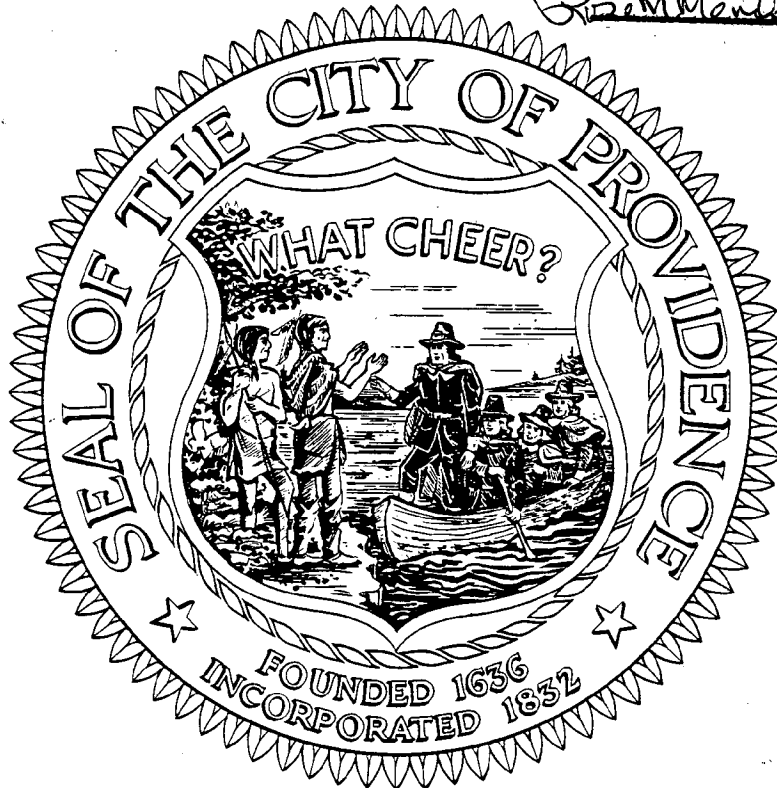


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City of Providence, Rhode Island

Annual Financial Report
June 30, 1985



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

April 9, 1986

PRIVATE

Ms. Rose M. Mendonca, City Clerk
City of Providence
City Hall
Providence, Rhode Island 02903


Dear Ms. Mendonca:

Enclosed are thirty (30) copies of the Annual Financial Report of the City of Providence for the year ended June 30, 1985.

Please acknowledge receipt of this package by signing and returning the enclosed copy of this letter.

Very truly yours,

PEAT, MARWICK, MITCHELL & CO.


Karl F. Ericson, Partner

KFE:mcd

Enc. 30

Received By: _____

Title: _____

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PROVIDENCE, R.I.

CITY OF PROVIDENCE, RHODE ISLAND

General Purpose Financial Statements
and Schedules

June 30, 1985

(With Accountants' Report Thereon)

CITY OF PROVIDENCE, RHODE ISLAND

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CITY OF PROVIDENCE, RHODE ISLAND

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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 general purpose 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, 1985 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.

As described more fully in Note 1, the general purpose 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 12, the City accounts 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.

In our opinion, 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 general purpose 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 general purpose financial statements present fairly the financial position of the City of Providence, Rhode Island at June 30, 1985, 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 which, except for the change with which we concur, in the manner of charging depreciation against equity as described in Note 9, have been applied on a basis consistent with that of the preceding year after giving retroactive effect to the correction of errors as discussed in Note 9.

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 at June 30, 1985

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.

In our opinion the individual fund financial statements present fairly the financial position of the Providence Civic Center Authority at June 30, 1985, and the results of its operations and the changes in its financial position for the year then ended, in conformity with generally accepted accounting principles which, except for the change, with which we concur, in the manner of charging depreciation against equity as described in Note 9, have been applied on a basis consistent with that of the preceding year after giving retroactive effect to the correction of errors as described in Note 9 to the financial statements.

Our examination was made for the purpose of forming an opinion on the general purpose and individual fund financial statements. The combining and individual fund schedules and financial information included in Schedules 1 through 11 are presented for purposes of additional analysis and are not a required part of the general purpose 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 general purpose and individual fund financial statements and, in our opinion, except for the effects on Schedule 2 of the matter discussed in the third paragraph and subject to the effects on Schedule 2, of such adjustments, if any, as might have been required had the outcome of the uncertainties discussed in the fourth paragraph been known, is fairly stated in all material respects in relation to the general purpose and individual fund financial statements taken as a whole.

Peat, Marwick, Mitchell & Co.

November 22, 1985

CITY OF PROVIDENCE, RHODE ISLAND
Combined Balance Sheet - All Fund Types and Account Group
June 30, 1985

Assets and other Debits	Governmental Fund Types			Proprietary Fund Types		Fiduciary	Account Group	Total (Memorandum Only)
	General	Special Revenue	Capital Projects	Enterprise (note 9)	Internal Service	Fund Types Trust and Agency	General Long- term Obligations	
Cash and cash equivalents	\$ -	2,620,890	1,293,237	470,805	19,834	4,592,537	-	8,997,303
Short-term investments, at cost which approximates market	10,030,000	5,275,000	13,130,000	-	-	-	-	28,435,000
Due from:								
Other funds (net where appli- cable of allowances for estimated uncollectible amounts of \$1,934,343) (note 5)	2,782,330	4,617,330	-	-	-	13,906,765	-	21,306,425
Other governments (note 3)	3,056,640	1,876,872	-	-	-	-	-	4,933,512
Accounts receivable (net where applicable of allowances for estimated uncollectible amounts of \$29,605,542):								
Taxes	8,371,735	-	-	-	-	-	-	8,371,735
Other	-	2,000,265	-	1,401,900	-	1,019,919	-	4,422,084
Investments	-	-	-	-	-	113,654,011	-	113,654,011
Loans receivable, net (note 6)	-	12,628,763	-	-	-	5,393,510	-	18,022,273
Inventory, at cost	-	-	-	867,905	-	-	-	867,905
Prepaid expenses	-	-	-	67,735	-	-	-	67,735
Property, plant and equipment (net of accumulated deprecia- tion) (note 4)	-	-	-	63,554,660	-	-	-	63,554,660
Restricted assets (note 10)	-	-	-	853,018	-	-	-	853,018
Amount to be provided for retire- ment of long-term obligations	-	-	-	-	-	-	82,171,762	82,171,762
Other assets	-	14,895	-	52,000	-	139,120	-	206,015
Total assets and other debits	\$ 24,240,705	29,034,015	14,423,237	67,268,023	19,834	138,705,862	82,171,762	355,863,438

(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 General Long- term Obligations	Total (Memorandum Only)
	General	Special Revenue	Capital Projects	Enterprise (note 9)	Internal Service	Fund Types Trust and Agency		
Bank overdrafts	\$ -	1,147,765	-	-	-	-	-	1,147,765
Accounts payable	9,849,720	4,634,514	273,472	598,943	3,067	1,079,269	-	16,438,985
Accrued expenditures	1,302,106	-	-	-	-	-	-	1,302,106
Amounts held for others	-	-	-	-	-	1,106,286	-	1,106,286
Notes payable (note 7)	-	-	14,040,000	146,000	-	-	-	14,186,000
Due to:								
Other funds (note 5)	10,298,371	7,548,060	190,318	794,257	-	-	4,409,762	23,240,768
Other governments (note 3)	-	482,466	-	-	-	-	-	482,466
Deferred revenues	7,237,000	976,064	162,974	238,645	-	349,422	-	8,964,105
Bonds payable (note 8)	-	-	-	9,110,000	-	-	73,165,000	82,275,000
Other liabilities	-	340,081	-	474,550	-	-	-	814,631
Other noncurrent liabilities (note 8)	-	-	-	-	-	-	4,597,000	4,597,000
Total liabilities	<u>28,687,197</u>	<u>15,128,950</u>	<u>14,666,764</u>	<u>11,362,395</u>	<u>3,067</u>	<u>2,534,977</u>	<u>82,171,762</u>	<u>154,555,112</u>
Fund Equity								
Contributed capital	-	-	-	56,152,453	-	-	-	56,152,453
Retained earnings (accumulated deficit)	-	-	-	(246,825)	16,767	-	-	(230,058)
Fund balance (deficit) (note 11):								
Reserved	68,512	-	-	-	-	132,594,318	-	132,662,830
Unreserved:								
Designated	-	11,519,651	1,128,342	-	-	1,841,739	-	14,489,732
Undesignated	(4,515,004)	2,385,414	(1,371,869)	-	-	1,734,828	-	(1,766,631)
Total fund equity (deficit)	<u>(4,446,492)</u>	<u>13,905,065</u>	<u>(243,527)</u>	<u>55,905,628</u>	<u>16,767</u>	<u>136,170,885</u>	<u>-</u>	<u>201,308,326</u>
Commitments and contingent liabilities (notes 12, 13, 14, and 15).								
Total liabilities and fund equity	\$ <u>24,240,705</u>	<u>29,034,015</u>	<u>14,423,237</u>	<u>67,268,023</u>	<u>19,834</u>	<u>138,705,862</u>	<u>82,171,762</u>	<u>355,863,438</u>

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, 1985					
	Governmental Fund Types			Fiduciary	Total
	General	Special Revenue	Capital Projects	Fund Types Expendable Trusts	(Memorandum Only)
Revenues:					
Taxes (note 2)	\$ 98,581,372	-	-	-	98,581,372
Charges for services	5,319,107	6,394,405	-	-	11,713,512
Shared state taxes	2,276,683	-	-	-	2,276,683
Federal and state grants and reimbursements	14,815,585	57,590,155	2,242,113	366,345	75,014,198
Sale of real estate	-	-	-	1,119,505	1,119,505
Licenses	976,257	-	-	15,620	991,877
Investment income	4,955,891	401,789	142,851	92,093	5,592,624
Fines and forfeitures	2,126,474	-	-	-	2,126,474
Other	60,700	628,712	33,292	217,297	940,001
Total revenues	129,112,069	65,015,061	2,418,256	1,810,860	198,356,246
Other financing sources:					
Proceeds from sale of General Obligation Bonds	-	-	10,000,000	-	10,000,000
Operating transfers:					
From Special Revenue Funds	978,645	314,501	-	1,451,675	2,744,821
From General Fund	-	34,828,346	1,754,520	-	36,582,866
From Fiduciary Funds	87,980	-	-	-	87,980
From Capital Project Funds	-	125,000	-	-	125,000
Total other financing sources	1,066,625	35,267,847	11,754,520	1,451,675	49,540,667
Total revenues and other financing sources	130,178,694	100,282,908	14,172,776	3,262,535	247,896,913
Expenditures:					
Personal services	37,220,903	54,505,023	410,103	107,115	92,243,144
Employee benefits	16,925,584	13,830,932	-	7,137	30,763,653
Services other than personal	14,786,484	2,557,165	-	190,879	17,534,528
Materials and supplies	3,631,392	1,707,893	14,985	255,309	5,609,579
Equipment	948,591	1,546,266	-	52,472	2,547,329
Intergovernmental charges	-	1,071,949	-	-	1,071,949
Program expenditures	-	7,542,731	-	38,223	7,580,954
Capital projects	-	-	6,370,977	-	6,370,977
Debt service	5,585,509	-	-	1,451,675	7,037,184
Interest	4,692,224	-	1,985,116	-	6,677,340
Other	8,192,203	5,246,769	-	4,489	13,443,461
Bad debts	482,668	1,106,903	-	1,451,675	3,041,246
Total expenditures	92,465,558	89,115,631	8,781,181	3,558,974	193,921,344
Other uses - operating transfers:					
To Special Revenue Funds	34,954,346	314,501	125,000	-	35,393,847
To General Fund	-	978,645	-	87,980	1,066,625
To Capital Project Funds	1,754,520	-	-	-	1,754,520
To Fiduciary Funds	-	1,451,675	-	-	1,451,675
Total other uses	36,708,866	2,744,821	125,000	87,980	39,666,667
Total expenditures and other uses	129,174,424	91,860,452	8,906,181	3,646,954	233,588,011
Revenues and other financing sources over (under) expenditures and other uses	1,004,270	8,422,456	5,266,595	(384,419)	14,308,902
Fund balance (deficit) at beginning of year, as restated (note 9)	(5,450,762)	5,482,609	(5,510,122)	3,960,986	(1,517,289)
Fund balance (deficit) at end of year \$	(4,446,492)	13,905,065	(243,527)	3,576,567	12,791,613

