

TOWN OF NARRAGANSETT, RHODE ISLAND
Annual Financial Statements
For the Fiscal Year Ended
June 30, 2024

Christine Wilson
Finance Director

Prepared by: Finance Department

INTRODUCTORY SECTION

THIS SECTION CONTAINS THE FOLLOWING:

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- **Letter of Transmittal**
- **Town of Narragansett Organizational Chart**
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ANNUAL FINANCIAL STATEMENTS
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TOWN OF NARRAGANSETT
Town Hall • 25 Fifth Avenue • Narragansett, RI 02882
www.narragansettri.gov

Finance Department
Tel. (401) 782-0648 Fax (401) 788-2555

January 28, 2025

To the Citizens of the Town of Narragansett:

The annual comprehensive financial report of the Town of Narragansett, Rhode Island, for the fiscal year ended June 30, 2024, is hereby submitted as mandated by both state statutes and the Town Charter. State laws require that all general-purpose local governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with Generally Accepted Accounting Principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants licensed to practice in the State of Rhode Island.

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

The Town of Narragansett's financial statements have been audited by Bacon and Company CPAs, LLC, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Town of Narragansett for the fiscal year ended June 30, 2024, are free of material misstatement. The independent audit involved examining on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the Town of Narragansett's financial statements for the fiscal year ended June 30, 2024, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the Town of Narragansett was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor

agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are included in a separate Single Audit report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The Town of Narragansett's MD&A can be found immediately following the report of the independent auditors.

PROFILE OF THE GOVERNMENT

The Town of Narragansett, incorporated as a town on March 28, 1901, is situated in Washington County, on the southeastern coast of the State of Rhode Island, approximately 30 miles south of Providence. It is bounded by Narragansett Bay and the Atlantic Ocean on the east; by the Atlantic Ocean on the south; by the Town of South Kingstown on the west; and the Town of North Kingstown on the north. The total area of the community is 18.3 square miles, which includes 4.4 square miles of inland water. The year-round population of the Town decreased from 15,686 persons counted in the 2010 census to 14,532 in the 2020 census. The actual population served is estimated to be approximately 10,000 persons higher with summer rentals and University of Rhode Island student and faculty rentals. The unemployment rate, as of June 2024, for the Town was 3% as reported in the Local Area Unemployment Statistics (LAUS) report, a product of the RI Department of Labor and Training.

Government

The Town operates under a charter form of government, which provides for a five-member elected Town Council which is responsible for enacting local legislation; and an appointed Town Manager who executes the laws and the administration of the town government. The Town has a home-rule charter and operates under the Council-Manager form of government. The Town Council is elected by popular vote every two years and is responsible for, among other things, passing ordinances, adopting a budget, appointing committees, and hiring both the Town Manager and Town Solicitor. The Town Manager is responsible for carrying out the policies of the Town Council, for overseeing the day-to-day operations of the Town, and for appointing all other employees, except for School Department personnel.

The Town provides a full range of municipal services including public safety protection, the repair and maintenance of highways, streets, and other infrastructure, libraries, recreational activities, planning and zoning, education and administrative services. In addition, the Town operates water, wastewater, the Town Beach and the Middlebridge Recreation Area.

The annual budget serves as the foundation for the Town's financial planning and control. The Town Council is granted all powers to enact, amend or repeal ordinances relating to the Town's property, affairs and government as well as the authorization of the issuance of bonds or notes by ordinance, except that no bonded indebtedness may be incurred pledging the credit of the Town in excess of 1.5% of the budget in any one fiscal year unless submitted to a vote of the electors at either a general or special election and approved by a majority of the electors voting at said election.

Education

The general administration of the Narragansett School System is directed by a five-member School Committee that is elected at large at the regular biennial elections for staggered four-year terms. The School Committee determines and controls all policies affecting the administration, maintenance, and operation of the public schools in the Town. The School Committee appoints a Superintendent as its chief administrative agent; submits a detailed budget of expenditures and revenue to the Town Council and, once the school budget has been approved, determines the allocation of the amount appropriated. The cost of operating the Town's School System for the fiscal year ended June 30, 2024 was \$33,217,907. The School Department budget for fiscal year ended June 30, 2024 was \$36,256,122 and the budget for fiscal year ending June 30, 2025 is \$36,883,828. The budgeted cost per student in the fiscal year ending June 30, 2024 was \$32,285 shared by the Town and the State of Rhode Island in the form of School Operations Aid. The Town has one elementary school, one middle school and one high school. As of October, at the beginning of each school year, the student enrollment in the Narragansett School System for the past four years has been and is projected to be as follows:

Fiscal Year Ending	Actual Enrollment	Fiscal Year Ending	Projected Enrollment
2021	1,267	2025	998
2022	1,248	2026	868
2023	1,187	2027	857
2024	1,123	2028	847

Municipal Services

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

Wastewater Facilities

The Town has 20 sewage pumping stations (including Scarborough WWTF influent pump station and 19 remote pump station locations) and approximately 90 miles of sanitary sewers. Service for the southern portion of Narragansett, including the commercial fishing port of Galilee, is provided at the Town-owned Scarborough Wastewater Treatment Facility, a 1.4 million gallon per day (MGD) extended aeration plant. The South Kingstown Regional Treatment Facility provides wastewater treatment for the Pier area and the northern portion of the Town. Approximately 6,782 sewer accounts are serviced by the Town. The annual rate for residential users (without excess usage) was \$484 per unit in FY24. The Wastewater Division operates as an enterprise fund, with all operations funded from user fees and assessments. The Regional WWTF previously constructed upgrades of original plant equipment and facilities. The Intermunicipal Agreement requires non-operating partners (Narragansett and URI) to pay the managing regional partner (South Kingstown) for capital repairs upon award of a construction contract or otherwise agreed to but prior to completion of the work. South Kingstown issued an invoice for capital projects in June 2024, including a \$16,848.90 credit for 'true ups' to prior payments to reflect the actual final cost of the completed work, a \$21,968.74 charge for additional work amended to the completed construction, and a \$6,872.00 credit for work omitted from the completed construction. The net invoice amount results in a \$1,752.16 credit to be applied to the Regional WWTF capital projects account.

Water Facilities

The Town's Water Division is responsible for the treatment (i.e. chlorine injection) and conveyance of potable water for domestic, commercial, industrial and fire protection uses. All water used within the Town's system is purchased from Veolia Rhode Island (formerly SUEZ Water Rhode Island, a private company), or the Town of North Kingstown. In addition to its

operational and maintenance activities related to the Town's water storage, transmission and conveyance systems and infrastructure, the Division provides technical assistance to the Town in reviewing water related plans or regulations. The Town owns, operates and maintains three water storage tanks, with a combined capacity of two million gallons, and approximately 78 miles of water mains. Approximately one-half of the Town's populated area (representing 5,362 accounts) is served by the Town water system, while service to the remaining citizens is provided directly by Veolia Rhode Island. The annual rate (5/8" meter account without excess usage) was \$357 in FY24 for Town water system customers. The Water Division operates as an enterprise fund, with all operations funded from user fees and assessments.

Public Works

The Town's Public Works Department provides a full range of services including street constructions/maintenance, snow removal and maintenance of Town property and vehicles. The Public Works Department expended \$3,398,132 for fiscal year ended June 30, 2024, and budgeted \$3,772,806 and \$4,030,370 for the fiscal years ending June 30, 2024 and 2025, respectively.

Public Safety

Services include fire prevention, emergency medical rescue, police patrol, investigations, community education, dispatching, harbor patrol and animal control functions. The Narragansett Police Department has a force that consists of 56 full-time police officers and other support personnel. The Police Department expended \$10,235,762 for fiscal year ended June 30, 2024 and budgeted \$10,543,874 and \$10,924,531 for the fiscal years ending June 30, 2024 and 2025, respectively. The Town has three fire stations staffed by 44 full-time fire fighters, an increase due to the additional 8 Firefighters hired through the federal Staffing For Adequate Fire and Emergency Response (SAFER) grant. The Fire Department expended \$7,180,920 for fiscal year ended June 30, 2024 and budgeted \$6,947,651 and \$7,555,917 for the fiscal years ending June 30, 2024 and 2025, respectively. The overage in FY 2024 was mainly due to higher-than-expected overtime and retirement disbursements for the Fire Department. The shortfall in expenditures for the Police Department was due to the difficulties encountered with hiring new Police Officers.

Employee Relations

As of June 30, 2024, the Town employs 184 full-time employees exclusive of those employed by the School Department. The School Department employs 144.3 teachers, 27 aides and approximately 73.9 support and administrative staff.

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

Police Department - 3 year contract expires June 30, 2025

Public Works & Municipal Clerical - 3 year contract expires June 30, 2026

Fire Department - 3 year contract expires June 30, 2024, currently in negotiations.

Municipal Middle Management – 3 year contract expires June 30, 2026.

Teachers - 3 year contract expires August 31, 2025

School Dept. Non-Certified - 3 year contract expires June 30, 2025

Retirement Programs

The Town has a contributory pension plan covering substantially all of its employees. The retirement plans for policemen and municipal employees are administered by Town officials. The retirement plan for teachers is administered by the State of Rhode Island Retirement Board.

The Town Plan

The Town contributes to the Town Plan, a single employer public employee retirement plan

established in accordance with the Town Charter. The Plan is considered part of the Town's financial reporting entity and is included in the Town's annual financial report. All permanent, regular and probationary status employees who work for at least five months of a year and for at least twenty hours per week are eligible to participate in the Town Plan, a single-employer defined benefit pension plan, except as follows: School System employees who have been, are, or will be eligible for membership in the Employees' Retirement System of Rhode Island and any police officer covered under the Police Plan who has refused to join the Town Plan. The Town Plan was established by the Town in accordance with Town Ordinance. The Town Plan is included in the Town's financial statements as a pension trust fund.

Police Plan

The Town contributes to the Police Plan, a single-employer public employee retirement plan. The Police Plan is considered part of the Town's financial reporting entity and is included in the Town's annual financial report as a pension trust fund. There are no active participants, and the Police Plan is closed to new entrants. All members of the permanent Police Force who were hired prior to July 1, 1978 and refused the September 1984 offer to join the Town Plan were eligible to participate in the Police Plan. All other policemen are covered by the Town Plan.

School Teachers' Retirement Plan

Town certified school personnel participate in the Rhode Island Retirement System, a statutory, mandatory, statewide, cost-sharing, multi-employer defined benefit plan, which first covered State teachers on July 1, 1949. This Teacher's Retirement System is administered as a unified statewide system by the State Retirement Board, the composition of which is set forth in the pertinent State statute. The assets are held in the custody of the State Treasurer as an undivided single fund.

Defined Contribution Plan for ERSRI Participants

The Rhode Island Retirement Act of 2011 changed the defined benefit plan to a hybrid plan which includes a defined contribution plan. The State selected TIAA-CREF to administer the plan. Certain employees in ERSRI are required to participate. ERSRI employees contribute 5% of their annual salary into the defined contribution plan, and the Town must contribute between 1% and 1.5% of salary. Participants have a selection of investments options chosen by the State and provided by TIAA-CREF.

Other Post-Employment Benefits

Town Plan

The Town administers a single-employer, defined benefit post-employment benefit plan. The plan provides medical, dental and life insurance for eligible retirees and their dependents through the Town's group insurance plans, which cover both active and retired members. Benefit provisions are established and amended by the union contracts through negotiations between the Town and the respective unions or as established by the Town Ordinance for non-union employees. On August 1, 2011 the Town Council authorized the creation of an OPEB Trust Fund. As such, the plan has been reported as a Trust Fund in the Town's financial statements since fiscal year 2013.

School Plan

The Narragansett School System administers a single-employer, defined benefit post-employment benefit plan. The plan provides medical, dental and life insurance for eligible retirees and their dependents through the School System's group insurance plans, which cover both active and retired members. Benefit provisions are established and amended by the union contracts through negotiations between the School System and the respective unions or as

established by employee contract for non-union employees.

Long-term capital financial planning. As a part of the annual budget process, the Town Manager prepares and presents a capital improvement plan. This plan identifies costs and financing methods for those capital projects that the Town anticipates funding over the next six years. The plan provides for the needs of the general government and addresses such issues as infrastructure, major equipment replacement, school facilities where bonding is required, public safety, recreation and open space purchases. Other school capital planning is completed for a five-year plan and is reviewed with the school annual operating budget process.

Cash management policies and practices. It is the policy of the Town to invest funds in a manner which will provide the highest investment return, with the maximum amount of security while meeting the daily cash flow needs of the Town and conforming to all state statutes governing the investment of municipal funds. In 2022, the Town adopted an Operating Fund Investment Policy Statement. Cash temporarily idle during the year was invested in insured cash sweep accounts, CDAR's, certificates of deposit, obligations of the U.S. Treasury and money market mutual funds. In addition, some trust funds held corporate stocks and bonds in their investment portfolios. Investment income includes appreciation in the fair value of investments. Increases or decreases in fair value during the current year, however, do not necessarily represent trends that will continue; nor is it always possible to realize such amounts, especially in the case of temporary changes in the fair value of investments that the government intends to hold to maturity.

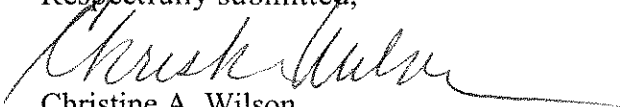
Risk management. The Town is a member of the Rhode Island Inter-Local Risk Management Pool. The cooperative pool was formed in 1986 to address the insurance needs of Rhode Island municipalities. Narragansett became a member on July 1, 1988. The pool provides all property, liability and worker's compensation insurance policies for the Town. Property and liability claims are subject to a \$2,500 deductible apart from public officials' liability claims, which are subject to a \$5,000 deductible. The pool's self-insured retention levels range from \$10,000 to \$1,000,000 depending on the type of coverage provided. In addition to the self-insurance provided by the pool, there is also reinsurance through third party sources for claims up to \$5,000,000. In addition to the insurance coverage provided, the pool also provides various educational and training seminars to promote safety training and loss control efforts.

ACKNOWLEDGEMENTS

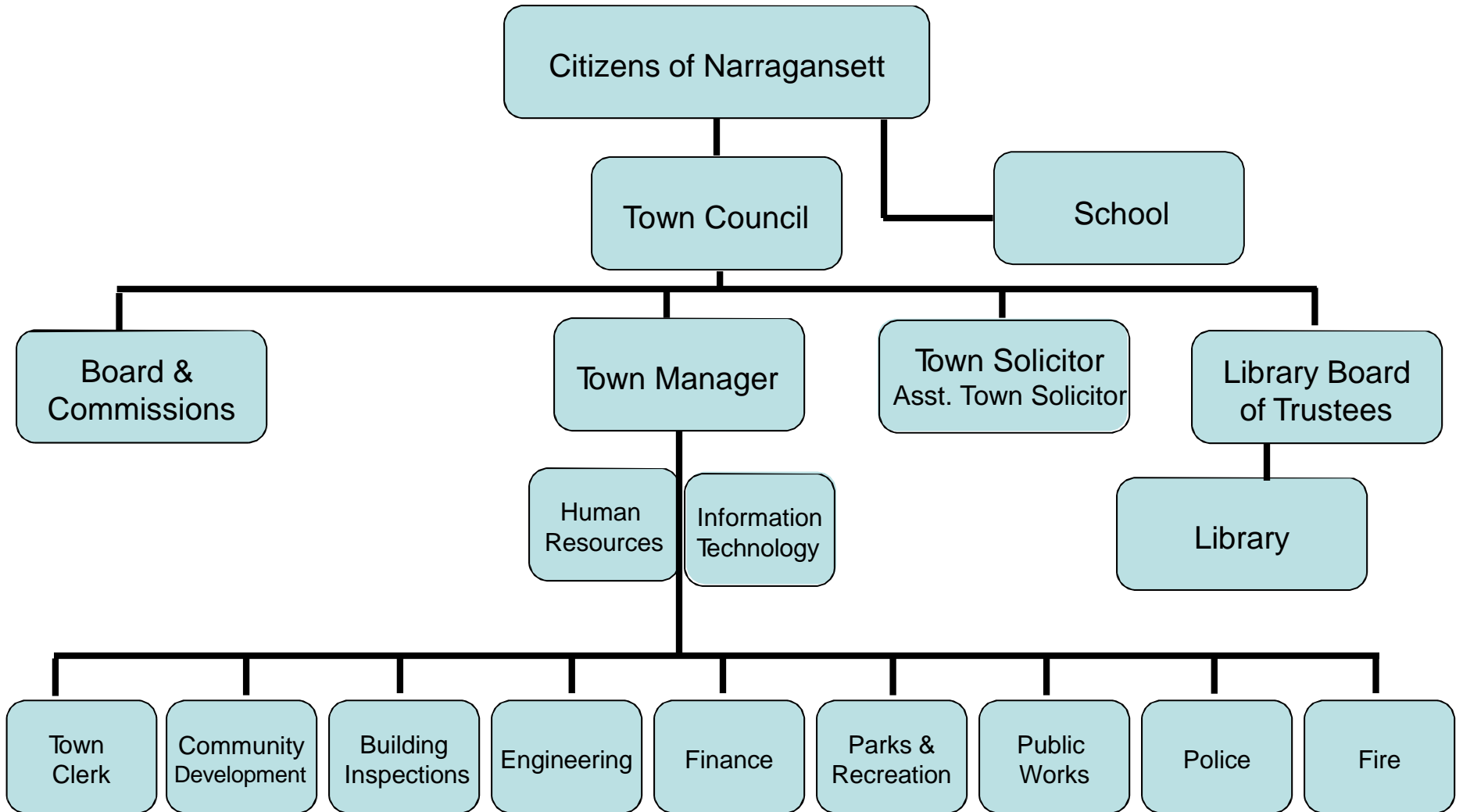
The preparation of this report was made possible by the efficient and dedicated services of the Controller, Matthew LeValley, and the entire staff of the Finance Department. I sincerely appreciate their efforts in assisting me with preparing this annual comprehensive financial report.

In closing, I would like to express my appreciation to the Town Manager, James Tierney and the Town Council for their interest and support in planning and conducting the financial operations of the Town in a responsible and progressive manner.

Respectfully submitted,


Christine A. Wilson
Finance Director

Governmental Organization



TOWN OF NARRAGANSETT, RHODE ISLAND
LIST OF ELECTED AND APPOINTED OFFICIALS

JUNE 30, 2024

Elected Officials

Council President	Ewa Dzwierzynski
President Pro Tempore	Jill Lawler
Council Member	Susan Cicilline-Buonanno
Council Member	Steven Ferrandi
Council Member	Deborah Kopech
School Committee, Chairperson	Tammy McNeiece
School Committee, Vice-Chairperson	Alexander Menzies
School Committee, Member	Diane S. Nobles
School Committee, Member	Justin Skenyon
School Committee, Member	Jennifer Armstrong

Appointed Officials

Town Manager	James Tierney
Town Solicitor	Mark Davis
Assistant Town Solicitor	Stephen Marsella
Finance Director	Christine A. Wilson
Town Clerk	Sarah Masson
Town Engineer	Jonathan S. Gerhard
Police Chief	Sean P. Corrigan
Fire Chief	Scott M. Partington
Public Works Director	Stephen Daignault
Parks & Recreation Director	Michelle Kershaw
Community Development Director	Jill Sabo
Building Official	Wayne Pimental
Human Resources Manager	Patricia Roosa
Town Controller	Matthew C. LeValley
Tax Assessor	Erin Jacobs
Tax Collector	Stacy Gorman
Purchasing Agent	Susan W. Gallagher
Library Director	Patti A. Arkwright
Superintendent of Schools	Peter J. Cummings, Ed.D
Director of Finance, School Department	Karen M. Hagan CPA

FINANCIAL SECTION

THIS SECTION CONTAINS THE FOLLOWING:

- **Independent Auditor's Report**
- **Management Discussion and Analysis**
- **Basic Financial Statements**
- **Required Supplementary Information**
- **Other Supplementary Information**

Bacon & Company^{LLC}

CERTIFIED PUBLIC ACCOUNTANTS

875 Centerville Road, Building 3, Unit 10 • Warwick, RI 02886
(401) 586-6565 • Fax (401) 826-1710
www.baconcpas.com

Independent Auditor's Report

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

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Narragansett, Rhode Island, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Town of Narragansett, Rhode Island's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Narragansett, Rhode Island, 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 (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town of Narragansett, Rhode Island 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 of Narragansett, Rhode Island'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 GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town of Narragansett, Rhode Island'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 of Narragansett, Rhode Island'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, and supplementary pension and other postemployment benefit information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Narragansett, Rhode Island's basic financial statements. The combining nonmajor fund financial statements, the combining fiduciary fund financial statements, the Annual Supplemental Transparency Report (MTP2), and other supplementary information are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining nonmajor fund financial statements, the combining fiduciary fund financial statements, the Annual Supplemental Transparency Report (MTP2), and other supplementary information 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 January 28, 2025 on our consideration of the Town of Narragansett, Rhode Island's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 of Narragansett, Rhode Island's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Town of Narragansett, Rhode Island's internal control over financial reporting and compliance.

Bacon & Company CPAs, LLC

Warwick, Rhode Island
January 28, 2025

MANAGEMENT'S DISCUSSION AND ANALYSIS

As Finance Director for the Town of Narragansett (the Town), the following narrative overview and analysis of the financial activities of the Town for the fiscal year ended June 30, 2024 (FY 2024) has been prepared. The Town administration encourages all to consider the information presented herein in conjunction with the additional information furnished in the *Letter of Transmittal*, which can be found at the beginning of this report.

Financial Highlights

At the end of the current fiscal year, the total fund balance for the General Fund was \$28,352,967 or 41.2% of the total 2024 budgeted revenues. This is an increase of \$1,342,018 from the prior year restated fund balance.

The total unassigned fund balance of the General Fund is \$15,363,276 or 22.3% of the total 2024 budgeted revenues. This is an increase of \$2,224,126 from the prior year restated unassigned fund balance.

The total assigned, committed, restricted or nonspendable fund balance of the General Fund is \$12,989,691. This this is a decrease of \$882,108 from the prior year total assigned, committed, restricted or nonspendable fund balance.

The Town General Fund ended the fiscal year 2024 with a budgetary operating surplus of \$1,338,191 with zero use of Unassigned Fund Balance.

As reported in the government wide financial statements, the assets and deferred outflows of resources of the Town of Narragansett exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$61,802,885. The Town's capital asset base has been developed from both the current operations and debt. The Town has recorded its property and equipment at original values in order to insure proper asset management.

The Town's total net position increased by \$9,553,290 for the fiscal year ended June 30, 2024.

Overview of the Financial Statements

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

1. 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.
 - a. *Statement of Net Position*: This statement presents information on all of the Town's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference between the two reported as *net position*. Increases or decreases in net position may serve as a useful indicator of an improving or deteriorating financial position.

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

Overview of the Financial Statements (Continued)

- b. *Statement of Activities*: This statement presents information showing how the government's net position changed during the reporting period. 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 (such as uncollected taxes and earned but unused personnel leaves).
- c. 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 their costs through user fees and charges (*business-type activities*). The governmental activities of the Town include general government, education, public safety, public works and highway, community development and recreation. The business-type activities of the Town include Water, Sewer, Beach and the Middlebridge Recreation Fund operations.

The government-wide financial statements can be found on pages 15 and 16 of this report.

2. 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 may be divided into three categories: governmental funds, proprietary funds and fiduciary funds.
 - a. *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. This information may be helpful in evaluating the Town's near-term financing requirements.

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

Funds are classified as "major" and "nonmajor." Data from major governmental funds is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures and changes in fund balances. Data from the nonmajor funds is combined into a single, aggregated presentation. Individual fund data

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

Overview of the Financial Statements (Continued)

for each of these nonmajor governmental funds is provided in the form of *combining statements* and can be found on pages 109-116 of this report.

The Town adopted annual budgets for its General Fund, Water Fund, Sewer Fund, Beach Fund, and Middlebridge Recreation Fund. The School Committee adopts a budget for the operation of the Town's three schools. Budgetary comparison statements have been provided for the General Fund to demonstrate compliance with this budget.

The basic governmental funds financial statements can be found on pages 17-20 of this report.

- b. *Proprietary Funds*: The Town maintains two types of proprietary funds.

Enterprise Funds are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The Town uses enterprise funds to account for its Water, Wastewater, Middlebridge Recreation and Beach operations.

Internal Service Funds are used to report activities that provide supplies and services for the Town's other programs and activities. The Town uses the Internal Service Fund to account for the self-insured healthcare program.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water, Wastewater, Middlebridge Recreation and Beach operations, all of which are considered to be major funds of the Town.

The proprietary fund financial statements can be found on pages 21-24 of this report.

- c. *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 fiduciary fund financial statements can be found on pages 25-26 of this report.

3. 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 pages 27-84 of this report.

MANAGEMENT’S DISCUSSION AND ANALYSIS (CONTINUED)

Overview of the Financial Statements (Continued)

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information comparing budget to actual revenues and expenditures for the General Fund, and concerning the Town’s progress in funding its obligations to provide pension and other postemployment benefits to its enrolled employees. Required supplementary information can be found on pages 85-108 of this report.

Government-wide Financial Analysis

Net Position: As noted earlier, net position may serve over time as a useful indicator of a government’s financial position. In the case of the Town, the government-wide assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$61,802,885 at the close of this reporting period.

The Town’s net position consists principally of its investment in capital assets (that is, land, buildings, machinery and equipment); less any related debt used to acquire those assets that are still outstanding. The Town uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town’s investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Town of Narragansett’s Net Position

	Governmental Activities		Business-type Activities		Total	
	2024	2023 restated (1)	2024	2023	2024	2023 restated (1)
Current and other assets	\$ 51,803,327	\$ 52,654,714	\$ 12,418,737	\$ 11,430,448	\$ 64,222,064	\$ 64,085,162
Capital assets	\$ 108,671,173	\$ 103,910,311	\$ 30,808,141	\$ 31,369,931	\$ 139,479,314	\$ 135,280,242
Total assets	\$ 160,474,500	\$ 156,565,025	\$ 43,226,878	\$ 42,800,379	\$ 203,701,378	\$ 199,365,404
Deferred outflows of resources	\$ 9,844,097	\$ 20,719,703	\$ -	\$ -	\$ 9,844,097	\$ 20,719,703
Current liabilities	\$ 11,411,335	\$ 13,371,076	\$ 843,744	\$ 706,094	\$ 12,255,079	\$ 14,077,170
Noncurrent liabilities	\$ 127,917,677	\$ 140,267,313	\$ 775,079	\$ 965,522	\$ 128,692,756	\$ 141,232,835
Total liabilities	\$ 139,329,012	\$ 153,638,389	\$ 1,618,823	\$ 1,671,616	\$ 140,947,835	\$ 155,310,005
Deferred inflows of resources	\$ 10,379,453	\$ 12,008,650	\$ 415,302	\$ 516,857	\$ 10,794,755	\$ 12,525,507
Net position:						
Net investment in capital assets	\$ 79,326,836	\$ 76,083,732	\$ 30,372,228	\$ 30,504,626	\$ 109,699,064	\$ 106,588,358
Restricted	\$ 11,676,428	\$ 13,536,515	\$ -	\$ -	\$ 11,676,428	\$ 13,536,515
Unrestricted	\$ (70,393,132)	\$ (77,982,558)	\$ 10,820,525	\$ 10,107,280	\$ (59,572,607)	\$ (67,875,278)
Total net position	\$ 20,610,132	\$ 11,637,689	\$ 41,192,753	\$ 40,611,906	\$ 61,802,885	\$ 52,249,595

(1) See Note 17 to the financial statements for restatement.

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

Government-wide Financial Analysis (Continued)

At June 30, 2024, the Town is able to report positive balances in both categories of net position for its business-type activities. For governmental activities, the deficit in the Town's unrestricted net position decreased, due principally to the impact of fiscal 2024 capital asset and long-term liability transactions and the resulting effect on unrestricted net position.

Governmental Activities: Governmental activities increased the Town's net position by \$8,972,443.

Town of Narragansett's Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2024	2023 restated (1)	2024	2023	2024	2023 restated (1)
Revenues:						
Program revenues:						
Charges for services	\$ 8,110,269	\$ 7,721,894	\$ 9,905,795	\$ 9,058,700	\$ 18,016,064	\$ 16,780,594
Operating grants and contributions	7,454,005	6,794,878	-	-	7,454,005	6,794,878
Capital grants and contributions	1,246,809	1,090,867	700,960	175,031	1,947,769	1,265,898
General revenues:						
Property taxes	58,339,734	56,196,601	-	-	58,339,734	56,196,601
State aid and in lieu of taxes	4,068,002	4,168,952	-	-	4,068,002	4,168,952
Miscellaneous and interest	2,416,860	695,266	375,176	219,674	2,792,036	914,940
Total revenues	<u>81,635,679</u>	<u>76,668,458</u>	<u>10,981,931</u>	<u>9,453,405</u>	<u>92,617,610</u>	<u>86,121,863</u>
Expenses:						
General government	3,559,057	3,642,779	-	-	3,559,057	3,642,779
Financial administration	1,825,458	1,774,487	-	-	1,825,458	1,774,487
Public safety	20,086,496	21,383,972	-	-	20,086,496	21,383,972
Public works	6,291,273	5,470,139	-	-	6,291,273	5,470,139
Social Services	30,092	12,526	-	-	30,092	12,526
Parks and recreation	2,545,580	2,720,037	-	-	2,545,580	2,720,037
Plan, engineer & inspection	1,406,326	1,444,240	-	-	1,406,326	1,444,240
Library	1,470,743	1,148,881	-	-	1,470,743	1,148,881
Education	34,570,937	33,849,221	-	-	34,570,937	33,849,221
Interest on Long term debt	877,274	852,988	-	-	877,274	852,988
Water Fund	-	-	2,470,935	2,555,402	2,470,935	2,555,402
Sewer Fund	-	-	5,133,367	4,899,646	5,133,367	4,899,646
Beach Fund	-	-	2,758,668	2,364,068	2,758,668	2,364,068
Middlebridge Recreation	-	-	38,114	27,073	38,114	27,073
Total expenses	<u>72,663,236</u>	<u>72,299,270</u>	<u>10,401,084</u>	<u>9,846,189</u>	<u>83,064,320</u>	<u>82,145,459</u>
Change in net position	8,972,443	4,369,188	580,847	(392,784)	9,553,290	3,976,404
Net position, beginning of year-restated	11,637,689	7,268,501	40,611,906	41,004,690	52,249,595	48,273,191
Net position, end of year	<u>\$ 20,610,132</u>	<u>\$ 11,637,689</u>	<u>\$ 41,192,753</u>	<u>\$ 40,611,906</u>	<u>\$ 61,802,885</u>	<u>\$ 52,249,595</u>

(1) See Note 17 to the financial statements for restatement.

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

Government-wide Financial Analysis (Continued)

Property taxes levied for FY 2023-2024 based on the December 31, 2022 grand list increased by \$2,181,144 to \$58,165,670 from the amount levied for 2022-2023 of \$55,984,526. This was an increase of 3.9%, below the State mandated cap increase of 4%, which is the maximum allowable increase permitted under state law. The amount of current year taxes to be collected for FY 2024 was \$57,551,961 which was based on a rate of collection of 98.5%. Current year collections were \$57,845,132 compared to the budgeted amount of \$57,551,961, an increase of \$293,171 or 0.5%.

Business-type activities: Business-type activities increased the Town's net position by \$580,847. Key elements of the decrease are as follows:

- a. Water Fund: The net position of the Water enterprise is up \$221,541 or 3.6%.
- b. Sewer Fund: The net position for the Sewer enterprise is down \$195,772 or 0.9%.
- c. Beach Fund: The net position for the Beach enterprise is up \$443,450 or 4.2%.
- d. Middlebridge: The net position for the Middlebridge Fund is up \$111,628 or 7.1%.

Financial Analysis of the Town's Funds

As noted earlier, the Town 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.

As of the end of the reporting period, the Town governmental funds reported combined ending fund balances of \$37,723,137. Approximately 41% of this total amount or \$15,363,276 constitutes *unassigned fund balance*, which is available for spending at the Town's discretion.

The General Fund is the chief operating fund of the Town. At the end of the current fiscal year, *unassigned* fund balance of the General Fund was \$15,363,276, while total fund balance was \$28,352,967. As a measure of the General Fund's liquidity, it may be useful to compare both *unassigned* fund balance and total fund balance to total fund expenditures and transfers. Unassigned fund balance of \$15,363,276 represents 20.3 of total General Fund expenditures and transfers of \$75,703,590, while total fund balance represents 37.5% of the same amount.

MANAGEMENT’S DISCUSSION AND ANALYSIS (CONTINUED)

Financial Analysis of the Town’s Funds (Continued)

The Town’s General Fund – Fund Balance increased by \$1,778,465 due to several reasons. The lower expenditures in the operating budget of \$1,027,055 due to staffing breakage and the challenges hiring public safety officials. The higher revenues than budgeted of \$311,136, with \$0 use of budgeted fund balance in the Town general fund. There is a school operating deficit of \$436,447 which was funded with the use of Unassigned Fund Balance.

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

- a. Water Fund: The unrestricted net position of the Water Fund at June 30, 2024 was \$4,297,620.
- b. Sewer Fund: The unrestricted net position of the Sewer Fund at June 30, 2024 was \$553,276.
- c. Beach Fund: The unrestricted net position of the Beach Fund at June 30, 2024 was \$5,871,696.
- d. Middlebridge Fund: The unrestricted net position of the Middlebridge Recreation Fund at June 30, 2024 was \$97,933.

General Fund Budgetary Highlights

The general fund operating budget shows an operating surplus of \$1,338,191. This represents 1.9% of the \$68,871,395 budget as approved by the Town Council. The surplus is a result of high property tax collection rate, increase in interest income and lower than anticipated expenditures.

The Town received an allocation of \$4,587,921 in federal American Rescue Plan Act (ARPA) funding. The Town Council has authorized four major projects that will support a new Fire Pumper, renovations to Fire Station 2, Wastewater and Water System improvements, and Town Hall HVAC/Renovations. In addition, the Town Council has supported studies on the continuation of the William C O’Neill Bike Path, Narrow River dredging project and Affordable Housing Survey.

The Town has obligated all of the ARPA funding allocation of \$4,587,921. All of the ARPA funds and projects must be completed by December 2026.

MANAGEMENT’S DISCUSSION AND ANALYSIS (CONTINUED)

Capital Assets and Debt Administration

1. Capital assets: The Town’s investment in capital assets for its governmental and business-type activities as of June 30, 2024 amounted to \$139,479,314 (net of accumulated depreciation). This investment in capital assets includes land, buildings and system improvements, machinery and equipment, park facilities, roads and bridges. The total increase in the Town’s investment in capital assets, net of accumulated depreciation, for FY2024 was \$4,199,072, or 3.10% (a 4.58% increase for governmental activities and a 1.79% decrease for business-type activities).

Town of Narragansett’s Capital Assets
(Net of accumulated depreciation)

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Land	\$ 44,866,624	\$ 44,866,624	\$ 3,186,280	\$ 3,186,280	\$ 48,052,904	\$ 48,052,904
Construction in progress	932,903	6,223,458	781,382	239,978	1,714,285	6,463,436
Buildings and improvements	30,237,794	22,942,606	9,456,505	10,214,925	39,694,299	33,157,531
Machinery and equipment	2,930,257	2,438,379	1,493,397	1,539,881	4,423,654	3,978,260
Vehicles	2,923,663	3,093,411	164,966	192,190	3,088,629	3,285,601
Infrastructure	26,563,618	24,142,910	15,725,611	15,996,677	42,289,229	40,139,587
Leased Equipment	159,440	202,923	-	-	159,440	202,923
Subscription IT asset	56,874	-	-	-	56,874	-
Total	\$ 108,671,173	\$ 103,910,311	\$ 30,808,141	\$ 31,369,931	\$ 139,479,314	\$ 135,280,242

2. Debt administration: At the end of the fiscal year, the Town’s governmental activities had total bonds, loans and notes payable outstanding of \$29,981,000, all of which is backed by the full faith and credit of the Town. Total debt increased from a \$5,000,000 General Obligation Bond and \$260,000 loan addition and decreased from retirements of \$2,482,000 during FY 2024.

The Town maintains a “AA+” from Standard & Poor’s and an “Aa2” from Moody’s for general obligation debt.

Town of Narragansett’s Long-term Debt
Bonds, Notes, Finance Purchase, Leases and SBITAs
(In thousands)

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
General obligation bonds & notes payable	\$ 29,475	\$ 26,905	\$ -	\$ -	\$ 29,475	\$ 26,905
Loans payable	575	371	672	865	1,247	1,236
Leases liability	128	169	-	-	128	169
Finance purchase payable	12	18	-	-	12	18
SBITA liability	52	-	-	-	52	-
Total	\$ 30,242	\$ 27,463	\$ 672	\$ 865	\$ 30,914	\$ 28,328

MANAGEMENT’S DISCUSSION AND ANALYSIS (CONTINUED)

Capital Assets and Debt Administration (Continued)

Except as provided below, under Rhode Island general laws, the Town may not, without special statutory authorization, incur any debt which would increase its aggregate indebtedness not otherwise excepted by law to an amount greater than 3% of the taxable property of the Town. Deducted from the computation of aggregated indebtedness is the amount of any borrowing in anticipation of taxes authorized by law and the amount of any sinking funds maintained by the Town. The 3% debt limit of the Town is \$267,881,697 based on net assessed valuations of \$8,929,389,899 as of December 31, 2023. As of June 30, 2024, the Town had \$266,600,697 of debt that could be issued under the 3% debt limit provision.

The Town is guided by a Debt Policy, adopted by a prior Town Council, which places internal limits on the amount of General Fund debt the Town may undertake. These restrictions are:

<u>Debt Issuance Ratios</u>	<u>Limitation</u>
Debt Service as a Percentage of Operating Budget	7% of Operating Budget Expenses
Outstanding Debt as a Percentage of Assessed Valuation	2.5% of assessed valuations
Debt Service as a Percentage of Maximum Allowable Tax Levy	8% of Maximum Allowable Tax Levy
Outstanding Debt Per Capita	\$2,500 per capita

Current general obligation debt for Governmental Activities of \$29,981,000 and debt service of \$3,443,920 for FY 2024 equates to the following (excludes financed purchases, leases, SBITAs, community septic loan program loans, compensated absences, pollution remediation obligations and pension and OPEB obligations):

5.00% Debt service as a Percent of the Operating Budget (FY 2024 budget was \$68,871,395 while debt service was \$3,443,920)

.49% Outstanding general obligation debt as a percentage of Net Assessed valuation \$6,080,680,310

5.92% Debt service as a percent of net tax levy of \$58,165,670

\$2,063 Outstanding general obligation debt per capita of 14,532

As can be seen, the Town is well within the Debt Policy Guidelines.

MAXIMUM TO STAY WITHIN DEBT LIMITS

	LIMITS	CURRENT	
Debt service at 7% of operating budget	\$4,820,997	\$ 3,443,920	71.4%
Debt at 2.5% of assessed value	\$152,017,008	\$ 29,981,000	19.7%
Debt service at 8% of the tax levy	\$4,653,254	\$ 3,443,920	74.0%
Debt per capita at \$2,500	\$2,500	\$ 2,063	83.5%

The new library project was completed in 2024. The Office of Library Services has awarded the Town \$4,021,501 in reimbursement to be used towards future debt service payments. The Town received the first reimbursement payment in September 2024. In 2022, voters approved a bond authorization in the amount of \$20,000,000 to be used to continue road construction projects and Town infrastructure improvements. In the 2023-2024 fiscal year the Town issued a bond for \$5,000,000. Bonds in the amount

of \$2,400,000 was authorized with the 2022 authorization and \$2,600,000 was authorized from the 2012 authorization. The 2012 bond authorization has been fully issued.

Subsequent Fiscal Year 2024-2025 Budget and Tax Rates

The Town of Narragansett's total general fund budget for fiscal year 2024-2025 is \$71,292,660, which reflects an increase of \$2,421,265 from the fiscal year 2023-2024 budget. The Town's tax rates for fiscal year 2024-2025 are residential real estate \$6.55 per thousand of valuation, and commercial real estate and personal property \$8.84 per thousand of valuation. The State of RI accelerated the Motor Vehicle (MV) phase out program and eliminated the MV tax in the 2023 fiscal year.

Requests for Information

This financial report is designed to provide a general overview of the Town'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:

Director of Finance
Town of Narragansett
25 Fifth Avenue
Narragansett, RI 02882

BASIC FINANCIAL STATEMENTS

THE BASIC FINANCIAL STATEMENTS INCLUDE:

Government-Wide Financial Statements

Fund Financial Statements:

- **Governmental Funds**
- **Proprietary Funds**
- **Fiduciary Funds**

In addition, the notes to the financial statements are included to provide information that is essential to a user's understanding of the basic financial statements.

TOWN OF NARRAGANSETT, RHODE ISLAND
Statement of Net Position
June 30, 2024

	<i>Governmental Activities</i>	<i>Business-Type Activities</i>	<i>Total</i>
Assets:			
Current assets:			
Pooled cash and investments	\$ 42,190,896	\$ 10,615,297	\$ 52,806,193
Cash and cash equivalents	204,432	196,226	400,658
Accrued interest receivable	-	4,096	4,096
Real estate and personal property tax receivable, net	293,973	-	293,973
Water and sewer use and assessments receivable	-	690,833	690,833
Due from federal and state government	1,339,454	461,295	1,800,749
Lease receivable	225,925	22,637	248,562
Other receivables	862,607	39,307	901,914
Inventories	27,593	-	27,593
Prepaid expenses	462,576	-	462,576
Total current assets	45,607,456	12,029,691	57,637,147
Noncurrent assets:			
Sewer assessments receivable	-	333,001	333,001
Lease receivable	2,213,406	56,045	2,269,451
Capital assets: (Note 2)			
Land and land easements	44,866,624	3,186,280	48,052,904
Construction in progress	932,903	781,382	1,714,285
Depreciable buildings, property, equipment, infrastructure, net	62,871,646	26,840,479	89,712,125
Other assets	3,982,465	-	3,982,465
Total noncurrent assets	114,867,044	31,197,187	146,064,231
Total assets	160,474,500	43,226,878	203,701,378
Deferred outflows of resources:			
Deferred amounts on refunding	145,535	-	145,535
Deferred pension amounts	4,401,368	-	4,401,368
Deferred other post-employment benefit amounts	5,297,194	-	5,297,194
Total deferred outflows of resources	9,844,097	-	9,844,097
Liabilities:			
Current Liabilities:			
Accounts payable and accrued liabilities	3,042,076	512,063	3,554,139
Accrued interest payable	186,525	5,784	192,309
Unearned revenue	4,127,504	-	4,127,504
Other liabilities	179,738	60,775	240,513
Financed purchase payable	6,675	-	6,675
Lease liability	41,676	-	41,676
Subscription based IT arrangement liability	12,522	-	12,522
Compensated absences payable	921,521	66,815	988,336
Pollution remediation obligations	87,098	-	87,098
Long-term debt - due within one year (Note 8)	2,806,000	198,307	3,004,307
Total current liabilities	11,411,335	843,744	12,255,079
Noncurrent Liabilities:			
Financed purchase payable	5,006	-	5,006
Lease liability	86,736	-	86,736
Subscription based IT arrangement liability	39,661	-	39,661
Compensated absences payable	3,964,847	301,079	4,265,926
Pollution remediation obligations	1,075,175	-	1,075,175
Long-term debt - due in more than one year (Note 8)	29,286,665	474,000	29,760,665
Net pension liabilities	66,941,106	-	66,941,106
Net other post-employment benefit liabilities	26,518,481	-	26,518,481
Total noncurrent liabilities	127,917,677	775,079	128,692,756
Total liabilities	139,329,012	1,618,823	140,947,835
Deferred Inflows of Resources:			
Deferred property taxes	51,043	-	51,043
Deferred pension amounts	3,769,545	-	3,769,545
Deferred other post-employment benefit amounts	4,119,534	-	4,119,534
Deferred sewer assessments	-	320,905	320,905
Deferred pretreatment fees	-	15,715	15,715
Lease related	2,439,331	78,682	2,518,013
Total deferred inflows of resources	10,379,453	415,302	10,794,755
Net Position:			
Net investment in capital assets	79,326,836	30,372,228	109,699,064
Restricted for:			
Capital	329	-	329
Library	80,449	-	80,449
Education programs	9,965,312	-	9,965,312
Public safety programs	144,891	-	144,891
Historical records preservation	294,096	-	294,096
Community service programs	658,962	-	658,962
Parks and recreation programs	460,284	-	460,284
Other programs	72,105	-	72,105
Unrestricted	(70,393,132)	10,820,525	(59,572,607)
Total net position	\$ 20,610,132	\$ 41,192,753	\$ 61,802,885

The accompanying notes are an integral part of the basic financial statements.

