TOWN OF CHARLESTOWN, RHODE ISLAND

Annual Financial Statements

For the Fiscal Year Ended

June 30, 2024

Patrick Gormley

Treasurer

Prepared by: Treasurer's Office

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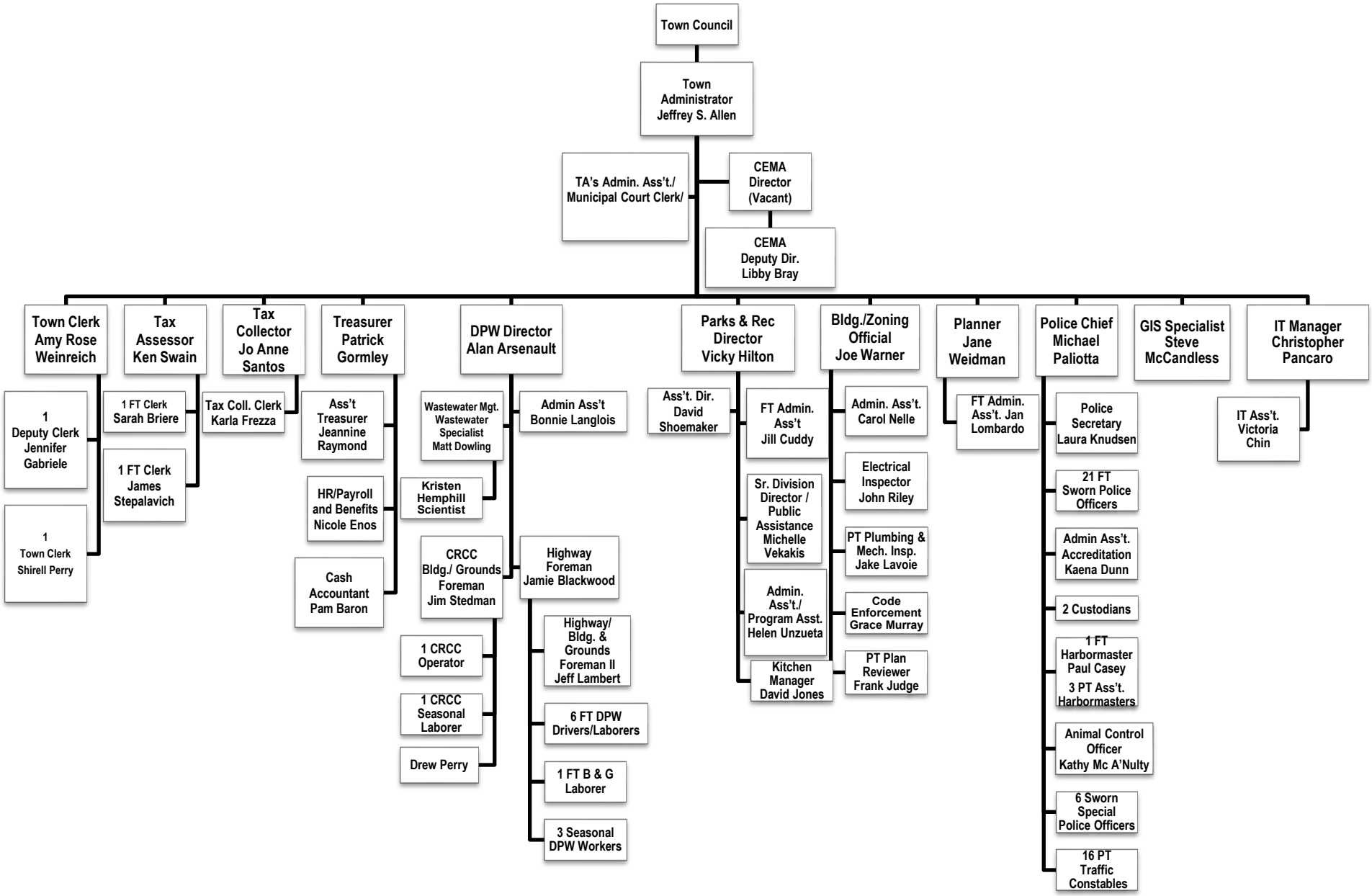
Charlestown, RI
Government Organizational Chart



FY '24

Municipal Officers

Town Council

Deborah A. Carney, President
Rippy Serra, Vice President
Susan J. Cooper
Peter Slom
Stephen J. Stokes

Town Officials

Town Administrator	Jeffrey Allen
Chief of Police	Michael Paliotta
Town Clerk	Amy Rose Weinreich
Treasurer	Patrick Gormley
Tax Collector	JoAnne Santos
Tax Assessor	Ken Swain
Building & Zoning Official	Joseph Warner
Public Works Director	Alan Arsenault
Parks & Recreation Director	Vicky Hilton
Town Planner	Jane Weidman
Animal Control Officer	Kathy A. McA'Nulty
Harbormaster	Paul Casey
Town Solicitor	Peter Ruggiero
Probate Solicitor	Robert Craven
Solicitor Indian Affairs	Joseph Larisa Jr.
Sealer of Weights & Measurers	Anthony Goes
Custodian of Cemeteries	Francis Fenner
GIS	Stephen McCandless
Information Technology	Christopher Pancaro
Wastewater Management Director	Matthew Dowling
Senior Center Director/Public Assistance	Michelle Vekakis

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Independent Auditor's Report

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

Report on the Audit of the Financial Statements

Opinions

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

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

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town of Charlestown, 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 Charlestown, Rhode Island's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and supplementary pension and other post-employment benefit information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements,

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

Supplementary Information

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

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 14, 2025 on our consideration of the Town of Charlestown, Rhode Island 's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town of Charlestown, Rhode Island's internal control

over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Town of Charlestown, Rhode Island 's internal control over financial reporting and compliance.

Bacon & Company CPAs, LLC

Warwick, Rhode Island
March 14, 2025

Town of Charlestown, Rhode Island

Management's Discussion and Analysis

The Town of Charlestown's Management Discussion and Analysis is designed to assist the reader in focusing on significant issues. It provides an overview of the Town's financial activity and changes in financial position for the current year only. Since the Management Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes and currently known facts, it should be read in conjunction with the Financial Statements (beginning on page 16).

Highlights

Financial Highlights

The Town's net position increased by $1,313,527 (or 3.77%). Governmental activities net position increased by $1,282,626, (or 3.74%), while the business-type activities net position increased by $30,901, (or 5.87%). In 2023, governmental activities net position increased by $626,089 (or 1.86%), while the business-type activities net position increased by $7,344, (or 1.41%).

Governmental activities revenues for the year ending June 30, 2024, totaled $29,407,657 including charges for services at $1,740,822, operating grants and contributions at $1,647,845, capital grants and contributions at $80,566 with the balance of revenue from property taxes, revenue sharing, investment interest, and contributions not restricted to specific programs of $25,938,424.

Business-type activities revenues for the year ending June 30, 2024, totaled $344,422 including charges for services of $323,063, and investment income of $21,359.

Governmental activities expenses for the fiscal year totaled $28,094,008. Business-type activities expenses for the fiscal year totaled $344,544.

On the GAAP basis, expenditures were $27,612,740 for the general fund; $124,800 for the American Rescue Plan Fund, $388,584 for the non-major governmental funds; and $344,544 for proprietary funds.

Use of the Annual Report

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities (on pages 16 through 17) provide information about the activities of the Town as a whole and present a longer-term view of the Town's finances. Fund financial statements start on page 18. For governmental

funds, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Town's operations in more detail than the government-wide statements by providing information about the Town's most significant funds. The remaining statements provide financial information about activities for which the Town acts solely as a trustee or agent for the benefit of those outside of the government.

The financial statement focus is on both the Town as a whole and its government-wide funds, as well as its business type activities. All these perspectives allow the user to address relevant questions, broaden the basis for comparison, and enhance accountability.

Reporting the Town as a whole:

One of the most important questions asked about Town finances is "Is the Town as a whole better or worse financially as a result of this year's activities"? The Statement of Net Position and Statement of Activities reports information in a way that gives the reader the answer to the above question. Statements include all assets, deferred outflows of resources, liabilities, and deferred inflows of resources using the accrual method of accounting, similar to that of private business. All revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the Town's net position and changes therein. The Town's net position is the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources. This measures the Town's financial health or financial position. Over time, increases or decreases in net position are an indicator of whether the financial health of the Town is improving or declining. Other non-financial factors to consider are changes in the Town's property tax base and the condition of town roads and buildings when assessing the overall financial picture. In the Statement of Net Position and Statement of Activities the Town is divided into two sections: Governmental and Business-type (Enterprise) activities.

Significant Funds

The analysis of the Town's most significant funds begins on page 18. The Fund Financial Statements provide detailed information on the general fund, and American Rescue Plan fund, not the Town as a whole. Some funds are required to be established by State law or by bond covenants. However, the Town Council mainly through the Financial Town Referendum establishes other funds to help control and manage money for a particular purpose or project. Individual funds track costs more closely than in the general everyday use of funds (i.e. road paving, engineering) or to show that all legal responsibilities for using certain grants, and other miscellaneous funds donated or sent to the Town through other sources than property taxes.

Proprietary funds are those that the Town charges its customers for a service it provides – such as the Collection Center where taxpayers deliver their rubbish and recyclables or Coastal Ponds for the registration and use of pond moorings for ocean

front property owners. Proprietary funds are like little businesses and are accounted for individually in order to know whether the funding for the service is adequate for the service provided.

The Town may be a trustee for certain types of funds or a fiduciary for certain activities. The Town is responsible for ensuring that the assets reported in these funds are used for their intended purpose. At the present time the Town has only one fiduciary fund for the other post-employment benefit trust fund.

Town as a Whole

Analysis as a Whole

Included below is a condensed Statement of Net Position for the Town. The condensed format allows the reader to view the overall financial position of the Town.

Governments Wide Statements
Statement of Net Position
As of June 30:

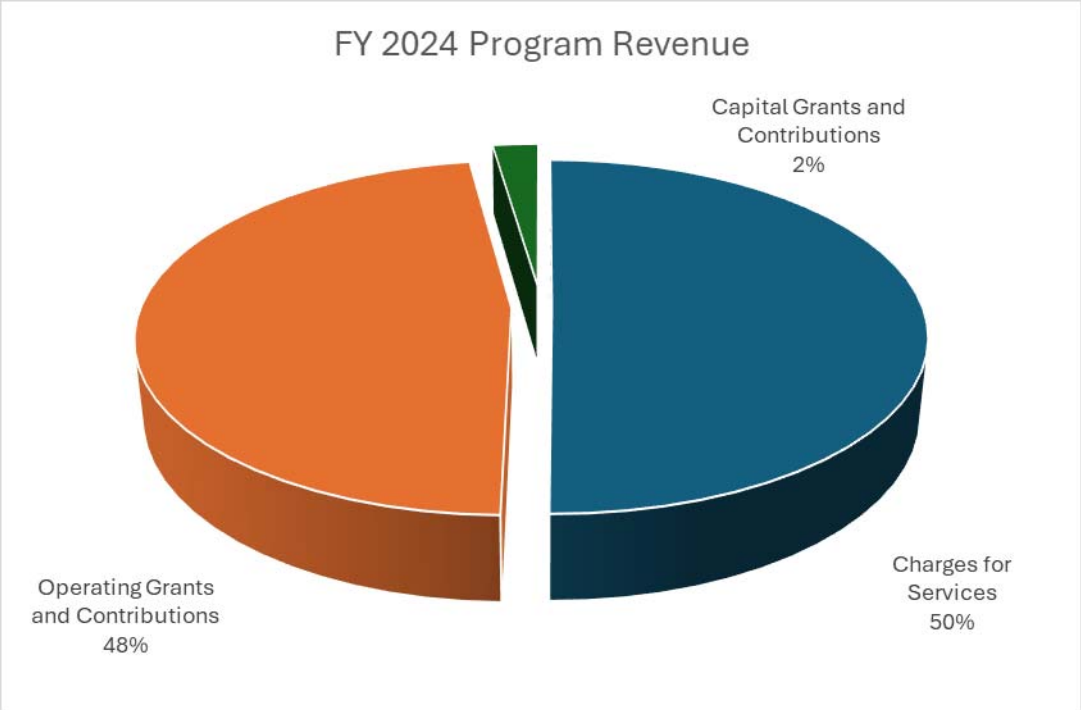
	Governmental Activities		Business-Type Activities		Total Primary Government	
	2024	2023	2024	2023	2024	2023
Current and Other Assets	17,858,749	15,388,173	318,140	251,545	18,176,889	15,639,718
Capital Assets	26,812,356	28,047,187	282,227	308,516	27,094,583	28,355,703
Total Assets	44,671,105	43,435,360	600,367	560,061	45,271,472	43,995,421
Deferred Outflows of resources	1,130,255	2,028,571	0	0	1,130,255	2,028,571
Current Liabilities	2,075,214	2,094,573	15,636	10,982	2,090,850	2,105,555
Long Term Liabilities	5,721,355	6,550,777	27,039	22,288	5,748,394	6,573,065
Total Liabilities	7,796,569	8,645,350	42,675	33,270	7,839,244	8,678,620
Deferred Inflows of Resources	2,459,653	2,556,069	0	0	2,459,653	2,556,069
Net Investment in Capital Assets	24,865,934	25,611,113	282,227	308,516	25,148,161	25,919,629
Restricted for Other Purpose	2,980,203	2,034,327	10,000	10,000	2,990,203	2,044,327
Unrestricted	7,699,001	6,617,072	265,465	208,275	7,964,466	6,825,347
Total Net Position	35,545,138	34,262,512	557,692	526,791	36,102,830	34,789,303

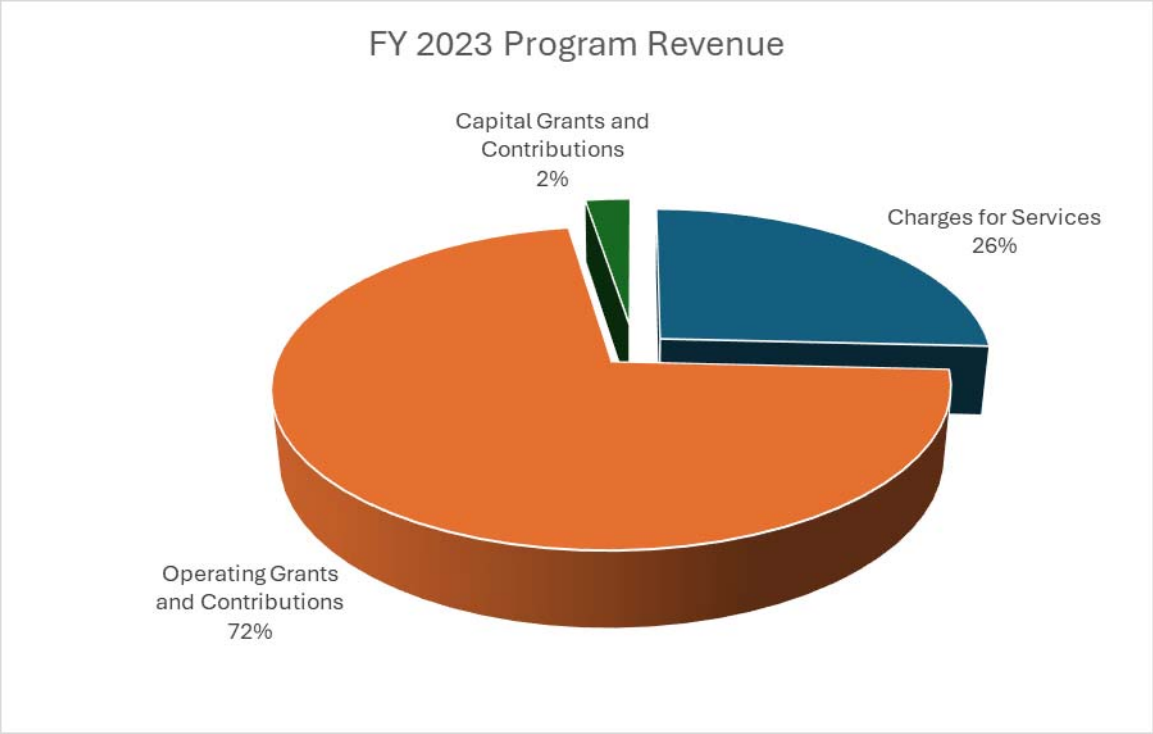
Net Position equals Total Assets plus Deferred Outflows of Resources less Total Liabilities and Deferred Inflows of Resources.

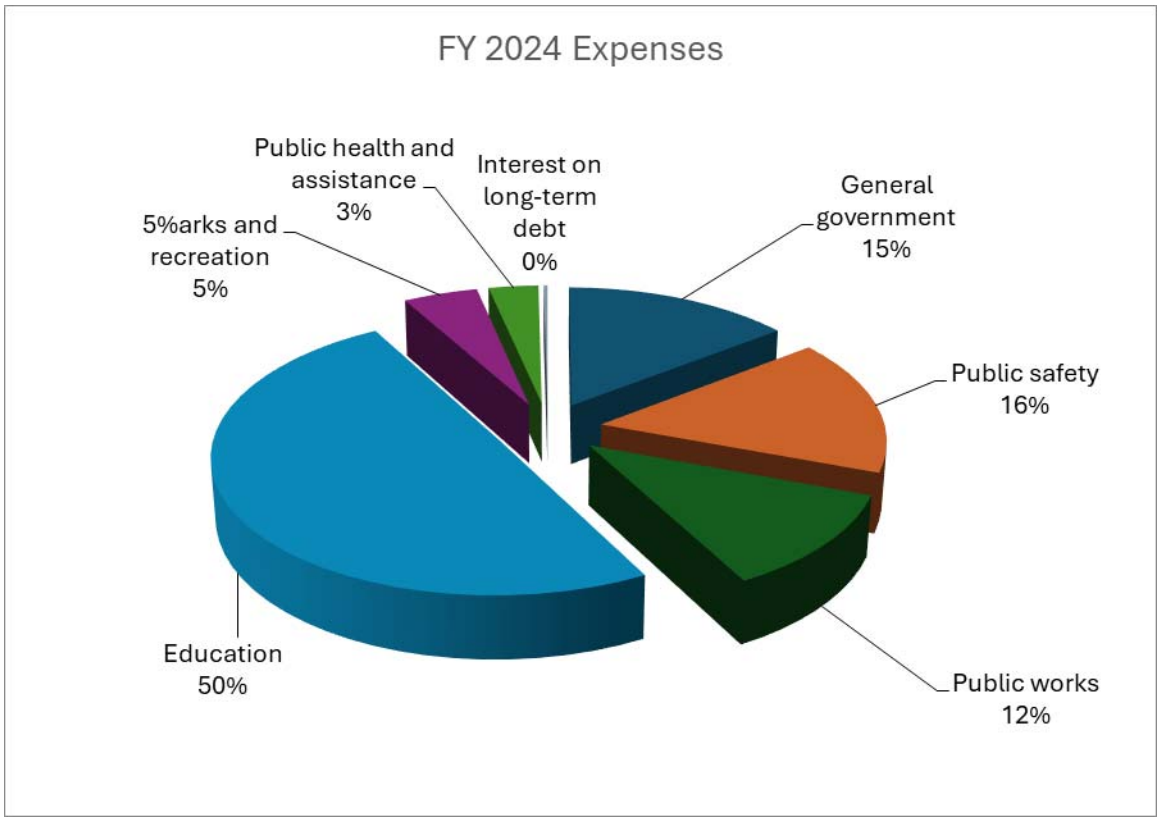
Changes in Net Position
For fiscal Year Ended
June 30:

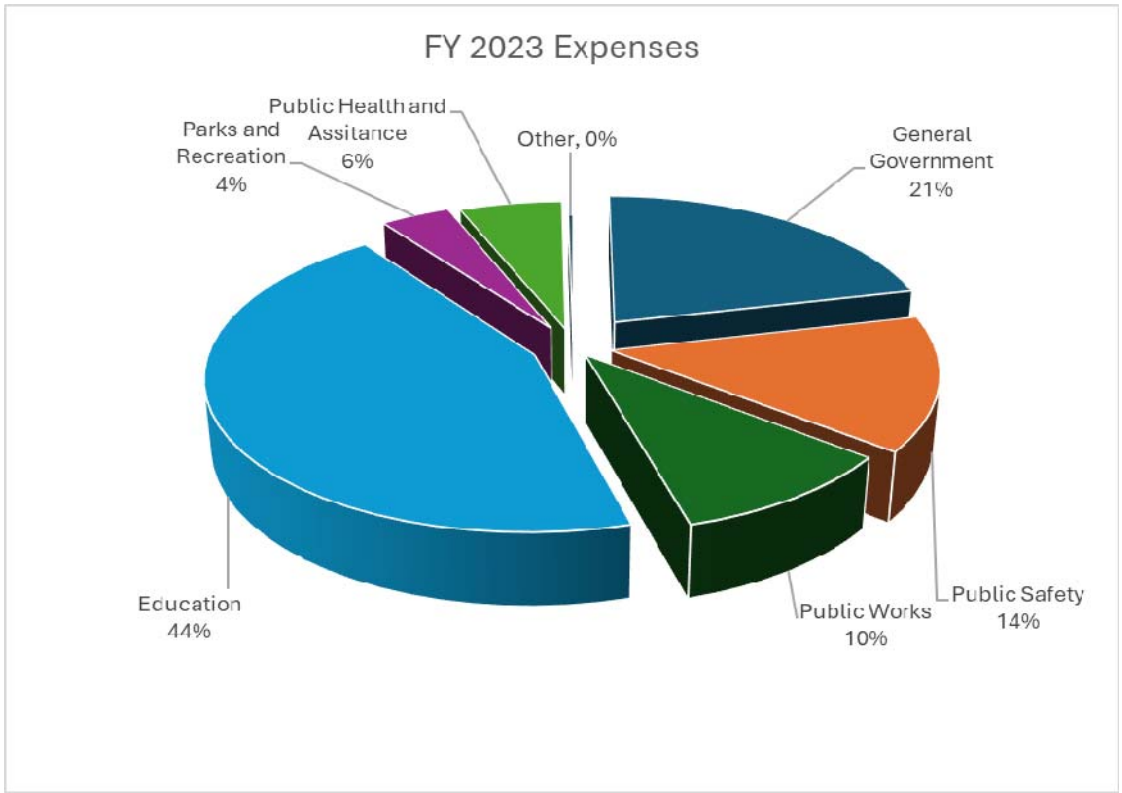
	Governmental Activities		Business-Type Activities		Total Primary Government	
	2024	2023	2024	2023	2024	2023
Revenue:						
Program Revenue:						
Charges for services	1,740,822	1,672,422	323,063	322,119	2,063,885	1,994,541
Operating Grants & Contributions	1,647,845	4,651,811	-	-	1,647,845	4,651,811
Capital Grants & Contributions	80,566	167,028	-	-	80,566	167,028
Total Program Revenue	3,469,233	6,491,261	323,063	322,119	3,792,296	6,813,380
General Revenue:						
Property Tax	23,999,735	23,228,475	-	-	23,999,735	23,228,475
State aid and in lieu of taxes, not restricted for specific purpose	1,453,686	1,429,136	-	-	1,453,686	1,429,136
Unrestricted Investment Earnings	449,880	267,348	21,359	7,053	471,239	274,401
Miscellaneous	35,123	118,746	-	-	35,123	118,746
Total General Revenue	25,938,424	25,043,705	21,359	7,053	25,959,783	25,050,758
Total Revenue	29,407,657	31,534,966	344,422	329,172	29,752,079	31,864,138
Expenses:						
General Government	4,087,712	6,602,026	-	-	4,087,712	6,602,026
Public Safety	4,520,263	4,384,024	-	-	4,520,263	4,384,024
Public Works	3,236,776	3,105,584	-	-	3,236,776	3,105,584
Education	13,957,576	13,688,234	-	-	13,957,576	13,688,234
Parks & Recreation	1,332,122	1,227,260	-	-	1,332,122	1,227,260
Public Health & Assistance	891,111	1,811,611	-	-	891,111	1,811,611
Interest on Long Term Debt	68,448	75,837	-	-	68,448	75,837
Residential Collection Center	-	-	274,063	262,728	274,063	262,728
Coastal Pond Management	-	-	70,481	73,401	70,481	73,401
Total Expenses	28,094,008	30,894,576	344,544	336,129	28,438,552	31,230,705
Excess (deficiency) Of Revenue Over Expenses Before Transfers	1,313,649	640,390	(122)	(6,957)	1,313,527	633,433
Transfers	(31,023)	(14,301)	31,023	14,301	-	-
Change in Net Position	1,282,626	626,089	30,901	7,344	1,313,527	633,433
Net Position Beginning	34,262,512	33,636,423	526,791	519,447	34,789,303	34,155,870
Net Position Ending	35,545,138	34,262,512	557,692	526,791	36,102,830	34,789,303

The following pie charts delineate the preceding chart by percentages for Governmental Activities. Sometimes it is easier to envision the totals when looking at it as pie slices.






FY 2024 Expenses
Public health and assistance 3%
Interest on long-term debt 0%
General government 15%
5%arks and recreation 5%
Public safety 16%
Education 50%
Public works 12%


FY 2023 Expenses
Public Health and Assitance 6%
Other, 0%
General Government 21%
Parks and Recreation 4%
Education 44%
Public Works 10%
Public Safety 14%

Normal Impact:

There are six basic transactions that affect comparability of Net Position.

1. Net results of activities – will increase or decrease current and unrestricted

2. Borrowing of Capital – increases current assets and long-term debt

3. Spending Borrowed Proceeds on New Capital – reduces current assets and increases capital. Also, a second impact occurs – increase in the net investment in capital assets and an increase in related net debt – note the investment in capital assets will not change the capital asset net of debt.

4. Spending of non-borrowed Current Assets on New Capital – will (a) reduce current assets and increase capital assets and (b) reduce unrestricted net assets and increase invested in capital assets, net of debt.

5. Principal Payment on Debt – a) reduce current assets and long-term debt and (b) reduce unrestricted assets and increase invested capital assets, net of debt.

6. Reduction of Assets through Depreciation – reduces capital assets and invested in capital assets, net of debt.

Changes in net position of the Town's activities as a whole (includes governmental and business-type activities) was $1,313,527 and $633,433 for fiscal year 2024 and 2023, respectively, resulting from the difference between expenses and revenues. For fiscal year 2024, governmental activities expenses net of their pertinent revenues were $24,624,775, while revenue not attributed to any activity in the government and transfers were $25,907,401, therefore netting an increase of $1,282,626 in net position. For fiscal year 2023, governmental activities expenses net of their pertinent revenues was $24,403,315, while revenues not attributed to any activity in the government and transfers were $25,029,404, therefore netting an increase of $626,089 in net position.

Business-type Activities:

The change in net position for the business-type activities for fiscal year 2024 and 2023 was $30,901 and $7,344, respectively.

Town's Funds:

General Fund & Other Governmental funds:

The Town implemented the provisions of Governmental Accounting Standards Board Statement 54, *Fund Balance Reporting and Governmental Fund Type Definitions* (GASB 54*)* in fiscal year 2011. GASB 54 establishes criteria for classifying fund balances into specifically defined classifications and clarifies the definitions for governmental funds. GASB 54 defines the following five categories of fund balance:

> Nonspendable – items that cannot be spent because they are not in a spendable form, or legally or contractually required to be maintained intact.
>
> Restricted – items that are restricted by external parties or imposed by grants, laws or legislation.
>
> Committed – items that have been committed by formal action by the entity's highest level of decision-making authority.
>
> Assigned – items that have been allocated by committee action where the government's intent is to use the funds for a specific purpose.
>
> Unassigned – items that have no restrictions placed on them.

At the end of June 2024, the general fund balance sheet showed a fund balance of $12,238,156. This figure results from all assets allocated to the fund less its liabilities and deferred inflows of resources, as presented on page 18. Of this total, $168,145 was nonspendable for prepaid expenditures, $4,451,448 was committed mainly for capital and maintenance projects, employee severance benefits and general government expenditures, and $7,618,563 was unassigned. The Town was also required to show any other major funds which are determined by criteria listed by the GASB. Other governmental funds had a fund balance of $656,733, $338,260 was restricted mainly for general government expenditures, $318,670 was committed, and $(197) was unassigned. The total fund balance for the aforementioned funds is $12,894,889.

At the end of June 2023, the general fund balance sheet showed a fund balance of $10,788,263. Of this total, $20,650 was nonspendable for prepaid expenditures, $4,149,452 was committed mainly for capital projects, employee severance benefits, and general government expenditures, $415,644 was assigned, and $6,202,517 was unassigned. The Town was also required to show any other major funds which are determined by criteria listed by the GASB. Other governmental funds had a fund balance of $628,109 of which $351,991 was restricted mainly for general government expenditures, $276,424 was committed and $(306) was unassigned. The total fund balance for the aforementioned funds is $11,416,372.

For fiscal year 2024 the American Rescue Plan Fund was presented as a major fund with balance of $836,003 in unearned revenue. This fund represents revenue replacement related to COVID-19 pandemic period which is funded by federal government through the State of Rhode Island and will be utilized as subsidy for projects related to capital projects related to public facilities and grants to outside agencies.

Business-type Activities:

The business-type activities for the Town are the Residential Collection Center and the Coastal Pond Management. These two entities combined had total net position of $557,692 at June 30, 2024, of which $282,227 is the net investment in capital assets, $10,000 is restricted and $265,465 is unrestricted. At June 30, 2023, these two entities combined had total net position of $526,791 of which $308,516 was the net investment in capital assets, $10,000 was restricted and $208,275 was unrestricted.

Required Supplemental Information

In addition to this MD&A and the basic financial statements, this report also presents certain Required Supplemental Information. For the Town of Charlestown, this Required Supplemental Information includes the Budgetary Comparison Schedule for the General Fund that can be found on pages 72-74. The presentation under GASB 34 requires disclosure of both the original and final budget. The original budget is the first complete appropriated budget. The final budget is the original budget adjusted by all reserves, transfers, allocations, supplemental appropriations, and other legally authorized legislative and executive changes applicable to the fiscal year.

Analysis of Significant Budget Variations in the General Fund

For the year ended June 30, 2024, the general fund revenues exceeded budget projections by $133,878, or 0.45%. The general fund expenditures were less than the budget by $1,179,661, or 3.96%. This resulted in a $1,313,539 budgetary surplus in the general fund for the year ending June 30, 2024.

The most significant revenue variances were tax collections in the amount of $60,755, State education aid revenue in the amount of ($32,132), Transfer Stamp revenue of $(177,124), Recording Fees revenue of ($65,099), Building Inspector revenue of ($42,460), Recreation revenue of $59,497 Town Beach Parking revenue of $45,613, and Police department revenue of $37,828. The most significant expense variances were savings in the Finance Director, Town Clerks office, Central Services, and Building Inspectors departments and Public Works department for highways and roads.

For the year ended June 30, 2023, the general fund revenues fell short of budget projections by $394,488, or 1.36%. The general fund expenditures were less than the

budget by $1,036,818 or 3.58%. This resulted in a $642,330 budgetary surplus in the general fund for the year ending June 30, 2023.

The most significant revenue variances were tax collections in the amount of $(1,029,793), Motor Vehicle Phase out revenue in the amount of $710,877, Recording Fees revenue of $(69,414), and Transfer Stamp revenue of $(67,903). The most significant expense variances were savings in the Public Works department for highways and roads as well as the Police Department and Town Planner.

Capital Assets and Long-Term Debt

Capital Assets

The Town of Charlestown's net investment in capital assets for its governmental and business-type activities as of June 30, 2024, and 2023 amounted to $27.1 and $28.4 million, respectively (net of accumulated depreciation). This net investment in capital assets includes construction-in-progress, land, buildings and improvements, motor vehicles, equipment, and infrastructure.

The presentation below for the current fiscal year lists the major categories of capital assets for governmental activities and business-type activities. Infrastructure assets, assets that are long-lived and can be preserved for a significantly greater number of years than most capital assets and that normally are stationary in nature such as streets, sidewalks and curbing are subject to different rules under the standards established by GASB 34.

Capital Assets at June 30:
(In Millions)

	Governmental Activities		Business-Type Activities		Totals	
	2024	2023	2024	2023	2024	2023
Motor Vehicles	4.5	4.4	0.2	0.2	4.7	4.6
Equipment	2.2	2.1	0.5	0.5	2.7	2.6
Infrastructure	52.4	52.3	0.0	0.0	52.4	52.3
Buildings and Improvements	11.1	11.0	0.1	0.1	11.2	11.1
Land and Land Improvements	12.9	12.8	0.2	0.2	13.1	13.0
Construction-in-progress	0.0	0.0	0.0	0.0	0.0	0.0
Total Assets	83.1	82.7	1.0	0.9	84.1	83.7
Less: Accumulated Depreciation	-56.3	-54.7	-0.7	-0.6	-57.0	-55.3
Net Capital Assets	26.8	28.0	0.3	0.3	27.1	28.4

The Town's investment in capital assets for its governmental and business-type activities as of June 30, 2024, was $84.1 million less accumulated depreciation of $57.0 million for a net investment in capital assets of $27.1 million.

The Town's investment in capital assets for its governmental and business-type activities as of June 30, 2023, was $83.7 million less accumulated depreciation of $55.3 million for a net investment in capital assets of $28.4 million.

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

- $ 147,499 for Machinery & Equipment
- $ 119,059 for Vehicles
- $ 93,864 for Buildings and improvements
- $ 47,882 for Subscription assets
- $ 39,700 for Land improvements

Additional information on the Town's capital assets can be found in Note 6 on pages 39 – 40 of this report.

Long-Term Debt

As of June 30, 2024, the Town had total long-term liabilities of $6.2 million. Of that, $1.8 million related to bonded debt guaranteed by the Town's assets, $0.1 related to landfill monitoring costs; $1.6 million related to compensated absences.

As of June 30, 2023, the Town had total long-term liabilities of $7.2 million. Of that, $2.4 million related to bonded debt guaranteed by the Town's assets, $0.1 related to landfill monitoring costs; $1.3 million related to compensated absences.

The business-type activities had long-term liabilities $27,039 on June 30, 2024. This is related to compensated absences.

The business-type activities had long-term liabilities $22,288 on June 30, 2023. This is related to compensated absences.

Additional information can be found in Note 7 on pages 40-42 of this report.

The Town's bond ratings are as follows:

- Moody's: Aa2

Request for Information

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the Town's finances and to show the Town's accountability for the money it receives. If you have questions about this report or need additional information, contact the Office of the Treasurer at the Town of Charlestown, 4540 South County Trail, Charlestown, RI 02813.

B A S I C F I N A N C I A L S T A T E M E N T S

THE BASIC FINANCIAL STATEMENTS INCLUDE:

Government-Wide Financial Statements

Fund Financial Statements:
- Governmental Funds
- Proprietary Funds
- Fiduciary Funds

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

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

	Governmental Activities	*Business-Type Activities*	*Total*
Assets			
Current assets:			
Cash and cash equivalents	$ 12,783,828	$ 1,270,484	$ 14,054,312
Restricted cash and cash equivalents	-	16,938	16,938
Investments	500	-	500
Property taxes receivable, net	367,098	-	367,098
Due from federal and state governments	6,592	-	6,592
Other receivables	466,370	3,600	469,970
Internal balances	972,882	(972,882)	-
Prepaid expenses	330,645	-	330,645
Total current assets	14,927,915	318,140	15,246,055
Noncurrent assets:			
Capital assets: (Note 6)			
Non-depreciable assets	10,847,775	99,500	10,947,275
Depreciable assets, net	15,964,581	182,727	16,147,308
Net pension asset	1,105,545	-	1,105,545
Net other post-employment benefit asset	1,536,398	-	1,536,398
Other assets	288,891	-	288,891
Total noncurrent assets	29,743,190	282,227	30,025,417
Total assets	44,671,105	600,367	45,271,472
Deferred Outflows of Resources			
Deferred pension amounts	1,053,596	-	1,053,596
Deferred other post-employment benefit amounts	76,659	-	76,659
Total deferred outflows of resources	1,130,255	-	1,130,255
Liabilities			
Current liabilities:			
Accounts payable	543,544	13,360	556,904
Accrued payroll	117,241	2,276	119,517
Accrued interest payable	29,009	-	29,009
Unearned revenue	878,513	-	878,513
Other liabilities	33,069	-	33,069
Subscription liability - due within one year	23,507	-	23,507
Financed purchase payable - due within one year	12,179	-	12,179
Landfill post closure costs	8,152	-	8,152
Long-term debt - due within one year (Note 7)	430,000	-	430,000
Total current liabilities	2,075,214	15,636	2,090,850
Noncurrent liabilities:			
Long-term debt - due in more than one year (Note 7)	1,568,716	-	1,568,716
Subscription liability - due in more than one year	52,484	-	52,484
Financed purchase payable- due in more than one year	38,252	-	38,252
Accrued compensated absences	1,557,055	27,039	1,584,094
Landfill post closure costs	40,760	-	40,760
Net pension liability	2,464,088	-	2,464,088
Total noncurrent liabilities	5,721,355	27,039	5,748,394
Total liabilities	7,796,569	42,675	7,839,244
Deferred Inflows of Resources			
Deferred pension amounts	1,311,561	-	1,311,561
Deferred other post-employment benefit amounts	1,148,092	-	1,148,092
Total deferred inflows of resources	2,459,653	-	2,459,653
Net position			
Net investment in capital assets	24,865,934	282,227	25,148,161
Restricted for:			
Endowment	-	10,000	10,000
Public health and assistance programs	72,151	-	72,151
Environmental programs	53,424	-	53,424
Historical and vital records	193,384	-	193,384
Employee benefit plans	2,641,943	-	2,641,943
Other programs	19,301	-	19,301
Unrestricted	7,699,001	265,465	7,964,466
Total net position	$ 35,545,138	$ 557,692	$ 36,102,830

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

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

Functions/Programs	*Expenses*	*Program Revenues*			*Net (Expense) Revenue and Changes in Net Position*		
		Charges for Services	*Operating Grants and Contributions*	*Capital Grants and Contributions*	*Governmental Activities*	*Business-Type Activities*	*Total*
Governmental Activities:							
General government	$ 4,087,712	$ 781,391	$ 2,253	$ 39,668	$ (3,264,400)	$ -	$ (3,264,400)
Public safety	4,520,263	138,048	45,649	40,898	(4,295,668)	-	(4,295,668)
Public works	3,236,776	3,125	152,552	-	(3,081,099)	-	(3,081,099)
Education	13,957,576	-	1,372,841	-	(12,584,735)	-	(12,584,735)
Parks and recreation	1,332,122	818,258	74,550	-	(439,314)	-	(439,314)
Public health and assistance	891,111	-	-	-	(891,111)	-	(891,111)
Interest on long-term debt	68,448	-	-	-	(68,448)	-	(68,448)
Total governmental activities	28,094,008	1,740,822	1,647,845	80,566	(24,624,775)	-	(24,624,775)
Business-Type Activities:							
Residential collection center	274,063	261,366	-	-	-	(12,697)	(12,697)
Coastal pond management	70,481	61,697	-	-	-	(8,784)	(8,784)
Total business-type activities	344,544	323,063	-	-	-	(21,481)	(21,481)
Total	$ 28,438,552	$ 2,063,885	$ 1,647,845	$ 80,566	(24,624,775)	(21,481)	(24,646,256)
	General Revenues:						
	Taxes:						
	Property taxes				23,999,735	-	23,999,735
	State aid and in lieu of taxes, not restricted for a specific purpose				1,453,686	-	1,453,686
	Investment earnings				449,880	21,359	471,239
	Miscellaneous				35,123	-	35,123
	Transfers				(31,023)	31,023	-
	Total general revenues and transfers				25,907,401	52,382	25,959,783
	Change in net position				1,282,626	30,901	1,313,527
	Net position - beginning of year, as previously reported				34,262,512	557,816	34,820,328
	Error correction				-	(31,025)	(31,025)
	Net position - beginning of year, as restated				34,262,512	526,791	34,789,303
	Net position-end of year				$ 35,545,138	$ 557,692	$ 36,102,830

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

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

	General Fund	*American Rescue Plan Fund*	*Other Governmental Funds*	*Total Nonmajor Governmental Funds*
Assets				
Cash	$ 12,465,955	$ -	$ 317,873	$ 12,783,828
Investments	-	-	500	500
Property taxes receivable, net	367,098	-	-	367,098
Due from federal and state governments	-	-	6,592	6,592
Due from other funds	1,228,389	673,503	342,067	2,243,959
Other receivables	33,080	-	178,716	211,796
Prepaid expenditures	168,145	162,500	-	330,645
Other assets	288,891	-	-	288,891
Total assets	$ 14,551,558	$ 836,003	$ 845,748	$ 16,233,309
Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)				
Liabilities				
Accounts payable	$ 536,951	$ -	$ 6,593	$ 543,544
Accrued payroll	117,241	-	-	117,241
Due to other funds	1,015,570	-	933	1,016,503
Unearned revenue	39,737	836,003	2,773	878,513
Other liabilities	33,069	-	-	33,069
Total liabilities	1,742,568	836,003	10,299	2,588,870
Deferred Inflows of Resources				
Unavailable revenue - property taxes	281,943	-	-	281,943
Unavailable revenue - tax sale property	288,891	-	-	288,891
Unavailable revenue - loans	-	-	178,716	178,716
Total deferred inflows of resources	570,834	-	178,716	749,550
Fund balances (Deficits)				
Nonspendable	168,145	-	-	168,145
Restricted	-	-	338,260	338,260
Committed	4,451,448	-	318,670	4,770,118
Unassigned	7,618,563	-	(197)	7,618,366
Total fund balances (deficits)	12,238,156	-	656,733	12,894,889
Total liabilities, deferred inflows of resources, and fund balances (deficits)	$ 14,551,558	$ 836,003	$ 845,748	$ 16,233,309