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, 1985

	General Fund			Special Revenue Funds			Totals (Memorandum Only)		
	Revised Budget	Actual	Variance - Favorable (Unfavorable)	Revised Budget	Actual	Variance - Favorable (Unfavorable)	Revised Budget	Actual	Variance - Favorable (Unfavorable)
Revenues:									
Taxes (note 2)	\$ 97,956,753	98,581,372	624,619	144,500	280,666	136,166	98,101,253	98,862,038	760,785
Charges for services	5,097,961	5,319,107	221,146	-	-	-	5,097,961	5,319,107	221,146
Shared state taxes	3,049,585	2,276,683	(772,902)	-	-	-	3,049,585	2,276,683	(772,902)
Federal and state grants and reimbursements	17,834,307	14,815,585	(3,018,722)	37,964,341	38,001,320	36,979	55,798,648	52,816,905	(2,981,743)
Licenses	881,912	976,257	94,345	-	-	-	881,912	976,257	94,345
Investment income	4,320,000	4,955,891	635,891	-	-	-	4,320,000	4,955,891	635,891
Fines and forfeitures	2,816,000	2,126,474	(689,526)	-	-	-	2,816,000	2,126,474	(689,526)
Miscellaneous	24,850	60,700	35,850	-	-	-	24,850	60,700	35,850
Total revenues	131,981,368	129,112,069	(2,869,299)	38,108,841	38,281,986	173,145	170,090,209	167,394,055	(2,696,154)
Other financing sources:									
Transfer from Special Revenue Sewer Fund	978,645	978,645	-	-	-	-	978,645	978,645	-
Transfer from General Fund	-	-	-	34,301,947	34,009,368	(292,579)	34,301,947	34,009,368	(292,579)
Transfer from other Special Revenue Fund	-	-	-	-	5,654	5,654	-	5,654	5,654
Transfer from Fiduciary Funds	-	87,980	87,980	-	-	-	-	87,980	87,980
Total other financing sources	978,645	1,066,625	87,980	34,301,947	34,015,022	(286,925)	35,280,592	35,081,647	(198,945)
Total revenues and other financing sources	132,960,013	130,178,694	(2,781,319)	72,410,788	72,297,008	(113,780)	205,370,801	202,475,702	(2,895,099)

(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)		
	Revised Budget	Actual	Variance - Favorable (Unfavorable)	Revised Budget	Actual	Variance - Favorable (Unfavorable)	Revised Budget	Actual	Variance - Favorable (Unfavorable)
Expenditures:									
Personal services	\$ 36,698,586	37,220,903	(522,317)	50,325,886	50,298,223	27,663	87,024,472	87,519,126	(494,654)
Employee benefits	17,165,353	16,925,584	239,769	12,465,685	12,474,740	(9,055)	29,631,038	29,400,324	230,714
Services other than personal	16,439,357	14,786,484	1,652,873	1,975,267	2,108,244	(132,977)	18,414,624	16,894,728	1,519,896
Materials and supplies	4,125,574	3,631,392	494,182	1,215,543	1,252,693	(37,150)	5,341,117	4,884,085	457,032
Equipment	729,968	948,591	(218,623)	1,417,086	1,332,541	84,545	2,147,054	2,281,132	(134,078)
Debt service	5,585,509	5,585,509	-	-	-	-	5,585,509	5,585,509	-
Interest	4,724,858	4,692,224	32,634	-	-	-	4,724,858	4,692,224	32,634
Other	10,437,185	8,192,203	2,244,982	5,011,321	4,830,567	180,754	15,448,506	13,022,770	2,425,736
Bad debts	-	482,668	(482,668)	-	-	-	-	482,668	(482,668)
Total expenditures	<u>95,906,390</u>	<u>92,465,558</u>	<u>3,440,832</u>	<u>72,410,788</u>	<u>72,297,008</u>	<u>113,780</u>	<u>168,317,178</u>	<u>164,762,566</u>	<u>3,554,612</u>
Other uses:									
Transfers to Special Revenue Funds	35,119,947	34,954,346	165,601	-	-	-	35,119,947	34,954,346	165,601
Transfer to Capital Project Funds	<u>1,921,000</u>	<u>1,754,520</u>	<u>166,480</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,921,000</u>	<u>1,754,520</u>	<u>166,480</u>
Total other uses	<u>37,040,947</u>	<u>36,708,866</u>	<u>332,081</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>37,040,947</u>	<u>36,708,866</u>	<u>332,081</u>
Total expenditures and other uses	<u>132,947,337</u>	<u>129,174,424</u>	<u>3,772,913</u>	<u>72,410,788</u>	<u>72,297,008</u>	<u>113,780</u>	<u>205,358,125</u>	<u>201,471,432</u>	<u>3,886,693</u>
Revenues and other sources over expenditures and other uses	\$ <u>12,676</u>	<u>1,004,270</u>	<u>991,594</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,676</u>	<u>1,004,270</u>	<u>991,594</u>

See accompanying notes to financial statements.

CITY OF PROVIDENCE, RHODE ISLAND

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

Year ended June 30, 1985

	<u>Proprietary Fund Types</u>		<u>Fiduciary Fund Types</u>		<u>Total</u>
	<u>Enterprise</u>	<u>Internal</u>	<u>Retirement</u>	<u>Nonexpendable</u>	<u>(Memorandum</u>
	<u>(note 9)</u>	<u>Service</u>	<u>System (note 12)</u>	<u>Trusts</u>	<u>(only)</u>
Operating revenues:					
Employee contributions	\$ -	-	3,943,897	-	3,943,897
Employer contributions	-	-	11,049,785	-	11,049,785
Investment income	-	-	10,216,892	256,622	10,473,514
Interest on member loans	-	-	333,720	-	333,720
Revenue from other funds	-	46,000	-	-	46,000
Arena rent and concession income	1,799,978	-	-	-	1,799,978
Water sales	9,999,011	-	-	-	9,999,011
Maintenance and other charges	526,135	-	-	-	526,135
Total operating revenues	<u>12,325,124</u>	<u>46,000</u>	<u>25,544,294</u>	<u>256,622</u>	<u>38,172,040</u>
Operating expenses:					
Wages and benefits	4,989,077	-	-	-	4,989,077
Operations	1,406,518	29,103	-	-	1,435,621
Charges by other City departments (note 10)	1,061,597	-	-	-	1,061,597
Retiree benefits	-	-	13,687,120	-	13,687,120
Administrative and general	2,561,970	-	-	-	2,561,970
Bad debts	2,874	-	-	-	2,874
Reimbursements by promoters	(979,368)	-	-	-	(979,368)
Other	-	-	289,094	229,102	518,196
Property taxes - other local governments	2,000,263	-	-	-	2,000,263
Depreciation	1,346,347	-	-	-	1,346,347
Total operating expenses	<u>12,389,278</u>	<u>29,103</u>	<u>13,976,214</u>	<u>229,102</u>	<u>26,623,697</u>
Operating income (loss)	<u>(64,154)</u>	<u>16,897</u>	<u>11,568,080</u>	<u>27,520</u>	<u>11,548,343</u>
Nonoperating revenues (expenses):					
Interest income	45,263	-	-	-	45,263
Interest expense	(545,620)	-	-	-	(545,620)
Total nonoperating revenues (expenses)	<u>(500,357)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(500,357)</u>
Net income (loss)	<u>(564,511)</u>	<u>16,897</u>	<u>11,568,080</u>	<u>27,520</u>	<u>11,047,986</u>
Depreciation on certain property, plant and equipment acquired through contributed capital	<u>517,909</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>517,909</u>
Increase (decrease) in accumulated deficit/fund balance	<u>(46,602)</u>	<u>16,897</u>	<u>11,568,080</u>	<u>27,520</u>	<u>11,565,895</u>
Accumulated deficit/fund balance at beginning of year, as restated (note 9)	<u>(200,223)</u>	<u>(130)</u>	<u>115,781,459</u>	<u>5,217,259</u>	<u>120,798,365</u>
Retained earnings (accumulated deficit)/ fund balance at end of year	\$ <u>(246,825)</u>	<u>16,767</u>	<u>127,349,539</u>	<u>5,244,779</u>	<u>132,364,260</u>

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, 1985

	<u>Proprietary Fund Types</u>		<u>Fiduciary Fund Types</u>		<u>Total</u>
	<u>Enterprise</u>	<u>Internal</u>	<u>Retirement</u>	<u>Nonexpendable</u>	<u>(Memorandum</u>
	<u>(note 9)</u>	<u>Service</u>	<u>System</u>	<u>Trusts</u>	<u>Only)</u>
Sources of funds:					
Net income (loss)	\$ (564,511)	16,897	11,568,080	27,520	11,047,986
Add depreciation expense	1,346,347	-	-	-	1,346,347
Less:					
Discount accretion which does not provide cash	-	-	(133,968)	-	(133,968)
Other noncash expenses	(15,515)	-	-	-	(15,515)
Funds provided by operations	766,321	16,897	11,434,112	27,520	12,244,850
Contributed capital	654,198	-	-	-	654,198
Proceeds from loan repayments	-	-	2,046,566	-	2,046,566
Decrease in amounts due from other funds	592,841	-	976,993	-	1,569,834
Proceeds from borrowings	45,000	-	-	-	45,000
Decrease in other assets	34,026	-	-	25,871	59,897
Increase in accounts payable and accrued expenses	268,549	-	-	-	268,549
Total sources of funds	<u>2,360,935</u>	<u>16,897</u>	<u>14,457,671</u>	<u>53,391</u>	<u>16,888,894</u>
Uses of funds:					
Increase in accounts receivable	134,449	-	670,497	-	804,946
Increase in fixed assets	891,718	-	-	-	891,718
Increase in inventory	325,383	-	-	-	325,383
Decrease in bonds payable	445,000	-	-	-	445,000
Decrease in accounts payable and accrued expenses	-	20,657	1,817,353	-	1,838,010
Loans to members	-	-	2,714,595	-	2,714,595
Increase in restricted assets	261,071	-	-	-	261,071
Increase in investments	-	-	11,645,727	189,440	11,835,167
Decrease in deferred revenue	8,980	-	-	-	8,980
Other, net	79,897	-	-	-	79,897
Total uses of funds	<u>2,146,498</u>	<u>20,657</u>	<u>16,848,172</u>	<u>189,440</u>	<u>19,204,767</u>
Net increase (decrease) in cash	214,437	(3,760)	(2,390,501)	(136,049)	(2,315,873)
Cash balance at beginning of year	<u>256,368</u>	<u>23,594</u>	<u>3,256,389</u>	<u>570,760</u>	<u>4,107,111</u>
Cash balance at end of year	<u>\$ 470,805</u>	<u>19,834</u>	<u>865,888</u>	<u>434,711</u>	<u>1,791,238</u>

See accompanying notes to financial statements.

