PRELIMINARY OFFICIAL STATEMENT DATED AUGUST 13, 2026

NEW ISSUE **Ratings: See "Ratings"**

In the opinion of Harrington Vitale & Bernardo, Ltd., Bond Counsel, based upon an analysis of existing law and assuming, among other matters, compliance with certain covenants, interest on the $9,700,000 General Obligation Bonds, 2026 Series B (the "Bonds") is excluded from gross income for federal income tax purposes under the Internal Revenue Code of 1986, as amended (the "Code"). Interest on the Bonds will not be included in computing the alternative minimum taxable income of individuals. However, interest on the Bonds will be included in the adjusted financial statement income of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code. Under existing law, interest on the Bonds is free from taxation by the State of Rhode Island (the "State") or any political subdivision or other instrumentality of the State, although the income therefrom may be included in the measure of Rhode Island estate taxes and certain Rhode Island corporate and business taxes. Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the accrual or receipt of interest on, the Bonds* ***See "TAX STATUS" and "APPENDIX B" herein.***

CITY OF CRANSTON, RHODE ISLAND
$9,700,000*
GENERAL OBLIGATION BONDS, 2026 SERIES B

Dated: Date of Delivery **Due: As shown on the inside front cover**

The Bonds are issuable only as fully registered Bonds without coupons, and, when issued, will be registered in the name of Cede & Co., as Bondowner and nominee for The Depository Trust Company ("DTC"), New York, New York. DTC will act as securities depository for the Bonds. Purchases of the Bonds will be made in book-entry form, in the denomination of $5,000 or any integral multiple thereof. Purchasers will not receive certificates representing their interest in Bonds purchased. So long as Cede & Co. is the Bondowner, as nominee of DTC, references herein to the Bondowners or registered owners shall mean Cede & Co., as aforesaid, and shall not mean the Beneficial Owners (as defined herein) of the Bonds. So long as DTC, or its nominee Cede & Co., is the Bondholder, principal and semiannual interest payments will be made directly to such Bondholder. Principal of and interest on the Bonds will be payable to DTC by U.S. Bank Trust Company, National Association, as Paying Agent. Disbursement of such payments to the DTC Participants is the responsibility of DTC and disbursements of such payments to Beneficial Owners is the responsibility of the DTC Participants and the Indirect Participants, as more fully described herein. (See "THE BONDS—Book-Entry Only System" herein.) **Interest on the Bonds is computed on the basis of a 360-day year consisting of twelve 30-day months.**

The Bonds will be dated the date of delivery. Interest on the Bonds will be payable on January 1, 2027 and semiannually thereafter on January 1 and July 1 of each year at the rates as shown in the maturity schedule on the inside front cover. Principal of the Bonds will be payable on July 1 as shown in the maturity schedule on the inside front cover.

The scheduled payment of principal of and interest on the Bonds when due will be guaranteed under a municipal bond insurance policy to be issued concurrently with the deliver of the Bonds by BUILD AMERICA MUTUAL ASSURANCE COMPANY.

The Bonds are subject to optional redemption prior to maturity as described herein.

The Bonds will not be designated as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code.

The Bonds are offered for delivery when, as, and if issued, subject to the final approving opinion of Harrington Vitale & Bernardo, Ltd., Providence, Rhode Island, Bond Counsel, as well as certain other conditions. Certain legal matters will be passed upon for the Underwriter by their counsel, Taft & McSally LLP, Cranston, Rhode Island. PFM Financial Advisors LLC is serving as municipal advisor for the City in this transaction. The Bonds are expected to be available for delivery through the facilities of DTC in Brooklyn, New York on or about September 3, 2026.

Raymond James

Official Statement Dated August_, 2026

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* Preliminary, subject to change.

$9,700,000* General Obligation Bonds, 2026 Series B

MATURITIES, AMOUNTS, INTEREST RATES, PRICES OR YIELDS

Maturity July 1*	Principal Amount*	Interest Rate	Price or Yield	CUSIP No.†	Maturity July 1*	Principal Amount*	Interest Rate	Price or Yield	CUSIP No.†
2027	$1,400,000				2035	$740,000			
2028	1,475,000				2036	165,000			
2029	545,000				2037	175,000			
2030	580,000				2038	180,000			
2031	610,000				2039	190,000			
2032	640,000				2040	200,000			
2033	675,000				2041	210,000			
2034	710,000								

$690,000* _____% Term Bond due July 1, 2044* to Yield ______% CUSIP†

$515,000* _____% Term Bond due July 1, 2046* to Yield ______% CUSIP†

*Preliminary, subject to change.

†CUSIP is a registered trademark of the American Bankers Association. CUSIP Global Services (CGS) is managed on behalf of the American Bankers Association by S&P Global Market Intelligence. Copyright © 2026 CUSIP Global Services. All rights reserved. The CUSIP numbers have been assigned by an independent company not affiliated with the City and are included solely for the convenience of the holders of the Bonds. Neither the Underwriters nor the City is responsible for the selection or uses of the CUSIP numbers, and no representation is made as to their correctness on the Bonds or as indicated above. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of such maturity or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Bonds.

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This Official Statement is made available to prospective purchasers of the Bonds for review prior to purchase and is in a form deemed final by the City as of its date (except for permitted omissions) for purposes of paragraph (b)(1) of Securities and Exchange Commission Rule 15c-2-12, as amended (the "Rule"), but is subject to revision, amendment, and completion (as so revised, amended or completed such document will be referred to as the "Final Official Statement").

This Official Statement is not to be construed as a contract or agreement between the City and the purchasers or holders of any of the Bonds. Any statements made in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended merely as opinion and not as representations of fact. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the City since the date hereof.

All quotations from and summaries and explanations of provisions of laws and documents described herein do not purport to be complete and reference is made to said laws and documents for full and complete statements of their provisions.

No dealer, salesman or any other person has been authorized to give any information or to make any representations, other than information and representations contained herein, in connection with the offering of the Bonds, and if given or made, such information or representations must not be relied upon. This Official Statement does not constitute an offer to sell or solicitation of an offer to buy any of the Bonds in any jurisdiction to any person to whom it is unlawful to make such offer or solicitation in such jurisdiction. The information set forth herein has been furnished by the City and other sources which the City believes to be reliable, but is not guaranteed as to accuracy or completeness. Neither the delivery of this Official Statement nor any sale made hereunder shall under any circumstances create any implication that there has been no change in the affairs of the City since the date hereof.

Upon issuance, the Bonds will not be registered under the Securities Act of 1933, as amended, in reliance upon exemptions contained in such Act. The Bonds will not be listed on any stock or other securities exchange. Any registration or qualification of the Bonds in accordance with applicable provisions of securities laws of the states in which the Bonds may be registered or qualified and the exemption from registration or qualification in other states cannot be regarded as a recommendation thereof. Neither the Securities and Exchange Commission nor any other federal, state or other governmental entity or agency will have passed upon the accuracy of the Official Statement or, except for the City, approved the Bonds for sale. Any representation to the contrary may be a criminal offense.

The information relating to The Depository Trust Company ("DTC") and the book-entry only system contained in this Official Statement have been furnished by DTC (see "THE BONDS - Book-Entry Only System" herein). No representation is made by the City as to the adequacy or accuracy of such information. The City has not made any independent investigation of DTC or the book-entry only system.

PFM Financial Advisors LLC (the "Municipal Advisor") to the City has provided the following sentence for inclusion in this Official Statement. The Municipal Advisor has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to the City and, as applicable, to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Municipal Advisor does not guarantee the accuracy or completeness of such information.

The Underwriter has provided the following sentence for inclusion in this Official Statement. The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its respective responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

Build America Mutual Assurance Company ("BAM") makes no representation regarding the Bonds or the advisability of investing in the Bonds. In addition, BAM has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding BAM, supplied by BAM and presented under the heading "Bond Insurance" and "APPENDIX D - Specimen Municipal Bond Insurance Policy".

The cover page hereof, this page and the appendices attached hereto are part of this Official Statement.

OFFICIAL STATEMENT
of the
CITY OF CRANSTON, RHODE ISLAND
Relating to its
$9,700,000*
GENERAL OBLIGATION BONDS, 2026 SERIES B

This Official Statement provides certain information concerning the City of Cranston, Rhode Island (the "City") in connection with the issuance by the City of its $9,700,000* General Obligation Bonds, 2026 Series B (the "Bonds").

THE BONDS

Description of the Bonds

The Bonds will be dated the date of delivery. Interest on the Bonds will be payable on January 1, 2027 and semiannually thereafter on January 1 and July 1 of each year at the rates as shown in the maturity schedule on the inside front cover. Principal of the Bonds will be payable on July 1 as shown in the maturity schedule on the inside front cover.

The Bonds are issuable only as fully registered Bonds without coupons, and, when issued, will be registered in the name of Cede & Co., as Bondholder and nominee for The Depository Trust Company ("DTC"), New York, New York. DTC will act as securities depository for the Bonds. Purchases of the Bonds will be made in book-entry form, in the denomination of $5,000 or any integral multiple thereof. Purchasers will not receive certificates representing their interest in Bonds purchased. So long as Cede & Co. is the Bondholder, as nominee of DTC, references herein to the Bondholders or registered owners shall mean Cede & Co., as aforesaid, and shall not mean the Beneficial Owners (as defined herein) of the Bonds. See "THE BONDS - Book-Entry Only System" below.

Principal of and interest on the Bonds will be paid by U.S. Bank Trust Company, National Association, Corporate Trust Department, Boston, Massachusetts as Paying Agent or a successor thereof to DTC. So long as DTC or its nominee, Cede & Co., is the Bondholder, such payments will be made directly to such Bondholder. Disbursement of such payments to the DTC participants is the responsibility of DTC and disbursement of such payments to the Beneficial Owners is the responsibility of the DTC Participants and the Indirect Participants, as more fully described herein. **Interest on the Bonds is computed on the basis of a 30-day month and a 360-day year.**

For every transfer and exchange of the Bonds, whether in certificated form or otherwise, the Beneficial Owner may be charged a sum sufficient to cover any tax, fee or other governmental charge that may be imposed in relation thereto. Adequate indemnification may be required to replace any lost, stolen or destroyed Bonds, whether in certificated form or otherwise.

Authorization and Purpose of the Bonds

A portion of the Bonds will finance certain projects authorized pursuant to the authorizations and for the purposes displayed below.

Chapter	Year	Description	Amount
111/407	2000	Police Station Construction, Furnishing & Equipment	$ 52,000
336/397	2008	Fire Station Construction and Repairs	200,000
332/439	2008	Citywide Drainage Improvements	1,000,000
Local Acts			
Chapter			
68/88	2020	Fire and Public Safety Equipment	1,400,000
69/87	2020	Public Buildings Improvements	331,772
71/86	2020	Roads, Sidewalks, and Drainage	22,560
RIGL 45-12-2			
Ord #			
22-14	2022	Public Buildings Improvements	500,000
			$ 3,506,332

**Preliminary, subject to change.*

A portion of the Bonds are authorized pursuant to Section 45-12-5.2 of the Rhode Island General Laws and a Resolution expected to be passed by the City Council on August 17, 2026 will be applied will be applied to refund (i) on a current basis, the City's outstanding $8,730,000 General Obligation Bonds, 2015 Series A, dated July 15, 2015 (the "Series 2015 A Bonds") maturing on and after July 15, 2027 (the "Series 2015 A Refunded Bonds"), and (ii) on a current basis, the City's outstanding $7,840,000 General Obligation Refunding Bonds, 2016 Series A, dated June 16, 2016 (the "Series 2016 A Bonds") maturing on and after July 1, 2027 (the "Series 2016 A Refunded Bonds" and collectively with the Series 2015 A Refunded Bonds, the "Refunded Bonds").

Plan of Refunding

The Series 2015 A Refunded Bonds and Series 2016 A Refunded Bonds are subject to optional redemption and will be so redeemed on October 5, 2026 at the redemption price of 100% of the principal amount thereof plus accrued interest to the redemption date.

The Bonds will refund the following:

Series	Maturity*	Interest Rate	Par Amount*	Redemption Date	Redemption Price	CUSIP No.
2015A	7/15/2027	3.125%	$435,000	10/5/2026	100%	224562EY0
2015A	7/15/2028	3.375%	450,000	10/5/2026	100%	224562EZ7
2015A	7/15/2029	5.000%	465,000	10/5/2026	100%	224562FA1
2015A	7/15/2030	5.000%	495,000	10/5/2026	100%	224562FB9
2015A	7/15/2031	3.750%	515,000	10/5/2026	100%	224562FC7
2015A	7/15/2032	3.750%	535,000	10/5/2026	100%	224562FD5
2015A	7/15/2035	4.000%	1,740,000	10/5/2026	100%	224562ER5
2016A	7/1/2028	4.000%	1,875,000	10/5/2026	100%	224562FY9

A portion of the proceeds of the Bonds will be deposited into a refunding escrow fund (the "Refunding Escrow Fund") held by U.S. Bank National Association, as Escrow Agent, under a Refunding Escrow Agreement (the "Refunding Escrow Agreement") with the City. U.S. Bank National Association is also the Paying Agent for the Refunded Bonds. The proceeds in the Refunding Escrow Fund will be invested in certain obligations of the United States Government (the "Government Obligations"). Such proceeds and investments and income therefrom are calculated to be sufficient to pay principal and interest on the Refunded Bonds. The Refunding Escrow Agreement will require that maturing principal of and interest on the Government Obligations, plus any initial cash deposit, be held in trust in such account and applied solely to the payment of the principal of and interest on the Refunded Bonds. According to the report described in "VERIFICATION OF MATHEMATICAL COMPUTATIONS" herein, the Government Obligations will mature at such times and earn interest in such amounts that, together with any initial cash deposit, will produce sufficient monies to make such payments on the Refunded Bonds.

Record Date

The Record Date for the payment of interest on the Bonds is the fifteenth day preceding the interest payment date or, if such a day is not a business day of the Paying Agent, the next preceding day which is a regular business day of the Paying Agent.

Book-Entry-Only System

This section describes how ownership of the Bonds is to be transferred and how the principal of, premium, if any, and interest on the Bonds are to be paid to and credited by The Depository Trust Company ("DTC") while the Bonds are registered in its nominee name. The information in this section concerning DTC and the Book-Entry-Only System has been provided by DTC for use in disclosure documents such as this Official Statement. The City believes the source of such information to be reliable, but takes no responsibility for the accuracy or completeness thereof.

**Preliminary, subject to change.*

The City cannot and does not give any assurance that (1) DTC will distribute payments of debt service on the Bonds, or redemption or other notices, to DTC Participants, (2) DTC Participants or others will distribute debt service payments paid to DTC or its nominee (as the registered owner of the Bonds), or redemption or other notices, to the Beneficial Owners, or that they will do so on a timely basis, or (3) DTC will serve and act in the manner described in this Official Statement. The current rules applicable to DTC are on file with the Securities and Exchange Commission, and the current procedures of DTC to be followed in dealing with DTC Participants are on file with DTC.

DTC, Brooklyn, New York, will act as securities depository for the Bonds. The Bonds will be issued as fully-registered Bonds registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond and Note certificate will be issued for each maturity of the Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond and Note ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond and the Note documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Bonds within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

All payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the City or the Paying Agent/Registrar, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with Bonds held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent/Registrar, or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the City or the Paying Agent/Registrar, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the City or the Paying Agent/Registrar. Under such circumstances, in the event that a successor depository is not obtained, Bond and Note certificates are required to be printed and delivered.

The City may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Bond and Note certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the City believes to be reliable, but neither the City nor the Municipal Advisor take any responsibility for the accuracy thereof.

Sources and Uses of Funds

The proceeds of the Bonds are to be applied as follows:

SOURCES OF FUNDS:	
Principal of the Bonds	$
Net Premium..	
TOTAL SOURCES OF FUNDS	$
USES OF FUNDS:	
Deposit to Refunding Escrow Fund..................	$
Capitalized Interest...	
New Money Projects	
Costs of Issuance (1)	
TOTAL USES OF FUNDS	$

(1) Includes Underwriter's discount and other costs associated with the issuance of the Bonds.

Redemption Prior to Maturity*

Optional Redemption

The Bonds maturing on or after July 1, 2037 shall be subject to optional redemption prior to their stated dates of maturity, at the option of the City, on or after July 1, 2036, as a whole or in part at any time (by lot by DTC), in any order of maturity designated by the City, at 100% of the aggregate principal amount of the Bonds to be redeemed, together with interest accrued and unpaid to the redemption date.

**Preliminary, subject to change.*

Mandatory Redemption

The Bonds maturing on July 1, 2044 shall be redeemed from sinking fund installments at their principal amounts without premium plus interest, if any, accrued thereon to the date fixed for redemption, on each August 15 of the years and in the principal amounts set forth below:

Year	Principal Amount
2042	
2043	
2044*	

* Maturity

The Bonds maturing on July 1, 2046 shall be redeemed from sinking fund installments at their principal amounts without premium plus interest, if any, accrued thereon to the date fixed for redemption, on each August 15 of the years and in the principal amounts set forth below:

Year	Principal Amount
2045	
2046†	

† Final Maturity

Notice of any redemption of the Bonds, specifying the numbers and other designations of the Bonds to be redeemed, shall be given not more than 60 days nor less than 30 days prior to the date set for redemption by mailing a copy of such notice to DTC or its nominees.

The City, so long as a book-entry system is used for determining beneficial ownership of the Bonds, shall send any notice of redemption to DTC, or its nominee, as registered owner of the Bonds. Transfer of such notice to the DTC Participants is the responsibility of DTC. Transfer of such notice to Beneficial Owners by DTC Participants is the responsibility of the DTC Participants and other nominees of Beneficial Owners of the Bonds. Any failure of DTC to mail such notice to any DTC Participant, or any failure by any DTC Participant to notify any Beneficial Owner, will not affect the validity of the redemption of the Bonds. The City can make no assurances that DTC, the DTC Participants or other nominees of the Beneficial Owners of the Bonds will distribute such redemption notices to the Beneficial Owners of the Bonds, or that they will do so on a timely basis, or that DTC will act as described in this Official Statement.

Security for Bonds

The Bonds will be general obligations of the City, for the payment of which the full faith and credit, *ad valorem* taxes and general fund revenues of the City are pledged. The Rhode Island General Laws provide that the City shall annually appropriate a sum sufficient to pay the principal and interest coming due within the year on all of its general obligation bonds and notes to the extent that monies therefor are not otherwise provided, and that if such sum is not appropriated, it shall nevertheless be added to the annual tax levy. In order to provide such amount, all taxable property in the City is subject to *ad valorem* taxation without limitation as to rate or amount.

Claims for Payment Due

Rhode Island General Laws Section 45-15-5 permits any person who shall have any claim for money due from any city, for any matter, to present a demand for such claim to the city council and if satisfaction of such claim is not made within 40 days, to commence an action against the city treasurer for recovery of the claim. If judgment is obtained for such debt due and if the treasurer of the city does not have sufficient monies to pay the judgment, Rhode Island General Laws Section 45-15-6 authorizes the city treasurer to apply to any justice of the peace in the city for an order requiring the city to hold a special meeting of the city council "for the speedy ordering and making a tax" to be collected for such purpose. If the city council shall fail to assess voluntarily a tax sufficient to satisfy judgment on a city debt, the Superior Court of the State is authorized to order the assessors of the city "to assess upon the ratable property, and the collector to collect, a tax sufficient for the payment of the judgment, with all incidental costs and charges, and the expense of assessing and collecting the tax," pursuant to Rhode Island General Laws Section 45-15-7.

The enforceability of rights or remedies with respect to the Bonds may be subject to bankruptcy, insolvency, reorganization, moratorium, or other laws affecting creditors' rights or remedies heretofore or hereafter enacted to the extent constitutionally applicable, and their enforcement may also be subject to the exercise of judicial discretion in appropriate cases.

Statutory Lien

In July 2011, the Rhode Island General Assembly (the "General Assembly") enacted amendments to Section 45-12-1 of the Rhode Island General Laws (the "July Amendments") to provide for a statutory lien on *ad valorem* taxes and general fund revenues for the benefit of general obligation debt of cities and towns and for giving priority to general obligation debt in a bankruptcy. The validity and priority of the lien granted by Section 45-12-1 have not been adjudicated in any proceeding brought under Chapter 9 of the United States Bankruptcy Code. The July Amendments provide, in part, that the faith and credit, *ad valorem* taxes and general fund revenues of each city and town are pledged for the payment of principal of, and premium and interest on all general obligation bonds and notes of the city or town, whether or not the pledge is stated in the bonds and notes or in the proceedings authorizing their issue and the pledge constitutes a first lien on such *ad valorem* taxes and general fund revenues.

In addition, annual appropriations for payment of financing leases and obligations securing bonds, notes or certificates ("other financing obligations"), have a first lien on *ad valorem* taxes and general fund revenues commencing on the date of each annual appropriation. Amounts appropriated or added to the tax levy to pay principal of, and premium and interest on general obligation bonds or notes and payments of other financing obligations are applied to the payment of such obligations. Any municipal employee or official who intentionally violates such provisions of Section 45-12-1 is personally liable to the city or town for any amounts not expended in accordance with such appropriations. The State Superior Court has jurisdiction to adjudicate claims brought by any city or town and to order such relief as the Court may find appropriate to prevent further violations under such provisions of Section 45-12-1. Any municipal employee or official who violates such provisions of Section 45-12-1 is subject to removal.

Section 45-12-1 further provides in part, that: notwithstanding any provision of any other law, including the Uniform Commercial Code, Title 6A of the Rhode Island General Laws: (1) the pledge of *ad valorem* taxes and general fund revenues to the payment of the principal of, and premium and interest on general obligation bonds and notes and payment of other financing obligations is valid and binding, and deemed continuously perfected from the time the bonds or notes or other financing obligations are issued; (2) no filing need be made under the Uniform Commercial Code or otherwise to perfect the first lien on *ad valorem taxes* and general fund revenues; (3) the pledge of *ad valorem taxes* or general fund revenues is subject to the lien of the pledge without delivery or segregation, and the first lien on *ad valorem taxes* and general fund revenues is valid and binding against all parties having claims of contract or tort or otherwise against the city or town, whether or not the parties have notice thereof; and (4) the pledge shall be a statutory lien effective by operation of law and shall apply to all general obligation bonds and notes and other financing obligations of cities, towns and districts and shall not require a security agreement to be effective.

The July 2011 Amendments provide that *ad valorem* taxes and general fund revenues may be applied as required by the pledge without further appropriation except for financing obligations which are subject to annual appropriation.

State Aid Intercept

Rhode Island General Laws Section 45-12-32 creates a mechanism to enhance the creditworthiness of cities and towns in financial stress by providing for a state aid intercept mechanism to pay general obligation bonds and notes. Under the statute, the finance director is required to notify the mayor and the city council if it appears to the finance director that the city is likely to be unable to pay in whole or in part the principal or interest, or both, on any of its bonds, notes or certificates of indebtedness when due. If the mayor or city council, whether or not so notified, finds upon investigation that the payment cannot or is not likely to be made when due, he, she, or they are required to certify the inability or likely inability to the State Director of Revenue (the "Director"). Upon receipt of the certificate, the Director shall immediately investigate the circumstances and, if the Director finds that the city is, or in the Director's opinion will be, unable to make the payment when due, the Director shall forthwith certify the inability, the amount of the due or overdue payment and the name of the paying agent for the bonds, notes or certificates of indebtedness to the General Treasurer of the State. The City has never made such a certification.

Notwithstanding any provision of general or special law or any rules or regulations with respect to the timing of payment of state aid payments, not later than three days after receipt of the certification from the Director or one business day prior to the date on which the principal or interest, or both, becomes due, whichever is later, the General Treasurer of the State is required to pay to the paying agent the amount of the due or overdue payment certified to him/her to the extent of the sums otherwise then payable and the sums estimated to become payable during the remainder of the fiscal year, from the State treasury to the city or town. The amounts so paid to the paying agent are held in trust and exempt from being levied upon, taken, sequestered or applied for any purpose other than paying principal or interest, or both, on bonds, notes or certificates of indebtedness of the city or town.

For purposes of the statute, the sums otherwise payable from the State treasury to a city or town shall be the funds made available to cities or towns: (i) as state aid pursuant to Chapter 45-13 of the Rhode Island General Laws, but specifically excluding reimbursements to cities and towns for the cost of state mandates pursuant to Section 45-13-9 of the Rhode Island General Laws; (ii) as school housing aid pursuant to Sections 16-7-35 through 16-7-47 of the Rhode Island General Laws, but subject to any pledge to bonds issued to finance school projects by the Rhode Island Health and Educational Building Corporation ("RIHEBC"), and specifically excluding school operations aid provided for in Sections 16-7-15 through 16-7-34.3 of the Rhode Island General Laws; (iii) in replacement of motor vehicle and trailer excise taxes pursuant to Chapter 44-34.1 of the Rhode Island General Laws; (iv) from the public service corporation tax pursuant to Chapter 44-13 of the Rhode Island General Laws; (v) from the local meal and beverage tax pursuant to Section 44-18-18.1 and the hotel tax pursuant to Section 44-18-36.1 of the Rhode Island General Laws; and (vi) pursuant to all acts supplementing such chapters.

Enforceability of City Obligations

Enforcement of a claim for payment of principal of or interest on a bond or note issued by the City is subject to the applicable provisions of the federal bankruptcy laws and of statutes, if any, hereafter enacted by the federal government or the State extending the time for payment of such obligations or imposing other constitutionally valid constraints upon such enforcement.

Judicial enforcement of statutes such as Rhode Island General Laws Sections 45-15-5 through 45-15-7 described above under the heading "*Claims for Payments Due",* the statutory lien provided for in Section 45-12-1 and state aid intercepts such as that provided for in Section 45-12-32 are within the discretion of a court. The status of these rights and remedies of owners of bonds and notes in a proceeding to restructure city or town debt under Chapter 9 of the United States Bankruptcy Code, or pursuant to other subsequently enacted laws relating to creditors' rights, has not been adjudicated.

BOND INSURANCE

Bond Insurance Policy

Concurrently with the issuance of the Bonds, Build America Mutual Assurance Company ("BAM") will issue its Municipal Bond Insurance Policy for the Bonds (the "Policy"). The Policy guarantees the scheduled payment of principal of and interest on the Bonds when due as set forth in the form of the Policy included as Appendix I to this Official Statement.

The Policy is not covered by any insurance security or guaranty fund established under New York, California, Connecticut or Florida insurance law.

Build America Mutual Assurance Company

BAM is a New York domiciled mutual insurance corporation and is licensed to conduct financial guaranty insurance business in all fifty states of the United States and the District of Columbia. BAM provides credit enhancement products to issuers in the U.S. public finance markets. BAM will only insure municipal bonds, as defined in Section 6901 of the New York Insurance Law, which are most often issued by states, political subdivisions, integral parts of states or political subdivisions or entities otherwise eligible for the exclusion of income under section 115 of the U.S. Internal Revenue Code of 1986, as amended. No member of BAM is liable for the obligations of BAM.

The address of the principal executive offices of BAM is: 28 Liberty Street, 59th Floor, New York, New York 10005, its telephone number is: 212-235-2500, and its website is located at: www.bambonds.com.

BAM is licensed and subject to regulation as a financial guaranty insurance corporation under the laws of the State of New York and in particular Articles 41 and 69 of the New York Insurance Law.

BAM's financial strength is rated "AA/Stable" by S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC ("S&P"). An explanation of the significance of the rating and current reports may be obtained from S&P at https://www.spglobal.com/en/. The rating of BAM should be evaluated independently. The rating reflects S&P's current assessment of the creditworthiness of BAM and its ability to pay claims on its policies of insurance. The above rating is not a recommendation to buy, sell or hold the Bonds, and such rating is subject to revision or withdrawal at any time by S&P, including withdrawal initiated at the request of BAM in its sole discretion. Any downward revision or withdrawal of the above rating may have an adverse effect on the market price of the Bonds. BAM only guarantees scheduled principal and scheduled interest payments payable by the issuer of the Bonds on the date(s) when such amounts were initially scheduled to become due and payable (subject to and in accordance with the terms of the Policy), and BAM does not guarantee the market price or liquidity of the Bonds, nor does it guarantee that the rating on the Bonds will not be revised or withdrawn.

Capitalization of BAM

BAM's total admitted assets, total liabilities, and total capital and surplus, as of March 31, 2026 and as prepared in accordance with statutory accounting practices prescribed or permitted by the New York State Department of Financial Services were $493.3 million, $277.6 million and $215.7 million, respectively.

BAM is party to a first loss reinsurance treaty that provides first loss protection up to a maximum of 15% of the par amount outstanding for each policy issued by BAM, subject to certain limitations and restrictions.

BAM's most recent Statutory Annual Statement, which has been filed with the New York State Insurance Department and posted on BAM's website at www.bambonds.com, is incorporated herein by reference and may be obtained, without charge, upon request to BAM at its address provided above (Attention: Finance Department). Future financial statements will similarly be made available when published.

BAM makes no representation regarding the Bonds or the advisability of investing in the Bonds. In addition, BAM has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding BAM, supplied by BAM and presented under the heading "BOND INSURANCE".

Additional Information Available from BAM

Credit Insights Videos. For certain BAM-insured issues, BAM produces and posts a brief Credit Insights video that provides a discussion of the obligor and some of the key factors BAM's analysts and credit committee considered when approving the credit for insurance. The Credit Insights videos are easily accessible on BAM's website at https://bambonds.com/insights/#video. (The preceding website address is provided for convenience of reference only. Information available at such address is not incorporated herein by reference.)

Credit Profiles. Prior to the pricing of bonds that BAM has been selected to insure, BAM may prepare a pre-sale Credit Profile for those bonds. These pre-sale Credit Profiles provide information about the sector designation (e.g. general obligation, sales tax); a preliminary summary of financial information and key ratios; and demographic and economic data relevant to the obligor, if available. Subsequent to closing, for any offering that includes bonds insured by BAM, any pre-sale Credit Profile will be updated and superseded by a final Credit Profile to include information about the gross par insured by CUSIP, maturity and coupon. BAM pre-sale and final Credit Profiles are easily accessible on BAM's website at https://bambonds.com/credit-profiles. BAM will produce a Credit Profile for all bonds insured by BAM, whether or not a pre-sale Credit Profile has been prepared for such bonds. (The preceding website address is provided for convenience of reference only. Information available at such address is not incorporated herein by reference.)

Disclaimers. The Credit Profiles and the Credit Insights videos and the information contained therein are not recommendations to purchase, hold or sell securities or to make any investment decisions. Credit-related and other analyses and statements in the Credit Profiles and the Credit Insights videos are statements of opinion as of the date expressed, and BAM assumes no responsibility to update the content of such material. The Credit Profiles and Credit Insight videos are prepared by BAM; they have not been reviewed or approved by the issuer of or the underwriter for the Bonds, and the issuer and underwriter assume no responsibility for their content.

BAM receives compensation (an insurance premium) for the insurance that it is providing with respect to the Bonds. Neither BAM nor any affiliate of BAM has purchased, or committed to purchase, any of the Bonds, whether at the initial offering or otherwise.

THE CITY OF CRANSTON

General

The City was established as a city in 1754 and incorporated as a city in 1910. The City covers an approximate 28.7 square mile area immediately south of the City of Providence, Rhode Island. With a population of 82,936 as determined by the 2020 U.S. Census, the City is the second most populous municipality in the State. For the fiscal year ending June 30, 2026, the net assessed value of real and tangible personal property in the City is approximately $12.9 billion. The City's fiscal year 2027 adopted operating budget is approximately $349 million. Primarily a residential community, the City contains many residential developments including Dean Estates, Glenwoods, Woodridge, Garden Hills, Garden City, Comstock Gardens, and Ridgewood.

Government

The City operates under a home rule charter adopted in 1962 (and as thereafter amended, the "Charter"), providing for a mayor/council form of government with a nine-member City Council headed by a Council President. The Charter vests all legislative powers of the City in the City Council, including the ordering of any tax, the making of appropriations and the transacting of any other business pertaining to the financial affairs of the City.

Members of the City Council are elected for a term of two years. Term limits of five consecutive two-year terms for City Council members became effective with the November 2002 election. The Charter grants the City Council all powers to enact, amend or repeal ordinances relating to the City's property, affairs and government. The City Council also has the power to authorize the issuance of bonds or notes.

The Mayor is the chief executive and administrative officer of the City and effective, with the November 2012 election, is elected for a term of four years. Term limits of two consecutive four-year terms for the office of Mayor also became effective with the November 2012 election. Mayor Kenneth Hopkins was elected to his first term in November 2020 and took office in January 2021. Mayor Hopkins was re-elected to a second term in November 2024. Prior to becoming Mayor, Mr. Hopkins served within the Cranston Public School Department as a teacher, coach and athletic director. Mr. Hopkins later served on the Cranston City Council from 2017 to 2021. Mayor Hopkins is a graduate of Rhode Island College and University of New England.

Pursuant to the Charter, it is the duty of the Mayor to provide to the City Council, at least once a year, a statement of the financial and general condition of the affairs of the City. The Mayor must also submit annually a proposed operating budget, a recommended capital program and a recommended capital budget. The Mayor appoints, with the advice and consent of the City Council, the Fire Chief, Police Chief and Director of Finance as well as other department heads and members of certain City boards and commissions.

Under the City Charter, the City has a Finance Department, headed by the Director of Finance appointed by the Mayor with the approval of the City Council. Reporting directly to the Mayor, the Director of Finance is in charge of the administration of the financial affairs of the City, with specific responsibility for assessing, collecting and authorizing the disbursement of all City money, for preparing and administering the annual City Budget, and for accounting of all financial transactions. Within the Finance Department are assessment, collections, information technology, purchasing, treasury, and accounting divisions. Robert Strom was appointed Director of Finance in March 2026. Mr. Strom previously served as Director of Finance in the City from January 2009 – April 1, 2022. Mr. Strom also served for eight years as Director of Finance for the City of Woonsocket and six months as Director of Administration/Finance Director for the Woonsocket Education Department. In addition, Mr. Strom began his municipal government career by serving as the City's Internal Auditor for one year. Prior to his municipal government career, he worked for 28 years in private industry as a corporate controller. Mr. Strom has an Accounting and Finance degree from Bryant University. Mr. Strom is a current member and past president and member of the board of directors of the Rhode Island Government Finance Officers Association.

Public Education

A seven-member School Committee elected for a term of two years directs the general administration of the City's school system. The School Committee determines and controls all policies affecting the administration, maintenance and operations of the public schools in the City. The School Committee appoints a Superintendent of Schools who, as its chief administrative agent, heads the School Department and appoints and removes all School Department employees, except as may be provided otherwise by the laws of the State.

The City has 15 elementary schools, four middle schools, two high schools, one career and technical school and one charter secondary school with a total enrollment, as of October 2025, of 10,666 students. The School Department has 997 professional staff members.

Enrollment in the City's public schools for the past ten school years is displayed below:

School Year	Enrollment
2025-2026	10,666
2024-2025	10,200
2023-2024	10,796
2022-2023	10,387
2021-2022	10,492
2020-2021	10,321
2019-2020	10,395
2018-2019	10,397
2017-2018	10,310
2016-2017	10,417
2015-2016	10,438

Source: City School Department records

Bond referendums in the amount of $147 million and $40 million were approved by the voters on November 3, 2020 and June 4, 2024. The bonds financed renovation and modernization projects at public school buildings throughout the City. These improvements will address districtwide health and safety issues and create modern learning environments in City schools. The City anticipates that it will be eligible to receive debt service reimbursements from the State of at least 54.3% of total project costs. See CITY FINANCES – State Aid – *State School Construction Aid.*

Government Services

Public Safety. The City's Police Department currently has 153 authorized positions and the City's Fire Department has 196 authorized positions. The City has entered into a long-term lease of a police station facility, which opened in June 2007.

Sewer System. Construction of the City's sewer system began as a Works Progress Administration project in 1939 and is continually being upgraded to meet the City's needs. The system consists entirely of sanitary sewers. Storm water is carried in a separate drainage system. The sewer system includes an estimated 235 miles of sewer mains, eight miles of force main, and many miles of lateral sewers.

There are 22 pumping stations in the sewer system. The eastern half of the City is entirely connected to the sewer system, and the north-western part of Cranston is partially connected with sewers built after 1972.

Wastewater Treatment Facility. The Cranston Wastewater Treatment Plant (the "Plant") is located in eastern Cranston on the Pawtuxet River. In 2014, the average daily flow to the Plant was approximately 13.2 million gallons per day ("mgd"). The Plant has a capacity of treating up to 23 mgd, which is projected to serve the City's needs for the foreseeable future. The current facility, which went online in 1983, replaced an older facility originally built in 1942. The Plant includes preliminary treatment facilities (two grit removal tanks and two induced air, grease flotation tanks), primary settling facilities (three center feed circular clarifiers), and a disinfection facility (one chlorine contact tank). As described below, the Plant was upgraded to provide tertiary treatment in 2001. Sludge collected from the clarifiers is dewatered by three presses and incinerated in two multiple hearth incinerators. The Plant accepts municipal sludge from other communities and residential sewage from private haulers for a fee. The City borrowed $18 million in fiscal year 2014 from the Rhode Island Infrastructure Bank ("RIIB"), then known as Rhode Island Clean Water Finance Agency, at subsidized rates to finance mandated treatment facility upgrades and improvements at the Plant. The total cost of the upgrade project was $22 million. The upgrade project was completed in April of 2018.

In September 1997, the City commenced leasing its wastewater treatment system, including the Plant, to Triton Ocean State LLC ("Triton") for a base term of 25 years pursuant to a Lease and Service Agreement (the "LSA"). On December 31, 2001 Triton delegated its rights and obligations under the LSA to U.S. Filter Operating Services, Inc., which later became Veolia Water (the "Company"), and at that time the LSA was amended and extended for an additional five years until 2027. The City remains the owner of the Plant. Under the LSA, the City is obligated to finance and make regulatory capital improvements to the wastewater treatment system and the Company is obligated to operate, maintain and repair the system. The City is required to pay the Company monthly fees for performance of the Company's obligations under the LSA. The source of the monthly fees paid to the Company by the City has been and is expected to continue to be sewer user fees assessed upon users of the system by the City. The City continues to be responsible for assessing and collecting such sewer user fees. Sewer user fees are set by City ordinance.

The LSA required the Company to implement a tertiary treatment program at the Plant, which was completed in 2001 at an estimated cost to the Company of $14 million. During 2005 and 2006, the City financed two additional major capital improvements at the Plant, including a $5.9 million biological nitrogen removal ("BNR") system upgrade, which allowed the City to meet the new Rhode Island Department of Environmental Management permit limits imposed on the Plant, and a $2.5 million flue gas recirculation ("FGR") improvement to the Plant's incinerators, to allow the Plant's incinerator stacks to stay within permit limits while allowing the Plant to treat additional volume. Funding for the BNR project and other projects was obtained by the City through a $3.4 million loan from RIIB in December 2004 and a $2.5 million grant from the Pawtuxet River Authority in fiscal year 2006. Funding for the FGR project was obtained by the City from a $2.0 million loan from RIIB in November 2003. The Company reimburses the City for a portion of the City's costs incurred in connection with the FGR improvements.

Triton made an up-front contract payment to the City of $48,000,000 at the time the LSA was executed in 1997. The payment represented a prepayment of the lease payments due to the City from the Company over the 25-year lease term. The lease payments are "earned" by the City over the life of the lease. Accordingly, deferred revenue has been recorded in the City's Sewer Enterprise Fund, which is realized on a straight-line basis over the term of the lease. As of June 30, 2026, the balance of unearned revenue related to this payment was $1,698,854, which is deemed short-term.

In January 2017, RIIB on behalf of the City, issued $27,705,000 Rhode Island Infrastructure Bank, City of Cranston/Triton Ocean State LLC Project Wastewater Revenue Refunding Bonds Series 2017 (FEDERALLY TAXABLE) to refund, on a current basis, all of its outstanding Wastewater Treatment System Revenue Bonds (City of Cranston/Triton Ocean State LLC Project) Series 1997 (the "Series 1997 Bonds"). RIIB issued the Series 1997 Bonds and used the proceeds thereof to fund an Agency Loan to the City for the purpose of financing the acquisition, construction and installation of capital improvements to the City's wastewater treatment plant and sewerage system, including an advanced waste treatment system and finance a portion of an initial upfront contract payment to be made by the Company to the City. The Series 2017 bonds matured on September 1, 2022.

In August 1999, the City entered into an agreement with Florida Power & Light ("FP&L"), pursuant to which FP&L agreed to purchase up to five million gallons of the Plant's effluent annually. In fiscal year 2025, the City collected $1,058,292 and has budgeted $1,100,000 in fiscal years 2026 and 2027 from the sale of effluent to FP&L.

Water Supply System. The City's water supply needs in the eastern portion of Cranston are served by the Providence Water Supply Board, which services the majority of the City's residences and businesses. The Kent County Water Authority services a small number of residences in the southwest portion of the City. The western portion of Cranston was formerly serviced by the Cranston Water Supply System, but this service was transferred to the Providence Water Supply Board in 1997. As part of that transfer, the Providence Water Supply Board agreed to make payments to the City equal to the City's debt service on its outstanding water bonds. The Providence Water Supply Board system derives its supply from the Scituate Reservoir and five tributary reservoirs located in the Town of Scituate. The entire watershed for these reservoirs covers 93 square miles with the reservoirs themselves comprising 24 square miles and estimated to store over 41 billion gallons of water. The water supply and the distribution systems within Cranston will service the water supply needs of the City for the foreseeable future. Plans are being developed by the Providence Water Supply Board for the expansion of existing storage tanks and increasing pumping capacity to provide adequate supply for future growth of the western portion of the City.

Capital Improvement Program

Under the Charter, the City must adopt a capital budget each fiscal year and a Capital Improvement Program for the next four fiscal years. The chart below shows the amounts included in the adopted capital budget for fiscal years 2025, 2026 and 2027.

Department	Authorized Fiscal Year Ending June 30, 2025	Authorized Fiscal Year Ending June 30, 2026	Authorized Fiscal Year Ending June 30, 2027
Schools	$74,737,250	$10,000,000	$3,100,000
Public Works	15,905,000	19,240,000	12,865,000
Safety Services	-0-	3,100,000	2,310,000
Recreation	160,000	465,000	3,225,000
Other	-0-	40,000	270,000
Totals	$90,802,250	$32,845,000	$21,770,000

Source: Adopted June 30, 2025, 2026 and 2027 Capital Budgets

Debt service on school construction borrowings is subject to annual appropriation by the General Assembly. See "State Aid" herein. The chart below shows actual amounts spent under the City's capital improvement program for fiscal year 2025.

Department	Fiscal Year Ending June 30, 2025[(1) (2)]
Schools	$47,354,531
Public Works	7,121,657
Safety Services	2,079,099
Recreation	2,281,701
Other	98,596
Totals	$58,935,584

(1) All projects in this capital budget either have been or will be authorized by voter referendum except as funded by impact fees.
(2) Estimated; includes carry-over from prior years.
Source: City Finance Department

Retirement Programs

As more particularly described below, the City provides pension benefits to substantially all municipal employees under three separate plans: (1) a closed City-administered plan for certain police and fire department employees; (2) a plan for the City's public school teachers through the State's Employees' Retirement System of Rhode Island ("ERSRI"); and (3) a plan for the City's general municipal employees and the balance of its police and fire department employees through the State's Municipal Employees Retirement System ("MERS").

The City also contributes to two additional pension plans: (i) a plan for the City's public works employees and all school department bus drivers through the National (Industrial) Pension Fund, a cost-sharing multiple employer defined benefit plan (the "National (Industrial) Pension Plan"), and (ii) a plan for most of the employees within City Hall and other clerical staff throughout the City through the New England Teamsters and Trucking Industry Pension Plan, a cost sharing multiple-employer plan (the "Teamsters and Trucking Pension Plan").

Closed City Police and Fire Pension Plan

As described above, the City administers a separate pension plan (the "Closed City Plan") for police and fire department employees hired before July 1, 1990, and police and fire department employees hired between July 1, 1990 and June 30, 1995 who chose to participate in the Closed City Plan (as opposed to the State-administered MERS plan). The Closed City Plan is a single-employer defined benefit pension plan that was established by the City in accordance with the Charter and State statutes. The Closed City Plan is a component unit (reporting as Pension Trust Funds) of the City's financial reporting entity.

Fire department employees contribute 10.5 percent of their base salary and police department employees contribute 10 percent of their base salary to the Closed City Plan. Employees' rights vest after 10 years. Employees are eligible for a full pension after 20 years of service.

Covered payroll refers to all compensation paid by the City to active police and fire department employees participating in the Closed City Plan on which contributions to the Closed City Plan are based.

Contributions from the City and employees to the Closed City Plan are recognized as revenue in the period in which employees provide service to the City. Investment income is recognized as earned by the Closed City Plan. Investments in securities are reported at fair market value. There are no investments in, loans to, or leases with parties related to the Closed City Plan.

A variety of significant actuarial assumptions are used to determine the standardized measure of the pension benefit obligations and these assumptions are summarized below:

The present value of future pension payments was computed by using a discount rate of 7.9%. The discount rate is equal to the estimated long-term rate of return on current and future investments of the Closed City Plan.

As indicated in the following tables, the Closed City Plan is severely underfunded. In December 2013, the City entered into a class action settlement agreement approved by the Rhode Island Superior Court (the "Court Approved Settlement") with the Police and Fire Union, as well as retirees, to address the underfunding. Under the Court Approved Settlement, all of the plan participants, except widows, agreed to freeze their compounded cost of living adjustment ("COLA") to 3% every other year for a 10-year period. In years eleven and twelve, they agreed to a 1.5% compounded COLA. Thereafter, the COLA is capped at 3% compounded and can never escalate beyond this amount regardless of the increases received by active police and fire department employees. Seventy-two retirees opted out of the Court Approved Settlement and proceeded to pursue their case in the Rhode Island Superior Court challenging the validity of the originally enacted ordinance that imposed a 10-year COLA freeze. After a full bench trial, Superior Court Justice Taft-Carter found in favor of the City and determined that the enacted reforms to the pension system were reasonable and necessary. The retirees appealed that decision to the Rhode Island Supreme Court. After full briefing and arguments, the Supreme Court issued a ruling on June 3, 2019 that upheld Judge Taft-Carter's findings and decision. The opinion written by Chief Judge Suttell noted that the "narrowly tailored" pension reform actions served a "significant and legitimate public purpose" to address the City's dire fiscal emergency. The Court specifically found that the City was "motivated by a critical need to improve the health of the City's pension system." The decision preserved the $7 million annual savings that Cranston had realized in its annual required contribution as well as the approximately $60 million reduction of its total unfunded liability.

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The standardized measure of the City's unfunded pension benefit obligation for the Closed City Plan, based on an actuarial valuation performed by Sherman Actuarial Services as of July 1, 2025 (the "Closed City Plan Actuarial Study"), is summarized below. The unfunded accrued liability as of July 1, 2025 was $204,857,068 and the funded ratio was 24.7%.

1. Actuarial Liabilities	Fire	Police	Total
(a) PVFB Actives	$4,814,984	$3,696,924	$8,511,908
(b) PVFB Retirees	165,026,278	116,015,492	281,041,770
(c) Total	$169,841,262	$119,712,416	289,553,678
2. Market Value of Assets*	52,699,260	31,498,027	84,197,287
3. Total Future Contributions	117,142,002	88,214,389	205,356,391
4. Unfunded Accrued Liability	116,835,398	88,032,907	204,868,305
5. Present Value of Future Normal Contributions	306,604	181,482	488,086
6. Present Value of Future Salary	1,485,775	947,937	2,433,712
7. Normal Contribution Rate	20.64%	19.14%	20.06%
8. Valuation Payroll	487,431	362,164	849,595
9. Normal Cost with Interest			
(a) Employees	63,165	44,697	107,862
(b) City	41,319	27,326	68,645
(c) Total (7. x 8.). plus interest	104,484	72,023	176,507
10. Assets Receivable	13,011,313	9,292,550	22,303,863
11. Adjusted UAL for FYE27	116,911,161	88,639,209	205,550,370
12. City Contribution to Amortize			
(a) Court Approved FYE 2042	11,585,717	5,870,222	17,455,939
(b) Opt Outs FYE 2037	657,826	3,818,768	4,476,594
(c) Total	12,243,543	9,688,989	21,932,533
13. Total Contribution	12,348,027	9,761,012	22,109,040
14. City Contribution for FYE26	$12,284,862	$9,716,316	22,001,178

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*Due to different amortization period for the retirees that opted out of the Court approved agreement, the Market Value of Assets were allocated in proportion to each group's accrued liability compared to the total accrued liability.

Source: The City of Cranston Fire and Police Department Pension Plans Actuarial Valuation Report as of July 1, 2025.

The required annual contribution was determined using the attained age normal actuarial cost method. The unfunded actuarial liability was amortized over a 28-year period. The contributions covering normal cost and payment to amortize the unfunded actuarial accrued liability are based on the level percentage of payroll method. According to the Closed City Plan Actuarial Study, the funding strategy for normal cost and the unfunded actuarial accrued liability should provide sufficient resources to pay employee pensions on a timely basis. Typically the report is completed and provided to the City about 6 months after the beginning of the fiscal year. Significant actuarial assumptions used to compute pension contribution requirements are the same as those used to determine the standardized measure of the pension obligation.

Trend Information — Historical trend information for the Closed City Plan is presented below. Over the past five years, the City has made the following contributions:

Closed Police and Fire Pension Plan of the City

Fiscal Year	Actuarially Determined Contribution	Actual Contribution	Percent Contributed	Net Pension Liability[(1)]	Funded Ratio
2025	$23,439,119	$23,439,119	100%	$204,857,068	29.1%
2024	21,203,556	20,203,556	100	213,985,866	26.7
2023	20,737,078	20,737,078	100	221,211,683	24.7
2022	21,510,426	21,510,426	100	215,833,860	24.4
2021	21,457,078	21,457,078	100	236,015,905	23.0

(1) Unfunded liability is calculated with an assumed rate of return of 7.90% for fiscal years 2021 - 2025.
Source: City Audited Financial Statements.

The City budgeted a contribution in the amount of $22,213,118 and $22,001,178 for fiscal years 2026 and 2027, respectively, which represents 100% of the required contributions.

Municipal Employees' Retirement System (MERS)

The City provides retirement benefits for its police officers and firefighters who are not participants in the Closed City Plan described above and its general municipal employees other than school teachers through the City's participation in MERS. MERS is a statewide cost-sharing multiple-employer public employee retirement system. The MERS includes one plan for general municipal employees, one optional plan for police officers and one optional plan for firefighters. Like ERSRI, MERS is administered by the State's Retirement Board. The City pays the entire annual employer's cost of the MERS plan. The City's police officers and firefighters hired on or after July 1, 1995 are now included in MERS. Police officers and firefighters hired during the period from July 1, 1990 to June 30, 1995 had the option of joining MERS or staying in the Closed City Plan.

The funding policy for the MERS Plan is outlined in Rhode Island General Laws Sections 45-21-41, 45-21-42, and 45-21-52 (which can be amended by the Rhode Island General Assembly). The City is required to contribute at an actuarially determined rate expressed as a percentage of total compensation paid to the active membership. The rate for fiscal year 2025 was 9.92% for City employees, 15.40% for police employees and 7.93% for fire employees.

The covered payroll for City employees participating in MERS for the fiscal year ended June 30, 2025 was $38,401,805.

General Employee Unit under MERS

Retirement eligibility and plan benefits — Service credits accrued at June 30, 2012 are protected under the Rhode Island Retirement Security Act of 2011 ("RIRSA"). Beginning July 1, 2012, members receive a benefit accrual of 1.0% per year. Effective July 1, 2012 the retirement age mirrors the Social Security Normal Retirement Age not to exceed age 67. Benefits are based on the five-year average compensation multiplied by an accumulated service credit percentage. Joint and survivor retirement benefit options are available.

General municipal employees are required by Rhode Island General Law Section 45-21-41 to contribute 1% of their compensation to the plan and also contribute an additional 1% for a cost-of-living provision. Effective July 1, 2015, each employee with 20 or more years of total service as of June 30, 2012 is required to contribute an amount equal to 8.25% of his or her compensation. Annual required contributions are actuarially determined for each separate employer and are assessed to each as a percentage of their participating employees' payroll. The annual required contribution covers normal cost and, where applicable, a payment to amortize the unfunded actuarial accrued liability. The unfunded actuarial accrued liability is amortized as a level percent of payroll over a closed period of 30 years measured from June 30, 1999.

Over the past five years, the City has made the following contributions:

Municipal Employees' Retirement System (General Employees)

Fiscal Year	Actuarially Determined Contribution	Actual Contribution	Percent Contributed	Net Pension Liability(1)	Funded Ratio(1)
2025	$2,385,871	$2,385,871	100%	$2,892,337	98.3
2024	2,553,836	2,553,836	100	7,118,275	95.9
2023	2,458,873	2,458,873	100	8,290,538	95.1
2022	2,516,380	2,516,380	100	7,598,776	95.4
2021	2,565,916	2,565,916	100	19,419,343	87.9

(1) Assumes asset appreciation of 7.00% and payroll growth of 3.25% to 7.25% annually for fiscal years 2021 – 2025.
Source: City Audited Financial Statements

The City budgeted a contribution to the MERS plan for general employees in the amount of $1,229,933 and $993,753 for fiscal years 2026 and 2027, respectively. The decline in recent required contributions is due to a change in benefits to new employees. The contributions represent 100% of the annual required pension costs.

Police and Fire Units under MERS

Retirement eligibility and plan benefits — Effective July 1, 2012 the benefit accrual for all plans is 2.0% per year based on the five-year average compensation, exclusive of overtime. Retirement age is 50 years old with 25 years of total service or any age for members with 27 years of service. Police officers or firefighters who were at least 45 years old, had 10 or more years of contributing service and were eligible to retire prior to age 52 under the law in effect on June 30, 2012, may retire at age 52. Police and fire employees may retire with a reduced pension benefit if they have 20 years of service and are within five years of their retirement eligibility. The actuarially reduced benefit is calculated based on how close the member is to the eligibility date that is prescribed by RIRSA. Joint and survivor retirement benefit options are available.

Police officers and firefighters were previously required by Rhode Island General Laws Section 45-21.2-14 to contribute 7% of their compensation to the plan, but effective July 1, 2015, such contribution was increased to 9% of their compensation. Over the past five years, the City has made the following contributions:

Municipal Employees' Retirement System (Police)

Fiscal Year	Actuarially Determined Contribution	Actual Contribution	Percent Contributed	Unfunded Liability(1)	Funded Ratio(1)
2025	$2,513,002	$2,513,002	100%	$16,865,455	84.2%
2024	1,895,887	1,895,887	100	17,396,588	82.3
2023	2,584,733	2,584,733	100	17,949,023	80.4
2022	1,982,333	1,982,333	100	10,341,716	86.5
2021	1,842,074	1,842,074	100	11,462,169	81.6

(1) Assumes asset appreciation of 7.00% and payroll growth of 3.25% to 7.25% annually for fiscal years 2021 - 2025.

The City budgeted contributions to the MERS plan for police employees in the amount of $3,428,902 and $3,923,456 for fiscal years 2026 and 2027, respectively. The contributions represent 100% of the annual required pension costs.

Over the past five years, the City has made the following contributions:

Municipal Employees' Retirement System (Fire)

Fiscal Year	Actuarially Determined Contribution	Actual Contribution	Percent Contributed	Unfunded Liability(1)	Funded Ratio(1)
2025	$1,722,503	$1,722,503	100%	$5,182,994	96.1%
2024	1,232,081	1,232,081	100	5,543,845	95.6
2023	2,126,922	2,126,922	100	6,307,401	94.6
2022	1,244,667	1,244,667	100	(2,755,241)	102.8
2021	1,197,397	1,197,397	100	1,157,149	98.6

(1) Assumes asset appreciation of 7.00% and payroll growth of 3.25% annually for fiscal years 2021 - 2025.
Source: City Audited Financial Statements

The City budgeted contribution to the MERS plans for fire employees in the amount of $2,963,872 and $3,124,427 for fiscal years 2026 and 2027, respectively. The contributions represents 100% of the annual required pension costs.

School Teacher's Retirement Plan

The City provides retirement benefits to its public-school teachers through its participation in ERSRI. ERSRI is a statutory, mandatory, statewide, cost-sharing multi-employer defined benefit plan, which first covered State teachers on July 1, 1949. ERSRI is administered as a unified statewide system by the State Retirement Board, the composition of which is set forth in the pertinent State statute. The assets are held in the custody of the State Treasurer as an undivided single fund. The City pays 50 percent of the annual employer's cost of the Teachers Plan.

Rhode Island General Laws Section 16-16-22 currently sets the defined benefit contribution rates of participating employees at 3.75% of salary. Annual required contributions by both employers and the State on behalf of those employees are determined by actuaries and assessed as a percentage of participants' payroll. The required contributions include (a) normal costs; (b) payments to amortize the unfunded frozen actuarial accrued liability as of June 30, 1999 over 30 years; provided, however, that in conjunction with the implementation of RIRSA, the amortization period was reset to 25 years as of June 30, 2010; and (c) interest on the unfunded frozen actuarial liability. The City participates in the optional Teachers Survivor Benefits Fund, whereby the employer and the employee each contribute 1% of the first $11,500 of each participating employee's salary for survival benefits.

As prescribed by State law, the State pays the entire portion of the defined benefit annual required contribution attributable to the costs of contributions deferred by the State in prior years, plus 40% of contributions assessed to employers on payroll not reimbursable through federal programs.

Effective with the June 30, 2011 actuarial valuation, the funding method was changed to the Individual Entry Age Cost Method in order to be consistent with State Law and GASB statement No. 27 standards. The ERSRI does not maintain separate data for each of its participants. The ERSRI's website contains additional information (www.ersri.org).

The actuarial valuation prepared by Gabriel, Roeder, Smith & Company uses the Entry Age Normal (EAN) actuarial cost method. Valuations under this method assume a valuation date of June 30th of each plan year. This is the date as of which both the actuarial present value of future benefits and the actuarial value of assets are determined. The valuation assumes an annual salary increase on a scale of age/service. In addition, other actuarial assumptions are made for post-retirement increases and other contingencies as set forth in the published annual reports of the State Retirement Board.

The actuarial costs of the retirement benefits are partially funded by employee contributions of 3.75% of the actuarial costs of the retirement benefits effective July 1, 2012. The actuary determines the net employer actuarial costs annually and as provided by the State Retirement Board to the Department of Administration. Contributions are reported as a percent of payroll, payable in part by the State and in part by the City. The split between the State and the City is specified by State statute. For fiscal year 2025, the State paid 40% and the City paid 60%.

The following are comparative highlights for 2021 through 2025 for the Teachers' Plan as a whole:

	6/30/2021	6/30/2022	6/30/2023	6/30/2024	6/30/2025
Active Participants	13,372	13,537	13,554	13,497	13,249
Pensioners & Beneficiaries	11,398	11,521	11,595	11,727	11,771
Inactive Participants	4,227	4,539	5,000	5,418	5,926
Market Value of Assets	$ 4,671,641,312	$ 4,418,568,124	$ 4,664,344,475	$ 4,995,983,427	$ 5,266,311,282
Employer Contributions	$ 275,778,411	$ 322,772,188	$ 305,022,002	$ 314,001,015	$ 321,674,842
Member & Other Misc. Contributions	50,174,050	50,159,049	50,949,871	50,377,666	50,317,841
Total Contributions	$ 325,952,461	$ 372,931,237	$ 355,971,873	$ 364,378,681	$ 371,992,683
Investment income	$ 1,034,477,257	$ (131,387,447)	$ 384,803,808	$ 465,614,805	$ 406,636,270
Total Income Available for Benefit Payments	$ 1,360,429,718	$ 241,543,790	$ 740,775,681	$ 829,993,486	$ 778,628,953
Benefit Payment	$ (487,793,158)	$ (494,461,453)	$ (495,099,506)	$ (406,987,236)	$ (412,908,764)
Transfer and Other Adjustments	$ 248,851	$ (155,525)	$ 100,176	$ (768,666)	$ (886,718)
Excess of Income Over Expenses	$ 872,885,411	$ (253,073,188)	$ 245,776,351	$ 422,237,584	$ 364,833,471
Funded Ratio	58.7%	61.5%	64.5%	64.8%	67.9%

Compiled from Employees' Retirement System of Rhode Island - Actuarial Valuation Reports as of June 30, 2021 - 2025.

Actuarial costs and liabilities, as shown in the summary presentation, are determined in the aggregate for the ERSRI. Accordingly, employer contributions are first determined in the aggregate for all participating employers in this multi-employer system and are then expressed as a percentage of the aggregate participating payroll. For fiscal year 2025, the City applied 60 percent of this percentage to its participating payroll (the remaining 40 percent of the employer cost is contributed by the State as well as the full cost of deferred contributions by the State).

According to the statutory funding schedule, the combined contributions required each year by the City and the State will remain relatively level as a percent of payroll as ERSRI moves toward funding the full actuarial liability. Ultimately, however, because the actuarial funding results in the accumulation of reserves that are invested, the required appropriation will be significantly less than would be required if the Teacher's Retirement System was on a pay-as-you-go basis.

