

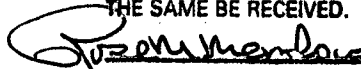
EMPLOYEES' RETIREMENT SYSTEM OF THE CITY OF PROVIDENCE

IN CITY COUNCIL

JUN 1 1989

READ

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

 **CLERK**

ANNUAL REPORT **OF THE** ***RETIREMENT BOARD***

**FOR THE FISCAL YEAR
ENDED JUNE 30, 1987**

CITY HALL, DECEMBER 15, 1987

*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, 1987, giving in detail the receipts, disbursements and investments, together with certain membership statistics.

Gloria L. Lincourt, City Controller
12/31/87

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

Statement of Current Condition
June 30, 1987

ASSETS

Cash And Cash Equivalents.....	\$1,274,718.	
Receivables:		
Member Loans	6,436,654.	
Member Loan Interest.....	110,450.	
Due from Other Funds	4,225,791.	
Investments	137,763,580.	
Other Assets	44,410.	
Total Assets		\$149,855,603.

LIABILITIES AND FUND BALANCES

Fund Balances:		
Reserved Fund Balance.....	\$4,119,096.	
Bequest to Employees Retirement System	7,357.	
Annuity Savings Funds:		
General Employees	\$42,675,882.	
Teacher Employees.....	47,785.	
Elected Officials	220,560.	
Pension Accumulated Funds:		
General Employees	\$(7,511,284.)	
Teacher Employees.....	43,580.	
Annuity Reserve Funds:		
General Employees	\$11,658,868.	
Teacher Employees.....	164,833.	
Teacher Excess Reserve	332,944.	
Pension Reserve Funds:		
General Employees	\$98,220,114.	
Teacher Employees.....	(124,132.)	
Total Liabilities and Fund Balances		\$149,855,603.

**Statement of Revenue, Expenses and Fund Balance
For the Year Ended June 30, 1987**

Operating Revenue:		
Employee Contributions	\$4,104,184.	
Employer Contributions	11,494,227.	
Total Operating Revenue		\$15,598,411.
Operating Expenses:		
Retiree Benefits	\$15,426,967.	
Member Refunds	2,284,497.	
Military Refunds	548,865.	
Other	306,950.	
Total Operating Expense		\$18,567,279.
Operating Loss		\$(2,968,868.)
Non-Operating Revenue:		
Investment Income	\$11,258,530.	
Interest on Member Loans	386,335.	
Net Gain on Investments	1,969,270.	
Other	232,124.	
Total Non-Operating Revenue		\$13,846,259.
Net Income		\$10,877,391.
Fund Balance 6/30/86		\$138,978,213.
Fund Balance 6/30/87		\$149,855,604.

**Statement of Investment Income
For the Year Ended June 30, 1987**

Gross Income on Investments:		
Interest on United States Securities	\$5,706,318.87	
Interest on Other U.S. Gov't Obligations	166,509.61	
Interest on Public Utility Bonds	1,548,421.83	
Interest on Commercial Paper	815,663.93	
Interest on Retirement Debt	362,980.00	
Corporate Stock Dividends	2,673,496.25	
Gain on Sale of Investments	2,131,201.69	
Other	100,237.96	
Amortization of Discount on Public Utility Bonds	134,719.57	
Interest on Repurchase Agreements	3,083.67	
Total Gross Income on Investments		\$13,642,633.38

Deductions from Gross Interest Revenues

Trust Commission Expense	\$301,422.34	
Loss on Sales of Investments	161,931.20	
Accrued Interest Paid	17,944.45	
Amortization of Premiums on Public Utility Bonds	2,833.96	
Total Deductions		\$484,131.95

Net Income on Investments 13,158,501.43

Add: Net Income on Member Loans 386,335.05

Total Net Income on Investments & Loans \$13,544,836.48

Average Investment	\$130,282,695.64
Net Income Yield	10.33%
Average Member Loans	\$6,278,236.16
Net Income Yield	6.15%
Average Investment & Loan	\$136,560,931.80
Net Income Yield	10.14%

**Employees' Retirement Fund
Individual Investment Yields
As of June 30, 1987**

Type of Investment	Book Value	Net Income	Yield
Public Utility Bonds	\$28,193,800.29	\$1,548,421.83	6.85%
Corporate Capital Stock	42,035,853.74	2,673,496.25	6.36%
U.S. Treasury Notes and Bonds	38,786,837.50	5,706,318.87	12.04%
Other U.S. Government Agency Notes	2,292,452.09	166,509.61	7.26%
First Mortgages	576,508.31	44,136.00	7.66%
Commercial Paper	13,578,117.76	815,663.93	5.38%
Other	10.00		
Certificate of Deposit (City Cont. on last day)	12,300,000.00		
Total	\$137,763,579.69	\$10,954,906.49	

