

TOWN OF WARREN, RHODE ISLAND

ANNUAL FINANCIAL STATEMENTS

For The Year Ended June 30, 2024



Brian Sullivan
Town Manager

David Burlingame
Finance Director

TOWN OF WARREN, RHODE ISLAND

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Introductory Section

List of Town Officials

TOWN COUNCIL

Joseph A. DePasquale, President

Keri M. Cronin, Vice President

John W. Hanley

Derrick L. Trombley

Louis A. Rego

Town Manager	Brian Sullivan
Town Solicitor	Anthony DeSisto
Town Clerk	Sandrea Speroni
Tax Assessor	Kristopher Leadem
Finance Director	David Burlingame
Public Works Director	Brian Wheeler
Police Chief	Roy Borges
Fire Chief	James A. Sousa
Building/Zone Official	Matthew Cabral
Harbor Master	Edward Cabral

Financial Section

Independent Auditor's Report

Management Discussion and Analysis

Basic Financial Statements

Required Supplementary Information

Supplementary Information

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Independent Auditor's Report

To the Honorable Town Council
Town of Warren, Rhode Island

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

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statement

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

Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

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

Required Supplementary Information

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

Supplementary Information

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

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated July 17, 2025 on our consideration of the Town of Warren’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 Warren’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 Warren’s internal control over financial reporting and compliance.

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

Fall River, Massachusetts
July 17, 2025

TOWN OF WARREN, RHODE ISLAND
Management Discussion & Analysis (MD&A)
For the Year Ended June 30, 2024

As management of the Town of Warren (“the Town”), we offer readers of the Town’s financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended June 30, 2024. We encourage readers to consider this information in addition to the statements and notes.

The Town complies with financial reporting requirements issues by the *Governmental Accounting Standard Board* (GASB). GASB is the authoritative standard setting body that provides guidance on how to prepare financial statements in conformity with accounting principles generally accepted in the United States of America (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 can assess the financial condition of one government compared to others.

Financial Highlights

Government-wide:

- The Town liabilities and deferred inflow of resources exceeded its assets plus deferred outflow of resources as of June 30, 2024, by \$9,017,404 (net position).
- The Town of Warren’s total net position decreased by \$745,387 for the current fiscal year.
- The governmental net position decreased by \$408,855 and the business-type net position increased by \$83,011.
- The Town of Warren’s total debt for its governmental activities is \$27,332,089 a 7% decrease during 2024. The Town paid down principal of \$2,123,821 on existing bond issues.

Governmental:

- As of June 30, 2024, the Town of Warren’s governmental funds reported combined ending fund balances of \$3,404,869, a decrease of \$5,587,433 from fiscal year 2023 fund balance of \$9,280,301.
- As of June 30, 2024, the total fund balance for the General Fund was \$3,358,839 or approximately 9% of total general fund expenditures.
- As of June 30, 2024, the unassigned fund balance for the General Fund was \$1,794,665, a decrease of \$6,119,338 over the prior year unassigned fund balance of \$7,430,788.
- For the purpose of this audit, the Transfer Station Fund has been included with the General Fund and is not considered a proprietary fund.
- As of June 30, 2024, the net position for the sewer fund was \$131,138 or approximately 7% of total sewer fund expenditures.

TOWN OF WARREN, RHODE ISLAND
Management Discussion & Analysis (MD&A)
For the Year Ended June 30, 2024

Overview of the Financial Statements

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

1. Government-Wide Financial Statements
2. Fund Financial Statements
3. Notes to the Basic Financial Statements

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

Government-Wide Financial Statements

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

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

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

Both of the government-wide financial statements distinguish functions and activities of the Town that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions and activities that are intended to recover all or a significant portion of their costs through user fees or charges (*business-type activities*). The governmental activities include general government, public safety, public works, parks and recreation. The business-type activities include the Town's sewer system.

The Statement of Net Position and Statement of Activities are prepared using the economic resources measurement focus and the accrual basis of accounting. They take into account all revenues recognized and expenses incurred even if cash has not been received or paid.

The government-wide financial statements can be found on pages listed on the table of contents of this report.

Fund Financial Statements

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

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental funds financial statements focus on the *near-term inflows and outflow of spendable resources*, as well as on *balances*

TOWN OF WARREN, RHODE ISLAND
Management Discussion & Analysis (MD&A)
For the Year Ended June 30, 2024

Overview of the Financial Statements (continued)

Governmental Funds (continued)

of spendable resources available at the end of the fiscal year. Such information may be useful in the evaluation of a government's near-term financing requirements.

Because the focus of governmental funds financial statements 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. 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 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances. The General Fund and RIDOT Top Water St. Project, ARPA and \$504k RIIB bond are considered major funds. Data from the remaining special revenue funds, capital project funds and permanent trust funds are combined into a single, aggregate presentation. Individual fund data for each of the non-major governmental funds combining statements is provided as supplementary information.

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

The Town of Warren adopts an annual appropriated budget for its General Fund. A budgetary comparison schedule has been provided for to demonstrate compliance with budgets and are presented on pages listed on the table of contents of this report.

Proprietary Funds

Proprietary funds are used to account for business like activities provided to the general public (enterprise funds) or within the government (internal service funds). These activities are financed primarily by user charges and the measurement of financial activity focuses on net income measurement similar to the private sector. The Town has one enterprise fund, the sewer fund. The Town has no internal service fund.

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

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not included in the government-wide financial statements because the resources of the funds are not available to support the Town's own functions and activities. The accounting used for fiduciary funds is much like that used for proprietary funds.

- Private purpose trust funds, post-employment benefits trust funds and custodial funds are reported and combined into a single, aggregate presentation in the fiduciary funds' financial statements under the captions;
 - *Private Purpose Trust Funds*
 - *Other Post-Employment Benefits Trust Funds*
 - *Custodial Funds*
- The *Other Post-Employment Benefits Trust Funds* was established to hold the assets that will fund the long-term liability associated with town retirees' health benefits.

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

TOWN OF WARREN, RHODE ISLAND
Management Discussion & Analysis (MD&A)
For the 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 can be found on pages listed on the table of contents of this report.

Other Information

In addition to the basic financial statements and the accompanying notes, *required supplementary information*, which presents schedules relating to the Town’s pension and other postemployment benefits plan, as well as budgetary comparison schedules for the General Fund to demonstrate compliance with its respective budget. Required supplementary information can be found on pages listed on the table of contents of this report.

Supplementary Information

In addition to the required supplementary information, this report also presents other supplementary information concerning remaining budgetary comparison information, combining non-major and individual fund financial statements, tax collector’s annual report, and the MTP2 Municipal Transparency Portal. This other supplementary information can be found immediately following the required supplementary information.

Government-Wide Financial Analysis

As noted earlier, the net position may serve over time as a useful indicator of a government’s financial position. In the case of the Town of Warren, liabilities and deferred inflows exceeded assets and deferred outflows by \$8,272,017 as of June 30, 2024.

**Statement of Net Position
June 30, 2024 and 2023**

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Assets						
Current and other assets	\$ 6,304,981	\$ 13,924,430	\$ 297,976	\$ 576,518	\$ 6,602,957	\$ 14,500,948
Capital assets	30,416,022	31,556,170	-	-	30,416,022	31,556,170
Total assets	<u>36,721,004</u>	<u>45,480,600</u>	<u>297,976</u>	<u>576,518</u>	<u>37,018,979</u>	<u>46,057,118</u>
Deferred outflows of resources	2,634,980	1,016,347	-	-	2,634,980	1,016,347
Liabilities						
Long-term debt	42,506,274	45,533,911	-	-	42,506,274	45,533,911
Other liabilities	3,537,033	8,756,420	166,838	108,848	3,703,871	8,865,268
Total liabilities	<u>46,043,307</u>	<u>54,290,331</u>	<u>166,838</u>	<u>108,848</u>	<u>46,210,145</u>	<u>54,399,179</u>
Deferred inflows of resources	2,461,219	916,303	-	-	2,461,219	916,303
Net position						
Net investment in capital assets	2,573,715	1,481,865	-	-	2,573,715	1,481,865
Restricted	1,507,139	1,879,297	-	-	1,507,139	1,879,297
Unrestricted	(13,229,396)	(12,100,849)	131,138	467,670	(13,098,258)	(11,633,179)
Total net position	<u>\$ (9,148,542)</u>	<u>\$ (8,739,688)</u>	<u>\$ 131,138</u>	<u>\$ 467,670</u>	<u>\$ (9,017,404)</u>	<u>\$ (8,272,017)</u>

TOWN OF WARREN, RHODE ISLAND
Management Discussion & Analysis (MD&A)
For the Year Ended June 30, 2024

The general capital assets (e.g., land, building, machinery and equipment) of the governmental activities of the Town less outstanding debt equal \$2,573,715. A portion of the outstanding debt of the governmental activities was incurred for the installation of infrastructure.

Included within the total net position are net investment in capital assets of \$2,573,715 and restricted net position of \$1,507,139 as of June 30, 2024, leaving an unrestricted balance of \$(13,098,258). In comparison, governmental activities net position as of June 30, 2023, as stated in the fiscal year 2023 financial statement totaled \$(8,739,688).

Even though net position is available for future spending, the net investment in capital assets is reported net of related debt. Resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. Additional portions of the Town of Warren's net position are also subject to external restrictions on how they may be used.

Analysis of the Town's Net Position:

Governmental activities decrease the Town's net position by \$(408,855).

Business-type activities increased the Town's net position by \$(336,532).

Changes in Net Position for the period ending June 30, 2024 and June 30, 2023

	Changes in Net Position					
	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Revenues						
Program Revenues						
Charges for service	\$ 151,468	\$ 32,010	\$ 1,534,210	\$ 1,706,839	\$ 1,685,678	\$ 1,738,849
Grants	1,104,232	357,898	-	-	1,104,232	357,898
General Revenues						
Property taxes	26,852,313	25,475,480	-	-	26,852,313	25,475,480
Intergovernmental	2,722,662	1,883,271	-	-	2,722,662	1,883,271
Licenses, fees, permits and fines	2,005,640	1,961,998	-	-	2,005,640	1,961,998
Investment earnings	316,804	189,268	-	-	316,804	189,268
Miscellaneous	43,299	624,720	-	-	43,299	624,720
Total revenues	<u>\$ 33,196,418</u>	<u>\$ 30,524,645</u>	<u>\$ 1,534,210</u>	<u>\$ 1,706,839</u>	<u>\$ 34,730,628</u>	<u>\$ 32,231,484</u>
Expenses						
General government	7,689,090	11,999,916	-	-	7,689,090	11,999,916
Town offices	1,271,158	1,779,293	-	-	1,271,158	1,779,293
Financial Administration	329,610	376,720	-	-	329,610	376,720
Public safety	3,186,740	3,616,542	-	-	3,186,740	3,616,542
Fire safety	1,357,031	1,329,106	-	-	1,357,031	1,329,106
Waste water treatment	-	474,253	1,870,742	1,623,828	1,870,742	2,098,081
Highway department	4,045,629	3,809,527	62,247	-	4,107,876	3,809,527
Grants and contribution	382,488	372,710	-	-	382,488	372,710
Judgements and claims	-	-	-	-	-	-
Capital and other appropriation	-	1,104,737	-	-	-	1,104,737
Education	14,302,480	13,780,322	-	-	14,302,480	13,780,322
Interest on debt	721,067	832,064	-	-	721,067	832,064
Total expenses	<u>33,285,293</u>	<u>39,475,191</u>	<u>1,932,989</u>	<u>1,623,828</u>	<u>35,218,282</u>	<u>41,099,019</u>
Increase(decrease) in net position	(88,875)	(8,950,544)	(398,779)	83,011	(487,654)	(8,867,535)
Net position-beginning restated	<u>(8,739,687)</u>	<u>210,858</u>	<u>467,670</u>	<u>384,659</u>	<u>(8,272,017)</u>	<u>595,517</u>
Net position-ending	<u>\$ (8,828,562)</u>	<u>\$ (8,739,687)</u>	<u>\$ 68,891</u>	<u>\$ 467,670</u>	<u>\$ (8,759,671)</u>	<u>\$ (8,272,017)</u>

TOWN OF WARREN, RHODE ISLAND
Management Discussion & Analysis (MD&A)
For the Year Ended June 30, 2024

Financial Analysis of Governmental 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 of Warren's total governmental funds reported a combined ending fund balance of \$3,404,868 a decrease of \$5,875.433 in comparison with the prior year. The unassigned fund balance of \$394,901 is available for spending at the government's discretion. The remainder of the fund balance is non-spendable to indicate that it is not available for new spending because it represents unexpendable inventory items, those governmental funds with a deficit fund balance and the permanent funds. The committed fund balance has been designated to fund appropriations of the subsequent fiscal year. The restricted fund balance has been assigned all non-major governmental funds fund balances as it is restricted for the legal use of each fund.

General Fund Budgetary Highlights

The Town of Warren's tax rate changed from \$17.72 per thousand in fiscal year 2023 to \$18.01 per thousand dollars of assessed value in fiscal year 2024.

Capital Asset and Debt Administration

Capital Assets

The Town of Warren's investment in capital assets for its governmental activities as of June 30, 2024, amounts to \$30,416,022 net of accumulated depreciation and amortization. This investment in capital assets includes land, construction in progress ,buildings, improvement other than buildings, machinery and equipment, and infrastructure. Additional information on the Town of Warren's capital assets can be found in Note 6 to the financial statements, which accompany this report.

Several major additions to the Town's capital assets related to its governmental fund activities were made during the year, including, infrastructure repairs and improvements, equipment, and construction in progress related to RIIB grants.

TOWN OF WARREN, RHODE ISLAND
Management Discussion & Analysis (MD&A)
For the Year Ended June 30, 2024

Capital Asset and Debt Administration (continued)

Capital Asset (continued)

	Governmental Activities	
	2024	2023
Land	\$ 3,073,867	\$ 3,073,867
Construction in progress	656,639	656,639
Infrastructure	39,775,740	39,290,837
Building and improvements	21,637,038	21,208,430
Equipment	7,654,599	6,847,557
Vehicles	9,815,821	9,333,948
Leased equipment	292,571	-
Total capital assets	82,906,275	80,411,278
Less: accumulated depreciation and amortization	52,490,253	49,147,679
Net capital assets	\$ 30,416,022	\$ 31,263,599

Additional information about the Town’s capital assets can be found in Note 6 to the basic financial statements.

Long-Term Debt

At the end of the current fiscal year, the Town of Warren has total general obligation debt outstanding of \$8,564,145 entirely backed by the full faith and credit of the government.

State statutes limit the amount of general obligation debt a governmental entity may issue to 3% of its total equalized valuation. As of June 30, 2024, the Town of Warren’s ratio of Town Debt to net taxable valuation is 2.1%. The current debt limitation for the Town is \$43,933,707 which significantly exceeds the Town of Warren’s current outstanding general obligation debt.

Additional information of the Town of Warren’s long-term debt can be found in Note 7 to the financial statements and also in the statistical section of this report.

Total debt consists of the following:

	Debt Administration	
	Governmental Activities	
	2024	2023
General obligation bonds	\$ 7,770,000	\$ 8,564,145
RIIB Loan	19,562,089	20,891,765
Leases - Right to use	152,505	200,524
Total	\$ 27,484,594	\$ 29,656,434

TOWN OF WARREN, RHODE ISLAND
Management Discussion & Analysis (MD&A)
For the Year Ended June 30, 2024

Economic Factors and Next Year's Budget and Rates

Fiscal year 2024 presented several challenges for the Town of Warren, marked by considerable turnover in the Administration and Finance departments.

Furthermore, during fiscal year 2024, the Town settled a lawsuit requiring an initial payment of \$5 million in December 2023, followed by annual \$1 million payments each July from 2024 to 2026. The initial payment significantly depleted the Town's accumulated fund balance in the general fund, immediately impacting the current year's budget execution and the fiscal 2025 budget planning.

In response, the interim Town Manager promptly froze all capital expenditures and restricted most funds for routine operations. For FY 2025, the Town implemented significant measures, including drastically reducing capital spending, cutting most departmental operations budgets by ten percent, increasing the tax rate by \$0.79, and raising the total tax levy by 5.35%. This levy increase required approval from the state Auditor General, as it exceeded the 4% limit on increases mandated by state law.

Request for Information

This financial report is designed to provide a general overview of the Town of Warren's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or request for additional financial information should be addressed in writing to the Treasurer's Office, Town Hall, 514 Main Street, Warren, RI 02885.

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

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current assets			
Cash and cash equivalent	\$ 4,544,123	\$ 284,935	\$ 4,829,058
Investments	11,086	-	11,086
Cash escrow	243,977	-	243,977
Receivables, net	387,549	13,041	400,590
Other receivables	61,320	-	61,320
Inventories	59,496	-	59,496
Intergovernmental	997,430	-	997,430
Non-current assets			
Capital assets (non-depreciable)	3,730,506	-	3,730,506
Depreciable assets, net	26,685,516	-	26,685,516
Total capital assets	30,416,022	-	30,416,022
Total assets	36,721,004	297,976	37,018,980
DEFERRED OUTFLOWS OF RESOURCES			
Pension related outflows	2,634,980	-	2,634,980
Total assets and deferred outflows of resources	\$ 39,355,984	\$ 297,976	\$ 39,653,960

The accompanying notes are an integral part of this statement

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

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
LIABILITIES			
Current liabilities			
Accounts payable	\$ 900,033	\$ 166,838	\$ 1,066,871
Accrued liabilities	13,789	-	13,789
Accrued interest	217,616	-	217,616
Current portion of long-term liabilities	2,405,595	-	2,405,595
Non-current liabilities			
Lease right to use	101,683	-	101,683
Bonds payable	25,174,133	-	25,174,133
Bond premium, net	140,097	-	140,097
Unearned Revenue	1,251,435	-	1,251,435
Compensated absences	1,880,183	-	1,880,183
Claims and Judgements	3,000,000	-	3,000,000
Net pension liability (NPL)	4,861,232	-	4,861,232
Net OPEB liability (NOL)	6,097,511	-	6,097,511
Total liabilities	<u>46,043,307</u>	<u>166,838</u>	<u>46,210,145</u>
DEFERRED INFLOWS OF RESOURCES			
OPEB related inflows	22,176	-	22,176
Pension related inflows	2,439,043	-	2,439,043
Total deferred inflows of resources	<u>2,461,219</u>	<u>-</u>	<u>2,461,219</u>
NET POSITION			
Net investment in capital assets	2,573,715	-	2,573,715
Restricted	1,507,139	-	1,507,139
Unrestricted	<u>(13,229,396)</u>	<u>131,138</u>	<u>(13,098,258)</u>
Total Net Position	<u>(9,148,542)</u>	<u>131,138</u>	<u>(9,017,404)</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 39,355,984</u>	<u>\$ 297,976</u>	<u>\$ 39,653,960</u>

The accompanying notes are an integral part of this statement

TOWN OF WARREN, RHODE ISLAND
Statement of Activities
For the Year Ended June 30, 2024

	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business - Type Activities	Total
Governmental Activities							
General government	\$ 7,689,090	\$ 127,003	\$ 1,535,251	\$ -	\$ (6,026,836)	\$ -	\$ (6,026,836)
Town offices	1,271,158	-	-	-	(1,271,158)	-	(1,271,158)
Financial administration	329,610	-	-	-	(329,610)	-	(329,610)
Public safety	3,186,740	765	36,202	-	(3,149,773)	-	(3,149,773)
Fire safety	1,357,031	7,300	-	-	(1,349,731)	-	(1,349,731)
Waste water treatment	-	-	-	-	-	-	-
Highway department	4,045,629	-	(394,687)	62,247	(4,378,069)	-	(4,378,069)
Grants and contributions	382,488	16,400	(72,534)	-	(438,622)	-	(438,622)
Judgements and claims	382,227	-	-	-	(382,227)	-	(382,227)
Capital and special appropriation	-	-	-	-	-	-	-
Education	14,302,480	-	-	-	(14,302,480)	-	(14,302,480)
Interest on debt	721,067	-	-	-	(721,067)	-	(721,067)
Total governmental activities	33,667,520	151,468	1,104,232	62,247	(32,349,573)	-	(32,349,573)
Business-Type Activities							
Sewer Fund	1,870,742	1,534,210	-	-	-	(336,532)	(336,532)
Total business-type activities	1,870,742	1,534,210	-	-	-	(336,532)	(336,532)
Total Town of Warren	\$ 35,538,262	\$ 1,685,678	\$ 1,104,232	\$ 62,247	\$ (32,349,573)	\$ (336,532)	\$ (32,686,105)

The accompanying notes are an integral part of this statement

TOWN OF WARREN, RHODE ISLAND
Statement of Activities
For the Year Ended June 30, 2024

	Primary Government		
	Governmental Activities	Business - Type Activities	Total
Total Town of Warren	\$ (32,349,573)	\$ (336,532)	\$ (32,686,105)
General Revenues			
Property taxes	26,852,313	-	26,852,313
Intergovernmental	2,722,662	-	2,722,662
Licenses, fees, permits and fines	2,005,640	-	2,005,640
Investment income	316,804	-	316,804
Other revenue	43,299	-	43,299
Total general revenues	31,940,718	-	31,940,718
Changes in net position	(408,855)	(336,532)	(745,387)
Net position-July 1, 2023	(8,739,687)	467,670	(8,272,017)
Net position-June 30, 2024	\$ (9,148,542)	\$ 131,138	\$ (9,017,404)

The accompanying notes are an integral part of this statement

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

	Major Funds				Non-Major	Total
	General Fund	RI DOT TIP Water St Project	ARPA	20M RIIB Bond	Other Governmental Funds	Governmental Funds
Assets						
Cash and cash equivalents	3,438,260	\$ (765,568)	1,254,995	\$ (212,618)	\$ 829,054	\$ 4,544,123
Investments	-	-	-	-	11,086	11,086
Cash escrow	-	-	-	243,977	-	243,977
Prepays	-	-	-	-	-	-
Receivables:						
Property taxes, net	387,549	-	-	-	-	387,549
Intergovernmental	-	-	-	-	997,430	997,430
Other	61,320	-	-	-	-	61,320
Due from other funds	993,019	-	-	-	-	993,019
Inventory	59,496	-	-	-	-	59,496
Total assets	4,939,644	(765,568)	1,254,995	31,359	1,837,570	7,298,000
Deferred outflows of resources						
Deferred outflows	-	-	-	-	-	-
Total assets and deferred outflows of resources	4,939,644	(765,568)	1,254,995	31,359	1,837,570	7,298,000
Liabilities						
Accounts payable and accrued expenses	899,679	-	-	-	352	900,031
Unearned revenue	-	-	1,251,435	-	-	1,251,435
Due to other funds	-	-	-	-	993,019	993,019
Other liabilities	-	-	-	-	13,789	13,789
Total liabilities	899,679	-	1,251,435	-	1,007,160	3,158,274
Deferred inflows of resources						
Deferred property taxes	681,126	-	-	-	-	681,126
Other deferred revenue	-	-	-	-	53,732	53,732
Total deferred inflows of resources	681,126	-	-	-	53,732	734,858
Fund balance						
Nonspendable	59,496	-	-	-	-	59,496
Restricted	-	-	3,560	31,359	1,412,724	1,447,643
Committed	3,018,160	-	-	-	-	3,018,160
Unassigned	281,183	(765,568)	-	-	(636,046)	(1,120,431)
Total fund balance	3,358,839	(765,568)	3,560	31,359	776,678	3,404,868
Total liabilities, deferred inflows of resources, and fund balance	\$ 4,939,644	\$ (765,568)	\$ 1,254,995	\$ 31,359	\$ 1,837,570	\$ 7,298,000

The accompanying notes are an integral part of this statement

TOWN OF WARREN, RHODE ISLAND
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
June 30, 2024

Total governmental fund balances	\$ 3,404,868
Assets used in governmental activities are not financial resources and, therefore, are not reported in the funds	
Capital assets, net	30,416,022
Unavailable property tax revenues (net of an allowance for uncollectibles) and unearned grant revenues are recorded in the funds, but are not deferred under the measurement focus employed in the Statement of Net Position	734,858
Other long-term assets related to net pension activity and other postemployment benefits and therefore, are deferred inflows of resources in the funds	(2,461,219)
Other long-term assets related to net pension activity and therefore, are deferred outflows of resources in the funds	2,634,980
In the statement of activities, interest is accrued on outstanding long-term debt whereas in governmental funds interest is not reported until due	(217,616)
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	(27,332,089)
Bond premium	(140,097)
Leases	(152,505)
Compensated absences	(2,077,000)
Claims and Judgements	(3,000,000)
Other postemployment benefits	(6,097,511)
MERS net pension liability	<u>(4,861,232)</u>
Net position of governmental activities	<u>\$ (9,148,542)</u>