Over the past five years, the City has made the following required contributions:

Employees' Retirement System of Rhode Island (Teachers)

Fiscal Year	Annual Required Pension Cost	Actual Contribution	Percent Contributed
2025	$14,059,370	$14,059,370	100%
2024	14,129,557	14,129,557	100
2023	13,056,720	13,056,720	100
2022	12,577,126	12,577,126	100
2021	12,037,655	12,037,655	100

Source: City Audited Financial Statements

The City budgeted contributions to the plan in the amount of $13,970,515 and $14,403,963 for fiscal years 2026 and 2027, respectively. The contributions represent 100% of the annual required pension costs.

At June 30, 2025, the City reported a liability of $107,407,914 for its proportionate share of the net pension liability that reflected a reduction for contributions made by the State.

Other Post-Employment Benefits

The City maintains and administers a single-employer OPEB benefit plan that covers all public safety and School Department employees. The City does not provide OPEB benefits to municipal employees.

Public Safety Employees

The City has obtained an actuarial study of the unfunded liability relating to retiree medical benefits for public safety employees. The City established an Irrevocable Trust Agreement (OPEB Trust) effective July 1, 2007 and has started to pre-fund OPEB liabilities. The unfunded liability was calculated to be $46,772,729 as of July 1, 2025 for current and retired City police officers and fire fighters.

Over the past five years, the City has made the following contributions:

Fiscal Year	Annual OPEB Cost	Actual Contribution	Percent Contributed	Unfunded Liability[(1)]	Funded Ratio
2025	$5,491,321	$5,491,321	100.0%	$46,772,729	14.20%
2024	4,832,559	4,832,559	100.0	45,660,532	14.39
2023	4,832,559	4,832,559	100.0	46,772,729	14.20
2022	4,512,526	4,512,526	100.0	39,684,003	15.85
2021	4,040,216	2,040,266	50.5	39,150,639	17.64

(1) Assumes discount rate of 7.90% for fiscal years 2021-2023; 7.50% for fiscal years 2024 and 2025.
Source: July 1, 2025 Postretirement Benefits Analysis of the City of Cranston Fire and Police

The City has included funding of the annual actuarial contribution in the amount of $5,706,573 and $6,184,008 for fiscal years ending June 30, 2026 and 2027, respectively.

School Department Employees

The plan for School Department employees provides health benefits and dental insurance benefits to eligible retired employees and their beneficiaries. The plan's provisions may be amended by the Cranston School Committee and the Trustees of the plan. The OPEB activity is accounted for in the School Unrestricted Fund in the City's financial statements. The amounts due for these benefits are funded on a pay-as-you-go basis.

Over the past five years, the City has made the following contributions:

Fiscal Year	Annual OPEB Cost	Actual Contribution	Percent Contributed	Unfunded Liability	Funded Ratio
2025	$1,670,076	$912,778	55.0%	$17,044,955	6.0%
2024	1,386,794	798,657	58.0	14,331,272	6.0
2023	1,559,569	764,265	49.0	15,463,819	5.0
2022	1,819,895	938,189	71.0	13,585,575	7.0
2021	1,194,999	945,945	79.0	16,513,081	5.0

Source: July 1, 2025 Postretirement Benefits Analysis of the City of Cranston Public Schools

The City has included funding of the annual actuarial contribution in the amount of $1,319,708 and $1,407,531 for fiscal years ending June 30, 2026 and 2027, respectively.

Risk Management

Climate Change

Changing climate patterns globally and in Rhode Island will worsen the effects of natural hazards and affect future planning and mitigation efforts. Changes are already being observed and documented. Long-term climate change is likely to cause the following impacts on the City:

- Heavier, more frequent precipitation events, which may cause more riverine flooding and flash flooding events.
- Longer periods of drought which may affect water availability and increase the threat for wildfires.
- Increasing air and water temperatures.
- More frequent high heat days and heat waves.

How rapidly these changes will be felt is uncertain. The City aims to become more adaptable and resilient to these changing conditions. Through the exercise of updating its Hazard Mitigation Plan ("HMP") in 2014, the City is exploring ways to reduce its long- and short-term risks to a variety of hazards. Storms on the eastern seaboard will likely impact the City. As climate conditions intensify, the Hazard Mitigation Committee will be prepared to update the HMP accordingly.

The City is also exploring ways to reduce risks at its wastewater treatment facility and remote pump stations. In December 2020, a WPCP Resiliency Plan was completed which identified projects to improve the resiliency of these assets. The City is in the process of identifying funds to implement infrastructure improvements.

Cyber Security

The City, like many other public and private entities, relies on a large and complex technology environment to conduct its operations. As recipient and provider of personal, private or sensitive information, the City may be subject to cyber threats including, but not limited to, hacking, viruses, malware and other attacks on computer and other sensitive digital networks and systems.

Entities or individuals may attempt to gain unauthorized access to the City's digital systems for the purposes of misappropriating assets or information or causing operational disruption and damage. The City has implemented policies and procedures to protect against malicious activity targeting critical technology infrastructure, including the use of firewalls, anti-virus and anti-spam software, and devising a multi-tiered back-up strategy for critical systems and data to mitigate the risk of data loss in a cyber attack. The City intends to complete a cyber security audit during the current fiscal year. No assurances can be given that the City's efforts to manage cyber threats and attacks will be successful or that any such attack will not materially impact the operations or finances of the City.

Employee Relations

The City currently has 2,158 full-time employees including municipal, school, police, and fire department employees.

The City's uniformed police employees are members of the International Brotherhood of Police Officers, Local 301. The City's firefighters are members of the International Association of Firefighters, AFL-CIO, Local 1363. The Laborers' International Union of North America (LIUNA), represents the Public Works and Recreation Department employees. All other municipal employees, including a small number of division heads, are represented by the Teamsters Local 251.

The status of agreements with municipal employees is as follows:

International Brotherhood of Police Officers Local 301 – expired on June 30, 2026*.
International Association of Firefighters, AFL-CIO Local 1363 – expires on June 30, 2028.
Teamsters Local 251 – expires on June 30, 2027.
LIUNA Local 1322 – Highway, Maintenance and Recreation employees — expires on June 30, 2027.
NAGE – Library employees – expires on June 30, 2028.
*In negotiation.

The current status of agreements for school employees is as follows:

Cranston Teachers' Alliance – expires August 31, 2028.
Cranston School Dept. Employees Local RI-153 – expires on June 30, 2027.
Cranston Association of Para-Professionals – expires on August 31, 2028.
Cranston School Bus Drivers Local 8 – expires on June 30, 2027.
Cranston Public School Secretarial Employees Council 94 AFSCME Local – expires on June 30, 2027.
Cranston Teacher Alliance – Technical Assistants – expires on August 31, 2028.

PROPERTY TAXES

Under State law, valuations of real and personal property are assessed as of December 31, and the levy thereon may be paid in full or in equal quarterly installments without penalty, at the taxpayer's option. The City's fiscal year begins July 1, with taxes based on the prior December 31 assessment payable in full before July 15 or quarterly in July, October, January and April. No discount is allowed by the City for advance payment of taxes.

The City has yearly tax sales for prior and current year delinquent real property taxes. Delinquent personal property taxes are collected through an outside collection attorney. The City assesses an interest charge of 12.00% per annum on delinquent accounts.

Tax Limitations

Rhode Island General Laws Section 44-5-2 limits the amount by which a city or town may increase its tax levy unless it qualifies for certain exemptions relating to loss of non-property tax revenue, emergencies, payment of debt service and substantial increase in the tax base necessitating significant expenditures. For fiscal year 2013 and thereafter, the tax levy cap is 4.00% in excess of the prior year levy.

The amount levied by a city or town may exceed the tax levy cap described above if the city or town qualifies under one or more of the following provisions: (1) the city or town forecasts or experiences a loss in total non-property tax revenues and the loss is certified by the State Department of Revenue; (2) the city or town experiences or anticipates an emergency situation, which causes or will cause the levy to exceed the tax levy cap described above; (3) a city or town forecasts or experiences debt services expenditures which exceed the prior year's debt service expenditures by an amount greater than the percentage increase as specified above and which are the result of bonded debt issued in a manner consistent with State general law or a special act; or (4) the city or town experiences substantial growth in its tax base as the result of major new construction which necessitates either significant infrastructure or school housing expenditures by the city or town or a significant increase in the need for essential municipal services.

Any levy in excess of the tax levy cap described above must be approved by the affirmative vote of at least four-fifths (4/5) of the full membership of the governing body of the city or town and, in the case of a town with a financial town meeting, the majority of electors present and voting at the financial town meeting must approve the excess in addition to the town council.

Section 44-5-2 provides that nothing contained therein constrains the payment of obligations as described by Section 45-12-1 of the Rhode Island General Laws, which provides that the outstanding notes, bonds and contracts of cities and towns shall be paid and be fulfilled and that the power and obligation of each city and town to pay its general obligation bonds and notes shall be unlimited and each city and town shall levy *ad valorem* taxes upon all taxable property within the city or town for the payment of such bonds and notes and interest thereon, without limitation as to rate or amount, except as otherwise provided by or pursuant to law.

Assessed Valuations

Under State law, State municipalities are restricted from levying general taxes, except *ad valorem* taxes upon real and tangible personal property.

The following table sets forth the assessed valuation of real and personal property in the City as of December 31, for the calendar years indicated.

	2021	2022	2023(2)	2024	2025
ASSESSED VALUATIONS:					
Real Property	$8,805,941,325	$8,839,689,535	$12,357,953,224	$12,406,428,182	$12,459386,383
Tangible Personal Property (1)	371,924,904	394,313,560	418,457,687	436,969,667	459,728,921
Total Assessed Valuation	$9,177,866,229	$9,234,003,095	$12,776,410,911	$12,843,397,849	$12,919,115,304
Less Exemptions	267,689,632	256,280,218	415,376,324	371,059,125	425,318,132
Net Real and Tangible Property	$8,910,176,597	$8,977,722,877	$12,361,034,587	$12,472,338,724	$12,493,797,172

(1) Includes motor vehicles and trailers which was eliminated in 2021.
(2) Full revaluation.
Source: City Assessor

Tax Rates

A statistical revaluation was completed for December 31, 2020 and was used in the preparation of the tax bills for fiscal years 2022, 2023 and 2024. A City-wide revaluation of real estate was completed for December 31, 2023 and will be used in the preparation of tax bills for fiscal years 2025, 2026 and 2027. Since fiscal year 2007, the City has used multi-tiered tax rates. Rates are per $1,000 of Assessed Valuation:

Fiscal Year	Residential	Commercial	Tangible
2027	$14.52	$21.78	$28.35
2026	13.88	20.82	28.35
2025	13.61	20.42	28.35
2024	18.90	28.35	28.35
2023	18.51	27.77	27.77
2022	18.00	27.00	27.00
2021	20.77	31.16	31.16
2020	20.77	31.16	31.16
2019	20.29	30.44	30.44
2018	22.94	34.41	34.41

Source: City Tax Collector

Taxable Property

The following table sets forth an analysis of taxable real and personal property in the City by class as compared to the State for fiscal year 2026.

	Percent of Total Assessed Valuation	
Class	City	State
Residential	80.39 %	82.80 %
Commercial/Industrial	16.60	14.31
Tangible	3.00	2.88
Total	100.00 %	100.00 %

Source: State of Rhode Island Department of Revenue; Annual State Report on Local Government Finances

Principal Taxpayers

The following table sets forth the top 10 principal taxpayers in the City, and the assessed valuation and tax assessment of the property owned by such taxpayers as of December 31, 2025 (which were used in calculating fiscal year 2027 tax bills). The taxes levied on the top 10 taxpayers comprise approximately $17.8 million or 8.75% of the total certified net levy of approximately $203.8 million for fiscal year 2027.

Taxpayers	Tax Classification	Business Type	Assessed Valuation	Tax Fiscal Year 2027
National Grid	Real Estate and Tangible	Utility	$180,236,441	$4,922,635
Carpionato Properties	Real Estate and Tangible	Real Estate Developer	162,117,748	3,502,894
Garden City Owner LLC	Real Estate	Retail Real Estate	142,094,200	3,094,811
WFD Associates	Real Estate	Apartments	80,863,000	1,724,077
Paolino Properties	Real Estate and Tangible	Real Estate Developer	43,436,900	946,055
VA7 Terraces	Real Estate	Apartments	41,503,562	906,066
Tasca Automotive Group	Real Estate, Tangible & Inventory	Auto Dealership	27,264,067	795,251
TOP GOLF	Real Estate	Recreation	31,200,837	710,805
Independence Way LLC	Real Estate	Apartments	28,701,740	626,281
Calvi Realty Co. Inc.	Real Estate	Retail Real Estate	25,274,039	599,879

Source: City Tax Assessor

Levy and Collection Record

The City has annual tax sales of real property on which there are delinquent prior-year and delinquent current-year, real property taxes owed. Generally, quarterly installments of real property taxes are due July 15, October 15, January 15, and April 15. If by February no installments or only the July 15 installment of taxes has been paid, the property is placed on the tax sale list. The tax sale generally occurs in June. The following is a schedule of levy and collected taxes for the fiscal years indicated.

Fiscal Year	Gross Levy	Net Adjustments	Net Levy	End of Year Collections	Net Levy Collections %
2026[1]	$200,737,612	$8,482,462	$192,255,150	$191,002,740	99.35%
2025[2]	194,177,260	6,862,104	187,315,155	186,048,308	99.32
2024	194,165,464	5,263,637	188,901,827	187,803,333	99.50
2023	188,749,744	5,173,052	183,576,692	182,959,354	99.70
2022 [3]	192,044,523	5,177,511	186,867,012	185,943,900	99.50
2021	199,209,441	11,418,314	187,791,127	186,329,938	99.20
2020	198,898,465	10,048,334	188,850,130	187,650,679	99.36
2019 [3]	197,882,222	9,383,183	188,499,042	186,620,937	99.00
2018	199,598,034	6,552,311	193,045,723	191,290,552	99.00
2017	194,710,982	6,639,919	188,071,063	185,964,064	98.90

(1) Unaudited
(2) Full Valuation.
(3) Statistical revaluation.
Source: City Tax Collector

ECONOMIC CHARACTERISTICS

According to the U.S. Census Bureau the City's population was 82,934 as of 2020. The City ranked second in population among the 39 cities and towns in the State in 2020. The City experienced a 3.2% increase in population from 2010 to 2020. Set forth below is a table of the number of inhabitants in the City for various years from 1920 to 2020.

Year	Population
2020	82,934
2010	80,387
2000	79,269
1990	76,060
1980	71,992
1970	74,287
1960	66,766
1950	55,060
1940	47,085
1930	42,911
1920	29,407

Source: U.S. Bureau of the Census

Unemployment

The most recent labor market information summary indicates that annualized unemployment for the calendar years and months indicated was as shown in the tables below:

	2026 Monthly				
	Jan	**Feb**	**Mar**	**Apr**	**May**
Cranston	5.1%	5.4%	4.7%	3.4%	3.3%
Rhode Island	5.4	5.8	4.9	3.3	3.3
United States	4.7	4.7	4.3	4.0	4.1

	Annualized									
	2016	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**
Cranston	5.2%	4.2%	4.0%	3.5%	9.7%	5.7%	3.2%	2.9%	4.3%	4.5%
Rhode Island	5.2	4.4	4.0	3.6	9.4	5.5	3.2	3.0	4.3	4.5
United States	4.9	4.4	1.9	3.7	8.1	5.3	3.6	3.6	4.0	4.3*

Source: RI Department of Labor & Training

Not seasonally adjusted

*Annual estimates for 2025 are 11-month averages that exclude October 2025.

Employment

In 2025 the City had 3,292 private business and industrial firms with yearly payrolls that totaled approximately $1.7 billon. The average annual number of persons employed was 29,417. The following is a listing of the various types of industry in the City covered by the Department of Labor and Training.

Sector	Number of Units	Average Employment	Total Wages	% of Covered Employment
Agriculture, Forestry, Fishing & Hunting	16	120	$ 3,947,360	0.4 %
Mining	1	*	*	*
Utilities	2	*	*	*
Construction	294	1,963	172,731,165	6.7
Manufacturing	129	3,146	212,915,438	10.7
Wholesale Trade	183	1,374	108,388,513	4.7
Retail Trade	304	4,952	198,317,916	16.8
Transportation & Warehousing	91	681	39,519,426	2.3
Information	75	217	21,409,889	0.7
Finance & Insurance	182	794	79,399,470	2.7
Real Estate & Rental & Leasing	101	440	35,011,830	1.5
Professional & Technical Services	559	2,516	233,040,047	8.6
Management of Companies & Enterprises	13	188	20,486,832	0.6
Administrative Support & Waste Mngmnt.	263	2,316	121,317,124	7.9
Educational Services	55	327	11,601,165	1.1
Health Care & Social Assistance	468	5,024	251,763,571	17.1
Arts, Entertainment, & Recreation	45	681	21,526,535	2.3
Accommodation & Food Services	210	3,156	86,792,782	10.7
Other services, (except Public Administration)	301	1,522	82,099,270	5.2
	3,292	29,417	$ 1,700,268,333	100.00 %

* Some data are not shown due to the possibility of identifying data of a specific employer.

Source: Rhode Island Department of Labor and Training.

Data compiled May 2026, subject to revision.

Largest Employers

Name	Type of Business	Number of Employees
North Safety Products	Manufacturer of Personal Protective Equipment	1,050
Swarovski Consumer Goods	Retail – Jewelry Manufacturing	1,000
Nelpak Healthcare Packaging	Manufacturer of Healthcare Packaging	750
Taco Manufacturing	Heating Components	512
Federal Electronics	Electronics Manufacturer	500
Technic Inc.	Supplier of Specialize Chemicals	425
Thielsch Engineering	Engineering Consultant	400

Source: City FY2025 ACFR

Income Levels

According to the U.S. Census Bureau 2020-2024 American Community Survey (the "Survey"), median household income for the City was $90,206, compared to the State average of $87,796, and the national average of $80,734. The City exhibited a slightly lower per capita income than the State, with values of $45,258 and $47,150, respectively, according to the Survey. The City was slightly higher than the national average of $44,673.

Housing and Building Permits

The U.S. Census Survey reported for the City a total of 33,117 housing units in 2010, and 34,182 housing units in 2020; this represents an increase of 1,065 new units, or a 3.22% increase, from 2010 to 2020.

Building permits issued by the City's Building Inspector for the fiscal years indicated and the declared values of residential and commercial construction set forth below.

	Residential	Commercial	Total
FY2025			
Building	$ 36,935,201	$ 69,053,408 (1)	$ 105,988,609
Plumbing	2,725,926	1,463,577	4,189,503
Electrical	4,075,332	12,511,745 (1)	16,587,077
Mechanical	7,932,616	6,239,564	14,172,180
Total	**$ 51,669,075**	**$ 89,268,294**	**$ 140,937,369**

(1) Building and Electrical permits declared value includes Gladstone Elementary School permits in the amount of $33,000,000 and $4,270,000, respectively.

	Residential	Commercial	Total
FY2024			
Building	$ 34,581,037	$ 36,632,013	$ 71,213,050
Plumbing	2,403,459	2,582,086	4,985,545
Electrical	3,953,889	5,923,688	9,877,577
Mechanical	6,952,590	9,433,228	16,385,818
Total	**$ 47,890,975**	**$ 54,571,015**	**$ 102,461,990**
FY2023			
Building	$ 34,874,276	$ 39,917,853	$ 74,792,129
Plumbing	1,830,117	1,450,904	3,281,021
Electrical	1,865,840	3,747,735	5,613,575
Mechanical	7,783,540	4,803,127	12,586,667
Total	**$ 46,353,773**	**$ 49,919,619**	**$ 96,273,392**
FY2022			
Building	$ 26,714,135	$ 34,835,015	$ 61,549,150
Plumbing	613,977	1,319,600	1,933,577
Electrical	381,634	3,651,377	4,033,011
Mechanical	3,005,062	5,826,155	8,831,217
Total	**$ 30,714,808**	**$ 45,632,147**	**$ 76,346,955**

Source: City Office of Building Inspection records

Economic Development

The City places high priority on economic development initiatives in order to solicit and secure new business, to support to the improvement of the City's business community, to improve the City's tax base and provide employment opportunities for its residents. The City has successfully implemented aggressive business recruitment and expansion programs and has reinvested in its urban business corridors. Through a variety of forward-thinking legislative initiatives, the City offers investment incentives to increase the financial viability of the City's new and existing development areas. The City offers tax phase-in incentives for businesses investing significantly in industrial and non-retail commercial properties.

The City is committed to encouraging responsible economic development of its available areas and strives to achieve a balance between appropriate land use and bringing higher quality jobs and living standards to its residents. The City has been a leader in bringing industrial and commercial development to its numerous sites over the past decades. Particularly, the City is experiencing a robust post-Covid economic rebound. Convenient highway access, ample water and sewer services, and a tradition of excellent municipal services combine to provide the type of environment that the business community seeks when considering expansion or relocation.

The Western Cranston Industrial Area – Currently, this is Cranston's and one of Rhode Island's fastest developing industrial parks, located centrally in the State at the interchange of Interstate 295 and Route 14. This area continues to develop as one of the most important parts of the City's industrial tax base. National recognized companies like Penske, Cadence Science, Con-Way Trucking, Electro Standards, MPC Corp, Design Fabricators, Jewelry Concepts, TASCA Automotive Parts Warehouse and Bay State Florist are just a few of the industrial tenants that have been attracted to this ever-growing industrial area.

The Howard Industrial Park – This development is centrally located in the Rhode Island off the interchange of Interstate 95 and Route 37. This area is a prime location and the home of some of the City's most significant industrial businesses such as Pepsi Cola Bottling Group, Swarovski North America, Yushin America, Inc., Tasca Motor Group, Gannon & Scott, Ross Simons, McLaughlin & Moran, Inc. and Extra Space Storage.

Garden City Center

Garden City Center, Rhode Island's premiere outdoor shopping venue has been a shopping destination of choice for five generations. The Center opened in 1948 and was the first suburban shopping center in the State with 450,000 square feet of retail and office space. Its well-manicured landscapes and enhanced gardens frame the architecturally unique shops and restaurants. The Center has national retailers such as LL Bean, Pottery Barn, Crate & Barrel, J Crew, LA Fitness, New Balance, Banana Republic, William Sonoma, Chico's, Jos A Banks, Talbots, The Container Store, GAP, Anthropologie, Soma-Intimates, The Loft, Sephora, Ulta Beauty, and Old Navy. The Center also has regional and local retailers and restaurants such as Providence Diamond Company, Ethan Allan Design Center, Starbucks, Pinkberry, Ben & Jerry's, Legal Seafoods, Avvio Ristorante, Tavern in the Square, Tropical Smoothie, Anna's Taqueria, and Whole Foods Market. In addition, Garden City has completed construction of two new buildings, consisting of 37,000 square feet of total space. Building permits are in process for 23,000 and 10,000 square foot additions to the shopping center.

Chapel View Shopping Center

Located directly across from Garden City, Chapel View Shopping Center is an upscale mixed use shopping group, coupled with the many high-quality stores of its next-door neighbor. Located on the former site of the State's Youth Training and Reform School, the developers have used several former historic structures to develop a European Village atmosphere that encompasses upscale condominiums, office space and retail components. Current tenants include Circe Prime, First Comp, a division of Markel Insurance Company, Residential Mortgage Services, Champlain Foundation, Staples, Panera Bread, Massage Envy, Bling Eyewear, Shaw's Supermarket, Recreational Equipment Inc. (REI), T.J. Maxx, Koch Eye Associates, Omaha Steaks, Starbucks, Cava and Applebee's. Topgolf opened its only location in the State of Rhode Island in the fall of 2023. Topgolf features fun and competitive golf games for all ages, climate-controlled playing bays for year-round comfort, an impressive food and drink menu, private spaces for groups, HDTVs and musical entertainment.

RECENT DEVELOPMENT INITIATIVES

The City has invested in infrastructure to improve some of its key community restaurant and retail districts. The Rolfe Square and Pawtuxet Village districts have been renovated to include new lighting, trees, roads and sidewalks to provide a more inviting atmosphere for people who are strolling and patronizing local shops and restaurants.

The Knightsville business district is under construction with an ambitious revitalization project. Significantly funded by Federal and State grants, the residents and business owners of this area, rich in tradition, currently enjoy its recently constructed pocket park that includes features such as a grand fountain, pergola, bocce court, and centerpiece gazebo. Phase three of construction will see vibrant streetscape including new sidewalks, trees, lamp post lighting and repaved roadways.

Topgolf: An international golf, sports and entertainment facility opened in the fall of 2023. This is the first Topgolf venue in New England and serves as a regional attraction.

Cranston Print Works: Brady Sullivan Properties, New Hampshire developers are completing redevelopment of the historic Cranston Print Works. This project will initially include 99,000 square feet of self-storage to be followed by 100 upscale apartments in the historic mill property along, with some additional self-storage.

Knights Crossing: Located across the road from the Cranston Print Works development, this private developer has received approval to construct a 156 unit upscale apartment complex that will include fifteen percent of affordable units.

20 Goddard Drive: The former Medium Security Prison Building Howard Industrial Park: A 200,000 square foot warehouse distribution facility is planned. This property near the Interstate 95 and Route 37 offers prime accessibility.

Trolley Barn Plaza 777 Cranston Street: Paolino Properties has developed this long-time vacant parcel on the Cranston/Providence border as a multi-use project that includes an Auto Zone distribution warehouse, Seasons Corner Market/Café, Shell gas station, Sonic drive-in, and Washville car wash..

Comstock Industrial Western Cranston Industrial Area: The Connecticut based developer, Comstock Industrial, LLC, has received approval for two industrial use buildings on 17 acres off Comstock Parkway that will total 270,000 square feet of warehouse distribution space.

Comstock Crossings: Plans have been approved at the corner of Comstock Parkway and Plainfield Pike for a commercia/ retail development of approximately 16,000 square feet, including a restaurant and retail space.

661 Project, 661 Park Avenue: Legion Development, Inc. has received approval to repurpose its bowling alley and retail space into a mixed- use development primarily with 80 residential apartment units and limited retail space.

Garden City Center: This commercial shopping plaza remains the center piece of retail and commercial development for Cranston. WS Development, the premier national shopping center developer, is continuing to maintain and enhance the 450,000 square foot shopping center.

Meridian Point: The Carpionato Group is planning to construct a 142-unit high-end apartment complex in the suburban area of western Cranston. This facility plans to provide for fifteen percent of affordable housing units.

Training School Property: The Carpionato Group continues to finalize plans for the redevelopment of the former training school site that already received master plan approval for 160,000 square feet of commercia/retail space.

CITY INDEBTEDNESS

There are three statutory mechanisms for municipalities in Rhode Island to obtain legal authority to issue general obligation debt: (1) Section 45-12-2 of the General Laws (the “3% Debt Limit Statute”), (2) special acts of the General Assembly, and (3) ministerial approval by the State’s Auditor General. Bonds issued pursuant to the 3% Debt Limit Statute or by ministerial approval or special legislation adopted by the General Assembly authorizing the City to incur debt are subject to referendum by the electors of the City.

The 3% Debt Limit Statute was enacted in 1896 as a limitation on the amount of debt municipalities could incur. The 3% Debt Limit Statute provides that except as explained below, a municipality may not, without special statutory authorization, or ministerial approval by the Auditor General of the State (described below), incur any debt, which would increase its aggregate indebtedness not otherwise excepted by law to an amount greater than 3% of the full assessed value of the taxable property within the municipality. Deducted from the computation of aggregated indebtedness is the amount of any borrowing in anticipation of taxes authorized by law and the amount of any fund held on account to pay such indebtedness maintained by the municipality. In computing the value of taxable property, motor vehicles and trailers are valued at full value without regard to assessed value reductions provided for in other sections of the general laws.

The current 3% debt limit of the City is $374,813,915 based on net assessed valuations of taxable property as of December 31, 2025 of $12,493,797,172. As of July 27, 2026, the City had approximately $6.5 million bonds outstanding subject to the 3% Debt Limit Statute.

In July 2007, the Rhode Island State Legislature enacted legislation effective January 1, 2008 allowing for ministerial approval by the State's Auditor General of debt outside of the 3% debt limit for communities with an "A" rating or better, if the municipality also satisfies certain requirements. The City has no debt outstanding under the ministerial approval process.

Over time, special acts have displaced the 3% Debt Limit Statute as the primary method for municipalities in the State to obtain authority to issue general obligation debt. On July 27, 2026, the City had approximately $213 million of debt outstanding that is outside the 3% debt limit.

In addition to debt authorized pursuant to the 3% Debt Limit Statue, ministerial approved debt and debt authorized by special act of the General Assembly, Rhode Island General Laws Section 45-12-11 authorizes the State Director of Revenue, upon petition by a municipality, to authorize such municipality to incur indebtedness in excess of the 3% debt limit whenever the State Director of Revenue shall determine that the sums appropriated by the municipality or its funds available are insufficient to pay the necessary expenses of the municipality. The City has not requested the State Director of Revenue to authorize indebtedness of the City under Section 45-12-11.

Under Rhode Island General Laws Section 45-12-4.4 a city or town may authorize the issuance of bonds, notes, or other evidences of indebtedness to pay the uninsured portion of any court judgment or settlement, except any court judgment or settlement arising out of any pension obligation of a municipality; provided however, that the outstanding principal amount, in the aggregate, shall not exceed five percent (5%) of the total amount of the city or town's most recently adopted municipal budget. As of July 27,2026, the City had approximately $580,000 bonds outstanding issued pursuant to Rhode Island General Laws Section 45-12-4.4.

Comparative Statement of Outstanding Long-Term Debt

Set forth below is a table of outstanding general obligation, revenue and lease appropriation debt of the City for the fiscal years ended June 30, 2021 to 2025:

	FY2021	FY2022	FY2023	FY2024	FY2025
GENERAL OBLIGATION BONDED DEBT:	$ 90,075,000	$ 90,725,000	$ 82,851,000	$ 80,483,000	$ 120,576,000
	90,075,000	90,725,000	82,851,000	80,483,000	120,576,000
SELF-SUPPORTING SEWER DEBT:					
RIIB General Obligation Sewer Enterprise Bonds	$ 2,477,000	$ 2,118,000	$ 1,757,000	$ 1,395,000	$ 1,031,000
RIIB Wastewater Revenue Bonds	13,534,000	12,746,000	11,606,333	11,109,000	9,971,066
Total Self-Supporting Sewer Debt	16,011,000	14,864,000	13,363,333	12,504,000	11,002,066
Total Outstanding Long-Term Debt	106,086,000	105,589,000	96,214,333	92,987,000	131,578,066
Bond Anticipation Notes	$ -	$ 51,750,000	$ 57,030,000	$ 85,000,000	$ 75,000,000

Debt Ratios and Debt Per Capita

The following table displays certain general obligation debt statistics for the past ten fiscal years:

Fiscal Year Ended June 30	Population[1]	Net Assessed Valuation[2]	Rate of Assessment[3]	Estimated Full Valuation	Gross Bonded Debt and Bond Anticipation Notes[5]	Gross Debt Per Capita[4]	Ratio of Gross Debt to Estimated Full Value[4]
2025	82,934	$12,349,139,114	100%	$12,349,139,114	$195,576,000	$2,358	1.58%
2024	82,934	8,977,722,877	100	8,977,722,877	165,483,000	1,995	1.84
2023	82,934	8,910,176,597	100	8,910,176,597	139,881,000	1,687	1.57
2022[6]	82,934	9,049,937,399	100	9,049,937,399	142,475,000	1,718	1.57
2021	82,934	7,933,882,412	100	7,933,882,412	90,075,000	1,086	1.13
2020	80,837	7,960,878,894	100	7,960,878,894	96,218,000	1,190	1.20
2019[6]	80,837	7,972,509,618	100	7,972,509,618	89,943,000	1,112	1.13
2018	80,837	7,092,748,076	100	7,092,748,076	70,486,000	872	0.99
2017	80,387	7,112,627,508	100	7,112,627,508	72,830,000	906	1.02
2016[7]	80,387	7,051,934,839	100	7,051,934,839	78,270,000	973	1.10

(1) U.S. Census.
(2) As of December 31 of the prior year; net of personal exemptions and exempt property but not homestead exemptions.
(3) Rate of assessment as determined by the State of Rhode Island Budget Office.
(4) The debt ratios and debt per capita do not reflect state aid for school construction received. The ratios do not reflect sewer assessments received for payment of sewer debt service and water charges.
(5) Excludes self-supporting debt.
(6) Statistical Revaluation.
(7) Full Revaluation.
Compiled by City Finance Department

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Outstanding Bond Authorizations

The following table sets forth information relating to the City's outstanding bond authorizations.

Chapter	Year	Description	Original Authorization	Outstanding Bonds	2026A RIHEBC Bonds	This Issue of Bonds	Remaining Authorization
95/163	1998	Police Department Equipment & Facilities	$ 900,000	$ 833,728	$ -	$ -	$ 66,272
80/294	2000	Open Space Acquisition	1,000,000	996,090	-	-	3,910
111/407	2000	Police Station Construction, Furnishing & Equipment	13,100,000	4,663,697	-	52,000	8,384,303
115/408	2000	Infrastructure, Highway and Traffic Control Improvements	4,000,000	3,701,223	-	-	298,777
419/518	2004	Building Repairs	1,400,000	1,334,661	-	-	65,339
395/523	2006	New Public Library Branch, Upgrades to Public Libraries	900,000	200,000	-	-	700,000
394/524	2006	Sewer System and Treatment Plant	8,500,000	4,000,000	-	-	4,500,000
427/529	2006	Hugh B. Bain, Parkview and Western Hills Middle Schools	9,585,000	9,000,682	-	-	584,318
336/397	2008	Fire Station Construction and Repairs	6,300,000	1,521,867	-	200,000	4,578,133
332/439	2008	Citywide Drainage Improvements	6,000,000	3,968,018	-	1,000,000	1,031,982
338/401	2008	Preservation of Open Space and Other Natural Resources	6,000,000	1,495,000	-	-	4,505,000
302/248	2014	Libraries	1,200,000	730,000	-	-	470,000
Local Acts					-		
Chapter					-		
70/89	2020	Playgrounds and Athletic Fields	2,000,000	1,544,304	-	-	455,696
57/90	2020	School and School Facilities(1)	147,000,000	49,103,429	80,400,000	-	3,878
68/88	2020	Fire and Public Safety Equipment	2,000,000	265,750	-	1,400,000	334,250
69/87	2020	Public Buildings Improvements	1,000,000	668,228	-	331,772	-
71/86	2020	Roads, Sidewalks, and Drainage	10,000,000	9,977,440	-	22,560	-
72/91	2020	Renewable Energy and Energy Conservation	5,000,000	-	-	-	5,000,000
10/11	2024	School and School Facilities	40,000,000	-	40,000,000	-	-
RIGL 45-12-2					-		
Ord #					-		
22-14	2022	Public Buildings Improvements	3,000,000	-	-	500,000	2,500,000
22-15	2022	Fire Equipment	2,000,000	-	-	-	2,000,000
22-16	2022	Playgrounds and Athletic Fields	3,500,000	-	-	-	3,500,000
			$ 274,385,000	**$ 94,004,117**	**$ 120,400,000**	**$ 3,506,332**	**$ 38,981,858**

(1) Authorization reduced by the receipt of $16,972,418 pay-go grants from the Rhode Island Department of Education.
In addition, $520,275 in authorization was utilized with the City's 2025 Series 1 Bond Anticipation Notes.

Source: City Finance Department

The City will be seeking voter approval on November 3, 2026 ballot for $51 million in bonding authority. The projects include $25 million for miscellaneous school improvements and $26 million for various municipal projects.

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Actual Bonded Debt Service Requirements

The following table sets forth actual bonded debt service requirements for fiscal years 2027 through 2051.

Fiscal	Existing Debt Service[1]		Existing Sewer Bonds[2]		RIHEBC 2026 A Bonds		This Issue of Bonds		Total
Year	Principal	Interest	Principal[3]	Interest	Principal	Interest[4]	Principal	Interest	Debt Service
2027	$ 6,935,000	$ 5,556,386	$ 1,088,833	$ 321,939	$ -	$ -			
2028	7,270,000	5,149,471	1,120,000	287,131	2,655,000	6,410,650			
2029	7,480,000	4,852,590	1,153,133	250,444	2,790,000	6,277,900			
2030	6,207,000	4,566,325	1,038,200	213,366	2,925,000	6,138,400			
2031	6,397,000	4,294,670	1,076,233	175,829	3,075,000	5,992,150			
2032	6,474,000	4,011,166	1,043,200	137,747	3,230,000	5,838,400			
2033	6,686,000	3,724,428	1,081,100	99,241	3,390,000	5,676,900			
2034	6,562,000	3,437,757	1,120,000	60,021	3,560,000	5,507,400			
2035	6,285,000	3,152,043	1,159,800	20,239	3,735,000	5,329,400			
2036	6,524,000	2,862,010	-	-	3,925,000	5,142,650			
2037	5,700,000	2,576,591	-	-	4,120,000	4,946,400			
2038	5,930,000	2,315,241	-	-	4,325,000	4,740,400			
2039	5,795,000	2,039,551	-	-	4,540,000	4,524,150			
2040	5,215,000	1,792,956	-	-	4,770,000	4,297,150			
2041	3,530,000	1,565,306	-	-	5,030,000	4,034,800			
2042	3,705,000	1,399,594	-	-	5,305,000	3,758,150			
2043	3,295,000	1,234,181	-	-	5,600,000	3,466,375			
2044	3,450,000	1,068,541	-	-	5,905,000	3,158,375			
2045	3,230,000	902,363	-	-	6,230,000	2,833,600			
2046	3,405,000	728,013	-	-	6,575,000	2,490,950			
2047	3,175,000	553,575	-	-	6,935,000	2,129,325			
2048	3,350,000	378,950	-	-	7,320,000	1,747,900			
2049	3,540,000	194,700	-	-	7,720,000	1,345,300			
2050	-	-	-	-	8,145,000	920,700			
2051	-	-	-	-	8,595,000	472,725			
	$ 120,140,000	$ 58,356,410	$ 9,880,500	$ 1,565,957	$ 120,400,000	$ 97,180,150			$ -

(1) Includes $5 Million General Obligation Bonds issued August 20, 2025.
(2) Self-supporting sewer debt.
(3) Excludes $500,000 principal forgiveness on the City's $18,000,000 Wastewater Revenue Bonds, 2014 Series A (Taxable)
(4) FY2027 interest payment is offset by capitalized interest.

Source: City Finance Department

Outstanding Notes

The City currently has outstanding $100 million general obligation bond anticipation notes due August 19, 2026, which the City anticipates partially refunding with School Bonds issued through the Rhode Island Health and Educational Building Corporation. The City does not have any outstanding tax anticipation notes or revenue anticipation notes and there is no plan to issue such tax or revenue anticipation notes in the near future.

CITY FINANCES

Basis of Accounting

All Governmental Funds and Expendable Trust Funds are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. "Available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are generally recognized when the liability is incurred. Exceptions to this general rule include: (1) accumulated unpaid vacation and sick leave which are not accrued and (2) principal and interest payments on general obligation long-term debt which are recognized when due.

Property tax revenue due or past due at the balance sheet date and received within 60 days following year end is recognized as revenue because it is for the year just ended and is considered available to finance expenditures for that fiscal year.

All Proprietary, Non-expendable, and Pension Trust Funds are accounted for using the accrual basis of accounting. These revenues are recognized when they are earned and expenses when incurred.

The Enterprise Fund is used to account for operations (a) that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy management control, accountability, or other purposes. The sewer operation is administered through an Enterprise Fund.

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Comparative Statement of General Fund Balance Sheet

Set forth below is a General Fund Comparative Balance Sheet, which has been prepared from audited financial statements for the fiscal years ended June 30, 2021 through 2025.

ASSETS:	2021	2022	2023	2024	2025
Cash & Cash Equivalents	$ 41,455,539	$ 55,345,031	$ 40,299,013	$ 31,447,309	$ 12,374,256
Recievables:					
Taxes, Net	4,117,548	3,610,694	2,983,274	2,958,783	2,829,474
Intergovernmental	1,744,370	1,500,225	1,095,441	1,170,024	1,182,989
Lease Receivable	-	-	-	588,076	547,850
Other	756,077	293,565	38,949	1,838,438	1,569,837
Prepaids	-	-	-	-	457,347
Advance Deposits - Hospitalization	207,000	207,000	207,000	207,000	207,000
Due From Other Governments or Funds	5,847,912	7,475,077	6,923,920	7,364,630	13,002,646
Advances to School Department	-	-	4,245,445	-	-
TOTAL ASSETS	**$ 54,128,446**	**$ 68,431,592**	**$ 55,793,042**	**$ 45,574,260**	**$ 32,171,399**
LIABILITIES & FUND EQUITY					
LIABILITIES:					
Accounts Payable	$ 1,995,282	$ 662,826	$ 1,152,011	$ 2,104,253	$ 2,584,014
Accrued Payroll	1,588,728	1,793,705	2,967,837	3,440,400	3,564,786
Accrued Liabilities	450,000	464,039	209,266	76,011	4,833
Due to Other Funds	5,518,795	7,649,969	1,804,286	258,308	6,456,269
Unearned Revenue	13,574,828	26,903,324	15,231,673	5,764,531	1,003,955
TOTAL LIABILITIES	**$ 23,127,633**	**$ 37,473,863**	**$ 21,365,073**	**$ 11,643,503**	**$ 13,613,857**
DEFERRED INFLOWS:					
Advanced Tax Collections	$ 12,922,177	$ 12,781,920	$ 12,198,332	$ 9,696,262	$ 949,856
Lease Receivable	-	-	-	556,522	510,425
Unavailable Revenue - Property Taxes	3,599,991	3,254,262	2,719,375	2,592,087	2,556,108
TOTAL DEFERRED INFLOWS OF RESOURCES	$ 16,522,168	$ 16,036,182	$ 14,917,707	$ 12,844,871	$ 4,016,389
Total Liabilities and Deferred Inflows	$ 39,649,801	$ 53,510,045	$ 36,282,780	$ 24,488,374	$ 17,630,246
FUND BALANCES:					
Reserved for:					
Restricted	$ 281,992	$ 424,890	$ -	$ 300,654	$ 210,507
Nonspendable	3,910,193	207,000	207,000	207,000	664,347
Other/Committed	5,992	53,073	695,711	1,505,854	4,873
Unreserved/Unassigned	10,280,468	14,236,584	18,607,491	19,072,378	13,661,426
Total Fund Balances	14,478,645	14,921,547	19,510,202	21,085,886	14,541,153
TOTAL LIABILITIES & FUND BALANCES	**$ 54,128,446**	**$ 68,431,592**	**$ 55,792,982**	**$ 45,574,260**	**$ 32,171,399**

Comparative Statement of Revenue, Receipts and Expenditures and Fund Balance

Set forth below is a General Fund Comparative Statement of Revenue, Receipts and Expenditures, which has been prepared from audited financial statements for the fiscal years ended June 30, 2021 through 2025.

REVENUES:	**2021**	**2022**	**2023**	**2024**	**2025**
General Property Tax	$ 187,636,959	$ 186,332,779	$ 183,736,149	$ 188,234,513	$ 186,598,488
Intergovernmental	30,715,739	28,879,554	35,951,054	44,516,232	45,751,165
American Rescue Plan Act	-	7,871,661	19,441,398	-	-
Charges for Service	13,985,363	15,736,245	14,557,454	14,533,706	13,903,206
Investment Income	168,133	252,401	2,536,711	3,493,976	2,942,209
Other	1,441,567	1,051,541	963,299	2,534,402	1,735,498
TOTAL REVENUE	**$ 233,947,761**	**$ 240,124,181**	**$ 257,186,065**	**$ 253,312,829**	**$ 250,930,566**
EXPENDITURES:					
Current:					
General Government	$ 12,430,452	$ 12,524,325	$ 15,453,858	$ 12,494,582	$ 12,815,653
Public Safety	86,728,633	91,119,311	98,204,127	94,567,158	98,409,533
Public Works	17,715,604	17,519,318	18,149,713	18,446,985	19,397,056
Parks and Recreation	2,740,825	2,970,953	3,261,808	3,099,116	3,185,069
Public Libraries	3,753,825	3,850,155	4,170,719	4,046,076	4,157,284
Senior Services	2,915,622	3,045,132	2,892,564	2,367,924	2,459,976
Other	216,216	194,337	197,582	155,840	152,606
Debt Service:					
Principal	6,891,000	7,267,000	7,694,000	9,234,970	7,829,751
Interest	3,997,111	3,678,869	4,061,100	3,757,052	3,505,442
Capital Outlay:					
Capital Expenditures	-	-	-	91,213	28,246
TOTAL EXPENDITURES	**$ 137,389,288**	**$ 142,169,400**	**$ 154,085,471**	**$ 148,260,916**	**$ 151,940,616**
Excess of Revenues Before Other Financing Sources	$ 96,558,473	$ 97,954,781	$ 103,100,594	$ 105,051,913	$ 98,989,950
OTHER FINANCING SOURCES (USES):					
Insurance Recoveries	-	-	-	-	-
Issuance of Debt	8,890,000	-	-	-	-
Repayment of Debt to Escrow Agent	(8,763,038)	-	-	-	-
Lease Insurance	-	-	-	91,213	28,246
Transfer to Other Funds	(96,011,879)	(97,511,879)	(98,511,879)	(103,567,499)	(105,562,929)
Transfers In	-	-	-	-	-
Net Other Financing Sources (Uses)	$ (95,884,917)	$ (97,511,879)	$ (98,511,879)	$ (103,476,286)	$ (105,534,683)
Excess (deficiency) of Revenues & Other Financing Sources Over (under) Expenditures and Other Financing Uses	673,556	442,902	4,588,715	1,575,627	(6,544,733)
FUND BALANCE - BEGINNING OF YEAR	**$ 13,805,089** *	**$ 14,478,645**	**$ 14,921,547**	**$ 19,510,259** *	**$ 21,085,886**
FUND BALANCE - END OF YEAR	**$ 14,478,645**	**$ 14,921,547**	**$ 19,510,262**	**$ 21,085,886**	**$ 14,541,153**

Prepared from audited financial statements.

* Restated.

Reporting Requirements of Municipalities and School Districts

Rhode Island General Laws Sections 45-12-22.1 et seq. (the "Financial Reporting Act") establishes reporting requirements for municipalities in order to ensure that municipalities and school districts monitor their financial operations on an ongoing basis and to prevent potential budget deficits.

Reporting

- The chief financial officer of the municipality must submit monthly reports to the municipality's chief executive officer, each member of the city or town council, and school district committee certifying the status of the municipal budget, including the school department budget or regional school budget.
- The chief financial officer of the municipality must also submit quarterly reports to the State Division Municipal Finance, the Commissioner of Education and the Auditor General certifying the status of the municipal budget. The chief financial officer of the school department or school district shall certify the status of the school district's budget and shall assist in the preparation of these reports.

- If any of the quarterly reports project a year-end deficit, the chief financial officer of the municipality must submit a corrective action plan, providing for the avoidance of a year-end deficit, to the State Division of Municipal Finance, the Commissioner of Education and the State Auditor General on or before the last day of the month succeeding the close of the fiscal quarter.

- If, at the end of the fiscal year, the chief financial officer determines that it is likely that the city or town's general fund or combined general fund and unrestricted school special revenue fund will incur a deficit, the municipality must notify the State Auditor General and the State Division of Municipal Finance and immediately develop a plan to eliminate the accumulated year-end deficit by annual appropriation over no more than five (5) years in equal or diminishing amounts. This plan must be submitted to the State Auditor General for approval.

Restrictions and Requirements

- Except as provided in Chapter 45-9 of the Rhode Island General Laws, no municipality can sell long-term bonds in order to fund a deficit without prior approval by the State Auditor General and the Director of the Rhode Island Department of Revenue.

- No municipality can incur expenditures nor obligate the municipality to expend unbudgeted amounts in excess of \$100,000 without first notifying the city or town council of the proposed expenditure and identifying the source of funding. Any such expenditure must be included in the chief financial officer's monthly report.

- No school committee or school department can incur accumulated unbudgeted expenditures in excess of \$100,000 without notifying the chief financial officer of the municipality of the proposed expenditure and identifying the source of funding. Any such expenditure must be included in the chief financial officer's monthly report.

- School committees, boards or regional school districts that are independent government entities within a municipality must cooperate in providing to the chief financial officer all information needed to formulate his or her reports and the deficit elimination plan.

Remedies

- If a municipality does not comply with the requirements of the Financial Reporting Act, the State Auditor General or State Division of Municipal Finance, through the State Director of Revenue, may elect any or all of the following remedies:

  - Petition the Superior Court for mandatory injunctive relief seeking compliance with the provisions of the Financial Reporting Act;

  - In the event a municipality fails to provide a year-end deficit elimination plan, implement a budget review commission pursuant to Rhode Island General Laws Section 45-9-5; or

- Withhold State Aid.

- If a school committee or board fails to cooperate with the municipality or provide all information requested by the chief financial officer needed to formulate a plan:

  -The State Auditor General or the State Director of Revenue may petition the Superior Court to order the school committee or board to cooperate; and

  -The State Director of Revenue may also direct the Rhode Island Controller and General Treasurer to withhold state aid from a school committee until the school committee or board cooperates in the formulation of the plan.

The City has not been advised by the State Auditor General or the State Director of Revenue that it is not in compliance with the Financial Reporting Act.

State Oversight

On June 11, 2010, the Rhode Island General Assembly enacted "An Act Relating to Cities and Towns—Providing Financial Stability" (the "Financial Stability Act") the purpose of which is to provide a predictable and stable mechanism for the State to work with cities and towns undergoing financial distress that threatens the fiscal well-being, public safety and welfare of such cities and towns, or welfare of other cities and towns or the State, in order to preserve the safety and welfare of citizens of the State and their property and the access of the State and its municipalities to the capital markets.

The Financial Stability Act prohibits municipalities from filing for judicial receivership and clarifies that the Superior Court has no jurisdiction to hear such matters.

The Financial Stability Act gives the State, acting primarily through the Department of Revenue, the power to exercise varying levels of support and control depending on the circumstances. It creates three levels of State oversight and control: Level 1--Fiscal Overseer, Level II-- Budget Commission, and Level III -- Receiver. The State Director of Revenue, in consultation with the State Auditor General, may skip fiscal overseer and budget commission by appointing a receiver in a fiscal emergency.

Fiscal Overseer (Level 1)

A fiscal overseer may be appointed by: (1) request of the municipality, which request is approved by the State's Division of Municipal Finance and the Auditor General; (2) the State Director of Revenue, if: (i) the Director of Revenue, in consultation with the Auditor General, finds that any two or more of the following events have occurred; or (ii) the Director of Revenue finds, in his or her sole discretion, that any two of the following events have occurred which are of such a magnitude that they threaten the fiscal wellbeing of the city or town, or diminish the city's or town's ability to provide for the public safety or welfare of its citizens:

- The city or town projects a deficit in the municipal budget in the current fiscal year and again in the upcoming fiscal year
- The city or town has not filed its audits with the Auditor General by the deadlines required by law for two (2) successive fiscal years (not including extensions authorized by the Auditor General)
- The city or town has been downgraded by one of the nationally recognized statistical rating organizations
- The city or town is otherwise unable to obtain access to credit markets on reasonable terms
- The city or town does not promptly respond to requests made by the Director of Revenue, or the Auditor General, or the chairpersons of the house or senate finance committees for financial information and operating data necessary to assess the fiscal condition of the city or town

The Director of Revenue may also appoint a fiscal overseer for the city's or town's failure to comply with the financial reporting and action plan requirements relating to budget deficits. A fiscal overseer acts in an advisory capacity to municipal officials, approves budgets and reports to State officials regarding progress.

Budget Commission (Level II)

A budget commission may be established by request of a municipality or without such a request, if the fiscal overseer reports to the State Director of Revenue that the city or town is unable to present a balanced municipal budget, faces a fiscal crisis that poses an imminent danger to the safety of the citizens of the city or town or their property, will not achieve fiscal stability without the assistance of a budget commission, or the tax levy of the fiscal year should not be approved, or otherwise determines that a budget commission should be established. A budget commission is composed of five members: three designees of the Director of Revenue, the elected chief executive officer of the city, and the president of the city or town council (or in cities or towns in which the elected chief executive officer is the president of the city or town council, then the appointed city or town manager).

A budget commission has more significant powers over financial matters, including but not limited to the power to:

- Amend, formulate and execute annual and supplemental municipal budgets and capital budgets;
- Reorganize, consolidate or abolish municipal departments, commissions, authorities, boards, offices or functions;
- Issue bonds, notes or certificates of indebtedness to fund a deficit of the city or town, to fund cash flow and to finance capital projects.

Receiver (Level III)

The State Director of Revenue may appoint a receiver if the budget commission recommends appointment of a receiver after concluding that its powers are insufficient to restore fiscal stability to the city or town. A receiver may exercise any function or power of any municipal officer, employee, board or commission and has the power to file on behalf of a city or town for bankruptcy in federal bankruptcy court.

The City is not currently and never has been subject to State oversight under the Financial Stability Act.

Budgetary and Audit Procedures

The City Charter provides that no later than March 1 all departments in the City must submit preliminary estimates of expenditures to the Director of Finance. The City Assessor must submit an estimate of the valuation of property subject to tax. The Mayor and Director of Finance, no later than April 1, must submit to the City Council an operating budget and features of the capital improvement program. The City Council acts on the budget not later than May 15. The City Council may increase, decrease or strike out items of the budget as submitted by the Mayor provided that the balanced relation between expenditures and receipts is preserved. Within 48 hours after the budget is returned to the Mayor, he may veto any changes to the budget made by the City Council. A two-thirds vote of the City Council may override the veto of the Mayor.

The City's budget for fiscal year ending June 30, 2027 was adopted on June 1, 2026 by a majority vote of the City Council.

FY2026 Projected Results and FY2027 Budget Highlights

FY2026 Projected Results

The City is projected to end FY2026 with a General Fund deficit of approximately $10 million and the School Department is projecting a modest surplus. The main drivers of the General Fund deficit were:

Investment income under budget $2.436 million
Debt service over budget $3.156 million
Police overtime over budget $225,000
Fire overtime over budget $1.7 million
Police and Fire Injured on Duty $800,000
Winter blizzard $1.0 million
Severance packages $736,000

FY2027 Budget Highlights

The FY2027 Adopted Budget is balanced with a tax rate increase of 4.65% (approximately $9 million). The budget also includes a workforce reduction of 20 FTEs, increase in health care of 10%, and additional school appropriation of $1.0 million.

City Budgets (Fiscal Years 2024-2027)

Set forth below is a summary of the City's budgets for fiscal years 2024 through 2027.

	Adopted Fiscal Year Ending June 30, 2024	Adopted Fiscal Year Ending June 30, 2025	Adopted Fiscal Year Ending June 30, 2026	Adopted Fiscal Year Ending June 30, 2027
Revenues				
Local Property Taxes	$186,925,485	$186,925,485	$193,019,020	$201,421,335
General State Revenue	30,025,056	30,503,964	31,623,381	32,563,026
State - School Construction	1,974,322	2,622,138	3,646,196	3,438,937
State - School Aid & Misc.	79,662,490	80,742,250	86,140,694	89,784,769
Local Non-Property	26,130,722	21,856,577	22,903,293	20,489,539
Other Revenues	1,000,000	1,000,000	1,000,000	1,311,029
Total Revenues	**$325,718,075**	**$323,650,414**	**$338,332,584**	**$349,008,635**
Expenditures				
Education	$178,742,952	$180,021,617	$188,056,599	$192,729,110
General	13,030,638	10,365,443	10,242,476	10,469,580
Public Works	18,472,773	17,898,777	18,626,487	18,658,793
Police Protection	29,384,642	29,624,523	32,109,240	33,469,459
Fire Protection	38,789,710	37,311,422	38,434,160	43,770,751
Parks & Recreation	3,081,064	3,086,354	3,165,736	3,617,307
Public Libraries	4,026,055	4,121,523	4,184,188	4,184,188
Other Departments	217,859	217,859	208,858	62,439
Senior Service	2,559,990	2,483,288	2,599,925	1,492,436
Debt Service	11,376,277	10,650,190	12,785,224	12,364,386
Long Term Obligations	26,036,115	27,869,418	27,919,691	28,190,186
Total Expenditures	**$325,718,075**	**$323,650,414**	**$338,332,584**	**$349,008,635**

The City's fiscal position is reported monthly by the Director of Finance to the Mayor and City Council. The report compares revenues received and expenditures paid or encumbered against budgeted revenues and expenditures. The City Charter additionally provides that a comprehensive annual report must be prepared and submitted to the Mayor and the City Council containing a statement of financial operations for the preceding year.

The City Charter provides that not later than three months before the expiration of each fiscal year, the Council shall engage and contract for the services of a certified public accountant or a firm of certified public accountants to make a financial audit of the City. Such audit shall commence at the close of each fiscal year.

State Aid

State School Basic Education Aid for Operations

Pursuant to Rhode Island General Laws Sections 16-7-15 to 16-7-34 et seq., as amended, the State provides school operations assistance aid (also known as "Basic Education Aid") to each municipality and school district in the State, subject to annual appropriation by the General Assembly. The General Assembly substantially changed the funding formula for school operations beginning in fiscal year 2012. The statutes provide for reimbursement of school expenditures based on a formula which adjusts the reimbursement ratio based on the relative equalized valuation of property and median family income within the municipality relative to the State as a whole. There are no assurances, however, that the General Assembly will continue this program, the current funding formula, or appropriate sufficient funds for its implementation. Basic Education Aid is subject to pro-rata reduction in accordance with State law. Under this program the City's School Department received $78,756,662 in fiscal year 2025. The City budgeted $80,735,694 and $84,076,769 of such receipts for fiscal years 2026 and 2027, respectively.

In 2012, the General Assembly amended the general laws to provide that Basic Education Aid may be intercepted to pay debt service on bonds issued by RIHEBC for the benefit of a municipality in the event the municipality fails to make timely payments of debt service on school construction bonds issued for the benefit of the municipality through RIHEBC.

In 2012, the General Assembly amended the general laws to provide that Basic Education Aid may be intercepted to pay debt service on bonds issued by RIHEBC for the benefit of a municipality in the event the municipality fails to make timely payments of debt service on school construction bonds issued for the benefit of the municipality through RIHEBC.

State School Construction Aid

Pursuant to Rhode Island General Laws Sections 16-7-35 to 16-7-47, as amended, the State provides construction aid to Rhode Island municipalities for the cost of building or renovating public schools. All buildings constructed or renovated since July 1, 1949 are eligible for assistance with a minimum of 40% (for school housing projects completed after June 30, 2010 that received approval from the State Board of Education prior to June 30, 2012) or 35% (for school housing projects that received approval from the Board of Education after June 30, 2012) of the full cost of such buildings. Such assistance level may be further increased by a formula which takes into account the equalized assessed valuation and debt service burden of the particular municipality. State aid reimbursement for school construction projects is based on the share ratio established for that year by the State Department of Education. For fiscal year 2026 the City's share ratio is 53.8%.

For projects approved by the voters after June 30, 2003, the cost of interest on any bond will be reimbursed as an eligible project cost only if the bonds for these projects are issued through RIHEBC. School construction aid attributable to projects financed through RIHEBC bonds is paid by the State directly to RIHEBC or the bond trustee for such RIHEBC bonds and is not directly available to the City for other purposes. Furthermore, if the City defaults in making any payment due to the RIHEBC trustee in support of any RIHEBC bond, any State aid in respect of other school housing projects may be redirected by the State to the trustee for the RIHEBC bond. School housing costs subject to State aid reimbursement shall not include bond issuance costs incurred by the municipality, demolition costs for buildings, facilities, or sites deemed surplus by the school committee, or costs for furniture, fixtures and equipment except in the case of a project to construct a new school or school addition that is supported by a general obligation or lease revenue bond. The legislation authorizing State school construction aid is subject to future change and all State aid is subject to annual appropriation by the General Assembly. The City received $3,153,523 in school construction aid for fiscal year 2025. The City expects to receive $3,646,196 and $3,438,937 in school construction aid for fiscal years 2026 and 2027, respectively.

Pursuant to Rhode Island General Laws Section 16-7-41(d), any net interest savings resulting from the issuance of refunding bonds issued by any local community in support of school housing projects for the community shall be allocated between the community and the State, by applying the applicable school housing aid ratio at the time of issuance of the refunding bonds, calculated pursuant to Section 16-7-39 of the Rhode Island General Laws, that would otherwise apply in connection with school housing projects of the community; provided however, that for any refundings that occur between July 1, 2013 and December 31, 2015, the community shall receive 80% of the total savings and the State shall receive 20% of the total savings. In connection with any refunding bond issue, school housing project costs shall include the cost of interest payments on such refunding bonds, if the cost of interest payments was included as a school housing cost for the bonds being refunded. In addition, school housing projects costs in connection with any such refunding bond issue shall include bond issuance costs incurred in connection with the issuance. The benefits of this law are available only if the net present value savings resulting from the refunding is at least 3% of the refunded bond issue.

Other State Aid

The City also receives aid from the State for Public Service Corporations Tax (Telephone Tax), reimbursement for motor vehicle tax (Excise Tax Phase Out), hotel, and meals tax from City hotels and restaurants equal to 1% of gross receipts. Below is a summary of other state aid.

