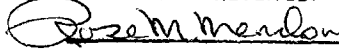


No. 302

IN CITY COUNCIL
MAY 14 1981

READ:

WHEREUPON IT IS ORDERED THAT
THE SAME BE RECEIVED.

 CLERK

CITY OF PROVIDENCE
YEAR ENDED JUNE 30, 1980

LAVENTHOL & HORWATH

CERTIFIED PUBLIC ACCOUNTANTS

LAVENTHOL & HORWATH



CERTIFIED PUBLIC ACCOUNTANTS

40 WESTMINSTER STREET
PROVIDENCE, RI 02903
(401) 421-4800

A MEMBER OF
HORWATH & HORWATH INTERNATIONAL
WITH AFFILIATED OFFICES WORLDWIDE

February 10, 1981

IN CITY COUNCIL
MAY 14 1981

READ:
WHEREUPON IT IS ORDERED THAT
THE SAME BE RECEIVED.

Rose M. Mendonca CLERK

Honorable Mayor and
Members of the City Council
Providence, Rhode Island

Gentlemen: . . .

We have examined the financial statements of the City of Providence for the year ended June 30, 1980, and have issued our report thereon dated December 5, 1980. As a part of our examination, we made a study and evaluation of the City's system of internal accounting control to the extent we considered necessary to evaluate the system as required by generally accepted auditing standards. The purpose of our study and evaluation was to determine the nature, timing, and extent of the auditing procedures necessary for expressing an opinion on the City's financial statements. Our study and evaluation was more limited than would be necessary to express an opinion on the system of internal accounting control taken as a whole.

The officials of the City are responsible for establishing and maintaining a system of internal accounting control. In fulfilling this responsibility, estimates and judgments by City officials are required to assess the expected benefits and related costs of control procedures. The objectives of a system are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with official authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles.

Because of inherent limitations in any system of internal accounting control, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the system to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the degree of compliance with the procedures may deteriorate.

Honorable Mayor and Members
of the City Council

-2-

February 10, 1981

Our study and evaluation made for the limited purpose described in the first paragraph would not necessarily disclose all material weaknesses in the system. Accordingly, we do not express an opinion on the system of internal accounting control of the City of Providence taken as a whole. However, our study and evaluation disclosed conditions that we believe result in more than a relatively low risk that errors or irregularities in amounts that would be material in relation to the financial statements of the City of Providence may occur and not be detected within a timely period. These conditions, which are described in pages 3 through 17, were considered in determining the nature, timing and extent of the audit tests to be applied in our examination of the 1980 financial statements, and this report does not affect our report on the financial statements for the year ended June 30, 1980. This report is intended solely for the use of officials of the City and should not be used for any other purpose.

Other matters, which are not considered to be material weaknesses, or which do not relate to internal accounting control at all, are also brought to your attention. These matters are described in pages 17 through 21.

Most of the conditions disclosed in the following pages existed at June 30, 1979 and were mentioned in our management letter dated April 17, 1980, and to date our recommended changes have not been implemented. In addition, a number of the items disclosed were encountered as a result of our research into the areas requested by the Finance Committee of the City Council in accordance with our engagement letter and were presented to the Committee on October 31, 1980.

We express our sincere appreciation for the courtesy and cooperation extended to us by officials and employees of the City. We will be pleased to discuss our recommendations at your convenience, and provide any assistance you may wish in their implementation.

Very truly yours,

Laventhol + Horwath

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I. General

A. Method of Accounting

The presentation of the City's funds, and the accounting principles they employ, differ in certain respects from those accounting principles and fund presentations required by generally accepted accounting principles and the "Uniform Accounting and Reporting Standards for Rhode Island Municipalities" for reporting financial position and results of operations. The major differences were identified in the June 30, 1980 financial statements and our management letter dated April 17, 1980.

We recommend that the City conform its method of accounting to the system as outlined in the National Committee on Governmental Accounting manual, "Governmental Accounting, Auditing, and Financial Reporting"; the American Institute of Certified Public Accountants' Industry Audit Guide, "Audits of State and Local Governmental Units"; and the "Uniform Accounting and Reporting Standards for Rhode Island Municipalities", as promulgated by the State Auditor General effective for fiscal years beginning July 1, 1978. Such compliance would provide for more comparability of the City's financial operations with those of other municipalities. The principles contained in the above sources are fundamental and are generally recognized as being essential to a correct analysis of financial operations and to the proper preparation and presentation of required financial statements and reports.

B. Accounting Records

The signature plate used to sign most City checks is always left in the check signing machine, which is accessible to anyone who has access to the Payroll Department office. We recommend that the signature plate should be removed and locked up when the check signing machine is not in use. We noted that the cash disbursements journals, general ledgers, and City Tax Assessor's records are not adequately protected against the perils of fire. We recommend that these and all other important City records be adequately safeguarded in a locked and fireproof safe or cabinet. This practice would preclude the possibility of unauthorized access and the potential destruction by fire.

I. General (continued)

C. Budgeting Practices

As in prior years the City has overestimated revenues used in the City's budgeting process:

<u>Fiscal year ended</u> <u>June 30,</u>	<u>Deficiency of</u> <u>Budgeted to</u> <u>Actual Revenues</u>
1975	\$ 3,883,725
1976	2,752,694
1977	10,576,145
1978	6,761,000
1979	895,360
1980	5,952,493

We recommend that when the City sets the levy, more realistic revenue estimates be adopted. This will provide the City with a more effective budget and will assist greatly in guiding the operations of the City.

The City Charter in Section 6.24 states that the City Council may increase any item or group of items in the appropriation ordinance provided that such action does not cause an excess of appropriations over expected revenue receipts. The City Council at meeting No. 37 passed an ordinance which resulted in an excess of appropriations over estimated revenues of \$1, 327,736. Included in the City appropriations, however, is an item to decrease the deficit by \$500,000; therefore, the excess is \$827,736. We recommend that the City Council take the above Charter Section into consideration before approving any appropriation ordinances.

It was noted that appropriation transfers were not always properly approved by the Mayor and/or the City Council. We recommend that all appropriation transfers be properly approved so as to better control the operations of the City.

Per the City of Providence Code of Ordinances, Section 21 - 67, the City should have the entire School Department appropriation paid over to the School Fund prior to the end of the fiscal year. As of June 30, 1980, approximately \$2,551,000 of the School Fund appropriation had not been paid. We recommend that the City comply with the code.

In our analysis of total encumbrances and expenditures, it was noted that numerous departments had overspent their appropriations. This action appears to be in violation of the City Charter. We recommend that further controls over expenditures and encumbrances be initiated to insure compliance with the budget.

I. General (continued)

D. Bank Accounts

(1) Reconciliations

While performing our auditing procedures on cash, it was noted that numerous accounts were not being reconciled on a timely basis. Some of these accounts had not been reconciled in over a year. It was also noted that the reconciliations prepared by the service bureau were not being reviewed by any City employee. Prompt reconciliations are essential to insure that any clerical errors relating to cash transactions and any misuse of funds are discovered and corrected as soon as possible. The reconciliations should be performed by personnel not directly associated with cash receipts or disbursements functions, and should be reviewed by the City Treasurer.

(2) Authorized Signers

It was noted that many bank accounts contain authorized signers who are no longer in the City's employ. We recommend an updating of the authorized signers on each bank account involved.

(3) Voided Checks

Voided checks are destroyed and thrown out. We recommend that unuseable checks be appropriately voided and retained, so as to provide greater controls over cash.

E. Variances Between General Ledger Controls and Subsidiary Records

While analyzing tax reverted property, property taxes receivable, water accounts receivable, abatements, and various other reconciliations, we noted discrepancies between the general ledger and subsidiary records. To prevent future errors of this type, we recommend monthly reconciliations be performed between all detailed subsidiary records and the general ledger in order to identify existing discrepancies on a timely basis.

I. General (continued)

F. Taxes Receivable

Our review of the City's taxes receivable indicated several conditions in the system that could be improved. The data processing printout of taxes owed at year end as prepared by the service bureau does not agree with the City Collector's Control Book. This is because there are several differences in treatment of activity relating to taxes receivable such as abatements, overpayments, property acquired at tax sale and the tax levy between the City Collector and the service bureau. In addition, errors in posting this activity have occurred frequently.

We recommend that the City make every effort to reconcile the detailed listings as prepared by the service bureau to the City Collector's Control Book. Control totals can be reconciled through the use of the weekly detailed receivable listings as received from the service bureau. Any differences should be investigated immediately to insure that errors are detected as soon as possible.

In addition, it was noted that many of our tax confirmation requests were returned "ADDRESSEE UNKNOWN". A current, updated address file would facilitate collection of these taxes due.

It was noted that in some cases the hurricane barrier assessments are being billed to one person although some of the properties have different land and building owners. For these assessments, that are in arrears, there are presently no collection procedures undertaken to bring these accounts into current status. We recommend that procedures be undertaken so that the billings reflect the actual individual owners, and that active collection proceedings against these overdue accounts be initiated.

I. General (continued)

G. Expenditures, Encumbrances, and Cash Disbursements

It was noted in several instances, especially in the Capital Fund, that commitments are not being properly encumbered, and that some items are treated as direct payments when it is not necessary to do so. In addition, it was noted in the Capital Fund that a few contracts were not properly encumbered; a portion of the contract was encumbered, instead of the entire contract. In another instance, a valid encumbrance was liquidated so a note interest payment could be made. We recommend that the City utilize its encumbrance system as intended, making direct payments only when necessary. A written policy should be established as to what items can be paid via direct payments and under what conditions. We also recommend that the controls over direct payments be strengthened by not allowing any direct payments to be made unless a copy of the vendor's invoice on the vendor's stationery is attached and approved by the department head. In addition, the City should review the status of all projects under bond authorizations to determine their stage of completion and the adequacy of funds available under the original authorization as they relate to the purchasing power of the dollar in today's inflationary times.

H. Journal Entries

It was noted that journal entries are not always approved, and that the City no longer keeps a log of journal entry numbers. We recommend that a responsible official maintain a log of journal entries to insure that they are approved and appropriately posted.

I. Water Maintenance Billings

It was noted during our audit that the Water Supply Board bills customers for water maintenance before the service is provided. This practice results in items being carried on the receivable listings for years when no service has ever been performed. We recommend that customers be billed only upon completion of services.

In our review of water maintenance receivables, it was noted that the majority of these accounts are very old, and that there are no collection procedures for these accounts. We recommend that efforts be made to collect these accounts, and if uncollectible, they be written off.

II. Cash Receipts

During our review of the cash receipts system, it was noted that the incoming mail was delivered to the City Collector's Department and distributed to various people in the Department to open. The people opening the mail attach a receipt to the remittance advice and put it in a box near the tellers. When a teller is free during the day, the teller will take some receipts and enter them into his or her register. In addition, checks received through the mail are not endorsed immediately. Although most collections are deposited on the same day, there have been cases where items have not been deposited for two or three days.

In order to strengthen internal control, we recommend the incoming mail be opened by someone other than the cashier or accounts receivable bookkeeper and listed by a person having no access to cash receipts or accounts receivable records, or otherwise controlled to insure proper recording in the cash receipts record. In addition, this listing of cash receipts should be subsequently compared to cash receipts records or authenticated copies of deposit slips by an employee having no access to cash. The employee responsible for entries in the cash receipts records should be independent of the mail opening and receipt listing function and the cashier or accounts receivable bookkeeper. Checks received through the mail should be endorsed "for deposit only" immediately. We further recommend that all collections be deposited in the bank on the same day to insure proper control over cash receipts and to avoid holding large sums of money in the City safe overnight or over a period of days.

III. Assessor's Office

A. Property Tax Exemptions

During our review of property tax exemptions, several conditions requiring improvement were noted. Presently, when a veteran requests an exemption, he or she presents the Assessors Office with the discharge papers and a 3 x 5 card is prepared containing the veteran's name, address, service, date enlisted, and serial number. It was noted, however, that there was no copy of the discharge paper attached to the 3 x 5 card. We suggest that a formal application be made out with the necessary data, including signature of the applicant, approval of the City Assessor or his designee, and a copy of the discharge papers attached to the application.

III. Assessor's Office (continued)

A. Property Tax Exemptions (continued)

It was noted that the application for the 100% disability exemption does not specify that the Assessor is to sign anywhere on the form for approval. We suggest that this form require approval by the City Assessor or his designee.

In addition, when an elderly person requests an exemption, it was noted that all exemption applications were not approved by the City Assessor and many of the applications did not have a copy of the birth certificate attached. We suggest that all exemption applications be approved by the City Assessor or his designee and that proper supporting documentation be attached.

B. Abatements

It was noted that abatement forms for City Council abatements are filled out by City personnel and the taxpayer does not sign any forms except for real estate valuations. In addition, there is usually no support documentation to the abatement forms. We recommend that the taxpayer be required to sign all abatement forms and support documentation be attached to insure proper control over abatements.

It was noted that abatements per the computer service were greater than postings to the Collector's property taxes receivable control book. This was due to the fact that many abatement cash sheets were not posted to the control book. Also, one-half year of abatement cash sheets were missing as backup to the control book postings. The property receivable general ledger account had not been reconciled to the Collector's control book since June 30, 1979. This was due to the fact that the Collector's office was not posting on a timely basis. We recommend that the above postings and reconciliations be performed on a timely basis, and that support documentation be maintained so as to insure proper control over abatements.

C. Assessments

It was also noted that tax reverted/redemption cards given to the Treasurer's office for the tax sale of May 22, 1980 did not include 1979 assessments to the prior owner. Because of this, the 1979 assessments were not removed from the tax reverted control book, nor were they adjusted on the general ledger when the property was sold. It is recommended that the tax reverted/redemption cards be updated for all prior tax assessments and interest charges before a Treasurer's tax sale.

III. Assessor's Office (continued)

C. Assessments (continued)

In addition, one-half of the 1979 assessments were charged to the new owners. The new owners are not liable for these 1979 assessments and should not be charged for them.

IV. Purchasing

During our review of the City's purchasing system, several matters were noted which hamper internal control and audit verification. These are as follows:

A. Purchase Orders

It was noted in most cases that the specific people authorized to approve purchase orders, namely the Controller, Finance Director, and Purchasing Agent, do not review and approve the purchase order as this procedure is performed by department personnel other than those authorized to do so. These other personnel review and stamp the authorized person's approval on the purchase order. In many cases, the person doing the review does not sign or initial their work. In addition, the Finance Director's and Purchasing Agent's approval is stamped on the first copy of the purchase order only which is the vendor copy making audit verification impossible. The Controller and the Finance Director do not usually review and approve the invoices, as this procedure is performed by personnel in their departments who use their stamp.

We recommend that only those specific persons authorized to approve invoices and purchase orders do so and the person preparing or checking the documents sign or initial their work. The approval should be included on all copies of the purchase order.

The City's Purchasing Department selects and notes the vendor on School Department purchase requisitions and the School Department prepares the purchase orders. At the present time, the City's Purchasing Department is not comparing the purchase order to the requisition when the purchase order is returned.

We recommend that this comparison be made to ensure that the vendor the City selects is the one being used.

IV. Purchasing (continued)

A. Purchase Orders (continued)

The departments which initiate the purchase via the requisition also receive the goods and indicate receipts via signing or initialing a part of the purchase order.

We recommend that this procedure be discontinued and a separate receiving report be prepared by an independent receiver.

The Purchasing Agent is not signing or stamping the purchase requisition. We recommend that all requisitions be signed by the Purchasing Agent and thereby noting approval.

It was noted that a number of purchase orders are issued after the invoice has been prepared and the goods or services are received in which case the purchase order is merely a confirmation of the invoice. We recommend that this procedure be discontinued and all purchase orders be prepared and approved prior to invoice preparation and receipt of goods to insure proper internal control.

It was noted that the purchase orders are footed twice, once in the Finance Department and once in the Controller's Department. We recommend that this duplication of work be eliminated.

B. Competitive Bidding

The policy of preparing a purchase requisition worksheet for all purchases under \$1,500 and obtaining and noting three quotes is not being done on a consistent basis. A number of items tested had no worksheet, or if a worksheet was prepared, only one or two vendors' quotes were noted. We recommend that a worksheet be prepared for all purchases under \$1,500 and three quotes be obtained and noted. This will ensure the City's obtaining the lowest price possible for its purchases and strengthen its internal control over purchases.

It was also noted that when a purchase requisition worksheet was prepared, the Purchasing Agent would place a red check next to the desired vendor. The Purchasing Agent doesn't compare this worksheet to the final purchase order. We recommend that the Purchasing Agent sign the worksheet and compare it to the completed purchase order to ensure the vendor selected is the one being used.

IV. Purchasing (continued)

B. Competitive Bidding (continued)

It was noted in a number of cases that the City appears to be in violation of City of Providence Code of Ordinances Section 21-28 which states that all items in excess of \$1,500 must go out on bid unless otherwise ordered by a 2/3 vote of the whole number of the members of the Board of Contract and Supply or considered an emergency under Code Section 29-21. We recommend that the Board comply with the above Code Sections.

C. Related Parties

In order to do business with the City, an employee or related company must obtain permission from the City Council. The City Clerk maintains a separate file of related parties, but does not forward a copy of the permission granted by the City Council to the Purchasing Department. Therefore, the City is not monitoring related-party transactions and conflict of interest provisions.

We recommend that a copy of the permission granted by the City Council be forwarded to purchasing. This will ensure prevention of conflicts of interest and alert purchasing to any related-party transactions.

D. Purchasing Department

Since 1968 the Purchasing Department has been reporting to the Department of Public Property. The Deputy Director of Public Property manages the City Purchasing Department. Prior to 1968, the Purchasing Department reported to the Finance Director. Since Public Property is in charge of a number of areas which require them to purchase items, we feel that having the Purchasing Department report to Public Property is a conflict of interests. In addition, if the Finance Director had control of the Purchasing Department this would enhance his control over the budget. The law establishing this change was made by ordinance; therefore, the City Council has the authority to reverse this change.

E. Contracts and Leases

The Controller's office does not maintain an organized file for copies of contracts, leases, and other agreements they receive from the Law Department. It was also noted that the Controller's office does not obtain copies of contracts and leases before they are executed. Therefore, Charter Section 6.5, which states that the Controller is to certify that there is to the credit of the department, board, com-

IV. Purchasing (continued)

E. Contracts and Leases (continued)

mission, bureau or other city agency concerned a sufficient appropriation balance to meet such obligations, is not being complied with. We recommend that the Controller's office match all agreements to the corresponding purchase order and maintain a listing in a control book, along with an updated file. Also, this office should comply with the City Charter by issuing a statement to the Purchasing Department as to whether sufficient funds exist to meet such agreements prior to the City executing them. Lease payments are paid via direct payments. We recommend that the total yearly payments for a fiscal year be encumbered, so that the budget will reflect such obligations.

We also noted that the Law Department does not receive copies of all leases and agreements entered into by the City; therefore, the Law Department is unable to comply with the City Charter Section 5.3 which states that it is the duty of the City Solicitor or his assistants, which he may designate, to endorse in writing approval of the form and correctness thereof for the preparation of leases, deeds, contracts, bonds, etc. We recommend that the Law Department comply with the above Charter Section.

V. Payroll

Our examination revealed that the City does not maintain complete, up-to-date personnel files for all employees. We recommend a file be set up for each employee, and it should include employment applications, an approved Entrance into City Service Form, and authorizations for withholdings (W-4's), deductions, and current rates of pay. The Fire and Police Departments maintain their own personnel files and destroy data that is over two years old. We recommend that these departments make the above data part of their permanent records.

It was noted that department heads perform several conflicting tasks which point out a lack of segregation of duties. The department heads process the preliminary payroll, approve and control the recording of time, distribute the payroll checks for their employees, and dispose of their department's unclaimed checks. We recommend that certain of these duties be assigned to employees other than the department heads to eliminate the same person performing incompatible functions.

V. Payroll (continued)

For several departments, it was noted that employees were working in one department and their wages were charged to another department. We recommend that this procedure be eliminated so as to better comply with the City budget.