TOWN OF NARRAGANSETT, RHODE ISLAND

Statement of Activities

For the Fiscal Year Ended June 30, 2024

<i>Functions/Programs</i>	<i>Expenses</i>	<i>Program Revenues</i>			<i>Net (Expense) Revenue and Changes in Net Position</i>		
		<i>Charges for Services</i>	<i>Operating Grants and Contributions</i>	<i>Capital Grants and Contributions</i>	<i>Governmental Activities</i>	<i>Business-Type Activities</i>	<i>Total</i>
Governmental Activities:							
General government	\$ 3,559,057	\$ 1,880,924	\$ 79,349	\$ 190,948	\$ (1,407,836)	\$ -	\$ (1,407,836)
Financial administration	1,825,458	846,716	72,370	-	(906,372)	-	(906,372)
Public safety	20,086,496	1,298,425	1,303,585	629,193	(16,855,293)	-	(16,855,293)
Public works	6,291,273	11,579	50,658	-	(6,229,036)	-	(6,229,036)
Social services	30,092	-	-	-	(30,092)	-	(30,092)
Parks and recreation	2,545,580	700,260	77,505	34,698	(1,733,117)	-	(1,733,117)
Planning, engineering and inspection	1,406,326	424,247	-	-	(982,079)	-	(982,079)
Library	1,470,743	3,203	218,294	299,364	(949,882)	-	(949,882)
Education	34,570,937	2,944,915	5,195,948	92,606	(26,337,468)	-	(26,337,468)
Interest on long-term debt	877,274	-	456,296	-	(420,978)	-	(420,978)
Total governmental activities	72,663,236	8,110,269	7,454,005	1,246,809	(55,852,153)	-	(55,852,153)
Business-Type Activities:							
Water	2,470,935	2,489,922	-	53,756	-	72,743	72,743
Sewer	5,133,367	4,376,225	-	561,224	-	(195,918)	(195,918)
Beach	2,758,668	2,980,848	-	-	-	222,180	222,180
Middlebridge Recreation	38,114	58,800	-	85,980	-	106,666	106,666
Total business-type activities	10,401,084	9,905,795	-	700,960	-	205,671	205,671
Total	\$ 83,064,320	\$ 18,016,064	\$ 7,454,005	\$ 1,947,769	(55,852,153)	205,671	(55,646,482)
General Revenues:							
Taxes:							
Property taxes					58,339,734	-	58,339,734
State aid and in lieu of taxes, not restricted for a specific purpose					4,068,002	-	4,068,002
Investment earnings					2,079,923	375,176	2,455,099
Miscellaneous					336,937	-	336,937
Total general revenues					64,824,596	375,176	65,199,772
Change in net position					8,972,443	580,847	9,553,290
Net position - beginning of year, as previously reported					11,833,295	40,611,906	52,445,201
Error correction					(195,606)	-	(195,606)
Net position - beginning of year, as restated					11,637,689	40,611,906	52,249,595
Net position - end of year					\$ 20,610,132	\$ 41,192,753	\$ 61,802,885

The accompanying notes are an integral part of the basic financial statements.

TOWN OF NARRAGANSETT, RHODE ISLAND
Balance Sheet
Governmental Funds
June 30, 2024

	<u>General Fund</u>	<u>American Rescue Plan Act Fund</u>	<u>Other Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets				
Pooled cash and investments	\$ 31,254,214	\$ 4,081,486	\$ 6,855,196	\$ 42,190,896
Cash	170,513	-	33,919	204,432
Real estate and personal property				
tax receivable, net	293,973	-	-	293,973
Due from federal and state governments	373,726	-	965,728	1,339,454
Due from other funds	1,071,880	-	3,221,560	4,293,440
Lease receivable	2,439,331	-	-	2,439,331
Other receivables	349,698	-	265,604	615,302
Inventory	27,593	-	-	27,593
Prepaid expenditures	462,576	-	-	462,576
Other assets	65,515	-	-	65,515
Total assets	<u>\$ 36,509,019</u>	<u>\$ 4,081,486</u>	<u>\$ 11,342,007</u>	<u>\$ 51,932,512</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances				
Liabilities:				
Accounts payable and accrued expenditures	\$ 2,011,303	\$ 40,567	\$ 785,486	\$ 2,837,356
Due to other funds	3,221,560	-	857,215	4,078,775
Other liabilities	179,738	-	-	179,738
Unearned revenue	13,140	3,785,316	329,048	4,127,504
Total liabilities	<u>5,425,741</u>	<u>3,825,883</u>	<u>1,971,749</u>	<u>11,223,373</u>
Deferred Inflows of Resources:				
Unavailable-property taxes	218,262	-	-	218,262
Unavailable revenue-loans	-	-	255,691	255,691
Unavailable revenue-other revenue	72,718	-	-	72,718
Lease related	2,439,331	-	-	2,439,331
Total deferred inflows of resources	<u>2,730,311</u>	<u>-</u>	<u>255,691</u>	<u>2,986,002</u>
Fund Balances:				
Nonspendable:				
Inventory	27,593	-	-	27,593
Prepaid expenditures	462,576	-	-	462,576
Restricted for:				
Education programs	9,448,176	-	517,136	9,965,312
Library	72,142	-	8,307	80,449
Capital projects	252,400	-	2,433,419	2,685,819
Public safety programs	-	-	144,891	144,891
Historical records preservation	-	-	294,096	294,096
Community service programs	-	-	403,271	403,271
Parks and recreation programs	371,427	-	88,857	460,284
Other programs	-	-	72,105	72,105
Committed for:				
Capital projects	-	-	2,610,410	2,610,410
Debt service	-	-	176,012	176,012
Assigned to:				
Parks and recreation programs	50,263	-	-	50,263
Towers	271,779	-	-	271,779
Kinney Bungalow	110,716	-	-	110,716
Sunset Farm	6,271	-	-	6,271
Capital projects	-	-	2,366,063	2,366,063
Other	49,221	255,603	-	304,824
2025 budget	1,867,127	-	-	1,867,127
Unassigned	15,363,276	-	-	15,363,276
Total fund balances	<u>28,352,967</u>	<u>255,603</u>	<u>9,114,567</u>	<u>37,723,137</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 36,509,019</u>	<u>\$ 4,081,486</u>	<u>\$ 11,342,007</u>	<u>\$ 51,932,512</u>

The accompanying notes are an integral part of the basic financial statements.

TOWN OF NARRAGANSETT, RHODE ISLAND
Reconciliation of the Governmental Funds Balance Sheet
to the Government-Wide Statement of Net Position
June 30, 2024

Total Fund Balances - Total Governmental Funds	\$ 37,723,137
 <i>Amounts reported for Governmental Activities in the Statement of Net Position are different because:</i>	
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the Governmental Funds Balance Sheet. See note 2 to the financial statements.	108,671,173
Other long-term receivables are not available to pay for current period expenditures and, therefore, are reported as deferred inflows of resources in the Governmental Funds financial statements.	328,409
Delinquent taxes are recognized as revenue in the period for which levied in the Government-Wide financial statements, but are reported as deferred inflows of resources in the Governmental Funds financial statements.	167,219
Interest payable on long-term debt does not require current financial resources. Therefore, interest payable is not reported as a liability in Governmental Funds Balance Sheet.	(186,525)
Deferred pension and other post-employment benefit amounts are not reported in the Governmental Funds financial statements, but are reported in the Government-Wide financial statements as follows:	
Deferred outflows of resources	9,698,562
Deferred inflows of resources	(7,889,079)
Long-term liabilities (including bonds, notes, loans, and financed purchase payable, compensated absences, pollution remediation obligations, lease liabilities, SBITA liability, net pension liabilities and net other post employment benefit liabilities) are not due and payable in the current period and therefore are not reported in the Governmental Funds Balance Sheet. See note 8 to the financial statements.	(131,793,169)
Deferred amounts on refunding are not reported in the Governmental Fund financial statements, but are reported net of accumulated amortization as deferred outflows of resources in the Government-Wide financial statements.	145,535
Subscription-based information technology arrangement implementation costs are reported as an expenditure in the Governmental Fund financial statements, but are reported as an other asset in the Government-Wide financial statements.	142,790
The Internal Service Fund is used by management to charge the costs of Health and Dental Insurance to individual funds. The assets and liabilities of the Internal Service Fund are included in Governmental Activities in the Government-Wide Statement of Net Position.	3,602,080
 Net Position of Governmental Activities	 <u>\$ 20,610,132</u>

The accompanying notes are an integral part of the basic financial statements.

TOWN OF NARRAGANSETT, RHODE ISLAND
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2024

	<u>General Fund</u>	<u>American Rescue Plan Act Fund</u>	<u>Other Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:				
General property taxes and payments in lieu of taxes	\$ 58,929,974	\$ -	\$ -	\$ 58,929,974
State and federal aid	8,080,500	-	-	8,080,500
Charges for services	7,641,035	-	362,039	8,003,074
Operating grants and contributions	78,071	78,379	3,521,418	3,677,868
Capital grants and contributions	-	492,920	753,889	1,246,809
Investment and interest income	1,813,764	142,135	124,024	2,079,923
Other revenues	171,172	-	112,653	283,825
Total revenues	<u>76,714,516</u>	<u>713,434</u>	<u>4,874,023</u>	<u>82,301,973</u>
Expenditures:				
<i>Current:</i>				
General government	3,126,258	78,379	72,678	3,277,315
Financial administration	1,838,601	-	-	1,838,601
Public safety	17,487,774	-	1,282,776	18,770,550
Public works	3,399,276	-	50,658	3,449,934
Social services	-	-	30,092	30,092
Parks and recreation	2,068,293	-	101,583	2,169,876
Planning, engineering and inspection	1,405,271	-	-	1,405,271
Library	1,111,916	-	-	1,111,916
Food service	-	-	387,680	387,680
Education	33,266,491	-	2,036,185	35,302,676
Town-wide	713,975	-	-	713,975
Other	3,140,527	-	-	3,140,527
Debt Service	-	-	3,566,683	3,566,683
Capital outlay	-	492,920	10,990,259	11,483,179
Total expenditures	<u>67,558,382</u>	<u>571,299</u>	<u>18,518,594</u>	<u>86,648,275</u>
Excess (deficiency) of revenues over (under) expenditures before other financing sources (uses)	<u>9,156,134</u>	<u>142,135</u>	<u>(13,644,571)</u>	<u>(4,346,302)</u>
Other financing sources (uses):				
Debt issued	260,000	-	20,000	280,000
Bonds issued	-	-	5,000,000	5,000,000
Premium on bonds issued	-	-	327,260	327,260
Subscription based IT arrangements (SBITAs)	71,092	-	-	71,092
Transfers in	-	-	8,145,208	8,145,208
Transfers out	(8,145,208)	-	-	(8,145,208)
Total other financing sources (uses)	<u>(7,814,116)</u>	<u>-</u>	<u>13,492,468</u>	<u>5,678,352</u>
Net change in fund balances	1,342,018	142,135	(152,103)	1,332,050
Fund balances - beginning of year, as previously reported	27,206,555	113,468	9,266,670	36,586,693
Error correction	(195,606)	-	-	(195,606)
Fund balances - beginning of year, as restated	<u>27,010,949</u>	<u>113,468</u>	<u>9,266,670</u>	<u>36,391,087</u>
Fund balances -end of year	<u>\$ 28,352,967</u>	<u>\$ 255,603</u>	<u>\$ 9,114,567</u>	<u>\$ 37,723,137</u>

The accompanying notes are an integral part of the basic financial statements.

TOWN OF NARRAGANSETT, RHODE ISLAND
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and
Changes in the Fund Balances to Government-Wide Statement of Activities
For the Year Ended June 30, 2024

Net Changes in Fund Balances - Total Governmental Funds	\$ 1,332,050
Amounts reported for Governmental Activities in the Statement of Activities are different because:	
Governmental Funds financial statements report capital outlay as expenditures. However, in the Government-Wide Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount of capital asset additions recorded in the current period.	10,731,682
Depreciation expense on capital assets is reported in the Government-Wide Statement of Activities, but does not require the use of current financial resources. Therefore, depreciation expense is not reported as an expenditure in Governmental Funds financial statements.	(5,970,820)
Long-term compensated absences are reported in the Government-Wide Statement of Activities, but do not require the use of current financial resources. Therefore, long-term compensated absences are not reported as expenditures in Governmental Funds financial statements. This is the amount of the change in long-term compensated absences in the current period.	(122,117)
Debt, financed purchases, leases and SBITAs provide current financial resources to Governmental Funds, but issuing debt and entering into financed purchases, leases and SBITA agreements increases long-term liabilities in the Government-Wide Statement of Net Position. Repayment of debt, financed purchases, lease and SBITA principal is an expenditure in the Government Funds, but the payments reduce long-term liabilities in the Government-Wide Statement of Net Position.	
This amount represents SBITA agreements entered into during the current period.	(71,092)
This amount represents debt issued during the current period.	(5,280,000)
This amount represents debt, financed purchases, lease and SBITA principal payments during the current period.	2,573,019
Accrued interest on long-term debt is reported in the Government-Wide Statement of Activities, but does not require the use of current financial resources. Therefore, accrued interest expense is not reported as an expenditure in Governmental Funds financial statements. The following amount represents the change in accrued interest from prior year.	9,471
Debt issued at a premium provide current financial resources to Governmental Funds, but are deferred and amortized in the Government-Wide financial statements. Deferred amounts on refunding are expenditures in the Governmental Funds, but are deferred and amortized in the Government-Wide financial statements.	
This amount represents premium on debt issued during the current period.	(327,260)
This amount represents amortization of premium on debt during the current period.	203,200
This amount represents amortization of deferred amounts on refunding during the current period.	(30,111)
Other long-term liabilities are reported in the Government-Wide Statement of Activities, but do not require the use of current financial resources. Therefore, other long-term liabilities are not reported as expenditures in Governmental Funds financial statements.	
This amount represents the change in pollution remediation obligations during the current period.	87,096
This amount represents the change in the net pension liabilities and related deferred pension amounts during the current period.	4,249,236
This amount represents the change in the net OPEB liabilities and related deferred OPEB amounts during the current period.	1,347,232
The Internal Service Fund is used by management to charge the costs of Health and Dental Insurance to individual funds. The net revenues (expenses) of the Internal Service Fund is reported with Governmental Activities in the Government-Wide financial statements.	213,996
Subscription-based information technology arrangement implementation costs are reported as an expenditure in the Governmental Fund financial statements, but are reported as an other asset in the Government-Wide financial statements.	111,143
New loans are reported as an increase in accounts receivable in the Government-Wide financial statements, but are reported as expenditures in the Governmental Funds financial statements.	20,000
Revenues in the Government-Wide Statement of Activities that are not measurable and available in Governmental Funds are not reported as revenue in the Governmental Funds.	(104,282)
Change in Net Position of Governmental Activities	<u>\$ 8,972,443</u>

The accompanying notes are an integral part of the basic financial statements.

TOWN OF NARRAGANSETT, RHODE ISLAND
Statement of Net Position
Proprietary Funds
June 30, 2024

	<i>Business-Type Activities</i>					<i>Governmental Activities</i>
	<i>Water Fund</i>	<i>Sewer Fund</i>	<i>Beach Fund</i>	<i>Middlebridge Recreation Fund</i>	<i>Total Enterprise Funds</i>	<i>Internal Service Fund Healthcare Fund</i>
Assets						
Current assets:						
Pooled cash and investments	\$ 4,236,762	\$ 305,236	\$ 6,053,238	\$ 20,061	\$ 10,615,297	\$ -
Cash and cash equivalents	67,738	123,488	5,000	-	196,226	-
Accounts receivable:						
Water and sewer use fees	255,948	391,101	-	-	647,049	-
Sewer assessment	-	43,784	-	-	43,784	-
Accrued interest	-	4,096	-	-	4,096	-
Other	-	3,636	35,671	-	39,307	32,640
Due from state government	-	375,315	-	85,980	461,295	-
Lease receivable	-	-	-	22,637	22,637	-
Total current assets	4,560,448	1,246,656	6,093,909	128,678	12,029,691	32,640
Noncurrent assets:						
Sewer assessments receivable	-	333,001	-	-	333,001	-
Lease receivable	-	-	-	56,045	56,045	-
Deposits with others	-	-	-	-	-	3,774,160
Capital assets:						
Non-depreciable assets	160,365	928,951	1,825,846	1,052,500	3,967,662	-
Depreciable assets - net	1,865,996	21,057,543	3,381,744	535,196	26,840,479	-
Total noncurrent assets	2,026,361	22,319,495	5,207,590	1,643,741	31,197,187	3,774,160
Total assets	6,586,809	23,566,151	11,301,499	1,772,419	43,226,878	3,806,800
Liabilities						
Current liabilities:						
Accounts payable and accrued expenses	86,315	269,036	149,879	6,833	512,063	-
Accrued interest payable	-	5,784	-	-	5,784	-
Claims payable	-	-	-	-	-	204,720
Accrued compensated absences	25,809	36,236	4,770	-	66,815	-
Customer and security deposits payable	-	-	59,500	1,275	60,775	-
Current portion of bonds, notes and loans payable	-	198,307	-	-	198,307	-
Total current liabilities	112,124	509,363	214,149	8,108	843,744	204,720
Noncurrent liabilities:						
Accrued compensated absences	150,704	142,311	8,064	-	301,079	-
Bonds, notes and loans payable	-	474,000	-	-	474,000	-
Total noncurrent liabilities	150,704	616,311	8,064	-	775,079	-
Total liabilities	262,828	1,125,674	222,213	8,108	1,618,823	204,720
Deferred Inflows of Resources						
Deferred sewer assessments	-	320,905	-	-	320,905	-
Deferred pretreatment fees	-	15,715	-	-	15,715	-
Lease related	-	-	-	78,682	78,682	-
Total deferred inflows of resources	-	336,620	-	78,682	415,302	-
Net Position						
Net investment in capital assets	2,026,361	21,550,581	5,207,590	1,587,696	30,372,228	-
Unrestricted	4,297,620	553,276	5,871,696	97,933	10,820,525	3,602,080
Total net position	\$ 6,323,981	\$ 22,103,857	\$ 11,079,286	\$ 1,685,629	\$ 41,192,753	\$ 3,602,080

The accompanying notes are an integral part of the basic financial statements.

TOWN OF NARRAGANSETT, RHODE ISLAND
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For the Fiscal Year Ended June 30, 2024

	<i>Business-Type Activities</i>					<i>Governmental Activities</i>
	<i>Water Fund</i>	<i>Sewer Fund</i>	<i>Beach Fund</i>	<i>Middlebridge Recreation Fund</i>	<i>Total Enterprise Funds</i>	<i>Internal Service Fund Healthcare Fund</i>
Operating revenues						
Assessments and user fees	\$ 2,424,767	\$ 4,330,216	\$ -	\$ -	\$ 6,754,983	\$ -
Admittance and rental fees	-	-	2,957,319	58,500	3,015,819	-
Charges for insurance	-	-	-	-	-	4,047,880
Other revenues	65,155	46,009	23,529	300	134,993	229,442
Total operating revenues	<u>2,489,922</u>	<u>4,376,225</u>	<u>2,980,848</u>	<u>58,800</u>	<u>9,905,795</u>	<u>4,277,322</u>
Operating expenses						
Salaries and benefits	928,411	1,498,478	1,122,534	-	3,549,423	-
Materials, supplies and maintenance	704,269	1,623,646	347,380	5,560	2,680,855	-
Utilities	27,406	295,036	43,281	1,315	367,038	-
Health and dental claims	-	-	-	-	-	3,519,776
Administrative and miscellaneous	466,841	808,175	916,072	6,541	2,197,629	543,550
Depreciation expense	344,008	893,874	329,401	24,698	1,591,981	-
Total operating expenses	<u>2,470,935</u>	<u>5,119,209</u>	<u>2,758,668</u>	<u>38,114</u>	<u>10,386,926</u>	<u>4,063,326</u>
Operating income (loss)	<u>18,987</u>	<u>(742,984)</u>	<u>222,180</u>	<u>20,686</u>	<u>(481,131)</u>	<u>213,996</u>
Nonoperating revenues (expenses)						
Investment income	148,798	146	221,270	4,962	375,176	-
Interest expense	-	(14,158)	-	-	(14,158)	-
Total nonoperating revenues (expenses)	<u>148,798</u>	<u>(14,012)</u>	<u>221,270</u>	<u>4,962</u>	<u>361,018</u>	<u>-</u>
Net income (loss) before capital contributions	<u>167,785</u>	<u>(756,996)</u>	<u>443,450</u>	<u>25,648</u>	<u>(120,113)</u>	<u>213,996</u>
Capital contributions	53,756	561,224	-	85,980	700,960	-
Change in net position	221,541	(195,772)	443,450	111,628	580,847	213,996
Total net position - beginning of year	<u>6,102,440</u>	<u>22,299,629</u>	<u>10,635,836</u>	<u>1,574,001</u>	<u>40,611,906</u>	<u>3,388,084</u>
Total net position - end of year	<u>\$ 6,323,981</u>	<u>\$ 22,103,857</u>	<u>\$ 11,079,286</u>	<u>\$ 1,685,629</u>	<u>\$ 41,192,753</u>	<u>\$ 3,602,080</u>

The accompanying notes are an integral part of the basic financial statements.

TOWN OF NARRAGANSETT, RHODE ISLAND
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2024

	<i>Business-Type Activities</i>					<i>Governmental Activities</i>
	<i>Water Fund</i>	<i>Sewer Fund</i>	<i>Beach Fund</i>	<i>Middlebridge Recreation Fund</i>	<i>Total Enterprise Funds</i>	<i>Internal Service Fund Healthcare Fund</i>
<i>Cash flows from operating activities</i>						
Receipts from customers	\$ 2,503,100	\$ 4,371,661	\$ 2,947,013	\$ 58,500	\$ 9,880,274	\$ -
Receipts from interfund charges for insurance	-	-	-	-	-	4,047,880
Other operating receipts	65,155	46,009	23,529	300	134,993	223,353
Receipts of customer deposits	-	-	87,400	-	87,400	-
Payment of deposits with others	-	-	-	-	-	(265,077)
Payments to suppliers for goods and services	(982,476)	(2,058,966)	(774,987)	(8,492)	(3,824,921)	(541,468)
Payments to employees for services	(893,999)	(1,528,695)	(1,088,643)	-	(3,511,337)	-
Payments to other funds for services provided	(235,171)	(561,289)	(497,395)	-	(1,293,855)	-
Payments for health and dental claims	-	-	-	-	-	(3,464,688)
Return of customer deposits	-	-	(90,900)	-	(90,900)	-
<i>Net cash provided by operating activities</i>	456,609	268,720	606,017	50,308	1,381,654	-
<i>Cash flows from capital and related financing activities</i>						
Capital contributions received	53,757	422,303	-	-	476,060	-
Acquisition and construction of capital assets	(90,664)	(616,853)	(68,400)	(276,011)	(1,051,928)	-
Payment of interest on bonds and loans	-	(12,106)	-	-	(12,106)	-
Payment of principal on bonds and loans	-	(193,000)	-	-	(193,000)	-
Loan proceeds	-	263,607	-	-	263,607	-
<i>Net cash used for capital and related financing activities</i>	(36,907)	(136,049)	(68,400)	(276,011)	(517,367)	-
<i>Cash flows from investing activities</i>						
Interest on investments	148,798	146	221,270	4,962	375,176	-
<i>Net cash provided by investing activities</i>	148,798	146	221,270	4,962	375,176	-
<i>Net increase (decrease) in cash and cash equivalents</i>	568,500	132,817	758,887	(220,741)	1,239,463	-
<i>Cash and cash equivalents - beginning of year</i>	3,736,000	295,907	5,299,351	240,802	9,572,060	-
<i>Cash and cash equivalents - end of year</i>	\$ 4,304,500	\$ 428,724	\$ 6,058,238	\$ 20,061	\$ 10,811,523	\$ -

The accompanying notes are an integral part of the basic financial statements.

(Continued)

TOWN OF NARRAGANSETT, RHODE ISLAND
Statement of Cash Flows (Continued)
Proprietary Funds
For the Fiscal Year Ended June 30, 2024

	<i>Business-Type Activities</i>					<i>Governmental</i>
	<i>Water Fund</i>	<i>Sewer Fund</i>	<i>Beach Fund</i>	<i>Middlebridge Recreation Fund</i>	<i>Total Enterprise Funds</i>	<i>Internal Service Fund Healthcare Fund</i>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities						
Operating income (loss)	\$ 18,987	\$ (742,984)	\$ 222,180	\$ 20,686	\$ (481,131)	\$ 213,996
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:						
Depreciation expense	344,008	893,874	329,401	24,698	1,591,981	-
Changes in assets, liabilities and deferred inflows of resources:						
(Increase) decrease in accounts and other receivables	80,181	201,729	(10,712)	-	271,198	(4,008)
(Increase) decrease in lease receivable	-	-	-	(58,728)	(58,728)	-
(Increase) decrease in deposits with others	-	-	-	-	-	(265,077)
Increase (decrease) in accounts payable and accrued expenses	(15,757)	103,774	60,932	4,924	153,873	-
Increase (decrease) in accrued compensated absences	29,190	(27,389)	7,716	-	9,517	-
Increase (decrease) in claims payable	-	-	-	-	-	55,089
Increase (decrease) in deposits payable	-	-	(3,500)	-	(3,500)	-
Increase (decrease) in deferred inflows	-	(160,284)	-	58,728	(101,556)	-
Net cash provided by operating activities	\$ 456,609	\$ 268,720	\$ 606,017	\$ 50,308	\$ 1,381,654	\$ -

The accompanying notes are an integral part of the basic financial statements.

TOWN OF NARRAGANSETT, RHODE ISLAND
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2024

	<i>Pension Trust Funds</i>	<i>Other Post- Employment Benefit Trust Funds</i>	<i>Private- Purpose Trust Funds</i>
Assets			
Pooled cash and investments	\$ 4,880,497	\$ 4,020,408	\$ 71,719
Cash and cash equivalents	2,359,141	257,125	5,422
Investments at fair value:			
U.S. government obligations	6,375,343	979,707	-
Corporate bonds	5,497,428	1,864,285	-
Mortgage backed securities	95,132	-	-
Common stock	18,789,210	8,087,056	-
Mutual and exchange traded funds - equities	74,567,402	2,446,908	13,767
Mutual and exchange traded funds - fixed income	28,666,377	2,058,659	-
Pooled investments	-	2,844,499	-
Total investments	133,990,892	18,281,114	13,767
Accrued interest receivable	102,662	28,560	-
Contribution receivable	158,886	378,726	-
Total assets	141,492,078	22,965,933	90,908
Liabilities			
Accrued expenses	4,127	200,231	-
Due to other funds	214,665	-	-
Total liabilities	218,792	200,231	-
Net Position			
Restricted for pension benefits, post-employment benefits and other purposes	\$ 141,273,286	\$ 22,765,702	\$ 90,908

The accompanying notes are an integral part of the basic financial statements.

TOWN OF NARRAGANSETT, RHODE ISLAND
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Fiscal Year Ended June 30, 2024

	<u>Pension Trust Funds</u>	<u>Other Post- Employment Benefit Trust Funds</u>	<u>Private- Purpose Trust Funds</u>
Additions			
Contributions:			
Employer	\$ 8,929,429	\$ 4,637,882	\$ -
Plan member	1,836,175	-	-
Total contributions	<u>10,765,604</u>	<u>4,637,882</u>	<u>-</u>
Investment income:			
Net increase (decrease) in fair value of investments	11,624,394	1,744,619	1,623
Interest and dividends	3,373,118	466,963	3,032
Less: investment expense	<u>(446,908)</u>	<u>(112,146)</u>	<u>-</u>
Net investment income	<u>14,550,604</u>	<u>2,099,436</u>	<u>4,655</u>
Other revenue	-	30,433	-
Total additions	<u>25,316,208</u>	<u>6,767,751</u>	<u>4,655</u>
Deductions			
Benefits	8,370,685	3,135,148	-
Refunds of contributions	484,216	-	-
Administrative expenses	<u>55,660</u>	<u>16,538</u>	<u>-</u>
Total deductions	<u>8,910,561</u>	<u>3,151,686</u>	<u>-</u>
Change in net position	16,405,647	3,616,065	4,655
Net position - beginning of year	<u>124,867,639</u>	<u>19,149,637</u>	<u>86,253</u>
Net position - end of year	<u>\$ 141,273,286</u>	<u>\$ 22,765,702</u>	<u>\$ 90,908</u>

The accompanying notes are an integral part of the basic financial statements.

TOWN OF NARRAGANSETT, RHODE ISLAND
Notes to Financial Statements
June 30, 2024

The financial statements of the Town of Narragansett, Rhode Island, have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following notes to the financial statements are an integral part of the Town's financial statements.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. REPORTING ENTITY

The Town of Narragansett was founded in 1888. The Town is governed largely under the 1966 Narragansett Home Rule Charter. In some matters, including the issuance of short and long-term debt, the Town is governed by the general laws of the State of Rhode Island. The Town operates under a Town Council/Town Manager form of government and provides the following services as authorized by its charter: public safety (police, fire, and emergency services); public works (highways, streets, and facilities management); parks and recreation; planning, engineering, and inspection; education; social services; and general administrative services.

In evaluating the inclusion of potential component units within its financial reporting entity, the Town applied the criteria prescribed by GASB Statement No. 14, as amended by GASB Statement No. 39, “Determining Whether Certain Organizations are Component Units” and GASB Statement No. 61 “Financial Reporting Entity Omnibus”. A component unit is a legally separate organization for which the elected officials of the primary government are financially accountable or other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity’s financial statements to be misleading. Through the application of GASB Statements Nos. 14, 39 and 61 criteria, the following have been presented as fiduciary component units of the Town in the Fiduciary Fund Financial Statements: Town Pension Trust; Police Pension Trust; Town Other Post-Employment Benefits Trust; and School Other Post-Employment Benefits Trust.

The Town Pension Trust, the Police Pension Trust, the Town Other Post-Employment Benefits Trust, and the School Other Post-Employment Benefits Trust are pension and other post-employment benefit plans established by trust agreements as discussed in Note 13 A and B and Note 16 B and C to the financial statements. The fiscal year of the Town Pension Trust, the Police Pension Trust, the Town Other Post-Employment Benefits Trust, and the School Other Post-Employment Benefits Trust ends on June 30. The Town Pension Trust, the Police Pension Trust, the Town Other Post-Employment Benefits Trust, and the School Other Post-Employment Benefits Trust do not issue separate financial statements.

B. BASIS OF PRESENTATION AND ACCOUNTING

Government-Wide Financial Statements

The Town’s Government-Wide Financial Statements include a Statement of Net Position and a Statement of Activities. These statements report information about the reporting entity as a whole. Fiduciary activities of the Town are not included in these statements. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed

TOWN OF NARRAGANSETT, RHODE ISLAND
Notes to Financial Statements
June 30, 2024

through property taxes, intergovernmental revenue, and other non-exchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods and services rendered.

The Statement of Activities presents a comparison between direct expenses and program revenue for the business-type activities and 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 operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including property taxes and general state aid, are presented as general revenues.

These statements are presented on an "*economic resources*" measurement focus and the accrual basis of accounting. Accordingly, all the Town's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, including capital assets, infrastructure assets, and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period earned while expenses are recognized in the period the liability is incurred.

Certain eliminations have been made as prescribed by GASB Statement No. 34 in regard to interfund activities, payables, and receivables. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total column. In the Statement of Activities, internal service fund transactions have been eliminated; however, those transactions between governmental and business-type activities have not been eliminated.

Fund Financial Statements

The Fund Financial Statements of the Town are organized into funds, each of which is considered to be a separate accounting entity. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to specific Town functions or activities. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues, and expenditures/expenses. Funds are organized into three categories: governmental, proprietary, and fiduciary. Major individual governmental funds and enterprise funds are reported as separate columns in the Fund Financial Statements.

Governmental Fund Financial Statements

Governmental Fund Financial Statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds and non-major funds aggregated. An accompanying schedule is presented to reconcile and explain the differences in fund balances and changes in fund balances as presented in these statements to the net position and changes in net position presented in the Government-Wide Financial Statements.

TOWN OF NARRAGANSETT, RHODE ISLAND

Notes to Financial Statements

June 30, 2024

All governmental funds are accounted for on a spending or “*current financial resources*” measurement focus and the modified accrual basis of accounting. Accordingly, only current assets, deferred outflows of resources, current liabilities and deferred inflows of resources are included on the Balance Sheet. The Statement of Revenues, Expenditures and Changes in Fund Balances present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Accordingly, revenues are recorded when received in cash, except those revenues subject to accrual (generally collected 60 days after year-end) are recognized when due. The primary revenue sources which have been treated as susceptible to accrual by the Town are property tax and intergovernmental revenues. Expenditures are recorded in the accounting period in which the related fund liability is incurred, except for principal and interest on long-term debt, claims and judgments, and compensated absences which are recognized as expenditures to the extent they have matured.

Major Governmental Funds:

General Fund – The General Fund is used to account for resources devoted to financing the general services that the Town performs for its citizens and is always classified as a major fund. It is used to account for all financial resources except those required to be accounted for or reported in another fund.

American Rescue Plan Act Fund – The American Rescue Plan Act Fund is used to account for federal ARPA funds received by the Town.

Proprietary Fund Financial Statements

Proprietary Fund Financial Statements include a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Net Position, and a Statement of Cash Flows. A column representing Internal Service Funds is also presented in these statements. However, Internal Service balances and activities have been combined with the Governmental Activities in the Government-Wide Financial Statements.

Proprietary funds are accounted for using the “*economic resources*” measurement focus and the accrual basis of accounting. Accordingly, all assets, deferred outflows of resources, liabilities and deferred inflows of resources (whether current or noncurrent) are included in the Statement of Net Position. The Statement of Revenues, Expenses and Changes in Net Position present increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the period earned while expenses are recognized in the period the liability is incurred.

Operating revenues in the proprietary funds are those revenues that are generated from the primary operations of the fund. All other revenues are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as non-operating expenses.

TOWN OF NARRAGANSETT, RHODE ISLAND
Notes to Financial Statements
June 30, 2024

The Town has four Enterprise Funds. The Town considers all Enterprise Funds to be major funds for financial statement purposes. The Town's Enterprise Funds are as follows:

Water Fund – The Water Fund is used to account for the water use fees and the expenses associated with providing water services to Town residents and businesses.

Sewer Fund – The Sewer Fund is used to account for the sewer use fees, the assessments, and the expenses associated with providing sewer services to Town residents and businesses.

Beach Fund – The Beach Fund is used to account for the fees and the expenses associated with the operation of the Town beach.

Middlebridge Recreation Fund – The Middlebridge Recreation Fund is used to account for rental fees and expenses associated with the operations of Middlebridge Recreation Area.

The Town has one Internal Service Fund as follows:

Healthcare Fund – The Healthcare Fund is used to account for the Town's self-insured health and dental care programs.

Fiduciary Fund Financial Statements

Fiduciary Fund Financial Statements include a Statement of Net Position and a Statement of Changes in Net Position. The Town's Fiduciary Funds include the Pension Trust Funds, the Other Post-Employment Benefits Trust Funds, and the Private Purpose Trust Funds. Fiduciary Funds are used to account for assets held by the Town in a trustee capacity or as a custodian for individuals, private organizations, or other governments. The Fiduciary Funds are accounted for on a spending or "economic resources" measurement focus and the accrual basis of accounting.

Pension Trust Funds – The Pension Trust Funds account for contributions made by the Town and its participating employees to provide pension benefits to these employees at retirement.

Other Post-Employment Benefits Trust Funds – The Other Post-Employment Benefits (OPEB) Trust Funds were established to account for contributions to finance other post-employment benefits paid by the Town and the payment of these benefits as they come due. The Town OPEB Fund was established by Town Ordinance effective August 1, 2011 and the School OPEB Fund was established by School Committee Resolution effective May 17, 2017.

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

TOWN OF NARRAGANSETT, RHODE ISLAND
Notes to Financial Statements
June 30, 2024

C. RECENTLY ISSUED ACCOUNTING STANDARDS

The Town has implemented the following new accounting pronouncements:

- GASB Statement No. 99 – *Omnibus 2022*, requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 effective for the Town’s fiscal year ending June 30, 2024.
- GASB Statement No. 100 – *Accounting Changes and Error Corrections – an amendment of GASB Statement No. 62*, effective for the Town’s fiscal year ending June 30, 2024.

The adoption of GASB Statement No. 100 and the portion of GASB Statement No. 99 applicable in fiscal year 2024 did not have an impact on the Town’s financial position or results of operations.

The Town will adopt the following new accounting pronouncements in future years:

- GASB Statement No. 101 – *Compensated Absences*, effective for the Town’s fiscal year ending June 30, 2025.
- GASB Statement No. 102 – *Certain Risk Disclosures*, effective for the Town’s fiscal year ending June 30, 2025.
- GASB Statement No. 103 – *Financial Reporting Model Improvements*, effective for the Town’s fiscal year ending June 30, 2026.
- GASB Statement No. 104 – *Disclosure of Certain Capital Assets*, effective for the Town’s fiscal year ending June 30, 2026.

The impact of these pronouncements on the Town's financial statements has not been determined.

D. DEPOSITS AND INVESTMENTS

The cash balances of substantially all funds are pooled and invested by the Town Finance Director for the purpose of increasing earnings through investment activities. The pool’s investments are reported at fair value as of June 30, 2024. The individual funds’ portions of the pool’s fair value are presented as “Pooled Cash and Investments”. Earnings from the pooled funds are apportioned and credited to the funds annually.

E. CASH EQUIVALENTS

The Town considers cash and cash equivalents in the Proprietary Funds to include cash on hand, time and demand deposits, and short-term investments maturing within three months from the date of acquisition.

F. INVESTMENTS

The Town reports investments at fair value, except for investments in money market funds and the Trust OPEB Funding Program which are reported at net asset value per share or its equivalent (which approximates fair value).

TOWN OF NARRAGANSETT, RHODE ISLAND
Notes to Financial Statements
June 30, 2024

G. ACCOUNTS RECEIVABLE AND TAXES RECEIVABLE

Accounts receivable and taxes receivable are shown net of an allowance for uncollectible accounts. The allowances are calculated based on the age of the individual receivables.

H. UNBILLED SERVICES RECEIVABLE

Water and sewer revenue is recorded when earned. Customers are billed quarterly. The estimated value of services provided but unbilled at year-end has been included in the accompanying financial statements.

I. PREPAID ITEMS

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

J. INVENTORY

Inventory is maintained on a periodic system and is stated at cost (first in, first out method of inventory valuation). Inventory is generally recorded as expenditures/expenses when consumed.

K. CAPITAL ASSETS AND DEPRECIATION

Capital assets are reported in the Government-Wide Statement of Net Position. In the Fund Financial Statements, capital assets used in governmental fund activities are accounted for as capital expenditures of the governmental fund upon acquisition. Capital assets used in proprietary fund operations are accounted for in the same manner as in Government-Wide Financial Statements.

All capital assets are recorded at cost (or estimated historical cost). Donated capital assets are recorded at acquisition value as of the date received. The Town follows the policy of not capitalizing assets with a cost of less than \$10,000 and a useful life of less than 1 year.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Description</u>	<u>Estimated Useful Lives</u>
Land improvements	5 – 65 years
Buildings and improvements	25 – 65 years
Machinery and equipment	5 – 30 years
Vehicles	6 – 12 years
Infrastructure	15 – 65 years

L. DEBT PREMIUMS

In the Governmental Fund Financial Statements, debt premiums are reported as an “other financing source.” In the Government-Wide Statements, debt premiums are deferred and amortized over the term of the debt. Debt premiums are presented as an addition to the face amount of the debt payable.

TOWN OF NARRAGANSETT, RHODE ISLAND
Notes to Financial Statements
June 30, 2024

M. DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES

Deferred outflows of resources represent a consumption of net assets that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. Deferred inflows of resources represent an acquisition of net assets that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time.

In the Governmental Fund Financial Statements, deferred inflows of resources are reported for receivables recorded in the Governmental Fund Financial Statements for which the revenue is not available, or amounts received before the period for which property taxes are levied.

In the Government-Wide Financial Statements, deferred inflows of resources are reported for amounts received before the period for which property taxes or revenues are levied or due and deferred amounts related to refunding debt issues which will be amortized as a component of interest expense in future years. Deferred outflows of resources and deferred inflows of resources are also reported for amounts related to the Town's pension plans and other post-employment benefit plans that will be amortized as a component of pension and other post-employment benefit expense in future years.

N. PROPERTY TAXES

The Town is permitted by Rhode Island General Law to levy property taxes. Current tax collections for the Town were approximately 99.60% of the total 2023 levy. The tax rate of the Town is established in accordance with Town Ordinance.

The Town's fiscal 2023-2024 property taxes were levied on June 5, 2023, on assessed valuation as of December 31, 2022. Upon levy, taxes are due and payable between July 1 and July 31 or may be paid quarterly on July 31, October 31, January 31, and April 30. Failure to mail payments by due dates will result in a lien on the taxpayer's property. Taxable assessed values are established by the Tax Assessor's Office and are currently calculated at 100% of the full and fair value for real estate and tangible personal property. A full revaluation of all property was completed as of December 31, 2020.

Rhode Island General Law restricts the Town's ability to increase its total tax levy by more than 4% over that of the preceding fiscal year.

O. LEASES

The Town is a lessor for noncancellable leases of building space and land. The Town recognizes leases receivable and deferred inflows of resources in the Government-Wide, Governmental Funds, and Proprietary Funds Financial Statements. The Town is also a lessee for a noncancellable equipment lease. The Town recognizes lease liability and intangible right-to-use lease asset (lease asset) in the Government-Wide Financial Statements.

At the commencement of a lease, the Town initially measures the lease receivable or lease liability at the present value of payments expected to be received or made during the lease term. Subsequently,

TOWN OF NARRAGANSETT, RHODE ISLAND
Notes to Financial Statements
June 30, 2024

the lease receivable or lease liability is reduced by the principal portion of the lease payments received or made. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments include how the Town determines (1) the discount rate it uses to discount the expected lease receipts or payments to present value, (2) lease term, and (3) lease receipts or payments.

- The Town uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease and periods covered by the lessee or Town's option to extend the lease if it is reasonably certain, based on all relevant factors, that the lessee or Town will exercise that option. Lease receipts or payments included in the measurement of the lease receivable or liability is composed of fixed payments from the lessee.

The Town monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the lease receivable and deferred inflows of resources or lease asset and lease liability if certain changes occur that are expected to significantly affect the amount of the lease receivable or liability.

Lease assets are reported with capital assets and lease liabilities are reported with long-term liabilities in the Government-Wide Statement of Net Position.

P. SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITA)

The Town has entered into SBITA contracts to use vendor provided IT software. The Town recognizes subscription liability and intangible right-to-use subscription asset (subscription asset) in the Government-Wide Financial Statements.

At the commencement of a SBITA, the Town initially measures the subscription liability at the present value of payments expected to be made during the subscription term. Subsequently, the subscription liability is reduced by the principal portion of the payments made. The subscription asset is initially measured as the initial amount of the subscription liability, adjusted for payments made at or before the subscription commencement date, plus certain capitalizable initial implementation costs. Subsequently, the subscription asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments include how the Town determines (1) the discount rate it uses to discount the expected subscription payments to present value, (2) subscription term, and (3) subscription payments.

- The Town uses its estimated incremental borrowing rate as the discount rate for subscriptions.

TOWN OF NARRAGANSETT, RHODE ISLAND
Notes to Financial Statements
June 30, 2024

- The subscription term includes the noncancellable period of the SBITA, and periods covered by the Town's option to extend the subscription if it is reasonably certain, based on all relevant factors, that the Town will exercise that option. Subscription payments included in the measurement of the subscription liability are composed of fixed payments made by the Town.

The Town monitors changes in circumstances that would require a remeasurement of its subscriptions and will remeasure the subscription asset and subscription liability if certain changes occur that are expected to significantly affect the amount of the subscription liability.

Subscription assets are reported with capital assets and subscription liabilities are reported with long-term liabilities in the Government-Wide Statement of Net Position.

Q. 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 on June 30. Sick leave benefits are based on the sick leave accumulated on 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 on June 30, 2024.

The entire compensated absence liability is reported in the Government-Wide Financial Statements. For Governmental Fund Financial Statements, the amount of accumulated vacation and sick leave has been recorded as a current liability to the extent that the amounts are due to employees who have resigned or retired.

R. ACCRUED LIABILITIES AND LONG-TERM DEBT

All accrued liabilities and long-term debt are reported in the Government-Wide Financial Statements.

For Governmental Fund Financial Statements, the accrued liabilities are generally reported as a governmental 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 Governmental 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 Governmental Fund Financial Statements until due.

S. PENSIONS

For the purposes of measuring the net pension liabilities, 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 of the State of Rhode Island, the Town Pension, and Police Pension plans and the additions to/deductions from each plan's fiduciary net position have been determined on the same basis as they are reported by the plans. For this purpose, the plans benefit

TOWN OF NARRAGANSETT, RHODE ISLAND
Notes to Financial Statements
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payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

T. POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

For the purposes of measuring the net OPEB liabilities, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Town OPEB and School OPEB plans and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the plans. For this purpose, the plans recognize benefit payments when due and payable, in accordance with the benefit terms. Investments are reported at fair value.

