

TOWN OF EAST GREENWICH

ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2017



**Town Hall
East Greenwich, Rhode Island
Built in 1804**

**Gayle Corrigan
Town Manager**

**Linda Dykeman
Finance Director**

Prepared by: Finance Department

-----East Greenwich, Rhode Island-----

TOWN OF EAST GREENWICH, RHODE ISLAND COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2017

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COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

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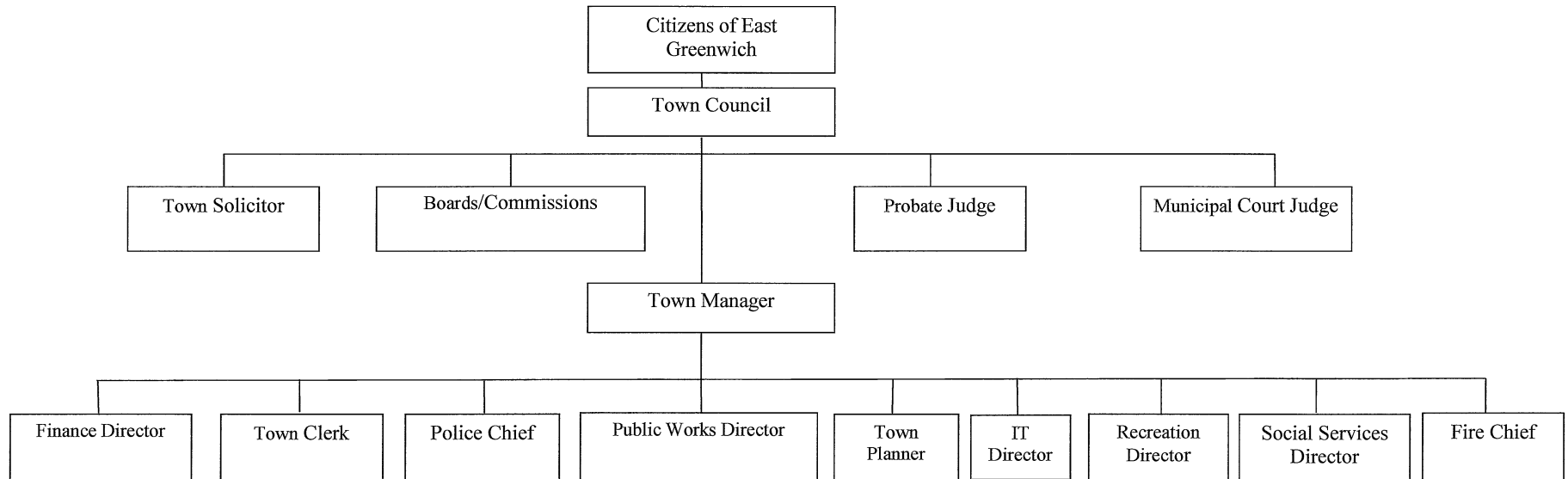
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INTRODUCTORY SECTION

This Section Contains the Following Subsections:

Organizational Chart
List of Town Officials
Certificate of Achievement for Excellence in Financial Reporting

TOWN OF EAST GREENWICH
MUNICIPAL ORGANIZATIONAL CHART



TOWN OF EAST GREENWICH, RHODE ISLAND

as of June 30, 2017

TOWN COUNCIL

Suzanne McGee-Cienki - President
Sean Todd – Vice President
Andrew Deutsch
Nino Granatiero
Mark Schwager

TOWN MANAGER

Gayle Corrigan

FINANCE DIRECTOR

Linda Dykeman



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Town of East Greenwich
Rhode Island**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2016

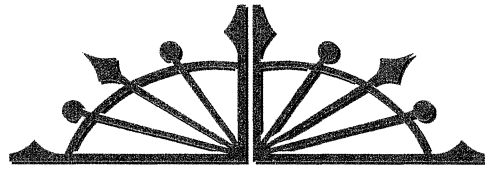
Christopher P. Morrell

Executive Director/CEO

FINANCIAL SECTION

This Section Contains the Following Subsections:

- Independent Auditor's Report
- Management's Discussion and Analysis
- Basic Financial Statements
- Required Supplementary Information
- Supplementary Information



BAXTER DANSEREAU & ASSOCIATES, LLP

Accounting, Consulting & Tax Services

Partners

William J. Baxter, Jr., CPA

Paul L. Dansereau, CPA

INDEPENDENT AUDITOR'S REPORT

The Honorable President and
Members of the Town Council
Town of East Greenwich
East Greenwich, Rhode Island

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Town of East Greenwich, Rhode Island (Town) as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

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, the discretely presented component unit, each major fund and the aggregate remaining fund information of the Town of East Greenwich, Rhode Island as of June 30, 2017, and the respective changes in financial position thereof, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphases of Matter

As discussed in Note 16 for the financial statements, during the fiscal year ended June 30, 2017, the Town adopted new accounting guidance, Government Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (OPEB)*. The net position of the Town has been restated to recognize the Net OPEB Liability required in implementing GASB No. 75. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 4-13 and 75-80 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of East Greenwich, Rhode Island's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, schedules and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The combining non-major fund financial statements, the combining fiduciary fund financial statements, other supplementary information and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting

and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining nonmajor fund financial statements, the combining fiduciary fund financial statements, other supplementary information and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated April 3, 2018, on our consideration of the Town of East Greenwich, 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 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 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 the Town of East Greenwich, Rhode Island's internal control over financial reporting and compliance.

A handwritten signature in black ink, reading "Baxter Dansereau & Associates, LLP". The signature is written in a cursive, flowing style.

Baxter Dansereau & Associates, LLP

West Warwick, Rhode Island

April 3, 2018

Management's Discussion and Analysis

TOWN OF EAST GREENWICH, RHODE ISLAND
Management's Discussion and Analysis
For the Year Ended June 30, 2017
(Un-audited)

Management of the Town of East Greenwich provides this Management's Discussion and Analysis of the Town of East Greenwich's Annual Financial Report for the readers of the Town's financial statements. This narrative overview and analysis of the financial statements of the Town of East Greenwich is for the fiscal year ended June 30, 2017. We encourage readers to consider this information in conjunction with the Town's financial statements that follow.

Financial Highlights

- ❖ The Town's net position for its primary government increased by \$205,282 as a result of this year's current operations. The primary reason for the current year increase was due to an increase in the business type activities. On a government-wide basis the liabilities and deferred inflow of resources of the Town of East Greenwich exceeded its assets and deferred outflows at the close of the most recent fiscal year by \$1,558,299. Net position of business activities increased by \$797,351 or 3.24%, while net position of Governmental Activities decreased by \$592,069. Also, during the fiscal year ended June 30, 2017, the Town adopted new accounting guidance, GASB Statement No. 75, *Accounting and Financial Reporting by Employers for Post-Employment Benefits Other than Pension*. Therefore, the beginning net position of the Town has been restated to recognize the net OPEB liability required in implementing GASB No. 75. The effect of the implementation caused the unrestricted net position to decrease by net (\$27,981,084).
- ❖ The Town's Government-wide (governmental and business activities) operating expenses were \$74,982,169 a 2% increase from the prior year, while revenues collected were \$75,187,451 a 4.3% increase. The increase in operating expenses was mainly due to increases in education and general government expenses relating to pension costs. The increase in revenue was from increases in education operating grants additional tax collections and business services revenue.
- ❖ As of the close of the fiscal year, the Town's governmental funds reported combined ending fund balances of \$16,996,980. Over 37% of this amount, \$6,323,490 is unassigned and available for use within the Town's designation and fiscal policies. See page nine for more detail pertaining to the fund balance categories.
- ❖ At the end of the current fiscal year, the general fund unassigned fund balance was \$6,405,385 or 9.4% of the total general fund expenditures for the fiscal year. The general fund's current fiscal year revenues and transfers were greater than the expenditures and transfers by \$380,296. On a budgetary, basis revenues and transfers exceeded expenditures and transfers by \$905,296.

Overview of the Financial Statements

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

- Government – wide financial statements
- Fund financial statements
- Notes to financial statements

In addition to the basic financial statements, this report also contains required supplementary information and supplementary information.

TOWN OF EAST GREENWICH, RHODE ISLAND
Management's Discussion and Analysis
For the Year Ended June 30, 2017
(Un-audited)

The Town's basic financial statements and supplementary financial information provide information about all of the Town's activities. They provide both a short-term and a long-term view of the Town's financial health as well as information about activities for which the Town acts solely as a trustee for the benefit of those outside of the Town's government.

Government-wide financial statements - are designed to provide readers with a broad overview of the Town's finances in a manner which is similar to a private-sector business. They are presented on the accrual basis of accounting where revenues and expenditures are recognized on the date they occurred rather than on the date they were collected or paid.

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

The *Statement of Activities* presents information which shows how the Town's net position changed during the fiscal year. All changes in net position are reported when 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 the future fiscal periods. Examples are uncollected taxes and earned but unused compensated absences.

Both of the government-wide financial statements distinguish functions of the Town, which are 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 Town's governmental activities include general government and administration, public safety, development services, cultural and recreational services. The Town's business activities consist of the East Greenwich Sewer Department.

The government wide financial statements are reported on pages 14 through 15.

Fund financial statements – A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Town can be divided into two categories-governmental funds and proprietary 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 current sources and uses 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 government's near-term financing requirements.

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

TOWN OF EAST GREENWICH, RHODE ISLAND
Management's Discussion and Analysis
For the Year Ended June 30, 2017
(Un-audited)

The Town maintains governmental funds. Information is presented separately in the Governmental Fund Balance Sheet and in the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances for the General Fund, and the School Bond 52m Capital Fund, which are considered to be major funds. Data from the other funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements in the supplementary information section of this report.

The basic governmental fund financial statements can be found on pages 16 through 17.

Proprietary Funds - The Town's proprietary funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Town has one enterprise fund, the East Greenwich Sewer Department, which accounts for the Town's sewer system.

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 East Greenwich Sewer Department since it is considered to be a major fund of the Town.

The basic proprietary fund financial statements are presented on pages 19 through 21.

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 statement because resources of those funds are *not* available to support the Town's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The fiduciary fund financial statements can be found on page 22.

Notes to 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 are presented on pages 24 through 74.

Other Information - In addition to the basic financial statements and accompanying notes, this report also presents certain supplementary information pertinent to the Town's operations.

Required Supplementary information is presented on pages 75 through 89.

The combining statements and supplementary information referred to earlier in connection with non-major governmental funds are presented on pages 90 through 113.

TOWN OF EAST GREENWICH, RHODE ISLAND
Management's Discussion and Analysis
For the Year Ended June 30, 2017
(Un-audited)

Government-wide Financial Analysis

Analysis of the Town of East Greenwich's Net Position

As noted earlier, over time the Town's net position may serve as a useful indicator of a government's financial position, and an important determinant of its ability to finance services in the future. For the Town of East Greenwich, governmental activities liabilities and deferred inflow of resources exceeded assets and deferred outflow of resources by \$26,962,877 as of June 30, 2017. This reflects a decrease of \$592,069 from this current year's activity. See the note in the first paragraph which describes the effect of the Town's early implementation of GASB 75. The Business Type Activities assets exceeded liabilities by \$25,404,578 as of June 30, 2017. This reflects an increase of \$797,351 from this current year's activity. See page 4 Financial Highlights above for a further explanation.

Listed below is a comparison of the current and prior fiscal years.

TOWN OF EAST GREENWICH, RHODE ISLAND
Net Position

	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
ASSETS						
Current and other assets	\$ 23,900,939	\$ 28,181,385	\$ 15,733,613	\$ 16,769,332	\$ 39,634,552	\$ 44,950,717
Capital assets	80,406,577	82,748,957	34,915,038	35,722,749	115,321,615	118,471,706
Net pension asset	4,141,000	5,098,467	-	-	4,141,000	5,098,467
TOTAL ASSETS	<u>108,448,516</u>	<u>116,028,809</u>	<u>50,648,651</u>	<u>52,492,081</u>	<u>159,097,167</u>	<u>168,520,890</u>
Deferred outflows of resources	16,004,484	9,229,118	255,559	-	16,260,043	9,229,118
LIABILITIES						
Other liabilities	7,315,274	12,002,130	985,577	1,932,040	8,300,851	13,934,170
Long-term liabilities	134,440,384	104,403,532	24,206,877	25,626,013	158,647,261	130,029,545
TOTAL LIABILITIES	<u>141,755,658</u>	<u>116,405,662</u>	<u>25,192,454</u>	<u>27,558,053</u>	<u>166,948,112</u>	<u>143,963,715</u>
Deferred inflows of resources	9,660,219	5,584,513	307,178	326,801	9,967,397	5,911,314
NET POSITION						
Net investment in capital assets	35,160,076	34,519,152	17,185,132	17,005,110	52,345,208	51,524,262
Restricted	1,349,714	1,989,921	-	-	1,349,714	1,989,921
Unrestricted	(63,472,667)	(33,241,321)	8,219,446	7,602,117	(55,253,221)	(25,639,204)
Total net position	<u>\$ (26,962,877)</u>	<u>\$ 3,267,752</u>	<u>\$ 25,404,578</u>	<u>\$ 24,607,227</u>	<u>\$ (1,558,299)</u>	<u>\$ 27,874,979</u>

TOWN OF EAST GREENWICH, RHODE ISLAND
Management's Discussion and Analysis
For the Year Ended June 30, 2017
(Un-audited)

A large portion of the Town's net position, \$52,345,208 consists of its investments in capital assets such as land, buildings and improvements, motor vehicles, furniture and equipment and infrastructure, less any debt used to acquire these assets, which is still outstanding. The Town uses these capital assets to provide services to its citizens. Consequently, these assets are not available for future spending. Although the Town'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 themselves are unlikely to be used to liquidate these liabilities.

Analysis of the Town of East Greenwich's Operations

The following analysis provides a summary of the Town's operations for the year ended June 30, 2017. The Town first implemented GASB Statement 34, Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments for the fiscal year June 30, 2003. Therefore, comparative data is now available and is presented in the following schedules. Governmental activities decreased the Town's net position by \$592,069 for the current period, while business-type activities increased the Town's net position by \$797,351.

The net change in fund balance for the fiscal year ended June 30, 2017 was a decrease of (\$8,310) for the Town's governmental fund types. In the statement of activities, expenses for capital items are not recorded as expenses but shown on the balance sheet, which resulted in a decrease of \$2,342,054 net of depreciation to the net position; also revenues from the increase in unearned revenues are not recorded as revenues in the fund financial statements, but in the statement of activities this resulted in an increase of \$75,685. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position, which increased the Town's net position by \$4,295,833. See Notes 8 and 9 in the notes to the financial statements and page 18 of the financial statements for a more detailed explanation of changes in net position.

The following page presents the Changes in Net Position for the current year's activity.

TOWN OF EAST GREENWICH, RHODE ISLAND
Management's Discussion and Analysis
For the Year Ended June 30, 2017
(Un-audited)

TOWN OF EAST GREENWICH, RHODE ISLAND
Changes in Net Position

	Governmental		Business-Type		Total	
	Activities		Activities			
	2017	2016	2017	2016	2017	2016
Revenues						
Program revenues						
Charges for services	\$ 2,553,258	\$ 2,622,694	\$ 3,974,624	\$ 3,155,983	\$ 6,527,882	\$ 5,778,677
Operating grants and contributions	8,795,376	8,385,685	-	-	8,795,376	8,385,685
General revenues						
Property taxes, levied for general purposes	57,076,518	55,387,746	-	-	57,076,518	55,387,746
State revenue sharing	1,762	62,395	-	-	1,762	62,395
Unrestricted investment earnings	34,795	9,489	-	-	34,795	9,489
Miscellaneous	2,751,118	2,457,607	-	-	2,751,118	2,457,607
Total revenues	<u>71,212,827</u>	<u>68,925,616</u>	<u>3,974,624</u>	<u>3,155,983</u>	<u>75,187,451</u>	<u>72,081,599</u>
Expenses						
General government	10,673,032	11,184,803	-	-	10,673,032	11,184,803
Public safety	8,531,144	7,993,445	-	-	8,531,144	7,993,445
Public works	5,430,220	5,159,473	-	-	5,430,220	5,159,473
Parks and recreation	639,498	654,139	-	-	639,498	654,139
Public and social services	1,189,126	2,719,886	-	-	1,189,126	2,719,886
Education	43,256,485	40,190,736	-	-	43,256,485	40,190,736
Interest on long-term debt	2,085,391	2,438,141	-	-	2,085,391	2,438,141
Sewer	-	-	3,177,273	3,121,804	3,177,273	3,121,804
Total expenses	<u>71,804,896</u>	<u>70,340,623</u>	<u>3,177,273</u>	<u>3,121,804</u>	<u>74,982,169</u>	<u>73,462,427</u>
Increase (decrease) in net position	<u>(592,069)</u>	<u>(1,415,007)</u>	<u>797,351</u>	<u>34,179</u>	<u>205,282</u>	<u>(1,380,828)</u>
Net position - beginning	<u>(26,370,808)</u>	<u>4,682,759</u>	<u>24,607,227</u>	<u>24,573,048</u>	<u>(1,763,581)</u>	<u>29,255,807</u>
Net position - ending	<u><u>\$ (26,962,877)</u></u>	<u><u>\$ 3,267,752</u></u>	<u><u>\$ 25,404,578</u></u>	<u><u>\$ 24,607,227</u></u>	<u><u>\$ (1,558,299)</u></u>	<u><u>\$ 27,874,979</u></u>

Financial Analysis of the Town of East Greenwich's Funds

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

TOWN OF EAST GREENWICH, RHODE ISLAND
Management's Discussion and Analysis
For the Year Ended June 30, 2017
(Un-audited)

At the end of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$16,996,980. Approximately 37% of the total amount, or \$6,323,490 constituted unassigned fund balance. The remainder of the fund balance is non-spendable, restricted, committed or assigned. The fund balance in the General Fund increased due to a positive variance of revenues exceeding expenditures by \$380,296. The Town generated a surplus of \$1,109,104 and the School Department generated a deficit of \$728,808 on a GAAP basis. Thus, the combined result was the positive effect to fund balance of \$380,296. The School Bond Capital Fund had a decrease in fund balance due to ongoing expenditures to complete the school projects.

TOWN OF EAST GREENWICH, RHODE ISLAND
Fund Balance Categories

	General Fund	School Bond 52m Capital Fund	Non-Major Governmental Funds	Total Governmental Funds
<i>Nonspendable:</i>				
Permanent fund principal	-	-	377,088	377,088
Prepays	2,608,868	-	-	2,608,868
<i>Restricted for:</i>				
Educational programs	4,297	-	138,982	143,279
Public works programs	-	-	1,206,435	1,206,435
<i>Committed for:</i>				
Education	-	1,832,270	-	1,832,270
Technology	240,000	-	-	240,000
Claims & judgements	1,700,000	-	-	1,700,000
<i>Assigned for:</i>				
Legislative, judicial	-	-	123,754	123,754
Public safety programs	-	-	621,782	621,782
Capital outlay	1,055,202	-	-	1,055,202
Technology	58,900	-	-	58,900
Community programs	-	-	93,739	93,739
Public works programs	-	-	42,851	42,851
Culture and recreation	-	-	569,322	569,322
<i>Unassigned:</i>	6,405,385	-	(81,895)	6,323,490
Total fund balances	<u>\$ 12,072,652</u>	<u>\$ 1,832,270</u>	<u>\$ 3,092,058</u>	<u>\$ 16,996,980</u>

Proprietary Funds - The Town of East Greenwich's proprietary fund statements provide the same type of information as presented in the government-wide financial statements, but in more detail. Unrestricted net position of the proprietary funds are \$8,219,446. The net increase in total net assets amounted to \$797,351.

TOWN OF EAST GREENWICH, RHODE ISLAND
Management's Discussion and Analysis
For the Year Ended June 30, 2017
(Un-audited)

General Fund Budgetary Highlights

Revenues:

Revenues on a budgetary basis were \$3,438,276 over budget due to the following:

General Property Taxes – were over budget by \$458,606. Current year taxes are over budget by \$61,366 and prior year's collections were over budget by \$397,240. Budgets for prior year taxes need to increase to reflect stronger collections.

State Aid – was over budget by \$385,898. School housing aid was conservatively under budgeted by \$250,759. Housing aid is determined after the budget has been set, therefore making it difficult to accurately budget.

Departmental Revenue – there is an overall increase in departmental revenue. This is largely due to an overage of \$176,130 in realty transfer tax stamps and \$19,949 in land recording fees.

Other Income – was over budget by \$2,267,963. This is due to the issuance of refunding bonds in the amount of \$2,085,000 and receipt of premium on refunding debt in the amount of \$65,705.

Expenditures:

Expenditures on a budgetary basis were over budget by a total of \$2,329,172 due to the following:

Town Administration – was over budget by \$464,913. The legal claim overage of \$368,817 and employee contract payout of \$154,934 was offset by several departments coming in under budget.

Fire Department – was over budget by a total of \$143,739. Overtime overages of \$225,526 were offset by the by not filing the fire clerks position and lower salary and holiday pay budgeted.

Police and DPW Departments – both came in under budget.

Debt Service – was over budget by \$2,131,697. Overages were due to a payment to refunding bond escrow agent in the amount of \$2,111,802.

TOWN OF EAST GREENWICH, RHODE ISLAND
Management's Discussion and Analysis
For the Year Ended June 30, 2017
(Un-audited)

TOWN OF EAST GREENWICH, RHODE ISLAND
Capital Assets (Net of Accumulated Depreciation)

	June 30, 2017			June 30, 2016		
	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total
Land	\$ 1,825,033	\$ 15,372	\$ 1,840,405	\$ 1,819,958	\$ 15,372	\$ 1,835,330
Construction in progress	-	419,366	419,366	51,997,046	1,765,549	53,762,595
Infrastructure	834,861	-	834,861	1,922,949	-	1,922,949
Land improvements	3,545,363	-	3,545,363	2,450,843	-	2,450,843
Buildings and improvements	70,499,395	10,421,147	80,920,542	20,496,183	10,896,052	31,392,235
Motor vehicles	2,242,140	20,526	2,262,666	2,748,836	-	2,748,836
Office furniture and equipment	118,791	211,802	330,593	141,298	184,632	325,930
Machinery and equipment	1,340,994	-	1,340,994	1,171,844	-	1,171,844
Sewer lines	-	23,826,825	23,826,825	-	22,861,144	22,861,144
	<u>\$ 80,406,577</u>	<u>\$ 34,915,038</u>	<u>\$ 115,321,615</u>	<u>\$ 82,748,957</u>	<u>\$ 35,722,749</u>	<u>\$ 118,471,706</u>

The total decrease in the Town's investment in capital assets for the current fiscal year was about 2.65% in terms of net book value.

Depreciation charges for the year totaled \$5,340,685 (\$4,041,816 on governmental assets and \$1,298,869 on the assets of the business-type activities). Additional information on the Town's capital assets can be found in Note 7 of the notes to the financial statements.

The Town of East Greenwich's Debt Administration

At the end of the current fiscal year, the Town of East Greenwich's Governmental Activities and Business Activities had a total bonded debt of \$47,225,001. Of this amount, 100% comprises bonded debt backed by the full faith and credit of the government.

The following is a summary of the Town's long-term debt.

TOWN OF EAST GREENWICH, RHODE ISLAND
Management's Discussion and Analysis
For the Year Ended June 30, 2017
(Un-audited)

TOWN OF EAST GREENWICH, RHODE ISLAND
General Obligation Bonds and Notes Payable

	June 30, 2017			June 30, 2016		
	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total
General Obligation Bonds	\$ 43,400,001	\$ 3,825,000	\$ 47,225,001	\$ 48,965,222	\$ 3,900,000	\$ 52,865,222
Notes Payable	1,846,500	20,033,946	21,880,446	-	21,708,705	21,708,705
	<u>\$ 45,246,501</u>	<u>\$ 23,858,946</u>	<u>\$ 69,105,447</u>	<u>\$ 48,965,222</u>	<u>\$ 25,608,705</u>	<u>\$ 74,573,927</u>

Additional information on the Town's long-term debt can be found in Note 12 of the notes to the financial statements.

The Town's general obligation bond rating as assigned by Moody's Investors Service in 2016 is Aa1 and AA+ by Standard and Poor's. The State of Rhode Island imposes a limit of 3 percent of the fair value of all taxable Town property on the general obligation debt that a municipality can issue. The Town of East Greenwich's limit is \$73,515,232 at year-end. The Town's outstanding general obligation bonded debt pertaining to legal debt limit is \$2,085,000 at year-end, which is \$71,430,232 under the State imposed limitation.

Economic Factors and Next Year's Budgets and Rates

The Town of East Greenwich's total general fund budget for fiscal year 2018 amounts to \$61,958,368 which reflects a decrease of \$232,503 from the fiscal 2017 budget of \$62,190,871.

The Town's tax rate for fiscal 2018 is 23.66 per thousand, with 39% allocated for general government and 61% allocated for education. For fiscal 2017, the Town's tax rate was \$24.09 per thousand, with 45% allocated for general government and 55% allocated for education.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Town of East Greenwich's finances for all of the Town of East Greenwich's citizens, taxpayers, customers, investors and creditors. This financial report seeks to demonstrate the Town's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional information should be addressed to: Town of East Greenwich, Finance Director's Office, P.O. Box 111, East Greenwich, RI 02818; Attention: Ms. Linda Dykeman, Finance Director.

Linda Dykeman
Finance Director

BASIC FINANCIAL STATEMENTS

Government-Wide Financial Statements

TOWN OF EAST GREENWICH, RHODE ISLAND
Statement of Net Position
June 30, 2017

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	East Greenwich Land Trust
ASSETS				
Cash and cash equivalents	\$ 17,049,394	\$ -	\$ 17,049,394	-
Accounts receivable:				
Accounts receivable net	2,468,675	2,152,887	4,621,562	-
Due from other governments	317,551	-	317,551	295,624
Other receivables	1,451,368	6,462,199	7,913,567	-
Other assets	2,613,951	-	2,613,951	-
Capital assets:				
Property, plant and equipment - net	78,581,544	34,480,300	113,061,844	-
Construction in progress	-	419,366	419,366	199,114
Assets not being depreciated	1,825,033	15,372	1,840,405	5,018,500
Total capital assets	<u>80,406,577</u>	<u>34,915,038</u>	<u>115,321,615</u>	<u>5,513,238</u>
Other assets				
Long-term sewer assessment receivable	-	7,118,527	7,118,527	-
Net pension asset	4,141,000	-	4,141,000	-
TOTAL ASSETS	<u>108,448,516</u>	<u>50,648,651</u>	<u>159,097,167</u>	<u>5,513,238</u>
Deferred Outflows of Resources	<u>16,004,484</u>	<u>255,559</u>	<u>16,260,043</u>	<u>-</u>
LIABILITIES				
Accounts payable and accrued expenses	8,112,460	188,391	8,300,851	18,255
Internal balances	(797,186)	797,186	-	-
Long-term liabilities				
Due within one year	5,215,701	2,579,701	7,795,402	-
Due in more than one year	82,735,388	21,627,176	104,362,564	275,000
Net pension liability	46,489,295	-	46,489,295	-
Total liabilities	<u>141,755,658</u>	<u>25,192,454</u>	<u>166,948,112</u>	<u>293,255</u>
Deferred Inflows of Resources	<u>9,660,219</u>	<u>307,178</u>	<u>9,967,397</u>	<u>-</u>
NET POSITION				
Net investment in capital assets	35,160,076	17,185,132	52,345,208	5,217,614
Restricted for:				
Education programs	143,279	-	143,279	-
Public works programs	1,206,435	-	1,206,435	-
Unrestricted	(63,472,667)	8,219,446	(55,253,221)	2,369
Total net position	<u>\$ (26,962,877)</u>	<u>\$ 25,404,578</u>	<u>\$ (1,558,299)</u>	<u>5,219,983</u>

See auditor's report and accompanying notes to these financial statements

TOWN OF EAST GREENWICH, RHODE ISLAND
Statement of Activities
For the Year Ended June 30, 2017

		Program revenues			Net (Expense) Revenue and Changes in Net Assets			Component Unit East Greenwich Land Trust
		Charges for Services	Operating Grants and Contributions		Governmental Activities	Primary Government Business-type Activities	Total	
Expenses								
Functions/Programs								
Primary government								
Governmental activities:								
Legislative, judicial and general administrative	\$ 7,937,795	\$ 719,852	\$ 4,950	\$ (7,212,993)			\$ (7,212,993)	
Financial administration	2,045,771	-	-	(2,045,771)			(2,045,771)	
Information technology	494,331	-	-	(494,331)			(494,331)	
Public safety	8,531,144	189,259	190,621	(8,151,264)			(8,151,264)	
Public works	5,430,220	-	-	(5,430,220)			(5,430,220)	
Teen center	12,500	-	-	(12,500)			(12,500)	
Public health and welfare	366,361	1,220,636	809,069	1,663,344			1,663,344	
Parks and recreation	639,498	-	-	(639,498)			(639,498)	
Town planner	195,135	-	-	(195,135)			(195,135)	
Senior and human services	241,738	-	-	(241,738)			(241,738)	
Education	43,256,485	423,511	7,790,736	(35,042,238)			(35,042,238)	
Grants and contributions	29,000	-	-	(29,000)			(29,000)	
Library	520,235	-	-	(520,235)			(520,235)	
Land trust	19,292	-	-	(19,292)			(19,292)	
Interest on long-term debt	2,085,391	-	-	(2,085,391)			(2,085,391)	
Total governmental activities	71,804,896	2,553,258	8,795,376	(60,456,262)			(60,456,262)	
Business-type activities:								
Sewer fund	3,177,273	3,974,624	-	-	\$ 797,351		797,351	
Total business-type activities	3,177,273	3,974,624	-	-	797,351		797,351	
Total primary government	\$ 74,982,169	\$ 6,527,882	\$ 8,795,376	(60,456,262)	797,351		(59,658,911)	
Component unit:								
East Greenwich Land Trust	\$ 20,947	\$ -	\$ -					\$ 73,978
Total Component unit:	\$ 20,947	\$ -	\$ -					\$ 73,978
General revenues:								
General property tax				57,076,518	-		57,076,518	-
State revenue sharing				1,762	-		1,762	-
Net investment income (loss)				34,795	-		34,795	-
Miscellaneous				2,751,118	-		2,751,118	-
Total general revenues				59,864,193	-		59,864,193	-
Change in net position				(592,069)	797,351		205,282	53,031
Net position - beginning - restated				(26,370,808)	24,607,227		(1,763,581)	5,166,952
Net position - ending				\$ (26,962,877)	\$ 25,404,578		\$ (1,558,299)	\$ 5,219,983

See auditor's report and accompanying notes to these financial statements

Fund Financial Statements

TOWN OF EAST GREENWICH, RHODE ISLAND

**Balance Sheet
Governmental Funds
June 30, 2017**

	<u>General Fund</u>	<u>School Bond 52m Capital Fund</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS				
Cash and cash equivalents	\$ 16,099,000	\$ -	\$ 950,394	\$ 17,049,394
Accounts receivable:				
Property taxes, less allowance for doubtful accounts of \$90,933	2,468,675	-	-	2,468,675
Intergovernmental	-	-	317,551	317,551
Other	1,451,368	-	-	1,451,368
Internal balances	135,103,143	1,909,443	2,609,132	139,621,718
Inventory	-	-	5,083	5,083
Prepays	2,608,868	-	-	2,608,868
TOTAL ASSETS	<u>\$ 157,731,054</u>	<u>\$ 1,909,443</u>	<u>\$ 3,882,160</u>	<u>\$ 163,522,657</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable and accrued expenditures	\$ 4,578,217	\$ 77,173	\$ 131,709	\$ 4,787,099
Internal balances	138,166,276	-	658,256	138,824,532
Total liabilities	<u>142,744,493</u>	<u>77,173</u>	<u>789,965</u>	<u>143,611,631</u>
DEFERRED INFLOW OF RESOURCES				
Unavailable tax revenue	<u>2,913,909</u>	<u>-</u>	<u>137</u>	<u>2,914,046</u>
Fund balances:				
<i>Nonspendable:</i>				
Permanent fund principal	-	-	377,088	377,088
Prepays	2,608,868	-	-	2,608,868
<i>Restricted for:</i>				
Educational programs	4,297	-	138,982	143,279
Public works programs	-	-	1,206,435	1,206,435
<i>Committed for:</i>				
Educational programs		1,832,270		1,832,270
Technology	240,000	-	-	240,000
Claims & judgements	1,700,000	-	-	1,700,000
<i>Assigned for:</i>				
Legislative, judicial	-	-	123,754	123,754
Public safety programs	-	-	621,782	621,782
Capital outlay	1,055,202	-	-	1,055,202
Community programs	-	-	93,739	93,739
Technology	58,900	-	-	58,900
Public works programs	-	-	42,851	42,851
Culture and recreation	-	-	569,322	569,322
<i>Unassigned:</i>	6,405,385	-	(81,895)	6,323,490
Total fund balances	<u>12,072,652</u>	<u>1,832,270</u>	<u>3,092,058</u>	<u>16,996,980</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 157,731,054</u>	<u>\$ 1,909,443</u>	<u>\$ 3,882,160</u>	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. (see note 8)	80,406,577
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds. (see note 8)	(411,315)
Some liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds. (see note 8)	(123,955,119)
Net position of governmental activities	<u>\$ (26,962,877)</u>

See auditor's report and accompanying notes to these financial statements

TOWN OF EAST GREENWICH, RHODE ISLAND
Statement of Revenues, Expenditures
and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2017

	General Fund	School Bond 52m Capital Fund	Non-Major Governmental Funds	Total Governmental Funds
Revenues				
General property tax	\$ 57,000,833	\$ -	\$ -	\$ 57,000,833
Intergovernmental and departmental revenues	5,983,469	-	1,783,976	7,767,445
License and permits	2,113,333	-	-	2,113,333
Interest on investments	33,377	-	4,078	37,455
Tuitions	98,110	-	-	98,110
Other revenues	3,384,275	-	502,244	3,886,519
Total revenues	<u>68,613,397</u>	<u>-</u>	<u>2,290,298</u>	<u>70,903,695</u>
Expenditures				
Legislative, judicial and general administrative	7,268,997	-	-	7,268,997
Financial administration	610,009	-	-	610,009
Information technology	494,331	-	-	494,331
Public safety	7,411,688	-	578,245	7,989,933
Public works	3,616,686	75,868	-	3,692,554
Teen Center	12,500	-	-	12,500
Public health and welfare	-	-	366,361	366,361
Parks and recreation	579,924	-	-	579,924
Town planner	195,135	-	-	195,135
Senior and human services	241,738	-	-	241,738
Education	39,882,669	-	1,304,811	41,187,480
Grants and contributions	29,000	-	-	29,000
Library	520,235	-	-	520,235
Land trust	19,292	-	-	19,292
Financing costs	17,000	-	-	17,000
Capital outlay	758,384	318,381	597,350	1,674,115
Non capital outlay expenditures	6,768	-	-	6,768
Long-term obligations:				
Principal	4,295,833	-	-	4,295,833
Interest	2,272,912	-	-	2,272,912
Total expenditures	<u>68,233,101</u>	<u>394,249</u>	<u>2,846,767</u>	<u>71,474,117</u>
Excess of revenues over (under) expenditures before other financing sources (uses)	<u>380,296</u>	<u>(394,249)</u>	<u>(556,469)</u>	<u>(570,422)</u>
Other financing sources (uses)				
Payment to refunding bond escrow agent	(2,111,802)	-	-	(2,111,802)
Cost of issuance	(38,903)	-	-	(38,903)
Issuance of refunding bonds	2,085,000	-	-	2,085,000
Premium on refunding debt	65,705	-	-	65,705
Issuance of debt	-	-	562,112	562,112
Transfers (to) other funds	-	-	(154,075)	(154,075)
Transfers from other funds	-	-	154,075	154,075
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>562,112</u>	<u>562,112</u>
Net changes in fund balances	380,296	(394,249)	5,643	(8,310)
Fund balances - beginning	<u>11,692,356</u>	<u>2,226,519</u>	<u>3,086,415</u>	<u>17,005,290</u>
Fund balances - ending	<u>\$ 12,072,652</u>	<u>\$ 1,832,270</u>	<u>\$ 3,092,058</u>	<u>\$ 16,996,980</u>

See auditor's report and accompanying notes to these financial statements

TOWN OF EAST GREENWICH, RHODE ISLAND
Reconciliation of the Statement of Revenues,
Expenditures, and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Year Ended June 30, 2017

Net change in fund balances - total governmental funds \$ (8,310)

Amounts reported for governmental activities in the statement of activities are different from the amounts reported as fund expenditures because:

Governmental funds reported 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 exceed depreciation, loss on disposal of equipment and adjustments in the current period.

Capital outlay	1,699,762	
Depreciation expense	(4,041,816)	(2,342,054)

Loss on disposal of capital asset.		(76,078)
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Property taxes that are not collected in the current period and do not represent current financial resources are deferred in the fund financial statements, however they are recognized as revenues in the statement of activities.		75,685
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Amortization of premiums in the current period do not represent current financial resources, however they are recognized as expenditures and revenues in the statement of activities.		233,447
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Some expenditures reported in the governmental funds that require the use of current financial resources are not reported as expenditures in the statement of activities.		204,521
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Changes in the Town's Net Pension Assets, Deferred Outflows of Resources related to pension plans or Net Pension Liability and Deferred Inflows of Resources related to pension plans result in an increase or decrease to the pension expense reported in the Statement of Activities.

Also, under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the statement of activities, however, which is presented on the full accrual basis, expenses and liabilities are recorded regardless of when financial resources are available.

