CITY OF WARWICK, RHODE ISLAND

Agency Funds
Combining Statement of Fiduciary Net Assets
June 30, 2007

	Warwick Neck Sewer Extension	*Apponaug Sewer Easement*	*Treasurer's Agent*	*Funds in Registry of Probate Court*	*Sewer Line Agency*	*Realty Tax Fund*	*Winman Student Activity Fund*
ASSETS							
Cash	$ -	$ -	$ 79,796	$ 460,571	$ -	$ 262,105	$ 33,885
Investments	12,655	45,491	221,596	-	219,157	-	-
Accounts receivable	-	-	-	-	212,110	-	-
Total assets	$ 12,655	$ 45,491	$ 301,392	$ 460,571	$ 431,267	$ 262,105	$ 33,885
LIABILITIES							
Accounts payable and accrued expenditures	$ -	$ -	$ 4,000	$ -	$ 160,345	$ -	$ -
Due to state government	-	-	-	-	-	117,901	-
Due to other funds	-	-	2,256	-	18,776	144,204	-
Deposits held in custody for others	12,655	45,491	295,136	460,571	252,146	-	33,885
Total liabilities	$ 12,655	$ 45,491	$ 301,392	$ 460,571	$ 431,267	$ 262,105	$ 33,885

(Continued)

CITY OF WARWICK, RHODE ISLAND

Agency Funds
Combining Statement of Fiduciary Net Assets (Continued)
June 30, 2007

	Career Center Student Activity Fund	*Pilgrim Student Activity Fund*	*Gorton Student Activity Fund*	*Toll Gate Student Activity Fund*	*Aldrich Student Activity Fund*	*Warwick Veterans Student Activity Fund*	*Total*
ASSETS							
Cash	$ 29,919	$ 85,739	$ 15,763	$ 200,830	$ 56,121	$ 141,189	$ 1,365,918
Investments	-	-	-	-	-	-	498,899
Accounts receivable	-	-	-	-	-	-	212,110
Total assets	$ 29,919	$ 85,739	$ 15,763	$ 200,830	$ 56,121	$ 141,189	$ 2,076,927
LIABILITIES							
Accounts payable and accrued expenditures	$ -	$ -	$ -	$ -	$ -	$ -	$ 164,345
Due to state government	-	-	-	-	-	-	117,901
Due to other funds	-	-	-	-	-	108,190	273,426
Deposits held in custody for others	29,919	85,739	15,763	200,830	56,121	32,999	1,521,255
Total liabilities	$ 29,919	$ 85,739	$ 15,763	$ 200,830	$ 56,121	$ 141,189	$ 2,076,927

CITY OF WARWICK, RHODE ISLAND

Agency Funds
Combining Statement of Changes in Assets and Liabilities
For the Fiscal Year Ended June 30, 2007

	Balance July 1, 2006	*Additions*	*Deductions*	*Balance June 30, 2007*
WARWICK NECK SEWER EXTENSION				
Assets				
Investments	$ 12,049	$ 606	$ -	$ 12,655
Total assets	$ 12,049	$ 606	$ -	$ 12,655
Liabilities				
Deposits held in custody for others	$ 12,049	$ 606	$ -	$ 12,655
Total liabilities	$ 12,049	$ 606	$ -	$ 12,655
APPONAUG SEWER EASEMENT				
Assets				
Investments	$ 43,310	$ 2,181	$ -	$ 45,491
Total assets	$ 43,310	$ 2,181	$ -	$ 45,491
Liabilities				
Deposits held in custody for others	$ 43,310	$ 2,181	$ -	$ 45,491
Total liabilities	$ 43,310	$ 2,181	$ -	$ 45,491
TREASURER'S AGENT				
Cash	$ 82,276	$ 79,796	$ 82,276	$ 79,796
Investments	192,070	82,297	52,771	221,596
Due from other funds	89,145	212,199	301,344	-
Total assets	$ 363,491	$ 374,292	$ 436,391	$ 301,392
Liabilities				
Account payable and accrued expenditures	$ 385	$ 118,413	$ 114,798	$ 4,000
Due to other funds	-	2,256	-	2,256
Deposits held in custody for others	363,106	169,183	237,153	295,136
Total liabilities	$ 363,491	$ 289,852	$ 351,951	$ 301,392
FUNDS IN REGISTRY OF PROBATE COURT				
Assets				
Cash	$ 292,916	$ 235,089	$ 67,434	$ 460,571
Total assets	$ 292,916	$ 235,089	$ 67,434	$ 460,571
Liabilities				
Deposits held in custody for others	$ 292,916	$ 235,089	$ 67,434	$ 460,571
Total liabilities	$ 292,916	$ 235,089	$ 67,434	$ 460,571

(Continued)

CITY OF WARWICK, RHODE ISLAND

Agency Funds

Combining Statement of Changes in Assets and Liabilities (Continued)

For the Fiscal Year Ended June 30, 2007

	Balance July 1, 2006	*Additions*	*Deductions*	*Balance June 30, 2007*
SEWER LINE AGENCY				
Investments	$ 231,016	$ 262,170	$ 274,029	$ 219,157
Accounts receivable	-	212,110	-	212,110
Total assets	$ 231,016	$ 474,280	$ 274,029	$ 431,267
Liabilities				
Account payable and accrued expenditures	$ 780	$ 361,458	$ 201,893	$ 160,345
Due to other funds	23,135	657,101	661,460	18,776
Deposits held in custody for others	207,101	602,106	557,061	252,146
Total liabilities	$ 231,016	$ 1,620,665	$ 1,420,414	$ 431,267
REALTY TAX FUND				
Assets				
Cash	$ 364,201	$ 2,213,818	$ 2,315,914	$ 262,105
Total assets	$ 364,201	$ 2,213,818	$ 2,315,914	$ 262,105
Liabilities				
Due to state government	$ 163,864	$ 996,104	$ 1,042,067	$ 117,901
Due to other funds	200,337	1,217,714	1,273,847	144,204
Total liabilities	$ 364,201	$ 2,213,818	$ 2,315,914	$ 262,105
WINMAN STUDENT ACTIVITY FUND				
Assets				
Cash	$ 40,998	$ 89,489	$ 96,602	$ 33,885
Total assets	$ 40,998	$ 89,489	$ 96,602	$ 33,885
Liabilities				
Deposits held in custody for others	$ 40,998	$ 89,489	$ 96,602	$ 33,885
Total liabilities	$ 40,998	$ 89,489	$ 96,602	$ 33,885
CAREER CENTER STUDENT ACTIVITY				
Assets				
Cash	$ 26,841	$ 121,339	$ 118,261	$ 29,919
Total assets	$ 26,841	$ 121,339	$ 118,261	$ 29,919
Liabilities				
Deposits held in custody for others	$ 26,841	$ 121,339	$ 118,261	$ 29,919
Total liabilities	$ 26,841	$ 121,339	$ 118,261	$ 29,919

(Continued)

CITY OF WARWICK, RHODE ISLAND

Agency Funds

Combining Statement of Changes in Assets and Liabilities (Continued)

For the Fiscal Year Ended June 30, 2007

	Balance July 1, 2006	*Additions*	*Deductions*	*Balance June 30, 2007*
PILGRIM STUDENT ACTIVITY				
Assets				
Cash	$ 61,845	$ 289,951	$ 266,057	$ 85,739
Total assets	$ 61,845	$ 289,951	$ 266,057	$ 85,739
Liabilities				
Deposits held in custody for others	$ 61,845	$ 289,951	$ 266,057	$ 85,739
Total liabilities	$ 61,845	$ 289,951	$ 266,057	$ 85,739
GORTON STUDENT ACTIVITY				
Assets				
Cash	$ 12,921	$ 102,517	$ 99,675	$ 15,763
Total assets	$ 12,921	$ 102,517	$ 99,675	$ 15,763
Liabilities				
Deposits held in custody for others	$ 12,921	$ 102,517	$ 99,675	$ 15,763
Total liabilities	$ 12,921	$ 102,517	$ 99,675	$ 15,763
TOLL GATE STUDENT ACTIVITY				
Assets				
Cash	$ 179,033	$ 345,486	$ 323,689	$ 200,830
Total assets	$ 179,033	$ 345,486	$ 323,689	$ 200,830
Liabilities				
Deposits held in custody for others	$ 179,033	$ 345,486	$ 323,689	$ 200,830
Total liabilities	$ 179,033	$ 345,486	$ 323,689	$ 200,830
ALDRICH STUDENT ACTIVITY				
Assets				
Cash	$ 45,987	$ 103,263	$ 93,129	$ 56,121
Total assets	$ 45,987	$ 103,263	$ 93,129	$ 56,121
Liabilities				
Deposits held in custody for others	$ 45,987	$ 103,263	$ 93,129	$ 56,121
Total liabilities	$ 45,987	$ 103,263	$ 93,129	$ 56,121