CITY OF PROVIDENCE, RHODE ISLAND

Notes to Financial Statements

June 30, 1985

(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 for most governmental fund and Providence Water Supply Board employees are not based on normal costs and the general purpose financial statements do not include a general fixed assets account group which should be included to conform with generally accepted accounting principles.

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.

The following is a summary of the more significant policies.

(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 Project Funds - Capital Project 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 and Federal Revenue Sharing Fund budgetary data reflected in the general purpose financial statements (Exhibit C):

- (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 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.

The budget of the Unrestricted School Fund is prepared annually and approved by the Providence School Committee. The amount of the annual transfer from the General Fund is ultimately determined through the adoption of the General Fund budget.

(f) Vacations, Sick Leave and Workers' Compensation

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 noncurrent obligation in the general long-term obligations group of accounts.

The City is self-insured for Workers' Compensation claims of most governmental fund employees. The City's policy is to recognize the cost of self-insured Workers' Compensation claims when paid. The estimated liability relating to such claims is recognized as a noncurrent obligation in the general long-term obligations group of accounts.

CITY OF PROVIDENCE, RHODE ISLAND

Notes to Financial Statements, Continued

(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 (payable within one year). Remaining claims against governmental funds which can be estimated but are not expected to be liquidated with expendable available resources are recorded in the general long-term obligations group of accounts. 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.

(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. Depreciation has been provided over the estimated useful lives using the straight-line method. Assets acquired by the Providence Water Supply Board through contributions are recorded at contributor's reported cost. Depreciation on Providence Civic Center assets acquired with contributed capital is recognized as an operating expense and then charged against contributed capital.

The estimated useful lives are as follows:

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

(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.

CITY OF PROVIDENCE, RHODE ISLAND

Notes to Financial Statements, Continued

(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 1983 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	\$ 1,048,543	26,768	1,021,775	69.61	71,126
Tangible property	244,225	48	244,177	69.61	16,997
Equipment	2,126	-	2,126	71.65	152
Motor vehicles	<u>185,889</u>	<u>2,977</u>	<u>182,912</u>	<u>69.61</u>	<u>12,733</u>
	<u>\$ 1,480,783</u>	<u>29,793</u>	<u>1,450,990</u>		<u>101,008</u>

Taxes on the gross levy were due in equal quarterly installments in July and October 1984 and January and April 1985.

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. Through June 30, 1985, the City was responsible for levying and collecting a sewer use fee against all property owners, sufficient to meet the charge from the Narragansett Bay Commission. The City's sewer use fee and Narragansett Bay Commission charges are recorded in the special revenue Sewer Fund.

CITY OF PROVIDENCE, RHODE ISLAND

Notes to Financial Statements, Continued

Subsequent to June 30, 1985, the Bay Commission will be directly responsible for levying and collecting a sewer use fee. Under a tentative agreement between the City and Bay Commission, the Bay Commission will bill and collect amounts due from City property owners based upon usage through June 30, 1985 which had not been billed by the City as of that date. Such amounts collected will then be remitted to the City.

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 to be 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, 1985:

	<u>Due from</u>	<u>Due to</u>
General Fund:		
State of Rhode Island	\$ <u>3,056,640</u>	<u>-</u>
Special Revenue Funds:		
Federal Government	1,807,107	153,234
State of Rhode Island	<u>69,765</u>	<u>329,232</u>
Total Special Revenue Funds	<u>1,876,872</u>	<u>482,466</u>
Total all funds	\$ <u>4,933,512</u>	<u>482,466</u>

(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, 1985:

CITY OF PROVIDENCE, RHODE ISLAND

Notes to Financial Statements, Continued

	Providence Civic Center <u>Authority</u>	Providence Water Supply <u>Board</u>	<u>Total</u>
Land	\$ -	7,353,600	7,353,600
Improvements other than buildings	-	58,907,975	58,907,975
Buildings and improvements	13,893,788	6,252,177	20,145,965
Furnishings and equipment	<u>1,071,520</u>	<u>5,543,104</u>	<u>6,614,624</u>
Total	14,965,308	78,056,856	93,022,164
Less accumulated depreciation	<u>6,380,519</u>	<u>23,086,985</u>	<u>29,467,504</u>
Net property, plant and equipment	\$ <u>8,584,789</u>	<u>54,969,871</u>	<u>63,554,660</u>

(5) Interfund Accounts

At June 30, 1985, 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	\$ 776,843	-
Special Revenue Funds (due from net of allowance for estimated uncollec- tible amount of \$482,668)	2,005,487	1,219,420
Fiduciary Fund Types	<u>-</u>	<u>9,078,951</u>
Total General Fund, net	<u>2,782,330</u>	<u>10,298,371</u>
Capital Project Funds:		
Fiduciary Fund Types	-	160,318
Special Revenue Funds	<u>-</u>	<u>30,000</u>
Total Capital Project Funds	<u>-</u>	<u>190,318</u>
Long-term Obligation Group of Accounts:		
Fiduciary Funds - Retirement System (Note 8)	<u>-</u>	<u>4,409,762</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 (net of allowance for estimated uncollected amount of \$1,451,675)	\$ 240,320	-
Capital Project Funds	160,318	-
Long-term Obligation Group of Accounts (Note 8)	4,409,762	-
General Fund	9,078,951	-
Proprietary Fund Types	<u>17,414</u>	<u>-</u>
Total Fiduciary Fund Types, net	<u>13,906,765</u>	<u>-</u>
Special Revenue Funds:		
General Fund	1,219,420	2,488,155
Other Special Revenue Funds	3,367,910	3,367,910
Fiduciary Funds	-	1,691,995
Capital Project Funds	<u>30,000</u>	<u>-</u>
Total Special Revenue Funds	<u>4,617,330</u>	<u>7,548,060</u>
Proprietary Funds:		
General Fund	-	776,843
Fiduciary Fund Types	<u>-</u>	<u>17,414</u>
Total Proprietary Funds	<u>-</u>	<u>794,257</u>
Total all funds, net	\$ <u>21,306,425</u>	<u>23,240,768</u>

Due to the fund deficit in the Special Revenue Sewer Fund, allowances for uncollectible receivable amounts of \$482,662 and \$1,451,675 have been recorded in the General Fund and the Restricted Sales Proceed Fund (an expandable fiduciary fund), respectively, against amounts due from the Sewer Fund.

(6) 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, 1985 - \$6,670,490
- Interest rate increasing from 0% at commencement to 8% by year six
- Repayment over thirty years

Richmond Square:

- Loan balance as of June 30, 1985 - \$1,200,000
- 5% interest rate, commencing in year four
- Repayment over twenty-five years, commencing in year four

CITY OF PROVIDENCE, RHODE ISLAND

Notes to Financial Statements, Continued

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.

The Providence Local Development Corporation has a note receivable from a local developer amounting to \$2,950,000 at June 30, 1985. The note bears interest at the rate of 5% and is payable upon demand. The note is secured by letters of credit.

The Providence Local Development Corporation also has a revolving loan program whereby loans are made to local businesses. Loans receivable, net of estimated allowance for uncollectible amounts aggregated approximately \$1,564,000 at June 30, 1985.

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

Notes payable amounting to \$14,040,000 were issued in June 1985 which are due on June 13, 1986 with interest at the rate of 6.00%.

(b) Proprietary Funds

Notes payable to bank amounting to \$146,000 were due on August 30, 1985 with interest at the rate of 6.75%.

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

The following is a summary of bond transactions of the City for the year ended June 30, 1985 (in thousands):

	General Obligation	Proprietary Fund - Providence Water Supply Board	Total
Bonds payable at June 30, 1984	\$ 69,175	9,535	78,710
Debt issued	10,000	-	10,000
Debt retired	(6,010)	(425)	(6,435)
Bonds payable at June 30, 1985	\$ <u>73,165</u>	<u>9,110</u>	<u>82,275</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, 1985 are as follows (in thousands):

Year Ending June 30	General Obligation			Proprietary Fund			Total All Funds
	Principal	Interest	Total	Principal	Interest	Total	
1986	\$ 6,540	5,043	11,583	445	511	956	12,539
1987	6,580	4,592	11,172	460	488	948	12,120
1988	6,620	4,149	10,769	490	464	954	11,723
1989	5,985	3,749	9,734	510	439	949	10,683
1990	5,930	3,303	9,233	540	413	953	10,186
1991	5,800	2,878	8,678	560	384	944	9,622
1992	5,535	2,454	7,989	600	355	955	8,944
1993	5,160	2,023	7,183	625	323	948	8,131
1994	5,470	1,601	7,071	495	292	787	7,858
1995	5,395	1,140	6,535	525	263	788	7,323
1996	2,150	843	2,993	555	232	787	3,780
1997	2,150	709	2,859	590	198	788	3,647
1998	2,150	574	2,724	620	163	783	3,507
1999	2,150	439	2,589	655	126	781	3,370
2000	2,150	307	2,457	695	86	781	3,238
2001	1,400	213	1,613	745	44	789	2,402
2002	500	167	667	-	-	-	667
2003	500	124	624	-	-	-	624
2004	500	80	580	-	-	-	580
2005	500	40	540	-	-	-	540
Total	\$ 73,165	34,428	107,593	9,110	4,781	13,891	121,484

Included in the long-term obligations group of accounts are \$9,524,000 in General Obligation Bonds for which the Narragansett Bay Commission has agreed to assume debt service pursuant to a 1982 agreement whereby the City's Sewerage Treatment Facility was transferred to the Bay Commission. Under the agreement, the 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.

Under the City Charter, proceeds from the sale of general fixed assets must be used to reduce the City debt or to finance capital improvements of the City. Funds available for this purpose amounted to \$1,841,739 and are included in the Restricted Sales Proceeds Fund (an expendable fiduciary trust fund) at June 30, 1985.

(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

CITY OF PROVIDENCE, RHODE ISLAND

Notes to Financial Statements, Continued

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 obligations group of accounts. A corresponding receivable amount is recorded on the Retirement System Fund. Following is a summary of activity during fiscal 1985:

Balance at June 30, 1984	\$ 4,538,249
Principal payments made during fiscal year 1985	<u>(128,487)</u>
Balance at June 30, 1985	\$ <u>4,409,762</u>

(c) Other Noncurrent Liabilities

The following noncurrent liabilities are recorded in the long-term obligation group of accounts.

- i. Accumulated vacation pay for governmental fund employees at June 30, 1985 amounted to approximately \$3,318,000.
- ii. The estimated liability for governmental fund Workers' Compensation claims under the City's self-insurance program at June 30, 1985 amounted to approximately \$571,000.
- iii. Litigation and other claims and judgments against governmental funds which are estimable but are not expected to be liquidated with expendable available resources (payable within one year) amounted to approximately \$708,000 at June 30, 1985.