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

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

Total Fund Balances - Total Governmental Funds	$ 12,894,889
Amounts reported for Governmental Activities in the Statement of Net Position are different because:	
Capital assets used in Governmental Activities are not current financial resources and therefore are not reported in the Governmental Funds Balance Sheet. See note 6 to the financial statements.	26,812,356
Other long-term receivables are not available to pay for current period expenditures and, therefore, are deferred in Governmental Funds financial statements.	178,716
Property taxes are recognized as revenue in the period for which levied in the Government-Wide financial statements, but are reported as revenue when received in Governmental Funds financial statements.	570,834
Interest payable on long-term debt does not require current financial resources. Therefore, interest payable is not reported as a liability in Governmental Funds Balance Sheet.	(29,009)
Long-term liabilities (including bonds and loans payable, subscription liability, financed purchase payable, accrued compensated absences,landfill post closure costs , and net pension liability) are not due and payable in the current period and therefore are not reported in the Governmental Funds Balance Sheet. See Note 7 to the financial statements.	(6,195,193)
Net pension assets are not available to pay for current period expenditures and, therefore, are not reported in Governmental Funds financial statements.	1,105,545
Net other post-employment benefit assets are not available to pay for current period expenditures and, therefore, are not reported in Governmental Funds financial statements.	1,536,398
Deferred outflows and inflows related to pensions and other-post employment benefits are not reported in the Governmental Funds financial statements, but are reported in the Government-Wide financial statements.	
Deferred outflows - pension	1,053,596
Deferred inflows - pension	(1,311,561)
Deferred outflows - other post-employment benefits	76,659
Deferred inflows - other post-employment benefits	(1,148,092)
Net Position of Governmental Activities	$ 35,545,138

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

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

	General Fund	*American Rescue Plan Fund*	*Other Governmental Funds*	*Total Nonmajor Governmental Funds*
Revenues:				
General property taxes	$ 24,008,727	$ -	$ -	$ 24,008,727
Intergovernmental	2,849,711	124,800	193,668	3,168,179
Departmental	1,674,886	-	59,365	1,734,251
Investment income	438,728	-	11,152	449,880
Other	12,943	-	126,467	139,410
Total revenues	28,984,995	124,800	390,652	29,500,447
Expenditures:				
Current:				
General government	2,474,364	2,253	20,564	2,497,181
Public safety	3,335,248	4,533	73,084	3,412,865
Public works	1,961,946	-	180,037	2,141,983
Education	13,933,732	-	-	13,933,732
Parks and recreation	921,704	37,448	18,236	977,388
Public health and assistance	891,036	-	-	891,036
Employee benefits and outside services	2,840,891	-	-	2,840,891
Debt service:				
Principal	565,000	-	93,919	658,919
Interest and other charges	72,170	-	2,744	74,914
Capital outlay	616,649	80,566	-	697,215
Total expenditures	27,612,740	124,800	388,584	28,126,124
Excess of revenues over expenditures before other financing sources (uses)	1,372,255	-	2,068	1,374,323
Other financing sources (uses):				
Debt issued	62,335	-	25,000	87,335
Subscription based IT arrangement (SBITA)	47,882	-	-	47,882
Transfers in	-	-	1,556	1,556
Transfers out	(32,579)	-	-	(32,579)
Total other financing sources (uses)	77,638	-	26,556	104,194
Net change in fund balances	1,449,893	-	28,624	1,478,517
Fund balances (deficits) - beginning of year	10,788,263	-	628,109	11,416,372
Fund balances (deficits) - end of year	$ 12,238,156	$ -	$ 656,733	$ 12,894,889

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

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

Net Changes in Fund Balances - Total Governmental Funds	$ 1,478,517
Amounts reported for Governmental Activities in the Statement of Activities are different because:	
Governmental Funds financial statements report capital outlay as expenditures. However, in the Government-Wide Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.	
This is the amount of capital asset additions recorded in the current period.	486,772
Depreciation expense on capital assets is reported in the Government-Wide Statement of Activities, but does not require the use of current financial resources. Therefore, depreciation expense is not reported as an expenditure in Governmental Funds financial statements.	(1,721,603)
Long-term compensated absences are reported in the Government-Wide Statement of Activities, but do not require the use of current financial resources. Therefore, long-term compensated absences are not reported as expenditures in Governmental Funds financial statements. This is the amount of the change in long-term compensated absences in the current period.	(246,863)
Debt proceeds provide current financial resources to Governmental Funds, but issuing debt increases long-term liabilities in the Government-Wide Statement of Net Position. Repayment of debt principal is an expenditure in Government Funds, but the payment reduces long-term liabilities in the Government-Wide Statement of Net Position.	
This amount represents debt issued during the current period.	(25,000)
This amount represents bond and loan principal payments during the current period.	658,919
Accrued interest on long-term debt is reported in the Government-Wide Statement of Activities, but does not require the use of current financial resources. Therefore, accrued interest expense is not reported as an expenditure in Governmental Funds financial statements. The following amount represents the change in accrued interest from prior year.	6,466
Subscription liabilities and financed purchase payables provide current financial resources to Governmental Funds, but issuing debt increases long-term liabilities in the Government-Wide Statement of Net Position. Repayment of subscription liability and financed purchase payable principal is an expenditure in the Governmental Funds, but the repayment reduces long-term liabilities in the Government-Wide Statement of Net Position.	
This amount represents the subscription based IT arrangements entered into during the current period.	(47,882)
This amount represents the financed purchase entered into during the current period.	(62,335)
This amount represents subscription liability principal payments during the current period.	22,965
This amount represents financed purchase payable principal payments during the current period.	11,904
Landfill post closure costs are reported in the Government-Wide Statement of Activities, but do not require the use of current financial resources. Therefore, landfill post closure costs are not reported as expenditures in Governmental Funds financial statements. The following amount represents the change in landfill post closure costs from prior year.	8,152
New loans are reported as an increase in accounts receivable in the Government-Wide Statement of Net Position, but are reported as expenditures in the Governmental Funds financial statements.	25,000
Revenues in the Government-Wide Statement of Activities that are not measurable and available in Governmental Funds are not reported as revenue in the Governmental Funds.	(92,790)
Long-term net pension liabilities (assets) and net other post-employment benefit assets are reported in the Government-Wide Statement of Activities, but do not require the use of current financial resources or are not available to pay for current period expenditures. Therefore, long-term net pension liabilities (assets) and net other-post employment benefit assets are not reported as expenditures in Governmental Funds financial statements.	
This is the amount of the change in long-term net pension liabilities (assets) and net other post-employment benefit assets and related deferred amounts in the current period.	780,404
Change in Net Position of Governmental Activities	$ 1,282,626

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

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

	Business-Type Activities Enterprise Funds		
	Residential Collection Center	***Coastal Pond Management***	***Total***
Assets			
Current assets:			
Cash and cash equivalents	$ 918,689	$ 351,795	$ 1,270,484
Restricted cash and cash equivalents	-	16,938	16,938
Accounts receivable	3,600	-	3,600
Total current assets	922,289	368,733	1,291,022
Noncurrent assets:			
Capital assets:			
Non-depreciable assets	99,500	-	99,500
Depreciable assets, net	182,727	-	182,727
Total noncurrent assets	282,227	-	282,227
Total assets	1,204,516	368,733	1,573,249
Liabilities			
Current liabilities:			
Accounts payable	12,949	411	13,360
Accrued payroll	1,625	651	2,276
Due to other funds	717,459	255,423	972,882
Total current liabilities	732,033	256,485	988,518
Noncurrent liabilities:			
Accrued compensated absences	27,039	-	27,039
Total noncurrent liabilities	27,039	-	27,039
Total liabilities	759,072	256,485	1,015,557
Net position			
Net investment in capital assets	282,227	-	282,227
Restricted for endowment	-	10,000	10,000
Unrestricted	163,217	102,248	265,465
Total net position	$ 445,444	$ 112,248	$ 557,692

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

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

	Business-Type Activities Enterprise Funds		
	Residential Collection Center	***Coastal Pond Management***	***Total***
Operating revenues			
Charges for usage and service	$ 261,366	$ 61,697	$ 323,063
Total operating revenues	261,366	61,697	323,063
Operating expenses			
Operations	115,392	21,521	136,913
Personnel	135,102	46,240	181,342
Depreciation	23,569	2,720	26,289
Total operating expenses	274,063	70,481	344,544
Operating loss	(12,697)	(8,784)	(21,481)
Nonoperating revenues			
Investment income	15,328	6,031	21,359
Total nonoperating revenues	15,328	6,031	21,359
Income (loss) before transfers	2,631	(2,753)	(122)
Transfers in	31,023	-	31,023
Change in net position	33,654	(2,753)	30,901
Total net position - beginning of year, as previously reported	442,815	115,001	557,816
Error correction	(31,025)	-	(31,025)
Total net position - beginning of year, as restated	411,790	115,001	526,791
Total net position - end of year	$ 445,444	$ 112,248	$ 557,692

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

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

	Business-Type Activities Enterprise Funds		
	Residential Collection Center	***Coastal Pond Management***	***Total***
Cash flows from operating activities			
Cash received from customers	$ 261,366	$ 61,697	$ 323,063
Cash payments to suppliers for goods and services	(111,317)	(21,110)	(132,427)
Cash payments to employees for services	(130,082)	(46,341)	(176,423)
Net cash provided by (used for) operating activities	19,967	(5,754)	14,213
Cash flows from non-capital financing activities			
Transfers from other funds	31,023	-	31,023
Interfund transactions	97,370	46,380	143,750
Net cash provided by non-capital financing activities	128,393	46,380	174,773
Cash flows from investing activities			
Investment income	15,328	6,031	21,359
Net cash provided by investing activities	15,328	6,031	21,359
Net increase in cash and cash equivalents	163,688	46,657	210,345
Cash and cash equivalents - beginning of year	755,001	322,076	1,077,077
Cash and cash equivalents - end of year	$ 918,689	$ 368,733	$ 1,287,422

(Continued)

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

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

	Business-Type Activities Enterprise Funds		
	Residential Collection Center	***Coastal Pond Management***	***Total***
Reconciliation of operating loss to net cash provided by (used for) operating activities:			
Operating loss	$ (12,697)	$ (8,784)	$ (21,481)
Adjustments to reconcile operating loss to net cash provided by (used for) operating activities:			
Depreciation	23,569	2,720	26,289
Changes in assets and liabilities:			
Increase (decrease) in accounts payable and accrued expenses	9,095	310	9,405
Net cash provided by (used for) operating activities	$ 19,967	$ (5,754)	$ 14,213

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

TOWN OF CHARLESTOWN RHODE ISLAND

Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2024

	Other Post-Employment Benefit Trust Fund
Assets	
Investments:	
Pooled investments	$ 10,800,764
Total assets	10,800,764
Liabilities	
Due to other funds	254,574
Total liabilities	254,574
Net Position	
Restricted for other post-employment benefits	$ 10,546,190

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

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

	Other Post-Employment Benefit Trust Fund
Additions	
Contributions:	
Employer	$ 138,195
Total contributions	138,195
Investment earnings:	
Net increase (decrease) in fair value of investments	1,166,076
Total investment earnings	1,166,076
Less investment expense	6,185
Net investment income	1,159,891
Total additions	1,298,086
Deductions	
Benefits	392,769
Total deductions	392,769
Change in net position	905,317
Net position - beginning of year	9,640,873
Net position - end of year	$ 10,546,190

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

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. REPORTING ENTITY

The Town of Charlestown, Rhode Island was incorporated on August 22, 1738. The Town is governed largely under the 1980 Charlestown Home Rule Charter. In some matters, including the issuance of short and long-term debt, the Town is governed by the general laws of the State of Rhode Island. The Town operates under a Town Council-Administrator form of government and provides the following services as authorized by its charter: general government and administrative services, public safety, public works, education, parks and recreation, and public health and assistance.

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

The Other Post-Employment Benefits Trust is an other post-employment benefit plan established by a trust agreement adopted effective July 13, 2015. The Other Post-Employment Benefits Trust does not have a governing board and the Town Council performs the duties of a governing board and, thus, can impose its will on the Other Post-Employment Benefits Trust. The fiscal year of the Other Post-Employment Benefits Trust ends on June 30. The Other Post-Employment Benefits Trust does not issue separate financial statements.

B. BASIS OF PRESENTATION AND ACCOUNTING

Government-Wide Financial Statements

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

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

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

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

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

Fund Financial Statements

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

Governmental Fund Financial Statements

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

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

Major Governmental Funds:

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

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

Proprietary Fund Financial Statements

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

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

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

The Town has two Enterprise Funds, which are major funds, as follows:

Residential Collection Center Fund – The Residential Collection Center Fund is used to account for the operation and maintenance of the Town's residential collection center.

Coastal Pond Management Fund – The Coastal Pond Management Fund is used to account for mooring fees and the costs associated with the operation of Town's coastal ponds.

Fiduciary Fund Financial Statements

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

Other Post-Employment Benefits Trust Fund – This fund accounts for assets held under a trust arrangement to finance other post-employment benefits of Town employees and payments of these benefits as they come due.

C. RECENTLY ISSUED ACCOUNTING STANDARDS

The Town has implemented the following new accounting pronouncements:

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

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

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

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

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

D. CASH AND CASH EQUIVALENTS

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

E. INVESTMENTS

The Town's investments are reported at fair value, except for pooled investments which are reported at net asset value per share or its equivalent (which approximates fair value).

F. ACCOUNTS RECEIVABLE AND TAXES RECEIVABLE

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

G. PREPAID ITEMS

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

H. CAPITAL ASSETS

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

All capital assets are recorded at cost or estimated historical cost. Donated capital assets are recorded at acquisition value as of the date received.

Capitalized assets are defined by the Town as assets with an initial cost of $5,000 or more and an estimated useful life in excess of one year. Infrastructure assets are defined generally as capital assets that are immovable and of value only to the governmental unit, including roads, bridges, sidewalks, and street lighting.

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

Description	***Years***
Land improvements	10-15
Buildings and improvements	10-50
Machinery and equipment	3-30
Vehicles	5-10
Infrastructure	20-50

I. DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES

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

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

J. PROPERTY TAXES

The Town is permitted by state law to levy property taxes. Current tax collections for the Town were approximately 99% of the total 2023 levy. The Town's fiscal 2023-2024 property taxes were levied on June 12, 2023 on assessed valuation as of December 31, 2022. Upon levy, taxes are due and payable on August 1 or may be paid quarterly on August 1, November 1, February 1, and May 1. Failure to mail payments by due dates will result in a lien on the taxpayer's property. Taxable assessed values are established by the Tax Assessor's Office and are currently calculated at approximately 100% of current market value for real estate.

K. COMPENSATED ABSENCES

Under the terms of various contracts and agreements, Town employees are granted vacation and sick leave in varying amounts based on length of service.

Vacation benefits are accrued as a liability based on the accumulated benefits earned on June 30. Sick leave benefits are accrued based on the sick leave accumulated as of June 30 by those employees who are currently eligible to receive termination payments and those employees for whom it is probable, they will become eligible to receive termination benefits in the future. The liability is calculated at the rate of pay in effect on June 30, 2024.

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

L. ACCRUED LIABILITIES AND LONG-TERM DEBT

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

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

M. SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITA)

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

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

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

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

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

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

N. PENSIONS

For the purposes of measuring the net pension liabilities (assets), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Municipal Employees' Retirement System plans and the additions to/ deductions from each plan's fiduciary net position have been determined on the same basis as they are reported by the plans. 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.

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

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

P. USE OF ESTIMATES

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

NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. LEGAL DEBT MARGIN

The Town's legal debt margin as set forth by State Statute is limited to three percent of total taxable assessed value, which approximates $125,054,232. As of June 30, 2024, the Town's debt subject to the legal debt margin is $1,820,000 and the Town is under the debt limit by $123,234,232. The debt subject to the debt limitation is based on the type of debt that is issued.

B. DEFICIT FUND BALANCES

The following nonmajor funds have deficit fund balances as of June 30, 2024: Tactical Vests $(197).

NOTE 3 – CASH DEPOSITS

DEPOSITS – are in two financial institutions and are carried at cost. The carrying amount of deposits is separately displayed on the Balance Sheet of the Fund Financial Statements and the Statement of Net Position as "Cash and Cash Equivalents" and "Restricted Cash and Cash Equivalents".

	Carrying Amount
Total Deposits	$14,068,325
Add: Petty cash	2,925
Total Cash and Cash Equivalents Reported in the Financial Statements	$14,071,250

CUSTODIAL CREDIT RISK – custodial credit risk is the risk that in the event of the failure of a depository financial institution, the Town will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The Town does not have a formal deposit policy for custodial credit risk but is governed by State laws as described below. As of June 30, 2024, $2,446,214 of the Town's bank balance of $14,156,287 was exposed to custodial credit risk as follows:

	Bank Balance
Insured (Federal depository insurance funds)	$11,710,073
Collateralized with securities held by pledging financial institution or its agent in the Town's name	2,420,961
Uninsured and uncollateralized	25,253
Total	$14,156,287

Under Rhode Island general laws, depository institutions holding deposits of the State, its agencies, or governmental subdivisions of the State, shall at a minimum, insure or pledge eligible collateral equal to one hundred percent (100%) of the deposits, which are time deposits with maturities greater than sixty (60) days. Any of these institutions which do not meet minimum capital standards prescribed by federal regulators shall insure or pledge eligible collateral equal to one hundred percent (100%) of the deposits, regardless of maturity. On June 30, 2024, the Town had uncollateralized deposits of $25,253 with institutions. These deposits are held by an institution that meets the minimum capital standards as prescribed by federal regulations.

NOTE 4 – INVESTMENTS

On June 30, 2024, the Town's investment balances were as follows:

Investment	***Fair Value***
U.S. Savings Bond	$500
Trust OPEB Funding Program	10,800,764
Total Investments Reported in the Financial Statements	$10,801,264

The Town's General Fund investments are governed by Title 35, Chapter 10, Section 11 of the State's General Laws. This law generally allows for short-term investments, such as certificate of deposits, money market funds, obligations guaranteed by the U.S. Government, etc. with the goal of seeking responsible income while preserving capital.

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

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

Concentration of Credit Risk –The Town does not have a formal policy that limits the amount that can be invested with one issuer.

Custodial Credit Risk – Custodial credit risk for investments is the risk that in the failure of the counterparty, the Town will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Town does not have a policy governing custodial credit risk.

NOTE 5 – FAIR VALUE MEASUREMENTS

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

The Town had no recurring or nonrecurring fair value measurements as of June 30, 2024.

The valuation method for pooled investments measured at net asset value (NAV) per share (or its equivalent) is presented in the following table:

	Fair Value	***Redemption Frequency***	***Redemption Notice Period***
Trust OPEB Funding Program	$10,800,764	Daily	None

The Trust OPEB Funding Program investment utilizes a target index balanced strategy seeking to provide a moderate amount of current income with moderate capital growth. The Program invests in eight index and mutual funds: total market index fund, total international stock exchange traded fund, high yield bond exchange traded fund, 5-10 year investment grade bond exchange traded fund, core US aggregate bond exchange traded fund, global infrastructure exchange traded fund, government obligation fund, and real estate exchange traded fund. The fair values of the underlying investments are used to determine NAV per share (or its equivalent) of the Trust OPEB Funding Program investment.

NOTE 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:				
Nondepreciable assets:				
Land and land easements	$ 10,809,007	$ -	$ -	$ 10,809,007
Construction in progress	-	38,768	-	38,768
	10,809,007	38,768	-	10,847,775
Depreciable assets:				
Land improvements	2,021,145	39,700	-	2,060,845
Buildings and improvements	11,030,296	93,864	-	11,124,160
Infrastructure	52,347,634	-	-	52,347,634
Machinery and equipment	2,046,381	147,499	-	2,193,880
Vehicles	4,403,755	119,059	75,520	4,447,294
Subscription assets	64,572	47,882	-	112,454
	71,913,783	448,004	75,520	72,286,267
Total capital assets	82,722,790	486,772	75,520	83,134,042
Less accumulated depreciation for:				
Land improvements	967,659	140,245	-	1,107,904
Buildings and improvements	4,927,012	312,135	-	5,239,147
Infrastructure	44,165,384	748,404	-	44,913,788
Machinery and equipment	1,439,614	132,096	-	1,571,710
Vehicles	3,163,020	366,232	75,520	3,453,732
Less accumulated amortization for:				
Subscription assets	12,914	22,491	-	35,405
Total accumulated depreciation and amortization	54,675,603	1,721,603	75,520	56,321,686
Governmental activities capital assets, net	$ 28,047,187	$ (1,234,831)	$ -	$ 26,812,356
Business-Type Activities				
Nondepreciable assets:				
Land	$ 99,500	$ -	$ -	$ 99,500
	99,500	-	-	99,500
Depreciable assets:				
Land improvements	113,684	-	-	113,684
Buildings and improvements	84,875	-	-	84,875
Machinery and equipment	468,399	-	-	468,399
Vehicles and boats	188,993	-	-	188,993
	855,951	-	-	855,951
Total capital assets	955,451	-	-	955,451
Less accumulated depreciation for:				
Land improvements	113,684	-	-	113,684
Buildings and improvements	66,861	1,593	-	68,454
Machinery and equipment	280,117	21,976	-	302,093
Vehicles and boats	186,273	2,720	-	188,993
Total accumulated depreciation	646,935	26,289	-	673,224
Business-type activities capital assets, net	$ 308,516	$ (26,289)	$ -	$ 282,227

Depreciation and amortization expense was charged as follows:

Governmental activities:	
General government	$ 431,274
Public safety	356,172
Public works	696,036
Education	23,844
Parks and recreation	214,277
Total depreciation and amortization expense, governmental activities	$ 1,721,603
Business-type activities:	
Residential Collection Center fund	$ 23,569
Coastal Pond Management fund	2,720
Total depreciation expense, business-type activities	$ 26,289

NOTE 7 – LONG-TERM LIABILITIES

A. LONG-TERM LIABILITIES:

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

	Beginning Balance	*Additions*	*Retirements*	*Ending Balance*	*Amounts Due Within One Year*
Governmental activities:					
Bonds and loans payable:					
General obligation bonds	$ 2,385,000	$ -	$ 565,000	$ 1,820,000	$ 430,000
Loans from direct borrowings	247,635	25,000	93,919	178,716	-
Total bonds and loans payable	2,632,635	25,000	658,919	1,998,716	430,000
Other liabilities:					
Subscription liabilities	51,074	47,882	22,965	75,991	23,507
Financed purchase payable	-	62,335	11,904	50,431	12,179
Accrued compensated absences	1,310,192	352,124	105,261	1,557,055	-
Landfill post closure costs	57,064	-	8,152	48,912	8,152
Net pension liabilities	3,086,785	-	622,697	2,464,088	-
Total Governmental Activities Long-Term Liabilities	$ 7,137,750	$ 487,341	$ 1,429,898	$ 6,195,193	$ 473,838
Business- type activities:					
Other liabilities:					
Accrued compensated absences	$ 22,288	$ 4,751	$ -	$ 27,039	$ -
Total Business- Type Activities Long-Term Liabilities	$ 22,288	$ 4,751	$ -	$ 27,039	$ -

All debt of the Government Activities is general obligation debt. Payments on general obligation bonds are made by the General Fund. Payments on loans from direct borrowings are made by the Community Septic System Loan Program Fund. The subscription liabilities and financed purchase payable are paid from the General Fund and the Nonmajor Governmental Funds. The accrued compensated absences, landfill post closure costs, and net pension liability are paid by the General Fund.

