

TOWN OF JOHNSTON, RHODE ISLAND
ANNUAL FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2024

TOWN OF JOHNSTON, RHODE ISLAND

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INTRODUCTORY SECTION

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PRINCIPAL OFFICIALS
Town of Johnston, Rhode Island
As of June 30, 2024

ELECTED OFFICIALS
Joseph Polisena Jr., Mayor

TOWN COUNCIL

Robert V. Russo, President	Alfred T. Carnevale
Robert J. Civetti	Linda Folcarelli
Lauren Garzone, Vice President	

SCHOOL COMMITTEE

Robert A. Lafazia, Chairperson	Joseph W. Rotella, Vice Chairperson
Mary Sue Andreozzi	Dawn M. Aloisio
Susan M. Mansolillo	

DEPARTMENT DIRECTORS

Police Chief	Mark A. Vieira
Fire Chief	David Iannuccilli
Chief of Staff	Doug Jeffrey
Town Clerk	Vincent Bacari, Jr.
Finance Director	Joseph L. Chiodo, CPA
Tax Collector	Bethany Alviano
Tax Assessor	Valerie Laurito
Town Solicitor	William Conley
Superintendent of Schools	Dr. Bernard DiLullo, Jr.
Director of Building and Grounds	Chris Correia
Director of Recreation	Mike Bedrosian
School Business Manager	Dean Huff
Director of Public Works	Thomas Deller

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FINANCIAL SECTION

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Independent Auditors' Report

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

In our opinion, the 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, 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditors' 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 auditors' 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's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, presented on pages 11 through 20, and required supplementary information presented on pages 119 through 144, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The supplementary information on pages 147 through 188, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of these basic financial statements.

The supplementary information presented on pages 147 through 188 is the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information presented on pages 147 through 188 is 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 section 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 March 31, 2025, on our consideration of the Town's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town's internal control over financial reporting and compliance.

CBIZ CPAs P.C.

Providence, RI
March 31, 2025

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MANAGEMENT'S DISCUSSION AND ANALYSIS

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TOWN OF JOHNSTON, RHODE ISLAND

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2024

As management of the Town of Johnston, Rhode Island, we offer readers of the Town of Johnston's financial statements this narrative overview and analysis of the Town's financial activities for the fiscal year ended June 30, 2024. The information complements the data presented in the basic financial statements and is intended to enhance the reader's understanding of the Town's financial performance.

Financial Highlights:

- The assets and deferred outflows of resources for the Town of Johnston were exceeded by its liabilities and deferred inflows of resources at the end of the fiscal year ended June 30, 2024 by \$236,345,506 for its Governmental Activities and its assets and deferred outflows exceeded its liabilities and deferred inflows at the end of fiscal year ended June 30, 2024 by \$3,968,024 for its Business-Type Activities (net position). The total net position is broken down into three captions: 1) Net investment in capital assets (capital assets section), which is essentially the net worth of the infrastructure the Town owns; 2) Restricted, which is only spendable by the Town for specific purposes; and 3) Unrestricted, which is available for Town operations.
- The Town's total net position increased by \$28,155,125 and \$4,317 for its Governmental Activities and Business-Type Activities, respectively.
- As of the close of the current fiscal year, the Town of Johnston's total governmental funds reported combined ending fund balances of \$136.1 million a decrease of \$4.0 million from the previous year. The decrease is due to the recognition of school bond proceeds in the prior year that are being spent in the current year in the School Bond Fund. Approximately 30.0% of this total, \$41.0 million, is available for spending at the Town's discretion (unassigned).
- At the end of the current fiscal year, the total unassigned fund balance of the General Fund was \$43.3 million, or 39.7% of total general fund expenditures and other net financing uses.
- The remaining fund balance consisted of:
 - \$2,510,270 which consists of \$118,782 non-spendable prepaid items and \$2,391,488 of School Unrestricted fund deficit.
 - Restricted Funds of \$86,091,542 which consists of School Bond funds of \$81,890,030, School Special Revenue Grant Funds in the amount of \$1,146,431, Capital Projects Funds of \$1,675,114, and Town Special Revenue Grant Funds of \$1,379,967.
 - Committed Funds of \$6,183,436 which consists of Capital Projects of \$2,779,549 and Town Special Revenue Funds of \$3,403,887. Assigned Funds of \$368,121 relating to interest earned on ARPA funds.

Overview of the Financial Statements:

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

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

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

TOWN OF JOHNSTON, RHODE ISLAND

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2024

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

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

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

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

Government-wide financial statements (statement of net position and statement of activities) are on pages 23-26 of this report.

Fund Financial Statements

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

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

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

TOWN OF JOHNSTON, RHODE ISLAND

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2024

The Town of Johnston maintains eighty-four (84) individual governmental funds. Information is presented separately in the Governmental Fund Balance Sheet and in the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances for the General Fund, and School Unrestricted Fund, which are considered to be major funds. Data from the other funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

Basic Governmental Fund Financial Statements are on pages 27-30 of this report.

The Town of Johnston adopts an annual budget for its General Fund and School Unrestricted Fund. A Budgetary comparison statement has been provided on pages 141 through 143.

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

Basic proprietary fund financial statements can be found on pages 31-35 of this report.

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

Basic fiduciary fund financial statements can be found on pages 36-37 of this report.

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

Notes to the Financial Statements can be found on pages 38-116 of this report.

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

Required supplementary information can be found on pages 119-144 of this report.

Combining Statements referred to earlier in connection with non-major governmental funds and fiduciary funds are presented immediately following the required supplementary information as other supplementary information on pages 147-188 of this report.

TOWN OF JOHNSTON, RHODE ISLAND

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2024

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position and an important determinant of its ability to finance services in the future. In the case of the Town of Johnston, Rhode Island, liabilities, and deferred inflows of resources for the Town exceeded its assets and deferred outflows of resources by \$232,377,482 at the end of the fiscal year ended June 30, 2024.

The Town of Johnston's unrestricted net deficit at June 30, 2024 is \$298,939,396. Consistent with prior year, the Town of Johnston has significant investment in capital assets (e.g., land, buildings, and equipment), less any related debt used to acquire those assets that are still outstanding. The Town of Johnston uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The restricted net position of \$15.4 million is subject to external restrictions on how it may be used.

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

Town of Johnston Summary of Net Position

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>		<u>Percent Change</u>
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	
Current & other assets	\$ 173,245,654	\$ 173,547,770	\$ 2,179,806	\$ 2,762,970	\$ 175,425,460	\$ 176,310,740	-0.5%
Capital assets	72,573,323	59,040,649	2,405,345	2,535,375	74,978,668	61,576,024	21.8%
Total assets	<u>245,818,977</u>	<u>232,588,419</u>	<u>4,585,151</u>	<u>5,298,345</u>	<u>250,404,128</u>	<u>237,886,764</u>	5.3%
Deferred outflows of resources	<u>23,096,084</u>	<u>45,376,850</u>	<u>--</u>	<u>5,863</u>	<u>23,096,084</u>	<u>45,382,713</u>	-49.1%
Current liabilities	18,746,390	17,417,216	162,595	246,740	18,908,985	17,663,956	7.0%
Long-term liabilities	432,690,254	444,060,266	454,532	616,378	433,144,786	444,676,644	-2.6%
Total liabilities	<u>451,436,644</u>	<u>461,477,482</u>	<u>617,127</u>	<u>863,118</u>	<u>452,053,771</u>	<u>462,340,600</u>	-2.2%
Deferred inflows of resources	<u>53,823,923</u>	<u>80,988,418</u>	<u>--</u>	<u>477,383</u>	<u>53,823,923</u>	<u>81,465,801</u>	-33.9%
Net investment in capital assets	49,352,975	39,706,451	1,809,345	1,776,925	51,162,320	41,483,376	23.3%
Restricted	15,399,594	13,061,798	--	--	15,399,594	13,061,798	17.9%
Unrestricted	<u>(301,098,075)</u>	<u>(317,268,880)</u>	<u>2,158,679</u>	<u>2,186,782</u>	<u>(298,939,396)</u>	<u>(315,082,098)</u>	-5.1%
Total net position	<u>\$ (236,345,506)</u>	<u>\$ (264,500,631)</u>	<u>\$ 3,968,024</u>	<u>\$ 3,963,707</u>	<u>\$ (232,377,482)</u>	<u>\$ (260,536,924)</u>	-10.8%

The assets and deferred outflows of resources for the Town of Johnston were exceeded by its liabilities and deferred inflows of resources at the end of the fiscal year ended June 30, 2024 by \$236,345,506 for its Governmental Activities and its assets and deferred outflows exceeded its liabilities and deferred inflows at the end of fiscal year ended June 30, 2024 by \$3,968,024 for its Business-Type Activities (net position).

TOWN OF JOHNSTON, RHODE ISLAND

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2024

Assets and capital assets increased year over year due to the Town purchasing capital assets of \$16.0 million in 2024. The Town's long-term liabilities decreased due to a reduction in net pension and OPEB liabilities and the repayment of bond principal.

Governmental Activities

Governmental Activities net position increased by \$28,155,125. Property taxes are the largest revenue source for governmental activities, accounting for 46.6% of total revenues while operating grants and contributions contributed to 22.3% of the revenues. A comparison of FY 2024 and FY 2023 activity can be found below:

Town of Johnston Summary of Changes in Net Position

	Governmental Activities		Business-Type Activities		Total		Percent Change
	2024	2023	2024	2023	2024	2023	
Revenues							
Program revenues:							
Charges for services	\$ 11,295,041	\$ 10,054,903	\$ 1,686,378	\$ 1,920,400	\$ 12,981,419	\$ 11,975,303	8.4%
Operating grants	35,518,615	33,312,770	881,456	1,093,492	36,400,071	34,406,262	5.8%
Capital grants	5,918,125	5,543,727	--	--	5,918,125	5,543,727	100.0%
General revenues:							
Property taxes	74,044,694	72,226,344	--	--	74,044,694	72,226,344	2.5%
Motor vehicle phase-out taxes	10,382,784	10,382,785	--	--	10,382,784	10,382,785	0.0%
Unrestricted grants and contributions	13,503,588	7,684,002	--	--	13,503,588	7,684,002	75.7%
Unrestricted investment earnings	7,783,319	4,497,483	--	--	7,783,319	4,497,483	73.1%
Other	291,826	270,592	--	--	291,826	270,592	7.8%
Total Revenue	<u>158,737,992</u>	<u>143,972,606</u>	<u>2,567,834</u>	<u>3,013,892</u>	<u>161,305,826</u>	<u>146,986,498</u>	<u>9.7%</u>
Program Expenses							
General government	7,850,956	7,415,547	--	--	7,850,956	7,415,547	5.9%
Public safety	41,010,799	34,550,181	--	--	41,010,799	34,550,181	18.7%
Public works	8,028,183	6,093,553	--	--	8,028,183	6,093,553	31.7%
Public libraries	745,483	717,093	--	--	745,483	717,093	4.0%
Education	66,259,992	64,708,895	--	--	66,259,992	64,708,895	2.4%
Parks and recreation	1,296,527	1,701,275	--	--	1,296,527	1,701,275	-23.8%
Interest on long-term debt	5,390,928	1,740,294	--	--	5,390,928	1,740,294	209.8%
Sewer	--	--	994,945	912,260	994,945	912,260	9.1%
Other business-type activities	--	--	1,568,572	1,904,164	1,568,572	1,904,164	-17.6%
Total Program Expenses	<u>130,582,867</u>	<u>116,926,838</u>	<u>2,563,517</u>	<u>2,816,424</u>	<u>133,146,384</u>	<u>119,743,262</u>	<u>11.2%</u>
Change in net position	28,155,125	27,045,768	4,317	197,468	28,159,442	27,243,236	3.4%
Net Position - Beginning	<u>(264,500,631)</u>	<u>(291,546,399)</u>	<u>3,963,707</u>	<u>3,766,239</u>	<u>(260,536,924)</u>	<u>(287,780,160)</u>	<u>-9.5%</u>
Net Position - Ending	<u>\$ (236,345,506)</u>	<u>\$ (264,500,631)</u>	<u>\$ 3,968,024</u>	<u>\$ 3,963,707</u>	<u>\$ (232,377,482)</u>	<u>\$ (260,536,924)</u>	<u>-10.8%</u>

- Property taxes increased by 2.5% while unrestricted grants and contributions increased by 75.7% predominately due to an increase in stabilization revenue of \$6.3 million.

TOWN OF JOHNSTON, RHODE ISLAND

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2024

- The Town also saw a significant increase in capital grants of \$374 thousand. This was due to the Town utilizing ARPA funding for capital purposes in fiscal year 2024 as well as state funds received relating to the Town's School Bond project that were utilized on capital.
- Education expenses account for approximately 50.7% of the total expenses within the governmental activities of the Town. Public safety and public works expenses account for 31.4% and 6.2%, respectively, general government makes up 6.0% and the remainder relates to the public library, parks and recreation and interest on long-term debt.

Business-Type Activities: Net position of business-type activities increased by \$4,317.

Charges for services for Sewer Fund increased \$31,648 or 3.7% while expenses increased \$87,087 or 9.8%.

Financial Analysis of the Government's Funds

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

Governmental Funds: The focus of the Town's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the Town's financing requirements. Unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the year.

As of the end of the current fiscal year, the Town of Johnston's governmental funds reported combined ending fund balances of \$136.1 million. Approximately 30.1% of this amount, \$41.0 million constitutes unassigned fund balance which is available for spending at the government's discretion.

General Fund: The General Fund is the chief operating fund of the Town. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$43.3 million. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 33.6% of the 2024 Adopted General Fund Expenditure Budget.

The total fund balance of the Town's General Fund increased by \$2,553,995 during the current fiscal year.

School Unrestricted Fund: The school fund has a total fund balance of (\$2,276,613). The total fund balance of the School Unrestricted Fund decreased by \$721 thousand during the current fiscal year.

General Fund Budgetary Highlights

The Town finished the 2023-2024 Fiscal Year with budgetary surplus as follows:

- General Fund – \$3,244,071

TOWN OF JOHNSTON, RHODE ISLAND

MANAGEMENT’S DISCUSSION AND ANALYSIS

JUNE 30, 2024

The Town continues to increase collection efforts on prior year taxes with tax revenue received over anticipated budget by \$1.5 million. Federal and State funds, primarily associated with motor vehicle excise phase, had favorable gains in intergovernmental funds and state aid. Police department expenditures were under budget by \$648 thousand whereas Fire and street and highways expenditures were over budget by \$1.0 million and \$592 thousand, respectively.

Capital Asset and Debt Administration:

Capital Assets – The Town’s investment in capital assets for its governmental and business-type activities as of June 30, 2024, amounts to \$74,978,668 (net of accumulated depreciation). This investment in capital assets includes investments in land and building improvements, machinery and equipment, park facilities, infrastructure and construction in progress. The total gross increased in the Town’s investment in governmental activities capital assets, prior to accumulated depreciation, for the current fiscal year was \$16,001,843.

	Gross Governmental Capital Assets	
	June 30, 2024	June 30, 2023
Land	\$ 8,979,477	\$ 8,979,477
Construction in progress	23,716,360	9,166,994
Land improvements	3,619,743	3,424,609
Infrastructure	65,486,093	65,486,093
Buildings and improvements	51,430,683	51,430,683
Vehicles and equipment	16,802,126	15,544,783
	<u>\$ 170,034,482</u>	<u>\$ 154,032,639</u>

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

- Public safety vehicle purchases
- School bond construction in progress
- JWMP playground construction

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

Long-term Debt – At the end of the current fiscal year, the Town of Johnston’s governmental activities had \$97,628,713 in bonds outstanding, compared to \$100,369,692 last year, a decrease of \$2,740,979. Total bonded debt for the Town is entirely backed by the full faith and credit of the Town.

State statutes limit the amount of general obligation bonded debt a town can issue to 3% of net assessed property values. However, all bonds approved through State enabling legislation and voter referendums are exempt from the limit. As of June 30, 2024, the Town had a legal debt limit of \$116,176,136, based on net assessed valuations as of December 31, 2022. As of June 30, 2024, the Town had outstanding debt subject to the 3% debt limit of \$10,572,318.

TOWN OF JOHNSTON, RHODE ISLAND

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2024

The Town currently has an “AA” rating from Standard and Poor’s and an “A1” rating from Moody’s for general obligation Debt.

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

Subsequent Fiscal Year 2024-2025 Budget and Tax Rates

The 2024-2025 general fund budget will be \$134,242,201, an increase of \$5,260,349 over the fiscal year 2024 budget of \$129,081,852. This represents an increase of 4.00%.

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

BASIC FINANCIAL STATEMENTS

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TOWN OF JOHNSTON, RHODE ISLAND

STATEMENT OF NET POSITION

JUNE 30, 2024

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets			
Current Assets			
Cash and cash equivalents	\$ 150,008,049	\$ 860,141	\$ 150,868,190
Tax receivable, net	4,433,284	--	4,433,284
Accounts receivable, net	3,196,750	489,227	3,685,977
Internal balances	(805,521)	805,521	--
Due from federal and state governments	2,150,681	--	2,150,681
Prepays and other assets	626,640	24,917	651,557
Lease receivables	2,437,689	--	2,437,689
Total Current Assets	162,047,572	2,179,806	164,227,378
Noncurrent Assets			
Net pension asset	11,198,082	--	11,198,082
Capital assets not being depreciated	32,695,837	--	32,695,837
Capital assets, net of accumulated depreciation	39,877,486	2,405,345	42,282,831
Total Noncurrent Assets	83,771,405	2,405,345	86,176,750
Total Assets	245,818,977	4,585,151	250,404,128
Deferred Outflows of Resources			
Deferred charge on bond refunding, net	11,942	--	11,942
Pension related deferred outflows of resources	13,768,647	--	13,768,647
OPEB related deferred outflows of resources	9,315,495	--	9,315,495
Total Deferred Outflows of Resources	23,096,084	--	23,096,084

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

TOWN OF JOHNSTON, RHODE ISLAND

STATEMENT OF NET POSITION (CONTINUED)

JUNE 30, 2024

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Liabilities			
Current Liabilities			
Accounts payable and accrued expenses	8,920,876	4,574	8,925,450
Unearned revenue	4,398,208	16,553	4,414,761
Escrow deposits	1,046,586	--	1,046,586
Current portion of compensated absences	2,014,291	--	2,014,291
Current portion of general obligation bonds	2,181,429	141,468	2,322,897
Current portion of capital lease obligations	185,000	--	185,000
Total Current Liabilities	18,746,390	162,595	18,908,985
Noncurrent Liabilities			
Compensated absences, net	8,057,163	--	8,057,163
General obligation bonds, net	103,497,949	454,532	103,952,481
Capital lease obligations, net	570,000	--	570,000
Net pension liability	173,809,076	--	173,809,076
Net OPEB liability	146,756,066	--	146,756,066
Total Noncurrent Liabilities	432,690,254	454,532	433,144,786
Total Liabilities	451,436,644	617,127	452,053,771
Deferred Inflows of Resources			
Deferred lease receivables	2,501,102	--	2,501,102
Pension related deferred inflows of resources	11,487,580	--	11,487,580
OPEB related deferred inflows of resources	39,835,241	--	39,835,241
Total Deferred Inflows of Resources	53,823,923	--	53,823,923
Net Position			
Net investment in capital assets	49,352,975	1,809,345	51,162,320
Restricted:			
Net pension asset	11,198,082	--	11,198,082
School grant funds	1,146,431	--	1,146,431
Town grant funds	1,379,967	--	1,379,967
Capital project funds	1,675,114	--	1,675,114
Unrestricted	(301,098,075)	2,158,679	(298,939,396)
Total Net Position	\$ (236,345,506)	\$ 3,968,024	\$ (232,377,482)

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

TOWN OF JOHNSTON, RHODE ISLAND

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2024

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total
					Governmental Activities	Business-Type Activities	
Governmental Activities							
General government	\$ 7,850,956	\$ 6,082,812	\$ 53,683	\$ 1,893,422	\$ 178,961		\$ 178,961
Public safety	41,010,799	2,334,725	1,139,192	--	(37,536,882)		(37,536,882)
Public works	8,028,183	2,610,612	--	--	(5,417,571)		(5,417,571)
Public libraries	745,483	--	--	--	(745,483)		(745,483)
Education	66,259,992	121,704	34,278,055	4,024,703	(27,835,530)		(27,835,530)
Parks and recreation	1,296,527	145,188	47,685	--	(1,103,654)		(1,103,654)
Interest on long-term debt	<u>5,390,928</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>(5,390,928)</u>		<u>(5,390,928)</u>
Total Governmental Activities	<u>130,582,867</u>	<u>11,295,041</u>	<u>35,518,615</u>	<u>5,918,125</u>	<u>(77,851,086)</u>		<u>(77,851,086)</u>
Business-Type Activities							
Sewer	994,945	963,902	22,712	--		\$ (8,331)	(8,331)
Other business-type activities	<u>1,568,572</u>	<u>722,476</u>	<u>858,744</u>	<u>--</u>		<u>12,648</u>	<u>12,648</u>
Total Business-Type Activities	<u>2,563,517</u>	<u>1,686,378</u>	<u>881,456</u>	<u>--</u>		<u>4,317</u>	<u>4,317</u>
Total	<u>\$ 133,146,384</u>	<u>\$ 12,981,419</u>	<u>\$ 36,400,071</u>	<u>\$ 5,918,125</u>	<u>(77,851,086)</u>	<u>4,317</u>	<u>(77,846,769)</u>

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

TOWN OF JOHNSTON, RHODE ISLAND

STATEMENT OF ACTIVITIES (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2024

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
General Revenues			
Property taxes, levied for general purposes	74,044,694	--	74,044,694
Motor vehicle phase-out taxes	10,382,784	--	10,382,784
Other State aid	764,335	--	764,335
Grants and aid not restricted for specific programs	12,739,253	--	12,739,253
Unrestricted investment earnings	7,783,319	--	7,783,319
Miscellaneous	291,826	--	291,826
Total General Revenues and Special Items	<u>106,006,211</u>	<u>--</u>	<u>106,006,211</u>
Change in Net Position	28,155,125	4,317	28,159,442
Net Position - Beginning of Year	<u>(264,500,631)</u>	<u>3,963,707</u>	<u>(260,536,924)</u>
Net Position - End of Year	<u><u>\$ (236,345,506)</u></u>	<u><u>\$ 3,968,024</u></u>	<u><u>\$ (232,377,482)</u></u>

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

TOWN OF JOHNSTON, RHODE ISLAND

BALANCE SHEET GOVERNMENTAL FUNDS

JUNE 30, 2024

	General Fund	School Unrestricted Fund	ARPA Funds	School Bond Fund	Non-Major Governmental Funds	Total Governmental Funds
Assets						
Cash and cash equivalents	\$ 41,129,631	\$ 5,271,771	\$ 4,201,059	\$ 84,621,784	\$ 8,455,650	\$ 143,679,895
Taxes receivable, net	4,433,284	--	--	--	--	4,433,284
Other receivables, net	2,621,826	574,778	--	--	146	3,196,750
Lease receivable	2,437,689	--	--	--	--	2,437,689
Due from federal and state governments	962,781	--	--	--	1,187,900	2,150,681
Prepays	114,858	118,782	--	--	--	233,640
Due from other funds	6,608,064	1,080,989	--	--	2,147,674	9,836,727
Total Assets	<u>\$ 58,308,133</u>	<u>\$ 7,046,320</u>	<u>\$ 4,201,059</u>	<u>\$ 84,621,784</u>	<u>\$ 11,791,370</u>	<u>\$ 165,968,666</u>
Liabilities						
Accounts payable and accrued liabilities	\$ 2,071,926	\$ 1,484,504	\$ 335,474	\$ 2,731,754	\$ 229,634	\$ 6,853,292
Due to other funds	1,887,421	7,838,429	--	--	1,122,882	10,848,732
Unearned revenue	900,744	--	3,497,464	--	--	4,398,208
Escrow deposits	992,680	--	--	--	53,906	1,046,586
Total Liabilities	<u>5,852,771</u>	<u>9,322,933</u>	<u>3,832,938</u>	<u>2,731,754</u>	<u>1,406,422</u>	<u>23,146,818</u>
Deferred Inflows of Resources						
Unavailable tax and EMS revenue	4,215,495	--	--	--	--	4,215,495
Deferred lease receivable	2,501,102	--	--	--	--	2,501,102
Total Deferred Inflows of Resources	<u>6,716,597</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>6,716,597</u>
Fund Balances						
Non-spendable	2,391,488	118,782	--	--	--	2,510,270
Restricted	--	--	--	81,890,030	4,201,512	86,091,542
Committed	--	--	--	--	6,183,436	6,183,436
Assigned	--	--	368,121	--	--	368,121
Unassigned	43,347,277	(2,395,395)	--	--	--	40,951,882
Total Fund Balances	<u>45,738,765</u>	<u>(2,276,613)</u>	<u>368,121</u>	<u>81,890,030</u>	<u>10,384,948</u>	<u>136,105,251</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 58,308,133</u>	<u>\$ 7,046,320</u>	<u>\$ 4,201,059</u>	<u>\$ 84,621,784</u>	<u>\$ 11,791,370</u>	<u>\$ 165,968,666</u>

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

TOWN OF JOHNSTON, RHODE ISLAND

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

JUNE 30, 2024

<i>Total Fund Balance reported in Governmental Funds</i>	\$ 136,105,251
Capital assets, net of accumulated depreciation, used in governmental activities are not financial resources and, therefore are not reported in the Governmental Funds Balance Sheet.	72,573,323
Deferred outflows related to pension plan and OPEB plan are not current measurable and available resources and therefore not reported in the Fund Statements but are reported in the Statement of Net Position.	23,084,142
Deferred inflows related to pension plan and OPEB plan are not current measurable and available resources and therefore not reported in the Fund Statements but are reported in the Statement of Net Position.	(51,322,821)
Deferred loss on refunding of bonds which is amortized over the life of the new bond.	11,942
Long-term assets (liabilities) and related items are not due and payable in the current period and therefore are not reported in the funds. These liabilities are reported in the Statement of Net Position:	
Accrual for net pension asset	11,198,082
Accrual for net pension and net OPEB liabilities	(310,125,670)
Accrual for compensated absences	(10,071,454)
Fire longevity obligation	(7,052,953)
Police COLA obligation	(486,033)
Fire COLA obligation	(2,900,486)
Capital lease obligations	(755,000)
General obligation bonds	(97,628,713)
Bond premium, net of amortization	(8,050,665)
Unavailable tax and EMS revenues (net of an allowance for uncollectibles) are recorded in the funds, but are not recorded under the measurement focus employed in the Statement of Net Position.	4,215,495
Internal Service Funds are recorded as Proprietary Funds in the Fund Statements but are recorded as Governmental Activities on the Government-Wide Statement of Net Position. This is the 2024 impact on the Statement of Net Position, excluding capital assets, net of accumulated depreciation, and long-term liabilities, the impact of which is reflected above.	5,523,051
Interest accrued on long-term debt obligations is reported as a liability in the Statement of Net Position but does not get reported in the Fund Statements.	<u>(662,997)</u>
<i>Total Net Position reported in Statement of Net Position</i>	<u>\$ (236,345,506)</u>

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

TOWN OF JOHNSTON, RHODE ISLAND

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

FOR THE YEAR ENDED JUNE 30, 2024

	General Fund	School Unrestricted Fund	ARPA Funds	School Bond Fund	Non-Major Governmental Funds	Total Governmental Funds
Revenues						
Property taxes	\$ 74,381,623	\$ --	\$ --	\$ --	\$ 750,000	\$ 75,131,623
Intergovernmental	23,886,372	22,877,078	1,893,422	4,024,703	7,012,313	59,693,888
Charges for services	9,928,188	121,704	--	--	1,021,782	11,071,674
Investment income	2,734,180	--	223,067	4,521,927	304,145	7,783,319
State on behalf pension contribution	--	2,919,990	--	--	--	2,919,990
Other miscellaneous	--	139,742	--	--	1,793,761	1,933,503
Total Revenues	<u>110,930,363</u>	<u>26,058,514</u>	<u>2,116,489</u>	<u>8,546,630</u>	<u>10,882,001</u>	<u>158,533,997</u>
Expenditures						
Current						
General government	7,423,614	--	174,165	--	62,819	7,660,598
Public safety	45,660,359	--	--	--	26,441	45,686,800
Public works	7,334,311	--	--	--	--	7,334,311
Public libraries	649,456	--	--	--	3,054	652,510
Education	--	67,410,062	--	--	7,867,002	75,277,064
Parks and recreation	671,570	--	--	--	351,359	1,022,929
Debt Service						
Principal	2,935,979	--	--	--	--	2,935,979
Interest and other costs	3,120,678	--	--	2,270,250	--	5,390,928
Capital Outlays	--	--	1,719,257	13,384,019	1,498,694	16,601,970
Total Expenditures	<u>67,795,967</u>	<u>67,410,062</u>	<u>1,893,422</u>	<u>15,654,269</u>	<u>9,809,369</u>	<u>162,563,089</u>
Excess of Revenues Over (Under) Expenditures						
Before Other Financing Sources (Uses)	<u>43,134,396</u>	<u>(41,351,548)</u>	<u>223,067</u>	<u>(7,107,639)</u>	<u>1,072,632</u>	<u>(4,029,092)</u>
Other Financing Sources (Uses)						
Transfers in	50,000	40,630,401	--	--	--	40,680,401
Transfers out	(40,630,401)	--	--	--	(50,000)	(40,680,401)
Total Other Financing Sources (Uses)	<u>(40,580,401)</u>	<u>40,630,401</u>	<u>--</u>	<u>--</u>	<u>(50,000)</u>	<u>--</u>
Net Change in Fund Balances	2,553,995	(721,147)	223,067	(7,107,639)	1,022,632	(4,029,092)
Fund Balance - Beginning of Year	<u>43,184,770</u>	<u>(1,555,466)</u>	<u>145,054</u>	<u>88,997,669</u>	<u>9,362,316</u>	<u>140,134,343</u>
Fund Balance - End of Year	<u>\$ 45,738,765</u>	<u>\$ (2,276,613)</u>	<u>\$ 368,121</u>	<u>\$ 81,890,030</u>	<u>\$ 10,384,948</u>	<u>\$ 136,105,251</u>