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

	Major Funds				Non-Major	Total
	General Fund	RI DOT TIP Water St Project	ARPA	20M RIIB Bond	Other Governmental Funds	Governmental Funds
Revenues						
General property taxes	26,487,368	\$ -	\$ -	\$ -	\$ -	\$ 26,487,368
Investment income	316,804	-	-	-	-	316,804
Licenses, fees, permits and fines	2,021,148	-	-	-	135,960	2,157,108
Intergovernmental	2,722,662	-	1,202,929	205,741	480,900	4,612,232
Other revenue	43,299	-	-	-	-	43,299
Total revenues	<u>31,591,281</u>	<u>-</u>	<u>1,202,929</u>	<u>205,741</u>	<u>616,860</u>	<u>33,616,811</u>
Expenditures						
General government	4,893,275	-	977,929	-	472,794	6,343,998
Town offices	1,429,472	-	-	-	-	1,429,472
Financial administration	366,138	-	-	-	-	366,138
Public safety	2,946,970	-	-	-	97,387	3,044,357
Fire safety	1,140,809	-	-	-	3,337	1,144,146
DPW department	2,426,666	-	-	-	-	2,426,666
Grants and contributions	382,488	-	-	-	-	382,488
Education	14,302,480	-	-	-	-	14,302,480
Capital and special appropriations	1,054,781	-	-	485,157	234,423	1,774,361
Judgements and claims	5,382,227	-	-	-	-	5,382,227
Debt service						
Principal	2,123,821	-	-	-	-	2,123,821
Interest	772,090	-	-	-	-	772,090
Total expenditures	<u>37,221,217</u>	<u>-</u>	<u>977,929</u>	<u>485,157</u>	<u>807,941</u>	<u>39,492,244</u>
Excess (deficiency) of revenues over expenditures	(5,629,936)	-	225,000	(279,416)	(191,081)	(5,875,433)
Other financing sources (uses)						
Transfers In	44,160	-	-	219,570	-	263,730
Transfers out	-	-	(225,000)	-	(38,730)	(263,730)
Total other financing sources (uses)	<u>44,160</u>	<u>-</u>	<u>(225,000)</u>	<u>219,570</u>	<u>(38,730)</u>	<u>-</u>
Excess of revenue and other sources over expenditures and other uses	(5,585,776)	-	-	(59,846)	(229,811)	(5,875,433)
Fund Balance, July 1, 2023	8,944,615	(765,568)	3,560	91,205	1,006,489	9,280,301
Fund Balance, June 30, 2024	<u>\$ 3,358,839</u>	<u>\$ (765,568)</u>	<u>\$ 3,560</u>	<u>\$ 31,359</u>	<u>\$ 776,678</u>	<u>\$ 3,404,869</u>

The accompanying notes are an integral part of this statement

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

Net change in fund balance-total governmental funds	\$ (5,875,433)
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period	(1,140,148)
Revenues in the Statement of Activities that do not provide current financial resources are fully deferred in the Statement of Revenues, Expenditures and Changes in Fund Balances. Therefore, the recognition of revenue for various types of accounts receivable (i.e., real estate and personal property, motor vehicle excise, etc.) differ between the two statements. This amount represents the net change in deferred inflows of resources.	(358,146)
This issuance of long-term (e.g., bonds and leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	2,180,975
In the Statement of Activities, interest is accrued on outstanding long-term debt, whereas in governmental funds interest, is not reported until due.	51,023
Some expenses reported in the Statement of Activities, such as compensated absences, do not require in the current financial resources, and therefore, are not reported as expenditures in the governmental funds.	(108,828)
The other postemployment benefit expense reported in the Statement of Activities requires the use of current financial resources and is not reported as an expenditure in the governmental funds	(713,909)
The net pension liability expense reported in the Statement of Activities requires the use of current financial resources and is not reported as an expenditure in the governmental funds.	451,894
To record the change in deferred outflows of resources related to pension and OPEB as required by GASB Statement No. 68 and GASB No. 75	1,664,364
To record changes in claims and judgements	5,000,000
To record the change in deferred inflows of resources related to pension and OPEB as required by GASB Statement No. 68 and GASB No. 75	<u>(1,560,647)</u>
Change in net position of governmental activities	<u>\$ (408,855)</u>

TOWN OF WARREN, RHODE ISLAND
Proprietary Fund
Statement of Net Position
June 30, 2024

	Sewer Fund
Assets	
Cash and cash equivalents	\$ 284,935
Receivables, net:	
User fees, net	13,041
Total assets	297,976
 Deferred outflows of resources	
Deferred outflows	-
Total assets and deferred outflows of resources	\$ 297,976
 Liabilities	
Accounts payable	166,838
Total liabilities	166,838
 Deferred inflows of resources	
Deferred inflows	-
Total deferred inflows of resources	-
 Net position	
Net investment in capital assets	-
Restricted	-
Unrestricted	131,138
Total net position	\$ 131,138

The accompanying notes are an integral part of this statement

TOWN OF WARREN, RHODE ISLAND
Proprietary Fund
Statement of Revenue, Expenses and Changes in Net Position
For the Year Ended June 30, 2024

	Sewer Fund
Operating revenues	
User fees and charges	\$ 1,534,210
Total operating revenues	1,534,210
Operating expenses	
Maintenance and servicing	1,870,742
Total operating expenses	1,870,742
Operating income (loss)	(336,532)
Income (loss) before transfers	(336,532)
Change in net position	(336,532)
Net position, July 1, 2023	467,670
Net position, June 30, 2024	\$ 131,138

The accompanying notes are an integral part of this statement

TOWN OF WARREN, RHODE ISLAND
Proprietary Fund
Statement of Cash Flows
For the Year Ended June 30, 2024

	Sewer
Cash flows from operating activities:	
Cash received from customers	\$ 1,535,279
Payments to suppliers and employees	(1,812,752)
Net cash provided (used) by operating activities	(277,473)
Net increase in cash and cash equivalents	(277,473)
Balances-beginning of the year	562,408
Balances-end of the year	\$ 284,935
Displayed as:	
Cash and short-term investments	\$ 284,935
Total cash and short-term investments	\$ 284,935
Reconciliation of operating income to net cash provided by operating activities:	
Operating income (loss)	\$ (336,532)
Adjustments to reconcile net income to net cash provided by operating activities:	
Change in assets and liabilities:	
(Increase) decrease in user charges receivables, net	1,069
Increase (decrease) in accounts payable and accrued expenses	57,990
Net cash provided (used) by operating activities	\$ (277,473)

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

	OPEB Trust Funds	Private Purpose Trust Funds
Assets		
Cash and cash equivalents	\$ -	\$ -
Investments, at fair value	1,090,186	203,172
Due from other funds	-	-
Accounts receivable	-	-
Total assets	1,090,186	203,172
Deferred outflows of resources		
None	-	-
Total assets and deferred outflows of resources	1,090,186	203,172
Liabilities		
Deposits held	-	-
Total liabilities	-	-
Deferred inflows of resources		
Deferred inflows	-	-
Net position		
Restricted	1,090,186	203,172
Total net position	1,090,186	203,172
Total liabilities and net position	\$ 1,090,186	\$ 203,172

The accompanying notes are an integral part of this statement

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

	OPEB Trust Funds	Private Purpose Trust Funds
Additions		
Employer contributions	\$ 237,121	\$ -
Investment income (net of related fees)	98,934	-
Other	-	7,444
Total additions	336,055	7,444
Deductions		
Administrative expenses	3,288	-
Benefits paid	237,121	-
Social services	-	2,132
Total deductions	240,409	2,132
Changes in fund equity held in trust for individuals, organizational, and other governments	95,646	5,312
Net position, July 1, 2023	994,540	197,860
Net position, June 30, 2024	\$ 1,090,186	\$ 203,172

The accompanying notes are an integral part of this statement

TOWN OF WARREN, RHODE ISLAND
Notes to the Financial Statements
For the Year Ended June 30, 2024

NOTE 1-SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying basic financial statements of the Town of Warren, Rhode Island (“the Town”) have been prepared in accordance with accounting principles generally accepted in the United States of America applicable to governmental entities (U.S. GAAP). The *Governmental Accounting Standards Board* (GASB) is the recognized standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant Town acquiring policies.

Reporting Entity

Primary Government

The Town was founded in 1746 and incorporated in 1747. The Town covers 8.7 square miles and is located in southeastern New England. The Town operates under a “Council-Manager” form of government, with a five member Town Council headed by a Council President and a Town Manager. The Town Manager exercises the executive power of the Town government and is responsible to the Town Council for day to day operation of the Town’s affairs. All legislative powers of the Town are vested in the Town Council except such powers that are reserved by Charter to the Financial Town Meeting, including the ordering of any tax making appropriations.

With the Town’s Charter Amendment adopted on November 4, 2008, elected officials serve two-year terms, elected at large at the regular biennial elections during even number years. The Town Council is granted all powers to enact, amend, or repeal ordinances relating to the Town’s property, affairs and government. The Council has the power to create offices, department or agencies of the Town, to preserve public peace, health and safety, to establish personnel policies, giving effect to any vote of the Financial Town Meeting authorizing the issuance of bonds and providing for an annual audit of the Town’s accounts.

An Act was passed at the January 1991 session of the General Assembly which authorized the Towns of Warren and Bristol to form a regional school district of all public schools in the Towns of Warren and Bristol. The regional school district includes all grades and programs currently provided and any other grades and programs specified by the regional school committee.

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

The effect of inter-fund activity has been eliminated from the government-wide statements.

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

TOWN OF WARREN, RHODE ISLAND

Notes to the Financial Statements

For the Year Ended June 30, 2024

NOTE 1-SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Reporting Entity (continued)

Primary Government (continued)

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

Basis of Presentation

The Town's basic financial statements include both government-wide (reporting the Town as a whole) and fund financial statements (reporting the Town's major and other funds). Both the government-wide and fund financial statements required to categorize primary activities.

Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

The Statement of Net Position and Statement of Activities display information about the Town as a whole and distinguish between governmental and business-type activities. They include all funds of the Town except for fiduciary funds. Governmental activities generally are financed through taxes, intergovernmental revenues and other non-exchange revenues.

In the government-wide Statement of Net Position, the governmental activities column is presented on a consolidated basis and is reported on a full accrual, economic resources basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Town's net position is reported in three parts – net investment in capital assets; restricted net position; and unrestricted net position.

The government-wide Statement of Activities reports both the gross and net cost of each of the Town's functions (public safety, public works, etc.). The functions are also supported by general government revenues (property, certain intergovernmental revenues, fines, permits, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants.

The government-wide focus is more on the sustainability of the Town as an entity and the change in the Town's net position resulting from the current year's activities.

Fund Financial Statements

Fund financial statements of the reporting entity are organized into funds each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts which constitute its assets, deferred outflows or resources, liabilities, deferred inflow of resources, fund equity, revenues, and expenditures. Funds are organized into three major categories: governmental, proprietary, and fiduciary. Nonmajor funds are aggregated and displayed in a single column.

TOWN OF WARREN, RHODE ISLAND

Notes to the Financial Statements

For the Year Ended June 30, 2024

NOTE 1-SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Major Fund Criteria

A fund is considered major if it is the primary operating fund of the Town or it meets the following criteria:

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

Additionally, any other governmental or enterprise fund that management believes is particularly significant to the basic financial statements may be reported as a major fund. Fiduciary funds are reported by fund type.

Measurement focus, Basis of Accounting and Financial Statement Presentation

Government-Wide Financial Statements

The governmental-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded when the liabilities are incurred. Real estate and personal property taxes are recognized as revenues in the fiscal 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.

The statement of activities demonstrates the degree to which the direct expenses of a particular function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include the following:

- (a) *Charges to customers* or applicants who purchase, use, or directly benefits from goods, services, or privileges provided by a given function or segment.
- (b) *Grants and contributions* that are restricted to meeting the operational requirements of a particular function or segment.
- (c) *Grants and contributions* that are restricted to meeting the capital requirements of a particular function or segment.

Taxes and other items not identifiable as program revenues are reported as general revenues.

For the most part, the effect of interfund activity has been removed from the government-wide financial statements.

Fund Financial Statements

Governmental Fund Financial Statements

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period.

TOWN OF WARREN, RHODE ISLAND

Notes to the Financial Statements

For the Year Ended June 30, 2024

NOTE 1-SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Measurement focus, Basis of Accounting and Financial Statement Presentation (continued)

Fund Financial Statements (continued)

Expenditures are recorded when the related fund liability is incurred, except for interest on general long-term debt which is recognized when due, and the non-current portion of compensated absences, capital leases, landfill post closure care costs, net pension liability, and post-employment benefits which are recognized when the obligations are expected to be liquidated with current expendable available resources.

In applying the susceptible to accrual concept to intergovernmental revenues, there are essentially two types of revenues. In one, monies must be expended on the specific purpose or project before any amounts will be paid to the Town; therefore, revenues are recognized based upon the expenditures incurred. In the other, monies are virtually unrestricted and are usually revocable only for failure to comply with prescribed compliance requirements. Those resources are reflected as revenues at the time of receipt or earlier if the susceptible to accrual criteria are met.

The Town considers property taxes as available if they are due and collected within 60 days after fiscal year-end. Licenses and permits, user charges, fines and forfeitures, and miscellaneous revenues are recorded as revenues when received. Investment earnings are recorded as earned.

The Town reports the following major governmental funds:

- The **General Fund** is the primary operating fund of the Town. It is used to account for all financial resources, except those that are legally or administratively required to be accounted for in another fund.
- The **RIDOT TIP Water St. Project Fund** is a capital project fund used to account for the construction costs of the Water Street project.
- The **ARPA Fund** is a special revenue fund used to account for the ARPA expenditures
- The **\$504k Bond Fund** is a capital projects fund used to account for construction costs related to a RIIB borrowing
- The **Nonmajor Governmental Funds** consist of other special revenue, capital projects and permanent funds that are aggregated and presented in the nonmajor governmental funds column on the governmental fund financial statements. The following describes the general use of these fund types:
 - The **Special Revenue Fund** is used to account for the proceeds of specific revenue sources (other than permanent funds or capital projects funds) that are restricted by law or administrative action to expenditures for specified purposes.
 - The **Capital Projects Fund** is used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by enterprise and trust funds).
 - The **Permanent Fund** is used to account for financial resources that are legally restricted to the extent that only earning, not principal, may be used for purposes that support the governmental programs.

Proprietary Fund Financial Statement

Proprietary funds are used to account for business-like activities provided to the general public (enterprise funds) or within the government (internal service funds). These activities are financed primarily by user charges and the measurement of financial activity focuses on net income measurement similar to the private sector. The Town has one enterprise fund, the sewer fund. The Town has no internal service funds.

TOWN OF WARREN, RHODE ISLAND

Notes to the Financial Statements

For the Year Ended June 30, 2024

NOTE 1-SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fund Financial Statements (continued)

Fiduciary Fund Financial Statement

Fiduciary fund financial statements are reported using the flow of economic resources measurement focus and use the accrual basis of accounting. Fiduciary funds are used to account for assets held by the Town in a trustee capacity for others that cannot be used to support the governmental programs.

The following fiduciary fund types are reported as follows:

- The **Private-Purpose Trust Fund** is used to account for trust arrangements, other than those properly reported in the permanent fund (nonmajor governmental funds), under which principal and investment income exclusively benefit individuals, private organizations, or other governments.
- The **Other Post-Employment Benefits Trust Fund (OPEB)** is used to account for assets held that will fund the long-term liability associated with the Town's retiree's health benefits.
- The **Custodial Fund** is used to account for assets held in purely custodial capacity. Currently the Town of Warren has no custodial funds.

Cash and Investments

Government-Wide and Fund Financial Statements

Cash and Cash Equivalents

Cash and cash equivalents are carried at cost. Cash equivalents include amounts invested in certificate of deposits as management believes that these certificates can be accessed at any point in time. Substantially, all of the Town's cash and cash equivalents are held in public deposit institutions. Pursuant to Section 35-10-1 of the Rhode Island General Laws, as of October 1, 1991, public institutions are required to insure accounts which hold public funds in excess of the \$250,000 which is guaranteed by the FDIC. At times, the Town pools cash resources of its various funds to facilitate the management of cash and maximize investment returns. Cash applicable to a particular fund is readily identifiable. Cash in excess of current requirements is invested in short term treasury securities or as investments. State statutes authorize governments to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds, and repurchase agreements.

Investments

The Town invests in various types of investments which are stated at fair value based on quoted market prices. There are no investments reported at amortized cost.

TOWN OF WARREN, RHODE ISLAND

Notes to the Financial Statements

For the Year Ended June 30, 2024

NOTE 1-SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fair Value Measurement

The Town reports required types of financial instruments in accordance with the fair value standards. These standards require an entity to maximize the use of observable inputs (such as appraisals or valuation techniques) to determine fair value. Fair value standards also require the government to classify these financial instruments into a three-level hierarchy, based on the priority of inputs to the valuation technique or in accordance with net asset value practical expedient rules, which allow for either Level 2 or Level 3 depending on lock up and notice periods associated with the underlying funds. Instruments measured and reported at fair value are classified and disclosed in one of the following categories:

- Level 1: Quoted prices are available in active markets for identical instruments as of the reporting date. Instruments, which are generally included in this category, include actively traded equity and debt securities, U.S. government obligations, and mutual funds with quoted market prices in active markets.
- Level 2: Pricing inputs are other than quoted in active markets, which are either directly or indirectly observable as of the reporting date, and fair value is determined through the use of models or other valuation methodologies. Certain fixed income securities, primarily corporate bonds, are classified as Level 2 because fair values are estimated using pricing models, matrix pricing, or discounted cash flows.
- Level 3: Pricing inputs are unobservable for the instrument and include situations where there is little, if any, market activity for the instrument. The inputs into the determination of fair value require significant management judgement or estimation. In some instances, the inputs used to measure fair value may fall into different levels of the fair value hierarchy and is based on the lowest level of input that is significant to the fair value measurement. Market price is affected by a number of factors, including the type of instrument and the characteristics specific to the instrument. Instruments with readily available active quoted prices generally will have a higher degree of market price observability and a lesser degree of judgement used in measuring fair value. It is reasonable possible that change in values of these instruments will occur in the near term and that such changes could materially affect amounts reported in these financial statements. For more information on the fair value of the Town's financial instruments, see Note 3- Fair Market Value of Investments.

Accounts Receivable

Government-Wide and Fund Financial Statements

In the government-wide statement, receivables of all revenues earned at year end and not received yet. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. In the fund financial statements, material receivables such as property taxes, grants and other similar intergovernmental revenues since that are usually both measurable and available. Non-exchange transactions collectible but not yet available are deferred in the fund financial statements in accordance with modified accrual, but not deferred in the government-wide financial statements in accordance with the accrual basis.

Amounts due from federal and state sources represent receivables on grant awards and state aid not received as of the balance sheet date include: *Real Estate, Personal Property Tax and Tax Liens.*

TOWN OF WARREN, RHODE ISLAND

Notes to the Financial Statements

For the Year Ended June 30, 2024

NOTE 1-SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Intergovernmental Receivables

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

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

Accounts Payable

Payable balances consist primarily of amounts due to vendors. Accrued expenses consist primarily of accrued salaries and benefits to employees.

Property Taxes

Real and personal property taxes are based on values assessed as of December 31 (lien date) and an enforceable lien is attached on the property as of July 1 (levy date). Taxes may be paid in full or in equal installments on August 1, November 1, February 1, and May 1 following the levy date. Taxes due and unpaid after the respective due dates are subject to interest and penalties. The Town has the ultimate right to foreclose on property for which taxes have not been paid by the following July 1 when the next year's tax is levied. Property taxes levied are recorded as receivables in the fiscal year of the levy. Property tax revenues are recorded in accordance with the modified accrual basis of accounting.

Inventories

Government-Wide and Fund Financial Statements

Inventories of the governmental funds and the sanitation enterprise fund are recorded as expenditures at the time of purchase. Such inventories are not material in total to the basic financial statements, and therefore are not reported.

Prepaid Items

The cost of prepaid items is recorded under the consumption method whereby the expenditures/expense is recorded when consumed rather than purchased. Prepaid expenditures recorded in governmental type funds do not reflect current appropriate resources and, thus, an equivalent portion of the fund balance is non-spendable.

Capital Assets and Depreciation

Capital assets, which include land, vehicles, buildings and improvements, leased assets, capital improvements, machinery and equipment, infrastructure (roadways and similar items), and construction in progress are reported in the applicable governmental or business-type activities column of the government-wide financial statements, and the proprietary fund financial statements. Capital assets are recorded at historical cost, or at estimated historical cost, if actual historical cost is not available. Donated capital assets are recorded at the estimated fair market value at the date of donation. Except for the capital assets of the governmental activities' column in the government-wide financial statements, construction period interest is capitalized on constructed capital assets if material.

TOWN OF WARREN, RHODE ISLAND

Notes to the Financial Statements

For the Year Ended June 30, 2024

NOTE 1-SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Capital Assets and Depreciation (continued)

All purchases and construction costs in excess of \$10,000 are capitalized at the date of the acquisition or construction, respectively, with expected useful lives of five years or greater.

Capital assets (excluding land and construction in progress) are depreciated on a straight-line basis. The estimated useful lives of capital assets are as follows:

Asset Class	Estimated Useful Life (in years)
Buildings and land improvements	25-40
Infrastructure	25-40
Equipment and heavy machinery	10-20
Motor vehicles	5-10
Office equipment	5-10
Other assets	5-10

Capital assets costs are recorded as expenditures in the fiscal year of purchase for the various funds.

Interfund Receivables and Payables

During the course of its operations, transactions occur between and within individual funds that may result in amounts owed between funds.

Government-Wide Financial Statements

Transactions of a buyer/seller nature between and within governmental funds are eliminated from the governmental activities in the statement of net position. Any residual balances outstanding between the governmental activities and business-type activities are reported in the statement of net position as “internal balances.”

Fund Financial Statements

Transactions of a buyer/seller nature between and within funds are not eliminated from the individual fund statements. Receivables and payables resulting from these transactions are classified as “Due from other funds” or “Due to other funds” on the balance sheet.

Interfund Transfers

During the course of its operations, resources are permanently reallocated between and within funds. These transactions are reported as operating transfers in and operating transfers out.

Government-Wide Financial Statements

Operating transfers between and within governmental funds are eliminated from the governmental activities in statement of net position. Any residual balances outstanding between the governmental activities and business-type activities are reported in the statement of activities as “Transfers, net.”

Fund Financial Statements

Operating transfers between and within funds are not eliminated from the individual fund statements and are reported as operating transfers in and operating transfers out.

TOWN OF WARREN, RHODE ISLAND

Notes to the Financial Statements

For the Year Ended June 30, 2024

NOTE 1-SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Interfund Transfers (continued)

Government-Wide Financial Statements

In addition to assets, the statement of financial 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 that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditures) until then. The Town reported deferred outflows of resources related to pensions in this category.

In addition to liabilities, the statement of financial 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 that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Town reported deferred inflows of resource related to pensions in this category.

Governmental Funds Financial Statements

In addition to liabilities, the governmental funds balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents assets that have not been recorded in the governmental fund financial statements, but the revenue is not available and so will not be recognized as an inflow of resources (revenue) until it becomes available. The Town has recorded unavailable revenue as deferred inflows of resources in the governmental funds balance sheet. Unavailable revenue is recognized as revenue in the conversion to the government-wide (full accrual) financial statements.

Unearned Revenue

Unearned revenue is recorded for governmental fund receivables that are measurable and available, but have not met the criteria for revenue recognition, such as grant awards. These are recorded as unearned revenue in the government-wide and the fund financial statements. These amounts are not considered deferred inflows since qualifying expenditures for reimbursement have not been incurred as of year-end.

Net Position and Fund Equity

Government-Wide Financial Statements (Net Position)

Net position is classified into three components:

- (a) *Net Investment in Capital Assets*: consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- (b) *Restricted Net Position*: Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provision or enabling legislation.

