1,865,873</u>
Less: Allowance for Uncollectible accounts	<u>(515,121)</u>							<u>(536,510)</u>
	<u>\$ 1,104,229</u>							<u>\$ 1,329,364</u>

See independent auditor's report

Town of Portsmouth, Rhode Island

Tax Collector's Annual Report

For the Year Ended June 30, 2024

FY 2024 Cash Collections, Net Summary

July - August 2023 Collections Subject to 60-day FY23 Accrual	September - June-24 Collections	Total FY 2024 Cash Collections	July - August 2024 (FY 24) Cash Collections Subject to 60-day FY 24 Accrual
\$ -	\$ 60,573,845	\$ 60,573,845	\$ 480,093
-	193,067	193,067	-
423,559	576,015	999,574	888
	3,873	3,873	
1,847	5,269	7,116	379
348	3,323	3,671	983
22	3,522	3,544	-
337	2,273	2,610	24
52	1,255	1,307	188
-	1,110	1,110	150
180	1,335	1,515	-
7	73	80	-
15	283	298	-
20	1,629	1,649	-
-	-	-	-
\$ 426,387	\$ 61,366,872	\$ 61,793,259	\$ 482,705

Schedule of property valuation assessed as of December 31, 2022: For Tax Roll 2023

	Valuation	Levy
Real property	\$ 4,778,536,622	\$ 61,079,255
Tangible personal property	135,107,654	2,114,570
Total	<u>4,913,644,276</u>	<u>63,193,825</u>
Less: Exemptions and motor vehicle phase out		
Real property	(100,913,818)	(1,289,880)
Tangible personal property	-	-
Total	<u>\$ 4,812,730,457</u>	<u>\$ 61,903,945</u>

Reconciliation of Current Year Property Tax Revenue

Current Year Collections, net of refunds	\$ 61,793,259
60-day FY23 Accrual	(426,387)
<i>July-August 2024 Collections</i>	
60-day FY24 Accrual	482,705
<i>July-August 2024 Collections</i>	
Interest & Penalties	255,939
Miscellaneous - Other	<u>(7,913)</u>
Current Year Property Tax Revenue	<u>\$ 62,097,603</u>

See independent auditor's report

Town of Portsmouth, Rhode Island
Annual Supplemental Transparency Report (MTP2)
For the Year Ended June 30, 2024

OTHER SUPPLEMENTARY INFORMATION

The Annual Supplemental Transparency Report Schedules
required by the State of Rhode Island General Law § 45-12-22.2 and § 44-35-10

Annual Supplemental Transparency Report (MTP2) - Revenue

Annual Supplemental Transparency Report (MTP2) – Expenditures

Combining Schedule of Reportable Government Services with Reconciliation to MTP2 – Municipal

Combining Schedule of Reportable Government Services with Reconciliation to MTP2 – Education Department

Notes to Supplementary Information – Annual Supplemental Transparency Report (MTP2)

See independent auditors' report

Town of Portsmouth, Rhode Island
Annual Supplemental Transparency Report (MTP2)
For the Year Ended June 30, 2024

<u>REVENUE</u>	<u>Municipal</u>	<u>Education Department</u>
Current Year Levy Tax Collection	\$ 61,053,938	\$ -
Last Year's Levy Tax Collection	576,903	-
Prior Years Property Tax Collection	21,796	-
Interest & Penalty	255,939	-
PILOT & Tax Treaty (excluded from levy) Collection	-	-
Other Local Property Taxes	189,027	-
Licenses and Permits	1,739,043	-
Fines and Forfeitures	98,592	-
Investment Income	536,990	-
Departmental	2,210,663	-
Rescue Run Revenue	243,388	-
Police & Fire Detail	70,901	-
Other Local Non-Property Tax Revenues	40,085	-
Tuition	-	2,067,066
Impact Aid	-	452,481
Medicaid	-	241,960
Federal Stabilization Funds	-	-
Federal Food Service Reimbursement	-	249,550
CDBG	-	-
COPS Grants	-	-
SAFER Grants	575,185	-
Other Federal Aid Funds	-	1,478,165
COVID - ESSER	-	944,643
COVID - CRF	-	-
COVID - CDBG	-	-
COVID - FEMA	-	-
COVID - Other	-	-
COVID - ARPA	1,051,498	36,181
MV Excise Tax Reimbursement	94,646	-
State PILOT Program	-	-
Distressed Community Relief Fund	-	-
Library Resource Aid	134,841	-
Library Construction Aid	-	-
Public Service Corporation Tax	235,936	-
Meals & Beverage Tax / Hotel Tax	451,691	-
LEA Aid	-	3,592,615
Group Home	-	-
Housing Aid Capital Projects	158,307	-
Housing Aid Bonded Debt	-	-
State Food Service Revenue	-	9,110
Incentive Aid	-	-
Property Revaluation Reimbursement	-	-
Other State Revenue	108,281	54,229
Motor Vehicle Phase Out	2,319,596	-
Other Revenue	-	743,795
Local Appropriation for Education	-	37,191,429
Regional Appropriation for Education	-	-
Supplemental Appropriation for Education	-	-
Regional Supplemental Appropriation for Education	-	-
Other Education Appropriation	-	-
Rounding	-	-
Total Revenue	<u><u>\$ 72,167,246</u></u>	<u><u>\$ 47,061,225</u></u>
Financing Sources: Transfer from Capital Funds	\$ -	\$ -
Financing Sources: Transfer from Other Funds	22,266	-
Financing Sources: Debt Proceeds	-	-
Financing Sources: Other	-	-
Rounding	-	-
Total Other Financing Sources	<u><u>\$ 22,266</u></u>	<u><u>\$ -</u></u>

See independent auditors' report

Town of Portsmouth, Rhode Island
Annual Supplemental Transparency Report (MTP2)
For the Year Ended June 30, 2024

EXPENDITURES	General		Social	Centralized		Libraries	Public	Parks and	Police
	Government	Finance	Services	IT	Planning		Works	Rec	Department
Compensation- Group A	\$ 720,600	\$ 756,664	\$ -	\$ 84,099	\$ 535,237	\$ -	\$ 1,270,577	\$ 176,741	\$ 3,239,470
Compensation - Group B	-	-	-	-	-	-	-	-	178,079
Compensation - Group C	-	-	-	-	-	-	-	-	-
Compensation -Volunteer	-	-	-	-	-	-	-	-	-
Overtime- Group A	19,245	481	-	-	2,445	-	70,594	-	593,159
Overtime - Group B	-	-	-	-	-	-	-	-	-
Overtime - Group C	-	-	-	-	-	-	-	-	-
Police & Fire Detail	-	-	-	-	-	-	-	-	10,646
Active Medical Insurance - Group A	97,751	108,778	-	5,000	82,893	-	280,396	22,193	483,058
Active Medical Insurance- Group B	-	-	-	-	-	-	-	-	-
Active Medical Insurance- Group C	-	-	-	-	-	-	-	-	-
Active Dental insurance- Group A	6,001	6,182	-	-	5,382	-	14,572	1,311	26,180
Active Dental Insurance- Group B	-	-	-	-	-	-	-	-	-
Active Dental Insurance- Group C	-	-	-	-	-	-	-	-	-
Payroll Taxes	53,193	65,890	-	6,812	39,633	-	98,747	13,017	299,414
Life Insurance	5,520	2,961	-	345	2,070	-	6,066	460	13,833
State Defined Contribution- Group A	-	-	-	-	-	-	-	-	-
State Defined Contribution - Group B	-	-	-	-	-	-	-	-	-
State Defined Contribution - Group C	-	-	-	-	-	-	-	-	-
Other Benefits- Group A	3,501	53,060	-	-	2,751	-	3,125	1,510	3,826
Other Benefits- Group B	-	-	-	-	-	-	-	-	-
Other Benefits- Group C	-	-	-	-	-	-	-	-	-
Local Defined Benefit Pension- Group A	-	426,415	-	-	-	-	178,928	-	1,874,467
Local Defined Benefit Pension - Group B	-	-	-	-	-	-	-	-	-
Local Defined Benefit Pension - Group C	-	-	-	-	-	-	-	-	-
State Defined Benefit Pension- Group A	-	-	-	-	-	-	-	-	171,602
State Defined Benefit Pension - Group B	-	-	-	-	-	-	-	-	-
State Defined Benefit Pension - Group C	-	-	-	-	-	-	-	-	-
Other Defined Benefit / Contribution	58,695	68,078	-	7,564	42,911	-	113,693	8,087	40,128
Purchased Services	328,951	73,379	-	20,836	80,255	-	162,704	7,216	71,539
Materials/Supplies	16,440	20,136	-	-	8,166	-	13,462	48,836	36,953
Software Licenses	2,450	32,203	-	144,784	2,532	-	-	-	-
Capital Outlays	1,347,302	-	-	-	-	-	39,034	-	-
Insurance	778,010	-	-	-	-	-	-	-	-
Maintenance	-	-	-	-	-	-	1,235,719	24,630	38,556
Vehicle Operations	-	-	-	-	875	-	58,402	488	135,574
Utilities	-	68,332	-	-	-	-	88,865	11,050	85,569
Contingency	-	-	-	-	-	-	-	-	-
Street Lighting	-	-	-	-	-	-	173,604	-	-
Revaluation	-	-	-	-	-	-	-	-	-
Snow Removal-Raw Material & External Contracts	-	-	-	-	-	-	92,216	-	-
Trash Removal & Recycling	-	-	-	-	-	-	618,052	-	-
Claims & Settlements	-	-	-	-	-	-	-	-	-
Community Support	402,524	-	-	-	-	-	-	-	-
Other Operation Expenditures	214,249	160,882	-	-	27,647	695,145	84,087	1,651	85,969
Tipping Fees	-	-	-	-	-	-	80,720	-	-
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	\$ 4,054,432	\$ 1,843,440	\$ -	\$ 269,440	\$ 832,796	\$ 695,145	\$ 4,683,564	\$ 317,191	\$ 7,388,022