(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:

Special Revenue Funds:

Combined fund balance at June 30, 1984, as previously reported	\$ 3,305,889
Prior period adjustment to include the accounts of the Providence Redevelopment Agency and certain other funds due to a change in oversight responsibilities	<u>2,176,720</u>
Combined fund balance at June 30, 1984, as restated	\$ <u>5,482,609</u>

CITY OF PROVIDENCE, RHODE ISLAND

Notes to Financial Statements, Continued

Fiduciary Funds (Employees' Retirement System):

Fund balance at June 30, 1984, as previously reported	\$ 111,243,210
Increase in fund balance to reflect recognition of amount due from City of Providence (Note 8b.) on an accrual basis	<u>4,538,249</u>
Fund balance at June 30, 1984, as restated	\$ <u>115,781,459</u>

	<u>Contributed Capital</u>	<u>Accumulated Deficit</u>	<u>Total Fund Equity</u>
Enterprise Funds:			
Balances at June 30, 1984, as previously reported	\$ 61,357,003	(5,759,746)	55,597,257
Prior period adjustments to correct accounting errors	249,474	(30,790)	218,684
Prior period adjustment to retroactively charge depreciation on assets acquired with contributed capital against contributed capital	<u>(5,590,313)</u>	<u>5,590,313</u>	<u>-</u>
Balances at June 30, 1984, as restated	\$ <u>56,016,164</u>	<u>(200,223)</u>	<u>55,815,941</u>

The Civic Center Authority previously recognized depreciation expense on assets acquired with contributed capital as a charge to its accumulated deficit. Beginning in 1985, the Civic Center Authority has elected to charge such depreciation against contributed capital as permitted by National Council on Governmental Accounting Statement 2. This change has been retroactively applied at June 30, 1984 by a decrease in accumulated deficit and contributed capital of \$5,590,313. The change has no effect on previously reported or current earnings.

Corrections of accounting errors of the Civic Center Authority relating to the misuse of facts prior to fiscal year 1985 have been recorded as prior period adjustments to June 30, 1984 fund equity balances. These consisted of a \$249,474 net increase in contributed capital to properly account for surcharge collections (Note 10) and a \$30,790 net increase in accumulated deficit to properly account for compensated absences on an 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.

CITY OF PROVIDENCE, RHODE ISLAND

Notes to Financial Statements, Continued

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. 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, 1985, the City of Providence performed various services for the Water Supply Board. The total billing for city services performed amounted to \$1,061,597. 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 of the Water Supply Board. The most significant such item is a charge for hydrant services amounting to approximately \$258,000. Other such 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.

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.

CITY OF PROVIDENCE, RHODE ISLAND

Notes to Financial Statements, Continued

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. 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.

A 5% surcharge on all ticket sales is collected pursuant to a public law enacted by the Rhode Island General Assembly. The proceeds are to be used to reduce City bond indebtedness and will terminate upon liquidation of the bonds. The City of Providence has permitted the Authority to retain \$192,746 from the surcharge receipts during 1985 to fund capital additions. The retained surcharge collections have been added to contributed capital. The following is a summary of the activity in the surcharge account during the year ended June 30, 1985:

Surcharge receipts	\$ 393,365
Amounts retained by the Authority	(192,746)
Payments to the City of Providence	
General Fund	(199,113)
Balance due City of Providence General	
Fund at June 30, 1985	\$ <u>1,506</u>

Restricted Assets

Restricted assets of the enterprise funds consisted of cash and investments maintained for the following reasons as of June 30, 1985:

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	\$ 459,462
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Civic Center:

Collections from advance ticket sales and promoters' deposits as well as amounts due to the City's General Fund	<u>393,556</u>
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Total restricted assets	\$ <u>853,018</u>
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(11) Fund Balances

Reservations of fund balance at June 30, 1985 were as follows:

CITY OF PROVIDENCE, RHODE ISLAND

Notes to Financial Statements, Continued

General Fund:

Reserved for encumbrances	\$ 68,512
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Fiduciary Fund Types:

Reserved for payment of retirement benefits	127,349,539
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Reserved for endowments	<u>5,244,779</u>
-------------------------	------------------

	<u>132,594,318</u>
--	--------------------

Total reserved fund balance	\$ <u>132,662,830</u>
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Designated portions of unreserved fund balances at June 30, 1985, were as follows:

Special Revenue Fund - designated for grantor-restricted purposes	\$ 11,519,651
---	---------------

Capital Project Funds - designated for specific project purposes	1,128,342
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Fiduciary Funds - designated for specific purposes (Note 16)	<u>1,841,739</u>
--	------------------

Total designated portion of unreserved fund balance	\$ <u>14,489,732</u>
---	----------------------

The General Fund, the Special Revenue Sewer Fund and the General Capital Projects Fund have fund deficits of \$4,446,492, \$1,740,423 and \$364,047, respectively, at June 30, 1985. 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 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. This was recorded in the Sewer Fund in 1985 as a reduction of the intergovernmental charges from the Narragansett Bay Commission. The Capital Projects Fund deficit is expected to be eliminated through future conversion of notes payable to long-term debt.

(12) Pension Plans(a) Employees Retirement System (ERS)

The City's ERS is a contributory pension plan covering most City employees except teachers and employees of the Providence Civic Center Authority. The City's policy is to fund annually an amount which is sufficient to maintain funding at 70% of the actuarially determined liabilities for regular employees and to fund on a pay-as-you-go basis for elected officials. These are the minimum funding levels required by the plan.

CITY OF PROVIDENCE, RHODE ISLAND

Notes to Financial Statements, Continued

The amount of pension cost determined in accordance with generally accepted accounting principles (including normal cost, an amount equivalent to interest on any unfunded prior service cost and a provision for vested benefits) for the year ended June 30, 1985 is not known. In addition, the cumulative excess amount of pension expense determined in accordance with generally accepted accounting principles over the amount which has actually been funded has not been determined and recorded in the accompanying financial statements. Such excess amounts relating to governmental fund employees and Water Supply Board employees should be recorded in the general long-term obligations account group and the Water Supply Board enterprise fund, respectively.

The following is a summary of the ERS plan contributions based upon the funding method described in the second preceding paragraph and which are recorded as expenditures in the accompanying financial statements:

	Regular employees	Elected officials
General Fund	\$ 9,079,000	116,000
Unrestricted School Fund	1,446,000	-
Providence Water Supply Board	349,000	-
Other special revenue funds	60,000	-
	<u>\$ 10,934,000</u>	<u>116,000</u>

As of June 30, 1984, the date of the latest actuarial report, the unfunded accrued liability amounted to approximately \$120,548,000.

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

Actuarial present value of accumulated plan benefits as of June 30, 1984:	
Vested	\$ 202,495,000
Nonvested	<u>5,889,000</u>
Total	<u>\$ 208,384,000</u>
Net assets available for benefits as of June 30, 1984	
	<u>\$ 114,711,000</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

(b) Other Pension Costs

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 and to pay retirement benefits to certain retired police and firemen not covered by the ERS. Pension costs for these purposes amounted to the following for the year ended June 30, 1985:

General Fund	\$ 1,035,000
Providence Water Supply Board	174,000
Unrestricted School Fund	<u>154,000</u>
	\$ <u>1,363,000</u>

(c) Teachers' Retirement Plan

Teachers in the City's public schools participate in the Employees' Retirement System of the State of Rhode Island. The teachers contribute 7% 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, 1985 was approximately \$3,340,000 and is included in the Unrestricted School Fund. At the current time information relating to the City's portion of accumulated plan benefits and plan net assets is not available.

(d) Providence Civic Center

The Providence Civic Center Authority has established a noncontributory, defined contribution plan for all management employees. The contribution for the year ended June 30, 1985 was \$14,655 and was based on a percentage of salaries paid. The Authority's policy is to fund all retirement costs accrued.

(13) Post-retirement Benefits

The City provides health care benefits for retired police and fire department employees. During the year ended June 30, 1985 the cost of retiree health care benefits recorded in the General Fund amounted to approximately \$635,000.

Beginning in September 1985, the City has agreed to provide post-retirement health care benefits to most other City employees who have retired since 1982.

CITY OF PROVIDENCE, RHODE ISLAND

Notes to Financial Statements, Continued

(14) Lease Obligations(a) Governmental Funds

The City is obligated under several noncancelable operating leases for various buildings and equipment. Future minimum lease payments as of June 30, 1985 were as follows:

Fiscal year ending June 30:	
1986	710,000
1987	634,000
1988	546,000
1989	319,000
1990	39,000
1991	<u>39,000</u>

(b) Civic Center Authority

The Authority is obligated under a capital lease for telephone equipment which expires January 10, 1990. At June 30, 1985 the gross amount of capital leases included in property, plant and equipment was \$60,000 less \$2,000 accumulated depreciation. The Authority is also obligated under an operating lease for an automobile.

Future minimum lease payments under noncancellable operating leases and the present value of future minimum capital lease payments as of June 30, 1985 are:

	Capital <u>Lease</u>	Operating <u>Lease</u>
Year ending June 30:		
1986	\$ 20,139	4,236
1987	18,854	1,412
1988	12,570	-
1989	11,713	-
1990	<u>10,856</u>	<u>-</u>
Net minimum lease payments	74,132	<u>5,648</u>
Less amounts representing interest (approximately 9%)	<u>(14,132)</u>	
Present value of minimum lease payments	60,000	
Less current installments of obligations under capital lease	<u>(15,000)</u>	
Obligation under capital lease excluding current installments	\$ <u>45,000</u>	

Total rental expense for the operating lease in 1985 was \$4,236.

CITY OF PROVIDENCE, RHODE ISLAND

Notes to Financial Statements, Continued

(15) Commitments and Contingent Liabilities

In June 1985, the City was advised in a letter from the United States Department of Justice that the Department had concluded that the City, among other parties, is liable to the Small Business Administration for damages suffered by the SBA in connection with a 1980 revenue bond financing of a local company. The Department has demanded that the City pay the United States Government approximately \$15 million for the losses allegedly sustained by the SBA in this connection. The Department has not filed suit in furtherance of this claim. In addition, the Department has not set forth or otherwise advised the City of the precise nature of its claims; the factual underpinnings of the claims; or, the evidentiary support for the claims. Accordingly, the possible outcome of the action contemplated by the Department is unknown.

The City has examined its own available records relating to the revenue bond financing. After doing so, it has concluded that there is no indication in the record to suggest that the City is responsible for any wrongdoing in connection with these events. Accordingly, the City plans to vigorously defend any legal proceedings brought against it by the Department of Justice.

The City recognizes liabilities for legal cases and other claims when the ultimate liability is probable and can be estimated. The City is also defendant in numerous 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 and construction grants. 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 \$92,000 of expenditures which have been questioned as to their allowability under the specific grant agreements. The results of the fiscal year 1985 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.

As a result of compliance audits which were completed by Federal granting agencies, the City must reimburse certain Federal grant programs for disallowed expenditures amounting to \$944,978. This amount is recognized in the General Fund as a transfer to the grant program for the year ended June 30, 1985.

CITY OF PROVIDENCE, RHODE ISLAND

Notes to Financial Statements, Continued

The Providence Redevelopment Agency is defendant in several suits in which the Agency's property acquisition price is being contested. No provision has been made in the financial statements for the possible settlement amounts.

The Providence Civic Center Authority is contesting a \$79,000 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 all or a significant portion of the taxes claimed.

The City is self-insured for casualty losses to some real estate and equipment.

PROVIDENCE CIVIC CENTER AUTHORITY

(A Component Unit of the City of Providence, Rhode Island)

Enterprise Fund

Balance Sheet

June 30, 1985

Assets

Current assets:

Cash and cash equivalents	\$ 470,805
Restricted cash and cash equivalents (note 10)	393,556
Accounts receivable (net of allowance for uncollectible accounts of \$12,000)	154,951
Inventory, at cost	45,406
Prepaid expenses	<u>67,735</u>

Total current assets	<u>1,132,453</u>
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Property, plant and equipment (note 10):

Buildings and improvements	13,893,788
Furnishings and equipment	<u>1,071,520</u>
	14,965,308

Less accumulated depreciation	<u>6,380,519</u>
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Net property, plant and equipment	<u>8,584,789</u>
-----------------------------------	------------------

	\$ <u><u>9,717,242</u></u>
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See accompanying notes to financial statements.

