

State of Rhode Island and Providence Plantations

Budget



Fiscal Year 2009

Donald L. Carcieri, Governor

Quasi-Public Agencies

Rhode Island Airport Corporation
Capital Center Commission
Rhode Island Clean Water Finance Agency
Rhode Island Convention Center Authority
Rhode Island Economic Development Corporation
Rhode Island Health and Educational Building Corporation
Rhode Island Housing and Mortgage Finance Corporation
Housing Resources Commission
Rhode Island Industrial Facilities Corporation
Rhode Island Industrial-Recreational Building Authority
Narragansett Bay Commission
Rhode Island Public Transit Authority
Quonset Development Corporation
Rhode Island Refunding Bond Authority
Rhode Island Resource Recovery Corporation
Rhode Island Student Loan Authority
Rhode Island Turnpike and Bridge Authority
Rhode Island Water Resources Board Corporate

The Agency

Rhode Island Airport Corporation

Agency Operations

The Rhode Island Airport Corporation (Corporation) was created by the Rhode Island Economic Development Corporation (formerly the Port Authority) on December 9, 1992, as a subsidiary public corporation, government agency, and public instrumentality, having a distinct legal existence from the state and the authority, and having many of the same powers and purposes of the authority. The Corporation is empowered to undertake the planning, development, management, acquisition, ownership, operation, repair, construction, renovation, sale, lease or other disposition of any airport facility, including the T.F. Green State Airport in Warwick, as well as the five general aviation airports: North Central, Quonset, Westerly, Newport, and Block Island.

The powers of the Corporation are vested in its Board of Directors consisting of seven members, one member appointed by the Mayor of the City of Warwick and serving at his pleasure, the remaining six appointed by the Governor for four-year terms. The Corporation does not have the power to issue bonds or notes or borrow money without the approval of the Rhode Island Economic Development Corporation.

The Corporation leases the airports from the State of Rhode Island, through the Department of Transportation (DOT). Under the lease agreement, the State and DOT have assigned all rights to airport revenues, the proceeds of the State general obligation bonds issued for airport projects, federal grant agreements, insurance proceeds, all contracts including concession agreements with vendors and airlines, and all licenses and permits. The Corporation has agreed to reimburse the State for general obligation debt service after July 1, 1993, to the extent that money is available from its funds. In the event of insufficient funds, the unpaid debt shall accrue and be payable in the following year.

The Corporation assumes responsibility for the airports and undertaking capital improvements. The Corporation is intended to provide more flexibility in the provision of state match funds for all airport related projects by utilizing revenue bonds backed by revenue from parking, car rental, and other concessionaires, including landing fees paid by airlines, as well as a passenger facility charge that the federal government has empowered local airports to collect in order to finance capital improvements.

The Corporation is entitled to receive funds from the Federal Aviation Administration (FAA) on a matching fund basis to improve the state's airport system and finance various airport operations and improvements based on the following table:

| Program | FAA portion | Corporation portion |
|---------------------------|--------------------|----------------------------|
| Land Acquisition | 80% | 20% |
| T.F. Green projects | 75% | 25% |
| General Aviation Airports | 90% | 10% |

The Agency

Rhode Island Airport Corporation

The Corporation does not receive any state appropriations from the State of Rhode Island for the operation and maintenance and capital programs relating to T.F. Green and the five general aviation airports. All of the operating and maintenance expenses, as well as operating capital programs and projects, are funded directly by revenues derived from airport operations. The only "State" funds utilized by the Corporation are general obligation bonds which were issued by the State of Rhode Island for airport related projects. The debt service on these general obligation bonds is the responsibility of the Corporation and the Corporation is current with respect to that responsibility.

The Budget

Rhode Island Airport Corporation

| | FY 2006 Actual | FY 2007 Actual | FY 2008 Budget | FY 2009 Recommended |
|---|---------------------|---------------------|---------------------|------------------------|
| Revenue: (T.F. Green) | | | | |
| Landing Fees | 10,898,714 | 12,503,375 | 12,672,890 | 12,989,712 |
| Fuel Flowage Fees | 1,062,056 | 982,605 | 1,033,200 | 1,059,030 |
| Tiedown & Hanger Fees | 1,019,361 | 1,006,571 | 960,682 | 984,699 |
| Aircraft Registration | 24,455 | 24,380 | 25,000 | 25,000 |
| Concessions | 2,621,130 | 2,454,239 | 2,248,062 | 2,304,264 |
| Miscellaneous Revenues | 555,587 | 454,116 | 467,200 | 481,216 |
| Utilities Reimbursement | 498,085 | 502,744 | 540,100 | 556,303 |
| Airline Equipment Charge | 574,785 | 573,132 | 577,176 | 577,176 |
| Terminal Rent-Airlines | 7,241,317 | 7,314,578 | 11,183,854 | 11,396,729 |
| Terminal Rent-Non Airlines | 1,227,911 | 834,489 | 877,459 | 903,783 |
| Automobile Parking | 13,477,337 | 11,335,509 | 14,565,200 | 15,293,460 |
| Rental Car Revenues | 6,593,580 | 6,539,947 | 6,452,556 | 6,613,870 |
| Off Airport Courtesy Fees | 725,394 | 829,340 | 904,600 | 940,784 |
| Bad Debt Expenses | (988,204) | 910,288 | - | - |
| Audit & Finance Charge | 1,152,967 | 75,090 | - | - |
| Federal Grants - FAA | 147,568 | 151,000 | 150,500 | 150,500 |
| Airport Support Fund - Revenue A65 | 606,469 | 619,419 | 658,000 | 630,000 |
| Total Revenue | \$47,438,512 | \$47,110,822 | \$53,316,479 | \$54,906,526 |
| Personnel Expenses: (T.F. Green) | | | | |
| Payroll | 10,791,178 | 11,152,008 | 12,186,760 | 12,613,297 |
| Payroll - Overtime | 780,538 | 898,476 | 829,290 | 858,315 |
| Snow Removal Overtime | 186,447 | 65,049 | 198,797 | 205,755 |
| Overtime-Holiday | 323,019 | 355,630 | 440,777 | 456,204 |
| Workers' Comp Leave | - | - | - | - |
| Unemployment Compensation | 31,320 | 17,354 | - | - |
| Employee Retirement | 717,009 | 806,756 | 948,144 | 981,329 |
| FICA Tax | 929,977 | 962,210 | 1,023,917 | 1,059,754 |
| Long Term Disability & Life Insurance | 144,528 | 165,911 | 214,400 | 225,120 |
| Workers' Comp Insurance | 274,254 | 314,170 | 447,998 | 470,398 |
| Health Insurance | 1,948,665 | 1,930,183 | 2,111,500 | 2,322,650 |
| Employee Relocation | 4,472 | - | 20,000 | - |
| Miscellaneous Employee Benefits | 331,297 | 450,816 | 471,500 | 488,003 |
| Temporary Employee Help \ Outsource | 87,040 | 169,008 | - | - |
| Total Personnel Expenses | \$16,549,744 | \$17,287,571 | \$18,893,083 | \$19,680,825 |
| Total Expenses - Operating | 10,685,562 | 11,548,728 | 14,836,390 | 15,578,210 |
| Total Expenditures | \$27,235,306 | \$28,836,299 | \$33,729,473 | \$35,259,035 |
| Net Income from Operations | \$20,203,206 | \$18,274,523 | \$19,587,006 | \$19,647,491 |

The Budget

Rhode Island Airport Corporation

| | FY 2006 Actual | FY 2007 Actual | FY 2008 Budget | FY 2009 Recommended |
|---|---------------------|----------------------|---------------------|------------------------|
| Outlying Airports | | | | |
| Revenues | 1,565,922 | 1,623,743 | 2,262,358 | 2,420,723 |
| Payroll Expenses | (1,335,757) | (1,416,667) | (1,606,030) | (1,654,211) |
| Operating Expenses | (904,904) | (1,073,476) | (1,250,596) | (1,288,114) |
| Airport Management Fee | (65,000) | (154,126) | (197,000) | (200,000) |
| Net Gain (Loss) Outlying Airport | (\$739,739) | (\$1,020,526) | (\$791,268) | (\$721,602) |
| Depreciation & Amortization | 14,965,749 | 15,725,115 | 18,400,000 | 18,500,000 |
| Net Income(Loss) After Depreciation and Amortization | \$4,497,718 | \$1,528,882 | \$395,738 | \$425,889 |
| Other Income & Expenses | | | | |
| Interest Income | 1,892,503 | 4,053,547 | 1,959,770 | 2,000,000 |
| Interest Expense | (200,887) | (166,708) | (400,000) | (200,000) |
| Interest Expense - All Bonds | (9,986,413) | (11,538,395) | (13,810,041) | (14,500,000) |
| Gain (Loss) on Sale of Assets | - | 102,324 | - | - |
| Miscellaneous Income (Expense) | (3,228,559) | (6,061,569) | - | - |
| Bad Debt Expense | - | - | - | - |
| Interest Income - CFC | 605,991 | 1,296,350 | 1,000,000 | 500,000 |
| Customer Facility Charge (CFC) | 4,942,472 | 4,860,633 | 5,288,700 | 5,394,474 |
| Interest Income - PFC | 578,084 | 1,233,611 | 280,900 | 500,000 |
| Passenger Facility Charge | 7,442,029 | 10,039,836 | 10,317,115 | 10,523,457 |
| Federal Grants - FAA | 15,228,800 | 25,497,672 | 23,492,392 | 22,136,380 |
| Federal Grants-TSA | 592,246 | 8,843 | - | - |
| Miscellaneous Grants & Contributions | 42,000 | 9,978 | - | - |
| Noise Mitigation Program | - | - | - | - |
| Land Acquisition Program | (8,666,465) | (14,885,072) | (13,900,000) | (10,500,000) |
| Total Non-Operating Income & Exp | \$9,241,801 | \$14,451,050 | \$14,228,836 | \$15,854,311 |
| Income from Continuing Operations | - | - | - | - |
| Loss Discontinued Business Airport Support | - | - | - | - |
| Net Income | \$13,739,519 | \$15,979,932 | \$14,624,574 | \$16,280,200 |

(a) The information presented for FY 2009 has not been reviewed nor approved by the Rhode Island Airport Corporation Board of Directors and is subject to change, pending the aforementioned review.