See independent auditors' report

Town of Portsmouth, Rhode Island
Annual Supplemental Transparency Report (MTP2)
For the Year Ended June 30, 2024

EXPENDITURES	Fire Department	Centralized Dispatch	Public Safety Other	Education Appropriation	Debt	OPEB	Total Municipal	Education Department
Compensation- Group A	\$ 3,485,431	\$ -	\$ 103,685	\$ -	\$ -	\$ -	\$ 10,372,503	\$ 19,990,466
Compensation - Group B	213,039	-	-	-	-	-	391,118	1,901,514
Compensation - Group C	-	-	-	-	-	-	-	4,064,248
Compensation -Volunteer	-	-	-	-	-	-	-	-
Overtime- Group A	715,954	-	461	-	-	-	1,402,338	-
Overtime - Group B	-	-	-	-	-	-	-	-
Overtime - Group C	-	-	-	-	-	-	-	153,430
Police & Fire Detail	-	-	-	-	-	-	10,646	-
Active Medical Insurance- Group A	568,583	-	6,874	-	-	-	1,655,526	2,434,152
Active Medical Insurance- Group B	-	-	-	-	-	-	-	241,292
Active Medical Insurance- Group C	-	-	-	-	-	-	-	825,950
Active Dental Insurance- Group A	35,394	-	361	-	-	-	95,383	109,152
Active Dental Insurance- Group B	-	-	-	-	-	-	-	10,665
Active Dental Insurance- Group C	-	-	-	-	-	-	-	35,766
Payroll Taxes	324,450	-	7,789	-	-	-	908,944	693,705
Life Insurance	15,944	-	345	-	-	-	47,544	46,623
State Defined Contribution- Group A	-	-	-	-	-	-	-	476,847
State Defined Contribution - Group B	-	-	-	-	-	-	-	37,527
State Defined Contribution - Group C	-	-	-	-	-	-	-	-
Other Benefits- Group A	43,642	-	500	-	-	-	111,914	44,650
Other Benefits- Group B	-	-	-	-	-	-	-	15,330
Other Benefits- Group C	-	-	-	-	-	-	-	13,316
Local Defined Benefit Pension- Group A	1,598,698	-	-	-	-	-	4,078,508	-
Local Defined Benefit Pension - Group B	-	-	-	-	-	-	-	44,135
Local Defined Benefit Pension - Group C	-	-	-	-	-	-	-	627,887
State Defined Benefit Pension- Group A	150,464	-	-	-	-	-	322,066	2,916,195
State Defined Benefit Pension - Group B	-	-	-	-	-	-	-	230,000
State Defined Benefit Pension - Group C	-	-	-	-	-	-	-	-
Other Defined Benefit / Contribution	33,134	-	4,792	-	-	-	377,081	254,486
Purchased Services	80,736	-	-	-	-	-	825,616	7,641,892
Materials/Supplies	86,686	-	1,502	-	-	-	232,182	710,999
Software Licenses	-	-	-	-	-	-	181,969	404,181
Capital Outlays	-	-	-	-	-	-	1,386,336	1,358,661
Insurance	-	-	-	-	-	-	778,010	546,484
Maintenance	27,759	-	-	-	-	-	1,326,665	495,386
Vehicle Operations	-	-	2,084	-	-	-	197,423	8,249
Utilities	348,122	-	1,590	-	-	-	603,528	695,310
Contingency	-	-	-	-	-	-	-	-
Street Lighting	-	-	-	-	-	-	173,604	-
Revaluation	-	-	-	-	-	-	-	-
Snow Removal-Raw Material & External Contracts	-	-	-	-	-	-	92,216	-
Trash Removal & Recycling	-	-	-	-	-	-	618,052	-
Claims & Settlements	-	-	-	-	-	-	-	-
Community Support	-	-	-	-	-	-	402,524	-
Other Operation Expenditures	22,612	-	43,388	-	-	-	1,335,631	116,526
Tipping Fees	-	-	-	-	-	-	80,720	-
Local Appropriation for Education	-	-	-	37,191,429	-	-	37,191,429	-
Regional Appropriation for Education	-	-	-	-	-	-	-	-
Supplemental Appropriation for Education	-	-	-	-	-	-	-	-
Regional Supplemental Appropriation for Education	-	-	-	-	-	-	-	-
Other Education Appropriation	-	-	-	-	-	-	-	-
Municipal Debt- Principal	-	-	-	-	1,168,390	-	1,168,390	-
Municipal Debt- Interest	-	-	-	-	421,776	-	421,776	-
School Debt- Principal	-	-	-	-	325,820	-	325,820	168,772
School Debt- Interest	-	-	-	-	60,113	-	60,113	5,992
Retiree Medical Insurance- Total	-	-	-	-	-	-	-	78,187
Retiree Dental Insurance- Total	-	-	-	-	-	-	-	-
OPEB Contribution- Total	-	-	-	-	-	923,649	923,649	-
Rounding	-	-	-	-	-	-	-	-
Total Expenditures	\$ 7,750,647	\$ -	\$ 173,371	\$ 37,191,429	\$ 1,976,098	\$ 923,649	\$ 68,099,224	\$ 47,397,976
Financing Uses: Transfer to Capital Funds	-	-	-	-	-	-	608,823	-
Financing Uses: Transfer to Other Funds	-	-	-	-	-	-	1,902,358	-
Financing Uses: Payment to Bond Escrow Agent	-	-	-	-	-	-	-	-
Financing Uses: Other	-	-	-	-	-	-	-	-
Total Other Financing Uses	-	-	-	-	-	-	\$ 2,511,181	\$ -
Net Change in Fund Balance¹	-	-	-	-	-	-	1,579,107	(336,751)
Fund Balance¹- beginning of year	-	-	-	-	-	-	\$11,190,162	\$2,957,427
Funds removed from Reportable Government Services (RGS)	-	-	-	-	-	-	-	-
Funds added to Reportable Government Services (RGS)	-	-	-	-	-	-	-	-
Prior period adjustments	-	-	-	-	-	-	-	-
Misc. Adjustment	-	-	-	-	-	-	-	-
Fund Balance¹ - beginning of year adjusted	-	-	-	-	-	-	11,190,162	2,957,427
Rounding	-	-	-	-	-	-	-	-
Fund Balance¹ - end of year	-	-	-	-	-	-	\$ 12,769,269	\$ 2,620,676