Liabilities

Current liabilities:

Revenue anticipation notes payable (note 7)	\$ 146,000
Due to City of Providence General Fund (note 10)	1,506
Accrued expenses	214,036
Advance sales receipts and promoter deposits (note 10)	392,050
Deferred income	238,645
Current portion of obligation under capital lease (note 14)	<u>15,000</u>

Total current liabilities 1,007,237

Obligations under capital lease (note 14) 45,000

Total liabilities 1,052,237

Fund Equity

Contributed capital from the City of Providence	8,782,516
Accumulated deficit	<u>(117,511)</u>

Total fund equity 8,665,005

\$ 9,717,242

PROVIDENCE CIVIC CENTER AUTHORITY

(A Component Unit of the City of Providence, Rhode Island)

Enterprise Fund

Statement of Revenues and Expenses

June 30, 1985

Operating revenues:

Arena rent	\$ 1,195,357
Concessions	604,621
Advertising and other	235,193
Co-promotions	<u>47,745</u>

Total operating revenues 2,082,916

Operating expenses, excluding depreciation:

Salaries and wages - admissions control	289,759
Salaries and wages - operations	1,035,500
Salaries and wages - administrative	260,834
Employee benefits	146,566
Payroll taxes	125,829
Event expenses	346,175
Utilities	266,313
Insurance	151,819
Other	<u>359,502</u>

2,982,297

Less expenses reimbursed by promoters 979,368

Net operating expenses, excluding depreciation 2,002,929

Operating income, excluding depreciation 79,987

Nonoperating revenues (expenses):

Interest income	27,548
Interest expense	<u>(14,204)</u>
	<u>13,344</u>

Net income before depreciation 93,331

Depreciation 544,009

Net loss (450,678)

(Continued)

PROVIDENCE CIVIC CENTER AUTHORITY

(A Component Unit of the City of Providence, Rhode Island)

Enterprise Fund

Statement of Revenues and Expenses, Continued

Depreciation on property, plant and equipment acquired through contributed capital	\$ <u>517,909</u>
Decrease in accumulated deficit	67,231
Accumulated deficit at beginning of year, as restated (note 9)	<u>(184,742)</u>
Accumulated deficit at end of year	\$ <u><u>(117,511)</u></u>

See accompanying notes to financial statements.

PROVIDENCE CIVIC CENTER AUTHORITY

Enterprise Fund

Statement of Fund Equity

Year ended June 30, 1985

	<u>Contributed Capital</u>	<u>Accumulated Deficit</u>	<u>Total</u>
Balance at June 30, 1984, as previously reported	\$ 14,448,518	(5,744,265)	8,704,253
Prior period adjustments to correct accounting errors (note 9)	249,474	(30,790)	218,684
Prior period adjustment to retroactively charge depre- ciation on assets acquired with contributed capital against contributed capital (note 9)	<u>(5,590,313)</u>	<u>5,590,313</u>	<u>-</u>
Balance at June 30, 1984, as restated	9,107,679	(184,742)	8,922,937
Contributions from City of Providence (note 10)	192,746	-	192,746
Net loss for the year ended June 30, 1985	-	(450,678)	(450,678)
Depreciation on property, plant and equipment acquired through contributed capital	<u>(517,909)</u>	<u>517,909</u>	<u>-</u>
Balance at June 30, 1985	\$ <u>8,782,516</u>	<u>(117,511)</u>	<u>8,665,005</u>

See accompanying notes to financial statements.

PROVIDENCE CIVIC CENTER AUTHORITY

(A Component Unit of the City of Providence, Rhode Island)

Enterprise Fund

Statement of Changes in Financial Position

Year ended June 30, 1985

Sources of working capital:

Operations:

Net loss \$ (450,678)

Items which do not use working capital:

Depreciation 544,009

Net loss on fixed asset retirement 2,200

Working capital provided by operations 95,531

Increase in contributed capital from
City of Providence 192,746Proceeds from long-term borrowings 45,000\$ 333,277

Uses of working capital:

Net additions to property, plant and equipment 200,671

Increase in working capital 132,606\$ 333,277

Elements of net increase (decrease) in working capital:

Increase (decrease) in current assets:

Cash and cash equivalents unrestricted 214,437

Restricted cash and cash equivalents 31,071

Accounts receivable, net 46,516

Inventory (4,070)

Prepaid expenses 54,897342,851

Increase (decrease) in current liabilities:

Due to City of Providence 1,506

Accrued expenses (76,320)

Advance ticket sales 279,039

Deferred income (8,980)

Current portion of long-term debt 15,000210,245Net increase in working capital \$ 132,606

See accompanying notes to financial statements.

PROVIDENCE WATER SUPPLY BOARD

(A Component Unit of the City of Providence, Rhode Island)

Enterprise Fund

Balance Sheet

June 30, 1985

Assets

Current assets:

Accounts receivable (net of allowance for uncollectible accounts of \$920,000)	\$ 1,246,949
Inventory, at cost	822,499
Other	<u>20,000</u>

Total current assets	<u>2,089,448</u>
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Restricted assets (note 10):

Cash	230,000
Investments, at cost	<u>229,462</u>

Total restricted assets	<u>459,462</u>
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Property, plant and equipment:

Land	7,353,600
Buildings and improvements	6,252,177
Improvements other than buildings	58,907,975
Machinery and equipment	<u>5,543,104</u>

78,056,856

Less accumulated depreciation	<u>23,086,985</u>
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Net property, plant and equipment	54,969,871
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Other noncurrent assets	<u>32,000</u>
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	<u>\$ 57,550,781</u>
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See accompanying notes to financial statements.

Liabilities

Current liabilities (payable from current assets):	
Due to City of Providence General Fund (note 10)	\$ 775,337
Due to City of Providence Retirement System	17,414
Accrued expenses	384,907
Current portion of general obligation bonds (note 8)	<u>445,000</u>
Total current liabilities (payable from current assets)	<u>1,622,658</u>
Long-term liabilities:	
General obligation bonds (net of current portion) (note 8)	8,665,000
Other	<u>22,500</u>
Total long-term liabilities	<u>8,687,500</u>
Total liabilities	<u>10,310,158</u>

Fund Equity

Contributed capital	\$ 47,369,937
Deficit	<u>(129,314)</u>
Total fund equity	<u>47,240,623</u>
Commitments and contingencies (notes 12, 13 and 15).	
	<u>\$ 57,550,781</u>

PROVIDENCE WATER SUPPLY BOARD

(A Component Unit of the City of Providence, Rhode Island)

Enterprise Fund

Statement of Revenues and Expenses

Year ended June 30, 1985

Operating revenues - charges for services:

Water sales (note 2):

General customers	\$ 6,869,983
Other local water suppliers	2,552,878
Fire protection services	576,150
Maintenance charges and other revenue	<u>243,197</u>

Total operating revenues 10,242,208

Operating expenses:

Wages and benefits	4,279,854
Water supply services and supplies	1,060,343
Administrative and general	637,945
Charge for services provided by other	
City departments (note 10)	1,061,597
Depreciation	802,338
Property taxes - other local governments	<u>2,000,263</u>

Total operating expenses 9,842,340

Operating income 399,868

Nonoperating revenues (expenses):

Interest income	17,715
Interest expense	<u>(531,416)</u>
	<u>(513,701)</u>

Net loss \$ (113,833)

See accompanying notes to financial statements.

PROVIDENCE WATER SUPPLY BOARD

(A Component Unit of the City of Providence, Rhode Island)

Enterprise Fund

Statement of Fund Equity

Year ended June 30, 1985

	Contributed <u>capital</u>	Retained earnings <u>(deficit)</u>	<u>Total</u>
Balance at June 30, 1984	\$ 46,908,485	(15,481)	46,893,004
Contributions in aid of construction	461,452		461,452
Net loss		(113,833)	(113,833)
Balance at June 30, 1985	<u>\$ 47,369,937</u>	<u>(129,314)</u>	<u>47,240,623</u>

See accompanying notes to financial statements.

PROVIDENCE WATER SUPPLY BOARD

(A Component Unit of the City of Providence, Rhode Island)

Enterprise Fund

Statement of Changes in Financial Position

Year ended June 30, 1985

Sources of working capital:

Operations:

Net loss	\$ (113,833)
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Items which do not use (provide) working capital:	
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Depreciation	802,338
Income on restricted assets	<u>(17,715)</u>

Working capital provided by operations	670,790
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Contributions	461,452
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Decrease in other noncurrent assets	34,026
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Net decrease in working capital	<u>224,779</u>
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	\$ <u>1,391,047</u>
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Uses of working capital:

Acquisition of property, plant and equipment	691,047
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Retirement of general obligation bonds	445,000
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Increase in restricted assets	230,000
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Decrease in other noncurrent liabilities	<u>25,000</u>
--	---------------

	\$ <u>1,391,047</u>
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Elements of net increase (decrease) in working capital:

Receivables	87,933
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Inventory	329,453
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Due to General Fund	(502,673)
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Accrued expenses	(30,830)
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Current portion of long-term debt	(20,000)
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Due from other funds	<u>(88,662)</u>
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Net decrease in working capital	\$ <u>(224,779)</u>
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See accompanying notes to financial statements.

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, 1985

	<u>Budget</u>	<u>Actual</u>	Actual over (under) <u>budget</u>
Revenues:			
Property taxes and excise taxes	\$ 97,956,753	98,581,372	624,619
Shared State taxes	3,049,585	2,276,683	(772,902)
Business and nonbusiness licenses	881,912	976,257	94,345
Fines, forfeits and escheats	2,816,000	2,126,474	(689,526)
Grants-in-aid (State of Rhode Island):			
General Public Assistance	13,947,500	10,631,814	(3,315,686)
Payment of school debt	-	412,358	412,358
In lieu of machinery, equipment, inventory and intangible taxes	3,886,807	3,771,413	(115,394)
Rents and interest	4,320,000	4,955,891	635,891
General departments	5,097,961	5,319,107	221,146
Miscellaneous	24,850	60,700	35,850
Total revenues	131,981,368	129,112,069	(2,869,299)
Other financing sources:			
Transfer from special revenue sewer use fund	978,645	978,645	-
Transfer from Fiduciary Funds	-	87,980	87,980
Total other financing sources	978,645	1,066,625	87,980
Total revenues and other financing sources	\$ <u>132,960,013</u>	<u>130,178,694</u>	<u>(2,781,319)</u>

