



CITY OF PROVIDENCE, RHODE ISLAND

Annual Financial Report

June 30, 1984

IN CITY COUNCIL

OCT 3 1985

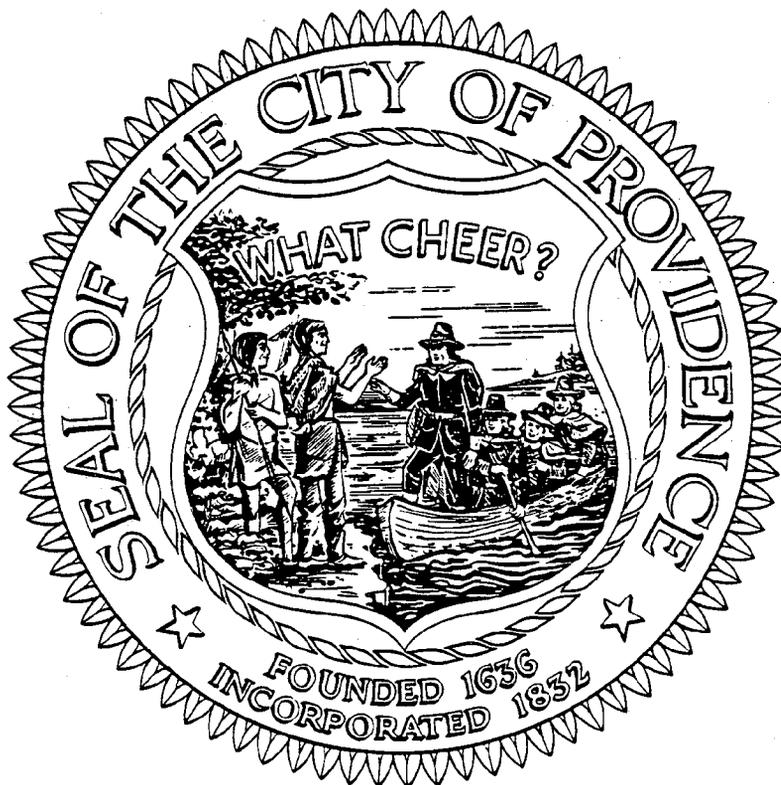
**READ
WHEREUPON IT IS ORDERED THAT
THE SAME BE RECEIVED.**

Prm. Mandone **CLERK**

CITY OF PROVIDENCE, RHODE ISLAND

Annual Financial Report

June 30, 1984





Peat, Marwick, Mitchell & Co.
Certified Public Accountants
40 Westminster Street
Providence, Rhode Island 02903

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

We have examined the combined financial statements of the City of Providence, Rhode Island and the individual fund financial statements of the City, as of and for the year ended June 30, 1984 as listed in the accompanying table of contents. 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. We did not examine the financial statements of the Providence Civic Center Authority enterprise fund which statements reflect total assets and operating revenues constituting 16% and 12%, respectively, of total combined enterprise fund amounts. The Providence Civic Center Authority financial statements were examined by other auditors whose report thereon has been furnished to us and our opinion expressed herein, insofar as it relates to the amounts included for the Civic Center is based solely upon the report of the other auditors.

As described more fully in Note 1, the combined financial statements referred to above do not include the financial statements of a general fixed assets account group which should be included to conform with generally accepted accounting principles.

As discussed in Note 13, the City provides for pension costs in a manner which is not in conformity with generally accepted accounting principles.

The City is defendant in several claims and legal actions as described in Note 15. The final outcome of these matters is not presently determinable and no provision has been made in the financial statements for the effects, if any, of such matters. Additionally, as described in Note 15, the financial statements of certain special revenue funds contain expenditure amounts which have been questioned as to their allowability under the applicable grant agreements. The final determination as to whether such costs are allowable will be made by the Federal grantor agency. As described in Note 15, the Providence Civic Center Authority is contesting an assessment for which no provision has been made in its financial statements. The ultimate liability for this assessment is not determinable and the report of other auditors has been qualified accordingly.

In our opinion, based upon our examination and the report of other auditors, except that the omission of the financial statement referred to in the second paragraph results in an incomplete presentation, except for the effects of the matter discussed in the third paragraph, and subject to the effects on the combined financial statements of such adjustments, if any, as might have been required had the outcome of the uncertainties discussed in the preceding paragraph been known, the aforementioned combined financial statements present fairly the financial position of the City of Providence, Rhode Island at June 30, 1984, and the results of its operations and the changes in financial position of its proprietary fund types for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year after giving retroactive effect to the changes in the methods of accounting for certain grant revenues and vacation pay as discussed in Note 9. Also, in our opinion, except for the effects of the matter discussed in the third paragraph, the individual fund financial statements present fairly the financial position of the Providence Water Supply Board and the results of its operations and changes in its financial position for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year after giving retroactive effect to the change in the method of accounting for vacation pay as discussed in Note 9.

Our examination was made for the purpose of forming an opinion on the combined financial statements taken as a whole. The combining and individual fund schedules and financial information included in Schedules 1 through 9 are presented for purposes of additional analysis and are not a required part of the basic combined financial statements and accordingly our opinion does not relate to the fairness of the financial position and results of operations of such funds. Such information has been subjected to the auditing procedures applied in the examination of the basic combined financial statements and, in our opinion based upon our examination and the reports of other auditors, except for the effects on Schedule 2 of the matter discussed in the third paragraph and subject to the effects on Schedules 2, 3, and 4 of such adjustments, if any, as might have been required had the outcome of the uncertainties discussed in the second preceding paragraph been known, is fairly stated in all material respects in relation to the combined financial statements taken as a whole.

Peat, Marwick, Mitchell Co.

November 28, 1984, except as to Note 11,
which is as of April 8, 1985

CITY OF PROVIDENCE, RHODE ISLAND
 Combined Balance Sheet - All Fund Types and Account Group
 June 30, 1984

Assets and other Debits	Governmental Fund Types			Proprietary Fund Types		Fiduciary Fund Types Trust and Agency	Account Group General Long- term Obligations	Total (Memorandum Only)
	General	Special Revenue	Capital Projects	Enterprise (note 9)	Internal Service			
Cash and cash equivalents	\$	1,577,097		256,368	23,593	7,880,961		9,738,019
Due from:								
Other funds (note 5)	3,358,691	1,459,705	1,052,438	88,662		14,723,440		20,682,936
Other governments (note 3)	3,738,396	8,221,133	246,648					12,206,177
Accounts receivable (net where applicable of allowances for estimated uncollectible amounts of \$25,230,000):								
Taxes	10,316,657							10,316,657
Other		3,961,880		1,267,451		462,127		5,691,458
Investments	6,500,000	3,975,000	16,435,000			101,379,223		128,289,223
Loans receivable, net (note 6)		6,134,411				4,725,481		10,859,892
Inventory, at cost				542,522				542,522
Prepaid expenses				12,838				12,838
Property, plant and equipment (net of accumulated deprecia- tion) (Note 4)				64,011,489				64,011,489
Restricted assets			2,830,054	574,232				3,404,286
Amount to be provided for retire- ment of long-term obligations							76,483,249	76,483,249
Other assets		32,733		86,026		176,371		295,130
Total assets and other debits	\$ 23,913,744	25,361,959	20,564,140	66,839,588	23,593	129,347,603	76,483,249	342,533,876

(Continued)

CITY OF PROVIDENCE, RHODE ISLAND
 Combined Balance Sheet - All Fund Types and Account Group, Continued

Liabilities	Governmental Fund Types			Proprietary Fund Types		Fiduciary	Account Group	Total
	General	Special Revenue	Capital Projects	Enterprise (note 9)	Internal Service	Fund Types Trust and Agency	General Long-term Obligations	(Memorandum Only)
Bank overdrafts	\$ 2,250,572	2,859,218	1,432,118					6,541,908
Accounts payable and accrued expenditures	6,226,947	1,719,582	527,997	330,643	23,723	3,896,957		12,725,849
Notes payable (note 7)			24,085,000	146,000				24,231,000
Due to:								
Other funds (note 5)	11,936,987	3,889,372		290,078		28,250	4,538,249	20,682,936
Other governments (note 3)		6,374,605						6,374,605
Deferred revenues	8,950,000	6,964,689	29,147	247,625		5,000,941		21,192,402
Bonds payable (note 8)				9,535,000			69,175,000	78,710,000
Other liabilities		248,604		409,985				658,589
Accrued vacation pay (note 8)				283,000			2,770,000	3,053,000
Total liabilities	29,364,506	22,056,070	26,074,262	11,242,331	23,723	8,926,148	76,483,249	174,170,289
Fund Equity								
Contributed capital (note 12)				61,357,003				61,357,003
Deficit			(5,759,746)	(130)				(5,759,876)
Fund balance (deficit) (note 11):								
Reserved	4,822,663	6,346,511				117,952,301		129,121,475
Unreserved	(10,273,425)	(3,040,622)	(5,510,122)			2,469,154		(16,355,015)
Total fund equity	(5,450,762)	3,305,889	(5,510,122)	55,597,257	(130)	120,421,455	-	168,363,587
Commitments and contingent liabilities (notes 13, 14, and 15).								
Total liabilities and fund equity	\$ 23,913,744	25,361,959	20,564,140	66,839,588	23,593	129,347,603	76,483,249	342,533,876

See accompanying notes to financial statements.

CITY OF PROVIDENCE, RHODE ISLAND

Combined Statement of Revenues, Expenditures, and Changes in
Fund Balances - All Governmental Fund Types and Expendable Trust Funds

Year ended June 30, 1984

	Governmental Fund Types			Fiduciary	Total (Memorandum Only)
	General	Special Revenue	Capital Projects	Fund Types Expendable Trust	
Revenues:					
Taxes (note 2)	\$ 95,459,334				95,459,334
Charges for services	4,542,341	8,104,497			12,646,838
Shared state taxes	2,066,957				2,066,957
Federal and state grants and reimbursements	15,809,727	54,840,327	962,161		71,612,215
Sale of real estate				2,576,323	2,576,323
Licenses	1,026,610				1,026,610
Investment income	3,335,927	39,616	177,771	48,711	3,602,025
Fines and forfeitures	1,973,320				1,973,320
Other	20,000	426,256	60,441	897,132	1,403,829
Total revenues	124,234,216	63,410,696	1,200,373	3,522,166	192,367,451
Other financing sources:					
Operating transfers:					
From Special Revenue Funds	978,645				978,645
From General Fund		33,297,743	286,727		33,584,470
Total other financing sources	978,645	33,297,743	286,727	-	34,563,115
Total revenues and other financing sources	125,212,861	96,708,439	1,487,100	3,522,166	226,930,566
Expenditures:					
Personal services	34,373,530	50,823,506			85,197,036
Employee benefits	17,506,611	12,810,899			30,317,510
Services other than personal	14,641,279	2,295,556			16,936,835
Materials and supplies	3,790,435	1,368,724			5,159,159
Equipment	667,034	1,398,702			2,065,736
Intergovernmental charges		7,871,076			7,871,076
Program expenditures		9,142,800		53,982	9,196,782
Capital projects			6,863,510		6,863,510
Debt service	5,785,888				5,785,888
Interest	5,080,768		646,866		5,727,634
Other	8,946,286	6,760,450	162,681	767,822	16,637,239
Total expenditures	90,791,831	92,471,713	7,673,057	821,804	191,758,405
Other uses:					
Operating transfers:					
To Special Revenue Funds	33,297,743				33,297,743
To General Fund		978,645			978,645
To Capital Projects Fund	286,727				286,727
Total other uses	33,584,470	978,645	-	-	34,563,115
Total expenditures and other uses	124,376,301	93,450,358	7,673,057	821,804	226,321,520
Revenues and other financing sources over (under) expenditures and other uses	836,560	3,258,081	(6,185,957)	2,700,362	609,046
Fund balance (deficit) at beginning of year, as restated (note 9)	(6,287,322)	47,808	675,835	1,260,624	(4,303,055)
Fund balance (deficit) at end of year	\$ (5,450,762)	3,305,889	(5,510,122)	3,960,986	(3,694,009)

See accompanying notes to financial statements.

