

***TOWN OF HOPKINTON, RHODE ISLAND***  
***ANNUAL FINANCIAL STATEMENTS***

***For the Fiscal Year Ended***  
***June 30, 2024***

**TOWN OF HOPKINTON, RHODE ISLAND**  
**ANNUAL FINANCIAL STATEMENTS**  
*For the Fiscal Year Ended June 30, 2024*

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# Bacon & Company<sup>LLC</sup>

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## **Independent Auditor's Report**

To the Honorable President and Members of the Town Council  
Town of Hopkinton, 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, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Town of Hopkinton, Rhode Island, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Town of Hopkinton, Rhode Island's basic financial statements as listed in the table of contents.

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

#### ***Basis for Opinions***

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

#### ***Responsibilities of Management for the Financial Statements***

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

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

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

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

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

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

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and supplementary pension information be presented to supplement the basic financial statements. Such information

is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with 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 of Hopkinton, Rhode Island's basic financial statements. The combining nonmajor fund financial statements, Annual Supplemental Transparency Report (MTP2), and other supplementary information are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining nonmajor fund financial statements, Annual Supplemental Transparency Report (MTP2), and other supplementary information are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### ***Other Information***

Management is responsible for the other information included in the annual report. The other information comprises the statistical 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 May 13, 2025 on our consideration of the Town of Hopkinton, Rhode Island's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations,

contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town of Hopkinton, Rhode Island's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Town of Hopkinton, Rhode Island 's internal control over financial reporting and compliance.

*Bacon & Company CPAs, LLC*

Warwick, Rhode Island  
May 13, 2025

## **TOWN OF HOPKINTON MANAGEMENT'S DISCUSSION AND ANALYSIS**

Management of the Town of Hopkinton provides this Management Discussion and Analysis of the Town of Hopkinton's Annual Financial Report for the readers of the Town's financial statements. This narrative overview and analysis of the financial statements of the Town of Hopkinton is for fiscal year ended June 30, 2024. We encourage readers to consider this information in conjunction with the additional information that is furnished in the Town's financial statements, which follow.

### **FINANCIAL HIGHLIGHTS**

- At the end of the current fiscal year, total fund balance for the General Fund was \$6,383,745 or 21.84% of total 2024 budgeted revenues. This is a decrease of \$258,480 from the prior year total fund balance.
- The total unassigned fund balance of the General Fund is \$5,810,496 or 19.87% of total 2024 budgeted revenues. This is a decrease of \$284,745 from the prior year unassigned fund balance.
- The total assigned, committed, restricted or nonspendable fund balance of the General Fund is \$573,249. This is an increase of \$26,265 from the prior year total assigned, committed, restricted or nonspendable fund balance.
- The Town General Fund ended fiscal year 2024 with a budgetary operating surplus of zero.
- The total bonded debt amount of the Town of Hopkinton increased by \$653,000.
- As reported in the government-wide financial statements, the assets and deferred outflows of resources of the Town of Hopkinton exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$12,459,865. The Town's capital asset base has been developed from both current operations and debt. The Town has recorded its property and equipment at original values in order to insure proper asset management.
- The Town's total net position decreased by \$198,350 for the fiscal year ended June 30, 2024.

### **Overview of the Financial Statements**

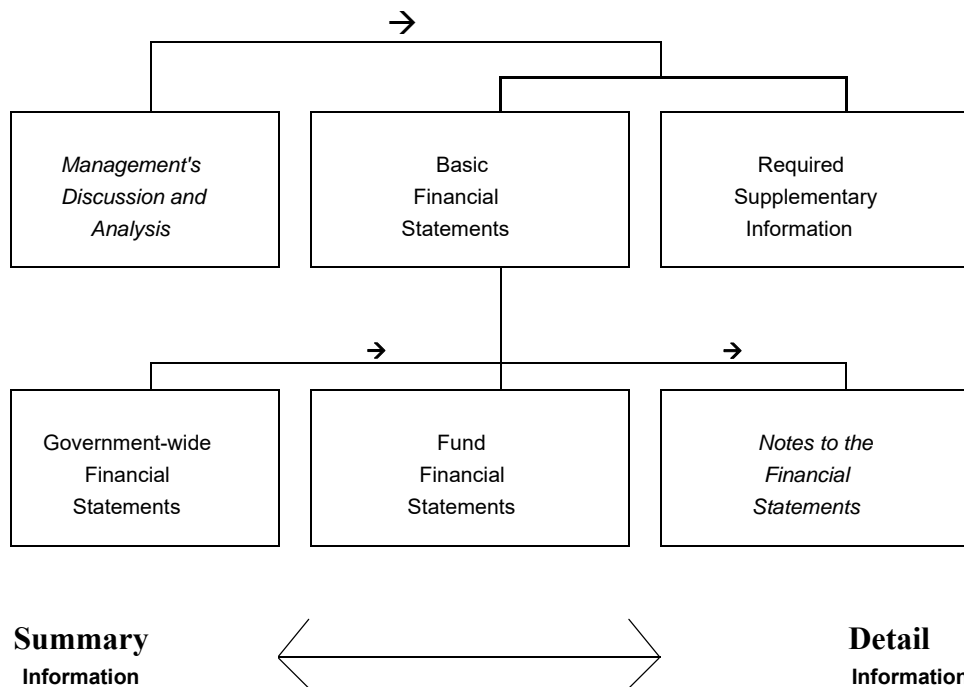
This discussion and analysis is intended to serve as an introduction to the Town's annual audit report. The financial section of this report consists of four parts – management's discussion and analysis (this section), the basic financial statements, required supplementary information, and other supplementary information that includes combining statements for non-major governmental funds.

- The first two statements are government-wide financial statements that provide both long-term and short-term information about the Town's overall status.

- The remaining statements are fund financial statements that focus on individual parts of the Town government, reporting the Town’s operations in more detail than the government-wide statements.
  - ✓ The *governmental funds* statements tell how general government services like public safety were financed in the short term as well as what remains for future spending.
  - ✓ *Proprietary fund* statements offer short- and long-term financial information about the activities the government operates like businesses, such as the water system.
  - ✓ *Fiduciary fund* statements provide information about assets that are held by the Town as a trustee or agent for the benefit of someone or something other than the Town itself. The Town cannot use these assets to support its own programs.

The financial statements also include notes that provide more detailed data about some of the information in the financial statements. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements. Figure A-1 shows how the required parts of this annual report are arranged and how they relate to one another. In addition to these required elements, the Town has included a section with combining statements that provide details about the Town’s non-major governmental funds, which are added together and presented in a single column in the basic financial statements.

Figure A-1  
Required Components of  
Town of Hopkinton’s Basic Financial Report



**Figure A-2**

**Major Features of the Town of Hopkinton’s Government-Wide and Fund Financial Statements**

	Government- Wide Statements	Fund Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire Town government (except fiduciary funds)	The activities of the Town that are not proprietary or fiduciary, such as Police and DPW.	Activities the Town operates similar to private businesses such as the water system.	Instances in which the Town is the trustee or agent for someone else’s resources.
Required financial Statements	Statement of Net Position; Statement of Activities	Balance Sheet, Statement of Revenues, Expenditures, and Changes in Fund Balances	Statement of Net Position; Statement of Revenues, Expenses, and Changes in Net Position; Statement of Cash Flows	Statement of Fiduciary Net Position; Statement of Changes in Fiduciary Net Position
Accounting Basis & Measurement Focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of Assets/ Liability Information	All assets and liabilities both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included	All assets and liabilities, both financial and capital, and short-term and long-term	All assets and liabilities, both short-term and long-term; the Town’s funds do not currently contain capital assets, although they can
Type of inflow/ Outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year, expenditures when goods or services have been received and payment is due	All revenues and expenses during the year, regardless of when cash is received or paid	All additions and deductions during year, regardless of when cash is received or paid

Figure A-2 summarizes the major features of the Town’s financial statements, including the portion of the Town government they cover and the types of information they contain. The remainder of this overview section of management’s discussion and analysis explains the structure and contents of each of the statements.

**Government-wide financial statements** – The government-wide statements report information about the Town as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the government’s assets, deferred outflows of resources, liabilities and deferred inflows of resources. All of the current year’s revenue and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the Town’s *net position* and how they have changed. Net position – the difference between the Town’s assets and deferred outflows of resources and liabilities and deferred inflows of resources – is one way to measure the Town’s financial health, or position.

- Over time, increases or decreases in the Town’s net position are an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the Town you need to consider additional non-financial factors such as changes in the Town’s property tax base and the condition of the Town’s roads.

The government-wide financial statements of the Town are divided into three categories.

- *Governmental activities* – Most of the Town’s basic services are included here, such as the public safety, public works and general administration. Property taxes, charges for services and state funding finance most of these activities.
- *Business-Type activities* – The Town operates a Water Fund which accounts for the purchase of water from the Town of Richmond, which it sells to Town users.
- *Component units* – The Land Trust is deemed to be a component unit.

**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.

The fund financial statements focus on individual parts of the Town government, reporting the Town’s operations in more detail than the government-wide statements. All of the funds of the Town can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds. It is important to note that these fund categories use different accounting approaches and should be interpreted differently.

**Governmental Funds** – Most of the basic services provided by the Town are financed through 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, the government fund statements focus on near-term inflows and outflows of spendable resources. They also focus on the balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the government’s near-term financing requirement.

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 financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and the governmental activities.

The basic governmental fund financial statements are presented on pages 16 through 19 of this report.

**Proprietary Funds** – The Town maintains one type of proprietary fund. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The Town has one enterprise fund. A brief description follows:

Hopkinton Water Supply – the Town has a municipally owned water system. It buys water from the Richmond Water Supply Board and bills the recipient waterline residents.

The basic proprietary fund financial statements are presented on pages 20 through 23.

**Fiduciary Funds** - Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Town’s own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The Town had no fiduciary funds as of June 30, 2024.

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

The notes of the financial statements are presented on pages 24 through 54.

**Other Information** – **In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information*.** This section includes a budgetary comparison schedule, which includes a reconciliation between the changes in the statutory fund balance for budgetary purposes and the changes in fund balances for the General Fund as presented in the governmental fund financial statements. **Required supplementary information follows the notes to the financial statements.**

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

### Analysis of the Town of Hopkinton's Net Position

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Town of Hopkinton, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$12,459,865 as of June 30, 2024.

In regard to the Town's net position (63.90%) consists of its investments in capital assets such as land, buildings and improvements, motor vehicles, furniture and equipment and infrastructure, less any debt used to acquire these assets which is still outstanding. The Town uses these capital assets to provide services to its 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 are highly unlikely to be used to liquidate these liabilities.

### TOWN OF HOPKINTON'S NET POSITION

	Governmental Activities		Business-Type Activities		Total	
	2023	2024	2023	2024	2023	2024
Current Assets	\$ 12,435,778	\$ 13,535,923	\$ 37,273	\$ 36,690	\$12,473,051	\$ 13,572,613
Capital Assets	8,028,521	8,148,609	254,152	242,824	8,282,673	8,391,433
Other Noncurrent Assets	1,276,244	1,373,443	-	-	1,276,244	1,373,443
Total Assets	21,740,543	23,057,975	291,425	279,514	22,031,968	23,337,489
Deferred Outflows of Resources	609,245	536,261	-	-	609,245	536,261
Current Liabilities	3,706,571	4,977,463	12,887	16,442	3,719,458	4,993,905
Long-term Liabilities	4,777,605	5,039,328	-	-	4,777,605	5,039,328
Total Liabilities	8,484,176	10,016,791	12,887	16,442	8,497,063	10,033,233
Deferred Inflows of Resources	1,485,935	1,380,652	-	-	1,485,935	1,380,652
Net Position:						
Net investment in capital assets	7,541,540	7,718,735	254,152	242,824	7,795,692	7,961,559
Restricted	1,468,101	1,709,675	-	-	1,468,101	1,709,675
Unrestricted	3,370,036	2,768,383	24,386	20,248	3,394,422	2,788,631
Total net position	\$ 12,379,677	\$ 12,196,793	\$ 278,538	\$ 263,072	\$12,658,215	\$ 12,459,865

Of the Town's net position, \$1,709,675 (13.72%) represents resources that are subject to external restriction on how they may be used. Of this amount, \$23,205 is set aside for various capital projects.

### Change in Net Position

The total net position of the Town of Hopkinton decreased by \$198,350 during fiscal year 2023-2024.

## Analysis of the Town of Hopkinton's Operations

The following analysis provides a summary of the Town's operations for the year ended June 30, 2024.

Governmental activities decreased the Town's net position by \$182,884 while business type activities decreased the Town's net position by \$15,466.

### TOWN OF HOPKINTON'S CHANGES IN NET POSITION

	Governmental Activities		Business-Type Activities		Total	
	2023	2024	2023	2024	2023	2024
Revenues						
Program						
Charges for services	\$ 1,021,790	\$ 1,063,486	\$ 35,016	\$ 37,513	\$ 1,056,806	\$ 1,100,999
Operating/Capital grants and contributions	6,799,699	7,095,879			6,799,699	7,095,879
General revenues						
Property taxes	19,492,662	19,884,463			19,492,662	19,884,463
State Aid	1,800,964	1,798,936			1,800,964	1,798,936
Investment earnings	91,122	359,101	79	111	91,201	359,212
Miscellaneous	1,251,195	31,933			1,251,195	31,933
Total Revenues	30,457,432	30,233,798	35,095	37,624	30,492,527	30,271,422
Program Expenses						
General government	2,534,507	2,380,856			2,534,507	2,380,856
Public safety	2,894,226	3,000,252			2,894,226	3,000,252
Public works	1,619,106	2,803,044			1,619,106	2,803,044
Recreation	438,373	490,856			438,373	490,856
Social services	146,050	152,050			146,050	152,050
Education	20,645,048	21,515,820			20,645,048	21,515,820
Interest on long-term debt	91,934	73,804			91,934	73,804
Water Fund			36,463	53,090	36,463	53,090
Total Expenses	28,369,244	30,416,682	36,463	53,090	28,405,707	30,469,772
Change in net position	2,088,188	(182,884)	(1,368)	(15,466)	2,086,820	(198,350)
Net position beginning of year	10,291,489	12,379,677	279,906	278,538	10,571,395	12,658,215
Net position end of year	\$ 12,379,677	\$ 12,196,793	\$ 278,538	\$ 263,072	\$ 12,658,215	\$ 12,459,865

## Financial Analysis of the Town of Hopkinton's Funds

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

At the end of the current fiscal year, 2024, the Town's governmental funds reported combined ending fund balances of \$8,749,266. The General Fund reported an unassigned fund balance of \$5,810,496 representing approximately 66.41% of total fund balance.

**Nonspendable/Restricted/Committed/Assigned**

**General fund balance:**

Nonspendable	\$68,808
Restricted	3,016
Committed	54,620
Assigned	446,805
<b>Total Nonspendable/Restricted/Committed/Assigned Fund</b>	<b>573,249</b>
<b>Balance</b>	<b>573,249</b>

**Proprietary Funds** – The Town of Hopkinton’s proprietary fund statements provide the same type of information as presented in the government-wide financial statements, but in more detail.

Unrestricted net position of the Hopkinton Water Supply Fund is \$20,248.

**The Town of Hopkinton’s General Fund Budgetary Items**

The Town General Fund had a budgetary surplus of zero in FY24 due to planned use of fund balance. The actual revenues exceeded budgeted expenses by zero.

**The Town of Hopkinton’s Capital Assets**

The Town of Hopkinton’s investment in capital assets for its governmental and business-type activities amounts to \$8,391,433 net of accumulated depreciation at June 30, 2024. Included are land, buildings and improvements, motor vehicles, furniture and equipment, infrastructure, and construction in progress.

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

	Governmental		Business-type		Total	
	2023	2024	2023	2024	2023	2024
Land & Construct. in Progress	\$ 475,339	\$ 664,616	\$ -	\$ -	\$ 475,339	\$ 664,616
Infrastructure	4,956,720	4,635,654	213,261	202,859	5,169,981	4,838,513
Buildings and improvements	1,378,786	1,392,267	-	-	1,378,786	1,392,267
Furniture and equipment	361,083	361,768	40,891	39,965	401,974	401,733
Motor vehicles	856,593	1,063,170	-	-	856,593	1,063,170
Subscription assets	-	31,134	-	-	-	31,134
<b>Total</b>	<b>\$ 8,028,521</b>	<b>\$ 8,148,609</b>	<b>\$ 254,152</b>	<b>\$ 242,824</b>	<b>\$ 8,282,673</b>	<b>\$ 8,391,433</b>

**The Town of Hopkinton Debt Administration**

At the end of the current fiscal year, the Town of Hopkinton General Government had a total debt of \$3,064,000.

**TOWN OF HOPKINTON'S OUTSTANDING DEBT AT YEAR END  
BONDS, LOANS AND FINANCED PURCHASES**

	<b>Gov Activities</b>	<b>Total</b>	
Gen Obligation Bonds and Loans	\$ 3,064,000	\$ 3,064,000	
Financed Purchase Payable	153,190	153,190	
Amortized Premium on Bond	178,739	178,739	
<b>Totals</b>	<b>\$ 3,395,929</b>	<b>\$ 3,395,929</b>	

The State of Rhode Island imposes a limit of 3 percent of the fair market value of all taxable town property on the general obligation debt that a municipality can issue. The Town of Hopkinton's limit is \$40,606,498 at year-end. The Town's outstanding general obligation debt subject to the limit is \$3,064,000 at year-end, which is \$37,542,498 under the State imposed limitation.

**Subsequent Fiscal Year 2024-2025 Budget and Tax Rates**

The Town of Hopkinton's total general fund budget for fiscal year 24/25 is \$30,521,966 which reflects an increase of \$1,286,484 from the fiscal 23/24 budget. In the Town's 24/25 budget, \$22,302,966 or 73.10% is allocated for educational purposes and \$8,219,000 or 26.90% is budgeted for other purposes.

Of the \$22,302,966 budgeted for educational purposes, the State of Rhode Island has budgeted for fiscal year 24/25 to contribute \$6,673,140 to the Town's education expense and the Town is budgeted to contribute \$15,629,826.

The Town's tax rate for fiscal year 24/25 is \$15.06 per thousand for real estate and tangible personal property. The motor vehicle tax was phased out in fiscal year 23/24. The tax rate for fiscal year 23/24 was \$14.66 per thousand for real estate and tangible personal property.

**Request 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, Hopkinton Thayer House, 482 Main Street, P O Box 139, Hopkinton, RI 02833.