Net Position has been “restricted” for the following:

- (1) *Permanent funds-expendable*: represents amounts held in trust for which the expenditures are restricted by various trust agreements.
 - (2) *Permanent funds-non-expendable*: represents amounts held in trust for which only investment earning may be expended.
 - (3) *Other specific purposes*: represent restrictions placed on assets from outside parties.
- (c) *Unrestricted net position*: All other net position that do not meet the definition of “restricted” or “net investment in capital assets.”

TOWN OF WARREN, RHODE ISLAND

Notes to the Financial Statements

For the Year Ended June 30, 2024

NOTE 1-SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Net Position and Fund Equity (continued)

Fund Financial Statements (Fund Balance)

The Town uses the following criteria for fund balance classification:

- For *non-spendable* fund balance: includes amounts that cannot be spent because they are either (1) not in spendable form or (2) legally or contractually required to be maintained intact.
- For *restricted* fund balance: when constraints places on the use of the resources are either (1) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (2) imposed by law through constitutional provisions or enabling legislation.
- For *committed* fund balance: (1) the government's highest level of decision-making authority and (2) the formal action that is required to be taken to establish (and modify or rescind) a fund balance commitment.
- For *assigned* fund balance: (1) the body or official authorized to assign amounts to a specific purpose and (2) the policy established by the governing body pursuant to which the authorization is given.
- For *unassigned* fund balance: it is the residual classification for the general fund. In other governmental funds, if expenditures incurred for specific purposes exceeded the amounts restricted, committed, or assigned to those purposes it may be necessary to report a negative unassigned fund balance.

The Town uses the following criteria for fund balance policies and procedures:

- When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the unrestricted amount will be considered to have been spent.
- When an expenditure is incurred for purposes for which committed, assigned, or unassigned fund balance is available, the least restricted amount will be considered to have been spent.

Long-Term Debt

Government-Wide and Proprietary Fund Financial Statements

The face amount of governmental funds long-term debt is reported as other financing sources. Bond premiums and discounts, as well as issuance costs, are recognized in the current period. Bond premiums are reported as other financing sources and bond discounts are reported as other financing uses. Issuance costs, whether or not withheld from the actual bond proceeds received, are reported as general government expenditures.

Leases

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

A right to use lease asset with a lease term greater than 1 year and an initial present value over \$50,000 are recorded as intangible assets. Right to use lease assets are amortized over the contract term of the lease. Leases that do not meet these criteria are recognized as current period revenues and expenses.

TOWN OF WARREN, RHODE ISLAND

Notes to the Financial Statements

For the Year Ended June 30, 2024

NOTE 1-SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Subscription-based information technology arrangements (SBITA)

A SBITA is defined as a contract that conveys control of the right to use another party's information technology software, alone or in conjunction with tangible capital assets, as specified in the contract for a period of time in an exchange or exchange-like transaction.

The subscription term includes the period in which the municipality has a noncancellable right to use the IT asset. The subscription also includes the periods covered by an option to extend or to terminate the contract. The Town would recognize a right-to-use subscription based asset as an intangible asset with a corresponding subscription based liability. The liability should be initially measured at the present value of the payments expected to be made during the term. Future payments should be discounted using the interest rate the Software vendor charges or the government's incremental.

Investment Income

Excluding the permanent funds, investment income derived from major and nonmajor governmental funds is legally assigned to the general fund unless otherwise directed by Rhode Island General Laws (RIGL).

Compensated Absences

Employees are granted vacation and sick leave in varying amounts. Upon retirement, termination or death, certain employees are compensated for unused vacation and sick leave (subject to certain limitations) at their current rates of pay. The amount recorded is the unused days earned at the current rate of pay. For governmental activities the general fund is used to satisfy this liability as it becomes due.

Town Employees

Under the terms of various contracts and agreements, Town employees are entitled to varying amounts of vacation based on length of service. Town employees may also carry forward up to two weeks of vacation days succeeding years.

Town employees earn 1.5 days of sick leave per month worked and may be accumulated to a maximum of 180 days. Upon retirement or termination of employment, employees will be paid 75% of their accumulated sick time at the employee's current rate of pay.

Full time Town employees retiring between the ages of 62 and 64 will continue to receive medical insurance coverage until the age of 65. Full time Town employees retired at the age of 65 will have applicable medical coverage paid for by the Town for a period of three years.

Police

Police are entitled to varying amounts of vacation based on length of service. Police can accumulate vacation days up to 120 days and carry them forward to the next year. Any vacation time in excess of 120 days not used or redeemed will be forfeited.

Police earn 1.5 days of sick leave for each month in which they work a minimum number of hours. Sick leave may be accumulated to a maximum of 180 days. Each year, on June 30, the police are paid 75% of the days in excess of 180 days in the form of a lump sum cash payment. Upon retirement or termination, police have a vested interest in their accumulated sick time based on prorated schedule.

TOWN OF WARREN, RHODE ISLAND

Notes to the Financial Statements

For the Year Ended June 30, 2024

NOTE 1-SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The amount of earned but not unpaid vacation and sick leave relating to governmental fund employees is recorded as a long-term debt in the government-wide financial statements.

Government-Wide Financial Statements

The total amount to be paid in future years is presented in the governmental activity's column of the government-wide statement of net position. The liability for vacation leave is based on the amount earned but not used; for sick leave, it is based on the amount accumulated at the balance sheet date (vesting method).

Governmental Fund Financial Statements

The portion of the liability related to unused sick and vacation time that has matured or is due as of June 30, 2024 is recorded in the governmental fund financial statements.

Pensions

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

Use of Estimates

Government-Wide and Fund Financial Statements

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

Total Column

Government-Wide Financial Statements

The total column presented on the government-wide financial statements represents consolidated financial information.

Fund Financial Statements

The total column on the fund financial statements is presented only to facilitate financial analysis. Data in this column is not comparable to the consolidated financial information.

TOWN OF WARREN, RHODE ISLAND

Notes to the Financial Statements

For the Year Ended June 30, 2024

NOTE 1-SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Recently Issued Accounting Standards – For the year ending June 30, 2024, the Town implemented the following pronouncements issued by the GASB:

The GASB issued statement No. 94, Public-Private and Public-Public Partnerships and Availability payment arrangements is effective for fiscal year beginning after June 15, 2023. The primary objective of this statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). A PPP is an arrangement in which a government contracts with an operator to provide public services by conveying the control of the right to operate or use a nonfinancial transaction. This statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). An APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange of an exchange-like transactions.

The GASB issued statement No. 96, Subscription- Based Information Technology Arrangements is effective for fiscal years beginning after June 15, 2023. This statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users. This Statement (1) defines an SBITA, (2) established that an SBITA results in a right-to-use subscription asset, an intangible asset, and a corresponding subscription liability, (3) provides the capitalization criteria for outlays other than subscription payments, including the implementation costs of SBITA, and (4) requires note disclosures regarding a SBITA. The Town will be evaluating the future impact of this standard.

The GASB issued statement No. 97, Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Defined Compensation Plans- an amendment of GASB Statements No. 18 and No.84 and a supersession of GASB Statement No. 32 is effective for fiscal years beginning after June 30, 2021. The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have governing board and the primary government performs the duties that a governing board typically would perform (2) Mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans as fiduciary component units in fiduciary fund financial statements and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. The Town will be evaluating the future impact of this standard.

GASB Statement No. 99, Omnibus 2023, the requirements of this Statement are effective as follows: The requirements related to extension of the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges of future revenues by pleading governments, clarification of certain provisions in Statement 34, as amended, and terminology updates related to Statement 53 and Statement 63 are effective upon issuance. The requirements relate to leases, PPS, and SBITAs are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter. The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter.

None of the accounting standards had an impact on the financial Statements.

TOWN OF WARREN, RHODE ISLAND

Notes to the Financial Statements

For the Year Ended June 30, 2024

NOTE 2- STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Basis of Accounting

The Town Council adopts an annual budget for the General Fund. The Town Council is authorized to transfer budgeted amounts within and among departments and to authorize emergency expenditures. Any revisions that alter total expenditures must be approved by the taxpayers by a vote at the Financial Town Meeting. Management cannot make any transfers without prior Council approval. The governing Council made no supplemental budgetary appropriation during the year. The budget for the General Fund is presented in the Statement of Revenues, Expenditures, and Changes in Fund Balance – Budgeted and Actual. All annual appropriations lapse at year end unless specifically approved for carryover to the following year by the taxpayers by a vote at the Financial Town Meeting. The budget for the General Fund is appropriated at the individual account level, also known as the line item level.

The Town does not budget for the combined Special Revenue Funds or the Capital Project Funds since budgetary control is maintained on an individual basis. Since grant period may differ from the Town’s year, a comparison of budgetary information may not be meaningful and has not been presented in the accompanying financial statements.

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditures of funds are recorded in order to preserve that portion of the applicable appropriation, is employed in the General Fund Budget. Encumbrances do not constitute expenditures or liabilities.

Excess of Expenditures Over Appropriations

For the year ended June 30, 2024, expenditures exceed budget at the department level as follows:

Boards and Commissions	\$	283
Town Clerk		6,244
Social Services		2,776
Transfer Station		6,112
Capital Expenditures		1,051,779
	\$	1,067,194

Deficit Fund Balances

Several individual fund deficits exist within the special revenue funds and the RI DOT TIP Water St Project. These individual deficits will be eliminated through subsequent activity during fiscal year 2024.

Fund Name	Fund Deficit
Planning Challenge Grant	(1,827)
Stop Grant	(18,924)
Drug Free Communities	(44,006)
Election Grant	(12,640)
Youth Mentoring Grant	(19,224)
Burr's Hill Park Tennis Courts	(15,824)
Stormwater Permitting	(15,000)
Tourister Peer Review	(47,939)
Recreation Trails Grant	(328,281)
Water St Subsurface Infiltration	(13,908)
Jamie's Park Substance Abuse	(9,178)
Jamie's Park DEM Grant	(18,102)
Take It Outside	(68,536)
RI Commerce	(17,355)
Holiday Committee	(1,850)
Performance Bonds	(3,452)
RI DOT TIP Water St Project	(765,568)
	\$ (1,401,614)

TOWN OF WARREN, RHODE ISLAND

Notes to the Financial Statements

For the Year Ended June 30, 2024

NOTE 3-CASH AND INVESTMENTS

The State of Rhode Island requires that certain uninsured deposits be collateralized. Section 35-10.1-7 of the General Laws of the State of Rhode Island, dealing with the collateralization of public deposits, requires that all time deposits with maturities of greater than 60 days and all deposits in institutions that do not meet the minimum capital requirements of federal regulations must be collateralized. The Town does not have a formally adopted investment policy.

Cash and Cash Equivalents

The Town's deposits are in various financial institutions and are carried at cost, which approximates fair value. The carrying amount of deposits is separately displayed on the balance sheet as "Cash and cash equivalents" and includes \$840 of petty cash.

At June 30, 2024 the Town's carrying amount of deposits was:

	Carrying Amount
Total Deposits	\$ 4,823,886
Cash in Escrow	-
Petty Cash	840
	<u>\$ 4,824,726</u>

Proceeds from revenue bonds of \$271,679 are classified as restricted assets on the *statement of net position* because they are maintained on a separate escrow account.

Custodial and Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, the Town's deposits may not be returned to it. The collateralization of certificates of deposit or repurchase agreements must be in an amount of at least 102% of fair value to the amount of the deposit is the Town's investment policy for custodial credit risk. At June 30, 2024 the bank balance subjected to custodial credit risk was:

	Bank Balance
Total Deposits	\$ 4,255,092
Insured by FDIC	506,812
Collateralized with securities held by pledging financial institution or its agent, but not in the Town's name	-
Total uninsured	<u>\$ 3,748,280</u>

Credit Risk

As of June 30, 2024, the Town's investments in money markets are not rated, as of the fund invests in short-term obligations.

Concentration of Credit Risk

The Town places the following limits on the maximum percent of portfolio it may invest in any one specific instrument. The portfolio must, at all times, be comprised of at a least three separate investment instruments; with no one instrument holding more than 50% of the total fund principal. Furthermore, at least 30% of the invested funds must be in instruments that can be redeemed by the Town on demand within one day.

TOWN OF WARREN, RHODE ISLAND
Notes to the Financial Statements
For the Year Ended June 30, 2024

NOTE 3-CASH AND INVESTMENTS (continued)

Investments

The Town invests in various types of investments which are stated at fair value. The Finance Director has control over investment decisions. Neither the Town Charter nor any other legally contracted agreements limit the type of investments that may be made.

At June 30, 2024 the Town held the following Investments:

Private Purpose Trusts	
Corporate Bonds	\$ 23,649
US Treasury Bonds	34,777
Common Stock	128,463
Cash and other holdings	16,283
Total Private Purpose	203,172
 Permanent Funds	
Cash and other holdings	11,086
Total Permanent Funds	11,086
 OPEB Trust Fund	
Mutual Funds	1,090,186
Total Investments	\$ 1,304,444

Credit Risk

The Town does not have a formal policy which addresses the credit risks associated with its investments. The following investments are subject to credit risk:

Description	Standard & Poor's	Moody's Investor Service
Commercial Bonds	A+	A1

Interest Credit Risk

It is the policy of the Town to limit the length of its investment maturities in order to manage the exposure to fair value losses arising from increasing interest rates. The Town has investments in corporate bonds which have interest rates that are fixed for long periods and are subject to more variability in their fair value as a result of future changes in interest rates. The Town does not have a formal policy which addresses the interest rate risks associated with its investments. The following investments are subject to interest rate risk:

Description	Interest	Maturity	Fair Value
Corporate Bonds	3.45%	3/15/2029	\$ 23,649
US Treasury Bonds	1.250 - 3.875%	08/31/2024 - 03/31/2025	\$ 34,777

TOWN OF WARREN, RHODE ISLAND
Notes to the Financial Statements
For the Year Ended June 30, 2024

NOTE 3-CASH AND INVESTMENTS (continued)

Fair Value of Financial Instruments

GASB 72 establishes a hierarchy of inputs for use in the measurement of fair value, maximizing the use of observable inputs and minimizing the use of unobservable inputs by requiring that the most observable inputs be used when available. The fair value hierarchy is categorized into three levels on the inputs as follows:

- Level 1: Inputs are quoted priced (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs are inputs other than quoted prices included within Level 1 and that are observable for the asset or liability, either directly or indirectly.
- Level 3: Inputs are unobservable inputs for the asset or liability and rely on management’s own assumptions about assumptions market participants would use in pricing the asset or liability. The unobservable inputs are developed based on the best information available in the circumstances and may include the Organization’s own data.

<u>Description</u>	<u>Fair Value at June 30, 2023</u>	<u>Fair Value Measurement</u>		
		<u>Quote Prices in Active Markets for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
Corporate Bonds	\$ 23,649	\$ -	\$ 23,649	\$ -
US Treasury Bonds	34,777	34,777	-	-
Common Stock	128,463	128,463	-	-
Mutual Funds	1,090,186	1,090,186	-	-
Cash	16,283	-	-	16,283
Other Holdings	11,086	-	-	11,086
Total Investment	<u>\$ 1,304,444</u>	<u>\$ 1,253,426</u>	<u>\$ 23,649</u>	<u>\$ 27,369</u>

Concentration of Credit Risk

The Town does not have a formal policy that limits the amount that may be invested in any one issuer. All of the trust funds’ investments are held in an internal investment pool. Net investment income for the year is allocated to each trust fund based on the ratio of each fund’s fund balance to the total combined fund balance at the beginning of the year. Operating transfers out to trust beneficiaries are allocated to the trust funds for which the withdrawals are allowable. Each withdrawal is allocated to the applicable funds at the beginning of the year.

TOWN OF WARREN, RHODE ISLAND
Notes to the Financial Statements
For the Year Ended June 30, 2024

NOTE 4-RECEIVABLES

In the government-wide statements, receivables consist of all revenues earned at year-end that are not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of the receivables.

The Town recognized property tax revenues in accordance with Section P70, "Property Taxes" of the Codification of Governmental Accounting and Financial Reporting Standards on the Fund Statements. Unpaid property taxes amounted to \$787,769 as of June 30, 2024 and are recorded as a receivable, net of allowance for uncollectible property taxes of \$423,297. Major receivable balances for the governmental activities include property taxes at 19%, and intergovernmental grants, aid and other receivables at 81% of the balance.

The portion of the property tax receivable, which is not collected within the 60 days immediately following June 30, 2024 are recorded as unavailable revenue and amounted to \$316,181. This unavailable revenue amount is deferred and will be recognized as an inflow of resources in the year(s) in which the amounts become available.

The allowance for uncollectible accounts is based on that portion of current and delinquent taxes receivable, which is estimated to be doubtful of collection. This provision does not constitute an abandonment of claim or the cessation of collection effort.

At June 30, 2024 the Town of Warren had intergovernmental receivables of \$1,242,017. Intergovernmental revenues for the Town is made up of various grants due to the Town at year end.

Intergovernmental Receivables

A summary of the intergovernmental receivables as follows:

Intergovernmental	
Capital Projects	
RI Infrastructure Bank Bond	\$ 580,338
Total General Fund	<u>\$ 580,338</u>
Special Revenue	
Burr's Hill Park Tennis Court Grant	16,010
Stormwater Permitting	20,000
Marijuana Grant	5,082
Recreational Trails Grant	376,000
Total Special Revenue	<u>\$ 417,092</u>
Total Intergovernmental	<u>\$ 997,430</u>

TOWN OF WARREN, RHODE ISLAND
Notes to the Financial Statements
For the Year Ended June 30, 2024

NOTE 4-RECEIVABLES (continued)

Other Receivables

A summary of other receivables as follows:

Other Receivables

General Fund	
Miscellaneous Vendors	61,320
Total General Fund	\$ 61,320
Total Other Receivables	\$ 61,320

NOTE 5- Interfund Transactions

The principal purpose of interfund transfers is to provide a financing source to various funds that may not have sufficient resources to cover all costs with revenue generated by the fund at the time the cost is uncured, or as a matter of administrative convenience in terms of where cash is deposited and drawn from Interfund receivables and payables at June 30, 2024 are as follows:

	Due to Other Funds	Due From Other Funds	Other Financing Sources	Other Financing Uses
General Fund	\$ -	\$ 993,019	\$ -	\$ -
RI DOT TIP Water St. Project	-	-	-	-
20M RIIB Bond	993,019	-	219,570	-
ARPA Fund	-	-	-	225,000
FEMA Sandy Event	-	-	-	38,730
Totals	\$ 993,019	\$ 993,019	\$ 219,570	\$ 263,730

TOWN OF WARREN, RHODE ISLAND
Notes to the Financial Statements
For the Year Ended June 30, 2024

NOTE 6-CAPITAL ASSETS

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

	Beginning Balance	Additions	Retirements	Ending Balance
Governmental Activities				
<i>Non-depreciable assets</i>				
Land	\$ 3,073,867	\$ -	\$ -	\$ 3,073,867
Construction in progress	656,639	-	-	656,639
<i>Total non-depreciable assets</i>	<u>3,730,506</u>	<u>-</u>	<u>-</u>	<u>3,730,506</u>
<i>Depreciable assets</i>				
Infrastructure	39,290,837	484,903	-	39,775,740
Buildings and improvements	21,208,430	428,608	-	21,637,038
Machinery and equipment	6,847,557	807,042	-	7,654,599
Vehicles	9,333,948	481,873	-	9,815,821
<i>Total depreciable assets</i>	<u>76,680,772</u>	<u>2,202,426</u>	<u>-</u>	<u>78,883,198</u>
<i>Amortized assets</i>				
<i>Intangible right of use</i>				
Leased Equipment	292,571	-	-	292,571
<i>Total amortized assets</i>	<u>292,571</u>	<u>-</u>	<u>-</u>	<u>292,571</u>
Total capital assets	<u>80,703,849</u>	<u>2,202,426</u>	<u>-</u>	<u>82,906,275</u>
Less accumulated depreciation	<u>49,055,632</u>	<u>3,294,555</u>	<u>-</u>	<u>52,350,187</u>
Less accumulated amortization	<u>92,047</u>	<u>48,019</u>	<u>-</u>	<u>140,066</u>
Governmental activities capital assets, net restated	<u>\$ 31,556,170</u>	<u>\$ (1,140,148)</u>	<u>\$ -</u>	<u>\$ 30,416,022</u>

Capital asset additions by department consisted of the following:

General government	1,093,942
Public safety	541,933
Fire safety	77,310
Highway department	489,242
Total additions	<u>\$ 2,202,427</u>

Depreciation expense was charged to the following functions:

General government	1,009,722
Public safety	420,655
Waste water	472,630
Fire safety	233,048
Highway department	1,158,500
Total depreciation expense	<u>\$ 3,294,555</u>

TOWN OF WARREN, RHODE ISLAND
Notes to the Financial Statements
For the Year Ended June 30, 2024

NOTE 7-LONG-TERM DEBT

The ratio of Town debt to net taxable valuation at June 30, 2024 was as follows:

- Net taxable valuation: \$1,907,313,606
- Town debt outstanding: \$27,332,169
- Ratio of Town debt to net taxable valuation: 1.39%

Schedule of long-term bond requirements:

Year Ended	Principal	Interest	Total
2025	2,157,956	686,816	2,844,772
2026	2,187,262	635,683	2,822,945
2027	2,175,493	582,907	2,758,400
2028	1,968,923	532,762	2,501,685
2029	1,900,020	485,781	2,385,801
2030-2034	9,808,906	1,631,933	11,440,839
2035-2039	<u>7,133,609</u>	<u>400,429</u>	<u>7,534,038</u>
Total	<u>27,332,169</u>	<u>4,956,311</u>	<u>32,288,480</u>

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

NOTE 7-LONG-TERM DEBT (continued)

General Obligation Bond	Date Issued	Interest Rate	Maturity Date	Authorized and Issued	Outstanding June 30, 2023	New Issues	Retirements	Subsidized Retirements	Outstanding June 30, 2024	Current Portion
Public improvements	08/15/09	2.25-4.75%	8/15/10-29	\$ 1,985,000	\$ 175,000	\$ -	\$ 25,000	\$ -	\$ 150,000	\$ 25,000
Public improvements	04/12/12	2.00-3.63%	1/15/13-32	2,220,000	595,000	-	55,000	-	540,000	60,000
Public improvements	04/12/12	2.00-3.00%	1/15/13-24	2,415,000	20,000	-	20,000	-	-	-
Public improvements	10/13/13	2.00-4.50%	8/15/14-23	3,195,000	1,985,000	-	150,000	-	1,835,000	155,000
Public improvements	06/02/16	3.00-4.00%	8/15/16-27	3,400,000	1,400,000	-	320,000	-	1,080,000	325,000
Public improvements	04/25/18	2.00%-4.00%	2/15/19-38	5,525,000	4,389,145	-	224,145	-	4,165,000	240,000
Total General Obligation Bond				<u>18,740,000</u>	<u>8,564,145</u>	<u>-</u>	<u>794,145</u>	<u>-</u>	<u>7,770,000</u>	<u>805,000</u>
Rhode Island Infrastructure Bank Clean Water Loan (RIIB)										
Public improvements	12/15/05	1.11-1.56%	9/1/06-25	905,000	158,000	-	52,000	-	106,000	53,000
Public improvements	03/11/11	0.42-3.33%	9/1/20-39	2,000,000	964,555	-	93,314	-	871,241	96,087
Public improvements	06/02/16	0.48-2.24%	9/1/17-35	1,700,000	1,223,000	-	83,000	-	1,140,000	84,000
Public improvements	12/13/17	1.53-2.93%	12/13/17-33	504,000	386,000	-	31,000	-	355,000	32,000
Public improvements	06/12/18	1.11%-2.93%	9/1/18-33	20,000,000	16,099,010	-	903,482	-	15,195,528	921,069
Public improvements	11/01/18	0.93%-2.71%	11/1/18-38	2,000,000	1,862,000	-	117,000	-	1,745,000	117,000
Public improvements	05/12/22	0.00%	9/1/20227	249,000	199,200	-	-	49,880	149,320	49,800
Total RIIB				<u>27,358,000</u>	<u>20,891,766</u>	<u>-</u>	<u>1,279,796</u>	<u>49,880</u>	<u>19,562,089</u>	<u>1,352,956</u>
Total Outstanding LTD				<u>\$ 46,098,000</u>	<u>\$ 29,455,911</u>	<u>\$ -</u>	<u>\$ 2,073,941</u>	<u>\$ 49,880</u>	<u>\$ 27,332,089</u>	<u>\$ 2,157,956</u>
Other Liabilities										
Compensated absences					\$ 1,968,172	\$ 108,828		\$ -	\$ 2,077,000	\$ 207,700
Bond Premium					149,232	-	9,135	-	140,097	9,278
Lease right to use payable					200,524	-	48,019	-	152,505	49,400
Net OPEB obligation					5,383,602	713,909	-	-	6,097,511	-
Net pension liability					5,313,126	-	451,894	-	4,861,232	-
Claims and judgements					8,000,000	-	5,000,000	-	3,000,000	1,000,000
Total long-term liabilities					<u>\$ 50,470,567</u>	<u>\$ 822,737</u>	<u>\$ 7,582,989</u>	<u>\$ 49,880</u>	<u>\$ 43,660,434</u>	<u>\$ 3,424,334</u>

Schedule of long-term liabilities by purpose is as follows:

	Amount	Percent
General Obligation Bond	\$ 7,770,000	17.8%
RIIB Debt	19,562,089	44.8%
Compensated absences	2,077,000	4.8%
Lease right to use payable	152,505	0.3%
Net OPEB obligation	6,097,511	14.0%
Net pension liability	4,861,232	11.1%
Claims and judgments	3,000,000	6.9%

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

NOTE 8-CAPITAL LEASES RIGHT TO USE

In October 18, 2017, the Town entered into a capital lease agreement between Municipal Leasing Consulting and the Town of Warren for the use of LED Streetlights. The lease agreement qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the present value of their future minimum payments as of the inception date.