B. GENERAL OBLIGATION BONDS DEBT SERVICE REQUIREMENTS

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

Fiscal Year Ended June 30,	*Governmental Activities General Obligation Bonds*	
	Principal	*Interest*
2025	$ 430,000	58,998
2026	220,000	49,791
2027	225,000	42,838
2028	120,000	37,275
2029	125,000	32,675
2030-2034	700,000	79,663
	$ 1,820,000	$ 301,240

C. GENERAL OBLIGATION BONDS

Description	*Date Issued*	*Interest Rate*	*Maturity Date*	*Authorized and Issued*	*Outstanding June 30, 2023*	*New Issues*	*Maturities During Year*	*Outstanding June 30, 2024*
Governmental activities:								
General Obligation Bonds:								
2013 Series A Bond	8/22/2013	2-4.5%	7/1/2033	$ 2,190,000	$ 1,380,000	$ -	$ 105,000	$ 1,275,000
2013 Series B Refunding Bond	8/22/2013	2-3%	7/1/2023	1,520,000	140,000	-	140,000	-
2014 Series A Bond	7/7/2014	2.15%	7/15/2024	2,000,000	435,000	-	215,000	220,000
2016 Series A Bond	11/23/2016	2.58%	11/15/2026	1,000,000	430,000	-	105,000	325,000
Total governmental activities bonds payable				$ 6,710,000	$ 2,385,000	$ -	$ 565,000	$ 1,820,000

D. LOAN PAYABLE FROM DIRECT BORROWINGS

On April 3, 2013 and May 18, 2023, the Town entered into loan agreements with the RI Infrastructure Bank to be used to finance the Community Septic System Loan Program (CSSLP). The loans are evidenced by non-restoring line of credit promissory notes. The loans bear interest of 0% and discharge of the loans is the later of the date on which all loans made by the Town under the CSSLP have been paid back or July 1, 2033. The balance of the loans reported in Governmental Activities as of June 30, 2024 is $178,716 and the balance available to be drawn down is $311,303.

E. SUBSCRIPTION LIABILITIES

The Town entered into subscription-based information technology arrangement (SBITA) contracts to use vendor provided IT software. As of June 30, 2024, the value of the subscription liabilities was $75,991. The related subscription assets have an estimated useful life of 5 years. The value of the right-to-use assets as of June 30, 2024 was $112,454 and accumulated amortization was $35,405.

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

Fiscal Year Ended June 30,	Governmental Activities Subscription Liabilities		
	Principal	Interest	Total
2025	$ 23,507	$ 1,623	$ 25,130
2026	24,061	1,069	25,130
2027	18,404	526	18,930
2028	10,019	231	10,250
	$ 75,991	$ 3,449	$ 79,440

F. FINANCED PURCHASE PAYABLE

The Town acquired police equipment valued at $62,335 using a financed purchase agreement.

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

Fiscal Year Ended June 30,	Governmental Activities Financed Purchase Payable		
	Principal	Interest	Total
2025	$ 12,179	$ 1,165	$ 13,344
2026	12,461	883	13,344
2027	12,748	596	13,344
2028	13,043	301	13,344
	$ 50,431	$ 2,945	$ 53,376

G. LANDFILL POST CLOSURE COSTS

The Town accounts for its closure and post closure care costs under GASB Statement No. 18. State and Federal laws and regulations require the Town to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Although closure and post closure costs will be paid only near or after the date the landfill stops accepting waste, the Town reported a portion of these closure and post closure care costs as an operating expenditure in each period based on landfill capacity used as of each balance sheet date. The Town closed the landfill effective June 30, 2000. Post closure monitoring costs were originally estimated at $50,000 to $100,000 per year. In fiscal year 2010, the Rhode Island Department of Environmental Management approved a reduction in the scope of the Town's post closure monitoring activities resulting in cost reductions. As of June 30, 2021, based on an evaluation of an independent consultant, the annual estimated post closure monitoring cost was determined to be $8,152 for the remaining 9 years. The estimated landfill post closure costs liability as of June 30, 2024 was $48,912.

NOTE 8 – INTERFUND BALANCES

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

	Due From:					
	General Fund	*Residential Collection Center Fund*	*Coastal Pond Management Fund*	*Nonmajor Governmental Funds*	*Other Post-Employmemt Benefit Trust Fund*	*Total*
Due To:						
General Fund	$ -	$ 717,459	$ 255,423	$ 933	$ 254,574	$ 1,228,389
American Rescue Plan Fund	673,503	-	-	-	-	673,503
Nonmajor Governmental Funds	342,067	-	-	-	-	342,067
Total	$ 1,015,570	$ 717,459	$ 255,423	$ 933	$ 254,574	$ 2,243,959

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

NOTE 9 – INTERFUND TRANSFERS

	Transfer From:	
	General Fund	***Total***
Transfer To:		
Nonmajor Governmental Funds	$ 1,556	$ 1,556
Residential Collection Center Fund	31,023	31,023
Total	$ 32,579	$ 32,579

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

NOTE 10 – DISAGGREGATION OF RECEIVABLE AND PAYABLE BALANCES

A. ACCOUNTS RECEIVABLE

The Town disaggregates significant components of receivables in the financial statements. Receivable balances determined immaterial are included as other receivables. The Town expects to receive all receivables within the subsequent year, except for community septic system loans receivable which are due in accordance with individual loan amortization schedules. The following allowances for doubtful accounts are included in the financial statements:

Fund/Description	***Allowance for Doubtful Accounts***
Governmental Activities/General Fund – Real estate and personal property tax receivable	$570,000

B. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

The Town disaggregates significant components of accounts payable and accrued liabilities in the financial statements. Liability balances determined immaterial are included as other liabilities.

NOTE 11 – NET POSITION/FUND BALANCES

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

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

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

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

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

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

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

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

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

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

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

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

The Town has established a fund balance policy that the General Fund unassigned fund balance will be maintained in an amount equal to between 23% and 33% of its annual operating expenditures and a cumulative probability of adequacy of 90+%.

Fund balance classifications are reported in the aggregate in the Governmental Funds Balance Sheet and are detailed below as of June 30, 2024:

	General Fund	***Nonmajor Governmental Funds***	***Totals Governmental Funds***
Nonspendable:			
Prepaid expenditures	$ 168,145	$ -	$ 168,145
Restricted for:			
Parks and recreation programs	-	3,095	3,095
Public health and assistance programs	-	72,151	72,151
Animal spaying/neutering	-	9,102	9,102
Environmental programs	-	53,424	53,424
Historical and vital records	-	193,384	193,384
Perpetual care	-	1,434	1,434
Other programs	-	5,670	5,670
Committed to:			
Capital and maintenance projects	739,014	174,930	913,944
Environmental programs	209,519	-	209,519
Pond and beach preservation	1,110,060	-	1,110,060
Animal control	87,484	-	87,484
Affordable housing	253,173	-	253,173
Education	250,000	-	250,000
Employee severance benefits	953,408	-	953,408
Revaluation	141,660	-	141,660
Tree removal	54,862	-	54,862
Legal fees	481,229	-	481,229
Ninigret park improvements	-	77,920	77,920
Recreation facilities and open space	-	65,820	65,820
Finance projects	911	-	911
GIS and IT projects	100,444	-	100,444
Other programs	69,684	-	69,684
Unassigned	7,618,563	(197)	7,618,366
	$ 12,238,156	$ 656,733	$ 12,894,889

NOTE 12 – CHARIHO REGIONAL SCHOOL DISTRICT

The Chariho Regional School District (Regional School) was created to include a regional school for the Towns of Charlestown, Richmond, and Hopkinton (the Towns), which encompasses grades K-12. The Regional School is a separate legal entity from the Town. The voters of the participating Towns elect the Regional School Committee. The Regional School cannot assess and

levy property taxes. Revenues are derived principally from the participating Towns of the Regional School, which contribute funds according to a financial formula based upon each Town's enrollment, and from State aid to education. Financial statements for the Regional School District are issued separately and may be obtained from the Chariho Regional School District, 455A Switch Road, Wood River Junction, Rhode Island 02894.

NOTE 13 – RISK MANAGEMENT

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

NOTE 14 – LITIGATION AND CONTINGENCIES

A. LITIGATION

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

B. FEDERALLY FUNDED PROGRAMS

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

NOTE 15 – OTHER POST-EMPLOYMENT BENEFIT PLANS

TOWN PLAN

Plan Description

Plan Administration - The Town of Charlestown administers a single-employer, defined benefit post-employment benefit plan. This plan does not include the pension benefits discussed in Note 16. On July 13, 2015, the Town Council authorized the creation of an OPEB Trust Fund. The

Treasurer is responsible for administration of the plan in accordance with the Trust Agreement effective July 13, 2015 with Town Council oversight. The plan is reported as a Trust Fund in the Town's financial statements. The plan does not issue a publicly available financial report.

Plan Membership - As of July 1, 2023, the plan membership data is as follows:

Active employees	23
Inactive employees receiving benefits	37
	60

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

- ***Police Officers*** – Medical coverage (retiree and spouse) for police officers who retire and are at least 60 years old or have completed 20 years of service regardless of age (25 years of service if hired on or after July 1, 2011). Effective for members retiring on or after July 1, 2012, the retiree contributes 15% of the medical premium for the retiree and spouse. Effective for members retiring on or after June 30, 2014, the retiree contributes 20% of the medical premium for the retiree and spouse. Once the retiree or spouse attains age 65, they are enrolled in Blue Cross Plan 65 and are eligible for reimbursement of a Medicare Part B plan. Dental coverage may be obtained but the retiree must pay 100% of the premium.
- ***CPMA*** – Medical coverage (retiree and spouse) for employees hired prior to July 1, 1996 who retire. The retiree contributes 20% of the medical premium for the retiree and spouse. Once the retiree or spouse attains age 65, they are enrolled in Blue Cross Plan 65 and are eligible for reimbursement of a Medicare Part B plan. Dental coverage may be obtained but the retiree must pay 100% of the premium. Employees hired on or after July 1, 1996 are not eligible for other post-employment benefits.
- ***Teamsters*** – Teamsters retiring before age 65 may obtain medical and dental coverage (retiree and spouse) until the retiree reaches age 65 but must pay 100% of the premium.

Contributions - Contribution requirements are negotiated between the Town and the respective unions. The Town generally makes the actuarially determined contribution since the plan is fully funded. For the year ended June 30, 2024, the Town's contribution was based on the implicit subsidy of OPEB benefits in the current fiscal year. For the fiscal year ended June 30, 2024, the Town contributed $138,195 to the plan. Administrative costs are paid from plan assets.

Summary of Significant Accounting Policies

Basis of Accounting – The Other Post-Employment Benefits Trust Fund's financial statements are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions are recognized when due and the

employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

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

Investments

Investment Policy – The Treasurer may invest funds held in the OPEB Trust Fund in accordance with the Trust Agreement and State Law. The Town has selected a balanced investment strategy which seeks to provide capital appreciation and current income.

Rate of Return – For the year ended June 30, 2024, the annual money-weighted rate of return on investments, net of investment expense, was 12.0%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for changing amounts actually invested.

Net OPEB Asset of the Town Plan

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

Total OPEB Liability	$9,009,792
OPEB Plan Fiduciary Net Position	(10,546,190)
Net OPEB (Asset)	$(1,536,398)
Plan Fiduciary Net Position as a percentage of the Total OPEB Liability	117.05%

Actuarial Assumptions – The total OPEB liability was determined by an actuarial valuation as of July 1, 2023 rolled forward to June 30, 2024, the measurement date. The following actuarial assumptions applied to all periods in the measurement, unless otherwise specified:

Actuarial Cost Method	Entry Age Normal Cost Method
Salary Increases	3.5% per annum
Inflation	2.5% per annum
Investment Rate of Return	6.5%
Mortality	Pub-2010 Mortality Table with generational projection per the MP-2021 ultimate scale; PubS-2010 for police and PubG-2010 for others (prior valuation – PubS-2010 Mortality Table with generational projection per the MP-2014 ultimate scale)

Health Care Trend Rates	Getzen Trend Model - pre-65 – 6.5% decreasing to an ultimate rate of 3.9%; post-65 – 6.3% decreasing to an ultimate rate of 3.9% (prior valuation - pre-65 – 5.8% decreasing to an ultimate rate of 3.9%; post-65 – 5.1% decreasing to an ultimate rate of 3.9%)

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

Asset Class	***Target Asset Allocation***	***Long-Term Expected Real Rate of Return***
U.S. Intermediate Treasury Bonds	10%	1.78%
U.S. Short-Term AAA Corporate Bonds	5%	1.67%
U.S. Intermediate AAA Corporate Bonds	10%	2.03%
U.S. Intermediate A Corporate Bonds	2.5%	2.71%
U.S. Intermediate BBB Corporate Bonds	2.5%	3.11%
Non-U.S. Bonds	10%	0.88%
U.S. Broad Equity Market	33.5%	5.52%
Non-U.S. Equity	20.5%	7.62%
U.S. REITS	6%	6.91%
	100%	

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

Town Plan - Changes in the Net OPEB Liability (Asset)

	Increase (Decrease)		
	Total OPEB Liability	***Plan Fiduciary Net Position***	***Net OPEB (Asset)***
Balances as of June 30, 2023	$8,789,612	$9,640,873	$(851,261)
Changes for the Year:			
Service cost	215,179	-	215,179
Interest on the total OPEB liability	572,747	-	572,747
Changes in benefits	-	-	-
Difference between expected and actual experience	(182,940)	-	(182,940)
Changes in assumptions	7,963	-	7,963
Employer contributions	-	138,195	(138,195)
Plan member contributions	-	-	-
Net investment income	-	1,159,891	(1,159,891)
Benefit payments, including employee refunds	(392,769)	(392,769)	-
Administrative expense	-	-	-
Other changes	-	-	-
Net changes	220,180	905,317	(685,137)
Balances as of June 30, 2024	$9,009,792	$10,546,190	$(1,536,398)

Sensitivity of the Net OPEB Liability (Asset) to Changes in the Discount Rate - The following presents the net OPEB liability (asset) of the Town Plan, as well as what the Town Plan's net OPEB liability (asset) would be if it were calculated using a discount rate 1-percentage-point lower (5.5%) and 1-percentage-point higher (7.5%) than the current discount rate:

	1% Decrease (5.5%)	***Current Discount Rate (6.5%)***	***1% Increase (7.5%)***
Net OPEB Liability (Asset)	$(134,439)	$(1,536,398)	$(2,657,470)

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

	1% Decrease	***Current Healthcare Cost Trend Rates***	***1% Increase***
Net OPEB Liability (Asset)	$(2,799,174)	$(1,536,398)	$68,337

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

For the year ended June 30, 2024, the Town recognized OPEB expense of $(105,846). On June 30, 2024, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	*Deferred Inflows of Resources*
Differences between expected and actual experience	$ -	$1,063,154
Change of assumptions	76,659	54,880
Net difference between projected and actual earnings on OPEB plan investments	-	30,058
Total	$76,659	$1,148,092

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

Year ended June 30:	
2025	$(290,219)
2026	72,054
2027	(353,256)
2028	(299,839)
2029	(126,958)
Thereafter	(73,215)

NOTE 16 – PENSION PLANS

A. MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM PLANS

Defined Benefit Plans

General Information about the Pension Plan

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

provisions are subject to amendment by the General Assembly.

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

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

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

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

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

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

Members who had at least five years of contributory service as of June 30, 2012 will be eligible for retirement at an individually determined age. This age is the result of interpolating between the member's prior retirement date, described below, and the retirement age applicable to members

hired after June 30, 2012 as described above. The interpolation is based on service as of June 30, 2012 divided by projected service at the member's prior retirement date. The minimum retirement age is 59.

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

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

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

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

The annual benefit is equal to 2% of the member's monthly FAC for each year of service prior to July 1, 2012 and 1% of the member's monthly FAC for each year of service from July 1, 2012 through June 30, 2015. For all service after June 30, 2015, the annual benefit is equal to 1% per year unless the member had 20 or more years of service as of June 30, 2012 in which case the benefit accrual is 2% per year for service after June 30, 2015. The benefit cannot exceed 75% of the member's FAC. Benefits are paid monthly.

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

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

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

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

Prior to July 1, 2012, members designated as police officers or firefighters were eligible for retirement at or after age 55 with credit for at least 10 years of service or at any age with credit for 25 or more years of service. Members were also eligible to retire and receive a reduced benefit if they 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% of the member's monthly FAC for each year of service, up to 37.5 years (75% of FAC maximum).

If the optional 20-year retirement provisions were adopted by the municipality prior to July 1, 2012, benefits are based on 2.5% of the member's FAC for each year of service prior to July 1, 2012 and 2% of the member's FAC for each year of service after July 1, 2012. The benefit cannot exceed 75% of the member's FAC. The Town of Charlestown has elected to participate in the 20-year retirement provision.

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

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

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

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

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

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

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

	General Employees Plan	***Police Officers Plan***
Retirees and Beneficiaries	15	20
Inactive, Nonretired Members	18	2
Active Members	47	20
Total	80	42

Contributions - The amount of employee and employer contributions have been established under Rhode Island General Law Chapter 45-21. General employees with less than 20 years of service as of June 30, 2012 are required to contribute 2% of their salaries. General employees with more than 20 years of service as of June 30, 2012 are required to contribute 9.25%. Police officers are required to contribute 10% of their salaries. The Town of Charlestown contributes at a rate of covered employee payroll as determined by an independent actuary on an annual basis. The General Assembly can amend the amount of these contribution requirements. The Town of Charlestown contributed the following amounts in the year ended June 30, 2024: general employees plan - $151,937 and police officers plan - $517,240. The Town's contributions represented the following percentages of annual covered payroll: general employees plan – 4.70%; and police officers plan – 29.90%.

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

Summary of Actuarial Assumptions Used in the Valuations to Determine the Net Pension Liability at the June 30, 2023 Measurement Date (June 30, 2022 valuation rolled forward to June 30, 2023)	
Actuarial Cost Method	Entry Age Normal - The Individual Entry Age Actuarial Cost methodology is used
Amortization Method	Level Percent of Payroll – Closed
Actuarial Assumptions:	
Investment Rate of Return	7%
Projected Salary Increases	General Employees - 3.25% to 7.25%; Police Officers - 4% to 14%
Inflation	2.5%
Mortality	Variants of the PUB (10) Tables for Healthy and Disabled Retirees, projected with Scale Ultimate MP16
Cost of Living Adjustments	All future COLAs are assumed to be 2.1% per annum for all MERS units with the COLA provision.

