

RHODE ISLAND PUBLIC TRANSIT AUTHORITY

**FINANCIAL STATEMENTS AND SCHEDULES
YEARS ENDED JUNE 30, 2001 AND 2000**

(With Independent Auditor's Report Thereon)

RHODE ISLAND PUBLIC TRANSIT AUTHORITY

**FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2001 AND 2000**

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CERTIFIED PUBLIC ACCOUNTANTS

BUSINESS CONSULTANTS

Providence, Rhode Island

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Rhode Island Public Transit Authority

We have audited the accompanying financial statements of the Rhode Island Public Transit Authority, a component unit of the State of Rhode Island and Providence Plantations (State), as of June 30, 2001 and 2000 as listed in the table of contents. These financial statements are the responsibility of the Rhode Island Public Transit Authority's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits 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. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Rhode Island Public Transit Authority, as of June 30, 2001 and 2000, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 11 to the financial statements, the Authority received operating assistance including fare subsidies from the State and the Federal government for the fiscal years ending June 30, 2001 and 2000 in the amounts of \$26,412,331 and \$25,453,539, respectively. The amount of such assistance indicates that the Authority may require continued assistance in order to operate at its present level.

In accordance with Government Auditing Standards we have also issued our report dated September 18, 2001 on our consideration of the Rhode Island Public Transit Authority's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Our audits were performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying supplemental information on Pages 20-42 is presented for purposes of additional analysis and is not a required part of the basic financial statements of the Rhode Island Public Transit Authority. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and in our opinion, is fairly presented in all material respects in relation to the basic financial statements taken as a whole.

September 18, 2001

Cayce Bennett Clum & Chatelley, LLP

RHODE ISLAND PUBLIC TRANSIT AUTHORITY

BALANCE SHEETS
JUNE 30, 2001 AND 2000

	<u>2001</u>	<u>2000</u>
<u>ASSETS</u>		
<i>Cash and cash equivalents:</i>		
Operating fund	\$ 2,258,049	\$ 1,682,692
Capital replacement fund	2,405,683	3,333,943
Paratransit capital fund	1,346,395	959,413
Accident and casualty fund	1,218,716	1,303,315
Paratransit operating fund	200	65,769
<i>Total cash and cash equivalents</i>	<u>7,229,043</u>	<u>7,345,132</u>
Due from primary government	2,162,171	2,121,108
Receivables:		
Accounts	1,976,196	1,582,095
Capital grants	13,019,970	2,105,118
Operating grant	775,527	330,714
Inventories	1,967,854	2,081,503
Prepaid expenses	268,921	185,422
Property, plant and equipment	124,412,802	98,225,380
Accumulated depreciation	<u>(48,978,255)</u>	<u>(46,400,168)</u>
TOTAL ASSETS	<u>\$ 102,834,229</u>	<u>\$ 67,576,304</u>
<u>LIABILITIES AND FUND EQUITY</u>		
<i>Liabilities:</i>		
Accounts payable	\$ 17,174,035	\$ 5,524,683
Accrued salaries, wages and vacation pay	2,338,042	2,718,191
Accrued self insured claims	5,149,706	4,298,051
Accrued pension liabilities	1,141,772	1,140,548
Due to primary governments	1,646,661	1,646,661
Deferred revenue - tokens	194,539	197,811
Other liabilities	20,050	14,499
<i>Total liabilities</i>	<u>27,664,805</u>	<u>15,540,444</u>
<i>Fund equity:</i>		
Contributed capital	81,132,193	58,426,571
Accumulated deficit	<u>(5,962,769)</u>	<u>(6,390,711)</u>
<i>Total fund equity</i>	<u>75,169,424</u>	<u>52,035,860</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$ 102,834,229</u>	<u>\$ 67,576,304</u>

SEE NOTES TO THE FINANCIAL STATEMENTS.

RHODE ISLAND PUBLIC TRANSIT AUTHORITY

**STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN FUND EQUITY
YEARS ENDED JUNE 30, 2001 AND 2000**

	2001	2000
Operating revenues:		
Passenger	\$ 9,804,022	\$ 9,317,296
Paratransit	1,872,662	1,688,855
Charter	400	713
Rental	30,147	33,302
Advertising	359,811	363,580
Other	33,039	34,817
Total operating revenues	<u>12,100,081</u>	<u>11,438,563</u>
Operating expenses:		
Administrative	1,148,279	713,619
Finance	1,794,740	1,583,862
Operations	37,413,612	34,686,620
Marketing	1,341,883	738,253
Human resources	590,046	607,552
Risk management	2,580,089	704,094
Planning and scheduling	588,495	575,496
Specialized transportation	4,025,533	3,257,708
Paratransit operations	1,821,663	1,619,164
Purchasing	2,121,678	1,127,725
Flex access	77,376	-
Flex RIPTA	79,395	-
Depreciation	5,703,489	5,804,416
Total operating expenses	<u>59,286,278</u>	<u>51,418,509</u>
Operating loss	<u>(47,186,197)</u>	<u>(39,979,946)</u>
Non-operating revenues (expenses):		
Capital grants	10,551,823	3,881,083
Investment income	431,850	385,893
Interest expense	(5,069)	(5,083)
Contract revenue	3,792,000	3,642,300
Other non-operating revenue	1,695,701	1,035,062
Loss on disposal of assets	(10,426)	(82,143)
Debt service	(647,222)	(501,891)
Total non-operating revenues	<u>15,808,657</u>	<u>8,355,221</u>
Loss before transfers	(31,377,540)	(31,624,725)
Operating transfers in	<u>26,412,331</u>	<u>25,453,539</u>
Net loss	<u>(4,965,209)</u>	<u>(6,171,186)</u>
Other changes in fund equity:		
Increase in contributed capital (net)	22,705,622	9,871,836
Depreciation charged to contributed capital	5,393,151	5,536,888
Total other changes in fund equity	<u>28,098,773</u>	<u>15,408,724</u>
Net increase in fund equity	<u>23,133,564</u>	<u>9,237,538</u>
Fund equity, beginning of year	<u>52,035,860</u>	<u>42,798,322</u>
Fund equity, end of year	<u>\$ 75,169,424</u>	<u>\$ 52,035,860</u>

SEE NOTES TO THE FINANCIAL STATEMENTS.

RHODE ISLAND PUBLIC TRANSIT AUTHORITY

**STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2001 AND 2000**

	<u>2001</u>	<u>2000</u>
Cash flows from operating activities:		
Cash received from customers	\$11,411,591	\$11,022,664
Cash payments to suppliers for goods and services	(28,341,876)	(23,626,610)
Cash payments to employees for services	(25,030,327)	(23,868,304)
Net cash used for operating activities	<u>(41,960,612)</u>	<u>(36,472,250)</u>
Cash flows from non-capital financing activities:		
Interest paid on revolving loan	(5,069)	(5,083)
Debt service	(647,222)	(501,891)
Operating transfers in	26,371,268	25,477,849
Contract revenue	4,083,117	3,868,430
Other nonoperating revenues	1,695,701	1,035,062
Net cash provided by non-capital financing activities	<u>31,497,795</u>	<u>29,874,367</u>
Cash flows from capital and related financing activities:		
Proceeds from capital grants	17,183,921	15,018,847
Proceeds from capital grants used for operating activities	10,107,010	5,324,750
Acquisition and construction of capital assets	(17,376,053)	(14,587,503)
Net cash provided by capital and related financing activities	<u>9,914,878</u>	<u>5,756,094</u>
Cash flows from investing activities:		
Interest and dividends on investments	431,850	385,893
Proceeds from sales and maturities of investments		98,709
Net cash provided by investing activities	<u>431,850</u>	<u>484,602</u>
Net increase in cash and cash equivalents	(116,089)	(357,187)
Cash and cash equivalents at beginning of year	<u>7,345,132</u>	<u>7,702,319</u>
Cash and cash equivalents at end of year	<u>\$ 7,229,043</u>	<u>\$ 7,345,132</u>
Reconciliation of operating loss to net cash used for operating activities:		
Operating loss	(\$47,186,197)	(\$39,979,946)
Adjustment to reconcile operating loss to net cash used for operating activities:		
Depreciation	5,703,489	5,804,416
Changes in assets and liabilities:		
(Increase) decrease in accounts receivable	(685,218)	(438,382)
(Increase) decrease in inventory	113,649	(362,528)
(Increase) decrease in prepaid expenses	(83,499)	1,785
Increase (decrease) in accounts payable and accrued expenses	180,436	(1,520,078)
Increase (decrease) in deferred revenue - tokens	(3,272)	22,483
Total adjustments	<u>5,225,585</u>	<u>3,507,696</u>
Net cash used for operating activities	<u>(\$41,960,612)</u>	<u>(\$36,472,250)</u>

SEE NOTES TO THE FINANCIAL STATEMENTS.

RHODE ISLAND PUBLIC TRANSIT AUTHORITY

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2001 AND 2000**

1. ORGANIZATION

The Rhode Island Public Transit Authority (the Authority) is a body corporate and politic of the State of Rhode Island and Providence Plantations created by Chapter 210, Public Laws of Rhode Island, 1974, as amended. Its purpose is to take over any mass motor bus transportation system if the system has previously filed a petition to discontinue its service with the State Public Utilities Administrator, and further, if the Authority determines it is in the public interest to continue such service. The Authority has no stockholders.

On July 1, 1976, the Authority, in accordance with its purpose as stated above, acquired the property and assets of the United Transit Company (owner and operator of the public transportation system in Providence-Pawtucket Metropolitan area of the state) through the issuance of \$3,200,000 of revenue bonds designated "Rhode Island Public Transit Authority Revenue Bonds, Series 1976".

The powers of the Authority permit it to pledge its assets to the Federal government or any of its agencies.

On July 18, 1972, the Authority acquired the operating rights over intricate routes in Woonsocket for \$3,500.

On May 2, 1974 the Authority acquired the operating assets of Transit Line, Inc., which serviced the Newport-Middletown urban area, for a total purchase price of \$76,931. Federal and State grants were received for this acquisition.

Legislation in 1977 provided that the Authority "shall be deemed an instrumentality and political subdivision of the State".

On March 9, 1979, the Authority entered into an agreement with ABC Bus Lines, Inc. and acquired certain of the company's operating assets and rights to intrastate routes. The total purchase price of \$185,000 was financed by Federal and State capital grants.