U. ESTIMATES

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

TOWN OF NARRAGANSETT, RHODE ISLAND
Notes to Financial Statements
June 30, 2024

NOTE 2 - CAPITAL ASSETS

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

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>
Governmental Activities:				
Nondepreciable assets:				
Land and land easements	\$ 44,866,624	\$ -	\$ -	\$ 44,866,624
Construction in progress	6,223,458	5,671,629	10,962,184	932,903
	<u>51,090,082</u>	<u>5,671,629</u>	<u>10,962,184</u>	<u>45,799,527</u>
Depreciable/amortized assets:				
Land improvements and infrastructure	62,592,257	4,245,303	-	66,837,560
Buildings and improvements	61,956,994	9,827,941	-	71,784,935
Machinery and equipment	9,374,212	977,304	-	10,351,516
Vehicles	10,551,462	900,597	303,895	11,148,164
Leased equipment	217,418	-	-	217,418
Subscription IT asset	-	71,092	-	71,092
	<u>144,692,343</u>	<u>16,022,237</u>	<u>303,895</u>	<u>160,410,685</u>
Total capital assets	<u>195,782,425</u>	<u>21,693,866</u>	<u>11,266,079</u>	<u>206,210,212</u>
Less accumulated depreciation for:				
Land improvements and infrastructure	38,449,347	1,824,595	-	40,273,942
Buildings and improvements	39,014,388	2,532,753	-	41,547,141
Machinery and equipment	6,935,833	485,426	-	7,421,259
Vehicles	7,458,051	1,070,345	303,895	8,224,501
Less accumulated amortization for:				
Leased equipment	14,495	43,483	-	57,978
Subscription IT asset	-	14,218	-	14,218
Total accumulated depreciation and amortization	<u>91,872,114</u>	<u>5,970,820</u>	<u>303,895</u>	<u>97,539,039</u>
Governmental activities capital assets, net	<u>\$ 103,910,311</u>	<u>\$ 15,723,046</u>	<u>\$ 10,962,184</u>	<u>\$ 108,671,173</u>
Business-Type Activities:				
Nondepreciable assets:				
Land	\$ 3,186,280	\$ -	\$ -	\$ 3,186,280
Construction in progress	239,978	657,167	115,763	781,382
	<u>3,426,258</u>	<u>657,167</u>	<u>115,763</u>	<u>3,967,662</u>
Depreciable assets:				
System improvements and infrastructure	38,659,094	361,902	-	39,020,996
Buildings and improvements	24,474,031	42,840	-	24,516,871
Machinery and equipment	4,142,777	54,559	-	4,197,336
Vehicles	831,999	29,486	71,971	789,514
	<u>68,107,901</u>	<u>488,787</u>	<u>71,971</u>	<u>68,524,717</u>
Total capital assets	<u>71,534,159</u>	<u>1,145,954</u>	<u>187,734</u>	<u>72,492,379</u>
Less accumulated depreciation for:				
System improvements and infrastructure	22,662,417	632,968	-	23,295,385
Buildings and improvements	14,259,106	801,260	-	15,060,366
Machinery and equipment	2,602,896	101,043	-	2,703,939
Vehicles	639,809	56,710	71,971	624,548
Total accumulated depreciation	<u>40,164,228</u>	<u>1,591,981</u>	<u>71,971</u>	<u>41,684,238</u>
Business-type activities capital assets, net	<u>\$ 31,369,931</u>	<u>\$ (446,027)</u>	<u>\$ 115,763</u>	<u>\$ 30,808,141</u>

TOWN OF NARRAGANSETT, RHODE ISLAND
Notes to Financial Statements
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Depreciation expense was charged to governmental functions as follows:

General government	\$ 283,723
Public safety	795,875
Public works	2,054,126
Parks and recreation	343,983
Public libraries	351,694
Education	2,141,419
Total Depreciation and Amortization Expense	\$ 5,970,820

Depreciation expense was charged to the business-type functions as follows:

Water	\$ 344,008
Sewer	893,874
Beach	329,401
Middlebridge Recreation	24,698
Total Depreciation Expense	\$ 1,591,981

NOTE 3 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. LEGAL DEBT MARGIN

The Town's legal debt margin as set forth by State Statute is limited to three percent of total taxable assessed value which approximates \$182,420,409. As of June 30, 2024, the Town's debt subject to the legal debt margin is \$1,281,000 and the Town is under the debt limit by \$181,139,409. The debt subject to the debt limitation is based on the type of debt that is issued.

NOTE 4 – DEPOSITS AND INVESTMENTS

A. SUMMARY OF DEPOSIT AND INVESTMENT BALANCES

The following is a reconciliation of the Town's deposit and investment balances as of June 30, 2024.

	<i>Government-Wide</i> <i>Statement of</i> <i>Net Position</i>	<i>Fiduciary Funds</i> <i>Statement of</i> <i>Net Position</i>	<i>Total</i>
Pooled cash and investments	\$ 52,806,193	\$ 8,972,624	\$ 61,778,817
Cash and cash equivalents	400,658	2,621,688	3,022,346
Investments	-	152,285,773	152,285,773
Total	\$ 53,206,851	\$ 163,880,085	\$ 217,086,936

TOWN OF NARRAGANSETT, RHODE ISLAND
Notes to Financial Statements
June 30, 2024

<i>Pooled Cash and</i>	
<u><i>Investments</i></u>	
Cash	\$ 26,857,421
Investments	34,921,396
<i>Total</i>	<u><u>\$ 61,778,817</u></u>

B. CUSTODIAL CREDIT RISK – 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 does not have a formal deposit policy for custodial credit risk but is governed by State Laws as described below. As of June 30, 2024, \$12,581,992 of the Town’s bank balance of \$27,930,251 was exposed to custodial credit risk as follows:

	<i>Bank Balance</i>
Insured (federal depository insurance funds)	<u>\$15,348,259</u>
Collateralized with securities held by pledging financial institution or its agent, in the Town’s name	9,716,982
Collateralized with securities held by pledging financial institution or its agent, but not in the Town’s name	2,299,632
Uninsured and uncollateralized	565,378
<i>Total</i>	<u><u>\$27,930,251</u></u>

Under Rhode Island General Laws, depository institutions holding deposits of the State, its agencies or governmental subdivisions of the State, shall at a minimum, insure or pledge eligible collateral equal to one hundred percent (100%) of the deposits which are time deposits with maturities greater than sixty (60) days. Any of these institutions which do not meet minimum capital standards prescribed by federal regulators shall insure or pledge eligible collateral equal to one hundred percent (100%) of the deposits, regardless of maturity. On June 30, 2024, the Town's uncollateralized deposits with institutions were \$565,378. These deposits are held by institutions that meet the minimum capital standards prescribed by the federal regulators.

NOTE 5 – INVESTMENTS

The Town has investment policies for its operating funds. Operating funds include all funds except retirement funds, other pension employees’ benefits, the proceeds of certain debt issues and the assets of trust funds and endowments. Permitted investments include: U.S. Treasury obligations which carry the full faith and credit guarantee of the United States; U.S. government agency and instrumentality obligations that have a liquid market readily determinable market value; certificates of deposit; bankers’ acceptances; investment-grade commercial paper; investment-grade corporate bonds with a minimum Baa2/BBB credit rating and no more than 7 years until maturity; investment-grade obligations of state, provincial and local governments and public authorities; repurchase agreements

TOWN OF NARRAGANSETT, RHODE ISLAND
Notes to Financial Statements
June 30, 2024

whose underlying purchased securities consist of the aforementioned instruments; money market mutual funds regulated by the SEC whose portfolios consist of dollar-denominated securities; and local government investment pools either state-administered or developed through joint powers statutes and other intergovernmental agreement legislation whose weighted average maturity does not exceed 90 days. All marketable securities are to be held by the counterparty in the Town's name. The following investment guidelines apply to operating funds:

- Tier 1 - Liquidity Investment Portfolio – shall be a minimum of 25% of operating fund assets and may be invested in bank deposits and money market funds with daily liquidity.
- Tier 2 – Short-Term Reserve Portfolio – may be a maximum of 75% of operating fund assets and may be invested in bank deposits, money market funds with daily liquidity, U.S. government treasuries, agency mortgage-backed securities and municipal bonds (minimum Aa3/AA- credit rating). A minimum of 10% shall be invested in U.S. government treasuries. A minimum of 30% shall be invested in U.S. government treasuries and agency guaranteed mortgages. The portfolio duration must not exceed 5 years and no bond's duration may exceed 6 years at time of purchase.
- Tier 3 – Intermediate-Term Reserve Portfolio – may be a maximum of 50% of operating fund assets and may be invested in bank deposits, money market funds with daily liquidity, U.S. government treasuries, agency mortgage-backed securities, municipal bonds (minimum Aa3/AA- credit rating, maximum duration of 7 years), investment-grade corporate bonds (minimum Baa2/BBB credit rating, maximum duration of 7 years), exchange traded funds that fit pool criteria and mutual funds that fit pool criteria. A minimum of 10% shall be invested in U.S. government treasuries and agency mortgage-backed securities. A maximum of 25% may be invested in investment-grade corporate bonds with a minimum Baa2/BBB credit rating and no more than a 7-year maturity. A maximum of 75% may be invested in taxable municipal bonds with a minimum A3/A- credit rating and no more than a 7-year duration. The portfolio duration must not exceed 5 years and no bond's duration may exceed 7 years at time of purchase.

The Town has the following investment policies for the Pension Trust Funds:

- Equities (including convertible securities) may represent up to 70% of the account's market value with a minimum requirement of 25%.
- International Securities should not exceed 20% of the total plan assets.
- Fixed income (including preferred stocks) is not to exceed 75% of the account's market value with a minimum requirement of 30%.
- Cash equivalents (including all senior debt securities with under 1 year to maturity) may be held to a maximum of 30% of the account's market value.
- No manager shall hold greater than 15% of the total pension plan assets, calculated on an annual basis.

TOWN OF NARRAGANSETT, RHODE ISLAND

Notes to Financial Statements

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- Manager's investments in any one equity security (except mutual funds, exchange traded funds (ETFs), and U.S. Government and Agency securities) should not exceed 5% at cost of the total market value of the respective manager's portfolio and should not exceed 10% of the portfolio at any time.
- No more than 25% of the equity portfolio should be invested in any one of the following S&P 500 sectors: consumer cyclical, consumer staple, basic industrial, transportation, energy, capital goods and construction, utilities, finance, health care, and technology.
- Fixed income investments will be diversified by industry and by maturity. Not more than 5% of the portfolio value will be invested in any one issuer with the exception of the U.S. Government or its agencies.
- Average effective duration for the fixed income portfolio will not exceed six (6) years.
- Fixed income investments must be rated at least Baa2 or its equivalent by at least one recognized bond rating service. At least 80% of the fixed income portfolio must carry a rating of A or its equivalent by one rating agency.
- Current holdings that are not rated at least Baa2 or its equivalent by one rating agency must be sold within a reasonable period of time, not to exceed six (6) months.
- The Manager is prohibited from investing in private placements and from speculating in fixed income or interest rate futures.
- The Managers may invest in commercial paper, repurchase agreements, Treasury Bills, certificate of deposits, and money market funds. All such assets must represent maturities of one year or less at the time of purchase. Commercial paper must be rated P-1 or A-1 by Standards & Poor's or Moody's respectively.

TOWN OF NARRAGANSETT, RHODE ISLAND
Notes to Financial Statements
June 30, 2024

As of June 30, 2024 the Town had the following investments:

<u>Investments</u>	<u>Fair Value</u>	<u>Rating (Moody's/S&P)</u>
Corporate Bonds	\$ 968,112	Aaa
Corporate Bonds	198,265	Aa2
Corporate Bonds	279,518	Aa3
Corporate Bonds	1,594,129	A1
Corporate Bonds	1,281,039	A2
Corporate Bonds	2,035,531	A3
Corporate Bonds	1,316,492	Baa1
Corporate Bonds	1,403,507	Baa2
Corporate Bonds	39,936	Baa3
Corporate Bonds	22,606	WR
Fixed Income - Global/Foreign	85,892	Aa2
Fixed Income - Global/Foreign	502,337	A1
Fixed Income - Global/Foreign	835,045	A2
Fixed Income - Global/Foreign	76,407	A3
Fixed Income - Global/Foreign	178,534	Baa1
Fixed Income - Global/Foreign	87,018	Baa2
Fixed Income - Global/Foreign	4,891	Baa3
Fixed Income - Global/Foreign	265,458	WR
Municipal Bonds	5,113,974	Aaa
Municipal Bonds	4,183,059	Aa1
Municipal Bonds	5,700,720	Aa2
Municipal Bonds	679,954	Aa3
Municipal Bonds	1,021,222	A1
Municipal Bonds	345,604	A3
Municipal Bonds	2,246,754	Not rated
US Government Obligations	10,683,855	Aaa
US Government Obligations	1,146,581	Not rated
Mortgage-Backed Securities	6,705,253	Aaa
Mortgage-Backed Securities	731,598	Not rated
Mutual Funds & ETFs - Fixed Income	6,105,930	AAA
Mutual Funds & ETFs - Fixed Income	7,119,342	AA
Mutual Funds & ETFs - Fixed Income	15,451,435	AA-
Mutual Funds & ETFs - Fixed Income	1,511,245	A-
Mutual Funds & ETFs - Fixed Income	537,084	BBB+
Mutual Funds & ETFs - Equities	77,028,077	Not applicable
Common Stock	26,876,266	Not applicable
Money Market Fund	2,324,504	Aaa-mf
Trust OPEB Funding Program	2,844,499	Not rated
	<hr/>	
	189,531,673	
Less: Investments classified as pooled cash and investments	(34,921,396)	
Less: Investments classified as cash and cash equivalents	(2,324,504)	
	<hr/>	
Total investments reported in the financial statements	\$ 152,285,773	
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TOWN OF NARRAGANSETT, RHODE ISLAND
Notes to Financial Statements
June 30, 2024

Interest Rate Risk – Except as discussed above, the Town does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. Information about the exposure of the Town’s securities to this risk is presented below:

<u>Type of Investment</u>	<u>Fair Value</u>	<u>Investment Maturities (In Years)</u>						
		<u>Less than</u> <u>1 Year</u>	<u>1-5</u> <u>Years</u>	<u>6-10</u> <u>Years</u>	<u>11-15</u> <u>Years</u>	<u>16-20</u> <u>Years</u>	<u>20-25</u> <u>Years</u>	<u>25+</u> <u>Years</u>
Corporate Bonds	\$ 9,139,135	\$ 321,538	\$ 4,436,394	\$ 4,251,139	\$ 130,064	\$ -	\$ -	\$ -
Fixed Income - Global/Foreign	2,035,582	148,982	1,376,050	510,550	-	-	-	-
Municipal Bonds	19,291,287	4,257,454	12,304,985	2,728,848	-	-	-	-
US Government Obligations	11,830,436	2,174,235	7,180,869	2,115,891	-	-	-	359,441
Mortgage-Backed Securities	7,436,851	1,804,819	4,901,023	-	500	393,354	-	337,155
Mutual Funds & ETFs -								
Fixed Income	30,725,036	-	4,263,800	16,868,665	5,806,110	-	3,094,532	691,929
Money Market Funds	2,324,504	2,324,504	-	-	-	-	-	-
Total	\$ 82,782,831	\$ 11,031,532	\$ 34,463,121	\$ 26,475,093	\$ 5,936,674	\$ 393,354	\$ 3,094,532	\$ 1,388,525

Mutual fund and exchange traded fund maturity is based on average maturity of the fund.

Credit Risk – The Town is governed by State Laws that limit investment choices to short-term investments for its public deposits (General Fund). Except as discussed above, the Town has no investment policy that would further limit its investment choices. The ratings for the Town’s investments are presented above.

Concentration of Credit Risk – Except as discussed above, the Town does not have any policies that limit the amount that can be invested with one issuer.

Custodial Credit Risk – For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Town will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Except as discussed above, the Town does not have a policy related to custodial credit risk. The Town’s investments are held by the Town’s counterparty in the Town’s name.

Foreign Currency Risk – Except as discussed above, the Town does not have any policies related to foreign currency risk. Information about exposure of the Town’s securities to this risk is presented below:

TOWN OF NARRAGANSETT, RHODE ISLAND
Notes to Financial Statements
June 30, 2024

<i>Currency</i>	<i>Fair Value</i>	
	<i>Equities</i>	<i>Fixed Income Securities</i>
Australian dollar	\$ -	\$ 60,285
Canadian dollar	-	1,681,230
Euro	965,158	180,673
Mexican peso	-	41,054
Pound sterling	408,316	72,340
Swiss franc	390,019	-
	\$ 1,763,493	\$ 2,035,582

The Town's investment in mutual funds and ETFs includes \$21,612,374 in international equity funds.

NOTE 6 – FAIR VALUE MEASUREMENTS

The Town categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

The Town has the following recurring fair value measurements as of June 30, 2024:

<i>Investments by fair value level:</i>	<i>June 30, 2024</i>	<i>Fair Value Measurements Using:</i>		
		<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>
Common Stock	\$ 26,876,266	\$ 26,876,266	\$ -	\$ -
Mutual Funds & ETFs - Equities	77,028,077	77,028,077	-	-
Mutual Funds & ETFs - Fixed Income	30,725,036	30,725,036	-	-
Corporate Bonds - Domestic Investment Grade	9,139,135	-	9,139,135	-
Fixed Income - Global/Foreign	2,035,582	-	2,035,582	-
Fixed Income - Municipal Bonds	19,291,287	-	19,291,287	-
Fixed Income - US Government Obligations	11,830,436	-	11,830,436	-
Mortgage-Backed Securities	7,436,851	-	7,436,851	-
<i>Total investments measured by fair value level</i>	184,362,670	\$ 134,629,379	\$ 49,733,291	\$ -
<i>Investments measured at net asset value (NAV):</i>				
Money Market Funds	2,324,504			
Trust OPEB Funding Program	2,844,499			
<i>Total investments measured at fair value</i>	\$ 189,531,673			

Equity and debt securities and funds classified in Level 1 are valued using prices quoted in active markets for those securities. Debt securities classified in Level 2 are valued using rules-based pricing applications that consider benchmark yields, reported trades, market-based quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers and reference data.

TOWN OF NARRAGANSETT, RHODE ISLAND
Notes to Financial Statements
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All money market investments have a maturity of less than one year. The fair value of these money market funds reflects the net asset value reported by the fund administrator which is a stable \$1 per unit. The underlining investments, which are short-term cash equivalent type investments, are generally carried at amortized cost which approximates fair value. There are no participant's withdrawal limitations.

The Town's investment in the Trust OPEB Funding Program is valued using net asset value (NAV) per share (or its equivalent). The redemption frequency of the Trust OPEB Funding Program is daily and there is no redemption notice period. The Trust OPEB Funding Program investment utilizes a balanced strategy seeking both a reasonable level of income and long-term growth of capital and income. The Program invests in eight index, exchange traded, and mutual funds: total market index fund, total international stock exchange traded fund, real estate exchange traded fund, global infrastructure exchange traded fund, US aggregate exchange traded fund, 5-10-year investment grade exchange traded fund, high yield bond exchange traded fund, and government obligation mutual fund. The fair values of the underlying investments are used to determine NAV per share (or its equivalent) of the Trust OPEB Funding Program investment.

NOTE 7 – LEASES RECEIVABLE

During the current fiscal year, the Town had seven lease agreements to lease building space and land to various third parties. The lease terms were initially 3-5 years with the Town's options to extend five of these leases for 1-4 additional terms in 5-year increments in accordance with individual lease agreements. The Town receives fixed monthly payments for five of the leases and payments for the other two leases are received based on payment dates and amounts listed in the individual lease agreements. The leases contain annual increases ranging between 0% and 17% in accordance with individual lease agreements. The Town recognized \$239,987 in lease revenue and \$32,925 in interest revenue during the fiscal year 2024 related to these leases. As of June 30, 2024, the Town's receivable for lease payments was \$2,518,013. 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 inflows of resources was \$2,518,013.

TOWN OF NARRAGANSETT, RHODE ISLAND
Notes to Financial Statements
June 30, 2024

NOTE 8 – LONG TERM LIABILITIES

A. LONG-TERM LIABILITIES

Long-term liability activity for the year ended June 30, 2024 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
Governmental Activities:					
Bonds, notes, and loans payable:					
General obligation bonds	\$ 24,505,000	\$ 5,000,000	\$ 2,230,000	\$ 27,275,000	\$ 2,530,000
General obligation bonds and notes from direct placements	2,400,000	-	200,000	2,200,000	200,000
Loans from direct borrowings	371,428	280,000	76,849	574,579	76,000
	<u>27,276,428</u>	<u>5,280,000</u>	<u>2,506,849</u>	<u>30,049,579</u>	<u>2,806,000</u>
Plus amortized premium on bonds	1,919,026	327,260	203,200	2,043,086	-
Total bonds, notes and loans payable	<u>29,195,454</u>	<u>5,607,260</u>	<u>2,710,049</u>	<u>32,092,665</u>	<u>2,806,000</u>
Other liabilities:					
Financed purchase payable	18,355	-	6,674	11,681	6,675
Lease liability	168,999	-	40,587	128,412	41,676
Subscription based IT arrangement liabilities	-	71,092	18,909	52,183	12,522
Compensated absences	4,764,251	358,503	236,386	4,886,368	921,521
Pollution remediation obligations	1,249,369	-	87,096	1,162,273	87,098
Net pension liabilities	79,194,643	-	12,253,537	66,941,106	-
Net other post-employment benefit liabilities	29,264,678	-	2,746,197	26,518,481	-
Total Governmental Activities Long-Term Liabilities	<u>\$ 143,855,749</u>	<u>\$ 6,036,855</u>	<u>\$ 18,099,435</u>	<u>\$ 131,793,169</u>	<u>\$ 3,875,492</u>
Business Type Activities:					
Loans payable:					
Loans from direct borrowings	\$ 865,307	\$ -	\$ 193,000	\$ 672,307	\$ 198,307
Total loans payable	<u>865,307</u>	<u>-</u>	<u>193,000</u>	<u>672,307</u>	<u>198,307</u>
Other liabilities:					
Compensated absences	358,377	36,907	27,390	367,894	66,815
Business-Type Activities Long-Term Liabilities	<u>\$ 1,223,684</u>	<u>\$ 36,907</u>	<u>\$ 220,390</u>	<u>\$ 1,040,201</u>	<u>\$ 265,122</u>

All debt of the Governmental Activities is general obligation debt. The payments on the bonds, notes and loans are made from the Debt Service Fund. The financed purchase payable, lease liability and subscription-based IT arrangement liabilities are paid from the General Fund. The compensated absences from Governmental Activities are paid for by the General Fund. The pollution remediation obligations, net pension liabilities and net other post-employment benefit liabilities will be paid from the General Fund. All debt and compensated absences of the Business-Type Activities are paid from the Water, Sewer, Beach, and Middlebridge Recreation Enterprise Funds.

TOWN OF NARRAGANSETT, RHODE ISLAND
Notes to Financial Statements
June 30, 2024

B. GENERAL OBLIGATION BONDS AND NOTES PAYABLE DEBT SERVICE REQUIREMENTS

The debt service requirements on June 30, 2024, were as follows:

<u>Fiscal Year Ended June 30,</u>	<i>Governmental Activities</i>		<i>Governmental Activities</i>	
	<i>General Obligation Bonds</i>		<i>General Obligation Bonds and</i>	
	<i>Principal</i>	<i>Interest</i>	<i>Notes from Direct Placements</i>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2025	\$ 2,530,000	\$ 1,037,914	\$ 200,000	\$ 34,536
2026	2,590,000	933,049	200,000	31,408
2027	2,650,000	815,824	200,000	28,280
2028	2,715,000	697,124	200,000	25,152
2029	2,775,000	587,161	200,000	22,024
2030-2034	6,625,000	1,880,122	880,000	65,000
2035-2039	5,195,000	834,646	320,000	7,584
2040-2044	2,195,000	206,700	-	-
	<u>\$ 27,275,000</u>	<u>\$ 6,992,540</u>	<u>\$ 2,200,000</u>	<u>\$ 213,984</u>

C. LOANS PAYABLE FROM DIRECT BORROWINGS DEBT SERVICE REQUIREMENTS

The debt service requirements on June 30, 2024, were as follows:

<u>Fiscal Year Ended June 30,</u>	<i>Governmental Activities</i>		<i>Business-Type Activities</i>	
	<i>Loans from Direct Borrowings</i>		<i>Loans from Direct Borrowings</i>	
	<i>Principal</i>	<i>Interest</i>	<i>Principal</i>	<i>Interest</i>
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2025	\$ 76,000	\$ 7,580	\$ 198,307	\$ 15,439
2026	78,000	6,196	21,000	13,024
2027	59,000	5,157	22,000	12,491
2028	59,000	3,924	22,000	11,958
2029	61,000	2,514	23,000	11,420
2030-2034	173,000	7,974	122,000	48,578
2035-2039	-	-	138,000	31,694
2040-2043	-	-	126,000	8,823
	<u>\$ 506,000</u>	<u>\$ 33,345</u>	<u>\$ 672,307</u>	<u>\$ 153,427</u>

On July 11, 2005 and May 16, 2022, the Town entered into loan agreements with the RI Infrastructure Bank for \$250,000 and \$300,000, respectively, to be used to finance the Community Septic System Loan Program (CSSLP). The loans are evidenced by non-restoring line of credit promissory notes. The loans bear interest of 0% and discharge of the loans is the latter of a) the date on which all loans made by the Town under the CSSLP have been paid back, or b) July 1, 2032. The balance of the loans reported in Governmental Activities as of June 30, 2024 is \$68,579 and the balance available to be drawn down is \$252,521.

TOWN OF NARRAGANSETT, RHODE ISLAND
Notes to Financial Statements
June 30, 2024

D. FINANCED PURCHASE PAYABLE

The Town acquired equipment valued at \$40,048 using a financed purchase agreement. The agreement bears interest of 0%.

Obligations of governmental activities for the financed purchase agreement on June 30, 2024 were as follows:

<u>Fiscal Year Ended June 30,</u>	<u>Principal</u>
2025	\$ 6,675
2026	5,006
	<u>\$ 11,681</u>

E. LEASE LIABILITY

The Town entered into a lease agreement for equipment. As of June 30, 2024, the value of the lease liability was \$128,412. The equipment has an estimated useful life of 6 years. The value of the right-to-use asset as of June 30, 2024 was \$217,418 and accumulated amortization was \$57,978.

Obligations of governmental activities for the lease liability as of June 30, 2024 were as follows:

<u>Fiscal Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 41,676	\$ 3,444	\$ 45,120
2026	42,794	2,326	45,120
2027	43,942	1,178	45,120
	<u>\$ 128,412</u>	<u>\$ 6,948</u>	<u>\$ 135,360</u>

F. SUBSCRIPTION-BASED IT ARRANGEMENT LIABILITIES

The Town entered into subscription-based information technology arrangement (SBITA) contracts to use vendor provided IT software. As of June 30, 2024, the value of the subscription liabilities was \$52,183. The related subscription assets have estimated useful lives of 5 years. The value of these right-to-use assets as of June 30, 2024 was \$71,092 and the accumulated amortization on these right-to-use assets was \$14,218.

Obligations of governmental activities for subscription liabilities as of June 30, 2024 were as follows:

<u>Fiscal Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 12,522	\$ 1,428	\$ 13,950
2026	12,865	1,085	13,950
2027	13,217	733	13,950
2028	13,579	371	13,950
	<u>\$ 52,183</u>	<u>\$ 3,617</u>	<u>\$ 55,800</u>

TOWN OF NARRAGANSETT, RHODE ISLAND
Notes to Financial Statements
June 30, 2024

G. BONDS, NOTES AND LOANS PAYABLE

<i>Purpose</i>	<i>Date Issued</i>	<i>Interest Rate</i>	<i>Maturity Date</i>	<i>Authorized and Issued</i>	<i>Outstanding June 30, 2023</i>	<i>New Issues</i>	<i>Refundings/ Maturities During Year</i>	<i>Outstanding June 30, 2024</i>
Governmental Activities:								
General Obligation Bonds:								
Road Bond	07/02/2014	2.00-4.00%	07/15/2034	\$ 4,100,000	\$ 2,460,000	\$ -	\$ 205,000	\$ 2,255,000
General Obligation Bond	11/08/2016	2.00-3.00%	11/01/2036	6,100,000	4,270,000	-	305,000	3,965,000
School Refunding	04/11/2017	3.00-5.00%	05/15/2029	12,029,000	7,820,000	-	1,160,000	6,660,000
Road Bond	05/08/2019	3.00-5.00%	05/15/2039	5,000,000	4,000,000	-	250,000	3,750,000
Road Bond	03/31/2022	3.00-4.00%	03/15/2042	3,000,000	2,850,000	-	150,000	2,700,000
Library Bond	03/31/2022	3.00-4.00%	03/15/2042	3,265,000	3,105,000	-	160,000	2,945,000
Road Bond	06/20/2024	4.00-5.00%	06/15/2044	5,000,000	-	5,000,000	-	5,000,000
Total General Obligation Bonds					<u>24,505,000</u>	<u>5,000,000</u>	<u>2,230,000</u>	<u>27,275,000</u>
General Obligation Bonds and Notes from Direct Placements:								
Library Bond	02/04/2021	1.58%	02/01/2036	2,400,000	2,080,000	-	160,000	1,920,000
Library Note	02/04/2021	1.50%	02/01/2031	400,000	320,000	-	40,000	280,000
Total General Obligation Bonds and Notes from Direct Placements					<u>2,400,000</u>	<u>-</u>	<u>200,000</u>	<u>2,200,000</u>
Loans from Direct Borrowings:								
Narrow River	12/12/2007	1.64-2.04%	09/01/2029	600,000	237,000	-	32,000	205,000
Landfill Closure	12/15/2005	1.59-2.00%	09/01/2025	350,000	61,000	-	20,000	41,000
Efficient Building Loan	03/19/2024	1.68%	02/02/2031	260,000	-	260,000	-	260,000
Community Septic System Loans	(I)	0%	(I)	(I)	73,428	20,000	24,849	68,579
Total Loans from Direct Borrowings					<u>371,428</u>	<u>280,000</u>	<u>76,849</u>	<u>574,579</u>
Total Governmental Activities					<u>27,276,428</u>	<u>5,280,000</u>	<u>2,506,849</u>	<u>30,049,579</u>
Business -Type Activities:								
Loans from Direct Borrowings:								
Briggs Farm Sewer Project	11/13/2003	0.97-2.12%	09/01/2024	4,200,000	350,307	-	173,000	177,307
Scarborough Waste Treatment Facility	06/15/2023	2.39-3.46%	09/01/2042	515,000	515,000	-	20,000	495,000
Total Loans from Direct Borrowings					<u>865,307</u>	<u>-</u>	<u>193,000</u>	<u>672,307</u>
Total Business-Type Activities					<u>865,307</u>	<u>-</u>	<u>193,000</u>	<u>672,307</u>
Total Bonds, Notes and Loans Payable					<u>\$ 28,141,735</u>	<u>\$ 5,280,000</u>	<u>\$ 2,699,849</u>	<u>\$ 30,721,886</u>

(I) See Note 8C to the financial statements.

TOWN OF NARRAGANSETT, RHODE ISLAND
Notes to Financial Statements
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H. POLLUTION REMEDIATION OBLIGATIONS

The United States Environmental Protection Agency (US EPA) has notified the Town that two former landfills used by the Town, Rose Hill Regional Landfill (Rose Hill) and West Kingston/URI Disposal Area Landfill, have been placed on the Superfund list.

Rose Hill Regional Landfill – Rose Hill was previously operated by the Towns of South Kingstown and Narragansett. In September 2002, the US EPA, the Rhode Island Department of Environmental Management (RIDEM) and the Towns of Narragansett and South Kingstown entered into a Final Consent Decree for remediation of Rose Hill. Since then, the site has been capped and long-term groundwater and air monitoring has commenced to determine the effectiveness of the cap and what, if any, additional remediation actions may be necessary in the future. The current estimated total cost of completing the clean-up of Rose Hill is \$21,499,175. The Town's share of this obligation is estimated to be \$4,496,819. In prior years, the Town paid \$2,000,000 to the Federal Government to settle all past liabilities associated with Rose Hill and \$504,931 for its share of natural resource damages. The Final Consent Decree also requires reimbursement to the State of 30% of the costs associated with remediation of this landfill and ongoing operation and maintenance costs. These costs will be shared equally by the two towns. The Town has paid \$979,615 to date for its share of remediation of the landfill and operation and maintenance costs. The Town's remaining share of the estimated cost, totaling \$1,012,273 on June 30, 2024, will be paid to the State over a 13-year period. Accordingly, \$1,012,273 has been reported as a pollution remediation obligation in the government-wide financial statements.

West Kingston/URI Disposal Area Landfills – The West Kingston/URI Disposal Area Landfills, also known as the Plains Road Landfill (Plains Road), was added to the Superfund list in 1992. The Towns of Narragansett and South Kingstown and the University of Rhode Island (URI) were named as potentially responsible parties. The Towns of Narragansett and South Kingstown and URI have agreed to participate in the remediation of the site under State landfill closure regulations. A consent decree was entered for the site as well. The current estimated cost of completing the clean-up of Plains Road is \$7,459,620. The Town's share of this obligation is estimated to be \$1,669,588. The Town has paid \$1,519,588 to date related to its obligation with an estimated \$150,000 remaining for ongoing operation and maintenance costs on June 30, 2024. Accordingly, \$150,000 has been reported as a pollution remediation obligation in the government-wide financial statements.

TOWN OF NARRAGANSETT, RHODE ISLAND
Notes to Financial Statements
June 30, 2024

NOTE 9 – INTERFUND RECEIVABLES AND PAYABLES

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.

	<i>Due From:</i>			
<i>General Fund</i>	<i>Nonmajor Governmental Funds</i>		<i>Pension Trust Funds</i>	<i>Total</i>
<i>Due To:</i>				
General Fund	\$ -	\$ 857,215	\$ 214,665	\$ 1,071,880
Nonmajor Governmental Funds	3,221,560	-	-	3,221,560
Total	\$ 3,221,560	\$ 857,215	\$ 214,665	\$ 4,293,440

The outstanding balances between funds primarily result from the time lag between the dates the 1) interfund goods and services are provided or reimbursable expenditures occur, 2) transactions are recorded in the accounting system and 3) payments between funds are made.

NOTE 10 – INTERFUND TRANSFERS

	<i>Transfer In:</i>
<i>General Fund</i>	<i>Nonmajor Governmental Funds</i>
<i>Transfer Out:</i>	
General Fund	\$ 8,145,208
Total	\$ 8,145,208

Transfers are used to move revenues from the fund that the budget requires to collect them to the funds that the budget requires to expend them.

NOTE 11 – NET POSITION/FUND BALANCES

The Government-Wide Financial Statements and Proprietary Fund Statements utilize a net position presentation. Net position is categorized as net investment in capital assets; restricted; and unrestricted.

Net Investment in Capital Assets – This category groups all capital assets into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce the balance in this category.

TOWN OF NARRAGANSETT, RHODE ISLAND
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Restricted Net Position – This category represents balances limited to uses specified either externally by creditors, contributors, laws and regulations of other governments or imposed through constitutional provisions or enabling legislation.

Unrestricted Net Position – This category represents the residual component of net position that does not meet the definition of “restricted” or “net investment in capital assets.”

The Town considers restricted resources to have been spent when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

In the Fund Financial Statements, governmental fund equity is classified as fund balance. Fund balance is reported in classifications that comprise a hierarchy based primarily on the extent to which the Town is bound to honor constraints on the specific purpose for which amounts of those funds can be spent.

Nonspendable Fund Balance – This classification includes amounts that cannot be spent because they are not in spendable form or legally or contractually required to be maintained intact. The “not in spendable form” criteria include items that are not expected to be converted to cash (e.g., inventories and prepaid items).

Restricted Fund Balance – This classification includes amounts that have constraints placed on the use of resources that are either externally imposed by creditors, grantors, contributors, or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance – This classification includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Town’s highest level of decision-making authority. These committed amounts cannot be used for any other purpose unless the Town removes or changes the specific use by taking the same type of action it employed to previously commit those amounts.

Assigned Fund Balance – This classification includes amounts constrained by the Town’s intent to be used for specific purposes but are neither restricted nor committed.

Unassigned Fund Balance – This classification is the residual fund balance for the General Fund which is the only fund that reports a positive unassigned fund balance amount. This classification represents fund balance that has not been assigned to another fund and that has not been restricted, committed, or assigned to specific purposes within the General Fund.

Committed fund balances are established, modified, or rescinded by an ordinance or resolution adopted by the Town Council. The Town Council delegates to the Town Manager the authority to assign amounts to be used for specific purposes. The Town considers restricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. The Town considers unrestricted fund balance classifications to be used in the following

TOWN OF NARRAGANSETT, RHODE ISLAND
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order when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used: 1) committed; 2) assigned; and 3) unassigned.

NOTE 12 – DISAGGREGATION OF RECEIVABLE AND PAYABLE BALANCES

A. ACCOUNTS RECEIVABLE

The Town disaggregates significant components of receivables in the financial statements. Receivable balances determined immaterial are included as other receivables. The Town expects to receive all receivables within the subsequent year, except for sewer assessments, sewer lot development fees and community development loans receivable. The real estate and personal property tax receivable includes an allowance for doubtful accounts of \$205,648.

B. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

The accounts payable and accrued liabilities on June 30, 2024, were as follows:

	<u>Vendors</u>	<u>Salaries and Benefits</u>	<u>Other</u>	<u>Total</u>
Governmental activities:				
General Fund	\$ 630,300	\$ 1,266,959	\$ 114,044	\$ 2,011,303
American Rescue Plan Act Fund	40,567	-	-	40,567
Other Governmental Funds	760,564	24,922	-	785,486
Internal Service Fund	-	204,720	-	204,720
Total	<u>\$ 1,431,431</u>	<u>\$ 1,496,601</u>	<u>\$ 114,044</u>	<u>\$ 3,042,076</u>
Business-Type activities:				
Water Fund	\$ 64,912	\$ 19,186	\$ 2,217	\$ 86,315
Sewer Fund	238,772	29,572	692	269,036
Beach Fund	81,932	67,450	497	149,879
Middlebridge Recreation Fund	6,833	-	-	6,833
Total	<u>\$ 392,449</u>	<u>\$ 116,208</u>	<u>\$ 3,406</u>	<u>\$ 512,063</u>

NOTE 13 – POST-EMPLOYMENT BENEFITS

A. TOWN PLAN

Plan Description

Plan Administration - The Town of Narragansett administers a single employer, defined benefit post-employment benefit plan. This plan does not include the pension benefits discussed in Note 16. On August 1, 2011, the Town Council authorized the creation of an OPEB Trust Fund. The Finance Director is responsible for administration of the plan in accordance with the Trust Agreement dated September 8, 2011 with Town Council oversight. The plan is reported as a Trust Fund in the Town's financial statements. The plan does not issue a publicly available financial report.

TOWN OF NARRAGANSETT, RHODE ISLAND
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June 30, 2024

Plan Membership - As of June 30, 2023, the plan membership data is as follows:

Active employees (with and without coverage)	183
Retirees and beneficiaries	161
	344

Benefits Provided - The plan provides medical, dental and life insurance for eligible retirees and their dependents through the Town’s group insurance plans, which cover both active and retired members. Benefit provisions are established and amended by the union contracts through negotiations between the Town and the respective unions or as established by the Town Ordinance for non-union employees. The plan provides the following benefits based on employee group upon retirement:

Municipal Employees – Employees who have attained age 58 with 10 years of service or 20 years of service (whichever is earlier) are eligible for lifetime medical, dental and life insurance benefits, if hired prior to July 1, 2014. Effective July 1, 2001, those retirees eligible for lifetime benefits who are Medicare eligible are enrolled in Blue Cross Plan 65. Council 94 employees hired on/after July 1, 2014 who have attained the age of 65 with 10 years of service or 25 years of service (whichever is earlier) are eligible for medical and dental coverage until Medicare eligible. Local 1033 employees hired on/after July 1, 2014 who have attained the age of 58 with 10 years of service or 25 years of service (whichever is earlier) are eligible for medical and dental coverage until Medicare eligible. Employees retiring prior to January 1, 2010 have no employee contribution. Council 94 and Local 1033 employees retiring prior to July 1, 2018 who elect spousal coverage at retirement shall be provided with 2-person coverage and the retiree contribution requirements noted below apply to the spouse as well. Council 94 and Local 1033 employees retiring on/after July 1, 2018 who elect spousal coverage at retirement must contribute the full incremental cost of the spousal coverage. The following employee contribution requirements apply:

- Council 94 – date of retirement on/after January 1, 2010 and prior to January 1, 2012 – none; date of retirement on/after January 1, 2012 – 10% of health and dental premiums; date of retirement on/after July 1, 2012 – 12% of health and dental premiums; date of retirement on/after July 1, 2013 – 15% of health and dental premiums; date of retirement on/after July 1, 2018 – 20% of health and dental premiums
- Local 1033 – date of retirement after January 1, 2011 – 2% of monthly pension; date of retirement after January 1, 2012 – 10% of health and dental premiums; date of retirement after January 1, 2013 – 12% of health and dental premiums; date of retirement on/after July 1, 2014 - same percentage of health and dental premiums as on the their last day of active employment; date of retirement on/after July 1, 2018 – 20% of health and dental premium.
- Non-Union – 2% of monthly pension

Council 94 and Local 1033 employees retiring on/after July 1, 2018 will receive individual health and dental benefits only until age 65 or Medicare eligible (whichever is earlier) regardless of date of hire.

TOWN OF NARRAGANSETT, RHODE ISLAND

Notes to Financial Statements

June 30, 2024

Firefighters – Employees who have 20 years of service are eligible for lifetime medical, dental and life insurance benefits if hired prior to July 1, 2013. Firefighters hired on/after July 1, 2013 must have 25 years of service to be eligible for benefits. Employees retiring prior to January 1, 2011 have no employee contribution. Employees retiring on/after January 1, 2011 but prior to January 1, 2017 must contribute 20% of their health premium (for retirees and spouses). Employees retiring on/after January 1, 2017 will receive health coverage through a Blue Solutions HDHP plan with no contribution requirement and must contribute 20% of their dental premium (for retirees and spouses). Employees retiring on/after January 1, 2011 will no longer be eligible for subsidized Medicare Supplement coverage.

Police Officers – Employees who have attained age 58 with 10 years of service or 20 years of service (whichever is earlier) are eligible for lifetime medical, dental and life insurance benefits if hired prior to July 1, 2013. Officers hired on/after July 1, 2013 must have 25 years of service to be eligible for medical and dental coverage until Medicare eligibility and lifetime life insurance benefits. Employees retiring prior to January 1, 2010 have no employee contribution. Employees retiring on/after January 1, 2010 but prior to January 1, 2011 must contribute 2% of their monthly pension and employees retiring on/after January 1, 2011 but prior to July 1, 2013 must contribute 5% of their monthly pension towards health, dental and life insurance costs. Employees who retire on/after July 1, 2013 but prior to July 1, 2017 must contribute 15% of health and dental premiums. Employees who retire on/after July 1, 2017 but prior to July 1, 2018 must contribute 17% of health and dental premiums. Employees who retire on/after July 1, 2018 must contribute 20% of health and dental premiums.

Current and future Town retirees who waive coverage from the Town due to equivalent coverage elsewhere shall be reimbursed a percentage of the Town's cost of group health and dental depending on their coverage level (municipal employees and firefighters – 50%; police officers – 60% for retirements prior to July 1, 2017 and 50% for retirements on/after July 1, 2017). Council 94 and Local 1033 employees retiring on/after July 1, 2018 will receive this benefit until Medicare eligible. Firefighters retiring on/after January 1, 2011 will receive this benefit until Medicare eligible. Police officers hired on/after July 1, 2013 will receive this benefit until Medicare eligible.

Contributions - Contribution requirements are negotiated between the Town and the respective unions or are established by Town Ordinance for non-union employees. The Town is required to contribute the cost of medical, dental and life benefits, less the amount of any applicable retiree share of premiums. For the year ended June 30, 2024, the Town's contribution was based on the adopted budget which was more than the actuarially determined contribution. For the fiscal year ended June 30, 2024, the Town contributed \$3,858,253 to the plan. Administrative costs are paid from plan assets.

Summary of Significant Accounting Policies

Basis of Accounting – The Other Post-Employment Benefits Trust Fund's financial statements are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

TOWN OF NARRAGANSETT, RHODE ISLAND
Notes to Financial Statements
June 30, 2024

Method Used to Value Investments – Investments are reported at fair value. Securities traded on national or international exchanges are valued at the last reported sales price at current exchange rates.

Investments

Investment Policy – The Finance Director may invest funds held in the OPEB Trust Fund in accordance with the Trust Agreement and State Law in the following types of investments: common or preferred stocks, bonds, notes, debentures, mortgages, equipment or investment trust certificates, mutual funds or other pooled investment vehicles, and other evidence of indebtedness.

Rate of Return – For the year ended June 30, 2024, the annual money-weighted rate of return on investments, net of investment expense, was 12.17%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for changing amounts actually invested.

