

# Review of Fire District Merger's Impact on the Town of East Greenwich

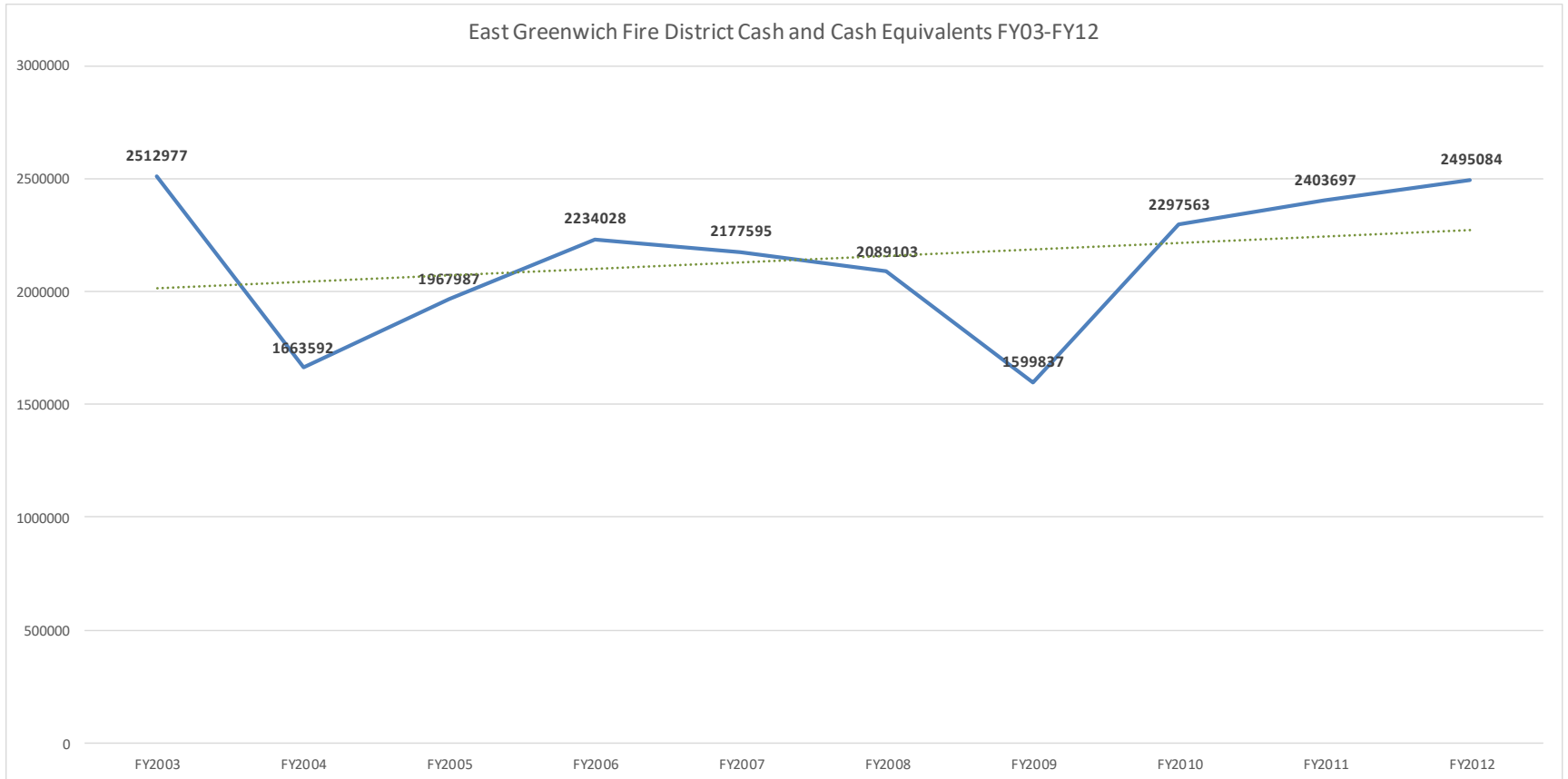
