

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

ANNUAL REPORT
OF THE
RETIREMENT BOARD

**FOR THE FISCAL YEAR
ENDED JUNE 30, 1985**

CITY HALL, DECEMBER 15, 1985

*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 60th annual report for the year ended June 30, 1985, giving in detail the receipts, disbursements and investments, together with certain membership statistics.

Frank E. Corrente
*City Controller
Officer in Charge*

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

Statement of Current Condition
June 30, 1985

ASSETS

Cash.....		\$ 8,737,027.75
Receivables:		
Member Loans	\$ 5,393,509.81	
Member Loan Investment	20,440.50	
Due from Other Funds:		
Long Term Debt	4,409,761.85	
Due from School Fund	248,131.37	
Due from Water Supply Board.....	17,414.00	10,089,257.53
Investments	108,855,843.96	
Accrued Interest on Investments	650,056.90	109,505,900.86
Total Assets		<u>\$128,332,186.14</u>

RESERVES AND FUND BALANCES

Reserves:		
Due from Other Funds.....	\$ 4,675,307.22	
Teacher Excess Reserve	332,944.04	
Uncollected Loan Interest	20,440.50	\$ 5,028,691.76
Fund Balances:		
Bequest to Employees Retirement System		\$ 7,356.50
Annuity Savings Funds:		
General Employees.....	\$ 38,486,930.96	
Teacher Employees.....	47,785.46	
Elected Officials.....	203,396.37	\$ 38,738,112.79
Pension Accumulated Funds:		
General Employees.....	\$ 3,119,334.27	
Teacher Employees.....	43,579.84	3,162,914.11
Annuity Reserve Funds:		
General Employees.....	\$ 10,393,772.63	
Teacher Employees.....	188,136.09	\$ 10,581,908.72
Pension Reserve Funds:		
General Employees.....	\$ 70,772,429.40	
Teacher Employees.....	40,772.86	\$ 70,813,202.26
Total Reserves and Fund Balances		<u>\$128,332,186.14</u>

Statement of Revenue, Expenses and Fund Balance
For the Year Ended June 30, 1985

Operating Revenue:		
Employee Contributions	\$ 3,909,633.42	
Employer Contributions	<u>11,178,097.47</u>	
Total Operating Revenue		\$ <u>15,087,730.89</u>
Operating Expenses:		
Retiree Benefits	\$ 12,683,621.84	
Member Refunds	2,848,650.06	
Other	<u>227,032.42</u>	
Total Operating Expense		\$ <u>15,759,304.32</u>
Operating Loss		(671,573.43)
Non-Operating Revenue:		
Interest on Investments	\$ 10,127,406.35	
Interest on Member Loans	333,719.67	
Net Gain on Investments	66,717.91	
Other	<u>22,943.79</u>	
Total Non-Operating Revenue		\$ <u>10,550,787.72</u>
Net Income		\$ 9,879,214.29
Long Term Debt		\$ 4,409,761.85
Fund Balance 6/30/84		<u>\$114,043,210.00</u>
Fund Balance 6/30/85		<u><u>\$128,332,186.14</u></u>

Statement of Investment Income
For the Year Ended June 30, 1985

Gross Income on Investments:		
Interest on United States Securities	\$ 4,691,984.11	
Interest on Public Utility Bonds	1,692,136.95	
Corporate Stock Dividends	2,348,379.08	
Interest on Other U.S. Gov't Obligations	407,543.93	
Interest on Commercial Paper	630,190.67	
Interest on First Mortgages	57,502.60	
Interest on Retirement Debt	385,751.14	
Gain on Sale of Investments	367,986.84	
Amortization of Discount on		
Public Utility Bonds	<u>133,578.15</u>	
Total Gross Interest Revenues on Fund		\$ 10,715,053.47

Deductions from Gross Interest Revenues		
Trust Commission Expense	\$ 202,463.87	
Loss on Sale of Investments	301,268.93	
Amortization of Premiums on		
Public Utility Bonds	2,550.00	
Accrued Interest Paid	<u>219,660.28</u>	<u>(725,943.08)</u>
Net Income on Investments		\$ 9,989,110.39
Add: Net Income on Member Loans		\$ 333,719.77
Total Net Income on Investments & Loans		<u>\$ 10,322,830.16</u>
Average Investment	\$102,332,666.17	
Net Income Yield	9.7%	
Average Member Loans	\$ 5,284,814.59	
Net Income Yield	6.3%	
Average Investment & Loan	\$107,617,480.76	
Net Income Yield	9.6%	