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

See independent auditor's report

Town of Portsmouth, Rhode Island
Annual Supplemental Transparency Report (MTP2)
Fiscal Year Ended June 30, 2024

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, 2023						\$ 11,190,162	\$ -	\$ 11,190,162	
<i>No funds removed from RGS for fiscal 2023</i>						-	-	-	
<i>No funds added to RGS for Fiscal 2023</i>						-	-	-	
<i>No misc. adjustments made for fiscal 2023</i>						-	-	-	
Fund Balance¹ - per MTP-2 at June 30, 2024 adjusted						<u>\$ 11,190,162</u>	<u>\$ -</u>	<u>\$ 11,190,162</u>	
General Fund - p.21	\$ 69,182,908	\$ 22,266	\$ 28,268,080	\$ 39,719,197	\$ 1,217,897	\$ 10,869,882	\$ -	\$ 10,869,882	\$ 12,087,779
Transfer Station - p.	1,080,125	-	774,398	-	305,727	137,440	-	137,440	443,167
School Impact Fees - p. 149	277,530	-	217,617	-	59,913	256,597	-	256,597	316,510
SAFER Grant - p.145	575,185	16,587	518,015	-	73,757	(73,757)	-	(73,757)	-
ARPA funds p 155	1,051,498	78,187	1,129,685	-	-	-	-	-	-
Totals per audited financial statements	<u>\$ 72,167,246</u>	<u>\$ 117,040</u>	<u>\$ 30,907,795</u>	<u>\$ 39,719,197</u>	<u>\$ 1,657,295</u>	<u>\$ 11,190,162</u>	<u>\$ -</u>	<u>\$ 11,190,162</u>	<u>\$ 12,847,456</u>
Reconciliation from financial statements to MTP2									
Reclassify transfer of municipal appropriation to Education Department as expenditure on MTP2	\$ -	\$ -	\$ 37,191,429	\$ (37,191,429)	\$ -	\$ -	\$ -	\$ -	\$ -
To eliminate transfer from General Fund to SAFER grant fund	-	(16,587)	-	(16,587)	-	-	-	-	-
To eliminate transfer from General Fund to ARPA fund	-	(78,187)	-	-	(78,187)	-	-	-	(78,187)
Rounding	-	-	-	-	-	-	-	-	-
Totals Per MTP2	<u>\$ 72,167,246</u>	<u>\$ 22,266</u>	<u>\$ 68,099,224</u>	<u>\$ 2,511,181</u>	<u>\$ 1,579,107</u>	<u>\$ 11,190,162</u>	<u>\$ -</u>	<u>\$ 11,190,162</u>	<u>\$ 12,769,269</u>

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

See independent auditor's report

Town of Portsmouth, Rhode Island
Annual Supplemental Transparency Report (MTP2)
Fiscal Year Ended June 30, 2024

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, 2023						\$ 2,957,427	-	\$ 2,957,427	
<i>No misc. adjustments made for fiscal 2023</i>						-	-	-	
Fund Balance¹ - per MTP-2 at June 30, 2024 adjusted						<u>\$ 2,957,427</u>	-	<u>\$ 2,957,427</u>	
School Unrestricted Fund	\$ 8,591,405	\$ 37,191,429	\$ 45,434,472	\$ 393,123	\$ (44,761)	\$ 1,382,672	-	\$ 1,382,672	\$ 1,337,911
SBA School Capital Project Fund	-	446,413	648,886	-	(202,473)	802,486	-	802,486	600,013
School Special Revenue Funds	3,487,146	129	3,523,373	53,419	(89,517)	772,269	-	772,269	682,752
Totals per audited financial statements	<u>\$ 12,078,551</u>	<u>\$ 37,637,971</u>	<u>\$ 49,606,731</u>	<u>\$ 446,542</u>	<u>\$ (336,751)</u>	<u>\$ 2,957,427</u>	<u>-</u>	<u>\$ 2,957,427</u>	<u>\$ 2,620,676</u>
Reconciliation from financial statements to MTP2									
Municipal appropriation for Education reported as a transfer on financial statements but a revenue on MTP2	\$ 37,191,429	\$ (37,191,429)	-	-	-	-	-	-	-
State contributions on behalf of teacher pensions are reported as revenue and expenditures on financial statements only	(2,208,755)	-	(2,208,755)	-	-	-	-	-	-
Transfer from School Unrestricted Fund to the School Capital Projects Funds is reported as an Other Financing Sources and Use for GAAP while it is not reported in UCOA or the MTP2 because the transfers net out to zero	-	(392,994)	-	(392,994)	-	-	-	-	-
Transfer from School Special Revenue Funds to School Capital Project Fund is reported as an Other Financing Sources and Use for GAAP while it is not reported in UCOA or the MTP2 because the transfers net out to zero	-	(53,419)	-	(53,419)	-	-	-	-	-
Transfer from School Unrestricted Fund to School Food Services Special Revenue Fund is reported as an Other Financing Sources and Use for GAAP while it is not reported in UCOA or the MTP2 because the transfers net out to zero	-	(129)	-	(129)	-	-	-	-	-
Rounding	-	-	-	-	-	-	-	-	-
Totals Per MTP2	<u>\$ 47,061,225</u>	<u>-</u>	<u>\$ 47,397,976</u>	<u>-</u>	<u>\$ (336,751)</u>	<u>\$ 2,957,427</u>	<u>-</u>	<u>\$ 2,957,427</u>	<u>\$ 2,620,676</u>
Reconciliation from MTP2 to UCOA									
Adjustment for Custodial Funds	\$ 240,049		\$ 247,247						
Miscellaneous variances between MTP and UCOA	<u>2</u>		<u>6</u>						
Totals per UCOA Validated Totals Report Dated 12/11/24	<u>\$ 47,301,276</u>		<u>\$ 47,645,229</u>						

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

See independent auditor's report

Town of Portsmouth, Rhode Island

Notes to Supplementary Information – Annual Supplemental Transparency Report (MTP2)

For the Year Ended June 30, 2024

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 benefits 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

See independent auditors’ report

Town of Portsmouth, Rhode Island

Notes to Supplementary Information – Annual Supplemental Transparency Report (MTP2)

For the Year Ended June 30, 2024

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/>.

See independent auditors' report

Statistical Section

The Statistical Schedules differ from other financial statement presentations because they generally disclose more than one fiscal year and may present non-accounting data such as social and economic data and financial trends of the Town.

Town of Portsmouth, Rhode Island

Statistical Section

For the Year Ended June 30, 2024

This part of Town's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statement, note disclosure, and required supplementary information says about the Town's overall financial health.

Financial Trends

These schedules contain trend information to help the reader understand how the Town's financial performance and well-being have changed over time.

- Net Position by Component
- Changes in Net Position by Component
- Fund Balances, Governmental Funds
Changes in Fund Balances, Governmental Funds

Revenue Capacity

These schedules contain information to help the reader assess Town's most significant revenue sources.

- Assessed Values and Estimated Actual Values of Taxable Property
- Principal Taxpayers
- Property Tax Levies and Collections

Debt Capacity

These schedules contain information to help the reader assess the affordability of the Town's current levels of outstanding debt and the Town's ability to issue additional debt in the future.

- Ratio of Outstanding Debt
- Legal Debt Margin Information

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the Town's financial activities take place.

- Demographic and Economic Statistics

Town of Portsmouth, Rhode Island

Statistical Section

For the Year Ended June 30, 2024

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the Town's financial report relates to the services the Town provides and the activities it performs.