The Agency

Capital Center Commission

Agency Operations

The Capital Center Commission is a public corporation and agency of the State of Rhode Island that was created by state enabling legislation in 1981, and is a public body of the City of Providence by City Council Ordinance enacted in 1982. Legislatively, it is responsible for the adoption, implementation, and administration of the public and private development within Capital Center through its Design and Development Regulations, which, in part, are more restrictive than the local zoning ordinance. The commission's Internal Operating Procedures establish an application and design review process, which is legislated as not to exceed ninety days. The goal is to assure compliance with the regulations and at the same time assure the developer of an early decision on its application for development.

The Capital Center Commission, a fifteen member board created by state legislation, is funded primarily by the State of Rhode Island through the Economic Development Corporation, and by the City of Providence, with a total of \$73,500 in funding.

One of the largest and most ambitious economic ventures of the State of Rhode Island and its capital city - Providence - is Capital Center, a seventy-seven acre northerly expansion of downtown Providence to the State Capitol. Through the cooperative and continuing efforts of public and private ownerships and interests, an infusion of over \$100 million of public and private funds has been committed for the planning and construction of public infrastructure improvements within the area. The public improvements, completed in mid 1994, include: new rights-of-way and utility lines, expansion of public open space, river walks along restaurants and retail uses, an amphitheater, and pedestrian bridges created, in part, by the relocation of two rivers.

Private development is controlled by Design and Development Regulations mandating, in part: use, height, building coverage, parking and service. Pedestrian and traffic circulation controls are also established to assure the movement of people and automobiles through Capital Center and to and from the downtown area. Forty-eight of the seventy-seven acres, representing twenty development sites, are designated for private development by public and private ownerships. To date, the following projects have been completed or are under construction: over 1.2 million square feet of retail space, one million square feet of office space, 1,052 hotel rooms and guest suites, 765 residential units, 7,800 structured parking spaces, over 5,800 permanent jobs, and over \$983 million in private development.

Statutory History

Public Laws of 1981, Section 2, Chapter 332, as amended, establishes the Capital Commission as a special development district, as governed by Title 45, Section 24.4 of the Rhode Island General Laws.

The Budget

Capital Center Commission

| | FY 2006 Actual | FY 2007 Unaudited | FY 2008 Budgeted | FY 2009 Projected |
|---------------------------------|-------------------|----------------------|---------------------|----------------------|
| Operating Revenues | | | | |
| State Grants | 50,000 | 50,000 | 38,555 | 50,000 |
| City Grants | 50,000 | 50,000 | 35,000 | 50,000 |
| Management Fees | 600 | 2,500 | 40,000 | - |
| Total Operating Revenues | \$100,600 | \$102,500 | \$113,555 | \$100,000 |
| Expenditures | | | | |
| Salaries | 80,822 | 83,827 | 85,790 | 88,364 |
| Fringes | 15,205 | 15,291 | 25,890 | 26,667 |
| Rent and Utilities | 12,989 | 14,796 | 15,900 | 16,377 |
| Telephone | 646 | 1,309 | 1,400 | 1,400 |
| Print/Supplies | 2,198 | 1,535 | 3,850 | 3,850 |
| Postage | 1,897 | 1,414 | 2,000 | 2,000 |
| Meetings | 3,210 | 1,827 | 3,000 | 3,000 |
| Miscellaneous | 2,575 | 717 | 2,256 | 2,300 |
| Travel/Prof. Dev. | 3,615 | 1,174 | 3,000 | 3,000 |
| Dues, Ins. Subscriptions | - | 2,763 | 2,410 | 1,500 |
| Consultants | 129 | - | 10,000 | 10,000 |
| Legal & Audit Fees | 14,550 | 8,002 | 11,500 | 11,500 |
| Total | \$137,836 | \$132,655 | \$166,996 | \$169,958 |
| Less Non Operating Revenue | | | | |
| Interest Income | 247 | 149 | - | - |
| Net Income(Loss) | (\$36,989) | (\$30,006) | (\$53,441) | (\$69,958) |

Note: FY 2007 are unaudited figures.

Budget numbers for FY 2009 are preliminary and have not been approved or
Capital Center Commission.

The Agency

Rhode Island Clean Water Finance Agency

Agency Operations

The Rhode Island Clean Water Finance Agency (the “Agency”) established in 1990, is an independent, public corporation having a distinct legal existence from the state. The purpose of the Agency is to provide low cost loans to Rhode Island cities, towns, sewer commissions, wastewater management districts and water suppliers to finance capital improvements to wastewater and drinking water infrastructure. The Agency operates three revolving loan funds. Two of the funds provide subsidized loans to finance wastewater infrastructure projects and are collectively referred to as the Clean Water State Revolving Fund (CWSRF). A third fund provides subsidized loans to finance drinking water infrastructure projects and is called the Drinking Water State Revolving Fund (DWSRF).

The CWSRF is jointly administered by the Agency and the Department of Environmental Management (DEM). DEM is responsible for the environmental and regulatory components of the CWSRF while the Agency is responsible for the financial components. The CWSRF is capitalized by the grants from the U.S. Environmental Protection Agency (EPA) with a match of 20 percent by the State of Rhode Island. The Agency reimburses DEM for its administrative expenses.

The DWSRF is jointly administered by the Agency and the Department of Health (DOH). DOH is responsible for the water quality and regulatory components of the DWSRF while the Agency is responsible for the financial components. Funding for the DWSRF comes from capitalization grants from the federal and state governments, and through the issuance of tax-exempt Agency revenue bonds or direct loans. (The State of Rhode Island does not have any obligation for repayment of Agency revenue bonds.) DOH is reimbursed for administrative expenses via an administrative set-aside component of the capitalization grant.

Agency Objectives

The objective of the Agency is to provide low-cost loans to finance capital improvements to the wastewater and the drinking water infrastructure in Rhode Island.

Statutory History

Chapter 12.2 of Title 46 established the CWSRF. Chapter 238 as amended by Chapter 303 and Chapter 434 authorized the state to issue General Obligation Bonds up to \$34 million for Capitalization Grants to the CWSRF. Chapter 12.8 of Title 46 established the DWSRF.

The Budget

Rhode Island Clean Water Finance Agency

| | FY 2006 Actual | FY 2007 Actual | FY 2008 Revised | FY 2009 Recommended ⁽²⁾ |
|---------------------------------------|---------------------|---------------------|---------------------|---------------------------------------|
| Revenue | | | | |
| Interest and Investment Income | 23,770,531 | 25,848,415 | 28,353,038 | 30,904,811 |
| Operating Grant Income | 2,478,586 | 2,122,961 | 2,328,000 | 2,421,120 |
| Loan Service Fees ⁽¹⁾ | 3,067,435 | 3,405,277 | 3,528,509 | 3,704,934 |
| Other Revenue | 122,552 | 145,978 | 102,000 | 112,200 |
| Total Revenues | \$29,439,104 | \$31,522,631 | \$34,311,547 | \$37,143,065 |
| Operating Expenses | | | | |
| Interest and Finance Expenses | 23,379,013 | 24,891,133 | 27,108,994 | 29,548,803 |
| Administrative Expenses | 1,085,404 | 1,135,863 | 926,736 | 973,073 |
| Administrative Fees - DEM | 299,388 | 245,005 | 300,000 | 300,000 |
| Administrative Fees - DOH | 98,267 | 115,511 | 125,000 | 120,000 |
| DOH Set-Aside Programs | 2,080,931 | 1,762,445 | 1,903,000 | 2,400,000 |
| Total Operating Expenses | \$26,943,003 | \$28,149,957 | \$30,363,730 | \$33,341,876 |
| Other Revenues (Expenses) | | | | |
| Federal & State Capitalization Grants | 23,930,655 | 15,014,510 | 14,476,404 | 13,028,764 |
| Gain (Loss) Sale of Assets | - | - | - | - |
| Excess Revenues over Expenses | \$26,426,756 | \$18,387,184 | \$18,424,221 | \$16,829,953 |

⁽¹⁾ Service Fee portion of loan service fees is on a cash basis; loan origination fees are amortized over the life of the bonds/loan as per G.A.A.P.