Employees' Retirement Fund
Individual Investment Yields
As of June 30, 1985

Type of Investment	Book Value	Net Income	Yield
Public Utility Bonds	\$ 20,977,685.33	\$ 1,823,165.10	8.7%
Corporate Capital Stock	33,314,754.16	2,348,379.08	7%
U.S. Treasury Notes and Bonds	40,158,400.00	4,472,323.83	11.1%
Other U.S. Government Agency Notes	3,861,080.54	407,543.93	10.6%
First Mortgages	689,715.12	57,502.60	8.3%
Commercial Paper	8,854,208.81	630,190.67	7.1%
Capital Note	<u>1,000,000.00</u>	<u>85,000.00</u>	8.5%
Total	<u>\$108,855,843.96</u>	<u>\$10,589,105.21</u>	

COST OF OPERATIONS

General Fund Appropriations for the Year Ended June 30, 1985

Personal Services:		
Salaries		\$102,238.26
Services Other than Personal:		
Consulting Actuary.....	\$93,079.00	
Medical Services.....	10,956.50	
Postage, Freight & Express	2,413.88	
Printing and Binding	304.50	
Repairs to Office Machinery	400.50	
Dues and Subscriptions.....	101.00	
Misc. Services not Classified	-0-	\$107,255.38
Materials and Supplies:		
Stationery, Printed Forms & Office Supplies.....		1,382.53
Total Cost of Operations		<u>\$210,876.17</u>

Investments as of June 30, 1985 (Exclusive of Member Loans)

SUMMARY

	TOTAL INVESTMENT	PERCENT OF INVESTMENT
Public Utility Bonds	\$ 20,977,685.33	19%
Corporate Capital Stock	33,314,754.16	31%
U.S. Treasury Bonds & Notes.....	40,158,400.00	37%
Other U.S. Government Agency Notes.....	3,861,080.54	3.5%
First Mortgages	689,715.12	.6%
Commercial Paper	8,854,198.81	.9%
Capital Note	1,000,000.00	8%
Other	10.00	-
Total	<u>\$108,855,843.96</u>	<u>100%</u>

First Mortgage Investments as of June 30, 1985

		Maturity Date	Book Date	Market Value
9.50%	Foremost Lithograph	4-29-90	\$66,763.74	\$66,763.74
7.75%	Foremost Lithograph	4-29-90	103,849.51	103,849.51
7.00%	Foremost Lithograph	4-29-90	43,202.32	43,202.32
7.50%	Westco Realty	2-4-95	475,899.55	475,899.55
	Total		<u>\$689,715.12</u>	<u>\$689,715.12</u>

United States Government Securities

		Par Value	Book Value	Market Value
Treasury Bonds				
15.875%	September 30, 1985.....	\$ 500,000.00	\$ 498,125.00	\$ 510,155.00
14.875%	August 15, 1991.....	500,000.00	489,056.25	602,345.00
14.125%	December 31, 1985.....	250,000.00	249,062.50	258,125.00
14.00%	May 15, 1987.....	800,000.00	798,750.00	870,496.00
14.00%	May 15, 1987.....	600,000.00	589,875.00	652,872.00
14.00%	July 15, 1988.....	800,000.00	798,750.00	897,000.00
14.00%	July 15, 1988.....	700,000.00	692,781.25	784,875.00
13.50%	February 15, 1986.....	550,000.00	543,968.75	569,079.50
13.25%	April 15, 1988.....	1,000,000.00	997,500.00	1,095,620.00
13.00%	November 15, 1990.....	1,000,000.00	970,000.00	1,121,250.00
13.00%	November 15, 1990.....	1,700,000.00	1,658,125.00	1,906,125.00
12.75%	February 15, 1987.....	1,000,000.00	989,375.00	1,061,250.00
12.75%	February 15, 1987.....	1,000,000.00	992,500.00	1,061,250.00
12.625%	May 31, 1986.....	1,000,000.00	992,500.00	1,040,000.00
12.625%	May 31, 1986.....	1,000,000.00	992,500.00	1,040,000.00
12.625%	November 15, 1987.....	1,000,000.00	980,000.00	1,075,310.00
12.00%	May 15, 1987.....	1,000,000.00	952,500.00	1,056,250.00
12.00%	March 31, 1988.....	1,000,000.00	1,000,000.00	1,066,250.00
11.875%	October 15, 1989.....	1,000,000.00	935,000.00	1,072,500.00
11.875%	October 15, 1989.....	1,000,000.00	935,000.00	1,072,500.00
11.75%	November 15, 1985.....	700,000.00	681,375.00	710,717.00
11.75%	November 15, 1988.....	1,000,000.00	942,500.00	1,063,750.00
11.75%	November 15, 1993.....	1,100,000.00	1,080,968.25	1,185,591.00
11.625%	November 15, 1994.....	500,000.00	518,750.00	538,280.00
11.50%	October 15, 1990.....	500,000.00	499,687.50	531,405.00
11.50%	November 15, 1995.....	1,600,000.00	1,588,687.50	1,724,000.00
10.875%	February 15, 1993.....	1,200,000.00	1,176,000.00	1,241,244.00
10.750%	November 15, 1989.....	500,000.00	500,000.00	518,595.00
10.750%	November 15, 1989.....	760,000.00	738,164.06	788,264.40
10.750%	August 15, 1990.....	500,000.00	485,000.00	518,435.00
10.50%	June 30, 1987.....	1,000,000.00	975,000.00	1,031,560.00
10.50%	April 15, 1990.....	1,000,000.00	997,500.00	1,026,250.00
10.50%	November 15, 1992.....	1,500,000.00	1,510,000.00	1,528,125.00
10.50%	February 15, 1995.....	800,000.00	774,500.00	815,000.00
10.375%	May 15, 1995.....	300,000.00	299,250.00	303,282.00
10.250%	March 31, 1987.....	1,000,000.00	997,500.00	1,025,310.00
10.125%	February 15, 1988.....	500,000.00	480,000.00	511,250.00
10.125%	November 15, 1994.....	1,900,000.00	1,790,820.31	1,901,786.00
10.00%	June 30, 1985.....	1,000,000.00	985,000.00	1,000,000.00
10.00%	December 31, 1986.....	3,000,000.00	2,957,500.00	3,063,750.00
9.25%	May 15, 1989.....	75,000.00	74,250.00	74,789.25
9.00%	February 15, 1994.....	1,725,000.00	1,552,747.81	1,604,784.75
8.25%	May 15, 1988.....	400,000.00	389,799.07	392,376.00
7.875%	February 15, 1993.....	1,000,000.00	810,937.50	882,810.00
7.50%	August 15, 1993.....	400,000.00	297,093.75	344,376.00
Total		<u>\$41,360,000.00</u>	<u>\$40,158,400.00</u>	<u>\$43,138,982.90</u>