(Continued)

CITY OF WARWICK, RHODE ISLAND

Agency Funds

Combining Statement of Changes in Assets and Liabilities (Continued)

For the Fiscal Year Ended June 30, 2007

	Balance July 1, 2006	*Additions*	*Deductions*	*Balance June 30, 2007*
WARWICK VETERANS STUDENT ACTIVITY				
Assets				
Cash	$ 45,159	$ 345,160	$ 249,130	$ 141,189
Total assets	$ 45,159	$ 345,160	$ 249,130	$ 141,189
Liabilities				
Due to other funds	$ -	$ 108,190	$ -	$ 108,190
Deposits held in custody for others	45,159	236,970	249,130	32,999
Total liabilities	$ 45,159	$ 345,160	$ 249,130	$ 141,189
TOTAL AGENCY FUNDS				
Assets				
Cash	$ 1,152,177	$ 3,925,908	$ 3,712,167	$ 1,365,918
Investments	478,445	347,254	326,800	498,899
Accounts receivable	-	212,110	-	212,110
Due from other funds	89,145	212,199	301,344	-
Total assets	$ 1,719,767	$ 4,697,471	$ 4,340,311	$ 2,076,927
Liabilities				
Accounts payable and accrued expenditures	$ 1,165	$ 479,871	$ 316,691	$ 164,345
Due to state government	163,864	996,104	1,042,067	117,901
Due to other funds	223,472	1,985,261	1,935,307	273,426
Deposits held in custody for others	1,331,266	2,298,180	2,108,191	1,521,255
Total liabilities	$ 1,719,767	$ 5,759,416	$ 5,402,256	$ 2,076,927

CITY OF WARWICK, RHODE ISLAND

Tax Collector's Annual Report
For the Fiscal Year Ended June 30, 2007

Real Estate and Personal Property Taxes

Year	*Balance July 1, 2006*	*Current Year Assessment*	*Additions & Adjustments*	*Tax Titles*	*Abatements*	*Amount to Be Collected*	*Current Year Collections*	*Balance June 30, 2007*
2006	$ -	$ 178,109,831	$ 249,894	$ 180,591	$ 459,970	$ 177,719,164	$ 174,731,537	$ 2,987,627
2005	2,629,887	-	1,799	5,261	14,730	2,611,695	1,977,853	633,842
2004	537,557	-	458	481	10,486	527,048	79,579	447,469
2003	371,350	-	-	-	3,550	367,800	49,963	317,837
2002	308,482	-	-	-	38	308,444	17,422	291,022
2001	328,155	-	-	-	424	327,731	17,716	310,015
2000	402,558	-	-	-	163	402,395	15,135	387,260
1999	1,415,851	-	-	-	-	1,415,851	14,103	1,401,748
1998	1,412,720	-	-	-	44	1,412,676	11,417	1,401,259
1997	409,034	-	-	-	12	409,022	8,095	400,927
1996	442,009	-	-	-	-	442,009	7,704	434,305
1995	402,418	-	-	-	-	402,418	1,965	400,453
1994	441,805	-	-	-	-	441,805	2,142	439,663
1993	471,528	-	-	-	-	471,528	853	470,675
1992	664,185	-	-	-	-	664,185	456	663,729
1991	766,423	-	-	-	-	766,423	407	766,016
1990	849,459	-	-	-	-	849,459	227	849,232
1989	515,043	-	-	-	-	515,043	-	515,043
prior	4,414,163	-	-	-	-	4,414,163	-	4,414,163
	$ 16,782,627	$ 178,109,831	$ 252,151	$ 186,333	$ 489,417	$ 194,468,859	$ 176,936,574	$ 17,532,285

Schedule of Most Recent Net Assessed Property Value by Category

Description of Property	*Valuations*	*Levy*
Real property	$ 8,343,436,500	$ 148,498,050
Motor vehicles	745,895,298	25,807,977
Other personality	678,203,470	16,249,325
Net assessed value	9,767,535,268	190,555,352
Hold harmless, state exemptions, state phase-out, adjustments	(348,986,829)	(12,445,521)
Net	$ 9,418,548,439	$ 178,109,831

Reconciliation of Current Year Property Tax Revenue

Current year collections	$ 176,936,574
Adjustments and reversals	63,008
Revenue collected 60 days after June 30, 2007	1,162,092
Prior year revenue collected 60 days after June 30, 2006	(1,109,089)
Current year property tax revenues	$ 177,052,585

CITY OF WARWICK, RHODE ISLAND

Analysis of Prior Year Tax Collections

For the Fiscal Year Ended June 30, 2007

Tax Years	Collections (refunds netted)	Less Prior Year 60 Day Collections	Less Adjustments	Plus Current Year 60 Day Collections	Net Total	
2006	$ 174,731,537		$ (850)	$ 1,083,860	**$ 175,814,547**	
2005	1,977,853	(1,000,925)	64,117	53,488	**1,094,533**	
2004	79,579	(61,235)	(259)	9,490	**27,575**	
2003	49,963	(18,817)		6,090	**37,236**	
2002	17,422	(8,040)		4,096	**13,478**	
2002	17,716	(6,807)		1,605	**12,514**	
2000	15,135	(3,293)		1,162	**13,004**	
1999	14,103	(4,117)		1,154	**11,140**	
1998	11,417	(3,422)		300	**8,295**	**$ 1,238,038**
1997	8,095	(1,532)		485	**7,048**	**Prior Year Collections**
1996	7,704	(901)		362	**7,165**	
1995	1,965				**1,965**	
1994	2,142				**2,142**	
1993	853				**853**	
1992	456				**456**	
1991	407				**407**	
1990	227				**227**	
	$ 176,936,574	$ (1,109,089)	$ 63,008	$ 1,162,092	**$ 177,052,585**	

STATISTICAL SECTION

The Statistical Schedules differ from other financial statement presentations because they generally disclose more than one fiscal year and may present non-accounting data such as social and economic data and financial trends of the City.

Statistical Section

This part of the City of Warwick's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

Contents	Page(s)
Financial Trends These schedules contain trend information to help the reader understand how the City's financial position has changed over time.	127 - 133
Revenue Capacity These schedules contain information to help the reader understand and assess the factors affecting the City's ability to generate its most significant local revenue sources, the real and personal property tax .	134 - 138
Debt Capacity These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	139 - 142
Economic and Demographic Information These schedules offer economic and demographic indicators to help the reader understand the environment within which the City's financial activities take place and to provide information that facilitates comparisons of financial information over time and among governments.	143 - 144
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	145 - 147

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The City implemented GASB Statement 34 in 2002; schedules presenting government-wide information include information beginning in that year.

CITY OF WARWICK, RHODE ISLAND
NET ASSETS BY COMPONENT
LAST SIX FISCAL YEARS
(Accrual Basis of Accounting)
(Unaudited)

	Fiscal Year					
	2002	**2003**	**2004**	**2005**	**2006**	**2007**
Governmental Activities						
Invested in capital assets, net of related debt	$83,863,676	$79,552,755	$76,707,132	$70,405,248	$72,153,648	$66,647,101
Restricted	4,347,710	4,389,902	4,330,187	4,530,817	3,335,462	3,550,462
Unrestricted	3,954,201	5,233,818	8,106,875	10,095,521	352,923	(6,573,588)
Total Governmental Activities Net Assets	92,165,587	89,176,475	89,144,194	85,031,586	75,842,033	63,623,975
Business-type Activities						
Invested in capital assets, net of related debt	55,572,633	60,023,623	61,877,678	62,200,140	52,998,122	56,492,614
Restricted	-	-	-	-	1,593,899	2,142,194
Unrestricted	1,079,813	(1,032,723)	(691,907)	911,348	10,410,660	7,337,197
Total Business-type Activities Net Assets	56,652,446	58,990,900	61,185,771	63,111,488	65,002,681	65,972,005
Primary Government						
Invested in capital assets, net of related debt	139,436,309	139,576,378	138,584,810	132,605,388	125,151,770	123,139,715
Restricted	4,347,710	4,389,902	4,330,187	4,530,817	4,929,361	5,692,656
Unrestricted	5,034,014	4,201,095	7,414,968	11,006,869	10,763,583	763,609
Total Primary Government Net Assets	**$148,818,033**	**$148,167,375**	**$150,329,965**	**$148,143,074**	**$140,844,714**	**$129,595,980**

Source: City of Warwick Comprehensive Annual Financial Report
Note: GASB34 was implemented in 2002. Prior information is unavailable.