⁽²⁾ The FY 2009 Budget information has not been presented to, or approved by the Agency's Board of Directors. The Board normally reviews and accepts the budgets in the quarter before the start of the fiscal

The Agency

Rhode Island Convention Center Authority

Agency Operations

The Rhode Island Convention Center Authority was created in 1987 by the Rhode Island General Assembly as a public corporation, instrumentality and agency of the state, having a distinct legal existence from the state and not constituting a department of state government.

The authority's original purpose was the construction, management and operation of a facility to house conventions, trade shows, exhibitions, displays, meetings, banquets, and other events, as well as facilities related thereto such as parking lots and garages, connection walkways, hotels and office buildings, including any retail facilities which are incidental to and located within any of the foregoing, and to acquire, by purchase or otherwise, land to construct the complex. The authority was authorized to lease the convention center and the related facilities to the state and undergo a bond and note issuance for facilities pursuant to the terms of a sublease agreement, dated as of November 1, 1991, as amended, by and between the state, as sublessor and the authority, as sublessee (the "Sublease").

A "phased" approach for each entity of the complex occurred as follows: North Parking Facility: December 5, 1992, Convention Center and South Parking Facilities: December 2, 1993 and the Westin Hotel: December, 1994. The authority has operated its facilities with various management contracts since inception. During FY 2005 and FY 2006 major changes occurred altering the future direction and scope for the authority, including the sale of the Westin Hotel to the Procaccianti Group in April, 2005 and the authority's acquisition of the Dunkin' Donuts Center Providence in December 2005. The Westin Hotel sale enhanced the authority's ability to compete as a premier Northeast destination convention city by the addition of 200 hotel rooms to the de facto convention headquarters property; in addition to a significant statewide hotel room capacity increase. The completion of the renovation of the Dunkin' Donuts Center Providence is expected to take three years. The Center will remain operational throughout the renovation period.

Official renovation construction activity commenced in the summer of 2006, predominant activity during the first summer of the project includes: ceiling painting, scoreboard replacement, ice chiller replacement, asbestos abatement, and selective interior and exterior demolition. Major renovation will occur during the summer of 2007, with expected completion in December 2008.

Agency Objectives

Manage and operate convention center complex, parking facilities and continue renovation and ongoing operation of newly acquired Dunkin' Donuts Center Providence.

The Budget

Rhode Island Convention Center Authority

| | FY 2006 Actual | FY 2007 Actual | FY 2008 Revised | FY 2009 Recommended |
|---------------------------------------|------------------------|------------------------|------------------------|------------------------|
| Resources | | | | |
| Opening Cash Balances | \$ 502,775 | \$ 1,379,449 | \$ 827,493 | \$ 1,410,259 |
| Operations | 15,694,042 | 18,430,461 | 20,289,686 | 20,489,058 |
| Investment Income and Swap Savings | 102,568 | (58,227) | 168,768 | 173,831 |
| Westin Hotel Room Tax | 288,364 | 269,495 | 277,581 | 285,908 |
| Net Bank Transfers | 6,019,130 | 64,771 | 68,009 | 71,410 |
| Total Resources | \$ 22,606,879 | \$ 20,085,949 | \$ 21,631,537 | \$ 22,430,466 |
| Expenditures | | | | |
| Convention Center Authority | 2,921,590 | 2,539,390 | 2,920,330 | 3,068,437 |
| Convention Center Management | 11,819,851 | 12,584,969 | 11,799,330 | 12,198,362 |
| Dunkin Donuts Center | 2,389,130 | 5,634,097 | 5,501,618 | 6,862,524 |
| Subtotal Operations | \$17,130,571 | \$20,758,456 | \$20,221,278 | \$22,129,323 |
| Debt Service | 16,342,119 | 20,147,025 | 16,354,166 | 16,231,813 |
| Dunkin Donuts Center Debt Service | - | - | 6,906,436 | 6,906,654 |
| Renewal and Replacement - Conv. Ctr. | 4,090,582 | - | - | - |
| Renewal and Replacement - D.D. Center | - | - | - | - |
| Grand Total Expenditures | \$37,563,272 | \$40,905,481 | \$43,481,880 | \$45,267,790 |
| Balance from Operations | \$ (14,956,393) | \$ (20,819,532) | \$ (21,850,343) | \$ (22,837,324) |
| State Appropriation | 16,335,842 | 21,647,025 | 23,260,602 | 23,138,467 |
| Final Cash Balances | \$ 1,379,449 | \$ 827,493 | \$ 1,410,259 | \$ 301,143 |

The information presented above is based upon cash flow data provided by the authority and has not been approved by the authority's Board of Directors.

The Agency

Rhode Island Economic Development Corporation

Agency Operations

The Rhode Island Economic Development Corporation consolidates all economic development activities of the State of Rhode Island into one entity to enhance service delivery, performance, and accountability.

The Rhode Island Economic Development Corporation's Board of Directors consists of eight members, including the Governor, who serves as chair. The Governor appoints all seven members. The board oversees the implementation of all state-level economic development programs. Effective January 1, 2005, corporate governance for the Quonset Point/Davisville Industrial Park in North Kingstown was transferred to the Board of Directors of the newly created Quonset Development Corporation.

Effective July 1, 2008, the Corporation will provide staff support to the Economic Policy Council.

Agency Objectives

The Rhode Island Economic Development Corporation works in partnership with the business community to enhance Rhode Island's business climate; provides direct assistance to Rhode Island businesses to retain and add jobs; identifies and works to attract new businesses and investment to Rhode Island; and serves as an advocate for economic development in Rhode Island.

The Rhode Island Economic Development Corporation's business development effort will be streamlined and refocused to incorporate industry specialization for each account executive. These individual specialties will be grouped into teams as needed to respond to specific business development opportunities to provide the maximum level of expertise. Account executives will be responsible for both recruitment and retention within their portfolio. Each will be held accountable to performance metrics criteria in both areas.

Statutory History

The Corporation was created in 1995 by Title 42, Chapters 43 and 64, of the Rhode Island General Laws, replacing the former Department of Economic Development and the Rhode Island Port Authority.

The Budget

Rhode Island Economic Development Corporation

| | FY 2006 Actual | FY 2007 Actual | FY 2008 Revised | FY 2009 Recommended |
|--|---------------------|---------------------|---------------------|------------------------|
| Estimated Opening Balance Revenues: | \$872,321 | - | \$98,746 | - |
| Resources | | | | |
| State Appropriation | 5,280,487 | 6,030,487 | 5,993,750 | 6,033,487 |
| Legislative Grants | 1,745,800 | 1,753,787 | 1,460,634 | 730,320 |
| Airport Impact Aid | - | 1,000,000 | 1,000,754 | 1,000,754 |
| Marine BioScience Park | 34,497 | - | - | - |
| Science and Technology Council | 98,336 | 100,000 | 100,000 | 100,000 |
| STAC Research Alliance (EPScore) | - | 1,500,000 | 1,459,500 | 1,500,000 |
| Business Innovation Factory | - | 100,000 | 100,000 | 100,000 |
| Grants - HRIC | 100,000 | 16,667 | - | - |
| Grants - Department of Education | - | 125,000 | 125,000 | 125,000 |
| Subtotal | \$7,259,120 | \$10,625,941 | \$10,239,638 | \$9,589,561 |
| Revenue from Federal Government | | | | |
| Grants (Procurement) | 270,000 | 212,422 | 160,000 | 130,000 |
| Subtotal | \$270,000 | \$212,422 | \$160,000 | \$130,000 |
| Revenues from Operations | | | | |
| Bond Fees/Other Income/Financings | 300,000 | - | - | - |
| RI Partnership for Science & Technology | 500,000 | - | - | - |
| RI Industrial Facilities Corp. | 250,000 | 150,000 | 150,000 | - |
| Other Income | - | 125,839 | 200,000 | 200,000 |
| Finance Program Allocation | - | 288,818 | 415,000 | 415,000 |
| Welcome Center (DOT) | 600,000 | 600,000 | 475,000 | 475,000 |
| QDC Allocation | 600,000 | 600,000 | 250,000 | 150,000 |
| Subtotal | \$2,250,000 | \$1,764,657 | \$1,490,000 | \$1,240,000 |
| Total Resources | \$10,651,441 | \$12,603,020 | \$11,988,384 | \$10,959,561 |
| Expenditures | | | | |
| Personnel Expenses | 4,324,848 | 4,400,000 | 4,583,487 | 4,568,887 |
| Operating Expenses | 2,992,194 | 3,050,487 | 2,809,009 | 2,484,600 |
| Legislative/EDC Grants | 2,020,800 | 1,753,787 | 1,460,634 | 730,320 |
| Airport Impact Aid | - | 1,000,000 | 1,000,754 | 1,000,754 |
| Office of City and Town Development | 580,766 | - | - | - |
| Marine BioScience Park | 34,497 | - | - | - |
| Science and Technology Council | 98,336 | 100,000 | 100,000 | 100,000 |
| Business Innovation Factory | - | 100,000 | 100,000 | 100,000 |
| STAC Research Alliance (EPScore) | - | 1,500,000 | 1,459,500 | 1,500,000 |
| Welcome Center | 600,000 | 600,000 | 475,000 | 475,000 |
| Total Expenditures | \$10,651,441 | \$12,504,274 | \$11,988,384 | \$10,959,561 |
| Closing Balance | - | \$98,746 | - | - |

FY 2007 operating expenses includes \$250,000 for costs associated with the relocation of the EDC offices.

