

City of Providence

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

CHAPTER 2008-19

No. 161

AN ORDINANCE

making an Appropriation of One Million Five Hundred Fifty Two Thousand Three Hundred Seventy Nine Dollars (\$1,552,379) for the Water Supply Board Property Tax Refund Fund for the Fiscal Year Ending June 30, 2008.

Approved APRIL 14, 2008

Be it ordained by the City of Providence:

Section 1. WATER SUPPLY BOARD PROPERTY TAX REFUND FUND
FUND BUDGET 2007-2008

REVENUES:

Property Tax Refund	1,510,096
Interest Income	<u>42,283</u>
TOTAL REVENUE & OTHER FIN SOURCES	\$1,552,379

EXPENSES:

Services	\$300,000
Transfer to Operations-Tax Refund	<u>375,000</u>
TOTAL EXPENSES	\$ 675,000

SURPLUS/(DEFICIT) \$877,379

Section 2. This ordinance shall take effect retroactive to July 1, 2007.

IN CITY COUNCIL

MAR 20 2008

FIRST READING

READ AND PASSED

Adam M. Steer CLERK

IN CITY
COUNCIL

APR 3 2008

FINAL READING

READ AND PASSED

Paul J. Mancini
PRESIDENT
Adam M. Steer
CLERK

APPROVED

Q. H. E.

MAYOR 4/14/08

**Summary of Providence Water's New
Restricted Fund Budgets
for Fiscal Year End 2008**

Property Tax Refund

This new fund was established by PUC order in Dk. 3832, as a result of the \$1.5 million Cranston Tax refund settlement Providence Water received in August 2007. The monies from this fund will reimburse the Operating fund \$375,000 per year, for the next 3 years beginning June 2008. The fund can also be used for tax litigation expenses including legal fees, appraisal fees and engineering analysis. Any unspent funds will be invested with the interest accruing to the Property Tax Refund account.

Highlights include \$1.5 million of property tax refund, \$.037 reimbursement to operating and estimated \$.03 for services.

Revenue Reserve

This new fund was established by PUC order in Dk. 3832. The purpose of this fund is to provide a reserve for revenue shortfalls, especially in years of low consumption. The reserve is calculated at 2% of operating expenses less miscellaneous income, and is funded monthly. Providence Water will need to request use of these funds from the PUC prior to usage.

Highlights include \$.05 million in new revenue.

As of 11/30/07