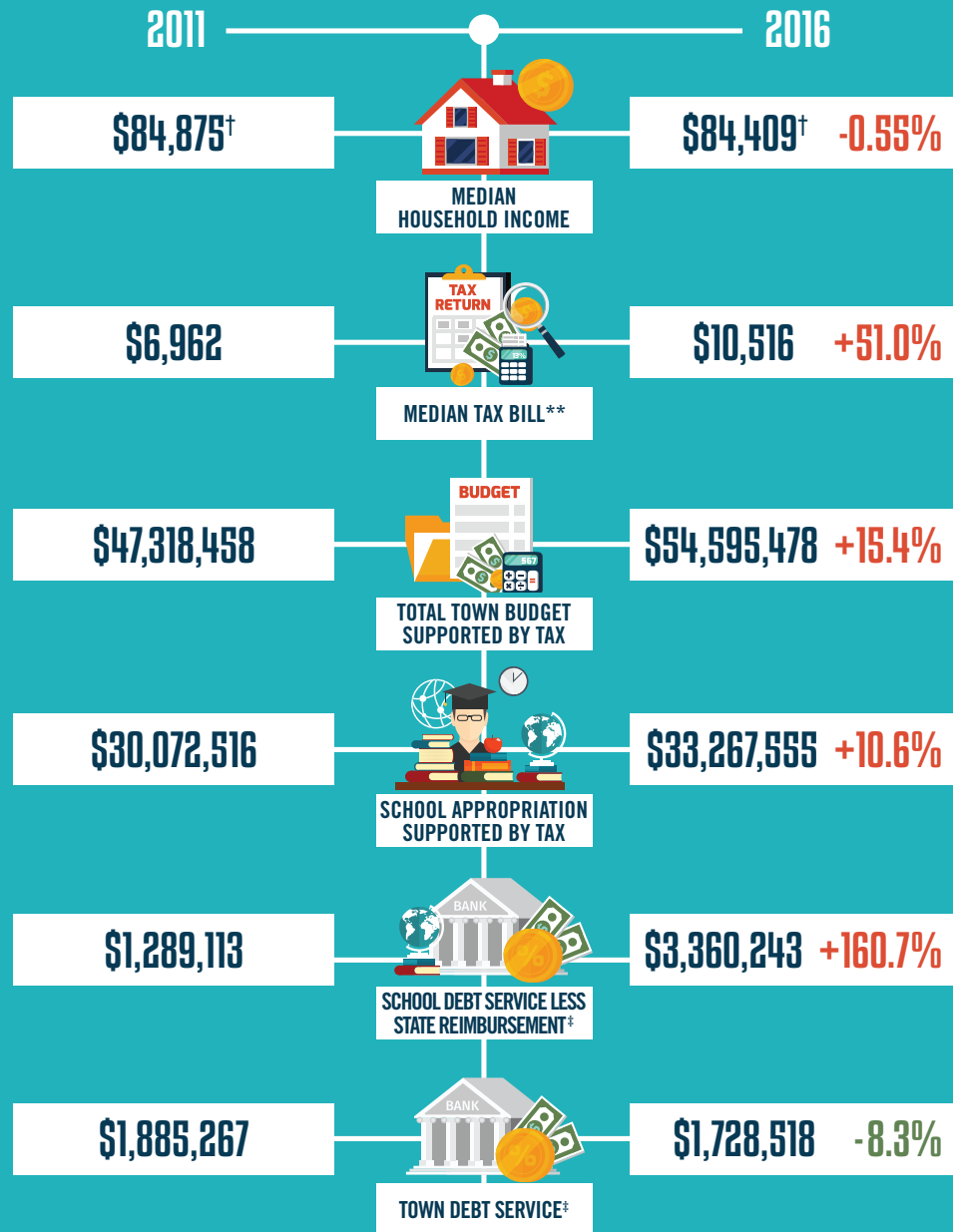


EAST GREENWICH THEN AND NOW

WHAT HAS CHANGED IN FIVE YEARS



TOTAL TOWN DEBT IS CURRENTLY \$44,699,389
 (SCHOOL DEBT: \$42,555,001 TOWN DEBT: \$2,144,388)

Data acquired from 2016 Town Audit and EG Town Tax Assessor
[†] United States Census Bureau ^{**}Based on an increase of appraised values [‡]Debit service is the debt principal and interest payment

WHAT YOU CAN DO

We live in a great town. We want excellent schools, great services and safe streets. We want all this and we know it can be affordable. But currently, it's not.