The Agency

Rhode Island Health and Educational Building Corporation

Agency Operations

The Rhode Island Health and Educational Building Corporation is a non-business corporation and agency of the state that provides bond and lease financing to non-profit health and educational institutions in the state. Since its inception in 1966, the corporation has assisted with over \$1 billion in financing for such institutions without obligating the state's credit.

Under the direction of a five member board of directors, appointed by the Governor, the corporation has assisted hospitals, nursing homes, mental health centers, health care providers, day care centers, visiting nurses associations, and colleges and universities in obtaining low-cost financing from the public bond market.

The corporation receives no state appropriations for its operations.

Agency Objectives

To ensure that adequate financing is available for the education institutions and health care providers in the state to meet the needs of the citizens of Rhode Island.

Statutory History

The Rhode Island Health and Educational Building Corporation was created by the General Assembly in 1967 with its duties and powers defined by R.I.G.L. 45-38 (as amended).

The Budget

Rhode Island Health and Educational Building Corporation

| | FY 2006 Actual | FY 2007 Actual | FY 2008 Projected | FY 2009 Proposed |
|------------------------------|--------------------|--------------------|----------------------|---------------------|
| Expenditure by Object | | | | |
| Personnel | 306,972 | 327,751 | 394,900 | 418,600 |
| Other Operating Expenditures | 374,350 | 383,629 | 497,000 | 530,000 |
| Financing Services | 534,308 | 799,936 | 600,000 | 600,000 |
| Grants | 584,300 | 269,353 | 260,000 | 260,000 |
| Transfer to State | 3,700,000 | - | - | - |
| Total Expenditures | \$5,499,930 | \$1,780,669 | \$1,751,900 | \$1,808,600 |
| Expenditures by Fund | | | | |
| Personnel | 306,972 | 327,751 | 394,900 | 418,600 |
| Other Operating Expenditures | 374,350 | 383,629 | 497,000 | 530,000 |
| Financing Services | 534,308 | 799,936 | 600,000 | 600,000 |
| Grants | 584,300 | 269,353 | 260,000 | 260,000 |
| Transfer to State | 3,700,000 | - | - | - |
| Total Expenditures | \$5,499,930 | \$1,780,669 | \$1,751,900 | \$1,808,600 |

The information presented above was provided by the entity, and in most cases, the data provided for FY 2009 has not been approved by the Board of Directors.

The Agency

Rhode Island Housing and Mortgage Finance Corporation

Agency Operations

The Rhode Island Housing and Mortgage Finance Corporation (the "Corporation") is a public instrumentality of the State established in 1973 by an Act of the Rhode Island General Assembly. The Corporation is governed by a seven member board of commissioners. The Corporation was created to provide and improve housing to persons of low and moderate income, as well as to encourage the investment of private capital for the construction, rehabilitation, operation, retention, and maintenance of residential housing and health care facilities, to provide construction and mortgage loans, and to make grants in regard to housing needs including shelters for the homeless. The Corporation also has the power to acquire and operate housing projects on an individual or partnership basis in order to meet the housing demands of the State and to create subsidiaries for the purpose of the development and preservation of affordable housing for low and moderate income families.

The Corporation also provides services for the federal Department of Housing and Urban Development as a contract administrator.

The Corporation has the power to issue negotiable notes and bonds to achieve its corporate purpose. The notes and bonds do not constitute a debt of the State of Rhode Island and the State is not liable for the repayment of such obligations.

Agency Objectives

To provide, improve and expand housing and housing related services to, and address issues of sanitary, safe and decent housing for, persons of low and moderate income, as well as to encourage the investment of private capital for the construction, rehabilitation, operation, retention, and maintenance of residential housing and health care facilities, to provide construction and mortgage loans, and to make grants in regard to housing needs including shelters for the homeless.

Statutory History

The Rhode Island Housing and Mortgage Finance Corporation is authorized and empowered under Title 42, Chapter 55 of the Rhode Island General Laws.

The Budget

Rhode Island Housing and Mortgage Finance Corporation

| | FY 2006 Actual | FY 2007 Actual | FY 2008 Budgeted | FY 2009 Forecast |
|-------------------------------|---------------------------|---------------------------|-----------------------------|-----------------------------|
| Expenditure Report | | | | |
| Personnel Services | 10,908,281 | 11,744,831 | 13,859,863 | 14,830,053 |
| Other Administrative Expenses | 3,333,326 | 4,666,470 | 4,975,819 | 5,324,126 |
| Programmatic Expenses | 7,060,164 | 7,140,140 | 9,295,000 | 9,945,650 |
| Provision for Loan Loss | 1,966,128 | 197,120 | 1,000,000 | 1,000,000 |
| Arbitrage Rebate | (297,832) | 519,690 | 1,000,000 | 1,000,000 |
| Amortization and Depreciation | 1,778,913 | 1,786,450 | 2,111,300 | 2,000,000 |
| Total | \$24,748,980 | \$26,054,701 | \$32,241,982 | \$34,099,829 |

The information for FY 2009 has not been reviewed nor approved by the Rhode Island Housing and Mortgage Finance Corporation Board and is subject to change pending review of the Corporation.

The Agency

Housing Resources Commission

Agency Operations

The Rhode Island Housing Resources Commission was established in 1998 with responsibility for establishing housing policy, planning and coordination for the State of Rhode Island. Funding was provided to establish a lead hazardous reduction program in conjunction with Rhode Island Housing. With the passage of the Lead Hazard Mitigation Act, the Commission's responsibilities included implementation of that law.

Additional responsibility was given to the Commission with the passage of the Comprehensive Housing and Rehabilitation Act of 2004. This law mandated the development of a strategic housing plan and ongoing tracking of 29 local affordable housing plans.

The Commission administers the Neighborhood Opportunities Program, a housing production program that creates homes for individuals and families with very low incomes and/or disabilities, leveraging millions of dollars of federal and private funds. Coordination and funding of the state's homeless service system is also a major function of the Commission.

With the passage of the Building Homes Rhode Island Bond in November 2006, the Commission assumed responsibility for the program with administrative assistance from Rhode Island Housing. Regulations, an application, distribution process and contracts were developed and the Commission will disburse \$12.5 million annually for this program.

The Commission is responsible for program development and implementation of homeless facilities and resources to respond to those seeking shelter including those who have been discharged from the Department of Corrections, aged out of foster care and lost housing due to foreclosures of multi-family housing.

The Commission consists of the Office of Policy and Planning; the Office of Program Performance and Evaluation; the Office of Homelessness and Emergency Assistance; the Office of Community Development and Technical Assistance and the Office of Homeownership.

Agency Objectives

The objectives are to promulgate state policies and plans for housing and performance measures for housing programs established pursuant to state law. The Commission coordinates activities among state agencies and political subdivisions pertaining to housing and promotes quality of life within communities. We accomplished this by providing opportunities for safe, healthy, and affordable housing and economic development for all Rhode Islanders through encouraging public-private partnerships, fostering support for nonprofit organizations, and distributing funding for housing, shelter, and community development.

Statutory History

R.I.G.L. 42-128 established the Housing Resources Commission as of July 1, 1998. The Commission has 27 members, both ex-officio and appointed by the Governor representing a cross section of people working on housing issues.

The Budget

Housing Resources Commission

| | FY 2006 Actual | FY 2007 Actual | FY 2008 Revised | FY 2009 Recommended |
|--|---------------------|---------------------|--------------------|------------------------|
| Expenditure by Object | | | | |
| Administrative Expenses | 301,755 | 256,774 | 106,000 | 106,000 |
| Assistance, Grants, Benefits | 3,367,152 | 2,897,600 | 2,005,410 | 2,064,000 |
| Capital (NOP) ⁽¹⁾ | 7,500,000 | 7,500,000 | - | - |
| Capital (Building Homes RI) ⁽²⁾ | 0 | - | 12,500,000 | 12,500,000 |
| Total Operating Expenses | \$11,168,907 | 10,654,374 | 14,611,410 | 14,670,000 |
| Expenditure by Funds | | | | |
| State General Revenues | 3,469,658 | 2,951,423 | 2,111,410 | 2,170,000 |
| Federal Grants | 199,249 | 202,951 | - | - |
| Loan Proceeds - NOP | 7,500,000 | 7,500,000 | - | - |
| G.O. Bond Proceeds - Building Homes | - | - | 12,500,000 | 12,500,000 |
| Total Expenditures | \$11,168,907 | \$10,654,374 | 14,611,410 | 14,670,000 |
| Closing Balance | \$0 | \$0 | \$0 | \$0 |

⁽¹⁾ In August 2007, the State provided \$7.5 million for the Neighborhood Opportunities Program, which was authorized for FY 2007. In FY 2008, the Governor recommends that the \$7.5 million RICAP appropriation be withdrawn due to delayed cash requirements. The recommendation is to transition NOP expenses to RI Housing where similar programs have been funded. Previous commitments made for projects that require cash in FY 2008 and FY 2009 will be reviewed in the context of the RI Capital Plan Fund balance and RI Housing's resources.