COST OF OPERATIONS
General Fund Appropriations for the Year Ended June 30, 1987

Personal Services:		
Salaries	\$82,793.79	
Services Other than Personal:		
Consulting Actuary	63,958.25	
Medical Services	13,342.00	
Postage, Freight & Express	2,521.23	
Printing and Binding	283.00	
Repairs to Office Machinery	378.80	
Dues and Subscriptions	154.18	\$163,431.25
Materials and Supplies:		
Stationery, Printed Forms & Office Supplies	\$1,604.47	1,604.47
Total Cost of Operations		\$165,035.72

Investments as of June 30, 1987 (Exclusive of Member Loans)

SUMMARY

	Total Investment	Percent of Investment
Public Utility Bonds	\$28,193,800.29	20.5%
Corporate Capital Stock	42,035,853.74	30.5%
U.S. Treasury Bonds & Notes	38,786,837.50	28.1%
Other U.S. Government Agency Notes	2,292,452.09	1.7%
First Mortgages	576,508.31	.4%
Commercial Paper	13,578,117.76	9.9%
Other	10.00	
Certificate of Deposit (one day only)	12,300,000.00	8.9%
Total	\$137,763,579.69	100.0%

First Mortgage Investments as of June 30, 1987

		Maturity Date	Book Value	Market Value
9.50%	Foremost Lithograph	4-29-90	\$43,469.92	\$43,469.92
7.75%	Foremost Lithograph	4-29-90	66,589.87	66,589.87
7.00%	Foremost Lithograph	4-29-90	27,517.36	27,517.36
7.50%	Westco Realty	2-04-95	438,931.16	438,931.16
	Total		\$576,508.31	\$576,508.31

United States Government Securities

Report by Yield %		Par Value	Book Value	Market Value
	Treasury Notes & Bonds			
14.875%	August 15, 1991	\$500,000	\$489,056.25	\$619,375.00
14.00%	July 15, 1988	800,000	798,750.00	855,496.00
14.00%	July 15, 1988	700,000	692,781.25	748,559.00
13.25%	April 15, 1988	1,000,000	997,500.00	1,049,060.00
13.00%	November 15, 1990	1,000,000	970,000.00	1,148,440.00
13.00%	November 15, 1990	1,700,000	1,658,125.00	1,952,348.00
12.625%	November 15, 1987	1,000,000	980,000.00	1,021,250.00
12.00%	March 31, 1988	1,000,000	1,000,000.00	1,036,250.00
11.875%	October 15, 1989	1,000,000	935,000.00	1,088,440.00
11.875%	October 15, 1989	1,000,000	935,000.00	1,088,440.00
11.75%	November 15, 1988	1,000,000	942,500.00	1,057,190.00
11.75%	November 15, 1993	1,100,000	1,080,968.75	1,285,966.00
11.625%	November 15, 1994	500,000	518,750.00	589,530.00
11.50%	October 15, 1990	500,000	499,687.50	551,405.00
11.50%	November 15, 1995	1,600,000	1,588,687.50	1,892,992.00
10.875%	February 15, 1993	1,200,000	1,176,000.00	1,343,244.00
10.750%	November 15, 1989	760,000	738,164.06	810,821.20
10.750%	November 15, 1989	500,000	500,000.00	533,435.00
10.750%	August 15, 1990	500,000	485,000.00	539,685.00
10.50%	April 15, 1990	1,000,000	997,500.00	1,067,500.00
10.50%	November 15, 1992	1,500,000	1,510,000.00	1,651,410.00
10.50%	February 15, 1995	800,000	774,500.00	894,248.00
10.375%	May 15, 1995	1,200,000	1,221,250.00	1,334,628.00
10.125%	May 15, 1993	4,400,000	4,420,000.00	4,789,136.00
10.125%	February 15, 1988	500,000	480,000.00	509,375.00
10.125%	November 15, 1994	2,400,000	2,288,320.31	2,632,488.00
10.125%	November 15, 1983	4,000,000	4,020,000.00	4,353,760.00
9.875%	August 15, 1990	500,000	505,000.00	527,500.00
9.50%	August 15, 1988	1,000,000	1,010,000.00	1,024,370.00
9.25%	May 15, 1989	75,000	74,250.00	77,320.50
9.00%	February 15, 1994	1,925,000	1,760,560.31	1,995,974.75
8.875%	February 15, 1996	1,000,000	1,043,125.00	1,026,870.00
8.25%	May 15, 1988	400,000	389,799.07	404,000.00
7.875%	February 15, 1993	1,000,000	810,937.50	991,250.00
7.25%	March 31, 1990	500,000	495,625.00	494,220.00
	Total		\$38,786,837.50	\$42,985,976.45