You should expect the best execution at every level, and we're asking you to make your voice heard. Engage in the process. You can make a difference by:

- Sending emails to Town reps voicing your concerns about the financial situation of the town
- Coming to a town meeting and speaking out about how your tax dollars are being spent
- Spreading the word to friends and neighbors so more people can be engaged in finding a solution
- Going to www.eastgreenwichri.com and signing up for our eNews - be sure to check off "Town Finances" to get the latest updates

HELP MAKE EAST GREENWICH THE BEST IT CAN BE!

REPRESENTATIVE CONTACT INFORMATION

TOWN COUNCIL

401.886.8600
 Suzanne McGee Cienki, President
 scienki@eastgreenwichri.com

Sean M. Todd, Vice President
 stodd@eastgreenwichri.com

Andrew F. Deutsch
 adeutsch@eastgreenwichri.com

Mark Schwager
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Nino M. Granatiero
 ngranatiero@eastgreenwichri.com

SCHOOL COMMITTEE

Carolyn Mark, Chair
 carolyn.mark.ri@gmail.com

Michael Fain
 michaelfain.egsc@gmail.com

Matthew Plain
 mplain@bartongilman.com

Mary Ellen Winters - Vice-Chair
 parkavedoc@gmail.com

Jeff Dronzek
 jdronzek1@verizon.net

Dr. Lori McEwen
 lbmcewen@gmail.com

Dr. Yan Sun
 yansun.egsc@gmail.com

STATE REPS

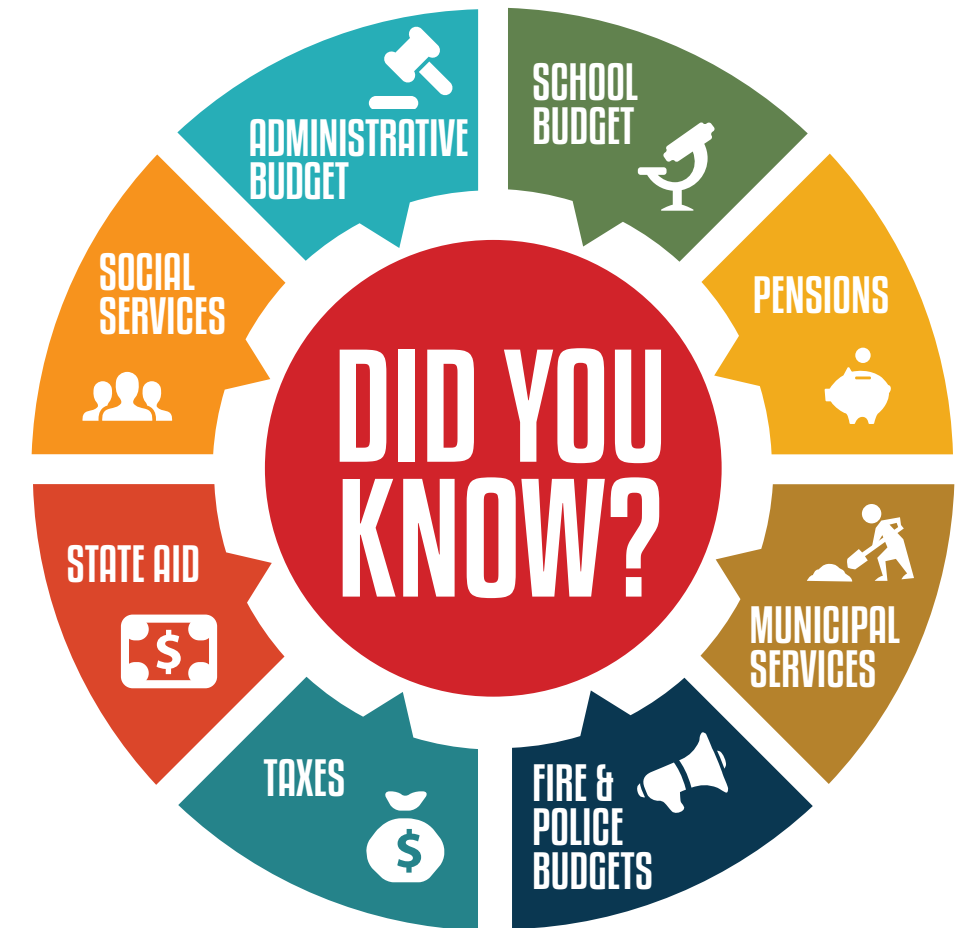
Mark Gee
 State Senator - District 35
 sen-gee@rilegislature.gov