On September 7, 1979, the Authority entered into an agreement with Bonanza Bus Lines, Inc. and acquired certain of the company's operating assets and rights to intrastate routes. The total purchase price of \$175,000 was financed by Federal and State capital grants.

The Authority is a component entity of the State of Rhode Island for financial reporting purposes and as such, the financial statements of the Authority will be included in the State of Rhode Island's Annual Financial Report.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The financial statements of the Authority are maintained in accordance with the principles of proprietary fund accounting utilizing the accrual basis. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

(CONTINUED)

RHODE ISLAND PUBLIC TRANSIT AUTHORITY

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2001 AND 2000**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation (Continued)

The Corporation has elected not to apply Financial Accounting Standards Boards statements and interpretations, accounting principles, board opinions, and Accounting Research Bulletins of the committee of accounting procedures issued after November 30, 1989.

Federal and State Grants

The Federal and State government have made various capital grants available to the Authority for the acquisition of public transit facilities, vehicles and equipment. The Authority's practice is to record capital grants in contributed capital as related capital expenses are incurred; assets acquired with capital grants are included in property, plant and equipment. Contributed capital is amortized by the amount of annual depreciation on assets acquired through the grants. Qualifying assets which are purchased with capital grant proceeds that are not capitalized are included in the current year expenses with the corresponding proceeds shown as other revenues.

Prior to October 1, 2001, Federal operating assistance grants under the Urban Mass Transportation Act of 1974, as amended, will be administered through the State of Rhode Island or one of its agencies and are included in operating transfers as the related expenses are incurred. Beginning October 1, 2001, the Authority will become the designated grant recipient of the Federal Transit funds, thereby receiving the federal money directly.

Materials and Supplies of Inventory

Inventories consist of spare parts, supplies and fuel oil and are stated at the lower of cost or market.

Property, Plant and Equipment

Property, plant and equipment are stated at cost. Depreciation is computed on the straight-line basis using the half-year convention over the estimated useful lives of respective assets. Depreciation expense is not provided for assets under construction. Useful life of assets are as follows:

Buildings and building improvements.....	15-30 years
Buses	10-12 years
Other equipment.....	4-20 years

Compensated Absences

Vacation expense is accrued when earned by employees and reflects current rate of pay. Sick leave expense is recorded primarily when taken by employees.

Income Taxes

Rhode Island Public Transit Authority is exempt from Federal and State income taxes.

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RHODE ISLAND PUBLIC TRANSIT AUTHORITY

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2001 AND 2000**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Self Insurance

The Authority is self insured for workers' compensation claims, public liability and property damage claims. Management believes that the accrual for self insurance claims is adequate to cover the ultimate liability arising from such claims. However, the recorded liability is based upon estimates of final settlement amounts, which may be more or less than the amount ultimately paid. The Authority has established a fund for self insurance as more fully described in Note 8.

The Authority has acquired an excess liability policy. This policy covers for bodily injury or property damage up to \$5,000,000 per occurrence after a retained limit of \$1,000,000 per occurrence.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Authority considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Reclassifications

Certain accounts for the year ended June 30, 2000 have been reclassified to conform with the presentation of the June 30, 2001 amounts.

Advertising Costs

It is the Authority's policy to expense advertising costs as incurred. Advertising expense for fiscal years ended June 30, 2001 and 2000 were \$944,417 and \$538,296, respectively.

3. CASH DEPOSITS AND INVESTMENTS

Cash Deposits

The carrying amounts of the Authority's deposits, except for petty cash of \$1,200 at June 30, 2001 and \$1,100 at June 30, 2000, were \$793,028 and \$661,562 and the bank balances were \$540,986 and \$1,167,608, respectively. Of the bank balances, \$112,087 and \$257,174 were insured by federal depository insurance and Securities Investor Protection Corporation and the remaining portions, \$428,899 and \$910,453 were uninsured and uncollateralized as defined by the Governmental Accounting Standards Board as of June 30, 2001 and 2000, respectively.

(CONTINUED)

RHODE ISLAND PUBLIC TRANSIT AUTHORITY

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2001 AND 2000**

3. CASH DEPOSITS AND INVESTMENTS (Continued)

In accordance with General Laws, Chapter 35-10.1, Rhode Island depository institutions holding deposits of the State, its agencies or governmental subdivisions of the State, shall at a minimum, insure or pledge eligible collateral equal to one hundred percent (100%) of the deposits which are time deposits with maturities greater than sixty (60) days. Any of these institutions which do not meet minimum capital standards prescribed by federal regulators shall insure or pledge eligible collateral equal to one hundred percent (100%) of the deposits, regardless of maturity. At June 30, 2001 the Authority's uncollateralized deposits had maturities of less than sixty (60) days and were with an institution that met the minimum capital standards.

Investments

GASB Statement No. 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools," was implemented during fiscal year ended June 30, 1998. Fair values are established by quoted market values. Unrealized gains and losses from the changes in fair value are recognized as investment income.

The Authority invests in U.S. treasuries which are stated at fair value. The Board of Directors gives the Finance Director and General Manager the authority to make the investments as well as the control over the type of investments made. The Finance Director is not limited by the corporate by-laws or by legal or contractual provision for the type of investments made. The Authority's investments are categorized to give an indication of the level of risk assumed by the entity at year-end. Category 1 includes insured, registered or securities held by the Authority or its agent in the Authority's name. Category 2 includes uninsured and unregistered, and securities held by the Brokers or dealers trust department or agent in the Authority's name. Category 3 includes uninsured and unregistered securities held by the counterparty or by its trust department or agent, but not in the Authority's name.

Investments at June 30, 2001 are as follows:

<u>Description</u>	<u>Category</u>			<u>Total Fair Value</u>
	<u>1</u>	<u>2</u>	<u>3</u>	
Corporate notes.....	<u>\$340,000</u>			<u>\$ 340,000</u>
Investments not subject to categorization:				
Investment in U.S. Government guaranteed mutual funds.....				<u>6,094,815</u>
Total investments				<u>6,434,815</u>
Less: amounts classified as cash equivalents				<u>6,434,815</u>
NET TOTAL.....				<u>\$ 0</u>

(CONTINUED)

RHODE ISLAND PUBLIC TRANSIT AUTHORITY

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2001 AND 2000**

3. CASH DEPOSITS AND INVESTMENTS (Continued)

Investments (Continued)

The carrying value of deposits of \$793,028, investments of \$6,434,815 and \$1,200 of petty cash, relate to the balance sheet totals as follows:

Cash deposits.....	\$ 793,028
Add: Petty cash	1,200
Investments classified as cash equivalents for financial statement purposes	<u>6,434,815</u>
Cash and cash equivalents per balance sheet.....	<u>\$7,229,043</u>
 Total investments per footnote	\$6,434,815
Investments classified as cash equivalents for financial statements purposes	<u>6,434,815</u>
Investments per balance sheet	<u>\$ 0</u>

Investments at June 30, 2000 are as follows:

<u>Description</u>	<u>Category</u>			<u>Total Fair Value</u>
	<u>1</u>	<u>2</u>	<u>3</u>	
Corporate bonds.....	<u>\$300,000</u>			\$ 300,000
Investments not subject to categorization:				
Investment in U.S. Government guaranteed mutual funds.....				<u>6,382,470</u>
Total investments				6,682,470
Less: amounts classified as cash equivalents				<u>6,682,470</u>
NET TOTAL.....				<u>\$ -0</u>

The carrying value of deposits of \$661,562, investments of \$6,682,470 and \$1,100 of petty cash, relate to the balance sheet totals as follows:

Cash deposits.....	\$ 661,562
Add: Petty cash	1,100
Investments classified as cash equivalents for financial statement purposes	<u>6,682,470</u>
Cash and cash equivalents per balance sheet.....	<u>\$7,345,132</u>
 Total investments per footnote	\$6,682,470
Investments classified as cash equivalents for financial statements purposes	<u>6,682,470</u>
Investments per balance sheet	<u>\$ -0-</u>

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RHODE ISLAND PUBLIC TRANSIT AUTHORITY

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2001 AND 2000**

4. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment consists of the following at June 30, 2001 and 2000 respectively:

	<u>2001</u>	<u>2000</u>
Land, shops, garages and buildings.....	\$18,547,910	\$18,530,405
Revenue equipment	71,317,835	61,481,223
Service vehicles and garage equipment	2,258,137	1,894,539
Furniture and office equipment.....	1,434,267	1,416,981
Management information systems	<u>2,599,860</u>	<u>2,863,621</u>
Total.....	96,158,009	86,186,769
Less: accumulated depreciation.....	<u>(48,978,255)</u>	<u>(46,400,168)</u>
	47,179,754	39,786,601
Federal grant projects in process	<u>28,254,793</u>	<u>12,038,611</u>
Net property, plant and equipment	<u>\$75,434,547</u>	<u>\$51,825,212</u>

Depreciation expense for fiscal years ended June 30, 2001 and 2000 was \$5,703,489 and \$5,804,416, respectively.

5. NOTES PAYABLE

The Authority has a \$2,000,000 line of credit with a financial institution. The line of credit is due on demand with interest payable at a floating rate at the financial institution's base rate or fixed rate options at the financial institution's cost of funds plus 2.00%. On February 20, 2001, the Authority increased the line-of-credit with a \$3,000,000 temporary overline for a period of 180 days. Additionally, interest payable to the financial institution has been permanently reduced to the financial institution's cost of funds plus 200 basis points. No amount was due under this line of credit at June 30, 2001 and 2000.

6. DUE TO PRIMARY GOVERNMENT

The Authority has entered into an agreement with the Rhode Island Department of Transportation for reimbursement of debt service for the years 1994 through 1999. Payments due under this agreement are as follows:

2002.....	\$ 500,000
2003.....	500,000
2004.....	<u>646,661</u>
Total.....	<u>\$1,646,661</u>

7. CAPITAL REPLACEMENT FUNDS

The Authority established a capital replacement fund for the purpose of meeting capital match requirements of its capital program.