Net OPEB Liability of the Town Plan

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

Total OPEB Liability	\$45,643,475
OPEB Plan Fiduciary Net Position	<u>(19,542,477)</u>
Net OPEB Liability	<u>\$26,100,998</u>

Plan Fiduciary Net Position as a percentage of the Total OPEB Liability	42.82%
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Actuarial Assumptions – The total OPEB liability was determined by an actuarial valuation as of June 30, 2023 rolled forward to June 30, 2024, the measurement date. The following actuarial assumptions applied to all periods in the measurement, unless otherwise specified:

Actuarial Cost Method	Entry Age Normal Cost Method
Salary Increases	4% to determine growth in aggregate payroll; merit salary increase rates are used to increase individual salaries with 4% being the minimum
Inflation	2.5%
Investment Rate of Return	6.5%
Mortality	<i>Police and Fire</i> - SOA Pub-2010 Public Safety Headcount Weighted Employee/Retiree Mortality Table projected fully generational using Scale MP-2021 <i>General Employees</i> – SOA Pub-2010 General Headcount Weighted Employee/Retiree Mortality Table projected fully generational using Scale MP-2021

TOWN OF NARRAGANSETT, RHODE ISLAND
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Disabled Retirees - SOA Pub-2010
 General/Public Safety Headcount Weighted
 Disabled Retiree Mortality Table projected
 fully generational using Scale MP-2021

Contingent Survivors – SOA Pub-2010
 Contingent Survivor Headcount Weighted
 Mortality Table projected fully generational
 using Scale MP-2021

Health Care Trend Rates

Medical – Based on Long Term Healthcare
 Cost Trends Model v2023_1b with initial rates
 of 7% pre-Medicare and 6% Medicare
 decreasing gradually to an ultimate rate of
 3.94% by 2075

Dental – 3% for all years

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 OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Asset Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Fixed Income	38%	2.5%
Domestic Equity	39%	5.15%
International Equity	13%	5.65%
REITs	3%	5%
Commodities	2%	2.5%
Alternatives	3%	1.5%
Cash & Cash Equivalentents	2%	0.5%
	100%	

The actuarial assumptions used in the June 30, 2023 valuation and the calculation of the total OPEB liability as of June 30, 2024 were consistent with an actuarial experience study performed in 2021.

Discount Rate – The discount rate used to measure the OPEB liability was 6.5% for the Town Plan. The projection of cash flows used to determine the discount rate assumed that contributions will be made at rates equal to the greater of the actuarially determined contribution or the expected benefit payments. Based on those assumptions, the Town Plan’s net fiduciary position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-

TOWN OF NARRAGANSETT, RHODE ISLAND
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term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Town Plan - Changes in the Net OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Balances as of June 30, 2023	\$44,479,569	\$16,425,110	\$28,054,459
Changes for the Year:			
Service cost	909,729	-	909,729
Interest on the total OPEB liability	2,867,265	-	2,867,265
Changes in benefits	-	-	-
Difference between expected and actual experience	(58,033)	-	(58,033)
Changes in assumptions	-	-	-
Employer contributions	-	3,858,253	(3,858,253)
Plan member contributions	-	-	-
Net investment income	-	1,800,274	(1,800,274)
Benefit payments, including employee refunds	(2,555,055)	(2,555,055)	-
Administrative expense	-	(16,538)	16,538
Other changes	-	30,433	(30,433)
Net changes	1,163,906	3,117,367	(1,953,461)
Balances as of June 30, 2024	\$45,643,475	\$19,542,477	\$26,100,998

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate - The following presents the net OPEB liability of the Town Plan, as well as what the Town Plan's net OPEB liability would be if it were calculated using a discount rate 1-percentage-point lower and 1-percentage-point higher than the current discount rate:

	<u>1% Decrease</u> <u>(5.5%)</u>	<u>Current</u> <u>Discount Rate</u> <u>(6.5%)</u>	<u>1% Increase</u> <u>(7.5%)</u>
Net OPEB Liability	\$31,514,026	\$26,100,998	\$21,589,156

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates - The following presents the net OPEB liability of the Town Plan, as well as what the Town Plan's net OPEB liability would be if it were calculated using a healthcare cost trend rates 1-percentage-point lower and 1-percentage-point higher than the current healthcare cost trend rates:

	<u>1% Decrease</u>	<u>Current Healthcare</u> <u>Cost Trend Rates</u>	<u>1% Increase</u>
Net OPEB Liability	\$21,268,799	\$26,100,998	\$31,907,090

TOWN OF NARRAGANSETT, RHODE ISLAND
Notes to Financial Statements
June 30, 2024

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

For the year ended June 30, 2024, the Town recognized OPEB expense of \$2,962,533. On June 30, 2024, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$428,578	\$3,579,895
Changes in assumptions	3,404,183	-
Net difference between projected and actual earnings on OPEB plan investments	167,949	-
Total	\$4,000,710	\$3,579,895

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

Year ended June 30:

2025	\$217,301
2026	653,260
2027	(297,549)
2028	(148,914)
2029	(3,283)

B. SCHOOL PLAN

Plan Description

Plan Administration - The Narragansett School System administers a single employer, defined benefit post-employment benefit plan. This plan does not include the pension benefits discussed in Note 16. On May 17, 2017, the School Committee authorized the creation of an OPEB Trust Fund. The Director of Finance and Administration is responsible for administration of the plan in accordance with the Trust Agreement effective May 17, 2017 with School Committee oversight. The plan is reported as a Trust Fund in the Town's financial statements. The plan does not issue a publicly available financial report.

Plan Membership - As of June 30, 2023 the plan membership data is as follows:

TOWN OF NARRAGANSETT, RHODE ISLAND
Notes to Financial Statements
June 30, 2024

Active employees (with and without coverage)	211
Retirees and beneficiaries	163
	374

Benefits Provided - The plan provides medical, dental and life insurance for eligible retirees and their dependents through the School System’s group insurance plans, which cover both active and retired members. Benefit provisions are established and amended by the union contracts through negotiations between the School System and the respective unions or as established by employee contracts for non-union employees. The plan provides the following benefits based on employee group:

Certified Teachers – Employees who have 10 years of service are eligible for health and dental benefits until Medicare eligible once they meet the retirement eligibility requirements of the Employees Retirement System. Retirees are responsible for 100% of the premium cost plus a 2% administrative fee once any accrued sick leave balance which is converted to pay for health and dental insurance has been exhausted.

Other School Employees – Employees with 10 years of service, upon retirement, are eligible for health and dental benefits until Medicare eligible. Retirees are responsible for 100% of the premium cost plus a 2% administrative fee once any accrued sick leave balance which is converted to pay for health and dental insurance has been exhausted.

School System employees may convert accumulated vacation and sick pay, as applicable, to be used to purchase health and dental insurance based on requirements applicable to their employee group. If the employee has a spouse covered at retirement, the spouse may remain in the group health plan while the retiree is living.

All employees may continue their life insurance policies at retirement as a lifetime benefit. Certified teachers pay the annual premium amount in effect at the time of their retirement. All other employees pay the full cost of coverage.

Contributions - Contribution requirements are negotiated between the School System and the respective unions or are established by employee contract for non-union employees. The School System is required to contribute the cost of medical, dental and life insurance benefits, less the amount of any applicable retiree share of premiums. For the year ended June 30, 2024, the plan operated on a pay as you go basis plus an additional contribution to fund future benefits to be provided to plan members. For the fiscal year ended June 30, 2024, the School System contributed \$779,629 to the plan.

Summary of Significant Accounting Policies

Basis of Accounting – The Other Post-Employment Benefits Trust Fund’s financial statements are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are

TOWN OF NARRAGANSETT, RHODE ISLAND
Notes to Financial Statements
June 30, 2024

recognized when due and payable in accordance with the terms of the plan.

Method Used to Value Investments – Investments are reported at fair value. Securities traded on national or international exchanges are valued at the last reported sales price at current exchange rates.

Investments

Investment Policy – The Director of Finance and Administration may invest funds held in the OPEB Trust Fund in accordance with the Trust Agreement and State Law. The School Plan utilizes a third-party investment advisor and has adopted a balanced strategy.

Rate of Return – For the year ended June 30, 2024, the annual money-weighted rate of return on investments, net of investment expense, was 11.75%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for changing amounts actually invested.

Net OPEB Liability of the School Plan

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

Total OPEB Liability	\$3,640,708
OPEB Plan Fiduciary Net Position	<u>(3,223,225)</u>
Net OPEB Liability	<u>\$417,483</u>

Plan Fiduciary Net Position as a percentage of the Total OPEB Liability	88.5%
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Actuarial Assumptions – The total OPEB liability was determined by an actuarial valuation as of July 1, 2023 rolled forward to June 30, 2024, the measurement date. The following actuarial assumptions applied to all periods in the measurement, unless otherwise specified:

Actuarial Cost Method	Entry Age Normal Cost Method
Salary Increases	General wage inflation of 3% plus merit increases
Inflation	2.1%
Investment Rate of Return	6.9%
Mortality	<i>Teachers and Administrators</i> - SOA Pub-2010 Teacher Headcount Weighted Mortality Table fully generational using Scale MP-2021 <i>Support Employees</i> - SOA Pub-2010 General Headcount Weighted Mortality Table fully generational using Scale MP-2021

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Surviving Spouses – SOA Pub-2010
Contingent Survivor Headcount Weighted
Mortality Table fully generational using Scale
MP-2021

Health Care Trend Rates

Medical – initial rate of 8% for pre-65 (6.5% for post-65) decreasing 0.5% for pre-65 (0.25% for post-65) annually to an ultimate rate of 4.5% in 2033

Dental – 4% for all years

The long-term expected rate of return on OPEB plan investments was determined based on the 30-year long-term expected nominal rate of return of the PARS balanced portfolio as of June 30, 2024. The long-term expected rate of return was not provided by asset class. The long-term expected nominal rate of return was 6.9% for the balanced portfolio as a whole. The target allocation for each major asset class is summarized in the following table:

<u>Asset Class</u>	<u>Target Asset Allocation</u>
Domestic Equity	36%
International Equity	18%
Global Infrastructure	3%
Investment Grade Fixed Income	37%
High-Yield Fixed Income	3%
Real Estate	3%
	100%

The following changes in actuarial assumptions have been made since the prior valuation or measurement date:

- The investment rate of return was changed from 6.6% to 6.9%.
- The medical healthcare trend rates were changed from an initial rate of 7.5% for pre-65 (6.5% for post-65) decreasing 0.5% for pre-65 (0.25% for post-65) annually to an ultimate rate of 4.5% in 2032 to initial rate of 8% for pre-65 (6.5% for post-65) decreasing 0.5% for pre-65 (0.25% for post-65) annually to an ultimate rate of 4.5% in 2033.

The actuarial assumptions used in the July 1, 2023 valuation and the calculation of the total OPEB liability as of June 30, 2024 were consistent with an actuarial experience study performed in 2021.

Discount Rate – The discount rate used to measure the OPEB liability was 6.9% for the School Plan. The projection of cash flows used to determine the discount rate assumed that contributions will be made at rates equal to the expected benefit payments. Based on those assumptions, the School Plan’s net fiduciary position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was

TOWN OF NARRAGANSETT, RHODE ISLAND
Notes to Financial Statements
June 30, 2024

applied to all periods of projected benefit payments to determine the total OPEB liability. The prior measurement date used a discount rate of 6.6%.

School Plan - Changes in the Net OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Balances as of June 30, 2023	\$3,934,746	\$2,724,527	\$1,210,219
Changes for the Year:			
Service cost	110,926	-	110,926
Interest on the total OPEB liability	248,177	-	248,177
Changes in benefits	-	-	-
Difference between expected and actual experience	(94,922)	-	(94,922)
Changes in assumptions	21,874	-	21,874
Employer contributions	-	779,629	(779,629)
Plan member contributions	-	-	-
Net investment income	-	299,162	(299,162)
Benefit payments, including employee refunds	(580,093)	(580,093)	-
Administrative expense	-	-	-
Other changes	-	-	-
Net changes	(294,038)	498,698	(792,736)
Balances as of June 30, 2024	\$3,640,708	\$3,223,225	\$417,483

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate - The following presents the net OPEB liability of the School Plan, as well as what the School Plan's net OPEB liability would be if it were calculated using a discount rate 1-percentage-point lower and 1-percentage-point higher than the current discount rate:

	1% Decrease	Current Discount Rate	1% Increase
	<u>(5.9%)</u>	<u>(6.9%)</u>	<u>(7.9%)</u>
Net OPEB Liability	\$653,031	\$417,483	\$202,372

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates - The following presents the net OPEB liability of the School Plan, as well as what the School Plan's net OPEB liability would be if it were calculated using a healthcare cost trend rates 1-percentage-point lower (7% decreasing to 3.5%) and 1-percentage-point higher (9% decreasing to 5.5%) than the current healthcare cost trend rates:

	1% Decrease	Current Healthcare Cost Trend Rates	1% Increase
	<u>(7% decreasing to 3.5%)</u>	<u>(8% decreasing to 4.5%)</u>	<u>(9% decreasing to 5.5%)</u>
Net OPEB Liability	\$185,776	\$417,483	\$686,225

TOWN OF NARRAGANSETT, RHODE ISLAND
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June 30, 2024

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

For the year ended June 30, 2024, the School System recognized OPEB expense of \$328,117. On June 30, 2024, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$974,520	\$385,596
Changes in assumptions	307,530	154,043
Net difference between projected and actual earnings on OPEB plan investments	<u>14,434</u>	<u>-</u>
Total	<u><u>\$1,296,484</u></u>	<u><u>\$539,639</u></u>

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

Year ended June 30:	
2025	\$151,545
2026	212,852
2027	140,406
2028	124,717
2029	127,325

C. AGGREGATE OPEB AMOUNTS REPORTED IN THE FINANCIAL STATEMENTS

	<u>Deferred Outflows of Resources – OPEB Amounts</u>	<u>Deferred Inflows of Resources – OPEB Amounts</u>	<u>Net OPEB Liability</u>	<u>OPEB Expense</u>
Town Plan	\$4,000,710	\$3,579,895	\$26,100,998	\$2,962,533
School Plan	<u>1,296,484</u>	<u>539,639</u>	<u>417,483</u>	<u>328,117</u>
Total	<u><u>\$5,297,194</u></u>	<u><u>\$4,119,534</u></u>	<u><u>\$26,518,481</u></u>	<u><u>\$3,290,650</u></u>

TOWN OF NARRAGANSETT, RHODE ISLAND
Notes to Financial Statements
June 30, 2024

NOTE 14 – COMMITMENTS AND CONTINGENCIES

A. CONTINGENCIES

The Town participates in various federal financial assistance programs. Amounts received or receivable from grantor agencies are subject to audit and adjustment by the grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the Town expects such amounts, if any, to be immaterial

During the ordinary course of its operations, the Town is a party to various claims, legal actions and complaints. The potential liability to the Town, if any, or an evaluation of the outcome of these matters cannot be made at the present time.

NOTE 15 – RISK MANAGEMENT

The Town of Narragansett is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors or omissions; injuries to employees; and natural disasters. As a result, the Town and School System participate in a non-profit, public entity risk pool (Rhode Island Interlocal Risk Management Trust, Inc.) which provides coverage for property/liability claims for the Town and School System and workers' compensation claims for the Town. Upon joining the Trust, the Town and School System signed a participation agreement which outlines the rights and responsibilities of both the Trust and the Town/School System. The agreement states that for premiums paid by the Town/School System, the Trust will assume financial responsibility for losses up to the maximum amount of insurance purchased, minus any deductible amounts. The Trust provides this insurance coverage through a pooled, self-insurance mechanism which includes reinsurance purchased by the Trust to protect against large, catastrophic claims above the losses the Trust retains internally for payment from the pooled contributions of its members. The School System has purchased commercial insurance for workers' compensation claims. Settled claims resulting from these risks have not exceeded the Trust or commercial insurance coverage in any of the past three fiscal years.

The School System also participates in a healthcare self-insurance pool administered by WB Community Health (WBCH). WB Community Health is a not-for-profit organization formed to administer health and dental programs for Rhode Island cities, towns, and school districts. Upon joining WBCH, each member enters into a member agreement with WBCH that outlines the rights and responsibilities of each member and WBCH.

WBCH is a claims-servicing or account pool, which is an arrangement by which a pool manages separate accounts for each pool member from which the claims and administration costs of each member are paid. This arrangement does not result in the transfer of risk to WBCH or the pooling (sharing) of risk amongst the members of WBCH. The School System is retaining the risk, and it recognizes and measures its claims liabilities and related expenses in accordance with GASB Statement No. 10 because the risk of loss has not been transferred to an unrelated third party. The School System's payments of premiums to WBCH are reported as deposits (other assets) and charges

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for insurance in the Internal Service Fund and the claims paid by WBCH on the School System’s behalf and the administrative costs paid to WBCH are recorded as expenses in the Internal Service Fund and a reduction of deposits in the Internal Service Fund. The premiums are based on “working rates” determined by WBCH based on available funds on deposit and claims experience.

In order to avoid catastrophic losses, the School System purchases specific stop loss re-insurance. Under the stop loss re-insurance, the School System is covered for medical claims in excess of \$200,000 per person per contract period.

The claims liability of \$204,720 reported in the Internal Service Fund on June 30, 2024 is based on the requirements of Governmental Accounting Standards Board Statement No. 10 which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

Changes in the Town’s claims liability for the past two fiscal years were:

	<i>Beginning Fiscal Year Liability</i>	<i>Current Year Claims and Changes In Estimate</i>	<i>Claims Payments</i>	<i>Balance Fiscal Year End</i>
2023-2024	\$149,632	\$3,519,776	\$3,464,688	\$204,720
2022-2023	\$169,689	\$3,043,919	\$3,063,976	\$149,632

NOTE 16 – PENSION PLANS

A. EMPLOYEES' RETIREMENT SYSTEM PLANS

Defined Benefit Plan

General Information about the Pension Plan

Plan Description - Certain employees of the Narragansett 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 administered by the System. The report may be obtained at <http://www.ersri.org>.

TOWN OF NARRAGANSETT, RHODE ISLAND
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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%. For members retiring after July 1, 2024, retiree benefit amounts are based on the average three consecutive years of compensation. Members eligible to retire on 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.

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, Narragansett 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 Narragansett School Department are required to contribute at an actuarially determined rate, 40% of which is to be paid by the State and the remaining 60% is to be paid by the Narragansett 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 Narragansett School Department, respectively. The Narragansett School Department contributed \$2,214,163, \$2,104,281, and \$2,044,674 for the fiscal years ended June 30, 2024, 2023 and 2022, respectively, equal to 100% of the required contributions for each year. The State's share of contributions totaling \$1,478,331 for fiscal year 2024 are reflected as on-behalf payments and are included as both revenue and expenditures in the Governmental Funds financial statements.

TOWN OF NARRAGANSETT, RHODE ISLAND
Notes to Financial Statements
June 30, 2024

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

On June 30, 2024, the Narragansett School Department reported a liability of \$16,193,357 for its proportionate share of the net pension liability that reflected a reduction for contributions made by the State. The amount recognized by the Narragansett 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 Narragansett School Department were as follows:

Narragansett School Department's proportionate share of the net pension liability	\$16,193,357
State's proportionate share of the net pension liability associated with the Narragansett School Department	<u>11,891,557</u>
Total net pension liability	<u><u>\$28,084,914</u></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, 2022 rolled forward to June 30, 2023. The Narragansett School Department's proportion of the net pension liability was based on a projection of the Narragansett 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. On June 30, 2023, the Narragansett School Department's proportion was 0.66726180%.

For the year ended June 30, 2024, the Narragansett School Department recognized in the Government-Wide financial statements gross pension expense of \$1,585,562 and revenue of \$721,344 for support provided by the State. On June 30, 2024, the Narragansett School Department reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Deferred outflows of resources:	
Contributions subsequent to the measurement date	\$2,214,163
Change of assumptions	69,326
Differences between expected and actual Experience	187,757
Changes in proportion and differences between employer contributions and proportionate share of contributions	<u>582,992</u>
Total	<u><u>\$3,054,238</u></u>

TOWN OF NARRAGANSETT, RHODE ISLAND
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Deferred inflows of resources:

Differences between expected and actual experience	\$376,620
Change of assumptions	640,240
Changes in proportion and differences between employer contributions and proportionate share of contributions	919,711
Net difference between projected and actual earnings on pension plan investments	<u>575,214</u>
Total	<u><u>\$2,511,785</u></u>

\$2,214,163 reported as deferred outflows of resources related to pensions resulting from the Narragansett 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	\$(655,321)
2026	(842,866)
2027	287,383
2028	(279,737)
2029	(109,565)
Thereafter	(71,604)

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

Inflation	2.5%
Salary increases	3% to 13%
Investment rate of return	7%

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

The actuarial assumptions used in the calculation of the total pension liability on 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

TOWN OF NARRAGANSETT, RHODE ISLAND
Notes to Financial Statements
June 30, 2024

sources. The June 30, 2023 expected arithmetic returns over the long-term (20-years) by asset class are summarized in the following table:

<u>Asset Class</u>	<u>Long-Term Target Asset Allocation</u>	<u>Long-Term Expected Arithmetic Real 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%
Subtotal	<u>40.00%</u>	
Private Growth		
Private Equity	12.50%	10.30%
Non-Core Real Estate	2.50%	5.01%
Subtotal	<u>15.00%</u>	
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%
Subtotal	<u>12.00%</u>	
STABILITY		
Crisis Protection Class		
Treasury Duration	5.00%	0.76%
Systematic Trend	5.00%	4.07%
Subtotal	<u>10.00%</u>	
Inflation Protection		
Core Real Estate	4.00%	5.01%
Private Infrastructure	4.00%	5.91%
Subtotal	<u>8.00%</u>	
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%
Subtotal	<u>15.00%</u>	
Total	<u><u>100.00%</u></u>	

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.

TOWN OF NARRAGANSETT, RHODE ISLAND
Notes to Financial Statements
June 30, 2024

Discount Rate - The discount rate used to measure the total pension liability was 7 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, and the projection of cash flows as of each fiscal year ending, the pension plan’s fiduciary net position and future contributions were projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate - The following presents the proportionate share of the net pension liability calculated using the discount rate of 7 percent as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate.

<i>1% Decrease</i>	<i>Current Discount</i>	<i>1% Increase</i>
<u>(6%)</u>	<u>(7%)</u>	<u>(8%)</u>
\$20,764,698	\$16,193,357	\$12,039,769

Pension Plan Fiduciary Net Position - Detailed information about the pension plan’s fiduciary net position is available in the separately issued ERSRI financial report.

Defined Contribution Plan

Plan Description

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 from among various investment options available to plan participants.

Employees contribute 5% of their annual covered salary and employers contribute between 1% and 1.5% of annual covered salary depending on the employee’s total years of service as of June 30, 2012. The employer contribution is split between the State and the school department. Employee contributions are immediately vested while employer contributions and any investment earnings thereon are vested after three years of contributory service. Benefit terms and contributions required under the plan by both the employee and employer are established by the General Laws, which are subject to amendment by the General Assembly.

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

The Narragansett School Department recognized pension expense of \$84,054 for the fiscal year ended June 30, 2024. For financial reporting purposes, the State’s share of contributions totaling \$56,254 for

TOWN OF NARRAGANSETT, RHODE ISLAND
Notes to Financial Statements
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fiscal year 2024 are reflected as on behalf-payments and are included as both revenue and expenditures in the accompanying financial statements.

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>.

B. POLICE PLAN

General Information about the Pension Plan

Plan Description and Administration – All police officers hired before July 1, 1978 who refused the September 1984 offer to join the Town Plan are covered by the Town of Narragansett’s Police Pension Plan which is administered by the Town of Narragansett Pension Board. The Pension Board consists of seven members nominated and appointed by the Town Council. This plan is a single employer defined benefit pension plan that was established by the Town in accordance with the Town Charter and State Statutes. The Town Council has the authority to establish and amend the benefits terms through the adoption of an ordinance. The pension plan is reported as a pension trust fund in the Town’s financial statements. The plan does not issue a separate publicly available financial report. The plan is closed to new entrants.

Plan Membership – As of July 1, 2023, membership data related to the pension plan was as follows:

Active members	-
Retired and beneficiaries	9
Terminated vested	-
	<hr/>
	9

Benefit Provided – The pension plan provides retirement, disability, and survivorship benefits.

A police officer may retire upon the earlier of attainment of age 65 or the completion of 20 years of credited service. The normal retirement benefit is equal to 50% of final earnings. Retirement benefits are payable in the form of a 67.5% joint and survivor annuity if the participant is married at the retirement date or a life annuity if single.

Death benefits are provided for members with 25 years of service. The surviving spouse shall receive a monthly benefit equal to 67.5% of the member’s accrued benefit continuing until his/her death or remarriage.

In the event a member becomes unable to perform active police duty by reason of a clearly proven physical or mental disability, he/she shall be entitled to a monthly pension in the amount of 50% of final earnings in the year of disability.

Benefit terms provide for a 3% compounded, annual cost-of-living adjustment (COLA) to a participant’s retirement benefit for members who retired on or after July 1, 2002. Eligible members receive the COLA beginning on July 1 of the year that the member turns 52 years old or July 1 of the

TOWN OF NARRAGANSETT, RHODE ISLAND
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year that is the 5th anniversary of the member’s retirement, whichever occurs first. Participants who retired prior to July 1, 2002 do not receive COLA adjustments.

Contributions – Contribution requirements for the plan are established and may be amended by Town ordinance or union contract. Employees are not required to contribute to the Police Plan since there are no active members. The Town contribution is an actuarially determined amount recommended by an independent actuary. The actuarially determined amount is the estimated amount to finance the costs of benefits earned by plan members during the year, with an additional amount to finance the unfunded accrued liability. The Town contribution for the year ended June 30, 2024 was \$175,300.

Summary of Significant Accounting Policies

Basis of Accounting – The Police Pension Trust Fund’s financial statements are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which employees provide service to the Town. Employer contributions are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Method Used to Value Investments – Investments are reported at fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates.

Investments

Investment Policy – The pension plan’s policy is described in Note 5 – Investments.

Rate of Return – For the year ended June 30, 2024, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 8.51%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Net Pension Liability of the Town

The components of the net pension liability of the Town on June 30, 2024 were as follows:

Total Pension Liability	\$1,778,396
Plan Fiduciary Net Position	<u>(1,659,926)</u>
Town’s Net Pension Liability	<u>\$118,470</u>
Plan fiduciary net position as a percentage of the total pension liability	93.34%

Actuarial Assumptions – The total pension liability was determined as of June 30, 2024, based on an actuarial valuation performed as of July 1, 2023 rolled forward to June 30, 2024, using the following actuarial assumptions, applied to all periods included in the measurement:

TOWN OF NARRAGANSETT, RHODE ISLAND
Notes to Financial Statements
June 30, 2024

Actuarial Cost Method	Entry Age Method
Actuarial Assumptions:	
Inflation	2%
Salary Increases	Not applicable
Investment Rate of Return	7%
Mortality	<ul style="list-style-type: none"> • Healthy – PubS-2010 Public Safety mortality table with generational improvements from 2010 based on the SOA Scale MP-2021 • Healthy Survivors - Pub-2010 Continuing Survivor mortality table with generational improvements from 2010 based on the SOA Scale MP-2021 • Disabled - PubS-2010 Disabled Public Safety mortality table with generational improvements from 2010 based on the SOA Scale MP-2021
Cost of Living Adjustment	3% for eligible retirees; 0% otherwise

The following changes in actuarial assumptions have been made since the prior measurement date:

- Investment rate of return was changed from 7.05% to 7%.

Given the size of the plan, there is not enough data available to conduct a credible experience study. The assumptions are not anticipated to produce significant cumulative actuarial gains or losses over time. The liabilities and data are analyzed each year in order to identify any trends of experience deviating from the actuarial assumptions.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate of ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan’s target asset allocation as of June 30, 2024 (See the discussion of the pension plan’s investment policy in Note 5 – Investments) are summarized in the following table:

TOWN OF NARRAGANSETT, RHODE ISLAND
Notes to Financial Statements
June 30, 2024

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Fixed Income	35%	2.9%
Domestic Equity	50%	5.4%
International Equity	15%	5.9%
Alternatives	0%	2%
Cash	0%	1%
Total	100%	

Discount Rate – The discount rate used to measure the total pension liability was 7%. The projection of cash flows used to determine the discount rate assumed that the plan member contributions will be made at the current contribution rate and that Town contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. 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. The prior measurement date used a discount rate of 7.05%.

Police Plan
Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balances as of June 30, 2023	\$1,881,133	\$1,538,878	\$342,255
Changes for the Year:			
Service cost	-	-	-
Interest on the total pension liability	125,880	-	125,880
Changes in benefits	-	-	-
Difference between expected and actual experience	(43,835)	-	(43,835)
Changes in assumptions	6,432	-	6,432
Employer contributions	-	175,300	(175,300)
Employee contributions	-	-	-
Net investment income	-	144,262	(144,262)
Benefit payments, including employee refunds	(191,214)	(191,214)	-
Administrative expense	-	(7,300)	7,300
Other changes	-	-	-
Net changes	(102,737)	121,048	(223,785)
Balances as of June 30, 2024	\$1,778,396	\$1,659,926	\$118,470

Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate – The following presents the net pension liability (asset) of the Town, calculated using the discount rate of 7%, as well as what the Town’s net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage point lower (6%) or 1-percentage point higher (8%) than the current rate:

TOWN OF NARRAGANSETT, RHODE ISLAND
Notes to Financial Statements
June 30, 2024

	<i>1% Decrease</i> <u>(6%)</u>	<i>Current Discount</i> <u>Rate (7%)</u>	<i>1% Increase</i> <u>(8%)</u>
Net Pension Liability (Asset)	\$256,847	\$118,470	\$(2,380)

Pension Expense and Deferred Outflows of Resources Related to Pensions

For the year ended June 30, 2024, the Town recognized pension expense of \$(12,684). The Town reported deferred outflows of resources related to pensions from the following sources:

Deferred Outflows of Resources:

Net difference between projected and actual investment earnings	<u>\$48,647</u>
Total	<u><u>\$48,647</u></u>

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

Year Ending June 30,	
<u>2025</u>	\$5,312
2026	65,017
2027	(14,365)
2028	(7317)

C. TOWN PENSION PLAN

General Information about the Pension Plan

Plan Description and Administration – All employees who work at least 5 months of a year for at least 20 hours per week, except for school system employees eligible for membership in the Employees’ Retirement System of the State of Rhode Island and any police officers covered by the Police Plan, are covered by the Town of Narragansett’s Town Pension Plan which is administered by the Town of Narragansett Pension Board. The Pension Board consists of seven members nominated and appointed by the Town Council. This plan is a single employer defined benefit pension plan that was established by the Town in accordance with the Town Charter and State Statutes. The Town Council has the authority to establish and amend the benefits terms through the adoption of an ordinance. The pension plan is reported as a pension trust fund in the Town’s financial statements. The plan does not issue a separate publicly available financial report.

Plan Membership – As of July 1, 2023, membership data related to the pension plan was as follows:

TOWN OF NARRAGANSETT, RHODE ISLAND
Notes to Financial Statements
June 30, 2024

Active members	257
Retired and beneficiaries	255
Terminated vested	41
	553

Benefit Provided – The pension plan provides retirement, disability, and survivorship benefits.

A municipal employee or school system employee may retire upon the later of attainment of age 58 or the completion of ten years of credited service; but, in any case, the member can retire immediately after completing 20 years of credited service. Local 1033 employees hired on or after July 1, 2014 may retire upon completion of 25 years of credited service. Council 94 employees hired on or after July 1, 2014 and school employees hired on or after July 1, 2015 may retire upon the later of attainment of age 65 or the completion of ten year of credited service; but in any case, the member can retire immediately after completing 25 years of credited service. A police officer hired prior to July 1, 2013 may retire upon the earlier of attainment of age 58 or the completion of 20 years of credited service. A police officer hired on or after July 1, 2013 may retire upon the completion of 25 years of credited service. A firefighter hired prior to July 1, 2011 may retire upon completion of 20 years of credited service. A firefighter hired on or after July 1, 2011, may retire upon completion of 23 years from their date of hire with a minimum of 20 years of credited service. A firefighter hired on or after July 1, 2013 may retire upon completion of 25 years of credited service. For all employees hired prior to July 1, 2011, the normal retirement benefit is equal to 2.5% of final average compensation multiplied by years of credited service (subject to a maximum benefit of 75% of final average compensation). For Council 94 and Local 1033 employees hired on or after July 1, 2011, the normal retirement benefit is equal to 2% of final average compensation multiplied by years of credited service up to 20 and 2.5% of final average compensation multiplied by years of service in excess of 20, limited to 14 (subject to a maximum benefit of 75% of final average compensation). For Council 94 and Local 1033 employees hired on or after July 1, 2014 and school employees hired on or after July 1, 2015, the normal retirement benefit is equal to 2% of final average compensation multiplied by years of credited service (subject to a maximum of 75% of final average compensation). Police officers and firefighters hired on or after July 1, 2013 receive a normal retirement benefit equal to 2% of final average compensation multiplied by years of credited service. Final average compensation is the average annual basic compensation during the highest three consecutive years of service. In lieu of the normal form of benefit, any member who is married at the time of retirement may elect a pension that provides, upon the member’s death, for 67.5% of the pension to continue to the dependent spouse or dependent children.

A member who has attained age 55 with 10 years of credited service or has attained age 50 with 20 years of credited service may elect to retire early. A member who elects to retire early will receive a monthly benefit equal to the actuarial equivalent of the accrued benefit determined as of the normal retirement date.

Beneficiaries of municipal employees receiving death benefits for nonoccupational causes shall be entitled to the greater of a) a refund of employee contributions with interest plus a lump-sum death benefit equal to \$400 times the number of years of credited service (subject to a minimum of \$2,000 and maximum of \$8,000) or b) for municipal employees with 10 or more years of credited service, a

TOWN OF NARRAGANSETT, RHODE ISLAND
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refund of employee contributions with interest plus a monthly benefit of 50% of the member's accrued benefit. For occupational causes, the death benefit is a refund of the municipal employee's contributions with interest, plus a benefit equal to 50% of compensation.

Beneficiaries of firefighters or police officers who have completed 10 years of credited service may elect either a refund of employee contributions with interest or a benefit equal to 50% of the member's accrued benefit. Special rules apply for death after meeting eligibility for retirement.

The disability benefit for nonoccupational causes for municipal employees with seven years of credited service but prior to attainment of age 58 is a monthly benefit equal to the greater of:

- a) 2.5% of final average compensation multiplied by years of credited service (subject to a minimum of 25% and a maximum of 50%).
- b) 1-2/3% of final average compensation multiplied by years of credited service (subject to a minimum of 25%).

Disability benefits for nonoccupational causes for firefighters and police officers with seven years of credited service but prior to attainment of age 58 (age 55 for firefighters) is a benefit equal to 2.5% of final average compensation multiplied by years of credited service (subject to a minimum of 25% and a maximum of 50%). Municipal employees, firefighters and police officers disabled due to occupational causes receive a disability benefit equal to 66-2/3% of the annualized rate of compensation determined as the date of disability, reduced by the monthly value of any payments provided for the member under any workers' compensation law.

Retirees receive cost of living adjustments (COLA) as follows:

- a) *Municipal Employees (excluding School System Employees)* – who retire on or after July 1, 2002 shall receive annual 3% compounded COLAs beginning on the July 1 of the year that the employee turns 58 years old. Council 94 employees hired on or after July 1, 2014 shall receive annual 3% simple COLAs beginning July 1 of the year the employee turns 58 years old.
- b) *School System Employees* – hired on or after July 1, 2015 shall receive a compounded COLA on each July 1 based on the COLA given to Social Security recipients, if any.
- c) *Firefighters* – who retire on or after July 1, 2002 and before July 1, 2015 shall receive annual 3% compounded COLAs beginning on the July 1 of the year that the firefighter turns 52 years old. Firefighters who retire on or after July 1, 2015 shall receive annual 3% simple COLAs beginning July 1 of the year the firefighter turns 52 years old. The COLA has been suspended for 8 years for active members as of July 1, 2013.
- d) *Police Officers* – who retire on or after July 1, 2002 if employed before July 1, 2013, shall receive annual 3% compounded COLAs beginning on the earlier of July 1 of the year that the employee turns 52 years old or July 1 of the year that is the fifth anniversary of the police officer's retirement. Police officers hired on or after July 1, 2013 shall receive annual 3% simple COLAs at retirement and when eligible. The COLA has been suspended for 8 years for active members as of July 1, 2013.

TOWN OF NARRAGANSETT, RHODE ISLAND
Notes to Financial Statements
June 30, 2024

Contributions – Contribution requirements for the plan are established and may be amended by Town ordinance or union contract.

Members are required to contribute a percentage of their pay as follows:

Police	11% of base salary, holiday, incentive and longevity
Fire	11% of base salary, holiday, incentive and longevity
Mid-managers; laborers; clerical	10% of base salary and longevity
Non-union	10% of base salary
School	10% of base salary and longevity
Council 94; Local 1033	11% of base salary

The Town contribution is an actuarially determined amount recommended by an independent actuary. The actuarially determined amount is the estimated amount to finance the costs of benefits earned by plan members during the year, with an additional amount to finance the unfunded accrued liability. The Town contribution for the year ended June 30, 2024 was \$8,754,129.

Summary of Significant Accounting Policies

Basis of Accounting – The Town Pension Trust Fund’s financial statements are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which employees provide service to the Town. Employer contributions are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Method Used to Value Investments – Investments are reported at fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates.

Investments

Investment Policy – The pension plan’s policy is described in Note 5 – Investments.

Rate of Return – For the year ended June 30, 2024, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 11.92%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Net Pension Liability of the Town

The components of the net pension liability of the Town on June 30, 2024 were as follows:

TOWN OF NARRAGANSETT, RHODE ISLAND
Notes to Financial Statements
June 30, 2024

Total Pension Liability	\$190,242,639
Plan Fiduciary Net Position	<u>(139,613,360)</u>
Town’s Net Pension Liability	<u>\$50,629,279</u>
Plan fiduciary net position as a percentage of the total pension liability	73.39%

Actuarial Assumptions – The total pension liability was determined as of June 30, 2024, based on an actuarial valuation performed as of July 1, 2023 rolled forward to June 30, 2024, using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Cost Method	Entry Age Method
Actuarial Assumptions:	
Inflation	2%
Salary Increases	Age 20-24 - 10%; Age 25-29 – 8.5%; Age 30-34 – 6.75%; Age 35-39 - 5%; Age 40-44 – 4.5%; Age 45-54 – 4.25%; Age 55+ - 4%
Investment Rate of Return	7%
Mortality	<ul style="list-style-type: none"> • Healthy Public Safety – PubS-2010 Public Safety mortality table • Healthy School - PubT-2010 Teachers mortality table • Healthy All Other Non-Public Safety – PubG-2010 General mortality table • Healthy Survivors - Pub-2010 Continuing Survivor mortality table • Disabled Public Safety - PubS-2010 Disabled Public Safety mortality table • Disabled Non-Public Safety - PubNS-2010 Disabled Non-Public Safety mortality table • All tables with generational improvements from 2010 based on the SOA Scale MP-2021
Cost of Living Adjustment	<ul style="list-style-type: none"> • School Employees hired on or after July 1, 2015 - 2% once eligible • Other Employees - 3% compounded or simple based on group and date of hire or retirement for eligible retirees

TOWN OF NARRAGANSETT, RHODE ISLAND
Notes to Financial Statements
June 30, 2024

The following changes in actuarial assumptions have been made since the prior measurement date:

- Investment rate of return was changed from 7.05% to 7%.
- Salary increases were changed as follows: age 25-29 from 8% to 8.5% and age 30-34 from 6% to 6.75%.

An experience study was performed for the experience over the July 1, 2013 to July 1, 2023 period. Assumptions with credible data to support updates have been implemented. The liabilities and data are analyzed each year in order to identify any trends of experience deviating from the actuarial assumptions.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate of ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2024 (See the discussion of the pension plan's investment policy in Note 5 – Investments) are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Fixed Income	35%	2.9%
Domestic Equity	50%	5.4%
International Equity	15%	5.9%
Alternatives	0%	2%
Cash	0%	1%
Total	100%	

Discount Rate – The discount rate used to measure the total pension liability was 7%. The projection of cash flows used to determine the discount rate assumed that the plan member contributions will be made at the current contribution rate and that Town contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. 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. The prior measurement date used a discount rate of 7.05%.

TOWN OF NARRAGANSETT, RHODE ISLAND
Notes to Financial Statements
June 30, 2024

Town Plan
Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balances as of June 30, 2023	\$183,676,462	\$123,328,761	\$60,347,701
Changes for the Year:			
Service cost	3,594,547	-	3,594,547
Interest on the total pension liability	12,897,211	-	12,897,211
Changes in benefits	-	-	-
Difference between expected and actual experience	(865,259)	-	(865,259)
Changes in assumptions	(396,635)	-	(396,635)
Employer contributions	-	8,754,129	(8,754,129)
Employee contributions	-	1,836,175	(1,836,175)
Net investment income	-	14,406,342	(14,406,342)
Benefit payments, including employee refunds	(8,663,687)	(8,663,687)	-
Administrative expense	-	(48,360)	48,360
Other changes	-	-	-
Net changes	6,566,177	16,284,599	(9,718,422)
Balances as of June 30, 2024	\$190,242,639	\$139,613,360	\$50,629,279

Sensitivity of the Net Pension Liability to Changes in the Discount Rate – The following presents the net pension liability of the Town, calculated using the discount rate of 7%, as well as what the Town’s net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6%) or 1-percentage point higher (8%) than the current rate:

	1% Decrease (6%)	Current Discount Rate (7%)	1% Increase (8%)
Net Pension Liability	\$76,236,858	\$50,629,279	\$29,758,491

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

For the year ended June 30, 2024, the Town recognized pension expense of \$6,044,212. The Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

TOWN OF NARRAGANSETT, RHODE ISLAND
Notes to Financial Statements
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Deferred Outflows of Resources:

Differences between expected and actual experience	\$37,078
Changes of assumptions	879,595
Net difference between projected and actual investment earnings	<u>381,810</u>
Total	<u><u>\$1,298,483</u></u>

Deferred Inflows of Resources:

Differences between expected and actual experience	\$960,284
Changes of assumptions	<u>297,476</u>
Total	<u><u>\$1,257,760</u></u>

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

<u>Year Ending June 30,</u>	
2025	\$69,101
2026	3,058,929
2027	(1,958,215)
2028	(1,129,092)

D. AGGREGATE PENSION AMOUNTS REPORTED IN THE FINANCIAL STATEMENTS

	<u>Deferred Outflows of Resources – Pension Amounts</u>	<u>Deferred Inflows of Resources – Pension Amounts</u>	<u>Net Pension Liability</u>	<u>Pension Expense</u>
Employees’ Retirement System of RI	\$3,054,238	\$2,511,785	\$16,193,357	\$1,585,562
Police Plan	48,647	-	118,470	(12,684)
Town Plan	<u>1,298,483</u>	<u>1,257,760</u>	<u>50,629,279</u>	<u>6,044,212</u>
Total	<u><u>\$4,401,368</u></u>	<u><u>\$3,769,545</u></u>	<u><u>\$66,941,106</u></u>	<u><u>\$7,617,090</u></u>

TOWN OF NARRAGANSETT, RHODE ISLAND
Notes to Financial Statements
June 30, 2024

NOTE 17 – CORRECTION OF AN ERROR TO PREVIOUSLY ISSUED FINANCIAL STATEMENTS

During the fiscal year 2024, the Town determined that State Public Service Corporation tax received in July 2023 was recorded as an accounts receivable and revenue for the fiscal year ended June 30, 2023, but should have been recorded as revenue in fiscal year 2024. The Town was notified by the State of RI that the Public Service Corporation tax should be recorded in the year received. The Town has consistently recorded the Public Service Corporation tax received in July as an accounts receivable and a revenue. Therefore, the accounts receivable balance was overstated \$195,606 and revenues were overstated \$4,194 in the prior year.

Adjustments to and Restatements of Beginning Balances

The error correction resulted in adjustments to and restatements of beginning net position and fund balance, as follows:

Reporting Units Affected by Adjustments to and Restatements of Beginning Balances

	<i>Government -Wide</i>	<i>Major Governmental</i>
	<i>Governmental</i>	<i>Funds</i>
	<i>Activities</i>	<i>General Fund</i>
<i>Net position/ Fund balance, June 30, 2023, as previously reported</i>	\$ 11,833,295	\$ 27,206,555
Error correction	(195,606)	(195,606)
<i>Net position/ Fund balance, June 30, 2023, as restated</i>	\$ 11,637,689	\$ 27,010,949

REQUIRED SUPPLEMENTARY INFORMATION

Required supplementary information includes financial information and disclosures that are required by the GASB but are not considered a part of the basic financial statements. Such information includes:

- **Pension Plans and Other Post-Employment Benefit Plans
Required Supplementary Information**
- **Budgetary Comparison Schedule - General Fund**

In addition, the notes to the required supplementary information are included to provide information that is essential to a user's understanding of the required supplementary information.