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	\$61,572.83
6.50%	April 15, 2003	260,892.81	210,339.73	232,846.83
	Subtotal	329,881.98	266,047.09	294,419.66
 Federal National Mortgage Association				
15.25%	May 10, 1989	\$250,000.00	\$250,625.00	\$277,500.00
10.40%	March 10, 1988	500,000.00	500,000.00	510,935.00
	Subtotal	750,000.00	750,625.00	788,435.00
 Twelve Federal Land Banks				
7.95%	April 22, 1991	\$500,000.00	\$401,250.00	\$492,500.00
7.35%	January 20, 1997	500,000.00	377,500.00	445,310.00
	Subtotal	\$1,000,000.00	\$778,750.00	\$937,810.00
 Federal Farm Credit Banks				
11.70%	July 20, 1988	500,000.00	497,030.00	520,310.00
	Subtotal	\$500,000.00	\$497,030.00	\$520,310.00
	Grand Totals	\$2,579,881.98	\$2,292,452.09	\$2,540,974.66

Corporation Stock Owned as of June 30, 1987

Name of Corporation	#Shares	Book Value	Market Value
Preferred Stock:			
Union Pacific Corp.	5,700	\$684,225.00	\$912,000.00
Common Stock:			
American Express Co. Inc.	11,000	163,338.46	376,750.00
American Home Products Corp.	42,000	1,206,476.05	3,575,250.00
American Telephone & Telegraph Co.	36,000	587,431.02	994,500.00
Amoco Corp.	4,500	230,001.15	393,750.00
Amoco Corp.	19,000	495,894.66	1,662,500.00
AMP Inc.	6,000	230,090.55	351,750.00
Anadardo Petroleum Co.	7,500	102,912.86	222,187.50
A.T. Cross Co.	60,000	558,475.34	1,995,000.00
Atlantic Richfield Co.	5,000	242,418.46	476,250.00
Atlantic Richfield Co.	20,000	795,007.63	1,905,000.00
Automatic Data Processing	20,000	727,447.50	955,000.00
Avon Products Inc.	9,500	275,290.50	320,625.00
Bell Atlantic Corp.	19,000	771,287.58	1,294,375.00
Bell South Corp.	30,000	596,723.68	1,226,250.00
Bristol-Myers Co.	60,000	845,714.89	2,985,000.00
Capital Holding Corp. of America	13,000	248,873.67	399,750.00
Caterpillar Inc.	10,000	369,407.15	535,000.00
Central & Southwest Corp.	31,300	670,525.28	982,037.50
Champion International Corp.	11,000	251,814.05	400,125.00
Chase Manhattan Corp.	5,000	190,836.11	206,250.00
Citi Corp.	6,000	306,864.72	354,000.00
Coca-Cola Co.	30,000	349,750.00	1,335,000.00
Dayton-Hudson Corp.	35,000	1,295,427.60	1,771,875.00
Deere & Co.	9,500	267,291.68	269,562.50
Delta Air Line Inc.	20,000	857,675.00	1,120,000.00
Dominion Resources Inc.	16,200	622,089.55	700,650.00
Dow Chemical Corp.	7,500	231,532.47	645,937.50
Dow Chemical Corp.	26,000	693,665.00	2,239,250.00
Dupont E. I. DeNemours & Co.	4,600	212,843.25	552,000.00
Eastman Kodak & Co.	6,000	292,615.10	516,750.00
Emerson Electric Co.	4,500	261,344.52	488,250.00
Exxon Corp.	30,000	661,804.83	2,797,500.00
Federated Department Stores Inc.	28,200	620,583.36	1,473,450.00
First Virginia Banks	11,000	210,394.73	336,875.00
Fleet Financial Group Inc.	70,000	378,096.79	1,916,250.00
Ford Motor Company	26,000	732,806.67	2,574,000.00
FPL Group Inc.	13,000	252,550.08	409,500.00
FPL Group Inc.	42,000	660,901.75	1,323,000.00
General Electric Co.	11,000	262,961.54	598,125.00
General Mills Inc.	25,000	471,213.63	1,390,625.00
General Motors Corp.	19,400	1,443,831.10	1,602,925.00
Halliburton Co.	7,000	231,126.41	266,000.00
Halliburton Co.	15,000	489,332.50	570,000.00
Hewlett Packard Co.	7,000	249,731.94	427,875.00
International Businesss Machines Corp. ..	32,000	1,763,435.58	5,200,000.00
International Businesss Machines Corp. ..	3,200	322,081.08	520,000.00
International Paper Co.	10,000	246,450.09	485,000.00
Johnson & Johnson	5,000	202,333.65	459,375.00
Johnson & Johnson	13,000	469,700.00	1,194,375.00