(CONTINUED)

RHODE ISLAND PUBLIC TRANSIT AUTHORITY

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2001 AND 2000**

7. CAPITAL REPLACEMENT FUNDS (Continued)

The activity in the capital replacement fund for fiscal years ended June 30, 2001 and 2000 was as follows:

	<u>2001</u>	<u>2000</u>
Balance at beginning of year	\$3,333,943	\$2,480,892
Deposits:		
Capital replacement deposits	66,851	672,976
Other deposits	31,447	355,826
Transfers	(208,220)	0
Loan.....	(1,317,060)	(195,475)
Expenses.....	(9,702)	(8,415)
Other expenses		(136,472)
Interest earnings.....	200,600	164,611
Balance at end of year.....	<u>\$2,097,859</u>	<u>\$3,333,943</u>

8. SELF INSURANCE

The Authority established an accident and casualty fund as of July 1, 1977 for the purpose of paying all insurance claims and related losses and expenses. This reserve fund is augmented annually by depositing interest income earned on all investments and insurance settlements into the Accident and Casualty fund.

The activity in the accident and casualty fund for fiscal years ended June 30, 2001 and 2000 was as follows:

	<u>2001</u>	<u>2000</u>
Balance at beginning of year	\$1,303,315	\$1,208,280
Deposits:		
Interest earnings on investments	98,445	46,984
Insurance settlement	16,956	48,051
Settlement payment.....	<u>(200,000)</u>	
Balance at end of year.....	<u>\$1,218,716</u>	<u>\$1,303,315</u>

Assets restricted at June 30, 2001 and 2000 in the accident and casualty fund amounted to \$1,218,716 and \$1,303,315, respectively.

It is the intention of the Authority to build this self-insurance fund to not less than \$5,000,000 to provide for excess insurance coverage in the event of a large claim or catastrophe. The Authority, with the concurrence of the Urban Mass Transportation Administration (UMTA) authorized at its meeting on August 25, 1980, the placement of \$250,000 of the accident and casualty fund in a special reserve for Workers' Compensation claims exclusively, to satisfy a requirement of the Rhode Island Department of Labor for an appropriate "bond in kind" for self-insurance under the Workers' Compensation Act. During fiscal year 1990, the State increased the special reserve requirement to \$800,000. For fiscal year 1991, the State revoked the asset special reserve requirement. The Authority transferred \$400,000 from the Workers Compensation Fund to operating fund during fiscal year 1991 as they were no longer required to maintain a reserve.

At June 30, 2001 and 2000, the Authority obtained an independent evaluation of its self-insurance reserve for losses. The reserve for losses reflects the actuarial determined amount at the 75% confidence level.

(CONTINUED)

RHODE ISLAND PUBLIC TRANSIT AUTHORITY

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2001 AND 2000**

8. SELF INSURANCE (Continued)

The activity in the liability for self-insured claims for fiscal years ended June 30, 2001 and 2000 was as follows:

	<u>2001</u>	<u>2000</u>
Amount of claims liabilities, beginning of year.....	\$4,298,051	\$5,812,000
Incurred claims	1,725,600	(183,648)
Payments on claims	<u>(873,945)</u>	<u>(1,330,301)</u>
Amount of claims liabilities, end of year	<u>\$5,149,706</u>	<u>\$4,298,051</u>

9. COMMITMENTS AND CONTINGENCIES

Claims and Legal Actions

The Authority is involved in a suit involving the rescinding of a contract by the Authority. The amount of a settlement, if any, is not presently determinable. As a result, no liability has been recorded in the financial statements.

During the ordinary course of its operations, the Authority is a party to various claims, legal actions and complaints. In the opinion of the Authority's management and legal counsel, these matters are not anticipated to have a material financial impact on the Authority.

Construction Contracts

The Authority is committed under construction contracts in the amount of \$10,734,254 at June 30, 2001.

10. POST RETIREMENT BENEFITS

The Authority provides certain health care and life insurance benefits to substantially all retired employees and their spouses. These benefits are provided through a group insurance policy that covers both active and retired employees. The Authority funds these post retirement benefits on a pay as you go basis. Premiums on the policies are merit-rated, based on claims paid during the prior year, and are expensed during the related policy year. The total cost of these benefits for 2001 and 2000 was \$758,486 and \$586,222, respectively. These benefits are provided as part of the employees contract.

11. OPERATING TRANSFERS

State statute directs the Authority to generate sufficient revenues to pay all costs of operating and maintaining the transit system during each fiscal year. Beginning July 1, 1992, the Authority was not given a fixed appropriation from the State but was allocated the revenue generated from a three-cent dedicated gas tax. For the fiscal years ending June 30, 2001 and 2000 the Authority received \$26,412,331 and \$25,453,539, respectively from the dedicated gas tax as operating assistance in support of the transit system.

(CONTINUED)

RHODE ISLAND PUBLIC TRANSIT AUTHORITY

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2001 AND 2000**

11. OPERATING TRANSFERS (Continued)

Beginning July 1, 2000, the State appropriated an additional one-quarter cents of gas tax for a total of five and three-quarter cents of dedicated tax annually. Beginning July 1, 2001, the State appropriated an additional one-half cent of gas tax for a total of six and one-quarter cents of dedicated tax annually. The Authority anticipates receiving approximately \$29,375,000 in fiscal year ended June 30, 2002 from the State. On May 22, 1998, the Congress passed the Transportation Equity Act for the 21st century (TEA 21) authorizing Federal transportation programs for the next six years. This act eliminated Federal funding for operating. However, TEA 21 expanded the definition of capital preventive maintenance allowing the use of federal capital funds to be applied towards preventative maintenance expenses. For fiscal year 2002, RIPTA anticipates using \$4,900,000 of Federal capital funds to offset preventive maintenance costs.

12. ELDERLY BUS SERVICE

Beginning July 1, 1994, the Authority entered into an agreement with the Department of Elderly Affairs, Rhode Island Department of Transportation and the Governor's Commission on the Handicapped. The agreement provides for the Rhode Island Public Transit Authority to receive funds to cover the cost of the fixed route elderly bus service provided in accordance with Rhode Island General Law 39-18-4(g)(1), to fund paratransit services, and to provide matching funds for paratransit vehicle purchase. The funding source for the above revenue is a portion of the one-cent gasoline tax dedicated to the Department of Elderly Affairs. For fiscal years ended June 30, 2001, and 2000, the Authority recorded \$3,792,000 and \$3,642,300, respectively of contract revenue from this agreement.

13. DUE FROM PRIMARY GOVERNMENT

At June 30, 2001 and 2000, the Rhode Island Public Transit Authority is owed \$2,162,171 and \$2,121,108, respectively from the Rhode Island Department of Transportation.

14. RECONCILIATION OF FUND EQUITY

	<u>Contributed Capital</u>	<u>Accumulated Deficit</u>
Balance at June 30, 1999	\$48,554,735	\$(5,756,413)
Net loss.....		(6,171,186)
Capital grants	15,408,724	
Depreciation transfer on assets acquired with capital grants	<u>(5,536,888)</u>	<u>5,536,888</u>
Balance at June 30, 2000	58,426,571	(6,390,711)
Net loss.....		(4965,209)
Capital grants	28,098,773	
Depreciation transfer on assets acquired with capital grants	<u>(5,393,151)</u>	<u>5,393,151</u>
Balance at June 30, 2001	<u>\$81,132,193</u>	<u>\$(5,962,769)</u>

(CONTINUED)

RHODE ISLAND PUBLIC TRANSIT AUTHORITY

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2001 AND 2000**

15. DEFERRED COMPENSATION PLAN

The Authority offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all Authority employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

The Authority implemented the Governmental Accounting Standards Board, Statement No. 32, *Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plan*. All assets and income of the plan are held in trust for the exclusive benefit of the participants and their beneficiaries. As a result deferred compensation investments and the respective liability have been removed from the Authority's financial statements.

16. PENSION PLANS

The Authority administers a Bargaining Unit and a Salaried Unit single-employer defined benefit pension plan.

Bargaining Unit

Plan Description - The Authority has a funded pension plan for its bargaining unit employees (the Rhode Island Public Transit Authority Hourly Employees' Pension Plan), for which eligibility to participate begins immediately upon employment provided such employees have not attained their 60th birthday. Benefits vest upon completion of ten years of service. Authority employees are eligible to retire upon attainment of age 60 and 10 years of continuous service. Retired employees are entitled to a monthly retirement benefit for life as stipulated in the plan provisions. The plan also provides death and disability benefits. Effective July 1, 1997 employees were required to contribute 1% of their base salary to the plan. Effective January 1, 1998 employees were required to contribute 2% of their base salary to the plan. Effective January 1, 1999, employees are required to contribute 3% of their base salary to the plan. The remaining contributions to the plan are made by the Authority.

Salaried Unit

Plan Description - The Authority has a funded retirement annuity pension plan (the Rhode Island Public Transit Authority Salaried Pension Plan) for its salaried unit employees, for which eligibility to participate begins immediately upon employment provided such employees have not attained their 61st birthday. Benefits vest after ten years of service. Authority employees who retire at or after 62 with ten years of credited service are entitled to an annual retirement benefit payable monthly for life in an amount equal to 1.6 percent of their final average compensation multiplied by their credited service. The plan also provides death and disability benefits. All contributions to the plan are made by the Authority.

Funding Policy

The Authority funding policy provides for actuarially determined periodic contributions to the plans at rates that, for individual employees, increase gradually over time so that sufficient assets will be available to pay benefits when due.

(CONTINUED)

RHODE ISLAND PUBLIC TRANSIT AUTHORITY

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2001 AND 2000**

16. PENSION PLANS (Continued)

Annual Pension Cost and Net Pension Obligation

The Authority's annual pension cost and net pension obligation for the years ended June 30, 2001 and 2000 was as follows:

<u>2001</u>	<u>Bargaining Unit</u>	<u>Salaried Unit</u>
Annual required contribution	\$1,677,351	\$677,289
Interest on net pension obligation	102,145	0
Adjustment to annual required contribution	(100,921)	0
Annual pension cost	1,678,575	677,289
Contributions made	(1,677,351)	(677,289)
Increase (decrease) in net pension obligation	1,224	0
Net pension obligation, June 30, 2000	1,140,548	0
Net pension obligation, June 30, 2001	<u>\$1,141,772</u>	<u>\$ 0</u>

<u>2000</u>	<u>Bargaining Unit</u>	<u>Salaried Unit</u>
Annual required contribution	\$1,788,035	\$574,168
Interest on net pension obligation	103,342	0
Adjustment to annual required contribution	(118,305)	0
Annual pension cost	1,773,072	574,168
Contributions made	(1,788,035)	(574,168)
Increase (decrease) in net pension obligation	(14,963)	0
Net pension obligation, June 30, 1999	1,155,511	0
Net pension obligation, June 30, 2000	<u>\$1,140,548</u>	<u>\$ 0</u>

Bargaining Unit

The annual required contribution for the current year was determined as part of the July 1, 2000 actuarial valuation using the attained age normal cost method. The actuarial assumptions included 8% investment rate of return and projected salary increases of 3% per year. The actuarial value of assets was determined using values used by insurance companies plus due and accrued contributions. The unfunded actuarial accrued liability is being amortized over 30 years. The remaining amortization period at June 30, 2001 was 29 years.