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

TOWN OF JOHNSTON, RHODE ISLAND

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

FOR THE YEAR ENDED JUNE 30, 2024

Net Change in Fund Balances - Total Governmental Funds	\$ (4,029,092)
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.	
Capital outlay, net of disposals	16,001,843
Depreciation expense, net of disposals	(2,469,169)
Governmental funds report principal repayments on debt obligations as an expenditure. However, the repayment of principal has no effect on the net position.	
	2,925,979
Governmental funds do not report fire longevity obligations as a liability. This reports the activity of the liability for 2024.	
	458,675
Changes to the following accounts related to the Town's pension and OPEB plans are reported as an expense for governmental activities but are not reported as an expenditure in the fund financial statements until they are paid with measurable and available resources:	
Change in net pension asset	1,584,819
Change in net pension liability	5,216,882
Change in net OPEB liability	3,878,308
Change in deferred outflows of resources	(22,234,459)
Change in deferred inflows of resources	27,149,020
Governmental funds report premiums received on debt financing as other financing sources when received. However, the Statement of Activities amortizes these premiums over the life of the obligations and records the amortization as a credit to expenses. This is the amortization amount for 2024.	
	295,510
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in governmental funds. Net unavailable tax and EMS revenue decreased from 2023.	
	(496,716)
Accrued interest on long-term debt obligations is reported in the governmental activities but is not reported in the governmental fund statements. This is the decrease in accrued interest expense from 2023.	
	13,588
The governmental funds reflect compensated absences when they will be paid with measurable and available resources. The change from prior year balances is reflected in the Statement of Activities. Compensated absences increased from 2023.	
	(794,467)
The activity for the current year amortization of loss on bond refundings.	
	(46,307)
The activity reported in the Internal Service Funds is presented with the Proprietary Fund Statements. However, this activity is reported as a component of the Governmental Activities in the Statement of Activities. This is the net activity reported for 2024.	
	<u>700,711</u>
Change in Net Position of Governmental Activities in the Statement of Activities	<u>\$ 28,155,125</u>

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

TOWN OF JOHNSTON, RHODE ISLAND

**STATEMENT OF NET POSITION
PROPRIETARY FUNDS**

JUNE 30, 2024

	Business-Type Activities - Enterprise Funds			
	Sewer	Non-Major Enterprise Funds	Total Enterprise Funds	Internal Service Funds
	Assets			
Current Assets				
Cash and cash equivalents	\$ --	\$ 860,141	\$ 860,141	\$ 6,328,154
User charges receivable	453,639	--	453,639	--
Other receivables	--	35,588	35,588	--
Due from other funds	437,128	368,393	805,521	206,484
Deposits	--	--	--	393,000
Other assets	--	24,917	24,917	--
Total Current Assets	890,767	1,289,039	2,179,806	6,927,638
Noncurrent Assets				
Capital assets, net of accumulated depreciation	2,377,977	27,368	2,405,345	--
Total Noncurrent Assets	2,377,977	27,368	2,405,345	--
Total Assets	3,268,744	1,316,407	4,585,151	6,927,638

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

TOWN OF JOHNSTON, RHODE ISLAND

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

JUNE 30, 2024

	<u>Business-Type Activities - Enterprise Funds</u>			
	<u>Sewer</u>	<u>Non-Major Enterprise Funds</u>	<u>Total Enterprise Funds</u>	<u>Internal Service Funds</u>
Liabilities				
Current Liabilities				
Accounts payable and accrued expenses	--	--	--	1,404,587
Unearned revenue	--	16,553	16,553	--
Accrued interest	4,574	--	4,574	--
Current portion of general obligation bonds	141,468	--	141,468	--
Total Current Liabilities	<u>146,042</u>	<u>16,553</u>	<u>162,595</u>	<u>1,404,587</u>
Noncurrent Liabilities				
General obligation bonds, net	454,532	--	454,532	--
Total Noncurrent Liabilities	<u>454,532</u>	<u>--</u>	<u>454,532</u>	<u>--</u>
Total Liabilities	<u>600,574</u>	<u>16,553</u>	<u>617,127</u>	<u>1,404,587</u>
Net Position				
Net investment in capital assets	1,781,977	27,368	1,809,345	--
Unrestricted	886,193	1,272,486	2,158,679	5,523,051
Total Net Position	<u>\$ 2,668,170</u>	<u>\$ 1,299,854</u>	<u>\$ 3,968,024</u>	<u>\$ 5,523,051</u>

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

TOWN OF JOHNSTON, RHODE ISLAND

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

FOR THE YEAR ENDED JUNE 30, 2024

	Business-Type Activities - Enterprise Funds			
	Sewer	Non-Major Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Operating Revenues				
Charges for usage, service and assessments	\$ 963,902	\$ 722,476	\$ 1,686,378	\$ 22,576,331
Intergovernmental	22,712	858,744	881,456	--
Total Operating Revenues	986,614	1,581,220	2,567,834	22,576,331
Operating Expenses				
Salaries and benefits	371,265	--	371,265	--
Contractual services	197,039	1,563,098	1,760,137	--
Repairs and maintenance	132,220	--	132,220	--
Utilities	50,804	--	50,804	--
Healthcare management	--	--	--	22,160,787
Depreciation and amortization	225,210	5,474	230,684	--
Total Operating Expenses	976,538	1,568,572	2,545,110	22,160,787
Operating Income	10,076	12,648	22,724	415,544
Nonoperating Revenues (Expenses)				
Interest income	--	--	--	285,167
Interest expense	(18,407)	--	(18,407)	--
Net Nonoperating Revenues (Expenses)	(18,407)	--	(18,407)	285,167
Income (Loss) Before Transfers	(8,331)	12,648	4,317	700,711
Transfers out	--	--	--	--
Total Transfers	--	--	--	--
Changes in Net Position	(8,331)	12,648	4,317	700,711
Total Net Position - Beginning	2,676,501	1,287,206	3,963,707	4,822,340
Total Net Position - Ending	\$ 2,668,170	\$ 1,299,854	\$ 3,968,024	\$ 5,523,051

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

TOWN OF JOHNSTON, RHODE ISLAND

STATEMENT OF CASH FLOWS PROPRIETARY FUNDS

FOR THE YEAR ENDED JUNE 30, 2024

	Business-Type Activities - Enterprise Funds			
	Sewer	Non-Major Enterprise Funds	Total Enterprise Funds	Internal Service Funds
	Sewer	Funds	Funds	Service Funds
Cash Flows from Operating Activities				
Cash received from customers	\$ 904,288	\$ 722,476	\$ 1,626,764	\$ 22,576,331
Cash received from grantor	22,712	1,001,898	1,024,610	--
Claims paid	--	--	--	(22,283,157)
Cash paid to suppliers for goods and services and other operating payments	(380,063)	(1,668,077)	(2,048,140)	--
Cash paid for employees and benefits	(371,265)	--	(371,265)	--
Net Cash Provided by Operating Activities	<u>175,672</u>	<u>56,297</u>	<u>231,969</u>	<u>293,174</u>
Cash Flows from Noncapital Financing Activities				
(Payments to) receipts from other funds	<u>104,599</u>	<u>436,782</u>	<u>541,381</u>	<u>(335,865)</u>
Net Cash (Used in) Provided by Noncapital Financing Activities	<u>104,599</u>	<u>436,782</u>	<u>541,381</u>	<u>(335,865)</u>
Cash Flows from Capital and Related Financing Activities				
Acquisition of capital assets	(118,965)	--	(118,965)	--
Principal payments on long-term debt	(142,072)	--	(142,072)	--
Interest and finance charges paid on debt obligations	(19,234)	--	(19,234)	--
Net Cash Used in Capital and Related Financing Activities	<u>(280,271)</u>	<u>--</u>	<u>(280,271)</u>	<u>--</u>
Cash Flows from Investing Activities				
Investment income	--	--	--	285,167
Net Cash Provided by Investing Activities	<u>--</u>	<u>--</u>	<u>--</u>	<u>285,167</u>
Net Increase in Cash and Cash Equivalents	<u>--</u>	<u>493,079</u>	<u>493,079</u>	<u>242,476</u>
Cash, Cash Equivalents, and Restricted Cash - Beginning of Year	<u>--</u>	<u>367,062</u>	<u>367,062</u>	<u>6,085,678</u>
Cash, Cash Equivalents, and Restricted Cash - End of Year	<u>\$ --</u>	<u>\$ 860,141</u>	<u>\$ 860,141</u>	<u>\$ 6,328,154</u>

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

TOWN OF JOHNSTON, RHODE ISLAND

STATEMENT OF CASH FLOWS PROPRIETARY FUNDS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2024

	Business-Type Activities - Enterprise Funds			
	Sewer	Non-Major Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Reconciliation of Operating Income to Net Cash				
Provided by Operating Activities				
Operating income	\$ 10,076	\$ 12,648	\$ 22,724	\$ 415,544
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation and amortization expense	225,210	5,474	230,684	--
(Increase) decrease in assessments and fees receivable	(59,614)	--	(59,614)	--
(Increase) decrease in intergovernmental receivables	--	120,889	120,889	--
Increase (decrease) in accounts payable and accrued expenses	--	(94,844)	(94,844)	(122,370)
Increase (decrease) in unearned revenue	--	12,130	12,130	--
	<u>\$ 175,672</u>	<u>\$ 56,297</u>	<u>\$ 231,969</u>	<u>\$ 293,174</u>
Net Cash Provided by Operating Activities				

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

TOWN OF JOHNSTON, RHODE ISLAND

**STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS**

JUNE 30, 2024

	Pension and OPEB Trust Funds	Private Purpose Trust Funds	Custodial Funds
Assets			
Cash and cash equivalents	\$ 361,221	\$ 25,659	\$ 268,757
Investments, at fair value:			
Investment mutual funds	77,485,630	--	--
Accounts receivable	--	--	107,750
Prepaid items	932,841	--	--
Total Assets	<u>78,779,692</u>	<u>25,659</u>	<u>376,507</u>
Liabilities			
Accrued expenses	12,356	--	--
Total Liabilities	<u>12,356</u>	<u>--</u>	<u>--</u>
Net Position			
Restricted for individuals, organizations, and other governmen	--	--	376,507
Restricted for other post-employment benefits	12,680,927	--	--
Restricted for pension benefits	66,086,409	--	--
Restricted for private purposes per trust agreement	--	25,659	--
Total Net Position	<u>\$ 78,767,336</u>	<u>\$ 25,659</u>	<u>\$ 376,507</u>

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

TOWN OF JOHNSTON, RHODE ISLAND

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION FIDUCIARY FUNDS

FOR THE YEAR ENDED JUNE 30, 2024

	Pension and OPEB Trust Funds	Private Purpose Trust Funds	Custodial Funds
Additions			
Contributions:			
Employer contributions	\$ 18,799,250	\$ --	\$ --
Plan member contributions	350,295	--	--
Other income	1,647	--	--
Total Contributions	<u>19,151,192</u>	<u>--</u>	<u>--</u>
Investment earnings:			
Net change in fair value of investments	6,597,122	--	--
Interest and dividends	3,102,384	1,167	12,292
Total Investment Earnings	<u>9,699,506</u>	<u>1,167</u>	<u>12,292</u>
Total Additions	<u>28,850,698</u>	<u>1,167</u>	<u>12,292</u>
Deductions			
Benefits paid	18,863,979	--	--
Administration	166,259	--	--
Total Deductions	<u>19,030,238</u>	<u>--</u>	<u>--</u>
Change in Net Position	9,820,460	1,167	12,292
Net Position - Beginning of Year	<u>68,946,876</u>	<u>24,492</u>	<u>364,215</u>
Net Position - End of Year	<u>\$ 78,767,336</u>	<u>\$ 25,659</u>	<u>\$ 376,507</u>

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

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

REPORTING ENTITY

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

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

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

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

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

REPORTING ENTITY (CONTINUED)

BASIS OF PRESENTATION

Government-Wide Financial Statements

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

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

Fund Financial Statements

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

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

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

BASIS OF PRESENTATION (CONTINUED)

Fund Financial Statements (Continued)

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

GOVERNMENTAL FUNDS

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

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

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

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

Proprietary Funds

Proprietary Funds are used to account for business-like activities provided to the general public (enterprise funds) or within the government (internal service funds). These activities are financed primarily by user charges and the measurement of financial activity focuses on net income measurement similar to the private sector. Operating revenues of the Proprietary Funds consist of customer charges for uses and services and certain other miscellaneous revenues. All other revenues of the Proprietary Funds are considered non-operating sources of revenue. The Proprietary Funds include Enterprise Funds. During the year ended June 30, 2024 the Town maintained six enterprise funds including the Sewer Fund which is reported as a major fund.

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

BASIS OF PRESENTATION (CONTINUED)

Fund Financial Statements (Continued)

Fiduciary Funds (Not Included in Government-Wide Statements)

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

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

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

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

MAJOR AND NON-MAJOR FUNDS

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

<u>Fund</u>	<u>Brief Description</u>
<i>Major:</i>	
General Fund	See above for description.
<i>Special Revenue Funds:</i>	
School Unrestricted	Acts as the primary operating fund for the Johnston School Department.
ARPA Funds	Accounts for the Town’s American Rescue Plan Act Funds.
<i>Capital Project Fund:</i>	
School Bond Fund	Accounts for the Town’s school bond proceeds and expenditures.

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

MAJOR AND NON-MAJOR FUNDS

<u>Fund</u>	<u>Brief Description</u>
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Major (Continued):

Proprietary Funds:

Sewer Fund	Accounts for the operations of the Town’s Sewer Department.
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Internal Service Fund Accounts for the operations of the Town and School Department’s Healthcare Management.

Non-Major:

Special Revenue Funds	Grant programs including federal grants, state grants, and private grants.
-----------------------	--

The Town currently maintains seventy-three (73) special revenue funds which have been classified as non-major Governmental Funds. The details of these funds may be found in the combining non-major fund statements in the other supplementary information section of these financial statements.

Capital Project Funds	The Town currently maintains seven (7) Capital Project Funds. The details of these funds may be found in the combining non-major fund statements in the other supplementary information section of these financial statements.
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MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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

- (a) All governmental funds utilize a current financial resources measurement focus and a modified accrual basis of accounting. Only current financial assets, deferred outflows of resources, liabilities, and deferred inflows of resources are generally included on their balance sheets. Operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING (CONTINUED)

(b) The proprietary fund utilizes an economic resources measurement focus and accrual basis of accounting. The accounting objectives of this measurement focus are the determination of net income, financial position and cash flows. All assets and deferred outflows of resources, and liabilities and deferred inflows of resources (whether current or noncurrent) associated with their activities are reported. Proprietary fund equity is classified as net position.

(c) Custodial funds are not involved in the measurement of results of operations.

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

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

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

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

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

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING (CONTINUED)

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

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

Cash and Cash Equivalents

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

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

Investments

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

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

Accounts Receivable

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

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Accounts Receivable (Continued)

In the fund financial statements, material receivables in governmental funds include revenue accruals such as property taxes collected within 60 days of year end and grants and other similar intergovernmental revenues since they are usually both measurable and available. Non-exchange transactions earned/measurable but not available are deferred in the fund financial statements in accordance with modified accrual, but not deferred in the Government-wide financial statements in accordance with the accrual basis. Proprietary fund receivables consist of all revenues earned at year end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. At June 30, 2024 the Town has estimated the allowance for uncollectible receivables for delinquent taxes of \$4,205,144 and an allowance for uncollectible receivables for municipal court receivables and fire rescue receivables of \$1,121,862. Interest on delinquent taxes is recorded on the cash basis due to uncertainty of collectability.

Property Taxes

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

For 2024, Rhode Island General Law restricts the Town's ability to increase its total tax levy by more than 4.00% over that of the preceding fiscal year.

Leases (as Lessor)

The Town recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements. At the commencement of a lease, the Town initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. 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.

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Leases (as Lessor) (Continued)

Key estimates and judgments include how the Town determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts. The Town uses its estimated incremental borrowing rate as the discount rate for leases. The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee. The Town monitors changes in circumstances that would require a remeasurement of its lease, and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

Prepays

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

Encumbrances

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

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

Capital Assets

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

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

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Capital Assets (Continued)

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

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

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

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

The Town reviews the carrying value of its long-lived assets to ensure that any impairment issues are identified and appropriately reflected in the financial statements. Should the expected cash flows be less than the carrying value, an impairment loss would be recognized to reduce the carrying value. There was no impairment loss recorded during 2024.

Bond Premiums, Discounts and Issuance Costs

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

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

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Long-Term Obligations

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

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

Compensated Absences

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

Judgments and Claims

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

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position and/or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate section represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until that later date. At June 30, 2024 the Town reported \$23,084,142 of deferred outflows of resources related to pension and OPEB in the Government-Wide Statement of Net Position. A deferred outflow of resources related to pension and OPEB results from differences between expected and actual experience, changes in assumptions or other inputs. These amounts are deferred and included in pension expense in a systematic and rational manner over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension and OPEB plan (active employees and inactive employees).

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Deferred Outflows/Inflows of Resources (Continued)

In addition, at June 30, 2024 the Town also reported \$11,942 of deferred outflows related to deferred loss on refundings in the Government-Wide Statement of Net Position. The deferred loss on refunding is the unamortized balance of the difference between the carrying value of the refunded debt and the new debt.

In addition to liabilities, the statement of net position and/or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate section represents the acquisition of net position that applies to a future period and therefore will not be recognized as an inflow of resources (revenue) until a later date. At June 30, 2024 the Town reported \$51,322,821 of deferred inflows of resources related to pension and OPEB in the Government-Wide Statement of Net Position. A deferred inflow of resources related to pension and OPEB results from differences between expected and actual experience, changes in assumptions or other inputs. These amounts are deferred and included in pension/OPEB expense in a systematic and rational manner over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension and OPEB plans (active employees and inactive employees). In addition, at June 30, 2024 the Town also reported in the Government-Wide Statement of Net Position \$2,501,102 related to deferred lease revenue.

At June 30, 2024 the Town also had two items that qualified as a deferred inflow of resources in the governmental funds balance sheet, the unavailable tax and EMS revenue of \$4,215,495. The unavailable tax revenue at June 30, 2024 represents property taxes receivables which are assessed on December 31, 2021 and prior and are not collected within 60 days of June 30, 2024. The unearned EMS revenue represents rescue fees for services provided prior to June 30, 2024 but not recognized as revenue since they are considered unavailable as of June 30, 2024. The net unavailable tax and EMS revenue are considered unavailable and will be recognized as an inflow of resources in the year(s) in which the amounts become available.

Interfund Transactions

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

Reciprocal interfund activities:

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

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Interfund Transactions (Continued)

Non-reciprocal interfund activities:

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

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

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

Net Position/Fund Balance

Government-Wide Financial Statements

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

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

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Net Position/Fund Balance (Continued)

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

Governmental Fund Financial Statements

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

- Non-spendable – amounts that cannot be spent because they are either a) not in spendable form or b) legally or contractually required to be maintained intact. “Not in spendable form” includes items that are not expected to be converted to cash within one year.
- Restricted – includes amounts that are restricted for specific purposes. Fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.
- Committed – the Town Council and Mayor with the adoption of an ordinance or resolution, may commit fund balance for specific purposes pursuant to constraints imposed by formal actions taken, such as an ordinance or resolution. These committed amounts cannot be used for any other purpose unless the Town Council removes or changes the specific use through the same type of formal action taken to establish the commitment. This constraint must be imposed prior to the fiscal year end, but the specific amount may be determined at a later date.
- Assigned – amounts that are intended by the Town to be used for specific purposes, but are neither restricted nor committed. The authority to assign fund balance is designated to the Mayor.
- Unassigned – the residual amount in the General Fund available for any purpose.

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

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

PENSIONS

Employees' Retirement System (ERS)

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

Municipal Employees' Retirement System (MERS)

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

Teachers' Survivors Benefit plan (TSB)

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

Police and Fire Pension

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

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

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

RECENTLY ISSUED ACCOUNTING STANDARDS

During the year ended June 30, 2024 the Town adopted GASB Statement No. 100, *Accounting Changes and Error Corrections*. The impact of this standard was determined to be immaterial to the Town's financial statements.

USE OF ESTIMATES

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

SUBSEQUENT EVENTS

Management has evaluated subsequent events through March 31, 2025, which is the date these financial statements were available to be issued. There were no subsequent events requiring recognition or disclosure in these financial statements.

NOTE 2 - CASH DEPOSITS AND INVESTMENTS

CASH AND CASH EQUIVALENTS

At June 30, 2024, the carrying amount of the Town's cash and cash equivalents was \$151,523,827 (including \$655,637 of cash held in fiduciary funds). The Town's entire balance was covered by either FDIC insurance or collateral held in the Town's name.

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 2 - CASH DEPOSITS AND INVESTMENTS (CONTINUED)

INVESTMENTS

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

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

The fair value hierarchy is categorized into three levels based on the inputs as follows:

Level 1 – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical assets or liabilities.

Level 2 – Inputs other than quoted prices in active markets for identical assets and liabilities that are observable either directly or indirectly for substantially the full term of the asset or liability.

Level 3 – Unobservable inputs for the asset or liability (supported by little or no market activity). Level 3 inputs include management’s own assumption about the assumptions that market participants would use in pricing the asset or liability (including assumptions about risk).

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

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

The following table summarizes the investments of the Town and also held in the Pension and OPEB trust fund, at fair value, as of June 30, 2024:

	Level 1	Level 2	Level 3	Total
Investments by Fair Value Level				
Mutual Funds	\$ 77,485,630	\$ --	\$ --	\$ 77,485,630
Total Investments by Fair Value Level	\$ 77,485,630	\$ --	\$ --	\$ 77,485,630

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 2 - CASH DEPOSITS AND INVESTMENTS (CONTINUED)

INVESTMENTS (CONTINUED)

Custodial Credit Risk

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

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of the investment in a single issuer. The Town manages its risk by participating in a certificate of deposit pool, maximizing the Federal Deposit Insurance Corporation (FDIC) coverage over deposits by limiting the amount on deposit in any one financial institution, and also by securing full collateralization of any remaining uninsured deposits. As of June 30, 2024, more than 5% of the Town's fiduciary investments are invested in the following:

Issuer	Investment	Value	% of Fiduciary Investments
Vanguard	Large Cap Index Fund	\$ 19,526,093	25.20%
Vanguard	Total Bond Markets Index Fund	\$ 15,678,111	20.23%
Vanguard	Small Cap Index Fund	\$ 9,157,738	11.82%
Vanguard	Mid-Cap Index Fund	\$ 9,882,222	12.75%
Vanguard	Developed Markets Index Fund	\$ 6,201,821	8.00%

Credit Risk

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

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates and will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in interest rates.

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 3 - PROPERTY TAXES

The Town is responsible for assessing, collecting and distributing property taxes in accordance with enabling state legislation. Net property taxes levied for fiscal year 2024 were based on a net assessed value of \$3,872,537,867 and amounted to \$75,679,738.

Unpaid property taxes as of June 30, 2024 of \$8,638,428, are recorded as a receivable, net of an allowance for uncollectible property taxes of \$4,205,144. Those net property taxes receivable which were not collected within 60 days immediately following June 30, 2024, are recorded as a deferred inflow in fiscal 2024. Property taxes collected within 60 days following June 30, 2024, are recognized as revenue in the governmental fund financial statements and amounted to \$1,521,325. As of July 1, 2022 the Town levied property taxes for its fiscal year as follows:

	Taxable Assessment	Exemptions	Net Tax Assessment	Rate Per \$1,000	Net Levy
Real property residential	\$ 3,729,384,654	\$ 655,746,716	\$ 3,073,637,938	\$ 15.30	\$ 47,027,809
Real property other	619,718,676	1,852,957	617,865,719	27.43	16,948,057
Tangible property	<u>181,034,210</u>	<u>--</u>	<u>181,034,210</u>	64.65	<u>11,703,872</u>
	<u>\$4,530,137,540</u>	<u>\$ 657,599,673</u>	<u>\$ 3,872,537,867</u>		<u>\$ 75,679,738</u>

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 4 - INTERFUND BALANCES AND TRANSFERS

Due to/from balances represent short-term advances from one fund (primarily the General Fund) to another fund. The advances may represent balances resulting from operating advances or reimbursements for expenditures paid by one fund on behalf of another fund. The composition of interfund balances at June 30, 2024, was as follows:

	Due From	Due To
General Fund	\$ 6,608,064	\$ 1,887,421
School Unrestricted	1,080,989	7,838,429
Non-Major Governmental Funds	2,147,674	1,122,882
Internal Service Funds	206,484	--
Sewer	437,128	--
Non-Major Enterprise Funds	368,393	--
Total	\$ 10,848,732	\$ 10,848,732

The Town had interfund transfers totaling \$40,680,401 during the year ended June 30, 2024. The composition of these interfund transfers was as follows:

	Transfers In	Transfers Out
General Fund	\$ 50,000	\$ 40,630,401
School Unrestricted	40,630,401	--
Non-Major Governmental Funds	--	50,000
Total	\$ 40,680,401	\$ 40,680,401

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 5 - CAPITAL ASSETS

	Beginning Balance 7/1/2023	Increases	Decreases	Ending Balance 6/30/2024
Capital Assets Not Being Depreciated				
Land	\$ 8,979,477	\$ --	\$ --	\$ 8,979,477
Construction in progress	<u>9,166,994</u>	<u>15,375,403</u>	<u>(826,037)</u>	<u>23,716,360</u>
Total Capital Assets Not Being Depreciated	<u>18,146,471</u>	<u>15,375,403</u>	<u>(826,037)</u>	<u>32,695,837</u>
Capital Assets Being Depreciated				
Land improvements	3,424,609	195,134	--	3,619,743
Buildings and improvements	51,430,683	--	--	51,430,683
Infrastructure	65,486,093	--	--	65,486,093
Vehicles and equipment	<u>15,544,783</u>	<u>1,857,470</u>	<u>(600,127)</u>	<u>16,802,126</u>
Total Capital Assets Being Depreciated	<u>135,886,168</u>	<u>2,052,604</u>	<u>(600,127)</u>	<u>137,338,645</u>
Less: Accumulated Depreciation For				
Land improvements	588,496	72,631	--	661,127
Buildings and improvements	27,492,473	1,169,043	--	28,661,516
Infrastructure	54,210,035	724,093	--	54,934,128
Vehicles and equipment	<u>12,700,986</u>	<u>1,103,529</u>	<u>(600,127)</u>	<u>13,204,388</u>
Total Accumulated Depreciation	<u>94,991,990</u>	<u>3,069,296</u>	<u>(600,127)</u>	<u>97,461,159</u>
Governmental Activities Capital Assets, Net	<u>\$ 59,040,649</u>	<u>\$ 14,358,711</u>	<u>\$ (826,037)</u>	<u>\$ 72,573,323</u>

Depreciation was charged to functions as follows:

Governmental Activities:

General government	\$ 377,231
Public safety	931,312
Public works	693,872
Parks and recreation	273,598
Education	700,310
Public libraries	<u>92,973</u>
Total Governmental Activities Depreciation Expense	<u>\$ 3,069,296</u>

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 5 - CAPITAL ASSETS (CONTINUED)

Business-Type Activities:

	Beginning Balance 7/1/2023	Increases	Decreases	Ending Balance 6/30/2024
Capital Assets Being Depreciated:				
Distribution and collection systems	\$ 3,272,669	\$ --	\$ --	\$ 3,272,669
Machinery and equipment	1,071,553	124,826	--	1,196,379
Vehicles	<u>317,223</u>	<u>--</u>	<u>(317,223)</u>	<u>--</u>
Total Capital Assets Being Depreciated	<u>4,661,445</u>	<u>124,826</u>	<u>(317,223)</u>	<u>4,469,048</u>
Less: Accumulated Depreciation For				
Distribution and collection systems	1,229,022	126,559	--	1,355,581
Machinery and equipment	613,815	94,307	--	708,122
Vehicles	<u>283,233</u>	<u>9,818</u>	<u>(293,051)</u>	<u>--</u>
Total Accumulated Depreciation	<u>2,126,070</u>	<u>230,684</u>	<u>(293,051)</u>	<u>2,063,703</u>
Business-Type Activities Capital Assets, Net	<u>\$ 2,535,375</u>	<u>\$ (105,858)</u>	<u>\$ (610,274)</u>	<u>\$ 2,405,345</u>

Depreciation was charged to functions as follows:

Business-Type Activities:

Sewer	\$ 225,210
Nutrition Fund	<u>5,474</u>
Total Business-Type Activities Depreciation Expense	<u>\$ 230,684</u>

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 6 - LONG-TERM OBLIGATIONS

A summary of long-term obligations as of June 30, 2024, is as follows:

