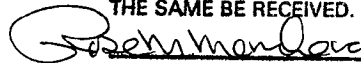


- 602 -

**EMPLOYEES RETIREMENT
SYSTEM OF THE CITY
OF PROVIDENCE**

IN CITY COUNCIL

READ
WHEREUPON IT IS ORDERED THAT
THE SAME BE RECEIVED.

 **CLERK**

**ANNUAL REPORT
OF THE
RETIREMENT BOARD**

**FOR THE FISCAL YEAR
ENDED JUNE 30, 1988**

*To the Honorable Joseph R. Paolino, Jr. Mayor and
The Honorable City Council:*

In compliance with the provisions of Article 3, Section 3, of Chapter 489 of the Public Laws, passed at the January Session, A.D. 1923, entitled "An Act to provide for the Retirement of Employees of the City of Providence," the Retirement Board herewith transmits its' 62nd Annual Report for the year ended June 30, 1988, giving in detail the receipts, disbursements and investments, together with certain membership statistics.

Gloria L. Lincourt, City Controller

EMPLOYEES' RETIREMENT FUND
Of the City of Providence, R.I.

Statement of Current Condition
June 30, 1988

ASSETS

Cash And Cash Equivalents	\$11,591,009.
Receivable:	
Member Loans	6,110,191.
Member Loan Interest	126,336.
Due from Other Funds	3,989,819.
Investments	137,725,580.
Other Assets	-0-
Accounts Payable	(15,322.)
 Total Assets	 \$159,527,613.

LIABILITIES AND FUND BALANCES

Fund Balances:	
Reserved Fund Balance	\$4,119,096.
Bequest to Employees Retirement System	7,357.
Annuity Savings Funds:	
General Employees	43,957,808.
Teacher Employees	47,785.
Elected Officials	220,472.
Pension Accumulated Funds:	
General Employees	(7,557,578.)
Teacher Employees	43,580.
Annuity Reserve Funds:	
General Employees	11,658,868.
Teacher Employees	155,243.
Teacher Excess Reserve	332,944
Pension Reseve Funds:	
General Employees	106,730,557.
Teacher Employees	(188,519.)
 Total Liabilities and Fund Blances	 \$159,527,613.

**Statement of Revenue, Expenses and Fund Balance
For the year Ended June 30, 1988**

Operating Revenue:		
Employee Contributions	\$4,300,316.	
Employer Contributions	10,520,111.	
Total Operating Revenue		\$14,820,427.
Operating Expenses:		
Retiree Benefits	\$16,832,471.	
Member Refunds	3,027,677.	
Other	663,363.	
Total Operating Expense		\$20,523,511.
Operating Loss		(\$5,703,084.)
Non-Operating Revenue:		
Investment Income	\$11,569,269.	
Interest on Member Loans	397,911.	
Net Gain on Investments	3,407,914.	
Total Non-Operating Revenue		\$15,375,094.
Net Income		\$9,672,010.
Fund Balance 6/30/87		\$149,855,604.
Fund Balance 6/30/88		\$159,527,613.

**Statement of Investment Income
For the Year Ended June 30, 1988**

Gross Income on Investments:		
Interest on Certificate of Deposit	\$314,910.	
Interest on Repurchase Agreement	65,646.	
Interest on Corporate Bonds	2,201,168.	
Interest on Mortgages	26,000.	
Gain on Sale of Investments	4,091,780.	
Corporate Stock Dividends	2,829,705.	
Interest on United States Securities	5,008,855.	
Interest - Other	439,119.	
Total Gross Income on Investments		\$14,977,183.
Deductions from Gross Interest Revenues		
Investment Commission & Fees	158,396.	
Accrued Interest Paid	86,906.	
Loss on Sale of Investments	369,265.	
Miscellaneous Expenses	48,796.	
Total Deductions		\$663,363.
Net Income on Investments		\$14,313,820.
Add: Net Income on Member Loans		\$397,911.
Total Net Income on Investments & Loans..		\$14,711,731.