CITY OF PROVIDENCE, RHODE ISLAND

General Fund

Schedule of Expenditures and Transfers - Budget and Actual

Year ended June 30, 1985

<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>
Executive, Legislative and Judicial activities:					
City Council	\$ 321,416	438,836	760,252	271,070	489,182
City Clerk	174,375	6,500	180,875	176,015	4,860
Probate Court	103,668	-	103,668	102,740	928
Providence Municipal Court	225,244	-	225,244	221,410	3,834
Mayor's Office	480,510	30,800	511,310	497,079	14,231
Law Department	1,023,909	100,000	1,123,909	904,564	219,345
City Sargeant	19,494	-	19,494	15,670	3,824
Contingencies	50,000	-	50,000	48,347	1,653
Appropriation reserve; transfer to Community Development Block Grant	-	818,000	818,000	944,978	(126,978)
Total Executive, Legislative, and Judicial activities	2,398,616	1,394,136	3,792,752	3,181,873	610,879
Finance Administration:					
Finance Director	236,833	(11,600)	225,233	223,762	1,471
City Controller	444,616	-	444,616	431,640	12,976
Employees' Retirement Office	179,671	-	179,671	210,876	(31,205)
Data Processing	840,064	-	840,064	719,328	120,736
City Collector	622,604	-	622,604	595,899	26,705
City Assessor	966,960	(421,000)	545,960	498,666	47,294
Treasury Department	128,773	-	128,773	131,493	(2,720)
Board of Tax Assessments Review	18,836	-	18,836	17,038	1,798
Personnel	171,927	-	171,927	167,032	4,895
Labor lawyer	60,000	-	60,000	86,395	(26,395)
Emergency temporary and seasonal employees	40,000	59,750	99,750	98,286	1,464
Payment to Employees Retirement System	10,779,997	(1,621,046)	9,158,951	9,078,951	80,000
Elected officials	116,000	-	116,000	116,000	-
Police pensions	86,000	-	86,000	59,975	26,025
Fire pensions	60,000	20,000	80,000	75,678	4,322
Laborers International legal fee	257,430	-	257,430	244,630	12,800
Payment to Laborers International pension fund	934,000	-	934,000	899,232	34,768
Public employees health services	75,000	-	75,000	70,040	4,960
Retirement of serial bonds and deferred pension contribution	5,585,509	-	5,585,509	5,585,509	-
Interest - General	4,724,858	-	4,724,858	4,692,224	32,634
- Transfer to General Capital Projects Fund	1,671,000	250,000	1,921,000	1,754,520	166,480
FICA	1,226,000	-	1,226,000	1,176,403	49,597
Medical insurance	4,671,972	150,000	4,821,972	4,820,425	1,547
Unemployment compensation	70,000	70,000	140,000	114,520	25,480
Reserve for anticipated tax abatements	275,000	-	275,000	259,762	15,238

(Continued)

CITY OF PROVIDENCE, RHODE ISLAND

General Fund

Schedule of Expenditures and Transfers - 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>
Finance Administration, continued:					
Heat, light, and power	\$ 475,000	-	475,000	501,883	(26,883)
Worker's Compensation	200,000	70,000	270,000	315,701	(45,701)
Total Finance Administration	34,918,050	(1,433,896)	33,484,154	32,945,868	538,286
Public Safety:					
Commissioner of Public Safety	187,961	(23,970)	163,991	162,754	1,237
Police Department (excluding Federal Revenue Sharing amounts)	11,688,193	14,000	11,702,193	12,275,982	(573,789)
Fire Department (excluding Federal Revenue Sharing amounts)	11,373,481	-	11,373,481	12,141,193	(767,712)
Department of Communications	1,357,019	-	1,357,019	1,352,624	4,395
Traffic Engineering Department	493,419	(9,230)	484,189	462,101	22,088
Total Public Safety	25,100,073	(19,200)	25,080,873	26,394,654	(1,313,781)
Building Inspection Department:					
Building Inspection Administration	399,218	-	399,218	399,121	97
Structures and Zoning Division	179,939	-	179,939	143,108	36,831
Plumbing, Drainage, and Gas Piping Division	96,010	-	96,010	87,357	8,653
Electrical Installations Division	87,652	-	87,652	74,563	13,089
Mechanical Equipment and Installations Division	88,970	-	88,970	86,750	2,220
Zoning Board of Review	13,425	-	13,425	11,118	2,307
Housing Board of Review	2,700	-	2,700	2,662	38
Building Board of Review	10,750	-	10,750	9,531	1,219
Building Inspection Code Enforcement	273,903	-	273,903	272,881	1,022
Building Inspection Prosecution	169,261	-	169,261	154,221	15,040
Division of Utilities and Standards	42,839	-	42,839	33,281	9,558
Total Building Codes and Inspection	1,364,667	-	1,364,667	1,274,593	90,074
Public Works activities:					
Public Works Administration	311,255	800	312,055	304,643	7,412
Engineering and Sanitation	413,589	(800)	412,789	371,719	41,070
Street Cleaning Section	430,257	(40,184)	390,073	371,165	18,908
Waste Collection and Processing	2,223,387	46,000	2,269,387	2,278,755	(9,368)
Highway and Environmental Control	2,213,206	106,184	2,319,390	2,177,548	141,842
Bridge Maintenance Section	593,093	(107,400)	485,693	158,262	327,431
Snow Removal	550,000	(48,000)	502,000	452,865	49,135
Sewer Construction and Maintenance	732,559	28,400	760,959	704,116	56,843
Street Lighting Division	1,475,000	-	1,475,000	1,442,290	32,710

(Continued)

CITY OF PROVIDENCE, RHODE ISLAND

General Fund

Schedule of Expenditures and Transfers - 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>
Public Works activities, continued:					
Municipal Dock Section	\$ 820,675	-	820,675	772,422	48,253
Public Buildings	2,621,603	(74,608)	2,546,995	2,490,877	56,118
Garage Maintenance and Equipment Repair	279,464	-	279,464	272,816	6,648
Purchasing	152,363	8,000	160,363	177,731	(17,368)
Total Public Works activities	12,816,451	(81,608)	12,734,843	11,975,209	759,634
Recreation activities:					
Recreation Department	240,298	11,600	251,898	228,387	23,511
Junior Police Camp	17,827	17,144	34,971	32,512	2,459
Recreation - seasonal	210,375	(13,744)	196,631	181,431	15,200
Total recreation activities	468,500	15,000	483,500	442,330	41,170
Public Lands and Parks:					
Development and Environmental Services	440,529	(16,000)	424,529	368,074	56,455
Zoological services	603,916	(220)	603,696	552,593	51,103
Grounds maintenance services	2,152,770	220	2,152,990	2,206,837	(53,847)
Programming services	215,276	-	215,276	181,512	33,764
Office of the Superintendent of Parks	154,522	-	154,522	151,433	3,089
Total Public Lands and Parks	3,567,013	(16,000)	3,551,013	3,460,449	90,564
Education:					
Local appropriation to School Department	34,301,947	-	34,301,947	34,009,368	292,579
Other departments:					
Recorder of Deeds	259,285	23,000	282,285	277,805	4,480
Archives and history	36,519	-	36,519	26,782	9,737
Vital Statistics	92,470	-	92,470	87,899	4,571
Board of Canvassers	280,803	35,000	315,803	267,379	48,424
Bureau of Licenses	156,217	-	156,217	145,386	10,831
Providence Human Relations	135,723	-	135,723	96,982	38,741
Civil Defense Preparedness	86,704	-	86,704	78,667	8,037
Planning and Urban Development	988,763	-	988,763	934,182	54,581
Administration to City Council	81,270	-	81,270	83,259	(1,989)
Providence Review Commission	10,000	16,000	26,000	27,316	(1,316)
Total other departments	2,127,754	74,000	2,201,754	2,025,657	176,097

(Continued)

CITY OF PROVIDENCE, RHODE ISLAND

General Fund

Schedule of Expenditures and Transfers - 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	\$ 1,117,500	-	1,117,500	830,375	287,125
General Public Assistance	<u>13,375,000</u>	<u>-</u>	<u>13,375,000</u>	<u>10,702,907</u>	<u>2,672,093</u>
Total welfare activities	<u>14,492,500</u>	<u>-</u>	<u>14,492,500</u>	<u>11,533,282</u>	<u>2,959,218</u>
Miscellaneous activities:					
Board of Tenants Affairs	2,000	-	2,000	-	2,000
Community Mental Health Centers	240,750	-	240,750	240,750	-
Providence Housing Authority	8,000	-	8,000	6,845	1,155
League of Cities and Towns	<u>26,641</u>	<u>-</u>	<u>26,641</u>	<u>26,641</u>	<u>-</u>
Total miscellaneous activities	<u>277,391</u>	<u>-</u>	<u>277,391</u>	<u>274,236</u>	<u>3,155</u>
Grants:					
Providence Public Library	1,064,750	-	1,064,750	1,064,750	-
Other	<u>44,975</u>	<u>67,568</u>	<u>112,543</u>	<u>105,168</u>	<u>7,375</u>
Total grants	<u>1,109,725</u>	<u>67,568</u>	<u>1,177,293</u>	<u>1,169,918</u>	<u>7,375</u>
Public celebrations	<u>4,650</u>	<u>-</u>	<u>4,650</u>	<u>4,319</u>	<u>331</u>
Bad debt - uncollectible Sewer Fund transfer	<u>-</u>	<u>-</u>	<u>-</u>	<u>482,668</u>	<u>(482,668)</u>
Total expenditures and transfers	\$ <u>132,947,337</u>	<u>-</u>	<u>132,947,337</u>	<u>129,174,424</u>	<u>3,772,913</u>

CITY OF PROVIDENCE, RHODE ISLAND

Special Revenue Funds

Combining Balance Sheet

June 30, 1985

<u>Assets</u>	<u>Total All Funds</u>	<u>School Fund</u>	<u>Other Educational Funds</u>	<u>Revenue Sharing Fund</u>	<u>Community Development Block Grants</u>
Cash	\$ 2,620,890	-	530,789	-	-
Accounts receivable (net where applicable of allowance for uncollectible amounts of \$3,579,970)	2,000,265	-	-	-	-
Due from:					
Other funds	4,617,330	546,738	-	-	3,979,468
Other governments	1,876,872	-	307,831	1,187,925	-
Loans receivable (net of allowance for uncollectible amounts of \$511,648)	12,628,763	-	-	-	229,235
Short-term investments	5,275,000	3,725,000	-	-	-
Other receivables	14,895	-	3,665	-	5,323
Total assets	\$ 29,034,015	4,271,738	842,285	1,187,925	4,214,026
 <u>Liabilities</u>					
Bank overdraft	\$ 1,147,765	-	-	-	556,264
Accounts payable and accrued expenditures	4,634,514	4,038,045	340,954	-	118,626
Due to:					
Other funds	7,548,060	233,693	336,231	1,187,925	-
Other governments	482,466	-	153,234	-	-
Deferred revenues	976,064	-	-	-	210,487
Other liabilities	195,333	-	11,866	-	-
Reserve for home improvement loans	144,748	-	-	-	144,748
Total liabilities	15,128,950	4,271,738	842,285	1,187,925	1,030,125
 <u>Fund Balances</u>					
Fund balance (deficit):					
Unreserved	2,385,414	-	-	-	-
Unreserved - designated for special purposes	11,519,651	-	-	-	3,183,901
Total fund balance (deficit)	13,905,065	-	-	-	3,183,901
Total liabilities and fund balance	\$ 29,034,015	4,271,738	842,285	1,187,925	4,214,026

