

**Report of Statutory Compliance -
Financial Reporting Requirements
for Local Governmental Entities**

Fiscal 2022 Financial Reporting

Status as of August 31, 2023



David A. Bergantino, CPA, CFE, Auditor General

Office of the Auditor General

General Assembly

State of Rhode Island



Office of the Auditor General

State of Rhode Island - General Assembly
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August 31, 2023

JOINT COMMITTEE ON LEGISLATIVE SERVICES:

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In conjunction with our responsibilities under Rhode Island General Laws (RIGL) to monitor local government compliance with timely completion of audited financial statements and corrective actions for reported financial deficits, the Office of the Auditor General is providing this annual report to summarize local entity performance for the fiscal 2022 financial reporting period. The following local entities fall under Auditor General oversight: cities and towns, regional school districts, fire districts, charter schools, and educational collaboratives. This report is specifically designed to provide the Joint Committee on Legislative Services with information relating to the following statutory responsibilities of the Auditor General:

- RIGL Section 45-10-5, in conjunction with Section 45-10-4, requires Rhode Island municipalities and regional school districts to file their annual audit reports with the Auditor General and the State Director of Revenue no later than six months after the close of the fiscal year. The Auditor General may grant extensions upon reasonable cause being demonstrated by the entity.
- RIGL Sections 45-12-22.2, 45-12-22.3 and 16-2-9(f) require Rhode Island municipalities, school districts and fire districts to provide timely reporting of anticipated General Fund or School Fund deficits to the Auditor General and the Division of Municipal Finance along with a corrective action plan to resolve the fund deficit.
- RIGL Section 16-3-11(e) requires Rhode Island regional school districts to provide timely reporting of anticipated School Fund deficits to the Auditor General along with a corrective action plan to resolve the fund deficit.
- RIGL Section 16-77.3-2(b) authorizes the Auditor General to require Rhode Island charter schools to complete and submit annual financial audits as part of annual financial monitoring of those entities.
- RIGL Sections 44-5.2-2 and 44-5-69 require Rhode Island fire districts to file annual financial reports in accordance with guidance promulgated by the Auditor General. The guidance for large and medium-sized fire districts requires either audited financial statements or financial reports accompanied by certain agreed-upon procedures to be filed within six months after the close of the fiscal year. Smaller fire districts complete and submit a self-reporting financial template.

The Executive Summary beginning on page 1 highlights a variety of issues where the Office of the Auditor General has devoted significant attention over the past year working with local entities to improve the

timeliness of financial reporting or to facilitate corrective actions on reported deficits.

The schedules included on pages 5-12 detail the specific information regarding adherence to statutory requirements on annual financial reporting by local entities. In addition, page 13 provides summary compliance trend results for Rhode Island's cities and towns, regional school districts, fire districts, charter schools, and educational collaboratives, over a five-year period, in relation to meeting timely reporting requirements. The schedule on page 14 summarizes fund deficits reported during the 2022 reporting period that required corrective action or specific attention by the Office of the Auditor General.

One of the Auditor General's main objectives is to work with these entities to improve the timeliness of the availability of annual audited financial statements. Such information is vital to ensuring that decision-makers of all entities have accurate and complete financial information to make informed decisions.

This report is intended solely for the information and use of the Joint Committee on Legislative Services for the purpose of reporting on local entity compliance with the statutory requirements listed above.

Sincerely,

A handwritten signature in black ink that reads "David A. Bergantino". The signature is written in a cursive, flowing style.

David A. Bergantino, CPA, CFE
Auditor General

**Report of Statutory Compliance - Financial Reporting
Requirements for Local Governmental Entities**

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Introduction

Rhode Island's cities and towns, regional school districts, fire districts, charter schools, and educational collaboratives provide critical services to the State's citizens. These entities are continually challenged to work within budgeted resources to ensure the continuity of services to those they serve. The Office of the Auditor General (OAG) spends significant time each year monitoring these entities, reinforcing appropriate fiscal practices (i.e., timely audits), and working with these entities to resolve various issues before they can potentially lead to significant financial challenges. We often work cooperatively with the Division of Municipal Finance and/or the RI Department of Education in our oversight of these local entities.

Both State statutes and best practices on financial reporting generally define timely as the issuance of audited financial statements within six months of the fiscal year-end. This is an important control for any entity in ensuring it has accurate and useful information to make informed decisions. Untimely information can impact its usefulness to decision makers. Timely and accurate financial reporting does not happen without proper planning and disciplined financial management.

The OAG assisted various entities in meeting reporting challenges in relation to their fiscal 2022 reporting periods and the following merit specific highlight in this report:

Municipalities

Town of Johnston – Johnston's 2022 audited financial statements were completed at the end of March 2023. In the last four years, the Town has been consistently late - averaging around nine months after year-end before audited financial statements were available. In addition, Johnston's School Unrestricted Fund has been reporting an operating deficit for several years, indicative of a structural deficit that needs to be addressed. A significant operating deficit is also expected in the School Unrestricted Fund for the fiscal year ended June 30, 2023. Years of operating deficits have eliminated any previous

surpluses in the School Unrestricted Fund, resulting in deficit fund balances in fiscals 2021 and 2022. The OAG has and continues to have discussions with Johnston as they develop a corrective action that will address the current structural deficit and result in financial stability in future years. The Town and School Department have pledged to work collaboratively to address the issue. The OAG has recommended, in addition to addressing the current structural deficit, that development of a long-term strategic financial plan is needed. Such a plan should include fiscal considerations of several transformational changes expected during that period (i.e., elementary school consolidation, special education services, high school improvements, changes in State education aid). While it is likely that the School Department needs more funding from the Town in the near-term, defining the expected cost savings (e.g., utilities, personnel) through future consolidation, will delineate the expectations that will ensure that the School Department's annual costs are manageable and predictable for the long-term.