It was noted that the Emergency-Temporary Seasonal Department has several employees that have worked year-round for a number of years and still charge their wages to this department. For the Recreational Seasonal Help Department, it was noted that the "Statement in Support of Overtime Pay" form usually was not sent to the Payroll Department with the preliminary payroll. In addition, for the week ended August 5, 1979, the department paid 546 employees, and per City Council ordinance establishing the maximum number of employees by department, the maximum should have been 376. We recommend that the above departments be used only for the purpose originally intended, that all departments submit the "Statement in Support of Overtime Pay" form to the Payroll Department with the preliminary payrolls, and that the City enforce its personnel ordinance.

VI. Revolving Fund

A. Fixed Assets

The fixed asset detail is maintained by the Inventory Control Department. We noted several problem areas in the fixed asset record keeping and control.

Some of the specific problems included:

1. No formal notification process has been set up to inform the Inventory Control Department of fixed asset additions or deletions,
2. No control over the metal plates used to tag the equipment,
3. The Finance Director receives the figures for fixed assets at the beginning of July of each fiscal year, but does not receive any supporting documentation, and for the current fiscal year this letter to the Finance Director was dated June 25, 1980, thus not including all activity through June 30, 1980,
4. Depreciation methods are not consistent or in accordance with Generally Accepted Accounting Principles (GAAP), and

VI. Revolving Fund (continued)

A. Fixed Assets (continued)

5. In the past three years, very few departments have been inventoried.

To provide effective accountability over equipment owned and insure reliability of the records maintained, we recommend the Inventory Control Department receive a monthly statement of fixed asset purchases and sales and that they inventory every department at least once a year. This monthly statement would give the Inventory Control Department timely notification of additions and allow for the prompt preparation of perpetual inventory cards (tally cards). Also, depreciation methods should comply with GAAP.

B. Inventories

The Public Works Department submits an inventory to the City Controller's Department at year end based upon quantities on perpetual inventory cards maintained at the Department. It was noted, however, that a physical inventory has not been taken for several years. We recommend a physical inventory be performed as soon as possible to compare the actual count with the perpetual records and investigate and adjust for any discrepancies located. This procedure will result in a more accurate year-end inventory value.

C. Stores and Equipment Funds

During our audit, it was noted that there were no laws in effect governing the accounting use of these two funds. Consequently, these two funds are intermingled and used to account for various expenditures, related to the Public Works Department, in classifications that are overexpended or not chargeable against any specific expenditure item. In addition, a number of lease payments related to this fund are being charged to the General Fund.

We recommend that the City prepare strict laws governing the use of these funds and that these laws be implemented immediately.

VI. Revolving Fund (continued)

D. Data Control Fuel Fund

In our examination of the Data Control Fuel Fund the following weaknesses in internal control were noted:

1. Only the attendant keeps control of the prenumbered three-part tickets for fuel charges, and also numerical sequence of gallon usage of pumps, and
2. In the Inventory Control Department, no one is reconciling the control tickets or machine readings for actual usage to vendors' bills. This department's control ticket copy is thrown out after four months, thus proper supporting documentation is not maintained.

We recommend that the Inventory Control Department maintain control over the numerical sequence of the control tickets and gallon usage of the pumps.

The vendors' bills should also be reconciled to actual usage to ensure that the City is not being overcharged. This department's copy of the control ticket should be maintained as supporting documentation.

We also noted that expenditures for motor fuel are charged to the Public Property Department. To maintain accountability, we recommend that all motor fuel costs be allocated to the user departments.

VII. Pension Plan

It is the opinion of the City Solicitor for the City of Providence that since the City has expended \$7,456,895 for the year ended June 30, 1980, which is less than the amount called for in the General Assembly Act to provide for the retirement of employees of the City of Providence, that the City is presently delinquent in making its payment to the pension system. The amount called for in this Act is the lesser of (a) a normal contribution which is to cover currently accruing liabilities, and a deficiency contribution which is to cover the liabilities on account of past service (\$11,096,603 for the year ended June 30, 1980) or (b) an amount needed to maintain the plan on a 70% funded basis (\$11,308,718 for the year ended June 30, 1980). The City Solicitor also stated that in his opinion the law provides no consequence for this underfunding of the required amount.

VII. Pension Plan (continued)

Although the valuation has been brought current through 1978, we recommend that the City prepare and submit current personnel data to their actuaries so that a liability for unfunded past service costs in terms of current operating levels and current dollars may be determined. We also recommend that the City sufficiently fund its pension plan at the amount called for in the General Assembly Act.

VIII. Investments

During our review of investments, it was noted that only one City official is required to be present to gain access to the City's safe deposit vault. At present, there are no procedures in force to verify that all dividend and interest income has been received by the City's investment trustees.

We recommend that access to securities be limited to situations in which two or more City officials are present, and that formal procedures be instituted to verify that all income is received from the trustees.

IX. General

A. Procedures Manual

The City has never prepared a manual defining accounting policies and procedures. We recommend that an accounting manual be prepared which would define accounting policies, procedures and internal controls. The lack of formal procedures results in inconsistencies and impairs the comparability of financial information.

B. Electronic Data Processing

The City is currently using a service bureau for their computer applications. Expenditures for these services exceeded \$500,000 in 1980. Service bureaus in general are becoming an increasingly expensive processing alternative due to the fall in the cost of in-house computers and software support. It is recommended that the City investigate via a feasibility study the possibility of acquiring an in-house computer.

C. Rental Property Receivables

During our review of rental property receivables, it was noted that there are several tenants who are in arrears in rental payments to the City for more than one year. We recommend that the City expend more effort in the collections of these delinquent accounts by reviewing the aging of these accounts and assigning personnel to their collection.

IX. General (continued)

D. Systems and Audit Committee, Internal Audit Department,
and Finance Director

Due to the size and complexity of the City's organization, and the areas for improvement in internal accounting control and the data processing system mentioned throughout this letter, we recommend a systems and audit committee be created to make recommendations to improve current procedures and have the authority to implement these recommendations. This committee could be comprised of prominent individuals from the community, the business world, and government.

An internal audit department should be created. The department would report directly to the Finance Committee on any deviations from prescribed policies and procedures.

Due to a number of problems in controlling expenditures mentioned throughout this letter, a budget director should be appointed. This director could assist the Controller in ensuring that all expenditures are budgeted. He could also assist the Finance Director in preparing budgets and cash forecasts on a monthly basis.

At present, the City does not have a permanent finance director. Although the City does have a temporary finance director we recommend that a permanent finance director be hired as soon as possible to fill his position, which is essential to the operations of the City.

E. Accounts Receivable - Trust and Special

Included in accounts receivable - trust and special is approximately \$31,000 which has not changed since June 30, 1978 or prior. The Controller's Department was unable to substantiate this balance. We recommend that this amount be reviewed as to its origin, and, if uncollectible, be written off.

F. Account Classification

It was noted that rent payments were being charged to the Law Department's claims account. We recommend that the claims account be used only for the purpose originally intended.

X. Cash Flow Planning

Our review of the receipt, deposit, and investment of City funds highlighted the fact that although some investment objectives are being accomplished, additional emphasis is required to improve control, increase cash collections, and earn additional investment income. We have found that many municipalities have discovered that the establishment of an annual cash flow projection can improve cash flow planning and management. In our letter dated April 17, 1980 we explained how this cash flow projection should be developed and how specifically this projection would improve cash flow planning and management.

Our review indicated the following approximate average monthly balance for the months tested of major checking accounts for each of the following funds:

	<u>August 1979</u>	<u>November 1979</u>	<u>May 1980</u>	<u>June 1980</u>
General Fund:				
Regular	\$2,252,000	\$ 517,000	\$212,000	\$125,000
Payroll	612,000	1,059,000	838,000	772,000
Capital Fund, regular	497,000	463,000	357,000	230,000
Revolving Fund:				
Regular	178,000	84,000	181,000	34,000
Retirement	103,000	141,000	140,000	109,000
School Fund, regular	364,000	716,000	321,000	(16,000)
Trust and Special Fund:				
Regular	680,000	373,000	98,000	156,000
Payroll deductions	323,000	650,000	351,000	361,000
Employees' retirement system	1,828,000	373,000	311,000	262,000

This test illustrates that checking account balances are large enough to warrant the preparation of monthly cash flow projections as a management tool to ensure that available cash is invested to its maximum potential, and indicates that there are large amounts of cash uninvested which could provide additional City revenue.

During our audit of cash, we noted in the Sinking Fund a checking account containing a balance of approximately \$225,000 which has had no activity for at least two years and bears no interest, and a savings account containing a balance of approximately \$125,000 which has had no activity for at least two years and bears interest at a rate of 5-1/4%. We recommend that these accounts be closed, and these funds, along with approximately \$300,000 that was deposited in the checking account at the end of the year, be utilized for the payment of bonded debt as authorized in the City Charter, and invested in the interim period.

XI. Cash Collections

Our review of the cash collection system indicated that a substantial amount of revenue is not being collected on a timely basis and that significant progress could be made by implementing additional procedures to ensure the more timely collection of monies due. In addition, more effort is needed in actual collection efforts. In regard to the collection of real estate taxes, we believe that there is room for improvement and that additional emphasis should be given to this area to improve collections. There are several other areas where increased attention is needed in collection efforts.

These areas are as follows:

Collection procedures for tangible property and motor vehicle taxes are held off for several years after the tax becomes delinquent. In addition, the City has assigned four lawyers to work on back taxes from 1974 - 1976 and has not yet assigned lawyers to collect back taxes from 1977 - 1979. We recommend, taking into account the nature of this taxable property, that collection efforts be stepped up to include collection of back taxes up to 1979 and additional personnel be employed to this collection effort to improve the collectibility of these taxes.

Another area in which collection efforts need to be improved is the Municipal Court. The Municipal Court is responsible for issuing and collecting fines for parking violations. The manual and computerized processing system is not responsive to the needs of the Police Department, resulting in an eight-month backlog of unprocessed and unpaid parking fines.

1. The Rhode Island list of delinquent parking violations is in order by date rather than vehicle registration number requiring excessive time to manually find total violations by vehicle.
2. The warrant process is manual and requires extensive manpower to complete the cycle.
3. The process of finding warrants for court appearances is backlogged and results in delays and extensive file searching.

We recommend that the City examine the possibility of arranging its list of delinquent parking violations by vehicle registration number rather than date to facilitate the compiling of total violations by vehicle which would enable the City to easily red-flag major problems. In addition, we recommend the computerization of the warrant process and the hiring of additional personnel to assist in cash collections and finding warrants for court appearances.

XI. Cash Collections (continued)

The Collector's office and the Water Supply Board do not follow up on filings of bankrupt accounts. Files maintained on these filings are left open over a period of years until some notification is obtained on the disposition of the bankruptcy.

We recommend that the City follow up on these filings on a periodic basis to bring these accounts up to date so as to eliminate duplicate collection procedures.

The Collector compromises interest on overdue tax billings at his discretion. The Code gives this authority to the Collector, subject to the Finance Director's approval. In a prior year, the Finance Director had invoked a blanket verbal approval.

We recommend that blanket approval be rescinded and that the Collector's interest policy be a written set policy and that any exceptions require a written approval from the Finance Director.

During our review of rent receivables, it was noted that a parcel of City property was sold with rents in arrears, that totalled approximately nine times more than the sales price of the property. There were no collection procedures activated against this delinquent tenant and, further, the City is still billing the tenant as the Committee on City Property has failed to notify the Controller's office. We recommend that the Committee on City Property periodically report to the Controller's office on such transactions and the collections of said tenants' rents in arrears be conducted simultaneous with the sale of the property. It was also noted that interest on overdue taxes is currently being charged at 8%. We recommend that the rate of interest charged be raised to reflect the current cost of borrowing money.

THE COMMITTEE ON
FINANCE

Recommends Be Received

Rose M. Menlove

Clerk

April 22, 1951

CITY OF PROVIDENCE, RHODE ISLAND

YEAR ENDED JUNE 30,1980

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LAVENTHOL & HORWATH



CERTIFIED PUBLIC ACCOUNTANTS

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A MEMBER OF
HORWATH & HORWATH INTERNATIONAL
WITH AFFILIATED OFFICES WORLDWIDE

Honorable Mayor and Members
of the City Council
Providence, Rhode Island

We have examined the financial statements of the various funds and account groups of the City of Providence, Rhode Island as of June 30, 1980 and for the year then ended as listed in the foregoing table of contents. Except as explained in paragraphs three and four below, our examination was made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

As discussed in Note 1 to the financial statements, the City's policy is to prepare its financial statements on a different basis than that of generally accepted accounting principles. Consequently, the financial statements do not include certain assets, liabilities, revenues and expenses nor are the financial statements of certain funds and account groups presented. Accordingly, the financial statements are not intended to present financial position and results of operations in accordance with generally accepted accounting principles.

As discussed in Note 2 to the financial statements, the City does not have a current actuarial valuation of its pension plan and is unable to determine the extent of any liability that may exist with respect to past, current, and future contributions to the pension plan. Furthermore the City has pending several contingent liabilities that are discussed in Note 6. The above uncertainties may have a material effect on the financial statements of the General Fund and, accordingly, we are unable to express an opinion on the accompanying financial statements of the General Fund.

The records of the Revolving Funds were incomplete as to inventory and property and equipment. Because we were unable to satisfy ourselves by appropriate audit tests or by other means, we are unable to express an opinion on the accompanying financial statements of the Revolving Funds.

Federal Program Funds are not included in the accompanying financial statements because they are subject to separate audits by various Federal and State agencies.

Honorable Mayor and Members
of the City Council

In our opinion, the financial statements listed in the accompanying table of contents, other than the General Fund and Revolving Funds, present fairly the assets, liabilities, reserves and fund balances (accumulated deficit) of the various funds of the City of Providence, Rhode Island at June 30, 1980, and the revenues and expenditures and application thereof for the year then ended on the bases indicated in Note 1 to the financial statements, which bases have been applied in a manner consistent with that of the preceding year.

Zaventhol & Horwath

December 5, 1980

CITY OF PROVIDENCE, RHODE ISLAND

COMBINED STATEMENT OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCES
(ACCUMULATED DEFICIT) - ALL FUNDS

JUNE 30, 1980

ASSETS

	General Fund	School Fund	Capital Fund	Sinking Fund	Revolving Funds	Trust and Special Funds
Cash and temporary cash investments			\$ 1,669,957	\$658,618	\$ 120,203	\$ 1,856,671
Cash held by fiscal agents	\$ 1,212,302					
Due from:						
Other funds (Note 3)	100,000	\$2,550,840	96,945		8,659	523,379
State of Rhode Island	521,149					
Federal Government		64,222				
Accounts receivable	22,939,712	25,123				744,799
Inventory					429,085	
Investments (market value \$72,943,851)						77,903,908
Loans receivable						2,615,228
Unamortized expenditures made from proceeds of bonds and notes			86,308,206			
Unexpended balances from proceeds of bonds and notes			2,698,794			
Capital authorities not yet hired			16,682,000			
Property acquired at tax sales	1,365,356					
Property and equipment					933,676	139,120
	<u>\$26,138,519</u>	<u>\$2,640,185</u>	<u>\$107,455,902</u>	<u>\$658,618</u>	<u>\$1,491,623</u>	<u>\$83,783,105</u>

LIABILITIES, RESERVES AND FUND BALANCES (DEFICIT)

Bank overdrafts	\$ 643,879	\$ 957,830				
Bonds payable (Note 4)			\$ 60,989,000			
Notes payable (Note 4)			28,018,000			
Obligations under capital leases (Note 8)					\$ 498,725	
Accounts payable	1,682,440	779,495			102,620	\$ 2,058,563
Encumbrances outstanding	1,941,912	700,833	7,988,502			
Due to:						
Employees' Retirement System	7,630,212					
Other funds	2,863,415	176,904			205,604	
Commitments and contingent liabilities (Notes 2, 5 and 6)						
Reserves, specific purposes:						
Property acquired at tax sales, contra	1,365,356					
Unclaimed matured bonds and interest	1,213,324					
Revenue available when collected	23,460,861	25,123				744,798
Fund balances (deficit)	(14,662,880)		10,460,400	\$658,618	684,674	80,979,744
	<u>\$26,138,519</u>	<u>\$2,640,185</u>	<u>\$ 107,455,902</u>	<u>\$658,618</u>	<u>\$1,491,623</u>	<u>\$83,783,105</u>

See notes to financial statements.

CITY OF PROVIDENCE, RHODE ISLAND

GENERAL FUND

STATEMENT OF ASSETS, LIABILITIES, RESERVES AND ACCUMULATED DEFICIT - JUNE 30, 1980

ASSETS			LIABILITIES, RESERVES AND ACCUMULATED DEFICIT		
Cash held by fiscal agents		\$ 1,212,302	Bank overdrafts		\$ 643,879
Due from Revolving Fund		100,000	Accounts payable		1,682,440
Due from the State of Rhode Island		521,149	Encumbrances outstanding:		
			Current year	\$ 1,835,212	
			Prior years	<u>106,700</u>	1,941,912
Accounts receivable:			Due to:		
Property taxes:			Employees' Retirement System		7,630,212
Current year	\$ 7,087,000		School Fund		2,550,840
Prior years	<u>13,655,295</u>	\$20,742,295	Trust and Special Fund		312,575
Water Supply Board		1,498,298	Commitments and contingent liabilities		
Sewer assessments		26,882	(Notes 5 and 6)		
Charles V. Chapin Hospital		25,731	Reserve for property acquired at tax sales		1,365,356
Public Works:			Reserve for specific purposes:		
Sewage disposal	85,816		Bond maturities and interest payable	1,212,302	
Municipal docks	430,184		Unclaimed matured bonds, matured bond interest and other	<u>1,022</u>	1,213,324
Miscellaneous	<u>7,093</u>	523,093	Revenue available when collected:		
Property rentals		31,099	Accounts receivable	22,939,712	
Sewer rentals		86,702	Due from the State of Rhode Island	<u>521,149</u>	23,460,861
Miscellaneous		<u>5,612</u>	Accumulated deficit		(14,662,880)
Total accounts receivable		22,939,712			<u>\$26,138,519</u>
Property acquired at tax sales, at cost		<u>1,365,356</u>			
		<u>\$26,138,519</u>			

See notes to financial statements.

CITY OF PROVIDENCE
GENERAL FUND
STATEMENT OF CHANGES IN ACCUMULATED DEFICIT
YEAR ENDED JUNE 30, 1980

Deficit, beginning	(\$ 6,887,566)
Reimbursement to Federal Program for disallowed expenditures	(86,011)
Net adjustment of prior years' encumbrances	75,871
Excess of expenditures over revenues and encumbrances	(<u>7,765,174</u>)
Deficit, ending	(<u>\$14,662,880</u>)

See notes to financial statements.