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

	<b>Primary Government</b>			<b>Component Unit</b>
	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>	<b>Land Trust</b>
<b>Assets</b>				
<b>Current assets:</b>				
Cash and cash equivalents	\$ 11,371,681	\$ 60,075	\$ 11,431,756	\$ 84,298
Receivables:				
Property taxes, net of allowance for uncollectible accounts	451,649	-	451,649	-
Accounts receivable, user fees - net	-	18,981	18,981	-
Due from federal and state government	1,267,946	-	1,267,946	-
Due from primary government	-	-	-	6,637
Leases	77,442	-	77,442	-
Other	254,354	-	254,354	-
Internal balances	44,043	(44,043)	-	-
Prepaid expenses	68,808	-	68,808	-
Inventory	-	1,677	1,677	-
<b>Total current assets</b>	<b>13,535,923</b>	<b>36,690</b>	<b>13,572,613</b>	<b>90,935</b>
<b>Noncurrent assets:</b>				
Leases receivable	150,915	-	150,915	-
Capital assets: (Note 5)				
Land and land rights	349,470	-	349,470	5,485,598
Construction in progress	315,146	-	315,146	-
Depreciable buildings, equipment and infrastructure, net	7,483,993	242,824	7,726,817	234,779
Net pension asset	1,222,528	-	1,222,528	-
<b>Total noncurrent assets</b>	<b>9,522,052</b>	<b>242,824</b>	<b>9,764,876</b>	<b>5,720,377</b>
<b>Total assets</b>	<b>23,057,975</b>	<b>279,514</b>	<b>23,337,489</b>	<b>5,811,312</b>
<b>Deferred outflows of resources</b>				
Deferred pension amounts	536,261	-	536,261	-
<b>Total deferred outflows of resources</b>	<b>536,261</b>	<b>-</b>	<b>536,261</b>	<b>-</b>
<b>Liabilities</b>				
<b>Current liabilities:</b>				
Accounts payable and accrued expenses	1,531,055	16,442	1,547,497	-
Accrued interest payable	25,702	-	25,702	-
Due to component unit	6,637	-	6,637	-
Unearned revenues	1,386,253	-	1,386,253	-
Financed purchases payable	73,038	-	73,038	-
Subscription liability	7,069	-	7,069	-
Compensated absences payable	175,744	-	175,744	-
Long-term debt -due within one year (Note 6)	414,000	-	414,000	-
Performance bonds payable	1,357,965	-	1,357,965	-
<b>Total current liabilities</b>	<b>4,977,463</b>	<b>16,442</b>	<b>4,993,905</b>	<b>-</b>
<b>Noncurrent liabilities</b>				
Financed purchase payable	80,152	-	80,152	-
Note payable	30,176	-	30,176	-
Subscription liability	22,730	-	22,730	-
Compensated absences payable	43,717	-	43,717	-
Long-term debt - due in more than one year (Note 6)	2,828,739	-	2,828,739	-
Net pension liability	2,033,814	-	2,033,814	-
<b>Total noncurrent liabilities</b>	<b>5,039,328</b>	<b>-</b>	<b>5,039,328</b>	<b>-</b>
<b>Total liabilities</b>	<b>10,016,791</b>	<b>16,442</b>	<b>10,033,233</b>	<b>-</b>
<b>Deferred inflows of resources</b>				
Deferred property taxes and other deferred revenues	1,630	-	1,630	-
Deferred lease amounts	228,357	-	228,357	-
Deferred pension amounts	1,150,665	-	1,150,665	-
<b>Total deferred inflows of resources</b>	<b>1,380,652</b>	<b>-</b>	<b>1,380,652</b>	<b>-</b>
<b>Net position</b>				
Net investment in capital assets	7,718,735	242,824	7,961,559	5,720,377
Restricted for:				
Community development	99,467	-	99,467	-
Historical records preservation	94,213	-	94,213	-
Public safety programs	117,466	-	117,466	-
Capital projects	23,205	-	23,205	-
Debt service	30,176	-	30,176	-
Employee benefit plans	1,222,528	-	1,222,528	-
Other programs	107,962	-	107,962	-
Permanent fund:				
Expendable	6,868	-	6,868	-
Nonexpendable	7,790	-	7,790	-
Unrestricted	2,768,383	20,248	2,788,631	90,935
<b>Total net position</b>	<b>\$ 12,196,793</b>	<b>\$ 263,072</b>	<b>\$ 12,459,865</b>	<b>\$ 5,811,312</b>

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

**TOWN OF HOPKINTON, RHODE ISLAND**  
*Statement of Activities*  
For the Fiscal Year Ended June 30, 2024

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Changes in Net Position</u>			<u>Component Unit</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Primary Government</u>		<u>Land Trust</u>	
					<u>Governmental Activities</u>	<u>Business-Type Activities</u>		
<b>Primary Government:</b>								
<b>Governmental Activities:</b>								
General government	\$ 2,380,856	\$ 590,885	\$ 64,912	\$ -	\$ (1,725,059)	\$ -	\$ (1,725,059)	\$ -
Public safety	3,000,252	273,278	115,759	112,364	(2,498,851)	-	(2,498,851)	-
Public works	2,803,044	64,000	117,019	251,994	(2,370,031)	-	(2,370,031)	-
Recreation	490,856	135,323	38,024	-	(317,509)	-	(317,509)	-
Public and social services	152,050	-	44,300	-	(107,750)	-	(107,750)	-
Education	21,515,820	-	6,351,507	-	(15,164,313)	-	(15,164,313)	-
Debt service, interest	73,804	-	-	-	(73,804)	-	(73,804)	-
<b>Total governmental activities</b>	<b>30,416,682</b>	<b>1,063,486</b>	<b>6,731,521</b>	<b>364,358</b>	<b>(22,257,317)</b>	<b>-</b>	<b>(22,257,317)</b>	<b>-</b>
<b>Business-Type Activities:</b>								
Water supply	53,090	37,513	-	-	-	(15,577)	(15,577)	-
<b>Total business-type activities</b>	<b>53,090</b>	<b>37,513</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(15,577)</b>	<b>(15,577)</b>	<b>-</b>
<b>Total primary government</b>	<b>\$ 30,469,772</b>	<b>\$ 1,100,999</b>	<b>\$ 6,731,521</b>	<b>\$ 364,358</b>	<b>(22,257,317)</b>	<b>(15,577)</b>	<b>(22,272,894)</b>	<b>-</b>
<b>Component Unit:</b>								
Land trust	\$ 29,793	\$ 1,404	\$ 35,440	\$ -	-	-	-	7,051
<b>General Revenues:</b>								
Property taxes					19,884,463	-	19,884,463	-
State aid and grants not restricted for a specific purpose					1,798,936	-	1,798,936	-
Investment earnings					359,101	111	359,212	1,479
Miscellaneous					31,933	-	31,933	-
<b>Total general revenues</b>					<b>22,074,433</b>	<b>111</b>	<b>22,074,544</b>	<b>1,479</b>
<b>Change in net position</b>					<b>(182,884)</b>	<b>(15,466)</b>	<b>(198,350)</b>	<b>8,530</b>
<b>Net position - beginning of year</b>					<b>12,379,677</b>	<b>278,538</b>	<b>12,658,215</b>	<b>5,802,782</b>
<b>Net position - end of year</b>					<b>\$ 12,196,793</b>	<b>\$ 263,072</b>	<b>\$ 12,459,865</b>	<b>\$ 5,811,312</b>

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

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

	<u>General Fund</u>	<u>American Rescue Plan Act Fund</u>	<u>Capital Project Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Assets</b>					
Cash	\$ 6,919,200	\$ 1,960,183	\$ 1,297,796	\$ 1,194,502	\$ 11,371,681
Receivables:					
Property taxes, net of allowance for doubtful accounts of \$321,579	451,649	-	-	-	451,649
Due from federal and state government	161,383	-	-	1,106,563	1,267,946
Leases	228,357	-	-	-	228,357
Other	140,238	8,165	-	105,951	254,354
Due from other funds	8,492,792	6,257	500,000	2,960,993	11,960,042
Prepaid expenditures	68,808	-	-	-	68,808
<b>Total assets</b>	<u>\$ 16,462,427</u>	<u>\$ 1,974,605</u>	<u>\$ 1,797,796</u>	<u>\$ 5,368,009</u>	<u>\$ 25,602,837</u>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)</b>					
<b>Liabilities</b>					
Accounts payable and accrued expenditures	\$ 565,811	\$ -	\$ -	\$ 965,244	\$ 1,531,055
Due to other funds	7,597,911	464,369	182,093	3,671,626	11,915,999
Due to component unit	6,637	-	-	-	6,637
Unearned revenue	-	1,386,253	-	-	1,386,253
Performance bonds payable	1,357,965	-	-	-	1,357,965
<b>Total liabilities</b>	<u>9,528,324</u>	<u>1,850,622</u>	<u>182,093</u>	<u>4,636,870</u>	<u>16,197,909</u>
<b>Deferred Inflows of Resources</b>					
Deferred property taxes	293,105	-	-	-	293,105
Deferred lease revenues	228,357	-	-	-	228,357
Other deferred revenues	28,896	-	-	105,304	134,200
<b>Total deferred inflows of resources</b>	<u>550,358</u>	<u>-</u>	<u>-</u>	<u>105,304</u>	<u>655,662</u>
<b>Fund Balances (Deficits)</b>					
Nonspendable:					
Prepaid expenditures	68,808	-	-	-	68,808
Permanent fund principal	-	-	-	7,790	7,790
Restricted for:					
Community development	-	-	-	24,339	24,339
Historical records preservation	-	-	-	94,213	94,213
Public safety programs	1,413	-	-	116,053	117,466
Capital projects	-	-	-	40,320	40,320
Cemetery perpetual care	-	-	-	6,868	6,868
Other programs	1,603	-	-	106,359	107,962
Committed for:					
Employee relations costs	12,815	-	-	-	12,815
Legal fees	24,061	-	-	-	24,061
Property revaluation	4,076	-	-	-	4,076
Public works	313	-	-	-	313
Planning and zoning	4,340	-	-	-	4,340
Tree removal	-	-	-	28,180	28,180
Educational capital facilities expansion	-	-	-	136,218	136,218
Capital projects	9,015	-	1,615,703	149,514	1,774,232
Assigned for:					
2025 budget	446,805	-	-	-	446,805
Capital projects	-	123,983	-	-	123,983
Unassigned	5,810,496	-	-	(84,019)	5,726,477
<b>Total fund balances (deficits)</b>	<u>6,383,745</u>	<u>123,983</u>	<u>1,615,703</u>	<u>625,835</u>	<u>8,749,266</u>
<b>Total liabilities, deferred inflows of resources, and fund balances (deficits)</b>	<u>\$ 16,462,427</u>	<u>\$ 1,974,605</u>	<u>\$ 1,797,796</u>	<u>\$ 5,368,009</u>	<u>\$ 25,602,837</u>

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

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

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<b>Total Fund Balances - Total Governmental Funds</b>	<b>\$ 8,749,266</b>
 <b>Amounts reported for Governmental Activities in the Statement of Net Position are different because:</b>	
Capital assets used in Governmental Activities are not current financial resources and, therefore, are not reported in the Governmental Funds Balance Sheet. See Note 5 to the financial statements.	8,148,609
Property taxes are recognized as revenue in the period for which levied in the Government-Wide Financial Statements, but are reported as deferred inflows of resources in Governmental Fund Financial Statements.	293,105
Other accounts receivable and revenues are not available to pay for current period expenditures and, therefore, are deferred inflows of resources in the Governmental Funds Financial Statements.	132,570
Interest payable on long-term debt does not require current financial resources. Therefore, interest payable is not reported as a liability in Governmental Funds Balance Sheet.	(25,702)
Long-term liabilities (including bonds and loans, financed purchases, notes, subscriptions, compensated absences, and net pension liability) are not due and payable in the current period and, therefore, are not reported in the Governmental Funds Balance Sheet. See Note 6 to the financial statements.	(5,709,179)
Net pension assets are not current financial resources and, therefore, are not reported in the Governmental Funds Balance Sheet.	1,222,528
Deferred outflows and inflows related to pensions are not current financial resources or require the use of current financial resources and, therefore are not reported in the Governmental Funds Balance Sheet.	
Deferred outflows related to pensions	536,261
Deferred inflows related to pensions	<u>(1,150,665)</u>
<b>Net Position - Governmental Activities</b>	<b><u>\$ 12,196,793</u></b>

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

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

	<i>General Fund</i>	<i>American Rescue Plan Act Fund</i>	<i>Capital Project Fund</i>	<i>Other Governmental Funds</i>	<i>Total Governmental Funds</i>
<b>Revenues:</b>					
Property taxes	\$ 19,783,841	\$ -	\$ -	\$ -	\$ 19,783,841
Federal and state grants and aid	8,207,084	381,492	-	216,160	8,804,736
Charges for services and fees	1,071,805	-	-	36,949	1,108,754
Interest on investments	189,595	85,952	56,906	26,648	359,101
Other revenues	11,796	-	-	48,616	60,412
<b>Total revenues</b>	<u>29,264,121</u>	<u>467,444</u>	<u>56,906</u>	<u>328,373</u>	<u>30,116,844</u>
<b>Expenditures:</b>					
Current:					
General government	2,298,955	30,452	-	49,810	2,379,217
Public safety	3,132,793	89,683	-	14,206	3,236,682
Public works	1,348,627	5,000	-	-	1,353,627
Recreation	328,929	4,363	-	13,550	346,842
Public and social services	152,050	-	-	-	152,050
Education - payment to school district	21,515,820	-	-	-	21,515,820
Capital outlay	295,237	251,994	54,724	1,352,106	1,954,061
Debt service:					
Principal	347,000	-	-	84,831	431,831
Interest and other charges	94,845	-	-	3,054	97,899
<b>Total expenditures</b>	<u>29,514,256</u>	<u>381,492</u>	<u>54,724</u>	<u>1,517,557</u>	<u>31,468,029</u>
<b>Excess (deficiency) of revenues over (under) expenditures before other financing sources (uses)</b>	<u>(250,135)</u>	<u>85,952</u>	<u>2,182</u>	<u>(1,189,184)</u>	<u>(1,351,185)</u>
<b>Other financing sources (uses):</b>					
Debt issued	194,928	-	-	1,019,700	1,214,628
Subscription based IT arrangement (SBITA)	36,628	-	-	-	36,628
Transfers from other funds	-	-	-	239,901	239,901
Transfers to other funds	(239,901)	-	-	-	(239,901)
<b>Total other financing sources (uses)</b>	<u>(8,345)</u>	<u>-</u>	<u>-</u>	<u>1,259,601</u>	<u>1,251,256</u>
<b>Net change in fund balances</b>	(258,480)	85,952	2,182	70,417	(99,929)
<b>Fund balances - beginning of year</b>	<u>6,642,225</u>	<u>38,031</u>	<u>1,613,521</u>	<u>555,418</u>	<u>8,849,195</u>
<b>Fund balances - end of year</b>	<u>\$ 6,383,745</u>	<u>\$ 123,983</u>	<u>\$ 1,615,703</u>	<u>\$ 625,835</u>	<u>\$ 8,749,266</u>

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

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

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**Net Changes in Fund Balances - Total Governmental Funds** \$ (99,929)

**Amounts reported for Governmental Activities in the Statement of Activities are different because:**

Governmental Fund Financial Statements report capital outlays as expenditures. However, in the Government-Wide Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.

This is the amount of capital assets recorded in the current period. 864,563

Depreciation expense on capital assets is reported in the Government-Wide Statement of Activities, but does not require the use of current financial resources. Therefore, depreciation expense is not reported as an expenditure in the Governmental Fund Financial Statements. (740,478)

The loss on the disposal of capital assets does not require the use of current financial resources. Therefore, the loss on the disposal of capital assets is not reported as an expenditure in the Governmental Funds Financial Statements. (3,997)

The long-term note payable, subscription liability, and compensated absences are reported in the Government-Wide Statement of Activities, but do not require the use of current financial resources. Therefore, the note payable, subscription liability, and compensated absences are not reported as expenditures in Governmental Fund Financial Statements.

The following amount represents the repayment of the long-term note payable in the current year. 2,569

The following amount represents the repayment of the long-term subscription liability in the current year. 6,829

The following amount represents the change in long-term compensated absences from the prior year. (14,213)

Repayment of bond, loan and financed purchase principal is an expenditure in the Governmental Fund Financial Statements, but the payments reduce long-term liabilities in the Government-Wide Statement of Net Position. 439,151

Accrued interest expense on long-term debt is reported in the Government-Wide Statement of Activities, but does not require the use of current financial resources. Therefore, accrued interest expense is not reported as an expenditure in the Governmental Fund Financial Statements. The following amount represents the change in accrued interest expense from the prior year. (3,903)

Proceeds from the issuance of debt and entering into subscription based IT arrangements are other financing sources in the Governmental Fund Financial Statements, but the issuance of debt and entering into subscription based IT arrangements increases long-term liabilities in the Government-Wide Statement of Net Position.

This amount represents debt issued during the current period. (1,214,628)

This amount represents subscription based IT arrangements entered into during the current period. (36,628)

Debt issued at a premium provide current financial resources to Governmental Funds, but are deferred and amortized in the Government-Wide Financial Statements.

This amount represents the amortization of bond premium during the current period. 18,109

Long-term net pension liabilities and assets are reported in the Government-Wide Statement of Activities, but do not require the use of current financial resources or are not available to pay for current period expenditures. Therefore, long-term net pension liabilities and assets are not reported as expenditures in Governmental Funds Financial Statements.

This is the amount of the change in long-term net pension liabilities and assets and related deferred pension amounts in the current period. 528,017

New loans are reported as an increase in accounts receivable in the Government-Wide Statement of Net Position, but are reported as expenditures in the Governmental Funds Financial Statements. 19,700

Revenues in the Statement of Activities that are not available in Governmental Funds are not reported as revenue in the Governmental Funds Financial Statements. 51,954

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**Change in Net Position - Governmental Activities** \$ (182,884)

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

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

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	<u><i>Enterprise Fund</i></u> <u><i>Water Supply</i></u>
<i>Assets</i>	
<i>Current assets</i>	
Cash and cash equivalents	\$ 60,075
Accounts receivable, user fees - net	18,981
Due from other funds	4,568
Inventory	1,677
<b><i>Total current assets</i></b>	<u>85,301</u>
 <i>Noncurrent assets</i>	
Depreciable capital assets - net	242,824
<b><i>Total noncurrent assets</i></b>	<u>242,824</u>
<b><i>Total assets</i></b>	<u>328,125</u>
 <i>Liabilities</i>	
<i>Current liabilities</i>	
Accounts payable and accrued expenses	16,442
Due to other funds	48,611
<b><i>Total current liabilities</i></b>	<u>65,053</u>
<b><i>Total liabilities</i></b>	<u>65,053</u>
 <i>Net position</i>	
Net investment in capital assets	242,824
Unrestricted	20,248
<b><i>Total net position</i></b>	<u><u>\$ 263,072</u></u>

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

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

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	<u><i>Enterprise Fund</i></u> <u><i>Water Supply</i></u>
<i>Operating revenues</i>	
User fees	\$ 37,513
<i>Total operating revenues</i>	<u>37,513</u>
 <i>Operating expenses</i>	
Water purchases	23,156
Contract services	9,016
Repairs and maintenance	9,290
Supplies	95
Utilities	205
Depreciation	11,328
<i>Total operating expenses</i>	<u>53,090</u>
 <i>Operating loss</i>	 <u>(15,577)</u>
 <i>Nonoperating revenues</i>	
Interest income	<u>111</u>
<i>Total nonoperating revenues</i>	<u>111</u>
 <i>Change in net position</i>	 (15,466)
 <i>Total net position - beginning of year</i>	 <u>278,538</u>
 <i>Total net position - end of year</i>	 <u>\$ 263,072</u>

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

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

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	<u><i>Enterprise Fund</i></u> <u><i>Water Supply</i></u>
<i>Cash flows from operating activities</i>	
Cash received from customers for user fees	\$ 41,495
Cash paid to suppliers	<u>(38,207)</u>
<i>Net cash provided by operating activities</i>	<u>3,288</u>
 <i>Cash flows from non-capital financing activities</i>	
Interfund transactions	15,180
<i>Net cash provided by non-capital financing activities</i>	<u>15,180</u>
 <i>Cash flows from investing activities</i>	
Interest received	111
<i>Net cash provided by investing activities</i>	<u>111</u>
 <i>Net increase in cash and cash equivalents</i>	 18,579
 <i>Cash and cash equivalents - beginning of year</i>	 <u>41,496</u>
 <i>Cash and cash equivalents - end of year</i>	 <u><u>\$ 60,075</u></u>

*(Continued)*

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

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

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	<u><i>Enterprise Fund</i></u> <u><i>Water Supply</i></u>
<i>Reconciliation of operating loss to net cash provided by operating activities:</i>	
Operating loss	\$ (15,577)
<i>Adjustments to reconcile operating loss to net cash provided by operating activities:</i>	
Depreciation	11,328
Changes in assets and liabilities:	
(Increase) decrease in accounts receivable, user fees	3,982
Increase (decrease) in accounts payable and accrued expenses	<u>3,555</u>
 <i>Net cash provided by operating activities</i>	 <u><u>\$ 3,288</u></u>

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

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

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

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. REPORTING ENTITY**

The Town of Hopkinton was incorporated in 1757 and operates under a Home Rule Charter adopted in November 2002. The Charter provides for a Town Council-Town Manager form of government. All legislative powers of the Town, except such powers as reserved by State Law or vested in the Financial Town Referendum by the Charter and by-laws enacted by the Town Council, are vested in the Town Council, including the ordering of any tax, making of appropriations, and transacting any other business pertaining to the financial affairs of the Town.

