

TOWN OF LINCOLN, RHODE ISLAND

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEAR ENDED JUNE 30, 2024



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INDEPENDENT AUDITORS' REPORT

Honorable Members of the Town Council
Town of Lincoln, Rhode Island

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Lincoln, 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 Lincoln, Rhode Island's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Lincoln, 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. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town of Lincoln, 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.

Emphasis of the Matter – Correction of Errors

As discussed in Note 16 to the financial statements, the Town of Lincoln, Rhode Island restated beginning net position and fund balance of the governmental activities, business-type activities, general fund, public building bond fund, fiduciary funds and nonmajor governmental funds. Our opinions are not modified with respect to this matter.

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 Lincoln, 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.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

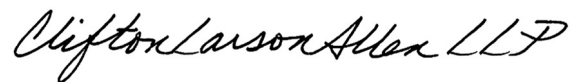
Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Lincoln, Rhode Island's basic financial statements. The combining and individual nonmajor fund financial statements, Tax Collector's Annual Report, Annual Supplemental Transparency Report, and schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining and individual nonmajor fund financial statements, Tax Collector's Annual Report, Annual Supplemental Transparency Report, and schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Honorable Members of the Town Council
Town of Lincoln, Rhode Island

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 27, 2025, on our consideration of the Town of Lincoln, 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 Lincoln, 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 Lincoln, Rhode Island's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Cranston, Rhode Island
May 27, 2025

**TOWN OF LINCOLN, RHODE ISLAND
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2024**

Management of the Town of Lincoln (the Town) provides this Management's Discussion and Analysis of the Town'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 is for the fiscal year ended June 30, 2024. We encourage readers to consider this information in conjunction with the Town's audited basic financial statements and notes to the financial statements.

The Governmental Accounting Standards Board (GASB) is the authoritative standard setting body that provides guidance on how to prepare financial statements in conformity with generally accepted accounting principles (GAAP). Users of these financial statements (such as investors and rating agencies) rely on the GASB to establish consistent reporting standards for all governments in the United States. This consistent application is the only way users (including citizens, the media, legislators and others) can assess the financial condition of one government compared to others.

FINANCIAL HIGHLIGHTS

Governmental Fund Financial Statements:

At the end of the current fiscal year, total fund balance for the General Fund was \$9,478,971 or 11.8% of total budgeted revenues of \$94,613,413. This is an increase of \$895,013 from the prior year's restated fund balance.

At the end of the current fiscal year, the unassigned fund balance for the General Fund was \$7,885,095. This is an increase of \$108,053 over the prior year unassigned General Fund balance.

The Town's General Fund had an operating surplus of \$895,013. The School Department operations resulted in an operating surplus of \$125,785.

Proprietary Funds Financial Statements:

At the end of the current fiscal year the total net position of the proprietary funds was \$36,386,689, an increase of \$1,148,665 over the prior year's restated fund balance.

The water fund, sewer fund and police detail fund had net position of \$26,262,862, \$9,129,171, and \$994,656, respectively, at June 30, 2024.

Government-Wide Financial Statements:

As reported in the government-wide financial statements, the assets and deferred outflows of resources of the Town exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$93,023,977.

The Town's total net position increased by \$14,824,185 for the fiscal year ended June 30, 2024. The total debt related to bonds and notes of the Town of Lincoln decreased by \$5,079,000.

**TOWN OF LINCOLN, RHODE ISLAND
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2024**

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Town's basic financial statements. These basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. The government-wide financial statements provide both long-term and short-term information about the Town as a whole. The fund financial statements focus on the individual components of the Town's government, reporting the Town's operations in more detail than the government-wide statements. Both presentations (government-wide and fund) allow the user to address relevant questions, broaden the basis of comparison and enhance the Town's accountability. An additional part of the basic financial statements are the notes to the financial statements. The report also contains other required supplementary information, and supplementary information in addition to the basic financial statements.

Government-Wide 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, 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, additional non-financial factors should be considered, 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 two categories:

- *Governmental activities* - Most of the Town's basic services are included here, such as education, police, library, public works and general administration. Property taxes, charges for services and state funding finance most of these activities.
- *Business-type activities* - The Town charges fees to customers to cover the costs of certain services it provides. The Town's water system, sewer system, and police special detail are included here.

**TOWN OF LINCOLN, RHODE ISLAND
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2024**

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 governmental 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 requirements.

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

The Town maintains many governmental funds. Four governmental funds are considered major funds for presentation purposes; that is, each major fund is presented in a separate column in the governmental fund financial statements. The Town's four major governmental funds are the General Fund, School Unrestricted Fund, Public Building Bond Fund and School Revolving Fund.

Proprietary funds - The Town maintains one type of proprietary fund (Enterprise Fund). *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The Town uses enterprise funds to account for its water operation, sewer operations and police special details.

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.

**TOWN OF LINCOLN, RHODE ISLAND
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2024**

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

Required Supplementary Information - In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information. Such information includes budgetary comparison schedules and reconciliations of the statutory fund balance for budgetary purposes and the fund balances for the General Fund as presented in the governmental fund financial statements. Also included in required supplementary information are schedules concerning the Town's other postemployment benefits and pension liabilities. Required supplementary information follows the notes to the financial statements.

Supplementary Information - In addition to the required supplementary, this report also presents other supplementary information, State law requires the presentation of the Tax Collector's Annual Report, and the MTP2 Municipal Transparency Portal. This other supplementary information can be found immediately following the required supplementary information.

Relationship of Statements and Schedules Included in this Report

Table 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 and fiduciary funds, which are added together and presented in a single column in the basic financial statements.

Basic Financial Statements & RSI	Financial Section	MD&A
		Government-wide Statements
		(Major) Fund Financial Statements
		Notes to Financial Statements
		RSI other than MD&A
		Info. on nonmajor funds & other supplementary info. not required

**TOWN OF LINCOLN, RHODE ISLAND
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2024**

Relationship of Statements and Schedules Included in this Report (Continued)

Table 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 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, rescue and DPW.	Activities the Town operates similar to private business such as the water system.	Instances in which the Town is the trustee or the 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 and 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 financial and capital, and 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 the year, regardless of when cash is received or paid.	Revenues for which cash is received during or soon after the end of 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 the year, regardless of when cash is received or paid.

Government-Wide Financial Analysis

As noted earlier, net position may over time serve as a useful indicator of a government's financial position. In the case of the Town, assets and deferred outflows exceeded liabilities and deferred inflows by \$93,023,977 as of June 30, 2024.

Net investment in capital assets totals \$113,487,198. This represents the Town's investment in capital assets (e.g., land, buildings, machinery and equipment, vehicles and vessels), less any related debt used to acquire those assets that are still outstanding. The Town uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town's investment in capital assets is report net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

**TOWN OF LINCOLN, RHODE ISLAND
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2024**

Government-Wide Financial Analysis (Continued)

A portion of the Town's net position totaling \$21,876,068 represents resources that are subject to external restrictions on how they may be used. The remaining net position, totaling \$(42,339,289), may be used to meet the government's ongoing obligations to citizens and creditors.

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
ASSETS						
Current Assets	\$ 39,031,957	\$ 43,609,784	\$ 10,203,142	\$ 9,344,249	\$ 49,235,099	\$ 52,954,033
Noncurrent Assets	164,090,416	157,766,874	30,484,866	30,685,443	194,575,282	188,452,317
Total Assets	203,122,373	201,376,658	40,688,008	40,029,692	243,810,381	241,406,350
DEFERRED OUTFLOWS OF RESOURCES						
Pension Related Outflows	9,424,432	9,869,300	67,941	38,966	9,492,373	9,908,266
OPEB Related Outflows	2,090,858	3,857,642	-	-	2,090,858	3,857,642
Other Deferred Outflows	368,705	491,635	-	-	368,705	491,635
Total Deferred Outflows of Resources	11,883,995	14,218,577	67,941	38,966	11,951,936	14,257,543
LIABILITIES						
Current Liabilities	16,093,034	16,828,638	991,839	758,417	17,084,873	17,587,055
Long-Term Liabilities	128,315,524	142,201,766	3,299,430	3,575,722	131,614,954	145,777,488
Total Liabilities	144,408,558	159,030,404	4,291,269	4,334,139	148,699,827	163,364,543
DEFERRED INFLOWS OF RESOURCES						
Pension Related Inflows	10,376,795	6,803,514	77,991	12,162	10,454,786	6,815,676
OPEB Related Inflows	3,583,727	3,200,703	-	-	3,583,727	3,200,703
Other Deferred Inflows	-	-	-	5,852	-	5,852
Total Deferred Inflows of Resources	13,960,522	10,004,217	77,991	18,014	14,038,513	10,022,231
NET POSITION						
Net Investment in Capital Assets	85,966,766	74,062,340	27,520,432	26,990,793	113,487,198	101,053,133
Restricted	21,876,068	15,355,294	-	-	21,876,068	15,355,294
Unrestricted	(51,205,546)	(42,857,020)	8,866,257	8,725,712	(42,339,289)	(34,131,308)
Total Net Position	<u>\$ 56,637,288</u>	<u>\$ 46,560,614</u>	<u>\$ 36,386,689</u>	<u>\$ 35,716,505</u>	<u>\$ 93,023,977</u>	<u>\$ 82,277,119</u>

An additional portion of the Town's net position represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position may be used to meet the Town's ongoing obligations to citizens and creditors. Internally imposed designations of resources are not presented as restricted net position.

**TOWN OF LINCOLN, RHODE ISLAND
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2024**

Changes in Net Position

The government's total net position increased by \$14,179,791 during the current fiscal year.

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
REVENUES						
Program Revenues:						
Charges For Service	\$ 3,837,126	\$ 6,551,751	\$ 7,213,050	\$ 5,729,633	\$ 11,050,176	\$ 12,281,384
Operating Grants and Contributions	28,601,011	9,358,664	-	820,029	28,601,011	10,178,693
Capital Grants and Contributions	4,782,600	-	-	-	4,782,600	-
General Revenues:						
Property Taxes	58,244,892	58,349,569	-	-	58,244,892	58,349,569
State Aid To Town	6,741,831	7,446,003	-	-	6,741,831	7,446,003
State Aid To Education	3,421,130	20,019,006	-	-	3,421,130	20,019,006
Other Revenue	10,597,812	12,686,984	27,730	-	10,625,542	12,686,984
Earnings On Investments	759,815	848,883	393,987	455,728	1,153,802	1,304,611
Total Revenues	116,986,217	115,260,860	7,634,767	7,005,390	124,620,984	122,266,250
EXPENSES						
General Government	782,033	2,053,684	-	-	782,033	2,053,684
Financial Administration	3,082,768	3,424,542	-	-	3,082,768	3,424,542
Public Library	1,265,600	1,220,588	-	-	1,265,600	1,220,588
Public Safety	9,624,201	10,634,411	-	-	9,624,201	10,634,411
Public Services	12,733,678	14,027,221	-	-	12,733,678	14,027,221
Education	74,633,707	63,402,458	-	-	74,633,707	63,402,458
Parks and Recreation	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-
Interest On Debt	1,833,104	2,809,726	-	-	1,833,104	2,809,726
Contingency	-	3,208,958	-	-	-	3,208,958
Water	-	-	4,264,673	4,364,860	4,264,673	4,364,860
Sewer	-	-	814,273	1,299,155	814,273	1,299,155
Police Detail	-	-	1,407,156	996,462	1,407,156	996,462
Total Expenses	103,955,091	100,781,588	6,486,102	6,660,477	110,441,193	107,442,065
INCREASE (DECREASE) IN NET POSITION BEFORE TRANSFERS						
	13,031,126	14,479,272	1,148,665	344,913	14,179,791	14,824,185
Transfers Between Funds	-	-	-	-	-	-
Increase (Decrease) in Net Position	13,031,126	14,479,272	1,148,665	344,913	14,179,791	14,824,185
Net Position, July 1 as Previously Stated	46,560,614	32,081,342	35,716,505	35,371,592	82,277,119	67,452,934
Corrections Due to Error	(2,954,452)	-	(478,481)	-	(3,432,933)	-
Net Position, July 1	43,606,162	32,081,342	35,238,024	35,371,592	78,844,186	67,452,934
Net Position, June 30	<u>\$ 56,637,288</u>	<u>\$ 46,560,614</u>	<u>\$ 36,386,689</u>	<u>\$ 35,716,505</u>	<u>\$ 93,023,977</u>	<u>\$ 82,277,119</u>

Governmental activities. Governmental activities increased the Town's net position by \$13,031,126.

Business-type activities. Business-type activities increased the Town's net position by \$1,148,665.

**TOWN OF LINCOLN, RHODE ISLAND
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2024**

Financial Analysis of the Government's Funds

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

Governmental Funds:

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

As of June 30, 2024, the Town's governmental funds reported combined ending fund balances of \$25,446,324, a decrease of \$498,707 in comparison with the prior year's restated fund balance. The unassigned fund balance of \$3,603,853 or 14.16% of the total fund balance is available for spending at the Town's discretion. The remainder of the fund balance is committed, restricted, or non-spendable to indicate that it is not available for new spending.

The General Fund is the chief operating fund of the Town. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$7,885,095. As a measure of General Fund liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. The unassigned fund balance represents 8.33% of total General Fund budgeted expenditures.

The Town's General Fund balance increased by \$895,013 during the current fiscal year because of revenues exceeding expenditures, including transfers to the School Department of \$44,713,907.

Proprietary Funds:

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

The unrestricted net position of the proprietary funds on June 30, 2024, totaled \$8,866,257, with the Water Fund making up \$7,665,600 of the total. The Water Fund, Sewer Fund, and Police Detail Fund had changes in net position of \$548,587, \$237,726, and \$362,352 respectively. Other factors concerning the finances of these funds have already been addressed in the discussion of the Town's business-type activities.

General Fund Budgetary Highlights

The Financial Town meeting held on May 8, 2023, approved an operating budget of \$94,613,413.

The general fund ended the year with revenue recorded in the amount of \$3,075,228 more than the budget. Local revenues were higher than budgeted by \$790,640.

The expenditures ended the year with an unfavorable variance of \$3,243,736. The most significant deficit amount includes overspent expenditures of \$733,513 in public service.

School Department Budgetary Highlights

The School Unrestricted fund ended the year with a budgetary surplus of \$125,785.

**TOWN OF LINCOLN, RHODE ISLAND
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2024**

Capital Assets and Debt Administration

Capital Assets: The Town's investment in capital assets for its governmental and business-type activities as of June 30, 2024 amounted to \$185,197,637 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, machinery and equipment, infrastructure, and construction in progress. The net increase in the Town's investment in capital assets for the current year was \$3,794,573.

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Land	\$ 15,328,174	\$ 15,328,174	\$ 177,451	\$ 177,451	\$ 15,505,625	\$ 15,505,625
Construction in Progress	-	5,829,204	-	173,475	-	6,002,679
Land Improvements and Infrastructure, Net	21,487,890	19,862,181	28,908,340	29,345,883	50,396,230	49,208,064
Buildings and Improvements, Net	109,717,468	106,589,780	(36,372)	(5,594)	109,681,096	106,584,186
Machinery and Equipment, Net	5,241,888	1,358,661	1,396,966	938,747	6,638,854	2,297,408
Vehicles, Net	2,641,584	1,691,236	38,481	55,476	2,680,065	1,746,712
Intangible Right-to-Use, Net	295,767	58,390	-	-	295,767	58,390
Total Capital Assets, Net	\$ 154,712,771	\$ 150,717,626	\$ 30,484,866	\$ 30,685,438	\$ 185,197,637	\$ 181,403,064

Additional information on the Town's capital assets can be found in Note 6 of the basic financial statements.

Long-term debt: At the end of the fiscal year, the Town had total bond debt outstanding of \$63,100,650. General obligation bonds are backed by the full faith and credit of the Town, including the Town's power to levy additional taxes to ensure repayment of the debt.

The Town has an Aa2 rating from Moody's Investors Service and an AA+ rating from Fitch Investors Service.

State statute limits the amount of bonds a governmental entity can issue to 3% of its total assessed valuation of \$3,999,480,289. The current debt limit for the Town is \$119,984,409.

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Bonds and Notes	\$ 59,810,000	\$ 64,485,000	\$ 3,290,650	\$ 3,694,650	\$ 63,100,650	\$ 68,179,650
Bond Premiums	8,170,389	9,261,646	-	-	8,170,389	9,261,646
Total	\$ 67,980,389	\$ 73,746,646	\$ 3,290,650	\$ 3,694,650	\$ 71,271,039	\$ 77,441,296

Additional information on the Town's long-term debt can be found in Note 7 to the basic financial statements.

**TOWN OF LINCOLN, RHODE ISLAND
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2024**

Economic Factors and Next Year's Budgets and Rates

The latest published unemployment rate as of December 2024 for the Town is 5.5%. This compares favorably to the State's average unemployment rate of 4.8% and the national rate of 4.1%. Per capita and median family incomes remain some of the highest in the State.

The Financial Town Meeting voters approved a budget for fiscal year 2025 of \$104,476,004. This budget is 5.59% higher than the fiscal year 2024 budget. The School Department increase was 2.88% and Debt Service and the Resolutions funded through capital reserve funds net decrease was 10.3%.

Requests for Information

This financial report is designed to provide a general overview of the Town's finances for all those with an interest in the Town's finances. Questions concerning any information provided in this report or requests for additional financial information should be addressed to the Finance Director, 100 Old River Road, Lincoln, Rhode Island 02865.

BASIC FINANCIAL STATEMENTS

TOWN OF LINCOLN, RHODE ISLAND
STATEMENT OF NET POSITION
JUNE 30, 2024

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current Assets:			
Cash and Cash Equivalents	\$ 19,952,356	\$ 5,801,960	\$ 25,754,316
Cash with Fiscal agent	955,252	326,216	1,281,468
Investments	5,648,211	2,464,344	8,112,555
Property Taxes Receivable	2,915,710	-	2,915,710
Receivables, Net of Allowances	9,019,725	1,303,795	10,323,520
Internal Balances	(127,698)	127,698	-
Prepaid Items	668,401	-	668,401
Other Assets	-	179,129	179,129
Total Current Assets	<u>39,031,957</u>	<u>10,203,142</u>	<u>49,235,099</u>
Noncurrent Assets:			
Net Pension Asset	9,377,645	-	9,377,645
Capital Assets:			
Capital Assets Not Being Depreciated and Amortized	15,328,174	177,452	15,505,626
Capital Assets, Net of Accumulated Depreciation and Amortization	<u>139,384,597</u>	<u>30,307,414</u>	<u>169,692,011</u>
Total Noncurrent Assets	<u>164,090,416</u>	<u>30,484,866</u>	<u>194,575,282</u>
Total Assets	203,122,373	40,688,008	243,810,381
DEFERRED OUTFLOWS OF RESOURCES			
Pension Related Outflows	9,424,432	67,941	9,492,373
OPEB Related Outflows	2,090,858	-	2,090,858
Loss on Debt Refunding	<u>368,705</u>	<u>-</u>	<u>368,705</u>
Total Deferred Outflows of Resources	<u>11,883,995</u>	<u>67,941</u>	<u>11,951,936</u>
Total Assets and Deferred Outflows of Resources	<u><u>\$ 215,006,368</u></u>	<u><u>\$ 40,755,949</u></u>	<u><u>\$ 255,762,317</u></u>

See accompanying Notes to Basic Financial Statements.

TOWN OF LINCOLN, RHODE ISLAND
STATEMENT OF NET POSITION (CONTINUED)
JUNE 30, 2024

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
LIABILITIES			
Account Payable and Accrued Expenses	\$ 6,649,200	\$ 487,237	\$ 7,136,437
Accrued Interest	423,826	39,243	463,069
Deferred Revenue	3,423,667	31,813	3,455,480
Current Portion of Bonds and Loans Payable	4,860,000	418,583	5,278,583
Current Portion of Lease Liability	91,555	-	91,555
Current Portion of Compensated Absences	426,551	14,963	441,514
Current Portion of Financed Purchases	218,235	-	218,235
Total Current Liabilities	<u>16,093,034</u>	<u>991,839</u>	<u>17,084,873</u>
Due or Payable in More Than a Year:			
Bonds and Loans Payable	63,120,389	2,872,067	65,992,456
Leases	211,369	-	211,369
Financed Purchases	381,771	-	381,771
Compensated Absences	3,174,635	134,662	3,309,297
Net Other Postemployment Benefit Liability	12,650,514	-	12,650,514
Net Pension Liability	48,776,846	292,701	49,069,547
Total Noncurrent Liabilities	<u>128,315,524</u>	<u>3,299,430</u>	<u>131,614,954</u>
Total Liabilities	144,408,558	4,291,269	148,699,827
DEFERRED INFLOWS OF RESOURCES			
Pension Related Inflows	10,376,795	77,991	10,454,786
OPEB Related Inflows	3,583,727	-	3,583,727
Total Deferred Inflows of Resources	<u>13,960,522</u>	<u>77,991</u>	<u>14,038,513</u>
NET POSITION			
Net Investment in Capital Assets	85,966,766	27,520,432	113,487,198
Restricted			
Pension	9,377,645	-	9,377,645
Grants	1,273,964	-	1,273,964
Education	11,070,026	-	11,070,026
Surety Escrow	154,433	-	154,433
Unrestricted	(51,205,546)	8,866,257	(42,339,289)
Total Net Position	<u>56,637,288</u>	<u>36,386,689</u>	<u>93,023,977</u>
Total Liabilities, Deferred Inflows of Resources, and Net Position	<u>\$ 215,006,368</u>	<u>\$ 40,755,949</u>	<u>\$ 255,762,317</u>

See accompanying Notes to Basic Financial Statements.

**TOWN OF LINCOLN, RHODE ISLAND
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2024**

Functions/Programs	Expenses	Program Revenues			Net Revenue (Expense) and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total
					Governmental Activities	Business-Type Activities	
Primary Government:							
Governmental Activities:							
General Government	\$ 782,033	\$ 1,489,492	\$ 1,563,631	\$ -	\$ 2,271,090	\$ -	\$ 2,271,090
Financial Administration	3,082,768	-	-	-	(3,082,768)	-	(3,082,768)
Public Library	1,265,600	-	259,616	-	(1,005,984)	-	(1,005,984)
Public Safety	9,624,201	1,199,927	1,049,737	-	(7,374,537)	-	(7,374,537)
Public Services	12,733,678	149,946	52,941	-	(12,530,791)	-	(12,530,791)
Education	74,633,707	997,761	25,675,086	4,782,600	(43,178,260)	-	(43,178,260)
Interest on Debt	1,833,104	-	-	-	(1,833,104)	-	(1,833,104)
Total Governmental Activities	<u>103,955,091</u>	<u>3,837,126</u>	<u>28,601,011</u>	<u>4,782,600</u>	<u>(66,734,354)</u>	<u>-</u>	<u>(66,734,354)</u>
Business-Type Activities:							
Water Fund	4,264,673	4,419,273	-	-	-	154,600	154,600
Sewer Fund	814,273	1,024,269	-	-	-	209,996	209,996
Police Detail Fund	1,407,156	1,769,508	-	-	-	362,352	362,352
Total Business-Type Activities	<u>6,486,102</u>	<u>7,213,050</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>726,948</u>	<u>726,948</u>
Total Primary Government	<u>\$ 110,441,193</u>	<u>\$ 11,050,176</u>	<u>\$ 28,601,011</u>	<u>\$ 4,782,600</u>	<u>(66,734,354)</u>	<u>726,948</u>	<u>(66,007,406)</u>
General Revenues							
Real Estate and Personal Property, Net of Reserve for Abatements					58,244,892	-	58,244,892
Meals and Hotel Tax					1,157,164	-	1,157,164
Video Lottery					6,105,089	-	6,105,089
Table Game Commissions					1,118,244	-	1,118,244
Public Service Corporation Tax					297,074	-	297,074
School Housing Aid					3,421,130	-	3,421,130
Investment Income					759,815	393,987	1,153,802
Motor Vehicle Phase Out					5,683,016	-	5,683,016
Airport Aid					25,000	-	25,000
Medicaid					736,741	-	736,741
Miscellaneous					1,091,540	27,730	1,119,270
Gain on Sale of Capital Assets					1,125,775	-	1,125,775
Total General Revenues					<u>79,765,480</u>	<u>421,717</u>	<u>80,187,197</u>
CHANGE IN NET POSITION					13,031,126	1,148,665	14,179,791
Net Position - Beginning of Year, As Originally Reported					46,560,614	35,716,505	82,277,119
Restatement					<u>(2,954,452)</u>	<u>(478,481)</u>	<u>(3,432,933)</u>
Net Position - Beginning of Year, as Restated					<u>43,606,162</u>	<u>35,238,024</u>	<u>78,844,186</u>
NET POSITION - END OF YEAR					<u>\$ 56,637,288</u>	<u>\$ 36,386,689</u>	<u>\$ 93,023,977</u>

See accompanying Notes to Basic Financial Statements.

**TOWN OF LINCOLN, RHODE ISLAND
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2024**

	General Fund	School Unrestricted	Public Building Bond Fund	School Revolving Fund	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS						
ASSETS						
Cash and Cash Equivalents	\$ 14,419,680	\$ 2,536,762	\$ -	\$ -	\$ 2,995,914	\$ 19,952,356
Cash with fiscal agent	-	-	955,252	-	-	955,252
Investments	-	-	-	5,648,211	-	5,648,211
Receivables:						
Property Taxes, Net	2,915,710	-	-	-	-	2,915,710
Intergovernmental	2,882,262	-	-	-	64,612	2,946,874
Other, Net	4,926,227	364,563	-	-	782,061	6,072,851
Due from Other Funds	9,718,207	17,656,375	64,204	3,910,967	18,962,366	50,312,119
Prepaid Items	-	668,401	-	-	-	668,401
	<u>\$ 34,862,086</u>	<u>\$ 21,226,101</u>	<u>\$ 1,019,456</u>	<u>\$ 9,559,178</u>	<u>\$ 22,804,953</u>	<u>\$ 89,471,774</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
LIABILITIES						
Accounts Payable and Accrued Expenses	\$ 2,271,054	\$ 3,706,474	\$ -	\$ 200,109	\$ 471,563	\$ 6,649,200
Due to Other Funds	20,281,389	17,148,756	1,388,458	-	11,621,214	50,439,817
Unearned Revenues	-	-	-	-	3,423,667	3,423,667
Total Liabilities	<u>22,552,443</u>	<u>20,855,230</u>	<u>1,388,458</u>	<u>200,109</u>	<u>15,516,444</u>	<u>60,512,684</u>
DEFERRED INFLOWS OF RESOURCES						
Deferred Property Taxes	2,379,683	-	-	-	-	2,379,683
Other Deferred Revenue	450,989	-	-	-	682,092	1,133,081
Total Deferred Inflows of Resources	<u>2,830,672</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>682,092</u>	<u>3,512,764</u>
FUND BALANCES						
Nonspendable	-	668,401	-	-	-	668,401
Restricted	-	-	-	9,359,069	3,139,354	12,498,423
Committed	1,593,876	-	-	-	7,081,773	8,675,649
Unassigned	7,885,095	(297,530)	(369,002)	-	(3,614,710)	3,603,853
Total Fund Balances (Deficits)	<u>9,478,971</u>	<u>370,871</u>	<u>(369,002)</u>	<u>9,359,069</u>	<u>6,606,417</u>	<u>25,446,326</u>
	<u>\$ 34,862,086</u>	<u>\$ 21,226,101</u>	<u>\$ 1,019,456</u>	<u>\$ 9,559,178</u>	<u>\$ 22,804,953</u>	<u>\$ 89,471,774</u>
Total Fund Balances, Deferred Inflows of Resources, and Fund Balances (Deficits)	<u>\$ 34,862,086</u>	<u>\$ 21,226,101</u>	<u>\$ 1,019,456</u>	<u>\$ 9,559,178</u>	<u>\$ 22,804,953</u>	<u>\$ 89,471,774</u>

See accompanying Notes to Basic Financial Statements.

**TOWN OF LINCOLN, RHODE ISLAND
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2024**

Total Fund Balance - Governmental Funds \$ 25,446,326

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.

Governmental Capital Assets	217,508,977
Right of Use Asset	383,698
Less: Accumulated Depreciation and Amortization	<u>(63,179,904)</u>
Net Capital Assets	154,712,771

Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred inflows of resources in the funds.

Property Tax Receivables Greater than 60 Days	2,379,683
Deferred bond refunding	368,705
Other receivables	1,133,081
Net Pension Asset	9,377,645
Deferred Outflows of Resources Related to Pensions	9,424,432
Deferred Outflows of Resources Related to OPEB	2,090,858

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.

Bonds and Notes Payable	(59,810,000)
Deferred Inflows of Resources Related to Pensions	(10,376,795)
Deferred Inflows of Resources Related to OPEB	(3,583,727)
Unamortized Bond Issue Premium	(8,170,389)
Interest Payable on Bonds	(423,826)
Compensated Absences	(3,601,186)
Other Postemployment Benefits	(12,650,514)
Net Pension Liability	(48,776,846)
Lease Liability	(302,924)
Financed Purchases	<u>(600,006)</u>

Net Position of Governmental Activities	<u><u>\$ 56,637,288</u></u>
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See accompanying Notes to Basic Financial Statements.