CITY OF PROVIDENCE, RHODE ISLAND

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES AND ENCUMBRANCES -
BUDGET TO ACTUAL

YEAR ENDED JUNE 30, 1980

Revenues	Budget	Appropriation increase	Transfers increase (decrease)	Revised budget	Expenditures	Encumbrances	Actual	Excess (deficiency) of actual revenues over budget
Property taxes:								
Current year	\$ 59,376,088	\$1,500,000		\$ 60,876,088			\$ 60,084,082	(\$ 792,006)
Previous years	6,200,000			6,200,000			6,047,397	(152,603)
Tax reverted property			\$5,000	5,000			101,634	96,634
Automobile excise taxes	6,894,280			6,894,280			5,899,543	(994,737)
Shared State taxes:								
Pari-mutuel betting	398,440			398,440				(398,440)
Liquor	51,850			51,850			22,074	(29,776)
General	590,620			590,620			580,154	(10,466)
Jai alai and dog racing							380,739	380,739
Business and nonbusiness licenses	544,175	40,000		584,175			614,718	30,543
Sewer assessment	3,000			3,000				(3,000)
Fines, forfeits and escheats	580,000	200,000		780,000			718,602	(61,398)
Grants-in-aid (State of Rhode Island):								
General Public Assistance	5,950,000	800,000		6,750,000			5,992,725	(757,275)
Payment of school debt	589,740			589,740			391,391	(198,349)
In lieu of railroad, equipment inventory and intangible taxes	2,963,655			2,963,655			2,963,655	
Donations	25,650			25,650			48,065	22,415
Rents and interest	1,253,000	800,000	(5,000)	2,048,000			1,982,544	(65,456)
General departments	5,571,130	439,678		6,010,808			3,951,767	(2,059,041)
Sewer rentals	450,000			450,000			529,546	79,546
Federal Revenue Sharing (Note 9)	5,022,850			5,022,850			4,852,982	(169,868)
Total General Fund	96,464,478	3,779,678		100,244,156			95,161,618	(5,082,538)
Water Supply Board	7,945,200	222,000		8,167,200			7,272,293	(894,907)
Total revenues	\$104,409,678	\$4,001,678		\$108,411,356			102,433,911	(\$5,977,445)

(continued)

CITY OF PROVIDENCE, RHODE ISLAND

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES AND ENCUMBRANCES -
BUDGET TO ACTUAL (CONTINUED)

YEAR ENDED JUNE 30, 1980

Expenditures	Budget	Appropriation increase	Transfers increase (decrease)	Revised budget	Expenditures	Encumbrances	Actual	Excess (deficiency of appropri- ations over expenditures and encumbrances)
Legislative, Judicial and General Administrative Activities:								
City Council	\$ 203,410			\$ 203,410	\$ 173,563	\$ 1,821	\$ 175,384	\$ 28,026
Administrative Assistant, City Council	17,583	\$ 1,199		18,782	18,897		18,897	(115)
City Clerk	102,900	10,625		113,525	113,430	71	113,501	24
Board of Canvassers and Registration	137,183	10,863		148,046	151,397	125	151,522	(3,476)
Probate Court	76,040	8,074		84,114	84,133		84,133	(19)
Providence Municipal Court	155,773	14,628		170,401	167,403		167,403	2,998
Mayor's Office	252,499	11,129		263,628	294,098	763	294,861	(31,233)
Law Department	483,412	271,975		755,387	824,550	118,228	942,778	(187,391)
Recorder of Deeds	124,305	11,720		136,025	133,693	1,161	134,854	1,171
City Sargeant	20,644	1,772		22,416	22,573		22,573	(157)
Total Legislative, Judicial and General Administrative Ac- tivities	<u>1,573,749</u>	<u>341,985</u>		<u>1,915,734</u>	<u>1,983,737</u>	<u>122,169</u>	<u>2,105,906</u>	<u>(190,172)</u>
Finance Administration:								
Finance Director	113,664	6,628		120,292	117,968		117,968	2,324
City Controller:								
Accounting Division	351,249	35,685		386,934	369,335	7,234	376,569	10,365
Employees' Retirement Division	105,262	2,191		107,453	101,263	123	101,386	6,067
Data Processing	537,428	1,972		539,400	455,916	83,334	539,250	150
City Collector	348,526	29,853		378,379	385,938	3,671	389,609	(11,230)
City Assessor	352,735	17,722		370,457	310,183		310,183	60,274
Treasury Department	93,318	6,402		99,720	98,304	425	98,729	991
Board of Tax Assessments Review	21,251	1,293		22,544	21,920		21,920	624
Total Finance Admin- istration	<u>1,923,433</u>	<u>101,746</u>		<u>2,025,179</u>	<u>1,860,827</u>	<u>94,787</u>	<u>1,955,614</u>	<u>69,565</u>

(continued)

CITY OF PROVIDENCE, RHODE ISLAND

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES AND ENCUMBRANCES -
BUDGET TO ACTUAL (CONTINUED)

YEAR ENDED JUNE 30, 1980

Expenditures	Budget	Appropriation increase	Transfers increase (decrease)	Revised budget	Expenditures	Encumbrances	Actual	Excess (deficiency) of appropri- ations over expenditures and encumbrances
Public Safety:								
Commissioner of Public Safety	\$ 101,902	\$ 14,640		\$ 116,542	\$ 112,884		\$ 112,884	\$ 3,658
Police Department	9,057,742	688,656	\$50,000	9,796,398	10,002,172	\$ 26,533	10,028,705	(232,307)
Fire Department	9,427,261	577,058		10,004,319	9,836,993	108,278	9,945,271	59,048
Superintendent of Weights and Measures	49,854	16,106		65,960	57,100	1,826	58,926	7,034
Department of Communica- tions	806,694	32,353		839,047	836,627	80,716	917,343	(78,296)
Building Inspection De- partment:								
Building Inspection	121,586	12,293		133,879	134,378	120	134,498	(619)
Structures and Zoning Division	137,485	10,372	200	148,057	148,351	20	148,371	(314)
Plumbing, Drainage, and Gas Piping Division	76,700	6,048	(200)	82,548	79,591	141	79,732	2,816
Electrical Installations Division	57,281	417	(1,000)	56,698	49,898	62	49,960	6,738
Mechanical Equipment and Installations Division	69,024	5,225	1,000	75,249	75,412	78	75,490	(241)
Traffic Engineers	481,424	29,716		511,140	469,977	23,163	493,140	18,000
Total Public Safety	20,386,953	1,392,884	50,000	21,829,837	21,803,383	240,937	22,044,320	(214,483)

(continued)

CITY OF PROVIDENCE, RHODE ISLAND

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES AND ENCUMBRANCES -
BUDGET TO ACTUAL (CONTINUED)

YEAR ENDED JUNE 30, 1980

Expenditures	Budget	Appropriation increase	Transfers increase (decrease)	Revised budget	Expenditures	Encumbrances	Actual	Excess (deficiency) of appropri- ations over expenditures and encumbrances
Public Works Activities:								
Public Works Administra- tion	\$ 208,524	\$ 19,278	\$ 13,000	\$ 240,802	\$ 236,710	\$ 208	\$ 236,918	\$ 3,884
Engineering Office	295,464	55,511		350,975	375,471	36	375,507	(24,532)
Sanitation Division:								
Sanitation Division Ad- ministration	31,400			31,400	20,252		20,252	11,148
Street Cleaning Section	557,562	37,463	(1,000)	594,025	691,690	235	691,925	(97,900)
Sewage Pumping Station	213,497	15,853	21,774	251,124	241,362	784	242,146	8,978
Sewage Disposal Section	1,634,403	45,266	200,000	1,879,669	1,974,833	101,936	2,076,769	(197,100)
Garbage Collection and Disposal Section	2,328,915	103,628	53,000	2,485,543	2,465,058	89,202	2,554,260	(68,717)
Construction and Main- tenance Division:								
Highway Section	2,133,511	131,670		2,265,181	2,276,475	6,701	2,283,176	(17,995)
Bridge Maintenance Sec- tion	136,560	10,477		147,037	163,005	3,541	166,546	(19,509)
Snow Removal Section	580,000			580,000	389,691		389,691	190,309
Sewer Construction and Maintenance	715,519	51,888	(5,000)	762,407	767,329	620	767,949	(5,542)
Public Service Division:								
Street Lighting Division	1,100,000			1,100,000	969,585		969,585	130,415
Municipal Dock Section	192,631	14,127		206,758	259,263	1,079	260,342	(53,584)
Environment Control	134,207	9,771		143,978	147,479	13	147,492	(3,514)
Garage Maintenance and Equipment	244,848	21,774	(21,774)	244,848	279,257		279,257	(34,409)
Total Public Works Activities	10,507,041	516,706	260,000	11,283,747	11,257,460	204,355	11,461,815	(178,068)

(continued)

CITY OF PROVIDENCE, RHODE ISLAND

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES AND ENCUMBRANCES -
BUDGET TO ACTUAL (CONTINUED)

YEAR ENDED JUNE 30, 1980

<u>Expenditures</u>	<u>Budget</u>	<u>Appropriation increase</u>	<u>Transfers increase (decrease)</u>	<u>Revised budget</u>	<u>Expenditures</u>	<u>Encumbrances</u>	<u>Actual</u>	<u>Excess (deficiency) of appropri- ations over expenditures and encumbrances</u>
Health Activities:								
Vital Statistics	\$ 71,878	\$ 8,624		\$ 80,502	\$ 83,162	\$ 94	\$ 83,256	(\$ 2,754)
Welfare Activities:								
General Public Assist- ance Administration	580,750			580,750	526,384	126,192	652,576	(71,826)
General Public Assist- ance	5,411,500	800,000		6,211,500	5,346,782	377,178	5,723,960	487,540
Total Welfare Ac- tivities	5,992,250	800,000		6,792,250	5,873,166	503,370	6,376,536	415,714
Recreation Activities:								
Recreation Department	226,193	15,179		241,372	286,504	173	286,677	(45,305)
Junior Police Camp - Point Judith, Rhode Island	20,000			20,000	20,000		20,000	
Providence Elderly Multi- Purpose Center	76,368	3,731		80,099	77,425	96	77,521	2,578
Recreational Season	356,450	5,000		361,450	910,437		910,437	(548,987)
Department of Recreation for the Handicapped	51,693	1,000		52,693	39,244		39,244	13,449
Total Recreation Activities	730,704	24,910		755,614	1,333,610	269	1,333,879	(578,265)
Education:								
School Department, ex- clusive of school rev- enues	28,726,791	2,956,915		31,683,706	29,760,041	2,000,000	31,760,041	(76,335)

(continued)

CITY OF PROVIDENCE, RHODE ISLAND

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES AND ENCUMBRANCES -
BUDGET TO ACTUAL (CONTINUED)

YEAR ENDED JUNE 30, 1980

Expenditures	Budget	Appropriation increase	Transfers increase (decrease)	Revised budget	Expenditures	Encumbrances	Actual	Excess (deficiency) of appropri- ations over expenditures and encumbrances
Grants to Outside Agencies and Institutions:								
Soldiers' Burials	\$ 1,500			\$ 1,500	\$ 385		\$ 385	\$ 1,115
Providence Public Library Historical District Commission	976,000			976,000	976,000		976,000	
Providence Animal Rescue League	3,000			3,000				3,000
Rhode Island Historical Society	500			500				500
Doctor Chapin Memorial Fund	5,000			5,000	5,000		5,000	
Boy Scouts of America	500			500	458		458	42
Convention Bureau	2,000			2,000	2,000		2,000	
Mary E. Sharpe Tree Fund	30,000			30,000	30,000		30,000	
Nickerson House	15,000			15,000	1,330		1,330	13,670
	3,200			3,200	3,200		3,200	
Total Grants to Out- side Agencies and Institutions	1,036,700			1,036,700	1,018,373		1,018,373	18,327
Pensions (Note 2):								
Contributions to:								
Employees' Retirement System, exclusive of Water Supply Board	6,000,000			6,000,000	1,133,593	\$4,866,407	6,000,000	
Elected Officials' Retirement System	78,371			78,371	78,371		78,371	
Unremarried Police and Fire Widows	3,360			3,360	2,887		2,887	473
Cost of Living Grant to Retired Employees	5,520			5,520	5,407		5,407	113
Payments to:								
Police Pension Fund (established prior to October 1, 1923)	92,000	\$ 2,727		94,727	84,475		84,475	10,252
Fire Pension Fund (es- tablished prior to October 1, 1923)	130,000			130,000	132,137		132,137	(2,137)
Relief Fund for Firemen and Policemen	2,100			2,100	1,973		1,973	127
Laborers' International Pension Fund	1,150,000	(70,000)	(\$60,000)	1,020,000	991,618		991,618	28,382
Laborers' International Legal Fund	320,000	(30,000)	(24,000)	266,000	231,338	29,994	261,332	4,668
Total Pensions	7,781,351	(97,273)	(84,000)	7,600,078	2,661,799	4,896,401	7,558,200	41,878

(continued)

CITY OF PROVIDENCE, RHODE ISLAND

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES AND ENCUMBRANCES -
BUDGET TO ACTUAL (CONTINUED)

YEAR ENDED JUNE 30, 1980

Expenditures	Budget	Appropriation increase	Transfers increase (decrease)	Revised budget	Expenditures	Encumbrances	Actual	Excess (deficiency) of appropri- ations over expenditures and encumbrances
Debt Service (Note 4):								
Retirement of Serial Bonds	\$4,426,000	(\$ 20,000)	(\$180,000)	\$4,226,000	\$4,226,000		\$4,226,000	
Interest on Bonded Debt	<u>2,879,748</u>	<u>(200,000)</u>	<u>(100,000)</u>	<u>2,579,748</u>	<u>2,966,241</u>		<u>2,966,241</u>	<u>(\$386,493)</u>
Total Debt Service	<u>7,305,748</u>	<u>(220,000)</u>	<u>(280,000)</u>	<u>6,805,748</u>	<u>7,192,241</u>		<u>7,192,241</u>	<u>(386,493)</u>
Public Property:								
Administration and Pur- chasing	914,605	17,248	(6,720)	925,133	996,922	\$58,323	1,055,245	(130,112)
Forestry	232,831	11,632		244,463	243,584	4,938	248,522	(4,059)
Public Land and Parks	1,013,808	102,278	500	1,116,586	1,092,212	8,098	1,100,310	16,276
Administration and Maintenance	811,973	55,100	10,960	878,033	872,899	366	873,265	4,768
Public Buildings	93,814	6,534	(4,240)	96,108	100,467		100,467	(4,359)
Custodian Services	437,168	34,471	(500)	471,139	482,624	1,327	483,951	(12,812)
Museum	88,987	3,873		92,860	93,266	1,621	94,887	(2,027)
Zoo	<u>350,716</u>	<u>32,194</u>		<u>382,910</u>	<u>356,344</u>	<u>19,979</u>	<u>376,323</u>	<u>6,587</u>
Total Public Property	<u>3,943,902</u>	<u>263,330</u>	<u>- 0 -</u>	<u>4,207,232</u>	<u>4,238,318</u>	<u>94,652</u>	<u>4,332,970</u>	<u>(125,738)</u>

(continued)

CITY OF PROVIDENCE, RHODE ISLAND

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES AND ENCUMBRANCES -
BUDGET TO ACTUAL (CONTINUED)

YEAR ENDED JUNE 30, 1980

Expenditures	Budget	Appropriation increase	Transfers increase (decrease)	Revised budget	Expenditures	Encumbrances	Actual	Excess (deficiency) of appropri- ations over expenditures and encumbrances
Miscellaneous Activities:								
Archives and History	\$ 10,000			\$ 10,000	\$ 10,000		\$ 10,000	
Emergency Temporary								
Seasonal Employment	130,000	\$ 40,000		170,000	192,180		192,180	(\$ 22,180)
Bureau of Licenses	77,139	5,328		82,467	79,855		79,855	2,612
Department of Planning and								
Urban Development	918,803	145,389		1,064,192	929,576	\$ 34,032	963,608	100,584
Insurance Fund	10,000			10,000	10,000		10,000	
Contingencies	55,000		\$ 30,000	85,000	84,267		84,267	733
Federal Old Age and								
Survivor's Insurance	950,000			950,000	993,428		993,428	(43,428)
Blue Cross and Physicians'								
Service and RIGHA	2,150,000			2,150,000	2,310,373		2,310,373	(160,373)
Community Mental Health								
Center	175,000			175,000	175,000		175,000	
Demolition of abandoned								
property	65,000			65,000	63,539		63,539	1,461
Board of Tenants' Affairs	2,500			2,500	1,245	1,175	2,420	80
Providence Charter Commission		24,000		24,000	16,997		16,997	7,003
Civic Center War Memorial		16,000		16,000		16,000	16,000	
Providence Civilian								
Defense Council	59,831	4,555		64,386	67,261	25	67,286	(2,900)
Providence Human Relations								
Commission	96,694	13,637		110,331	102,706		102,706	7,625
Providence Housing Au-								
thority	10,000			10,000	7,800		7,800	2,200
Locust Grove Cemetery	12,353	832		13,185	14,366		14,366	(1,181)
Zoning Board of Review	51,717	4,306		56,023	51,036	157	51,193	4,830
Housing Board of Review	6,949			6,949	4,603		4,603	2,346
Restoration, City Hall	15,000			15,000	16,515		16,515	(1,515)
Reserve for deficit	500,000			500,000				500,000
Unemployment compensation	200,000		24,000	224,000	218,746		218,746	5,254
Building Board of Review	11,358			11,358	10,279		10,279	1,079
Reserve for anticipated								
abatements	500,000	(200,000)		300,000	(167)	257,839	257,672	42,328
Total Miscellaneous								
Activities	6,007,344	54,047	54,000	6,115,391	5,359,605	309,228	5,668,833	446,558

(continued)

CITY OF PROVIDENCE, RHODE ISLAND

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES AND ENCUMBRANCES -
BUDGET TO ACTUAL (CONTINUED)

YEAR ENDED JUNE 30, 1980

Expenditures	Budget	Appropriation increase	Transfers increase (decrease)	Revised budget	Expenditures	Encumbrances	Actual	Excess (deficiency) of appropri- ations over expenditures and encumbrances
Public Celebrations:								
American Legion	\$ 400			\$ 400	\$ 400		\$ 400	
Columbus Day	1,000			1,000	982		982	\$ 18
Disabled American Veterans	250			250	250		250	
Fourth of July	2,500			2,500	2,500		2,500	
Jewish War Veterans	250			250	250		250	
Labor Day	500			500				500
St. Patrick's Day		\$ 700		700	700		700	
St. Joseph the Worker		700		700	700		700	
Veterans Day	700			700	700		700	
Veterans of Foreign Wars	400			400	400		400	
Municipal Christmas observances	4,500			4,500	4,320		4,320	180
City Council Committee on Memorial Day	350			350	435		435	(85)
United Arts Fund	5,000			5,000	5,000		5,000	
Total Public Celebrations	15,850	1,400		17,250	16,637		16,637	613
Water Supply Board:								
Administration	484,722	18,781	\$ 32,000	535,503	478,833	\$ 742	479,575	55,928
Source of Supply	1,513,246	38,689	(88,000)	1,463,935	1,261,625	168,115	1,429,740	34,195
Transmission and Distribution	1,889,296	96,014	118,000	2,103,310	1,901,965	56,284	1,958,249	145,061
Accounting and Commercial Division	655,433	38,357	(54,000)	639,790	581,632	10,214	591,846	47,944
Taxes	1,420,000			1,420,000	1,381,459		1,381,459	38,541
Employees' Retirement System	327,436			327,436	327,436		327,436	
Federal Old Age and Survivors' Insurance	132,000		(8,000)	124,000	158,706		158,706	(34,706)
Interest on Bonded Debt	627,150			627,150	627,150		627,150	
Retirement of Serial Bonds	335,000			335,000	335,000		335,000	
Unemployment Compensation	14,000			14,000	1,303		1,303	12,697
Total Water Supply Board	7,398,283	191,841	- 0 -	7,590,124	7,055,109	235,355	7,290,464	299,660
Total expenditures	\$103,401,977	\$6,337,115	\$ - 0 -	\$109,739,092	\$101,497,468	\$8,701,617	110,199,085	(\$459,993)
Excess of expenditures and encumbrances over revenues							\$ 7,765,174	

CITY OF PROVIDENCE, RHODE ISLAND

SCHOOL FUND

STATEMENT OF ASSETS, LIABILITIES AND RESERVES - JUNE 30, 1980

ASSETS

Due from:	
General Fund	\$2,550,840
Federal Government	64,222
Accounts receivable	<u>25,123</u>
	<u>\$2,640,185</u>

LIABILITIES AND RESERVES

Bank overdraft	\$ 957,830
Accounts payable	779,495
Encumbrances outstanding:	
Current year	646,353
Prior years	54,480
Due to Trust and Special Funds	176,904
Revenue available when collected	<u>25,123</u>
	<u>\$2,640,185</u>

See notes to financial statements.