In evaluating the inclusion of potential component units within its financial reporting entity, the Town applied the criteria prescribed by GASB Statement No. 14, as amended by GASB Statement No. 39, “Determining Whether Certain Organizations are Component Units”, and GASB Statement No. 61, “Financial Reporting Entity-Omnibus”. A component unit is a legally separate organization for which the elected officials of the primary government are financially accountable or other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity’s financial statements to be misleading. Through the application of GASB Statement Nos. 14, 39, and 61 criteria, the Hopkinton Land Trust (the Trust) has been discretely presented as a component unit of the Town in the Government-Wide Financial Statements.

The Trust was established in the fiscal year 2000 by the Hopkinton Town Council pursuant to special State legislation enacted by the General Assembly in the same year. The Trust was established as a body politic and corporate and a public instrumentality. It has the authority to acquire, hold and manage real property and interests therein, including development rights situated in the Town of Hopkinton, with the exception of property acquired for public historical preservation purposes. The Trust may hold property or development rights solely as open space or for agricultural uses, water purposes, public access, or prevention of accelerated residential or commercial development. Trustees are appointed by the Town Council and the Trust can impose a financial burden upon the Town in the form of financial support and financing of operating deficits. The Trust holds economic resources (land and land rights) entirely for the direct benefit of the Town. The Trust does not issue separate financial statements.

**B. BASIS OF PRESENTATION AND ACCOUNTING**

**Government-Wide Financial Statements**

The Town’s Government-Wide Financial Statements include a Statement of Net Position and a Statement of Activities. These statements report information about the reporting entity as a whole.

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

Fiduciary activities of the Town are not included in these statements. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through property taxes, intergovernmental revenue, and other non-exchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods and services rendered.

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

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

Certain eliminations have been made as prescribed by GASB Statement No. 34 in regard to interfund activities, payables, and receivables. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total column.

### **Fund Financial Statements**

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

### **Governmental Fund Financial Statements**

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

All governmental funds are accounted for on a spending, or "*current financial resources*" measurement focus and the modified accrual basis of accounting. Accordingly, only current assets,

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

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

**Major Governmental Funds:**

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

**American Rescue Plan Act Fund** – The American Rescue Plan Act (ARPA) Fund accounts for the funds received under the ARPA and related expenditure of those funds.

**Capital Project Fund** – The Capital Project Fund is used to account for funds committed for capital projects by the Financial Town Referendum.

**Proprietary Fund Financial Statements**

Proprietary Fund Financial Statements include a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Net Position, and a Statement of Cash Flows.

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

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

For the year ended June 30, 2024, the Town had one proprietary fund, the Water Supply Fund, which is a major fund:

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

**Water Supply Fund** - The Water Supply Fund accounts for the purchase of water from the Town of Richmond, which it sells to Town users.

**Fiduciary Funds**

Fiduciary Fund Financial Statements include a Statement of Fiduciary Net Position and a Statement of Changes in Fiduciary Net Position. Fiduciary Funds are used to account for assets held by the Town in a trustee capacity or as a custodian for individuals, private organizations, or other governments, and, therefore, cannot be used to support the Town's own programs. Fiduciary Funds are accounted for on a spending, or "*economic resources*" measurement focus and the accrual basis of accounting. For the fiscal year ended June 30, 2024, the Town had no Fiduciary Funds.

**C. RECENTLY ISSUED ACCOUNTING STANDARDS**

The Town has implemented the following new accounting pronouncements:

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

The adoption of GASB Statement Number 100 and the portion of GASB Statement Number 99 applicable in fiscal year 2024 did not have an impact on the Town's financial position or results of operations.

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

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

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

**D. CASH EQUIVALENTS**

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

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

**E. INVESTMENTS**

The Town reports investments at fair value.

**F. ACCOUNTS RECEIVABLE AND TAXES RECEIVABLE**

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

Property taxes which were levied on June 13, 2023 for the current year and other delinquent balances are recorded as receivables.

**G. UNBILLED SERVICES RECEIVABLE**

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

**H. INVENTORY**

Inventory is maintained on a periodic system and is stated at cost (first in, first out method of inventory valuation). Inventory is generally recorded as an expenditure/expense when consumed rather than when purchased.

**I. CAPITAL ASSETS AND DEPRECIATION**

Capital assets are reported in the Government-Wide Statement of Net Position.

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

All capital assets are recorded at cost (or estimated historical cost). Donated capital assets are recorded at acquisition value as of the date received. The Town follows the policy of not capitalizing assets with a cost of less than \$10,000 and a useful life of less than 1 year. The Town retroactively adjusted for infrastructure assets in fiscal year 2007.

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

<u>Description</u>	<u>Estimated Useful Lives</u>
Buildings and improvements	10-50
Motor vehicles	5-10
Machinery and equipment	5-20
Office furniture and equipment	5-10
Infrastructure/roadways (principally roads)	10-50
Water system	50

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

**J. DEBT PREMIUMS**

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

**K. DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES**

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

In the Governmental Fund Financial Statements, deferred inflows of resources are reported for receivables recorded in the Governmental Fund Financial Statements for which the revenue is not available, or amounts received before the period for which property taxes are levied. In the Government-Wide Financial Statements, deferred inflows of resources are reported for amounts received before the period for which property taxes are levied or revenues are due. In the Government-Wide Financial Statements, deferred outflows of resources and deferred inflows of resources are also reported for amounts related to the Town’s pension plans that will be amortized as a component of pension expense in future years.

**L. PROPERTY TAXES**

Property taxes are levied in June at one hundred percent of the full and fair value of real and tangible personal property owned within the Town as of the previous December 31. Taxes levied in June are payable between August 1 and September 8 or in quarterly installments by September 8, December 8, March 8, and June 8. Failure to make payments will result in a lien on the taxpayer’s property.

Rhode Island General Laws restrict the Town’s ability to increase either its total tax levy or its tax rates more than 4% over those of the preceding year.

**M. LEASES**

The Town is a lessor for noncancellable land and building leases. The Town recognizes leases receivable and deferred inflows 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 the 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

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

is recognized as revenue over the life of the lease term.

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 and periods covered by the lessee's option to extend the lease if it is reasonably certain, based on all relevant factors, that the lessee will exercise that option. Lease receipts included in the measurement of the lease receivable are composed of fixed payments from the lessee.

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

***N. SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITA)***

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

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

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

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

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

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

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

***O. COMPENSATED ABSENCES***

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

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

***P. ACCRUED LIABILITIES AND LONG-TERM DEBT***

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

For Governmental Fund Financial Statements, the accrued liabilities are generally reported as a governmental fund liability if due for payment as of the balance sheet date regardless of whether they will be liquidated with current financial resources. However, claims and judgments and compensated absences paid from governmental funds are reported as a liability in the Governmental Fund Financial Statements only for the portion expected to be financed from expendable available financial resources. Long-term debt paid from governmental funds is not recognized as a liability in the Governmental Fund Financial Statements until due.

***Q. PENSIONS***

For the 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 plans and the 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, 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.

***R. USE OF ESTIMATES***

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

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

**NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

**A. LEGAL DEBT MARGIN**

The Town’s legal debt margin as set forth by State Statute is limited to three percent of total taxable assessed value, which approximates \$40,606,498. As of June 30, 2024, the Town’s debt subject to the legal debt margin is \$3,064,000 and the Town is under the debt limit by \$37,542,498. The debt subject to the debt limitation is based on the type of debt that is issued.

**B. DEFICIT FUND BALANCES**

The following other governmental funds had deficit fund balances as of June 30, 2024: Police State Forfeiture Fund \$(7,265), Police Federal Forfeiture Fund \$(4,743), Police Capital Fund \$(55), and Town-wide Solar Capital Fund \$(71,956).

**NOTE 3 – CASH DEPOSITS**

**DEPOSITS** – are in three financial institutions and are carried at cost. The carrying amount of deposits is separately displayed on the Balance Sheet and the Statement of Net Position as “Cash and Cash Equivalents”.

	<b><u>Carrying</u></b>
	<b><u>Amount</u></b>
Total Deposits	\$11,515,004
Add: Petty cash	<u>1,050</u>
<b>Total Cash and Cash Equivalents</b>	
<b>Reported in the Financial Statements</b>	<b><u><u>\$11,516,054</u></u></b>

**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. The Town does not have a formal deposit policy for custodial credit risk. As of June 30, 2024, \$10,612,373 of the Town’s bank balance of \$11,759,711 was exposed to custodial credit risk as follows:

	<b><u>Bank</u></b>
	<b><u>Balance</u></b>
Insured (Federal depository insurance funds)	\$1,147,338
Collateralized with securities held by pledging financial institution’s agent, but not in the Town’s name	3,307,417
Collateralized with securities held by pledging financial institution in the Town’s name	<u>7,304,956</u>
<b>Total</b>	<b><u><u>\$11,759,711</u></u></b>

Under Rhode Island general laws, depository institutions holding deposits of the State, its agencies, or governmental subdivisions of the State, shall at a minimum, insure or pledge eligible collateral equal to one hundred percent (100%) of the deposits, which are time deposits with maturities greater than sixty (60) days. Any of these institutions which do not meet minimum capital standards prescribed by federal regulators shall insure or pledge eligible collateral equal to one

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

hundred percent (100%) of the deposits, regardless of maturity. On June 30, 2024, the Town had no uncollateralized deposits with institutions.

**NOTE 4 – INVESTMENTS**

The Town had no investments as of June 30, 2024. The Finance Director has control over the type of investments made. The Town's General Fund investments are governed by Title 35, Chapter 10, Section 11 of the State's General Laws. This law generally allows for short-term investments, such as certificate of deposits, money market funds, obligations guaranteed by the U.S. Government, etc. with the goal of seeking responsible income while preserving capital. The Town does not have a formal investment policy or any other legally contracted agreement that limits the type of investments that may be made.

***Interest Rate Risk*** – The Town does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

***Credit Risk*** – The Town does not have a formal investment policy that limits its investment choices.

***Concentration of Credit Risk*** – The Town places no limit on the amount the Town may invest in any one issuer.

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

**NOTE 5 - CAPITAL ASSETS**

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

	<u><i>Beginning Balance</i></u>	<u><i>Additions</i></u>	<u><i>Retirements</i></u>	<u><i>Ending Balance</i></u>
<b>Governmental Activities:</b>				
Nondepreciable assets:				
Land	\$ 349,470	\$ -	\$ -	\$ 349,470
Construction in progress	125,869	189,277	-	315,146
	<u>475,339</u>	<u>189,277</u>	<u>-</u>	<u>664,616</u>
Depreciable assets:				
Infrastructure	25,885,004	-	-	25,885,004
Buildings and improvements	3,926,783	92,255	-	4,019,038
Furniture and equipment	1,392,338	95,414	15,990	1,471,762
Motor vehicles	2,653,398	450,989	70,007	3,034,380
Subscription assets	-	36,628	-	36,628
	<u>33,857,523</u>	<u>675,286</u>	<u>85,997</u>	<u>34,446,812</u>
<b>Total Capital Assets</b>	<u>34,332,862</u>	<u>864,563</u>	<u>85,997</u>	<u>35,111,428</u>
Less accumulated depreciation for:				
Infrastructure	20,928,284	321,066	-	21,249,350
Buildings and improvements	2,547,997	78,774	-	2,626,771
Furniture and equipment	1,031,255	90,732	11,993	1,109,994
Motor vehicles	1,796,805	244,412	70,007	1,971,210
Less accumulated amortization for:				
Subscription assets	-	5,494	-	5,494
<b>Total Accumulated Depreciation and Amortization</b>	<u>26,304,341</u>	<u>740,478</u>	<u>82,000</u>	<u>26,962,819</u>
<b>Governmental Activities Capital Assets, Net</b>	<u>\$ 8,028,521</u>	<u>\$ 124,085</u>	<u>\$ 3,997</u>	<u>\$ 8,148,609</u>
<b>Business-Type Activities:</b>				
Depreciable assets:				
Water lines	\$ 520,092	\$ -	\$ -	\$ 520,092
Equipment	46,292	-	-	46,292
<b>Total Capital Assets</b>	<u>566,384</u>	<u>-</u>	<u>-</u>	<u>566,384</u>
Less accumulated depreciation for:				
Water lines	306,831	10,402	-	317,233
Equipment	5,401	926	-	6,327
<b>Total Accumulated Depreciation</b>	<u>312,232</u>	<u>11,328</u>	<u>-</u>	<u>323,560</u>
<b>Business-Type Activities Capital Assets, Net</b>	<u>\$ 254,152</u>	<u>\$ (11,328)</u>	<u>\$ -</u>	<u>\$ 242,824</u>

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

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

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>
Nondepreciable assets:				
Land and land rights	\$ 5,485,598	\$ -	\$ -	\$ 5,485,598
	<u>5,485,598</u>	<u>-</u>	<u>-</u>	<u>5,485,598</u>
Depreciable assets:				
Bridges	149,652	-	-	149,652
Improvements other than buildings	167,268	-	-	167,268
	<u>316,920</u>	<u>-</u>	<u>-</u>	<u>316,920</u>
<b>Total Capital Assets</b>	<u>5,802,518</u>	<u>-</u>	<u>-</u>	<u>5,802,518</u>
Less accumulated depreciation for:				
Bridges	28,932	2,993	-	31,925
Improvements other than buildings	43,426	6,790	-	50,216
<b>Total Accumulated Depreciation</b>	<u>72,358</u>	<u>9,783</u>	<u>-</u>	<u>82,141</u>
<b>Land Trust Capital Assets, Net</b>	<u>\$ 5,730,160</u>	<u>\$ (9,783)</u>	<u>\$ -</u>	<u>\$ 5,720,377</u>

Depreciation and amortization expense was charged as follows:

Governmental activities:	
General government	\$ 75,123
Public safety	145,976
Public works	385,990
Recreation	133,389
<b>Total Depreciation and Amortization Expense, Governmental Activities</b>	<u>\$ 740,478</u>

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

**NOTE 6 – LONG-TERM LIABILITIES**

**A. LONG-TERM LIABILITIES:**

Changes in long-term liabilities during the year ended June 30, 2024 were as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
<b>Governmental Activities:</b>					
<b>Bonds and loans payable:</b>					
Bonds payable	\$ 1,960,000	\$ -	\$ 160,000	\$ 1,800,000	\$ 165,000
Bonds from direct placements	335,000	-	165,000	170,000	170,000
Loans from direct borrowings	116,000	1,000,000	22,000	1,094,000	79,000
Plus: amortized premium on bonds	196,848	-	18,109	178,739	-
<b>Total bonds and loans</b>	<u>2,607,848</u>	<u>1,000,000</u>	<u>365,109</u>	<u>3,242,739</u>	<u>414,000</u>
<b>Other liabilities:</b>					
Financed purchases payable	50,413	194,928	92,151	153,190	73,038
Note payable	13,045	19,700	2,569	30,176	-
Subscription liability	-	36,628	6,829	29,799	7,069
Accrued compensated absences	205,248	21,365	7,152	219,461	175,744
Net pension liability	2,433,406	-	399,592	2,033,814	-
<b>Total Governmental Activities Long-Term Liabilities</b>	<u>\$ 5,309,960</u>	<u>\$ 1,272,621</u>	<u>\$ 873,402</u>	<u>\$ 5,709,179</u>	<u>\$ 669,851</u>

All debt of the Government Activities is general obligation debt. The payments on the bonds and loans are paid from the General Fund. The financed purchases payable is paid using an appropriation from the General Fund and from the Police State Forfeiture Fund with grant funds. The note payable is paid from the Community Septic System Loan Fund. The subscription liability is paid from the Police State Forfeiture Fund with grant funds. The compensated absences and net pension liability are paid from the General Fund.

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**B. BONDS AND LOANS PAYABLE**

Outstanding bonds and loans payable are as follows:

<u>Purpose</u>	<u>Date Issued</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Authorized and Issued</u>	<u>Outstanding June 30, 2023</u>	<u>New Issues</u>	<u>Maturities and Refundings During Year</u>	<u>Outstanding June 30, 2024</u>
<b>Bonds payable:</b>								
Open Space	7/21/2011	2.5-4.375%	8/15/2031	\$ 1,000,000	\$ 450,000	\$ -	\$ 50,000	\$ 400,000
Open Space	5/1/2019	3-5%	5/1/2034	1,805,000	1,510,000	-	110,000	1,400,000
<b>Bonds from direct placements:</b>								
Refunding and Roads	9/30/2015	2.22%	5/1/2025	1,960,000	335,000	-	165,000	170,000
<b>Loans from direct borrowings:</b>								
Streetlights	12/13/2017	1.216-2.352%	9/1/2027	221,000	116,000	-	22,000	94,000
Roads	4/10/2024	1.9-2.51%	9/1/2038	1,000,000	-	1,000,000	-	1,000,000
<b>Total governmental activities bonds and loans payable</b>					<b>\$ 2,411,000</b>	<b>\$ 1,000,000</b>	<b>\$ 347,000</b>	<b>\$ 3,064,000</b>

At June 30, 2024 annual debt service requirements to maturity for bonds and loans payable are as follows:

<u>Year ending June 30,</u>	<u>Governmental Activities</u> <u>Bonds Payable</u>			<u>Governmental Activities</u> <u>Bonds from Direct Placements</u>			<u>Governmental Activities</u> <u>Loans from Direct Borrowings</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 165,000	\$ 75,406	\$ 240,406	\$ 170,000	\$ 3,774	\$ 173,774	\$ 79,000	\$ 12,585	\$ 91,585
2026	170,000	67,469	237,469	-	-	-	81,000	21,319	102,319
2027	175,000	59,281	234,281	-	-	-	83,000	21,438	104,438
2028	180,000	50,844	230,844	-	-	-	85,000	19,335	104,335
2029	185,000	42,156	227,156	-	-	-	62,000	17,588	79,588
2030-2034	925,000	90,194	1,015,194	-	-	-	332,000	66,362	398,362
2035-2039	-	-	-	-	-	-	372,000	25,185	397,185
	<u>\$ 1,800,000</u>	<u>\$ 385,350</u>	<u>\$ 2,185,350</u>	<u>\$ 170,000</u>	<u>\$ 3,774</u>	<u>\$ 173,774</u>	<u>\$ 1,094,000</u>	<u>\$ 183,812</u>	<u>\$ 1,277,812</u>

**TOWN OF HOPKINTON, RHODE ISLAND**  
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**C. FINANCED PURCHASES PAYABLE**

The Town acquired vehicles and equipment valued at \$294,677 through financed purchase agreements.

Financed purchases payable currently outstanding are as follows:

<u>Purpose</u>	<u>Date Issued</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Authorized and Issued</u>	<u>Outstanding June 30, 2023</u>	<u>New Issues</u>	<u>Retirements During Year</u>	<u>Outstanding June 30, 2024</u>
Police vehicle	12/28/2021	4.69%	12/28/2023	\$ 44,453	\$ 14,807	\$ -	\$ 14,807	\$ -
Police vehicle	12/12/2022	6.99%	12/12/2024	55,296	35,606	-	17,202	18,404
Police vehicle, excavator	8/18/2023	6.39%	8/18/2025	141,885	-	141,885	50,253	91,632
Police equipment	10/1/2023	3.511%	9/30/2028	53,043	-	53,043	9,889	43,154
<b>Total governmental activities financed purchases payable</b>					<b>\$ 50,413</b>	<b>\$ 194,928</b>	<b>\$ 92,151</b>	<b>\$ 153,190</b>

Obligations of governmental activities under financed purchases payable at June 30, 2024 were as follows:

<u>Year ending June 30,</u>	<u>Governmental Activities</u>		
	<u>Financed Purchases Payable</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 73,038	\$ 8,657	\$ 81,695
2026	57,831	4,174	62,005
2027	10,968	784	11,752
2028	11,353	399	11,752
	<u>\$ 153,190</u>	<u>\$ 14,014</u>	<u>\$ 167,204</u>

**TOWN OF HOPKINTON, RHODE ISLAND**  
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**D. NOTE PAYABLE**

On March 23, 2016, the Town entered into a loan agreement with the RI Infrastructure Bank for \$300,000 to be used to finance the Community Septic System Loan Program (CSSLP). The \$300,000 loan is evidenced by a non-restoring line of credit promissory note. The loan bears interest and fees of 1% and discharge of the loan is the later of the date on which all loans made by the Town under the CSSLP have been paid back or April 1, 2026. The balance of the note payable as of June 30, 2024 is \$30,176 and the credit limit available as of June 30, 2024 is \$216,894.