Principal payments made on long-term debt and other activity	3,708,620	
Net decrease in claims, judgments and settlements	7,567	
Net decrease in compensated absences	(253,120)	
Net increase in the other post employment benefit obligation	2,714,277	
Net (increase)/decrease in net pension liability	(7,458,818)	
Net increase/(decrease) in net pension asset	(69,598)	
Net increase/(decrease) in deferred outflows of resources	6,747,498	
Net (increase)/decrease in deferred inflows of resources	60,399	
Net (increase)/decrease in deferred inflows OPEB	(4,136,105)	
		1,320,720

Change in net assets of governmental activities		\$ (592,069)
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Please see Note 9 for a more detailed explanation of the differences between the Government-Wide Financial Statements and the Fund Financial Statements

See auditor's report and accompanying notes to these financial statements

TOWN OF EAST GREENWICH, RHODE ISLAND
Statement of Net Position
Proprietary Funds
June 30, 2017

	Sewer Fund
ASSETS	
Current assets	
Cash and cash equivalents	\$ -
Accounts receivable	
User fees, net of \$50,000 allowance for doubtful accounts	1,480,392
Construction loans receivable	6,462,199
Assessments, current portion	672,495
Total current assets	<u>8,615,086</u>
Non-current assets	
Long-term sewer assessment receivable	7,118,527
Net capital assets	34,915,038
Total non-current assets	<u>42,033,565</u>
TOTAL ASSETS	<u>50,648,651</u>
Deferred outflows of resources	
Deferred charge on refunding of debt	255,559
Total deferred inflows of resources	<u>255,559</u>
LIABILITIES	
Current liabilities	
Accounts payable and accrued expenses	187,159
Internal balances	797,186
Current portion of accrued compensated absences	1,232
Current portion of long-term debt	2,579,701
Total current liabilities	<u>3,565,278</u>
Non-current liabilities	
Notes and bonds payable	21,612,404
Accrued compensated absences	14,772
Total non-current liabilities	<u>21,627,176</u>
TOTAL LIABILITIES	<u>25,192,454</u>
Deferred inflows of resources	
Other deferred revenue	307,178
Total deferred inflows of resources	<u>307,178</u>
Net Position	
Net investment in capital assets	17,185,132
Unrestricted	8,219,446
Total net position	<u>\$ 25,404,578</u>

See auditor's report and accompanying notes to these financial statements

TOWN OF EAST GREENWICH, RHODE ISLAND
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
For the Fiscal Year Ended June 30, 2017

	Sewer Fund
Operating revenues	
Usage sales and fees	\$ 2,758,658
Sewer assessments and interest income	1,215,966
Total operating revenues	<u>3,974,624</u>
Operating expenses	
Salaries and benefits	449,809
Materials and supplies	143,568
Contract services	379,293
Repairs and maintenance	57,712
Utilities	185,513
Administrative expenses	245,177
Depreciation and amortization	1,298,869
Total operating expenses	<u>2,759,941</u>
Operating income	<u>1,214,683</u>
Non-operating revenues (expenses)	
Sewer bond interest expense	(417,332)
Total non-operating (expenses)	<u>(417,332)</u>
Change in net position	<u>797,351</u>
Total net positions - beginning	24,607,227
Net position - beginning restated	<u>24,607,227</u>
Net position - ending	<u><u>\$ 25,404,578</u></u>

See auditor's report and accompanying notes to these financial statements

TOWN OF EAST GREENWICH, RHODE ISLAND
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2017

	Sewer Fund
Cash flows from operating activities	
Cash received from customers and providing services	\$ 4,084,624
Cash payments to suppliers for goods and services	(1,021,954)
Cash payments to employees for services	(449,809)
Net cash provided by (used for) operating activities	<u>2,612,861</u>
Cash flows from non-capital financing activities	
Interfund loans	(916,600)
Net cash provided by non-capital financing activities	<u>(916,600)</u>
Cash flows from capital and related financing activities	
Principal paid on bonds & notes	(4,719,759)
Bond proceeds	2,970,000
Additions to capital assets net	(491,158)
Sewer assessment decrease	496,854
Interest paid on long term debt	(358,692)
Accrued compensated balances	(2,749)
Unearned revenues	(19,623)
Construction receivables	428,866
Net cash (used for) capital and related financing activities	<u>(1,696,261)</u>
Cash flows from investing activities	
Interest income	-
Net cash provided by investing activities	<u>-</u>
Net increase (decrease) in cash and cash equivalents	-
Cash and cash equivalents at beginning of year	-
Cash and cash equivalents at end of year	<u><u>\$ -</u></u>
 Reconciliation of operating income to net cash provided by operating activities	
Operating income (Loss)	1,214,683
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation and amortization	1,298,869
Changes in assets and liabilities:	
(Increase) decrease in accounts receivable	110,000
Increase (decrease) in accounts payable and accrued expenses	(10,691)
Total adjustments	<u>1,398,178</u>
Net cash provided by operating activities	<u><u>\$ 2,612,861</u></u>

See auditor's report and accompanying notes to these financial statements

TOWN OF EAST GREENWICH, RHODE ISLAND
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2017

	0038	
	<u>OPEB Trust Fund</u>	<u>Agency Funds</u>
ASSETS		
Cash and cash equivalents	\$ -	\$ 511,364
Other receivables	-	263,068
	<hr/>	<hr/>
Investments, at fair value:		
Fixed Income	548,811	-
Equities	1,646,433	-
Mutual Funds	190,891	-
Total investments	<hr/> 2,386,135	<hr/> -
Total Assets	<hr/> 2,386,135	<hr/> 774,432
LIABILITIES		
Deposits held in custody for others	-	774,432
Total Liabilities	<hr/> -	<hr/> \$ 774,432
NET POSITION		
Held in trust for other purposes	<hr/> \$ 2,386,135	

See auditor's report and accompanying notes to these financial statements

TOWN OF EAST GREENWICH, RHODE ISLAND
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Fiscal Year Ended June 30, 2017

	0038 OPEB Trust Fund
Additions	
Contributions	
Employer	\$ 351,751
Total contributions	<u>351,751</u>
Investment earnings	
Net increase/(decrease) in fair value of investments	<u>260,840</u>
Total investment earnings	<u>260,840</u>
Total additions	<u>612,591</u>
Deductions	
Plan cost	<u>6,975</u>
Total deductions	<u>6,975</u>
Change in net position	605,616
Net position beginning of year	1,780,519
Net position end of year	<u><u>\$ 2,386,135</u></u>

See auditor's report and accompanying notes to these financial statements

Notes to Financial Statements

TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 1 - REPORTING ENTITY

In accordance with the requirements of Statement No. 14 of the Governmental Accounting Standards Board, *The Financial Reporting Entity*, the accompanying basic financial statements present the Town of East Greenwich, Rhode Island (the primary government). The activities discussed below are included in the Town's reporting entity because of the significance of their operational or financial relationships with the Town.

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

Primary Government

The Town of East Greenwich is a municipal corporation governed by a Town Council/Town Manager form of government with an elected five member Town Council.

The Town of East Greenwich was incorporated in 1677. The Town operates under a Home Rule Charter, adopted in 1972. All legislative powers of the town, except such powers as are reserved by the state law or vested in the financial Town Meeting by the Charter and by-laws enacted by the Town Council, are vested in the Town Council by the Charter, including the ordering of any tax, making appropriations and transacting of any other business pertaining to the financial affairs of the Town.

This report includes all of the funds and account groups of the Town of East Greenwich. The reporting entity for the town consists of (a) the primary government, (b) organizations for which the primary government is financially accountable and (c) other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable.

In evaluating the inclusion of how to define the government for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria prescribed by GASB Statement No. 14, as amended by GASB Statement No. 39, "Determining Whether Certain Organizations are Component Units". Under GASB Statement No. 14 and Statement No. 39 the financial reporting entity includes both the primary government, which is the Town of East Greenwich and all of its component units. Component units are legally separate entities that meet any one of the following three tests:

Test 1 - the primary government appoints the voting majority of the board of the potential component unit and

- * Is able to impose its will on the potential component unit and/or
- * Is in a relationship of financial benefit or burden with the potential component unit;

Test 2 - the potential component unit is fiscally dependent upon the primary government; or

Test 3 - the financial statements would be misleading if data from the potential component unit was not included.

The following entities were considered for classification as component units for fiscal year 2017:

- * East Greenwich Land Trust (the Trust)
- * East Greenwich School Department

TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 1 - REPORTING ENTITY (CONTINUED)

Although the East Greenwich School Department meets certain criteria of the tests listed above, the School Department is not deemed to have separate legal status apart from the Town. As a result, the financial data of the School Department has been included as part of the Town General Fund within the Town's financial statements

Discretely Presented Component Unit Disclosure - The East Greenwich Land Trust (the Trust) has been presented as a component unit of the Town in the government-wide financial statements. The Town Council appoints the Board of Trustees that governs the Trust. The Land Trust was included as a component unit because the primary government has a significant influence over the component unit, a financial benefit or burden exists and the component unit has a fiscal dependency on the primary government. The purpose of the Trust is to promote preservation of the environment and character of the Town, to preserve suitable open spaces for recreation, for the conservation of forestry and wildlife, to promote responsible development of real estate and sound conservational practices, to protect environmentally sensitive or threatened existing and /or future fresh-water well fields, aquifer recharge area, wetlands and to promote public access and views of harbors, ponds, marshes, farmland and forests situated in the Town. Upon termination or dissolution of the Trust, title to all remaining funds, land and land rights will vest with the Town. The Trust is included in the Town's reporting entity because of the significance of the operational and financial relationships with the Town. The Trust does not issue separate financial statements.

Recently Issued Accounting Standards

The Town implemented the following accounting pronouncements for the year ended June 30, 2017:

- GASB Statement No. 74 – Financial Reporting for Postemployment Benefit Plans Other than Pension Plans – effective for the Town's fiscal year ending June 30, 2017
- GASB Statement No. 75 – Accounting for Postemployment Benefit Plans Other than Pension Plans – effective for the Town's fiscal year ending June 30, 2018.
- GASB Statement No. 77 – Tax Abatement Disclosures – effective for the Town's fiscal year ending June 30, 2017.
- GASB Statement No. 78 – Pensions Provided through Certain Multiple-Employer Defined Pension Plans – effective for the Town's fiscal year ending June 30, 2017.

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

- GASB Statement No. 80 – Blending Requirements for Certain Component Units, an Amendment of GASB Statement No. 14 – effective for the Town's fiscal year ending June 30, 2018.
- GASB Statement No. 82 – Pension Issues, an Amendment of GASB Statements No. 67, 68, and 73 – effective for the Town's fiscal year ending June 30, 2018.
- GASB Statement No. 85 – Omnibus 2017 – effective for the Town's fiscal year ending June 30, 2019.

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

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PRESENTATION

Government-Wide Financial Statements

The statement of net position and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds and component units that are fiduciary in nature. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

BASIS OF PRESENTATION

Certain eliminations have been made as prescribed by GASB Statement No. 34 in regards to interfund activities, receivables and payables.

Fund Financial Statements

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts, which constitute its assets, liabilities, fund equity, revenues and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary and fiduciary. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the Town or if it meets the following criteria:

- (a) Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total (assets, liabilities, and so forth) for all funds of that category or type (that is, total governmental or total enterprise funds), and
- (b) Total assets, liabilities, revenues or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

In addition to funds that meet the major fund criteria, any other governmental or enterprise fund that the government's officials believe is particularly important to financial statement users (for example, because of public interest or consistency) may be reported as a major fund. The funds of the financial reporting entity are described below:

GOVERNMENTAL FUND TYPES

These are the funds through which most governmental functions are typically financed. The funds included in this category are as follows:

General Fund – is the primary operating fund of the Town and is always classified as a major fund. It is used to account for all activities except those that are legally or administratively required to be accounted for in other funds.

Special Revenue Funds – are used to account for restricted or committed revenues that comprise a substantial portion of the *inflows* of a fund.

Capital Projects Funds - are used to account for resources restricted for the acquisition or construction of specific capital projects or items (other than those financed by Proprietary or Trust funds). The School Bond 52m Capital Fund is a capital projects fund and is a major fund. This fund is for a 52 million dollar school project. A new Middle School was built and major renovations were done on the middle school and elementary schools. The Town began the project by issuing BANS and refinanced the BANS into bonds in February 2012.

Permanent Funds – are used to account for assets held by the Town pursuant to a trust agreement. The principal portion of this fund must remain intact, but the earnings may be used to achieve the objectives of the fund.

TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

PROPRIETARY FUND TYPES

Proprietary funds are used to account for business-like activities provided to the general public. These activities are financed primarily by user charges and the measurement of financial activity focuses on net income measurement similar to the private sector. Operating revenues of the Proprietary Funds consist of customer/taxpayer charges for uses and services and certain other miscellaneous revenues. All other revenues of the Proprietary Funds are considered non-operating sources of revenue. The Sewer Fund is the only Proprietary Fund and is used to account for sewer use fees and the expenses associated with providing sewer services to town residents.

FIDUCIARY FUND TYPES

These funds use the accrual basis of accounting to account for assets held by the Town as a trustee or agent for individuals, private organizations, and other units of governments. These funds are not included in government-wide statements.

Agency Funds – are used to account for assets held by the Town in a purely custodial capacity. Since agency funds are custodial in nature (i.e. assets equal liabilities), they do not involve the measurement of results of operations. The Agency Funds are the only Fiduciary Funds and account for funds that are to be used for educational and welfare expenditures and for funds held in escrow for other parties. Agency Funds use the accrual method rather than the modified accrual basis of accounting.

Fiduciary Funds – Fiduciary funds include a Statement of Net Position and a Statement of Changes in Net Position. The Town's fiduciary fund is an OPEB Trust Fund. Fiduciary Funds are used to account for assets held by the Town in a trustee capacity or as an agent for individuals, private organizations or other governments. The Fiduciary Fund is accounted for on an "economic resources" measurement focus and the accrual basis of accounting.

BASIS OF ACCOUNTING
Measurement Focus

On the government-wide Statement of Net Position and the Statement of Activities both governmental and business-like activities are presented using the economic resources measurement focus as defined in item (b) below.

In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus is used as appropriate:

- (a) All governmental funds utilize a "current financial resources" measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period. The Town considers property taxes as available if they are collected within 60 days after year end.
- (b) All proprietary funds utilize an "economic resources" measurement focus. The accounting objectives of this measurement focus are the determination of net income, financial position and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Proprietary fund equity is classified as net position.
- (c) Agency funds are not involved in the measurement of results of operations; therefore, measurement focus is not applicable to them.

TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Accounting

In the government wide financial statements the Statement of Net Position and Statement of Activities (governmental and business-type activities) are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expense, gains, losses, assets, deferred outflows of resources, liabilities and deferred inflows of resources resulting from exchange and exchange-like transactions should be recognized when the exchange takes place. Revenues, expense, gains, losses, assets, deferred outflows of resources, liabilities and deferred inflows of resources resulting from non-exchange transactions should be recognized in accordance with the requirements of Section N50.

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when "measurable and available". Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or soon enough thereafter to pay current liabilities. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are reported when due.

All proprietary funds, fiduciary funds and agency funds utilize the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

All Governmental Fund Types are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual, i.e. both measurable and available. Available means collectible within the current period or soon enough thereafter, (generally defined as 60 days after the close of the fiscal year) to be used to pay liabilities of the current period.

Licenses and permits, charges for services, fines, forfeits, and miscellaneous revenue are recorded as revenues when received in cash. Those revenues susceptible to accrual are property taxes and investment earnings. Fines and permits are not susceptible to accrual because generally they are not measurable until received in cash. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except expenditures for debt service and other long-term obligations, which are recognized when paid.

Amounts reported as program revenues include charges to customers or applicants for goods, services or privileges provided and operating grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Cash and Cash Equivalents

For the purpose of the Statement of Cash Flows, the Propriety Fund Types consider all highly liquid investments with a maturity date of three months or less when purchased to be cash equivalents.

Investments

Investments are stated at fair value in accordance with GASB No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*.

For purposes of the statements of cash flows, all highly liquid investments with a maturity of three months or less when purchased (e.g. short-term commercial paper) are considered to be cash equivalents.

TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Accounting (Continued)

Receivables

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

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

Inventories

Inventories of supplies (except gasoline and postage) are considered to be expenditures at the time of purchase. Inventories of gasoline and postage are recorded at cost on a first in first out basis and maintained on a periodic system and are recorded as expenditures when consumed.

Capital Assets

Property, Plant and Equipment

The accounting treatment over property, plant and equipment (capital assets) depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

Government-Wide Statements

In the government-wide financial statements, capital assets are accounted for as capital assets. All fixed assets are valued at historical cost, or estimated historical cost if actual is unavailable, except for donated fixed assets, which are recorded at their estimated fair value at the date of donation. The capitalization threshold is any individual item with a total cost greater than \$10,000.

Depreciation of all exhaustible capital assets is recorded, as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

<u>Description</u>	<u>Years</u>
Buildings, Infrastructure & Improvements	10-100
Motor vehicles	5-10
Machinery and equipment	5-30
Sewer mains	75-100

TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Financial Statements

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets used in proprietary fund operations are accounted for the same as in the government-wide statements.

Equity Classifications

Government-Wide Statements

Equity is classified as net position and displayed in three components:

- **Net Investment in capital assets** - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- **Restricted** - Consists of net positions with constraints placed on the use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or 2) law through constitutional provisions or enabling legislation.
- **Unrestricted** - All other net positions that do not meet the definition of "restricted" or "Net investment in capital assets".

Governmental Fund Financial Statements

The Town has adopted the requirements of the Government Accounting Standards Board GASB Statement No. 54 - *Fund Balance Reporting and Governmental Fund Type Definitions*. Acceptance of this statement has changed the Town's presentation of the elements of fund balances, a key indicator of inter-period equity. Listed below are the new fund balance categories and their definitions.

- **Non-spendable** – are balances that are permanently precluded from conversion to cash such as permanent funds and inventories.
- **Restricted** – requires that inflows and outflows of resources and balances be constrained to a specific purpose of enabling legislation, external parties or constitutional provisions.
- **Committed** – are balances with constraints imposed by the government using the highest level of decision-making authority. These constraints can only be removed or changed by the same decision making authority taking the same type of action.
- **Assigned** – are balances intended for a specific purpose by the government's management and are also appropriations of existing fund balances.
- **Unassigned** – are balances available for any purpose. They are not precluded by a management decision, law constitutional provision in the general fund.

TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The Town has set classification policies and procedures for the above noted level of fund balance reporting.

- a) For committed fund balances: the Town Council, via a resolution or vote, is the highest level of decision making authority and a meeting of the Town Council is required to establish, modify or rescind a fund balance commitment.
- b) For assigned fund balance: The Town's Finance Director is authorized to assign amounts to a specific purpose and un-assign amounts to a specific purpose. This authorization was given to that position by the Town Council through resolution.
- c) The Town considers amounts that are committed, assigned or unassigned to have been spent when an expenditure is incurred for the purpose of which any amounts in any of the unassigned fund balance classifications could be used.
- d) The Town considers restricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available and considers committed amounts to have been spent when and expenditure is incurred for purposes for which amounts in any other unrestricted fund balance could be used.

Fund Balance Transactions

The re-appropriation of prior year's unexpended balances for certain accounts in the General Fund is reported as a transfer of fund balance in the current year.

Property Taxes

The Town is permitted by state law to levy property taxes. Taxes are recognized as revenue when they are collected. Taxes are levied each July on (a) 100% of the full and fair value of real and tangible personal property owned within the Town on the previous December 31; and, (b) the value, as determined by the Rhode Island Vehicle Valuation Commission, of vehicles registered within the Town the previous calendar year, prorated for the actual number of days so registered, reduced by the amount exempt under the Motor Vehicle Phase-Out Program.

Taxes levied during July are payable in quarterly installments on September 1, December 1, March 1 and June 1, or on September 1, if paid in one payment. Unpaid property taxes at June 30, 2017, include delinquent installments of the current and prior years. The Town does not record interest earned on delinquent taxes until payment is received.

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

The municipality holds an annual tax sale in May or June. This tax sale includes all property with a delinquent balance as of the December 1 quarterly installment for the current year. Subsequent to the tax sale, recorder's deeds are placed on sold properties.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position or fund balance that applies to a future period or periods and so will not be recognized as an outflow of resources (expense/expenditure) until then.

TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

Vacation, Sick Leave, and Other Compensated Absences

Unused vacation leave is paid upon an employee's termination. Sick leave not taken is paid only to police department employees up to 300 days of total accumulated sick leave at 50%, upon retirement. School department employees are paid compensated absences based on various employee agreements. Compensated absences that are expected to be liquidated with expendable available financial resources are reported as an expenditure and a fund liability of the governmental fund that will pay it. In governmental funds compensated absence expenditures are only reported when matured. Amounts not expected to be liquidated with expendable available resources are reported as long-term debt in the government-wide financial statements. Long-term debt and other obligations financed by the proprietary funds are reported as liabilities in the appropriate funds. For Proprietary Fund Types accrued compensated absences are recorded as a liability within those funds using the full accrual basis.

Short-Term Inter-fund Receivable/Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or serviced rendered. These receivables and payables are classified as "internal balances" on the balance sheet.

Advances to Other Funds

Noncurrent portions of long-term interfund loan receivables are reported as advances and are offset equally by a fund balance reserve account which indicates that they do not constitute expendable available financial resources and, therefore, are not available for appropriations.

Uses of Estimates

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

Budgetary Process

In accordance with the East Greenwich Home Rule Charter, the Town has formally established budgetary accounting control for its General Fund. The General Fund is subject to an annual operating budget that is prepared by the administration of the Town Manager and submitted to the Town Council for approval. The annual operating budgets' appropriated amounts are supported by revenue estimates and take into account the elimination of accumulated deficits and the re-appropriation of accumulated surpluses to the extent necessary. The General Fund annual operating budget is prepared on the budgetary basis of accounting which is not in conformity with Generally Accepted Accounting Principles. The budget to actual presentation in required supplementary information is reflected on the budgetary basis.

Appropriations in addition to those contained in the annual operating budgets, except for the purpose of meeting a public emergency, are made upon the recommendation of the Town Manager with the Director of Finance's certification as to General Fund surplus to meet such appropriations and with Town Council's approval. There were no additional supplemental appropriations for the year ended June 30, 2017. Amendments to the operating budgets that do not result in additional appropriations may be made within departments by means of a transfer.

TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Pensions

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

NOTE 3 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Legal Debt Margin

The Town's legal debt margin as set forth by State Statute is limited to three percent of total assessed value, which approximates \$73,515,232 based on the December 31, 2015 assessment. As of June 30, 2017 the Town's debt is under the debt limit by \$71,430,232.

In addition to the bonding authority granted under §45-12-2 of the RI General Laws, the Town of East Greenwich can authorize bond issues pursuant to a special act of the RI General Assembly. Bond issues authorized by a special act of the General Assembly are normally not subject to any legal debt limit, but are subject to financial constraints such as the Town's ability and willingness to service the bonded debt. See page 153 in the statistical section for computation of the legal debt margin.

NOTE 4 - FUND EQUITY

The fund equity balances have been classified to reflect the limitations and restrictions placed on the respective funds as follows:

The following fund balance categories are recorded on the Balance Sheet of Government Funds in the financial statements at June 30, 2017:

- **Non-spendable** – are balances that are permanently precluded from conversion to cash such as permanent funds, prepaids, deposits and inventories.
- **Restricted** – requires that inflows and outflows of resources and balances be constrained to a specific purpose of enabling legislation, external parties or constitutional provisions.
- **Committed** – are balances with constraints imposed by the government using a properly executed town council resolution highest level of decision-making authority. These constraints can only be removed or changed by the same decision making authority taking the same type of action.
- **Assigned** – are balances intended for a specific purpose by the government's management and are also appropriations of existing fund balances.
- **Unassigned** – are balances available for any purpose. They are not precluded by a management decision, law constitutional provision in the general fund.

Deficits of fund equity at June 30, 2017 were as follows: Community Development \$17,863; Byrne grant \$181; Title II \$65,475. The Town of East Greenwich anticipates funding deficits through future Town appropriations and future reimbursements from either the State or the Federal Government.

TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 5 - CASH AND INVESTMENTS

Deposits: The Town maintains deposits in various financial institutions that are carried at cost except for those amounts which are carried as petty cash. The carrying amount of deposits is separately displayed on the balance sheet as "Cash and cash equivalents".

Investments: Investment of all idle funds is made through national banks or trust companies, providing that the financial conditions and integrity of the institution or institutions are verifiable and can be monitored. The investment of funds must be in direct obligations of the United States Government and "money market instruments" rated "A" or better. Investments in any one institution cannot exceed five (5) percent of that institutions capital and surplus as set forth in the institutions most recent audited financial statements. All investments are made as would be done by prudent men of discretion and intelligence in such matters who are seeking a reasonable income and preservation of their capital.

Interest Rate Risk: The Town limits its exposure to fair value losses arising from changes in interest rates by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity, and investing operating funds primarily in shorter-term securities, money market funds, or similar investment pools.

Concentrations: The Town policy is to maintain a diversified portfolio to minimize the risk of loss resulting from over concentration of assets in a specific maturity.

Custodial Credit Risk

Deposits: This is the risk that, in the event of failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. As of June 30, 2017, \$714,040 of the Town's balance of \$17,560,758 was uninsured and uncollateralized.

Investments: This is the risk that in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party.

TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 5 - CASH AND INVESTMENTS (continued)

Cash and investments of the Town consist of the following at June 30, 2017

Cash and cash equivalents	
Deposits with financial institutions	\$ 17,560,758
Investments	
Fixed Income	548,811
Equities	1,646,433
Mutual Funds	190,891
Total investments	<u>2,386,135</u>
Total cash and investments	<u><u>\$ 19,946,893</u></u>

Cash and investments are classified in the accompanying financial statements as follows:

Statement of net assets	
Cash and cash equivalents	\$ 17,049,394
	<u>\$ 17,049,394</u>
Fiduciary funds	
Cash and cash equivalents	511,364
Fixed Income	548,811
Equities	1,646,433
Mutual Funds	190,891
	<u>2,897,499</u>
Total cash and investments	<u><u>\$ 19,946,893</u></u>

Interest Rate Risk: This is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. The town does not have any investments that are subject to interest rate risk for the fiscal year ended June 30, 2017. If applicable, information about the exposure of the Town's debt type investments to this risk is reported using the segment time distribution model.

Credit Risk: Generally, credit risk is the risk that an issuer of a debt type investment will not fulfill its obligation to the holder of the investment. This is measured by assignment of a rating by a nationally recognized rating organization. U.S government securities or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk exposure. The Town did not have any debt type investments that were exposed to credit risk as defined by GASB 40 as of June 30, 2017.

TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 6 - PROPERTY TAXES

The Town is responsible for assessing, collecting, and distributing property taxes in accordance with enabling state legislation. The Town does not use the modified accrual basis (60 day rule) for reporting its revenue from property taxes. Rather, the Town uses the cash method which reports revenue as taxes are paid. This method is not according to Generally Accepted Accounting Principles (GAAP). However, the total effect on the Funds Statement is insignificant. Therefore, there is no modification to the auditor's opinion on these Financial Statements.

All property taxes for fund statement purposes are recognized in compliance with NCGA Interpretation-3 (Revenue Recognition - Property Taxes), which states that such revenue is recorded when it becomes measurable and available. Available means due, or past due and receivable within the current period and collected no longer than 60 days after the close of the current period. The Town uses the allowance method for bad debts. Under this method, the Town has reserved the sum of \$90,933.

Current tax collections for the Town were approximately 99.5% of the total July 2016 tax certification.

NOTE 7 - INFORMATION ABOUT CAPITAL ASSETS

The Town defines capital assets as assets with an individual cost of more than \$10,000 and an estimated useful life in excess of five years. Such assets are recorded at historical cost or estimated historical cost (for certain assets acquired prior to 1960). The following schedule list prior year balances and current year activity for all Governmental Fund fixed asset transactions.

TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 7 - INFORMATION ABOUT CAPITAL ASSETS (CONTINUED)

Capital asset activity for the fiscal year ended June 30, 2017 was as follows:

	Primary Government				
	Beginning Balance	Increases	Decreases	Adjustments	Ending Balance
Governmental activities:					
Capital assets not being depreciated:					
Land	\$ 1,819,958	\$ -	\$ -	\$ 5,075	\$ 1,825,033
Construction in progress	51,997,046	-	51,997,046	-	-
Total capital assets not being depreciated	53,817,004	-	51,997,046	5,075	1,825,033
Other capital assets:					
Infrastructure	36,472,762	-	-	-	36,472,762
Buildings and improvements	33,955,906	52,386,436	-	(27,724)	86,314,618
Land improvements	4,888,293	689,098	-	2,104	5,579,495
Office furniture and equipment	602,510	-	-	-	602,510
Motor vehicles	6,144,987	386,909	341,721	(120,350)	6,069,825
Machinery and equipment	3,719,324	234,365	-	243,337	4,197,026
Total other capital assets at historical cost	85,783,782	53,696,808	341,721	97,367	139,236,236
Less accumulated depreciation for:					
Infrastructure	34,549,813	1,088,088	-	-	35,637,901
Buildings and improvements	13,459,723	1,986,203	-	369,297	15,815,223
Land improvements	2,437,450	254,680	-	(657,998)	2,034,132
Office furniture and equipment	461,212	22,507	-	-	483,719
Motor vehicles	3,396,151	454,331	265,643	242,846	3,827,685
Machinery and equipment	2,547,480	236,007	-	72,545	2,856,032
Total accumulated depreciation	56,851,829	4,041,816	265,643	26,690	60,654,692
Governmental activities capital assets, net	<u>\$ 82,748,957</u>	<u>\$ 49,654,992</u>	<u>\$ 52,073,124</u>	<u>\$ 75,752</u>	<u>\$ 80,406,577</u>

Depreciation expense was charged to functions as follows:

Governmental activities:	
Legislative, judicial and general administrative	\$ 128,177
Public safety	534,443
Public works	1,675,914
Parks and recreation	59,574
Education	1,643,708
Total governmental activities depreciation expense	<u>\$ 4,041,816</u>

TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 7 - INFORMATION ABOUT CAPITAL ASSETS (CONTINUED)

Capital asset activity for the fiscal year ended June 30, 2017 was as follows:

	Primary Government		
	Beginning Balance	Increases	Decreases
			Ending Balance
Business-type activities:			
Capital assets not being depreciated:			
Land	\$ 15,372	\$ -	\$ -
Construction in progress	1,765,549	419,366	1,765,549
Total capital assets not being depreciated	1,780,921	419,366	434,738
Other capital assets:			
Sewer facility	20,830,712	-	-
Equipment and fixtures	582,756	71,792	-
Motor vehicles	174,072	-	-
Sewer lines	30,372,135	1,765,549	-
Total other capital assets at historical cost	51,959,675	1,837,341	53,797,016
Less accumulated depreciation for:			
Sewer facility	9,959,803	449,762	-
Equipment and fixtures	398,124	44,622	-
Motor vehicles	148,929	4,617	-
Sewer lines	7,510,991	799,868	-
Total accumulated depreciation	18,017,847	1,298,869	19,316,716
Business-type activities capital assets, net	\$ 35,722,749	\$ 957,838	\$ 1,765,549

Depreciation expense was charged to functions as follows:

Business-type activities:	
Sewer Fund	\$ 1,298,869
Total business-type activities depreciation expense	\$ 1,298,869

TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 8 - DIFFERENCES BETWEEN GOVERNMENTAL FUNDS BALANCE SHEET AND THE STATEMENT OF NET POSITION

"Total fund balances" of the Towns' governmental funds \$16,996,980 differs from "net position" of governmental activities \$(26,962,877) reported in the statement of net position. This difference primarily results from the long-term economic focus of the statement of net position versus the current financial resources focus of the governmental fund balance sheets. The effect of the differences is illustrated below.

	Balance Sheet/Statement of Net Position			
	Total Governmental Funds	Long-term Assets/ Liabilities (1)	Reclassifications and Eliminations	Statement Net Position Totals
Assets				
Cash and cash equivalents	\$ 17,049,394	\$ -	\$ -	\$ 17,049,394
Receivables:				
Property taxes, net	2,468,675	-	-	2,468,675
Intergovernmental	317,551	-	-	317,551
Other	1,451,368	-	-	1,451,368
Internal balances	139,621,718	-	(139,621,718)	-
Other assets	2,613,951	-	-	2,613,951
Property, plant and equipment - net	-	80,406,577	-	80,406,577
Net pension asset	-	4,141,000	-	4,141,000
Total assets	<u>\$ 163,522,657</u>	<u>\$ 84,547,577</u>	<u>\$ (139,621,718)</u>	<u>\$ 108,448,516</u>
Deferred outflows of resources	-	16,004,484	-	16,004,484
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable and accrued expenses	\$ 4,787,099	\$ 3,325,361	\$ -	\$ 8,112,460
Internal balances	138,824,532	-	(139,621,718)	(797,186)
Long-term liabilities				
Due within one year	-	5,215,701	-	5,215,701
Due in more than one year	-	82,735,388	-	82,735,388
Net pension liability	-	46,489,295	-	46,489,295
Total liabilities	<u>143,611,631</u>	<u>137,765,745</u>	<u>(139,621,718)</u>	<u>141,755,658</u>
Deferred inflows of resources	2,914,046	6,746,173	-	9,660,219
Fund Balances/Net Position				
Total fund balances/net position	16,996,980	(43,959,857)	-	(26,962,877)
Total liabilities and fund balances/net position	<u>\$ 163,522,657</u>	<u>\$ 100,552,061</u>	<u>\$ (139,621,718)</u>	<u>\$ 124,453,000</u>

TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 8 - DIFFERENCES BETWEEN GOVERNMENTAL FUNDS BALANCE SHEET AND THE STATEMENT OF NET POSITION

- (1) When capital assets (land, buildings, equipment) that are to be used in governmental activities are purchased or constructed, the cost of these assets are reported as expenditures in governmental funds. However, the statement of net position includes those capital assets among the assets of the Town as a whole.

Cost of capital assets	\$ 141,061,269
Accumulated depreciation	(60,654,692)
	<u>\$ 80,406,577</u>

Because the focus of governmental funds is on short term financing, some assets will not be available to pay for current-period expenditures. Those assets (for example receivables) are offset by deferred revenues in the governmental funds and thus are not included in the fund balance. Also some expenditures in the governmental activities do not reflect current period charges.

Adjustment of unearned revenue	\$ 2,914,046
Accrued interest	(296,702)
Bond premiums	(3,028,659)
	<u>\$ (411,315)</u>

Long-term liabilities applicable to the Towns' governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities, both current and long-term are reported in the statement of net position.

Bonds payable	\$ (45,246,501)
Accrued compensated absences	(1,177,420)
Claims, judgments, and settlements	(2,291,980)
Capital leases payable	(16,943)
Net OPEB liability	(39,218,245)
Net pension liability	(46,489,295)
	<u>\$ (134,440,384)</u>

Town pension plans with a net pension asset balance at the end of the year.

Net pension asset - MERS Town	\$ 464,425
Net pension asset - TSB	3,676,575
	<u>\$ 4,141,000</u>

Deferred inflows and outflows of resources are amounts used under GASB 68 and GASB 75 in developing the annual pension and OPEB expense. Deferred inflows and outflows arise with differences between expected and actual experiences; changes of assumptions. The portion of these amounts not included in pension or OPEB expense should be included as deferred in or out.

Deferred inflows of resources - pensions	(5,524,114)
Deferred outflows of resources - pensions	15,976,616
Deferred outflows on refunding debt	27,868
Deferred inflows of resources - OPEB	(4,136,105)

TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 9 - DIFFERENCES BETWEEN GOVERNMENTAL FUND OPERATING STATEMENTS AND THE STATEMENT OF ACTIVITIES

The "net change in the fund balances" for governmental funds (\$8,310) differs from the "change in net position" for governmental activities (\$592,069) reported in the statement of activities. The differences arise primarily from the long-term economic focus of the statement of activities versus the current financial resources focus of the governmental funds. The effect of the differences is illustrated below.