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

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

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

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

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

	Increase (Decrease)		
	Total Pension Liability	***Plan Fiduciary Net Position***	***Net Pension Liability (Asset)***
Balances as of June 30, 2022	$10,061,796	$10,892,871	$(831,075)
Changes for the Year:			
Service cost	237,293	-	237,293
Interest on the total pension liability	699,485	-	699,485
Changes in benefits	-	-	-
Difference between expected and actual experience	1,549	-	1,549
Changes in assumptions	26,566	-	26,566
Employer contributions	-	217,580	(217,580)
Employee contributions	-	99,120	(99,120)
Net investment income	-	932,702	(932,702)
Benefit payments, including employee refunds	(375,600)	(375,600)	-
Administrative expense	-	(10,039)	10,039
Other changes	-	-	-
Net changes	589,293	863,763	(274,470)
Balances as of June 30, 2023	$10,651,089	$11,756,634	$(1,105,545)

Police Officers Plan
Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability	***Plan Fiduciary Net Position***	***Net Pension Liability***
Balances as of June 30, 2022	$17,265,423	$14,178,638	$3,086,785
Changes for the Year:			
Service cost	323,519	-	323,519
Interest on the total pension liability	1,190,140	-	1,190,140
Changes in benefits	-	-	-
Difference between expected and actual experience	(124,709)	-	(124,709)
Changes in assumptions	(44,233)	-	(44,233)
Employer contributions	-	600,,892	(600,892)
Employee contributions	-	165,992	(165,992)
Net investment income	-	1,213,469	(1,213,469)
Benefit payments, including employee refunds	(850,367)	(850,367)	-
Administrative expense	-	(13,061)	13,061
Other changes	-	122	(122)
Net changes	494,350	1,117,047	(622,697)
Balances as of June 30, 2023	$17,759,773	$15,295,685	$2,464,088

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

Plan	***1% Decrease (6%)***	***Current Discount Rate (7%)***	***1% Increase (8%)***
General Employees	$(111,967)	$(1,105,545)	$(2,008,119)
Police Officers	$4,142,338	$2,464,088	$939,419

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

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

For the year ended June 30, 2024, the Town recognized pension expense as follows: general employees plan - $(114,668); and police officers plan - $247,494. The employer reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	General Employees Plan	*Police Officers Plan*
Deferred outflows of resources:		
Contributions subsequent to the measurement date	$151,937	$517,240
Assumption changes	23,853	59,847
Difference between expected and actual Experience	83,442	217,277
Total	$259,232	$794,364
Deferred inflows of resources:		
Assumption changes	$35,412	$35,904
Difference between expected and actual Experience	542,625	334,938
Net difference between projected and actual actual investment earnings	151,555	211,127
Total	$729,592	$581,969

The deferred outflows of resources related to pensions resulting from the Town contributions in fiscal year 2024 subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent period. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	Net Deferred Outflows/(Inflows) of Resources	
Year Ending June 30	*General Employees Plan*	*Police Officers Plan*
2025	$(251,021)	$(158,375)
2026	(282,237)	(251,478)
2027	98,244	225,419
2028	(122,131)	(110,529)
2029	(65,451)	(9,882)
Thereafter	299	-

Defined Contribution Plan

Plan Description

Certain general employees participating in the defined benefit plan with less than 20 years of service as of June 30, 2012, as described above, also participate in a defined contribution plan of the Employees' Retirement System as authorized by General Law Chapter 36-10.3. The defined

contribution plan is established under IRS section 401(a) and is administered by TIAA-CREF. Employees may choose from among various investment options available to plan participants.

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

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

The Town of Charlestown recognized pension expense of $27,380 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. This report may be obtained by accessing the ERSRI website at http://www.ersri.org.

B. AGGREGATE PENSION AMOUNTS REPORTED IN THE FINANCIAL STATEMENTS

	Deferred Outflows of Resources - Pension Amounts	*Deferred Inflows of Resources - Pension Amounts*	*Net Pension Asset*	*Net Pension Liability*	*Pension Expense*
General Employees Plan	$ 259,232	$ 729,592	$ 1,105,545	$ -	$ (114,668)
Police Officers Plan	794,364	581,969	-	2,464,088	247,494
Total	$ 1,053,596	$ 1,311,561	$ 1,105,545	$ 2,464,088	$ 132,826

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

During fiscal year 2024, the Town determined that depreciation expense for certain capital assets had not been recorded in the Business Type Activities and Residential Collection Center Fund in previous years. The capital assets are fully depreciated. Therefore, the net depreciable assets were overstated $31,025 for the fiscal year ended June 30, 2023.

Adjustments to and Restatements of Beginning Balances

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

Reporting Units Affected by Adjustments to and Restatements of Beginning Balances:

	Government-Wide	*Major Funds*
	Business-Type Activities	***Residential Collection Center Fund***
Net position, June 30, 2023, as previously reported	$ 557,816	$ 442,815
Error correction	(31,025)	(31,025)
Net position, June 30, 2023, as restated	$ 526,791	$ 411,790

R E Q U I R E D S U P P L E M E N T A R Y I N F O R M A T I O N

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

Schedule of Changes in Net OPEB Liability (Asset) and Related Ratios – OPEB Plan

Schedule of Town Contributions – OPEB Plan

Schedule of Investment Returns – OPEB Plan

Schedule of Changes in the Net Pension Liability (Asset) and Related Ratios – Pension Plans

Schedule of Town Contributions – Pension Plans

Budgetary Comparison Schedule - General Fund

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

TOWN OF CHARLESTOWN, RHODE ISLAND

Required Supplementary Information
Town Other Post Employment Benefit (OPEB) Plan
Schedule of Changes in the Net OPEB Liability (Asset) and Related Ratios (1)
"Unaudited"

Fiscal Year	*2024*	*2023*	*2022*	*2021*	*2020*	*2019*	*2018*	*2017*
Total OPEB liability:								
Service cost	$ 215,179	$ 222,039	$ 213,540	$ 215,430	$ 213,661	$ 195,507	$ 175,230	$ 175,850
Interest	572,747	545,362	622,324	589,614	629,383	592,800	584,123	549,022
Changes of benefit terms	-	-	-	-	-	-	-	-
Differences between expected and actual experience	(182,940)	-	(933,113)	-	(896,088)	-	(387,789)	-
Changes of assumptions	7,963	15,483	(88,383)	-	121,087	-	276,657	-
Benefits payments	(392,769)	(317,875)	(327,585)	(343,907)	(312,231)	(291,884)	(268,821)	(244,081)
Net change in total OPEB liability	220,180	465,009	(513,217)	461,137	(244,188)	496,423	379,400	480,791
Total OPEB liability - beginning	8,789,612	8,324,603	8,837,820	8,376,683	8,620,871	8,124,448	7,745,048	7,264,257
Total OPEB liability - ending (a)	$ 9,009,792	$ 8,789,612	$ 8,324,603	$ 8,837,820	$ 8,376,683	$ 8,620,871	$ 8,124,448	$ 7,745,048
Plan fiduciary net position:								
Contributions - employer	$ 138,195	$ 89,653	$ 463,716	$ 668,907	$ 562,231	$ 741,884	$ 718,821	$ 694,081
Net investment income	1,159,891	770,278	(1,408,071)	2,258,279	356,996	469,593	499,020	580,919
Benefits payments	(392,769)	(317,875)	(327,585)	(343,907)	(312,231)	(291,884)	(268,821)	(244,081)
Administrative expense	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Net change in plan fiduciary net position	905,317	542,056	(1,271,940)	2,583,279	606,996	919,593	949,020	1,030,919
Plan fiduciary net position - beginning	9,640,873	9,098,817	10,370,757	7,787,478	7,180,482	6,260,889	5,311,869	4,280,950
Plan fiduciary net position - ending (b)	$ 10,546,190	$ 9,640,873	$ 9,098,817	$ 10,370,757	$ 7,787,478	$ 7,180,482	$ 6,260,889	$ 5,311,869
Town's net OPEB liability (asset) - ending (a) - (b)	$ (1,536,398)	$ (851,261)	$ (774,214)	$ (1,532,937)	$ 589,205	$ 1,440,389	$ 1,863,559	$ 2,433,179
Plan fiduciary net position as a percentage of the total OPEB liability	117.05%	109.68%	109.30%	117.35%	92.97%	83.29%	77.06%	68.58%
Covered employee payroll	$ 2,064,323	$ 1,719,992	$ 1,651,978	$ 1,651,978	$ 1,687,717	$ 1,687,717	$ 1,650,253	$ 1,650,253
Net OPEB liability (asset) as a percentage of covered employee payroll	-74.43%	-49.49%	-46.87%	-92.79%	34.91%	85.35%	112.93%	147.44%

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

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

TOWN OF CHARLESTOWN, RHODE ISLAND
Required Supplementary Information - Other Post Employment Benefit (OPEB) Plan
Schedule of Contributions
"Unaudited"

Fiscal Year	*2024*	*2023*	*2022*	*2021*	*2020*	*2019*	*2018*	*2017*	*2016*	*2015*
Town OPEB Plan										
Actuarially determined contribution	$ 17,546	$ 17,546	$ 325,330	$ 358,353	$ 493,051	$ 493,051	$ 449,904	$ 449,904	$ 506,000	$ 506,000
Contributions in relation to the actuarially determined contribution	138,195	89,653	463,716	668,907	562,231	741,884	718,821	694,081	575,000	612,000
Contribution deficiency (excess)	$ (120,649)	$ (72,107)	$ (138,386)	$ (310,554)	$ (69,180)	$ (248,833)	$ (268,917)	$ (244,177)	$ (69,000)	$ (106,000)
Covered employee payroll	$ 2,064,323	$ 1,719,992	$ 1,651,978	$ 1,651,978	$ 1,687,717	$ 1,687,717	$ 1,650,253	$ 1,650,253	Not available	Not available
Contributions as a percentage of covered employee payroll	6.69%	5.21%	28.07%	40.49%	33.31%	43.96%	43.56%	42.06%	Not available	Not available

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

TOWN OF CHARLESTOWN, RHODE ISLAND

Required Supplementary Information - Town Other Post Employment Benefit (OPEB) Plan

Schedule of Investment Returns (1)

"Unaudited"

Fiscal Year	***2024***	***2023***	***2022***	***2021***	***2020***	***2019***	***2018***	***2017***
Annual money-weighted rate of return, net of investment expense	12.0%	8.5%	-13.3%	27.8%	4.8%	7.0%	8.6%	12.3%

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

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

TOWN OF CHARLESTOWN, RHODE ISLAND

Required Supplementary Information
General Employees Pension Plan
Schedule of Changes in the Net Pension Liability (Asset) and Related Ratios
"Unaudited"

Measurement Date	***6/30/2023***	***6/30/2022***	***6/30/2021***	***6/30/2020***	***6/30/2019***
Fiscal Year	***2024***	***2023***	***2022***	***2021***	***2020***
Total pension liability:					
Service cost	$ 237,293	$ 243,287	$ 232,951	$ 254,102	$ 227,181
Interest	699,485	703,166	657,011	615,080	598,823
Changes of benefit terms	-	-	-	-	-
Differences between expected and actual experience	1,549	(658,081)	53,148	153,800	(275,080)
Changes of assumptions	26,566	-	-	(103,900)	-
Benefits payments, including refunds of member contributions	(375,600)	(300,333)	(277,495)	(341,500)	(322,769)
Net change in total pension liability	589,293	(11,961)	665,615	577,582	228,155
Total pension liability - beginning	10,061,796	10,073,757	9,408,142	8,830,560	8,602,405
Total pension liability - ending (a)	$ 10,651,089	$ 10,061,796	$ 10,073,757	$ 9,408,142	$ 8,830,560
Plan fiduciary net position:					
Contributions - employer	$ 217,580	$ 225,086	$ 198,762	$ 224,481	$ 192,132
Contributions - employee	99,120	100,367	96,350	96,864	88,481
Net investment income	932,702	(305,012)	2,418,762	321,763	534,033
Benefits payments, including refunds of member contributions	(375,600)	(300,333)	(277,495)	(341,500)	(322,769)
Administrative expense	(10,039)	(10,398)	(9,216)	(8,865)	(8,348)
Other	-	-	(57,511)	(29,207)	1
Net change in plan fiduciary net position	863,763	(290,290)	2,369,652	263,536	483,530
Plan fiduciary net position - beginning	10,892,871	11,183,161	8,813,509	8,549,973	8,066,443
Plan fiduciary net position - ending (b)	$ 11,756,634	$ 10,892,871	$ 11,183,161	$ 8,813,509	$ 8,549,973
Town's net pension liability (asset) - ending (a) - (b)	$ (1,105,545)	$ (831,075)	$ (1,109,404)	$ 594,633	$ 280,587
Plan fiduciary net position as a percentage of the total pension liability	110.38%	108.26%	111.01%	93.68%	96.82%
Covered payroll	$ 3,073,747	$ 3,033,501	$ 2,897,395	$ 2,904,028	$ 2,558,343
Net pension liability (asset) as a percentage of covered payroll	-35.97%	-27.40%	-38.29%	20.48%	10.97%

(Continued)

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

TOWN OF CHARLESTOWN, RHODE ISLAND

Required Supplementary Information (Continued)

General Employees Pension Plan

Schedule of Changes in the Net Pension Liability (Asset) and Related Ratios

"Unaudited"

Measurement Date	***6/30/2018***	***6/30/2017***	***6/30/2016***	***6/30/2015***	***6/30/2014***
Fiscal Year	***2019***	***2018***	***2017***	***2016***	***2015***
Total pension liability:					
Service cost	$ 225,873	$ 204,691	$ 198,767	$ 187,950	$ 188,698
Interest	572,591	548,930	537,624	521,066	491,136
Changes of benefit terms	-	-	-	102,265	-
Differences between expected and actual experience	(125,262)	51,503	(320,845)	(346,031)	-
Changes of assumptions	-	314,400	-	-	(55,194)
Benefits payments, including refunds of member contributions	(275,453)	(263,172)	(272,370)	(227,375)	(223,033)
Net change in total pension liability	397,749	856,352	143,176	237,875	401,607
Total pension liability - beginning	8,204,656	7,348,304	7,205,128	6,967,253	6,565,646
Total pension liability - ending (a)	$ 8,602,405	$ 8,204,656	$ 7,348,304	$ 7,205,128	$ 6,967,253
Plan fiduciary net position:					
Contributions - employer	$ 180,697	$ 203,506	$ 222,768	$ 218,126	$ 210,455
Contributions - employee	87,610	84,753	80,033	43,108	50,998
Net investment income	603,596	794,141	(2,314)	155,713	860,546
Benefits payments, including refunds of member contributions	(275,453)	(263,172)	(272,370)	(227,375)	(223,033)
Administrative expense	(8,035)	(7,503)	(6,225)	(6,244)	(5,389)
Other	-	(18)	-	2	3,872
Net change in plan fiduciary net position	588,415	811,707	21,892	183,330	897,449
Plan fiduciary net position - beginning	7,478,028	6,666,321	6,644,429	6,461,099	5,563,650
Plan fiduciary net position - ending (b)	$ 8,066,443	$ 7,478,028	$ 6,666,321	$ 6,644,429	$ 6,461,099
Town's net pension liability (asset) - ending (a) - (b)	$ 535,962	$ 726,628	$ 681,983	$ 560,699	$ 506,154
Plan fiduciary net position as a percentage of the total pension liability	93.77%	91.14%	90.72%	92.22%	92.74%
Covered payroll	$ 2,455,146	$ 2,369,105	$ 2,253,594	$ 2,155,394	$ 2,087,371
Net pension liability (asset) as a percentage of covered payroll	21.83%	30.67%	30.26%	26.01%	24.25%

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

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

Measurement Date	***6/30/2023***	***6/30/2022***	***6/30/2021***	***6/30/2020***	***6/30/2019***
Fiscal Year	***2024***	***2023***	***2022***	***2021***	***2020***
Total pension liability:					
Service cost	$ 323,519	$ 324,546	$ 312,591	$ 321,441	$ 302,001
Interest	1,190,140	1,160,921	1,091,146	1,052,689	992,668
Changes of benefit terms	-	-	-	-	-
Differences between expected and actual experience	(124,709)	(247,540)	374,787	(223,698)	337,666
Changes of assumptions	(44,233)	-	-	188,895	-
Benefits payments, including refunds of member contributions	(850,367)	(789,647)	(785,781)	(785,238)	(783,993)
Net change in total pension liability	494,350	448,280	992,743	554,089	848,342
Total pension liability - beginning	17,265,423	16,817,143	15,824,400	15,270,311	14,421,969
Total pension liability - ending (a)	$ 17,759,773	$ 17,265,423	$ 16,817,143	$ 15,824,400	$ 15,270,311
Plan fiduciary net position:					
Contributions - employer	$ 600,892	$ 801,500	$ 1,574,879	$ 499,233	$ 410,661
Contributions - employee	165,992	166,862	160,716	157,338	148,040
Net investment income	1,213,469	(397,017)	3,116,786	378,067	631,896
Benefits payments, including refunds of member contributions	(850,367)	(789,647)	(785,781)	(785,238)	(783,993)
Administrative expense	(13,061)	(13,534)	(11,876)	(10,417)	(9,878)
Other	122	-	-	1	1
Net change in plan fiduciary net position	1,117,047	(231,836)	4,054,724	238,984	396,727
Plan fiduciary net position - beginning	14,178,638	14,410,474	10,355,750	10,116,766	9,720,039
Plan fiduciary net position - ending (b)	$ 15,295,685	$ 14,178,638	$ 14,410,474	$ 10,355,750	$ 10,116,766
Town's net pension liability - ending (a) - (b)	$ 2,464,088	$ 3,086,785	$ 2,406,669	$ 5,468,650	$ 5,153,545
Plan fiduciary net position as a percentage of the total pension liability	86.13%	82.12%	85.69%	65.44%	66.25%
Covered payroll	$ 1,659,923	$ 1,668,617	$ 1,607,152	$ 1,573,377	$ 1,480,395
Net pension liability as a percentage of covered payroll	148.45%	184.99%	149.75%	347.57%	348.12%

(Continued)

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

TOWN OF CHARLESTOWN, RHODE ISLAND

Required Supplementary Information (Continued)

Police Officers Pension Plan

Schedule of Changes in the Net Pension Liability and Related Ratios

"Unaudited"

Measurement Date	***6/30/2018***	***6/30/2017***	***6/30/2016***	***6/30/2015***	***6/30/2014***
Fiscal Year	***2019***	***2018***	***2017***	***2016***	***2015***
Total pension liability:					
Service cost	$ 277,712	$ 261,944	$ 260,761	$ 241,600	$ 237,878
Interest	956,158	910,596	880,676	800,834	765,642
Changes of benefit terms	-	-	-	372,401	-
Differences between expected and actual experience	33,371	239,204	(194,211)	153,052	-
Changes of assumptions	-	745,559	-	-	(80,385)
Benefits payments, including refunds of member contributions	(731,633)	(562,502)	(535,251)	(490,580)	(420,969)
Net change in total pension liability	535,608	1,594,801	411,975	1,077,307	502,166
Total pension liability - beginning	13,886,361	12,291,560	11,879,585	10,802,278	10,300,112
Total pension liability - ending (a)	$ 14,421,969	$ 13,886,361	$ 12,291,560	$ 11,879,585	$ 10,802,278
Plan fiduciary net position:					
Contributions - employer	$ 324,241	$ 332,416	$ 330,618	$ 341,485	$ 274,357
Contributions - employee	132,559	136,572	140,033	112,078	116,698
Net investment income	727,331	980,094	(2,899)	197,358	1,101,220
Benefits payments, including refunds of member contributions	(731,633)	(562,502)	(535,251)	(490,580)	(420,969)
Administrative expense	(9,683)	(9,260)	(7,798)	(7,916)	(6,896)
Other	48,171	(23)	5,601	920	1,706
Net change in plan fiduciary net position	490,986	877,297	(69,696)	153,345	1,066,116
Plan fiduciary net position - beginning	9,229,053	8,351,756	8,421,452	8,268,107	7,201,991
Plan fiduciary net position - ending (b)	$ 9,720,039	$ 9,229,053	$ 8,351,756	$ 8,421,452	$ 8,268,107
Town's net pension liability - ending (a) - (b)	$ 4,701,930	$ 4,657,308	$ 3,939,804	$ 3,458,133	$ 2,534,171
Plan fiduciary net position as a percentage of the total pension liability	67.40%	66.46%	67.95%	70.89%	76.54%
Covered payroll	$ 1,325,594	$ 1,365,715	$ 1,404,962	$ 1,398,956	$ 1,399,280
Net pension liability as a percentage of covered payroll	354.70%	341.02%	280.42%	247.19%	181.11%

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

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

Fiscal Year	*2024*	*2023*	*2022*	*2021*	*2020*	*2019*	*2018*	*2017*	*2016*	*2015*
General Employees Plan										
Actuarially determined contribution	$ 151,937	$ 217,580	$ 225,086	$ 198,762	$ 224,481	$ 192,132	$ 180,697	$ 203,506	$ 222,768	$ 218,126
Contributions in relation to the actuarially determined contribution	151,937	217,580	225,086	198,762	224,481	192,132	180,697	203,506	222,768	218,126
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ 3,232,094	$ 3,073,747	$ 3,033,501	$ 2,897,395	$ 2,904,028	$ 2,558,343	$ 2,455,146	$ 2,369,105	$ 2,253,594	$ 2,155,394
Contributions as a percentage of covered payroll	4.70%	7.08%	7.42%	6.86%	7.73%	7.51%	7.36%	8.59%	9.89%	10.12%
Police Officers Plan										
Actuarially determined contribution	$ 517,240	$ 600,892	$ 571,500	$ 574,879	$ 499,233	$ 410,661	$ 324,241	$ 332,416	$ 330,618	$ 341,485
Contributions in relation to the actuarially determined contribution	517,240	600,892	801,500	1,574,879	499,233	410,661	324,241	332,416	330,618	341,485
Contribution deficiency (excess)	$ -	$ -	$ (230,000)	$ (1,000,000)	$ -	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ 1,729,899	$ 1,659,923	$ 1,668,617	$ 1,607,152	$ 1,573,377	$ 1,480,395	$ 1,325,594	$ 1,365,715	$ 1,404,962	$ 1,398,956
Contributions as a percentage of covered payroll	29.90%	36.20%	48.03%	97.99%	31.73%	27.74%	24.46%	24.34%	23.53%	24.41%