	Actual FY2023	**Actual FY2024**	**Actual FY2025**	**Budget FY2026**	**Budget FY2027**
Excise Tax Phase Out[(1)]	$22,312,247	$22,312,247	$22,323,373	$22,323,373	$22,783,506
PILOT	5,004,163	4,029,627	4,037,180	3,388,088	3,594,530
Public Service Corporation Tax	1,095,441	1,170,024	1,182,989	1,119,085	996,394
State Housing Aid	2,248,540	2,239,935	3,153,523	3,646,196	3,438,937
State Restaurant and Hotel Meals Tax	2,638,405	2,691,369	3,128,078	3,005,055	3,450,000
Total	**$33,298,796**	**$32,443,202**	**$33,825,143**	**$33,481,797**	**$34,263,367**

(1) Excise tax fully phased out in FY2023.

Also, pursuant to Rhode Island General Laws Section 45-13-12, the State makes assistance payments from its Distressed Communities Relief Fund to cities and towns with the highest property tax burdens relative to the wealth of taxpayers, based on the following four criteria: (i) percent of tax levy to full value of property; (ii) per capita income; (iii) percent of personal income to full value of property; and (iv) per capital full value of property. The City qualified to receive funds from the Distressed Communities Relief Fund under the State's fiscal year 2017 budget. Since the City was newly qualifying for the program in fiscal year 2017, the City was paid 50% of the current law requirements for fiscal year 2017, with the remaining 50% being distributed to the other distressed communities proportionately. When any community falls out of the program, it receives a one-time payment of 50% of the prior year requirement exclusive of any reduction for first year qualification. Commencing with the FY2023 budget, the City does not qualify for aid from the Distressed Communities Relief Fund.

LITIGATION

No litigation is pending concerning the validity of the Bonds, and the City's certificate to that effect will be furnished to purchasers at the time of the original delivery of the Bonds. The City is not aware of any litigation pending or threatened contesting the City's ability to receive ad valorem taxes or to collect other revenues or contesting the City's ability to cause the Bonds to be executed and delivered.

The City, its officers and employees are defendants in several lawsuits. The City Solicitor is of the opinion that none of such other litigation is likely to result either individually or in the aggregate in final judgments against the City which would materially affect its ability to meet its debt service obligations.

TAX STATUS

In the opinion of Harrington Vitale & Bernardo, Ltd., Bond Counsel to the Corporation ("Bond Counsel"), based upon an analysis of existing laws, regulations, rulings, and court decisions, and assuming, among other matters, compliance with certain covenants, interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"). Bond Counsel is of the further opinion that interest on the Bonds will not be included in computing the alternative minimum taxable income of Bondholders who are individuals. However, interest on the Bonds will be included in the adjusted financial statement income of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code. Bond Counsel expresses no opinion regarding any other federal tax consequences arising with respect to the ownership or disposition of, or the accrual or receipt of interest on the Bonds.

The Code imposes various requirements relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the Bonds. Failure to comply with these requirements may result in interest on the Bonds being included in gross income for federal income tax purposes, possibly from the date of original issuance of the Bonds. The City has covenanted to comply with such requirements to ensure that interest on the Bonds will not be included in federal gross income. The opinion of Bond Counsel assumes compliance with these requirements.

Bond Counsel is also of the opinion that, under existing law, the Bonds and the interest thereon is free from taxation by the State of Rhode Island (the "State") or any political subdivision or other instrumentality of the State, although the income therefrom may be included in the measure of Rhode Island estate taxes and certain Rhode Island corporate and business taxes. Bond Counsel has not opined as to other Rhode Island tax consequences arising with respect to the Series Bonds. Bond

Counsel has not opined as to the taxability of the Bonds or the income therefrom under the laws of any state other than Rhode Island. A complete copy of the proposed form of opinion of Bond Counsel is set forth in APPENDIX B.

To the extent the issue price of any maturity of the Bonds is less than the amount to be paid at maturity of such Bonds (excluding amounts stated to be interest and payable at least annually over the term of such Bonds), the difference constitutes "original issue discount," the accrual of which, to the extent properly allocable to each owner thereof, is treated as interest on the Bonds which is excluded from gross income for federal income tax purposes and is exempt from Rhode Island personal income taxes. For this purpose, the issue price of a particular maturity of the Bonds is either the reasonably expected initial offering price to the public or the first price at which a substantial amount of such maturity of the Bonds is sold to the public, as applicable. The original issue discount with respect to any maturity of the Bonds accrues daily over the term to maturity of such Bonds on the basis of a constant interest rate compounded semiannually (with straight-line interpolations between compounding dates). The accruing original issue discount is added to the adjusted basis of such Bonds to determine taxable gain or loss upon disposition (including sale, redemption, or payment on maturity) of such Bonds. Bondholders should consult their own tax advisors with respect to the tax consequences of ownership of Bonds with original issue discount, including the treatment of purchasers who do not purchase such Bonds in the original offering to the public at the reasonably expected initial offering price or, if applicable, the first price at which a substantial amount of such Bonds is sold to the public.

Bonds purchased, whether at original issuance or otherwise, for an amount greater than the stated principal amount to be paid at maturity of such Bonds, or, in some cases, at the earlier redemption date of such Bonds ("Premium Bonds"), will be treated as having amortizable bond premium for federal income tax purposes and Rhode Island personal income tax purposes. No deduction is allowable for the amortizable bond premium in the case of obligations, such as the Premium Bonds, the interest on which is excluded from gross income for federal income tax purposes. However, a Bondholder's basis in a Premium Bond will be reduced by the amount of amortizable bond premium properly allocable to such Bondholder. Holders of Premium Bonds should consult their own tax advisors with respect to the proper treatment of amortizable bond premium in their particular circumstances.

Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken) or events occurring (or not occurring) after the date of issuance of the Bonds may adversely affect the value of, or the tax status of interest on, the Bonds.

Risk of Future Legislative Changes and/or Court Decisions

Legislation affecting tax-exempt obligations is regularly considered by the United States Congress and may also be considered by the Rhode Island legislature. Court proceedings may also be filed, the outcome of which could modify the tax treatment of obligations such as the Bonds. There can be no assurance that legislation enacted or proposed, or actions by a court, after the date of issuance of the Bonds will not have an adverse effect on the tax status of interest on the Bonds or the market value or marketability of the Bonds. These adverse effects could result, for example, from changes to federal or state income tax rates, changes in the structure of federal or state income taxes (including replacement with another type of tax), or repeal (or reduction in the benefit) of the exclusion of interest on the Bonds from gross income for federal or state income tax purposes for all or certain taxpayers. Additionally, Bondholders should be aware that future legislative actions (including federal income tax reform) may retroactively change the treatment of all or a portion of the interest on the Bonds for federal income tax purposes for all or certain taxpayers. In all such events, the market value of the Bonds may be affected and the ability of Bondholders to sell their Bonds in the secondary market may be reduced. The Bonds are not subject to special mandatory redemption, and the interest rates on the Bonds are not subject to adjustment, in the event of any such change in the tax treatment of interest on the Bonds. Prospective Bondholders are urged to consult their own tax advisors with respect to any such legislation, interpretation or development.

Although Bond Counsel is of the opinion that interest on the Bonds is excluded from gross income for federal income tax purposes and is exempt from Rhode Island personal income taxes, the ownership or disposition of, or the accrual or receipt of interest on, the Bonds may otherwise affect the federal or state tax liability of a Bondholder. The nature and extent of all such other tax consequences will depend upon the particular tax status of the Bondholder or the Bondholder's other items of income, deduction, or exclusion. Bond Counsel expresses no opinion regarding any such other tax consequences, and Bondholders should consult with their own tax advisors with respect to such consequences.

CONTINUING DISCLOSURE

In order to assist the Underwriter in complying with Rule 15c2-12(b)(5), as amended, promulgated by the Securities and Exchange Commission (the "Rule"), the City will covenant for the benefit of owners of the Bonds to provide certain financial information and operating data relating to the City by not later than nine months after the end of each fiscal year commencing with the fiscal year ending June 30, 2026 (the "Annual Report"), to provide notices of the occurrence of certain enumerated events, and to provide notice of failure to provide the Annual Report. The covenants will be contained in a Continuing Disclosure Certificate, the proposed form of which is provided in APPENDIX C.

In the past five years, except as noted below, the City believes that it has complied in all material respects with its previous undertakings to provide financial and operating information of the City and notices of certain enumerated events in accordance with the Rule.

Due to personnel and staffing changes, the City's FY2022 and FY2023 operating information was not filed in a timely manner. The information has since been filed along with notices of late filings. The City intends to implement internal procedures to ensure compliance with future filings.

In addition, certain operating data for Fiscal Year ending 2022 and a 2022 insurer upgrade notice were not linked to two of the City's 2012B General Obligation Bond CUSIP numbers. The City does not believe any inaccuracy resulting from such CUSIP linkage oversight was a material failure to comply with its continuing disclosure obligations. All of such bonds have been redeemed and are no longer outstanding.

CERTAIN LEGAL MATTERS

All legal matters incidental to the authorization, issuance, sale and delivery of the Bonds are subject to the approval of Harrington Vitale & Bernardo, Ltd., Providence, Rhode Island, Bond Counsel to the City, whose approving opinion substantially in the form appended hereto as APPENDIX B will be delivered with the issuance of the Bonds. Certain legal matters in connection with the Bonds will be passed upon by Taft & McSally LLP, Cranston, Rhode Island, counsel to the Underwriter.

VERIFICATION OF MATHEMATICAL COMPUTATIONS

Robert Thomas CPA, LLC, a firm of independent certified public accountants, will deliver to the Issuer, on or before the settlement date of the Bonds, its verification report indicating that it has verified, in accordance with the Statement on Standards for Consulting Services established by the American Institute of Certified Public Accountants, the mathematical accuracy of the mathematical computations of the adequacy of the cash and the maturing principal of and interest on the Government Obligations, to pay, when due, the maturing principal of, interest on and related call premium requirements, if any, of the Refunded Bonds.

Robert Thomas CPA, LLC relied on the accuracy, completeness and reliability of all information provided to it by, and on all decisions and approvals of, the Issuer. In addition, Robert Thomas CPA, LLC has relied on any information provided to it by the Issuer's retained advisors, consultants or legal counsel. Robert Thomas CPA, LLC was not engaged to perform audit or attest services under AICPA auditing or attestation standards or to provide any form of attest report or opinion under such standards in conjunction with this engagement.

UNDERWRITING

The Bonds are being purchased for reoffering by Raymond James & Associates, Inc. (the "Underwriter"). The Bonds are being purchased for reoffering by the Underwriter at an aggregate purchase price of par plus a premium of $___________ less an Underwriter's discount of $___________. The Underwriter may offer and sell the Bonds to certain dealers and others at prices other than the initial offering price. The offering price may be changed from time to time by the Underwriter.

MUNICIPAL ADVISOR

PFM Financial Advisors LLC ("PFM") has served as municipal advisor to the City for the issuance of the Bonds. PFM is not obligated to undertake, and has not undertaken, either to make an independent verification of or to assume responsibility for, the accuracy, completeness, or fairness of the information contained in the Official Statement. PFM is an independent financial advisory firm and is not engaged in the business of underwriting, trading, or distributing public securities.

RATINGS

S&P Global Ratings, a Standard & Poor's Financial Services LLC business is expected to assign a rating of "AA" to the Bonds with the understanding that upon the delivery of the Bonds, the Policy will be issued by BAM. Fitch Ratings, Inc. has assigned a rating of "AA+" to the Bonds. Such ratings reflect only the views of the respective rating agency and any desired explanation of the significance of such rating should be obtained from the rating agency furnishing the same.

The ratings are not recommendations to buy, sell or hold the Bonds, and such ratings may be subject to revision or withdrawal at any time by the respective rating agency. Any downward revision or withdrawal of such rating may have an adverse effect on the market price of the Bonds.

MISCELLANEOUS

All quotations from and summaries and explanations of laws herein do not purport to be complete, and reference is made to said laws for full and complete statements of their provisions.

This Official Statement is submitted only in connection with the sale of the Bonds by the City and may not be reproduced or used in whole or in part for any other purpose.

CITY OF CRANSTON, RHODE ISLAND

By: ___________________________________
Robert Strom
Director of Finance

Dated: August __, 2026

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APPENDIX A

Comprehensive Annual Financial Report
for the
Fiscal Year ended June 30, 2025

CITY OF CRANSTON, RHODE ISLAND

FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

YEAR ENDED JUNE 30, 2025

CPAs | CONSULTANTS | WEALTH ADVISORS

CLAconnect.com

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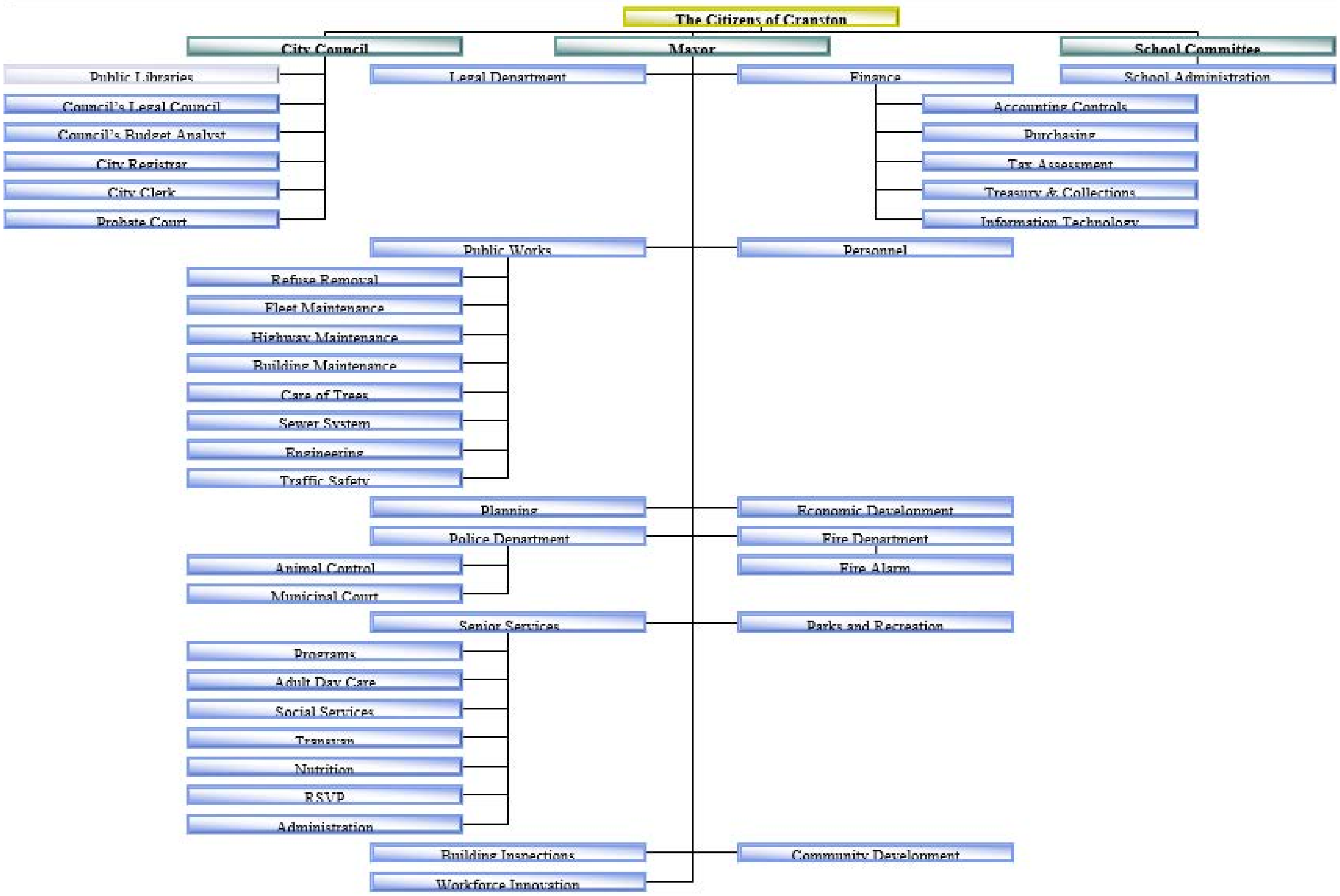

Council Appointments:

1. Tax Review Board
2. Board of Contract and Purchasing
3. Building Appeals Board
4. Personnel Appeals Board
5. Harbor Master
6. Sealer of Weights/Measures
7. Juvenile Hearing Board
8. Library Board
9. Municipal Court Judge
10. Probate Judge
11. Audit Committee
12. Harbor Management Plan Commission
13. Architects and Engineers
14. Industrial Performance

Joint Appointments:

1. Board of Canvassers
2. Conservation Commission
3. Housing Board
4. Claims Committee
5. Charter Review Commission
6. Historical Cemeteries Committee
7. Housing Authority
8. Zoning Board of Review
9. School Building Committee

Mayoral Appointments:

1. Parks & Rec. Adv. Brd.
2. Redevelopment Agency
3. Historic District Comm.
4. Industrial Dev. Comm.
5. Investment Committee
6. Pawtuxet River Authority
7. Planning Commission
8. Senior Services Advisory Board

CITY OF CRANSTON, RHODE ISLAND
PRINCIPAL OFFICIALS
JUNE 30, 2025

MAYOR

Kenneth Hopkins

FINANCE DEPARTMENT

Thomas Zidelis, Finance Director
Michael Igoe, CPA, City Controller
Kenneth Mallette, Tax Assessor
David Capuano, Acting City Treasurer
Mark Marchesi, Purchasing Agent
Elaine Scungio, Information Technology Manager

CITY COUNCIL

Jessica M. Marino, Council President
Daniel R. Wall, Council Vice President
Richard D. Campopiano
Christopher E. Buonanno
Bridget R. Graziano
Kristen E. Haroian
Andy M. Andujar
Frank J. Ritz, Jr.
Michael A. Traficante

FINANCIAL SECTION

CliftonLarsonAllen LLP
CLAconnect.com

INDEPENDENT AUDITORS' REPORT

Honorable Mayor Kenneth Hopkins
and Members of the Cranston City Council
City of Cranston, Rhode Island

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Cranston, Rhode Island, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the City of Cranston, Rhode Island's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Cranston, Rhode Island, as of June 30, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of City of Cranston, 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 City of Cranston, Rhode Island's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Supplementary Information

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

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical section but does not include the basic financial statements and our auditors' 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.

Honorable Mayor Kenneth Hopkins
and Members of the Cranston City Council
City of Cranston, Rhode Island

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 5, 2026, on our consideration of the City of Cranston, 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 City of Cranston, 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 City of Cranston, Rhode Island's internal control over financial reporting and compliance.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Cranston, Rhode Island
January 5, 2026

Kenneth J. Hopkins
MAYOR

Thomas Zidelis
FINANCE DIRECTOR

Department of Finance
869 Park Avenue
Cranston, RI 02910-2738
(401) 461-1000

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2025

As management of the City of Cranston, Rhode Island, we offer readers of the City of Cranston's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2025.

It is designed to assist the reader in focusing on significant financial issues that the City has encountered.

Financial Highlights

- The liabilities and deferred inflows of resources of the City of Cranston exceeded its assets and deferred outflows of resources at the close of the fiscal year ended June 30, 2025, by $163.7 million (*net position*).

- The net position of the City decreased by $2.0 million (or 1.2%). The governmental net position decreased by $9.7 million (or 3.9%) and the business-type net position increased by $7.7 million (or 8.9%).

- The governmental activities revenue increased $3.0 million (or 0.8%) and the net results from activities decreased from the prior year by $25.2 million. In 2025, the results of activities produced a decrease in net position of $9.7 million and in 2024 the results of activities produced an increase in net position of $17.9 million.

- The business-type activities revenue increased from $29.8 million at June 30, 2024, by $0.8 million (or 2.7%) to $30.6 million at June 30, 2025. The net results from activities decreased $0.4 million to $7.7 million for 2025 from $8.1 million for 2024.

- The General Fund (the primary operating fund) reflected on a current financial resource basis reports a decrease in fund balance of $6.5 million (or 3.1%), compared to a $1.6 million (or 8.1%) increase in the prior year.

- The City's total debt increased by $47.9 million. The increase was due primarily to the issuance of $50.1 million in general obligation debt offset by retirements of $7.0 million of governmental and $1.2 million of business type notes and related liabilities. Additionally, the lease liability of the City was reduced by $1.0 million, $0.2 million decrease of subscription-based technology liabilities, compensated absences increased $1.7 million and a decrease of $3.1 million in net pension liability, and an increase of $3.8 million in net OPEB liability.

Overview of the Basic Financial Statements

This annual report consists of a series of financial statements. The Statement of Net Position (Exhibit A) and the Statement of Activities (Exhibit B) provide information about the activities of the City as a whole and present a longer-term view of the City's finances. For governmental activities, the fund financial 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 City's operations in more detail than the government-wide financial statements by providing information about the City's most significant funds. The remaining statements provide financial information about activities for which the City acts solely as a trustee or agent for the benefit of those outside of the government.

Government-wide Financial Statements

Reporting the City as a Whole

One of the most important questions asked about the City's finances is, "Is the City as a whole better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities report information about the City as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid. These two statements report the City's net position and changes to net position. You can think of the City's net position as the difference between assets and liabilities, as one way to measure the City's financial health, or financial position. Over time, increases or decreases in the City's net position is one indicator of whether its financial health is improving or deteriorating. You will need to consider other non-financial factors, however, such as changes in the City's property tax base, to assess the overall health of the City.

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

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

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

Both of the government-wide financial statements distinguish functions of the City of Cranston that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities present the functions of the City that are principally supported by taxes and intergovernmental revenues. The governmental activities of the City include general government, public safety, public works, public libraries, parks and recreation, education, senior services, community development, and interest expense. The business-type activities of the City of Cranston include sewer utilities, the Public Facilities Management Foundation, and the School Lunch Fund.

The government-wide financial statements can be found on Exhibits I and II of this report.

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

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

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

The City and School Department maintain 43 and 153 individual governmental funds, respectively. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for both the General Fund and the School Department. For reporting purposes, the amount presented as the General Fund is comprised of the general fund and eight other funds. Similarly for reporting purposes, the amount presented as the School Department is comprised of the school department's general fund and one other fund. Both the General Fund and School Department are considered to be major funds. Data from the City's and School Department's other governmental funds are combined into a single, aggregated presentation titled Other Governmental Funds. Individual fund data for each of the other 182 governmental funds, which are consolidated into 20 funds for reporting purposes, is provided in the form of combining statements elsewhere in this report.

Some funds are required to be established by State law and by bond covenants. However, the City Council establishes many other funds to help it control and manage money for particular purposes (like the installation of new science labs into various schools) or to show that it is meeting legal responsibility for using certain taxes, grants and other money (like grants received from the U.S. Department of Housing and Urban Development).

The City adopts an annual budget for its General Fund and School Department. It also adopts an annual budget for two special revenue funds, Community Development Block Grant (CDBG) and Workforce Investment Act (WIA). A budgetary comparison statement has been provided for each of them as required supplementary information to demonstrate compliance with this budget.

Proprietary funds. The City of Cranston maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. The City of Cranston uses enterprise funds to account for its sewer operations, ice rink operations, and its school non-major programs. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City of Cranston and School Department use an internal service fund to account for certain self-insured risks. Because this fund predominantly benefits governmental rather than business-type functions, it has been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the sewer utility fund, which is considered to be major funds of the City of Cranston. The ice rink fund and the school lunch program fund and charter school funds are the sole non-major enterprise funds and are presented separately in the proprietary fund financial statements. The internal service fund is also presented separately in the proprietary fund financial statements.

The basic proprietary fund financial statements can be found on Exhibits V, VI, and VII of this report.

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

The basic fiduciary fund financial statements can be found on Exhibits VIII, and IX of this report.

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

The notes to the financial statements can be found on page 38 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning budgetary compliance schedules for the General Fund and the Special Revenue Fund-School Unrestricted, as well as the City's progress in funding its obligation to provide pension and other post-employment benefits to its employees. Required supplementary information can be found following the notes.

The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Summary of Net Position

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

Condensed Summary of Net Position
As of June 30
(In Millions)

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Assets:						
Current and other assets	$ 88.8	$ 127.9	$ 46.5	$ 40.4	$ 135.3	$ 168.3
Capital assets	286.1	242.0	65.0	63.9	351.1	305.9
Total Assets	374.9	369.9	111.5	104.3	486.4	474.2
Deferred Outflow of Resources	65.6	45.0	-	-	65.6	45.0
Total Assets & Deferred Outflows of Resources	440.5	414.9	111.5	104.3	552.0	519.2
Liabilities:						
Long-term liabilities outstanding	542.2	494.2	10.2	11.3	552.4	505.5
Other liabilities	115.3	126.8	6.1	3.9	121.4	130.7
Total Liabilities	657.5	621.0	16.3	15.2	673.8	636.2
Deferred Inflows of Resources	41.9	43.0	0.1	1.7	42.0	44.7
Total Liabilities & Deferred Inflows of Resources	699.4	664.0	16.4	16.9	715.8	680.9
Net Position:						
Net investment in capital assets	76.0	68.5	53.6	51.4	129.6	119.9
Restricted	45.3	52.8	1.7	1.7	47.0	54.5
Unrestricted	(380.2)	(370.4)	39.8	34.3	(340.4)	(336.1)
Total Net Position	$ (258.9)	$ (249.1)	$ 95.1	$ 87.4	$ (163.8)	$ (161.7)

The composition of net position and the changes in net position over a period of time serves as a useful indicator of the City's financial position. The City's total liabilities at June 30, 2025, exceed assets by $163.8 million and were comprised of $(258.9) million from governmental activities and $95.1 million from business-type activities. For the fiscal year ending June 30, 2025, $(340.4) million of the total $(163.8) million in net position is unrestricted.

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

Summary of Net Position (Continued)

Net investment in capital assets is comprised of $129.6 and $119.9 million of the Total Net Position at June 30, 2025, and 2024, respectively. This category reflects the total net investment in capital assets (vehicles, equipment, etc.) net of any related debt used to acquire capital assets. These capital assets are used to provide services to citizens and do not represent resources available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets cannot be used to liquidate these liabilities. The second category of Net Position, restricted Net Position, represents Net Position that are subject to external restriction on how they may be used. Restricted Net Position totaled $47.0 million as of June 30, 2025, as compared to $54.5 million as of June 30, 2024.

Normal Impacts

There are six basic (normal) transactions that will affect the comparability of the Net Position summary presentation:

Net Results of Activities - which will impact (increase/decrease) current assets and unrestricted net position.

Borrowing for Capital - which will increase current assets and long-term debt.

Spending Borrowed Proceeds on New Capital - which will reduce current assets and increase capital assets. There is a second impact, an increase in net investment in capital assets and an increase in related net debt which will not change the net investment in capital assets.

Spending of Non-borrowed Current Assets on New Capital - which will (a) reduce current assets and increase capital assets and (b) reduce unrestricted net position and increase net investment in capital assets.

Principal Payment on Debt - which will (a) reduce current assets and reduce long-term debt and (b) reduce unrestricted net position and increase net investment in capital assets.

Reduction of Capital Assets through Depreciation - which will reduce capital assets and net investment in capital assets.

Governmental Activities - Condensed Summary of Net Position

The category of "Current and Other Assets" was $88.8 million at June 30, 2025. This category consisted primarily of "Cash" of $42.0 million, "Receivables-Property Taxes" of $4.1 million, "Net pension asset" of $35.9 million. "Receivables-Intergovernmental was $3.2 million, "Internal Balances" of ($5.6) million, "Advanced deposits-hospitalization" was $0.9 million, "Prepaids" of $0.7 million, "Lease Assets" of $0.5 million, "Due from Fiduciary Funds" of $2.1 million and net other receivables accounted for $5.0 million.

"Deferred Outflow of Resources" was $65.6 million at June 30, 2025, and was comprised of $53.7 million related to pensions, $11.9 million related to OPEB.

"Total liabilities" at June 30, 2025, were $657.5 million. That included long-term liabilities outstanding of $542.2 million, composed primarily of $146.2 million in general obligation bonds and leases payable (used to fund various capital projects such as school construction and playground construction and improvements), $333.4 million in outstanding pension obligations and $62.5 million in OPEB obligations. Current liabilities total $115.3 million at June 30, 2025, and were composed of $13.3 million in accounts payable, $10.7 of accrued liabilities, unearned revenue of $4.5 million, $75.9 million of Bond Anticipation Notes and Premiums, $9.5 million in current portion of long-term debt and claims and judgements of $1.4 million.

"Deferred Inflow of Resources" of $41.9 million of which $35.0 million related to the City's pension liabilities, $5.5 million related to the OPEB liability, $0.9 million related to advanced tax collections and $0.5 million related to leases.

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

Total net position at June 30, 2025, was $(258.9) million and was comprised of "Unrestricted" of $(380.2), "Restricted" of $45.3 million and "Net Investment in Capital Assets" of $76.0 million.

Business-Type Activities - Condensed Summaries of Net Position

For business-type activities, such as the Sewer Enterprise Fund and Ice Rink Fund, "Current and Other Assets" of $46.5 million at June 30, 2025 consisted primarily of $34.9 million in cash which was available to support the current operations of the Enterprise Funds, "Restricted Cash-Debt Service Reserve" of $1.4 , "Held in Escrow" of $0.3 million receivables of $4.3 million, and $5.6 million in internal balances.

"Capital Assets" consisted of "Net Capital Assets" of $65.0 million of assets used primarily for the operation of the Sewer Enterprise Fund.

Long-term liabilities of $10.1 million were comprised of "Long-term liabilities due in more than one year" which represents the non-current portion of long-term liabilities, primarily general obligation bonds used to finance the capital operations of the Sewer Plant as well as SRF (State revolving fund) loan from Rhode Island Infrastructure Bank.

Other liabilities of $6.1 million consisted primarily of $4.8 million of "Accounts payable", and $1.2 million for the "Current portion of long-term bonds payable" and "Accrued interest payable" of $0.1 million.

"Deferred Inflows of Resources" is comprised of $0.1 million from the "Deferred sewer lease arrangement".

The total net position for the Business-type Activities as of June 30, 2025, was $95.1 million. Net investment in capital assets was the major component of net position for business-type activities and amounted to $53.6 million on June 30, 2025. As stated above, in the government-wide analysis of the Statement of Net Position $1.7 million was restricted for debt service and $39.8 million was designated "Unrestricted".

Summary of Activities

A condensed Summary of Activities for the City of Cranston is presented below listing the major categories of revenues and expenses for the fiscal years ending June 30, 2025, and 2024.

Condensed Summary of Activities
Year Ended June 30 (In Millions)

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Revenues:						
Program revenues:						
Charges for services	$ 20.6	$ 21.4	$25.1	$24.9	$45.7	$ 46.3
Operating grants and contributions	132.2	118.4	3.6	3.1	135.8	121.5
Capital grants and contributions	0.5	0.5			0.5	0.5
General Revenues:						
Property taxes	186.4	188.0			186.4	188.0
Motor Vehicle phase-out tax	22.3	22.3			22.3	22.3
State Special Funding for Pension	-	7.6			-	7.6
Investment income	4.0	4.1	1.9	1.8	5.9	5.9
Other	5.1	5.8			5.1	5.8
Total revenues	371.1	368.1	30.6	29.8	401.7	397.9

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

Summary of Activities (Continued)

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Program Expenses:						
General government	$ 18.7	$ 16.4			$ 18.7	$ 16.4
Public safety	102.0	98.1			102.0	98.1
Public works	22.0	19.5			22.0	19.5
Education	219.8	196.1	$4.9	$5.4	224.7	201.5
Parks and recreation	3.6	3.4	0.9		4.5	3.4
Libraries	4.4	4.2			4.4	4.2
Senior services	2.7	2.5			2.7	2.5
Community development	0.9	1.6			0.9	1.6
Sewer			17.1	16.3	17.1	16.3
Interest and other costs	6.8	8.4			6.8	8.4
Total expenses	380.9	350.2	22.9	21.7	403.8	371.9
Change in net position	(9.8)	17.9	7.7	8.1	2.0	26.0
Net Position – July 1	(249.1)	(267.0)	87.4	79.3	(161.7)	(187.7)
Net Position – June 30	$(258.9)	$ (249.1)	$ 95.1	$ 87.4	$ (163.7)	$ (161.7)

The Condensed Statement of Net Activities presents revenues, expenses and changes in net position separately for governmental activities and business-type activities. The condensed format allows for presentation of program revenues (charges for services, operating grants and contributions, and capital grants and contributions) followed by a listing of general revenues to support the City's overall government or business-type activities. Expenses are presented on a functional basis, with depreciation on capital assets directly allocated to the related expenses.

Governmental Activities - Condensed Summary of Activities

General revenues include all revenues not required to be reported as "program revenue". The total of other "general revenues" for the fiscal years ending June 30, 2025, and 2024 were $217.8 million and $227.8 million, respectively. Included in these totals were $186.4 and $188.0 million in property taxes for the years ended June 30, 2025, and 2024, respectively.

"Program expenses" are presented in the Condensed Statement of Activities by function and total $380.9 and $350.2 million including interest on long-term debt for the fiscal years June 30, 2025, and June 30, 2024, respectively.

"Changes in net position" decreased $27.7 million to $9.8 million for the year ended June 30, 2025, from $17.9 million as of June 30, 2024. The change resulted primarily from an increase in education expenditures related to post COVID-19 pandemic.

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

Business-Type Activities – Condensed Summary of Activities

Business-Type Activities provided by the City of Cranston are composed primarily of the operation of the wastewater facility commonly known as the Sewer Enterprise Fund and the operations of the municipal Ice Rink. Respectively, in fiscal years 2025 and 2024 the City generated $30.6 and $29.8 million in total revenues. The majority of revenues for this fund consist of charges for services which amounted to $25.1 and $24.9 in fiscal years 2025 and 2024 respectively, of the total revenues.

The total amount of expenses for business-type activities was $22.9 and $21.7 million for the fiscal years ended June 30, 2025, and 2024, respectively.

The "Change in Net Position" decreased $0.4 million to $7.7 million for the fiscal year ended June 30, 2025, as compared to $8.1 million for the fiscal year ended June 30, 2024. This activity increased the "Business-Type Net Position" for the fiscal year ended June 30, 2025, to $95.1 million as compared to $87.4 million for the fiscal year ended June 30, 2024. The change resulted primarily from an increase in sewer operational expenses.

Financial Analysis of City's Funds

Governmental Funds

The City of Cranston's governmental funds consist of three major funds. The major funds are the City's General Fund, the School Unrestricted and School Bond Fund. Presented below is a condensed Balance Sheet for the three major funds of the governmental funds.

Combined fund balances for all the governmental funds were $(40.8) million. Fund balance was comprised of $0.9 million "Non-spendable" fund balances, $17.7 million "Restricted" fund balances and $0.3 million "Committed" fund balances and $(59.7) million of "Unassigned" fund balances. Under the modified-accrual basis for Fund Financial Statements, the emphasis is on accounting for current financial resources of the City.

Assets of $77.7 million include primarily $40.2 million in "Cash", $2.8 million in "Taxes Receivable", $3.2 million in "Intergovernmental Receivables", "Other Receivables" of $3.6 million, "Loans" of $2.0 million, "Lease Receivable" of $0.6 million, "Prepaid" of $0.7 million, "Advance deposits-hospitalization" of $0.2 million, "Due from Other Funds" of $24.4 million.

"Total Liabilities" of $114.5 million consisted of $9.5 million of "Accounts Payable", $19.8 million in "Due to Other Funds", $75.0 million of "Bond Anticipation Notes", $0.9 million of "Bond Premium", $4.4 million in "Unearned Revenue", $3.7 million of Accrued Payroll, "Accrued Liabilities" of $0.2 million and "Retainage" of $1.0 million.

"Total Deferred Inflows of Resources" of $4.0 million consisted of $2.6 million of "Unavailable Revenue-Property Taxes", $0.9 million of "Advanced Tax Collections", and "Lease Receivable" of $0.5 million.

Condensed Balance Sheet
As of June 30
(In Millions)

	General Fund			School Unrestricted			School Bond Fund			Total Major Funds	
	2025	2024		2025	2024		2025	2024		2025	2024
Assets:											
Current and other	$32.2	$45.5		$14.1	$11.9		$5.8	$13.6		$52.1	$71.0
Total Assets	32.2	45.5		14.1	11.9		5.8	13.2		52.1	71.0
Liabilities:											
Other liabilities	13.6	11.6		12.5	6.4		75.9	88.9		102.0	106.9
Total Liabilities	13.6	11.6		12.5	6.4		75.9	88.9		102.0	106.9
Deferred Inflows:											
Deferred inflows	4.0	12.8								4.0	12.8
Total Deferred Inflows	4.0	12.8								4.0	12.8
Total Liabilities and Deferred Inflows	17.6	24.4		12.5	6.4		75.9	88.9		106.0	119.7
Fund Balance:											
Non-spendable	0.7	0.2		0.3	0.2		-	-		1.0	0.4
Restricted	0.2	0.3		1.2	5.2		-	-		1.4	5.5
Committed	-	1.5		0.1	0.1		-	-		0.1	1.6
Assigned	-	-		-	-		-	-		-	-
Unassigned	13.7	19.1		-	-		(70.1)	(75.3)		(56.4)	(56.2)
Total Fund Balance	$14.6	$21.1		$1.6	$5.5		$(70.1)	$(75.3)		$(53.9)	$(48.7)

General Fund - Condensed Balance Sheet

The General Fund's total assets of $32.2 million consists primarily of $12.3 million in "Cash" $2.8 million of "Taxes Receivable" $1.2 million of "Intergovernmental Receivables", Other Receivables of $1.6 million, "Leases Receivable" of $0.6 million, "Prepaids" of $0.5 million, "Due from Other Funds" of $13.0 million, and "Advanced Deposits-hospitalization" of $0.2 million.

Total liabilities and deferred inflows for the General Fund were $17.6 million. This included $1.0 million of "Unearned Revenue", "Accounts Payable" of $2.6 million, $0.9 million represented "Advanced Collections", $6.4 million of amounts "Due to Other Funds", $2.6 million of "Unavailable Revenue", "Leases Receivable" of $0.5 million and $3.6 million of accrued liabilities.

As of June 30, 2025, the City's fund balance was $14.6 million of which $0.7 million was "Non-spendable", $0.2 million was "Restricted", and $13.7 million was "Unassigned". This represents a total decrease for 2025 of $6.5 million from $21.1 million for June 30, 2024. The $6.5 million decrease relates primarily to an allocation of the interest earned on the ARPA proceeds, a decrease in investment income and an increase in safety service expenditures.

School Unrestricted - Condensed Balance Sheet

The School Department's total assets were $14.1 million. The majority of that consisted primarily of amounts "Cash" of $1.1 million, "Due from Other Funds" of $10.9 million, "Prepaid" of $0.3 million and "Other Receivables" assets of $1.8 million. Liabilities for the School Department totaled $12.5 million. This total consisted of $1.7 million of "Accounts Payable", "Accrued Liabilities" of $0.2 million and "Due to Other Funds" of $10.6 million.

For the fiscal year ending June 30, 2025, the School Department had a fund balance of $1.6 million. This was comprised of $0.3 million "Non-spendable", $1.2 million "Restricted" fund balance and "Committed" of $0.1 million. This represents a total decrease of $3.9 million from $5.5 million as of June 30, 2024. The $3.9 million decrease relates primarily to an increase spent on salaries for additional personnel hired by the school department.

School Bond Fund - Condensed Balance Sheet

The School bond fund total assets were $5.8 million that consisted of "Cash".

Liabilities for the School bond fund totaled $75.9 million. This included $4.1 million of "Accounts Payable", $1.0 million of "Retainage" and $70.0 million of "Bond Anticipation Notes" and $0.8 million of "Bond Anticipation Notes Premium".

For the fiscal year ending June 30, 2025, the School bond fund had a fund balance of $(70.1) million which was all "Unassigned". This represents an additional increase of $5.2 million from $(75.3) million as of June 30, 2024. The $5.2 million increase relates primarily to bond premiums generated by the sale of $50.1 million in general obligation bonds for school construction projects.

Condensed Statement of Revenues, Expenditures and Changes in Fund Balances

A condensed Statement of Revenues, Expenditures and Changes in Fund Balances for the City of Cranston is presented below listing the major categories of revenues and expenditures for the fiscal years ended June 30, 2025, and 2024. The major funds for the City of Cranston are the "General Fund", the "School Unrestricted" and the "School Bond Fund".

The fund reporting format, also presented on a functional basis, presented in "Exhibit IV - Statement of Revenues, Expenditures and Changes in Fund Balance Governmental Funds" presents all revenue types followed by the expenditures of the City. The fund financial statements report current year capital expenditures and do not report depreciation on capital assets. Likewise, principal payments on long-term liabilities are reported as current year expenditures and are not offset against the related long-term liability as within the Government-wide Financial Statements. The major source of revenues for the City comes from "General Property Taxes". For the years ending June 30, 2025, and 2024, the City collected $186.6, and $188.2 million of property taxes, respectively. Total revenues for all major governmental funds for the years ended, June 30, 2025, and 2024 were $372.4 and $343.0 million, respectively. For the major governmental funds, the total expenditures for the years ending June 30, 2025, and 2024, were $437.4 million, and $359.0 million, respectively. For the year ended June 30, 2025, General Fund revenues exceeded expenditures by $99.0 million before other financing sources (uses) as compared to $105.0 million for the period ending June 30, 2024.

Condensed Summary of Revenues, Expenditures and Changes in Fund Balances
Year Ended June 30
(In Millions)

	General Fund 2025	General Fund 2024	School Unrestricted 2025	School Unrestricted 2024	School Bond Fund 2025	School Bond Fund 2024	Total Major Funds 2025	Total Major Funds 2024
Revenues:								
General Revenues:								
Property Taxes	$186.6	$188.2					$186.6	$188.2
American rescue plan act	-	-					-	-
Intergovernmental	45.8	44.5	$ 78.8	$ 73.1			124.6	117.6
Charges for services	13.9	14.5	2.6	2.5			16.5	17.0
Investment income	2.9	3.5	-	-			2.9	3.5
State on behalf pension	-	-	12.9	11.2			12.9	11.2
Other	1.7	2.0	2.9	2.9	0.0	0.0	4.6	5.5
Total Revenues	250.9	253.3	97.2	89.7	0.0	0.0	348.1	343.0
Expenditures:								
Current:								
General Government	12.8	12.5					12.8	12.5
Public Safety	98.4	94.6					98.4	94.6
Public Works	19.4	18.4					19.4	18.4
Education			197.3	188.5			197.3	188.5
Parks and Recreation	3.2	3.1					3.2	3.1
Public Libraries	4.1	4.0					4.1	4.0
Senior Services	2.5	2.4					2.5	2.4
Other	0.2	0.2					0.2	0.2
Debt Service:								
Principal	7.8	9.2	0.7	1.0			8.5	10.2
Interest and other costs	3.5	3.8	0.1	0.1	4.3		7.9	3.9
Capital expenditures	-	0.1	2.5	1.8	47.7	19.3	50.2	21.2
Total Expenditures	151.9	148.3	200.6	191.4	52.0	19.3	404.5	359.0
Excess (deficiency) of revenue over expenditures	99.0	105.0	(103.4)	(101.7)	(52.0)	(19.3)	(56.4)	(16.0)
Other Financing Sources Uses):								
Transfers in	-	0.1	99.5	99.9	57.2		156.7	100.0
Transfers out	(105.5)	(103.5)	-	-			(105.5)	(103.5)
Net Other Financing Sources (Uses)	(105.5)	(103.4)	99.5	99.9	57.2		51.2	(3.5)
Net change in fund balance	(6.5)	1.6	(3.9)	(1.8)	5.2	(19.3)	(5.2)	(19.5)
Fund Balance July 1	21.1	19.5	5.5	7.3	(75.3)	(56.0)	(48.7)	(29.2)
Fund Balance June 30	14.6	21.1	1.6	5.5	(70.1)	(75.3)	(53.9)	(48.7)

Review of Governmental Major Funds - Statement of Revenues, Expenditures and Changes in Fund Balances-General Fund

The City's General Fund had revenues of $250.9 million for the fiscal year ended June 30, 2025. This was comprised of $186.6 million in "General Property Taxes", $45.8 million of "Intergovernmental" revenues, $13.9 million in "Charges for Services", $2.9 million in "Investment Income", and $1.7 million in "Other" revenue.

Expenditures for the General Fund for fiscal year ended June 30, 2025, were $151.9 million. These expenditures consisted of $12.8 million in "General Government" expenditures, $98.4 million of "Public Safety" expenditures, $19.4 million of "Public Works" expenditures, $3.2 million of "Parks and Recreation" expenditures, $4.1 million of "Public Libraries" expenditures, $2.5 million of "Senior Services" expenditures, $0.2 million of "Other" expenditures, $7.8 million of "Debt Service Principal" expenditures, $3.5 million of "Interest and Other Costs".

In addition to general operating expenses, the General Fund also had "Net Other Financing Uses" of $105.5 million. This was primarily of "Transfers Out" to the "School Unrestricted" for operations.

The net change in fund balances was $(6.5) million for the fiscal year ended June 30, 2025. This decrease resulted primarily from the transfer of interest earned on ARPA proceeds along with higher public safety expenditures and a decrease in investment income.

Review of Governmental Major Funds - Statement of Revenues, Expenditures and Changes in Fund Balances-School Unrestricted

The "School Unrestricted" fund had revenues for the year ended June 30, 2025, of $97.2 million. This was derived from $78.8 million of "Intergovernmental" revenues, $2.6 million of "Charges for Services", $12.9 million of "State on Behalf Pension Contribution" and $2.9 million of "Other Income".

Expenditures for the School Unrestricted Fund totaled $200.6 million. This represents expenditures related to "Education" of $197.3 million, $0.7 million of "Debt Service Principal" expenditures, $0.1 million of "Interest and Other Costs" and "Capital Expenditures" of $2.5 million.

In addition to general operating revenues, the School Department had "Net other Financing Sources" of $99.5 million. This amount was comprised of "Transfers In" of $99.5 million for operations.

The net change in fund balance was $(3.9) million for the fiscal year ended June 30, 2025. This decrease was due primarily to an increase in educational expenditures related to additional personnel post COVID 19 pandemic.

Review of Governmental Major Funds - Statement of Revenues, Expenditures and Changes in Fund Balances-School Bond Fund

Expenditures for the School Bond Fund totaled $52.0 million. This was comprised of "Capital Expenditures" of $47.7 million and $4.3 million of interest expense associated with issuing the bond anticipation notes used to fund school construction projects.

The net change in fund balance was $5.2 million for the fiscal year ended June 30, 2025. This increase was due to the proceeds from the issuance of general obligation bonds in the amount of $50.1 million along with the bond premium generated in the amount of $6.1 million and the transfer from the City's ARPA fund of $1 million offset by the expenditures of $52 million. The fund balance increased from $(75.3) million at June 30,2024 to $(70.1) million at June 30, 2025.

Proprietary Funds

The Proprietary Funds consist of the Sewer Fund, the Non-Major Programs and the Internal Service Funds. Total operating revenues were $70.9 million. The major sources of revenue were "Charges for Usage and Service" of $66.2 million, "Grant Income" of $3.6 million and "Miscellaneous" revenue of $1.1 million. Total operating expenses for the year ending June 30, 2025, for the Proprietary Funds were $70.5 million. Expenses were comprised of "Health Care Management" of $32.4 million, the "Contract Payments" of $15.0 million for sewer privatization, "Operation" expense of $6.8 million. "Personnel" cost of $0.8 million, "Claims" of $15.0 million and $3.1 million of "Depreciation" expense. Net Non-Operating Revenues for the year ending June 30, 2025, was $0.4 million. The Proprietary Funds ended fiscal year 2025 with $1.8 million more in revenues than expenses.

Total Net Position was $83.7 million at June 30, 2025, of that "Net Investment in Capital Assets" was $53.7 million, "Restricted for Debt Service" of $1.7 million and $28.3 million was "Unrestricted". Total Net Position as of June 30, 2025, increased $1.9 million or 2.4% from $81.8 million at June 30, 2024, to $83.7 million at June 30, 2025.

Analysis of Significant Budget Variations in the General Fund

For the fiscal year ended June 30, 2025, the General Fund Revenues were over budget projections by $7.7 million or 2.4%. General Fund expenditures were over budget by $7.5 million or 0.3%. Also, there was $2.3 million transferred to the Capital Projects Funds.

Significant revenue variances include:

- General Property Taxes – An unfavorable variance of $0.3 million due to the changes made to the tangible tax valuations by the state after budget was adopted.

- Intergovernmental – A favorable variance of $9.9 million due a transfer from ARPA fund to replace lost revenue.

- Investment Income – A unfavorable variance of $0.3 million resulting from decrease of ARPA fund and capital project fund available for investment.

Most of the departments within the City had minimal surpluses/deficits with regard to their expense budgets prior to the allocation of the $7 million sent to the Internal Service Fund. The exception to that was the law department, police and fire departments. The law department had an unfavorable variance of $0.2 million due to unanticipated lawsuits. The fire department had unfavorable variance of $2.5 million due to underbudgeted overtime, unanticipated retirements and increases related to pension reform from the State of Rhode Island that was implemented after the budget was adopted The police department also had unfavorable variance of $2.0 million due to unanticipated overtime, salary increase and unanticipated increases related to pension reform from the State of Rhode Island that was implemented after the budget was adopted. The unanticipated additional revenues combined with the over expenditures described above resulted in a $0.3 million surplus offset by the transfer out of ARPA funds in the amount of $6.3 million resulting in a $6.0 million net change in fund balance for the period that ended June 30,2025.

CAPITAL ASSETS AND LONG-TERM LIABILITIES

Capital Assets

The City of Cranston's investment in capital assets for its governmental and business-type activities as of June 30, 2025, and 2024, amounted to $129.6 and $118.8 million, respectively (net of accumulated depreciation). This investment in capital assets includes land, buildings, motor vehicles, machinery and equipment and office furniture and 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. All infrastructure assets are included in the City's capital assets.

Capital Assets at Year End
(In Millions)

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Land	$ 18.5	$ 15.4	$ 0.3	$ 0.3	$ 18.8	$ 15.7
Construction in progress	70.0	26.9	3.9	0.7	73.9	26.9
Land improvements	70.0	63.6	2.3	1.8	72.3	65.4
Buildings	207.0	204.7	1.3	1.3	208.3	206.0
Motor vehicles	30.8	30.1	0.2	0.2	31.0	30.3
Equipment	27.2	25.9	3.1	3.0	30.3	28.9
Infrastructure	87.4	87.4			87.4	87.4
Right of use lease assets	7.7	8.6			7.7	8.6
Right of use subscription assets	1.0	1.0			1.0	1.0
Leasehold improvements			0.1	0.1	0.1	0.1
Sewer lines			54.0	53.6	54.0	53.6
Treatment and pumping plant			105.1	105.1	105.1	105.1
Total assets	519.6	462.9	170.3	166.1	689.9	629.0
Less: accumulated depreciation	(233.5)	(221.0)	(105.3)	(102.2)	(338.8)	(323.2)
Net capital assets	$ 286.1	$ 241.9	$ 65.0	$ 63.9	$ 351.1	$ 305.8

CAPITAL ASSETS AND LONG-TERM LIABILITIES (CONTINUED)

Capital Assets (Continued)

The City's investment in capital assets for its governmental and business-type activities as of June 30, 2025, were $689.9 million less accumulated depreciation of $338.8 million for a net investment in capital assets of $351.1 million.

Governmental Activities:

Major capital asset additions during the fiscal year ended June 30, 2025, included the following:

- $52.0 million in school construction and renovations.
- $0.4 million in fire emergency vehicles.
- $5.9 million for road repayment, storm drain repairs and equipment upgrades.
- $0.3 million storm drain projects.
- $2.2 million for recreation projects.
- $0.3 million in building projects

Business-Type Activities:

Major capital asset additions during the fiscal year ended June 30, 2025, included the following:

- $0.5 million of building improvements.
- $3.2 million of construction in progress.

Additional information on the City's capital assets can be found on Note 3. C. of this report.

Long-Term Liabilities

As of June 30, 2025, the governmental activities had total long-term obligations of $548.3 million. Of that, $330.2 million was pension related debt, $62.5 million was for post-retirement health benefits, $14.1 million of compensated absences, lease liability of $4.8 million, $0.4 subscription-based technology, $0.3 financed purchased and $20.2 million related to bonded debt guaranteed by the City's assets. Based on an actuarial valuation completed as of July 1, 2025, for governmental activities, the net pension obligation liability for unpaid pension contributions decreased by $6.4 million from $336.6 million at June 30, 2024, to $330.2 million at June 30, 2025. The net other post-employment benefit obligation (OPEB) liability for governmental activities decreased $3.8 million from $58.7 million at June 30, 2024, to $62.5 million at June 30, 2025. Additional information can be found in Note 3. E. 1.

The business-type activities had total long-term obligations of $11.3 million. The majority of the $11.3 million related to State Revolving Loans (SRF) from Rhode Island Infrastructure Bank (these funds are available for projects related to clean water). Additional information can be found in Note 3. E. 1.

CAPITAL ASSETS AND LONG-TERM LIABILITIES (CONTINUED)

Debt Outstanding

For the year ending June 30, 2025, the City had $136.0 million in debt (bonds, notes, etc.) outstanding as compared to $87.8 million as of June 30, 2024, a net increase of $48.2 million or 54.9% (considering debt issuances and retirements). The key factors for this decrease were the issuance of $50.1 million in general obligation bonds and bond premiums offset by retirements and amortization of bond premiums of $8.0 million of outstanding debt.

For the year ending June 30, 2025, the Business-Type Activities had $11.3 million in debt (bonds, notes, etc.) outstanding as compared to $12.5 million at June 30, 2024, a net decrease of $1.2 million or 9.6% (considering debt retirements). The key factor for this decrease was principal repayments of $1.2 million.

Outstanding Debt, at June 30
(In Millions)

	2025	2024
Governmental:		
General obligation bonds	$ 123.5	$80.5
Capital lease	4.8	5.8
Subtotal	128.3	86.3
Business-type:		
Sewer revolving loans	11.3	12.5
Subtotal	11.3	12.5
Total	$ 139.6	$ 98.8

Principal payments of $5.6 million and $1.2 million were made in the governmental and business-type activities, respectively, during fiscal year 2025.

Except as explained below, under Rhode Island law the City may not, without special statutory authorization, incur any debt that would increase its aggregate indebtedness not otherwise excepted by law to an amount greater than 3% of the taxable property of the City. Deducted from the computation of aggregate indebtedness is the amount of any borrowing in anticipation of taxes authorized by law and the amount of any sinking funds maintained by the City. There is currently no outstanding debt of the City subject to the 3% debt limit. The current 3% debt limit of the City is $370.5 million based on taxable property as of December 31, 2023, of approximately $12.4 billion. On June 30, 2025, the City had $136.0 million of debt outstanding that is outside the 3% debt limit.

The City's bond ratings are as follows:

- Standard & Poor's: "A+"
- Fitch Ratings: "AA-"
- Moody's Investors Service: "A1"

Economic Factors and Next Year's Budget and Rates

- As noted previously, the Fiscal Year 2026 operating budget was passed by a majority vote of the City Council. Property tax collections were assumed to be collected at 99.6% of the current levy.

- The City budgeted approximately $22.2 million for Police and Fire Pension Fund contributions and $5.7 million for Other Post-Employment Benefits (OPEB).

Unemployment Statistics

The table below presents the most recent labor market information summary for not seasonally adjusted unemployment rates for the years ended:

	Annualized									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
City of Cranston	5.9%	5.0%	4.3%	4.0%	3.4%	9.5%	5.6%	3.1%	2.9%	4.3%
State of Rhode Island	6.0	5.2	4.5	4.0	3.5	9.2	5.5	3.2	3.0	4.3
United States	5.3	4.9	4.4	3.9	3.7	8.1	5.3	3.6	3.6	4.0

Source: Rhode Island Department of Labor and Training.

Request for Information

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the City of Cranston's finances. Questions concerning any of the information provided in this report or request for additional financial information should be addressed to:

Finance Director
City of Cranston
869 Park Avenue
Cranston, RI 02910

BASIC FINANCIAL STATEMENTS

CITY OF CRANSTON, RHODE ISLAND
STATEMENT OF NET POSITION
JUNE 30, 2025

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current Assets:			
Cash and Cash Equivalents	$ 41,992,721	$ 34,856,769	$ 76,849,490
Receivables:			
Property Taxes	4,135,232	-	4,135,232
Sewer Assessments and User Fees, Net	-	982,139	982,139
Intergovernmental	3,186,432	3,329,367	6,515,799
Loans	2,025,790	-	2,025,790
Lease	26,390	-	26,390
Other	2,949,261	1,446	2,950,707
Prepaids	718,927	-	718,927
Inventory	-	60,260	60,260
Other Assets	3,792	-	3,792
Due from Fiduciary Fund	2,146,036	-	2,146,036
Internal Balances	(5,599,757)	5,599,757	-
Total Current Assets	51,584,824	44,829,738	96,414,562
Noncurrent Assets:			
Advance Deposits - Hospitalization	853,000	-	853,000
Net Pension Asset	35,914,841	-	35,914,841
Restricted Cash - Debt Service Reserve	-	1,435,282	1,435,282
Lease Receivable, less current portion	521,460	-	521,460
Held in Escrow	-	284,933	284,933
Total	37,289,301	1,720,215	39,009,516
Capital Assets:			
Nondepreciable	88,510,894	4,243,682	92,754,576
Depreciable (Net of Accumulated Depreciation and Amortization)	197,537,366	60,718,297	258,255,663
Total Net Capital Assets	286,048,260	64,961,979	351,010,239
Total Noncurrent Assets	323,337,561	66,682,194	390,019,755
Total Assets	374,922,385	111,511,932	486,434,317
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Outflows of Resources Related to Pensions	53,720,179	-	53,720,179
Deferred Outflows of Resources Related to OPEB	11,920,147	-	11,920,147
Total Deferred Outflows of Resources	65,640,326	-	65,640,326
Total Assets and Deferred Outflows of Resources	$ 440,562,711	$ 111,511,932	$ 552,074,643

See accompanying Notes to Basic Financial Statements.

CITY OF CRANSTON, RHODE ISLAND
STATEMENT OF NET POSITION
JUNE 30, 2025

	Governmental Activities	Business-Type Activities	Total
LIABILITIES			
Current Liabilities:			
Accounts Payable	$ 13,286,794	$ 4,777,078	$ 18,063,872
Accrued Liabilities	150,020	-	150,020
Accrued Payroll	3,714,392	12,980	3,727,372
Compensated Absences	1,586,271	13,084	1,599,355
Accrued Interest Payable	4,278,316	121,959	4,400,275
Retainage Payable	975,204	-	975,204
Unearned Revenue	4,452,548	68,991	4,521,539
Claims Payable	1,413,153	-	1,413,153
Bond Anticipation Note	75,000,000	-	75,000,000
Bond Anticipation Note Premium	905,250	-	905,250
Long-Term Liabilities Due Within One Year	9,525,824	1,146,000	10,671,824
Total Current Liabilities	115,287,772	6,140,092	121,427,864
Noncurrent Liabilities:			
Net Pension Liability	333,443,621	-	333,443,621
Net OPEB Liability	62,534,656	-	62,534,656
Long-Term Liabilities Due in More than One Year	146,239,298	10,141,000	156,380,298
Total Noncurrent Liabilities	542,217,575	10,141,000	552,358,575
Total Liabilities	657,505,347	16,281,092	673,786,439
DEFERRED INFLOWS OF RESOURCES			
Advanced Tax Collections	949,856	-	949,856
Deferred Sewer Lease Arrangement	-	83,967	83,967
Deferred Inflows of Resources - Leases	510,425	-	510,425
Deferred Inflows of Resources Related to Pensions	34,979,081	-	34,979,081
Deferred Inflows of Resources Related to OPEB	5,481,285	-	5,481,285
Total Deferred Inflows of Resources	41,920,647	83,967	42,004,614
Total Liabilities and Deferred Inflows of Resources	699,425,994	16,365,059	715,791,053
NET POSITION			
Net Investment in Capital Assets	75,995,418	53,674,979	129,670,397
Restricted for:			
Net Pension Asset	35,914,841	-	35,914,841
Education	3,043,357	-	3,043,357
Grants	2,384,669	-	2,384,669
Housing and Redevelopment	792,850	-	792,850
Community Services	1,830,911	-	1,830,911
Other Purposes	1,329,123	-	1,329,123
Debt Service	-	1,720,215	1,720,215
Unrestricted	(380,154,452)	39,751,679	(340,402,773)
Total Net Position	(258,863,283)	95,146,873	(163,716,410)
Total Liabilities, Deferred Inflows of Resources, and Net Position	$ 440,562,711	$ 111,511,932	$ 552,074,643

See accompanying Notes to Basic Financial Statements.