CITY OF WARWICK, RHODE ISLAND
CHANGE IN NET ASSETS
LAST SIX FISCAL YEARS
(Accrual Basis of Accounting)
(Unaudited)

	Fiscal Year					
	2002	**2003**	**2004**	**2005**	**2006**	**2007**
Expenses:						
Governmental Activities:						
Executive & Admininistration	$6,141,974	$5,818,251	$7,243,204	$8,393,738	$7,378,518	$8,703,429
Public Safety	55,737,951	55,599,535	57,810,035	65,014,851	65,817,448	77,889,776
Recreation	3,218,367	3,695,254	3,396,139	4,092,981	3,168,229	3,338,239
Public Libraries	4,370,728	4,532,198	4,908,468	4,033,048	3,833,107	4,095,289
Social Services	2,337,110	2,781,989	2,817,879	2,693,806	2,860,603	2,719,927
Planning & E/D	2,594,966	2,131,408	2,778,799	1,737,103	3,563,021	3,221,363
Public Works	15,067,287	17,982,040	19,709,308	20,347,768	21,271,907	21,757,520
Education	133,645,580	145,433,755	146,855,093	147,325,418	163,926,829	168,839,482
Cafeteria Operations	2,342,711	2,549,202	2,658,550	2,800,341	2,916,762	2,841,531
Interest on Long Term Debt	3,019,067	3,018,153	3,222,417	3,090,420	3,672,548	3,009,586
Total Governmental Activities Expenses:	228,475,741	243,541,785	251,399,892	259,529,474	278,408,972	296,416,142
Business-type activities:						
Sewer	8,253,789	8,502,258	9,847,286	10,933,427	13,240,766	13,484,307
Sewer Assessment	-	5,127	-	-	-	-
Water	6,685,934	6,998,808	7,537,358	7,483,735	7,669,925	8,252,959
Non Major Enterprise Funds	-	311,745	360,938	433,085	-	-
Total Business-type Activities Expenses:	14,939,723	15,817,938	17,745,582	18,850,247	20,910,691	21,737,266
Total Primary Government Expenses:	$243,415,464	$259,359,723	$269,145,474	$278,379,721	$299,319,663	$318,153,408

CITY OF WARWICK, RHODE ISLAND
CHANGE IN NET ASSETS
LAST SIX FISCAL YEARS
(Accrual Basis of Accounting)
(Unaudited)

	Fiscal Year					
	2002	**2003**	**2004**	**2005**	**2006**	**2007**
Program Revenues:						
Governmental Activities:						
Charges for Services:						
Executive & Admininistration	$2,322,325	$2,657,356	$3,663,100	$3,966,917	$3,939,444	$3,442,464
Public Safety	6,104,877	6,191,758	5,004,575	6,476,278	6,696,573	7,016,618
Recreation	760,813	682,084	485,560	722,964	806,442	792,374
Public Libraries	28,302	45,196	45,480	45,629	68,389	36,325
Social Services	77,895	288,085	99,752	91,821	80,482	79,007
Planning & E/D	279,958	1,340,512	1,338,976	2,008,862	2,503,643	1,798,343
Public Works	276,729	355,765	468,147	473,820	335,980	350,139
Education	2,474,248	1,384,899	1,330,313	1,228,659	3,397,605	3,006,444
Cafeteria Operations	1,451,562	1,622,975	1,655,212	1,728,102	1,774,566	1,751,231
Operating Grants/Contributions	43,852,738	49,198,187	50,716,742	51,120,778	51,182,760	54,912,922
Capital Grants/Contributions	144,945	373,200	5,250	32,337	700,043	1,442,541
Total Governmental Activites Program Revenues:	57,774,392	64,140,017	64,813,107	67,896,167	71,485,927	74,628,408
Business-type Activities:						
Charges for Services:						
Sewer	8,620,728	5,259,383	4,789,483	6,502,475	8,406,658	8,539,892
Sewer Assessment	-	4,862,965	5,259,468	5,327,729	5,834,912	6,072,270
Water	7,529,864	7,523,297	9,397,493	8,146,911	7,679,742	7,274,848
Non-major Enterprise Funds	-	394,525	389,022	571,662	-	-
Operating Grants/Contributions	6,240	-	-	-	9,511	121,916
Capital Grants/Contributions	747,591	-	-	-	-	-
Total Business-type Activities Program Revenues:	16,904,423	18,040,170	19,835,466	20,548,777	21,930,823	22,008,926
Total Primary Government Program Revenues:	$74,678,815	$82,180,187	$84,648,573	$88,444,944	$93,416,750	$96,637,334
Net (Expense) Revenue						
Governmental Activities	($170,701,349)	($179,401,768)	($186,586,785)	($191,633,307)	($206,923,045)	($221,787,734)
Business-type Activities	1,964,700	2,222,232	2,089,884	1,698,530	1,020,132	271,660

CITY OF WARWICK, RHODE ISLAND
CHANGE IN NET ASSETS
LAST SIX FISCAL YEARS
(Accrual Basis of Accounting)
(Unaudited)

	Fiscal Year					
	2002	**2003**	**2004**	**2005**	**2006**	**2007**
Total Primary Government Net Expense	($168,736,649)	($177,179,536)	($184,496,901)	($189,934,777)	($205,902,913)	($221,516,074)
General Revenues and Other Changes in Net Assets						
Governmental Activities						
Property Taxes	$147,167,057	$154,499,750	$161,663,212	$161,450,920	$169,988,651	$177,362,772
Interest on Property Taxes	1,251,002	1,539,331	223,682	240,711	1,502,221	1,484,500
State Aid & In Lieu of Tax	19,505,441	17,309,307	18,110,616	18,163,665	22,172,675	24,398,225
Investment Earnings	343,579	273,371	1,479,305	1,778,330	1,196,230	1,456,165
Tax Titles	18,586	20,907	73,383	47,530	61,804	7,823
Miscellaneous	613,253	3,005,576	5,004,306	5,701,306	2,811,911	4,710,191
Transfers	-	-	-	-	-	150,000
Total Governmental Activities:	168,898,918	176,648,242	186,554,504	187,382,462	197,733,492	209,569,676
Business-type Activities						
Investment Earnings	128,783	116,222	104,987	227,187	871,061	847,664
Transfers	-	-	-	-	-	(150,000)
Total Business-type Activites:	128,783	116,222	104,987	227,187	871,061	697,664
Total Primary Government:	$169,027,701	$176,764,464	$186,659,491	$187,609,649	$198,604,553	$210,267,340
Change in Net Assets						
Governmental Activities	($1,802,431)	($2,753,526)	($32,281)	($4,250,845)	($9,189,553)	($12,218,058)
Business-type Activities	2,093,483	2,338,454	2,194,871	1,925,717	1,891,193	969,324
Total Primary Government:	$291,052	($415,072)	$2,162,590	($2,325,128)	($7,298,360)	($11,248,734)

Source: City of Warwick Comprehensive Annual Financial Report
Note: GASB34 was implemented in 2002. Prior information is unavailable.
(1) In Fiscal 2006 non-major enterprise funds were combined within Sewer and Water.