Statement of Revenues, Expenditures, and Changes in Fund Balances/Statement of Activities

	Total Governmental Funds	Long-term Revenues/ Expenses (1)	Capital- related Items (2)	Long-term Debt Transactions (3)	Statement of Activities Totals
Revenues					
General property tax	\$ 57,000,833	\$ 75,685	\$ -	\$ -	\$ 57,076,518
Intergovernmental and departmental revenues	7,767,445	-	-	-	7,767,445
License and permits	2,113,333	-	-	-	2,113,333
Interest on investments	37,455	-	-	-	37,455
Tuitions	98,110	-	-	-	98,110
Other revenues	3,886,519	233,447	-	-	4,119,966
Total revenues	<u>70,903,695</u>	<u>309,132</u>	<u>-</u>	<u>-</u>	<u>71,212,827</u>
Expenditures					
Current:					
Legislative, judicial and general administrative	7,268,997	(3,341,118)	128,177	3,842,836	7,898,892
Financial administration	610,009	-	-	1,435,762	2,045,771
Information technology	494,331	-	-	-	494,331
Public safety	7,989,933	-	534,443	-	8,524,376
Public works	3,692,554	-	1,737,666	-	5,430,220
Teen center	12,500	-	-	-	12,500
Public health and welfare	366,361	-	-	-	366,361
Parks and recreation	579,924	-	59,574	-	639,498
Town planner	195,135	-	-	-	195,135
Education	41,187,480	(3,466,779)	1,632,387	3,903,397	43,256,485
Grants and contributions	29,000	-	-	-	29,000
Senior and human services	241,738	-	-	-	241,738
Library	520,235	-	-	-	520,235
Land trust	19,292	-	-	-	19,292
Financing costs	17,000	-	-	-	17,000
Capital outlay	1,674,115	-	(1,674,115)	-	-
Non capital outlay expenditures	6,768	-	-	-	6,768
Long-term obligations:					
Principal	4,295,833	-	-	(4,295,833)	-
Interest	2,272,912	-	-	(204,521)	2,068,391
Total expenditures	<u>71,474,117</u>	<u>(6,807,897)</u>	<u>2,418,132</u>	<u>4,681,641</u>	<u>71,765,993</u>
Other financing sources (uses)					
Issuance of debt	2,647,112	-	-	(2,647,112)	-
Payment to refunding bond escrow agent	(2,111,802)	-	-	2,111,802	-
Cost of issuance	(38,903)	-	-	-	(38,903)
Premium on refunding debt	65,705	-	-	(65,705)	-
Transfers from other funds	154,075	-	-	-	154,075
Transfers to other funds	(154,075)	-	-	-	(154,075)
Total other financing sources (uses)	<u>562,112</u>	<u>-</u>	<u>-</u>	<u>(601,015)</u>	<u>(38,903)</u>
Net change for the year	<u>\$ (8,310)</u>	<u>\$ 7,117,029</u>	<u>\$ (2,418,132)</u>	<u>\$ (5,282,656)</u>	<u>\$ (592,069)</u>

TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 9 - DIFFERENCES BETWEEN GOVERNMENTAL FUND OPERATING STATEMENTS AND THE STATEMENT OF ACTIVITIES (CONTINUED)

- (1) Increases in deferred revenues that provide current financial resources to governmental funds are not reported as revenues in the statement of activities. State funded public service corporation tax revenues that are not accrued for in the governmental funds are reported as revenues in the statement of activities.

Unearned revenue property tax	\$ <u>75,685</u>
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Interest expense in the statement of activities differs from the amount reported in the governmental funds for two reasons. Accrued interest was reduced on the calculation for bonds payable and bond issuance costs and premiums are reported as expenditures in governmental funds while in the government-wide financial statements they are capitalized and amortized over the life of the bond.

Accrued interest	\$ 204,521
Amortization bond premium costs	<u>233,447</u>
Total expenditure adjustment	<u>\$ 437,968</u>

- (2) When capital assets that are to be used in governmental activities are purchased or constructed, the resources expended for those assets are reported as expenditures in governmental funds. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. As a result, fund balance decreases by the amount of financial resources expended, whereas net assets decrease by the amount of depreciation expense charged for the year.

Capital outlay	\$ 1,699,762
Depreciation expense	<u>(4,041,816)</u>
Difference	<u>\$ (2,342,054)</u>

When a loss is realized for the disposal of capital assets the loss is not recognized on the governmental funds and is only recorded on the statement of activities.

Loss on disposal of equipment	\$ <u>(76,078)</u>
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- (3) Repayment of bond principal is reported as an expenditure in the governmental funds and, thus, has the effect of reducing fund balance because current financial resources have been used. For the town as a whole, however, the principal payments reduce the liabilities in the statement of net position and do not result in an expense in the statement of activities.

Issuance of debt	\$ (2,647,112)
New bond premium	(65,705)
Deferred outflows on refunding debt	41,802
Amortization of deferred loss on refunding debt	(13,934)
Principal payments made on refunding debt	2,070,000
Net capital lease payments/additions	27,736
Principal payments made	<u>4,295,833</u>
Difference	<u>\$ 3,708,620</u>

Certain accrued expenditures that do not use current financial resources are not reported in the fund financial statements. However, in the statement of activities these accrued expenses are recognized and charged to current activities.

Net (increase)/decrease in net OPEB liability	\$ 2,714,277
Net decrease claims, judgments, and settlements	7,567
Net (increase)/decrease in compensated absences	(253,120)
Net (increase)/decrease in net pension liability	(7,458,818)
Net increase/(decrease) in net pension asset	(69,598)
Net increase/(decrease) in deferred outflows	6,747,498
Net (increase)/decrease in deferred inflows	60,399
Net (increase)/decrease in deferred inflows OPEB	<u>(4,136,105)</u>
Change	<u>\$ (2,387,900)</u>

TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 10 - INTERFUND BALANCES

Inter-fund balances represent loans to various funds for use in operations when funds are either not available through operations or funding is being requested through other funding sources. These amounts are expected to be repaid at certain future dates. Below are the balances as of June 30, 2017:

	<u>Due from other funds</u>	<u>Due to other funds</u>
General Fund	\$ 135,103,143	\$ 138,166,276
School Bond 52m Capital Fund	1,909,443	-
Special Revenue Funds:		
School Restricted	127,716	452,172
Town Restricted	2,052,409	141,635
Town Projects Fund	265,976	3,107
	2,446,101	596,914
Other Non-major Funds		
Capital Projects Funds	4,280	-
Permanent Funds	158,751	61,342
Enterprise Funds		
Sewer	-	797,186
Totals	<u>\$ 139,621,718</u>	<u>\$ 139,621,718</u>

NOTE 11 - CAPITAL LEASES

The Town capital leases consist of office equipment. The future minimum lease payments are as follows:

Year End	Lease Payment
2018	16,943
Future Minmum Rental Payments	16,943
Interest Portion of Payments	847
Obligation Under Capital Leases	<u>\$ 17,790</u>

NOTE 12 - LONG-TERM LIABILITIES

The Town issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds may be issued for both general government and proprietary activities and are direct obligations and pledge the full faith and credit of the Town.

Rhode Island general laws cap the amount of each municipality's general obligation bonds that may be outstanding to 3% of its assessed property values. Exceptions apply to bonds financed from non-tax revenues and special exemptions are granted for other purposes as well. The assessed value of the Town's properties at December 31, 2015 was \$2,450,507,727 limiting the amount of non-excepted general obligation bond authority to \$73,515,232. The outstanding bonded debt applicable to the debt limit as of June 30, 2017 was \$2,085,000 which is \$71,430,232 below the maximum level.

TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 12 - LONG TERM LIABILITIES (CONTINUED)

The town reports a long-term liability of the primary government in either governmental type activities or business-type activities.

Long-term liability activity for the fiscal year ended June 30, 2017 was as follows:

	Date of Issuance	Interest Rate	Date of Maturity	Authorized	Outstanding July 1, 2016	Additions	Maturities During Year	Issues Refunded	Outstanding June 30, 2017	Amounts due within one year	Interest Paid
GOVERNMENTAL ACTIVITIES											
General Obligation Bonds & Notes Payable											
Health and Education Building Corp	2/2/2012	2.5 to 5.0%	6/30/2037	\$ 35,640,000	\$ 32,250,000	\$ -	\$ 1,015,000	\$ -	\$ 31,235,000	\$ 1,055,000	\$ 1,349,250
Health and Education Building Corp	11/15/2010	0.897%	5/15/2029	10,635,000	7,680,834	-	590,833	-	7,090,001	590,833	679,151
Open Space / School Improvements	3/15/2004	2.0-4.0%	3/15/2019	9,660,000	2,070,000	-	-	2,070,000	-	-	42,239
Police Station	9/1/2007	3.85%	6/15/2017	8,000,000	804,600	-	804,600	-	-	-	30,996
Landfill Reclamation	9/1/2007	3.85%	6/15/2017	1,600,000	165,400	-	165,400	-	-	-	6,349
Town Hall Sidewalk/Step Repair	4/29/2009	2.0-4.0%	4/15/2019	190,000	58,600	-	20,000	-	38,600	20,000	2,268
Senior Center/Public Works Offices	4/29/2009	2.0-4.0%	4/15/2019	3,050,000	1,021,400	-	340,000	-	681,400	340,000	35,532
RI Infrastructure Water Road & Bridge	5/25/2015	.023-1.73%	9/1/2024	2,000,000	1,494,388	504,612	210,000	-	1,789,000	212,000	123,387
Road & Bridge Revolving Loan Fund Loan	5/30/2017	1.76%	9/1/2036	5,000,000	-	57,500	-	-	57,500	-	-
Refunding Bond	9/8/2016	3.00 to 4.0%	10/1/2028	2,085,000	-	2,085,000	720,000	-	1,365,000	690,000	28,306
School Fields - RIHBC	2/25/2009	2.5-4.125%	5/15/2024	6,000,000	3,420,000	-	430,000	-	2,990,000	430,000	123,146
Total general obligation bonds payable				83,860,000	48,965,222	2,647,112	4,295,833	2,070,000	45,246,501	3,337,833	2,420,624
Capital leases											
Capital leases	various		various		44,679	-	27,736	-	16,943	16,943	1,387
Total governmental activates bonds, BANs and leases payable					49,009,901	2,647,112	4,323,569	2,070,000	45,263,444	3,354,776	2,422,011
Accrued expenses											
Compensated absences - Town					873,826	252,621	-	-	1,126,447	141,869	-
Compensated absences - School Department					50,474	499	-	-	50,973	10,195	-
Claims, judgments and settlements					599,547	1,700,000	7,567	-	2,291,980	1,708,861	-
Net OPEB liability					41,932,522	-	2,714,277	-	39,218,245	-	-
Net pension liability					39,918,346	7,458,818	-	-	47,377,164	-	-
Total accrued expenses					83,374,715	9,411,938	2,721,844	-	90,064,809	1,860,925	-
Total long-term liabilities - governmental activities					\$ 132,384,616	\$ 12,059,050	\$ 7,045,413	\$ 2,070,000	\$ 135,328,253	\$ 5,215,701	\$ 2,422,011
BUSINESS TYPE ACTIVITIES											
General Obligation Bonds Payable											
Sewer General Obligation Bonds	11/1/2008	4.0-4.2%	6/30/2023	\$ 6,000,000	\$ 3,900,000	\$ -	\$ -	\$ 3,000,000	\$ 900,000	\$ 600,000	\$ 83
Refunding Bond	9/8/2016	2.75 to 4.0%	10/1/2028	2,970,000	-	2,970,000	45,000	-	2,925,000	5,000	55,918
Total general obligation bonds payable				\$ 8,970,000	\$ 3,900,000	\$ 2,970,000	\$ 45,000	\$ 3,000,000	\$ 3,825,000	\$ 605,000	\$ 56,001
Notes payable											
RI Infrastructure Bank	8/25/1999	5.09%	9/1/2019	\$ 8,500,000	\$ 1,789,474	\$ -	\$ 447,368	\$ -	\$ 1,342,106	\$ 447,368	34,933
RI Infrastructure Bank	10/30/2002	3.90%	9/1/2022	11,100,000	4,698,033	-	623,014	-	4,075,019	638,409	65,162
RI Infrastructure Bank	12/21/2006	1.27%	9/1/2027	7,600,000	4,868,000	-	368,000	-	4,500,000	374,000	78,047
RI Infrastructure Bank	9/14/2009	0.41-2.68%	9/1/2029	2,462,252	1,838,198	-	110,377	-	1,727,821	112,924	44,424
RI Infrastructure Bank	6/2/2016	0.31-2.24%	9/1/1935	6,000,000	6,000,000	-	-	-	6,000,000	273,000	5,797
RI Infrastructure Bank	6/10/2010	0.61-3.25%	9/1/2031	3,000,000	2,515,000	-	126,000	-	2,389,000	129,000	74,328
Total Sewer notes payable				38,662,252	21,708,705	-	1,674,759	-	20,033,946	1,974,701	302,691
Total business-type activities funds bonds and loans payable					25,608,705	2,970,000	1,719,759	3,000,000	23,858,946	2,579,701	358,692
Accrued expenses											
Compensated absences					18,753	2,750	5,499	-	16,004	1,232	-
Total long-term liabilities - business-type activities					\$ 25,627,458	\$ 2,972,750	\$ 1,725,258	\$ 3,000,000	\$ 23,874,950	\$ 2,580,933	\$ 358,692

TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 12 - LONG-TERM LIABILITIES (Continued)

SCHEDULE OF DEBT SERVICE REQUIREMENTS

GOVERNMENTAL ACTIVITIES

Fiscal Year Ended June 30,	Percentage of Maturity	Principal	Interest	Total Debt Service
2018	6.64%	3,332,833	2,246,640	5,579,473
2019	13.81%	3,596,833	2,172,400	5,769,233
2020	19.00%	2,607,833	2,085,340	4,693,173
2021	24.29%	2,653,833	2,020,512	4,674,345
2022	29.66%	2,696,833	1,964,895	4,661,728
2023	35.17%	2,763,833	1,881,451	4,645,284
2024	40.83%	2,837,833	1,793,802	4,631,635
2025	45.76%	2,474,833	1,715,265	4,190,098
2026	50.33%	2,296,833	1,653,598	3,950,431
2027-2037	100.00%	24,927,504	8,455,926	33,383,430
		\$ 50,189,001	\$ 25,989,829	\$ 76,178,830

BUSINESS-TYPE ACTIVITIES

2018	10.81%	2,579,701	467,191	3,046,892
2019	20.49%	2,310,024	473,334	2,783,358
2020	30.31%	2,341,736	422,599	2,764,335
2021	38.37%	1,923,327	353,582	2,276,909
2022	46.55%	1,952,697	316,258	2,268,955
2023	54.89%	1,988,486	300,261	2,288,747
2024	60.29%	1,287,603	264,980	1,552,583
2025	65.77%	1,307,999	232,304	1,540,303
2026	71.32%	1,325,244	202,189	1,527,433
2027-2029	100.00%	6,842,129	694,898	7,537,027
		\$ 23,858,946	\$ 3,727,596	\$ 27,586,542

TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 13 – LITIGATION, CLAIMS, JUDGMENTS AND SETTLEMENTS

During the ordinary course of its operations, the Town is a party to various claims, other legal actions and complaints. These various legal actions include disputes in property valuations and torts for which the Town has been named as a defendant. In the opinion of the Town's management and legal counsel, other than the matters stated below they do not anticipate any of them to have a material financial impact or at this time their legal counsel has been unable to assess liability, if any, on the part of the Town.

A certified class action has been filed against the Town related to illegal imposition of impact fees. The fees were imposed by the East Greenwich Fire District, which was a separate legal entity until 2013, when the Town acquired the District through enabling legislation passed by the RI General Assembly. As a result of recent mediation, the Town has agreed to settle this claim for \$1,700,000 due and payable by June 30, 2018. The Town's Government-Wide Financial Statement has made the necessary accrual for this liability and recognized the expense as a restatement of its prior year's Net Position. The Town's General Fund committed fund balance includes this amount in the claims and judgements category.

The Town had refunded \$6,000,000 General Obligation Bonds in September of 2016. Part of the refunding included three (3) \$300,000 mandatory sinking fund payments due October 1 of 2016, 2017, and 2018. Due to an administrative error, no redemption notices were generated for DTC and no payments of the \$300,000 mandatory sinking fund payments due October 1, 2016 and October 1, 2017 were made relating to the payments due on such dates. A notice of partial redemption was transmitted to the Depository Trust Company (DTC) on February 15, 2018. On February 21, 2018, the Town wired funds to US Bank so that mandatory sinking fund payments due October 1, 2016 and October 1, 2017 together with accrued and unpaid interest was made on March 17, 2018.

NOTE 14 - FUND TRANSFERS

Transfers are made to provide revenue for annual expenditures of various funds. Transfers are not expected to be repaid to the originating (source) fund. Listed below is the transfer activity for fiscal year ended June 30, 2017.

<u>Fund / Department</u>	Transfers from other funds	Transfers to other funds
Capital Projects Fund	\$ 154,075	\$ -
Special Revenue Fund	-	154,075
Totals	<u>\$ 154,075</u>	<u>\$ 154,075</u>

TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 15 - RETIREMENT PLANS & POST EMPLOYMENT BENEFITS

A. MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM OF THE STATE OF RHODE ISLAND

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

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

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

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

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

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

Subsequent to June 30, 2015, litigation challenging the various pension reform measures enacted in previous years by the General Assembly (2009, 2010, and 2011) was settled. The final settlement approved by the Court on July 8, 2015 also included enactment of the pension settlement provisions by the General Assembly. These amended benefit provisions, which have been included in the determination of the total pension liability at the June 30, 2015 measurement date and are reflected in the summary of benefit provisions described below.

**TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017**

NOTE 15 - RETIREMENT PLANS & POST EMPLOYEMENT BENEFITS

A. MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM OF THE STATE OF RHODE ISLAND

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 in (a) above. The interpolation is based on service as of June 30, 2012 divided by projected service at the member's prior Retirement Date. The minimum retirement age is 59.

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

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

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

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

The annual benefit is equal to 2.00% 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.

TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 15 - RETIREMENT PLANS & POST EMPLOYMENT BENEFITS

A. MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM OF THE STATE OF RHODE ISLAND

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

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

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

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

Other benefit provisions

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

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

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

a. The COLA will be suspended for any unit whose funding level is less than 80%; however, an interim COLA may be granted in four-year intervals while the COLA is suspended. The first interim COLA may begin January 1, 2018.

b. 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%

c. The COLA will be limited to the first \$25,000 of the member's annual pension benefit. For retirees and beneficiaries who retired on or before July 1, 2015, years in which a COLA is payable based on the every fourth year provision described in (i) 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 \$25,000 for 2013, \$25,000 for 2014, \$25,168 for 2015, \$25,855 for 2016, and \$26,098 for 2017.

TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 15 - RETIREMENT PLANS

A. MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM OF THE STATE OF RHODE ISLAND

Employees covered by benefit terms

At the June 30, 2016 valuation date, the following employees were covered by the benefit terms:

	Town General Employees MERS Plan	Town COLA Employees MERS Plan	Town Fire Non-Cert Employees MERS Plan	Police Employees MERS Plan	Fire Employees MERS Plan
Retirees and Beneficiaries	56	41	1	32	34
Inactive, Nonretired Members	53	52	0	5	3
Active Members	15	168	1	31	37
Total	124	261	2	68	74

Contributions - The amount of employee and employer contributions have been established under Rhode Island General Law Chapter 45-21. General employees with less than 20 years of service as of June 30, 2012 are required to contribute 1% (employer should report 2% if opted to provide a COLA) of their salaries. General employees with more than 20 years of service as of June 30, 2012 are required to contribute 8.25%. Public safety employees are required to contribute 9% (employer should report 10% if opted to provide a COLA) of their salaries. The Town of East Greenwich contributes at a rate of covered employee payroll as determined by an independent actuary on an annual basis. The General Assembly can amend the amount of these contribution requirements. The Town of East Greenwich contributed \$1,820,984 in the year ended June 30, 2017 which averaged out to 14.81% of the annual payroll.

Net Pension Liability (Asset) - The total pension liability was determined by actuarial valuations performed as of June 30, 2015 and rolled forward to June 30, 2016, using the following actuarial assumptions, applied to all periods included in the measurement.

Summary of Actuarial Assumptions Used in the Valuations to determine the Net Pension Liability at the June 30, 2016 measurement date (June 30, 2015 valuation rolled forward to June 30, 2016)	
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	7.50%
Projected Salary Increases	General Employees - 3.5% to 7.5% ; Police & Fire Employees - 4.0% to 14.0%
Inflation	2.75%
Mortality	<ul style="list-style-type: none"> Male Employees, MERS General and MERS P&F: 115% of RP-2000 Combined Healthy for Males with White Collar adjustments, projected with Scale AA from 2000. Female Employees, MERS General and MERS P&F: 95% of RP-2000 Combined Healthy for Females with White Collar adjustments, projected with Scale AA from 2000.
Cost of Living Adjustments	A 2% COLA is assumed after January 1, 2014.

TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 15 - RETIREMENT PLANS (CONTINUED)

A. MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM OF THE STATE OF RHODE ISLAND (CONTINUED)

The actuarial assumptions used in the June 30, 2015 valuation rolled forward to June 30, 2016 and the calculation of the total pension liability at June 30, 2016 were consistent with the results of an actuarial experience study performed as of June 30, 2013.

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 35 sources. The June 30, 2016 expected arithmetic returns over the long-term (20 years) by asset class are summarized in the following table:

<u>Type of Investment</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
Global Equity:	38.00%	
U.S. Equity		6.98%
International Developed		7.26%
International Emerging Markets		9.57%
Equity Hedge Funds	8.00%	4.10%
Private Equity	7.00%	10.15%
Core Fixed Income	15.00%	2.37%
Absolute Return Hedge Funds	7.00%	4.10%
Infrastructure	3.00%	5.58%
Real Estate	8.00%	5.33%
Other Real Return Assets:	11.00%	
Master Limited Partnerships		4.97%
Credit		4.97%
Inflation Linked Bonds		1.76%
Cash, Overlay and Money Market	3.00%	0.82%
	<u>100.00%</u>	

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

Discount rate - The discount rate used to measure the total pension liability of the plans was 7.5 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from the employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The Town of East Greenwich has five separate reporting units within its MERS plan. The units are for Town Employees, Town Employees with COLA, Town Fire Non-Cert Employees, Police Employees, and Fire Employees. The following schedules present the changes in the Net Pension Liability (Asset) for the year.

TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 15 - RETIREMENT PLANS (CONTINUED)

A. MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM OF THE STATE OF RHODE ISLAND (CONTINUED)

Changes in Net Pension Liability (Asset) - Town Employees

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances as of June 30, 2015	<u>\$ 6,494,387</u>	<u>\$ 7,303,640</u>	<u>\$ (809,253)</u>
Changes for the Year			
Service Cost	105,287		105,287
Interest on the total pension liability	471,552		471,552
Changes in benefits	-		-
Difference between expected and actual experience	(141,746)		(141,746)
Changes in assumptions	-		-
Employer contributions		59,728	(59,728)
Employee contributions		39,342	(39,342)
Net investment income		13,936	(13,936)
Benefit payments, including employee refunds	(519,351)	(519,351)	-
Administrative expense		(22,741)	22,741
Other changes		-	-
Net changes	<u>(84,258)</u>	<u>(429,086)</u>	<u>344,828</u>
Balances as of June 30, 2016	<u>\$ 6,410,129</u>	<u>\$ 6,874,554</u>	<u>\$ (464,425)</u>

Changes in Net Pension Liability (Asset) - Town Employees - COLA

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances as of June 30, 2015	<u>\$ 20,312,349</u>	<u>\$ 21,200,218</u>	<u>\$ (887,869)</u>
Changes for the Year			
Service Cost	530,518		530,518
Interest on the total pension liability	1,511,717		1,511,717
Changes in benefits	-		-
Difference between expected and actual experience	(228,251)		(228,251)
Changes in assumptions	-		-
Employer contributions		312,577	(312,577)
Employee contributions		188,573	(188,573)
Net investment income		(17,348)	17,348
Benefit payments, including employee refunds	(842,771)	(842,771)	-
Administrative expense		(9,336)	9,336
Other changes		1,050	(1,050)
Net changes	<u>971,213</u>	<u>(367,255)</u>	<u>1,338,468</u>
Balances as of June 30, 2016	<u>\$ 21,283,562</u>	<u>\$ 20,832,963</u>	<u>\$ 450,599</u>

TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 15 - RETIREMENT PLANS (CONTINUED)

A. MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM OF THE STATE OF RHODE ISLAND (CONTINUED)

Changes in Net Pension Liability (Asset) - Town Employees - Non Cert Fire

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances as of June 30, 2015	\$ 343,977	\$ 322,386	\$ 21,591
Changes for the Year			
Service Cost	815		815
Interest on the total pension liability	25,013		25,013
Changes in benefits	-		-
Difference between expected and actual experience	10,839		10,839
Changes in assumptions	-		-
Employer contributions		929	(929)
Employee contributions		207	(207)
Net investment income		(105)	105
Benefit payments, including employee refunds	(21,752)	(21,752)	-
Administrative expense		(281)	281
Other changes		-	-
Net changes	<u>14,915</u>	<u>(21,002)</u>	<u>35,917</u>
Balances as of June 30, 2016	<u>\$ 358,892</u>	<u>\$ 301,384</u>	<u>\$ 57,508</u>

Changes in Net Pension Liability (Asset) - Police Employees

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances as of June 30, 2015	\$ 19,921,634	\$ 13,739,335	\$ 6,182,299
Changes for the Year			
Service Cost	427,351		427,351
Interest on the total pension liability	1,466,942		1,466,942
Changes in benefits	-		-
Difference between expected and actual experience	(43,323)		(43,323)
Changes in assumptions	-		-
Employer contributions		641,008	(641,008)
Employee contributions		228,603	(228,603)
Net investment income		(4,665)	4,665
Benefit payments, including employee refunds	(1,152,174)	(1,152,174)	-
Administrative expense		(12,549)	12,549
Other changes		(2)	2
Net changes	<u>698,796</u>	<u>(299,779)</u>	<u>998,575</u>
Balances as of June 30, 2016	<u>\$ 20,620,430</u>	<u>\$ 13,439,556</u>	<u>\$ 7,180,874</u>

TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 15 - RETIREMENT PLANS (CONTINUED)

A. MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM OF THE STATE OF RHODE ISLAND (CONTINUED)

Changes in Net Pension Liability (Asset) - Fire Employees

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances as of June 30, 2015	\$ 18,159,572	\$ 11,127,797	\$ 7,031,775
Changes for the Year			
Service Cost	453,527		453,527
Interest on the total pension liability	1,339,670		1,339,670
Changes in benefits	-		-
Difference between expected and actual experience	23,103		23,103
Changes in assumptions	-		-
Employer contributions		666,079	(666,079)
Employee contributions		255,969	(255,969)
Net investment income		(3,814)	3,814
Benefit payments, including employee refunds	(1,048,145)	(1,048,145)	-
Administrative expense		(10,261)	10,261
Other changes		1,096	(1,096)
Net changes	<u>768,155</u>	<u>(139,076)</u>	<u>907,231</u>
Balances as of June 30, 2016	<u>\$ 18,927,727</u>	<u>\$ 10,988,721</u>	<u>\$ 7,939,006</u>

Sensitivity of the Net Pension Liability to changes in the discount rate. The following presents the net pension liability (asset) of the employers calculated using the discount rate of 7.5 percent, as well as what the employers' net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate.

Plan:	1.00% Decrease (6.5%)	Current Discount Rate (7.5%)	1.00% Increase (8.5%)
Town Employees	231,349	(464,425)	(1,034,050)
Town COLA	2,666,132	450,599	(1,362,505)
Town Fire Non Cert	95,644	57,508	26,295
Police	9,363,320	7,180,874	5,394,556
Fire	9,941,589	7,939,006	6,299,909

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

TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 15 - RETIREMENT PLANS (CONTINUED)

A. MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM OF THE STATE OF RHODE ISLAND (CONTINUED)

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

For the year ended June 30, 2017 the employer recognized pension expense of \$65,206 for Town Employees, \$308,323 for Town COLA, \$-0- for Town Fire Non-Cert, \$680,149 for Police Employees and \$767,306 for Fire Employees. The employer reported deferred outflows and inflows of resources related to pensions from the following sources:

	General Town Employees MERS Plan	Town COLA Employees MERS Plan	Town Non- Cert Fire Employees MERS Plan	Police Employees MERS Plan	Fire Employees MERS Plan
Deferred Outflows of Resources:					
Contributions subsequent to measurement date	\$ 65,206	\$ 308,323	\$ -	\$ 680,149	\$ 767,306
Difference between expected and actual experience	-	69,271	9,096	34,403	129,907
Difference between projected and actual earnings	645,950	1,915,356	28,722	1,238,503	1,004,333
Changes in assumptions	-	-	-	-	-
Total Deferred Outflows of Resources:	\$ 711,156	\$ 2,292,950	\$ 37,818	\$ 1,953,055	\$ 1,901,546
Deferred Inflows of Resources:					
Difference between actual and expected experience	37,575	189,789	12,248	35,204	-
Difference between projected and actual earnings	202,054	566,146	8,697	368,916	296,170
Changes in assumptions	-	36,370	3,926	46,296	63,433
Total Deferred Inflows of Resources:	\$ 239,629	\$ 792,305	\$ 24,871	\$ 450,416	\$ 359,603

TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 15 - RETIREMENT PLANS (CONTINUED)

A. MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM OF THE STATE OF RHODE ISLAND (CONTINUED)

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

Town Employees		Town Employees - COLA		Town Employees - Non Cert Fire	
Year Ending June 30	Net Deferred (outflows)/inflows of resources	Year Ending June 30	Net Deferred (outflows)/inflows of resources	Year Ending June 30	Net Deferred (outflows)/inflows of resources
2018	\$ 42,233	2018	\$ 216,596	2018	\$ 2,153
2019	79,808	2019	216,598	2019	2,154
2020	180,836	2020	499,669	2020	6,503
2021	103,444	2021	287,761	2021	3,195
2022	-	2022	(28,302)	2022	(408)
Thereafter	-	Thereafter	-	Thereafter	(650)
Total	\$ 406,321	Total	\$ 1,192,322	Total	\$ 12,947

Police Employees		Fire Employees	
Year Ending June 30	Net Deferred (outflows)/inflows of resources	Year Ending June 30	Net Deferred (outflows)/inflows of resources
2018	\$ 143,821	2018	\$ 139,199
2019	143,821	2019	139,197
2020	332,668	2020	287,284
2021	204,908	2021	174,894
2022	(2,728)	2022	23,961
Thereafter	-	Thereafter	10,102
Total	\$ 822,490	Total	\$ 774,637

B. EMPLOYEES' RETIREMENT SYSTEM OF THE STATE OF RHODE ISLAND

Plan description - Certain employees of the East Greenwich School Department 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>.

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

TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 15 - RETIREMENT PLANS (CONTINUED)

B. EMPLOYEES' RETIREMENT SYSTEM OF THE STATE OF RHODE ISLAND

credits accumulated at dates specified in various amendments to the General Laws outlining minimum retirement age, benefit accrual rates and maximum benefit provisions. In general, members accumulate service credits for each year of service subject to maximum benefit accruals of 80% or 75%. For those hired after June 30, 2012, the benefit accrual rate is 1% per year with a maximum benefit accrual of 40%. Members eligible to retire at September 30, 2009 may retire with 10 years of service at age 60 or after 28 years of service at any age. The retirement eligibility age increases proportionately for other members reflecting years of service and other factors until it aligns with the Social Security Normal Retirement Age, which applies to any member with less than 5 years of service as of July 1, 2012. Members are vested after 5 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 but are currently suspended until the collective plans covering state employees and teachers reach a funded status of 80%. Until the plans reach an 80% funded status, interim cost of living adjustments are provided at five-year intervals.

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

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 2017, East Greenwich teachers were required to contribute 3.75% of their annual covered salary, except for teachers with twenty or more years of service as of June 30, 2012 must contribute 11% of their annual covered salary. The state and the East Greenwich School Department 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 East Greenwich School Department; the rates were 9.41% and 13.73% of annual covered payroll for the fiscal year ended June 30, 2017 for the State and East Greenwich School Department, respectively. The East Greenwich School Department contributed \$2,297,196, \$2,314,652 and \$2,091,559 for the fiscal years ended June 30, 2017, 2016 and 2015, 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, 2017, the East Greenwich School Department reported a liability of \$30,861,308 for its proportionate share of the net pension liability that reflected a reduction for contributions made by the state. The amount recognized by the East Greenwich School Department 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 East Greenwich School Department are as follows:

East Greenwich School Dept's proportionate share of the net pension liability	\$ 30,861,308
State's proportionate share of the net pension liability associated with the East Greenwich School Dept.	<u>21,135,464</u>
Total net pension liability	<u><u>\$ 51,996,772</u></u>

TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 15 - RETIREMENT PLANS (CONTINUED)

B. EMPLOYEES' RETIREMENT SYSTEM OF THE STATE OF RHODE ISLAND

The net pension liability was measured as of June 30, 2016, 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, 2015 rolled forward to June 30, 2016. The East Greenwich School Department's proportion of the net pension liability was based on a projection of the Department 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, 2016 the East Greenwich School District's proportion was 1.003437259%

For the year ended June 30, 2017 the East Greenwich School Department recognized gross pension expense of \$4,567,075 and revenue of \$1,769,175 for support provided by the State. At June 30, 2017 the East Greenwich School Department reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Deferred outflows of resources:

Net difference between projected and actual investment earnings	\$ 3,492,262
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Changes in proportion and differences between employer contributions and proportionate share of contributions	1,594,731
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Contributions made subsequent to the measurement date	2,297,196
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Total	<u><u>\$ 7,384,189</u></u>
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Deferred inflows of resources:

Differences between expected and actual experience	\$ 608,911
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Net difference between projected and actual earnings on pension plan investments	1,083,989
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Change of assumptions	639,276
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Changes in proportion and differences between employer contributions and proportionate share of contributions	262,238
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Total	<u><u>\$ 2,594,414</u></u>
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\$2,297,196 reported as deferred outflows of resources related to pensions resulting from the East Greenwich School Department contributions in fiscal year 2017 subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 15 - RETIREMENT PLANS (CONTINUED)

B. EMPLOYEES' RETIREMENT SYSTEM OF THE STATE OF RHODE ISLAND

Year Ending June 30	Net Deferred (outflows)/inflows of resources
2018	\$ 414,866
2019	\$ 414,866
2020	\$ 956,861
2021	\$ 555,736
2022	\$ (16,486)
thereafter	\$ 166,736
	<u>\$ 2,492,579</u>

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

Inflation	2.75%
Salary increases	3.50% to 13.50%
Investment rate of return	7.50%

Mortality – male and female teachers: 97% and 92%, respectively of rates in a GRS table based on male and female teacher experience, projected with Scale AA from 2000.

The actuarial assumptions used in the June 30, 2015 valuation rolled forward to June 30, 2016 and the calculation of the total pension liability at June 30, 2016 were consistent with the results of an actuarial experience study performed as of June 30, 2013.

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 35 sources. The June 30, 2016 expected arithmetic returns over the long-term (20 years) by asset class are summarized in the following table:

**TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017**

NOTE 15 - RETIREMENT PLANS (CONTINUED)

B. EMPLOYEES' RETIREMENT SYSTEM OF THE STATE OF RHODE ISLAND

<u>Type of Investment</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
Global Equity:	38.00%	
U.S. Equity		6.98%
International Developed		7.26%
International Emerging Markets		9.57%
Equity Hedge Funds	8.00%	4.10%
Private Equity	7.00%	10.15%
Core Fixed Income	15.00%	2.37%
Absolute Return Hedge Funds	7.00%	4.10%
Infrastructure	3.00%	5.58%
Real Estate	8.00%	5.33%
Other Real Return Assets:	11.00%	
Master Limited Partnerships		4.97%
Credit		4.97%
Inflation Linked Bonds		1.76%
Cash, Overlay and Money Market	3.00%	0.82%
	<u>100.00%</u>	

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

Discount rate - the discount rate used to measure the total pension liability was 7.5 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from the employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the 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 7.5 percent 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.

<u>1.00% Decrease (6.5%)</u>	<u>Current Discount Rate (7.5%)</u>	<u>1.00% Increase (8.5%)</u>
\$ 38,111,015	\$ 30,861,308	\$ 24,926,336

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

TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 15 - RETIREMENT PLANS (CONTINUED)

C. TEACHERS SURVIVOR BENEFITS

General Information about the Pension Plan

Plan description - Certain employees of the East Greenwich 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. 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, widower, or child who could ever qualify for monthly benefits on the member's wages and the parent has reached the age of 60 years, has not remarried, and received support from the member.

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

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

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

<u>Highest Annual Salary</u>	<u>Basic Monthly Spouse's Benefit</u>
\$17,000 or less	\$ 750
\$17,001 to \$25,000	\$ 875
\$25,001 to \$33,000	\$ 1,000
\$33,001 to \$40,000	\$ 1,125
\$40,001 and over	\$ 1,250

TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 15 - RETIREMENT PLANS (CONTINUED)

C. TEACHERS SURVIVOR BENEFITS

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

Parent and 1 child	Parent and 2 or more children	One child alone	Two children alone	Three or more children alone	Dependent parent
150%	175%	75%	150%	175%	100%

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 \$9,600; 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 East Greenwich School Department contributed \$23,136, \$22,545 and \$23,715 for the fiscal years ended June 30, 2017, 2016 and 2015, 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, 2017 the East Greenwich School Department reported an asset of \$3,676,575 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, 2016, 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, 2016. The Department's proportion of the net pension asset was based on its share of contributions to the TSB for fiscal year 2016 relative to the total contributions of all participating employers for that fiscal year. At June 30, 2016 the Department's proportion was 3.69238314%.

For the year ended June 30, 2017 the East Greenwich School Department recognized pension expense of \$66,453 – an increase in the net pension asset. At June 30, 2017 the East Greenwich School Department reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 15 - RETIREMENT PLANS (CONTINUED)

C. TEACHERS SURVIVOR BENEFITS

Deferred Outflows of resources

Differences between expected and actual experience	\$	699,899
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Net difference between projected and actual investment earnings		972,867
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Contributions subsequent to the measurement date		23,136
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Total		<u><u>1,695,902</u></u>
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Deferred inflows of resources

Differences between expected and actual experience	\$	730,895
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Changes in proportion and differences between employer contributions and proportionate share of contributions		31,605
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Net difference between projected and actual investment earnings		300,376
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Total	<u><u>\$</u></u>	<u><u>1,062,876</u></u>
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\$23,136 reported as deferred outflows of resources related to pensions resulting from the East Greenwich School Department contributions in fiscal year 2017 subsequent to the measurement date will be recognized as an addition to the net pension asset for the year ended June 30, 2018. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30	Net Deferred (outflows)/inflows of resources
2018	124,912
2019	124,912
2020	275,100
2021	165,599
2022	4,508
Thereafter	(85,141)
	<u><u>609,890</u></u>

TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 15 - RETIREMENT PLANS (CONTINUED)

C. TEACHERS SURVIVOR BENEFITS

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

Inflation	2.75%
Salary increases	3.50% to 13.50%
Investment rate of return	7.50%

Mortality rates for male and female teachers were based on 97% (males) and 92% (females) of rates in a GRS table based on male and female teacher experience, projected with scale AA from 2000.