Town of Coventry – Coventry has been late in issuing audited financial statements for the past several years. The fiscal 2021 audited financial statements were issued in November 2022, seventeen months after year-end. With a new Town Manager and Finance Director in place in calendar year 2023, the OAG has been working with Coventry as they develop a timeline that would complete the fiscal 2022 audit by September 30, 2023. This would allow for a timelier start to the 2023 audit. Since audit results currently remain outstanding for fiscal 2022, Coventry will remain closely monitored as audited results are provided.

City of East Providence – East Providence (which has an October 31st fiscal year-end) has had difficulty complying with timely filing requirements. Audited financial statements for the fiscal year ended October 31, 2021 were not issued until April 2023, almost eighteen months after year-end. While delayed completion of audited financial statements is never ideal, it is most troubling when communities are passing subsequent budgets without the benefit of timely

audited financial results. In addition, bond rating agencies are also significantly concerned when audited financial results become delayed for an extended period. To the credit of the City's management, in consultation with the OAG, an aggressive completion schedule was adopted for the audit of the financial statements for the fiscal year ended October 31, 2022. The City has remained disciplined in meeting the deliverables for that schedule. The current projection is that this audit will be completed and issued in September 2023, representing an approximately 7-month improvement over the prior fiscal year. This schedule will also allow the City to achieve a timelier start to the audit of the financial statements for the fiscal year ending October 31, 2023.

Town of Middletown – In recent years, Middletown has been challenged in submitting timely audited financial statements. Furthermore, the School Department was projecting a deficit during fiscal year 2022 which was reported to the OAG as required by RIGL. Middletown's corrective action plan provided for additional funding to the School Department in fiscal 2022 to avoid a year-end deficit. To address the structural deficit in the School Department Fund, the Town also plans to provide additional funding to the School Department through 2027, using a combination of American Rescue Plan funds and local funds. We will continue to monitor the District's financial status during fiscal 2024 as the District faces new challenges. The closure of the Newport County Regional Special Education Program will require special education services to be brought fully into the district in fiscal 2024, which will result in increased costs to the District. Also in fiscal 2024, the District lost revenue with the decrease in State education aid of approximately \$600,000.

City of Woonsocket – Woonsocket has not filed audited financial statements timely in the last four years. Woonsocket's 2022 audited financial statements were not issued until June 2023, more than eleven months after year-end. Regular meetings are planned with Woonsocket to agree to a plan and timeline with the goal of substantially improving the timely completion of

audited financial statements for the fiscal year ended June 30, 2023. The OAG also had discussions with Woonsocket regarding the discount rate used to calculate the pension liability reported for their locally administered Police and Fire Plan (closed plan). Subsequently, the City adopted a lower discount rate that was more consistent with their current investment strategy.

Educational Collaboratives

Northern Rhode Island Collaborative (NRIC) – NRIC has struggled to provide audited financial statements. This became particularly troublesome when the NRIC announced in fiscal 2023 their intent to dissolve as a separate entity. Audited financial statements would be critical to ensure that the participating school districts had accurate and reliable information regarding NRIC's financial status and the fiscal impact that the dissolution would have on those participating school districts. In consultation with the OAG, NRIC was able to implement a plan to get prior year financial activity audited (2018) or reviewed (2019 – 2021 had attestation engagements). The fiscal 2022 audit is expected to be issued in September 2023 with an immediate start to the 2023 audit to ensure timely completion.

Urban Collaborative Accelerated Program (UCAP) – The UCAP had routinely provided timely audited financial statements; however, a significant alleged fraud by UCAP's Director of Finance and Operations was reported in the fall of fiscal 2022 which resulted in the prior audit firm disavowing association with their previously issued fiscal years 2017-2021 reports. The alleged fraud also caused a significant delay in the audit of the financial statements for fiscal 2022, while law enforcement investigated, forensic audits were performed, and a new audit firm was contracted. UCAP contracted with an accounting firm to assist with their financial reporting and to provide necessary accounting records and supporting documentation to the contracted independent audit firm. The OAG held periodic status meetings to discuss progress and fortunately, UCAP's preliminary fiscal closing and cash flow projections have indicated

that UCAP is financially sound. The audited financial statements for fiscal 2022 are expected to be issued by the end of August 2023.

Fire Districts

Central Coventry Fire District (CCFD) – CCFD has had significant financial challenges since fiscal 2022. Merger discussions amongst three of Coventry’s four fire districts remain on-going. The best solution over the long-term would be the merging of districts to achieve cost savings. Potential merger discussions continue amongst the interested districts; however, any merger will likely take years to complete. The Town hired a consultant to study how it provides fire and EMT services and expects a report with recommendations in October 2023. In addition, CCFD’s inability to provide timely audited financial statements for the fiscal year ended August 31, 2022 was unfavorable to managing a district facing fiscal challenges. Audited financial statements were recently completed in July 2023. CCFD will require continued monitoring.

Conclusion

This status report on annual statutory compliance highlights some key areas of emphasis for the Joint Committee on Legislative Services and an overall status across the entities that the OAG monitors. In addition, the report provides focus on where compliance is lacking so that changes in policies and procedures can be made to improve future compliance.

