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## City of Providence, Rhode Island Office of the Internal Auditor

October 23, 2013

Councilman David A. Salvatore  
Chairman, Ways & Means Committee  
City of Providence  
25 Dorrance Street  
Providence, RI 02903

Dear Chairman Salvatore:

As requested, I have analyzed revenues and expenditures for the fiscal year ending June 30, 2013. Based upon an analysis of the most recent results and information available, the FY2013 budget will result in a \$1.05 million improvement to the city's cumulative general fund balance to negative \$10.35 million from negative \$11.4 million as of June 30, 2012. Below is a review of the major projected variances that impacted the FY2013 budget.

### Revenues

#### **Current Taxes (+2.7 million)**

Revenue from current year taxes was budgeted at \$307.8 million or 92.5% of the city's total levy of \$332.8 million. Current year collections were stronger than expected and totaled \$310.5 million which represents 93.3% of the total levy.

#### **Prior Year Taxes (-\$662,000)**

Revenue from prior year (back) taxes fell approximately \$662,000 short of the \$9.1 million that was budgeted for the fiscal year. Tax collections (current and prior year) totaled \$318.9 million or 95.8% of the total tax levy. The budgeted collection rate for all taxes was 95.2%

**Interest on Overdue Taxes**  
**(-\$602,000)**

The shortfall in the collection of prior year taxes impacted the revenue the city generates from interest charged (12.0%) on delinquent taxes. Interest paid on delinquent taxes totaled \$4.9 million, which was approximately \$602,000 short of the \$5.5 million budgeted for FY2013. The city generated \$6.1 million in interest on overdue taxes in the previous fiscal year.

**State Payment in Lieu of Taxes**  
**(+2.2 million)**

Growth in the PILOT Program (\$1.0 million) coupled with an additional \$1.4 million in PILOT payments that the General Assembly approved as part of the state's FY2014 budget, resulted in total revenue of \$25.6 million against a budget of \$23.4 million.

**Red Light Camera Revenue**  
**(+\$2.2 million)**

The General Assembly as a part of its FY2014 budget deliberations approved the forgiveness of the \$2,223,485 receivable due from the city's red light enforcement program. This payable was charged each year and therefore the reimbursement is available for the FY2013 budget year.

**Transfer from Fund 892**  
**(+\$1.17 million)**

An overpayment of \$1.17 million was made from the city's general fund to the retiree medical self-insurance account. This amount is shown as revenue as opposed to an offset of the city's medical expense.

**Transfer from Fund 891**  
**(+\$413,000)**

The city's general fund received \$413,000 from CVS Caremark as a rebate on the city's pharmaceutical purchases as required by contract.

**Miscellaneous Revenue**  
**(+\$908,000)**

The city was a member of a class action lawsuit against McKesson Corp - a California drug wholesaler. McKesson was accused of wrongfully inflating prescription drug prices for close to 400 brand-name medications. The total settlement with McKesson was \$82 million. Providence received a reimbursement of \$401,848.

The Department of Public Property learned during the fiscal year that the city had been incorrectly charged for electricity usage at the hurricane barrier after the February 2010 transfer of the facility to the Army Corps of Engineers. A total of \$610,315 has been reimbursed year-to-date by National Grid. According to the finance director an additional reimbursement of \$99,665 is expected.

**Inspections & Standards**  
**(+\$850,000)**

Revenue generated at the Department of Inspections & Standards (\$4.5 million) in FY2013 surpassed results from the previous year by 9.5%.

**Transfer from Police Details**  
**(+\$497,000)**

A 33.75% surcharge is added to police detail bills. In addition, there is a \$15 per hour charge to reimburse the city for the use of vehicles during details. A transfer of \$1.2 million was budgeted for FY2013. The total transfer for the year was \$1,696,928.

**Meals & Beverage Tax**  
**(+\$456,000)**

The one-percent (1.0%) local tax on the sale of meals and/or beverages served in Providence resulted in total revenue of \$4.6 million during fiscal 2013. The city had budgeted \$4.1 million for the year. This revenue has grown 18.0% in the past four years (\$3.9 million in FY2010).