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

TOWN OF CHARLESTOWN, RHODE ISLAND

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budgetary Basis

General Fund

For the Fiscal Year Ended June 30, 2024

	Original Budget	*Final Budget*	*Actual Amounts (Budgetary Basis)*	*Variance with Final Budget Positive (Negative)*
Revenues				
Property taxes				
Current and prior years	$ 23,780,372	$ 23,780,372	$ 23,882,939	$ 102,567
Interest on delinquent taxes	160,000	160,000	115,666	(44,334)
Federal payment in lieu	7,600	7,600	10,122	2,522
Total property taxes	23,947,972	23,947,972	24,008,727	60,755
Intergovernmental revenues				
Beach parking fees	40,000	40,000	33,306	(6,694)
State education aid	1,404,973	1,404,973	1,372,841	(32,132)
Beverage and meal tax	225,535	225,535	221,748	(3,787)
Hotel tax	91,961	91,961	94,472	2,511
Public service corporation tax	97,025	97,025	106,186	9,161
Motor vehicle phase out	1,020,877	1,020,877	1,020,877	-
Cannabis excise tax	-	-	281	281
Total intergovernmental revenues	2,880,371	2,880,371	2,849,711	(30,660)
Departmental revenues				
Business licenses and fees	25,000	25,000	18,965	(6,035)
Non-business license and fees	6,000	6,000	4,050	(1,950)
Probate fees	16,000	16,000	28,594	12,594
Realty transfer stamps	350,000	350,000	172,876	(177,124)
Recording fees	140,000	140,000	74,901	(65,099)
Tax certificates	17,000	17,000	5,889	(11,111)
Building inspector	450,000	450,000	407,540	(42,460)
Zoning board	4,000	4,000	4,810	810
Planning fees	5,000	5,000	4,900	(100)
Animal control	5,000	5,000	3,954	(1,046)
Police department	29,000	29,000	66,828	37,828
Police vehicle reimbursement	40,000	40,000	66,988	26,988
Town beach parking	140,000	140,000	185,613	45,613
Beach passes	175,000	175,000	145,090	(29,910)
Recreation	100,000	100,000	159,497	59,497
Ninigret park	2,000	2,000	2,187	187
Ninigret gate house rent	6,000	6,000	6,000	-
Blue Shutter concession	1,000	1,000	3,000	2,000
Blue Shutter parking	250,000	250,000	258,095	8,095
Town beach concession	4,000	4,000	2,000	(2,000)
Senior center programs	25,000	25,000	34,776	9,776
Municipal court revenue	10,000	10,000	18,303	8,303
Total departmental revenues	1,800,000	1,800,000	1,674,856	(125,144)
Investment income	120,000	120,000	435,790	315,790
Other revenue	40,000	40,000	8,331	(31,669)
Other financing sources				
Transfers in	970,814	970,814	915,620	(55,194)
Total revenues and other financing sources	29,759,157	29,759,157	29,893,035	133,878

(Continued)

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

TOWN OF CHARLESTOWN, RHODE ISLAND

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budgetary Basis (Continued)

General Fund

For the Fiscal Year Ended June 30, 2024

	Original Budget	*Final Budget*	*Actual Amounts (Budgetary Basis)*	*Variance with Final Budget Positive (Negative)*
Expenditures				
General government				
Town Council	34,880	34,880	19,634	15,246
Town Administrator	200,677	200,677	188,720	11,957
Board of Canvassers	37,490	37,490	20,991	16,499
Fimance Director	187,000	168,500	16,947	151,553
Treasurer	310,665	310,665	301,105	9,560
Information Technology	253,939	250,939	237,580	13,359
Tax Assessor	187,767	206,267	204,444	1,823
GIS	124,164	127,164	127,167	(3)
Tax Collector	153,315	153,315	145,122	8,193
Town Clerk	248,743	248,743	179,286	69,457
Town Planner	164,837	164,837	159,183	5,654
Central Services	480,844	480,844	444,943	35,901
Building Inspector	339,288	339,288	311,663	27,625
Municipal Court	9,964	9,964	9,761	203
Boards and Commissions	42,885	42,885	23,415	19,470
Total general government	2,776,458	2,776,458	2,389,961	386,497
Public safety				
Police Department	3,057,071	3,057,071	3,059,226	(2,155)
Animal Control	146,394	146,394	139,167	7,227
CEMA	96,446	96,446	65,438	31,008
Total public safety	3,299,911	3,299,911	3,263,831	36,080
Public works				
Administration	196,226	196,226	191,610	4,616
Highway & Roads	1,244,305	1,244,305	1,119,721	124,584
Building & Grounds	433,858	433,858	413,997	19,861
CRCC Mandated Monitoring	13,500	13,500	9,628	3,872
Wastewater Management	172,919	172,919	174,543	(1,624)
Total public works	2,060,808	2,060,808	1,909,499	151,309
Education	13,933,732	13,933,732	13,933,732	-
Parks and recreation				
Recreation Administration	252,562	252,562	245,126	7,436
Recreation Programs	155,885	155,885	154,705	1,180
Senior/Community Center	149,785	149,785	150,014	(229)
Charlestown Beach	164,851	164,851	151,293	13,558
Ninigret Park	63,740	56,653	49,682	6,971
Blue Shutters Beach	163,371	163,371	170,555	(7,184)
Total parks and recreation	950,194	943,107	921,375	21,732

(Continued)

TOWN OF CHARLESTOWN, RHODE ISLAND
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budgetary Basis (Continued)
General Fund
For the Fiscal Year Ended June 30, 2024

	Original Budget	*Final Budget*	*Actual Amounts (Budgetary Basis)*	*Variance with Final Budget Positive (Negative)*
Public health and assistance				
Public assistance	6,088	6,088	3,220	2,868
Outside agencies	25,000	25,000	25,000	-
Local agencies	861,816	861,816	862,816	(1,000)
Total public and health assistance	892,904	892,904	891,036	1,868
Employee benefits and other outside services				
Employee benefits	2,578,531	2,578,531	2,248,979	329,552
Professional services	266,760	266,760	232,842	33,918
Town insurance	367,867	367,867	356,197	11,670
Council contingency	100,000	2,873	2,873	-
Total employee benefits and other outside services	3,313,158	3,216,031	2,840,891	375,140
Debt service				
Principal	565,000	565,000	565,000	-
Interest and fees	72,396	72,396	72,170	226
Total debt service	637,396	637,396	637,170	226
Capital improvements	621,305	528,115	370,903	157,212
Other financing uses				
Transfers out	1,273,291	1,470,695	1,421,098	49,597
Total expenditures and other financing uses	29,759,157	29,759,157	28,579,496	1,179,661
Net change in fund balance - budgetary basis	$ -	$ -	$ 1,313,539	$ 1,313,539

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

NOTE 1 – OPEB PLANS

The actuarial methods and assumptions used to calculate the total OPEB liability are described in Note 15 to the financial statements.

The net OPEB liability (asset) amount presented for each fiscal year was determined as of the fiscal year-end.

The schedules are intended to present ten years of data. Additional years of data will be presented as they become available.

Actuarially Determined Contributions:

The following actuarial methods and assumptions were used to determine contribution amounts reported in that schedule:

- Actuarial cost method – Entry Age Normal
- Amortization method – Level dollar, open (prior valuation - level percentage of payroll, closed)
- Amortization period – 10 years (prior valuation - 6 years remaining)
- Asset valuation method – 5-year smoothed, non-asymptotic
- Inflation – 2.5%
- Investment rate of return – 6.5%
- Salary increases – 3.5%
- Mortality – Pub-2010 Mortality Table with generational projection per the MP-2021 ultimate scale; PubS-2010 was used for police and PubG-2010 was used for others (prior valuation – PubS-2010 Mortality Table with generational projection per the MP-2014 ultimate scale)
- Health care cost trend rate – Getzen Trend Model - pre-65 – 6.5% decreasing to an ultimate rate of 3.9%; post-65 – 6.3% decreasing to an ultimate rate of 3.9% (prior valuation - pre-65 – 5.4% decreasing to an ultimate rate of 4%; post-65 – 4.7% decreasing to an ultimate rate of 4%)

NOTE 2 – PENSION PLANS

The net pension liability (asset) amounts presented as of June 30, 2024 were determined as part of actuarial valuations performed as of June 30, 2022 and rolled forward to June 30, 2023, the measurement date. Additional information, including actuarial methods and assumptions, is presented in Note 16 A to the financial statements.

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

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

June 30, 2023 measurement date –

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

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

June 30, 2020 measurement date –

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

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

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%.
- Decreased the general wage growth assumption from 3.25% to 3%.
- Decreased salary increase assumptions.
- Updated the post-retirement mortality tables to variants of the RP-2014 table. For the improvement scale, update to the ultimate rates of the MP-2016 projection scale.

June 30, 2015 measurement date –

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

- Employees with more than 20 years of service on July 1, 2012 will increase their employee contribution rates to 11% for state employees and municipal general employees will contribute 8.25% (9.25% for units with a COLA provision) and participate solely in the defined benefit plan going forward – service credit accruals will increase from 1% to 2% per year.
- Members are eligible to retire upon the attainment of: age 65 with 30 years of service, 64 with 31 years of service, 63 with 32 years of service, or 62 with 33 years of service. Members may retire earlier if their RIRSA date is earlier or are eligible under a transition rule.
- MERS public safety employees may retire at age 50 with 25 years of service, or any age with 27 years of service. MERS public safety employees will contribute 9% (10% for units with a COLA provision).
- Employees with more than 10 but less than 20 years of service on July 1, 2012 will receive an increased employer contribution to the defined contribution plan. Also, members who earn less than $35,000 per year will not be required to pay the administrative fees to the defined contribution plan.
- Members who retired from a COLA eligible plan before July 1, 2012 will receive a one-time cost of living adjustment of 2% of the first $25,000 paid as soon as administratively possible.
- Retirees as of June 30, 2015 will receive two $500 stipends; the interim cost of living increases will occur at 4-year rather than 5-year intervals.
- The COLA formula was adjusted to: 50% of the COLA is calculated by taking the previous 5-year average investment return, less 5.5% (5yr Return - 5.5%, with a maximum of 4%) and 50% calculated using previous year's CPI-U (maximum of 3%) for a total maximum COLA of 3.5%. This COLA is calculated on the first $25,855, effective 01/01/16, and indexed as of that date as well. (The indexing formula is run annually regardless of funding level each year.)
- Minor adjustments were made to the actuarial reduction for employees choosing to retire early.

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

NOTE 3 - BUDGETARY DATA AND BUDGETARY COMPLIANCE

The Town Charter provides that the Administrator shall annually assemble the budget requests of all departments, offices, and agencies and present these estimates to the Budget Commission. The Budget Commission shall hold its first meeting for the consideration of the recommended annual budget not later than the last week of January. The Budget Commission must complete its consideration of the budget no later than March 31 and file two copies with the Town Clerk's Office. The Town Council may revise the budget submitted by the Budget Commission and shall adopt it for consideration as a tentative budget for presentation at the Budget Public Hearing no later than the second Monday in April. After the Budget Public Hearing and no later than the Tuesday next following the second Monday in May, the Town Council shall make final revisions to the proposed budget and warrant items to be placed on the ballot of the all-day Financial Referendum to be held on the first Monday in June. The budget must reflect all anticipated revenues and proposed expenditures and the proposed expenditures cannot exceed anticipated revenues. The Town Charter requires an annual budget for the General Fund. The American Rescue Plan Fund, which is a Special Revenue Fund, is not legally required to adopt a budget.

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

Revenues and Other Financing Sources	***General Fund***
Actual amounts (budgetary basis)	$29,893,035
Differences - budget to GAAP:	
Unbudgeted revenues and other financing sources are not included for budgetary purposes but are included for financial reporting purposes.	7,580
Budgeted revenues and other financing sources are included for budgetary purposes but are not included for financial reporting purposes.	(915,620)
Finance purchases and subscription-based IT arrangements are not reported as budgetary other financing sources but are reported as other financing sources for financial reporting purposes.	110,217
Total revenues and other financing sources as reported in the statement of revenues, expenditures, and changes in fund balances – governmental funds	$29,095,212

TOWN OF CHARLESTOWN, RHODE ISLAND
Notes to Required Supplementary Information
June 30, 2024
"Unaudited"

Expenditures and Other Financing Uses	***General Fund***
Actual amounts (budgetary basis)	$28,579,496
Differences – budget to GAAP:	
Unbudgeted expenditures and other financing uses are not included for budgetary purposes but are included for financial reporting purposes.	344,125
Budgeted expenditures and other financing uses are included for budgetary purposes but are not included for financial reporting purposes.	(1,421,098)
Capital expenditures financed by a financed purchase and subscription-based IT arrangements are not reported as budgetary expenditures but are reported as expenditures for financial reporting purposes.	110,217
Total expenditures and other financing uses as reported in the statement of revenues, expenditures, and changes in fund balances – governmental funds	$27,612,740

O T H E R S U P P L E M E N T A R Y I N F O R M A T I O N

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

THIS SECTION CONTAINS THE FOLLOWING:

Combining Financial Statements for General Fund

Combining Fund Financial Statements for Nonmajor Governmental Funds

Other Supplementary Information

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

	General Fund	*Asphalt Resurfacing*	*Public Works Fuel Management*	*Police HVAC*	*Town Capital Maintenance Fund*	*Coastal Access Feasibility Study*	*Ninigret Disc Golf*
Assets							
Cash	$ 12,341,239	$ -	$ -	$ -	$ -	$ -	$ -
Property taxes receivable, net	367,098	-	-	-	-	-	-
Due from other funds	1,699,594	193,368	38,202	25,625	481,819	15,000	11,392
Other receivables	33,080	-	-	-	-	-	-
Prepaid expenditures	168,145	-	-	-	-	-	-
Other assets	288,891	-	-	-	-	-	-
Total assets	$ 14,898,047	$ 193,368	$ 38,202	$ 25,625	$ 481,819	$ 15,000	$ 11,392
Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)							
Liabilities							
Accounts payable	$ 536,951	$ -	$ -	$ -	$ -	$ -	$ -
Accrued payroll	117,241	-	-	-	-	-	-
Due to other funds	5,392,487	-	-	-	-	-	-
Unearned revenue	39,737	-	-	-	-	-	-
Other liabilities	5,472	-	-	-	-	-	-
Total liabilities	6,091,888	-	-	-	-	-	-
Deferred Inflows of Resources							
Unavailable revenue - property taxes	281,943	-	-	-	-	-	-
Unavailable revenue - tax sale property	288,891	-	-	-	-	-	-
Total deferred inflows of resources	570,834	-	-	-	-	-	-
Fund Balances (Deficits)							
Nonspendable	168,145	-	-	-	-	-	-
Committed	-	193,368	38,202	25,625	481,819	15,000	11,392
Unassigned	8,067,180	-	-	-	-	-	-
Total fund balances (deficits)	8,235,325	193,368	38,202	25,625	481,819	15,000	11,392
Total liabilities, deferred inflows of resources, and fund balances (deficits)	$ 14,898,047	$ 193,368	$ 38,202	$ 25,625	$ 481,819	$ 15,000	$ 11,392

(Continued)

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

	Old Mill Road	*Denitrification Septic System Prototype*	*Pond and Beach Preservation*	*Animal Control Donations*	*Finance Project*	*Charlestown Beach Road Engineering*
Assets						
Cash	$ -	$ -	$ -	$ 80,894	$ -	$ -
Property taxes receivable, net	-	-	-	-	-	-
Due from other funds	-	83,911	1,110,060	6,590	911	-
Other receivables	-	-	-	-	-	-
Prepaid expenditures	-	-	-	-	-	-
Tax sale property	-	-	-	-	-	-
Total assets	$ -	$ 83,911	$ 1,110,060	$ 87,484	$ 911	$ -
Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)						
Liabilities						
Accounts payable	$ -	$ -	$ -	$ -	$ -	$ -
Accrued payroll	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-
Unearned revenue	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Total liabilities	-	-	-	-	-	-
Deferred Inflows of Resources						
Unavailable revenue - property taxes	-	-	-	-	-	-
Unavailable revenue - tax sale property	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-
Fund Balances (Deficits)						
Nonspendable	-	-	-	-	-	-
Committed	-	83,911	1,110,060	87,484	911	-
Unassigned	-	-	-	-	-	-
Total fund balances (deficits)	-	83,911	1,110,060	87,484	911	-
Total liabilities, deferred inflows of resources, and fund balances (deficits)	$ -	$ 83,911	$ 1,110,060	$ 87,484	$ 911	$ -

(Continued)

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

	Environmental Resilience	*Affordable Housing Initiatives*	*Chariho Reserve*	*Reserve for Sick and Vacation*	*Revaluation Fund*	*Employee Vending*
Assets						
Cash	$ -	$ -	$ -	$ -	$ -	$ 4,146
Property taxes receivable, net	-	-	-	-	-	-
Due from other funds	41,210	253,173	250,000	953,408	141,660	-
Other receivables	-	-	-	-	-	-
Prepaid expenditures	-	-	-	-	-	-
Tax sale property	-	-	-	-	-	-
Total assets	$ 41,210	$ 253,173	$ 250,000	$ 953,408	$ 141,660	$ 4,146
Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)						
Liabilities						
Accounts payable	$ -	$ -	$ -	$ -	$ -	$ -
Accrued payroll	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	5,049
Unearned revenue	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Total liabilities	-	-	-	-	-	5,049
Deferred Inflows of Resources						
Unavailable revenue - property taxes	-	-	-	-	-	-
Unavailable revenue - tax sale property	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-
Fund Balances (Deficits)						
Nonspendable	-	-	-	-	-	-
Committed	41,210	253,173	250,000	953,408	141,660	-
Unassigned	-	-	-	-	-	(903)
Total fund balances (deficits)	41,210	253,173	250,000	953,408	141,660	(903)
Total liabilities, deferred inflows of resources, and fund balances (deficits)	$ 41,210	$ 253,173	$ 250,000	$ 953,408	$ 141,660	$ 4,146

(Continued)

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

	Wastewater Testing	*EMA Tree Removal*	*Open Space 2016*	*Landfill Monitoring*	*GIS Project*	*Developer Bond Deposits*	*IT Projects*
Assets							
Cash	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Property taxes receivable, net	-	-	-	-	-	-	-
Due from other funds	7,768	54,862	-	76,630	5,096	19,908	95,348
Other receivables	-	-	-	-	-	-	-
Prepaid expenditures	-	-	-	-	-	-	-
Tax sale property	-	-	-	-	-	-	-
Total assets	$ 7,768	$ 54,862	$ -	$ 76,630	$ 5,096	$ 19,908	$ 95,348
Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)							
Liabilities							
Accounts payable	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Accrued payroll	-	-	-	-	-	-	-
Due to other funds	-	-	451,536	-	-	-	-
Unearned revenue	-	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	19,908	-
Total liabilities	-	-	451,536	-	-	19,908	-
Deferred Inflows of Resources							
Unavailable revenue - property taxes	-	-	-	-	-	-	-
Unavailable revenue - tax sale property	-	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-	-
Fund Balances (Deficits)							
Nonspendable	-	-	-	-	-	-	-
Committed	7,768	54,862	-	76,630	5,096	-	95,348
Unassigned	-	-	(451,536)	-	-	-	-
Total fund balances (deficits)	7,768	54,862	(451,536)	76,630	5,096	-	95,348
Total liabilities, deferred inflows of resources, and fund balances (deficits)	$ 7,768	$ 54,862	$ -	$ 76,630	$ 5,096	$ 19,908	$ 95,348

(Continued)

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

	Comprehensive Planning Fund	*Police Evidence Property*	*Confidential Funds*	*Reserve for Legal Fees*	*Interfund Elimination Entries*	*Total General Fund*
Assets						
Cash	$ 13,545	$ 22,309	$ 3,822	$ -	$ -	$ 12,465,955
Property taxes receivable, net	-	-	-	-	-	367,098
Due from other funds	29,747	-	-	481,229	(4,848,122)	1,228,389
Other receivables	-	-	-	-	-	33,080
Prepaid expenditures	-	-	-	-	-	168,145
Tax sale property	-	-	-	-	-	288,891
Total assets	$ 43,292	$ 22,309	$ 3,822	$ 481,229	$ (4,848,122)	$ 14,551,558
Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)						
Liabilities						
Accounts payable	$ -	$ -	$ -	$ -	$ -	$ 536,951
Accrued payroll	-	-	-	-	-	117,241
Due to other funds	-	14,620	-	-	(4,848,122)	1,015,570
Unearned revenue	-	-	-	-	-	39,737
Other liabilities	-	7,689	-	-	-	33,069
Total liabilities	-	22,309	-	-	(4,848,122)	1,742,568
Deferred Inflows of Resources						
Unavailable revenue - property taxes	-	-	-	-	-	281,943
Unavailable revenue - tax sale property	-	-	-	-	-	288,891
Total deferred inflows of resources	-	-	-	-	-	570,834
Fund Balances (Deficits)						
Nonspendable	-	-	-	-	-	168,145
Committed	43,292	-	-	481,229	-	4,451,448
Unassigned	-	-	3,822	-	-	7,618,563
Total fund balances (deficits)	43,292	-	3,822	481,229	-	12,238,156
Total liabilities, deferred inflows of resources, and fund balances (deficits)	$ 43,292	$ 22,309	$ 3,822	$ 481,229	$ (4,848,122)	$ 14,551,558