CITY OF PROVIDENCE, RHODE ISLAND

Combined Statement of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual - General and Special Revenue Funds (Note 1e)

Year ended June 30, 1984

	General Fund			Special Revenue Funds			Totals (Memorandum Only)		
	Budget	Actual	Variance - Favorable (Unfavorable)	Budget	Actual	Variance - Favorable (Unfavorable)	Budget	Actual	Variance - Favorable (Unfavorable)
Revenues:									
Taxes (note 2)	\$ 94,643,468	95,459,334	815,866				94,643,468	95,459,334	815,866
Charges for services	5,046,392	4,542,341	(504,051)	157,763	102,800	(54,963)	5,204,155	4,645,141	(559,014)
Shared state taxes	2,530,307	2,066,957	(463,350)				2,530,307	2,066,957	(463,350)
Federal and state grants and reimbursements	15,907,719	15,809,727	(97,992)	33,633,965	33,798,467	164,502	49,541,684	49,608,194	66,510
Licenses	914,396	1,026,610	112,214				914,396	1,026,610	112,214
Investment income	2,370,000	3,335,927	965,927				2,370,000	3,335,927	965,927
Fines and forfeitures	2,891,000	1,973,320	(917,680)				2,891,000	1,973,320	(917,680)
Miscellaneous	17,300	20,000	2,700				17,300	20,000	2,700
Total revenues	124,320,582	124,234,216	(86,366)	33,791,728	33,901,267	109,539	158,112,310	158,135,483	23,173
Other financing sources:									
Transfer from special revenue sewer fund	978,645	978,645					978,645	978,645	
Transfer from general fund				33,971,372	33,297,743	(673,629)	33,971,372	33,297,743	(673,629)
Transfer from other special revenue fund					81,484	81,484		81,484	81,484
Total other financing sources	978,645	978,645	-	33,971,372	33,379,227	(592,145)	34,950,017	34,357,872	(592,145)
Total revenues and other financing sources	125,299,227	125,212,861	(86,366)	67,763,100	67,280,494	(482,606)	193,062,327	192,493,355	(568,972)

(Continued)

CITY OF PROVIDENCE, RHODE ISLAND

Combined Statement of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual - General and Special Revenue Funds (Note 1e), Continued

	General Fund			Special Revenue Funds			Totals (Memorandum Only)		
	Budget	Actual	Variance - Favorable (Unfavorable)	Budget	Actual	Variance - Favorable (Unfavorable)	Budget	Actual	Variance - Favorable (Unfavorable)
Expenditures:									
Personal services	\$ 33,329,570	34,373,530	(1,043,960)	46,849,334	46,932,244	(82,910)	80,178,904	81,305,774	(1,126,870)
Employee benefits	17,503,308	17,506,611	(3,303)	11,410,443	11,550,256	(139,813)	28,913,751	29,056,867	(143,116)
Services other than personal	15,212,044	14,641,279	570,765	1,949,867	1,660,627	289,240	17,161,911	16,301,906	860,005
Materials and supplies	3,871,072	3,790,435	80,637	1,257,040	1,345,112	(88,072)	5,128,112	5,135,547	(7,435)
Equipment	458,049	667,034	(208,985)	1,287,532	960,261	327,271	1,745,581	1,627,295	118,286
Debt service	5,985,888	5,785,888	200,000				5,985,888	5,785,888	200,000
Interest	5,398,385	5,080,768	317,617				5,398,385	5,080,768	317,617
Other	9,569,539	8,946,286	623,253	5,008,884	4,831,994	176,890	14,578,423	13,778,280	800,143
Total expenditures	<u>91,327,855</u>	<u>90,791,831</u>	<u>536,024</u>	<u>67,763,100</u>	<u>67,280,494</u>	<u>482,606</u>	<u>159,090,955</u>	<u>158,072,325</u>	<u>1,018,630</u>
Other uses:									
Transfers to special revenue school fund	33,971,372	33,297,743	673,629				33,971,372	33,297,743	673,629
Transfer to capital projects fund		286,727	(286,727)					286,727	(286,727)
Total other uses	<u>33,971,372</u>	<u>33,584,470</u>	<u>386,902</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>33,971,372</u>	<u>33,584,470</u>	<u>386,902</u>
Total expenditures and other uses	<u>125,299,227</u>	<u>124,376,301</u>	<u>922,926</u>	<u>67,763,100</u>	<u>67,280,494</u>	<u>482,606</u>	<u>193,062,327</u>	<u>191,656,795</u>	<u>1,405,532</u>
Revenues and other sources over expenditures and other uses	\$ <u>-</u>	<u>836,560</u>	<u>836,560</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>836,560</u>	<u>836,560</u>

See accompanying notes to financial statements.

CITY OF PROVIDENCE, RHODE ISLAND

Combined Statement of Revenues, Expenses, and Changes in
Retained Earnings/Fund Balances - Proprietary Fund Types and Similar Trust Funds

Year ended June 30, 1984

	Proprietary Fund Type		Fiduciary Fund Types		Total (Memorandum (only))
	Enterprise (note 9)	Internal Service	Retirement System	Nonexpendable Trusts	
Operating revenues:					
Employee contributions	\$		3,853,712		3,853,712
Employer contributions			12,195,787		12,195,787
Revenue from other funds		65,756			65,756
Arena rent and concession income	1,362,750				1,362,750
Water sales	10,003,996				10,003,996
Maintenance charges	311,206				311,206
Other	96,452			102,453	198,905
Total operating revenues	11,774,404	65,756	16,049,499	102,453	27,992,112
Operating expenses:					
Wages and benefits	5,639,517				5,639,517
Operations	1,372,149	71,508			1,443,657
Charges by other City departments (note 10)	1,200,000				1,200,000
Retiree benefits			15,472,429		15,472,492
Administrative and general	1,294,145				1,294,145
Bad debts	730,720				730,720
Reimbursements by promoters	(807,758)				(807,758)
Other	31,918		186,087	683,433	901,438
Property taxes - other local governments	1,785,260				1,785,260
Depreciation	1,341,528				1,341,528
Total operating expenses	12,587,479	71,508	15,658,516	683,433	29,000,936
Operating income (loss)	(813,075)	(5,752)	390,983	(580,980)	(1,008,824)
Nonoperating revenues (expenses):					
Investment income			9,005,773	440,234	9,446,007
Interest on member loans			273,778		273,778
Other revenue	32,866		1,032,955		1,065,821
Interest expense	(570,229)				(570,229)
Total nonoperating revenues (expenses)	(537,363)	-	10,312,506	440,234	10,215,377
Net income (loss)	(1,350,438)	(5,752)	10,703,489	(140,746)	9,206,553
Retained earnings (deficit)/fund balance at beginning of year, as restated (note 9)	(4,409,308)	5,622	100,539,721	5,358,005	101,494,040
Deficit/fund balance at end of year	\$ (5,759,746)	(130)	111,243,210	5,217,259	110,700,593

See accompanying notes to financial statements.

CITY OF PROVIDENCE, RHODE ISLAND

Combined Statement of Changes in Financial Position -
Proprietary Fund Types and Similar Trust Funds

Year ended June 30, 1984

	Proprietary Fund Types		Fiduciary Fund Types		Total (Memorandum Only)
	Enterprise (note 9)	Internal Service	Retirement System	Nonexpendable Trusts	
Sources of funds:					
Net income (loss)	\$ (1,350,438)	(5,752)	10,703,489	(140,746)	9,206,553
Add depreciation expense	1,341,528				1,341,528
Less:					
Discount accretion which does not provide cash			(135,808)		(135,808)
Other noncash expenses	22,132				22,132
Funds provided by operations	13,222	(5,752)	10,567,681	(140,746)	10,434,405
Contributed capital	484,664				484,664
Proceeds from loan repayments			1,701,955		1,701,955
Decrease in amounts due from other funds		9,700			9,700
Decrease in investments				131,951	131,951
Decrease in accounts receivable	558,831	45,000			603,831
Decrease in inventory	68,149				68,149
Decrease in other assets	5,974				5,974
Decrease in restricted assets	28,804				28,804
Increase in accounts payable and accrued expenses	131,243	2,155	2,800,000		2,933,398
Increase in deferred revenues	236,438				236,438
Total sources of funds	<u>1,527,325</u>	<u>51,103</u>	<u>15,069,636</u>	<u>(8,795)</u>	<u>16,639,269</u>
Uses of funds:					
Increase in fixed assets	679,862				679,862
Decrease in notes payable	62,750				62,750
Decrease in bonds payable	405,000				405,000
Decrease in accounts payable				500	500
Loans to members			2,150,201		2,150,201
Change in interfund accounts, net	36,126		10,066,770		10,102,896
Increase in investments			10,825,605		10,825,605
Decrease in deferred revenue			118,421		118,421
Other, net	133,804			25,871	159,675
Total uses of funds	<u>1,317,542</u>	<u>-</u>	<u>23,160,997</u>	<u>26,371</u>	<u>24,504,910</u>
Net increase (decrease) in cash	209,783	51,103	(8,091,361)	(35,166)	(7,865,641)
Cash balance at beginning of year	46,585	(27,510)	11,347,750	605,926	11,972,751
Cash balance at end of year	\$ <u>256,368</u>	<u>23,593</u>	<u>3,256,389</u>	<u>570,760</u>	<u>4,107,110</u>

See accompanying notes to financial statements.

CITY OF PROVIDENCE, RHODE ISLAND

Notes to Financial Statements

June 30, 1984

(1) Summary of Significant Accounting Policies.

The City of Providence, which operates under a Mayor-Council form of government, adopted a Home Rule Charter in November 1980, which became fully effective on January 1, 1983. The Mayor is elected by the voters of the City for a four-year term. Most department heads and other City officials are appointed by the Mayor. City Council members are also elected for four-year terms, concurrent with that of the Mayor.

The accounting policies of the City of Providence, Rhode Island conform to generally accepted accounting principles as applicable to governmental units except that provisions for retirement benefits are not based on normal costs and the combined financial statements do not include a general fixed assets account group which should be included to conform with generally accepted accounting principles. The following is a summary of the more significant policies.