TOWN OF LINCOLN, RHODE ISLAND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2024

	General Fund	School Unrestricted	Public Building Bond Fund	School Revolving Fund	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES						
General Property Taxes and Interest	\$ 58,318,605	\$ -	\$ -	\$ -	\$ -	\$ 58,318,605
Charges for services	2,732,166	276,105	-	-	828,855	3,837,126
Licenses and permits	-	-	-	-	-	-
Other Local and Departmental Revenue	17,771,316	35,401	-	-	-	17,806,717
Intergovernmental	330,600	20,819,999	-	4,782,600	6,686,487	32,619,686
Investment Income	281,374	111,931	73,072	293,422	16	759,815
Medicaid	468,517	268,224	-	-	-	736,741
Other Revenue	95,308	2,655	-	-	1,011,208	1,109,171
Total Revenues	<u>79,997,886</u>	<u>21,514,315</u>	<u>73,072</u>	<u>5,076,022</u>	<u>8,526,566</u>	<u>115,187,861</u>
EXPENDITURES						
Current:						
General Government	1,178,485	-	202,231	-	302,099	1,682,815
Financial Administration	3,082,768	-	-	-	-	3,082,768
Public Library	1,290,102	-	-	-	-	1,290,102
Public Safety	9,676,321	-	-	-	789,559	10,465,880
Public Services	10,381,481	-	-	-	2,391,705	12,773,186
Education	-	66,332,984	-	-	9,149,006	75,481,990
Capital Outlay	-	-	3,280,794	1,071,741	-	4,352,535
Debt Service:						
Principal	5,201,755	140,284	-	-	-	5,342,039
Interest	2,711,859	12,867	-	-	-	2,724,726
Total Expenditures	<u>33,522,771</u>	<u>66,486,135</u>	<u>3,483,025</u>	<u>1,071,741</u>	<u>12,632,369</u>	<u>117,196,041</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	46,475,115	(44,971,820)	(3,409,953)	4,004,281	(4,105,803)	(2,008,180)
OTHER FINANCING SOURCES (USES)						
Issuance of Lease	-	383,698	-	-	-	383,698
Sale of capital asset	1,125,775	-	-	-	-	1,125,775
Transfers In	-	44,713,907	-	-	1,991,970	46,705,877
Transfers Out	(46,705,877)	-	-	-	-	(46,705,877)
Total Other Financing Sources (Uses)	<u>(45,580,102)</u>	<u>45,097,605</u>	<u>-</u>	<u>-</u>	<u>1,991,970</u>	<u>1,509,473</u>
NET CHANGE IN FUND BALANCES	895,013	125,785	(3,409,953)	4,004,281	(2,113,833)	(498,707)
Fund Balance - Beginning of Year, As Originally Reported	9,448,190	245,086	-	-	12,901,743	22,595,019
Restatement	(864,232)	-	3,040,951	-	864,230	3,040,949
Adjustment						
(Nonmajor to Major Fund)	-	-	-	5,354,788	(5,354,788)	-
(Custodial to Capital Projects)	-	-	-	-	309,063	309,063
Fund Balance - Beginning of Year, As Adjusted or Restated	<u>8,583,958</u>	<u>245,086</u>	<u>3,040,951</u>	<u>5,354,788</u>	<u>8,720,248</u>	<u>25,945,031</u>
FUND BALANCES - END OF YEAR	<u>\$ 9,478,971</u>	<u>\$ 370,871</u>	<u>\$ (369,002)</u>	<u>\$ 9,359,069</u>	<u>\$ 6,606,415</u>	<u>\$ 25,446,324</u>

See accompanying Notes to Basic Financial Statements.

TOWN OF LINCOLN, RHODE ISLAND
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2024

Net Change in Fund Balances - Governmental Funds \$ (498,707)

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation and amortization expense.

Capital Outlay	11,505,530
Depreciation and Amortization Expense	(7,510,385)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

Property Taxes Collected After 60 Days	(73,713)
Other Receivables	746,294
Change in Net Pension Asset	1,139,903
Change in Deferred Outflows of Resources Related to Pensions	(444,868)
Change in Deferred Outflows of Resources Related to OPEB	(1,766,784)

The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Principal Payments	4,675,000
Amortization of Bond Premiums	1,091,257
Issuance of Leases	(383,698)
Principal Payments on Leases	140,284
Accrued Interest	77,334
Principal Payments on Financed Purchases	526,755

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Change in Deferred Inflows of Resources Related to Pensions	(3,585,443)
Change in Deferred Inflows of Resources Related to OPEB	(383,024)
Change in deferred amount in refunding	(122,930)
Change in Long-Term Compensated Absences	1,138,568
Change in Net Pension Liability	6,805,604
Change in Net OPEB Liability	(628,851)
Changes in IBNR	583,000

Change in Net Position of Governmental Activities as Reported on the Statement of Activities	\$ 13,031,126
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See accompanying Notes to Basic Financial Statements.

**TOWN OF LINCOLN, RHODE ISLAND
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2024**

	Water Fund	Sewer Fund	Nonmajor Police Detail Fund	Total
ASSETS				
Current Assets:				
Cash and Cash Equivalents	\$ 5,259,395	\$ 542,565	\$ -	\$ 5,801,960
Cash with Fiscal Agents	-	326,216	-	326,216
Investments	2,464,344	-	-	2,464,344
Due from Other Funds	-	-	1,244,550	1,244,550
Receivables, Net:				
User Fees, Net	609,883	221,052	472,860	1,303,795
Other Assets	179,129	-	-	179,129
Total Current Assets	<u>8,512,751</u>	<u>1,089,833</u>	<u>1,717,410</u>	<u>11,319,994</u>
Noncurrent Assets:				
Nondepreciable	177,452	-	-	177,452
Depreciable, Net	19,684,960	10,570,558	51,896	30,307,414
Total Noncurrent Assets	<u>19,862,412</u>	<u>10,570,558</u>	<u>51,896</u>	<u>30,484,866</u>
Total Assets	28,375,163	11,660,391	1,769,306	41,804,860
DEFERRED OUTFLOWS OF RESOURCES				
Pension Related Outflows	67,941	-	-	67,941
Total Assets and Deferred Outflows of Resources	28,443,104	11,660,391	1,769,306	41,872,801
LIABILITIES				
Current Liabilities:				
Accounts Payable and Accrued Expenses	313,919	172,294	1,024	487,237
Accrued Interest Payable	13,203	26,040	-	39,243
Due to Other Funds	60,063	283,163	773,626	1,116,852
Deferred Revenue	7,590	24,223	-	31,813
Current Portion of Compensated Absences	14,963	-	-	14,963
Current Portion of Loans Payable	220,583	198,000	-	418,583
Total Current Liabilities	<u>630,321</u>	<u>703,720</u>	<u>774,650</u>	<u>2,108,691</u>
Noncurrent Liabilities:				
Compensated Absences	134,662	-	-	134,662
Loans Payable	1,044,567	1,827,500	-	2,872,067
Net Pension Liability	292,701	-	-	292,701
Total Noncurrent Liabilities	<u>1,471,930</u>	<u>1,827,500</u>	<u>-</u>	<u>3,299,430</u>
Total Liabilities	2,102,251	2,531,220	774,650	5,408,121
DEFERRED INFLOWS OF RESOURCES				
Pension Related Inflows	77,991	-	-	77,991
Total Deferred Inflows of Resources	<u>77,991</u>	<u>-</u>	<u>-</u>	<u>77,991</u>
NET POSITION				
Net Investment in Capital Assets	18,597,262	8,871,274	51,896	27,520,432
Unrestricted	7,665,600	257,897	942,760	8,866,257
Total Net Position	<u>\$ 26,262,862</u>	<u>\$ 9,129,171</u>	<u>\$ 994,656</u>	<u>\$ 36,386,689</u>

See accompanying Notes to Basic Financial Statements.

TOWN OF LINCOLN, RHODE ISLAND
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2024

	Water Fund	Sewer Fund	Nonmajor Police Detail Fund	Total
OPERATING REVENUES				
User Fees and Charges	\$ 4,419,273	\$ 1,024,269	\$ 1,769,508	\$ 7,213,050
Other Revenues	-	27,730	-	27,730
Total Operating Revenues	<u>4,419,273</u>	<u>1,051,999</u>	<u>1,769,508</u>	<u>7,240,780</u>
OPERATING EXPENSES				
Administrative	1,433,846	111,978	1,348,951	2,894,775
Maintenance and Servicing	2,410,203	144,192	18,756	2,573,151
Operating Supplies	-	12,188	23,231	35,419
Depreciation and Amortization	394,118	437,542	16,218	847,878
Total Operating Expenses	<u>4,238,167</u>	<u>705,900</u>	<u>1,407,156</u>	<u>6,351,223</u>
OPERATING INCOME	181,106	346,099	362,352	889,557
NONOPERATING REVENUES (EXPENSES)				
Investment Income	393,987	-	-	393,987
Interest Expense	(26,506)	(108,373)	-	(134,879)
Total Nonoperating Revenues (Expenses)	<u>367,481</u>	<u>(108,373)</u>	<u>-</u>	<u>259,108</u>
INCOME (LOSS) BEFORE TRANSFERS	<u>548,587</u>	<u>237,726</u>	<u>362,352</u>	<u>1,148,665</u>
CHANGES IN NET POSITION	548,587	237,726	362,352	1,148,665
Net Position - Beginning of Year, As Originally Reported	26,192,756	8,891,445	632,304	35,716,505
Restatement	(478,481)	-	-	(478,481)
Net Position - Beginning of Year, As Restated	<u>25,714,275</u>	<u>8,891,445</u>	<u>632,304</u>	<u>35,238,024</u>
NET POSITION - END OF YEAR	<u>\$ 26,262,862</u>	<u>\$ 9,129,171</u>	<u>\$ 994,656</u>	<u>\$ 36,386,689</u>

See accompanying Notes to Basic Financial Statements.

**TOWN OF LINCOLN, RHODE ISLAND
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2024**

	Water Fund	Sewer Fund	Nonmajor Police Detail Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash Received from Customers	\$ 4,469,548	\$ 1,051,998	\$ 1,559,953	\$ 7,081,499
Payments to Suppliers and Employees	(3,939,835)	(300,299)	(1,382,587)	(5,622,721)
Net Cash Provided by Operating Activities	529,713	751,699	177,366	1,458,778
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Proceeds from Interfund Borrowings	60,063	146,946	225,750	432,759
Net Cash Provided by Noncapital Financing Activities	60,063	146,946	225,750	432,759
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition of Capital Assets	(259,041)	(388,260)	-	(647,301)
Principal Paid on Bonds and Notes Payable	(213,000)	(191,000)	-	(404,000)
Interest Paid on Bonds and Notes Payable	(26,506)	(108,373)	-	(134,879)
Net Cash Used by Capital and Related Financing Activities	(498,547)	(687,633)	-	(1,186,180)
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment Income	393,987	-	-	393,987
Sale of Investments	263,045	-	-	263,045
Net Cash Provided by Investing Activities	657,032	-	-	657,032
NET CHANGE IN CASH AND CASH EQUIVALENTS	748,261	211,012	403,116	1,362,389
Cash and Cash Equivalents - Beginning of Year	4,511,134	657,769	(386,898)	4,782,005
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 5,259,395</u>	<u>\$ 868,781</u>	<u>\$ 16,218</u>	<u>\$ 6,144,394</u>

See accompanying Notes to Basic Financial Statements.

**TOWN OF LINCOLN, RHODE ISLAND
STATEMENT OF CASH FLOWS (CONTINUED)
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2024**

	Water Fund	Sewer Fund	Nonmajor Police Detail Fund	Total
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES				
Operating Income	\$ 181,106	\$ 346,099	\$ 362,352	\$ 889,557
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:				
Depreciation Expense	394,118	437,542	16,218	847,878
Change in Assets and Liabilities:				
(Increase) Decrease in User Charges				
Receivables, Net	50,275	(25,962)	(209,555)	(185,242)
Increase in Other Assets	(23,759)	-	-	(23,759)
Decrease in Prepaid Items	475	-	-	475
Increase in Deferred Pension Outflows	(28,975)	-	-	(28,975)
Increase (Decrease) in Accounts Payable and Accrued Expenses	(268,520)	142,857	(7,867)	(133,530)
Decrease in Accrued Interest Payable	(90)	(174,798)	-	(174,888)
Increase in Compensated Absences	149,625	-	-	149,625
Increase in Net Pension Liability	9,629	-	-	9,629
Increase in Net Pension Inflows	65,829	-	-	65,829
Increase in Deferred Revenue	-	25,961	-	25,961
Net Cash Provided by Operating Activities	<u>\$ 529,713</u>	<u>\$ 751,699</u>	<u>\$ 161,148</u>	<u>\$ 1,442,560</u>
RECONCILIATION OF STATEMENT OF CASH FLOWS TO CASH AND CASH EQUIVALENTS, INCLUDING CASH WITH FISCAL AGENTS PER THE PROPRIETARY FUNDS STATEMENT OF NET POSITION				
Cash and Cash Equivalents	\$ 5,259,395	\$ 542,565	\$ -	\$ 5,801,960
Cash with Fiscal Agent	-	326,216	-	326,216
Total	<u>\$ 5,259,395</u>	<u>\$ 868,781</u>	<u>\$ -</u>	<u>\$ 6,128,176</u>

See accompanying Notes to Basic Financial Statements.

**TOWN OF LINCOLN, RHODE ISLAND
STATEMENT OF NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2024**

	Employee Benefit Trust Funds	Private Purpose Trust Funds
ASSETS		
Cash and Cash Equivalents	\$ 3,459	\$ 34,264
Investments	56,958,435	-
Total Assets	56,961,894	34,264
LIABILITIES		
Due to Primary Government	2,359,106	-
Total Liabilities	2,359,106	-
NET POSITION		
Restricted for:		
Pension Trust	42,949,668	-
OPEB Trust	11,653,120	-
Individuals	-	7,535
Organizations	-	26,729
Total Net Position	54,602,788	34,264
Total Liabilities and Net Position	\$ 56,961,894	\$ 34,264

See accompanying Notes to Basic Financial Statements.

**TOWN OF LINCOLN, RHODE ISLAND
STATEMENT OF CHANGES IN NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2024**

	Employee Benefit Trust Funds	Private Purpose Trust Funds
ADDITIONS:		
Contributions:		
Employer	\$ 4,689,046	\$ -
Plan Members	426,115	-
Investment Income, Net of Related Fees	6,225,712	85
Total Additions	11,340,873	85
DEDUCTIONS:		
Benefits Paid	5,290,068	-
Administrative Expenses	38,765	-
Total Deductions	5,328,833	-
CHANGE IN NET POSITION	6,012,040	85
Net Position - Beginning of Year	48,590,748	34,179
NET POSITION - END OF YEAR	\$ 54,602,788	\$ 34,264

See accompanying Notes to Basic Financial Statements.

TOWN OF LINCOLN, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Town of Lincoln, Rhode Island (the Town) have been prepared in conformity with generally accepted accounting principles (GAAP), as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The Town's significant accounting policies are described below.

A. Reporting Entity

The Town was founded in 1871. The Town is governed largely under the 1958 Home Rule Charter, which provides for a Council-Administrator form of government. The Town provides various services including education, water, libraries, public safety (police and rescue), public works, (engineering, highway, recycling, sewer, public buildings, parks and recreation), social services, and general government services.

The elected Town Administrator serves as chief administrative agent over all municipal services including public safety (police and rescue), public works (highway, maintenance, and sanitation), social services, parks and recreation, planning, zoning and inspection, and general administrative services. The Superintendent of Schools, appointed by the School Committee, serves as the chief administrative agent for the School Department, which provides elementary and secondary education to Town residents. The Superintendent of the Water Commission, appointed by the Board of Water Commissioners, serves as the Chief Administrative Agent for the Water Commission, a quasi-municipal agency/department of the Town.

The Town complies with generally accepted accounting principles (GAAP), including all relevant Governmental Accounting Standards Board (GASB) pronouncements. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of this Note.

B. Basis of Presentation – Government-Wide Financial Statements

The statement of net position and statement of activities display information about the Town as a whole. They include all funds of the Town except for fiduciary funds, which are reported only in the fund financial statements. The statements distinguish between governmental and business-type activities. *Governmental activities*, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external customers for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or business-type activity is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or program. Program revenues include 1) fees, fines, and charges to customers who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or program, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or program. Taxes and other items not included among program revenues are reported instead as general revenues.

TOWN OF LINCOLN, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation – Government-Wide Financial Statements (Continued)

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments in lieu of taxes where the amounts are reasonably equivalent in value to the interfund services provided, and other charges between the Town's enterprise fund and various other functions of the Town. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

C. Basis of Presentation – Fund Financial Statements

The fund financial statements provide information about the Town's funds, including its fiduciary funds. Separate statements for each fund category—governmental, proprietary, and fiduciary—are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds in separate columns in the fund financial statements.

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

The Town reports the following major governmental funds:

General Fund

The *General Fund* is the Town's primary operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund.

School Unrestricted Fund

The *Unrestricted Fund* is the School's primary operating fund. Revenue is derived primarily from state and federal aid and appropriations from the Town.

School Revolving Fund

The *School Revolving Fund* is a Town special revenue fund used to account for the proceeds of specific revenue sources that are legally or administratively restricted to expenditures for specific purposes other than debt service or capital projects.

TOWN OF LINCOLN, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Presentation – Fund Financial Statements (Continued)

Public Building Bond Fund

The *Public Building Bond fund* is a Town debt service fund which is used to account for the accumulation of resources and the payment of general long-term principal, interest and related costs.

The Town reports the following major proprietary funds:

Water Fund

The *Water Fund* is a proprietary (enterprise) fund used to account for the supply of public water to the Town of Lincoln. The fund is primarily supported through charges to customers.

Sewer Fund

The *Sewer Fund* is a proprietary (enterprise) fund used to account for solid waste disposal operations of the Town. The fund is primarily supported through charges to customers.

Additionally, the Town reports the following fund types:

Special Revenue Funds

The *Special Revenue Funds* are used to account for the proceeds of specific revenue sources that are legally or administratively restricted to expenditures for specific purposes other than debt service or capital projects.

Capital Projects Funds

The *Capital Projects Funds* are used to account for and report resources restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

Proprietary Fund Type

The *Police Detail Funds* are used to account for business-like activities provided to the general public (enterprise funds) These activities are financed primarily by user charges and the measurement of financial activity focuses on net income measurement similar to the private sector.

Pension Trust Fund

The *Pension Trust Fund* accounts for contributions made by the Town and its participating employees to provide retirement benefits to the participating employees.

TOWN OF LINCOLN, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Presentation – Fund Financial Statements (Continued)

OPEB Trust Fund

The *OPEB Trust Fund* is used to account for funding of future other postemployment benefits such as health, dental and life insurance for the Town's and School Department's retirees.

Private Purpose Trust Fund

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

D. Measurement Focus and Basis of Accounting

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they have been earned and they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Town considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service principal and interest expenditures on general long-term debt, including lease liabilities, as well as expenditures related to compensated absences, and claims and judgments, postemployment benefits and asset retirement obligations are recognized based on specific accounting rules applicable to each, generally when payment is due. General capital asset acquisitions, including entering into contracts giving the Town the right to use lease assets, are reported as expenditures in governmental funds. Issuance of long-term debt and financing through leases are reported as other financing sources.

Property taxes, charges for services, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end).

TOWN OF LINCOLN, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Measurement Focus and Basis of Accounting (Continued)

Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the Town.

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

The proprietary, pension, other postemployment benefit trust, and private-purpose trust funds are reported using the economic resources measurement focus and the accrual basis of accounting.

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance

1. Cash and Cash Equivalents

The Town's cash and cash equivalents consist of cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Under Rhode Island general laws, depository institutions must insure deposits of municipalities or pledge eligible collateral equal to 100% of deposits maturing in greater than 60 days. Any institution not meeting certain federally prescribed minimum capital standards must insure deposits or provide collateral regardless of date of maturity. The Town complied with these requirements. The Town does not have a deposit policy for custodial credit risk or other risks.

2. Investments

Investments are reported at fair value (generally based on quoted market prices). Unrealized gains and losses from changes in fair value are recognized as investment income. The Town does not have an investment policy for custodial credit risk or other risks other than those relating to its pension trust fund. The Town's investment commission is responsible for the supervision of the investment of the Town's Pension Trust Fund investments, with the objective of preserving capital and investing with care to minimize the risk of large losses.

TOWN OF LINCOLN, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (Continued)

3. Accounts Receivable

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

All trade and other receivables are shown net of allowances for uncollectible amounts. Receivables are analyzed for their collectability based on the terms and conditions of agreements, as well as current economic conditions and consideration of the creditors ability to pay. In addition to those receivables specifically identified as uncollectible, a general allowance is established for receivables older than one year.

4. Interfund transactions

Transactions between funds have been eliminated in the government-wide financial statements but fully presented within the governmental fund financial statements with no elimination made between or within funds. Reimbursements are accounted for as expenditures in the reimbursing fund and reductions to expenditures in the reimbursed fund. All other interfund transactions in the governmental fund financial statements are operating transfers on the operating statements of the funds involved.

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

5. Property Taxes

Property taxes are recognized as revenue in the year they are levied and become available. Taxes are levied on July 1 on (a) 100% of the full and fair value of real and tangible personal property owned within the Town the previous December 31; and (b) the value, as determined by the Rhode Island Vehicle Valuation Commission, of vehicles registered within the Town the previous calendar year, prorated for the actual number of days so registered. Taxes levied on July 1 are payable July 31 or may be paid quarterly on July 31, October 31, January 31, and April 30. Failure to make payments by March 10 will result in a lien on the taxpayer's property.

**TOWN OF LINCOLN, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Equity (Continued)

6. Supplies and Prepaid Items

Supplies of governmental funds are recorded as expenditures at the time of purchase, while in the proprietary funds, the cost of supplies are recorded as an expense when consumed.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures when consumed rather than when purchased. In the governmental funds, reported prepaid items are classified as nonspendable fund balance.

7. Capital Assets

Capital assets, which include property, plant, equipment, intangible, and infrastructure assets (e.g., roads, bridges, sidewalks and similar items), are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year.

As the government constructs or acquires additional capital assets each period, including infrastructure assets, they are capitalized and reported at historical cost (except for intangible right-to-use lease assets, the measurement of which is discussed below). The reported value excludes normal maintenance and repairs that are essentially amounts spent in relation to capital assets and that do not increase the capacity or efficiency of the item or increase its estimated useful life. Donated capital assets are recorded at acquisition value at the date of donation

Land and construction in progress are not depreciated. The other tangible and intangible property, plant, equipment and infrastructure of the primary government are depreciated/amortized using the straight-line method over the following estimated useful lives:

Capital Asset Class	Lives
Land Improvements	20
Building Improvements	20 – 60
Furniture and Equipment	2 – 30
Motor Vehicles	5 – 10
Water Mains, Valves, Tanks, Hydrants and Services	20 – 60

TOWN OF LINCOLN, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Equity (Continued)

8. Leases (Lessee)

The Town determines if an arrangement is a lease at inception. Leases are included in lease assets and lease liabilities in the statement of net position.

Right-to-use lease assets are initially measured at the present value of payments expected to be made during the lease term, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset.

Lease liabilities represent the Town's obligation to make lease payments arising from the lease. Lease liabilities are recognized at the commencement date based on the present value of expected lease payments over the lease term, less any lease incentives. Interest expense is recognized ratably over the contract term.

The lease term may include options to extend or terminate the lease when it is reasonably certain that the Town will exercise that option.

The Town has elected to recognize payments for short-term leases with a lease term of twelve months or less as expenses as incurred, and these leases are not included as lease liabilities or right-to-use lease assets on the statements of net position.

The individual lease contracts may not provide information about the discount rate implicit in the lease. Therefore, the Town has elected to use their incremental borrowing rate to calculate the present value of expected lease payments.

9. Subscription-Based Information Technology Arrangements (SBITA)

SBITA assets are initially measured as the sum of the present value of payments expected to be made during the subscription term, payments associated with the SBITA contract made to the SBITA vendor at the commencement of the subscription term, when applicable, and capitalizable implementation costs, less any SBITA vendor incentives received from the SBITA vendor at the commencement of the SBITA term. SBITA assets are amortized in a systematic and rational manner over the shorter of the subscription term or the useful life of the underlying IT assets.

TOWN OF LINCOLN, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Equity (Continued)

10. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position or fund balance that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Town reports deferred charge on refunding and deferred outflows related to pensions and OPEB in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The deferred outflows related to pensions and OPEB results from differences between projected and actual earnings on plan investments and changes in actuarial assumptions. The deferred outflows related to contributions will be recognized in the following year while the deferred outflows related to projected and actual earnings will be amortized over the average remaining service life of all plan members.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Town reports advance collections and deferred inflows of resources related to pensions in this category. The deferred inflows of resources related to pensions and OPEB is the difference between projected and actual earnings on pension plan investment and changes in actuarial assumptions. These deferred inflows will be amortized over the average remaining services life of all plan members.

11. Encumbrances

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

12. Unearned Revenue

Unearned revenues are reported in connection with resources that have been received but not yet earned.

TOWN OF LINCOLN, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Equity (Continued)

13. Long-Term Obligations

Long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund statement of net position. Bond premiums and discounts are amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

14. Compensated Absences

The liability for compensated absences reported in the government-wide financial statements consists of unpaid, accumulated annual vacation and sick leave balances. The liability has been calculated using the vesting method, in which leave amounts for both employees who currently are eligible to receive termination payments and other employees who are expected to become eligible in the future to receive such payments upon termination are included.

In the governmental fund financial statements, vested or accumulated vacation and sick leave that is expected to be liquidated with expendable available financial resources is reported as expenditures and a fund liability of the governmental fund that will pay it.

15. Judgements and Claims

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

16. Bond Issuance Costs

Bond issuance costs, except any portion related to prepaid insurance costs, are recognized as an expense in the period incurred.

TOWN OF LINCOLN, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Equity (Continued)

17. Net Pension Liability

For purposes of measuring the net pension liability (asset), deferred outflows/inflows of resources, and pension expense, information about the fiduciary net position of the Town's Private Plan and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, plan contributions are recognized as of employer payroll paid dates and benefit payments and refunds of employee contributions are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

18. Net Other Postemployment Benefits (OPEB) Liability

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

19. Fund Balance

The classification of fund balances are described as follows:

Nonspendable fund balance – Consists of amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact.

Restricted fund balance – Consists of amounts that can be spent only for specific purposes because of constraints imposed by external resource providers (creditors, grantors, contributors or laws or regulations of other governments) or imposed by constitutional provisions or enabling legislation.

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

Assigned fund balance - Consists of amounts that are intended to be used by the Town for specific purposes but do not meet the criteria to be classified as committed. Intent may be expressed either by the Council or officials to which the Council has delegated authority.

TOWN OF LINCOLN, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Equity (Continued)

19. Fund Balance (Continued)

Unassigned fund balance - Consists of the residual amount for the general fund that is not contained in the other classifications. The general fund is the only fund that reports a positive unassigned fund balance. Any deficit fund balance within the other governmental fund types is reported as unassigned.

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

20. Minimum Fund Balance Policy

This Fund Balance Policy is designed to ensure that the financial stability and sustainability of the general fund by maintaining an appropriate level of unrestricted fund balance.

Excess Fund Allocation: If the unrestricted fund balance of the general fund exceed 8% of the subsequent year's general fund expenditures operating budget, the excess amount above 8% should be equally allocated to the Open Space Reserve Fund and the Capital Fund.

Restoration of Fund Balance: Conversely, if the unrestricted fund balance of the general fund falls below 8% of the subsequent year's general fund expenditure operating budget, the Town's charter mandates a restoration process. If there are sufficient funds available in the Open Space Reserve Fund and Capital fund, the necessary amount should be transferred equally from both to restore the unrestricted fund balance.

TOWN OF LINCOLN, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Equity (Continued)

21. Net Position

Net position is comprised of three components: net investment in capital assets, restricted, and unrestricted.

Net Investment in Capital Assets - Consists of capital assets, net of accumulated depreciation/amortization and reduced by outstanding balances of bonds, notes, and other debt that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are included in this component of net position.

Restricted Net Position - Is reported when there are limitations imposed on use either through enabling legislation or through external restrictions imposed by creditors, grants, laws or regulations of other governments.

Unrestricted Net Position - Is the amount of net position that does not meet the definition of the two preceding categories.

22. Use of Estimates

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

NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Accounting

In accordance with the Town Charter, the Town Administrator must present to the Budget Board a recommended annual budget for the operations of all municipal departments no later than February 15 of each fiscal year. The recommended budget must include an appropriation to fund school expenditures. At least three weeks after the receipt of the budget from the Town Administrator, the Budget Board holds a public hearing thereon. The Budget Board completes its consideration of the budget thirty days prior to the date of the financial town meeting. The financial town meeting may increase or decrease items of the budget as presented by the Budget Board. The final recommended budget is legally adopted at the annual financial town meeting. All annual appropriations lapse at fiscal year-end.

**TOWN OF LINCOLN, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONTINUED)

A. Budgetary Accounting (Continued)

The General Fund and the School Department annual operating budgets are in conformity with the legally enacted budgetary basis. The legally enacted budgetary basis differs from accounting principles generally accepted in the United States (U.S. GAAP) in several regards. Budgets are adopted on the modified accrual basis with certain exceptions. Budgetary revenues may include re-appropriations from fund equity previously recognized under U.S. GAAP. Budgetary expenditures and expenses are recognized when legally binding orders (encumbrances) are placed. Enterprise fund budgetary expenses include expenses for fixed asset additions, debt service issuance costs and debt service principal payments not recognized under U.S. GAAP but exclude depreciation and amortization, U.S. GAAP basis expenses.