TOWN OF NARRAGANSETT, RHODE ISLAND
Required Supplementary Information - Town Other Post-Employment Benefit (OPEB) Plan
Schedule of Changes in the Town's Net OPEB Liability and Related Ratios (1)
"Unaudited"

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total OPEB liability:								
Service cost	\$ 909,729	\$ 781,429	\$ 788,997	\$ 542,253	\$ 537,366	\$ 629,930	\$ 679,914	\$ 1,189,644
Interest	2,867,265	2,823,965	3,224,200	2,718,747	2,761,917	2,783,426	2,852,809	3,005,083
Changes of benefit terms	-	-	-	-	-	-	-	(6,256,712)
Differences between expected and actual experience	(58,033)	(1,883,725)	(5,396,745)	1,285,730	(1,463,284)	(1,110,915)	(2,686,363)	658,887
Changes of assumptions	-	1,368,227	2,264,623	5,032,190	-	(1,238,106)	(1,943,284)	1,293,986
Benefits payments	(2,555,055)	(2,509,510)	(2,529,532)	(2,452,724)	(2,432,039)	(2,321,036)	(2,309,807)	(2,090,025)
Net change in total OPEB liability	<u>1,163,906</u>	<u>580,386</u>	<u>(1,648,457)</u>	<u>7,126,196</u>	<u>(596,040)</u>	<u>(1,256,701)</u>	<u>(3,406,731)</u>	<u>(2,199,137)</u>
Total OPEB liability - beginning	<u>44,479,569</u>	<u>43,899,183</u>	<u>45,547,640</u>	<u>38,421,444</u>	<u>39,017,484</u>	<u>40,274,185</u>	<u>43,680,916</u>	<u>45,880,053</u>
Total OPEB liability - ending (a)	<u>\$ 45,643,475</u>	<u>\$ 44,479,569</u>	<u>\$ 43,899,183</u>	<u>\$ 45,547,640</u>	<u>\$ 38,421,444</u>	<u>\$ 39,017,484</u>	<u>\$ 40,274,185</u>	<u>\$ 43,680,916</u>
Plan fiduciary net position:								
Contributions - employer	\$ 3,858,253	\$ 4,272,584	\$ 4,155,176	\$ 3,650,696	\$ 3,801,999	\$ 4,115,135	\$ 3,547,796	\$ 3,176,785
Contributions - employee	-	-	-	-	-	-	-	-
Net investment income	1,800,274	1,131,253	(1,598,662)	1,761,317	231,747	299,866	327,071	338,238
Benefits payments	(2,555,055)	(2,509,510)	(2,529,532)	(2,452,724)	(2,432,039)	(2,321,036)	(2,309,807)	(2,090,025)
Administrative expense	(16,538)	(11,750)	(35,150)	(6,600)	(17,033)	(6,200)	(8,250)	(26,250)
Other	30,433	30,695	-	-	-	-	-	-
Net change in plan fiduciary net position	<u>3,117,367</u>	<u>2,913,272</u>	<u>(8,168)</u>	<u>2,952,689</u>	<u>1,584,674</u>	<u>2,087,765</u>	<u>1,556,810</u>	<u>1,398,748</u>
Plan fiduciary net position - beginning	<u>16,425,110</u>	<u>13,511,838</u>	<u>13,520,006</u>	<u>10,567,317</u>	<u>8,982,643</u>	<u>6,894,878</u>	<u>5,338,068</u>	<u>3,939,320</u>
Plan fiduciary net position - ending (b)	<u>\$ 19,542,477</u>	<u>\$ 16,425,110</u>	<u>\$ 13,511,838</u>	<u>\$ 13,520,006</u>	<u>\$ 10,567,317</u>	<u>\$ 8,982,643</u>	<u>\$ 6,894,878</u>	<u>\$ 5,338,068</u>
Town's net OPEB liability - ending (a) - (b)	<u>\$ 26,100,998</u>	<u>\$ 28,054,459</u>	<u>\$ 30,387,345</u>	<u>\$ 32,027,634</u>	<u>\$ 27,854,127</u>	<u>\$ 30,034,841</u>	<u>\$ 33,379,307</u>	<u>\$ 38,342,848</u>
Plan fiduciary net position as a percentage of the total OPEB liability	42.82%	36.93%	30.78%	29.68%	27.50%	23.02%	17.12%	12.22%
Covered employee payroll	\$ 13,743,471	\$ 12,415,733	\$ 12,306,218	\$ 11,247,367	\$ 11,941,182	\$ 12,599,633	\$ 10,637,623	\$ 10,228,484
Town's net OPEB liability as a percentage of covered employee payroll	189.92%	225.96%	246.93%	284.76%	233.26%	238.38%	313.79%	374.86%

(1) This schedule is intended to show 10 years - additional information will be presented as it becomes available.

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

TOWN OF NARRAGANSET, RHODE ISLAND
Required Supplementary Information - School Other Post-Employment Benefit (OPEB) Plan
Schedule of Changes in the Town's Net OPEB Liability and Related Ratios (1)
"Unaudited"

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total OPEB liability:								
Service cost	\$ 110,926	\$ 152,238	\$ 178,662	\$ 196,705	\$ 171,929	\$ 161,093	\$ 177,566	\$ 199,504
Interest	248,177	276,342	271,632	212,819	231,679	170,567	178,180	167,455
Changes of benefit terms	-	(620,611)	-	-	-	-	-	-
Differences between expected and actual experience	(94,922)	281,598	(298,774)	449,355	(46,469)	1,307,262	(262,942)	(241,063)
Changes of assumptions	21,874	24,175	(251,257)	309,572	119,117	227,291	(78,142)	15,824
Benefits payments	(580,093)	(547,726)	(533,734)	(446,416)	(466,760)	(454,529)	(315,478)	(399,334)
Net change in total OPEB liability	<u>(294,038)</u>	<u>(433,984)</u>	<u>(633,471)</u>	<u>722,035</u>	<u>9,496</u>	<u>1,411,684</u>	<u>(300,816)</u>	<u>(257,614)</u>
Total OPEB liability - beginning	<u>3,934,746</u>	<u>4,368,730</u>	<u>5,002,201</u>	<u>4,280,166</u>	<u>4,270,670</u>	<u>2,858,986</u>	<u>3,159,802</u>	<u>3,417,416</u>
Total OPEB liability - ending (a)	<u>\$ 3,640,708</u>	<u>\$ 3,934,746</u>	<u>\$ 4,368,730</u>	<u>\$ 5,002,201</u>	<u>\$ 4,280,166</u>	<u>\$ 4,270,670</u>	<u>\$ 2,858,986</u>	<u>\$ 3,159,802</u>
Plan fiduciary net position:								
Contributions - employer	\$ 779,629	\$ 763,190	\$ 855,745	\$ 520,545	\$ 934,346	\$ 454,529	\$ 315,478	\$ 1,522,122
Contributions - employee	-	-	-	-	-	-	-	-
Net investment income	299,162	164,531	(293,278)	414,368	79,363	82,452	75,090	23
Benefits payments	(580,093)	(547,726)	(533,734)	(446,416)	(466,760)	(454,529)	(315,478)	(399,334)
Administrative expense	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Net change in plan fiduciary net position	<u>498,698</u>	<u>379,995</u>	<u>28,733</u>	<u>488,497</u>	<u>546,949</u>	<u>82,452</u>	<u>75,090</u>	<u>1,122,811</u>
Plan fiduciary net position - beginning	<u>2,724,527</u>	<u>2,344,532</u>	<u>2,315,799</u>	<u>1,827,302</u>	<u>1,280,353</u>	<u>1,197,901</u>	<u>1,122,811</u>	<u>-</u>
Plan fiduciary net position - ending (b)	<u>\$ 3,223,225</u>	<u>\$ 2,724,527</u>	<u>\$ 2,344,532</u>	<u>\$ 2,315,799</u>	<u>\$ 1,827,302</u>	<u>\$ 1,280,353</u>	<u>\$ 1,197,901</u>	<u>\$ 1,122,811</u>
Town's net OPEB liability - ending (a) - (b)	<u>\$ 417,483</u>	<u>\$ 1,210,219</u>	<u>\$ 2,024,198</u>	<u>\$ 2,686,402</u>	<u>\$ 2,452,864</u>	<u>\$ 2,990,317</u>	<u>\$ 1,661,085</u>	<u>\$ 2,036,991</u>
Plan fiduciary net position as a percentage of the total OPEB liability	88.53%	69.24%	53.67%	46.30%	42.69%	29.98%	41.90%	35.53%
Covered employee payroll	\$ 16,697,355	\$ 16,211,024	\$ 14,481,895	\$ 15,706,067	\$ 16,487,925	\$ 15,425,573	N/A	N/A
Town's net OPEB liability as a percentage of covered employee payroll	2.50%	7.47%	13.98%	17.10%	14.88%	19.39%	N/A	N/A

(1) This schedule is intended to show 10 years - additional information will be presented as it becomes available.

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

TOWN OF NARRAGANSETT, RHODE ISLAND
Required Supplementary Information - Other Post-employment Benefit (OPEB) Plans
Schedule of Town Contributions
Last Ten Fiscal Years
"Unaudited"

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
<u>Town Plan</u>					
Actuarially determined contribution	\$ 3,385,240	\$ 3,391,580	\$ 3,630,651	\$ 2,980,314	\$ 3,129,247
Contributions in relation to the actuarially determined contribution	3,858,253	4,272,584	4,155,176	3,650,696	3,801,999
Contribution deficiency (excess)	<u>\$ (473,013)</u>	<u>\$ (881,004)</u>	<u>\$ (524,525)</u>	<u>\$ (670,382)</u>	<u>\$ (672,752)</u>
Covered employee payroll	\$ 13,743,471	\$ 12,415,733	\$ 12,306,218	\$ 11,247,367	\$ 11,941,182
Contributions as a percentage of covered employee payroll	28.07%	34.41%	33.76%	32.46%	31.84%
<u>School Plan</u>					
Actuarially determined contribution	\$ 221,970	\$ 330,947	\$ 533,734	\$ 471,452	\$ 551,291
Contributions in relation to the actuarially determined contribution	779,629	763,190	855,745	520,545	934,346
Contribution deficiency (excess)	<u>\$ (557,659)</u>	<u>\$ (432,243)</u>	<u>\$ (322,011)</u>	<u>\$ (49,093)</u>	<u>\$ (383,055)</u>
Covered employee payroll	\$ 16,697,355	\$ 16,211,024	\$ 14,481,895	\$ 15,706,067	\$ 16,487,925
Contributions as a percentage of covered employee payroll	4.67%	4.71%	5.91%	3.31%	5.67%

(Continued)

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

TOWN OF NARRAGANSETT, RHODE ISLAND
Required Supplementary Information - Other Post-employment Benefit (OPEB) Plans (Continued)
Schedule of Town Contributions
Last Ten Fiscal Years
"Unaudited"

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<u>Town Plan</u>					
Actuarially determined contribution	\$ 3,372,903	\$ 3,567,929	\$ 3,517,887	\$ 4,620,054	\$ 5,047,958
Contributions in relation to the actuarially determined contribution	4,115,135	3,547,796	3,176,785	2,911,234	2,346,138
Contribution deficiency (excess)	<u>\$ (742,232)</u>	<u>\$ 20,133</u>	<u>\$ 341,102</u>	<u>\$ 1,708,820</u>	<u>\$ 2,701,820</u>
Covered employee payroll	\$12,599,633	\$ 10,637,623	\$ 10,228,484	\$ 9,808,380	\$ 9,522,699
Contributions as a percentage of covered employee payroll	32.66%	33.35%	31.06%	29.68%	24.64%
<u>School Plan</u>					
Actuarially determined contribution	\$ 319,008	\$ 306,721	\$ 379,021	\$ 419,272	\$ 392,924
Contributions in relation to the actuarially determined contribution	454,529	315,478	1,522,122	335,099	307,430
Contribution deficiency (excess)	<u>\$ (135,521)</u>	<u>\$ (8,757)</u>	<u>\$ (1,143,101)</u>	<u>\$ 84,173</u>	<u>\$ 85,494</u>
Covered employee payroll	\$15,425,573	Not available	Not available	Not available	Not available
Contributions as a percentage of covered employee payroll	2.95%	Not available	Not available	Not available	Not available

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

TOWN OF NARRAGANSETT, RHODE ISLAND
Required Supplementary Information - Other Post-Employment Benefit (OPEB) Plans
Schedule of Investment Returns (1)
"Unaudited"

	<i>2024</i>	<i>2023</i>	<i>2022</i>	<i>2021</i>	<i>2020</i>	<i>2019</i>	<i>2018</i>	<i>2017</i>
<i>Town Plan</i>								
Annual money-weighted rate of return, net of investment expense	12.17%	8.84%	-14.17%	24.79%	2.36%	7.13%	9.56%	12.52%
<i>School Plan</i>								
Annual money-weighted rate of return, net of investment expense	11.75%	8.75%	-13.49%	23.55%	4.82%	6.88%	6.69%	0.00%

(1) This schedule is intended to show 10 years - additional information will be presented as it becomes available.

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

TOWN OF NARRAGANSETT, RHODE ISLAND
Required Supplementary Information
Employees' Retirement System Pension Plan
Schedule of the Town's Proportionate Share of the Net Pension Liability
"Unaudited"

<i>Fiscal Year</i>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Town's proportion of the net pension liability	0.66726180%	0.68517635%	0.66356363%	0.68208298%	0.66218679%
Town's proportionate share of the net pension liability	\$ 16,193,357	\$ 18,504,687	\$ 15,616,295	\$ 21,792,591	\$ 21,128,849
State's proportionate share of the net pension liability associated with the Town	<u>11,891,557</u>	<u>13,685,516</u>	<u>11,580,882</u>	<u>16,192,429</u>	<u>15,827,696</u>
Total	<u>\$ 28,084,914</u>	<u>\$ 32,190,203</u>	<u>\$ 27,197,177</u>	<u>\$ 37,985,020</u>	<u>\$ 36,956,545</u>
Town's covered payroll	\$ 13,524,521	\$ 13,359,180	\$ 12,626,904	\$ 12,851,123	\$ 12,290,329
Town's proportionate share of the net pension liability as a percentage of its covered payroll	119.73%	138.52%	123.67%	169.58%	171.91%
Plan fiduciary net position as a percentage of the total pension liability	65.80%	62.10%	66.50%	54.30%	54.60%
<i>Fiscal Year</i>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Town's proportion of the net pension liability	0.68353827%	0.69095908%	0.74560016%	0.75381396%	0.71867874%
Town's proportionate share of the net pension liability	\$ 21,717,707	\$ 21,793,447	\$ 22,245,559	\$ 20,752,519	\$ 17,492,643
State's proportionate share of the net pension liability associated with the Town	<u>16,199,850</u>	<u>16,470,610</u>	<u>15,234,941</u>	<u>14,177,469</u>	<u>11,995,511</u>
Total	<u>\$ 37,917,557</u>	<u>\$ 38,264,057</u>	<u>\$ 37,480,500</u>	<u>\$ 34,929,988</u>	<u>\$ 29,488,154</u>
Town's covered payroll	\$ 12,337,484	\$ 12,258,431	\$ 12,249,451	\$ 12,250,219	\$ 12,180,991
Town's proportionate share of the net pension liability as a percentage of its covered payroll	176.03%	177.78%	181.60%	169.41%	143.61%
Plan fiduciary net position as a percentage of the total pension liability	54.30%	54.00%	54.06%	57.55%	61.40%

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

TOWN OF NARRAGANSETT, RHODE ISLAND
Required Supplementary Information - Police Pension Plan
Schedule of Changes in the Town's Net Pension Liability and Related Ratios
"Unaudited"

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Total pension liability:					
Service cost	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	125,880	123,856	141,924	148,483	146,935
Changes of benefit terms	-	-	-	-	-
Differences between expected and actual experience	(43,835)	103,522	(199,151)	(43,244)	16,675
Changes of assumptions	6,432	6,888	11,882	(37,813)	142,644
Benefits payments, including refunds of member contributions	(191,214)	(195,156)	(195,169)	(212,154)	(239,517)
Net change in total pension liability	<u>(102,737)</u>	<u>39,110</u>	<u>(240,514)</u>	<u>(144,728)</u>	<u>66,737</u>
Total pension liability - beginning	<u>1,881,133</u>	<u>1,842,023</u>	<u>2,082,537</u>	<u>2,227,265</u>	<u>2,160,528</u>
Total pension liability - ending (a)	<u>\$ 1,778,396</u>	<u>\$ 1,881,133</u>	<u>\$ 1,842,023</u>	<u>\$ 2,082,537</u>	<u>\$ 2,227,265</u>
Plan fiduciary net position:					
Contributions - employer	\$ 175,300	\$ 99,172	\$ 267,000	\$ 267,000	\$ 267,000
Contributions - employee	-	-	-	-	-
Net investment income	144,262	138,338	(272,234)	389,414	113,403
Benefits payments, including refunds of member contributions	(191,214)	(195,156)	(195,169)	(212,154)	(239,517)
Administrative expense	(7,300)	(7,243)	(7,259)	(7,760)	(7,030)
Other	-	-	-	-	-
Net change in plan fiduciary net position	<u>121,048</u>	<u>35,111</u>	<u>(207,662)</u>	<u>436,500</u>	<u>133,856</u>
Plan fiduciary net position - beginning	<u>1,538,878</u>	<u>1,503,767</u>	<u>1,711,429</u>	<u>1,274,929</u>	<u>1,141,073</u>
Plan fiduciary net position - ending (b)	<u>\$ 1,659,926</u>	<u>\$ 1,538,878</u>	<u>\$ 1,503,767</u>	<u>\$ 1,711,429</u>	<u>\$ 1,274,929</u>
Town's net pension liability - ending (a) - (b)	<u>\$ 118,470</u>	<u>\$ 342,255</u>	<u>\$ 338,256</u>	<u>\$ 371,108</u>	<u>\$ 952,336</u>
Plan fiduciary net position as a percentage of the total pension liability	93.34%	81.81%	81.64%	82.18%	57.24%
Covered payroll	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Town's net pension liability as a percentage of covered payroll	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable

(Continued)

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

TOWN OF NARRAGANSETT, RHODE ISLAND
Required Supplementary Information - Police Pension Plan (Continued)
Schedule of Changes in the Town's Net Pension Liability and Related Ratios
"Unaudited"

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Total pension liability:					
Service cost	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	155,676	160,506	163,991	174,613	177,837
Changes of benefit terms	-	-	-	-	-
Differences between expected and actual experience	(29,857)	22,730	50,752	(37,247)	(20,730)
Changes of assumptions	(5,710)	(5,407)	(14,486)	33,213	85,996
Benefits payments, including refunds of member contributions	(243,498)	(246,322)	(251,011)	(254,103)	(255,145)
Net change in total pension liability	<u>(123,389)</u>	<u>(68,493)</u>	<u>(50,754)</u>	<u>(83,524)</u>	<u>(12,042)</u>
Total pension liability - beginning	<u>2,283,917</u>	<u>2,352,410</u>	<u>2,403,164</u>	<u>2,486,688</u>	<u>2,498,730</u>
Total pension liability - ending (a)	<u><u>\$ 2,160,528</u></u>	<u><u>\$ 2,283,917</u></u>	<u><u>\$ 2,352,410</u></u>	<u><u>\$ 2,403,164</u></u>	<u><u>\$ 2,486,688</u></u>
Plan fiduciary net position:					
Contributions - employer	\$ 267,000	\$ 267,000	\$ 267,000	\$ 355,000	\$ 126,770
Contributions - employee	-	-	-	-	-
Net investment income	85,158	89,525	102,865	930	2,633
Benefits payments, including refunds of member contributions	(243,498)	(246,322)	(251,011)	(254,103)	(255,145)
Administrative expense	(6,310)	(5,795)	(5,180)	(4,540)	-
Other	-	-	-	-	-
Net change in plan fiduciary net position	<u>102,350</u>	<u>104,408</u>	<u>113,674</u>	<u>97,287</u>	<u>(125,742)</u>
Plan fiduciary net position - beginning	<u>1,038,723</u>	<u>934,315</u>	<u>820,641</u>	<u>723,354</u>	<u>849,096</u>
Plan fiduciary net position - ending (b)	<u><u>\$ 1,141,073</u></u>	<u><u>\$ 1,038,723</u></u>	<u><u>\$ 934,315</u></u>	<u><u>\$ 820,641</u></u>	<u><u>\$ 723,354</u></u>
Town's net pension liability - ending (a) - (b)	<u><u>\$ 1,019,455</u></u>	<u><u>\$ 1,245,194</u></u>	<u><u>\$ 1,418,095</u></u>	<u><u>\$ 1,582,523</u></u>	<u><u>\$ 1,763,334</u></u>
Plan fiduciary net position as a percentage of the total pension liability	52.81%	45.48%	39.72%	34.15%	29.09%
Covered payroll	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Town's net pension liability as a percentage of covered payroll	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable

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

TOWN OF NARRAGANSETT, RHODE ISLAND
Required Supplementary Information - Town Pension Plan
Schedule of Changes in the Town's Net Pension Liability and Related Ratios
"Unaudited"

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Total pension liability:					
Service cost	\$ 3,594,547	\$ 3,475,370	\$ 3,258,089	\$ 3,227,486	\$ 3,007,323
Interest	12,897,211	12,406,159	11,842,551	11,365,516	10,600,034
Changes of benefit terms	-	-	-	-	-
Differences between expected and actual experience	(865,259)	(622,682)	148,309	(137,231)	(274,825)
Changes of assumptions	(396,635)	1,101,127	1,316,134	(3,966,598)	8,495,783
Benefits payments, including refunds of member contributions	(8,663,687)	(7,885,552)	(7,470,076)	(7,038,342)	(6,774,989)
Net change in total pension liability	<u>6,566,177</u>	<u>8,474,422</u>	<u>9,095,007</u>	<u>3,450,831</u>	<u>15,053,326</u>
Total pension liability - beginning	<u>183,676,462</u>	<u>175,202,040</u>	<u>166,107,033</u>	<u>162,656,202</u>	<u>147,602,876</u>
Total pension liability - ending (a)	<u>\$ 190,242,639</u>	<u>\$ 183,676,462</u>	<u>\$ 175,202,040</u>	<u>\$ 166,107,033</u>	<u>\$ 162,656,202</u>
Plan fiduciary net position:					
Contributions - employer	\$ 8,754,129	\$ 7,993,583	\$ 7,093,037	\$ 6,268,731	\$ 6,176,556
Contributions - employee	1,836,175	1,737,272	1,694,269	1,660,956	1,588,541
Net investment income	14,406,342	10,514,310	(15,488,022)	23,847,807	1,787,246
Benefits payments, including refunds of member contributions	(8,663,687)	(7,885,552)	(7,470,076)	(7,038,342)	(6,774,989)
Administrative expense	(48,360)	(48,917)	(43,325)	(69,085)	(31,281)
Other	-	-	-	-	-
Net change in plan fiduciary net position	<u>16,284,599</u>	<u>12,310,696</u>	<u>(14,214,117)</u>	<u>24,670,067</u>	<u>2,746,073</u>
Plan fiduciary net position - beginning	<u>123,328,761</u>	<u>111,018,065</u>	<u>125,232,182</u>	<u>100,562,115</u>	<u>97,816,042</u>
Plan fiduciary net position - ending (b)	<u>\$ 139,613,360</u>	<u>\$ 123,328,761</u>	<u>\$ 111,018,065</u>	<u>\$ 125,232,182</u>	<u>\$ 100,562,115</u>
Town's net pension liability - ending (a) - (b)	<u>\$ 50,629,279</u>	<u>\$ 60,347,701</u>	<u>\$ 64,183,975</u>	<u>\$ 40,874,851</u>	<u>\$ 62,094,087</u>
Plan fiduciary net position as a percentage of the total pension liability	73.39%	67.14%	63.37%	75.39%	61.82%
Covered payroll	\$ 16,773,681	\$ 15,793,731	\$ 14,697,899	\$ 14,916,381	\$ 14,152,836
Town's net pension liability as a percentage of covered payroll	301.84%	382.10%	436.69%	274.03%	438.74%

(Continued)

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

TOWN OF NARRAGANSETT, RHODE ISLAND
Required Supplementary Information - Town Pension Plan (Continued)
Schedule of Changes in the Town's Net Pension Liability and Related Ratios
"Unaudited"

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Total pension liability:					
Service cost	\$ 2,959,880	\$ 2,955,588	\$ 2,930,982	\$ 2,810,067	\$ 2,550,557
Interest	10,065,392	9,790,545	9,285,637	8,763,993	8,179,918
Changes of benefit terms	-	-	-	(420,257)	-
Differences between expected and actual experience	1,020,603	(1,087,571)	540,391	715,831	415,238
Changes of assumptions	(190,658)	(1,934,928)	(474,603)	3,440,952	2,569,581
Benefits payments, including refunds of member contributions	(6,179,160)	(5,642,039)	(4,946,770)	(4,846,536)	(4,369,538)
Net change in total pension liability	<u>7,676,057</u>	<u>4,081,595</u>	<u>7,335,637</u>	<u>10,464,050</u>	<u>9,345,756</u>
Total pension liability - beginning	<u>139,926,819</u>	<u>135,845,224</u>	<u>128,509,587</u>	<u>118,045,537</u>	<u>108,699,781</u>
Total pension liability - ending (a)	<u>\$ 147,602,876</u>	<u>\$ 139,926,819</u>	<u>\$ 135,845,224</u>	<u>\$ 128,509,587</u>	<u>\$ 118,045,537</u>
Plan fiduciary net position:					
Contributions - employer	\$ 6,133,571	\$ 5,957,877	\$ 5,399,268	\$ 5,190,005	\$ 4,999,356
Contributions - employee	1,558,428	1,583,751	1,474,196	1,427,810	1,465,617
Net investment income	5,516,278	5,063,944	7,844,533	(1,643,823)	472,799
Benefits payments, including refunds of member contributions	(6,179,160)	(5,642,039)	(4,946,770)	(4,846,536)	(4,369,538)
Administrative expense	(47,630)	(59,100)	(28,905)	(28,067)	(38,693)
Other	-	-	-	-	-
Net change in plan fiduciary net position	<u>6,981,487</u>	<u>6,904,433</u>	<u>9,742,322</u>	<u>99,389</u>	<u>2,529,541</u>
Plan fiduciary net position - beginning	<u>90,834,555</u>	<u>83,930,122</u>	<u>74,187,800</u>	<u>74,088,411</u>	<u>71,558,870</u>
Plan fiduciary net position - ending (b)	<u>\$ 97,816,042</u>	<u>\$ 90,834,555</u>	<u>\$ 83,930,122</u>	<u>\$ 74,187,800</u>	<u>\$ 74,088,411</u>
Town's net pension liability - ending (a) - (b)	<u>\$ 49,786,834</u>	<u>\$ 49,092,264</u>	<u>\$ 51,915,102</u>	<u>\$ 54,321,787</u>	<u>\$ 43,957,126</u>
Plan fiduciary net position as a percentage of the total pension liability	66.27%	64.92%	61.78%	57.73%	62.76%
Covered payroll	\$ 13,952,640	\$ 13,835,881	\$ 13,626,448	\$ 12,984,298	\$ 12,188,272
Town's net pension liability as a percentage of covered payroll	356.83%	354.82%	380.99%	418.37%	360.65%

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

TOWN OF NARRAGANSETT, RHODE ISLAND
Required Supplementary Information - Pension Plans
Schedule of Town Contributions
Last Ten Fiscal Years
"Unaudited"

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
<u>Employees' Retirement System of RI</u>					
Actuarially determined contribution	\$ 2,214,163	\$ 2,104,281	\$ 2,044,674	\$ 1,873,366	\$ 1,845,961
Contributions in relation to the actuarially determined contribution	2,214,163	2,104,281	2,044,674	1,873,366	1,845,961
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 14,115,024	\$ 13,524,521	\$ 13,359,180	\$ 12,626,904	\$ 12,851,123
Contributions as a percentage of covered payroll	15.69%	15.56%	15.31%	14.84%	14.36%
<u>Police Plan</u>					
Actuarially determined contribution	\$ 145,195	\$ 99,172	\$ 183,577	\$ 187,298	\$ 198,887
Contributions in relation to the actuarially determined contribution	175,300	99,172	267,000	267,000	267,000
Contribution deficiency (excess)	<u>\$ (30,105)</u>	<u>\$ -</u>	<u>\$ (83,423)</u>	<u>\$ (79,702)</u>	<u>\$ (68,113)</u>
Covered payroll	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Contributions as a percentage of covered payroll	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
<u>Town Plan</u>					
Actuarially determined contribution	\$ 7,829,979	\$ 7,332,341	\$ 7,011,892	\$ 6,343,867	\$ 6,080,003
Contributions in relation to the actuarially determined contribution	8,754,129	7,993,583	7,093,037	6,268,731	6,176,556
Contribution deficiency (excess)	<u>\$ (924,150)</u>	<u>\$ (661,242)</u>	<u>\$ (81,145)</u>	<u>\$ 75,136</u>	<u>\$ (96,553)</u>
Covered payroll	\$ 16,773,681	\$ 15,793,731	\$ 14,697,899	\$ 14,916,381	\$ 14,152,836
Contributions as a percentage of covered payroll	52.19%	50.61%	48.26%	42.03%	43.64%

(Continued)

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

TOWN OF NARRAGANSETT, RHODE ISLAND
Required Supplementary Information - Pension Plans (Continued)
Schedule of Town Contributions
Last Ten Fiscal Years
"Unaudited"

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<u>Employees' Retirement System of RI</u>					
Actuarially determined contribution	\$ 1,679,749	\$ 1,660,661	\$ 1,642,280	\$ 1,706,931	\$ 1,666,194
Contributions in relation to the actuarially determined contribution	1,679,749	1,660,661	1,642,280	1,706,931	1,666,194
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 12,290,329	\$ 12,337,484	\$ 12,258,431	\$ 12,249,451	\$ 12,250,219
Contributions as a percentage of covered payroll	13.67%	13.46%	13.40%	13.93%	13.60%
<u>Police Plan</u>					
Actuarially determined contribution	\$ 215,294	\$ 226,427	\$ 230,391	\$ 216,196	\$ 208,518
Contributions in relation to the actuarially determined contribution	267,000	267,000	267,000	355,000	126,770
Contribution deficiency (excess)	<u>\$ (51,706)</u>	<u>\$ (40,573)</u>	<u>\$ (36,609)</u>	<u>\$ (138,804)</u>	<u>\$ 81,748</u>
Covered payroll	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Contributions as a percentage of covered payroll	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
<u>Town Plan</u>					
Actuarially determined contribution	\$ 6,057,902	\$ 5,858,887	\$ 5,428,475	\$ 5,082,997	\$ 4,881,459
Contributions in relation to the actuarially determined contribution	6,133,571	5,957,877	5,399,268	5,190,005	4,999,356
Contribution deficiency (excess)	<u>\$ (75,669)</u>	<u>\$ (98,990)</u>	<u>\$ 29,207</u>	<u>\$ (107,008)</u>	<u>\$ (117,897)</u>
Covered payroll	\$ 13,952,640	\$ 13,835,881	\$ 13,626,448	\$ 12,984,298	\$ 12,188,272
Contributions as a percentage of covered payroll	43.96%	43.06%	39.62%	39.97%	41.02%

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

TOWN OF NARRAGANSETT, RHODE ISLAND
Required Supplementary Information - Pension Plans
Schedule of Investment Returns
"Unaudited"

	<i>2024</i>	<i>2023</i>	<i>2022</i>	<i>2021</i>	<i>2020</i>	<i>2019</i>	<i>2018</i>	<i>2017</i>	<i>2016</i>	<i>2015</i>
<i>Police Plan</i>										
Annual money-weighted rate of return, net of investment expense	8.51%	8.81%	-15.09%	27.41%	8.62%	6.95%	7.91%	10.00%	0.09%	0.78%
<i>Town Plan</i>										
Annual money-weighted rate of return, net of investment expense	11.92%	9.59%	-12.56%	24.15%	1.83%	6.18%	6.11%	10.69%	-2.29%	0.71%

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

TOWN OF NARRAGANSETT, RHODE ISLAND
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
General Fund
For the Fiscal Year Ended June 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Property taxes:				
Current year taxes	\$ 57,551,961	\$ 57,551,961	\$ 57,845,132	\$ 293,171
Prior year taxes	300,000	300,000	357,627	57,627
	<u>57,851,961</u>	<u>57,851,961</u>	<u>58,202,759</u>	<u>350,798</u>
Investment and interest revenues:				
Interest on delinquent taxes	200,000	200,000	206,589	6,589
Interest from investments	200,000	200,000	1,736,448	1,536,448
	<u>400,000</u>	<u>400,000</u>	<u>1,943,037</u>	<u>1,543,037</u>
Intergovernmental revenues:				
Motor vehicle phase-out	1,831,251	1,831,251	1,831,251	-
Federal PILOT	64,000	64,000	62,562	(1,438)
State beach parking	215,000	215,000	214,708	(292)
State telephone tax	191,412	191,412	195,606	4,194
State hotel tax	400,791	400,791	400,148	(643)
State meal and beverage tax	919,239	919,239	905,448	(13,791)
School housing aid	360,988	360,988	456,296	95,308
Property revaluation reimbursement	-	-	72,370	72,370
Cannabis local excise tax	-	-	215	215
	<u>3,982,681</u>	<u>3,982,681</u>	<u>4,138,604</u>	<u>155,923</u>
Licenses and permits:				
Town clerk alcoholic beverages	30,000	30,000	30,591	591
Building permits	400,000	400,000	414,739	14,739
Road open permits	1,000	1,000	5,976	4,976
	<u>431,000</u>	<u>431,000</u>	<u>451,306</u>	<u>20,306</u>
Fines and forfeitures:				
Police fees and fines	20,000	20,000	21,257	1,257
Municipal court	400,000	400,000	386,889	(13,111)
	<u>420,000</u>	<u>420,000</u>	<u>408,146</u>	<u>(11,854)</u>

(Continued)

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

TOWN OF NARRAGANSETT, RHODE ISLAND
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual (Continued)
General Fund
For the Fiscal Year Ended June 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u> <u>(Budgetary</u> <u>Basis)</u>	<u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
PILOT & interfund revenues:				
Beach in lieu of taxes	289,694	289,694	289,694	-
Housing authority in lieu of taxes	1,590	1,590	1,590	-
Water in lieu of taxes	23,614	23,614	23,614	-
Wastewater in lieu of taxes	133,831	133,831	133,831	-
Charter school	8,500	8,500	9,335	835
Water administrative fees	211,557	211,557	211,557	-
Wastewater administrative fees	427,458	427,458	427,458	-
Beach administrative fees	207,701	207,701	207,701	-
Rental registration transfer	81,545	81,545	81,545	-
School Vehicle maintenance and police protection	50,000	50,000	34,467	(15,533)
	<u>1,435,490</u>	<u>1,435,490</u>	<u>1,420,792</u>	<u>(14,698)</u>
Miscellaneous revenues:				
Police finger print receipts	4,000	4,000	2,530	(1,470)
Town clerk general receipts	900,000	900,000	795,860	(104,140)
Mooring fees	62,000	62,000	57,960	(4,040)
Variance and exception fees	10,000	10,000	9,508	(492)
Fire alarm inspection fees	15,000	15,000	7,440	(7,560)
VIN inspection fees	5,000	5,000	5,722	722
Police detail revenue	150,000	150,000	458,005	308,005
Cellular tower rentals	230,000	230,000	203,677	(26,323)
Miscellaneous receipts	60,000	60,000	156,801	96,801
Emergency medical services	500,000	500,000	688,600	188,600
Miscellaneous police receipts	6,000	6,000	15,753	9,753
Concessions	1,500	1,500	1,500	-
Fire marshal plan review	44,000	44,000	28,949	(15,051)
Recycling revenue & tipping fees	-	-	5,603	5,603
Operating donation and contribution	-	-	20,490	20,490
Miscellaneous fire department receipts	-	-	12,209	12,209
	<u>1,987,500</u>	<u>1,987,500</u>	<u>2,470,607</u>	<u>483,107</u>
Recreation revenues:				
Community center rental	8,000	8,000	8,736	736
Miscellaneous receipts	10,000	10,000	18,043	8,043
Basketball	15,000	15,000	20,431	5,431
Workshops	12,000	12,000	7,604	(4,396)
The Camp	40,000	40,000	83,155	43,155
Park rental	3,500	3,500	4,311	811
Concert revenue	3,500	3,500	5,000	1,500
	<u>92,000</u>	<u>92,000</u>	<u>147,280</u>	<u>55,280</u>
Other financing sources:				
Fund balance appropriation	2,270,763	2,270,763	-	(2,270,763)
Total revenues and other financing sources	<u>68,871,395</u>	<u>68,871,395</u>	<u>69,182,531</u>	<u>311,136</u>

(Continued)

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

TOWN OF NARRAGANSETT, RHODE ISLAND
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual (Continued)
General Fund
For the Fiscal Year Ended June 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Expenditures:				
General government:				
Town council	121,152	121,152	156,104	(34,952)
Town solicitor	200,000	200,000	195,433	4,567
Municipal court	276,194	276,194	284,888	(8,694)
Board of canvassers	134,707	134,707	109,670	25,037
Town manager	325,889	325,889	266,785	59,104
Human resources	157,509	157,509	122,345	35,164
Town clerk	688,672	688,672	681,348	7,324
Information technology	883,828	883,828	753,305	130,523
History commission	2,350	2,350	268	2,082
Conservation commission	1,250	1,250	-	1,250
Planning board	6,450	6,450	2,698	3,752
Zoning board of appeals	7,950	7,950	7,826	124
Harbor Commission	2,500	2,500	2,312	188
Special appropriations	202,407	202,407	202,407	-
	<u>3,010,858</u>	<u>3,010,858</u>	<u>2,785,389</u>	<u>225,469</u>
Financial administration:				
Financial and purchasing	489,475	489,475	495,546	(6,071)
Accounting	519,860	519,860	525,231	(5,371)
Tax assessor	473,093	473,093	499,163	(26,070)
Tax collector	258,472	258,472	318,661	(60,189)
	<u>1,740,900</u>	<u>1,740,900</u>	<u>1,838,601</u>	<u>(97,701)</u>
Public safety:				
Police non-officer	468,338	468,338	472,796	(4,458)
Police administration	1,221,349	1,221,349	1,208,418	12,931
Police patrol	6,354,559	6,354,559	6,129,780	224,779
Police investigations	1,021,626	1,021,626	1,012,748	8,878
Animal control	223,869	223,869	212,344	11,525
Harbor master	53,793	53,793	47,397	6,396
Dispatch	1,200,340	1,200,340	1,152,279	48,061
Fire non-firefighter	97,502	97,502	98,104	(602)
Fire firefighters	6,795,938	6,795,938	7,030,670	(234,732)
General fire prevention	20,000	20,000	18,361	1,639
Emergency management	34,211	34,211	33,785	426
	<u>17,491,525</u>	<u>17,491,525</u>	<u>17,416,682</u>	<u>74,843</u>
Public works:				
Public works administration	493,610	493,610	470,160	23,450
Recycling	30,523	30,523	15,528	14,995
Highway	2,066,218	2,066,218	1,801,827	264,391
Facilities maintenance	319,507	319,507	255,283	64,224
Vehicle maintenance	862,948	862,948	855,334	7,614
	<u>3,772,806</u>	<u>3,772,806</u>	<u>3,398,132</u>	<u>374,674</u>

(Continued)

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

TOWN OF NARRAGANSETT, RHODE ISLAND
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual (Continued)
General Fund
For the Fiscal Year Ended June 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<i>Parks and recreation:</i>				
Parks and recreation administration	244,865	244,865	238,147	6,718
Parks maintenance	927,308	927,308	857,569	69,739
Recreation programs	289,518	289,518	288,265	1,253
Parks and recreation senior/community center	216,871	216,871	207,726	9,145
	<u>1,678,562</u>	<u>1,678,562</u>	<u>1,591,707</u>	<u>86,855</u>
<i>Planning, engineering and inspection:</i>				
Community development	605,919	605,919	620,529	(14,610)
Inspection services	387,590	387,590	385,392	2,198
Engineering	381,873	381,873	399,350	(17,477)
	<u>1,375,382</u>	<u>1,375,382</u>	<u>1,405,271</u>	<u>(29,889)</u>
<i>Town-wide expenditures</i>	<u>766,000</u>	<u>766,000</u>	<u>713,975</u>	<u>52,025</u>
<i>Education appropriation</i>	<u>27,961,445</u>	<u>27,961,445</u>	<u>27,961,445</u>	<u>-</u>
<i>Library appropriation</i>	<u>1,126,729</u>	<u>1,126,729</u>	<u>1,126,729</u>	<u>-</u>
<i>Other:</i>				
Contingency	300,000	300,000	-	300,000
OPEB contribution	2,965,227	2,965,227	2,965,227	-
Police Chapter 1666 pension contribution	175,300	175,300	175,300	-
Retirement and termination benefits	150,000	150,000	-	150,000
	<u>3,590,527</u>	<u>3,590,527</u>	<u>3,140,527</u>	<u>450,000</u>
<i>Other financing uses:</i>				
<i>Transfers to other funds:</i>				
Retained claims	12,000	12,000	12,000	-
Towers	50,000	50,000	50,000	-
Grants	200,000	200,000	200,000	-
Miscellaneous	108,068	108,068	217,289	(109,221)
Land conservation	75,000	75,000	75,000	-
Town Capital Projects Fund	2,477,210	2,477,210	2,477,210	-
Debt Service Fund	3,434,383	3,434,383	3,434,383	-
	<u>6,356,661</u>	<u>6,356,661</u>	<u>6,465,882</u>	<u>(109,221)</u>
<i>Total expenditures and other financing uses</i>	<u>68,871,395</u>	<u>68,871,395</u>	<u>67,844,340</u>	<u>1,027,055</u>
<i>Net change in fund balance - budgetary basis</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,338,191</u>	<u>\$ 1,338,191</u>

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

TOWN OF NARRAGANSETT, RHODE ISLAND
Notes to Required Supplementary Information
For the Year Ended June 30, 2024
"Unaudited"

NOTE 1 - SCHEDULE OF TOWN CONTRIBUTIONS - OPEB PLANS

	<u><i>Town Other Post-Employment Benefit Plan</i></u>	<u><i>School Other Post-Employment Benefit Plan</i></u>
<i>Fiscal Year ended</i>	6/30/2024	6/30/2024
<i>Methods and assumptions used to determine contribution rates:</i>		
Actuarial cost method	Entry Age Normal	Entry Age Normal
Amortization method	Level dollar - closed	Level dollar - closed
Remaining amortization period	23 years as of June 30, 2024	23 years as of June 30, 2024
Asset valuation method	Fair market value	Fair market value
Discount rate	6.5% discount rate	6.6% discount rate
Inflation rate	2.5%	N/A
Payroll growth rate	4%	3%
Medical trend cost rate	Medical - 7.0% per year decreasing to an ultimate rate of 3.94% per year Part B -6% per year increasing to an ultimate rate of 3.94% per year	Medical - 7.5% (6.5% post-65) per year decreasing to an ultimate rate of 4.5% per year
Dental trend cost rate	3%	4%
Mortality	Police and Fire - SOA Pub-2010 Public Safety Headcount Weighted Mortality Table fully generational using Scale MP-2021 Surviving Spouses - SOA Pub-2010 Contingent Survivor Headcount Weighted Mortality Table fully generational using Scale MP-2021 All Other - SOA Pub-2010 General Headcount Weighted Mortality Table fully generational using Scale MP-2021	Teachers and Administrators - SOA Pub-2010 Teacher Headcount Weighted Mortality Table fully generational using Scale MP-2021 Support Employees - SOA Pub-2010 General Headcount Weighted Mortality Table fully generational using Scale MP-2021 Surviving Spouses - SOA Pub-2010 Contingent Survivor Headcount Weighted Mortality Table fully generational using Scale MP-2021

TOWN OF NARRAGANSETT, RHODE ISLAND
Notes to Required Supplementary Information
June 30, 2024

NOTE 2 – PENSION PLANS

Employees' Retirement System Plan

The net pension liability amount presented as of the June 30, 2024 was determined as part of an actuarial valuation performed as of June 30, 2022 and rolled forward to June 30, 2023, the measurement date. Additional information, including actuarial methods and assumptions, is presented in Note 16 A to the financial statements.

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

The following summarizes the more significant changes in assumptions and benefits and were reflected in the determination of the net pension liability as of the:

June 30, 2023 measurement date –

As part of the 2023 Actuarial Experience Study for the six-year period ending June 30, 2022 as approved by the System Board on May 17, 2023, certain assumptions were modified and reflected in the determination of net pension liability (asset) at the June 30, 2023 measurement date. The following summarizes the more significant changes in assumptions:

- Decreased individual salary increases and projected payroll growth for most groups. These two items mainly offset each other in calculating contribution requirements, especially as dollar amounts, but create a much lower projected annual growth rate in the dollar amounts of contributions.
- Updated the mortality projection scales to the ultimate rates of the most recently published ones, this had no material impact on the liabilities or contributions.
- Modestly increased turnover rates.
- Slight modifications to the retirement rates.
- Modified slightly the rates of disability.

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 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.

TOWN OF NARRAGANSETT, RHODE ISLAND
Notes to Required Supplementary Information
June 30, 2024

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 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.
- 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, 2015 measurement date –

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

- Employees with more than 20 years of service at July 1, 2012 will increase their employee contribution rates to 11% for state employees and municipal general employees will contribute 8.25% (9.25% for units with a COLA provision) and participate solely in the defined benefit plan going forward – service credit accruals will increase from 1% to 2% per year.
- Members are eligible to retire upon the attainment of: age 65 with 30 years of service, 64 with 31 years of service, 63 with 32 years of service, or 62 with 33 years of service. Members may retire earlier if their RIRSA date is earlier or are eligible under a transition rule.
- Employees with more than 10 but less than 20 years of service on 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 receive 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 maximum of 4%) and 50% calculated using previous year's CPI-U (maximum of 3%) for a total maximum 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.

TOWN OF NARRAGANSETT, RHODE ISLAND
Notes to Required Supplementary Information
June 30, 2024

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

Police Plan and Town Pension Plan

The net pension liability amounts presented as of the June 30, 2024 were determined as part of actuarial valuations performed as of July 1, 2023 and rolled forward to June 30, 2024, the measurement date. Additional information, including actuarial methods and assumptions, is presented in Note 16 B and C to the financial statements.