J.P. Morgan & Co. Inc.	53,000	895,540.00	2,537,375.00
J.P. Morgan & Co. Inc.	10,000	192,959.69	478,750.00
Marsh & McLennon.....	10,000	514,895.00	621,250.00
Maytag Co.	30,000	793,345.00	1,601,250.00
McDonalds Corp.	47,250	1,114,373.19	2,504,250.00
Merck & Co. Inc.	3,400	143,118.27	579,700.00
Minnesota Mining & Mfg.	5,400	194,083.30	382,725.00
Mobil Corp.	50,000	996,898.11	2,543,750.00
Motorola Inc.	7,000	267,600.59	378,875.00
National Medical Ent. Inc.	12,000	261,834.84	328,500.00
New York State Electric & Gas Corp.	12,375	296,470.92	340,312.50
Noxell Corp.	17,000	700,717.50	998,750.00
Old Kent Financial Corp.....	31,500	757,855.00	708,750.00
Oneida Ltd.	9,000	185,404.76	190,125.00
Panhandle Eastern Corp.	60,000	1,020,805.92	1,875,000.00
Panhandle Eastern Corp.	10,500	213,368.54	328,125.00
Pepsico Inc.	13,000	212,247.78	468,000.00
Perkin Elmer.....	8,000	228,886.33	253,000.00
Pfizer Inc.	7,500	270,525.65	540,000.00
Pfizer Inc.	47,000	830,496.19	3,384,000.00
Proctor & Gamble Co.	3,500	196,811.33	343,000.00
Ralston Purina Co.	2,000	20,529.77	171,000.00
Raytheon Co.	11,000	476,665.00	830,500.00
Sara Lee Corp.	27,000	681,745.00	1,228,500.00
Schlumberger Corp.	10,000	461,432.87	457,500.00
Schlumberger Ltd.	6,000	244,245.37	274,500.00
Sears Roebuck & Co.	8,000	270,418.80	405,000.00
Square D. Co.	24,000	659,601.51	1,278,000.00
Stock Purchase Rights:			
Sysco Corp.	20,000	640,326.00	702,500.00
Texas Utilities Co.	12,500	281,595.83	403,125.00
Texas Utilities Corp.	11,000	272,643.90	354,750.00
Travelers Corp.	5,000	245,993.46	225,000.00
Union Pacific Corp.	5,700	684,225.00	912,000.00
Union Pacific Corp.	5,500	264,205.91	431,062.50
United Tele Communications.....	12,000	279,580.78	328,500.00
Unixy Isys	5,500	277,754.04	677,875.00
Warner Lambert Co.	7,500	268,796.79	541,875.00
Weyerhaeuser Co.	8,500	241,752.93	427,125.00
Xerox Corp.	5,000	245,884.29	386,250.00
Xerox Corp.	10,000	609,817.37	772,500.00
Totals		\$ 42,035,853.74	\$ 86,988,550.00
Burroughs Corp.	5,500	0.00	275.00
Champion International	11,000	0.00	550.00
International Paper Co.	5,000	0.00	250.00
Panhandle Eastern Corp.	10,500	0.00	525.00
Totals		\$ 42,035,853.74	\$ 86,990,150.00