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

	General Fund	*Asphalt Resurfacing*	*Public Works Fuel Management*	*Police HVAC*	*Town Capital Maintenance Fund*	*Coastal Access Feasibility Study*	*Ninigret Disc Golf*
Revenues:							
General property taxes	$ 24,008,727	$ -	$ -	$ -	$ -	$ -	$ -
Intergovernmental	2,849,711	-	-	-	-	-	-
Departmental	1,674,856	-	-	-	-	-	-
Investment income	435,790	-	-	-	-	-	-
Other	8,331	-	-	-	-	-	3,982
Total revenues	28,977,415	-	-	-	-	-	3,982
Expenditures:							
Current:							
General government	2,389,961	-	-	-	-	-	-
Public safety	3,263,831	-	-	-	-	-	-
Public works	1,909,499	-	-	-	-	-	-
Education	13,933,732	-	-	-	-	-	-
Parks and recreation	921,375	-	-	-	-	-	329
Public health and assistance	891,036	-	-	-	-	-	-
Employee benefits and other outside services	2,840,891	-	-	-	-	-	-
Debt service:							
Principal	565,000	-	-	-	-	-	-
Interest and other charges	72,170	-	-	-	-	-	-
Capital outlay	481,120	-	-	-	135,529	-	-
Total expenditures	27,268,615	-	-	-	135,529	-	329
Excess (deficiency) of revenues over (under) expenditures before other financing sources (uses)	1,708,800	-	-	-	(135,529)	-	3,653
Other financing sources (uses):							
Debt issued	62,335	-	-	-	-	-	-
Subscription based IT arrangement (SBITA)	47,882	-	-	-	-	-	-
Transfers in	915,620	29,454	-	-	212,106	-	7,087
Transfers out	(1,421,098)	-	-	-	-	-	-
Total other financing sources (uses)	(395,261)	29,454	-	-	212,106	-	7,087
Net change in fund balances	1,313,539	29,454	-	-	76,577	-	10,740
Fund balances (deficits) - beginning of year	6,921,786	163,914	38,202	25,625	405,242	15,000	652
Fund balances (deficits) - end of year	$ 8,235,325	$ 193,368	$ 38,202	$ 25,625	$ 481,819	$ 15,000	$ 11,392

(Continued)

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

	Old Mill Road	*Denitrification Septic System Prototype*	*Pond and Beach Preservation*	*Animal Control Donations*	*Finance Project*	*Charlestown Beach Road Engineering*
Revenues:						
General property taxes	$ -	$ -	$ -	$ -	$ -	$ -
Intergovernmental	-	-	-	-	-	-
Departmental	-	-	-	-	-	-
Investment income	-	-	-	2,936	-	-
Other	-	-	-	320	-	-
Total revenues	-	-	-	3,256	-	-
Expenditures:						
Current:						
General government	-	-	22,405	-	10,089	-
Public safety	-	-	-	-	-	-
Public works	-	14,811	-	-	-	20,000
Education	-	-	-	-	-	-
Parks and recreation	-	-	-	-	-	-
Public health and assistance	-	-	-	-	-	-
Employee benefits and other outside services	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest and other charges	-	-	-	-	-	-
Capital outlay	-		-	-	-	-
Total expenditures	-	14,811	22,405	-	10,089	20,000
Excess (deficiency) of revenues over (under) expenditures before other financing sources (uses)	-	(14,811)	(22,405)	3,256	(10,089)	(20,000)
Other financing sources (uses):						
Debt issued	-	-	-	-	-	-
Subscription based IT arrangement (SBITA)	-	-	-	-	-	-
Transfers in	-	-	275,000	-	-	-
Transfers out	(915,620)	-	-	-	-	-
Total other financing sources (uses)	(915,620) -	-	275,000	-	-	-
Net change in fund balances	(915,620)	(14,811)	252,595	3,256	(10,089)	(20,000)
Fund balances (deficits) - beginning of year	915,620	98,722	857,465	84,228	11,000	20,000
Fund balances (deficits) - end of year	$ -	$ 83,911	$ 1,110,060	$ 87,484	$ 911	$ -

(Continued)

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

	Environmental Resilience	*Affordable Housing Initiatives*	*Chariho Reserve*	*Reserve for Sick and Vacation*	*Revaluation Fund*	*Employee Vending*
Revenues:						
General property taxes	$ -	$ -	$ -	$ -	$ -	$ -
Intergovernmental	-	-	-	-	-	-
Departmental	-	-	-	-	-	-
Investment income	-	-	-	-	-	2
Other	-	-	-	-	-	-
Total revenues	-	-	-	-	-	2
Expenditures:						
Current:						
General government	3,790	-	-	16,208	-	-
Public safety	-	-	-	71,417	-	-
Public works	-	-	-	17,636	-	-
Education	-	-	-	-	-	-
Parks and recreation	-	-	-	-	-	-
Public health and assistance	-	-	-	-	-	-
Employee benefits and other outside services	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest and other charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	3,790	-	-	105,261	-	-
Excess (deficiency) of revenues over (under) expenditures before other financing sources (uses)	(3,790)	-	-	(105,261)	-	2
Other financing sources (uses):						
Debt issued	-	-	-	-	-	-
Subscription based IT arrangement (SBITA)	-	-	-	-	-	-
Transfers in	15,000	200,000	-	247,127	50,000	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	15,000	200,000	-	247,127	50,000	-
Net change in fund balances	11,210	200,000	-	141,866	50,000	2
Fund balances (deficits) - beginning of year	30,000	53,173	250,000	811,542	91,660	(905)
Fund balances (deficits) - end of year	$ 41,210	$ 253,173	$ 250,000	$ 953,408	$ 141,660	$ (903)

(Continued)

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

	Wastewater Testing	*EMA Tree Removal*	*Open Space 2016*	*Landfill Monitoring*	*GIS Project*	*Developer Bond Deposits*	*IT Projects*
Revenues:							
General property taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Intergovernmental	-	-	-	-	-	-	-
Departmental	-	-	-	-	30	-	-
Investment income	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	310
Total revenues	-	-	-	-	30	-	310
Expenditures:							
Current:							
General government	-	-	-	-	-	-	2,615
Public safety	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-
Education	-	-	-	-	-	-	-
Parks and recreation	-	-	-	-	-	-	-
Public health and assistance	-	-	-	-	-	-	-
Employee benefits and other outside services	-	-	-	-	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest and other charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Total expenditures	-	-	-	-	-	-	2,615
Excess (deficiency) of revenues over (under) expenditures before other financing sources (uses)	-	-	-	-	30	-	(2,305)
Other financing sources (uses):							
Debt issued	-	-	-	-	-	-	-
Subscription based IT arrangement (SBITA)	-	-	-	-	-	-	-
Transfers in	-	-	250,000	-	-	-	66,745
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	250,000	-	-	-	66,745
Net change in fund balances	-	-	250,000	-	30	-	64,440
Fund balances (deficits) - beginning of year	7,768	54,862	(701,536)	76,630	5,066	-	30,908
Fund balances (deficits) - end of year	$ 7,768	$ 54,862	$ (451,536)	$ 76,630	$ 5,096	$ -	$ 95,348

(Continued)

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

	Comprehensive Planning Fund	*Police Evidence Property*	*Confidential Funds*	*Reserve for Legal Fees*	*Interfund Elimination Entries*	*Total General Fund*
Revenues:						
General property taxes	$ -	$ -	$ -	$ -	$ -	$ 24,008,727
Intergovernmental	-	-	-	-	-	2,849,711
Departmental	-	-	-	-	-	1,674,886
Investment income	-	-	-	-	-	438,728
Other	-	-	-	-	-	12,943
Total revenues	-	-	-	-	-	28,984,995
Expenditures:						
Current:						
General government	29,296	-	-	-	-	2,474,364
Public safety	-	-	-	-	-	3,335,248
Public works	-	-	-	-	-	1,961,946
Education	-	-	-	-	-	13,933,732
Parks and recreation	-	-	-	-	-	921,704
Public health and assistance	-	-	-	-	-	891,036
Employee benefits and other outside services	-	-	-	-	-	2,840,891
Debt service:						
Principal	-	-	-	-	-	565,000
Interest and other charges	-	-	-	-	-	72,170
Capital outlay	-	-	-	-	-	616,649
Total expenditures	29,296	-	-	-	-	27,612,740
Excess (deficiency) of revenues over (under) expenditures before other financing sources (uses)	(29,296)	-	-	-	-	1,372,255
Other financing sources (uses):						
Debt issued	-	-	-	-	-	62,335
Subscription based IT arrangement (SBITA)	-	-	-	-	-	47,882
Transfers in	36,000	-	-	-	(2,304,139)	-
Transfers out	-	-	-	-	2,304,139	(32,579)
Total other financing sources (uses)	36,000	-	-	-	-	77,638
Net change in fund balances	6,704	-	-	-	-	1,449,893
Fund balances (deficits) - beginning of year	36,588	-	3,822	481,229	-	10,788,263
Fund balances (deficits) - end of year	$ 43,292	$ -	$ 3,822	$ 481,229	$ -	$ 12,238,156

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

	Special Revenue Funds						
	Senior Community Activities	*Ninigret Park Fitness Space - DEM*	*MEDS Grant - RI Department of Health*	*Tactical Vests*	*School Impact Fees*	*Opioid Settlement*	*Friends of Ninigret*
Assets							
Cash	$ -	$ -	$ -	$ -	$ 173,503	$ -	$ -
Investments	-	-	-	-	-	-	-
Accounts receivable	-	-	-	-	-	-	-
Due from federal and state governments	-	-	-	-	-	-	-
Due from other funds	1,006	4,026	22,082	-	1,427	50,069	836
Total assets	$ 1,006	$ 4,026	$ 22,082	$ -	$ 174,930	$ 50,069	$ 836
Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)							
Liabilities							
Accounts payable	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Due to other funds	-	-	-	197	-	-	-
Unearned revenue	-	2,773	-	-	-	-	-
Total liabilities	-	2,773	-	197	-	-	-
Deferred Inflows of Resources							
Unavailable revenue-loans	-	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-	-
Fund balances (deficits)							
Restricted	1,006	1,253	22,082	-	-	50,069	836
Committed	-	-	-	-	174,930	-	-
Unassigned	-	-	-	(197)	-	-	-
Total fund balances (deficits)	1,006	1,253	22,082	(197)	174,930	50,069	836
Total liabilities, deferred inflows of resources, and fund balances (deficits)	$ 1,006	$ 4,026	$ 22,082	$ -	$ 174,930	$ 50,069	$ 836

(Continued)

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

	Special Revenue Funds						
	Operation Blue Riptide	*Body Worn Camera Grant*	*Animal Spaying/ Neutering*	*Ninigret Park Fund*	*Bicentennial Fund*	*Covid Relief Fund*	*Open Space Fees*
Assets							
Cash	$ -	$ -	$ -	$ 78,656	$ 2,639	$ -	$ 61,364
Investments	-	-	-	-	-	-	-
Accounts receivable	-	-	-	-	-	-	-
Due from federal and state governments	-	-	-	-	-	-	-
Due from other funds	-	-	9,102	-	-	-	4,456
Total assets	$ -	$ -	$ 9,102	$ 78,656	$ 2,639	$ -	$ 65,820
Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)							
Liabilities							
Accounts payable	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Due to other funds	-	-	-	736	-	-	-
Unearned revenue	-		-	-	-	-	-
Total liabilities	-	-	-	736	-	-	-
Deferred Inflows of Resources							
Unavailable revenue-loans	-	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-	-
Fund balances (deficits)							
Restricted	-	-	9,102	-	2,639	-	-
Committed	-	-	-	77,920	-	-	65,820
Unassigned	-	-	-	-	-	-	-
Total fund balances (deficits)	-	-	9,102	77,920	2,639	-	65,820
Total liabilities, deferred inflows of resources, and fund balances (deficits)	$ -	$ -	$ 9,102	$ 78,656	$ 2,639	$ -	$ 65,820

(Continued)

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

	Special Revenue Funds					
	On-Site Wastewater Treatment System	*Naval Airfield Memorial*	*US EPA Grant*	*Birthday Committee*	*Ninigret Dog Park*	*Historical and Vital Records*
Assets						
Cash	$ -	$ 866	$ -	$ -	$ -	$ -
Investments	-	-	-	-	-	-
Accounts receivable	-	-	-	-	-	-
Due from federal and state governments	-	-	6,592	-	-	-
Due from other funds	53,424	245	15	1,905	-	193,384
Total assets	$ 53,424	$ 1,111	$ 6,607	$ 1,905	$ -	$ 193,384
Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)						
Liabilities						
Accounts payable	$ -	$ -	$ 6,592	$ -	$ -	$ -
Due to other funds	-	-	-	-	-	-
Unearned revenue	-	-	-	-	-	-
Total liabilities	-	-	6,592	-	-	-
Deferred Inflows of Resources						
Unavailable revenue-loans	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-
Fund balances (deficits)						
Restricted	53,424	1,111	15	1,905	-	193,384
Committed	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
Total fund balances (deficits)	53,424	1,111	15	1,905	-	193,384
Total liabilities, deferred inflows of resources, and fund balances (deficits)	$ 53,424	$ 1,111	$ 6,607	$ 1,905	$ -	$ 193,384

(Continued)

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

	Special Revenue Funds		*Permanent Funds*			
	Community Septic System Loan Program	*Total Special Revenue Funds*	*Zennis Ellis Trust*	*Cemetery Fund*	*Total Permanent Funds*	*Total Nonmajor Governmental Funds*
Assets						
Cash	$ -	$ 317,028	$ 845	$ -	$ 845	$ 317,873
Investments	-	-	-	500	500	500
Accounts receivable	178,716	178,716	-	-	-	178,716
Due from federal and state governments	-	6,592	-	-	-	6,592
Due from other funds	-	341,977	-	90	90	342,067
Total assets	$ 178,716	$ 844,313	$ 845	$ 590	$ 1,435	$ 845,748
Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)						
Liabilities						
Accounts payable	$ -	$ 6,592	$ 1	$ -	$ 1	$ 6,593
Due to other funds	-	933	-	-	-	933
Unearned revenue	-	2,773	-	-	-	2,773
Total liabilities	-	10,298	1	-	1	10,299
Deferred Inflows of Resources						
Unavailable revenue-loans	178,716	178,716	-	-	-	178,716
Total deferred inflows of resources	178,716	178,716	-	-	-	178,716
Fund balances (deficits)						
Restricted	-	336,826	844	590	1,434	338,260
Committed	-	318,670	-	-	-	318,670
Unassigned	-	(197)	-	-	-	(197)
Total fund balances (deficits)	-	655,299	844	590	1,434	656,733
Total liabilities, deferred inflows of resources, and fund balances (deficits)	$ 178,716	$ 844,313	$ 845	$ 590	$ 1,435	$ 845,748

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

	Special Revenue Funds						
	Senior Community Activities	*Ninigret Park Fitness Space - DEM*	*MEDS Grant - RI Department of Health*	*Tactical Vests*	*School Impact Fees*	*Opioid Settlement*	*Friends of Ninigret*
Revenues:							
Intergovernmental	$ -	$ -	$ 4,000	$ -	$ -	$ -	$ -
Departmental	-	-	-	-	19,978	-	-
Investment income	-	-	-	-	6,039	-	-
Other	3,320	-	-	-	-	26,008	-
Total revenues	3,320	-	4,000	-	26,017	26,008	-
Expenditures:							
Current:							
General government	-	-	-	-	-	-	-
Public safety	-	-	3,000	197	-	32,771	-
Public works	-	-	-	-	-	-	-
Parks and recreation	7,030	-	-	-	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest and other charges	-	-	-	-	-	-	-
Total expenditures	7,030	-	3,000	197	-	32,771	-
Excess (deficiency) of revenues over (under) expenditures before other financing sources	(3,710)	-	1,000	(197)	26,017	(6,763)	-
Other financing sources:							
Debt issued	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Total other financing sources	-	-	-	-	-	-	-
Net change in fund balances	(3,710)	-	1,000	(197)	26,017	(6,763)	-
Fund balances (deficits) - beginning of year	4,716	1,253	21,082	-	148,913	56,832	836
Fund balances (deficits) - end of year	$ 1,006	$ 1,253	$ 22,082	$ (197)	$ 174,930	$ 50,069	$ 836

(Continued)

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

	Special Revenue Funds						
	Operation Blue Riptide	*Body Worn Camera Grant*	*Animal Spaying/ Neutering*	*Ninigret Park Fund*	*Bicentennial Fund*	*Covid Relief Fund*	*Open Space Fees*
Revenues:							
Intergovernmental	$ 9,259	$ 27,857	$ -	$ -	$ -	$ -	$ -
Departmental	-	-	278	22,000	-	-	-
Investment income	-	-	-	2,731	87	-	2,228
Other	-	-	-	-	-	-	-
Total revenues	9,259	27,857	278	24,731	87	-	2,228
Expenditures:							
Current:							
General government	-	-	-	-	-	-	-
Public safety	9,259	27,857	-	-	-	-	-
Public works	-	-	-	-	-	-	-
Parks and recreation	-	-	-	10,730	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest and other charges	-	-	-	-	-	-	-
Total expenditures	9,259	27,857	-	10,730	-	-	-
Excess (deficiency) of revenues over (under) expenditures before other financing sources	-	-	278	14,001	87	-	2,228
Other financing sources:							
Debt issued	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	306	-
Total other financing sources	-	-	-	-	-	306	-
Net change in fund balances	-	-	278	14,001	87	306	2,228
Fund balances (deficits) - beginning of year	-	-	8,824	63,919	2,552	(306)	63,592
Fund balances (deficits) - end of year	$ -	$ -	$ 9,102	$ 77,920	$ 2,639	$ -	$ 65,820

(Continued)

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

	Special Revenue Funds					
	On-Site Wastewater Treatment System	*Naval Airfield Memorial*	*US EPA Grant*	*Birthday Committee*	*Ninigret Dog Park*	*Historical and Vital Records*
Revenues:						
Intergovernmental	$ -	$ -	$ 152,552	$ -	$ -	$ -
Departmental	2,875	-	-	-	-	14,234
Investment income	-	34	-	-	-	-
Other	-	-	-	-	476	-
Total revenues	2,875	34	152,552	-	476	14,234
Expenditures:						
Current:						
General government	-	1,560	-	-	-	18,884
Public safety	-	-	-	-	-	-
Public works	2,500	-	152,537	-	-	-
Parks and recreation	-	-	-	-	476	-
Debt service:						
Principal	-	-	-	-	-	-
Interest and other charges	-	-	-	-	-	-
Total expenditures	2,500	1,560	152,537	-	476	18,884
Excess (deficiency) of revenues over (under) expenditures before other financing sources	375	(1,526)	15	-	-	(4,650)
Other financing sources:						
Debt issued	-	-	-	-	-	-
Transfers in	-	1,250	-	-	-	-
Total other financing sources	-	1,250	-	-	-	-
Net change in fund balances	375	(276)	15	-	-	(4,650)
Fund balances (deficits) - beginning of year	53,049	1,387	-	1,905	-	198,034
Fund balances (deficits) - end of year	$ 53,424	$ 1,111	$ 15	$ 1,905	$ -	$ 193,384

(Continued)

TOWN OF CHARLESTOWN, RHODE ISLAND

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

	Special Revenue Funds		*Permanent Funds*			
	Community Septic System Loan Program	*Total Special Revenue Funds*	*Zennis Ellis Trust*	*Cemetery Fund*	*Total Permanent Funds*	*Total Nonmajor Governmental Funds*
Revenues:						
Intergovernmental	$ -	$ 193,668	$ -	$ -	$ -	$ 193,668
Departmental	-	59,365	-	-	-	59,365
Investment income	-	11,119	33	-	33	11,152
Other	96,663	126,467	-	-	-	126,467
Total revenues	96,663	390,619	33	-	33	390,652
Expenditures:						
Current:						
General government	-	20,444	120	-	120	20,564
Public safety	-	73,084	-	-	-	73,084
Public works	25,000	180,037	-	-	-	180,037
Parks and recreation	-	18,236	-	-	-	18,236
Debt service:						
Principal	93,919	93,919	-	-	-	93,919
Interest and other charges	2,744	2,744	-	-	-	2,744
Total expenditures	121,663	388,464	120	-	120	388,584
Excess (deficiency) of revenues over (under) expenditures before other financing sources	(25,000)	2,155	(87)	-	(87)	2,068
Other financing sources:						
Debt issued	25,000	25,000	-	-	-	25,000
Transfers in	-	1,556	-	-	-	1,556
Total other financing sources	25,000	26,556	-	-	-	26,556
Net change in fund balances	-	28,711	(87)	-	(87)	28,624
Fund balances (deficits) - beginning of year	-	626,588	931	590	1,521	628,109
Fund balances (deficits) - end of year	$ -	$ 655,299	$ 844	$ 590	$ 1,434	$ 656,733