CITY OF PROVIDENCE, RHODE ISLAND

SCHOOL FUND

STATEMENT OF REVENUES, EXPENDITURES, ENCUMBRANCES
AND CHANGES IN FUND BALANCE

YEAR ENDED JUNE 30, 1980

	<u>Budget</u>	<u>Expenditures</u>	<u>Encumbrances</u>	<u>Actual</u>	<u>Over (under) budget</u>
Revenues:					
General Fund appropriation	<u>\$31,683,706</u>			<u>\$31,760,041</u>	<u>\$ 76,335</u>
Grants-in-aid:					
Federal Government	113,077			137,497	24,420
State of Rhode Island	<u>14,508,311</u>			<u>14,508,311</u>	
	<u>14,621,388</u>			<u>14,645,808</u>	<u>24,420</u>
School revenues:					
Tuition	109,838			114,317	4,479
Miscellaneous	<u>49,775</u>			<u>78,901</u>	<u>29,126</u>
	<u>159,613</u>			<u>193,218</u>	<u>33,605</u>
Total revenues	<u>\$46,464,707</u>			<u>\$46,599,067</u>	<u>\$134,360</u>
Expenditures and encumbrances:					
Personnel services	\$33,231,676	\$33,151,961	\$212,000	\$33,363,961	\$132,285
Employee benefits	4,107,011	4,098,644	27,715	4,126,359	19,348
Data processing	188,747	168,470	19,488	187,958	(789)
Equipment and supplies	914,701	735,462	97,287	832,749	(81,952)
Miscellaneous	86,756	83,297	880	84,177	(2,579)
Other services	82,158	65,673	5,491	71,164	(10,994)
Pensions	2,189,953	2,245,864		2,245,864	55,911
Postage, freight and express	37,772	23,058		23,058	(14,714)
Professional services	375,097	372,854	50,696	423,550	48,453
Rentals	251,451	263,119	12,070	275,189	23,738
Repairs and maintenance	386,256	259,167	71,507	330,674	(55,582)
School activities	20,376	12,758	829	13,587	(6,789)
Subscriptions, printing and binding	49,935	33,554	1,362	34,916	(15,019)
Textbooks	347,275	217,940	51,019	268,959	(78,316)
Transportation and travel	891,515	943,233	30,500	973,733	82,218
Tuition payments	807,150	679,573	40,724	720,297	(86,853)
Utilities and fuel	<u>2,496,878</u>	<u>2,598,087</u>	<u>24,785</u>	<u>2,622,872</u>	<u>125,994</u>
Total expenditures and encumbrances	<u>\$46,464,707</u>	<u>\$45,952,714</u>	<u>\$646,353</u>	<u>46,599,067</u>	<u>\$134,360</u>
Excess of expenditures and encumbrances over revenues				- 0 -	
Fund balance, June 30, 1979				- 0 -	
Fund balance, June 30, 1980				<u>\$ - 0 -</u>	

See notes to financial statements.

CITY OF PROVIDENCE, RHODE ISLAND

CAPITAL FUND

STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCE - JUNE 30, 1980

ASSETS

Cash		\$ 1,669,957
Due from Revolving Funds		96,945
Unamortized expenditures made from proceeds of bonds and notes issued for:		
Area development	\$17,701,704	
Emergency housing	45,000	
Permanent improvements	67,561,502	
Capital purposes	<u>1,000,000</u>	86,308,206
Unexpended balances from proceeds of bonds and notes issued for:		
Area development	138,296	
Permanent improvements	<u>2,560,498</u>	2,698,794
Capital authorities not yet hired for:		
Area development	3,260,000	
Permanent improvements	<u>13,422,000</u>	<u>16,682,000</u>
		<u>\$107,455,902</u>

LIABILITIES AND FUND BALANCE

Bonds outstanding (Note 4):		
Area development	\$12,322,000	
Emergency housing	45,000	
Permanent improvements	<u>48,622,000</u>	\$ 60,989,000
Notes payable (Note 4):		
Area development	5,518,000	
Permanent improvements	21,500,000	
Capital purposes	<u>1,000,000</u>	28,018,000
Encumbrances outstanding, bond authorities		7,988,502
Unencumbered capital appropriation balances:		
Permanent improvements	7,994,676	
Special authorities	75,127	
Area development	2,250,344	
Capital purposes	<u>140,253</u>	<u>10,460,400</u>
		<u>\$107,455,902</u>

See notes to financial statements.

CITY OF PROVIDENCE, RHODE ISLAND
CAPITAL FUND
STATEMENT OF APPROPRIATIONS AND EXPENDITURES
(CURRENT PROJECTS ONLY)
YEAR ENDED JUNE 30, 1980

	Available July 1, 1979	Bond authorities hired (retired) 1979 - 1980	Appropriations, transfers and receipts 1979 - 1980
Capital Debt Fund	\$ 38,933		
Additions and Alterations to Providence Public Library	502,589		\$ 2,678
Hurricane Barrier	4,853,641		12,443
Off-Street Parking Facilities	2,517,582		1,120
Animal Crematory Facilities	60,000		
Public Works:			
Rehabilitation of Municipal Dock Facilities	2,003,889		13,388
Additional Municipal Dock Facilities		\$ 5,000,000	
Construction of Seawall and Additional Docking Facilities	6,501,910		
Public Works Sewage Treatment and Sludge Incinerator Loan	8,500,000		10,400
Public Works Sewage Treatment and Sludge Incinerator Loan - Phase II		5,500,000	
Highway Paving and Resurfacing Account	150,000		
India Point Park	891,966		
Roger Williams Park, Phase I, Plains Exhibit	140,000		
Redevelopment:			
Slum Clearance II	2,545,292		
Slum Clearance III	3,501,302		
Slum Clearance IV	11,405,538		
Slum Clearance V	15,001,564		50,485
East Side Renewal Project	5,515,924		
Mt. Hope Project R.I. R-18	340,179		
Weybosset Hill Renewal Project	2,791,884		
Model Cities Project A-222	4,160		
Lockwood Street R.I. R-27	624,589		
West Broadway Project A-2-1-2	1,004,000		
West Broadway Project A-2-1-3	1,321,602		37,266
West End Project			538,910
Comstock Renewal Project	249,058		120,083
Downtown Providence Renewal Project	1,549,639		78,032
Federal Hill East Renewal Project	3,844,024		
School Department:			
School Modernization and Construction I	1,558,214		
School Modernization and Construction II	3,011,118		
School Modernization and Construction III	3,000,000		
School Modernization and Construction IV	7,014,032		46,452
School Modernization and Construction V	5,000,000		
Water Department:			
Additional Rapid Sand Filters	2,500,000		(1,388,616)
Construction of Major Improvements to the Water Supply System	10,329,000		1,388,616
Capital Purposes	1,318,822		210,860
	<u>\$109,590,451</u>	<u>\$10,500,000</u>	<u>\$1,122,117</u>

See notes to financial statements.

Total available June 30, 1980	Disbursements through June 30, 1979	Disbursements during 1979 - 1980	Encumbrances as of June 30, 1980	Expenditures and encumbrances through June 30, 1980	Completed capital projects written off in the subsequent fiscal year	Due from Revolving Funds	Unencumbered balance June 30, 1980
\$ 38,933	\$ 38,933			\$ 38,933			
505,267	340,472			340,472			\$ 164,795
4,866,084	3,799,194	\$ 159,303	\$ 101,512	4,060,009			806,075
2,518,702	1,811,320	94,719		1,906,039			612,663
60,000	4,025	42,868	13,050	59,943			57
2,017,277	1,749,449	267,273		2,016,722			555
5,000,000		768,078	3,595,726	4,363,804			636,196
6,501,910	4,212,327	2,010,797	299,341	6,522,465			(20,555)
8,510,400	5,025,832	3,388,155	95,032	8,509,019			1,381
5,500,000		2,760,373	834,821	3,595,194			1,904,806
150,000	149,000			149,000			1,000
891,966	876,888			876,888			15,078
140,000	132,361	3,095	198	135,654			4,346
2,545,292	2,545,292			2,545,292			
3,501,302	3,501,302			3,501,302			
11,405,538	11,405,538			11,405,538			
15,052,049	10,546,422	1,055,283	1,200,000	12,801,705			2,250,344
5,515,924	5,515,924			5,515,924			
340,179	340,179			340,179			
2,791,884	2,791,884			2,791,884			
4,160	3,726			3,726			434
624,589	622,557			622,557			2,032
1,004,000	1,001,544			1,001,544			2,456
1,358,868	1,319,056	39,812		1,358,868			
538,910		538,910		538,910			
369,141	249,058	120,083		369,141			
1,627,671	1,549,639	78,032		1,627,671			
3,844,024	3,794,300			3,794,300			49,724
1,558,214	1,558,214			1,558,214			
3,011,118	3,011,118			3,011,118			
3,000,000	3,000,000			3,000,000			
7,060,484	6,192,852	203,275	34,900	6,431,027			629,457
5,000,000	1,634,435	325,762	500	1,960,697			3,039,303
1,111,384	1,111,384			1,111,384			
11,717,616	9,717,616		1,780,000	11,497,616			220,000
1,529,682	1,183,551	269,401	33,422	1,486,374		\$96,945	140,253
\$121,212,568	\$90,735,392	\$12,125,219	\$7,988,502	\$110,849,113	\$ - 0 -	\$96,945	\$10,460,400

CITY OF PROVIDENCE, RHODE ISLAND

SINKING FUND

STATEMENT OF ASSETS AND FUND BALANCE - JUNE 30, 1980

ASSETS

Cash	<u>\$658,618</u>
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FUND BALANCE

Fund balance	<u>\$658,618</u>
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See notes to financial statements.

CITY OF PROVIDENCE, RHODE ISLAND
SINKING FUND
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 1980

Cash balance, July 1, 1979	\$352,368
Receipts:	
Interest income on savings account	3,595
Real estate proceeds	<u>302,655</u>
Cash balance, June 30, 1980	<u>\$658,618</u>

See notes to financial statements.

CITY OF PROVIDENCE, RHODE ISLAND

REVOLVING FUNDS

COMBINED STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCES (DEFICIT) - JUNE 30, 1980

ASSETS

	Cash	Due from other funds	Inventory	Equipment
Archives Copy Service Account	\$ 16			
Archives Surplus Property	345			
Betsy Williams Cottage Landscaping	249			
Blackstone Boulevard Plant Fund	3,050			
Board of Contract and Supply Revolving Fund	305			
Central Purchasing:				
Equipment Fund	1,449			
Revolving Fund	8,177		\$ 25,882	
Data Control Fuel Fund	(22,223)			
Fire Department Equipment Fund	3,146			
Jon Injury Medical Payment Fund	3,374			
Mary Elizabeth Sharpe:				
Parks Fund	496			
Tree Fund	10,818			
Nellie Gordon Johnson Playground Fund	3,133			
North Burial Ground Operating Fund	(57)			
Police Department:				
Equipment Fund	2,394			
Motor Vehicle Violations	2,235			
Police National Highway Grant	(243)			
Providence Civilian Defense Council	35			
Providence Heritage Commission Fund	60			
Public Property Procap Revolving Fund	(55)			
Public Works Revolving Fund:				
Equipment	206,566			\$933,676
Stores	(207,717)	\$8,659	403,203	
Roger Williams Park:				
Betsy Williams Account	16,430			
Charles H. Smith Trust Fund	2,465			
Sewage Treatment Fund	18,212			
Traffic Safety Grant	15,799			
Water Meter Conversion Revolving Fund	(1,210)			
Water Rates Clearing Account	9,436			
Water Stores Revolving Fund	43,518			
	<u>\$120,203</u>	<u>\$8,659</u>	<u>\$429,085</u>	<u>\$933,676</u>

See notes to financial statements.

Total assets	LIABILITIES AND FUND BALANCES				Total liabilities and fund balances (deficit)
	Obligations under capital leases (Note 8)	Accounts payable	Due to other funds	Fund balances (deficit)	
\$ 16				\$ 16	\$ 16
345		\$ 178		167	345
249				249	249
3,050				3,050	3,050
305				305	305
1,449				1,449	1,449
34,059		12		34,047	34,059
(22,223)		14,100		(36,323)	(22,223)
3,146				3,146	3,146
3,374		674		2,700	3,374
496				496	496
10,818				10,818	10,818
3,133				3,133	3,133
(57)		257		(314)	(57)
2,394				2,394	2,394
2,235				2,235	2,235
(243)				(243)	(243)
35				35	35
60		21		39	60
(55)				(55)	(55)
1,140,242	\$498,725		\$105,604	535,913	1,140,242
204,145		36,592	100,000	67,553	204,145
16,430				16,430	16,430
2,465				2,465	2,465
18,212		50,786		(32,574)	18,212
15,799				15,799	15,799
(1,210)				(1,210)	(1,210)
9,436				9,436	9,436
43,518				43,518	43,518
<u>\$1,491,623</u>	<u>\$498,725</u>	<u>\$102,620</u>	<u>\$205,604</u>	<u>\$684,674</u>	<u>\$1,491,623</u>

CITY OF PROVIDENCE, RHODE ISLAND

REVOLVING FUNDS

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (DEFICIT)

YEAR ENDED JUNE 30, 1980

	Fund balances (deficit) July 1, 1979	Revenues	Expenditures	Excess (deficiency) of revenues over expenditures	Fund balances (deficit) June 30, 1980
Archives Copy Service Account	\$ 10	\$ 6		\$ 6	\$ 16
Archives Surplus Property	17	11,699	\$ 11,549	150	167
Betsy Williams Cottage Landscaping	249				249
Blackstone Boulevard Plant Fund	3,873		823	(823)	3,050
Board of Contract and Supply Revolving Fund		305		305	305
Central Purchasing:					
Equipment Fund	9,322	33,459	41,332	(7,873)	1,449
Revolving Fund	17,952	141,062	124,967	16,095	34,047
Data Control Fuel Fund	43,305	255,188	334,816	(79,628)	(36,323)
Fire Department Equipment Fund	50	3,096		3,096	3,146
Fire National Highway Grant	(40,000)	40,000		40,000	
Food Stamp Personnel		1,000	1,000		
Food Stamp Program	24,631	70,979	95,610	(24,631)	
Job Injury Medical Payment Fund	2,157	16,735	16,192	543	2,700
Mary Elizabeth Sharpe:					
Parks Fund	496				496
Tree Fund	6,656	4,162		4,162	10,818
Nellie Gordon Johnson Playground Fund	3,133				3,133
North Burial Ground Operating Fund	(2,075)	147,564	145,803	1,761	(314)
Police Department:					
Equipment Fund	3,019	4,616	5,241	(625)	2,394
Motor Vehicle Violations	2,235				2,235
Police National Highway Grant	(243)	23,869	23,869		(243)
Providence Civilian Defense Council	217		182	(182)	35
Providence Heritage Commission Fund		10,250	10,211	39	39
Providence Junior Police Camp	(565)	20,588	20,023	565	
Public Property Procap Revolving Fund		6,000	6,055	(55)	(55)
Public Works Revolving Fund:					
Equipment	628,537	168,886	261,510	(92,624)	535,913
Stores	(113,196)	1,266,795	1,086,046	180,749	67,553
Roger Williams Park:					
Betsy Williams Account	30,003	7,738	21,311	(13,573)	16,430
Charles H. Smith Trust Fund	6	83,000	80,541	2,459	2,465
Sewage Treatment Fund	1,247	83,843	117,664	(33,821)	(32,574)
Traffic Safety Grant	3,035	25,251	12,487	12,764	15,799
Water Meter Conversion Revolving Fund	592	1,892	3,694	(1,802)	(1,210)
Water Rates Clearing Account		20,658	11,222	9,436	9,436
Water Stores Revolving Fund	16,642	82,963	56,087	26,876	43,518
	<u>\$641,305</u>	<u>\$2,531,604</u>	<u>\$2,488,235</u>	<u>\$ 43,369</u>	<u>\$684,674</u>

See notes to financial statements.

CITY OF PROVIDENCE, RHODE ISLAND

TRUST AND SPECIAL FUNDS

COMBINED STATEMENT OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCES - JUNE 30, 1980

	ASSETS			
	Cash	Accounts and loans receivable	Due from other funds	Investments (at cost)
Trust Funds:				
Henry B. Anthony Public Fountain Fund	\$ 37			
Senator Henry B. Anthony Prize Fund	3			\$ 3,000
Senator Henry B. Anthony Prize Fund Income	107			
Ellen R. Barnes Trust Fund	281			
Better Providence Trust Fund	14,840			
Edward Hickling Bradford Trust Fund				135,923
Edward Hickling Bradford Trust Fund Income	(2,765)			
Mary Swift Bragunn Fund	(146)			7,352
Dr. Vincent A. Cianci Trust Fund	200			
Dexter Donation Trust Fund	8,066	\$5,620		496,468
Dexter Donation Trust Fund Income	7,892			679,497
Ebenezer Knight Dexter Trust Fund	1,220	221		984,988
Ebenezer Knight Dexter Trust Fund Income	31,342			
Edward F. Ely Trust Fund				126,463
Edward F. Ely Trust Fund Income	7,551			
Elizabeth Angell Gould Fund				85,758
Elizabeth Angell Gould Fund Income	(458)			26,664
Marshall H. Gould Fund	99			5,000
Marshall H. Gould Fund Income	(299)			8,042
Abby A. King Trust Fund	(118)			12,026
Abby A. King Trust Fund Income	1,164			63,792
Locust Grove Cemetery Fund	11,778			
Locust Grove Cemetery Fund Income	1,231			
Anna H. Mann Trust Fund				348,322
Anna H. Mann Trust Fund Income	(33,432)			48,738
North Burial Ground Perpetual Care Fund	125,078			491,760
North Burial Ground Perpetual Care Fund Income	60,241			100,000
Gladys Potter Trust Fund				11,055
Charles H. Smith Trust Fund	1			1,000
Charles H. Smith Trust Fund Income	14,759			
City of Providence, Trustee u/w of Charles H. Smith	4,825	745		
Charles H. Smith, Real Estate Sales Proceeds:				
Condemnation Income	191			
Superior Court	158,606			929,479
Superior Court Income	67,809			
City of Providence School Committee, Special Award	16,230			
Tillinghast Donation Fund	200			
Samuel H. Tingley Trust Fund				89,416
Samuel H. Tingley Trust Fund Income	(452)			
Emeline Owen Vinton Fund	521			
Emeline Owen Vinton Fund Income	23			
Frederick Arnold Vinton, M.D. Fund	521			
Frederick Arnold Vinton, M.D. Fund Income	193			
Total Trust Funds	497,339	6,586	- 0 -	4,654,743

(continued)

LIABILITIES, RESERVES AND FUND BALANCES

<u>Real estate</u>	<u>Total assets</u>	<u>Accounts payable</u>	<u>Revenue available when collected</u>	<u>Fund balances (deficits)</u>	<u>Total liabilities, reserves and fund balances</u>
	\$ 37			\$ 37	\$ 37
	3,003			3,003	3,003
	107			107	107
	281			281	281
	14,840			14,840	14,840
	135,923			135,923	135,923
	(2,765)			(2,765)	(2,765)
	7,206			7,206	7,206
	200			200	200
\$ 139,120	649,274	\$ 500	\$ 5,620	643,154	649,274
	687,389			687,389	687,389
	986,429			986,429	986,429
	31,342		221	31,121	31,342
	126,463			126,463	126,463
	7,551			7,551	7,551
	85,758			85,758	85,758
	26,206			26,206	26,206
	5,099			5,099	5,099
	7,743			7,743	7,743
	11,908			11,908	11,908
	64,956			64,956	64,956
	11,778			11,778	11,778
	1,231			1,231	1,231
	348,322			348,322	348,322
	15,306			15,306	15,306
	616,838			616,838	616,838
	160,241			160,241	160,241
	11,055			11,055	11,055
	1,001			1,001	1,001
	14,759			14,759	14,759
	5,570	500	745	4,325	5,570
	191			191	191
	1,088,085			1,088,085	1,088,085
	67,809			67,809	67,809
	16,230			16,230	16,230
	200			200	200
	89,416			89,416	89,416
	(452)			(452)	(452)
	521			521	521
	23			23	23
	521			521	521
	193			193	193
<u>139,120</u>	<u>5,297,788</u>	<u>1,000</u>	<u>6,586</u>	<u>5,290,202</u>	<u>5,297,788</u>

CITY OF PROVIDENCE, RHODE ISLAND

TRUST AND SPECIAL FUNDS

COMBINED STATEMENT OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCES (CONTINUED) - JUNE 30, 1980