- Full-Time Employees Equivalent by Town Department
- Operating Indicators by Function
- Capital Asset Statistics by Function

Town of Portsmouth, Rhode Island

Statistical Section

Net Position by Component

Last 10 Years

(Unaudited)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Governmental Activities:											
Net Investment in Capital Assets	\$ 17,181,434	\$ 19,065,856	\$ 18,884,330	\$ 12,808,535	\$ 18,492,317	\$ 25,991,078	\$ 26,392,634	\$ 27,414,404	\$ 7,834,573	\$ 29,448,127	\$ 28,643,759
Permanent Trust Funds											
Expandable	-	-	-	-	-	-	-	-	-	11,127	-
Nonexpandable	-	-	-	-	-	-	-	80,932	248,384	236,304	268,936
Education	-	-	-	-	-	-	-	-	-	-	-
Restricted for specific programs	-	-	-	13,224,782	9,539,508	3,599,709	3,673,182	3,042,916	23,662,842	29,889,404	13,241,297
Unrestricted	4,978,129	(53,150,442)	(48,236,404)	(76,737,772)	(79,603,146)	(81,423,805)	(85,225,456)	(85,683,751)	(80,967,161)	(100,402,496)	(81,394,796)
Total Governmental Activities Net Position	\$ 22,159,563	\$ (34,084,586)	\$ (29,352,074)	\$ (50,704,455)	\$ (51,571,321)	\$ (51,833,018)	\$ (55,159,640)	\$ (55,145,499)	\$ (49,221,362)	\$ (40,817,534)	\$ (39,240,804)
Business-type Activities:											
Net Investment in Capital Assets	\$ 778,209	\$ 1,011,013	\$ 214,640	\$ 246,923	\$ 287,681	\$ 321,499	\$ 319,699	\$ 362,365	\$ 265,547	\$ 277,974	\$ 214,732
Restricted for recycling	-	-	42,925	-	-	-	-	-	-	-	-
Restricted for specific programs	41,468	52,185	-	135,043	182,330	233,704	269,854	162,734	201,775	69,231	-
Unrestricted	64,764	(201,753)	(484,211)	(279,674)	(581,785)	(532,586)	(645,112)	(159,697)	275,397	(140,536)	309,514
Total Business-type Activities Net Position	\$ 884,441	\$ 861,445	\$ (226,646)	\$ 102,292	\$ (111,774)	\$ 22,617	\$ (55,559)	\$ 365,402	\$ 742,719	\$ 206,669	\$ 524,246
Primary Government:											
Net Investment in Capital Assets	\$ 17,959,643	\$ 20,076,869	\$ 19,098,970	\$ 13,055,458	\$ 18,779,998	\$ 26,312,577	\$ 26,712,333	\$ 27,776,769	\$ 8,100,120	\$ 29,726,101	\$ 28,858,491
Permanent Funds:											
Expandable	-	-	-	-	-	-	-	-	-	11,127	-
Nonexpandable	-	-	-	-	-	-	-	80,932	248,384	236,304	268,936
Education	-	-	-	-	-	-	-	-	-	-	-
Restricted for recycling	-	-	42,925	-	-	-	-	-	-	-	-
Restricted for specific programs	41,468	52,185	-	13,359,825	9,721,838	3,833,413	3,943,036	3,205,650	23,864,617	29,958,635	13,241,297
Unrestricted	5,042,893	(53,352,195)	(48,720,615)	(77,017,446)	(80,184,931)	(81,956,391)	(85,870,568)	(85,843,448)	(80,691,764)	(100,543,032)	(81,085,282)
Total Primary Government Net Position	\$ 23,044,004	\$ (33,223,141)	\$ (29,578,720)	\$ (50,602,163)	\$ (51,683,095)	\$ (51,810,401)	\$ (55,215,199)	\$ (54,780,097)	\$ (48,478,643)	\$ (40,610,865)	\$ (38,716,558)

Town of Portsmouth, Rhode Island

Statistical Section

Changes in Net Position by Component

Last 10 Years

(Unaudited)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Program Revenues:											
Governmental Activities:											
Charges for Services:											
General Government	\$ 207,860	\$ 321,465	\$ 779,018	\$ 1,276,782	\$ 1,301,265	\$ 1,382,222	\$ 750,332	\$ 1,115,137	\$ 1,715,749	\$ 1,521,334	\$ 2,319,180
General Education	1,284,080	1,190,355	1,223,557	1,324,821	1,457,114	1,675,281	1,399,538	1,564,959	1,822,100	589,106	2,704,332
Public Safety	1,928,936	1,593,544	810,523	1,247,938	1,296,168	1,358,718	1,065,030	736,301	1,024,445	1,097,712	724,386
Public Services	-	-	786,402	904,663	1,312,384	862,965	456,718	885,519	989,637	912,647	385,130
Community Service	612,272	591,755	570,530	269,131	54,321	76,294	133,965	13,878	19,148	-	-
Operating Grants and Contributions	2,872,433	4,283,641	5,581,847	5,964,893	8,142,481	8,576,083	9,422,525	9,919,166	11,139,603	15,465,475	9,470,023
Capital Grants and Contributions	115,000	193,000	250,313	-	11,021	35,269	281,987	582,311	11,900	-	2,027,486
Total Governmental Activities Program Revenues	7,020,581	8,173,760	10,002,190	10,988,228	13,574,754	13,966,832	13,510,095	14,817,271	16,722,582	19,586,274	17,630,537
Business-type Activities:											
Charges for Services:											
School Lunch Fund	474,039	485,336	504,002	526,846	505,390	537,564	357,702	27,785	-	-	-
Transfer Station	567,679	582,891	633,222	667,281	649,039	816,838	729,113	750,452	736,910	857,025	1,080,125
Non-major Funds	12,900	9,882	5,400	4,500	18,000	18,000	13,500	-	868,022	264,105	40,017
Operating Grants and Contributions	200,640	211,539	254,731	331,602	218,628	208,055	214,438	1,319,430	-	-	-
Total Business-type Activities	1,255,258	1,289,648	1,397,355	1,530,229	1,391,057	1,580,457	1,314,753	2,097,667	1,604,932	1,121,130	1,120,142
Total Primary Government Program Revenues	8,275,839	9,463,408	11,399,545	12,518,457	14,965,811	15,547,289	14,824,848	16,914,938	18,327,514	20,707,404	18,750,679
Expenses:											
Governmental Activities:											
General Government	5,992,387	6,635,659	5,830,129	5,631,833	7,402,421	8,256,939	11,024,983	9,363,478	7,089,033	7,223,743	6,369,377
General Education	38,316,994	41,397,051	40,753,345	40,978,207	42,132,819	42,596,950	42,477,570	42,127,041	45,423,850	46,768,441	51,724,725
Public Safety	9,860,970	11,096,478	11,371,782	13,281,332	12,902,054	13,466,990	13,668,340	15,301,872	14,857,010	16,676,200	23,322,799
Public Services	2,870,292	3,315,586	3,237,659	3,384,612	4,242,174	4,263,138	5,121,921	5,538,420	6,156,263	4,648,119	2,029,886
Community Service	1,376,200	1,269,191	1,290,100	1,297,889	1,164,372	1,093,681	2,067,949	1,426,058	1,363,894	1,203,091	2,300,378
Capital Outlay	2,551,459	-	-	-	-	-	-	-	-	-	-
Interest on Long Term Debt	466,731	428,901	556,894	640,732	838,661	749,371	699,602	622,807	572,010	556,103	371,421
Amortization Expense	29,851	29,851	-	-	-	-	-	-	-	-	-
Non-Operating Expense	-	-	-	-	-	-	-	-	-	-	-
Total Governmental Activities Expenses	61,464,884	64,172,717	63,039,909	65,214,605	68,682,501	70,427,069	75,060,365	74,379,676	75,462,060	77,075,697	86,118,586