In determining those agencies, departments and other types of entities to be included in the City of Providence financial statements, the basic criterion utilized is the exercise of oversight responsibility by the City or its elected officials. Criteria utilized in determining oversight responsibility included financial independency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters.

(a) Basis of Presentation - Fund Accounting

The accounts of the City are organized on the basis of funds or account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance/retained earnings, revenues, and expenditures/expenses. The various funds are summarized by type in the combined financial statements. The following fund types and account group are used by the City.

Governmental Fund Types

Governmental Funds are those through which most governmental functions of the City are financed. The acquisition, use, and balances of the City's expendable financial resources and the related liabilities are accounted for through governmental funds. The measurement focus is upon determination of changes in financial position, rather than upon net income determination. The following are the City's governmental fund types.

General Fund - The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in other funds.

CITY OF PROVIDENCE, RHODE ISLAND

Notes to Financial Statements, Continued

Special Revenue Funds - Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or major capital projects) that are legally restricted to expenditures for specified purposes.

Under the Charter of the City, the School Fund is set up as a separate special revenue 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 reverts to the City's General Fund, and any excess of expenditures over revenues is a liability of the City's General Fund. Therefore, the School Fund has no fund balance.

Capital Projects Funds - Capital Projects Funds are used to account for expenditures for the acquisition or construction of major capital facilities.

Proprietary Fund Types

Proprietary Funds are used to account for the City's ongoing organizations and activities which are similar to those often found in the private sector. The measurement focus is upon determination of net income. The following are the City's proprietary fund types:

Enterprise Funds - Enterprise Funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprise - where the intent of the City is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the City has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purpose.

Internal Service Funds - Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City, or to other governmental units, on a cost-reimbursement basis.

Fiduciary Fund Types

Fiduciary Funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds.

Fiduciary Funds include expendable, nonexpendable, agency and Retirement System trust funds. Expendable trust and agency funds are accounted for and reported as governmental funds. Nonexpendable and retirement trust funds are accounted for separately since capital maintenance is critical.

CITY OF PROVIDENCE, RHODE ISLAND

Notes to Financial Statements, Continued

Account Group: General Long-term Obligations

This group of accounts is established to account for all long-term obligations of the City, including bonds, previously appropriated pension contributions which have been deferred to future years (note 8), and compensated absences.

(b) Basis of Accounting

The modified accrual basis of accounting is followed by the governmental funds. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period (see Note 2 for property tax accrual policy). Expenditures, other than interest on long-term debt, are recorded when the liability is incurred.

In applying the susceptible to accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidance. There are however, essentially two types of these revenues. In one, monies must be expended on the specific purpose or project before any amounts will be paid to the City; therefore, revenues are recognized based upon the expenditures recorded. In the other, monies are virtually unrestricted as to purpose of expenditure and are usually revocable only for failure to comply with prescribed compliance requirements. These resources are reflected as revenues at the time of receipt or earlier if the susceptible to accrual criteria are met.

Licenses and permits, charges for services, fines and forfeits, and miscellaneous revenues are recorded as revenues when received in cash because they are generally not measurable until actually received.

Revenues and expenses of fiduciary and proprietary fund types are primarily recognized on the accrual basis.

(c) Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriation, is employed in the governmental funds. Open encumbrances are reported as reservations of fund balances since the commitments will be honored through subsequent years' budget appropriations. Encumbrances do not constitute expenditures or liabilities.

(d) Investments

Debt securities of the Retirement Fund are stated at cost (adjusted for amortization of premium and accretion of discount). Equity securities of the Retirement Fund are stated at the lower of aggregate cost or market value. Investments of other funds are stated at cost which approximates market.

CITY OF PROVIDENCE, RHODE ISLAND

Notes to Financial Statements, Continued

(e) Budgetary Data

The City employs the following procedures in establishing the General Fund budgetary data reflected in the combined financial statements:

- (i) At least sixty days prior to July 1, the Mayor submits to the City Council a proposed operating budget for the upcoming fiscal year. The operating budget includes proposed expenditures and the means of financing them.

The Council may alter the proposed expenditures but may not cause an excess of appropriations over expected revenues submitted by the Mayor.
- (ii) The final budget is legally enacted through passage of an ordinance.
- (iii) The Mayor is authorized to make minor transfers of budgeted amounts between departments. Significant budget revisions or transfers must be approved by the City Council.

The actual amounts included in the Combined Statement of Revenues and Expenditures - Budget and Actual (Exhibit C) are presented in accordance with generally accepted accounting principles which is the method employed in preparation of the budget. The Special Revenue Fund amounts presented in Exhibit C include those of the Federal Revenue Sharing Fund, the Unrestricted School Fund and certain Restricted School Funds. Other Special Revenue Funds do not have legally adopted budgets.

(f) Vacations and Sick Leave

Under the terms of various contracts and policies, City employees are granted vacation and sick leave in varying amounts based on length of service. The City's policy is to recognize the cost of vacation and sick leave in governmental funds when paid and on the accrual basis in proprietary funds. The amount of earned but unpaid accumulated vacation time relating to governmental fund employees is recognized as a long-term obligation in the Long-term Obligation Account Group.

(g) Litigation and Related Matters

Liabilities for legal cases and other claims against governmental funds are recorded when the ultimate liability can be estimated and such cases are expected to be liquidated with expendable available financial resources. Remaining claims against governmental funds which can be estimated but are not expected to be liquidated with expendable available resources are recorded in the long-term obligations group of accounts. Such remaining accruable claims were insignificant at June 30, 1984. Liabilities for such matters are recorded on the accrual basis in Proprietary Fund types.

(h) Amounts to be Provided

Amounts to be provided represent monies to be raised from future tax levies as well as future reimbursements from other governments to retire general long-term obligations.

CITY OF PROVIDENCE, RHODE ISLAND

Notes to Financial Statements, Continued

(i) Inventory and Supplies

Inventory in the proprietary funds is stated at the lower of cost or market. Inventory consists primarily of materials and supplies. Inventory and supplies in governmental funds are recorded as an expenditure at the time of purchase.

(j) Property, Plant and Equipment - Enterprise Funds

Property, plant and equipment owned by the enterprise funds is stated at cost. Assets acquired by the Providence Water Supply Board through contributions are recorded at contributor's reported cost. Depreciation has been provided over the estimated useful lives using the straight-line method and is charged to retained earnings.

(k) Combined Total Data

The total data are the aggregate of the fund types and account group. No consolidating entries or other eliminations were made in arriving at the totals; thus they do not present consolidated information.

(2) Property Taxes and Other Charges for Services(a) Property Taxes

The City's property tax is levied each year on the assessed value listed as of the prior December 31 for all real property, tangible property, equipment, and motor vehicles located in the City. Assessed values of real property were established by the City Assessor's office at 85% of appraised market value based on the 1975 valuation. Assessed values of tangible property and equipment are determined annually at 85% of market value while the assessed value of motor vehicles is determined annually at 95% of market value.

The taxable assessments, tax rate and gross levy of the 1982 tax levy are as follows (in thousands):

	<u>Taxable assessment</u>	<u>Exemptions</u>	<u>Net taxable assessment</u>	<u>Rate per \$1,000</u>	<u>Gross levy</u>
Real property	\$ 1,035,989	27,226	1,008,763	69.61	70,220
Tangible property	235,286	54	235,232	69.61	16,583
Equipment	4,158		4,158	71.65	298
Motor vehicles	<u>183,439</u>	<u>3,150</u>	<u>180,289</u>	<u>69.61</u>	<u>12,550</u>
	\$ <u>1,458,872</u>	<u>30,430</u>	<u>1,428,442</u>		<u>99,651</u>

Taxes on the gross levy were due in equal quarterly installments in July and October 1983 and January and April 1984.

CITY OF PROVIDENCE, RHODE ISLAND

Notes to Financial Statements, Continued

The City recognizes property tax revenues in accordance with Interpretation 3 of Statement 1 of Governmental Accounting and Financial Reporting Principles. Under Interpretation 3, only those property tax payments due as of the end of the fiscal year and received within 60 days thereafter are recognized as revenue. All unpaid property taxes as of the end of the fiscal year are recorded as receivables. Those not collected within 60 days are recorded as deferred revenue if the eventual collection appears likely or are reserved by an allowance for doubtful accounts if the eventual collection appears unlikely.

(b) Sewer Use Fee

In 1982, the City transferred its Sewerage Treatment Facility to the Narragansett Bay Water Quality Management District Commission (Narragansett Bay Commission) (a component unit of the State of Rhode Island). Pursuant to the transfer agreement, the Bay Commission operates the plant and annually charges the City and other participating communities for their share of its operating costs. The City, in turn, is responsible for levying and collecting a sewer use fee against all property owners, sufficient to meet the charge from the Narragansett Bay Commission. The sewer use fee and Narragansett Bay Commission charges are recorded in the special revenue Sewer Fund.

Sewer use fees are recorded as receivables when earned (including both amounts billed as of the end of the fiscal year as well as amounts billed after the fiscal year end), net of estimated uncollectibles. Net receivables which are not considered to be available to meet current obligations are reflected as deferred revenues.

(c) Water Fees

Revenues from charges for services of the Providence Water Supply Board are recognized on the accrual basis when billed, net of estimated uncollectibles. Most metered water sale customers are billed annually on a staggered basis throughout the fiscal year. Large commercial customers and other local water suppliers are billed more frequently.

(3) Intergovernmental Accounts

Due to and from other governments consists of the following amounts at June 30, 1984:

CITY OF PROVIDENCE, RHODE ISLAND

Notes to Financial Statements, Continued

	<u>Due from</u>	<u>Due to</u>
General Fund:		
State of Rhode Island	\$ 3,738,396	-
Special Revenue Funds:		
Federal Government	8,110,154	125,744
State of Rhode Island	<u>110,979</u>	<u>6,248,861</u>
Total Special Revenue Funds	<u>8,221,133</u>	<u>6,374,605</u>
Capital Projects Funds:		
Federal government	<u>246,648</u>	-
Total all funds	\$ <u>12,206,177</u>	<u>6,374,605</u>

Pursuant to the transfer of the City's Sewage Treatment Facility described in Note 2(b), the City and the Narragansett Bay Commission agreed to enter into a subsequent agreement whereby the Commission would pay the City an amount in lieu of property taxes. Because this subsequent agreement has not been finalized, the payment has not been determined and no amount has been recorded at June 30, 1984.