Three-Year Trend Information

<u>Fiscal Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
6/30/99	1,817,623	108.33%	1,155,511
6/30/00	1,773,072	100.84%	1,140,548
6/30/01	1,687,575	99.93%	1,141,772

(CONTINUED)

RHODE ISLAND PUBLIC TRANSIT AUTHORITY

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2001 AND 2000**

16. PENSION PLANS (Continued)

Salaried Unit

The annual required contribution for the current year was determined as part of the January 1, 2000 actuarial valuation using the entry age actuarial cost method. The actuarial assumptions included a 7% investment rate of return and projected salary increased of 3% per year. The actuarial value of assets was determined using value used by insurance companies plus due and accrued contributions. The unfunded actuarial accrued liability is being amortized over 30 years. The remaining amortization period at June 30, 2001 is 27 years.

Three-Year Trend Information

<u>Fiscal Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
6/30/1999	523,810	100%	-0-
6/30/2000	574,168	100%	-0-
6/30/2001	677,289	100%	-0-

Schedule of Funding Progress

Bargaining Unit

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets (AVA) (1)</u>	<u>Actuarial Accrued Liability (AAL) (2)</u>	<u>Unfunded AAL (UAAL) (2) -(1) (3)</u>	<u>AVA as a Percent of AAL (1)/(2) (4)</u>	<u>Covered Payroll for Active Participants (5)</u>	<u>UAAL as a Percent of Covered Payroll (3)/(5) (6)</u>
July 1, 2000	\$13,237,585	\$25,212,610	\$11,975,025	52.50%	\$17,668,588	67.78%
July 1, 1999	11,042,015	23,042,740	12,000,725	47.92%	15,762,022	76.14%
July 1, 1998	8,846,080	20,713,915	11,867,835	42.71%	15,006,637	79.08%
July 1, 1997	7,062,997	19,610,063	12,547,066	36.02%	14,253,772	88.03%
July 1, 1996	5,875,074	20,241,153	14,366,079	29.03%	15,167,167	94.72%
July 1, 1995	4,905,921	16,963,725	12,057,804	28.92%	14,905,438	80.90%

Additional disclosures for Frozen Attained Age Funding Method:

- allocation is based on earnings
- aggregation is used in the calculation process
- there are no other methods used to value benefits under the plan

Values for years prior to July 1, 1997 were based on the Entry Age Normal Method, taking into account the benefit structure in effect on the valuation date shown.

(CONTINUED)

RHODE ISLAND PUBLIC TRANSIT AUTHORITY

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2001 AND 2000**

16. PENSION PLANS (Continued)

Schedule of Funding Progress (Continued)

Salaried Unit						
Actuarial Valuation Date	Actuarial Value of Assets (AVA) (1)	Actuarial Accrued Liability (AAL) (2)	Unfunded AAL (UAAL) (2)-(1) (3)	AVA as a Percent of AAL (1)/(2) (4)	Covered Payroll for Active Participants (5)	UAAL as a Percent of Covered Payroll (3)/(5) (6)
January 1, 2001	\$6,288,035	\$10,847,671	\$4,559,636	57.97%	\$4,481,180	101.75%
January 1, 2000	6,201,287	10,371,393	4,170,106	59.79%	4,048,872	102.99%
January 1, 1999	5,983,551	10,079,376	4,095,825	59.36%	2,784,609	147.09%
January 1, 1998	5,482,866	9,972,748	4,489,882	54.98%	2,397,937	187.24%
January 1, 1997	5,632,235	8,800,328	3,168,093	64.00%	1,676,086	189.02%
January 1, 1996	3,121,603	2,895,860	(225,743)	107.80%	2,255,834	(10.01%)

Additional disclosures for Entry Age Normal Funding Method:

- allocation is based on earnings
- aggregation is used in the calculation process
- entry age is minimum age for inclusion
- there are not different benefit formulas for various periods of service
- there are no other methods used to value benefits under the plan

17. PARATRANSIT OPERATIONS

Beginning November 1, 1998, the Authority was awarded three one-year contracts to provide paratransit service in the Providence and South County areas. These contracts expire during October 2001. Along with ten other carriers, the Authority supplies service as a coordinated paratransit system in the State. RIPTA operates 31 of the 107 runs under the RIDE Program. The transportation needs include trips to meal sites, workshops, adult daycare and medical visits.

During fiscal year ended June 30, 2001 and 2000, paratransit operations were as follows:

	<u>2001</u>	<u>2000</u>
Revenue	\$1,872,662	\$1,688,855
Expenses	<u>1,823,642</u>	<u>1,621,143</u>
Net income	<u>\$ 49,020</u>	<u>\$ 67,712</u>

18. SUBSEQUENT EVENTS

Beginning January 2002, the Authority will consolidate the two employee pension plans. At that time all Authority employees will be required to contribute 3% of their base salary to the plan. Each plan will maintain its existing pension benefit, however, as of January 1, 2002 the pension benefit for all employees in the consolidated plan will change to 1.8% for all years of service beginning January 1, 1987.

(CONCLUDED)

SUPPLEMENTARY INFORMATION

RHODE ISLAND PUBLIC TRANSIT AUTHORITY

SCHEDULE OF TANGIBLE PROPERTY

JUNE 30, 2001

	Tangible Property			Rate	Balance 7/1/00	Accumulated Depreciation		Balance 6/30/01	Net Book Value 6/30/01
	Balance 7/1/00	Additions	Removals			Balance 6/30/01	Transfers/ Removals		
Land and land rights	\$1,637,188								\$1,637,188
Shops, garages and office buildings	15,320,372	\$17,505		3 1/3%	\$4,631,127	\$495,512		5,126,639	\$10,211,238
Tunnels	1,572,845			4%	313,575	41,810		355,385	\$1,217,460
Communication system	1,706,617			10%	1,692,483	3,172		1,695,655	\$10,962
Revenue equipment - busses	48,140,293	10,195,381	2,714,300	8 1/3%	30,074,452	3,145,429	2,583,135	30,636,746	\$24,984,628
Trolleys	5,068,504	1,317,060		8 1/3%	571,264	575,716		1,146,980	\$5,238,584
Fare boxes	1,102,368			8 1/3%	1,060,040	8,444		1,068,484	\$33,884
Service cars and equipment	901,423	369,560	30,235	25%	785,519	77,557	30,235	832,841	\$407,907
Shops and garage equipment	993,116	24,273		10-20%	535,475	77,416		612,891	\$404,498
Furniture and office equipment	789,196	19,429	1,243	10-20%	513,648	55,073	709	568,012	\$239,370
Miscellaneous equipment	627,785	700	1,600	5-10%	421,969	35,613	480	457,102	\$169,783
Management information systems	2,863,621	174,758	438,519	10-20%	2,426,601	190,406	433,260	2,183,747	\$416,113
Leased Paratransit Vans	5,463,441	1,132,255	93,784	20%	3,374,015	997,341	77,583	4,293,773	\$2,208,139
Total fixed assets	86,186,769	13,250,921	3,279,681		46,400,168	5,703,489	3,125,402	48,978,255	\$47,179,754
Federal grant projects in process	12,038,611	16,216,182							28,254,793
Total tangible property	\$98,225,380	\$29,467,103	\$3,279,681		\$46,400,168	\$5,703,489	\$3,125,402	\$48,978,255	\$75,434,547

RHODE ISLAND PUBLIC TRANSIT AUTHORITY

SCHEDULE OF TANGIBLE PROPERTY

June 30, 2000

	Tangible Property			Rate	Accumulated Depreciation		Net Book Value 6/30/00
	Balance 7/1/99	Additions	Removals		Balance 7/1/99	Additions	
Land and land rights	\$1,637,188						
Shops, garages and office buildings	15,960,296	\$2,650	\$642,574	3 1/3%	\$4,776,496	\$497,205	\$10,689,245
Tunnels	1,572,845			4%	271,765	41,810	1,259,270
Communication system	1,706,617			10%	1,689,109	3,374	1,692,483
Revenue equipment - busses	50,155,653	1,874,578	3,889,938	8 1/3%	30,565,941	3,348,919	18,065,841
Trolleys	3,434,470	1,634,034		8 1/3%	143,103	428,161	4,497,240
Fare boxes	1,132,368		30,000	8 1/3%	1,038,185	51,855	42,328
Service cars and equipment	794,948	152,525	46,050	25%	751,581	53,035	115,904
Shops and garage equipment	856,275	137,061	220	10-20%	463,082	72,481	457,641
Furniture and office equipment	731,853	69,189	11,846	10-20%	448,087	53,091	275,548
Miscellaneous equipment	487,602	140,183		5-10%	245,767	36,019	205,816
Management information systems	2,828,065	164,972	129,416	10-20%	2,331,590	214,825	437,020
Leased Paratransit Vans	4,781,198	776,752	94,509	20%	2,431,129	1,003,641	2,089,426
Total fixed assets	86,079,378	4,951,944	4,844,553		45,155,835	5,804,416	39,786,601
Federal grant projects in process	2,200,725	10,768,105	930,219				12,038,611
Total tangible property	\$88,280,103	\$15,720,049	\$5,774,772		\$45,155,835	\$5,804,416	\$ 51,825,212