**E. SUBSCRIPTION LIABILITY**

The Town entered into a subscription-based information technology arrangement (SBITA) contract to use vendor provided IT software. As of June 30, 2024, the value of the subscription liability was \$29,799. The related subscription asset has an estimated useful life of 5 years. The value of the associated right-to-use asset as of June 30, 2024 was \$36,628 and accumulated amortization was \$5,494.

The future principal and interest payments as of June 30, 2024 were as follows:

<i>Fiscal Year</i>	<i>Governmental Activities</i>		
	<i>Subscription Liability</i>		
<u>Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 7,069	\$ 1,046	\$ 8,115
2026	7,317	798	8,115
2027	7,574	541	8,115
2028	7,839	276	8,115
	<u>\$ 29,799</u>	<u>\$ 2,661</u>	<u>\$ 32,460</u>

**NOTE 7 – INTERFUND BALANCES**

The Town reports interfund balances between many of its funds. Interfund balances on June 30, 2024 were as follows:

	<i>Due From:</i>					<i>Total</i>
	<i>General Fund</i>	<i>American Rescue Plan Act Fund</i>	<i>Capital Project Fund</i>	<i>Nonmajor Governmental Funds</i>	<i>Water Fund</i>	
<i>Due To:</i>						
General Fund	\$ 4,126,093	\$ 464,369	\$ 182,093	\$ 3,671,626	\$ 48,611	\$ 8,492,792
American Rescue Plan Act Fund	6,257	-	-	-	-	6,257
Capital Project Fund	500,000	-	-	-	-	500,000
Nonmajor Governmental Funds	2,960,993	-	-	-	-	2,960,993
Water Fund	4,568	-	-	-	-	4,568
<i>Total</i>	<u>\$ 7,597,911</u>	<u>\$ 464,369</u>	<u>\$ 182,093</u>	<u>\$ 3,671,626</u>	<u>\$ 48,611</u>	<u>\$ 11,964,610</u>

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

**TOWN OF HOPKINTON, RHODE ISLAND**  
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**NOTE 8 – INTERFUND TRANSFERS**

<i>Transfer To:</i>	<u><i>Transfer From:</i></u>	
	<u><i>General Fund</i></u>	<u><i>Total</i></u>
Nonmajor Governmental Funds	\$ 239,901	\$ 239,901
<b><i>Total</i></b>	<u><u>\$ 239,901</u></u>	<u><u>\$ 239,901</u></u>

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

**NOTE 9 – DISAGGREGATION OF RECEIVABLE AND PAYABLE BALANCES**

**A. ACCOUNTS RECEIVABLE**

The Town disaggregates significant components of receivables in the financial statements. Receivable balances determined immaterial are included as other receivables. The Town expects to receive all receivables within the subsequent year, except for microloans and community septic system loans which are due in accordance with individual loan amortization schedules. The real estate and personal property taxes include an allowance for doubtful accounts of \$321,579. The accounts receivable-user fees include an allowance for doubtful accounts of \$1,000.

**B. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

The accounts payable and accrued liabilities on June 30, 2024.

	<u><i>Vendors</i></u>	<u><i>Salaries and Benefits</i></u>	<u><i>Other</i></u>	<u><i>Total</i></u>
<b><i>Governmental Activities:</i></b>				
General Fund	\$ 346,877	\$ 218,493	\$ 441	\$ 565,811
Nonmajor Governmental Funds	965,244	-	-	965,244
<b><i>Total Governmental Activities</i></b>	<u><u>\$ 1,312,121</u></u>	<u><u>\$ 218,493</u></u>	<u><u>\$ 441</u></u>	<u><u>\$ 1,531,055</u></u>
<b><i>Business-Type Activities:</i></b>				
Water Supply	\$ 16,442	\$ -	\$ -	\$ 16,442
<b><i>Total Business-Type Activities</i></b>	<u><u>\$ 16,442</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 16,442</u></u>

**NOTE 10 – FUND EQUITY**

***Government-Wide Financial Statements:***

The Government-Wide Financial Statements utilize a net position presentation. Net position is segregated into the following three components:

***Net investment in capital assets*** – represents the net book value of all capital assets less the outstanding balances of bonds and other debt used to acquire, construct, or improve these assets.

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**Restricted** – represents balances limited to uses specified either externally by creditors, grantors, contributors, laws or regulations of other governments or imposed through constitutional provisions or enabling legislation.

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

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

**Fund Statements:**

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

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

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

**Committed Fund Balance** – This classification includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Town’s highest level of decision-making authority.

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

**Unassigned Fund Balance** – This classification is the residual fund balance for the General Fund. This classification represents fund balance that has not been assigned to another fund and that has not been restricted, committed, or assigned to specific purposes within the General Fund.

Committed fund balances are established, modified, or rescinded by the Town Financial Referendum or an ordinance adopted by the Town Council. Assigned fund balances are authorized by the Finance Director. The Town considers restricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance are available. The Town considers unrestricted fund balance classifications to be used in the following order when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used: 1) committed; 2) assigned; and 3) unassigned.

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**NOTE 11 – CHARIHO REGIONAL SCHOOL DISTRICT**

The Chariho Regional School District (Regional School) was created to include a regional school for the Towns of Charlestown, Richmond, and Hopkinton (the Towns), which encompasses grades K-12. The Regional School is a separate legal entity from the Town. The voters of the participating Towns elect the Regional School Committee. The Regional School cannot assess and levy property taxes. Revenues are derived principally from the participating Towns of the Regional School, which contribute funds according to a financial formula based upon each Town's enrollment, and from State aid to education. Financial statements for the Regional School District are issued separately and may be obtained from the Chariho Regional School District, 455A Switch Road, Wood River Junction, Rhode Island 02894.

**NOTE 12 – RISK MANAGEMENT**

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors or omissions; injuries to employees; and natural disasters. As a result, the Town participates in a nonprofit, public entity risk pool (Rhode Island Interlocal Risk Management Trust, Inc.) (the Trust) which provides coverage for property/liability and workers' compensation claims. Upon joining the Trust, the Town signed a participation agreement which outlines the rights and responsibilities of both the Trust and the Town. The agreement states that for premiums paid by the Town, the Trust will assume financial responsibility for the Town's losses up to the maximum amount of insurance purchased, minus the Town's deductible amounts. The Trust provides this insurance coverage through a pooled, self-insurance mechanism which includes reinsurance purchased by the Trust to protect against large, catastrophic claims above the losses the Trust retains internally for payment from the pooled contributions of its members. Settled claims resulting from these risks have not exceeded the Trust coverage in any of the past three fiscal years. There have been no significant reductions in insurance coverage during the year ended June 30, 2024.

**NOTE 13 – COMMITMENTS AND CONTINGENCIES**

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

**Commitments** - The Town has contract commitments related to the animal control facility project totaling \$410,500 as of June 30, 2024.

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

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**NOTE 14 – LEASES RECEIVABLE**

During the current fiscal year, the Town leased land and building space to various third parties. The lease terms were initially 5 years with lessee options to extend for 1-5 additional terms in 5-year increments in accordance with individual lease agreements. The Town receives monthly payments totaling approximately \$4,700 and an annual payment of \$21,500 related to these leases. Leases contain increases upon each additional term (5% - 8%) or annually (3%) in accordance with individual lease agreements. The Town recognized \$76,292 in lease revenue and \$1,980 in interest revenue during the fiscal year 2024 related to these leases. As of June 30, 2024, the Town's receivable for lease payments was \$228,357. Also, the Town has deferred inflows of resources associated with these leases that will be recognized as revenue over the lease terms. As of June 30, 2024, the balance of the deferred inflows of resources was \$228,357.

**NOTE 15 – PENSION PLANS**

**A. MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM PLANS**

**Defined Benefit Plans**

**General Information about the Pension 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 Law and placed under the management of the Employee's Retirement System of Rhode Island (ERSRI) Board to provide retirement allowances to employees of municipalities, housing authorities, water and sewer districts, and municipal police and fire persons that have elected to participate. Benefit provisions are subject to amendment by the General Assembly.

MERS issues an annual financial report that includes financial statements and required supplementary information. This report may be obtained by accessing the ERSRI website at <http://www.ersri.org>.

**Benefits Provided** – General employees, police officers and firefighters employed by electing municipalities participate in MERS. Eligible employees become members on 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. The Town of Hopkinton has only general employees and police officers that participate in the MERS Plan.

**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

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amounts sheltered under a Section 125 plan or amounts picked up by the employer under IRC Section 414(h), are not excluded from salary.

**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 Average Compensation (FAC):** 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. For members retiring after July 1, 2024, retiree benefit amounts are based on the average three consecutive years of compensation. 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.

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The annual benefit is equal to 2% of the member's monthly FAC for each year of service prior to July 1, 2012 and 1% 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% 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% 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 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.

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 were at least age 50 and had 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% 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 2.5% of the member's FAC for each year of service prior to July 1, 2012 and 2% of the member's FAC for each year of service after July 1, 2012. The benefit cannot exceed 75% of the member's FAC. The Town of Hopkinton has elected to participate in the 20-year retirement provision.

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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). The Town of Hopkinton has elected the optional cost-of-living provision (COLA C) for general employees and police officers.

Cost of living adjustments (COLA) 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% to 4%, plus 50% of the lesser of 3% or last year's CPI-U increase for a total maximum increase of 3.5%. Previously, it was the plan's five-year average investment rate of return less 5.5% limited to a range of 0% to 4%

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 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.

**Special Provisions Applying to Specific Units** – Prior to July 1, 2012, some units had specific provisions that apply only to that unit. Per section 45-21.2-5 benefits for members eligible to retire prior to June 30, 2012 are preserved for the calculation of the retirement benefits. For service accrued after July 1, 2012, retirement benefits will be calculated in accordance with section 45-21.2-2 and adjustments to benefits will be provided as set forth in 45-21-52. The following

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summarizes those provisions:

Hopkinton Police Department – Rhode Island General Law § 45-21.2-5 (9)

Under these special provisions, the final compensation for benefit computation is based on the members’ highest year of earnings. In addition, the members shall receive a three percent (3%) escalation of their pension payment compounded each year on January 1<sup>st</sup> following the year of retirement and continuing on an annual basis on that date. Compensation for benefit purposes include base, longevity, and holiday pay.

**Employees Covered by Benefit Terms** - At the June 30, 2022 valuation date, the following employees were covered by the benefit terms:

	General Employees Plan	Police Officers Plan
Retirees and Beneficiaries	19	14
Inactive, Nonretired Members	20	5
Active Members	39	15
Total	78	34

**Contributions** - The amount of employee and employer contributions have been established under Rhode Island General Law Chapter 45-21. General employees with less than 20 years of service as of June 30, 2012 are required to contribute 2% of their salaries. General employees with more than 20 years of service as of June 30, 2012 are required to contribute 9.25%. Police officers are required to contribute 10% of their salaries. The Town of Hopkinton contributes at a rate of covered employee payroll as determined by an independent actuary on an annual basis. The General Assembly can amend the amount of these contribution requirements. The Town of Hopkinton contributed the following amounts in the year ended June 30, 2024: general employees plan - \$43,026 and police officers plan - \$422,685. The Town’s contributions represented the following percentages of annual covered payroll: general employees plan – 2%; and police officers plan – 32.38%.

**Net Pension Liability (Asset)** - 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.

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

<b>Summary of Actuarial Assumptions Used in the Valuations to Determine the Net Pension Liability (Asset) at the June 30, 2023 Measurement Date (June 30, 2022 valuation rolled forward to June 30, 2023)</b>	
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%
Projected Salary Increases	General Employees - 3.25% to 7.25%; Police Officers - 4% to 14%
Inflation	2.5%
Mortality	Variants of the PUB (10) Tables for Healthy and Disabled Retirees, projected with Scale Ultimate MP16.
Cost of Living Adjustments	All future COLAs were assumed to be 2.1% per annum for all MERS units with the COLA provision.

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

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

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

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

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

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

**Discount Rate** - The discount rate used to measure the total pension liability of the plans was 7 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from the employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, and the projection of cash flows as of each fiscal year ending, the pension plan's fiduciary net position and future contributions were projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**General Employees Plan**  
**Changes in the Net Pension Liability (Asset)**

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension (Asset)
<b>Balances as of June 30, 2022</b>	\$5,895,740	\$6,943,627	\$(1,047,887)
Changes for the Year:			
Service cost	167,804	-	167,804
Interest on the total pension liability	405,700	-	405,700
Changes in benefits	-	-	-
Difference between expected and actual experience	(55,440)	-	(55,440)
Changes in assumptions	(8,695)	-	(8,695)
Employer contributions	-	67,776	(67,776)
Employee contributions	-	46,498	(46,498)
Net investment income	-	575,935	(575,935)
Benefit payments, including employee refunds	(367,859)	(367,859)	-
Administrative expense	-	(6,199)	6,199
Other changes	-	-	-
<b>Net changes</b>	141,510	316,151	(174,641)
<b>Balances as of June 30, 2023</b>	\$6,037,250	\$7,259,778	\$(1,222,528)

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

**Police Officers Plan**  
**Changes in the Net Pension Liability**

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
<b>Balances as of June 30, 2022</b>	\$9,749,062	\$7,315,656	\$2,433,406
Changes for the Year:			
Service cost	242,816	-	242,816
Interest on the total pension liability	670,732	-	670,732
Changes in benefits	-	-	-
Difference between expected and actual experience	(182,164)	-	(182,164)
Changes in assumptions	(30,852)	-	(30,852)
Employer contributions	-	416,206	(416,206)
Employee contributions	-	121,166	(121,166)
Net investment income	-	621,866	(621,866)
Benefit payments, including employee refunds	(577,177)	(577,177)	-
Administrative expense	-	(6,693)	6,693
Other changes	-	(52,421)	52,421
<b>Net changes</b>	<b>123,355</b>	<b>522,947</b>	<b>(399,592)</b>
<b>Balances as of June 30, 2023</b>	<b>\$9,872,417</b>	<b>\$7,838,603</b>	<b>\$2,033,814</b>

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

Plan	Current Discount		
	1% Decrease (6%)	Rate (7%)	1% Increase (8%)
General Employees	\$(644,009)	\$(1,222,528)	\$(1,748,114)
Police Officers	\$2,977,288	\$2,033,814	\$1,176,662

**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 as follows: general employees plan - \$(97,377); and police officers plan - \$60,471. The employer reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

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

	<b>General Employees Plan</b>	<b>Police Officers Plan</b>
<b>Deferred Outflows of Resources:</b>		
Contributions subsequent to the measurement date	\$43,026	\$422,685
Assumption changes	-	26,965
Differences between expected and actual experience	43,585	-
<b>Total</b>	<b>\$86,611</b>	<b>\$449,650</b>
 <b>Deferred Inflows of Resources:</b>		
Assumption changes	\$25,110	\$33,648
Differences between expected and actual experience	211,755	686,223
Net difference between projected and actual investment earnings	93,305	100,624
<b>Total</b>	<b>\$330,170</b>	<b>\$820,495</b>

The deferred outflows of resources related to pensions resulting from the Town contributions in fiscal year 2024 subsequent to the measurement date will be recognized as a reduction of (addition to) the net pension liability (asset) 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:

<b>Year Ending June 30</b>	<b>Net Deferred Outflows/(Inflows) of Resources</b>	
	<b>General Employees Plan</b>	<b>Police Officers Plan</b>
2025	\$(160,049)	\$(296,248)
2026	(184,814)	(308,522)
2027	84,483	(15,225)
2028	(20,605)	(128,446)
2029	(5,600)	(45,089)
Thereafter	-	-

**Defined Contribution Plan**

***Plan Description***

Certain general employees participating in the defined benefit plan, as described above, may also participate in a defined contribution plan as authorized by General Law Chapter 36-10.3. The defined contribution plan is established under IRS section 401(a) and is administered by TIAA-CREF. Employees may choose from various investment options available to plan participants.

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

General employees with less than 20 years of service on June 30, 2012 contribute 5% of their annual covered salary and employers contribute, depending on years of service as of June 30, 2012, 1% to 1.5% of annual covered salary. Employee contributions are immediately vested while employer contributions and any investment earnings thereon are vested after three years of contributory service. Benefit terms and contributions required under the plan by both the employee and employer are established by the General Laws, which are subject to amendment by the General Assembly.

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

The Town of Hopkinton recognized pension expense of \$21,293 for the fiscal year ended June 30, 2024.

The System issues an annual financial report that includes financial statements and required supplementary information for plans administered by the System. This report may be obtained by accessing the ERSRI website at <http://www.ersri.org>.

**B. AGGREGATE PENSION AMOUNTS REPORTED IN THE FINANCIAL STATEMENTS**

	<b>Deferred Outflows of Resources – Pension Amounts</b>	<b>Deferred Inflows of Resources – Pension Amounts</b>	<b>Net Pension Asset</b>	<b>Net Pension Liability</b>	<b>Pension Expense</b>
General Employees Plan	\$86,611	\$330,170	\$(1,222,528)	\$ -	\$(97,377)
Police Officers Plan	449,650	820,495	-	2,033,814	60,471
<b>Total</b>	<b>\$536,261</b>	<b>\$1,150,665</b>	<b>\$(1,222,528)</b>	<b>\$2,033,814</b>	<b>\$(36,906)</b>

**NOTE 16 – TAX ABATEMENTS**

The Town has established a tax stabilization program for industrial and commercial development pursuant to Section 44-3-9 of Rhode Island General Laws. The purpose of the program is to expand the industrial and commercial tax base and encourage construction and expansion of industrial and commercial facilities. Industrial, commercial, and mixed use (commercial portion only) facilities are eligible if the estimated cost of new construction exceeds 25% of the assessed value of the property’s existing improvements or \$200,000, whichever is less. Applications for stabilization of taxes must be approved by a majority vote of the Town Council. The abatement is the difference between the tax at full assessed value and the following:

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

<u>Year</u>	<u>New Construction</u>	<u>Addition or Renovation</u>
1	Land Value	100% Existing Property Value and 25% of New Construction
2	Land Value and 25% of Construction	100% Existing Property Value and 50% of New Construction
3	Land Value and 50% of Construction	100% Existing Property Value and 75% of New Construction
4	Land Value and 75% of Construction	

The full assessed value is phased-in over 5 years for new construction and 4 years for additions or renovations. The tax stabilization abatement will cease immediately if the taxpayer defaults on any quarterly tax or other payment due to the Town or the taxpayer vacates the property, or the facility ceases operations. The Town had no taxpayers participating in this tax stabilization program during fiscal year 2024.

On June 26, 2023, the Town entered into a 20-year tax stabilization agreement related to a renewable energy project in accordance with Rhode Island General Laws and as approved at the Financial Referendum. The real estate and tangible tax payments due are based on a dollar amount per installed megawatt per year. The amount of tax abatements granted under this agreement during fiscal year 2024 is not available. The Town has not made any commitments as a part of the agreement other than to reduce taxes.

The Town is not subject to any tax abatement agreements entered into by other governmental entities.

**NOTE 17 – SUBSEQUENT EVENTS**

On August 30, 2024, the Town entered into a financed purchase agreement in the amount of \$593,472. The financed purchase agreement bears interest of 5.71% and matures December 9, 2024 through December 9, 2026.

On January 9, 2025, the Town entered into a loan agreement in the amount of \$346,246. The loan bears interest and fees of 2.24-2.9% and matures September 1, 2025 through September 1, 2039.