Summary of Utility Corporation Bond Holdings as of June 30, 1989

Name of Corporation	Par Value
American Telephone & Telegraph.....	\$4,200,000
Baltimore Gas & Electric Co.	575,000
Central Illinois Pub. Serv. Co.	25,000
Chesapeake & Potomac Tel. & Tel.	25,000
Chevron.....	250,000
Citi Corp.	3,488,750
Cleveland Elec. & Illum. Co.	250,000
Consolidated Edison of NY	200,000
Dayton Hudson Corp.	1,000,000
Delmarva Power & Lt.	500,000
Duke Power Co.	900,000
Duquesne Lt. Co.	50,000
Exxon Corp.	500,000
Florida Power & Lt.	1,075,000
Ford Motor Credit.....	1,000,000
General Motors Accept. Corp.	1,450,000
Georgia Power Co.	500,000
Idaho Power Co.	50,000
Illinois Bell Tel. Co.	500,000
Illinois Power & Light	500,000
Inland Steel Co.	500,000
International Bank for Recon. & Dev.	1,500,000
Iowa-Illinois Gas & Elec.	49,000
J.C. Penney	1,000,000
Kraft Inc.	1,000,000
Kansas Gas & Elec.	500,000
Mass. Elec. Co.	25,000
Michigan Bell Tel. Co.	800,000
Montana Power Co.	50,000
Narragansett Electric Co.	250,000
New England Tel. Co.	500,000
New York Telephone Co.	200,000
Northwestern Bell Tel. Co.	75,000
Pacific Gas and Elec.	425,000
Pacific Tel. & Tel.	250,000
Potomac Elec. & Power.....	50,000
Public Service Co. of Colorado	50,000
Public Service Gas & Elec.	700,000
Shell Oil Co.	500,000
So. Bell Tel. & Tel.	600,000
So. New England Tel.	300,000
S.W. Bell Tel. Co.	925,000
Tennessee Valley Authority	475,000
Texas Elec. Serv. Co.	500,000
Union Carbide Corp.	200,000
Union Electric Co.	200,000
Virginia Elec. & Power.....	50,000
Wisconsin Power & Lt.	573,000
TOTAL	\$29,285,750

Corporate Utility Bonds as of June 30, 1987

	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	25,277.25	25,025.13	25.13	0	906.00	4.26%
3.875%	American Tel. & Tel.	7-1-90	25,000.00	25,692.50	25,043.10	43.10	0	968.00	4.13%
5%	Pacific Gas & Elec.	6-1-89	25,000.00	25,205.62	25,013.16	13.16	0	1,250.00	5.14%
4%	Baltimore Gas & Elec.	3-1-93	25,000.00	25,375.00	25,056.75	56.75	0	1,000.00	5.00%
4.625%	Public Service Elec. & Gas.	8-1-88	25,000.00	25,517.75	25,000.00	0	0	1,156.25	4.76%
4.750%	Southwestern Bell Tel. Co.	10-1-92	25,000.00	26,375.00	25,177.38	177.38	0	1,187.40	5.66%
4.375%	Northwestern Bell Tel. Co.	5-1-89	50,000.00	51,000.00	50,035.56	35.56	0	2,187.33	4.63%
4.375%	Northwestern Bell Tel. Co.	5-1-89	25,000.00	25,187.50	25,006.60	6.60	0	1,093.67	4.63%
4.625%	Potomac Elec. Power Co.	12-1-93	25,000.00	25,333.00	25,056.93	56.93	0	1,156.00	5.72%
4.750%	Central Illinois Pub. Ser. Co.	1-1-89	25,000.00	25,408.25	25,014.48	14.48	0	1,187.00	4.93%
4.125%	Chesapeake & Potomac Tel. Co.	12-1-93	25,000.00	24,125.00	24,863.28	0	136.72	1,031.00	5.30%
4.375%	Illinois Bell Tel. Co.	3-1-94	50,000.00	50,512.50	50,093.19	93.19	0	2,187.50	5.56%
4.250%	Duquesne Light Co.	3-1-89	50,000.00	49,437.50	49,979.93	0	20.07	2,125.00	4.52%
4.375%	Illinois Bell Tel. Co.	3-1-94	50,000.00	49,625.00	49,931.72	0	68.28	2,187.50	5.56%
4.50%	Montana Power Co.	4-1-89	50,000.00	49,312.50	49,975.35	0	24.65	2,250.00	4.77%
4.625%	Wisconsin Power & Light	3-1-89	23,000.00	22,942.50	22,997.57	0	2.43	1,063.00	4.84%
4.625%	Public Service Co. of Colorado.	5-1-89	50,000.00	50,000.00	50,000.00	0	0	2,312.00	4.91%
5%	Idaho Power Co.	5-15-89	50,000.00	50,401.00	50,014.36	14.36	0	2,500.00	5.27%
4.625%	Virginia Elec. Co.	9-1-90	50,000.00	50,364.50	50,025.98	25.98	0	2,312.00	5.15%
4.625%	S.W. Bell Tel. Co.	8-1-95	50,000.00	50,312.50	50,066.28	66.28	0	2,312.50	6.14%
4.875%	Iowa-Illinois Gas & Elec.	5-1-91	49,000.00	49,580.65	49,080.05	80.05	0	2,388.00	5.49%
5%	Mass. Elec. Co.	7-1-91	25,000.00	25,509.75	25,070.25	70.25	0	1,250.00	5.65%
4.375%	Consolidated Edison	6-1-92	200,000.00	199,000.00	199,857.28	0	142.72	8,750.00	5.20%
4.625%	American Tel. & Tel.	2-1-94	200,000.00	206,500.00	201,299.92	1,299.92	0	9,250.00	5.76%
4.375%	So. Bell Tel. & Tel.	4-1-01	200,000.00	200,000.00	200,000.00	0	0	8,750.00	8.96%
4.250%	Wisconsin Power & Light	5-1-92	50,000.00	49,125.00	49,875.00	0	125.00	2,125.00	5.07%
4.625%	Narragansett Elec.	1-1-94	250,000.00	253,087.20	250,638.62	638.62	0	11,562.00	5.84%
4.625%	American Tel. & Tel.	2-1-94	400,000.00	400,000.00	400,000.00	0	0	18,500.00	5.76%
4.750%	American Tel. & Tel.	6-1-98	850,000.00	850,000.00	850,000.00	0	0	40,375.00	6.73%
4.375%	American Tel. & Tel.	5-1-99	400,000.00	400,000.00	400,000.00	0	0	17,499.85	6.63%
4.50%	Union Elec. Co.	4-1-95	200,000.00	200,000.00	200,000.00	0	0	9,000.00	6.03%
4.375%	Illinois Bell Tel. Co.	3-1-94	400,000.00	400,000.00	400,000.00	0	0	17,500.00	5.56%
4.50%	International Bank	2-1-90	800,000.00	800,000.00	800,000.00	0	0	36,000.00	4.91%
4.375%	Michigan Bell Tel. Co.	12-1-91	800,000.00	800,000.00	800,000.00	0	0	35,000.00	5.11%