RHODE ISLAND PUBLIC TRANSIT AUTHORITY

**SCHEDULES OF OPERATING EXPENSES
FISCAL YEARS ENDED JUNE 30, 2001 AND 2000**

	2001	2000
Administration:		
Salaries	\$219,251	\$190,345
Fringes	83,113	66,724
Legal	297,137	302,881
Supplies	21,430	40,816
Professional services	133,321	28,478
Other services	188,558	83,143
Contracted Services	204,198	-
Travel	1,271	1,232
Total administration	1,148,279	713,619
Finance:		
Salaries	474,765	500,371
Fringes	215,122	200,369
Office expense/supplies	60,585	50,194
Professional services	35,040	44,965
Utilities	729,820	577,350
Lease expense	167,111	70,710
Other services	37,639	32,088
Miscellaneous	74,658	78,451
Maintenance agreement	-	29,364
Total finance	1,794,740	1,583,862
Operations:		
Salaries	128,973	73,692
Wages - drivers	13,680,819	13,507,821
Wages - other	6,625,960	6,209,297
Fringe benefits	9,637,017	8,852,512
Other services	38,203	178,941
Maintenance agreement	24,797	79,733
Supplies	831,630	547,717
Inspection/registration fees	54,284	10,922
Uniforms	257,967	95,601
Travel	38,611	31,040
Hazardous waste disposal	196,498	166,434
Fuel	2,392,837	1,821,065
Antifreeze and lubricants	66,403	70,586
Parts - revenue vehicles	3,059,397	2,667,646
Parts - service vehicles	36,818	26,321
Tires and tubes	256,275	269,368
Miscellaneous	87,123	77,924
Total operations	37,413,612	34,686,620

(CONTINUED)

RHODE ISLAND PUBLIC TRANSIT AUTHORITY

**SCHEDULES OF OPERATING EXPENSES
FISCAL YEARS ENDED JUNE 30, 2001 AND 2000**

	<u>2001</u>	<u>2000</u>
Marketing:		
Salaries	166,573	123,498
Fringes	54,880	53,251
Professional services	1,057,866	528,850
Miscellaneous supplies	62,564	32,654
Total marketing	<u>1,341,883</u>	<u>738,253</u>
Human resources:		
Salaries	268,729	292,690
Fringes	144,781	143,592
Miscellaneous	176,536	171,270
Total human resources	<u>590,046</u>	<u>607,552</u>
Risk management:		
Salaries	261,649	259,488
Fringes	134,434	125,657
Office expense/supplies	7,911	9,323
Professional services	18,976	14,523
Insurance	127,242	149,379
Settlements	1,336,025	(577,239)
Workers' Compensation legal	31,478	15,436
Workers' Compensation medical	75,774	76,006
Workers' Compensation	300,412	270,643
Workers' Compensation - other	64,630	59,865
Other services	12,535	15,856
Legal	180,430	222,800
Miscellaneous	28,593	62,357
Total claims	<u>2,580,089</u>	<u>704,094</u>
Planning and Scheduling:		
Salaries	359,791	321,262
Fringes	144,156	130,699
Professional services	27,463	10,002
Other services	40,720	76,927
Office expense/supplies	16,365	36,606
Total planning and scheduling	<u>588,495</u>	<u>575,496</u>
Specialized transportation:		
Salaries	517,991	501,533
Fringe benefits	246,734	212,944
Professional services	2,844,552	2,396,537
Other services	228,708	117,628
Parts – revenue vehicles	-	7,331
Office expenses/supplies	115	21,234
Time tables, printing and reproduction	95,905	
Maintenance Agreement	88,930	
Miscellaneous	2,598	501
Total specialized transportation	<u>4,025,533</u>	<u>3,257,708</u>

(CONTINUED)

RHODE ISLAND PUBLIC TRANSIT AUTHORITY

SCHEDULES OF OPERATING EXPENSES
FISCAL YEARS ENDED JUNE 30, 2001 AND 2000

	<u>2001</u>	<u>2000</u>
Paratransit operations:		
Wages – drivers	924,858	809,345
Wages – other	252,408	196,782
Fuel	121,818	98,470
Lease expense	123,064	112,669
Fringe benefits	174,712	152,575
Insurance	47,214	74,770
Other services	12,586	13,211
Contract services	-	11,407
Supplies	7,645	9,048
Uniforms	16,159	16,674
Parts – vehicles	121,068	100,629
Lubricants	6,988	5,113
Maintenance	1,426	2,468
Building repairs	5,725	6,074
Inspection/registration fees	1,901	1,129
Training	2,105	1,349
Travel	1,356	318
Utilities	-	147
Miscellaneous	630	6,986
Total paratransit	<u>1,821,663</u>	<u>1,619,164</u>
Purchasing:		
Salaries	668,829	613,813
Fringe	248,543	213,651
Professional services	10,623	
Supplies	99,821	88,434
Contract services	900,000	-
Other services	127,068	115,028
Travel	12,875	10,258
Miscellaneous	53,919	86,541
Total purchasing	<u>2,121,678</u>	<u>1,127,725</u>
Flex Access:		
Salaries	58,492	-
Fringes	15,112	-
Supplies	2,743	-
Insurance	982	-
Miscellaneous	47	-
Total Flex Access	<u>77,376</u>	<u>-</u>
Flex RIPTA:		
Salaries	41,090	-
Fringes	15,025	-
Supplies	1,318	-
Vehicle Maintenance	21,668	-
Miscellaneous	294	-
Total Flex RIPTA	<u>79,395</u>	<u>-</u>

(CONTINUED)

RHODE ISLAND PUBLIC TRANSIT AUTHORITY

**SCHEDULES OF OPERATING EXPENSES
FISCAL YEARS ENDED JUNE 30, 2001 AND 2000**

	<u>2001</u>	<u>2000</u>
Shops, garage and office building	495,455	497,148
Communication system	3,172	3,374
Revenue equipment	3,721,145	3,777,081
Service cars and equipment	77,557	53,034
Shop and garage equipment	77,416	72,481
Furniture and office equipment	54,251	52,269
Fare boxes	8,444	51,855
Miscellaneous equipment	35,613	36,019
Tunnel improvements	41,810	41,810
MIS equipment	189,306	213,725
Paratransit operations	1,979	1,979
Leased paratransit vans	997,341	1,003,641
<i>Total depreciation</i>	<u>5,703,489</u>	<u>5,804,416</u>
 TOTAL OPERATING EXPENSES	 <u><u>\$ 59,286,278</u></u>	 <u><u>\$51,418,509</u></u>

(CONCLUDED)

RHODE ISLAND PUBLIC TRANSIT AUTHORITY

**SCHEDULE OF RESOURCES, EXPENSES AND CHANGES IN ACCOUNTS RECEIVABLE FOR CAPITAL GRANTS
FISCAL YEAR ENDED JUNE 30, 2001**

	RI 90-X039	RI 90-X024	RI 90-X038	RI 90-X040	RI 90-X020	RI 90-X041	RI 90-X025
Resources:							
Federal	\$0	\$118,314	\$43,606	\$11,812,856	\$11,848	\$7,059,650	\$180,002
Non-federal contribution: State of Rhode Island	-	-	-	813,104	-	347,671	-
Total resources	-	118,314	43,606	12,625,960	11,848	7,407,321	180,002
Expenses:							
Capital improvements:							
Comm. System							
Farebox							
Furn & Fixtures						13,083	
Maintenance equipment				524,282		671,500	
Renovation of facility				40,981			35,639
Transportation equipment	160,000			2,022,315		3,999,317	
MIS System				360,226		62,357	
Facility Construction				11,354,842			
Other costs		19,231	43,606		11,848	6,471,491	120,224
Total expenses	160,000	19,231	43,606	14,302,646	11,848	11,217,748	155,863
Excess (deficiencies) of resources over expenses	(160,000)	99,083	-	(1,676,686)	-	(3,810,427)	24,139
Accounts receivable (unearned grant contribution) at June 30, 2000	-	113,507	-	1,664,484	-	-	24,139
Accounts receivable (unearned grant contribution) at June 30, 2001	\$ 160,000	\$ 14,424	\$ -	\$ 3,341,170	\$ -	\$ 3,810,427	\$ -

(CONTINUED)

RHODE ISLAND PUBLIC TRANSIT AUTHORITY

**SCHEDULE OF RESOURCES, EXPENSES AND CHANGES IN ACCOUNTS RECEIVABLE FOR CAPITAL GRANTS
FISCAL YEAR ENDED JUNE 30, 2001**

	RI 90-X029	RI 23-9010	RI 90-X030	RI 90-X032	RI 37-X001	RI 90-X034	RI 90-X037	RI 18-X018
Resources:								
Federal	\$73,317	\$2,254	\$78,820	\$52,438	\$244,298	\$58,780	\$2,006,921	\$467,591
Non-federal contribution:								
State	18,329	-	-	11,581	-	-	458,005	
Total resources	91,646	2,254	78,820	64,019	244,298	58,780	2,464,926	467,591
Expenses:								
Capital improvements:								
Comm. System			56,637					
Farebox								
Furn & Fixtures								
Maintenance equipment		2,254				1,553	1,528,685	
Renovation of facility						562,428		
Transportation equipment			7,394					
MIS System								
Facility Construction								
Other costs	85,375			27,558	244,298	37,250	1,043,586	445,332
Total expenses	85,375	2,254	64,031	27,558	244,298	601,231	2,572,271	445,332
Excess (deficiencies) of resources over expenses	6,271	-	14,789	36,461	-	(542,451)	(107,345)	22,259
Accounts receivable (unearned grant contribution) at June 30, 2000	14,137	-	14,788	37,254	-	20,774	143,027	22,258
Accounts receivable (unearned grant contribution) at June 30, 2001	\$ 7,866	\$ -	\$ (1)	\$ 793	\$ -	\$ 563,225	\$ 250,372	\$ (1)

(CONTINUED)

RHODE ISLAND PUBLIC TRANSIT AUTHORITY

**SCHEDULE OF RESOURCES, EXPENSES AND CHANGES IN ACCOUNTS RECEIVABLE FOR CAPITAL GRANTS
FISCAL YEAR ENDED JUNE 30, 2001**