	Original Amount	Date of Issue	Date of Maturity	Interest Rate %	Beginning Balance	Additions	Retirements	Ending Balance	Due Within One Year
Governmental Activities:									
Bonds and Notes:									
Public Offerings									
General obligation bonds	\$ 5,000,000	6/12/2013	6/1/2033	2.00-4.00%	\$ 2,550,000	\$ --	\$ 255,000	\$ 2,295,000	\$ 255,000
Direct Borrowings and Placements:									
General obligation refunding bonds	6,955,000	5/29/2012	6/1/2024	2.85%	617,550	--	617,550	--	--
General obligation bonds	4,000,000	5/1/2014	5/1/2029	2.48%	1,900,000	--	285,000	1,615,000	310,000
General obligation bonds	3,990,000	3/5/2015	6/1/2025	1.89%	835,000	--	415,000	420,000	420,000
General obligation bonds	2,500,000	5/24/2016	5/1/2031	2.19%	1,435,000	--	165,000	1,270,000	170,000
General obligation bonds	1,238,000	11/16/2016	11/1/2031	2.63%	796,000	--	80,000	716,000	83,000
Tax increments financing bond	1,400,000	2/15/2017	6/15/2042	4.66%	1,269,000	--	32,000	1,237,000	32,000
General obligation bonds	710,000	8/16/2017	8/15/2027	2.35%	357,142	--	71,429	285,713	71,429
General obligation bonds	5,600,000	6/14/2018	7/15/2028	2.94%	3,590,000	--	550,000	3,040,000	565,000
General obligation refunding bonds	2,800,000	10/16/2019	9/1/2029	2.07%	2,020,000	--	270,000	1,750,000	275,000
RIHEBC revenue bonds, series 2022f	85,000,000	9/29/2022	5/15/2052	5.00%	85,000,000	--	--	85,000,000	--
Total Direct Borrowing and Placements					<u>97,819,692</u>	<u>--</u>	<u>2,485,979</u>	<u>95,333,713</u>	<u>1,926,429</u>
Total Bonds and Notes					100,369,692	--	2,740,979	97,628,713	2,181,429
Premiums					8,346,175	--	295,510	8,050,665	--
Total Bonds, Notes and Premiums					<u>108,715,867</u>	<u>--</u>	<u>3,036,489</u>	<u>105,679,378</u>	<u>2,181,429</u>
Capital leases payable					940,000	--	185,000	755,000	185,000
Compensated absences					9,276,987	2,321,203	1,526,736	10,071,454	2,014,291
Net pension liability					179,274,414	--	5,465,338	173,809,076	--
Net OPEB liability					150,634,374	--	3,878,308	146,756,066	--
Total Governmental Activities									
Long-Term Liabilities					<u>\$ 448,841,642</u>	<u>\$ 2,321,203</u>	<u>\$ 14,091,871</u>	<u>\$ 437,070,974</u>	<u>\$ 4,380,720</u>

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 6 - LONG-TERM OBLIGATIONS (CONTINUED)

	<u>Original Amount</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate %</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Business-Type Activities:									
<u>Sewer Fund</u>									
Direct Borrowings and Placements:									
General obligation refunding bonds	\$ 6,955,000	6/29/2012	6/1/2024	2.85%	\$ 72,450	\$ --	\$ 72,450	\$ --	\$ 72,450
RIIB Revolving Fund	2,500,000	10/6/2009	9/1/2029	2.69%-3.08%	686,000	--	90,000	596,000	69,018
Total Direct Borrowings and Placements					<u>758,450</u>	<u>--</u>	<u>162,450</u>	<u>596,000</u>	<u>141,468</u>
Total Business-Type Activities					\$ 758,450	\$ --	\$ 162,450	\$ 596,000	\$ 141,468
Long-Term Liabilities									

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

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

Fiscal Year Ending June 30,	<u>Public Offerings</u>		<u>Direct Borrowings and Placements</u>			
	<u>Governmental Activities</u>		<u>Governmental Activities</u>		<u>Business-Type Activities</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2025	\$ 255,000	\$ 80,580	\$ 1,926,429	\$ 4,829,008	\$ 69,018	\$ 14,841
2026	255,000	72,930	3,057,427	4,781,467	73,264	12,411
2027	255,000	55,335	3,194,429	4,673,105	77,509	9,807
2028	255,000	46,538	3,320,428	4,550,876	76,754	7,115
2029	255,000	46,538	3,385,000	4,303,339	80,848	3,726
2030-2034	1,020,000	94,350	11,497,000	20,496,420	218,607	2,056
2035-2039	--	--	13,483,000	17,451,506	--	--
2040-2044	--	--	17,085,000	13,481,160	--	--
2045-2049	--	--	22,035,000	8,265,078	--	--
2050-2052	--	--	16,350,000	1,831,444	--	--
	<u>\$ 2,295,000</u>	<u>\$ 396,271</u>	<u>\$ 95,333,713</u>	<u>\$ 84,663,403</u>	<u>\$ 596,000</u>	<u>\$ 49,956</u>

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 6 - LONG-TERM OBLIGATIONS (CONTINUED)

TAX INCREMENT FINANCING BONDS

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

In fiscal year 2017, the Town issued \$1,400,000 in special obligation tax increment revenue bonds. The debt service on these bonds is payable solely from the tax increment generated by the property within the project area. The Town and its taxpayer are not liable for such bonds, except to the extent of the additional property taxes generated within the project area are dedicated to repayment of the bonds. If the project does not generate enough additional taxes to pay the debt service on the bonds, the bondholders do not have any rights for claims against the Town's other taxes and revenues. The special obligation tax increment revenue bonds are not general obligations of the Town nor do they count against the Town's statutory debt limit. Total principal and interest remaining on the bonds is \$1,858,131 payable through 2041. For the current year, principal and interest paid was \$32,000 and \$59,135, respectively.

In fiscal year 2022, the Town issued \$550,000 in special obligation tax increment revenue bonds. The debt service on these bonds is payable solely from the tax increment generated by the property within the project area. The Town and its taxpayer are not liable for such bonds, except to the extent of the additional property taxes generated within the project area and dedicated to repayment of the bonds. If the project does not generate enough additional taxes to pay the debt service on the bonds, the bondholders do not have any rights for claims against the Town's other taxes and revenues. The special obligation tax increment revenue bonds are not general obligations of the Town nor do they count against the Town's statutory debt limit. Total principal and interest remaining on the bonds is \$758,411 payable through 2046. For the current year, principal and interest paid was \$10,000 and \$17,370, respectively.

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 6 - LONG-TERM OBLIGATIONS (CONTINUED)

CAPITAL LEASES

At June 30, 2024, scheduled annual debt service requirements to maturity for governmental capital leases are as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Governmental Activity</u>
2025	\$ 193,082
2026	195,795
2027	193,477
2028	191,159
2029	--
Total minimum lease payments	<u>773,513</u>
Less: amount for interest	<u>(18,513)</u>
Present value of Minimum Lease Payments	<u><u>\$ 755,000</u></u>

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 7 - FUND BALANCES

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

Non-Spendable:

General Fund - prepaid items and advances to other funds	\$ 2,391,488
School Unrestricted Fund - prepaid expenditures	<u>118,782</u>
Total Non-Spendable	<u>\$ 2,510,270</u>

Restricted:

Educational purposes	\$ 1,146,431
General government	751,824
Public safety	628,143
Capital Projects	1,675,114
School Bond	<u>81,890,030</u>
Total Restricted Fund Balance	<u>\$ 86,091,542</u>

Committed:

Town Special Revenue - nongrant funds	\$ 3,403,887
Capital Projects	<u>2,779,549</u>
Total Committed Fund Balance	<u>\$ 6,183,436</u>

Assigned

ARPA funds	<u>\$ 368,121</u>
Total Assigned Fund Balance	<u>\$ 368,121</u>

Unassigned:

General Fund	\$ 43,347,277
School Unrestricted Fund - deficit fund balance	<u>(2,395,395)</u>
Total Unassigned Fund Balance	<u>\$ 40,951,882</u>

At June 30, 2024, the following funds had a deficit (negative) fund balance or deficit net position, as applicable:

Governmental Funds:

School Unrestricted Fund	<u>\$ 2,276,613</u> **
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** Deficit will be covered via transfer of funds or additional revenue sources

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 8 - PENSION PLANS

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

MUNICIPAL PLAN

Plan Description

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

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

Benefits Provided

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

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

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 8 - PENSION PLANS (CONTINUED)

MUNICIPAL PLAN (CONTINUED)

Benefits Provided (Continued)

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

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

General Employees

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

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

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

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

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

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

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 8 - PENSION PLANS (CONTINUED)

MUNICIPAL PLAN (CONTINUED)

Benefits Provided (Continued)

General Employees (Continued)

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

Police and Fire Employees

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

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

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

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

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

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

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 8 - PENSION PLANS (CONTINUED)

MUNICIPAL PLAN (CONTINUED)

Benefits Provided (Continued)

Police and Fire Employees (Continued)

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

Other Benefit Provisions

Death and disability benefits are also provided to members. A member is eligible for a disability retirement provided he/she has credit for at least five years of service or if the disability is work-related. Members are not eligible for an ordinary disability benefit if they are eligible for unreduced retirement. Joint and survivor benefit options are available to retirees. For some employees, a Social Security option is also available where an annuity is paid at one amount prior to age 62, and at a reduced amount after age 62, designed to provide a level total income when combined with the member's age 62 Social Security benefit. Benefits cease upon the member's death.

Post-retirement benefit increases are paid to members who retire after June 30, 2012. Members will be eligible to receive cost of living increases at the later of the member's third anniversary of retirement and the month following their SSNRA (age 55 for members designated as police officers and/or firefighters). When a municipality elects coverage, it may elect either COLA C (covering only current and future active members and excluding members already retired) or COLA B (covering current retired members as well as current and future active members). Cost of living adjustments are provided to retirees based on statutory provisions (Section 36-10-35 of the Rhode Island General Laws). For members and/or beneficiaries of members who retired on or before June 30, 2012, cost of living adjustments are computed annually. For members retiring on or after July 1, 2012, twenty-five percent (or 1/4th) of the cost of living adjustment is computed annually until the plan reaches a 75% funded status. The full benefit adjustment is reinstated for all members upon the plan reaching the 75% funded status.

- a) Effective July 1, 2015, the COLA is determined based on 50% of the plan's five-year average investment rate of return less 5.5% limited to a range of 0.0% to 4.0%, plus 50% of the lesser of 3.0% or last year's CPI-U increase for a total maximum increase of 3.50%. Previously, it was the plan's five-year average investment rate of return less 5.5% limited to a range of 0.0% to 4.0%.
- b) The COLA will be limited to the first \$25,000 of the member's annual pension benefit. For retirees and beneficiaries who retired on or before July 1, 2015, years in which a COLA is payable based on the every fourth year provision described in (a) above will be limited to the first \$30,000. These limits will be indexed annually to increase in the same manner as COLAs, with the known values of \$27,608 for 2021, \$27,901 for 2022, and \$28,878 for 2023.

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 8 - PENSION PLANS (CONTINUED)

MUNICIPAL PLAN (CONTINUED)

Employees Covered by Benefit Terms

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

	General	Police	Fire
Retirees and beneficiaries	256	0	9
Inactive, nonretired members	145	2	6
Active members	209	26	77
	<u>610</u>	<u>28</u>	<u>92</u>

Contributions

The amounts of employee and employer contributions have been established under Rhode Island General Laws Chapter 45-21. General employees with less than 20 years of service as of June 30, 2012, are required to contribute 2% of their salaries. General employees with more than 20 years of service as of June 30, 2012, are required to contribute 8.25%. Public safety employees are required to contribute 10% of their salaries. The Town contributes at a rate of covered payroll as determined by an independent actuary on an annual basis. The General Assembly can amend the amount of these contribution requirements. The Town contributed \$1,601,063, \$320,789 and \$672,845 for general, police and fire, respectively, in the year ended June 30, 2024, which was 18.61%, 16.16% and 11.63% of covered payroll, respectively.

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 8 - PENSION PLANS (CONTINUED)

MUNICIPAL PLAN (CONTINUED)

Net Pension Liability

The total pension liability was determined by actuarial valuations performed as of June 30, 2022, and rolled forward to June 30, 2023, using the following actuarial assumptions applied to all periods included in the measurement:

Summary of Actuarial Assumptions Used in the Valuations to determine the Net Pension Liability at the June 30, 2023 measurement date (June 30, 2022 valuation rolled forward to June 30, 2023)	
Actuarial Cost Method	Entry Age Normal - the Individual Entry Age Actuarial Cost methodology is used.
Amortization Method	Level Percent of Payroll – Closed.
Actuarial Assumptions	
Investment Rate of Return	7.00%
Projected Salary Increases	General Employees - 3.50% to 7.50%; Police & Fire Employees - 4.00% to 14.00%.
Inflation	2.5 %
Mortality	Mortality – variants of the PUB (10) Tables for Healthy and Disabled Retirees, projected with Scale Ultimate MP16.
Cost of Living Adjustments	All future COLAs were assumed to be 2.1% per annum for all MERS units with the COLA provision.

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

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

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

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 8 - PENSION PLANS (CONTINUED)

MUNICIPAL PLAN (CONTINUED)

Net Pension Liability (Continued)

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

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 8 - PENSION PLANS (CONTINUED)

MUNICIPAL PLAN (CONTINUED)

Changes in the Net Pension Liability

	Changes in the Net Pension Liability			
	General	Police	Fire	Total
Pension Liability:				
Balances as of July 1, 2022	\$ 49,632,773	\$ 2,098,000	\$ 16,994,152	\$ 68,724,925
Changes for the year:				
Service cost	634,663	342,285	991,309	1,968,257
Interest on the total pension liability	3,371,214	156,257	1,209,334	4,736,805
Difference between expected and actual experience	545,515	(199,335)	1,409,952	1,756,132
Changes in assumptions	(229,050)	(9,710)	(85,502)	(324,262)
Benefit payments	(3,579,795)	(73,787)	(427,213)	(4,080,795)
Balances as of June 30, 2023	50,375,320	2,313,710	20,092,032	72,781,062
Fiduciary Net Position:				
Balances as of July 1, 2022	35,815,115	2,269,026	16,099,782	54,183,923
Employer contributions	1,595,008	161,120	645,337	2,401,465
Employee contributions	186,665	173,456	505,478	865,599
Pension plan net investment income	2,932,269	213,815	1,448,386	4,594,470
Benefit payments	(3,579,795)	(73,787)	(427,213)	(4,080,795)
Pension plan administrative expense	(31,562)	(2,301)	(15,590)	(49,453)
Other changes	44,477	(46,374)	--	(1,897)
Balances as of June 30, 2023	36,962,177	2,694,955	18,256,180	57,913,312
Net Pension Liability (Asset)	\$ 13,413,143	\$ (381,245)	\$ 1,835,852	\$ 14,867,750

Discount Rate

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

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 8 - PENSION PLANS (CONTINUED)

MUNICIPAL PLAN (CONTINUED)

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

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

	1% Decrease (6.0%)	Current Discount Rate (7.0%)	1% Increase (8.0%)
General employee plan	\$ 18,286,365	\$ 13,413,143	\$ 8,985,254
Police employee plan	(164,697)	(381,245)	(577,835)
Fire employee plan	3,685,336	1,835,852	156,116
Total	<u>\$ 21,807,004</u>	<u>\$ 14,867,750</u>	<u>\$ 8,563,535</u>

Pension Plan Fiduciary Net Position

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

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

For the year ended June 30, 2024, the Town recognized pension expense of \$1,507,199, \$157,305 and \$558,263 for their General, Police and Fire Plans, respectively.

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 8 - PENSION PLANS (CONTINUED)

MUNICIPAL PLAN (CONTINUED)

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

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

	General	Police	Fire	Total
Deferred Outflows of Resources:				
Contributions after the measurement period	\$ 1,601,063	\$ 320,789	\$ 672,845	\$ 2,594,697
Differences between expected and actual experience	1,406,976	17,663	2,281,754	3,706,393
Changes in assumptions	--	43,647	319,623	363,270
	\$ 3,008,039	\$ 382,099	\$ 3,274,222	\$ 6,664,360
Deferred Inflows of Resources:				
Differences between expected and actual experience	\$ 5,342	\$ 325,474	\$ 750,476	\$ 1,081,292
Changes in assumptions	209,262	29,000	124,039	362,301
Net differences between projected and actual earnings on pension plan investments	464,855	40,458	246,825	752,138
	\$ 679,459	\$ 394,932	\$ 1,121,340	\$ 2,195,731

An amount of \$2,594,697 reported as deferred outflows of resources related to pensions resulting from the Town's 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.

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 8 - PENSION PLANS (CONTINUED)

MUNICIPAL PLAN (CONTINUED)

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

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

Year Ended June 30,	Net Deferred Outflows/(Inflows) of Resources			
	General	Police	Fire	Total
2025	\$ 233,193	\$ (49,780)	\$ (4,234)	\$ 179,179
2026	(127,001)	(56,850)	(70,360)	(254,211)
2027	718,862	13,805	441,119	1,173,786
2028	(97,537)	(30,137)	125,350	(2,324)
2029	--	(20,626)	184,675	164,049
Thereafter	--	(190,034)	803,487	613,453
Total	<u>\$ 727,517</u>	<u>\$ (333,622)</u>	<u>\$ 1,480,037</u>	<u>\$ 1,873,932</u>

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

TEACHERS' PLAN

Plan Description

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

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

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 8 - PENSION PLANS (CONTINUED)

TEACHERS' PLAN (CONTINUED)

Benefit Provisions

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

Contributions

The funding policy, as set forth in the General Laws, Section 16-16-22, provides for actuarially determined periodic contributions to the plan. For fiscal 2024, the Town's teachers were required to contribute 3.75% of their annual covered salary, except that teachers with twenty or more years of service as of June 30, 2012, must contribute 11% of their annual covered salary. The State of Rhode Island (State) and the Town are required to contribute at an actuarially determined rate, 40% of which is to be paid by the State and the remaining 60% is to be paid by the Town; the rates were 11.13% and 15.03% of annual covered payroll for the fiscal year ended June 30, 2023, for the State and the Town, respectively. The Town contributed \$4,374,820, \$3,864,915, and \$3,685,054 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 contribution for fiscal 2024 was \$2,919,990 and is reported as on-behalf payments and included in both revenue and expenditures on the financial statements.

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 8 - PENSION PLANS (CONTINUED)

TEACHERS' PLAN (CONTINUED)

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

At June 30, 2024, the Town reported a liability of \$33,584,644 for its proportionate share of the net pension liability that reflected a reduction for contributions made by the State. The amount recognized by the Town as its proportionate share of the net pension liability, the related State support and the total portion of the net pension liability that was associated with the Town were as follows:

Town's proportionate share of the net pension liability	\$ 33,584,644
State's proportionate share of the net pension liability	<u>25,342,727</u>
Total Net Pension Liability	<u>\$ 58,927,371</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 Town's proportion of the net pension liability was based on a projection of the Town's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers and the State, actuarially determined. At June 30, 2023, the Town's proportion was 1.38%.

For the year ended June 30, 2024, the Town recognized gross pension expense of \$4,387,152 and revenue of \$1,995,914 for support provided by the State.

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 8 - PENSION PLANS (CONTINUED)

TEACHERS' PLAN (CONTINUED)

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

At June 30, 2024, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Deferred Outflows of Resources

Contributions subsequent to the measurement date	\$ 4,374,820
Difference between expected and actual experience	389,403
Changes in assumptions	143,781
Change in proportion and differences between employer contributions and proportionate share of contributions	<u>1,697,868</u>
Total	<u>\$ 6,605,872</u>

Deferred Inflows of Resources

Difference between expected and actual experience	\$ 781,102
Changes in assumptions	1,327,843
Net difference between projected and actual earnings on pension plan investments	1,192,980
Changes in proportion and differences between employer contributions and proportionate share of contributions	<u>1,287,328</u>
Total	<u>\$ 4,589,253</u>

An amount of \$4,374,820 reported as deferred outflows of resources related to pensions resulting from the School's 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:

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 8 - PENSION PLANS (CONTINUED)

TEACHERS' PLAN (CONTINUED)

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

Year Ended June 30,	
2025	\$ (970,079)
2026	(1,624,528)
2027	538,304
2028	(341,804)
2029	62,619
Thereafter	<u>(22,713)</u>
Total	<u>\$ (2,358,201)</u>

Actuarial Assumptions

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

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

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

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

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 8 - PENSION PLANS (CONTINUED)

TEACHERS' PLAN (CONTINUED)

Actuarial Assumptions (Continued)

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

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 8 - PENSION PLANS (CONTINUED)

TEACHERS' PLAN (CONTINUED)

Actuarial Assumptions (Continued)

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

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 8 - PENSION PLANS (CONTINUED)

TEACHERS' PLAN (CONTINUED)

Actuarial Assumptions (Continued)

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

Discount Rate

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

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

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

1% Decrease (6.0%)	Current Discount Rate (7.0%)	1% Increase (8.0%)
\$ 43,065,500	\$ 33,584,644	\$ 24,970,199

Pension Plan Fiduciary Net Position

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

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

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 8 - PENSION PLANS (CONTINUED)

TEACHERS' SURVIVORS BENEFIT

Plan Description

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

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

Benefit Provisions

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

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

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

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 8 - PENSION PLANS (CONTINUED)

TEACHERS' SURVIVORS BENEFIT (CONTINUED)

Benefit Provisions (Continued)

The TSB plan provides benefits based on the highest salary at the time of retirement of the teacher. Benefits are payable in accordance with the following table:

<u>Highest Annual Salary</u>	<u>Basic Monthly Spouses' benefit</u>
\$17,000 or less	\$ 825.00
\$17,001 to \$25,000	\$ 862.50
\$25,001 to \$33,000	\$ 1,100.00
\$33,001 to \$40,000	\$ 1,237.50
\$40,001 and over	\$ 1,375.00

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

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

Contributions

The contribution requirements of active employees and the participating school districts were established under Chapter 16-16 of the Rhode Island General Laws, which may be amended by the General Assembly. The cost of the benefits provided by the plan are two percent (2%) of the member's annual salary up to but not exceeding an annual salary of \$11,500; one-half (1/2) of the cost is contributed by the member by deductions from his or her salary, and the other half (1/2) is contributed and paid by the respective school district by which the member is employed. These contributions are in addition to the contributions required for regular pension benefits. The Town contributed \$806, \$41,215 and \$39,691 for the fiscal years ended June 30, 2024, 2023 and 2022, respectively, equal to 100% of the required contributions for each year.

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

At June 30, 2024 the Town reported an asset of \$10,816,837 for its proportionate share of the net pension asset related to its participation in TSB. The net pension asset was measured as of June 30, 2023, the measurement date, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of June 30, 2022 rolled forward to June 30, 2023. The Town's proportion of the net pension asset was based on its share of contributions to the TSB for fiscal year 2023 relative to the total contributions of all participating employers for that fiscal year. At June 30, 2023 the Town's proportion was 5.38%.

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 8 - PENSION PLANS (CONTINUED)

TEACHERS' SURVIVORS BENEFIT (CONTINUED)

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

For the year ended June 30, 2024, the Town recognized pension expense of (\$1,097,285).

At June 30, 2024, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Deferred Outflows of Resources

Contributions subsequent to the measurement date	\$ 806
Difference between expected and actual experience	74,492
Changes in assumptions	129,032
Change in proportion and differences between employer contributions and proportionate share of contributions	<u>294,085</u>
Total	<u>\$ 498,415</u>

Deferred Inflows of Resources

Difference between expected and actual experience	\$ 928,817
Changes in assumptions	578,810
Net difference between projected and actual earnings on pension plan investments	311,767
Changes in proportion and differences between employer contributions and proportionate share of contributions	<u>554,690</u>
Total	<u>\$ 2,374,084</u>

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 8 - PENSION PLANS (CONTINUED)

TEACHERS' SURVIVORS BENEFIT (CONTINUED)

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

An amount of \$806 reported as deferred outflows of resources related to pensions resulting from the School's 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	\$ (604,637)
2026	(697,298)
2027	38,866
2028	(302,199)
2029	(103,402)
Thereafter	<u>(207,805)</u>
Total	<u>\$ (1,876,475)</u>

Actuarial Assumptions

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

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

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

Cost of living adjustment – eligible survivors receive a yearly cost of living adjustment based on the annual social security adjustment – for valuation purposes, a 2.5% cost of living adjustment is assumed.

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

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 8 - PENSION PLANS (CONTINUED)

TEACHERS' SURVIVORS BENEFIT (CONTINUED)

Actuarial Assumptions (Continued)

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

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 8 - PENSION PLANS (CONTINUED)

TEACHERS' SURVIVORS BENEFIT (CONTINUED)

Actuarial Assumptions (Continued)

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

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 8 - PENSION PLANS (CONTINUED)

TEACHERS' SURVIVORS BENEFIT (CONTINUED)

Actuarial Assumptions (Continued)

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

Discount Rate

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

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

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

1% Decrease (6.0%)	Current Discount Rate (7.0%)	1% Increase (8.0%)
\$ 9,672,962	\$ 10,816,837	\$ 11,856,139

Pension Plan Fiduciary Net Position

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

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

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 8 - PENSION PLANS (CONTINUED)

LOCAL POLICE AND FIRE PENSION PLAN

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

Police and fire department employees are covered under this pension plan, except for firefighters hired after July 1, 1999 and police employees hired after July 1, 2010 who are covered under the State of Rhode Island MERS retirement system.

Any police officer or firefighter currently receiving a pension in the Town of Johnston Local Police Officers and Firefighters Pension Plan are entitled to a 1.25% compounded annual COLA commencing on July 1, 2022 in accordance to the Police and Firefighter contracts and as adopted and approved by the State of RI in the Town's Funding Improvement Plan.

COLA was suspended from July 1, 2017 to June 30, 2022 under the provisions of the Funding Improvement Plan and agreed upon in the provisions of the Labor Contracts with the stipulation the COLA be reinstated at the rate of 1.25% annually compounded on July 1, 2022.

Plan Membership – The Plan consisted of the following as of the date of the latest actuarial valuation of June 30, 2024:

Police:

Inactive employees or beneficiaries currently receiving benefit payments	122
Vested terminated members entitled to but not yet receiving benefits	2
Active employees	25
Total	<u>149</u>

Fire:

Inactive employees or beneficiaries currently receiving benefit payments	100
Active employees	12
Total	<u>112</u>

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 8 - PENSION PLANS (CONTINUED)

LOCAL POLICE AND FIRE PENSION PLAN (CONTINUED)

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

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

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

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

Effective July 1, 2022 COLA provisions for all police and fire, including those in the Fire and Police MERS plans are 1.25% compounded.

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 8 - PENSION PLANS (CONTINUED)

LOCAL POLICE AND FIRE PENSION PLAN (CONTINUED)

Benefits Provided (Continued)

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

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

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

Summary of Significant Accounting Policies

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

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 8 - PENSION PLANS (CONTINUED)

LOCAL POLICE AND FIRE PENSION PLAN (CONTINUED)

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic equity	60.00%	6.60%
International equity - developed markets	10.00%	6.70%
International equity - emerging markets	5.00%	8.00%
Fixed income - core	25.00%	1.80%

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 expenses, was 13.99%. The money-weighted rate of return expresses investment performance, net of investment expense adjusted for the changing amounts actually invested.

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 8 - PENSION PLANS (CONTINUED)

LOCAL POLICE AND FIRE PENSION PLAN (CONTINUED)

Net Pension Liability

The components of the change in the net pension asset of the Town Plan for the year ended June 30, 2024, were as follows:

Police Plan

Pension Liability:

Balance at July 1, 2023	\$ 89,281,896
Changes for the year:	
Service cost	1,148,184
Interest	6,141,283
Changes in assumptions	1,546,876
Differences in experience	(258,958)
Benefit payments	<u>(5,394,944)</u>
Net changes	<u>3,182,441</u>
Balance at June 30, 2024	<u>\$ 92,464,337</u>

Fiduciary Net Position:

Balance at July 1, 2023	\$ 31,254,559
Changes for the year:	
Employer contributions	5,627,222
Member contributions	229,558
Net investment income	4,409,504
Benefit payments	(5,394,944)
Administrative expense	(65,488)
Other	<u>1,647</u>
Net changes	<u>4,807,499</u>
Balance at June 30, 2024	<u>\$ 36,062,058</u>

Town's Net Pension Liability	<u>\$ 56,402,279</u>
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TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 8 - PENSION PLANS (CONTINUED)

LOCAL POLICE AND FIRE PENSION PLAN (CONTINUED)

Fire Plan

Pension Liability:

Balance at July 1, 2023	\$ 86,101,269
Changes for the year:	
Service cost	504,928
Interest	5,869,104
Changes in assumptions	1,188,992
Differences in experience	17,459
Benefit payments	<u>(5,523,714)</u>
Net changes	<u>2,056,769</u>
Balance at June 30, 2024	<u>\$ 88,158,038</u>

Fiduciary Net Position:

Balance at July 1, 2023	\$ 26,935,045
Changes for the year:	
Employer contributions	4,826,707
Member contributions	120,737
Net investment income	3,731,066
Benefit payments	(5,523,714)
Administrative expense	<u>(65,489)</u>
Net changes	<u>3,089,307</u>
Balance at June 30, 2024	<u>\$ 30,024,352</u>

Town's Net Pension Liability \$ 58,133,686

Actuarial assumptions – The total pension liability was determined by an actuarial valuation as of June 30, 2024, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50 percent
Salary increases	3.25 percent
Discount rate	6.75 percent

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 8 - PENSION PLANS (CONTINUED)

LOCAL POLICE AND FIRE PENSION PLAN (CONTINUED)

Actuarial assumptions (Continued)

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

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

Discount rate – The discount rate used to measure the total pension liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that the Town’s contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs of future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions, the Plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the net pension liability to changes in the discount rate – The following presents the net pension liability of the Town, calculated using the discount rate of 6.75%, 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 (5.75%) or 1-percentage-point higher (7.75%).

Police Plan:

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
Net Pension Liability	\$ 67,596,963	\$ 56,402,279	\$ 47,186,163

Fire Plan:

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
Net Pension Liability	\$ 68,054,641	\$ 58,133,686	\$ 49,863,950

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 8 - PENSION PLANS (CONTINUED)

LOCAL POLICE AND FIRE PENSION PLAN (CONTINUED)

Pension Expense and Deferred Outflows and Inflows of Resources

For the year ended June 30, 2024, the Town recognized pension expense related to the Police Plan of \$6,176,420 and pension expense related to the Fire Plan of \$5,648,988. At June 30, 2024, the Town reported deferred outflows and inflows of resources related to the Plan from the following sources:

Police Plan:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual earnings on investments	\$ --	\$ 682,940

Fire Plan:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual earnings on investments	\$ --	\$ 536,433

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

Police Plan

Year Ended June 30:	
2025	\$ (361,144)
2026	678,583
2027	(558,828)
2028	(441,551)
	\$ (682,940)

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 8 - PENSION PLANS (CONTINUED)

LOCAL POLICE AND FIRE PENSION PLAN (CONTINUED)

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

Fire Plan

Year Ended June 30:	
2025	\$ (359,658)
2026	672,829
2027	(475,989)
2028	(373,615)
	\$ (536,433)

Payable to the Plan

The Town does not have a reported payable liability to the Plan as of June 30, 2024.