**TOWN OF HOPKINTON, RHODE ISLAND**  
**Budgetary Comparison Schedule**  
**For the Fiscal Year Ended June 30, 2024**

	<i>Original/ Final Budget</i>	<i>Actual (Budgetary Basis)</i>	<i>Variance Positive (Negative)</i>
<b>Revenues</b>			
Property taxes	\$ 19,691,095	\$ 19,783,841	\$ 92,746
Federal and state grants and aid	8,262,172	8,190,971	(71,201)
Charges for services	895,417	1,069,888	174,471
Interest on investments	3,400	108,137	104,737
Other revenue	1,500	10,965	9,465
Use of fund balance	381,898	252,233	(129,665)
<b>Total revenues</b>	<u>29,235,482</u>	<u>29,416,035</u>	<u>180,553</u>
<b>Expenditures</b>			
Current:			
General government	2,251,717	2,267,246	(15,529)
Public safety	2,912,390	3,121,617	(209,227)
Public works	1,316,844	1,348,627	(31,783)
Recreation	316,572	328,929	(12,357)
Public and social services	152,300	152,050	250
Education	21,515,820	21,515,820	-
Debt service	529,938	441,845	88,093
<b>Total expenditures</b>	<u>28,995,581</u>	<u>29,176,134</u>	<u>(180,553)</u>
<b>Excess of revenues over expenditures before other financing uses</b>	<u>239,901</u>	<u>239,901</u>	<u>-</u>
<b>Other financing uses</b>			
Transfers to other funds	(239,901)	(239,901)	-
<b>Total other financing uses</b>	<u>(239,901)</u>	<u>(239,901)</u>	<u>-</u>
<b>Excess of revenues over expenditures and other financing uses, budgetary basis</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

**TOWN OF HOPKINTON, RHODE ISLAND**  
**Required Supplementary Information**  
**General Employees Pension Plan**  
*Schedule of Changes in the Net Pension Liability (Asset) and Related Ratios*  
*"Unaudited"*

<i>Fiscal Year</i>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
<b>Total pension liability:</b>					
Service cost	\$ 167,804	\$ 149,235	\$ 155,874	\$ 157,261	\$ 167,237
Interest	405,700	387,360	386,532	384,857	370,938
Changes of benefit terms	-	-	-	-	-
Differences between expected and actual experience	(55,440)	65,375	(218,176)	(175,118)	(79,596)
Changes of assumptions	(8,695)	-	-	(58,966)	-
Benefits payments, including refunds of member contributions	<u>(367,859)</u>	<u>(330,661)</u>	<u>(287,497)</u>	<u>(279,313)</u>	<u>(230,196)</u>
<b>Net change in total pension liability</b>	<b>141,510</b>	<b>271,309</b>	<b>36,733</b>	<b>28,721</b>	<b>228,383</b>
<b>Total pension liability - beginning</b>	<b>5,895,740</b>	<b>5,624,431</b>	<b>5,587,698</b>	<b>5,558,977</b>	<b>5,330,594</b>
<b>Total pension liability - ending (a)</b>	<b><u>\$ 6,037,250</u></b>	<b><u>\$ 5,895,740</u></b>	<b><u>\$ 5,624,431</u></b>	<b><u>\$ 5,587,698</u></b>	<b><u>\$ 5,558,977</u></b>
<b>Plan fiduciary net position:</b>					
Contributions - employer	\$ 67,776	\$ 56,110	\$ 69,700	\$ 63,740	\$ 39,871
Contributions - employee	46,498	37,745	40,876	40,200	40,941
Net investment income	575,935	(194,429)	1,604,604	221,884	373,825
Benefits payments, including refunds of member contributions	(367,859)	(330,661)	(287,497)	(279,313)	(230,196)
Administrative expense	(6,199)	(6,628)	(6,114)	(6,113)	(5,898)
Other	-	(37,377)	(80,408)	1	(7,882)
<b>Net change in plan fiduciary net position</b>	<b>316,151</b>	<b>(475,240)</b>	<b>1,341,161</b>	<b>40,399</b>	<b>210,661</b>
<b>Plan fiduciary net position - beginning</b>	<b>6,943,627</b>	<b>7,418,867</b>	<b>6,077,706</b>	<b>6,037,307</b>	<b>5,826,646</b>
<b>Plan fiduciary net position - ending (b)</b>	<b><u>\$ 7,259,778</u></b>	<b><u>\$ 6,943,627</u></b>	<b><u>\$ 7,418,867</u></b>	<b><u>\$ 6,077,706</u></b>	<b><u>\$ 6,037,307</u></b>
<b>Town's net pension liability (asset) - ending (a) - (b)</b>	<b><u>\$ (1,222,528)</u></b>	<b><u>\$ (1,047,887)</u></b>	<b><u>\$ (1,794,436)</u></b>	<b><u>\$ (490,008)</u></b>	<b><u>\$ (478,330)</u></b>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	<b>120.25%</b>	<b>117.77%</b>	<b>131.90%</b>	<b>108.77%</b>	<b>108.60%</b>
<b>Covered payroll</b>	<b>\$ 2,190,653</b>	<b>\$ 1,915,724</b>	<b>\$ 1,849,034</b>	<b>\$ 1,876,618</b>	<b>\$ 1,845,888</b>
<b>Net pension liability (asset) as a percentage of covered payroll</b>	<b>-55.81%</b>	<b>-54.70%</b>	<b>-97.05%</b>	<b>-26.11%</b>	<b>-25.91%</b>

(Continued)

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

**TOWN OF HOPKINTON, RHODE ISLAND**  
**Required Supplementary Information**  
**General Employees Pension Plan (Continued)**  
**Schedule of Changes in the Net Pension Liability (Asset) and Related Ratios**  
**"Unaudited"**

<i>Fiscal Year</i>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<b>Total pension liability:</b>					
Service cost	\$ 165,278	\$ 155,592	\$ 154,841	\$ 163,891	\$ 161,437
Interest	343,288	329,386	313,218	311,997	292,185
Changes of benefit terms	-	-	-	53,883	-
Differences between expected and actual experience	97,231	(14,426)	(45,450)	(291,941)	-
Changes of assumptions	-	233,253	-	-	6,099
Benefits payments, including refunds of member contributions	(193,352)	(199,336)	(215,502)	(218,532)	(175,064)
<b>Net change in total pension liability</b>	<u>412,445</u>	<u>504,469</u>	<u>207,107</u>	<u>19,298</u>	<u>284,657</u>
<b>Total pension liability - beginning</b>	4,918,149	4,413,680	4,206,573	4,187,275	3,902,618
<b>Total pension liability - ending (a)</b>	<u>\$ 5,330,594</u>	<u>\$ 4,918,149</u>	<u>\$ 4,413,680</u>	<u>\$ 4,206,573</u>	<u>\$ 4,187,275</u>
<b>Plan fiduciary net position:</b>					
Contributions - employer	\$ 40,365	\$ 62,646	\$ 82,243	\$ 101,363	\$ 106,729
Contributions - employee	44,017	42,551	41,743	34,358	33,423
Net investment income	435,996	585,374	(1,761)	121,193	684,310
Benefits payments, including refunds of member contributions	(193,352)	(199,336)	(215,502)	(218,532)	(175,064)
Administrative expense	(5,804)	(5,530)	(4,737)	(4,862)	(4,285)
Other	(6,750)	(46,930)	1	1	-
<b>Net change in plan fiduciary net position</b>	<u>314,472</u>	<u>438,775</u>	<u>(98,013)</u>	<u>33,521</u>	<u>645,113</u>
<b>Plan fiduciary net position - beginning</b>	5,512,174	5,073,399	5,171,412	5,137,891	4,492,778
<b>Plan fiduciary net position - ending (b)</b>	<u>\$ 5,826,646</u>	<u>\$ 5,512,174</u>	<u>\$ 5,073,399</u>	<u>\$ 5,171,412</u>	<u>\$ 5,137,891</u>
<b>Town's net pension liability (asset) - ending (a) - (b)</b>	<u>\$ (496,052)</u>	<u>\$ (594,025)</u>	<u>\$ (659,719)</u>	<u>\$ (964,839)</u>	<u>\$ (950,616)</u>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	109.31%	112.08%	114.95%	122.94%	122.70%
<b>Covered payroll</b>	\$ 1,818,237	\$ 1,764,083	\$ 1,714,745	\$ 1,717,934	\$ 1,671,191
<b>Net pension liability (asset) as a percentage of covered payroll</b>	-27.28%	-33.67%	-38.47%	-56.16%	-56.88%

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

**TOWN OF HOPKINTON, RHODE ISLAND**  
**Required Supplementary Information**  
**Police Officers Pension Plan**  
**Schedule of Changes in the Net Pension Liability and Related Ratios**  
**"Unaudited"**

<i>Fiscal Year</i>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
<b>Total pension liability:</b>					
Service cost	\$ 242,816	\$ 221,945	\$ 215,470	\$ 217,468	\$ 231,196
Interest	670,732	664,966	655,590	639,043	628,968
Changes of benefit terms	-	-	-	-	-
Differences between expected and actual experience	(182,164)	(286,928)	(262,803)	(122,771)	(233,266)
Changes of assumptions	(30,852)	-	-	(20,193)	-
Benefits payments, including refunds of member contributions	(577,177)	(478,914)	(476,202)	(476,114)	(476,114)
<b>Net change in total pension liability</b>	<u>123,355</u>	<u>121,069</u>	<u>132,055</u>	<u>237,433</u>	<u>150,784</u>
<b>Total pension liability - beginning</b>	<u>9,749,062</u>	<u>9,627,993</u>	<u>9,495,938</u>	<u>9,258,505</u>	<u>9,107,721</u>
<b>Total pension liability - ending (a)</b>	<u>\$ 9,872,417</u>	<u>\$ 9,749,062</u>	<u>\$ 9,627,993</u>	<u>\$ 9,495,938</u>	<u>\$ 9,258,505</u>
<b>Plan fiduciary net position:</b>					
Contributions - employer	\$ 416,206	\$ 358,053	\$ 354,866	\$ 279,542	\$ 331,873
Contributions - employee	121,166	109,765	108,059	85,753	112,614
Net investment income	621,866	(204,847)	1,630,491	216,076	360,326
Benefits payments, including refunds of member contributions	(577,177)	(478,914)	(476,202)	(476,114)	(476,114)
Administrative expense	(6,693)	(6,983)	(6,213)	(5,953)	(5,685)
Other	(52,421)	-	8,969	1	1
<b>Net change in plan fiduciary net position</b>	<u>522,947</u>	<u>(222,926)</u>	<u>1,619,970</u>	<u>99,305</u>	<u>323,015</u>
<b>Plan fiduciary net position - beginning</b>	<u>7,315,656</u>	<u>7,538,582</u>	<u>5,918,612</u>	<u>5,819,307</u>	<u>5,496,292</u>
<b>Plan fiduciary net position - ending (b)</b>	<u>\$ 7,838,603</u>	<u>\$ 7,315,656</u>	<u>\$ 7,538,582</u>	<u>\$ 5,918,612</u>	<u>\$ 5,819,307</u>
<b>Town's net pension liability - ending (a) - (b)</b>	<u>\$ 2,033,814</u>	<u>\$ 2,433,406</u>	<u>\$ 2,089,411</u>	<u>\$ 3,577,326</u>	<u>\$ 3,439,198</u>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	79.40%	75.04%	78.30%	62.33%	62.85%
<b>Covered payroll</b>	\$ 1,199,091	\$ 1,097,649	\$ 1,080,590	\$ 1,051,585	\$ 1,126,138
<b>Net pension liability as a percentage of covered payroll</b>	169.61%	221.69%	193.36%	340.18%	305.40%

(Continued)

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

**TOWN OF HOPKINTON, RHODE ISLAND**  
**Required Supplementary Information**  
**Police Officers Pension Plan (Continued)**  
**Schedule of Changes in the Net Pension Liability and Related Ratios**  
**"Unaudited"**

<i>Fiscal Year</i>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<b>Total pension liability:</b>					
Service cost	\$ 220,090	\$ 185,453	\$ 179,188	\$ 154,963	\$ 149,013
Interest	626,966	633,113	618,024	564,306	549,806
Changes of benefit terms	-	-	-	303,629	-
Differences between expected and actual experience	(348,105)	(273,327)	(115,694)	158,915	-
Changes of assumptions	-	430,634	-	-	(41,160)
Benefits payments, including refunds of member contributions	(475,690)	(480,395)	(486,520)	(468,843)	(465,771)
<b>Net change in total pension liability</b>	<u>23,261</u>	<u>495,478</u>	<u>194,998</u>	<u>712,970</u>	<u>191,888</u>
<b>Total pension liability - beginning</b>	<u>9,084,460</u>	<u>8,588,982</u>	<u>8,393,984</u>	<u>7,681,014</u>	<u>7,489,126</u>
<b>Total pension liability - ending (a)</b>	<u>\$ 9,107,721</u>	<u>\$ 9,084,460</u>	<u>\$ 8,588,982</u>	<u>\$ 8,393,984</u>	<u>\$ 7,681,014</u>
<b>Plan fiduciary net position:</b>					
Contributions - employer	\$ 329,233	\$ 308,068	\$ 282,019	\$ 219,198	\$ 98,125
Contributions - employee	115,844	99,089	95,159	72,583	70,497
Net investment income	411,277	574,883	(1,811)	125,021	718,132
Benefits payments, including refunds of member contributions	(475,690)	(480,395)	(486,520)	(468,843)	(465,771)
Administrative expense	(5,475)	(5,431)	(4,873)	(5,016)	(4,497)
Other	(292,283)	(301,578)	3	-	-
<b>Net change in plan fiduciary net position</b>	<u>82,906</u>	<u>194,636</u>	<u>(116,023)</u>	<u>(57,057)</u>	<u>416,486</u>
<b>Plan fiduciary net position - beginning</b>	<u>5,413,386</u>	<u>5,218,750</u>	<u>5,334,773</u>	<u>5,391,830</u>	<u>4,975,344</u>
<b>Plan fiduciary net position - ending (b)</b>	<u>\$ 5,496,292</u>	<u>\$ 5,413,386</u>	<u>\$ 5,218,750</u>	<u>\$ 5,334,773</u>	<u>\$ 5,391,830</u>
<b>Town's net pension liability - ending (a) - (b)</b>	<u>\$ 3,611,429</u>	<u>\$ 3,671,074</u>	<u>\$ 3,370,232</u>	<u>\$ 3,059,211</u>	<u>\$ 2,289,184</u>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	60.35%	59.59%	60.76%	63.55%	70.20%
<b>Covered payroll</b>	\$ 1,061,700	\$ 991,195	\$ 959,248	\$ 907,279	\$ 881,211
<b>Net pension liability as a percentage of covered payroll</b>	340.16%	370.37%	351.34%	337.19%	259.78%

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

**TOWN OF HOPKINTON, RHODE ISLAND**  
**Required Supplementary Information - Pension Plans**  
**Schedule of Town Contributions**  
**"Unaudited"**

<i>Fiscal Year</i>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
<b><u>General Employees Plan</u></b>					
Actuarially determined contribution	\$ 43,026	\$ 67,776	\$ 56,110	\$ 69,700	\$ 63,740
Contributions in relation to the actuarially determined contribution	43,026	67,776	56,110	69,700	63,740
<b><i>Contribution deficiency (excess)</i></b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 2,114,278	\$ 2,190,653	\$ 1,915,724	\$ 1,849,034	\$ 1,876,618
Contributions as a percentage of covered payroll	2.04%	3.09%	2.93%	3.77%	3.40%
<b><u>Police Officers Plan</u></b>					
Actuarially determined contribution	\$ 422,685	\$ 416,206	\$ 358,053	\$ 354,866	\$ 279,542
Contributions in relation to the actuarially determined contribution	422,685	416,206	358,053	354,866	279,542
<b><i>Contribution deficiency (excess)</i></b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 1,301,376	\$ 1,199,091	\$ 1,097,649	\$ 1,080,590	\$ 1,051,585
Contributions as a percentage of covered payroll	32.48%	34.71%	32.62%	32.84%	26.58%

(Continued)

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

**TOWN OF HOPKINTON, RHODE ISLAND**  
**Required Supplementary Information - Pension Plans**  
**Schedule of Town Contributions (Continued)**  
**"Unaudited"**

<i>Fiscal Year</i>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<b><u>General Employees Plan</u></b>					
Actuarially determined contribution	\$ 39,871	\$ 40,365	\$ 62,646	\$ 82,243	\$ 101,363
Contributions in relation to the actuarially determined contribution	39,871	40,365	62,646	82,243	101,363
<b><i>Contribution deficiency (excess)</i></b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 1,845,888	\$ 1,818,237	\$ 1,764,083	\$ 1,714,745	\$ 1,717,934
Contributions as a percentage of covered payroll	2.16%	2.22%	3.55%	4.80%	5.90%
<b><u>Police Officers Plan</u></b>					
Actuarially determined contribution	\$ 331,873	\$ 329,233	\$ 308,068	\$ 282,019	\$ 219,198
Contributions in relation to the actuarially determined contribution	331,873	329,233	308,068	282,019	219,198
<b><i>Contribution deficiency (excess)</i></b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 1,126,138	\$ 1,061,700	\$ 991,195	\$ 959,248	\$ 907,279
Contributions as a percentage of covered payroll	29.47%	31.01%	31.08%	29.40%	24.16%

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

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

**NOTE 1 – PENSION PLANS**

The net pension liability (asset) amounts presented as of June 30, 2024 were determined as part of actuarial valuations performed as of June 30, 2022 and rolled forward to June 30, 2023, the measurement date. Additional information, including actuarial methods and assumptions, is presented in Note 15 to the financial statements.

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

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

***June 30, 2023 measurement date –***

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

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

***June 30, 2020 measurement date –***

As part of the 2020 Actuarial Experience Study for the six-year period ending June 30, 2019 as approved by the System Board on May 22, 2020, certain assumptions were modified and reflected in the determination of net pension liability (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.

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

***June 30, 2017 measurement date –***

As part of the 2017 Actuarial Experience Investigation Study for the six-year period ending June 30, 2016 as approved by the System Board on May 15, 2017, certain assumptions were modified and reflected in the determination of the net pension liability (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 2.5%.
- Decreased the nominal investment return assumption from 7.5% to 7%.
- Decreased the general wage growth assumption from 3.25% to 3%.
- Decreased salary increase assumptions.
- Updated the post-retirement mortality tables to variants of the RP-2014 table. For the improvement scale, update to the ultimate rates of the MP-2016 projection scale.

***June 30, 2015 measurement date –***

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

- Employees with more than 20 years of service on July 1, 2012 will increase their employee contribution rates to 11% for state employees and municipal general employees will contribute 8.25% (9.25% for units with a COLA provision) and participate solely in the defined benefit plan going forward – service credit accruals will increase from 1% to 2% per year.
- Members are eligible to retire upon the attainment of age 65 with 30 years of service, 64 with 31 years of service, 63 with 32 years of service, or 62 with 33 years of service. Members may retire earlier if their RIRSA date is earlier or are eligible under a transition rule.
- MERS public safety employees may retire at age 50 with 25 years of service, or any age with 27 years of service. MERS public safety employees will contribute 9% (10% for units with a COLA provision).
- Employees with more than 10 but less than 20 years of service on July 1, 2012 will receive an increased employer contribution to the defined contribution plan. Also, members who earn less than \$35,000 per year will not be required to pay the administrative fees to the defined contribution plan.
- Members who retired from a COLA eligible plan before July 1, 2012 will receive a one-time cost of living adjustment of 2% of the first \$25,000 paid as soon as administratively possible.
- Retirees as of June 30, 2015 will receive two \$500 stipends; the interim cost of living increases will occur at 4-year rather than 5-year intervals.

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

- The COLA formula was adjusted to 50% of the COLA is calculated by taking the previous 5-year average investment return, less 5.5% (5-year 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.