Anthony Giarrusso
 District Representative
 rep-giarrusso@rilegislature.gov

VISIT EASTGREENWICHRI.COM FOR MORE INFORMATION

East Greenwich Town Hall
 125 Main Street

INFORMATION ON THE 2017 FINANCIAL STATUS OF THE TOWN OF EAST GREENWICH



PRESENTED BY THE EAST GREENWICH TOWN COUNCIL



East Greenwich Town Council

Dear East Greenwich Resident,

East Greenwich residents on the whole love their town. They enjoy the natural beauty and vibrancy. Compared to a lot of other communities, East Greenwich is in an enviable position – it is safe, has a strong school district and a thriving business community. But every day I hear from residents who say they are concerned about the future state of our town. Are we strategically prepared to meet the challenges of the future? I believe we are.

We have become more proactive in our thinking about planning for the new economic reality. This Town Council is focused on making sure the East Greenwich you love is on a sustainable economic path because this is what you have asked us to secure – a prosperous future. If we work together as a town, the proverbial “village” approach, with a common interest and an unselfish purpose, then 10 years from now we will still have the feeling we do today. That East Greenwich is a premier Rhode Island community in which to live.

This information brochure is a starting point for more and better communication on the state of our town as we prepare to budget for fiscal year 2018. We have provided a macro view of what our residents are facing economically before we set the course for the future of our town. It clearly shows we have work to do to realize the objective to create a sustainable economic path. As we plot the course beyond 2018, we want and need to hear from all residents about their expectations so we may create a multi-year strategic plan with a clear vision going forward.

The ability of a diverse set of residents who can afford to live in East Greenwich is becoming more difficult each year. We need to take a comprehensive look at each and every department and evaluate how we spend our money. The Town Council is committed to fiscal responsibility and conservative management principals to assure we continue to be a prosperous community. The tough decisions and trade-offs we will face in the current budget process needs to lead us to a stronger, more unified community because we need to overcome these challenges together.

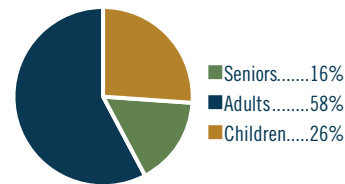
It is an honor for me to work with such dedicated Town Council members. They are striving to create a roadmap for success and always do what they feel is best for East Greenwich. Their leadership, coupled with a high level of resident engagement will assure we can keep moving East Greenwich forward and maintain our hometown spirit. I am eager to see what the future holds for East Greenwich. I encourage you to join us on this journey.