Gayle A. Corrigan, Town Manager

February 26, 2018

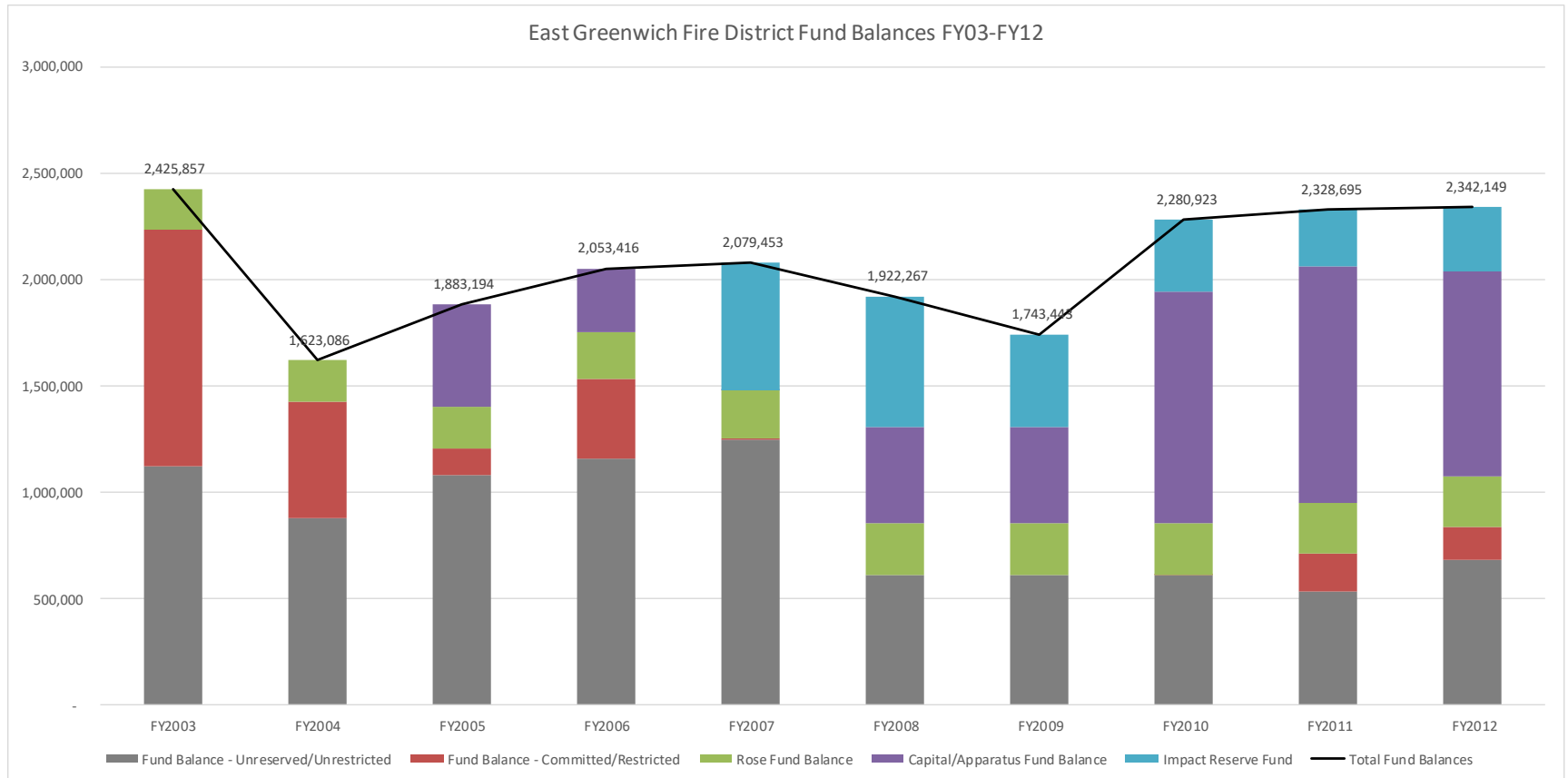
East Greenwich Fire District