Most challenging is municipal compliance with timely submission of audited financial statements. Approximately 33% of municipalities submitted audited financial statements within the mandated six months after the fiscal year-end. There are challenges and causes that are currently contributing to late reporting, including:

- The retirement of experienced municipal finance directors and school business managers resulting in a loss of institutional knowledge. (Currently, four municipalities have vacancies in the

finance director position as well as other key accounting personnel. As a result of these vacancies, the remaining staff are required to perform multiple roles.)

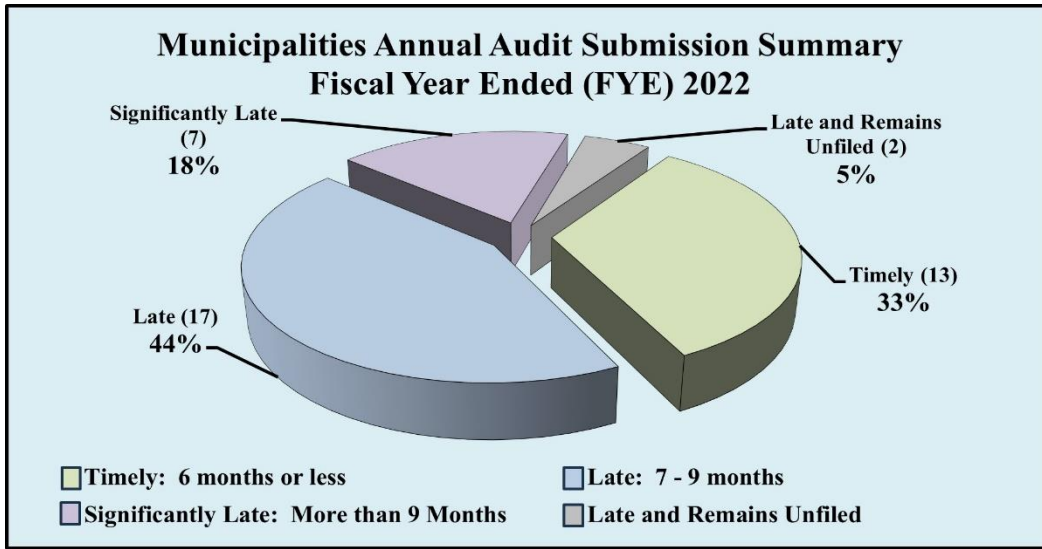
- Staffing challenges relating to the hiring of qualified governmental financial accounting and fiscal staff.
- Complexity of new governmental accounting and reporting standards.
- Added State reporting requirements for local entities which require reconciliation to the audited financial statements before issuance of the financial statements (Municipal Transparency Portal (MTP) for municipalities and school districts and Uniform Chart of Accounts (UCOA) reporting for all school entities).
- Insufficient number of accounting firms bidding on government audit engagements for the amount of work that exists and concentrates during the same period each year.
- Improper planning to ensure the timely completion of financial statements and required information for audit.

While not all causes can be addressed immediately, the OAG is planning the following, with the goal of improving overall compliance with timely financial reporting mandates:

- Require local entities to provide notice of the likely need for an extension no later than 45 days from the report due date if there is reason to believe that they will not have audited financial statements issued within six months of year-end. The goal is to ensure that discussions and oversight are started immediately to minimize delays in financial reporting.
- The OAG recently sponsored two days of training on governmental auditing and accounting and made it available to our municipal and State colleagues. The goal was to make needed training available at

a reasonable cost for those professionals that must meet the continually challenging requirements of government accounting and auditing. The first training organized this summer sold out in two days and had 80 government professionals in attendance. The OAG is planning to continue sponsoring future training opportunities to assist in the availability of high-quality governmental accounting and auditing training within the State.

While no one action can resolve difficulties faced by local governmental entities, early identification and productive collaboration produce the best outcomes in fostering compliance with the statutory mandates that the OAG monitors. Supporting local governmental entities in achieving measurable progress is the short-term objective that consistently leads to long-term success for these entities.