	ASSETS			
	Cash	Accounts and loans receivable	Due from other funds	Investments (at cost)
Special Funds:				
Anonymous Donation for Support of the Poor	\$ 194			
Available for Highway Purposes	96,398	(\$ 2,591)		
City Licenses Due State of RI	45			
Classical, Central Education Center Plans and Postage Deposit Account	32			
Credit Union of American Federation of State, County and Municipal Employees	587			
Deposit and Refund Account	17,845			
Emergency Public Improvement Fund	9,672			
Employees' Defense Savings Account	15,997			
Employees' Retirement System	(467,036)	2,622,204		\$72,423,952
Employees' Retirement System, Rhode Island Income Tax Withholding Pension Payments	(27,960)			
Employees' Retirement System, State of Rhode Island	1,989			
Employees' Retirement System, State of Rhode Island, Survivors' Benefits	94			
Employees' Withholding Tax Deductions	1,396			
Fire Insurance Fund (Note 7)	10,453			75,717
Food Stamp Cash and Stamp Shortage	51			
Hospital Service Corporation of Rhode Island	31,495			
Hurricane Barrier Assessments	(80,631)	700,948		200,000
Hurricane Barrier Assessments, Interest on Investments	14,503			
Local No. 278 American Federation of State, County and Municipal Employees, A. F. L. - C. I. O.	30			
Local No. 799 International Association of Fire Fighters	6			
Local No. 958 American Federation of Teachers	12,613			
Local No. 1033 Public Employees Union	543			
Local No. 1211 Public Schools Employees Union	(1,530)			
Local No. 1339 School Clerk's Union	1,546			
North Burial Ground Reserve Account	120,118			
Omnibus Crime Control and Safe Streets Act of 1968	2			
Balance carried forward	(241,548)	3,320,561		72,699,669

(continued)

Real estate	Total assets	LIABILITIES, RESERVES AND FUND BALANCES			Total liabilities, reserves and fund balances
		Accounts payable	Revenue available when collected	Fund balances (deficits)	
	\$ 194			\$ 194	\$ 194
	93,807		(\$ 2,591)	96,398	93,807
	45	\$ 45			45
	32			32	32
	587	587			587
	17,845	17,845			17,845
	9,672			9,672	9,672
	15,997	15,997			15,997
	74,579,120		6,975	74,572,145	74,579,120
(27,960)	(27,960)			(27,960)
	1,989	1,989			1,989
	94	94			94
	1,396	1,396			1,396
	86,170			86,170	86,170
	51	51			51
	31,495	31,495			31,495
	820,317		700,948	119,369	820,317
	14,503			14,503	14,503
	30	30			30
	6	6			6
	12,613	12,613			12,613
	543	543			543
(1,530)	(1,530)			(1,530)
	1,546	1,546			1,546
	120,118			120,118	120,118
	2			2	2
	75,778,682	54,747	705,332	75,018,603	75,778,682

CITY OF PROVIDENCE, RHODE ISLAND

TRUST AND SPECIAL FUNDS

COMBINED STATEMENT OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCES (CONTINUED) - JUNE 30, 1980

	ASSETS			
	Cash	Accounts and loans receivable	Due from other funds	Investments (at cost)
Special Funds (continued):				
Balance brought forward	(\$ 241,548)	\$3,320,561		\$72,699,669
Payroll Deductions:				
Aetna Life Insurance Company		59		
Aetna Life Insurance Company Deferred Compensation Plan		546		
Boston Mutual Insurance Company		22		
Hopkins Medical Laboratory, Inc.		270		
London Group Life Insurance Company		30		
Mutual Life Insurance Company of New York	(48)		
Planned Equities Corp.		200		
Republic National Life Insurance Company		2,571		
Transamerica Life Insurance and Annuity Company				
Pedestrian Shopping Mall, Extension and Additions		18		
Providence Beautification Plan		16,345		
Providence Lodge No. 3, Fraternal Order of Police	(2,916)		
Providence Municipal Employees' Credit Union		4,692		
Providence Permanent Firemen's Relief Association		73		
Providence Police Association	(32)		
Providence Teachers' Credit Union	(18,509)		
Real Estate Sales Proceeds:				
General			32,490	
North Burial Ground		1,857		325,000
Roger Williams Park Land Easement		2,300		
Balance carried forward	(234,070)	3,353,051		73,024,669

(continued)

Real
estate

Total assets	<u>LIABILITIES, RESERVES AND FUND BALANCES</u>			Total liabilities, reserves and fund balances
	<u>Accounts payable</u>	<u>Revenue available when collected</u>	<u>Fund balances (deficits)</u>	
\$75,778,682	\$54,747	\$705,332	\$75,018,603	\$75,778,682
59	59			59
546	546			546
22	22			22
270	270			270
30	30			30
(48)	(48)			(48)
200	200			200
2,571	2,571			2,571
18			18	18
16,345			16,345	16,345
(2,916)	(2,916)			(2,916)
4,692	4,692			4,692
73	73			73
(32)	(32)			(32)
(18,509)	(18,509)			(18,509)
32,490		32,490		32,490
326,857			326,857	326,857
2,300			2,300	2,300
76,143,650	41,705	737,822	75,364,123	76,143,650

CITY OF PROVIDENCE, RHODE ISLAND

TRUST AND SPECIAL FUNDS

COMBINED STATEMENT OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCES (CONTINUED) - JUNE 30, 1980

	ASSETS			
	Cash	Accounts and loans receivable	Due from other funds	Investments (at cost)
Special Funds (continued):				
Balance brought forward	(\$ 234,070)	\$3,353,051		\$73,024,669
Reserve for Social Security Taxes	1,398,266		\$523,379	
Rhode Island Foundation Scholarship Account	5,058			
Rhode Island Group Health Insurance	4,492			
Rhode Island Income Tax Withholding	28,036			
Rhode Island Medical Care Fund	66			
Robert's Expressway Owners' Escrow Funds	171			
Sale of Code Ordinance Books	7,558			
Sewer Assessments, Lubec Street	913			
State of Rhode Island Real Estate Conveyance Tax	42,312			
State Sales Tax, Water	16,230			
Suggestion Award Account	866			
Summertime Program Payroll Transfer Fund	657			
Tax Sheltered Annuities:				
John Hancock Mutual Life Insurance Company	116			
Lincoln National Life Insurance Company	1			
Metropolitan Life Insurance Company	232			
Northwestern Mutual Life Insurance Company	200			
Phoenix Mutual Life Insurance Company	30			
United Way of Southeastern New England, Inc.	757			
Water Depreciation and Extension Fund				224,496
Water Improvements Plans and Specifications Deposit Account	3,261			
Water Main Account, New	45			
Weybosset Hill Land Rental	84,135	390		
Total Special Funds	<u>1,359,332</u>	<u>3,353,441</u>	<u>523,379</u>	<u>73,249,165</u>
Total Trust and Special Funds	<u>\$1,856,671</u>	<u>\$3,360,027</u>	<u>\$523,379</u>	<u>\$77,903,908</u>
Investments at market value				<u>\$72,943,851</u>

See notes to financial statements.

Real estate	Total assets	LIABILITIES, RESERVES AND FUND BALANCES			Total liabilities, reserves and fund balances
		Accounts payable	Revenue available when collected	Fund balances (deficits)	
	\$76,143,650	\$ 41,705	\$737,822	\$75,364,123	\$76,143,650
	1,921,645	1,921,645			1,921,645
	5,058			5,058	5,058
	4,492	4,492			4,492
	28,036	28,036			28,036
	66	66			66
	171	171			171
	7,558			7,558	7,558
	913	913			913
	42,312	42,312			42,312
	16,230	16,230			16,230
	866			866	866
	657	657			657
	116	116			116
	1	1			1
	232	232			232
	200	200			200
	30	30			30
	757	757			757
	224,496			224,496	224,496
	3,261			3,261	3,261
	45			45	45
	84,525		390	84,135	84,525
	<u>78,485,317</u>	<u>2,057,563</u>	<u>738,212</u>	<u>75,689,542</u>	<u>78,485,317</u>
\$139,120	<u>\$83,783,105</u>	<u>\$2,058,563</u>	<u>\$744,798</u>	<u>\$80,979,744</u>	<u>\$83,783,105</u>

CITY OF PROVIDENCE, RHODE ISLAND
TRUST AND SPECIAL FUNDS
COMBINED STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 1980

	Cash balances <u>July 1, 1979</u>	<u>Receipts</u>	Total <u>available</u>	<u>Disbursements</u>	Cash balances <u>June 30, 1980</u>
Trust Funds:					
Henry B. Anthony Public Fountain Fund	\$ 35	\$ 2	\$ 37		\$ 37
Senator Henry B. Anthony Prize Fund	3		3		3
Senator Henry B. Anthony Prize Fund Income	13	314	327	\$ 220	107
Ellen R. Barnes Trust Fund	267	14	281		281
Better Providence Trust Fund	13,379	1,461	14,840		14,840
Edward Hickling Bradford Trust Fund	(4,056)	4,056			
Edward Hickling Bradford Trust Fund Income	4,556	1,510	6,066	8,831	(2,765)
Mary Swift Braquinn Fund	4,048	353	4,401	4,547	(146)
Dr. Vincent A. Cianci Trust Fund	200		200		200
Dexter Donation Trust Fund	8,066		8,066		8,066
Dexter Donation Trust Fund Income	7,150	742	7,892		7,892
Ebenezer Knight Dexter Trust Fund	876	344	1,220		1,220
Ebenezer Knight Dexter Trust Fund Income	15,714	57,971	73,685	42,343	31,342
Edward F. Ely Trust Fund	(2,843)	2,843			
Edward F. Ely Trust Fund Income	4,397	9,601	13,998	6,447	7,551
Elizabeth Angell Gould Fund	20,267		20,267	20,267	
Elizabeth Angell Gould Fund Income	24,966	5,578	30,544	31,002	(458)
Marshall H. Gould Fund	99		99		99
Marshall H. Gould Fund Income	7,377	339	7,716	8,015	(299)
Abby A. King Trust Fund	6,395		6,395	6,513	(118)
Abby A. King Trust Fund Income	50,435	5,411	55,846	54,682	1,164
Locust Grove Cemetery Fund	9,789	2,349	12,138	360	11,778
Locust Grove Cemetery Fund Income	1,085	146	1,231		1,231
Anna H. Mann Trust Fund	7,910		7,910	7,910	
Anna H. Mann Trust Fund Income	42,255	20,620	62,875	96,307	(33,432)
Balance carried forward	222,383	113,654	336,037	287,444	48,593

(continued)

CITY OF PROVIDENCE, RHODE ISLAND

TRUST AND SPECIAL FUNDS

COMBINED STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS (CONTINUED)

YEAR ENDED JUNE 30, 1980

	Cash balances <u>July 1, 1979</u>	<u>Receipts</u>	<u>Total available</u>	<u>Disbursements</u>	Cash balances <u>June 30, 1980</u>
Trust Funds (continued):					
Balance brought forward	\$222,383	\$113,654	\$ 336,037	\$287,444	\$ 48,593
North Burial Ground Perpetual Care Fund	123,452	1,626	125,078		125,078
North Burial Ground Perpetual Care Fund Income	30,195	192,616	222,811	162,570	60,241
Gladys Potter Trust Fund	11		11	11	
Gladys Potter Trust Fund Income		925	925	925	
Charles H. Smith Trust Fund	1		1		1
Charles H. Smith Trust Fund Income	14,759		14,759		14,759
City of Providence, Trustee u/w of Charles H. Smith	71,468	3,071	74,539	69,714	4,825
Charles H. Smith, Real Estate Sales Proceeds:					
Condemnation Income	191		191		191
Superior Court	8,606	215,000	223,606	65,000	158,606
Superior Court Income	66,308	84,501	150,809	83,000	67,809
City of Providence School Committee, Special Award	14,632	1,598	16,230		16,230
Tillinghast Donation Fund	200		200		200
Tillinghast Donation Fund Income		9	9	9	
Samuel H. Tingley Trust Fund	(452)	452			
Samuel H. Tingley Trust Fund Income		5,086	5,086	5,538	(452)
Emmeline Owen Vinton Fund	521		521		521
Emmeline Owen Vinton Fund Income	35	28	63	40	23
Frederick Arnold Vinton, M.D. Fund	521		521		521
Frederick Arnold Vinton, M.D. Fund Income	188	35	223	30	193
Total Trust Funds	<u>553,019</u>	<u>618,601</u>	<u>1,171,620</u>	<u>674,281</u>	<u>497,339</u>

(continued)

CITY OF PROVIDENCE, RHODE ISLAND

TRUST AND SPECIAL FUNDS

COMBINED STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS (CONTINUED)

YEAR ENDED JUNE 30, 1980

	Cash balances July 1, 1979	Receipts	Total available	Disbursements	Cash balances June 30, 1980
Special Funds:					
Anonymous Donation for Support of the Poor	\$ 175	\$ 19	\$ 194		\$ 194
Available for Highway Purposes	30,398	66,000	96,398		96,398
City Licenses due State of Rhode Island		944	944	\$ 899	45
Classical, Central Education Center Plans and Postage Deposit Account	32		32		32
Credit Union of American Federation of State, County and Municipal Employees	587		587		587
Deposit and Refund Account	23,340	6,188,965	6,212,305	6,194,460	17,845
Emergency Public Improvement Fund	9,672		9,672		9,672
Employees' Defense Savings Account	16,066	157,399	173,465	157,468	15,997
Employees' Retirement System	3,956,474	15,975,371	19,931,845	20,398,881	(467,036)
Employees' Retirement System, Rhode Island Income Tax Withholding Pension Payments	50,611	287,520	338,131	366,091	(27,960)
Employees' Retirement System, State of Rhode Island	5,241	2,053,565	2,058,806	2,056,817	1,989
Employees' Retirement System, State of Rhode Island, Survivors' Benefits	94	7,129	7,223	7,129	94
Employees' Withholding Tax Deductions	138,686	12,425,622	12,564,308	12,562,912	1,396
Fire Insurance Fund (Note 7)	70,544	12,556	83,100	72,647	10,453
Food Stamp Cash and Stamp Shortage	51		51		51
Hospital Service Corporation of Rhode Island	32,454	372,689	405,143	373,648	31,495
Hurricane Barrier Assessments	68,158	63,944	132,102	212,733	(80,631)
Hurricane Barrier Assessments, Interest on Investments	14,503		14,503		14,503
Local No. 278 American Federation of State, County and Municipal Employees, A. F. L. - C. I. O.	30		30		30
Local No. 799 International Association of Fire Fighters	1,146	83,922	85,068	85,062	6
Local No. 958 American Federation of Teachers	12,749	278,312	291,061	278,448	12,613
Local No. 1033 Public Employees Union	2,283	168,030	170,313	169,770	543
Local No. 1211 Public Schools Employees Union	(1,530)	20,067	18,537	20,067	(1,530)
Local No. 1339 School Clerk's Union	1,546	24,613	26,159	24,613	1,546
North Burial Ground Reserve Account	117,751	2,367	120,118		120,118
Omnibus Crime Control and Safe Streets Act of 1968	2		2		2
Balance carried forward	4,551,063	38,189,034	42,740,097	42,981,645	(241,548)

(continued)

CITY OF PROVIDENCE, RHODE ISLAND
TRUST AND SPECIAL FUNDS
COMBINED STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 1980

	Cash balances <u>July 1, 1979</u>	<u>Receipts</u>	<u>Total available</u>	<u>Disbursements</u>	Cash balances <u>June 30, 1980</u>
Special Funds (continued):					
Balance brought forward	\$4,551,063	\$38,189,034	\$42,740,097	\$42,981,645	(\$ 241,548)
Payroll Deductions:					
Aetna Life Insurance Company	150	127,347	127,497	127,438	59
Aetna Life Insurance Company Deferred Compensation Plan	18,985	246,248	265,233	264,687	546
American Family Life Assurance Co. of Columbus	193	18,036	18,229	18,229	
A. M. L. Insurance Company Employees' Security Program	343	18,705	19,048	19,048	
Assumption Mutual Life Insurance Company	115	5,185	5,300	5,300	
Boston Mutual Insurance Company	22		22		22
Capitol Life Insurance Company	184	176,266	176,450	176,450	
John Hancock Mutual Insurance Company Employee Consultation Service	54	2,845	2,899	2,899	
Hopkins Medical Laboratory, Inc.	270		270		270
Local 5 Assn. Providence Public School Staff		8,291	8,291	8,291	
London Group Life Insurance Company	30		30		30
Mutual Life Insurance Company of New York	802	255,368	256,170	256,218	(48)
Planned Equities Corp.	724	24,703	25,427	25,227	200
Republic National Life Insurance Company	1,984	29,080	31,064	28,493	2,571
Transamerica Life Insurance and Annuity Company	200	42,403	42,603	42,603	
Pedestrian Shopping Mall, Extension and Additions	18		18		18
Providence Beautification Plan	1,345	15,000	16,345		16,345
Providence Lodge No. 3, Fraternal Order of Police	(2,907)	39,807	36,900	39,816	(2,916)
Providence Municipal Employees' Credit Union	4,692	2,442,039	2,446,731	2,442,039	4,692
Providence Permanent Firemen's Relief Association	6,405	344,780	351,185	351,112	73
Providence Police Association	(17)	20,984	20,967	20,999	(32)
Providence Teachers' Credit Union	(6,373)	2,315,459	2,309,086	2,327,595	(18,509)
Real Estate Sales Proceeds:					
General		302,655	302,655	302,655	
North Burial Ground	1,857	325,000	326,857	325,000	1,857
Roger Williams Park Land Easement	2,300		2,300		2,300
Balance carried forward	4,582,439	44,949,235	49,531,674	49,765,744	(234,070)

(continued)

CITY OF PROVIDENCE, RHODE ISLAND

TRUST AND SPECIAL FUNDS

COMBINED STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS (CONTINUED)

YEAR ENDED JUNE 30, 1980

	Cash balances <u>July 1, 1979</u>	<u>Receipts</u>	<u>Total available</u>	<u>Disbursements</u>	Cash balances <u>June 30, 1980</u>
Special Funds (continued):					
Balance brought forward	\$4,582,439	\$44,949,235	\$49,531,674	\$49,765,744	(\$ 234,070)
Reserve for Social Security Taxes	828,151	3,794,192	4,622,343	3,224,077	1,398,266
Rhode Island Foundation Scholarship Account	4,708	7,424	12,132	7,074	5,058
Rhode Island Group Health Insurance	3,541	14,897	18,438	13,946	4,492
Rhode Island Income Tax Withholding	58,804	2,364,818	2,423,622	2,395,586	28,036
Rhode Island Medical Care Fund	66		66		66
Robert's Expressway Owners' Escrow Funds	171		171		171
Roger Williams Park, C. H. Smith Unallotted Income Account		83,000	83,000	83,000	
Sale of Code Ordinance Books	6,382	1,176	7,558		7,558
Sewer assessments, Lubec Street	913		913		913
State of Rhode Island Real Estate Conveyance Tax	67,477	301,045	368,522	326,210	42,312
State Sales Tax, Water	17,636	89,178	106,814	90,584	16,230
Suggestion Award Account	866		866		866
Summertime Program Payroll Transfer Fund	657		657		657
Tax Sheltered Annuities:					
Chesapeake Life Insurance Company		3,199	3,199	3,199	
John Hancock Mutual Life Insurance Company	116	20,092	20,208	20,092	116
Hartford Variable Annuity Life		11,000	11,000	11,000	
Lincoln National Life Insurance Company	1	12,500	12,501	12,500	1
Metropolitan Life Insurance Company	357	92,845	93,202	92,970	232
Northwestern Mutual Life Insurance Company	260	10,341	10,601	10,401	200
Phoenix Mutual Life Insurance Company	30	1,143	1,173	1,143	30
Washington National Insurance Company	29	11,815	11,844	11,844	
Unclaimed Estates	51,965		51,965	51,965	
Unclaimed Estates Income		5,449	5,449	5,449	
United Way of Southeastern New England, Inc.	939	12,774	13,713	12,956	757
Water Depreciation and Extension Fund	237,111	285	237,396	237,396	
Water Improvements Plans and Specifications Deposit Account	3,261		3,261		3,261
Water Main Account, New	45	17,811	17,856	17,811	45
Weybosset Hill Land Rental	2,135	82,000	84,135		84,135
Total Special Funds	<u>5,868,060</u>	<u>51,886,219</u>	<u>57,754,279</u>	<u>56,394,947</u>	<u>1,359,332</u>
Total Trust and Special Funds	<u>\$6,421,079</u>	<u>\$52,504,820</u>	<u>\$58,925,899</u>	<u>\$57,069,228</u>	<u>\$1,856,671</u>

See notes to financial statements.