**AUDITED FINANCIAL STATEMENT  
REVIEW FY03-FY12**

# Cash – Average \$2.14m; FY12 \$2.5m

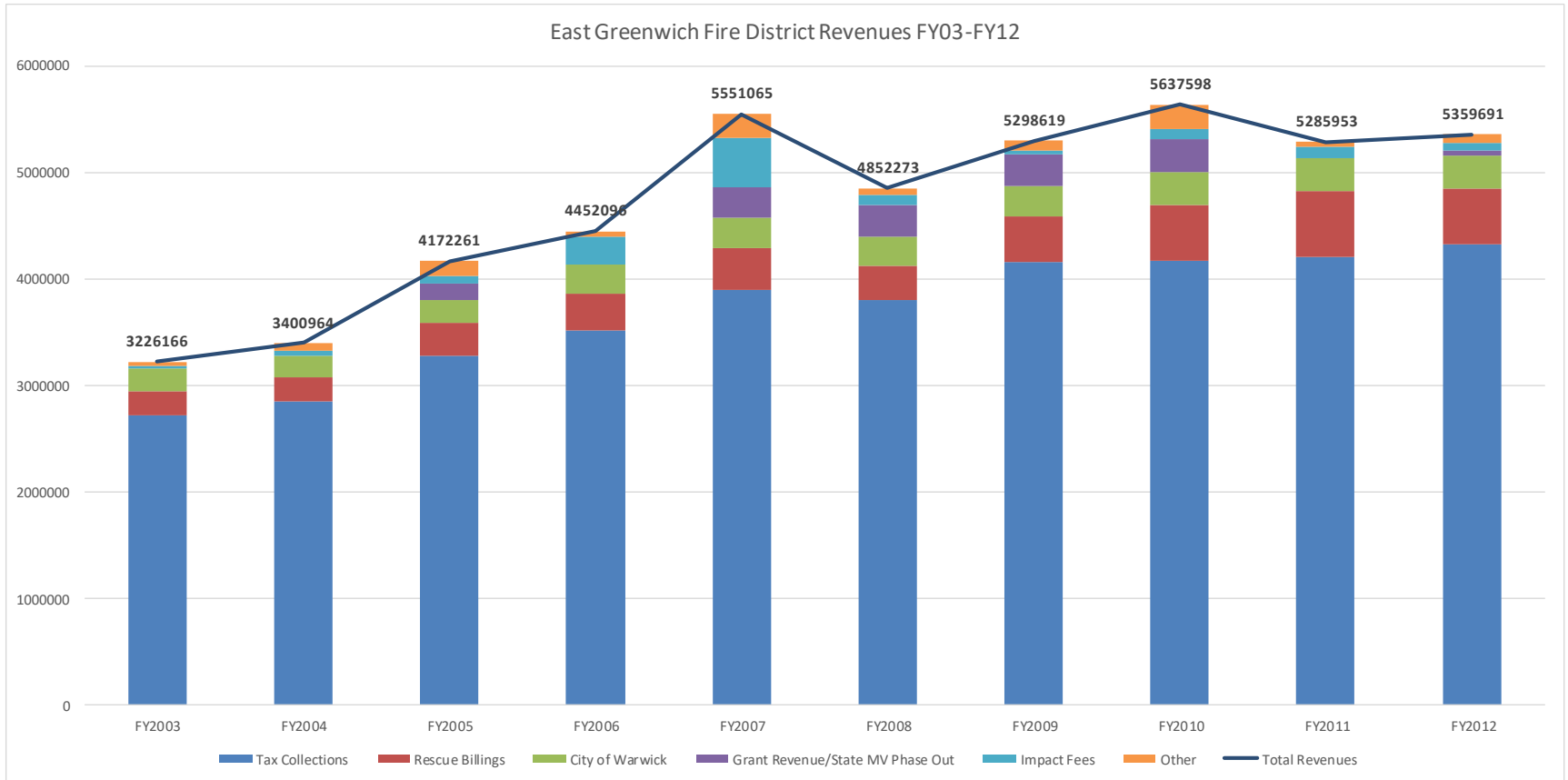