Average Investment	\$137,313,705.
Net Income Yield	10.42%
Average Member Loan	6,150,754.
Net Income Yield	6.47%
Average Investment & Loan	143,464,459.
Net Income Yield	10.25%

COST OF OPERATIONS

General Fund Appropriations for the Year Ended June 30, 1988

Personal Services:

Salaries	\$97,143.
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Services Other than Personal:

Consulting Actuary	69,467.	
Medical Services	19,926.	
Postage Freight & Express	2,038.	
Printing & Binding	2,175.	
Repairs to Office Machinery	520.	
Dues and Subscriptions	192.	\$191,461.

Materials & Supplies:

Stationary, Printed Forms & Office Supplies	\$1,865.	1,865.
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Total Cost of Operations		\$193,326.
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Investments as of June 30, 1988 (Exclusive of Member Loans)

SUMMARY

	Total Investment	Percent of Investment
Public Utility Bonds	\$27,886,746.	20.2%
Corporate Capital Stock	46,772,505.	34.0%
U.S. Treasury Bonds & Notes	49,329,495.	35.8%
Other U.S. Government Agency Notes	2,442,765.	1.8%
First Mortgages	459,413.	.3%
Commercial Paper	10,834,656.	7.9%
Total	\$137,725,580.	100%

First Mortgage Investments as of June 30, 1988

	Maturity Date	Book Value	Market Value
9.50% Foremost Lithograph	4-29-90	\$29,963.	\$29,963.
7.75% Foremost Lithograph	4-29-90	45,533.	45,533.
7.00% Foremost Lithograph	4-29-90	18,750.	18,750.
7.50% Westco Realty	2-04-95	365,167.	365,167.
Total		\$459,413.	\$459,413.