	RI 03-0023	RI 18-X019	RI 90-X042	RI 26-0003	RI 16-0024	CMG M53100	Total
Resources:							
Federal	\$2,275,588	\$310,468	\$0	\$0	\$0	\$292,377	\$25,089,128
Non-federal contribution:							
State of Rhode Island	179,270					73,094	1,901,054
Total resources	<u>2,454,858</u>	<u>310,468</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>365,471</u>	<u>26,990,182</u>
Expenses:							
Capital improvements:							
Comm System							56,637
Farebox							-
Furn & Fixtures							13,083
Maintenance equipment	845,524						1,199,589
Renovation of facility	3,779,432		131,632		189,890		2,450,829
Transportation equipment						7,600	10,845,014
MIS System	2,312,840						437,577
Facility Construction		310,468				374,356	13,667,682
Other costs	-	310,468	-	-	-	381,956	9,234,623
Total expenses	<u>6,937,796</u>	<u>310,468</u>	<u>131,632</u>	<u>-</u>	<u>189,890</u>	<u>381,956</u>	<u>37,905,034</u>
Excess (deficiencies) of resources over expenses	(4,482,938)	-	(131,632)	-	(189,890)	(16,485)	(10,914,852)
Accounts receivable (unearned grant contribution) at June 30, 2000	6,555	-	-	-	-	44,195	2,105,118
Accounts receivable (unearned grant contribution) at June 30, 2001	<u>\$ 4,489,493</u>	<u>\$ -</u>	<u>\$ 131,632</u>	<u>\$ -</u>	<u>\$ 189,890</u>	<u>\$ 60,680</u>	<u>\$ 13,019,970</u>

(CONCLUDED)

RHODE ISLAND PUBLIC TRANSIT AUTHORITY

**SCHEDULE OF RESOURCES, EXPENSES AND CHANGES IN ACCOUNTS RECEIVABLE FOR CAPITAL GRANTS
FISCAL YEAR ENDED JUNE 30, 2000**

	RI 90-X011	RI 90-X024	RI 90-X038	RI 90-X040	RI 90-X020	RI 90-X018	RI 90-X025
Resources:							
Federal	\$23,661	\$458,174	\$10,455	\$9,517,964	\$12,091	\$288,409	\$510,327
Non-federal contribution:							
State of Rhode Island	5,915			1,873,715			
Total resources	29,576	458,174	10,455	11,391,679	12,091	288,409	510,327
Expenses:							
Capital improvements:							
Maintenance equipment				2,975,416			
Facility construction				4,707,303			
Transportation equipment			10,455	3,238,344			
MIS System				108,535		24,178	
Furniture and fixtures				55,868			
Other costs	29,576	250,783		1,702,587	(3,023)	286,489	506,350
Total expenses	29,576	250,783	10,455	12,788,053	(3,023)	310,667	506,350
Excess (deficiencies) of resources over expenses	-	207,391	-	(1,396,374)	15,114	(22,258)	3,977
Accounts receivable (unearned grant contribution) at June 30, 1999	-	320,898	-	268,110	15,114	-	28,116
Accounts receivable (unearned grant contribution) at June 30, 2000	\$ -	\$ 113,507	\$ -	\$ 1,664,484	\$ -	\$ 22,258	\$ 24,139

(CONTINUED)

RHODE ISLAND PUBLIC TRANSIT AUTHORITY

**SCHEDULE OF RESOURCES, EXPENSES AND CHANGES IN ACCOUNTS RECEIVABLE FOR CAPITAL GRANTS
FISCAL YEAR ENDED JUNE 30, 2000**

	RI 90-X029	RI 23-9010	RI 90-X030	RI 90-X032	RI 90-X036	RI 90-X034	RI 90-X037	RI 90-X037
Resources:								
Federal	\$412,053	\$107,261	\$3,442	\$124,390	\$80,150	\$1,626,972	\$181,202	\$459,483
Non-federal contribution:								
State	-	-	-	20,581	-	-	9,438	-
Total resources	412,053	107,261	3,442	144,971	80,150	1,626,972	190,640	459,483
Expenses:								
Capital improvements:								
Maintenance equipment		356				811,907		
Facility construction						583,639		
Transportation equipment		59,180						
MIS System								
Furniture and fixtures								
Other costs	426,190	52,180	3,442	182,225	80,150	222,453	333,667	459,483
Total expenses	426,190	111,716	3,442	182,225	80,150	1,617,999	333,667	459,483
Excess (deficiencies) of resources over expenses	(14,137)	(4,455)	-	(37,254)	-	8,973	(143,027)	-
Accounts receivable (unearned grant contribution) at June 30, 1999	-	10,333	-	-	-	29,747	-	-
Accounts receivable (unearned grant contribution) at June 30, 2000	\$ 14,137	\$ 14,788	\$ -	\$ 37,254	\$ -	\$ 20,774	\$ 143,027	\$ -

(CONTINUED)

RHODE ISLAND PUBLIC TRANSIT AUTHORITY

**SCHEDULE OF RESOURCES, EXPENSES AND CHANGES IN ACCOUNTS RECEIVABLE FOR CAPITAL GRANTS
FISCAL YEAR ENDED JUNE 30, 2000**

	RI 03-0014	RI 18-X014	RI 03-0023	RI 16-0023	CMG M53100	Total
Resources:						
Federal	\$75,763	\$1,200	\$2,447,689	\$3,615	\$333,301	\$16,677,602
Non-federal contribution:						
State of Rhode Island	25,254	-	226,532	-	83,325	2,244,760
Total resources	<u>101,017</u>	<u>1,200</u>	<u>2,674,221</u>	<u>3,615</u>	<u>416,626</u>	<u>18,922,362</u>
Expenses:						
Capital improvements:						
Maintenance equipment						3,787,679
Facility construction			2,680,776			7,388,079
Transportation equipment				3,615		3,895,233
MIS System					5,338	138,051
Furniture and fixtures		1,200			8,963	64,831
Other costs		1,200			422,131	4,955,883
Total expenses	<u>-</u>	<u>1,200</u>	<u>2,680,776</u>	<u>3,615</u>	<u>436,432</u>	<u>20,229,756</u>
Excess (deficiencies) of resources over expenses	101,017	-	(6,555)	-	(19,806)	(1,307,394)
Accounts receivable (unearned grant contribution) at June 30, 1999	101,017	-	-	-	24,389	797,724
Accounts receivable (unearned grant contribution) at June 30, 2000	\$ -	\$ -	\$ 6,555	\$ -	\$ 44,195	\$ 2,105,118

(CONCLUDED)

RHODE ISLAND PUBLIC TRANSIT AUTHORITY

**SCHEDULE OF TRAVEL AND ENTERTAINMENT
YEAR ENDED JUNE 30, 2001**

<u>Payee</u>	<u>Travelers Name</u>	<u>Purpose</u>	<u>Amount</u>
ANNA PRAGER		APTA MTG	\$ 92
RENAISSANCE HOTEL	BEVERLY SCOTT	APTA MTG	141
A. J. MOSCOLA		BUS INSPECT	70
JAMES DEAN		BUS INSPECT	70
ROGER MENCARINI		BUS INSPECT	70
JOSEPH MONTI		BUS INSPECT	70
BERNARD HARWOOD		BUS INSPECT	70
FLEET CREDIT CARD	VARIOUS	CONF./INSPECT.	2,515
BEVERLY A SCOTT		LABOR CONF.	70
MARK THERRIEN		PRE-PROD. MTG.	58
MIDRANGE COMP	W. BARBIERI	AS400 WRKSHOP	1,395
LEE BELIVEAU		APTA MTG	50
ATWOOD TRAVEL	BEVERLY SCOTT	APTA-HR CONF	545
ATWOOD TRAVEL	BEVERLY SCOTT	APTA	545
ATWOOD TRAVEL	BEVERLY SCOTT	COMTO CONF	795
ALFRED MOSCOLA			43
RAMADA INN	M.MCGRANE	FTA SEMINAR	317
EDWARD SCOTT	E.SCOTT/BELIVEAU	ITS	562
EDWARD SCOTT			168
TO CREDIT D/O	#01-07A		(105)
ALFRED MOSCOLA		ITS	168
JAMES DEAN		ITS	168
ALFRED MOSCOLA		BUS INSPECTION	86
MARK THERRIEN		PLANNING CONF.	355
ATWOOD TRAVEL	E.SCOTT/BELIVEAU	ITS	1,398
WILLIAM BARBIERI		AS400 WRKSHOP	180
HOLIDAY INN	W. BARBIERI	AS400 WRKSHOP	402
HILTON PORTLAND	M. THERRIEN	PLANNING CONF.	647
FLEET CREDIT CARD	BEVERLY SCOTT	APTA	611
ATWOOD TRAVEL	BH/MONTI/J DEAN	BUS INSPECT	3,420
ATWOOD TRAVEL	M. THERRIEN	PLANNING CONF.	346
ATWOOD TRAVEL	A. PRAGER	APTA	348
		SUB-TOTAL	<u>15,669</u>

(CONTINUED)

RHODE ISLAND PUBLIC TRANSIT AUTHORITY

SCHEDULE OF TRAVEL AND ENTERTAINMENT
YEAR ENDED JUNE 30, 2001

<u>Payee</u>	<u>Travelers Name</u>	<u>Purpose</u>	<u>Amount</u>
S.F. AIRPORT MARRIOTT	JAMES DEAN	APTA ANNUAL	612
S.F. AIRPORT MARRIOTT	T. GORTON	APTA ANNUAL	612
S.F. HILTON & TOWERS	BEVERLY SCOTT	APTA ANNUAL	1,677
S.F. HILTON & TOWERS	ALFRED MOSCOLA	APTA ANNUAL	1,677
S.F. HILTON & TOWERS	A. PRAGER	APTA ANNUAL	1,677
S.F. HILTON & TOWERS	L. BELIVEAU	APTA ANNUAL	1,677
S.F. HILTON & TOWERS	D. DAWSON	APTA ANNUAL	719
DEBORAH DAWSON		APTA ANNUAL	180
ANNA PRAGER		APTA ANNUAL	310
THOMAS GORTON		APTA ANNUAL	230
ALFRED MOSCOLA		APTA ANNUAL	360
BEVERLY A SCOTT		APTA ANNUAL	360
BEVERLY A SCOTT	L. BELIVEAU	APTA ANNUAL	360
JAMES DEAN		APTA ANNUAL	230
JAMES DEAN		APTA ANNUAL	75
APTA	P/T REGISTRATION	APTA ROADEO	300
ATWOOD TRAVEL	A. MOSCOLA	APTA ANNUAL	75
ATWOOD TRAVEL	B. SCOTT	APTA ANNUAL	75
N.E. ADA TECHNICAL	W. INLOW	CONFERENCE	90
APTA	10 ATTENDING	ROADEO DINNER	500
APTA		APTA ANNUAL	2,160
ATWOOD TRAVEL	D. DAWSON	APTA ANNUAL	75
MARINE LOG	H. KINCH	FERRY CONF	600
WILLIAM BARBIERI		GIRO SEMINAR	192
BRIAN MARQUIS		GIRO SEMINAR	192
EDWARD BROWN		GIRO SEMINAR	192
CAROL CLARK		GIRO SEMINAR	192
EMBASSY SUITES	M. MCGRANE	FTA SEMINAR	892
M. MCGRANE		FTA SEMINAR	250
FLEET CREDIT CARD	VARIOUS	BUS INSPECT	618
FLEET CREDIT CARD	TO CREDIT D/O	APTA ANNUAL	(158)
ALFRED MOSCOLA		APTA ANNUAL	908
LEE BELIVEAU		APTA ANNUAL	18
		SUB-TOTAL	<u>17,923</u>