The net pension liability amounts presented for each fiscal year were determined as of the fiscal year-end.

The following summarizes the more significant changes in assumptions and benefits and were reflected in the determination of the net pension liability as of the:

June 30, 2024 measurement date –

- Investment rate of return assumption was changed from 7.05% to 7.00%.
- Town Plan-Salary increase were changes as follows: age 25-29 from 8% to 8.5 % and age 30-34 from 6% to 6.75%.

June 30, 2023 measurement date –

- Investment rate of return assumption was changed from 7.10% to 7.05%.

June 30, 2022 measurement date –

- Investment rate of return assumption was changed from 7.15% to 7.10%.
- The projection scale used with the mortality tables were changed from SOA Scale MP-2020 to SOA Scale MP-2021.

June 30, 2021 measurement date –

- Investment rate of return assumption was changed from 7% to 7.15%.
- Salary increases assumption for the Town Pension Plan was changed from 4% to 6% based on age to 4% to 10% based on age.
- The projection scale used with the mortality tables were changed from SOA Scale MP-2019 to SOA Scale MP-2020.

June 30, 2020 measurement date –

- Investment rate of return assumption was changed from 7.20% to 7%.
- Mortality tables were changed from RP-2014 Blue Collar for public safety, RP-2014 for non-public safety and RP-2014 Disabled for disabled with generational improvements from 2006 based on the 2018 SSA Trustees' Report to variants of the Pub-2010 mortality tables with generational improvements from 2010 based on the SOA Scale MP-2019.

TOWN OF NARRAGANSETT, RHODE ISLAND
Notes to Required Supplementary Information
June 30, 2024

June 30, 2019 measurement date –

- COLA assumption for the Town Pension Plan was changed from 3% for eligible employees and 0% otherwise to 2% for School Employees hired on or after July 1, 2015 once eligible and 3% compounded or simple based on group and date of hire or retirement for eligible Other Employees.

June 30, 2016 measurement date –

- School System Employees in the Town Pension Plan hired on or after July 1, 2015 shall receive a normal retirement benefit equal to 2% of final average compensation multiplied by years of credited service (subject to a maximum benefit of 75% of final average compensation) upon the later of age 65 or the completion of 10 years of credited service or at any age after the completion of 25 years of credited service.
- School System Employees in the Town Pension Plan hired on or after July 1, 2015 shall receive a compounded COLA on each July 1 based on the COLA given to Social Security recipients, if any.
- Firefighters in the Town Pension Plan who retire on or after July 1, 2015 shall receive annually a 3% simple COLA beginning on the July 1 of the year that the firefighter turns 52 years old, subject to the 8-year COLA suspension as of July 1, 2013.

TOWN OF NARRAGANSETT, RHODE ISLAND
Notes to Required Supplementary Information
June 30, 2024

NOTE 3 - BUDGETARY DATA AND BUDGETARY COMPLIANCE

In accordance with the Town’s Charter, the Town has formally established budgetary accounting control for its General Fund and Enterprise Funds. It is the responsibility of the Town Manager to submit the proposed budgets to the Town Council. The General Fund budget includes the Municipal budget and School Department’s total budgeted Town appropriation. The proposed School Department budget is approved by the School Committee prior to being presented to the Town Manager. The Town Council may then revise and adopt a recommended General Fund budget including changes to the School Department’s total appropriation. At least two public hearings are conducted on the Town Council recommended budgets and the final recommended budgets are legally enacted through an ordinance by the Town Council prior to the start of the fiscal year. The General Fund’s annual operating budget is not in conformity with accounting principles generally accepted in the United States of America. The budget to actual presentation in the financial statements for the General Fund is presented on a budgetary basis. The difference between the budgetary basis and the accounting principles generally accepted in the United States of America basis is explained below.

Appropriations in addition to those contained in the annual operating budget require Town Council approval. Amendments to the operating budgets that do not result in additional appropriations may be made within a department by means of a transfer. The Town Manager has authority to make such transfers within departments. Transfers made outside the departmental level require Town Council approval. All unencumbered appropriations lapse at the end of the fiscal year.

The table below shows the amounts by which certain municipal department expenditures exceeded fiscal year 2024 appropriations:

<u>Department</u>	<u>Expenditures In Excess of Budget</u>
Town Council	\$ 34,952
Municipal Court	8,694
Financial and purchasing	6,071
Accounting	5,371
Tax assessor	26,070
Tax collector	60,189
Police non-officer	4,458
Fire non-firefighter	602
Fire firefighters	234,732
Community development	14,610
Engineering	17,477

TOWN OF NARRAGANSETT, RHODE ISLAND
Notes to Required Supplementary Information
June 30, 2024

Explanation of Differences between Budgetary Revenues, Expenditures, and Other Financing Sources and Uses and GAAP Revenues, Expenditures, and Other Financing Sources and Uses

	<u>General Fund</u>
<u>Revenues and Other Financing Sources</u>	
Actual amounts (budgetary basis)	\$69,182,531
 Differences – budget to GAAP:	
The pension contributions made to the Employees Retirement System by the State on behalf of the Town of Narragansett is not reported as budgetary revenue, but is a revenue for financial reporting purposes.	1,534,585
Unbudgeted revenues and other financing sources not included for budgetary purposes, but included for financial reporting purposes.	6,338,945
Transfer from other funds included as revenues for budgetary purposes, but not included for financial reporting purposes.	(81,545)
Subscription based IT arrangements are not reported as a budgetary other financing source, but are reported as an other financing source for financial reporting purposes.	<u>71,092</u>
<i>Total revenues and other financing sources as reported on the statement of revenues, expenditures and changes in fund balances – governmental funds</i>	<u>\$77,045,608</u>
<u>Expenditures and Other Financing Uses</u>	<u>General Fund</u>
Actual amounts (budgetary basis)	
 Differences – budget to GAAP:	
The pension contributions made to the Employees Retirement System by the State on behalf of the Town of Narragansett is not reported as a budgetary expenditure, but is an expenditure for financial reporting purposes.	1,534,585
Unbudgeted expenditures and transfers to other funds not included for budgetary purposes, but included for financial reporting purposes.	6,515,573
Transfer to other funds included as financing uses for budgetary purposes, but not included for financial reporting purposes.	(262,000)
Right to use SBITA assets are not reported as a budgetary basis expenditure, but are reported as an expenditure for financial reporting purposes.	<u>71,092</u>
<i>Total expenditures and other financing uses as reported in the statement of revenues, expenditures and changes in fund balances – governmental funds</i>	<u>\$75,703,590</u>

OTHER SUPPLEMENTARY INFORMATION

The information provided herein contains schedules which the Town deems necessary to provide additional disclosures.

THIS SECTION CONTAINS THE FOLLOWING:

- **Combining Fund Financial Statements for Nonmajor Governmental Funds**
- **Combining Fund Financial Statements for Pension Trust Funds**
- **Combining Fund Financial Statements for Other Post-Employment Benefit Trust Funds**
- **Combining Fund Financial Statements for Private Purpose Trust Funds**
- **Other Supplementary Information**

**COMBINING FUND FINANCIAL STATEMENTS -
NONMAJOR GOVERNMENTAL FUNDS**

**THE FOLLOWING FUNDS OF THE TOWN
ARE REPORTED IN THIS SECTION:**

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 and capital projects.

The Capital Projects Funds account for and report financial resources that are restricted, committed, or assigned to expenditures for capital facilities and other capital assets outlays, including the acquisition and/or construction of capital items, except those financed by the Proprietary Fund Types or Trust Funds.

TOWN OF NARRAGANSETT, RHODE ISLAND
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2024

	Special Revenue Funds								
	<i>School Restricted Grants</i>	<i>Food Service Fund</i>	<i>Historic Preservation Grants</i>	<i>Community Development Fund</i>	<i>Community Septic Program</i>	<i>Forfeited Funds</i>	<i>Parks and Recreation Sprague</i>	<i>ARPA Municipal Road & Bridge Program</i>	<i>State Recycling Fund</i>
ASSETS									
Pooled cash and investments	\$ -	\$ -	\$ 1,900	\$ 222,476	\$ -	\$ 74,184	\$ 15	\$ -	\$ 17,848
Cash	-	33,283	-	-	-	-	-	-	-
Due from federal and state governments	568,072	5,698	-	-	-	-	-	50,658	-
Due from other funds	385,965	110,271	-	-	-	-	-	-	-
Other receivables	-	9,835	-	187,112	68,579	-	-	-	-
Total assets	\$ 954,037	\$ 159,087	\$ 1,900	\$ 409,588	\$ 68,579	\$ 74,184	\$ 15	\$ 50,658	\$ 17,848
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES									
Liabilities									
Accounts payable and accrued expenditures	\$ 2,186	\$ 14,118	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,953	\$ -
Due to other funds	568,072	-	-	-	-	-	-	34,705	-
Unearned revenue	-	11,612	-	-	-	-	-	-	-
Total liabilities	570,258	25,730	-	-	-	-	-	50,658	-
Deferred Inflows of Resources									
Unavailable revenue-loans	-	-	-	187,112	68,579	-	-	-	-
Total deferred inflows of resources	-	-	-	187,112	68,579	-	-	-	-
Fund Balances									
Restricted for:									
Education programs	383,779	133,357	-	-	-	-	-	-	-
Public safety programs	-	-	-	-	-	74,184	-	-	-
Historical records preservation	-	-	-	-	-	-	-	-	-
Community service programs	-	-	-	222,476	-	-	-	-	-
Parks and recreation programs	-	-	1,331	-	-	-	-	-	-
Capital projects	-	-	-	-	-	-	-	-	-
Library	-	-	-	-	-	-	-	-	-
Other programs	-	-	569	-	-	-	15	-	17,848
Committed for:									
Capital projects	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-
Assigned to:									
Capital projects	-	-	-	-	-	-	-	-	-
Total fund balances	383,779	133,357	1,900	222,476	-	74,184	15	-	17,848
Total liabilities, deferred inflows of resources, and fund balances	\$ 954,037	\$ 159,087	\$ 1,900	\$ 409,588	\$ 68,579	\$ 74,184	\$ 15	\$ 50,658	\$ 17,848

(Continued)

TOWN OF NARRAGANSETT, RHODE ISLAND
Combining Balance Sheet (Continued)
Nonmajor Governmental Funds
June 30, 2024

	Special Revenue Funds								
	<i>Galilee Landing Fees Fund</i>	<i>Byrne Grants</i>	<i>RI EMA Grant</i>	<i>RI EMA MEDS Grant</i>	<i>Opiod Settlement</i>	<i>Historical Records Preservation Fund</i>	<i>Affordable Housing Fund</i>	<i>RI DOH/CP Grant</i>	<i>Earthday Mini grant</i>
ASSETS									
Pooled cash and investments	\$ 88,986	\$ 219	\$ 48,025	\$ 18,012	\$ 175,087	\$ 294,011	\$ 20	\$ -	\$ 200
Cash	-	-	-	-	-	-	-	-	-
Due from federal and state governments	-	-	-	-	-	7	-	5,494	-
Due from other funds	-	-	-	-	-	-	-	-	-
Other receivables	-	-	-	-	-	78	-	-	-
Total assets	\$ 88,986	\$ 219	\$ 48,025	\$ 18,012	\$ 175,087	\$ 294,096	\$ 20	\$ 5,494	\$ 200
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES									
Liabilities									
Accounts payable and accrued expenditures	\$ 9,859	\$ -	\$ -	\$ 586	\$ 6,000	\$ -	\$ -	\$ 838	\$ -
Due to other funds	-	-	-	-	-	-	-	4,656	-
Unearned revenue	-	-	-	-	-	-	-	-	-
Total liabilities	9,859	-	-	586	6,000	-	-	5,494	-
Deferred Inflows of Resources									
Unavailable revenue-loans	-	-	-	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-	-	-	-
Fund Balances									
Restricted for:									
Education programs	-	-	-	-	-	-	-	-	-
Public safety programs	-	219	48,025	17,426	-	-	-	-	-
Historical records preservation	-	-	-	-	-	294,096	-	-	-
Community service programs	-	-	-	-	169,087	-	-	-	-
Parks and recreation programs	79,127	-	-	-	-	-	-	-	200
Capital projects	-	-	-	-	-	-	-	-	-
Library	-	-	-	-	-	-	-	-	-
Other programs	-	-	-	-	-	-	20	-	-
Committed for:									
Capital projects	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-
Assigned to:									
Capital projects	-	-	-	-	-	-	-	-	-
Total fund balances	79,127	219	48,025	17,426	169,087	294,096	20	-	200
Total liabilities, deferred inflows of resources, and fund balances	\$ 88,986	\$ 219	\$ 48,025	\$ 18,012	\$ 175,087	\$ 294,096	\$ 20	\$ 5,494	\$ 200

(Continued)

TOWN OF NARRAGANSETT, RHODE ISLAND
Combining Balance Sheet (Continued)
Nonmajor Governmental Funds
June 30, 2024

	Special Revenue Funds								
	<i>RI Interlocal Trust Safety Grant</i>	<i>ARPA Public Safety Program</i>	<i>DEM Tree Grant</i>	<i>Assistance to Firefighters</i>	<i>Safer Grant</i>	<i>CDBG Grant</i>	<i>Library Building</i>	<i>Grant Miscellaneous</i>	<i>Total Special Revenue Funds</i>
ASSETS									
Pooled cash and investments	\$ 1,497	\$ 317,436	\$ 8,199	\$ 2,142	\$ -	\$ 11,708	\$ 66,873	\$ 10,859	\$ 1,359,697
Cash	-	-	-	-	-	-	-	-	33,283
Due from federal and state governments	-	-	-	13,242	268,307	-	-	54,250	965,728
Due from other funds	-	-	-	-	-	-	-	-	496,236
Other receivables	-	-	-	-	-	-	-	-	265,604
Total assets	\$ 1,497	\$ 317,436	\$ 8,199	\$ 15,384	\$ 268,307	\$ 11,708	\$ 66,873	\$ 65,109	\$ 3,120,548
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES									
Liabilities									
Accounts payable and accrued expenditures	\$ -	\$ -	\$ -	\$ 11,844	\$ 18,832	\$ -	\$ 58,566	\$ 11,456	\$ 150,238
Due to other funds	-	-	-	-	249,475	-	-	-	856,908
Unearned revenue	-	317,436	-	-	-	-	-	-	329,048
Total liabilities	-	317,436	-	11,844	268,307	-	58,566	11,456	1,336,194
Deferred Inflows of Resources									
Unavailable revenue-loans	-	-	-	-	-	-	-	-	255,691
Total deferred inflows of resources	-	-	-	-	-	-	-	-	255,691
Fund Balances									
Restricted for:									
Education programs	-	-	-	-	-	-	-	-	517,136
Public safety programs	1,497	-	-	3,540	-	-	-	-	144,891
Historical records preservation	-	-	-	-	-	-	-	-	294,096
Community service programs	-	-	-	-	-	11,708	-	-	403,271
Parks and recreation programs	-	-	8,199	-	-	-	-	-	88,857
Capital projects	-	-	-	-	-	-	-	-	-
Library	-	-	-	-	-	-	8,307	-	8,307
Other programs	-	-	-	-	-	-	-	53,653	72,105
Committed for:									
Capital projects	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-
Assigned to:									
Capital projects	-	-	-	-	-	-	-	-	-
Total fund balances	1,497	-	8,199	3,540	-	11,708	8,307	53,653	1,528,663
Total liabilities, deferred inflows of resources, and fund balances	\$ 1,497	\$ 317,436	\$ 8,199	\$ 15,384	\$ 268,307	\$ 11,708	\$ 66,873	\$ 65,109	\$ 3,120,548

(Continued)

TOWN OF NARRAGANSETT, RHODE ISLAND
Combining Balance Sheet (Continued)
Nonmajor Governmental Funds
June 30, 2024

	<u>Capital Project Funds</u>							<u>Total Capital Project Funds</u>	<u>Total Nonmajor Governmental Funds</u>
	<u>Debt Service Fund</u>	<u>School Athletic Complex Fund</u>	<u>School Capital Projects Fund</u>	<u>Street Improvement Fund</u>	<u>Town Capital Projects Fund</u>	<u>Library Building Fund</u>	<u>Land Trust Fund</u>		
ASSETS									
Pooled cash and investments	\$ 176,012	\$ -	\$ -	\$ 2,620,639	\$ 2,207,281	\$ -	\$ 491,567	\$ 5,319,487	\$ 6,855,196
Cash	-	636	-	-	-	-	-	636	33,919
Due from federal and state governments	-	-	-	-	-	-	-	-	965,728
Due from other funds	-	-	2,725,324	-	-	-	-	2,725,324	3,221,560
Other receivables	-	-	-	-	-	-	-	-	265,604
Total assets	<u>\$ 176,012</u>	<u>\$ 636</u>	<u>\$ 2,725,324</u>	<u>\$ 2,620,639</u>	<u>\$ 2,207,281</u>	<u>\$ -</u>	<u>\$ 491,567</u>	<u>\$ 8,045,447</u>	<u>\$ 11,342,007</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES									
Liabilities									
Accounts payable and accrued expenditures	\$ -	\$ -	\$ 359,261	\$ 187,549	\$ 88,438	\$ -	\$ -	\$ 635,248	\$ 785,486
Due to other funds	-	307	-	-	-	-	-	307	857,215
Unearned revenue	-	-	-	-	-	-	-	-	329,048
Total liabilities	<u>-</u>	<u>307</u>	<u>359,261</u>	<u>187,549</u>	<u>88,438</u>	<u>-</u>	<u>-</u>	<u>635,555</u>	<u>1,971,749</u>
Deferred Inflows of Resources									
Unavailable revenue-loans	-	-	-	-	-	-	-	-	255,691
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>255,691</u>
Fund Balances									
Restricted for:									
Education programs	-	-	-	-	-	-	-	-	517,136
Public safety programs	-	-	-	-	-	-	-	-	144,891
Historical records preservation	-	-	-	-	-	-	-	-	294,096
Community service programs	-	-	-	-	-	-	-	-	403,271
Parks and recreation programs	-	-	-	-	-	-	-	-	88,857
Capital projects	-	329	-	2,433,090	-	-	-	2,433,419	2,433,419
Library	-	-	-	-	-	-	-	-	8,307
Other programs	-	-	-	-	-	-	-	-	72,105
Committed for:									
Capital projects	-	-	-	-	2,118,843	-	491,567	2,610,410	2,610,410
Debt service	176,012	-	-	-	-	-	-	-	176,012
Assigned to:									
Capital projects	-	-	2,366,063	-	-	-	-	2,366,063	2,366,063
Total fund balances	<u>176,012</u>	<u>329</u>	<u>2,366,063</u>	<u>2,433,090</u>	<u>2,118,843</u>	<u>-</u>	<u>491,567</u>	<u>7,409,892</u>	<u>9,114,567</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 176,012</u>	<u>\$ 636</u>	<u>\$ 2,725,324</u>	<u>\$ 2,620,639</u>	<u>\$ 2,207,281</u>	<u>\$ -</u>	<u>\$ 491,567</u>	<u>\$ 8,045,447</u>	<u>\$ 11,342,007</u>

TOWN OF NARRAGANSETT, RHODE ISLAND
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2024

	Special Revenue Funds								
	<i>School Restricted Grants</i>	<i>Food Service Fund</i>	<i>Historic Preservation Grants</i>	<i>Community Development Fund</i>	<i>Community Septic Program</i>	<i>Forfeited Funds</i>	<i>Parks and Recreation Sprague</i>	<i>ARPA Municipal Road & Bridge Program</i>	<i>State Recycling Fund</i>
Revenues									
Charges for services	\$ -	\$ 201,125	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating grants and contributions	2,040,093	122,660	-	-	-	-	-	50,658	-
Capital grants and contributions	40,424	-	-	-	-	-	-	-	-
Investment and interest income	-	-	-	8,315	-	2,684	-	-	-
Other revenue	-	-	-	15,431	24,849	13,593	15	-	-
Total revenues	2,080,517	323,785	-	23,746	24,849	16,277	15	50,658	-
Expenditures									
Current:									
General government	-	-	-	-	20,000	-	-	-	-
Public safety	-	-	-	-	-	5,898	-	-	-
Public works	-	-	-	-	-	-	-	50,658	-
Social services	-	-	-	-	-	-	-	-	-
Parks and recreation	-	-	-	-	-	-	-	-	-
Food service	-	387,680	-	-	-	-	-	-	-
Education	2,036,185	-	-	-	-	-	-	-	-
Debt service:									
Principal	-	-	-	-	24,849	-	-	-	-
Interest and fees	-	-	-	-	-	-	-	-	-
Capital outlay	-	68,791	-	-	-	-	-	-	-
Total expenditures	2,036,185	456,471	-	-	44,849	5,898	-	50,658	-
Excess (deficiency) of revenues over (under) expenditures before other financing sources	44,332	(132,686)	-	23,746	(20,000)	10,379	15	-	-
Other financing sources									
Debt issued	-	-	-	-	20,000	-	-	-	-
Bonds issued	-	-	-	-	-	-	-	-	-
Premium on bonds issued	-	-	-	-	-	-	-	-	-
Transfers in	-	3,000	-	-	-	-	-	-	-
Total other financing sources	-	3,000	-	-	20,000	-	-	-	-
Net change in fund balance	44,332	(129,686)	-	23,746	-	10,379	15	-	-
Fund balances - beginning of year	339,447	263,043	1,900	198,730	-	63,805	-	-	17,848
Fund balances - end of year	\$ 383,779	\$ 133,357	\$ 1,900	\$ 222,476	\$ -	\$ 74,184	\$ 15	\$ -	\$ 17,848

(Continued)

TOWN OF NARRAGANSETT, RHODE ISLAND
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2024

	Special Revenue Funds								
	<i>Galilee Landing Fees Fund</i>	<i>Byrne Grants</i>	<i>RI EMA Grant</i>	<i>RI EMA MEDS Grant</i>	<i>Opiod Settlement</i>	<i>Historical Records Preservation Fund</i>	<i>Affordable Housing Fund</i>	<i>RI DOH/CP Grant</i>	<i>Earthday Mini grant</i>
Revenues									
Charges for services	\$ 135,948	\$ -	\$ -	\$ -	\$ -	\$ 24,966	\$ -	\$ -	\$ -
Operating grants and contributions	-	-	10,042	4,000	-	-	20	70,333	-
Capital grants and contributions	-	-	-	-	-	-	-	-	-
Investment and interest income	190	-	-	-	5,002	12,370	-	-	-
Other revenue	-	-	-	-	56,365	-	-	-	-
Total revenues	<u>136,138</u>	<u>-</u>	<u>10,042</u>	<u>4,000</u>	<u>61,367</u>	<u>37,336</u>	<u>20</u>	<u>70,333</u>	<u>-</u>
Expenditures									
Current:									
General government	-	-	-	-	-	52,038	-	-	-
Public safety	-	-	-	4,107	-	-	-	70,333	-
Public works	-	-	-	-	-	-	-	-	-
Social services	-	-	-	-	30,092	-	-	-	-
Parks and recreation	97,628	-	-	-	-	-	-	-	-
Food service	-	-	-	-	-	-	-	-	-
Education	-	-	-	-	-	-	-	-	-
Debt service:									
Principal	-	-	-	-	-	-	-	-	-
Interest and fees	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-	-
Total expenditures	<u>97,628</u>	<u>-</u>	<u>-</u>	<u>4,107</u>	<u>30,092</u>	<u>52,038</u>	<u>-</u>	<u>70,333</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures before other financing sources	<u>38,510</u>	<u>-</u>	<u>10,042</u>	<u>(107)</u>	<u>31,275</u>	<u>(14,702)</u>	<u>20</u>	<u>-</u>	<u>-</u>
Other financing sources									
Debt issued	-	-	-	-	-	-	-	-	-
Bonds issued	-	-	-	-	-	-	-	-	-
Premium on bonds issued	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>38,510</u>	<u>-</u>	<u>10,042</u>	<u>(107)</u>	<u>31,275</u>	<u>(14,702)</u>	<u>20</u>	<u>-</u>	<u>-</u>
Fund balances - beginning of year	<u>40,617</u>	<u>219</u>	<u>37,983</u>	<u>17,533</u>	<u>137,812</u>	<u>308,798</u>	<u>-</u>	<u>-</u>	<u>200</u>
Fund balances - end of year	<u>\$ 79,127</u>	<u>\$ 219</u>	<u>\$ 48,025</u>	<u>\$ 17,426</u>	<u>\$ 169,087</u>	<u>\$ 294,096</u>	<u>\$ 20</u>	<u>\$ -</u>	<u>\$ 200</u>

(Continued)

TOWN OF NARRAGANSETT, RHODE ISLAND
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2024

	Special Revenue Funds								
	<i>RI Interlocal Trust Safety Grant</i>	<i>ARPA Public Safety Program</i>	<i>DEM Tree Grant</i>	<i>Assistance to Firefighters</i>	<i>Safer Grant</i>	<i>CDBG Grant</i>	<i>Library Building</i>	<i>Grant Miscellaneous</i>	<i>Total Special Revenue Funds</i>
Revenues									
Charges for services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 362,039
Operating grants and contributions	2,500	214	-	118,521	1,014,820	-	-	86,607	3,520,468
Capital grants and contributions	-	-	-	361,919	-	-	299,364	-	701,707
Investment and interest income	-	-	-	-	-	-	14,404	-	42,965
Other revenue	-	-	-	-	-	-	2,400	-	112,653
Total revenues	<u>2,500</u>	<u>214</u>	<u>-</u>	<u>480,440</u>	<u>1,014,820</u>	<u>-</u>	<u>316,168</u>	<u>86,607</u>	<u>4,739,832</u>
Expenditures									
Current:									
General government	-	-	-	-	-	-	-	-	72,038
Public safety	3,003	214	-	114,981	1,014,820	-	-	69,420	1,282,776
Public works	-	-	-	-	-	-	-	-	50,658
Social services	-	-	-	-	-	-	-	-	30,092
Parks and recreation	-	-	-	-	-	-	-	3,955	101,583
Food service	-	-	-	-	-	-	-	-	387,680
Education	-	-	-	-	-	-	-	-	2,036,185
Debt service:									
Principal	-	-	-	-	-	-	-	-	24,849
Interest and fees	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	361,919	-	-	1,732,689	11,512	2,174,911
Total expenditures	<u>3,003</u>	<u>214</u>	<u>-</u>	<u>476,900</u>	<u>1,014,820</u>	<u>-</u>	<u>1,732,689</u>	<u>84,887</u>	<u>6,160,772</u>
Excess (deficiency) of revenues over (under) expenditures before other financing sources	<u>(503)</u>	<u>-</u>	<u>-</u>	<u>3,540</u>	<u>-</u>	<u>-</u>	<u>(1,416,521)</u>	<u>1,720</u>	<u>(1,420,940)</u>
Other financing sources									
Debt issued	-	-	-	-	-	-	-	-	20,000
Bonds issued	-	-	-	-	-	-	-	-	-
Premium on bonds issued	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	3,000
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>23,000</u>
Net change in fund balance	<u>(503)</u>	<u>-</u>	<u>-</u>	<u>3,540</u>	<u>-</u>	<u>-</u>	<u>(1,416,521)</u>	<u>1,720</u>	<u>(1,397,940)</u>
Fund balances - beginning of year	<u>2,000</u>	<u>-</u>	<u>8,199</u>	<u>-</u>	<u>-</u>	<u>11,708</u>	<u>1,424,828</u>	<u>51,933</u>	<u>2,926,603</u>
Fund balances - end of year	<u>\$ 1,497</u>	<u>\$ -</u>	<u>\$ 8,199</u>	<u>\$ 3,540</u>	<u>\$ -</u>	<u>\$ 11,708</u>	<u>\$ 8,307</u>	<u>\$ 53,653</u>	<u>\$ 1,528,663</u>

(Continued)

TOWN OF NARRAGANSETT, RHODE ISLAND
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2024

	<u>Capital Project Funds</u>						<u>Total Capital Project Funds</u>	<u>Total Nonmajor Governmental Funds</u>
	<u>Debt Service Fund</u>	<u>School Athletic Complex Fund</u>	<u>School Capital Projects Fund</u>	<u>Street Improvement Fund</u>	<u>Town Capital Projects Fund</u>	<u>Library Building Fund</u>		
Revenues								
Charges for services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 362,039
Operating grants and contributions	-	-	-	-	-	-	950	3,521,418
Capital grants and contributions	-	-	52,182	-	-	-	-	753,889
Investment and interest income	-	-	-	-	-	63,583	17,476	124,024
Other revenue	-	-	-	-	-	-	-	112,653
Total revenues	<u>-</u>	<u>-</u>	<u>52,182</u>	<u>-</u>	<u>-</u>	<u>63,583</u>	<u>18,426</u>	<u>4,874,023</u>
Expenditures								
Current:								
General government	-	-	-	-	-	-	640	72,678
Public safety	-	-	-	-	-	-	-	1,282,776
Public works	-	-	-	-	-	-	-	50,658
Social services	-	-	-	-	-	-	-	30,092
Parks and recreation	-	-	-	-	-	-	-	101,583
Food service	-	-	-	-	-	-	-	387,680
Education	-	-	-	-	-	-	-	2,036,185
Debt service:								
Principal	2,482,000	-	-	-	-	-	-	2,506,849
Interest and fees	961,920	-	-	97,914	-	-	-	1,059,834
Capital outlay	-	-	1,629,379	3,571,986	2,424,360	1,189,623	-	10,990,259
Total expenditures	<u>3,443,920</u>	<u>-</u>	<u>1,629,379</u>	<u>3,669,900</u>	<u>2,424,360</u>	<u>1,189,623</u>	<u>640</u>	<u>18,518,594</u>
Excess (deficiency) of revenues over (under) expenditures before other financing sources	<u>(3,443,920)</u>	<u>-</u>	<u>(1,577,197)</u>	<u>(3,669,900)</u>	<u>(2,424,360)</u>	<u>(1,126,040)</u>	<u>17,786</u>	<u>(13,644,571)</u>
Other financing sources								
Debt issued	-	-	-	-	-	-	-	20,000
Bonds issued	-	-	-	5,000,000	-	-	-	5,000,000
Premium on bonds issued	-	-	-	327,260	-	-	-	327,260
Transfers in	3,434,383	-	1,500,000	-	2,477,210	655,615	75,000	8,145,208
Total other financing sources	<u>3,434,383</u>	<u>-</u>	<u>1,500,000</u>	<u>5,327,260</u>	<u>2,477,210</u>	<u>655,615</u>	<u>75,000</u>	<u>13,492,468</u>
Net change in fund balance	<u>(9,537)</u>	<u>-</u>	<u>(77,197)</u>	<u>1,657,360</u>	<u>52,850</u>	<u>(470,425)</u>	<u>92,786</u>	<u>(152,103)</u>
Fund balances - beginning of year	<u>185,549</u>	<u>329</u>	<u>2,443,260</u>	<u>775,730</u>	<u>2,065,993</u>	<u>470,425</u>	<u>398,781</u>	<u>9,266,670</u>
Fund balances - end of year	<u>\$ 176,012</u>	<u>\$ 329</u>	<u>\$ 2,366,063</u>	<u>\$ 2,433,090</u>	<u>\$ 2,118,843</u>	<u>\$ -</u>	<u>\$ 491,567</u>	<u>\$ 9,114,567</u>

TOWN OF NARRAGANSETT, RHODE ISLAND
Combining Balance Sheet
Special Revenue Funds - School Restricted Fund
June 30, 2024

	<u>IDEA</u>	<u>IDEA Preschool</u>	<u>Title I</u>	<u>Title II</u>	<u>Title III</u>	<u>Title IV</u>	<u>ESSER II Extended Learning</u>	<u>ESSER III Extended Learning</u>	<u>Inez Sprague</u>
ASSETS									
Due from federal and state government	\$ 157,990	\$ 3,007	\$ 74,722	\$ 20,152	\$ 388	\$ -	\$ -	\$ 9,135	\$ -
Due from other funds	-	-	-	-	-	-	-	-	3,446
Total assets	<u>\$ 157,990</u>	<u>\$ 3,007</u>	<u>\$ 74,722</u>	<u>\$ 20,152</u>	<u>\$ 388</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,135</u>	<u>\$ 3,446</u>
 LIABILITIES AND FUND BALANCES									
Liabilities									
Accounts payable and accrued expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	157,990	3,007	74,722	20,152	388	-	-	9,135	-
Total liabilities	<u>157,990</u>	<u>3,007</u>	<u>74,722</u>	<u>20,152</u>	<u>388</u>	<u>-</u>	<u>-</u>	<u>9,135</u>	<u>-</u>
Fund balances - restricted	-	-	-	-	-	-	-	-	3,446
Total liabilities and fund balances	<u>\$ 157,990</u>	<u>\$ 3,007</u>	<u>\$ 74,722</u>	<u>\$ 20,152</u>	<u>\$ 388</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,135</u>	<u>\$ 3,446</u>

(Continued)

TOWN OF NARRAGANSETT, RHODE ISLAND
Combining Balance Sheet (Continued)
Special Revenue Funds - School Restricted Fund
June 30, 2024

	<i>ESSER III Back to School</i>	<i>ESSER III Digital Divide</i>	<i>Casit, Inc. AP Italian Program</i>	<i>Career & Technical Education</i>	<i>Career & Technical Categorical</i>	<i>BSCA Stronger Connections</i>	<i>ARP IDEA</i>	<i>ARP IDEA Preschool</i>
ASSETS								
Due from federal and state government	\$ 200,966	\$ 40,424	\$ -	\$ -	\$ -	\$ 46,069	\$ -	\$ -
Due from other funds	-	-	1,082	21,048	-	-	-	-
Total assets	\$ 200,966	\$ 40,424	\$ 1,082	\$ 21,048	\$ -	\$ 46,069	\$ -	\$ -
 LIABILITIES AND FUND BALANCES								
Liabilities								
Accounts payable and accrued expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	200,966	40,424	-	-	-	46,069	-	-
Total liabilities	200,966	40,424	-	-	-	46,069	-	-
Fund balances - restricted	-	-	1,082	21,048	-	-	-	-
Total liabilities and fund balances	\$ 200,966	\$ 40,424	\$ 1,082	\$ 21,048	\$ -	\$ 46,069	\$ -	\$ -

(Continued)

TOWN OF NARRAGANSETT, RHODE ISLAND
Combining Balance Sheet (Continued)
Special Revenue Funds - School Restricted Fund
June 30, 2024

	<i>Narragansett Educational Foundation</i>	<i>Highlander Institute</i>	<i>RI Foundation O'Brien</i>	<i>Royal Little</i>	<i>Westerly Community Credit Union</i>	<i>Tolerance Program</i>	<i>Perkins Special Program</i>	<i>RI Foundation Spark</i>
ASSETS								
Due from federal and state government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 624	\$ -
Due from other funds	957	10	12,105	15,500	162	1,676	-	5
Total assets	<u>\$ 957</u>	<u>\$ 10</u>	<u>\$ 12,105</u>	<u>\$ 15,500</u>	<u>\$ 162</u>	<u>\$ 1,676</u>	<u>\$ 624</u>	<u>\$ 5</u>
LIABILITIES AND FUND BALANCES								
Liabilities								
Accounts payable and accrued expenditures	\$ -	\$ -	\$ -	\$ -	\$ 162	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-	-	624	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>162</u>	<u>-</u>	<u>624</u>	<u>-</u>
Fund balances - restricted	<u>957</u>	<u>10</u>	<u>12,105</u>	<u>15,500</u>	<u>-</u>	<u>1,676</u>	<u>-</u>	<u>5</u>
Total liabilities and fund balances	<u>\$ 957</u>	<u>\$ 10</u>	<u>\$ 12,105</u>	<u>\$ 15,500</u>	<u>\$ 162</u>	<u>\$ 1,676</u>	<u>\$ 624</u>	<u>\$ 5</u>

(Continued)

TOWN OF NARRAGANSETT, RHODE ISLAND
Combining Balance Sheet (Continued)
Special Revenue Funds - School Restricted Fund
June 30, 2024

	<i>NE Dairy Council Grant</i>	<i>Perkins CTE</i>	<i>NHS Student Activity Fund</i>	<i>NPS Student Activity Fund</i>	<i>NES Student Activity Fund</i>	<i>CS4RI</i>	<i>Perkins Secondary</i>	<i>Total</i>
ASSETS								
Due from federal and state government	\$ -	\$ 4,862	\$ -	\$ -	\$ -	\$ -	\$ 9,733	\$ 568,072
Due from other funds	462	-	197,167	90,471	41,874	-	-	385,965
Total assets	\$ 462	\$ 4,862	\$ 197,167	\$ 90,471	\$ 41,874	\$ -	\$ 9,733	\$ 954,037
 LIABILITIES AND FUND BALANCES								
Liabilities								
Accounts payable and accrued expenditures	\$ -	\$ -	\$ 2,024	\$ -	\$ -	\$ -	\$ -	\$ 2,186
Due to other funds	-	4,862	-	-	-	-	9,733	568,072
Total liabilities	-	4,862	2,024	-	-	-	9,733	570,258
Fund balances - restricted	462	-	195,143	90,471	41,874	-	-	383,779
Total liabilities and fund balances	\$ 462	\$ 4,862	\$ 197,167	\$ 90,471	\$ 41,874	\$ -	\$ 9,733	\$ 954,037

TOWN OF NARRAGANSETT, RHODE ISLAND
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Special Revenue Funds - School Restricted Fund
For the Fiscal Year Ended June 30, 2024

	<i>IDEA</i>	<i>IDEA Preschool</i>	<i>Title I</i>	<i>Title II</i>	<i>Title III</i>	<i>Title IV</i>	<i>ESSER II Extended Learning</i>	<i>ESSER III Extended Learning</i>	<i>Inez Sprague</i>
Revenues									
Operating grants and contributions	\$ 423,049	\$ 5,348	\$ 200,600	\$ 55,069	\$ 388	\$ 27,363	\$ 907	\$ 42,719	\$ 14,500
Capital grants and contributions	-	-	-	-	-	-	-	-	-
Total revenues	<u>423,049</u>	<u>5,348</u>	<u>200,600</u>	<u>55,069</u>	<u>388</u>	<u>27,363</u>	<u>907</u>	<u>42,719</u>	<u>14,500</u>
Expenditures									
Salaries	274,173	3,981	134,518	35,642	360	19,200	855	39,707	-
Employee benefits	141,545	305	63,970	19,427	28	1,440	52	3,012	-
Purchased services	7,331	1,062	1,443	-	-	6,723	-	-	-
Supplies and materials	-	-	669	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-	-
Other costs	-	-	-	-	-	-	-	-	11,054
Total expenditures	<u>423,049</u>	<u>5,348</u>	<u>200,600</u>	<u>55,069</u>	<u>388</u>	<u>27,363</u>	<u>907</u>	<u>42,719</u>	<u>11,054</u>
Net change in fund balances	-	-	-	-	-	-	-	-	3,446
Fund balances - beginning of year	-	-	-	-	-	-	-	-	-
Fund balances - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,446</u>

(Continued)

TOWN OF NARRAGANSETT, RHODE ISLAND
Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Continued)
Special Revenue Funds - School Restricted Fund
For the Fiscal Year Ended June 30, 2024

	<i>ESSER III Back to School</i>	<i>ESSER III Digital Divide</i>	<i>Casit, Inc. AP Italian Program</i>	<i>Career & Technical Education</i>	<i>Career & Technical Categorical</i>	<i>BSCA Stronger Connections</i>	<i>ARP IDEA</i>	<i>ARP IDEA Preschool</i>
Revenues								
Operating grants and contributions	\$ 649,662	\$ -	\$ -	\$ 64,321	\$ -	\$ 79,552	\$ 31,641	\$ 4,524
Capital grants and contributions	-	40,424	-	-	-	-	-	-
Total revenues	<u>649,662</u>	<u>40,424</u>	<u>-</u>	<u>64,321</u>	<u>-</u>	<u>79,552</u>	<u>31,641</u>	<u>4,524</u>
Expenditures								
Salaries	388,296	-	-	-	-	34,945	450	-
Employee benefits	196,212	-	-	-	-	31,857	35	-
Purchased services	5,500	-	-	2,214	5,275	-	14,729	1,737
Supplies and materials	59,654	-	-	30,637	7,980	-	12,962	2,787
Capital outlay	-	40,424	-	5,362	-	-	3,465	-
Other costs	-	-	-	5,060	-	12,750	-	-
Total expenditures	<u>649,662</u>	<u>40,424</u>	<u>-</u>	<u>43,273</u>	<u>13,255</u>	<u>79,552</u>	<u>31,641</u>	<u>4,524</u>
Net change in fund balances	-	-	-	21,048	(13,255)	-	-	-
Fund balances - beginning of year	-	-	1,082	-	13,255	-	-	-
Fund balances - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,082</u>	<u>\$ 21,048</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(Continued)

TOWN OF NARRAGANSETT, RHODE ISLAND
Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Continued)
Special Revenue Funds - School Restricted Fund
For the Fiscal Year Ended June 30, 2024

	<i>Narragansett Educational Foundation</i>	<i>Highlander Institute</i>	<i>RI Foundation O'Brien</i>	<i>Royal Little</i>	<i>Westerly Community Credit Union</i>	<i>Tolerance Program</i>	<i>Perkins Special Program</i>	<i>RI Foundation Spark</i>
Revenues								
Operating grants and contributions	\$ -	\$ -	\$ -	\$ -	\$ 1,824	\$ -	\$ 624	\$ -
Capital grants and contributions	-	-	-	-	-	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,824</u>	<u>-</u>	<u>624</u>	<u>-</u>
Expenditures								
Salaries	-	-	-	-	-	-	-	-
Employee benefits	-	-	-	-	-	-	-	-
Purchased services	-	-	-	-	-	-	-	-
Supplies and materials	-	-	-	-	1,824	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Other costs	-	-	-	-	-	-	624	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,824</u>	<u>-</u>	<u>624</u>	<u>-</u>
Net change in fund balances	-	-	-	-	-	-	-	-
Fund balances - beginning of year	<u>957</u>	<u>10</u>	<u>12,105</u>	<u>15,500</u>	<u>-</u>	<u>1,676</u>	<u>-</u>	<u>5</u>
Fund balances - end of year	<u>\$ 957</u>	<u>\$ 10</u>	<u>\$ 12,105</u>	<u>\$ 15,500</u>	<u>\$ -</u>	<u>\$ 1,676</u>	<u>\$ -</u>	<u>\$ 5</u>

(Continued)

TOWN OF NARRAGANSETT, RHODE ISLAND
Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Continued)
Special Revenue Funds - School Restricted Fund
For the Fiscal Year Ended June 30, 2024

	<i>NE Dairy Council Grant</i>	<i>Perkins CTE</i>	<i>NHS Student Activity Fund</i>	<i>NPS Student Activity Fund</i>	<i>NES Student Activity Fund</i>	<i>CS4RI</i>	<i>Perkins Secondary</i>	<i>Total</i>
Revenues								
Operating grants and contributions	\$ -	\$ 4,862	\$ 337,586	\$ 49,200	\$ 5,859	\$ 2,811	\$ 37,684	\$ 2,040,093
Capital grants and contributions	-	-	-	-	-	-	-	40,424
Total revenues	<u>-</u>	<u>4,862</u>	<u>337,586</u>	<u>49,200</u>	<u>5,859</u>	<u>2,811</u>	<u>37,684</u>	<u>2,080,517</u>
Expenditures								
Salaries	-	4,525	-	-	-	-	-	936,652
Employee benefits	-	337	-	-	-	-	-	458,220
Purchased services	-	-	-	-	-	-	5,056	51,070
Supplies and materials	-	-	-	-	-	-	18,491	135,004
Capital outlay	-	-	-	-	-	2,811	4,992	57,054
Other costs	-	-	312,401	40,634	6,517	-	9,145	398,185
Total expenditures	<u>-</u>	<u>4,862</u>	<u>312,401</u>	<u>40,634</u>	<u>6,517</u>	<u>2,811</u>	<u>37,684</u>	<u>2,036,185</u>
Net change in fund balances	-	-	25,185	8,566	(658)	-	-	44,332
Fund balances - beginning of year	<u>462</u>	<u>-</u>	<u>169,958</u>	<u>81,905</u>	<u>42,532</u>	<u>-</u>	<u>-</u>	<u>339,447</u>
Fund balances - end of year	<u>\$ 462</u>	<u>\$ -</u>	<u>\$ 195,143</u>	<u>\$ 90,471</u>	<u>\$ 41,874</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 383,779</u>

**COMBINING FUND FINANCIAL STATEMENTS -
PENSION TRUST FUNDS**

Pension Trust Funds account for contributions made by the Town and its participating employees to provide pension benefits to these employees at retirement.