The following schedules present the net position held in trust for pension and OPEB benefits at June 30, 2024 and the changes in net position for the year ended June 30, 2024.

	Police / Fire Pension Trust	Town OPEB Trust	Total
Assets			
Cash and cash equivalents	\$ 361,221	\$ --	\$ 361,221
Investments, at fair value:			
Money market mutual funds	64,804,703	12,680,927	77,485,630
Prepaid items	932,841	--	932,841
Total Assets	66,098,765	12,680,927	78,779,692
Liabilities			
Accrued expenses	12,356	--	12,356
Total Liabilities	12,356	--	12,356
Net Position			
Restricted for other post-employment benefits	--	12,680,927	12,680,927
Restricted for pension benefits	66,086,409	--	66,086,409
Total Net Position	\$ 66,086,409	\$ 12,680,927	\$ 78,767,336

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 8 - PENSION PLANS (CONTINUED)

LOCAL POLICE AND FIRE PENSION PLAN (CONTINUED)

	Police / Fire Pension Trust	Town OPEB Trust	Total
Additions			
Contributions:			
Employer contributions	\$ 10,453,929	\$ 8,345,321	\$ 18,799,250
Plan member contributions	350,295	--	350,295
Other income	1,647	--	1,647
Total Contributions	<u>10,805,871</u>	<u>8,345,321</u>	<u>19,151,192</u>
Investment earnings:			
Net change in fair value of investments	6,597,122	--	6,597,122
Interest and dividends	1,543,447	1,558,937	3,102,384
Total Investment Earnings	<u>8,140,569</u>	<u>1,558,937</u>	<u>9,699,506</u>
Total Additions	<u>18,946,440</u>	<u>9,904,258</u>	<u>28,850,698</u>
Deductions			
Benefits paid	10,918,658	7,945,321	18,863,979
Administration	130,977	35,282	166,259
Total Deductions	<u>11,049,635</u>	<u>7,980,603</u>	<u>19,030,238</u>
Change in Net Position	7,896,805	1,923,655	9,820,460
Net Position - Beginning of Year	<u>58,189,604</u>	<u>10,757,272</u>	<u>68,946,876</u>
Net Position - End of Year	<u>\$ 66,086,409</u>	<u>\$ 12,680,927</u>	<u>\$ 78,767,336</u>

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 8 - PENSION PLANS (CONTINUED)

DEFINED CONTRIBUTION PLAN

Plan Description

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

The Town recognized pension expense of \$994,206 for the fiscal year ended June 30, 2024. The System issues a publicly available financial report that includes financial statements and required supplementary information for plans administered by the System. The report may be obtained at <https://www.ersi.org>.

FIRE LONGEVITY PLAN

The Town administers a Fire Longevity Plan, a single-employer retirement plan. The Fire Longevity Plan was established by the Town in accordance with the Town Charter. The plan does not issue stand-alone financial statements.

Plan Membership – The Plan consisted of the following as of the date of the latest actuarial valuation of June 30, 2024:

Retired members and beneficiaries	80
Active employees	92
Total	<u>172</u>

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 8 - PENSION PLANS (CONTINUED)

FIRE LONGEVITY PLAN (CONTINUED)

Benefits Provided –

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

Effective July 1, 2022 COLA provisions for all police and fire, including those in the Fire and Police MERS plans are 1.25% compounded.

Summary of Significant Accounting Policies

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

Total Pension Liability

The components of the change in the total pension liability of the Town Plan for the year ended June 30, 2024, were as follows:

Pension Liability:	
Balance at July 1, 2023	\$ 7,511,628
Changes for the year:	
Service cost	186,801
Interest	276,196
Changes in assumptions	(377,404)
Differences in experience	(281,463)
Benefit payments	<u>(262,805)</u>
Net changes	<u>(458,675)</u>
Total Pension Liability	<u>\$ 7,052,953</u>

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 8 - PENSION PLANS (CONTINUED)

FIRE LONGEVITY PLAN (CONTINUED)

Actuarial assumptions – The total pension liability was determined by an actuarial valuation as of July 1, 2022, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50 percent
Salary increases	3.50 percent
Discount rate	3.93 percent

Mortality – Sex-distinct PubG-2010 General Employee Amount-weighted Mortality Table, projected generationally with Scale MP-2016

Sensitivity of the total pension liability to changes in the discount rate – The following presents the total pension liability of the Town, calculated using the discount rate of 3.93%, as well as what the Town’s total pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.93%) or 1-percentage-point higher (4.93%).

	1% Decrease (2.93%)	Current Discount Rate (3.93%)	1% Increase (4.93%)
Total Pension Liability	\$ 8,149,914	\$ 7,052,953	\$ 6,177,580

Pension Expense

For the year ended June 30, 2024, the Town recognized pension expense related to the Fire Longevity Plan of \$243,374.

Payable to the Plan

The Town does not have a reported payable liability to the Plan as of June 30, 2024.

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 8 - PENSION PLANS (CONTINUED)

POLICE COST OF LIVING ADJUSTMENT PLAN

The Town administers a Police Cost of Living Adjustment (COLA) Plan, a single-employer retirement plan. The Police COLA Plan was established by the Town in accordance with the Town Charter. The Plan is open to Town of Johnston, Rhode Island police officers who participate in the Rhode Island Municipal Employees' Retirement System (MERS). The plan does not issue stand-alone financial statements.

Plan Membership – The Plan consisted of the following as of the date of the latest actuarial valuation of July 1, 2024:

Retired members and beneficiaries	--
Active employees	38
Total	<u>38</u>

Benefits Provided –

Annual cost-of-living allowance (COLA) on benefits, as calculated in the MERS Plan. Commencing July 1, 2022 the annual COLA will be 1.25%, compounded annually. Prior to July 1, 2012, the average was based on the member's highest three consecutive annual salaries. Effective July 1, 2012, the average was based on the members highest five consecutive annual salaries. Once a member retires or is terminated, the applicable FAC will be the greater of the members highest three-year FAC as of July 1, 2012 or the five-year FAC as of the retirement/termination date. Monthly benefits are based on one-twelfth of this amount.

Effective July 1, 2023 COLA provisions for all police and fire, including those in the Fire and Police MERS plans are 1.25% compounded.

Summary of Significant Accounting Policies

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

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 8 - PENSION PLANS (CONTINUED)

POLICE COST OF LIVING ADJUSTMENT PLAN (CONTINUED)

Total Pension Liability

The components of the change in the total pension liability of the Town Plan for the year ended June 30, 2024, were as follows:

Pension Liability:

Balance at July 1, 2023	\$ 486,033
Changes for the year:	
Service cost	159,468
Benefit payments	<u>(159,468)</u>
Net changes	<u> --</u>
Total Pension Liability	<u>\$ 486,033</u>

Actuarial assumptions – The total pension liability was determined by an actuarial valuation as of July 1, 2022, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50 percent
Salary increases	3.00 percent

Mortality – Pub-2010 Healthy Retirees, amount weighted, general, median table, loaded 115% for males and 111% for females

Pension Expense

For the year ended June 30, 2024, the Town recognized pension expense related to the Plan of \$111,089.

Payable to the Plan

The Town does not have a reported payable liability to the Plan as of June 30, 2024.

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 8 - PENSION PLANS (CONTINUED)

FIRE COST OF LIVING ADJUSTMENT PLAN

The Town administers a Fire Cost of Living Adjustment (COLA) Plan, a single-employer retirement plan. The Fire COLA Plan was established by the Town in accordance with the Town Charter. The Plan is open to Town of Johnston, Rhode Island firefighters who participate in the Rhode Island Municipal Employees' Retirement System (MERS). The plan does not issue stand-alone financial statements.

Plan Membership – The Plan consisted of the following as of the date of the latest actuarial valuation of July 1, 2024:

Retired members and beneficiaries	10
Active employees	80
Total	<u>90</u>

Benefits Provided –

Annual cost-of-living allowance (COLA) on benefits, as calculated in the MERS Plan. Commencing July 1, 2022 the annual COLA will be 1.25%, compounded annually. Prior to July 1, 2012, the average was based on the member's highest three consecutive annual salaries. Effective July 1, 2012, the average was based on the members highest five consecutive annual salaries. Once a member retires or is terminated, the applicable FAC will be the greater of the members highest three-year FAC as of July 1, 2012 or the five-year FAC as of the retirement/termination date. Monthly benefits are based on one-twelfth of this amount.

Summary of Significant Accounting Policies

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

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 8 - PENSION PLANS (CONTINUED)

FIRE COST OF LIVING ADJUSTMENT PLAN (CONTINUED)

Total Pension Liability

The components of the change in the total pension liability of the Town Plan for the year ended June 30, 2024, were as follows:

Pension Liability:

Balance at July 1, 2023	\$ 2,900,486
Changes for the year:	
Service cost	450,065
Benefit payments	<u>(450,065)</u>
Net changes	<u> --</u>
Total Pension Liability	<u><u>\$ 2,900,486</u></u>

Actuarial assumptions – The total pension liability was determined by an actuarial valuation as of July 1, 2022, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50 percent
Salary increases	3.00 percent

Mortality – Pub-2010 Healthy Retirees, amount weighted, general, median table, loaded 115% for males and 111% for females

Pension Expense

For the year ended June 30, 2024, the Town recognized pension expense related to the Plan of \$208,413.

Payable to the Plan

The Town does not have a reported payable liability to the Plan as of June 30, 2024.

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 8 - PENSION PLANS (CONTINUED)

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

	MERS General Plan	MERS Police Plan	MERS Fire Plan	Town Police Plan	Town Fire Plan	ERS Teachers Plan	TSB Teachers Plan	Fire Longevity Plan	Police COLA Plan	Fire COLA Plan	Total
Deferred outflows	\$ 3,008,039	\$ 382,099	\$ 3,274,222	\$ --	\$ --	\$ 6,605,872	\$ 498,415	\$ --	\$ --	\$ --	\$ 13,768,647
Deferred inflows	679,459	394,932	1,121,340	--	--	4,589,253	2,374,084	1,109,139	--	--	10,268,207
Net pension liability	13,413,143	--	1,835,852	56,402,279	58,133,686	33,584,644	--	7,052,953	486,033	2,900,486	173,809,076
Net pension asset	--	381,245	--	--	--	--	10,816,837	--	--	--	11,198,082
Pension expense	1,507,199	157,305	558,263	6,176,420	5,648,988	2,391,238	(1,097,285)	243,374	111,089	208,413	15,905,004

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 9 - OTHER POSTEMPLOYMENT BENEFITS (OPEB)

Plan Description

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

Covered Participants

At June 30, 2024, the date of the latest actuarial valuation, plan membership consisted of the following:

Inactive employees or beneficiaries currently receiving benefit payments	659
Active employees	<u>606</u>
Total	<u>1,265</u>

Funding Policy and Benefits Provided

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

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

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

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

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

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

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

Funding Policy and Benefits Provided (Continued)

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

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

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

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

Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of July 1, 2024. The following actuarial assumptions applied to all periods in the measurements:

- Actuarial cost method – Entry Age Normal
- Healthcare Cost Trend Rates – 8.00 percent decreasing to an ultimate rate of 4.50 percent
- Discount rate – The discount rate used to measure the OPEB liability 5.4% for Town. The projection of cash flows used to determine the discount rate assumed that contributions will be made at rates equal to and above the expected benefit payments. Based on those assumptions, the OPEB plan’s net fiduciary position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected payments to determine the total OPEB liability.

The long-term expected rate of return on OPEB plan investments is based on the real rates of returns, the asset allocation percentages. The June 30, 2024, real returns and target asset allocation by major asset class are as follows:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	45.00%	N/A
Non-U.S. Equity	22.50%	N/A
Real Estate ETF	3.80%	N/A
Global Infrastructure ETF	3.80%	N/A
US Aggregate Fixed Income	18.00%	N/A
Investment Grade Bonds	4.40%	N/A
High Yield Bonds	2.50%	N/A

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

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

Net OPEB Liability

Balance at July 1, 2023		\$ 161,391,646
Changes for the year:		
Service cost		3,213,896
Interest		8,355,528
Changes in assumptions		98,175
Differences in experience		(5,676,931)
Benefit payments		(7,945,321)
Net changes		<u>(1,954,653)</u>
Balance at June 30, 2024		<u>\$ 159,436,993</u>
Fiduciary Net Position:		
Balance at July 1, 2023		\$ 10,757,272
Changes for the year:		
Employer contributions		8,345,321
Net investment income		1,558,937
Benefit payments		(7,945,321)
Administrative expense		(35,282)
Net changes		<u>1,923,655</u>
Balance at June 30, 2024		<u>\$ 12,680,927</u>
Town's Net OPEB Liability		<u>\$ 146,756,066</u>

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

The following presents the net OPEB liability calculated using the discount rate of 5.40 percent for the Town as well as what the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	1% Decrease (4.40%)	Current Discount Rate (5.40%)	1% Increase (6.40%)
Town	\$ 169,762,125	\$ 146,756,066	\$ 128,220,356

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

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

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

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

	1% Decrease (7.00%)	Current Health Care Trend Rates (8.00%)	1% Increase (9.00%)
Town	\$ 127,482,006	\$ 146,756,066	\$ 170,728,419

OPEB Expense and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2024, the Town recognized OPEB expense of (\$4,188,506). At June 30, 2024, the Town reported deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 2,567,734	\$ 9,122,714
Net difference between projected actual earnings	--	333,940
Changes in assumptions	6,747,761	30,378,587
Total	<u>\$ 9,315,495</u>	<u>\$ 39,835,241</u>

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

Year Ended June 30,	
2025	\$ (12,401,023)
2026	(14,613,168)
2027	(2,228,939)
2028	(1,276,616)
	<u>\$ (30,519,746)</u>

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

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 10 - CONTINGENCIES AND COMMITMENTS

Litigation

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

Grants

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

NOTE 11 - RISK MANAGEMENT

Healthcare

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

The Town currently maintains stop loss insurance to protect the taxpayers from catastrophic loss resulting from excessive health insurance claims. At June 30, 2024 the stop loss insurance contract covered all claims exceeding \$250,000 per individual on an annual basis. In addition, specific stop loss maximum for the Town for the year is maintained at approximately \$1,750,000. Settlements have not exceeded coverage in any of the last three years.

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

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 11 - RISK MANAGEMENT (CONTINUED)

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

Medical Insurance				
Liability	July 1,	Current Year	Claims	Liability
		Claims and	Payments	June 30,
		Changes in		
		Estimates		
2022-23	\$ 854,837	\$ 21,740,039	\$ (21,413,589)	\$ 1,181,287
2023-24	1,181,287	22,384,087	(22,160,787)	1,404,587

Unemployment

The Town is self-insured for unemployment benefits.

Other Insurance

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

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

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

Net Position

At June 30, 2024, net position is split between the Town and School Department at \$3,793,466 and \$1,729,585, respectively.

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 12 - OTHER AGREEMENTS

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

The terms of the agreement are as follows:

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

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

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

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

Total revenue of \$3,514,978 was received under the terms of the agreement for the year ended June 30, 2024.

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 13 - TAX ABATEMENTS

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

As of June 30, 2024, the Town maintained five tax treaty/tax stabilization agreements. These agreements provided tax relief to businesses in the form of stabilization agreements for real and tangible property taxes. Listed below is a summary of information pertaining to these agreements for the fiscal year ended June 30, 2024.

Tax Treaty Agreements

- Agreement with Citizens Bank National Association entered into April 11, 2016, regarding the stabilized tax agreement at a new development site. The agreement shall be for a time period of 20 years. The developer and/or any other successor Project Owner shall make stabilized tax payments to the Town in the amount of \$250,000 per tax year, in lieu of any and all other real and personal property taxes during the term. The total taxes abated for the fiscal year ended June 30, 2024 were \$943,068.
- Agreement was entered into on March 21, 2007 between the Town and A. Duie Pyle, Inc., regarding tax stabilization. The term of the agreement is for the period of 17 years. The Corporation made a one-time payment of \$650,000 due during the 17-year period. The total taxes abated for the fiscal year ended June 30, 2024 were \$39,052.
- Agreement was entered into on June 29, 2017 between the Town and WED Developers for seven wind turbines at \$20,000 per year, regarding tax stabilization. The term of the agreement is for the period of 20 years at \$140,000 per year.
- A tax stabilization agreement was entered into on November 19, 2021 between the Town and Amazon.com Services, LLC, a Delaware limited liability company. The term of the agreement is 20 years with the first payment due on January 1, 2024. Each payment is due on the first of each calendar year. Payments begin at \$5,700,000 in year one escalating up to \$8,912,306 by year twenty for a total payment schedule of \$144,104,548. Payments for the year ended June 30, 2024 were \$5,700,000.
- In addition, on November 19, 2021, the Town and Amazon.com Services LLC entered into a Community Partnership Agreement. Amazon, as a result of this project, intends to create 1,500 new permanent full-time positions at its facility at 2120 Hartford Avenue, Johnston, RI. Amazon is committed to approximately \$290 million investment in the project with the personal property value yet to be determined. Payments for the year ended June 30, 2024 were \$1,520,500.

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 14 - LEASE RECEIVABLES

The Town is reporting Lease receivables of \$2,437,688 at June 30, 2024. For fiscal year 2024, the Town reported lease revenue of \$112,305 related to lease payments received. These leases are summarized as follows:

Lease	Lease Receivable	Lease Revenue
Verizon Wireless	\$ 295,190	\$ 22,825
AT&T	536,919	27,800
TMobile Northeast LLC	378,954	16,620
TMobile Northeast LLC	633,271	27,701
DISH Wireless LLC	593,355	17,359
	<u>\$ 2,437,689</u>	<u>\$ 112,305</u>

Verizon Wireless – On July 1, 2015, the Town entered into a lease agreement with Verizon Wireless for the lease of a Cell Tower. Based on this agreement, the Town is receiving monthly payments through July 1, 2040. There is a renewal option included in this lease agreement.

AT&T – On August 25, 2017, the Town entered into a lease agreement with AT&T for the lease of a Cell Tower. Based on this agreement, the Town is receiving monthly payments through August 25, 2047. There is a renewal option included in this lease agreement.

TMobile Northeast, LLC – On November 1, 1997, the Town entered into a lease agreement with TMobile Northeast, LLC. for the lease of a Cell Tower. Based on this agreement, the Town is receiving monthly payments through November 1, 2052. There is a renewal option included in this lease agreement.

TMobile Northeast, LLC – On January 20, 1998, the Town entered into a lease agreement with TMobile Northeast, LLC. for the lease of a Cell Tower. Based on this agreement, the Town is receiving monthly payments through February 1, 2053. There is a renewal option included in this lease agreement.

Dish Wireless, LLC – On February 1, 2024, the Town entered into a lease agreement with Dish Wireless, LLC. for the lease of a Cell Tower. Based on this agreement, the Town is receiving monthly payments through January 31, 2049. There is a renewal option included in this lease agreement.

REQUIRED SUPPLEMENTARY INFORMATION

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

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TOWN OF JOHNSTON, RHODE ISLAND

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

LAST EIGHT FISCAL YEARS

	2024	2023	2022	2021	2020	2019	2018	2017
Total OPEB Liability								
Service cost	\$ 3,213,896	\$ 3,381,241	\$ 7,087,431	\$ 6,181,660	\$ 5,219,371	\$ 6,198,704	\$ 7,067,566	\$ 8,833,235
Interest	8,355,528	7,918,112	5,603,598	6,561,633	6,899,657	7,987,364	7,777,513	6,598,353
Change of benefit terms	--	--	--	--	--	--	1,555,927	--
Differences between expected and actual experience	(5,676,931)	(656,068)	6,419,332	(20,513,927)	(508,457)	(11,697,088)	(7,400,008)	2,971,612
Changes of assumptions	98,175	(3,695,057)	(70,403,877)	19,536,911	16,571,033	(4,383,253)	(12,833,741)	(26,076,367)
Benefit payments	(7,945,321)	(7,449,818)	(7,691,989)	(6,803,660)	(7,173,184)	(6,718,528)	(8,027,130)	(5,793,237)
Net change in total OPEB liability	(1,954,653)	(501,590)	(58,985,505)	4,962,617	21,008,420	(8,612,801)	(11,859,873)	(13,466,404)
Total OPEB Liability - Beginning	<u>161,391,646</u>	<u>161,893,236</u>	<u>220,878,741</u>	<u>215,916,124</u>	<u>194,907,704</u>	<u>203,520,505</u>	<u>215,380,378</u>	<u>228,846,782</u>
Total OPEB Liability - Ending	<u>\$ 159,436,993</u>	<u>\$ 161,391,646</u>	<u>\$ 161,893,236</u>	<u>\$ 220,878,741</u>	<u>\$ 215,916,124</u>	<u>\$ 194,907,704</u>	<u>\$ 203,520,505</u>	<u>\$ 215,380,378</u>
Plan Fiduciary Net Position								
Contributions - employer	\$ 8,345,321	\$ 7,699,818	\$ 11,513,989	\$ 6,803,660	\$ 7,673,184	\$ 7,618,528	\$ 9,367,130	\$ 6,043,237
Net investment income	1,558,937	1,044,234	(1,467,244)	1,708,469	(28,426)	330,700	15,818	102,793
Benefit payments	(7,945,321)	(7,449,818)	(7,691,989)	(6,803,660)	(7,173,184)	(6,718,528)	(8,027,130)	(5,793,237)
Administrative expenses	(35,282)	(31,440)	(24,650)	(18,934)	(13,388)	(10,877)	(6,309)	(5,466)
Net change in plan fiduciary net position	1,923,655	1,262,794	2,330,106	1,689,535	458,186	1,219,823	1,349,509	347,327
Plan Fiduciary Net Position - Beginning	<u>10,757,272</u>	<u>9,494,478</u>	<u>7,164,372</u>	<u>5,474,837</u>	<u>5,016,651</u>	<u>3,796,828</u>	<u>2,447,319</u>	<u>2,099,992</u>
Plan Fiduciary Net Position - Ending	<u>\$ 12,680,927</u>	<u>\$ 10,757,272</u>	<u>\$ 9,494,478</u>	<u>\$ 7,164,372</u>	<u>\$ 5,474,837</u>	<u>\$ 5,016,651</u>	<u>\$ 3,796,828</u>	<u>\$ 2,447,319</u>
Town's Net OPEB Liability - Ending	<u>\$ 146,756,066</u>	<u>\$ 150,634,374</u>	<u>\$ 152,398,758</u>	<u>\$ 213,714,369</u>	<u>\$ 210,441,287</u>	<u>\$ 189,891,053</u>	<u>\$ 199,723,677</u>	<u>\$ 212,933,059</u>
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	7.95%	6.67%	5.86%	3.24%	2.54%	2.57%	1.87%	1.14%
Covered Payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Town's Net OPEB Liability as a Percentage of Covered Payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

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

TOWN OF JOHNSTON, RHODE ISLAND

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

LAST TEN FISCAL YEARS

Year Ended June 30	Actuarially Determined Contribution	Actual Contribution	Contribution (Deficiency) Excess	Covered Payroll	Actual Contribution as a % of Covered Payroll
2024	\$ 13,266,326	\$ 8,345,321	\$ (4,921,005)	N/A	N/A
2023	\$ 12,695,501	\$ 7,699,818	\$ (4,995,683)	N/A	N/A
2022	\$ 12,184,751	\$ 11,513,989	\$ (670,762)	N/A	N/A
2021	\$ 12,180,877	\$ 6,803,660	\$ (5,377,217)	N/A	N/A
2020	\$ 15,779,391	\$ 7,673,184	\$ (8,106,207)	N/A	N/A
2019	\$ 18,140,760	\$ 7,618,528	\$ (10,522,232)	N/A	N/A
2018	\$ 18,051,553	\$ 9,367,130	\$ (8,684,423)	N/A	N/A
2017	\$ 16,785,322	\$ 6,043,237	\$ (10,742,085)	N/A	N/A
2016	\$ 16,032,814	\$ 6,167,417	\$ (9,865,397)	N/A	N/A
2015	\$ 15,214,424	\$ 4,764,265	\$ (10,450,159)	N/A	N/A

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

TOWN OF JOHNSTON, RHODE ISLAND
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF TOWN'S OPEB INVESTMENT RETURNS

LAST EIGHT FISCAL YEARS

OPEB Trust Fund - Town	Year Ended June 30	Money Weighted Rate of Return
	2024	14.49%
	2023	11.00%
	2022	-20.48%
	2021	31.21%
	2020	-0.57%
	2019	8.01%
	2018	0.56%
	2017	3.56%

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

TOWN OF JOHNSTON, RHODE ISLAND

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

LAST TEN FISCAL YEARS

Measurement Date:	Year Ended June 30, 2023	Year Ended June 30, 2022	Year Ended June 30, 2021	Year Ended June 30, 2020	Year Ended June 30, 2019	Year Ended June 30, 2018	Year Ended June 30, 2017	Year Ended June 30, 2016	Year Ended June 30, 2015	Year Ended June 30, 2014
Total Pension Liability										
Service cost	\$ 634,663	\$ 613,418	\$ 634,732	\$ 676,854	\$ 772,077	\$ 766,931	\$ 737,891	\$ 724,766	\$ 726,120	\$ 742,315
Interest	3,371,214	3,252,666	3,151,783	3,152,442	3,149,856	3,099,262	3,141,434	3,069,317	2,976,813	2,908,421
Changes of benefit terms	--	--	--	--	--	--	--	--	817,330	--
Differences between expected and actual experience	545,515	1,353,323	1,085,623	(65,758)	(773,499)	(240,905)	(911,415)	38,342	(474,099)	--
Changes of assumptions	(229,050)	--	--	(488,463)	--	--	2,265,521	--	--	30,100
Benefit payments	(3,579,795)	(3,493,173)	(3,347,412)	(3,179,445)	(2,948,308)	(2,861,885)	(2,855,249)	(2,899,591)	(2,724,611)	(2,797,073)
Net change in total pension liability	742,547	1,726,234	1,524,726	95,630	200,126	763,403	2,378,182	932,834	1,321,553	883,763
Total Pension Liability - Beginning	<u>49,632,773</u>	<u>47,906,539</u>	<u>46,381,813</u>	<u>46,286,183</u>	<u>46,086,057</u>	<u>45,322,654</u>	<u>42,944,472</u>	<u>42,011,638</u>	<u>40,690,085</u>	<u>39,806,322</u>
Total Pension Liability - Ending	<u>\$ 50,375,320</u>	<u>\$ 49,632,773</u>	<u>\$ 47,906,539</u>	<u>\$ 46,381,813</u>	<u>\$ 46,286,183</u>	<u>\$ 46,086,057</u>	<u>\$ 45,322,654</u>	<u>\$ 42,944,472</u>	<u>\$ 42,011,638</u>	<u>\$ 40,690,085</u>
Plan Fiduciary Net Position										
Contributions - employer	\$ 1,595,008	\$ 1,305,625	\$ 1,276,570	\$ 1,293,724	\$ 1,361,051	\$ 1,279,294	\$ 1,313,489	\$ 1,241,203	\$ 1,254,378	\$ 1,050,131
Contributions - employee	186,665	184,023	180,496	188,607	215,773	220,303	233,647	220,343	162,213	145,488
Net investment income	2,932,269	(1,002,861)	8,379,483	1,178,978	2,029,157	2,405,314	3,324,653	8,614	721,793	4,198,765
Benefit payments, including refunds of employee contributions	(3,579,795)	(3,493,173)	(3,347,412)	(3,179,445)	(2,948,308)	(2,861,885)	(2,855,249)	(2,899,591)	(2,724,611)	(2,797,073)
Administrative expenses	(31,562)	(34,188)	(31,928)	(32,484)	(32,016)	(32,021)	(31,410)	(46,174)	(28,933)	(26,293)
Other	44,477	113,103	(8,382)	73,323	840	(173,048)	(2,573)	(2)	(110,090)	253,162
Net change in plan fiduciary net position	1,147,062	(2,927,471)	6,448,827	(477,297)	626,497	837,957	1,982,557	(1,475,607)	(725,250)	2,824,180
Plan Fiduciary Net Position - Beginning	<u>35,815,115</u>	<u>38,742,586</u>	<u>32,293,759</u>	<u>32,771,056</u>	<u>32,144,559</u>	<u>31,306,602</u>	<u>29,324,045</u>	<u>30,799,652</u>	<u>31,524,902</u>	<u>28,700,722</u>
Plan Fiduciary Net Position - Ending	<u>\$ 36,962,177</u>	<u>\$ 35,815,115</u>	<u>\$ 38,742,586</u>	<u>\$ 32,293,759</u>	<u>\$ 32,771,056</u>	<u>\$ 32,144,559</u>	<u>\$ 31,306,602</u>	<u>\$ 29,324,045</u>	<u>\$ 30,799,652</u>	<u>\$ 31,524,902</u>
Plan's Net Pension Liability - Ending	<u>\$ 13,413,143</u>	<u>\$ 13,817,658</u>	<u>\$ 9,163,953</u>	<u>\$ 14,088,054</u>	<u>\$ 13,515,127</u>	<u>\$ 13,941,498</u>	<u>\$ 14,016,052</u>	<u>\$ 13,620,427</u>	<u>\$ 11,211,986</u>	<u>\$ 9,165,183</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	73.37%	72.16%	80.87%	69.63%	70.80%	69.75%	69.07%	68.28%	73.31%	77.48%
Covered Payroll	\$ 8,350,828	\$ 7,854,266	\$ 7,656,599	\$ 7,815,866	\$ 8,437,995	\$ 8,005,543	\$ 8,020,555	\$ 7,835,304	\$ 7,996,917	\$ 7,748,594
Net Pension Liability as a Percentage of Covered Payroll	160.62%	175.93%	119.69%	180.25%	160.17%	174.15%	174.75%	173.83%	140.20%	118.28%