Town of Portsmouth, Rhode Island

Statistical Section

Changes in Net Position by Component

Last 10 Years

(Unaudited)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Business-type Activities:											
School Cafeteria Fund	644,770	655,980	711,503	752,768	728,816	723,645	581,345	564,388	-	-	-
Transfer Station	539,373	485,025	569,944	682,031	924,230	775,107	858,179	729,297	701,077	750,383	774,398
Wind Turbine Generator Fund	155,319	151,307	1,193,708	-	-	-	-	-	-	-	-
Septic System Loan Program	-	-	16,421	894	743	599	366	-	-	351,061	2,682
Non-major Funds	19,964	27,341	10,162	10,470	9,066	-	-	244,211	414,679	402,591	25,487
Total Business-type Activities	<u>1,359,426</u>	<u>1,319,653</u>	<u>2,501,738</u>	<u>1,446,163</u>	<u>1,662,855</u>	<u>1,499,351</u>	<u>1,439,890</u>	<u>1,537,896</u>	<u>1,115,756</u>	<u>1,504,035</u>	<u>802,567</u>
Total Primary Government Program Expenses	<u>62,824,310</u>	<u>65,492,370</u>	<u>65,541,647</u>	<u>66,660,768</u>	<u>70,345,356</u>	<u>71,926,420</u>	<u>76,500,255</u>	<u>75,917,572</u>	<u>76,577,816</u>	<u>78,579,732</u>	<u>86,921,153</u>
Net (Expenses)/Revenue:											
Governmental Activities	(54,444,303)	(55,998,957)	(53,037,719)	(54,226,377)	(55,107,747)	(56,460,237)	(61,550,270)	(59,835,405)	(58,739,478)	(57,489,423)	(68,488,049)
Business-type Activities	(104,168)	(30,005)	(1,104,383)	84,066	(271,798)	81,106	(125,137)	559,771	489,176	(382,905)	317,575
Total Primary Government Net Expenses	<u>(54,548,471)</u>	<u>(56,028,962)</u>	<u>(54,142,102)</u>	<u>(54,142,311)</u>	<u>(55,379,545)</u>	<u>(56,379,131)</u>	<u>(61,675,407)</u>	<u>(59,275,634)</u>	<u>(58,250,302)</u>	<u>(57,872,328)</u>	<u>(68,170,474)</u>
General Revenues and Other Changes in Net Position:											
Governmental Activities:											
Property Taxes, MV Phase Out, and PILOT	47,965,049	49,267,057	49,910,345	51,008,411	52,466,837	54,448,500	56,056,578	57,221,898	59,957,332	59,478,590	62,301,207
State Aid (unrestricted)	6,778,745	6,048,181	6,359,063	4,387,343	1,682,968	1,705,352	1,652,108	2,117,657	3,838,822	4,116,199	3,745,258
Investment Income	13,792	11,621	13,433	39,911	103,984	105,760	82,728	90,902	11,517	292,707	649,110
Other Revenues	1,678,576	1,351,979	1,452,173	61,917	48,410	1,027	488,753	86,799	227,957	1,941,428	3,298,304
Transfers	(788,063)	(7,000)	35,217	(504,341)	(61,318)	(62,099)	(53,519)	138,810	40,000	64,327	-
Total Governmental Activities	<u>54,118,934</u>	<u>55,648,099</u>	<u>56,671,838</u>	<u>57,770,231</u>	<u>54,993,241</u>	<u>56,198,540</u>	<u>58,226,648</u>	<u>59,656,066</u>	<u>64,075,628</u>	<u>65,893,251</u>	<u>69,993,879</u>
Business-type Activities:											
Transfers	788,063	7,000	10,500	254,341	61,318	62,099	(138,810)	(138,810)	(40,000)	(153,145)	-
Investment Income	13	9	5,792	(17,258)	(10,461)	(14,428)	-	-	-	-	-
Total Business-type Activities	<u>788,076</u>	<u>7,009</u>	<u>16,292</u>	<u>237,083</u>	<u>50,857</u>	<u>47,671</u>	<u>(138,810)</u>	<u>(138,810)</u>	<u>(40,000)</u>	<u>(153,145)</u>	<u>-</u>
Total Primary Government General Revenues and Other Changes in Net Position	<u>54,118,949</u>	<u>56,436,175</u>	<u>56,678,847</u>	<u>57,786,523</u>	<u>55,230,324</u>	<u>56,246,211</u>	<u>58,087,838</u>	<u>59,517,256</u>	<u>64,035,628</u>	<u>65,740,106</u>	<u>69,993,879</u>
Change in Net Position:											
Governmental Activities	(325,369)	(350,858)	3,634,119	3,543,854	766,864	(261,697)	(3,323,622)	(179,339)	5,336,150	8,403,828	1,505,830
Business-type Activities	(104,153)	758,071	(1,097,374)	108,147	328,938	128,777	(263,947)	420,961	449,176	(536,050)	317,575
Total Change in Net Position of Primary Government	<u>\$ (429,522)</u>	<u>\$ 407,213</u>	<u>\$ 2,536,745</u>	<u>\$ 3,652,001</u>	<u>\$ 1,095,802</u>	<u>\$ (132,920)</u>	<u>\$ (3,587,569)</u>	<u>\$ 241,622</u>	<u>\$ 5,785,326</u>	<u>\$ 7,867,778</u>	<u>\$ 1,823,405</u>

Town of Portsmouth, Rhode Island

Statistical Section

Fund Balances, Governmental Funds

Last 10 Years

(Unaudited)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Nonspendable:											
Permanent Funds:											
Perpetual Care and Endowed Funds	\$ 146,218	\$ 156,385	\$ 160,404	\$ 161,552	\$ 163,633	\$ 167,452	\$ 170,397	\$ 167,452	\$ 248,384	\$ 236,304	\$ 268,936
General Fund:											
Advances to Other Funds	-	341,062	-	-	-	-	-	-	-	-	-
Prepaid Expenses	199,374	590,534	429,048	667,511	785,135	751,534	284,449	664,087	794,290	782,126	57,575
Inventory	31,236	57,173	36,300	62,208	33,287	55,470	49,577	33,602	66,069	57,227	252,170
Encumbrances	-	-	-	-	-	-	-	-	-	-	-
Total Nonspendable Fund Balance	\$ 376,828	\$ 1,145,154	\$ 625,752	\$ 891,271	\$ 982,055	\$ 974,456	\$ 504,423	\$ 865,141	\$ 1,108,743	\$ 1,075,657	\$ 578,681
Restricted:											
Town Special Revenue Funds	\$ 614,792	\$ 336,444	\$ 767,279	\$ 1,016,479	\$ 489,325	\$ 685,468	\$ 958,510	\$ 1,102,287	\$ 1,428,208	\$ 2,469,697	\$ 3,342,478
School Bond	-	-	-	-	-	-	-	-	20,388,397	18,651,399	11,179,136
School Special Revenue Funds	472,711	386,627	434,041	408,188	283,973	514,174	380,074	512,847	895,091	772,268	682,752
Permanent Funds	-	-	-	-	-	-	-	80,932	10	11,127	16,121
Town Capital Project Funds	316,497	590,657	3,125,294	11,021,908	7,102,320	884,154	1,326,605	716,290	341,351	372,276	308,191
School Capital Project Funds	1,306,896	143,390	1,378,118	778,207	1,663,890	1,515,913	1,007,993	711,492	555,785	802,486	600,013
Total Restricted Fund Balance	\$ 2,710,896	\$ 1,457,118	\$ 5,704,732	\$ 13,224,782	\$ 9,539,508	\$ 3,599,709	\$ 3,673,182	\$ 3,123,848	\$ 23,608,842	\$ 23,079,253	\$ 16,128,691
Committed:											
Committed for Education	\$ 3,441,468	\$ 2,709,418	\$ 1,114,909	\$ 1,260,145	\$ 928,995	\$ 847,141	\$ 1,594,569	\$ 931,571	\$ 894,909	\$ 874,618	\$ 855,444
Committed for Department Reserved	-	-	98,739	344,658	-	-	-	341,351	-	370,000	-
Committed for Warrant 12-13	-	-	-	-	-	-	-	160,908	314,221	499,955	368,086
Committed for Preservation and Maintenance of Glen Manor Property	107,908	179,928	191,209	242,246	381,315	406,631	322,770	-	-	-	-
Total Committed Fund Balance	\$ 3,549,376	\$ 2,889,346	\$ 1,404,857	\$ 1,847,049	\$ 1,310,310	\$ 1,253,772	\$ 1,917,339	\$ 1,433,830	\$ 1,209,130	\$ 1,744,573	\$ 1,223,530
Assigned:											
Open Space	\$ 309,378	\$ 9,378	\$ 9,378	\$ 9,378	\$ 139,754	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Prudence Island Fire Department	-	-	-	-	-	80,000	80,000	-	-	-	-
Total Assigned Fund Balance	\$ 309,378	\$ 9,378	\$ 9,378	\$ 9,378	\$ 139,754	\$ 80,000	\$ 80,000	\$ -	\$ -	\$ -	\$ -
Unassigned:											
General Fund	\$ 6,076,343	\$ 6,131,862	\$ 6,871,853	\$ 6,912,353	\$ 7,317,622	\$ 8,333,042	\$ 9,026,981	\$ 9,342,401	\$ 9,261,302	\$ 9,668,628	\$ 11,409,948
Town Capital Project Fund	(978,633)	-	-	-	-	-	(1,792,252)	-	(924,390)	(892,811)	(392,856)
Town Warrant 12-13 Fund	-	-	-	-	-	-	-	(1,343,170)	1,304,360	-	-
Other Governmental Funds	(1,189,169)	(942,669)	(941,689)	(1,246,698)	(1,330,332)	(1,895,702)	(59,211)	96,860	(1,317,775)	(146,344)	(93,089)
Total Unassigned Fund Balance	\$ 3,908,541	\$ 5,189,193	\$ 5,930,164	\$ 5,665,655	\$ 5,987,290	\$ 6,437,340	\$ 7,175,518	\$ 8,096,091	\$ 8,323,497	\$ 8,629,473	\$ 10,924,003