Fiscal Year	*Balance June 30, 2023*	*Current year Assessment*	*Additions*	*Abatements*	*Adjustments*	*Amount to be Collected*	*Current Year Collections*	*Balance June 30, 2024*
2024	$ -	$ 23,927,215	$ -	$ (23,911)	$ (19,339)	$23,883,965	$ 23,655,494	$ 228,471
2023	204,204	-	-	-	17,897	222,101	161,404	60,697
2022	54,743	-	-	-	(5)	54,738	19,683	35,055
2021	40,144	-	-	-	-	40,144	14,214	25,930
2020	34,258	-	-	-	-	34,258	12,071	22,187
2019	26,545	-	-	-	-	26,545	2,529	24,016
2018	25,584	-	-	-	-	25,584	186	25,398
2017	27,840	-	-	-	-	27,840	453	27,387
2016	26,540	-	-	(49)	-	26,491	975	25,516
2015	26,970	-	-	(56)	-	26,914	711	26,203
2014	27,681	-	-	-	-	27,681	417	27,264
2013	27,850	-	-	(7)	-	27,843	213	27,630
2012	25,982	-	-	(45)	-	25,937	228	25,709
2011 and prior	382,564	-	-	(26,343)	-	356,221	586	355,635
	930,905	$ 23,927,215	$ -	$ (50,411)	$ (1,447)	$ 24,806,262	$ 23,869,164	937,098
Allowance for Uncollectible Accounts	(570,000)							(570,000)
Net Property Tax Receivable	$ 360,905							$ 367,098

Schedule of Net Assessed Property Value by Category

Description of Property	*Valuations December 31, 2022*	*Levy July 1, 2023*
Real property	$ 4,190,999,491	$ 24,056,337
Tangible personal property	25,126,696	144,227
Total	4,216,126,187	24,200,564
Exemptions	(47,651,782)	(273,349)
Net assessed value	$ 4,168,474,405	$ 23,927,215

Reconciliation of Current Year Property Tax Revenue

Current Year Collections	$ 23,869,164
July -August 2024 Collections Subject to 60-day FY 24 Accrual	85,155
July -August 2023 Collections Subject to 60-day FY 23 Accrual	(71,380)
Current Year Property Tax Revenue	$ 23,882,939

(continued)

Fiscal Year 2024 Cash Collection Summary

Fiscal Year	*July - August 2023 Collections Subject to 60 day FY 23 Accrual*	*September 2023 - June 2024 Collections*	*Total FY 2024 Cash Collections*	*July - August 2024 Collections Subject to 60 day FY 24 Accrual*
2024	$ -	$ 23,655,494	$ 23,655,494	$ 71,536
2022	62,709	98,695	161,404	7,443
2022	4,362	15,321	19,683	4,591
2021	2,140	12,074	14,214	571
2020	690	11,381	12,071	198
2019	478	2,051	2,529	-
2018	101	85	186	-
2017	69	384	453	10
2016	205	770	975	-
2015	-	711	711	116
2014	-	417	417	280
2013	-	213	213	298
2012	184	44	228	112
2011	442	144	586	-
	$ 71,380	$ 23,797,784	$ 23,869,164	$ 85,155

OTHER SUPPLEMENTARY INFORMATION

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

Annual Supplemental Transparency Report (MTP2) - Revenue
Annual Supplemental Transparency Report (MTP2) – Expenditures
Combining Schedule of Reportable Government Services with Reconciliation to MTP2 – Municipal
Notes to Supplementary Information – Annual Supplemental Transparency Report (MTP2)

REVENUE	Municipal
Current Year Levy Tax Collection	$ 23,727,400
Last Year's Levy Tax Collection	155,539
Prior Years Property Tax Collection	-
Interest & Penalty	115,666
PILOT & Tax Treaty (excluded from levy) Collection	10,122
Other Local Property Taxes	-
Licenses and Permits	23,016
Fines and Forfeitures	28,594
Investment Income	435,790
Departmental	1,664,646
Rescue Run Revenue	-
Police & Fire Detail	-
Other Local Non-Property Tax Revenues	518
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	124,800
MV Excise Tax Reimbursement	-
State PILOT Program	-
Distressed Community Relief Fund	-
Library Resource Aid	-
Library Construction Aid	-
Public Service Corporation Tax	106,186
Meals & Beverage Tax / Hotel Tax	316,221
LEA Aid	-
Group Home	-
Housing Aid Capital Projects	-
Housing Aid Bonded Debt	-
State Food Service Revenue	-
Incentive Aid	-
Property Revaluation Reimbursement	-
Other State Revenue	1,372,841
Motor Vehicle Phase Out	1,020,877
Other Revenue	7,580
Local Appropriation for Education	-
Regional Appropriation for Education	-
Supplemental Appropriation for Education	-
Regional Supplemental Appropriation for Education	-
Other Education Appropriation	-
Rounding	-
Total Revenue	$ 29,109,795
Financing Sources: Transfer from Capital Funds	$ -
Financing Sources: Transfer from Other Funds	-
Financing Sources: Debt Proceeds	62,335
Financing Sources: Other	48,188
Rounding	-
Total Other Financing Sources	$ 110,523

Town of Charlestown
Annual Supplemental Transparency Report (MTP2)
Fiscal 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	$ 587,378	$ 597,508	$ 92,456	$ 148,539	$ 440,961	$ -	$ 987,676	$ 547,211	$ 1,861,680
Compensation - Group B	-	-	-	-	-	-	-	-	117,019
Compensation - Group C	-	-	-	-	-	-	-	-	-
Compensation -Volunteer	-	-	-	-	-	-	-	-	-
Overtime- Group A	1,889	270	-	-	3,877	-	28,633	22,529	300,183
Overtime - Group B	-	-	-	-	-	-	-	-	-
Overtime - Group C	-	-	-	-	-	-	-	-	-
Police & Fire Detail	-	-	-	-	-	-	-	-	(9,971)
Active Medical Insurance - Group A	80,015	102,454	7,062	38,062	79,149	-	169,605	28,213	356,512
Active Medical Insurance- Group B	-	-	-	-	-	-	-	-	-
Active Medical Insurance- Group C	-	-	-	-	-	-	-	-	-
Active Dental insurance- Group A	5,839	6,236	-	1,880	5,404	-	9,910	1,499	17,797
Active Dental Insurance- Group B	-	-	-	-	-	-	-	-	-
Active Dental Insurance- Group C	-	-	-	-	-	-	-	-	-
Payroll Taxes	45,814	46,476	7,188	11,548	34,585	-	79,015	44,296	177,560
Life Insurance	2,773	1,972	(284)	-	1,531	-	3,624	766	5,638
State Defined Contribution- Group A	7,710	4,884	906	1,456	4,216	-	7,234	2,122	639
State Defined Contribution - Group B	-	-	-	-	-	-	-	-	-
State Defined Contribution - Group C	-	-	-	-	-	-	-	-	-
Other Benefits- Group A	-	-	-	-	-	-	-	-	-
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	62,878	-	-	-	-	-	-	-	-
State Defined Benefit Pension - Group B	-	-	-	-	-	-	-	-	-
State Defined Benefit Pension - Group C	-	-	-	-	-	-	-	-	-
Other Defined Benefit / Contribution	-	-	-	-	-	-	-	-	-
Purchased Services	273,039	55,390	11,044	28,671	22,489	276,516	113,384	40,944	22,315
Materials/Supplies	25,484	9,579	2,721	655	1,703	-	112,956	21,706	34,571
Software Licenses	106,009	53,091	-	-	-	-	-	3,680	24,204
Capital Outlays	-	-	-	-	-	-	147,801	39,700	141,128
Insurance	356,197	-	-	-	-	-	-	-	-
Maintenance	-	-	3,499	-	-	-	509,688	18,277	110,212
Vehicle Operations	5,454	1,676	-	-	4,718	-	-	4,217	113,300
Utilities	41,356	-	15,249	-	-	-	59,968	-	68,601
Contingency	-	-	-	-	-	-	-	-	-
Street Lighting	-	-	-	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-	-	-	-
Snow Removal-Raw Material & External Contracts	-	-	-	-	-	-	51,227	-	-
Trash Removal & Recycling	-	-	-	-	-	-	-	-	-
Claims & Settlements	-	-	-	-	-	-	-	-	-
Community Support	612,550	-	-	-	-	-	-	-	-
Other Operation Expenditures	1,482,178	13,967	28,835	61,199	3,150	-	13,694	128,503	66,130
Tipping Fees	-	-	-	-	-	-	-	-	-
Local Appropriation for Education	-	-	-	-	-	-	-	-	-
Regional Appropriation for Education	-	-	-	-	-	-	-	-	-
Supplemental Appropriation for Education	-	-	-	-	-	-	-	-	-
Regional Supplemental Appropriation for Education	-	-	-	-	-	-	-	-	-
Other Education Appropriation	-	-	-	-	-	-	-	-	-
Municipal Debt- Principal	-	-	-	-	-	-	-	-	-
Municipal Debt- Interest	-	-	-	-	-	-	-	-	-
School Debt- Principal	-	-	-	-	-	-	-	-	-
School Debt- Interest	-	-	-	-	-	-	-	-	-
Retiree Medical Insurance- Total	-	-	-	-	-	-	-	-	-
Retiree Dental Insurance- Total	-	-	-	-	-	-	-	-	-
OPEB Contribution- Total	-	-	-	-	-	-	-	-	-
Rounding	-	-	-	-	-	-	-	-	-
Total Expenditures	$ 3,696,562	$ 893,503	$ 168,675	$ 292,009	$ 601,783	$ 276,516	$ 2,294,416	$ 903,662	$ 3,407,517

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

EXPENDITURES	Fire Department	Centralized Dispatch	Public Safety Other	Education Appropriation	Debt	OPEB	Total Municipal
Compensation- Group A	$ -	$ 250,305	$ 157,785	$ -	$ -	$ -	$ 5,671,500
Compensation - Group B	-	-	-	-	-	-	117,019
Compensation - Group C	-	-	-	-	-	-	-
Compensation -Volunteer	-	-	-	-	-	-	-
Overtime- Group A	-	78,490	1,398	-	-	-	437,268
Overtime - Group B	-	-	-	-	-	-	-
Overtime - Group C	-	-	-	-	-	-	-
Police & Fire Detail	-	-	-	-	-	-	(9,971)
Active Medical Insurance - Group A	-	47,795	6,870	-	-	-	915,737
Active Medical Insurance- Group B	-	-	-	-	-	-	-
Active Medical Insurance- Group C	-	-	-	-	-	-	-
Active Dental insurance- Group A	-	2,276	280	-	-	-	51,121
Active Dental Insurance- Group B	-	-	-	-	-	-	-
Active Dental Insurance- Group C	-	-	-	-	-	-	-
Payroll Taxes	-	24,151	12,376	-	-	-	483,008
Life Insurance	-	998	255	-	-	-	17,272
State Defined Contribution- Group A	-	1,429	499	-	-	-	31,095
State Defined Contribution - Group B	-	-	-	-	-	-	-
State Defined Contribution - Group C	-	-	-	-	-	-	-
Other Benefits- Group A	-	-	-	-	-	-	-
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	-	(963)	-	-	-	-	61,915
State Defined Benefit Pension - Group B	-	-	-	-	-	-	-
State Defined Benefit Pension - Group C	-	-	-	-	-	-	-
Other Defined Benefit / Contribution	-	-	-	-	-	-	-
Purchased Services	-	-	12,897	-	-	-	856,689
Materials/Supplies	-	-	20,993	-	-	-	230,368
Software Licenses	-	-	305	-	-	-	187,289
Capital Outlays	-	-	-	-	-	-	328,630
Insurance	-	-	-	-	-	-	356,197
Maintenance	-	-	9,303	-	-	-	650,979
Vehicle Operations	-	-	1,641	-	-	-	131,005
Utilities	-	-	-	-	-	-	185,173
Contingency	-	-	-	-	-	-	-
Street Lighting	-	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-	-
Snow Removal-Raw Material & External Contracts	-	-	-	-	-	-	51,227
Trash Removal & Recycling	-	-	-	-	-	-	-
Claims & Settlements	-	-	-	-	-	-	-
Community Support	-	-	-	-	-	-	612,550
Other Operation Expenditures	-	-	2,914	-	-	-	1,800,569
Tipping Fees	-	-	-	-	-	-	-
Local Appropriation for Education	-	-	-	-	-	-	-
Regional Appropriation for Education	-	-	-	13,933,732	-	-	13,933,732
Supplemental Appropriation for Education	-	-	-	-	-	-	-
Regional Supplemental Appropriation for Education	-	-	-	-	-	-	-
Other Education Appropriation	-	-	-	-	-	-	-
Municipal Debt- Principal	-	-	-	-	565,000	-	565,000
Municipal Debt- Interest	-	-	-	-	72,170	-	72,170
School Debt- Principal	-	-	-	-	-	-	-
School Debt- Interest	-	-	-	-	-	-	-
Retiree Medical Insurance- Total	-	-	-	-	-	-	-
Retiree Dental Insurance- Total	-	-	-	-	-	-	-
OPEB Contribution- Total	-	-	-	-	-	-	-
Rounding	-	-	-	-	-	-	-
Total Expenditures	$ -	$ 404,479	$ 227,516	$ 13,933,732	$ 637,170	$ -	$ 27,737,540

Financing Uses: Transfer to Capital Funds	$ 32,579
Financing Uses: Transfer to Other Funds	-
Financing Uses: Payment to Bond Escrow Agent	-
Financing Uses: Other	-
Total Other Financing Uses	$ 32,579
Net Change in Fund Balance[1]	1,450,199
Fund Balance1- beginning of year	$10,787,957
Funds removed from Reportable Government Services (RGS)	-
Funds added to Reportable Government Services (RGS)	-
Prior period adjustments	-
Misc. Adjustment	-
Fund Balance[1] - beginning of year adjusted	10,787,957
Rounding	
Fund Balance[1] - end of year	$ 12,238,156

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

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

Per Audited Fund Financial Statements Fund Description	Total Revenue	Total Other Financing Sources	Total Expenditures	Total Other Financing Uses	Net Change in Fund Balance[1]	Beginning Fund Fund Balance[1] (Deficit)	Prior Period Adjustment	Restated Beginning Fund Balance[1] (Deficit)	Ending Fund Balance[1] (Deficit)
Fund Balance[1] - per MTP-2 at June 30, 2023						$ 10,787,957	-	$ 10,787,957	
No funds removed from RGS for fiscal 2023						-	-	-	
No funds added to RGS for Fiscal 2023						-	-	-	
No misc. adjustments made for fiscal 2023						-	-	-	
Fund Balance[1] - per MTP-2 at June 30, 2024 adjusted						$ 10,787,957	-	$ 10,787,957	
General Fund	$ 28,984,995	$ 110,217	$ 27,612,740	$ 32,579	$ 1,449,893	$ 10,788,263	$ -	$ 10,788,263	$ 12,238,156
American Rescue Plan Fund	124,800	-	124,800	-	-	-	-	-	-
COVID Relief Fund	-	306	-	-	306	(306)	-	(306)	-
Totals per audited financial statements	$ 29,109,795	$ 110,523	$ 27,737,540	$ 32,579	$ 1,450,199	$ 10,787,957	$ -	$ 10,787,957	$ 12,238,156
Reconciliation from financial statements to MTP2									
Rounding	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Totals Per MTP2	$ 29,109,795	$ 110,523	$ 27,737,540	$ 32,579	$ 1,450,199	$ 10,787,957	$ -	$ 10,787,957	$ 12,238,156

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

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

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

NOTE 1. Basis of Presentation

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

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

NOTE 2. Reportable Government Services

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

NOTE 3. Allocations

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

NOTE 4. Employee Groups - Compensation and Benefit Costs

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

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

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

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

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

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

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

NOTE 5. Education Revenue and Expenditures

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

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

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

Independent Auditor's Report

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

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Charlestown, Rhode Island, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Town of Charlestown, Rhode Island's basic financial statements, and have issued our report thereon dated March 14, 2025.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and responses as items 2024-001 and 2024-002 that we consider to be material weaknesses.

Report on Compliance and Other Matters

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

Town of Charlestown, Rhode Island's Response to Findings

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

Purpose of This Report

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

Bacon & Company CPAs, LLC

Warwick, Rhode Island
March 14, 2025

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

FINANCIAL STATEMENT FINDINGS

Finding: **2024-001 – Material Weakness**

FINANCIAL REPORTING AND CLOSING PROCEDURES

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

Condition: The Town does not have formal and timely monthly and year-end financial reporting and closing procedures. We noted that prior year accruals had not been reversed and certain material accruals and transfers that had not been recorded or were recorded incorrectly for the fiscal year ended June 30, 2024. We proposed audit adjustments to correct the account balances. In addition, we noted the compensated absence accrual and list of capital assets that are only updated after year-end were not materially accurate and we proposed audit adjustment to correct the balances as of June 30.

Cause: The Town has not implemented formal monthly and year-end financial statement closing and review procedures. The Treasurer was also new to the position in the 2024 fiscal year.

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

Recommendation: We recommend that the Town implement formal monthly and year-end financial statement closing and review procedures. The procedures should be documented in a detailed schedule with expected completion dates. The procedures should include timely reconciliation of all significant accounts and the review and approval of the reconciliations by the Treasurer.

Views of Responsible Officials: It is imperative for the Town to implement formal monthly and year-end financial statement closing and review procedures. These procedures are essential for ensuring accuracy, transparency, and accountability in the financial management of the Town's resources.

Corrective Action:

1. Develop Detailed Closing Procedures: The Town should establish detailed monthly and year-end financial statement closing procedures. These procedures should be documented in a comprehensive schedule outlining each step of the closing process along with expected completion dates.

2. Timely Reconciliation of Accounts: Ensure that all significant accounts are reconciled in a timely manner as part of the closing process. This includes bank accounts, receivables, payables, and any other relevant accounts.
3. Review and Approval by Treasurer: Reconciliations should be reviewed and approved by the Treasurer or an appointed designee. This ensures an additional layer of oversight and helps in maintaining financial accuracy.
4. Documentation: All closing procedures, reconciliations, and approvals should be properly documented for future reference and audit purposes.
5. Training and Implementation: Provide necessary training to staff involved in the financial closing process and ensure proper implementation of the new procedures.
6. Monitoring and Evaluation: Establish a system for ongoing monitoring and evaluation to ensure that the new procedures are being followed effectively and to identify any areas for improvement. Regular reviews of the closing process should be conducted to address any issues that may arise.

By implementing these corrective actions, the Town will enhance its financial management practices, ensuring accuracy, reliability, and transparency in its financial reporting.

Finding: **2024-002 – Material Weakness**

SEGREGATION OF DUTIES

Criteria: Segregation of duties is an element of internal control that is designed to prevent, detect, and correct misstatements in a timely manner, whether due to error or fraud. Individuals should not be responsible for custody of assets and initiating and recording of transactions.

Condition: There is a lack of segregation of duties in several Town departments. The following conditions were noted:

- The Assistant Treasurer processes payroll, prepares monthly bank reconciliations, records journal entries, and processes ACH and wire transactions.
- The Tax Collector accepts and records tax payments to the subsidiary ledger, reconciles daily receipts, prepares the bank deposits, and records tax collections to the general ledger. The Tax Collector is also responsible for recording abatements and adjustments to the subsidiary ledger and monitoring delinquent accounts.
- The Town Clerk accepts and records receipts to the register, reconciles receipts to the register, and prepares the bank deposits.

Cause: There is a limited number of staff in certain departments.

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

Identification of a repeat finding: This is a repeat finding from the previous audit 2023-002.

Recommendation: The following are recommendations and suggestions to improve segregation of duties:

- The Town should review the current job responsibilities in these departments and take the appropriate steps to segregate certain duties.
- Internal controls surrounding payroll could be improved by having the Treasurer review and approve the preliminary payroll register prior to submission of payroll for processing by the service organization.
- Journal entries should be reviewed and approved by the Treasurer prior to recording in the general ledger.
- Internal controls surrounding cash receipts could be improved by having two individuals complete reconciliation procedures.
- Delinquent notices and adjustments to the subsidiary ledger should be reviewed by another independent individual, in addition to the Tax Collector.

Views of Responsible Officials: Enhancing segregation of duties is essential for strengthening internal controls and preventing potential errors or irregularities. This may be difficult to achieve due to the size of the staff. The following recommendations and suggestions would aim to improve the segregation of duties within the Town:

Corrective Action:

1. Review and Revise Job Responsibilities: The Town should review the current job responsibilities in relevant departments and take necessary steps to segregate certain duties. This ensures that no single individual has control over a critical function from start to finish.
2. Payroll Processing Controls: Internal controls surrounding payroll should be strengthened by implementing a review and approval process. The Treasurer should review and approve the preliminary payroll register before submission for processing by the service organization. This helps to ensure accuracy and prevent unauthorized or erroneous payments.
3. Journal Entry Approval: All journal entries should be reviewed and approved by the Treasurer before they are recorded in the general ledger. This helps to prevent unauthorized or inaccurate entries and ensures the integrity of the financial data.
4. Cash Receipts Reconciliation: Internal controls surrounding cash receipts should be improved by introducing a two-person reconciliation procedure. Having two individuals involved in the reconciliation process adds an additional layer of oversight and reduces the risk of errors or misappropriation.
5. Review of Delinquent Notices and Adjustments: Delinquent notices and adjustments to the subsidiary ledger should be reviewed by an independent individual, in addition to the Tax Collector. This helps to ensure that any discrepancies are identified and addressed promptly.

Implementing these corrective actions will help strengthen internal controls, reduce the risk of errors and fraud, and ensure the integrity of the Town's financial operations.