**Recorder of Deeds**  
**(+\$329,000)**

Revenue generated by the Recorder of Deeds increased by 6.3% in FY2013. FY2013 was the fourth consecutive annual increase to the Recorder of Deeds' revenue. This revenue has increased 21% in total revenue since 2011.

**Fines & Forfeits**  
**(-\$2.0 million)**

Revenue under the category Fines & Forfeits, which includes parking, moving and other violations, totaled slightly more than \$6.0 million against a budget of approximately \$8.0 million. FY2013 is the third consecutive year that results from this revenue fell short of budget. In FY2014 the budget for this revenue category was reduced to \$7.3 million.

**Reimbursement Blue Cross Providers**  
**(-\$682,000)**

As a result of the shifting of retirees to Medicare, this reimbursement of retiree medical costs through the Medicare program was significantly reduced during FY2013. Total reimbursement of \$68,279 was received. The city received a \$710,000 reimbursement in FY2012.

**Transfer from Rescue Runs**  
**(-\$534,000)**

A change to the protocol for dispatching emergency medical transports resulted in fewer runs than the previous year. Revenue generated from rescue runs was budgeted at \$3.6 million for the year.

***Parking Ticket Collection Percentage Rebate***  
**(+\$2,000,000)**

The administration is currently negotiating a new five year contract extension with the city's parking ticket consultant, Affiliated Computer Services (ACS). This new contract will include a rebate of fees previously paid to ACS during the current contract. The finance director stated that it is expected that this rebate will be approximately \$2.0 million and will be credited to the FY2013 budget.

**Expenditures**

**Salaries**  
**(\$2.4 million)**

Salaries at all non-public safety departments were \$1.6 million below the \$37.5 million budgeted. Salaries at the public safety departments however were over budget by a total of \$4.0 million. The police department's salary budget overspent by \$700,000, driven by an over expenditure of \$375,000 in overtime. The fire department's salary budget was overspent by \$2.5 million due primarily by a \$3.3 million over expenditure in callback.

**Pension Contribution**  
**(\$2.9 million)**

The city's general fund portion of the FY2013 ARC is \$46,917,588. An appropriation of \$44,008,089 was made for the city's portion of the ARC. The city will make 100% of the ARC, which will result in an overspending of \$2.9 million to this line item.

**Additional Pension Savings**  
**(\$3.3 million)**

An expenditure offset of \$3.3 million from "Additional Pension Reform Savings" was assumed in the budget. These savings were not realized.

**Medical Insurance**  
**(\$7.4 million)**

It is projected that total medical expenditures for the city's active employees and retirees will be \$45 million for the year - \$7.4 million more than the budget of \$37.7 million. The four main factors for this over-expenditure are a shortfall in employee medical co-share payments, the timing of the transfer of retirees to Medicare, lower than anticipated savings from the Coordination of Benefits effort, and several large claim events.

It is important to note that the pharmaceutical rebate from CVS Caremark (\$413,000) and the Transfer from Fund 892 (\$1.7 million) mentioned above offset the city's total spend on medical for active employees and retirees.

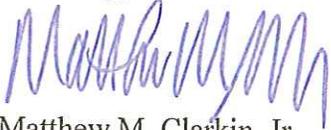
**School Department**

The school department ended fiscal 2013 with a surplus of approximately \$1.1 million. A projected revenue shortfall of \$500,000 was overcome by net expenditure savings of \$1.6 million. The school department realized savings in Salaries (\$3.0 million), employee benefits (\$243,000) and supplies and materials (\$427,000). Expenditures under the categories of Purchased Services and Capital Outlays were overspent by \$1.9 million and \$296,000 respectively.

## Overview

There are still moving parts to the city's results for FY2013 and it is likely that some of the results shown above will change. The projected \$1.05 million improvement to the condition of the city's cumulative general fund balance is dependent upon the contract extension with ACS being completed and approval in a time frame sufficient for the city to recognize the revenue for FY2013.

Sincerely,

A handwritten signature in blue ink, appearing to read "Matthew M. Clarkin, Jr.", written in a cursive style.