(4) Property, Plant and Equipment

The following is a summary of the property, plant and equipment of the City's enterprise funds at June 30, 1984:

	<u>Providence Civic Center Authority</u>	<u>Providence Water Supply Board</u>	<u>Total</u>
Land	\$	4,207,412	4,207,412
Improvements other than buildings		58,563,581	58,563,581
Buildings and improvements	13,866,703	9,291,952	23,158,655
Furnishings and equipment	<u>931,260</u>	<u>5,316,941</u>	<u>6,248,201</u>
Total	14,797,963	77,379,886	92,177,849
Less accumulated depreciation	<u>5,867,636</u>	<u>22,298,724</u>	<u>28,166,360</u>
Net property, plant and equipment	\$ <u>8,930,327</u>	<u>55,081,162</u>	<u>64,011,489</u>

CITY OF PROVIDENCE, RHODE ISLAND

Notes to Financial Statements, Continued

Property, plant and equipment owned by the Water Supply Board is stated at cost. Plant and equipment of the Providence Civic Center are recorded at cost, except that property under capital leases are recorded at the lower of the present value of the future minimum rental payments or the fair value of the property at the beginning of the lease term. Depreciation is provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

	<u>Civic Center Authority</u>	<u>Water Supply Board</u>
Buildings and improvements	10 - 30 years	50 - 150 years
Improvements, other than buildings	-	75 - 100 years
Equipment	3 - 20 years	3 - 10 years

(5) Interfund Accounts

At June 30, 1984, amounts due to and from other funds resulting from various interfund activities were as follows:

	<u>Due from other funds</u>	<u>Due to other funds</u>
General Fund:		
Proprietary Fund Types	\$ 272,664	
Special Revenues Funds	3,086,027	971,194
Capital Projects Fund		892,836
Fiduciary Fund Types		<u>10,072,957</u>
Total General Fund	<u>3,358,691</u>	<u>11,936,987</u>
Capital Projects Fund:		
Fiduciary Fund Types	28,250	
General Fund	892,836	
Special Revenue Funds	<u>131,352</u>	
Total Capital Projects	<u>1,052,438</u>	<u>-</u>
Long-term Debt Group of Accounts:		
Fiduciary Funds - Retirement System (note 8)	<u>-</u>	<u>4,538,249</u>

(Continued)

CITY OF PROVIDENCE, RHODE ISLAND

Notes to Financial Statements, Continued

	<u>Due from other funds</u>	<u>Due to other funds</u>
Fiduciary Fund Types:		
Special Revenue Funds	\$ 94,820	
Capital Projects Funds		28,250
Long-term Debt Group of Accounts (note 8)	4,538,249	
General Fund	10,072,957	
Proprietary Fund Types	<u>17,414</u>	
Total Fiduciary Fund Types	<u>14,723,440</u>	<u>28,250</u>
Special Revenue Funds:		
General Fund	971,194	3,086,027
Other Special Revenue Funds	488,511	488,511
Proprietary Funds		88,662
Fiduciary Funds		94,820
Capital Projects Funds		<u>131,352</u>
Total Special Revenue Funds	<u>1,459,705</u>	<u>3,889,372</u>
Proprietary Funds:		
General Fund		272,664
Special Revenue Funds	88,662	
Fiduciary Fund Types		<u>17,414</u>
Total Proprietary Funds	<u>88,662</u>	<u>290,078</u>
Total all funds	\$ <u>20,682,936</u>	<u>20,682,936</u>

(6) UDAG Loans Receivable

Included in Special Revenue Funds are loans receivable under Urban Development Action Grants representing amounts advanced to developers for certain urban development projects within the City. Such loans have been granted under the following terms:

Fleet Center and Garage:

- Loan balance as of June 30, 1984 - \$2,987,380
- Interest rate increasing from 0% at commencement to 8% by year six
- Repayment over thirty years
- Total loan commitment - \$7,000,000

CITY OF PROVIDENCE, RHODE ISLAND

Notes to Financial Statements, Continued

Richmond Square:

- Loan balance as of June 30, 1984 - \$855,000
- 5% interest rate, commencing in year four
- Repayment over twenty-five years, commencing in year four
- Total loan commitment - \$900,000 with a \$300,000 grant

Under the terms of these Federal UDAG agreements, future proceeds from repayment of principal and interest must be spent by the City on eligible community development projects.

(7) Notes Payable and Other Current Obligations(a) Capital Projects Funds

Bonds payable amounting to \$22,280,000 were issued in June 1984 which are due on June 15, 1985 with interest at the rate of 8.47%. The City has classified these bonds as current obligations in accordance with National Council on Governmental Accounting (NCGA) Interpretation 9. In addition, there were notes payable to banks at June 30, 1984 amounting to \$1,805,000 due on June 15, 1985 with interest at the rate of 8.47%.

(b) Proprietary Funds

Notes payable to bank amounting to \$146,000 were due on August 30, 1984 with interest at the rate of 6.25%.

(8) Long-term Obligations(a) Bonds Payable

The following is a summary of bond transactions of the City for the year ended June 30, 1984 (in thousands):

	General Obligation	Proprietary Fund - Providence Water Supply Board	Total
Bonds payable at June 30, 1983	\$ 75,375	9,940	85,315
Debt retired	<u>(6,200)</u>	<u>(405)</u>	<u>(6,605)</u>
Bonds payable at June 30, 1984	\$ <u>69,175</u>	<u>9,535</u>	<u>78,710</u>

The Providence Water Supply Board (WSB) long-term debt is actually general obligation debt of the City, however, because it is the intent of the City to have the WSB meet the debt service requirements of this debt, such amounts are recorded in the WSB financial statements.

CITY OF PROVIDENCE, RHODE ISLAND

Notes to Financial Statements, Continued

The annual requirements to amortize long-term bonds payable as of June 30, 1984 are as follows (in thousands):

Year ending June 30	General Obligation			Proprietary Fund			Total
	Principal	Interest	Total	Principal	Interest	Total	
1985	\$ 6,010	4,505	10,515	425	533	958	11,473
1986	6,040	4,117	10,157	445	511	956	11,113
1987	6,080	3,719	9,799	460	488	948	10,747
1988	6,120	3,328	9,448	490	464	954	10,402
1989	5,485	2,981	8,466	510	439	949	9,415
1990	5,430	2,587	8,017	540	413	953	8,970
1991	5,300	2,215	7,515	560	384	944	8,459
1992	5,035	1,843	6,878	600	355	955	7,833
1993	4,660	1,465	6,125	625	323	948	7,073
1994	4,970	1,084	6,054	495	292	787	6,841
1995	4,895	664	5,559	525	263	788	6,347
1996	1,650	410	2,060	555	232	787	2,847
1997	1,650	319	1,969	590	198	788	2,757
1998	1,650	229	1,879	620	163	783	2,662
1999	1,650	139	1,789	655	126	781	2,570
2000	1,650	52	1,702	695	86	781	2,483
2001	900	2	902	745	44	789	1,691
Total	\$ <u>69,175</u>	<u>29,659</u>	<u>98,834</u>	<u>9,535</u>	<u>5,314</u>	<u>14,849</u>	<u>113,683</u>

CITY OF PROVIDENCE, RHODE ISLAND

Notes to Financial Statements, Continued

Included in the long-term obligations group of accounts are \$10,076,700 in General Obligation Bonds for which the Narragansett Bay Commission has agreed to assume debt service pursuant to an agreement whereby the City's Sewerage Treatment Facility was transferred to the Narragansett Bay Commission in 1982. Under the agreement, the Narragansett Bay Commission will reimburse the City for all principal and interest due on the debt when due. The City, however, remains ultimately responsible for the timely payment of the issues.

(b) Amount Due to Employees' Retirement System

In 1982, the City agreed to contribute an unpaid appropriation to the Employees' Retirement System over a twenty-year period ending in 2001 with interest at 8½%. This obligation is being paid in annual amounts of \$514,238, including principal and interest. The remaining balance of the obligation is presented as an amount due to the Retirement System in the Long-term Debt Group as well as a reservation of the fund balance of the General Fund (Note 11). A corresponding receivable amount is recorded on the Retirement System Fund with an offset included in deferred revenue. Following is a summary of activity during fiscal 1984:

Balance at June 30, 1983	\$ 4,656,670
Principal payments made during fiscal year 1984	<u>118,421</u>
Balance at June 30, 1984	\$ <u>4,538,249</u>

(c) Accrued Vacation Pay

The City's policy is to recognize cost of sick leave and vacation pay for governmental fund employees at the time payments are made. Accumulated vacation pay for governmental fund employees at June 30, 1984 amounted to approximately \$2,770,000 and is recorded in the Long-term Obligations Group of Accounts.

(9) Prior Period Adjustments and
Changes in Financial Presentation

The following is a summary of changes to beginning fund equity amounts resulting from changes in financial presentation and corrections of errors in certain funds:

CITY OF PROVIDENCE, RHODE ISLAND

Notes to Financial Statements, Continued

Special Revenue Funds:

Combined fund balance at June 30, 1983 as previously reported	\$ 482,984
Prior period adjustment to correct accounting errors related to recognition of grant revenue prior to incurrence of related grant expenditures	(557,382)
Reclassification of a fund from Internal Service Funds to better reflect the nature of its operations	126,960
Other	<u>(4,754)</u>
Combined fund balance at June 30, 1983, as restated	\$ <u>47,808</u>

Capital Projects Fund:

Combined fund balance at June 30, 1983, as previously reported	\$ 2,570,835
Prior period adjustment; reclassification of notes payable to a current obligation (previously presented in the Long-term Obligations Group of Accounts) pursuant to the adoption of NCGA Interpretation 9	(1,895,000)
Combined fund balance at June 30, 1983, as restated	\$ <u>675,835</u>

	Expendable Trusts	Nonexpendable Trusts
Fiduciary Funds:		
Combined fund balance at June 30, 1983, as previously reported	\$ 2,341,037	4,277,592
Reclassification of certain funds to better reflect the nature of their operations	(1,080,413)	1,080,413
Combined fund balance at June 30, 1983, as restated	\$ <u>1,260,624</u>	<u>5,358,005</u>

CITY OF PROVIDENCE, RHODE ISLAND

Notes to Financial Statements, Continued

Internal Service Funds:

Combined retained earnings at June 30, 1983 as previously reported	\$ 133,651
Reclassification of a fund to Special Revenue Funds to better reflect the nature of its operations	(126,960)
Other	<u>(1,069)</u>
Combined retained earnings at June 30, 1983, as restated	\$ <u>5,622</u>

	<u>Contributed capital</u>	<u>Retained earnings</u>
Enterprise Funds (Providence Water Supply Board):		
Balances at June 30, 1983, as previously reported	\$ 46,184,940	439,696
Prior period adjustment related to recognition of accrued vacation pay liability	(238,000)	(20,000)
Other corrections of accounting errors related to the misuse of facts prior to fiscal year 1984	<u>733,170</u>	<u>88,223</u>
Balances at June 30, 1983, as restated	\$ <u>46,680,110</u>	<u>507,919</u>

Prior to 1984, the Water Supply Board recognized vacation pay when paid despite the fact that vacation pay should be recognized on the accrual basis in enterprise funds. For fiscal 1984, the Water Supply Board has properly recognized vacation pay on the accrual basis.