Schedule of payments for capital leases at June 30, 2024 were as follows:

Fiscal Year	Capital Leases		Amount
Ending June 30,	Principal	Interest	Outstanding
2025	49,400	4,388	53,788
2026	50,822	2,966	53,788
2027	52,283	1,504	53,787
	<u>\$ 152,505</u>	<u>\$ 8,858</u>	<u>\$ 161,363</u>

NOTE 9-FUND BALANCES

In accordance with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, the Town has classified governmental fund balances at June 30, 2024 as follows:

Non-spendable fund balance	
Inventory and prepaid	\$ 59,496
Total non-spendable fund balance	<u>59,496</u>
Restricted fund balance	
Restricted for special revenue funds	809,736
Restricted for permanent funds	37,515
Restricted for capital project funds	563,623
Restricted for ARPA Fund	3,560
Restricted for 504K RIIB Bond	31,359
Total restricted fund balance	<u>1,445,793</u>
Committed fund balance	
Committed for capital expenditure	1,504,678
Total committed fund balance	<u>1,504,678</u>
Unassigned fund balance	
Unassigned for RI DOT TIP Water	(765,568)
Unassigned for special revenue	(634,196)
Unassigned	1,794,665
Total Unassigned fund balance	<u>394,901</u>
Total fund balance	<u>\$ 3,404,868</u>

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

NOTE 10-PENSION PLANS

Municipal Employees Retirement System, (MERS) Agent Plan Employer Units Agent Multiple Employer Defined Benefit Pension Plan

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

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

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

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

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

Final Compensation: Prior to July 1, 2012 and for general employee members eligible to retire as of June 30, 2012, the average was based on the member's highest three consecutive annual salaries. Effective July 1, 2012, the average was based on the member's highest five consecutive annual salaries. Once a member retires or is terminated, the applicable Final Average Compensation (FAC) will be the greater of the member's highest three year FAC as of July 1, 2012 or the five year FAC as of the retirement/termination date. For members retiring after July 1, 2024, retiree benefit amounts are based on the average three consecutive years of compensation. Monthly benefits are based on one-twelfth of this amount.

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

NOTE 10-PENSION PLANS *(continued)*

Municipal Employees Retirement System, (MERS) Agent Plan Employer Units Agent Multiple Employer Defined Benefit Pension Plan *(continued)*

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 33 years of service, or age 62 with 33 years of service.

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

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

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

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.

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

NOTE 10-PENSION PLANS (continued)

Municipal Employees Retirement System, (MERS) Agent Plan Employer Units Agent Multiple Employer Defined Benefit Pension Plan (continued)

Police and Fire employees (continued)

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

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

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

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

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

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

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

Other benefit provisions

Death and disability benefits are also provided to members. A member is eligible for a disability retirement provided he/she has credit for at least five years of service or if the disability is work-related. Members are not eligible for an ordinary disability benefit if they are eligible for unreduced retirement.

Joint and survivor benefit options are available to retirees. For some employees, a Social Security Option is also available where an annuity is paid at one amount prior to age 62, and at a reduced amount after age 62, designed to provide a level total income when combined with the member's age 62 Social Security benefit. Benefits cease upon the member's death.

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

NOTE 10-PENSION PLANS (continued)

Municipal Employees Retirement System, (MERS) Agent Plan Employer Units Agent Multiple Employer Defined Benefit Pension Plan (continued)

Other benefit provisions (continued)

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

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

a. Effective July 1, 2015, the COLA is determined based on 50% of the plan's five-year average investment rate of return less 5.5% limited to a range of 0.0% to 4.0%, plus 50% of the lesser of 3.0% or last year's CPI-U increase for a total maximum increase of 3.50%. Previously, it was the plan's five-year average investment rate of return less 5.5% limited to a range of 0.0% to 4.0%

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

Employees covered by benefit terms

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

	General Employees	Police and Fire	Total
Retirees and Beneficiaries	28	28	56
Inactive, Non-retired Members	13	6	19
Active Members	46	27	73
Total	87	61	148

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 of Warren 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 \$269,755 general employees and \$579,398 for police and Fire in the year ended June 30, 2023 which was 9.43% and 27.88% of annual covered payroll.

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

NOTE 10-PENSION PLANS (continued)

Municipal Employees Retirement System, (MERS) Agent Plan Employer Units Agent Multiple Employer Defined Benefit Pension Plan (continued)

Net Pension Liability (Asset) - The total pension liability was determined by actuarial valuations performed as of June 30, 2021 and rolled forward to June 30, 2023, using the following actuarial assumptions, applied to all periods included in the measurement.

Summary of Actuarial Assumptions Used in the Valuations to determine the Net Pension Liability at the June 30, 2023 measurement date (June 30, 2022 valuation rolled forward to June 30, 2023)	
Actuarial Cost Method	Entry Age Normal - the Individual Entry Age Actuarial Cost methodology is used.
Amortization Method	Level Percent of Payroll – Closed
Actuarial Assumptions	
Investment Rate of Return	7.00%
Projected Salary Increases	General Employees - 3.50% to 7.25%; Police & Fire Employees - 4.00% to 14.00%
Inflation	2.5 %
Mortality	Mortality – variants of the PUB (10) Tables for healthy and disabled retirees projected with scale ultimate MP 16.
Cost of Living Adjustments	All future COLAs were assumed to be 2.1% per annum for all MERS unites with COLA provisions

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 WARREN, RHODE ISLAND
Notes to the Financial Statements
June 30, 2024

NOTE 10-PENSION PLANS (continued)

Municipal Employees Retirement System, (MERS) Agent Plan Employer Units Agent Multiple Employer Defined Benefit Pension Plan (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 40 sources. The June 30, 2023 expected arithmetic returns over the long-term (20 years) by asset class are summarized in the following table:

<u>Asset class</u>	<u>Target Asset Allocation</u>	<u>Long-Term Expected Arithmetic Real Rate of Return</u>
Global Equity		
U.S. equity	25.10%	6.46%
International Developed Equity	10.70%	6.91%
Emerging Market Equity	4.20%	8.92%
Private Growth		
Private Equity	12.50%	10.30%
Non-Core Real Estate	2.50%	5.01%
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%
Crisis Protection Class		
Treasury Duration	5.00%	76.00%
Systematic Trend	5.00%	4.07%
Inflation Protection		
Core Real Estate	4.00%	5.01%
Private Infrastructure	4.00%	5.91%
Volatility Protection		
IG Corp Credit	3.25%	2.46%
Securitized Credit	3.25%	2.46%
Absolute Return	6.50%	4.07%
Cash	2.00%	0.76%
Total	<u>100.00%</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.

Discount rate - The discount rate used to measure the total pension liability of the plans was 7.0 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from the employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position 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

TOWN OF WARREN, RHODE ISLAND

Notes to the Financial Statements

June 30, 2024

total pension liability.

NOTE 10-PENSION PLANS (continued)

Municipal Employees Retirement System, (MERS) Agent Plan Employer Units Agent Multiple Employer Defined Benefit Pension Plan (continued)

	Changes in the Net Pension Liability (Asset)		
	General Employees		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balances as of June 30, 2022	\$ 9,097,131	\$ 7,778,360	\$ 1,318,771
Changes for the Year			
Service cost	191,519	-	191,519
Interest on the total pension liability	627,968	-	627,968
Changes in benefits	-	-	-
Difference between expected and actual experience	269,319	-	269,319
Changes in assumptions	(55,273)	-	(55,273)
Employer contributions	-	283,263	(283,263)
Employee contributions	-	68,434	(68,434)
Net investment income	-	661,706	(661,706)
Benefit payments, including employee refunds	(443,841)	(443,841)	-
Administrative expense	-	(7,122)	7,122
Other changes	-	-	-
Net changes	589,692	562,440	27,252
Balances as of June 30, 2023	\$ 9,686,823	\$ 8,340,800	\$ 1,346,023

	Changes in the Net Pension Liability (Asset)		
	Police and Fire		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balances as of June 30, 2022	\$ 18,914,715	\$ 14,920,360	\$ 3,994,355
Changes for the Year:			
Service cost	419,097	-	419,097
Interest on the total pension liability	1,306,345	-	1,306,345
Changes in benefits	-	-	-
Difference between expected and actual experience	(74,887)	-	(74,887)
Changes in assumptions	(74,527)	-	(74,527)
Employer contributions	-	582,844	(582,844)
Employee contributions	-	212,444	(212,444)
Net investment income	-	1,273,400	(1,273,400)
Benefit payments, including employee refunds	(924,386)	(924,386)	-
Administrative expense	-	(13,706)	13,706
Other changes	-	192	(192)
Net changes	651,642	1,130,788	(479,146)
Balances as of June 30, 2023	\$ 19,566,357	\$ 16,051,148	\$ 3,515,209

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

NOTE 10-PENSION PLANS (continued)

Municipal Employees Retirement System, (MERS) Agent Plan Employer Units Agent Multiple Employer Defined Benefit Pension Plan (continued)

	Changes in the Net Pension Liability (Asset)		
	Aggregate Data of All Plans		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balances as of June 30, 2022	\$ 28,011,846	\$ 22,698,720	\$ 5,313,126
Changes for the Year:			
Service cost	610,616	-	610,616
Interest on the total pension liability	1,934,313	-	1,934,313
Changes in benefits	-	-	-
Difference between expected and actual experience	194,432	-	194,432
Changes in assumptions	(129,800)	-	(129,800)
Employer contributions	-	866,107	(866,107)
Employee contributions	-	280,878	(280,878)
Net investment income	-	1,935,106	(1,935,106)
Benefit payments, including employee refunds	(1,368,227)	(1,368,227)	-
Administrative expense	-	(20,828)	20,828
Other changes	-	192	(192)
Net changes	1,241,334	1,693,228	(451,894)
Balances as of June 30, 2023	\$ 29,253,180	\$ 24,391,948	\$ 4,861,232

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

General Employees Plan:

1% Decrease (6.00%)	Current Discount Rate Rate (7.00%)	1% Increase (8.00%)
\$ 2,259,525	\$ 1,346,023	\$ 516,135

Police and Fire Plan:

1% Decrease (6.00%)	Current Discount Rate Rate (7.00%)	1% Increase (8.00%)
\$ 5,362,186	\$ 3,514,209	\$ 1,835,379

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 WARREN, RHODE ISLAND
Notes to the Financial Statements
June 30, 2024

NOTE 10-PENSION PLANS (continued)

Municipal Employees Retirement System, (MERS) Agent Plan Employer Units Agent Multiple Employer Defined Benefit Pension Plan (continued)

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

For the year ended June 30, 2024 the employer recognized pension expense of \$235,925. The employer reported deferred outflows and inflows of resources related to pensions from the following sources:

General Employees Plan

Description of Outflows/Inflows	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 286,321	\$ 185,294
Changes of assumptions	-	83,483
Net difference between projected and actual earnings on pension plan investments	507,264	614,872
Town contributions subsequent to measurement date	269,755	-
	<u>\$ 1,063,340</u>	<u>\$ 883,649</u>
Net amount of deferred outflows and (inflows) excluding Town contributions subsequent to measurement date		\$ (90,064)

Police and Fire Plan

Description of Outflows/Inflows	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 308,021
Changes of assumptions	17,461	59,656
Net difference between projected and actual earnings on pension plan investments	974,784	1,187,717
Town contributions subsequent to measurement date	579,398	-
	<u>\$ 1,571,643</u>	<u>\$ 1,555,394</u>
Net amount of deferred outflows and (inflows) excluding Town contributions subsequent to measurement date		\$ (563,149)

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

NOTE 10-PENSION PLANS (continued)

Municipal Employees Retirement System, (MERS) Agent Plan Employer Units Agent Multiple Employer Defined Benefit Pension Plan (continued)

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

Total Aggregate Data from All Plans

Description of Outflows/Inflows	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 286,321	\$ 493,315
Changes of assumptions	17,461	143,139
Net difference between projected and actual earnings on pension plan investments	1,482,048	1,802,589
Town contributions subsequent to measurement date	849,153	-
	<u>\$ 2,634,983</u>	<u>\$ 2,439,043</u>
Net amount of deferred outflows and (inflows) excluding Town contributions subsequent to measurement date		\$ (653,213)

\$863,405 reported as deferred outflows of resources related to pensions resulting from the Town of Warren contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent period.

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

General Employees:

<u>Year Ending June 30</u>	
2025	\$ (106,509)
2026	(133,658)
2027	128,976
2028	(30,561)
2029	19,748
Thereafter	31,940
	<u>\$ (90,064)</u>

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

NOTE 10-PENSION PLANS (continued)

Municipal Employees Retirement System, (MERS) Agent Plan Employer Units Agent Multiple Employer Defined Benefit Pension Plan (continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions Police and Fire:

<u>Year Ending June 30</u>		
2025	\$	(279,762)
2026		(358,249)
2027		163,220
2028		(88,358)
2029		-
Thereafter		-
	<u>\$</u>	<u>(563,149)</u>

Total Aggregate:

<u>Year Ending June 30</u>		
2025	\$	(386,271)
2026		(491,907)
2027		292,196
2028		(118,919)
2029		19,748
Thereafter		31,940
	<u>\$</u>	<u>(653,213)</u>

Defined Contribution 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 5% of their annual covered salary and employers contribute 1% of annual covered salary. Employee contributions are immediately vested while employer contributions and any investment earnings thereon are vested after three years of contributory service. Benefit terms and contributions required under the plan by both the employee and employer are established by the General Laws, which are subject to amendment by the General Assembly.

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

The Town of Warren recognized pension expense of \$53,853, 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 OF WARREN, RHODE ISLAND
Notes to the Financial Statements
June 30, 2024

NOTE 11-OTHER POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

In addition to the pension benefits described in Note 11, the Town provides post-employment benefits (health insurance) in accordance with union contract provisions.

For the year ended June 30, 2024 nine (9) municipal retirees met the eligibility requirements for Town provided coverage. The Town pays 100% of the cost of these benefits on a pay-as-you-go basis, which amounted to approximately \$237,121.

Eligibility

All employees are eligible for retiree health benefits once they meet the Rhode Island Municipal Employee Retirement System (MERS) retirement eligibility requirements as described below.

Employees eligible to retire as of 7/1/2012 are not impacted by the new eligibility requirements described below:

- a) Prior to 7/1/2012, employees are eligible to retire at the earlier of
 - i. Age 58 with 10 years of service or,
 - ii. 30 years of service (no age requirement)

- b) Employees who were not eligible to retire as of 7/1/2012
 - i. Members with less than five years of contributing service credit on 06/30/2012 may retire at their social security retirement age
 - ii. Members with at least five (5) years of contributing service credit on 06/30/2012 may retire at an individually determined age, which is the result of interpolating the member's prior Retirement Date (described in Note 11) and the retirement age applicable to membered hired after 06/30/2012 (described Note 11)
 - iii. Members with at least ten (10) years of contributing service credit on (06/30/2012) may retire at their prior retirement date (described in Note 11) if they continue to work and contribute until that date

All membered who are within five years of reaching their retirement eligibility date (described in Note 11) may retire at any time if they have at least 20 years of service.

Benefits and Employee Contributions

The medical benefits available to retirees are the same as active employees. The Town purchases its health insurance through Blue Cross Blue Shield (BCBS) of Rhode Island, and its health plans are operated on a fully-insured arrangement.

Surviving spouse is eligible for COBRA coverage upon death of retiree.

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

NOTE 11-OTHER POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)(continued)

Benefit and Employee Contributions (continued)

At June 30, 2024, plan membership consisted of the following:

Description	Active Employees	Inactive or Beneficiaries Receiving Benefits	Total
Number	75	9	84

Contributions

The Annual Required Contribution (ARC) for OPEB consists of two pieces;

- a) Normal Cost: the cost of benefits earned each year which should be accrued in that year, plus,
- b) Past Service: a catch-up accrual to amortize the unfunded accrued liability.

The actuarial valuation selected a 30-year amortization period for past service costs, which is the maximum period by GASB.

The annual OPEB expense for governmental activities for the fiscal year ended June 30, 2024 was \$307,409.

Net OPEB Liability

The Town’s net OPEB liability was measured as of June 30, 2024, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date.

Actuarial Methods and Assumptions

The projection of future benefits payments for an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and the healthcare cost trend. Amounts determined regarding the funded status of the plan and annual required contributions are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits in force at the valuation date and the pattern of sharing benefit costs between the employer and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate potential effects of legal or contractual funding limitations on the pattern of cost-sharing between the employer and plan members in the future. Actuarial calculations reflect a long-term perspective. Consistent with the perspective, 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. Some key assumptions are as follows:

Description	Assumption
Measurement Date	June 30, 2024
Discount Rate	4.58% as of June 30, 2024
Investment Rate of Return	6.3%, net of OPEB plan investment expense, including inflation.
Salary Increases	3.50% annually as of June 30, 2024 and for future periods

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

NOTE 11-OTHER POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)(continued)

Actuarial Methods and Assumptions (continued)

Investments Policy

OPEB Benefits Plan’s policy in regard to the allocation of invested assets is established and may be amended by the Town’s Board of Directors by a majority vote of its members. It is the policy of the Town to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The Town’s investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocation over short time spans.

The long-term expected rate of return on OPEB plan investment is assumed to be 6.0%. This was determined using a building block method in which expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These expected future real rates of return are then combined to produce the long-term expected rate of return by weighing them based on the target asset allocation percentage and adding in expected inflation (2.20%). The best estimates of arithmetic real rates of return for each major asset class included in the OPEB Plan’s target asset allocation as of June 30, 2024 are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
U.S Equity	22.00%	6.20%
Non-U.S Equity	14.00%	8.30%
U.S. Aggregate Bonds	23.00%	4.40%
Intermediate-Term Credit	14.00%	4.90%
Short-Term Credit	8.00%	4.50%
Intermediate-Term TIPS	15.00%	4.20%
REITs	4.00%	6.60%
Total	100.00%	6.00%

Discount Rate

The discount rate used to measure the total OPEB liability was 4.41%. The projection of cash flows used to determine the discount rate assumed that the Town contributions will be made at rates equal to the actuarially determined contributions rates. Based on those assumptions, the OPEB plan’s fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees. Therefore, the long-term expected rate of return to OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

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

NOTE 11-OTHER POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)(continued)

Changes in Net OPEB Liability

	Total OPEB Liability	Increase (Decrease) Plan Fiduciary Net Position	Net OPEB Liability
Balances at June 30, 2024	\$ 6,378,142	\$ 994,540	\$ 5,383,602
Service cost	316,168	-	316,168
Interest on net OPEB liability and service cost	290,047	-	290,047
Change of benefit terms	-	-	-
Differences between actual and expected experience	148,934	-	148,934
Changes in assumptions	291,527	-	291,527
Benefit payments, including refunds	(237,121)	(237,121)	-
Trust administrative expenses	-	(3,288)	3,288
Contributions - employer	-	237,121	(237,121)
Contributions - active employees	-	-	-
Net investment income	-	98,934	(98,934)
Net changes	<u>809,555</u>	<u>95,646</u>	<u>713,909</u>
Balances at June 30, 2023	<u>\$ 7,187,697</u>	<u>\$ 1,090,186</u>	<u>\$ 6,097,511</u>

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

Total OPEB liability	\$ 7,187,697
Plans fiduciary net position	<u>1,090,186</u>
Town's net OPEB liability	<u>\$ 6,097,511</u>
Plan net position as a percentage of the total OPEB liability	15.2%

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

For the year ended June 30, 2024 the Town recognized OPEB expenses of \$307,049. At June 30, 2024 the Town's deferred outflow and inflows of resources related to OPEB were the following:

Deferred outflows of resources	
Net difference between projected and actual earnings on OPEB plan investments	\$ 22,176
Deferred inflows of resources	
Differences between actual and expected experience on OPEB plan investments	<u>-</u>
Total	<u>\$ 22,176</u>

Year ended June 30:	
2025	\$ 8,610
2026	29,287
2027	(7,850)
2028	(7,871)
2029	-
Thereafter	-
Total	<u>\$ 22,176</u>

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

NOTE 11-OTHER POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)(continued)

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 are 1 percentage point lower (3.41%) or 1 percentage point higher (5.41%) than the current discount rate:

	Impact of 1% Change in Discount Rate		
	1% Decrease (3.50%)	Current discount rate (4.50%)	1% Increase (5.50%)
Total OPEB liability	5,371,291	6,097,511	6,939,329

The following presents the net OPEB liability of the Town, as well as what the Town’s net OPEB liability would be if it were calculated using healthcare cost trends rates that are 1 percentage point lower (3.5%) or 1 percentage point higher (5.5%) than the current discount rate:

	Impact of 1% Change in Healthcare Trend Rate		
	1% Decrease (3.58%)	Current trend rate (4.58%)	1% Increase (5.58%)
Total OPEB liability	6,640,913	6,097,511	5,590,163

Rate of Return

For the year ended June 30, 2024, the annual money-weighted rate of return on investment, net of investment expense was %.

	June 30, 2024
Annual money-weighted rate of return, net of investment expense	Unkn

NOTE 12- RISK MANAGEMENT

The Town is exposed to various risks of losses related to torts; theft of, damage to, and destruction of Town assets; errors and omissions; injuries to employees; and natural disasters. These risks are insured through the Town’s participation in the RI Interlock Risk Management Trust (“the Trust”), a public entity risk pool operated for the benefit of the State’s various public entities. The Town pays an annual premium for Worker’s Compensation, Property and Liability, and Excess liability insurance coverage. Settled claims from these risks have not exceeded commercial insurance coverage for the past three years.

The Town is also involved in several lawsuits which are not covered by the risk management insurance. Legal Counsel has expressed an opinion as to the ultimate outcome of all the cases, and as a result, an accrued contingency has been recorded in the accompanying financial statements.

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

NOTE 13- CONTINGENCIES AND COMMITMENTS

The Town has a contract with a commercial management company for the operations and maintenance of the sewer treatment facility and pump stations. The contract is renewable annually every July 1, with the annual cost determined through the Town's annual budget process.

During the ordinary course of its operations, the Town is a party to various claims, legal actions and complaints. In the opinion of the Town's management and legal counsel, the ultimate resolution of any legal actions will not result in a material loss to the Town.

NOTE 14- TAX ABATEMENTS

The Town of Warren does not have any tax abatements to be disclosed according to GASB Statement No. 77.

NOTE 15- SUBSEQUENT EVENTS

Management has evaluated subsequent events through July 17, 2025 the date the financial statements were available to be issued.