Corporate Utility Bonds as of June 30, 1987

	Name of Corporation	Maturity	Par Value	Cost	Book Value	Unamortized Premiums	Balance Discount	Annual Income	Yield
4.625%	N.E. Tel. & Tel.	7-1-05	500,000.00	500,000.00	500,000.00	0	0	23,125.00	7.81%
4.625%	New York Tel. Co.	1-1-02	200,000.00	200,000.00	200,000.00	0	0	9,250.00	7.39%
4.375%	Pacific Gas & Elec.	6-1-94	400,000.00	400,000.00	400,000.00	0	0	17,500.00	5.70%
4.625%	Pacific Tel. & Tel.	4-1-99	250,000.00	250,000.00	250,000.00	0	0	11,562.00	6.92%
8.5%	Duke Power Co.	3-1-00	500,000.00	500,025.00	500,008.00	8.00	0	42,500.00	9.16%
8.625%	Georgia Power Co.	4-1-00	500,000.00	499,425.00	499,816.00	0	184.00	43,125.00	9.52%
8.50%	Kansas Gas & Elec.	3-1-00	500,000.00	495,650.00	498,608.00	0	1,392.00	42,500.00	9.50%
8.00%	Wisconsin Power & Light	7-1-01	500,000.00	498,850.00	499,484.55	0	515.45	40,000.00	8.96%
7.25%	Shell Oil Co.	2-15-02	500,000.00	502,600.00	501,255.10	1,255.10	0	36,250.00	8.53%
7.125%	Baltimore Gas & Elec.	1-1-02	500,000.00	489,512.54	494,931.34	0	5,068.66	35,624.55	8.70%
7.00%	Delmarva Power & Light	11-1-98	500,000.00	482,596.44	493,038.60	0	6,961.40	35,000.00	8.26%
7.125%	Texas Elec. Service Co.	1-1-02	500,000.00	495,489.00	499,050.32	0	949.68	35,625.00	8.96%
6.50%	Exxon Corp.	7-15-98	250,000.00	210,000.00	230,869.56	0	19,130.44	16,250.00	7.73%
7.00%	American Tel. & Tel.	2-15-01	1,250,000.00	1,053,889.58	1,144,482.10	0	105,517.90	87,500.00	8.47%
7.125%	Cleveland Elec. & Illum.	1-15-90	250,000.00	206,604.36	241,863.35	0	8,136.65	17,812.00	7.41%
7.250%	General Motors Accept. Corp.	3-1-95	250,000.00	224,717.99	239,354.92	0	10,645.08	18,125.00	7.97%
7.350%	Tennessee Valley Authority	4-1-98	250,000.00	250,000.00	250,000.00	0	0	18,374.74	8.39%
8.125%	So. New England Tel.	5-1-08	225,000.00	218,204.73	220,269.73	0	4,730.27	18,281.25	9.13%
8.125%	So. New England Tel.	5-1-08	75,000.00	73,139.23	73,759.43	0	1,240.57	6,093.75	9.13%
8.50%	Southwestern Bell Tel.	3-15-16	500,000.00	492,500.00	494,374.97	0	5,625.03	42,500.00	9.66%
4.375%	So. Bell Tel.	4-1-01	400,000.00	231,416.00	300,382.10	0	99,617.90	17,500.00	7.06%
7.5%	Ford Motor Credit	11-15-91	250,000.00	227,292.50	245,308.50	0	4,691.50	18,750.00	7.72%
7.00%	Chevron Corp.	4-1-96	250,000.00	216,250.00	234,250.00	0	15,750.00	17,500.00	7.91%
4.875%	General Motors Accept.	12-1-87	200,000.00	153,422.00	200,000.00	0	0	9,750.00	4.92%
6.00%	Exxon Corp.	11-1-97	250,000.00	186,250.00	216,250.00	0	33,750.00	15,000.00	7.40%
4.75%	S.W. Bell Tel.	10-1-92	100,000.00	65,823.00	88,607.64	0	11,392.36	4,749.60	5.66%
7.350%	Tennessee Valley Authority	4-1-98	225,000.00	187,479.50	205,136.14	0	19,863.86	16,545.26	8.39%