# Fund Balance – Average \$2.1m total; 60% reserved for capital/equipment

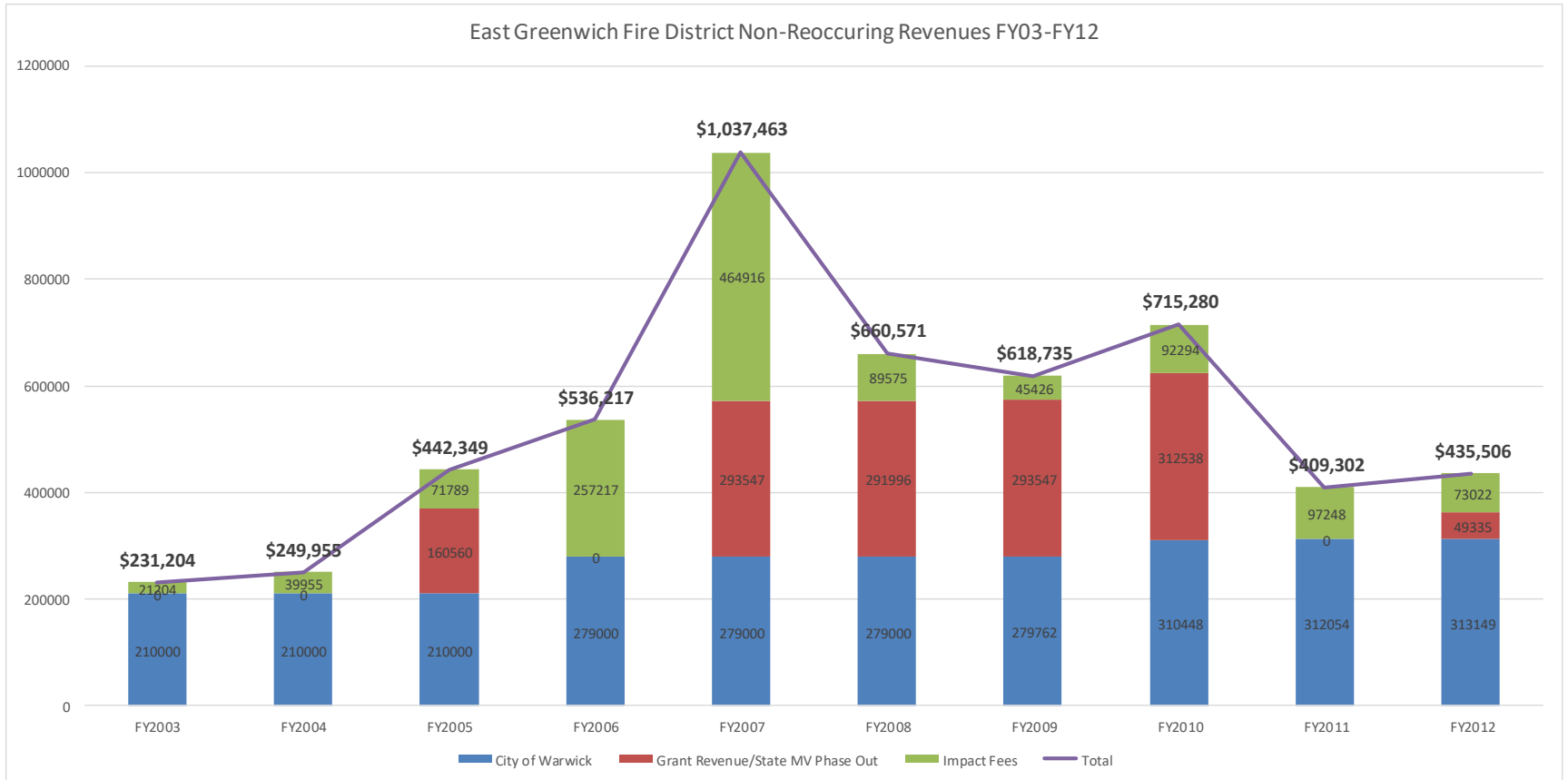