Urban Development Action Grants

<u>SWAP</u>	<u>Fleet Center and Garage</u>	<u>Richmond Square</u>	<u>Jobs Bill</u>	<u>UPARR Parks and Neighborhoods</u>	<u>Sewer Fund</u>	<u>Providence Redevelop- ment Agency</u>	<u>Providence Local Development Corporation</u>	<u>Miscellaneous Grants</u>
113,590	-	-	351,331	28,905	-	1,086,623	466,973	42,679
-	-	-	-	-	2,000,265	-	-	-
-	-	-	-	-	-	30,000	-	61,124
1,606	379,510	-	-	-	-	-	-	-
-	6,670,490	1,200,000	-	-	-	14,891	4,514,147	-
-	-	-	-	-	375,000	1,175,000	-	-
-	-	-	-	-	-	2,313	-	3,594
<u>115,196</u>	<u>7,050,000</u>	<u>1,200,000</u>	<u>351,331</u>	<u>28,905</u>	<u>2,375,265</u>	<u>2,308,827</u>	<u>4,981,120</u>	<u>107,397</u>
-	-	-	-	-	591,501	-	-	-
-	-	-	-	28,905	65,051	-	39,000	3,933
-	-	-	-	-	2,751,904	-	2,950,000	88,307
-	-	-	-	-	329,232	-	-	-
1,267	379,510	-	-	-	378,000	6,800	-	-
-	-	-	-	-	-	183,467	-	-
-	-	-	-	-	-	-	-	-
<u>1,267</u>	<u>379,510</u>	<u>-</u>	<u>-</u>	<u>28,905</u>	<u>4,115,688</u>	<u>190,267</u>	<u>2,989,000</u>	<u>92,240</u>
-	-	-	-	-	(1,740,423)	2,118,560	1,992,120	15,157
<u>113,929</u>	<u>6,670,490</u>	<u>1,200,000</u>	<u>351,331</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>113,929</u>	<u>6,670,490</u>	<u>1,200,000</u>	<u>351,331</u>	<u>-</u>	<u>(1,740,423)</u>	<u>2,118,560</u>	<u>1,992,120</u>	<u>15,157</u>
<u>115,196</u>	<u>7,050,000</u>	<u>1,200,000</u>	<u>351,331</u>	<u>28,905</u>	<u>2,375,265</u>	<u>2,308,827</u>	<u>4,981,120</u>	<u>107,397</u>

CITY OF PROVIDENCE, RHODE ISLAND

Special Revenue Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Year ended June 30, 1985

	Total All Funds	School Fund	Other Educational Funds	Revenue Sharing Fund	Community Development Blocks Grants
Revenues:					
Federal and state grants	\$ 57,590,155	32,404,654	6,775,810	4,841,295	7,258,336
Charges for services	6,394,405	71,013	-	-	238,100
Miscellaneous	628,712	209,653	43,042	-	-
Interest	401,789	-	-	-	-
Total revenues	65,015,061	32,685,320	6,818,852	4,841,295	7,496,436
Other financing sources:					
Transfer from General Fund	34,828,346	34,009,368	-	-	818,978
Transfer from other Special Revenue Funds	314,501	5,654	-	-	-
Transfer from Capital Project Funds	125,000	-	-	-	-
Total other financing sources	35,267,847	34,015,022	-	-	818,978
Total revenues and other financing sources	100,282,908	66,700,342	6,818,852	4,841,295	8,315,414
Expenditures:					
Personal services	54,505,023	44,925,711	4,249,869	4,841,295	-
Employee benefits	13,830,932	12,250,676	1,465,851	-	-
Services other than personal	2,557,165	2,108,244	213,408	-	-
Materials and supplies	1,707,893	1,252,693	415,291	-	-
Equipment	1,546,266	1,332,541	190,790	-	-
Intergovernmental charges	1,071,949	-	-	-	-
Program expenditures	7,542,731	-	-	-	5,961,312
Bad debts	1,106,903	-	-	-	-
Other	5,246,769	4,830,477	90,279	-	-
Total expenditures	89,115,631	66,700,342	6,625,488	4,841,295	5,961,312
Other uses:					
Transfer to other Special Revenue Funds	314,501	-	193,364	-	-
Transfer to General Fund	978,645	-	-	-	-
Transfer to School Fund	-	-	-	-	-
Transfer to Fiduciary Funds	1,451,675	-	-	-	-
Total other uses	2,744,821	-	193,364	-	-
Total expenditures and other uses	91,860,452	66,700,342	6,818,852	4,841,295	5,961,312
Revenues over (under) expenditures and other uses	8,422,456	-	-	-	2,354,102
Fund balance (deficit) at beginning of year, as restated	5,482,609	-	-	-	829,799
Fund balance (deficit) at end of year	\$ 13,905,065	-	-	-	3,183,901

Urban Development Action Grants								
SWAP	Fleet Center and Garage	Richmond Square	Jobs Bill	UPARR Parks and Neighborhoods	Sewer Fund	Providence Redevelopment Agency	Providence Local Development Corporation	Miscellaneous Grants
147,731	3,683,110	345,000	966,006	737,444	-	15,897	125,000	289,872
-	-	-	-	-	6,073,808	-	-	11,484
-	-	-	-	-	-	87,055	-	288,962
-	-	-	-	-	48,332	114,922	238,535	-
147,731	3,683,110	345,000	966,006	737,444	6,122,140	217,874	363,535	590,318
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	20,000	288,847
-	-	-	-	-	-	125,000	-	-
-	-	-	-	-	-	125,000	20,000	288,847
147,731	3,683,110	345,000	966,006	737,444	6,122,140	342,874	383,535	879,165
-	-	-	-	-	-	-	186,500	301,648
-	-	-	-	-	-	-	-	114,405
-	-	-	-	-	175,577	36,118	23,818	-
-	-	-	-	-	-	-	-	39,909
-	-	-	-	-	-	-	-	22,935
33,802	-	-	614,675	737,444	1,071,949	-	-	-
-	-	-	-	-	1,106,903	134,621	-	60,877
-	-	-	-	-	14,082	-	-	-
33,802	-	-	614,675	737,444	2,368,511	170,739	215,744	846,279
-	-	-	-	-	-	-	75,000	46,137
-	-	-	-	-	978,645	-	-	-
-	-	-	-	-	1,451,675	-	-	-
-	-	-	-	-	2,430,320	-	75,000	46,137
33,802	-	-	614,675	737,444	4,798,831	170,739	290,744	892,416
113,929	3,683,110	345,000	351,331	-	1,323,309	172,135	92,791	(13,251)
-	2,987,380	855,000	-	-	(3,063,732)	1,946,425	1,899,329	28,408
113,929	6,670,490	1,200,000	351,331	-	(1,740,423)	2,118,560	1,992,120	15,157

CITY OF PROVIDENCE, RHODE ISLAND

Special Revenue Funds

Combining Statement of Revenues and Expenditures -
Budget and Actual

Year ended June 30, 1985

	Federal Revenue Sharing			School Funds			Totals		
	Budget	Actual	Variance - Favorable (Unfavorable)	Budget	Actual	Variance - Favorable (Unfavorable)	Budget	Actual	Variance - Favorable (Unfavorable)
Revenues:									
Charges for services	\$ -	-	-	144,500	280,666	136,166	144,500	280,666	136,166
Federal and state grants	4,896,706	4,841,295	(55,411)	33,067,635	33,160,025	92,390	37,964,341	38,001,320	36,979
Total revenues	4,896,706	4,841,295	(55,411)	33,212,135	33,440,691	228,556	38,108,841	38,281,986	173,145
Other financing sources:									
Transfer from General Fund	-	-	-	34,301,947	34,009,368	(292,579)	34,301,947	34,009,368	(292,579)
Transfer from Indirect Cash Fund	-	-	-	-	5,654	5,654	-	5,654	5,654
Total other financing sources	-	-	-	34,301,947	34,015,022	(286,925)	34,301,947	34,015,022	(286,925)
Total revenues and other financing sources	4,896,706	4,841,295	(55,411)	67,514,082	67,455,713	(58,369)	72,410,788	72,297,008	(113,780)
Expenditures:									
Personal services	4,896,706	4,841,295	55,411	45,429,180	45,456,928	(27,748)	50,325,886	50,298,223	27,663
Employee benefits	-	-	-	12,465,685	12,474,740	(9,055)	12,465,685	12,474,740	(9,055)
Services other than personal	-	-	-	1,975,267	2,108,244	(132,977)	1,975,267	2,108,244	(132,977)
Materials and supplies	-	-	-	1,215,543	1,252,693	(37,150)	1,215,543	1,252,693	(37,150)
Equipment	-	-	-	1,417,086	1,332,541	84,545	1,417,086	1,332,541	84,545
Other	-	-	-	5,011,321	4,830,567	180,754	5,011,321	4,830,567	180,754
Total expenditures	4,896,706	4,841,295	55,411	67,514,082	67,455,713	58,369	72,410,788	72,297,008	113,780
Revenues and other financing sources over expenditures	\$ -	-	-	-	-	-	-	-	-

CITY OF PROVIDENCE, RHODE ISLAND

Capital Projects Funds

Combining Balance Sheet

June 30, 1985

<u>Assets</u>	<u>Total All Funds</u>	<u>General Capital Projects</u>	<u>Urban Mass Transportation Administration Grant- Kennedy Plaza Construction</u>	<u>Urban Mass Transportation Administration Grant - Kennedy Plaza Design</u>	<u>UPARR Construction</u>
Cash and cash equivalents	\$ 1,293,237	944,613	344,070	1,009	3,545
Short-term investments	<u>13,130,000</u>	<u>13,130,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	\$ <u>14,423,237</u>	<u>14,074,613</u>	<u>344,070</u>	<u>1,009</u>	<u>3,545</u>
<u>Liabilities</u>					
Accounts payable and accrued expenditures	\$ 273,472	238,342	35,130	-	-
Notes payable	14,040,000	14,040,000	-	-	-
Due to other funds	190,318	160,318	30,000	-	-
Deferred revenue	<u>162,974</u>	<u>-</u>	<u>162,974</u>	<u>-</u>	<u>-</u>
	<u>14,666,764</u>	<u>14,438,660</u>	<u>228,104</u>	<u>-</u>	<u>-</u>
<u>Fund Balances</u>					
Fund balance (deficit) - unreserved:					
Designated for specific project	1,128,342	1,128,342	-	-	-
Undesignated	<u>(1,371,869)</u>	<u>(1,492,389)</u>	<u>115,966</u>	<u>1,009</u>	<u>3,545</u>
Total fund balance (deficit)	<u>(243,527)</u>	<u>(364,047)</u>	<u>115,966</u>	<u>1,009</u>	<u>3,545</u>
Total liabilities and fund balance	\$ <u>14,423,237</u>	<u>14,074,613</u>	<u>344,070</u>	<u>1,009</u>	<u>3,545</u>

CITY OF PROVIDENCE, RHODE ISLAND

Capital Project Funds

Combining Statement of Revenues, Expenditures and
Changes in Fund Balances

For the year ended June 30, 1985

	Total All Funds	General Capital Projects	Urban Mass Transportation Administration Grant- Kennedy Plaza Construction	Urban Mass Transportation Administration Grant-Kennedy Plaza Design	UPARR Construction
Revenues:					
Federal grants and reimbursements	\$ 2,242,113	-	1,864,647	235,500	141,966
Investment income	142,851	142,851	-	-	-
Other	33,292	33,292	-	-	-
Total revenues	<u>2,418,256</u>	<u>176,143</u>	<u>1,864,647</u>	<u>235,500</u>	<u>141,966</u>
Other financing sources:					
Proceeds from sale of general obligation bonds	10,000,000	10,000,000	-	-	-
Transfer from General Fund	1,754,520	1,754,520	-	-	-
Transfer from General Capital Projects Fund	253,000	-	253,000	-	-
Total other financing sources	<u>12,007,520</u>	<u>11,754,520</u>	<u>253,000</u>	<u>-</u>	<u>-</u>
Total revenues and other financing sources	<u>14,425,776</u>	<u>11,930,663</u>	<u>2,117,647</u>	<u>235,500</u>	<u>141,966</u>
Expenditures:					
Personal services	410,103	410,103	-	-	-
Capital projects	6,370,977	3,966,451	2,011,490	230,378	162,658
Materials and supplies	14,985	14,985	-	-	-
Interest	1,985,116	1,985,116	-	-	-
	<u>8,781,181</u>	<u>6,376,655</u>	<u>2,011,490</u>	<u>230,378</u>	<u>162,658</u>
Other uses:					
Transfer to Kennedy Plaza Construction Fund	253,000	253,000	-	-	-
Transfer to Special Revenue Funds	125,000	125,000	-	-	-
Total other uses	<u>378,000</u>	<u>378,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures and other uses	<u>9,159,181</u>	<u>6,754,655</u>	<u>2,011,490</u>	<u>230,378</u>	<u>162,658</u>
Revenues and other financing sources over (under) expenditures and other uses	5,266,595	5,176,008	106,157	5,122	(20,692)
Fund balance (deficit) at beginning of year	(5,510,122)	(5,540,055)	9,809	(4,113)	24,237
Fund balance (deficit) at end of year	\$ <u>(243,527)</u>	<u>(364,047)</u>	<u>115,966</u>	<u>1,009</u>	<u>3,545</u>