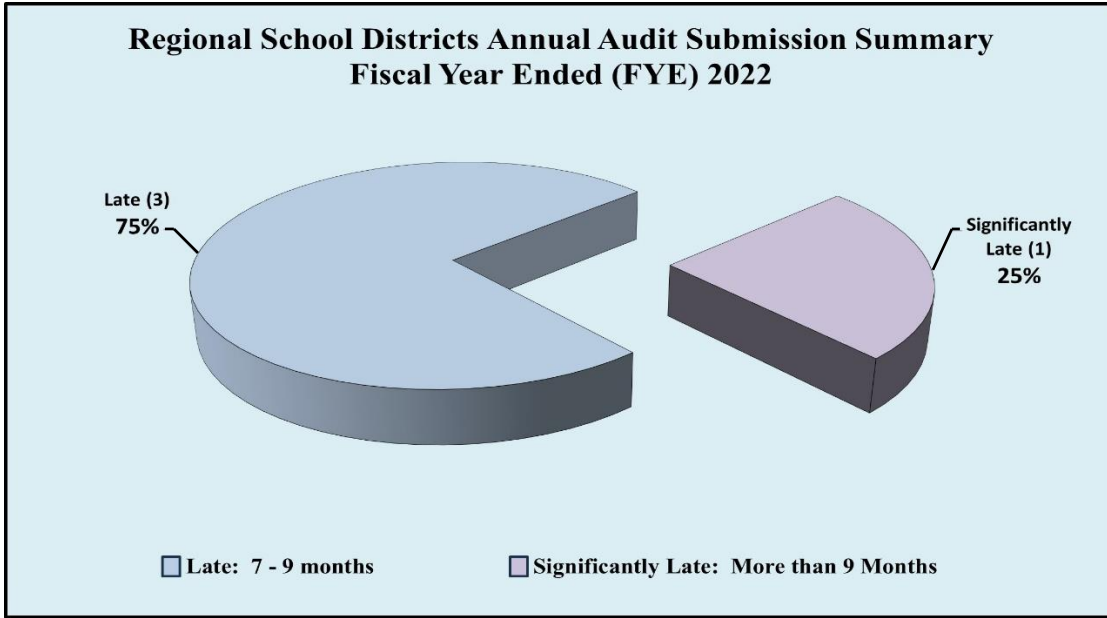


Municipality	FYE Date	Due Date	Date Received or Current Status
Barrington	06/30/22	12/31/22	12/29/22
Bristol	06/30/22	12/31/22	02/15/23
Burrillville	06/30/22	12/31/22	02/20/23
Central Falls	06/30/22	12/31/22	01/24/23
Charlestown	06/30/22	12/31/22	01/31/23
Coventry	06/30/22	12/31/22	Unfiled (Anticipated 09/30/23)
Cranston	06/30/22	12/31/22	02/27/23
Cumberland	06/30/22	12/31/22	02/17/23
East Greenwich	06/30/22	12/31/22	12/31/22
East Providence	10/31/22	04/30/23	Unfiled (Anticipated 09/30/23)
Exeter	06/30/22	12/31/22	12/28/22
Foster	06/30/22	12/31/22	04/04/23
Glocester	06/30/22	12/31/22	02/21/23
Hopkinton	06/30/22	12/31/22	04/18/23
Jamestown	06/30/22	12/31/22	01/10/23
Johnston	06/30/22	12/31/22	03/28/23
Lincoln	06/30/22	12/31/22	06/13/23
Little Compton	06/30/22	12/31/22	03/01/23
Middletown	06/30/22	12/31/22	05/12/23
Narragansett	06/30/22	12/31/22	01/31/23
New Shoreham	06/30/22	12/31/22	01/30/23

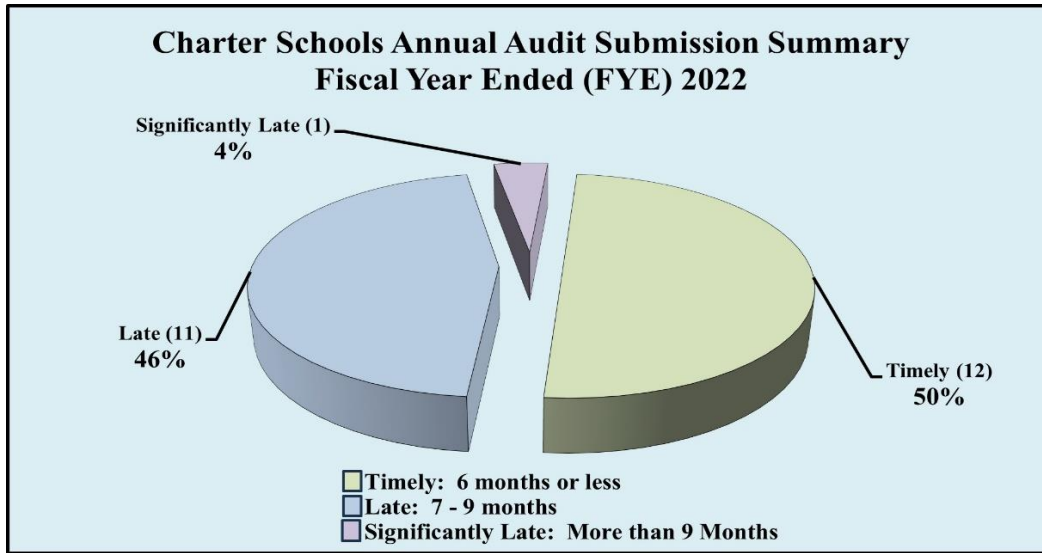
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Municipality Results
Fiscal 2022 Reporting Period