# Revenues – \$3.2m FY03 to \$5.4m FY12

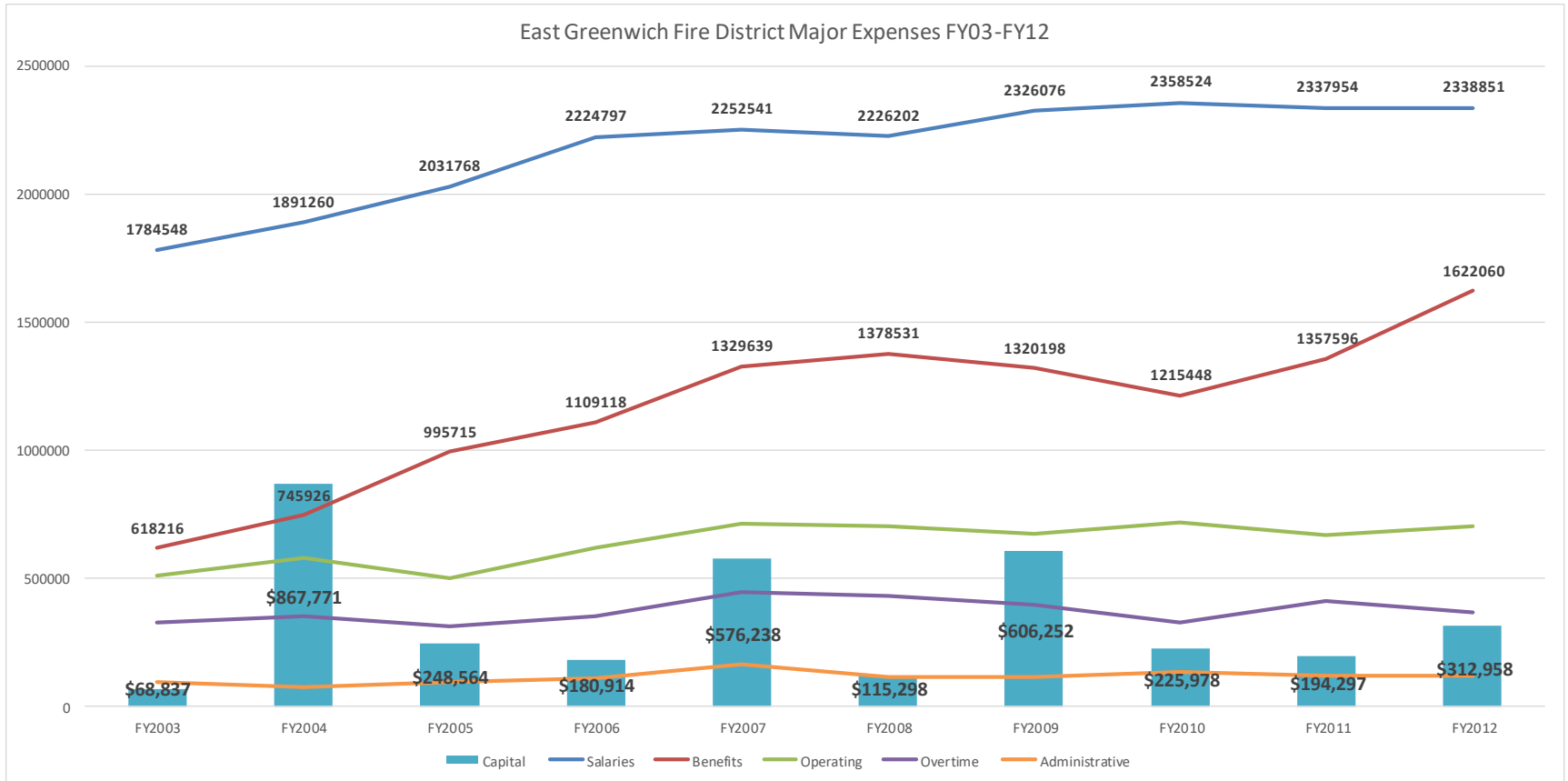
## Tax collections = 78% of revenue (avg)