Other United States Government Obligations

		Par Value	Book Value	Market Value
Government National Mortgage Association				
6.50%	October 15, 2003	\$ 79,342.50	\$ 64,067.52	\$ 62,482.17
6.50%	April 15, 2003	294,069.70	237,092.39	231,579.88
	Subtotal	<u>\$ 373,412.20</u>	<u>\$ 301,159.91</u>	<u>\$ 294,062.05</u>
Federal National Mortgage Association				
15.25%	May 10, 1989	\$250,000.00	\$ 250,625.00	\$ 288,875.00
10.40%	March 10, 1988	500,000.00	500,000.00	511,875.00
	Subtotal	<u>\$ 750,000.00</u>	<u>\$ 750,625.00</u>	<u>\$ 800,625.00</u>
Twelve Federal Land Banks				
7.95%	April 22, 1991	\$ 500,000.00	\$ 401,250.00	\$ 460,000.00
7.35%	January 20, 1997	500,000.00	377,500.00	400,000.00
	Subtotal	<u>\$1,000,000.00</u>	<u>\$ 778,750.00</u>	<u>\$ 860,000.00</u>
Federal Farm Credit Banks				
11.70%	July 20, 1988	\$ 500,000.00	\$ 497,030.00	\$ 529,060.00
10.75%	October 20, 1986	200,000.00	164,000.00	205,250.00
10.60%	October 23, 1989	500,000.00	498,750.00	508,125.00
	Subtotal	<u>\$1,200,000.00</u>	<u>\$1,159,780.00</u>	<u>\$1,242,435.00</u>
Federal Home Loan Banks				
16.40%	September 25, 1986	\$ 500,000.00	\$ 504,140.63	\$ 545,310.00
11.30%	November 25, 1986	200,000.00	167,000.00	206,688.00
9.35%	August 26, 1985	200,000.00	199,625.00	200,438.00
	Subtotals	<u>900,000.00</u>	<u>870,765.63</u>	<u>952,436.00</u>
	Grand Totals	<u><u>\$4,223,412.20</u></u>	<u><u>\$3,861,080.54</u></u>	<u><u>\$4,149,558.05</u></u>