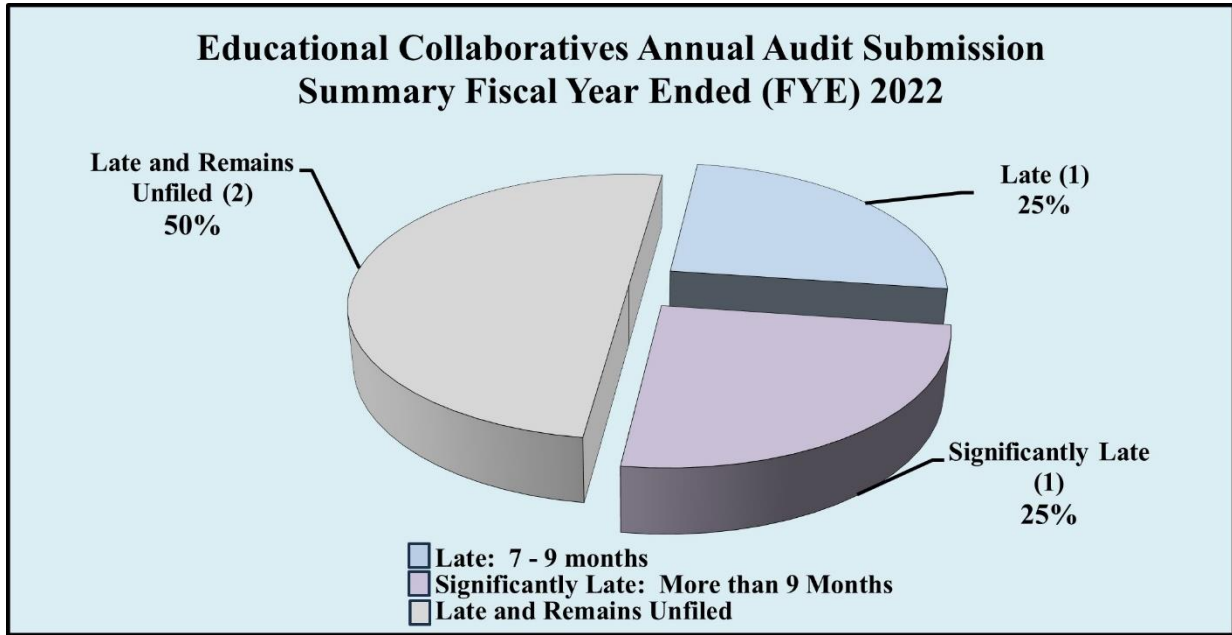
Municipality	FYE Date	Due Date	Date Received or Current Status
Newport	06/30/22	12/31/22	01/03/23
North Kingstown	06/30/22	12/31/22	02/20/23
North Providence	06/30/22	12/31/22	02/14/23
North Smithfield	06/30/22	12/31/22	01/17/23
Pawtucket	06/30/22	12/31/22	01/03/23
Portsmouth	06/30/22	12/31/22	01/31/23
Providence	06/30/22	12/31/22	12/30/22
Richmond	06/30/22	12/31/22	12/22/22
Scituate	03/31/22	09/30/22	01/03/23
Smithfield	06/30/22	12/31/22	12/30/22
South Kingstown	06/30/22	12/31/22	01/03/23
Tiverton	06/30/22	12/31/22	12/29/22
Warren	06/30/22	12/31/22	12/23/22
Warwick	06/30/22	12/31/22	04/07/23
West Greenwich	06/30/22	12/31/22	12/29/22
West Warwick	06/30/22	12/31/22	12/30/22
Westerly	06/30/22	12/31/22	01/26/23
Woonsocket	06/30/22	12/31/22	06/09/23



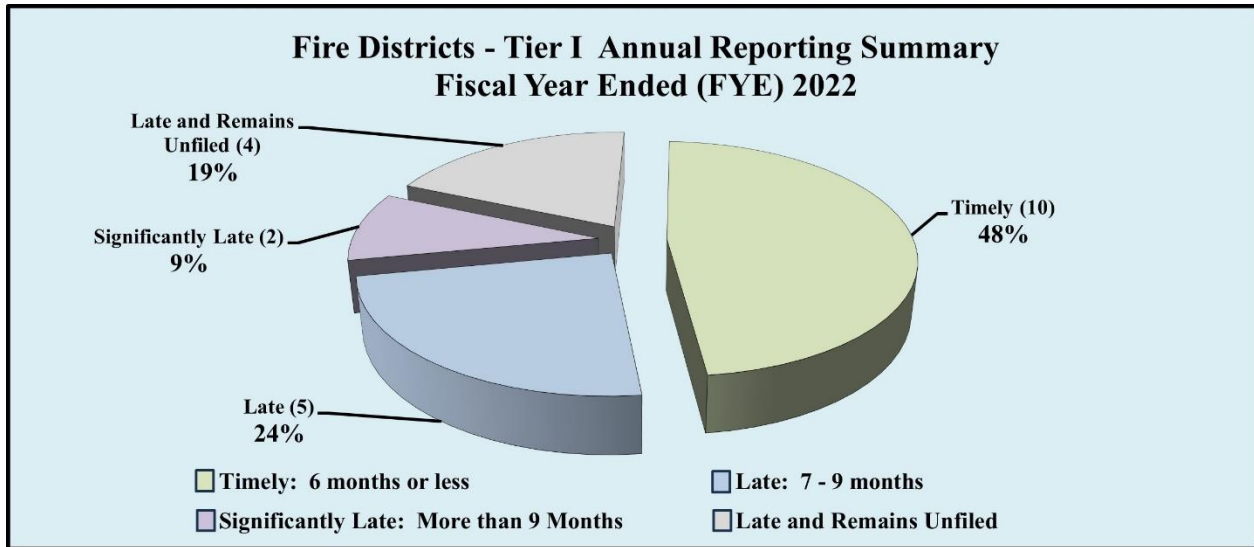
Regional School District	FYE Date	Due Date	Date Received
Bristol Warren	06/30/22	12/31/22	01/31/23
Chariho	06/30/22	12/31/22	02/02/23
Exeter-West Greenwich	06/30/22	12/31/22	02/17/23
Foster-Glocester	06/30/22	12/31/22	05/01/23