Town of Portsmouth, Rhode Island

Statistical Section

Changes in Fund Balances, Governmental Funds

Last 10 Years

(Unaudited)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General property taxes and interest	\$ 48,391,434	\$ 49,242,875	\$ 50,384,667	\$ 50,764,048	\$ 52,587,567	\$ 54,457,593	\$ 55,757,474	\$ 58,300,557	\$ 59,267,166	\$ 59,695,882	\$ 62,097,603
State aid and grants	9,228,660	9,391,037	9,608,787	10,000,238	9,709,798	10,050,391	9,572,095	10,306,709	13,253,566	14,110,085	12,716,995
Licenses, permits, and fees	2,430,065	2,472,821	2,530,159	2,468,756	2,721,235	2,799,577	2,676,211	3,224,080	3,550,286	2,980,615	452,795
Charges for services	2,343,319	2,384,550	2,439,840	2,428,718	2,576,007	2,341,269	2,283,107	2,039,283	2,222,301	3,121,625	2,091,671
Investment income	13,792	11,621	70,150	39,911	103,984	105,760	82,728	90,902	(563)	292,707	3,930,833
Other revenue	266,586	273,690	221,776	314,691	140,229	400,662	636,015	1,163,644	1,045,475	1,770,330	4,930,842
Total revenues	62,673,856	63,776,594	65,255,379	66,016,362	67,838,820	70,155,252	71,007,630	75,125,175	79,338,231	81,971,244	86,220,739
General government	4,473,710	4,477,338	4,679,504	4,856,775	5,033,136	5,129,664	5,233,057	6,516,209	6,625,257	6,837,903	6,510,252
Public safety	10,860,970	11,196,478	11,451,321	11,815,833	12,385,996	12,430,456	13,032,708	13,757,688	15,834,995	16,448,468	16,200,359
Public works	3,082,772	3,315,586	3,224,582	3,325,211	3,489,791	3,462,129	3,902,808	4,542,620	5,704,874	3,704,216	4,003,378
Public and social services	718,606	688,603	751,662	780,716	807,887	817,715	900,754	1,079,405	958,560	945,599	1,163,158
Parks and recreation	285,928	289,994	299,081	399,049	233,044	219,140	293,635	326,416	376,009	249,239	1,084,112
Education	36,769,353	37,067,451	38,227,325	40,105,874	40,685,778	42,370,779	41,784,315	44,384,834	45,969,264	44,849,466	48,003,008
Capital outlay	6,291,862	6,381,350	6,581,293	6,905,580	7,003,672	9,266,681	2,632,986	2,082,328	2,833,420	5,529,221	12,668,605
Principal	1,612,199	1,635,129	1,686,362	1,905,979	1,658,067	2,135,066	1,953,040	1,959,066	1,524,064	1,473,866	1,303,937
Interest	466,731	428,901	630,907	517,121	816,273	772,754	699,172	640,451	579,088	468,489	475,512
Total expenses	64,562,131	65,480,830	67,532,037	70,612,138	72,113,644	76,604,384	70,432,475	75,289,017	80,405,532	80,506,467	91,412,321
Excess (deficit) of revenues over (under) expenditures before other financing sources (uses)	(1,888,275)	(1,704,236)	(2,276,658)	(4,595,776)	(4,274,824)	(6,449,132)	575,155	(163,842)	(1,067,301)	1,464,777	(5,191,582)
Other financing sources (uses)	311,937	1,539,406	5,261,352	12,559,028	595,606	835,492	430,030	138,810	20,975,731	64,327	-
Total change in fund balance	(1,576,338)	(164,830)	2,984,694	7,963,252	(3,679,218)	(5,613,640)	1,005,185	(25,032)	19,908,430	1,529,104	(5,191,582)
Beginning fund balance	12,431,357	10,855,019	10,690,189	13,674,883	21,638,135	17,958,917	12,345,277	13,543,942	13,091,422	32,999,852	34,528,954
Ending fund balance	\$ 10,855,019	\$ 10,690,189	\$ 13,674,883	\$ 21,638,135	\$ 17,958,917	\$ 12,345,277	\$ 13,350,462	\$ 13,518,910	\$ 32,999,852	\$ 34,528,956	\$ 29,337,372
Ratio of total debt service expenditures to total noncapital expenditures	3.70%	3.62%	3.95%	3.95%	3.95%	4.51%	4.07%	3.68%	2.79%	2.66%	2.31%

Town of Portsmouth, Rhode Island

Statistical Section

Assessed Values and Estimated Actual Values of Taxable Property Last 10 Years

(Unaudited)

Fiscal Year Ended June 30	Residential GAV	Commercial GAV	Tangible Personal Property GAV	Inventory GAV	MV GAV	Less Exemptions	Total Taxable NAV	Tax Rate RP	Tax Rate MV @ 70%	Estimated Actual Gross Taxable Value	Assessed Value as a % of Actual Value
2014	2,904,679,000	294,055,900	58,439,219	-	173,244,400	172,448,628	3,257,969,891	\$14.526/1,000	\$22.50/1,000	3,430,418,519	94.97%
2015	2,714,119,625	294,534,200	59,523,139	-	173,544,462	165,618,254	3,076,103,172	\$15.800/1,000	\$22.50/1,000	3,241,721,426	94.89%
2016	2,733,900,325	305,966,265	60,212,072	-	176,452,095	163,096,751	3,113,434,006	\$15.800/1,000	\$22.50/1,000	3,276,530,757	95.02%
2017	2,758,521,200	299,856,865	63,264,039	-	181,813,760	158,450,875	3,145,004,989	\$16.000/1,000	\$22.50/1,000	3,303,455,864	95.20%
2018	2,966,256,600	310,305,465	67,084,212	-	167,269,965	153,445,319	3,357,470,923	\$15.420/1,000	\$22.50/1,000	3,510,916,242	95.63%
2019	2,974,423,000	306,594,065	72,235,878	-	162,100,902	149,259,788	3,366,094,057	\$15.974/1,000	\$22.50/1,000	3,515,353,845	95.75%
2020	2,925,257,406	301,202,765	77,250,194	-	158,639,126	152,598,860	3,386,067,375	\$16.404/1,000	\$22.50/1,000	3,538,666,234	95.69%
2021	3,403,854,575	309,822,165	96,736,886	-	152,909,753	167,895,933	3,795,427,445	\$15.073/1,000	\$22.50/1,000	3,963,323,378	95.76%
2022	3,422,501,952	309,606,965	127,859,056	-	158,392,051	178,144,509	3,840,215,515	\$15.305/1,000	\$22.50/1,000	4,018,360,024	95.57%
2023	3,448,805,837	309,117,526	140,641,018	-	-	86,496,265	3,812,068,116	\$15.651/1,000	-	3,898,564,381	97.78%
2024	4,362,694,777	415,841,845	135,107,654	-	-	100,913,818	4,812,730,458	\$12.782/1,000	-	4,913,644,276	97.95%