Matthew M. Clarkin, Jr.  
Internal Auditor

Cc: Members of the Ways & Means Committee  
City Council Members

**FY2013**  
**Final Budget Projections**

Revenues		
	General Fund	School Fund
Budgeted Revenues	\$437,830,845	\$329,075,956
Projected Revenues	<u>\$451,001,129</u>	<u>\$328,575,956</u>
Projected Surplus/(Deficit)	\$13,170,284	(\$500,000)
Expenditures		
	General Fund	School Fund
Budgeted Expenditures	\$437,830,845	\$329,075,956
Projected Expenditures	<u>\$451,006,609</u>	<u>\$327,518,841</u>
	(\$13,175,765)	\$1,557,115
Projected Operating Surplus/(Deficit)	(\$5,481)	\$1,057,115
<b>Total Surplus Towards Fund Balance *</b>	<b>\$1,051,635</b>	

\* Includes \$2.0 million Revenue from ACS Contract Extension

General Fund  
Revenues

## Internal Auditor's Fiscal 2013 Year-End Revenue Projections

### General Fund

Departmental Revenue	Approved Budget	Year-End Actual	Projected Variance
Highway	\$232,600	\$2,957,674	● \$2,725,074
Inspection & Standards	3,652,545	4,503,090	● 850,545
Recorder of Deeds	2,265,768	2,594,640	● 328,872
Public Property	128,000	259,915	● 131,915
Planning & Urban Development	2,072,335	2,195,675	● 123,340
Communications	637,302	740,973	● 103,671
City Controller	0	78,766	● 78,766
Housing Court	23,000	66,529	● 43,529
Mayors Office	0	39,000	● 39,000
Police	641,025	672,165	● 31,140
City Clerk	15,000	20,416	● 5,416
Arts, Culture, Film, & Tourism	95,000	98,450	● 3,450
Sewer Construction	7,350	10,522	● 3,172
Building Board	4,392	7,040	● 2,648
Public Works Administration	0	1,236	● 1,236
Law Department	0	670	● 670
Personnel	0	405	● 405
Board of Canvassers	0	260	● 260
Treasury	156	203	● 47
Commissioner of Public Safety	60,000	58,915	● (1,085)
Grants and Commisions	5,000	0	● (5,000)
Vital Statistics	331,542	318,900	● (12,642)
Structures & Zoning	17,519	0	● (17,519)
Emergency Mgmt / Homeland Sec.	183,000	158,029	● (24,971)
Probate Court	160,552	135,528	● (25,024)
Bureau of Licenses	1,535,111	1,508,739	● (26,372)
Enviromental Control	36,575	9,350	● (27,225)
Zoning Board of Review	80,000	47,590	● (32,410)
City Collector	724,800	685,076	● (39,724)
Fire	761,356	645,387	● (115,969)
Traffic Engineering	2,500,500	2,336,034	● (164,466)
City Assessor	481,000	307,504	● (173,496)
Human Services	211,640	2,000	● (209,640)
<b>Total General Fund Departmental Revenue</b>	<b>\$16,863,068</b>	<b>\$20,460,681</b>	<b>● \$3,597,613</b>