CITY OF WARWICK, RHODE ISLAND
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST SIX FISCAL YEARS
(Modified Accrual Basis of Accounting)
(Unaudited)

	Fiscal Year					
	2002	**2003**	**2004**	**2005**	**2006**	**2007**
General Fund						
Reserved	$2,436,641	$1,985,164	$3,796,141	$4,807,974	$4,882,583	$1,717,250
Unreserved	7,373,171	7,913,711	12,341,007	11,844,497	13,396,581	12,739,745
Total General Fund	$9,809,812	$9,898,875	$16,137,148	$16,652,471	$18,279,164	$14,456,995
All Other Governmental Funds						
Reserved	$3,796,403	$6,237,067	$4,877,255	$3,683,117	$5,862,678	$2,107,178
Unreserved, reported in:						
Special Revenue Funds	1,362,453	1,926,740	1,593,814	1,872,634	2,129,260	1,529,175
Capital Project Funds	5,603,416	6,197,356	(1,905,179)	5,758,721	(2,664,466)	1,984,818
Total All Other Governmental Funds	$10,762,272	$14,361,163	$4,565,890	$11,314,472	$5,327,472	$5,621,171
Total All Other Governmental Funds	20,572,084	24,260,038	20,703,038	27,966,943	23,606,636	20,078,166

Source: City of Warwick Comprehensive Annual Financial Report

CITY OF WARWICK, RHODE ISLAND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST SIX FISCAL YEARS
(Modified Accrual Basis of Accounting)
(Unaudited)

	Fiscal Year					
	2002	**2003**	**2004**	**2005**	**2006**	**2007**
Revenues						
General Property Taxes	148,268,974	154,766,488	161,966,558	161,536,866	169,763,615	177,052,585
Interest On Taxes	1,251,002	1,500,420	1,270,919	1,143,870	1,202,023	1,209,003
Intergovernmental Revenue	60,610,294	62,956,734	64,893,052	65,246,999	67,275,837	72,167,517
State Contribution to Pension Plan	2,662,377	3,303,239	3,808,127	3,948,000	4,460,664	5,848,558
Charges for Services	13,426,707	11,703,450	12,502,945	13,962,944	16,308,269	15,798,638
Investment Income	334,184	268,139	205,510	625,983	1,178,496	1,435,007
Contributions and Private Grants	199,953	500,713	39,641	89,228	166,177	532,283
Other Revenue	1,555,962	5,408,414	7,404,245	7,856,048	7,831,481	9,228,876
Total Revenues	228,309,453	240,407,597	252,090,997	254,409,938	268,186,562	283,272,467
Expenditures						
Executive and Administration	4,057,965	3,925,108	4,814,023	5,316,960	5,028,234	6,185,376
Public Safety	34,284,758	36,403,115	37,019,975	42,461,213	40,717,156	44,501,008
Recreation	2,288,801	2,604,336	4,548,564	2,872,391	2,265,365	2,598,519
Public Libraries	2,492,051	2,463,530	2,828,316	2,580,004	2,647,206	2,764,806
Social Services	1,834,989	2,226,501	2,134,076	2,094,469	2,180,058	2,059,600
Planning and Economic Development	2,532,713	1,888,260	2,423,356	2,002,003	3,321,767	2,940,637
Public Works	9,704,091	11,796,885	13,140,675	13,059,114	14,938,720	12,708,971
Employee Benefits, Fixed Costs, & Capital	25,995,064	26,291,236	28,664,462	31,608,948	34,811,318	39,097,834
Education	128,884,076	144,469,828	145,227,159	144,366,527	151,908,901	161,925,679
Cafeteria Operations	2,342,711	2,549,202	2,658,550	2,800,341	2,916,762	2,841,531
State Contribution to Pension Plan	2,662,377	3,303,239	3,808,127	3,948,000	4,460,664	5,848,558
Other	158,688	-	-	-	-	-
Capital Outlay	6,507,831	-	-	-	-	-
Debt - Principal	6,362,858	6,473,793	5,988,683	5,603,242	6,328,283	6,255,060
Debt - Interest	2,862,939	2,722,722	3,085,831	3,111,185	3,151,446	3,045,599
Total Expenditures	232,971,912	247,117,755	256,341,797	261,824,397	274,675,880	292,773,178
Excess of Revenues Over (Under) Expenditures Before Other Financing Sources (Uses)	(4,662,459)	(6,710,158)	(4,250,800)	(7,414,459)	(6,489,318)	(9,500,711)

CITY OF WARWICK, RHODE ISLAND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST SIX FISCAL YEARS
(Modified Accrual Basis of Accounting)
(Unaudited)

	Fiscal Year					
	2002	**2003**	**2004**	**2005**	**2006**	**2007**
Other Financing Sources (Uses)						
Transfers From Other Funds	99,123,446	106,204,261	108,633,349	113,255,478	116,360,126	125,495,249
Transfers To Other Funds	(99,472,293)	(106,551,389)	(109,055,549)	(113,581,839)	(116,731,115)	(125,726,008)
Proceeds From Bonds	9,668,729	11,000,000	-	11,500,000	2,500,000	-
Proceeds From Capital Lease	1,370,000	-	1,116,000	3,504,725	-	6,203,000
Total Other Financing Sources (Uses)	10,689,882	10,652,872	693,800	14,678,364	2,129,011	5,972,241
Net Change in Fund Balances	6,027,423	3,942,714	(3,557,000)	7,263,905	(4,360,307)	(3,528,470)
Debt Service As A Percentage of Noncapital Expenditures	4.11%	3.85%	3.70%	3.44%	3.59%	3.27%

Source: City of Warwick Comprehensive Annual Financial Report

CITY OF WARWICK, RHODE ISLAND
ASSESSED VALUE & ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(Unaudited)

	Real Property					
Fiscal Year	Residential	Commercial	Less Tax-Exempt Property	Total Taxable Assessed Value	Estimated Actual Value	Tax Rate Res/Comm
1998	4,201,253,800	-	54,368,600	4,146,885,200	4,146,885,200	$23.87 / $31.83
1999	4,214,036,300	-	53,965,100	4,160,071,200	4,674,237,303	$23.87 / $31.83
2000	3,030,237,600	1,216,277,100	53,141,100	4,193,373,600	4,876,015,814	$23.87 / $31.83
2001	3,051,265,000	1,249,134,700	52,193,100	4,248,206,600	5,310,258,250	$24.84 / $33.12
2002	3,070,748,900	1,267,019,600	51,539,100	4,286,229,400	5,714,972,533	$25.81 / $34.41
2003	3,095,621,600	1,286,381,700	48,964,100	4,333,039,200	7,221,732,000	$26.89 / $35.85
2004	3,111,897,200	1,307,742,200	48,449,100	4,371,190,300	7,947,618,727	$27.83 / $37.11
2005	6,220,219,600	2,076,887,200	70,960,000	8,226,146,800	10,155,736,790	$14.81/ $22.22
2006	6,241,260,800	2,098,104,400	69,168,000	8,270,197,200	10,210,120,000	$15.46/ $23.18
2007	6,281,527,400	2,129,669,100	67,760,000	8,343,436,500	10,913,586,004	$15.95/ $23.93

	Personal Property Tangible				
Fiscal Year	Tangible Personal Property	Less Tax-Exempt Property	Total Tangible Taxable Assessed Value	Estimated Actual Value	Tax Rate Tangible/ Inventory
1998	407,161,600	8,000	407,153,600	407,153,600	$31.83
1999	423,492,300	2,000	423,490,300	423,490,300	$31.83
2000	433,170,700	2,000	433,168,700	433,168,700	$31.83/ $28.65
2001	461,758,480	2,000	461,756,480	461,756,480	$33.12/ $25.46
2002	494,394,530	2,000	494,392,530	494,392,530	$34.41/ $22.28
2003	505,710,630	2,000	505,708,630	505,708,630	$35.85/ $19.10
2004	522,734,110	8,000	522,726,110	522,726,110	$37.82/ $15.92
2005	595,492,890	30,030	595,462,860	595,462,860	$29.62/ $12.73
2006	626,759,280	12,000	626,747,280	626,747,280	$30.91/ $9.55
2007	678,223,300	19,830	678,203,470	678,203,470	$31.90/ $6.37

Notes:
(1) During Fiscal Years 1998-1999, Residential and Commercial Real Estate Information Was Combined.
(2) City completed a statistical revaluation in 2005

Source: Tax Assessor's Official Tax Certification List

CITY OF WARWICK, RHODE ISLAND
ASSESSED VALUE & ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(Unaudited)

	Personal Property Motor Vehicle					
Fiscal Year	Motor Vehicles	Less Tax-Exempt Property	Less State M/V Phaseout	Total Motor Vehicle Taxable Assessed Value	Estimated Actual Value	Tax Rate Motor Vehicles
1998	425,623,048	15,961,552	-	409,661,496	409,661,496	$34.60
1999	447,138,711	15,783,298	-	431,355,413	431,355,413	$34.60
2000	542,708,712	23,509,431	97,404,336	421,794,945	421,794,945	$34.60
2001	586,727,431	21,154,723	157,209,299	408,363,409	408,363,409	$34.60
2002	623,396,269	20,496,619	209,834,409	393,065,241	393,065,241	$34.60
2003	618,834,373	17,971,143	258,692,872	342,170,358	342,170,358	$34.60
2004	657,795,263	17,751,203	269,352,802	370,691,258	370,691,258	$34.60
2005	635,241,587	16,206,433	266,395,881	352,639,273	352,639,273	$34.60
2006	705,512,480	16,780,014	276,222,602	412,509,864	412,509,864	$34.60
2007	760,806,808	16,121,945	347,776,394	396,908,469	396,908,469	$34.60