CITY OF PROVIDENCE, RHODE ISLAND

Fiduciary Fund Types

Combining Balance Sheet

June 30, 1985

Assets	Expendable Trust Funds		Nonexpendable Trust Funds		Agency Funds		Total
	Revolving Funds	Other Expendable Trusts	Other	Retirement System	Probate Court	Other Agency Funds	
Cash (overdraft) and cash equivalents	\$ (87,581)	2,273,233	434,711	865,888	171,497	934,789	4,592,537
Due from other funds, net	-	160,318 (1)	-	13,746,447	-	-	13,906,765
Accounts receivable, net	-	349,422 (2)	-	670,497	-	-	1,019,919
Investments, at carrying value	520,000	668,099	4,810,068	107,655,844 (3)	-	-	113,654,011
Loans receivable	-	-	-	5,393,510	-	-	5,393,510
Other assets	-	139,120	-	-	-	-	139,120
Total assets	\$ <u>432,419</u>	<u>3,590,192</u>	<u>5,244,779</u>	<u>128,332,186</u>	<u>171,497</u>	<u>934,789</u>	<u>138,705,862</u>
Liabilities and Fund Balances							
Accounts payable and accrued expenditures	\$ 96,622	-	-	982,647	-	-	1,079,269
Amounts held for others	-	-	-	-	171,497	934,789	1,106,286
Deferred revenues	-	349,422	-	-	-	-	349,422
Total liabilities	<u>96,622</u>	<u>349,422</u>	<u>-</u>	<u>982,647</u>	<u>171,497</u>	<u>934,789</u>	<u>2,534,977</u>
Fund balances:							
Reserved for benefits	-	-	-	127,349,539	-	-	127,349,539
Reserved for designated purposes	-	1,841,739	5,244,779	-	-	-	7,086,518
Total reserved fund balances	-	1,841,739	5,244,779	127,349,539	-	-	134,436,057
Unreserved	335,797	1,399,031	-	-	-	-	1,734,828
Total fund balances	<u>335,797</u>	<u>3,240,770</u>	<u>5,244,779</u>	<u>127,349,539</u>	<u>-</u>	<u>-</u>	<u>136,170,885</u>
Total liabilities and fund balances	\$ <u>432,419</u>	<u>3,590,192</u>	<u>5,244,779</u>	<u>128,332,186</u>	<u>171,497</u>	<u>934,789</u>	<u>138,705,862</u>

(1) Net of allowance for estimated uncollectible amount of \$1,451,675

(2) Net of allowance for estimated uncollectible amount of \$52,600

(3) Market value: \$124,800,000

CITY OF PROVIDENCE, RHODE ISLAND
Fiduciary Fund Types - Agency Funds
Combining Schedule of Cash Receipts and Disbursements
Year ended June 30, 1985

	Cash balances, Jun. 30, 1984	Receipts	Total available	Disbursements	Cash balances, Jun. 30, 1985
Probate accounts	\$ 153,127	18,651	171,778	281	171,497
Other agency funds:					
Deposit and Refund Account	271,403	1,723,149	1,994,552	1,780,814	213,738
Employees' Defense Savings Account	12,994	190,535	203,529	188,980	14,549
Employees' Retirement System, State of Rhode Island	1,275	2,699,455	2,700,730	2,437,817	262,913
Employees' Retirement System, Rhode Island Income Tax Withholding Pension Payments	56,445	722,419	778,864	722,540	56,324
Employees Withholding Tax Deductions	7,065	14,899,216	14,906,281	14,899,011	7,270
Hospital Service Corporation of Rhode Island	27,005	659,535	686,540	663,209	23,331
Local No. 799, International Association of Firefighters	6	31,263	31,269	31,263	6
Local No. 958, American Federation of Teachers	169,938	54,370	224,308	54,444	169,864
Local No. 1033, Public Employees Union	1,112	69,812	70,924	69,338	1,586
Payroll Deductions, Insurance Companies	(9,758)	298,904	289,146	299,752	(10,606)
Payroll Deductions and Withholdings, Other	2,225	20,421	22,646	20,240	2,406
Providence Municipal Employees Credit Union	4,254	729,833	734,087	729,843	4,244
Providence Permanent Fireman's Relief Association	76	85,962	86,038	86,348	(310)
Providence Teachers' Credit Union	(18,535)	326,167	307,632	326,314	(18,682)
Reserve for Social Security Taxes	388,576	9,538,081	9,926,657	9,898,776	27,881
Rhode Island Income Tax Withholding	(55,998)	3,673,675	3,617,677	3,673,659	(55,982)
State of Rhode Island Real Estate Conveyance Tax	102,314	485,982	588,296	440,126	148,170
State Sales Tax, Water	(9,768)	96,568	86,800	94,432	(7,632)
Tax Sheltered Annuities	11,798	17,292	29,090	17,292	11,798
Other	64,461	412,319	476,780	392,859	83,921
	1,026,888	36,734,958	37,761,846	36,827,057	934,789
Total agency funds	\$ 1,180,015	36,753,609	37,933,624	36,827,338	1,106,286

CITY OF PROVIDENCE, RHODE ISLAND
Schedule of Long-term Bonds Payable
June 30, 1985

	Interest rate	Date of		Bonds	
		Issue	Maturity	Issued	Outstanding
<u>Long-term Obligations Group of Accounts:</u>					
Bonds payable, serially:					
Bridge Replacement and Reconstruction	3.60-3.80%	5/1/67	5/1/91	\$ 1,200,000	360,000
Highways Loan of 1964 (1970 Series)	6.30-6.60	6/15/70	6/15/90	500,000	125,000
Municipal Dock Improvements and Extension	3.125	9/1/63	9/1/87	2,000,000	300,000
Recreational Facilities Loan V	4.50	2/1/71	2/1/91	2,000,000	600,000
Public Welfare Building Bonds	3.90-4.60	6/1/68	6/1/88	1,500,000	225,000
Redevelopment Bonds:					
Redevelopment and Slum Clearance Bonds V	3.125	9/1/63	9/1/87	4,000,000	600,000
Redevelopment and Slum Clearance Bonds VI	3.25-3.40	10/1/64	10/1/88	2,000,000	400,000
Slum Clearance and Redevelopment IV (1970 Series)	6.30-6.60	6/15/70	6/15/90	5,000,000	1,250,000
Total Redevelopment Bonds				11,000,000	2,250,000
Hurricane Barrier:					
Hurricane Barrier Bond Series I	3.25-3.40	10/1/64	10/1/88	3,000,000	600,000
Hurricane Barrier Bond Series II	3.60-3.75	5/1/67	5/1/87	600,000	60,000
Total Hurricane Barrier				3,600,000	660,000
Sanitation Building and Equipment Bonds	3.60-3.75%	5/1/67	5/1/87	\$ 400,000	40,000
General Obligation - Public Improvement Bonds	7.70-10.00	9/1/80	9/1/2000	10,500,000	8,020,000
General Obligation - Public Improvement Bonds	4.75-7.25	5/1/79	5/1/99	15,000,000	11,250,000
General Obligation - Public Improvement Bonds	9.40-10.00	9/15/82	9/15/94	22,500,000	20,525,000
Total Public Improvement Bonds				48,000,000	39,795,000
General Obligation - Refunding Bonds	8.00-10.50	6/1/85	6/1/2005	10,000,000	10,000,000

(Continued)

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

	Interest rate	Date of		Bonds	
		Issue	Maturity	Issued	Outstanding
Schools:					
School Athletic Fields - Series III	4.50-4.60	6/1/68	6/1/90	500,000	125,000
School Bonds of 1961	3.10	3/1/62	3/1/86	2,000,000	100,000
School Bonds of 1966	3.60-3.80	5/1/67	5/1/91	1,750,000	510,000
School Bonds of 1968	3.90-4.60	6/1/68	6/1/88	6,000,000	900,000
School Bonds of 1971 Series I	4.50	2/1/71	2/1/91	1,500,000	450,000
School Bonds of 1971 Series II	4.50	2/1/71	2/1/91	2,400,000	720,000
School Modernization Bonds Series V	3.60-3.80	5/1/67	5/1/91	1,500,000	450,000
Classical High School Bonds	6.30-6.60	6/15/70	6/15/90	1,000,000	250,000
School Modernization and Construction Bonds Series II	5.00	2/15/74	2/15/94	3,000,000	1,350,000
School Modernization and Construction Bonds Series III	5.00	2/15/74	2/15/94	3,000,000	1,350,000
School for Handicapped Children	5.00	2/15/74	2/15/94	2,500,000	1,125,000
Total Schools				25,150,000	7,330,000
Sewers:					
Sewer Construction Bonds of 1966	3.60-3.75	5/1/67	5/1/87	300,000	30,000
Sewer Construction Bonds of 1980	7.70-10.00	9/1/80	9/1/2000	8,500,000	6,800,000
Total Sewers				8,800,000	6,830,000
Sludge Incinerator Bonds	3.60-3.75%	5/1/67	5/1/87	\$ 1,000,000	100,000
Civic Center Bonds	5.00-5.25	2/1/72	2/1/92	13,000,000	4,550,000
Total long-term obligations group of accounts bonds				128,150,000	73,165,000
Proprietary fund - bonds payable:					
Water Distribution Reservoir	3.25	12/1/62	12/1/92	2,050,000	710,000
Water Purification Works Improvements I	3.25	12/1/62	12/1/92	1,100,000	400,000
Water Bonds of 1971	5.00-6.00	6/1/71	6/1/2001	11,000,000	8,000,000
Total proprietary fund bonds				14,150,000	9,110,000
Total long-term bonds payable				\$ 142,300,000	82,275,000

CITY OF PROVIDENCE, RHODE ISLAND
Schedule of Property Taxes Receivable

June 30, 1985

<u>Year of Assessment</u>	<u>Amount Receivable June 30, 1984</u>
1984	\$ 9,490,711
1983	3,893,594
1982	3,027,909
1981	4,295,644
1980	1,642,953
1979	1,345,896
1978	1,478,206
1977	1,143,606
1976	1,027,544
1975	948,457
1974	866,570
1973	989,372
1972	611,871
1971	775,644
1970	735,088
1969	352,352
1968	327,829
1967	316,157
1966	<u>439,913</u>
	<u>33,709,316</u>
Less allowance for estimated uncollectible amounts	<u>25,337,581</u>
Net property taxes receivable	\$ <u>8,371,735</u>

THE COMMITTEE ON

FINANCE

Recommends

Rose M. McElroy

Clerk

April 24, 1954