4.625%	Public Service Elec. & Gas	8-1-88	175,000.00	127,487.50	175,000.00	0	0	8,093.75	4.76%
6.00%	Florida Power & Light	12-1-96	175,000.00	102,284.00	136,218.11	0	38,781.89	10,500.00	7.47%
7.125%	Baltimore Gas & Elec.	1-1-02	50,000.00	33,975.00	39,316.63	0	10,683.37	3,562.45	8.70%
7.625%	Public Service Gas & Elec.	4-1-99	500,000.00	371,275.00	421,334.66	0	78,665.34	38,125.00	8.76%
11.25%	Inland Steel Corp.	6-1-90	500,000.00	504,300.00	501,066.00	1,066.00	0	56,250.00	11.25%
11.30%	Florida Power & Light	5-1-10	200,000.00	197,250.00	197,839.26	0	2,160.74	22,600.00	10.49%
4.625%	S.W. Bell Tel. Co.	8-1-95	125,000.00	64,500.00	92,423.04	0	32,576.96	5,781.25	6.14%

Corporate Utility Bonds as of June 30, 1987

	Name of Corporation	Maturity	Par Value	Cost	Book Value	Unamortized Premiums	Balance Discount	Annual Income	Yield
4.625%	S.W. Bell Tel. Co.	8-1-95	125,000.00	64,500.00	92,423.04	0	32,576.96	5,781.25	6.14%
4.375%	American Tel. & Tel.	5-1-99	275,000.00	100,718.75	158,812.50	0	116,187.50	12,031.15	6.63%
14.50%	Union Carbide Corp.	12-1-91	200,000.00	195,750.00	198,406.25	0	1,593.75	29,000.00	13.43%
15.00%	Int. Bank Rec. & Dev.	12-15-88	500,000.00	495,500.00	500,000.00	0	0	75,000.00	13.67%
15.125%	Int. Bank Rec. & Dev.	12-15-91	200,000.00	198,040.00	199,265.00	0	735.00	30,250.00	12.20%
4.625%	American Tel. & Tel.	2-1-94	800,000.00	372,800.00	562,666.64	0	273,333.36	37,000.00	5.76%
8.50%	Duke Power Co.	7-1-95	400,000.00	399,000.00	399,111.11	0	888.89	34,000.00	8.91%
8.5%	Ford Motor Co.	4-01-96	750,000.00	765,000.00	763,500.00	13,500.00	0	63,750.00	8.79%
8.5%	Illinois Power Co.	8-01-94	500,000.00	500,000.00	500,000.00	0	0	42,500.00	8.89%
8.375%	Dayton Hudson Corp.	10-01-96	500,000.00	500,625.00	500,583.34	583.34	0	41,875.00	9.07%
8.25%	Citi Corp.	8-15-96	1,488,750.00	1,488,750.00	1,488,750.00	0	0	123,750.00	8.75%
8.5%	Kraft Inc.	2-15-17	1,000,000.00	1,008,750.00	1,008,677.09	8,677.09	0	85,000.00	9.52%
8.250%	Citi Corp.	8-15-96	1,000,000.00	933,730.00	935,062.06	0	64,937.94	82,500.00	8.75%
8.0%	G.M.A.C.	4-15-94	1,000,000.00	960,000.00	960,952.38	0	39,047.62	80,000.00	8.42%
9.0%	Florida Power & Light	10-01-16	700,000.00	652,785.00	652,919.51	0	47,080.49	63,000.00	9.85%
9.875%	Dayton Hudson Corp.	6-01-17	500,000.00	500,000.00	500,000.00	0	0	49,375.00	10.33%
8.875%	J.C. Penney	7-15-95	1,000,000.00	998,990.00	999,000.52	0	999.48	88,749.99	9.15%
7.375%	Citi Corp.	2-01-92	1,000,000.00	940,000.00	940,174.93	0	59,825.07	73,749.99	7.77%
	Totals		\$ 29,285,750.00	\$ 27,347,354.59	\$ 28,193,800.29	\$ 27,807.27	\$ 1,119,756.98	\$ 2,109,339.98	