Corporation Stock Owned as of June 30, 1985

Name of Corporation	#Shares	Book Value	Market Value
Preferred Stock:			
Union Pacific Corp.	4,700	\$ 562,825.00	\$ 504,075.00
Common Stock:			
American Express Co. Inc.	5,000	\$ 142,475.00	\$ 237,500.00
American Home Products Corp.	42,000	1,206,476.05	2,682,750.00
American Telephone & Telegraph Co.	31,000	455,681.02	747,875.00
Amoco Corp.	22,300	662,273.80	1,429,987.50
A. T. Cross Co.	31,000	435,544.46	1,069,500.00
Atlantic Richfield Co.	22,700	798,065.50	1,359,162.50
Avon Products Inc.	6,500	178,247.72	138,937.50
Bankamerica Corp.	44,000	918,219.56	841,500.00
Beatrice Companies Inc.	15,382	351,298.25	488,378.50
Bell Atlantic Corp.	7,500	518,447.58	694,687.50
Bell South Corp.	20,000	596,723.68	835,000.00
Bristol-Myers Co.	23,000	444,874.89	1,411,625.00
Burroughs Corp.	3,700	167,370.10	216,450.00
Capital Holding Corp. of America	12,000	130,474.52	286,500.00
Caterpillar Tractor Co.	20,000	743,596.32	662,500.00
Central & Southwest Corp.	31,300	670,525.28	809,887.50
Champion International Corp.	6,000	135,295.00	138,750.00
Coca-Cola Co.	10,000	349,750.00	693,750.00
Dayton-Hudson Corp.	20,000	626,317.60	845,000.00
Deere & Co.	5,500	160,783.31	165,687.50
Dominion Resources Inc.	16,200	622,089.55	534,600.00
Dow Chemical Corp.	42,000	1,101,258.81	1,501,500.00
Dupont E.I. DeNemours & Co.	3,600	146,982.23	209,250.00
Eastman Kodak & Co.	3,300	154,854.37	146,025.00
Eckerd Jack Corp.	7,000	168,391.73	208,250.00
Emerson Electric Co.	6,020	259,881.90	441,717.50
Exxon Corp.	30,000	661,804.83	1,616,250.00
Federated Department Stores Inc.	14,100	620,583.36	898,875.00
First Virginia Banks.	9,000	151,761.91	244,025.00
Fleet Financial Group Inc.	35,000	378,096.79	1,448,125.00
Ford Motor Company — Delaware	16,000	657,320.00	722,000.00
FPL Group Inc.	52,000	817,819.86	1,332,500.00
General Electric Co.	3,600	142,269.40	222,750.00
General Foods Corp.	12,000	360,521.96	972,000.00
General Mills Inc.	10,000	281,200.00	636,250.00
General Motors Corp.	14,400	1,043,536.10	1,036,800.00
Halliburton Co.	30,500	1,023,178.41	892,125.00
Hewlett Packard Co.	4,700	171,462.00	164,500.00
International Business Machines Corp.	33,200	1,808,539.51	4,108,500.00
International Paper Co.	3,500	166,322.28	171,500.00
Jeffrey Martin Inc.	1,700	147,899.18	86,250.00
Johnson & Johnson	17,000	622,233.65	788,375.00
J. P. Morgan & Co. Inc.	28,600	827,007.12	1,472,900.00
Maytag Co.	10,000	483,400.00	522,500.00
McDonalds Corp.	15,000	533,523.19	1,027,500.00
Merck & Co. Inc.	1,700	143,118.27	191,462.50
Middle South Utilities Inc.	33,500	713,596.69	481,562.50
Minnesota Mining & Mfg.	2,100	144,046.77	163,800.00
Mobil Corp.	45,000	836,923.11	1,355,625.00
Monsanto Co.	16,800	463,610.73	812,700.00

NCR	10,000	136,782.33	306,250.00
New York State Electric & Gas Corp.	12,375	296,470.92	337,218.75
Oneida Ltd.	7,500	162,979.76	96,562.50
Panhandle Eastern Corp.	38,000	769,100.16	1,377,500.00
Pepsico Inc.	4,000	125,468.97	240,500.00
Pfizer Inc.	52,000	944,980.97	2,574,000.00
Proctor & Gamble Co.	3,000	159,179.63	168,750.00
Ralston Purina Co.	5,000	51,324.42	222,500.00
Raytheon Co.	11,000	476,665.00	550,000.00
Republicbank Corp.	15,000	262,084.78	457,500.00
Schlumberger Ltd.	13,500	624,066.84	521,437.50
Sears Roebuck & Co.	12,200	398,167.02	468,175.00
Square D. Co.	24,000	659,601.51	951,000.00
Sterling Drug Inc.	6,000	171,540.00	191,250.00
Texas Utilities.....	19,500	429,759.18	604,500.00
Union Pacific Corp.	3,500	152,895.00	167,125.00
Unocal Corp.	5,000	180,075.00	235,000.00
Wang Labs Inc.	12,000	350,221.50	216,000.00
Warner Lambert Co.	5,500	163,695.23	238,562.50
Weyerhaeuser Co.	4,000	118,500.00	115,000.00
Xerox Corp.	13,500	722,670.59	710,437.50
Totals		<u>\$33,314,754.16</u>	<u>\$51,419,089.75</u>