Cost of living adjustment – eligible survivors receive a yearly cost of living adjustment based on the annual social security adjustment – for valuation purposes, a 2.75% cost of living adjustment is assumed.

The actuarial assumptions used in the June 30, 2016 valuation and the calculation of the total pension liability at June 30, 2016 were consistent with the results of an actuarial experience study performed as of June 30, 2016.

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 35 sources. The June 30, 2016 expected arithmetic returns over the long-term (20 years) by asset class are summarized in the following table:

<u>Type of Investment</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
Global Equity:	38.00%	
U.S. Equity		6.98%
International Developed		7.26%
International Emerging Markets		9.57%
Equity Hedge Funds	8.00%	4.10%
Private Equity	7.00%	10.15%
Core Fixed Income	15.00%	2.37%
Absolute Return Hedge Funds	7.00%	4.10%
Infrastructure	3.00%	5.58%
Real Estate	8.00%	5.33%
Other Real Return Assets:	11.00%	
Master Limited Partnerships		4.97%
Credit		4.97%
Inflation Linked Bonds		1.76%
Cash, Overlay and Money Market	3.00%	0.82%
	<u>100.00%</u>	

TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 15 - RETIREMENT PLANS (CONTINUED)

C. TEACHERS SURVIVOR BENEFITS

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 7.5 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from the employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the 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 7.5 percent 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.

1.00% Decrease (6.5%)	Current Discount Rate (7.5%)	1.00% Increase (8.5%)
\$ (2,917,405)	\$ (3,676,575)	\$ (4,297,715)

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

D. DEFINED CONTRIBUTION PLAN

Plan Description

Certain employees participating in the defined benefit plan, 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 1% of annual covered salary. Employee contributions are immediately vested while employer contributions and any investment earnings thereon are vested after three years of contributory service. Benefit terms and contributions required under the plan by both the employee and employer are established by the General Laws, which are subject to amendment by the General Assembly.

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

The East Greenwich School Department recognized pension expense of \$492,824 for the fiscal year ended June 30, 2017.

TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 15 - RETIREMENT PLANS (CONTINUED)

D. DEFINED CONTRIBUTION PLAN

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>.

	EE contribution	ER contribution
ERS members		
ERS - Teachers - contribute to Social Security - less than 20 years of service at 7/1/2012	5%	1% to 1.5% depending on years of
ERS - Teachers - do not contribute to Social Security - less than 20 years of service at	7%	3% to 3.5% depending on years of
ERS - Teachers - more than 20 years of service at 7/1/2012	NO DC plan contributions (ee and er) after July 1, 2015	

NOTE 16 – OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN

OPEB Trust (the Trust)

Plan Description

Plan administration: The East Greenwich OPEB Trust Fund administers the Town's Other Post-Employment Benefits – a single employer defined benefit plan that is used to provide postemployment benefits other than pensions (OPEB) for all permanent full-time general and public safety employees of the Town. Benefit provisions are established through negotiations between the Town and the various unions representing the employees. The plan is considered to be part of the Town's financial reporting entity and is included in the Town's financial report as the Other Postemployment Benefits Trust Fund. The plan does not issue a standalone financial report.

The Trust Fund investments are managed by Vanguard Institutional Advisory Services (VIAS) and services are administered by Public Agency Retirement Services. All costs for management and administration are paid by the assets in the Trust Fund.

**TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017**

NOTE 16 – OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

Benefits Provided

The Trust provides medical and life insurance benefits to eligible retirees and their spouses.

Eligibility

General Employees

Members who have retired under the Municipal Employee Retirement System, shall be eligible to receive medical benefits for self and spouse. Eligibility for retirement is the earlier of completion of 30 years of service regardless of age, or age 58 with 10 years of service.

Police and Fire

Members who have retired under the Municipal Employee Retirement System for police and fire shall be eligible to receive medical benefits for self and spouse. Minimum eligibility for retirement is completion of 20 years of service regardless of age, or age 55 with 10 years of service. At the time retiree becomes eligible for Medicare they will become covered under the Group Plan 65.

Teachers and Administrators

Members of the East Greenwich School Department are eligible for postretirement health and life insurance coverage after attaining 20 years of service with the School Department. Certain administrative members require only five years of service with the School Department to become eligible. Current paraprofessionals and custodians are excluded from the program. Eligible retirees receive full medical and dental insurance coverage for two years following retirement. The eligible retiree may elect individual or family coverage. The retiree contribution rate is 18% for the rate charged to active members for individual or family coverage (20% for administrative members). Eligible retirees are covered under their life insurance policy for an additional two years following retirement.

Employees Covered by Benefit Terms

At June 30, 2017, the following employees were covered by the benefit terms:

	Participants
Active employees	390
Retirees and beneficiaries	87
Total	<u>477</u>

Contributions

Town, DPW, NEARI and Other divisions

Employees who retire prior to age 65, the retiree is partially covered under the Blue Cross Blue Shield Plan (single coverage only) with the Town contributing 3.3% of the premium per year of service at retirement. Retirees contribute the remaining amount of the required premium which is not funded by the Town.

Police and Fire

Upon retirement, Police Officers and Fire Fighters receive fully covered medical coverage (single or family) under Blue Cross Blue Shield (or equivalent) until the retiree becomes Medicare eligible. At that time the retiree becomes covered under the Group Plan 65 (single or single +1 coverage).

School Employees

The School Department pays the balance for retiree health and dental insurance for two years above the 18% paid by the retiree.

TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 16 – OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

Investments

Investment policy: The Trust's policy in regard to the allocation of invested assets is established and may be amended by the VIAS discretionary investment management agreement approved and signed by the Town's plan administrator and any other investment policy established by the Town. It is the policy of the Town to pursue and investment strategy that reduced risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The Town's investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short term time span. The following was the Board's adopted asset allocation policy as of June 30, 2017:

Rate of Return: For the year ended June 30, 2017, the annual money-weighted rate of return on investments, net of investment expense was 13.17%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Net OPEB Liability of the Town

The components of the net OPEB liability of the Town at June 30, 2017, were as follows:

Total OPEB liability	\$ 41,604,380
Plan fiduciary net position	(2,386,135)
Town's net OPEB liability	<u>\$ 39,218,245</u>
Plan fiduciary net position as a percentage of the total OPEB liability	5.74%

Actuarial assumptions: The total OPEB liability was determined by an actuarial valuation as of June 30, 2017, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Summary of Actuarial Assumptions Used in the Valuations to determine the Net OPEB Liability at the June 30, 2017 measurement date (June 30, 2016 valuation rolled forward to June 30, 2017)	
Actuarial Cost Method	Entry Age Normal - the Individual Entry Age Actuarial Cost methodology is used.
Actuarial Assumptions	
Investment Rate of Return	7.00%
Discount rate	3.57%
Projected Salary Increases	3.00% annually
Health Care Cost Trend Rates	5.50% per year graded down by the getzen model to an ultimate rate of 3.84% per year.
Participation Rate	90% of eligible future retirees are assumed to elect medical coverage. 100% of current retirees are assumed to participate.
Mortality	RP-2014 Employee and Healthy Annuitant with Scale MP-2017 generational improvements from 2006 (Male/Female)

TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 16 – OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

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

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Domestic Equity	N/A	N/A
International Equity	N/A	N/A
Domestic Bond	N/A	N/A
International Bond	N/A	N/A
Alternatives	N/A	N/A
Vanguard Growth Strategy	100%	100.00%
	100%	100%

Discount Rate

The discount rate used to measure the total OPEB liability was 2.93% of the Town and 2.92% for the School. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that Town contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plans 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 investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 16 – OTHER POSTEMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

Changes in Net Opeb Liability

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balances as of June 30, 2016	\$ 43,711,291	\$ 1,778,769	\$ 41,932,522
Changes for the Year			
Service Cost	1,975,959		1,975,959
Interest on the total OPEB liability	1,263,671		1,263,671
Changes in benefits	-		-
Difference between expected and actual experience	(361,481)		(361,481)
Changes in assumptions	(4,140,148)		(4,140,148)
Employer contributions		1,194,912	(1,194,912)
Net investment income		257,366	(257,366)
Benefit payments, including employee refunds	(844,912)	(844,912)	-
Administrative expense		-	-
Other changes		-	-
Net changes	<u>(2,106,911)</u>	<u>607,366</u>	<u>(2,714,277)</u>
Balances as of June 30, 2017	<u>\$ 41,604,380</u>	<u>\$ 2,386,135</u>	<u>\$ 39,218,245</u>

Sensitivity of the net OPEB liability to changes in the discount rate: The following presents the net OPEB liability of the Town, calculated using the discount rate of 3.56%, as well as what the Town's net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.56%) or 1 percentage point higher (4.56%) than the current discount rate:

1.00% Decrease (2.57%)	Current Discount Rate (3.57%)	1.00% Increase (4.57%)
\$ 46,235,067	\$ 39,218,245	\$ 33,681,240

TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 16 – OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates: The following presents the net OPEB liability of the Town as of June 30, 2017 calculated using the trend rate of 5.50% per year graded down by the getzen model to an ultimate rate of 3.84% per year, as well as what the Town's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower (2.84%) or 1 percentage point higher (4.84%) than the current healthcare trend rates:

1% Decrease	Current HCCTR	1% Increase
4.50% per year graded down by the getzen model to an ultimate rate of 2.84% per year	5.50% per year graded down by the getzen model to an ultimate rate of 3.84% per year	6.50% per year graded down by the getzen model to an ultimate rate of 4.84% per year
\$ 32,607,925	\$ 39,218,245	\$ 47,802,985

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

For the year ended June 30, 2017, the Town recognized OPEB expense of \$2,616,740. At June 30, 2017, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ -	\$ 328,593
Changes of assumptions	-	3,701,230
Net difference between projected and actual earnings on OPEB plan investments	-	106,282
Total	<u>\$ -</u>	<u>\$ 4,136,105</u>

TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 16 – OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

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

OPEB Plan	
Year Ending June 30	Net Deferred (outflows)/inflows of resources
2018	\$ (498,376)
2019	(498,376)
2020	(498,376)
2021	(498,378)
2022	(471,806)
Thereafter	(1,670,793)
Total	<u>\$ (4,136,105)</u>

NOTE 17 - JOINTLY GOVERNED ORGANIZATION

The Town of East Greenwich, in conjunction with seven other member communities, participates in a joint venture entitled the Community Development Consortium (Consortium) formed for the management of the Small Cities Community Development Programs (CDBG). The Consortium develops annual applications for the individual members, manages the awarded grants and reports the expenditures to the State. Each member community's grant application includes an administrative subsidy set aside to fund the Consortium. No member community has an obligation, entitlement, or residual interest in the unexpended administrative subsidy or liability for programs carried out for the other members. The Town of East Greenwich has been designated as the host community where the Consortium offices are situated.

NOTE 18 - RELATED PARTIES

The Town reviews its records on an annual basis to determine if any related party transactions exist that would represent a conflict of interest with parties related to its officers and department heads. No such transactions were noted in the fiscal year ended June 30, 2017.

NOTE 19 - RISK MANAGEMENT

Self-insurance:

The School Department participates in a multi-employer cost reimbursement healthcare self-insurance risk pool managed by West Bay Community Health (WBCH). The School Department pays WBCH monthly premiums based upon "working rates" that are periodically adjusted to reflect changes in actual costs. Funds on deposit with WBCH are made available to pay claims, claim reserves and administrative costs. As of June 30, 2017, the reported premiums exceeded expenditures on deposit by \$373,804. Incurred but not reported (IBNR) claims, of \$204,789 resulted in a \$1,789,744 balance in the net adjusted reserve.

Liabilities of the fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for IBNR claims. The result of the process to estimate the claims liability is not an exact amount as it depends on many complex factors, including retroactive assessments for hospital costs and other settlements occurring after the end of the fiscal year and not determinable at the end of the fiscal year. An excess coverage insurance policy covers individual claims exceeding \$125,000.

TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 19 - RISK MANAGEMENT *(continued)*

Changes in the deposit balances for the past two years are as follows:

	Year ended June 30, 2017	Year ended June 30, 2016
Beginning cumulative surplus (deficit)	\$ 1,980,709	\$ 1,383,770
Prior period adjustment	-	257,091
Beginning cumulative surplus (deficit) - restated	1,980,709	1,640,861
Premium deposits	5,010,783	4,909,162
Incurred claims (excluding IBNR)	(4,452,837)	(4,153,312)
Administrative fees	(359,980)	(341,002)
Surplus reimbursement	(184,142)	(75,000)
Ending cash deposit balance	1,994,533	1,980,709
Estimated IBNR (two month estimate)	(204,789)	(207,666)
Net adjusted reserve	<u>\$ 1,789,744</u>	<u>\$ 1,773,043</u>

The Town is a member of a Health Pool Trust. The relationship between members and the Trust is not a joint venture, but rather is a public entity risk pool with the members being participants in the pool.

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors or omissions; injuries to employees; and natural disasters for which the Town carries commercial insurance. Settled claims resulting from these risks have not exceeded the Town's coverage in any of the past three fiscal years and there have been no significant reductions in insurance coverage from the prior year.

NOTE 20 - SUMMARY DISCLOSURE OF SIGNIFICANT CONTINGENCIES

Federally Assisted Programs - Compliance Audits

The Town participates in a number of federally assisted programs. The audits of these programs through the year ended June 30, 2017 were audited in connection with the accompanying financial statements under the Single Audit Concept and the auditor's reports thereon are presented in the Single Audit Report. Management believes that the amounts, if any, of expenditures, which may be disallowed, will not be material to the financial position of the Town.

TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 21 – LANDFILL CLOSURE COSTS

GASBS 49 — *Accounting and Financial Reporting for Pollution Remediation Obligations*, addresses accounting and financial reporting standards for pollution (including contamination) remediation obligations, which are obligations to address the current or potential detrimental effects of *existing* pollution by participating in pollution remediation activities such as site assessments and cleanups. The prior outlays have been capitalized as outlays to prepare for use property acquired with suspected pollution that was expected to be remediated. For the fiscal year ended June 30, 2017, there were no landfill expenditures. The substantial completion of the feasibility study in 2007 is a measurement benchmark requiring the Town to accrue all components of the pollution remediation liability. As of June 30, 2017, the cleanup project was substantially complete.

NOTE 22 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through April 3, 2018 the date the financial statements were available to be issued. As a result of this review no material subsequent events were noted.

NOTE 23 – NET POSITION AND FUND BALANCE RESTATEMENT

The following restatements were recorded to the beginning of net position of the governmental activities as a result of implementation of GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans* and GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. One other adjustment affected the non-major governmental funds.

Beginning Net Position June 30, 2016	\$ 3,267,752
Restatement for:	
Reversal of Net OPEB obligation per GASB 45	13,951,438
Record Net OPEB liability at July 1, 2016 per GASB 75	(41,932,522)
Restatement for fund balance adjustment	(33,228)
Net change in Capital Asset Adjustment	75,752
Claims & Judgements see note 13	(1,700,000)
 Total adjustment to net position:	 <u>(29,638,560)</u>
 Beginning Net Position - Restated July 1, 2016	 <u><u>(26,370,808)</u></u>

REQUIRED SUPPLEMENTARY INFORMATION

REQUIRED SUPPLEMENTARY INFORMATION
TOWN OF EAST GREENWICH, RHODE ISLAND
Budgetary Comparison Schedule - General Fund
Schedule of Revenues - Non-GAAP Budgetary Basis
For the Fiscal Year Ended June 30, 2017

	<u>Original Budget Revenues</u>	<u>Revised Budget Revenues</u>	<u>Actual Revenues</u>	<u>Variance</u>
General property tax				
Taxes - current	\$ 55,842,227	\$ 55,842,227	\$ 55,903,593	\$ 61,366
Taxes - prior year	700,000	700,000	1,097,240	397,240
Total general property taxes	<u>56,542,227</u>	<u>56,542,227</u>	<u>57,000,833</u>	<u>458,606</u>
General revenue				
Grants and departmental revenue	32,500	32,500	37,252	4,752
Municipal court	31,500	31,500	26,409	(5,091)
School other revenues	528,296	528,296	645,782	117,486
School revenue	1,339,754	1,339,754	1,430,635	90,881
Total general revenue	<u>1,932,050</u>	<u>1,932,050</u>	<u>2,140,078</u>	<u>208,028</u>
State aid				
School housing aid	1,515,992	1,515,992	1,766,751	250,759
State aid to education	2,748,841	2,748,841	2,770,072	21,231
Telephone tax	178,130	178,130	168,882	(9,248)
Pilot	16,858	16,858	15,784	(1,074)
Motor vehicle phase out	81,789	81,789	84,112	2,323
State incentive	-	-	1,762	1,762
Meals tax	657,936	657,936	799,312	141,376
Total state aid	<u>5,199,546</u>	<u>5,199,546</u>	<u>5,606,675</u>	<u>407,129</u>
Licenses, permits and usage fees				
Town clerk department	479,360	479,360	684,492	205,132
Department of public works	442,705	442,705	455,101	12,396
Rescue billing - fire department	675,000	675,000	765,535	90,535
Planning	10,500	10,500	18,946	8,446
Police department	179,620	179,620	189,259	9,639
Total licenses, permits and usage fees	<u>1,787,185</u>	<u>1,787,185</u>	<u>2,113,333</u>	<u>326,148</u>
Interest on investments	7,000	7,000	33,377	26,377
Total revenues	<u>65,468,008</u>	<u>65,468,008</u>	<u>66,894,296</u>	<u>1,426,288</u>
Other financing sources				
Issuance of refunding bonds	-	-	2,085,000	2,085,000
Premium on refunding debt	-	-	65,705	65,705
Reappropriated fund balance	525,000	525,000	525,000	-
Total other financing sources	<u>525,000</u>	<u>525,000</u>	<u>2,675,705</u>	<u>2,150,705</u>
Total revenue and other financing sources	<u>\$ 65,993,008</u>	<u>\$ 65,993,008</u>	<u>\$ 69,570,001</u>	<u>\$ 3,576,993</u>

TOWN OF EAST GREENWICH, RHODE ISLAND
REQUIRED SUPPLEMENTARY INFORMATION
Budgetary Comparison Schedule - General Fund
Schedule of Expenditures - Non-GAAP Budgetary Basis
For the Fiscal Year Ended June 30, 2017

	<u>Original Budgeted Expenditures</u>	<u>Revised Budgeted Expenditures</u>	<u>Actual Expenditures</u>	<u>Variance</u>
Administration				
Town council				
Salaries	\$ 9,300	\$ 9,300	\$ 9,300	\$ -
Total town council	<u>9,300</u>	<u>9,300</u>	<u>9,300</u>	<u>-</u>
Town manager				
Salaries and wages	258,515	258,515	413,516	(155,001)
Outside services	10,100	10,100	8,921	1,179
Supplies	1,900	1,900	3,012	(1,112)
Total town manager	<u>270,515</u>	<u>270,515</u>	<u>425,449</u>	<u>(154,934)</u>
Town clerks				
Salaries and wages	228,788	228,788	234,255	(5,467)
Outside services	18,300	18,300	16,037	2,263
Supplies	2,400	2,400	1,717	683
Total town clerks	<u>249,488</u>	<u>249,488</u>	<u>252,009</u>	<u>(2,521)</u>
Town solicitor				
Outside services	172,500	172,500	556,055	(383,555)
Total town solicitor	<u>172,500</u>	<u>172,500</u>	<u>556,055</u>	<u>(383,555)</u>
Municipal court and judges				
Salaries	44,732	44,732	40,219	4,513
Outside services	1,500	1,500	182	1,318
Total municipal court and judges	<u>46,232</u>	<u>46,232</u>	<u>40,401</u>	<u>5,831</u>
Board of canvassers				
Salaries and wages	25,200	25,200	17,115	8,085
Outside services	7,700	7,700	6,610	1,090
Supplies	2,000	2,000	1,279	721
Total board of canvassers	<u>34,900</u>	<u>34,900</u>	<u>25,004</u>	<u>9,896</u>

(Continued)

TOWN OF EAST GREENWICH, RHODE ISLAND
REQUIRED SUPPLEMENTARY INFORMATION
Budgetary Comparison Schedule - General Fund
Schedule of Expenditures - Non-GAAP Budgetary Basis
For the Fiscal Year Ended June 30, 2017

	<u>Original Budgeted Expenditures</u>	<u>Revised Budgeted Expenditures</u>	<u>Actual Expenditures</u>	<u>Variance</u>
Employee benefits				
Outside services	5,595,672	5,595,672	5,595,635	37
Total employee benefits	<u>5,595,672</u>	<u>5,595,672</u>	<u>5,595,635</u>	<u>37</u>
Insurance				
Outside services	412,977	412,977	369,929	43,048
Total insurance	<u>412,977</u>	<u>412,977</u>	<u>369,929</u>	<u>43,048</u>
Contingency fund				
Outside services	12,500	12,500	(4,785)	17,285
Total contingency fund	<u>12,500</u>	<u>12,500</u>	<u>(4,785)</u>	<u>17,285</u>
Total Administration	<u>6,804,084</u>	<u>6,804,084</u>	<u>7,268,997</u>	<u>(464,913)</u>
Finance department				
Salaries	465,259	465,259	479,917	(14,658)
Outside services	64,100	64,100	88,425	(24,325)
Supplies	10,500	10,500	8,268	2,232
Equipment	500	500	330	170
Communications	32,000	32,000	33,069	(1,069)
Total finance department	<u>572,359</u>	<u>572,359</u>	<u>610,009</u>	<u>(37,650)</u>
Information technology				
Salaries	141,330	141,330	147,645	(6,315)
Outside services	202,521	202,521	177,567	24,954
Supplies	19,000	19,000	17,755	1,245
Equipment	67,076	67,076	69,071	(1,995)
Communications	85,580	85,580	82,293	3,287
Total information technology	<u>515,507</u>	<u>515,507</u>	<u>494,331</u>	<u>21,176</u>
Public safety				
Police department				
Salaries and wages	2,891,839	2,891,839	2,805,748	86,091
Police overtime	344,454	344,454	260,976	83,478
Outside services	58,620	58,620	73,394	(14,774)
Supplies	121,290	121,290	99,772	21,518
Equipment	42,000	42,000	41,248	752
Communications	1,900	1,900	1,541	359
Total police department	<u>3,460,103</u>	<u>3,460,103</u>	<u>3,282,679</u>	<u>177,424</u>

(Continued)

TOWN OF EAST GREENWICH, RHODE ISLAND
REQUIRED SUPPLEMENTARY INFORMATION
Budgetary Comparison Schedule - General Fund
Schedule of Expenditures - Non-GAAP Budgetary Basis
For the Fiscal Year Ended June 30, 2017

	Original Budgeted Expenditures	Revised Budgeted Expenditures	Actual Expenditures	Variance
Fire Department				
Salaries and wages	3,333,800	3,333,800	3,456,623	(122,823)
Outside services	501,770	501,770	530,292	(28,522)
Supplies	149,700	149,700	142,094	7,606
Total Fire District	<u>3,985,270</u>	<u>3,985,270</u>	<u>4,129,009</u>	<u>(143,739)</u>
Total public safety	<u>7,445,373</u>	<u>7,445,373</u>	<u>7,411,688</u>	<u>33,685</u>
Public works administration				
Salaries and wages	1,486,734	1,486,734	1,403,018	83,716
Outside services	1,112,017	1,112,017	1,169,270	(57,253)
Supplies and expense	1,096,789	1,096,789	1,044,398	52,391
Total public works administration	<u>3,695,540</u>	<u>3,695,540</u>	<u>3,616,686</u>	<u>78,854</u>
Recreation department				
Salaries and wages	182,247	182,247	165,008	17,239
Outside services	13,505	13,505	9,574	3,931
Supplies	11,650	11,650	9,633	2,017
Total recreation department	<u>207,402</u>	<u>207,402</u>	<u>184,215</u>	<u>23,187</u>
Parks & grounds				
Salaries and wages	312,697	312,697	283,004	29,693
Outside services	55,169	55,169	53,893	1,276
Supplies	58,158	58,158	55,845	2,313
Equipment	3,000	3,000	2,967	33
Total parks and grounds	<u>429,024</u>	<u>429,024</u>	<u>395,709</u>	<u>33,315</u>
Teen center				
Salaries and wages	5,000	5,000	5,000	-
Supplies and equipment	7,500	7,500	7,500	-
Total teen center	<u>12,500</u>	<u>12,500</u>	<u>12,500</u>	<u>-</u>
Town planner				
Salaries and wages	184,387	184,387	184,224	163
Outside services	12,275	12,275	9,521	2,754
Supplies	1,400	1,400	978	422
Equipment	500	500	412	88
Total town planner	<u>198,562</u>	<u>198,562</u>	<u>195,135</u>	<u>3,427</u>
Senior and human services				
Salaries and wages	200,726	200,726	205,581	(4,855)
Outside services	200	200	221	(21)
Supplies	1,100	1,100	1,100	-
Communications	1,800	1,800	1,550	250
Community services	35,000	35,000	33,286	1,714
Total senior and human services	<u>238,826</u>	<u>238,826</u>	<u>241,738</u>	<u>(2,912)</u>

(Continued)

TOWN OF EAST GREENWICH, RHODE ISLAND
REQUIRED SUPPLEMENTARY INFORMATION
Budgetary Comparison Schedule - General Fund
Schedule of Expenditures - Non-GAAP Budgetary Basis
For the Fiscal Year Ended June 30, 2017

	<u>Original Budgeted Expenditures</u>	<u>Revised Budgeted Expenditures</u>	<u>Actual Expenditures</u>	<u>Variance</u>
Grants and contributions				
Contributions	29,000	29,000	29,000	-
Total grants and contributions	<u>29,000</u>	<u>29,000</u>	<u>29,000</u>	<u>-</u>
East Greenwich Land Trust				
Insurance	1,000	1,000	-	1,000
Pilot	1,300	1,300	500	800
Building maintenance	5,000	5,000	3,048	1,952
Boesch farm rehabilitation	41,000	41,000	15,744	25,256
Total East Greenwich Land Trust	<u>48,300</u>	<u>48,300</u>	<u>19,292</u>	<u>29,008</u>
Library				
Town contributions	520,235	520,235	520,235	-
Total library	<u>520,235</u>	<u>520,235</u>	<u>520,235</u>	<u>-</u>
Capital improvements				
Capital outlays	850,500	850,500	758,384	92,116
Non capital expenditures	-	-	6,768	(6,768)
Total capital improvements	<u>850,500</u>	<u>850,500</u>	<u>765,152</u>	<u>85,348</u>
School department				
Education	37,821,043	37,821,043	38,163,568	(342,525)
Total school department	<u>37,821,043</u>	<u>37,821,043</u>	<u>38,163,568</u>	<u>(342,525)</u>
Total expenditures	<u>59,388,255</u>	<u>59,388,255</u>	<u>59,928,255</u>	<u>(540,000)</u>
Other financing uses				
Debt service				
Principal	4,265,833	4,265,833	4,295,833	(30,000)
Interest	2,333,920	2,333,920	2,272,912	61,008
Financing costs	5,000	5,000	17,000	(12,000)
Payment to refunding bond escrow agent	-	-	2,111,802	(2,111,802)
Cost of issuance	-	-	38,903	(38,903)
Total debt service	<u>6,604,753</u>	<u>6,604,753</u>	<u>8,736,450</u>	<u>(2,131,697)</u>
Total expenditures and other financing uses	<u>\$ 65,993,008</u>	<u>\$ 65,993,008</u>	<u>\$ 68,664,705</u>	<u>\$ (2,671,697)</u>

(Concluded)

TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

Budgetary to GAAP basis reconciliation

The following reconciliation summarizes the differences for the Town's General Fund between budgetary and GAAP basis accounting principles for the year ended June 30, 2017:

Excess of revenues and other sources over expenditures and other uses (Non-GAAP Budgetary Basis).....	\$ 905,296
Less: Use of prior years fund balance	<u>(525,000)</u>
Excess of revenues and other sources over expenditures and other uses (GAAP).....	<u><u>\$ 380,296</u></u>

The adjustments necessary to reconcile actual revenues reported on a budgetary basis to actual revenues reported in accordance with generally accepted accounting principles are as follows:

A reconciliation of the General Fund's revenues and expenditures and other financing sources (uses) is presented below.

	<u>Revenues and Transfers</u>	<u>Expenditures and Transfers</u>
<i>General Fund:</i>		
<i>Schedule of Revenues, Expenditures and Other Financing Sources</i>		
<i>(Non-GAAP Budgetary Basis) Budget and Actual</i>	<u><u>\$ 69,570,001</u></u>	<u><u>\$ 68,664,705</u></u>
 <i>Statement of Revenues, Expenditures and Changes in Fund</i>		
<i>Balances GAAP Basis</i>	<u><u>\$ 69,045,001</u></u>	<u><u>\$ 68,664,705</u></u>

TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2017

Schedule of Changes in East Greenwich Town Employees Net Pension Liability and Related Ratios

Last 10 Fiscal Years

A. Total pension liability

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
1. Service Cost	\$ 105,287	\$ 103,703	\$ 99,292	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2. Interest on the Total Pension Liability	471,552	471,823	470,293	-	-	-	-	-	-	-
3. Changes of benefit terms	-	115,576	-	-	-	-	-	-	-	-
4. Difference between expected and actual experience of the Total Pension Liability	(141,746)	(187,642)	-	-	-	-	-	-	-	-
5. Changes of assumptions	-	-	(51,335)	-	-	-	-	-	-	-
6. Benefit payments, including refunds of employee contributions	(519,351)	(496,385)	(503,723)	-	-	-	-	-	-	-
7. Net change in total pension liability	(84,258)	7,075	14,527	-	-	-	-	-	-	-
8. Total pension liability – beginning	6,494,387	6,487,312	6,472,785	-	-	-	-	-	-	-
9. Total pension liability – ending (a)	\$ 6,410,129	\$ 6,494,387	\$ 6,487,312	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

B. Plan fiduciary net position

1. Contributions – employer	\$ 59,728	\$ 78,349	\$ 59,487	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2. Contributions – employee	39,342	22,842	19,825	-	-	-	-	-	-	-
3. Net investment income	13,936	171,162	1,032,284	-	-	-	-	-	-	-
4. Benefit payments, including refunds of employee contributions	(519,351)	(496,385)	(503,723)	-	-	-	-	-	-	-
5. Pension Plan Administrative Expense	(22,741)	(6,879)	(6,464)	-	-	-	-	-	-	-
6. Other	-	(215,978)	(189,935)	-	-	-	-	-	-	-
7. Net change in plan fiduciary net position	(429,086)	(446,889)	411,474	-	-	-	-	-	-	-
8. Plan fiduciary net position – beginning	7,303,640	7,750,529	7,339,055	-	-	-	-	-	-	-
9. Plan fiduciary net position – ending (b)	\$ 6,874,554	\$ 7,303,640	\$ 7,750,529	-	-	-	-	-	-	-

C. Net pension liability/(asset) - ending (a) - (b)

(464,425) (809,253) (1,263,217) - - - - -

D. Plan fiduciary net position as a percentage of the total pension liability

107.25% 112.46% 119.47% - - - - -

E. Covered employee payroll

\$ 1,158,274 \$ 1,142,107 \$ 1,093,519 - - - - -

F. Net pension liability as a percentage of covered payroll

-40.10% -70.86% -115.52% - - - - -

Schedule of Changes in East Greenwich Town Employees Contributions Multiyear
Last 10 Fiscal Years

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Actuarially determined contribution	\$ 65,206	\$ 59,728	\$ 78,349	\$ 59,487	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions in relation to the actuarially determined contribution	65,206	59,728	78,349	59,487	-	-	-	-	-	-
Contribution deficiency (excess)	-	-	-	-	-	-	-	-	-	-
Covered-employee payroll	1,268,599	1,158,274	1,142,107	1,093,519	-	-	-	-	-	-
Contributions as a percentage of covered-employee payroll	5.14%	5.16%	6.86%	5.44%	0%	0%	0%	0%	0%	0%

Notes:

- 1.) Employers participating in the Municipal Employee's Retirement System are required by RI General Laws, Section 45-21-42, to contribute an actuarially determined contribution rate each year.
- 2.) These schedules are intended to show information for 10 years - additional years will be displayed as they become available.

TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2017

Schedule of Changes in East Greenwich Town COLA Employees Net Pension Liability and Related Ratios

Last 10 Fiscal Years

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
A. Total pension liability										
1. Service Cost	\$ 530,518	\$ 519,936	\$ 532,162	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2. Interest on the Total Pension Liability	1,511,717	1,400,259	1,330,029	-	-	-	-	-	-	-
3. Changes of benefit terms	-	319,194	-	-	-	-	-	-	-	-
4. Difference between expected and actual experience of the Total Pension Liability	(228,251)	100,087	-	-	-	-	-	-	-	-
5. Changes of assumptions	-	-	(64,708)	-	-	-	-	-	-	-
6. Benefit payments, including refunds of employee contributions	(842,771)	(874,547)	(835,413)	-	-	-	-	-	-	-
7. Net change in total pension liability	971,213	1,464,929	962,070	-	-	-	-	-	-	-
8. Total pension liability – beginning	20,312,349	18,847,420	17,885,350	-	-	-	-	-	-	-
9. Total pension liability – ending (a)	<u>\$ 21,283,562</u>	<u>\$ 20,312,349</u>	<u>\$ 18,847,420</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
B. Plan fiduciary net position										
1. Contributions – employer	\$ 312,577	\$ 392,668	\$ 322,223	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2. Contributions – employee	188,573	114,931	113,285	-	-	-	-	-	-	-
3. Net investment income	(17,348)	496,830	2,795,391	-	-	-	-	-	-	-
4. Benefit payments, including refunds of employee contributions	(842,771)	(874,547)	(835,413)	-	-	-	-	-	-	-
5. Pension Plan Administrative Expense	(9,336)	(16,732)	(17,505)	-	-	-	-	-	-	-
6. Other	1,050	98,895	2,356	-	-	-	-	-	-	-
7. Net change in plan fiduciary net position	(367,255)	212,045	2,380,337	-	-	-	-	-	-	-
8. Plan fiduciary net position – beginning	21,200,218	20,988,173	18,607,836	-	-	-	-	-	-	-
9. Plan fiduciary net position – ending (b)	<u>\$ 20,832,963</u>	<u>\$ 21,200,218</u>	<u>\$ 20,988,173</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
C. Net pension liability/(asset) - ending (a) - (b)	450,599	(887,869)	(2,140,753)	-	-	-	-	-	-	-
D. Plan fiduciary net position as a percentage of the total pension liability	97.88%	104.37%	111.36%	-	-	-	-	-	-	-
E. Covered employee payroll	5,836,278	5,726,172	5,526,086	-	-	-	-	-	-	-
F. Net pension liability as a percentage of covered payroll	7.72%	-15.51%	-38.74%	-	-	-	-	-	-	-

Schedule of Changes in East Greenwich Town COLA Employees Contributions Multiyear
Last 10 Fiscal Years

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Actuarially determined contribution	\$ 308,323	\$ 312,577	\$ 392,668	\$ 322,223	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions in relation to the actuarially determined contribution	308,323	312,577	392,668	322,223	-	-	-	-	-	-
Contribution deficiency (excess)	-	-	-	-	-	-	-	-	-	-
Covered-employee payroll	5,998,511	5,836,278	5,726,172	5,526,086	-	-	-	-	-	-
Contributions as a percentage of covered-employee payroll	5.14%	5.36%	6.86%	5.83%	0%	0%	0%	0%	0%	0%

Notes:
1.) Employers participating in the Municipal Employee's Retirement System are required by RI General Laws, Section 45-21-42, to contribute an actuarially determined contribution rate each year.
2.) These schedules are intended to show information for 10 years - additional years will be displayed as they become available.

TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2017

Schedule of Changes in East Greenwich Town Fire Non-Cert Employees Net Pension Liability and Related Ratios
Last 10 Fiscal Years

	2016	2015	2014	2013	2012	2011	2010	2009	2008
A. Total pension liability									
1. Service Cost	\$ 815	\$ 3,849	\$ 3,139	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2. Interest on the Total Pension Liability	25,013	25,448	25,307	-	-	-	-	-	-
3. Changes of benefit terms	-	5,514	-	-	-	-	-	-	-
4. Difference between expected and actual experience of the Total Pension Liability	-	-	-	-	-	-	-	-	-
5. Changes of assumptions	10,839	(17,586)	(5,663)	-	-	-	-	-	-
6. Benefit payments, including refunds of employee contributions	(21,752)	(21,252)	(21,263)	-	-	-	-	-	-
7. Net change in total pension liability	14,915	(4,027)	1,520	-	-	-	-	-	-
8. Total pension liability – beginning	343,977	348,004	346,484	-	-	-	-	-	-
9. Total pension liability – ending (a)	<u>\$ 358,892</u>	<u>\$ 343,977</u>	<u>\$ 348,004</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
B. Plan fiduciary net position									
1. Contributions – employer	\$ 929	\$ 7,766	\$ 4,970	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2. Contributions – employee	207	987	747	-	-	-	-	-	-
3. Net investment income	(105)	7,556	43,637	-	-	-	-	-	-
4. Benefit payments, including refunds of employee contributions	(21,752)	(21,252)	(21,263)	-	-	-	-	-	-
5. Pension Plan Administrative Expense	(281)	(303)	(273)	-	-	-	-	-	-
6. Other	-	(1)	1	-	-	-	-	-	-
7. Net change in plan fiduciary net position	(21,002)	(5,247)	27,819	-	-	-	-	-	-
8. Plan fiduciary net position – beginning	322,386	327,633	299,814	-	-	-	-	-	-
9. Plan fiduciary net position – ending (b)	<u>\$ 301,384</u>	<u>\$ 322,386</u>	<u>\$ 327,633</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
C. Net pension liability/(asset) - ending (a) - (b)	57,508	21,591	20,371	-	-	-	-	-	-
D. Plan fiduciary net position as a percentage of the total pension liability	83.98%	93.72%	94.15%	-	-	-	-	-	-
E. Covered employee payroll	\$ 10,334	\$ 49,341	\$ 37,371	-	-	-	-	-	-
F. Net pension liability as a percentage of covered payroll	556.49%	43.76%	54.51%	-	-	-	-	-	-

Schedule of Changes in East Greenwich Town Fire Non-Cert Employees Contributions Multiyear
Last 10 Fiscal Years

	2017	2016	2015	2014	2013	2012	2011	2010	2009
Actuarially determined contribution	N/A	\$ 929	\$ 7,766	\$ 4,970	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions in relation to the actuarially determined contribution	N/A	929	7,766	4,970	-	-	-	-	-
Contribution deficiency (excess)	N/A	-	-	-	-	-	-	-	-
Covered-employee payroll	-	10,334	49,341	37,371	-	-	-	-	-
Contributions as a percentage of covered-employee payroll	0.00%	8.99%	15.74%	13.30%	0%	0%	0%	0%	0%

Notes:
1.) Employers participating in the Municipal Employee's Retirement System are required by RI General Laws, Section 45-21-42, to contribute an actuarially determined contribution rate each year.
2.) These schedules are intended to show information for 10 years - additional years will be displayed as they become available.
3.) For fiscal year 2017 there were no contributions or employees covered by the Fire Non-certification plan

TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2017

Schedule of Changes in East Greenwich Police Employees Net Pension Liability and Related Ratios

Last 10 Fiscal Years

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
A. Total pension liability										
1. Service Cost	\$ 427,351	\$ 390,013	\$ 372,758	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2. Interest on the Total Pension Liability	1,466,942	1,374,698	1,334,421	-	-	-	-	-	-	-
3. Changes of benefit terms	-	520,782	-	-	-	-	-	-	-	-
4. Difference between expected and actual experience of the Total Pension Liability	(43,323)	51,859	-	-	-	-	-	-	-	-
5. Changes of assumptions	-	-	(96,981)	-	-	-	-	-	-	-
6. Benefit payments, including refunds of employee contributions	(1,152,174)	(1,100,046)	(1,063,538)	-	-	-	-	-	-	-
7. Net change in total pension liability	698,796	1,237,306	546,660	-	-	-	-	-	-	-
8. Total pension liability – beginning	19,921,634	18,684,328	18,137,668	-	-	-	-	-	-	-
9. Total pension liability – ending (a)	\$ 20,620,430	\$ 19,921,634	\$ 18,684,328	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
B. Plan fiduciary net position										
1. Contributions – employer	\$ 641,008	\$ 565,061	\$ 410,654	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2. Contributions – employee	228,603	173,534	164,093	-	-	-	-	-	-	-
3. Net investment income	(4,665)	321,983	1,838,387	-	-	-	-	-	-	-
4. Benefit payments, including refunds of employee contributions	(1,152,174)	(1,100,046)	(1,063,538)	-	-	-	-	-	-	-
5. Pension Plan Administrative Expense	(12,549)	(11,067)	(11,512)	-	-	-	-	-	-	-
6. Other	(2)	(12,993)	1	-	-	-	-	-	-	-
7. Net change in plan fiduciary net position	(299,779)	(63,528)	1,338,085	-	-	-	-	-	-	-
8. Plan fiduciary net position – beginning	13,739,335	13,802,863	12,464,778	-	-	-	-	-	-	-
9. Plan fiduciary net position – ending (b)	\$ 13,439,556	\$ 13,739,335	\$ 13,802,863	-	-	-	-	-	-	-
C. Net pension liability/(asset) – ending (a) – (b)	7,180,874	6,182,299	4,881,465	-	-	-	-	-	-	-
D. Plan fiduciary net position as a percentage of the total pension liability	65.18%	68.97%	73.87%	-	-	-	-	-	-	-
E. Covered employee payroll	\$ 2,292,658	\$ 2,169,150	\$ 2,084,775	-	-	-	-	-	-	-
F. Net pension liability as a percentage of covered payroll	313.21%	285.01%	234.15%	-	-	-	-	-	-	-

Schedule of Changes in East Greenwich Police Employees Contributions Multiyear
Last 10 Fiscal Years

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Actuarially determined contribution	\$ 680,149	\$ 641,008	\$ 565,061	\$ 410,654	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions in relation to the actuarially determined contribution	680,149	641,008	565,061	410,654	-	-	-	-	-	-
Contribution deficiency (excess)	-	-	-	-	-	-	-	-	-	-
Covered-employee payroll	2,361,623	2,292,658	2,169,150	2,084,775	-	-	-	-	-	-
Contributions as a percentage of covered-employee payroll	28.80%	27.96%	26.05%	19.70%	0%	0%	0%	0%	0%	0%

Notes:

- 1.) Employers participating in the Municipal Employee's Retirement System are required by RI General Laws, Section 45-21-42, to contribute an actuarially determined contribution rate each year.
- 2.) These schedules are intended to show information for 10 years - additional years will be displayed as they become available.

TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2017

Schedule of Changes in East Greenwich Fire Employees Net Pension Liability and Related Ratios

Last 10 Fiscal Years

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
A. Total pension liability										
1. Service Cost	\$ 453,527	\$ 408,699	\$ 391,401	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2. Interest on the Total Pension Liability	1,339,670	1,239,901	1,206,908	-	-	-	-	-	-	-
3. Changes of benefit terms	-	557,617	-	-	-	-	-	-	-	-
4. Difference between expected and actual experience of the Total Pension Liability	23,103	151,465	-	-	-	-	-	-	-	-
5. Changes of assumptions	-	-	(111,133)	-	-	-	-	-	-	-
6. Benefit payments, including refunds of employee contributions	(1,048,145)	(1,051,556)	(1,060,261)	-	-	-	-	-	-	-
7. Net change in total pension liability	768,155	1,306,126	426,915	-	-	-	-	-	-	-
8. Total pension liability – beginning	18,159,572	16,853,446	16,426,531	-	-	-	-	-	-	-
9. Total pension liability – ending (a)	\$ 18,927,727	\$ 18,159,572	\$ 16,853,446	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
B. Plan fiduciary net position										
1. Contributions – employer	\$ 666,079	\$ 623,185	\$ 455,828	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2. Contributions – employee	255,969	195,953	184,574	-	-	-	-	-	-	-
3. Net investment income	(3,814)	260,782	1,477,703	-	-	-	-	-	-	-
4. Benefit payments, including refunds of employee contributions	(1,048,145)	(1,051,556)	(1,060,261)	-	-	-	-	-	-	-
5. Pension Plan Administrative Expense	(10,261)	(10,467)	(9,253)	-	-	-	-	-	-	-
6. Other	1,096	15,104	2,462	-	-	-	-	-	-	-
7. Net change in plan fiduciary net position	(139,076)	33,001	1,051,053	-	-	-	-	-	-	-
8. Plan fiduciary net position – beginning	11,127,797	11,094,796	10,043,743	-	-	-	-	-	-	-
9. Plan fiduciary net position – ending (b)	\$ 10,988,721	\$ 11,127,797	\$ 11,094,796	-	-	-	-	-	-	-
C. Net pension liability/(asset) – ending (a) - (b)	7,939,006	7,031,775	5,758,650	-	-	-	-	-	-	-
D. Plan fiduciary net position as a percentage of the total pension liability	58.06%	61.28%	65.83%	-	-	-	-	-	-	-
E. Covered employee payroll	\$ 2,515,401	\$ 2,385,864	\$ 2,296,956	-	-	-	-	-	-	-
F. Net pension liability as a percentage of covered payroll	315.62%	294.73%	250.71%	-	-	-	-	-	-	-

Schedule of Changes in East Greenwich Fire Employees Contributions Multiyear
Last 10 Fiscal Years

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Actuarially determined contribution	\$ 767,306	\$ 666,079	\$ 623,185	\$ 455,828	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions in relation to the actuarially determined contribution	767,306	666,079	623,185	455,828	-	-	-	-	-	-
Contribution deficiency (excess)	-	-	-	-	-	-	-	-	-	-
Covered-employee payroll	2,668,882	2,515,401	2,385,864	2,296,956	-	-	-	-	-	-
Contributions as a percentage of covered-employee payroll	28.75%	26.48%	26.12%	19.84%	0%	0%	0%	0%	0%	0%

Notes:

- 1.) Employers participating in the Municipal Employee's Retirement System are required by RI General Laws, Section 45-21-42, to contribute an actuarially determined contribution rate each year.
- 2.) These schedules are intended to show information for 10 years - additional years will be displayed as they become available.

TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2017

Schedule of Town Contributions
Last 10 Fiscal Years
State of Rhode Island Employees Retirement System

	Fiscal Year Ending June 30,									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Actuarially determined contribution	\$ 2,297,196	\$ 2,314,652	2,179,538	-	-	-	-	-	-	-
Contributions in relation to the actuarially determined contribution	2,297,196	2,314,652	2,179,538	-	-	-	-	-	-	-
Contribution deficiency/(excess)	-	-	-	-	-	-	-	-	-	-
Covered employee payroll	18,297,483	17,784,726	16,931,742	-	-	-	-	-	-	-
Contributions as a percentage of covered-employee payroll	12.55%	13.01%	12.87%	-	-	-	-	-	-	-

Notes:

- 1.) The amounts presented for each fiscal year were determined as of 6/30 measurement date prior to the fiscal year-end.
- 2.) This schedule is intended to show information for 10 years - additional years will be displayed as they become available.

Schedule of East Greenwich's Proportionate Share of Net Pension Liability
Last 10 Fiscal Years
State of Rhode Island Employees Retirement System

	Fiscal Year Ending June 30,									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
East Greenwich proportion of the net pension liability	1.03437259%	0.96922104%	0.98234027%	-	-	-	-	-	-	-
East Greenwich proportionate share of the net pension liability	30,861,308	26,682,681	23,910,166	-	-	-	-	-	-	-
State's proportionate share of the net pension liability associated with the school district	21,135,464	18,228,770	16,396,302	-	-	-	-	-	-	-
East Greenwich covered payroll	18,297,483	17,784,726	16,931,742	-	-	-	-	-	-	-
East Greenwich proportionate share of the net pension liability as a percentage of it's covered employee payroll	168.66%	150.03%	141.22%	-	-	-	-	-	-	-
Plan fiduciary net position as a % of the total pension liability	54.1%	57.6%	61.4%	-	-	-	-	-	-	-

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.
- 2.) This schedule is intended to show information for 10 years - additional years will be displayed as they become available.

TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2017

Schedule of East Greenwich Contributions

Last 10 Fiscal Years

Teachers Survivor Benefit Plan

	Fiscal Year Ending June 30,									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Statutorily determined contribution	\$ 23,136	\$ 22,545	\$ 21,984	-	-	-	-	-	-	-
Contributions in relation to the actuarially determined contribution	23,136	22,545	21,984	-	-	-	-	-	-	-
Contribution deficiency/(excess)	-	-	-	-	-	-	-	-	-	-
Covered employee payroll	18,297,483	17,784,726	16,931,742	-	-	-	-	-	-	-
Contributions as a percentage of covered-employee payroll	0.13%	0.13%	0.13%	-	-	-	-	-	-	-

Notes:

- 1.) The amounts presented for each fiscal year were determined as of 6/30 measurement date prior to the fiscal year-end.
2.) This schedule is intended to show information for 10 years - additional years will be displayed as they become available.

Schedule of East Greenwich's Proportionate Share of Net Pension Liability (Asset)

Last 10 Fiscal Years

Teachers Survivor Benefit Plan

	Fiscal Year Ending June 30,									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
East Greenwich proportion of the net pension asset	3.69238314%	3.64342859%	3.66518874%	-	-	-	-	-	-	-
East Greenwich proportionate share of the net pension asset	3,676,575	3,401,345	4,556,589	-	-	-	-	-	-	-
East Greenwich covered payroll	18,297,483	17,784,726	16,931,742	-	-	-	-	-	-	-
East Greenwich proportionate share of the net pension liability as a percentage of it's covered employee payroll	20.09%	19.13%	26.91%	-	-	-	-	-	-	-
Plan fiduciry net position as a % of the total pension liability	153.3%	173.3%	173.3%	-	-	-	-	-	-	-

Notes:

- 1.) Employers participating in the Teachers' Survivor's Benefit Plan contribute at a rate established by the RI Gener
2.) This schedule is intended to show information for 10 years - additional years will be displayed as they become available.

TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2017

Town of East Greenwich, Rhode Island
Schedule of Changes in the Town of East Greenwich's Net OPEB Liability and Related Ratios
Last 10 Fiscal Years

	Fiscal Year Ending June 30,									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
A. Total OPEB liability										
1. Service Cost	\$ 1,975,959	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2. Interest on the Total OPEB Liability	1,263,671	-	-	-	-	-	-	-	-	-
3. Changes of benefit terms	-	-	-	-	-	-	-	-	-	-
4. Difference between expected and actual experience of the Total OPEB Liability	(361,481)	-	-	-	-	-	-	-	-	-
5. Changes of assumptions	(4,140,148)	-	-	-	-	-	-	-	-	-
6. Benefit payments, including refunds of employee contributions	(844,912)	-	-	-	-	-	-	-	-	-
7. Net change in total OPEB liability	(2,106,911)	-	-	-	-	-	-	-	-	-
8. Total OPEB liability – beginning	43,711,291	-	-	-	-	-	-	-	-	-
9. Total OPEB liability – ending (a)	\$ 41,604,380	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
B. Plan fiduciary net position										
1. Contributions – employer	\$ 1,194,912	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2. Contributions – employee	-	-	-	-	-	-	-	-	-	-
3. Net investment income	257,366	-	-	-	-	-	-	-	-	-
4. Benefit payments, including refunds of employee contributions	(844,912)	-	-	-	-	-	-	-	-	-
5. OPEB Plan Administrative Expense	-	-	-	-	-	-	-	-	-	-
6. Other	-	-	-	-	-	-	-	-	-	-
7. Net change in plan fiduciary net position	607,366	-	-	-	-	-	-	-	-	-
8. Plan fiduciary net position – beginning	1,778,769	-	-	-	-	-	-	-	-	-
9. Plan fiduciary net position – ending (b)	\$ 2,386,135	-	-	-	-	-	-	-	-	-
C. Net OPEB liability - ending (a) - (b)	39,218,245	-	-	-	-	-	-	-	-	-
D. Plan fiduciary net position as a percentage of the total OPEB liability	5.74%	-	-	-	-	-	-	-	-	-
E. Covered employee payroll	\$ 25,437,378	-	-	-	-	-	-	-	-	-
F. Net OPEB liability as a percentage of covered payroll	154.18%	-	-	-	-	-	-	-	-	-

Notes:

1.) This schedule is intended to show information for 10 years - additional years will be displayed as they become available.

TOWN OF EAST GREENWICH, RHODE ISLAND
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2017

Schedule of Plan Contributions
Last 10 Fiscal Years
East Greenwich OPEB Plan

	Fiscal Year Ending June 30,									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Actuarially determined contribution	\$ 4,095,673	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions in relation to the actuarially determined contribution	1,194,912	-	-	-	-	-	-	-	-	-
Contribution deficiency/(excess)	2,900,761	-	-	-	-	-	-	-	-	-
Covered payroll per employee	25,437,378	-	-	-	-	-	-	-	-	-
Contributions as a percentage of covered-employee payroll	4.70%	-	-	-	-	-	-	-	-	-

Notes:

1.) This schedule is intended to show information for 10 years - additional years will be displayed as they become available.

Schedule of Investment Returns
Last 10 Fiscal Years
East Greenwich OPEB Plan

	Fiscal Year Ending June 30,									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Annual money-weighted rate of return, net of investment expense	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

The money-weighted rate of return considers the changing amounts actually invested during a period and weights the amount of OPEB plan investments by the proportion of time they are available to earn a return during that period.

SUPPLEMENTARY INFORMATION

SUPPLEMENTARY INFORMATION
TOWN OF EAST GREENWICH, RHODE ISLAND
Combining Balance Sheet - Non-Major Governmental Funds
June 30, 2017

	Town Special Revenue Funds	Town Special Revenue Projects Fund	School Special Revenue Funds	Capital Projects Funds	Town Permanent Funds	Total Non-Major Governmental Funds
ASSETS						
Cash and cash equivalents	\$ 485,946	\$ -	\$ 184,769	\$ -	\$ 279,679	\$ 950,394
Internal balances	2,052,409	265,976	127,716	4,280	158,751	2,609,132
Due from other governments	-	-	317,551	-	-	317,551
Inventories	-	-	5,083	-	-	5,083
TOTAL ASSETS	<u>\$ 2,538,355</u>	<u>\$ 265,976</u>	<u>\$ 635,119</u>	<u>\$ 4,280</u>	<u>\$ 438,430</u>	<u>\$ 3,882,160</u>
LIABILITIES AND FUND BALANCES						
Liabilities						
Accounts payable and accrued expenses	\$ 24,030	\$ -	\$ 107,679	\$ -	\$ -	\$ 131,709
Internal balances	141,635	3,107	452,172	-	61,342	658,256
Unearned revenue	-	-	137	-	-	137
Total liabilities	<u>165,665</u>	<u>3,107</u>	<u>559,988</u>	<u>-</u>	<u>61,342</u>	<u>790,102</u>
Fund balances						
<i>Nonspendable</i>						
Permanent fund principal	-	-	-	-	377,088	377,088
<i>Restricted for:</i>						
Educational programs	-	-	138,982	-	-	138,982
Public works programs	1,206,435	-	-	-	-	1,206,435
<i>Assigned for:</i>						
Legislative, judicial	-	123,754	-	-	-	123,754
Public safety programs	576,225	45,557	-	-	-	621,782
Community programs	-	93,739	-	-	-	93,739
Public works programs	38,571	-	-	4,280	-	42,851
Culture and recreation	569,322	-	-	-	-	569,322
<i>Unassigned</i>	(17,863)	(181)	(63,851)	-	-	(81,895)
Total fund balances (deficits)	<u>2,372,690</u>	<u>262,869</u>	<u>75,131</u>	<u>4,280</u>	<u>377,088</u>	<u>3,092,058</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 2,538,355</u>	<u>\$ 265,976</u>	<u>\$ 635,119</u>	<u>\$ 4,280</u>	<u>\$ 438,430</u>	<u>\$ 3,882,160</u>

SUPPLEMENTARY INFORMATION
TOWN OF EAST GREENWICH, RHODE ISLAND
Combining Statement of Revenues, Expenditures and
Changes in Fund Balance - Non-Major Governmental Funds
For the Fiscal Year Ended June 30, 2017

	Town Special Revenue Funds	Town Special Revenue Projects Fund	School Special Revenue Funds	Capital Projects Funds	Town Permanent Funds	Total Non-Major Governmental Funds
Revenues						
Intergovernmental revenue	\$ 799,249	\$ 95,697	\$ 889,030	\$ -	\$ -	\$ 1,783,976
Earnings on investments	2,660	-	-	-	1,418	4,078
Other revenue	78,733	-	423,511	-	-	502,244
Total revenues	<u>880,642</u>	<u>95,697</u>	<u>1,312,541</u>	<u>-</u>	<u>1,418</u>	<u>2,290,298</u>
Expenditures						
Public safety	5,924	10,209	-	562,112	-	578,245
Public health and welfare	293,382	72,979	-	-	-	366,361
Education	-	-	1,304,811	-	-	1,304,811
Capital outlay	342,925	-	-	254,425	-	597,350
Total expenditures	<u>642,231</u>	<u>83,188</u>	<u>1,304,811</u>	<u>816,537</u>	<u>-</u>	<u>2,846,767</u>
Excess (deficiency) of revenues over (under) expenditures before other financing sources (uses)	238,411	12,509	7,730	(816,537)	1,418	(556,469)
Other financing sources (uses)						
Issuance of debt	-	-	-	562,112	-	562,112
Transfers from other funds	-	-	-	154,075	-	154,075
Transfers to other funds	(154,075)	-	-	-	-	(154,075)
Total other financing sources (uses)	<u>(154,075)</u>	<u>-</u>	<u>-</u>	<u>716,187</u>	<u>-</u>	<u>562,112</u>
Excess (deficiency) of revenues over (under) expenditures	84,336	12,509	7,730	(100,350)	1,418	5,643
Fund balances - beginning	2,288,354	250,360	67,401	104,630	375,670	3,086,415
Fund balances - ending	<u>\$ 2,372,690</u>	<u>\$ 262,869</u>	<u>\$ 75,131</u>	<u>\$ 4,280</u>	<u>\$ 377,088</u>	<u>\$ 3,092,058</u>

SUPPLEMENTARY INFORMATION
TOWN OF EAST GREENWICH, RHODE ISLAND
Town Special Revenue Funds
Combining Balance Sheet - Non-Major Governmental Funds
June 30, 2017

	Recreation Development Fund 0017	Impact Fees 0044	Courthouse Fund 0019	Community Development 0028	Fire Impact Fees 0060	EMA Funds 0016	Comprehensive Plan Land Use 0034
ASSETS							
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ 2,111	\$ 483,835	\$ -	\$ -
Internal balances	292,301	1,206,435	-	-	-	31,962	73,527
TOTAL ASSETS	<u>\$ 292,301</u>	<u>\$ 1,206,435</u>	<u>\$ -</u>	<u>\$ 2,111</u>	<u>\$ 483,835</u>	<u>\$ 31,962</u>	<u>\$ 73,527</u>
LIABILITIES AND FUND BALANCES							
Liabilities							
Accounts payable and accrued expenses	\$ 12,961	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Internal balances	-	-	-	19,974	121,661	-	-
Total liabilities	<u>12,961</u>	<u>-</u>	<u>-</u>	<u>19,974</u>	<u>121,661</u>	<u>-</u>	<u>-</u>
Fund balances							
<i>Restricted for:</i>							
Public works programs	-	1,206,435	-	-	-	-	-
<i>Assigned for:</i>							
Legislative, judicial	-	-	-	-	-	-	-
Public safety programs	-	-	-	-	362,174	31,962	-
Education	-	-	-	-	-	-	-
Public works programs	-	-	-	-	-	-	-
Long term obligations	-	-	-	-	-	-	-
Culture and recreation	279,340	-	-	-	-	-	73,527
<i>Unassigned</i>	-	-	-	(17,863)	-	-	-
Total fund balances (deficits)	<u>279,340</u>	<u>1,206,435</u>	<u>-</u>	<u>(17,863)</u>	<u>362,174</u>	<u>31,962</u>	<u>73,527</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 292,301</u>	<u>\$ 1,206,435</u>	<u>\$ -</u>	<u>\$ 2,111</u>	<u>\$ 483,835</u>	<u>\$ 31,962</u>	<u>\$ 73,527</u>

(Continued)

SUPPLEMENTARY INFORMATION
TOWN OF EAST GREENWICH, RHODE ISLAND
Town Special Revenue Funds
Combining Balance Sheet - Non-Major Governmental Funds
June 30, 2017

	Plan Review 0052	Recreation Activities Fund 0018	Farmer's Market 0022	Smoke Detector 0051	Muni Recycling Program 0032	Machinery Equipment 0059	Totals
ASSETS							
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 485,946
Internal balances	139,406	219,922	7,602	37,505	38,571	5,178	2,052,409
TOTAL ASSETS	<u>\$ 139,406</u>	<u>\$ 219,922</u>	<u>\$ 7,602</u>	<u>\$ 37,505</u>	<u>\$ 38,571</u>	<u>\$ 5,178</u>	<u>\$ 2,538,355</u>
LIABILITIES AND FUND BALANCES							
Liabilities							
Accounts payable and accrued expenses	\$ -	\$ 9,843	\$ 1,226	\$ -	\$ -	\$ -	\$ 24,030
Internal balances	-	-	-	-	-	-	141,635
Total liabilities	<u>-</u>	<u>9,843</u>	<u>1,226</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>165,665</u>
Fund balances							
<i>Restricted for:</i>							
Public works programs	-	-	-	-	-	-	1,206,435
<i>Assigned for:</i>							
Legislative, judicial	-	-	-	-	-	-	-
Public safety programs	139,406	-	-	37,505	-	5,178	576,225
Education	-	-	-	-	-	-	-
Public works programs	-	-	-	-	38,571	-	38,571
Long term obligations	-	-	-	-	-	-	-
Culture and recreation	-	210,079	6,376	-	-	-	569,322
<i>Unassigned</i>	-	-	-	-	-	-	(17,863)
Total fund balances (deficits)	<u>139,406</u>	<u>210,079</u>	<u>6,376</u>	<u>37,505</u>	<u>38,571</u>	<u>5,178</u>	<u>2,372,690</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 139,406</u>	<u>\$ 219,922</u>	<u>\$ 7,602</u>	<u>\$ 37,505</u>	<u>\$ 38,571</u>	<u>\$ 5,178</u>	<u>\$ 2,538,355</u>

(Concluded)

SUPPLEMENTARY INFORMATION
TOWN OF EAST GREENWICH, RHODE ISLAND
Town Special Revenue Funds
Combining Statement of Revenues, Expenditures and
Changes in Fund Balance - Non-Major Governmental Funds
For the Fiscal Year Ended June 30, 2017

	Recreation Development Fund 0017	Impact Fees 0044	Courthouse Fund 0019	Community Development 0028	Fire Impact Fees 0060	EMA Funds 0016	Comprehensive Plan Land Use 0034
Revenues							
Intergovernmental revenue	\$ 426,000	\$ -	\$ 30,000	\$ 107,476	\$ -	\$ -	\$ -
Interest on investments	-	-	-	-	2,660	-	-
Other revenue	-	69,782	-	-	-	-	-
Total revenues	<u>426,000</u>	<u>69,782</u>	<u>30,000</u>	<u>107,476</u>	<u>2,660</u>	<u>-</u>	<u>-</u>
Expenditures							
Public safety	-	-	-	-	-	-	-
Public health and welfare	23,361	2,128	11,203	117,136	-	-	341
Capital outlay	-	-	34,860	-	-	-	-
Total expenditures	<u>23,361</u>	<u>2,128</u>	<u>46,063</u>	<u>117,136</u>	<u>-</u>	<u>-</u>	<u>341</u>
Excess (deficiency) of revenues over (under) expenditures before other financing sources (uses)	402,639	67,654	(16,063)	(9,660)	2,660	-	(341)
Other financing sources (uses)							
Operating transfers from (to) other funds	(154,075)	-	-	-	-	-	-
Total other financing sources (uses)	<u>(154,075)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues and other sources over (under) expenditures	248,564	67,654	(16,063)	(9,660)	2,660	-	(341)
Fund balances - beginning	30,776	1,138,781	16,063	(8,203)	359,514	31,962	73,868
Fund balances - ending	<u>\$ 279,340</u>	<u>\$ 1,206,435</u>	<u>\$ -</u>	<u>\$ (17,863)</u>	<u>\$ 362,174</u>	<u>\$ 31,962</u>	<u>\$ 73,527</u>

(Continued)

SUPPLEMENTARY INFORMATION
TOWN OF EAST GREENWICH, RHODE ISLAND
Town Special Revenue Funds
Combining Statement of Revenues, Expenditures and
Changes in Fund Balance - Non-Major Governmental Funds
For the Fiscal Year Ended June 30, 2017

	Plan Review 0052	Recreation Activities Fund 0018	Farmer's Market 0022	Smoke Detector 0051	Muni Recycling Program 0032	Machinery Equipment 0059	Totals
Revenues							
Intergovernmental revenue	\$ 85,447	\$ 146,326	\$ 4,000	\$ -	\$ -	\$ -	\$ 799,249
Interest on investments	-	-	-	-	-	-	2,660
Other revenue	-	-	-	8,951	-	-	78,733
Total revenues	<u>85,447</u>	<u>146,326</u>	<u>4,000</u>	<u>8,951</u>	<u>-</u>	<u>-</u>	<u>880,642</u>
Expenditures							
Public safety	-	-	5,924	-	-	-	5,924
Public health and welfare	10,272	119,394	-	-	9,547	-	293,382
Capital outlay	71,007	-	-	-	-	237,058	342,925
Total expenditures	<u>81,279</u>	<u>119,394</u>	<u>5,924</u>	<u>-</u>	<u>9,547</u>	<u>237,058</u>	<u>642,231</u>
Excess (deficiency) of revenues over (under)							
expenditures before other financing sources (uses)	4,168	26,932	(1,924)	8,951	(9,547)	(237,058)	238,411
Other financing sources (uses)							
Operating transfers from (to) other funds	-	-	-	-	-	-	(154,075)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(154,075)</u>
Excess of revenues and other sources							
over (under) expenditures	4,168	26,932	(1,924)	8,951	(9,547)	(237,058)	84,336
Fund balances - beginning	135,238	183,147	8,300	28,554	48,118	242,236	2,288,354
Fund balances - ending	<u>\$ 139,406</u>	<u>\$ 210,079</u>	<u>\$ 6,376</u>	<u>\$ 37,505</u>	<u>\$ 38,571</u>	<u>\$ 5,178</u>	<u>\$ 2,372,690</u>

(Concluded)

SUPPLEMENTARY INFORMATION
TOWN OF EAST GREENWICH, RHODE ISLAND
Combining Balance Sheet - Non-Major Governmental Funds
Special Revenue Project Funds - Town - Fund 0036
June 30, 2017

	Juvenile Hearing Board	Police Seizures State	Main Street Stroll	Tobacco Grant	Affordable Housing	Alcohol Compliance	Energy Grant ARRA/EPA
ASSETS							
Due from other governments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Internal balances	3,676	7,111	5,105	137	57,932	-	9,857
TOTAL ASSETS	<u>\$ 3,676</u>	<u>\$ 7,111</u>	<u>\$ 5,105</u>	<u>\$ 137</u>	<u>\$ 57,932</u>	<u>\$ -</u>	<u>\$ 9,857</u>
LIABILITIES AND FUND BALANCES							
Liabilities							
Accounts payable and accrued expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Internal balances	-	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances							
Assigned for:							
Legislative, judicial	-	-	-	-	-	-	-
Public safety programs	3,676	7,111	-	137	-	-	-
Community programs	-	-	5,105	-	57,932	-	9,857
Unassigned	-	-	-	-	-	-	-
Total fund balances (deficits)	<u>3,676</u>	<u>7,111</u>	<u>5,105</u>	<u>137</u>	<u>57,932</u>	<u>-</u>	<u>9,857</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 3,676</u>	<u>\$ 7,111</u>	<u>\$ 5,105</u>	<u>\$ 137</u>	<u>\$ 57,932</u>	<u>\$ -</u>	<u>\$ 9,857</u>

(Continued)

SUPPLEMENTARY INFORMATION
TOWN OF EAST GREENWICH, RHODE ISLAND
Combining Balance Sheet - Non-Major Governmental Funds
Special Revenue Project Funds - Town - Fund 0036
June 30, 2017

	Byrne Grant	Car Seat	Animal Enforcement	Senior Services	Document Preservation & Technology	Historic Trust Fund	Fire Gift
ASSETS							
Due from other governments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Internal balances	-	2,926	26,876	6,187	81,302	42,452	-
TOTAL ASSETS	<u>\$ -</u>	<u>\$ 2,926</u>	<u>\$ 26,876</u>	<u>\$ 6,187</u>	<u>\$ 81,302</u>	<u>\$ 42,452</u>	<u>\$ -</u>
LIABILITIES AND FUND BALANCES							
Liabilities							
Accounts payable and accrued expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Internal balances	181	2,926	-	-	-	-	-
Total liabilities	<u>181</u>	<u>2,926</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances							
Assigned for:							
Legislative, judicial	-	-	-	-	81,302	42,452	-
Public safety programs	-	-	26,876	-	-	-	-
Community programs	-	-	-	6,187	-	-	-
Unassigned	(181)	-	-	-	-	-	-
Total fund balances (deficits)	<u>(181)</u>	<u>-</u>	<u>26,876</u>	<u>6,187</u>	<u>81,302</u>	<u>42,452</u>	<u>-</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ -</u>	<u>\$ 2,926</u>	<u>\$ 26,876</u>	<u>\$ 6,187</u>	<u>\$ 81,302</u>	<u>\$ 42,452</u>	<u>\$ -</u>

(Continued)

SUPPLEMENTARY INFORMATION
TOWN OF EAST GREENWICH, RHODE ISLAND
Combining Balance Sheet - Non-Major Governmental Funds
Special Revenue Project Funds - Town - Fund 0036
June 30, 2017

	Holiday Basket	Police Seizures Federal	Firefighter Grant	Spay & Neuter	ISSP Grant	Totals
ASSETS						
Due from other governments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Internal balances	14,658	6,824	-	933	-	265,976
TOTAL ASSETS	<u>\$ 14,658</u>	<u>\$ 6,824</u>	<u>\$ -</u>	<u>\$ 933</u>	<u>\$ -</u>	<u>\$ 265,976</u>
LIABILITIES AND FUND BALANCES						
Liabilities						
Accounts payable and accrued expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Internal balances	-	-	-	-	-	3,107
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,107</u>
Fund balances						
Assigned for:						
Legislative, judicial	-	-	-	-	-	123,754
Public safety programs	-	6,824	-	933	-	45,557
Community programs	14,658	-	-	-	-	93,739
Unassigned	-	-	-	-	-	(181)
Total fund balances (deficits)	<u>14,658</u>	<u>6,824</u>	<u>-</u>	<u>933</u>	<u>-</u>	<u>262,869</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 14,658</u>	<u>\$ 6,824</u>	<u>\$ -</u>	<u>\$ 933</u>	<u>\$ -</u>	<u>\$ 265,976</u>

(Concluded)

SUPPLEMENTARY INFORMATION
TOWN OF EAST GREENWICH, RHODE ISLAND
Combining Statement of Revenues, Expenditures and
Changes in Fund Balance - Non-Major Governmental Funds
Special Revenue Project Funds - Town - Fund 0036
For the Fiscal Year Ended June 30, 2017

	Juvenile Hearing Board	Police Seizures State	Main Street Stroll	Tobacco Grant	Affordable Housing	Alcohol Compliance	Energy Grant ARRA/EPA
Revenues							
Intergovernmental revenue		\$ -	\$ -	\$ 247	\$ -	\$ 322	\$ -
Total revenues	-	-	-	247	-	322	-
Expenditures							
Public safety	-	8,851	-	251	-	322	-
Public health and welfare	-	-	-	-	-	-	-
Total expenditures	-	8,851	-	251	-	322	-
Excess (deficiency) of revenues over (under)							
expenditures before other financing sources (uses)	-	(8,851)	-	(4)	-	-	-
Other financing sources (uses)							
Transfers from other funds	-	-	-	-	-	-	-
Transfers to other funds	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of revenues							
over (under) expenditures	-	(8,851)	-	(4)	-	-	-
Fund balances - beginning	3,676	15,962	5,105	141	57,932	-	9,857
Fund balances - ending	\$ 3,676	\$ 7,111	\$ 5,105	\$ 137	\$ 57,932	\$ -	\$ 9,857

(Continued)

SUPPLEMENTARY INFORMATION
TOWN OF EAST GREENWICH, RHODE ISLAND
Combining Statement of Revenues, Expenditures and
Changes in Fund Balance - Non-Major Governmental Funds
Special Revenue Project Funds - Town - Fund 0036
For the Fiscal Year Ended June 30, 2017

	Byrne Grant	Car Seat	Animal Enforcement	Senior Services	Document Preservation & Technology	Historic Trust Fund	Fire Gift
Revenues							
Intergovernmental revenue	\$ 8,820	\$ -	\$ 2,163	\$ 4,629	\$ 16,106	\$ 2,760	\$ 4,950
Total revenues	<u>8,820</u>	<u>-</u>	<u>2,163</u>	<u>4,629</u>	<u>16,106</u>	<u>2,760</u>	<u>4,950</u>
Expenditures							
Public safety	-	-	690	-	-	-	-
Public health and welfare	8,820	-	-	4,475	-	1,620	4,950
Total expenditures	<u>8,820</u>	<u>-</u>	<u>690</u>	<u>4,475</u>	<u>-</u>	<u>1,620</u>	<u>4,950</u>
Excess (deficiency) of revenues over (under) expenditures before other financing sources (uses)	-	-	1,473	154	16,106	1,140	-
Other financing sources (uses)							
Transfers from other funds	-	-	-	-	-	-	-
Transfers to other funds	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	-	-	1,473	154	16,106	1,140	-
Fund balances - beginning	(181)	-	25,403	6,033	65,196	41,312	-
Fund balances - ending	<u>\$ (181)</u>	<u>\$ -</u>	<u>\$ 26,876</u>	<u>\$ 6,187</u>	<u>\$ 81,302</u>	<u>\$ 42,452</u>	<u>\$ -</u>

(Continued)

SUPPLEMENTARY INFORMATION
TOWN OF EAST GREENWICH, RHODE ISLAND
Combining Statement of Revenues, Expenditures and
Changes in Fund Balance - Non-Major Governmental Funds
Special Revenue Project Funds - Town - Fund 0036
For the Fiscal Year Ended June 30, 2017