Costs of operations for all departments, offices and agencies established within the Town Charter must be approved through the annual budget process. These departments are presented within the General Fund and the School Department Municipal budgetary control is legally enforced at the department level. Appropriation transfers between departments require approval by the Town Council. Other appropriation increases require both the establishment of a funding source and passage of a budget amendment ordinance. Unencumbered and unexpended appropriations lapse at fiscal year-ended.

B. Excess of Expenditures over Appropriations

For the year ended June 30, 2024, General fund expenditures exceeded appropriations in the following categories:

General Fund:	
Financial Administration	\$ 129,728
Public Service	733,513
Public Safety	590,824
Grants and Contributions	10,000

For the year ended June 30, 2024, School Unrestricted Fund expenditures exceeded appropriations in the following categories:

School Unrestricted Fund:	
Purchased Services	\$ 217,684
Supplies and Materials	333,357
Other Expenditures	36,022
Capital Outlay	358,640

**TOWN OF LINCOLN, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONTINUED)

C. Fund Deficits

The following individual funds had unassigned fund deficits as of June 30, 2024:

Town Special Revenue and Capital Projects Funds:

School Capital Projects	\$ 2,452,289
Public Building Bond Fund	369,002
DCF Grant	97,770
Police Vest Grant	833
Pandemic Response Program	311,431
Pacemaking	7,499
Operation Riptide	5,943
Total Fund Deficit	\$ 3,244,767

School Special Revenue Fund:

Esser II Priority B	\$ 98,680
Esser II Digital Divide	76,413
Esser II Other Priority	506,999
SBA Capital	56,853
Total Fund Deficit	\$ 738,945

The fund deficits will either be funded through external contributions or revenues or by support from the General Fund or School Unrestricted Fund if needed. Any General Fund support would need to be deliberated by management of the Town with a resolution passed by the Town Council and any School Unrestricted Fund support would need to be deliberated by management of the Lincoln Public Schools and passed by the School Committee.

NOTE 3 DEPOSITS AND INVESTMENTS

A. Deposits

The Town’s custodial credit risk policy is in accordance with RI General Laws, Chapter 35-10.1, 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 100% of time deposits with maturities greater than 60 days. Any of these institutions which do not meet minimum capital standards prescribed by federal regulators will insure or pledge eligible collateral equal to 100% deposits, regardless of maturities.

The Town maintains deposits in various financial institutions that are carried at market value except for those amounts which are carried as petty cash. The carrying amount of deposits is separately displayed on the balance sheet as “Cash and Cash Equivalents.”

**TOWN OF LINCOLN, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 3 DEPOSITS AND INVESTMENTS (CONTINUED)

A. Deposits (Continued)

Custodial Credit Risk

In the case of deposits, this is the risk that, in the event of the failure of a depository financial institution, the Town will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party.

At June 30, 2024, the carrying amount of the Town's cash and cash equivalents, including cash with fiscal agents, totaled \$27,073,506 while the bank balances totaled \$25,770,711. Of this amount, \$1,558,474 was insured with FDIC and approximately \$24,212,237 was exposed to custodial credit risk because it was uninsured and collateralized but not in the Town's name.

B. Investments

Investment of all idle funds is made through national banks or trust companies, providing that the financial conditions and integrity of these institution or institutions are verifiable and can be monitored. The investment of funds is in direct obligations of the United States Government and "money market instruments" rated "A" or better. Investments in any one institution cannot exceed 5% of that institutions capital and surplus as set forth in the institutions most recent audited financial statements.

Interest Rate Risk

Interest rate risk is the risk that changes in the market interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the Town manages its exposure to declines in fair values by limiting the maximum maturity length of investments.

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

Investment Type	Fair Value	Investment Maturities (Years)		
		Less than 1	1-10	More Than 10
Interest-Bearing investments:				
Certificate of Deposit				
U.S. Government Securities	\$ 4,563,096	\$ 2,512,209	\$ 1,382,315	\$ 668,572
U.S. Government Agencies	1,855,935	-	-	1,855,935
Corporate Bonds	1,526,474	188,389	1,090,915	247,170
Private Placements	30,895	-	30,895	-
Foreign Bonds and Notes	16,381	-	16,381	-
Pooled Investments (OSIP)	5,648,211	5,648,211	-	-
Total	\$ 13,640,992	\$ 8,348,809	\$ 2,520,506	\$ 2,771,677
Other investments:				
Mutual Funds	\$ 23,116,152			
Short Term Investments	2,415,264			
Collective Trust	231,177			
Equity Securities	25,667,405			
Total Investments	\$ 65,070,990			

**TOWN OF LINCOLN, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 3 DEPOSITS AND INVESTMENTS (CONTINUED)

B. Investments (Continued)

Presented below is the rating of investments for each debt investment type:

Average Rating	Corporate Bonds	U.S. Government		Foreign Bonds and Notes	Private Placements
		Securities	Agencies		
Aaa	\$ -	\$ 4,563,095	\$ 1,855,935	\$ -	\$ -
Aa3	125,862	-	-	-	-
A2	106,922	-	-	-	-
A3	171,156	-	-	-	-
Baa1	296,241	-	-	16,381	-
Baa2	422,524	-	-	-	-
Baa3	227,712	-	-	-	-
Ba1	59,162	-	-	-	30,895
Ba3	58,151	-	-	-	-
B1	49,749	-	-	-	-
B3	8,994	-	-	-	-
Total	<u>\$ 1,526,473</u>	<u>\$ 4,563,095</u>	<u>\$ 1,855,935</u>	<u>\$ 16,381</u>	<u>\$ 30,895</u>

Custodial Credit Risk

Custodial credit risk for investments is the risk that, in the event of failure of the counterparty, the Town will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Town does not believe that it has significant custodial credit risk with regard to its investments as substantially all investment securities are registered and held in the name of the Town.

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization to debt securities. The Town's formal investment policy for its Pension Trust Fund states that no security can be purchased that is rated below "B" by Moody's Investor Services or Standard & Poor's Ratings Group. The pension investment policy also states that no more than 10% of the portfolio's fixed income allocation may be invested in securities rated below investment grade. The pension portfolio may not invest in or use synthetic securities or derivatives of any kind. The Town does not have a formal policy that limits investment choices for its other funds.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of the investment in a single issuer. The Town's formal investment policy for its Pension Trust Fund and OPEB Trust Fund states that no more than 5% of the portfolio's value may be invested in the securities of any one issuer except for securities of the U.S. Government, its agencies, or instrumentalities. The Town does not have a formal policy that limits the amount that the Town may invest in one issuer for its other funds.

Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or deposit. The Town does not have a formal policy for foreign currency risk. The Town had one investment in Canadian Pacific Railway Bond which matures December 2, 2031, and as of June 30, 2024, the investment amount totaled \$16,381.

**TOWN OF LINCOLN, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 3 DEPOSITS AND INVESTMENTS (CONTINUED)

B. Investments (Continued)

Fair Value of Investments

All investments are made as would be done by prudent men of discretion and intelligence in such matters who are seeking a reasonable income and preservation of their capital. The Town follows the guidance of the fair value measurement and disclosures in accordance with GASB Statement No. 72, *Fair Value Measurement and Application*. The fair value hierarchy is categorized into three levels based on the inputs as follows:

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

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

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

Investment at Fair Value	June 30, 2024	Level 1	Level 2	Level 3
Debt Securities:				
U.S. Government Securities	\$ 4,563,096	\$ 4,563,096	\$ -	\$ -
U.S. Government Agencies	1,855,935	-	1,855,935	-
Corporate Bonds	1,526,474	-	1,526,474	-
Common Stock	25,667,405	25,667,405	-	-
Mutual Funds	23,116,152	23,116,152	-	-
Foreign Bonds and Notes	16,381	-	16,381	-
Private Placements	30,895	-	30,895	-
Short-Term Investments	2,415,264	2,415,264	-	-
Collective Trust	231,177	-	231,177	-
Pooled Investments (OSIP)	5,648,211	5,648,211	-	-
Total Investments	<u>\$ 65,070,990</u>	<u>\$ 61,410,128</u>	<u>\$ 3,660,862</u>	<u>\$ -</u>

Pursuant to GASB 79, Certain External Investment Pools and Pool Participants, the Town's Ocean State Investment Pool Cash Portfolio (OSIP) represents qualifying external investment pools that measures for financial reporting purposes all its investments at amortized cost.

**TOWN OF LINCOLN, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 3 DEPOSITS AND INVESTMENTS (CONTINUED)

B. Investments (Continued)

Fair Value of Investments (Continued)

The OSIP is offered by The State of Rhode Island and managed by FIAM LLC (FIAM), a Fidelity Investments company. While OSIP is unrated, investments are required to be invested in only the "highest quality securities" defined as being rated in one of the highest categories by at least two National Recognized Statistical Rating Organizations. Credit quality represents ratings assigned at the security level or ratings assigned to the entities that issue the securities. OSIP uses ratings from Moody's Investors Services, Inc. Where Moody's ratings are not available, S&P ratings have been used. If a security has two ratings, the security is considered to be in the lower category. If a security has more than two ratings, the security is considered to be in the highest category of ratings as determined by at least two ratings. Repurchase agreements have been classified by FIAM and approved by the Rhode Island State General Treasurer as "P1." There are no participant withdrawal limitations.

Reconciliation to Basic Financial Statements

The investments as of June 30, 2024, are reported in the financial statement as follows:

Government-Wide Statement of Net Position	
Governmental Activities	\$ 5,648,211
Business-Type Activities	2,464,344
Fiduciary Funds Statement of Net Position	
OPEB	42,949,668
Pension	14,008,767
Total	<u>\$ 65,070,990</u>

Pension Trust Fund and OPEB Trust Fund investments:

	<u>Carrying Amount</u>
Debt Securities	\$ 3,672,502
Equity Securities	1,855,935
Mutual Fund	23,116,153
Other Investments	28,313,845
Total Investments	<u>\$ 56,958,435</u>

Debt and equity securities classified as Level 1 are valued using prices quoted in active markets for those securities. Debt and equity securities classified in Level 2 are valued using the following approaches: debt securities are normally valued based on price data obtained from observed transactions and market price quotations from broker dealers and/or pricing vendors; equity securities are valued using fair value per share for each fund. Certificates of deposit classified in Level 2 are valued using broker quotes that utilize observable market inputs. Securities classified as Level 3 have limited trade information, these securities are priced or using the last trade price or estimated using recent trade prices.

**TOWN OF LINCOLN, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 4 ACCOUNTS RECEIVABLE

Receivables for each major fund and the nonmajor funds in the aggregate at June 30, 2024, including the applicable allowances for uncollectible accounts, were as follows:

	General Fund	School Unrestricted	Nonmajor Governmental Funds	Total Governmental Funds	Water Fund	Sewer Fund	Nonmajor Business-Type Funds	Total Business-Type Funds
Receivables:								
Accounts	\$ -	\$ -	\$ -	\$ -	\$ 614,219	\$ 238,447	\$ 472,860	\$ 1,325,526
Property taxes	3,927,103	-	-	3,927,103	-	-	-	-
Rescue billings	3,855,643	-	-	3,855,643	-	-	-	-
Intergovernmental	2,882,262	-	64,612	2,946,874	-	-	-	-
Other	4,475,116	364,563	782,061	5,621,740	-	-	-	-
Gross Receivables	15,140,124	364,563	846,673	16,351,360	614,219	238,447	472,860	1,325,526
Less Allowance for								
Uncollectible Amounts	(4,415,925)	-	-	(4,415,925)	(4,336)	(17,395)	-	(21,731)
Net Receivables	\$ 10,724,199	\$ 364,563	\$ 846,673	\$ 11,935,435	\$ 609,883	\$ 221,052	\$ 472,860	\$ 1,303,795

NOTE 5 CAPITAL ASSETS

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

	Restated Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Land	\$ 15,328,174	\$ -	\$ -	\$ 15,328,174
Construction-in-Progress	5,829,204	-	(5,829,204)	-
Total Capital Assets, Not Being Depreciated	21,157,378	-	(5,829,204)	15,328,174
Capital Assets, Being Depreciated and Amortized				
Land Improvements and Infrastructure	33,782,029	2,871,431	-	36,653,460
Buildings and Improvements	139,256,837	8,349,109	-	147,605,946
Machinery and Equipment	6,359,257	4,542,736	-	10,901,993
Right of Use Asset - Equipment	172,455	383,698	(172,455)	383,698
Motor Vehicles	5,659,189	1,360,215	-	7,019,404
Total Capital Assets, Being Depreciated	185,229,767	17,507,189	(172,455)	202,564,501
Less Accumulated Depreciation and Amortization				
Land Improvements and Infrastructure	13,919,848	1,245,722	-	15,165,570
Buildings and Improvements	32,667,057	5,221,421	-	37,888,478
Machinery and Equipment	5,000,596	659,509	-	5,660,105
Right of Use Asset - Equipment	114,065	146,321	(172,455)	87,931
Motor Vehicles	3,967,953	409,867	-	4,377,820
Total Accumulated Depreciation	55,669,519	7,682,840	(172,455)	63,179,904
Total Capital Assets Being Depreciated and Amortized, Net	129,560,248	9,824,349	-	139,384,597
Governmental Activities Capital Assets, Net	\$ 150,717,626	\$ 9,824,349	\$ (5,829,204)	\$ 154,712,771

**TOWN OF LINCOLN, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 5 CAPITAL ASSETS (CONTINUED)

For the year ended June 30, 2024, depreciation was charged to the following functions:

Governmental Activities:

General Government	\$ 413,994
Public Safety	410,590
Public Service	1,140,939
Public Library	55,724
Education	<u>5,661,594</u>
Total Governmental Activities Depreciation Expense	<u><u>\$ 7,682,841</u></u>

	Beginning Balance	Increases	Decreases	Ending Balance
Business-Type Activities:				
Capital Assets, Not Being Depreciated:				
Land	\$ 177,451	\$ -	\$ -	\$ 177,451
Construction-in-Progress	173,478	358,191	(531,669)	-
Total Capital Assets, Not Being Depreciated	<u>350,929</u>	<u>358,191</u>	<u>(531,669)</u>	<u>177,451</u>
Capital Assets, Being Depreciated:				
Buildings and Improvements	1,259,718	1,903	-	1,261,621
Infrastructure	48,476,452	-	-	48,476,452
Machinery and Equipment	2,404,156	810,537	-	3,214,693
Motor Vehicles	<u>1,062,077</u>	<u>8,343</u>	-	<u>1,070,420</u>
Total Capital Assets, Being Depreciated	<u>53,202,403</u>	<u>820,783</u>	<u>-</u>	<u>54,023,186</u>
Less Accumulated Depreciation:				
Buildings and Equipment	1,265,312	32,681	-	1,297,993
Infrastructure	19,130,571	437,541	-	19,568,112
Machinery and Equipment	1,465,409	352,318	-	1,817,727
Motor Vehicles	<u>1,006,601</u>	<u>25,338</u>	-	<u>1,031,939</u>
Total Accumulated Depreciation	<u>22,867,893</u>	<u>847,878</u>	<u>-</u>	<u>23,715,771</u>
Total Capital Assets Being Depreciated, Net	<u>30,334,510</u>	<u>(27,095)</u>	<u>-</u>	<u>30,307,415</u>
Business-Type Activities Capital Assets, Net	<u><u>\$ 30,685,439</u></u>	<u><u>\$ 331,096</u></u>	<u><u>\$ (531,669)</u></u>	<u><u>\$ 30,484,866</u></u>

For the year ended June 30, 2024, depreciation was charged to the following functions:

Business-Type Activities:

Water Fund	\$ 394,118
Sewer Fund	437,541
Police Detail	<u>16,219</u>
Total Business-Type Activities Depreciation Expense	<u><u>\$ 847,878</u></u>

TOWN OF LINCOLN, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 6 LONG-TERM OBLIGATION

A. Long-Term Obligations

The Town issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for both general government and proprietary activities. In addition, general obligation bonds have been issued to refund previously outstanding general obligation bonds.

Rhode Island general laws cap the amount of each municipality's general obligation bonds that may be outstanding to 3% of its assessed property values. Exceptions apply to bonds financed from nontax revenues and special exemptions are granted for other purposes as well. The assessed value of the Town's properties at December 31, 2022, was \$3,999,480,289, limiting the amount of nonexcepted general obligation bonds outstanding to \$119,984,409. At June 30, 2024, bonds and loans outstanding totaled \$59,810,000.

**TOWN OF LINCOLN, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 6 LONG-TERM OBLIGATIONS (CONTINUED)

A. Long-Term Obligations (Continued)

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

Purpose	Amount of Original Issue	Date Issued	Interest Rate	Maturity Date	(Restated) Balance, June 30, 2023	Additions	Retirements	Balance June 30, 2024	Amounts Due Within One Year
Governmental Activities:									
General Obligation Bonds:									
Refunding - School Construction and Renovation	\$ 22,055,000	6/25/2015	3.00 - 5.00%	8/1/2026	\$ 9,145,000	\$ -	\$ 2,150,000	\$ 6,995,000	\$ 2,245,000
2018 Refunding Bond	3,620,000	9/25/2018	3.50 - 5.00%	7/1/2028	1,950,000	-	370,000	1,580,000	375,000
RIHEBC Series 2020B	<u>57,450,000</u>	6/17/2020	3.00 - 5.00%	5/15/2040	<u>53,390,000</u>	-	<u>2,155,000</u>	<u>51,235,000</u>	<u>2,240,000</u>
Total General Obligation Bonds	<u>83,125,000</u>				64,485,000	-	4,675,000	59,810,000	4,860,000
Premium on Bond Issuance					<u>9,261,646</u>	-	<u>1,091,257</u>	<u>8,170,389</u>	-
Total Bonds Payable	<u>\$ 83,125,000</u>				73,746,646	-	5,766,257	67,980,389	4,860,000
Others:									
Financed Purchases					1,126,761	-	526,755	600,006	218,235
Lease Liability					59,510	383,698	140,284	302,924	91,555
Net Pension Liability - MERS - General Employee					82,890	213,992	-	296,882	-
Net Pension Liability - MERS - Rescue					1,954,821	-	432,210	1,522,611	-
Net Pension Liability - ERS					38,263,355	-	4,125,868	34,137,487	-
Net Pension Liability - Town					15,281,384	-	2,461,518	12,819,866	-
Net OPEB Liability					12,021,663	628,851	-	12,650,514	-
Compensated Absences					<u>4,739,754</u>	<u>51,126</u>	<u>1,189,694</u>	<u>3,601,186</u>	<u>426,551</u>
Total Long-Term Obligations					<u>\$ 147,276,784</u>	<u>\$ 1,277,667</u>	<u>\$ 14,642,586</u>	<u>\$ 133,911,865</u>	<u>\$ 5,596,341</u>

**TOWN OF LINCOLN, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 6 LONG-TERM OBLIGATIONS (CONTINUED)

A. Long-Term Obligations (Continued)

Purpose	Amount of Original Issue	Date Issued	Interest Rate	Maturity Date	Balance, June 30, 2023*	Additions	Retirements	Balance June 30, 2024	Amounts Due Within One Year
Business-Type Activities:									
Directly Placed Debt:									
Enterprise Fund, Sewer:									
Rhode Island Clean Water									
Finance Agency:									
Sewer System Improvements	\$ 2,902,500	3/29/2011	1.45 - 4.35%	9/1/2031	\$ 1,607,500	\$ -	\$ 43,000	\$ 1,564,500	\$ 154,000
Sewer System Improvements	849,000	7/30/2015	1.33 - 2.96%	9/1/2034	609,000	-	148,000	461,000	44,000
Enterprise Fund, Water:									
Rhode Island Clean Water									
Finance Agency:									
Water System Improvements	300,000	4/19/2004	3.50%	9/1/2024	14,583	-	7,000	7,583	8,000
Water System Improvements	1,800,000	3/1/2007	3.03 - 3.40%	9/1/2027	583,000	-	108,000	475,000	112,000
Water System Improvements	1,500,000	11/6/2009	0.55 - 4.15%	9/1/2029	712,000	-	79,000	633,000	82,000
Water System Improvements	362,568	2/12/2010	0.36 - 4.09%	9/1/2030	168,567	-	19,000	149,567	19,000
Total Loans Obligations	<u>\$ 7,714,068</u>				3,694,650	-	404,000	3,290,650	419,000
Others:									
Net Pension Liability - Water					283,072	9,629	-	292,701	-
Compensated Absences					151,820	12,987	15,182	149,625	14,963
Total Long-Term Obligations					<u>\$ 3,977,722</u>	<u>\$ 9,629</u>	<u>\$ 404,000</u>	<u>\$ 3,583,351</u>	<u>\$ 419,000</u>

*The Town of Lincoln's business-type activities compensated absences were reclassified from accounts payable and accrued expenses.

TOWN OF LINCOLN, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 6 LONG-TERM OBLIGATIONS (CONTINUED)

A. Long-Term Obligations (Continued)

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

General Obligation Bonds

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 4,860,000	\$ 2,467,313	\$ 7,327,313
2026	5,030,000	2,278,988	7,308,988
2027	5,245,000	2,042,425	7,287,425
2028	2,800,000	1,846,063	4,646,063
2029	2,915,000	1,708,200	4,623,200
2030 - 2034	15,575,000	6,416,400	21,991,400
2035 - 2039	19,155,000	2,836,750	21,991,750
2040 - 2044	4,230,000	169,200	4,399,200
Total	<u>\$ 59,810,000</u>	<u>\$ 19,765,339</u>	<u>\$ 79,575,339</u>

Loans Payable

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 419,000	\$ 111,494	\$ 530,494
2026	427,000	96,779	523,779
2027	445,000	81,378	526,378
2028	461,000	65,212	526,212
2029	352,000	50,462	402,462
2030 - 2034	1,129,650	77,933	1,207,583
2035 - 2039	57,000	844	57,844
Total	<u>\$ 3,290,650</u>	<u>\$ 484,102</u>	<u>\$ 3,774,752</u>

B. Lease Liability

The Town leases equipment for various terms under long-term, non-cancelable lease agreements. The leases expire at various dates through 2028.

Total future minimum lease payments under lease agreements are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 91,555	\$ 10,112	\$ 101,667
2026	95,285	6,382	101,667
2027	99,167	2,499	101,666
2028	16,917	28	16,945
Total	<u>\$ 302,924</u>	<u>\$ 19,021</u>	<u>\$ 321,945</u>

**TOWN OF LINCOLN, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 6 LONG-TERM OBLIGATIONS (CONTINUED)

C. Financed Purchases

The Town has entered into financed purchase agreements as a lessee for financing the acquisition of vehicles and equipment. The agreements qualify as financed purchases for accounting purposes, and, therefore have been recorded at the present value of future minimum payments as of the inception date. The assets acquired through the financed purchase are as follows:

Financed Purchase	Governmental Activities
Equipment	\$ 900,000
Vehicles	309,951
Less: Accumulated Depreciation	(42,915)
Total	\$ 1,167,036

The future minimum lease payments and net present value of the minimum lease payments as of June 30, 2024, were as follows:

Year Ended June 30,	Governmental Activities
2025	\$ 243,438
2026	243,440
2027	160,248
Subtotal	647,126
Less: Amount for Interest	(47,120)
Present Value of Minimum Payments	\$ 600,006

NOTE 7 RISK MANAGEMENT

Rhode Island Interlocal Risk Management Trust, Inc.

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 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. Under the participation agreement, the Town is insured for a maximum of \$2,000,000 per occurrence. Settled claims resulting from these risks have not exceeded the Trust coverage in any of the past three fiscal years. There were no significant reductions in insurance coverage during the year ended June 30, 2024.

**TOWN OF LINCOLN, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 8 INTERFUND RECEIVABLES AND PAYABLES AND TRANSFERS

Interfund receivables and payables at June 30, 2024, are as follows:

	Due from Other Funds	Due to Other Funds
Major Government Funds:		
General Fund	\$ 9,718,207	\$ 20,281,389
School Unrestricted Fund	17,656,375	17,148,756
Public Building Bond Fund	64,204	1,388,458
School Revolving Fund	3,910,967	-
Nonmajor Governmental Funds:		
Town Special Revenue Fund	3,581,456	651,433
School Special Revenue Fund	7,913,313	8,517,492
Capital Projects Fund	7,467,597	2,452,289
Proprietary Funds:		
Water Fund	-	60,063
Sewer Fund	-	283,163
Police Detail Fund	1,244,550	773,626
	\$ 51,556,669	\$ 51,556,669

	Transfers In		
	School Unrestricted Fund	Nonmajor Governmental Fund	Total Transfers Out
Transfers Out:			
General Fund	\$ 44,713,907	\$ 1,991,970	\$ 46,705,877
Transfers In	\$ 44,713,907	\$ 1,991,970	\$ 46,705,877

The principal purpose of interfund transfers is to provide a financing source to various funds that may not have the ability to cover all operating costs or capital expenditures with revenue generated by the fund.

NOTE 9 FUND BALANCE CLASSIFICATION

	Major Funds				Nonmajor Funds			
	General Fund	School Unrestricted	Public Building Bond	School Revolving Fund	Town Special Revenue	School Restricted	Capital Projects	
Fund Balances:								
Nonspendable:								
Prepaid and Inventory	\$ -	\$ 668,401	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 668,401
Restricted for:								
Grants	-	-	-	-	1,273,964	-	-	1,273,964
Education	-	-	-	9,359,069	-	1,710,957	-	11,070,026
Town Surety Escrow	-	-	-	-	-	-	154,433	154,433
Committed to:								
Encumbrances	461,966	-	-	-	-	-	-	461,966
Open Space Reserve	565,955	-	-	-	-	-	858,548	1,424,503
Capital Project Reserve	565,955	-	-	-	-	-	924,694	1,490,649
Town Capital Projects	-	-	-	-	-	-	5,298,531	5,298,531
Unassigned	7,885,095	(297,530)	(369,002)	-	(423,476)	(738,945)	(2,452,289)	3,603,853
Total	\$ 9,478,971	\$ 370,871	\$ (369,002)	\$ 9,359,069	\$ 850,488	\$ 972,012	\$ 4,783,917	\$ 25,446,326

**TOWN OF LINCOLN, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 10 PENSION PLANS

ERS Defined Benefit Pension Plan

A. Plan Description

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

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

B. Benefit Provisions

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

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

Cost-of-living adjustments (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, 25% (or 1/4th) of the cost of living adjustment is computed annually until the plan reaches a 75% funded status. The full benefit adjustment is reinstated for all members upon the plan reaching the 75% funded status.

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

**TOWN OF LINCOLN, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 10 PENSION PLANS (CONTINUED)

ERS Defined Benefit Pension Plan (Continued)

C. Contributions

The funding policy, as set forth in the General Laws, Section 16-16-22, provides for actuarially determined periodic contributions to the plan. For fiscal 2024, Town teachers were required to contribute 3.75% of their annual covered salary, except for teachers with 20 or more years of service as of June 30, 2012, who must contribute 11% of their annual covered salary. The state and the Town are required to contribute at an actuarially determined rate, 40% of which is to be paid by the state and the remaining 60% is to be paid by Town; the rates were 11.13% and 15.03% of annual covered payroll for the fiscal year ended June 30, 2024, for the state and Town, respectively. The Town contributed \$4,225,762, \$4,138,276, and \$4,078,324 for the fiscal years ended June 30, 2024, 2023, and 2022, respectively, equal to 100% of the required contributions for each year.

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

At June 30, 2024, the Town reported a liability of \$34,137,487 for its proportionate share of the net pension liability that reflected a reduction for contributions made by the state. The amount recognized by the Town as its proportionate share of the net pension liability, the related state support, and the total portion of the net pension liability that was associated with the Town were as follows:

Town's Proportionate Share of Net Pension Liability	\$ 34,137,487
State's Proportionate Share of the Net Pension Liability Associated with the Town	<u>24,883,554</u>
Total Net Pension Liability	<u><u>\$ 59,021,041</u></u>

The net pension liability was measured as of June 30, 2023, the measurement date, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2022, rolled forward to June 30, 2023. The Town's proportion of the net pension liability was based on a projection of the Town's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers and the state, actuarially determined. At June 30, 2023, the Town proportion was 1.40666576%.

**TOWN OF LINCOLN, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 10 PENSION PLANS (CONTINUED)

ERS Defined Benefit Pension Plan (Continued)

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

For the year ended June 30, 2024, the Town recognized gross pension expense of \$3,699,491 and revenue of \$1,683,066 for support provided by the state. At June 30, 2024, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 395,813	\$ 793,960
Changes of Assumptions	146,148	1,349,701
Net Difference Between Projected and Actual Earnings on Pension Plan Investments		1,212,617
Changes in Proportion and Differences Between System Contributions and Proportionate Share Contributions	513,004	1,091,425
System Contributions Subsequent to the Measurement Date	4,255,762	-
Total	\$ 5,310,727	\$ 4,447,703
Net Amount of Deferred Outflows (Inflows) Excluding Town Contributions Subsequent to the Measurement Date		
		\$ (3,392,738)

\$4,255,762 reported as 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 the net pension liability in the subsequent period. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30.	Pension Expense Amount
2025	\$ (1,247,409)
2026	(1,695,560)
2027	535,444
2028	(557,979)
2029	(323,385)
Thereafter	(103,849)
Total	\$ (3,392,738)

**TOWN OF LINCOLN, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 10 PENSION PLANS (CONTINUED)

ERS Defined Benefit Pension Plan (Continued)

E. Actuarial Assumptions

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

Actuarial Assumptions:

Inflation	2.50%
Salary Increases	3.00 - 13.00%
Investment Rate of Return	7.00%
Mortality	Variants of PUB (10) tables for Healthy and Disabled retirees, projected with scales Ultimate MP 16.