	Total All		
Fiscal Year	Assessed Value	Estimated Actual Value	Ratio
1998	4,963,700,296	4,963,700,296	100.00%
1999	5,014,916,913	5,529,083,016	90.70%
2000	5,048,337,245	5,730,979,459	88.09%
2001	5,118,326,489	6,180,378,139	82.82%
2002	5,173,687,171	6,602,430,304	78.36%
2003	5,180,918,188	8,069,610,988	64.20%
2004	5,264,607,668	8,841,036,095	59.55%
2005	9,174,248,933	11,103,838,923	82.62%
2006	9,309,454,344	11,249,377,144	82.76%
2007	9,418,548,439	11,988,697,943	78.56%

Notes:
(1) During Fiscal Years 1998-1999, Residential and Commercial Real Estate Information Was Combined.
(2) City completed a statistical revaluation in 2005

Source: City of Warwick Tax Assessor - Official Tax Certification List

CITY OF WARWICK, RHODE ISLAND
PROPERTY TAX RATES
(PER $1000 OF ASSESSED VALUE)
LAST TEN FISCAL YEARS
(Unaudited)

Fiscal Year		General Fund
1998	Real Estate Residential	23.87
	Real Estate Commercial	31.83
	Tangible Personal Property &	31.83
	Manufacturers' Machinery	31.83
	Motor Vehicles	34.60
1999	Real Estate Residential	23.87
	Real Estate Commercial	31.83
	Tangible Personal Property &	31.83
	Manufacturers' Machinery	31.83
	Motor Vehicles	34.60
2000	Real Estate Residential	23.87
	Real Estate Commercial	31.83
	Tangible Personal Property	31.83
	Manufacturers' Machinery	28.65
	Motor Vehicles	34.60
2001	Real Estate Residential	24.84
	Real Estate Commercial	33.12
	Tangible Personal Property	33.12
	Manufacturers' Machinery	25.46
	Motor Vehicles	34.60
2002	Real Estate Residential	25.81
	Real Estate Commercial	34.41
	Tangible Personal Property	34.41
	Manufacturers' Machinery	22.28
	Motor Vehicles	34.60
2003	Real Estate Residential	26.89
	Real Estate Commercial	35.85
	Tangible Personal Property	35.85
	Manufacturers' Machinery	19.10
	Motor Vehicles	34.60
2004	Real Estate Residential	27.83
	Real Estate Commercial	37.11
	Tangible Personal Property	37.82
	Manufacturers' Machinery	15.92
	Motor Vehicles	34.60
2005	Real Estate Residential	14.81
	Real Estate Commercial	22.20
	Tangible Personal Property	29.62
	Manufacturers' Machinery	12.73
	Motor Vehicles	34.60
2006	Real Estate Residential	15.46
	Real Estate Commercial	23.18
	Tangible Personal Property	30.91
	Manufacturers' Machinery	9.55
	Motor Vehicles	34.60
2007	Real Estate Residential	15.95
	Real Estate Commercial	23.93
	Tangible Personal Property	31.90
	Manufacturers' Machinery	6.37
	Motor Vehicles	34.60

Source: City of Warwick Tax Assessor - Official Tax Certification List

CITY OF WARWICK, RHODE ISLAND
PRINCIPAL TAXPAYERS
June 30, 2007
(Unaudited)

Taxpayer	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Warwick Mall LLC	60,778,700	1	0.65%
GLL Rhode Island Mall LP	41,536,300	2	0.44%
Narragansett Electric Co.	41,278,320	3	0.44%
AIMCO Warwick LLC	40,465,700	4	0.43%
CAR WAR LLC	37,968,700	5	0.40%
R S Picerne Pool LLC	34,687,000	6	0.37%
Metropolitan Life Insurance	34,000,600	7	0.36%
Maxi Drug South LP	32,350,310	8	0.34%
Warwick Hotel Associates	28,083,100	9	0.30%
Inland Southeast Warwick LLC	27,753,300	10	0.29%
	378,902,030		4.02%

Total Assessed Value 2007: 9,418,548,439

Source: City of Warwick Tax Collector
Information from 1998 was unavailable

CITY OF WARWICK, RHODE ISLAND
PROPERTY TAX LEVIES AND COLLECTIONS
LAST EIGHT FISCAL YEARS
(Unaudited)

Fiscal Year Ended	Original Tax Levy	Cumulative Adjustments	Total Adjusted Levy	Collected within the Fiscal Year of the Levy		Cumulative Collections in Subsequent Years	Total Collections to Date	
				Amount	Percentage of Original Levy		Amount	Percentage of Adjusted Levy
2000	136,725,603	659,083	137,384,686	134,103,290	98.08%	1,876,427	135,979,717	99.0%
2001	143,163,870	(711,027)	142,452,843	140,293,424	97.99%	1,759,513	142,052,937	99.7%
2002	149,304,181	(368,754.00)	148,935,427	146,686,973	98.25%	1,937,015	148,623,988	99.8%
2003	154,467,467	(314,119.00)	154,153,348	152,466,406	98.70%	1,394,404	153,860,810	99.8%
2004	162,075,109	205,066.00	162,280,175	160,736,584	99.17%	1,225,946	161,962,530	99.8%
2005	161,867,391	(488,554.00)	161,378,837	160,009,037	98.85%	927,822	160,936,859	99.7%
2006	171,526,009	(1,137,544.31)	170,388,465	168,617,003	98.30%	1,094,533	169,711,536	99.6%
2007	178,109,831	(390,666.48)	177,719,164	175,814,548	98.71%	-	175,814,548	98.9%

Note: This table has been revised to include information pertaining to 60 day collections and cumulative adjustments.

Source: City of Warwick Finance Department - Comprehensive Annual Financial Reports

CITY OF WARWICK, RHODE ISLAND
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(Unaudited)

	Governmental Activities		Business-type Activities						
Fiscal Year	General Obligation Bonds	Capital Leases	General Obligation Bonds	RICWFA Loans	Sewer BAN	Capital Leases	Total Primary Government	Percentage of Personal Income	Per Capita
1998	55,712,766	3,980,000	20,067,234	29,675,950	-	-	109,435,950	7.31%	$1,281.05
1999	52,570,418	3,770,000	17,749,582	28,658,584	-	-	102,748,584	6.87%	$1,202.76
2000	48,680,456	4,509,666	15,609,545	42,028,303	-	-	110,827,970	5.52%	$1,291.58
2001	58,115,111	4,569,333	15,949,890	60,871,506	-	-	139,505,840	6.94%	$1,625.79
2002	63,553,872	4,469,000	16,346,128	70,706,160	-	-	155,075,160	7.72%	$1,807.23
2003	69,827,645	2,902,000	16,857,355	87,863,133	15,000,000	-	177,450,133	8.71%	$2,038.74
2004	65,171,217	2,816,000	15,173,783	104,515,674	15,000,000	-	187,676,674	9.21%	$2,156.24
2005	72,369,424	5,109,725	14,720,576	120,260,838	15,000,000	-	212,460,563	10.39%	$2,431.87
2006	70,174,747	3,634,725	28,225,254	120,055,206	-	-	222,089,932	10.86%	$2,542.09
2007	65,316,412	8,662,725	26,238,588	123,389,963	-	-	223,607,688	10.93%	$2,559.47

Source: City of Warwick Finance Department - Comprehensive Annual Financial Reports
Long Term Debt Amortization Schedules

CITY OF WARWICK, RHODE ISLAND
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
(Unaudited)

Fiscal Year	General Obligation Bonds	Less; Amounts Reimbursed By State	Net Bonded Debt	Percentage of Estimated Actual Taxable Value Of Property	Per Capita
1998	55,712,766	709,286.96	55,003,479	1.11%	$643.87
1999	52,570,418	734,320.00	51,836,098	0.94%	$606.79
2000	48,680,456	889,448.00	47,791,008	0.83%	$556.95
2001	58,115,111	1,309,068.93	56,806,042	0.92%	$662.01
2002	63,553,872	1,271,497.81	62,282,374	0.94%	$725.83
2003	69,827,645	1,248,909.99	68,578,735	0.85%	$787.91
2004	65,171,217	1,388,508.06	63,782,709	0.72%	$732.81
2005	72,369,424	1,465,965.16	70,903,459	0.64%	$811.58
2006	70,174,747	1,563,908.94	68,610,838	0.61%	$785.34
2007	65,316,412	1,542,099.01	63,774,313	0.53%	$729.98

Source: City of Warwick Finance Department and Tax Assessor's Office
State Reimbursement relates to School Housing Aid and Library Debt Reimbursement.