	Holiday Basket	Police Seizures Federal	Firefighter Grant	Spay & Neuter	ISSP Grant	Totals
Revenues						
Intergovernmental revenue	\$ 5,967	\$ 1,093	\$ 26,620	\$ 1,120	\$ 20,900	\$ 95,697
Total revenues	<u>5,967</u>	<u>1,093</u>	<u>26,620</u>	<u>1,120</u>	<u>20,900</u>	<u>95,697</u>
Expenditures						
Public safety	-	-	-	95	-	10,209
Public health and welfare	5,594	-	26,620	-	20,900	72,979
Total expenditures	<u>5,594</u>	<u>-</u>	<u>26,620</u>	<u>95</u>	<u>20,900</u>	<u>83,188</u>
Excess (deficiency) of revenues over (under) expenditures before other financing sources (uses)	373	1,093	-	1,025	-	12,509
Other financing sources (uses)						
Transfers from other funds	-	-	-	-	-	-
Transfers to other funds	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	373	1,093	-	1,025	-	12,509
Fund balances - beginning	14,285	5,731	-	(92)	-	250,360
Fund balances - ending	<u>\$ 14,658</u>	<u>\$ 6,824</u>	<u>\$ -</u>	<u>\$ 933</u>	<u>\$ -</u>	<u>\$ 262,869</u>

(Concluded)

SUPPLEMENTARY INFORMATION
TOWN OF EAST GREENWICH, RHODE ISLAND
School Special Revenue Restricted Funds
Combining Balance Sheet - Non-Major Governmental Funds
June 30, 2017

	Title I 2102	Title III 2105	RTTT Instructional 2127	Computer Fund 0083	EDC 2413	NEA Foundation 2130	IDEA Preschool 2181	IDEA State Program 2183
ASSETS								
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Internal balances	-	-	1,226	8,615	1,746	542	-	-
Due from other governments	41,200	2,600	-	-	-	-	3,490	3,409
Inventory	-	-	-	-	-	-	-	-
TOTAL ASSETS	<u>\$ 41,200</u>	<u>\$ 2,600</u>	<u>\$ 1,226</u>	<u>\$ 8,615</u>	<u>\$ 1,746</u>	<u>\$ 542</u>	<u>\$ 3,490</u>	<u>\$ 3,409</u>
LIABILITIES AND FUND BALANCES								
Liabilities								
Accounts payable and accrued expenses	\$ 7,749	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Internal balances	33,451	2,600	-	-	-	-	3,490	3,409
Unearned revenue	-	-	-	-	137	-	-	-
Total liabilities	<u>41,200</u>	<u>2,600</u>	<u>-</u>	<u>-</u>	<u>137</u>	<u>-</u>	<u>3,490</u>	<u>3,409</u>
Fund balances								
<i>Nonspendable</i>								
Inventories	-	-	-	-	-	-	-	-
<i>Restricted for:</i>								
Educational programs	-	-	1,226	8,615	-	542	-	-
<i>Unassigned</i>	-	-	-	-	1,609	-	-	-
Total fund balances (deficit)	<u>-</u>	<u>-</u>	<u>1,226</u>	<u>8,615</u>	<u>1,609</u>	<u>542</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 41,200</u>	<u>\$ 2,600</u>	<u>\$ 1,226</u>	<u>\$ 8,615</u>	<u>\$ 1,746</u>	<u>\$ 542</u>	<u>\$ 3,490</u>	<u>\$ 3,409</u>

(Continued)

SUPPLEMENTARY INFORMATION
TOWN OF EAST GREENWICH, RHODE ISLAND
School Special Revenue Restricted Funds
Combining Balance Sheet - Non-Major Governmental Funds
June 30, 2017

	School Lunch 6001	Title II 2103	Title II part D 2113	IDEA Part B 2191	RI Full Day Kindergarten 2361	Rising 2141	Strategic Support 2405
ASSETS							
Cash and cash equivalents	\$ 184,769	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Internal balances	-	-	65,474	-	2	-	41,977
Due from other governments	23,662	32,729	180	190,157	-	-	-
Inventory	5,083	-	-	-	-	-	-
TOTAL ASSETS	<u>\$ 213,514</u>	<u>\$ 32,729</u>	<u>\$ 65,654</u>	<u>\$ 190,157</u>	<u>\$ 2</u>	<u>\$ -</u>	<u>\$ 41,977</u>
LIABILITIES AND FUND BALANCES							
Liabilities							
Accounts payable and accrued expenses	\$ 45,694	\$ 19,102	\$ -	\$ 32,134	\$ -	\$ -	\$ -
Internal balances	154,988	79,102	-	158,008	-	-	-
Unearned revenue	-	-	-	-	-	-	-
Total liabilities	<u>200,682</u>	<u>98,204</u>	<u>-</u>	<u>190,142</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances							
<i>Nonspendable</i>							
Inventories	-	-	-	-	-	-	-
<i>Restricted for:</i>							
Educational programs	12,832	-	65,654	-	2	-	41,977
<i>Unassigned</i>	-	(65,475)	-	15	-	-	-
Total fund balances (deficit)	<u>12,832</u>	<u>(65,475)</u>	<u>65,654</u>	<u>15</u>	<u>2</u>	<u>-</u>	<u>41,977</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 213,514</u>	<u>\$ 32,729</u>	<u>\$ 65,654</u>	<u>\$ 190,157</u>	<u>\$ 2</u>	<u>\$ -</u>	<u>\$ 41,977</u>

(Continued)

SUPPLEMENTARY INFORMATION
TOWN OF EAST GREENWICH, RHODE ISLAND
School Special Revenue Restricted Funds
Combining Balance Sheet - Non-Major Governmental Funds
June 30, 2017

	RI State Council on Arts 2314	Perkins Voc Ed 2107	Perkins 2109	Legislative Tech 0185/2311	Champlin Grant 2407	Education Foundation 2402	Wendy's Corporation 2403
ASSETS							
Cash and cash equivalents	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -
Internal balances	400	-	-	4,655	8	56	2,015
Due from other governments	-	6,472	10,168	-	-	-	-
Inventory	-	-	-	-	-	-	-
TOTAL ASSETS	<u>\$ 400</u>	<u>\$ 6,472</u>	<u>\$ 10,168</u>	<u>\$ 4,655</u>	<u>\$ 8</u>	<u>\$ 56</u>	<u>\$ 2,015</u>
LIABILITIES AND FUND BALANCES							
Liabilities							
Accounts payable and accrued expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Internal balances	-	6,472	10,168	-	-	-	-
Unearned revenues	-	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>6,472</u>	<u>10,168</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances							
<i>Nonspendable</i>							
Inventories	-	-	-	-	-	-	-
<i>Restricted for:</i>							
Educational programs	400	-	-	4,655	8	56	2,015
<i>Unassigned</i>	-	-	-	-	-	-	-
Total fund balances (deficit)	<u>400</u>	<u>-</u>	<u>-</u>	<u>4,655</u>	<u>8</u>	<u>56</u>	<u>2,015</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 400</u>	<u>\$ 6,472</u>	<u>\$ 10,168</u>	<u>\$ 4,655</u>	<u>\$ 8</u>	<u>\$ 56</u>	<u>\$ 2,015</u>

(Continued)

SUPPLEMENTARY INFORMATION
TOWN OF EAST GREENWICH, RHODE ISLAND
School Special Revenue Restricted Funds
Combining Balance Sheet - Non-Major Governmental Funds
June 30, 2017

	Healthier US Schools Grant 2406	English Lang. Learners 2137	Leadership Mini Grant 2138	Totals
ASSETS				
Cash and cash equivalents	\$ -			\$ 184,769
Internal balances	1,000	-		127,716
Due from other governments	-		3,484	317,551
Inventory	-			5,083
TOTAL ASSETS	<u>\$ 1,000</u>	<u>\$ -</u>	<u>\$ 3,484</u>	<u>\$ 635,119</u>
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable and accrued expenses	\$ -		\$ 3,000	107,679
Internal balances	-	-	484	452,172
Unearned revenues	-			137
Total liabilities	<u>-</u>	<u>-</u>	<u>3,484</u>	<u>559,988</u>
Fund balances				
<i>Nonspendable</i>				
Inventories	-			-
<i>Restricted for:</i>				
Educational programs	1,000	-	-	138,982
<i>Unassigned</i>	-			(63,851)
Total fund balances (deficit)	<u>1,000</u>	<u>-</u>	<u>-</u>	<u>75,131</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 1,000</u>	<u>\$ -</u>	<u>\$ 3,484</u>	<u>\$ 635,119</u>

(Concluded)

SUPPLEMENTARY INFORMATION
TOWN OF EAST GREENWICH, RHODE ISLAND
School Special Revenue Restricted Funds
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances - Non-Major Governmental Funds
For the Fiscal Year Ended June 30, 2017

	Title I 2102	Title III 2105	RTTT Instrunctional 2127	Computer Fund 0083	EDC 2413	NEA Foundation 2130	IDEA Preschool 2181	IDEA State Program 2183
Revenues								
Intergovernmental revenue	\$ 136,061	\$ 4,687	\$ -	\$ -	\$ -	\$ -	\$ 14,148	\$ -
Other	-	-	-	-	5,366	-	-	-
Total revenues	<u>136,061</u>	<u>4,687</u>	<u>-</u>	<u>-</u>	<u>5,366</u>	<u>-</u>	<u>14,148</u>	<u>-</u>
Expenditures								
Education	136,061	4,687	-	-	3,757	-	14,148	-
Total expenditures	<u>136,061</u>	<u>4,687</u>	<u>-</u>	<u>-</u>	<u>3,757</u>	<u>-</u>	<u>14,148</u>	<u>-</u>
Excess revenues over (under) expenditures	-	-	-	-	1,609	-	-	-
Other financing sources (uses)								
Transfers from other funds	-	-	-	-	-	-	-	-
Transfers to other funds	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues and other sources over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,609</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances - beginning	-	-	1,226	8,615	-	542	-	-
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,226</u>	<u>\$ 8,615</u>	<u>\$ 1,609</u>	<u>\$ 542</u>	<u>\$ -</u>	<u>\$ -</u>

(Continued)

SUPPLEMENTARY INFORMATION
TOWN OF EAST GREENWICH, RHODE ISLAND
School Special Revenue Restricted Funds
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances - Non-Major Governmental Funds
For the Fiscal Year Ended June 30, 2017

	School Lunch 6001	Title II 2103	Title II part D 2113	IDEA Part B 2191	RI Full Day Kindergarten 2361	RISING 2141	Strategic Support 2405
Revenues							
Intergovernmental revenue	\$ 117,968	\$ 55,190	\$ -	\$ 550,756	\$ -	\$ -	\$ -
Other	417,594	-	-	-	-	551	-
Total revenues	<u>535,562</u>	<u>55,190</u>	<u>-</u>	<u>550,756</u>	<u>-</u>	<u>551</u>	<u>-</u>
Expenditures							
Education	528,621	55,190	-	550,741	-	551	-
Total expenditures	<u>528,621</u>	<u>55,190</u>	<u>-</u>	<u>550,741</u>	<u>-</u>	<u>551</u>	<u>-</u>
Excess revenues over (under) expenditures	6,941	-	-	15	-	-	-
Other financing sources (uses)							
Transfers from other funds	-	-	-	-	-	-	-
Transfers to other funds	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues and other sources over (under) expenditures	6,941	-	-	15	-	-	-
Fund balances - beginning	5,891	(65,475)	65,654	-	2	-	41,977
Fund balances - ending	<u>\$ 12,832</u>	<u>\$ (65,475)</u>	<u>\$ 65,654</u>	<u>\$ 15</u>	<u>\$ 2</u>	<u>\$ -</u>	<u>\$ 41,977</u>

(Continued)

SUPPLEMENTARY INFORMATION
TOWN OF EAST GREENWICH, RHODE ISLAND
School Special Revenue Restricted Funds
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances - Non-Major Governmental Funds
For the Fiscal Year Ended June 30, 2017

	RI State Council on Arts 2314	Perkins Voc Ed 2107	Perkins 2109	Legislative Tech 0185/2311	Champlin Grant 2407	Education Foundation 2402	Wendy's Corporation 2403
Revenues							
Intergovernmental revenue	\$ -	\$ 6,472	\$ -	\$ -	\$ -	\$ -	\$ -
Other	-	-	-	-	-	-	-
Total revenues	<u>-</u>	<u>6,472</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures							
Education	-	6,472	-	-	835	-	-
Total expenditures	<u>-</u>	<u>6,472</u>	<u>-</u>	<u>-</u>	<u>835</u>	<u>-</u>	<u>-</u>
Excess revenues over (under) expenditures	-	-	-	-	(835)	-	-
Other financing sources (uses)							
Transfers from other funds	-	-	-	-	-	-	-
Transfers to other funds	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues and other sources over (under) expenditures	-	-	-	-	(835)	-	-
Fund balances - beginning	400	-	-	4,655	843	56	2,015
Fund balances - ending	<u>\$ 400</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,655</u>	<u>\$ 8</u>	<u>\$ 56</u>	<u>\$ 2,015</u>

(Continued)

SUPPLEMENTARY INFORMATION
TOWN OF EAST GREENWICH, RHODE ISLAND
School Special Revenue Restricted Funds
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances - Non-Major Governmental Funds
For the Fiscal Year Ended June 30, 2017

	Healthier US Schools Grant 2406	English Lang. Learners 2137	Leadership Mini Grant 2138	Totals
Revenues				
Intergovernmental revenue	\$ -	\$ 264	\$ 3,484	\$ 889,030
Other	-	-	-	423,511
Total revenues	<u>-</u>	<u>264</u>	<u>3,484</u>	<u>1,312,541</u>
Expenditures				
Education	-	264	3,484	1,304,811
Total expenditures	<u>-</u>	<u>264</u>	<u>3,484</u>	<u>1,304,811</u>
Excess revenues over (under) expenditures	-			7,730
Other financing sources (uses)				
Transfers from other funds	-			-
Transfers to other funds	-			-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues and other sources over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,730</u>
Fund balances - beginning	1,000			67,401
Fund balances - ending	<u>\$ 1,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 75,131</u>

(Concluded)

SUPPLEMENTARY INFORMATION
TOWN OF EAST GREENWICH, RHODE ISLAND
Capital Projects Funds
Combining Balance Sheet - Non-Major Governmental Funds
June 30, 2017

	Riverbank Restoration 0026	School Fields Fund 0076	Asphalt 0043	\$5 Million Asphalt 0048	Totals
ASSETS					
Cash and cash equivalents		\$ -	\$ -	\$ -	\$ -
Internal balances	4,280	-	-	-	4,280
TOTAL ASSETS	<u>\$ 4,280</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,280</u>
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
Internal balances	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances					
Assigned for:					
Culture and recreation	-	-	-	-	-
Public works programs	4,280	-	-	-	4,280
Unassigned	-	-	-	-	-
Total fund balances (deficit)	<u>4,280</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,280</u>
TOTAL LIABILITIES AND FUND BALANCES	<u><u>\$ 4,280</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 4,280</u></u>

SUPPLEMENTARY INFORMATION
TOWN OF EAST GREENWICH, RHODE ISLAND
Capital Project Funds
Combining Statement of Revenues, Expenditures and
Changes in Fund Balance - Non-Major Governmental Funds
For the Fiscal Year Ended June 30, 2017

	Riverbank Restoration 0026	School Fields Fund 0076	Asphalt 0043	\$5 Million Asphalt 0048	Totals
Revenues					
Intergovernmental Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Investment income	-	-	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures					
Capital	-	254,425	-	-	254,425
Non capital expenditures	-	-	504,612	57,500	562,112
Total expenditures	<u>-</u>	<u>254,425</u>	<u>504,612</u>	<u>57,500</u>	<u>816,537</u>
Excess (deficiency) of revenues over (under) expenditures before other financing sources	-	(254,425)	(504,612)	(57,500)	(816,537)
Other financing sources (uses)					
Issuance of debt	-	-	504,612	57,500	562,112
Transfers from other funds	-	154,075	-	-	154,075
Total other financing sources (uses)	<u>-</u>	<u>154,075</u>	<u>504,612</u>	<u>57,500</u>	<u>716,187</u>
Excess of revenues and other sources over (under) expenditures	-	(100,350)	-	-	(100,350)
Fund balances - beginning	<u>4,280</u>	<u>100,350</u>	<u>-</u>	<u>-</u>	<u>104,630</u>
Fund balances - ending	<u>\$ 4,280</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,280</u>

SUPPLEMENTARY INFORMATION
TOWN OF EAST GREENWICH, RHODE ISLAND
Town Permanent Funds
Combining Balance Sheet - Non-Major Governmental Funds
June 30, 2017

	Briggs Fund	Spencer Maxwell Fund	Tillinghast Fund	Casey Fund	Darius Allen Fund	Estate of Thomas Johnson Fund	F. Robert E. Bergsten Fund	Howland Family Trust Fund	Rose Trust Fund	Totals
ASSETS										
Cash and cash equivalents	\$ 403	\$ 4,815	\$ 268	\$ 16,239	\$ 136	\$ 934	\$ 402	\$ 936	\$ 255,546	\$ 279,679
Internal Balances	5,698	68,397	3,799	46,658	1,898	13,301	5,699	13,301	-	158,751
TOTAL ASSETS	<u>\$ 6,101</u>	<u>\$ 73,212</u>	<u>\$ 4,067</u>	<u>\$ 62,897</u>	<u>\$ 2,034</u>	<u>\$ 14,235</u>	<u>\$ 6,101</u>	<u>\$ 14,237</u>	<u>\$ 255,546</u>	<u>\$ 438,430</u>
LIABILITIES AND FUND BALANCES										
Liabilities										
Other liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Internal Balances	-	-	-	-	-	-	-	-	61,342	61,342
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>61,342</u>	<u>61,342</u>
Fund balances										
Nonspendable	6,101	73,212	4,067	62,897	2,034	14,235	6,101	14,237	194,204	377,088
Total fund balances (deficit)	<u>6,101</u>	<u>73,212</u>	<u>4,067</u>	<u>62,897</u>	<u>2,034</u>	<u>14,235</u>	<u>6,101</u>	<u>14,237</u>	<u>194,204</u>	<u>377,088</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 6,101</u>	<u>\$ 73,212</u>	<u>\$ 4,067</u>	<u>\$ 62,897</u>	<u>\$ 2,034</u>	<u>\$ 14,235</u>	<u>\$ 6,101</u>	<u>\$ 14,237</u>	<u>\$ 255,546</u>	<u>\$ 438,430</u>

SUPPLEMENTARY INFORMATION
TOWN OF EAST GREENWICH, RHODE ISLAND
Town Permanent Funds
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances - Non-Major Governmental Funds
For the Fiscal Year Ended June 30, 2017

	<u>Briggs Fund</u>	<u>Spencer Maxwell Fund</u>	<u>Tillinghast Fund</u>	<u>Casey Fund</u>	<u>Darius Allen Fund</u>	<u>Estate of Thomas Johnson Fund</u>	<u>F. Robert E. Bergsten Fund</u>	<u>Howland Family Trust Fund</u>	<u>0058 Rose Trust Fund</u>	<u>Totals</u>
Revenues										
Earnings on investments	\$ 1	\$ 3	\$ -	\$ 4	\$ 1	\$ 1	\$ 1	\$ 2	\$ 1,405	\$ 1,418
Total revenues	<u>1</u>	<u>3</u>	<u>-</u>	<u>4</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>2</u>	<u>1,405</u>	<u>1,418</u>
Expenditures										
Net decrease (increase) in FMV of investment	-	-	-	-	-	-	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under)										
expenditures before other financing sources	<u>1</u>	<u>3</u>	<u>-</u>	<u>4</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>2</u>	<u>1,405</u>	<u>1,418</u>
Fund balances - beginning restated	6,100	73,209	4,067	62,893	2,033	14,234	6,100	14,235	192,799	375,670
Fund balances - ending	<u>\$ 6,101</u>	<u>\$ 73,212</u>	<u>\$ 4,067</u>	<u>\$ 62,897</u>	<u>\$ 2,034</u>	<u>\$ 14,235</u>	<u>\$ 6,101</u>	<u>\$ 14,237</u>	<u>\$ 194,204</u>	<u>\$ 377,088</u>

SUPPLEMENTARY INFORMATION
TOWN OF EAST GREENWICH, RHODE ISLAND
Fiduciary Funds
Combining Statement of Changes in Net Position
For the Fiscal Year Ended June 30, 2017

	Balance July 1, 2016	Additions	Deductions	Balance June 30, 2017
PERFORMANCE BOND FUND				
ASSETS				
Cash and cash equivalents	\$ 375,803	\$ -	\$ 136,780	\$ 239,023
Other assets	773,162	24,500	-	797,662
TOTAL ASSETS	<u>\$ 1,148,965</u>	<u>\$ 24,500</u>	<u>\$ 136,780</u>	<u>\$ 1,036,685</u>
LIABILITIES				
Other liabilities	\$ 555,883	\$ 51,930	\$ -	\$ 607,813
Deposits held in custody for others	593,082	-	164,210	428,872
TOTAL LIABILITIES	<u>\$ 1,148,965</u>	<u>\$ 51,930</u>	<u>\$ 164,210</u>	<u>\$ 1,036,685</u>
PUPIL ACTIVITY FUNDS				
ASSETS				
Cash and cash equivalents	\$ 259,123	\$ 478,960	\$ 465,742	\$ 272,341
TOTAL ASSETS	<u>\$ 259,123</u>	<u>\$ 478,960</u>	<u>\$ 465,742</u>	<u>\$ 272,341</u>
LIABILITIES				
Deposits held in custody for others	\$ 259,123	\$ 478,960	\$ 465,742	\$ 272,341
TOTAL LIABILITIES	<u>\$ 259,123</u>	<u>\$ 478,960</u>	<u>\$ 465,742</u>	<u>\$ 272,341</u>
TOTAL AGENCY FUNDS				
ASSETS				
Cash and cash equivalents	\$ 634,926	\$ 478,960	\$ 602,522	\$ 511,364
Internal balances	773,162	24,500	-	797,662
TOTAL ASSETS	<u>\$ 1,408,088</u>	<u>\$ 503,460</u>	<u>\$ 602,522</u>	<u>\$ 1,309,026</u>
LIABILITIES				
Deposits held in custody for others	\$ 925,424	\$ 478,960	\$ 629,952	\$ 774,432
Internal balances	482,664	51,930	-	534,594
TOTAL LIABILITIES	<u>\$ 1,408,088</u>	<u>\$ 530,890</u>	<u>\$ 629,952</u>	<u>\$ 1,309,026</u>

SUPPLEMENTARY INFORMATION
TOWN OF EAST GREENWICH, RHODE ISLAND
Fiduciary Funds - Pupil Activity Funds
Combining Statement of Changes in Net Position
For the Fiscal Year Ended June 30, 2017

	Cash Balance July 1, 2016	Cash Receipts	Cash Disbursements	Cash Balance June 30, 2017
PUPIL ACTIVITY FUNDS				
East Greenwich High School:				
Checking	\$ 126,872	\$ 271,641	\$ 258,544	\$ 139,969
Savings	21,333	2	-	21,335
CD	44,000	-	-	44,000
Athletic Officials Fund	19	23,829	23,664	184
Athletic Camp Fund	11,467	43,694	48,604	6,557
Cole Middle School:			-	
Checking	39,032	98,480	95,216	42,296
Money Market	3,967	4	-	3,971
Eldridge	1,391	12,676	13,597	470
Eldridge Student Council	2,228	1,908	2,331	1,805
Frenchtown School	6,928	5,208	5,066	7,070
Meadowbrook	799	11,977	9,819	2,957
Hanaford	1,087	9,541	8,901	1,727
TOTALS	\$ 259,123	\$ 478,960	\$ 465,742	\$ 272,341

General Fund

School Department Operations

TOWN OF EAST GREENWICH, RHODE ISLAND
Supplementary Information
Balance Sheet
General Fund and School Unrestricted
June 30, 2017

	<u>General Fund</u>	<u>School Unrestricted Fund</u>	<u>Total Governmental Funds</u>
ASSETS			
Cash and cash equivalents	\$ 16,099,000	\$ -	\$ 16,099,000
Accounts receivable:			
Property taxes, less allowance for doubtful accounts of \$90,933	2,468,675	-	2,468,675
Other	1,346,504	104,864	1,451,368
Internal balances	131,342,905	3,760,238	135,103,143
Deposit at other institution	-	-	-
Prepays expense	397,953	2,210,915	2,608,868
TOTAL ASSETS	<u><u>\$ 151,655,037</u></u>	<u><u>\$ 6,076,017</u></u>	<u><u>\$ 157,731,054</u></u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable and accrued expenses	\$ 1,765,339	\$ 2,812,878	\$ 4,578,217
Internal balances	138,166,276	-	138,166,276
Total liabilities	<u>139,931,615</u>	<u>2,812,878</u>	<u>142,744,493</u>
DEFERRED INFLOW OF RESOURCES			
Unavailable tax revenue	<u>2,913,909</u>	<u>-</u>	<u>2,913,909</u>
Fund balances:			
<i>Non-spendable</i>			
Prepaid expense	397,953	2,210,915	2,608,868
<i>Restricted for:</i>			
Educational programs	-	4,297	4,297
<i>Committed for:</i>			
Technology	210,000	30,000	240,000
Claims & judgements	1,700,000	-	1,700,000
<i>Assigned for:</i>			
Capital outlays	96,175	959,027	1,055,202
Technology	-	58,900	58,900
<i>Unassigned:</i>	6,405,385	-	6,405,385
Total fund balances	<u>8,809,513</u>	<u>3,263,139</u>	<u>12,072,652</u>
TOTAL LIABILITIES AND FUND BALANCES	<u><u>\$ 151,655,037</u></u>	<u><u>\$ 6,076,017</u></u>	<u><u>\$ 157,731,054</u></u>

TOWN OF EAST GREENWICH, RHODE ISLAND
Supplementary Information
Schedule of Revenues, Expenditures
and Changes in Fund Balances
General Fund and School Unrestricted
For the Fiscal Year Ended June 30, 2017

	General Fund	School Unrestricted Fund	Total Governmental Funds
Revenues			
General property tax	\$ 57,000,833	\$ -	\$ 57,000,833
Intergovernmental and departmental revenues	1,494,296	4,489,173	5,983,469
License and permits	2,113,333	-	2,113,333
Interest on investments	33,377	-	33,377
Tuitions	-	98,110	98,110
Other revenues	2,836,603	547,672	3,384,275
Total revenues	<u>63,478,442</u>	<u>5,134,955</u>	<u>68,613,397</u>
Expenditures			
Legislative, judicial and general administrative	7,268,997	-	7,268,997
Financial administration	610,009	-	610,009
Information technology	494,331	-	494,331
Public safety	7,411,688	-	7,411,688
Public works	3,616,686	-	3,616,686
Teen center	12,500	-	12,500
Parks and recreation	579,924	-	579,924
Town planner	195,135	-	195,135
Senior and human services	241,738	-	241,738
Education	-	39,882,669	39,882,669
Grants and contributions	29,000	-	29,000
Library	520,235	-	520,235
Land trust	19,292	-	19,292
Financing costs	17,000	-	17,000
Capital outlay	758,384	-	758,384
Non capital expenditures	6,768	-	6,768
Long-term obligations:			
Principal	4,295,833	-	4,295,833
Interest	2,272,912	-	2,272,912
Total expenditures	<u>28,350,432</u>	<u>39,882,669</u>	<u>68,233,101</u>
Excess of revenues over (under) expenditures before other financing sources (uses)	<u>35,128,010</u>	<u>(34,747,714)</u>	<u>380,296</u>
Other financing sources (uses)			
Payment to refunding bond escrow agent	(2,111,802)	-	(2,111,802)
Cost of issuance	(38,903)	-	(38,903)
Issuance of refunding bonds	2,085,000	-	2,085,000
Premium on refunding debt	65,705	-	65,705
Transfers from other funds	-	34,018,906	34,018,906
Transfers to other funds	(34,018,906)	-	(34,018,906)
Total other financing sources (uses)	<u>(34,018,906)</u>	<u>34,018,906</u>	<u>-</u>
Net changes in fund balances	<u>1,109,104</u>	<u>(728,808)</u>	<u>380,296</u>
Fund balances - beginning	7,700,409	3,991,947	11,692,356
Fund balances - ending	<u>\$ 8,809,513</u>	<u>\$ 3,263,139</u>	<u>\$ 12,072,652</u>

TOWN OF EAST GREENWICH, RHODE ISLAND
Supplementary Information
Balance Sheet
General Fund
June 30, 2017

	General Fund
	<hr/>
ASSETS	
Cash and cash equivalents	\$ 16,099,000
Accounts receivable:	
Property taxes, less allowance for doubtful accounts of \$90,933	2,468,675
Other	1,346,504
Internal balances	131,342,905
Prepays	397,953
TOTAL ASSETS	<hr/> \$ 151,655,037 <hr/>
 LIABILITIES AND FUND BALANCES	
Liabilities:	
Accounts payable and accrued expenses	\$ 1,765,339
Internal balances	138,166,276
Total liabilities	<hr/> 139,931,615 <hr/>
 DEFERRED INFLOW OF RESOURCES	
Unavailable tax revenue	<hr/> 2,913,909 <hr/>
 Fund balances:	
<i>Nonspendable:</i>	
Prepays	397,953
<i>Committed for:</i>	
Technology	210,000
<i>Assigned for:</i>	
Capital outlays	96,175
<i>Unassigned:</i>	8,105,385
Total fund balances	<hr/> 8,809,513 <hr/>
TOTAL LIABILITIES AND FUND BALANCES	<hr/> \$ 151,655,037 <hr/>

TOWN OF EAST GREENWICH, RHODE ISLAND
Supplementary Information
Schedule of Revenues, Expenditures
and Changes in Fund Balances
General Fund
For the Fiscal Year Ended June 30, 2017

	General Fund
Revenues	
General property tax	\$ 57,000,833
Intergovernmental and departmental revenues	1,494,296
License and permits	2,113,333
Other revenues	2,836,603
Total revenues	<u>63,478,442</u>
Expenditures	
Legislative, judicial and general administrative	7,268,997
Financial administration	610,009
Information technology	494,331
Public safety	7,411,688
Public works	3,616,686
Teen center	12,500
Parks and recreation	579,924
Town planner	195,135
Senior and human services	241,738
Grants and contributions	29,000
Library	520,235
Land trust	19,292
Financing costs	17,000
Capital outlay	758,384
Non capital expenditures	6,768
Long-term obligations:	
Principal	4,295,833
Interest	2,272,912
Total expenditures	<u>28,350,432</u>
Excess of revenues over (under) expenditures before other financing sources (uses)	<u>35,128,010</u>
Other financing sources (uses)	
Payment to refunding bond escrow agent	(2,111,802)
Cost of issuance	(38,903)
Issuance of refunding bonds	2,085,000
Premium on refunding debt	65,705
Transfers to other funds	(34,018,906)
Total other financing sources (uses)	<u>(34,018,906)</u>
Net changes in fund balances	<u>1,109,104</u>
Fund balances - beginning	7,700,409
Fund balance - ending	<u><u>\$ 8,809,513</u></u>

TOWN OF EAST GREENWICH, RHODE ISLAND
Supplementary Information
Budgetary Comparison Schedule - General Fund
Schedule of Revenues and Expenditures - Non-GAAP Budgetary Basis
For the Fiscal Year Ended June 30, 2017

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues				
General property tax	\$ 56,542,227	\$ 56,542,227	\$ 57,000,833	\$ 458,606
General revenue	1,403,754	1,403,754	1,494,296	90,542
State aid	2,450,705	2,450,705	2,836,603	385,898
Interest on investments	7,000	7,000	33,377	26,377
License and permits	1,787,185	1,787,185	2,113,333	326,148
Total Revenues	<u>62,190,871</u>	<u>62,190,871</u>	<u>63,478,442</u>	<u>1,287,571</u>
Expenditures				
Administration	6,804,084	6,804,084	7,268,997	(464,913)
Finance	572,359	572,359	610,009	(37,650)
Information technology	515,507	515,507	494,331	21,176
Public safety	7,445,373	7,445,373	7,411,688	33,685
Public works	3,695,540	3,695,540	3,616,686	78,854
Recreation	207,402	207,402	184,215	23,187
Parks and grounds	429,024	429,024	395,709	33,315
Teen center	12,500	12,500	12,500	-
Town planner	198,562	198,562	195,135	3,427
Senior and human services	238,826	238,826	241,738	(2,912)
Grants and contributions	29,000	29,000	29,000	-
East Greenwich Land Trust	48,300	48,300	19,292	29,008
Library	520,235	520,235	520,235	-
Capital outlays	850,500	850,500	758,384	92,116
Non capital expenditures	-	-	6,768	(6,768)
Debt service:				
Principal	4,265,833	4,265,833	4,295,833	(30,000)
Interest	2,333,920	2,333,920	2,272,912	61,008
Financing costs	5,000	5,000	17,000	(12,000)
Total expenditures	<u>28,171,965</u>	<u>28,171,965</u>	<u>28,350,432</u>	<u>(178,467)</u>
Excess of revenues over expenditures before operating transfers	<u>34,018,906</u>	<u>34,018,906</u>	<u>35,128,010</u>	<u>1,109,104</u>
Other financing sources (uses)				
Payment to refunding bond escrow agent	-	-	(2,111,802)	(2,111,802)
Cost of issuance	-	-	(38,903)	(38,903)
Issuance of refunding bonds	-	-	2,085,000	2,085,000
Premium on refunding debt	-	-	65,705	65,705
Transfers to other funds	(34,018,906)	(34,018,906)	(34,018,906)	-
Total other financing sources and uses	<u>(34,018,906)</u>	<u>(34,018,906)</u>	<u>(34,018,906)</u>	<u>-</u>
Excess of revenues over (under) expenditures and operating transfers	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,109,104</u>	<u>\$ 1,109,104</u>

TOWN OF EAST GREENWICH, RHODE ISLAND
Supplementary Information
Budgetary Comparison Schedule - General Fund
Schedule of Revenues - Non-GAAP Budgetary Basis
For the Fiscal Year Ended June 30, 2017

	Original Budget Revenues	Revised Budget Revenues	Actual Revenues	Variance
General property tax				
Taxes - current	\$ 55,842,227	55,842,227	\$ 55,903,593	\$ 61,366
Taxes - prior year	700,000	700,000	1,097,240	397,240
Total general property taxes	<u>56,542,227</u>	<u>56,542,227</u>	<u>57,000,833</u>	<u>458,606</u>
General revenue				
Grants and departmental revenue	32,500	32,500	37,252	4,752
Municipal court	31,500	31,500	26,409	(5,091)
Other revenue	1,339,754	1,339,754	1,430,635	90,881
Total general revenue	<u>1,403,754</u>	<u>1,403,754</u>	<u>1,494,296</u>	<u>90,542</u>
State aid				
School housing aid	1,515,992	1,515,992	1,766,751	250,759
Telephone tax	178,130	178,130	168,882	(9,248)
Pilot	16,858	16,858	15,784	(1,074)
Motor vehicle phase out	81,789	81,789	84,112	2,323
State incentive	-	-	1,762	1,762
Meals tax	657,936	657,936	799,312	141,376
Total state aid	<u>2,450,705</u>	<u>2,450,705</u>	<u>2,836,603</u>	<u>385,898</u>
Licenses, permits and usage fees				
Town clerk department	479,360	479,360	684,492	205,132
Department of public works	442,705	442,705	455,101	12,396
Fire revenue	675,000	675,000	765,535	90,535
Planning	10,500	10,500	18,946	8,446
Police department	179,620	179,620	189,259	9,639
Total licenses, permits and usage fees	<u>1,787,185</u>	<u>1,787,185</u>	<u>2,113,333</u>	<u>326,148</u>
Other financing sources				
Issuance of refunding bonds	-	-	2,085,000	2,085,000
Premium on refunding debt	-	-	65,705	65,705
Total other financing sources	<u>-</u>	<u>-</u>	<u>2,150,705</u>	<u>2,150,705</u>
Interest on investments	7,000	7,000	33,377	26,377
Total revenue and other financing sources	<u>\$ 62,190,871</u>	<u>\$ 62,190,871</u>	<u>\$ 65,629,147</u>	<u>\$ 3,438,276</u>

TOWN OF EAST GREENWICH, RHODE ISLAND
Supplementary Information
Budgetary Comparison Schedule - General Fund
Schedule of Expenditures - Non-GAAP Budgetary Basis
For the Fiscal Year Ended June 30, 2017

	<u>Original Budgeted Expenditures</u>	<u>Revised Budgeted Expenditures</u>	<u>Actual Expenditures</u>	<u>Variance</u>
Administration				
Town council				
Salaries	\$ 9,300	\$ 9,300	\$ 9,300	\$ -
Total town council	<u>9,300</u>	<u>9,300</u>	<u>9,300</u>	<u>-</u>
Town manager				
Salaries and wages	258,515	258,515	413,516	(155,001)
Outside services	10,100	10,100	8,921	1,179
Supplies	1,900	1,900	3,012	(1,112)
Total town manager	<u>270,515</u>	<u>270,515</u>	<u>425,449</u>	<u>(154,934)</u>
Town clerks				
Salaries and wages	228,788	228,788	234,255	(5,467)
Outside services	18,300	18,300	16,037	2,263
Supplies	2,400	2,400	1,717	683
Total town clerks	<u>249,488</u>	<u>249,488</u>	<u>252,009</u>	<u>(2,521)</u>
Town solicitor				
Outside services	172,500	172,500	556,055	(383,555)
Total town solicitor	<u>172,500</u>	<u>172,500</u>	<u>556,055</u>	<u>(383,555)</u>
Municipal court and judges				
Salaries	44,732	44,732	40,219	4,513
Outside services	1,500	1,500	182	1,318
Total municipal court and judges	<u>46,232</u>	<u>46,232</u>	<u>40,401</u>	<u>5,831</u>
Board of canvassers				
Salaries and wages	25,200	25,200	17,115	8,085
Outside services	7,700	7,700	6,610	1,090
Supplies	2,000	2,000	1,279	721
Total board of canvassers	<u>34,900</u>	<u>34,900</u>	<u>25,004</u>	<u>9,896</u>