Thank you,

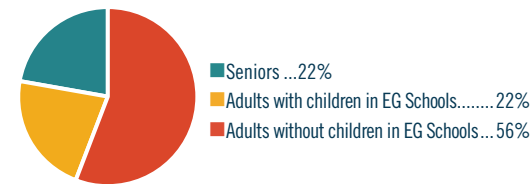
Suzanne McGee Cienki
East Greenwich Town Council President

ECONOMIC CONDITIONS FACING TAX PAYERS

East Greenwich Resident Profile
13,146 Residents*



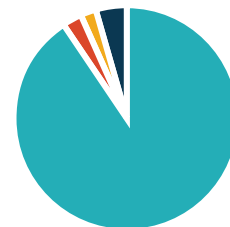
East Greenwich Tax Payer Profile
9,710 Tax Payers*



- Seniors generally have fixed incomes and have endured **low interests rates on investments**
- **Health care costs are increasing** for families
- **Mortgage interest rates are forecasted to rise**, resulting in an increase in annual housing costs
- **Salary increases for residents have been modest** with a sluggish US economy for last 5 years
- **Property tax rates in East Greenwich have risen 24.7% in the last five years**, resulting in the average property tax bill increasing from \$6,962 to \$10,516

OPERATING COSTS OF THE TOWN ARE INCREASING FASTER THAN THE TAXPAYER'S ABILITY TO FUND THEM

REVENUE: WHERE THE MONEY COMES FROM



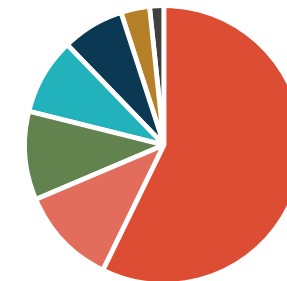
- Taxes in East Greenwich accounts for 90% of Town Revenue, with the **State only contributing 4.4%**
- Of the \$40 million in State Income Tax sent by East Greenwich tax payers to the State, **only \$5 million comes back to the Town**
- The balance is sent to cities and towns that are financially disadvantaged relative to East Greenwich. **Distribution is controlled by State Legislators**

STATE AID PROVIDED TO EAST GREENWICH IS THE LOWEST OF ALL MUNICIPALITIES IN RHODE ISLAND

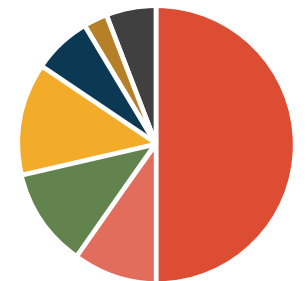
*Source: 2010 census

EXPENSES: WHERE THE MONEY GOES - PROPOSED 2018

Summary of the proposed FY 2018 budgets as of 3/1/2017



total compensation expense*



total benefits expense*

- **87% of proposed tax revenue** is dedicated to personnel **compensation and benefits**
- Benefits to **compensation ratio** for all municipal and school employees is **almost 40%**
- 2018 town **debt principal and interest payment is \$5.5 million**
- **Pension liability** is currently **over \$20,000 per East Greenwich household**
- Budget allocation for East Greenwich Schools is \$34 million, or 55% of the total – **almost 94% of the school appropriation is dedicated to personnel compensation and benefits**
- State law prevents a decrease in the tax dollar allocation to schools from the prior year

RESIDENTS PAY FOR AND EXPECT GREAT SERVICE FROM THE TOWN

WHAT THIS ALL MEANS

- **Continued borrowing (debt) for large projects** – More of your money spent on interest expense
 - Only one-half of the roads will have been paved after exhausting the latest voter-approved bond of \$5 million, so additional money is needed
- **Delayed maintenance on municipal buildings** – Reduced satisfaction of services to you
 - 50-year old facility does not adequately serve today's needs of the DPW. Efficiency gains can be made with a modern workplace ensuring great service delivery at a lower cost.
- **Delayed school building repairs** – Reduced quality of education for East Greenwich children
 - Approximately \$14 million in deferred building maintenance which will require a bond if expense money in the annual budget isn't freed up

WE ARE EAST GREENWICH! ENGAGE AND PRESERVE THE “VALUE” OF OUR TOWN.

*From proposed 2018 budget