(CONTINUED)

RHODE ISLAND PUBLIC TRANSIT AUTHORITY

SCHEDULE OF TRAVEL AND ENTERTAINMENT
YEAR ENDED JUNE 30, 2001

<u>Payee</u>	<u>Travelers</u> <u>Name</u>	<u>Purpose</u>	<u>Amount</u>
ATWOOD TRAVEL	L. BELIVEAU	APTA ANNUAL	75
ATWOOD TRAVEL	D. DAWSON	APTA ANNUAL	406
ATWOOD TRAVEL	T. GORTON & WIFE	ROADEO	812
ATWOOD TRAVEL	A. PRAGER	APTA ANNUAL	406
ATWOOD TRAVEL	AJM / B. SCOTT		1,152
ATWOOD TRAVEL	JAMES DEAN	APTA ANNUAL	406
ATWOOD TRAVEL	J. MONTI/A.J.M.		796
ATWOOD TRAVEL	B. SCOTT	APTA ANNUAL	281
ATWOOD TRAVEL	BELIVEAU/ A.J.M.	APTA ANNUAL	562
ATWOOD TRAVEL	H. KINCH	FERRY CONF	147
TIMOTHY MCCORMICK		PLANNING CONF.	242
ALFRED MOSCOLA		APTA ANNUAL	64
R.I. GOVERNMENT	M. NEIRA	TRAINING	342
LEE BELIVEAU		APTA ANNUAL	168
JAMES DEAN		APTA ANNUAL	98
FLEET CREDIT CARD	(CAR RENTAL)	APTA ANNUAL	434
APTA		REGISTRATIONS	1,840
MICHAEL MCGRANE		FTA SEMINAR	20
BRIAN MARQUIS		GIRO SEMINAR	522
VINCENT TRAMONTANO		INVENTORY SEM.	20
PADGETT-THOMPSON	TRAMONTANO,V.	SEMINAR	179
BEST WESTERN	JOSEPH MONTI	BUS INSPECT	936
HENRY KINCH		FERRY CONF	359
APTA		APTA SEMINAR	525
JOSEPH MONTI		BUS INSPECT	630
GRAND CASINOS	HENRY KINCH	FERRY CONF	392
HENRY KINCH		KP INTERMODAL	121
TRANS.RESEARCH	B.SCOTT	ANNUAL MTG	135
BROOKLYN MARRIOTT	B. SCOTT	TRB MTG	296
BROOKLYN MARRIOTT	A. MOSCOLA	TRB MTG	296
TIMOTHY MCCORMICK		CONFERENCE	121
FLEET CREDIT CARD	VARIOUS		2,128
ATWOOD TRAVEL	B. SCOTT	APTA RETREAT	197
		SUB-TOTAL	15,106

(CONTINUED)

RHODE ISLAND PUBLIC TRANSIT AUTHORITY

SCHEDULE OF TRAVEL AND ENTERTAINMENT
YEAR ENDED JUNE 30, 2001

<u>Payee</u>	<u>Travelers</u> <u>Name</u>	<u>Purpose</u>	<u>Amount</u>
ATWOOD TRAVEL	H. KINCH	FERRY CONF	332
ATWOOD TRAVEL	M. MCGRANE	FTA SEMINAR	194
ATWOOD TRAVEL	W. BARBIERI	AS400 WRKSHOP	305
ATWOOD TRAVEL	B. SCOTT	APTA	585
ATWOOD TRAVEL	F. ROSE	BUS INSPECT	625
LEE BELIVEAU		APTA	90
LEE BELIVEAU		APTA	130
ATWOOD TRAVEL	L. BELIVEAU	APTA	585
BEST WESTERN	F. ROSE	BUS INSPECT	702
JW MARRIOTT	L. BELIVEAU	APTA	364
FRANCIS ROSE		BUS INSPECT	480
FLEET CREDIT CARD	B. SCOTT	MEETING	513
ATWOOD TRAVEL	THERRIEN	PLANNING CONF.	149
ATWOOD TRAVEL	J. MONTI	BUS INSPECT	696
ATWOOD TRAVEL	B. SCOTT	APTA EXEC.	173
JOSEPH MONTI		PHONE CHARGES	34
FRANCIS ROSE		BUS INSPECT	250
JOSEPH MONTI		BUS INSPECT	300
JOSEPH MONTI		BUS INSPECT	488
ALFRED MOSCOLA		BUS INSPECT	269
APTA	THERRIEN	APTA CONF.	495
APTA	A. MOSCOLA	APTA GM'S SEM	575
NAT'L BUSINESS SEM		SEMINAR	139
BERNARD HARWOOD		BUS INSPECT	92
JOHN BRAGA		BUS INSPECT	92
ROGER MENCARINI		BUS INSPECT	92
ALFRED MOSCOLA		BUS INSPECT	92
JOSEPH MONTI		BUS INSPECT	592
FRANCIS ROSE		BUS INSPECT	550
APTA	KAREN/LEE/DAN	APTA MKTG. SEM.	1,085
APTA	L. BELIVEAU	APTA	495
JOSEPH MONTI		BUS INSPECT	688
BERNARD HARWOOD		BUS INSPECT	50
		SUB-TOTAL	<u>12,301</u>

(CONTINUED)

RHODE ISLAND PUBLIC TRANSIT AUTHORITY

SCHEDULE OF TRAVEL AND ENTERTAINMENT
YEAR ENDED JUNE 30, 2001

<u>Payee</u>	<u>Travelers</u> <u>Name</u>	<u>Purpose</u>	<u>Amount</u>
BERNARD HARWOOD		BUS INSPECT	70
ALFRED MOSCOLA		APTA GM'S SEM	1,149
ATLANTA MARRIOTT	L. BELIVEAU	APTA MKTG. SEM.	889
FLEET CREDIT CARD		VARIOUS	1,354
BEVERLY A SCOTT		APTA GM'S SEM	97
FRANCIS ROSE		BUS INSPECTION	950
APTA	NEIRA/E. SCOTT	FARE COLLECTION	100
FRANCIS ROSE		BUS INSPECT	385
FRANCIS ROSE		BUS INSPECT	94
DANIEL BANNISTER		APTA MKTG. SEM.	140
KAREN MENSEL		APTA MKTG. SEM.	140
LEE BELIVEAU		APTA MKTG. SEM.	190
CTAA	LECLERC	CONFERENCE	50
ATWOOD TRAVEL	LECLERC	CONFERENCE	586
ATWOOD TRAVEL	L. BELIVEAU	APTA MKTG. SEM.	541
N.E. STATES G.F.O.A.	M. NEIRA	CONFERENCE	100
JOSEPH MONTI		BUS INSPECT	2,055
RACHEL EDE		STATE MGMT. SEM.	100
ANNMARIE MCMAHON		STATE MGMT. SEM.	150
RACHEL EDE		SECTION 15 SEM.	130
LORETTA ZOGLIO		SECTION 15 SEM.	130
AMTRAK	ZOGLIO/EDE	SECTION 15 SEM.	282
BEVERLY A SCOTT		APTA CONF.	145
RIO SUITES HOTEL	ROOM DEPOSIT	H.T.E. CONF	120
RIO SUITES HOTEL	ROOM DEPOSIT	H.T.E. CONF	120
RIO SUITES HOTEL	ROOM DEPOSIT	H.T.E. CONF	120
SOFITEL HOTEL	ZOGLIO/EDE	SECTION 15 SEM.	269
APTA	DENICOURT	APTA RISK MGMT	275
MARK THERRIEN		FTA SEMINAR	252
LEE BELIVEAU		APTA CONF.	193
ATWOOD TRAVEL	LEE BELIVEAU	APTA CONF.	307
LEE BELIVEAU		APTA CONF.	90
BEVERLY A SCOTT		APTA CONF.	280
		SUB-TOTAL	<u>11,852</u>

(CONTINUED)

RHODE ISLAND PUBLIC TRANSIT AUTHORITY

SCHEDULE OF TRAVEL AND ENTERTAINMENT
YEAR ENDED JUNE 30, 2001

<u>Payee</u>	<u>Travelers Name</u>	<u>Purpose</u>	<u>Amount</u>
ANNA PRAGER		APTA CONF.	192
JW MARRIOTT		APTA CONF.	1,025
JW MARRIOTT		APTA CONF.	615
JW MARRIOTT		APTA CONF.	1,048
AMTRAK	LEE BELIVEAU	NTI CONF	124
LEE BELIVEAU		NTI CONF	50
JOSEPH MONTI		BUS INSPECT	1,000
ATWOOD TRAVEL	THERRIEN	APTA CONF.	586
ATWOOD TRAVEL	BELIVEAU	APTA CONF.	257
FLEET CREDIT CARD	B. SCOTT	VARIOUS	2,480
ATWOOD TRAVEL	ANNA PRAGER	APTA CONF.	440
ATWOOD TRAVEL	NEIRA/ E. SCOTT	APTA FARE COLL.	1,143
ATWOOD TRAVEL	B. SCOTT/BELIVEAU	APTA CONF.	273
BEST WESTERN	FRANK ROSE	BUS INSPECT	858
AMERISUITES	MONTI / HOLT	BLITZ CORP-	95
JOSEPH MONTI		BLITZ CORP-	100
RAYMOND HOLT		BLITZ CORP-	100
TIMOTHY MCCORMICK		TRB MTG	180
FLEET CREDIT CARD	VARIOUS		2,563
COURTYARD MARRIOTT	LEE BELIVEAU	APTA	450
LEE BELIVEAU		APTA	100
ANNMARIE MCMAHON		STATE MGMT. SEM.	56
FRANCIS ROSE		BUS INSPECT	250
CTAA		ROADEO	175
CTAA/AHI	E. SCOTT	CONFERENCE	350
EDWARD SCOTT			50
OMNI CORPUS HOTEL	T. MCCORMICK	TRB MTG	242
PARAMOUNT HOTEL	MCMAHON	FTA SEMINAR	368
ROGER MENCARINI		CERT. COURSE	359
ATWOOD TRAVEL	EDE	STATE MGMT. SEM.	395
ATWOOD TRAVEL	MCMAHON	STATE MGMT. SEM.	397
HUG CONFERENCE	VR/JD/WB/WM/DP	CONFERENCE	1,625
FRANCIS ROSE		BUS INSPECT	550
		SUB-TOTAL	18,492