TOWN OF WARREN, RHODE ISLAND
Required Supplementary Information
Budgetary Comparison Schedule – General Fund
For the Year Ended June 30, 2024

	Budget Amounts		Total Available	Actual Amounts (Budgetary Basis)	Variance Favorable (Unfavorable)
	Original	Final			
Revenues:					
General property taxes and interest	\$ 26,262,301	\$ 26,262,301	\$ 26,262,301	\$ 26,427,368	\$ 165,067
Intergovernmental	2,681,853	2,681,853	2,681,853	2,717,640	35,787
Licenses, fees, permits and fines	2,088,273	2,088,273	2,088,273	2,081,068	(7,205)
Interest and investment income (loss)	205,000	205,000	205,000	316,804	111,804
Other revenues	88,063	88,063	88,063	-	(88,063)
Total revenues	31,325,490	31,325,490	31,325,490	31,542,880	217,390
Expenditures:					
General government	5,026,820	5,026,820	5,026,820	4,596,983	429,837
Town offices	1,820,906	1,820,906	1,820,906	1,720,806	100,100
Financial administration	387,572	387,572	387,572	366,138	21,434
Public safety	3,179,243	3,179,243	3,179,243	2,946,970	232,273
Fire safety	1,162,614	1,162,614	1,162,614	1,140,809	21,805
Public works	2,546,403	2,546,403	2,546,403	2,431,626	114,777
Grants and contributions	389,119	389,119	389,119	385,488	3,631
Education	14,302,480	14,302,480	14,302,480	14,302,480	-
Debt services	2,910,333	2,910,333	2,910,333	2,895,911	14,422
Capital	-	-	-	1,051,779	(1,051,779)
Total expenditures	31,725,490	31,725,490	31,725,490	31,838,990	(113,500)
Excess (deficiency) of revenues over expenditures	(400,000)	(400,000)	(400,000)	(296,110)	103,890
Other financing sources and (uses):					
Transfer in	225,000	225,000	225,000	44,160	(180,840)
Budgeted use of Fund Balance	175,000	175,000	175,000	(5,333,826) *	(5,508,826)
Total other financing sources and uses	400,000	400,000	400,000	(5,289,666)	(5,689,666)

* Amount includes \$5 million lump sum payment made in fiscal year 2024 related to Legal Settlement.

TOWN OF WARREN, RHODE ISLAND
Required Supplementary Information
Detailed Budgetary Comparison Schedule – General Fund
For the Year Ended June 30, 2024

	Budget Amounts Original	Final	Total Available	Actual Amounts (Budgetary Basis)	Variance Favorable (Unfavorable)
General property taxes:					
Real estate, tangible and motor vehicle	\$ 26,262,301	\$ 26,262,301	\$ 26,262,301	26,427,368	\$ 165,067
Total general property taxes	<u>26,262,301</u>	<u>26,262,301</u>	<u>26,262,301</u>	<u>26,427,368</u>	<u>165,067</u>
Intergovernmental and departmental:					
Excise tax/state	2,090,911	2,090,911	2,090,911	2,018,695	(72,216)
Restaurant (meals) tax	461,162	461,162	461,162	556,249	95,087
Telephone tax transfer	129,780	129,780	129,780	147,987	18,207
Reval reimbursement	-	-	-	-	-
Tax sale revenue	-	-	-	(5,291)	(5,291)
Total intergovernmental and departmental	<u>2,681,853</u>	<u>2,681,853</u>	<u>2,681,853</u>	<u>2,717,640</u>	<u>35,787</u>
Licenses, fees, permits and fines:					
Beach parking	10,000	10,000	10,000	7,895	(2,105)
Marriage, birth & death certificate	20,000	20,000	20,000	26,163	6,163
Municipal court revenue	35,000	35,000	35,000	62,247	27,247
Municipal lien certificates	11,000	11,000	11,000	7,127	(3,873)
MVQ - Head start rental	80,000	80,000	80,000	130,601	50,601
PILOT - Housing authority	52,000	52,000	52,000	60,000	8,000
Police fines and penalties	55,138	55,138	55,138	57,033	1,895
Police AFIS fingerprinting	-	-	-	250	250
Police reports	3,500	3,500	3,500	3,081	(419)
Police VIN checks	8,000	8,000	8,000	3,030	(4,970)
Building/plumbing permits & fees	240,000	240,000	240,000	279,200	39,200
Business taxes & licenses	69,800	69,800	69,800	70,751	951
Completion fees	15,000	15,000	15,000	4,336	(10,664)
Harbor	125,950	125,950	125,950	127,510	1,560
Pavilion rental	5,700	5,700	5,700	5,550	(150)
Photo copy	2,500	2,500	2,500	870	(1,630)
Probate court fees	25,000	25,000	25,000	18,288	(6,712)
Realty transfers	220,000	220,000	220,000	160,599	(59,401)
Recording fees	140,000	140,000	140,000	74,556	(65,444)
Road cut permits	1,000	1,000	1,000	630	(370)
Road duty revenue	105,685	105,685	105,685	97,286	(8,399)
Sewer use fees	-	-	-	44,901	44,901
Third party billing	700,000	700,000	700,000	701,341	1,341
Zoning, fire & planning fees	13,000	13,000	13,000	18,424	5,424
Transfer station	150,000	150,000	150,000	119,399	(30,601)
Total licenses, fees, permits and fines	<u>2,088,273</u>	<u>2,088,273</u>	<u>2,088,273</u>	<u>2,081,068</u>	<u>(7,205)</u>
Interest:					
Property tax interest	180,000	180,000	180,000	254,105	74,105
General fund investment earnings	25,000	25,000	25,000	62,699	37,699
Total interest	<u>205,000</u>	<u>205,000</u>	<u>205,000</u>	<u>316,804</u>	<u>111,804</u>
Other:					
Other miscellaneous receipts	4,200	4,200	4,200	-	(4,200)
Other sources/social services/senior center	83,863	83,863	83,863	-	(83,863)
Total other	<u>88,063</u>	<u>88,063</u>	<u>88,063</u>	<u>-</u>	<u>(88,063)</u>
Total Operating Revenue	<u>31,325,490</u>	<u>31,325,490</u>	<u>31,325,490</u>	<u>31,542,880</u>	<u>217,390</u>
Other financing sources:					
Transfer	225,000	225,000	225,000	44,160	(180,840)
Budgeted use of fund balance	175,000	175,000	175,000	(5,333,826) *	(5,508,826)
Total other financing sources	<u>400,000</u>	<u>400,000</u>	<u>400,000</u>	<u>(5,289,666)</u>	<u>(5,689,666)</u>
Total revenue and other financing sources	<u>\$ 31,725,490</u>	<u>\$ 31,725,490</u>	<u>\$ 31,725,490</u>	<u>\$ 26,253,214</u>	<u>\$ (5,472,276)</u>

*See accompanying notes to required supplementary information
See independent auditor's report*

TOWN OF WARREN, RHODE ISLAND
Required Supplementary Information
Detailed Budgetary Comparison Schedule – General Fund
For the Year Ended June 30, 2024

	Budget Amounts Original	Final	Total Available	Actual Amounts (Budgetary Basis)	Variance Favorable (Unfavorable)
Expenditures:					
General Government					
Soc Security/Medicare	\$ 553,151	\$ 553,151	\$ 553,151	\$ 515,177	\$ 37,974
Advertising	20,500	20,500	20,500	18,837	1,663
Copier Expense	7,500	7,500	7,500	2,228	5,272
Insurance	733,162	733,162	733,162	303,654	429,508
League of Cities & Towns	5,394	5,394	5,394	5,394	-
Postage	15,550	15,550	15,550	15,125	425
Telephone Expense	7,500	7,500	7,500	5,001	2,499
Town Audit	25,000	25,000	25,000	-	25,000
Attendance Premiums	150,000	150,000	150,000	193,057	(43,057)
Computer Service/Website	78,000	78,000	78,000	78,000	-
Electricity/Water Parks	8,200	8,200	8,200	3,565	4,635
Employee Benefits	1,893,766	1,893,766	1,893,766	1,757,434	136,332
Financing Expenses	5,000	5,000	5,000	1,968	3,032
GASB 45	5,800	5,800	5,800	5,800	-
Longevity	221,416	221,416	221,416	221,126	290
Mary V Quirk School	66,000	66,000	66,000	47,247	18,753
Retiree Benefit Adjustment	3,299	3,299	3,299	3,204	95
Street Lighting	120,000	120,000	120,000	118,643	1,357
Energy Manager	12,000	12,000	12,000	7,000	5,000
Town Empl. Pension Costs	950,582	950,582	950,582	1,216,375	(265,793)
Contingency	75,000	75,000	75,000	76,075	(1,075)
Unemployment reserve account	10,000	10,000	10,000	450	9,550
Uncollectible Reserve	60,000	60,000	60,000	1,623	58,377
Total General Government	5,026,820	5,026,820	5,026,820	4,596,983	429,837
Town Offices:					
Boards and Commissions					
Administrative officer	12,925	12,925	12,925	12,925	-
Conservation board expense	1,500	1,500	1,500	1,483	17
Juvenile hearing board	2,500	2,500	2,500	1,408	1,092
Planning board expenses	3,250	3,250	3,250	2,328	922
Planning/Zoning stenographer	5,000	5,000	5,000	6,095	(1,095)
Tree commission	750	750	750	471	279
Historical commission	3,500	3,500	3,500	2,688	812
Arts & Cultural	2,500	2,500	2,500	2,493	7
Tax Board of Review	-	-	-	2,942	(2,942)
Harbor Commission	1,375	1,375	1,375	750	625
Total Boards and Commissions	33,300	33,300	33,300	33,583	(283)
Building Inspector					
Building official salary	77,042	77,042	77,042	76,839	203
Building official clerk	45,937	45,937	45,937	45,937	-
Building office expense	10,577	10,577	10,577	10,065	512
Outside services	14,885	14,885	14,885	11,745	3,140
Plumbing/electrical inspector salary	13,240	13,240	13,240	13,240	-
Zoning/regulatory/econ devel liason	6,462	6,462	6,462	6,616	(154)
Alternate inspectors per diem	1,000	1,000	1,000	302	698
Code enforcement inspector	21,847	21,847	21,847	9,451	12,396
Total Building Inspector	190,990	190,990	190,990	174,195	16,795
Town Clerk					
Town clerk salary - non-union	74,231	74,231	74,231	74,245	(14)
Clerks salary - union	91,874	91,874	91,874	91,874	-
Town Clerks Wages-Non Union P/T	25,950	25,950	25,950	25,950	-
Deputy town clerk - non-union	61,030	61,030	61,030	61,042	(12)
Municipal court judge salary	9,870	9,870	9,870	9,870	-
Municipal court clerk salary	18,923	18,923	18,923	10,089	8,834
Board of canvassers salary	1,821	1,821	1,821	1,768	53
Election officials salary	20,000	20,000	20,000	19,050	950
Housing court judge	3,612	3,612	3,612	3,220	392
General and operating expense	15,000	15,000	15,000	14,135	865
Document management	20,000	20,000	20,000	19,770	230
Indexing/computer filling	25,000	25,000	25,000	24,883	117
Probate judge	3,612	3,612	3,612	2,115	1,497
Municipal court expenses	1,700	1,700	1,700	1,577	123
Canvasser's expense	12,000	12,000	12,000	11,953	47
Municipal court computer services	9,780	9,780	9,780	9,780	-
Historic indexing & imaging	6,000	6,000	6,000	5,704	296
Document preservation	6,000	6,000	6,000	6,000	-
Housing court expenses	3,500	3,500	3,500	2,904	596
Housing boarding/cleanup	15,000	15,000	15,000	35,218	(20,218)
Total Town Clerk	\$ 424,903	\$ 424,903	\$ 424,903	\$ 431,147	\$ (6,244)

*See accompanying notes to required supplementary information
See independent auditor's report*

TOWN OF WARREN, RHODE ISLAND
Required Supplementary Information
Detailed Budgetary Comparison Schedule – General Fund
For the Year Ended June 30, 2024

	Budget Amounts		Total	Actual	Variance
	Original	Final	Available	(Budgetary Basis)	Favorable (Unfavorable)
Harbor Master					
Harbor master salary	\$ 23,479	\$ 23,479	\$ 23,479	\$ 23,554	\$ (75)
Asst. harbor master salary	12,360	12,360	12,360	10,266	2,094
Operating expenses	16,000	16,000	16,000	12,803	3,197
Habor Master-Op restroom	4,500	4,500	4,500	3,910	590
Dock maintenance expense	5,000	5,000	5,000	2,754	2,246
Total Harbor Master	61,339	61,339	61,339	53,287	8,052
Town Manager					
Town manager salary	102,512	102,512	102,512	102,153	359
Town manager clerk salary - union	45,937	45,937	45,937	45,937	-
Full time floating clerk union	45,937	45,937	45,937	44,997	940
Town Manager-Clerks OT (USW)	10,000	10,000	10,000	2,768	7,232
Town manager expense	3,200	3,200	3,200	2,031	1,169
Town Manager - IT staff	46,865	46,865	46,865	46,865	-
East Bay Chamber Membership	410	410	410	410	-
Clerk's overtime	-	-	-	6,675	(6,675)
Total Town Manager	254,861	254,861	254,861	251,836	3,025
Town Offices					
Council - Wages & Salaries	6,461	6,461	6,461	6,461	-
Council - Contingency	10,000	10,000	10,000	5,965	4,035
Govt Ctr - Wages & Sal Custodian Union	58,616	58,616	58,616	58,559	57
Govt Center - Operation Exp	117,000	117,000	117,000	91,776	25,224
Twn Sgnt - Wages & Salaries Non Union	100	100	100	-	100
Twn Hall Custdn - Wages & Salaries-Union	58,616	58,616	58,616	58,616	-
Tree Warden	3,620	3,620	3,620	3,620	-
Planning/Zoning Solicitor	27,494	27,494	27,494	25,379	2,115
Town Hall - Expenses	73,750	73,750	73,750	69,957	3,793
Solctr - Wages & Salaries Non Union	148,782	148,782	148,782	148,782	-
Zoning - General & Office Expense	700	700	700	-	700
Zoning - Board Fees	3,000	3,000	3,000	2,500	500
Total Town Offices	508,139	508,139	508,139	471,615	36,524
Town Planner					
Town planner salary	72,686	72,686	72,686	72,686	-
General & office expense	2,750	2,750	2,750	1,863	887
GIS mapping software/equipment	7,000	7,000	7,000	6,700	300
Total Town Planner	82,436	82,436	82,436	81,249	1,187
Recreation					
Recreation director salary	25,193	25,193	25,193	23,157	2,036
Park supervisor salary	75,686	75,686	75,686	67,681	8,005
Life guards salary	14,016	14,016	14,016	14,123	(107)
Recreation assistant director salary	6,120	6,120	6,120	4,134	1,986
Recreation park maintenance salary	5,967	5,967	5,967	5,789	178
Rec - Beach Manager Salary	8,960	8,960	8,960	6,096	2,864
Band concerts	7,100	7,100	7,100	7,100	-
General and office expense	36,659	36,659	36,659	36,655	4
Total Recreation	179,701	179,701	179,701	164,735	14,966
Senior Center					
Senior center director salary	42,133	42,133	42,133	15,416	26,717
Senior center - meal site manager	1,946	1,946	1,946	1,624	322
Senior center - computer services	1,000	1,000	1,000	946	54
Senior center - maintenance	3,229	3,229	3,229	1,468	1,761
Total Senior Center	48,308	48,308	48,308	19,454	28,854
Social Services					
Social services director salary	14,529	14,529	14,529	17,529	(3,000)
Social service expense	16,000	16,000	16,000	16,000	-
Substance abuse - grant match	5,500	5,500	5,500	5,276	224
Computer services	900	900	900	900	-
Total Social Services	36,929	36,929	36,929	39,705	(2,776)
Total Department Town Offices	\$ 1,820,906	\$ 1,820,906	\$ 1,820,906	\$ 1,720,806	\$ 100,100

*See accompanying notes to required supplementary information
See independent auditor's report*

TOWN OF WARREN, RHODE ISLAND
 Required Supplementary Information
 Detailed Budgetary Comparison Schedule – General Fund
 For the Year Ended June 30, 2024

	Budget Amounts Original	Final	Total Available	Actual Amounts (Budgetary Basis)	Variance Favorable (Unfavorable)
Financial Administration					
Treasury					
Financial director salary	\$ 98,739	\$ 98,739	\$ 98,739	\$ 98,739	\$ -
Finance-Wages & Salaries Assit	46,920	46,920	46,920	46,920	-
Financial clerks salary - union	91,874	91,874	91,874	91,121	753
Office expense	6,000	6,000	6,000	6,000	-
Outside services	18,218	18,218	18,218	15,644	2,574
Payroll processing & services	27,172	27,172	27,172	27,290	(118)
Clearing	1,000	1,000	1,000	(1,947)	2,947
Total Treasury	<u>289,923</u>	<u>289,923</u>	<u>289,923</u>	<u>283,767</u>	<u>6,156</u>
Assessor					
Tax assessor salary	67,649	67,649	67,649	67,649	-
Office expense	4,700	4,700	4,700	1,421	3,279
Outside services	25,300	25,300	25,300	13,301	11,999
Total Assessor	<u>97,649</u>	<u>97,649</u>	<u>97,649</u>	<u>82,371</u>	<u>15,278</u>
Total Financial Administration	<u>387,572</u>	<u>387,572</u>	<u>387,572</u>	<u>366,138</u>	<u>21,434</u>
Fire Safety					
Wages & Salaries Non Union	83,585	83,585	83,585	83,601	(16)
Fire Prevention Marshall	60,197	60,197	60,197	60,209	(12)
Medical Director	3,708	3,708	3,708	3,708	-
EMS Coordinator	45,937	45,937	45,937	45,937	-
Assistant Chiefs/Deputy	8,000	8,000	8,000	8,000	-
EMA/EMS Director	5,650	5,650	5,650	5,650	-
General & Office Expense	65,000	65,000	65,000	64,643	357
Clothing Allowance	4,000	4,000	4,000	4,000	-
Fuel/Diesel	40,000	40,000	40,000	34,220	5,780
Computer Services	3,000	3,000	3,000	2,326	674
Outside Services	7,250	7,250	7,250	7,250	-
Equipment /Vehicles	55,620	55,620	55,620	55,612	8
Apparatus Repair	51,500	51,500	51,500	51,500	-
Baker Street Station	6,000	6,000	6,000	3,680	2,320
Communications	15,067	15,067	15,067	14,981	86
Fire Company Fees	24,500	24,500	24,500	24,500	-
Rescue Stipend	565,600	565,600	565,600	563,867	1,733
Training	18,000	18,000	18,000	18,000	-
Firefighter Gear	20,000	20,000	20,000	20,000	-
Medical Supplies	40,000	40,000	40,000	39,128	872
Company Stewards	18,000	18,000	18,000	18,000	-
Station Upkeep	12,000	12,000	12,000	11,997	3
Firefighter Details/Storm	10,000	10,000	10,000	-	10,000
Total Fire Safety	<u>1,162,614</u>	<u>1,162,614</u>	<u>1,162,614</u>	<u>1,140,809</u>	<u>21,805</u>
Grants & Contributions					
East Bay Center	20,000	20,000	20,000	20,000	-
East Bay community action program	17,000	17,000	17,000	17,000	-
George Hail Library	306,019	306,019	306,019	306,021	(2)
Memorial day	3,500	3,500	3,500	2,363	1,137
Visiting nurses	1,000	1,000	1,000	1,000	-
Wildlife rehabilitators of RI	-	-	-	-	-
Discover Warren	3,000	3,000	3,000	3,304	(304)
Warren/Bristol arts night	2,000	2,000	2,000	2,000	-
Bristol County Baysiders	1,500	1,500	1,500	1,500	-
Eastern RI conservation district	1,500	1,500	1,500	1,500	-
Bristol Warren Education Foundation	2,500	2,500	2,500	2,500	-
Warren water quality testing	2,800	2,800	2,800	2,800	-
Warren Barrington Rotary club	3,500	3,500	3,500	3,500	-
Connect Greater Newport	-	-	-	3,000	(3,000)
The Collaborative	3,000	3,000	3,000	3,000	-
Warren armory	10,000	10,000	10,000	10,000	-
Warren beautification	800	800	800	-	800
Wastewater plant mural	5,000	5,000	5,000	-	5,000
Sowams Heritage Area Project, Inc.	2,000	2,000	2,000	2,000	-
Warren Land Conservation Trust, Inc.	2,500	2,500	2,500	2,500	-
Imago Foundation for the Arts	1,500	1,500	1,500	1,500	-
Total Grants & Contributions	<u>\$ 389,119</u>	<u>\$ 389,119</u>	<u>\$ 389,119</u>	<u>\$ 385,488</u>	<u>\$ 3,631</u>

*See accompanying notes to required supplementary information
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TOWN OF WARREN, RHODE ISLAND
 Required Supplementary Information
 Detailed Budgetary Comparison Schedule – General Fund
 For the Year Ended June 30, 2024

	Budget Amounts Original	Final	Total Available	Actual Amounts (Budgetary Basis)	Variance Favorable (Unfavorable)
Public Safety					
Police					
Wages & Salaries Non Union	\$ 101,768	\$ 101,768	\$ 101,768	\$ 100,768	\$ 1,000
Wages & Salaries Union	1,722,962	1,722,962	1,722,962	1,694,758	28,204
Police - Wages & Salaries Union (Escrow)	57,470	57,470	57,470	-	57,470
SRO (Town Share)	50,000	50,000	50,000	-	50,000
Overtime	290,000	290,000	290,000	290,000	-
Part Time Clerk	20,427	20,427	20,427	18,044	2,383
Holiday Pay	115,606	115,606	115,606	104,180	11,426
Advanced Degree Incentive	13,000	13,000	13,000	11,150	1,850
Differential	23,230	23,230	23,230	14,140	9,090
General & Office Expense	70,450	70,450	70,450	61,798	8,652
Computer Services	17,900	17,900	17,900	17,900	-
Fuel/Diesel	71,500	71,500	71,500	44,429	27,071
AFIS Maint Contract	7,000	7,000	7,000	6,675	325
Clothing Allowance	49,625	49,625	49,625	48,126	1,499
Equipment /Vehicles	7,800	7,800	7,800	7,565	235
Communications/Serv/Maint Contract	38,860	38,860	38,860	28,975	9,885
Communications	15,000	15,000	15,000	11,716	3,284
Disability Expense	15,912	15,912	15,912	16,504	(592)
Incentive Education Act	11,050	11,050	11,050	11,050	-
Training	57,000	57,000	57,000	53,190	3,810
Total Police	<u>2,756,560</u>	<u>2,756,560</u>	<u>2,756,560</u>	<u>2,540,968</u>	<u>215,592</u>
Dispatch					
Wages & Salaries - Union	262,493	262,493	262,493	265,093	(2,600)
Overtime	37,445	37,445	37,445	32,257	5,188
Differential	3,715	3,715	3,715	3,343	372
Holiday Pay	17,326	17,326	17,326	17,326	-
Clothing Allowance	5,045	5,045	5,045	5,045	-
Total Dispatch	<u>326,024</u>	<u>326,024</u>	<u>326,024</u>	<u>323,064</u>	<u>2,960</u>
Animal Control					
Wages & Salaries - Union	53,546	53,546	53,546	53,546	-
Overtime	3,118	3,118	3,118	3,118	-
Asst Officer Part Time	18,786	18,786	18,786	10,594	8,192
General & Office Expens	20,200	20,200	20,200	14,671	5,529
Clothing Allowance	1,009	1,009	1,009	1,009	-
Total Animal Control	<u>96,659</u>	<u>96,659</u>	<u>96,659</u>	<u>82,938</u>	<u>13,721</u>
Total Public Safety	<u>3,179,243</u>	<u>3,179,243</u>	<u>3,179,243</u>	<u>2,946,970</u>	<u>232,273</u>
Public Works					
Wages & Salaries Non Union	1,135,493	1,135,493	1,135,493	1,126,924	8,569
Wages & Salaries Union	89,050	89,050	89,050	89,067	(17)
Overtime	93,000	93,000	93,000	84,222	8,778
Part Time Wages & Salaries	26,000	26,000	26,000	19,871	6,129
General & Office Expense	86,520	86,520	86,520	139,295	(52,775)
Snow removal	29,000	29,000	29,000	-	29,000
Protective Equipment	5,000	5,000	5,000	4,065	935
Fuel/Diesel	58,000	58,000	58,000	11,791	46,209
Clothing Allowance	18,043	18,043	18,043	17,349	694
Equipment /Vehicles	156,045	156,045	156,045	103,685	52,360
Mosquito Control	2,000	2,000	2,000	-	2,000
Trash Collection	488,800	488,800	488,800	488,800	-
Engineering Service	4,000	4,000	4,000	4,000	-
Field Maintenance	7,000	7,000	7,000	3,694	3,306
Outside Services	20,600	20,600	20,600	20,600	-
Lamp Post Restoration	-	-	-	-	-
Market Street Parking Lot Lease	10,000	10,000	10,000	4,958	5,042
Tree Management Plan	10,000	10,000	10,000	1,950	8,050
Turnpike and Bridges	-	-	-	-	-
Foreman salary	67,852	67,852	67,852	65,243	2,609
Total Public Works	<u>2,306,403</u>	<u>2,306,403</u>	<u>2,306,403</u>	<u>2,185,514</u>	<u>120,889</u>
Transfer Station					
Transfer Station overtime	9,000	9,000	9,000	-	9,000
General & Office	15,000	15,000	15,000	14,883	117
Overtime	16,000	16,000	16,000	15,639	361
Tipping Fees	200,000	200,000	200,000	215,590	(15,590)
Total Transfer Station	<u>240,000</u>	<u>240,000</u>	<u>240,000</u>	<u>246,112</u>	<u>(6,112)</u>
Total Department of Public Works	<u>\$ 2,546,403</u>	<u>\$ 2,546,403</u>	<u>\$ 2,546,403</u>	<u>\$ 2,431,626</u>	<u>\$ 114,777</u>

*See accompanying notes to required supplementary information
 See independent auditor's report*

TOWN OF WARREN, RHODE ISLAND
 Required Supplementary Information
 Detailed Budgetary Comparison Schedule – General Fund
 For the Year Ended June 30, 2024

	<u>Budget Amounts Original</u>	<u>Final</u>	<u>Total Available</u>	<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance Favorable (Unfavorable)</u>
Capital Expenditures					
Capital	\$ -	\$ -	\$ -	1,051,779	\$ (1,051,779)
Total Capital	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,051,779</u>	<u>(1,051,779)</u>
Debt Service	<u>2,910,333</u>	<u>2,910,333</u>	<u>2,910,333</u>	<u>2,895,911</u>	<u>14,422</u>
Education General Cost (Net)	<u>14,302,480</u>	<u>14,302,480</u>	<u>14,302,480</u>	<u>14,302,480</u>	<u>-</u>
Total Expenditures	<u>\$ 31,725,490</u>	<u>\$ 31,725,490</u>	<u>\$ 31,725,490</u>	<u>\$ 31,838,990</u>	<u>\$ (113,500)</u>

*See accompanying notes to required supplementary information
 See independent auditor's report*

TOWN OF WARREN, RHODE ISLAND
Notes to Budget and Actual Comparison
For the Year Ended June 30, 2024

Budgetary Data

The Town Council adopts an annual budget for the General Fund. The Town Council is authorized to transfer budgeted amounts within and among departments and to authorize emergency expenditures. Any revisions that alter total expenditures must be approved by the taxpayers to a vote at the Financial Town Meeting. Management cannot make any transfers without prior Council approval. The governing Council made no supplemental budgetary appropriation during the year. The budget for the General Fund is presented in the Statement of Revenues, Expenditures, and Changes in Fund Balances- Budgeted and Actual. All annual appropriations lapse at year end unless specifically approved for carryover to the following year by the taxpayers by a vote at the Financial Town Meeting. The budget for the General Fund is appropriated at the individual account level, also known as the line-item level.