TOWN OF NARRAGANSETT, RHODE ISLAND
Combining Statement of Fiduciary Net Position
Pension Trust Funds
June 30, 2024

	<u><i>Town Plan</i></u>	<u><i>Police Plan</i></u>	<u><i>Total Pension Trust Funds</i></u>
Assets			
Pooled cash and investments	\$ 4,818,692	\$ 61,805	\$ 4,880,497
Cash and cash equivalents	2,314,090	45,051	2,359,141
Investments at fair value:			
U.S. government and agency obligations	6,375,343	-	6,375,343
Corporate bonds	5,497,428	-	5,497,428
Mortgage backed securities	95,132	-	95,132
Common stock	18,789,210	-	18,789,210
Mutual and exchange traded funds - equities	73,453,838	1,113,564	74,567,402
Mutual and exchange traded funds - fixed income	28,012,206	654,171	28,666,377
Total investments	<u>132,223,157</u>	<u>1,767,735</u>	<u>133,990,892</u>
Accrued interest receivable	102,662	-	102,662
Contribution receivable	158,886	-	158,886
Total assets	<u>139,617,487</u>	<u>1,874,591</u>	<u>141,492,078</u>
Liabilities			
Accrued expenses	4,127	-	4,127
Due to other funds	-	214,665	214,665
Total liabilities	<u>4,127</u>	<u>214,665</u>	<u>218,792</u>
Net Position			
Restricted for pension benefits	<u>\$ 139,613,360</u>	<u>\$ 1,659,926</u>	<u>\$ 141,273,286</u>

TOWN OF NARRAGANSETT, RHODE ISLAND
Combining Statement of Changes in Fiduciary Net Position
Pension Trust Funds
For the Year Ended June 30, 2024

	<u>Town Plan</u>	<u>Police Plan</u>	<u>Total Pension Trust Funds</u>
Additions			
Contributions:			
Employer	\$ 8,754,129	\$ 175,300	\$ 8,929,429
Plan member	1,836,175	-	1,836,175
Total contributions	<u>10,590,304</u>	<u>175,300</u>	<u>10,765,604</u>
Investment income:			
Net increase (decrease) in fair value of investments	11,518,687	105,707	11,624,394
Interest and dividends	3,324,367	48,751	3,373,118
Less: investment expense	(436,712)	(10,196)	(446,908)
Net investment income	<u>14,406,342</u>	<u>144,262</u>	<u>14,550,604</u>
Total additions	<u>24,996,646</u>	<u>319,562</u>	<u>25,316,208</u>
Deductions			
Benefits	8,179,471	191,214	8,370,685
Refunds of contributions	484,216	-	484,216
Administrative expenses	48,360	7,300	55,660
Total deductions	<u>8,712,047</u>	<u>198,514</u>	<u>8,910,561</u>
Change in net position	16,284,599	121,048	16,405,647
Net position - beginning of year	<u>123,328,761</u>	<u>1,538,878</u>	<u>124,867,639</u>
Net position - end of year	<u>\$ 139,613,360</u>	<u>\$ 1,659,926</u>	<u>\$ 141,273,286</u>

**COMBINING FUND FINANCIAL STATEMENTS -
OTHER POST-EMPLOYMENT BENEFIT TRUST FUNDS**

Other Post-Employment Trust Funds account for contributions made by the Town and School System to provide post-employment benefit benefits to employees at retirement.

TOWN OF NARRAGANSETT, RHODE ISLAND
Combining Statement of Fiduciary Net Position
Other Post-Employment Benefit Trust Funds
June 30, 2024

	<u>Town Plan</u>	<u>School Plan</u>	<u>Total Other Post- Employment Benefit Trust Funds</u>
Assets			
Pooled cash and investments	\$ 4,020,408	\$ -	\$ 4,020,408
Cash and cash equivalents	257,125	-	257,125
Investments at fair value:			
U.S. government and agency obligations	979,707	-	979,707
Corporate bonds	1,864,285	-	1,864,285
Common stock	8,087,056	-	8,087,056
Mutual and exchange traded funds - equities	2,446,908	-	2,446,908
Mutual and exchange traded funds - fixed income	2,058,659	-	2,058,659
Pooled investments	-	2,844,499	2,844,499
Total investments	<u>15,436,615</u>	<u>2,844,499</u>	<u>18,281,114</u>
Accrued interest receivable	28,560	-	28,560
Contribution receivable	-	378,726	378,726
Total assets	<u>19,742,708</u>	<u>3,223,225</u>	<u>22,965,933</u>
Liabilities			
Accounts payable and accrued expenses	200,231	-	200,231
Total liabilities	<u>200,231</u>	<u>-</u>	<u>200,231</u>
Net Position			
Restricted for other post-employment benefits	<u>\$ 19,542,477</u>	<u>\$ 3,223,225</u>	<u>\$ 22,765,702</u>

TOWN OF NARRAGANSETT, RHODE ISLAND
Combining Statement of Changes in Fiduciary Net Position
Other Post-Employment Benefit Trust Funds
For the Year Ended June 30, 2024

	<u>Town Plan</u>	<u>School Plan</u>	<u>Total Other Post- Employment Benefit Trust Funds</u>
Additions			
Contributions:			
Employer	\$ 3,858,253	\$ 779,629	\$ 4,637,882
Total contributions	<u>3,858,253</u>	<u>779,629</u>	<u>4,637,882</u>
Investment income:			
Net increase (decrease) in fair value of investments	1,437,241	307,378	1,744,619
Interest and dividends	466,963	-	466,963
Less: investment expense	<u>(103,930)</u>	<u>(8,216)</u>	<u>(112,146)</u>
Net investment income	<u>1,800,274</u>	<u>299,162</u>	<u>2,099,436</u>
Other revenue	30,433	-	30,433
Total additions	<u>5,688,960</u>	<u>1,078,791</u>	<u>6,767,751</u>
Deductions			
Benefits	2,555,055	580,093	3,135,148
Administrative expenses	<u>16,538</u>	<u>-</u>	<u>16,538</u>
Total deductions	<u>2,571,593</u>	<u>580,093</u>	<u>3,151,686</u>
Change in net position	3,117,367	498,698	3,616,065
Net position - beginning of year	<u>16,425,110</u>	<u>2,724,527</u>	<u>19,149,637</u>
Net position - end of year	<u>\$ 19,542,477</u>	<u>\$ 3,223,225</u>	<u>\$ 22,765,702</u>

**COMBINING FUND FINANCIAL STATEMENTS -
PRIVATE PURPOSE TRUST FUNDS**

Private Purpose Trust Funds were established to account for assets held by the Town in a fiduciary capacity for individuals, governmental entities and others. Trust funds are operated by carrying out specific requirements, or other governing regulations.

TOWN OF NARRAGANSETT, RHODE ISLAND
Combining Statement of Fiduciary Net Position
Private-Purpose Trust Funds
June 30, 2024

	<i>Barton Memorial Scholarship Fund</i>	<i>Richard Colvin Memorial Scholarship Fund</i>	<i>Peter Davis Burial Fund</i>	<i>Franklin Burial Fund</i>	<i>James Water Fund</i>	<i>Frank L. Robinson Fund</i>	<i>Total Private- Purpose Trusts</i>
Assets							
Pooled cash and investments	\$ -	\$ -	\$ 111	\$ 3,938	\$ 3,095	\$ 64,575	\$ 71,719
Cash	5,422	-	-	-	-	-	5,422
Investments	-	13,767	-	-	-	-	13,767
Total assets	<u>5,422</u>	<u>13,767</u>	<u>111</u>	<u>3,938</u>	<u>3,095</u>	<u>64,575</u>	<u>90,908</u>
Net Position							
Restricted for other purposes	<u>\$ 5,422</u>	<u>\$ 13,767</u>	<u>\$ 111</u>	<u>\$ 3,938</u>	<u>\$ 3,095</u>	<u>\$ 64,575</u>	<u>\$ 90,908</u>

TOWN OF NARRAGANSETT, RHODE ISLAND
Combining Statement of Changes in Fiduciary Net Position
Private-Purpose Trust Funds
For the Fiscal Year Ended June 30, 2024

	<u>Barton Memorial Scholarship Fund</u>	<u>Richard Colvin Memorial Scholarship Fund</u>	<u>Peter Davis Burial Fund</u>	<u>Franklin Burial Fund</u>	<u>James Water Fund</u>	<u>Frank L. Robinson Fund</u>	<u>Total Private- Purpose Trusts</u>
Additions							
Investment earnings:							
Net increase (decrease) in fair value of investments	\$ -	\$ 1,181	\$ -	\$ 24	\$ 19	\$ 399	\$ 1,623
Interest and dividends	3	699	4	128	101	2,097	3,032
Net investment earnings	<u>3</u>	<u>1,880</u>	<u>4</u>	<u>152</u>	<u>120</u>	<u>2,496</u>	<u>4,655</u>
Total additions	<u>3</u>	<u>1,880</u>	<u>4</u>	<u>152</u>	<u>120</u>	<u>2,496</u>	<u>4,655</u>
Deductions							
Trust expenses	-	-	-	-	-	-	-
Total deductions	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in net position	3	1,880	4	152	120	2,496	4,655
Net position - beginning of year	<u>5,419</u>	<u>11,887</u>	<u>107</u>	<u>3,786</u>	<u>2,975</u>	<u>62,079</u>	<u>86,253</u>
Net position - end of year	<u>\$ 5,422</u>	<u>\$ 13,767</u>	<u>\$ 111</u>	<u>\$ 3,938</u>	<u>\$ 3,095</u>	<u>\$ 64,575</u>	<u>\$ 90,908</u>

TOWN OF NARRAGANSETT, RHODE ISLAND
Tax Collector's Annual Report
For the Fiscal Year Ended June 30, 2024

Real Estate and Personal Property Taxes

<i>Tax Year</i>	<i>Balance June 30, 2023</i>	<i>Assessments December 31, 2022</i>	<i>Additions</i>	<i>Abatements and Adjustments</i>	<i>Amount to be Collected</i>	<i>Current Year Collections</i>	<i>Balance June 30, 2024</i>
2023	\$ -	\$ 58,165,670	\$ 34,881	\$ (51,586)	58,148,965	\$ 57,934,658	\$ 214,307
2022	350,761	-	-	128	350,889	329,442	21,447
2021	109,037	-	-	(180)	108,857	51,650	57,207
2020	27,144	-	-	(37)	27,107	3,149	23,958
2019	27,641	-	-	(86)	27,555	1,752	25,803
2018	21,789	-	-	(84)	21,705	1,290	20,415
2017	24,045	-	-	(82)	23,963	916	23,047
2016	33,281	-	-	(77)	33,204	1,525	31,679
2015	29,900	-	-	(76)	29,824	865	28,959
2014	32,846	-	-	(18,895)	13,951	568	13,383
2013	13,710	-	-	(75)	13,635	-	13,635
2012	15,911	-	-	(73)	15,838	-	15,838
2011	4,590	-	-	-	4,590	-	4,590
2010	1,658	-	-	-	1,658	232	1,426
2009	1,304	-	-	-	1,304	225	1,079
2008	953	-	-	-	953	-	953
2007	836	-	-	-	836	-	836
2006	51	-	-	-	51	-	51
2004	384	-	-	-	384	-	384
2003	624	-	-	-	624	-	624
	<u>\$ 696,465</u>	<u>\$ 58,165,670</u>	<u>\$ 34,881</u>	<u>\$ (71,123)</u>	<u>\$ 58,825,893</u>	<u>\$ 58,326,272</u>	<u>\$ 499,621</u>
<i>Allowance for uncollectible accounts</i>	(209,366)						(205,648)
<i>Net Property Tax Receivable</i>	<u>\$ 487,099</u>						<u>\$ 293,973</u>

Schedule of Most Recent Net Assessed Property Value by Category

<u>Description of Property</u>	<u>Valuation</u>	<u>Levy</u>
<i>Real property</i>	\$ 6,199,803,663	\$ 58,943,960
<i>Tangible personal property</i>	108,139,427	1,359,312
<i>Total</i>	<u>6,307,943,090</u>	<u>60,303,272</u>
<i>Exemptions</i>	<u>227,262,780</u>	<u>2,137,602</u>
<i>Net assessed value</i>	<u>\$ 6,080,680,310</u>	<u>\$ 58,165,670</u>

Reconciliation of Current Year Property Tax Revenue

Current year collections	\$ 58,326,272
Add: Revenue collected 60 days subsequent to fiscal year ending June 30, 2024	126,754
Less: Revenue collected 60 days subsequent to fiscal year ending June 30, 2023	<u>(250,267)</u>
<i>Current year property tax revenue</i>	<u>\$ 58,202,759</u>

(Continued)

TOWN OF NARRAGANSETT, RHODE ISLAND
Tax Collector's Annual Report (Continued)
For the Fiscal Year Ended June 30, 2024

Fiscal Year 2024 Cash Collection Summary

Tax Year	July - August 2023 Collections Subject to 60 day FY 23 Accrual	September 2023- June 2024 Collections	Total FY 2024 Cash Collections	July - August 2024 Collections Subject to 60 day FY 24 Accrual
2023	\$ -	\$ 57,934,658	\$ 57,934,658	\$ 119,435
2022	237,027	92,415	329,442	2,376
2021	13,083	38,567	51,650	3,932
2020	-	3,149	3,149	183
2019	68	1,684	1,752	120
2018	-	1,290	1,290	-
2017	-	916	916	6
2016	-	1,525	1,525	26
2015	-	865	865	1
2014	89	479	568	-
2013	-	-	-	-
2012	-	-	-	440
2011	-	-	-	235
2010	-	232	232	-
2009	-	225	225	-
2008	-	-	-	-
2007	-	-	-	-
2006	-	-	-	-
2004	-	-	-	-
2003	-	-	-	-
	<u>\$ 250,267</u>	<u>\$ 58,076,005</u>	<u>\$ 58,326,272</u>	<u>\$ 126,754</u>

TOWN OF NARRAGANSETT, RHODE ISLAND
Combining Balance Sheet
General Fund
 June 30, 2024

	<u>Town General</u>	<u>Library Fund</u>	<u>Retained Claims</u>	<u>Kinney Bungalow</u>	<u>Surplus Property</u>	<u>Towers Committee</u>	<u>Parks & Recreation Aid</u>	<u>Parks & Recreation Trust</u>	<u>Sunset Farm</u>	<u>Town Anniversary</u>
Assets										
Pooled cash and investments	\$ 29,446,015	\$ 480,103	\$ 38,350	\$ 147,378	\$ 142,921	\$ 298,228	\$ 50,263	\$ 374,227	\$ 6,271	\$ 1,481
Cash	98,146	72,142	-	-	-	100	-	-	-	-
Real estate and personal property										
tax receivable, net	293,973	-	-	-	-	-	-	-	-	-
Due from federal and state governments	9,327	252,400	-	-	-	-	-	-	-	-
Due from other funds	639,670	-	-	-	-	-	-	-	-	-
Lease receivable	2,121,803	-	-	-	-	-	-	-	-	-
Other receivables	104,177	-	-	-	-	-	-	-	-	-
Inventory	27,593	-	-	-	-	-	-	-	-	-
Prepaid expenditures	384,505	-	-	-	-	-	-	-	-	-
Other assets	65,515	-	-	-	-	-	-	-	-	-
Total assets	<u>\$ 33,190,724</u>	<u>\$ 804,645</u>	<u>\$ 38,350</u>	<u>\$ 147,378</u>	<u>\$ 142,921</u>	<u>\$ 298,328</u>	<u>\$ 50,263</u>	<u>\$ 374,227</u>	<u>\$ 6,271</u>	<u>\$ 1,481</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)										
Liabilities:										
Accounts payable and accrued expenditures	\$ 1,015,717	\$ 19,198	\$ -	\$ 4,462	\$ -	\$ 14,658	\$ -	\$ 2,800	\$ -	\$ -
Due to other funds	12,701,803	-	-	-	-	-	-	-	-	-
Other liabilities	135,647	-	-	32,200	-	11,891	-	-	-	-
Unearned revenue	-	-	-	-	-	-	-	-	-	-
Total liabilities	<u>13,853,167</u>	<u>19,198</u>	<u>-</u>	<u>36,662</u>	<u>-</u>	<u>26,549</u>	<u>-</u>	<u>2,800</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources:										
Unavailable revenue-property taxes	218,262	-	-	-	-	-	-	-	-	-
Unavailable revenue-other revenues	72,718	-	-	-	-	-	-	-	-	-
Lease related	2,121,803	-	-	-	-	-	-	-	-	-
Total deferred inflows of resources	<u>2,412,783</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances (Deficits):										
Nonspendable:										
Inventory	27,593	-	-	-	-	-	-	-	-	-
Prepaid expenditures	384,505	-	-	-	-	-	-	-	-	-
Restricted for:										
Education programs	-	-	-	-	-	-	-	-	-	-
Library programs	-	72,142	-	-	-	-	-	-	-	-
Parks and recreation programs	-	-	-	-	-	-	371,427	-	-	-
Capital projects	-	252,400	-	-	-	-	-	-	-	-
Assigned to:										
Parks and recreation programs	-	-	-	-	-	50,263	-	-	-	-
Towers	-	-	-	-	271,779	-	-	-	-	-
Kinney Bungalow	-	-	-	110,716	-	-	-	-	-	-
Sunset Farm	-	-	-	-	-	-	-	6,271	-	-
Other	-	-	-	-	-	-	-	-	-	1,481
2025 budget	1,867,127	-	-	-	-	-	-	-	-	-
Unassigned	14,645,549	460,905	38,350	-	142,921	-	-	-	-	-
Total fund balances (deficits)	<u>16,924,774</u>	<u>785,447</u>	<u>38,350</u>	<u>110,716</u>	<u>142,921</u>	<u>271,779</u>	<u>50,263</u>	<u>371,427</u>	<u>6,271</u>	<u>1,481</u>
Total liabilities, deferred inflows of resources, and fund balances (deficits)	<u>\$ 33,190,724</u>	<u>\$ 804,645</u>	<u>\$ 38,350</u>	<u>\$ 147,378</u>	<u>\$ 142,921</u>	<u>\$ 298,328</u>	<u>\$ 50,263</u>	<u>\$ 374,227</u>	<u>\$ 6,271</u>	<u>\$ 1,481</u>

(Continued)

TOWN OF NARRAGANSETT, RHODE ISLAND
Combining Balance Sheet (Continued)
General Fund
June 30, 2024

	<i>Earle Water Tank</i>	<i>Rental Registration</i>	<i>Tipping Fees</i>	<i>Pier Market</i>	<i>Total Town</i>	<i>School Unrestricted</i>	<i>Athletic Gate Receipts</i>	<i>Total School</i>	<i>Interfund Elimination Entries</i>	<i>Total General Fund</i>
Assets										
Pooled cash and investments	\$ 94	\$ 57,390	\$ 75,972	\$ 135,521	31,254,214	\$ -	\$ -	\$ -	\$ -	\$ 31,254,214
Cash	-	-	-	-	170,388	125	-	125	-	170,513
Real estate and personal property	-	-	-	-	-	-	-	-	-	-
tax receivable, net	-	-	-	-	293,973	-	-	-	-	293,973
Due from federal and state governments	-	-	-	-	261,727	111,999	-	111,999	-	373,726
Due from other funds	-	-	-	-	639,670	13,270,182	3,266	13,273,448	(12,841,238)	1,071,880
Lease receivable	-	-	-	317,528	2,439,331	-	-	-	-	2,439,331
Other receivables	-	240	-	6,463	110,880	238,818	-	238,818	-	349,698
Inventory	-	-	-	-	27,593	-	-	-	-	27,593
Prepaid expenditures	-	-	-	-	384,505	78,071	-	78,071	-	462,576
Other assets	-	-	-	-	65,515	-	-	-	-	65,515
Total assets	\$ 94	\$ 57,630	\$ 75,972	\$ 459,512	\$ 35,647,796	\$ 13,699,195	\$ 3,266	\$ 13,702,461	\$ (12,841,238)	\$ 36,509,019
Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)										
Liabilities:										
Accounts payable and accrued expenditures	\$ -	\$ 9,984	\$ -	\$ 6,236	\$ 1,073,055	\$ 938,248	\$ -	\$ 938,248	\$ -	\$ 2,011,303
Due to other funds	-	-	-	136,169	12,837,972	3,224,826	-	3,224,826	(12,841,238)	3,221,560
Other liabilities	-	-	-	-	179,738	-	-	-	-	179,738
Unearned revenue	-	-	-	-	-	13,140	-	13,140	-	13,140
Total liabilities	-	9,984	-	142,405	14,090,765	4,176,214	-	4,176,214	(12,841,238)	5,425,741
Deferred Inflows of Resources:										
Unavailable-property taxes	-	-	-	-	218,262	-	-	-	-	218,262
Unavailable-other revenues	-	-	-	-	72,718	-	-	-	-	72,718
Lease related	-	-	-	317,528	2,439,331	-	-	-	-	2,439,331
Total deferred inflows of resources	-	-	-	317,528	2,730,311	-	-	-	-	2,730,311
Fund Balances (Deficits):										
Nonspendable:										
Inventory	-	-	-	-	27,593	-	-	-	-	27,593
Prepaid expenditures	-	-	-	-	384,505	78,071	-	78,071	-	462,576
Restricted for:										
Education programs	-	-	-	-	-	9,444,910	3,266	9,448,176	-	9,448,176
Library programs	-	-	-	-	72,142	-	-	-	-	72,142
Parks and recreation programs	-	-	-	-	371,427	-	-	-	-	371,427
Capital projects	-	-	-	-	252,400	-	-	-	-	252,400
Assigned to:										
Parks and recreation programs	-	-	-	-	50,263	-	-	-	-	50,263
Towers	-	-	-	-	271,779	-	-	-	-	271,779
Kinney Bungalow	-	-	-	-	110,716	-	-	-	-	110,716
Sunset Farm	-	-	-	-	6,271	-	-	-	-	6,271
Other	94	47,646	-	-	49,221	-	-	-	-	49,221
2025 budget	-	-	-	-	1,867,127	-	-	-	-	1,867,127
Unassigned	-	-	75,972	(421)	15,363,276	-	-	-	-	15,363,276
Total fund balances (deficits)	94	47,646	75,972	(421)	18,826,720	9,522,981	3,266	9,526,247	-	28,352,967
Total liabilities, deferred inflows of resources, and fund balances (deficits)	\$ 94	\$ 57,630	\$ 75,972	\$ 459,512	\$ 35,647,796	\$ 13,699,195	\$ 3,266	\$ 13,702,461	\$ -	\$ 36,509,019

TOWN OF NARRAGANSETT, RHODE ISLAND
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
General Fund
For the Fiscal Year Ended June 30, 2024

	<i>Town General</i>	<i>Library Fund</i>	<i>Retained Claims</i>	<i>Kinney Bungalow</i>	<i>Surplus Property</i>	<i>Towers Committee</i>	<i>Parks & Recreation Aid</i>	<i>Parks & Recreation Trust</i>	<i>Sunset Farm</i>	<i>Town Anniversary</i>
Revenues:										
General property taxes and payments in lieu of taxes	\$ 58,929,974	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State and federal aid	4,076,042	214,276	-	-	-	-	-	-	-	-
Charges for services	4,338,032	3,203	-	101,450	-	314,082	-	-	-	-
Operating grants and contributions	20,490	4,018	-	-	-	-	53,563	-	-	-
Investment and interest income	1,736,448	38,290	-	5,417	-	9,358	2,123	13,313	-	-
Other revenues	-	-	-	-	37,021	-	-	-	-	-
Total revenues	69,100,986	259,787	-	106,867	37,021	323,440	2,123	66,876	-	-
Expenditures:										
Current:										
General government	2,785,389	-	6,683	-	-	-	-	-	-	-
Financial administration	1,838,601	-	-	-	-	-	-	-	-	-
Public safety	17,487,774	-	-	-	-	-	-	-	-	-
Public works	3,398,132	-	-	-	-	-	-	-	-	-
Parks and recreation	1,591,707	-	-	101,164	-	337,965	15,390	17,883	4,184	-
Planning, engineering and inspection	1,405,271	-	-	-	-	-	-	-	-	-
Library	-	1,111,916	-	-	-	-	-	-	-	-
Education	-	-	-	-	-	-	-	-	-	-
Town-wide	713,975	-	-	-	-	-	-	-	-	-
Other	3,140,527	-	-	-	-	-	-	-	-	-
Total expenditures	32,361,376	1,111,916	6,683	101,164	-	337,965	15,390	17,883	4,184	-
Excess (deficiency) of revenues over (under) expenditures before other financing sources (uses)	36,739,610	(852,129)	(6,683)	5,703	37,021	(14,525)	(13,267)	48,993	(4,184)	-
Other financing sources (uses):										
Debt issued	-	260,000	-	-	-	-	-	-	-	-
Subscription based IT arrangements (SBITA)	71,092	-	-	-	-	-	-	-	-	-
Transfers in	81,545	1,126,729	12,000	-	-	50,000	-	-	-	-
Transfers out	(35,554,056)	(438,326)	-	-	-	-	-	-	-	-
Total other financing sources (uses)	(35,401,419)	948,403	12,000	-	-	50,000	-	-	-	-
Net change in fund balances	1,338,191	96,274	5,317	5,703	37,021	35,475	(13,267)	48,993	(4,184)	-
Fund balances (deficits) - beginning of year, as previously reported	15,782,189	689,173	33,033	105,013	105,900	236,304	63,530	322,434	10,455	1,481
Error correction	(195,606)	-	-	-	-	-	-	-	-	-
Fund balances (deficits)- beginning of year, as restated	15,586,583	689,173	33,033	105,013	105,900	236,304	63,530	322,434	10,455	1,481
Fund balances (deficits)-end of year	\$ 16,924,774	\$ 785,447	\$ 38,350	\$ 110,716	\$ 142,921	\$ 271,779	\$ 50,263	\$ 371,427	\$ 6,271	\$ 1,481

(Continued)

TOWN OF NARRAGANSETT, RHODE ISLAND
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)
General Fund
For the Fiscal Year Ended June 30, 2024

	<i>Earle Water Tank</i>	<i>Rental Registration</i>	<i>Tipping Fees</i>	<i>Pier Market</i>	<i>Total Town</i>	<i>School Unrestricted</i>	<i>Athletic Gate Receipts</i>	<i>Total School</i>	<i>Interfund Elimination Entries</i>	<i>Total General Fund</i>
Revenues:										
General property taxes and payments in lieu of taxes	\$ -	\$ -	\$ -	\$ -	\$ 58,929,974	\$ -	\$ -	\$ -	\$ -	\$ 58,929,974
State and federal aid	-	-	-	-	4,290,318	3,790,182	-	3,790,182	-	8,080,500
Charges for services	-	369,920	-	-	5,126,687	2,502,974	11,374	2,514,348	-	7,641,035
Operating grants and contributions	-	-	-	-	78,071	-	-	-	-	78,071
Investment and interest income	-	5,151	3,664	-	1,813,764	-	-	-	-	1,813,764
Other revenues	-	-	-	67,082	104,103	67,069	-	67,069	-	171,172
Total revenues	-	375,071	3,664	67,082	70,342,917	6,360,225	11,374	6,371,599	-	76,714,516
Expenditures:										
<i>Current:</i>										
General government	-	215,067	-	119,119	3,126,258	-	-	-	-	3,126,258
Financial administration	-	-	-	-	1,838,601	-	-	-	-	1,838,601
Public safety	-	-	-	-	17,487,774	-	-	-	-	17,487,774
Public works	-	-	1,144	-	3,399,276	-	-	-	-	3,399,276
Parks and recreation	-	-	-	-	2,068,293	-	-	-	-	2,068,293
Planning, engineering and inspection	-	-	-	-	1,405,271	-	-	-	-	1,405,271
Library	-	-	-	-	1,111,916	-	-	-	-	1,111,916
Education	-	-	-	-	-	33,249,492	16,999	33,266,491	-	33,266,491
Town-wide	-	-	-	-	713,975	-	-	-	-	713,975
Other	-	-	-	-	3,140,527	-	-	-	-	3,140,527
Total expenditures	-	215,067	1,144	119,119	34,291,891	33,249,492	16,999	33,266,491	-	67,558,382
Excess (deficiency) of revenues over (under) expenditures before other financing sources (uses)	-	160,004	2,520	(52,037)	36,051,026	(26,889,267)	(5,625)	(26,894,892)	-	9,156,134
Other financing sources (uses):										
Debt issued	-	-	-	-	260,000	-	-	-	-	260,000
Subscription based IT arrangements (SBITA)	-	-	-	-	71,092	-	-	-	-	71,092
Transfers in	-	-	-	200,000	1,470,274	27,961,445	-	27,961,445	(29,431,719)	-
Transfers out	-	(81,545)	-	-	(36,073,927)	(1,503,000)	-	(1,503,000)	29,431,719	(8,145,208)
Total other financing sources (uses)	-	(81,545)	-	200,000	(34,272,561)	26,458,445	-	26,458,445	-	(7,814,116)
Net change in fund balances	-	78,459	2,520	147,963	1,778,465	(430,822)	(5,625)	(436,447)	-	1,342,018
Fund balances (deficits) - beginning of year, as previously reported	94	(30,813)	73,452	(148,384)	17,243,861	9,953,803	8,891	9,962,694	-	27,206,555
Error correction	-	-	-	-	(195,606)	-	-	-	-	(195,606)
Fund balances (deficits)- beginning of year, as restated	94	(30,813)	73,452	(148,384)	17,048,255	9,953,803	8,891	9,962,694	-	27,010,949
Fund balances (deficits)-end of year	\$ 94	\$ 47,646	\$ 75,972	\$ (421)	\$ 18,826,720	\$ 9,522,981	\$ 3,266	\$ 9,526,247	\$ -	\$ 28,352,967

TOWN OF NARRAGANSETT, RHODE ISLAND
Schedule of Assets, Liabilities and Fund Balance
School Unrestricted Fund
June 30, 2024

ASSETS

Cash	\$ 125
Due from federal and state governments	111,999
Other receivables	238,818
Due from other funds	13,270,182
Prepaid expenditures	78,071
Total assets	<u>\$ 13,699,195</u>

LIABILITIES AND FUND BALANCES

Liabilities

Accounts payable and accrued expenditures	\$ 938,248
Due to other funds	3,224,826
Unearned revenue	13,140
Total liabilities	<u>4,176,214</u>

Fund balances

Nonspendable:	
Prepaid expenditures	78,071
Restricted for:	
Education	9,444,910
Total fund balances	<u>9,522,981</u>

Total liabilities and fund balances	<u>\$ 13,699,195</u>
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TOWN OF NARRAGANSETT, RHODE ISLAND
Schedule of Revenues, Expenditures and Changes in Fund Balance
School Unrestricted Fund
For the Fiscal Year Ended June 30, 2024

REVENUES

Town appropriation	\$ 27,961,445
State aid	3,790,182
Charges for services	2,502,974
Other revenues	67,069
Total revenues	<u>34,321,670</u>

EXPENDITURES

Education	<u>33,249,492</u>
Total expenditures	<u>33,249,492</u>

Excess of revenues over expenditures before other financing uses	<u>1,072,178</u>
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Other financing uses:

Transfers out	<u>(1,503,000)</u>
Total other financing uses	<u>(1,503,000)</u>

Net change in fund balances	(430,822)
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Fund balances - beginning of year	<u>9,953,803</u>
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Fund balances - end of year	<u><u>\$ 9,522,981</u></u>
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TOWN OF NARRAGANSETT, RHODE ISLAND
Schedule of Revenues and Expenditures - Budget and Actual
School Department Operating Budget
For the Fiscal Year Ended June 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Town appropriation	\$ 27,961,445	\$ 27,961,445	\$ 27,961,445	\$ -
State aid	2,244,800	2,256,136	2,255,597	(539)
Charges for services	1,450,000	1,449,000	2,487,486	1,038,486
Other revenues	15,000	4,664	82,557	77,893
Re-appropriated fund balance	4,584,877	4,584,877	500,000	(4,084,877)
Total revenues	<u>36,256,122</u>	<u>36,256,122</u>	<u>33,287,085</u>	<u>(2,969,037)</u>
Expenditures				
Salaries	19,207,055	19,204,255	18,393,089	811,166
Employee benefits	8,954,927	9,412,024	8,653,493	758,531
Purchased services	4,644,610	4,190,479	3,165,391	1,025,088
Supplies and materials	1,425,275	1,409,677	1,112,807	296,870
Capital outlay	412,270	434,220	333,135	101,085
Other costs	81,985	75,467	56,992	18,475
Total expenditures	<u>34,726,122</u>	<u>34,726,122</u>	<u>31,714,907</u>	<u>3,011,215</u>
Excess of revenues over expenditures before other financing uses				
	<u>1,530,000</u>	<u>1,530,000</u>	<u>1,572,178</u>	<u>42,178</u>
Other financing uses				
Transfers out	<u>(1,530,000)</u>	<u>(1,530,000)</u>	<u>(1,503,000)</u>	<u>27,000</u>
Total other financing uses	<u>(1,530,000)</u>	<u>(1,530,000)</u>	<u>(1,503,000)</u>	<u>27,000</u>
Net change in fund balance (budgetary basis)				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 69,178</u>	<u>\$ 69,178</u>

TOWN OF NARRAGANSETT, RHODE ISLAND
Schedule of Unrestricted Fund - Fund Balance
Restricted for Education Programs
June 30, 2024

Restricted for Education:

School Committee designation for use in subsequent year budget	\$ 4,623,977
Undesignated	<u>4,820,933</u>
<i>Total</i>	<u><u>\$ 9,444,910</u></u>

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)

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

<u>REVENUE</u>	<u>Municipal</u>	<u>Education Department</u>
Current Year Levy Tax Collection	\$ 58,054,093	\$ -
Last Year's Levy Tax Collection	94,791	-
Prior Years Property Tax Collection	53,875	-
Interest & Penalty	206,589	-
PILOT & Tax Treaty (excluded from levy) Collection	520,626	-
Other Local Property Taxes	-	-
Licenses and Permits	456,556	-
Fines and Forfeitures	411,244	-
Investment Income	1,514,814	-
Departmental	3,589,388	-
Rescue Run Revenue	688,600	-
Police & Fire Detail	458,005	-
Other Local Non-Property Tax Revenues	4,018	-
Tuition	-	2,200,358
Impact Aid	-	-
Medicaid	-	287,128
Federal Stabilization Funds	-	-
Federal Food Service Reimbursement	-	118,548
CDBG	-	-
COPS Grants	-	-
SAFER Grants	1,014,820	-
Other Federal Aid Funds	-	837,350
COVID - ESSER	-	733,713
COVID - CRF	-	-
COVID - CDBG	-	-
COVID - FEMA	-	-
COVID - Other	-	-
COVID - ARPA	713,434	36,165
MV Excise Tax Reimbursement	-	-
State PILOT Program	-	-
Distressed Community Relief Fund	-	-
Library Resource Aid	214,276	-
Library Construction Aid	-	-
Public Service Corporation Tax	195,606	-
Meals & Beverage Tax / Hotel Tax	1,305,596	-
LEA Aid	-	2,255,597
Group Home	-	-
Housing Aid Capital Projects	-	52,182
Housing Aid Bonded Debt	456,296	-
State Food Service Revenue	-	4,112
Incentive Aid	-	-
Property Revaluation Reimbursement	72,370	-
Other State Revenue	214,923	64,321
Motor Vehicle Phase Out	1,831,251	-
Other Revenue	-	704,024
Local Appropriation for Education	-	27,961,445
Regional Appropriation for Education	-	-
Supplemental Appropriation for Education	-	-
Regional Supplemental Appropriation for Education	-	-
Other Education Appropriation	-	-
Rounding	-	-
Total Revenue	<u>\$ 72,071,171</u>	<u>\$ 35,254,943</u>
Financing Sources: Transfer from Capital Funds	\$ -	\$ -
Financing Sources: Transfer from Other Funds	-	-
Financing Sources: Debt Proceeds	-	-
Financing Sources: Other	331,092	-
Rounding	-	-
Total Other Financing Sources	<u>\$ 331,092</u>	<u>\$ -</u>

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

EXPENDITURES	General		Social	Centralized	Planning	Libraries	Public Works	Parks and Rec	Police Department
	Government	Finance	Services	IT					
Compensation- Group A	\$ 924,971	\$ 922,513	\$ 103,035	\$ 222,996	\$ 559,510	\$ 456,969	\$ 1,443,224	\$ 840,358	\$ 3,980,719
Compensation - Group B	-	-	-	-	-	-	-	-	245,120
Compensation - Group C	-	-	-	-	-	-	-	-	-
Compensation -Volunteer	-	-	-	-	-	-	-	-	-
Overtime- Group A	16,037	1,472	78	5,556	11,663	10,829	48,234	14,795	569,534
Overtime - Group B	-	-	-	-	-	-	-	-	2,812
Overtime - Group C	-	-	-	-	-	-	-	-	-
Police & Fire Detail	-	-	-	-	-	-	-	-	317,705
Active Medical Insurance - Group A	451,930	155,954	21,937	18,483	107,189	76,595	305,033	105,416	517,352
Active Medical Insurance- Group B	-	-	-	-	-	-	-	-	82,529
Active Medical Insurance- Group C	-	-	-	-	-	-	-	-	-
Active Dental insurance- Group A	6,817	4,808	913	771	3,819	2,271	12,924	5,022	18,612
Active Dental Insurance- Group B	-	-	-	-	-	-	-	-	3,427
Active Dental Insurance- Group C	-	-	-	-	-	-	-	-	-
Payroll Taxes	72,247	72,825	7,451	17,116	43,513	34,734	110,577	65,135	387,381
Life Insurance	3,572	3,630	307	768	1,957	1,535	6,018	2,854	13,081
State Defined Contribution- Group A	-	-	-	-	-	-	-	-	-
State Defined Contribution - Group B	-	-	-	-	-	-	-	-	-
State Defined Contribution - Group C	-	-	-	-	-	-	-	-	-
Other Benefits- Group A	37,160	-	-	-	17,482	-	1,609	-	66,369
Other Benefits- Group B	-	-	-	-	-	-	-	-	-
Other Benefits- Group C	-	-	-	-	-	-	-	-	-
Local Defined Benefit Pension- Group A	295,436	393,198	24,749	98,103	185,749	126,175	621,563	237,557	2,109,247
Local Defined Benefit Pension - Group B	-	-	-	-	-	-	-	-	94,509
Local Defined Benefit Pension - Group C	-	-	-	-	-	-	-	-	-
State Defined Benefit Pension- Group A	-	-	-	-	-	-	-	-	-
State Defined Benefit Pension - Group B	-	-	-	-	-	-	-	-	-
State Defined Benefit Pension - Group C	-	-	-	-	-	-	-	-	-
Other Defined Benefit / Contribution	175,300	-	-	-	-	-	-	-	-
Purchased Services	493,855	43,760	19,254	18,516	53,179	24,579	26,153	74,512	67,763
Materials/Supplies	643,067	56,811	5,692	7,880	15,526	189,522	60,944	191,914	126,223
Software Licenses	636	22,050	1,200	362,337	4,170	-	7,021	2,667	7,184
Capital Outlays	-	71,092	-	-	-	-	153,582	-	-
Insurance	372,734	-	-	-	-	-	-	-	-
Maintenance	-	-	4,244	-	-	10,690	33,006	110,983	14,951
Vehicle Operations	-	-	3,306	-	-	-	405,471	22,181	95,152
Utilities	60,001	1,680	15,561	781	2,164	27,122	435,036	113,137	104,071
Contingency	-	-	-	-	-	-	-	-	-
Street Lighting	-	-	-	-	-	-	21,398	-	-
Revaluation	-	159,900	-	-	-	-	-	-	-
Snow Removal-Raw Material & External Contracts	-	-	-	-	-	-	48,101	-	-
Trash Removal & Recycling	-	-	-	-	-	-	57,586	-	-
Claims & Settlements	80,865	-	-	-	-	-	-	-	-
Community Support	202,407	-	-	-	-	-	-	-	-
Other Operation Expenditures	-	-	-	-	-	65,112	-	74,036	-
Tipping Fees	-	-	-	-	-	-	-	-	-
Local Appropriation for Education	-	-	-	-	-	-	-	-	-
Regional Appropriation for Education	-	-	-	-	-	-	-	-	-
Supplemental Appropriation for Education	-	-	-	-	-	-	-	-	-
Regional Supplemental Appropriation for Education	-	-	-	-	-	-	-	-	-
Other Education Appropriation	-	-	-	-	-	-	-	-	-
Municipal Debt- Principal	-	-	-	-	-	-	-	-	-
Municipal Debt- Interest	-	-	-	-	-	-	-	-	-
School Debt- Principal	-	-	-	-	-	-	-	-	-
School Debt- Interest	-	-	-	-	-	-	-	-	-
Retiree Medical Insurance- Total	-	-	-	-	-	-	-	-	-
Retiree Dental Insurance- Total	-	-	-	-	-	-	-	-	-
OPEB Contribution- Total	-	-	-	-	-	-	-	-	-
Rounding	-	-	-	-	-	-	-	-	-
Total Expenditures	\$ 3,837,035	\$ 1,909,693	\$ 207,727	\$ 753,307	\$ 1,005,921	\$ 1,026,133	\$ 3,797,480	\$ 1,860,567	\$ 8,823,741

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

EXPENDITURES	Fire Department	Centralized Dispatch	Public Safety Other	Education Appropriation	Debt	OPEB	Total Municipal	Education Department
Compensation- Group A	\$ 3,781,411	\$ 628,375	\$ 139,922	\$ -	\$ -	\$ -	\$ 14,004,003	\$ 13,389,916
Compensation - Group B	55,271	-	-	-	-	-	300,391	2,133,775
Compensation - Group C	-	-	-	-	-	-	-	3,779,298
Compensation -Volunteer	-	-	-	-	-	-	-	-
Overtime- Group A	851,792	84,367	5,838	-	-	-	1,620,195	-
Overtime - Group B	216	-	-	-	-	-	3,028	-
Overtime - Group C	-	-	-	-	-	-	-	24,751
Police & Fire Detail	-	-	-	-	-	-	317,705	-
Active Medical Insurance - Group A	656,288	103,232	21,927	-	-	-	2,541,336	1,849,220
Active Medical Insurance- Group B	7,673	-	-	-	-	-	90,202	246,561
Active Medical Insurance- Group C	-	-	-	-	-	-	-	642,041
Active Dental insurance- Group A	21,312	3,962	902	-	-	-	82,133	124,370
Active Dental Insurance- Group B	308	-	-	-	-	-	3,735	14,468
Active Dental Insurance- Group C	-	-	-	-	-	-	-	46,625
Payroll Taxes	354,695	53,207	10,714	-	-	-	1,229,595	1,473,617
Life Insurance	13,445	2,762	307	-	-	-	50,236	60,629
State Defined Contribution- Group A	-	-	-	-	-	-	-	75,403
State Defined Contribution - Group B	-	-	-	-	-	-	-	7,713
State Defined Contribution - Group C	-	-	-	-	-	-	-	-
Other Benefits- Group A	28,674	-	-	-	-	-	151,294	15,300
Other Benefits- Group B	-	-	-	-	-	-	-	758
Other Benefits- Group C	-	-	-	-	-	-	-	5,339
Local Defined Benefit Pension- Group A	1,961,085	268,605	31,355	-	-	-	6,352,822	-
Local Defined Benefit Pension - Group B	30,244	-	-	-	-	-	124,753	256,196
Local Defined Benefit Pension - Group C	-	-	-	-	-	-	-	1,414,091
State Defined Benefit Pension- Group A	-	-	-	-	-	-	-	1,959,157
State Defined Benefit Pension - Group B	-	-	-	-	-	-	-	232,932
State Defined Benefit Pension - Group C	-	-	-	-	-	-	-	-
Other Defined Benefit / Contribution	-	-	-	-	-	-	175,300	-
Purchased Services	57,629	280	72,223	-	-	-	951,703	3,225,354
Materials/Supplies	116,879	7,490	21,632	-	-	-	1,443,580	613,200
Software Licenses	35,837	-	1,600	-	-	-	444,702	45,627
Capital Outlays	-	-	-	-	-	-	224,674	1,807,080
Insurance	-	-	-	-	-	-	372,734	357,629
Maintenance	81,055	-	1,600	-	-	-	256,529	306,741
Vehicle Operations	53,242	-	2,820	-	-	-	582,172	119,669
Utilities	36,533	-	1,048	-	-	-	797,134	555,650
Contingency	-	-	-	-	-	-	-	-
Street Lighting	-	-	-	-	-	-	21,398	-
Revaluation	-	-	-	-	-	-	159,900	-
Snow Removal-Raw Material & External Contracts	-	-	-	-	-	-	48,101	-
Trash Removal & Recycling	-	-	-	-	-	-	57,586	-
Claims & Settlements	-	-	-	-	-	-	80,865	-
Community Support	-	-	-	-	-	-	202,407	11,054
Other Operation Expenditures	-	-	-	-	-	-	139,148	473,817
Tipping Fees	-	-	-	-	-	-	-	-
Local Appropriation for Education	-	-	-	27,961,445	-	-	27,961,445	-
Regional Appropriation for Education	-	-	-	-	-	-	-	-
Supplemental Appropriation for Education	-	-	-	-	-	-	-	-
Regional Supplemental Appropriation for Education	-	-	-	-	-	-	-	-
Other Education Appropriation	-	-	-	-	-	-	-	-
Municipal Debt- Principal	-	-	-	-	1,232,000	-	1,232,000	-
Municipal Debt- Interest	-	-	-	-	560,552	-	560,552	-
School Debt- Principal	-	-	-	-	1,250,000	-	1,250,000	-
School Debt- Interest	-	-	-	-	380,869	-	380,869	-
Retiree Medical Insurance- Total	-	-	-	-	-	-	-	-
Retiree Dental Insurance- Total	-	-	-	-	-	-	-	-
OPEB Contribution- Total	-	-	-	-	-	3,069,148	3,069,148	585,960
Rounding	-	-	-	-	-	-	-	-
Total Expenditures	\$ 8,143,589	\$ 1,152,280	\$ 311,888	\$ 27,961,445	\$ 3,423,421	\$ 3,069,148	\$ 67,283,375	\$ 35,853,941

Financing Uses: Transfer to Capital Funds	\$ 3,207,825	\$ -
Financing Uses: Transfer to Other Funds	-	-
Financing Uses: Payment to Bond Escrow Agent	-	-
Financing Uses: Other	-	-
Total Other Financing Uses	\$ 3,207,825	\$ -
Net Change in Fund Balance¹	1,911,063	(598,998)
Fund Balance1- beginning of year	\$17,542,878	\$13,008,773
Funds removed from Reportable Government Services (RGS)	-	-
Funds added to Reportable Government Services (RGS)	-	-
Prior period adjustments	(195,606)	-
Misc. Adjustment	-	-
Fund Balance¹ - beginning of year adjusted	17,347,272	13,008,773
Rounding	-	-
Fund Balance¹ - end of year	\$ 19,258,335	\$ 12,409,775

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

Town of Narragansett
Annual Supplemental Transparency Report (MTP2)
Combining Schedule of
Reportable Government Services with
Reconciliation to MTP2
Municipal
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						\$ 17,542,878	\$ (195,606)	\$ 17,347,272	
<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>\$ 17,542,878</u>	<u>\$ -</u>	<u>\$ 17,347,272</u>	
General Fund	\$ 76,714,516	\$ 331,092	\$ 67,558,382	\$ 8,145,208	\$ 1,342,018	\$ 27,206,555	\$ (195,606)	\$ 27,010,949	\$ 28,352,967
Debt Service Fund	-	3,434,383	3,443,920	-	\$ (9,537)	185,549	-	185,549	176,012
SAFER	1,014,820	-	1,014,820	-	-	-	-	-	-
American Rescue Plan Act Fund	713,434	-	571,299	-	\$ 142,135	113,468	-	113,468	255,603
Totals per audited financial statements	<u>\$ 78,442,770</u>	<u>\$ 3,765,475</u>	<u>\$ 72,588,421</u>	<u>\$ 8,145,208</u>	<u>\$ 1,474,616</u>	<u>\$ 27,505,572</u>	<u>\$ (195,606)</u>	<u>\$ 27,309,966</u>	<u>\$ 28,784,582</u>
Reconciliation from financial statements to MTP2									
Reverse elimination entry from combining School Unrestricted Fund with Town's General Fund	\$ -	\$ 27,961,445	\$ -	\$ 27,961,445	\$ -	\$ -	\$ -	\$ -	\$ -
Remove School Unrestricted Fund from General Fund	(6,371,599)	(27,961,445)	(33,266,491)	(1,503,000)	436,447	(9,962,694)	-	(9,962,694)	(9,526,247)
Reclassify transfer of municipal appropriation to Education Department as expenditure on MTP2	-	-	27,961,445	(27,961,445)	-	-	-	-	-
Elimination of municipal appropriation for Debt	-	(3,434,383)	-	(3,434,383)	-	-	-	-	-
Rounding	-	-	-	-	-	-	-	-	-
Totals Per MTP2	<u>\$ 72,071,171</u>	<u>\$ 331,092</u>	<u>\$ 67,283,375</u>	<u>\$ 3,207,825</u>	<u>\$ 1,911,063</u>	<u>\$ 17,542,878</u>	<u>\$ (195,606)</u>	<u>\$ 17,347,272</u>	<u>\$ 19,258,335</u>

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

Town of Narragansett
Annual Supplemental Transparency Report (MTP2)
Combining Schedule of
Reportable Government Services with
Reconciliation to MTP2
Education Department
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 <i>No misc. adjustments made for fiscal 2023</i>						\$ 13,008,773	\$ -	\$ 13,008,773	
Fund Balance¹ - per MTP-2 at June 30, 2024 adjusted						<u>\$ 13,008,773</u>	<u>\$ -</u>	<u>\$ 13,008,773</u>	
School Unrestricted Fund	\$ 6,360,225	\$ 27,961,445	\$ 33,249,492	\$ 1,503,000	\$ (430,822)	\$ 9,953,803	\$ -	\$ 9,953,803	\$ 9,522,981
School Special Revenue Funds - Restricted	2,080,517	-	2,036,185	-	44,332	339,447	-	339,447	383,779
School Special Revenue Funds - Food Service Fund	323,785	3,000	456,471	-	(129,686)	263,043	-	263,043	133,357
School Athletic Fund	-	-	-	-	-	329	-	329	329
Athletic Gate Receipts fund	11,374	-	16,999	-	(5,625)	8,891	-	8,891	3,266
School Capital Project Fund	52,182	1,500,000	1,629,379	-	(77,197)	2,443,260	-	2,443,260	2,366,063
Totals per audited financial statements	<u>\$ 8,828,083</u>	<u>\$ 29,464,445</u>	<u>\$ 37,388,526</u>	<u>\$ 1,503,000</u>	<u>\$ (598,998)</u>	<u>\$ 13,008,773</u>	<u>\$ -</u>	<u>\$ 13,008,773</u>	<u>\$ 12,409,775</u>

Reconciliation from financial statements to MTP2

Municipal appropriation for Education reported as a transfer on financial statements but a revenue on MTP2	\$ 27,961,445	\$ (27,961,445)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State contributions on behalf of teacher pensions are reported as revenue and expenditures on financial statements only	(1,534,585)	-	(1,534,585)	-	-	-	-	-	-
Transfer of unrestricted fund balance to capital projects fund	-	(1,500,000)	-	(1,500,000)	-	-	-	-	-
Transfer of unrestricted fund balance to food service fund	-	(3,000)	-	(3,000)	-	-	-	-	-
Rounding	-	-	-	-	-	-	-	-	-
Totals Per MTP2	<u>\$ 35,254,943</u>	<u>\$ -</u>	<u>\$ 35,853,941</u>	<u>\$ -</u>	<u>\$ (598,998)</u>	<u>\$ 13,008,773</u>	<u>\$ -</u>	<u>\$ 13,008,773</u>	<u>\$ 12,409,775</u>

Reconciliation from MTP2 to UCOA

Miscellaneous variance between MTP2 and UCOA	\$ -	\$ 1
Appropriated fund balance reported in UCOA file but not on MTP2	<u>500,000</u>	<u>-</u>
Totals per UCOA Validated Totals Report Dated 1/17/25	<u>\$ 35,754,943</u>	<u>\$ 35,853,942</u>

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

Town of Narragansett, Rhode Island
Reportable Government Services with
MTP2 Notes
Fiscal Year Ended June 30, 2024

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

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 annual financial statements is part of a broader project to create a municipal transparency portal (MTP) website to host municipal financial information in a centralized location.