EXHIBIT II

CITY OF CRANSTON, RHODE ISLAND
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2025

		Program Revenues			Net (Expense) Revenue and Changes in Net Position		
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
GOVERNMENTAL ACTIVITIES							
General Government	$ 18,702,775	$ 6,470,178	$ 20,940,056	$ 187,800	$ 8,895,259	$ -	$ 8,895,259
Public Safety	101,979,407	7,456,615	2,104,285	152,349	(92,266,158)	-	(92,266,158)
Public Works	22,028,966	1,486,625	418,815	160,417	(19,963,109)	-	(19,963,109)
Education	219,843,436	3,843,355	107,478,627	-	(108,521,454)	-	(108,521,454)
Parks and Recreation	3,558,725	502,455	-	-	(3,056,270)	-	(3,056,270)
Public Libraries	4,363,622	65,712	775,345	-	(3,522,565)	-	(3,522,565)
Senior Services	2,667,695	753,938	-	-	(1,913,757)	-	(1,913,757)
Community Development	892,590	-	442,416	-	(450,174)	-	(450,174)
Interest Expense	6,735,023	-	-	-	(6,735,023)	-	(6,735,023)
Total Governmental Activities	380,772,239	20,578,878	132,159,544	500,566	(227,533,251)	-	(227,533,251)
BUSINESS-TYPE ACTIVITIES							
Sewer Fund	17,127,894	23,460,020	-	-	-	6,332,126	6,332,126
School Lunch	4,914,846	929,615	3,602,953	-	-	(382,278)	(382,278)
Ice Rink	824,087	695,389	-	-	-	(128,698)	(128,698)
Total Business-Type Activities	22,866,827	25,085,024	3,602,953	-	-	5,821,150	5,821,150
Total	$ 403,639,066	$ 45,663,902	$ 135,762,497	$ 500,566	(227,533,251)	5,821,150	(221,712,101)
		GENERAL REVENUES					
		Property Taxes			186,430,820	-	186,430,820
		Motor Vehicle Phase-Out Taxes			22,323,373	-	22,323,373
		Other Income			5,066,212	-	5,066,212
		Investment Income			3,973,835	1,920,936	5,894,771
		Total General Revenues			217,794,240	1,920,936	219,715,176
		CHANGE IN NET POSITION			(9,739,011)	7,742,086	(1,996,925)
		Net Position - Beginning of Year			(249,124,272)	87,404,787	(161,719,485)
		NET POSITION - END OF YEAR			$ (258,863,283)	$ 95,146,873	$ (163,716,410)

See accompanying Notes to Basic Financial Statements.

CITY OF CRANSTON, RHODE ISLAND
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2025

	General Fund	School Unrestricted	School Bond Fund	Other Governmental Funds	Total Governmental Funds
ASSETS					
Cash	$ 12,374,256	$ 1,054,732	$ 5,820,776	$ 20,952,213	$ 40,201,977
Receivables:					-
Property Taxes, Net	2,829,474	-	-	-	2,829,474
Intergovernmental	1,182,989	-	-	2,009,461	3,192,450
Loans	-	-	-	2,025,790	2,025,790
Lease Receivable	547,850	-	-	-	547,850
Other	1,569,837	1,837,293	-	186,415	3,593,545
Security Deposits	-	-	-	9,417	9,417
Prepaids	457,347	254,677	-	1,278	713,302
Advance Deposits - Hospitalization	207,000	-	-	-	207,000
Due from Other Funds	13,002,646	10,921,660	-	470,696	24,395,002
Total Assets	$ 32,171,399	$ 14,068,362	$ 5,820,776	$ 25,655,270	$ 77,715,807
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
LIABILITIES					
Accounts Payable	$ 2,584,014	$ 1,727,370	$ 4,136,846	$ 1,093,335	$ 9,541,565
Accrued Payroll	3,564,786	-	-	149,606	3,714,392
Accrued Liabilities	4,833	145,187	-		150,020
Retainage Payable	-	-	946,330	28,874	975,204
Due to Other Funds	6,456,269	10,608,897	-	2,729,836	19,795,002
Bond Anticipation Note Payable	-	-	69,977,440	5,022,560	75,000,000
Bond Anticipation Note Premium	-	-	844,628	60,622	905,250
Unearned Revenue	1,003,955	-	-	3,448,593	4,452,548
Total Liabilities	13,613,857	12,481,454	75,905,244	12,533,426	114,533,981
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue - Property Taxes	2,556,108	-	-	-	2,556,108
Advanced Tax Collections	949,856	-	-	-	949,856
Lease Receivable	510,425	-	-	-	510,425
Total Deferred Inflows of Resources	4,016,389	-	-	-	4,016,389
FUND BALANCES					
Nonspendable	664,347	254,677	-	1,278	920,302
Restricted	210,507	1,187,703	-	16,266,151	17,664,361
Committed	4,873	144,528	-	132,486	281,887
Unassigned	13,661,426	-	(70,084,468)	(3,278,071)	(59,701,113)
Total Fund Balances	14,541,153	1,586,908	(70,084,468)	13,121,844	(40,834,563)
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 32,171,399	$ 14,068,362	$ 5,820,776	$ 25,655,270	$ 77,715,807

See accompanying Notes to Basic Financial Statements.

CITY OF CRANSTON, RHODE ISLAND
BALANCE SHEET (CONTINUED)
GOVERNMENTAL FUNDS
JUNE 30, 2025

RECONCILIATION TO THE STATEMENT OF NET POSITION

Total Fund Balances - Governmental Funds (Exhibit III)	$ (40,834,563)
Amounts reported for governmental activities in the statement of net position (Exhibit I) are different from the governmental fund balance sheet. The details of this difference are as follows:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:	
Total Capital Assets	519,574,692
Accumulated Depreciation and Amortization	(233,526,432)
Net Capital Assets	286,048,260
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds:	
Property Tax, Interest, and Lien Accrual, Net	1,305,758
Unearned Tax Revenues (Net of an Allowance for Uncollectible) are Recorded in the Funds, But are Not Deferred under the Measurement Focus Employed in the Statement of Net Position	2,556,108
Net Pension Asset	35,914,841
Deferred Outflows of Resources Related to Pensions	53,720,179
Deferred Outflows of Resources Related OPEB	11,920,147
Internal Service Fund is used by management to charge the cost of self-insurance to individual departments:	
The Assets and Liabilities of the Internal Service Fund are Included in Governmental Activities in the Statement of Net Position	(11,425,661)
Some liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds:	
Bonds and Notes Payable	(123,521,000)
Financed Purchase	(305,319)
Lease Liability	(4,750,202)
SBITA Liability	(431,733)
Unamortized Premium on Bonds Payable	(12,447,585)
Compensated Absences	(15,862,711)
Deferred Salary	(32,843)
Net Pension Liability	(333,443,621)
Net OPEB Liability	(62,534,656)
Deferred Inflows of Resources Related to Pensions	(34,979,081)
Deferred Inflows of Resources Related OPEB	(5,481,285)
Accrued Interest Payable	(4,278,316)
Net Position of Governmental Activities	$ (258,863,283)

See accompanying Notes to Basic Financial Statements.

CITY OF CRANSTON, RHODE ISLAND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2025

	General Fund	School Unrestricted	School Bond Fund	Other Governmental Funds	Total Governmental Funds
REVENUES					
General Property Taxes	$ 186,598,488	$ -	$ -	$ -	$ 186,598,488
Intergovernmental	45,751,165	78,756,662	-	18,924,263	143,432,090
Charges for Services	13,903,206	2,559,155	-	4,116,517	20,578,878
Investment Income	2,942,209	-	25,440	845,253	3,812,902
State On-Behalf Contributions	-	12,097,047	-	-	12,097,047
Other	1,735,498	2,992,015	-	379,489	5,107,002
Total Revenues	250,930,566	96,404,879	25,440	24,265,522	371,626,407
EXPENDITURES					
Current:					
General Government	12,815,653	-	-	518,893	13,334,546
Public Safety	98,409,533	-	-	3,971,231	102,380,764
Public Works	19,397,056	-	-	-	19,397,056
Education	-	196,511,653	-	16,368,122	212,879,775
Parks and Recreation	3,185,069	-	-	-	3,185,069
Public Libraries	4,157,284	-	-	85,544	4,242,828
Senior Services	2,459,976	-	-	43,792	2,503,768
Community Development	-	-	-	924,195	924,195
Other	152,606	-	-	-	152,606
Debt Service:					
Principal	7,829,751	750,712	-	-	8,580,463
Interest and Other Costs	3,505,442	67,901	4,288,718	253	7,862,314
Capital Outlay:					
Capital Expenditures	28,246	2,526,201	47,675,858	10,976,969	61,207,274
Total Expenditures	151,940,616	199,856,467	51,964,576	32,888,999	436,650,658
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	98,989,950	(103,451,588)	(51,939,136)	(8,623,477)	(65,024,251)
OTHER FINANCING SOURCES (USES)					
Issuance of Debt	-	-	50,065,000	-	50,065,000
Bond Premium	-	-	6,110,330	-	6,110,330
Lease Issuance	28,246	-	-	-	28,246
Transfers In	-	99,539,731	1,000,000	5,283,562	105,823,293
Transfers Out	(105,562,929)	-	-	(260,364)	(105,823,293)
Net Other Financing Sources (Uses)	(105,534,683)	99,539,731	57,175,330	5,023,198	56,203,576
NET CHANGE IN FUND BALANCES	(6,544,733)	(3,911,857)	5,236,194	(3,600,279)	(8,820,675)
Fund Balances - Beginning of Year	21,085,886	5,498,765	(75,320,662)	16,722,123	(32,013,888)
FUND BALANCES - END OF YEAR	$ 14,541,153	$ 1,586,908	$ (70,084,468)	$ 13,121,844	$ (40,834,563)

See accompanying Notes to Basic Financial Statements.

CITY OF CRANSTON, RHODE ISLAND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2025

RECONCILIATION TO THE STATEMENT OF ACTIVITIES

Net Change in Fund Balances - Total Governmental Funds (Exhibit IV)	$ (8,820,675)
Amounts reported for governmental activities in the statement of activities (Exhibit II) are due to:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation and amortization in the current period:	
Capital Outlay	58,174,589
Depreciation and Amortization Expense	(14,091,706)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds and revenues recognized in the fund financial statements are not recognized in the statement of activities:	
Change in Unearned Tax Revenues that are Recorded in the Funds, But Are Not Deferred under the Measurement Employed	(35,979)
Change in Property Tax Interest and Lien Revenue	(131,689)
Changes in Net Pension Asset	(2,951,469)
Changes in Deferred Outflows Related to Pensions	19,004,855
Changes in Deferred Outflows Related to OPEB	1,616,094
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The details of these differences in the treatment of long-term debt and related items are as follows:	
Accrued Interest Payable	194,015
Bond Premium Incurred	(6,110,330)
Bond Premium Amortized	933,179
Debt Issuance	(50,065,000)
Principal Payments on Bonds and Notes	7,027,000
Lease Liability Issuance	(28,246)
Lease Liability Payments	1,100,193
SBITA Payment	200,237
Financed Purchase Payments	253,033

See accompanying Notes to Basic Financial Statements.

CITY OF CRANSTON, RHODE ISLAND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2025

RECONCILIATION TO THE STATEMENT OF ACTIVITIES (CONTINUED)

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds:	
Compensated Absences	$ (1,724,642)
Deferred Salary	9,127
Changes in Net Pension Liability	3,153,033
Changes in Net OPEB Liability	(3,862,561)
Changes in Deferred Inflows Related to Pensions	(8,331,338)
Changes in Deferred Inflows Related to OPEB	548,187
The net revenue of the activities of the Internal Service Fund is reported with governmental activities.	(5,798,918)
Change in Net Position of Governmental Activities (Exhibit II)	$ (9,739,011)

See accompanying Notes to Basic Financial Statements.

CITY OF CRANSTON, RHODE ISLAND
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2025

	Business-Type Activities			Governmental
	Enterprise Funds			Activities
	Major Fund	Nonmajor		Internal
	Sewer	Funds	Total	Service Fund
ASSETS				
Current Assets:				
Cash and Cash Equivalents	$ 33,906,752	$ 950,017	$ 34,856,769	$ 1,790,744
Inventory	-	60,260	60,260	-
Receivables:				
Sewer Assessments and User Fees, Net	982,139	-	982,139	-
Other	-	1,446	1,446	854,290
Due from Other Funds	6,096,582	-	6,096,582	199,541
Due from Fiduciary Activity	-	-	-	641,444
Intergovernmental	2,654,825	674,542	3,329,367	-
Total Current Assets	43,640,298	1,686,265	45,326,563	3,486,019
Noncurrent Assets:				
Advance Deposits - Medical	-	-	-	853,000
Restricted Cash - Debt Service Reserve	1,435,282	-	1,435,282	-
Held in Escrow	284,933	-	284,933	-
Total Noncurrent Assets	1,720,215	-	1,720,215	853,000
Capital Assets:				
Capital Assets, Nondepreciable	4,231,268	12,413	4,243,681	-
Capital Assets, Depreciable, Net of Accumulated Depreciation	58,989,951	1,728,347	60,718,298	-
Total Capital Assets	63,221,219	1,740,760	64,961,979	-
Total Assets	$ 108,581,732	$ 3,427,025	$ 112,008,757	$ 4,339,019

See accompanying Notes to Basic Financial Statements.

CITY OF CRANSTON, RHODE ISLAND
STATEMENT OF NET POSITION (CONTINUED)
PROPRIETARY FUNDS
JUNE 30, 2025

	Business-Type Activities			Governmental Activities
	Enterprise Funds			
	Major Fund Sewer	Nonmajor Funds	Total	Internal Service Fund
LIABILITIES				
Current Liabilities:				
Accounts Payable	$ 4,243,406	$ 533,672	$ 4,777,078	$ 3,952,224
Accrued Payroll	12,980	-	12,980	-
Compensated Absences	-	13,084	13,084	-
Accrued Interest	121,959	-	121,959	-
Due to Other Funds	-	496,825	496,825	10,399,303
Claims Payable	-	-	-	1,413,153
Unearned Revenue	-	68,991	68,991	-
Long-Term Liabilities Due Within One Year	1,146,000	-	1,146,000	-
Total Current Liabilities	5,524,345	1,112,572	6,636,917	15,764,680
Noncurrent Liabilities:				
Long-Term Liabilities Due in More than One Year	10,141,000	-	10,141,000	-
Total Noncurrent Liabilities	10,141,000	-	10,141,000	-
Total Liabilities	15,665,345	1,112,572	16,777,917	15,764,680
DEFERRED INFLOWS OF RESOURCES				
Deferred Sewer Lease Arrangement	83,967	-	83,967	-
Total Deferred Inflows of Resources	83,967	-	83,967	-
NET POSITION				
Net Investment in Capital Assets	51,934,219	1,740,760	53,674,979	-
Restricted:				
Debt Service	1,720,215	-	1,720,215	-
Unrestricted	39,177,986	573,693	39,751,679	(11,425,661)
Total Net Position	92,832,420	2,314,453	95,146,873	(11,425,661)
Total Liabilities, Deferred Inflows of Resources, and Net Position	$ 108,581,732	$ 3,427,025	$ 112,008,757	$ 4,339,019

See accompanying Notes to Basic Financial Statements.

CITY OF CRANSTON, RHODE ISLAND
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2025

	Business-Type Activities			Governmental Activities
	Enterprise Funds			
	Major Fund	Nonmajor		Internal
	Sewer	Funds	Total	Service Fund
OPERATING REVENUES				
Charges for Usage and Service	$ 22,401,728	$ 1,588,866	$ 23,990,594	$ 42,164,489
Grant Income	-	3,602,953	3,602,953	-
Miscellaneous	1,058,292	36,138	1,094,430	5,930
Total Operating Revenues	23,460,020	5,227,957	28,687,977	42,170,419
OPERATING EXPENSES				
Operations	1,364,638	4,805,015	6,169,653	652,063
Personnel	289,404	549,536	838,940	-
Claims	-	-	-	15,006,183
Contract Payments	12,301,318	-	12,301,318	-
Health Care Management	-	-	-	32,391,612
Depreciation	2,714,862	384,382	3,099,244	-
Total Operating Expenses	16,670,222	5,738,933	22,409,155	48,049,858
OPERATING INCOME (LOSS)	6,789,798	(510,976)	6,278,822	(5,879,439)
NONOPERATING REVENUES (EXPENSES)				
Interest Expense	(457,672)	-	(457,672)	-
Investment Income	1,897,385	23,551	1,920,936	80,521
Total Nonoperating Revenues (Expenses)	1,439,713	23,551	1,463,264	80,521
CHANGE IN NET POSITION	8,229,511	(487,425)	7,742,086	(5,798,918)
Net Position - Beginning of Year	84,602,909	2,801,878	87,404,787	(5,626,743)
NET POSITION - END OF YEAR	$ 92,832,420	$ 2,314,453	$ 95,146,873	$ (11,425,661)

See accompanying Notes to Basic Financial Statements.

CITY OF CRANSTON, RHODE ISLAND
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2025

	Business-Type Activities			Governmental Activities
	Enterprise Funds			
	Major Fund Sewer	Nonmajor Funds	Total	Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash Received from Customers	$ 21,658,783	$ 5,054,523	$ 26,713,306	$ 41,320,793
Cash Paid to Suppliers	(12,301,318)	(412,768)	(12,714,086)	-
Cash Paid to Employees	(287,899)	(547,258)	(835,157)	-
Cash Paid for Claims	-	-	-	(46,838,062)
Cash Paid for Other Operating Expenses	658,297	(4,242,223)	(3,583,926)	(652,063)
Net Cash Provided (Used) by Operating Activities	9,727,863	(147,726)	9,580,137	(6,169,332)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Nonoperating Grant	23,700	-	23,700	-
Change in Due from Fiduciary Activity	-	-	-	(641,444)
Change in Interfund Loans	(8,880,946)	450,232	(8,430,714)	5,238,956
Net Cash Provided (Used) by Noncapital Financing Activities	(8,857,246)	450,232	(8,407,014)	4,597,512
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition of Capital Assets	(4,083,340)	(75,960)	(4,159,300)	-
Principal Paid on Bonds	(1,217,000)	-	(1,217,000)	-
Interest Paid on Bonds	(383,312)	-	(383,312)	-
Net Cash Used by Capital and Related Financing Activities	(5,683,652)	(75,960)	(5,759,612)	-
CASH FLOWS FROM INVESTING ACTIVITIES				
Income from Investments	1,897,385	23,551	1,920,936	80,521
Net Cash Provided by Investing Activities	1,897,385	23,551	1,920,936	80,521
NET INCREASE (DECREASE) IN CASH (INCLUDING RESTRICTED CASH)	(2,915,650)	250,097	(2,665,553)	(1,491,299)
Cash - Beginning of Year (Including Restricted Cash)	38,257,685	699,920	38,957,605	3,282,043
CASH - END OF YEAR (INCLUDING RESTRICTED CASH)	$ 35,342,035	$ 950,017	$ 36,292,052	$ 1,790,744

See accompanying Notes to Basic Financial Statements.

CITY OF CRANSTON, RHODE ISLAND
STATEMENT OF CASH FLOWS (CONTINUED)
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2025

	Business-Type Activities			Governmental Activities
	Enterprise Funds			
	Major Fund	Nonmajor		Internal
	Sewer	Funds	Total	Service Fund
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating Income (Loss)	$ 6,789,798	$ (510,976)	$ 6,278,822	$ (5,879,439)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Depreciation	2,714,862	384,382	3,099,244	-
Increase in Accounts Receivable	(139,452)	(1,446)	(140,898)	(849,626)
Increase in Claims Deposits	-	-	-	-
Decrease in Inventory	-	(4,201)	(4,201)	-
Increase in Intergovernmental Receivables	(46,898)	(175,682)	(222,580)	-
Decrease in Accounts Payable	2,022,935	154,225	2,177,160	571,336
Increase in Accrued Payroll	1,505	-	1,505	-
Decrease in Compensated Absences	-	2,278	2,278	-
Decrease in Prepaid Assessments	(1,614,887)	-	(1,614,887)	-
Decrease in Claims Payable	-	-	-	(11,603)
Increase in Unearned Revenue	-	3,694	3,694	-
Net Cash Provided (Used) by Operating Activities	$ 9,727,863	$ (147,726)	$ 9,580,137	$ (6,169,332)

See accompanying Notes to Basic Financial Statements.

CITY OF CRANSTON, RHODE ISLAND
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2025

	Pension and Other Employee Benefit Trust Fund	Private Purpose Trust Fund	Custodial Funds
ASSETS			
Cash and Cash Equivalents	$ 9,875,195	$ 121,776	480,249
Investments:			
Mutual Funds	65,497,150	-	-
Exchange Traded Funds	3,836,275	-	-
U.S. Government Securities	16,748,721	-	-
Total Assets	95,957,341	121,776	480,249
LIABILITIES			
Accounts Payable	58,155	-	-
Due to Primary Government	2,146,036	-	-
Total Liabilities	2,204,191	-	-
NET POSITION			
Restricted for:			
Pensions	84,197,287	-	-
Postemployment Benefits Other than Pensions	9,555,863	-	-
Contributions Held in Trust	-	121,776	-
Unclaimed Estates	-	-	108,900
Performance Bonds	-	-	371,349
Total Net Position	$ 93,753,150	$ 121,776	$ 480,249

See accompanying Notes to Basic Financial Statements.

CITY OF CRANSTON, RHODE ISLAND
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
YEAR ENDED JUNE 30, 2025

	Pension and Other Employee Benefit Trust Fund	Private Purpose Trust Fund	Custodial Fund
ADDITIONS			
Contributions:			
Employer Contributions	$ 28,930,440	$ -	$ -
Plan Member Contributions	463,604	-	-
Contributions	-	10,043	-
Total Contributions	29,394,044	10,043	-
Investment Income:			
Interest and Dividends	2,330,543	34	14,256
Change in the Fair Value of Investments	6,978,325	-	-
Other	18,214	-	-
Total Investment Income	9,327,082	34	14,256
Total Additions	38,721,126	10,077	14,256
DEDUCTIONS			
Benefits	31,676,263	47,440	-
Administrative Expenses	112,512	-	-
Total Deductions	31,788,775	47,440	-
CHANGE IN NET POSITION	6,932,351	(37,363)	14,256
Net Position - Beginning of Year	86,820,799	159,139	465,993
NET POSITION - END OF YEAR	$ 93,753,150	$ 121,776	$ 480,249

See accompanying Notes to Basic Financial Statements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

History and Organization

The City of Cranston, Rhode Island, (the City) was incorporated in 1910 and covers an area of nearly 30 square miles. The City operates under a Mayor-Council form of government as prescribed by the City's home rule charter, which was adopted in 1962. The Mayor is elected by the voters of the City to a two-year term limited to four consecutive terms. City Council members are elected to two-year terms, limited to five consecutive terms. The City provides the following services as authorized by its charter: public safety (police and fire), public works (streets and highways), public health and social services, sewers and water, a free public library, and education encompassing grades PreK-12.

A. Reporting Entity

The City of Cranston, Rhode Island, is a municipal corporation governed by an elected mayor and City Council. The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. The City's pension and OPEB trusts are blended component units, although legally separate entities, are, in substance, part of the City's operations.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the City. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, expenditure reimbursement type grants, certain intergovernmental revenues, transfers, and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when received by the City.

The City reports the following major governmental funds:

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

The *School Unrestricted Fund* accounts for the financial transactions of the City's School Department which are not required to be accounted for in another fund. The fund consists of state aid, City appropriation and Medicaid revenues.

The *School Bond Fund* accounts for the construction and improvements to school buildings, and for the acquisition of equipment for the Cranston Public School Department.

The City reports the following major proprietary funds:

The *Sewer Department Fund* accounts for the activities of the City's sewer operations.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Additionally, the City reports the following fund types:

Special Revenue Funds account for and report the proceeds of revenue sources (other than major capital projects) that are restricted or committed to expenditures for specific purposes.

The *Capital Project Funds* account for the acquisition of capital assets or construction of major capital projects other than those financed by proprietary funds.

The *Internal Service Fund*, a proprietary type fund, is used to account for claims made against the City.

The *Pension Trust Funds* account for the activities of the Cranston Employees' Retirement System, which accumulates resources for pension benefit payments to qualified employees.

The *OPEB Trust Fund* accumulates resources for future retiree health benefits and retiree life insurance benefits for eligible teachers and police and fire retirees.

The *Custodial Funds* account for amounts held for unclaimed estates in probate court and amounts held for performance bonds provided by developers using the economic resources measurement focus.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the City's sewer operations and various other functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the sewer department enterprise fund and of the City's internal service funds are charges to customers for sales and services. The sewer department also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

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

<u>Deposits and Investments</u>

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

Investments – In general, State of Rhode Island Statutes allow the City to invest in obligations of the United States of America or United States government sponsored corporations, in shares or other interests in any custodial arrangement, pool, or no-load, open-end management type investment company or investment trust (as defined), in obligations of any state or political subdivision rated within the top two rating categories of any nationally recognized rating service, or in obligations of the State of Rhode Island or political subdivision rated within the top two rating categories of any nationally recognized rating service. Investment income is recorded in the fund in which it is earned.

The City's pension funds are invested in accordance with the Plan's investment policy, the City has agreements with the investment advisors, who manage the investment portfolios and have full authority for the investment and reinvestment of pension fund assets.

Investments for the City are reported at fair value. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Receivables and Payables

Interfunds

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

Property Taxes and Other Receivables

In the government-wide financial statements, all trade, property tax, and sewer use amounts are shown net of an allowance for uncollectibles. Allowance percentages range from 10% to 100% of outstanding receivable balances at June 30, 2025, and are calculated based upon prior collection history.

In the fund financial statements, all property taxes receivable at June 30, which have not been collected within 60 days of June 30, have been recorded as deferred inflows, since they are not considered to be available to finance expenditures of the current year. Taxes collected during the 60-day period have been recorded as revenue.

Property taxes are assessed on property as of December 31. Taxes are billed on or about June 1 (for the subsequent fiscal year) based on the assessed value for all real property and tangible property located in the City. Taxes are due in four installments in July, October, January, and April. Rhode Island general laws restrict the City's ability to increase either its total tax levy or its tax rates by more than 4.0% over those of the preceding year. Overdue taxes are assessed penalties and will be collected through the sale of tax titles if required.

Inventories and Prepaid Items

All inventories are valued at cost using the first-in, first-out (FIFO) method of valuation.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. Prepaids are accounted for using the consumption method.

Restricted Assets

The restricted assets for the City are restricted for debt reserve requirements, building improvements and minor maintenance costs associated with the City of Cranston, Rhode Island.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than $5,000 in the City and $5,000 in the School Department for equipment, $20,000 for improvements and $100,000 for infrastructure, and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Property, plant, and equipment of the City are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings	20 to 50
Leasehold Improvements	20
Infrastructure	5 to 65
Sewer Plant	50
Sewer Lines and Pumping Stations	50 to 100
Vehicles	5
Right-to-Use Lease Equipment	5
Machinery and Equipment	3 to 20

The City reviews long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. As of June 30, 2025, there were no impairment losses recognized for long-lived assets.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Leases (Lessee)

The City determines if an arrangement is a lease at inception. Leases are included in right-to-use lease assets and lease liabilities in the statements of net position.

Lease assets represent the City's control of the right to use an underlying asset for the lease term, as specified in the contract, in an exchange or exchange-like transaction. Lease assets are recognized at the commencement date based on the initial measurement of the lease liability, plus any payments made to the lessor at or before the commencement of the lease term and certain direct costs. Lease assets are amortized in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset.

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

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

The City has recognized payments for short-term leases with a lease term of 12 months or less as expenses as incurred, and these leases are not included as lease liabilities or right-to-use lease assets on the statements of net position.

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

The City accounts for contracts containing both lease and nonlease components as separate contracts when possible. In cases where the contract does not provide separate price information for lease and nonlease components, and it is impractical to estimate the price of such components, the City treats the components as a single lease unit.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Leases (Lessor)

The City determines if an arrangement is a lease at inception. Leases are included in lease receivables and deferred inflows of resources in the statements of net position and fund financial statements.

Lease receivables represent the City's claim to receive lease payments over the lease term, as specified in the contract, in an exchange or exchange-like transaction. Lease receivables are recognized at commencement date based on the present value of expected lease payments over the lease term, reduced by any provision for estimated uncollectible amounts. Interest revenue is recognized ratably over the contract term.

Deferred inflows of resources related to leases are recognized at the commencement date based on the initial measurement of the lease receivable, plus any payments received from the lessee at or before the commencement of the lease term that relate to future periods, less any lease incentives paid to, or on behalf of, the lessee at or before the commencement of the lease term.

Amounts to be received under residual value guarantees that are not fixed in substance are recognized as a receivable and an inflow of resources if (a) a guarantee payment is required and (b) the amount can be reasonably estimated. Amounts received for the exercise price of a purchase option or penalty for lease termination are recognized as a receivable and an inflow of resources when those options are exercised.

The City has recognized payments received for short-term leases with a lease term of 12 months or less as revenue as the payments are received. These leases are not included as lease receivables or deferred inflows on the statements of net position and fund financial statements.

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

The City accounts for contracts containing both lease and non-lease components as separate contracts when possible. In cases where the contract does not provide separate price information for lease and nonlease components, and it is impractical to estimate the price of such components, the City treats the components as a single lease unit.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Subscription-Based Information Technology Arrangements

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

Self-Insurance

The City is self-insured in most areas of risk, subject to certain third-party “stop loss” coinsurance. Self-insured risks include general liability, property and casualty, workers’ compensation, unemployment, and employee health insurance claims. Claims incurred but not paid, including those which have not been reported, are accrued as long-term obligations in the government-wide and internal service fund financial statements. Obligations are paid out of the General Fund and the Internal Service Funds.

Compensated Absences

The City recognizes a liability for compensated absences for leave time that (1) has been earned for services previously rendered by employees, (2) accumulates and is allowed to be carried over to subsequent years, and (3) is more likely than not to be used as time off or settled during or upon separation from employment. Based on the criteria listed, two types of leave qualify for liability recognition for compensated absences – vacation and sick leave. The liability for compensated absences is reported as incurred in the government-wide and proprietary fund financial statements. A liability for compensated absences is recorded in the governmental funds only if the liability has matured because of employee resignations or retirements. The liability for compensated absences includes salary-related benefits, where applicable.

Vacation

The City’s policy permits employees to accumulate earned but unused vacation benefits, which are eligible for payment at the employee’s current pay rate upon separation from employment.

Sick Leave

The City’s policy permits employees to accumulate earned but unused sick leave. All sick leave lapses when employees leave the employ of the City and, upon separation from service, no monetary obligation exists. However, a liability for estimated value of sick leave that will be used by employees as time off is included in the liability for compensated absences.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Net Pension (Asset) Liability

The net pension (asset) liability is measured as the portion of the actuarial present value of projected benefits that is attributed to past periods of employee service (total pension (asset) liability), net of the pension plans' fiduciary net position. The pension plans' fiduciary net position is determined using the same valuation methods that are used by the pension plans for purposes of preparing their statements of fiduciary net position. The net pension liability is measured as of a date (measurement date) no earlier than the end of the employer's prior fiscal year, consistently applied from period to period. Investments are reported at fair value.

Net OPEB Liability

The net OPEB liability is measured as the portion of the present value of projected benefit payments to be provided to current active and inactive employees that is attributed to those employees' past periods of service (total OPEB liability), less the amount of the OPEB plan's fiduciary net position. The OPEB plan's fiduciary net position is determined using the same valuation methods that are used by the OPEB plan for purposes of preparing its statement of fiduciary net position. The net OPEB liability is measured as of a date (measurement date) no earlier than the end of the employer's prior fiscal year, consistently applied from period to period. Investments are reported at fair value.

Long-Term Obligations

In the Government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Deferred Outflows

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position or fund balance that applies to a future period or periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City reports deferred outflows related to pension and OPEB in the government-wide statement of net position. A deferred outflow of resources related to pension and OPEB results from differences between expected and actual experience and investment gains or losses. These amounts are deferred and included in pension and OPEB expense in a systematic and rational manner over a closed five year period. No deferred outflows of resources affect the governmental fund financial statements in the current year.

Deferred Inflows of Resources

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period or periods and so will not be recognized as an inflow of resources (revenue) until that time. The City reports advance property tax collections, a deferred sewer lease arrangement and deferred inflows of resources related to pensions and OPEB in the government-wide statement of net position. A deferred inflow of resources related to pension and OPEB results from differences between expected and actual experience, changes in assumptions or other inputs. These amounts are deferred and included in pension and OPEB expense in a systematic and rational manner over a closed five year period. The deferred lease arrangement represents the unamortized portion of an advanced lease payment that the City collected in connection with the lease of the City's wastewater treatment system. This amount is deferred and recognized ratably over the lease term. Advance property tax collections represent taxes inherently associated with a future period. This amount is recognized during the period in which the revenue is associated. For governmental funds, the City reports unavailable revenue, which arises only under the modified accrual basis of accounting. The governmental funds report unavailable revenues from property taxes. These amounts are deferred and recognized as an inflow of resources (revenue) in the period during which the amounts become available.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Fund Balance and Net Position

Net Position

Net position is classified in the following categories in the government-wide and proprietary fund financial statements:

Net Investment in Capital Assets – consists of all capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable by the acquisition, construction, or improvement of those assets.

Restricted Net Position – consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributions, or laws or regulations of other governments, or (2) imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Position – all other net position that do not meet the definition of "restricted" or "net investment in capital assets."

Fund Balance

In the governmental fund financial statements, the City reported the following governmental fund balances:

Nonspendable Fund Balance – includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted Fund Balance – includes amounts that are restricted to specific purposes. Fund balance is reported as restricted when constraints placed in the use of resources are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance – includes amounts that can be used only for the specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority. Those committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of action it employed to previously commit those amounts. The highest level of decision-making authority for the City of Cranston is the City Council which can commit fund balance through the adoption of resolutions. Similar action must be taken to remove or revise commitments.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Fund Balance and Net Position (Continued)

Fund Balance (Continued)

Assigned Fund Balance – includes amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed. The intent should be expressed by (a) the governing body itself, or (b) a body (a budget or finance committee) or official to which the governing body has delegated the authority to assign amounts to be used for specific purposes.

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

Fund Balance Flow Assumptions

The City of Cranston does not currently have a spending policy regarding the order in which restricted, committed, assigned, and unassigned fund balances are spent when more than one amount is available for the expenditures incurred. Accordingly, by default, the City is following the policy prescribed by GASB Statement No. 54, which specifies that fund balance is reduced first by committed, then by assigned, then by unassigned when expenditures are incurred for purposes for which any unrestricted fund balance could be used first when available and when expenditures are incurred that meet the requirements of the restricted fund balance.

Stabilization Arrangements

Budget Stabilization Fund – this fund shall be created, into which the City shall transfer such funds as are available to provide for capital expenditures and other one-time expenditures. The fund was established by a City ordinance. Any such transfer shall not create an operating deficit in the General Fund. Any expenditure from or transfer to this fund must first be approved by the City Council. As of June 30, 2025, the remaining fund balance included in this fund was $-0- and is reported in the totals of the City's General Fund on the governmental funds balance sheet within the committed fund balance.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Fund Balance and Net Position (Continued)

Stabilization Arrangements (Continued)

Healthcare Budget Stabilization Fund – this fund shall be created, into which the excess of revenues from the various city departments over actual health care claims and related expenses shall be transferred. The fund was established by a City ordinance. Any additions are considered to be approved by the original City ordinance. Any such transfer shall not create an operating deficit in the General Fund. In the event that health care claims and related expenses exceed the budgeted appropriation, then funds may be transferred from the health care budget stabilization fund to cover the deficit. Any expenditure or transfer from this fund must first be approved by the City Council. As of June 30, 2025, the remaining fund balance included in this fund was $4,873 and is reported in the totals of the City's General Fund on the governmental funds balance sheet within the committed fund balance.

Estimates

The preparation of the 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 including disclosures of contingent assets and liabilities and reported revenues, expenses and expenditures during the fiscal year. Actual results could differ from those estimates.

NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgets and Budgetary Accounting

It is the responsibility of the Mayor, with the cooperation of the Director of Finance, to submit a proposed budget for the following fiscal year to the City Council not later than the first day of April of each year. The City Council acts on the budget no later than the 15th day of May. Public hearings are conducted on the recommended budget and the final recommended budget is legally enacted through an ordinance at the Financial City Council Meeting. Budget appropriations lapse at the end of the fiscal year, with the exception of capital project funds.

The level of budgetary control for the General Fund (that is, the level at which expenditures cannot legally exceed appropriations) is fixed by resolution as part of the annual budget adoption process at the Financial City Council Meeting. Although the resolution prohibits spending in excess of the authorized budget, it does allow management the right to create intradepartmental transfers at any time during the fiscal year. Interdepartmental transfers and supplemental appropriations are restricted to the fourth quarter and must be approved by the City Council in the form of an ordinance. Interdepartmental transfers reallocate surplus funds from one department to another.

NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONTINUED)

A. Budgets and Budgetary Accounting (Continued)

Supplemental appropriations increase or decrease both revenue appropriation and expenditure appropriation by an equal amount. During the fiscal year ended June 30, 2025, appropriations increased $3,419,412.

The budget for the Schools Unrestricted Fund is prepared annually and approved by the School Committee. The amount of the annual transfer from the General Fund is ultimately determined through the adoption of the General Fund budget. This appropriation does not lapse at year end. The City also adopts budgets for two of the non-major special revenue funds.

Encumbrances are recognized as a valid and proper charge against a budget appropriation in the year in which the purchase order, contract or other commitment is issued and, accordingly, encumbrances outstanding at year end are reported in the City's budgetary reports as expenditures in the current year. The budgetary reports are located in the Required Supplementary Information (RSI). Generally, aside from the Capital Projects Fund, all unencumbered appropriations lapse at year-end. Appropriations for capital projects are reissued in the amount available at the end of the fiscal year.

Excess of Expenditures Over Appropriations – General Fund

- The executive line was overspent by $23,189
- The law line was overspent by $212,218
- The personnel line was overspent by $26,236
- The city clerk line was overspent by $5,443
- The probate court line was overspent by $67
- The municipal court line was overspent by $53,186
- The economic development line was overspent by $200,477
- The finance line was overspent by $501,876
- The fire line was overspent by $2,175,299
- The rescue fund line was overspent by $441,812
- The police line was overspent by $1,978,627
- The public works line was overspent by $1,346,859
- The parks and recreation line was overspent by $98,715
- The transfers out line was overspent by $6,283,561

Excess of Expenditures Over Appropriations – School Unrestricted Fund

- The salaries line was overspent by $1,242,172
- The purchased services line was overspent by $1,685,105
- The supplies and materials line was overspent by $557,321
- The other line was overspent by $845,818

NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONTINUED)

B. Capital Projects Authorizations

The following is a summary of projects recorded in the Capital Projects Fund at June 30, 2025:

Project Name	Project Authorization	Current Year Expenditures	Cumulative Expenditures	Balance - June 30, 2025
Governmental Funds:				
School Bond Fund	$ 212,802,582	$ 9,575,149	$ 42,123,921	$ 170,678,661
Police and Fire Bond Fund	34,814,250	123,873	17,242,708	17,571,542
Public Building Bond Fund	9,000,000	1,484,127	1,878,501	7,121,499
Recreation Bond Fund	9,367,295	2,441,349	2,245,782	7,121,513
Highway Bond Fund	33,354,560	1,024,474	28,088,006	5,266,554
Storm Drains Bond Fund	6,000,000	250,512	3,968,007	2,031,993
Library Bond Fund	2,076,802	22	869,993	1,206,809
Neighborhood Infrastructure Fund	3,981,919	32,345	3,638,202	343,717
Open Space Bond Fund	7,000,000	24	2,451,487	4,548,513
Enterprise Funds:				
Sewer System Project	8,500,000	-	4,000,000	4,500,000

Deficits in the capital projects fund will be covered through a bond issuance in the next fiscal year.

C. Deficit Fund Balance

During the year ended June 30, 2025, the City had a deficit fund balance in the following funds:

Major Governmental Funds:	
School Bond Fund	$ 70,084,468
Nonmajor Governmental Funds:	
WIOA Job Development Fund	72,953
Highway Bond Fund	3,205,118
Internal Service Funds:	
City Internal Service Fund	1,758,021
School Internal Service Fund	9,667,640

The major fund deficit will be eliminated from future bond proceeds. The nonmajor fund deficit will be eliminated through future intergovernmental grant receipts, new bond issuances, or interfund contributions. The internal service fund deficit will be eliminated through the monitoring of these fund activities and adjusting working rates for healthcare costs.

NOTE 3 DETAILED NOTES

A. Cash and Investments

Deposits Custodial Credit Risk

Custodial credit risk is the risk that, in the event of a bank failure, the City's deposits may not be returned to it. The City's deposit policy for custodial credit risk requires that deposits be placed in financial institutions that are FDIC insured up to $250,000 and rated "well capitalized" on the institution's most recent audited financial statements/SEC filings, if deposits exceed $250,000. As of June 30, 2025, the City's bank balance of $64,768,628 was insured and collateralized as follows:

Insured	$ 9,108,109
Collateralized:	
Collateral Held by Pledging Banks' Trust Department, Not in the City's Name	55,660,519
Total Amount Subject to Custodial Risk	$ 64,768,628

The City's carrying value of cash and cash equivalents at June 30, 2025, was $88,761,992, and is presented within the following in the financial statements:

Governmental Activities	$ 40,201,977
Business-Type Activities	36,292,051
Pension Trust Funds	7,613,245
OPEB Trust Funds	2,261,950
Internal Service Funds	1,790,744
Private Purpose Trust Funds	121,776
Custodial Funds	480,249
Total	$ 88,761,992

Certain investments are covered by the Securities Investor Protection Corporation (SIPC) up to $500,000, including $250,000 of cash from sale or for purchase of investments, but not cash held solely for the purpose of earning interest. SIPC protects securities such as notes, stocks, bonds, debentures, certificates of deposit and money funds

At June 30, 2025, the City's investments, all of which are in the City's Pension Trust Funds, (including restricted investments) consisted of the following:

Type of Investment	Maturity N/A	Maturity Less than 1 Year	Maturity 1 to 10 Years	Fair Value
U.S. Equity Mutual Funds	$ 48,845,951	$ -	$ -	$ 48,845,951
International Equity Mutual Funds	10,337,864	-	-	10,337,864
Other Exchange Traded Products	3,836,275	-	-	3,836,275
U.S. Government Securities	-	6,656,832	10,091,889	16,748,721
Pooled Domestic Equity Index Funds	533,626	-	-	533,626
Pooled Fixed Income Index Funds	592,918	-	-	592,918
Fixed Income Mutual Funds	4,831,040	-	-	4,831,040
Pooled Real Estate Index Funds	88,938	-	-	88,938
Pooled International Equity Index Funds	266,813	-	-	266,813
Total	$ 69,333,425	$ 6,656,832	$ 10,091,889	$ 86,082,146

NOTE 3 DETAILED NOTES (CONTINUED)

A. Cash and Investments (Continued)

Interest Rate Risk

The City does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. These investments do not specify an interest rate rather the rate of return is dependent on operating results and economic conditions. These investments are not rated by Standard & Poor's as of June 30, 2025.

Credit Risk

The City has no investment policy that would limit its investment choices due to credit risk other than State Statutes governing investments in obligations of any State or political subdivision or in obligations of the State of Rhode Island or political subdivision.

Custodial Credit Risk

The Pension and OPEB trusts do not have a formal policy with respect to custodial credit risk. Custodial credit risk is the risk that, in the event of the failure of the counterparty, the pension and OPEB trusts will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. The City does not believe that it has a significant custodial credit risk as all the investments are registered and held in the name of the pension and OPEB trusts.

Fair Value of Financial Instruments

Fair value is defined as the amount at which and asset could be exchanged between knowledgeable and willing parties. GASB 72 establishes a fair value hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available, of how the market would price the asset or liability. The fair value hierarchy is categorized into three levels based on the inputs as follows:

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

Level 2 – Inputs other than quoted prices in active markets for identical assets and liabilities that are observable either directly or indirectly for substantially the full term of the asset or liability. Level 2 inputs are valued using multidimensional relational models and matrices that consider benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers and reference data.

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

NOTE 3 DETAILED NOTES (CONTINUED)

A. Cash and Investments (Continued)

Fair Value of Financial Instruments (Continued)

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There has been no change in valuation methodology used at 2025.

Description	Level 1	Level 2	Fair Value
U.S. Equity Mutual Funds	$ 48,845,951	$ -	$ 48,845,951
International Equity Mutual Funds	10,337,864	-	10,337,864
Other Exchange Traded Products	3,836,275	-	3,836,275
U.S. Government Securities	16,748,721	-	16,748,721
Pooled Domestic Equity Index Funds	533,626	-	533,626
Pooled Fixed Income Index Funds	592,918	-	592,918
Fixed Income Mutual Funds	4,831,040	-	4,831,040
Pooled Real Estate Index Funds	88,938	-	88,938
Pooled International Equity Index Funds	266,813	-	266,813
Investments at Fair Value	$ 86,082,146	$ -	$ 86,082,146

There were no transfers between any levels during the year ended June 30, 2025.

B. Receivables

Receivables as of year-end for the City's government-wide financial statements by type, including the applicable allowances for uncollectibles, are as follows:

	Property Taxes		
	Taxes	Interest and Liens	Total
Current Portion	$ 4,029,474	$ 2,294,290	$ 6,323,764
Less: Allowance for Uncollectibles	(1,200,000)	(988,532)	(2,188,532)
Total Receivable	$ 2,829,474	$ 1,305,758	$ 4,135,232

	Economic Development Loans	CDBG Loans	Total
Loans Receivable	$ 378,119	$ 1,647,671	$ 2,025,790

NOTE 3 DETAILED NOTES (CONTINUED)

B. Receivables (Continued)

	Sewer Use Charges		
	Use Charges	Interest and Liens	Total
Current Portion	$ 990,434	$ 163,100	$ 1,153,534
Less: Allowance for Uncollectibles	(136,000)	(35,395)	(171,395)
Total Receivable	$ 854,434	$ 127,705	$ 982,139

The City, acting as lessor, leases real property under long-term, noncancelable lease agreements. The leases expire at various dates through 2045. During the year ended June 30, 2025, the City recognized $46,097 and $22,619 in lease revenue and interest revenue, respectively, pursuant to these contracts.

Total future minimum lease payments to be received under lease agreements are as follows:

	Governmental Activities	
Fiscal Year Ending June 30,	Principal	Interest
2026	$ 26,390	$ 21,275
2027	27,465	20,200
2028	28,584	19,081
2029	29,749	17,916
2030	30,961	16,704
2031-2035	174,785	63,540
2036-2040	159,120	26,875
2041-2045	70,796	6,174
Total	$ 547,850	$ 191,765

Governmental funds report unearned revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of unearned revenue reported in the governmental funds were as follows:

Unearned Revenue:	
Grant Draw-Downs Prior to Meeting All Eligibility Requirements	$ 3,448,593
Unearned Developer Security Deposits	1,003,955
Total Unearned Revenue	$ 4,452,548

NOTE 3 DETAILED NOTES (CONTINUED)

C. Capital Assets

Capital asset activity for the year ended June 30, 2025 was as follows:

	Balance - July 1, 2024	Increases	Decreases	Transfers	Balance - June 30, 2025
Governmental Activities:					
Capital Assets, Not Being Depreciated:					
Land	$ 15,375,557	$ 3,092,892	$ -	$ -	$ 18,468,449
Construction in Progress	26,248,233	44,555,207	-	(760,995)	70,042,445
Total Capital Assets, Not Being Depreciated/Amortized	41,623,790	47,648,099	-	(760,995)	88,510,894
Capital Assets, Being Depreciated/Amortized:					
Land Improvements	63,575,755	5,627,003	-	760,995	69,963,753
Buildings	204,700,247	2,271,540	-	-	206,971,787
Machinery and Equipment	15,946,099	1,272,955	-	-	17,219,054
Office Furniture and Equipment	9,973,663	41,450	-	-	10,015,113
Vehicles	30,059,237	1,285,296	572,067	-	30,772,466
Infrastructure	87,418,995	-	-	-	87,418,995
Right to Use Assets	8,616,210	28,246	962,549	-	7,681,907
Right to Use Subscription Asset	1,020,723	-	-	-	1,020,723
Total Capital Assets Being Depreciated/Amortized	421,310,929	10,526,490	1,534,616	760,995	431,063,798
Total Capital Assets	462,934,719	58,174,589	1,534,616	-	519,574,692
Less Accumulated Depreciation/ Amortization for:					
Land Improvements	27,838,896	2,923,512	-	-	30,762,408
Buildings	63,622,440	6,152,708	-	-	69,775,148
Machinery and Equipment	13,447,287	1,156,052	-	-	14,603,339
Office Furniture and Equipment	8,006,142	406,738	-	-	8,412,880
Vehicles	26,014,554	1,628,918	572,067	-	27,071,405
Infrastructure	78,440,012	512,459	-	-	78,952,471
Right to Use Assets	3,260,745	1,107,174	962,549	-	3,405,370
Right to Use Subscription Asset	339,266	204,145	-	-	543,411
Total Accumulated Depreciation/Amortization	220,969,342	14,091,706	1,534,616	-	233,526,432
Total Capital Assets, Being Depreciated/Amortized, Net	200,341,587	(3,565,216)	-	760,995	197,537,366
Governmental Activities Capital Assets, Net	$ 241,965,377	$ 44,082,883	$ -	$ -	$ 286,048,260

NOTE 3 DETAILED NOTES (CONTINUED)

C. Capital Assets (Continued)

	Balance - July 1, 2024	Increases	Decreases	Transfers	Balance - June 30, 2025
Business-Type Activities:					
Capital Assets, Not Being Depreciated:					
Land	$ 342,712	$ -	$ -	$ -	$ 342,712
Construction in Progress	750,835	3,150,134	-	-	3,900,969
Total Capital Assets, Not Being Depreciated	1,093,547	3,150,134	-	-	4,243,681
Capital Assets, Being Depreciated/Amortized:					
Land Improvements	1,805,228	504,242	-	-	2,309,470
Building	1,255,464	9,730	-	-	1,265,194
Leasehold Improvements	83,909	39,788	-	-	123,697
Machinery and Equipment	3,035,649	49,461	-	-	3,085,110
Office Furniture and Equipment	1,126	-	-	-	1,126
Vehicles	161,412	16,345	-	-	177,757
Service to Customers	217,509	-	-	-	217,509
Pumping Plant and Equipment	4,305,410	-	-	-	4,305,410
GIS Project	1,103,834	-	-	-	1,103,834
Treatment Plant and Equipment	99,511,204	-	-	-	99,511,204
Infrastructure	53,560,696	389,600	-	-	53,950,296
Total Capital Assets, Being Depreciated/Amortized	165,041,441	1,009,166	-	-	166,050,607
Total Capital Assets	166,134,988	4,159,300	-	-	170,294,288
Less Accumulated Depreciation/ Amortization for:					
Land Improvements	402,251	95,033	-	-	497,284
Building	648,929	20,604	-	-	669,533
Leasehold Improvements	19,402	4,721	-	-	24,123
Machinery and Equipment	1,704,666	355,424	-	-	2,060,090
Office Furniture and Equipment	1,126	-	-	-	1,126
Vehicles	57,414	10,312	-	-	67,726
Service to Customers	103,413	3,340	-	-	106,753
Pumping Plant and Equipment	2,744,526	70,195	-	-	2,814,721
GIS Project	1,103,834	-	-	-	1,103,834
Treatment Plant and Equipment	57,806,381	1,896,362	-	-	59,702,743
Infrastructure	37,641,123	643,254	-	-	38,284,377
Total Accumulated Depreciation/Amortization	102,233,065	3,099,245	-	-	105,332,310
Total Capital Assets, Being Depreciated/Amortized, Net	62,808,376	(2,090,079)	-	-	60,718,297
Business-Type Activities Capital Assets, Net	$ 63,901,923	$ 1,060,055	$ -	$ -	$ 64,961,978

NOTE 3 DETAILED NOTES (CONTINUED)

C. Capital Assets (Continued)

Depreciation expense was charged to functions of the City as follows:

Governmental Activities:		
General Government	$	3,529,142
Public Safety		2,613,675
Public Works		2,202,096
Education		5,385,986
Parks and Recreation		251,708
Public Libraries		78,274
Senior Services		30,825
Total Depreciation/Amortization Expense - Governmental Activities	$	14,091,706

Depreciation expense was charged to business-type activities as follows:

Business-Type Activities:		
Sewer	$	2,714,863
Ice Rink		43,179
School Lunch		341,203
Total Depreciation/Amortization Expense - Business-Type Activities	$	3,099,245

Construction Commitments

The City has active construction projects as of June 30, 2025. At year-end, the City's commitments with contractors are as follows:

Project		Commitment
Governmental-Type Activities:		
School Bond Fund	$	24,046,710
Recreation Bond Fund		2,589,637
Total Construction Commitments - Governmental-Type Activities	$	26,636,347
Business-Type Activities:		
Sewer Fund	$	301,583

NOTE 3 DETAILED NOTES (CONTINUED)

D. Interfund Accounts

Interfund Payables and Receivables

A summary of interfund balances as of June 30, 2025, is as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Nonmajor Governmental	$ 280,177
General Fund	Internal Service	2,064,987
General Fund	School Unrestricted	10,608,897
General Fund	Nonmajor Enterprise Fund	48,587
School Unrestricted	Nonmajor Governmental	2,139,109
School Unrestricted	Internal Service	8,334,316
School Unrestricted	Nonmajor Enterprise Fund	448,238
Nonmajor Governmental	Nonmajor Governmental	310,550
Nonmajor Governmental	General Fund	160,146
Internal Service	General Fund	199,541
Sewer Fund	General Fund	6,096,582
Total		$ 30,691,130

All interfund balances result from timing between the dates payments occur between funds for short-term internal financing.

Interfund Transfer

A summary of interfund transfers as of June 30, 2025, is as follows:

	Transfers In			
	School Unrestricted Fund	School Bond Fund	Nonmajor Governmental Funds	Total
Transfers Out:				
General Fund	$ 99,279,367	$ 1,000,000	$ 5,283,562	$ 105,562,929
Nonmajor Governmental Funds:				
School Education Fund	260,364			260,364
Total	$ 99,539,731	$ 1,000,000	$ 5,283,562	$ 105,823,293

Transfers are used to account for the financing by the General Fund of various programs and activities in other funds, and administration of other funds by the General Fund.

NOTE 3 DETAILED NOTES (CONTINUED)

E. Changes in Long-Term Obligations

Bond Anticipation Notes

The City uses bond anticipation notes during the construction period of carious public projects prior to the issuance of the bonds at the completion of the project.

Short-term obligation activity for the year ended June 30, 2025 was as follows:

Date Issued	Maturity Date	Interest Rate (%)	Balance July 01, 2024	Issued	Retired	Balance June 30, 2025
8/10/2023	8/21/2024	4.25-4.75%	$ 85,000,000	$ -	$ 85,000,000	$ -
7/23/2024	8/20/2025	4.50 %	-	75,000,000	-	75,000,000

NOTE 3 DETAILED NOTES (CONTINUED)

E. Changes in Long-Term Obligations (Continued)

Summary of Changes

The following is a summary of changes in long-term obligations during the fiscal year:

	Description	Date of Issue	Amount Issued	Interest Rate	Maturity Date	Balance Outstanding - July 1, 2024	Additions	Retirements	Balance Outstanding - June 30, 2025	Current Portion
Governmental Activities:										
General Obligation Debt:										
158a	Advance Refunding (158) Public Improvements	June 1, 2016	$ 7,840,000	3.00-5.00%	July 1, 2028	$ 4,375,000	$ -	$ 795,000	$ 3,580,000	$ 830,000
163	Public Improvements -163	July 30, 2013	10,210,000	3.00-4.75%	August 1, 2033	520,000	-	520,000	-	-
164	Advance Refunding (156 and 157) Public Improvements -164	July 15, 2015	30,715,000	1.25-5.00%	July 15, 2035	9,125,000	-	1,990,000	7,135,000	2,075,000
169	Public Improvements -169	July 24, 2018	15,910,000	2.00-5.00%	August 1, 2036	12,150,000	-	810,000	11,340,000	810,000
171	Public Improvements -171	July 29, 2019	13,410,000	4.00-5.00%	August 1, 2039	11,610,000	-	505,000	11,105,000	530,000
172	Refunding -172(issue 160, 162A & 163)	October 27, 2020	8,890,000	0.495-2.429%	August 1, 2033	7,815,000	-	460,000	7,355,000	960,000
173	Public Improvements -173	August 11, 2021	8,055,000	3.00-5.00%	August 15, 2041	7,525,000	-	285,000	7,240,000	295,000
174	Public Improvements - 174	August 10, 2023	5,600,000	4.00-5.00%	August 15, 2043	5,600,000	-	195,000	5,405,000	200,000
175	Public Improvements - 175	August 21, 2024	50,065,000	5.00-5.25%	May 15, 2049	-	50,065,000	-	50,065,000	1,110,000
	Total General Obligation Debt					58,720,000	50,065,000	5,560,000	103,225,000	6,810,000
Direct Borrowings Debt:										
159a	Advance Refunding (159) School Borrowing	August 10, 2016	4,335,000	3.25-5.00%	May 15, 2029	2,255,000	-	405,000	1,850,000	425,000
166	RI Infrastructure Bank -166	April 9, 2016	1,755,000	0.40-2.41%	September 1, 2035	1,185,000	-	87,000	1,098,000	88,000
165	School Improvements - RI Infrastructure Bank - 165	May 15, 2016	4,565,000	2.00-5.00%	May 15, 2036	3,115,000	-	205,000	2,910,000	215,000
167	RI Infrastructure Bank - 167	July 15, 2016	2,240,000	0.986-2.32%	September 1, 2032	1,413,000	-	145,000	1,268,000	148,000
168	School Improvements - RI Infrastructure Bank - 168	July 19, 2017	5,000,000	3.00-5.00%	April 1, 2038	3,945,000	-	205,000	3,740,000	215,000
170	School Borrowing - 170	April 11, 2019	11,335,000	4.00-5.00%	May 15, 2040	9,850,000	-	420,000	9,430,000	440,000
	Total Direct Borrowings Debt					21,763,000	-	1,467,000	20,296,000	1,531,000
	Total General Obligation Bonds					80,483,000	50,065,000	7,027,000	123,521,000	8,341,000
	Bond Premiums					7,270,434	6,110,330	933,179	12,447,585	-
	Total Bonds, Notes, and Related Liabilities					87,753,434	56,175,330	7,960,179	135,968,585	8,341,000
	Lease Liability					5,822,149	28,246	1,100,193	4,750,202	860,916
	Subscription Based Technology Liability					631,970	-	200,237	431,733	210,482
	Financed Purchase					558,352	-	253,033	305,319	110,142
	Compensated Absences					14,138,069	1,724,642	-	15,862,711	1,586,271
	Deferred Salary					41,970	-	9,127	32,843	3,284
	Net Pension Liability:									
	Municipal Employees' Retirement System - City of Cranston					2,619,498	-	1,142,026	1,477,472	-
	Municipal Employees' Retirement System - Police					7,905,978	8,537,643	-	16,443,621	-
	Municipal Employees' Retirement System - Fire					-	3,257,546	-	3,257,546	-
	Employees' Retirement System					112,085,312	-	4,677,398	107,407,914	-
	Police and Fire Employees' Retirement System					213,985,866	-	9,128,798	204,857,068	-
	Net OPEB Liability - School Department					13,011,562	3,181,306	-	16,192,868	-
	Net OPEB Liability - City					45,660,533	681,255	-	46,341,788	-
	Total General Long-Term Obligations					$ 504,214,693	$ 73,585,968	$ 24,470,991	$ 553,329,670	$ 11,112,095

NOTE 3 DETAILED NOTES (CONTINUED)

E. Changes in Long-Term Obligations (Continued)

Summary of Changes (Continued)

Description	Date of Issue	Amount Issued	Interest Rate	Maturity Date	Balance Outstanding - July 1, 2024	Additions	Retirements	Balance Outstanding - June 30, 2025	Current Portion
Business-Type Activities									
Enterprise Funds:									
Sewer:									
RI Infrastructure Bank	November 13, 2003	$ 2,000,000	3.00%	September 1, 2024	$ 100,000	$ -	$ 100,000	$ -	$ -
RI Infrastructure Bank	December 15, 2005	900,000	3.00%	September 1, 2025	120,000	-	60,000	60,000	60,000
RI Infrastructure Bank	December 7, 2007	3,000,000	1.43%	September 1, 2028	750,000	-	150,000	600,000	150,000
RI Infrastructure Bank	June 24, 2010	1,000,000	0.52-3.19%	September 1, 2030	425,000	-	54,000	371,000	56,000
RI Infrastructure Bank	February 20, 2014	18,000,000	0.35-3.14%	September 1, 2034	11,109,000	-	853,000	10,256,000	880,000
Total Sewer					12,504,000	-	1,217,000	11,287,000	1,146,000
Compensated Absences					10,806	2,278	-	13,084	13,084
Total Enterprise Funds					$ 12,514,806	$ 2,278	$ 1,217,000	$ 11,300,084	$ 1,159,084

Payments on the bonds and capital leases payable that pertain to the City's governmental activities are made by the City's General Fund. The compensated absences liability attributable to the governmental activities will be liquidated by the City's General Fund and School Unrestricted Fund. The net pension liability and the net other postemployment benefits liability attributable to the governmental activities will be liquidated by the City's General Fund and School Unrestricted Fund. The unearned salary will be paid by the School Unrestricted Fund.