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

TOWN OF JOHNSTON, RHODE ISLAND

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

LAST TEN FISCAL YEARS

Measurement Date:	Year Ended June 30, 2023	Year Ended June 30, 2022	Year Ended June 30, 2021	Year Ended June 30, 2020	Year Ended June 30, 2019	Year Ended June 30, 2018	Year Ended June 30, 2017	Year Ended June 30, 2016	Year Ended June 30, 2015	Year Ended June 30, 2014
Total Pension Liability										
Service cost	\$ 342,285	\$ 268,393	\$ 266,164	\$ 229,209	\$ 210,311	\$ 166,174	\$ 125,451	\$ 110,120	\$ 93,320	\$ 79,271
Interest	156,257	131,182	107,731	88,496	70,696	55,621	41,289	30,769	17,733	10,616
Changes of benefit terms	--	--	--	--	--	--	--	--	16,739	--
Differences between expected and actual experience	(199,335)	(32,831)	(31,411)	(36,268)	(36,170)	(28,509)	(17,348)	(8,279)	37,616	--
Changes of assumptions	(9,710)	--	--	(25,130)	--	--	74,307	--	--	(2,021)
Benefit payments	(73,787)	(17,154)	--	--	--	--	--	--	--	(7)
Net change in total pension liability	215,710	349,590	342,484	256,307	244,837	193,286	223,699	132,610	165,408	87,859
Total Pension Liability - Beginning	<u>2,098,000</u>	<u>1,748,410</u>	<u>1,405,926</u>	<u>1,149,619</u>	<u>904,782</u>	<u>711,496</u>	<u>487,797</u>	<u>355,187</u>	<u>189,779</u>	<u>101,920</u>
Total Pension Liability - Ending	<u>\$ 2,313,710</u>	<u>\$ 2,098,000</u>	<u>\$ 1,748,410</u>	<u>\$ 1,405,926</u>	<u>\$ 1,149,619</u>	<u>\$ 904,782</u>	<u>\$ 711,496</u>	<u>\$ 487,797</u>	<u>\$ 355,187</u>	<u>\$ 189,779</u>
Plan Fiduciary Net Position										
Contributions - employer	\$ 161,120	\$ 139,753	\$ 135,257	\$ 111,070	\$ 78,612	\$ 65,893	\$ 65,378	\$ 61,293	\$ 56,198	\$ 35,823
Contributions - employee	173,456	137,013	134,957	111,688	102,536	81,237	70,238	61,429	42,390	35,823
Net investment income	213,815	(63,535)	460,678	51,069	69,449	65,258	70,152	(158)	7,812	30,268
Benefit payments, including refunds of employee contributions	(73,787)	(17,154)	--	--	--	--	--	--	--	(7)
Administrative expenses	(2,301)	(2,166)	(1,755)	(1,407)	(1,096)	(869)	(663)	(425)	(312)	(190)
Other	(46,374)	(54,839)	1,956	4,840	(2)	--	(1)	(1)	(1)	37,680
Net change in plan fiduciary net position	425,929	139,072	731,093	277,260	249,499	211,519	205,104	122,138	106,087	139,397
Plan Fiduciary Net Position - Beginning	<u>2,269,026</u>	<u>2,129,954</u>	<u>1,398,861</u>	<u>1,121,601</u>	<u>872,102</u>	<u>660,583</u>	<u>455,479</u>	<u>333,341</u>	<u>227,254</u>	<u>87,857</u>
Plan Fiduciary Net Position - Ending	<u>\$ 2,694,955</u>	<u>\$ 2,269,026</u>	<u>\$ 2,129,954</u>	<u>\$ 1,398,861</u>	<u>\$ 1,121,601</u>	<u>\$ 872,102</u>	<u>\$ 660,583</u>	<u>\$ 455,479</u>	<u>\$ 333,341</u>	<u>\$ 227,254</u>
Plan's Net Pension Liability (Asset) - Ending	<u>\$ (381,245)</u>	<u>\$ (171,026)</u>	<u>\$ (381,544)</u>	<u>\$ 7,065</u>	<u>\$ 28,018</u>	<u>\$ 32,680</u>	<u>\$ 50,913</u>	<u>\$ 32,318</u>	<u>\$ 21,846</u>	<u>\$ (37,475)</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	116.48%	108.15%	121.82%	99.50%	97.56%	96.39%	92.84%	93.37%	93.85%	119.75%
Covered Payroll	\$ 1,927,281	\$ 1,522,366	\$ 1,499,516	\$ 1,240,982	\$ 1,139,280	\$ 902,628	\$ 780,165	\$ 678,916	\$ 605,582	\$ 511,759
Net Pension Liability as a Percentage of Covered Payroll	-19.78%	-11.23%	-25.44%	0.57%	2.46%	3.62%	6.53%	4.76%	3.61%	-7.32%

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

TOWN OF JOHNSTON, RHODE ISLAND

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

LAST TEN FISCAL YEARS

Measurement Date:	Year Ended June 30, 2023	Year Ended June 30, 2022	Year Ended June 30, 2021	Year Ended June 30, 2020	Year Ended June 30, 2019	Year Ended June 30, 2018	Year Ended June 30, 2017	Year Ended June 30, 2016	Year Ended June 30, 2015	Year Ended June 30, 2014
Total Pension Liability										
Service cost	\$ 991,309	\$ 948,913	\$ 898,029	\$ 914,417	\$ 881,187	\$ 846,595	\$ 719,151	\$ 657,278	\$ 543,904	\$ 516,218
Interest	1,209,334	1,113,863	1,009,292	833,886	760,619	624,347	535,882	457,138	390,096	340,281
Changes of benefit terms	--	--	--	--	--	--	--	--	187,802	--
Differences between expected and actual experience	1,409,952	(341,273)	(159,421)	958,842	(417,107)	602,544	(5,835)	6,024	(206,476)	--
Changes of assumptions	(85,502)	--	--	34,904	--	--	583,764	--	--	(134,099)
Benefit payments	(427,213)	(330,460)	(228,461)	(227,646)	(161,651)	(126,426)	(118,651)	(84,257)	(71,970)	(72,130)
Net change in total pension liability	3,097,880	1,391,043	1,519,439	2,514,403	1,063,048	1,947,060	1,714,311	1,036,183	843,356	650,270
Total Pension Liability - Beginning	<u>16,994,152</u>	<u>15,603,109</u>	<u>14,083,670</u>	<u>11,569,267</u>	<u>10,506,219</u>	<u>8,559,159</u>	<u>6,844,848</u>	<u>5,808,665</u>	<u>4,965,309</u>	<u>4,315,039</u>
Total Pension Liability - Ending	<u>\$ 20,092,032</u>	<u>\$ 16,994,152</u>	<u>\$ 15,603,109</u>	<u>\$ 14,083,670</u>	<u>\$ 11,569,267</u>	<u>\$ 10,506,219</u>	<u>\$ 8,559,159</u>	<u>\$ 6,844,848</u>	<u>\$ 5,808,665</u>	<u>\$ 4,965,309</u>
Plan Fiduciary Net Position										
Contributions - employer	\$ 645,337	\$ 671,503	\$ 539,324	\$ 516,401	\$ 358,292	\$ 338,814	\$ 334,335	\$ 352,791	\$ 330,728	\$ 276,573
Contributions - employee	505,478	483,867	456,625	438,449	422,066	407,671	400,601	341,251	239,904	231,191
Net investment income (loss)	1,448,386	(450,812)	3,391,126	421,053	641,756	681,992	842,725	(2,251)	134,680	681,794
Benefit payments, including refunds of employee contributions	(427,213)	(330,460)	(228,461)	(227,646)	(161,651)	(126,426)	(118,651)	(84,257)	(71,970)	(72,130)
Administrative expenses	(15,590)	(15,368)	(12,921)	(11,601)	(10,126)	(9,079)	(7,962)	(6,055)	(5,394)	(4,269)
Other	--	62,161	--	32,080	--	(114,369)	(18)	136,054	12	(1)
Net change in plan fiduciary net position	2,156,398	420,891	4,145,693	1,168,736	1,250,337	1,178,603	1,451,030	737,533	627,960	1,113,158
Plan Fiduciary Net Position - Beginning	<u>16,099,782</u>	<u>15,678,891</u>	<u>11,533,198</u>	<u>10,364,462</u>	<u>9,114,125</u>	<u>7,935,522</u>	<u>6,484,492</u>	<u>5,746,959</u>	<u>5,118,999</u>	<u>4,005,841</u>
Plan Fiduciary Net Position - Ending	<u>\$ 18,256,180</u>	<u>\$ 16,099,782</u>	<u>\$ 15,678,891</u>	<u>\$ 11,533,198</u>	<u>\$ 10,364,462</u>	<u>\$ 9,114,125</u>	<u>\$ 7,935,522</u>	<u>\$ 6,484,492</u>	<u>\$ 5,746,959</u>	<u>\$ 5,118,999</u>
Plan's Net Pension Liability (Asset) - Ending	<u>\$ 1,835,852</u>	<u>\$ 894,370</u>	<u>\$ (75,782)</u>	<u>\$ 2,550,472</u>	<u>\$ 1,204,805</u>	<u>\$ 1,392,094</u>	<u>\$ 623,637</u>	<u>\$ 360,356</u>	<u>\$ 61,706</u>	<u>\$ (153,690)</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	90.86%	94.74%	100.49%	81.89%	89.59%	86.75%	92.71%	94.74%	98.94%	103.10%
Covered Payroll	\$ 5,616,479	\$ 5,376,280	\$ 5,073,608	\$ 4,871,693	\$ 4,689,661	\$ 4,529,668	\$ 4,273,030	\$ 3,990,758	\$ 3,427,246	\$ 3,302,741
Net Pension Liability as a Percentage of Covered Payroll	32.69%	16.64%	-1.49%	52.35%	25.69%	30.73%	14.59%	9.03%	1.80%	-4.65%

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

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

LAST TEN FISCAL YEARS

	Year Ended June 30	Actuarially Determined Contribution	Actual Contribution	Contribution (Deficiency) Excess	Covered Payroll	Actual Contribution as a % of Covered Payroll
General Employees Plan	2024	\$ 1,601,063	\$ 1,601,063	\$ --	\$ 8,601,353	18.61%
	2023	\$ 1,305,625	\$ 1,305,625	\$ --	\$ 8,350,828	15.63%
	2022	\$ 1,305,625	\$ 1,305,625	\$ --	\$ 7,854,266	16.62%
	2021	\$ 1,276,570	\$ 1,276,570	\$ --	\$ 7,656,599	16.67%
	2020	\$ 1,293,724	\$ 1,293,724	\$ --	\$ 7,915,866	16.34%
	2019	\$ 1,361,051	\$ 1,361,051	\$ --	\$ 8,437,995	16.13%
	2018	\$ 1,279,294	\$ 1,279,294	\$ --	\$ 8,005,543	15.98%
	2017	\$ 1,313,489	\$ 1,313,489	\$ --	\$ 8,020,555	16.38%
	2016	\$ 1,241,203	\$ 1,241,203	\$ --	\$ 7,835,304	15.84%
	2015	\$ 1,254,378	\$ 1,254,378	\$ --	\$ 7,996,917	15.69%
Police Employees Plan	2024	\$ 320,789	\$ 320,789	\$ --	\$ 1,985,099	16.16%
	2023	\$ 161,120	\$ 161,120	\$ --	\$ 1,927,281	8.36%
	2022	\$ 139,753	\$ 139,753	\$ --	\$ 1,522,366	9.18%
	2021	\$ 135,257	\$ 135,257	\$ --	\$ 1,499,516	9.02%
	2020	\$ 111,070	\$ 111,070	\$ --	\$ 1,240,982	8.95%
	2019	\$ 78,612	\$ 78,612	\$ --	\$ 1,139,280	6.90%
	2018	\$ 65,893	\$ 65,893	\$ --	\$ 902,628	7.30%
	2017	\$ 65,378	\$ 65,378	\$ --	\$ 780,165	8.38%
	2016	\$ 61,293	\$ 61,293	\$ --	\$ 678,916	9.03%
	2015	\$ 56,198	\$ 56,198	\$ --	\$ 605,582	9.28%
Fire Employees Plan	2024	\$ 672,845	\$ 672,845	\$ --	\$ 5,784,973	11.63%
	2023	\$ 645,337	\$ 645,337	\$ --	\$ 5,616,479	11.49%
	2022	\$ 671,503	\$ 671,503	\$ --	\$ 5,376,280	12.49%
	2021	\$ 539,324	\$ 539,324	\$ --	\$ 5,073,608	10.63%
	2020	\$ 516,401	\$ 516,401	\$ --	\$ 4,871,693	10.60%
	2019	\$ 358,292	\$ 358,292	\$ --	\$ 4,689,661	7.64%
	2018	\$ 338,814	\$ 338,814	\$ --	\$ 4,529,668	7.48%
	2017	\$ 334,335	\$ 334,335	\$ --	\$ 4,273,030	7.82%
	2016	\$ 352,791	\$ 352,791	\$ --	\$ 3,990,758	8.84%
	2015	\$ 330,728	\$ 330,728	\$ --	\$ 3,427,246	9.65%

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

TOWN OF JOHNSTON, RHODE ISLAND

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF TOWN'S PROPORTIONATE SHARE OF
THE NET PENSION LIABILITY – ERS**

LAST TEN FISCAL YEARS

Measurement Date:	Year Ended June 30, 2023	Year Ended June 30, 2022	Year Ended June 30, 2021	Year Ended June 30, 2020	Year Ended June 30, 2019	Year Ended June 30, 2018	Year Ended June 30, 2017	Year Ended June 30, 2016	Year Ended June 30, 2015	Year Ended June 30, 2014
Town's proportion of the net pension liability	1.38%	1.35%	1.32%	1.68%	1.40%	1.39%	1.35%	1.41%	1.40%	1.30%
Town's proportionate share of the net pension liability	\$ 33,584,644	\$ 36,587,875	\$ 30,967,192	\$ 43,614,392	\$ 44,624,312	\$ 44,322,186	\$ 42,724,384	\$ 42,089,055	\$ 37,498,898	\$ 31,616,141
State's proportionate share of the net pension liability associated with the Town	<u>25,342,727</u>	<u>27,059,304</u>	<u>22,964,949</u>	<u>32,406,561</u>	<u>33,428,231</u>	<u>33,061,167</u>	<u>32,289,369</u>	<u>28,824,823</u>	<u>25,618,070</u>	<u>21,680,644</u>
Total	<u>\$ 58,927,371</u>	<u>\$ 63,647,179</u>	<u>\$ 53,932,141</u>	<u>\$ 76,020,953</u>	<u>\$ 78,052,543</u>	<u>\$ 77,383,353</u>	<u>\$ 75,013,753</u>	<u>\$ 70,913,878</u>	<u>\$ 63,116,968</u>	<u>\$ 53,296,785</u>
Town's covered payroll	<u>\$ 27,105,947</u>	<u>\$ 26,837,571</u>	<u>\$ 26,571,852</u>	<u>\$ 26,308,765</u>	<u>\$ 26,048,282</u>	<u>\$ 26,137,866</u>	<u>\$ 25,310,860</u>	<u>\$ 23,089,090</u>	<u>\$ 22,674,661</u>	<u>\$ 26,384,676</u>
Town's proportionate share of the net pension liability as a percentage of its covered payroll	123.90%	136.33%	116.54%	165.78%	171.31%	169.57%	168.80%	182.29%	165.38%	119.83%
Plan fiduciary net position as a percentage of the total pension liability	65.80%	62.10%	66.50%	54.30%	54.60%	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 JOHNSTON, RHODE ISLAND

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

LAST TEN FISCAL YEARS

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially determined contribution	\$ 4,374,820	\$ 3,864,915	\$ 3,685,054	\$ 3,577,433	\$ 4,247,379	\$ 3,588,539	\$ 3,558,216	\$ 3,182,090	\$ 2,968,073	\$ 3,538,185
Contributions in relation to the actuarially determined contribution	<u>4,374,820</u>	<u>3,864,915</u>	<u>3,685,054</u>	<u>3,577,433</u>	<u>4,247,379</u>	<u>3,588,539</u>	<u>3,558,216</u>	<u>3,182,090</u>	<u>2,968,073</u>	<u>3,538,185</u>
Contribution deficiency (excess)	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>
Covered payroll	<u>\$ 27,105,947</u>	<u>\$ 26,837,571</u>	<u>\$ 26,571,852</u>	<u>\$ 26,308,765</u>	<u>\$ 26,048,282</u>	<u>\$ 26,137,866</u>	<u>\$ 25,310,860</u>	<u>\$ 23,089,090</u>	<u>\$ 22,674,661</u>	<u>\$ 26,384,676</u>
Contributions as a percentage of covered payroll	16.14%	14.40%	13.87%	13.60%	16.31%	13.73%	14.06%	13.78%	13.09%	13.41%

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

TOWN OF JOHNSTON, RHODE ISLAND

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

LAST TEN FISCAL YEARS

Measurement Date:	Year Ended June 30, 2023	Year Ended June 30, 2022	Year Ended June 30, 2021	Year Ended June 30, 2020	Year Ended June 30, 2019	Year Ended June 30, 2018	Year Ended June 30, 2017	Year Ended June 30, 2016	Year Ended June 30, 2015
Town's proportion of the net pension asset	5.38%	5.25%	5.12%	5.55%	5.13%	5.13%	5.08%	4.98%	4.93%
Town's proportionate share of the net pension asset	\$ 10,816,837	\$ 9,232,018	\$ 10,010,912	\$ 6,589,596	\$ 5,972,304	\$ 4,578,176	\$ 4,205,570	\$ 4,958,163	\$ 4,604,566
Town's covered payroll	\$ 27,105,947	\$ 26,837,571	\$ 26,571,852	\$ 26,308,765	\$ 26,048,282	\$ 26,137,866	\$ 25,310,860	\$ 23,089,090	\$ 22,674,661
Town's proportionate share of the net pension asset as a percentage of its covered payroll	39.91%	34.40%	37.67%	25.05%	22.93%	17.52%	16.62%	21.47%	20.31%
Plan fiduciary net position as a percentage of the total pension liability	190.20%	177.70%	185.70%	153.10%	137.40%	137.40%	136.10%	153.30%	146.60%

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

TOWN OF JOHNSTON, RHODE ISLAND

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

LAST TEN FISCAL YEARS

	2024	2023	2022	2021	2020	2017	2016	2015	2016	2015
Actuarially determined contribution	\$ 806	\$ 41,215	\$ 39,691	\$ 37,661	\$ 41,379	\$ 29,988	\$ 38,175	\$ 29,988	\$ 29,761	\$ 29,256
Contributions in relation to the actuarially determined contribution	<u>806</u>	<u>41,215</u>	<u>39,691</u>	<u>37,661</u>	<u>41,379</u>	<u>29,988</u>	<u>38,175</u>	<u>29,988</u>	<u>29,761</u>	<u>29,256</u>
Contribution deficiency (excess)	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>
Covered payroll	<u>\$ 27,105,947</u>	<u>\$ 26,837,571</u>	<u>\$ 26,571,852</u>	<u>\$ 26,308,765</u>	<u>\$ 26,048,282</u>	<u>\$ 23,089,090</u>	<u>\$ 25,310,860</u>	<u>\$ 23,089,090</u>	<u>\$ 22,674,661</u>	<u>\$ 26,384,676</u>
Contributions as a percentage of covered payroll	0.00%	0.15%	0.15%	0.14%	0.16%	0.13%	0.15%	0.13%	0.13%	0.11%

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

TOWN OF JOHNSTON, RHODE ISLAND

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

LAST TEN FISCAL YEARS

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total Pension Liability										
Service cost	\$ 1,148,184	\$ 1,379,984	\$ 1,403,357	\$ 1,378,435	\$ 1,502,837	\$ 1,477,049	\$ 1,494,639	\$ 5,820,728	\$ 4,354,675	\$ 3,237,765
Interest	6,141,283	5,859,447	5,740,655	5,705,789	5,590,184	5,447,208	5,264,762	5,023,358	5,462,015	5,320,690
Change in benefit terms	--	--	--	--	--	--	--	(15,869,440)	--	--
Differences between expected and actual experience	(258,958)	2,517,192	(363,254)	(1,499,958)	(941,623)	(588,200)	(608,109)	(853,055)	(3,200,839)	1,627,147
Changes of assumptions	1,546,876	--	--	2,198,486	--	--	3,182,625	(87,523,217)	29,239,726	15,613,100
Benefit payments	(5,394,944)	(5,602,264)	(4,518,454)	(4,479,240)	(4,385,639)	(4,393,907)	(4,364,593)	(4,100,493)	(4,002,706)	(3,982,881)
Net change in total pension liability	3,182,441	4,154,359	2,262,304	3,303,512	1,765,759	1,942,150	4,969,324	(97,502,119)	31,852,871	21,815,821
Total Pension Liability - Beginning	89,281,896	85,127,537	82,865,233	79,561,721	77,795,962	75,853,812	70,884,488	168,386,607	136,533,736	114,717,915
Total Pension Liability - Ending	<u>\$ 92,464,337</u>	<u>\$ 89,281,896</u>	<u>\$ 85,127,537</u>	<u>\$ 82,865,233</u>	<u>\$ 79,561,721</u>	<u>\$ 77,795,962</u>	<u>\$ 75,853,812</u>	<u>\$ 70,884,488</u>	<u>\$ 168,386,607</u>	<u>\$ 136,533,736</u>
Plan Fiduciary Net Position										
Contributions - employer	\$ 5,627,222	\$ 5,463,322	\$ 5,304,197	\$ 5,149,705	\$ 4,999,713	\$ 4,854,090	\$ 4,714,480	\$ 4,797,069	\$ 2,783,429	\$ 2,786,367
Contributions - employee	229,558	250,699	283,687	300,138	302,388	314,146	363,787	426,286	394,051	388,335
Net investment income (loss)	4,409,504	2,591,174	(3,977,449)	6,880,535	(19,621)	763,639	1,512,485	1,753,780	21,130	141,369
Benefit payments, including refunds of employee contributions	(5,394,944)	(5,602,264)	(4,518,454)	(4,479,240)	(4,385,639)	(4,393,907)	(4,364,593)	(4,100,493)	(4,002,706)	(3,982,881)
Administrative expenses	(65,488)	(66,360)	(50,875)	(55,175)	(50,096)	(66,174)	(73,110)	(84,157)	(77,728)	(71,000)
Other	1,647	1,647	1,037,474	1,797	1,754	37,077	4,215	(49,245)	--	(40,576)
Net change in plan fiduciary net position	4,807,499	2,638,218	(1,921,420)	7,797,760	848,499	1,508,871	2,157,264	2,743,240	(881,824)	(778,386)
Plan Fiduciary Net Position - Beginning	31,254,559	28,616,341	30,537,761	22,740,001	21,891,502	20,382,631	18,225,367	15,482,127	16,363,951	17,142,337
Plan Fiduciary Net Position - Ending	<u>\$ 36,062,058</u>	<u>\$ 31,254,559</u>	<u>\$ 28,616,341</u>	<u>\$ 30,537,761</u>	<u>\$ 22,740,001</u>	<u>\$ 21,891,502</u>	<u>\$ 20,382,631</u>	<u>\$ 18,225,367</u>	<u>\$ 15,482,127</u>	<u>\$ 16,363,951</u>
Plan's net pension liability - Ending	<u>\$ 56,402,279</u>	<u>\$ 58,027,337</u>	<u>\$ 56,511,196</u>	<u>\$ 52,327,472</u>	<u>\$ 56,821,720</u>	<u>\$ 55,904,460</u>	<u>\$ 55,471,181</u>	<u>\$ 52,659,121</u>	<u>\$ 152,904,480</u>	<u>\$ 120,169,785</u>
Plan fiduciary net position as a percentage of the total pension liability	39.00%	35.01%	33.62%	36.85%	28.58%	28.14%	26.87%	25.71%	9.19%	11.99%
Covered-employee payroll	\$ 3,077,010	\$ 3,531,801	\$ 4,194,009	\$ 4,401,235	\$ 4,615,136	\$ 4,671,254	\$ 4,741,461	\$ 5,019,760	\$ 5,054,901	\$ 5,049,628
Net pension liability as a percentage of covered-employee payroll	1833.02%	1643.00%	1347.43%	1188.93%	1231.20%	1196.78%	1169.92%	1049.04%	3024.88%	2379.78%

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

TOWN OF JOHNSTON, RHODE ISLAND

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

LAST TEN FISCAL YEARS

Year Ended June 30	Actuarially Determined Contribution	Actual Contribution	Contribution (Deficiency) Excess	Covered Payroll	Actual Contribution as a % of Covered Payroll	Weighted Rate of Return
2024	\$ 5,627,221	\$ 5,627,222	\$ 1	\$ 3,077,010	182.88%	14.10%
2023	\$ 5,463,322	\$ 5,463,322	\$ --	\$ 3,531,801	154.69%	9.05%
2022	\$ 5,304,196	\$ 5,304,197	\$ 1	\$ 4,194,009	126.47%	-13.02%
2021	\$ 5,149,705	\$ 5,149,705	\$ --	\$ 4,401,235	117.01%	30.26%
2020	\$ 4,999,713	\$ 4,999,713	\$ --	\$ 4,615,136	108.33%	-0.09%
2019	\$ 4,854,090	\$ 4,854,090	\$ --	\$ 4,671,254	103.91%	3.61%
2018	\$ 8,509,584	\$ 4,714,480	\$ (3,795,104)	\$ 4,741,461	99.43%	7.84%
2017	\$ 8,073,936	\$ 4,797,069	\$ (3,276,867)	\$ 5,019,760	95.56%	0.01%
2016	\$ 7,197,627	\$ 2,783,429	\$ (4,414,198)	\$ 5,054,901	55.06%	-0.01%
2015	\$ 6,579,139	\$ 2,786,367	\$ (3,792,772)	\$ 5,049,628	55.18%	0.53%

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

TOWN OF JOHNSTON, RHODE ISLAND

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

LAST TEN FISCAL YEARS

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total Pension Liability										
Service cost	\$ 504,928	\$ 655,019	\$ 731,813	\$ 653,960	\$ 651,848	\$ 621,647	\$ 528,576	\$ 2,268,136	\$ 2,314,587	\$ 1,991,455
Interest	5,869,104	5,852,868	5,781,189	5,698,225	5,630,730	5,644,481	5,808,544	4,778,023	5,227,209	5,462,967
Change in benefit terms	--	--	--	--	--	--	--	(8,256,305)	--	--
Differences between expected and actual experience	17,459	(662,411)	(105,403)	116,928	(347,071)	(1,558,937)	(4,039,743)	(3,153,677)	2,235,932	(2,195,103)
Changes of assumptions	1,188,992	--	--	2,590,059	--	--	2,939,026	(72,009,127)	24,437,339	12,115,339
Benefit payments	(5,523,714)	(5,403,173)	(5,210,462)	(5,079,175)	(4,934,125)	(4,920,012)	(4,923,617)	(4,918,521)	(4,584,209)	(4,148,770)
Net change in total pension liability	2,056,769	442,303	1,197,137	3,979,997	1,001,382	(212,821)	312,786	(81,291,471)	29,630,858	13,225,888
Total Pension Liability - Beginning	86,101,269	85,658,966	84,461,829	80,481,832	79,480,450	79,693,271	79,380,485	160,671,956	131,041,098	117,815,210
Total Pension Liability - Ending	<u>\$ 88,158,038</u>	<u>\$ 86,101,269</u>	<u>\$ 85,658,966</u>	<u>\$ 84,461,829</u>	<u>\$ 80,481,832</u>	<u>\$ 79,480,450</u>	<u>\$ 79,693,271</u>	<u>\$ 79,380,485</u>	<u>\$ 160,671,956</u>	<u>\$ 131,041,098</u>
Plan Fiduciary Net Position										
Contributions - employer	\$ 4,826,707	\$ 4,686,123	\$ 4,549,634	\$ 4,417,120	\$ 4,288,466	\$ 4,163,560	\$ 4,041,720	\$ 3,924,059	\$ 2,576,831	\$ 2,620,273
Contributions - employee	120,737	128,551	141,434	159,733	161,588	171,202	160,257	185,921	233,585	295,539
Net investment income (loss)	3,731,066	2,261,910	(3,692,682)	6,832,623	(20,744)	858,655	1,814,122	2,283,935	29,412	199,660
Benefit payments, including refunds of employee contributions	(5,523,714)	(5,403,173)	(5,210,462)	(5,079,175)	(4,934,125)	(4,920,012)	(4,923,617)	(4,918,521)	(4,584,209)	(4,148,770)
Administrative expenses	(65,489)	(66,360)	(50,875)	(55,175)	(50,097)	(66,174)	(73,110)	(84,157)	(77,829)	(71,000)
Net change in plan fiduciary net position	3,089,307	1,607,051	(4,262,951)	6,275,126	(554,912)	207,231	1,019,372	1,391,237	(1,822,210)	(1,104,298)
Plan Fiduciary Net Position - Beginning	26,935,045	25,327,994	29,590,945	23,315,819	23,870,731	23,663,500	22,644,128	21,252,891	23,075,101	24,179,399
Plan Fiduciary Net Position - Ending	<u>\$ 30,024,352</u>	<u>\$ 26,935,045</u>	<u>\$ 25,327,994</u>	<u>\$ 29,590,945</u>	<u>\$ 23,315,819</u>	<u>\$ 23,870,731</u>	<u>\$ 23,663,500</u>	<u>\$ 22,644,128</u>	<u>\$ 21,252,891</u>	<u>\$ 23,075,101</u>
Plan's net pension liability - Ending	<u>\$ 58,133,686</u>	<u>\$ 59,166,224</u>	<u>\$ 60,330,972</u>	<u>\$ 54,870,884</u>	<u>\$ 57,166,013</u>	<u>\$ 55,609,719</u>	<u>\$ 56,029,771</u>	<u>\$ 56,736,357</u>	<u>\$ 139,419,065</u>	<u>\$ 107,965,997</u>
Plan fiduciary net position as a percentage of the total pension liability	34.06%	31.28%	29.57%	35.03%	28.97%	30.03%	29.69%	28.53%	13.23%	17.61%
Covered-employee payroll	\$ 1,903,091	\$ 1,797,343	\$ 2,109,436	\$ 2,230,342	\$ 2,267,624	\$ 2,285,342	\$ 2,200,925	\$ 1,988,230	\$ 2,205,173	\$ 2,977,948
Net pension liability as a percentage of covered-employee payroll	3054.70%	3291.87%	2860.05%	2460.20%	2520.97%	2433.32%	2545.74%	2853.61%	6322.36%	3625.52%