(10) Segment Information for Enterprise Funds

The City maintains two Enterprise Funds, the Providence Civic Center Authority and the Providence Water Supply Board. Segment information for the year ended June 30, 1984 is as follows:

CITY OF PROVIDENCE, RHODE ISLAND

Notes to Financial Statements, Continued

	Providence Water <u>Supply Board</u>	Providence Civic Center <u>Authority</u>	Total enterprise <u>funds</u>
Operating revenues	\$ 10,315,202	1,459,202	11,774,404
Depreciation	787,127	554,401	1,341,528
Operating income (loss)	20,200	(833,275)	(813,075)
Net loss	(523,400)	(827,038)	(1,350,438)
Due from other City funds	88,662		88,662
Due to other City funds	(290,078)		(290,078)
Bonds and other long-term liabilities payable from operating revenues	9,157,500		9,157,500
Total equity	\$ <u>46,893,004</u>	<u>8,704,253</u>	<u>55,597,257</u>

Providence Water Supply Board

The Providence Water Supply Board was created in 1940 by Chapter 832 of the Public Laws of the State of Rhode Island. The Water Supply Board conducts business in the capacity of an agent of the Providence City Council. Membership of the Board is comprised of four persons appointed by the Mayor who serve for 4-year staggered terms and two City Council members elected by the City Council who serve during their 4-year City Council term. The Finance Director of the City of Providence also serves as an ex-officio Board member.

The Water Supply Board provides water supply services through metered sales in Providence and parts of the surrounding communities of North Providence, Johnston and Cranston. The Water Supply Board also sells water to other local water supply systems on a wholesale basis. The Water Supply Board's source of water supply is the Scituate Reservoir, located in the Town of Scituate, Rhode Island, and five tributary reservoirs.

Activities of the Water Supply Board are governed by the regulations of the Public Utility Administrator of the State of Rhode Island. All water sale rates are established by the State Public Utilities Commission.

During the fiscal year ended June 30, 1984, the City of Providence performed various services for the Water Supply Board. The total billing for city services performed amounted to \$1,200,000. This amount is established by the City. The Water Supply Board has also performed services for various City funds and departments, the charges for which have been included as revenue in the accompanying financial statements. These revenues are not significant to total revenues.

The Water Supply Board does not maintain a cash account for its operations. All receipts and disbursements relating to Water Supply Board operations are recorded through the City's General Fund on its behalf.

CITY OF PROVIDENCE, RHODE ISLAND

Notes to Financial Statements, Continued

Providence Civic Center Authority

The Civic Center Authority was created by an Act of the Rhode Island State Legislature in 1969 to provide a public facility for various civic, athletic and cultural events. The facility was built and paid for from the proceeds of general obligation bonds sold by the City and contributed to the Authority. The Authority leases its facilities to various promoters and groups, at rental charges calculated usually as a percentage of gross ticket sales and/or a minimum rental fee. Rental charges for certain events are based upon a fixed fee. In addition to rental income, the Authority is reimbursed by lessees for expenses the Authority incurs in connection with the various events.

Under Sec. 10(b) of the Act, the Authority is required to pay annually all excess revenues, as defined in the Act, to the City. Because of original capital funding deficiencies and capital additions since operations began in 1972 no payments have been required under this provision of the Act. The Center and all funds and assets of the Authority shall become the property of the City upon the payment and retirement of all bonds issued by the City to fund the Authority. The bonds are scheduled for payment and retirement in 1992.

Restricted Assets

Restricted assets of the enterprise funds consisted of cash and investments maintained for the following reasons as of June 30, 1984:

Water Supply Board:

Depreciation and extension fund restricted for maintenance and expansion of utility plant as well as for insurance purposes as mandated by the Public Utilities Commission	\$ <u>211,747</u>
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Civic Center:

Collections from advance ticket sales and promoters' deposits	113,011
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Other	<u>249,474</u>
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	<u>362,485</u>
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Total restricted assets	\$ <u><u>574,232</u></u>
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CITY OF PROVIDENCE, RHODE ISLAND

Notes to Financial Statements, Continued

(11) Fund Balances

Reservations of fund balance at June 30, 1984 were as follows:

General Fund:		
Reserved for encumbrances	\$	284,414
Reserved for future pension contributions		<u>4,538,249</u>
	\$	<u>4,822,663</u>
Fiduciary Fund Types:		
Reserved for payment of retirement benefits		111,243,210
Reserved for designated purposes		<u>6,709,091</u>
	\$	<u>117,952,301</u>
Special Revenue Funds:		
Reserved for designated purposes	\$	<u>6,346,511</u>

The General Fund, the Special Revenue Sewer Fund and the Capital Projects Funds have fund deficits of \$5,450,762, \$3,063,732 and \$5,510,122, respectively, at June 30, 1984. It is the intent of City officials to eliminate the General Fund deficit over the next five years through annual budget appropriations for this purpose. City officials expect that the Sewer Fund deficit will be largely eliminated through credits issued by the Narragansett Bay Commission against amounts owed to it by the City as well as through improved collections of sewer use fees. On April 8, 1985, the Narragansett Bay Commission granted a credit in the amount of approximately \$5,606,000 against amounts then owed to it by the City. The Capital Projects Fund deficit is expected to be eliminated through future proceeds from issuance of long-term debt.

(12) Contributed Capital

The contributed capital accounts are utilized to record the value of assets contributed to the Proprietary Funds. The following is a summary of changes in contributed capital accounts during the year ended June 30, 1984:

	Providence Civic Center Authority	Providence Water Supply Board	Total
Balance at June 30, 1983, as restated (note 9)	\$ 14,192,229	46,680,110	60,872,339
Contributions from the City of Providence	256,289		256,289
Contributions in aid of construction		<u>228,375</u>	<u>228,375</u>
Balance at June 30, 1984	\$ <u>14,448,518</u>	<u>46,908,485</u>	<u>61,357,003</u>

CITY OF PROVIDENCE, RHODE ISLAND

Notes to Financial Statements, Continued

(13) Pension Plans

The City has a contributory pension plan covering most City and certain School Department employees. 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. 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 for amortization of prior service cost and interest on the unfunded past service liability. Since the City has not had an actuarial valuation of its plan since June 30, 1982, the effect of the 70% funding policy on pension cost in 1984 is not determinable.

The following is a summary of recommended and actual contributions made during the year ended June 30, 1984:

Recommended contributions	\$ <u>12,075,000</u>
Actual contributions:	
General Fund	10,073,000
School Department	1,630,000
Providence Water Supply Board	<u>372,000</u>
	\$ <u>12,075,000</u>

As of June 30, 1982, the date of the latest actuarial report, the unfunded past service liability amounted to approximately \$128,000,000.

Actuarial and net asset information of the Employees' Retirement System follows:

Actuarial present value of accumulated plan benefits as of June 30, 1982:	
Vested	\$ 168,300,000
Nonvested	<u>5,100,000</u>
Total	\$ <u>173,400,000</u>
Net assets available for benefits as of June 30, 1982	\$ <u>94,600,000</u>

The assumed rate of return used in determining the actuarial present value of accumulated plan benefits was 8.5 percent compounded annually.

CITY OF PROVIDENCE, RHODE ISLAND

Notes to Financial Statements, Continued

Subsequent to June 30, 1984, a judgment was rendered in class action brought against the Employees' Retirement System by a class of retired teachers. As a result of this judgment, additional employee benefits in the amount of \$2,800,000 have been provided in the accompanying Employees' Retirement System financial statements.

The City is obligated to contribute each year an amount sufficient to provide for the payment of special pensions to elective officers on a pay-as-you-go-basis. The City is also required to make contributions to the National Pension Plan of the Laborers' International Union of North America, the Rhode Island Legal Service trust for those employees in the Laborers' International Union, the Police Pension Fund and the Fire Pension Fund and other plans. Total pension expense for these purposes, recorded in the General Fund, amounted to \$1,086,616 during the year ended June 30, 1984.

Teachers in the City's public schools participate in the Employees' Retirement System of the State of Rhode Island. The teachers contribute 6.5% of their salary and the remainder of the cost is divided evenly between the City and the State. The City makes annual contributions to the plan equal to the amount of pension expense. The system's statutory funding schedule requires partial funding of current costs and interest on the unfunded prior service cost in increasing amounts until June 30, 1985. After June 30, 1985, the rates will provide for full funding of normal costs, amortization of the unfunded liability and interest on any unfunded liability. The contribution to the pension plan for the year ended June 30, 1984 was approximately \$2,673,000 and is included in the School Special Revenue Fund. At the current time information relating to the City's portion of accumulated plan benefits and plan net assets is not available. School Fund pension expense for other pension plans amounted to approximately \$155,000 during the year ended June 30, 1984.

The Providence Civic Center Authority has established a noncontributory, defined contribution plan for all management employees. The contribution for the year ended June 30, 1984 was \$9,669 and was based on a percentage of salaries paid. The Authority's policy is to fund all retirement costs accrued.

(14) Lease Obligations

The City is obligated under several noncancelable operating leases for various buildings and equipment. Future minimum lease payments as of June 30, 1984 were as follows:

Fiscal year ending June 30:	
1985	\$ 930,049
1986	527,683
1987	525,079
1988	525,079
1989	314,321
1990	<u>79,300</u>

CITY OF PROVIDENCE, RHODE ISLAND

Notes to Financial Statements, Continued

(15) Commitments and Contingent Liabilities

The City is a defendant in several pending and existing lawsuits, claims, and grievances for which the City Solicitor and outside counsel are unable to determine the extent of the liability to the City. No provision has been made in the accompanying financial statements for any liability which may occur as a result of such cases.

The City participates in a number of Federally-assisted grant programs, including the Federal Revenue Sharing, Community Development Block Grant, and various education programs. These programs are subject to financial and compliance audits by the grantors or their representatives. Compliance audits of various programs included in special revenue funds have identified approximately \$465,000 of expenditures which have been questioned as to their allowability under the specific grant agreements. The results of the fiscal year 1984 compliance audits have not been fully resolved by the grantor agencies. The amount, if any, of expenditures which may actually be disallowed by the Federal granting agencies cannot be determined at this time.

The Providence Civic Center Authority is contesting a \$78,000 assessment from the Rhode Island Department of Employment Security for reimbursement from the Authority for unemployment benefits paid to individuals who were alleged employees of the Authority and who received unemployment benefits during 1975 and 1976. The Authority has raised several defenses and has instituted an action in the Superior Court to declare these taxes unconstitutional. No provision has been made in the financial statements for this assessment. Counsel for the Authority believes that the action is meritorious and should result in an abatement of the greater portion of the taxes claimed.

The City is self-insured for such matters as Workman's Compensation and casualty losses to some real estate and equipment.

(16) Other Matters

In September 1983, the City sold the Valley View Housing Project (a general fixed asset of the City). The net proceed from the sale, amounting to approximately \$2,350,000 is included in expendable fiduciary funds at June 30, 1984 and will be used to reduce the City debt or to finance capital improvements of the City.