## Internal Auditor's Fiscal 2013 Year-End Revenue Projections

### General Fund

General Revenues	Approved Budget	Year-End Actual	Projected Variance
Current Taxes	\$307,810,510	\$310,510,342	● \$2,699,832
Transfer from Red Light Camera Revenue	0	2,223,485	● 2,223,485
Payment in Lieu of Taxes - RI	23,460,727	25,645,223	● 2,184,496
<i>Parking Ticket Collection Percentage Rebate *</i>	0	2,000,000	● 2,000,000
Transfer from Fund 892	0	1,165,484	● 1,165,484
Miscellaneous Revenue	200,000	1,108,828	● 908,828
FEMA Blizzard Reimbursement	0	550,000	● 550,000
Transfer from Police Detail - 252	1,200,000	1,696,928	● 496,928
Meals & Beverages Tax	4,100,000	4,555,807	● 455,807
Transfer from Fund 891	0	412,994	● 412,994
Transfer from Fire Detail - 256	0	350,000	● 350,000
Room Tax	1,350,000	1,522,101	● 172,101
State Reimbursement Excise Tax	1,617,922	1,773,136	● 155,214
PILOT: Colleges, Universities, Hospitals	8,795,715	8,929,579	● 133,864
Port of Providence	0	90,296	● 90,296
Telephone Tax	2,142,738	2,231,291	● 88,553
Tax Stabilization Plan - Misc	0	78,648	● 78,648
PILOT - Providence Housing Authority	0	75,050	● 75,050
In Lieu of Tax Exempt Property	0	16,000	● 16,000
Distressed Cities Revenue	4,804,334	4,804,334	● 0
Data Processing Reimbursement	1,009,926	1,009,926	● 0
Reimbursement - WSB	839,200	839,200	● 0
Stabilization Treaty - Electric Co.	5,222,222	5,222,222	● 0
Providence Place Mall	300,000	300,000	● 0
Transfer from Company 10	1,000,000	1,000,000	● 0
Transfer from North Burial Ground - 801	600,000	600,000	● 0
Rental Income	20,000	0	● (20,000)
Water Supply Medical Reimb.	375,000	353,412	● (21,588)
Reimb. Retirement JTPA	50,000	0	● (50,000)
School Debt Construction Payments	29,026,848	28,950,999	● (75,849)
Transfer from Rescue Runs - 283	3,600,000	3,065,746	● (534,254)
Interest Overdue City Taxes	5,525,000	4,922,893	● (602,107)
Back Taxes	9,100,000	8,438,209	● (661,791)
Reimb. Blue Cross Providers	750,000	68,279	● (681,721)
Fines & Fofeits/Reg Parking	8,067,632	6,030,036	● (2,037,596)
<b>Total Non-Departmental</b>	<b>\$420,967,774</b>	<b>\$430,540,448</b>	<b>● \$9,572,674</b>
<b>Total General Fund Revenue</b>	<b>\$437,830,842</b>	<b>\$451,001,129</b>	<b>● \$13,170,287</b>

\* 5 year contract with ACS requires review and approval by City Council

General Fund  
Expenditures

Internal Auditor's Fiscal 2013 Year-End Expense Projections

	Approved Budget	Year-End Projection	Projected Variance
<b>Mayor's Office</b>			
Salaries	\$1,635,373	\$1,628,904	\$6,469
Services	68,400	70,570	(2,170)
Supplies	10,800	7,849	2,951
Other	108,000	109,845	(1,845)
	1,822,573	1,817,168	5,405
<b>City Sergeant</b>			
Salaries	40,947	40,947	0
Services	0	5	(5)
	40,947	40,952	(5)
<b>Law Department</b>			
Salaries	1,591,113	1,696,349	(105,236)
Services	1,169,500	765,358	404,142
Supplies	32,500	52,630	(20,130)
	2,793,113	2,514,337	278,776
<b>Finance</b>			
Salaries	355,689	346,085	9,604
Services	29,010	397,060	(368,050)
Supplies	1,000	668	332
	385,699	743,813	(358,114)
<b>City Controller</b>			
Salaries	749,045	774,508	(25,463)
Services	8,900	12,552	(3,652)
Supplies	6,000	5,162	838
	763,945	792,222	(28,277)
<b>Retirement Office</b>			
Salaries	210,462	217,475	(7,013)
Services	14,430	12,949	1,481
Supplies	4,000	1,195	2,805
	228,892	231,619	(2,727)
<b>City Collector</b>			
Salaries	689,062	687,473	1,589
Services	846,640	1,196,017	(349,377)
Supplies	4,992	4,902	90
	1,540,694	1,888,392	(347,698)
<b>City Tax Assessor</b>			
Salaries	876,453	851,234	25,219
Services	721,500	510,220	211,280
Supplies	5,000	2,734	2,266
	1,602,953	1,364,188	238,765