NOTE 3 DETAILED NOTES (CONTINUED)

E. Changes in Long-Term Obligations (Continued)

Summary of Changes (Continued)

The following is a summary of annual debt service requirements to maturity for the retirement of general obligation debt and clean water debt:

	Governmental Activities				Business-Type Activities	
	General Obligation Debt		Bonds from Direct Borrowings		Clean Water Bonds from Direct Borrowings	
Year Ending June 30,	Principal	Interest	Principal	Interest	Principal	Interest
2026	$ 6,810,000	$ 4,677,603	$ 1,531,000	$ 858,621	$ 1,146,000	$ 351,872
2027	5,310,000	4,425,751	1,590,000	790,698	1,114,000	319,342
2028	5,440,000	4,206,158	1,670,000	719,732	1,146,000	285,310
2029	5,575,000	3,987,956	1,775,000	649,304	1,180,000	249,392
2030	4,725,000	3,780,497	1,302,000	579,247	1,066,000	212,859
2031-2035	24,325,000	15,718,036	7,049,000	2,014,903	5,635,000	492,903
2036-2040	22,455,000	10,390,610	5,379,000	596,409	-	-
2041-2045	15,510,000	5,889,088	-	-	-	-
2046-2050	13,075,000	1,846,350	-	-	-	-
Total	$ 103,225,000	$ 53,075,698	$ 20,296,000	$ 6,208,915	$ 11,287,000	$ 1,911,678

Compensated Absences

Governmental Activities – The obligation represents the employee (vested and nonvested) compensated absences expected to be paid in the future, aggregating $15,862,711 as of June 30, 2025. This amount is recorded in the government-wide statements and paid out of the General Fund.

Lease Payable and Commitment

The City is obligated under various lessee agreements to make annual lease payments. Lease and interest expense recognized in fiscal year 2025 was $1,100,193 and $307,616, respectively.

Annual requirements to amortize the liability and related interest are as follows:

	Governmental Activities	
Year Ending June 30,	Principal	Interest
2026	$ 860,916	$ 244,454
2027	905,902	194,075
2028	949,240	141,295
2029	994,505	85,745
2030	1,039,639	27,517
Total	$ 4,750,202	$ 693,086

NOTE 3 DETAILED NOTES (CONTINUED)

E. Changes in Long-Term Obligations (Continued)

Subscription-Based Information Technology Arrangement

The School has entered into subscription-based information technology arrangements (SBITAs) for general ledger and student transportation management software. The SBITA arrangements expire at various dates through 2027 and provide for renewal options.

As of June 30, 2025, SBITA assets and the related accumulated amortization totaled $1,020,723 and $543,411, respectively.

The future subscription payments under SBITA agreements are as follows:

	Governmental Activities	
Year Ending June 30,	Principal	Interest
2026	$ 210,482	$ 15,286
2027	221,251	4,518
Total	$ 431,733	$ 19,804

Financed Purchases

The City has entered into a financed purchase agreement for financing the acquisition of vehicles. The agreement qualifies as a financed purchase for accounting purposes, and therefore has been recorded at the present value of future minimum payments as of the inception date. The asset acquired through the financed purchases is as follows:

	Governmental Activities
Vehicles	$ 1,265,975
Less: Accumulated Depreciation	(974,307)
Total	$ 291,668

The future minimum payments and net present value of the minimum payments as of June 30, 2025 were as follows:

Year Ending June 30,	Governmental Activities
2026	$ 126,398
2027	126,398
2027	82,106
Subtotal	334,902
Less: amount for Interest	(29,583)
Present Value of Minimum Payments	$ 305,319

NOTE 3 DETAILED NOTES (CONTINUED)

E. Changes in Long-Term Obligations (Continued)

Statutory Debt Limitations

Debt Limit

Except as explained below, under Rhode Island law the City may not, without special statutory authorization, incur any debt which would increase its aggregate indebtedness not otherwise excepted by law to an amount greater than 3% of the taxable property of the City. Deducted from the computation of aggregate indebtedness is the amount of any borrowing in anticipation of taxes authorized by law and the amount of any sinking funds maintained by the City. There is currently no outstanding debt of the City subject to the 3% debt limit. The current 3% debt limit of the City is $370 million based on taxable property as of December 31, 2023, of approximately $12.8 billion.

The State of Rhode Island General Assembly (General Assembly) may by special act permit the City to incur indebtedness outside the 3% debt limit. Bonds issued either within the 3% debt limit or by special legislation adopted by the General Assembly authorizing the City to incur debt are subject to referendum by the electors of the City. On June 30, 2025, the City had $123,521,000 of debt outstanding, none of which is subject to the 3% debt limit.

In addition to debt authorized within the 3% debt limit and debt authorized by special act of the General Assembly, Rhode Island General Laws Section 45-12-11 authorizes the State Director of Administration, upon petition by a municipality, to authorize such municipality to incur indebtedness in excess of the 3% debt limit whenever the Director shall determine that the sums appropriated by the municipality or its funds available are insufficient to pay the necessary expenses of the municipality. The City has not requested the State Director of Administration to authorize indebtedness of the City under Section 45-12-11.

Authorized/Unissued Bonds

The amount of authorized, unissued bonds is as follows:

General	$ 41,812,095
Schools	51,596,370
Total	$ 93,408,465

NOTE 3 DETAILED NOTES (CONTINUED)

E. Changes in Long-Term Obligations (Continued)

Unearned Salary

Unearned salary represents an agreement Cranston Public Schools made with the teachers union in 1992. Under the agreement any teacher who was employed by the school system prior to and inclusive of the 1991-1992 school year is eligible, upon departure from the Cranston Public School system, for a stipend. The amount of the stipend is based on the salary step held by the teacher during the 1991-1992 school year. The unearned salary, not to exceed $1,500 per teacher will be paid in a lump sum upon each teacher's separation from service. In the event a teacher dies while in the employ of the Cranston Public Schools the benefit will be paid to the teacher's estate. As of June 30, 2025, there were 29 teachers eligible for the benefit, with an outstanding balance of $32,843.

F. Fund Balance

As stated in Note 1, Fund Balance may be classified as one of five categories: Nonspendable, Restricted, Committed, Assigned, or Unassigned. Committed fund balance represents that amount of fund balance which can only be used for specific purposes pursuant to constraints imposed by formal action of the City's highest level of decision-making authority. The City's Council is considered to be the highest level of decision-making authority. In accordance with the City Charter, the Council votes on the annual budget and on any resolutions proposed by the Committees. The passage of the Council's annual budget and proposed resolutions may result in the commitment of fund balance.

At June 30, 2025, Nonspendable Fund Balance consisted of the following:

Nonspendable:	
General Fund:	
Prepaids	$ 457,347
Advance Deposits - Hospitalization	207,000
School Unrestricted Fund:	
School Department Long-Term-Receivable from Health Insurance Fund	254,677
Nonmajor Funds:	
Prepaid Assets	1,278
Total Nonspendable Fund Balance	$ 920,302

NOTE 3 DETAILED NOTES (CONTINUED)

F. Fund Balance (Continued)

At June 30, 2025, Restricted Fund Balance consisted of the following:

Restricted:	
General Fund:	
To Fund Future Library Expenses	$ 171,663
To Fund Future Fire Expenses	38,844
Total General Fund	210,507
School Unrestricted Fund:	
To Fund Education Expenses	10,855,345
To Fund Future Health Insurance Costs	(9,667,640)
Total School Unrestricted Fund	1,187,705
Nonmajor Funds:	
To Fund Recreation Bond Expenditures	5,844,870
To Fund Student Activities	880,563
To Fund Student Athletics	182,492
To Fund Charter School	792,599
To Fund Highway Bond	-
To Fund Public Building Bond	1,515,584
To Fund Library Expenses	36,809
To Fund Police and Fire Capital Projects	801,635
To Fund Storm Drain Projects	10
To Fund Neighborhood Infrastructure Capital Projects	44,940
To Fund Open Space	39,603
To Fund Future Community Development Expenditures	1,830,908
To Fund Future Public Service Expenditures	2,528,080
To Fund CDBG	792,850
To Fund Future Parks and Recreation Expenditures	1,966
To Fund Future Capital Facilities Impact Expenditures	571,450
To Fund Future Cemetery Trust Expenditures	236
To Fund Future Historical Record Expenditures	401,554
Total Nonmajor Funds	16,266,149
Total Restricted Fund Balance	$ 17,664,361

NOTE 3 DETAILED NOTES (CONTINUED)

F. Fund Balance (Continued)

At June 30, 2025, Committed Fund Balance consisted of the following:

Committed:	
General Fund:	
Self-Insurance Healthcare Reserve Fund	$ 4,873
Senior Center	132,486
School Unrestricted Fund:	
Encumbrances for Education Supplies	144,528
Total Committed Fund Balance	$ 281,887

At June 30, 2025, Unassigned Fund Balance consisted of the following:

Unassigned:	
General Fund:	
General Fund	$ 13,451,887
Snow and Ice Fund	304,058
Public Facilities Fund	17,672
Juvenile Hearing Board	7,021
Non-Public Safety Grants	(119,211)
School Bond Fund	(70,084,468)
Nonmajor Funds:	
WIOA Job Development	(72,953)
Highway Bond Fund	(3,205,118)
Total Unassigned Fund Balance	$ (59,701,112)

The City of Cranston does not currently have a spending policy regarding the order in which restricted, committed, assigned, and unassigned fund balances are spent when more than one amount is available for the expenditures incurred. Accordingly, by default, the City is following the policy prescribed by GASB Statement No. 54 which specifies that fund balance is reduced first by committed, then by assigned, then by unassigned when expenditures are incurred for purposes for which any unrestricted fund balance could be used. In all situations, the City considers restricted fund balance to be used first when available and when expenditures are incurred that meet the requirements of the restricted fund balance.

NOTE 4 OTHER INFORMATION

A. Risk Management

The City is exposed to various risks of loss related to public official liability, police liability, Board of Education legal liability, theft or impairment of assets, errors and omissions, injury to employees and natural disasters. The City is self-insured in most areas of risk, subject to certain third party "stop loss" coinsurance. Self-insured risks include employee health and life insurance claims. Settled claims have not exceeded commercial coverage in any of the past three years, and there have not been any significant reductions in insurance coverage from amounts held in prior years.

The City's health insurance program provides coverage to the City's employees and retirees through Healthmate and Blue Cross – Blue Shield of Rhode Island (BC/BS), United Healthcare and Delta Dental of Rhode Island. The City's program is a self-insured program with BC/BS, United Healthcare and Delta Dental acting as third-party agents for the City in the payment of the various claim plans used by the City.

The City of Cranston contributes to a separate account an amount per covered employee which would otherwise have been paid to an insurance carrier. These amounts are determined by an independent third-party consultant hired by the City of Cranston who works with the provider to examine past experience and determine an adequate amount for each type of plan offered by the City. Factors considered by the plan administrator include the amount of claims paid during the previous year, claims administration costs and projected insurance industry inflation rates. The City of Cranston, including Cranston Public Schools, incurred approximately $48.5 million for fiscal year 2025 under this plan.

The claims liabilities reported in the general and school department funds are related to the self-insurance program and are based upon the provisions of GASB Statements No. 10 and 30, which require that a liability for estimated claims incurred but not reported (IBNR) be recorded. The amount of claim accrual is based on the ultimate costs of settling the claim, which include past experience data, inflation, and other future economic and societal factors and incremental claim adjustment expenses, net of estimated subrogation recoveries. The claim accrual does not include other allocated or unallocated claims adjustment expenses.

In order to avoid catastrophic losses, the City "reinsures" the program by purchasing insurance known as "stop-loss insurance" from BC/BS Insurance Co. and United Healthcare Services. Two types of "stop-loss insurance" are purchased: (1) individual stop-loss; and (2) aggregate stop-loss, with both provided through the Plan Administrator. Under the individual stop-loss insurance, the City pays the first $200,000/$225,000 of claims for individual employees or dependents. Any charges accrued by an individual in excess of $200,000/$225,000 in a fiscal year are thereafter reimbursed by BC/BS Insurance Co. and United Healthcare Services. The aggregate stop-loss is designed to protect the City for multiple large claims which may not reach the individual stop-loss attachment point ($200,000/$225,000). The aggregate stop-loss limit is $2,000,000/$2,200,000 per claim.

NOTE 4 OTHER INFORMATION (CONTINUED)

A. Risk Management (Continued)

The City is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees, and natural disasters. The City established the Cranston Claims Committee (an internal service fund) to account for and finance its uninsured risks of loss.

The City records liabilities for self-insured claims reported if it is probable that a loss has been incurred and the amount can be reasonably estimated. The City has established a liability based on historical trends of previous years, where available, and attorney's estimates of pending matters and lawsuits in which the City is involved.

Changes in the self-insurance liability for the fiscal years ended June 30 are as follows:

	2025	2024
July 1	$ 1,424,756	$ 1,323,541
Add: Incurred Claims	38,281,310	36,167,050
Less: Payments of Claims Attributable to Events of Both the Current and Prior Fiscal Years:		
Health and Life	38,292,913	36,065,835
Year Ended June 30	$ 1,413,153	$ 1,424,756

The liabilities above have not been discounted to their present value. Incurred claims represent the total of a provision for events of the current fiscal year and any change in the provision for events of the prior fiscal years. The liability at June 30, 2025, has been recorded on the statement of net position under the claims payable line, within the government-wide statements $1,413,153.

The School Department has chosen to participate in the Health Benefits Project provided by the West Bay Community Health, an independent, non-profit organization. Deposits made to the Collaborative are treated as expenditures when it is probable that a claim has been incurred and include estimated amounts for claims that have been incurred but not reported (IBNR). Claim liabilities are calculated considering the effects of inflation, recent claim and health care trends, and other economic and social factors.

NOTE 4 OTHER INFORMATION (CONTINUED)

B. Lease of Wastewater Treatment Facility

The City has entered into a Wastewater Treatment Facility Lease and Service Agreement with Triton, LLC/U.S. Filter/Veolia Water (the Company). The terms of the agreement include among others that the City will lease to the Company its Wastewater Treatment System for 25 years. The City will remain owner of the system and will continue to establish and collect all sewer fees. The Company will be responsible for providing wastewater treatment services to the City for that time period; operating and maintaining the City's wastewater treatment facility, pumping stations, force mains, sewer interceptors and the rest of the collection system; designing, constructing and testing certain system improvements; and administering the City's municipal industrial pre-treatment program (MIPP).

The contract required the Company to pay the City a one-time payment as consideration for the lease. The payment of $48.0 million represents a prepayment of the lease payments due to the City over the next 25 years. These lease payments are "earned" over the life of the lease. Accordingly, unearned revenue has been recorded in the Sewer Enterprise Fund which will be realized on a straight-line basis over the life of the lease (25 years).

At June 30, 2025, the balance of unearned revenue related to this was approximately $84,000.

During the term of the agreement, the City pays the Company a service fee, which is calculated based on definitive components and amounts, as adjusted in accordance with guidelines established in the agreement. The service fee is generally fixed at the beginning of each fiscal year. During 2025, the City paid service fees totaling approximately $12 million. The City also recognized 4% of the lease payment ($1,900,000) as revenue for the year ended June 30, 2025.

C. Commitments and Litigation

Construction and other significant commitments have been reported as reserve for commitments in the fund equity section of the balance sheet.

Amounts received or receivable from Federal and State 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 City expects such amounts, if any, to be immaterial.

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

NOTE 4 OTHER INFORMATION (CONTINUED)

D. Employee Retirement System

Summary

The City contributes to five defined benefit pension plans – the Police and Fire Employees' Pension Plan of the City of Cranston (PFERS), a single-employer plan; the Municipal Employees' Retirement System (MERS), an agent multiple-employer plan; the Employees' Retirement System of the State of Rhode Island (ERS), a cost-sharing multiple employer plan; the Teacher's Survivor Benefits of the State of Rhode Island (TSB), a cost-sharing multi-employer plan; the National (Industrial) Pension Plan, a cost-sharing multi-employer defined benefit plan; and the New England Teamsters & Trucking Industry Pension Plan, a cost-sharing multiple-employer plan. The PFERS is presented in the accompanying financial statements as a fiduciary fund. MERS, ERS, TSB, the National Industrial Pension Plan and the New England Teamsters & Trucking Industry Pension Plan are not included in the City's financial statements. Financial information can be obtained for those plans by contacting the State of Rhode Island. As of and for the year ended June 30, 2025, the five plans had the following balances reported in the government-wide financial statements:

	Measurement Date	Net Pension Liability (Asset)	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expense
Police and Fire Employees' Retirement System	June 30, 2025	$ 204,857,068	$ -	$ (1,326,969)	$ 15,507,075
Municipal Employees' Retirement System - City of Cranston	June 30, 2024	1,477,472	4,783,922	(4,705,551)	1,178,402
Municipal Employees' Retirement System - Police	June 30, 2024	16,443,621	14,915,240	(3,664,077)	4,286,908
Municipal Employees' Retirement System - Fire	June 30, 2024	3,257,546	13,847,332	(4,372,154)	2,611,791
Employees' Retirement System	June 30, 2024	107,407,914	17,855,659	(15,134,462)	14,993,083
Teacher Survivor Benefits	June 30, 2024	(35,914,841)	2,318,026	(5,775,868)	(4,057,075)
Total		$ 297,528,780	$ 53,720,179	$ (34,979,081)	$ 34,520,184

Police and Fire Employees' Pension Plan of the City of Cranston (PFERS)

Plan Administration

The City of Cranston (City) administers the City of Cranston Fire Department and Police Department Pension Plans (Plan), a defined benefit pension plan that provides pensions for all full-time firefighters and policemen of the City. Employees hired after July 1, 1995, become members of the State plan and do not participate in this plan.

Summary of Significant Accounting Policies and Plan Asset Matters

Basis of Accounting

PFERS' financial statements are prepared on the accrual basis of accounting. Contributions are recognized when due, pursuant to formal commitments and contract requirements and investment income is recognized when earned and expenses (benefits, administration and refunds) are recognized when due and payable in accordance with the terms of the plan. As of June 30, 2025, there are no separate financial statements available for the PFERS plan.

NOTE 4 OTHER INFORMATION (CONTINUED)

D. Employee Retirement System (Continued)

Police and Fire Employees' Pension Plan of the City of Cranston (PFERS) (Continued)

Summary of Significant Accounting Policies and Plan Asset Matters (Continued)

Valuation of Investments

Investments are valued at fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Real estate assets are reported at fair value utilizing an income approach to valuation.

Classes of Employees Covered

As of June 30, 2025, the plans' membership consists of:

Retirees, Disability Retirees, and Beneficiaries Receiving Benefits	382
Active Plan Members Vested	5
Total	387

Benefit Provisions

PFERS is a single-employer defined benefit pension plan that covers all Police and Fire Department personnel hired before July 1, 1995. The Plan provides retirement, disability and survivorship benefits to plan members and their beneficiaries. A member may retire after 20 years of service. The pension is equal to 2 ½% of the member's final compensation for each year of service up to 20 years and increases 2% for each year (up to 10 years) in excess of 20 years. An additional 5% of final compensation is added to the pension at 55 years of age. A deferred pension is available to employees completing 10 years of service.

Retirement Eligibility and Plan Benefits – Effective July 1, 2012, the benefit accrual for all plans is 2.0% per year based on the five-year average compensation, exclusive of overtime. Retirement age is 55 years old with 25 years of total service or for members with five years of service but less than 25 years of service the new retirement age will mirror the Social Security Normal Retirement Age not to exceed 67. Police officers or firefighters who were at least 45 years old, had 10 or more years of contributing service and were eligible to retire prior to age 52 under the law in effect on June 30, 2012, may retire at age 52. Police and fire employees may retire with a reduced pension benefit if they have 20 years of service and are within five years of their retirement eligibility. The actuarially reduced benefit is calculated based on how close the member is to the eligibility date that is prescribed in the Rhode Island Retirement Security Act. Joint and survivor retirement benefit options are available.

NOTE 4 OTHER INFORMATION (CONTINUED)

D. Employee Retirement System (Continued)

Police and Fire Employees' Pension Plan of the City of Cranston (PFERS) (Continued)

Summary of Significant Accounting Policies and Plan Asset Matters (Continued)

Contributions

Police personnel are required to contribute 10% of their base salary to the pension plan and fire personnel are required to contribute 10.5% of their base salary and longevity to the pension plan.

The City establishes contributions based on an actuarially determined contribution recommended by an independent actuary. The actuarially determined contribution is the estimated amount necessary to finance the costs of benefits earned by plan members during the year, with an additional amount to finance any unfunded accrued liability. For the year ended June 30, 2025, the City contributed $23,439,119 to the Plan, including $-0- from the State.

Net Pension Liability

The components of the net pension liability of the plan as of June 30, 2025, (the date of the most recent actuarial valuation) was as follows:

Total Pension Liability	$ 289,065,591
Plan Fiduciary Net Position	84,208,523
Net Pension Liability (NPL)	$ 204,857,068
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	29.13 %
Covered Payroll (Active Plan Members)	$ 715,062
NPL as a Percentage of Covered Payroll	28,648.85 %

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

NOTE 4 OTHER INFORMATION (CONTINUED)

D. Employee Retirement System (Continued)

Police and Fire Employees' Pension Plan of the City of Cranston (PFERS) (Continued)

Summary of Significant Accounting Policies and Plan Asset Matters (Continued)

Actuarial Assumptions

The historical trend information was determined as part of the actuarial valuation as of the date indicated in the tabulation. Additional information as of the latest valuation is as follows:

The June 30, 2025, total pension liability was determined by rolling back the July 1, 2025, valuation results, using the following actuarial assumptions, applied to all periods included in the measurement:

Census data was collected as of July 1, 2025. Liabilities measured as of the census date were projected to June 30, 2025, assuming no demographic gains or losses.

Mortality rates for health lives were based on the RP-2000 Combined Mortality Table with Blue Collar Adjustment and improvements projected to 2026 with Scale AA. The same tables were used for disabled lives but set forward three years.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return and by adding expected inflation. Best estimates of rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2025, are summarized in the following table (note that the rates shown below include the inflation component):

Asset Class	Long-Term Expected Rate of Return	Target Allocation
Domestic Equity (Large Cap)	11.13 %	35.00 %
Domestic Equity (Mid Cap)	13.16	5.00
Domestic Equity (Small Cap)	13.22	5.00
International Equity	9.86	15.00
Fixed Income	4.16	35.00
Real Estate	8.35	5.00
Total		100.00 %

NOTE 4 OTHER INFORMATION (CONTINUED)

D. Employee Retirement System (Continued)

Police and Fire Employees' Pension Plan of the City of Cranston (PFERS) (Continued)

Summary of Significant Accounting Policies and Plan Asset Matters (Continued)

Rate of Return

For the year ended June 30, 2025, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 12.0% The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Discount Rate

The assumed discount rate used to measure liabilities for valuation purposes is 7.90%. The projection of cash flows used to determine the discount rate for GASB 67 purposes assumed that future City contributions will follow the contribution pattern of the most recent five years (see table below). Based on these assumptions, the pension plan's fiduciary net position is projected to fall short of meeting all future benefit obligations to current plan members. From the point where assets are projected to be depleted, a municipal bond rate based on the S&P Municipal Bond 20 Year High Grade Rate Index, was used in the development of the blended GASB discount rate. The resulting blended rate of 7.90% was used to measure the Plan's total pension liability.

Changes in Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balances - July 1, 2024	$ 291,814,833	$ 77,828,967	$ 213,985,866
Changes for the Year:			
Service Cost	168,896	-	168,896
Interest on the Total Pension Liability	22,091,298	-	22,091,298
Differences Between Expected and Actual Experience	163,083	-	163,083
Changes in Assumptions	-	-	-
Employer Contributions	-	23,439,119	(23,439,119)
Employee Contributions	-	64,269	(64,269)
Net Investment Income	-	8,127,888	(8,127,888)
Benefit Payments, Including Employee Refunds	(25,172,519)	(25,172,519)	-
Administrative Expense	-	(79,201)	79,201
Other Changes	-	-	-
Net Changes	(2,749,242)	6,379,556	(9,128,798)
Balances - June 30, 2025	$ 289,065,591	$ 84,208,523	$ 204,857,068

NOTE 4 OTHER INFORMATION (CONTINUED)

D. Employee Retirement System (Continued)

Police and Fire Employees' Pension Plan of the City of Cranston (PFERS) (Continued)

Summary of Significant Accounting Policies and Plan Asset Matters (Continued)

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

The following represents the net pension liability, calculated using the discount rate of 7.90%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.90%) or 1 percentage-point higher (8.90%) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
Net Pension Liability	$ 230,545,949	$ 204,857,068	$ 182,704,268

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

For the year ended June 30, 2025, the employer recognized pension expense of $15,507,075. The employer reported deferred outflows and inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net Differences Between Expected and Actual Earnings	$ -	$ (1,326,969)

Year Ending June 30,	Net Deferred Outflows (Inflows) of Resources
2026	$ 1,504,193
2027	(1,394,951)
2028	(1,026,781)
2029	(409,430)
Total	$ (1,326,969)

NOTE 4 OTHER INFORMATION (CONTINUED)

D. Employee Retirement System (Continued)

Municipal Employees' Retirement System of the State of Rhode Island (MERS) – General, Police, and Fire

Plan Description

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

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

Benefits Provided

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

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

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

NOTE 4 OTHER INFORMATION (CONTINUED)

D. Employee Retirement System (Continued)

Municipal Employees' Retirement System of the State of Rhode Island (MERS) – General, Police, and Fire (Continued)

Benefits Provided (Continued)

Final Compensation – Prior to July 1, 2012 and for general employee members eligible to retire as of June 30, 2012, the average was based on the member's highest three consecutive annual salaries. Effective July 1, 2012, the average was based on the member's highest five consecutive annual salaries. 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.

NOTE 4 OTHER INFORMATION (CONTINUED)

D. Employee Retirement System (Continued)

Municipal Employees' Retirement System of the State of Rhode Island (MERS) – General, Police, and Fire (Continued)

Benefits Provided (Continued)

General Employees (Continued)

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

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

Police and Fire Employees

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

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

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

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

NOTE 4 OTHER INFORMATION (CONTINUED)

D. Employee Retirement System (Continued)

Municipal Employees' Retirement System of the State of Rhode Island (MERS) – General, Police, and Fire (Continued)

Benefits Provided (Continued)

Police and Fire Employees (Continued)

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

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

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

Active members (including future hires), members who retire after July 1, 2015, and after attaining age 57 with 30 years of service will have a benefit equal to the greater of their current benefit described 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.

NOTE 4 OTHER INFORMATION (CONTINUED)

D. Employee Retirement System (Continued)

Municipal Employees' Retirement System of the State of Rhode Island (MERS) – General, Police, and Fire (Continued)

Benefits Provided (Continued)

Other Benefit Provisions (Continued)

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

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

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

b. The COLA will be limited to the first $25,000 of the member's annual pension benefit. For retirees and beneficiaries who retired on or before July 1, 2015, years in which a COLA is payable based on every fourth year provision described in (a) above will be limited to the first $30,000. These limits will be indexed annually to increase in the same manner as COLAs, with the known values of $27,901 for 2022, $28,878 for 2023, and $29,776 for 2024.

NOTE 4 OTHER INFORMATION (CONTINUED)

D. Employee Retirement System (Continued)

Municipal Employees' Retirement System of the State of Rhode Island (MERS) – General, Police, and Fire (Continued)

Benefits Provided (Continued)

Special Provisions Applying to Specific Units

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

Cranston Fire Department hired after July 1, 1995, or with Less than 5 Years of Service at that Date – Rhode Island General Law § 45-21.2-5 (7) and § 45-21.2-14 9 (e).

Under these special provisions, the final compensation for benefit computation is based on the members' highest year of earnings. In addition, the members shall receive a three percent (3%) escalation of their pension payment compounded each year on January 1st following the year of retirement and continuing on an annual basis on that date. The member contribution rate is 10.00%. Compensation for benefit purposes includes base, longevity, and holiday pay.

Cranston Police Department hired after July 1, 1995, or with Less than 5 Years of Service at that Date – Rhode Island General Law §§ 45-21.2-5 (8) and § 45-21.2-14 (f).

Under these special provisions, the final compensation for benefit computation is based on the members' highest year of earnings. In addition, the members shall receive a three percent (3%) escalation of their pension payment compounded each year on January 1st following the year of retirement and continuing on an annual basis on that date. The member contribution rate is 10.00%. Compensation for benefit purposes includes base, longevity, and holiday pay.

Employees Covered by Benefit Terms

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

	Municipal	Police	Fire
Inactive, Nonretired Members	384	16	2
Retirees and Beneficiaries	662	39	66
Active Members	582	138	185
Total	1,628	193	253

NOTE 4 OTHER INFORMATION (CONTINUED)

D. Employee Retirement System (Continued)

Municipal Employees' Retirement System of the State of Rhode Island (MERS) – General, Police, and Fire (Continued)

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 8.25%. Public safety employees are required to contribute 10% of their salaries. The City of Cranston 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 City of Cranston contributed $2,385,871 to general MERS, $2,513,002 to police, and $1,722,503 to fire in the year ended June 30, 2025, which was 9.35%, 17.23%, and 9.25% of annual covered payroll, respectively.

Net Pension Liability (Asset)

The total pension liability was determined by actuarial valuations performed as of June 30, 2023, and rolled forward to June 30, 2024, using the following actuarial assumptions, applied to all periods included in the measurement.

Actuarial Cost Method	Entry Age Normal - The Individual Entry Age Actuarial Cost methodology is used.
Amortization Method	Level Percent of Payroll - Closed
Actuarial Assumptions	
Investment Rate of Return	7.00%
Projected Salary Increases	General Employees - 3.00% to 7.25%; Police & Fire Employees - 3.50% to 13.50%
Inflation	2.5%
Mortality	Mortality – Variants of the PUB (10) Tables for Healthy and Disabled Retirees, projected with Scale Ultimate MP2021 with immediate convergence.
Cost of Living Adjustments	All future COLAs were assumed to be 2.1% per annum for all MERS units with the COLA provision.

The actuarial assumptions used in the calculation of the total pension liability at June 30, 2024 measurement date were based on 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.

NOTE 4 OTHER INFORMATION (CONTINUED)

D. Employee Retirement System (Continued)

Municipal Employees' Retirement System of the State of Rhode Island (MERS) – General, Police, and Fire (Continued)

Net Pension Liability (Asset) (Continued)

The long-term expected rate of return best-estimate on pension plan investments was determined by the actuary using a building-block method. The actuary started by calculating best-estimate future expected real rates of return (expected returns net of pension plan investment expense and inflation) for each major asset class, based on a collective summary of capital market expectations from 40 sources. The June 30, 2024, expected arithmetic returns over the long-term (20 years) by asset class are summarized in the following table:

Type of Investment	Target Allocation	Long-Term Expected Real Rate of Return
Growth:		
Global Equity:		
U.S. Equity	25.90 %	5.98 %
International Developed Equity	10.00	6.47
Emerging Markets Equity	4.10	8.10
Subtotal	40.00	
Private Growth:		
Private Energy	12.50	9.37
Non-Core RE	2.50	4.92
Subtotal	15.00	
Income:		
Equity Options	2.00	5.69
Liquid Credit	5.00	4.36
Private Credit	3.00	4.36
CLO's	2.00	4.36
Subtotal	12.00	
Stability:		
Crisis Protection Class:		
Treasury Duration	5.00	1.00
Systematic Trend	5.00	4.02
Subtotal	10.00	
Inflation Protection:		
Core Real Estate	4.00	4.92
Private Infrastructure	4.00	6.02
Subtotal	8.00	

NOTE 4 OTHER INFORMATION (CONTINUED)

D. Employee Retirement System (Continued)

Municipal Employees' Retirement System of the State of Rhode Island (MERS) – General, Police, and Fire (Continued)

Net Pension Liability (Asset) (Continued)

Type of Investment	Target Allocation	Long-Term Expected Real Rate of Return
Volatility Protection:		
IG Fixed Income	3.25 %	2.60 %
Securitized Credit	3.25	2.60
Absolute Return	6.50	4.02
Cash	2.00	1.00
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 medium-term expected rate of return best-estimate on an arithmetic basis.

Discount Rate

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

NOTE 4 OTHER INFORMATION (CONTINUED)

D. Employee Retirement System (Continued)

Municipal Employees' Retirement System of the State of Rhode Island (MERS) – General, Police, and Fire (Continued)

Changes in the Net Pension Liability (Asset)

Municipal Employee's Retirement System - General Employees

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Balances - July 1, 2024	$ 167,047,183	$ 164,427,685	$ 2,619,498
Changes for the Year:			
Service Cost	2,095,203	-	2,095,203
Interest on the Total Pension Liability	11,374,126	-	11,374,126
Benefit Changes	1,493,971	-	1,493,971
Differences Between Expected and Actual Experience	3,072,961	-	3,072,961
Changes in Assumptions	-	-	-
Employer Contributions	-	2,553,836	(2,553,836)
Employee Contributions	-	675,821	(675,821)
Net Investment Income	-	16,313,456	(16,313,456)
Benefit Payments, Including Employee Refunds	(11,214,551)	(11,214,551)	-
Administrative Expense	-	(168,134)	168,134
Other Changes	-	(196,692)	196,692
Net Changes	6,821,710	7,963,736	(1,142,026)
Balances - June 30, 2025	$ 173,868,893	$ 172,391,421	$ 1,477,472

Municipal Employee's Retirement System - Police

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Balances - July 1, 2024	$ 82,788,286	$ 74,882,308	$ 7,905,978
Changes for the Year:			
Service Cost	2,324,312	-	2,324,312
Interest on the Total Pension Liability	5,802,259	-	5,802,259
Benefit Changes	2,017,154	-	2,017,154
Differences Between Expected and Actual Experience	9,386,174	-	9,386,174
Changes in Assumptions	-	-	-
Employer Contributions	-	1,895,887	(1,895,887)
Employee Contributions	-	1,237,715	(1,237,715)
Net Investment Income	-	7,926,232	(7,926,232)
Benefit Payments, Including Employee Refunds	(2,122,055)	(2,122,055)	-
Administrative Expense	-	(81,691)	81,691
Other Changes	-	14,113	(14,113)
Net Changes	17,407,844	8,870,201	8,537,643
Balances - June 30, 2025	$ 100,196,130	$ 83,752,509	$ 16,443,621

NOTE 4 OTHER INFORMATION (CONTINUED)

D. Employee Retirement System (Continued)

Municipal Employees' Retirement System of the State of Rhode Island (MERS) – General, Police, and Fire (Continued)

Changes in the Net Pension Liability (Asset) (Continued)

Municipal Employee's Retirement System - Fire

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Balances - July 1, 2024	$ 106,697,218	$ 112,441,991	$ (5,744,773)
Changes for the Year:			
Service Cost	2,989,321	-	2,989,321
Interest on the Total Pension Liability	7,442,442	-	7,442,442
Benefit Changes	2,318,984	-	2,318,984
Differences Between Expected and Actual Experience	10,852,029	-	10,852,029
Changes in Assumptions	-	-	-
Employer Contributions	-	1,232,081	(1,232,081)
Employee Contributions	-	1,557,003	(1,557,003)
Net Investment Income	-	11,668,647	(11,668,647)
Benefit Payments, Including Employee Refunds	(3,742,555)	(3,742,555)	-
Administrative Expense	-	(120,263)	120,263
Other Changes	-	262,989	(262,989)
Net Changes	19,860,221	10,857,902	9,002,319
Balances - June 30, 2025	$ 126,557,439	$ 123,299,893	$ 3,257,546

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

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

	1% Decrease (6.0%)	Current Discount Rate (7.0%)	1% Increase (8.0%)
General Employees	$ 18,127,581	$ 1,477,472	$ (13,751,456)
Police	25,595,863	16,443,621	8,030,636
Fire	14,921,998	3,257,546	(7,463,951)

Pension Plan Fiduciary Net Position

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

NOTE 4 OTHER INFORMATION (CONTINUED)

D. Employee Retirement System (Continued)

Municipal Employees' Retirement System of the State of Rhode Island (MERS) – General, Police, and Fire (Continued)

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

For the year ended June 30, 2025, the employer recognized pension expense of $8,077,101. The employer reported deferred outflows and inflows of resources related to pensions from the following sources:

	Municipal	Police	Fire	Total
Deferred Outflow of Resources:				
Difference in Experience	$ 2,398,051	$ 11,435,513	$ 11,607,667	$ 25,441,231
Difference in Assumptions	-	966,725	517,162	1,483,887
Contributions Subsequent to the Measurement Date	2,385,871	2,513,002	1,722,503	6,621,376
Total Deferred Outflow of Resources	$ 4,783,922	$ 14,915,240	$ 13,847,332	$ 33,546,494

	Municipal	Police	Fire	Total
Deferred Inflow of Resources:				
Difference in Experience	$ (128,056)	$ (1,123,148)	$ (865,188)	$ (2,116,392)
Difference in Assumptions	(183,149)	(185,065)	(140,350)	(508,564)
Net Deficit Investment Returns	(4,394,346)	(2,355,864)	(3,366,616)	(10,116,826)
Total Deferred Inflow of Resources	$ (4,705,551)	$ (3,664,077)	$ (4,372,154)	$ (12,741,782)

$6,621,376 reported as deferred outflows of resources related to pensions resulting from the City’s contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent period.

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

Year Ending June 30,	Municipal	Police	Fire	Total
2026	$ (2,924,014)	$ 341,703	$ (892,909)	$ (3,475,220)
2027	2,652,869	2,503,111	2,508,775	7,664,755
2028	(1,017,205)	1,123,778	346,811	453,384
2029	(1,019,150)	905,879	767,315	654,044
2030	-	1,558,363	1,565,244	3,123,607
Thereafter	-	2,305,327	3,457,439	5,762,766
Total	$ (2,307,500)	$ 8,738,161	$ 7,752,675	$ 14,183,336

NOTE 4 OTHER INFORMATION (CONTINUED)

D. Employee Retirement System (Continued)

Municipal Employees' Retirement System of the State of Rhode Island (MERS) – General, Police, and Fire (Continued)

General Employee (Noncertified) Defined Contribution Plan

Certain employees participating in the defined benefit plan, as described above, may also participate in a defined contribution plan authorized by General Law Chapter 36-10.3. The defined contribution plan is established under IRS section 401(a) and is administered by TIAA-CREF. Employees may choose among various investment options available to plan participants. 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 City of Cranston recognized pension expense of $1,114,299 for the fiscal year ended June 30, 2025.

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

Employees' Retirement System of the State of Rhode Island (ERS)

Plan Description

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

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

NOTE 4 OTHER INFORMATION (CONTINUED)

D. Employee Retirement System (Continued)

Employees' Retirement System of the State of Rhode Island (ERS) (Continued)

Benefit Provisions

The level of benefits provided to participants is established by Chapter 36-10 of the General Laws, which is subject to amendment by the General Assembly. Member benefit provisions vary based on service credits accumulated at dates specified in various amendments to the General Laws outlining minimum retirement age, benefit accrual rates and maximum benefit provisions. In general, members accumulate service credits for each year of service subject to maximum benefit accruals of 80% or 75%. For those hired after June 30, 2012, the benefit accrual rate is 1% per year with a maximum benefit accrual of 40%. For members retiring after July 1, 2024, retiree benefit amounts are based on the average three consecutive years of compensation. Members eligible to retire at September 30, 2009 may retire with 10 years of service at age 60 or after 28 years of service at any age. The retirement eligibility age increases proportionately for other members reflecting years of service and other factors until it aligns with the Social Security Normal Retirement Age, which applies to any member with less than five years of service as of July 1, 2012. Members are vested after five years of service.

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

Cost of living adjustments are provided 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.

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

NOTE 4 OTHER INFORMATION (CONTINUED)

D. Employee Retirement System (Continued)

Employees' Retirement System of the State of Rhode Island (ERS) (Continued)

Benefit Provisions (Continued)

Contributions

The funding policy, as set forth in the General Laws, Section 16-16-22, provides for actuarially determined periodic contributions to the plan. For fiscal 2025, Cranston School District teachers were required to contribute 3.75% of their annual covered salary, except for teachers with 20 or more years of service as of June 30, 2012, must contribute 11% of their annual covered salary. The state and the Cranston School District are required to contribute at an actuarially determined rate, 40% of which is to be paid by the state and the remaining 60% is to be paid by Cranston School Department; the rates were 11.42 and 15.54% of annual covered payroll for the fiscal year ended June 30, 2025, for the State and Cranston School Department, respectively. The School Department contributed $15,437,928, $14,712,771, and $14,542,700 for the fiscal years ended June 30, 2025, 2024, and 2023, respectively, equal to 100% of the required contributions for each year. The State's share of contribution for fiscal 2025 was $11,308,165 and is reported as on-behalf payments and included in both revenue and expenditures on the financial statements.

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

The Cranston School District reported a liability of $107,407,914 for its proportionate share of the net pension liability that reflected a reduction for contributions made by the state. The amount recognized by the Cranston School District as its proportionate share of the net pension liability, the related state support and the total portion of the net pension liability that was associated with the Cranston School District were as follows:

Cranston School District Proportionate Share of Net Pension Liability	$ 107,407,914
State's Proportionate Share of the Net Pension Liability Associated with the Cranston District	79,737,989
Total Net Pension Liability	$ 187,145,903

The net pension liability was measured as of June 30, 2024, the measurement date, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2023, rolled forward to June 30, 2024. The Cranston School District proportion of the net pension liability was based on a projection of the Cranston School District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers and the State, actuarially determined. At June 30, 2024, the Cranston School District's proportion was 4.50%.

NOTE 4 OTHER INFORMATION (CONTINUED)

D. Employee Retirement System (Continued)

Employees' Retirement System of the State of Rhode Island (ERS) (Continued)

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

For the year ended June 30, 2025, the Cranston School District recognized gross pension expense of $14,993,083 and revenue of $10,746,664 for support provided by the state. At June 30, 2025, the Cranston School District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Deferred Outflows of Resources:	
Contributions Subsequent to the Measurement Date	$ 15,437,928
Difference Between Expected and Actual Experience	733,395
Changes In Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	1,684,336
Total	$ 17,855,659
Deferred Inflows of Resources:	
Difference Between Expected and Actual Experience	$ (2,560,582)
Changes of Assumptions	(3,301,767)
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	(6,587,807)
Changes In Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	(2,684,306)
Total	$ (15,134,462)

NOTE 4 OTHER INFORMATION (CONTINUED)

D. Employee Retirement System (Continued)

Employees' Retirement System of the State of Rhode Island (ERS) (Continued)

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

$15,437,928 reported as deferred outflows of resources related to pensions resulting from the Cranston School District contributions in fiscal year 2025 subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent period. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30,	Amount
2026	$ (6,517,666)
2027	511,171
2028	(3,279,016)
2029	(2,494,226)
2030	(786,834)
Thereafter	(150,160)
Total	$ (12,716,731)

Actuarial Assumptions

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

Inflation	2.5%
Salary Increases	2.75% to 8.25%
Investment Rate of Return	7.0%

Mortality:

Variants of the PUB (10) Tables for Healthy and Disabled Retirees, projected with Scale Ultimate MP2021 with immediate convergence.

The actuarial assumptions used in calculation of the total pension liability at June 30, 2024 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.

NOTE 4 OTHER INFORMATION (CONTINUED)

D. Employee Retirement System (Continued)

Employees' Retirement System of the State of Rhode Island (ERS) (Continued)

Actuarial Assumptions (Continued)

The long-term expected rate of return best-estimate on pension plan investments was determined by the actuary using a building-block method. The actuary started by calculating best-estimate future expected real rates of return (expected returns net of pension plan investment expense and inflation) for each major asset class, based on a collective summary of capital market expectations from 40 sources. The June 30, 2024, expected arithmetic returns over the long-term (20 years) by asset class are summarized in the following table:

Type of Investment	Target Allocation	Long-Term Expected Real Rate of Return
Growth:		
Global Equity:		
U.S. Equity	25.90 %	5.98 %
International Developed Equity	10.00	6.47
Emerging Markets Equity	4.10	8.10
Subtotal	40.00	
Private Growth:		
Private Energy	12.50	9.37
Non-Core Real Estate	2.50	4.92
Subtotal	15.00	
Income:		
Equity Options	2.00	5.69
Liquid Credit	5.00	4.36
Private Credit	3.00	4.36
CLO's	2.00	4.36
Subtotal	12.00	
Stability:		
Crisis Protection Class:		
Treasury Duration	5.00	1.00
Systematic Trend	5.00	1.02
Subtotal	10.00	
Inflation Protection:		
Core Real Estate	4.00	4.92
Private Infrastructure	4.00	6.02
Subtotal	8.00	

NOTE 4 OTHER INFORMATION (CONTINUED)

D. Employee Retirement System (Continued)

Employees' Retirement System of the State of Rhode Island (ERS) (Continued)

Actuarial Assumptions (Continued)

Type of Investment	Target Allocation	Long-Term Expected Real Rate of Return
Volatility Protection:		
IG Corp Credit	3.25 %	2.60 %
Securitized Credit	3.25	2.60
Absolute Return	6.50	4.02
Cash	2.00	1.00
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 medium-term expected rate of return best-estimate on an arithmetic basis.

Discount Rate

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

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

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

	1% Decrease (6.0%)	Current Discount Rate (7.0%)	1% Increase (8.0%)
Net Pension Liability	$ 139,459,337	$ 107,407,914	$ 78,285,862

NOTE 4 OTHER INFORMATION (CONTINUED)

D. Employee Retirement System (Continued)

Employees' Retirement System of the State of Rhode Island (ERS) (Continued)

Pension Plan Fiduciary Net Position

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

Defined Contribution Plan Description

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

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

The Cranston School District recognized pension expense of $1,114,299 for the fiscal year ended June 30, 2025.

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

Teacher's Survivors Benefits of the State of Rhode Island (TSB)

Plan Description

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

NOTE 4 OTHER INFORMATION (CONTINUED)

D. Employee Retirement System (Continued)

Teacher's Survivors Benefits of the State of Rhode Island (TSB) (Continued)

Plan Description (Continued)

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

Eligibility and Plan Benefits

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

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

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

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

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

NOTE 4 OTHER INFORMATION (CONTINUED)

D. Employee Retirement System (Continued)

Teacher's Survivors Benefits of the State of Rhode Island (TSB) (Continued)

Eligibility and Plan Benefits (Continued)

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

Parent and One Child	Parent and Two or More Children	One Child Alone	Two Children Alone	Three or More Children Alone	Dependent Parent
150.00 %	175.00 %	75.00 %	150.00 %	175.00 %	100.00 %

Contributions

The contribution requirements of active employees and the participating school districts were established under Chapter 16-16 of the Rhode Island General Laws, which may be amended by the General Assembly. The cost of the benefits provided by the plan are two percent (2%) of the member's annual salary up to but not exceeding an annual salary of $11,500; one-half (1/2) of the cost is contributed by the member by deductions from his or her salary, and the other half (1/2) is contributed and paid by the respective school district by which the member is employed. These contributions are in addition to the contributions required for regular pension benefits.

The Cranston School District contributed $123,698, $123,256, and $126,324 for the fiscal years ended June 30, 2025, 2024, and 2023, respectively, equal to 100% of the required contributions for each year.

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

At June 30, 2025, the Cranston School District reported an asset of $35,914,841 for its proportionate share of the net pension asset related to its participation in TSB. The net pension asset was measured as of June 30, 2024, the measurement date, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of June 30, 2023, rolled forward to June 30, 2024. The Cranston School District proportion of the net pension asset was based on its share of contributions to the TSB for fiscal year 2024 relative to the total contributions of all participating employers for that fiscal year. At June 30, 2024, the Cranston School District proportion was 16.24%.

NOTE 4 OTHER INFORMATION (CONTINUED)

D. Employee Retirement System (Continued)

Teacher's Survivors Benefits of the State of Rhode Island (TSB) (Continued)

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

For the year ended June 30, 2025, the Cranston School District recognized pension expense of $(4,057,075). At June 30, 2025, the Cranston School District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Deferred Outflows of Resources:	
Contributions Subsequent to the Measurement Date	$ 123,698
Difference Between Expected and Actual Experience	1,537,092
Changes in Assumptions	85,567
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	571,669
Total	$ 2,318,026

Deferred Inflows of Resources:	
Difference Between Expected and Actual Experience	$ (1,851,939)
Changes in Assumptions	(1,414,399)
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	(2,319,408)
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	(190,122)
Total	$ (5,775,868)

NOTE 4 OTHER INFORMATION (CONTINUED)

D. Employee Retirement System (Continued)

Teacher's Survivors Benefits of the State of Rhode Island (TSB) (Continued)

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

$123,698 reported as deferred outflows of resources related to pensions resulting from the Cranston School District contributions in fiscal year 2025 subsequent to the measurement date will be recognized as an addition to the net pension asset for the year ended June 30, 2024. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30,	Amount
2026	$ (2,215,640)
2027	(20,144)
2028	(1,087,818)
2029	(576,287)
2030	(7,374)
Thereafter	325,723
Total	$ (3,581,540)

Actuarial Assumptions

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

Inflation	2.50%
Salary Increases	2.75% to 8.25%
Investment Rate of Return	7.0%

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

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

The actuarial assumptions used in the calculation of the total pension liability at June 30, 2024 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.

NOTE 4 OTHER INFORMATION (CONTINUED)

D. Employee Retirement System (Continued)

Teacher's Survivors Benefits of the State of Rhode Island (TSB) (Continued)

Actuarial Assumptions (Continued)

The long-term expected rate of return best-estimate on pension plan investments was determined by the actuary using a building-block method. The actuary started by calculating best-estimate future expected real rates of return (expected returns net of pension plan investment expense and inflation) for each major asset class, based on a collective summary of capital market expectations from 40 sources. The June 30, 2024, expected arithmetic returns over the long-term (20 years) by asset class are summarized in the following table:

Type of Investment	Target Allocation	Long-Term Expected Real Rate of Return
Growth:		
Global Equity:		
U.S. Equity	25.90 %	5.98 %
International Developed Equity	10.00	6.47
Emerging Markets Equity	4.10	8.10
Subtotal	40.00	
Private Growth:		
Private Energy	12.50	9.37
Non-Core RE	2.50	4.92
Subtotal	15.00	
Income:		
Equity Options	2.00	5.69
Liquid Credit	5.00	4.36
Private Credit	3.00	4.36
CLO's	2.00	4.36
Subtotal	12.00	
Stability:		
Crisis Protection Class:		
Treasury Duration	5.00	1.00
Systematic Trend	5.00	1.02
Subtotal	10.00	
Inflation Protection:		
Core Real Estate	4.00	4.92
Private Infrastructure	4.00	6.02
Subtotal	8.00	

NOTE 4 OTHER INFORMATION (CONTINUED)

D. Employee Retirement System (Continued)

Teacher's Survivors Benefits of the State of Rhode Island (TSB) (Continued)

Actuarial Assumptions (Continued)

Type of Investment	Target Allocation	Long-Term Expected Real Rate of Return
Volatility Protection:		
IG Fixed Income	3.25 %	2.46 %
Securitized Credit	3.25	2.60
Absolute Return	6.50	4.02
Cash	2.00	1.00
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 was 7.0%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from the employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

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

	1% Decrease (6.0%)	Current Discount Rate (7.0%)	1% Increase (8.0%)
Net Pension Liability (Asset)	$ (32,257,790)	$ (35,914,841)	$ (39,237,617)

Pension Plan Fiduciary Net Position

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

NOTE 4 OTHER INFORMATION (CONTINUED)

D. Employee Retirement System (Continued)

National (Industrial) Pension Plan

Plan Description

Upon the date of hire, most of the City's public works' employees and all School Department bus drivers are eligible to participate in the National (Industrial) Pension Fund, a cost-sharing multiple-employer defined benefit plan. The plan also provides the following types of pensions which pay benefits to a retired participant during their lifetime and thereafter pay benefits to the participant's surviving spouse or other beneficiary: husband-and-wife pension, survivor's option pension, and 120 certain payments option pension. The Plan also provides for a widow/widower's pension. Employees who retire at or after age 62 with at least five years of pension credit and have earned at least one of the years of pension credit during the period that their employer is contributing to the pension fund are eligible for benefits through the regular pension that is payable monthly for life. The retirement benefit is determined by the highest contribution rate at which the employee earned pension credit and the years of pension credits they have earned (up to a maximum of 30 years of pension credits). The Plan also provides death and disability benefits. Benefits are established by the Board of Trustees of the Pension Fund. Financial statements for the Plan can be obtained by contacting the Laborers' National (Industrial) Pension Fund, 905 16th Street, N.W., Washington, DC, 20106.

Funding Policy

Covered employees are not required to contribute to the Plan. For Fiscal Year ended June 30, 2025, the City was required to contribute $2.50 per hour, and the School Department was required to contribute $1.32 per hour for each hour worked by the employees to the Plan.

Contributions

Contributions for the past three years were as follows:

Fiscal Year Ended	Annual Required Contribution	Actual Contribution	Percentage Contribution
City:			
June 30, 2023	$ 378,816	$ 378,816	100 %
June 30, 2024	376,853	376,853	100
June 30, 2025	382,379	382,379	100
School Department:			
June 30, 2023	$ 206,307	$ 206,307	100 %
June 30, 2024	205,967	205,967	100
June 30, 2025	205,806	205,806	100

NOTE 4 OTHER INFORMATION (CONTINUED)

D. Employee Retirement System (Continued)

New England Teamsters & Trucking Industry Pension Plan

Plan Description

Upon the date of hire, most workers within City Hall and other clerical staff throughout the City are eligible to participate in the New England Teamsters & Trucking Industry Pension Plan, a cost-sharing multiple-employer defined benefit plan. Benefits under the plan are provided through a trust fund. A copy of the annual report can be obtained by contacting the trustees at: New England Teamsters & Trucking Industry Pension Fund, 1 Wall Street, Burlington, MA 01803.

Funding Policy

Covered employees are currently not required to contribute to the Plan. For the Fiscal Year ended June 30, 2025, the City was required to contribute $2.33 per hour for each hour worked by the employees to the Plan.

Contributions

Contributions for the past three years were as follows:

Fiscal Year Ended	Annual Required Contribution	Actual Contribution	Percentage Contribution
June 30, 2023	$ 461,691	$ 461,691	100 %
June 30, 2024	477,233	477,233	100
June 30, 2025	369,597	369,597	100

E. Other Postemployment Benefit (OPEB) Obligations

The City contributes to two defined benefit OPEB plans, the City of Cranston Public Safety OPEB Plan, and the City of Cranston's Cranston Public School OPEB Plan, both which are a single-employer plan. As of and for the year ended June 30, 2025, the two plans had the following balances reported in the government-wide financial statements:

	Measurement Date	Net OPEB Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	OPEB Expense
Public Safety Employees OPEB Plan	June 30, 2025	$ 46,341,788	$ 5,958,801	$ 420,567	$ 6,671,365
Cranston Public Schools OPEB Plan	June 30, 2025	16,192,868	5,961,346	5,060,718	1,670,076
Total		$ 62,534,656	$ 11,920,147	$ 5,481,285	$ 8,341,441

NOTE 4 OTHER INFORMATION (CONTINUED)

E. Other Postemployment Benefit (OPEB) Obligations (Continued)

Other Postemployment Benefits (OPEB) – Public Safety Employees

Plan Description

The City maintains and administers a single-employer OPEB benefit plan that covers all public safety employees. The plan provides health benefits and life insurance benefits to eligible retired police and fire employees and their beneficiaries. The plans provisions may be amended by the City and the Trustees of the plan. The trust is accounted for as an OPEB trust fund in the City's financial statements. As of June 30, 2025, there are no separate financial statements available for the Public Safety Employees OPEB plan.

Summary of Significant Accounting Policies and Plan Asset Matters

Basis of Accounting

The OPEB trust fund financial statements are prepared on the accrual basis of accounting. Contributions are recognized when they are due, pursuant to formal commitments and contractual requirements. Investment income is recognized when earned. Expenses (benefits and administration) are recognized when they are due and payable in accordance with terms of the plan.

Valuation of Investments

Investments are valued at fair value. Securities traded on national exchanges are valued at the last reported sales price. There are no investments of 5% or greater in any one organization.

Classes of Employees Covered

As of June 30, 2025, (date of the last actuarial valuation) membership data was as follows:

Active Employees	332
Retirees	284
Total Plan Members	616

NOTE 4 OTHER INFORMATION (CONTINUED)

E. Other Postemployment Benefit (OPEB) Obligations (Continued)

Other Postemployment Benefits (OPEB) – Public Safety Employees (Continued)

Summary of Significant Accounting Policies and Plan Asset Matters (Continued)

Funding Policy

The City established an Irrevocable Trust Agreement (OPEB Trust) effective July 1, 2006, and has started to pre-fund OPEB liabilities. The City pays certain medical premiums for a retiree and certain dependents until they reach the age of 65 years unless they are not covered by Medicare benefits, in that case, coverage continues for life. If a firefighter dies before reaching normal retirement age, the City pays for the benefit of the firefighter's family, if any, the full cost of family medical coverage (as in effect at the time of the firefighter's death) until the firefighter's normal retirement date. In addition, Police retirees are entitled to a City paid life insurance benefit of $17,000 if they retired after July 1, 1982. Firemen retiring after July 1, 1981, are eligible for the $17,000 benefit. Fire retirees retired between July 1, 2002, and June 30, 2007, are entitled to a City paid life insurance benefit of $20,000 and if a fireman retires after July 1, 2007, a $25,000 life insurance benefit is payable. In addition to the above, firefighters who retire with an occupational injury or illness receive a City paid life insurance benefit of $50,000 if death occurs within three years of his/her retirement date.

Investments

Rate of Return

For the year ended June 30, 2025, the annual money-weighted rate of return on plan investments, net of investment expense was 10.8%. The Money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts of actually invested.

The following was the City's adopted asset allocation policy and best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of June 30, 2025:

Asset Class	Target Allocation
Large Cap Core Equities	15.0 %
Large Cap Value Equities	10.0
Large Cap Growth Equities	10.0
Small/Mid Value Equities	5.0
Small/Mid Growth Equities	5.0
Non-U.S. Equities	15.0
Real Estate Investment Trusts	5.0
Fixed Income	35.0
Total	100.0 %

NOTE 4 OTHER INFORMATION (CONTINUED)

E. Other Postemployment Benefit (OPEB) Obligations (Continued)

Other Postemployment Benefits (OPEB) – Public Safety Employees (Continued)

Investments (Continued)

Rate of Return (Continued)

The long-term expected rate of return on OPEB plan investments was determined using the building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage. These rates do not include inflation assumption which is assumed to be 3%. Best estimates of arithmetic real rates of return for each major class included in the target asset allocation as of June 30, 2025, are summarized in the following table:

Asset Class	Long-Term Expected Rate of Return
U.S. Stock	4.3 %
International Stock	6.5
U.S. Bonds	2.4
International Bonds	2.4
Other	3.0
Cash	1.3

Net OPEB Liability

The components of the net OPEB liability of the City of Cranston at June 30, 2025, were as follows:

Total OPEB Liability	$ 55,045,564
Plan Fiduciary Net Position	8,703,776
City's Net OPEB Liability	$ 46,341,788
Plan Fiduciary Net Position as Percentage of Total OPEB Liability	15.81 %

NOTE 4 OTHER INFORMATION (CONTINUED)

E. Other Postemployment Benefit (OPEB) Obligations (Continued)

Other Postemployment Benefits (OPEB) – Public Safety Employees (Continued)

Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of June 30, 2025, using the following actuarial assumptions applied to all periods included in the measurement, unless otherwise specified:

Investment Rate of Return	7.50% per Year, Net of Investment Expense
Healthcare Cost Trend Rates	5% for 2024 and Years Later

Mortality rates for pre-retirement were based on the RP-2000 Blue Collar mortality table with Scale AA improvement to 2026. Post retirement mortality is represented by the RP-2000 White Collar Mortality Table, adjusted 115% for males, 95% for females, with Scale AA improvements on the generational basis. Mortality for disabled members is represented by the RP-2000 Blue Collar Mortality Table with Scale AA adjustment to 2026 and set forward of 3 years.

The actuarial assumptions used in the June 30, 2025, valuation were based on the results of an actual experience study for the period July 1, 2024, to June 30, 2025.