Liabilities

Current liabilities (payable from current assets):	
Due to City of Providence General Fund	\$ 272,664
Due to City of Providence Retirement System	17,414
Accrued expenses	354,077
Current portion of general obligation bonds	<u>425,000</u>
Total current liabilities (payable from current assets)	<u>1,069,155</u>
Long-term liabilities:	
General obligation bonds (net of current portion)	9,110,000
Other	<u>47,500</u>
Total long-term liabilities	<u>9,157,500</u>
Total liabilities	<u>10,226,655</u>

Fund Equity

Contributed capital	\$ 46,908,485
Retained deficit	<u>(15,481)</u>
Total fund equity	46,893,004
Contingent liabilities (notes 13 and 15).	
	<u>\$ 57,119,659</u>

CITY OF PROVIDENCE, RHODE ISLAND
 Providence Water Supply Board
 Enterprise Fund
 Statement of Revenues and Expenses
 Year ended June 30, 1984

Operating revenues - charges for services:	
Water sales:	
General customers	\$ 6,832,970
Other local water suppliers	2,635,718
Fire protection services	535,308
Maintenance charges	<u>311,206</u>
Total operating revenues	<u>10,315,202</u>
Operating expenses:	
Wages and benefits	4,026,652
Water supply services and supplies	1,132,670
Administrative and general	612,970
Charge for services provided by other	
City departments (note 10)	1,200,000
Depreciation	787,127
Bad debts	718,405
Net loss on disposal of fixed assets	31,918
Property taxes - other local governments	<u>1,785,260</u>
Total operating expenses	<u>10,295,002</u>
Operating income	<u>20,200</u>
Nonoperating revenues (expenses):	
Interest income	9,786
Interest expense	<u>(553,386)</u>
	<u>(543,600)</u>
Net loss	<u>\$ (523,400)</u>

CITY OF PROVIDENCE, RHODE ISLAND

Providence Water Supply Board

Enterprise Fund

Statement of Fund Equity

Year ended June 30, 1984

	<u>Contributed capital</u>	<u>Retained earnings (deficit)</u>	<u>Total</u>
Balance at June 30, 1983, as restated (note 9)	\$ 46,680,110	507,919	47,188,029
Contributions in aid of construction	228,375		228,375
Net loss		(523,400)	(523,400)
Balance at June 30, 1984	\$ <u>46,908,485</u>	<u>(15,481)</u>	<u>46,893,004</u>

CITY OF PROVIDENCE, RHODE ISLAND

Providence Water Supply Board

Enterprise Fund

Statement of Changes in Financial Position

Year ended June 30, 1984

Sources of working capital:

Operations:

Net loss	\$ (523,400)
Items which do not use (provide) working capital:	
Depreciation	787,127
Net loss on fixed asset retirements	31,918
Income on restricted assets	<u>(9,786)</u>

Working capital provided by operations	285,859
--	---------

Contributions	228,375
Decrease in other noncurrent assets	5,974
Net decrease in working capital	<u>632,617</u>

	\$ <u>1,152,825</u>
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Uses of working capital:

Acquisition of property, plant and equipment	622,825
Retirement of general obligation bonds	425,000
Increase in restricted assets	80,000
Decrease in other noncurrent liabilities	<u>25,000</u>

	\$ <u>1,152,825</u>
--	---------------------

Elements of net increase (decrease) in working capital:

Receivables	(589,865)
Inventory	(68,326)
Due to General Fund	53,540
Accrued expenses	9,448
Current portion of long-term debt	(20,000)
Due to Retirement System	<u>(17,414)</u>

Net decrease in working capital	\$ <u>(632,617)</u>
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CITY OF PROVIDENCE
ADDITIONAL INFORMATION

CITY OF PROVIDENCE, RHODE ISLAND

General Fund

Schedule of Revenues and Other Financing Sources -
Budget and Actual

Year ended June 30, 1984

	<u>Budget</u>	<u>Actual</u>	Actual over (under) <u>budget</u>
Revenues:			
Property taxes and excise taxes	\$ 94,643,468	95,459,334	815,866
Shared State taxes	2,530,307	2,066,957	(463,350)
Business and nonbusiness licenses	914,396	1,026,610	112,214
Fines, forfeits and escheats	2,891,000	1,973,320	(917,680)
Grants-in-aid (State of Rhode Island):			
General Public Assistance	12,251,700	11,455,537	(796,163)
Payment of school debt		413,657	413,657
In lieu of machinery, equipment, inventory and intangible taxes	3,656,019	3,940,533	284,514
Rents and interest	2,370,000	3,335,927	965,927
General departments	5,046,392	4,542,341	(504,051)
Miscellaneous	17,300	20,000	2,700
	<hr/>	<hr/>	<hr/>
Total revenues	124,320,582	124,234,216	(86,366)
Other financing sources:			
Transfer from special revenue sewer use fund	978,645	978,645	-
	<hr/>	<hr/>	<hr/>
Total revenues and other financing sources	\$ <u>125,299,227</u>	<u>125,212,861</u>	<u>(86,366)</u>

CITY OF PROVIDENCE, RHODE ISLAND

General Fund

Schedule of Expenditures - Budget and Actual

Year ended June 30, 1984

Expenditures	Budget	Transfers increase (decrease)	Revised budget	Actual expenditures	Actual (over) under budget
Executive, Legislative and Judicial activities:					
City Council	\$ 274,769		274,769	255,170	19,599
City Clerk	147,817	9,200	157,017	156,628	389
Probate Court	91,622		91,622	93,559	(1,937)
Providence Municipal Court	228,164		228,164	212,697	15,467
Mayor's Office	507,634	(25,470)	482,164	433,389	48,775
Law Department	1,440,815	(502,500)	938,315	1,413,770	(475,455)
City Sargeant	16,278		16,278	17,585	(1,307)
Contingencies	50,000	(4,049)	45,951	41,594	4,357
Total Executive, Legislative, and Judicial activities	2,757,099	(522,819)	2,234,280	2,624,392	(390,112)
Finance Administration:					
Finance Director	232,120	(23,500)	208,620	199,006	9,614
City Controller	411,491	(4,500)	406,991	413,910	(6,919)
Employees' Retirement Office	163,942		163,942	180,838	(16,896)
Data Processing	715,341	41,000	756,341	765,839	(9,498)
City Collector	551,089	(4,500)	546,589	555,376	(8,787)
City Assessor	526,203	(22,500)	503,703	405,811	97,892
Treasury Department	120,622		120,622	125,055	(4,433)
Board of Tax Assessments Review	17,960		17,960	17,109	851
Personnel	108,851	25,470	134,321	124,666	9,655
Labor lawyer	75,000		75,000	90,892	(15,892)
Emergency temporary and seasonal employees	40,000	9,000	49,000	60,481	(11,481)
Payment to Employees Retirement System	10,003,269		10,003,269	10,073,477	(70,208)
Elected officials	115,380		115,380	115,380	-
Police pensions	81,500		81,500	62,526	18,974
Fire pensions	93,700		93,700	82,705	10,995
Laborers International legal fee	250,732		250,732	253,704	(2,972)
Payment to Laborers International pension fund	943,603		943,603	952,317	(8,714)
Public employees health services	75,634		75,634	73,578	2,056
Retirement of serial bonds and deferred pension contribution	5,985,888		5,985,888	5,785,888	200,000
Interest	5,632,585	(234,200)	5,398,385	5,080,768	317,617
FICA	1,120,425		1,120,425	1,136,443	(16,018)
Medical insurance	4,379,065	100,000	4,479,065	4,445,829	33,236
Unemployment compensation	200,000	(115,000)	85,000	74,997	10,003
Reserve for anticipated tax abatements	275,000		275,000	315,269	(40,269)
Heat, light, and power	425,000	(4,500)	420,500	422,914	(2,414)
Worker's Compensation	175,000	50,000	225,000	235,653	(10,653)
Total Finance Administration	32,719,400	(183,230)	32,536,170	32,050,431	485,739

(Continued)

CITY OF PROVIDENCE, RHODE ISLAND

General Fund

Schedule of Expenditures - Budget and Actual, Continued

<u>Expenditures</u>	<u>Budget</u>	<u>Transfers increase (decrease)</u>	<u>Revised budget</u>	<u>Actual expenditures</u>	<u>Actual (over) budget</u>
Public Safety:					
Commissioner of Public Safety	\$ 174,051		174,051	171,320	2,731
Police Department (excluding Federal Revenue Sharing amounts)	10,563,746	8,000	10,571,746	10,750,828	(179,082)
Fire Department (excluding Federal Revenue Sharing amounts)	10,885,922	(3,000)	10,882,922	10,699,964	182,958
Department of Communications	1,100,296	40,000	1,140,296	1,182,772	(42,476)
Traffic Engineering Department	719,213	(40,000)	679,213	630,046	49,167
Total Public Safety	<u>23,443,228</u>	<u>5,000</u>	<u>23,448,228</u>	<u>23,434,930</u>	<u>13,298</u>
Building Inspection Department:					
Building Inspection Administration	291,576	57,333	348,909	315,896	33,013
Structures and Zoning Division	192,147	(23,455)	168,692	147,175	21,517
Plumbing, Drainage, and Gas Piping Division	89,587		89,587	82,525	7,062
Electrical Installations Division	83,705		83,705	82,650	1,055
Mechanical Equipment and Installations Division	85,496		85,496	84,569	927
Zoning Board of Review	12,625		12,625	15,157	(2,532)
Housing Board of Review	5,575		5,575	3,375	2,200
Building Board of Review	9,800	311	10,111	9,856	255
Building Inspection Code Enforcement	254,568		254,568	247,107	7,461
Building Inspection Prosecution	175,545	(20,477)	155,068	154,431	637
Division of Utilities and Standards	57,014	(14,212)	42,802	38,195	4,607
Total Building Codes and Inspection	<u>1,257,638</u>	<u>(500)</u>	<u>1,257,138</u>	<u>1,180,936</u>	<u>76,202</u>
Public Works activities:					
Public Works Administration	235,853	(20,000)	215,853	239,796	(23,943)
Engineering and Sanitation	430,245	(18,300)	411,945	412,224	(279)
Street Cleaning Section	477,455	(10,000)	467,455	447,308	20,147
Waste Collection and Processing	2,223,715	55,000	2,278,715	2,207,405	71,310
Highway and Environmental Control	1,753,733	440,000	2,193,733	2,223,657	(29,924)
Bridge Maintenance Section	187,414	24,800	212,214	214,702	(2,488)
Snow Removal	700,000	(100,000)	600,000	584,778	15,222
Sewer Construction and Maintenance	588,770		588,770	602,822	(14,052)
Street Lighting Division	1,400,000	18,000	1,418,000	1,416,024	1,976
Municipal Dock Section	702,620	74,500	777,120	872,603	(95,483)
Public Buildings	1,073,701	(20,700)	1,053,001	1,041,319	11,682
Garage Maintenance and Equipment Repair	253,534	10,000	263,534	275,101	(11,567)
Purchasing	1,774,484	(98,150)	1,676,334	1,714,265	(37,931)
Total Public Works activities	<u>11,801,524</u>	<u>355,150</u>	<u>12,156,674</u>	<u>12,252,004</u>	<u>(95,330)</u>

(Continued)