**Internal Auditor's Fiscal 2013 Year-End Expense Projections**

	Approved Budget	Year-End Projection	Projected Variance
<b>Board of Tax Assessment &amp; Review</b>			
Salaries	16,000	13,990	2,010
	16,000	13,990	2,010
<b>Recorder of Deeds</b>			
Salaries	233,272	207,868	25,404
Services	113,018	106,134	6,884
Supplies	2,500	1,205	1,295
	348,790	315,207	33,583
<b>Data Processing</b>			
Salaries	819,000	807,737	11,263
Services	1,373,350	1,298,211	75,139
Supplies	75,000	43,273	31,727
	2,267,350	2,149,221	118,129
<b>Personnel</b>			
Salaries	853,707	872,764	(19,057)
Services	93,900	119,008	(25,108)
Supplies	2,000	165	1,835
	949,607	991,937	(42,330)
<b>Commissioner of Public Safety</b>			
Salaries	604,171	586,318	17,853
Services	598,475	535,979	62,496
Supplies	2,400	1,989	411
	1,205,046	1,124,286	80,760
<b>Police</b>			
Salaries	33,546,740	34,243,911	(697,171)
Services	696,400	804,587	(108,187)
Supplies	1,252,008	1,334,122	(82,114)
	35,495,148	36,382,620	(887,472)
<b>Fire</b>			
Salaries	36,904,650	39,421,164	(2,516,514)
Services	477,700	537,272	(59,572)
Supplies	833,700	588,715	244,985
	38,216,050	40,547,151	(2,331,101)
<b>Communications</b>			
Salaries	4,107,459	4,450,136	(342,677)
Services	1,380,640	1,385,966	(5,326)
Supplies	316,617	224,477	92,140
	5,804,716	6,060,579	(255,863)
<b>Emergency Mgmt / Homeland Sec.</b>			
Salaries	299,931	292,674	7,257
Services	90,200	42,914	47,286
Supplies	14,000	15,119	(1,119)
	404,131	350,707	53,424

**Internal Auditor's Fiscal 2013 Year-End Expense Projections**

	Approved Budget	Year-End Projection	Projected Variance
<b>Planning &amp; Urban Development</b>			
Salaries	2,545,514	2,545,514	0
Services	448,108	356,310	91,798
Supplies	15,000	11,386	3,614
Other	475,000	278,231	196,769
	3,483,622	3,191,441	292,181
<b>Traffic Engineering</b>			
Salaries	417,629	456,678	(39,049)
Services	488,600	373,674	114,926
Supplies	51,360	41,033	10,327
	957,589	871,385	86,204
<b>Public Works Administration</b>			
Salaries	422,402	406,842	15,560
Services	25,000	24,330	670
Supplies	4,000	1,178	2,822
	451,402	432,350	19,052
<b>Engineering &amp; Sanitation</b>			
Salaries	464,915	365,596	99,319
Services	162,000	29,535	132,465
Supplies	1,000	1,158	(158)
	627,915	396,289	231,626
<b>Environmental Control</b>			
Salaries	373,404	350,448	22,956
Services	8,235,000	8,147,515	87,485
Supplies	12,500	2,101	10,399
	8,620,904	8,500,064	120,840
<b>Highway</b>			
Salaries	2,123,091	1,967,078	156,013
Services	5,000	5,198	(198)
Supplies	137,800	193,710	(55,910)
Capital	350,000	2,674,972	(2,324,972)
	2,615,891	4,840,958	(2,225,067)
<b>Snow Removal</b>			
Salaries	600,000	327,759	272,241
Services	575,000	815,582	(240,582)
Supplies	645,000	534,829	110,171
	1,820,000	1,678,170	141,830
<b>Sewer Construction</b>			
Salaries	373,160	392,016	(18,856)
Services	1,500	1,789	(289)
Supplies	52,000	77,208	(25,208)
	426,660	471,013	(44,353)