Discount Rate

The discount rate used to measure the total OPEB liability was 7.5%. The projection of cash flows used to determine the discount rate assumed that City contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Sensitivity of Net OPEB Liability to Changes in the Discount Rate

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

	1% Decrease (6.5%)	Current Discount Rate (7.5%)	1% Increase (8.5%)
Net OPEB Liability	$ 50,507,569	$ 46,341,788	$ 42,653,416

NOTE 4 OTHER INFORMATION (CONTINUED)

E. Other Postemployment Benefit (OPEB) Obligations (Continued)

Other Postemployment Benefits (OPEB) – Public Safety Employees (Continued)

Sensitivity of Net OPEB Liability to Changes in the Discount Rate (Continued)

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates. The following presents the net OPEB liability of the City, as well as the City's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage-point lower or 1 percentage point higher than the current healthcare cost trend rates:

	1% Decrease (4.0%)	Current Discount Rate (5.0%)	1% Increase (6.0%)
Net OPEB Liability	$ 42,240,562	$ 46,341,788	$ 51,066,592

Changes in the Net OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balances - July 1, 2024	$ 53,332,656	$ 7,672,124	$ 45,660,532
Changes for the Year:			
Service Cost	1,208,911	-	1,208,911
Interest on Total OPEB Liability	3,874,342	-	3,874,342
Change in Terms	-		-
Experience (Gain) Loss	2,503,192	-	2,503,192
Employer Contributions	-	5,491,321	(5,491,321)
Employee Contributions		399,335	(399,335)
Net Investment Income (Loss)	-	1,043,365	(1,043,365)
Benefit Payments	(5,873,537)	(5,873,537)	-
Administrative Expenses	-	(28,832)	28,832
Net Changes	1,712,908	1,031,652	681,256
Balances - June 30, 2025	$ 55,045,564	$ 8,703,776	$ 46,341,788

NOTE 4 OTHER INFORMATION (CONTINUED)

E. Other Postemployment Benefit (OPEB) Obligations (Continued)

Other Postemployment Benefits (OPEB) – Public Safety Employees (Continued)

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

For the year ended June 30, 2025, the City recognized OPEB expense of $6,671,365. At June 30, 2025, the City 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	$ 5,346,647	$ -
Change in Assumptions	612,154	-
Net Difference Between Projected and Actual Earning on OPEB Plan Investments	-	(420,567)
Total	$ 5,958,801	$ (420,567)

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

Year Ending June 30,	Amount
2026	$ 2,139,552
2027	1,770,051
2028	821,162
2029	306,832
2030	400,511
Thereafter	100,126
Total	$ 5,538,234

Other Postemployment Benefits (OPEB) – School Department Employees

Plan Description

The City maintains and administers a single-employer OPEB benefit plan that covers all School Department employees. The plan provides health benefits and dental insurance benefits to eligible retired employees and their beneficiaries. The plans provisions may be amended by the Cranston School Committee and the Trustees of the plan. The OPEB activity is accounted for in the School Unrestricted Fund in the City's financial statements. As of June 30, 2025, there are no separate, audited GAAP-basis financial statements available for the Board of Education Employees OPEB plan.

NOTE 4 OTHER INFORMATION (CONTINUED)

E. Other Postemployment Benefit (OPEB) Obligations (Continued)

Other Postemployment Benefits (OPEB) – School Department Employees (Continued)

Summary of Significant Accounting Policies and Plan Asset Matters

Basis of Accounting

The OPEB activity is accounted for on the accrual basis of accounting. Contributions are recognized when they are due, pursuant to formal commitments and contractual requirements. Investment income is recognized when earned. Expenses (benefits and administration) are recognized when they are due and payable in accordance with terms of the plan. Administrative costs are generally financed through the School Unrestricted Fund.

Valuation of Investment

Investments are valued at fair value. Securities traded on national exchanges are valued at the last reported sales price. There are no investments of 5% or greater in any one organization.

Classes of Employees Covered

As of June 30, 2025, (date of the last actuarial valuation) membership data was as follows:

Active Employees	1,087
Inactive Employees	-
Retirees	90
Total Plan Members	1,177

Funding Policy

The City established an Irrevocable Trust Agreement effective July 1, 2015, and has started to pre-fund OPEB liabilities. The amounts due for these benefits are funded on a pay-as-you-go basis. The School Department pays 100% of the cost of individual health care insurance and dental insurance benefits for all retired eligible employees retiring before September 1, 2005, until the employee reaches the age of 65. Cost shares have been negotiated for teachers (5% of plan cost) for the retirement period September 1, 2005, and August 31, 2009. Teachers retiring between September 1, 2009, and August 31, 2011, are responsible for a 15% cost share of their benefits. Teachers retiring on or after September 1, 2011, are responsible for a 20% cost share of their benefits.

NOTE 4 OTHER INFORMATION (CONTINUED)

E. Other Postemployment Benefit (OPEB) Obligations (Continued)

Other Postemployment Benefits (OPEB) – School Department Employees (Continued)

Summary of Significant Accounting Policies and Plan Asset Matters (Continued)

Funding Policy (Continued)

Administrators retiring prior to July 2005 have no cost share. Administrators retiring between July 1, 2005, and June 30, 2008, are responsible for a 10% cost share of their benefits. Administrators retiring between July 1, 2008, and June 30, 2010, are responsible for a 20% cost share of their benefits. Administrators retiring between July 1, 2010, and June 30, 2011, are responsible for a 22% cost share of benefits. Administrators retiring on or after July 1, 2010, are responsible for a 25% cost share of their benefits. No benefits are paid for employees retiring prior to 1988.

The School Department funds postretirement benefits on a pay-as-you-go basis. Expenditures for the benefits described above for the year ended June 30, 2025, were $630,208.

Investments

Rate of Return

For the year ended June 30, 2025, the annual money-weighted rate of return on plan investments, net of investment expense was 12.66%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts of actually invested.

The following was the City's adopted asset allocation policy and best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of June 30, 2025:

Asset Class	Target Allocation
Equity	60 %
Fixed Income	40
Total	100 %

NOTE 4 OTHER INFORMATION (CONTINUED)

E. Other Postemployment Benefit (OPEB) Obligations (Continued)

Other Postemployment Benefits (OPEB) – School Department Employees (Continued)

Investments (Continued)

Rate of Return (Continued)

The long-term expected rate of return on OPEB plan investments was determined using building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major class included in the target asset allocation as of June 30, 2025, are summarized in the following table:

Asset Class	Long Term Expected Rate of Return
U.S. Equities	5.3 %
International Stock	8.0
U.S. Bonds	3.1
Non-U.S. Bonds (Hedged)	2.8
Intermediate-Term Credit Bonds	3.6
Short-Term Credit Bonds	3.5
Real Estate Investment Trusts	4.8
Inflation	1.9

Net OPEB Liability

The following table shows the School Department's annual OPEB liability as of June 30, 2025.

Total OPEB Liability	$ 17,044,955
Plan Fiduciary Net Position	852,087
School Department's Net OPEB Liability	$ 16,192,868
Plan Fiduciary Net Position as a Percentage of Total OPEB Liability	5 %

NOTE 4 OTHER INFORMATION (CONTINUED)

E. Other Postemployment Benefit (OPEB) Obligations (Continued)

Other Postemployment Benefits (OPEB) – School Department Employees (Continued)

Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of June 30, 2025, using the following actuarial assumptions applied to all periods included in the measurement, unless otherwise specified:

Investment Rate of Return	5.00% of 2025, Net of Investment Expense
Healthcare Cost Trend Rates	4.5% for 2025 and Years Later

Mortality rates for pre-retirement and beneficiary mortality is represented by the RP-2014 White Collar Mortality with Scale MP-2016, fully generational. Mortality for disabled members were represented by the RP-2014 Disabled Mortality with Scale MP-2016, full generational.

The actuarial assumptions used in the June 30, 2024, valuation were based on the results of the 2014 ERSRI experience study for general employees.

Discount Rate

The discount rate used to measure the total OPEB liability was 5.00%. The projection of cash flows used to determine the discount rate assumed that City contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Sensitivity of Net OPEB Liability to Changes in the Discount Rate

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

	1% Decrease (4.00%)	Current Discount Rate (5.00%)	1% Increase (6.00%)
Net OPEB Liability	$ 17,342,726	$ 16,192,868	$ 15,084,416

NOTE 4 OTHER INFORMATION (CONTINUED)

E. Other Postemployment Benefit (OPEB) Obligations (Continued)

Other Postemployment Benefits (OPEB) – School Department Employees (Continued)

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

The following presents the net OPEB liability of the City, as well as the City's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage-point lower or 1 percentage point higher than the current healthcare cost trend rates:

	1% Decrease (3.5%)	Current Trend (4.5%)	1% Increase (5.5%)
Net OPEB Liability	$ 14,508,236	$ 16,192,868	$ 18,150,158

Net OPEB Liability

	Total OPEB Liability (a) + (b)	Plan Fiduciary Net Position (c)	Net OPEB Liability (a) + (b) - (c)
Balances - July 1, 2024	$ 14,331,272	$ 1,319,708	$ 13,011,564
Changes for the Year:			
Service Cost	665,739	-	665,739
Interest on Total OPEB Liability	690,931	-	690,931
Change in Assumptions	(284,093)	-	(284,093)
Experience (Gain) Loss	2,553,884	-	2,553,884
Employer Contributions	-	-	-
Net Investment Income (Loss)	-	167,067	(167,067)
Benefit Payments	(912,778)	(630,208)	(282,570)
Administrative Expenses	-	(4,480)	4,480
Net Changes	2,713,683	(467,621)	3,181,304
Balances - June 30, 2025	$ 17,044,955	$ 852,087	$ 16,192,868

NOTE 4 OTHER INFORMATION (CONTINUED)

E. Other Postemployment Benefit (OPEB) Obligations (Continued)

Other Postemployment Benefits (OPEB) – School Department Employees (Continued)

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

For the year ended June 30, 2025, the City recognized OPEB expense of $1,670,076. At June 30, 2025, the City 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	$ 5,227,565	$ (2,782,976)
Difference in Assumptions	733,781	(1,899,228)
Net Difference Between Projected and Actual Earning on OPEB Plan Investments	-	(378,514)
Total	$ 5,961,346	$ (5,060,718)

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

Year Ending June 30,	Amount
2026	$ 389,550
2027	213,039
2028	(83,043)
2029	(121,407)
2030	209,691
Thereafter	292,798
Total	$ 900,628

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

NOTE 4 OTHER INFORMATION (CONTINUED)

E. Other Postemployment Benefit (OPEB) Obligations (Continued)

Combining Schedule of Fiduciary Net Position

The following schedules present the net position held in trust for pension and OPEB benefits at June 30, 2025 and the changes in net position for the year ended June 30, 2025.

	Pension Trust Fund	City OPEB Trust Fund	School OPEB Trust Fund	Total
Assets:				
Cash and Cash Equivalents	$ 7,613,245	$ 2,261,950	$ -	$ 9,875,195
Investments:				
U.S. Equity Mutual Funds	44,246,330	4,599,621	-	48,845,951
International Equity Mutual Funds	9,332,852	1,005,012	-	10,337,864
Other Exchange Traded Products	3,465,611	370,664	-	3,836,275
U.S. Government Securities	15,146,005	1,602,716	-	16,748,721
Pooled Domestic Equity Index Funds	-	-	533,626	533,626
Pooled Fixed Income Index Funds	-	-	592,918	592,918
Fixed Income Mutual Funds	4,404,480	426,560	-	4,831,040
Pooled Real Estate Index Funds	-	-	88,938	88,938
Pooled International Equity Index Funds	-	-	266,813	266,813
Contribution Receivable	-	-	-	-
Total Assets	84,208,523	10,266,523	1,482,295	95,957,341
Liabilities:				
Accounts Payable	-	58,155	-	58,155
Due to Primary Government	-	1,504,592	630,208	2,134,800
Total Liabilities	-	1,562,747	630,208	2,192,955
Net Position:				
Restricted for:				
Pensions	84,197,287	-	-	84,197,287
Postemployment Benefits Other than Pensions	-	8,703,776	852,087	9,555,863
Total Net Position	$ 84,197,287	$ 8,703,776	$ 852,087	$ 93,753,150

	Pension Trust Fund	City OPEB Trust Fund	School OPEB Trust Fund	Total
Additions:				
Contributions:				
Employer Contributions	$ 23,439,119	$ 5,491,321	$ -	$ 28,930,440
Plan Member Contributions	64,269	399,335	-	463,604
Total Contributions	23,503,388	5,890,656	-	29,394,044
Investment Income:				
Interest and Dividends	1,916,483	246,993	167,067	2,330,543
Net Appreciation in the Fair Value of Investments	6,181,953	796,372	-	6,978,325
Other	18,214	-	-	18,214
Total Investment Income	8,116,650	1,043,365	167,067	9,327,082
Total Additions	31,620,038	6,934,021	167,067	38,721,126
Deductions:				
Benefits	25,172,518	5,873,537	630,208	31,676,263
Administrative Expenses	79,200	28,832	4,480	112,512
Total Deductions	25,251,718	5,902,369	634,688	31,788,775
Change in Net Position	6,368,320	1,031,652	(467,621)	6,932,351
Net Position - Beginning of Year	77,828,967	7,672,124	1,319,708	86,820,799
Net Position - End of Year	$ 84,197,287	$ 8,703,776	$ 852,087	$ 93,753,150

NOTE 4 OTHER INFORMATION (CONTINUED)

E. Other Postemployment Benefit (OPEB) Obligations (Continued)

City of Cranston Defined Contribution Plan

Plan Description

The Plan name is "City of Cranston Defined Contribution Plan" ID # is 05-6000110, Determination Letter Form 5300 is filed with IRS, and ING Specimen Adoption Agreement for 401(a) Defined Contribution Plan. Defined Contribution Plan for the Teamsters Bargaining Union and Laborers International Union of North America where the employee and the employer contribute 3% of earnings all stated in Form 5300 and the ING Plan Document. Plan based on approved enabling legislation presented in January 2010 and approved in that session. Total employer contributions made to the plan during June 30, 2025, were $286,158. Total employee contributions made to the plan during June 30, 2025, were $286,158.

School Department Defined Contribution Plan

Plan Description

The Plan name is "Cranston Public Schools 401(a) Retirement Plan". ID # is 801343, effective July 1, 2012. Defined Contribution Plan for the Local Rhode Island 153 Bargaining Union where the employee and employer contribute 3% of earnings all stated in the Security Benefit Plan Document. Total employer contributions made to the plan during the fiscal year ending June 30, 2025, was $91,493. Total employee contributions made to the plan during the fiscal year ending June 30, 2025, was $91,493.

On-Behalf Payments

The amount recognized in the General Fund intergovernmental revenues and education expenditures for contributions made by the State on behalf of the City's teachers to the Employees' Retirement System of the State of Rhode Island was $11,308,165

F. Tax Abatements

The City of Cranston enters into tax abatement agreements with local businesses under its Economic Development Tax Incentive Program for Commercially Zoned Property. Under the Program, new businesses locating in commercially zoned property with the City of Cranston or existing businesses that are expanding may qualify for a tax incentive.

NOTE 4 OTHER INFORMATION (CONTINUED)

F. Tax Abatements (Continued)

For the fiscal year ended June 30, 2025, the City of Cranston abated property taxes totaling $26,903 under this program, including the following tax abatement agreements to new businesses locating in a commercially zoned property or existing businesses that are expanding:

Purpose	Percentage of Taxes Abated During the Fiscal Year	Amount of Taxes Abated During the Fiscal Year
Additional Manufacturing Facility for Medical Device Company	24 %	$ 2,776
Wholesale Distribution Facility for Restaurant Supplies Company	13	14,024
Global Supply Chain and Warehouse (Purchase of Building)	9	10,103

G. Subsequent Events

In August 2025, the City of Cranston used proceeds from the 2024 general obligation bonds to refund presently outstanding bond anticipation notes dated August 20, 2024 for $75,000,000.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF CRANSTON, RHODE ISLAND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGETARY BASIS
BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED JUNE 30, 2025

	Budgeted Amounts			Variance Favorable
	Original	Final	Actual	(Unfavorable)
REVENUES				
General Property Taxes	$ 186,907,685	$ 186,907,685	$ 186,598,488	$ (309,197)
Intergovernmental	35,591,447	35,591,447	45,498,836	9,907,389
Charges for Services:				
Licenses and Permits	5,108,935	5,108,935	4,142,978	(965,957)
Fines and Forfeitures	1,602,000	1,602,000	1,320,507	(281,493)
Departmental	9,217,847	9,217,847	8,439,721	(778,126)
Investment Income	3,185,000	3,185,000	2,926,548	(258,452)
Education	80,742,250	84,161,662	84,161,662	-
Other	1,295,250	1,295,250	1,724,064	428,814
Total Revenues	323,650,414	327,069,826	334,812,804	7,742,978
EXPENDITURES				
Current:				
Executive	622,931	622,931	646,120	(23,189)
City Council	372,636	372,636	359,533	13,103
Law	588,350	588,350	800,568	(212,218)
Personnel	220,896	220,896	247,132	(26,236)
City Clerk	594,799	594,799	600,242	(5,443)
Probate Court	18,839	18,839	18,906	(67)
Municipal Court	323,637	323,637	376,823	(53,186)
Board of Canvassers	617,897	617,897	616,744	1,153
City Planning	543,171	543,171	433,550	109,621
Economic Development	122,559	122,559	323,036	(200,477)
Inspections	1,237,068	1,237,068	1,180,058	57,010
Finance	5,004,272	5,004,272	5,506,148	(501,876)
Fire	36,111,422	36,111,422	38,286,721	(2,175,299)
Rescue Fund	1,165,000	1,165,000	1,606,812	(441,812)
Police	29,608,911	29,608,911	31,587,538	(1,978,627)
Long-Term Debt	27,869,418	27,869,418	27,869,418	-
Public Works	18,050,777	18,050,777	19,397,636	(1,346,859)
Parks and Recreation	3,086,354	3,086,354	3,185,069	(98,715)
Public Libraries	4,121,523	4,121,523	4,121,523	-
Senior Services	2,483,288	2,483,288	2,459,976	23,312
Municipal Debt	10,650,190	10,650,190	10,242,030	408,160
Education	180,021,617	183,441,029	183,441,029	-
Community Grants	180,000	180,000	127,500	52,500
Boards and Commissions	30,089	30,089	24,816	5,273
Harbor Master	4,770	4,770	290	4,480
Total Expenditures	323,650,414	327,069,826	333,459,218	(6,389,392)
EXCESS OF BUDGETED REVENUES OVER EXPENDITURES	-	-	1,353,586	1,353,586
OTHER FINANCING USES				
Transfers out	-	-	(6,283,561)	(6,283,561)
NET CHANGE IN FUND BALANCE	$ -	$ -	$ (4,929,975)	$ (4,929,975)

See accompanying Note to Required Supplementary Information.

CITY OF CRANSTON, RHODE ISLAND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE BUDGETARY BASIS
BUDGET AND ACTUAL
SPECIAL REVENUE FUND – SCHOOL UNRESTRICTED
YEAR ENDED JUNE 30, 2025

	Budgeted Amounts			Variance
	Original	Final	Actual	Favorable (Unfavorable)
REVENUES				
State Aid	$ 75,055,243	$ 78,756,662	$ 78,756,662	$ -
Federal through State	2,525,000	2,750,000	2,992,015	242,015
Tuition	1,900,000	2,050,000	2,159,794	109,794
Miscellaneous	675,000	605,000	233,093	(371,907)
Use of Fund Balance	-	-	-	-
Total Revenues	80,155,243	84,161,662	84,141,564	(20,098)
EXPENDITURES				
Salaries	113,509,856	112,782,204	114,024,376	(1,242,172)
Employee Benefits	42,831,114	42,547,242	42,313,595	233,647
Purchased Services	21,569,099	21,400,058	23,085,163	(1,685,105)
Supplies and Materials	5,044,893	5,294,894	5,852,215	(557,321)
Equipment	1,716,315	2,160,059	1,231,008	929,051
Other	(2,958,560)	(743,428)	102,390	(845,818)
Total Expenditures	181,712,717	183,441,029	186,608,747	(3,167,718)
DEFICIENCY OF REVENUES UNDER EXPENSES	(101,557,474)	(99,279,367)	(102,467,183)	(3,187,816)
OTHER FINANCING SOURCES				
Transfers In - City of Cranston	102,452,354	99,080,462	99,279,367	198,905
Transfers in from Other Funds	-	-	260,364	260,364
Total Other Financing Sources	102,452,354	99,080,462	99,539,731	459,269
NET CHANGE IN FUND BALANCE	$ 894,880	$ (198,905)	$ (2,927,452)	$ (2,728,547)

See accompanying Note to Required Supplementary Information.

CITY OF CRANSTON, RHODE ISLAND
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2025

NOTE 1 BUDGET – GAAP RECONCILIATION

A reconciliation of revenues, expenditures, and fund balance between the accounting treatment required by GAAP (Exhibit IV), and budgetary requirements (RSI), is as follows:

	General Fund		School Unrestricted Fund	
	Revenues and Other Financing Sources	Expenditures and Other Financing Uses	Revenues and Other Financing Sources	Expenditures and Other Financing Uses
Balance, Budgetary Basis - June 30, 2025	$ 334,812,804	$ 333,459,218	$ 183,681,295	$ 186,608,747
Revenues/Expenditures Accounted for on the Budgetary Basis Associated with Education Funds	(84,161,662)	(77,906,346)	-	-
GASB 87 Adjustment, not Budgeted	5,871	-	-	-
GASB 87 Adjustment, not Budgeted	28,246	28,246	-	-
Encumbrances Outstanding at June 30, 2025, Charged to Budgetary Expenditures	-	-	-	(144,528)
Encumbrances Outstanding at June 30, 2024, Liquidated During the Year Ended June 30, 2025	-	-	-	63,894
Transfers to the School Department Included in the City's General Fund Budget	-	-	-	-
Expenditures in the School Department Capital Reserve Fund - Not Budgeted in General Fund	-	-	166,268	1,231,307
Current Year Activity for Funds that Do Not Meet the GASB 54 Definition for a Special Revenue Fund	273,553	1,894,181	-	-
Use of Fund Balance, not a Revenue Source	-	-	-	-
Transportation on-behalf Contribution	-	-	788,882	788,882
State Teachers' Retirement On-Behalf Payment	-	-	11,308,165	11,308,165
Balance, GAAP Basis - June 30, 2025	$ 250,958,812	$ 257,475,299	$ 195,944,610	$ 199,856,467

CITY OF CRANSTON, RHODE ISLAND
SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITY AND RELATED RATIOS
CRANSTON RETIREMENT SYSTEM – POLICE AND FIRE PENSION
LAST TEN FISCAL YEARS

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total Pension Liability:										
Service Cost	$ 168,896	$ 232,851	$ 225,842	$ 240,288	$ 288,030	$ 279,641	$ 434,021	$ 517,492	$ 561,127	$ 550,317
Interest on the Total Pension Liability	22,091,298	22,252,069	21,594,365	22,644,814	22,489,492	23,281,092	22,902,534	23,006,008	23,599,906	23,368,984
Changes of Benefit Terms										
Difference Between Expected and Actual Experience of the Total Pension Liability	163,083	674,286	11,566,769	(11,050,999)	4,418,410	(8,473,275)	6,629,821	(98,273)	(5,783,927)	1,233,114
Changes of Assumptions	-	-	-	-	-	-	-	-	(1,790,318)	(4,978,421)
Benefit Payments, Including Refunds of Employee Contributions	(25,172,519)	(25,089,700)	(25,048,317)	(25,182,095)	(25,182,095)	(25,052,576)	(24,988,877)	(24,326,796)	(23,804,824)	(24,053,360)
Net Change in Total Pension Liability	(2,749,242)	(1,930,494)	8,338,659	(13,347,992)	2,013,837	(9,965,118)	4,977,499	(901,569)	(7,218,036)	(3,879,366)
Total Pension Liability - Beginning	291,814,833	293,745,327	285,406,668	298,754,660	296,740,823	306,705,941	301,728,442	302,630,011	309,848,047	313,727,413
Total Pension Liability - Ending (a)	289,065,591	291,814,833	293,745,327	285,406,668	298,754,660	296,740,823	306,705,941	301,728,442	302,630,011	309,848,047
Plan Fiduciary Net Position:										
Contributions - Employer	23,439,119	21,693,077	20,834,416	21,532,473	21,457,077	21,463,003	21,569,803	22,568,319	21,403,849	21,316,456
Contributions - Employee	64,269	85,151	79,639	98,659	101,122	144,191	201,448	240,058	279,548	257,734
Net Investment Income (Loss)	8,127,888	8,685,545	7,173,848	(8,205,152)	17,009,093	1,110,760	4,016,741	5,322,330	5,803,466	(2,072,781)
Benefit Payments, Including Refunds of Employee Contributions	(25,172,519)	(25,089,700)	(25,048,317)	(25,182,095)	(25,182,095)	(25,052,576)	(24,988,877)	(24,326,796)	(23,804,824)	(24,053,360)
Pension Plan Administrative Expense	(79,201)	(78,750)	(78,750)	(78,750)	(69,750)	(142,889)	(73,636)	(293,500)	(65,569)	(598,630)
Other	-	-	-	-	-	-	-	-	1	-
Net Change in Plan Fiduciary Net Position	6,379,556	5,295,323	2,960,836	(11,834,865)	13,315,447	(2,477,511)	725,479	3,510,411	3,616,471	(5,150,581)
Plan Fiduciary Net Position - Beginning	77,828,967	72,533,644	69,572,808	81,407,673	68,092,226	70,569,737	69,844,258	66,333,847	62,717,376	67,867,957
Plan Fiduciary Net Position - Ending (b)	84,208,523	77,828,967	72,533,644	69,572,808	81,407,673	68,092,226	70,569,737	69,844,258	66,333,847	62,717,376
Net Pension Liability - Ending (a) - (b)	$ 204,857,068	$ 213,985,866	$ 221,211,683	$ 215,833,860	$ 217,346,987	$ 228,648,597	$ 236,136,204	$ 231,884,184	$ 236,296,164	$ 247,130,671
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	29.13 %	26.67 %	24.69 %	24.38 %	27.25 %	22.95 %	23.01 %	23.15 %	21.92 %	20.24 %
Covered Payroll	$ 715,062	$ 828,852	$ 1,031,143	$ 1,000,797	$ 1,065,712	$ 1,266,066	$ 2,043,982	$ 2,403,064	$ 2,697,374	$ 2,663,974
Net Pension Liability as a Percentage of Covered Payroll	28,648.85 %	25,817.14 %	21,453.06 %	21,566.20 %	20,394.53 %	18,059.77 %	11,552.75 %	9,649.52 %	8,760.23 %	9,276.77 %

CITY OF CRANSTON, RHODE ISLAND
SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITY AND RELATED RATIOS
MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM AGENT PLAN – GENERAL EMPLOYEES
LAST TEN FISCAL YEARS

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total Pension Liability:										
Service Cost	$ 2,095,203	$ 2,169,340	$ 2,192,897	$ 2,161,355	$ 2,349,834	$ 2,386,996	$ 2,449,869	$ 2,350,820	$ 2,362,034	$ 2,346,927
Interest on the Total Pension Liability	11,374,126	11,206,483	11,059,406	10,908,169	10,887,375	10,683,189	10,473,985	10,359,681	10,231,218	9,977,843
Changes of Benefit Terms	1,493,971	-	-	-	-	-	-	-	-	2,581,501
Difference Between Expected and Actual Experience	3,072,961	480,324	(657,802)	(809,725)	(1,001,401)	(374,386)	(494,724)	468,058	(1,706,718)	-
Changes of Assumptions	-	(433,507)	-	-	(1,901,901)	-	-	7,489,555	-	(2,865,321)
Benefit Payments, Including Refunds of Employee Contributions	(11,214,551)	(10,766,813)	(10,196,432)	(10,033,650)	(9,851,548)	(9,669,007)	(9,149,144)	(9,287,558)	(9,048,633)	(8,291,699)
Net Change in Total Pension Liability	6,821,710	2,655,827	2,398,069	2,226,149	482,359	3,026,792	3,279,986	11,380,556	1,837,901	3,749,251
Total Pension Liability - Beginning	167,047,183	164,391,356	161,993,287	159,767,138	159,284,779	156,257,987	152,978,001	141,597,445	139,759,544	136,010,293
Total Pension Liability - Ending (a)	173,868,893	167,047,183	164,391,356	161,993,287	159,767,138	159,284,779	156,257,987	152,978,001	141,597,445	139,759,544
Plan Fiduciary Net Position:										
Contributions - Employer	2,553,836	2,836,907	2,672,435	2,516,380	2,565,916	2,367,241	2,161,301	2,342,837	2,403,173	2,479,865
Contributions - Employee	675,821	700,588	714,318	717,805	777,209	787,306	812,598	836,339	847,508	488,592
Net Investment Income	16,313,456	13,044,345	(4,446,914)	36,868,366	5,123,806	8,862,094	10,452,584	14,401,043	30,596	3,119,891
Benefit Payments, Including Refunds of Employee Contributions	(11,214,551)	(10,766,813)	(10,196,432)	(10,033,650)	(9,851,548)	(9,669,007)	(9,149,144)	(9,287,558)	(9,048,633)	(8,291,699)
Pension Plan Administrative Expense	(168,134)	(140,403)	(151,595)	(140,476)	(141,173)	(138,533)	(139,150)	(136,055)	(193,515)	(124,435)
Other	(196,692)	(59,173)	(240,675)	184,877	(10,222)	(13,385)	(57,545)	254,209	28,596	176,372
Net Change in Plan Fiduciary Net Position	7,963,736	5,615,451	(11,648,863)	30,113,302	(1,536,012)	2,195,716	4,080,644	8,410,815	(5,932,275)	(2,151,414)
Plan Fiduciary Net Position - Beginning	164,427,685	158,812,234	170,461,097	140,347,795	141,883,807	139,688,091	135,607,447	127,196,632	133,128,907	135,280,321
Plan Fiduciary Net Position - Ending (b)	172,391,421	164,427,685	158,812,234	170,461,097	140,347,795	141,883,807	139,688,091	135,607,447	127,196,632	133,128,907
Net Pension Asset - Ending (a) - (b)	$ 1,477,472	$ 2,619,498	$ 5,579,122	$ (8,467,810)	$ 19,419,343	$ 17,400,972	$ 16,569,896	$ 17,370,554	$ 14,400,813	$ 6,630,637
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	99.15%	98.43%	96.61%	105.23%	87.85%	89.08%	89.40%	88.65%	89.83%	95.26%
Covered Payroll	$ 25,520,128	$ 25,672,665	$ 24,976,050	$ 23,988,407	$ 25,403,609	$ 24,838,673	$ 24,696,262	$ 24,260,270	$ 24,225,987	$ 24,170,205
Net Pension Asset as a Percentage of Covered Payroll	5.79%	10.20%	22.34%	-35.30%	76.44%	70.06%	67.09%	71.60%	59.44%	27.43%

CITY OF CRANSTON, RHODE ISLAND
SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITY (ASSET) AND RELATED RATIOS
MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM AGENT PLAN – POLICE
LAST TEN FISCAL YEARS

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total Pension Liability:										
Service Cost	$ 2,324,312	$ 2,891,883	$ 2,496,057	$ 2,439,255	$ 2,482,115	$ 2,238,638	$ 2,148,101	$ 2,014,684	$ 1,964,581	$ 1,375,751
Interest on the Total Pension Liability	5,802,259	5,274,000	4,880,830	4,399,869	4,091,084	3,773,606	3,498,259	3,011,196	2,735,086	2,278,196
Changes of Benefit Terms	2,017,154	-	-	-	-	-	-	-	-	2,566,626
Difference Between Expected and Actual Experience of the Total Pension Liability	9,386,174	1,957,204	(108,562)	1,553,128	(1,413,525)	(392,714)	(648,949)	3,152,114	(61,897)	-
Changes of Assumptions	-	(242,613)	-	-	589,857	-	-	2,582,739	-	386,791
Benefit Payments, Including Refunds of Employee Contributions	(2,122,055)	(1,978,206)	(1,720,848)	(1,378,711)	(1,255,070)	(1,156,667)	(1,061,625)	(941,558)	(1,021,160)	(598,672)
Net Change in Total Pension Liability	17,407,844	7,902,268	5,547,477	7,013,541	4,494,461	4,462,863	3,935,786	9,819,175	3,616,610	6,008,692
Total Pension Liability - Beginning	82,788,286	74,886,018	69,338,541	62,325,000	57,830,539	53,367,676	49,431,890	39,612,715	35,996,105	29,987,413
Total Pension Liability - Ending (a)	100,196,130	82,788,286	74,886,018	69,338,541	62,325,000	57,830,539	53,367,676	49,431,890	39,612,715	35,996,105
Plan Fiduciary Net Position:										
Contributions - Employer	1,895,887	2,439,269	2,057,555	1,982,333	1,842,074	1,439,364	1,199,854	1,040,242	1,109,071	857,531
Contributions - Employee	1,237,715	1,512,458	1,328,333	1,253,877	1,219,110	1,097,900	1,057,127	1,099,252	1,087,172	641,751
Net Investment Income (Loss)	7,926,232	5,940,858	(1,877,094)	14,534,254	1,856,896	2,949,295	3,212,740	4,095,964	(11,700)	763,454
Benefit Payments, Including Refunds of Employee Contributions	(2,122,055)	(1,978,206)	(1,720,848)	(1,378,711)	(1,255,070)	(1,156,667)	(1,061,625)	(941,558)	(1,021,160)	(598,672)
Pension Plan Administrative Expense	(81,691)	(63,945)	(63,990)	(55,378)	(51,162)	(46,104)	(42,770)	(38,697)	(31,476)	(30,599)
Other	14,113	(4,624)	113,336	-	32,219	(2)	2	(394,850)	(2)	13,001
Net Change in Plan Fiduciary Net Position	8,870,201	7,845,810	(162,708)	16,336,375	3,644,067	4,283,786	4,365,328	4,860,353	1,131,905	1,646,466
Plan Fiduciary Net Position - Beginning	74,882,308	67,036,498	67,199,206	50,862,831	47,218,764	42,934,978	38,569,650	33,709,297	32,577,392	30,930,926
Plan Fiduciary Net Position - Ending (b)	83,752,509	74,882,308	67,036,498	67,199,206	50,862,831	47,218,764	42,934,978	38,569,650	33,709,297	32,577,392
Net Pension Liability (Asset) - Ending (a) - (b)	$ 16,443,621	$ 7,905,978	$ 7,849,520	$ 2,139,335	$ 11,462,169	$ 10,611,775	$ 10,432,698	$ 10,862,240	$ 5,903,418	$ 3,418,713
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	83.59 %	90.45 %	89.52 %	96.91 %	81.61 %	81.65 %	80.45 %	78.03 %	85.10 %	90.50 %
Covered Payroll	$ 12,310,976	$ 15,061,889	$ 12,939,640	$ 12,502,586	$ 12,191,132	$ 10,979,095	$ 10,571,361	$ 10,872,555	$ 10,494,555	$ 8,021,870
Net Pension Liability as a Percentage of Covered Payroll	133.57 %	52.49 %	60.66 %	17.11 %	94.02 %	96.65 %	98.69 %	99.91 %	56.25 %	42.62 %

CITY OF CRANSTON, RHODE ISLAND
SCHEDULE OF CHANGES IN THE CITY'S NET PENSION ASSET AND RELATED RATIOS
MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM AGENT PLAN – FIRE
LAST TEN FISCAL YEARS

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total Pension Liability:										
Service Cost	$ 2,989,321	$ 3,657,142	$ 3,272,765	$ 3,182,960	$ 3,179,256	$ 3,063,391	$ 2,942,326	$ 2,469,994	$ 2,326,126	$ 2,143,259
Interest on the Total Pension Liability	7,442,442	6,825,688	6,307,473	5,816,862	5,305,512	4,943,164	4,470,059	4,169,635	3,925,426	3,436,541
Changes of Benefit Terms	2,318,984	-	-	-	-	-	-	-	-	1,629,797
Difference Between Expected and Actual Experience of the Total Pension Liability	10,852,029	2,197,922	280,538	(35,026)	300,156	(1,584,171)	181,502	(928,566)	(2,398,843)	(249,261)
Changes of Assumptions	-	(166,833)	-	-	135,602	-	-	3,052,432	-	-
Benefit Payments, Including Refunds of Employee Contributions	(3,742,555)	(2,995,925)	(2,303,849)	(1,698,086)	(1,536,674)	(1,071,175)	(720,365)	(753,251)	(583,801)	(482,813)
Net Change in Total Pension Liability	19,860,221	9,517,994	7,556,927	7,266,710	7,383,852	5,351,209	6,873,522	8,010,244	3,268,908	6,477,523
Total Pension Liability - Beginning	106,697,218	97,179,224	89,622,297	82,355,587	74,971,735	69,620,526	62,747,004	54,736,760	51,467,852	44,990,329
Total Pension Liability - Ending (a)	126,557,439	106,697,218	97,179,224	89,622,297	82,355,587	74,971,735	69,620,526	62,747,004	54,736,760	51,467,852
Plan Fiduciary Net Position:										
Contributions - Employer	1,232,081	1,734,745	1,438,506	1,244,667	1,197,397	819,835	792,107	971,858	991,610	1,226,727
Contributions - Employee	1,557,003	1,870,627	1,668,254	1,603,059	1,535,942	1,470,003	1,406,154	1,300,194	1,189,766	943,698
Net Investment Income (Loss)	11,668,647	8,920,554	(2,884,319)	22,702,257	2,964,386	4,806,199	5,312,666	6,811,465	(19,290)	1,266,662
Benefit Payments, Including Refunds of Employee Contributions	(3,742,555)	(2,995,925)	(2,303,849)	(1,698,086)	(1,536,674)	(1,071,175)	(720,365)	(753,251)	(583,801)	(482,813)
Pension Plan Administrative Expense	(120,263)	(96,017)	(98,326)	(86,500)	(81,676)	(75,131)	(70,725)	(64,352)	(51,895)	(50,779)
Other	262,989	603	223,126	177	170,908	85	138,343	297,336	786	830
Net Change in Plan Fiduciary Net Position	10,857,902	9,434,587	(1,956,608)	23,765,574	4,250,283	5,949,816	6,858,180	8,563,250	1,527,176	2,904,325
Plan Fiduciary Net Position - Beginning	112,441,991	103,007,404	104,964,012	81,198,438	76,948,155	70,998,339	64,140,159	55,576,909	54,049,733	51,145,398
Plan Fiduciary Net Position - Ending (b)	123,299,893	112,441,991	103,007,404	104,964,012	81,198,438	76,948,155	70,998,339	64,140,159	55,576,909	54,049,723
Net Pension Liability (Asset) - Ending (a) - (b)	$ 3,257,546	$ (5,744,773)	$ (5,828,180)	$ (15,341,715)	$ 1,157,149	$ (1,976,420)	$ (1,377,813)	$ (1,393,155)	$ (840,149)	$ (2,581,871)
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	97.43 %	105.38 %	106.00 %	117.12 %	98.59 %	102.64 %	101.98 %	102.22 %	101.53 %	105.02 %
Covered Payroll	$ 15,537,014	$ 18,658,886	$ 16,663,775	$ 16,018,925	$ 15,351,310	$ 14,692,524	$ 14,044,515	$ 12,959,047	$ 12,165,930	$ 11,750,323
Net Pension Asset as a Percentage of Covered Payroll	20.97 %	(30.79)%	(34.98)%	(95.77)%	7.54 %	(13.45)%	(9.81)%	(10.75)%	(6.91)%	(21.97)%

CITY OF CRANSTON, RHODE ISLAND
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
EMPLOYEES' RETIREMENT SYSTEM – TEACHERS
LAST TEN FISCAL YEARS

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
City's Proportion of the Net Pension Liability	4.51 %	4.62 %	4.62 %	4.61 %	4.58 %	4.50 %	4.52 %	4.51 %	4.63 %	4.51 %
City's Proportionate Share of the Net Pension Liability	$ 107,407,914	$ 112,085,312	$ 124,670,575	$ 108,584,442	$ 146,198,218	$ 143,724,256	$ 143,161,570	$ 142,133,353	$ 138,136,783	$ 124,172,981
State's Proportionate Share of the Net Pension Liability Associated with the School District	79,737,989	82,182,617	92,202,648	80,525,098	108,628,857	107,664,351	106,788,248	107,418,666	94,603,413	84,831,083
Total	$ 187,145,903	$ 194,267,929	$ 216,873,223	$ 189,109,540	$ 254,827,075	$ 251,388,607	$ 249,949,818	$ 249,552,019	$ 232,740,196	$ 209,004,064
City's Covered Payroll	$ 95,921,971	$ 93,582,411	$ 89,919,568	$ 87,754,592	$ 86,213,284	$ 83,700,855	$ 81,199,212	$ 79,238,665	$ 65,343,396	$ 75,293,840
City's Proportionate Share of the Net Pension Liability as a Percentage of Its Covered Payroll	111.97 %	119.77 %	138.65 %	123.74 %	169.58 %	171.71 %	176.31 %	179.37 %	211.40 %	164.92 %
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	67.70 %	65.80 %	62.10 %	54.30 %	54.30 %	54.60 %	54.30 %	54.00 %	54.06 %	61.40 %

Note:

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

CITY OF CRANSTON, RHODE ISLAND
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
EMPLOYEES' RETIREMENT SYSTEM – TEACHER'S SURVIVOR BENEFIT COST-SHARING PLAN
LAST TEN FISCAL YEARS

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
City's Proportion of the Net Pension Asset	16.25 %	16.47 %	16.42 %	16.67 %	61.59 %	16.43 %	16.44 %	16.59 %	16.33 %	15.92 %
City's Proportionate Share of the Net Pension Asset	$ (35,914,841)	$ (33,121,537)	$ (28,851,886)	$ (32,625,433)	$ (19,705,400)	$ (18,641,818)	$ (14,668,001)	$ (13,726,036)	$ (16,261,491)	$ (14,863,013)
City's Covered Payroll	$ 95,921,971	$ 93,582,411	$ 89,919,568	$ 87,754,592	$ 86,213,284	$ 83,700,855	$ 81,199,212	$ 71,583,452	$ 75,293,840	$ 71,583,452
City's Proportionate Share of the Net Pension Asset as a Percentage of Its Covered Payroll	0.37 %	0.35 %	0.32 %	0.37 %	0.23 %	0.22 %	0.18 %	0.19 %	0.22 %	0.21 %
Plan Fiduciary Net Position as a Percentage of the Total Pension Asset	193.80 %	190.20 %	177.70 %	185.70 %	153.10 %	150.20 %	137.40 %	136.10 %	153.30 %	146.60 %

Note:

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

CITY OF CRANSTON, RHODE ISLAND
SCHEDULE OF CITY CONTRIBUTIONS
CRANSTON RETIREMENT SYSTEM – POLICE AND FIRE PENSION
LAST TEN FISCAL YEARS

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially Determined Contribution	$ 23,439,119	$ 21,693,077	$ 20,834,416	$ 21,532,473	$ 21,457,077	$ 21,463,003	$ 21,569,803	$ 22,568,319	$ 21,403,849	$ 21,316,456
Contributions in Relation to the Actuarially Determined Contribution	23,439,119	21,693,077	20,834,416	21,532,473	21,457,077	21,463,003	21,569,803	22,568,319	21,403,849	21,316,456
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered Payroll	$ 715,062	$ 828,852	$ 1,031,143	$ 1,000,797	$ 1,065,712	$ 1,266,066	$ 2,043,982	$ 2,403,064	$ 2,697,374	$ 2,663,974
Contributions as a Percentage of Covered Payroll	3,277.91 %	2,617.24 %	2,020.52 %	2,151.53 %	2,013.40 %	1,695.25 %	1,055.28 %	939.15 %	793.51 %	800.18 %

Notes to Schedule:

Valuation Date: June 30, 2025
Measurement Date: June 30, 2025
Actuarially determined contribution rates are calculated as of June 30 of each plan year and effective two years after the actuarial valuation.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Dollar Basis,
	Court Approved Plan: Closed 28-Year Period Beginning with the July 1, 2013, Valuation. Opted Out of Court Approved Plan: Closed 23-Year Period
Remaining Amortization Period	Beginning with the July 1, 2013, Valuation
Asset Valuation Method	Market Value of Assets
Inflation	3.00%
Salary Increases	3%
Investment Rate of Return	7.90%
Cost of Living Adjustments	Eligible survivors receive a yearly cost of living adjustment based on the annual Social Security adjustment-for valuation purposes, a 3% cost of living adjustments is assumed.

CITY OF CRANSTON, RHODE ISLAND
SCHEDULE OF CITY CONTRIBUTIONS
MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM AGENT PLAN – GENERAL EMPLOYEES
LAST TEN FISCAL YEARS

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially Determined Contribution	$ 2,553,836	$ 2,836,907	$ 2,672,435	$ 2,516,380	$ 2,565,916	$ 2,367,241	$ 2,161,301	$ 2,342,837	$ 2,403,173	$ 2,479,865
Contributions in Relation to the Actuarially Determined Contribution	2,553,836	2,836,907	2,672,435	2,516,380	2,565,916	2,367,241	2,161,301	2,342,837	2,403,173	2,479,865
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered Payroll	$ 25,520,128	$ 25,672,665	$ 24,976,050	$ 23,988,407	$ 25,403,609	$ 24,838,673	$ 24,696,262	$ 24,260,270	$ 24,225,987	$ 24,170,205
Contributions as a Percentage of Covered Payroll	0.10 %	0.11 %	0.11 %	0.10 %	0.10 %	0.10 %	0.09 %	0.10 %	0.10 %	0.10 %

Notes to Schedule:

Valuation Date:	June 30, 2023
Measurement Date:	June 30, 2024

Actuarially determined contribution rates are calculated as of June 30 of each plan year and effective two years after the actuarial valuation.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	20 Years
Asset Valuation Method	5-Year Smoothed Market
Inflation	2.75%
Salary Increases	General Employees - 3.50% to 7.50% Police and Fire Employees - 4.00% to 14.00%
Investment Rate of Return	7.50%
Retirement Age	Experience-Based Table of Rates that are Specific to the Type of Eligibility Conditions. Last Updated for 2014 Valuation.
Mortality	Males: 115% of PR-2000 Combined Healthy for Males with White Collar Adjustments, Projected with Scale AA from 2000. 95% of RP-2000 Combined Healthy for Females with White Collar Adjustments, Projected with Scale AA from 2000.

CITY OF CRANSTON, RHODE ISLAND
SCHEDULE OF CITY CONTRIBUTIONS
MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM AGENT PLAN – POLICE
LAST TEN FISCAL YEARS

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially Determined Contribution	$ 2,513,002	$ 1,895,887	$ 2,439,269	$ 2,057,555	$ 1,982,333	$ 1,842,074	$ 1,439,364	$ 1,199,854	$ 1,040,242	$ 1,109,071
Contributions in Relation to the Actuarially Determined Contribution	2,513,002	1,895,887	2,439,269	2,057,555	1,982,333	1,842,074	1,842,074	1,439,364	1,199,854	1,040,242
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ 402,710	$ 239,510	$ 159,612	$ (68,829)
Covered Payroll	$ 12,680,305	$ 12,310,976	$ 15,061,889	$ 12,939,640	$ 12,502,586	$ 12,191,132	$ 10,979,095	$ 10,571,361	$ 10,872,555	$ 10,494,555
Contributions as a Percentage of Covered Payroll	19.82 %	15.40 %	16.19 %	15.90 %	15.86 %	15.11 %	16.78 %	13.62 %	11.04 %	9.91 %

Notes to Schedule:
Valuation Date: June 30, 2023
Measurement Date: June 30, 2024
Actuarially determined contribution rates are calculated as of June 30 of each plan year and effective two years after the actuarial valuation.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	19 Years
Asset Valuation Method	5-Year Smoothed Market
Inflation	2.50%
Salary Increases	3.00% to 14.00% including inflation
Investment Rate of Return	7.00%
Retirement Age	Experience-Based Table of Rates that are Specific to the Type of Eligibility Conditions. Last Updated for 2020 Valuation.
Mortality	Male Employees: PUB(10) Median Table for Healthy General Employee Males, loaded by 115%, projected with Scale Ultimate MP16. Female Employees: PUB(10) Median Table for Healthy General Employee Females, loaded by 111%, projected with Scale Ultimate MP16.

CITY OF CRANSTON, RHODE ISLAND
SCHEDULE OF CITY CONTRIBUTIONS
MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM AGENT PLAN – FIRE
LAST TEN FISCAL YEARS

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially Determined Contribution	$ 1,722,503	$ 1,232,081	$ 1,734,745	$ 1,438,506	$ 1,244,667	$ 1,197,397	$ 819,835	$ 792,107	$ 971,858	$ 991,610
Contributions in Relation to the Actuarially Determined Contribution	1,722,503	1,232,081	1,734,745	1,438,506	1,244,667	1,197,397	819,835	792,107	971,858	991,610
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered Payroll	$ 16,003,124	$ 15,537,014	$ 18,658,886	$ 16,663,775	$ 16,018,925	$ 15,351,310	$ 14,692,524	$ 14,044,515	$ 12,959,047	$ 12,165,930
Contributions as a Percentage of Covered Payroll	10.76 %	7.93 %	9.30 %	8.63 %	7.77 %	7.80 %	5.58 %	5.64 %	7.50 %	8.15 %

Notes to Schedule:

Valuation Date: June 30, 2023
Measurement Date: June 30, 2024
Actuarially determined contribution rates are calculated as of June 30 of each plan year and effective two years after the actuarial valuation.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	19 Years
Asset Valuation Method	5-Year Smoothed Market
Inflation	2.50%
Salary Increases	3.00% to 14.00% including inflation
Investment Rate of Return	7.00%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2020 valuation.
Mortality	Male Employees: PUB(10) Median Table for Healthy General Employee Males, loaded by 115%, projected with Scale Ultimate MP16. Female Employees: PUB(10) Median Table for Healthy General Employee Females, loaded by 111%, projected with Scale Ultimate MP16.

CITY OF CRANSTON, RHODE ISLAND
SCHEDULE OF CITY CONTRIBUTIONS
EMPLOYEES' RETIREMENT SYSTEM – TEACHERS
LAST TEN FISCAL YEARS

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially Determined Contribution	$ 15,437,928	$ 14,712,771	$ 14,542,700	$ 13,700,256	$ 13,105,536	$ 12,545,887	$ 11,597,002	$ 11,085,649	$ 10,443,656	$ 8,928,408
Contributions in Relation to the Actuarially Determined Contribution	15,437,928	14,712,771	14,542,700	13,700,256	13,105,536	12,545,887	11,597,002	11,085,649	10,443,656	8,928,408
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered Payroll	$ 96,131,615	$ 95,921,971	$ 93,582,411	$ 89,919,568	$ 87,754,592	$ 86,213,284	$ 83,700,855	$ 81,199,212	$ 79,238,665	$ 65,343,396
Contributions as a Percentage of Covered Payroll	16.06 %	15.34 %	15.54 %	15.24 %	14.93 %	14.55 %	13.86 %	13.65 %	13.18 %	13.66 %

Notes:

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

Notes to Schedule:

Valuation Date:	June 30, 2023
Measurement Date:	June 30, 2024
Methods and Assumptions Used to Determine Contribution Rates:	
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining amortization period	15 years
Asset Valuation Method	5-year smoothed market
Inflation	2.50%
Salary Increases	Teachers - 3.0% to 13.0%
Investment Rate of Return	7.00%
Mortality	Variants of the PUB (10) Tables for Healthy and Disabled Retirees, projected with Scale Ultimate MP16

CITY OF CRANSTON, RHODE ISLAND
SCHEDULE OF CITY CONTRIBUTIONS
TEACHERS' SURVIVOR BENEFIT COST-SHARING PLAN
LAST TEN FISCAL YEARS

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially Determined Contribution	$ 123,698	$ 123,256	$ 126,324	$ 124,156	$ 122,736	$ 123,737	$ 122,562	$ 122,309	$ 104,893	$ 96,065
Contributions In Relation to the Actuarially Determined Contribution	123,698	123,256	126,324	124,156	122,736	123,737	122,562	122,309	104,893	96,065
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered Payroll	$ 96,131,615	$ 95,921,971	$ 93,582,411	$ 89,919,568	$ 87,754,592	$ 86,213,284	$ 83,700,855	$ 81,199,212	$ 71,583,452	$ 75,293,840
Contributions as a Percentage of Covered Payroll	0.13 %	0.13 %	0.13 %	0.14 %	0.14 %	0.14 %	0.15 %	0.15 %	0.15 %	0.13 %

Notes:

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

Notes to Schedule:

Valuation Date:	June 30, 2023
Measurement Date:	June 30, 2024
Methods and Assumptions Used to Determine Contribution Rates:	
Actuarial Cost Method	Entry Age Normal - The individual Entry Age Actuarial Cost methodology is used.
Inflation	2.50%
Salary Increases	3.0% to 13.0%
Investment Rate of Return	7.00%
Mortality	Male Employees, RP-2014 Combined Healthy for Males with White Collar Adjustments, Projected with Scale Ultimate MP16. Female Employees, RP-2014 Combined Healthy for Females with White Collar adjustments, projected with Scale Ultimate MP16.
Cost of Living Adjustment	Eligible survivors receive a yearly cost of living adjustment based on the annual Social Security adjustment - for valuation purposes, a 2.50% cost of living adjustment is assumed.

CITY OF CRANSTON, RHODE ISLAND
SCHEDULE OF CITY CONTRIBUTIONS
NATIONAL (INDUSTRIAL) PENSION PLAN
LAST TEN FISCAL YEARS

City	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially Determined Contribution	$ 382,379	$ 376,853	$ 378,816	$ 439,260	$ 427,085	$ 399,417	$ 346,921	$ 333,152	$ 301,375	$ 259,382
Contributions in Relation to the Actuarially Determined Contribution	382,379	376,853	378,816	439,260	427,085	399,417	346,921	333,152	301,375	259,382
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

School Department	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially Determined Contribution	$ 205,806	$ 205,967	$ 206,307	$ 190,428	$ 181,422	$ 207,027	$ 181,422	$ 207,027	$ 136,018	$ 124,272
Contributions in Relation to the Actuarially Determined Contribution	205,806	205,967	206,307	190,428	181,422	207,027	181,422	207,027	136,018	124,272
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Notes to Schedule:

Contribution Rates:

City Employer Contributions	$1.87 per hour
School Employer Contributions	$0.99 per hour

CITY OF CRANSTON, RHODE ISLAND
SCHEDULE OF CITY CONTRIBUTIONS
NEW ENGLAND TEAMSTERS & TRUCKING INDUSTRY PLAN
LAST TEN FISCAL YEARS

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially Determined Contribution	$ 369,597	$ 439,260	$ 378,816	$ 376,853	$ 364,025	$ 390,673	$ 364,025	$ 342,232	$ 327,411	$ 296,407
Contributions in Relation to the Actuarially Determined Contribution	369,597	439,260	378,816	376,853	364,025	390,673	364,025	342,232	327,411	296,407
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Notes to Schedule:

Contribution Rates:
City Employer Contributions $1.35 per hour

CITY OF CRANSTON, RHODE ISLAND
SCHEDULE OF CITY INVESTMENT RETURNS
CRANSTON RETIREMENT SYSTEM – POLICE AND FIRE PENSION
LAST TEN FISCAL YEARS

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Annual Money-Weighted Rate of Return, Net of Investment Expense	11.20 %	12.70 %	8.30 %	(14.60)%	18.70 %	1.61 %	5.64 %	9.25 %	(3.35)%	4.00 %

CITY OF CRANSTON, RHODE ISLAND
SCHEDULE OF CHANGES IN THE CITY'S NET OPEB LIABILITY AND RELATED RATIOS
CITY OF CRANSTON PUBLIC SAFETY OPEB TRUST FUND
LAST NINE FISCAL YEARS*

	2025	2024	2023	2022	2021	2020	2019	2018	2017
Total OPEB Liability:									
Service Cost	$ 1,208,911	$ 1,156,853	$ 965,781	$ 924,192	$ 910,189	$ 892,711	$ 954,238	$ 930,661	$ 890,585
Interest on the Total OPEB Liability	3,874,342	3,943,969	3,578,402	3,636,797	3,587,362	3,350,222	3,776,605	3,867,250	3,830,040
Change in Terms	-	-	-	-	-	(556,407)	-	-	-
Change in Assumptions	-	-	1,383,778	-	-	-	-	-	-
Differences Between Expected and Actual Experience	2,503,192	-	7,190,077	-	1,086,712	4,099,493	(5,576,847)	(1,729,986)	-
Benefit Payments	(5,873,537)	(6,281,563)	(5,760,678)	(4,938,475)	(5,005,273)	(4,605,759)	(4,378,012)	(4,104,990)	(4,467,496)
Net Change in Total OPEB Liability	1,712,908	(1,180,741)	7,357,360	(377,486)	578,990	3,180,260	(5,224,016)	(1,037,065)	253,129
Total OPEB Liability - Beginning	53,332,656	54,513,397	47,156,037	47,533,523	46,954,533	43,774,273	48,998,289	50,035,354	49,782,225
Total OPEB Liability - Ending	$ 55,045,564	$ 53,332,656	$ 54,513,397	$ 47,156,037	$ 47,533,523	$ 46,954,533	$ 43,774,273	$ 48,998,289	$ 50,035,354
Plan Fiduciary Net Position:									
Contributions - Employer	$ 5,491,321	$ 4,832,559	$ 4,832,559	$ 4,512,526	$ 2,040,266	$ 4,488,978	$ 4,426,721	$ 5,108,840	$ 5,055,716
Contributions - Retired Members	399,335	406,638	446,345	413,459	438,863	396,346	385,781	368,718	362,505
Net Investment Income	1,043,365	997,571	766,890	(870,677)	1,914,392	242,263	410,584	316,629	174,087
Benefit Payments	(5,873,537)	(6,281,563)	(5,760,678)	(4,938,475)	(5,106,910)	(4,605,759)	(4,378,012)	(4,104,989)	(4,467,496)
OPEB Plan Administrative Expense	(28,832)	(23,748)	(16,484)	(27,682)	(24,328)	(24,164)	(23,396)	(19,792)	(17,471)
Net Change in Plan Fiduciary Net Position	1,031,652	(68,543)	268,632	(910,849)	(737,717)	497,664	821,678	1,669,406	1,107,341
Plan Fiduciary Net Position - Beginning	7,672,124	7,740,667	7,472,035	8,382,884	9,120,601	8,622,937	7,801,259	6,131,853	5,024,512
Plan Fiduciary Net Position - Ending (B)	8,703,776	7,672,124	7,740,667	7,472,035	8,382,884	9,120,601	8,622,937	7,801,259	6,131,853
Net OPEB Liability - Ending	$ 46,341,788	$ 45,660,532	$ 46,772,730	$ 39,684,002	$ 39,150,639	$ 37,833,932	$ 35,151,336	$ 41,197,030	$ 43,903,501
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	15.81%	14.39%	14.20%	15.85%	17.64%	19.42%	19.70%	15.92%	12.26%
Covered Payroll	$ 27,058,446	$ 25,596,231	$ 26,949,407	$ 26,967,333	$ 26,055,394	$ 24,369,602	$ 24,825,724	$ 24,041,185	$ 23,228,198
Net OPEB Liability as a Percentage of Covered Payroll	171.27%	178.39%	173.56%	147.16%	150.26%	155.25%	141.59%	171.36%	189.01%

*Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

CITY OF CRANSTON, RHODE ISLAND
SCHEDULE OF CHANGES IN THE CITY'S NET OPEB LIABILITY AND RELATED RATIOS
CRANSTON PUBLIC SCHOOLS OPEB TRUST FUND
LAST NINE FISCAL YEARS*

	2025	2024	2023	2022	2021	2020	2019	2018	2017
Total OPEB Liability:									
Service Cost	$ 665,739	$ 665,739	$ 539,475	$ 492,771	$ 758,165	$ 758,165	$ 570,694	$ 546,119	$ 538,422
Interest on the Total OPEB Liability	690,931	676,581	687,379	827,124	436,834	544,115	400,456	380,630	363,147
Changes of Assumptions	(284,093)	(454,863)	741,579	-	4,808,320	930,455	-	-	-
Differences Between Expected and Actual Experience	2,553,884	(1,221,347)	674,076	(3,309,213)	(3,318,952)	(640,086)	3,327,983	172,483	-
Benefit Payments	(912,778)	(798,657)	(764,265)	(938,189)	(945,945)	(750,281)	(662,755)	(542,485)	(357,642)
Net Change in Total OPEB Liability	2,713,683	(1,132,547)	1,878,244	(2,927,507)	1,738,422	842,368	3,636,378	556,747	543,927
Total OPEB Liability - Beginning (a)	14,331,272	15,463,819	13,585,575	16,513,082	14,774,660	13,932,292	10,295,914	9,739,167	9,195,240
Total OPEB Liability - Ending (b)	$ 17,044,955	$ 14,331,272	$ 15,463,819	$ 13,585,575	$ 16,513,082	$ 14,774,660	$ 13,932,292	$ 10,295,914	$ 9,739,167
Plan Fiduciary Net Position:									
Contributions - Employer	$ -	$ -	$ -	$ 630,971	$ 1,631,995	$ 519,171	$ 449,828	$ 868,198	$ 512,786
Net Investment Income	167,067	585,770	133,645	(258,132)	221,586	38,077	43,177	37,929	49,267
Benefit Payments	(630,208)	(443,162)	(563,433)	(630,971)	(659,695)	(519,171)	(449,828)	(368,198)	(512,786)
OPEB Plan Administrative Expense	(4,480)	(3,812)	(5,226)	-	(2,980)	(1,645)	(1,530)	-	-
Net Change in Plan Fiduciary Net Position	(467,621)	138,796	(435,014)	(258,132)	1,190,906	36,432	41,647	537,929	49,267
Plan Fiduciary Net Position - Beginning	1,319,708	1,180,912	1,615,926	1,874,058	683,152	646,720	605,073	67,144	17,877
Plan Fiduciary Net Position - Ending	852,087	1,319,708	1,180,912	1,615,926	1,874,058	683,152	646,720	605,073	67,144
Net OPEB Liability - Ending (a) - (b)	$ 16,192,868	$ 13,011,564	$ 14,282,907	$ 11,969,649	$ 14,639,024	$ 14,091,508	$ 13,285,572	$ 9,690,841	$ 9,672,023
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	5.00 %	9.21 %	7.64 %	11.89 %	11.35 %	4.62 %	4.64 %	5.88 %	0.69 %
Covered Payroll	$ 100,386,163	$ 98,804,270	$ 100,836,786	$ 90,299,925	$ 90,387,800	$ 87,331,208	$ 86,830,931	$ 83,894,619	$ 82,578,112
Net OPEB Liability as a Percentage of Covered Payroll	16.13 %	13.17 %	14.16 %	13.26 %	16.20 %	16.14 %	15.30 %	11.55 %	11.71 %

*Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

CITY OF CRANSTON, RHODE ISLAND
SCHEDULE OF CITY CONTRIBUTIONS
CITY OF CRANSTON PUBLIC SAFETY OPEB TRUST FUND
LAST NINE FISCAL YEARS*

	2025	2024	2023	2022	2021	2020	2019	2018	2017
Actuarially Determined Contribution (1)	$ 5,491,321	$ 4,832,559	$ 4,832,559	$ 4,512,526	$ 2,040,266	$ 4,488,978	$ 4,426,721	$ 5,108,840	$ 5,055,716
Contributions in Relation to the Actuarially Determined Contribution	5,491,321	4,832,559	4,832,559	4,512,526	2,040,266	4,488,978	4,426,721	5,108,840	5,055,716
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered Payroll	$ 27,058,446	$ 25,596,231	$ 26,949,407	$ 26,967,333	$ 26,055,394	$ 24,369,602	$ 24,825,724	$ 24,041,185	$ 23,228,198
Contributions as a Percentage of Covered Payroll	20.29 %	18.88 %	17.93 %	16.73 %	7.83 %	18.42 %	17.83 %	21.25 %	21.77 %

(1) Actuarially determined contributions prior to fiscal year ended June 30, 2016, are based on the annual required contribution (ARC) calculated in accordance with GASB No. 45.