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 LINCOLN, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 10 PENSION PLANS (CONTINUED)

ERS Defined Benefit Pension Plan (Continued)

E. Actuarial Assumptions (Continued)

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

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

**TOWN OF LINCOLN, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 10 PENSION PLANS (CONTINUED)

ERS Defined Benefit Pension Plan (Continued)

F. Discount Rate

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

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

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

	1% Decrease in Discount Rate (6.0%)	Current Discount Rate (7.0%)	1% Increase in Discount Rate (8.0%)
Net Pension Liability	\$ 43,774,408	\$ 34,137,487	\$ 25,381,238

Pension Plan Fiduciary Net Position

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

ERS Defined Contribution Pension Plan

A. Plan Description

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

**TOWN OF LINCOLN, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 10 PENSION PLANS (CONTINUED)

ERS Defined Contributions Pension Plan (Continued)

A. Plan Description (Continued)

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

The Town recognized pension expense of \$772,001 for the fiscal year ended June 30, 2024.

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

Teacher Survivors Benefit Plan

A. Plan Description

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

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

B. Eligibility and Plan Benefits

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

**TOWN OF LINCOLN, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 10 PENSION PLANS (CONTINUED)

Teacher Survivors Benefit Plan (Continued)

B. Eligibility and Plan Benefits (Continued)

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

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

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

<u>Highest Annual Salary</u>	<u>Basic Monthly Spouse's Benefit</u>
\$17,000 or Less	\$ 825.00
\$17,001 to \$25,000	962.50
\$25,001 to \$33,000	1,100.00
\$33,001 to \$40,000	1,237.50
\$40,001 and Over	1,375.00

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

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

C. Contributions

The contribution requirements of active employees and the participating school districts were established under Chapter 16-16 of the Rhode Island General Laws, which may be amended by the General Assembly. The cost of the benefits provided by the plan are 2% of the member's annual salary up to but not exceeding an annual salary of \$11,500; one-half of the cost is contributed by the member by deductions from his or her salary, and the other half is contributed and paid by the respective school district by which the member is employed. These contributions are in addition to the contributions required for regular pension benefits.

The Town contributed \$36,685, \$35,731, and \$35,416 for the fiscal years ended June 30, 2024, 2023, and 2022, respectively, equal to 100% of the required contributions for each year.

**TOWN OF LINCOLN, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 10 PENSION PLANS (CONTINUED)

Teacher Survivors Benefit Plan (Continued)

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

At June 30, 2024, the Town reported an asset of \$9,377,645 for its proportionate share of the net pension asset related to its participation in the TSB plan. The net pension asset was measured as of June 30, 2023, the measurement date, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of June 30, 2022, rolled forward to June 2023. The Town proportion of the net pension asset was based on its share of contributions to the TSB for fiscal year 2023 relative to the total contributions of all participating employers for that fiscal year. At June 30, 2023, the Town proportion was 4.66418318%.

For the year ended June 30, 2024, the Town recognized pension expense (revenue) of \$(818,050). At June 30, 2024, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 64,581	\$ 805,237
Changes of Assumptions	111,864	501,799
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	270,286
Changes in Proportion and Differences Between System Contributions and Proportionate Share Contributions	283,064	176,996
System Contributions Subsequent to the Measurement Date	36,685	-
Total	\$ 496,194	\$ 1,754,318
Net Amount of Deferred Outflows (Inflows) Excluding Town Contributions Subsequent to the Measurement Date		\$ (1,294,809)

**TOWN OF LINCOLN, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 10 PENSION PLANS (CONTINUED)

Teacher Survivors Benefit Plan (Continued)

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

\$36,685 reported as 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 an addition to the net pension asset for the year ended June 30, 2025. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended June 30,</u>	<u>Pension Expense Amount</u>
2025	\$ (420,350)
2026	(545,111)
2027	80,856
2028	(230,149)
2029	(93,611)
Thereafter	(86,444)
Total	<u>\$ (1,294,809)</u>

E. Actuarial Assumptions

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

Actuarial Assumptions:	
Inflation	2.50%
Salary Increases	3.00 - 13.00%
Investment Rate of Return	7.00%
Mortality	Variants of the PUB (10) tables for Healthy and Disabled retirees, projected with scale Ultimate MP 16.
Cost-of-Living Adjustment	Eligible survivors receive a yearly cost-of-living adjustment based on the annual Social Security adjustment; for valuation purposes, a 2.5% cost-of-living adjustment is assumed.

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

TOWN OF LINCOLN, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 10 PENSION PLANS (CONTINUED)

Teacher Survivors Benefit Plan (Continued)

E. Actuarial Assumptions (Continued)

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

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

**TOWN OF LINCOLN, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 10 PENSION PLANS (CONTINUED)

Teacher Survivors Benefit Plan (Continued)

E. Actuarial Assumptions (Continued)

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

F. Discount Rate

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

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

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

	1% Decrease in Discount Rate <u>(6.0%)</u>	Current Discount Rate <u>(7.0%)</u>	1% Increase in Discount Rate <u>(8.0%)</u>
Net Pension Liability	\$ (8,385,963)	\$ (9,377,645)	\$ (10,278,666)

H. Pension Plan Fiduciary Net Position

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

**TOWN OF LINCOLN, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 10 PENSION PLANS (CONTINUED)

MERS Defined Benefit Pension Plan

A. Plan Description

The Municipal Employees' Retirement System (MERS) administers an agent multiple-employer defined benefit pension plan that 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 ERS Board to provide retirement allowances to employees of municipalities, housing authorities, water and sewer districts, and municipal police and fire persons that have elected to participate. Benefit provisions are subject to amendment by the General Assembly.

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

B. Benefits Provided

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

Salary: Salary includes the member's base earnings plus any payments under a regular longevity or incentive plan. Salary excludes overtime, unused sick and vacation leave, severance pay, and other extraordinary compensation. Certain amounts that are excluded from taxable wages, such as amounts sheltered under a Section 125 plan or amounts picked up by the employer under Internal Revenue Code 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.

**TOWN OF LINCOLN, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 10 PENSION PLANS (CONTINUED)

MERS Defined Benefit Pension Plan (Continued)

B. Benefits Provided (Continued)

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. Monthly benefits are based on 1/12 of this amount.

1. 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.

**TOWN OF LINCOLN, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 10 PENSION PLANS (CONTINUED)

MERS Defined Benefit Pension Plan (Continued)

B. Benefits Provided (Continued)

1. General Employees (Continued)

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

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

2. Police and Fire Employees

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

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

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

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

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

**TOWN OF LINCOLN, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 10 PENSION PLANS (CONTINUED)

MERS Defined Benefit Pension Plan (Continued)

B. Benefits Provided (Continued)

2. Police and Fire Employees (Continued)

A monthly benefit is paid equal to 2.00% of the member's monthly FAC for each year of service, up to 37.5 years (75% of FAC maximum).

If the optional 20-year retirement provisions were adopted by the municipality prior to July 1, 2012: benefits are based on 2.50% of the member's FAC for each year of service prior to July 1, 2012 and 2.00% of the member's FAC for each year of service after July 1, 2012. The benefit cannot exceed 75% of the member's FAC.

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

C. 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.

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

Cost of living adjustments are provided to retirees based on statutory provisions (Section 36-10-35 of the Rhode Island General Laws). For members and/or beneficiaries of members who retired on or before June 30, 2012, cost of living adjustments are computed annually. For members retiring on or after July 1, 2012, 25% (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.

**TOWN OF LINCOLN, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 10 PENSION PLANS (CONTINUED)

MERS Defined Benefit Pension Plan (Continued)

C. Other Benefit Provisions (Continued)

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

D. Employees Covered by Benefit Terms.

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

	General Employees	Rescue Employees
Retirees and Beneficiaries	8	11
Inactive, Nonretired Members	11	8
Active Members	12	13
Total	31	32

E. Contributions

The amount of employee and employer contributions have been established under Rhode Island General Law Chapter 45-21. General employees with less than 20 years of service as of June 30, 2012, are required to contribute 1% of their salaries. General employees with more than 20 years of service as of June 30, 2012, are required to contribute 8.25%. Public safety employees are required to contribute 9% of their salaries. The Town 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 contributed \$68,547 to their general employee MERS plan in the year ended June 30, 2023, which was 12% of annual covered payroll and contributed \$310,492 to their rescue employee MERS plan in the year ended June 30, 2023, which was 23.23% of annual covered payroll.

**TOWN OF LINCOLN, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 10 PENSION PLANS (CONTINUED)

MERS Defined Benefit Pension Plan (Continued)

F. Net Pension (Asset) Liability

The total pension (asset) 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.

Actuarial Cost Method	Entry-Age Normal
Amortization Method	Level Percent of Payroll - Closed
Actuarial Assumptions:	
Investment Rate of Return	7.00%
Projected Salary Increases	General Employees: 3.25- 7.25%; Police and Fire Employees: 4.00 - 14.00%
Inflation	2.5%
Mortality	Mortality - Variants of the PUB (10) tables for Healthy and Disabled retirees, projected with scales Ultimate MP 16
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 LINCOLN, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 10 PENSION PLANS (CONTINUED)

MERS Defined Benefit Pension Plan (Continued)

F. Net Pension (Asset) Liability (Continued)

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

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

**TOWN OF LINCOLN, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 10 PENSION PLANS (CONTINUED)

MERS Defined Benefit Pension Plan (Continued)

G. Discount Rate

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

Changes in the net pension (asset) liability for General Employees were as follow:

	(A) Total Pension Liability	(B) Plan Fiduciary Net Position	(A - B) Net Pension Liability
Balances - Beginning of Year	\$ 3,428,350	\$ 3,345,460	\$ 82,890
Changes for the Year:			
Service Cost	78,458	-	78,458
Interest on the Total Pension Liability	236,404	-	236,404
Changes in Benefits	-	-	-
Difference Between Expected and Actual Experience	23,800	-	23,800
Changes in Assumptions	27,051	-	27,051
Employer Contributions	-	95,129	(95,129)
Employee Contributions	-	7,901	(7,901)
Net Investment Income	-	263,091	(263,091)
Benefit Payments	(180,746)	(180,746)	-
Administrative Expense	-	(2,832)	2,832
Other Changes	-	(211,568)	211,568
Net Changes	<u>184,967</u>	<u>(29,025)</u>	<u>213,992</u>
Balances - End of Year	<u>\$ 3,613,317</u>	<u>\$ 3,316,435</u>	<u>\$ 296,882</u>

**TOWN OF LINCOLN, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 10 PENSION PLANS (CONTINUED)

MERS Defined Benefit Pension Plan (Continued)

G. Discount Rate (Continued)

Changes in the net pension (asset) liability for Rescue Employees were as follows:

	(A) Total Pension Liability	(B) Plan Fiduciary Net Position	(A - B) Net Pension Liability
Balances - Beginning of Year	\$ 7,167,419	\$ 5,212,598	\$ 1,954,821
Changes for the Year:			
Service Cost	182,738	-	182,738
Interest on the Total Pension Liability	495,584	-	495,584
Changes in Benefits	-	-	-
Difference Between Expected and Actual Experience	(257,089)	-	(257,089)
Changes in Assumptions	(24,426)	-	(24,426)
Employer Contributions	-	285,247	(285,247)
Employee Contributions	-	95,624	(95,624)
Net Investment Income	-	450,905	(450,905)
Benefit Payments	(358,029)	(358,029)	-
Administrative Expense	-	(4,853)	4,853
Other Changes	-	2,094	(2,094)
Net Changes	<u>38,778</u>	<u>470,988</u>	<u>(432,210)</u>
Balances - End of Year	<u>\$ 7,206,197</u>	<u>\$ 5,683,586</u>	<u>\$ 1,522,611</u>

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

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

	1% Decrease in Discount Rate	Current Discount Rate	1% Increase in Discount Rate
<u>General Employee Plan</u>	<u>(6.00%)</u>	<u>(7.00%)</u>	<u>(8.00%)</u>
Net Pension Liability	\$ 639,158	\$ 296,882	\$ (14,069)
<u>Rescue Employee Plan</u>	<u>(6.00%)</u>	<u>(7.00%)</u>	<u>(8.00%)</u>
Net Pension Liability	\$ 2,205,110	\$ 1,522,611	\$ 902,585

**TOWN OF LINCOLN, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 10 PENSION PLANS (CONTINUED)

MERS Defined Benefit Pension Plan (Continued)

I. Pension Plan Fiduciary Net Position

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

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

1. General Employees Plan

For the year ended June 30, 2024, the employer recognized pension expense of \$196,398. The employer reported deferred outflows and inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences in Assumptions	\$ 14,401	\$ 37,411
Differences Between Expected and Actual Experience	12,671	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	35,671
Contributions Subsequent to the Measurement Date	68,547	-
Total	\$ 95,619	\$ 73,082
Net Amount of Deferred Outflows (Inflows) Excluding Contributions Subsequent to the Measurement Date		
		\$ (46,010)

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

Year Ended June 30,	Pension Expense Amount
2025	\$ (48,574)
2026	(48,909)
2027	59,298
2028	(7,825)
Total	\$ (46,010)

**TOWN OF LINCOLN, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 10 PENSION PLANS (CONTINUED)

MERS Defined Benefit Pension Plan (Continued)

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

2. Rescue Employees Plan

For the year ended June 30, 2024, the employer recognized pension expense of \$144,055. The employer reported deferred outflows and inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences in Assumptions	\$ 50,214	\$ 19,704
Differences Between Expected and Actual Experience	185,480	591,263
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	74,840
Contributions Subsequent to the Measurement Date	310,492	-
Total	\$ 546,186	\$ 685,807
Net Amount of Deferred Outflows (Inflows) Excluding Contributions Subsequent to the Measurement Date		\$ (450,113)

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

Year Ended June 30,	Pension Expense Amount
2025	\$ (117,884)
2026	(155,279)
2027	22,398
2028	(124,404)
2029	(54,646)
Thereafter	(20,298)
Total	\$ (450,113)

**TOWN OF LINCOLN, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 10 PENSION PLANS (CONTINUED)

MERS Defined Contribution Pension Plan

A. Plan Description

Certain employees participating in the defined benefit plan, as described above, may also participate in a defined contribution plan authorized by General Law Chapter 36-10.3. The defined contribution plan is established under IRS section 401(a) and is administered by TIAA-CREF. Employees may choose among various investment options available to plan participants. Employees contribute 1 to 1.5% of their annual covered salary and employers contribute 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 recognized pension expense of \$340,453 for the fiscal year ended June 30, 2024.

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

Town Pension Plan

A. Plan Description

The Town of Lincoln Retirement Plan (Town Plan) is a cost-sharing multiple employer defined benefit pension plan that covers substantially all Town and School Department employees not covered by other plans, as well as eligible firefighters employed by two fire districts: Lonsdale Fire and Saylesville Fire. Employees who work 20 hours or more per week for more than five months are eligible to participate. The Town Plan is reported as a Pension Trust Fund in the Town's financial statements.

**TOWN OF LINCOLN, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 10 PENSION PLANS (CONTINUED)

Town Pension Plan (Continued)

B. Benefit Provisions

The Town Plan provides retirement and survivor benefits. The following benefit provisions were established and may be amended by Town ordinance or union contract:

Any participant, who has attained his or her normal retirement date, as defined in the Town Plan, is eligible for a normal retirement benefit. The monthly benefit payable upon normal retirement is based on average monthly salary multiplied by credited service as follows:

Police (hired on or before July 1, 2013)	2½% of average monthly salary multiplied by credited service up to 20 years, plus 2% of average monthly salary multiplied by up to five additional years of credited service.
Police (hired after July 1, 2013)	2% of average monthly salary multiplied by credited services up to 30 years.
Saylesville Firefighters	2½% of average monthly salary multiplied by credited service up to 20 years, plus 2% of average monthly salary multiplied by up to 10 additional years of credited service.
Lonsdale Firefighters	2½% of average monthly salary multiplied by credited service up to 20 years, plus 2% of average monthly salary multiplied by up to five additional years of credited service.
All Other Employees	1½% of average monthly salary multiplied by credited service, with maximum benefit of 60% of average monthly salary.

Average monthly salary equals the average compensation during the highest three consecutive years out of the final 10 years of employment. Salary includes base compensation plus holiday and longevity pay, but not overtime. Payments commence on the first day of the month following the date of an employee's retirement.

- Participants who terminate employment before completing ten years of service are refunded their employee contributions with annual interest credited at 5% after 1997 and 3½% before 1998. Participants who terminate employment after completing 10 years of service have the option of either a refund of their employee contribution or a monthly benefit, as described above, at the normal retirement date.

TOWN OF LINCOLN, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 10 PENSION PLANS (CONTINUED)

Town Pension Plan (Continued)

B. Benefit Provisions (Continued)

- The beneficiary of a participant who dies prior to retirement receives the participant's accumulated contributions. In lieu of this benefit, the surviving spouse can elect to receive a benefit equal to 50% of the participant's benefit accrued to the date of death, payable at the participant's normal retirement date.
- For participants other than police and firefighters, the normal form of benefit is a monthly life annuity. For the police and firefighters, the normal form of benefit is a monthly joint and 67½% survivor annuity. Optional forms of monthly benefits are available and are determined to be actuarially equivalent to the normal form of benefit.
- Police department employees who retire after June 30, 2004, receive an automatic 3% annual compounded COLA to their monthly pension benefit.

C. Funding Policy and Contributions

Contribution requirements are established and may be amended by Town Council ordinance or union contract.

Employees are required to contribute 4% of their salary; police and firefighters must contribute 8% and 6%, respectively.

The Town is required to contribute an amount determined in accordance with the actuarial valuation. Administrative costs are paid from plan assets. Contributions to the pension plan from the Town were \$2,021,124 for the fiscal year ended June 30.

D. Actuarial Method and Significant Assumptions

The annual required contribution (ARC) was determined as part of the June 30, 2024, actuarial valuation using the Entry Age Actuarial Cost Method. Under this method, the excess of the entry age actuarial accrued liability over the actuarial value of plan assets is amortized over a 20-year closed period as a level percentage of pay. The actuarial accrued liability, which is redetermined for each active participant as of each valuation date, represents the theoretical accumulation of all prior years' normal costs for the present participants as if the Town Plan had always been in effect. The unfunded actuarial accrued liability represents the excess of the actuarial accrued liability over the plan's assets, which are valued using the actuarial value of the assets using a five-year smoothing of appreciation and/or depreciation.

**TOWN OF LINCOLN, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 10 PENSION PLANS (CONTINUED)

Town Pension Plan (Continued)

D. Actuarial Method and Significant Assumptions (Continued)

Actuarial Assumptions:

Interest Rate	6.75%
Long-Term Rate of Return	6.75%
Inflation	2.10%
Salary Increases	3.00 - 6.00%
Cost of Living	3.00% increase is assumed for Police retiring after June 30, 2004. Officers hired after July 1, 2015 will receive a 3.00% compounded COLA capped 18 years after the date of retirement.
Mortality	PUB-2010 Safety mortality table with fully generational from 2010 based on mortality improvement scale MP-21.

E. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2024, the Town reported liability \$13,112,567 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The amount recognized by the Town as its proportionate share of the net pension liability were as follows:

Total Town Pension Liability	\$ 53,708,725
Plan Fiduciary Net Position	<u>(40,596,158)</u>
Net Pension Liability	<u><u>\$ 13,112,567</u></u>

Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	75.59 %
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For the year ended June 30, 2024, the Town recognized pension expense of \$1,811,846. At June 30, 2024, the Town reported deferred outflows of resources and inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Expected and Actual Experience	\$ 846,542	\$ 407,610
Changes of Assumptions	24,671	45,163
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	<u>2,172,434</u>	<u>3,041,102</u>
Total Deferred Outflows (Inflows)	<u><u>\$ 3,043,647</u></u>	<u><u>\$ 3,493,876</u></u>
Total		<u><u>\$ 450,228</u></u>

**TOWN OF LINCOLN, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 10 PENSION PLANS (CONTINUED)

Town Pension Plan (Continued)

E. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

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

<u>Year Ended June 30,</u>	<u>Pension Expense Amount</u>
2025	\$ (310,560)
2026	561,719
2027	(336,828)
2028	(364,558)
Total	<u>\$ (450,228)</u>

F. Investment Policy

Investments shall be made solely in the interest of the plan with an emphasis on long-term growth of principal while avoiding excessive risk, primarily through asset diversification. Investments of the plan shall be so diversified as to minimize the risk of large losses, unless under the circumstances it is clearly prudent not to do so. The plan shall be diversified by maturity, issuer and class of security in order to eliminate the risk of loss resulting from over-concentration of assets. Consistent with their respective investment styles and philosophies, investment managers should make reasonable efforts to preserve capital, understanding that losses may occur in individual securities.

G. Long-Term Expected Rate of Return

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

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return Percent</u>
Domestic Fixed Income	0.88 %
International Fixed Income	1.86
Domestic Equities	4.90
International Equities	5.19
Real Estate	3.62

**TOWN OF LINCOLN, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 10 PENSION PLANS (CONTINUED)

Town Pension Plan (Continued)

G. Long-Term Expected Rate of Return (Continued)

Asset Class	Target Allocation Percent
Domestic Fixed Income	30 %
Domestic Equities	56
International Equities	14
Total	100 %

H. Discount Rate

The discount rate used to measure the total pension liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

The following presents the net pension liability, calculated using the discount rate of 6.75%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75%) or 1-percentage-point higher (7.75%) than the current rate:

	1% Decrease in Discount Rate (5.75%)	Current Discount Rate (6.75%)	1% Increase in Discount Rate (7.75%)
Net Pension Liability	\$ 21,308,137	\$ 13,112,567	\$ 6,514,364

Aggregate Pension Amounts Reported in the Financial Statements

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

	ERS	TSB	MERS General	MERS Rescue	Town Plan	Total
Net Pension Asset	\$ -	\$ 9,377,645	\$ -	\$ -	\$ -	\$ 9,377,645
Deferred Outflows of Resources - Pension	5,310,727	496,194	95,619	546,186	3,043,647	9,492,373
Deferred Inflows of Resources - Pension	4,447,703	1,754,318	73,082	685,807	3,493,876	10,454,786
Net Pension Liability	34,137,487	-	296,882	1,522,611	13,112,567	49,069,547
Pension Expense	772,001	(818,050)	196,398	144,055	1,811,846	2,106,250
Total	\$ 44,667,918	\$ 10,810,107	\$ 661,981	\$ 2,898,659	\$ 21,461,936	\$ 80,500,601

TOWN OF LINCOLN, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 11 LABORER’S INTERNATIONAL UNION OF NORTH AMERICA PENSION FUND

A. Plan Description

The Town of Lincoln Town Hall, Public Works, Library, and Water union employees participate in the Laborer’s International Union of North America Pension Fund (Union Plan), a cost-sharing multiple employer defined benefit plan. Financial statements for the Union Plan are issued separately and may be obtained from the Laborers National (Industrial) Pension Fund, 905 165th Street, NW., Washington, D.C. 20006-1765 or by calling 202-737-1664.

Employees can retire on a regular pension if they have attained at least age 62, earned at least five years of Pension Credit, and earned at least one year of Pension Credit during the period that their employer is contributing to the Pension Fund. The amount of regular pension benefits payable to eligible participants is determined by the highest contribution rate at which they earned Pension Credit and the years of Pension Credits they earned (up to a maximum of 30 years of Pension Credits). Vesting of benefits is attained for participants who have five or more years of vesting credit (without a permanent break in service). The fund also provides death and disability benefits.

B. Contributions Required and Contributions Made

The Town’s required contribution is negotiated with the local union. The Town’s contribution was based upon \$2.89 per hour for Town Hall employees, \$2.72 per hour for Library employees, \$3.38 for hour for Public Works employees, and \$14.75 per day for Water employees participating in the Union Plan for the period of July 1, 2020, to June 30, 2024. Participating employees are not required to contribute. The Town’s required contribution for the year ended June 30, 2024, was \$433,465 as follows: Public Works (including Sewer Department) \$204,907, Town Hall \$175,017, and Library \$53,541.

NOTE 12 OTHER POSTEMPLOYMENT BENEFITS

Plan Description

The Town administers a single-employer, defined benefit post-employment health insurance plan. The plan provides medical and dental insurance for eligible retirees and their dependents through the Town’s group health and dental insurance plans, which cover both active and retired members. Benefit provisions are established and amended by the union contracts through negotiations between the Town and the respective unions. The plan is reported as a Trust Fund in the Town’s financial statements. The plan does not issue a publicly available financial report. The Town implemented GASB Statement No. 75 in fiscal year 2017 on a retroactive basis.

The plan provides the following benefits based on employee group:

Police – Officers are eligible for lifetime retiree health benefit at 20 years of service with mandatory retirement at 25 years of service. There are no age requirements to get retiree health benefits.

**TOWN OF LINCOLN, RHODE ISLAND
 NOTES TO BASIC FINANCIAL STATEMENTS
 JUNE 30, 2024**

NOTE 12 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Plan Description (Continued)

All Other Town Employees – COBRA coverage at retirement.

All School Employees – Certified teachers and certain administrators positions are eligible for retiree health benefits until Medicare eligibility once they meet the retirement eligibility requirements of ERS.

The above benefit provisions reflect changes implemented since the last valuation.

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

<u>Description</u>	<u>Active</u>	<u>Inactive or</u> <u>Beneficiaries</u>	<u>Total</u>
Number	Employees	Receiving Benefits	
	472	84	556

Funding Policy

Contribution requirements are negotiated between the Town and the respective unions. The Town is required to contribute the cost of medical and dental benefits, less the amount of any applicable employee share of medical or dental premiums. For the fiscal year ended June 30, 2024, the Town contributed \$2,576,795 to the plan, which is 191.1% of the annual determined contribution.

Summary of Significant Accounting Policies

Basis of Accounting

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

Method Used to Value Investments

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

**TOWN OF LINCOLN, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 12 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Investment Policy

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

Asset Class	Target Allocation
U.S. Equity	36.00 %
Non-U.S. Equity	18.00
Other Growth	6.00
Fixed Income	40.00
Total	100.00 %

Rate of Return

For the year ended June 30, 2024, the annual money-weighted rate of return on investments, net of investment expense, was 6.90%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Net OPEB Liability of the Town

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

Total OPEB Liability	\$ 24,303,634
Plan Fiduciary Net Position	(11,653,120)
Town's Net OPEB Liability	\$ 12,650,514

Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	47.95 %
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Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the health care cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

**TOWN OF LINCOLN, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 12 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Actuarial Methods and Assumptions

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

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

Measurement Date	For fiscal year ending June 30, 2024, a June 30, 2024 measurement date was used.
Actuarial Valuation Date	July 1, 2023 Liabilities as of June 30, 2024 are based on an actuarial valuation date of July 1, 2023 projected to June 30, 2024, on a rolled forward basis with adjustment for actual premium and discount rate changes. Liabilities as of June 30, 2023 are based on an actuarial valuation date of July 1, 2023 with no adjustments to get to the measurement date of June 30, 2023.
Discount Rate	6.90% as of June 30, 2024 and 6.60% as of June 30, 2023
Long-Term Rate of Return	6.90% as of June 30, 2024 and 6.60% as of June 30, 2023
Payroll Growth	Payroll growth rates are based on the assumptions used in the RI ERS and RI MERS actuarial valuations as of June 30, 2023 for teachers/administrators and support/rescue employees. Rates shown in the actuarial report include both general wage inflation, as well as merit/productivity increases. For police, the payroll growth rates are based on the Town of Lincoln Police actuarial valuation as of January 1, 2023.
Cost Method	Allocation of Actuarial Present Value of Future Benefits for services prior and after the measurement Date was determined using Entry age Normal Level Percent of Salary method Service cost for each individual participant, payable from date of employment to date of retirement, is sufficient to pay for the participant's benefit at retirement. Annual Service Cost is a constant percentage of the participant's salary that is assumed to increase according to the payroll growth.
Health Care Trend Rates	FYE2024 Health Care Trend rates are based on the actual rate of increase from the medical premium rates effective July 1, 2023 to those effective July 1, 2024.
Retiree Contributions	Retiree contributions are assumed to increase according to health care trend rates for non-injunction retirees and the effects of any applicable Michigan hard caps. Retiree contributions for the Injunction group are assumed to increase by 4.5% annually in the future.