The Town does not budget for the combined Special Revenue Funds or the Capital Project Funds since budgetary control is maintained on an individual basis. Since grant periods may differ from the Town's year, a comparison of budgetary information may not be meaningful and has not been presented in the accompanying financial statements.

Encumbrance accounting, under which purchase order, contracts, and other commitments for the expenditures of funds are recorded in order to preserve that portion of the applicable appropriations, is employed in the General Fund Budget. Encumbrances do not constitute expenditures or liabilities.

TOWN OF WARREN, RHODE ISLAND
Required Supplementary Information
Municipal Employees' Retirement System of Rhode Island
Schedule of Changes in Net Pension Liability and Related Ratios MERS – Police and Fire
Last Ten Years*

Measurement period ending June 30,	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability										
Service Cost	\$ 191,519	\$ 194,691	\$ 195,464	\$ 187,223	\$ 185,422	\$ 185,072	\$ 170,491	\$ 153,923	\$ 148,875	\$ 165,795
Interest on the Total Pension Liability	627,968	603,978	592,187	561,835	538,825	523,026	512,158	500,166	488,988	478,136
Benefit Changes	-	-	-	-	-	-	-	-	103,895	-
Difference between expected and Actual Experience	269,319	(36,611)	(236,297)	121,598	(27,905)	(113,212)	(34,094)	(107,368)	(183,753)	-
Assumption Changes	(55,273)	-	-	(79,964)	-	-	347,514	-	-	(62,439)
Benefit payments	(443,841)	(391,676)	(373,371)	(349,066)	(387,981)	(350,747)	(369,921)	(420,292)	(402,697)	(453,981)
Net change in total pension liability	589,692	370,382	177,983	441,626	308,361	244,139	626,148	126,429	155,308	127,511
Total pension liability – beginning	9,097,131	8,726,749	8,548,766	8,107,140	7,798,779	7,554,640	6,928,492	6,802,063	6,646,755	6,519,244
Total pension liability – ending (a)	\$ 9,686,823	\$ 9,097,131	\$ 8,726,749	\$ 8,548,766	\$ 8,107,140	\$ 7,798,779	\$ 7,554,640	\$ 6,928,492	\$ 6,802,063	\$ 6,646,755
Plan Fiduciary Net Position										
Contributions – employer	\$ 283,263	\$ 288,582	\$ 274,364	\$ 265,003	\$ 272,398	\$ 267,090	\$ 244,089	\$ 240,331	\$ 255,456	\$ 270,622
Contributions – employee	68,434	73,107	76,052	74,120	72,339	68,765	66,363	61,437	40,020	40,521
Pension Plan Net Investment Income	661,706	(217,802)	1,737,550	230,935	384,617	440,043	581,317	(1,719)	118,361	671,865
Benefit Payments	(443,841)	(391,676)	(373,371)	(349,066)	(387,981)	(350,747)	(369,921)	(420,292)	(402,697)	(453,981)
Pension Plan Administrative Expense	(7,122)	(7,425)	(6,620)	(6,363)	(6,011)	(5,858)	(5,492)	(4,623)	(5,028)	(4,207)
Other Changes in Plan Fiduciary Net Position	-	-	-	(100,702)	(4,412)	(12,543)	6,273	25,640	1	(1)
Net change in plan fiduciary net position	562,440	(255,214)	1,707,975	113,927	330,950	406,750	522,629	(99,226)	6,113	524,819
Plan fiduciary net position – beginning	7,778,360	8,033,574	6,325,599	6,211,672	5,880,722	5,473,972	4,951,343	5,050,569	5,044,456	4,519,637
Plan fiduciary net position – ending (b)	\$ 8,340,800	\$ 7,778,360	\$ 8,033,574	\$ 6,325,599	\$ 6,211,672	\$ 5,880,722	\$ 5,473,972	\$ 4,951,343	\$ 5,050,569	\$ 5,044,456
Net Pension Liability/(Asset) - Ending (a) - (b)	1,346,023	1,318,771	693,175	2,223,167	1,895,468	1,918,057	2,080,668	1,977,149	1,751,494	1,602,299
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	86.10%	85.50%	92.06%	73.99%	76.62%	75.41%	72.46%	71.46%	74.25%	75.89%
Covered Employee Payroll	\$2,720,433	\$2,696,554	\$2,648,568	\$2,492,987	\$2,389,457	\$2,299,037	\$2,149,952	\$1,890,947	\$1,906,207	\$1,999,936
Net Pension Liability as a Percentage of Covered Employee Payroll	49.48%	48.91%	26.17%	89.18%	79.33%	83.43%	96.78%	104.56%	91.88%	80.12%

*See accompanying notes to required supplementary information
See independent auditor's report*

TOWN OF WARREN, RHODE ISLAND
Required Supplementary Information
Municipal Employees' Retirement System of Rhode Island
Schedule of Changes in Net Pension Liability and Related Ratios MERS – Police and Fire
Last Ten Years*

Measurement period ending June 30,	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability										
Service Cost	\$ 419,097	\$ 389,842	\$ 386,462	\$ 401,880	\$ 404,957	\$ 360,292	\$ 295,838	\$ 294,967	\$ 283,991	\$ 260,526
Interest on the Total Pension Liability	1,306,345	1,270,109	1,230,567	1,176,476	1,140,986	1,038,691	1,070,906	1,034,705	977,348	938,251
Benefit Changes	-	-	-	-	-	-	-	-	410,250	-
Difference between expected and Actual Experience	(74,887)	(246,433)	(180,203)	(68,516)	(274,933)	757,671	(1,023,113)	(205,745)	(275,870)	-
Assumption Changes	(75,527)	-	-	81,993	-	-	830,953	-	-	(84,529)
Benefit payments	(924,386)	(896,599)	(850,668)	(772,109)	(752,826)	(682,450)	(611,762)	(671,615)	(601,274)	(608,108)
Net change in total pension liability	650,642	516,919	586,158	819,724	518,184	1,474,204	562,822	452,312	794,445	506,140
Total pension liability – beginning	18,914,715	18,397,796	17,811,638	16,991,914	16,473,730	14,999,526	14,436,704	13,984,392	13,189,947	12,683,807
Total pension liability – ending (a)	<u>\$ 19,565,357</u>	<u>\$ 18,914,715</u>	<u>\$ 18,397,796</u>	<u>\$ 17,811,638</u>	<u>\$ 16,991,914</u>	<u>\$ 16,473,730</u>	<u>\$ 14,999,526</u>	<u>\$ 14,436,704</u>	<u>\$ 13,984,392</u>	<u>\$ 13,189,947</u>
Plan Fiduciary Net Position										
Contributions – employer	\$ 582,844	\$ 531,674	\$ 547,814	\$ 538,098	\$ 418,107	\$ 414,902	\$ 438,977	\$ 443,482	\$ 491,829	\$ 343,729
Contributions – employee	212,444	195,811	195,289	239,309	192,428	169,072	166,658	157,834	129,208	111,691
Pension Plan Net Investment Income	1,273,400	(417,786)	3,357,085	448,491	733,320	842,323	1,117,629	(3,271)	222,765	1,234,929
Benefit Payments	(924,386)	(896,599)	(850,668)	(772,109)	(752,826)	(682,450)	(611,762)	(671,615)	(601,274)	(608,108)
Pension Plan Administrative Expense	(13,706)	(14,242)	(12,791)	(12,357)	(11,460)	(11,213)	(10,559)	(8,799)	(8,939)	(7,733)
Other Changes in Plan Fiduciary Net Position	192	-	-	1	6,981	-	(25)	(1)	1	(1)
Net change in plan fiduciary net position	1,130,788	(601,142)	3,236,729	441,433	586,550	732,634	1,100,918	(82,370)	233,590	1,074,507
Plan fiduciary net position – beginning	14,920,360	15,521,502	12,284,773	11,843,340	11,256,790	10,524,156	9,423,238	9,505,608	9,272,018	8,197,511
Plan fiduciary net position – ending (b)	<u>\$ 16,051,148</u>	<u>\$ 14,920,360</u>	<u>\$ 15,521,502</u>	<u>\$ 12,284,773</u>	<u>\$ 11,843,340</u>	<u>\$ 11,256,790</u>	<u>\$ 10,524,156</u>	<u>\$ 9,423,238</u>	<u>\$ 9,505,608</u>	<u>\$ 9,272,018</u>
Net Pension Liability/(Asset) - Ending (a) - (b)	3,514,209	3,994,355	2,876,294	5,526,865	5,148,574	5,216,940	4,475,370	5,013,466	4,478,784	3,917,929
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	82.04%	78.88%	84.37%	68.97%	69.70%	68.33%	70.16%	65.27%	67.97%	70.30%
Covered Employee Payroll	\$ 2,113,450	\$ 1,959,005	\$ 1,933,278	\$ 1,934,908	\$ 1,924,700	\$ 1,690,716	\$ 1,663,881	\$ 1,590,975	\$ 1,609,012	\$ 1,497,273
Net Pension Liability as a Percentage of Covered Employee Payroll	166.28%	203.90%	148.78%	285.64%	267.50%	308.56%	268.97%	315.12%	278.36%	261.67%

*See accompanying notes to required supplementary information
See independent auditor's report*

TOWN OF WARREN, RHODE ISLAND
 Required Supplementary Information
 Municipal Employees' Retirement System of Rhode Island
 Schedule of Contributions – General Employees
*Last Ten Years**

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially determined contribution	\$ 269,755	\$ 283,263	\$ 288,582	\$ 274,364	\$ 265,003	\$ 272,398	\$ 267,090	\$ 244,089	\$ 240,331	\$ 255,456
Contributions in relation to the actuarially determined contribution	269,755	283,263	288,582	274,364	265,003	272,398	267,090	244,089	240,331	255,456
Contribution deficiency (excess)	-	-	-	-	-	-	-	-	-	-
Covered-employee payroll	\$ 2,860,774	\$ 2,777,451	\$ 2,696,554	\$ 2,648,568	\$ 2,492,987	\$2,389,457	\$ 2,299,037	\$ 2,149,952	\$ 1,890,947	\$ 1,906,207
Contributions as a percentage of covered-employee payroll	9.43%	10.20%	10.70%	10.36%	10.63%	11.40%	11.62%	11.35%	12.71%	13.40%

Notes:

- 1.) Employers participating in the Municipal Employee's Retirement System are required by RI General Laws, Section 45-21-42, to contribute an actuarially determined contribution rate each year.
- 2.) The amounts presented for each fiscal year were determined as of June 30 measurement date prior to the fiscal year end.

*See accompanying notes to required supplementary information
 See independent auditor's report*

TOWN OF WARREN, RHODE ISLAND
 Required Supplementary Information
 Municipal Employees' Retirement System of Rhode Island
 Schedule of Contributions – Police and Fire
*Last Ten Years**

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially determined contribution	\$ 579,398	\$ 580,142	\$ 531,674	\$ 547,814	\$ 538,098	\$ 418,107	\$ 414,902	\$ 438,977	\$ 443,482	\$ 491,829
Contributions in relation to the actuarially determined contribution	<u>579,398</u>	<u>580,142</u>	<u>531,674</u>	<u>547,814</u>	<u>538,098</u>	<u>418,107</u>	<u>414,902</u>	<u>438,977</u>	<u>443,482</u>	<u>491,829</u>
Contribution deficiency (excess)	-	-	-	-	-	-	-	-	-	-
Covered-employee payroll	\$ 2,078,308	\$ 2,017,775	\$ 1,959,005	\$ 1,933,278	\$ 1,934,908	\$ 1,924,700	\$ 1,690,716	\$ 1,663,881	\$ 1,590,975	\$ 1,609,012
Contributions as a percentage of covered-employee payroll	27.88%	28.75%	27.14%	28.34%	27.81%	21.72%	24.54%	26.38%	27.87%	30.57%

Notes:

- 1.) Employers participating in the Municipal Employee's Retirement System are required by RI General Laws, Section 45-21-42, to contribute an actuarially determined contribution rate each year.
- 2.) The amounts presented for each fiscal year were determined as of June 30 measurement date prior to the fiscal year end.

*See accompanying notes to required supplementary information
 See independent auditor's report*

TOWN OF WARREN, RHODE ISLAND
Required Supplementary Information
Employees' Retirement System of Rhode Island
Notes to the Pension Schedule
For the Year Ended June 30, 2024

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

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, 2023 measurement date compared to the June 30, 2019 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, 2019 measurement date.

June 30, 2020 measurement date –

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

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

June 30, 2019 measurement date –

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

TOWN OF WARREN, RHODE ISLAND
Required Supplementary Information
Employees' Retirement System of Rhode Island
Notes to the Pension Schedule
For the Year Ended June 30, 2024

June 30, 2018 measurement date –

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

June 30, 2017 measurement date –

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

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

June 30, 2016 measurement date –

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

June 30, 2015 measurement date –

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

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

- Employees with more than 20 years of service at July 1, 2012 will increase their employee contribution rates to 11% for state employees and municipal general employees will contribute 8.25% (9.25% for units with a COLA provision) and participate solely in the defined benefit plan going forward – service credit accruals will increase from 1% to 2% per year.
- 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)

TOWN OF WARREN, RHODE ISLAND
Required Supplementary Information
Employees' Retirement System of Rhode Island
Notes to the Pension Schedule
For the Year Ended June 30, 2024

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

TOWN OF WARREN, RHODE ISLAND
Required Supplementary Information
Other Post-Employment Benefits
Schedule of Changes in Net OPEB Liability and Related Ratios
For the Last Ten Years*

	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017
Total OPEB liability								
Service cost	\$ 316,168	\$ 256,777	\$ 274,673	\$ 185,086	\$ 163,730	\$ 160,657	\$ 160,194	\$ 219,675
Interest on net OPEB liability and service cost	290,047	295,269	157,508	174,213	202,806	218,985	205,673	170,401
Changes of benefit term	-	-	1,510,291	-	-	-	-	-
Differences between actual and expected experience	148,934	(467,780)	(173,610)	(52,483)	(290,981)	(375,597)	-	(351,830)
Changes of assumptions	291,527	266,464	(903,845)	645,306	259,573	(59,690)	(85,761)	(194,295)
Benefit payments, including refunds	(237,121)	(211,456)	(198,547)	(202,322)	(194,653)	(222,959)	(204,420)	(212,194)
Net change in total OPEB liability	809,555	139,274	666,470	749,800	140,475	(278,604)	75,686	(368,243)
Total OPEB liability - beginning	6,378,142	6,238,868	5,572,398	4,822,598	4,682,123	4,960,727	4,885,041	5,253,284
Total OPEB liability - ending	<u>\$ 7,187,697</u>	<u>\$ 6,378,142</u>	<u>\$ 6,238,868</u>	<u>\$ 5,572,398</u>	<u>\$ 4,822,598</u>	<u>\$ 4,682,123</u>	<u>\$ 4,960,727</u>	<u>\$ 4,885,041</u>
OPEB fiduciary net position								
Benefit payments, including refunds	\$ (237,121)	\$ (211,456)	\$ (198,547)	\$ (202,322)	\$ (194,653)	\$ (222,959)	\$ (204,420)	\$ (212,194)
Trust administrative expenses	(3,288)	(3,117)	(3,364)	(3,083)	(2,221)	(2,057)	(2,007)	(1,740)
Contributions - employer	237,121	211,456	198,547	202,322	194,653	222,959	204,420	212,194
Contribution - Active employees	-	4,184	-	-	-	-	-	-
Net investment income	98,934	53,939	(132,021)	151,925	58,953	58,665	34,009	33,023
Net change in plan fiduciary net position	95,646	55,006	(135,385)	148,842	56,732	56,608	32,002	31,283
Plan fiduciary net position - beginning	994,540	939,534	1,074,919	926,077	869,345	812,737	780,735	749,452
Plan fiduciary net position - ending	<u>\$ 1,090,186</u>	<u>\$ 994,540</u>	<u>\$ 939,534</u>	<u>\$ 1,074,919</u>	<u>\$ 926,077</u>	<u>\$ 869,345</u>	<u>\$ 812,737</u>	<u>\$ 780,735</u>
Plan's net pension liability - ending	<u>\$ 6,097,511</u>	<u>\$ 5,383,602</u>	<u>\$ 5,299,334</u>	<u>\$ 4,497,479</u>	<u>\$ 3,896,521</u>	<u>\$ 3,812,778</u>	<u>\$ 4,147,990</u>	<u>\$ 4,104,306</u>

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

Actuarial Valuation Date	Fiduciary Net Position	Total OPEB Liability (TOL)	Net OPEB Liability (NOL)	Funded Ratio	Covered Payroll	NOL as a % of Covered Payroll
6/30/2024	\$ 1,090,186	\$ 7,187,697	\$ 6,097,511	15.17%	4552856	133.93%
6/30/2023	994,540	6,378,142	5,383,602	15.59%	4,612,471	116.72%
6/30/2022	939,534	6,238,868	5,299,334	15.06%	4,240,070	124.98%
6/30/2021	1,074,919	5,572,398	4,497,479	19.29%	4,188,983	107.36%
6/30/2020	926,077	4,822,598	3,896,521	19.20%	3,993,592	97.57%
6/30/2019	869,345	4,682,123	3,812,778	18.57%	3,858,543	98.81%
6/30/2018	812,737	4,960,727	4,147,990	16.38%	3,605,868	115.03%
6/30/2017	780,735	4,885,041	4,104,306	15.98%	3,483,930	117.81%

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

TOWN OF WARREN, RHODE ISLAND
 Required Supplementary Information
 Other Post-Employment Benefits
 Schedule of Contributions and Investment Return
 For the Last Ten Years*

	<u>June 30, 2024</u>	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>June 30, 2018</u>	<u>June 30, 2017</u>
Actuarial determined contribution	\$ 687,695	\$ 635,915	\$ 447,330	\$ 386,416	\$ 379,815	\$ 392,994	\$ 366,102	\$ 341,832
Contributions in relation to the actuarially determined contribution	<u>237,121</u>	<u>211,456</u>	<u>198,547</u>	<u>202,322</u>	<u>194,653</u>	<u>222,959</u>	<u>204,420</u>	<u>212,194</u>
Contribution deficiency (excess)	<u>\$ 450,574</u>	<u>\$ 424,459</u>	<u>\$ 248,783</u>	<u>\$ 184,094</u>	<u>\$ 185,162</u>	<u>\$ 170,035</u>	<u>\$ 161,682</u>	<u>\$ 129,638</u>
Covered-employee payroll	\$ 4,552,856	\$ 4,612,471	\$ 4,240,070	\$ 4,188,983	\$ 3,993,592	\$ 3,858,543	\$ 3,605,868	\$ 3,483,930
Contributions as a percentage of covered-employee payroll	5.21%	4.58%	4.68%	4.83%	4.87%	5.78%	5.67%	6.09%

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

34.48%	33.25%	44.38%	52.36%	51.25%	56.73%	62.08%
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	<u>June 30, 2024</u>	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>June 30, 2018</u>	<u>June 30, 2017</u>
Annual money-weighted rate of return, net of investment expense	Unkn	5.72%	5.75%	5.00%	5.25%	5.50%	5.50%	3.50%

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

TOWN OF WARREN, RHODE ISLAND
Required Supplementary Information
Notes to Other Post-Employment Benefits
For the Year Ended June 30, 2023

Notes to Required Supplementary Information:

Valuation Date:	July 1, 2024 with results actuarially projected on a no gain/ no loss basis to get to the June 30, 2024 measurement date. Liabilities as of July 1, 2023 on an actuarial valuation date of July 1, 2023 with no adjustments
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 where: <ul style="list-style-type: none">•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; and•Annual Service Cost is a constant percentage of the participant's salary that is assumed to increase according to Payroll Growth.
Asset-Valuation Method:	Market Value of Assets as of the Measurement Date, June 30, 2024
Discount Rate	4.58%
Medical inflation	For medical/rx benefits, the trend rates have been reset to an initial rate of 8.00% decreasing by 0.50% annually to an ultimate rate of 4.00% These changes caused an increase in liabilities for the Town.
Inflation:	2.20% per year.
Salary Increases:	3.50% annually as of June 30, 2024 and for future periods.
Mortality	SOA Pub-2010 General Headcount Mortality Table fully generational using Scale MP-2021

Supplementary Information

TOWN OF WARREN, RHODE ISLAND
Non-Major Governmental Funds
Combining Balance Sheet
June 30, 2024

	Special Revenue	Permanent Trust	Capital Projects	Total Non-Major Governmental Funds
Assets				
Cash and cash equivalents	\$ 819,340	\$ 26,429	\$ (16,715)	\$ 829,054
Investments	-	11,086	-	11,086
Intergovernmental	417,092	-	580,338	997,430
Other accounts receivable	-	-	-	-
Total assets	1,236,432	37,515	563,623	1,837,570
Deferred outflows of resources				
Deferred outflows	-	-	-	-
Total assets and deferred outflows of resources	1,236,432	37,515	563,623	1,837,570
Liabilities				
Accounts payable	352	-	-	352
Due to other funds	993,019	-	-	993,019
Accrued liabilities	13,789	-	-	13,789
Total liabilities	1,007,160	-	-	1,007,160
Deferred inflows of resources				
Deferred revenue	53,732	-	-	53,732
Total deferred inflows of resources	53,732	-	-	53,732
Fund Balance				
Restricted	811,586	37,515	563,623	1,412,724
Unassigned	(636,046)	-	-	(636,046)
Total fund balance	175,540	37,515	563,623	776,678
Total liabilities, deferred inflows of resources, and fund balances	\$ 1,236,432	\$ 37,515	\$ 563,623	\$ 1,837,570