Summary of Utility Corporation Bond Holdings

Name of Corporation	Par Value
American Telephone & Telegraph.....	\$ 4,200,000.00
Baltimore Gas & Electric Co.	575,000.00
Bell Telephone Co. of PA	250,000.00
Central Illinois Pub. Serv. Co.	25,000.00
Chesapeake & Potomac Tel. & Tel.	25,000.00
Chevron	250,000.00
Cleveland Elec. & Illum. Co.	250,000.00
Consolidated Edison of NY	225,000.00
Deere & Co.	100,000.00
Delmarva Power & Lt.	500,000.00
Duke Power Co.	500,000.00
Duquesne Lt. Co.	50,000.00
Exxon Corp.	500,000.00
Florida Power & Lt.	425,000.00
Ford Motor Credit	450,000.00
General Electric Credit Corp.	500,000.00
General Motors Accept. Corp.	650,000.00
Georgia Power Co.	500,000.00
Idaho Power Co.	50,000.00
Illinois Bell Tel. Co.	500,000.00
Inland Steel Co.	500,000.00
International Bank for Recon. & Dev.	1,500,000.00
Iowa-Illinois Gas & Elec.	49,000.00
ITT Financial Corp.	500,000.00
Kansas Gas & Elec.	500,000.00
Mass. Elec. Co.	25,000.00
Michigan Bell Tel. Co.	800,000.00
Montana Power Co.	50,000.00
Narragansett Electric Co.	250,000.00
New England Tel. Co.	500,000.00
New York Tel. Co.	200,000.00
No. American Phillips Corp.	500,000.00
Northwestern Bell Tel. Co.	75,000.00
Oklahoma Gas and Elec.	25,000.00
Pacific Gas and Elec.	425,000.00
Pacific Tel. & Tel.	250,000.00
Potomac Elec. & Power	50,000.00
Public Service Co. of Colorado	50,000.00
Public Service Gas & Elec.	700,000.00
Sears Roebuck Accept.	100,000.00
Shell Oil Co.	500,000.00
So. Bell Tel. & Tel.	600,000.00
So. California Edison	125,000.00
So. New England Tel.	300,000.00
S. W. Bell Tel. Co.	925,000.00
Tennessee Valley Authority	725,000.00
Texaco, Inc.	150,000.00
Texas Elec. Serv. Co.	500,000.00
Union Carbide Corp.	200,000.00
Union Electric Co.	200,000.00
Virginia Elec. & Power	50,000.00
Wisconsin Power & Lt.	573,000.00
Total	<u>\$22,172,000.00</u>