CITY OF WARWICK, RHODE ISLAND
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(Unaudited)

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Debt Limit	148,911,009	150,447,507	151,450,117	153,549,795	155,210,615	155,427,546	157,938,230	275,227,468	279,283,630	282,556,453
Total Net Debt Applicable To Limit	55,712,766	52,570,418	48,680,456	58,115,111	63,553,872	69,827,645	65,171,217	72,369,424	70,174,747	65,316,412
Legal Debt Margin	93,198,243	97,877,089	102,769,661	95,434,684	91,656,743	85,599,901	92,767,013	202,858,044	209,108,883	217,240,041
Total Net Debt Applicable To The Limit As A Percentage of Debt Limit	37.41%	34.94%	32.14%	37.85%	40.95%	44.93%	41.26%	26.29%	25.13%	23.12%

Legal Debt Margin Calculation for Fiscal Year 2007	
Assessed Value:	9,418,548,439
Debt Limit (3% of total assessed value)	282,556,453
Debt Applicable to limit: General Obligation Bonds-Governmental	65,316,412
Legal Debt Margin	217,240,041

Source: City of Warwick Finance Department

THE CITY OF WARWICK
PLEDGED-REVENUE COVERAGE
LAST THREE FISCAL YEARS
(Unaudited)

	Sewer Revenue Bonds					
Fiscal Year	Sewer Charges and Other	Less Operating Expenses	Net Available Revenue	Debt Service Principal	Debt Service Interest	Coverage
2005	11,763,679	4,104,554	7,659,125	0	5,468	140067.68%
2006	15,082,662	4,765,154	10,317,508	0	189,952	5431.63%
2007	14,341,775	4,460,088	9,881,687	853,000	408,242	783.49%

The Warwick Sewer Authority has Issued the following revenue bonds:

December 31, 2004	$20,000,000
December 15, 2005	$5,000,000
December 21, 2006	$9,500,000

Debt Service only includes Principal and Interest related to Sewer Revenue Bonds.
Principal Payments on Revenue Bonds began in fiscal 2007.
Debt Payments relating to Sewer General Obligation Debt has not been included.
Sewer Charges and Other includes Interest Income and Transfer from Sewer Assessment.
Operating Expenses do not include Depreciation or Debt Interest Expense.

Source: City of Warwick Finance Department

THE CITY OF WARWICK
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
(Unaudited)

Fiscal Year	Population	Personal Income	Median Family Income	Per Capita Personal Income	School Enrollment	Unemployment Rate
1998	85,427	1,496,424,759	$38,773	$17,517	12,124	4.20%
1999	85,427	1,496,424,759	$38,773	$17,517	12,065	4.10%
2000	85,808	2,008,765,280	$56,225	$23,410	12,375	3.90%
2001	85,808	2,008,765,280	$56,225	$23,410	12,382	4.60%
2002	85,808	2,008,765,280	$56,225	$23,410	12,205	4.70%
2003	87,039	2,037,582,990	$56,225	$23,410	12,078	5.70%
2004	87,039	2,037,582,990	$56,225	$23,410	12,003	5.50%
2005	87,365	2,045,214,650	$56,225	$23,410	11,709	5.30%
2006	87,365	2,045,214,650	$56,225	$23,410	11,385	5.50%
2007	87,365	2,045,214,650	$56,225	$23,410	10,944	4.85%

Sources: **1990/2000 US Census**
US Dept of Labor, Bureau of Labor Statistics

THE CITY OF WARWICK
PRINCIPAL EMPLOYERS
June 30, 2007
(Unaudited)

Employer	Employees	Rank	Percentage of Total City Employment
City of Warwick	2900	1	6.31%
Kent County Hospital	2050	2	4.46%
Metropolitan Life/Property Insurance Co	1450	3	3.16%
United Parcel Service, Inc.	1000	4	2.18%
Leviton Manufacturing Co., Inc.	840	5	1.83%
Community College of RI	650	6	1.42%
Kenney Manufacturing Company	550	7	1.20%
J C Penney Co., Inc.	550	8	1.20%
Kelly Services, Inc.	425	9	0.93%
New England Institute of Technology	400	10	0.87%

Source: City of Warwick Economic Development Department
Historical data for nine years prior was unavailable

CITY OF WARWICK
FULL TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS
(Unaudited)

	Full Time Equivalent Employees as of July 1st									
Function	**2007**	**2006**	**2005**	**2004**	**2003**	**2002**	**2001**	**2000**	**1999**	**1998**
Municipal Administration	95	95	92	90	89	89	90	89	89	89
Public Safety										
Police Civilians	79	79	81	84	83	83	83	82	81	80
Officers	178	178	178	178	178	171	169	169	169	169
Fire Civilians	12	12	12	12	12	12	12	11	11	11
Firefighters/Officers	218	218	214	213	213	212	204	204	204	204
Municipal	18	17	16	16	16	17	16	16	16	15
Social Services	25	29	30	31	28	26	27	25	25	26
Recreation	72	73	88	88	87	87	87	84	79	78
Developmental Resources	21	20	20	17	15	16	15	15	14	14
Public Works										
Administration	5	5	5	6	6	6	6	6	6	8
Maintenance	46	42	27	27	27	27	27	27	26	26
Engineering	7	7	7	6	6	6	6	6	6	7
Recycling	25	27	28	27	26	25	24	24	23	23
Highway	65	64	64	64	66	64	64	64	65	65
Water	37	37	38	38	36	33	33	32	32	32
Sewer	35	33	33	34	33	31	29	29	29	28

Source : City of Warwick Finance Department - Personnel Supplements

THE CITY OF WARWICK
OPERATING INDICATORS BY FUNCTION
LAST FOUR FISCAL YEARS
(Unaudited)

Function	2004	2005	2006	2007
Legislative and Executive				
Number of Resolutions	198	186	194	212
Number of Ordinances	48	48	72	62
Number of Meetings	22	22	22	22
Board of Elections				
Number of Registered Voters	56,734	49,306	52,017	56,555
Purchasing				
Number of bid contracts	383	377	323	378
Number of purchase orders issued	5,568	5,015	5,086	4,818
Building Department				
Number of permits issued	5,464	5,000	5,774	5,388
Permit Value	83,989,758	127,211,666	98,359,758	83,667,292
Public Safety				
Calls for Service	86,187	80,565	79,026	96,124
Arrests	3,907	3,804	3,061	1,993
Accidents	6,001	6,093	5,510	5,217
Parking Violations	16,528	13,490	13,933	14,853
EMS Responses	10,278	10,719	10,314	9,554
Highway and Sanitation				
Miles of Streets-Local Paved	395	395	395	395
Miles of Streets-State Paved	69	69	69	69
Miles of Streets-Private Paved	19	19	19	19
Refuse Collected (Annual Tonnage)	31,787	31,376	30,700	29,607
Recyclables Collected (Annual Tonnage)	10,746	10,734	11,252	11,146
Recreation				
Public Skating Admissions to Thayer Ice Arena	6,197	5,568	6,660	4,568
McDermott Pool Daily Passes	5,370	5,578	6,673	6,912
McDermott Pool Monthly Passes	533	575	844	1,070
Library				
Registered Borrowers	43,524	44,187	45,045	42,623
Print Materials	207,955	204,746	217,429	218,009
Non-Print	9,857	9,862	10,083	13,329
Circulation	415,406	461,922	426,635	372,530
Programs	781	685	877	877
Program Attendance	13,055	10,809	12,202	17,017
Water				
Total Connections	26,300	26,850	27,100	26,993
New Connections	200	550	250	56
Water Main Breaks	101	116	134	117
Average Daily Consumption (Gallons)	8.3M	6.57M	6.74M	7.768M
Wastewater				
Average Daily Sewer Treatment (Gallons)	4.486M	5.073M	5.326M	5.315M
Accounts Billed	n/a	14,313	16,844	18,007