NUMBER OF EMPLOYEES ON RETIREMENT AND CAUSE

SERVICE	DISABILITY									ACCIDENTAL DEATH			
				Accidental			Ordinary						Total All
	To Date	Died	Total End of Year	To Date	Died	Total End of Year	To Date	Died	Total End of Year	To Date	Died	Total End of Year	
Laborers.....	821	46	839	42	4	40	18	1	18	5	0	5	902
Clerks.....	582	24	585	10	0	10	7	1	6	1	0	1	602
Teachers.....	46	6	30	0	0	0	1	0	1	0	0	0	31
Firemen.....	226	9	363	132	2	129	5	1	7	16	0	16	515
Policemen.....	323	6	368	39	1	38	4	0	4	5	0	5	415
Total.....	1998	91	2185	223	7	217	37	3	36	27	0	27	2465

STATEMENT OF CHANGES IN THE MEMBERSHIP DURING THE YEAR ENDED JUNE 30, 1987

Group	Total Enrolled	Decrease in Membership	Increase or Decrease* in Active Members
Laborers.....	112	103	9
Clerks.....	217	88	129
Teachers.....	7	2	5
Firemen.....	0	57	57*
Policemen.....	2	28	26*
Total.....	338	278	60

Group	Resigned Dismissed	Deaths	Total Withdrawals	Retirements	Suspensions	Decrease in Membership
Laborers.....	13	55	68	35	0	103
Clerks.....	20	26	46	42	0	88
Teachers.....	0	2	2	0	0	2
Firemen.....	2	10	12	45	0	57
Policemen.....	2	8	10	18	0	28
Total.....	37	101	138	140	0	278

STATEMENT OF TOTAL MEMBERSHIP AS OF JUNE 30, 1987

Group	Total Enrolled	Decrease in Membership	Net Active Membership
Laborers.....	15,356	14,659	697
Clerks.....	7,901	6,840	1,061
Teachers.....	2,338	2,331	7
Firemen.....	1,332	920	412
Policemen.....	1,575	1,134	441
Total.....	28,502	25,884	2,618

WITHDRAWALS, RETIREMENT AND SUSPENSIONS

Group	Withdrawals	Retirement	Suspensions	Decrease in Membership
Laborers.....	12,521	2,050	88	14,659
Clerks.....	5,673	1,079	88	6,840
Teachers.....	1,781	550	0	2,331
Firemen.....	301	614	5	920
Policemen.....	592	537	5	1,134
Total.....	20,868	4,830	186	25,884

The members of the Retirement Board of the Employee's Retirement System of the City of Providence hereby certify that on December 1, 1987 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, 1987. The members further certify that they also on December 1, 1987 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 30, 1987.

JOSEPH R. PAOLINO, JR.

Mayor and Chairman

MAURICE BISSONNETTE

Vice Chairman

CAROLYN F. BRASSIL

Chairman Finance Committee

GLORIA L. LINCOURT

City Controller, as Officer in Charge

ANN T. McCRINK

ALFRED B. MENDILLO

CHIEF ENRICO J. LANDI

MAJOR JOHN J. POWER, JR

EDMOND F. MARNANE

JAMES QUATTROCCHI

PASQUALE D'AMICO

December 31, 1987