**Internal Auditor's Fiscal 2013 Year-End Expense Projections**

	Approved Budget	Year-End Projection	Projected Variance
<b>Garage R&amp;M Equipment</b>			
Salaries	386,444	329,367	57,077
Services	171,000	122,583	48,417
Supplies	57,000	23,937	33,063
	<b>614,444</b>	<b>475,887 </b>	<b>138,557</b>
<b>Parking Administration</b>			
Salaries	172,874	155,413	17,461
Services	106,400	89,949	16,451
Supplies	0	0	0
	<b>279,274</b>	<b>245,362 </b>	<b>33,912</b>
<b>Recreation</b>			
Salaries	0	0	0
Benefits	0	0	0
Services	0	0	0
	<b>0</b>	<b>0 </b>	<b>0</b>
<b>Recreation Seasonal</b>			
Salaries	600,000	647,776	<b>(47,776)</b>
Services	30,903	36,643	<b>(5,740)</b>
	<b>630,903</b>	<b>684,419 </b>	<b>(53,516)</b>
<b>Neighborhood Park Services</b>			
Salaries	2,846,477	2,859,311	<b>(12,834)</b>
Services	346,150	301,282	44,868
Supplies	204,600	177,830	26,770
Other	2,500	1,988	512
	<b>3,399,727</b>	<b>3,340,411 </b>	<b>59,316</b>
<b>Forestry Services</b>			
Salaries	685,248	444,174	241,074
Services	50,850	71,898	<b>(21,048)</b>
Supplies	6,500	6,821	<b>(321)</b>
	<b>742,598</b>	<b>522,893 </b>	<b>219,705</b>
<b>Zoological Services</b>			
Salaries	1,402,136	1,411,685	<b>(9,549)</b>
Services	471,114	471,114	0
	<b>1,873,250</b>	<b>1,882,799 </b>	<b>(9,549)</b>
<b>Greenhouse</b>			
Salaries	296,896	286,506	10,390
	<b>296,896</b>	<b>286,506 </b>	<b>10,390</b>
<b>Roger Williams Park Services</b>			
Salaries	1,311,161	1,274,935	36,226
Services	24,250	19,645	4,605
Supplies	0	6,583	<b>(6,583)</b>
	<b>1,335,411</b>	<b>1,301,163 </b>	<b>34,248</b>

**Internal Auditor's Fiscal 2013 Year-End Expense Projections**

	Approved Budget	Year-End Projection	Projected Variance
<b>Superintendent of Parks</b>			
Salaries	659,690	684,848 	<b>(25,158)</b>
Services	68,560	68,397 	163
Supplies	23,550	23,264 	286
	<b>751,800</b>	<b>776,509</b> 	<b>(24,709)</b>
<b>North Burial Ground</b>			
Salaries	409,328	352,630 	56,698
	<b>409,328</b>	<b>352,630</b> 	<b>56,698</b>
<b>Building Administration</b>			
Salaries	592,598	452,959 	139,639
Services	420,974	597,995 	<b>(177,021)</b>
Supplies	500	2,543 	<b>(2,043)</b>
	<b>1,014,072</b>	<b>1,053,497</b> 	<b>(39,425)</b>
<b>Structures &amp; Zoning</b>			
Salaries	638,501	676,515 	<b>(38,014)</b>
Services	400	135 	265
	<b>638,901</b>	<b>676,650</b> 	<b>(37,749)</b>
<b>Plumbing Drainage &amp; Gas Piping</b>			
Salaries	166,153	172,757 	<b>(6,604)</b>
	<b>166,153</b>	<b>172,757</b> 	<b>(6,604)</b>
<b>Electrical Installaiton</b>			
Salaries	162,001	151,837 	10,164
Services	100	0 	100
	<b>162,101</b>	<b>151,837</b> 	<b>10,264</b>
<b>Mechanical Equip&amp;Installation</b>			
Salaries	153,516	81,514 	72,002
	<b>153,516</b>	<b>81,514</b> 	<b>72,002</b>
<b>Zoning Board of Review</b>			
Salaries	15,500	15,500 	0
Services	0	1,739 	<b>(1,739)</b>
	<b>15,500</b>	<b>17,239</b> 	<b>(1,739)</b>
<b>Building Board</b>			
Salaries	13,000	10,500 	2,500
Services	0	584 	<b>(584)</b>
	<b>13,000</b>	<b>11,084</b> 	<b>1,916</b>
<b>Bldg Inspect Code Enforcement</b>			
Salaries	254,075	295,054 	<b>(40,979)</b>
	<b>254,075</b>	<b>295,054</b> 	<b>(40,979)</b>