Notes to Schedule:

Valuation Date:	June 30, 2025
Measurement Date:	June 30, 2025

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Entry Age Normal
Discount Rate	7.50%
Asset Valuation Method	Market value of assets
Inflation	3.00%
Investment Rate of Return	7.5% per year, net of investment expenses
Healthcare Trend Rates	5% for 2025 and after
Mortality	Mortality rates for pre-retirement were based on the RP-2000 Blue Collar mortality table with Scale AA improvement to 2026. Post retirement mortality is represented by the RP-2000 White Collar Mortality Table, adjusted 115% for males, 95% for females, with Scale AA improvements on the generational basis. Mortality for disabled members is represented by the RP-2000 Blue Collar Mortality Table with Scale AA adjustment to 2026 and set forward of 3 years.

*Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

CITY OF CRANSTON, RHODE ISLAND
SCHEDULE OF CITY CONTRIBUTIONS
CRANSTON PUBLIC SCHOOLS OPEB TRUST FUND
LAST NINE FISCAL YEARS

	2025	2024	2023	2022	2021	2020	2019	2018	2017
Actuarially Determined Contribution (1)	$ 1,407,523	$ 1,193,861	$ 1,271,485	$ 630,971	$ 659,695	$ 519,171	$ 449,828	$ 868,198	$ 512,786
Contributions in Relation to the Actuarially Determined Contribution	-	-	-	630,971	1,631,995	519,171	449,828	868,198	512,786
Contribution Deficiency (Excess)	$ 1,407,523	$ 1,193,861	$ 1,271,485	$ -	$ (972,300)	$ -	$ -	$ -	$ -
Covered Payroll	$ 100,386,163	$ 98,804,270	$ 100,836,786	$ 90,299,925	$ 90,387,800	$ 87,331,208	$ 86,830,931	$ 83,894,619	$ 82,578,112
Contributions as a Percentage of Covered Payroll	- %	- %	- %	0.70 %	1.81 %	0.59 %	0.52 %	1.03 %	0.62 %

(1) Actuarially determined contributions prior to fiscal year ended June 30, 2016, is based on the annual required contribution (ARC) calculated in accordance with GASB No. 45.

Notes to Schedule:

Valuation Date:	June 30, 2025
Measurement Date:	June 30, 2025

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Discount Rate	5.00%
Asset Valuation Method	Market value of assets
Inflation	4.5%
Investment Rate of Return	5.00%
Healthcare Trend Rates	4.5% for 2025 and years later
Mortality	It is assumed that both pre-retirement mortality and beneficiary mortality is represented by the RP-2014 White Collar Mortality with Scale MP-2016, fully generational. Mortality for disabled members is represented by the RP-2014 Disabled Mortality with Scale MP-2016, fully generational.

The actuarial assumptions used in the June 30, 2025 valuation were based on the results of the 2014 ERSRI experience study for general employees.

*Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

CITY OF CRANSTON, RHODE ISLAND
SCHEDULE OF CITY INVESTMENT RETURNS
CITY OF CRANSTON PUBLIC SAFETY OPEB TRUST FUND
LAST EIGHT FISCAL YEARS*

	2025	2024	2023	2022	2021	2020	2019	2018
Annual Money-Weighted Rate of Return, Net of Investment Expense	11.20 %	12.20 %	8.20 %	(13.60)%	18.70 %	3.28 %	5.92 %	6.15 %

*Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

CITY OF CRANSTON, RHODE ISLAND
SCHEDULE OF CRANSTON PUBLIC SCHOOLS INVESTMENT RETURNS
CRANSTON PUBLIC SCHOOLS OPEB TRUST FUND
LAST EIGHT FISCAL YEARS*

	2025	2024	2023	2022	2021	2020	2019	2018
Annual Money-Weighted Rate of Return, Net of Investment Expense	12.66 %	12.12 %	8.57 %	(13.18)%	23.99 %	5.88 %	7.14 %	6.47 %

*Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

SUPPLEMENTAL, COMBINING, AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special Revenue Funds are used to account for revenues from specific taxes and other earmarked revenue sources which by law are designated to finance particular functions or activities of government and which, therefore, cannot be diverted to other uses.

Education – This fund accounts for education programs financed with grants from private parties and the federal and state government, which are restricted as governed by the grant agreements.

Student Athletic Funds – This fund accounts for the receipt and disbursement of school athletic funds.

Student Activity Funds – This fund accounts for the receipt and disbursement of school student activity programs.

Charter School – This fund accounts for the New England Laborers / Cranston Public Schools Construction & Career Academy.

Community Services – These funds account for various grants and donations that are used throughout the City for the general betterment of the City. Included in this category are the following funds:

- *Flood Mitigation* – This fund was established to help mitigate flooding in low lying areas throughout the City.
- *UDAG* – This fund accounts for the repayment of principal and interest payments from commercial loans funded by a grant from the Department of Housing and Urban Development.
- *Economic Development Revolving Loan* – This fund accounts for the repayment of principal and interest payments from commercial loans funded by a grant from the Department of Housing and Urban Development.
- *Public Libraries* -This fund is used to account for gifts, bequests and grants received by the library for the betterment of the public library system.

Special Revenue Funds (Continued)

Public Services -These funds account for public safety activities financed by grants, donations and charges received from private parties and federal and state agencies. This category includes the following funds:

Emergency Management

Harbor Master

Fire Revolving Loan Fund

Special Duty Fire

Animal Shelter

Police Grants/Donations

Police Federal Forfeiture-Justice

Police Evidence

Police State Seizure

Police Federal Forfeiture-Treasury

Training Academy

Special Duty Police

Senior Services -The following funds were established to account for the receipt and disbursement of funds for specific activities sponsored by the Senior Citizens Center:

RSVP

Multipurpose Center

Adult Day Care

Senior Service Special Project

Cranston Senior Games

Governmental Special Revenue – This fund accounts for special grants and non-capital projects and includes the following funds:

Connetta Park

Parks and Recreation

Inaugural Committee

Capital Facilities Development Impact Fees

Cemetery Trust

Historical Records

Special Revenue Funds (Continued)

Community Development Block Grant – This fund accounts for Federal Community Development Block Grants.

WIOA Job Development – This fund is a joint venture with the City of Providence to help unemployed and underemployed individuals.

Capital Project Funds

The Capital Project Funds account for all resources used for the acquisition and/or construction of capital facilities by the City, except for those financed by the Enterprise Funds.

School Bond Fund – This fund accounts for the construction and improvements to school buildings, and for the acquisition of equipment for the Cranston School District.

Police and Fire Bond Fund – This fund accounts for the construction and improvements to police and fire stations and for the acquisition of police and fire equipment.

Public Building Bond Fund – This fund accounts for the construction and improvements of City buildings and the acquisition of equipment for City Hall.

Recreation Bond Fund – This fund accounts for the construction and improvements of the City's recreation facilities and for the acquisition of open space.

Highway Bond Fund – This fund accounts for the construction and improvements to roads and highways within the City.

Storm Drains Bond Fund – This fund accounts for the installation and repair of storm drains within the City.

Library Bond Fund – This fund accounts for the construction and improvements to the Library’s within the City.

Neighborhood Infrastructure Bond Fund – This fund accounts for neighborhood improvement projects.

Open Space Bond Fund – This fund accounts for the acquisition of open space.

Highway Bond Fund – This fund accounts for construction and improvements to roads and highways within the City.

Storm Drains Bond Fund – This fund accounts for the installation and repair of storm drains within the City.

Library Bond Fund – This fund accounts for the construction and improvements to the Library's within the City.

Capital Project Funds (Continued)

Neighborhood Infrastructure Bond Fund – This fund accounts for neighborhood improvement projects.

Open Space Bond Fund – This fund accounts for the acquisition of open space.

SCHEDULE A-1

CITY OF CRANSTON, RHODE ISLAND
COMBINING BALANCE SHEET
JUNE 30, 2025

	Special Revenue Funds						
	School Federal Grants	School State Grants	School Private Grants	School Athletic Funds	Student Activity Funds	Charter School	Community Services
ASSETS							
Cash and Cash Equivalents	$ 1,174,625	$ 383,388	$ 1,171,080	$ 3,032	$ 880,563	$ 825,883	$ 1,834,157
Receivables:							
Intergovernmental	1,339,836	663,701	59	-	-	5,865	-
Loans	-	-	-	-	-	-	378,119
Other	-	-	-	-	-	-	-
Security Deposits	-	-	9,417	-	-	-	-
Prepaids	-	-	-	-	-	1,278	-
Due from:							
Other Funds	-	34,912	68,448	179,460	-	19,155	7,569
Total Assets	$ 2,514,461	$ 1,082,001	$ 1,249,004	$ 182,492	$ 880,563	$ 852,181	$ 2,219,845
LIABILITIES AND FUND BALANCES							
LIABILITIES							
Accounts Payable	$ 182,508	$ -	$ -	$ -	$ -	$ 39,079	$ 5,277
Accrued Payroll	-	-	-	-	-	-	-
Retainage Payable	-	-	-	-	-	-	-
Due to Other Funds	1,361,735	744,098	335,251	-	-	-	-
Bond Anticipation Note Payable	-	-	-	-	-	-	-
Unearned Revenues	970,218	337,903	913,753	-	-	19,225	383,660
Total Liabilities	2,514,461	1,082,001	1,249,004	-	-	58,304	388,937
FUND BALANCES							
Nonspendable	-	-	-	-	-	1,278	-
Restricted	-	-	-	182,492	880,563	792,599	1,830,908
Committed	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-
Total Fund Balances	-	-	-	182,492	880,563	793,877	1,830,908
Total Liabilities and Fund Balances	$ 2,514,461	$ 1,082,001	$ 1,249,004	$ 182,492	$ 880,563	$ 852,181	$ 2,219,845

CITY OF CRANSTON, RHODE ISLAND
COMBINING BALANCE SHEET (CONTINUED)
JUNE 30, 2025

	Special Revenue Funds					Capital Project Funds	
	Public Service	Senior Services	Governmental Special Revenue Funds	Community Development Block Grant	WIOA Job Development	Police and Fire Bond Fund	Public Building Bond Fund
ASSETS							
Cash and Cash Equivalents	$ 2,895,289	$ 130,556	$ 951,990	$ 1	$ 46,285	$ 795,556	$ 1,644,677
Receivables:							
Intergovernmental	-	-	-	-	-	-	
Loans	-	-	-	1,647,671	-	-	-
Other	186,415	-	-		-	-	-
Security Deposits	-	-	-	-	-	-	-
Prepaids	-	-	-	-	-	-	-
Due from:							
Other Funds	126,887	4,268	23,545	-	-	6,452	-
Total Assets	$ 3,208,591	$ 134,824	$ 975,535	$ 1,647,672	$ 46,285	$ 802,008	$ 1,644,677
LIABILITIES AND FUND BALANCES							
LIABILITIES							
Accounts Payable	$ 400,997	$ 2,338	$ 327	$ -	$ -	$ 373	$ 120,475
Accrued Payroll	124,232	-	-	14,287	11,087	-	-
Retainage Payable	-	-	-	-	-	-	-
Due to Other Funds	155,282	-	-	16,701	108,151	-	8,618
Bond Anticipation Note Payable	-	-	-	-	-	-	
Unearned Revenues	-	-	-	823,834	-	-	-
Total Liabilities	680,511	2,338	327	854,822	119,238	373	129,093
FUND BALANCES							
Nonspendable	-	-	-	-	-	-	-
Restricted	2,528,080	-	975,208	792,850	-	801,635	1,515,584
Committed	-	132,486	-	-	-	-	-
Unassigned	-	-	-	-	(72,953)	-	
Total Fund Balances	2,528,080	132,486	975,208	792,850	(72,953)	801,635	1,515,584
Total Liabilities and Fund Balances	$ 3,208,591	$ 134,824	$ 975,535	$ 1,647,672	$ 46,285	$ 802,008	$ 1,644,677

CITY OF CRANSTON, RHODE ISLAND
COMBINING BALANCE SHEET (CONTINUED)
JUNE 30, 2025

	Capital Project Funds						
	Recreation Bond Fund	Highway Bond Fund	Storm Drains Bond Fund	Library Bond Fund	Neighborhood Infrastructure Bond Fund	Open Space Bond Fund	Total Nonmajor Governmental Funds
ASSETS							
Cash and Cash Equivalents	$ 6,136,556	$ 1,957,213	$ 10	$ 36,809	$ 44,940	$ 39,603	$ 20,952,213
Receivables:							
Intergovernmental	-		-	-	-	-	2,009,461
Loans	-	-	-	-	-	-	2,025,790
Other	-	-	-	-	-	-	186,415
Security Deposits							9,417
Prepaids	-	-	-	-	-	-	1,278
Due from:							
Other Funds	-	-	-	-	-		470,696
Total Assets	$ 6,136,556	$ 1,957,213	$ 10	$ 36,809	$ 44,940	$ 39,603	$ 25,655,270
LIABILITIES AND FUND BALANCES							
LIABILITIES							
Accounts Payable	$ 291,686	$ 50,275	$ -	$ -	$ -	$ -	$ 1,093,335
Accrued Payroll	-	-	-	-	-	-	149,606
Retainage Payable	-	28,874	-	-	-	-	28,874
Due to Other Funds	-	-	-	-		-	2,729,836
Bond Anticipation Note Payable		5,083,182					5,083,182
Unearned Revenues	-	-	-	-	-	-	3,448,593
Total Liabilities	291,686	5,162,331	-	-	-	-	12,533,426
FUND BALANCES							
Nonspendable	-	-	-	-	-	-	1,278
Restricted	5,844,870	-	10	36,809	44,940	39,603	16,266,151
Committed	-	-	-	-	-	-	132,486
Unassigned	-	(3,205,118)	-	-	-	-	(3,278,071)
Total Fund Balances	5,844,870	(3,205,118)	10	36,809	44,940	39,603	13,121,844
Total Liabilities and Fund Balances	$ 6,136,556	$ 1,957,213	$ 10	$ 36,809	$ 44,940	$ 39,603	$ 25,655,270

CITY OF CRANSTON, RHODE ISLAND
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2025

	Special Revenue Funds						
	School Federal Grants	School State Grants	School Private Grants	School Athletic Funds	Student Activity Funds	Charter School	Community Services
REVENUES							
Intergovernmental	$ 11,495,689	$ 1,915,503	$ 375,442	$ 111,374	$ 1,385,249	$ 1,903,162	$ -
Charges for Services	-	-	-	-	-	1,284,200	-
Investment Income	-	-	-	-	-	7,731	77,131
Other	-	-	-	-	-	-	57,112
Total Revenues	11,495,689	1,915,503	375,442	111,374	1,385,249	3,195,093	134,243
EXPENDITURES							
Current:							
General Government	-	-	-	-	-	-	148,838
Public Safety	-	-	-	-	-	-	-
Education	10,037,674	1,341,462	334,382	55,329	1,366,737	3,232,538	-
Parks and Recreation	-	-	-	-	-	-	-
Public Libraries	-	-	-	-	-	-	85,544
Senior Services	-	-	-	-	-	-	-
Community Development	-	-	-	-	-	-	-
Debt Service:							
Interest and Other Costs	-	-	-	-	-	-	-
Capital:							
Capital Expenditures	1,197,651	574,041	41,060	64,468	-	47,239	-
Total Expenditures	11,235,325	1,915,503	375,442	119,797	1,366,737	3,279,777	234,382
DEFICIENCY OF REVENUES UNDER EXPENDITURES	260,364	-	-	(8,423)	18,512	(84,684)	(100,139)
OTHER FINANCING SOURCES (USES)							
Transfer In	-	-	-	-	-	-	-
Transfer Out	(260,364)	-	-	-	-	-	-
Net Other Financing Sources (Uses)	(260,364)	-	-	-	-	-	-
NET CHANGE IN FUND BALANCES	-	-	-	(8,423)	18,512	(84,684)	(100,139)
Fund Balances - Beginning of Year	-	-	-	190,915	862,051	878,561	1,931,047
FUND BALANCES - END OF YEAR	$ -	$ -	$ -	$ 182,492	$ 880,563	$ 793,877	$ 1,830,908

CITY OF CRANSTON, RHODE ISLAND
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
YEAR ENDED JUNE 30, 2025

	Special Revenue Funds					Capital Projects Fund	
	Public Service	Senior Services	Governmental Special Revenue Funds	Community Development Block Grant	WIOA Job Development	Police and Fire Bond Fund	Public Building Bond Fund
REVENUES							
Intergovernmental	$ 467,535	$ -	$ -	$ 442,416	$ 264,507	$ -	$ -
Charges for Services	2,625,862	44,251	162,204	-	-	-	-
Investment Income	115,848	5,094	35,274	525,000	364	5,558	26,148
Other	322,377	-	-	-	-	-	-
Total Revenues	3,531,622	49,345	197,478	967,416	264,871	5,558	26,148
EXPENDITURES							
Current:							
General Government	-	-	86,706	-	283,349	-	-
Public Safety	3,955,619	-	15,612	-	-	-	-
Education	-	-	-	-	-	-	-
Parks and Recreation	-	-	-	-	-	-	-
Public Libraries	-	-	-	-	-	-	-
Senior Services	-	43,792	-	-	-	-	-
Community Development	-	-	-	924,195	-	-	-
Debt Service:							
Interest and Other Costs	-	-	-	-	-	-	-
Capital:							
Capital Expenditures	-	-	-	-	-	364,381	259,418
Total Expenditures	3,955,619	43,792	102,318	924,195	283,349	364,381	259,418
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(423,997)	5,553	95,160	43,221	(18,478)	(358,823)	(233,270)
OTHER FINANCING SOURCES (USES)							
Transfer In	-	-	-	-	-	480,000	1,475,000
Transfer Out	-	-	-	-	-	-	-
Net Other Financing Sources (Uses)	-	-	-	-	-	480,000	1,475,000
NET CHANGE IN FUND BALANCES	(423,997)	5,553	95,160	43,221	(18,478)	121,177	1,241,730
Fund Balances - Beginning of Year	2,952,077	126,933	880,048	749,629	(54,475)	680,458	273,854
FUND BALANCES - END OF YEAR	$ 2,528,080	$ 132,486	$ 975,208	$ 792,850	$ (72,953)	$ 801,635	$ 1,515,584

CITY OF CRANSTON, RHODE ISLAND
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
YEAR ENDED JUNE 30, 2025

	Capital Projects Fund						
	Recreation Bond Fund	Highway Bond Fund	Storm Drains Bond Fund	Library Bond Fund	Neighborhood Infrastructure Bond Fund	Open Space Bond Fund	Total Nonmajor Governmental Funds
REVENUES							
Intergovernmental	$ -	$ 563,386	$ -	$ -	$ -	$ -	$ 18,924,263
Charges for Services	-	-	-	-	-	-	4,116,517
Investment Income	30,424	16,681	-	-	-	-	845,253
Other	-	-	-	-	-	-	379,489
Total Revenues	30,424	580,067	-	-	-	-	24,265,522
EXPENDITURES							
Current:							
General Government	-	-	-	-	-	-	518,893
Public Safety	-	-	-	-	-	-	3,971,231
Education	-	-	-	-	-	-	16,368,122
Parks and Recreation		-	-	-	-	-	-
Public Libraries	-	-	-	-	-	-	85,544
Senior Services	-	-	-	-	-	-	43,792
Community Development	-	-	-	-	-	-	924,195
Debt Service:							
Interest and Other Costs	-	-	62	22	145	24	253
Capital:							
Capital Expenditures	2,229,501	5,916,560	250,450	-	32,200	-	10,976,969
Total Expenditures	2,229,501	5,916,560	250,512	22	32,345	24	32,888,999
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(2,199,077)	(5,336,493)	(250,512)	(22)	(32,345)	(24)	(8,623,477)
OTHER FINANCING SOURCES (USES)							
Transfer In	2,436,781	891,781	-	-	-	-	5,283,562
Transfer Out	-	-	-	-	-	-	(260,364)
Net Other Financing Sources (Uses)	2,436,781	891,781	-	-	-	-	5,023,198
NET CHANGE IN FUND BALANCES	237,704	(4,444,712)	(250,512)	(22)	(32,345)	(24)	(3,600,279)
Fund Balances - Beginning of Year	5,607,166	1,239,594	250,522	36,831	77,285	39,627	16,722,123
FUND BALANCES - END OF YEAR	$ 5,844,870	$ (3,205,118)	$ 10	$ 36,809	$ 44,940	$ 39,603	$ 13,121,844

CITY OF CRANSTON, RHODE ISLAND
COMMUNITY DEVELOPMENT BLOCK GRANT
SCHEDULE OF REVENUES AND EXPENDITURES – BUDGETARY BASIS
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2025

	Budgeted Amounts		Actual (Budgetary Basis)	Variance Favorable (Unfavorable)
	Original	Final		
REVENUES				
Program Income	$ 160,000	$ 160,000	$ 525,000	$ 365,000
Federal Grants	1,277,152	1,277,152	442,416	(834,736)
Total Revenues	1,437,152	1,437,152	967,416	(469,736)
EXPENDITURES				
Current:				
Program Activities	1,437,152	1,437,152	924,195	512,957
Total Expenditures	1,437,152	1,437,152	924,195	512,957
EXCESS OF REVENUES OVER EXPENDITURES	$ -	$ -	$ 43,221	$ 43,221

CITY OF CRANSTON, RHODE ISLAND
WORKFORCE INVESTMENT ACT
SCHEDULE OF REVENUES AND EXPENDITURES – BUDGETARY BASIS
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2025

	Budgeted Amounts		Actual	Variance
	Original	Final	(Budgetary Basis)	Favorable (Unfavorable)
REVENUES				
Program Income	$ 418,824	$ 418,824	$ 264,507	$ (154,317)
Investment Income	-	-	364	364
Total Revenues	418,824	418,824	264,871	(153,953)
EXPENDITURES				
Current:				
Program Activities	418,824	418,824	283,349	135,475
Total Expenditures	418,824	418,824	283,349	135,475
DEFICIENCY OF REVENUES UNDER EXPENDITURES	$ -	$ -	$ (18,478)	$ (18,478)

NONMAJOR ENTERPRISE FUNDS

CITY OF CRANSTON, RHODE ISLAND
NONMAJOR ENTERPRISE FUNDS
YEAR ENDED JUNE 30, 2025

The Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprise or where the City has decided that periodic determination of net income is appropriate for capital maintenance, management control, accountability, public policy, or other purposes.

The following is a list of nonmajor enterprise funds in this section:

School Lunch Fund – This fund accounts for the school lunch program.

Ice Rink Fund – This fund accounts for the activity of the Cranston Ice Rink.

SCHEDULE B-1

CITY OF CRANSTON, RHODE ISLAND
COMBINING STATEMENT OF NET POSITION
PROPRIETARY FUNDS – ENTERPRISE FUNDS (NONMAJOR)
JUNE 30, 2025

	Business-Type Activities		
	School Lunch	Ice Rink	Total
ASSETS			
Current Assets:			
Cash and Cash Equivalents	$ 284,713	$ 665,304	$ 950,017
Supplies Inventory	60,260	-	60,260
Receivables:			
Other	1,446	-	1,446
Intergovernmental	674,542	-	674,542
Total Current Assets	1,020,961	665,304	1,686,265
Noncurrent Assets:			
Capital Assets:			
Capital Assets, Nondepreciable	-	12,413	12,413
Capital Assets, Depreciable, Net of Accumulated Depreciation	1,083,291	645,056	1,728,347
Total Noncurrent Assets	1,083,291	657,469	1,740,760
Total Assets	2,104,252	1,322,773	3,427,025
LIABILITIES			
Current Liabilities:			
Accounts Payable	436,922	96,750	533,672
Due to Other Funds	448,238	48,587	496,825
Compensated Absences	-	13,084	13,084
Unearned Revenue	68,991	-	68,991
Total Liabilities	954,151	158,421	1,112,572
NET POSITION			
Net Investment in Capital Assets	1,083,291	657,469	1,740,760
Unrestricted (Deficit)	66,810	506,883	573,693
Total Net Position	$ 1,150,101	$ 1,164,352	$ 2,314,453

CITY OF CRANSTON, RHODE ISLAND
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS – ENTERPRISE FUNDS (NONMAJOR)
YEAR ENDED JUNE 30, 2025

	Business-Type Activities		
	School Lunch	Ice Rink	Total
OPERATING REVENUES			
Charges for Usage And Service	$ 893,477	$ 695,389	$ 1,588,866
Intergovernmental	3,602,953	-	3,602,953
Miscellaneous	36,138	-	36,138
Total Operating Revenues	4,532,568	695,389	5,227,957
OPERATING EXPENSES			
Operations	4,318,707	486,308	4,805,015
Personnel	254,936	294,600	549,536
Depreciation	341,203	43,179	384,382
Total Operating Expenses	4,914,846	824,087	5,738,933
OPERATING LOSS	(382,278)	(128,698)	(510,976)
NONOPERATING REVENUES			
Investment Income	32	23,519	23,551
CHANGE IN NET POSITION	(382,246)	(105,179)	(487,425)
Net Position - Beginning of Year	1,532,347	1,269,531	2,801,878
NET POSITION - END OF YEAR	$ 1,150,101	$ 1,164,352	$ 2,314,453

CITY OF CRANSTON, RHODE ISLAND
COMBINING STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS – ENTERPRISE FUNDS (NONMAJOR)
YEAR ENDED JUNE 30, 2025

	Business-Type Activities		
	School Lunch	Ice Rink	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Received from Customers	$ 4,359,134	$ 695,389	$ 5,054,523
Cash Paid to Suppliers	-	(412,768)	(412,768)
Cash Paid to Employees	(254,936)	(292,322)	(547,258)
Cash Paid for Other Operating Expenses	(4,242,223)	-	(4,242,223)
Net Cash Used by Operating Activities	(138,025)	(9,701)	(147,726)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Advances from Interfund Loans	448,238	1,994	450,232
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition of Capital Assets	(58,809)	(17,151)	(75,960)
CASH FLOWS FROM INVESTING ACTIVITIES			
Income from Investments	32	23,519	23,551
NET INCREASE (DECREASE) IN CASH (INCLUDING RESTRICTED CASH)	251,436	(1,339)	250,097
Cash - Beginning of Year (Including Restricted Cash)	33,277	666,643	699,920
CASH - END OF YEAR (INCLUDING RESTRICTED CASH)	$ 284,713	$ 665,304	$ 950,017

CITY OF CRANSTON, RHODE ISLAND
COMBINING STATEMENT OF CASH FLOWS (CONTINUED)
PROPRIETARY FUNDS – ENTERPRISE FUNDS (NONMAJOR)
YEAR ENDED JUNE 30, 2025

	Business-Type Activities		
	School Lunch	Ice Rink	Total
RECONCILIATION OF OPERATING LOSS TO NET CASH USED BY OPERATING ACTIVITIES			
Operating Loss	$ (382,278)	$ (128,698)	$ (510,976)
Adjustments to Reconcile Operating Loss to Net Cash Used by Operating Activities:			
Depreciation	341,203	43,179	384,382
Increase in Accounts Receivable	(1,446)	-	(1,446)
Increase in Inventory	(4,201)	-	(4,201)
Increase in Intergovernmental Receivables	(175,682)	-	(175,682)
Increase in Accounts Payable	80,685	73,540	154,225
Decrease in Compensated Absences	-	2,278	2,278
Increase in Unearned Revenue	3,694	-	3,694
Net Cash Used by Operating Activities	$ (138,025)	$ (9,701)	$ (147,726)

INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other government units, on a cost-reimbursement basis.

School Department Internal Service Fund – This fund accounts for revenues and expenses related to the School Departments medical self-insurance plan.

City Internal Service Fund – This fund accounts for revenues and expenses related to the City's self-insurance plans for medical, workers compensation, property and casualty, unemployment and general liability claims.

CITY OF CRANSTON, RHODE ISLAND
COMBINING STATEMENT OF NET POSITION
PROPRIETARY FUNDS – INTERNAL SERVICE FUNDS
JUNE 30, 2025

	Governmental Activities		
	School Department Internal Service Fund	City Internal Service Fund	Total
ASSETS			
Current Assets:			
Cash and Cash Equivalents	$ -	$ 1,790,744	$ 1,790,744
Receivables:			
Other	854,290		854,290
Due from Other Funds	-	199,541	199,541
Due from Fiduciary Activity	630,208	11,236	641,444
Claims Deposit	-	-	-
Total Current Assets	1,484,498	2,001,521	3,486,019
Noncurrent Assets:			
Advance Deposits - Medical	853,000		853,000
Total Assets	2,337,498	2,001,521	4,339,019
LIABILITIES			
Current Liabilities:			
Accounts Payable	3,670,822	281,402	3,952,224
Due to Other Funds	8,334,316	2,064,987	10,399,303
Claims Payable	-	1,413,153	1,413,153
Total Liabilities	12,005,138	3,759,542	15,764,680
NET POSITION			
Unrestricted	$ (9,667,640)	$ (1,758,021)	$ (11,425,661)

CITY OF CRANSTON, RHODE ISLAND
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS – INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2025

	Governmental Activities		
	School Department Internal Service Fund	City Internal Service Fund	Total
OPERATING REVENUES			
Charges for Usage and Service	$ 28,508,433	$ 13,656,056	$ 42,164,489
Miscellaneous	-	5,930	5,930
Total Operating Revenues	28,508,433	13,661,986	42,170,419
OPERATING EXPENSES			
Operations	-	652,063	652,063
Claims	-	15,006,183	15,006,183
Health Care Management	32,391,612	-	32,391,612
Total Operating Expenses	32,391,612	15,658,246	48,049,858
OPERATING LOSS	(3,883,179)	(1,996,260)	(5,879,439)
NONOPERATING REVENUES			
Investment Income	-	80,521	80,521
CHANGE IN NET POSITION	(3,883,179)	(1,915,739)	(5,798,918)
Net Position - Beginning of Year	(5,784,461)	157,718	(5,626,743)
NET POSITION - END OF YEAR	$ (9,667,640)	$ (1,758,021)	$ (11,425,661)

CITY OF CRANSTON, RHODE ISLAND
COMBINING STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS – INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2025

	Governmental Activities		
	School Department Internal Service Fund	City Internal Service Fund	Totals
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Received from Customers	$ 27,658,807	$ 13,661,986	$ 41,320,793
Cash Paid for Claims	(31,123,503)	(15,714,559)	(46,838,062)
Cash Paid for Other Operating Expenses	-	(652,063)	(652,063)
Net Cash Used by Operating Activities	(3,464,696)	(2,704,636)	(6,169,332)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Change in Due from Fiduciary Activity	(630,208)	(11,236)	(641,444)
Change in Interfund Loans	4,094,904	1,144,052	5,238,956
Net Cash Provided by Noncapital Financing Activities	3,464,696	1,132,816	4,597,512
CASH FLOWS FROM INVESTING ACTIVITIES			
Income from Investments	-	80,521	80,521
NET INCREASE (DECREASE) IN CASH (INCLUDING RESTRICTED CASH)	-	(1,491,299)	(1,491,299)
Cash - Beginning of Year (Including Restricted Cash)	-	3,282,043	3,282,043
CASH - END OF YEAR (INCLUDING RESTRICTED CASH)	$ -	$ 1,790,744	$ 1,790,744
RECONCILIATION OF OPERATING LOSS TO NET CASH USED BY OPERATING ACTIVITIES			
Operating Loss	$ (3,883,179)	$ (1,996,260)	$ (5,879,439)
Adjustments to Reconcile Operating Loss to Net Cash Used by Operating Activities:			
Decrease in Accounts Receivable	(849,626)	-	(849,626)
Increase in Claims Deposits	-	-	-
Increase (Decrease) in Accounts Payable	1,268,109	(696,773)	571,336
Increase in Claims Payable	-	(11,603)	(11,603)
Net Cash Used by Operating Activities	$ (3,464,696)	$ (2,704,636)	$ (6,169,332)

FIDUCIARY FUNDS

Fiduciary Funds

Fiduciary funds are used to account for assets held by the City in a trustee capacity for individuals, private organizations or other governments.

Pension Trust Funds – A fiduciary fund type used to report resources that are required to be held in trust for the members and beneficiaries of defined benefit contribution plans.

Postemployment Healthcare Trust Fund – This fund is used to account for postemployment benefits for public safety employees.

Private-Purpose Trust Funds – A fiduciary trust fund type used to report all trust arrangements, other than those properly reported in pension trust funds or investment trust funds, under which principal and income benefit individuals, private organizations, or other governments.

CITY OF CRANSTON, RHODE ISLAND
COMBINING STATEMENT OF FIDUCIARY NET POSITION
PENSION AND OTHER EMPLOYEE BENEFIT TRUST FUNDS
JUNE 30, 2025

	Pension Trust Fund	City OPEB Trust Fund	School OPEB Trust Fund	Total
ASSETS				
Cash and Cash Equivalents	$ 7,613,245	$ 2,261,950	$ -	$ 9,875,195
Investments:				
Mutual Funds	57,983,662	6,031,193	1,482,295	65,497,150
Exchange Traded Funds	3,465,611	370,664	-	3,836,275
U.S. Government Securities	15,146,005	1,602,716	-	16,748,721
Total Assets	84,208,523	10,266,523	1,482,295	95,957,341
LIABILITIES				
Accounts Payable	-	58,155	-	58,155
Due to Primary Government	11,236	1,504,592	630,208	2,146,036
Total Liabilities	11,236	1,562,747	630,208	2,204,191
NET POSITION				
Restricted for:				
Pensions	84,197,287	-	-	84,197,287
Postemployment Benefits Other than Pensions	-	8,703,776	852,087	9,555,863
Total Net Position	$ 84,197,287	$ 8,703,776	$ 852,087	$ 93,753,150

SCHEDULE D-2

CITY OF CRANSTON, RHODE ISLAND
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PENSION AND OTHER EMPLOYEE BENEFIT TRUST FUNDS
YEAR ENDED JUNE 30, 2025

	Pension Trust Fund	City OPEB Trust Fund	School OPEB Trust Fund	Total
ADDITIONS				
Contributions:				
Employer Contributions	$ 23,439,119	$ 5,491,321	$ -	$ 28,930,440
Plan Member Contributions	64,269	399,335	-	463,604
Total Contributions	23,503,388	5,890,656	-	29,394,044
Investment Income:				
Interest and Dividends	1,916,483	246,993	167,067	2,330,543
Net Appreciation in the Fair Value of Investments	6,181,953	796,372	-	6,978,325
Other	18,214	-	-	18,214
Total Investment Income	8,116,650	1,043,365	167,067	9,327,082
Total Additions	31,620,038	6,934,021	167,067	38,721,126
DEDUCTIONS				
Benefits	25,172,518	5,873,537	630,208	31,676,263
Administrative Expenses	79,200	28,832	4,480	112,512
Total Deductions	25,251,718	5,902,369	634,688	31,788,775
CHANGE IN NET POSITION	6,368,320	1,031,652	(467,621)	6,932,351
Net Position - Beginning of Year	77,828,967	7,672,124	1,319,708	86,820,799
NET POSITION - END OF YEAR	$ 84,197,287	$ 8,703,776	$ 852,087	$ 93,753,150

OTHER SCHEDULES

CITY OF CRANSTON, RHODE ISLAND
SCHEDULE OF PROPERTY TAXES RECEIVABLE
YEAR ENDED JUNE 30, 2025

Year	Property Taxes Receivable - July 1, 2024	Current Year Assessment	Transfers Addendums (Net)	Abatements and Adjustments	Amount to be Collected	Collections Net of Refunds	Property Taxes Receivable - June 30, 2025
2025	$ -	$ 186,520,909	$ 1,003,405	$ 406,396	$ 187,117,918	$186,061,446	$ 1,056,472
2024	957,066	-	16,955	2,296	971,725	707,040	264,685
2023	223,240	-	73,114	14,673	281,681	21,855	259,826
2022	324,447	-	3,966	14,518	313,895	22,474	291,421
2021	341,804	-	2,906	679	344,031	10,720	333,311
2020	380,930	-	2,479	666	382,743	12,591	370,152
2019	449,084	-	649	17	449,716	6,317	443,399
2018	501,378	-	2,067	124	503,321	8,273	495,048
2017	523,865	-	535	-	524,400	9,240	515,160
2016	546,969	-	2,187	541,497	7,659	7,659	-
Subtotal	4,248,783	$ 186,520,909	$ 1,108,263	$ 980,866	$ 190,897,089	$ 186,867,615	4,029,474
Less: Estimated Allowance for Uncollectible Accounts	(1,290,000)						(1,200,000)
Net Property Taxes Receivable	$ 2,958,783						$ 2,829,474

CITY OF CRANSTON, RHODE ISLAND
SCHEDULE OF PROPERTY TAXES RECEIVABLE (CONTINUED)
YEAR ENDED JUNE 30, 2025

	Collections			
Year	July to August 2024 Collections Subject to 60-Day FY 24 Accrual	September - June 2025 Collections	Total FY 2025 Collections	July to August 2025 Collections Subject to 60-Day FY 25 Accrual
2025	$ -	$ 186,061,446	$ 186,061,446	$ 260,965
2024	350,411	356,629	707,040	(603)
2023	1,421	20,434	21,855	2,600
2022	7,302	15,172	22,474	1,384
2021	858	9,862	10,720	1,856
2020	1,123	11,468	12,591	3,286
2019	1,028	5,289	6,317	1,084
2018	1,416	6,857	8,273	994
2017	1,012	8,228	9,240	1,779
2016	2,125	5,534	7,659	-
Total	$ 366,696	$ 186,500,919	$ 186,867,615	$ 273,345

CITY OF CRANSTON, RHODE ISLAND
SCHEDULE OF PROPERTY TAXES RECEIVABLE (CONTINUED)
YEAR ENDED JUNE 30, 2025

Schedule of Net Assessed Property Value by Category

Assessed December 31, 2023		
Description of Property	Valuations	Levy
Real Property	$ 12,357,953,225	$ 177,208,216
Tangible Property	418,457,687	10,124,680
Total	12,776,410,912	187,332,896
Exemptions and Adjustments	(427,271,798)	-
Net Assessed Value	$ 12,349,139,114	$ 187,332,896

Reconciliation of Current Year Property Tax Revenue

Current Year Collections	$ 186,867,615
Revenue Received 60 Days Subsequent to Fiscal Year Ended June 30, 2025	273,345
Subtotal	187,140,960
Prior Year Revenue Received in Current Year (2024 60 Day Rule)	(366,696)
Current Year Property Tax Revenue	$ 186,774,264

SCHEDULE E-2

CITY OF CRANSTON, RHODE ISLAND
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE BY FUNCTION AND ACTIVITY
YEAR ENDED JUNE 30, 2025

	Land	Land Improvements	Infrastructure	Buildings	Vehicles	Office Furniture and Equipment	Machinery and Equipment	ROU Assets	Total
General Government	$ 15,375,557	$ 29,038,601	$ 86,698,804	$ 106,231,382	$ 385,579	$ 1,469,056	$ 1,965,763	$ 119,297	$ 241,284,039
Public Safety	-	154,524	17,602	1,751,112	17,291,895	1,265,230	10,923,399	7,504,758	38,908,520
Public Works	-	36,818,865	98,687	13,499	6,493,906	28,986	2,191,147		45,645,090
Education	3,092,892	123,024	-	97,554,068	5,523,577	3,485,897	74,164	1,078,575	110,932,197
Parks and Recreation	-	3,808,729	603,902	535,639	752,970	9,511	1,729,864		7,440,615
Public Libraries	-	20,010	-	629,083	53,878	3,678,458	195,548		4,576,977
Senior Services	-	-	-	257,004	270,661	77,975	139,169		744,809
Total	$ 18,468,449	$ 69,963,753	$ 87,418,995	$ 206,971,787	$ 30,772,466	$ 10,015,113	$ 17,219,054	$ 8,702,630	$ 449,532,247

CITY OF CRANSTON, RHODE ISLAND
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE OF CHANGES BY FUNCTION AND ACTIVITY
YEAR ENDED JUNE 30, 2025

	Balance - July 1, 2024	Additions	Retirements	Balance - June 30, 2025
General Government	$ 242,422,985	$ 98,596	$ 16,888	$ 242,504,693
Public Safety	37,404,560	2,079,099	184,217	39,299,442
Public Works	40,540,893	7,121,657	1,129,364	46,533,186
Education	129,766,316	47,354,531	945,661	176,175,186
Parks and Recreation	7,478,179	2,281,701	19,481	9,740,399
Public Libraries	4,576,977	-	-	4,576,977
Senior Services	744,809	-	-	744,809
Total Capital Assets	$ 462,934,719	$ 58,935,584	$ 2,295,611	$ 519,574,692

ANNUAL SUPPLEMENTAL TRANSPARENCY REPORT

City of Cranston
Annual Supplemental Transparency Report (MTP2)
Fiscal Year Ended June 30, 2025

REVENUE	**Municipal**	**Education Department**
Current Year Levy Tax Collection	$ 186,774,264	$ -
Last Year's Levy Tax Collection	356,026	-
Prior Years Property Tax Collection	95,828	-
Interest & Penalty	92,554	-
PILOT & Tax Treaty (excluded from levy) Collection	-	-
Other Local Property Taxes	-	-
Licenses and Permits	4,637,534	-
Fines and Forfeitures	598,075	-
Investment Income	3,146,961	-
Departmental	3,177,496	-
Rescue Run Revenue	4,735,889	-
Police & Fire Detail	3,254,432	-
Other Local Non-Property Tax Revenues	1,295,657	-
Tuition	-	2,233,144
Impact Aid	-	-
Medicaid	-	2,992,015
Federal Stabilization Funds	-	33,018
Federal Food Service Reimbursement	-	3,602,953
CDBG	415,708	-
COPS Grants	-	-
SAFER Grants	1,556,657	-
Other Federal Aid Funds	-	9,545,062
COVID - ESSER	-	2,013,423
COVID - CRF	1,631	-
COVID - CDBG	-	-
COVID - FEMA	-	-
COVID - Other	-	-
COVID - ARPA	7,347,678	-
MV Excise Tax Reimbursement	-	-
State PILOT Program	4,037,181	-
Distressed Community Relief Fund	-	-
Library Resource Aid	775,345	-
Library Construction Aid	-	-
Public Service Corporation Tax	1,182,989	-
Meals & Beverage Tax / Hotel Tax	3,152,668	-
LEA Aid	-	78,756,662
Group Home	-	-
Housing Aid Capital Projects	-	166,268
Housing Aid Bonded Debt	3,318,110	-
State Food Service Revenue	-	18,519
Incentive Aid	-	-
Property Revaluation Reimbursement	-	-
Other State Revenue	-	1,915,499
Motor Vehicle Phase Out	22,323,273	-
Tangible Property Reimbursement	1,738,596	-
Cannabis Tax Distribution	-	-
Other Revenue	8,985	2,847,126
Local Appropriation for Education	-	99,279,367
Regional Appropriation for Education	-	-
Supplemental Appropriation for Education	-	-
Regional Supplemental Appropriation for Education	-	-
Other Education Appropriation	-	-
Rounding	-	-
Total Revenue	$ 254,023,536	$ 203,403,056
Financing Sources: Transfer from Capital Funds	$ -	$ -
Financing Sources: Transfer from Other Funds	-	-
Financing Sources: Debt Proceeds	-	-
Financing Sources: Other	-	-
Rounding	-	-
Total Other Financing Sources	$ -	$ -

See accompanying Notes to Annual Supplemental Transparency Report (MTP2).

City of Cranston
Annual Supplemental Transparency Report (MTP2)
Fiscal Year Ended June 30, 2025

Check header

EXPENDITURES	**General Government**	**Finance**	**Social Services**	**Centralized IT**	**Planning**	**Libraries**	**Public Works**	**Parks and Rec**	**Police Department**
Compensation- Group A	$ 1,883,963	$ 1,526,585	$ 1,441,047	$ 278,044	$ 1,114,386	$ 2,533,227	$ 4,399,527	$ 1,578,906	$ 12,404,992
Compensation - Group B	-	-	-	-	-	-	-	-	1,413,647
Compensation - Group C	-	-	-	-	-	-	-	-	-
Compensation -Volunteer	-	-	-	-	-	-	-	-	-
Overtime- Group A	14,848	46,928	6,710	1,988	5,489	26,000	105,163	174,344	2,116,061
Overtime - Group B	-	-	-	-	-	-	-	-	241,142
Overtime - Group C	-	-	-	-	-	-	-	-	-
Police & Fire Detail	-	-	-	-	-	-	-	-	2,995,804
Active Medical Insurance - Group A	258,673	300,701	263,407	60,535	185,364	412,414	965,971	356,177	3,088,109
Active Medical Insurance- Group B	-	-	-	-	-	-	-	-	344,110
Active Medical Insurance- Group C	-	-	-	-	-	-	-	-	-
Active Dental insurance- Group A	13,614	15,826	13,864	3,186	9,756	21,706	50,841	18,746	158,928
Active Dental Insurance- Group B	-	-	-	-	-	-	-	-	18,111
Active Dental Insurance- Group C	-	-	-	-	-	-	-	-	-
Payroll Taxes	148,304	118,642	109,380	20,443	89,583	161,338	355,713	137,771	443,423
Life Insurance	4,048	3,312	3,328	528	2,640	2,976	11,648	3,568	35,780
State Defined Contribution- Group A	15,109	11,494	9,638	2,229	7,062	12,284	38,417	13,106	595,842
State Defined Contribution - Group B	-	-	-	-	-	-	-	-	18,942
State Defined Contribution - Group C	-	-	-	-	-	-	-	-	-
Other Benefits- Group A	24,353	355,627	12,918	500	7,394	4,000	165,681	60,734	3,382,950
Other Benefits- Group B	-	-	-	-	-	-	-	-	-
Other Benefits- Group C	-	-	-	-	-	-	-	-	-
Local Defined Benefit Pension- Group A	-	-	-	-	-	-	-	-	9,336,839
Local Defined Benefit Pension - Group B	-	-	-	-	-	-	-	-	-
Local Defined Benefit Pension - Group C	-	-	-	-	-	-	-	-	-
State Defined Benefit Pension- Group A	160,946	103,444	86,745	20,061	63,561	207,078	345,751	117,954	2,255,078
State Defined Benefit Pension - Group B	-	-	-	-	-	-	-	-	150,181
State Defined Benefit Pension - Group C	-	-	-	-	-	-	-	-	-
Other Defined Benefit / Contribution	-	86,707	72,710	16,815	53,277	-	289,811	98,870	158,950
Purchased Services	1,157,347	57,304	70,869	143,947	53,866	-	482,596	70,670	610,958
Materials/Supplies	16,199	73,853	248,933	31,135	2,325	46,500	403,610	126,467	305,860
Software Licenses	-	-	-	202,688	-	-	-	-	-
Capital Outlays	-	-	-	99,044	-	40,405	-	-	545,619
Insurance	1,000,000	-	-	-	-	-	-	-	-
Maintenance	-	-	11,358	550,030	-	85,000	13,484	-	521,860
Vehicle Operations	-	-	29,802	-	5,780	2,000	670,894	47,159	262,194
Utilities	-	-	4,061	135,612	-	126,000	626,167	161,997	69,574
Contingency	-	-	-	-	-	-	-	-	-
Street Lighting	-	-	-	-	-	-	704,961	-	-
Revaluation	-	121,856	-	-	-	-	-	-	-
Snow Removal-Raw Material & External Contracts	-	-	-	-	-	-	727,297	-	-
Trash Removal & Recycling	-	-	-	-	-	-	6,053,239	-	-
Claims & Settlements	-	-	-	-	-	-	-	-	-
Community Support	16,745	-	-	-	-	-	-	-	-
Other Operation Expenditures	700,926	132,251	75,207	965	374,726	476,355	2,210,775	218,601	468,191
Tipping Fees	-	-	-	-	-	-	2,178,679	-	-
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	$ 5,415,076	$ 2,954,530	$ 2,459,977	$ 1,567,748	$ 1,975,210	$ 4,157,283	$ 20,800,224	$ 3,185,070	$ 41,943,144

See accompanying Notes to Annual Supplemental Transparency Report (MTP2).

City of Cranston
Annual Supplemental Transparency Report (MTP2)
Fiscal Year Ended June 30, 2025

Check header **EXPENDITURES**	**Fire Department**	**Centralized Dispatch**	**Public Safety Other**	**Education Appropriation**	**Debt**	**OPEB**	**Total Municipal**	**Education Department**
Compensation- Group A	$ 15,236,041	$ -	$ 211,829	$ -	$ -	$ -	$ 42,608,546	$ 91,587,791
Compensation - Group B	905,543	-	-	-	-	-	2,319,190	9,313,423
Compensation - Group C	-	-	-	-	-	-	-	19,721,651
Compensation -Volunteer	-	-	-	-	-	-	-	-
Overtime- Group A	5,732,561	-	2,601	-	-	-	8,232,694	-
Overtime - Group B	394,056	-	-	-	-	-	635,198	-
Overtime - Group C	-	-	-	-	-	-	-	356,591
Police & Fire Detail	-	-	-	-	-	-	2,995,804	-
Active Medical Insurance - Group A	4,597,930	-	49,878	-	-	-	10,539,159	14,520,776
Active Medical Insurance- Group B	259,803	-	-	-	-	-	603,913	1,308,305
Active Medical Insurance- Group C	-	-	-	-	-	-	-	4,501,910
Active Dental insurance- Group A	230,067	-	2,625	-	-	-	539,158	655,248
Active Dental Insurance- Group B	13,674	-	-	-	-	-	31,785	59,466
Active Dental Insurance- Group C	-	-	-	-	-	-	-	227,239
Payroll Taxes	452,988	-	16,553	-	-	-	2,054,137	3,135,162
Life Insurance	43,788	-	688	-	-	-	112,304	95,797
State Defined Contribution- Group A	772,926	-	1,364	-	-	-	1,479,472	2,233,409
State Defined Contribution - Group B	12,568	-	-	-	-	-	31,510	204,038
State Defined Contribution - Group C	-	-	-	-	-	-	-	134,172
Other Benefits- Group A	4,968,329	-	-	-	-	-	8,982,486	113,520
Other Benefits- Group B	-	-	-	-	-	-	-	8,188
Other Benefits- Group C	-	-	-	-	-	-	-	724
Local Defined Benefit Pension- Group A	13,128,647	-	-	-	-	-	22,465,486	-
Local Defined Benefit Pension - Group B	-	-	-	-	-	-	-	-
Local Defined Benefit Pension - Group C	-	-	-	-	-	-	-	175,798
State Defined Benefit Pension- Group A	1,491,129	-	12,274	-	-	-	4,864,021	13,978,062
State Defined Benefit Pension - Group B	103,661	-	10,288	-	-	-	264,130	1,429,137
State Defined Benefit Pension - Group C	-	-	-	-	-	-	-	1,310,542
Other Defined Benefit / Contribution	-	-	-	-	-	-	777,141	-
Purchased Services	1,632,297	-	-	-	-	-	4,279,853	25,693,511
Materials/Supplies	391,403	-	38,753	-	-	-	1,685,038	2,497,867
Software Licenses	-	-	-	-	-	-	202,688	737,357
Capital Outlays	202,907	-	-	-	-	-	887,975	3,465,004
Insurance	-	-	-	-	-	-	1,000,000	1,939,453
Maintenance	395,162	-	250,837	-	-	-	1,827,731	1,527,239
Vehicle Operations	290,941	-	-	-	-	-	1,308,771	1,181,767
Utilities	1,231,039	-	-	-	-	-	2,354,449	3,680,190
Contingency	-	-	-	-	-	-	-	-
Street Lighting	-	-	-	-	-	-	704,961	-
Revaluation	-	-	-	-	-	-	121,856	-
Snow Removal-Raw Material & External Contracts	-	-	-	-	-	-	727,297	-
Trash Removal & Recycling	-	-	-	-	-	-	6,053,239	-
Claims & Settlements	-	-	-	-	-	-	-	-
Community Support	-	-	-	-	-	-	16,745	-
Other Operation Expenditures	409,544	-	3,284	-	-	-	5,070,824	1,611,302
Tipping Fees	-	-	-	-	-	-	2,178,679	-
Local Appropriation for Education	-	-	-	99,279,367	-	-	99,279,367	-
Regional Appropriation for Education	-	-	-	-	-	-	-	-
Supplemental Appropriation for Education	-	-	-	-	-	-	-	-
Regional Supplemental Appropriation for Education	-	-	-	-	-	-	-	-
Other Education Appropriation	-	-	-	-	-	-	-	-
Municipal Debt- Principal	-	-	-	-	6,585,671	-	6,585,671	-
Municipal Debt- Interest	-	-	-	-	3,214,224	-	3,214,224	-
School Debt- Principal	-	-	-	-	731,741	-	731,741	-
School Debt- Interest	-	-	-	-	803,556	-	803,556	-
Retiree Medical Insurance- Total	-	-	-	-	-	-	-	-
Retiree Dental Insurance- Total	-	-	-	-	-	-	-	-
OPEB Contribution- Total	-	-	-	-	-	5,491,321	5,491,321	-
Rounding	-	-	-	-	-	-	-	-
Total Expenditures	$ 52,897,004	$ -	$ 600,973	$ 99,279,367	$ 11,335,192	$ 5,491,321	$ 254,062,119	$ 207,404,639

	Total Municipal	Education Department
Financing Uses: Transfer to Capital Funds	$ 6,283,561	$ -
Financing Uses: Transfer to Other Funds	-	-
Financing Uses: Payment to Bond Escrow Agent	-	-
Financing Uses: Other	-	-
Total Other Financing Uses	$ 6,283,561	$ -
Net Change in Fund Balance[1]	(6,322,144)	(4,001,583)
Fund Balance1- beginning of year	$22,510,398	$6,718,344
Funds removed from Reportable Government Services (RGS)	-	-
Funds added to Reportable Government Services (RGS)	-	-
Prior period adjustments	-	-
Misc. Adjustment	1	12
Fund Balance[1] - beginning of year adjusted	22,510,399	6,718,356
Rounding		
Fund Balance[1] - end of year	$ 16,188,255	$ 2,716,773

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

See accompanying Notes to Annual Supplemental Transparency Report (MTP2).

City of Cranston
Annual Supplemental Transparency Report (MTP2)
Combining Schedule of
Reportable Government Services with
Reconciliation to MTP2
Municipal
Fiscal Year Ended June 30, 2025

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 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, 2024						$ 22,510,398	$ -	$ 22,510,398	
No funds removed from RGS for fiscal 2024						-	-	-	
No funds added to RGS for Fiscal 2024						-	-	-	
Misc. adjustments made for fiscal 2024						1	-	1	
Fund Balance[1] - per MTP-2 at June 30, 2025 adjusted						$ 22,510,399	$ -	$ 22,510,399	
General Fund	$ 250,930,566	$ 28,246	$ 151,940,617	$ 105,562,928	$ (6,544,733)	$ 21,085,887	$ -	$ 21,085,887	$ 14,541,154
Fire Detail	49,204	-	53,346	-	(4,142)	(39,278)	-	(39,278)	(43,420)
Police Detail	2,626,428	-	2,399,697	-	226,731	1,463,790	-	1,463,790	1,690,521
CDBG Community Development	967,416	-	924,195	-	43,221	749,629	-	749,629	792,850
Totals per audited financial statements	$ 254,573,614	$ 28,246	$ 155,317,855	$ 105,562,928	$ (6,278,923)	$ 23,260,028	$ -	$ 23,260,028	$ 16,981,105
<u>Reconciliation from financial statements to MTP2</u>									
Reclassify transfer of municipal appropriation to Education Department as expenditure on MTP2	$ -	$ -	$ 99,379,367	$ (99,379,367)	$ -	$ -	$ -	$ -	$ -
Lease Insurance	-	(28,246)	(28,246)	-	-	-	-	-	-
Community Development Block Grant-to remove loan activity	(550,078)	-	(506,857)	-	(43,221)	(749,629)	-	(749,629)	(792,850)
Rounding	-	-	-	-	-	-	-	-	-
Totals Per MTP2	$ 254,023,536	$ -	$ 254,062,119	$ 6,283,561	$ (6,322,144)	$ 22,510,399	$ -	$ 22,510,399	$ 16,188,255

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

See accompanying Notes to Annual Supplemental Transparency Report (MTP2).

City of Cranston
Annual Supplemental Transparency Report (MTP2)
Combining Schedule of
Reportable Government Services with
Reconciliation to MTP2
Education Department
Fiscal Year Ended June 30, 2025

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, 2024						$ 6,718,344	$ -	$ 6,718,344	
Misc. adjustments made for fiscal 2024						12	-	12	
Fund Balance[1] - per MTP-2 at June 30, 2025 adjusted						$ 6,718,356	$ -	$ 6,718,356	
School Unrestricted Fund	$ 96,404,879	$ 99,539,731	$ 199,856,451	$ -	$ (3,911,841)	$ 5,498,750	$ -	$ 5,498,750	$ 1,586,909
Enterprise Fund1	4,532,600	-	4,914,846	-	(382,246)	1,532,346	-	1,532,346	1,150,100
School Special Revenue Funds	18,478,350	-	18,292,581	260,364	(74,595)	1,931,527	-	1,931,527	1,856,932
Totals per audited financial statements	$ 119,415,829	$ 99,539,731	$ 223,063,878	$ 260,364	$ (4,368,682)	$ 8,962,623	$ -	$ 8,962,623	$ 4,593,941
<u>Reconciliation from financial statements to MTP2</u>									
Municipal appropriation for Education reported as a transfer on financial statements but a revenue on MTP2	$ 99,279,367	$ (99,279,367)	$ -	$ -	$ -	$ -	$ -	$ -	$ -
State contributions on behalf of teacher pensions are reported as revenue and expenditures on financial statements only p.62	(11,308,165)	-	(11,308,165)	-	-	-	-	-	-
State contributions on behalf of State-Wide Transportation Program are reported as revenue and expenditures on financial statements only	(788,882)	-	(788,882)	-	-	-	-	-	-
For financial statements, charter school activity (revenues & expenditures) shown as a Special Revenue Fund. This activity is not part of the MPT Report as it is reflected in a stand alone UCOA file submission.	(3,195,093)	-	(3,279,777)	-	84,684	(878,561)	-	(878,561)	(793,877)
For financial statements, indirect cost charges and recovery are reported in federal grant funds and also actual expenditures & reimbursement reported in School Unrestricted Fund.	-	(260,364)	-	(260,364)	-	-	-	-	-
Capital purchases in School Lunch Fund reported as an expense on the MPT-2 but recorded as an asset on the June 30, 2025 financial statements.	-	-	58,788	-	(58,788)	-	-	-	(58,788)
Capital assets net of accumulated depreciation at June 30, 2024	-	-	-	-	-	(1,365,706)	-	(1,365,706)	(1,365,706)
Depreciation expense not recorded in UCOA p.54	-	-	(341,203)	-	341,203	-	-	-	341,203
Rounding	-	-	-	-	-	-	-	-	-
Totals Per MTP2	$ 203,403,056	$ -	$ 207,404,639	$ -	$ (4,001,583)	$ 6,718,356	$ -	$ 6,718,356	$ 2,716,773
<u>Reconciliation from MTP2 to UCOA</u>									
Miscellaneous variance between MTP2 and UCOA	(6)		13						
Totals per UCOA Validated Totals Report Dated 12/19/2025	$ 203,403,050		$ 207,404,652						

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

See accompanying Notes to 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 audit report is part of a broader project to create a municipal transparency portal (MTP) website to host municipal financial information in a centralized location.

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

NOTE 2 REPORTABLE GOVERNMENT SERVICES

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

NOTE 3 ALLOCATIONS

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

NOTE 4 EMPLOYEE GROUPS – COMPENSATION AND BENEFIT COSTS

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

NOTE 4 EMPLOYEE GROUPS – COMPENSATION AND BENEFIT COSTS (CONTINUED)

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, and

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/.