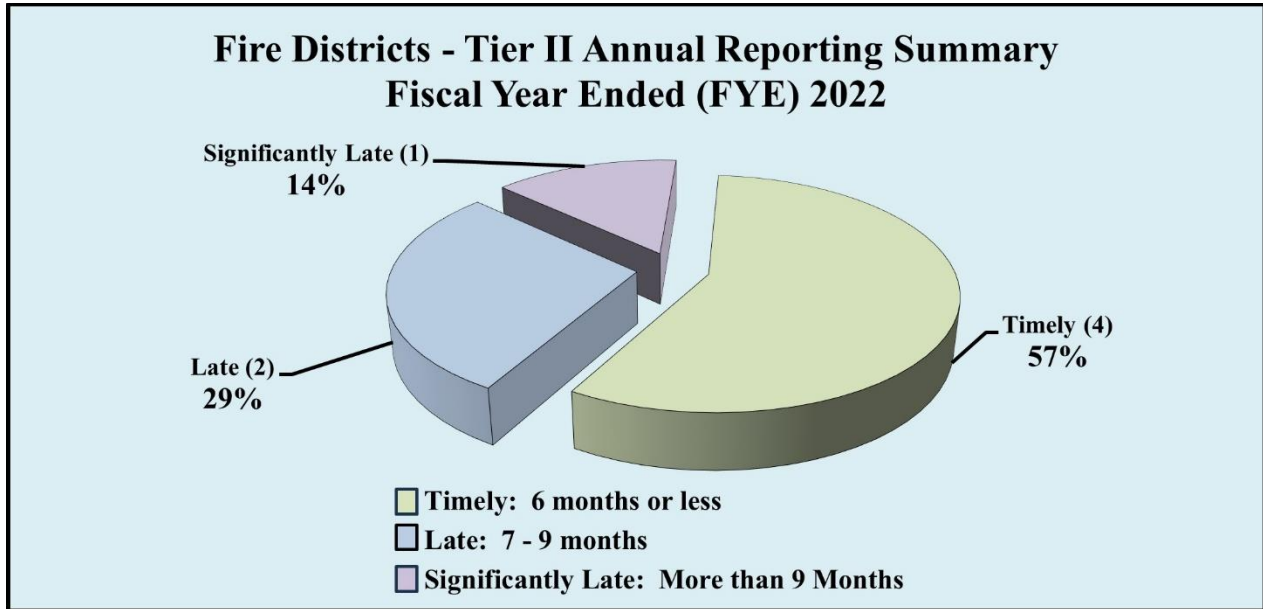
Charter School	FYE Date	Due Date	Date Received
Achievement First Rhode Island, Inc. (RI Mayoral Academy)	06/30/22	12/31/22	01/13/23
Beacon Charter School Corporation	06/30/22	12/31/22	12/29/22
Blackstone Academy Charter School, Inc.	06/30/22	12/31/22	02/28/23
Charette Charter School	06/30/22	12/31/22	12/28/22
Kingston Hill Academy	06/30/22	12/31/22	02/08/23
New England Laborers' / Cranston Public Schools Construction & Career Academy	06/30/22	12/31/22	02/02/23
Nuestro Mundo Public Charter School	06/30/22	12/31/22	02/20/23
Providence Preparatory Charter School	06/30/22	12/31/22	03/31/23
Rhode Island Nurses Institute Middle College Charter High School	06/30/22	12/31/22	01/04/23
Rhode Island Mayoral Academy Blackstone Valley and Affiliate	06/30/22	12/31/22	12/21/22
RISE Prep Mayoral Academy	06/30/22	12/31/22	02/27/23
Segue Institute for Learning	06/30/22	12/31/22	12/13/22
Shelia C. "Skip" Nowell Leadership Academy	06/30/22	12/31/22	02/02/23
Southside Elementary Charter School	06/30/22	12/31/22	01/18/23
The Compass School	06/30/22	12/31/22	12/13/22
The Greene School	06/30/22	12/31/22	12/29/22
The Highlander Charter School and Affiliate	06/30/22	12/31/22	11/29/22
The Hope Academy (RI Mayoral Academy)	06/30/22	12/31/22	01/03/23
The International Charter School Corporation	06/30/22	12/31/22	11/28/22
The Learning Community Charter School, Inc.	06/30/22	12/31/22	12/23/22
The Paul Cuffee School	06/30/22	12/31/22	01/04/23
Times ² Incorporated	06/30/22	12/31/22	12/30/22
Trinity Academy for the Performing Arts	06/30/22	12/31/22	04/25/23
Village Green Charter School	06/30/22	12/31/22	12/27/22



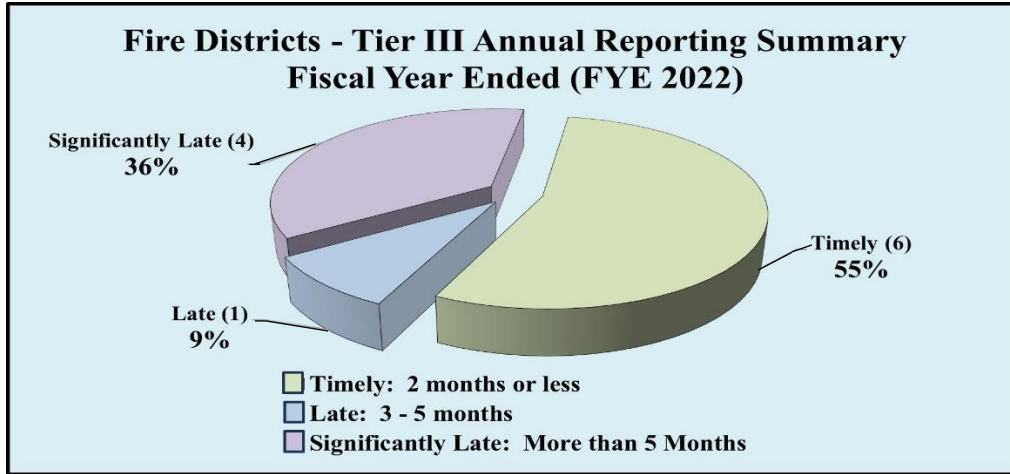
Educational Collaborative	FYE Date	Due Date	Date Received or Current Status
East Bay	06/30/22	12/31/22	04/04/23
Northern Rhode Island	06/30/22	12/31/22	Unfiled (Anticipated 09/30/23)
Urban	06/30/22	12/31/22	Unfiled (Anticipated 08/31/23)
West Bay	06/30/22	12/31/22	03/10/23