Internal Auditor's Fiscal 2013 Year-End Expense Projections

	Approved Budget	Year-End Projection	Projected Variance
<b>Bldg Inspection Prosecution</b>			
Salaries	99,599	139,656	(40,057)
	99,599	139,656	(40,057)
<b>Public Property</b>			
Salaries	1,445,264	1,441,429	3,835
Services	1,617,550	1,991,534	(373,984)
Ungroup Accounts	0	0	0
Supplies	2,074,600	2,212,469	(137,869)
	5,137,414	5,645,432	(508,018)
<b>Purchasing</b>			
Services	0	167	(167)
	0	167	(167)
<b>Municipal Court</b>			
Salaries	529,812	520,231	9,581
Services	1,502,876	1,302,015	200,861
Supplies	1,115	1,653	(538)
	2,033,803	1,823,899	209,904
<b>Probate Court</b>			
Salaries	250,784	233,636	17,148
Services	29,707	23,788	5,919
Supplies	1,000	645	355
	281,491	258,069	23,422
<b>Housing Court</b>			
Salaries	264,266	262,126	2,140
Services	2,000	3,207	(1,207)
Supplies	350	0	350
Other	0	0	0
	266,616	265,333	1,283
<b>Housing Authority</b>			
Salaries	0	7,695	(7,695)
Services	45,000	0	45,000
	45,000	7,695	37,305
<b>PERA</b>			
Salaries	40,795	40,795	0
Services	19,004	2,248	16,756
Supplies	4,500	1,844	2,656
	64,299	44,887	19,412
<b>League of Cities &amp; Towns</b>			
Services	12,000	0	12,000
	12,000	0	12,000

Internal Auditor's Fiscal 2013 Year-End Expense Projections

	Approved Budget	Year-End Projection	Projected Variance
<b>Human Relations</b>			
Salaries	38,588	55,918 	(17,330)
Services	10,743	828 	9,915
Supplies	3,050	0 	3,050
	52,381	56,746 	(4,365)
<b>Arts, Culture, Film, &amp; Tourism</b>			
Salaries	264,049	297,458 	(33,409)
Services	80,500	112,562 	(32,062)
Supplies	1,100	358 	742
Other	136,860	163,351 	(26,491)
	482,509	573,729 	(91,220)
<b>Human Services</b>			
Salaries	353,649	100,268 	253,381
Services	9,500	7,819 	1,681
Supplies	1,700	909 	791
	364,849	108,996 	255,853
<b>Vital Statistics</b>			
Salaries	167,757	165,731 	2,026
Services	6,750	3,680 	3,070
Supplies	750	781 	(31)
	175,257	170,192 	5,065
<b>Board of Canvassers</b>			
Salaries	602,928	557,403 	45,525
Services	171,300	163,273 	8,027
Supplies	4,500	2,439 	2,061
	778,728	723,115 	55,613
<b>Bureau of Licenses</b>			
Salaries	393,987	346,725 	47,262
Services	85,986	63,539 	22,447
Supplies	2,000	5,235 	(3,235)
	481,973	415,499 	66,474
<b>City Council Members</b>			
Salaries	287,730	284,143 	3,587
Services	531,482	285,906 	245,576
Supplies	20,000	6,564 	13,436
Other	40,000	94,901 	(54,901)
	879,212	671,514 	207,698
<b>City Clerk</b>			
Salaries	484,492	367,718 	116,774
Services	17,800	19,600 	(1,800)
Supplies	400	0 	400
	502,692	387,318 	115,374