United States Government Securities

Report by:	Yield %	Notes and Bonds	Par Value	Book Value	Market Value
7.25%	March 31, 1990	.....	\$500,000.00	\$495,625.00	\$494,060.00
7.375%	February 1, 1992	.....	1,000,000.00	940,000.00	943,750.00
7.50%	June 1, 2000	.....	50,000.00	50,000.00	50,000.00
7.875	January 20, 1997	.....	1,000,000.00	920,000.00	898,750.00
7.875%	February 15, 1993	.....	1,000,000.00	810,937.50	984,060.00
8.375%	August 15, 2000	.....	250,000.00	250,468.75	239,922.50
8.375%	July 1, 1991	.....	2,000,000.00	1,992,500.00	1,967,500.00
8.375%	July 15, 1994	.....	500,000.00	\$485,250.00	498,125.00
8.375%	November 15, 1992	.....	2,000,000.00	1,962,187.50	2,000,620.00
8.50%	August 1, 1994	.....	500,000.00	500,000.00	476,875.00
8.50%	May 15, 1997	.....	1,250,000.00	1,251,718.75	1,224,612.50
8.50%	May 15, 1999	.....	1,000,000.00	991,250.00	973,750.00
8.625%	August 15, 1997	.....	400,000.00	392,000.00	394,624.00
8.625%	July 15, 1992	.....	1,000,000.00	997,500.00	983,750.00
8.73%	April 15, 1994	.....	1,000,000.00	960,000.00	937,500.00
8.875%	February 15, 1996	.....	1,200,000.00	1,245,187.50	1,207,872.00
8.875%	July 15, 1995	.....	1,000,000.00	998,900.00	993,750.00
9.00%	February 14, 1994	.....	1,925,000.00	1,760,560.31	1,967,099.75
9.00%	May 15, 1998	.....	500,000.00	494,062.50	505,935.00
9.25%	May 15, 1989	.....	75,000.00	74,250.00	75,937.50
9.375%	February 15, 2006	.....	500,000.00	500,468.75	516,560.00
9.50%	August 15, 1988	.....	1,000,000.00	1,010,000.00	1,002,500.00
9.55%	December 10, 1997	.....	400,000.00	401,250.00	408,748.00
9.875%	August 15, 1990	.....	500,000.00	505,000.00	517,135.00
9.125%	May 15, 2009	.....	500,000.00	495,000.00	497,970.00
10.375%	May 15, 1995	.....	1,200,000.00	1,221,250.00	1306,128.00
10.50%	April 15, 1990	.....	1,000,000.00	997,500.00	1,040,310.00
10.50%	February 15, 1995	.....	800,000.00	774,500.00	872,752.00
10.50%	November 15, 1992	.....	1,500,000.0	1,510,000.00	1,613,910.00
10.750%	August 15, 1990	.....	500,000.00	485,000.00	525,470.00
10.750%	November 15, 1989	.....	760,000.00	738,164.06	788,264.40
10.750%	November 15, 1989	.....	500,00.00	500,000.00	513,595.00
10.875%	February 15, 1993	.....	1,200,000.00	1,176,000.00	1,310,244.00
10.125%	May 15, 1993	.....	4,400,000.00	4,420,00.00	4,687,364.00
10.125%	November 15, 1983	.....	4,000,000.00	4,020,000.00	4,261,240.00
10.125%	November 15, 1994	.....	2,400,000.00	2,288,320.31	2,574,000.00
13.00%	November 15, 1990	.....	1,000,000.00	1,102,810.00	1,874,777.00
13.00%	November 15, 1990	.....	1,700,000.00	1,658,125.00	1,874,777.00
14.00%	July 15, 1988	.....	800,000.00	798,750.00	801,496.00
14.00%	July 15, 1988	.....	700,000.00	701,309.00	1,102,810.00
14.875%	August 15, 1991	.....	500,000.00	489,056.25	591,250.00
11.50%	November 15, 1994	.....	1,600,00.00	1,588,687.50	1,842,496.00
11.50%	October 15, 1990	.....	500,000.00	499,687.50	534,685.00
11.625%	November 15, 1994	.....	500,000.00	518,750.00	572,345.00
11.75%	November 15, 1988	.....	1,000,000.00	942,500.00	1,015,940.00
11.75%	November 15, 1993	.....	1,100,000.00	1,080,968.75	1,250,216.00
11.875%	October 15, 1989	.....	1,000,000.00	935,00.00	1,048,120.00
	July 1, 1,995	.....	400,000.00	399,000.00	377,000.000
	TOTAL		\$50,110,000.00	\$49,329,494.93	\$53,140,595.65

Other United States Government Obligations

		Par Value	Book Value	Market Value
Government National Mortgage Association				
6.50%	October 15, 2003.....	\$68,989.17	\$55,707.36	\$57,225.31
6.50%	April 15, 2003	260,891.81	210,339.73	211,370.28
	Subtotal	\$329,880.98	\$266,047.09	\$268,595.59
Federal National Mortgage Association				
9.20%	June 10, 1997.....	\$500,000.00	\$499,687.50	\$499,060.00
9.55%	December 10, 1997	400,000.00	401,250.00	408,748.00
	Subtotal.....	\$900,000.00	\$900,937.50	\$907,808.00
Twelve Federal Land Banks				
7.95%	April 22, 1991	\$500,000.00	\$401,250.00	\$493,125.00
7.35%	January 20, 1997	500,000.00	377,500.00	443,060.00
	Subtotal	\$1,000,000.00	\$778,750.00	\$936,185.00
Federal Farm Credit Banks				
11.70%	July 20, 1988	\$500,000.00	\$497,030.00	\$500,470.00
	Subtotal	\$500,000.00	\$497,030.00	\$500,470.00
	Grand Total.....	\$2,729,880.98	\$2,442,764.59	\$2,613,058.59