Corporate Utility Bonds as of June 30, 1985

Coupon Rate	Name of Corporation	Maturity	Par Value	Cost	Book Value	Unamortized Premiums	Balance Discount	Annual Income	Yield
3.625%	Consolidated Edison of NY.....	5-1-86	\$ 25,000.00	\$ 25,350.50	\$25,000.00			\$ 906.00	3.574%
3.625%	Potomac Elec. Power Co.	6-1-91	25,000.00	25,277.25	25,041.93	\$ 41.93		906.00	3.584%
3.875%	American Tel. & Tel.	7-1-90	25,000.00	25,692.50	25,086.40	86.40		968.00	3.767%
5%	Pacific Gas & Elec.	6-1-89	25,000.00	25,205.62	25,026.44	26.44		1,250.00	4.959%
4%	Baltimore Gas & Elec.	2-1-93	25,000.00	25,375.00	25,079.49	79.49		1,000.00	3.947%
4.625%	Public Service Elec. & Gas	8-1-88	25,000.00	25,517.75	25,036.84	36.84		1,156.25	4.531%
4.750%	Southwestern Bell Tel. Co.	10-1-92	25,000.00	26,375.00	25,266.10	266.10		1,187.40	4.502%
4.375%	Northwestern Bell Tel. Co.	5-1-89	50,000.00	51,000.00	50,107.00	107.00		2,187.34	4.288%
4.50%	Oklahoma Gas & Elec.	1-1-88	25,000.00	25,375.00	25,014.42	14.42		1,125.00	4.433%
4.375%	Northwestern Bell Tel. Co.	5-1-89	25,000.00	25,187.50	25,020.00	20.00		1,093.66	4.590%
4.625%	Potomac Elec. Power Co.	12-1-93	25,000.00	25,333.00	25,077.75	77.75		1,156.00	4.563%
4.750%	Central Illinois Pub. Ser. Co.	1-1-89	25,000.00	25,408.25	25,043.64	43.64		1,187.00	4.672%
4.125%	Chesapeake & Potomac Tel. Co.	12-1-93	25,000.00	24,125.00	24,808.60		\$ 191.40	1,031.00	4.274%
4.375%	Illinois Bell Tel. Co.	3-1-94	50,000.00	50,512.50	50,124.25	124.25		2,187.50	4.331%
4.250%	Duquesne Light Co.	3-1-89	50,000.00	49,437.50	49,939.75		60.00	2,125.00	4.298%
4.375%	Illinois Bell Tel. Co.	3-1-94	50,000.00	49,625.00	49,909.00		91.00	2,187.50	4.408%
4.50%	Montana Power Co.	4-1-89	50,000.00	49,312.50	49,926.25		73.75	2,250.00	4.563%
4.625%	Wisconsin Power & Light.....	3-1-89	23,000.00	22,942.50	22,993.45		6.55	1,063.00	4.633%
4.625%	Public Service Co. of Colorado.....	5-1-89	50,000.00	50,000.00	50,000.00			2,312.00	4.624%
5%	Idaho Power Co.	5-15-89	50,000.00	50,401.00	50,043.00	43.00		2,500.00	4.960%
4.625%	Virginia Elec. Co.	9-1-90	50,000.00	50,364.50	50,052.02	52.02		2,312.00	4.591%
4.625%	S. W. Bell Tel. Co.	8-1-95	50,000.00	50,312.50	50,085.22	85.22		2,312.50	4.596%
4.375%	Florida Power & Light.....	12-1-86	50,000.00	49,875.00	50,000.00			2,187.00	4.385%
4.375%	So. Cal. Edison.....	9-1-85	125,000.00	123,437.50	125,000.00			5,468.00	4.576%
4.875%	Iowa-Illinois Gas & Elec.	5-1-91	49,000.00	49,580.65	49,120.09	120.09		2,388.00	4.816%
5%	Mass. Elec. Co.	7-1-91	25,000.00	25,509.75	25,105.41	105.41		1,250.00	4.900%
4.625%	Tennessee Valley Authority	7-1-86	250,000.00	249,375.00	249,974.15		25.85	11,562.50	4.637%
4.375%	Consolidated Edison	6-1-92	200,000.00	199,000.00	199,785.84		214.16	8,750.00	4.397%
4.685%	American Tel. & Tel.	2-1-94	200,000.00	206,500.00	201,733.26	1,733.26		9,250.00	4.479%
4.375%	So. Bell Tel. & Tel.	4-1-01	200,000.00	200,000.00	200,000.00			8,750.00	4.375%
4.125%	Wisconsin Power & Light.....	5-1-92	50,000.00	49,125.00	49,812.50		187.50	2,125.00	4.326%
4.625%	Narragansett Elec.	1-1-94	250,000.00	253,087.20	250,851.54	851.54		11,562.00	4.568%
4.625%	American Tel. & Tel.	3-1-94	400,000.00	400,000.00	400,000.00			18,500.00	4.625%
4.750%	American Tel. & Tel.	5-1-98	850,000.00	850,000.00	850,000.00			40,375.00	4.750%
4.375%	American Tel. & Tel.	5-1-99	400,000.00	400,000.00	400,000.00			17,500.00	4.375%
4.50%	Union Elec. Co.	4-1-95	200,000.00	200,000.00	200,000.00			9,000.00	4.500%
4.375%	Illinois Bell Tel. Co.	3-1-94	400,000.00	400,000.00	400,000.00			17,500.00	4.375%
4.50%	International Bank.....	12-1-90	800,000.00	800,000.00	800,000.00			36,000.00	4.875%
4.375%	Michigan Bell Tel. Co.	12-1-91	800,000.00	800,000.00	800,000.00			35,000.00	4.375%