Fire District - Tier I: Annual Audit Report Required	FYE Date	Due Date	Date Received or Current Status
Ashaway	08/31/22	02/28/23	02/14/23
Central Coventry	08/31/22	02/28/23	07/06/23
Charlestown	09/30/22	03/31/23	05/16/23
Coventry	12/31/22	06/30/23	Unfiled (Anticipated 11/01/23)
Cumberland	06/30/22	12/31/22	01/03/23
Dunn's Corners	05/31/22	11/30/22	11/10/22
Harrisville	08/31/22	02/28/23	02/25/23
Hope Valley-Wyoming	06/30/22	12/31/22	12/21/22
Hopkins Hill	08/31/22	02/28/23	02/23/23
Kingston	06/30/22	12/31/22	01/31/23
Lime Rock	10/31/22	04/30/23	Unfiled (Anticipated 09/30/23)
Lincoln	10/31/22	04/30/23	Unfiled
North Tiverton	04/30/22	10/31/22	11/15/22
Oakland-Mapleville	08/31/22	02/28/23	Unfiled
Pascoag	10/31/22	04/30/23	06/29/23
Portsmouth Water & Fire	04/30/22	10/31/22	10/21/22
Richmond-Carolina	06/30/22	12/31/22	01/03/23
Stone Bridge	04/30/22	10/31/22	05/30/23
Union	06/30/22	12/31/22	01/31/23
Westerly	07/31/22	01/31/23	01/30/23
Western Coventry	02/28/22	08/31/22	08/29/22



Fire District - Tier II: Annual Agreed-Upon Procedures Report & Self-Reporting Template (Form FD-4) Required	FYE Date	Due Date	Agreed-Upon Procedures Report Date Received & Form FD-4 Date Received
Chepachet	06/30/22	12/31/22	11/21/22 & 11/21/22
Exeter	06/30/22	12/31/22	06/27/23 & 06/27/23
Harmony	06/30/22	12/31/22	03/30/23 & 03/30/23
Misquamicut	06/30/22	12/31/22	12/29/22 & 12/29/22
Watch Hill	05/31/22	11/30/22	07/09/22 & 10/19/22
West Gloucester	06/30/22	12/31/22	12/16/22 & 12/16/22
Weekapaug	12/31/22	06/30/23	08/08/23 & 08/01/23



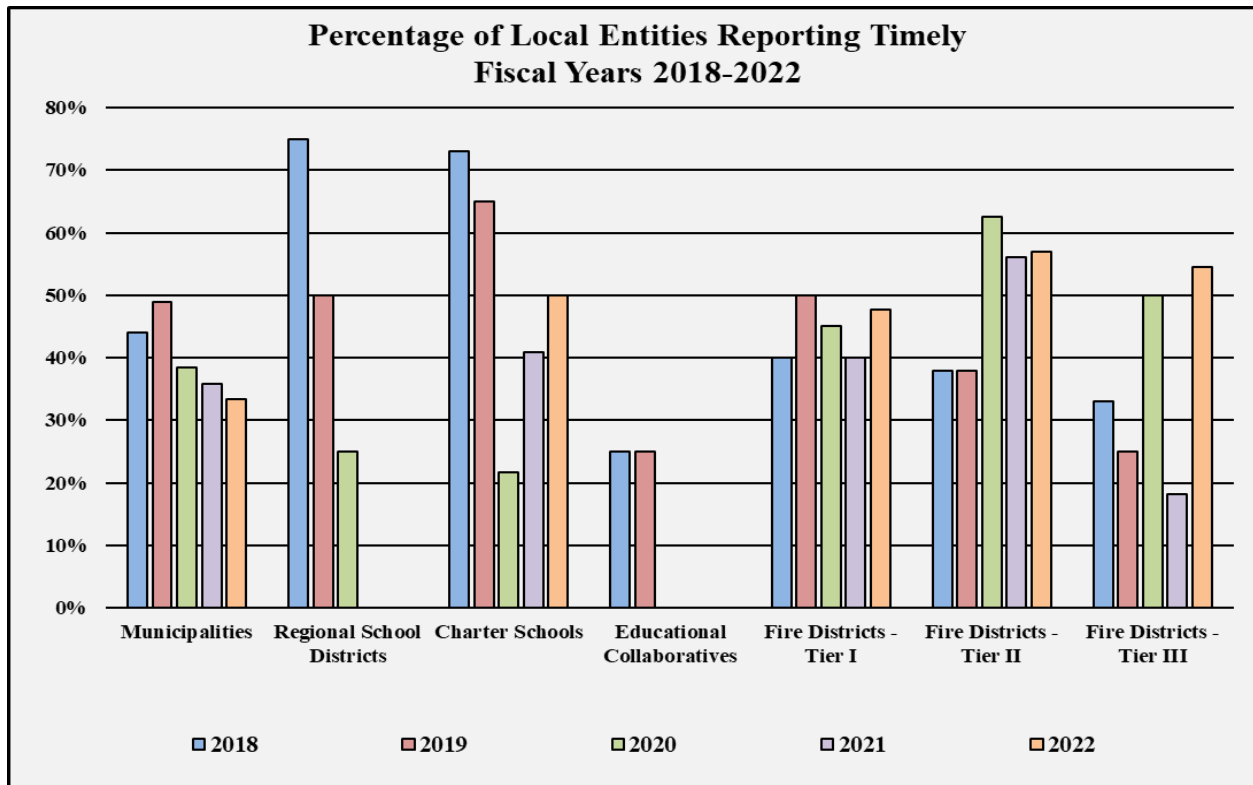
Fire District - Tier III: Annual Self-Reporting Template (Form FD-4) Required	FYE Date	Due Date	Date Received
Bonnet Shores	04/30/22	06/30/22	04/07/23
Bradford	08/31/22	10/31/22	10/04/22
Buttonwoods	05/31/22	07/31/22	08/03/22
Indian Lake Shores	06/30/22	08/31/22	07/28/22
Manville	09/30/22	11/30/22	05/24/23
Nasonville	09/30/22	11/30/22	04/16/23
Pojac Point	03/31/22	05/31/22	05/02/22
Quinnville	04/30/22	06/30/22	05/16/23
Quonochontaug Central Beach	12/31/22	02/28/23	01/18/23
Shady Harbor	07/31/22	09/30/22	08/21/22
Shelter Harbor	06/30/22	08/31/22	08/26/22