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

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

**NOTE 2 – BUDGETARY DATA AND BUDGETARY COMPLIANCE**

The Town has formally established budgetary accounting control for its General Fund. The American Rescue Plan Act Fund, which is a Special Revenue Fund, is not legally required to adopt a budget. It is the responsibility of the Town Manager together with the Finance Director’s recommendation to submit to the Town Council and make available to the general public a proposed General Fund budget for the fiscal year. The Town Council may then revise and adopt a recommended General Fund budget. A public hearing is conducted on the recommended General Fund Budget and the final recommended budget is approved by the Town Financial Referendum. The General Fund operating budget is supported by revenue estimates and take into account the elimination of accumulated deficits and the re-appropriation of accumulated surpluses to the extent necessary. The budget approved and adopted by the Town Financial Referendum reports the amount budgeted for each department, including the Regional School District, therefore, the legal level of control for the General Fund is at the departmental level. Amendments that would change the total appropriation must be approved by a Town Financial Referendum. There were no supplemental budgetary appropriations in fiscal year 2024. Appropriations which are not expended or encumbered lapse at year end.

The General Fund budget is in conformity with the legally enacted budgetary basis, which is not in conformity with generally accepted accounting principles. The budget to actual presentation for the General Fund reported as required supplementary information is reflected on a budgetary basis. Differences between the budgetary basis and the generally accepted accounting principles basis are as follows:

<b><u>Revenues and Other Financing Sources</u></b>	<b><u>General Fund</u></b>
Revenues and other financing sources – budgetary basis	\$29,416,035
Unbudgeted revenues not included in budgetary revenues, but included for financial reporting purposes.	100,319
Use of fund balance included in budgetary revenues, but not included for financial reporting purposes.	(252,233)
Debt issuance and subscription based IT arrangement (SBITA) not budgeted.	231,556
<b><i>Total revenues and other financing sources as reported in the statement of revenues, expenditures and changes in fund balances – governmental funds – gaap basis</i></b>	<b><u><u>\$29,495,677</u></u></b>
<b><u>Expenditures and Other Financing Uses</u></b>	
Expenditures and other financing uses – budgetary basis	\$29,416,035
Unbudgeted expenditures not included in budgetary expenditures, but included for financial reporting purposes.	338,122
<b><i>Total expenditures and other financing uses as reported in the statement of revenues, expenditures and changes in fund balances - governmental funds – gaap basis</i></b>	<b><u><u>\$29,754,157</u></u></b>

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

	<u>Town General</u>	<u>Clinton Estate</u>	<u>Sick Time</u>	<u>Legal Fees</u>	<u>Juvenile Justice</u>	<u>Emergency Management</u>	<u>Grant Matching</u>
<b>Assets</b>							
Cash	\$ 3,968,657	\$ 1,158,818	\$ 65,405	\$ -	\$ 62	\$ 11,291	\$ 3,648
Property taxes receivable, net	451,649	-	-	-	-	-	-
Due from federal and state governments	161,383	-	-	-	-	-	-
Leases receivable	228,357	-	-	-	-	-	-
Other receivables	140,238	-	-	-	-	-	-
Due from other funds	7,960,804	-	-	103,734	-	57,642	7,000
Prepaid expenditures	68,808	-	-	-	-	-	-
<b>Total assets</b>	<u>\$ 12,979,896</u>	<u>\$ 1,158,818</u>	<u>\$ 65,405</u>	<u>\$ 103,734</u>	<u>\$ 62</u>	<u>\$ 68,933</u>	<u>\$ 10,648</u>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)</b>							
<b>Liabilities:</b>							
Accounts payable and accrued expenditures	\$ 565,811	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	6,635,899	70,541	52,590	79,673	-	57,702	30
Due to component unit	6,637	-	-	-	-	-	-
Performance bonds payable	-	-	-	-	-	-	-
<b>Total liabilities</b>	<u>7,208,347</u>	<u>70,541</u>	<u>52,590</u>	<u>79,673</u>	<u>-</u>	<u>57,702</u>	<u>30</u>
<b>Deferred Inflows of Resources:</b>							
Deferred property taxes	293,105	-	-	-	-	-	-
Deferred lease revenues	228,357	-	-	-	-	-	-
Other deferred revenues	28,896	-	-	-	-	-	-
<b>Total deferred inflows of resources</b>	<u>550,358</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balances (Deficits):</b>							
Nonspendable:							
Prepaid expenditures	68,808	-	-	-	-	-	-
Restricted for:							
Public safety programs	-	-	-	-	-	-	-
Other programs	-	-	-	-	-	-	1,603
Committed for:							
Employee relations costs	-	-	12,815	-	-	-	-
Legal fees	-	-	-	24,061	-	-	-
Property revaluation	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-
Planning and zoning	-	-	-	-	-	-	-
Capital projects	-	-	-	-	-	-	9,015
Assigned for 2025 budget	446,805	-	-	-	-	-	-
Unassigned	4,705,578	1,088,277	-	-	62	11,231	-
<b>Total fund balances (deficits)</b>	<u>5,221,191</u>	<u>1,088,277</u>	<u>12,815</u>	<u>24,061</u>	<u>62</u>	<u>11,231</u>	<u>10,618</u>
<b>Total liabilities, deferred inflows of resources, and fund balances (deficits)</b>	<u>\$ 12,979,896</u>	<u>\$ 1,158,818</u>	<u>\$ 65,405</u>	<u>\$ 103,734</u>	<u>\$ 62</u>	<u>\$ 68,933</u>	<u>\$ 10,648</u>

(Continued)

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

	<i>Tree Warden</i>	<i>Revaluation</i>	<i>Engineering Services</i>	<i>Landfill</i>	<i>Comprehensive Plan</i>	<i>Animal Donations</i>	<i>Public Works Emergency Winter Operations</i>
<b>Assets</b>							
Cash	\$ -	\$ 59,430	\$ 27,866	\$ 210,699	\$ 51,144	\$ 4,215	\$ -
Property taxes receivable, net	-	-	-	-	-	-	-
Due from federal and state governments	-	-	-	-	-	-	-
Leases receivable	-	-	-	-	-	-	-
Other receivables	-	-	-	-	-	-	-
Due from other funds	1,400	268,409	-	-	18,000	8,611	56,765
Prepaid expenditures	-	-	-	-	-	-	-
<b>Total assets</b>	<u>\$ 1,400</u>	<u>\$ 327,839</u>	<u>\$ 27,866</u>	<u>\$ 210,699</u>	<u>\$ 69,144</u>	<u>\$ 12,826</u>	<u>\$ 56,765</u>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)</b>							
<b>Liabilities:</b>							
Accounts payable and accrued expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	323,763	78,105	214,881	64,804	11,413	-
Due to component unit	-	-	-	-	-	-	-
Performance bonds payable	-	-	-	-	-	-	-
<b>Total liabilities</b>	<u>-</u>	<u>323,763</u>	<u>78,105</u>	<u>214,881</u>	<u>64,804</u>	<u>11,413</u>	<u>-</u>
<b>Deferred Inflows of Resources:</b>							
Deferred property taxes	-	-	-	-	-	-	-
Deferred lease revenues	-	-	-	-	-	-	-
Other deferred revenues	-	-	-	-	-	-	-
<b>Total deferred inflows of resources</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balances (Deficits):</b>							
Nonspendable:							
Prepaid expenditures	-	-	-	-	-	-	-
Restricted for:							
Public safety programs	-	-	-	-	-	1,413	-
Other programs	-	-	-	-	-	-	-
Committed for:							
Employee relations costs	-	-	-	-	-	-	-
Legal fees	-	-	-	-	-	-	-
Property revaluation	-	4,076	-	-	-	-	-
Public works	-	-	-	-	-	-	313
Planning and zoning	-	-	-	-	4,340	-	-
Capital projects	-	-	-	-	-	-	-
Assigned for 2025 budget	-	-	-	-	-	-	-
Unassigned	1,400	-	(50,239)	(4,182)	-	-	56,452
<b>Total fund balances (deficits)</b>	<u>1,400</u>	<u>4,076</u>	<u>(50,239)</u>	<u>(4,182)</u>	<u>4,340</u>	<u>1,413</u>	<u>56,765</u>
<b>Total liabilities, deferred inflows of resources, and fund balances (deficits)</b>	<u>\$ 1,400</u>	<u>\$ 327,839</u>	<u>\$ 27,866</u>	<u>\$ 210,699</u>	<u>\$ 69,144</u>	<u>\$ 12,826</u>	<u>\$ 56,765</u>

(Continued)

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

	<i>Planning Pass-Through</i>	<i>Solar Decommissioning Bonds</i>	<i>Total General Fund</i>
<b>Assets</b>			
Cash	\$ -	\$ 1,357,965	\$ 6,919,200
Property taxes receivable, net	-	-	451,649
Due from federal and state governments	-	-	161,383
Leases receivable	-	-	228,357
Other receivables	-	-	140,238
Due from other funds	10,427	-	8,492,792
Prepaid expenditures	-	-	68,808
<b>Total assets</b>	<u>\$ 10,427</u>	<u>\$ 1,357,965</u>	<u>\$ 16,462,427</u>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)</b>			
<b>Liabilities:</b>			
Accounts payable and accrued expenditures	\$ -	\$ -	\$ 565,811
Due to other funds	8,510	-	7,597,911
Due to component unit	-	-	6,637
Performance bonds payable	-	1,357,965	1,357,965
<b>Total liabilities</b>	<u>8,510</u>	<u>1,357,965</u>	<u>9,528,324</u>
<b>Deferred Inflows of Resources:</b>			
Deferred property taxes	-	-	293,105
Deferred lease revenues	-	-	228,357
Other deferred revenues	-	-	28,896
<b>Total deferred inflows of resources</b>	<u>-</u>	<u>-</u>	<u>550,358</u>
<b>Fund Balances (Deficits):</b>			
Nonspendable:			
Prepaid expenditures	-	-	68,808
Restricted for:			
Public safety programs	-	-	1,413
Other programs	-	-	1,603
Committed for:			
Employee relations costs	-	-	12,815
Legal fees	-	-	24,061
Property revaluation	-	-	4,076
Public works	-	-	313
Planning and zoning	-	-	4,340
Capital projects	-	-	9,015
Assigned for 2025 budget	-	-	446,805
Unassigned	1,917	-	5,810,496
<b>Total fund balances (deficits)</b>	<u>1,917</u>	<u>-</u>	<u>6,383,745</u>
<b>Total liabilities, deferred inflows of resources, and fund balances (deficits)</b>	<u>\$ 10,427</u>	<u>\$ 1,357,965</u>	<u>\$ 16,462,427</u>

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

	<i>Town General</i>	<i>Clinton Estate</i>	<i>Sick Time</i>	<i>Legal Fees</i>	<i>Juvenile Justice</i>	<i>Emergency Management</i>	<i>Grant Matching</i>
<b>Revenues:</b>							
Property taxes	\$ 19,783,841	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Federal and state grants and aid	8,184,193	-	-	-	-	6,994	-
Charges for services and fees	1,069,888	-	-	-	-	-	-
Interest on investments	108,137	71,124	1,598	-	-	-	89
Other revenues	10,965	-	-	-	-	-	-
<b>Total revenues</b>	<u>29,157,024</u>	<u>71,124</u>	<u>1,598</u>	<u>-</u>	<u>-</u>	<u>6,994</u>	<u>89</u>
<b>Expenditures:</b>							
<i>Current:</i>							
General government	2,267,246	-	-	-	-	-	4,995
Public safety	3,121,617	-	10,750	-	-	-	-
Public works	1,348,627	-	-	-	-	-	-
Recreation	328,929	-	-	-	-	-	-
Public and social services	152,050	-	-	-	-	-	-
Education - payment to school district	21,515,820	-	-	-	-	-	-
Capital outlay	231,556	63,681	-	-	-	-	-
<i>Debt service:</i>							
Principal	347,000	-	-	-	-	-	-
Interest and other charges	94,845	-	-	-	-	-	-
<b>Total expenditures</b>	<u>29,407,690</u>	<u>63,681</u>	<u>10,750</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,995</u>
<b>Excess (deficiency) of revenues over (under) expenditures before other financing sources (uses)</b>	<u>(250,666)</u>	<u>7,443</u>	<u>(9,152)</u>	<u>-</u>	<u>-</u>	<u>6,994</u>	<u>(4,906)</u>
<b>Other financing sources (uses):</b>							
Debt issued	194,928	-	-	-	-	-	-
Subscription based IT arrangement (SBITA)	36,628	-	-	-	-	-	-
Transfers from other funds	6,778	-	-	-	-	-	-
Transfers to other funds	(239,901)	-	-	-	-	(6,778)	-
<b>Total other financing sources (uses)</b>	<u>(1,567)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(6,778)</u>	<u>-</u>
<b>Net change in fund balances</b>	<u>(252,233)</u>	<u>7,443</u>	<u>(9,152)</u>	<u>-</u>	<u>-</u>	<u>216</u>	<u>(4,906)</u>
<b>Fund balances (deficits) - beginning of year</b>	<u>5,473,424</u>	<u>1,080,834</u>	<u>21,967</u>	<u>24,061</u>	<u>62</u>	<u>11,015</u>	<u>15,524</u>
<b>Fund balances (deficits) - end of year</b>	<u>\$ 5,221,191</u>	<u>\$ 1,088,277</u>	<u>\$ 12,815</u>	<u>\$ 24,061</u>	<u>\$ 62</u>	<u>\$ 11,231</u>	<u>\$ 10,618</u>

(Continued)

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

	<i>Tree Warden</i>	<i>Revaluation</i>	<i>Engineering Services</i>	<i>Landfill</i>	<i>Comprehensive Plan</i>	<i>Animal Donations</i>	<i>Public Works Emergency Winter Operations</i>
<b>Revenues:</b>							
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Federal and state grants and aid	-	-	-	-	-	-	15,897
Charges for services and fees	-	-	-	-	-	-	-
Interest on investments	-	1,452	681	5,149	1,250	115	-
Other revenues	700	-	131	-	-	-	-
<b>Total revenues</b>	<u>700</u>	<u>1,452</u>	<u>812</u>	<u>5,149</u>	<u>1,250</u>	<u>115</u>	<u>15,897</u>
<b>Expenditures:</b>							
<i>Current:</i>							
General government	-	-	-	26,714	-	-	-
Public safety	-	-	-	-	-	426	-
Public works	-	-	-	-	-	-	-
Recreation	-	-	-	-	-	-	-
Public and social services	-	-	-	-	-	-	-
Education - payment to school district	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest and other charges	-	-	-	-	-	-	-
<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>26,714</u>	<u>-</u>	<u>426</u>	<u>-</u>
<b>Excess (deficiency) of revenues over (under) expenditures before other financing sources (uses)</b>	<u>700</u>	<u>1,452</u>	<u>812</u>	<u>(21,565)</u>	<u>1,250</u>	<u>(311)</u>	<u>15,897</u>
<b>Other financing sources (uses):</b>							
Debt issued	-	-	-	-	-	-	-
Subscription based IT arrangement (SBITA)	-	-	-	-	-	-	-
Transfers from other funds	-	-	-	-	-	-	-
Transfers to other funds	-	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net change in fund balances</b>	700	1,452	812	(21,565)	1,250	(311)	15,897
<b>Fund balances (deficits) - beginning of year</b>	<u>700</u>	<u>2,624</u>	<u>(51,051)</u>	<u>17,383</u>	<u>3,090</u>	<u>1,724</u>	<u>40,868</u>
<b>Fund balances (deficits) - end of year</b>	<u>\$ 1,400</u>	<u>\$ 4,076</u>	<u>\$ (50,239)</u>	<u>\$ (4,182)</u>	<u>\$ 4,340</u>	<u>\$ 1,413</u>	<u>\$ 56,765</u>

(Continued)

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

	<i>Planning Pass-Through</i>	<i>Solar Decommissioning Bonds</i>	<i>Eliminate Transfers Within General Fund</i>	<i>Total General Fund</i>
<b>Revenues:</b>				
Property taxes	\$ -	\$ -	\$ -	\$ 19,783,841
Federal and state grants and aid	-	-	-	8,207,084
Charges for services and fees	1,917	-	-	1,071,805
Interest on investments	-	-	-	189,595
Other revenues	-	-	-	11,796
<b>Total revenues</b>	<u>1,917</u>	<u>-</u>	<u>-</u>	<u>29,264,121</u>
<b>Expenditures:</b>				
<i>Current:</i>				
General government	-	-	-	2,298,955
Public safety	-	-	-	3,132,793
Public works	-	-	-	1,348,627
Recreation	-	-	-	328,929
Public and social services	-	-	-	152,050
Education - payment to school district	-	-	-	21,515,820
Capital outlay	-	-	-	295,237
Debt service:				
Principal	-	-	-	347,000
Interest and other charges	-	-	-	94,845
<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>29,514,256</u>
<b>Excess (deficiency) of revenues over (under) expenditures before other financing sources (uses)</b>	<u>1,917</u>	<u>-</u>	<u>-</u>	<u>(250,135)</u>
<b>Other financing sources (uses):</b>				
Debt issued	-	-	-	194,928
Subscription based IT arrangement (SBITA)	-	-	-	36,628
Transfers from other funds	-	-	(6,778)	-
Transfers to other funds	-	-	6,778	(239,901)
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(8,345)</u>
<b>Net change in fund balances</b>	1,917	-	-	(258,480)
<b>Fund balances (deficits) - beginning of year</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,642,225</u>
<b>Fund balances (deficits) - end of year</b>	<u>\$ 1,917</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,383,745</u>

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

	<b><i>Special Revenue Funds</i></b>	<b><i>Capital Project Funds</i></b>	<b><i>Permanent Funds</i></b>	<b><i>Total Nonmajor Governmental Funds</i></b>
<b>ASSETS</b>				
Cash	\$ 849,790	\$ 330,054	\$ 14,658	\$ 1,194,502
Due from federal and state government	47,941	1,058,622	-	1,106,563
Other receivables	105,951	-	-	105,951
Due from other funds	520,662	2,440,331	-	2,960,993
<b><i>Total assets</i></b>	<b><i>\$ 1,524,344</i></b>	<b><i>\$ 3,829,007</i></b>	<b><i>\$ 14,658</i></b>	<b><i>\$ 5,368,009</i></b>
 <b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES (DEFICITS)</b>				
<b><i>Liabilities</i></b>				
Accounts payable and accrued expenditures	\$ -	\$ 965,244	\$ -	\$ 965,244
Due to other funds	925,686	2,745,940	-	3,671,626
<b><i>Total liabilities</i></b>	<b><i>925,686</i></b>	<b><i>3,711,184</i></b>	<b><i>-</i></b>	<b><i>4,636,870</i></b>
 <b><i>Deferred Inflows of Resources</i></b>				
Other deferred revenues	105,304	-	-	105,304
<b><i>Total deferred inflows of resources</i></b>	<b><i>105,304</i></b>	<b><i>-</i></b>	<b><i>-</i></b>	<b><i>105,304</i></b>
 <b><i>Fund balances (deficits)</i></b>				
Nonspendable - permanent fund principal	-	-	7,790	7,790
Restricted	340,964	40,320	6,868	388,152
Committed	164,398	149,514	-	313,912
Unassigned	(12,008)	(72,011)	-	(84,019)
<b><i>Total fund balances (deficits)</i></b>	<b><i>493,354</i></b>	<b><i>117,823</i></b>	<b><i>14,658</i></b>	<b><i>625,835</i></b>
 <b><i>Total liabilities, deferred inflows of resources, and fund balances (deficits)</i></b>	<b><i>\$ 1,524,344</i></b>	<b><i>\$ 3,829,007</i></b>	<b><i>\$ 14,658</i></b>	<b><i>\$ 5,368,009</i></b>

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

	<i>Special Revenue Funds</i>	<i>Capital Project Funds</i>	<i>Permanent Funds</i>	<i>Total Nonmajor Governmental Funds</i>
<b>Revenues</b>				
Federal and state grants and aid	\$ 100,987	\$ 115,173	\$ -	\$ 216,160
Charges for services and fees	36,949	-	-	36,949
Interest on investments	18,319	8,067	262	26,648
Other revenues	47,556	1,060	-	48,616
<b>Total revenues</b>	203,811	124,300	262	328,373
<b>Expenditures</b>				
Current:				
General government	49,810	-	-	49,810
Public safety	14,206	-	-	14,206
Recreation	13,550	-	-	13,550
Capital outlay	44,069	1,308,037	-	1,352,106
Debt service	2,734	85,151	-	87,885
<b>Total expenditures</b>	124,369	1,393,188	-	1,517,557
<b>Excess (deficiency) of revenues over (under) expenditures before other financing sources</b>	79,442	(1,268,888)	262	(1,189,184)
<b>Other financing sources</b>				
Debt issued	19,700	1,000,000	-	1,019,700
Transfers from other funds	-	239,901	-	239,901
<b>Total other financing sources</b>	19,700	1,239,901	-	1,259,601
<b>Net change in fund balances</b>	99,142	(28,987)	262	70,417
<b>Fund balances - beginning of year</b>	394,212	146,810	14,396	555,418
<b>Fund balances - end of year</b>	\$ 493,354	\$ 117,823	\$ 14,658	\$ 625,835