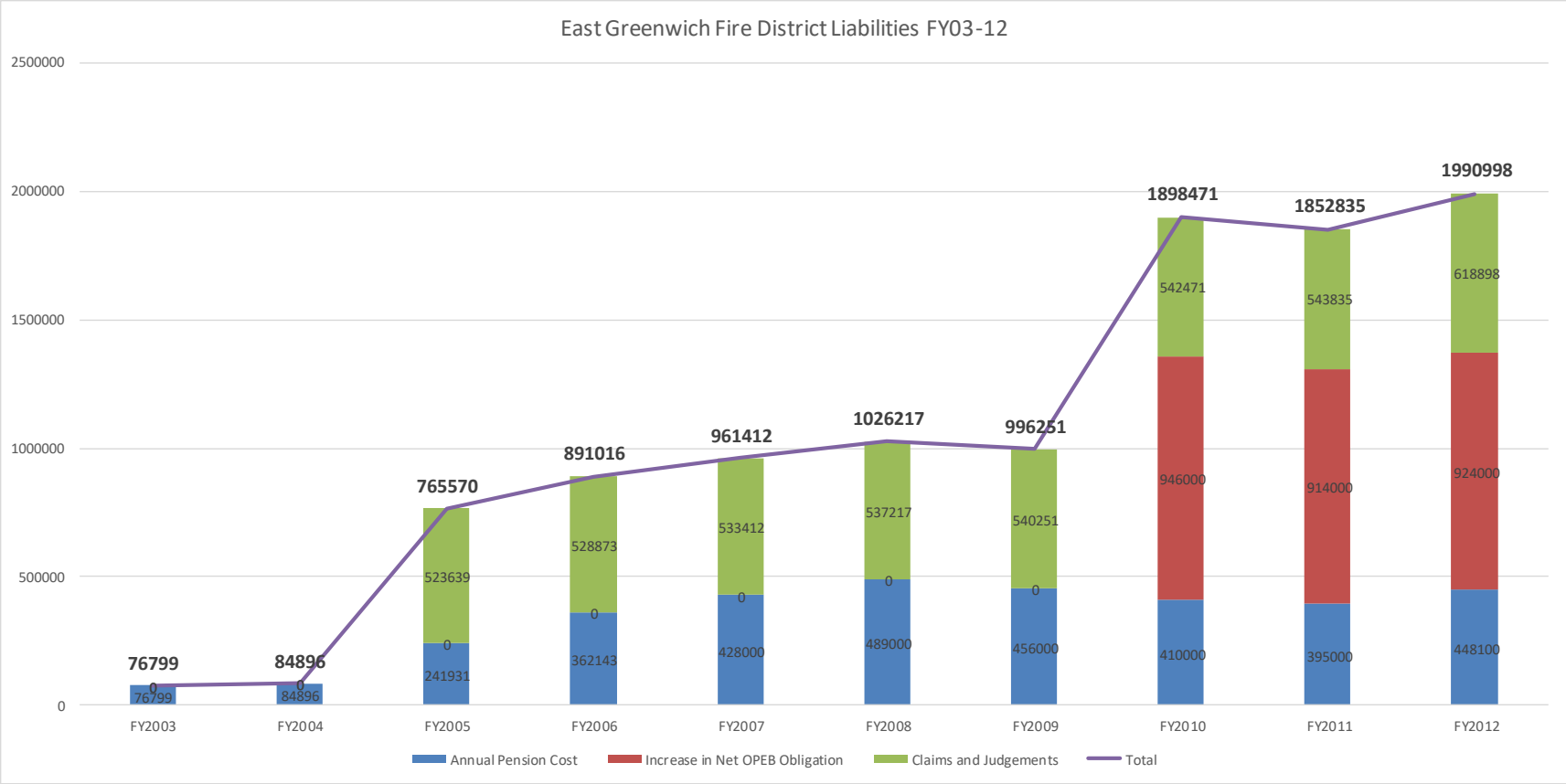
# Non-Recurring Revenues - \$5.3m or 11% of total revenue