Source: Various City Departments

THE CITY OF WARWICK
CAPITAL ASSET STATISTICS BY FUNCTION
LAST FOUR FISCAL YEARS
(Unaudited)

Function	2004	2005	2006	2007
General Government				
City Hall	2	2	2	2
Human Services	8	8	8	8
Public Works	2	2	2	2
Public Safety				
Police Stations	1	1	1	1
Fire Stations	9	9	9	9
Highway				
Streets (miles)	483	483	483	483
Streetlights	8,834	8,834	8,834	8,834
Traffic Lights (City)	27	27	27	27
Library				
Main	1	1	1	1
Branches	3	3	3	3
Recreation				
Parks	9	9	9	9
Bathing Beaches	6	6	6	6
Ice Arenas	2	2	2	2
Pools	2	2	2	2
Water/Wastewater				
Fire Hydrants	1,769	1,769	1,769	1,769
Max Daily Capacity (Gallons)-Water	12.57M	13.26M	13.3M	13.3M
Max Daily Capacity (Gallons)-Sewer	12M	12M	12M	12M
Education				
Elementary Schools	20	20	20	20
Middle Schools	3	3	3	3
High Schools	3	3	3	3
Career/Technical	1	1	1	1

Source: Various City Departments

SINGLE AUDIT SECTION

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REPORT ON THE INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Honorable President and Members of the City Council
Warwick, Rhode Island

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Warwick, Rhode Island, as of and for the year ended June 30, 2007, which collectively comprise the City of Warwick, Rhode Island's basic financial statements and have issued our report thereon dated December 31, 2007. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the City of Warwick, Rhode Island's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements but not for the purpose of expressing an opinion on the effectiveness of the City of Warwick, Rhode Island's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City of Warwick, Rhode Island's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Warwick, Rhode Island's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as item 07-01.

We noted certain matters that we reported to the management of the City of Warwick, Rhode Island in a separate letter dated December 31, 2007.

The City of Warwick, Rhode Island's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit the City of Warwick, Rhode Island's response, and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of management, the City Council, the School Committee, the State of Rhode Island Auditor General and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Bacon & Company, CPAs, LLC

Warwick, Rhode Island
December 31, 2007

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REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

To the Honorable President and Members of the City Council
Warwick, Rhode Island

Compliance

We have audited the compliance of the City of Warwick, Rhode Island with types of compliance requirements described in the U.S. Office of Management and Budget (OMB) ***Circular A-133 Compliance Supplement*** that are applicable to each of its major federal programs for the year ended June 30, 2007. The City of Warwick, Rhode Island's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the City of Warwick, Rhode Island's management. Our responsibility is to express an opinion on the City of Warwick, Rhode Island's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in ***Government Auditing Standards***, issued by the Comptroller General of the United States; and OMB Circular A-133, ***Audits of States, Local Governments, and Non-Profit Organizations***. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City of Warwick, Rhode Island's compliance with those requirements and performing such other procedures, as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the City of Warwick, Rhode Island's compliance with those requirements.

In our opinion, the City of Warwick, Rhode Island complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2007. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as items 07-03 and 07-05.

Internal Control Over Compliance

The management of the City of Warwick, Rhode Island is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the City of Warwick, Rhode Island's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City of Warwick, Rhode Island's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in the entity's internal control that might be significant deficiencies or material weaknesses as defined below. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

A *control deficiency* in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 07-02, 07-03, 07-04, and 07-05 to be significant deficiencies.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control. We did not consider any of the deficiencies described in the accompanying schedule of findings and questioned costs to be material weaknesses.

This report is intended solely for the information and use of management, the City Council, the School Committee, the State of Rhode Island Auditor General, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Bacon & Company, CPAs, LLC

Warwick, Rhode Island
December 31, 2007

CITY OF WARWICK, RHODE ISLAND
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2007

SECTION I – SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditor's report issued: unqualified

Internal control over financial reporting:

• Material weakness(es) identified?	____	yes	X	no
• Significant deficiency(ies) identified that are not considered to be material weaknesses?	____	yes	X	none reported
Noncompliance material to financial statements noted?	X	yes	____	no

Federal Awards

Internal control over financial reporting:

• Material weakness(es) identified?	____	yes	X	no
• Significant deficiency(ies) identified that are not considered to be material weaknesses?	X	yes	____	none reported

Type of auditor's report issued on compliance for major programs: unqualified

• Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133?	X	yes	____	no

Identification of major programs

CDFA Number	*Name of Program or Cluster*
10.555	*Child Nutrition Cluster* - National School Lunch Program
10.553	*Child Nutrition Cluster* - School Breakfast Program
84.010	Title I
84.027	*Special Education Cluster* – IDEA
84.173	*Special Education Cluster* – Preschool
84.318	Education Technology – E2T2
84.184	Safe and Drug-Free Schools – Project Wired
10.072	Wetlands Reserve Program

Dollar threshold used to distinguish between Type A and Type B programs: $320,009

Auditee qualified as low-risk auditee?	X	Yes	____	no

CITY OF WARWICK, RHODE ISLAND
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2007

SECTION II – FINANCIAL STATEMENT FINDINGS

07-01 ***Finding*** – Rhode Island General Law 16-2-18 prohibits Rhode Island School Departments from having a deficit. The Warwick School Department's School Unrestricted Fund had an operating deficit of $(672,947) for the fiscal year ended June 30, 2007. The School Unrestricted Fund's cumulative fund balance as of June 30, 2007 was also $(672,947). The City and School Department are in violation of Rhode Island General Laws.

Recommendation – We recommend that the City and School Department implement a plan to fund the cumulative deficit.

Management Response – "By statute, the City appropriates funding to the School Department each year. Once appropriated, the funds are under the complete control of the Warwick School Department. The City monitors spending through the generation of monthly budget reports. These reports all indicated that the Department was running well below budget and indicated no cause for concern. It was only in September 2007, when final year-end accruals were posted, that the Department exceeded its total budgetary appropriation. Prior to this the School Department had provided no notification that a fiscal 2007 deficit was possible. We feel that the City monitored the School budget appropriately and cannot be held responsible for this deficit."

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

Program: National School Lunch Program Cluster

Agency: U.S. Department of Agriculture

Pass-through: RI Department of Education

CFDA Number: 10.555/10.553

07-02 ***Criteria:*** The School is required to perform income eligibility verifications on a sample basis each year by December 15. Sampling documentation and verification results must be maintained on file. In addition, a student's eligibility status must be changed if through the verification process that student is determined to be ineligible.

Condition: Based on our testing at Tollgate High School, changes noted as a result of the income verification process are not being used to update the students' eligibility status.

Questioned Costs: None

Recommendation: We recommend that students determined to be ineligible or students who do not respond to income verification requests be properly removed from the free/reduced lunch list.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS CONTINUED

Program: National School Lunch Program Cluster

Agency: U.S. Department of Agriculture

Pass-through: RI Department of Education

CFDA Number: 10.555/10.553

07-03 Criteria: For a child to be eligible for free or reduced lunch benefits the child must be directly certified or the household must submit a complete application and be either categorically eligible or income eligible. The certifying school official must verify the application is complete, determine eligibility and approve the application.

Condition: During our testing at Oakland Beach School, Aldrich Junior High School and Toll Gate High School, we noted a total of five applications that were not properly completed. We also noted that the certifying official at Toll Gate High School did not approve any of the applications on file for the 2006-2007 school year.

Questioned Costs: None

Recommendation: We recommend that properly completed applications be maintained on file for all students receiving free or reduced lunch as required by U.S.D.A. guidelines. We also recommend that the certifying official at Toll Gate High School approve all applications of students determined to be eligible for free or reduced lunch.

Program: Special Education Cluster; Title I; Project Wired; E2T2

Agency: U.S. Department of Education

Pass-through: RI Department of Education

CFDA Number: 84.173; 84.010; 84.184; 84.318

07-04 Criteria: The School Department must have internal controls in place to ensure compliance with types of activities allowed/unallowed, allowable cost principles and period of availability requirements. The School Department's internal control to ensure compliance with these requirements is the grant coordinator's approval of all grant purchases/disbursements.

Condition: During our testing of grant disbursements, we noted six grant disbursements that were not approved by the grant coordinator as required by School Department policies and procedures.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS CONTINUED

Questioned Costs: None

Recommendation: We recommend that grant disbursements not be processed for payment unless approved by the grant coordinator.