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

**Real Estate and Personal Property Taxes**

<u>Tax Year</u>	<u>Balance June 30, 2023</u>	<u>Current Year Assessment</u>	<u>Additions</u>	<u>Abatements/ Adjustments</u>	<u>Amount to be Collected</u>	<u>Current Year Collections</u>	<u>Balance June 30, 2024</u>
2023	\$ -	\$ 19,842,979	\$ 32,745	\$ (24,920)	\$ 19,850,804	\$ 19,491,468	\$ 359,336
2022	357,266	-	-	-	357,266	310,293	46,973
2021	55,669	-	-	-	55,669	9,360	46,309
2020	45,848	-	-	-	45,848	3,415	42,433
2019	38,880	-	-	-	38,880	858	38,022
2018	37,584	-	-	-	37,584	549	37,035
2017	42,371	-	-	-	42,371	632	41,739
2016	53,047	-	-	-	53,047	992	52,055
2015	42,856	-	-	-	42,856	318	42,538
2014	34,464	-	-	-	34,464	136	34,328
2013	32,573	-	-	-	32,573	113	32,460
2012	36,654	-	-	(36,556)	98	98	-
	<u>\$ 777,212</u>	<u>\$ 19,842,979</u>	<u>\$ 32,745</u>	<u>\$ (61,476)</u>	<u>\$ 20,591,460</u>	<u>\$ 19,818,232</u>	773,228
						Allowance for Uncollectible Accounts	<u>(321,579)</u>
						Net Property Tax Receivable	<u>\$ 451,649</u>

**Schedule of Most Recent Net Assessed Property Value by Category**

<u>Description of Property</u>	<u>Valuation</u>	<u>Levy</u>
Real property	\$ 1,318,536,110	\$ 19,329,739
Tangible personal property	51,445,720	754,194
Total	<u>1,369,981,830</u>	<u>20,083,934</u>
Exemptions	(16,431,882)	(240,954)
Net assessed value	<u>\$ 1,353,549,948</u>	<u>\$ 19,842,979</u>

**Reconciliation of Current Year Property Tax Revenue**

Current year collections	\$ 19,818,232
Add: Revenue collected 60 days subsequent to fiscal year ending June 30, 2024	158,693
Less: Revenue collected 60 days subsequent to fiscal year ending June 30, 2023	<u>(193,084)</u>
<b>Current year property tax revenue</b>	<u>\$ 19,783,841</u>

*(Continued)*

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

**Fiscal Year 2024 Cash Collection Summary**

<b><u>Tax Year</u></b>	<b><u>July - August 2023 Collections Subject to 60 day FY 23 Accrual</u></b>	<b><u>September 2023 - June 2024 Collections</u></b>	<b><u>Total FY 2024 Cash Collections</u></b>	<b><u>July - August 2024 Collections Subject to 60 day FY 24 Accrual</u></b>
2023	\$ -	\$ 19,491,468	\$ 19,491,468	\$ 155,462
2022	149,843	160,450	310,293	784
2021	4,142	5,218	9,360	609
2020	1,066	2,349	3,415	350
2019	120	738	858	281
2018	47	502	549	193
2017	215	417	632	-
2016	-	992	992	68
2015	225	93	318	216
2014	-	136	136	730
2013	-	113	113	-
2012	37,426	(37,328)	98	-
	<u>\$ 193,084</u>	<u>\$ 19,625,148</u>	<u>\$ 19,818,232</u>	<u>\$ 158,693</u>

## **OTHER SUPPLEMENTARY INFORMATION**

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

Annual Supplemental Transparency Report (MTP2) - Revenue

Annual Supplemental Transparency Report (MTP2) – Expenditures

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

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

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

<u>REVENUE</u>	<u>Municipal</u>
Current Year Levy Tax Collection	\$ 19,457,077
Last Year's Levy Tax Collection	310,293
Prior Years Property Tax Collection	16,471
Interest & Penalty	132,051
PILOT & Tax Treaty (excluded from levy) Collection	-
Other Local Property Taxes	-
Licenses and Permits	424,527
Fines and Forfeitures	61,001
Investment Income	189,595
Departmental	268,582
Rescue Run Revenue	-
Police & Fire Detail	190,936
Other Local Non-Property Tax Revenues	10,550
Tuition	-
Impact Aid	-
Medicaid	-
Federal Stabilization Funds	-
Federal Food Service Reimbursement	-
CDBG	-
COPS Grants	-
SAFER Grants	-
Other Federal Aid Funds	15,897
COVID - ESSER	-
COVID - CRF	-
COVID - CDBG	-
COVID - FEMA	-
COVID - Other	-
COVID - ARPA	381,492
MV Excise Tax Reimbursement	1,629,259
State PILOT Program	-
Distressed Community Relief Fund	-
Library Resource Aid	44,300
Library Construction Aid	-
Public Service Corporation Tax	118,883
Meals & Beverage Tax / Hotel Tax	50,794
LEA Aid	-
Group Home	-
Housing Aid Capital Projects	-
Housing Aid Bonded Debt	-
State Food Service Revenue	-
Incentive Aid	-
Property Revaluation Reimbursement	-
Other State Revenue	6,347,951
Motor Vehicle Phase Out	-
Other Revenue	81,908
Local Appropriation for Education	-
Regional Appropriation for Education	-
Supplemental Appropriation for Education	-
Regional Supplemental Appropriation for Education	-
Other Education Appropriation	-
Rounding	-
<b>Total Revenue</b>	<b><u>\$ 29,731,565</u></b>
Financing Sources: Transfer from Capital Funds	\$ -
Financing Sources: Transfer from Other Funds	-
Financing Sources: Debt Proceeds	194,928
Financing Sources: Other	36,628
Rounding	-
<b>Total Other Financing Sources</b>	<b><u>\$ 231,556</u></b>

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

EXPENDITURES	General		Social	Centralized	Planning	Libraries	Public	Parks and	Police
	Government	Finance	Services	IT			Works	Rec	Department
Compensation- Group A	\$ 690,076	\$ 252,090	\$ -	\$ 77,036	\$ 140,307	\$ -	\$ 640,926	\$ 191,659	\$ 1,309,502
Compensation - Group B	-	-	-	-	-	-	-	-	285,880
Compensation - Group C	-	-	-	-	-	-	-	-	-
Compensation -Volunteer	-	-	-	-	-	-	-	-	-
Overtime- Group A	-	-	-	-	-	-	46,526	-	113,831
Overtime - Group B	-	-	-	-	-	-	-	-	32,785
Overtime - Group C	-	-	-	-	-	-	-	-	-
Police & Fire Detail	-	-	-	-	-	-	-	-	110,860
Active Medical Insurance - Group A	76,957	66,938	-	16,712	9,681	-	145,264	33,281	205,182
Active Medical Insurance- Group B	-	-	-	-	-	-	-	-	23,556
Active Medical Insurance- Group C	-	-	-	-	-	-	-	-	-
Active Dental insurance- Group A	5,094	557	-	636	491	-	5,696	1,268	7,283
Active Dental Insurance- Group B	-	-	-	-	-	-	-	-	1,337
Active Dental Insurance- Group C	-	-	-	-	-	-	-	-	-
Payroll Taxes	51,953	17,190	-	5,483	5,335	-	50,231	13,330	117,274
Life Insurance	1,377	345	-	118	138	-	1,290	236	27,493
State Defined Contribution- Group A	5,988	2,514	-	777	1,188	-	6,585	1,639	518
State Defined Contribution - Group B	-	-	-	-	-	-	-	-	2,180
State Defined Contribution - Group C	-	-	-	-	-	-	-	-	-
Other Benefits- Group A	16,257	3,310	-	621	317	-	57,045	8,302	49,140
Other Benefits- Group B	-	-	-	-	-	-	-	-	14,158
Other Benefits- Group C	-	-	-	-	-	-	-	-	-
Local Defined Benefit Pension- Group A	-	-	-	-	-	-	-	-	-
Local Defined Benefit Pension - Group B	-	-	-	-	-	-	-	-	-
Local Defined Benefit Pension - Group C	-	-	-	-	-	-	-	-	-
State Defined Benefit Pension- Group A	14,066	4,498	-	1,530	571	-	12,594	2,500	420,352
State Defined Benefit Pension - Group B	-	-	-	-	-	-	-	-	4,031
State Defined Benefit Pension - Group C	-	-	-	-	-	-	-	-	-
Other Defined Benefit / Contribution	-	-	-	-	-	-	-	-	-
Purchased Services	289,195	67,786	-	-	750	-	2,305	5,846	25,711
Materials/Supplies	38,602	2,745	-	453	681	-	14,103	49,982	8,829
Software Licenses	-	-	-	92,694	-	-	-	-	-
Capital Outlays	547,231	-	-	-	-	-	-	-	-
Insurance	146,714	-	-	-	-	-	-	-	-
Maintenance	200	-	-	1,508	-	-	77,395	-	3,493
Vehicle Operations	-	-	-	-	-	-	126,034	-	63,421
Utilities	37,466	-	-	-	-	-	47,339	14,400	26,242
Contingency	-	-	-	-	-	-	-	-	-
Street Lighting	-	-	-	-	-	-	27,691	-	-
Revaluation	-	-	-	-	-	-	-	-	-
Snow Removal-Raw Material & External Contracts	-	-	-	-	-	-	40,294	-	-
Trash Removal & Recycling	-	-	-	-	-	-	101,714	-	-
Claims & Settlements	-	-	-	-	-	-	-	-	-
Community Support	-	-	-	-	-	-	-	-	-
Other Operation Expenditures	101,138	1,271	10,000	-	-	142,000	5,000	10,848	111,152
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	-	-	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>\$ 2,022,314</b>	<b>\$ 419,244</b>	<b>\$ 10,000</b>	<b>\$ 197,569</b>	<b>\$ 159,460</b>	<b>\$ 142,000</b>	<b>\$ 1,408,032</b>	<b>\$ 333,292</b>	<b>\$ 2,964,209</b>

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

EXPENDITURES	Fire Department	Centralized Dispatch	Public Safety Other	Education Appropriation	Debt	OPEB	Total Municipal
Compensation- Group A	\$ -	\$ -	\$ 79,397	\$ -	\$ -	\$ -	\$ 3,380,994
Compensation - Group B	-	-	-	-	-	-	285,880
Compensation - Group C	-	-	-	-	-	-	-
Compensation -Volunteer	-	-	-	-	-	-	-
Overtime- Group A	-	-	11,096	-	-	-	171,453
Overtime - Group B	-	-	-	-	-	-	32,785
Overtime - Group C	-	-	-	-	-	-	-
Police & Fire Detail	-	-	-	-	-	-	110,860
Active Medical Insurance - Group A	-	-	16,641	-	-	-	570,656
Active Medical Insurance- Group B	-	-	-	-	-	-	23,556
Active Medical Insurance- Group C	-	-	-	-	-	-	-
Active Dental insurance- Group A	-	-	634	-	-	-	21,658
Active Dental Insurance- Group B	-	-	-	-	-	-	1,337
Active Dental Insurance- Group C	-	-	-	-	-	-	-
Payroll Taxes	-	-	6,023	-	-	-	266,819
Life Insurance	-	-	118	-	-	-	31,116
State Defined Contribution- Group A	-	-	472	-	-	-	19,680
State Defined Contribution - Group B	-	-	-	-	-	-	2,180
State Defined Contribution - Group C	-	-	-	-	-	-	-
Other Benefits- Group A	-	-	2,862	-	-	-	137,855
Other Benefits- Group B	-	-	-	-	-	-	14,158
Other Benefits- Group C	-	-	-	-	-	-	-
Local Defined Benefit Pension- Group A	-	-	-	-	-	-	-
Local Defined Benefit Pension - Group B	-	-	-	-	-	-	-
Local Defined Benefit Pension - Group C	-	-	-	-	-	-	-
State Defined Benefit Pension- Group A	-	-	974	-	-	-	457,085
State Defined Benefit Pension - Group B	-	-	-	-	-	-	4,031
State Defined Benefit Pension - Group C	-	-	-	-	-	-	-
Other Defined Benefit / Contribution	-	-	-	-	-	-	-
Purchased Services	-	-	-	-	-	-	391,593
Materials/Supplies	-	-	2,904	-	-	-	118,299
Software Licenses	-	-	-	-	-	-	92,694
Capital Outlays	-	-	-	-	-	-	547,231
Insurance	-	-	-	-	-	-	146,714
Maintenance	-	-	-	-	-	-	82,595
Vehicle Operations	-	-	33	-	-	-	189,488
Utilities	-	-	6,411	-	-	-	131,859
Contingency	-	-	-	-	-	-	-
Street Lighting	-	-	-	-	-	-	27,691
Revaluation	-	-	-	-	-	-	-
Snow Removal-Raw Material & External Contracts	-	-	-	-	-	-	40,294
Trash Removal & Recycling	-	-	-	-	-	-	101,714
Claims & Settlements	-	-	-	-	-	-	-
Community Support	-	-	-	-	-	-	-
Other Operation Expenditures	124,000	-	6,576	-	-	-	511,985
Tipping Fees	-	-	-	-	-	-	-
Local Appropriation for Education	-	-	-	-	-	-	-
Regional Appropriation for Education	-	-	-	21,515,820	-	-	21,515,820
Supplemental Appropriation for Education	-	-	-	-	-	-	-
Regional Supplemental Appropriation for Education	-	-	-	-	-	-	-
Other Education Appropriation	-	-	-	-	-	-	-
Municipal Debt- Principal	-	-	-	-	347,000	-	347,000
Municipal Debt- Interest	-	-	-	-	94,320	-	94,320
School Debt- Principal	-	-	-	-	-	-	-
School Debt- Interest	-	-	-	-	-	-	-
Retiree Medical Insurance- Total	-	-	-	-	-	24,347	24,347
Retiree Dental Insurance- Total	-	-	-	-	-	-	-
OPEB Contribution- Total	-	-	-	-	-	-	-
Rounding	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>\$ 124,000</b>	<b>\$ -</b>	<b>\$ 134,142</b>	<b>\$ 21,515,820</b>	<b>\$ 441,320</b>	<b>\$ 24,347</b>	<b>\$ 29,895,748</b>

Financing Uses: Transfer to Capital Funds	\$ 239,901
Financing Uses: Transfer to Other Funds	-
Financing Uses: Payment to Bond Escrow Agent	-
Financing Uses: Other	-
<b>Total Other Financing Uses</b>	<b>\$ 239,901</b>

**Net Change in Fund Balance<sup>1</sup>** (172,528)

**Fund Balance1- beginning of year** \$6,680,256

Funds removed from Reportable Government Services (RGS)	-
Funds added to Reportable Government Services (RGS)	-
Prior period adjustments	-
Misc. Adjustment	-
<b>Fund Balance<sup>1</sup> - beginning of year adjusted</b>	<b>6,680,256</b>

Rounding  
**Fund Balance<sup>1</sup> - end of year** **\$ 6,507,728**

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

Town of Hopkinton  
Annual Supplemental Transparency Report (MTP2)  
Combining Schedule of  
Reportable Government Services with  
Reconciliation to MTP2  
Municipal  
Fiscal Year Ended June 30, 2024

Per Audited Fund Financial Statements Fund Description	Total Revenue	Total Other Financing Sources	Total Expenditures	Total Other Financing Uses	Net Change in Fund Balance <sup>1</sup>	Beginning Fund Fund Balance <sup>1</sup> (Deficit)	Prior Period Adjustment	Restated Beginning Fund Balance <sup>1</sup> (Deficit)	Ending Fund Balance <sup>1</sup> (Deficit)
<b>Fund Balance<sup>1</sup> - per MTP-2 at June 30, 2023</b>						\$ 6,680,256	-	\$ 6,680,256	
<i>No funds removed from RGS for fiscal 2023</i>						-	-	-	
<i>No funds added to RGS for Fiscal 2023</i>						-	-	-	
<i>No misc. adjustments made for fiscal 2023</i>						-	-	-	
<b>Fund Balance<sup>1</sup> - per MTP-2 at June 30, 2024 adjusted</b>						<u>\$ 6,680,256</u>	-	<u>\$ 6,680,256</u>	
General Fund	\$ 29,264,121	\$ 231,556	\$ 29,514,256	\$ 239,901	\$ (258,480)	\$ 6,642,225	\$ -	\$ 6,642,225	\$ 6,383,745
ARPA	467,444	-	381,492	-	85,952	38,031	-	38,031	123,983
<b>Totals per audited financial statements</b>	<u>\$ 29,731,565</u>	<u>\$ 231,556</u>	<u>\$ 29,895,748</u>	<u>\$ 239,901</u>	<u>\$ (172,528)</u>	<u>\$ 6,680,256</u>	<u>\$ -</u>	<u>\$ 6,680,256</u>	<u>\$ 6,507,728</u>
<b><u>Reconciliation from financial statements to MTP2</u></b>									
Rounding	-	-	-	-	-	-	-	-	-
<b>Totals Per MTP2</b>	<u>\$ 29,731,565</u>	<u>\$ 231,556</u>	<u>\$ 29,895,748</u>	<u>\$ 239,901</u>	<u>\$ (172,528)</u>	<u>\$ 6,680,256</u>	<u>\$ -</u>	<u>\$ 6,680,256</u>	<u>\$ 6,507,728</u>

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

# **TOWN OF HOPKINTON, RHODE ISLAND**

*Reportable Government Services with*

*MTP2 Notes*

*Fiscal Year Ended June 30, 2024*

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

## **NOTE 1 - BASIS OF PRESENTATION**

The *Annual Supplemental Transparency Report (MTP2)* is a supplemental schedule required by the State of Rhode Island General Laws 45-12-22.2 and 44-35-10. This supplementary schedule included within the annual financial statements is part of a broader project to create a municipal transparency portal (MTP) website to host municipal financial information in a centralized location.