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

TOWN OF JOHNSTON, RHODE ISLAND

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

LAST TEN FISCAL YEARS

Year Ended June 30	Actuarially Determined Contribution	Actual Contribution	Contribution (Deficiency) Excess	Covered Payroll	Actual Contribution as a % of Covered Payroll	Weighted Rate of Return
2024	\$ 4,826,707	\$ 4,826,707	\$ --	\$ 1,903,091	253.62%	13.90%
2023	\$ 4,686,123	\$ 4,686,123	\$ --	\$ 1,797,343	260.73%	8.93%
2022	\$ 4,549,634	\$ 4,549,634	\$ --	\$ 2,109,436	215.68%	-13.02%
2021	\$ 4,417,120	\$ 4,417,120	\$ --	\$ 2,230,342	198.05%	30.26%
2020	\$ 4,288,466	\$ 4,288,466	\$ --	\$ 2,267,624	189.12%	-0.09%
2019	\$ 4,163,560	\$ 4,163,560	\$ --	\$ 2,285,342	182.19%	3.61%
2018	\$ 7,430,222	\$ 4,041,720	\$ (3,388,502)	\$ 2,200,925	183.64%	7.84%
2017	\$ 6,954,295	\$ 3,924,059	\$ (3,030,236)	\$ 1,988,230	197.36%	0.01%
2016	\$ 6,607,532	\$ 2,576,831	\$ (4,030,701)	\$ 2,205,173	116.85%	-0.01%
2015	\$ 6,331,388	\$ 2,620,273	\$ (3,711,115)	\$ 2,977,948	87.99%	0.53%

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

TOWN OF JOHNSTON, RHODE ISLAND

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CHANGES IN TOWN'S FIRE LONGEVITY PENSION LIABILITY AND RELATED RATIOS

LAST THREE FISCAL YEARS

	2024	2023	2022
Total Pension Liability			
Service cost	\$ 186,801	\$ 274,740	\$ 362,488
Interest	276,196	203,980	--
Differences between expected and actual experience	(281,463)	(60,915)	3,604,621
Changes of assumptions	(377,404)	(1,948,771)	--
Benefit payments	(262,805)	(252,405)	(235,589)
Net change in total pension liability	(458,675)	(1,783,371)	3,731,520
Total Pension Liability - Beginning	7,511,628	9,294,999	5,563,479
Total Pension Liability - Ending	<u>\$ 7,052,953</u>	<u>\$ 7,511,628</u>	<u>\$ 9,294,999</u>
 Covered-employee payroll	 \$ 5,507,024	 \$ 5,270,672	 \$ 5,270,672
 Net pension liability as a percentage of covered-employee payroll	 128.07%	 142.52%	 176.35%

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

TOWN OF JOHNSTON, RHODE ISLAND

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CHANGES IN TOWN'S POLICE COLA PENSION LIABILITY AND RELATED RATIOS

LAST THREE FISCAL YEARS

	2024	2023	2022
Total Pension Liability			
Service cost	\$ 283,881	\$ 132,956	\$ 67,666
Benefit payments	(111,089)	(61,801)	(67,666)
Net change in total pension liability	172,792	71,155	--
Total Pension Liability - Beginning	313,241	242,086	242,086
Total Pension Liability - Ending	<u>\$ 486,033</u>	<u>\$ 313,241</u>	<u>\$ 242,086</u>
 Covered-employee payroll	 \$ 2,920,327	 \$ 2,270,576	 \$ 1,512,198
 Net pension liability as a percentage of covered-employee payroll	 16.64%	 13.80%	 16.01%

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

TOWN OF JOHNSTON, RHODE ISLAND

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

LAST THREE FISCAL YEARS

	2024	2023	2022
Total Pension Liability			
Service cost	\$ 275,889	\$ 304,705	\$ 388,794
Benefit payments	(208,413)	(181,634)	(388,794)
Net change in total pension liability	67,476	123,071	--
Total Pension Liability - Beginning	2,833,010	2,833,010	2,833,010
Total Pension Liability - Ending	<u>\$ 2,900,486</u>	<u>\$ 2,956,081</u>	<u>\$ 2,833,010</u>
 Covered-employee payroll	 \$ 5,461,414	 \$ 5,111,776	 \$ 5,270,672
 Net pension liability as a percentage of covered-employee payroll	 53.11%	 57.83%	 53.75%

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

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED JUNE 30, 2024

OTHER POST-EMPLOYMENT BENEFITS (OPEB) PLAN

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

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

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

- Actuarial cost method – Entry Age Normal
- Healthcare Cost Trend Rates – 4.5%
- Discount rate – The discount rate used to measure the OPEB liability 5.40% for Town. The projection of cash flows used to determine the discount rate assumed that contributions will be made at rates equal to and above the expected benefit payments. Based on those assumptions, the OPEB plan's net fiduciary position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected payments to determine the total OPEB liability.

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

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

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

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

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 to the liabilities or contributions.
- Modestly increased turnover rates.
- Slight modifications to the retirement rates.
- Modified slightly the rates of disability.

TOWN OF JOHNSTON, RHODE ISLAND
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2024

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

June 30, 2022 measurement date –

There were no changes in actuarial methods or assumptions reflected in the calculation of the net pension liability (asset) of the plans as of the June 30, 2022 measurement date compared to the June 30, 2021 measurement date.

June 30, 2021 measurement date –

There were no changes in actuarial methods or assumptions reflected in the calculation of the net pension liability (asset) of the plans as of the June 30, 2021 measurement date compared to the June 30, 2020 measurement date.

June 30, 2020 measurement date –

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

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

June 30, 2019 measurement date –

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

June 30, 2018 measurement date –

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

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED JUNE 30, 2024

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

June 30, 2017 measurement date –

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

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

June 30, 2016 measurement date –

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

June 30, 2015 measurement date –

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

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

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

TOWN OF JOHNSTON, RHODE ISLAND

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED JUNE 30, 2024

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

- MERS public safety employees may retire at age 50 with 25 years of service, or any age with 27 years of service. MERS public safety employees will contribute 9.00% (10.00% for units with a COLA provision).
- Employees with more than 10 but less than 20 years of service at July 1, 2012 will receive an increased employer contribution to the defined contribution plan. Also, members who earn less than \$35,000 per year will not be required to pay the administrative fees to the defined contribution plan.
- Members who retired from a COLA eligible plan before July 1, 2012 will 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 max of 4%) and 50% calculated using previous year's CPI-U (max of 3%) for a total max COLA of 3.5%. This COLA is calculated on the first \$25,855, effective 01/01/16, and indexed as of that date as well. (The indexing formula is run annually regardless of funding level each year.)
- Minor adjustments were made to the actuarial reduction for employees choosing to retire early.

POLICE AND FIRE PLAN

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

Inflation	2.50 percent
Salary increases	3.50 percent
Discount rate	6.75 percent
Investment rate of return	6.75 percent, net of pension plan investment expense, including inflation

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

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

GENERAL FUND

FOR THE YEAR ENDED JUNE 30, 2024

	Original Budget	Final Budget	Actual (Budgetary Basis)	Variance with Final Budget Positive (Negative)
Revenues				
Property tax	\$ 73,635,089	\$ 73,635,089	\$ 75,131,623	\$ 1,496,534
Stabilization agreements	9,629,973	9,629,973	9,666,506	36,533
Host Community Service Revenue - RIRRC	4,750,246	4,750,246	4,727,607	(22,639)
Interest and penalties on taxes	572,574	572,574	650,473	77,899
Intergovernmental	11,934,926	11,934,926	12,126,417	191,491
School aid - state, medicaid and other miscellaneous revenue	21,786,519	21,786,519	22,115,099	328,580
Investment income	800,000	800,000	2,078,747	1,278,747
Departmental fees and revenues	5,972,525	5,972,525	6,893,845	921,320
Total Revenues	<u>129,081,852</u>	<u>129,081,852</u>	<u>133,390,317</u>	<u>4,308,465</u>
Expenditures				
Town council	47,491	47,491	40,196	7,295
Mayor	448,295	448,295	444,896	3,399
Courts	20,533	20,533	18,104	2,429
Canvassers	136,427	136,427	129,516	6,911
Legal	543,737	543,737	655,327	(111,590)
Town clerk	427,033	427,033	439,258	(12,225)
Human resources	184,207	184,207	157,081	27,126
Finance	1,492,228	1,492,228	1,453,086	39,142
Assessor	389,350	389,350	400,559	(11,209)
Police department	20,104,931	20,104,931	19,456,663	648,268
Municipal court	319,326	319,326	298,487	20,839
Fire	23,535,960	23,535,960	24,569,877	(1,033,917)
Emergency management	16,148	16,148	16,148	--
Street and highways	1,862,590	1,862,590	2,455,159	(592,569)
Building maintenance	1,075,319	1,075,319	1,159,169	(83,850)
Public works administration	2,688,179	2,688,179	2,671,038	17,141
Sewer department	260,093	260,093	218,576	41,517
Fleet maintenance	508,035	508,035	506,853	1,182
Inspector's fees	389,823	389,823	323,332	66,491
Parks and recreation	660,264	660,264	671,571	(11,307)
General public assistance	3,634	3,634	2,584	1,050
Administrative and miscellaneous appropriations	3,186,376	3,186,376	3,150,887	35,489
Planning and public services	233,067	233,067	206,334	26,733
Assessment board	2,745	2,745	2,745	--
Library	676,992	676,992	649,457	27,535
Debt services	5,657,149	5,657,149	5,656,656	493
OPEB trust contribution	400,000	400,000	400,000	--
Senior services	315,000	315,000	323,234	(8,234)
Total Expenditures	<u>65,584,932</u>	<u>65,584,932</u>	<u>66,476,793</u>	<u>(891,861)</u>

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

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

GENERAL FUND

FOR THE YEAR ENDED JUNE 30, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual (Budgetary Basis)</u>	<u>Variance with Final Budget Positive (Negative)</u>
Excess of Revenues Over Expenditures Before				
Other Financing Sources (Uses)	<u>63,496,920</u>	<u>63,496,920</u>	<u>66,913,524</u>	<u>3,416,604</u>
Other Financing Uses				
Transfers out	<u>(63,496,920)</u>	<u>(63,496,920)</u>	<u>(63,669,453)</u>	<u>(172,533)</u>
Total Other Financing Uses	<u>(63,496,920)</u>	<u>(63,496,920)</u>	<u>(63,669,453)</u>	<u>(172,533)</u>
Excess of Revenues and Other Financing Sources Over				
Expenditures and Other Financing Uses - Budgetary Basis	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 3,244,071</u>	<u>\$ 3,244,071</u>

Reconciliation to GAAP Basis

Property tax revenue for prior years reported in Compensated Absence Retirement Escrow Fund in accordance with Ordinance 2022-4 not included in fiscal 2024 budget			(250,000)
Investment income reported directly in the Capital Projects Fund in accordance with Ordinance 2022-5 not included in the fiscal 2024 budget			(500,000)
Inclusion of net gain of Town grants fund, Police Detail Fund and Fire Detail fund with the General Fund, for GAAP purposes not part of budget			<u>59,924</u>
Net Change in Fund Balance			<u>\$ 2,553,995</u>

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

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

SCHOOL UNRESTRICTED FUND

FOR THE YEAR ENDED JUNE 30, 2024

	Original Budget	Final Budget	Actual (Budgetary Basis)	Variance with Final Budget Positive (Negative)
Revenues				
State aid	\$ 22,115,099	\$ 22,115,099	\$ 22,115,099	\$ --
Medicaid	900,000	900,000	651,773	(248,227)
Other revenues	169,500	169,500	371,652	202,152
Total Revenues	<u>23,184,599</u>	<u>23,184,599</u>	<u>23,138,524</u>	<u>(46,075)</u>
Expenditures				
Salaries	31,693,653	31,693,653	31,279,164	414,489
Fringe benefits	15,417,028	15,417,028	15,802,684	(385,656)
Professional services	15,041,832	15,041,832	15,884,483	(842,651)
Supplies and materials	1,376,704	1,376,704	1,257,699	119,005
Capital outlay	285,783	285,783	266,042	19,741
Total Expenditures	<u>63,815,000</u>	<u>63,815,000</u>	<u>64,490,072</u>	<u>(675,072)</u>
Deficiency of Revenues Under Expenditures				
Before Other Financing Sources (Uses)	<u>(40,630,401)</u>	<u>(40,630,401)</u>	<u>(41,351,548)</u>	<u>(721,147)</u>
Other Financing Sources (Uses)				
Operating transfer from Town	40,630,401	40,630,401	40,630,401	--
Total Other Financing Sources (Uses)	<u>40,630,401</u>	<u>40,630,401</u>	<u>40,630,401</u>	<u>--</u>
Excess of Expenditures and Other Financing Uses				
Over Revenue and Other Financing Sources	<u>\$ --</u>	<u>\$ --</u>	<u>\$ (721,147)</u>	<u>\$ (721,147)</u>

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

TOWN OF JOHNSTON, RHODE ISLAND
NOTES TO THE BUDGETARY COMPARISON SCHEDULES
FOR THE YEAR ENDED JUNE 30, 2024

BUDGETARY DATA AND BUDGETARY COMPLIANCE

Budgetary to GAAP Basis Reconciliation

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

The following reconciliations summarize the differences between the budgetary basis and U.S. GAAP basis for the year ended June 30, 2024 for the School Unrestricted Fund:

Excess of Expenditures and Other Financing Uses	
Over Revenue and Other Financing Sources	\$ (721,147)
ERSRI on behalf pension revenue	2,919,990
ERSRI on behalf pension expenditures	<u>(2,919,990)</u>
Excess of Expenditures and Other Financing Uses Under Revenues	
and Other Financing Sources - GAAP Basis - School Unrestricted Fund	<u><u>\$ (721,147)</u></u>

OTHER SUPPLEMENTARY INFORMATION

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

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TOWN OF JOHNSTON, RHODE ISLAND

TAX COLLECTOR'S ANNUAL REPORT

FOR THE YEAR ENDED JUNE 30, 2024

Real estate and personal property taxes receivable:

Fiscal Year	July 1, 2023	Current Year		Abatements	Refunds / Adjustments	Amount to be Collected	FY 2024 Collections	June 30, 2024	FY 2024 Collections Summary			July - August 2024 (FY24) Collections Subject to 60-day FY24 Accrual
		Assessment	Additions						July - August 2023 (FY24) Collections Subject to 60-day FY23 Accrual	July 2023 to June 2024 Collections	Total FY 2024 Collections	
2023	\$ --	\$ 75,679,738	\$ 348,821	\$ (295,134)	\$ (571,779)	\$ 75,161,646	\$ 72,276,294	\$ 2,885,352	\$ --	\$ 72,276,294	\$ 72,276,294	\$ 1,262,634
2022	3,007,631	--	8,235	(43,153)	10,314	2,983,027	2,010,269	972,758	735,879	1,274,390	2,010,269	243,977
2021	781,158	--	2,638	(41,787)	(32,367)	709,642	293,454	416,188	277,878	15,576	293,454	12,190
2020	480,681	--	2,606	(57,113)	5,134	431,308	60,794	370,514	41,562	19,232	60,794	185
2019	358,851	--	--	(28,996)	(48,931)	280,924	15,375	265,549	7,825	7,550	15,375	299
2018	438,014	--	--	(86,121)	(42,370)	309,523	4,600	304,923	969	3,631	4,600	198
2017	401,848	--	--	(26,808)	--	375,040	4,325	370,715	1,611	2,714	4,325	350
2016	454,142	--	--	(22,200)	(56,250)	375,692	2,416	373,276	411	2,005	2,416	590
2015	479,600	--	--	(18,196)	(18,305)	443,099	1,514	441,585	220	1,294	1,514	385
2014	376,871	--	--	--	(17,766)	359,105	2,233	356,872	248	1,985	2,233	295
2013 and prior	2,120,054	--	--	(156,518)	(26,130)	1,937,406	56,710	1,880,696	51,083	5,627	56,710	222
	<u>\$ 8,898,850</u>	<u>\$ 75,679,738</u>	<u>\$ 362,300</u>	<u>\$ (776,026)</u>	<u>\$ (798,450)</u>	<u>\$ 83,366,412</u>	<u>\$ 74,727,984</u>	<u>\$ 8,638,428</u>	<u>\$ 1,117,686</u>	<u>\$ 73,610,298</u>	<u>\$ 74,727,984</u>	<u>\$ 1,521,325</u>
<i>Allowance for Uncollectible Accounts</i>	<u>(4,370,053)</u>							<u>(4,205,144)</u>				
<i>Net Property Tax Receivable</i>	<u>\$ 4,528,797</u>							<u>\$ 4,433,284</u>				

TOWN OF JOHNSTON, RHODE ISLAND
TAX COLLECTOR'S ANNUAL REPORT (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2024

Schedule of Net Assessed Property, Value by Category		
Description of Property	Valuations	
	December 31, 2022	Levy July 1, 2023
Real Property	\$ 4,349,103,330	\$ 63,975,866
Tangible	<u>181,034,210</u>	<u>11,703,872</u>
Total	4,530,137,540	75,679,738
Exemptions	<u>(657,599,673)</u>	--
Net Assessed Value	<u>\$ 3,872,537,867</u>	<u>\$ 75,679,738</u>

Reconciliation of Current Year Property Tax Revenue	
Current Year Collections	\$ 74,727,984
July - August 2024 Collections Subject to 60-day FY24 Accrual	<u>1,521,325</u>
	76,249,309
July - August 2023 Collections Subject to 60-day FY23 Accrual	<u>(1,117,686)</u>
Current year general fund tax revenue	<u>\$ 75,131,623</u>

TOWN OF JOHNSTON, RHODE ISLAND
ANNUAL SUPPLEMENTAL TRANSPARENCY REPORT (MTP2)
FOR THE YEAR ENDED JUNE 30, 2024

REVENUE	Municipal	Education Department
Current Year Levy Tax Collection	\$ 73,538,928	\$ -
Last Year's Levy Tax Collection	1,518,367	-
Prior Years Property Tax Collection	74,328	-
Interest & Penalty	630,473	-
PILOT & Tax Treaty (excluded from levy) Collection	9,666,506	-
Other Local Property Taxes	-	-
Licenses and Permits	206,158	-
Fines and Forfeitures	724,889	-
Investment Income	2,306,283	-
Departmental	8,471,823	-
Rescue Run Revenue	1,000,000	-
Police & Fire Detail	1,251,707	-
Other Local Non-Property Tax Revenues	538,000	-
Tuition	-	121,704
Impact Aid	-	-
Medicaid	-	631,773
Federal Stabilization Funds	-	-
Federal Food Service Reimbursement	-	727,388
CDBG	-	-
COPS Grants	-	-
SAFER Grants	-	-
Other Federal Aid Funds	-	6,532,913
COVID - ESSER	-	-
COVID - CRF	-	-
COVID - CDBG	-	-
COVID - FEMA	-	-
COVID - Other	-	-
COVID - ARPA	1,893,422	-
MV Excise Tax Reimbursement	10,382,785	-
State PILOT Program	-	-
Distressed Community Relief Fund	-	-
Library Resource Aid	133,433	-
Library Construction Aid	-	-
Public Service Corporation Tax	391,636	-
Meals & Beverage Tax / Hotel Tax	1,030,902	-
LEA Aid	-	22,115,099
Group Home	-	-
Housing Aid Capital Projects	-	-
Housing Aid Bonded Debt	161,234	-
State Food Service Revenue	-	120,513
Incentive Aid	-	-
Property Revaluation Reimbursement	-	-
Other State Revenue	152,035	488,189
Motor Vehicle Phase Out	437,352	-
Other Revenue	221,226	2,423,150
Local Appropriation for Education	-	40,630,401
Regional Appropriation for Education	-	-
Supplemental Appropriation for Education	-	-
Regional Supplemental Appropriation for Education	-	-
Other Education Appropriation	-	-
Rounding	-	-
Total Revenue	\$ 114,751,507	\$ 73,831,132
Financing Sources: Transfer from Capital Funds	\$ -	\$ -
Financing Sources: Transfer from Other Funds	-	-
Financing Sources: Debt Proceeds	-	-
Financing Sources: Other	-	-
Rounding	-	-
Total Other Financing Sources	\$ -	\$ -

TOWN OF JOHNSTON, RHODE ISLAND

ANNUAL SUPPLEMENTAL TRANSPARENCY REPORT (MTP2)

FOR THE YEAR ENDED JUNE 30, 2024

<u>EXPENDITURES</u>	General Government	Finance	Social Services	Centralized IT	Planning	Libraries	Public Works	Parks and Rec	Police Department
Compensation- Group A	\$ 866,800	\$ 757,141	\$ 2,400	\$ -	\$ 77,835	\$ 333,174	\$ 2,072,683	\$ 367,614	\$ 5,604,526
Compensation - Group B	-	-	-	-	-	-	-	-	725,349
Compensation - Group C	-	-	-	-	-	-	-	-	-
Compensation -Volunteer	-	-	-	-	-	-	-	-	-
Overtime- Group A	18,113	77,373	-	-	1,460	267	263,435	16,627	1,240,034
Overtime - Group B	-	-	-	-	-	-	-	-	1,208,584
Overtime - Group C	-	-	-	-	-	-	-	-	-
Police & Fire Detail	-	-	-	-	-	-	-	-	3,844
Active Medical Insurance - Group A	666,113	576,032	-	-	38,722	123,252	574,953	75,850	1,349,957
Active Medical Insurance- Group B	-	-	-	-	-	-	-	-	175,418
Active Medical Insurance- Group C	-	-	-	-	-	-	-	-	-
Active Dental insurance- Group A	12,294	10,049	-	-	1,557	4,672	25,115	3,114	61,960
Active Dental Insurance- Group B	-	-	-	-	-	-	-	-	7,826
Active Dental Insurance- Group C	-	-	-	-	-	-	-	-	-
Payroll Taxes	67,200	69,501	184	-	6,024	25,089	171,790	32,484	634,219
Life Insurance	1,307	1,309	-	-	139	713	3,732	733	127,317
State Defined Contribution- Group A	6,888	7,889	-	-	359	2,645	20,109	2,832	132,391
State Defined Contribution - Group B	-	-	-	-	-	-	-	-	-
State Defined Contribution - Group C	-	-	-	-	-	-	-	-	-
Other Benefits- Group A	389,980	-	-	-	-	-	10,633	40,000	205,400
Other Benefits- Group B	-	-	-	-	-	-	-	-	-
Other Benefits- Group C	-	-	-	-	-	-	-	-	-
Local Defined Benefit Pension- Group A	-	143,595	-	-	-	-	-	-	5,627,222
Local Defined Benefit Pension - Group B	-	-	-	-	-	-	-	-	-
Local Defined Benefit Pension - Group C	-	-	-	-	-	-	-	-	-
State Defined Benefit Pension- Group A	129,618	-	-	-	5,974	49,781	382,067	54,917	195,004
State Defined Benefit Pension - Group B	-	-	-	-	-	-	-	-	-
State Defined Benefit Pension - Group C	-	-	-	-	-	-	-	-	-
Other Defined Benefit / Contribution	-	-	-	-	-	-	-	-	-
Purchased Services	621,470	305,190	-	-	9,024	-	125,991	-	6,705
Materials/Supplies	34,093	32,294	-	-	40,170	8,311	52,689	103,400	72,333
Software Licenses	-	177,248	-	-	-	53,591	21,716	-	46,912
Capital Outlays	4,804	3,856	-	-	-	4,150	286,274	1,280	3,003
Insurance	635,654	-	-	-	-	-	-	-	-
Maintenance	15,791	-	-	-	-	10,285	120,589	8,362	33,585
Vehicle Operations	36,362	-	-	-	-	-	286,018	3,384	139,383
Utilities	-	8,855	-	-	2,807	33,156	44,433	149,535	72,574
Contingency	-	-	-	-	-	-	-	-	-
Street Lighting	-	-	-	-	-	-	553,237	-	-
Revaluation	-	26,970	-	-	-	-	-	-	-
Snow Removal-Raw Material & External Contracts	-	-	-	-	-	-	209,178	-	-
Trash Removal & Recycling	-	-	-	-	-	-	1,796,580	-	-
Claims & Settlements	-	-	-	-	-	-	-	-	-
Community Support	55,603	-	-	-	-	-	-	-	-
Other Operation Expenditures	474,182	7,946	340,130	-	22,265	3,425	589,152	6,579	175,560
Tipping Fees	-	-	-	-	-	-	-	-	-
Local Appropriation for Education	-	-	-	-	-	-	-	-	-
Regional Appropriation for Education	-	-	-	-	-	-	-	-	-
Supplemental Appropriation for Education	-	-	-	-	-	-	-	-	-
Regional Supplemental Appropriation for Education	-	-	-	-	-	-	-	-	-
Other Education Appropriation	-	-	-	-	-	-	-	-	-
Municipal Debt- Principal	-	-	-	-	-	-	-	-	-
Municipal Debt- Interest	-	-	-	-	-	-	-	-	-
School Debt- Principal	-	-	-	-	-	-	-	-	-
School Debt- Interest	-	-	-	-	-	-	-	-	-
Retiree Medical Insurance- Total	-	-	-	-	-	-	-	-	-
Retiree Dental Insurance- Total	-	-	-	-	-	-	-	-	-
OPEB Contribution- Total	-	-	-	-	-	-	-	-	-
Rounding	-	-	-	-	-	-	-	-	-
Total Expenditures	\$ 4,036,272	\$ 2,205,248	\$ 342,714	\$ -	\$ 206,336	\$ 652,511	\$ 7,610,374	\$ 866,711	\$ 17,849,106

TOWN OF JOHNSTON, RHODE ISLAND
ANNUAL SUPPLEMENTAL TRANSPARENCY REPORT (MTP2)
FOR THE YEAR ENDED JUNE 30, 2024

EXPENDITURES	Fire	Centralized	Public Safety	Education	Debt	OPEB	Total	Education
	Department	Dispatch	Other	Appropriation				Municipal
Compensation - Group A	\$ 7,843,942	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,926,115	\$ 27,815,964
Compensation - Group B	134,692	-	-	-	-	-	860,041	2,829,265
Compensation - Group C	-	-	-	-	-	-	-	4,233,800
Compensation -Volunteer	-	-	-	-	-	-	-	-
Overtime - Group A	4,054,346	-	-	-	-	-	5,671,655	-
Overtime - Group B	3,842	-	-	-	-	-	1,212,426	-
Overtime - Group C	-	-	-	-	-	-	-	303,290
Police & Fire Detail	-	-	-	-	-	-	3,844	-
Active Medical Insurance - Group A	1,797,121	-	-	-	-	-	5,202,000	6,661,723
Active Medical Insurance - Group B	32,946	-	-	-	-	-	208,364	909,227
Active Medical Insurance - Group C	-	-	-	-	-	-	-	3,390,929
Active Dental Insurance - Group A	86,062	-	-	-	-	-	204,823	243,332
Active Dental Insurance - Group B	1,578	-	-	-	-	-	9,404	26,319
Active Dental Insurance - Group C	-	-	-	-	-	-	-	55,026
Payroll Taxes	886,879	-	-	-	-	-	3,893,370	1,120,317
Life Insurance	39,014	-	-	-	-	-	174,264	113,555
State Defined Contribution - Group A	697	-	-	-	-	-	173,810	830,242
State Defined Contribution - Group B	-	-	-	-	-	-	-	78,277
State Defined Contribution - Group C	-	-	-	-	-	-	-	37,662
Other Benefits - Group A	32,034	-	-	-	-	-	678,047	-
Other Benefits - Group B	-	-	-	-	-	-	-	-
Other Benefits - Group C	-	-	-	-	-	-	-	-
Local Defined Benefit Pension - Group A	4,826,707	-	-	-	-	-	30,597,524	-
Local Defined Benefit Pension - Group B	-	-	-	-	-	-	-	-
Local Defined Benefit Pension - Group C	-	-	-	-	-	-	-	-
State Defined Benefit Pension - Group A	699,126	-	-	-	-	-	1,516,487	4,080,765
State Defined Benefit Pension - Group B	-	-	-	-	-	-	-	449,602
State Defined Benefit Pension - Group C	-	-	-	-	-	-	-	680,369
Other Defined Benefit / Contribution	-	-	-	-	-	-	-	-
Purchased Services	3,645	-	-	-	-	-	1,072,025	17,533,044
Materials/Supplies	813,284	-	-	-	-	-	1,156,574	1,377,281
Software Licenses	-	-	-	-	-	-	299,467	215,491
Capital Outlays	800	-	-	-	-	-	304,167	342,828
Insurance	-	-	-	-	-	-	635,654	25,848
Maintenance	145,164	-	-	-	-	-	333,776	256,583
Vehicle Operations	430,871	-	-	-	-	-	896,018	-
Utilities	178,200	-	-	-	-	-	489,560	673,537
Contingency	-	-	-	-	-	-	-	-
Street Lighting	-	-	-	-	-	-	553,237	-
Revaluation	-	-	-	-	-	-	26,970	-
Snow Removal-Raw Material & External Contracts	-	-	-	-	-	-	209,178	-
Trash Removal & Recycling	-	-	-	-	-	-	1,796,580	-
Claims & Settlements	-	-	-	-	-	-	-	-
Community Support	-	-	-	-	-	-	55,603	-
Other Operation Expenditures	2,520,236	-	-	-	-	-	4,139,475	616,193
Tipping Fees	-	-	-	-	-	-	-	-
Local Appropriation for Education	-	-	-	40,630,401	-	-	40,630,401	-
Regional Appropriation for Education	-	-	-	-	-	-	-	-
Supplemental Appropriation for Education	-	-	-	-	-	-	-	-
Regional Supplemental Appropriation for Education	-	-	-	-	-	-	-	-
Other Education Appropriation	-	-	-	-	-	-	-	-
Municipal Debt- Principal	-	-	-	-	2,935,979	-	2,935,979	-
Municipal Debt- Interest	-	-	-	-	2,720,677	-	2,720,677	-
School Debt- Principal	-	-	-	-	-	-	-	-
School Debt- Interest	-	-	-	-	-	-	-	-
Retiree Medical Insurance- Total	-	-	-	-	-	6,239,130	6,239,130	-
Retiree Dental Insurance- Total	-	-	-	-	-	196,234	196,234	19,703
OPEB Contribution- Total	-	-	-	-	-	400,000	400,000	-
Rounding	-	-	-	-	-	-	-	-
Total Expenditures	\$ 24,533,186	\$ -	\$ -	\$ 40,630,401	\$ 5,656,656	\$ 6,835,364	\$ 111,422,879	\$ 73,920,172