Corporation Stock Owned as of June 30, 1988

Name of Corporation	#Shares	Book Value	Market Value
Common Stock:			
American Home Prdts. Corp.	42,000	\$1,206,476.05	\$2,955,000.00
American Tel. & Tel.	36,000	587,431.02	4,178,375.00
Amoco Corp.	5,500	305,028.53	400,125.00
Amoco Corp.	19,000	495,894.66	1,382,250.00
AMP, Inc.	8,000	316,134.71	413,000.00
A.T. Cross Co.	65,000	687,775.34	2,169,375.00
Atlantic Richfield Co.	5,500	280,960.96	442,750.00
Atlantic Richfield Co.	25,000	1,865,370.65	2,012,500.00
Automatic Data Processing	25,000	910,647.50	1,012,500.00
Avon Products	11,000	382,503.00	264,000.00
Bell Atlantic Corp.	19,000	771,287.58	1,365,625.00
Bell South Corp.	30,000	596,723.68	1,290,000.00
Bristol-Myers Co.	60,000	845,714.89	2,430,000.00
Caterpillar, Inc.	10,000	369,407.15	667,500.00
Central & Southwest Corp.	31,300	670,525.28	993,775.00
Champion International Corp.	13,000	251,814.05	469,525.00
CitiCorp.	12,000	308,864.72	298,500.00
Coca Cola Co.	27,000	349,750.00	1,053,000.00
Dayton-Hudson Corp.	35,000	1,295,427.60	2,794,375.00
Deere & Co.	9,500	267,291.68	437,000.00
Delta Air Line Inc.	20,000	857,675.00	1,100,000.00
Dominion Resources Inc.	16,200	622,089.55	700,650.00
Dow Chemical Corp.	8,000	272,708.12	727,000.00
Dow Chemical Corp.	24,000	653,445.00	2,181,000.00
Dupont E.I. DeNemours Co.	5,500	289,438.48	510,812.50
Eastern Kodak Co.	10,000	292,615.10	452,500.00
Emerson Electric Co.	15,000	261,344.52	485,625.00
Exxon Corp.	30,000	661,804.83	3,130,000.00
Fleet Financial Group	70,000	378,096.79	1,828,750.00
Ford Motor Co.	57,000	999,281.67	3,035,250.00
FPL Group	57,000	973,992.51	1,738,500.00
General Electric Co.	12,000	309,498.05	526,500.00
General Mills Inc.	29,000	471,213.63	1,359,375.00
General Motors Corp.	19,400	1,443,831.10	1,554,425.00
Halliburton Co.	10,000	325,039.46	293,750.00
Halliburton Co.	15,000	489,332.50	440,625.00
Hewlett Parkard Co.	3,500	316,134.71	446,000.00
International Business Machines	30,000	1,743,545.65	3,821,250.00
International Business Machines	3,000	356,293.04	445,812.80
International Paper Co.	12,000	318,723.96	577,500.00
Johnson & Johnson	6,000	280,079.97	475,250.00
Johnson & Johnson	12,000	430,310.00	952,500.00
J.P. Morgan & Co. Inc.	57,000	999,281.67	3,035,250.00
Marsh & McLennon	10,000	514,895.00	551,250.00
Maytag Co.	66,000	1,016,945.00	1,559,250.00
McDonalds Corp.	50,000	1,311,275.41	2,306,250.00
Merck & Co.	13,500	316,484.85	759,375.00
Mobil Corp.	50,000	996,898.11	2,175,000.00
Motorol Inc.	8,000	38,143.64	433,000.00