CITY OF PROVIDENCE, RHODE ISLAND
TRUST AND SPECIAL FUNDS
COMBINED STATEMENT OF CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 1980

	Fund balances July 1, 1979	Excess (deficiency) of receipts over disbursements	Receivables/ investments increase (decrease)	Due from other funds increase (decrease)	Liabilities/ reserves (increase) decrease	Due to Capital Fund (increase) decrease	Fund balances (deficits) June 30, 1980
Trust Funds:							
Henry B. Anthony Public Fountain Fund	\$ 35	\$ 2					\$ 37
Senator Henry B. Anthony Prize Fund	3,003						3,003
Senator Henry B. Anthony Prize Fund Income	13	94					107
Ellen R. Barnes Trust Fund	267	14					281
Better Providence Trust Fund	13,379	1,461					14,840
Edward Hickling Bradford Trust Fund	119,082	4,056	\$ 12,785				135,923
Edward Hickling Bradford Trust Fund Income	4,556	(7,321)					(2,765)
Mary Swift Bragunn Fund	7,035	(4,194)	4,365				7,206
Dr. Vincent A. Cianci Trust Fund	200						200
Dexter Donation Trust Fund	593,529		55,245		(\$5,620)		643,154
Dexter Donation Trust Fund Income	634,491	742	46,761		5,395		687,389
Ebenezer Knight Dexter Trust	985,471	344	614				986,429
Ebenezer Knight Dexter Trust Income	15,493	15,628					31,121
Edward F. Ely Trust Fund	123,667	2,843	(47)				126,463
Edward F. Ely Trust Fund Income	4,397	3,154					7,551
Elizabeth Angell Gould Fund	100,267	(20,267)	5,758				85,758
Elizabeth Angell Gould Fund Income	24,966	(25,424)	26,664				26,206
Marshall H. Gould Fund	5,076		23				5,099
Marshall H. Gould Fund Income	7,377	(7,676)	8,042				7,743
Abby A. King Trust Fund	18,334	(6,513)	87				11,908
Abby A. King Trust Fund Income	50,435	(49,271)	63,792				64,956
Locust Grove Cemetery Fund	9,789	1,989					11,778
Locust Grove Cemetery Fund Income	1,085	146					1,231
Anna H. Mann Trust Fund	364,628	(7,910)	(8,396)				348,322
Anna H. Mann Trust Fund Income	42,255	(75,687)	48,738				15,306
Balance carried forward	3,128,830	(173,790)	264,431		(225)		3,219,246

(continued)

CITY OF PROVIDENCE, RHODE ISLAND
TRUST AND SPECIAL FUNDS
COMBINED STATEMENT OF CHANGES IN FUND BALANCES (CONTINUED)
YEAR ENDED JUNE 30, 1980

	Fund balances July 1, 1979	Excess (deficiency) of receipts over disbursements	Receivables/ investments increase (decrease)	Due from other funds increase (decrease)	Liabilities/ reserves (increase) decrease	Due to Capital Fund (increase) decrease	Fund balances (deficits) June 30, 1980
Trust Funds (continued):							
Balance brought forward	\$3,128,830	(\$ 173,790)	\$264,431		(\$225)		\$3,219,246
North Burial Ground Perpetual Care Fund	702,579	1,626	(87,367)				616,838
North Burial Ground Perpetual Care Fund Income	130,195	30,046					160,241
Gladys Potter Trust Fund	11,011	(11)	55				11,055
Charles H. Smith Trust Fund	1,001						1,001
Charles H. Smith Trust Fund Income	14,759						14,759
City of Providence, Trustee u/w of Charles H. Smith	70,968	(66,643)					4,325
Charles H. Smith, Real Estate Sales Proceeds:							
Condemnation Income	191						191
Superior Court	1,023,012	150,000	(84,927)				1,088,085
Superior Court Income	66,308	1,501					67,809
City of Providence School Committee, Special Award	14,632	1,598					16,230
Tillinghast Donation Fund	200						200
Samuel H. Tingley Trust Fund	100,027	452	(11,063)				89,416
Samuel H. Tingley Trust Fund Income		(452)					(452)
Emmeline Owen Vinton Fund	521						521
Emmeline Owen Vinton Fund Income	35	(12)					23
Frederick Arnold Vinton, M.D. Fund	521						521
Frederick Arnold Vinton, M.D. Fund Income	188	5					193
Total Trust Funds	5,264,978	(55,680)	81,129		(225)		5,290,202

(continued)

CITY OF PROVIDENCE, RHODE ISLAND

TRUST AND SPECIAL FUNDS

COMBINED STATEMENT OF CHANGES IN FUND BALANCES (CONTINUED)

YEAR ENDED JUNE 30, 1980

	Fund balances July 1, 1979	Excess (deficiency) of receipts over disbursements	Receivables/ investments increase (decrease)	Due from other funds increase (decrease)	Liabilities/ reserves (increase) decrease	Due to Capital Fund (increase) decrease	Fund balances (deficits) June 30, 1980
Special Funds:							
Anonymous Donation for Support of the Poor	\$ 175	\$ 19					\$ 194
Available for Highway Purposes	96,398	66,000	(\$ 66,000)				96,398
City Licenses due State of Rhode Island		45			(\$ 45)		
Classical, Central Education Center Plans							
and Postage Deposit Account	32						32
Deposit and Refund Account		(5,495)	(14,127,000)	(\$836,629)	904,124	\$14,065,000	
Emergency Public Improvement Fund	9,672						9,672
Employees' Defense Savings Account		(69)			69		
Employees' Retirement System	72,799,743	(4,423,510)	6,196,663		(751)		74,572,145
Employees' Retirement System, Rhode Island							
Income Tax Withholding Pension Payments		(78,571)			78,571		
Employees' Retirement System, State of							
Rhode Island		(3,252)			3,252		
Employees' Withholding Tax Deductions		(137,290)			137,290		
Fire Insurance Fund (Note 7)	70,544	(60,091)	75,717				86,170
Hospital Service Corporation of Rhode Island		(959)			959		
Hurricane Barrier Assessments	268,158	(148,789)	(61,266)		61,266		119,369
Hurricane Barrier Assessments, Interest							
on Investments	14,503						14,503
Local No. 799 International Association							
of Fire Fighters		(1,140)			1,140		
Local No. 958 American Federation of							
Teachers		(136)			136		
Local No. 1033 Public Employees Union		(1,740)			1,740		
North Burial Ground Reserve Account	117,751	2,367					120,118
Omnibus Crime Control and Safe Streets							
Act of 1968	2						2
Balance carried forward	73,376,978	(4,792,611)	(7,981,886)	(836,629)	1,187,751	14,065,000	75,018,603

(continued)

CITY OF PROVIDENCE, RHODE ISLAND

TRUST AND SPECIAL FUNDS

COMBINED STATEMENT OF CHANGES IN FUND BALANCES (CONTINUED)

YEAR ENDED JUNE 30, 1980

	Fund balances <u>July 1, 1979</u>	Excess (deficiency) of receipts over disbursements	Receivables/ investments increase (decrease)	Due from other funds increase (decrease)	Liabilities/ reserves (increase) decrease	Due to Capital Fund (increase) decrease	Fund balances (deficits) <u>June 30, 1980</u>
Special Funds (continued):							
Balance brought forward	\$73,376,978	(\$4,792,611)	(\$7,981,886)	(\$836,629)	\$1,187,751	\$14,065,000	\$75,018,603
Payroll Deductions:							
Aetna Life Insurance Company		(91)			91		
Aetna Life Insurance Company Deferred Compensation Plan		(18,439)			18,439		
American Family Life Assurance Co. of Columbus		(193)			193		
A. M. L. Insurance Company Employees' Security Program		(343)			343		
Assumption Mutual Life Insurance Company		(115)			115		
Capitol Life Insurance Company		(184)			184		
John Hancock Mutual Insurance Company Employee Consultation Service		(54)			54		
Mutual Life Insurance Company of New York		(850)			850		
Planned Equities Corp.		(524)			524		
Republic National Life Insurance Company		587			(587)		
Transamerica Life Insurance and Annuity Company		(200)			200		
Pedestrian Shopping Mall, Extension and Additions	18						18
Providence Beautification Plan	16,345	15,000	(15,000)				16,345
Providence Lodge No. 3, Fraternal Order of Police		(9)			9		
Providence Permanent Firemen's Relief Association		(6,332)			6,332		
Providence Police Association		(15)			15		
Providence Teachers' Credit Union		(12,136)			12,136		
Real Estate Sales Proceeds:							
North Burial Ground	326,857						326,857
Roger Williams Park Land Easement	2,300						2,300
Balance carried forward	73,722,498	(4,816,509)	(7,996,886)	(836,629)	1,226,649	14,065,000	75,364,123

(continued)

CITY OF PROVIDENCE, RHODE ISLAND
TRUST AND SPECIAL FUNDS
COMBINED STATEMENT OF CHANGES IN FUND BALANCES (CONTINUED)
YEAR ENDED JUNE 30, 1980

	Fund balances July 1, 1979	Excess (deficiency) of receipts over disbursements	Receivables/ investments increase (decrease)	Due from other funds increase (decrease)	Liabilities/ reserves (increase) decrease	Due to Capital Fund (increase) decrease	Fund balances (deficits) June 30, 1980
Special Funds (continued):							
Balance brought forward	\$73,722,498	(\$4,816,509)	(\$7,996,886)	(\$836,629)	\$1,226,649	\$14,065,000	\$75,364,123
Reserve for Social Security Taxes		570,115		523,379	(1,093,494)		
Rhode Island Foundation Scholarship Account	4,708	350					5,058
Rhode Island Group Health Insurance		951			(951)		
Rhode Island Income Tax Withholding		(30,768)			30,768		
Sale of Code Ordinance Books	6,382	1,176					7,558
State of Rhode Island Real Estate Conveyance Tax		(25,165)			25,165		
State Sales Tax, Water		(1,406)			1,406		
Suggestion Award Account	866						866
Tax Sheltered Annuities:							
Metropolitan Life Insurance Company		(125)			125		
Northwestern Mutual Life Insurance Company		(60)			60		
Washington National Insurance Company		(29)			29		
Unclaimed Estates	51,965	(51,965)					
United Way of Southeastern New England, Inc.		(182)			182		
Water Depreciation and Extension Fund	237,111	(237,111)	224,496				224,496
Water Improvements Plans and Specifications Deposit Account	3,261						3,261
Water Main Account, New	45						45
Weybosset Hill Land Rental	84,135	82,000	(82,000)				84,135
Total Special Funds	<u>74,110,971</u>	<u>(4,508,728)</u>	<u>(7,854,390)</u>	<u>(313,250)</u>	<u>189,939</u>	<u>14,065,000</u>	<u>75,689,542</u>
Total Trust and Special Funds	<u>\$79,375,949</u>	<u>(\$4,564,408)</u>	<u>(\$7,773,261)</u>	<u>(\$313,250)</u>	<u>\$ 189,714</u>	<u>\$14,065,000</u>	<u>\$80,979,744</u>

See notes to financial statements.

CITY OF PROVIDENCE, RHODE ISLAND

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 1980

1. Summary of significant accounting policies:

Basis of presentation:

The accounts of the City are organized on the basis of funds, prescribed by City ordinances, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts which comprise its assets, liabilities, fund balances, revenues and expenditures.

The presentation of such funds, and the accounting principles they employ, differ in certain respects, which may be material, from those accounting principles and fund presentations required by generally accepted accounting principles and the Uniform Accounting and Reporting Standards for Rhode Island Municipalities for reporting financial position and results of operations. The City's accounting policies are as follows:

- (a) The City does not maintain a record of general property and equipment and, accordingly, a general property and equipment group of accounts required by generally accepted accounting principles is not presented.
- (b) The Capital Fund is used to record the acquisition or construction of capital expenditures and the receipt of proceeds from bond and note obligations. Thus, this Fund combines many of the attributes of a Capital Projects Fund and a Long-Term Debt Group of Accounts. The carrying value of such assets is recorded at the unamortized value of the bonds or notes issued to finance their acquisition.
- (c) The accounts and transactions of the Water Department are combined with those of the General Fund instead of being presented in a separate Enterprise Fund.

CITY OF PROVIDENCE, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 1980

1. Summary of significant accounting policies (continued):

- (d) The General Fund accounts for all revenues and expenditures of the City not accounted for in other funds specifically mandated by City ordinances. All General Fund revenues are recognized when cash is received, as it is the policy to establish a reserve for all uncollected accounts at June 30. This method of revenue recognition differs from generally accepted accounting principles, which state that revenues considered to be both measurable and available to finance current year appropriations be recognized when earned. The effect on the General Fund accumulated deficit is not presently determinable. The City's method of revenue recognition for property taxes is in accordance with the methods allowed by the Uniform Accounting and Reporting Standards for Rhode Island Municipalities.

Expenditures, which are accounted for on a generally accepted accounting principle basis, are recorded at the time liabilities are incurred, except for interest on long-term debt which is considered an expenditure only at the interest payment date. In addition, an encumbrance system is employed in the General Fund to account for expenditure commitments resulting from approved purchase orders and contracts.

- (e) School Funds are established to account for school operations. The unrestricted School Fund revenues are recorded on a cash basis in compliance with the City's legal budgetary process. This method of revenue recognition differs from generally accepted accounting principles, which state that revenues considered to be both measurable and available to finance current year's appropriations be recognized when earned.

Expenditures, which are accounted for on a generally accepted accounting principle basis, are recorded at the time liabilities are incurred. In addition, an encumbrance system is employed in the unrestricted School Fund to account for expenditure commitments resulting from approved purchase orders and contracts.

- (f) Trust and Special Funds are set up for the purpose of accounting for assets received from various sources and held by the City in the capacity of trustee, agent or custodian. Investments are generally stated at cost and adjusted for amortization of premium or accretion of discount. Interest and dividend income is recorded when received.

CITY OF PROVIDENCE, RHODE ISLAND

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED JUNE 30, 1980

1. Summary of significant accounting policies (continued):

- (g) The Revolving Funds serve as the central procurement and disbursing agent to other City funds. Inventories reported by the several Revolving Funds are valued at the cost (first-in, first-out) of acquiring such assets. Revenues and expenditures are recorded on an accrual basis in accordance with generally accepted accounting principles.

The property and equipment of the Revolving Funds are recorded at cost less periodic write-offs in lieu of depreciation. The amount of accumulated write-offs relating to these assets cannot be determined without reconstructing the records since inception, which is not deemed to be practicable.

- (h) The accounts and transactions of the Revenue Sharing Fund are combined with those of the General Fund instead of being presented in a separate special revenue fund, as required by generally accepted accounting principles.

- (i) The City has a contributory pension plan covering substantially all employees. The City's contribution to the plan is an amount sufficient to maintain funding at 70% of the actuarially determined liabilities of the plan. See Note 2 for deviations from generally accepted accounting principles.

Investments:

Investments by the Trust and Special Funds include U. S. Government obligations, corporate bonds and stocks, first mortgages, certificates of deposit and repurchase agreements. All investments are allocated by funds.

The investments held by Trust and Special Funds are reported at the following values:

- a. Corporate certificates of deposit, corporate stocks, commercial paper, first mortgages, U. S. Government obligations and repurchase agreements are stated at cost.

- b. Bonds or notes are stated at maturity or face value with the following exceptions:

- 1. Investments of the Ebenezer Knight Dexter Trust Fund held by the City are stated as follows:

- a. Securities purchased at a premium are stated at cost less amortization of premium.

- b. Securities purchased at a discount are stated at cost.

CITY OF PROVIDENCE, RHODE ISLAND

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED JUNE 30, 1980

1. Summary of significant accounting policies (continued):

2. Corporate bonds held by the Employees' Retirement System are stated at cost and adjusted for amortization of premium or accretion of discount.
3. Corporate bonds held by the City of Providence as trustee under the will of Charles H. Smith are stated at cost.
4. Corporate bonds held in the Dexter Donation Trust Fund by the City of Providence as Trustee are stated at cost.

2. Pension plan:

As described in Note 1 (i), it is the policy of the City to record as pension cost an amount which is sufficient to maintain funding at 70% of the actuarially determined liabilities of the plan. Nonetheless, the City's contribution for the current year amounting to \$7,456,895 is less than the amount needed for 70% funding (\$11,308,718), based on the June 30, 1978 valuation of its cost at June 30, 1980. The City's method of recording pension cost is at variance with generally accepted accounting principles since such cost is less than normal cost of the plan plus an amount equivalent to amortization of past service cost on a 40 year basis and interest on the unfunded past service liability. Since the City has not had an actuarial valuation of its plan since June 30, 1978, the effect of the 70% funding policy on pension cost in 1980 is not determinable. In addition, the City is unable to determine the extent of any liability that may exist with respect to past, current and future contributions to the pension plan.

As of June 30, 1978, the date of the latest actuarial report, the unfunded past service liability amounted to \$114,304,699. The City believes this unfunded past service liability has increased since 1978 due to the City's 70% funding policy. The June 30, 1978 actuarial valuation, based on 1978 plan members and salary ranges, recommended a \$11,096,603 contribution be made during the fiscal year beginning on July 1, 1979. Of the approximate \$9,639,708 recommended (\$11,096,603 less \$1,129,459 paid over by the Providence School Department, and \$327,436 paid by the Water Department), \$6,000,000 was budgeted. Included in the General Funds accounts payable and encumbrances outstanding at June 30, 1980 is \$4,866,407 and \$2,630,212, which is the unpaid balance of the pension costs budgeted for the years ended June 30, 1980 and 1978, respectively. As of June 30, 1978, the actuarially computed value of vested benefits exceeded the value of fund assets by \$90,343,099.

CITY OF PROVIDENCE, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 1980

2. Pension plan (continued):

It is the opinion of the City Solicitor for the City of Providence that since the City has expended less than the amount called for in the General Assembly Act to provide for the retirement of employees of the City of Providence that the City is presently delinquent in making its payment to the pension system. The amount called for in this Act is the lesser of (a) the normal contribution which is to cover currently accruing liabilities plus a deficiency contribution which is to cover the liabilities on account of past service (\$11,096,603 for the year ended June 30, 1980) or (b) an amount needed to maintain the plan on a 70% funded basis (\$11,308,718 for the year ended June 30, 1980). The City Solicitor also stated that in his opinion the law provides no consequence for this underfunding of the required amount.

The City is also required to make contributions to the National Pension Plan of the Laborers' International Union of North America and to the Rhode Island Legal Service Trust for those employees in the Laborers' International Union.

3. Due from other funds:

Under the Charter of the City, the School Fund is set up as a separate fund accountable for appropriations disbursed to it by the General Fund and revenue receipts specifically pertaining to school activities. Under this system any excess of revenues over expenditures and encumbrances reverts to the City's General Fund, and any excess of expenditures and encumbrances over revenues is a liability of the City's General Fund. Therefore, the School Fund has no unappropriated fund balance.

4. Notes and bonds payable:

Notes payable at June 30, 1980 totaling \$28,018,000 are due on August 29, 1980 and bear interest at the rate of 9.25%.

The above notes were renewed to October 15, 1980. On October 15, 1980, the City paid off \$18,700,000 of these notes and the remaining notes were renewed to December 15, 1980.