Corporate Utility Bonds as of June 30, 1985

Coupon Rate	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		\$	23,125.00	4.625%
4.625%	New York Tel. Co.	6-1-82	200,000.00	200,000.00	200,000.00			9,250.00	4.625%
4.375%	Pacific Gas & Elec.	6-1-94	400,000.00	400,000.00	400,000.00			17,500.00	4.375%
4.625%	Pacific Tel. & Tel.	4-1-99	250,000.00	250,000.00	250,000.00			11,567.00	4.625%
8.5%	Duke Power Co.	3-1-00	500,000.00	500,025.00	500,010.00	\$ 10.00		42,500.00	8.5%
8.625%	Georgia Power Co.	4-1-00	500,000.00	499,425.00	499,770.00		\$ 230.00	43,125.00	8.625%
8.50%	Kansas Gas & Elec.	3-1-00	500,000.00	495,650.00	498,260.00		1,740.00	42,500.00	8.575%
8.00%	Wisconsin Power & Light.....	7-1-01	500,000.00	498,850.00	499,405.25		594.75	40,000.00	8.018%
7.25%	Shell Oil Co.	2-15-12	500,000.00	502,600.00	501,434.40	1,434.40		36,250.00	7.212%
7.125%	Baltimore Gas & Elec.	1-1-02	500,000.00	489,512.54	494,208.10		5,791.90	35,624.50	7.278%
7.00%	Delmarva Power & Light.....	11-1-98	500,000.00	482,596.44	491,646.32		8,353.68	35,000.00	7.252%
7.125%	Texas Elec. Service Co.	1-1-02	500,000.00	495,489.00	498,575.48		1,424.52	35,625.00	7.19%
6.50%	Exxon Corp.	7-15-98	250,000.00	210,000.00	227,391.30		22,608.70	16,250.00	7.738%
7%	American Tel. & Tel.	2-15-01	1,250,000.00	1,053,889.58	1,129,356.68		120,643.32	87,500.00	8.303%
7.125%	Cleveland Elec. & Illum.	1-15-90	250,000.00	206,604.36	236,438.89		13,561.11	17,812.00	8.622%
7.250%	General Motors Accept. Corp.	3-1-95	250,000.00	224,717.99	236,693.66		13,306.34	18,125.00	8.066%
7.350%	Tennessee Valley Authority	4-1-98	250,000.00	250,000.00	250,000.00			18,374.74	7.350%
8.125%	So. New England Tel.	5-1-08	225,000.00	218,204.73	219,816.73		5,183.27	18,281.25	9.378%
8.125%	So. New England Tel.	5-1-08	75,000.00	73,139.23	75,635.39		1,364.61	6,093.75	8.332%
.50%	Southwestern Bell Tel.	3-15-16	500,000.00	492,500.00	493,958.31		6,041.69	42,500.00	8.629%
8.50%	Ford Motor Credit.....	5-1-88	100,000.00	98,875.00	99,750.00		250.00	8,500.00	8.597%
8.375%	Sears Roebuck Accept.	12-31-86	100,000.00	98,250.00	100,000.00			8,375.00	8.524%
4.375%	So. Bell Tel.	4-1-01	400,000.00	231,416.00	285,056.30		114,943.70	17,500.00	7.562%
7.9%	Deere & Co.	3-1-87	100,000.00	96,625.00	99,578.09		421.91	7,800.00	8.176%
7.5%	Ford Motor Credit.....	11-15-91	250,000.00	227,292.50	240,867.00		9,133.00	1,875.00	8.249%
7.00%	Chevron Corp.	4-1-96	250,000.00	216,250.00	229,750.00		20,250.00	17,500.00	8.092%
4.875%	General Motors Accept.	12-1-87	200,000.00	153,422.00	188,355.50		11,644.50	9,750.00	6.355%
6.00%	Exxon Corp.	11-1-97	250,000.00	186,250.00	208,750.00		41,250.00	15,000.00	8.054%
9.75%	General Electric Credit Corp.	8-1-87	500,000.00	501,250.00	500,178.58	178.58		48,750.00	9.726%
4.75%	S. W. Bell Tel.	10-1-92	100,000.00	65,823.00	82,911.48		17,088.52	4,749.60	7.211%
9.625%	General Motors Accept.	5-1-89	200,000.00	200,000.00	200,000.00			19,250.00	9.625%
2.350%	Tennessee Valley Authority	4-1-98	225,000.00	187,479.50	200,721.98		24,278.02	16,537.26	8.821%
8.50%	Ford Motor Credit Corp.	5-1-88	100,000.00	95,250.00	98,642.85		1,357.15	8,500.00	8.924%
4.625%	Public Service Elec. & Gas	8-1-88	175,000.00	127,487.50	161,425.00		13,575.00	8,093.75	6.349%
5.750%	Texaco Inc.	7-15-97	150,000.00	107,220.00	120,588.75		29,411.25	8,625.00	8.044%
6.00%	Florida Power & Light.....	12-1-96	175,000.00	102,284.00	126,522.65		48,477.35	10,500.00	10.266%
7.125%	Baltimore Gas & Elec.	1-1-02	50,000.00	33,975.00	37,790.45		12,209.55	3,562.50	10.487%
7.625%	Public Service Gas & Elec.	4-1-99	500,000.00	371,275.00	407,031.90		92,968.10	38,125.00	10.269%
11.00%	ITT Financial Corp.	6-15-88	500,000.00	498,000.00	499,333.32		666.68	55,000.00	11.044%
11.25%	Inland Steel Corp.	6-1-90	500,000.00	504,300.00	502,141.00	2,141.00		56,250.00	11.154%
11.000%	North Amer. Phillips Corp.	6-1-87	500,000.00	505,625.00	501,125.00	1,125.00		55,000.00	10.978%
11.30%	Florida Power & Light.....	5-1-10	200,000.00	197,250.00	197,642.84		2,357.16	22,600.00	11.548%
4.625%	S. W. Bell Tel. Co.	8-1-95	125,000.00	64,500.00	83,115.36		41,884.64	5,781.25	8.963%