TOWN OF WARREN, RHODE ISLAND
 Non-Major Governmental Funds
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 For the Year Ended June 30, 2024

	Special Revenue	Permanent Funds	Capital Projects	Total Non-Major Governmental Funds
Revenues				
Intergovernmental	\$ 466,047	\$ -	\$ 14,853	\$ 480,900
Charges for services	120,452	15,508	-	135,960
Other revenue	-	-	-	-
Total revenues	586,499	15,508	14,853	616,860
Expenditures				
General government	459,192	13,602	-	472,794
Public safety	97,387	-	-	97,387
Public works	3,337	-	-	3,337
Capital and special appropriations	-	-	234,423	234,423
Total expenditures	559,916	13,602	234,423	807,941
Excess (deficiency) of revenues over expenditures	26,583	1,906	(219,570)	(191,081)
Other financing sources (uses)				
Transfers Out	(38,730)	-	-	(38,730)
Total other financing sources (uses)	(38,730)	-	-	(38,730)
Excess of revenue and other sources over expenditures and other uses	(12,147)	1,906	(219,570)	(229,811)
Fund Balance, July 1, 2023	187,687	35,609	783,193	1,006,489
Fund Balance, June 30, 2024	\$ 175,540	\$ 37,515	\$ 563,623	\$ 776,678
	-	-	-	-

TOWN OF WARREN, RHODE ISLAND
Special Revenue Funds
Combining Balance Sheet
June 30, 2024

	<u>Gun Buy Back</u>	<u>RI DOT Highway Safety</u>	<u>WPD RI Senatorial Grant</u>	<u>Recycling Grant</u>	<u>Planning Challenge Grant</u>	<u>Opioid Litigation</u>	<u>Historical Cemetery Fund</u>
Assets							
Cash and cash equivalents	\$ 2,000	\$ 31,789	\$ 2,093	\$ 72	\$ -	\$ 7,909	\$ 400
Federal and state grants receivable	-	-	-	-	-	-	-
Total assets	<u>2,000</u>	<u>31,789</u>	<u>2,093</u>	<u>72</u>	<u>-</u>	<u>7,909</u>	<u>400</u>
Deferred outflows of resources							
None	-	-	-	-	-	-	-
Total deferred outflows of resources	<u>2,000</u>	<u>31,789</u>	<u>2,093</u>	<u>72</u>	<u>-</u>	<u>7,909</u>	<u>400</u>
Liabilities							
Accounts payable	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	1,827	-	-
Accrued liabilities	-	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,827</u>	<u>-</u>	<u>-</u>
Deferred inflows of resources							
Deferred revenue	-	-	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance							
Restricted	2,000	31,789	2,093	72	-	7,909	400
Committed	-	-	-	-	-	-	-
Unassigned	-	-	-	-	(1,827)	-	-
Total fund balance (deficits)	<u>2,000</u>	<u>31,789</u>	<u>2,093</u>	<u>72</u>	<u>(1,827)</u>	<u>7,909</u>	<u>400</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 2,000</u>	<u>\$ 31,789</u>	<u>\$ 2,093</u>	<u>\$ 72</u>	<u>\$ -</u>	<u>\$ 7,909</u>	<u>\$ 400</u>

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TOWN OF WARREN, RHODE ISLAND
Special Revenue Funds
Combining Balance Sheet
June 30, 2024

	Community Gardens	ACO Donations	Stop Grant	Emergency Siren Fund	Dog Park	Cops that Care	Social Services Donations
Assets							
Cash and cash equivalents	\$ 6,899	\$ 66,395	\$ -	\$ -	\$ 8,910	\$ 22	\$ 104,888
Federal and state grants receivable	-	-	-	-	-	-	-
Total assets	6,899	66,395	-	-	8,910	22	104,888
Deferred outflows of resources							
None	-	-	-	-	-	-	-
Total deferred outflows of resources	6,899	66,395	-	-	8,910	22	104,888
Liabilities							
Accounts payable	-	-	352	-	-	-	-
Due to other funds	-	-	18,572	-	-	-	-
Accrued liabilities	-	-	-	-	-	-	-
Total liabilities	-	-	18,924	-	-	-	-
Deferred inflows of resources							
Deferred revenue	-	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-	-
Fund Balance							
Restricted	6,899	66,395	-	-	8,910	22	104,888
Committed	-	-	-	-	-	-	-
Unassigned	-	-	(18,924)	-	-	-	-
Total fund balance (deficits)	6,899	66,395	(18,924)	-	8,910	22	104,888
Total liabilities, deferred inflows of resources, and fund balances	\$ 6,899	\$ 66,395	\$ -	\$ -	\$ 8,910	\$ 22	\$ 104,888

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TOWN OF WARREN, RHODE ISLAND
Special Revenue Funds
Combining Balance Sheet
June 30, 2024

	<u>Marijuana Grant</u>	<u>Beautification Donation</u>	<u>Drug Free Communities</u>	<u>Election</u>	<u>Senior Center</u>	<u>Warren Animal Rescue</u>	<u>Baker Street Museum</u>
Assets							
Cash and cash equivalents	\$ -	\$ 2,867	\$ -	\$ -	\$ 86,567	\$ 89,955	\$ 1,475
Federal and state grants receivable	5,082	-	-	-	-	-	-
Total assets	<u>5,082</u>	<u>2,867</u>	<u>-</u>	<u>-</u>	<u>86,567</u>	<u>89,955</u>	<u>1,475</u>
Deferred outflows of resources							
None	-	-	-	-	-	-	-
Total deferred outflows of resources	<u>5,082</u>	<u>2,867</u>	<u>-</u>	<u>-</u>	<u>86,567</u>	<u>89,955</u>	<u>1,475</u>
Liabilities							
Accounts payable	-	-	-	-	-	-	-
Due to other funds	-	-	42,305	-	-	-	-
Accrued liabilities	-	-	1,701	-	300	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>44,006</u>	<u>-</u>	<u>300</u>	<u>-</u>	<u>-</u>
Deferred inflows of resources							
Deferred revenue	5,082	-	0	12,640	-	-	-
Total deferred inflows of resources	<u>5,082</u>	<u>-</u>	<u>-</u>	<u>12,640</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance							
Restricted	-	2,867	-	-	86,267	89,955	1,475
Committed	-	-	-	-	-	-	-
Unassigned	-	-	(44,006)	(12,640)	-	-	-
Total fund balance (deficits)	<u>-</u>	<u>2,867</u>	<u>(44,006)</u>	<u>(12,640)</u>	<u>86,267</u>	<u>89,955</u>	<u>1,475</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 5,082</u>	<u>\$ 2,867</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 86,567</u>	<u>\$ 89,955</u>	<u>\$ 1,475</u>

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TOWN OF WARREN, RHODE ISLAND
Special Revenue Funds
Combining Balance Sheet
June 30, 2024

	Animal Spaying	Youth Mentoring Grant	Police Bicycle Patrol Grant	AFIS Live Scan Fed Grant	RI State Byrnes Justice Grant	Memorial Tree Fund	Burr's Hill Park Tennis Courts	Learn 365
Assets								
Cash and cash equivalents	\$ 2,330	\$ -	\$ 2,751	\$ 250	\$ -	\$ 401	\$ -	\$ 45,988
Federal and state grants receivable	-	-	-	-	-	-	16,010	-
Total assets	2,330	-	2,751	250	-	401	16,010	45,988
Deferred outflows of resources								
None	-	-	-	-	-	-	-	-
Total deferred outflows of resources	2,330	-	2,751	250	-	401	16,010	45,988
Liabilities								
Accounts payable	-	-	-	-	-	-	-	-
Due to other funds	-	18,733	-	-	-	-	15,824	-
Accrued liabilities	-	491	-	-	-	-	-	840
Total liabilities	-	19,224	-	-	-	-	15,824	840
Deferred inflows of resources								
Deferred revenue	-	-	-	-	-	-	16,010	-
Total deferred inflows of resources	-	-	-	-	-	-	16,010	-
Fund Balance								
Restricted	2,330	-	2,751	250	-	401	-	45,148
Committed	-	-	-	-	-	-	-	-
Unassigned	-	(19,224)	-	-	-	-	(15,824)	-
Total fund balance (deficits)	2,330	(19,224)	2,751	250	-	401	(15,824)	45,148
Total liabilities, deferred inflows of resources, and fund balances	\$ 2,330	\$ -	\$ 2,751	\$ 250	\$ -	\$ 401	\$ 16,010	\$ 45,988

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TOWN OF WARREN, RHODE ISLAND
Special Revenue Funds
Combining Balance Sheet
June 30, 2024

	Stormwater Permitting	Unclaimed Estate	Tourister Peer Review	Recreational Trails Grant	Summer Concerts	Project Playground	Rec Department Donation
Assets							
Cash and cash equivalents	\$ -	14,832	\$ -	\$ -	\$ 16,415	\$ -	\$ 49,186
Federal and state grants receivable	20,000	-	-	376,000	-	-	-
Total assets	20,000	14,832	-	376,000	16,415	-	49,186
Deferred outflows of resources							
None	-	-	-	-	-	-	-
Total deferred outflows of resources	20,000	14,832	-	376,000	16,415	-	49,186
Liabilities							
Accounts payable	-	-	-	-	-	-	-
Due to other funds	15,000	-	47,939	704,281	-	-	-
Accrued liabilities	-	-	-	-	-	-	-
Total liabilities	15,000	-	47,939	704,281	-	-	-
Deferred inflows of resources							
Deferred revenue	20,000	-	-	-	-	-	-
Total deferred inflows of resources	20,000	-	-	-	-	-	-
Fund Balance							
Restricted	-	14,832	-	-	16,415	-	49,186
Committed	-	-	-	-	-	-	-
Unassigned	(15,000)	-	(47,939)	(328,281)	-	-	-
Total fund balance (deficits)	(15,000)	14,832	(47,939)	(328,281)	16,415	-	49,186
Total liabilities, deferred inflows of resources, and fund balances	\$ 20,000	\$ 14,832	\$ -	\$ 376,000	\$ 16,415	\$ -	\$ 49,186

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TOWN OF WARREN, RHODE ISLAND
Special Revenue Funds
Combining Balance Sheet
June 30, 2024

	Water St Subsurface Infiltration	Picnic Shelter	Take it Outside	Jamiel's Park Substance Abuse	Fire Inspections	Jamiel's Park DEM Grant	Fire State Meds Plan
Assets							
Cash and cash equivalents	\$ -	\$ 2,101	-	\$ -	\$ 99,645	\$ -	\$ 48,082
Federal and state grants receivable	-	-	-	-	-	-	-
Total assets	<u>-</u>	<u>2,101</u>	<u>-</u>	<u>-</u>	<u>99,645</u>	<u>-</u>	<u>48,082</u>
Deferred outflows of resources							
None	-	-	-	-	-	-	-
Total deferred outflows of resources	<u>-</u>	<u>2,101</u>	<u>-</u>	<u>-</u>	<u>99,645</u>	<u>-</u>	<u>48,082</u>
Liabilities							
Accounts payable	-	-	-	-	-	-	-
Due to other funds	13,908	-	68,536	8,787	-	18,102	-
Accrued liabilities	-	-	-	391	-	-	-
Total liabilities	<u>13,908</u>	<u>-</u>	<u>68,536</u>	<u>9,178</u>	<u>-</u>	<u>18,102</u>	<u>-</u>
Deferred inflows of resources							
Deferred revenue	-	-	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance							
Restricted	-	2,101	-	-	99,645	-	48,082
Committed	-	-	-	-	-	-	-
Unassigned	(13,908)	-	(68,536)	(9,178)	-	(18,102)	-
Total fund balance (deficits)	<u>(13,908)</u>	<u>2,101</u>	<u>(68,536)</u>	<u>(9,178)</u>	<u>99,645</u>	<u>(18,102)</u>	<u>48,082</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ -</u>	<u>\$ 2,101</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 99,645</u>	<u>\$ -</u>	<u>\$ 48,082</u>

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TOWN OF WARREN, RHODE ISLAND
Special Revenue Funds
Combining Balance Sheet
June 30, 2024

	RI Commerce	FEMA Sandy Event	Community Development Block Grant	Veterans' Honor Roll	Government Center	Ship Shape	Holiday Committee
Assets							
Cash and cash equivalents	\$ -	\$ 3,030	\$ 6,654	\$ 13,430	\$ 39	\$ 800	\$ -
Federal and state grants receivable	-	-	-	-	-	-	-
Total assets	-	3,030	6,654	13,430	39	800	-
Deferred outflows of resources							
None	-	-	-	-	-	-	-
Total deferred outflows of resources	-	3,030	6,654	13,430	39	800	-
Liabilities							
Accounts payable	-	-	-	-	-	-	-
Due to other funds	17,355	-	-	-	-	-	1,850
Accrued liabilities	-	-	1,760	-	-	-	-
Total liabilities	17,355	-	1,760	-	-	-	1,850
Deferred inflows of resources							
Deferred revenue	-	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-	-
Fund Balance							
Restricted	-	3,030	4,894	13,430	39	800	-
Committed	-	-	-	-	-	-	-
Unassigned	(17,355)	-	-	-	-	-	(1,850)
Total fund balance (deficits)	(17,355)	3,030	4,894	13,430	39	800	(1,850)
Total liabilities, deferred inflows of resources, and fund balances	\$ -	\$ 3,030	\$ 6,654	\$ 13,430	\$ 39	\$ 800	\$ -

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TOWN OF WARREN, RHODE ISLAND
Special Revenue Funds
Combining Balance Sheet
June 30, 2024

	<u>Narcotics</u>	<u>Employee Charity Fund</u>	<u>Affordable Housing</u>	<u>Performance Bond</u>	<u>COVID Clinic</u>	<u>Total Special Revenue Funds</u>
Assets						
Cash and cash equivalents	\$ 86,128	\$ 612	\$ 4,051	\$ 4,854	\$ 5,520	\$ 819,340
Federal and state grants receivable	-	-	-	-	-	417,092
Total assets	<u>86,128</u>	<u>612</u>	<u>4,051</u>	<u>4,854</u>	<u>5,520</u>	<u>1,236,432</u>
Deferred outflows of resources						
None	-	-	-	-	-	-
Total deferred outflows of resources	<u>86,128</u>	<u>612</u>	<u>4,051</u>	<u>4,854</u>	<u>5,520</u>	<u>1,236,432</u>
Liabilities						
Accounts payable	-	-	-	-	-	352
Due to other funds	-	-	-	-	-	993,019
Accrued liabilities	-	-	-	8,306	-	13,789
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,306</u>	<u>-</u>	<u>1,007,160</u>
Deferred inflows of resources						
Deferred revenue	-	-	-	-	-	53,732
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>53,732</u>
Fund Balance						
Restricted	86,128	612	4,051	-	5,520	811,586
Committed	-	-	-	-	-	-
Unassigned	-	-	-	(3,452)	-	(636,046)
Total fund balance (deficits)	<u>86,128</u>	<u>612</u>	<u>4,051</u>	<u>(3,452)</u>	<u>5,520</u>	<u>175,540</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 86,128</u>	<u>\$ 612</u>	<u>\$ 4,051</u>	<u>\$ 4,854</u>	<u>\$ 5,520</u>	<u>\$ 1,236,432</u>

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

	<u>Gun Buy Back</u>	<u>RI DOT Highway Safety</u>	<u>WPD RI Senatorial Grant</u>	<u>Recycling Grant</u>	<u>Planning Challenge Grant</u>	<u>Opioid Litigation</u>	<u>Historical Cemetery Fund</u>
Revenues							
Intergovernmental	\$ -	\$ 15,510	\$ -	\$ -	\$ -	\$ (863)	\$ -
Charges for services	-	-	-	-	-	-	-
Investment income	-	-	-	-	-	-	-
Total revenues	<u>-</u>	<u>15,510</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(863)</u>	<u>-</u>
Expenditures							
General government	-	-	(2,000)	-	-	-	-
Public safety	-	-	-	-	-	2,882	-
Public works	-	-	-	-	-	-	-
Capital and special appropriation	-	-	-	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>(2,000)</u>	<u>-</u>	<u>-</u>	<u>2,882</u>	<u>-</u>
Excess (deficiency) of revenue over expenditures	-	15,510	2,000	-	-	(3,745)	-
Other financing sources (uses)							
Transfers in/out	-	-	-	-	-	-	-
Excess (deficiency) or revenues and other sources over expenditures and other uses	-	15,510	2,000	-	-	(3,745)	-
Fund Balance, July 1, 2023	<u>2,000</u>	<u>16,279</u>	<u>93</u>	<u>72</u>	<u>(1,827)</u>	<u>11,654</u>	<u>400</u>
Fund Balance, June 30, 2024	<u>\$ 2,000</u>	<u>\$ 31,789</u>	<u>\$ 2,093</u>	<u>\$ 72</u>	<u>\$ (1,827)</u>	<u>\$ 7,909</u>	<u>\$ 400</u>

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

	Community Gardens	ACO Donations	Stop Grant	Emergency Siren Fund	Dog Park	Cops that Care	Social Services Donations
Revenues							
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for services	-	100	-	-	9,629	-	15,870
Investment income	-	-	-	-	-	-	-
Total revenues	-	100	-	-	9,629	-	15,870
Expenditures							
General government	-	-	272	-	2,611	-	-
Public safety	-	-	3,022	-	-	-	-
Public works	418	-	-	-	-	-	-
Capital and special appropriation	-	-	-	-	-	-	-
Total expenditures	418	-	3,294	-	2,611	-	-
Excess (deficiency) of revenue over expenditures	(418)	100	(3,294)	-	7,018	-	15,870
Other financing sources (uses)							
Transfers out	-	-	-	-	-	-	-
Excess (deficiency) or revenues and other sources over expenditures and other uses	(418)	100	(3,294)	-	7,018	-	15,870
Fund Balance, July 1, 2023	7,317	66,295	(15,630)	-	1,892	22	89,018
Fund Balance, June 30, 2024	\$ 6,899	\$ 66,395	\$ (18,924)	\$ -	\$ 8,910	\$ 22	\$ 104,888

See independent auditor's report

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

	<u>Marijuana Grant</u>	<u>Beautification Donation</u>	<u>Drug Free Communities</u>	<u>Election</u>	<u>Senior Center</u>	<u>Warren Animal Rescue</u>	<u>Baker Street Museum</u>
Revenues							
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	-	23,472	765	-
Investment income	-	-	-	-	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>23,472</u>	<u>765</u>	<u>-</u>
Expenditures							
General government	-	-	10,685	-	24,683	-	-
Public safety	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-
Capital and special appropriation	-	-	-	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>10,685</u>	<u>-</u>	<u>24,683</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenue over expenditures	-	-	(10,685)	-	(1,211)	765	-
Other financing sources (uses)							
Transfers out	-	-	-	-	-	-	-
Excess (deficiency) or revenues and other sources over expenditures and other uses	-	-	(10,685)	-	(1,211)	765	-
Fund Balance, July 1, 2023	<u>-</u>	<u>2,867</u>	<u>(33,321)</u>	<u>(12,640)</u>	<u>87,478</u>	<u>89,190</u>	<u>1,475</u>
Fund Balance, June 30, 2024	<u>\$ -</u>	<u>\$ 2,867</u>	<u>\$ (44,006)</u>	<u>\$ (12,640)</u>	<u>\$ 86,267</u>	<u>\$ 89,955</u>	<u>\$ 1,475</u>

See independent auditor's report

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

	Marijuana Grant	Youth Mentoring Grant	Police Bicycle Patrol Grant	AFIS Live Scan Fed Grant	RI State Byrnes Justice Grant	Memorial Tree Fund	Burr's Hill Park Tennis Courts	Learn 365
Revenues								
Intergovernmental	170	31,594	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 29,170
Charges for services	-	-	-	-	-	-	-	-
Investment income	-	-	-	-	-	-	-	-
Total revenues	170	31,594	-	-	-	-	-	29,170
Expenditures								
General government	-	41,024	-	-	-	-	-	(15,978)
Public safety	-	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-	-
Capital and special appropriation	-	-	-	-	-	-	-	-
Total expenditures	-	41,024	-	-	-	-	-	(15,978)
Excess (deficiency) of revenue over expenditures	170	(9,430)	-	-	-	-	-	45,148
Other financing sources (uses)								
Transfers out	-	-	-	-	-	-	-	-
Excess (deficiency) or revenues and other sources over expenditures and other uses	170	(9,430)	-	-	-	-	-	45,148
Fund Balance, July 1, 2023	2,160	(9,794)	2,751	250	-	401	(15,824)	-
Fund Balance, June 30, 2024	\$ 2,330	\$ (19,224)	\$ 2,751	\$ 250	\$ -	\$ 401	\$ (15,824)	\$ 45,148

See independent auditor's report

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

	<u>Stormwater Permitting</u>	<u>Unclaimed Estate</u>	<u>Tourister Peer Review</u>	<u>Recreational Trails Grant</u>	<u>Summer Concerts</u>	<u>Project Playground</u>	<u>Rec Department Donation</u>
Revenues							
Intergovernmental	\$ -	\$ -	\$ -	\$ 364,126	\$ -	\$ -	\$ -
Charges for services	-	24,610	-	-	16,400	-	22,306
Investment income	-	-	-	-	-	-	-
Total revenues	<u>-</u>	<u>24,610</u>	<u>-</u>	<u>364,126</u>	<u>16,400</u>	<u>-</u>	<u>22,306</u>
Expenditures							
General government	-	17,905	-	349,613	8,918	-	15,259
Public safety	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-
Capital and special appropriation	-	-	-	-	-	-	-
Total expenditures	<u>-</u>	<u>17,905</u>	<u>-</u>	<u>349,613</u>	<u>8,918</u>	<u>-</u>	<u>15,259</u>
Excess (deficiency) of revenue over expenditures	-	6,705	-	14,513	7,482	-	7,047
Other financing sources (uses)							
Transfers out	-	-	-	-	-	-	-
Excess (deficiency) or revenues and other sources over expenditures and other uses	-	6,705	-	14,513	7,482	-	7,047
Fund Balance, July 1, 2023	<u>(15,000)</u>	<u>8,127</u>	<u>(47,939)</u>	<u>(342,794)</u>	<u>8,933</u>	<u>-</u>	<u>42,139</u>
Fund Balance, June 30, 2024	<u>\$ (15,000)</u>	<u>\$ 14,832</u>	<u>\$ (47,939)</u>	<u>\$ (328,281)</u>	<u>\$ 16,415</u>	<u>\$ -</u>	<u>\$ 49,186</u>

See independent auditor's report

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

	Water St Subsurface Infiltration	Picnic Shelter	Take it Outside	Jamiel's Park Substance Abuse	Fire Inspections	Jamiel's Park DEM Grant	Fire State Meds Plan
Revenues							
Intergovernmental	\$ -	\$ -	\$ -	\$ 1,087	\$ -	\$ -	\$ -
Charges for services	-	-	-	-	7,300	-	-
Investment income	-	-	-	-	-	-	-
Total revenues	-	-	-	1,087	7,300	-	-
Expenditures							
General government	-	-	-	-	-	-	-
Public safety	-	-	-	34,479	-	-	-
Public works	-	-	-	-	2,919	-	-
Capital and special appropriation	-	-	-	-	-	-	-
Total expenditures	-	-	-	34,479	2,919	-	-
Excess (deficiency) of revenue over expenditures	-	-	-	(33,392)	4,381	-	-
Other financing sources (uses)							
Transfers out	-	-	-	-	-	-	-
Excess (deficiency) or revenues and other sources over expenditures and other uses	-	-	-	(33,392)	4,381	-	-
Fund Balance, July 1, 2023	(13,908)	2,101	(68,536)	24,214	95,264	(18,102)	48,082
Fund Balance, June 30, 2024	\$ (13,908)	\$ 2,101	\$ (68,536)	\$ (9,178)	\$ 99,645	\$ (18,102)	\$ 48,082