Program: Special Education Cluster; Title I

Agency: U.S. Department of Education

Pass-through: RI Department of Education

CFDA Number: 84.027; 84.173; 84.010

07-05 Criteria: Attachment B of OMB Circular A-87 *"Cost Principles for State, Local, and Indian Tribal Governments"* states that wages, salaries and fringe benefits charged to federal awards are allowable only to the extent that they determined and documented as provided in Section 8(h). Specifically, where employees work solely on a single Federal award or cost objective, charges for their salaries and wages will be supported by periodic certifications that the employees worked solely on that program for the period covered by the certification. These certifications must be prepared semi-annually and signed by the employee or supervisory official having first hand knowledge of the work performed by the employee. Where employees work on multiple activities or cost objectives, a distribution of their salaries or wages will be supported by personnel activity reports or equivalent documentation. Personnel activity reports or equivalent documentation must reflect after-the-fact distribution of the actual activity of the employee and must account for the total activity for which the employee was compensated. Personnel activity reports must be prepared at least monthly and must coincide with one or more pay periods. Finally, personnel activity report must be signed by the employee. Budget estimates or other distribution percentages determined before the services are performed **do not qualify** as support for the charges to Federal awards.

Condition: The School Department has a certification system in place for employees charged to Federal grants who work on a single cost objective. During our testing of this system, we noted five employees who did not have a certification on file for fiscal year 2006-2007 and three employees who did not have a certification for January – June 2007.

Employees charged to Federal grants who worked on multiple cost objectives did not complete the required personnel activity reports for fiscal year 2006-2007. These employees only completed the semi-annual certifications.

Questioned Costs: None

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS CONTINUED

Recommendation: We recommend that the School Department ensure that all employees charged to Federal grants who work on a single cost objective complete semi-annual certifications. We also recommend that the School Department require employees charged to Federal grants who work on multiple cost objectives to complete personnel activity reports as required by OMB Circular A-87.

CITY OF WARWICK, RHODE ISLAND
Summary Schedule of Prior Audit Findings
For the Fiscal Year Ended June 30, 2007

Program: National School Lunch Program Cluster

Agency: U.S. Department of Agriculture

Pass-through: RI Department of Education

CFDA Number: 10.555/10.553

06-01 Criteria: The School is required to perform income eligibility verifications on a sample basis each year by December 15. Sampling documentation and verification results must be maintained on file. In addition, a student's eligibility status must be changed if through the verification process that student is determined to be ineligible.

Condition: Oakland Beach School did not have the proper documentation on file to support its income verification procedures for fiscal year 2006. In addition, based on our testing at Pilgrim High School and Winman Junior High School changes noted as a result of the income verification process are not being used to update the students' eligibility status.

Questioned Costs: None

Recommendation: We recommend that all income verification documentation be maintained on file as required by Federal requirements. We also recommend that students determined to be ineligible or students who do not respond to income verification requests are properly removed from the free/reduced lunch list.

Current Status: Oakland Beach School had the proper documentation on file in fiscal year 2007 to support its income verification procedures. Based on current year testing at Toll Gate High School, changes noted as a result of the income verification process are not being used to update the students' eligibility status. See current year finding 07-02.

CITY OF WARWICK, RHODE ISLAND

Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2007

Federal Grantor/ Pass-Through Grantor/ Program Title	*Federal CFDA Number*	*Pass-Through Grantor's Number*	*Expenditures*
U.S. Department of Education			
Direct:			
Project Wired	84.184E	Q184E050191	$ 167,385
After School Program	84.215K	U215K030248	57,398
Pass-through R I Department of Education:			
Title V Innovative Education	84.298A	1420-51000-701	15,915
Special Education Cluster (IDEA):			
PL-94-142 - Project IDEA	84.027A	1430-50500-701	2,691,911
Preschool Section 619	84.173A	1430-50800-701	140,921
RITIE - Toll Gate	84.027A	N/A	317
RITIE - Vets	84.027A	N/A	241
Title IV	84.186A	1420-52900-701	58,491
Title I	84.010A	1420-51600-701	1,685,677
Title III LEP	84.365A	1420-54100-701	16,254
Adult Learning	84.002A	1440-51000-701	98,293
Perkins	84.048A	7-1440-53200-35-02	293,533
Vocational Training for Adults	84.048A	7-1440-53500-35-01	52,205
Title II - Professional Development	84.367A	1420-54000-701	795,570
Title II - Technology - E2T2	84.318X	1420-53600-630	210,947
Homeless Children Youth	84.196A	1410-51200-701	18,063
Testing of Emergency Response Plan	84.938C	1420-54400-610	3,333
Pass-through R I Parent Information Network Inc.:			
RIPIN	84.000	N/A	3,424
Total U.S. Department of Education			6,309,878
U.S. Department of Housing and Urban Development			
Direct:			
Community Development Block Grant	14.218	B05-MC-44-0004	1,194,375
Lead Reduction Program	14.900	RILHB0262-03	351,024
Lead Reduction Program	14.900	RILHB0340-06	181,248
Total U.S. Department of Housing and Urban Development			1,726,647
U.S. Department of Agriculture			
Direct:			
Wetlands Reserve Program	10.072	66-1106-02-101	130,000
Pass-through R I Department of Education:			
Child Nutrition Cluster:			
National School Lunch & Breakfast Programs	10.555/10.553	N/A	940,883
Food Distribution	10.550	N/A	132,435
Total U.S. Department of Agriculture			1,203,318

(Continued)

CITY OF WARWICK, RHODE ISLAND

Schedule of Expenditures of Federal Awards (Continued)
For the Fiscal Year Ended June 30, 2007

Federal Grantor/ Pass-Through Grantor/ Program Title	*Federal CFDA Number*	*Pass-Through Grantor's Number*	*Expenditures*
U.S. Department of Justice			
Direct:			
Federal Seized Assets	16.000	N/A	115,372
FBI Task Force	16.000	NERI911231	18,964
DEA Reimbursement	16.000	N/A	16,971
Local Law Enforcement Block Grant	16.592	N/A	762
Byrne Grant - JAG	16.738	2006-DJ-BX-0251	24,341
Byrne Grant - JAG	16.738	2005-DJ-BX-0921	3,012
Byrne Grant	16.580	2006-DD-BX-0442	148,084
Pass-through R I Justice Commission:			
Byrne Grant	16.580	04-134-SI	59,992
Pass-through R I Department of Mental Health, Retardation & Hospitals:			
Underage Drinking	16.727	N/A	10,195
Tobacco Grant	16.000	N/A	6,236
Total U.S. Department of Justice			403,929
U.S. Environmental Protection Agency			
Direct:			
Feasibility Study for Potowomut Community Wastewater Collection System	66.202	EM-97146501-1	57,693
Brownfields Petroleum Assessment Grant	66.818	BF-98190801	3,825
Total U.S. Environmental Protection Agency			61,518
U.S. Department of Health and Human Services			
Pass- through RI Department of Elderly Affairs:			
Title III Older Americans - Senior Center Operations	93.044	2007-21201032-300	7,451
Total U.S. Department of Health and Human Services			7,451
U.S. Department of Transportation			
Pass- through RI Department of Transportation:			
Pawtuxet Village Traffic Calming	20.205	TEA053	410,243
Total U.S. Department of Transportation			410,243

(Continued)

Federal Grantor/ Pass-Through Grantor/ Program Title	*Federal CFDA Number*	*Pass-Through Grantor's Number*	*Expenditures*
U.S. Department of Homeland Security			
Pass- through RI Emergency Management Agency:			
Homeland Security Cluster:			
Homeland Security Grant	97.004	35-242-FY05 HAZ	41,633
Homeland Security Grant	97.004	35-242-FY04 IICCP	5,000
Homeland Security Grant	97.004	35-242-FY05	317,129
Homeland Security Grant	97.004	35-112-FY05 BZP	48,909
Homeland Security Grant	97.004	32-112-FY05	48,445
Homeland Security Grant	97.004	35-112-FY05 LET	17,743
Homeland Security Grant	97.004	35-242-FY06 HAZ	4,795
Homeland Security Grant	97.004	35-112-FY06 LET	4,734
Emergency Management	97.000	N/A	16,502
Total U.S. Department of Homeland Security			504,890
Total Expenditures of Federal Awards			$10,627,874

CITY OF WARWICK, RHODE ISLAND

Notes to Schedule of Expenditures of Federal Awards

June 30, 2007

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the City of Warwick, Rhode Island and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations". Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.