Corporate Utility Bonds as of June 30, 1985

Coupon Rate	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	\$ 83,115.36		\$ 41,884.64	\$ 5,781.25	8.963%
4.375%	American Tel. & Tel.	5-1-99	275,000.00	100,718.75	135,575.00		139,425.00	12,031.00	11.945%
14.50%	Union Carbide Corp.	12-1-91	200,000.00	195,750.00	197,343.75		2,656.25	29,000.00	14.815%
15.00%	Int. Bank Rec. & Dev.	12-15-88	500,000.00	495,500.00	498,200.00		1,800.00	75,000.00	15.136%
15.125%	Int. Bank Rec. & Dev.	2-15-91	200,000.00	198,040.00	198,775.00		1,225.00	30,025.00	15.275%
4.625%	American Tel. & Tel.	2-1-94	800,000.00	372,800.00	467,733.32		332,266.68	37,000.00	9.925%
Totals			\$22,172,000.00	\$20,374,232.59	\$20,977,685.33	\$8,803.78	\$1,574,367.60	\$1,522,230.50	

NUMBER OF EMPLOYEES ON RETIREMENT AND CAUSE

SERVICE				DISABILITY						ACCIDENTAL DEATH			
Group	To Date	Died	Total End of Year	Accidental			Ordinary			To Date	Died	Total End of Year	Total All
				To Date	Died	Total End of Year	To Date	Died	Total End of Year				
Laborers	800	29	793	35	0	38	14	1	15	4	0	4	850
Clerks	515	21	542	6	0	9	6	0	7	1	0	1	559
Teachers	51	5	46	3	0	0	3	0	3	0	0	0	49
Firemen	210	4	215	3	1	113	3	0	3	15	0	15	346
Policemen	298	2	315	2	0	34	3	0	3	4	1	5	357
Total	1874	61	1911	178	1	194	29	1	31	24	1	25	2161

46 Teachers Under Chapter 2101, 1948

STATEMENT OF CHANGES IN THE MEMBERSHIP DURING THE YEAR ENDED JUNE 30, 1985

Group	Total Enrolled	Decrease in Membership	Increase or Decrease* in Active Members
Laborers	7	48	41*
Clerks	93	65	28
Teachers	0	0	0
Firemen	29	2	27
Policemen	34	0	34
Total	163	115	48

Group	Resigned Dismissed	Deaths	Total Withdrawals	Retirements	Suspensions	Decrease in Membership
Laborers	48	29	77	27	0	104
Clerks	64	21	85	51	1	136
Teachers	0	8	8	0	0	8
Firemen	2	4	6	21	0	27
Policemen	0	2	2	21	0	23
Total	114	64	178	120	1	298

STATEMENT OF TOTAL MEMBERSHIP AS OF JUNE 30, 1985

Group	Total Enrolled	Decrease in Membership	Net Active Membership
Laborers	15307	14532	775
Clerks	7612	6555	1057
Teachers	2331	2329	2
Firemen	1331	847	484
Policemen	1567	1163	404
Total	28148	25426	2722

WITHDRAWALS, RETIREMENT AND SUSPENSIONS

Group	Withdrawals	Retirement	Suspensions	Decrease in Membership
Laborers	12483	1960	88	14531
Clerks	5485	982	88	6555
Teachers	1779	550	0	2329
Firemen	286	556	5	847
Policemen	649	509	5	1163
Total	20682	4557	186	25425

The members of the Retirement Board of the Employees Retirement System of the City of Providence hereby certify that on December 1, 1985 they examined and accepted from City Treasurer Stephen Napolitano and City Controller Frank E. Corrente, their detailed certification of all Securities by the Employee's Retirement System as of June 30, 1985. The members further certify that they also on December 1, 1985 examined the cash balance as of June 30, 1985 and hereby present their report as a true statement of receipts, disbursements and investments for the fiscal year ended June 30, 1985.

JOSEPH R. PAOLINO, JR.
Mayor and Chairman

CAROLYN F. BRASSIL
Chairman Finance Committee

Carolyn F. Brassil

FRANK E. CORRENTE
City Controller, as Officer in Charge

Frank E. Corrente

ANN T. McCRINK

Ann T Mc Crink

THOMAS J. GRAVES

ALFRED B. MENDILLO

Alfred B Mendillo

ENRICO J. LANDI

Enrico J Landi

JOHN J. POWER, JR.

John J Power Jr

EDMOND F. MARNANE

Edmond F Marnane

JAMES QUATTROCCHI

James Quattrocchi

JACK WILKES