See independent auditor's report

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

	RI Commerce	FEMA Sandy Event	Community Development Block Grant	Veterans' Honor Roll	Government Center	Ship Shape	Holiday Committee
Revenues							
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	-	-	-	-
Investment income	-	-	-	-	-	-	-
Total revenues	-	-	-	-	-	-	-
Expenditures							
General government	-	-	-	850	-	-	5,350
Public safety	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-
Capital and special appropriation	-	-	-	-	-	-	-
Total expenditures	-	-	-	850	-	-	5,350
Excess (deficiency) of revenue over expenditures	-	-	-	(850)	-	-	(5,350)
Other financing sources (uses)							
Transfers out	-	(38,730)	-	-	-	-	-
Excess (deficiency) or revenues and other sources over expenditures and other uses	-	(38,730)	-	(850)	-	-	(5,350)
Fund Balance, July 1, 2023	(17,355)	41,760	4,894	14,280	39	800	3,500
Fund Balance, June 30, 2024	\$ (17,355)	\$ 3,030	\$ 4,894	\$ 13,430	\$ 39	\$ 800	\$ (1,850)

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

	Narcotics	Employee Charity Fund	Affordable Housing	Performance Bond	COVID Clinic	Total Special Revenue Funds
Revenues						
Intergovernmental	\$ 25,253	\$ -	\$ -	\$ -	\$ -	466,047
Charges for services	-	-	-	-	-	120,452
Investment income	-	-	-	-	-	-
Total revenues	<u>25,253</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>586,499</u>
Expenditures						
General government	-	-	-	-	-	459,192
Public safety	57,004	-	-	-	-	97,387
Public works	-	-	-	-	-	3,337
Capital and special appropriation	-	-	-	-	-	-
Total expenditures	<u>57,004</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>559,916</u>
Excess (deficiency) of revenue over expenditures	(31,751)	-	-	-	-	26,583
Other financing sources (uses)						
Transfers out	-	-	-	-	-	(38,730)
Excess (deficiency) or revenues and other sources over expenditures and other uses	(31,751)	-	-	-	-	(12,147)
Fund Balance, July 1, 2023	<u>117,879</u>	<u>612</u>	<u>4,051</u>	<u>(3,452)</u>	<u>5,520</u>	<u>187,687</u>
Fund Balance, June 30, 2024	<u>\$ 86,128</u>	<u>\$ 612</u>	<u>\$ 4,051</u>	<u>\$ (3,452)</u>	<u>\$ 5,520</u>	<u>\$ 175,540</u>

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TOWN OF WARREN, RHODE ISLAND
 Capital Projects Funds
 Combining Balance Sheet
 June 30, 2024

	RI Infrastructure Bank Bond	504K RIIB Bond	Total
Assets			
Cash and cash equivalents	\$ (68,824)	52,109	\$ (16,715)
Intergovernmental	580,338	-	580,338
Total assets	511,514	52,109	563,623
Deferred outflows of resources			
None	-	-	-
Total assets and deferred outflows of resources	511,514	52,109	563,623
Liabilities			
Accounts payable and accrued expenses	-	-	-
Total liabilities	-	-	-
Deferred inflows of resources			
None	-	-	-
Fund Balances			
Restricted	511,514	52,109	563,623
Unassigned	-	-	-
Total liabilities, deferred inflows of resources and fund balances	\$ 511,514	\$ 52,109	\$ 563,623

See independent auditor's report

TOWN OF WARREN, RHODE ISLAND
 Capital Projects Funds
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 For the Year Ended June 30, 2024

	RI Infrastructure Bank Bond	504K RIIB Bond	Total
Revenues			
Federal and state grants	\$ 14,853	\$ -	\$ 14,853
Total revenues	14,853	-	14,853
Expenditures			
Capital and special appropriations	14,853	219,570	234,423
Total expenditures	14,853	219,570	234,423
Excess (deficiency) of revenue over expenditures	-	(219,570)	(219,570)
Other financing sources (uses)			
Transfer from (to) other funds	-	-	-
Total other financing sources (uses)	-	-	-
Excess (deficiency) of revenues and other sources over expenditures and other uses	-	(219,570)	(219,570)
Fund Balance, July 1, 2023	511,514	271,679	783,193
Fund Balance, June 30, 2024	\$ 511,514	\$ 52,109	\$ 563,623

See independent auditor's report

TOWN OF WARREN, RHODE ISLAND
 Permanent Funds
 Combining Balance Sheet
June 30, 2024

	Document Preservation	Police Trust	Sara B Buris	Total Permanent Funds
Assets				
Cash	\$ 23,471	\$ 2,958	\$ -	\$ 26,429
Investments	-	-	11,086	11,086
Total assets	23,471	2,958	11,086	37,515
Deferred outflows of resources				
Deferred outflows	-	-	-	-
Total assets and deferred outflows of resources	23,471	2,958	11,086	37,515
Liabilities				
Accounts payable and accrued liabilities	-	-	-	-
Total liabilities	-	-	-	-
Deferred inflows of resources				
Deferred inflows	-	-	-	-
Total deferred inflows of resources	-	-	-	-
Fund balance (deficits), restricted	23,471	2,958	11,086	37,515
Total liabilities, deferred inflows of resources, and fund balances (deficits)	\$ 23,471	\$ 2,958	\$ 11,086	\$ 37,515

See independent auditor's report

TOWN OF WARREN, RHODE ISLAND
 Permanent Funds
 Combining Statement of Revenues, Expenditures and Changes in Fund Balance
 For the Year Ended June 30, 2024

	Document Preservation	Police Trust	Sara B Buris	Total Permanent Funds
Revenues				
Licenses, fees, permits and fines	\$ 14,724	\$ -	\$ 784	\$ 15,508
Investment income	-	-	-	-
Total revenues	14,724	-	784	15,508
Expenditures				
General government	13,490	-	112	13,602
Public safety	-	-	-	-
Total expenditures	13,490	-	112	13,602
Excess (deficiency) of revenues over expenditures	1,234	-	672	1,906
Other financing sources (uses)				
Transfers in/out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Excess of revenue and other sources over expenditures and other uses	1,234	-	672	1,906
Fund Balance, July 1, 2023	22,237	2,958	10,414	35,609
Fund Balance, June 30, 2024	\$ 23,471	\$ 2,958	\$ 11,086	\$ 37,515

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Fiduciary Funds

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

	Samuel P. Colt Fund	Joseph Martin Fund	Abby A. Cole Fund	Alysum Farm Fund	Joseph W. Smith Fund	C. Richard Garnder Fund	Total
Assets							
Investments	\$ 59,885	\$ 42,772	\$ 14,971	\$ 27,800	\$ 49,197	\$ 8,547	\$ 203,172
Total assets	<u>59,885</u>	<u>42,772</u>	<u>14,971</u>	<u>27,800</u>	<u>49,197</u>	<u>8,547</u>	<u>203,172</u>
Liabilities							
Due to other funds	-	-	-	-	-	-	-
Net Position							
Restricted for other purposes	59,885	42,772	14,971	27,800	49,197	8,547	203,172
Total liabilities and net position	<u>\$ 59,885</u>	<u>\$ 42,772</u>	<u>\$ 14,971</u>	<u>\$ 27,800</u>	<u>\$ 49,197</u>	<u>\$ 8,547</u>	<u>\$ 203,172</u>

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

	Samuel P. Colt Fund	Joseph Martin Fund	Abby A. Cole Fund	Alysum Farm Fund	Joseph W. Smith Fund	C. Richard Garnder Fund	Total
Additions							
Investment income	\$ 2,197	\$ 1,566	\$ 549	\$ 1,017	\$ 1,810	\$ 305	\$ 7,444
Total additions	2,197	1,566	549	1,017	1,810	305	7,444
Deductions							
Miscellaneous	629	449	157	292	516	89	2,132
Total Deductions	629	449	157	292	516	89	2,132
Excess of Revenues and Other Sources over Expenditures and Other Uses	1,568	1,117	392	725	1,294	216	5,312
Fund balance, July 1, 2022	58,317	41,655	14,579	27,075	47,903	8,331	197,859
Fund balance, June 30, 2023	\$ 59,885	\$ 42,772	\$ 14,971	\$ 27,800	\$ 49,197	\$ 8,547	\$ 203,172

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TOWN OF WARREN, RHODE ISLAND
 Supplementary Information
 Tax Collector's Annual Report
 For the Year Ended June 30, 2024

Schedule of Most Recent Net Assessed Property Value by Category

Description of Property	Valuation	Levy
Real Property	\$ 1,912,005,179	\$ 26,117,990
Tangible	43,486,121	783,185
Total	1,955,491,300	26,901,175
Exemptions	48,177,694	658,178
Net assessed value	\$ 1,907,313,606	\$ 26,242,997

Reconciliation of Current Year Property Tax Revenue

Current year collection	\$ 26,273,982
Add: Revenue collected 60 days subsequent to fiscal year ending June 30, 2024	56,113
Less: Revenue collected 60 days subsequent to fiscal year ending June 30, 2023	44,668
Miscellaneous	6,584
Current year property tax revenue	\$ 26,292,011

TOWN OF WARREN, RHODE ISLAND
Other Supplementary Information
Annual Supplemental Transparency Portal (MTP2)
For the Year Ended June 30, 2024

OTHER SUPPLEMENTARY INFORMATION

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

Annual Supplemental Transparency Report (MTP2) – Revenue

Annual Supplemental Transparency Report (MTP2) – Expenditures

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

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

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

TOWN OF WARREN, RHODE ISLAND
 Other Supplementary Information
 Annual Supplemental Transparency Portal (MTP2)
 For the Year Ended June 30, 2024

REVENUE	Municipal
Current Year Levy Tax Collection	\$ 26,080,732
Last Year's Levy Tax Collection	205,600
Prior Years Property Tax Collection	(904)
Interest & Penalty	254,105
PILOT & Tax Treaty (excluded from levy) Collection	-
Other Local Property Taxes	244,636
Licenses and Permits	2,021,148
Fines and Forfeitures	-
Investment Income	62,699
Departmental	-
Rescue Run Revenue	-
Police & Fire Detail	-
Other Local Non-Property Tax Revenues	143,299
Tuition	-
Impact Aid	-
Medicaid	-
Federal Stabilization Funds	-
Federal Food Service Reimbursement	-
CDBG	-
COPS Grants	-
SAFER Grants	-
Other Federal Aid Funds	-
COVID - ESSER	-
COVID - CRF	-
COVID - CDBG	-
COVID - FEMA	-
COVID - Other	-
COVID - ARPA	1,202,929
MV Excise Tax Reimbursement	2,018,695
State PILOT Program	-
Distressed Community Relief Fund	-
Library Resource Aid	-
Library Construction Aid	-
Public Service Corporation Tax	-
Meals & Beverage Tax / Hotel Tax	561,271
LEA Aid	-
Group Home	-
Housing Aid Capital Projects	-
Housing Aid Bonded Debt	-
State Food Service Revenue	-
Incentive Aid	-
Property Revaluation Reimbursement	-
Other State Revenue	-
Motor Vehicle Phase Out	-
Other Revenue	-
Local Appropriation for Education	-
Regional Appropriation for Education	-
Supplemental Appropriation for Education	-
Regional Supplemental Appropriation for Education	-
Other Education Appropriation	-
Rounding	-
Total Revenue	\$ 32,794,210
Financing Sources: Transfer from Capital Funds	\$ -
Financing Sources: Transfer from Other Funds	44,160
Financing Sources: Debt Proceeds	-
Financing Sources: Other	-
Rounding	-
Total Other Financing Sources	\$ 44,160

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See accompanying notes to supplementary information

TOWN OF WARREN, RHODE ISLAND
 Other Supplementary Information
 Annual Supplemental Transparency Portal (MTP2)
 For the Year Ended June 30, 2024

EXPENDITURES	General Government	Finance	Social Services	Centralized IT	Planning	Libraries	Public Works	Parks and Rec	Police Department
Compensation- Group A	\$ 824,864	\$ 236,780	\$ 17,529	\$ -	\$ 72,686	\$ -	\$ 1,301,105	\$ 120,980	\$ 1,872,354
Compensation - Group B	-	-	-	-	-	-	-	-	409,619
Compensation - Group C	-	-	-	-	-	-	-	-	-
Compensation -Volunteer	-	-	-	-	-	-	-	-	-
Overtime- Group A	-	-	-	-	-	-	84,222	-	290,000
Overtime - Group B	-	-	-	-	-	-	-	-	32,257
Overtime - Group C	-	-	-	-	-	-	-	-	-
Police & Fire Detail	-	-	-	-	-	-	-	-	-
Active Medical Insurance - Group A	176,231	58,741	16,257	-	16,257	-	394,516	-	441,929
Active Medical Insurance- Group B	-	-	-	-	-	-	-	-	-
Active Medical Insurance- Group C	-	-	-	-	-	-	-	-	-
Active Dental insurance- Group A	12,632	2,647	825	-	825	-	22,578	-	23,197
Active Dental Insurance- Group B	-	-	-	-	-	-	-	-	-
Active Dental Insurance- Group C	-	-	-	-	-	-	-	-	-
Payroll Taxes	65,418	18,973	1,328	-	1,328	-	99,635	9,237	167,421
Life Insurance	2,247	634	197	-	197	-	4,468	-	4,832
State Defined Contribution- Group A	5,826	1,897	567	-	567	-	13,682	-	-
State Defined Contribution - Group B	-	-	-	-	-	-	-	-	-
State Defined Contribution - Group C	-	-	-	-	-	-	-	-	-
Other Benefits- Group A	42,387	-	-	-	-	-	21,414	-	93,692
Other Benefits- Group B	-	-	-	-	-	-	-	-	-
Other Benefits- Group C	-	-	-	-	-	-	-	-	-
Local Defined Benefit Pension- Group A	-	-	-	-	-	-	-	-	-
Local Defined Benefit Pension - Group B	-	-	-	-	-	-	-	-	-
Local Defined Benefit Pension - Group C	-	-	-	-	-	-	-	-	-
State Defined Benefit Pension- Group A	64,723	19,624	-	-	-	-	158,769	-	518,739
State Defined Benefit Pension - Group B	-	-	-	-	-	-	-	-	-
State Defined Benefit Pension - Group C	-	-	-	-	-	-	-	-	-
Other Defined Benefit / Contribution	5,000	2,500	-	-	-	-	-	-	39,270
Purchased Services	89,745	42,934	6,176	-	-	-	30,244	-	-
Materials/Supplies	14,261	6,000	16,000	-	1,863	-	103,685	36,655	61,798
Software Licenses	-	-	-	-	6,700	-	-	-	24,575
Capital Outlays	1,593,424	-	-	-	-	-	184,958	-	456,500
Insurance	496,711	-	-	-	-	-	-	-	-
Maintenance	-	-	-	-	-	-	-	-	28,975
Vehicle Operations	210,663	-	-	-	-	-	151,086	-	44,429
Utilities	149,334	-	-	-	-	-	-	-	-
Contingency	-	-	-	-	-	-	-	-	-
Street Lighting	-	-	-	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-	-	-	-
Snow Removal-Raw Material & External Contracts	-	-	-	-	-	-	137,860	-	-
Trash Removal & Recycling	-	-	-	-	-	-	488,800	-	-
Claims & Settlements	5,382,227	-	-	-	-	-	-	-	-
Community Support	79,481	-	-	-	-	-	-	-	-
Other Operation Expenditures	371,460	8,231	-	-	27,521	337,871	252,264	-	53,190
Tipping Fees	-	-	-	-	-	-	215,590	-	-
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	\$ 9,586,634	\$ 398,961	\$ 58,879	\$ -	\$ 127,944	\$ 337,871	\$ 3,664,876	\$ 166,872	\$ 4,562,777

See independent auditor's report

See accompanying notes to supplementary information

TOWN OF WARREN, RHODE ISLAND
 Other Supplementary Information
 Annual Supplemental Transparency Portal (MTP2)
 For the Year Ended June 30, 2024

EXPENDITURES	Fire Department	Centralized Dispatch	Public Safety Other	Education Appropriation	Debt	OPEB	Total Municipal
Compensation- Group A	\$ 123,504	\$ 265,093	\$ 100,768	\$ -	\$ -	\$ -	\$ 4,935,663
Compensation - Group B	83,601	-	-	-	-	-	499,220
Compensation - Group C	-	-	-	-	-	-	-
Compensation -Volunteer	581,867	-	-	-	-	-	581,867
Overtime- Group A	-	32,257	-	-	-	-	406,479
Overtime - Group B	-	-	-	-	-	-	32,257
Overtime - Group C	-	-	-	-	-	-	-
Police & Fire Detail	-	-	-	-	-	-	-
Active Medical Insurance - Group A	33,581	81,568	17,181	-	-	-	1,236,261
Active Medical Insurance- Group B	16,283	-	-	-	-	-	16,283
Active Medical Insurance- Group C	-	-	-	-	-	-	-
Active Dental Insurance- Group A	1,723	4,128	836	-	-	-	69,391
Active Dental Insurance- Group B	847	-	7,811	-	-	-	8,658
Active Dental Insurance- Group C	-	-	-	-	-	-	-
Payroll Taxes	16,238	22,599	197	-	-	-	402,374
Life Insurance	561	935	559	-	-	-	14,630
State Defined Contribution- Group A	-	2,953	-	-	-	-	25,492
State Defined Contribution - Group B	559	-	-	-	-	-	559
State Defined Contribution - Group C	-	-	-	-	-	-	-
Other Benefits- Group A	4,000	-	-	-	-	-	161,493
Other Benefits- Group B	-	-	-	-	-	-	-
Other Benefits- Group C	-	-	-	-	-	-	-
Local Defined Benefit Pension- Group A	-	-	-	-	-	-	-
Local Defined Benefit Pension - Group B	-	-	-	-	-	-	-
Local Defined Benefit Pension - Group C	-	-	-	-	-	-	-
State Defined Benefit Pension- Group A	-	34,189	6,417	-	-	-	802,461
State Defined Benefit Pension - Group B	6,471	-	-	-	-	-	6,471
State Defined Benefit Pension - Group C	-	-	-	-	-	-	-
Other Defined Benefit / Contribution	6,500	-	-	-	-	-	53,270
Purchased Services	-	-	-	-	-	-	169,099
Materials/Supplies	123,771	-	-	-	-	-	364,033
Software Licenses	-	-	-	-	-	-	31,275
Capital Outlays	179,722	-	-	-	-	-	2,414,604
Insurance	-	-	-	-	-	-	496,711
Maintenance	15,677	-	-	-	-	-	44,652
Vehicle Operations	85,720	-	-	-	-	-	491,898
Utilities	-	-	-	-	-	-	149,334
Contingency	-	-	-	-	-	-	-
Street Lighting	-	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-	-
Snow Removal-Raw Material & External Contracts	-	-	-	-	-	-	137,860
Trash Removal & Recycling	-	-	-	-	-	-	488,800
Claims & Settlements	-	-	-	-	-	-	5,382,227
Community Support	-	-	-	-	-	-	79,481
Other Operation Expenditures	18,000	-	-	-	-	-	1,068,537
Tipping Fees	-	-	-	-	-	-	215,590
Local Appropriation for Education	-	-	-	-	-	-	-
Regional Appropriation for Education	-	-	-	14,302,480	-	-	14,302,480
Supplemental Appropriation for Education	-	-	-	-	-	-	-
Regional Supplemental Appropriation for Education	-	-	-	-	-	-	-
Other Education Appropriation	-	-	-	-	-	-	-
Municipal Debt- Principal	-	-	-	-	2,123,821	-	2,123,821
Municipal Debt- Interest	-	-	-	-	772,090	-	772,090
School Debt- Principal	-	-	-	-	-	-	-
School Debt- Interest	-	-	-	-	-	-	-
Retiree Medical Insurance- Total	-	-	-	-	-	212,978	212,978
Retiree Dental Insurance- Total	-	-	-	-	-	6,847	6,847
OPEB Contribution- Total	-	-	-	-	-	-	-
Rounding	-	-	-	-	-	-	-
Total Expenditures	\$ 1,298,625	\$ 443,722	\$ 133,769	\$ 14,302,480	\$ 2,895,911	\$ 219,825	\$ 38,199,146

Financing Uses: Transfer to Capital Funds	\$ -
Financing Uses: Transfer to Other Funds	263,730
Financing Uses: Payment to Bond Escrow Agent	-
Financing Uses: Other	-
Total Other Financing Uses	\$ 263,730
Net Change in Fund Balance¹	(5,624,506)
Fund Balance¹ - beginning of year	\$8,842,683
Funds removed from Reportable Government Services (RGS)	152,772
Funds added to Reportable Government Services (RGS)	-
Prior period adjustments	-
Misc. Adjustment	-
Fund Balance¹ - beginning of year adjusted	8,995,455
Rounding	-
Fund Balance¹ - end of year	\$ 3,370,949

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

See independent auditor's report

See accompanying notes to supplementary information

TOWN OF WARREN, RHODE ISLAND
 Other Supplementary Information
 Annual Supplemental Transparency Portal (MTP2)
 For the Year Ended June 30, 2024

Per Audited Fund Financial Statements Fund Description	Total Revenue	Total Other Financing Sources	Total Expenditures	Total Other Financing Uses	Net Change in Fund Balance ¹	Beginning Fund Fund Balance ² (Deficit)	Prior Period Adjustment	Restated Beginning Fund Balance ² (Deficit)	Ending Fund Balance ¹ (Deficit)
Fund Balance¹ - per MTP-2 at June 30, 2023						\$ 8,842,683	\$ -	\$ 8,842,683	
<i>funds removed from RGS for fiscal 2023</i>						152,772	-	152,772	
<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>\$ 8,995,455</u>	<u>\$ -</u>	<u>\$ 8,995,455</u>	
General Fund	\$ 31,591,281	\$ 44,160	\$ 37,221,217	\$ -	\$ (5,585,776)	\$ 8,944,615	\$ -	\$ 8,944,615	\$ 3,358,839
COVID ARPA	1,202,929	-	977,929	225,000	-	3,560	-	3,560	3,560
COVID Other-Vaccine Clinics	-	-	-	-	-	5,520	-	5,520	5,520
COVID FEMA	-	-	-	38,730	(38,730)	41,760	-	41,760	3,030
Totals per audited financial statements	<u>\$ 32,794,210</u>	<u>\$ 44,160</u>	<u>\$ 38,199,146</u>	<u>\$ 263,730</u>	<u>\$ (5,624,506)</u>	<u>\$ 8,995,455</u>	<u>\$ -</u>	<u>\$ 8,995,455</u>	<u>\$ 3,370,949</u>
Reconciliation from financial statements to MTP2									
Rounding	-	-	-	-	-	-	-	-	-
Totals Per MTP2	<u>\$ 32,794,210</u>	<u>\$ 44,160</u>	<u>\$ 38,199,146</u>	<u>\$ 263,730</u>	<u>\$ (5,624,506)</u>	<u>\$ 8,995,455</u>	<u>\$ -</u>	<u>\$ 8,995,455</u>	<u>\$ 3,370,949</u>

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See accompanying notes to supplementary information

TOWN OF WARREN, RHODE ISLAND
Supplementary Information
Notes to Annual Supplemental Transparency Portal (MTP2)
For the Year Ended June 30, 2024

NOTE 1- BASIS OF PRESENTATION

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

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

NOTE 2- REPORTABLE GOVERNMENT SERVICES

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

NOTE 3- ALLOCATIONS

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

NOTE 4- EMPLOYEE GROUPS – COMPENSATION AND BENEFIT COSTS

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

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

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

- Police Department- Police officers (e.g., uniform personnel including leadership positions)
- Fire Department- Fire fighters (e.g., uniform personnel including leadership positions)
- Centralized Dispatch Department- Civilian dispatchers only
- Education Department- Professional staff providing direct services to students
- 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.

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TOWN OF WARREN, RHODE ISLAND
Supplementary Information
Notes to Annual Supplemental Transparency Portal (MTP2)
For the Year Ended June 30, 2024

NOTE 4- EMPLOYEE GROUPS – COMPENSATION AND BENEFIT COSTS *(continued)*

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

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

NOTE 5- EDUCATION REVENUE AND EXPENDITURE

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

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

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See accompanying notes to supplementary information

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

To the Honorable Town Council
Town of Warren
Warren, Rhode Island

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Warren, Rhode Island, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise Town of Warren's basic financial statements, and have issued our report thereon dated July 17, 2025.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of This Report

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

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

Fall River, Massachusetts

July 17, 2025