General Notes:

- 1) For entities with a June 30 fiscal year-end, audit reports received by Tuesday, January 3, 2023, were considered to meet the General Law requirement for timely due to December 31, 2022, falling on Saturday.
- 2) Fire Districts Tier Definitions: Tier I – Fire district located in Coventry; annual operating expenditures (exclusive of capital outlay) are equal to or more than \$1.5 million; or internal or another external requirement for an audit. Tier II - Annual operating expenditures (exclusive of capital outlay) are more than \$500,000 but less than \$1.5 million or annual operating expenditures (exclusive of capital outlay) are equal to or less than \$500,000 but outstanding debt is greater than 3 times annual operating expenditures. Tier III - Annual operating expenditures (exclusive of capital outlay) are equal to or less than \$500,000.

Compliance Trend Information – Reporting Periods 2018-2022

The table and chart below show the trend of compliance with statutory reporting requirements by local entity category for the last five reporting periods:



Local Entity	2018	2019	2020	2021	2022
Municipalities	44%	49%	38%	36%	33%
Regional School Districts	75%	50%	25%	0%	0%
Charter Schools	73%	65%	22%	41%	50%
Educational Collaboratives	25%	25%	0%	0%	0%
Fire Districts - Tier I	40%	50%	45%	40%	48%
Fire Districts - Tier II	38%	38%	63%	56%	57%
Fire Districts - Tier III	33%	25%	50%	18%	55%

Our evaluation of compliance percentages for the above five-year reporting periods support the following:

- 1) Compliance with timely financial reporting requirements has been a consistent challenge across all groups.
- 2) COVID-19, specifically in fiscal 2021, negatively impacted compliance, with continued impact into 2022.
- 3) Fiscal 2022 showed some improvement for Charter Schools and Fire Districts with Municipalities remaining relatively consistent with prior periods. Regional School Districts and Educational Collaboratives, which represent only eight entities collectively, completed audit reports late.

Summary of Reported Fund Deficits
Fiscal 2022 Reporting Period

Summary of Reported Fund Deficits – Local Governmental Entities – Fiscal 2022 Reporting Period

Rhode Island General Law Sections 45-12-22.2, 45-12-22.3, 16-2-9, and 16-3-11 require Rhode Island municipalities, school districts, regional school districts, and fire districts to provide timely reporting of anticipated General Fund or School Fund deficits to the Auditor General and the Division of Municipal Finance with a corrective action plan to eliminate the fund deficit.

Fund balance is the accumulation of operating surpluses and deficits since the beginning of the local entity’s existence. Reported fund balance deficits indicate that local entities have expended more than the resources for that fund. Deficits can result from a variety of reasons, unexpected expenditures, revenue shortfalls, emergencies, etc. The purpose of the statutory requirements is timely identification of deficits, evaluation of the causes, and corrective actions to address the causes and return the entity to fiscal stability. The table below details anticipated fund deficits that received attention during the year and, when applicable, the adopted corrective action or status of the issue. Some of the Funds reported positive fund balance at year-end; however, in most cases, the fund balance is restricted or committed and not available for general operations.

Entity	Fund	Projected Deficit FYE 2022	Audited Financial Statements - Net Change in Fund Balance FYE 2022	Audited Financial Statements - Ending Total Fund Balance FYE 2022	Date and Status of Deficit Reduction Plan
Central Coventry Fire District	General Fund	\$ (638,849)	\$ (252,154)	\$ 119,455	Plan dated 2/03/22. The General Fund did not report a fund balance deficit as of FYE 8/31/22.
Jamestown	School Fund Operations	\$ (458,350)	\$ (641,454)	\$ 456,789	Plan dated 4/28/22 to use up to \$500,000 of fund balance to eliminate the deficit. The School Fund Operations did not report a fund balance deficit as of FYE 6/30/22.
Johnston	School Unrestricted Fund	not available	\$ (16,996)	\$ (871,996)	Deficit reduction plan pending - OAG has been meeting with Town, School Department, and other State Officials since the School Department first started projecting a deficit for fiscal 2021. The most recent meeting was on 8/01/23.
Middletown	School Department Fund	\$ (1,361,180)	\$ (806,016)	\$ 229,222	Plan dated 3/13/23 for the Town to provide a one-time additional appropriation of \$1,361,180 to fund the School deficit. The School Department Fund did not report a fund balance deficit as of FYE 6/30/22.