STATISTICAL SECTION

TABLE 1

CITY OF CRANSTON, RHODE ISLAND
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(UNAUDITED)

	Fiscal Year									
	2025	2024	2023	2022	2021 (As Restated	2020 (As Restated)	2019	2018	2017 (As Restated)	2016
Governmental Activities:										
Net Investment in Capital Assets	$ 75,995,418	$ 68,518,706	$ 64,732,414	$ 60,373,561	$ 54,778,268	$ 41,939,046	$ 40,421,468	$ 39,345,605	$ 39,483,273	$ 32,242,050
Restricted	45,295,751	52,778,824	36,768,127	-	-	-	-	-	-	-
Unrestricted	(380,154,452)	(370,421,802)	(368,477,486)	(353,774,220)	(400,519,079)	(379,560,003)	(374,211,125)	(347,727,799)	(358,214,329)	(319,188,692)
Total Governmental Activities	(258,863,283)	(249,124,272)	(266,976,945)	(293,400,659)	(345,740,811)	(337,620,957)	(333,789,657)	(308,382,194)	(318,731,056)	(286,946,642)
Business-Type Activities:										
Net Investment in Capital Assets	53,674,979	51,397,923	51,211,421	51,212,580	52,685,639	52,631,482	52,969,695	71,468,481	70,956,771	69,185,030
Restricted	1,720,215	1,679,067	1,589,961	354,100	1,634,294	397,433	418,467	439,167	459,633	2,129,729
Unrestricted	39,751,679	34,327,797	26,454,573	22,611,587	18,080,172	15,755,644	12,627,850	(8,644,499)	(11,507,291)	(16,171,019)
Total Business-Type Activities	95,146,873	87,404,787	79,255,955	74,178,267	72,400,105	68,784,559	66,016,012	63,263,149	59,909,113	55,143,740
Total City:										
Net Investment in Capital Assets	129,670,397	119,916,629	115,943,835	111,586,141	107,463,907	94,570,528	93,391,163	110,814,086	110,440,044	101,427,080
Restricted	47,015,966	54,457,891	38,358,088	354,100	1,634,294	397,433	418,467	439,167	459,633	2,129,729
Unrestricted	(340,402,773)	(336,094,005)	(342,022,913)	(331,162,633)	(382,438,907)	(363,804,359)	(361,583,275)	(356,372,298)	(369,721,620)	(335,359,711)
Total City	$ (163,716,410)	$ (161,719,485)	$ (187,720,990)	$ (219,222,392)	$ (273,340,706)	$ (268,836,398)	$ (267,773,645)	$ (245,119,045)	$ (258,821,943)	$ (231,802,902)

CITY OF CRANSTON, RHODE ISLAND
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(UNAUDITED)

	Fiscal Year									
	2025	2024	2023	2022	2021 (As Restated)	2020 (As Restated)	2019	2018	2017 (As Restated)	2016
EXPENSES										
Governmental Activities:										
General Government	$ 18,702,775	$ 16,406,771	$ 18,490,079	$ 13,639,378	$ 28,073,994	$ 20,138,028	$ 17,435,819	$ 15,971,432	$ 16,186,223	$ 13,529,838
Public Safety	101,979,407	98,096,031	108,496,416	74,887,153	101,206,573	82,320,732	108,645,221	75,827,868	123,175,761	77,077,346
Public Works	22,028,966	19,481,838	20,138,737	18,859,206	19,225,195	16,823,150	16,677,301	16,701,972	14,976,564	15,878,037
Education	219,843,436	196,125,988	245,325,718	217,789,862	226,874,242	189,258,089	180,006,491	177,339,237	190,115,630	200,479,946
Parks and Recreation	3,558,725	3,341,927	3,544,880	3,286,376	3,091,523	3,666,440	3,716,927	3,504,777	3,450,619	3,595,810
Public Libraries	4,363,622	4,233,479	4,364,873	4,056,278	3,906,943	3,843,871	3,740,372	3,561,920	3,836,411	3,295,271
Senior Services	2,667,695	2,459,145	2,947,985	3,188,806	2,960,359	3,061,547	3,202,095	3,040,817	3,077,015	2,904,766
Community Development	892,590	1,617,784	1,476,099	1,416,617	843,303	1,040,171	1,425,753	1,340,187	1,042,849	1,724,439
Interest Expense	6,735,023	8,411,254	3,635,220	3,582,444	793,777	3,147,113	3,417,594	2,052,994	2,609,611	2,778,437
Other	-	-	-	-	-	-	-	-	-	-
Total Governmental Activities	380,772,239	350,174,217	408,420,007	340,706,120	386,975,909	323,299,141	338,267,573	299,341,204	358,470,683	321,263,890
Business-Type Activities:										
Sewer	17,127,894	16,271,153	17,727,574	22,340,727	21,605,441	20,649,172	20,543,184	20,196,899	19,111,340	19,788,661
Public Facilities Management Foundation	-	-	-	-	-	-	-	-	-	-
Charter School Fund	-	-	-	-	-	-	-	-	-	-
School Lunch	-	-	-	-	-	-	-	-	-	-
Other	824,087	680,481	5,242,054	6,340,572	6,161,282	6,012,354	6,672,150	6,119,203	6,129,756	5,835,392
Total Business-Type Activities	17,951,981	16,951,634	22,969,628	28,681,299	27,766,723	26,661,526	27,215,334	26,316,102	25,241,096	25,624,053
Total City Expenses	398,724,220	367,125,851	431,389,635	369,387,419	414,742,632	349,960,667	365,482,907	325,657,306	383,711,779	346,887,943
PROGRAM REVENUES										
Governmental Activities:										
Charges for Services:										
General Government	6,470,178	7,433,156	29,284,353	22,098,968	20,486,923	4,919,579	8,083,806	7,896,754	7,216,284	6,900,084
Public Safety	7,456,615	7,462,688	6,781,795	5,223,357	6,026,518	6,043,895	6,561,184	6,121,655	6,116,849	6,432,342
Public Works	1,486,625	1,538,421	1,413,228	1,455,438	1,391,560	1,263,226	1,321,215	1,296,471	1,056,208	941,631
Education	3,843,355	3,840,356	30,964,581	28,455,113	27,618,047	2,175,318	1,447,882	1,294,881	25,418,622	23,803,519
Parks and Recreation	502,455	288,392	426,759	376,438	286,911	139,133	400,370	397,817	355,064	396,967
Public Libraries	65,712	41,500	41,500	41,500	41,500	65,000	75,000	95,000	99,100	99,100
Senior Services	753,938	755,526	950,671	1,229,636	1,266,746	1,448,175	1,727,304	1,654,979	1,646,558	1,612,507
Other Activities	-	-	-	-	-	-	-	-	-	-
Operating Grants and Contributions	132,159,544	126,017,161	134,052,803	122,972,659	117,117,534	88,930,795	85,529,484	82,691,335	85,884,786	81,983,286
Capital Grants and Contributions	500,566	493,449	83,469	92,089	85,037	150,050	65,608	89,535	77,484	112,842
Total Governmental Activities Program Revenues	153,238,988	147,870,649	203,999,159	181,945,198	174,320,776	105,135,171	105,211,853	101,538,427	127,870,955	122,282,278

CITY OF CRANSTON, RHODE ISLAND
CHANGES IN NET POSITION (CONTINUED)
LAST TEN FISCAL YEARS
(UNAUDITED)

	Fiscal Year									
	2025	2024	2023	2022	2021	2020 (As Restated)	2019	2018	2017 (As Restated)	2016
PROGRAM REVENUES (CONTINUED)										
Business-Type Activities:										
Charges for Services:										
Sewer	$ 25,085,024	$ 24,914,652	$ 23,949,157	$ 22,365,955	$ 22,708,593	$ 22,727,619	$ 22,816,372	$ 22,857,078	$ 23,182,878	$ 22,192,444
Public Facilities Management Foundation	-	-	-	-	-	-	-	-	-	-
Nonmajor Funds	3,602,953	3,071,294	3,136,187	918,333	6,103,201	3,288,554	3,618,125	3,466,787	3,573,946	3,608,947
Operating Grants and Contributions	-	-	-	6,113,592	-	2,462,200	2,755,615	2,603,782	-	2,483,891
Capital Grants and Contributions	-	-	-	-	-	-	-	177,000	2,668,371	-
Total Business-Type Activities Program Revenues	28,687,977	27,985,946	27,085,344	29,397,880	28,811,794	28,478,373	29,190,112	29,104,647	29,425,195	28,285,282
Total City Revenues	181,926,965	175,856,595	231,084,503	211,343,078	203,132,570	133,613,544	134,401,965	130,643,074	157,296,150	150,567,560
NET (EXPENSES) REVENUES:										
Governmental Activities	(227,533,251)	(202,303,568)	(204,420,848)	(158,760,922)	(212,655,133)	(218,163,970)	(233,055,720)	(197,802,777)	(230,599,728)	(198,981,612)
Business-Type Activities	10,735,996	11,034,312	4,115,716	716,581	1,045,071	1,816,847	1,974,778	2,788,545	4,184,099	2,661,229
Total City Net Expense	(216,797,255)	(191,269,256)	(200,305,132)	(158,044,341)	(211,610,062)	(216,347,123)	(231,080,942)	(195,014,232)	(226,415,629)	(196,320,383)
GENERAL REVENUES AND OTHER CHANGES IN NET ASSETS										
Governmental Activities:										
General Revenues:										
Property Taxes and Other	208,754,193	210,283,222	205,290,496	199,285,734	186,610,566	187,925,014	187,181,594	190,112,694	186,383,002	186,026,404
Grants and Contributions Not Restricted to Specific Programs	-	-	-	-	-	-	-	-	-	-
American Rescue Plan Act	-	-	20,126,412	7,871,661	-	-	-	-	-	-
State Special Funding for Pension	-	-	-	-	10,855,740	11,791,818	10,381,405	10,838,378	7,816,659	10,167,762
Unrestricted Investment Earnings	3,973,835	4,041,530	2,745,300	426,420	572,720	1,424,974	1,198,487	824,602	772,132	491,493
Transfers	-	-	-	-	(1,330,892)	-	-	-	(18,900)	(17,889)
Miscellaneous	5,066,212	5,831,489	2,672,798	3,526,815	4,274,173	3,101,138	2,970,801	2,912,777	3,862,424	2,538,972
Motor Vehicle Phase-Out Taxes	-	-	-	-	4,204,052	10,089,725	5,915,970	3,463,187	-	-
Total Governmental Activities	217,794,240	220,156,241	230,835,006	211,110,630	205,186,359	214,332,669	207,648,257	208,151,638	198,815,317	199,206,742
Business-Type Activities:										
State Special Funding for Pension	-	-	-	-	142,028	155,775	137,640	133,349	105,988	133,040
Unrestricted Investment Earnings	1,920,936	1,834,354	961,972	395,636	446,475	463,510	632,767	432,142	456,385	488,905
Transfers	-	-	-	-	1,330,892	-	-	-	18,900	17,889
Miscellaneous	-	-	-	665,945	-	332,415	-	-	-	-
Total Business-Type Activities	1,920,936	1,834,354	961,972	1,061,581	1,919,395	951,700	770,407	565,491	581,273	639,834
Total City	219,715,176	221,990,595	231,796,978	212,172,211	207,105,754	215,284,369	208,418,664	208,717,129	199,396,590	199,846,576

CITY OF CRANSTON, RHODE ISLAND
CHANGES IN NET POSITION (CONTINUED)
LAST TEN FISCAL YEARS
(UNAUDITED)

	Fiscal Year 2025	2024	2023	2022	2021	2020	2019	2018	2017 (As Restated)	2016
CHANGE IN NET ASSETS										
Governmental Activities	$ (9,739,011)	$ 17,852,673	$ 26,414,158	$ 52,349,708	$ (7,468,774)	$ (3,831,301)	$ (25,407,463)	$ 10,348,861	$ (31,784,411)	$ 225,130
Business-Type Activities	12,656,932	12,868,666	5,077,688	1,778,162	2,964,466	2,768,547	2,745,185	3,354,036	4,765,372	3,301,063
TOTAL CITY CHANGE IN NET POSITION	$ 2,917,921	$ 30,721,339	$ 31,491,846	$ 54,127,870	$ (4,504,308)	$ (1,062,754)	$ (22,662,278)	$ 13,702,897	$ (27,019,039)	$ 3,526,193

CITY OF CRANSTON, RHODE ISLAND
FUND BALANCES – GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS (1)
(UNAUDITED)

	Fiscal Year									
	2025	2024	2023	2022	2021	2020 (As Restated)	2019	2018	2017	2016
General Fund:										
Nonspendable	$ 664,347	$ 207,000	$ 207,000	$ 207,000	$ 3,910,193	$ 207,000	$ 207,000	$ 207,000	$ 207,000	$ 207,000
Restricted	210,507	300,654	-	424,890	281,992	249,484	353,193	482,879	468,363	275,374
Committed	4,873	1,505,854	695,771	53,073	5,992	4,797	44,030	44,030	44,025	42,892
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	13,661,426	19,072,378	18,607,491	14,236,584	10,280,468	13,343,808	18,335,668	20,225,654	20,149,590	20,220,712
Reserved	-	-	-	-	-	-	-	-	-	-
Unreserved	-	-	-	-	-	-	-	-	-	-
Total General Fund	14,541,153	21,085,886	19,510,262	14,921,547	14,478,645	13,805,089	18,939,891	20,959,563	20,868,978	20,745,978
All Other Governmental Funds:										
Nonspendable	255,955	267,024	4,217,959	3,429,149	190,621	149,524	135,219	120,484	116,183	147,689
Restricted	17,453,854	21,817,197	14,426,543	18,904,412	14,979,685	17,165,999	16,519,432	11,677,153	11,222,461	16,219,384
Committed	277,014	191,142	53,891	62,516	416,611	769,991	835,894	819,031	1,291,734	1,900,091
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	(73,362,539)	(75,375,137)	(57,874,181)	(15,555,189)	(1,623,686)	(102,210)	(2,593,433)	1,333,558	(650,642)	(171,829)
Reserved	-	-	-	-	-	-	-	-	-	-
Unreserved, Designated - School	-	-	-	-	-	-	-	-	-	-
Unreserved, Reported in:										
Special Revenue Funds	-	-	-	-	-	-	-	-	-	-
Capital Project Funds	-	-	-	-	-	-	-	-	-	-
Total All Other Governmental Funds	(55,375,716)	(53,099,774)	(39,175,788)	6,840,888	13,963,231	17,983,304	14,897,112	13,950,226	11,979,736	18,095,335
Grand Total	$ (40,834,563)	$ (32,013,888)	$ (19,665,526)	$ 21,762,435	$ 28,441,876	$ 31,788,393	$ 33,837,003	$ 34,909,789	$ 32,848,714	$ 38,841,313

The General Fund fund balance decreased $6.6 million or 31.1% for FY25. The decrease was due primarily to a decrease in federal grant funding in the current year.

All Other Governmental Funds decreased $8.9 million or (27.9)% for FY25. This was due to primarily to the School Department's construction notes for new elementary schools.

TABLE 4

CITY OF CRANSTON, RHODE ISLAND
CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS (1)
(UNAUDITED)

	Fiscal Year									
	2025	2024	2023	2022	2021	2020 (As Restated)	2019	2018	2017	2016
REVENUES										
Property Taxes	$ 186,598,488	$ 188,234,513	$ 183,736,149	$ 186,332,779	$ 187,636,959	$ 188,836,127	$ 188,054,377	$ 189,995,439	$ 187,047,423	$ 184,814,710
Intergovernmental Revenue	143,432,090	141,195,634	123,916,436	125,342,237	112,354,325	94,399,690	91,511,062	86,244,057	79,375,874	76,241,305
Charges for Services	20,578,878	21,360,039	21,980,581	22,024,060	18,507,840	20,036,546	19,616,761	18,757,557	17,364,637	16,496,783
American Rescue Plan Act	-	-	20,126,412	-	-	-	-	-	-	-
School Department Emergency Relief	-	-	15,386,985	-	-	-	-	-	-	-
Interest on Investments	3,812,902	3,766,511	2,688,654	426,008	572,306	1,423,923	1,197,216	824,527	772,089	491,455
Departmental										
State Fiscal Stabilization Funds	-	-	-	-	-	-	-	-	-	-
State On-Behalf Pension Contributions	12,097,047	11,182,927	9,960,856	9,425,543	9,052,298	8,671,562	8,057,883	7,725,441	7,639,642	6,859,907
Other Revenues	5,107,002	5,895,117	2,662,486	5,591,756	4,274,173	3,789,091	2,970,801	2,912,778	3,787,970	2,448,080
Total Revenues	371,626,407	371,634,741	380,458,559	349,142,383	332,397,901	317,156,939	311,408,100	306,459,799	295,987,635	287,352,240
EXPENDITURES										
Current:										
General Government	13,334,546	12,911,382	16,044,451	12,888,268	13,396,042	11,813,733	11,461,754	11,401,804	10,728,233	9,932,588
Public Safety	102,380,764	97,751,633	100,946,293	92,872,963	88,693,446	89,799,341	87,822,776	86,151,898	82,402,327	80,899,232
Public Works	19,397,056	18,446,985	18,149,713	17,519,318	17,715,604	15,946,202	15,673,496	16,300,942	14,574,335	15,555,096
Education	212,879,775	209,076,693	216,560,966	200,360,892	187,221,859	180,001,109	176,154,252	170,688,047	168,040,851	160,498,034
Parks and Recreation	3,185,069	3,241,633	3,261,808	2,970,953	2,740,825	3,598,463	3,759,835	3,510,882	3,318,164	3,486,804
Public Libraries	4,242,828	4,150,282	4,265,386	3,973,829	3,843,924	3,751,174	3,824,435	3,527,320	3,864,354	3,273,998
Senior Services	2,503,768	2,414,229	2,974,532	3,137,297	2,943,896	3,048,291	3,297,648	3,103,654	3,045,115	2,908,045
Community Development	924,195	1,623,433	1,951,099	1,886,617	1,071,517	1,051,204	1,428,317	1,347,154	1,144,284	1,724,439
Other	152,606	155,840	197,582	194,337	216,216	204,464	220,217	157,174	179,589	184,049
Capital Outlay	61,207,274	24,684,390	45,971,694	18,987,185	7,872,761	14,841,347	17,379,624	13,695,602	10,211,687	12,091,531
Debt Service:										
Principal	8,580,463	10,207,053	7,694,000	7,267,000	6,891,000	6,805,500	7,694,000	7,344,000	7,035,000	7,020,000
Interest	7,862,314	5,772,659	4,064,858	3,905,540	4,175,940	4,263,444	4,075,898	3,100,352	2,857,393	3,445,373
Total Expenditures	436,650,658	390,436,212	422,082,382	365,964,199	336,783,030	335,124,272	332,792,252	320,328,829	307,401,332	301,019,189
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(65,024,251)	(18,801,471)	(41,623,823)	(16,821,816)	(4,385,129)	(17,967,333)	(21,384,152)	(13,869,030)	(11,413,697)	(13,666,949)
OTHER FINANCING SOURCES (USES)										
Issuance of Debt	50,065,000	5,600,000	-	8,055,000	8,890,000	13,410,000	16,405,000	15,840,000	5,440,000	37,035,000
Issuance of Financed Purchases	-	355,545	-	-	-	-	-	-	-	-
Bond Premium	6,110,330	406,355	-	2,029,519	-	2,430,699	3,906,379	590,103	-	2,573,150
Other Sources	28,246	91,213	650,756	57,856	-	78,010	-	-	-	-
Transfers In	105,823,293	103,990,600	98,511,879	97,796,819	96,011,879	95,726,739	94,084,926	93,369,185	93,155,894	91,682,652
Repayment of Debt to Escrow Agent	-	-	-	-	(8,763,038)	-	-	-	-	(23,862,607)
Transfers Out	(105,823,293)	(103,990,600)	(98,966,773)	(97,796,819)	(96,011,879)	(95,726,739)	(94,084,926)	(93,369,185)	(93,174,794)	(91,700,541)
Net Other Financing Sources (Uses)	56,203,576	6,453,113	195,862	10,142,375	126,962	15,918,709	20,311,379	16,430,103	5,421,100	15,727,654
NET CHANGE IN FUND BALANCES	$ (8,820,675)	$ (12,348,358)	$ (41,427,961)	$ (6,679,441)	$ (4,258,167)	$ (2,048,624)	$ (1,072,773)	$ 2,561,073	$ (5,992,597)	$ 2,060,705
Debt Service as a Percentage of Noncapital Expenditures	4.3 %	4.8 %	3.2 %	3.3 %	3.4 %	3.5 %	3.8 %	3.4 %	3.3 %	3.7 %

(1) This schedule includes expenditures of the General Fund, School Department, Special Revenue Funds and Capital Project Funds.

TABLE 5

CITY OF CRANSTON, RHODE ISLAND
ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS (1)
(UNAUDITED)

	Real Property					Personal Property					Total		Ratio of Total
Year Ended June 30,	Assessed Value (1)	Direct Tax Rate	Commercial Assessed Value	Direct Tax Rate	Estimated Actual Value	Assessed Value (1)	Direct Tax Rate Tangible	Direct Tax Rate Motor Vehicle	Direct Tax Rate Inventory	Estimated Actual Value	Assessed Value (1)	Estimated Actual Value	Assessed to Total Estimated Actual Value
2016	$ 5,127,157,200	22	$ 1,331,450,700	34	$ 6,458,607,900	$ 844,756,803	34	42	N/A	$ 844,756,803	$ 7,303,364,703	$ 7,303,364,703	1.000
2017	5,141,214,200	22	1,336,494,580	34	6,477,708,780	880,194,812	34	42	N/A	880,194,812	7,357,903,592	7,357,903,592	1.000
2018	5,159,551,900	23	1,361,761,380	34	6,521,313,280	838,596,912	34	42	N/A	838,596,912	7,359,910,192	7,359,910,192	1.000
2019	6,000,994,700	20	1,479,702,000	30	7,480,696,700	828,242,120	30	42	N/A	828,242,120	8,308,938,820	8,308,938,820	1.000
2020	6,025,309,325	21	1,480,702,223	31	7,506,011,548	826,032,776	31	35	N/A	826,032,776	8,332,044,324	8,332,044,324	1.000
2021	6,044,622,005	21	1,469,650,862	31	7,514,272,867	835,531,211	31	35	N/A	835,531,211	8,349,804,078	8,349,804,078	1.000
2022	7,112,068,380	18	1,671,418,610	27	8,783,486,990	874,082,711	27	30	N/A	874,082,711	9,657,569,701	9,657,569,701	1.000
2023	7,139,795,820	19	1,666,145,505	28	8,805,941,325	371,924,904	28	-	N/A	371,924,904	9,177,866,229	9,177,866,229	1.000
2024	7,168,473,980	19	1,672,378,255	28	8,840,852,235	394,313,560	28	-	N/A	394,313,560	9,235,165,795	9,235,165,795	1.000
2025	10,284,202,682	14	2,073,750,543	20	12,357,953,225	418,457,687	28	-	N/A	418,457,687	12,776,410,912	12,776,410,912	1.000

(1) Gross amount is reflected without deduction for exemptions.

TABLE 6

CITY OF CRANSTON, RHODE ISLAND
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO
(UNAUDITED)

		Grand List Year					
		2025			2016		
Name	Nature of Business	Assessed Value	Rank	Percentage Net Taxable Grand List(1)	Assessed Value	Rank	Percentage Net Taxable Grand List(2)
Carpionato Alfred	Real Estate Management	$ 162,369,378	2	1.31 %	$ 109,830,874	2	1.56 %
Garden City Owner LLC (formerly Gateway Woodside Inc.)	Real Estate Management	143,062,800	3	1.16	85,428,667	3	1.21
WFD Associates LP (formerly Picerne Properties)	Real Estate Management	82,596,800	4	0.67	55,467,895	4	0.79
RI Energy (formerly National Grid)	Utility	172,731,384	1	1.40	110,442,323	1	1.57
Paolino Properties	Real Estate Management	40,162,500	6	0.33	34,985,866	5	0.50
VA7 Terraces	Real Estate Management	41,563,874	5	0.34			
Cox Communications Inc.	Cable Communications	21,181,920	11	0.17	21,319,007	7	0.30
Independence Way	Real Estate Management	28,734,019	9	0.23	17,572,600	9	0.25
Stop & Shop (Calvi Realty Co, Inc.)	Retail Grocery	25,760,792	10	0.21			
Lowes	Retail Hardware	18,603,530	12	0.15	14,711,412	11	0.21
Tasca Auto Group	Car Dealership	36,837,232	7	0.30	22,882,826	6	0.32
Cranston Addison	Real Estate Management				19,195,400	8	0.27
Swarovski American	Industrial Manufacturing				16,747,985	10	0.24
Top Golf	Recreation	31,882,887	8	0.26			
Total		$ 805,487,116		6.52 %	$ 508,584,855		7.21 %

Source: City Assessor's Department

(1) Based on a net taxable Grand List of $12,349,139,114

(2) Based on a net taxable Grand List of $7,051,934,839

CITY OF CRANSTON, RHODE ISLAND
TAX RATES, LEVIES, AND CASH COLLECTIONS
LAST TEN YEARS
(UNAUDITED)

Year Ended June 30,	Total Adjusted Tax Levy	Net Current Levy Tax Collections	Percentage of Current Taxes Collected	Net Delinquent Tax Collections Subsequent Years	Total Net Taxes Collected All Years	Percentage of Total Tax Collected to Total Tax Levy	Outstanding Delinquent Taxes	Percentage of Delinquent Taxes to Total Tax Levy
2016	$ 185,998,132	$ 183,674,083	98.8 %	$ 1,806,745	$ 185,480,828	99.7 %	$ -	- %
2017	188,071,063	185,964,064	98.9	1,615,819	187,579,883	99.7	515,160	0.3
2018	190,460,481	188,585,112	99.0	1,410,899	189,996,011	99.8	495,048	0.3
2019	188,499,042	186,620,937	99.0	1,004,287	187,625,224	99.5	443,399	0.2
2020	188,850,131	187,650,679	99.4	794,566	188,445,245	99.8	370,152	0.2
2021	187,791,127	186,943,125	99.5	501,654	187,444,779	99.8	333,311	0.2
2022	186,867,012	185,943,900	99.5	444,327	186,388,227	99.7	291,421	0.2
2023	183,576,692	183,080,154	99.7	225,753	183,305,907	99.9	259,826	0.1
2024	188,810,603	188,163,588	99.7	356,026	188,519,614	99.8	264,685	0.1
2025	187,332,896	186,321,161	99.5	-	186,321,161	99.5	1,056,472	0.6
Total							$ 4,029,474	

Source: City's audit reports

(1) This represents the City's mill rate per $1,000 of taxable property.

TABLE 8

CITY OF CRANSTON, RHODE ISLAND
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN YEARS
(UNAUDITED)

	Governmental Activities					Business-Type Activities				Total		
Year Ended June 30,	General Obligation Bonds	Bond Premiums	Capital Leases	Certificates of Participation	Total	Bond Premiums	Certificates of Participation	RI Infrastructure Notes	Total	Total	Percentage of Personal Income	Debt Per Capita
2016	$ 78,270,000	$ 3,451,770	$ -	$ -	$ 81,721,770	$ -	$ -	$ 21,525,000	$ 21,525,000	$ 103,246,770	N/A	$ 1,274
2017	73,475,000	3,076,397	3,200,000	-	79,751,397	-	-	20,463,267	20,463,267	100,214,664	N/A	1,237
2018	71,131,000	3,158,949	2,780,000	-	77,069,949	-	-	19,353,000	19,353,000	96,422,949	N/A	1,187
2019	89,943,000	6,470,534	2,340,000	-	98,753,534	-	-	18,253,000	18,253,000	117,006,534	N/A	1,440
2020	96,218,000	8,184,903	1,890,000	-	106,292,903	-	-	17,140,000	17,140,000	123,432,903	N/A	1,515
2021	90,075,000	7,468,574	2,909,237	-	100,452,811	-	-	16,011,000	16,011,000	116,463,811	N/A	1,404
2022	90,725,000	8,266,945	1,956,118	-	100,948,063	-	-	14,864,000	14,864,000	115,812,063	N/A	1,403
2023	82,891,000	7,576,270	6,709,742	-	97,177,012	-	-	13,695,000	13,695,000	110,872,012	N/A	1,345
2024	80,483,000	7,270,434	5,822,149	-	93,575,583	-	-	12,504,000	12,504,000	106,079,583	N/A	1,284
2025	123,521,000	12,447,585	4,750,382	-	140,718,967	-	-	11,287,000	11,287,000	152,005,967	N/A	1,800

NOTE: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

CITY OF CRANSTON, RHODE ISLAND
RATIOS OF GENERAL DEBT OUTSTANDING
LAST TEN YEARS
(UNAUDITED)

	General Debt Outstanding			Percentage	
Year Ended June 30,	General Obligation Bonds	Unamortized Bond Premiums	Total	of Actual Taxable Value of Property	Debt Per Capita
2016	$ 78,270,000	$ 3,451,770	$ 81,721,770	1.07 %	$ 1,009
2017	73,475,000	3,076,397	76,551,397	1.00	945
2018	71,131,000	3,158,949	74,289,949	0.97	915
2019	89,943,000	6,470,534	96,413,534	1.08	1,186
2020	96,218,000	8,184,903	104,402,903	1.15	1,282
2021	90,075,000	7,468,574	97,543,574	1.08	1,176
2022	90,725,000	8,266,945	98,991,945	0.94	1,199
2023	82,891,000	7,576,270	90,467,270	0.90	1,098
2024	80,483,000	7,270,434	87,753,434	0.87	1,062
2025	123,521,000	12,447,585	135,968,585	0.97	1,610

NOTE: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

CITY OF CRANSTON, RHODE ISLAND
COMPUTATION OF LEGAL DEBT MARGIN
JUNE 30, 2025
(UNAUDITED)

Assessed Value	$ 12,776,410,912
Less: Exemptions	(427,271,798)
Net Total Taxable Assessed Value	$ 12,349,139,114
Debt Limit - 3% of Total Assessed Value	$ 370,474,173
Amount of Debt Applicable to Debt Limit:	
Total Bonded Debt	-
Legal Debt Margin	$ 370,474,173

NOTE: The City has no debt issues outstanding under the Maximum Aggregate Indebtedness provision (3% Debt Limit) - Rhode Island General Law 45-12-2. All other City debt has been incurred through special statutory authority which consists of approval by the legislature and voter referendum.

The State Legislature may by special act permit the City to incur indebtedness in excess of the three percent (3%) limit in accordance with Rhode Island General Law 45-12-11. The City of Cranston has never requested authorization under the Authority for the issuance of Indebtedness Excess - Rhode Island General Law 45-12-11.

CITY OF CRANSTON, RHODE ISLAND
LEGAL DEBT MARGIN INFORMATION
LAST TEN YEARS
(UNAUDITED)

Year Ended June 30,	Debt Limit	Net Debt Applicable to Limit	Legal Debt Margin
2016	$ 211,558,045	$ -	$ 211,558,045
2017	213,378,825	-	213,378,825
2018	212,782,442	-	212,782,442
2019	239,175,289	-	239,175,289
2020	238,690,100	-	238,690,100
2021	238,016,472	-	238,016,472
2022	275,317,113	-	275,317,113
2023	267,305,298	-	267,305,298
2024	269,000,040	-	269,000,040
2025	370,474,173	-	370,474,173

TABLE 12

CITY OF CRANSTON, RHODE ISLAND
DEMOGRAPHIC STATISTICS
LAST TEN YEARS
(UNAUDITED)

Year Ended June 30,	Population[1]	Median Income[4]	Per Capita Income[1]	Median Age[1]	Education Level in Years of Schooling Level in Years - Bachelors Degree	School Enrollment[2]	Unemployment Rate[3]
2016	81,014	$ 64,282	$ 29,878	40	N/A	10,443	5.9 %
2017	81,034	64,282	30,553	41	N/A	10,417	5.0
2018	81,202	64,282	30,553	41	N/A	10,365	4.3
2019	81,274	64,282	31,607	41	31.40 %	10,324	4.0
2020	81,456	66,283	32,634	40	31.40	10,186	3.4
2021	82,934	72,017	33,974	40	33.20	10,439	9.5
2022	82,566	74,425	35,714	40	33.90	10,492	5.6
2023	82,421	77,145	41,572	40	34.00	9,816	3.1
2024	82,635	81,370	41,663	39	35.80	9,964	2.9
2025	84,448	87,716	58,595	40	35.80	9,928	4.3

(1) Figures obtained from obtained from Data USA

(2) Cranston School Department

(3) Rhode Island Department of Labor and Training (as of June 30)

(4) U.S. Census Bureau

TABLE 13

CITY OF CRANSTON, RHODE ISLAND
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO
(UNAUDITED)

	2025			2016		
Employer	Employees	Rank	Percentage of Total City Employment(1)	Employees	Rank	Percentage of Total City Employment(2)
State of Rhode Island	5,500	1	13.17 %	5,500	1	15.50 %
City of Cranston	2,251	2	5.39	2,379	3	6.70
Citizens Bank				2,400	2	6.76
Tasca Motor Group				376	8	1.06
Walmart				303	10	0.85
Taco, Inc.	512	7	1.23	410	6	1.16
Thielsch Engineering	400	10	0.96	400	7	1.13
Swarovski Consumer Goods Ltd.	1,000	4	2.39			
The Stop & Shop Co., Inc.	448	8	1.07	444	5	1.25
Fairly Linen				325	9	0.92
Access Point RI				550	4	1.55
North Safety Products	1,050	3	2.51			
Nelpak Healthcare Packaging	750	5	1.80			
Federal Electronics	500	6	1.20			
Technic Inc.	425	9	1.02			
Total	12,836		30.73	13,087		36.88

SOURCE: State Department of Labor

(1) Based on June 30, 2025, total City employment of 41,772

(2) Based on June 30, 2016, total City employment of 35,486

TOTAL CITY EMPLOYMENT	2025	41,772	2016	35,486

TABLE 14

CITY OF CRANSTON, RHODE ISLAND
FULL-TIME EQUIVALENT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN YEARS
(UNAUDITED)

	Fiscal Year Ended June 30									
Function/Program	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
General Government:										
Mayor	6	7	7	7	6	6	6	6	6	6
Department of Personnel	2	2	2	2	2	2	2	2	-	-
City Clerk	6	6	6	6	6	6	6	6	6	6
Municipal Court	2	2	2	2	2	2	2	2	2	2
Board of Canvassers	4	4	4	4	3	3	3	3	3	3
City Planning	5	4	4	4	4	5	4	4	4	4
Economic Development	1	1	2	2	2	2	2	2	2	2
Finance	2	2	2	2	3	4	3	3	3	3
Division of Accounting & Control	5	5	5	5	5	5	5	5	5	5
Division of Assessment	5	5	6	6	6	6	6	6	6	6
Division of Contracts & Purchasing	2	2	2	2	2	2	2	2	2	2
Information Technology	3	3	4	5	5	6	6	6	6	6
Division of Treasury & Collection	5	6	6	6	6	7	7	7	6	6
Police:										
Officers	148	149	149	149	149	153	153	153	153	153
Civilians	28	26	27	27	26	26	27	27	27	26
Animal Control	4	4	4	4	4	4	4	4	4	4
Fire:										
Chief	1	1	1	1	1	1	1	1	1	1
Uniformed	195	191	195	195	190	195	194	194	194	194
Civilians	15	15	15	15	15	15	15	15	15	15
Inspections	11	11	12	12	11	13	11	11	11	10
Public Works:										
Administration	3	3	3	3	3	3	3	3	3	3
Engineering	3	3	3	3	4	4	4	4	4	4
Highway	34	34	39	39	39	41	40	40	39	39
Building	19	19	25	25	25	24	23	23	23	23
Fleet Management	9	9	10	10	10	10	10	10	10	10
Refuse Removal	1	1	1	1	1	1	1	1	1	1
Traffic Safety	1	1	1	1	1	1	1	1	1	1
Parks and Recreation	22	22	23	23	23	23	21	21	20	20
Public Libraries	31	31	31	31	31	32	32	32	32	32
Senior Services	21	21	23	25	25	25	25	25	24	24
Community Development	3	3	3	4	3	3	3	3	3	3
Other	7	7	6	7	4	7	9	9	9	9
Education	1,554	1,368	1,547	1,481	1,515	1,548	1,530	1,534	1,527	1,462
Total	2,158	1,968	2,170	2,109	2,132	2,185	2,161	2,165	2,152	2,085

Source: City Budget

CITY OF CRANSTON, RHODE ISLAND
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN YEARS
(UNAUDITED)

Function/Program	Fiscal Year Ended June 30									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Governmental Activities:										
Public Safety:										
Fire:										
Total Incidents	18,342	17,822	17,788	17,440	16,455	15,349	16,629	15,572	15,311	14,203
Rescue/Medical Calls	14,061	13,690	11,386	11,163	10,283	11,596	10,712	10,247	10,048	9,349
Rescue/Nonmedical Calls	4,281	4,132	6,402	6,277	6,172	3,753	5,917	5,325	5,263	4,854
Fire Hydrants	1,945	1,945	1,945	1,945	1,945	1,947	1,947	1,923	1,923	1,923
Police:										
Number of Calls	87,939	74,949	70,587	70,314	73,923	33,676	91,258	83,970	81,239	78,896
Total 911 Calls Received	4,953	5,288	4,736	4,357	4,619	2,068	4,832	6,112	8,864	5,646
Formal Investigations	10,074	12,655	10,366	9,827	9,951	10,263	22,949	22,128	23,312	20,039
City Clerk:										
Number of Documents Recorded	6,147	11,527	12,958	18,690	20,889	16,632	13,690	15,226	15,267	15,036
Health and Welfare:										
Number of Food Service Facilities Inspections	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
New Homes Built	30	40	32	49	58	40	40	33	49	64
Land Use:										
Total Subdivisions Approved	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total Commercial Applications Approved	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Building Permits	1,761	1,914	1,928	2,007	2,077	1,778	1,871	1,890	1,747	1,864
Public Works:										
Highway Department:										
Streets (Miles):										
Paved City Roads	319	318	318	318	318	318	318	318	318	318
Paved State Roads	69	69	69	69	69	69	69	69	69	69
Private Roads	7	6	6	6	6	6	6	6	6	6
Roads Under Construction (Maintained by City)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Sidewalks (Miles)	64	64	64	64	64	64	64	64	64	64
Education:										
Enrollment:										
High School Grades 9-12	3,485	3,499	4,189	3,539	3,404	3,178	3,295	3,319	3,356	3,279
Middle School Grades 6-8	2,251	2,308	2,311	2,450	2,509	2,452	2,470	2,478	2,467	1,695
Elementary Schools Grades K-5	4,192	4,157	3,316	4,503	4,526	4,556	4,559	4,568	4,594	5,469
Total	9,928	9,964	9,816	10,492	10,439	10,186	10,324	10,365	10,417	10,443

SOURCES: Various City Departments

(1) Information not available due to the construction and consolidation of schools and related grade levels

N/A - Information not available

CITY OF CRANSTON, RHODE ISLAND
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN YEARS
(UNAUDITED)

Function/Program	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
	Fiscal Year Ended June 30									
Governmental Activities:										
Parks and Recreation:										
Acreage (Includes All Open Space)										
Parks and Public Squares	11	11	11	11	11	11	11	11	11	11
Marinas	N/A	3	3	3	3	3	3	3	3	3
Playgrounds	36	36	36	36	36	36	35	35	36	36
Walking Tracks	7	7	7	7	7	7	8	8	8	8
Basketball Courts	17	22	22	22	22	22	21	21	21	21
Tennis/Pickleball Courts	28	22	22	22	22	22	24	24	24	24
Baseball Fields	26	23	23	23	23	23	28	28	28	28
Softball Fields	14	14	14	14	14	14	12	12	11	11
Other Fields	25	22	22	22	22	22	22	22	22	22
Ice Rink	1	1	1	1	2	2	2	2	2	2
Swimming Pool	1	1	1	1	1	1	1	1	1	1
Stadium and Field House	1	1	1	1	1	1	1	1	1	1
Water Parks	1	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Public Safety:										
Fire Stations	6	6	6	6	6	6	6	6	6	6
Fire Alarm Boxes	721	385	10	10	10	37	37	47	47	120
Fire Hydrants	1,983	1,945	1,945	1,945	1,945	1,947	1,947	1,923	1,923	1,923
Police Department:										
Stations	4	4	4	4	4	4	4	4	3	3
Animal Control Building	1	1	1	1	1	1	1	1	1	1
Public Works:										
Highway Department:										
Streets (Miles)	319	324	324	324	324	324	324	324	324	324
Sidewalks (Miles)	64	64	64	64	64	64	64	64	64	64
Public Libraries:										
Number of Branches	6	6	6	6	6	6	6	6	6	6
Education:										
Number of High Schools	2	2	2	2	2	2	2	2	2	2
Number of Middle Schools	4	4	4	4	4	4	4	4	4	3
Number of Elementary Schools	14	15	15	15	15	15	16	16	16	17
Number of Charter Schools	1	1	1	1	1	1	1	1	1	1
Number of Adult Education Buildings	1	1	1	1	1	1	1	1	1	1
Senior Services:										
Senior Citizens Center	1	1	1	1	1	1	1	1	1	1
Community Development:										
Number of Loans Issued	12	15	18	27	24	16	18	22	34	24
Business-Type Activities:										
Sewer Fund:										
Sewer Mains (Miles)	263	263	263	263	263	263	263	263	263	263
Treatment Capacity (Thousands of Gallons)	20,200	20,200	20,200	20,200	20,200	20,200	20,200	20,200	20,200	20,200
Sewerage Disposal Plant	1	1	1	1	1	1	1	1	1	1
Pumping Stations	22	22	22	22	22	22	22	22	22	22

Sources: Various City Departments

APPENDIX B

Proposed Form of Legal Opinion for the Bonds

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HARRINGTON VITALE & BERNARDO

[Date of Delivery]

City of Cranston, Rhode Island
City Hall
869 Park Avenue
Cranston, Rhode Island 02910

Re: $__________ City of Cranston, Rhode Island, General Obligation Bonds, 2026 Series B (the "Bonds")

We have acted as bond counsel to the City of Cranston, Rhode Island (the "City") in connection with the issuance by the City of the above-referenced Bonds. In such capacity, we have examined the law and such certified proceedings and other papers as we have deemed necessary to render this opinion.

As to questions of fact material to our opinion, we have relied upon representations and covenants of the City in the certified proceedings and other certifications of public officials furnished to us, without undertaking to verify the same by independent investigation.

Based on our examination, we are of the opinion under existing law, as follows:

1. The Bonds are valid general obligations of the City, and all taxable property in the City is subject to taxation without limitation as to rate or amount to pay the Bonds and the interest thereon.

2. Interest on the Bonds is excluded from the gross income of the owner of the Bonds for federal income tax purposes. In addition, interest on the Bonds will not be included in computing the alternative minimum taxable income of individuals. However, interest on the Bonds will be included in the adjusted financial statement income of certain corporations that are subject to the alternative minimum tax under Section 55 of the Internal Revenue Code of 1986, as amended (the "Code"). In rendering the opinions set forth in this paragraph, we have assumed compliance by the City with all requirements of the Code that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, and continue to be, excluded from gross income for federal income tax purposes. The City has covenanted to comply with all such requirements. Failure by the City to

comply with certain of such requirements may cause interest on the Bonds to become included in gross income for federal income tax purposes retroactive to the date of issuance of the Bonds. We express no opinion regarding any other federal tax consequences arising with respect to the Bonds.

3. Income from the Bonds is free from taxation by the State of Rhode Island or any political subdivision or other instrumentality of the State although the income therefrom may be included in the measure of Rhode Island estate taxes and certain Rhode Island corporate and business taxes. We express no opinion regarding any other Rhode Island tax consequences arising with respect to the Bonds or any tax consequences arising with respect to the Bonds under the laws of any state other than Rhode Island.

This opinion is expressed as of the date hereof, and we neither assume nor undertake any obligation to update, revise, supplement or restate this opinion to reflect any action taken or omitted, or any facts or circumstances or changes in law or in the interpretation thereof, that may hereafter arise or occur, or for any other reason.

The rights of the holders of the Bonds and the enforceability of the Bonds may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable, and their enforcement may also be subject to the exercise of judicial discretion in appropriate cases.

Very truly yours,

APPENDIX C

Proposed Form of Continuing Disclosure Certificate

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APPENDIX C

CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the "Disclosure Certificate") is executed and delivered by the City of Cranston, Rhode Island (the "Issuer") in connection with the execution and delivery of its $_________ General Obligation Bonds, 2026 Series B (the "Bonds"). The Issuer covenants and agrees as follows:

SECTION 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the Issuer for the benefit of the Owners of the Bonds and in order to assist the Participating Underwriter in complying with the Rule.

SECTION 2. Definitions. For purposes of this Disclosure Certificate, the following capitalized terms shall have the following meanings:

"Annual Report" shall mean any Annual Report provided by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

"Dissemination Agent" shall mean the Director of Finance of the Issuer, or any successor Dissemination Agent designated in writing by the Issuer and which has filed with the Issuer a written acceptance of such designation.

"EMMA" shall mean the Electronic Municipal Market Access System of the MSRB, located at http://emma.msrb.org, or such other electronic format or successor as prescribed by the MSRB.

"Listed Events" shall mean any of the events listed in Section 5(a) of this Disclosure Certificate.

"MSRB" shall mean the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(l) of the Securities Exchange Act of 1934.

"Owners of the Bonds" shall mean the registered owners, including beneficial owners, of the Bonds.

"Participating Underwriter" shall mean the original underwriter or underwriters of the Bonds required to comply with the Rule in connection with the offering of the Bonds.

"Rule" shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

SECTION 3. Provision of Annual Reports.

(a) The Issuer shall, or cause the Dissemination Agent to, not later than nine (9) months after the end of each fiscal year (commencing with the fiscal year ended June 30, 2026) shall provide to EMMA an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in

Section 4 of this Disclosure Certificate; provided that the audited financial statements of the Issuer may be submitted separately from, and at a later date than, the balance of the Annual Report if such audited financial statements are not available as of the date set forth above. If the Issuer's fiscal year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5(a).

(b) Prior to the date specified in subsection (a) for providing the Annual Report to EMMA, the Issuer shall provide the Annual Report to the Dissemination Agent (if other than the Issuer).

(c) If the Issuer at any time determines that an Annual Report has not been provided to EMMA by the date specified in subsection (a) for providing the Annual Report, the Issuer shall send, or cause the Dissemination Agent to send, a notice substantially in the form of Exhibit A irrespective of whether the Dissemination Agent has submitted such notice.

(d) The Dissemination Agent (if other than the Issuer) shall, to the extent such information is known to it, file a report with the Issuer certifying that the Annual Report has been provided pursuant to this Disclosure Certificate and stating the date it was provided.

SECTION 4. Content of Annual Reports. The Annual Report submitted by the Issuer shall contain or incorporate by reference financial information and the operating data listed below:

a) Quantitative information for the preceding fiscal year of the type presented in the Official Statement dated August __, 2026, relating to the Bonds (the "Official Statement") regarding (i) the revenues and expenditures of the Issuer relating to its operating budget, (ii) capital expenditures; (iii) fund balances, (iv) property tax information, (v) outstanding indebtedness and overlapping debt of the Issuer, and (vi) pension obligations and other post-employment benefit obligations of the Issuer, and

b) The audited financial statements of the Issuer, prepared in accordance with generally accepted accounting principles (except for the omission, if any, of a statement of fixed assets). If the Issuer's financial statements are not available by the time the Annual Report is required to be filed pursuant to subsection 3(a), the Annual Report will include unaudited financial statements in a format similar to the financial statements contained in the Official Statement, and the audited financial statements shall be filed in the same manner as the Annual Report when available.

Any or all of the items listed above may be incorporated by reference from other documents, including official statements of debt issues with respect to which the Issuer is an "obligated person" (as defined by the Rule), which have been filed with EMMA or the Securities and Exchange Commission. If the document incorporated by reference is a final official statement, it must be available from EMMA. The Issuer shall clearly identify each such other document so incorporated by reference. The Dissemination Agent (if other than the Issuer) shall have no responsibility concerning the content of the Annual Report or whether the Annual Report complies with the Rule.

SECTION 5. Reporting of Listed Events.

(a) The Issuer shall give notice in accordance with subsection 5(b) below of the occurrence of any of the following events with respect to the Bonds:

(1) principal and interest payment delinquencies;

(2) non-payment related defaults, if material;

(3) unscheduled draws on debt service reserves reflecting financial difficulties;

(4) unscheduled draws on credit enhancements reflecting financial difficulties;

(5) substitution of credit or liquidity providers, or their failure to perform;

(6) adverse tax opinions, the issuance by the IRS of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;

(7) modifications to rights of the Owners of the Bonds, if material;

(8) Bond calls, if material, and tender offers;

(9) defeasances;

(10) release, substitution or sale of property securing repayment of the Bonds, if material;

(11) rating changes;

(12) bankruptcy, insolvency, receivership or similar event of the Issuer;[1]

(13) the consummation of a merger, consolidation, or acquisition of the Issuer, the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

[1] For purposes of the event identified in Section 5(a)(12) above, the event is considered to occur when any of the following occur: (i) the appointment of a receiver, fiscal agent or similar officer for the Issuer in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Issuer, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or (ii) the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Issuer.

(14) appointment of a successor or additional trustee, or the change of name of a trustee, if material;

(15) incurrence of a financial obligation[2] of the Issuer, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the Issuer, any of which affect Owners of the Bonds, if material; and

(16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the Issuer, any of which reflect financial difficulties.

(b) The Issuer shall file, or cause the Dissemination Agent to file, with the MSRB in a timely manner, not in excess of ten (10) business days after the occurrence thereof, a notice of the occurrence of any of the events described in subsection 5(a) above. If the Dissemination Agent is to file a notice of the occurrence of any of the events described in subsection 5(a) above, the Issuer (if it is not the Dissemination Agent) shall provide the applicable notice to the Dissemination Agent at least two (2) business days prior to the filing deadline, and the Dissemination Agent shall file the notice with the MSRB as soon as practicable thereafter, but in no event later than two (2) business days after receipt thereof. The Dissemination Agent, if other than the Issuer, shall have no duty to file a notice of a Listed Event described hereunder unless it is directed to do so by the Issuer, and shall have no responsibility for verifying any of the information in any such notice or determining the materiality of the event described in such notice.

SECTION 6. Transmission of Information and Notices. Unless otherwise required by law, all notices, documents and information provided to the MSRB shall be provided in electronic format as prescribed by the MSRB and shall be accompanied by identifying information as prescribed by the MSRB. Information must be provided to the MSRB through EMMA.

SECTION 7. Termination of Reporting Obligation. The Issuer's obligations under this Disclosure Certificate shall terminate upon the defeasance, prior redemption or payment in full of all of the Bonds or upon delivery to the Dissemination Agent of an opinion of counsel expert in federal securities laws selected by the Issuer and acceptable to the dissemination agent to the effect that compliance with this disclosure agreement no longer is required by the rule. If such termination occurs prior to the final maturity of the Bonds, the Issuer shall give notice of such termination in the same manner as for a Listed Event under subsection 5(a).

SECTION 8. Dissemination Agent. the Issuer may, from time to time, appoint or engage a third-party Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such third-party Dissemination Agent, with or without appointing a successor Dissemination Agent.

SECTION 9. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the Issuer may amend this Disclosure Certificate and any provision of this

[2] The term "financial obligation" means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) a guarantee of (i) or (ii). The term "financial obligation" does not include municipal securities as to which a final official statement has been otherwise provided to the MSRB under the Rule.

Disclosure Certificate may be waived, if such amendment or waiver is permitted by the Rule as it exists at the time of modification and does not, in the opinion of nationally recognized bond counsel, cause the Disclosure Certificate to violate the Rule. The Issuer shall within a reasonable time thereafter send to the MSRB via EMMA a description of such amendment or waiver.

If the amendment provides for a change in the accounting principles to be followed in preparing financial statements, the Annual Report for the year in which the change is made shall present a comparison between the financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. The comparison shall include a qualitative discussion of the differences in the accounting principles and those prepared on the basis of the former accounting principles. The comparison shall include a qualitative discussion of the differences in the accounting principles and the impact of the change in the accounting principles on the presentation of the financial information in order to provide information to investors to enable them to evaluate the ability of the Issuer to meet its obligations. To the extent reasonably feasible, the comparison shall also be quantitative.

SECTION 10. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the Issuer chooses to include any information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is specifically required by this Disclosure Certificate, the Issuer shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

SECTION 11. Default. In the event of a failure of the Issuer to comply with any provision of this Disclosure Certificate any Owner of the Bonds may take such actions as may be necessary or appropriate, including seeking mandate or specific performance by court order, to cause the Issuer to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not constitute a default with respect to the Bonds, and the sole remedy under this Disclosure Certificate in the event of any failure of the Issuer to comply with this Disclosure Certificate shall be an action for specific performance of the Issuer's obligations hereunder and not for money damages in any amount.

SECTION 12. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent (if other than the Issuer) shall have only such duties as are specifically set forth in this Disclosure Certificate, and the Issuer agrees to indemnify and save the Dissemination Agent (if other than the Issuer), its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The Dissemination Agent (if other than the Issuer) shall be paid compensation by the Issuer for its services provided hereunder in accordance with its schedule of fees as amended from time to time and all expenses, legal fees and advances made or incurred by the Dissemination Agent in the performance of its duties hereunder. The obligations of the Issuer under this section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

SECTION 13. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Issuer, the Dissemination Agent, the Participating Underwriter and the Owners of the Bonds from time to time, and shall create no rights in any other person or entity.

Dated: September __, 2026

CITY OF CRANSTON, RHODE ISLAND

By: ________________________________
Director of Finance

EXHIBIT A

NOTICE OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer:	City of Cranston, Rhode Island
Name of Bond Issue:	General Obligation Bonds, 2026 Series B
Date of Issuance:	September __, 2026

NOTICE IS HEREBY GIVEN that the Issuer has not provided an Annual Report with respect to the above-named Bonds as required by the Continuing Disclosure Certificate of the Issuer dated September __, 2026.

Dated: ____________________

CITY OF CRANSTON, RHODE ISLAND

By: ___________________________________

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APPENDIX D

Specimen Municipal Bond Insurance Policy

MUNICIPAL BOND INSURANCE POLICY

ISSUER: [NAME OF ISSUER] Policy No: _____

MEMBER: [NAME OF MEMBER]

BONDS: $__________ in aggregate principal amount of [NAME OF TRANSACTION] [and maturing on]

Effective Date: _________

Risk Premium: $__________
Member Surplus Contribution: $ _________
Total Insurance Payment: $_________

BUILD AMERICA MUTUAL ASSURANCE COMPANY ("BAM"), for consideration received, hereby UNCONDITIONALLY AND IRREVOCABLY agrees to pay to the trustee (the "Trustee") or paying agent (the "Paying Agent") for the Bonds named above (as set forth in the documentation providing for the issuance and securing of the Bonds), for the benefit of the Owners or, at the election of BAM, directly to each Owner, subject only to the terms of this Policy (which includes each endorsement hereto), that portion of the principal of and interest on the Bonds that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Issuer.

On the later of the day on which such principal and interest becomes Due for Payment or the first Business Day following the Business Day on which BAM shall have received Notice of Nonpayment, BAM will disburse (but without duplication in the case of duplicate claims for the same Nonpayment) to or for the benefit of each Owner of the Bonds, the face amount of principal of and interest on the Bonds that is then Due for Payment but is then unpaid by reason of Nonpayment by the Issuer, but only upon receipt by BAM, in a form reasonably satisfactory to it, of (a) evidence of the Owner's right to receive payment of such principal or interest then Due for Payment and (b) evidence, including any appropriate instruments of assignment, that all of the Owner's rights with respect to payment of such principal or interest that is Due for Payment shall thereupon vest in BAM. A Notice of Nonpayment will be deemed received on a given Business Day if it is received prior to 1:00 p.m. (New York time) on such Business Day; otherwise, it will be deemed received on the next Business Day. If any Notice of Nonpayment received by BAM is incomplete, it shall be deemed not to have been received by BAM for purposes of the preceding sentence, and BAM shall promptly so advise the Trustee, Paying Agent or Owner, as appropriate, any of whom may submit an amended Notice of Nonpayment. Upon disbursement under this Policy in respect of a Bond and to the extent of such payment, BAM shall become the owner of such Bond, any appurtenant coupon to such Bond and right to receipt of payment of principal of or interest on such Bond and shall be fully subrogated to the rights of the Owner, including the Owner's right to receive payments under such Bond. Payment by BAM either to the Trustee or Paying Agent for the benefit of the Owners, or directly to the Owners, on account of any Nonpayment shall discharge the obligation of BAM under this Policy with respect to said Nonpayment.

Except to the extent expressly modified by an endorsement hereto, the following terms shall have the meanings specified for all purposes of this Policy. "Business Day" means any day other than (a) a Saturday or Sunday or (b) a day on which banking institutions in the State of New York or the Insurer's Fiscal Agent (as defined herein) are authorized or required by law or executive order to remain closed. "Due for Payment" means (a) when referring to the principal of a Bond, payable on the stated maturity date thereof or the date on which the same shall have been duly called for mandatory sinking fund redemption and does not refer to any earlier date on which payment is due by reason of call for redemption (other than by mandatory sinking fund redemption), acceleration or other advancement of maturity (unless BAM shall elect, in its sole discretion, to pay such principal due upon such acceleration together with any accrued interest to the date of acceleration) and (b) when referring to interest on a Bond, payable on the stated date for payment of interest. "Nonpayment" means, in respect of a Bond, the failure of the Issuer to have provided sufficient funds to the Trustee or, if there is no Trustee, to the Paying Agent for payment in full of all principal and interest that is Due for Payment on such Bond. "Nonpayment" shall also include, in respect of a Bond, any payment made to an Owner by or on behalf of the Issuer of principal or interest that is Due for Payment, which payment has been recovered from such Owner pursuant to the United States Bankruptcy Code in accordance with a final, nonappealable order of a court having competent jurisdiction. "Notice" means delivery to BAM of a notice of claim and certificate, by certified mail, email or telecopy as set forth on the attached Schedule or other acceptable electronic delivery, in a form satisfactory to BAM, from and signed by an Owner, the Trustee or the Paying Agent, which notice shall specify (a) the person or entity making the claim, (b) the Policy Number, (c) the claimed amount, (d) payment instructions and (e) the date such claimed amount becomes or became Due for Payment. "Owner" means, in respect of a Bond, the person or entity who, at the time of Nonpayment, is entitled under the terms of such Bond to payment thereof, except that "Owner" shall not include the Issuer, the Member or any other person or entity whose direct or indirect obligation constitutes the underlying security for the Bonds.

BAM may appoint a fiscal agent (the "Insurer's Fiscal Agent") for purposes of this Policy by giving written notice to the Trustee, the Paying Agent, the Member and the Issuer specifying the name and notice address of the Insurer's Fiscal Agent. From and after the date of receipt of such notice by the Trustee, the Paying Agent, the Member or the Issuer (a) copies of all notices required to be delivered to BAM pursuant to this Policy shall be simultaneously delivered to the Insurer's Fiscal Agent and to BAM and shall not be deemed received until received by both and (b) all payments required to be made by BAM under this Policy may be made directly by BAM or by the Insurer's Fiscal Agent on behalf of BAM. The Insurer's Fiscal Agent is the agent of BAM only, and the Insurer's Fiscal Agent shall in no event be liable to the Trustee, Paying Agent or any Owner for any act of the Insurer's Fiscal Agent or any failure of BAM to deposit or cause to be deposited sufficient funds to make payments due under this Policy.

To the fullest extent permitted by applicable law, BAM agrees not to assert, and hereby waives, only for the benefit of each Owner, all rights (whether by counterclaim, setoff or otherwise) and defenses (including, without limitation, the defense of fraud), whether acquired by subrogation, assignment or otherwise, to the extent that such rights and defenses may be available to BAM to avoid payment of its obligations under this Policy in accordance with the express provisions of this Policy. This Policy may not be canceled or revoked.

This Policy sets forth in full the undertaking of BAM and shall not be modified, altered or affected by any other agreement or instrument, including any modification or amendment thereto. Except to the extent expressly modified by an endorsement hereto, any premium paid in respect of this Policy is nonrefundable for any reason whatsoever, including payment, or provision being made for payment, of the Bonds prior to maturity. THIS POLICY IS NOT COVERED BY THE PROPERTY/CASUALTY INSURANCE SECURITY FUND SPECIFIED IN ARTICLE 76 OF THE NEW YORK INSURANCE LAW. THIS POLICY IS ISSUED WITHOUT CONTINGENT MUTUAL LIABILITY FOR ASSESSMENT.

In witness whereof, BUILD AMERICA MUTUAL ASSURANCE COMPANY has caused this Policy to be executed on its behalf by its Authorized Officer.

BUILD AMERICA MUTUAL ASSURANCE COMPANY

By: ______________________________
Authorized Officer

Notices (Unless Otherwise Specified by BAM)

Email:
claims@buildamerica.com
Address:
28 Liberty Street, 59th Floor
New York, New York 10005
Telecopy:
212-962-1524 (attention: Claims)

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CITY OF CRANSTON, RHODE ISLAND • GENERAL OBLIGATION BONDS, 2026 SERIES B

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