(Continued)

TOWN OF EAST GREENWICH, RHODE ISLAND
Supplementary Information
Budgetary Comparison Schedule - General Fund
Schedule of Expenditures - Non-GAAP Budgetary Basis
For the Fiscal Year Ended June 30, 2017

	<u>Original Budgeted Expenditures</u>	<u>Revised Budgeted Expenditures</u>	<u>Actual Expenditures</u>	<u>Variance</u>
Employee benefits				
Outside services	5,595,672	5,595,672	5,595,635	37
Total employee benefits	<u>5,595,672</u>	<u>5,595,672</u>	<u>5,595,635</u>	<u>37</u>
Insurance				
Outside services	412,977	412,977	369,929	43,048
Total insurance	<u>412,977</u>	<u>412,977</u>	<u>369,929</u>	<u>43,048</u>
Contingency fund				
Outside services	12,500	12,500	(4,785)	17,285
Total contingency fund	<u>12,500</u>	<u>12,500</u>	<u>(4,785)</u>	<u>17,285</u>
Total Administration	<u>6,804,084</u>	<u>6,804,084</u>	<u>7,268,997</u>	<u>(464,913)</u>
Finance department				
Salaries	465,259	465,259	479,917	(14,658)
Outside services	64,100	64,100	88,425	(24,325)
Supplies	10,500	10,500	8,268	2,232
Equipment	500	500	330	170
Communications	32,000	32,000	33,069	(1,069)
Total finance department	<u>572,359</u>	<u>572,359</u>	<u>610,009</u>	<u>(37,650)</u>
Information technology				
Salaries	141,330	141,330	147,645	(6,315)
Outside services	202,521	202,521	177,567	24,954
Supplies	19,000	19,000	17,755	1,245
Equipment	67,076	67,076	69,071	(1,995)
Communications	85,580	85,580	82,293	3,287
Total information technology	<u>515,507</u>	<u>515,507</u>	<u>494,331</u>	<u>21,176</u>
Public safety				
Police department				
Salaries and wages	2,891,839	2,891,839	2,805,748	86,091
Police overtime	344,454	344,454	260,976	83,478
Outside services	58,620	58,620	73,394	(14,774)
Supplies	121,290	121,290	99,772	21,518
Equipment	42,000	42,000	41,248	752
Communications	1,900	1,900	1,541	359
Total police department	<u>3,460,103</u>	<u>3,460,103</u>	<u>3,282,679</u>	<u>177,424</u>

(Continued)

TOWN OF EAST GREENWICH, RHODE ISLAND
Supplementary Information
Budgetary Comparison Schedule - General Fund
Schedule of Expenditures - Non-GAAP Budgetary Basis
For the Fiscal Year Ended June 30, 2017

	Original Budgeted Expenditures	Revised Budgeted Expenditures	Actual Expenditures	Variance
Fire Department				
Salaries and wages	3,333,800	3,333,800	3,456,623	(122,823)
Outside services	501,770	501,770	530,292	(28,522)
Supplies	149,700	149,700	142,094	7,606
Total Fire District	3,985,270	3,985,270	4,129,009	(143,739)
Total public safety	7,445,373	7,445,373	7,411,688	33,685
Public works administration				
Salaries and wages	1,486,734	1,486,734	1,403,018	83,716
Outside services	1,112,017	1,112,017	1,169,270	(57,253)
Supplies and expense	1,096,789	1,096,789	1,044,398	52,391
Total public works administration	3,695,540	3,695,540	3,616,686	78,854
Recreation department				
Salaries and wages	182,247	182,247	165,008	17,239
Outside services	13,505	13,505	9,574	3,931
Supplies	11,650	11,650	9,633	2,017
Total recreation department	207,402	207,402	184,215	23,187
Parks & grounds				
Salaries and wages	312,697	312,697	283,004	29,693
Outside services	55,169	55,169	53,893	1,276
Supplies	58,158	58,158	55,845	2,313
Equipment	3,000	3,000	2,967	33
Total parks and grounds	429,024	429,024	395,709	33,315
Teen center				
Salaries and wages	5,000	5,000	5,000	-
Supplies and equipment	7,500	7,500	7,500	-
Total teen center	12,500	12,500	12,500	-
Town planner				
Salaries and wages	184,387	184,387	184,224	163
Outside services	12,275	12,275	9,521	2,754
Supplies	1,400	1,400	978	422
Equipment	500	500	412	88
Total town planner	198,562	198,562	195,135	3,427
Senior and human services				
Salaries and wages	200,726	200,726	205,581	(4,855)
Outside services	200	200	221	(21)
Supplies	1,100	1,100	1,100	-
Communications	1,800	1,800	1,550	250
Community services	35,000	35,000	33,286	1,714
Total senior and human services	238,826	238,826	241,738	(2,912)

(Continued)

TOWN OF EAST GREENWICH, RHODE ISLAND
Supplementary Information
Budgetary Comparison Schedule - General Fund
Schedule of Expenditures - Non-GAAP Budgetary Basis
For the Fiscal Year Ended June 30, 2017

	Original Budgeted Expenditures	Revised Budgeted Expenditures	Actual Expenditures	Variance
Grants and contributions				
Contributions	29,000	29,000	29,000	-
Total grants and contributions	<u>29,000</u>	<u>29,000</u>	<u>29,000</u>	<u>-</u>
East Greenwich Land Trust				
Insurance	1,000	1,000	-	1,000
Pilot	1,300	1,300	500	800
Building maintenance	5,000	5,000	3,048	1,952
Boesch farm rehabilitation	41,000	41,000	15,744	25,256
Total East Greenwich Land Trust	<u>48,300</u>	<u>48,300</u>	<u>19,292</u>	<u>29,008</u>
Library				
Town contributions	520,235	520,235	520,235	-
Total library	<u>520,235</u>	<u>520,235</u>	<u>520,235</u>	<u>-</u>
Capital improvements				
Capital outlays	850,500	850,500	758,384	92,116
Non capital expenditures	-	-	6,768	(6,768)
Total capital improvements	<u>850,500</u>	<u>850,500</u>	<u>765,152</u>	<u>85,348</u>
School department				
Education	34,018,906	34,018,906	34,018,906	-
Total school department	<u>34,018,906</u>	<u>34,018,906</u>	<u>34,018,906</u>	<u>-</u>
Total expenditures	<u>55,586,118</u>	<u>55,586,118</u>	<u>55,783,593</u>	<u>(197,475)</u>
Other financing uses				
Debt service				
Principal	4,265,833	4,265,833	4,295,833	(30,000)
Payment to refunding bond escrow agent	-	-	2,111,802	(2,111,802)
Cost of issuance	-	-	38,903	(38,903)
Interest	2,333,920	2,333,920	2,272,912	61,008
Financing costs	5,000	5,000	17,000	(12,000)
Total debt service	<u>6,604,753</u>	<u>6,604,753</u>	<u>8,736,450</u>	<u>(2,131,697)</u>
Total expenditures and other financing uses	<u>\$ 62,190,871</u>	<u>\$ 62,190,871</u>	<u>\$ 64,520,043</u>	<u>\$ (2,329,172)</u>

(Concluded)

TOWN OF EAST GREENWICH, RHODE ISLAND
Supplementary Information
Balance Sheet
School Unrestricted
June 30, 2017

	School Unrestricted Fund
ASSETS	
Accounts receivable:	104,864
Internal balances	3,760,238
Prepaid asset	2,210,915
TOTAL ASSETS	\$ 6,076,017
 LIABILITIES AND FUND BALANCES	
Liabilities:	
Accounts payable and accrued expenses	\$ 2,812,878
Total liabilities	2,812,878
 Fund balances:	
<i>Non-spendable</i>	
Prepaid expenses	2,210,915
<i>Restricted for:</i>	
Educational programs	4,297
<i>Committed for:</i>	
Technology	30,000
<i>Assigned for:</i>	
Technology	58,900
Capital	959,027
Total fund balances	3,263,139
TOTAL LIABILITIES AND FUND BALANCES	\$ 6,076,017

TOWN OF EAST GREENWICH, RHODE ISLAND
Supplementary Information
School Unrestricted Fund
Schedule of Revenues, Expenditures
For the Fiscal Year Ended June 30, 2017

	School Unrestricted Fund
Revenues	
Hanaford fund revenue	\$ 30,388
State aid to education	2,770,072
Tuition revenue	98,110
Medicaid revenue	443,696
Other revenue	73,588
Intergovernmental on behalf payments	1,719,101
Total revenues	<u>5,134,955</u>
Expenditures	
Instructional teachers	18,080,518
Substitute teachers	284,568
Instructional paraprofessionals	2,213,504
Pupil-use tech/software	249,941
Instructional materials/trips/supplies	326,130
Guidance services	702,639
Library and media	622,543
Extracurricular	581,731
Student health and services	844,324
Curriculum development	306,469
Staff development	359,989
Program management	319,184
Therapists/psychologists/evaluation	2,465,201
Academic student assessment	78,837
Transportation	1,656,824
Safety	85,093
Building upkeep/maintenance/utilities	2,902,800
Data processing	562,857
Business operations	442,751
Retiree benefits	55,987
All school pass through	1,846,962
Principals and asst principals	1,105,657
School office	938,118
Superintendent/school board	444,347
Legal	126,002
Capital outlay	400,031
Other expenses	160,561
Intergovernmental on behalf payments	1,719,101
Total expenditures	<u>39,882,669</u>
Excess (deficiency) of Revenues Over (Under) Expenditures Before Operating Transfers	<u>(34,747,714)</u>
Operating transfers	
Town appropriation	34,018,906
Total transfers from other funds	<u>34,018,906</u>
Net changes from operations	<u>(728,808)</u>
Operational reserves - beginning	<u>3,991,947</u>
Operational reserves - ending	<u>\$ 3,263,139</u>

TOWN OF EAST GREENWICH
Supplementary Information
School Unrestricted Fund
Budgetary Comparison Schedule
Schedule of Revenues - Non-GAAP Budgetary Basis
Schedule of Expenditures - Non-GAAP Budgetary Basis
For the Fiscal Year Ended June 30, 2017

	<u>Original Budgeted</u>	<u>Revised Budgeted</u>	<u>Actual</u>	<u>Variance</u>
Revenues				
Hanaford fund revenue	\$ 39,000	\$ 39,000	\$ 30,388	\$ (8,612)
Tuition revenue	142,000	142,000	98,110	(43,890)
Other revenue	90,000	90,000	73,588	(16,412)
Medicaid revenue	257,296	257,296	443,696	186,400
Total revenues	<u>528,296</u>	<u>528,296</u>	<u>645,782</u>	<u>117,486</u>
State and federal aid and transfers				
State aid to education	2,748,841	2,748,841	2,770,072	21,231
Total state and federal aid and transfers	<u>2,748,841</u>	<u>2,748,841</u>	<u>2,770,072</u>	<u>21,231</u>
Other financing sources				
Reappropriated fund balance	525,000	525,000	525,000	-
Town appropriation	34,018,906	34,018,906	34,018,906	-
Total transfers from other funds	<u>34,543,906</u>	<u>34,543,906</u>	<u>34,543,906</u>	<u>-</u>
Total revenue and other financing sources	<u>\$ 37,821,043</u>	<u>\$ 37,821,043</u>	<u>\$ 37,959,760</u>	<u>\$ 138,717</u>
Expenditures				
Instructional teachers	\$ 18,333,336	\$ 18,333,736	\$ 18,080,518	\$ 253,218
Substitute teachers	170,000	166,575	284,568	(117,993)
Instructional paraprofessionals	2,020,519	2,020,519	2,213,504	(192,985)
Pupil-use tech/software	9,000	272,856	249,941	22,915
Instructional materials/trips/supplies	571,036	550,028	326,130	223,898
Guidance services	747,645	705,480	702,639	2,841
Library and media	646,655	642,735	622,543	20,192
Extracurricular	618,486	620,779	581,731	39,048
Student health and services	834,205	836,829	844,324	(7,495)
Curriculum development	412,416	454,581	306,469	148,112
Staff development	122,801	124,303	359,989	(235,686)
Program management	331,278	331,478	319,184	12,294
Therapists/psychologists/evaluation	2,209,209	2,208,795	2,465,201	(256,406)
Academic student assessment	78,845	78,845	78,837	8
Transportation	1,599,417	1,600,074	1,656,824	(56,750)
Safety	99,600	99,600	85,093	14,507
Building upkeep/maintenance/utilities	3,036,611	2,884,357	2,902,800	(18,443)
Data processing	941,774	651,071	562,857	88,214
Business operations	450,737	441,851	442,751	(900)
Retiree Benefits	101,261	99,761	55,987	43,774
All school pass through	1,490,017	1,495,517	1,846,962	(351,445)
Principals and asst principals	1,130,910	1,130,684	1,105,657	25,027
School office	1,002,770	1,003,402	938,118	65,284
Superintendent/school board	412,373	409,545	444,347	(34,802)
Legal	126,000	126,000	126,002	(2)
Capital outlay	165,470	365,470	400,031	(34,561)
Other expenses	158,672	166,172	160,561	5,611
Total expenditures	<u>37,821,043</u>	<u>37,821,043</u>	<u>38,163,568</u>	<u>(342,525)</u>
Net changes	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (203,808)</u>	<u>\$ (203,808)</u>

TOWN OF EAST GREENWICH
Supplementary Information
School Unrestricted Fund
Budgetary Comparison Schedule
Schedule of Revenues - Non-GAAP Budgetary Basis
For the Fiscal Year Ended June 30, 2017

	Original Budgeted Revenues	Revised Budgeted Revenues	Actual Revenues	Variance
Revenues				
Hanaford fund revenue	\$ 39,000	\$ 39,000	\$ 30,388	\$ (8,612)
Tuition revenue	142,000	142,000	98,110	(43,890)
Other revenue	90,000	90,000	73,588	(16,412)
Medicaid revenue	257,296	257,296	443,696	186,400
Total revenues	<u>528,296</u>	<u>528,296</u>	<u>645,782</u>	<u>117,486</u>
State and federal aid and transfers				
State aid to education	2,748,841	2,748,841	2,770,072	21,231
Total state and federal aid and transfers	<u>2,748,841</u>	<u>2,748,841</u>	<u>2,770,072</u>	<u>21,231</u>
Other financing sources				
Reappropriated fund balance	525,000	525,000	525,000	-
Town appropriation	34,018,906	34,018,906	34,018,906	-
Total transfers from other funds	<u>34,543,906</u>	<u>34,543,906</u>	<u>34,543,906</u>	<u>-</u>
Total revenue and other financing sources	<u>\$ 37,821,043</u>	<u>\$ 37,821,043</u>	<u>\$ 37,959,760</u>	<u>\$ 138,717</u>

TOWN OF EAST GREENWICH
Supplementary Information
School Unrestricted Fund
Budgetary Comparison Schedule
Schedule of Expenditures - Non-GAAP Budgetary Basis
Fiscal Year Ended June 30, 2017

	<u>Original Budgeted Expenditures</u>	<u>Revised Budgeted Expenditures</u>	<u>Actual Expenditures</u>	<u>Variance</u>
Expenditures				
Instructional teachers	\$ 18,333,336	\$ 18,333,736	\$ 18,080,518	\$ 253,218
Substitute teachers	170,000	166,575	284,568	(117,993)
Instructional paraprofessionals	2,020,519	2,020,519	2,213,504	(192,985)
Pupil-use tech/software	9,000	272,856	249,941	22,915
Instructional materials/trips/supplies	571,036	550,028	326,130	223,898
Guidance services	747,645	705,480	702,639	2,841
Library and media	646,655	642,735	622,543	20,192
Extracurricular	618,486	620,779	581,731	39,048
Student health and services	834,205	836,829	844,324	(7,495)
Curriculum development	412,416	454,581	306,469	148,112
Staff development	122,801	124,303	359,989	(235,686)
Program management	331,278	331,478	319,184	12,294
Therapists/psychologists/evaluation	2,209,209	2,208,795	2,465,201	(256,406)
Academic student assessment	78,845	78,845	78,837	8
Transportation	1,599,417	1,600,074	1,656,824	(56,750)
Safety	99,600	99,600	85,093	14,507
Building upkeep/maintenance/utilities	3,036,611	2,884,357	2,902,800	(18,443)
Data processing	941,774	651,071	562,857	88,214
Business operations	450,737	441,851	442,751	(900)
Retiree Benefits	101,261	99,761	55,987	43,774
All school pass throughs	1,490,017	1,495,517	1,846,962	(351,445)
Principals and asst principals	1,130,910	1,130,684	1,105,657	25,027
School office	1,002,770	1,003,402	938,118	65,284
Superintendent/school board	412,373	409,545	444,347	(34,802)
Legal	126,000	126,000	126,002	(2)
Capital outlay	165,470	365,470	400,031	(34,561)
Other expenses	158,672	166,172	160,561	5,611
Total expenditures	<u>37,821,043</u>	<u>37,821,043</u>	<u>38,163,568</u>	<u>(342,525)</u>
Total expenditures	<u><u>\$ 37,821,043</u></u>	<u><u>\$ 37,821,043</u></u>	<u><u>\$ 38,163,568</u></u>	<u><u>\$ (342,525)</u></u>

TOWN OF EAST GREENWICH, RHODE ISLAND
General Fund
JUNE 30, 2017

NOTES TO SUPPLEMENTARY INFORMATION

Budgetary to GAAP basis reconciliation

The following reconciliation summarizes the differences for the Town's General Fund between budgetary and GAAP basis accounting principles for the year ended June 30, 2017:

Excess of revenues and other sources over expenditures and other uses (Deficit) (Non-GAAP Budgetary Basis).....	\$ 1,109,104
Excess of revenues and other sources over expenditures and other uses (GAAP).....	<u>\$ 1,109,104</u>

The adjustments necessary to reconcile actual revenues reported on a budgetary basis to actual revenues reported in accordance with generally accepted accounting principles are as follows:

A reconciliation of the General Fund's revenues and expenditures and other financing sources (uses) is presented below.

	<u>Revenues and Transfers</u>	<u>Expenditures and Transfers</u>
<i>General Fund:</i>		
<i>Schedule of Revenues, Expenditures and Other Financing Sources</i>		
<i>(Non-GAAP Budgetary Basis) Budget and Actual</i>	\$ 65,629,147	\$ 64,520,043
<i>Statement of Revenues, Expenditures and Changes in Fund</i>		
<i>Balances</i>	<u>\$ 65,629,147</u>	<u>\$ 64,520,043</u>

TOWN OF EAST GREENWICH, RHODE ISLAND
School Unrestricted
JUNE 30, 2017

NOTES TO SUPPLEMENTARY INFORMATION

Budgetary to GAAP basis reconciliation

The following reconciliation summarizes the differences for the School's Unrestricted Fund between budgetary and GAAP basis accounting principles for the year ended June 30, 2017:

Excess of revenues and other sources over expenditures and other uses (Non-GAAP Budgetary Basis).....	\$ (203,808)
Use of prior years fund balance.....	<u>(525,000)</u>
Excess of revenues and other sources over expenditures and other uses (GAAP).....	<u><u>\$ (728,808)</u></u>

The adjustments necessary to reconcile actual revenues reported on a budgetary basis to actual revenues reported in accordance with generally accepted accounting principles are as follows:

A reconciliation of the General Fund's revenues and expenditures and other financing sources (uses) is presented below.

	<u>Revenues and Transfers</u>	<u>Expenditures and Transfers</u>
<i>School Unrestricted Fund:</i>		
<i>Schedule of Revenues, Expenditures and Other Financing Sources</i>		
<i>(Non-GAAP Budgetary Basis) Budget and Actual</i>	\$ 37,959,760	\$ 38,163,568
Adjustment for pension contribution made by State of Rhode Island on behalf of employees.....	\$ 1,719,101	\$ 1,719,101
Use of prior years fund balance.....	<u>(525,000)</u>	<u>-</u>
 <i>Statement of Revenues, Expenditures and Changes in Fund</i>		
<i>Balances</i>	<u><u>\$ 39,153,861</u></u>	<u><u>\$ 39,882,669</u></u>

**TOWN OF EAST GREENWICH, RHODE ISLAND
TOWN TAX COLLECTOR'S ANNUAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

REAL ESTATE AND PERSONAL PROPERTY TAXES

Tax Roll Year	Balance July 1, 2016	Current Year Assessment	Refunds	Additions and Adjustments	Abatements	Amount to be Collected	Current Year Collections	Balance June 30, 2017
2016	\$ -	\$ 57,019,409	\$ 120,345	\$ 21,183	\$ 83,140	\$ 57,077,797	\$ 55,903,738	\$ 1,174,059
2015	1,150,611	-	770	2,065	18,821	1,134,625	953,191	181,434
2014	185,409	-	-	(2,065)	95	183,249	35,391	147,858
2013	196,823	-	-	-	10,604	186,219	29,748	156,471
2012	142,523	-	-	-	7,290	135,233	25,935	109,298
2011	100,284	-	-	-	6,375	93,909	12,779	81,130
2010	73,349	-	-	-	-	73,349	10,194	63,155
2009	62,423	-	-	-	-	62,423	6,554	55,869
2008	64,459	-	-	-	-	64,459	7,173	57,286
2007	71,640	-	-	-	-	71,640	6,098	65,542
2006	62,082	-	-	-	-	62,082	4,815	57,267
2005 and prior	413,942	-	-	-	-	413,942	3,703	410,239
Subtotal	2,523,545	57,019,409	121,115	21,183	126,325	59,558,927	56,999,319	2,559,608
Allowance for uncollectible taxes	90,933							90,933
	<u>\$ 2,432,612</u>							<u>\$ 2,468,675</u>

**SCHEDULE OF MOST RECENT NET
ASSESSED PROPERTY VALUE BY CATEGORY**

Description of Property	Valuations December 31, 2015	Levy July 1, 2016
Real property	\$ 2,263,535,907	\$ 54,528,580
Motor vehicles	167,850,693	3,840,424
Tangible personal	79,402,948	1,912,817
TOTAL	<u>2,510,789,548</u>	<u>60,281,821</u>
Less exemptions	(138,815,554)	(3,262,412)
NET ASSESSED VALUE	<u>\$ 2,371,973,994</u>	<u>\$ 57,019,409</u>

**RECONCILIATION OF CURRENT YEAR
PROPERTY TAX REVENUE**

Current year collections	\$ 56,999,319
Adjustment	1,514
Total property tax revenues	<u>\$ 57,000,833</u>

STATISTICAL SECTION

This part of the Town of East Greenwich, Rhode Island's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the governments overall financial health.

Contents

Financial Trends

These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the governments most significant local revenue source, property taxes.

Debt Capacity

These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.

**TOWN OF EAST GREENWICH
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)**

Exhibit 1

Fiscal Year

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Governmental Activities										
Net investment in capital assets	\$ 35,160,076	\$ 34,519,152	\$ 32,593,083	\$ 30,022,563	\$ 26,815,085	\$ 19,739,145	\$ 16,161,958	\$ 19,176,359	\$ 20,744,380	\$ 14,653,361
Restricted	1,349,714	1,989,921	2,171,870	3,423,277	3,601,262	3,533,838	-	-	-	-
Unrestricted	(63,472,667)	(33,241,321)	(30,331,477)	(814,090)	3,172,839	7,926,272	15,679,990	11,391,385	8,392,337	13,641,861
Total governmental activities net position	<u>\$ (26,962,877)</u>	<u>\$ 3,267,752</u>	<u>\$ 4,433,476</u>	<u>\$ 32,631,750</u>	<u>\$ 33,589,186</u>	<u>\$ 31,199,255</u>	<u>\$ 31,841,948</u>	<u>\$ 30,567,744</u>	<u>\$ 29,136,717</u>	<u>\$ 28,295,222</u>
Business-type activities										
Net investment in capital assets	\$ 17,185,132	\$ 17,005,110	\$ 15,315,035	\$ 14,492,633	\$ 13,385,888	\$ 11,088,505	\$ 10,255,599	\$ 7,621,215	\$ 11,732,800	\$ 15,346,522
Unrestricted	8,219,446	7,602,117	9,258,013	10,428,707	11,765,571	13,837,395	14,660,591	16,318,603	9,919,947	2,005,368
Total business-type activities net position	<u>\$ 25,404,578</u>	<u>\$ 24,607,227</u>	<u>\$ 24,573,048</u>	<u>\$ 24,921,340</u>	<u>\$ 25,151,459</u>	<u>\$ 24,925,900</u>	<u>\$ 24,916,190</u>	<u>\$ 23,939,818</u>	<u>\$ 21,652,747</u>	<u>\$ 17,351,890</u>
Primary government										
Net investment in capital assets	\$ 52,345,208	\$ 51,524,262	\$ 47,908,118	\$ 44,515,196	\$ 40,200,973	\$ 30,827,650	\$ 26,417,557	\$ 26,797,574	\$ 32,477,180	\$ 29,999,883
Restricted	1,349,714	1,989,921	2,171,870	3,423,277	3,601,262	3,533,838	-	-	-	-
Unrestricted	(55,253,221)	(25,639,204)	(21,073,464)	9,614,617	14,938,410	21,763,667	30,340,581	27,709,988	18,312,284	15,647,229
Total primary government net position	<u>\$ (1,558,299)</u>	<u>\$ 27,874,979</u>	<u>\$ 29,006,524</u>	<u>\$ 57,553,090</u>	<u>\$ 58,740,645</u>	<u>\$ 56,125,155</u>	<u>\$ 56,758,138</u>	<u>\$ 54,507,562</u>	<u>\$ 50,789,464</u>	<u>\$ 45,647,112</u>
Component Unit - Land Trust										
Net investment in capital assets	\$ 5,217,614	\$ 5,176,705	\$ 5,169,183	\$ 5,018,500	\$ 5,018,500	\$ 5,018,500	\$ 5,018,500	\$ 5,018,500	\$ 5,018,500	\$ 5,018,500
Unrestricted	2,369	(9,753)	5,862	127,210	130,492	190,595	152,118	147,656	137,565	133,344
Total component unit - land trust	<u>\$ 5,219,983</u>	<u>\$ 5,166,952</u>	<u>\$ 5,175,045</u>	<u>\$ 5,145,710</u>	<u>\$ 5,148,992</u>	<u>\$ 5,209,095</u>	<u>\$ 5,170,618</u>	<u>\$ 5,166,156</u>	<u>\$ 5,156,065</u>	<u>\$ 5,151,844</u>

**TOWN OF EAST GREENWICH
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)**

Exhibit 2

	Fiscal Year									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Expenses										
Governmental activities:										
Legislative, judicial and general administrative	\$ 7,937,795	\$ 9,660,610	\$ 4,159,481	\$ 6,481,781	\$ 3,508,332	\$ 5,867,286	\$ 4,383,274	\$ 4,339,118	\$ 4,185,051	\$ 3,132,955
Financial administration	2,045,771	827,362	2,591,475	3,139,959	2,562,044	180,311	373,446	499,059	498,266	486,637
Information technology	494,331	513,395	526,500	458,699	341,954	343,978	291,000	329,333	347,956	279,149
Public safety	8,531,144	7,993,445	7,808,939	7,720,518	9,108,219	3,335,498	3,362,659	3,937,506	3,719,021	3,775,116
Public works	5,430,220	5,159,473	5,104,794	4,922,694	4,564,079	4,640,995	4,288,190	4,305,209	4,264,987	3,884,001
Teen center	12,500	10,096	9,744	-	-	-	-	-	-	-
Public Health and Welfare	366,361	1,919,180	600,854	615,716	797,851	495,426	405,521	457,285	474,880	715,504
Parks and recreation	639,498	654,139	654,838	644,665	613,186	632,251	571,481	607,466	598,106	176,116
Town planner	195,135	183,436	168,723	190,696	171,137	175,385	152,036	191,610	190,516	185,712
Senior and Human services	241,738	231,868	239,665	235,186	261,342	769,945	239,353	229,342	245,204	228,993
Education	43,256,485	40,190,736	34,118,786	37,299,099	35,797,956	34,883,882	34,490,597	34,270,489	35,045,679	33,162,664
Grants and contributions	29,000	29,000	29,000	-	-	-	-	-	-	-
Library	520,235	507,546	499,141	486,875	475,000	467,175	467,175	467,175	467,175	455,775
Non capital outlay	-	-	-	229,924	-	-	-	-	-	1,698,602
Land trust	19,292	22,196	17,802	-	-	-	-	-	28,342	129,581
Interest	2,085,391	2,438,141	2,386,485	2,817,502	2,996,339	1,591,216	737,841	1,182,573	679,380	597,214
Total governmental activities expenses	<u>71,804,896</u>	<u>70,340,623</u>	<u>58,916,227</u>	<u>65,243,314</u>	<u>61,197,439</u>	<u>53,383,348</u>	<u>49,762,573</u>	<u>50,816,165</u>	<u>50,744,563</u>	<u>48,908,019</u>
Business-type activities:										
Sewer fund	3,177,273	3,121,804	3,042,941	2,924,541	2,803,715	2,924,500	2,876,482	2,756,904	2,077,958	2,234,066
Total business-type activities expenses	<u>3,177,273</u>	<u>3,121,804</u>	<u>3,042,941</u>	<u>2,924,541</u>	<u>2,803,715</u>	<u>2,924,500</u>	<u>2,876,482</u>	<u>2,756,904</u>	<u>2,077,958</u>	<u>2,234,066</u>
Total primary government expenses	<u>\$ 74,982,169</u>	<u>\$ 73,462,427</u>	<u>\$ 61,959,168</u>	<u>\$ 68,167,855</u>	<u>\$ 64,001,154</u>	<u>\$ 56,307,848</u>	<u>\$ 52,639,055</u>	<u>\$ 53,573,069</u>	<u>\$ 52,822,521</u>	<u>\$ 51,142,085</u>
Component unit - Land Trust										
Public Health and Welfare	\$ 20,947	\$ 61,798	\$ 21,483	\$ 54,752	\$ 28,025	\$ -	\$ 29,240	\$ 24,773	\$ 37,652	\$ 57,970
Total component unit expenses	<u>\$ 20,947</u>	<u>\$ 61,798</u>	<u>\$ 21,483</u>	<u>\$ 54,752</u>	<u>\$ 28,025</u>	<u>\$ -</u>	<u>\$ 29,240</u>	<u>\$ 24,773</u>	<u>\$ 37,652</u>	<u>\$ 57,970</u>

**TOWN OF EAST GREENWICH
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(Continued)**

Exhibit 2

	Fiscal Year									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Program revenues										
Governmental activities:										
<i>Charges for services:</i>										
Legislative, judicial and general administrative	\$ 719,852	\$ 728,482	\$ 516,808	\$ 637,795	\$ 599,535	\$ 558,686	\$ 550,557	\$ 599,011	\$ 639,690	\$ 691,384
Public safety	189,259	162,802	174,093	188,623	183,267	230,525	184,844	402,727	618,109	195,899
Public works	-	-	-	-	364,783	408,144	265,119	579,712	254,332	267,875
Public health and welfare	1,220,636	1,319,959	1,376,819	257,000	295,249	87,357	176,620	50,007	55,045	-
Parks and recreation	-	-	-	-	-	225,631	127,990	128,079	126,491	31,806
Town planner	-	-	-	-	-	-	930,205	344,517	296,856	-
Education	423,511	411,451	507,125	451,902	531,743	530,824	515,377	501,357	961,299	37,197
Interest	-	-	-	-	-	24	-	-	-	-
<i>Operating and grants contributions</i>										
Legislative, judicial and general administrative	4,950	-	393,555	549,711	125,068	216,590	-	-	-	-
Public safety	190,621	164,414	220,069	154,635	413,494	128,961	7,988	524,963	27,283	-
Public works	-	-	-	-	-	-	30,408	2,657	-	-
Parks and recreation	-	-	-	-	-	11,074	4,395	5,749	3,408	-
Public health and welfare	809,069	385,624	251,285	257,735	350,910	179,415	145,289	208,867	295,974	-
Education	7,790,736	7,835,647	5,586,856	6,663,785	2,538,795	1,246,325	1,531,377	1,320,089	2,549,745	370,018
Other	-	-	-	-	-	-	-	-	-	2,033,706
<i>Capital grants and contributions</i>										
Legislative, judicial and general administrative	-	-	-	-	19,552	294,326	3,561	276,176	408,777	-
Public safety	-	-	-	-	-	-	26,236	17,412	57,541	-
Public health and welfare	-	-	-	-	-	-	-	-	50,000	-
Total governmental activities program revenues	11,348,634	11,008,379	9,026,610	9,161,186	5,422,396	4,117,882	4,499,966	4,961,323	6,344,550	3,627,885
Business-type activities:										
<i>Charges for services:</i>										
Sewer fund	3,974,624	3,155,983	2,694,649	2,941,661	2,549,636	2,408,772	3,600,454	4,401,777	6,170,324	1,485,497
Total business-type activities program revenues	3,974,624	3,155,983	2,694,649	2,941,661	2,549,636	2,408,772	3,600,454	4,401,777	6,170,324	1,485,497
Total primary government program revenues	\$ 15,323,258	\$ 14,164,362	\$ 11,721,259	\$ 12,102,847	\$ 7,972,032	\$ 6,526,654	\$ 8,100,420	\$ 9,363,100	\$ 12,514,874	\$ 5,113,382
Net (Expense)/Revenue										
Governmental activities	\$ (60,456,262)	\$ (59,332,244)	\$ (49,889,617)	\$ (56,082,128)	\$ (55,775,043)	\$ (49,265,466)	\$ (45,262,607)	\$ (45,854,842)	\$ (44,400,013)	\$ (45,280,134)
Business-type activities	797,351	34,179	(348,292)	17,120	(254,079)	(515,728)	723,972	1,644,873	4,092,366	(748,569)
Total primary government net expenses	\$ (59,658,911)	\$ (59,298,065)	\$ (50,237,909)	\$ (56,065,008)	\$ (56,029,122)	\$ (49,781,194)	\$ (44,538,635)	\$ (44,209,969)	\$ (40,307,647)	\$ (46,028,703)
Total component unit net expenses	\$ 20,947	\$ 61,798	\$ 21,483	\$ 54,752	\$ 28,025	\$ -	\$ 29,240	\$ 24,773	\$ 37,652	\$ 57,970
General Revenues and Other Changes in Net Assets										
Governmental activities:										
Property taxes, levied for general purposes	\$ 57,076,518	\$ 55,387,746	\$ 53,092,082	\$ 52,039,380	\$ 50,001,198	\$ 43,986,640	\$ 43,109,254	\$ 41,833,892	\$ 39,648,780	\$ 37,851,734
Net unrestricted investment earnings	34,795	9,489	9,719	27,917	13,369	744	232	89,386	94,635	204,322
Miscellaneous	2,751,118	2,457,607	2,786,915	3,611,275	7,101,914	6,006,024	4,106,885	5,362,591	3,847,486	6,289,962
State revenue sharing	1,762	62,395	62,403	62,403	-	-	-	-	-	-
<i>Special item - Loss on disposal of equipment</i>	-	-	-	-	(27,318)	(18,145)	(20,985)	-	(64,575)	-
Total general revenues	59,864,193	57,917,237	55,951,119	55,740,975	57,089,163	49,975,263	47,195,386	47,285,869	43,526,326	44,346,018
Business-type activities:										
Unrestricted investment earnings	-	-	-	-	479,638	525,438	551,005	553,883	472,065	367,584
Transfers	-	-	-	-	-	-	-	-	-	-
Total business-type activities	-	-	-	-	479,638	525,438	551,005	553,883	472,065	367,584
Total primary government	\$ 59,864,193	\$ 57,917,237	\$ 55,951,119	\$ 55,740,975	\$ 57,568,801	\$ 50,500,701	\$ 47,746,391	\$ 47,839,752	\$ 43,998,391	\$ 44,713,602
Change in Net Assets										
Governmental activities	\$ (592,069)	\$ (1,415,007)	\$ 6,061,502	\$ (341,153)	\$ 1,314,120	\$ 709,797	\$ 1,932,779	\$ 1,431,027	\$ (873,687)	\$ (934,116)
Business-type activities	797,351	34,179	(348,292)	17,120	225,559	9,710	1,274,977	2,198,756	4,564,431	(380,985)
Total primary governmental	\$ 205,282	\$ (1,380,828)	\$ 5,713,210	\$ (324,033)	\$ 1,539,679	\$ 719,507	\$ 3,207,756	\$ 3,629,783	\$ 3,690,744	\$ (1,315,101)
Component Unit - Land Trust										
Miscellaneous	\$ 73,978	\$ 53,705	\$ 50,818	\$ 51,470	\$ 44,309	\$ 38,477	\$ 33,702	\$ 34,864	\$ 41,873	\$ 47,683
Total general revenues	\$ 73,978	\$ 53,705	\$ 50,818	\$ 51,470	\$ 44,309	\$ 38,477	\$ 33,702	\$ 34,864	\$ 41,873	\$ 47,683
Change in Net Assets - component unit	\$ 53,031	\$ (8,093)	\$ 29,335	\$ (3,282)	\$ 16,284	\$ 38,477	\$ 4,462	\$ 10,091	\$ 4,221	\$ (10,287)

TOWN OF EAST GREENWICH
Balance Sheet Fund Balances Governmental Funds
(Modified Accrual Basis of Accounting)
Last Ten Years

Exhibit 3	Fiscal Year									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
General Fund - Fund Balance Categories:										
Nonspendable:	2,608,868	2,579,596	2,003,737	-	595,204	-	18,847	*	*	*
Restricted:	4,297	718,264	966,083	6,931,891	2,507,549	2,478,727	2,278,668	*	*	*
Committed:	1,940,000	270,000	60,000	-	100,000	230,000	1,247,870	*	*	*
Assigned:	1,114,102	1,080,505	1,353,180	-	1,251,037	1,259,510	804,205	*	*	*
Unassigned:	6,405,385	7,043,991	6,422,291	-	6,721,114	5,842,439	5,181,016	*	*	*
Reserved										
Reserved for contingency	-	-	-	-	-	-	-	210,000	210,000	210,000
Reserved for prepaids	-	-	-	-	-	-	-	29,077	288,675	101,868
Unreserved:										
Designated for capital reserve vehicles	-	-	-	-	-	-	-	595,145	595,145	963,410
Designated for other improvements	-	-	-	-	-	-	-	436,638	444,327	1,082,424
Unreserved	-	-	-	-	-	-	-	4,445,470	2,622,685	1,988,024
Total general fund	\$ 12,072,652	\$ 11,692,356	\$ 10,805,291	\$ 6,931,891	\$ 11,174,904	\$ 9,810,676	\$ 9,530,606	\$ 5,716,330	\$ 4,160,832	\$ 4,345,726
School Bond 52m Capital Fund										
Committed for: Education	1,832,270	2,226,519	2,236,660	-	3,421,077	6,434,194	8,326,692	*	*	*
Unreserved	-	-	-	-	-	-	-	16,700,799	7,939,707	-
Total School Bond 52m Capital Fund	\$ 1,832,270	\$ 2,226,519	\$ 2,236,660	\$ -	\$ 3,421,077	\$ 6,434,194	\$ 8,326,692	\$ 16,700,799	\$ 7,939,707	\$ -
Non-Major Governmental Funds										
Nonspendable:										
Inventories	-	-	5,083	5,083	5,083	6,121	4,532	*	*	*
Permanent fund principal	377,088	408,898	417,312	412,038	445,969	203,343	210,280	*	*	*
Restricted for:										
Education	138,982	132,876	161,812	100,497	52,226	298,361	291,393	*	*	*
Culture and recreation	-	-	-	-	-	728,562	728,562	*	*	*
Public works programs	1,206,435	1,138,781	1,043,975	1,051,205	1,041,487	28,188	93,894	*	*	*
Assigned for:										
Legislative, judicial	123,754	106,508	1,302,200	912,802	461,190	164,714	84,799	*	*	*
Long term obligations	-	-	-	178,390	391,891	609,391	585,896	*	*	*
Public safety programs	621,782	848,417	1,006,921	1,360,889	1,575,056	110,363	108,837	*	*	*
Community programs	93,739	93,212	101,775	106,298	115,530	120,161	128,055	*	*	*
Public works programs	42,851	68,461	63,396	206,820	209,076	154,232	457,385	*	*	*
Culture and recreation	569,322	396,441	1,364,158	1,401,739	1,383,367	1,490,547	1,435,172	*	*	*
Unassigned:	(81,895)	(73,951)	(54,012)	(86,653)	(41,252)	(223,648)	(247,070)	*	*	*
Reserved										
Reserved by trust agreements	-	-	-	-	-	-	-	218,586	215,288	240,495
Reserved for inventory	-	-	-	-	-	-	-	5,303	11,201	9,313
Reserved for prepaids	-	-	-	-	-	-	-	-	5,847	-
Unreserved, reported in:										
Capital Projects Funds	-	-	-	-	-	-	-	1,843,824	6,844,984	5,931,848
Permanent Funds	-	-	-	-	-	-	-	-	-	-
Special Revenue Funds	-	-	-	-	-	-	-	1,706,748	1,617,191	1,467,074
Total non-major governmental funds	\$ 3,092,058	\$ 3,119,643	\$ 5,412,620	\$ 5,649,108	\$ 5,639,623	\$ 3,690,335	\$ 3,881,735	\$ 3,774,461	\$ 8,694,511	\$ 7,648,730

* : GASB 54 implemented in 2011, This data is not available for prior years

Note: The Town implemented the requirements of GASB 34 in 2004 and will continue to present data up to the required 10 years.