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

## **NOTE 2 - REPORTABLE GOVERNMENT SERVICES**

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

## **NOTE 3 - ALLOCATIONS**

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

## **NOTE 4 - EMPLOYEE GROUPS - COMPENSATION AND BENEFIT COSTS**

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

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

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

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

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

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

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

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 Hopkinton

Changes in Fund Balances, General Fund  
Last Ten Fiscal Years  
(Modified Accrual Basis of Accounting)  
Unaudited

	(2) 2015	(2) 2016	(2) 2017	(2) 2018	(2) 2019	(2) 2020	(2) 2021	(2) 2022	(2) 2023	(2) 2024
<b>Revenues</b>										
Property taxes and interest	\$ 17,536,755	\$ 17,539,365	\$ 17,948,828	\$ 18,313,302	\$ 18,556,089	\$ 19,116,100	\$ 19,576,978	\$ 20,144,025	\$ 19,515,332	\$ 19,783,841
Federal and state grants and aid	5,874,941	5,807,978	5,830,941	5,780,937	5,858,484	5,785,151	6,560,129	6,553,094	7,669,134	8,184,193
Charges for services	786,182	898,024	875,069	1,146,245	1,291,592	1,082,454	932,042	999,353	1,048,042	1,069,888
Interest on investments	6,430	7,184	9,959	9,024	9,679	6,572	2,588	3,215	8,627	108,137
Other revenues	5,458	1,663	1,080	4,039	10,020	155,034	11,252	22,507	9,818	10,965
<b>Total revenues</b>	<b>24,209,766</b>	<b>24,254,214</b>	<b>24,665,877</b>	<b>25,253,547</b>	<b>25,725,864</b>	<b>26,145,311</b>	<b>27,082,989</b>	<b>27,722,194</b>	<b>28,250,953</b>	<b>29,157,024</b>
<b>Expenditures</b>										
Current:										
General government	1,731,112	1,821,304	1,777,207	1,765,186	1,911,498	2,012,288	2,053,383	2,075,382	2,191,890	2,267,246
Public safety	2,258,023	2,448,279	2,465,303	2,686,401	2,661,219	2,660,080	2,743,922	2,753,882	2,979,495	3,121,617
Public works	1,189,679	1,132,839	1,110,483	1,172,548	1,119,763	1,112,605	1,076,952	1,196,977	1,318,979	1,348,627
Recreation	264,394	265,687	264,393	268,810	300,851	280,457	178,873	304,118	304,652	328,929
Public and social services	137,750	140,001	140,000	142,000	142,000	142,500	146,322	146,050	146,050	152,050
Education	18,271,091	17,761,469	18,155,239	18,340,317	18,759,809	19,337,865	20,092,924	20,561,560	20,645,048	21,515,820
Capital improvements (1)	-	-	-	232,842	-	147,260	204,286	44,453	55,296	231,556
Debt service:										
Principal	161,937	668,178	272,000	282,000	307,000	308,000	409,000	419,000	412,104	347,000
Interest	69,141	79,887	75,958	71,376	137,103	140,463	132,568	120,423	107,647	94,845
<b>Total expenditures</b>	<b>24,083,127</b>	<b>24,317,644</b>	<b>24,260,583</b>	<b>24,961,480</b>	<b>25,339,243</b>	<b>26,141,518</b>	<b>27,038,230</b>	<b>27,621,845</b>	<b>28,161,161</b>	<b>29,407,690</b>
<b>Excess (deficiency) of revenues over expenditures before other financing sources (uses)</b>	<b>126,639</b>	<b>(63,430)</b>	<b>405,294</b>	<b>292,067</b>	<b>386,621</b>	<b>3,793</b>	<b>44,759</b>	<b>100,349</b>	<b>89,792</b>	<b>(250,666)</b>
Other financing sources (uses):										
Proceeds from borrowing	-	455,150	-	232,842	1,805,000	147,260	204,286	44,453	55,296	194,928
Premium on debt issued	-	-	-	-	259,911	-	-	-	-	-
Subscription based IT arrangement (SBITA)	-	-	-	-	-	-	-	-	-	36,628
Transfers from other funds	6,334	112,365	7,310	7,310	7,328	7,328	137,328	-	7,328	6,778
Transfers to other funds	(462,285)	(557,009)	(69,392)	(152,035)	(464,277)	(318,602)	(132,374)	(163,274)	(280,794)	(239,901)
<b>Total other financing sources (uses)</b>	<b>(455,951)</b>	<b>10,506</b>	<b>(62,082)</b>	<b>88,117</b>	<b>1,607,962</b>	<b>(164,014)</b>	<b>209,240</b>	<b>(118,821)</b>	<b>(218,170)</b>	<b>(1,567)</b>
<b>Special item - contribution to land trust</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2,009,141)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>\$ (329,312)</b>	<b>\$ (52,924)</b>	<b>\$ 343,212</b>	<b>\$ 380,184</b>	<b>\$ (14,558)</b>	<b>\$ (160,221)</b>	<b>\$ 253,999</b>	<b>\$ (18,472)</b>	<b>\$ (128,378)</b>	<b>\$ (252,233)</b>
Debt Service as a percentage of noncapital expenditures	0.96%	3.08%	1.43%	1.43%	1.75%	1.73%	2.02%	1.96%	1.85%	1.51%

(1) Capital improvements in departmental general fund expenses not reflected only nonmajor governmental funds.

(2) Includes only General Fund and not funds combined with General Fund for financial reporting purposes in accordance with GASB 54.

## Town of Hopkinton

### Assessed Values and Actual Values of Taxable Property

Last Ten Fiscal Years

Unaudited

<u>Fiscal Year</u>		<u>Residential</u>	<u>Commercial*</u>	<u>Tangible</u>		<u>Less</u>	<u>Total</u>		<u>Total</u>	
<u>Ending</u>		<u>Property</u>	<u>Property</u>	<u>Personal</u>		<u>Tax Exempt</u>	<u>Taxable</u>	<u>RP &amp; Tang.</u>	<u>Direct</u>	<u>Tax</u>
<u>June 30</u>		<u>Property</u>	<u>Property</u>	<u>Property</u>	<u>Motor</u>	<u>Property</u>	<u>Assessed</u>	<u>Rate</u>	<u>Rate</u>	<u>Levy</u>
	\$		\$	\$	\$	\$	\$	\$	\$	\$
2015	\$	707,098,400	\$ 72,021,770	\$ 18,677,560	\$ 78,711,307	\$ 23,834,331	\$ 852,674,706	\$ 20.64	\$ 20.68	\$ 17,634,724
2016		706,976,400	75,458,960	19,674,690	80,478,327	23,847,252	858,741,125	20.38	20.44	17,555,096
2017		711,733,500	76,483,260	20,530,510	84,893,161	25,223,011	868,417,420	20.64	20.68	17,961,897
2018		758,980,300	81,237,870	21,932,700	86,553,273	26,289,519	922,414,624	20.07	20.16	18,594,281
2019		765,662,900	80,414,970	35,693,810	72,268,551	29,385,729	924,654,502	20.07	20.14	18,619,963
2020		769,877,600	82,698,010	37,706,900	70,935,054	34,420,542	926,797,022	20.68	20.71	19,190,941
2021		896,737,600	102,579,200	40,652,020	67,172,977	40,233,171	1,066,908,626	18.28	18.39	19,624,355
2022		900,826,900	106,792,100	48,281,770	71,747,781	45,299,183	1,082,349,368	18.53	18.63	20,164,070
2023		906,796,400	108,864,500	46,952,670	-	12,790,585	1,049,822,985	18.53	18.53	19,453,162
2024		1,195,961,200	122,574,910	51,445,720	-	16,431,882	1,353,549,948	14.66	14.66	19,842,979

#### Notes:

The State of Rhode Island has enacted legislation limiting the cap on property tax levy growth for cities and towns.

The cap was set at 5.5% in FY 2007-2008 reducing by .25% until FY 2012-13 when a 4% cap will be maintained. FY 2023-24 tax cap was 4.0%.

Revaluation of real property is required by State law every 9 years. Hopkinton had a full revaluation in FY 2022-2023.

Statistical revaluations are required every 3 years. Hopkinton had a statistical revaluations in FY 2017-18 as

Hopkinton, Richmond, and Charlestown were to all be on the same revaluation cycle with a statistical revaluation in FY 2025-2026.

Property is assessed at actual market value.

Total Direct Tax Rate is the weighted average of all individual rates applied by the Town. The Motor Vehicle rate was frozen since

2000 at \$21.18. The State of RI repealed the Motor Vehicle Tax for FY23. In fiscal year 2023-2024 the property tax rate, excluding motor vehicles , was \$14.66.

# Town of Hopkinton

## Assessed Values and Actual Values of Taxable Property

### Calculation of Total Direct Tax Rate for Fiscal Year ended June 30, 2024

Unaudited

<u>Category</u>		<u>Assessed Value</u>	<u>Direct rate per \$1000</u>	<u>Total Tax Levy</u>
Real Estate				
Residential	\$1,195,961,200			
Less Exemptions	15,983,740			
Net Residential		\$1,179,977,460	\$14.66	\$17,298,448
Commercial	\$122,574,910			
Less Exemptions	448,142			
Net Commercial		122,126,768	14.66	1,790,378
Tangible Property	\$51,445,720	51,445,720	14.66	754,152
Total		<u>1,353,549,948</u>		<u>19,842,979</u>
Total Tax Levy				19,842,979
Divided by Total Assessment times 1000				1,353,549,948
Weighted Average/Total Direct Rate			\$	14.66

# Town of Hopkinton

Principal Property Taxpayers  
Current year and ten years ago  
Unaudited

	<u>FY 2024</u>		<u>Percentage of Total Taxable Assessed Value</u>	<u>FY 2015</u>		<u>Percentage of Total Taxable Assessed Value</u>
RI Energy/a.k.a.Narragansett Electric	\$ 16,835,360	1	1.24%	\$ 6,207,212	2	0.73%
Hopkinton Industrial Park LLC	16,176,700	2	1.20%	10,387,900	1	1.22%
New Canonchet Cliffs	7,322,500	3	0.54%	5,396,000	3	0.63%
Southern Sky Renewable Energy	4,732,270	4	0.35%			
L-3 Chesapeake Science Corp. (L-3 Harris)	4,069,720	5	0.30%			
GD Hopkinton Main LLC	3,623,810	6	0.27%			
GSI Hope Valley 1115 Main St LLC	3,612,500	7	0.27%			
Saugatucket Springs	3,550,800	8	0.26%	2,827,600	5	0.33%
Fenner Hill Country Club	3,442,100	9	0.25%	2,786,100	6	0.33%
Cianbro Properties, LLC	3,060,900	10	0.23%			
Classic Acres Inc.				1,907,000	8	0.22%
Mashantucket Pequot				3,502,800	4	0.41%
LR-6 Owner LLC				1,524,200	9	0.18%
Canonchet Hills LP				1,355,600	10	0.16%
46 Norwich Westerly Exchange				2,164,400	7	0.25%
<b>Total</b>	<b>\$ 66,426,660</b>		<b>4.91%</b>	<b>\$ 38,058,812</b>		<b>4.46%</b>
<b>Total Taxable Assessed Value</b>	<b>\$ 1,353,549,948</b>			<b>\$ 852,674,706</b>		

data from FY24 is from 2023 tax book  
data from FY15 is from 2014 tax book

**Town of Hopkinton**  
**Property Tax Levy and Collections**  
**Last Ten Fiscal Years**  
**Unaudited**

<u>Fiscal Year</u> <u>Ending June 30</u>	<u>Actual</u> <u>Tax Rate</u>	<u>Gross</u> <u>Levy</u>	<u>Adjustments</u> <u>Addendums</u> <u>Additions</u>	<u>Net to be</u> <u>Collected</u>	<u>Uncollected at</u> <u>end of year levy</u>	<u>Uncollected</u> <u>% of</u> <u>Net Levy</u>	<u>Uncollected at</u> <u>June 30, 2024</u>
2015	\$ 20.64	\$ 17,634,724	\$ (21,768)	\$ 17,612,956	\$ 595,614	3.38%	\$ 34,328
2016	20.38	17,555,096	(6,066)	17,549,030	577,613	3.29%	42,538
2017	20.64	17,961,897	6,806	17,968,703	538,710	3.00%	52,055
2018	20.07	18,594,281	(214,557)	18,379,724	556,920	3.03%	41,739
2019	20.07	18,619,963	(19,464)	18,600,499	569,748	3.06%	37,035
2020	20.68	19,190,941	(26,035)	19,164,906	555,182	2.90%	38,022
2021	18.28	19,624,355	(23,370)	19,600,985	608,653	3.11%	42,433
2022	18.53	20,164,070	(34,992)	20,129,078	457,932	2.27%	46,309
2023	18.53	19,453,162	4,953	19,458,115	357,266	1.84%	46,973
2024	14.66	19,842,979	7,825	19,850,804	359,336	1.81%	359,336

**Notes:**

Actual Tax rate is for all residential and commercial property. Motor Vehicles tax rate which was frozen at \$21.18.

After nine years the balance is written off as uncollectible.



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***REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN  
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS***

***Independent Auditor's Report***

To the Honorable President and Members of the Town Council  
Hopkinton, 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, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Town of Hopkinton, Rhode Island, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Town of Hopkinton, Rhode Island's basic financial statements, and have issued our report thereon dated May 13, 2025.

**Report on Internal Control Over Financial Reporting**

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and responses, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

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. We consider the deficiencies described in the accompanying schedule of findings and responses as items 2024-001 and 2024-003 to be material weaknesses.

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. We consider the deficiency described in the accompanying schedule of findings and responses as item 2024-002 to be a significant deficiency.

### **Report on Compliance and Other Matters**

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

### **Town of Hopkinton, Rhode Island's Response to Findings**

*Government Auditing Standards* requires the auditor to perform limited procedures on the Town of Hopkinton, Rhode Island's response to the findings identified in our audit and described in the accompanying schedule of findings and responses. The Town of Hopkinton, Rhode Island's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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

*Bacon & Company CPAs, LLC*

Warwick, Rhode Island  
May 13, 2025

**TOWN OF HOPKINTON, RHODE ISLAND**  
**Schedule of Findings and Responses**  
**For the Fiscal Year Ended June 30, 2024**

**MATERIAL WEAKNESS**

**2024-001 Segregation of Duties**

**Criteria:** Segregation of duties is an element of internal control that is designed to prevent, detect, and correct misstatements in a timely manner, whether due to fraud or error.

**Condition:** The Finance Director and the Assistant to the Finance Director have job responsibilities that result in a lack of segregation of duties and as a result a weakness in internal controls. The same individual should not have custody of assets and also be responsible for initiating and recording transactions.

The Finance Director has complete responsibility for the general ledger and all financial reporting and is also responsible for signing checks, preparing and posting certain journal entries, reconciling the cash accounts, authorizing certain payment vouchers, and wiring cash between accounts.

The Assistant to the Finance Director is responsible for preparing and posting journal entries, preparing the biweekly payroll, processing and preparing all vendor checks, and accepting, preparing, and making departmental deposits.

**Effect:** Misstatements, whether due to fraud or error, could occur and not be prevented, detected, and corrected in a timely manner.

**Cause:** There is a limited number of staff in the Finance Office.

**Identification of a Repeat Finding:** This is a repeat finding from previous audits 2023-001, 2022-001, 2021-001, 2020-001, 2019-001, 2018-001 and 2017-001.

**Recommendation:** We recommend that the Town review the current job responsibilities within the Finance Department and take the appropriate steps to segregate certain duties, to ensure that the same individual is not responsible for custody of assets and initiating and recording receipts and disbursements. In addition, all journal entries prepared should be reviewed and approved by a responsible official independent from the person responsible for preparing the journal entry. We also recommend that the Town consider adding staff to the Finance Department to allow for the proper segregation of duties and to strengthen the internal controls. Alternatively, internal controls in the Finance Office could also be strengthened by the monthly review of financial reports and reconciliations by an independent responsible official with knowledge of Town operations and financial reporting and accounting.

**Views of Responsible Officials and Planned Corrective Action:** The Finance office acknowledges the need for additional staffing, but funding is not available in this economic environment. However, actions will be taken immediately to segregate duties in the best possible manner given the shortage of staffing.

**TOWN OF HOPKINTON, RHODE ISLAND**  
*Schedule of Findings and Responses*  
*For the Fiscal Year Ended June 30, 2024*

**SIGNIFICANT DEFICIENCY**

***2024-002 Segregation of Duties***

**Criteria:** Segregation of duties is an element of internal control that is designed to prevent, detect, and correct misstatements in a timely manner, whether due to fraud or error.

**Condition:** The Tax Collector has job responsibilities that result in a lack of segregation of duties and as a result a weakness in internal controls. Due to staff limitations, the Tax Collector is responsible for accepting and recording tax payments, reconciling the daily receipts, preparing bank deposits, posting abatements, and monitoring delinquent accounts. The Tax Collector has custody of assets and is also responsible for initiating and recording transactions.

**Effect:** Misstatements, whether due to fraud or error, could occur and not be prevented, detected, and corrected in a timely manner.

**Cause:** There is a limited number of staff in the Tax Collector's Office.

**Identification of a Repeat Finding:** This is a repeat finding from previous audits 2023-002, 2022-002, 2021-002, 2020-002, 2019-002, 2018-002 and 2017-002.

**Recommendation:** We recommend that the Town review the current job responsibilities of the Tax Collector to attempt to segregate certain responsibilities. We suggest that internal controls could be improved by having all daily reconciliation procedures completed by two individuals. We also recommend that delinquent accounts and adjustments to the subsidiary ledger be reviewed by another independent individual, in addition to the Tax Collector.

**Views of Responsible Officials and Planned Corrective Action:** The Tax Collection office acknowledges the need for additional staffing, but funding is not available in this economic environment. However, actions will be taken immediately to segregate duties in the best possible manner given the shortage of staffing.

**MATERIAL WEAKNESS**

***2024-003 Financial Reporting and Closing Procedures***

**Criteria:** An entity's system of internal controls should be designed and operate to allow the entity to prepare accurate and timely financial statements in conformance with generally accepted accounting principles and be designed and operate to prevent, detect, and correct misstatements in financial statements on a timely basis. The system should also be designed and operate to allow the entity to properly monitor the financial position of the entity.

**Condition:** The Town's monthly and year-end financial reporting and closing procedures were not completed in an accurate and timely manner during the 2024 fiscal year resulting in delays in preparing the fiscal year-end financial statements and numerous proposed audit adjustments. The following conditions were noted:

**TOWN OF HOPKINTON, RHODE ISLAND**  
**Schedule of Findings and Responses**  
**For the Fiscal Year Ended June 30, 2024**

- Prior year balances were not properly rolled forward in the general ledger to the next fiscal year, resulting in many funds being out of balance for all of fiscal year 2024. Also, several prior year accruals and prepaid items were not properly reversed in fiscal year 2024.
- Bank account reconciliations were not prepared in an accurate and timely manner during the 2024 fiscal year and several of the reconciliations contained errors and/or did not reconcile to the general ledger throughout the fiscal year and at year end.
- Property tax receivable reconciliations were not prepared throughout the fiscal year and were not completed until March 2025. Journal entries were prepared at this time to record all the fiscal year 2024 property tax activity related to the property tax receivable and deferred inflow general ledger accounts and to allocate the property tax revenues to the proper general ledger accounts.
- Interfund reconciliations were not completed in fiscal year 2024. The interfund accounts were materially out of balance as of June 30, 2024, and audit entries were proposed to balance the interfund accounts.
- General ledger accounts were not properly reviewed and analyzed throughout the year and at year end to determine that the account balances and funds were materially accurate. This resulted in year-end receivables and payables that were not properly identified and recorded and posting errors that were not identified. Audit entries were proposed to correct various posting errors and to record year-end receivables and payables.

**Effect:** Material misstatements of the financial statements may not be prevented, or detected and corrected, in a timely manner. Delays in the completion of the audit of the Town's annual financial statements.

**Cause:** The Town has been behind in completing the monthly and year-end reconciliation and closing procedures since fiscal year 2022 resulting in the continuation of the delays of the reconciliations and closing procedures into the following two fiscal years. The Finance Department also does not have formal monthly and year-end reconciliation and closing procedures in place, including detailed procedures for the rollover of the accounts in the general ledger to the next fiscal year and the preparation of the monthly bank, property tax, and interfund balance reconciliations and the preparation of the year-end financial reports.

**Identification of a Repeat Finding:** Timeliness of monthly and year-end financial reporting and closing procedures was reported as a significant deficiency in previous audits 2023-003 and 2022-003.

**Recommendation:** We recommend that the Town implement formal monthly and year-end reconciliation and closing procedures that include a detailed schedule with expected completion dates. The closing procedures should include the monthly reconciliation of all bank accounts, property tax receivable accounts, and the interfund accounts and the review of the general ledger reports for all funds to ensure accounting records are accurate, complete, and timely throughout the year. This will also aid in the completion of year-end financial reporting and closing procedures and the timely completion of the audit of the Town's annual financial statements.

**Views of Responsible Officials and Planned Corrective Action:** The Finance office acknowledges the need for timely monthly closing procedures and remains committed to improving this process. Unfortunately lack of staffing during the months of March 2024 through August 2024 significantly affected closing

**TOWN OF HOPKINTON, RHODE ISLAND**  
***Schedule of Findings and Responses***  
***For the Fiscal Year Ended June 30, 2024***

procedures. The office is now fully staffed once again (albeit one of two people are new to the procedures) and will strive to complete monthly bank reconciliations, property tax receivable accounts, and interfund account reconciliations, as well as timely general ledger review. The office looks forward to timely completion of future audits and financial statement issuance.