CITY OF PROVIDENCE, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED JUNE 30, 1980

4. Notes and bonds payable (continued):

Bonds outstanding at June 30, 1980 totaling \$60,989,000 are due in varying amounts through 2001 and bear interest at rates ranging from 3.10% to 6.60% payable semi-annually. The following is a schedule of maturities of serial bonds outstanding at June 30, 1980:

Year ending June 30,	Total	General	Water
1981	\$ 5,326,000	\$ 4,976,000	\$ 350,000
1982	5,148,000	4,778,000	370,000
1983	4,610,000	4,225,000	385,000
1984	4,630,000	4,225,000	405,000
1985	4,345,000	3,920,000	425,000
1986	4,275,000	3,830,000	445,000
1987	4,190,000	3,730,000	460,000
1988	4,105,000	3,615,000	490,000
1989	3,450,000	2,940,000	510,000
1990	3,230,000	2,690,000	540,000
1991	2,900,000	2,340,000	560,000
1992	2,425,000	1,825,000	600,000
1993	1,800,000	1,175,000	625,000
1994	1,670,000	1,175,000	495,000
1995	1,275,000	750,000	525,000
1996	1,305,000	750,000	555,000
1997	1,340,000	750,000	590,000
1998	1,370,000	750,000	620,000
1999	1,405,000	750,000	655,000
2000	1,445,000	750,000	695,000
2001	745,000		745,000
	<u>\$ 60,989,000</u>	<u>\$ 49,944,000</u>	<u>\$ 11,045,000</u>

5. Commitments:

In October of 1979 the City entered into an out-of-court settlement amounting to \$331,000 with the estate of an individual who died in an accident in April of 1977. The settlement is to be paid over a three year period. The first payment was made on November 1, 1979 and the next two payments are to be made within one and two years of that date. The City has appropriated funds in the current fiscal year and will continue to appropriate funds in the fiscal years ending June 30, 1981 and June 30, 1982 for this purpose.

CITY OF PROVIDENCE, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED JUNE 30, 1980

6. Contingent liabilities:

Included in the budgeted expenditures noted on the General Fund statement of revenues, expenditures and encumbrances, budget to actual are \$490,000 of transfers that were processed without the approval of the Mayor and the City Council as required by the City Charter. It is the opinion of the City Solicitor that it was incumbent upon the Finance Director to prevent such unlawful transfers, and where the Finance Director failed in this regard, there is no remedy available under the provisions of the City Charter.

During the year ended June 30, 1980 the City Council approved increases to the Budget appropriation which had the affect of causing an excess of appropriations, net of the \$500,000 appropriated for the reserve for deficit, over estimated revenue of \$827,736. It is the opinion of the City Solicitor that this is a violation of City Charter Section 6.24 which states that the City Council may alter any item or groups of items contained in the appropriation ordinances, "provided, however, that no action on the part of the Council shall be taken which will cause an excess of appropriation over expected revenue receipts submitted by the Mayor". The City Solicitor also stated that the Code of Ordinances and the City Charter do not possess a specific remedy for this type of action and therefore, the consequences of such are indeterminable to the Law Department.

In 1975 City taxpayers initiated a proported class-action against the Assessor of Taxes for the City of Providence. The basic contention of the plaintiffs' was that the tax rate established by the Assessor was illegal in that such a tax rate, based on 100 percent collection of taxes on ratable real estate and tangible personal property, would exceed the maximum levy allowed by the City Council. The sum involved in this action appears to be between \$5 million and \$7.5 million. This action is still being litigated as of December 5, 1980.

As of June 30, 1980, the City has several other lawsuits pending. In the opinion of the City Solicitor, if all cases were settled, the amount to be expended for claims (including the class-action described in the preceding paragraph) would not exceed \$5,500,000.

CITY OF PROVIDENCE, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 1980

7. Fire insurance:

The City follows the policy of self-insuring its real estate property against possible casualty losses caused by fire. As of June 30, 1980 the total funds available for this purpose totaled \$86,170 and is carried in the Trust and Special Funds group of accounts.

8. Obligations under capital leases:

Included in the Revolving Fund equipment account is property under capital leases of \$651,610. The City recorded first year depreciation on this equipment in 1980, totalling approximately \$58,000.

The following is a schedule by years of future minimum lease payments under capital leases together with the present value of the net minimum lease payments as of June 30, 1980:

Fiscal year ending in:

1981	\$ 201,029
1982	201,029
1983	201,029
1984	119,972
1985	<u>32,779</u>
Total minimum lease payments	755,838
Less amount representing interest and repair costs	<u>257,113</u>
Present value of net minimum lease payments	<u>\$ 498,725</u>

CITY OF PROVIDENCE, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 1980

9. Federal Revenue Sharing:

Included in the General Fund statement of revenues, expenditures and encumbrances is the following Federal Revenue Sharing activity:

Revenues, Federal Revenue Sharing	<u>\$ 4,852,982</u>
Expenditures:	
Public Safety:	
Police Department	\$ 2,432,429
Fire Department	<u>2,420,553</u>
Total public safety expenditures	<u>\$ 4,852,982</u>

CITY OF PROVIDENCE, RHODE ISLAND

SUPPLEMENTARY DATA

YEAR ENDED JUNE 30, 1980

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LAVENTHOL & HORWATH



CERTIFIED PUBLIC ACCOUNTANTS

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PROVIDENCE, RI 02903
(401) 421-4800

A MEMBER OF
HORWATH & HORWATH INTERNATIONAL
WITH AFFILIATED OFFICES WORLDWIDE

Honorable Mayor and Members
of the City Council
Providence, Rhode Island

The primary purpose of our examination for the year ended June 30, 1980 was to formulate an opinion on the basic financial statements of the City of Providence, Rhode Island, pages 3 through 45, taken as a whole.

The supplementary data contained in pages 47 through 70, although not considered necessary for a fair presentation of the financial statements, are presented for supplementary analysis purposes. Such information has been subjected to the audit procedures applied in the examination of the basic financial statements.

In our opinion, such supplementary data, other than that of the General Fund and Revolving Funds, are presented fairly in all material respects in relation to the basic financial statements taken as a whole on the bases indicated in Note 1 to the financial statements.

Laventhol & Horwath

December 5, 1980

CITY OF PROVIDENCE, RHODE ISLAND
CONDENSED SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS - ALL FUNDS
YEAR ENDED JUNE 30, 1980

	General Fund	School Fund	Capital Fund	Sinking Fund	Revolving Funds	Trust and Special Funds
Cash balance, July 1, 1979	(<u>\$ 3,489,643</u>)	<u>\$ 788,611</u>	<u>\$ 98,059</u>	<u>\$352,368</u>	<u>\$ 162,527</u>	<u>\$ 6,421,079</u>
Cash receipts:						
Revenue receipts	106,433,911	45,162,676				
Nonrevenue receipts:						
Net adjustment of prior year's encumbrances	75,871					
Monies reserved for specific purposes			1,122,117	306,250	2,727,889	52,504,820
Proceeds from sale of temporary cash investments			3,800,000			
Partial proceeds from bond sale			14,065,000			
Proceeds from bonds and notes issued			8,775,000			
Total cash receipts	<u>106,509,782</u>	<u>45,162,676</u>	<u>27,762,117</u>	<u>306,250</u>	<u>2,727,889</u>	<u>52,504,820</u>
Total cash available	<u>103,020,139</u>	<u>45,951,287</u>	<u>27,860,176</u>	<u>658,618</u>	<u>2,890,416</u>	<u>58,925,899</u>
Cash disbursements:						
Revenue disbursements	103,477,103	46,909,117				
Nonrevenue disbursements:						
Due from other funds	100,000					
Special reimbursements	86,011					
Decrease in reserves	904					
Monies reserved for specific purposes			12,125,219		2,770,213	57,069,228
Partial payment and cancellation of City of Providence notes			14,065,000			
Total cash disbursements	<u>103,664,018</u>	<u>46,909,117</u>	<u>26,190,219</u>		<u>2,770,213</u>	<u>57,069,228</u>
Cash balance, June 30, 1980	(<u>\$ 643,879</u>)	(<u>\$ 957,830</u>)	<u>\$ 1,669,957</u>	<u>\$658,618</u>	<u>\$ 120,203</u>	<u>\$ 1,856,671</u>

CITY OF PROVIDENCE, RHODE ISLAND

GENERAL FUND COMMENTS

CASH

An analysis of cash and temporary cash investments at June 30, 1980 follows:

Demand deposits:

(Overdraft), Industrial National Bank of Rhode Island (\$652,024)

Petty cash:

City of Providence imprest account 2,500

Public Schools:

Boiler operators' licenses 50

Use of property office 25

Public Works administration 600

Inspector of buildings 25

Bureau of licenses 20

Commissioners of public safety 600

Vital statistics 20

Police court 200

North burial ground 90

Bureau of police and fire 50

Probate court 25

Parks 100

City collector 3,000

Recorder of deeds 100

Welfare 315

7,720

Airline deposits

425

Total cash

(\$643,879)

CITY OF PROVIDENCE, RHODE ISLAND
GENERAL FUND COMMENTS (CONTINUED)

Cash held by fiscal agents

Cash held at fiscal agents, representing unredeemed coupons and bonds, includes the following at June 30, 1980:

	<u>Interest</u>	<u>Bond Principal</u>	<u>Total</u>
Industrial National Bank of Rhode Island	\$443,346	\$745,000	\$1,188,346
First National City Bank	<u>8,956</u>	<u>15,000</u>	<u>23,956</u>
Total cash held by fiscal agents	<u>\$452,302</u>	<u>\$760,000</u>	<u>\$1,212,302</u>

Due from the State of Rhode Island

This account represents the balance owed at June 30, 1980 by the State of Rhode Island for General Public Assistance expenditures made by the City during June, 1980. The amount of \$521,149 was received on July 31, 1980.

Accounts receivable, property taxes

Property taxes receivable at June 30, 1980 totaling \$20,742,295 are detailed elsewhere in this report. The total represents an increase of \$674,129 or 3.4% when compared to the prior year.

In the 1979-1980 fiscal year, the City collected 89.5% of the total tax assessment levied as compared to 88.6% for the prior fiscal year.

Property acquired at tax sales

The following is a summary of activities within this account for the year ended June 30, 1980:

Balance, beginning of year	\$1,312,147
Current year acquisitions	363,168
Interest and costs added	<u>45,610</u>
	1,720,925
Sales and/or redemptions	(<u>355,569</u>)
Balance, end of year	<u>\$1,365,356</u>

CITY OF PROVIDENCE, RHODE ISLAND
GENERAL FUND COMMENTS (CONTINUED)

Reserve for property acquired at tax sales

This is a contra account for the asset "Property acquired at tax sales."

Reserve for specific purposes

Balances included in these accounts for the year ended June 30, 1980 represent monies set aside from surplus for specific purposes as indicated in their titles.

Revenue available when collected

This account represents a contra account to receivables. By recording amounts in these accounts, the City reflects revenues from these sources only as collected.

CITY OF PROVIDENCE, RHODE ISLAND

GENERAL FUND

SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS

YEAR ENDED JUNE 30, 1980

Cash balance, July 1, 1979			(\$ 3,489,643)
Receipts:			
Revenue receipts	\$102,433,911		
Add maturity of short term investments	<u>4,000,000</u>	\$106,433,911	
Nonrevenue receipts, net adjustment of prior year's encumbrances		<u>75,871</u>	
Total receipts			<u>106,509,782</u>
Total cash available			103,020,139
Disbursements:			
Revenue disbursements:			
Revenue expenditures and encumbrances		110,199,085	
Add:			
Accounts payable and encumbrances outstanding June 30, 1979	3,340,623		
Due to:			
School Fund June 30, 1979	1,164,471		
Trust and Special Fund June 30, 1979	241,939		
Employees' Retirement System June 30, 1979	<u>2,648,964</u>	7,395,997	
Less:			
Accounts payable and encumbrances outstanding June 30, 1980	(3,624,352)		
Due to:			
School Fund June 30, 1980	(2,550,840)		
Trust and Special Fund June 30, 1980	(312,575)		
Employees' Retirement System June 30, 1980	<u>(7,630,212)</u>	<u>(14,117,979)</u>	
Total revenue disbursements		<u>103,477,103</u>	
Balances carried forward		\$103,477,103	\$103,020,139

(continued)

CITY OF PROVIDENCE, RHODE ISLAND

GENERAL FUND

SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS (CONTINUED)

YEAR ENDED JUNE 30, 1980

Balances brought forward	\$103,477,103	\$103,020,139
Disbursements (continued):		
Nonrevenue disbursements:		
Reimbursement to Federal		
Program for disallowed		
expenditure	\$ 86,011	
Due from Revolving Fund	100,000	
Decrease in reserves	<u>904</u>	
Total nonrevenue		
disbursements	<u>186,915</u>	
Total disbursements		<u>103,664,018</u>
Cash (overdraft), June 30, 1980		<u>(\$ 643,879)</u>

CITY OF PROVIDENCE, RHODE ISLAND

GENERAL FUND

SCHEDULE OF PROPERTY TAXES RECEIVABLE

YEAR ENDED JUNE 30, 1980

		Additions			Deductions			
	Balance July 1, 1979	Assessment as of December 31, 1978	Certified additions	Refunds - over- payments	Adjustments and abatements	Cancellations and assessments on tax sale properties	Fiscal year collections	Uncollected balance June 30, 1980
1979 assessment as of December 31, 1978		\$73,754,416	\$53,716	\$103,401	\$ 640,665	\$199,432	\$65,984,436	\$ 7,087,000
1978	\$ 7,600,316		6,434	25,685	101,910	66,737	4,739,415	2,724,373
1977	2,641,478		2,742	13,069	50,221	67,291	842,415	1,697,362
1976	1,594,722		211	117,633	147,754	29,168	281,809	1,253,835
1975	1,354,726		285	2,041	35,009	540	67,583	1,253,920
1974	1,164,157		71	261	13,350		33,663	1,117,476
1973	1,243,733			300	2,552		17,264	1,224,217
1972	898,324			565	821		16,367	881,701
1971	752,730			49	184		16,894	735,701
1970	711,926			108	4,239		140	707,655
1969	337,175				4,131		71	332,973
1968	185,131				4,132		11,761	169,238
1967	76,604				3,927		15,816	56,861
1966	192,540				2,387			190,153
1965	171,779				2,387			169,392
1964	167,419				2,387			165,032
1963	219,285							219,285
1962	219,265							219,265
1961	267,325							267,325
1960	269,531							269,531
	\$20,068,166	\$73,754,416	\$63,459	\$263,112	\$1,016,056	\$363,168	\$72,027,634	\$20,742,295

CITY OF PROVIDENCE, RHODE ISLAND

GENERAL FUND

SCHEDULE OF OPERATIONS - WATER SUPPLY BOARD

YEAR ENDED JUNE 30, 1980

Operating income:

Water rates	\$6,815,780
Electric power	1,029
Setting meters	5,977
Water main extension	150,022
Installation of services	<u>211,922</u>

Total operating income \$7,184,730

Operating expenses:

Administrative	479,575
Source of supply	1,429,740
Transmission and distribution	1,958,249
Accounting and commercial	591,846
Taxes	<u>1,381,459</u>

Total operating expenses 5,840,869

Operating profit 1,343,861

Add other income:

Rental of real estate	7,537	
Miscellaneous	<u>80,026</u>	<u>87,563</u>
		1,431,424

Deduct:

Interest on bonded debt	627,150	
Retirement of serial bonds	335,000	
Employees' retirement system	327,436	
Federal Old Age and Survivors'		
Insurance	158,706	
Unemployment compensation	<u>1,303</u>	<u>1,449,595</u>

Excess of expenditures
over revenues (\$ 18,171)

CITY OF PROVIDENCE, RHODE ISLAND

SCHOOL FUND COMMENTS

Due from General Fund

This balance represents the amount needed from the General Fund to enable the School Fund to cover its current liabilities at the close of each year.

Due to Trust and Special Funds

This balance represents the amount due to Trust and Special Reserve for Social Security Taxes Fund for the employer's portion of the School Fund's Federal Old Age and Survivors Insurance for the quarter ended June 30, 1980.

CITY OF PROVIDENCE, RHODE ISLAND

CAPITAL FUND COMMENTS

Unamortized expenditures made from proceeds of bonds and notes issued

Unamortized expenditures represent the amounts of outstanding bonds and notes less the unexpended balance from the proceeds of bonds and notes realized by the Capital Fund at June 30, 1980. The unamortized expenditure balance of \$86,308,206 at June 30, 1980 is allocated as follows:

Bonds	\$60,989,000
Notes	<u>28,018,000</u>
Gross debt	89,007,000
Deduct:	
Unexpended balance	(<u>2,698,794</u>)
Unamortized expenditure balance	<u>\$86,308,206</u>

The following schedule details the allocation of these amounts by purpose:

Permanent improvements:

Highways	\$ 728,000
Hurricane Barrier	1,560,000
Off-Street Parking Facilities	100,000
Municipal Dock Extension and Improvements	800,000
Construction of Seawall and Additional Docking Facilities	6,223,124
Additional Municipal Docking Facilities	768,078
Public Works Sewage Treatment and Sludge Incinerator	8,793,987
Public Works Sewage Treatment and Sludge Incinerator - Phase II	2,760,373
Providence Civic Center Authority	7,800,000
Public Welfare Administration Building	600,000
Public Works, Highway Office Building and Garage	45,000
Recreation	1,530,000
Sanitation Buildings	140,000
Schools	16,212,324
Sewers	280,000
Traffic Signal Installation	20,000
Construction of Major Improvements to Water Supply System	9,762,616
Bridges	660,000
General Obligation	<u>8,778,000</u>
Total permanent improvements	67,561,502
Capital Purposes	1,000,000
Emergency Housing	45,000
Area Development	<u>17,701,704</u>
Unamortized expenditure balance	<u>\$86,308,206</u>

CITY OF PROVIDENCE, RHODE ISLAND

CAPITAL FUND COMMENTS (CONTINUED)

Unexpended balances from proceeds of bonds and notes

Unexpended balances from proceeds of bonds and notes issued amounted to \$2,698,794 at June 30, 1980 and is allocated as follows:

Permanent improvements:

School Modernization and Construction IV	\$ 403,874
School Modernization and Construction V	239,802
Construction of Seawall and Additional Docking Facilities	276,876
Additional Municipal Docking Facilities	231,922
Public Works Sewage Treatment and Sludge Incinerator	86,013
Public Works Sewage Treatment and Sludge Incinerator - Phase II	39,627
Construction of Major Improvements to Water Supply System	<u>1,282,384</u>

2,560,498

Area development

138,296

Unexpended balances from proceeds of bonds and notes

\$ 2,698,794Capital authorities unhired

Unhired capital borrowing authorities at June 30, 1980 amounted to \$16,682,000 and is allocated as follows:

Permanent improvements:

Off-Street Parking Facilities	\$ 562,000
Hurricane Barrier	1,000,000
School Modernization and Construction IV	200,000
School Modernization and Construction V	2,800,000
Additions and Alterations, Providence Public Library	160,000
Construction of Major Improvement to Water Supply System	2,000,000
Additional Municipal Docking Facilities	4,000,000
Public Works Sewage Treatment and Sludge Incinerator - Phase II	<u>2,700,000</u>

Total permanent improvements 13,422,000

Area Development, Slum Clearance and Redevelopment Loan V

3,260,000

Total capital authorities unhired

\$16,682,000

The authorities were approved by the State Legislature and subsequently allocated by City Council action.

CITY OF PROVIDENCE, RHODE ISLAND

CAPITAL FUND COMMENTS (CONTINUED)

Reserve for encumbrances

This account, which totaled \$7,988,502 at June 30, 1980, represents contract awards for which the appropriate accounts had been encumbered. A substantial portion of these amounts were liquidated in the subsequent year.