Name of Corporation	#Shares	Book Value	Market Value
National Medical Ent. Inc.	15,000	323,354.49	339,375.00
Noxell Corp.	44,000	915,717.50	836,000.00
Old Kent Financial Corp.	31,500	757,855.00	724,500.00
Panhandle Eastern Corp.	60,000	1,020,805.92	1,500,000.00
Pepsico	10,000	352,650.00	372,500.00
Perkin Elmer	11,000	304,951.34	283,250.00
Pfizer Inc.	8,000	297,820.65	413,000.00
Pfizer Inc.	45,000	796,651.10	2,323,125.00
Raytheon Co.	11,000	476,665.00	726,000.00
Sara Lee Corp.	27,000	681,745.00	999,000.00
Schlumberger Corp.	10,000	461,432.87	335,000.00
Sear Roebuck & Co.	9,000	332,542.80	331,875.00
Square D Co.	24,000	659,601.51	1,299,000.00
Sysco Corp.	20,000	640,326.00	600,000.00
Texas Utilities Corp.	25,000	585,916.43	646,187.50
Union Pacific Corp.	11,400	684,225.00	739,575.00
Union Pacific Corp.	6,200	302,117.91	402,225.00
United Telecommunications	13,000	305,642.63	419,250.00
Warner Lambert	8,000	303,014.02	542,000.00
Xerox Corp.	6,000	320,410.79	330,000.00
Xerox Corp.	2,800	156,372.50	154,000.00
Beckton Dickinson Co.	20,000	1,077,112.50	1,027,500.00
Rubbermaid Inc.	25,000	619,050.00	590,625.00
Pepsico Inc.	15,000	316,215.20	596,000.00
Pillsbury Co.	16,000	251,125.00	261,125.00
Walmart Stores Inc.	11,000	301,382.72	336,875.00
Pillsbury	7,000	252,988.96	251,125.00
Mobil Corp.	7,500	289,406.71	326,250.00
Comm. Psychiatric Ctrs.	15,000	316,292.12	375,875.00
Quantum Chemical	1,600	161,728.00	164,000.00
Dun & Bradstreet	17,000	886,457.50	837,250.00
Emerson Electric	4,800	159,264.00	155,400.00
Lowes Corp.	2,100	146,481.07	137,812.50
Caterpillar Inc.	2,400	153,552.00	162,600.00
International Business Machines	1,630	186,184.03	207,621.25
Totals	1,751,830	\$46,772,505.00	\$84,377,547.00