⁽²⁾ Reflects State General Obligation bond proceeds also reflected in the State's Capital Budget.

The Agency

Rhode Island Industrial Facilities Corporation

Agency Operations

The Rhode Island Industrial Facilities Corporation is a public body corporate of the State of Rhode Island in accordance with Section 45-37 of the General Laws. The corporation is utilized to foster economic growth within the State of Rhode Island.

The purpose of the Rhode Island Industrial Facilities Corporation is to act as the issuer of tax-exempt and taxable revenue bonds, which are sold to private or public investors, on the behalf of Rhode Island companies seeking financing. The role of the Rhode Island Industrial Facilities Corporation is to act as a conduit in a company's efforts to obtain financing from sources other than the corporation. The Rhode Island Industrial Facilities Corporation is a title holder to the property and does not have financial exposure in connection with the bonds.

Agency Objectives

The corporation's objective is to encourage economic growth within the state by further developing industrial and recreational facilities.

Statutory History

The Rhode Island Industrial Facilities Corporation was created in 1956 by Chapter 45-37.1 of the Rhode Island General Laws.

The Budget

Rhode Island Industrial Facilities Corporation

| | FY 2006 Actual | FY 2007 Pre-Audit | FY 2008 Revised | FY 2009 Recommended |
|------------------------|---------------------------|------------------------------|----------------------------|--------------------------------|
| Receipts | | | | |
| Bond Fees | 120,380 | 113,594 | 100,000 | 110,000 |
| Other | 6,300 | 4,551 | 5,000 | 5,000 |
| Interest | 18,809 | 28,003 | 25,000 | 25,000 |
| Total | \$145,489 | \$146,148 | \$130,000 | \$140,000 |
| Expenses | | | | |
| Insurance | - | - | 87,807 | 95,000 |
| Professional Fees | 15,750 | 15,750 | 20,000 | 20,000 |
| Office | 17,456 | 15,886 | 20,000 | 20,000 |
| Bad Debt (Recovery) | 128 | 18 | 500 | 500 |
| Total | \$33,334 | \$31,654 | \$128,307 | \$135,500 |
| Net Gain/(Loss) | \$112,155 | \$114,494 | \$1,693 | \$4,500 |

The information was provided by the entity, and the data provided for FY 2009 was approved by the Board on August 23, 2007.

The Agency

Rhode Island Industrial-Recreational Building Authority

Agency Operations

The Rhode Island Industrial-Recreational Building Authority was created for the purpose of nurturing economic growth within the State of Rhode Island by insuring mortgage payments on industrial or recreational projects approved by the authority. The Rhode Island Industrial-Recreational Building Authority, as required by statute, maintains a first security position in all projects. The total amount of mortgage insurance issued cannot exceed \$80,000,000 in the aggregate.

The State of Rhode Island, according to R.I.G.L. 42-34-15, is responsible for providing any additional resources that may be required to allow the mortgage insurance fund to meet its obligations.

Agency Objectives

The authority promotes economic growth in the state by providing insurance for qualifying mortgages of industrial and recreational facilities.

Statutory History

The Rhode Island Industrial-Recreational Building Authority was created in 1958 by R.I.G.L. 42-34.

The Budget

Rhode Island Industrial - Recreational Building Authority

| | FY 2006 Pre-Audit | FY 2007 Actual | FY 2008 Revised | FY 2009 Recommended |
|--------------------------------|----------------------|-------------------|--------------------|------------------------|
| Receipts: | | | | |
| Premiums | 217,704 | 300,768 | 190,000 | 180,000 |
| Interest | 141,675 | 17,388 | 50,000 | 50,000 |
| Rent | 77,083 | 75,000 | 75,000 | - |
| Other | 3,176 | - | 5,000 | 5,000 |
| Recovery of Bad Debt | 99,969 | 349,970 | 100,000 | 100,000 |
| Total Receipts | \$539,607 | \$743,126 | \$420,000 | \$335,000 |
| Expenses: | | | | |
| Administration | - | - | 100,057 | 110,000 |
| Legal | 53,680 | 50,245 | 75,000 | 75,000 |
| Insurance | 27,616 | 27,616 | 30,000 | 30,000 |
| Interest Expense | 86,083 | - | - | - |
| Other | 56,755 | 16,040 | 40,000 | 40,000 |
| Total Expenses | \$224,134 | \$93,901 | \$245,057 | \$255,000 |
| Operating Income (Loss) | \$315,473 | \$649,225 | \$174,943 | \$80,000 |
| Est. Loss-Default | - | - | - | - |
| Net | \$315,473 | \$649,225 | \$174,943 | \$80,000 |

The information was provided by the entity, and in most cases the data provided for FY 2009 was approved by the Board on September 7, 2007.

The Agency

Narragansett Bay Commission

Agency Operations

The Narragansett Bay Commission (NBC) was created by the Rhode Island General Assembly in 1980. Charged with the acquisition and operation of the Field's Point Wastewater Treatment Facility in Providence and portions of the metropolitan Providence wastewater collection system, the NBC's fundamental purpose is to improve and preserve the environmental integrity of Narragansett Bay and its tributaries. Through legislation signed into law by the Governor, the NBC assumed ownership of the Bucklin Point Wastewater Treatment Facility in East Providence on January 1, 1992.

The NBC owns and operates Rhode Island's two largest wastewater treatment facilities, 110 miles of sewer interceptors, 64 combined sewer overflows, 32 tide gates and 7 pump stations, and provides wastewater collection and treatment services to over 360,000 residents and approximately 7,900 industrial and commercial customers in 10 communities throughout Rhode Island. These communities include Providence, North Providence, Johnston, Pawtucket, Central Falls, Cumberland, Lincoln and the northern portion of East Providence, and small sections of Cranston and Smithfield.

The NBC has a \$256 million five-year capital improvement budget for fiscal years 2009-2013. The NBC is governed by a 19-member Board and is organized into four divisions: the Executive, Administration and Finance, Operations and Engineering, and Planning, Policy and Regulation divisions. In addition, through the Clean Water Act, which sets guidelines for water-quality improvements, the NBC has been charged with the responsibility to reduce the amount of combined sewer overflows to local waterways within its service area.

Agency Objectives

The Narragansett Bay Commission's primary objective is to ensure that the Field's Point and Bucklin Point Wastewater Treatment Facilities are in compliance with state and federal guidelines, thereby safeguarding the health and safety of the citizens of Rhode Island and protecting their environment.

Statutory History

R.I.G.L. 46-25 relates to the Narragansett Bay Commission: R.I.G.L. 46-25.1 relates to the merger of the Blackstone Valley District Commission and the Narragansett Bay Water Quality Management District Commission, and R.I.G.L. 46-25.2 relates to future acquisitions of wastewater treatment facilities.

The Budget

Narragansett Bay Commission

| | FY 2006 Actual | FY 2007 Actual | FY 2008 Budget | FY 2009 Projected |
|--|---------------------|---------------------|---------------------|----------------------|
| Expenditures by Object | | | | |
| Personnel | 15,681,063 | 16,043,809 | 17,742,307 | 18,451,999 |
| Operating Supplies & Expenses | 7,058,042 | 7,176,472 | 8,010,679 | 8,331,106 |
| Special Services | 5,257,024 | 6,474,726 | 7,558,751 | 7,861,101 |
| Subtotal Operating Expenditures | \$27,996,129 | \$29,695,007 | \$33,311,737 | \$34,644,206 |
| Capital Outlays | 1,659,673 | 1,928,744 | 2,002,000 | 2,000,000 |
| Debt Service | 20,784,381 | 24,452,842 | 30,663,602 | 32,342,571 |
| Total Expenditures | \$50,440,183 | \$56,076,593 | \$65,977,339 | \$68,986,777 |
| Expenditures by Funds | | | | |
| NBC User Fees/Misc Revenues | | | | |
| Personnel | 15,681,063 | 16,043,809 | 17,742,307 | 18,451,999 |
| Operating Supplies & Expenses | 7,058,042 | 7,176,472 | 8,010,679 | 8,331,106 |
| Special Services | 5,257,024 | 6,474,726 | 7,558,751 | 7,861,101 |
| Capital Outlays | 1,659,673 | 1,928,744 | 2,002,000 | 2,000,000 |
| Debt Service | 20,784,381 | 24,452,842 | 30,663,602 | 32,342,571 |
| Total Expenditures | \$50,440,183 | \$56,076,593 | \$65,977,339 | \$68,986,777 |

* The information presented for FY 2009 has not been reviewed nor approved by the Narragansett Bay Commission and is subject to change pending review by the Commission.

Sources:

FY 2006 Actuals taken from the audited financial statements.

FY 2007 Actuals taken from the audited financial statements.

FY 2008 taken from NBC's approved budget.