Notes payable

Notes payable outstanding at June 30, 1980 amounted to \$28,018,000. A summary of the changes in this account for the year is as follows:

Total outstanding at beginning of year	\$33,308,000
Add notes issued (net of payments)	(5,290,000)
Total outstanding at end of year	<u>\$28,018,000</u>

Bonds outstanding

Bonds outstanding at June 30, 1980 totaled \$60,989,000. The net bonded debt for the above is presented below:

Total outstanding at beginning of year	\$65,550,000
Less serial bonds retired	(4,561,000)
Total outstanding at end of year	<u>\$60,989,000</u>
Gross bonded debt	\$60,989,000
Deduct redemption of City debt account (sinking fund)	(658,618)
Net bonded debt	<u>\$60,330,382</u>

The net City debt (excluding account payable) at the close of the year is as follows:

Net bonded debt	\$60,330,382
Notes payable	<u>28,018,000</u>
Net City debt	88,348,382
Deduct net water debt	<u>11,045,000</u>
Net City debt, exclusive of water debt	<u>\$77,303,382</u>

CITY OF PROVIDENCE, RHODE ISLAND

CAPITAL FUND COMMENTS (CONTINUED)

The ratio of net City debt to net taxable property valuation for the year is as follows:

Total net taxable valuation, December 31, 1978	\$1,308,825,561
Net City debt	\$ 88,348,382
Net City debt, exclusive of water debt	\$ 77,303,382
Ratio of net taxable valuation to net City debt	14.81:1
Ratio of net taxable valuation to net City debt, exclusive of water debt	16.93:1

CITY OF PROVIDENCE, RHODE ISLAND

CAPITAL FUND

SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS

YEAR ENDED JUNE 30, 1980

Cash balance, July 1, 1979	\$ 98,059
----------------------------	-----------

Receipts:

Appropriation receipts	\$ 1,122,117
------------------------	--------------

Notes issued for:

Slum Clearance and Re-development Loan V	\$ 900,000	
School Modernization and Construction Loan IV	200,000	
School Modernization and Construction Loan V	200,000	
Additional Municipal Docking Facilities	1,000,000	
Construction of Seawall	1,000,000	
Public Works Sewage Treatment Loan	2,675,000	
Public Works Sewage Treatment Loan - Phase II	<u>2,800,000</u>	8,775,000

Partial proceeds from bond sale	14,065,000
---------------------------------	------------

Decrease in temporary cash investments	<u>3,800,000</u>
--	------------------

Total cash receipts	<u>27,762,117</u>
---------------------	-------------------

Total cash available	27,860,176
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Disbursements:

Appropriation expenditures	12,125,219
----------------------------	------------

Partial payment and cancellation of City of Providence notes:

Additions and Alterations to Providence Public Library	330,000
--	---------

Rehabilitation of Municipal Dock Buildings and Facilities	1,650,000
---	-----------

School Modernization and Construction Loan IV	5,725,000
---	-----------

Offstreet Parking Facilities	138,000
------------------------------	---------

Slum Clearance and Re-development V	<u>6,222,000</u>	<u>14,065,000</u>
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Total cash disbursements	<u>26,190,219</u>
--------------------------	-------------------

Cash balance, June 30, 1980	<u>\$ 1,669,957</u>
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CITY OF PROVIDENCE, RHODE ISLAND

CAPITAL FUND

SCHEDULE OF NOTES PAYABLE

JUNE 30, 1980

	<u>Maturity date</u>	<u>Interest rate</u>	<u>Amount</u>
Construction:			
Construction of Seawall and Additional Docking Facilities	8/29/80	9.25%	\$ 6,500,000
Additional Municipal Docking Facilities	8/29/80	9.25	1,000,000
Public Works Sewage Treatment and Sludge Incinerator	8/29/80	9.25	8,500,000
Public Works Sewage Treatment and Sludge Incinerator - Phase II	8/29/80	9.25	2,800,000
Schools:			
School Modernization and Con- struction IV	8/29/80	9.25	500,000
School Modernization and Con- struction V	8/29/80	9.25	2,200,000
Area development:			
Slum Clearance and Redevelop- ment V	8/29/80	9.25	5,518,000
Capital purposes	8/29/80	9.25	<u>1,000,000</u>
Total notes payable			<u>\$28,018,000</u>
Notes held by the following banks:			
Industrial National Bank of Rhode Island			\$12,855,000
Rhode Island Hospital Trust National Bank			5,838,000
Citizens Trust Company			2,250,000
Old Stone Bank			5,905,000
Columbus National Bank			<u>1,170,000</u>
Total notes payable			<u>\$28,018,000</u>

CITY OF PROVIDENCE, RHODE ISLAND

CAPITAL FUND

SCHEDULE OF BONDS OUTSTANDING

JUNE 30, 1980

	Interest rate	Date of		Bonds	
		Issue	Maturity	Issued	Outstanding
Bonds payable, serially:					
Bridge Replacement and Reconstruction	3.60-3.80%	5/1/67	5/1/91	\$ 1,200,000	\$ 660,000
Highways:					
Reconstruction - 1959	3.80	12/1/59	12/1/81	1,000,000	100,000
Reconstruction - 1963	3.125	9/1/63	9/1/83	600,000	120,000
Olneyville Expressway	3.40	4/1/57	4/1/81	650,000	33,000
Huntington Avenue Bonds	3.80	12/1/59	12/1/81	1,000,000	100,000
Construction Bonds of 1964	3.25-3.40	10/1/64	10/1/84	500,000	125,000
Loan of 1964 (1970 Series)	6.30-6.60	6/15/70	6/15/90	500,000	250,000
Total Highways				4,250,000	728,000
Emergency Housing - Series II	2.00	7/1/50	7/1/80	1,350,000	45,000
Municipal Dock Improvements and Extension	3.125	9/1/63	9/1/87	2,000,000	800,000
Recreational Facilities:					
Recreational Facilities Bonds of 1958	3.25	4/1/58	4/1/82	1,000,000	100,000
Recreational Facilities Series III	3.10	3/1/62	3/1/82	750,000	80,000
Recreational Facilities Series IV	3.25-3.40	10/1/64	10/1/84	1,000,000	250,000
Recreation Loan V	4.50	2/1/71	2/1/91	2,000,000	1,100,000
Total Recreational Facilities				4,750,000	1,530,000
Public Welfare Building Bonds	3.90-4.60	6/1/68	6/1/88	1,500,000	600,000

(continued)

CITY OF PROVIDENCE, RHODE ISLAND

CAPITAL FUND

SCHEDULE OF BONDS OUTSTANDING (CONTINUED)

JUNE 30, 1980

	Interest rate	Date of		Bonds	
		Issue	Maturity	Issued	Outstanding
Bonds payable, serially (continued):					
Public Works Highway Office Building and Garage Bonds	3.30%	3/1/61	3/1/81	\$ 900,000	\$ 45,000
Redevelopment:					
Redevelopment and Slum Clearance Bonds II	3.30	3/1/61	3/1/84	2,500,000	500,000
Redevelopment and Slum Clearance Bonds III	3.30	3/1/61	3/1/84	2,500,000	500,000
Redevelopment and Slum Clearance Bonds IV	3.10	3/1/62	3/1/82	1,000,000	100,000
Redevelopment and Slum Clearance Bonds V	3.125	9/1/63	9/1/87	4,000,000	1,600,000
Redevelopment and Slum Clearance Bonds VI	3.25-3.40	10/1/64	10/1/88	2,000,000	900,000
Slum Clearance and Redevelopment IV (1970 Series)	6.30-6.60	6/15/70	6/15/90	5,000,000	2,500,000
Total Redevelopment Bonds				17,000,000	6,100,000
Hurricane Barrier:					
Hurricane Barrier Bond Series I	3.25-3.40	10/1/64	10/1/88	3,000,000	1,350,000
Hurricane Barrier Bond Series II	3.60-3.75	5/1/67	5/1/87	600,000	210,000
Total Hurricane Barrier				3,600,000	1,560,000
Sanitation Building and Equipment Bonds	3.60-3.75	5/1/67	5/1/87	400,000	140,000
General Obligation - Public Improvement Bonds	4.75-7.25	5/1/79	5/1/99	15,000,000	15,000,000
Schools:					
School Athletic Fields - Series III	4.50-4.60	6/1/68	6/1/90	500,000	260,000
School Bonds of 1958	3.25	4/1/58	4/1/82	1,600,000	160,000
School Bonds of 1959	3.80	12/1/59	12/1/81	1,250,000	126,000
School Bonds of 1961	3.10	3/1/62	3/1/86	2,000,000	600,000
School Bonds of 1966	3.60-3.80	5/1/67	5/1/91	1,750,000	940,000
School Bonds of 1968	3.90-4.60	6/1/68	6/1/88	6,000,000	2,400,000
School Bonds of 1971 Series I	4.50	2/1/71	2/1/91	1,500,000	825,000
School Bonds of 1971 Series II	4.50	2/1/71	2/1/91	2,400,000	1,320,000
School Modernization Bonds Series II (1959)	3.80	12/1/59	12/1/81	1,000,000	100,000
School Modernization Bonds Series III	3.30	3/1/61	3/1/81	1,000,000	50,000
School Modernization Bonds Series IV	3.10	3/1/62	3/1/82	1,000,000	100,000
School Modernization Bonds Series V	3.60-3.80	5/1/67	5/1/91	1,500,000	825,000
Classical High School Bonds	6.30-6.60	6/15/70	6/15/90	1,000,000	500,000
School Modernization and Construction Bonds Series II	5.00	2/15/74	2/15/94	3,000,000	2,100,000
School Modernization and Construction Bonds Series III	5.00	2/15/74	2/15/94	3,000,000	2,100,000
School for Handicapped Children	5.00	2/15/74	2/15/94	2,500,000	1,750,000
Total Schools				31,000,000	14,156,000

(continued)

CITY OF PROVIDENCE, RHODE ISLAND
CAPITAL FUND
SCHEDULE OF BONDS OUSTANDING (CONTINUED)
JUNE 30, 1980

	Interest rate	Date of		Bonds	
		Issue	Maturity	Issued	Outstanding
Bonds payable, serially (continued):					
Sewers:					
Sewer Construction Bonds of 1963	3.125%	9/1/63	9/1/83	\$ 500,000	\$ 100,000
Sewer Construction Bonds of 1964	3.25-3.40	10/1/64	10/1/84	300,000	75,000
Sewer Construction Bonds of 1966	3.60-3.75	5/1/67	5/1/87	300,000	105,000
Total sewers				<u>1,100,000</u>	<u>280,000</u>
Sludge Incinerator Bonds	3.60-3.75	5/1/67	5/1/87	<u>1,000,000</u>	<u>350,000</u>
Sewerage Treatment Bonds - Series II (1959)	3.80	12/1/59	12/1/81	<u>300,000</u>	<u>30,000</u>
Off-Street Parking Facilities - Series I	3.10	3/1/62	3/1/82	<u>1,000,000</u>	<u>100,000</u>
Traffic Signal and Traffic Control Bonds of 1957	3.40	4/1/57	4/1/81	<u>400,000</u>	<u>20,000</u>
Civic Center Bonds	4.50-4.75				
	5.00-5.25	2/1/72	2/1/92	<u>13,000,000</u>	<u>7,800,000</u>
Total Bonds, exclusive of water bonds				<u>99,750,000</u>	<u>49,944,000</u>
Bonds payable, water:					
Water Distribution Reservoir	3.25	12/1/62	12/1/92	2,050,000	1,085,000
Water Purification Works Improvements I	3.25	12/1/62	12/1/92	1,100,000	610,000
Water Bonds of 1971	5.00-6.00	6/1/71	6/1/2001	<u>11,000,000</u>	<u>9,350,000</u>
Total Water Bonds				<u>14,150,000</u>	<u>11,045,000</u>
Total Serial Bonds Issued and Outstanding				<u>\$113,900,000</u>	<u>\$60,989,000</u>

CITY OF PROVIDENCE, RHODE ISLAND

SINKING FUND COMMENTS

Sinking Fund balance

The Sinking Fund balance of \$658,618 at June 30, 1980 represents the balances in the "Redemption of City Debt Fund." This Fund was established under provisions of Chapter 2, Section 56, of the Revised City Ordinances of 1946 and is composed of net proceeds from the sale of real estate and income on investments.

CITY OF PROVIDENCE, RHODE ISLAND
REVOLVING FUNDS COMMENTS

Cash

Cash in the amount of \$120,203 at June 30, 1980 is comprised entirely of demand deposits in one checking account.

Due from other funds

Detail of the balance follows:

	<u>Amount</u>
Due from Public Works Revolving Fund, equipment	<u>\$ 8,659</u>

Due to other funds

Detail of the balance follows:

	<u>Amount</u>
Due to:	
Public Works Revolving Fund, stores	\$ 8,659
Capital Fund	96,945
General Fund	<u>100,000</u>
Total due to other funds	<u>\$205,604</u>

CITY OF PROVIDENCE, RHODE ISLAND
REVOLVING FUND
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 1980

	Cash balances July 1, 1979	Receipts	Total available	Disbursements	Cash balances June 30, 1980
Archives Copy Service Account	\$ 10	\$ 6	\$ 16		\$ 16
Archives Surplus Property	17	11,699	11,716	\$ 11,371	345
Betsy Williams Cottage Landscaping	249		249		249
Blackstone Boulevard Plant Fund	3,873		3,873	823	3,050
Board of Contract and Supply Revolving Fund		305	305		305
Central Purchasing:					
Equipment Fund	9,425	33,459	42,884	41,435	1,449
Revolving Fund	6,111	141,062	147,173	138,996	8,177
Data Control Fuel Fund	42,415	256,180	298,595	320,818	(22,223)
Fire Department Equipment Fund	50	3,096	3,146		3,146
Fire National Highway Grant	(20,000)	40,000	20,000	20,000	
Food Stamp Personnel		1,000	1,000	1,000	
Food Stamp Program	24,631	70,979	95,610	95,610	
Job Injury Medical Payment Fund	4,171	16,735	20,906	17,532	3,374
Mary Elizabeth Sharpe:					
Parks Fund	496		496		496
Tree Fund	8,504	4,162	12,666	1,848	10,818
Nellie Gordon Johnson Playground Fund	3,133		3,133		3,133
North Burial Ground Operating Fund	22,050	147,564	169,614	169,671	(57)
Police Department:					
Equipment Fund	3,019	4,616	7,635	5,241	2,394
Motor Vehicle Violations	2,235		2,235		2,235
Police National Highway Grant	(243)	23,869	23,626	23,869	(243)
Providence Civilian Defense Council	217		217	182	35
Providence Heritage Commission Fund		10,250	10,250	10,190	60
Providence Junior Police Camp	(565)	20,588	20,023	20,023	
Public Property Procap Revolving Fund		6,000	6,000	6,055	(55)
Public Works:					
Revolving Fund:					
Equipment	320	259,432	259,752	53,186	206,566
Stores	949	1,371,476	1,372,425	1,580,142	(207,717)
Roger Williams Park:					
Betsy Williams Account	29,938	7,804	37,742	21,312	16,430
Charles H. Smith Trust Fund	6	83,000	83,006	80,541	2,465
Sewage Treatment Fund	1,247	83,843	85,090	66,878	18,212
Traffic Safety Grant	3,035	25,251	28,286	12,487	15,799
Water Meter Conversion Revolving Fund	592	1,892	2,484	3,694	(1,210)
Water Rates Clearing Account		20,658	20,658	11,222	9,436
Water Stores Revolving Fund	16,642	82,963	99,605	56,087	43,518
	<u>\$162,527</u>	<u>\$2,727,889</u>	<u>\$2,890,416</u>	<u>\$2,770,213</u>	<u>\$120,203</u>

CITY OF PROVIDENCE, RHODE ISLAND

TRUST AND SPECIAL FUNDS COMMENTS

Cash

Cash balances of the various funds at June 30, 1980 are deposited in:

Checking accounts	\$1,510,487
Savings accounts	<u>346,184</u>
Total cash on deposit	<u>\$1,856,671</u>

Hurricane Barrier Assessments receivable

Hurricane barrier assessments receivable amounting to \$700,948 at June 30, 1980 represents the balance of a special assessment levied in accordance with City Council Resolutions. This assessment is payable in twenty-five annual installments, each payment due on or before October 24 of each year.

Operation of this assessment for the year ended June 30, 1980 is as follows:

Balance, beginning of year	\$ 762,214
Less receipts	<u>62,024</u>
	700,190
Add prior year adjustments	<u>758</u>
Balance, end of year	<u>\$ 700,948</u>

Accounts and loans receivable, Employees' Retirement System

Accounts and loans receivable at June 30, 1980 are as follows:

Loans receivable from participating employees	\$2,615,228
Other accounts receivable	<u>6,976</u>
Total accounts and loans receivable, Employees' Retirement System	<u>\$2,622,204</u>

Revenue available when collected

This contra account totaling \$744,799 at June 30, 1980 is an offset to certain accounts receivable in order that revenue is recognized in the year of receipt.

Due from other funds

The balance in this account represents amounts due from the following City funds:

General Fund	\$ 234,424
School Fund	176,904
Federal Funds	<u>112,051</u>
Total due from other funds	<u>\$ 523,379</u>

CITY OF PROVIDENCE, RHODE ISLAND

TRUST FUNDS - FUND BALANCES

JUNE 30, 1980

Fund balances

The following schedule represents the Trust Funds - fund balances as at June 30, 1980 divided as to corpus and accumulated earnings:

	Balance June 30, 1980	Corpus	Accumulated income
Henry B. Anthony Public Fountain Fund	\$ 37	\$ 2,713	(\$ 2,676)
Senator Henry B. Anthony Prize Fund	3,003	3,003	
Senator Henry B. Anthony Prize Fund Income	107		107
Ellen R. Barnes Trust Fund	281	181	100
Better Providence Trust Fund	14,840	6,500	8,340
Edward Hickling Bradford Trust Fund	135,923	21,500	114,423
Edward Hickling Bradford Trust Fund Income	(2,765)		(2,765)
Mary Swift Bragunn Fund	7,206	500	6,706
Dr. Vincent A. Cianci Trust Fund	200	200	
Dexter Donation Trust Fund	643,154	556,538	86,616
Dexter Donation Trust Fund Income	687,389		687,389
Ebenezer Knight Dexter Trust Fund	986,429	995,493	(9,064)
Ebenezer Knight Dexter Trust Fund Income	31,121		31,121
Edward F. Ely Trust Fund	126,463	126,925	(462)
Edward F. Ely Trust Fund Income	7,551		7,551
Elizabeth Angell Gould Fund	85,758	100,383	(14,625)
Elizabeth Angell Gould Fund Income	26,206		26,206
Marshall H. Gould Fund	5,099	5,105	(6)
Marshall H. Gould Fund Income	7,743		7,743
Abby A. King Trust Fund	11,908	18,288	(6,380)
Abby A. King Trust Fund Income	64,956		64,956
Locust Grove Cemetery Fund	11,778	8,373	3,405
Locust Grove Cemetery Fund Income	1,231		1,231
Balance carried forward	2,855,618	1,845,702	1,009,916

(continued)

CITY OF PROVIDENCE, RHODE ISLAND

TRUST FUNDS - FUND BALANCES (CONTINUED)

JUNE 30, 1980

	Balance June 30, 1980	Corpus	Accumulated income
<u>Fund balances (continued)</u>			
Balance brought forward	\$2,855,618	\$1,845,702	\$1,009,916
Anna H. Mann Trust Fund	348,322	364,548	(16,226)
Anna H. Mann Trust Fund Income	15,306		15,306
North Burial Ground Perpetual Care Fund	616,838	677,372	(60,534)
North Burial Ground Perpetual Care Fund Income	160,241		160,241
Gladys Potter Trust Fund	11,055	11,011	44
Charles H. Smith Trust Fund	1,001	1,001	
Charles H. Smith Trust Fund Income	14,759		14,759
City of Providence:			
Trustee u/w of Charles H. Smith	1,160,410	957,745	202,665
School Committee, Special Award	16,230	5,500	10,730
Tillinghast Donation Fund	200	200	
Samuel H. Tingley Trust Fund	89,416	100,007	(10,591)
Samuel H. Tingley Trust Fund Income	(452)		(452)
Emeline Owen Vinton Fund	521	521	
Emeline Owen Vinton Fund Income	23		23
Frederick Arnold Vinton, M. D. Fund	521	521	
Frederick Arnold Vinton, M. D. Fund Income	193		193
Total trust funds - fund balances	<u>\$5,290,202</u>	<u>\$3,964,128</u>	<u>\$1,326,074</u>