TOWN OF LINCOLN, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 12 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Actuarial Methods and Assumptions (Continued)

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of June 30, 2024, are summarized in the following table:

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return Percent</u>
U.S. Equity	7.50 %
Non-U.S. Equity	7.10
Other Growth	7.00
Fixed Income	5.40

Changes in Net OPEB Liability

	(A) <u>Total OPEB Liability</u>	(B) <u>Plan Fiduciary Net Position</u>	(A - B) <u>Net OPEB Liability</u>
Balances - Beginning of Year	\$ 23,360,761	\$ 11,339,098	\$ 12,021,663
Changes for the Year:			
Service Cost	389,722	-	389,722
Interest on the Net OPEB Liability and Service Cost	1,522,824	-	1,522,824
Change in Benefit Terms	1,722,523	-	1,722,523
Difference Between Expected and Actual Experience	(441,783)	-	(441,783)
Changes in Assumptions	(873,618)	-	(873,618)
Benefit Payments, Including Employee Refunds	(1,376,795)	(1,376,795)	-
Employer Contributions	-	2,576,795	(2,576,795)
Adjust for Cash and Accounts Payable	-	(2,355,647)	2,355,647
Administrative Expenses	-	(38,765)	38,765
Net Investment Income	-	1,508,434	(1,508,434)
Net Changes	<u>942,873</u>	<u>314,022</u>	<u>628,851</u>
Balances - End of Year	<u>\$ 24,303,634</u>	<u>\$ 11,653,120</u>	<u>\$ 12,650,514</u>

**TOWN OF LINCOLN, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 12 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Discount Rate

The discount rate used to measure the total OPEB liability was 6.90%. The projection of cash flows used to determine the discount rate assumed that Town contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

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

The following presents the net OPEB liability of the Town, as well as what the Town's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.90%) or 1-percentage-point higher (7.90%) than the current discount rate:

	Impact of 1% Change in Discount Rate		
	1% Decrease in Discount Rate (5.90%)	Current Discount Rate (6.90%)	1% Increase in Discount Rate (7.90%)
	Net OPEB Liability	\$ 15,725,315	\$ 12,650,514

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

The following presents the net OPEB liability of the Town, as well as what the Town's net OPEB liability would be if it were calculated using health care cost trend rates that are 1-percentage-point lower (6.5% decreasing to 3.5%) or 1-percentage-point higher (8.5% decreasing to 5.5%) than the current health care cost trend rates:

	Impact of 1% Change in Health Care Trend Rate		
	1% Decrease (6.5% Decreasing to 3.50%)	Current Trend Rate (7.50% Decreasing to 4.50%)	1% Increase (8.50% Decreasing to 5.50%)
	Net OPEB Liability	\$ 9,768,996	\$ 12,650,514

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

For the year ended June 30, 2024, the Town recognized OPEB expense of \$5,355,454. At June 30, 2024, the Town reported deferred outflows and inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 1,075,460	\$ 2,718,643
Changes of Assumptions	1,015,398	728,015
Net Difference Between Projected and Actual Earnings on OPEB Plan Investments	-	137,069
Total Deferred Outflows/(Inflows)	\$ 2,090,858	\$ 3,583,727
Total		\$ (1,492,869)

**TOWN OF LINCOLN, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 12 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

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

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

<u>Year Ended June 30,</u>	<u>OPEB Expense Amount</u>
2025	\$ (37,253)
2026	170,719
2027	(720,068)
2028	(687,036)
2029	(219,231)
Total	<u>\$ (1,492,869)</u>

**NOTE 13 FINANCIAL STATEMENTS FOR INDIVIDUAL PENSION AND OTHER
POSTEMPLOYMENT BENEFIT TRUST FUNDS**

GAAP requires that all pension and other postemployment trust funds be combined and presented in one column in the fiduciary funds financial statements and that the individual financial statements for each trust fund plan are reported in the notes to the financial statements. Provided below are the individual financial statements for the pension and OPEB plan that are included in the fiduciary funds as Employee Benefit Trust Fund.

Statement of Fiduciary Net Position

	<u>Pension Trust Fund</u>	<u>OPEB Trust Fund</u>	<u>Total</u>
Assets:			
Cash and Cash Equivalents	\$ 3,459	\$ -	\$ 3,459
Investments	<u>42,949,668</u>	<u>14,008,767</u>	<u>56,958,435</u>
Total Assets	42,953,127	14,008,767	56,961,894
Liabilities:			
Due to Primary Government	<u>3,459</u>	<u>2,355,647</u>	<u>2,359,106</u>
Total Liabilities	3,459	2,355,647	2,359,106
Net Position:			
Restricted for Pension Trust	42,949,668	-	42,949,668
Restricted for OPEB Trust	-	<u>11,653,120</u>	<u>11,653,120</u>
Total Net Position	<u>42,949,668</u>	<u>11,653,120</u>	<u>54,602,788</u>
Total Liabilities and Net Position	<u>\$ 42,953,127</u>	<u>\$ 14,008,767</u>	<u>\$ 56,961,894</u>

**TOWN OF LINCOLN, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 13 FINANCIAL STATEMENTS FOR INDIVIDUAL PENSION AND OTHER POSTEMPLOYMENT BENEFIT TRUST FUNDS (CONTINUED)

Statement of Changes in Fiduciary Net Position

	Pension Trust Fund	OPEB Trust Fund	Total
Additions:			
Employer Contributions	\$ 2,112,251	2,576,795	\$ 4,689,046
Plan Member Contributions	426,115	-	426,115
Investment Income, Net of Related Fees	4,717,278	1,508,434	6,225,712
Total Additions	<u>7,255,644</u>	<u>4,085,229</u>	<u>11,340,873</u>
Deductions:			
Benefits Paid	2,885,438	2,404,630	5,290,068
Administrative Expenses	-	38,765	38,765
Total Deductions	<u>2,885,438</u>	<u>2,443,395</u>	<u>5,328,833</u>
Changes in Net Position	4,370,206	1,641,834	6,012,040
Fiduciary Net Position - Beginning of Year	<u>38,579,462</u>	<u>10,011,286</u>	<u>48,590,748</u>
Fiduciary Net Position - End of Year	<u>\$ 42,949,668</u>	<u>\$ 11,653,120</u>	<u>\$ 54,602,788</u>

NOTE 14 COMMITMENT AND CONTINGENCIES

Rhode Island Municipal Insurance Corporations

At June 30, 2024, the incurred but not reported claims was \$0 as the Town does not participate further.

Claims and Judgements

The following matters have been asserted and are outstanding:

The Town is a party to various claims, legal actions, and complaints. It is not presently possible to determine the outcome of these cases; therefore, no liability has been recorded in the accompanying financial statements. In the opinion of the Town's management and Town Solicitor, these matters cannot be estimated, nor can the likelihood of a favorable outcome be made at this time.

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.

**TOWN OF LINCOLN, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 15 TAX ABATEMENTS

The Town has tax incentive financing agreements in place at year-end.

Owner	Fleet National Bank
Authority	RIGL 42-64-1
Parcel ID	Lot 49, Plat 30
True Assessment	\$ 8,416,965
Address	670 George Washington Highway
TSA Payment	\$ 221,466
True Tax 12/31/2013	\$ 221,466
Difference	\$ -

This agreement was signed on May 29, 2017, and terminates on December 31, 2027. This agreement provides for the annual tax liability to be calculated at a mil rate of \$22.88 and an assessed value of \$8,416,965 for the initial five-year period and increases each five years by 15%.

Owner	Walker Lofts, LP
Authority	RIGL 44-3-9
Parcel ID	Lots 84, 95, 96, 98 and 100 Plat 02
True Assessment	\$ 19,972,800
Address	40 Walker Street
TSA Payment	\$ 41,077
True Tax 12/31/2023	\$ 41,077
Difference	\$ -

This agreement was signed on April 4, 2023, and terminates on December 31, 2035. This agreement provides for a 12-year tax stabilization. For tax year 1 through and including tax year 3, the property owner will make a tax payment equal to the taxes due and owing for the December 31, 2022, assessment value multiplied by each respective year's commercial tax rate. For each year thereafter, the property owner will pay the Base assessment Tax plus a percentage of the difference between the Base Assessment Tax on the property and the taxes due and owing on the then-current assessed value of the property multiplied by the then-current rate.

**TOWN OF LINCOLN, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 16 ACCOUNTING CHANGES AND ERROR CORRECTIONS

Adjustments to and Restatements of Beginning Balances

During fiscal year 2024, changes to or within the financial reporting entity, error corrects and the change in accounting principle for the implementation of GASB Statement No. 100 resulted in adjustments to and restatements of beginning net position and fund net position, as follows:

	Fund Restatement				Fiduciary Restatement		Government-Wide Restatement		
	General Fund	Major Public Building Bond Fund	Major School Revolving Fund	Water Fund	Nonmajor Governmental Funds	Fiduciary Fund OPEB Fund	Fiduciary Fund Custodial Funds	Governmental Activities	Business-Type Activities
Balance - Beginning of Year, as Previously Reported	\$ 9,448,190	\$ -	\$ -	\$ 26,192,756	\$ 12,901,743	\$ 10,011,286	\$ 309,063	\$ 46,560,614	\$ 35,716,505
Adjustment:									
Transfer not recorded in the prior period	(864,232)	-	-	-	864,232	-	-	-	-
Deferred Revenue Incorrectly Recorded as Deferred Inflow	-	3,040,951	-	-	-	-	-	(4,988,520)	-
Restatement as a Result of Changes in Major Fund Determination:									
School Revolving Fund Now Presented as Major Fund	-	-	5,354,788	-	(5,354,788)	-	-	-	-
Financial Reporting Entity: Custodial Fund to Capital Projects Fund	-	-	-	-	309,063	-	(309,063)	309,063	-
Restatement of:									
Accounts Payable	-	-	-	(478,481)	-	-	-	-	(478,481)
Financed Purchases	-	-	-	-	-	-	-	(1,126,761)	-
Bond Premium	-	-	-	-	-	-	-	1,663,271	-
Capital Assets/Lease Assets	-	-	-	-	-	-	-	1,188,495	-
Balance - Beginning of Year, as Adjusted or Restated	\$ 8,583,958	\$ 3,040,951	\$ 5,354,788	\$ 25,714,275	\$ 8,720,250	\$ 10,011,286	\$ -	\$ 43,606,162	\$ 35,238,024

TOWN OF LINCOLN, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 16 ACCOUNTING CHANGES AND ERROR CORRECTIONS (CONTINUED)

Changes to or within Financial Reporting Entity

Change in Fund Presentation from Major to Nonmajor

The School Revolving fund previously reported as a nonmajor governmental fund now meets the criteria to be reported as a major governmental fund for the fiscal year ended June 30, 2024. The effect of that change to or within the financial reporting entity is shown in the table above.

During fiscal year 2024, the Town determined that the performance bonds (road surety) funds were previously classified as fiduciary funds but should have been classified as capital project funds. As a result, fiduciary funds and nonmajor governmental funds fund balance, and governmental activities net position were restated by \$309,063. The effect of correcting that error is shown in the table above.

Correction of Errors in Previously Issued Financial Statements

During fiscal year 2024, the Town determined that the Town Ordinance requiring the general fund to have an 8% fund balance at the end of each year, with any surplus being transferred to the open space reserve and capital project reserve, was not calculated in the prior year. Therefore, in the general fund, fund balance was overstated by \$864,230. The fund balances of the open space reserve and capital project reserve were both understated by \$432,115. The effect of correcting that error is shown in the table above.

During fiscal year 2024, the Town determined that a deferred inflow of \$3,040,951 from RIHEBC related to a school construction project should have been classified as deferred revenue. The project was completed in 2022 and the revenue should have been recognized upon completion. Therefore, in the public building bond fund, fund balance was understated by \$3,040,951. The effect of correcting that error is shown in the table above.

During fiscal year 2024 the Town determined that the water fund accounts payable contained an old debit balance related to the self-insured plan, which all related transactions were settled in 2023 and should have been expensed in a previous fiscal year. Therefore, in the water fund, fund balance, and in the business-type activities, net position, was overstated by \$478,481. The effect of correcting that error is shown in the table above.

During fiscal year 2024, the Town determined that deferred revenue related to the ARPA and Police Vest Grants were reported as deferred inflows in the fund and therefore recognized as revenue on the government-wide governmental activities. Grant accounting requires federal grant revenue to be deferred and recognized as eligible expenditures are incurred. As a result, governmental activities net position was overstated by \$4,988,520. The effect of correcting that error is shown in the table above.

TOWN OF LINCOLN, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 16 ACCOUNTING CHANGES AND ERROR CORRECTIONS (CONTINUED)

Correction of Errors in Previously Issued Financial Statements (Continued)

During fiscal year 2024, the Town determined that there were two financed purchase agreements that were not recorded in the prior year. On the government-wide level, these should have been capitalized as fixed assets and a liability recorded for the remaining debt service. At the beginning of the year the capital asset net of accumulated depreciation totaled \$1,188,495 and the unpaid principal totaled \$1,126,761. As a result, governmental activities net position was understated by \$61,734. The effect of correcting these errors is shown in the table above.

During fiscal year 2024 the Town determined that outstanding bond premium was previously being amortized using a method other than the effective interest rate method in accordance with GASB Statement No. 34. Therefore, the beginning net position of the governmental activities was understated by \$1,663,271. The effect of correcting that error is shown in the table above.

NOTE 17 SUBSEQUENT EVENTS

On January 29, 2025, the Town issued \$25,000,000 in Revenue Bonds, Series 2025 A, through the Rhode Island Health and Educational Building Corporation's Public Schools Revenue Bond Financing Program with a coupon rate of 5%. These Bonds were issued to fund various capital improvement projects.

REQUIRED SUPPLEMENTARY INFORMATION

**TOWN OF LINCOLN, RHODE ISLAND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED JUNE 30, 2024**

	Budget Amounts		Actual	Variance
	Original	Final		Favorable (Unfavorable)
REVENUES				
Taxes	\$ 58,037,415	\$ 58,037,415	\$ 57,777,834	\$ (259,581)
Intergovernmental	33,886,898	33,886,898	36,190,204	2,303,306
Local Revenues	2,269,100	2,269,100	3,059,740	790,640
Interest and Investment Income	420,000	420,000	660,863	240,863
Total Revenues	94,613,413	94,613,413	97,688,641	3,075,228
EXPENDITURES				
General Government	979,234	979,234	932,531	46,703
Financial Administration	978,124	978,124	1,107,852	(129,728)
Public Library	1,303,171	1,303,171	1,143,256	159,915
Public Safety	7,657,726	7,657,726	8,248,550	(590,824)
Public Service	8,438,701	8,438,701	9,172,214	(733,513)
Municipal Resolutions	4,327,409	4,327,409	-	4,327,409
Grants and Contributions	52,500	52,500	62,500	(10,000)
Fixed Charges	5,716,312	5,716,312	5,561,850	154,462
Education	17,710,067	17,710,067	17,690,755	19,312
Debt Service:				
Principal Payments	4,675,000	4,675,000	4,675,000	-
Interest and Fiscal Charges	2,665,175	2,665,175	2,665,175	-
Total Expenditures	54,503,419	54,503,419	51,259,683	3,243,736
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	40,109,994	40,109,994	46,428,958	6,318,964
OTHER FINANCING SOURCES (USES)				
School Department Appropriation	(44,437,403)	(44,437,403)	(44,713,907)	(276,504)
Transfers to Capital Projects	-	-	(1,892,892)	(1,892,892)
Transfers to Open Space Reserve	-	-	(49,539)	(49,539)
Transfers to Capital Projects Reserve	-	-	(49,539)	(49,539)
Transfers from Capital Improvement Restricted Surplus	20,000	20,000	-	(20,000)
Transfers from Open Space	340,000	340,000	-	(340,000)
Transfers from Capital Project Fund	3,587,409	3,587,409	-	(3,587,409)
Transfers from ARPA	380,000	380,000	-	(380,000)
Sale of Capital Assets	-	-	1,125,775	1,125,775
Total Other Financing Sources (Uses)	(40,109,994)	(40,109,994)	(45,580,102)	(5,470,108)
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES - BUDGETARY BASIS	\$ -	\$ -	\$ 848,856	\$ 848,856
			Revenues and Other Financing Sources	Expenditures and Other Financing Uses
Balance - Budget Basis			\$ 98,814,416	\$ 97,965,560
Encumbrances:				
Outstanding at June 30, 2023 Liquidated			-	415,809
Outstanding at June 30, 2024			-	(461,966)
Revenues/Expenditures Accounted for on the Budgetary Basis Associated With Education Funds			(17,690,755)	(17,690,755)
Balance - GAAP Basis			\$ 81,123,661	\$ 80,228,648

See accompanying Notes to Budgetary Comparison Schedules.

**TOWN OF LINCOLN, RHODE ISLAND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
SCHOOL UNRESTRICTED
YEAR ENDED JUNE 30, 2024**

	Budget Amounts		Actual	Variance Favorable (Unfavorable)
	Original	Final		
REVENUES				
State Aid for Education	\$ 16,859,067	\$ 16,859,067	\$ 17,966,860	\$ 1,107,793
State Housing Aid	-	-	-	-
Medicaid	625,000	625,000	268,224	(356,776)
Miscellaneous	226,000	226,000	149,987	(76,013)
Total Revenues	<u>17,710,067</u>	<u>17,710,067</u>	<u>18,385,071</u>	<u>675,004</u>
EXPENDITURES				
Salaries	35,207,024	35,207,024	35,150,657	56,367
Employee Benefits	14,136,470	14,136,470	14,072,857	63,613
Purchased Services	10,657,070	10,657,070	10,874,754	(217,684)
Supplies and Materials	1,864,192	1,864,192	2,197,549	(333,357)
Other Expenditures	87,000	87,000	123,022	(36,022)
Capital Outlay	195,714	195,714	554,354	(358,640)
Total Expenditures	<u>62,147,470</u>	<u>62,147,470</u>	<u>62,973,193</u>	<u>(825,723)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(44,437,403)	(44,437,403)	(44,588,122)	(150,719)
OTHER FINANCING SOURCES (USES)				
Appropriations from the Town's General Fund	44,437,403	44,437,403	44,713,907	276,504
Transfers to Other Funds	-	-	-	-
Total Other Financing Sources (Uses)	<u>44,437,403</u>	<u>44,437,403</u>	<u>44,713,907</u>	<u>276,504</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES - BUDGETARY BASIS	<u>\$ -</u>	<u>\$ -</u>	<u>125,785</u>	<u>\$ 125,785</u>
		Revenues and Other Financing Sources	Expenditures and Other Financing Uses	
Balance - Budget Basis		<u>\$ 63,098,978</u>	<u>\$ 62,973,193</u>	
Lease Proceeds		383,698	-	
Capital Outlay		-	383,698	
State On-Behalf Contributions		3,129,244	3,129,244	
Balance - GAAP Basis		<u>\$ 66,611,920</u>	<u>\$ 66,486,135</u>	

See accompanying Notes to Budgetary Comparison Schedules.

**TOWN OF LINCOLN, RHODE ISLAND
NOTES TO BUDGETARY COMPARISON SCHEDULES
YEAR ENDED JUNE 30, 2024**

NOTE 1 BUDGET DATA AND BUDGETARY COMPLIANCE

In accordance with the Town Charter, the Town Administrator must present to the Budget Board a recommended annual budget for the operations of all municipal departments no later than February 15 of each fiscal year. The recommended budget must include an appropriation to fund school expenditures. At least three weeks after the receipt of the budget from the Town Administrator, the Budget Board holds a public hearing thereon. The Budget Board completes its consideration of the budget thirty days prior to the date of the financial town meeting. The financial town meeting may increase or decrease items of the budget as presented by the Budget Board. The final recommended budget is legally adopted at the annual financial town meeting. All annual appropriations lapse at fiscal year-end.

The General Fund and the School Department annual operating budgets are in conformity with the legally enacted budgetary basis. The legally enacted budgetary basis differs from accounting principles generally accepted in the United States (U.S. GAAP) in several regards. Budgets are adopted on the modified accrual basis with certain exceptions. Budgetary revenues may include reappropriations from fund equity previously recognized under U.S. GAAP. Budgetary expenditures and expenses are recognized when legally binding orders (encumbrances) are placed. Enterprise fund budgetary expenses include expenses for fixed asset additions, debt service issuance costs and debt service principal payments not recognized under U.S. GAAP but exclude depreciation and amortization, U.S. GAAP basis expenses.

Costs of operations for all departments, offices and agencies established within the Town Charter must be approved through the annual budget process. These departments are presented within the General Fund and the School Department Municipal budgetary control is legally enforced at the department level. Appropriation transfers between departments require approval by the Town Council. Other appropriation increases require both the establishment of a funding source and passage of a budget amendment ordinance. Unencumbered and unexpended appropriations lapse at fiscal year-end.

The following table summarizes the differences between budgetary revenues and other financing sources and expenditures and other financing uses and GAAP revenues and other financing sources and expenditures and other financing uses:

	<u>Revenues and Other Financing Sources</u>	<u>Expenditures and Other Financing Uses</u>
Balance - Budget Basis	\$ 98,814,416	\$ 97,965,560
Encumbrances:		
Outstanding at June 30, 2023 Liquidated	-	415,809
Outstanding at June 30, 2024	-	(461,966)
Revenues/Expenditures Accounted for on the Budgetary Basis Associated With Education Funds	<u>(17,690,755)</u>	<u>(17,690,755)</u>
Balance - GAAP Basis	<u>\$ 81,123,661</u>	<u>\$ 80,228,648</u>

**TOWN OF LINCOLN, RHODE ISLAND
EMPLOYEES' RETIREMENT SYSTEM
SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
LAST 10 YEARS**

Measurement Date Fiscal Years	2023 2024	2022 2023	2021 2022	2020 2021	2019 2020	2018 2019	2017 2018	2016 2017	2015 2016	2014 2015
Employer's Proportion of the Net Pension Liability	1.40666576 %	1.41678405 %	1.44159585 %	1.41442012 %	1.41864606 %	1.42207116 %	1.43163923 %	1.52732535 %	1.52994437 %	1.63791472 %
Employer's Proportionate Share of the Net Pension Liability	\$ 34,137,487	\$ 38,263,355	\$ 33,926,491	\$ 45,190,805	\$ 45,265,715	\$ 45,182,730	\$ 45,057,871	\$ 45,568,936	\$ 42,119,410	\$ 39,866,851
State's Proportionate Share of the Net Pension Liability Associated with the School District	24,883,554	28,298,439	25,159,534	33,577,875	33,908,708	33,703,071	34,052,925	31,208,030	28,774,659	27,338,536
Total	<u>\$ 59,021,041</u>	<u>\$ 66,561,794</u>	<u>\$ 59,086,025</u>	<u>\$ 78,768,680</u>	<u>\$ 79,174,423</u>	<u>\$ 78,885,801</u>	<u>\$ 79,110,796</u>	<u>\$ 76,776,966</u>	<u>\$ 70,894,069</u>	<u>\$ 67,205,387</u>
Employer's Covered-Employee Payroll	\$ 29,146,752	\$ 24,883,554	\$ 26,664,103	\$ 28,926,456	\$ 25,780,713	\$ 25,416,949	\$ 24,703,975	\$ 24,449,295	\$ 24,308,607	\$ 24,062,206
Employer's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	202.50 %	267.49 %	221.59 %	272.31 %	307.11 %	310.37 %	320.24 %	314.03 %	291.64 %	279.30 %
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	65.80 %	62.10 %	66.50 %	54.30 %	54.60 %	54.30 %	54.00 %	54.06 %	57.55 %	61.40 %

- Notes:
- The amounts presented for each fiscal year were determined as of 6/30 measurement date prior to the fiscal year-end.
 - Employers participating in the State Employee's Retire System are required by RI General Laws, Section 36-10-2, to contribute an actuarially determined contribution rate each year.

See accompanying Notes to ERS, MERS, and TSB Plans.

**TOWN OF LINCOLN, RHODE ISLAND
EMPLOYEES' RETIREMENT SYSTEM
SCHEDULE OF CONTRIBUTIONS
LAST 10 YEARS**

Measurement Date Fiscal Years	2023 2024	2022 2023	2021 2022	2020 2021	2019 2020	2018 2019	2017 2018	2016 2017	2015 2016	2014 2015
Actuarially Determined Contribution	\$ 4,495,541	\$ 4,403,292	\$ 4,078,324	\$ 3,890,608	\$ 3,762,851	\$ 3,621,244	\$ 3,475,182	\$ 3,340,370	\$ 3,445,181	\$ 3,286,406
Contribution in Relation to the Actuarially Determined Contribution	4,495,541	4,403,292	4,078,324	3,890,608	3,762,851	3,621,244	3,475,182	3,340,370	3,445,181	3,286,406
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered-Employee Payroll	\$ 29,146,752	\$ 24,883,554	\$ 26,664,103	\$ 28,926,456	\$ 25,780,713	\$ 25,416,949	\$ 24,703,975	\$ 24,449,295	\$ 24,308,607	\$ 24,062,206
Contributions as a Percentage of Covered-Employee Payroll	15.42 %	17.70 %	15.30 %	13.45 %	14.60 %	14.25 %	14.07 %	13.66 %	14.17 %	13.66 %

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

**TOWN OF LINCOLN, RHODE ISLAND
MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
GENERAL EMPLOYEE PLAN
LAST NINE YEARS***

Measurement Date Fiscal Years	2023 2024	2022 2023	2021 2022	2020 2021	2019 2020	2018 2019	2017 2018	2016 2017	2015 2016
Total Pension Liability:									
Service Cost	\$ 78,458	\$ 91,189	\$ 99,172	\$ 96,105	\$ 101,389	\$ 103,895	\$ 97,917	\$ 92,977	\$ 90,123
Interest on the Total Pension Liability	236,404	238,173	228,989	227,565	211,627	200,726	197,823	184,662	159,472
Changes of Benefit terms	-	-	-	-	-	-	-	-	2,927
Difference Between Expected and Actual Experience of the Total Pension Liability	23,800	(186,787)	(67,081)	(172,538)	20,072	(44,870)	(110,743)	1,134	186,180
Changes of Assumptions	27,051	-	-	(26,160)	-	-	146,156	-	-
Benefit Payments	(180,746)	(142,197)	(109,573)	(102,764)	(102,764)	(102,764)	(105,764)	(105,764)	(102,767)
Net Change in Total Pension Liability	184,967	378	151,507	22,208	230,324	156,987	225,389	173,009	335,935
Total Pension Liability - Beginning	3,428,350	3,427,972	3,276,465	3,254,257	3,023,933	2,866,946	2,641,557	2,468,548	2,132,613
Total Pension Liability - Ending (a)	3,613,317	3,428,350	3,427,972	3,276,465	3,254,257	3,023,933	2,866,946	2,641,557	2,468,548
Plan Fiduciary Net Position:									
Contributions - Employer	95,129	102,157	116,798	117,592	118,558	130,511	129,264	128,161	128,464
Contributions - Employee	7,901	8,947	9,685	9,767	10,160	11,546	10,772	10,092	9,882
Net Investment Income	263,091	(93,677)	751,253	102,739	166,539	187,052	231,038	(386)	45,319
Benefit Payments	(180,746)	(142,197)	(109,573)	(102,764)	(102,764)	(102,764)	(105,764)	(105,764)	(102,767)
Pension Plan Administrative Expense	(2,832)	(3,193)	(2,862)	(2,831)	(2,603)	(2,490)	(2,183)	(2,070)	(1,817)
Other	(211,568)	-	(106,028)	-	-	100,330	(4,893)	(46,510)	1
Net Change in Plan Fiduciary Net Position	(29,025)	(127,963)	659,273	124,503	189,890	324,185	258,234	(16,477)	79,082
Plan Fiduciary Net Position - Beginning	3,345,460	3,473,423	2,814,150	2,689,647	2,499,757	2,175,572	1,917,338	1,933,815	1,854,733
Plan Fiduciary Net Position - Ending (b)	3,316,435	3,345,460	3,473,423	2,814,150	2,689,647	2,499,757	2,175,572	1,917,338	1,933,815
Net Pension Liability - Ending (a) - (b)	\$ 296,882	\$ 82,890	\$ (45,451)	\$ 462,315	\$ 564,610	\$ 524,176	\$ 691,374	\$ 724,219	\$ 534,733
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	91.78 %	97.58 %	101.33 %	85.89 %	82.65 %	82.67 %	75.88 %	72.58 %	78.34 %
Covered Employee Payroll	\$ 790,111	\$ 896,652	\$ 968,474	\$ 976,680	\$ 1,015,923	\$ 1,060,156	\$ 1,077,196	\$ 1,006,242	\$ 988,187
Net Pension Liability as a Percentage of Covered Payroll	37.57 %	9.24 %	(4.69)%	47.34 %	55.58 %	49.44 %	64.18 %	71.97 %	54.11 %

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

See accompanying Notes to ERS, MERS, and TSB Plans.

**TOWN OF LINCOLN, RHODE ISLAND
MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM
SCHEDULE OF CONTRIBUTIONS
GENERAL EMPLOYEE PLAN
LAST 10 YEARS**

Measurement Date Fiscal Years	2023 2024	2022 2023	2021 2022	2020 2021	2019 2020	2018 2019	2017 2018	2016 2017	2015 2016	2014 2015
Actuarially Determined Contribution	\$ 68,546	\$ 95,129	\$ 102,157	\$ 116,798	\$ 117,592	\$ 118,558	\$ 130,511	\$ 129,264	\$ 128,161	\$ 128,464
Contribution in Relation to the Actuarially Determined Contribution	68,546	95,129	102,157	116,798	117,592	118,558	130,511	129,264	128,161	128,464
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered-Employee Payroll	\$ 569,319	\$ 790,111	\$ 896,652	\$ 968,474	\$ 976,680	\$ 1,107,863	\$ 1,060,156	\$ 1,077,196	\$ 1,006,242	\$ 988,187
Contributions as a Percentage of Covered-Employee Payroll	12.04 %	12.04 %	11.39 %	12.06 %	12.04 %	10.70 %	12.31 %	12.00 %	12.74 %	13.00 %

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

See accompanying Notes to ERS, MERS, and TSB Plans.