# Expenses – stable except benefits/pension; \$3.4m capital spend

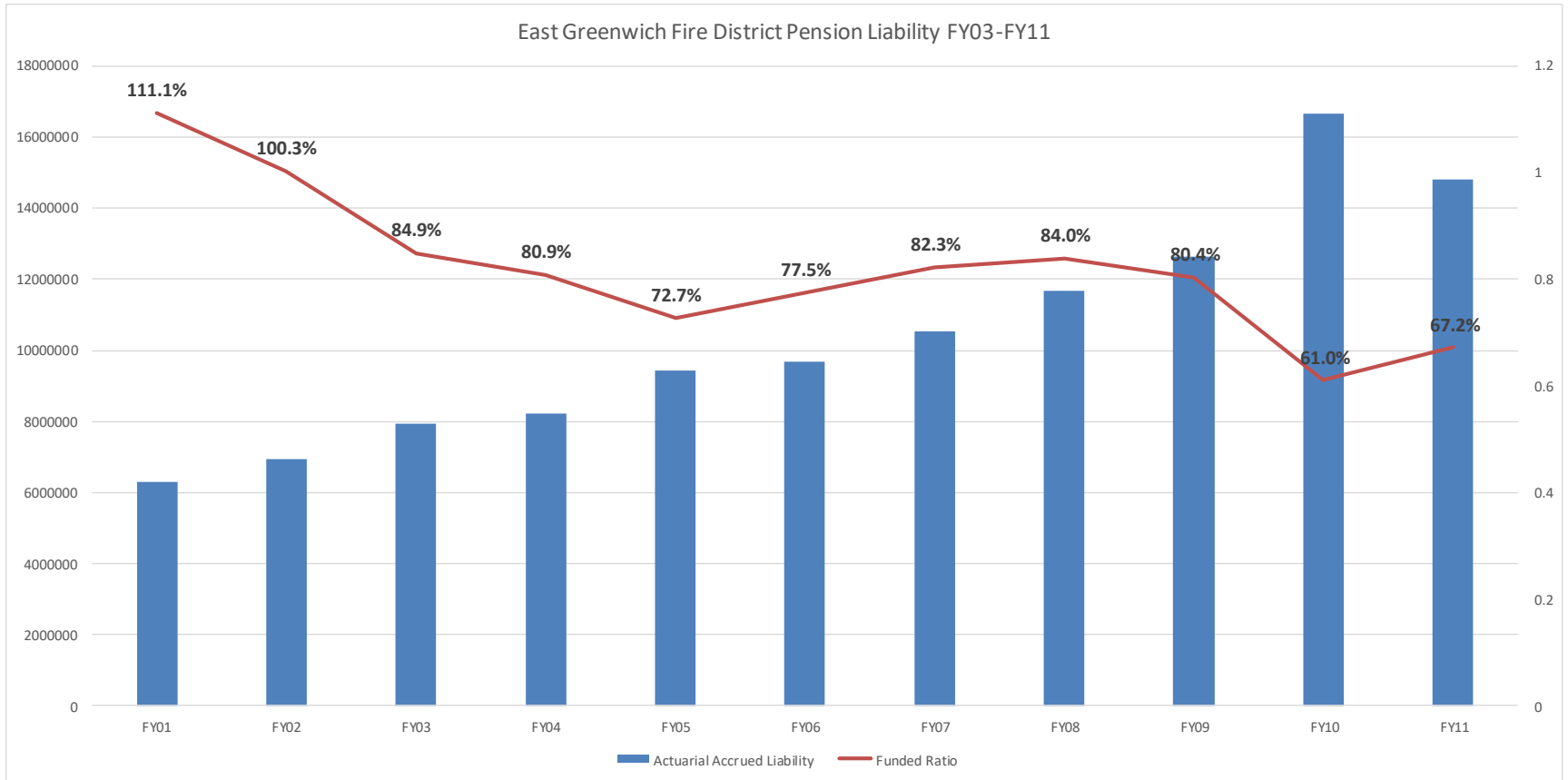


# Increasing liabilities – pension costs, claims, OPEB obligations

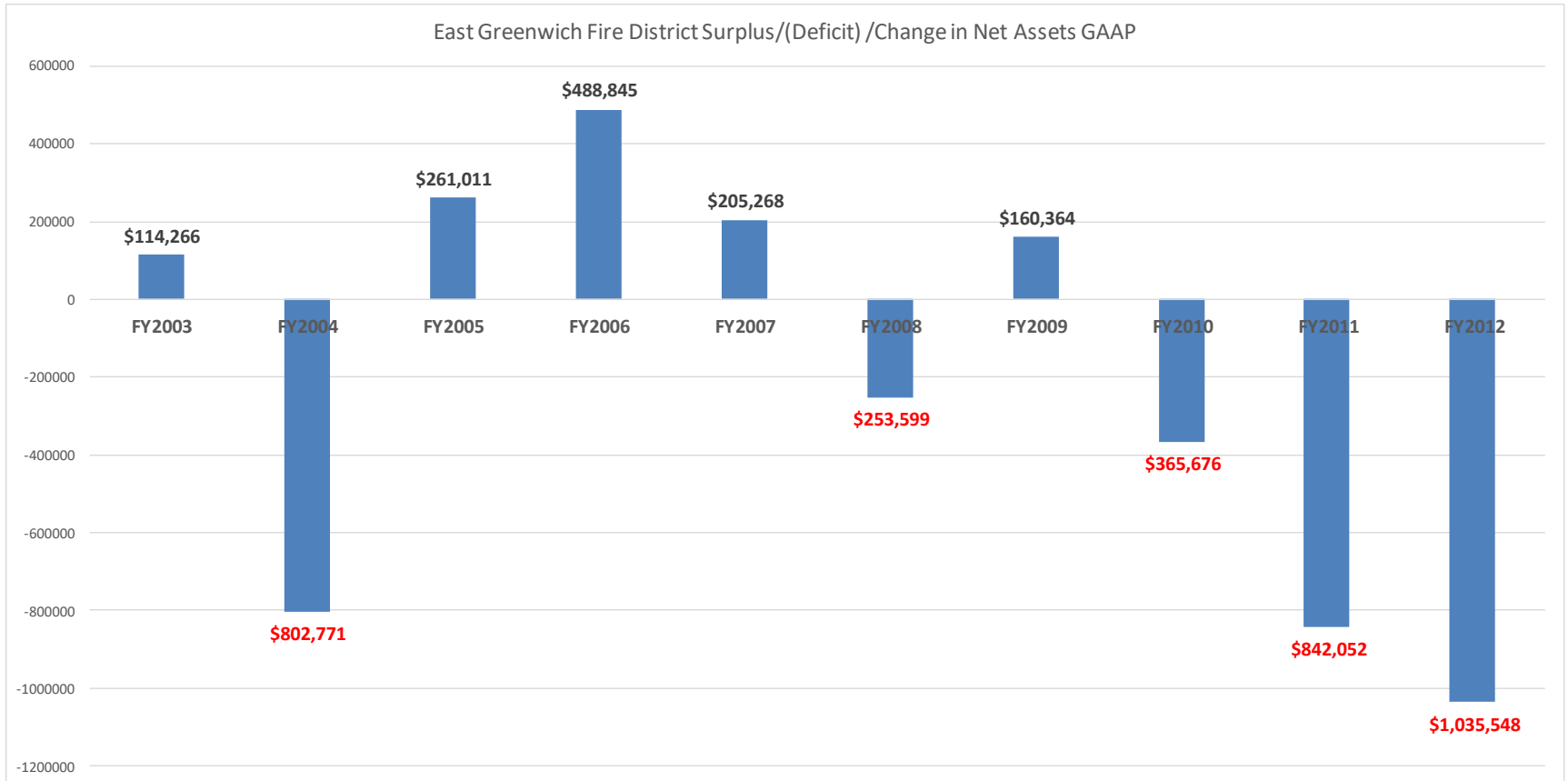




# Pension – liabilities increase as funded ratio decreases



# Surplus/(Deficit): Change in Net Assets



East Greenwich Fire Department

**FISCAL CHANGES – TOWN  
DEPARTMENT FY14-FY17**

# Transparency

## **EG Fire District – FY12**

- Full Annual Audit Report including:
- Financial Statements
- Management’s Discussion and Analysis
- Basic Financial Information
- Supplementary Information

## **EG Fire Department – FY16**

- Lumped with “Public safety” on Financial Statements
- Supplementary Information includes only:
  - Salaries and wages
  - Outside services
  - Supplies

# Capital Spending

## **EG Fire District**

- Designated Fund (Fund 59) for Capital spending
- Delineation between maintenance, non-capital equipment and supplies
- Large equipment purchases (ladder, pumpers, rescues) in FY04-07.

## **Town of East Greenwich**

- Fund 59 FY13 Balance- \$977k
- Fund 59 FY17 Balance - \$5k
- Rescue and vehicle purchased (\$275k)
- Station floor repairs and paving (\$260k)
- Balance depleted for mostly non-capital maintenance and supplies

# Pension

## **FY2011**

- Asset Value - \$10.0m
- Liability - \$14.8m
- Funded Ratio-67.2%
- Covered Payroll - \$2.23m
- Pension Cost - \$395k
- Actives – 39
- Retirees- 31
- Total - 70

## **FY2017**

- Asset Value - \$13.5m
- Liability - \$21.7m
- Funded Ratio-62.3%
- Covered Payroll - \$2.72m
- Pension Cost - \$767k
- Actives – 39
- Retirees – 33
- Total - 72

East Greenwich Fire District and Town of East Greenwich

# **HISTORICAL TAX LEVY ANALYSIS**

# Town and Fire District Tax Levy Changes