Source: Town of Portsmouth Tax Assessor Office

Town of Portsmouth, Rhode Island

Statistical Section

Principal Taxpayers
Current Year and 10 Years Ago

(Unaudited)

Taxpayer	2014 ROLL			2023 ROLL			
	2015			2024			
	Taxable Assessed Value	Rank	% of Total Taxable Value		Taxable Assessed Value	Rank	% of Total Taxable Value
Carnegie Holdings LLC	\$ 65,277,400	1	2.122	RI Energy/National Grid	\$ 62,440,903	1	1.297
Raytheon Corp	38,680,002	2	1.257	Raytheon Corp	59,455,463	2	1.235
Newport Water	22,687,900	3	0.738	SHM LLC	32,689,306	3	0.679
Northern Waterfront Assoc. LP	18,547,800	4	0.603	Newport Water	23,918,818	4	0.497
National Grid	16,671,594	5	0.542	Aquidneck CC	20,232,075	5	0.420
CA Club Acquisitions I LP	16,044,400	6	0.522	Talaria RE Holdings	18,955,224	6	0.394
TDS Realty	15,549,355	7	0.505	Bay View Holdings	18,824,500	7	0.391
GMH Military Housing	15,183,900	8	0.494	Narragansett Bay Club/Newport E	13,989,230	8	0.291
Talaria RE Holdings	15,093,215	9	0.491	GMH Military Housing	11,791,900	9	0.245
Conlan Rhode Island Acquisitions	8,291,700	10	0.270	Nationwide Health Prop	10,234,061	10	0.213
TOTAL	232,027,266		7.544		\$ 272,531,480		5.662

Source: Town of Portsmouth Tax Assessor Office

2014 ROLL NAV = 3,076,101,632

2023 ROLL NAV = 4,812,730,458

Town of Portsmouth, Rhode Island

Statistical Section

Property Tax Levies and Collections

Last 10 Years

(Unaudited)

Fiscal Year Ended	Taxes	Collection within the Fiscal Year of the Levy		Total Collections to Date as of 6/30/2023	
			Percentage		Percentage
2013	46,892,536	45,436,722	96.90%	46,813,427	99.83%
2014	48,021,888	46,165,831	96.13%	47,901,430	99.75%
2015	49,187,965	47,811,260	97.20%	47,910,226	97.40%
2016	49,815,131	48,589,909	97.54%	48,668,559	97.70%
2017	50,971,055	49,443,601	97.00%	49,507,232	97.13%
2018	52,436,990	50,871,776	97.02%	50,936,258	97.14%
2019	54,365,635	53,035,757	97.55%	53,089,938	97.65%
2020	56,047,236	54,036,889	96.41%	55,377,532	98.81%
2021	57,734,217	56,614,437	98.06%	57,689,331	99.92%
2022	59,257,906	58,209,310	98.23%	59,196,376	99.90%
2023	59,662,963	58,613,450	98.24%	59,585,735	99.87%
2024	62,101,236	60,921,502	98.10%	60,921,502	98.10%

Source: Town of Portsmouth Tax Assessor Office

Town of Portsmouth, Rhode Island

Statistical Section

Legal Debt Margin Information

Last 10 Years

(Unaudited)

Fiscal Year June 30	Governmental Activities		Business-type Activities			Total	Percentage of Personal Income	Personal ^{1,3} Income	Net Bonded Debt per Capita	Population ^{1,2}	Taxable Assessed Value	Net Bonded Debt as % of Taxable Assessed Value
	General Obligation Bonds	RIHEBC	Leases	Wind Turbine, Transfer Station & Septic Loan								
2014	8,094,182	4,880,000	-	1,926,325	14,900,507	0.3015%	44,920	862	17,293	3,257,969,891	0.4574%	
2015	7,898,655	4,380,000	-	1,692,439	13,971,094	0.3215%	44,920	808	17,293	3,076,103,172	0.4542%	
2016	10,413,426	3,685,000	564,798	628,574	15,291,798	0.2938%	44,920	883	17,315	3,113,434,006	0.4912%	
2017	21,437,532	3,195,000	978,110	529,468	26,140,110	0.1660%	43,386	1,510	17,315	3,145,004,989	0.8312%	
2018	20,269,465	2,705,000	1,177,422	648,044	24,799,931	Unavailable	Unavailable	1,432	17,315	3,357,470,923	0.7386%	
2019	18,829,400	2,010,000	1,452,135	592,205	22,883,740	0.2213%	50,636	1,319	17,344	3,366,094,057	0.6798%	
2020	17,030,332	1,860,000	207,435	339,668	19,437,435	0.2700%	52,483	1,128	17,226	3,538,666,234	0.5493%	
2021	15,471,268	1,460,000	1,189,459	279,732	18,400,459	0.3197%	58,835	1,030	17,871	3,963,323,378	0.4643%	
2022	14,407,000	20,570,000	1,541,482	219,800	36,738,282	0.1497%	54,981	2,069	17,754	4,018,360,024	0.9143%	
2023	13,208,134	20,295,000	844,973	159,866	34,507,973	0.1593%	54,981	1,954	17,659	3,898,564,381	0.8851%	
2024	12,489,066	19,710,000	728,767	99,934	33,027,767	0.1951%	64,438	1,893	17,447	4,913,644,276	0.6722%	

¹ US Census Bureau

² RI Department of Planning

³ RI Department of Labor & Training

Town of Portsmouth, Rhode Island

Statistical Section

Legal Debt Margin Information

Last 10 Years

(Unaudited)

Legal Debt Margin Information

Last Ten Fiscal Years

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Total Assessed Value	\$ 3,257,969,891	\$ 3,076,103,172	\$ 3,113,434,005	\$ 3,145,004,989	\$ 3,366,696,071	\$ 3,366,094,057	\$ 3,386,067,375	\$ 3,795,427,445	\$ 3,840,215,515	\$ 4,812,730,458	\$ 4,851,261,276
RI General Law Debt Limitation as % of Assessed Value	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Debt Limit	97,739,097	92,283,095	93,403,020	94,350,150	101,000,882	100,982,822	101,582,021	113,862,823	115,206,465	144,381,914	145,537,838
Total Debt Applicable to Limit General Obligation Bonds	14,900,507	13,971,094	14,727,000	25,162,000	23,622,509	21,431,605	21,504,870	17,211,000	35,196,800	33,663,000	32,291,881
Legal Debt Margin	\$ 82,838,590	\$ 78,312,001	\$ 78,676,020	\$ 69,188,150	\$ 77,378,373	\$ 79,551,217	\$ 80,077,151	\$ 96,651,823	\$ 80,009,665	\$ 110,718,914	\$ 113,245,957
Total Net Debt Applicable to the Limit as % of Debt Limit	17.99%	17.84%	18.72%	36.37%	30.53%	26.94%	26.86%	17.81%	43.99%	30.40%	28.51%

Town of Portsmouth, Rhode Island

Statistical Section

Demographic and Economic Statistics

Last 10 Years

(Unaudited)

Fiscal Year June 30	Population ¹	School Enrollment ³	Poverty Population***			Per Capita Income***		Unemployment Rate**		
			Portsmouth ¹	RI ¹	US ¹	Portsmouth ^{1,2}	RI ¹	Portsmouth ²	RI ²	US ⁴
2014	17,446	2,658	1,331	144,446	48,810,868	44,821	30,748	8.50%	9.30%	7.40%
2015	17,457	2,647	1,355	145,596	48,208,387	44,920	30,830	7.20%	7.70%	6.20%
2016	17,416	2,532	1,003	141,035	46,153,077	44,920	30,765	5.60%	6.00%	5.30%
2017	17,431	2,445	Unavailable	129,932	44,268,996	44,920	33,008	4.70%	5.20%	4.90%
2018	17,433	2,464	Unavailable	118,367	42,583,651	Unavailable	Unavailable	3.90%	4.40%	4.40%
2019	17,311	2,464	Unavailable	131,205	41,852,315	Unavailable	34,619	3.60%	4.00%	3.90%
2020	17,226	2,421	937	110,244	39,490,095	52,483	34,619	3.20%	3.60%	3.70%
2021	17,871	2,510	1,034	115,491	37,419,306	55,858	36,121	5.30%	5.80%	6.10%
2022	17,754	2,262	870	126,971	41,393,176	54,981	39,603	3.38%	4.08%	4.19%
2023	17,659	2,281	865	118,123	40,951,625	54,981	39,603	2.70%	2.90%	3.60%
2024	17,447	2,147	855	118,363	37,175,553	60,121	43,324	3.40%	4.30%	4.10%