Financing Uses: Transfer to Capital Funds	\$ -	\$ -
Financing Uses: Transfer to Other Funds	-	-
Financing Uses: Payment to Bond Escrow Agent	-	-
Financing Uses: Other	-	-
Total Other Financing Uses	\$ -	\$ -
Net Change in Fund Balance¹	3,328,628	(89,040)
Fund Balance 1- beginning of year	\$46,231,502	\$236,817
Funds removed from Reportable Government Services (RGS)	-	-
Funds added to Reportable Government Services (RGS)	-	-
Prior period adjustments	-	-
Misc. Adjustment	3,575,000	-
Fund Balance¹ - beginning of year adjusted	49,806,502	236,817
Rounding	-	-
Fund Balance¹ - end of year	\$ 53,135,130	\$ 147,777

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

TOWN OF JOHNSTON, RHODE ISLAND

COMBINING SCHEDULE OF REPORTABLE GOVERNMENTAL SERVICES WITH RECONCILIATION TO MTP2

MUNICIPAL

FOR THE YEAR ENDED JUNE 30, 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						\$ 46,231,502	-	\$ 46,231,502	
<i>No funds removed from RGS for FY 2023</i>						-	-	-	
<i>No funds added to RGS for fiscal 2023</i>						-	-	-	
<i>Miscellaneous adjustment(s) made for fiscal 2023</i>						3,575,000	-	3,575,000	
Fund Balance¹ - per MTP-2 at June 30, 2024 adjusted						<u>\$ 49,806,502</u>	<u>-</u>	<u>\$ 49,806,502</u>	
General Fund	\$ 110,930,363	\$ 50,000	\$ 67,795,967	\$ 40,630,401	\$ 2,553,995	\$ 43,184,770	\$ -	\$ 43,184,770	\$ 45,738,765
Scholarship Fund - 205	32,688		15,000	-	17,688	276,322	-	276,322	294,010
Johnston Memorial Library Fund - 305	12,844		3,054	-	9,790	150,111	-	150,111	159,901
Police Seizure Fund - Federal - 318	1,029		1,683	-	(654)	21,775	-	21,775	21,121
ARPA Funding	2,116,489		1,893,422	-	223,067	145,054	-	145,054	368,121
Police Seizure Fund - Other Than Federal Funds - 328	5,593		53	-	5,540	36,532	-	36,532	42,072
Memorial Park Recreation Fields Restoration Funds - 329	49,583		62,954	-	(13,371)	44,491	-	44,491	31,120
Fire Prevention Fund - 330	17,772		-	-	17,772	80,947	-	80,947	98,719
Indoor Athletic Complex Fund - 331	157,867		132,186	-	25,681	345,632	-	345,632	371,313
Blue Riptide Grant Fund - 340	7,809		7,809	-	-	-	-	-	-
Fire Plan Review Fund - 360	229,242		575,581	50,000	(396,339)	550,565	-	550,565	154,226
Historical Records Fund - 500	38,074		11,625	-	26,449	240,344	-	240,344	266,793
Opioid Litigation - 256	152,935		16,896	-	136,039	330,192	-	330,192	466,231
Compensated Absences - 257	334,127	-	-	-	334,127	2,544,221	-	2,544,221	2,878,348
Capital Projects - 668	665,092	-	276,248	-	388,844	1,855,546	-	1,855,546	2,244,390
Totals per audited financial statements	<u>\$ 114,751,507</u>	<u>\$ 50,000</u>	<u>\$ 70,792,478</u>	<u>\$ 40,680,401</u>	<u>\$ 3,328,628</u>	<u>\$ 49,806,502</u>	<u>\$ -</u>	<u>\$ 49,806,502</u>	<u>\$ 53,135,130</u>
Reconciliation from financial statements to MTP2									
Reclassify transfer of municipal appropriation to Education Department as expenditure on MTP2	\$ -	\$ -	\$ 40,630,401	\$ (40,630,401)	\$ -	-	-	-	-
Transfer Eliminations Fund	-	(50,000)	-	(50,000)	-	-	-	-	-
Rounding	-	-	-	-	-	-	-	-	-
Totals Per MTP2	<u>\$ 114,751,507</u>	<u>\$ -</u>	<u>\$ 111,422,879</u>	<u>\$ -</u>	<u>\$ 3,328,628</u>	<u>\$ 46,231,502</u>	<u>\$ -</u>	<u>\$ 49,806,502</u>	<u>\$ 53,135,130</u>

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

TOWN OF JOHNSTON, RHODE ISLAND

COMBINING SCHEDULE OF REPORTABLE GOVERNMENTAL SERVICES WITH RECONCILIATION TO MTP2

EDUCATION DEPARTMENT

FOR THE YEAR ENDED JUNE 30, 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 Balance ¹ - per MTP-2 at June 30, 2023 <i>No misc. adjustments made for fiscal 2023</i>						\$ 236,817	-	\$ 236,817	
Fund Balance ¹ - per MTP-2 at June 30, 2024 adjusted						<u>\$ 236,817</u>	-	<u>\$ 236,817</u>	
School Unrestricted Fund	\$ 26,058,514	\$ 40,630,401	\$ 67,410,062	\$ -	\$ (721,147)	\$ (1,555,466)	\$ -	\$ (1,555,466)	\$ (2,276,613)
School Enterprise Fund ¹	1,581,220		1,568,572		\$ 12,648	1,287,206	-	1,287,206	1,299,854
School Special Revenue Funds	8,480,987		7,867,002	-	\$ 613,985	532,446	-	532,446	1,146,431
Totals per audited financial statements	<u>\$ 36,120,721</u>	<u>\$ 40,630,401</u>	<u>\$ 76,845,636</u>	<u>\$ -</u>	<u>\$ (94,514)</u>	<u>\$ 264,186</u>	<u>\$ -</u>	<u>\$ 264,186</u>	<u>\$ 169,672</u>
Reconciliation from financial statements to MTP2									
Municipal appropriation for Education reported as a transfer on financial statements but a revenue on MTP2	40,630,401	\$ (40,630,401)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State contributions on behalf of teacher pensions are reported as revenue and expenditures on financial statements only	(2,919,990)	0	(2,919,990)	0	\$ -	-	\$ -	-	\$ -
Adjustment for capital assets net of depreciation	-	-	(5,474)	-	\$ 5,474	(27,369)	-	(27,369)	\$ (21,895)
Rounding	-	-	-	-	-	-	-	-	-
Totals Per MTP2	<u>\$ 73,831,132</u>	<u>\$ -</u>	<u>\$ 73,920,172</u>	<u>\$ -</u>	<u>\$ (89,040)</u>	<u>\$ 236,817</u>	<u>\$ -</u>	<u>\$ 236,817</u>	<u>\$ 147,777</u>
Reconciliation from MTP2 to UCOA									
Miscellaneous variance between MTP2 and UCOA	-	-	-	-	-	-	-	-	-
Totals per UCOA Validated Totals Report 03/13/2025	<u>\$ 73,831,132</u>	<u>\$ -</u>	<u>\$ 73,920,172</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

TOWN OF JOHNSTON, RHODE ISLAND

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

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 1. Basis of Presentation

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

NOTE 2. Reportable Government Services

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

NOTE 3. Allocations

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

NOTE 4. Employee Groups - Compensation and Benefit Costs

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

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

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

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

TOWN OF JOHNSTON, RHODE ISLAND

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

FOR THE YEAR ENDED JUNE 30, 2024

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

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

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

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

NOTE 5. Education Revenue and Expenditures

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

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

TOWN OF JOHNSTON, RHODE ISLAND

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

JUNE 30, 2024

	TOWN SPECIAL REVENUE FUNDS					
	205	305	318	328	329	330
	Mayor's Scholarship	Memorial Library	Police Federal	Police State	Memorial Park	Fire Prevention
Assets						
Cash and cash equivalents	\$ 294,010	\$ 161,014	\$ 75,027	\$ 42,072	\$ 44,807	\$ --
Due from federal & state governments	--	--	--	--	--	--
Due from other funds	--	--	--	--	--	98,719
Other receivables, net	--	--	--	--	--	--
Total Assets	<u>\$ 294,010</u>	<u>\$ 161,014</u>	<u>\$ 75,027</u>	<u>\$ 42,072</u>	<u>\$ 44,807</u>	<u>\$ 98,719</u>
Liabilities						
Accounts payable and accrued liabilities	\$ --	\$ 1,113	\$ --	\$ --	\$ 13,687	\$ --
Escrow deposits	--	--	53,906	--	--	--
Due to other funds	--	--	--	--	--	--
Total Liabilities	<u>--</u>	<u>1,113</u>	<u>53,906</u>	<u>--</u>	<u>13,687</u>	<u>--</u>
Fund Balances						
Restricted	294,010	159,901	21,121	42,072	31,120	98,719
Committed	--	--	--	--	--	--
Unassigned	--	--	--	--	--	--
Total Fund Balances	<u>294,010</u>	<u>159,901</u>	<u>21,121</u>	<u>42,072</u>	<u>31,120</u>	<u>98,719</u>
Total Liabilities Deferred Inflows of Resources and Fund Balances	<u>\$ 294,010</u>	<u>\$ 161,014</u>	<u>\$ 75,027</u>	<u>\$ 42,072</u>	<u>\$ 44,807</u>	<u>\$ 98,719</u>

See independent auditors' report on supplementary information.

TOWN OF JOHNSTON, RHODE ISLAND

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

JUNE 30, 2024

	TOWN SPECIAL REVENUE FUNDS						Total Town Special Revenue
	331	340	360	256	257	500	
	Indoor Athletic	Blue RIPTIDE	Fire Plan Review	Opioid Litigation	Compensated Absences	Historical Trust	
Assets							
Cash and cash equivalents	\$ 416,331	\$ --	\$ --	\$ 467,240	\$ 2,878,348	\$ 264,793	\$ 4,643,642
Due from federal & state governments	--	--	--	--	--	--	--
Due from other funds	--	--	154,226	--	--	2,000	254,945
Other receivables, net	--	--	--	--	--	--	--
Total Assets	<u>\$ 416,331</u>	<u>\$ --</u>	<u>\$ 154,226</u>	<u>\$ 467,240</u>	<u>\$ 2,878,348</u>	<u>\$ 266,793</u>	<u>\$ 4,898,587</u>
Liabilities							
Accounts payable and accrued liabilities	\$ 3,011	\$ --	\$ --	\$ 1,009	\$ --	\$ --	\$ 18,820
Escrow deposits	--	--	--	--	--	--	53,906
Due to other funds	42,007	--	--	--	--	--	42,007
Total Liabilities	<u>45,018</u>	<u>--</u>	<u>--</u>	<u>1,009</u>	<u>--</u>	<u>--</u>	<u>114,733</u>
Fund Balances							
Restricted	--	--	--	466,231	--	266,793	1,379,967
Committed	371,313	--	154,226	--	2,878,348	--	3,403,887
Unassigned	--	--	--	--	--	--	--
Total Fund Balances	<u>371,313</u>	<u>--</u>	<u>154,226</u>	<u>466,231</u>	<u>2,878,348</u>	<u>266,793</u>	<u>4,783,854</u>
Total Liabilities Deferred Inflows of Resources and Fund Balances	<u>\$ 416,331</u>	<u>\$ --</u>	<u>\$ 154,226</u>	<u>\$ 467,240</u>	<u>\$ 2,878,348</u>	<u>\$ 266,793</u>	<u>\$ 4,898,587</u>

See independent auditors' report on supplementary information.

TOWN OF JOHNSTON, RHODE ISLAND

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

JUNE 30, 2024

SCHOOL SPECIAL REVENUE FUNDS

	21011100 IDEA Part B	21011200 IDEA Pre-K	21013100 Student Support	21014100 CTE Consultant	21021100 Title I	21023102 ATSI Grant
Assets						
Cash and cash equivalents	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
Due from federal & state governments	162,962	8,097	--	--	169,041	--
Due from other funds	--	--	--	--	--	--
Other receivables	--	--	--	--	--	--
Total Assets	<u>\$ 162,962</u>	<u>\$ 8,097</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 169,041</u>	<u>\$ --</u>
Liabilities						
Accounts payable and accrued liabilities	\$ 816	\$ --	\$ --	\$ --	\$ --	\$ --
Due to other funds	158,402	8,097	--	--	169,041	--
Total Liabilities	<u>159,218</u>	<u>8,097</u>	<u>--</u>	<u>--</u>	<u>169,041</u>	<u>--</u>
Fund Balances						
Restricted	3,744	--	--	--	--	--
Assigned	--	--	--	--	--	--
Unassigned	--	--	--	--	--	--
Total Fund Balances	<u>3,744</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Total Liabilities and Fund Balances	<u>\$ 162,962</u>	<u>\$ 8,097</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 169,041</u>	<u>\$ --</u>

See independent auditors' report on supplementary information.

TOWN OF JOHNSTON, RHODE ISLAND

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

JUNE 30, 2024

	SCHOOL SPECIAL REVENUE FUNDS					
	21031100	21041100	21051100	21091100	21162100	21251100
	Title II	Title III	Title IV	Perkins	FFVP	ESSER
Assets						
Cash and cash equivalents	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
Due from federal & state governments	107,052	2,448	49,307	82,058	--	--
Due from other funds	--	--	--	--	--	--
Other receivables	--	--	--	--	--	--
Total Assets	<u>\$ 107,052</u>	<u>\$ 2,448</u>	<u>\$ 49,307</u>	<u>\$ 82,058</u>	<u>\$ --</u>	<u>\$ --</u>
Liabilities						
Accounts payable and accrued liabilities	\$ --	\$ --	\$ 3	\$ --	\$ --	\$ --
Due to other funds	103,314	2,111	49,298	81,249	--	--
Total Liabilities	<u>103,314</u>	<u>2,111</u>	<u>49,301</u>	<u>81,249</u>	<u>--</u>	<u>--</u>
Fund Balances						
Restricted	3,738	337	6	809	--	--
Assigned	--	--	--	--	--	--
Unassigned	--	--	--	--	--	--
Total Fund Balances	<u>3,738</u>	<u>337</u>	<u>6</u>	<u>809</u>	<u>--</u>	<u>--</u>
Total Liabilities and Fund Balances	<u>\$ 107,052</u>	<u>\$ 2,448</u>	<u>\$ 49,307</u>	<u>\$ 82,058</u>	<u>\$ --</u>	<u>\$ --</u>

See independent auditors' report on supplementary information.

TOWN OF JOHNSTON, RHODE ISLAND

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

JUNE 30, 2024

	SCHOOL SPECIAL REVENUE FUNDS			
	21264107	21413100	21422100	21422101
	RTTT	Rising Star	Pre-K	School Climate
	-----	-----	-----	-----
Assets				
Cash and cash equivalents	\$ --	\$ --	\$ --	\$ --
Due from federal & state governments	--	--	--	--
Due from other funds	--	2,000	--	122
Other receivables	--	--	--	--
Total Assets	<u>\$ --</u>	<u>\$ 2,000</u>	<u>\$ --</u>	<u>\$ 122</u>
Liabilities				
Accounts payable and accrued liabilities	\$ --	\$ --	\$ --	\$ --
Due to other funds	--	--	--	--
Total Liabilities	<u> --</u>	<u> --</u>	<u> --</u>	<u> --</u>
Fund Balances				
Restricted	--	2,000	--	122
Assigned	--	--	--	--
Unassigned	--	--	--	--
Total Fund Balances	<u> --</u>	<u> 2,000</u>	<u> --</u>	<u> 122</u>
Total Liabilities and Fund Balances	<u>\$ --</u>	<u>\$ 2,000</u>	<u>\$ --</u>	<u>\$ 122</u>

See independent auditors' report on supplementary information.

TOWN OF JOHNSTON, RHODE ISLAND

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

JUNE 30, 2024

	SCHOOL SPECIAL REVENUE FUNDS					
	21422300	21422400	22192000	23031000	23153001	23183001
	Literacy	CS4RI Spring	Healthier Schools	Student Equity	Pre-K Grant	RISCA
Assets						
Cash and cash equivalents	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
Due from federal & state governments	1,461	2,532	--	--	--	--
Due from other funds	--	9,061	2,000	7,684	2,126	4,825
Other receivables	--	--	--	--	--	--
Total Assets	<u>\$ 1,461</u>	<u>\$ 11,593</u>	<u>\$ 2,000</u>	<u>\$ 7,684</u>	<u>\$ 2,126</u>	<u>\$ 4,825</u>
Liabilities						
Accounts payable and accrued liabilities	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
Due to other funds	1,322	--	--	--	--	--
Total Liabilities	<u>1,322</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Fund Balances						
Restricted	139	11,593	2,000	7,684	2,126	4,825
Assigned	--	--	--	--	--	--
Unassigned	--	--	--	--	--	--
Total Fund Balances	<u>139</u>	<u>11,593</u>	<u>2,000</u>	<u>7,684</u>	<u>2,126</u>	<u>4,825</u>
Total Liabilities and Fund Balances	<u>\$ 1,461</u>	<u>\$ 11,593</u>	<u>\$ 2,000</u>	<u>\$ 7,684</u>	<u>\$ 2,126</u>	<u>\$ 4,825</u>

See independent auditors' report on supplementary information.

TOWN OF JOHNSTON, RHODE ISLAND

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

JUNE 30, 2024

	SCHOOL SPECIAL REVENUE FUNDS				
	23183002	23493000	23581001	23591003	23671000
	RISCA	Electrify	CTE		EL
	JHS	RI	Categorical	CS4RI	Categorical
Assets					
Cash and cash equivalents	\$ --	\$ --	\$ --	\$ --	\$ --
Due from federal & state governments	--	--	--	--	113,870
Due from other funds	581	640	313	8,627	--
Other receivables	--	--	--	--	--
Total Assets	\$ 581	\$ 640	\$ 313	\$ 8,627	\$ 113,870
Liabilities					
Accounts payable and accrued liabilities	\$ --	\$ --	\$ --	\$ --	\$ --
Due to other funds	--	--	--	--	113,870
Total Liabilities	--	--	--	--	113,870
Fund Balances					
Restricted	581	640	313	8,627	--
Assigned	--	--	--	--	--
Unassigned	--	--	--	--	--
Total Fund Balances	581	640	313	8,627	--
Total Liabilities and Fund Balances	\$ 581	\$ 640	\$ 313	\$ 8,627	\$ 113,870

See independent auditors' report on supplementary information.

TOWN OF JOHNSTON, RHODE ISLAND

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

JUNE 30, 2024

	SCHOOL SPECIAL REVENUE FUNDS				
	23682002 Learning Champion	23911000 SBA Tech	24012001 Champlin Manufact	24012004 Feinstein Grant	24012021 Education Fund
Assets					
Cash and cash equivalents	\$ --	\$ --	\$ --	\$ --	\$ --
Due from federal & state governments	--	--	--	--	--
Due from other funds	4,053	--	--	--	--
Other receivables	--	--	--	--	--
Total Assets	<u>\$ 4,053</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>
Liabilities					
Accounts payable and accrued liabilities	\$ --	\$ --	\$ --	\$ --	\$ --
Due to other funds	--	--	--	--	--
Total Liabilities	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Fund Balances					
Restricted	4,053	--	--	--	--
Assigned	--	--	--	--	--
Unassigned	--	--	--	--	--
Total Fund Balances	<u>4,053</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Total Liabilities and Fund Balances	<u>\$ 4,053</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>

See independent auditors' report on supplementary information.

TOWN OF JOHNSTON, RHODE ISLAND

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

JUNE 30, 2024

SCHOOL SPECIAL REVENUE FUNDS

	24012024 Feinstein Warrior	24012043 Verizon Foundation	24020045 Scholarship	24020059 Janice Mele Scholarship	24030009 Target Grant	24030011 WalMart
Assets						
Cash and cash equivalents	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
Due from federal & state governments	--	--	--	--	--	--
Due from other funds	74,679	3,512	1,220	--	--	--
Other receivables	--	--	--	--	--	--
Total Assets	<u>\$ 74,679</u>	<u>\$ 3,512</u>	<u>\$ 1,220</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>
Liabilities						
Accounts payable and accrued liabilities	\$ 2,226	\$ --	\$ --	\$ --	\$ --	\$ --
Due to other funds	--	--	--	--	--	--
Total Liabilities	<u>2,226</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Fund Balances						
Restricted	72,453	3,512	1,220	--	--	--
Assigned	--	--	--	--	--	--
Unassigned	--	--	--	--	--	--
Total Fund Balances	<u>72,453</u>	<u>3,512</u>	<u>1,220</u>	<u>--</u>	<u>--</u>	<u>--</u>
Total Liabilities and Fund Balances	<u>\$ 74,679</u>	<u>\$ 3,512</u>	<u>\$ 1,220</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>

See independent auditors' report on supplementary information.

TOWN OF JOHNSTON, RHODE ISLAND

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

JUNE 30, 2024

SCHOOL SPECIAL REVENUE FUNDS

	24030049	24030057	24030075	24040021	24040061	24013076	24040079
	Stop & Shop	Broadrock	Panther Donation	EDC Grant	Lifetouch	Act Foundation	Misc Donations
Assets							
Cash and cash equivalents	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
Due from federal & state governments	--	--	--	--	--	--	--
Due from other funds	4,532	171,181	18,615	4,565	34,671	25,000	--
Other receivables	--	--	--	--	--	--	--
Total Assets	<u>\$ 4,532</u>	<u>\$ 171,181</u>	<u>\$ 18,615</u>	<u>\$ 4,565</u>	<u>\$ 34,671</u>	<u>\$ 25,000</u>	<u>\$ --</u>
Liabilities							
Accounts payable and accrued liabilities	\$ --	\$ --	\$ --	\$ --	\$ 527	\$ --	\$ --
Due to other funds	--	--	--	--	--	--	--
Total Liabilities	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>527</u>	<u>--</u>	<u>--</u>
Fund Balances							
Restricted	4,532	171,181	18,615	4,565	34,144	25,000	--
Assigned	--	--	--	--	--	--	--
Unassigned	--	--	--	--	--	--	--
Total Fund Balances	<u>4,532</u>	<u>171,181</u>	<u>18,615</u>	<u>4,565</u>	<u>34,144</u>	<u>25,000</u>	<u>--</u>
Total Liabilities and Fund Balances	<u>\$ 4,532</u>	<u>\$ 171,181</u>	<u>\$ 18,615</u>	<u>\$ 4,565</u>	<u>\$ 34,671</u>	<u>\$ 25,000</u>	<u>\$ --</u>

See independent auditors' report on supplementary information.

TOWN OF JOHNSTON, RHODE ISLAND

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

JUNE 30, 2024

	SCHOOL SPECIAL REVENUE FUNDS				
	21251701	21251801	24040277	23112001	23153003
	ESSER II	ESSER III	Amazon Smile	Senators Grant	Pre-K
Assets					
Cash and cash equivalents	\$ --	\$ --	\$ --	\$ --	\$ --
Due from federal & state governments	--	245,858	--	--	64,615
Due from other funds	--	--	464,417	40	--
Other receivables	--	--	--	--	--
Total Assets	<u>\$ --</u>	<u>\$ 245,858</u>	<u>\$ 464,417</u>	<u>\$ 40</u>	<u>\$ 64,615</u>
Liabilities					
Accounts payable and accrued liabilities	\$ --	\$ 90,236	\$ --	\$ --	\$ 1,912
Due to other funds	--	154,362	--	--	61,565
Total Liabilities	<u>--</u>	<u>244,598</u>	<u>--</u>	<u>--</u>	<u>63,477</u>
Fund Balances					
Restricted	--	1,260	464,417	40	1,138
Assigned	--	--	--	--	--
Unassigned	--	--	--	--	--
Total Fund Balances	<u>--</u>	<u>1,260</u>	<u>464,417</u>	<u>40</u>	<u>1,138</u>
Total Liabilities and Fund Balances	<u>\$ --</u>	<u>\$ 245,858</u>	<u>\$ 464,417</u>	<u>\$ 40</u>	<u>\$ 64,615</u>

See independent auditors' report on supplementary information.

TOWN OF JOHNSTON, RHODE ISLAND

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

JUNE 30, 2024

	SCHOOL SPECIAL REVENUE FUNDS					
	24040186	23911020	24040204	24050025	24050045	90010000
	SEAC	STEM Mini	AIR Grant	Special Olympics	HS Donation	Student Activities
Assets						
Cash and cash equivalents	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 273,118
Due from federal & state governments	--	--	--	--	--	--
Due from other funds	12,365	--	--	500	4,533	--
Other receivables	--	--	--	--	--	--
Total Assets	<u>\$ 12,365</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 500</u>	<u>\$ 4,533</u>	<u>\$ 273,118</u>
Liabilities						
Accounts payable and accrued liabilities	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
Due to other funds	--	--	--	--	--	--
Total Liabilities	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Fund Balances						
Restricted	12,365	--	--	500	4,533	273,118
Assigned	--	--	--	--	--	--
Unassigned	--	--	--	--	--	--
Total Fund Balances	<u>12,365</u>	<u>--</u>	<u>--</u>	<u>500</u>	<u>4,533</u>	<u>273,118</u>
Total Liabilities and Fund Balances	<u>\$ 12,365</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 500</u>	<u>\$ 4,533</u>	<u>\$ 273,118</u>

See independent auditors' report on supplementary information.

TOWN OF JOHNSTON, RHODE ISLAND

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

JUNE 30, 2024

SCHOOL SPECIAL REVENUE FUNDS

	21093100 Perkins Special Program	21251815 ARP Idea Part B	21251816 ARP HCY II	21422600 School Based Mental Health	23911001 SBA Cap Authority	Total School Special Revenue Funds
Assets						
Cash and cash equivalents	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 273,118
Due from federal & state governments	--	--	22,000	156,599	--	1,187,900
Due from other funds	--	--	--	--	--	861,862
Other receivables	146	--	--	--	--	146
Total Assets	<u>\$ 146</u>	<u>\$ --</u>	<u>\$ 22,000</u>	<u>\$ 156,599</u>	<u>\$ --</u>	<u>\$ 2,323,026</u>
Liabilities						
Accounts payable and accrued liabilities	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 95,720
Due to other funds	146	--	22,000	156,098	--	1,080,875
Total Liabilities	<u>146</u>	<u>--</u>	<u>22,000</u>	<u>156,098</u>	<u>--</u>	<u>1,176,595</u>
Fund Balances						
Restricted	--	--	--	501	--	1,146,431
Assigned	--	--	--	--	--	--
Unassigned	--	--	--	--	--	--
Total Fund Balances	<u>--</u>	<u>--</u>	<u>--</u>	<u>501</u>	<u>--</u>	<u>1,146,431</u>
Total Liabilities and Fund Balances	<u>\$ 146</u>	<u>\$ --</u>	<u>\$ 22,000</u>	<u>\$ 156,599</u>	<u>\$ --</u>	<u>\$ 2,323,026</u>

See independent auditors' report on supplementary information.

TOWN OF JOHNSTON, RHODE ISLAND

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

JUNE 30, 2024

	CAPITAL PROJECT FUNDS			
	212	611	650	656
	School	Pezza	Fire	RIDEM
	Facilities	DPW	Equipment	Dams
		Facility		Escrow
Assets				
Cash and cash equivalents	\$ 149,577	\$ 6,479	\$ 7,779	\$ 1,474,491
Due from federal & state governments	--	--	--	--
Due from other funds	--	--	527,380	--
Other receivables, net	--	--	--	--
Total Assets	\$ 149,577	\$ 6,479	\$ 535,159	\$ 1,474,491
Liabilities				
Accounts payable and accrued liabilities	\$ --	\$ --	\$ --	\$ 64,047
Escrow deposits	--	--	--	--
Due to other funds	--	--	--	--
Total Liabilities	--	--	--	64,047
Fund Balances				
Restricted	149,577	6,479	--	1,410,444
Committed	--	--	535,159	--
Unassigned	--	--	--	--
Total Fund Balances	149,577	6,479	535,159	1,410,444
Total Liabilities Deferred Inflows of Resources and Fund Balances	\$ 149,577	\$ 6,479	\$ 535,159	\$ 1,474,491

See independent auditors' report on supplementary information.