**TOWN OF LINCOLN, RHODE ISLAND
MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS
RESCUE EMPLOYEE PLAN
LAST NINE YEARS***

Measurement Date Fiscal Years	2023 2024	2022 2023	2021 2022	2020 2021	2019 2020	2018 2019	2017 2018	2016 2017	2015 2016
Total Pension Liability:									
Service Cost	\$ 182,738	\$ 169,820	\$ 162,821	\$ 180,311	\$ 173,179	\$ 171,482	\$ 170,422	\$ 168,655	\$ 148,381
Interest on the Total Pension Liability	495,584	495,997	479,019	426,701	419,609	414,749	370,389	358,289	321,600
Changes of Benefit terms	-	-	-	-	-	-	-	-	199,797
Difference Between Expected and Actual Experience of the Total Pension Liability	(257,089)	(332,099)	(59,327)	420,183	(204,833)	(238,456)	263,444	(187,182)	(32,356)
Changes of Assumptions	(24,426)	-	-	66,541	-	-	428,763	-	-
Benefit Payments	(358,029)	(334,127)	(352,812)	(322,352)	(258,085)	(300,304)	(193,838)	(164,793)	(151,960)
Net Change in Total Pension Liability	38,778	(409)	229,701	771,384	129,870	47,471	1,039,180	174,969	485,462
Total Pension Liability - Beginning	7,167,419	7,167,828	6,938,127	6,166,743	6,036,873	5,989,402	4,950,222	4,775,253	4,289,791
Total Pension Liability - Ending (a)	7,206,197	7,167,419	7,167,828	6,938,127	6,166,743	6,036,873	5,989,402	4,950,222	4,775,253
Plan Fiduciary Net Position:									
Contributions - Employer	285,247	263,513	208,769	205,154	168,971	152,968	175,174	172,028	179,605
Contributions - Employee	95,624	88,725	85,246	90,337	85,860	87,109	94,281	94,536	71,166
Net Investment Income	450,905	(145,958)	1,162,861	156,139	257,077	291,985	390,188	(1,181)	77,451
Benefit Payments	(358,029)	(334,127)	(352,812)	(322,352)	(258,085)	(300,304)	(193,838)	(164,793)	(151,960)
Pension Plan Administrative Expense	(4,853)	(4,976)	(4,431)	(4,302)	(4,017)	(3,887)	(3,686)	(3,177)	(3,105)
Other	2,094	(31,071)	-	-	(1)	-	(190,244)	-	(4,765)
Net Change in Plan Fiduciary Net Position	470,988	(163,894)	1,099,633	124,976	249,805	227,871	271,875	97,413	168,392
Plan Fiduciary Net Position - Beginning	5,212,598	5,376,492	4,276,859	4,151,883	3,902,078	3,674,207	3,402,332	3,304,919	3,136,527
Plan Fiduciary Net Position - Ending (b)	5,683,586	5,212,598	5,376,492	4,276,859	4,151,883	3,902,078	3,674,207	3,402,332	3,304,919
Net Pension Liability - Ending (a) - (b)	\$ 1,522,611	\$ 1,954,821	\$ 1,791,336	\$ 2,661,268	\$ 2,014,860	\$ 2,134,795	\$ 2,315,195	\$ 1,547,890	\$ 1,470,334
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	78.87 %	72.73 %	75.01 %	61.64 %	67.33 %	64.64 %	61.35 %	68.73 %	69.21 %
Covered Employee Payroll	\$ 956,244	\$ 887,250	\$ 852,467	\$ 903,364	\$ 858,598	\$ 853,146	\$ 960,666	\$ 952,317	\$ 889,575
Net Pension Liability as a Percentage of Covered Payroll	159.23 %	220.32 %	210.14 %	294.60 %	234.67 %	250.23 %	241.00 %	162.54 %	165.28 %

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

See accompanying Notes to ERS, MERS, and TSB Plans.

**TOWN OF LINCOLN, RHODE ISLAND
MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM
SCHEDULE OF CONTRIBUTIONS
RESCUE EMPLOYEE PLAN
LAST 10 YEARS**

Measurement Date Fiscal Years	2023 2024	2022 2023	2021 2022	2020 2021	2019 2020	2018 2019	2017 2018	2016 2017	2015 2016	2014 2015
Actuarially Determined Contribution	\$ 310,492	\$ 285,247	\$ 263,513	\$ 208,769	\$ 205,154	\$ 168,971	\$ 152,968	\$ 175,174	\$ 172,028	\$ 179,605
Contribution in Relation to the Actuarially Determined Contribution	310,492	285,247	263,513	208,769	205,154	168,971	152,968	175,174	172,028	179,605
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered-Employee Payroll	\$ 1,336,358	\$ 956,244	\$ 887,250	\$ 852,467	\$ 903,364	\$ 891,538	\$ 853,146	\$ 960,666	\$ 952,317	\$ 889,575
Contributions as a Percentage of Covered-Employee Payroll	23.23 %	29.83 %	29.70 %	24.49 %	22.71 %	18.95 %	17.93 %	18.23 %	18.06 %	20.19 %

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

See accompanying Notes to ERS, MERS, and TSB Plans.

**TOWN OF LINCOLN, RHODE ISLAND
TEACHERS' SURVIVORS BENEFIT PLAN
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION ASSET
LAST 10 YEARS**

Measurement Date Fiscal Years	2023 2024	2022 2023	2021 2022	2020 2021	2019 2020	2018 2019	2017 2018	2016 2017	2015 2016	2014 2015
Employer's Proportion of the Net Pension Liability (Asset)	4.66418318 %	4.68775134 %	4.85355551 %	4.60912777 %	4.64097503 %	4.71249896 %	4.67075334 %	4.78468663 %	4.90497735 %	4.97709490 %
Employer's Proportionate Share of the Net Pension Liability (Asset)	\$ (9,377,645)	\$ (8,237,742)	\$ (9,498,078)	\$ (5,473,964)	\$ (5,264,993)	\$ (4,204,930)	\$ (3,863,946)	\$ (4,764,203)	\$ (4,579,071)	\$ (6,187,561)
Employer's Covered-Employee Payroll	\$ 29,146,752	\$ 28,542,249	\$ 26,664,102	\$ 28,926,456	\$ 25,780,713	\$ 25,416,949	\$ 24,703,975	\$ 24,449,295	\$ 24,308,607	\$ 24,062,206
Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	(32.17)%	(28.86)%	(35.62)%	(18.92)%	(20.42)%	(16.54)%	(15.64)%	(19.49)%	(18.84)%	(25.71)%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	190.2 %	177.7 %	153.1 %	153.1 %	150.2 %	137.4 %	136.1 %	153.3 %	146.6 %	173.3 %

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

**TOWN OF LINCOLN, RHODE ISLAND
TEACHERS' SURVIVORS BENEFIT PLAN
SCHEDULE OF CONTRIBUTIONS
LAST 10 YEARS**

Measurement Date Fiscal Years	2023 2024	2022 2023	2021 2022	2020 2021	2019 2020	2018 2019	2017 2018	2016 2017	2015 2016	2014 2015
Statutorily Determined Contribution	\$ 36,685	\$ 35,731	\$ 35,416	\$ 35,732	\$ 34,380	\$ 34,615	\$ 35,063	\$ 27,552	\$ 30,731	\$ 28,406
Contribution in Relation to the Statutorily Determined Contribution	36,685	35,731	35,416	35,732	34,380	34,615	35,063	27,552	30,731	28,406
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered-Employee Payroll	\$ 29,146,752	\$ 28,542,249	\$ 26,664,103	\$ 28,926,456	\$ 25,780,713	\$ 25,416,949	\$ 24,703,975	\$ 24,449,295	\$ 24,308,607	\$ 24,062,206
Contributions as a Percentage of Covered-Employee Payroll	0.13 %	0.13 %	0.13 %	0.12 %	0.13 %	0.14 %	0.14 %	0.11 %	0.13 %	0.12 %

Note: Employers participating in the Teachers' Survivor's Benefit Plan contribute at a rate established by the RI General Laws, Section 16-16-35.

See accompanying Notes to ERS, MERS, and TSB Plans.

**TOWN OF LINCOLN, RHODE ISLAND
NOTES TO ERS, MERS, AND TSB PLANS
JUNE 30, 2024**

NOTE 1 SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)

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

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

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

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

June 30, 2023 Measurement Date

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, 2022 Measurement Date

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

June 30, 2021 Measurement Date

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

**TOWN OF LINCOLN, RHODE ISLAND
NOTES TO ERS, MERS, AND TSB PLANS
JUNE 30, 2024**

**NOTE 1 SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)
(CONTINUED)**

June 30, 2020 Measurement Date

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

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

June 30, 2019 Measurement Date

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

June 30, 2018 Measurement Date

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

June 30, 2017 Measurement Date

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

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

June 30, 2016 Measurement Date

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

**TOWN OF LINCOLN, RHODE ISLAND
NOTES TO ERS, MERS, AND TSB PLANS
JUNE 30, 2024**

**NOTE 1 SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)
(CONTINUED)**

June 30, 2015 Measurement Date

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

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

- Employees with more than 20 years of service at July 1, 2012 will increase their employee contribution rates to 11% for state employees and municipal general employees will contribute 8.25% (9.25% for units with a COLA provision) and participate solely in the defined benefit plan going forward – service credit accruals will increase from 1% to 2% per year.
- Members are eligible to retire upon the attainment of: age 65 with 30 years of service, 64 with 31 years of service, 63 with 32 years of service, or 62 with 33 years of service. Members may retire earlier if their RIRSA date is earlier or are eligible under a transition rule.
- MERS public safety employees may retire at age 50 with 25 years of service, or any age with 27 years of service. MERS public safety employees will contribute 9.00% (10.00% for units with a COLA provision)
- Employees with more than 10 but less than 20 years of service at July 1, 2012 will receive an increased employer contribution to the defined contribution plan. Also, members who earn less than \$35,000 per year will not be required to pay the administrative fees to the defined contribution plan.
- Members who retired from a COLA eligible plan before July 1, 2012 will received a one-time cost of living adjustment of 2% of the first \$25,000 paid as soon as administratively possible.
- Retirees as of June 30, 2015 will receive two \$500 stipends; the interim cost of living increases will occur at four year rather than five year intervals.
- The COLA formula was adjusted to: 50% of the COLA is calculated by taking the previous five year average investment return, less 5.5% (five 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 January, 1, 206, and indexed as of that date as well. (The indexing formula is run annually regardless of funding level each year.)
- Minor adjustments were made to the actuarial reduction for employees choosing to retire early.

**TOWN OF LINCOLN, RHODE ISLAND
NOTES TO ERS, MERS, AND TSB PLANS
JUNE 30, 2024**

NOTE 2 SCHEDULE OF EMPLOYER CONTRIBUTIONS

Teachers' Survivors Benefit Plan

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

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

**TOWN OF LINCOLN, RHODE ISLAND
TOWN PENSION PLAN
SCHEDULE OF CONTRIBUTIONS
LAST 10 YEARS**

Fiscal Years	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially Determined Contribution	\$ 2,021,124	\$ 2,214,808	\$ 2,261,259	\$ 1,907,506	\$ 1,808,739	\$ 1,729,370	\$ 1,700,406	\$ 1,522,833	\$ 1,374,183	\$ 1,222,045
Contribution in Relation to the Actuarially Determined Contribution	2,021,124	2,214,808	2,261,259	2,279,326	1,435,705	1,729,370	1,700,406	1,522,833	1,393,880	1,222,045
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ (371,820)	\$ 373,034	\$ -	\$ -	\$ -	\$ (19,697)	\$ -
Covered-Employee Payroll	\$ 7,293,909	\$ 6,164,184	\$ 6,705,553	\$ 6,254,322	\$ 5,476,470	\$ 5,425,686	\$ 5,275,079	\$ 4,868,352	\$ 5,073,432	\$ 5,068,754
Contributions as a Percentage of Covered-Employee Payroll	27.71 %	35.93 %	33.72 %	36.44 %	26.22 %	31.87 %	32.23 %	31.28 %	27.47 %	24.11 %

**TOWN OF LINCOLN, RHODE ISLAND
TOWN PENSION PLAN
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
LAST 10 YEARS**

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Town's Proportion of the Net Pension Liability (Asset)	93.77 %	93.69 %	93.69 %	93.57 %	93.77 %	93.67 %	93.81 %	94.67 %	94.59 %	93.81 %
Town's Proportionate Share of the Net Pension Liability (Asset)	\$ 13,112,567	\$ 15,281,384	\$ 15,670,414	\$ 11,911,747	\$ 16,774,487	\$ 14,217,768	\$ 13,682,963	\$ 14,121,027	\$ 14,881,202	\$ 14,391,640
Town's Covered-Employee Payroll	\$ 7,293,909	\$ 6,164,184	\$ 6,705,553	\$ 6,696,904	\$ 6,267,639	\$ 5,453,717	\$ 5,450,472	\$ 5,323,702	\$ 5,142,178	\$ 5,073,432
Town's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	179.77 %	247.91 %	233.69 %	177.87 %	267.64 %	260.70 %	251.04 %	265.25 %	289.39 %	283.67 %
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	75.44 %	70.49 %	67.84 %	62.87 %	62.87 %	65.72 %	64.60 %	62.04 %	58.04 %	58.10 %

**TOWN OF LINCOLN, RHODE ISLAND
NATIONAL (INDUSTRIAL) PENSION PLAN
SCHEDULE OF CONTRIBUTIONS
LAST EIGHT YEARS***

	2024	2023	2022	2021	2020	2019	2018	2017
Town's Contribution:								
Public Works	\$ 246,565	\$ 198,732	\$ 198,732	\$ 198,732	\$ 198,732	\$ 195,866	\$ 183,669	\$ 174,847
Library	53,540	44,866	44,866	44,866	44,866	44,781	41,674	45,618
Town Hall	181,546	84,128	84,128	84,128	84,128	86,077	107,895	-
Total Contributions	<u>481,651</u>	<u>327,726</u>	<u>327,726</u>	<u>327,726</u>	<u>327,726</u>	<u>326,724</u>	<u>333,238</u>	<u>220,465</u>
Contribution in Relation to the Actuarially Determined Contribution	<u>481,651</u>	<u>327,726</u>	<u>327,726</u>	<u>327,726</u>	<u>327,726</u>	<u>326,724</u>	<u>333,238</u>	<u>220,465</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Contribution Rates:								
Public Works	\$3.38/hour							
Library	\$2.72/hour							
Town Hall	\$2.89/hour							

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

**TOWN OF LINCOLN, RHODE ISLAND
OTHER POSTEMPLOYMENT BENEFITS
SCHEDULE OF NET OPEB LIABILITY AND RELATED RATIOS
LAST EIGHT FISCAL YEARS***

	2024	2023	2022	2021	2020	2019	2018	2017
Total OPEB Liability:								
Service Cost	\$ 389,722	\$ 481,483	\$ 466,789	\$ 466,086	\$ 453,128	\$ 490,133	\$ 486,994	\$ 494,754
Interest	1,522,824	1,588,090	1,671,478	1,369,694	1,313,614	1,226,993	1,268,985	1,283,840
Difference Between Expected and Actual Experience	(441,783)	(2,474,093)	(1,752,743)	2,974,484	503,794	1,415,712	(1,172,388)	(1,850,157)
Change of benefit terms	1,722,523							
Changes in Assumptions	(873,618)	534,090	691,380	1,148,354	-	(523,899)	-	2,226,107
Benefit Payments	(1,376,795)	(1,416,665)	(1,426,503)	(1,548,401)	(1,360,025)	(1,219,596)	(1,198,427)	(727,240)
Net Change in Total OPEB Liability	942,873	(1,287,095)	(349,599)	4,410,217	910,511	1,389,343	(614,836)	1,427,304
Total OPEB Liability - Beginning	23,360,761	24,647,856	24,997,455	20,587,238	19,676,727	18,287,384	18,902,220	17,474,916
Total OPEB Liability - Ending	24,303,634	23,360,761	24,647,856	24,997,455	20,587,238	19,676,727	18,287,384	18,902,220
OPEB Fiduciary Net Position:								
Benefit Payments	(3,732,442)	(1,416,665)	(1,426,503)	(1,548,401)	(1,360,025)	(1,219,596)	(1,198,427)	(727,240)
Trust Administrative Expenses	(38,765)	(29,844)	(31,704)	(27,381)	(17,742)	(14,222)	(10,350)	(9,932)
Contributions - Employer	2,576,795	2,763,225	2,773,063	1,933,780	1,886,424	1,948,878	1,804,537	1,534,402
Net Investment Income	1,508,434	806,315	(1,407,568)	1,944,460	423,511	414,990	276,633	362,250
Net Change in Plan Fiduciary Net Position	314,022	2,123,031	(92,712)	2,302,458	932,168	1,130,050	872,393	1,159,480
Plan Fiduciary Net Position - Beginning	11,339,098	9,216,067	9,308,779	7,006,321	6,074,153	4,944,103	4,071,710	2,912,230
Plan Fiduciary Net Position - Ending	11,653,120	11,339,098	9,216,067	9,308,779	7,006,321	6,074,153	4,944,103	4,071,710
Plan's Net Pension Liability - Ending	\$ 12,650,514	\$ 12,021,663	\$ 15,431,789	\$ 15,688,676	\$ 13,580,917	\$ 13,602,574	\$ 13,343,281	\$ 14,830,510
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	47.95%	48.54%	37.39%	37.24%	34.03%	30.87%	27.04%	21.54%
Covered-Employee Payroll	\$ 40,451,197	\$ 39,083,282	\$ 34,805,098	\$ 33,628,114	\$ 29,018,945	\$ 33,645,972	\$ 32,927,613	\$ 31,814,119
Net OPEB Liability as a Percentage of Covered-Employee Payroll	31.27%	30.76%	44.34%	46.65%	46.80%	40.43%	40.52%	46.62%

* Includes \$2,355,647 benefit payments paid outside trust assets that is payable to general funds.

**TOWN OF LINCOLN, RHODE ISLAND
OTHER POSTEMPLOYMENT BENEFITS
SCHEDULE OF CONTRIBUTIONS
LAST EIGHT FISCAL YEARS***

	2024	2023	2022	2021	2020	2019	2018	2017
Actuarially Determined Contribution	\$ 1,171,735	\$ 1,445,602	\$ 1,445,415	\$ 1,548,401	\$ 1,264,735	\$ 1,271,875	\$ 1,333,965	\$ 1,352,133
Contributions in Relation to the Actuarially Determined Contribution	<u>2,576,795</u>	<u>2,763,225</u>	<u>2,773,063</u>	<u>1,933,780</u>	<u>1,886,424</u>	<u>1,948,878</u>	<u>1,804,537</u>	<u>1,534,402</u>
Contribution Deficiency (Excess)	<u>\$ (1,405,060)</u>	<u>\$ (1,317,623)</u>	<u>\$ (1,327,648)</u>	<u>\$ (385,379)</u>	<u>\$ (621,689)</u>	<u>\$ (677,003)</u>	<u>\$ (470,572)</u>	<u>\$ (182,269)</u>
Covered Employee Payroll	\$ 40,451,197	\$ 39,083,282	\$ 34,805,098	\$ 33,628,114	\$ 29,018,945	\$ 33,645,972	\$ 32,927,613	\$ 31,814,119
Contributions as a Percentage of Covered Employee Payroll	6.37 %	7.07 %	7.97 %	5.75 %	6.50 %	5.79 %	5.48 %	4.82 %

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

**TOWN OF LINCOLN, RHODE ISLAND
OTHER POSTEMPLOYMENT BENEFITS
SCHEDULE OF INVESTMENT RETURNS AND NOTES
LAST EIGHT FISCAL YEARS**

	2024	2023	2022	2021	2020	2019	2018	2017
Annual Money-Weighted Rate of Return, Net of Investment Expense	6.90 %	5.44 %	(13.24)%	10.51 %	4.94 %	4.11 %	6.79 %	12.43 %

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

Notes to Required Supplementary Information

Measurement Date	For fiscal year ending June 30, 2024, a June 30, 2024 measurement date was used.
Actuarial Valuation Date	July 1, 2023 Liabilities as of June 30, 2024 are based on an actuarial valuation date of July 1, 2023 projected to June 30, 2024, on a rolled forward basis with adjustment for actual premium and discount rate changes. Liabilities as of June 30, 2023 are based on an actuarial valuation date of July 1, 2023 with no adjustments to get to the measurement date of June 30, 2023.
Discount Rate	6.90% as of June 30, 2024 and 6.60% as of June 30, 2023
Long-term Rate of Return	6.90% as of June 30, 2024 and 6.60% as of June 30, 2023
Payroll Growth	Payroll growth rates are based on the assumptions used in the RI ERS and RI MERS actuarial valuations as of June 30, 2023 for teachers/administrators and support/rescue employees. Rates shown in the actuarial report include both general wage inflation, as well as merit/productivity increases. For police, the payroll growth rates are based on the Town of Lincoln Police actuarial valuation as of January 1, 2023.
Cost Method	Allocation of Actuarial Present Value of Future Benefits for services prior and after the measurement Date was determined using Entry age Normal Level % of Salary method Service cost for each individual participant, payable from date of employment to date of retirement, is sufficient to pay for the participant's benefit at retirement Annual Service Cost is a constant percentage of the participant's salary that is assumed to increase according to the payroll growth.
Health Care Trend Rates	FYE2024 Health Care Trend rates are based on the actual rate of increase from the medical premium rates effective July 1, 2023 to those effective July 1, 2024.
Retiree Contributions	Retiree contributions are assumed to increase according to health care trend rates for non-injunction retirees and the effects of any applicable Michigan hard caps. Retiree contributions for the Injunction group are assumed to increase by 4.5% annually in the future.

SUPPLEMENTARY INFORMATION

**TOWN OF LINCOLN, RHODE ISLAND
NONMAJOR GOVERNMENTAL FUNDS
COMBINED BALANCE SHEET
JUNE 30, 2024**

	Town Special Revenue	School Special Revenue	Capital Projects	Total Nonmajor Governmental Funds
ASSETS				
Cash and Cash Equivalents	\$ 1,494,241	\$ 1,501,673	\$ -	\$ 2,995,914
Due from Other Governments	-	64,612	-	64,612
Receivables	4,523	777,538	-	782,061
Due from Other Funds	3,581,456	7,913,313	7,467,597	18,962,366
Total Assets	<u>\$ 5,080,220</u>	<u>\$ 10,257,136</u>	<u>\$ 7,467,597</u>	<u>\$ 22,804,953</u>
 Total Assets and Deferred Outflows of Resources	 <u>\$ 5,080,220</u>	 <u>\$ 10,257,136</u>	 <u>\$ 7,467,597</u>	 <u>\$ 22,804,953</u>
LIABILITIES				
Accounts Payable and Accrued Expenses	\$ 154,632	\$ 85,540	\$ 231,391	\$ 471,563
Due to Other Funds	651,433	8,517,492	2,452,289	11,621,214
Unearned Revenue	3,423,667	-	-	3,423,667
Total Liabilities	<u>4,229,732</u>	<u>8,603,032</u>	<u>2,683,680</u>	<u>15,516,444</u>
DEFERRED INFLOWS OF RESOURCES				
Unearned Revenue	-	682,092	-	682,092
Total Deferred Inflows of Resources	-	682,092	-	682,092
FUND BALANCE				
Restricted	1,273,964	1,710,957	154,433	3,139,354
Committed	-	-	7,081,773	7,081,773
Unassigned	(423,476)	(738,945)	(2,452,289)	(3,614,710)
Total Fund Balance	<u>850,488</u>	<u>972,012</u>	<u>4,783,917</u>	<u>6,606,417</u>
 Total Liabilities, Deferred Inflows of Resources, and Fund Balances	 <u>\$ 5,080,220</u>	 <u>\$ 10,257,136</u>	 <u>\$ 7,467,597</u>	 <u>\$ 22,804,953</u>

**TOWN OF LINCOLN, RHODE ISLAND
NONMAJOR GOVERNMENTAL FUNDS
COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2024**

	Town Special Revenue	School Special Revenue	Capital Projects	Total Nonmajor Governmental Funds
REVENUES				
Federal and State Grant Income	\$ 1,834,523	\$ 4,851,964	\$ -	\$ 6,686,487
Charges for Services	107,199	721,656	-	828,855
Other Revenue	209,009	802,199	-	1,011,208
Investment Income	16	-	-	16
Total Revenues	<u>2,150,747</u>	<u>6,375,819</u>	<u>-</u>	<u>8,526,566</u>
EXPENDITURES				
General Government	302,099	-	-	302,099
Public Safety	789,559	-	-	789,559
Public Services	1,013,164	-	1,378,541	2,391,705
Education	-	7,122,700	2,026,306	9,149,006
Total Expenditures	<u>2,104,822</u>	<u>7,122,700</u>	<u>3,404,847</u>	<u>12,632,369</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	45,925	(746,881)	(3,404,847)	(4,105,803)
OTHER FINANCING SOURCES (USES)				
Transfer In	-	-	1,991,970	1,991,970
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>1,991,970</u>	<u>1,991,970</u>
NET CHANGE IN FUND BALANCES	45,925	(746,881)	(1,412,877)	(2,113,833)
Fund Balance - Beginning of Year, As Originally Reported	6,159,349	1,718,893	5,023,501	12,901,743
Restatement	-	-	864,230	864,230
Adjustment (Nonmajor to Major Fund)	(5,354,788)	-	-	(5,354,788)
(Custodial to Capital Projects)	-	-	309,063	309,063
Fund Balance - Beginning of Year, As Adjusted or Restated	<u>804,561</u>	<u>1,718,893</u>	<u>6,196,794</u>	<u>8,720,248</u>
FUND BALANCES - END OF YEAR	<u>\$ 850,486</u>	<u>\$ 972,012</u>	<u>\$ 4,783,917</u>	<u>\$ 6,606,415</u>

**TOWN OF LINCOLN, RHODE ISLAND
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
TOWN SPECIAL REVENUE FUNDS
JUNE 30, 2024**

	19	20	21	22	23	30	34	35	36
	ARPA	Partnership For Success	DCF Grant	Substance Abuse	CDBG	Animal Care	Holiday Basket	Lincoln Days	Memorial Day Parade
ASSETS									
Cash and Cash Equivalents	\$ 879,256	\$ -	\$ -	\$ 162,869	\$ -	\$ -	\$ 43,277	\$ -	\$ 36,675
Intergovernmental Receivable	-	-	-	-	-	-	-	-	-
Due from Other Funds	2,678,238	43,977	7,022	137,111	28,931	92,345	-	-	-
Total Assets	<u>3,557,494</u>	<u>43,977</u>	<u>7,022</u>	<u>299,980</u>	<u>28,931</u>	<u>92,345</u>	<u>43,277</u>	<u>-</u>	<u>36,675</u>
LIABILITIES									
Accounts Payable	133,827	2,051	5,131	-	-	764	-	-	-
Due to Other Funds	-	-	99,661	-	-	5,332	36	-	5,820
Unearned Revenue	3,423,667	-	-	-	-	-	-	-	-
Total Liabilities	<u>3,557,494</u>	<u>2,051</u>	<u>104,792</u>	<u>-</u>	<u>-</u>	<u>6,096</u>	<u>36</u>	<u>-</u>	<u>5,820</u>
FUND BALANCES									
Restricted	-	41,926	-	299,980	28,931	86,249	43,241	-	30,855
Unassigned	-	-	(97,770)	-	-	-	-	-	-
Total Fund Balances	<u>-</u>	<u>41,926</u>	<u>(97,770)</u>	<u>299,980</u>	<u>28,931</u>	<u>86,249</u>	<u>43,241</u>	<u>-</u>	<u>30,855</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 3,557,494</u>	<u>\$ 43,977</u>	<u>\$ 7,022</u>	<u>\$ 299,980</u>	<u>\$ 28,931</u>	<u>\$ 92,345</u>	<u>\$ 43,277</u>	<u>\$ -</u>	<u>\$ 36,675</u>

**TOWN OF LINCOLN, RHODE ISLAND
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)
TOWN SPECIAL REVENUE FUNDS
JUNE 30, 2024**

	37	39	40	41	42	43	45	46	47	48	49
	Honest Abe	Police Vest Grant	SHSP Grant	Police Forfeiture	Senior Center Donations	Pandemic Response Program	Fed Drug Forfeiture	Local Seized Funds	Rescue Grants and Donations	MEDS	Byrne JAG 2009
ASSETS											
Cash and Cash Equivalents	\$ 3,662	\$ -	\$ -	\$ 78,193	\$ -	\$ -	\$ 19	\$ 28,782	\$ -	\$ -	\$ 388
Intergovernmental Receivable	-	-	-	-	-	-	-	4,523	-	-	-
Due from Other Funds	-	1,819	10,000	2,544	86,692	-	-	-	1,459	64,095	525
Total Assets	<u>3,662</u>	<u>1,819</u>	<u>10,000</u>	<u>80,737</u>	<u>86,692</u>	<u>-</u>	<u>19</u>	<u>33,305</u>	<u>1,459</u>	<u>64,095</u>	<u>913</u>
LIABILITIES											
Accounts Payable	-	-	-	-	-	-	-	12,524	-	-	-
Due to Other Funds	-	2,652	-	-	-	311,431	-	-	-	27,862	-
Unearned Revenue	-	-	-	-	-	-	-	-	-	-	-
Total Liabilities	<u>-</u>	<u>2,652</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>311,431</u>	<u>-</u>	<u>12,524</u>	<u>-</u>	<u>27,862</u>	<u>-</u>
FUND BALANCES											
Restricted	3,662	-	10,000	80,737	86,692	-	19	20,781	1,459	36,233	913
Unassigned	-	(833)	-	-	-	(311,431)	-	-	-	-	-
Total Fund Balances	<u>3,662</u>	<u>(833)</u>	<u>10,000</u>	<u>80,737</u>	<u>86,692</u>	<u>(311,431)</u>	<u>19</u>	<u>20,781</u>	<u>1,459</u>	<u>36,233</u>	<u>913</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 3,662</u>	<u>\$ 1,819</u>	<u>\$ 10,000</u>	<u>\$ 80,737</u>	<u>\$ 86,692</u>	<u>\$ -</u>	<u>\$ 19</u>	<u>\$ 33,305</u>	<u>\$ 1,459</u>	<u>\$ 64,095</u>	<u>\$ 913</u>