TOWN OF EAST GREENWICH
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
 LAST TEN FISCAL YEARS (MODIFIED ACCRUAL BASIS OF ACCOUNTING)

Exhibit 4

	Fiscal Year									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Revenues										
General property tax	\$ 57,000,833	\$ 55,440,052	\$ 52,836,687	\$ 51,730,064	\$ 50,068,123	\$ 43,760,296	\$ 43,213,598	\$ 41,561,575	\$ 39,757,548	\$ 37,755,081
Intergovernmental and departmental revenues	7,767,445	6,888,695	5,729,112	7,328,248	7,047,875	5,691,886	4,928,030	7,159,798	6,957,190	6,375,848
License and permits	2,113,333	2,074,701	2,027,141	1,529,948	1,110,840	1,114,239	974,565	1,233,467	1,064,372	1,155,158
Fines and interest on late payments	37,455	28,015	18,585	163,641	-	-	-	164,840	234,271	186,159
Tuitions	98,110	131,276	142,000	27,917	13,369	744	232	89,386	94,635	204,322
Other revenues	3,886,519	4,246,536	3,800,160	3,644,372	4,196,947	3,292,605	2,344,348	1,446,143	1,999,295	2,187,885
Total revenues	70,903,695	68,809,275	64,553,685	64,424,190	62,437,154	53,859,770	51,460,773	51,655,209	50,107,311	47,864,453
Expenditures										
Current:										
Legislative, judicial and general administrative	7,268,997	8,297,730	6,376,501	5,904,609	3,704,108	4,717,734	3,096,108	3,002,019	3,153,800	3,147,094
Financial administration	610,009	626,687	650,170	616,624	516,025	519,975	501,807	499,059	498,266	486,637
Information technology	494,331	513,395	526,500	458,699	341,954	343,978	291,000	329,333	347,956	279,149
Public safety	7,989,933	7,450,535	7,231,582	7,169,986	8,498,052	3,036,577	3,043,576	3,606,847	3,458,574	3,684,137
Public works	3,692,554	3,548,831	3,474,684	3,340,690	2,983,305	3,039,703	2,845,876	2,793,583	2,903,501	2,537,042
Public health and welfare	366,361	358,715	438,321	615,716	797,851	710,552	405,521	457,285	474,880	715,504
Teen Center	12,500	10,096	9,744	6,999	5,000	9,280	-	-	-	-
Parks and recreation	579,924	595,386	597,048	574,569	548,634	569,657	522,161	557,343	542,383	121,236
Town planner	195,135	183,436	168,723	190,696	171,137	175,385	152,036	191,610	190,516	185,712
Senior and human services	241,738	231,868	239,665	235,186	236,342	214,953	239,353	229,342	245,204	228,993
Education	41,187,480	39,003,994	36,495,426	36,808,755	35,262,082	34,883,882	33,884,678	33,760,544	34,417,055	32,604,632
Grants and contributions	29,000	29,000	29,000	29,000	25,000	24,000	-	-	-	-
Library	520,235	507,546	499,141	486,875	475,000	467,175	467,175	467,175	467,175	455,775
Land trust	19,292	22,196	17,802	59,560	28,025	76,388	-	4,600	-	30,828
Financing costs	17,000	2,607	2,749	14,674	2,650	1,338,229	650,037	-	28,342	96,603
Net decrease in FMV of investments	-	-	-	1,815,421	8,204	6,961	-	-	-	-
Capital	1,674,115	2,085,678	1,445,369	229,924	4,041,601	7,946,552	19,373,150	20,972,534	10,314,538	6,924,789
Debt service:										
Principal	4,295,833	4,221,833	4,190,833	4,160,833	3,780,834	36,640,833	35,550,000	10,940,000	1,940,000	1,840,000
Interest	2,272,912	2,450,718	2,544,721	2,664,401	3,129,487	1,191,483	766,885	1,054,545	604,260	587,889
Other expenditures	6,768	1,560,465	-	-	-	-	8,538	-	-	2,150
Total expenditures	71,474,117	71,700,716	64,937,979	65,383,217	64,555,291	95,913,297	101,797,901	78,865,819	59,586,450	53,928,170
Excess of revenues over (under) expenditures before other financing sources (uses)	(570,422)	(2,891,441)	(384,294)	(959,027)	(2,118,137)	(42,053,527)	(50,337,128)	(27,210,610)	(9,479,139)	(6,063,717)
Other financing sources (uses)										
Issuance of debt	562,112	1,475,388	20,000	-	-	36,640,000	44,135,000	33,000,000	18,240,000	9,600,000
BAN premium proceeds	-	-	-	-	-	3,609,699	332,320	304,127	-	-
Refunding bond activity	-	-	-	-	-	-	-	-	-	-
Transfers from other funds	(154,075)	33,276,182	32,485,772	(48,599)	322,904	239,321	723,640	30,032,915	31,291,902	28,582,517
Transfers to other funds	154,075	(33,276,182)	(32,485,772)	-	(322,904)	(239,321)	(723,640)	(30,032,915)	(31,291,902)	(28,582,517)
Total other financing sources (uses)	562,112	1,475,388	20,000	(48,599)	-	40,249,699	44,467,320	33,304,127	18,240,000	9,600,000
Net change in fund balances	(8,310)	(1,416,053)	(364,294)	(1,007,626)	(2,118,137)	(1,803,828)	(5,869,808)	6,093,517	8,760,861	3,536,283
Fund balances - beginning - restated	17,005,290	18,454,571	18,818,865	20,235,604	22,353,741	21,739,033	27,608,841	21,515,324	12,837,786	8,513,315
Prior period adjustments	-	-	-	-	-	-	-	-	(83,323)	788,188
Fund balances - ending	\$ 16,996,980	\$ 17,038,518	\$ 18,454,571	\$ 19,227,978	\$ 20,235,604	\$ 19,935,205	\$ 21,739,033	\$ 27,608,841	\$ 21,515,324	\$ 12,837,786
Debt service as a percentage of noncapital expenditures	9.41%	9.58%	10.61%	10.48%	11.42%	43.01%	44.06%	20.72%	5.16%	5.17%

**TOWN OF EAST GREENWICH
ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
UNAUDITED**

Exhibit 5

Fiscal Year	REAL PROPERTY		PERSONAL PROPERTY		TOTAL		Total Direct Tax Rate	Ratio of Total Assessed Value to Total Estimated Actual Value
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value		
2008	2,586,013,339	2,669,036,190	151,455,900	215,802,125	2,737,469,239	2,884,838,315	14.38	94.89%
2009	2,619,904,759	2,704,309,590	150,203,612	215,813,070	2,770,108,371	2,920,122,660	14.76	94.86%
2010	2,324,960,270	2,408,085,400	142,421,444	130,387,443	2,467,381,714	2,538,472,843	17.12	97.20%
2011	2,332,584,161	2,405,615,200	141,623,065	82,775,361	2,474,207,226	2,552,032,756	17.25	96.95%
2012	2,151,158,443	2,437,884,602	211,448,926	149,876,034	2,362,607,369	2,587,760,636	17.49	91.30%
2013	2,083,973,157	2,151,158,443	223,865,943	223,865,943	2,307,839,100	2,375,024,386	20.14	97.17%
2014	2,107,035,453	2,173,164,780	157,070,032	225,790,670	2,264,105,485	2,398,955,450	22.90	94.38%
2015	2,132,786,050	2,195,241,680	162,221,837	230,776,207	2,295,007,887	2,426,017,887	23.26	94.60%
2016	2,174,003,472	2,241,978,733	170,646,941	240,052,886	2,344,650,413	2,482,031,619	23.68	94.46%
2017	2,194,388,169	2,263,535,907	177,585,825	247,253,641	2,371,973,994	2,510,789,548	24.09	94.47%

**TOWN OF EAST GREENWICH
PROPERTY TAX RATES
(PER \$1000 OF ASSESSED VALUE)
LAST TEN FISCAL YEARS
UNAUDITED**

Exhibit 6

Fiscal Year			General Fund		
Fiscal Year			General Fund		
2008	Real Estate Residential	13.54	2013**	Real Estate Residential	22.24
	Motor Vehicles	22.88		Motor Vehicles	22.88
	Tangible	13.54		Tangible	22.24
	Inventory	2.37			
2009	Real Estate Residential	14.00	2014	Real Estate Residential	22.90
	Motor Vehicles	22.88		Motor Vehicles	22.88
	Tangible	14.00		Tangible	22.90
2010	Real Estate Residential	16.64	2015	Real Estate Residential	23.26
	Motor Vehicles	22.88		Motor Vehicles	22.88
	Tangible	16.64		Tangible	23.26
2011	Real Estate Residential	17.25	2016	Real Estate Residential	23.68
	Motor Vehicles	22.88		Motor Vehicles	22.88
	Tangible	17.25		Tangible	23.68
2012	Real Estate Residential	17.49	2017	Real Estate Residential	24.09
	Motor Vehicles	22.88		Motor Vehicles	22.88
	Tangible	17.49		Tangible	24.09

The average total direct rate for 2017 is \$ 23.68

Note: Taken from annual certified tax role

Description of Property	Valuations	Rate	Levy
Real property	\$ 2,206,494,215	23.66	52,205,653
Motor vehicles	93,168,201	22.88	2,131,688
Tangible personal	77,454,334	23.66	1,832,570
<i>Total</i>	<u>2,377,116,750</u>		<u>56,169,911</u>
Average total direct rate for 2017			<u>23.63</u>

**The Fire District was acquired by the Town of East Greenwich. The Town of East Greenwich now budgets for a fire department

**TOWN OF EAST GREENWICH
PRINCIPAL TAXPAYERS
JUNE 30, 2017
UNAUDITED**

Exhibit 7

Taxpayer	Type of Business	(1) Assessed Valuation	Percentage of Total Assessed Valuation
East Greenwich Square LLC	Real Estate	27,792,700	1.18%
Saint Elizabeth Development	Nursing	26,098,500	1.11%
Briggs Drive Associates	Warehouse	12,170,700	0.52%
National Grid	Utility	10,048,885	0.43%
Albany Road - 1351 South County	Medical Offices	9,429,500	0.40%
Cove Homes Inc	Elderly Apt Complex	9,261,100	0.39%
Narragansett Electric Co - Gas	Utility	7,997,799	0.34%
Alex and Ani LLC	Warhouse	7,470,087	0.32%
Esmond Realty Corp	Shopping Center	7,040,600	0.30%
Albany Road - 1405 South County	Medical Offices	7,022,300	0.30%
		<u>\$ 124,332,171</u>	<u>5.27%</u>
Total assessed valuation (gross)		<u><u>\$ 2,361,273,744</u></u>	

(1) Source tax assessors office

Note: Information for prior nine years was not available

**TOWN OF EAST GREENWICH
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

Exhibit 8

Fiscal Year	Amount to be Collected	Current Year Tax Collections	Percent of Levy Collected	Collections in Subsequent Years	Total Collections to Date	
					Amount	Percentage of Levy
2008	37,726,180	36,636,049	97.11%	861,743	37,497,792	99.395%
2009	39,575,719	38,591,813	97.51%	951,505	39,543,318	99.918%
2010	41,524,344	40,155,545	96.70%	1,027,942	41,183,487	99.179%
2011	43,145,379	42,049,016	97.46%	1,078,070	43,127,086	99.958%
2012	44,015,852	42,802,430	97.24%	1,026,096	43,828,526	99.574%
2013	45,381,128	44,112,086	97.20%	1,177,449	45,289,535	99.798%
2014	51,851,944	50,684,913	97.75%	1,045,151	51,730,064	99.765%
2015	53,345,988	51,904,778	97.30%	1,021,893	52,926,671	99.214%
2016	55,456,409	54,254,999	97.83%	2,140,588	55,442,396	99.975%
2017	57,077,797	55,903,738	97.94%	-	55,903,738	97.943%

Note: This information is taken from the tax collectors report.

**TOWN OF EAST GREENWICH
RATIO OF NET GENERAL BONDED DEBT TO ASSESSED VALUE
AND NET BONDED DEBT PER CAPITA
LAST TEN FISCAL YEARS**

Exhibit 9

Fiscal Year	Governmental Activities			Business-Type Activities		Total Primary Government	Population	Personal Income	Per Capita ¹	Total Debt per Personal Income
	General Obligation Bonds	Bond Anticipation Notes	Capital Leases	General Obligation Bonds	Notes Payable					
2008	17,080,000	3,900,000	216,583	-	22,139,078	43,335,661	11,865	582,192	3,652.39	74.44
2009	24,380,000	9,000,000	33,333	6,000,000	20,857,215	60,270,548	13,293	652,261	4,534.01	92.40
2010	22,440,000	33,000,000	-	5,800,000	25,019,939	86,259,939	13,648	652,261	6,320.34	132.25
2011	30,525,000	33,500,000	-	5,470,000	23,600,396	93,095,396	13,382	665,261	6,956.76	139.94
2012	63,824,167	-	71,164	5,140,000	22,161,709	91,197,040	13,146	652,473	6,937.25	139.77
2013	60,043,333	-	43,168	4,820,000	20,583,547	85,490,048	13,146	655,429	6,503.12	130.43
2014	55,882,500	-	18,600	4,500,000	18,982,722	79,383,822	13,146	655,000	6,038.63	121.20
2015	51,711,667	-	83,055	4,200,000	17,357,894	73,352,616	13,146	655,000	5,579.84	111.99
2016	48,965,222	-	44,679	3,900,000	21,708,705	74,618,606	13,146	661,259	5,676.15	112.84
2017	45,246,501	-	16,943	3,825,000	20,033,946	69,122,390	13,111	731,856	5,272.09	94.45

* Information unavailable as of date of report

Note: Details regarding the Town's outstanding debt can be found in the notes to the financial statements

¹ See the Schedule of Demographics and Economic Statistics for population data

**TOWN OF EAST GREENWICH
COMPUTATION OF LEGAL DEBT MARGIN
LAST TEN FISCAL YEARS**

Exhibit 10

Legal Debt Margin Calculation for the Fiscal Year 2017

Assessed Value (net)	\$ 2,450,507,727
Debt Limit 3% of Assessed Value	73,515,232
<i>Debt Applicable to Limit:</i>	
Total Bonded Debt	<u>71,430,232</u>
Legal Debt Margin	<u><u>\$ 2,085,000</u></u>

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Debt Limit	\$ 73,515,232	\$ 70,339,512	\$ 68,850,237	\$ 67,923,165	\$ 67,213,371	\$ 74,668,500	\$ 74,226,217	\$ 74,021,451	\$ 83,103,251	\$ 82,124,077
Total net debt applicable to limit	2,085,000	2,070,000	530,400	895,300	1,260,200	1,625,100	990,000	1,155,000	1,320,100	1,485,000
Legal debt margin	71,430,232	68,269,512	68,319,837	67,027,865	65,953,171	73,043,400	73,236,217	72,866,451	81,783,151	80,639,077
Total net debt applicable to the limit as a percentage of the debt limit	2.84%	2.94%	0.77%	1.32%	1.87%	2.18%	1.33%	1.56%	1.59%	1.81%

**TOWN OF EAST GREENWICH
RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR
GENERAL BONDED DEBT TO TOTAL GENERAL EXPENDITURES
LAST TEN FISCAL YEARS**

Exhibit 11

Fiscal Year	Principal	Interest	Total Debt Service	Total General Expenditures (1)	Ratio of Annual Debt Service to Total General Expenditures Estimated
2008	1,840,000	587,889	2,427,889	53,928,170	4.50%
2009	1,940,000	604,260	2,544,260	59,586,450	4.27%
2010	1,940,000	875,046	2,815,046	54,626,911	5.15%
2011	2,550,000	766,885	3,316,885	49,288,794	6.73%
2012	3,140,833	690,379	3,831,212	51,049,633	7.50%
2013	3,780,834	3,129,484	6,910,318	59,083,149	11.70%
2014	4,160,833	2,664,401	6,825,234	60,744,547	11.24%
2015	4,190,833	2,544,721	6,735,554	62,084,163	10.85%
2016	4,221,833	2,450,718	6,672,551	71,700,716	9.31%
2017	4,295,833	2,420,624	6,716,457	71,474,117	9.40%

(1) Includes General, School Unrestricted, and all Non-Major Funds

Note: There is direct or overlapping debt related to governmental activities

TOWN OF EAST GREENWICH
PRINCIPAL EMPLOYERS
JUNE 30, 2017
UNAUDITED

Exhibit 12

Name	Type of Business	Number of Employees									Percentage of Total Town Employment								
		2017	2016	2015	2014	2013	2012	2011	2010	2009	2017	2016	2015	2014	2013	2012	2011	2010	2009
Corvias Group LLC (Previously Picerne)	Construction	904	836	808	801	773	815	806	*	*	15.52%	14.35%	13.87%	13.75%	13.27%	13.99%	13.84%	*	*
Alex and Ani	Retail/Warehouse	169	107	**	**	**	**	*	*	*	2.90%	1.84%	*	*	*	*	*	*	*
Town of East Greenwich	Government	504	491	491	464	454	454	463	463	488	8.65%	8.43%	8.43%	7.97%	7.79%	7.79%	7.95%	7.95%	8.38%
Dave's Market Place	Retail	310	310	295	264	264	264	237	*	*	5.32%	5.32%	5.06%	4.53%	4.53%	4.53%	4.07%	*	*
New England Linen Supply	Retail	63	65	65	78	**	**	*	*	*	1.08%	1.12%	1.12%	1.34%	*		*	*	*
Meridian Printing	Restaurant	48	59	**	**	**	**	*	*	*	0.82%	1.01%	*	*	*		*	*	*
Saint Elizabeth Home	Nursing Home/Assisted Living	200	284	284	313	200	280	200	185	200	3.43%	4.88%	4.88%	5.37%	3.43%	4.81%	3.43%	3.18%	3.43%
Paul Bailey's EG Ford Inc.	Auto Sales	123	125	115	99	97	107	103	103	103	2.11%	2.15%	1.97%	1.70%	1.67%	1.84%	1.77%	*	*
Eagle PITCHER Technologies	Manufacturing	91	111	126	128	*	*	*	*	*	1.56%	1.91%	2.16%						
CBOCS	Restaurant	104	102	113	113	105	113	*	*	*	1.79%	1.75%	1.94%	1.94%	1.80%	1.94%	*	*	*
NE Technology	Education	627	633	606	597	554	556	*	*	*	10.76%	10.87%	10.40%	10.25%	9.51%	9.55%	*	*	*

*Information unavailable as of date of report

** Low employee count or closed business.

EAST GREENWICH PUBLIC SCHOOLS
MISCELLANEOUS STATISTICS
JUNE 30, 2017
UNAUDITED

Exhibit 13

BUILDINGS

Administration	1
Maintenance	0
Elementary Schools	4
Middle School	1
High School	1
Total	<u>7</u>

STUDENTS

	K-5	Middle	High	Total
2017	1,140	692	732	2,564
2016	1,118	653	747	2,518
2015	1,115	631	735	2,481
2014	1,089	598	718	2,405
2013	1,081	592	729	2,402
2012	1,025	572	766	2,363
2011	1,169	400	741	2,310
2010	1,223	419	760	2,402
2009	1,187	405	784	2,376
2008	1,180	417	789	2,386

Administrative	
Certified Staff:	
Instructional	168.0
School Management	14.0
ESL	1.0
Occupational Therapists	4.0
Speech & language	6.0
Special Education	36.0
Other (Librarians, Counselors, Nurses, etc.)	25.0
Total Certified Staff	<u>254.0</u>
Non- Certified Staff	
Secretary and Clerical	16.0
Building and Maintenance	24.0
Teacher Assistants	71.0
Technicians	3.0
Attendance Officer	1.0
	<u>115.0</u>
Total FTE's	<u><u>369.0</u></u>

Data collected from School Department

**TOWN OF EAST GREENWICH
MISCELLANEOUS STATISTICS
JUNE 30, 2017
UNAUDITED**

Exhibit 14

Founded	1644	Police Protection	
Town Incorporation	1677	Buildings	1
		Employees:	
		Law Enforcement	34
Type of Government	Council / Town Manager	Dispatchers	5
		Community Service Officers	20
Fiscal Year begins	July 1		
Population	Official US Census	Recreation	
	1950 4,923	Natural Parks	5
	1960 6,100	Playgrounds	12
	1970 9,577	Ball Diamonds	
	1980 10,211	Hard Ball	3
	1990 11,865	Soft Ball	3
	2000 12,948	Multi-purpose fields	14
	2010 13,146		
Area of Town	16.7 square miles	Inline Rink	1
Land Area	16.6 square miles	Skating Arenas	1
		Basketball Courts	6
		Walking Paths	1
		Running Tracks	1
Miles of Streets		Tennis Courts	12
Local Paved	80		
State Paved	11		
		Historical Cemeteries	85
Elections - November 2014		Municipal Buildings	
Registered Voters	11,052	Town Hall	1
Number of Votes Cast	5,666	Public Works Garage	1
Percentage Voting	51%	Parks & Recreation	3
Fire Protection			
# Fire Stations	2		
Employees : Uniformed	34	Other Municipal Employees:	
		Directors and admin	11
		Other municipal full-time	51
Library		Part time	26
Full Time Employees	4		
Part Time Employees	13		
Town Unemployment Rate:	4.20%		

Note: Data collected from various Town departments

**TOWN OF EAST GREENWICH
FULL-TIME EQUIVALENT TOWN GOVERNMENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS**

Exhibit 15

Function	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General Government	22	22	22	21	23	24	22	22	23	22
Public Safety										
Police										
Officers	30	29	32	32	31	33	33	31	32	32
Civilians	8	8	8	8	8	8	8	8	8	8
Fire Department						40	36	38	35	36
Parks	11	11	10	10	10	10	10	10	9	9
Public Works	23	23	24	24	25	25	24	25	24	26
Senior Services	5	5	4	4	4	4	4	4	4	4
Sewer	1	1	5	5	5	5	5	5	5	5
Total	100	99	105	104	106	149	142	143	140	142

* Information unavailable as of date of report

Source: Various Government Departments

**TOWN OF EAST GREENWICH
CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS**

Exhibit 16

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Function										
Public Safety										
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	30	29	32	32	32	32	32	32	32	32
Fire Stations	2	2	2	2	2	2	2	2	2	2
Highways and Streets										
Streets (miles)	80	80	80	80	80	80	80	80	80	80
Culture and recreation										
Parks	4	4	5	5	5	5	5	5	5	5
Skating Arenas	1	1	1	1	1	1	1	1	1	1
Tennis Courts	12	12	12	12	12	12	12	12	12	12
Ball Diamonds	5	5	6	6	6	6	6	6	6	6
Playgrounds	12	12	12	12	12	12	12	12	12	12
Basketball Courts	6	6	6	6	6	6	6	6	6	6
Running Tracks	1	1	1	1	1	1	1	1	1	1

* Information unavailable as of date of report

Sources: Various government departments

**TOWN OF EAST GREENWICH
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS**

Exhibit 17

Function	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Police										
Physical Arrests	380	331	439	212	254	248	327	291	261	233
Parking Violations	971	1,112	902	1,052	915	1,417	821	1,039	836	857
Traffic Violations	1,620	1,126	2,619	1,542	2,166	2,712	2,700	2,122	1,038	1,321
Highway and Street										
Street Resurfacing (miles)	4.50	3.00	3.00	5.90	6.50	0	1	6.04	1.75	6.68
Sanitation										
Refuse Collected (tons/day)	13.44	11.83	12.07	12.09	11.31	10.92	10.46	10.33	14.9	11.6
Paper Recyclables Collected (tons/day)	1.77	1.79	2.89	2.71	0	0	0	0	0	0
Mixed Recyclables Collected (tons/day)	3.09	3.03	1.91	1.93	0	0	0	0	0	0
Total Recyclables **					4.51	4.67	4.57	4.52	4.12	4.48
Wastewater										
Average Daily Sewage Treatment (thousands of gallons)	974	1,080	1,240	1,006	1,069	978	816	822	765	877

* Information unavailable as of date of report

Sources: Various government departments

** New program that combines both types of recyclables.

**TOWN OF EAST GREENWICH
DEMOGRAPHIC AND ECONOMIC STATISTICS
UNAUDITED
LAST TEN FISCAL YEARS**

Exhibit 18

Fiscal Year Ended June 30	Population¹	Median Family Income⁴	Median Home Price²	Personal Income² (amounts expressed in thousands)	Per Capita Personal Income⁴	Median Age⁴	School Enrollment³	Unemployment Rate⁴
2008	11,865	85620	475,000	582,192	49,068	40.50	2,386	7.10%
2009	13,293	79691	463,750	652,261	49,068	41.30	2,376	10.06%
2010	13,648	79691	450,000	652,261	49,068	40.50	2,402	10.90%
2011	13,146	112484	460,000	665,269	45,703	44.60	2,310	10.70%
2012	13,146	114605	479,100	652,473	49,479	44.60	2,363	9.70%
2013	13,146	122,418	486,800	655,429	53,060	44.60	2,402	7.50%
2014	13,142	121,658	435,000	655,000	54,768	43.20	2,405	6.20%
2015	13,146	128,836	416,900	655,000	57,628	44.60	2,481	4.30%
2016	13,128	134,583	383,400	661,259	57,453	43.40	2,518	4.40%
2017	13,111	142,648	412,600	731,856	55,820	44.40	2,564	4.20%

* Information unavailable as of date of report

Data sources

¹ US Census Bureau

² US Census Community Survey (year average)

³ East Greenwich School Department

⁴ Rhode Island Department of Labor and Training

**TOWN OF EAST GREENWICH
RATIOS OF GENRAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS**

Exhibit 19

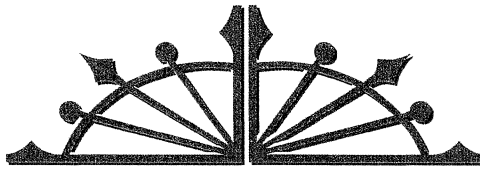
Fiscal Year	General Obligation Bonds	Estimated Actual Value of Property 1	Per Capita 2
2017	45,246,501	2,510,789,548	0.029%
2016	48,965,222	2,482,031,619	0.027%
2015	55,911,667	2,426,017,887	0.024%
2014	60,382,500	2,398,955,450	0.022%
2013	64,863,333	2,375,024,386	0.020%
2012	68,964,167	2,587,760,636	0.019%
2011	35,995,000	2,552,032,756	0.037%
2010	28,240,000	2,538,472,843	0.048%
2009	24,380,000	2,920,122,660	0.055%
2008	17,080,000	2,884,838,315	0.069%

1 - See the Schedule of Assessed Value and Estimated Value of Taxable Property on page 132 for property value data

2 - See the Schedule of Demographic and Economic Statistics on page 147 for population data

* - Information unavailable as of the date of this report

***TOWN OF EAST GREENWICH, RHODE ISLAND
SINGLE AUDIT
FOR THE YEAR ENDED JUNE 30, 2017***



BAXTER DANSEREAU & ASSOCIATES, LLP

Accounting, Consulting & Tax Services

Partners

William J. Baxter, Jr., CPA

Paul L. Dansereau, CPA

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

INDEPENDENT AUDITOR'S REPORT

The Honorable President
and Members of the Town Council
Town of East Greenwich, Rhode Island

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Town of East Greenwich, Rhode Island as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Town of East Greenwich's basic financial statements, and have issued our report thereon dated April 3, 2018.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Town of East Greenwich's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Town of East Greenwich's internal control. Accordingly, we do not express an opinion on the effectiveness of Town of East Greenwich's internal control.

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

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

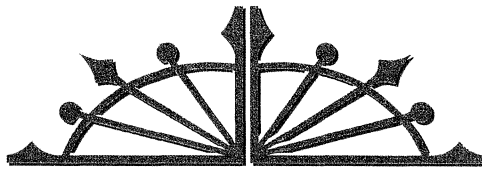
Compliance and Other Matters

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

Purpose of this Report

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


Baxter, Dansereau & Associates, LLP
West Warwick, Rhode Island
April 3, 2018



BAXTER DANSEREAU & ASSOCIATES, LLP

Accounting, Consulting & Tax Services

Partners

William J. Baxter, Jr., CPA

Paul L. Dansereau, CPA

**REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

INDEPENDENT AUDITOR'S REPORT

The Honorable President
and Members of the Town Council
Town of East Greenwich, Rhode Island

Report on Compliance for the Major Federal Program

We have audited the Town of East Greenwich's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Town of East Greenwich, Rhode Island's major federal programs for the year ended June 30, 2017. The Town of East Greenwich's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Town of East Greenwich, Rhode Island's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Town of East Greenwich, Rhode Island's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Town of East Greenwich, Rhode Island's compliance.

Opinion on Each Major Federal Program

In our opinion, the Town of East Greenwich, Rhode Island, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2017.


Report on Internal Control Over Compliance

Management of the Town of East Greenwich, Rhode Island, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Town of East Greenwich, Rhode Island's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Town of East Greenwich, Rhode Island's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.


Baxter, Dansereau & Associates, LLP
West Warwick, Rhode Island
April 3, 2018

TOWN OF EAST GREENWICH, RHODE ISLAND
Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2017

**Federal Grantor/Pass-through
Grantor/Program or Cluster Title**

	Federal CFDA Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Expenditures
U.S. Department of Agriculture				
Passed through the State of Rhode Island Department of Education				
<i>Child Nutrition Cluster:</i>				
National School Breakfast Program	10.553	N/A	\$ -	\$ 23,662
National School Lunch Program	10.555	N/A	-	94,829
Food Donation (Note 4)	10.555	N/A	-	54,903
Total U.S. Department of Agriculture			<u>\$ -</u>	<u>\$ 173,394</u>
U.S. Department of Housing and Urban Development				
Passed through the State of Rhode Island Office of Housing and Community Development				
Community Development Block Grant/States Program	14.228	Various	\$ -	\$ 117,136
Total U.S. Department of Housing and Urban Development			<u>\$ -</u>	<u>\$ 117,136</u>
U.S. Department of Justice				
Direct Award				
ARRA - Edward Byrne Memorial JAG Program	16.804	N/A	\$ -	\$ 8,820
Total U.S. Department of Justice			<u>\$ -</u>	<u>\$ 8,820</u>
U.S. Environmental Protection Agency				
Direct Award				
ARRA - Capitalization Grant for Clean Water State Revolving Fund	66.458	N/A	\$ -	\$ 19,623
Total U.S. Environmental Protection Agency			<u>\$ -</u>	<u>\$ 19,623</u>
U.S. Department of Education				
Passed-through the State of Rhode Island Department of Education				
Title I Grants to Local Education Agencies	84.010A	2725-11702-601	\$ -	\$ 136,061
<i>Special Education Cluster:</i>				
Special Education - Grants to States	84.027A	2725-13202-601	-	550,741
Special Education - Preschool Grants	84.173A	2725-13502-601	-	14,148
Total Special Education Cluster				<u>564,889</u>
English Language Acquisition State Grant	84.365A	2725-16502-601	-	4,687
Improving Teacher Quality State Grants	84.367A	2725-16402-601	-	55,190
Total U.S. Department of Education			<u>\$ -</u>	<u>\$ 760,827</u>
U.S. Department of Homeland Security				
Direct Award				
Assistance to Firefighters	97.044	N/A	\$ -	\$ 26,620
Total U.S. Department of Homeland Security			<u>\$ -</u>	<u>\$ 26,620</u>
Total Federal Expenditures			<u>\$ -</u>	<u>\$ 1,106,420</u>

The accompanying notes are an integral part of this schedule

TOWN OF EAST GREENWICH, RHODE ISLAND
Schedule of Findings and Questioned Costs
For The Year Ended June 30, 2017

SECTION I - SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

Material weakness (es) identified? yes X no

Significant deficiency (ies) identified? yes X none reported

Noncompliance material to financial statements noted? yes X no

Federal Awards

Internal control over major federal programs:

Material weakness (es) identified? yes X no

Significant deficiency (ies) identified? yes X none reported

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? yes X no

Identification of major programs:

CFDA Number(s)	Name of Federal Program or Cluster
-----------------------	---

	<i>Education Cluster</i>
84.027	Special Education Grants to States
84.173	Special Education Preschool Grants

Dollar threshold used to distinguish between Type A and Type B programs: \$ 750,000

Auditee qualified as low risk auditee? X yes no

SECTION II – FINANCIAL STATEMENT FINDINGS yes X none

SECTION III – FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS yes X none

TOWN OF EAST GREENWICH, RHODE ISLAND
Schedule of Findings and Questioned Costs
For The Year Ended June 30, 2017
(continued)

**SECTION II – FINDINGS RELATING TO THE FINANCIAL STATEMENT AUDIT
AS REQUIRED TO BE REPORTED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

A. Significant Deficiency in Internal Control

None Reported.

B. Compliance

None Reported.

SECTION III – FINDINGS AND QUESTIONED COST FOR FEDERAL AWARDS

A. Finding

None Reported

B. Questioned Costs

None Reported

TOWN OF EAST GREENWICH, RHODE ISLAND
Schedule of Prior Year Findings and Questioned Costs
For the Year Ended June 30, 2017

PRIOR YEAR FINDINGS AND QUESTIONED COST FOR FEDERAL AWARDS

A. Findings

None Reported

B. Questioned Costs

None Reported

TOWN OF EAST GREENWICH, RHODE ISLAND
Notes to Schedule of Expenditures of Federal Awards
June 30, 2017

NOTE 1 - BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the schedule) includes the federal grant activity of the Town of East Greenwich, Rhode Island under programs of the federal government for the year ended June 30, 2017. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of the Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the Town of East Greenwich, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Town of East Greenwich, Rhode Island.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. *Code of the Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 3 - Indirect Cost Rates

The Town of East Greenwich has elected to use the 10 percent de-minimis indirect cost rate as allowed under the Uniform Guidance when applicable.

NOTE 4 - Non-Cash Assistance

U.S.D.A. Contributions: The United States Department of Agriculture makes available commodities for donations to schools. The amount of \$54,903 represents the market value of such commodities used during the period.