CITY OF PROVIDENCE, RHODE ISLAND

General Fund

Schedule of Expenditures - Budget and Actual, Continued

<u>Expenditures</u>	<u>Budget</u>	<u>Transfers increase (decrease)</u>	<u>Revised budget</u>	<u>Actual expenditures</u>	<u>Actual (over) under budget</u>
Recreation activities:					
Recreation Department	\$ 284,046	4,049	288,095	295,778	(7,683)
Junior Police Camp	22,000	3,000	25,000	25,732	(732)
Recreation - seasonal	210,375	125,000	335,375	336,009	(634)
Total recreation activities	<u>516,421</u>	<u>132,049</u>	<u>648,470</u>	<u>657,519</u>	<u>(9,049)</u>
Public Lands and Parks:					
Development and Environmental Services	346,397	85,000	431,397	438,311	(6,914)
Zoological services	548,787	(608)	548,179	526,357	21,822
Grounds maintenance services	1,725,171		1,725,171	2,041,577	(316,406)
Programming services	219,293	608	219,901	218,566	1,335
Office of the Superintendent of Parks	111,805		111,805	108,975	2,830
Total Public Lands and Parks	<u>2,951,453</u>	<u>85,000</u>	<u>3,036,453</u>	<u>3,333,786</u>	<u>(297,333)</u>
Education:					
Local appropriation to School Department	<u>33,971,372</u>		<u>33,971,372</u>	<u>33,297,743</u>	<u>673,629</u>
Other departments:					
Recorder of Deeds	193,147	24,200	217,347	218,691	(1,344)
Archives and history	47,866	(4,000)	43,866	31,970	11,896
Vital Statistics	84,082		84,082	85,206	(1,124)
Board of Canvassers	199,452	44,350	243,802	228,580	15,222
Bureau of Licenses	149,160		149,160	143,717	5,443
Providence Human Relations	83,860	8,800	92,660	94,468	(1,808)
Civil Defense Preparedness	80,058		80,058	68,388	11,670
Planning and Urban Development	960,764		960,764	943,319	17,445
Administration to City Council	81,717	4,000	85,717	84,600	1,117
Providence Review Commission	8,200	1,500	9,700	17,831	(8,131)
Total other departments	<u>1,888,306</u>	<u>78,850</u>	<u>1,967,156</u>	<u>1,916,770</u>	<u>50,386</u>

(Continued)

CITY OF PROVIDENCE, RHODE ISLAND

General Fund

Schedule of Expenditures - Budget and Actual, Continued

<u>Expenditures</u>	<u>Budget</u>	<u>Transfers increase (decrease)</u>	<u>Revised budget</u>	<u>Actual expenditures</u>	<u>Actual (over) under budget</u>
Welfare activities:					
General Public Assistance administration	\$ 923,700		923,700	1,004,542	(80,842)
General Public Assistance	<u>11,753,000</u>	-	<u>11,753,000</u>	<u>10,965,364</u>	<u>787,636</u>
Total welfare activities	<u>12,676,700</u>	-	<u>12,676,700</u>	<u>11,969,906</u>	<u>706,794</u>
Miscellaneous activities:					
Board of Tenants Affairs	2,000		2,000		2,000
Community Mental Health Centers	225,000		225,000	225,000	
Demolition of abandoned property	82,000	500	82,500	81,550	950
Providence Housing Authority	8,000		8,000	7,840	160
League of Cities and Towns	<u>26,641</u>		<u>26,641</u>	<u>26,641</u>	
Total miscellaneous activities	<u>343,641</u>	<u>500</u>	<u>344,141</u>	<u>341,031</u>	<u>3,110</u>
Grants:					
Providence Public Library	925,000		925,000	925,000	
Other	<u>41,495</u>	<u>50,000</u>	<u>91,495</u>	<u>99,518</u>	<u>(8,023)</u>
Total grants	<u>966,495</u>	<u>50,000</u>	<u>1,016,495</u>	<u>1,024,518</u>	<u>(8,023)</u>
Public celebrations	<u>5,950</u>		<u>5,950</u>	<u>5,608</u>	<u>342</u>
Transfer to capital projects fund				<u>286,727</u>	<u>(286,727)</u>
Total expenditures	\$ <u>125,299,227</u>	-	<u>125,299,227</u>	<u>124,376,301</u>	<u>922,926</u>

Community Development Block Grants	Urban Development Action Grants						
	SWAP	Fleet Center and Garage	Richmond Square	Jobs Bill	UPARR	Miscellaneous Grants	Sewer Fund
469,237						334,924	302,066
						2,749	3,906,771
99,536	149,346	4,062,620	345,000	1,105,178	737,444	53,609	88,662
900,555		2,987,380	855,000			1,391,476	1,175,000
2,733				30,000			
<u>1,472,061</u>	<u>149,346</u>	<u>7,050,000</u>	<u>1,200,000</u>	<u>1,135,178</u>	<u>737,444</u>	<u>1,782,758</u>	<u>5,472,499</u>
97,976	348			129,272 39,899		3,832	
298,898 14,395 230,993	148,998	4,062,620	345,000	966,007	737,444	81,484	1,952,103 6,178,406 405,722
<u>642,262</u>	<u>149,346</u>	<u>4,062,620</u>	<u>345,000</u>	<u>1,135,178</u>	<u>737,444</u>	<u>85,316</u>	<u>8,536,231</u>
829,799		2,987,380	855,000			1,674,332 23,110	(3,063,732)
<u>829,799</u>	<u>-</u>	<u>2,987,380</u>	<u>855,000</u>	<u>-</u>	<u>-</u>	<u>1,697,442</u>	<u>(3,063,732)</u>
<u>1,472,061</u>	<u>149,346</u>	<u>7,050,000</u>	<u>1,200,000</u>	<u>1,135,178</u>	<u>737,444</u>	<u>1,782,758</u>	<u>5,472,499</u>

CITY OF PROVIDENCE, RHODE ISLAND

Special Revenue Funds

Combining Balance Sheet

June 30, 1984

<u>Assets</u>	<u>Total All Funds</u>	<u>School Fund</u>	<u>Other Educational Funds</u>	<u>Revenue Sharing Fund</u>
Cash	\$ 1,577,097		470,870	
Accounts receivable (net where applicable of allowance for uncollectible amounts of \$2,274,000)	3,961,880	52,210	150	
Due from:				
Other funds	1,459,705	1,317,434		
Other governments	8,221,133		499,423	1,222,586
Loans receivable (net of allowance for uncollectible amounts of \$341,512)	6,134,411			
Investments	3,975,000	2,800,000		
Other receivables	<u>32,733</u>			
Total assets	\$ <u>25,361,959</u>	<u>4,169,644</u>	<u>970,443</u>	<u>1,222,586</u>
 <u>Liabilities</u>				
Bank overdraft	2,859,218	2,362,666	367,280	
Accounts payable and accrued expenditures	1,719,582	1,577,527		
Due to:				
Other funds	3,889,372	226,172	407,027	1,222,586
Other governments	6,374,605	63	196,136	
Deferred revenues	6,964,689			
Other liabilities	17,611	3,216		
Reserve for home improvement loans	<u>230,993</u>			
Total liabilities	<u>22,056,070</u>	<u>4,169,644</u>	<u>970,443</u>	<u>1,222,586</u>
 <u>Fund Balances</u>				
Fund balance (deficit):				
Reserved	6,346,511			
Unreserved	<u>(3,040,622)</u>			
Total fund balance	<u>3,305,889</u>	-	-	-
Total liabilities and fund balances	\$ <u>25,361,959</u>	<u>4,169,644</u>	<u>970,443</u>	<u>1,222,586</u>

CITY OF PROVIDENCE, RHODE ISLAND

Special Revenue Funds

Combining Statement of Revenues and Expenditures

Year ended June 30, 1984

	<u>Total All Funds</u>	<u>School Fund</u>	<u>Other Educational Funds</u>	<u>Revenue Sharing Fund</u>
Revenues:				
Federal and state grants	\$ 54,840,327	28,185,453	7,001,116	4,830,827
Charges for services	8,104,497	62,287	3,896	
Miscellaneous	426,256	40,513		
Interest	39,616			
Total revenues	<u>63,410,696</u>	<u>28,288,253</u>	<u>7,005,012</u>	<u>4,830,827</u>
Other financing sources:				
Transfer from General Fund	33,297,743	33,297,743		
Transfer from Indirect Cost Fund	81,484	81,484		
Transfer from other educational funds	187,559			
Total other financing sources	<u>33,566,786</u>	<u>33,379,227</u>	-	-
Total revenues and other financing sources	<u>96,977,482</u>	<u>61,667,480</u>	<u>7,005,012</u>	<u>4,830,827</u>
Expenditures:				
Personnel services	50,823,506	41,561,811	4,089,361	4,830,827
Employee benefits	12,810,899	11,308,089	1,379,700	
Services other than personnel	2,295,556	1,660,213	563,193	
Materials and supplies	1,368,724	1,345,112	1,806	
Equipment	1,398,702	960,261	379,782	
Intergovernmental charges	7,871,076			
Program expenditures	9,142,800			
Other	6,760,450	4,831,994	403,611	
Total expenditures	<u>92,471,713</u>	<u>61,667,480</u>	<u>6,817,453</u>	<u>4,830,827</u>
Other uses:				
Transfer to Indirect Cost Fund	187,559		187,559	
Transfer to General Fund	978,645			
Transfer to School Fund	81,484			
Total other uses	<u>1,247,688</u>	-	<u>187,559</u>	-
Total expenditures and other uses	<u>93,719,401</u>	<u>61,667,480</u>	<u>7,005,012</u>	<u>4,830,827</u>
Revenues over (under) expenditures and other uses	<u>3,258,081</u>	-	-	
Fund balances at beginning of year, as restated	<u>47,808</u>	-	-	-
Fund balances (deficit) at end of year	<u>\$ 3,305,889</u>	-	-	-

Community Development Block Grants	<u>Urban Development Action Grants</u>						
	<u>SWAP</u>	<u>Fleet Center and Garage</u>	<u>Richmond Square</u>	<u>Jobs Bill</u>	<u>UPARR</u>	<u>Miscellaneous Grants</u>	<u>Sewer Fund</u>
7,059,127		2,987,380	855,000	1,565,993	46,556	2,308,875	
88,311				30,000		267,432	8,038,314
<u>7,147,438</u>	<u>-</u>	<u>2,987,380</u>	<u>855,000</u>	<u>1,595,993</u>	<u>46,556</u>	<u>17,939</u>	<u>21,677</u>
						187,559	
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>187,559</u>	<u>-</u>
<u>7,147,438</u>	<u>-</u>	<u>2,987,380</u>	<u>855,000</u>	<u>1,595,993</u>	<u>46,556</u>	<u>2,781,805</u>	<u>8,059,991</u>
						341,507	
						123,110	
						72,150	
						21,806	
						58,659	
7,059,703	30,641			1,595,993	46,556	409,907	7,871,076
<u>7,059,703</u>	<u>30,641</u>	<u>-</u>	<u>-</u>	<u>1,595,993</u>	<u>46,556</u>	<u>116,021</u>	<u>1,408,824</u>
						1,143,160	9,279,900
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>81,484</u>	<u>978,645</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>81,484</u>	<u>978,645</u>
<u>7,059,703</u>	<u>30,641</u>	<u>-</u>	<u>-</u>	<u>1,595,993</u>	<u>46,556</u>	<u>1,224,644</u>	<u>10,258,545</u>
87,735	(30,641)	2,987,380	855,000	-	-	1,557,161	(2,198,554)
<u>742,064</u>	<u>30,641</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>140,281</u>	<u>(865,178)</u>
<u>829,799</u>	<u>-</u>	<u>2,987,380</u>	<u>855,000</u>	<u>-</u>	<u>-</u>	<u>1,697,442</u>	<u>(3,063,732)</u>