**TOWN OF LINCOLN, RHODE ISLAND
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)
TOWN SPECIAL REVENUE FUNDS
JUNE 30, 2024**

	65	66	67	68	69	71	72	73	74	84	
	Hearthside Building	Senior Center	Affordable Housing Trust	Disaster Mitigation	Pacemaking	Operation Riptide	Town Clerk Technician	Historical Records	Senior Center Programs	School Revolving	Total
ASSETS											
Cash and Cash Equivalents	\$ 6,642	\$ 62,944	\$ 152,571	\$ -	\$ 9,899	\$ 19,591	\$ -	\$ 6,026	\$ 3,447	\$ -	\$ 1,494,241
Intergovernmental Receivable	-	-	-	-	-	-	-	-	-	-	4,523
Due from Other Funds	-	-	206,827	-	-	-	152,514	62,135	5,222	-	3,581,456
Total Assets	6,642	62,944	359,398	-	9,899	19,591	152,514	68,161	8,669	-	5,080,220
LIABILITIES											
Accounts Payable	-	335	-	-	-	-	-	-	-	-	154,632
Due to Other Funds	-	49,765	-	-	17,398	25,534	105,942	-	-	-	651,433
Unearned Revenue	-	-	-	-	-	-	-	-	-	-	3,423,667
Total Liabilities	-	50,100	-	-	17,398	25,534	105,942	-	-	-	4,229,732
FUND BALANCES											
Restricted	6,642	12,844	359,398	-	-	-	46,572	68,161	8,669	-	1,273,964
Unassigned	-	-	-	-	(7,499)	(5,943)	-	-	-	-	(423,476)
Total Fund Balances	6,642	12,844	359,398	-	(7,499)	(5,943)	46,572	68,161	8,669	-	850,488
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 6,642	\$ 62,944	\$ 359,398	\$ -	\$ 9,899	\$ 19,591	\$ 152,514	\$ 68,161	\$ 8,669	\$ -	\$ 5,080,220

**TOWN OF LINCOLN, RHODE ISLAND
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
TOWN SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2024**

	19	20	21	22	23	30	34	35	36
	ARPA	Partnership For Success	DCF Grant	Substance Abuse	CDBG	Animal Care	Holiday Basket	Lincoln Days	Memorial Day Parade
REVENUES									
Grant Revenue	\$ 1,563,631	\$ -	\$ 75,812	\$ 93,522	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	-	-	-	-	6,477	-	-	-
Investment Income	-	-	-	-	-	-	-	-	-
Other Revenue	-	-	-	-	-	-	14,508	6	40,885
Total Revenues	1,563,631	-	75,812	93,522	-	6,477	14,508	6	40,885
EXPENDITURES									
General Government	165,995	-	-	-	-	-	-	4,806	-
Public Safety	664,945	2,050	98,422	-	-	-	-	-	-
Public Service	732,691	-	-	-	-	17,321	19,033	-	36,657
Total Expenditures	1,563,631	2,050	98,422	-	-	17,321	19,033	4,806	36,657
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	-	(2,050)	(22,610)	93,522	-	(10,844)	(4,525)	(4,800)	4,228
Fund Balance - Beginning of Year, As Originally Reported	-	43,976	(75,160)	206,458	28,931	97,093	47,766	4,800	26,627
Adjustment (Nonmajor to Major Fund)	-	-	-	-	-	-	-	-	-
Fund Balance - Beginning of Year, As Adjusted or Restated	-	43,976	(75,160)	206,458	28,931	97,093	47,766	4,800	26,627
FUND BALANCES - END OF YEAR	\$ -	\$ 41,926	\$ (97,770)	\$ 299,980	\$ 28,931	\$ 86,249	\$ 43,241	\$ -	\$ 30,855

**TOWN OF LINCOLN, RHODE ISLAND
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE (CONTINUED)
TOWN SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2024**

	37	39	40	41	42	43	45	46	47	48	49
	Honest Abe	Police Vest Grant	SHSP Grant	Police Forfeiture	Senior Center Donations	Pandemic Response Program	Fed Drug Forfeiture	Local Seized Funds	Rescue Grants and Donations	MEDS	Byrne JAG 2009
REVENUES											
Grant Revenue	\$ -	\$ 5,313	\$ -	\$ 51,102	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	-	-	-	-	-	-	-	-	-	-
Investment Income	-	-	-	-	-	-	-	-	-	-	-
Other Revenue	14,960	-	-	-	-	-	-	437	-	-	-
Total Revenues	14,960	5,313	-	51,102	-	-	-	437	-	-	-
EXPENDITURES											
General Government	11,298	-	-	-	-	-	-	-	-	-	-
Public Safety	-	5,258	-	7,640	-	-	-	64	-	3,268	-
Public Service	-	-	-	-	-	-	-	-	-	-	-
Total Expenditures	11,298	5,258	-	7,640	-	-	-	64	-	3,268	-
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	3,662	55	-	43,462	-	-	-	373	-	(3,268)	-
Fund Balance - Beginning of Year, As Originally Reported	-	(888)	10,000	37,275	86,692	(311,431)	19	20,408	1,459	39,501	913
Adjustment (Nonmajor to Major Fund)	-	-	-	-	-	-	-	-	-	-	-
Fund Balance - Beginning of Year, As Adjusted or Restated	-	(888)	10,000	37,275	86,692	(311,431)	19	20,408	1,459	39,501	913
FUND BALANCES - END OF YEAR	\$ 3,662	\$ (833)	\$ 10,000	\$ 80,737	\$ 86,692	\$ (311,431)	\$ 19	\$ 20,781	\$ 1,459	\$ 36,233	\$ 913

**TOWN OF LINCOLN, RHODE ISLAND
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE (CONTINUED)
TOWN SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2024**

	65	66	67	68	69	71	72	73	74	84	Total
	Hearthside Building	Senior Center	Affordable Housing Trust	Disaster Mitigation	Pacemaking	Operation Riptide	Town Clerk Technician	Historical Records	Senior Center Programs	School Revolving	Total
REVENUES											
Grant Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,710	\$ -	\$ -	\$ 38,433	\$ -	\$ 1,834,523
Charges for Services	-	81,196	-	-	-	-	16,676	2,850	-	-	107,199
Investment Income	16	-	-	-	-	-	-	-	-	-	16
Other Revenue	-	-	138,213	-	-	-	-	-	-	-	209,009
Total Revenues	16	81,196	138,213	-	-	6,710	16,676	2,850	38,433	-	2,150,747
EXPENDITURES											
General Government	-	-	120,000	-	-	-	-	-	-	-	302,099
Public Safety	-	-	-	-	-	7,912	-	-	-	-	789,559
Public Service	-	74,573	-	-	-	-	102,467	-	30,422	-	1,013,164
Total Expenditures	-	74,573	120,000	-	-	7,912	102,467	-	30,422	-	2,104,822
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	16	6,623	18,213	-	-	(1,202)	(85,791)	2,850	8,011	-	45,925
Fund Balance - Beginning of Year, As Originally Reported	6,626	6,221	341,185	-	(7,499)	(4,741)	132,363	65,311	658	5,354,788	6,159,349
Adjustment (Nonmajor to Major Fund)	-	-	-	-	-	-	-	-	-	(5,354,788)	(5,354,788)
Fund Balance - Beginning of Year, As Adjusted or Restated	6,626	6,221	341,185	-	(7,499)	(4,741)	132,363	65,311	658	-	804,563
FUND BALANCES - END OF YEAR	\$ 6,642	\$ 12,844	\$ 359,398	\$ -	\$ (7,499)	\$ (5,943)	\$ 46,572	\$ 68,161	\$ 8,669	\$ -	\$ 850,488

**TOWN OF LINCOLN, RHODE ISLAND
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
SCHOOL SPECIAL REVENUE FUNDS
JUNE 30, 2024**

	21011100 SPED IDEA Part B	21011200 SPED IDEA Preschool	21013100 SPED IDEA Part B Support	21021100 Title I Part A Disadvantaged Youth	21031100 Title II Part A Teacher Quality	21041100 Title III Language Acquisition	21061100 Title V	21091100 Perkins Vocational Even	21092101 Perkins V	21162100 USDA FFVP	21251705 ESSER II Priority V
ASSETS											
Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receivables	-	-	-	-	-	-	-	-	-	-	-
Due from Other Funds	1,194,012	38,492	38	1,279,983	528,908	74,116	-	232,666	5,794	2,044	-
Due from State or Federal Government	-	-	-	-	-	36	-	-	-	-	-
Total Assets	<u>\$ 1,194,012</u>	<u>\$ 38,492</u>	<u>\$ 38</u>	<u>\$ 1,279,983</u>	<u>\$ 528,908</u>	<u>\$ 74,152</u>	<u>\$ -</u>	<u>\$ 232,666</u>	<u>\$ 5,794</u>	<u>\$ 2,044</u>	<u>\$ -</u>
LIABILITIES											
Accounts Payable and Accrued Liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to Other Funds	1,194,012	38,492	-	1,279,983	528,908	74,116	-	232,666	5,794	2,044	-
Total Liabilities	<u>1,194,012</u>	<u>38,492</u>	<u>-</u>	<u>1,279,983</u>	<u>528,908</u>	<u>74,116</u>	<u>-</u>	<u>232,666</u>	<u>5,794</u>	<u>2,044</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES											
Deferred Inflows	-	-	-	-	-	-	-	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES (DEFICITS)											
Restricted	-	-	38	-	-	36	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-	-	-
Total Fund Balance (Deficits)	<u>-</u>	<u>-</u>	<u>38</u>	<u>-</u>	<u>-</u>	<u>36</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities and Fund Balances (Deficits)	<u>\$ 1,194,012</u>	<u>\$ 38,492</u>	<u>\$ 38</u>	<u>\$ 1,279,983</u>	<u>\$ 528,908</u>	<u>\$ 74,152</u>	<u>\$ -</u>	<u>\$ 232,666</u>	<u>\$ 5,794</u>	<u>\$ 2,044</u>	<u>\$ -</u>

**TOWN OF LINCOLN, RHODE ISLAND
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)
SCHOOL SPECIAL REVENUE FUNDS
JUNE 30, 2024**

	21251706	21251802	21251805	21251806	21251810	21251815	21251816	21251820	21251824	21413100	22071000
	ESSER Grant	ARPA ESSER III Priority 2	ESSER II Digital Divide	ESSER II Other Priority	ARPA Homeless Youth	ARPA IDEA Part B	ARPA IDEA Preschool	ARPA ELC	ESSER III	RIDHS Bright Stars	NOAA
ASSETS											
Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receivables	-	98,680	76,413	506,999	-	-	-	-	-	-	-
Due from Other Funds	888,226	-	-	2,903,133	-	184,245	-	42,995	-	2,751	187
Due from State or Federal Government	-	-	-	-	19,597	-	-	-	14,456	-	-
Total Assets	<u>\$ 888,226</u>	<u>\$ 98,680</u>	<u>\$ 76,413</u>	<u>\$ 3,410,132</u>	<u>\$ 19,597</u>	<u>\$ 184,245</u>	<u>\$ -</u>	<u>\$ 42,995</u>	<u>\$ 14,456</u>	<u>\$ 2,751</u>	<u>\$ 187</u>
LIABILITIES											
Accounts Payable and Accrued Liabilities	\$ -	\$ -	\$ -	\$ 28,122	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to Other Funds	888,226	98,680	76,413	3,382,010	19,597	184,245	-	42,995	14,456	-	-
Total Liabilities	<u>888,226</u>	<u>98,680</u>	<u>76,413</u>	<u>3,410,132</u>	<u>19,597</u>	<u>184,245</u>	<u>-</u>	<u>42,995</u>	<u>14,456</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES											
Deferred Inflows	-	98,680	76,413	506,999	-	-	-	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>98,680</u>	<u>76,413</u>	<u>506,999</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES (DEFICITS)											
Restricted	-	-	-	-	-	-	-	-	-	2,751	187
Unassigned	-	(98,680)	(76,413)	(506,999)	-	-	-	-	-	-	-
Total Fund Balance (Deficits)	<u>-</u>	<u>(98,680)</u>	<u>(76,413)</u>	<u>(506,999)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,751</u>	<u>187</u>
Total Liabilities and Fund Balances (Deficits)	<u>\$ 888,226</u>	<u>\$ 98,680</u>	<u>\$ 76,413</u>	<u>\$ 3,410,132</u>	<u>\$ 19,597</u>	<u>\$ 184,245</u>	<u>\$ -</u>	<u>\$ 42,995</u>	<u>\$ 14,456</u>	<u>\$ 2,751</u>	<u>\$ 187</u>

**TOWN OF LINCOLN, RHODE ISLAND
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)
SCHOOL SPECIAL REVENUE FUNDS
JUNE 30, 2024**

	22291010 Emergency Connectivity Fund	23112001 Legislative Grant	23142000 RI State Council	23163000 RICAPP	23183000 RI State Council #2	23463000 RI Skills Commission	23581000 CTE Categorical 2013	23581001 CTE Categorical Even	23582000 CTE Course Sequence	23582001 CTE Categorical 2014	23671000 ELL Categorical
ASSETS											
Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receivables	-	-	-	-	-	-	-	-	-	-	-
Due from Other Funds	-	2,876	1,270	1,083	1,401	10,426	19,530	5,570	301	17,488	-
Due from State or Federal Government	-	-	-	-	-	-	-	-	-	-	30,523
Total Assets	<u>\$ -</u>	<u>\$ 2,876</u>	<u>\$ 1,270</u>	<u>\$ 1,083</u>	<u>\$ 1,401</u>	<u>\$ 10,426</u>	<u>\$ 19,530</u>	<u>\$ 5,570</u>	<u>\$ 301</u>	<u>\$ 17,488</u>	<u>\$ 30,523</u>
LIABILITIES											
Accounts Payable and Accrued Liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to Other Funds	-	-	-	-	-	-	14,457	5,431	-	-	30,523
Total Liabilities	-	-	-	-	-	-	14,457	5,431	-	-	30,523
DEFERRED INFLOWS OF RESOURCES											
Deferred Inflows	-	-	-	-	-	-	-	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-	-	-	-	-	-	-	-
FUND BALANCES (DEFICITS)											
Restricted	-	2,876	1,270	1,083	1,401	10,426	5,073	139	301	17,488	-
Unassigned	-	-	-	-	-	-	-	-	-	-	-
Total Fund Balance (Deficits)	-	2,876	1,270	1,083	1,401	10,426	5,073	139	301	17,488	-
Total Liabilities and Fund Balances (Deficits)	<u>\$ -</u>	<u>\$ 2,876</u>	<u>\$ 1,270</u>	<u>\$ 1,083</u>	<u>\$ 1,401</u>	<u>\$ 10,426</u>	<u>\$ 19,530</u>	<u>\$ 5,570</u>	<u>\$ 301</u>	<u>\$ 17,488</u>	<u>\$ 30,523</u>

**TOWN OF LINCOLN, RHODE ISLAND
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)
SCHOOL SPECIAL REVENUE FUNDS
JUNE 30, 2024**

	23911001	23911007	23911008	24012005	24012020	24020077	24030009	24030018 ED	24030060	24030727 National Restaurant Dues	24040030 Reading Excellence
	SBA Capital	SBA Capital #2	SBA Capital #3	Feinstein Foundation	Champlin Foundation	LHS Scholarship	Target Grant	Development Center, Inc.	IBM		
ASSETS											
Cash	\$ -	\$ -	\$ -	\$ -	\$ -	35,589	\$ -	\$ -	\$ -	\$ -	\$ -
Receivables	-	-	-	-	-	-	-	-	-	-	-
Due from Other Funds	336,768	9,300	-	18,053	-	-	231	1,099	122	10	1,465
Due from State or Federal Government	-	-	-	-	-	-	-	-	-	-	-
Total Assets	<u>\$ 336,768</u>	<u>\$ 9,300</u>	<u>\$ -</u>	<u>\$ 18,053</u>	<u>\$ -</u>	<u>\$ 35,589</u>	<u>\$ 231</u>	<u>\$ 1,099</u>	<u>\$ 122</u>	<u>\$ 10</u>	<u>\$ 1,465</u>
LIABILITIES											
Accounts Payable and Accrued Liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to Other Funds	336,768	9,300	56,853	-	-	-	-	-	-	-	-
Total Liabilities	<u>336,768</u>	<u>9,300</u>	<u>56,853</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES											
Deferred Inflows	-	-	-	-	-	-	-	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES (DEFICITS)											
Restricted	-	-	-	18,053	-	35,589	231	1,099	122	10	1,465
Unassigned	-	-	(56,853)	-	-	-	-	-	-	-	-
Total Fund Balance (Deficits)	<u>-</u>	<u>-</u>	<u>(56,853)</u>	<u>18,053</u>	<u>-</u>	<u>35,589</u>	<u>231</u>	<u>1,099</u>	<u>122</u>	<u>10</u>	<u>1,465</u>
Total Liabilities and Fund Balances (Deficits)	<u>\$ 336,768</u>	<u>\$ 9,300</u>	<u>\$ -</u>	<u>\$ 18,053</u>	<u>\$ -</u>	<u>\$ 35,589</u>	<u>\$ 231</u>	<u>\$ 1,099</u>	<u>\$ 122</u>	<u>\$ 10</u>	<u>\$ 1,465</u>

**TOWN OF LINCOLN, RHODE ISLAND
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)
SCHOOL SPECIAL REVENUE FUNDS
JUNE 30, 2024**

	24040059	24040060	24040065	24040079	24040160	24050040	24060001	24060002	24060003	60010000	
	NE Food and Dairy	NFL 360	RI Jump Stop	PTO Donations	American Chemical Society	Donations Instruction	LHS Student Activities #1	LMS Student Activities	LHS Student Activities #2	School Lunch	Total
ASSETS											
Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 316,612	\$ 342,360	\$ 51,458	\$ 755,654	\$ 1,501,673
Receivables	-	-	-	-	-	-	-	-	-	95,446	777,538
Due from Other Funds	1,672	-	850	872	153	850	-	-	-	104,333	7,913,313
Due from State or Federal Government	-	-	-	-	-	-	-	-	-	-	64,612
Total Assets	<u>\$ 1,672</u>	<u>\$ -</u>	<u>\$ 850</u>	<u>\$ 872</u>	<u>\$ 153</u>	<u>\$ 850</u>	<u>\$ 316,612</u>	<u>\$ 342,360</u>	<u>\$ 51,458</u>	<u>\$ 955,433</u>	<u>\$ 10,257,136</u>
LIABILITIES											
Accounts Payable and Accrued Liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 57,418	85,540
Due to Other Funds	1,523	-	-	-	-	-	-	-	-	-	8,517,492
Total Liabilities	<u>1,523</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>57,418</u>	<u>8,603,032</u>
DEFERRED INFLOWS OF RESOURCES											
Deferred Inflows	-	-	-	-	-	-	-	-	-	-	682,092
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>682,092</u>
FUND BALANCES (DEFICITS)											
Restricted	149	-	850	872	153	850	316,612	342,360	51,458	898,015	1,710,957
Unassigned	-	-	-	-	-	-	-	-	-	-	(738,945)
Total Fund Balance (Deficits)	<u>149</u>	<u>-</u>	<u>850</u>	<u>872</u>	<u>153</u>	<u>850</u>	<u>316,612</u>	<u>342,360</u>	<u>51,458</u>	<u>898,015</u>	<u>972,012</u>
Total Liabilities and Fund Balances (Deficits)	<u>\$ 1,672</u>	<u>\$ -</u>	<u>\$ 850</u>	<u>\$ 872</u>	<u>\$ 153</u>	<u>\$ 850</u>	<u>\$ 316,612</u>	<u>\$ 342,360</u>	<u>\$ 51,458</u>	<u>\$ 955,433</u>	<u>\$ 10,257,136</u>

**TOWN OF LINCOLN, RHODE ISLAND
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
SCHOOL SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2024**

	21011100 SPED IDEA Part B	21011200 SPED IDEA Preschool	21013100 SPED IDEA Part B Support	21021100 Title I Part A Disadvantaged Youth	21031100 Title II Part A Teacher Quality	21041100 Title III Language Acquisition	21061100 Title V	21091100 Perkins Vocational Even	21092101 Perkins V	21162100 USDA FFVP	21251705 ESSER II Priority V
REVENUES											
Federal and State Grant Income	\$ 953,191	\$ 28,461	\$ -	\$ 689,095	\$ 261,828	\$ 35,052	\$ -	\$ 106,653	\$ 5,794	\$ 45,617	\$ 89,289
Charges for Service	-	-	-	-	-	-	-	-	-	-	-
Other Income	-	-	-	-	-	-	-	-	-	-	-
Total Revenues	953,191	28,461	-	689,095	261,828	35,052	-	106,653	5,794	45,617	89,289
EXPENDITURES											
Education	953,191	28,461	-	689,095	261,828	35,052	1,803	106,653	5,794	45,617	44,423
Total Expenditures	953,191	28,461	-	689,095	261,828	35,052	1,803	106,653	5,794	45,617	44,423
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	-	-	-	-	-	-	(1,803)	-	-	-	44,866
OTHER FINANCING SOURCES (USES)											
Transfers In	-	-	-	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-	-	-	-	-	-
NET CHANGE IN FUND BALANCES	-	-	-	-	-	-	(1,803)	-	-	-	44,866
Fund Balance - Beginning of Year	-	-	38	-	-	36	1,803	-	-	-	(44,866)
FUND BALANCES - END OF YEAR	\$ -	\$ -	\$ 38	\$ -	\$ -	\$ 36	\$ -	\$ -	\$ -	\$ -	\$ -

**TOWN OF LINCOLN, RHODE ISLAND
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE (CONTINUED)
SCHOOL SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2024**

	21251706	21251802	21251805	21251806	21251810	21251815	21251816	21251820	21251824	21413100	22071000
	ESSER Grant	ARPA ESSER III Priority 2	ESSER II Digital Divide	ESSER II Other Priority	ARPA Homeless Youth	ARPA IDEA Part B	ARPA IDEA Preschool	ARPA ELC	ESSER III	RIDHS Bright Stars	NOAA
REVENUES											
Federal and State Grant Income	\$ -	\$ -	\$ -	\$ 1,764,970	\$ 19,597	\$ 11,750	\$ 4,188	\$ -	\$ 14,456	\$ -	\$ 5,000
Charges for Service	-	-	-	-	-	-	-	-	-	-	-
Other Income	-	-	-	-	-	-	-	-	-	-	-
Total Revenues	-	-	-	1,764,970	19,597	11,750	4,188	-	14,456	-	5,000
EXPENDITURES											
Education	-	98,680	32,933	2,544,824	19,597	11,750	-	-	14,456	-	4,813
Total Expenditures	-	98,680	32,933	2,544,824	19,597	11,750	-	-	14,456	-	4,813
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	-	(98,680)	(32,933)	(779,854)	-	-	4,188	-	-	-	187
OTHER FINANCING SOURCES (USES)											
Transfers In	-	-	-	254,943	-	-	-	-	-	-	-
Transfers Out	(254,943)	-	-	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	(254,943)	-	-	254,943	-	-	-	-	-	-	-
NET CHANGE IN FUND BALANCES	(254,943)	(98,680)	(32,933)	(524,911)	-	-	4,188	-	-	-	187
Fund Balance - Beginning of Year	254,943	-	(43,480)	17,912	-	-	(4,188)	-	-	2,751	-
FUND BALANCES - END OF YEAR	\$ -	\$ (98,680)	\$ (76,413)	\$ (506,999)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,751	\$ 187

**TOWN OF LINCOLN, RHODE ISLAND
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE (CONTINUED)
SCHOOL SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2024**

	22291010 Emergency Connectivity Fund	23112001 Legislative Grant	23142000 RI State Council	23163000 RICAPP	23183000 RI State Council #2	23463000 RI Skills Commission	23581000 CTE Categorical 2013	23581001 CTE Categorical Even	23582000 CTE Course Sequence	23582001 CTE Categorical 2014	23671000 ELL Categorical
REVENUES											
Federal and State Grant Income	\$ 137,200	\$ 2,000	\$ -	\$ -	\$ 1,000	\$ -	\$ 8,278	\$ -	\$ -	\$ -	\$ 30,523
Charges for Service	-	-	-	-	-	-	-	-	-	-	-
Other Income	-	-	-	-	-	-	-	-	-	-	-
Total Revenues	137,200	2,000	-	-	1,000	-	8,278	-	-	-	30,523
EXPENDITURES											
Education	137,200	1,591	-	-	-	-	6,687	-	-	-	30,523
Total Expenditures	137,200	1,591	-	-	-	-	6,687	-	-	-	30,523
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	-	409	-	-	1,000	-	1,591	-	-	-	-
OTHER FINANCING SOURCES (USES)											
Transfers In	-	-	-	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-	-	-	-	-	-
NET CHANGE IN FUND BALANCES	-	409	-	-	1,000	-	1,591	-	-	-	-
Fund Balance - Beginning of Year	-	2,467	1,270	1,083	401	10,426	3,482	139	301	17,488	-
FUND BALANCES - END OF YEAR	\$ -	\$ 2,876	\$ 1,270	\$ 1,083	\$ 1,401	\$ 10,426	\$ 5,073	\$ 139	\$ 301	\$ 17,488	\$ -

**TOWN OF LINCOLN, RHODE ISLAND
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE (CONTINUED)
SCHOOL SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2024**

	23911001	23911007	23911008	24012005	24012020	24020077	24030009	24030018	24030060	24030727	24040030
	SBA Capital	SBA Capital #2	SBA Capital #3	Feinstein Foundation	Champlin Foundation	LHS Scholarship	Target Grant	ED Development Center, Inc.	IBM	National Restaurant Dues	Reading Excellence
REVENUES											
Federal and State Grant Income	\$ 2,550	\$ 9,300	\$ -	\$ 11,500	\$ -	\$ 22,310	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for Service	-	-	-	-	-	-	-	-	-	-	-
Other Income	-	-	-	-	-	-	-	-	-	-	-
Total Revenues	2,550	9,300	-	11,500	-	22,310	-	-	-	-	-
EXPENDITURES											
Education	-	9,300	56,853	3,735	1,492	31,115	-	-	-	-	-
Total Expenditures	-	9,300	56,853	3,735	1,492	31,115	-	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	2,550	-	(56,853)	7,765	(1,492)	(8,805)	-	-	-	-	-
OTHER FINANCING SOURCES (USES)											
Transfers In	-	-	-	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-	-	-	-	-	-
NET CHANGE IN FUND BALANCES	2,550	-	(56,853)	7,765	(1,492)	(8,805)	-	-	-	-	-
Fund Balance - Beginning of Year	(2,550)	-	-	10,288	1,492	44,394	231	1,099	122	10	1,465
FUND BALANCES - END OF YEAR	\$ -	\$ -	\$ (56,853)	\$ 18,053	\$ -	\$ 35,589	\$ 231	\$ 1,099	\$ 122	\$ 10	\$ 1,465

**TOWN OF LINCOLN, RHODE ISLAND
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE (CONTINUED)
SCHOOL SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2024**

	24040059	24040060	24040065	24040079	24040160	24050040	24060001	24060002	24060003	60010000	
	NE Food and Dairy	NFL 360	RI Jump Stop	PTO Donations	American Chemical Society	Donations Instruction	LHS Student Activities #1	LMS Student Activities	LHS Student Activities #2	School Lunch	Total
REVENUES											
Federal and State Grant Income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 592,362	\$ 4,851,964
Charges for Service	-	-	-	-	-	-	-	-	-	721,656	721,656
Other Income	-	3,123	-	-	-	-	504,567	92,183	88,991	113,335	802,199
Total Revenues	-	3,123	-	-	-	-	504,567	92,183	88,991	1,427,353	6,375,819
EXPENDITURES											
Education	-	-	-	-	-	-	419,407	102,984	85,916	1,336,927	7,122,700
Total Expenditures	-	-	-	-	-	-	419,407	102,984	85,916	1,336,927	7,122,700
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	-	3,123	-	-	-	-	85,160	(10,801)	3,075	90,426	(746,881)
OTHER FINANCING SOURCES (USES)											
Transfers In	-	-	-	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-	-	-	-	-	-
NET CHANGE IN FUND BALANCES	-	3,123	-	-	-	-	85,160	(10,801)	3,075	90,426	(746,881)
Fund Balance - Beginning of Year	149	(3,123)	850	872	153	850	231,452	353,161	48,383	807,589	1,718,893
FUND BALANCES - END OF YEAR	\$ 149	\$ -	\$ 850	\$ 872	\$ 153	\$ 850	\$ 316,612	\$ 342,360	\$ 51,458	\$ 898,015	\$ 972,012

**TOWN OF LINCOLN, RHODE ISLAND
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
CAPITAL PROJECT FUNDS
JUNE 30, 2024**