The Agency

Rhode Island Public Transit Authority

Agency Operations

The Rhode Island Public Transit Authority (RIPTA) has primary responsibility for directing statewide fixed-route bus service and Americans with Disabilities Act paratransit service operations. RIPTA is managed under the direction of an eight-member policy Board of Directors. In addition to these core transit services, RIPTA operations also include program development and implementation of the statewide carpool program and the high-speed ferry demonstration project from Providence to Newport. RIPTA is committed to protecting the environment and providing safe, reliable, quality transit service that is responsive to customer needs with particular emphasis on Rhode Island's families, children, transit dependent populations, elderly and disabled residents. RIPTA operates a fleet of 257 buses operated and maintained by 711 employees. The authority's main facility is located in the City of Providence with a satellite operation on Aquidneck Island. The state's paratransit operation includes 140 vans currently operated by 3 carriers. In FY 2007, more than 25.3 million passengers were carried on RIPTA's fixed-route bus service and an additional 690,432 passengers were transported on the state's coordinated paratransit service.

Agency Objectives

As the statewide public transit organization, RIPTA has a primary role to expand access and mobility opportunities for Rhode Islanders by undertaking actions and supportive strategies, directly and in collaboration with others, to provide a full range of alternatives to the single-occupant automobile. These key mobility strategies include: transit design and service strategies to improve the livability of communities and act as a stimulus for neighborhood renewal; technological advancements which increase travel options and convenience; and collaborative land use strategies and economic development initiatives that foster transit ridership and pedestrian movement through transit-friendly land use and development.

Statutory History

The authority was created as a body corporate and politic in 1964 by R.I.G.L. 39-18-2 to acquire, purchase, hold, use and dispose of any property, real, personal or mixed, tangible or intangible, or any interest therein necessary or desirable for carrying out the purposes of the authority.

The Budget

Rhode Island Public Transit Authority

| | FY 2006 Actual | FY 2007 Actual | FY 2008 Approved | FY 2009 Proposed |
|---|---------------------|---------------------|---------------------|---------------------|
| Revenue | | | | |
| Passenger Revenue ^(A) | 23,836,742 | 24,916,396 | 25,045,814 | 25,783,637 |
| Special Revenue | 429,102 | 573,832 | 598,860 | 614,100 |
| Other Revenue | 13,194,387 | 13,629,479 | 13,139,617 | 14,534,135 |
| State Subsidy - Gasoline Tax ^(A) | 34,840,725 | 34,108,373 | 33,966,250 | 33,966,250 |
| Department of Elderly Affairs | 1,259,411 | 1,203,614 | 1,201,150 | 1,201,150 |
| Federal Subsidy | 10,557,322 | 12,784,607 | 15,531,265 | 16,496,486 |
| Prior Year Carry Forward | - | - | - | 567,072 |
| Total Revenue | \$84,117,689 | \$87,216,301 | \$89,482,956 | \$93,162,830 |
| Expenses | | | | |
| Salaries and Wages | 38,590,383 | 40,764,683 | 40,315,316 | 41,877,994 |
| Employee Benefits | 18,052,642 | 20,196,502 | 20,430,114 | 21,508,405 |
| Special Services | 1,219,089 | 1,073,671 | 1,177,693 | 1,260,801 |
| Operating Expenses ^(B) | 23,996,652 | 24,377,540 | 26,992,761 | 28,515,630 |
| Total Expenses: | \$81,858,766 | \$86,412,396 | \$88,915,884 | \$93,162,830 |
| Surplus/(Deficit): | \$2,258,923 | \$803,905 | \$567,072 | \$0 |

^(A) Beginning March 2004 (FY 2004), a change was made in the payment method from the Department of Human Services for the RIteCare Pass program increasing the reimbursement per pass. To accomplish this, the State reduced RIPTA's gasoline tax allocation from 6.85 cents to 6.25 cents in FY 2005 and used the funds to leverage additional federal funds for the RIteCare program. Beginning in FY 2006, RIPTA's gasoline tax allocation was changed from 6.25 cents to 7.25 cents. The allocation financed a market study on non-transit users and a management audit of the agency.

^(B) Includes Debt service payable on general obligation bonds. FY 2008 and 2009 figures do not reflect revised scheduled Debt service payments of \$675,238 and \$765,484, respectively.

Sources:

FY 2006 and FY 2007 Actuals taken from the audited financial statements

FY 2008 Approved and FY 2009 Proposed Budget has been approved by RIPTA Board of Directors.

The Agency

Quonset Development Corporation

Agency Operations

The Quonset Development Corporation (QDC) is a real estate development and management company organized as a subsidiary of the Rhode Island Economic Development Corporation.

The Quonset Development Corporation's Board of Directors consists of eleven members. The Executive Director of the RI Economic Development Corporation is the chairperson. The Governor appoints six members, the Town of North Kingstown appoints two members, the Town of Jamestown appoints one member, and the Town of East Greenwich appoints one member.

Agency Objectives

The Corporation develops and manages the Quonset Business Park in accordance with the QDC Master Plan and in the best interests of the citizens of Rhode Island to attract and retain successful businesses that provide high quality jobs.

The Corporation insures quality infrastructure, a high standard of design and aesthetics within the Park to create a favorable work environment compatible with the natural setting of the land and Narragansett Bay.

The Corporation develops and operates the Park in an environmentally sound manner, maintains excellent relationships with Park tenants, the Town of North Kingstown, and surrounding communities.

Statutory History

The Corporation was created in 2004 by Title 42, Chapter 64.9 of the Rhode Island General Laws, as a subsidiary of the Rhode Island Economic Development Corporation.

The Budget

Quonset Development Corporation

| | FY 2006 Actual ⁽¹⁾ | FY 2007 Actual | FY 2008 Revised | FY 2009 Recommended |
|--|----------------------------------|--------------------|--------------------|------------------------|
| Estimated Opening Balance Revenues: | \$0 | \$22,683 | \$19,970 | \$37,946 |
| Revenues from Operations | | | | |
| Rental Income | 4,949,429 | 4,824,260 | 4,323,586 | 4,318,154 |
| Pier Income | 536,984 | 580,175 | 475,000 | 600,000 |
| Utility Sales | 1,858,296 | 1,946,541 | 1,952,325 | 2,000,000 |
| Other Income | 198,118 | 205,377 | 20,000 | 50,000 |
| | \$7,542,827 | \$7,556,353 | \$6,770,911 | \$6,968,154 |
| Total Resources | \$7,542,827 | \$7,579,036 | \$6,790,881 | \$7,006,100 |
| Expenditures | | | | |
| Personnel Expenses | 2,661,583 | 3,150,676 | 3,499,121 | 3,859,440 |
| Operating Expenses | 3,208,561 | 2,708,390 | 2,653,814 | 2,954,850 |
| EDC Allocation | 600,000 | 600,000 | 250,000 | 150,000 |
| Capital Expenditures ⁽¹⁾ | 1,050,000 | 1,100,000 | 350,000 | - |
| Total Expenditures | \$7,520,144 | \$7,559,066 | \$6,752,935 | \$6,964,290 |
| Closing Balance | \$22,683 | \$19,970 | \$37,946 | \$41,810 |

⁽¹⁾ Operating surplus to be used for Capital Improvements Projects as well as other internal capital requirements.

The Program

Rhode Island Refunding Bond Authority

Program Operations

The Rhode Island Refunding Bond Authority was created in 1987 as a public corporation, having a distinct legal existence from the state and not constituting a department of state government. It was created for the purpose of providing a means to advance refund two series of general obligation bonds (1984 and 1985) of the State of Rhode Island. The authority is authorized to issue bonds and notes secured solely by revenues derived from payments pursuant to a loan and trust agreement with the State of Rhode Island, which are subject to annual appropriation.

On July 1, 1997, the Rhode Island Public Buildings Authority was merged into the authority. Prior to the merger, the Public Buildings Authority issued debt to finance the acquisition and construction of certain facilities to be leased by state agencies. Debt service payments are secured by the lease payments made by the state, subject to annual appropriations. Since 1998, the Refunding Bond Authority has refunded all of the outstanding principal of bonds issued by the Public Building Authority.

The payment of such loans by the state is subject to and dependent upon annual appropriations being made by the General Assembly. As of June 30, 2006, total net debt outstanding of the authority totals \$60,320,000.

Program Objectives

To ensure prompt payment of outstanding debts of the authority.

Statutory History

R.I.G.L. 35-8.1 created the authority.

The Budget

Rhode Island Refunding Bond Authority

The budget of the Refunding Bond Authority is reflected in the operating budget of the General Treasurer.

The Agency

Rhode Island Resource Recovery Corporation

Agency Operations

The Rhode Island Resource Recovery Corporation operates an integrated statewide system of solid waste management facilities and programs to provide waste reduction, recycling and disposal services. The goal of the corporation's solid waste management system is to minimize waste generated and landfilled and maximize waste reduction and recycling.

The Corporation's materials recycling facility (MRF), in conjunction with grants and technical assistance provided to municipalities supports the State's municipal recycling programs. Metals, plastic and glass containers, paper cartons, juice boxes, as well as numerous types of paper and cardboard are delivered to the MRF, processed, and sold on the open market to be remanufactured.