**Internal Auditor's Fiscal 2013 Year-End Expense Projections**

	Approved Budget	Year-End Projection	Projected Variance
<b>Treasury</b>			
Salaries	267,335	259,401	7,934
Services	62,200	36,684	25,516
Supplies	2,200	1,179	1,021
	<b>331,735</b>	<b>297,264 </b>	<b>34,471</b>
<b>City Council Administration</b>			
Salaries	520,292	440,383	79,909
Services	18,083	15,225	2,858
Supplies	20,250	13,110	7,140
	<b>558,625</b>	<b>468,718 </b>	<b>89,907</b>
<b>Office of the Internal Auditor</b>			
Salaries	183,608	183,424	184
Services	67,500	18,230	49,270
Supplies	1,250	1,074	176
	<b>252,358</b>	<b>202,728 </b>	<b>49,630</b>
<b>Archives</b>			
Salaries	141,077	126,238	14,839
Services	22,027	13,998	8,029
Supplies	11,469	5,154	6,315
	<b>174,573</b>	<b>145,390 </b>	<b>29,183</b>
<b>Non-Departmental General Fund</b>			
Reserve for Tax Abatements	600,000	59,115	540,885
Transfer to Rainy Day Fund	4,327,687	0	4,327,687
Fiscal 2011 Deficit Payment	1,340,000	0	1,340,000
	<b>6,267,687</b>	<b>59,115 </b>	<b>6,208,572</b>
<b>Heat Power &amp; Light</b>			
Services	6,000,000	7,376,835	<b>(1,376,835)</b>
	<b>6,000,000</b>	<b>7,376,835 </b>	<b>(1,376,835)</b>
<b>Grants Commissions &amp; Misc.</b>			
Other	4,353,561	4,252,975	100,586
	<b>4,353,561</b>	<b>4,252,975 </b>	<b>100,586</b>
<b>Ceremonies</b>			
Other	9,030	3,500	5,530
	<b>9,030</b>	<b>3,500 </b>	<b>5,530</b>
<b>Debt Service</b>			
Services	67,019,272	67,019,272	0
	<b>67,019,272</b>	<b>67,019,272 </b>	<b>0</b>
<b>School Department</b>			
	<b>124,955,228</b>	<b>124,955,228 </b>	<b>0</b>
<b>Workers Compensation</b>			
Services	1,792,000	2,132,549	<b>(340,549)</b>
	<b>1,792,000</b>	<b>2,132,549 </b>	<b>(340,549)</b>

**Internal Auditor's Fiscal 2013 Year-End Expense Projections**

	Approved Budget	Year-End Projection	Projected Variance
<b>Benefits</b>			
Auto Allowance	233,600	228,598 	5,002
City of Providence Pension Expense	44,008,089	46,917,588 	(2,909,499)
Additional Pension Savings	(3,300,000)	0 	(3,300,000)
Dental Insurance	1,720,296	1,720,157 	139
Educational Incentive Salaries	158,573	165,580 	(7,007)
Elected Officials Pension Contribution	125,000	125,000 	0
Employee Death Benefits	200,000	157,824 	42,176
FICA	4,284,756	4,003,097 	281,659
Fire Legal Fund	0	57,357 	(57,357)
Healthcare EE Cash Payment	0	48,500 	(48,500)
Laborers International Pension	1,377,045	1,599,862 	(222,817)
Local 1033 Benefits Expense	2,126,127	2,376,820 	(250,693)
Police Legal Fund	0	69,395 	(69,395)
State Unemployment Compensation	215,000	264,161 	(49,161)
Stipends	0	1,833 	(1,833)
Medical Benefits	37,674,177	45,026,746 	(7,352,569)
<b>Total Benefits</b>	<b>88,822,663</b>	<b>102,762,518</b> 	<b>(13,939,855)</b>
<b>TOTAL EXPENSES</b>	<b>\$437,830,845</b>	<b>\$451,006,609</b>	<b>(\$13,171,468)</b>

School  
Department

## Internal Auditor's Fiscal 2013 Year-End Revenue Projections

### School Department

	Approved Budget	Year-End Actual		Projected Variance
<b>Revenues</b>				
City Contribution	\$124,896,611	\$124,896,611	●	\$0
State Aid to Education	197,844,345	197,844,345	●	0
Local Revenues	585,000	585,000	●	0
Medicaid Reimbursement	4,250,000	4,150,000	●	(100,000)
Other Revenues	1,500,000	1,100,000	●	(400,000)
<b>Total School Department Revenues</b>	<b>\$329,075,956</b>	<b>\$328,575,956</b>	●	<b>(500,000)</b>
<b>Expenditures</b>				
Salaries	\$172,713,503	\$169,713,347	●	(\$3,000,156)
Employee Benefits	82,379,312	82,136,800	●	(242,512)
Purchased Services	64,313,116	66,181,989	●	1,868,873
Supplies & Materials	5,848,762	5,421,762	●	(427,000)
Capital Outlays	2,401,263	2,697,263	●	296,000
Transfer to City	1,000,000	1,000,000	●	0
Other Expenditures	420,000	367,680	●	(52,320)
<b>Total School Department Expenditures</b>	<b>\$329,075,956</b>	<b>\$327,518,841</b>	●	<b>(1,557,115)</b>