Corporate Utility Bonds as of June 30, 1988

	Name of Corporation	Maturity	Par Value	Cost	Book Value	Unamortized Premiums	Balance Discount	Annual Income	Yield
	3.625% Potomac Elec. Power Co.	6-1-91	25,000.00	25,000.00	25,000.00	25.13	0	906.00	4.13%
	3.875% American Tel. & Tel.	7-1-90	25,000.00	25,692.50	25,000.00	43.10	0	968.00	4.13%
	5% Pacific Gas & Elec.	6-1-89	25,000.00	25,205.62	25,000.00	13.16	0	1,250.00	5.10%
	4% Baltimore Gas & Elec.	3-1-93	25,000.00	25,375.00	25,000.00	56.75	0	1,000.00	4.89%
	4.625% Public Service Elec. & Gas....	8-1-88	200,000.00	200,000.00	200,000.00	0	0	9,250.00	4.63%
	4.625% Potomac Elec. Power Co.....	12-1-93	25,000.00	25,333.00	25,000.00	56.93	0	1,156.00	5.65%
	4.750% Central Illinois Pub. Ser. Co..	1-1-89	25,000.00	25,408.25	25,000.00	14.48	0	1,187.00	4.82%
	4.125% Chesapeake & Potomac Tel. Co.	12-1-93	25,000.00	24,125.00	25,000.00	0	136.72	1,031.00	5.22%
	4.250% Duquesne Light Co.	3-1-89	50,000.00	49,437.50	50,000.00	0	20.07	2,125.00	4.36%
	4.50% Montana Power Co.	4-1-89	50,000.00	49,312.50	50,000.00	0	24.65	2,250.00	4.62%
	4.625% Wisconsin Power & Light.....	3-1-89	23,000.00	22,942.50	23,000.00	0	2.43	1,063.00	4.71%
	4.625% Public Service Co. of Colorado	5-1-89	50,000.00	50,000.00	50,000.00	0	0	2,312.00	4.76%
	5% Idaho Power Co.	5-15-89	50,000.00	50,401.00	50,000.00	14.36	0	2,500.00	5.13%
	4.625% Virginia Elec. Co.	9-1-90	50,000.00	50,364.50	50,000.00	25.98	0	2,312.00	4.99%
	4.875% Iowa-Illinois Gas & Elec.	5-1-91	49,000.00	49,580.65	49,000.00	80.05	0	2,388.00	5.36%
	5% Mass. Elec. Co.	7-1-91	25,000.00	25,509.75	25,000.00	70.25	0	1,250.00	5.53%
	4.375% Consolidated Edison	6-1-92	200,000.00	199,000.00	200,000.00	0	142.72	8,750.00	5.10%
	4.25% Wisconsin Power & Light.....	5-1-92	50,000.00	49,125.00	50,000.00	0	125.00	2,125.00	4.94%
	4.625% Narragansett Elec.	1-1-94	250,000.00	253,987.20	250,000.00	638.62	0	11,562.00	5.75%
	4.750% American Tel. & Tel.	6-1-98	850,000.00	850,000.00	850,000.00	0	0	40,375.00	6.77%
	4.50% Union Elec. Co.	4-1-95	200,000.00	200,000.00	200,000.00	0	0	9,000.00	5.97%
	4.375% Illinois Bell Tel. Co.	3-1-94	400,000.00	400,000.00	500,000.00	0	0	21,875.00	5.47%
	4.375% Northwestern Bell Tel. Co....	5-1-89	75,000.00	75,000.00	75,000.00	0	0	3,281.00	4.50%
	4.50% Int. Bank Rec. & Dev.	2-1-90	800,000.00	800,000.00	800,000.00	0	0	36,000.00	4.74%
	4.625% American Tel. & Tel.	2-1-94	1,400,000.00	1,400,000.00	972,800.00	0	0	64,750.00	5.74%
	8.875% Ford Motor Credit Co.	3-1-96	500,000.00	500,000.00	493,125.00	0	0	44,375.00	9.21%
	7.125% West Penn Power Co.	7-1-98	500,000.00	436,355.00	436,355.00	0	0	35,625.00	8.46%
	4.375% American Tel. & Tel.	5-1-99	500,000.00	500,718.75	500,718.75	0	0	29,531.00	6.68%
	7.75% Duke Power Co.	4-1-02	400,000.00	353,632.00	353,632.00	0	0	31,000.00	9.03%
	9.00% Florida Power & Light	5-1-10	200,000.00	197,250.00	197,250.00	0	0	22,600.00	10.85%
	9.875% Dayton Hudson Corp.	6-1-17	1,000,000.00	993,125.00	993,125.00	0	0	98,750.00	10.72%

