

Central Falls

Bond Ratings (as of February 2003)

Moody's: Baa3

Fitch: -

Standard & Poor's: BBB

In order to assess a community's financial condition, credit rating agencies focus on measuring a community's available resources to meet existing and projected obligations. The following indicators were developed to gauge these factors in order to provide an overview of a community's relative fiscal health. Taxpayers should not focus on any singular measure. Rather, they should evaluate their community's overall fiscal health using a range of the indicators discussed below.

The **General Fund balance as a percentage of the General Fund operating revenues** declined from 11.4% by the beginning of FY 2001 to 6.8% by the end of the year. One should note that some municipalities include school revenues and expenditures in a Special Revenue Fund and not in the General Fund. Therefore, this indicator doesn't include these revenues and expenditures for those communities. Hence, this indicator should not be used as a comparison among communities.

Central Falls has an **unfunded private municipal pension liability** in the amount of \$28,314,685 as of January 1, 1998. The city participates in the Municipal Employees' Retirement System of the State of Rhode Island and has a pension funding deficit of \$907,785 in FY 2000.

The **estimated effective tax rate**, which is a tool to compare the overall property tax burden in each community is \$29.06 as of December 31, 1999, not taking into account the homestead exemption. The state median is \$22.27. The tax levy as a percentage of the estimated full value is 2.8%. The state median is 2.2%.

The **outstanding long-term debt** per capita is \$3,281 and \$303 per \$1,000 of Personal Income. The statewide average is \$1,912 per capita and \$88 per \$1,000 of Personal Income. The outstanding debt as a percentage of estimated full value is 19.6%, while the statewide average is 3.3%.

Central Falls' bond rating of Baa3 by Moody's and BBB by Standard & Poor's is considered as medium grade obligations. The General Fund balance as a percentage of the General Fund operating revenues declined during FY 2001. The city has an unfunded private municipal pension liability of \$28,314,685 as of January 1, 1998. The outstanding long-term debt per capita is 71.6% above the statewide average, ranking the city 4th in the state. The estimated effective tax rate is \$29.06, ranking the city second in the state, not taking into account the homestead provision. The city did not maintain a record of General Fixed Assets as of FY 2001.

All municipal audits are required to be completed no later than six months after the close of the fiscal year. The Office of the Auditor General has discretion to grant extensions of up to three months after the legal deadline. Central Falls' audit report for FY 2000 was submitted three months after the extension period and the audit report for FY 2001 was submitted four months after the extension period.

General Information

Form of Government	Mayor-Council
Population 2000	18,928
Personal Income Per Capita CY 2000	\$10,825

Property Tax Data FY 2001 (Assessment as of 12/31/1999)

Estimated Full Value	\$317,023,264
Property tax collection rate	92.0%
Tax Rates by Class:	
Residential RE Tax Rate	\$26.25
Homestead Provision	\$5,000
Commercial RE Tax Rate	41.50
Inventory Tax Rate	38.92
Motor Vehicle Tax Rate	48.65
Personal Property Tax Rate	48.65
Estimated Effective Tax Rate	29.06
State Median	22.27
Tax Levy as Percentage of Full Value	2.8%
State Median	2.2%