TOWN OF JOHNSTON, RHODE ISLAND

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

JUNE 30, 2024

	CAPITAL PROJECT FUNDS				Total Non-Major Governmental Funds
	668 Capital Project Funds	665 Capital Lease Fund	667 Rainone Gym	Total Capital Projects	
Assets					
Cash and cash equivalents	\$ 1,814,667	\$ 85,897	\$ --	\$ 3,538,890	\$ 8,455,650
Due from federal & state governments	--	--	--	--	1,187,900
Due from other funds	480,770	--	22,717	1,030,867	2,147,674
Other receivables, net	--	--	--	--	146
Total Assets	<u>\$ 2,295,437</u>	<u>\$ 85,897</u>	<u>\$ 22,717</u>	<u>\$ 4,569,757</u>	<u>\$ 11,791,370</u>
Liabilities					
Accounts payable and accrued liabilities	\$ 51,047	\$ --	\$ --	\$ 115,094	\$ 229,634
Escrow deposits	--	--	--	--	53,906
Due to other funds	--	--	--	--	1,122,882
Total Liabilities	<u>51,047</u>	<u>--</u>	<u>--</u>	<u>115,094</u>	<u>1,406,422</u>
Fund Balances					
Restricted	--	85,897	22,717	1,675,114	4,201,512
Committed	2,244,390	--	--	2,779,549	6,183,436
Unassigned	--	--	--	--	--
Total Fund Balances	<u>2,244,390</u>	<u>85,897</u>	<u>22,717</u>	<u>4,454,663</u>	<u>10,384,948</u>
Total Liabilities Deferred Inflows of Resources and Fund Balances	<u>\$ 2,295,437</u>	<u>\$ 85,897</u>	<u>\$ 22,717</u>	<u>\$ 4,569,757</u>	<u>\$ 11,791,370</u>

See independent auditors' report on supplementary information.

TOWN OF JOHNSTON, RHODE ISLAND

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES NON-MAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2024

	TOWN SPECIAL REVENUE FUNDS					
	205	305	318	328	329	330
	Mayor's Scholarship	Memorial Library	Police Federal	Police State	Memorial Park	Fire Prevention
Revenues						
Property taxes	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
Intergovernmental	--	895	1,029	5,593	47,685	--
Investment income	12,688	6,657	--	--	1,898	--
Charges for services	--	--	--	--	--	17,772
Other	<u>20,000</u>	<u>5,292</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Total Revenues	<u>32,688</u>	<u>12,844</u>	<u>1,029</u>	<u>5,593</u>	<u>49,583</u>	<u>17,772</u>
Expenditures						
Current						
General government	15,000	--	--	--	--	--
Public safety	--	--	1,683	53	--	--
Education	--	--	--	--	--	--
Parks and recreation	--	--	--	--	62,954	--
Public libraries	--	3,054	--	--	--	--
Capital Outlays	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Total Expenditures	<u>15,000</u>	<u>3,054</u>	<u>1,683</u>	<u>53</u>	<u>62,954</u>	<u>--</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>17,688</u>	<u>9,790</u>	<u>(654)</u>	<u>5,540</u>	<u>(13,371)</u>	<u>17,772</u>
Other Financing Sources (Uses)						
Transfers in	--	--	--	--	--	--
Transfers out	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Total Other Financing Sources (Uses)	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Net Change in Fund Balances	17,688	9,790	(654)	5,540	(13,371)	17,772
Fund Balance - Beginning of Year	<u>276,322</u>	<u>150,111</u>	<u>21,775</u>	<u>36,532</u>	<u>44,491</u>	<u>80,947</u>
Fund Balance - End of Year	<u>\$ 294,010</u>	<u>\$ 159,901</u>	<u>\$ 21,121</u>	<u>\$ 42,072</u>	<u>\$ 31,120</u>	<u>\$ 98,719</u>

See independent auditors' report on supplementary information.

TOWN OF JOHNSTON, RHODE ISLAND

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES NON-MAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2024

	TOWN SPECIAL REVENUE FUNDS						Total Town Special Revenue
	331	340	360	256	257	500	
	Indoor Athletic	Blue RIPTIDE	Fire Plan Review	Opioid Litigation	Compensated Absences	Historical Trust	
Revenues							
Property taxes	\$ --	\$ --	\$ --	\$ --	\$ 250,000	\$ --	\$ 250,000
Intergovernmental	--	7,809	--	--	--	--	63,011
Investment income	12,679	--	--	16,447	84,127	10,874	145,370
Charges for services	145,188	--	229,242	--	--	27,200	419,402
Other	--	--	--	136,488	--	--	161,780
Total Revenues	<u>157,867</u>	<u>7,809</u>	<u>229,242</u>	<u>152,935</u>	<u>334,127</u>	<u>38,074</u>	<u>1,039,563</u>
Expenditures							
Current							
General government	--	--	--	--	--	11,625	26,625
Public safety	--	7,809	--	16,896	--	--	26,441
Education	--	--	--	--	--	--	--
Parks and recreation	132,186	--	--	--	--	--	195,140
Public libraries	--	--	--	--	--	--	3,054
Capital Outlays	--	--	575,581	--	--	--	575,581
Total Expenditures	<u>132,186</u>	<u>7,809</u>	<u>575,581</u>	<u>16,896</u>	<u>--</u>	<u>11,625</u>	<u>826,841</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>25,681</u>	<u>--</u>	<u>(346,339)</u>	<u>136,039</u>	<u>334,127</u>	<u>26,449</u>	<u>212,722</u>
Other Financing Sources (Uses)							
Transfers in	--	--	--	--	--	--	--
Transfers out	--	--	(50,000)	--	--	--	(50,000)
Total Other Financing Sources (Uses)	<u>--</u>	<u>--</u>	<u>(50,000)</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>(50,000)</u>
Net Change in Fund Balances	25,681	--	(396,339)	136,039	334,127	26,449	162,722
Fund Balance - Beginning of Year	<u>345,632</u>	<u>--</u>	<u>550,565</u>	<u>330,192</u>	<u>2,544,221</u>	<u>240,344</u>	<u>4,621,132</u>
Fund Balance - End of Year	<u>\$ 371,313</u>	<u>\$ --</u>	<u>\$ 154,226</u>	<u>\$ 466,231</u>	<u>\$ 2,878,348</u>	<u>\$ 266,793</u>	<u>\$ 4,783,854</u>

See independent auditors' report on supplementary information.

TOWN OF JOHNSTON, RHODE ISLAND

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS**

FOR THE YEAR ENDED JUNE 30, 2024

	SCHOOL SPECIAL REVENUE FUNDS					
	21011100 IDEA Part B	21011200 IDEA Pre-K	21013100 Student Support	21014100 CTE Consultant	21021100 Title I	21023102 ATSI Grant
Revenues						
Intergovernmental	\$ 1,137,026	\$ 26,255	\$ 6,200	\$ --	\$ 839,004	\$ --
Other revenue	--	--	--	300	--	--
Total Revenues	<u>1,137,026</u>	<u>26,255</u>	<u>6,200</u>	<u>300</u>	<u>839,004</u>	<u>--</u>
Expenditures						
Education	<u>1,133,282</u>	<u>25,042</u>	<u>--</u>	<u>--</u>	<u>839,004</u>	<u>1,701</u>
Total Expenditures	<u>1,133,282</u>	<u>25,042</u>	<u>--</u>	<u>--</u>	<u>839,004</u>	<u>1,701</u>
Net Change in Fund Balances	3,744	1,213	6,200	300	--	(1,701)
Fund Balances - Beginning of Year	<u>--</u>	<u>(1,213)</u>	<u>(6,200)</u>	<u>(300)</u>	<u>--</u>	<u>1,701</u>
Fund Balances - End of Year	<u>\$ 3,744</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>

See independent auditors' report on supplementary information.

TOWN OF JOHNSTON, RHODE ISLAND

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS**

FOR THE YEAR ENDED JUNE 30, 2024

	SCHOOL SPECIAL REVENUE FUNDS					
	21031100	21041100	21051100	21091100	21162100	21251100
	Title II	Title III	Title IV	Perkins	FFVP	ESSER
Revenues						
Intergovernmental	\$ 222,675	\$ 42,534	\$ 99,564	\$ 139,052	\$ 33,138	\$ --
Other revenue	--	--	--	--	--	--
Total Revenues	<u>222,675</u>	<u>42,534</u>	<u>99,564</u>	<u>139,052</u>	<u>33,138</u>	<u>--</u>
Expenditures						
Education	222,675	42,534	99,565	140,214	33,138	5,203
Total Expenditures	<u>222,675</u>	<u>42,534</u>	<u>99,565</u>	<u>140,214</u>	<u>33,138</u>	<u>5,203</u>
Net Change in Fund Balances	--	--	(1)	(1,162)	--	(5,203)
Fund Balances - Beginning of Year	<u>3,738</u>	<u>337</u>	<u>7</u>	<u>1,971</u>	<u>--</u>	<u>5,203</u>
Fund Balances - End of Year	<u>\$ 3,738</u>	<u>\$ 337</u>	<u>\$ 6</u>	<u>\$ 809</u>	<u>\$ --</u>	<u>\$ --</u>

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TOWN OF JOHNSTON, RHODE ISLAND

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS**

FOR THE YEAR ENDED JUNE 30, 2024

SCHOOL SPECIAL REVENUE FUNDS

	21264107	21413100	21422100	21422101
	RTTT	Rising Star	Pre-K	School Climate
Revenues				
Intergovernmental	\$ --	\$ --	\$ 30,647	\$ 3,195
Other revenue	--	--	--	--
Total Revenues	<u> --</u>	<u> --</u>	<u> 30,647</u>	<u> 3,195</u>
Expenditures				
Education	<u> (1,000)</u>	<u> --</u>	<u> 30,647</u>	<u> 3,195</u>
Total Expenditures	<u> (1,000)</u>	<u> --</u>	<u> 30,647</u>	<u> 3,195</u>
Net Change in Fund Balances	1,000	--	--	--
Fund Balances - Beginning of Year	<u> (1,000)</u>	<u> 2,000</u>	<u> --</u>	<u> 122</u>
Fund Balances - End of Year	<u> --</u>	<u> 2,000</u>	<u> --</u>	<u> 122</u>

See independent auditors' report on supplementary information.

TOWN OF JOHNSTON, RHODE ISLAND

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS**

FOR THE YEAR ENDED JUNE 30, 2024

SCHOOL SPECIAL REVENUE FUNDS

	21422300	21422400	22192000	23031000	23153001	23183001
	Literacy	CS4RI Spring	Healthier Schools	Student Equity	Pre-K Grant	RISCA
Revenues						
Intergovernmental	\$ 266,277	\$ 4,520	\$ --	\$ --	\$ --	\$ --
Other revenue	--	--	--	--	--	--
Total Revenues	<u>266,277</u>	<u>4,520</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Expenditures						
Education	266,277	4,520	--	--	--	--
Total Expenditures	<u>266,277</u>	<u>4,520</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Net Change in Fund Balances	--	--	--	--	--	--
Fund Balances - Beginning of Year	<u>139</u>	<u>11,593</u>	<u>2,000</u>	<u>7,684</u>	<u>2,126</u>	<u>4,825</u>
Fund Balances - End of Year	<u>\$ 139</u>	<u>\$ 11,593</u>	<u>\$ 2,000</u>	<u>\$ 7,684</u>	<u>\$ 2,126</u>	<u>\$ 4,825</u>

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TOWN OF JOHNSTON, RHODE ISLAND

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS**

FOR THE YEAR ENDED JUNE 30, 2024

	SCHOOL SPECIAL REVENUE FUNDS				
	23183002 RISCA JHS	23493000 Electrify RI	23581001 CTE Categorical	23591003 CS4RI	23671000 EL Categorical
Revenues					
Intergovernmental	\$ 1,000	\$ 167	\$ 972	\$ --	\$ 146,564
Other revenue	--	--	--	372	--
Total Revenues	<u>1,000</u>	<u>167</u>	<u>972</u>	<u>372</u>	<u>146,564</u>
Expenditures					
Education	<u>919</u>	<u>--</u>	<u>972</u>	<u>--</u>	<u>139,620</u>
Total Expenditures	<u>919</u>	<u>--</u>	<u>972</u>	<u>--</u>	<u>139,620</u>
Net Change in Fund Balances	81	167	--	372	6,944
Fund Balances - Beginning of Year	<u>500</u>	<u>473</u>	<u>313</u>	<u>8,255</u>	<u>(6,944)</u>
Fund Balances - End of Year	<u>\$ 581</u>	<u>\$ 640</u>	<u>\$ 313</u>	<u>\$ 8,627</u>	<u>\$ --</u>

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TOWN OF JOHNSTON, RHODE ISLAND

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS**

FOR THE YEAR ENDED JUNE 30, 2024

	SCHOOL SPECIAL REVENUE FUNDS				
	23682002 Learning Champion	23911000 SBA Tech	24012001 Champlin Manufact	24012004 Feinstein Grant	24012021 Education Fund
Revenues					
Intergovernmental	\$ --	\$ --	\$ --	\$ --	\$ --
Other revenue	--	96,529	--	553	--
Total Revenues	<u> --</u>	<u> 96,529</u>	<u> --</u>	<u> 553</u>	<u> --</u>
Expenditures					
Education	--	--	39	--	150
Total Expenditures	<u> --</u>	<u> --</u>	<u> 39</u>	<u> --</u>	<u> 150</u>
Net Change in Fund Balances	--	96,529	(39)	553	(150)
Fund Balances - Beginning of Year	<u> 4,053</u>	<u> (96,529)</u>	<u> 39</u>	<u> (553)</u>	<u> 150</u>
Fund Balances - End of Year	<u><u> 4,053</u></u>	<u><u> --</u></u>	<u><u> --</u></u>	<u><u> --</u></u>	<u><u> --</u></u>

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TOWN OF JOHNSTON, RHODE ISLAND

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS**

FOR THE YEAR ENDED JUNE 30, 2024

SCHOOL SPECIAL REVENUE FUNDS

	24012024 Feinstein Warrior	24012043 Verizon Foundation	24020045 Scholarship	24020059 Janice Mele Scholarship	24030009 Target Grant	24030011 WalMart
Revenues						
Intergovernmental	\$ 16,000	\$ --	\$ --	\$ --	\$ --	\$ --
Other revenue	--	--	--	485	3,786	--
Total Revenues	<u>16,000</u>	<u>--</u>	<u>--</u>	<u>485</u>	<u>3,786</u>	<u>--</u>
Expenditures						
Education	14,962	--	--	--	--	150
Total Expenditures	<u>14,962</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>150</u>
Net Change in Fund Balances	1,038	--	--	485	3,786	(150)
Fund Balances - Beginning of Year	<u>71,415</u>	<u>3,512</u>	<u>1,220</u>	<u>(485)</u>	<u>(3,786)</u>	<u>150</u>
Fund Balances - End of Year	<u><u>\$ 72,453</u></u>	<u><u>\$ 3,512</u></u>	<u><u>\$ 1,220</u></u>	<u><u>\$ --</u></u>	<u><u>\$ --</u></u>	<u><u>\$ --</u></u>

See independent auditors' report on supplementary information.

TOWN OF JOHNSTON, RHODE ISLAND

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS**

FOR THE YEAR ENDED JUNE 30, 2024

	SCHOOL SPECIAL REVENUE FUNDS						
	24030049 Stop & Shop	24030057 Broadrock	24030075 Panther Donation	24040021 EDC Grant	24040061 Lifetouch	24013076 Act Foundation	24040079 Misc Donations
Revenues							
Intergovernmental	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
Other revenue	--	--	--	--	4,913	107,500	144
Total Revenues	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>4,913</u>	<u>107,500</u>	<u>144</u>
Expenditures							
Education	--	--	--	--	614	82,500	--
Total Expenditures	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>614</u>	<u>82,500</u>	<u>--</u>
Net Change in Fund Balances	--	--	--	--	4,299	25,000	144
Fund Balances - Beginning of Year	<u>4,532</u>	<u>171,181</u>	<u>18,615</u>	<u>4,565</u>	<u>29,845</u>	<u>--</u>	<u>(144)</u>
Fund Balances - End of Year	<u>\$ 4,532</u>	<u>\$ 171,181</u>	<u>\$ 18,615</u>	<u>\$ 4,565</u>	<u>\$ 34,144</u>	<u>\$ 25,000</u>	<u>\$ --</u>

See independent auditors' report on supplementary information.

TOWN OF JOHNSTON, RHODE ISLAND

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS**

FOR THE YEAR ENDED JUNE 30, 2024

	SCHOOL SPECIAL REVENUE FUNDS				
	21251701	21251801	24040277	23112001	23153003
	ESSER II	ESSER III	Amazon Smile	Senators Grant	Pre-K
Revenues					
Intergovernmental	\$ 472,241	\$ 2,677,840	\$ --	\$ --	\$ 186,458
Other revenue	--	--	982,500	--	--
Total Revenues	<u>472,241</u>	<u>2,677,840</u>	<u>982,500</u>	<u>--</u>	<u>186,458</u>
Expenditures					
Education	472,241	2,676,580	518,083	--	185,975
Total Expenditures	<u>472,241</u>	<u>2,676,580</u>	<u>518,083</u>	<u>--</u>	<u>185,975</u>
Net Change in Fund Balances	--	1,260	464,417	--	483
Fund Balances - Beginning of Year	<u>--</u>	<u>--</u>	<u>--</u>	<u>40</u>	<u>655</u>
Fund Balances - End of Year	<u>--</u>	<u>1,260</u>	<u>464,417</u>	<u>40</u>	<u>1,138</u>

See independent auditors' report on supplementary information.

TOWN OF JOHNSTON, RHODE ISLAND

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS**

FOR THE YEAR ENDED JUNE 30, 2024

	SCHOOL SPECIAL REVENUE FUNDS					
	24040186	23911020	24040204	24050025	24050045	90010000
	SEAC	STEM Mini	AIR Grant	Special Olympics	HS Donation	Student Activities
Revenues						
Intergovernmental	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
Other revenue	--	315	4,223	--	--	330,065
Total Revenues	<u>--</u>	<u>315</u>	<u>4,223</u>	<u>--</u>	<u>--</u>	<u>330,065</u>
Expenditures						
Education	--	--	--	--	--	330,728
Total Expenditures	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>330,728</u>
Net Change in Fund Balances	--	315	4,223	--	--	(663)
Fund Balances - Beginning of Year	<u>12,365</u>	<u>(315)</u>	<u>(4,223)</u>	<u>500</u>	<u>4,533</u>	<u>273,781</u>
Fund Balances - End of Year	<u>\$ 12,365</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 500</u>	<u>\$ 4,533</u>	<u>\$ 273,118</u>

See independent auditors' report on supplementary information.

TOWN OF JOHNSTON, RHODE ISLAND

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS**

FOR THE YEAR ENDED JUNE 30, 2024

	SCHOOL SPECIAL REVENUE FUNDS					Total School Department Funds
	21093100 Perkins Special Program	21251815 ARP Idea Part B	21251816 ARP HCY II	21422600 School Based Mental Health	23911000 SBA Cap Authority	
Revenues						
Intergovernmental	\$ 1,646	\$ 1,250	\$ 22,000	\$ 527,549	\$ 45,528	\$ 6,949,302
Other revenue	--	--	--	--	--	1,531,685
Total Revenues	<u>1,646</u>	<u>1,250</u>	<u>22,000</u>	<u>527,549</u>	<u>45,528</u>	<u>8,480,987</u>
Expenditures						
Education	<u>1,646</u>	<u>1,250</u>	<u>22,000</u>	<u>527,048</u>	<u>45,528</u>	<u>7,867,002</u>
Total Expenditures	<u>1,646</u>	<u>1,250</u>	<u>22,000</u>	<u>527,048</u>	<u>45,528</u>	<u>7,867,002</u>
Net Change in Fund Balances	--	--	--	501	--	613,985
Fund Balances - Beginning of Year	--	--	--	--	--	<u>532,446</u>
Fund Balances - End of Year	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 501</u>	<u>\$ --</u>	<u>\$ 1,146,431</u>

See independent auditors' report on supplementary information.

TOWN OF JOHNSTON, RHODE ISLAND

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS**

FOR THE YEAR ENDED JUNE 30, 2024

	CAPITAL PROJECT FUNDS			
	212 School Facilities	611 Pezza DPW Facility	650 Fire Equipment	656 RIDEM Dams Escrow
Revenues				
Property taxes	\$ --	\$ --	\$ --	\$ --
Intergovernmental	--	--	--	--
Investment income	6,370	--	16,446	65,862
Charges for services	--	--	602,380	--
Other	--	296	--	--
Total Revenues	<u>6,370</u>	<u>296</u>	<u>618,826</u>	<u>65,862</u>
Expenditures				
Current				
General government	--	--	--	--
Public safety	--	--	--	--
Education	--	--	--	--
Parks and recreation	--	--	--	156,219
Public libraries	--	--	--	--
Capital Outlays	--	--	612,957	--
Total Expenditures	<u>--</u>	<u>--</u>	<u>612,957</u>	<u>156,219</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>6,370</u>	<u>296</u>	<u>5,869</u>	<u>(90,357)</u>
Other Financing Sources (Uses)				
Transfers in	--	--	--	--
Transfers out	--	--	--	--
Total Other Financing Sources (Uses)	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Net Change in Fund Balances	6,370	296	5,869	(90,357)
Fund Balance - Beginning of Year	<u>143,207</u>	<u>6,183</u>	<u>529,290</u>	<u>1,500,801</u>
Fund Balance - End of Year	<u>\$ 149,577</u>	<u>\$ 6,479</u>	<u>\$ 535,159</u>	<u>\$ 1,410,444</u>

See independent auditors' report on supplementary information.

TOWN OF JOHNSTON, RHODE ISLAND

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES NON-MAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2024

	CAPITAL PROJECT FUNDS			Total Capital Projects	Total Non-Major Governmental Funds
	668 Capital Project Funds	665 Capital Lease Fund	667 Rainone Gym		
Revenues					
Property taxes	\$ 500,000	\$ --	\$ --	\$ 500,000	\$ 750,000
Intergovernmental	--	--	--	--	7,012,313
Investment income	65,092	5,005	--	158,775	304,145
Charges for services	--	--	--	602,380	1,021,782
Other	100,000	--	--	100,296	1,793,761
Total Revenues	<u>665,092</u>	<u>5,005</u>	<u>--</u>	<u>1,361,451</u>	<u>10,882,001</u>
Expenditures					
Current					
General government	--	36,194	--	36,194	62,819
Public safety	--	--	--	--	26,441
Education	--	--	--	--	7,867,002
Parks and recreation	--	--	--	156,219	351,359
Public libraries	--	--	--	--	3,054
Capital Outlays	<u>276,248</u>	<u>--</u>	<u>33,908</u>	<u>923,113</u>	<u>1,498,694</u>
Total Expenditures	<u>276,248</u>	<u>36,194</u>	<u>33,908</u>	<u>1,115,526</u>	<u>9,809,369</u>
Excess (Deficiency) of Revenues Over					
(Under) Expenditures	<u>388,844</u>	<u>(31,189)</u>	<u>(33,908)</u>	<u>245,925</u>	<u>1,072,632</u>
Other Financing Sources (Uses)					
Transfers in	--	--	--	--	--
Transfers out	--	--	--	--	(50,000)
Total Other Financing Sources (Uses)	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>(50,000)</u>
Net Change in Fund Balances	388,844	(31,189)	(33,908)	245,925	1,022,632
Fund Balance - Beginning of Year	<u>1,855,546</u>	<u>117,086</u>	<u>56,625</u>	<u>4,208,738</u>	<u>9,362,316</u>
Fund Balance - End of Year	<u>\$ 2,244,390</u>	<u>\$ 85,897</u>	<u>\$ 22,717</u>	<u>\$ 4,454,663</u>	<u>\$ 10,384,948</u>

See independent auditors' report on supplementary information.

TOWN OF JOHNSTON, RHODE ISLAND

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

JUNE 30, 2024

	Business-Type Activities - Enterprise Funds					Total Enterprise Funds
	60010000	60030000	60060000	60140000	6370000	
	Cafeteria Fund	Credit Recovery	Summer School	Athletic Field	TMobile Tower	
Assets						
Current Assets						
Cash and cash equivalents	\$ 860,141	\$ --	\$ --	\$ --	\$ --	\$ 860,141
Other receivables, net	35,588	--	--	--	--	35,588
Due from other funds	173,598	19,571	--	127,979	47,245	368,393
Inventory	24,917	--	--	--	--	24,917
Total Current Assets	<u>1,094,244</u>	<u>19,571</u>	<u>--</u>	<u>127,979</u>	<u>47,245</u>	<u>1,289,039</u>
Noncurrent Assets						
Capital assets, net	27,368	--	--	--	--	27,368
Total Assets	<u>1,121,612</u>	<u>19,571</u>	<u>--</u>	<u>127,979</u>	<u>47,245</u>	<u>1,316,407</u>
Liabilities						
Current Liabilities						
Accounts payable and accrued expenses	--	--	--	--	--	--
Due to other funds	--	--	--	--	--	--
Unearned revenue	16,553	--	--	--	--	16,553
Total Current Liabilities	<u>16,553</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>16,553</u>
Total Liabilities	<u>16,553</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>16,553</u>
Net Position						
Investment in capital assets	27,368	--	--	--	--	27,368
Unrestricted	1,077,691	19,571	--	127,979	47,245	1,272,486
Total Net Position	<u>\$ 1,105,059</u>	<u>\$ 19,571</u>	<u>\$ --</u>	<u>\$ 127,979</u>	<u>\$ 47,245</u>	<u>\$ 1,299,854</u>

See independent auditors' report on supplementary information.

TOWN OF JOHNSTON, RHODE ISLAND

**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
NON-MAJOR ENTERPRISE FUNDS**

FOR THE YEAR ENDED JUNE 30, 2024

	Business-Type Activities - Enterprise Funds					Total Enterprise Funds
	60010000	60030000	60060000	60140000	6370000	
	Cafeteria Fund	Credit Recovery	Summer School	Athletic Field	TMobile Tower	
Operating Revenues						
Charges for services	\$ 676,389	\$ --	\$ 46,087	\$ --	\$ --	\$ 722,476
Intergovernmental	853,344	--	--	--	5,400	858,744
Total Operating Revenues	<u>1,529,733</u>	<u>--</u>	<u>46,087</u>	<u>--</u>	<u>5,400</u>	<u>1,581,220</u>
Operating Expenses						
Education	1,563,098	--	--	--	--	1,563,098
Depreciation	5,474	--	--	--	--	5,474
Total Operating Expenses	<u>1,568,572</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>1,568,572</u>
Operating Income (Loss)	<u>(38,839)</u>	<u>--</u>	<u>46,087</u>	<u>--</u>	<u>5,400</u>	<u>12,648</u>
Transfers in (out)	--	--	--	--	--	--
Change in Net Position	<u>(38,839)</u>	<u>--</u>	<u>46,087</u>	<u>--</u>	<u>5,400</u>	<u>12,648</u>
Total Net Position - Beginning	<u>1,143,898</u>	<u>19,571</u>	<u>(46,087)</u>	<u>127,979</u>	<u>41,845</u>	<u>1,287,206</u>
Total Net Position - Ending	<u>\$ 1,105,059</u>	<u>\$ 19,571</u>	<u>\$ --</u>	<u>\$ 127,979</u>	<u>\$ 47,245</u>	<u>\$ 1,299,854</u>

See independent auditors' report on supplementary information.

TOWN OF JOHNSTON, RHODE ISLAND

COMBINING STATEMENT OF CASH FLOWS NON-MAJOR ENTERPRISE FUNDS

FOR THE YEAR ENDED JUNE 30, 2024

	Business-Type Activities - Enterprise Funds					Total Enterprise Funds
	60010000	60030000	60060000	60140000	6370000	
	Cafeteria Fund	Credit Recovery	Summer School	Athletic Field	TMobile Tower	
Cash Flows from Operating Activities						
Cash received from customers	\$ 676,389	\$ --	\$ 46,087	\$ --	\$ --	\$ 722,476
Cash received from grantor	996,498	--	--	--	5,400	1,001,898
Cash paid to suppliers for goods and services and other operating payments	<u>(1,668,077)</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>(1,668,077)</u>
Net Cash Provided by Operating Activities	<u>4,810</u>	<u>--</u>	<u>46,087</u>	<u>--</u>	<u>5,400</u>	<u>56,297</u>
Cash Flows from Noncapital Financing Activities						
Receipts from other funds	<u>488,269</u>	<u>--</u>	<u>(46,087)</u>	<u>--</u>	<u>(5,400)</u>	<u>436,782</u>
Net Cash (Used in) Provided by Noncapital Financing Activities	<u>488,269</u>	<u>--</u>	<u>(46,087)</u>	<u>--</u>	<u>(5,400)</u>	<u>436,782</u>
Net Increase in Cash and Cash Equivalents	493,079	--	--	--	--	493,079
Cash, Cash Equivalents, and Restricted Cash - Beginning of Year	<u>367,062</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>367,062</u>
Cash, Cash Equivalents, and Restricted Cash - End of Year	<u>\$ 860,141</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 860,141</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities						
Operating income (loss)	\$ (38,839)	\$ --	\$ 46,087	\$ --	\$ 5,400	\$ 12,648
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:						
Depreciation and amortization expense	5,474	--	--	--	--	5,474
(Increase) decrease in intergovernmental receivables	120,889	--	--	--	--	120,889
Increase (decrease) in accounts payable and accrued expenses	(94,844)	--	--	--	--	(94,844)
Increase (decrease) in unearned revenue	<u>12,130</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>12,130</u>
Net Cash Provided by Operating Activities	<u>\$ 4,810</u>	<u>\$ --</u>	<u>\$ 46,087</u>	<u>\$ --</u>	<u>\$ 5,400</u>	<u>\$ 56,297</u>

See independent auditors' report on supplementary information.

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

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

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*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 Johnston, Rhode Island (the "Town") as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements and have issued our report thereon dated March 31, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Town's internal control over financial reporting (internal control) 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's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town's internal control.

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

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

CBIZ CPAs P.C.

Providence, RI
March 31, 2025