Corporate Utility Bonds as of June 30, 1988

Name of Corporation	Maturity	Par Value	Cost	Book Value	Unamortized Premiums	Balance Discount	Annual Income	Yield
4.625% U.S. XCorp. Sub.	1-1-96	425,000.00	307,062.50	307,062.50	0	0	19,656.00	6.23%
4.625% N.E. Tel. & Tel.	7-1-05	\$500,000.00	\$500,000.00	\$500,000.00	0	0	\$23,125.00	7.72%
4.625% New York Tel. Co.	1-1-02	200,000.00	200,000.00	200,000.00	0	0	9,250.00	7.27%
4.375% Pacific Gas & Elec.	6-1-94	400,000.00	400,000.00	400,000.00	0	0	17,500.00	5.63%
4.625% Pacific Tel. & Tel.	4-1-99	250,000.00	250,000.00	250,000.00	0	0	11,562.00	6.87%
8.5% Duke Power Co.	3-1-00	500,000.00	500,025.00	500,000.00	8.00	0	42,500.00	9.34%
8.625% Georgia Power Co.	4-1-00	500,000.00	499,425.00	499,425.00	0	184.00	43,125.00	9.65%
8.50% Kansas Gas & Elec.	3-1-00	500,000.00	495,650.00	500,000.00	0	1,392.00	42,500.00	9.61%
8.00% Wisconsin Power & Light	7-1-01	500,000.00	498,850.00	498,850.00	0	5515.45	40,000.00	9.07%
7.25% Shell Oil Co.	2-15-02	500,000.00	502,600.00	502,600.00	1,255.10	0	36,250.00	8.74%
7.125% Baltimore Gas & Elec.	1-1-02	500,000.00	489,512.54	523,487.54	0	5,068.66	39,187.00	8.74%
7.00% Delmarva Power & Light.....	11-1-98	500,000.00	482,596.44	482,596.44	0	6,961.40	35,000.00	8.42%
7.125% Texas Elec. Service Co.....	1-1-02	500,000.00	495,489.00	495,489.00	0	949.68	35,625.00	9.14%
6.50% Exxon Corp.	7-15-98	250,000.00	210,000.00	210,000.00	0	19,130.44	16,250.00	7.86%
7.00% American Tel. & Tel.	2-15-01	1,250,000.00	1,053,889.58	1,053,889.58	0	105,517.90	87,500.00	8.54%
7.125% Cleveland Elec. & Illum.....	1-15-90	250,000.00	206,604.36	250,000.00	0	8,136.65	17,812.00	7.33%
7.250% General Motors Accept. Corp.	3-1-95	250,000.00	224,717.99	224,717.99	0	10,645.08	18,125.00	8.08%
7.350% Tennessee Valley Authority	4-1-98	250,000.00	250,000.00	411,251.42	0	0	34,912.00	8.49%
8.125% So. New England Tel.	5-1-08	225,000.00	218,204.73	218,204.73	0	4,730.27	18,281.25	7.10%
8.125% So. New England Tel.	5-1-08	75,000.00	73,139.23	73,139.23	0	1,240.57	6,093.75	2.36%
8.50% Southwestern Bell Tel.	3-15-16	500,000.00	492,500.00	492,500.00	0	5,625.03	42,500.00	9.94%
4.375% So. Bell Tel.	4-1-01	400,000.00	231,416.00	431,416.00	0	99,617.90	26,250.00	6.9%
7.5% Ford Motor Credit	11-15-91	250,000.00	227,292.50	227,292.50	0	4,691.50	18,750.00	7.73%
7.00% Chevron Corp.	4-1-96	250,000.00	216,250.00	247,549.50	0	15,750.00	17,500.00	7.94%
6.00% Exxon Corp.	11-1-97	250,000.00	186,250.00	191,323.81	0	33,750.00	15,000.00	7.45%
6.00% Florida Power & Light	12-1-96	175,000.00	102,284.00	175,000.00	0	38,781.89	10,500.00	7.51%
7.625% Public Service Gas & Elec.....	4-1-99	500,000.00	371,275.00	321,275.00	0	78,665.34	38,125.00	8.87%
4.625% S.W. Bell Tel. Co.	8-1-95	125,000.00	64,500.00	64,500.00	0	32,576.96	13,875.00	6.10%
14.50% Union Carbide Corp.	12-1-91	200,000.00	915,750.00	2000,000.00	0	1,593.75	29,000.00	14.06%
15.00% Int. Bank Rec. & Dev.	12-15-88	500,000.00	495,500.00	495,500.00	0	0	75,000.00	14.55%