	Open Space Reserve	Capital Projects Reserve	Town Capital Projects	Town Surety Escrow	School Capital Projects	Total
ASSETS						
Due from Other Funds	\$ 858,548	\$ 944,694	\$ 5,482,466	\$ 181,889	\$ -	\$ 7,467,597
Total Assets	858,548	944,694	5,482,466	181,889	-	7,467,597
 Total Assets	<u>\$ 858,548</u>	<u>\$ 944,694</u>	<u>\$ 5,482,466</u>	<u>\$ 181,889</u>	<u>\$ -</u>	<u>\$ 7,467,597</u>
LIABILITIES						
Accounts Payable	\$ -	\$ 20,000	\$ 183,935	27,456	\$ -	\$ 231,391
Due to Other Funds	-	-	-	-	2,452,289	2,452,289
Total Liabilities	-	20,000	183,935	27,456	2,452,289	2,683,680
FUND BALANCES						
Restricted	-	-	-	154,433	-	154,433
Committed	858,548	924,694	5,298,531	-	-	7,081,773
Unassigned	-	-	-	-	(2,452,289)	(2,452,289)
Total Fund Balances	<u>858,548</u>	<u>924,694</u>	<u>5,298,531</u>	<u>154,433</u>	<u>(2,452,289)</u>	<u>4,783,917</u>
 Total Liabilities and Fund Balances	<u>\$ 858,548</u>	<u>\$ 944,694</u>	<u>\$ 5,482,466</u>	<u>\$ 181,889</u>	<u>\$ -</u>	<u>\$ 7,467,597</u>

**TOWN OF LINCOLN, RHODE ISLAND
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
CAPITAL PROJECT FUNDS
YEAR ENDED JUNE 30, 2024**

	Open Space Reserve	Capital Projects Reserve	Town Capital Projects	Town Surety Escrow	School Capital Projects	Total
REVENUES						
Investment Income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenues	-	-	-	-	-	-
EXPENDITURES						
Education	-	20,000	1,311,361	-	694,945	2,026,306
Public Services	140,000	-	1,083,911	154,630	-	1,378,541
Total Expenditures	140,000	20,000	2,395,272	154,630	694,945	3,404,847
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	(140,000)	(20,000)	(2,395,272)	(154,630)	(694,945)	(3,404,847)
OTHER FINANCING SOURCES (USES)						
Transfer In	49,539	49,539	1,892,892	-	-	1,991,970
Total Other Financing Sources (Uses)	49,539	49,539	1,892,892	-	-	1,991,970
NET CHANGE IN FUND BALANCE	(90,461)	29,539	(502,380)	(154,630)	(694,945)	(1,412,877)
Fund Balance - Beginning of Year, as Originally Reported	516,894	463,040	5,800,911	-	(1,757,344)	5,023,501
Restatement	432,115	432,115	-	-	-	864,230
Adjustment Custodial Fund to Capital Projects	-	-	-	309,063	-	309,063
Fund Balance - Beginning of Year, as Adjusted or Restated	949,009	895,155	5,800,911	309,063	(1,757,344)	6,196,794
FUND BALANCES - END OF YEAR	<u>\$ 858,548</u>	<u>\$ 924,694</u>	<u>\$ 5,298,531</u>	<u>\$ 154,433</u>	<u>\$ (2,452,289)</u>	<u>\$ 4,783,917</u>

**TOWN OF LINCOLN, RHODE ISLAND
PRIVATE PURPOSE TRUST FUNDS
COMBINING STATEMENT OF NET POSITION
JUNE 30, 2024**

	Eunice L. Hopkins Fund	Rufus Jenkins Fund	McDevitt Historical Cemetery Fund	Totals
ASSETS				
Cash	\$ 1,514	\$ 6,021	\$ 26,729	\$ 34,264
Total Assets	1,514	6,021	26,729	34,264
NET POSITION				
Restricted for Individuals	1,514	6,021	-	7,535
Restricted for Organizations	-	-	26,729	26,729
Total Net Position	<u>\$ 1,514</u>	<u>\$ 6,021</u>	<u>\$ 26,729</u>	<u>\$ 34,264</u>

**TOWN OF LINCOLN, RHODE ISLAND
PRIVATE PURPOSE TRUST FUNDS
COMBINING STATEMENT OF CHANGES IN NET POSITION
YEAR ENDED JUNE 30, 2024**

	Eunice L. Hopkins Fund	Rufus Jenkins Fund	McDevitt Historical Cemetery Fund	Totals
ADDITIONS				
Investment Income	\$ 3	\$ 15	\$ 67	\$ 85
Total Additions	3	15	67	85
CHANGES IN NET POSITION	3	15	67	85
Net Position - Beginning of Year	1,511	6,006	26,662	34,179
NET POSITION - END OF YEAR	<u>\$ 1,514</u>	<u>\$ 6,021</u>	<u>\$ 26,729</u>	<u>\$ 34,264</u>

**TOWN OF LINCOLN, RHODE ISLAND
TAX COLLECTORS ANNUAL REPORT
YEAR ENDED JUNE 30, 2024**

Tax Roll Year	Balance July 1, 2023	Assessment	Abatements and Adjustments	Amount to Be Collected (Credited)	Current Year Collections (Credits)	Balance June 30, 2024
2023	\$ -	\$ 58,164,143	\$ (1,309,435)	\$ 56,854,708	\$ 55,267,387	\$ 1,587,321
2022	1,392,108	-	(1,649,073)	(256,965)	(747,126)	490,161
2021	572,927	-	(12,222)	560,705	206,883	353,822
2020	286,016	-	(12,364)	273,652	51,299	222,353
2019	318,577	-	(23,689)	294,888	27,358	267,530
2018	188,631	-	(12,457)	176,174	15,470	160,704
2017	142,281	-	(275)	142,006	7,296	134,710
2016	128,508	-	(373)	128,135	4,700	123,435
2015	127,014	-	-	127,014	5,630	121,384
2014	114,685	-	-	114,685	3,280	111,405
2013 and Prior	612,485	-	(266,571)	350,761	1,330	354,278
Total	3,883,232	\$ 58,164,143	\$ (3,286,459)	\$ 58,765,763	\$ 54,843,507	3,927,103
Less: Allowance for Uncollectible Accounts	<u>(571,764)</u>					<u>(1,011,393)</u>
Total	\$ 3,311,468					\$ 2,915,710

**TOWN OF LINCOLN, RHODE ISLAND
TAX COLLECTORS ANNUAL REPORT (CONTINUED)
YEAR ENDED JUNE 30, 2024**

FY24 Tax Collection Summary					Schedule of Property Valuation Assessed as of December 31, 2022		
Tax Roll Year	Collections Subject to 60-Day FY23 Accrual	Sept - June 2024 Collections	Total FY24 Cash Collections	FY24 Cash Collections Collections Subject to 60-Day FY24		Valuation	Levy
	2023	\$ -	\$ 54,226,636	\$ 54,226,636	\$ 447,598	Real Property	\$ 3,817,665,119
2022	479,222	(180,631)	298,590	46,910			
2021	15,721	190,238	205,959	23,873	Tangible Personal Property	181,815,170	5,467,182
2020	6,134	44,995	51,129	11,769			
2019	4,982	22,208	27,190	4,663	Total	3,999,480,289	74,987,129
2018	1,375	13,869	15,244	3,587	Less Exemptions and Motor		
2017	852	6,981	7,833	2,595	Vehicle Phase Out:		
2016	10	4,518	4,528	1,760	Real Property	(1,021,535,255)	(16,858,333)
2015	-	4,269	4,269	467			
2014	-	3,335	3,335	1,951	Total	<u>\$ 2,977,945,034</u>	<u>\$ 58,128,796</u>
2013 and Prior	-	603	603	181			
	<u>\$ 508,296</u>	<u>\$ 54,337,020</u>	<u>\$ 54,845,316</u>	<u>\$ 545,352</u>			

Note: Current year collections excludes interest collected.

Reconciliation of Current Year Property Tax Revenue	
Current Year Collections	\$ 54,845,316
60-Day FY24 Accrual July - August 2024 Collections	545,352
60-Day FY23 Accrual July - August 2023 Collections	<u>(508,296)</u>
Total	<u>\$ 54,882,372</u>

OTHER SUPPLEMENTARY INFORMATION

The Annual Supplemental Transparency Report Schedules

Required by the State of Rhode Island General Law § 45-12-22.2 and § 44-35-10

Annual Supplemental Transparency Report (MTP2) – Revenue

Annual Supplemental Transparency Report (MTP2) – Expenditures

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

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

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

**TOWN OF LINCOLN, RHODE ISLAND
ANNUAL SUPPLEMENTAL TRANSPARENCY REPORT (MTP2)
FISCAL YEAR ENDED JUNE 30, 2024**

<u>REVENUE</u>	<u>Municipal</u>	<u>Education Department</u>
Current Year Levy Tax Collection	\$ 57,569,698	\$ -
Last Year's Levy Tax Collection	(133,722)	-
Prior Years Property Tax Collection	341,858	-
Interest & Penalty	379,489	-
PILOT & Tax Treaty (excluded from levy) Collection	161,282	-
Other Local Property Taxes	-	-
Licenses and Permits	40,432	-
Fines and Forfeitures	1,819	-
Investment Income	281,374	-
Departmental	1,497,799	-
Rescue Run Revenue	1,192,116	-
Police & Fire Detail	1,769,508	-
Other Local Non-Property Tax Revenues	-	-
Tuition	-	276,105
Impact Aid	-	-
Medicaid	-	544,728
Federal Stabilization Funds	-	-
Federal Food Service Reimbursement	-	92,401
CDBG	-	-
COPS Grants	-	-
SAFER Grants	-	-
Other Federal Aid Funds	-	2,270,442
COVID - ESSER	-	1,892,497
COVID - CRF	-	-
COVID - CDBG	-	-
COVID - FEMA	70,984	-
COVID - Other	-	-
COVID - ARPA	1,563,631	11,750
MV Excise Tax Reimbursement	5,683,016	-
State PILOT Program	-	-
Distressed Community Relief Fund	-	-
Library Resource Aid	259,616	-
Library Construction Aid	-	-
Public Service Corporation Tax	297,074	-
Meals & Beverage Tax / Hotel Tax	1,157,164	-
LEA Aid	-	17,690,755
Group Home	-	-
Housing Aid Capital Projects	3,385,729	-
Housing Aid Bonded Debt	-	-
State Food Service Revenue	-	26,443
Incentive Aid	-	-
Property Revaluation Reimbursement	-	-
Other State Revenue	7,716,850	51,101
Motor Vehicle Phase Out	-	-
Other Revenue	95,308	2,070,837
Local Appropriation for Education	-	44,437,403
Regional Appropriation for Education	-	-
Supplemental Appropriation for Education	-	-
Regional Supplemental Appropriation for Education	-	-
Other Education Appropriation	-	-
Rounding	-	-
Total Revenue	<u><u>\$ 83,331,025</u></u>	<u><u>\$ 69,364,462</u></u>
Financing Sources: Transfer from Capital Funds	\$ -	\$ -
Financing Sources: Transfer from Other Funds	-	-
Financing Sources: Debt Proceeds	-	-
Financing Sources: Other	1,125,775	-
Rounding	-	-
Total Other Financing Sources	<u><u>\$ 1,125,775</u></u>	<u><u>\$ -</u></u>

**TOWN OF LINCOLN, RHODE ISLAND
ANNUAL SUPPLEMENTAL TRANSPARENCY REPORT (MTP2)
FISCAL YEAR ENDED JUNE 30, 2024**

<u>EXPENDITURES</u>	<u>General</u>	<u>Finance</u>	<u>Social</u>	<u>Centralized</u>	<u>Planning</u>	<u>Libraries</u>	<u>Public</u>	<u>Parks and</u>	<u>Police</u>
	<u>Government</u>	<u>Finance</u>	<u>Services</u>	<u>IT</u>	<u>Planning</u>	<u>Libraries</u>	<u>Works</u>	<u>Rec</u>	<u>Department</u>
Compensation- Group A	\$ 596,400	\$ 534,815	\$ 303,430	\$ 76,836	\$ 152,553	\$ 708,034	\$ 2,618,731	\$ 345,092	\$ 3,111,524
Compensation - Group B	-	-	-	-	-	-	-	-	93,181
Compensation - Group C	-	-	-	-	-	-	-	-	-
Compensation -Volunteer	-	-	-	-	-	-	-	-	-
Overtime- Group A	1,203	4,791	2,161	-	-	2,699	152,449	7,325	78,595
Overtime - Group B	-	-	-	-	-	-	-	-	216
Overtime - Group C	-	-	-	-	-	-	-	-	-
Police & Fire Detail	-	-	-	-	-	-	-	-	987,621
Active Medical Insurance - Group A	128,242	98,657	71,896	6,645	34,783	156,456	646,250	15,669	593,938
Active Medical Insurance- Group B	-	-	-	-	-	-	-	-	25,228
Active Medical Insurance- Group C	-	-	-	-	-	-	-	-	-
Active Dental insurance- Group A	6,323	3,450	2,243	742	1,337	4,526	23,904	505	22,321
Active Dental Insurance- Group B	-	-	-	-	-	-	-	-	953
Active Dental Insurance- Group C	-	-	-	-	-	-	-	-	-
Payroll Taxes	44,038	37,102	22,925	7,026	11,394	53,479	203,966	26,970	378,806
Life Insurance	-	-	-	-	-	-	-	-	-
State Defined Contribution- Group A	-	-	-	-	-	-	-	-	6,769
State Defined Contribution - Group B	-	-	-	-	-	-	-	-	-
State Defined Contribution - Group C	-	-	-	-	-	-	-	-	-
Other Benefits- Group A	3,878	-	-	-	-	-	-	-	122,826
Other Benefits- Group B	-	-	-	-	-	-	-	-	-
Other Benefits- Group C	-	-	-	-	-	-	-	-	-
Local Defined Benefit Pension- Group A	-	-	-	-	-	-	-	-	1,430,046
Local Defined Benefit Pension - Group B	-	-	-	-	-	-	-	-	-
Local Defined Benefit Pension - Group C	-	-	-	-	-	-	-	-	-
State Defined Benefit Pension- Group A	-	8,116	7,648	-	-	9,519	30,414	-	-
State Defined Benefit Pension - Group B	-	-	-	-	-	-	-	-	-
State Defined Benefit Pension - Group C	-	-	-	-	-	-	-	-	-
Other Defined Benefit / Contribution	66,101	53,680	14,498	7,190	15,160	73,689	287,480	18,497	12,906
Purchased Services	141,865	106,842	34,165	6,541	7,492	43,998	195,432	-	361,330
Materials/Supplies	12,470	11,863	25,769	-	697	190,365	26,423	43,718	64,647
Software Licenses	7,000	-	-	162,395	-	-	486	-	38,465
Capital Outlays	-	-	-	-	-	-	3,113,181	-	518,313
Insurance	442,632	-	-	-	-	-	-	-	-
Maintenance	-	-	32,721	-	-	10,084	127,968	110,939	107,155
Vehicle Operations	-	-	-	-	55	-	735,058	5,281	161,730
Utilities	-	-	51,622	1,800	-	36,522	82,470	45,395	18,424
Contingency	-	-	-	-	-	-	-	-	-
Street Lighting	-	-	-	-	-	-	466,080	-	-
Revaluation	-	-	-	-	-	-	-	-	-
Snow Removal-Raw Material & External Contracts	-	-	-	-	-	-	273,420	-	-
Trash Removal & Recycling	-	-	-	-	-	-	456,555	-	-
Claims & Settlements	-	-	-	-	-	-	-	-	-
Community Support	-	-	-	-	-	-	-	-	-
Other Operation Expenditures	206,349	20,020	6,540	17,380	8,435	731	7,181	21,705	46,464
Tipping Fees	-	-	-	-	-	-	506,379	-	-
Local Appropriation for Education	-	-	-	-	-	-	-	-	-
Regional Appropriation for Education	-	-	-	-	-	-	-	-	-
Supplemental Appropriation for Education	-	-	-	-	-	-	-	-	-
Regional Supplemental Appropriation for Education	-	-	-	-	-	-	-	-	-
Other Education Appropriation	-	-	-	-	-	-	-	-	-
Municipal Debt- Principal	-	-	-	-	-	-	-	-	-
Municipal Debt- Interest	-	-	-	-	-	-	-	-	-
School Debt- Principal	-	-	-	-	-	-	-	-	-
School Debt- Interest	-	-	-	-	-	-	-	-	-
Retiree Medical Insurance- Total	-	-	-	-	-	-	-	-	-
Retiree Dental Insurance- Total	-	-	-	-	-	-	-	-	-
OPEB Contribution- Total	-	-	-	-	-	-	-	-	-
Rounding	-	-	-	-	-	-	-	-	-
Total Expenditures	\$ 1,656,501	\$ 879,336	\$ 575,618	\$ 286,555	\$ 231,906	\$ 1,290,102	\$ 9,953,827	\$ 641,096	\$ 8,181,458

**TOWN OF LINCOLN, RHODE ISLAND
ANNUAL SUPPLEMENTAL TRANSPARENCY REPORT (MTP2)
FISCAL YEAR ENDED JUNE 30, 2024**

<u>EXPENDITURES</u>	Fire Department	Centralized Dispatch	Public Safety Other	Education Appropriation	Debt	OPEB	Total Municipal	Education Department
Compensation- Group A	\$ -	\$ 378,214	\$ 1,189,943	\$ -	\$ -	\$ -	\$ 10,015,572	\$ 28,242,409
Compensation - Group B	-	54,046	-	-	-	-	147,227	2,215,112
Compensation - Group C	-	-	-	-	-	-	-	5,951,092
Compensation -Volunteer	-	-	-	-	-	-	-	-
Overtime- Group A	-	-	464,958	-	-	-	714,181	-
Overtime - Group B	-	-	-	-	-	-	216	-
Overtime - Group C	-	-	-	-	-	-	-	117,290
Police & Fire Detail	-	-	-	-	-	-	987,621	-
Active Medical Insurance - Group A	-	67,331	323,319	-	-	-	2,143,186	4,355,672
Active Medical Insurance- Group B	-	-	-	-	-	-	25,228	308,526
Active Medical Insurance- Group C	-	-	-	-	-	-	-	1,871,281
Active Dental insurance- Group A	-	3,385	12,296	-	-	-	81,032	186,741
Active Dental Insurance- Group B	-	-	-	-	-	-	953	11,551
Active Dental Insurance- Group C	-	-	-	-	-	-	-	77,465
Payroll Taxes	-	34,171	121,742	-	-	-	941,619	920,784
Life Insurance	-	-	-	-	-	-	-	330,668
State Defined Contribution- Group A	-	-	-	-	-	-	6,769	713,979
State Defined Contribution - Group B	-	-	-	-	-	-	-	54,486
State Defined Contribution - Group C	-	-	-	-	-	-	-	3,534
Other Benefits- Group A	-	-	29,060	-	-	-	155,764	174,789
Other Benefits- Group B	-	-	-	-	-	-	-	3,081
Other Benefits- Group C	-	-	-	-	-	-	-	4,601
Local Defined Benefit Pension- Group A	-	-	-	-	-	-	1,430,046	-
Local Defined Benefit Pension - Group B	-	-	-	-	-	-	-	-
Local Defined Benefit Pension - Group C	-	-	-	-	-	-	-	535,889
State Defined Benefit Pension- Group A	-	-	310,492	-	-	-	366,189	4,186,607
State Defined Benefit Pension - Group B	-	-	-	-	-	-	-	314,851
State Defined Benefit Pension - Group C	-	-	-	-	-	-	-	23,674
Other Defined Benefit / Contribution	-	36,032	14,438	-	-	-	599,671	-
Purchased Services	-	-	71,661	-	-	-	969,326	12,290,801
Materials/Supplies	-	-	52,551	-	-	-	428,503	1,571,153
Software Licenses	-	-	-	-	-	-	208,346	192,688
Capital Outlays	336,346	-	-	-	-	-	3,967,840	1,772,128
Insurance	-	-	-	-	-	-	442,632	603,119
Maintenance	-	-	22,400	-	-	-	411,267	338,953
Vehicle Operations	-	-	92,935	-	-	-	995,059	72,584
Utilities	-	-	40,650	-	-	-	276,883	1,288,041
Contingency	-	-	-	-	-	-	-	-
Street Lighting	-	-	-	-	-	-	466,080	-
Revaluation	-	-	-	-	-	-	-	-
Snow Removal-Raw Material & External Contracts	-	-	-	-	-	-	273,420	-
Trash Removal & Recycling	-	-	-	-	-	-	456,555	-
Claims & Settlements	-	-	-	-	-	-	-	50,411
Community Support	-	-	-	-	-	-	-	-
Other Operation Expenditures	-	-	23,727	-	-	-	358,532	920,264
Tipping Fees	-	-	-	-	-	-	506,379	-
Local Appropriation for Education	-	-	-	44,713,907	-	-	44,713,907	-
Regional Appropriation for Education	-	-	-	-	-	-	-	-
Supplemental Appropriation for Education	-	-	-	-	-	-	-	-
Regional Supplemental Appropriation for Education	-	-	-	-	-	-	-	-
Other Education Appropriation	-	-	-	-	-	-	-	-
Municipal Debt- Principal	-	-	-	-	896,755	-	896,755	-
Municipal Debt- Interest	-	-	-	-	131,409	-	131,409	-
School Debt- Principal	-	-	-	-	4,305,000	-	4,305,000	-
School Debt- Interest	-	-	-	-	2,580,450	-	2,580,450	-
Retiree Medical Insurance- Total	-	-	-	-	-	-	-	269,705
Retiree Dental Insurance- Total	-	-	-	-	-	-	-	-
OPEB Contribution- Total	-	-	-	-	-	1,203,850	1,203,850	-
Rounding	-	-	-	-	-	-	-	-
Total Expenditures	\$ 336,346	\$ 573,179	\$ 2,770,172	\$ 44,713,907	\$ 7,913,614	\$ 1,203,850	\$ 81,207,467	\$ 69,973,929

Financing Uses: Transfer to Capital Funds	\$ 1,991,970	\$ -
Financing Uses: Transfer to Other Funds	-	-
Financing Uses: Payment to Bond Escrow Agent	-	-
Financing Uses: Other	-	-
Total Other Financing Uses	\$ 1,991,970	\$ -
Net Change in Fund Balance¹	1,257,363	(609,467)
Fund Balance¹- beginning of year	\$10,080,495	\$1,963,979
Funds removed from Reportable Government Services (RGS)	-	-
Funds added to Reportable Government Services (RGS)	-	-
Prior period adjustments	(864,230)	-
Misc. Adjustment	-	-
Fund Balance¹ - beginning of year adjusted	9,216,265	1,963,979
Rounding	-	-
Fund Balance¹ - end of year	\$ 10,473,628	\$ 1,354,512

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

**TOWN OF LINCOLN, RHODE ISLAND
ANNUAL SUPPLEMENTAL TRANSPARENCY REPORT (MTP2)
COMBINING SCHEDULE OF REPORTABLE GOVERNMENT SERVICES WITH RECONCILIATION TO MTP2
MUNICIPAL
FISCAL YEAR ENDED JUNE 30, 2024**

Per Audited Fund Financial Statements Fund Description	Total Revenue	Total Other Financing Sources	Total Expenditures	Total Other Financing Uses	Net Change in Fund Balance ¹	Beginning Fund Fund Balance ¹ (Deficit)	Prior Period Adjustment	Restated Beginning Fund Balance ¹ (Deficit)	Ending Fund Balance ¹ (Deficit)
Fund Balance¹ - per MTP-2 at June 30, 2023						\$ 10,080,495	(864,230)	\$ 9,216,265	
<i>No funds removed from RGS for fiscal 2023</i>						-	-	-	
<i>No funds added to RGS for Fiscal 2023</i>						-	-	-	
<i>No misc. adjustments made for fiscal 2023</i>						-	-	-	
Fund Balance¹ - per MTP-2 at June 30, 2024 adjusted						<u>\$ 10,080,495</u>	<u>-</u>	<u>\$ 9,216,265</u>	
General Fund	\$ 79,997,886	\$ 1,125,775	\$ 33,522,773	\$ 46,705,877	\$ 895,011	\$ 9,448,190	\$ (864,230)	\$ 8,583,960	\$ 9,478,971
Police Detail	1,769,508	-	1,407,156	-	362,352	632,305	-	632,305	994,657
American Rescue Plan Fund	1,563,631	-	1,563,631	-	-	-	-	-	-
Totals per audited financial statements	<u>\$ 83,331,025</u>	<u>\$ 1,125,775</u>	<u>\$ 36,493,560</u>	<u>\$ 46,705,877</u>	<u>\$ 1,257,363</u>	<u>\$ 10,080,495</u>	<u>\$ (864,230)</u>	<u>\$ 9,216,265</u>	<u>\$ 10,473,628</u>
Reconciliation from financial statements to MTP2									
Reclassify transfer of municipal appropriation to Education Department as expenditure on MTP2	\$ -	\$ -	\$ 44,713,907.00	\$ (44,713,907.00)	\$ -	\$ -	\$ -	\$ -	\$ -
Rounding	-	-	-	-	-	-	-	-	-
Totals Per MTP2	<u>\$ 83,331,025</u>	<u>\$ 1,125,775</u>	<u>\$ 81,207,467</u>	<u>\$ 1,991,970</u>	<u>\$ 1,257,363</u>	<u>\$ 10,080,495</u>	<u>\$ (864,230)</u>	<u>\$ 9,216,265</u>	<u>\$ 10,473,628</u>

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

**TOWN OF LINCOLN, RHODE ISLAND
ANNUAL SUPPLEMENTAL TRANSPARENCY REPORT (MTP2)
COMBINING SCHEDULE OF REPORTABLE GOVERNMENT SERVICES WITH RECONCILIATION TO MTP2
EDUCATION DEPARTMENT
FISCAL YEAR ENDED JUNE 30, 2024**

Per Audited Fund Financial Statements Fund Description	Total Revenue	Total Other Financing Sources	Total Expenditures	Total Other Financing Uses	Net Change in Fund Balance ¹	Beginning Fund Fund Balance ¹ (Deficit)	Prior Period Adjustment	Restated Beginning Fund Balance ¹ (Deficit)	Ending Fund Balance ¹ (Deficit)
Fund Balance¹ - per MTP-2 at June 30, 2023						\$ 1,963,979	-	\$ 1,963,979	
<i>No misc. adjustments made for fiscal 2023</i>						-	-	-	
Fund Balance¹ - per MTP-2 at June 30, 2024 adjusted						<u>\$ 1,963,979</u>	-	<u>\$ 1,963,979</u>	
School Unrestricted Fund	\$ 21,514,315	\$ 45,097,605	\$ 66,486,135	\$ -	\$ 125,785	\$ 245,086	\$ -	\$ 245,086	\$ 370,871
School Special Revenue Funds	6,375,819	-	7,122,700	-	(746,881)	1,718,893	-	1,718,893	972,012
Totals per audited financial statements	<u>\$ 27,890,134</u>	<u>\$ 45,097,605</u>	<u>\$ 73,608,835</u>	<u>\$ -</u>	<u>\$ (621,096)</u>	<u>\$ 1,963,979</u>	<u>\$ -</u>	<u>\$ 1,963,979</u>	<u>\$ 1,342,883</u>
Reconciliation from financial statements to MTP2									
Municipal appropriation for Education reported as a transfer on financial statements but a revenue on MTP2	\$ 44,713,907	\$ (44,713,907)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State contributions on behalf of teacher pensions are reported as revenue and expenditures on financial statements only	(3,129,244)	-	(3,129,244)	-	-	-	-	-	-
GAAP reporting on loan proceeds for HVAC SBA Loan Project & capital outlay as a Other Source but reported as revenue on MTP2	-	(383,698)	(383,698)	-	-	-	-	-	-
School Nutrition Fund. These donated food commodities were reported as a reduction of food costs. Financial statements reports this item as revenue with an offsetting amount charged to food costs.	(110,335)	-	(110,335)	-	-	-	-	-	-
Miscellaneous variances between UCOA & FS	-	-	(11,629)	-	11,629	-	-	-	11,629
Rounding	-	-	-	-	-	-	-	-	-
Totals Per MTP2	<u>\$ 69,364,462</u>	<u>\$ -</u>	<u>\$ 69,973,929</u>	<u>\$ -</u>	<u>\$ (609,467)</u>	<u>\$ 1,963,979</u>	<u>\$ -</u>	<u>\$ 1,963,979</u>	<u>\$ 1,354,512</u>
Reconciliation from MTP2 to UCOA									
Miscellaneous variance between MTP2 and UCOA	-	-	-	-	-	-	-	-	-
Totals per UCOA Validated Totals Report dated 5/9/2025	<u>\$ 69,364,462</u>	<u>\$ -</u>	<u>\$ 69,973,929</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

TOWN OF LINCOLN, RHODE ISLAND
ANNUAL SUPPLEMENTAL TRANSPARENCY REPORT (MTP2)
NOTES TO THE ANNUAL SUPPLEMENTAL TRANSPARENCY REPORT (MTP2)
JUNE 30, 2024

NOTE 1 BASIS OF PRESENTATION

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

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

NOTE 2 REPORTABLE GOVERNMENT SERVICES

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

NOTE 3 ALLOCATIONS

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

TOWN OF LINCOLN, RHODE ISLAND
ANNUAL SUPPLEMENTAL TRANSPARENCY REPORT (MTP2)
NOTES TO THE ANNUAL SUPPLEMENTAL TRANSPARENCY REPORT (MTP2)
JUNE 30, 2024

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

NOTE 5 EDUCATION REVENUE AND EXPENDITURES

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

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