The waste reduction program includes initiatives including (but not limited to): two web-based materials exchange programs, an education program, promotion of leaf and yard debris composting and information on reducing household waste. The corporation encourages backyard composting and sells subsidized composting bins to Rhode Island residents.

Other Corporation recycling initiatives target computer equipment and televisions, marine shrink wrap, plastic bags and provide assistance to school paper recycling programs.

In August 2001, the Corporation assumed responsibility of the ECO-DEPOT program, previously administered by the R.I. Department of Environmental Management, to handle and dispose of household hazardous waste.

The Corporation has developed and implemented an integrated solid waste management system in the most environmentally sensitive and economical manner possible. The landfill is currently the foundation of the integrated system. All operations are conducted utilizing state-of-the-art technology, including double lining of the landfill and an integrated methane recovery system. The Corporation operates a construction/demolition (C&D) debris processing facility, converting types of C&D debris from solid waste to alternate cover material, thereby conserving valuable landfill capacity.

Agency Objectives

The Corporation's primary objectives are to develop and implement waste reduction programs, divert waste from the landfill, and provide cost-effective disposal alternatives. Since its initial roll-out, the Corporation's "Maximum Recycling Program," has increased recyclables diversion from the municipalities. The "Maximum Recycling Program" has been implemented in 37 of 39 municipalities throughout the state, providing the opportunity of these municipalities to reduce their waste disposal costs. Licensure of additional landfill capacity is being pursued to maintain disposal capacity as the current facility is depleted.

Statutory History

R.I.G.L. 23-19 defines the programs that are required of the Corporation.

The Budget

Rhode Island Resource Recovery Corporation

| | FY 2006 Audited | FY 2007 Audited | FY 2008 Projected ⁽¹⁾ | FY 2009 Projected ⁽²⁾ |
|---|----------------------|----------------------|-------------------------------------|-------------------------------------|
| Revenues: | \$70,876,861 | \$77,254,704 | \$72,475,605 | \$73,060,606 |
| Expenses: | | | | |
| Personnel Costs | 13,210,667 | 13,755,945 | 14,862,745 | 14,996,918 |
| Contractual Services | 9,217,513 | 10,402,910 | 11,733,126 | 10,264,383 |
| Utilities | 1,429,870 | 1,459,839 | 1,654,300 | 1,603,425 |
| Repairs and Maintenance | 4,947,080 | 5,193,072 | 6,125,940 | 5,509,330 |
| Other Supplies and Expenses | 3,693,744 | 4,658,053 | 2,187,946 | 3,465,989 |
| Grants to Municipalities for Recycling | 1,495,264 | 1,573,713 | 2,858,800 | 2,932,000 |
| Bad Debts | 119,440 | (87,012) | 120,000 | 120,000 |
| Provision for landfill closure and post closure care and Superfund clean-up costs | 17,712,579 | 15,750,219 | 9,618,550 | 9,527,690 |
| Depreciation, depletion, and amortization | 14,322,407 | 13,813,584 | 14,084,604 | 12,893,757 |
| Other non-operating (revenues) expenses, net | 724,843 | 1,655,346 | 2,485,528 | 1,296,901 |
| Total Expenses | \$66,873,407 | \$68,175,669 | \$65,731,539 | 62,610,393 |
| Income (Loss) from Operations | \$4,003,454 | \$9,079,035 | \$6,744,066 | \$10,450,213 |
| Transfers to State of Rhode Island | (7,500,000) | (3,300,000) | (5,000,000) ⁽³⁾ | (4,000,000) ⁽⁴⁾ |
| Net Income (Loss) for the Year | (\$3,496,546) | \$5,779,035 | \$1,744,066 | \$6,450,213 |
| Assets: | | | | |
| Cash, Cash Equivalents & Investments | 6,293,373 | 8,419,596 | 4,337,336 | 6,924,484 |
| Accounts Receivable, Net | 7,620,443 | 8,171,254 | 6,711,326 | 6,711,326 |
| Property, Plant and Equipment, Net | 98,414,476 | 93,847,314 | 98,099,509 | 103,688,430 |
| Assets Held in Trust | 68,737,734 | 79,371,584 | 82,273,944 | 84,092,919 |
| Other Assets | 3,305,325 | 3,726,638 | 5,210,027 | 6,693,416 |
| Total Assets | \$184,371,351 | \$193,536,386 | \$196,632,142 | 208,110,575 |
| Liabilities: | | | | |
| Accounts Payable | 10,521,977 | 11,365,704 | 5,689,780 | 6,339,780 |
| Accrued Expenses & Interest Payable | 1,061,411 | 2,036,473 | 2,025,940 | 2,014,390 |
| Due State of Rhode Island | 3,000,000 | - | 5,000,000 | 4,000,000 |
| Bonds/ Notes Payable | 20,447,676 | 18,033,471 | 16,639,267 | 15,210,063 |
| Superfund Cleanup, Closure & Post-Closure Costs | 71,862,742 | 78,844,157 | 82,276,508 | 89,095,483 |
| Total Liabilities | \$106,893,806 | \$110,279,805 | \$111,631,495 | \$116,659,716 |
| Retained Earnings | \$77,477,545 | \$83,256,581 | \$85,000,647 | \$91,450,860 |
| Total Liabilities and Retained Earnings | \$184,371,351 | \$193,536,386 | \$196,632,142 | \$208,110,576 |

(1) The FY 2008 Budget reflects board approved budget with staff revisions as of 9/30/07.

(2) The FY 2009 recommended budget reflects management's FY 2009 budget projections and has not been approved by the Corporation's Board of Commissioners. The final budget numbers may be significantly different than the preliminary numbers reflected herein.

(3) The FY 2008 transfer to the State of Rhode Island reflects the \$5.0 million payable to the state's general fund as provided for in the Governor's FY 2008 supplemental budget.

(4) The FY 2009 transfer to the State of Rhode Island reflects the \$4.0 million payable to the state's general fund as provided for in the Governor's FY 2009 budget.

The Agency

Rhode Island Student Loan Authority

Agency Operations

The authority, a public corporation, governmental agency, and public instrumentality of the state, was established pursuant to an act of the Legislature in May, 1981 for the purpose of providing a comprehensive system of financial aid for needy students. The authority originates and acquires over \$130,000,000 of federally guaranteed loans pursuant to the Higher Education Act. The authority is permitted to finance the origination and acquisitions of non-federal guaranteed student loans under its Rhode Island Family Education Loan Program. In February 2001 RISLA started the CollegeBound Loan Program.

As of December 31, 2007, the authority holds \$451,483,177 in Federal Family Education Loans serving 150,749 students and parents. Rhode Island Family Education Loans and CollegeBound Loans are held by the authority with a principal of \$335,395,250 and have served 23,439 student borrowers. The authority may issue bonds to further its corporate purpose which are not an obligation of the State of Rhode Island and are solely an obligation of the authority. As of December 31, 2007, the authority has \$882,950,000 in bonds outstanding.

Agency Objectives

Under the Higher Education Act, the authority provides Federal Family Education Loans consisting of subsidized and unsubsidized Stafford Loans, Parent Loans and Consolidated Loans. The authority has a long history of assisting student and parent borrowers by lowering their cost of borrowing. The authority paid from 1994 through 2002 the one percent guarantee fee charged by the Rhode Island Higher Education Assistance Authority. In FY 2007, the authority paid one percent RIHEAA default fee and split the cost of the fee for PLUS borrowers, saving Stafford and PLUS borrowers \$1,300,259. In FY 2008 the authority is paying the one percent RIHEAA default fee for both Stafford and PLUS borrowers saving \$2,015,704. Since 2002, the authority has further reduced the cost of Student Stafford Loan borrowing by paying the loan origination fee charged by the U.S. Department of Education, \$2,523,504. Since, 1994, the authority has also reduced the cost of borrowing to parent PLUS borrowers by reducing the interest rate one percent less than other lenders, saving Rhode Island parents over \$8.0 million in interest payment over the life of the loans. RISLA also offers an interest free Stafford loan for qualified students studying teaching or nursing. RISLA also offers a need based scholarship named after former professor of education Paul Sherlock. RISLA has awarded need based scholarships of \$2,000 to twenty-five students since FY 2004.

Statutory History

The authority was created in 1981 by Title 16 Chapter 62 of the Rhode Island General Laws. It is governed by a six-member board of directors, five of which are appointed by the Governor for staggered terms and the general treasurer (ex-officio).