CITY OF PROVIDENCE, RHODE ISLAND

Fiduciary Fund Types

Combining Balance Sheet

June 30, 1984

Assets	Expendable Trust Funds		Nonexpendable Trust Funds			Total
	Revolving Funds	Other Expendable Trusts	Other	Retirement System	Agency Funds	
Cash (overdraft) and cash equivalents	\$ (12,911)	3,039,819	570,760	3,256,389	1,026,904	7,880,961
Due from other funds				14,723,440		14,723,440
Accounts receivable		462,127				462,127
Investments, at carrying value	350,000	532,446	4,620,628	95,876,149*		101,379,223
Loans receivable				4,725,481		4,725,481
Other assets		150,500	25,871			176,371
Total assets	\$ 337,089	4,184,892	5,217,259	118,581,459	1,026,904	129,347,603
Liabilities and Fund Balances						
Accounts payable and accrued expenditures	\$ 70,053			2,800,000	1,026,904	3,896,957
Due to other funds	28,250					28,250
Deferred revenues	565	462,127		4,538,249		5,000,941
Total liabilities	98,868	462,127	-	7,338,249	1,026,904	8,926,148
Fund balances:						
Reserved for benefits				111,243,210		111,243,210
Reserved for designated purposes		2,354,080	4,355,011			6,709,091
Unreserved	238,221	1,368,685	862,248			2,469,154
Total fund balances	238,221	3,722,765	5,217,259	111,243,210	-	120,421,455
Total liabilities and fund balances	\$ 337,089	4,184,892	5,217,259	118,581,459	1,026,904	129,347,603

*Market value: \$94,796,000

CITY OF PROVIDENCE, RHODE ISLAND
Fiduciary Fund Types - Agency Funds
Combining Schedule of Cash Receipts and Disbursements
Year ended June 30, 1984

	Cash balances, <u>Jun. 30, 1983</u>	Receipts	Total <u>available</u>	Disbursements	Cash balances, <u>Jun. 30, 1984</u>
Deposit and Refund Account	\$ 206,081	1,609,025	1,815,106	1,543,703	271,403
Employees' Defense Savings Account	15,437	154,858	170,295	157,302	12,993
Employees' Retirement System, State of Rhode Island	6,052	2,613,746	2,619,798	2,618,523	1,275
Employees' Retirement System, Rhode Island Income Tax Withholding Pension Payments	43,236	673,328	716,564	660,119	56,445
Employees Withholding Tax Deductions	176,568	13,757,561	13,934,129	13,927,065	7,064
Hospital Service Corporation of Rhode Island	20,337	604,562	624,899	597,895	27,004
Local No. 799, International Association of Firefighters	2,048	112,415	114,463	114,458	5
Local No. 958, American Federation of Teachers	16,297	515,646	531,943	362,015	169,928
Local No. 1033, Public Employees Union	6,764	304,209	310,973	309,861	1,112
Payroll Deductions, Insurance Companies	14,231	1,439,473	1,453,704	1,463,462	(9,758)
Payroll Deductions and Withholdings, Other	1,797	21,311	23,108	20,853	2,255
Providence Municipal Employees Credit Union	53,790	2,651,137	2,704,927	2,700,673	4,254
Providence Permanent Fireman's Relief Association	6,353	318,601	324,954	324,878	76
Providence Teachers' Credit Union	(5,776)	2,494,233	2,488,457	2,506,992	(18,535)
Reserve for Social Security Taxes	778,440	8,180,034	8,958,474	8,569,898	388,576
Rhode Island Income Tax Withholding	51,346	3,595,416	3,646,762	3,702,760	(55,998)
State of Rhode Island Real Estate Conveyance Tax	60,131	378,199	438,330	336,016	102,314
State Sales Tax, Water	(10,038)	95,530	85,492	95,260	(9,768)
Tax Sheltered Annuities	646	174,606	175,252	163,454	11,798
Other	39,517	662,737	702,254	637,793	64,461
Total Agency Funds	\$ <u>1,483,257</u>	<u>40,356,627</u>	<u>41,839,884</u>	<u>40,812,980</u>	<u>1,026,904</u>

CITY OF PROVIDENCE, RHODE ISLAND
 Schedule of Long-term Bonds Payable
 June 30, 1984

	Interest rate	Date of		Bonds	
		Issue	Maturity	Issued	Outstanding
<u>Long-term Obligations Group of Accounts:</u>					
Bonds payable, serially:					
Bridge Replacement and Reconstruction Highways:	3.60-3.80%	5/1/67	5/1/91	\$ 1,200,000	420,000
Construction Bonds of 1964	3.25-3.40	10/1/64	10/1/84	500,000	25,000
Loan of 1964 (1970 Series)	6.30-6.60	6/15/70	6/15/90	<u>500,000</u>	<u>150,000</u>
Total Highways				<u>2,200,000</u>	<u>595,000</u>
Municipal Dock Improvements and Extension	3.125	9/1/63	9/1/87	<u>2,000,000</u>	<u>400,000</u>
Recreational Facilities:					
Recreational Facilities Series IV	3.25-3.40	10/1/64	10/1/84	1,000,000	50,000
Recreational Loan V	4.50	2/1/71	2/1/91	<u>2,000,000</u>	<u>700,000</u>
Total Recreational Facilities				<u>3,000,000</u>	<u>750,000</u>
Public Welfare Building Bonds	3.90-4.60	6/1/68	6/1/88	<u>1,500,000</u>	<u>300,000</u>
Redevelopment:					
Redevelopment and Slum Clearance Bonds V	3.125	9/1/63	9/1/87	4,000,000	800,000
Redevelopment and Slum Clearance Bonds VI	3.25-3.40	10/1/64	10/1/88	2,000,000	500,000
Slum Clearance and Redevelopment IV (1970 Series)	6.30-6.60	6/15/70	6/15/90	<u>5,000,000</u>	<u>1,500,000</u>
Total Redevelopment Bonds				<u>11,000,000</u>	<u>2,800,000</u>
Hurricane Barrier:					
Hurricane Barrier Bond Series I	3.25-3.40	10/1/64	10/1/88	3,000,000	750,000
Hurricane Barrier Bond Series II	3.60-3.75	5/1/67	5/1/87	<u>600,000</u>	<u>90,000</u>
Total Hurricane Barrier				<u>3,600,000</u>	<u>840,000</u>

(Continued)

CITY OF PROVIDENCE, RHODE ISLAND
Schedule of Long-term Bonds Payable, Continued

	Interest rate	Date of		Bonds	
		Issue	Maturity	Issued	Outstanding
Sanitation Building and Equipment Bonds	3.60-3.75%	5/1/67	5/1/87	\$ 400,000	60,000
General Obligation - Public Improvement Bonds	7.70-10.00	9/1/80	9/1/2000	10,500,000	8,640,000
General Obligation - Public Improvement Bonds	4.75-7.25	5/1/79	5/1/99	15,000,000	12,000,000
General Obligation - Public Improvement Bonds		9/15/82	9/15/94	22,500,000	21,570,000
Total Public Improvement Bonds				48,000,000	42,210,000
Schools:					
School Athletic Fields - Series III	4.50-4.60	6/1/68	6/1/90	500,000	150,000
School Bonds of 1961	3.10	3/1/62	3/1/86	2,000,000	200,000
School Bonds of 1966	3.60-3.80	5/1/67	5/1/91	1,750,000	595,000
School Bonds of 1968	3.90-4.60	6/1/68	6/1/88	6,000,000	1,200,000
School Bonds of 1971 Series I	4.50	2/1/71	2/1/91	1,500,000	525,000
School Bonds of 1971 Series II	4.50	2/1/71	2/1/91	2,400,000	840,000
School Modernization Bonds Series V	3.60-3.80	5/1/67	5/1/91	1,500,000	525,000
Classical High School Bonds	6.30-6.60	6/15/70	6/15/90	1,000,000	300,000
School Modernization and Construction Bonds Series II	5.00	2/15/74	2/15/94	3,000,000	1,500,000
School Modernization and Construction Bonds Series III	5.00	2/15/74	2/15/94	3,000,000	1,500,000
School for Handicapped Children	5.00	2/15/74	2/15/94	2,500,000	1,250,000
Total Schools				25,150,000	8,585,000
Sewers:					
Sewer Construction Bonds of 1964	3.25-3.40	10/1/64	10/1/84	300,000	15,000
Sewer Construction Bonds of 1966	3.60-3.75	5/1/67	5/1/87	300,000	45,000
Sewer Construction Bonds of 1980	7.70-10.00	9/1/80	9/1/2000	8,500,000	7,225,000
Total Sewers				9,100,000	7,285,000

(Continued)

CITY OF PROVIDENCE, RHODE ISLAND
Schedule of Long-term Bonds Payable, Continued

	Interest rate	Date of		Bonds	
		Issue	Maturity	Issued	Outstanding
Sludge Incinerator Bonds	3.60-3.75%	5/1/67	5/1/87	\$ 1,000,000	150,000
Civic Center Bonds	4.50-4.75 5.00-5.25	2/1/72	2/1/92	13,000,000	5,200,000
Total long-term obligations group of accounts bonds				119,950,000	69,175,000
<u>Proprietary fund - bonds payable:</u>					
Water Distribution Reservoir	3.25	12/1/62	12/1/92	2,050,000	790,000
Water Purification Works Improvements I	3.25	12/1/62	12/1/92	1,100,000	445,000
Water Bonds of 1971	5.00-6.00	6/1/71	6/1/2001	11,000,000	8,300,000
Total proprietary fund bonds				14,150,000	9,535,000
Total long-term bonds payable				\$ 134,100,000	78,710,000

CITY OF PROVIDENCE, RHODE ISLAND
Schedule of Property Taxes Receivable
June 30, 1984

<u>Year of Assessment</u>	<u>Amount Receivable June 30, 1984</u>
1983	\$ 10,082,590
1982	4,165,242
1981	3,271,804
1980	3,241,785
1979	1,377,527
1978	1,501,342
1977	1,155,048
1976	1,037,091
1975	949,281
1974	866,641
1973	989,372
1972	611,870
1971	775,644
1970	735,088
1969	<u>352,352</u>
	31,112,677
Less allowance for estimated uncollectible amounts	<u>20,796,020</u>
Net property taxes receivable	\$ <u>10,316,657</u>

FILED

JUL 30 11 31 AM '85

DEPT. OF CITY CLERK
PROVIDENCE, R. I.

THE COMMITTEE ON
FINANCE

Recommends *Be Received*

Rose M. Mansbach
Clerk

Sept 24, 1985

DEPT. OF CITY CLERK
PROVIDENCE, R.I.
SEP 30 11 57 AM '85

FILED