Name of Corporation	Maturity	Par Value	Cost	Book Value	Unamortized Premiums	Balance Discount	Annual Income	Yield
15.125% Int. Bank Rec. & Dev.....	12-15-91	200,000.00	198,040.00	198,040.00	0	735.00	30,250.00	12.86%
8.50% Duke Power Co.....	7-1-95	400,000.00	399,000.00	399,000.00	0	888.89	34,000.00	9.02%
8.5% Ford Motor Co.....	4-01-96	750,000.00	765,000.00	765,000.00	13,500.00	0	63,750.00	9.03%
8.5% Illinois Power Co.....	8-01-94	500,000.00	500,000.00	500,000.00	0	0	42,500.00	8.91%
8.375% Dayton Hudson Corp.....	10-01-96	500,000.00	500,625.00	500,625.00	583.34	0	41,875.00	9.24%
8.25% Citi Corp.....	8-15-96	1,500,000.00	1,488,750.00	1,488,750.00	0	0	123,750.00	9.05%
8.5% Kraft Inc.....	2-15-17	1,000,000.00	1,008,750.00	1,008,750.00	8,677.09	0	86,000.00	9.66%
8.250% Citi Corp.....	8-15-96	1,000,000.00	933,730.00	933,730.00	0	64,937.94	32,500.00	9.05%
8.0% G.M.A.C.....	4-15-94	1,000,000.00	960,000.00	960,000.00	0	39,047.62	80,000.00	8.53%
9.0% Florida Power & Light.....	10-01-16	700,000.00	652,785.00	652,785.00	0	47,080.49	63,000.00	10.04%
8.875% J.C. Penney.....	7-15-95	1,000,000.00	998,990.00	998,990.00	0	999.48	88,750.00	8.93%
7.375% Citi Corp.....	2-01-92	1,000,000.00	940,000.00	940,000.00	00	59,825.07	73,750.00	7.81%
Totals		\$29,072,000.00	\$27,717,711.00	\$27,886,746.00	\$25,062.00	\$689,411.00	\$2,132,426.00	

ACTIVE AND RETIRED MEMBER AS OF 6/30/88

Active Members

	Class A	Fire	Police	Teachers
Total 6/30/87	1758	457	396	7
Decreases due to:				
Termination	51	0	0	0
Retirement	82	28	27	0
Death	0	3	1	0
Additions	135	62	20	0
Total 6/30/88	1760	488	388	7

Retired Members

	Class A	Fire	Police	Teachers
Total 6/30/87	1407	492	479	32
Additions due to:				
Service Ret.	80	9	11	0
Accidental Disability	2	19	16	0
Ordinary Disability	0	0	0	0
Death in Service	0	3	1	0
Total Increase	82	31	28	0
Decreases	58	0	3	2
Total 6/30/88	1431	523	504	30

The members of the Retirement Board of the Employee's Retirement System of the city of Providence hereby certify that on December 1, 1988 they examined and accepted from City Treasurer Stephen Napolitano and City Controller Gloria L. Lincourt, their detailed certification of all Securities by the Employee's Retirement System as of June 30, 1988. The members further certify that they also on December 1, 1988 examined the cash balance as of June 30, 1987 and hereby present their report as a true statement of receipts, disbursements and investments for the fiscal year ended June 10, 1988.

JOSEPH R. PAOLINO, JR.
Mayor and Chairman

MAURICE BISSONNETTE
Vice Chairman

CAROLYN F. BRASSIL

Chairman Finance Committee

ANN T. McCRINK

ALFRED B. MENDILLO

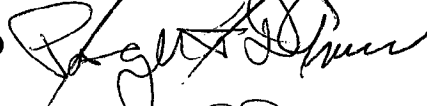
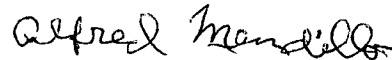
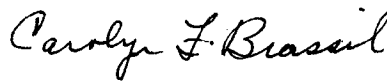
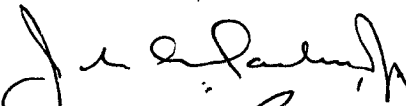
CHIEF ENRICO J. LANDI

MAJOR JOHN J. POWER, JR.

EDMOND F. MARNANE

JAMES QUATTROCCHI

PASQUALE D'AMICO



FILED

Nov 30 10 46 AM '90

DEPT. OF JUSTICE
PROVIDENCE, R.I.