The Budget

Rhode Island Student Loan Authority

| | FY 2006 Actual | FY 2007 Actual | FY 2008 Revised | FY 2009 Recommended |
|--|---------------------|---------------------|---------------------|------------------------|
| Expenditures by Program | | | | |
| Student Loan Program | 48,389,610 | 61,095,282 | 66,014,060 | 65,868,961 |
| Transfer to State for RIHEAA Scholarship Progr | - | 3,000,000 | - | - |
| College Planning Center | 307,837 | 331,887 | 730,255 | 730,255 |
| Representative Paul Sherlock Scholarship Progr | 50,000 | 50,000 | 50,000 | 50,000 |
| Total Expenditures | \$48,747,447 | \$64,477,169 | \$66,794,315 | \$66,649,216 |
| | | | | |
| Expenditures by Category | | | | |
| Interest & Bond Expenses | 29,193,032 | 37,875,290 | 43,641,439 | 43,662,559 |
| Loan Servicing | 5,425,519 | 4,866,990 | 4,909,852 | 4,909,852 |
| Loan Origination Expenses | 1,855,924 | 2,171,777 | 1,251,179 | - |
| Transfer to State for RIHEAA Scholarship Progr | - | 3,000,000 | - | - |
| Provision for Risk Share | 6,162,984 | 10,310,177 | 7,686,115 | 7,686,115 |
| Department of Education Loan fees | 5,770,804 | 4,556,440 | 4,148,370 | 4,148,370 |
| Guarantor default fees paid for borrower | - | 1,300,259 | 2,015,704 | 2,015,704 |
| Repurchase Loan Origination Rights | - | - | 633,750 | 633,750 |
| Personnel | 275,258 | 337,086 | 2,444,881 | 3,529,841 |
| Depreciation | 13,926 | 9,150 | 13,025 | 13,025 |
| Representative Paul Sherlock Scholarship Progr | 50,000 | 50,000 | 50,000 | 50,000 |
| Total Expenditures | \$48,747,447 | \$64,477,169 | \$66,794,315 | \$66,649,216 |
| | | | | |
| Expenditures by Funds | | | | |
| Bond Indentures | 48,697,447 | 64,427,169 | 66,744,315 | 66,599,216 |
| Dedicated Revenue from Licensing | 50,000 | 50,000 | 50,000 | 50,000 |
| Total Expenditures | \$48,747,447 | \$64,477,169 | \$66,794,315 | \$66,649,216 |

The Agency

Rhode Island Turnpike and Bridge Authority

Agency Operations

The Rhode Island Turnpike and Bridge Authority was created in 1954 by the Rhode Island General Assembly as a body corporate and politic with powers to construct, acquire, maintain, and operate bridge projects as defined by law. The Authority was responsible for the construction of the Claiborne Pell Bridge (formerly the Newport Bridge) which was opened for traffic on June 28, 1969. The Turnpike and Bridge Authority is responsible for the operation and maintenance of the Pell Bridge between Newport and Jamestown, and the Mount Hope Bridge between Portsmouth and Bristol, structures that are integral to travel in the coastal area of Rhode Island and neighboring states.

On July 31, 2003 Taxable Refunding Revenue Bonds – Series 2003 were issued in the amount of \$35,650,000 to refund the outstanding 1997 Refunding Revenue Bonds. The maturity date of December 1, 2017 remains the same. At June 30, 2007, \$27,838,000 in principal remains to be paid. Principal and interest payments are made annually and semi-annually, respectively. The toll for the Mount Hope Bridge has been eliminated and the upkeep remains the responsibility of the Authority from proceeds of toll revenues levied on the Claiborne Pell Bridge and interest earning on investments. Bond covenants provide for non-system projects to the extent that revenues in excess of the obligations of the system allow.

Agency Objectives

To facilitate safe and vehicular traffic over waters of the Mount Hope Bay and the East Passage of Narragansett Bay through the operation and maintenance of its two suspension bridges - the Claiborne Pell Bridge, built in 1969, and the Mount Hope Bridge, built in 1929.

Statutory History

Title 24 Chapter 12 of the General Laws of Rhode Island established the organization and function of the Rhode Island Turnpike and Bridge Authority. In January 1997 the legislature passed article 36 amending the law adding certain provisions in section 24-12-9.

The Budget

Rhode Island Turnpike and Bridge Authority

| | FY 2006 Actual | FY 2007 Actual | FY 2008 Revised | FY 2009 Recommended |
|-----------------------------------|---------------------|---------------------|---------------------|------------------------|
| Revenue | | | | |
| Tolls | 12,150,000 | 12,095,422 | 12,155,000 | 12,100,000 |
| Interest on Investments | 1,181,000 | 2,457,469 | 1,373,756 | 1,075,150 |
| Other | 11,000 | 30,494 | 12,000 | 12,000 |
| Total Revenue | \$13,342,000 | \$14,583,385 | 13,540,756 | \$13,187,150 |
| Expenses | | | | |
| Salaries and Wages | 2,096,944 | 1,946,597 | 2,254,000 | 2,321,620 |
| Bond Interest | 1,330,000 | 1,374,564 | 1,234,918 | 1,170,065 |
| Maintenance & Supplies | 607,921 | 1,103,654 | 655,000 | 700,000 |
| Insurance | 690,473 | 1,463,580 | 1,145,097 | 1,000,000 |
| Professional | 207,530 | 286,194 | 227,000 | 250,000 |
| All Other | 99,704 | 393,269 | 315,000 | 330,000 |
| Total Expenses | \$5,032,572 | \$6,567,858 | \$5,831,015 | \$5,771,685 |
| Debt Service and Reserves | | | | |
| Bond Principal Account | 1,972,000 | 1,970,000 | 2,075,833 | 2,142,500 |
| Renewal and Replacement Fund* | 5,215,000 | 3,538,000 | 5,633,908 | 5,272,965 |
| Insurance Reserve Fund | 250,000 | 725,000 | - | - |
| General Fund | 450,000 | 450,000 | - | - |
| Total Funding | \$7,887,000 | \$6,683,000 | \$7,709,741 | \$7,415,465 |
| Total Expenses and Funding | \$12,919,572 | \$13,250,858 | \$13,540,756 | \$13,187,150 |
| Change in Net Assets | \$422,428 | 1,332,527 | - | - |

*The Renewal and Replacement Fund is used for maintenance and capital improvements included in the Ten-year Plan approved by the Board of Trustees and certain maintenance costs of the Authority's two bridges and related buildings and grounds. Amount in this fund is pledged to bondholders.

The information presented above was provided by the Authority. Fiscal 2009 data has not been approved by the Authority's management or Board of Directors. The final budget numbers may be significantly different than the preliminary numbers reflected herein.

The Agency

Rhode Island Water Resources Board Corporate

Agency Operations

The Rhode Island Water Resources Board Corporate (RIWRB Corporate) was established by the General Assembly in 1970 as an agency with a distinct legal existence from the state. The RIWRB Corporate establishes water supply facilities and leases them to the cities, towns, districts and other municipal, quasi-municipal, private corporations and water supply companies. The RIWRB Corporate may contract for use of the facilities of such persons, or sell to those persons, the water derived from, carried by, or processed in the facilities. The RIWRB Corporate administers the Public Drinking Water Protection Program, which protects the quality and safety of public drinking water supplies. The RIWRB Corporate operates two funds: the Providence Project Fund has financed water quality/quantity improvement projects for the Providence Water Supply Board; the Water Quality Protection Fund secures revenue bonds, the proceeds from which are disbursed to fund contributors for the purposes of protecting water supplies and associated watersheds, wells and wellheads.

Agency Objective

Protect the quality and safety of the public drinking water supply by providing revenue bonding for the acquisition of properties surrounding watersheds and water supply facilities for the state and municipal water suppliers.

Statutory History

The Rhode Island Water Resources Board Corporate was established under R.I.G.L. 46-15.1 in 1970.

The Budget

Rhode Island Water Resources Board Corporate

| | FY 2006 Actual | FY 2007 Actual | FY 2008 Revised | FY 2009 Recommended |
|--|--------------------|--------------------|--------------------|------------------------|
| Expenditures by Object | | | | |
| Personnel | 32,896 | 19,190 | 24,430 | 17,150 |
| Other State Operating | 2,581 | 2,664 | 3,000 | 3,000 |
| Assistance, Grants and Benefits ⁽¹⁾ | 2,408,101 | 2,382,250 | 106,222 | - |
| Subtotal: Operating Expenditures | \$2,443,578 | \$2,404,104 | \$133,652 | \$20,150 |
| Capital Projects Debt Service | 1,087,193 | 1,084,843 | 1,082,918 | 1,084,662 |
| Total Expenditures | \$3,530,771 | \$3,488,947 | \$1,216,570 | \$1,104,812 |
| Expenditures by Funds | | | | |
| Personnel | 32,896 | 19,190 | 24,430 | 17,150 |
| Other Operating Expenses | 2,581 | 2,664 | 3,000 | 3,000 |
| Assistance, Grants and Benefits | 2,408,101 | 2,382,250 | 106,222 | - |
| Capital Debt Service | 1,087,193 | 1,084,843 | 1,082,918 | 1,084,662 |
| Subtotal: Water Quality Protection Charge | \$3,530,771 | \$3,488,947 | \$1,216,570 | \$1,104,812 |
| Other Funds | | | | |
| Capital Debt Service-Prov Project ⁽²⁾ | 1,071,656 | 1,079,981 | 1,070,325 | 1,083,255 |
| Subtotal: Water Quality | \$1,071,656 | \$1,079,981 | \$1,070,325 | \$1,083,255 |
| Total Expenditures | \$3,530,771 | \$3,488,947 | \$1,216,570 | \$1,104,812 |

⁽¹⁾ Phase III of Watershed Protection Program

⁽²⁾ Paid directly by Providence Water Supply Board