¹ US Census Bureau

² RI Department of Labor & Training

³ Portsmouth School Department

⁴ US Bureau of Labor Statistics

** Not seasonally adjusted, annual average

*** Estimated by the US Census Bureau

<https://dlt.ri.gov/documents/pdf/lmi/portsmouth.pdf>

<https://dlt.ri.gov/documents/pdf/lmi/riunadj.pdf>

<https://dlt.ri.gov/documents/pdf/lmi/usunadj.pdf>

Town of Portsmouth, Rhode Island

Statistical Section

Full -Time Employees Equivalent by Town Department

Last 10 Years

(Unaudited)

	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
General Government:											
Council	7	7	7	7	7	7	7	7	7	7	7
Administration	2	2	2	2	2	2	2	2	2	2	2
Town Clerk	3	3	2	3	4	4	3	4	4	4	4
Canvassing	1	1.5	1.5	1.5	2	2	2	2	2	2	2
Finance/Personnel	5	5	5	5	5	5	5	6	6	6	5
Tax Assessment/Collection	4	5	5	5	5	5	5	4	4	4	4
Planning and Development	1.5	1.5	2.5	3.5	4	4	4	4	4	4	4
Building Inspection/Zoning	2.5	3	3	2	3	3	3	3	3	3	3
Total General Government	26	28	28	29	32	32	31	32	32	32	31
Public Safety:											
Police	31	30	33	34	36	36	36	39	39	39	39
Harbormaster	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Prudence Island Public Safety	1	1	1	1	1	1	1	1	1	1	1
Animal Control	1	1	1	1	1	1	1	1	1	1	1
Fire	35	34	34	35	36	36	38	47	47	47	47
Total Public Safety	68.5	66.5	69.5	71.5	74.5	74.5	76.5	88.5	88.5	88.5	88.5
Public Health:											
Public Works	16	16	16	15	19.5	19.5	18.5	18.5	18.5	18.5	19.5
Total Public Health	16	16	16	15	19.5	19.5	18.5	18.5	18.5	18.5	19.5
Public Welfare:											
Parks and Recreation	5	5	5	12	9	9	9	9	9	9	10
Total Public Welfare	5	5	5	12	9	9	9	9	9	9	10
Public Education:											
Teachers	219.9	223	210	210	220	217.4	224	218	217.9	217.9	229
Pupil Support	101.6	103	75	75	75	88	86	89	98.2	98.2	92
Executive and Administrative	15	16	16	16	16	14.5	15.5	16	15	15	14
Total Public Education	336.5	342	301	301	311	319.9	325.5	323	331.1	331.1	335
Total	452	457.5	419.5	428.5	446	454.9	460.5	471	479.1	479.1	484

Source: Town of Portsmouth Finance & Personnel Office/Human Resources Dept.

Town of Portsmouth, Rhode Island

Statistical Section

Operating Indicators by Function

Last 10 Years

(Unaudited)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Government:											
Building permits issued	612	535	788	803	755	690	832	938	1024	959	1114
Number of inspections made	2,304	2,210	2,188	1,416	1,827	1,886	2,021	2,537	2,839	3,402	3,562
Town Clerk:											
Number of transactions											
Beverage licenses	32	35	35	35	35	35	29	31	30	34	34
Dog licenses	1,651	1,652	1,584	1,714	1,735	1,675	1,427	1,733	1,477	1,462	1,450
Other licenses	213	209	191	143	143	253	246	260	83	311	380
Vital records	1,372	1,050	1,038	1,138	1,082	1,014	706	704	1,194	953	1,073
Land evidence	3,631	4,227	4,145	4,532	4,830	4,532	4,720	6658	5,224	3,529	3,299
Probate cases	100	92	105	157	153	93	178	124	98	111	102
Public Safety:											
Number of police personnel and officers											
	31	30	35	34	34	38	38	38	38	38	39
Number of arrests	586	714	798	745	511	532	695	946	974	559	442
Number of parking violations	47	74	118	43	66	38	374	143	66	76	123
Number of traffic violations	2,344	1,987	3,128	3,500	5,911	8,018	8,885	9,320	9,618	7,854	8,530
Number of fatal car crashes	1	-	-	1	1	1	-	-	-	2	-
Number of motor vehicle accidents	159	159	147	153	527	456	499	380	452	468	478
Number of paid firefighters	35	34	35	35	35	35	34	47	47	47	47
Number of fire emergency responses	755	679	629	643	909	946	1,021	1198	1,016	1,069	1,240
Number of fires extinguished	134	88	34	32	39	49	64	98	101	108	116
Number of ambulance calls	1,884	1,924	2,057	2,211	2,010	2,274	2,004	2033	2,091	2,405	2,390
Number of fire inspections											
Number of school crossing guards											
Public Works:											
Number of streets paved											
	26	27	20	17	15	7	8	18	21	13	12
Inches of snow removed (accumulative)	50	69	31	41	46	21.1	12.9	32.5	34	9.1	12.7
Tons collected and disposed:											
Solid waste											
Metal (tons)	3,955	4,327	4,145	4,404	3,091	1,863	1,616	1,578	1,432	1,368	1,199
Mattress (each)							113	72	135	130	135.7
Tires (each)							13	29	29	22	21
Metal, Mattress, Tires	189	211	182	1,029	1,029	147	150	195	134	154	160
Recyclable	2,134	1,981	1,257	1,101	1,304	1,137	898	874	815	723	626
Number of Christmas trees pickup	1,433	1,390	1,355	1,330	1,147	1,407	1,387	1,481	1,135	1,145	1,400
Wastewater											
Catch basins cleaned	2,750+	2,750+	2,750+	2,750+	2,750+	2,750+	2,750+	2,750+	2,750+	2,750+	2,750+
Emergency calls											
Number of new street signs	41	145	60	80	80	28	88	44	47	33	22

Source: Various Town Departments

<http://www.city-data.com>

Town of Portsmouth, Rhode Island

Statistical Section

Capital Asset Statistics by Function

Last 10 Years

(Unaudited)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Government:										
Number of general government buildings	1	1	1	1	1	1	1	1	1	1
Public Safety:										
Number of Police Stations	1	1	1	1	1	1	1	1	1	1
Number of Fire Stations	1	1	1	1	1	1	1	1	1	1
Public Works:										
Number of Public Works buildings	2	2	2	2	2	2	2	2	2	2
Number of Transfer Station	1	1	1	1	1	1	1	1	1	1
Miles of streets	111	111	111	111	111	111	111	111	111	111
Miles of storm water drains	49	49	49	49	49	49	49	49	49	49
Water:										
Miles of water mains	130+	130+	130+	130+	130+	130+	130+	130+	130+	130+
Number of fire hydrants	578	581	581	581	581	581	581	581	581	581
Recreations and Parks:										
Number of parks and recreation facilities	17	17	17	17	22	22	22	24	24	24
Acres of parks and recreation facilities	355	355	355	355	386	386	386	386	386	386

Source: Various Town Departments

<http://www.city-data.com>

<http://www.portsmouthwater.org>

CERTIFIED PUBLIC ACCOUNTANTS

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Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

To the Honorable Members of the Town Council
Town of Portsmouth, Rhode Island

We have audited, in accordance with the 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, the financial statements of the Town of Portsmouth, Rhode Island (Town), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements, and have issued our report thereon dated December 19, 2024.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Town's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Hague, Sahady & Co., CPA's, P.C.

Fall River, Massachusetts
December 19, 2024