(CONTINUED)

RHODE ISLAND PUBLIC TRANSIT AUTHORITY

SCHEDULE OF TRAVEL AND ENTERTAINMENT
YEAR ENDED JUNE 30, 2001

<u>Payee</u>	<u>Travelers Name</u>	<u>Purpose</u>	<u>Amount</u>
HOLIDAY INN	FRANK ROSE	BUS INSPECT	1,048
RADISSON HOTEL	J. MONTI	BUS INSPECT	187
UNIV. OF WISCONSIN	B. ALMONTE	SCHEDULING CONF	645
JOSEPH MONTI		BUS INSPECT	200
FLEET CREDIT CARD	VARIOUS		629
MICHAEL MCGRANE		FTA TRAINING	116
FRANCIS ROSE		VAN INSPECTION	250
MAUREEN NEIRA		NEGFOA SEMINAR	62
BEVERLY A SCOTT		APTA	32
GOSHEN INN	FRANK ROSE	VAN INSPECT	418
ATWOOD TRAVEL	FRANK ROSE	VAN INSPECT	367
COMPUMASTER	N. LANGLOIS	SEMINAR	249
COMPUMASTER	LOPES-MACHADO	SEMINAR	249
FRANCIS ROSE		BUS INSPECT	15
WILLIAM INLOW		PROJ. ACTION SEM.	83
ROGER MENCARINI		CERT. COURSE	359
JOSEPH MONTI		BLITZ CORP-	135
R.I. SOCIETY CPA'S	M. NEIRA	SEMINAR	165
CALGARY MARRIOTT	B. SCOTT	APTA BUS&PT CONF	811
EDWARD SCOTT		CTAA ROADEO	250
DAVID PEARSALL		H.T.E. CONF	419
MAUREEN NEIRA		RIGFOA MTG FEE	15
FRANCIS ROSE		BUS INSPECT	350
ATWOOD TRAVEL	J.MONTI/ R. HOLT	BLITZ CORP-	382
ATWOOD TRAVEL	W. INLOW	PROJ. ACTION SEM.	111
COURTYARD MARRIOTT	L. BELIVEAU	TRIP CANCELLED	(450)
ATWOOD TRAVEL	FRANK ROSE	BUS INSPECT	1,032
ATWOOD TRAVEL	B. SCOTT	APTA	430
HILTON SALT LAKE		ROADEO	569
ATWOOD TRAVEL	B. SCOTT		586
ATWOOD TRAVEL	B. SCOTT	APTA CONF	511
ATWOOD TRAVEL	T. MCCORMICK	PLANNING MTG.	369
ATWOOD TRAVEL	E. SCOTT	ROADEO	331
		SUB-TOTAL	10,924

(CONTINUED)

RHODE ISLAND PUBLIC TRANSIT AUTHORITY

SCHEDULE OF TRAVEL AND ENTERTAINMENT
YEAR ENDED JUNE 30, 2001

<u>Payee</u>	<u>Travelers</u> <u>Name</u>	<u>Purpose</u>	<u>Amount</u>
HILTON MILWAUKEE	B. ALMONTE	PLANNING MTG.	248
BROOKS ALMONTE		PLANNING MTG.	150
APTA	KINCH/B.SCOTT/D.D.	H.R CONF	975
ROGER MENCARINI		CERT. COURSE	359
JOSEPH MONTI		BUS INSPECT	331
ATWOOD TRAVEL	B. SCOTT	APTA	641
JAMES DALEY		H.R CONF	49
FLEET CREDIT CARD	B. SCOTT	APTA	277
JOSEPH MONTI		BUS INSPECT	288
JOSEPH MONTI		BUS INSPECT	100
LUIS MEDEIROS		BUS INSPECT	100
WILLIAM BARBIERI		H.T.E. CONF	36
FRANCIS ROSE		BUS INSPECT	350
EDWAD MURRAY		BUS INSPECT	350
LUIS MEDEIROS		BUS INSPECT	100
JOEL DARELIUS		BUS INSPECT	480
JOSEPH MONTI		BUS INSPECT	21
ATWOOD TRAVEL	JOEL DARELIUS	BUS INSPECT	1,652
CARMEL DENICOURT		RISK MGMT SEM	875
ORLANDO MARRIOTT	D. DAWSON	H.R CONF	320
RADISSON HOTEL		BUS INSPECT	64
JOSEPH MONTI		BUS INSPECT	100
EMBLEM & BADGE		ROADEO TROPHIES	129
ATWOOD TRAVEL	AMM/EDE/MT/AL	STATE MGMT. SEM.	414
APTA	EDE/HOLBROOK	APTA SEMINAR	150
JOSEPH MONTI		BUS INSPECT	406
FRANCIS ROSE		BUS INSPECT	401
DEBORAH DAWSON		SUB. ABUSE SEM.	158
HOLIDAY INN	EDWARD MURRAY	BUS INSPECT	1,771
EDWARD MURRAY		BUS INSPECT	350
NEPTA		ANNUAL REGIS.	650
QUIRK INSTITUTE	D. DAWSON	SEMINAR	50
EDWARD MURRAY		BUS INSPECT	250
		SUB-TOTAL	<u>12,594</u>

(CONTINUED)

RHODE ISLAND PUBLIC TRANSIT AUTHORITY

SCHEDULE OF TRAVEL AND ENTERTAINMENT
YEAR ENDED JUNE 30, 2001

<u>Payee</u>	<u>Travelers Name</u>	<u>Purpose</u>	<u>Amount</u>
FRANCIS ROSE		BUS INSPECT	350
ATWOOD TRAVEL	EDWARD MURRAY	BUS INSPECT	1,053
DAVID PEARSALL		H.T.E. CONF	300
JAMES DALEY		H.T.E. CONF	292
WILLIAM BARBIERI		H.T.E. CONF	280
WILLIAM MANTON		H.T.E. CONF	292
EDWARD SCOTT		ROADEO	27
ATWOOD TRAVEL	B. SCOTT	APTA SEMINAR	221
ATWOOD TRAVEL	B. SCOTT	COMPTO CONF.	273
ATWOOD TRAVEL	D. DAWSON	SUB. ABUSE SEM.	214
VINCENT REINA		H.T.E. CONF	250
ATWOOD TRAVEL	DENICOURT	RISK MGMT SEM	281
ATWOOD TRAVEL	DALEY/MANTON	H.T.E. CONF	850
ATWOOD TRAVEL	REINA	H.T.E. CONF	527
ATWOOD TRAVEL	BARBIERI	H.T.E. CONF	425
ATWOOD TRAVEL		CREDIT INVOICE	(257)
ATWOOD TRAVEL		CREDIT INVOICE	(586)
ATWOOD TRAVEL	SCOTT/DAWSON	WASHINGTON	1,171
ATWOOD TRAVEL	L. BELIVEAU	APTA	286
		SUB-TOTAL	<u>6,247</u>
		TOTAL	<u><u>\$ 226,546</u></u>

(CONCLUDED)

RHODE ISLAND PUBLIC TRANSIT AUTHORITY

**SCHEDULE OF RECONCILIATION OF NET OPERATING EXPENSES
TO NET PROJECT COST
YEARS ENDED JUNE 30, 2001 AND 2000**

	<u>2001</u>	<u>2000</u>
Net operating expenses for year ended June 30	\$59,286,278	\$51,418,509
Deposits to self-insurance reserve	16,956	41,901
Interest on short-term debt and other	5,069	5,083
Net operating expenses	<u>59,308,303</u>	<u>51,465,493</u>
Less eliminations		
Ineligible expenses:		
Depreciation	5,703,759	5,804,416
Expenses equal to revenue of:		
Charter service	400	713
ID pass sales	25,863	26,197
Miscellaneous	1,622,188	862,142
Other unallowable expenses under federal regulations:		
Other, including applicable pension amounts	1,332,572	1,430,913
Non-mass transportation expenses:		
Expenses equal to revenue of:		
Rental building	30,049	33,302
Contra expenses:		
Interest income on working capital	431,850	385,893
Other excluded expenses:		
CMAQ/ service initiative	1,303,766	1,547,101
Miscellaneous expenses relating to capital grants	4,819,293	3,111,915
State wide planning	78,586	208,039
Total eliminations	<u>15,348,326</u>	<u>13,410,631</u>
Eligible operating expenses	<u>43,959,977</u>	<u>38,054,862</u>

(CONTINUED)

RHODE ISLAND PUBLIC TRANSIT AUTHORITY

**SCHEDULE OF RECONCILIATION OF NET OPERATING EXPENSES
TO NET PROJECT COST
YEARS ENDED JUNE 30, 2001 AND 2000**

	<u>2001</u>	<u>2000</u>
Fare box and other revenue not includable as local share:		
Fare box revenue - regular	9,078,692	8,638,696
Students' revenue	725,330	678,600
Total fare box and other revenue applied against eligible expenses not includable as local share	<u>9,804,022</u>	<u>9,317,296</u>
Net project costs	34,155,955	28,737,566
Local share other than general operating assistance:		
Advertising	<u>359,811</u>	<u>363,580</u>
Expenses eligible for state and federal operating assistance	<u>\$ 33,796,144</u>	<u>\$ 28,373,986</u>

(CONCLUDED)