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

NOTE 2. Reportable Government Services

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

NOTE 3. Allocations

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

NOTE 4. Employee Groups - Compensation 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

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/>.

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 NARRAGANSETT, RHODE ISLAND

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

Exhibit 1

	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Governmental activities:										
Net investment in capital assets	\$ 79,326,836	\$ 76,083,732	\$ 74,516,247	\$ 74,886,690	\$ 76,687,158	\$ 76,033,001	\$ 73,270,420	\$ 73,026,624	\$ 75,998,883	\$ 71,751,258
Restricted	11,676,428	13,536,515	12,022,902	9,233,808	7,423,181	6,006,722	5,306,428	4,483,692	5,685,301	7,550,352
Unrestricted	<u>(70,393,132)</u>	<u>(77,982,558)</u>	<u>(79,079,236)</u>	<u>(83,142,549)</u>	<u>(93,207,557)</u>	<u>(93,222,815)</u>	<u>(92,257,243)</u>	<u>(91,957,086)</u>	<u>(79,428,779)</u>	<u>(72,894,919)</u>
Total governmental activities net position	<u>\$ 20,610,132</u>	<u>\$ 11,637,689</u>	<u>\$ 7,459,913</u>	<u>\$ 977,949</u>	<u>\$ (9,097,218)</u>	<u>\$ (11,183,092)</u>	<u>\$ (13,680,395)</u>	<u>\$ (14,446,770)</u>	<u>\$ 2,255,405</u>	<u>\$ 6,406,691</u>
Business-type activities:										
Net investment in capital assets	\$ 30,372,228	\$ 30,504,626	\$ 31,828,680	\$ 32,841,167	\$ 33,044,852	\$ 33,691,799	\$ 33,922,462	\$ 34,104,629	\$ 32,190,515	\$ 31,406,927
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	<u>10,820,525</u>	<u>10,107,280</u>	<u>9,176,010</u>	<u>10,440,830</u>	<u>10,996,420</u>	<u>10,764,951</u>	<u>10,063,862</u>	<u>9,493,302</u>	<u>9,937,571</u>	<u>9,319,004</u>
Total business-type activities net position	<u>\$ 41,192,753</u>	<u>\$ 40,611,906</u>	<u>\$ 41,004,690</u>	<u>\$ 43,281,997</u>	<u>\$ 44,041,272</u>	<u>\$ 44,456,750</u>	<u>\$ 43,986,324</u>	<u>\$ 43,597,931</u>	<u>\$ 42,128,086</u>	<u>\$ 40,725,931</u>
Primary government:										
Net investment in capital assets	\$ 109,699,064	\$ 106,588,358	\$ 106,344,927	\$ 107,727,857	\$ 109,732,010	\$ 109,724,800	\$ 107,192,882	\$ 107,131,253	\$ 108,189,388	\$ 103,158,185
Restricted	11,676,428	13,536,515	12,022,902	9,233,808	7,423,181	6,006,722	5,306,428	4,483,692	5,685,301	7,550,352
Unrestricted	<u>(59,572,607)</u>	<u>(67,875,278)</u>	<u>(69,903,226)</u>	<u>(72,701,719)</u>	<u>(82,211,137)</u>	<u>(82,457,864)</u>	<u>(82,193,381)</u>	<u>(82,463,784)</u>	<u>(89,831,770)</u>	<u>(63,575,915)</u>
Total primary government net position	<u>\$ 61,802,885</u>	<u>\$ 52,249,595</u>	<u>\$ 48,464,603</u>	<u>\$ 44,259,946</u>	<u>\$ 34,944,054</u>	<u>\$ 33,273,658</u>	<u>\$ 30,305,929</u>	<u>\$ 29,151,161</u>	<u>\$ 24,042,919</u>	<u>\$ 47,132,622</u>

TOWN OF NARRAGANSETT, RHODE ISLAND

CHANGES IN NET POSITION
LAST TEN FISCAL YEARS

(UNAUDITED)

Exhibit 2

	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Expenses:										
Governmental activities:										
General government	\$ 3,559,057	\$ 3,642,779	\$ 3,253,427	\$ 2,825,664	\$ 2,846,519	\$ 2,850,749	\$ 2,613,752	\$ 2,129,141	\$ 2,662,489	\$ 3,354,594
Financial administration	1,825,458	1,774,487	1,755,532	1,649,211	1,822,041	1,696,829	1,765,091	1,441,551	1,857,972	1,824,303
Public safety	20,086,496	21,383,972	19,608,238	16,021,638	17,814,969	16,575,459	17,752,138	14,422,218	18,133,546	15,338,485
Public works	6,291,273	5,470,139	4,966,743	4,916,300	5,294,571	4,896,441	5,042,949	4,650,783	4,984,541	4,913,307
Social services	30,092	12,526	77,314	133,742	34,588	84,173	19,125	29,372	16,893	140,703
Parks and recreation	2,545,580	2,720,037	2,660,069	2,014,316	2,328,988	2,269,787	2,364,493	2,130,369	2,484,974	2,214,141
Planning, engineering and inspection	1,406,326	1,444,240	1,340,476	1,172,385	1,287,273	1,327,790	1,263,615	1,156,325	1,454,157	1,273,212
Library	1,470,743	1,148,881	1,067,719	922,812	995,575	1,050,354	964,371	907,202	1,001,974	782,598
Education	34,570,937	33,849,221	32,642,135	33,325,620	33,787,089	32,546,660	31,989,619	31,740,543	32,444,668	30,442,611
Interest on long-term debt	877,274	852,988	908,274	807,181	806,122	771,128	758,670	1,170,831	871,622	1,038,443
Total governmental activities expenses	72,663,236	72,299,270	68,279,927	63,788,869	67,017,735	64,069,370	64,533,823	59,778,335	65,912,836	61,322,397
Business-type activities:										
Water Fund	2,470,935	2,555,402	2,390,354	2,372,320	2,305,648	2,274,164	2,262,475	2,328,498	2,234,456	2,258,823
Sewer Fund	5,133,367	4,899,646	6,372,563	5,028,665	5,322,640	4,246,453	4,450,670	4,400,539	4,084,743	4,053,411
Beach Fund	2,758,668	2,364,068	2,467,729	2,310,494	2,064,437	1,971,060	1,920,459	1,861,793	1,918,514	1,749,799
Middlebridge Recreation Fund	38,114	27,073	25,866	25,408	25,808	22,582	25,902	29,252	33,660	35,923
Total business-type activities expenses	10,401,084	9,846,189	11,256,512	9,736,887	9,718,533	8,514,259	8,659,506	8,620,082	8,271,373	8,097,956
Total primary government expenses	83,064,320	82,145,459	79,536,439	73,525,756	76,736,268	72,583,629	73,193,329	68,398,417	74,184,209	69,420,353
Program Revenues:										
Governmental activities:										
Charges for services:										
General government	1,880,924	1,717,299	2,174,832	2,227,593	1,693,910	1,647,577	1,560,044	1,700,014	1,549,178	1,461,007
Financial administration	846,716	931,716	970,776	970,773	700,491	700,491	700,566	700,491	700,566	716,726
Public safety	1,298,425	1,021,103	864,388	861,253	904,653	787,178	979,735	1,173,178	1,016,391	712,509
Public works	11,579	31,321	44,225	43,536	50,824	39,683	39,856	31,871	28,432	29,538
Parks and recreation	700,260	714,686	677,189	323,081	436,315	631,525	647,131	684,790	696,417	684,488
Planning, engineering and inspection	424,247	428,313	438,888	489,257	416,413	373,373	361,005	399,635	337,113	335,749
Library	3,203	3,995	4,486	55,615	58,371	45,125	15,125	15,362	11,610	15,254
Education	2,944,915	2,873,461	2,680,812	2,287,625	1,837,460	1,507,013	1,173,646	884,097	627,132	506,909
Operating grants and contributions	7,454,005	6,794,878	6,172,039	7,984,286	5,620,873	5,731,228	5,795,935	5,396,724	5,713,910	4,783,010
Capital grants and contributions	1,246,809	1,090,867	2,057,034	1,000,322	714,903	560,813	1,378,981	847,113	792,470	509,300
Total governmental activities program revenues	16,811,083	15,607,639	16,084,669	16,243,341	12,434,213	12,024,006	12,652,024	11,833,275	11,473,219	9,754,490
Business-type activities:										
Charges for services:										
Water Fund	2,489,922	2,405,024	2,482,833	2,470,182	2,341,252	2,219,651	2,206,658	2,390,322	2,418,909	2,048,386
Sewer Fund	4,376,225	3,899,919	3,801,549	3,890,306	3,993,499	3,983,701	4,171,610	4,120,966	4,283,991	4,312,525
Beach Fund	2,980,848	2,668,907	2,567,123	2,467,408	2,647,096	2,496,662	2,388,572	2,382,280	2,601,661	2,147,294
Middlebridge Recreation Fund	58,800	84,850	87,100	92,125	95,425	85,400	73,411	73,606	65,376	53,199
Operating grants and contributions, Beach Fund	-	-	-	-	-	-	-	-	115,647	140,376
Capital grants and contributions	700,960	175,031	-	-	-	-	72,164	992,131	-	-
Total business-type activities program revenues	10,606,755	9,233,731	8,938,605	8,920,021	9,077,272	8,785,414	8,912,415	9,959,305	9,485,584	8,701,780
Total primary government program revenues	27,417,838	24,841,370	25,023,274	25,163,362	21,511,485	20,809,420	21,564,439	21,792,580	20,958,803	18,456,270
Net (Expense) Revenue:										
Governmental activities	(55,852,153)	(56,691,631)	(52,195,258)	(47,545,528)	(54,583,522)	(52,045,364)	(51,881,799)	(47,945,060)	(54,439,617)	(51,567,907)
Business-type activities	205,671	(612,458)	(2,317,907)	(816,866)	(641,261)	271,155	252,909	1,339,223	1,214,211	603,824
Total primary government net expenses	(55,646,482)	(57,304,089)	(54,513,165)	(48,362,394)	(55,224,783)	(51,774,209)	(51,628,890)	(46,605,837)	(53,225,406)	(50,964,083)

(continued)

TOWN OF NARRAGANSETT, RHODE ISLAND

CHANGES IN NET POSITION
LAST TEN FISCAL YEARS

(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
General Revenues and Other Changes in Net Position:										
Governmental activities:										
Property taxes and in lieu of taxes	58,339,734	56,196,601	56,241,447	55,044,095	53,775,607	51,898,135	50,562,602	49,492,588	48,389,492	47,541,544
State aid, unrestricted	4,068,002	4,168,952	2,675,804	2,106,004	2,145,219	2,147,564	1,984,238	1,822,669	1,755,249	1,614,798
Investment income	2,079,923	368,980	(439,976)	314,986	421,096	513,843	79,018	271,919	179,241	131,188
Other revenues	336,937	326,286	199,947	155,610	163,839	57,950	104,220	101,366	93,574	284,380
Transfers	-	-	-	-	(74,825)	(74,825)	(81,904)	(105,095)	(129,225)	(156,636)
Total governmental activities	<u>64,824,596</u>	<u>61,060,819</u>	<u>58,677,222</u>	<u>57,620,695</u>	<u>56,430,936</u>	<u>54,542,667</u>	<u>52,648,174</u>	<u>51,583,447</u>	<u>50,288,331</u>	<u>49,415,274</u>
Business-type activities:										
Investment income	375,176	219,674	40,600	57,591	150,958	112,194	46,580	15,358	-	-
Transfers	-	-	-	-	74,825	74,825	81,904	105,095	129,225	156,636
Other revenues	-	-	-	-	-	12,252	7,000	10,179	159,746	-
Total business-type activities	<u>375,176</u>	<u>219,674</u>	<u>40,600</u>	<u>57,591</u>	<u>225,783</u>	<u>199,271</u>	<u>135,484</u>	<u>130,632</u>	<u>288,971</u>	<u>156,636</u>
Total primary government	<u>65,199,772</u>	<u>61,280,493</u>	<u>58,717,822</u>	<u>57,678,286</u>	<u>56,656,719</u>	<u>54,741,938</u>	<u>52,783,658</u>	<u>51,714,079</u>	<u>50,577,302</u>	<u>49,571,910</u>
Change in Net Position:										
Governmental activities	8,972,443	4,369,188	6,481,964	10,075,167	1,847,414	2,497,303	766,375	3,638,387	(4,151,286)	(2,152,633)
Business-type activities	<u>580,847</u>	<u>(392,784)</u>	<u>(2,277,307)</u>	<u>(759,275)</u>	<u>(415,478)</u>	<u>470,426</u>	<u>388,393</u>	<u>1,469,855</u>	<u>1,503,182</u>	<u>760,460</u>
Total primary government	<u>\$ 9,553,290</u>	<u>\$ 3,976,404</u>	<u>\$ 4,204,657</u>	<u>\$ 9,315,892</u>	<u>\$ 1,431,936</u>	<u>\$ 2,967,729</u>	<u>\$ 1,154,768</u>	<u>\$ 5,108,242</u>	<u>\$ (2,648,104)</u>	<u>\$ (1,392,173)</u>

concluded

TOWN OF NARRAGANSETT, RHODE ISLAND

FUND BALANCES - GOVERNMENTAL FUNDS
 LAST TEN FISCAL YEARS
 (MODIFIED ACCRUAL BASIS OF ACCOUNTING)
 (UNAUDITED)

Exhibit 3

	FISCAL YEAR									
	2023-24	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15
General Fund:										
Nonspendable	\$ 490,169	\$ 794,937	\$ 1,595,026	\$ 463,600	\$ 3,272,615	\$ 3,272,623	\$ 297,133	\$ 2,031,217	\$ 2,171,270	\$ 1,664,899
Restricted	10,144,145	10,339,222	8,891,334	7,880,638	6,193,675	5,098,440	4,396,810	3,625,065	4,842,626	6,531,905
Committed	-	50,000	50,000	50,000	50,000	97,800	50,000	50,000	50,000	50,000
Assigned	2,355,377	2,687,640	3,230,011	1,263,083	1,191,989	2,517,576	2,721,854	2,968,253	1,274,978	1,602,708
Unassigned	15,363,276	13,139,150	12,375,435	14,594,528	8,788,376	7,345,472	9,897,474	10,255,432	9,913,554	8,781,159
Total General Fund	28,352,967	27,010,949	26,141,806	24,251,849	19,496,655	18,331,911	17,363,271	18,929,967	18,252,428	18,580,671
All Other Governmental Funds:										
Restricted	3,962,082	4,173,087	8,567,533	2,420,197	2,932,290	3,693,610	1,418,395	3,204,150	1,640,560	3,495,634
Committed	2,786,422	2,650,323	2,089,007	2,147,433	3,164,626	3,318,736	2,956,906	2,605,619	501,285	1,612,909
Assigned	2,621,666	2,556,728	3,023,929	2,210,777	1,285,542	1,115,176	1,220,432	419,129	1,213,844	624,837
Unassigned	-	-	-	(58,320)	(2,851,016)	(2,849,583)	(38,576)	(70,826)	(2,149,520)	(14,554)
Total All Other Governmental Funds	9,370,170	9,380,138	13,680,469	6,720,087	4,531,442	5,277,939	5,557,157	6,158,072	1,206,169	5,718,826
Grand Total	\$ 37,723,137	\$ 36,391,087	\$ 39,822,275	\$ 30,971,936	\$ 24,028,097	\$ 23,609,850	\$ 22,920,428	\$ 25,088,039	\$ 19,458,597	\$ 24,299,497

TOWN OF NARRAGANSETT, RHODE ISLAND

CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
 LAST TEN FISCAL YEARS
 (MODIFIED ACCRUAL BASIS OF ACCOUNTING)
 (UNAUDITED)
 FISCAL YEAR

Exhibit 4

	2023-24	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15
General property taxes and payments in lieu of taxes	\$ 58,929,974	\$ 56,793,575	\$ 56,939,720	\$ 55,726,947	\$ 54,209,130	\$ 52,450,108	\$ 51,059,703	\$ 49,896,038	\$ 48,793,179	\$ 47,915,634
State aid, unrestricted	8,080,500	8,086,827	6,218,209	5,990,836	5,611,459	6,000,662	6,295,458	5,390,295	5,397,906	5,124,796
Charges for services	8,003,074	7,598,840	7,675,377	7,146,396	6,264,887	5,848,171	5,576,500	5,726,864	5,141,830	4,567,613
Operating grants and contributions	3,677,868	2,973,728	2,950,123	3,064,352	1,290,396	1,239,811	1,282,315	1,284,692	1,176,369	1,302,315
Capital grants and contributions	1,246,809	1,080,867	2,057,034	1,000,322	714,903	449,606	710,742	837,757	743,116	361,843
Investment income	2,079,923	368,980	(439,976)	314,986	421,096	513,843	79,018	271,919	179,241	131,188
Other revenues	283,825	274,486	139,329	91,438	68,473	85,527	96,778	53,489	48,463	126,892
Total revenues	82,301,973	77,177,303	75,539,816	73,335,277	68,580,344	66,587,728	65,100,514	63,461,054	61,480,104	59,530,281
Expenditures:										
Current:										
General government	3,277,315	3,027,460	2,589,467	2,431,754	2,314,459	2,315,808	2,012,780	1,903,098	1,990,605	1,623,795
Financial administration	1,838,601	1,567,779	1,483,371	1,669,258	1,581,199	1,465,993	1,563,238	1,346,402	1,346,256	1,460,933
Public safety	18,770,550	17,939,844	16,361,504	15,298,561	14,776,038	14,191,808	14,028,876	13,320,233	13,136,170	12,944,328
Public works	3,449,934	3,155,448	2,983,698	2,930,765	2,874,182	3,031,593	2,938,268	3,006,632	2,811,152	3,015,199
Social services	30,092	12,526	77,314	133,742	34,588	84,173	19,125	29,372	16,893	140,703
Parks and recreation	2,169,876	2,160,721	1,991,419	1,599,656	1,850,460	1,843,043	1,855,156	1,861,704	1,859,508	1,819,447
Planning, engineering and inspection	1,405,271	1,215,520	1,211,301	1,131,161	1,200,658	1,137,558	1,111,062	1,114,189	1,073,782	1,119,003
Library	1,111,916	1,109,452	986,536	881,288	925,453	1,028,771	874,144	881,832	848,756	770,261
Food services	387,680	385,850	385,018	291,159	282,961	385,797	366,913	389,010	369,185	401,748
Education	35,302,676	33,517,934	33,031,237	31,109,281	30,414,570	29,909,656	29,208,100	29,814,373	28,207,782	28,991,540
Town-wide	713,975	673,103								
Other	3,140,527	3,429,194	4,039,863	3,613,287	3,899,196	4,309,372	3,874,409	3,533,494	3,536,709	1,787,774
Debt service:										
Principal	2,506,849	2,577,773	2,218,885	2,044,206	2,007,563	1,735,856	1,764,650	1,418,982	1,631,158	1,403,530
Interest	1,059,834	1,033,254	1,019,523	954,502	969,836	957,723	943,900	1,178,345	926,569	1,013,262
Capital outlay and Major Maintenance	11,483,179	8,878,739	4,985,166	5,102,818	5,234,617	9,072,866	4,937,011	4,899,189	8,315,844	3,107,553
Total expenditures	86,648,275	80,684,597	73,364,302	69,191,438	68,365,780	71,470,017	65,497,632	64,696,855	66,070,369	59,599,076
Excess (deficiency) of revenues over expenditures	(4,346,302)	(3,507,294)	2,175,514	4,143,839	214,564	(4,882,289)	(397,118)	(1,235,801)	(4,590,265)	(68,795)
Other financing sources (uses):										
Bond and loan proceeds	5,280,000	50,100	6,265,000	2,800,000	-	5,000,000	-	6,100,000	-	4,100,000
Bond premium	327,260	-	409,825	-	-	646,536	-	262,766	-	135,626
Issued and Premium of refunding bonds	-	-	-	-	-	-	-	13,594,550	-	-
Payment to refunding bond escrow agent	-	-	-	-	-	-	-	(13,458,152)	-	-
Lease (as lessee)	-	217,418	-	-	-	-	-	-	-	-
Capital lease proceeds	-	-	-	-	40,048	-	-	455,670	-	624,870
Subscription based IT arrangements (SBITAs)	71,092	-	-	-	-	-	-	-	-	-
Transfers from other funds	8,145,208	6,953,268	6,234,378	6,117,299	6,305,436	5,201,925	5,368,643	5,150,004	5,880,609	3,379,954
Transfers to other funds	(8,145,208)	(6,953,268)	(6,234,378)	(6,117,299)	(6,380,261)	(5,276,750)	(5,450,547)	(5,255,099)	(6,009,834)	(3,536,590)
Sale of capital assets	-	-	-	-	-	-	-	15,504	10,525	59,962
Total other financing sources (uses)	5,678,352	267,518	6,674,825	2,800,000	(34,777)	5,571,711	(81,904)	6,865,243	(118,700)	4,763,822
Net change in fund balances	\$ 1,332,050	\$ (3,239,776)	\$ 8,850,339	\$ 6,943,839	\$ 179,787	\$ 689,422	\$ (479,022)	\$ 5,629,442	\$ (4,708,965)	\$ 4,695,027
Debt service as a percentage of noncapital expenditures	4.7%	5.0%	4.7%	4.7%	4.7%	4.3%	4.5%	4.3%	4.4%	4.3%

TOWN OF NARRAGANSETT, RHODE ISLAND

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

Exhibit 5

Assessment Date	Fiscal Year	Real Property		Personal Property		Total		Ratio of Total Assessed Valuation to Total Estimated Actual Value
		Assessed Valuations	Estimated Actual Value	Assessed Valuations	Estimated Actual Value	Assessed Valuations	Estimated Actual Value	
12/31/2013	2014-15	4,369,756,694	4,599,743,888	136,792,291	136,792,291	4,506,548,896	4,736,536,179	95.14%
12/31/2014	2015-16	4,476,928,059	4,815,206,205	147,375,176	147,375,176	4,624,303,235	4,962,581,381	93.18%
12/31/2015	2016-17	4,495,724,567	4,940,356,667	154,965,455	154,965,455	4,650,690,022	5,095,322,122	91.27%
12/31/2016	2017-18	4,382,903,592	4,724,562,848	157,985,621	157,985,621	4,540,889,213	4,882,548,469	93.00%
12/31/2017	2018-19	4,799,270,621	4,991,241,445	172,032,065	172,032,065	4,971,302,686	5,163,273,510	96.28%
12/31/2018	2019-20	4,835,385,867	4,934,067,211	184,171,727	184,171,727	5,019,557,594	5,118,238,938	98.07%
12/31/2019	2020-21	4,857,733,810	4,956,871,235	184,285,019	191,963,561	5,042,018,829	5,148,834,796	97.93%
12/31/2020	2021-22	5,904,627,559	6,025,130,162	186,832,208	194,616,883	6,091,459,767	6,219,747,046	97.94%
12/31/2021	2022-23	5,939,525,653	6,060,740,462	111,353,672	115,993,408	6,050,879,325	6,176,733,871	97.96%
12/31/2022	2023-24	5,979,216,832	6,101,241,665	101,463,478	105,691,123	6,080,680,310	6,206,932,788	97.97%

Source: Town of Narragansett, Rhode Island Assessor

TOWN OF NARRAGANSETT, RHODE ISLAND

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

Exhibit 6

Taxpayer	Type of Business	FISCAL YEAR 2023-2024 (ASSESSED VALUE AS OF 12-31-22)			FISCAL YEAR 2013-2014 (ASSESSED VALUE AS OF 12-31-2012)			
		Gross Assessed Valuation	Rank	Percentage of Total Assessed Valuation	Gross Assessed Valuation	Rank	Percentage of Total Assessed Valuation	
Rhode Island Energy	Electric & Gas Utility	\$ 37,581,207	1	0.60%	Salt Pond Corp.	22,790,500	1	0.50%
DPF Narragansett LLC	Shopping Plaza	29,010,800	2	0.46%	Dunes Club	\$ 13,506,500	2	0.29%
CoxCom, LLC	Cable Utility	21,827,814	3	0.35%	National Grid	11,323,400	3	0.25%
Dunes Club	Private Beach Club	19,826,700	4	0.31%	Point Judith Country Club	8,205,400	4	0.18%
SUEZ Water	Water Utility	15,859,835	5	0.25%	JDL Family LTD Partnership	7,136,900	5	0.16%
RPC Narragansett Storage, LLC	Self Storage	9,758,400	6	0.15%	GP Pier Retail	7,047,800	6	0.15%
Point Judith Country Club	Private Golf Course	8,700,400	7	0.14%	United Water	6,726,120	7	0.15%
JDL Family LTD Partnership	Shopping Plaza	8,258,500	8	0.13%	Recreation Partners I	6,393,100	8	0.14%
Remedy LLC	Residential Property	7,348,700	9	0.12%	J Terrence Murray	5,988,900	9	0.13%
HTE Irrevocable Trust	Residential Property	7,343,100	10	0.12%	Russell A Boss	5,490,700	10	0.12%
		<u>\$ 165,515,456</u>		<u>2.62%</u>		<u>\$ 94,609,320</u>		<u>2.06%</u>
Total assessed valuation (gross)		<u>\$ 6,307,943,090</u>			(gross) <u>\$ 4,587,910,371</u>			
TOP TEN ONLY								
Commercial/Industrial Values		\$ 150,823,656		2.39%	\$ 83,129,720			1.81%
Residential Values		14,691,800		0.23%	11,479,600			0.25%

Source: Town of Narragansett Assessor, certified tax roll.

TOWN OF NARRAGANSETT, RHODE ISLAND

PROPERTY TAX LEVIES AND COLLECTIONS
 LAST TEN FISCAL YEARS
 (UNAUDITED)

Exhibit 7

Fiscal Year Ended	Taxes Outstanding for the	Collected within the Fiscal year	
			Percentage
2014-15	48,173,623	47,352,195	98.29%
2015-16	49,094,018	48,320,442	98.42%
2016-17	50,151,603	49,351,387	98.40%
2017-18	51,195,855	50,422,075	98.49%
2018-19	52,394,807	51,802,230	98.87%
2019-20	54,214,966	53,493,237	98.67%
2020-21	55,529,036	54,794,506	98.68%
2021-22	56,779,118	55,987,038	98.60%
2022-23	56,762,475	56,066,010	98.77%
2023-24	58,825,893	58,326,272	99.15%

	Current Taxes	Current Year Collected	Percent of Levy
2014-15	47,455,661	47,043,390	99.13%
2015-16	48,342,629	47,937,036	99.16%
2016-17	49,396,535	48,974,578	99.15%
2017-18	50,425,079	50,043,114	99.24%
2018-19	51,610,221	51,356,961	99.51%
2019-20	53,654,815	53,272,353	99.29%
2020-21	54,867,441	54,450,350	99.24%
2021-22	56,066,648	55,597,094	99.16%
2022-23	55,994,480	55,643,719	99.37%
2023-24	58,148,965	57,934,658	99.63%

Source: Town of Narragansett Tax Collector

TOWN OF NARRAGANSETT, RHODE ISLAND

PROPERTY TAX RATES
 (PER \$1000 OF ASSESSED VALUE)
 LAST TEN FISCAL YEARS
 (UNAUDITED)

Exhibit 8

List	Fiscal	Residential	Commercial	Personal	Motor Vehicle
2013	2014-15	\$10.04	\$15.06	\$15.06	\$16.46
2014	2015-16	\$9.94	\$14.91	\$14.91	\$16.46
2015	2016-17	\$10.08	\$15.12	\$15.12	\$16.46
2016	2017-18	\$10.56	\$15.84	\$15.84	\$16.46
2017	2018-19	\$9.95	\$13.93	\$13.93	\$16.46
2018	2019-20	\$10.23	\$14.33	\$14.33	\$16.46
2019	2020-21	\$10.48	\$14.15	\$14.15	\$16.46
2020	2021-22	\$8.86	\$11.96	\$11.96	\$16.46
2021	2022-23	\$9.00	\$12.14	\$12.14	\$0.00
2022	2023-24	\$9.31	\$12.57	\$12.57	\$0.00

TOWN OF NARRAGANSETT, RHODE ISLAND

RATIO OF NET GENERAL DEBT TO ASSESSED VALUE
AND NET DEBT PER CAPITA
LAST TEN FISCAL YEARS
(UNAUDITED)

Exhibit 9

Fiscal Year	Population	Assessed Valuation	Gross Debt (1)	Debt payable from Business Type Revenues	Net Debt	Ratio of Net Debt to Assessed Valuation	Net Debt per Capita
2014-15	15,868	4,506,548,986	25,965,510	3,660,869	22,304,641	0.49%	1,405.64
2015-16	15,868	4,624,303,235	23,864,429	3,084,673	20,779,756	0.45%	1,309.54
2016-17	15,868	4,650,690,022	27,579,129	2,544,280	25,034,849	0.54%	1,577.69
2017-18	15,868	4,540,889,213	25,427,949	1,991,112	23,436,837	0.52%	1,476.99
2018-19	15,868	4,971,302,686	28,217,474	1,427,843	26,789,631	0.54%	1,688.28
2019-20	15,868	5,019,557,596	25,712,446	848,307	24,864,139	0.50%	1,566.94
2020-21	14,532	5,042,018,829	26,443,291	685,307	25,757,984	0.51%	1,772.50
2021-22	14,532	6,091,459,768	30,323,406	519,307	29,804,099	0.49%	2,050.93
2022-23	14,532	6,050,879,325	28,141,735	865,307	27,276,428	0.45%	1,876.99
2023-24	14,532	6,080,680,310	30,721,886	672,307	30,049,579	0.49%	2,067.82

(1) includes Business-type Activities

TOWN OF NARRAGANSETT, RHODE ISLAND

COMPUTATION OF LEGAL DEBT MARGIN
LAST TEN FISCAL YEARS
(UNAUDITED)

<i>Exhibit 10</i>	Assessment Date 12/31/2022 FY 2023-24	Assessment Date 12/31/2021 FY 2022-23	Assessment Date 12/31/2020 FY 2021-22	Assessment Date 12/31/2019 FY 2020-21	Assessment Date 12/31/2018 FY 2019-20	Assessment Date 12/31/2017 FY 2018-19	Assessment Date 12/31/2016 FY 2017-18	Assessment Date 12/31/2015 FY 2016-17	Assessment Date 12/31/2014 FY 2015-16	Assessment Date 12/31/2013 FY 2014-15
Net assessed valuation	\$ 6,080,680,310	\$ 6,050,879,325	\$ 6,091,459,768	\$ 5,042,018,829	\$ 5,019,557,596	\$ 4,971,302,686	\$ 4,540,889,213	\$ 4,650,690,022	\$ 4,624,303,235	\$ 4,506,548,986
Debt limit	182,420,409	181,526,380	182,743,793	151,260,565	150,586,728	149,139,081	136,226,676	139,520,701	138,729,097	135,196,470
Total net debt applicable to limit	1,281,000	1,133,000	709,000	799,000	448,000	496,000	631,650	764,689	895,147	1,023,053
Legal debt margin	181,139,409	180,393,380	182,034,793	150,461,565	150,138,728	148,643,081	135,595,026	138,756,012	137,833,950	134,173,417
Total net debt applicable to limit as a percentage of the debt limit	0.70%	0.62%	0.39%	0.53%	0.30%	0.33%	0.46%	0.55%	0.65%	0.76%

TOWN OF NARRAGANSETT, RHODE ISLAND

RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR
GENERAL DEBT TO TOTAL GOVERNMENTAL EXPENDITURES
LAST TEN FISCAL YEARS
(UNAUDITED)

Exhibit 11

Fiscal Year	Principal	Interest	Total Debt Service (2)	Total Governmental Funds Expenditures (1)	Ratio of Total Debt Service to Total Governmental Expenditures
2015	1,296,950	839,622	2,136,572	59,599,076	3.58%
2016	1,524,885	928,436	2,453,321	66,070,369	3.71%
2017	1,248,906	944,472	2,193,378	64,696,855	3.39%
2018	1,598,012	935,930	2,533,942	65,497,632	3.87%
2019	1,647,206	822,152	2,469,358	71,470,017	3.46%
2020	1,925,492	966,290	2,891,782	68,365,780	4.23%
2021	1,960,871	918,719	2,879,590	69,191,438	4.16%
2022	2,205,347	892,198	3,097,545	73,364,302	4.22%
2023	2,559,922	1,028,754	3,588,676	80,684,597	4.45%
2024	2,482,000	961,920	3,443,920	86,648,275	3.97%

Note:

- (1) Modified accrual basis of accounting
- (2) General Obligation Bonds and Notes only

TOWN OF NARRAGANSETT, RHODE ISLAND

FULL-TIME EQUIVALENT TOWN EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS
(UNAUDITED)

Exhibit 12

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Administration	13.0	13.0	13.0	13.0	13.0	13.0	13.0	13.0	10.0	10.0
Financial administration	12.0	12.0	12.0	11.0	12.0	12.0	12.0	12.0	15.0	15.0
Public safety:										
Police:										
Officers	43.0	42.0	41.0	41.0	41.0	41.0	41.0	41.0	40.0	40.0
Civilians	12.5	12.5	12.5	13.0	13.0	13.0	13.0	13.0	13.0	13.0
Fire:										
Firefighter and officers	43.0	43.0	42.0	34.0	34.0	34.0	34.0	34.0	34.0	34.0
Civilians	1.5	1.5	1.5	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Total Public Safety	100.0	99.0	97.0	89.0	89.0	89.0	89.0	89.0	88.0	88.0
Public works:										
Administration & Highway	14.0	14.0	14.0	13.0	13.0	13.0	13.0	13.0	12.0	12.0
Engineering	2.6	2.6	2.6	2.6	2.6	2.6	2.6	2.6	2.6	2.6
Total Public Works & Engineering	16.6	16.6	16.6	15.6	15.6	15.6	15.6	15.6	14.6	14.6
Parks and recreation	4.0	4.0	5.5	5.5	5.5	5.5	5.5	5.5	4.5	4.5
Parks Maintenance	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5
Planning and Development	8.0	8.0	7.5	7.5	7.5	7.5	7.5	7.5	8.0	8.0
Education:										
Administrative, certified	9.8	9.9	9.9	9.5	8.0	10.0	9.0	8.0	8.5	8.5
Administrative, noncertified	11.0	9.5	9.5	11.0	7.0	10.0	10.6	10.6	11.6	11.6
Classroom aides	27.0	27.0	32.0	34.0	26.0	26.2	26.5	25.5	28.4	28.4
Teachers	144.3	147.1	145.8	148.8	144.0	141.2	145.8	145.8	152.1	152.1
Bus drivers, monitors, and bus aides	26.0	22.0	21.0	18.0	18.0	24.0	21.3	21.3	22.5	22.5
Clerks	10.0	10.0	10.0	10.0	9.0	10.5	12.0	12.0	12.0	12.0
Operation and maintenance	17.0	18.0	18.0	19.0	17.0	17.0	17.4	17.4	18.4	18.4
	245.1	243.5	246.2	250.3	229.0	238.9	242.5	240.5	253.5	253.5
Library - full-time	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	5.0	5.0
Library-part-time	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	12.0	12.0
Fleet Maintenance	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	3.0	3.0
Water	5.6	5.6	5.6	5.6	5.6	5.6	5.6	5.6	5.6	5.6
Wastewater Treatment	9.8	9.8	9.8	9.8	9.8	9.8	9.8	9.8	9.8	9.8
Beach	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.0	1.0
Total	439.6	437.0	440.2	434.3	414.0	423.9	427.5	425.5	435.5	435.5

TOWN OF NARRAGANSETT, RHODE ISLAND
 MISCELLANEOUS STATISTICS
 JUNE 30, 2024
 (UNAUDITED)

Exhibit 13

Town Incorporation	1901	Municipal buildings:	
Type of Government	Council / Town Manager	Town Hall	1
Population:		Fire Stations	3
Official U.S. Census:		Police Station	1
1950	2,288	Port Facility Building	1
1960	3,444	Education	
1970	7,138	High School (Grades 9 – 12)	1
1980	12,088	Middle School (Grades 5 – 8)	1
1990	15,004	Elementary (Grades Pre-K – 4)	1
2000	16,361	Wastewater pumping stations	19
2010	15,876	Wastewater treatment plant	1
2020 Census	14,532	Water pumping stations (not in service)	1
Area of Town	18.3 square miles	Water storage tanks	3
Shoreline	44.2 miles	Water chlorine injections stations	3
Miles of Streets:		Public works garage/maintenance facility	2
Local Paved	106	Library (25 & 27 Pier Mkt Place)	1
State Paved	25	29 Pier Market Place	1
Construction (Period 7/1/23 to 6/30/24):		Parks/recreation buildings	20
Building Permits Issued	1,020	Pavilions	1
Total Value	\$53,494,965	Gazebos	1
Elections – November 2024:		Beach Cabanas – 83 units	1
Registered voters	12,169	Beach clubhouse	1
Number of votes cast	9,186	North Beach Pavilion – 263 units	1
Percentage voting	75%	South Beach Pavilion – 218 units	1
Fire Protection:		Kinney Bungalow	1
Fire alarm boxes	207	Comfort station	1
Fire hydrants	794	Community Center	1
Education:		The Towers	1
Student Enrollments:		29 Pier Market Place	1
Pre-Kindergarten	70	35 Kingstown Rd (old Library)	1
Elementary (grades k – 4)	275	Recreation Facilities:	
Middle School (grades 5 – 8)	283	Public squares	3
High (grades 9 – 12)	420	Acres for recreation (developed)	48
Special Education-Out of Dist	12	Playgrounds	6
Special Education-Transition Program	5	Tot lots	1
Other out of district	20	Major recreation facilities	12
Total in all schools	1,085	Undeveloped sites	2
Home Instruction	25	Municipal tennis courts	13
Charter Schools	13	Municipal pickle ball courts	4
Total	<u>1,123</u>	Bathing beaches	1
		Diamonds:	
		Hard ball	3
		Soft ball	1
		Basketball courts:	
		Outdoor	7
		Indoor (schools)	3
		Soccer Fields	7
		Marina - 37 slips	1
		Marina Building	1
		Residential Cottages	4
		Residential House	1
		Café/Restaurant Building	1
		Farm House (Sunset Farm)	1
		Barn (Sunset Farm)	1



CERTIFIED PUBLIC ACCOUNTANTS

875 Centerville Road, Building 3, Unit 10 • Warwick, RI 02886
(401) 586-6565 • Fax (401) 826-1710
www.baconcpas.com

***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***

Independent Auditor's Report

To the Honorable President and Members of the Town Council
Town of Narragansett, 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 (*Government Auditing Standards*), the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Narragansett, Rhode Island, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Town of Narragansett, Rhode Island's basic financial statements, and have issued our report thereon dated January 28, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Town of Narragansett, Rhode Island's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town of Narragansett, Rhode Island's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town of Narragansett, Rhode Island'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 or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town of Narragansett, Rhode Island'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 financial statements. 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.

Bacon & Company CPAs, LLC

Warwick, Rhode Island
January 28, 2025