SHARED SACRIFICE CHECKLIST

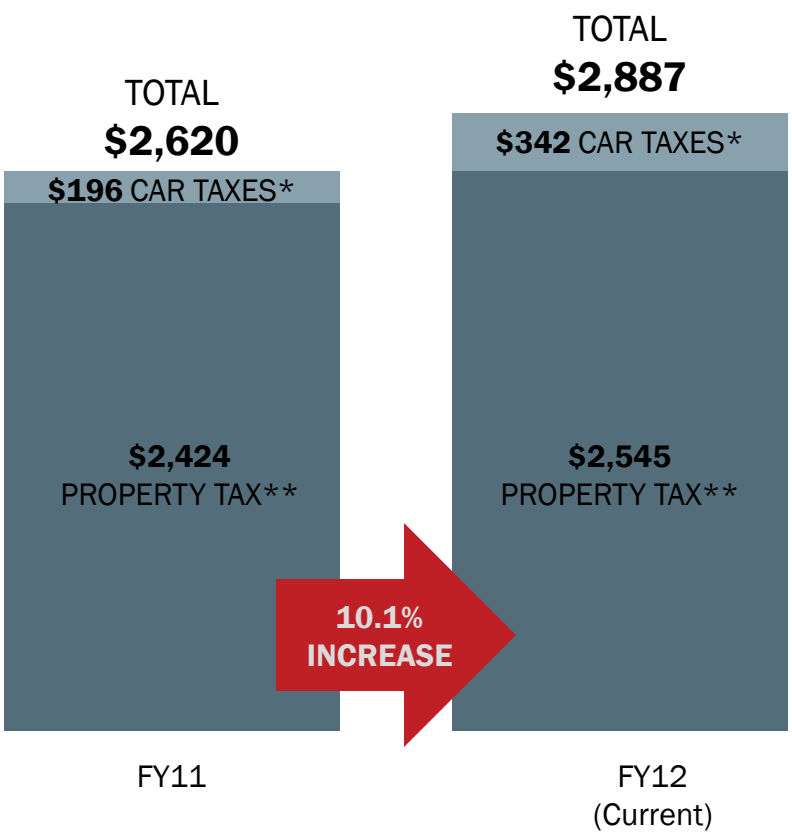
DONE

- ✓ Cut Mayor's pay by 10 percent
- ✓ Cut Mayor's office budget by 10 percent
- ✓ Mayor refused elected official pension
- ✓ Reduced City workforce by over 200 employees
- ✓ Cut police and fire department budgets by 10 percent
- ✓ Closed 5 schools
- ✓ Close $28 million deficit in school department
- ✓ Savings through new labor contract with Local 1033 union employees
- ✓ Savings through new labor contract with firefighters
- ✓ Savings through new labor contract with teachers
- ✓ Savings through new labor contract with police officers
- ✓ Cut budgets in Finance, IT, Public Safety, Planning and Development, Public Works, Parks and Recreation, Inspections and Standards, Housing Court, Human Services, Board of Canvassers and Vital Statistics
- ✓ Increase parking rates at metered spaces
- ✓ Increase parking enforcement
- ✓ Increase dumpster fees and mattress disposal fees
- ✓ Increase residential and commercial property taxes
- ✓ Increase taxable assessment on cars

STILL TO DO

- ❑ Prepare for trial to move retirees to Medicare
- ❑ Negotiate increased support from tax-exempts
- ❑ Support legislation ensuring tax-exempts pay for critical city services (if negotiations fail)
- ❑ Support enabling legislation to collect property tax on buildings used for purposes unrelated to tax-exempt's educational or healthcare mission (if negotiations fail)
- ❑ Suspend guaranteed annual raises (COLAs) for retirees

TYPICAL TAXPAYER SACRIFICE

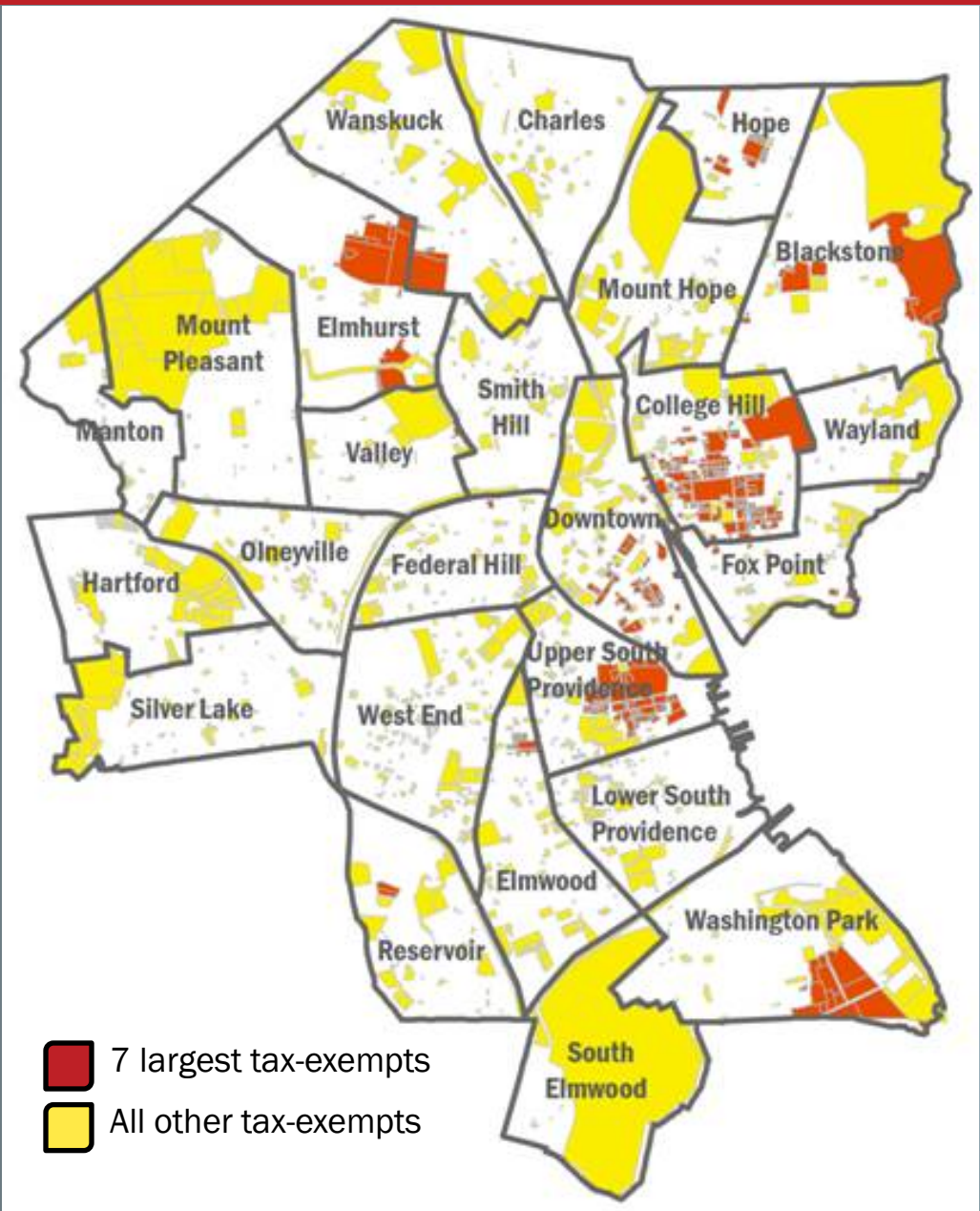


The typical Providence taxpayer has seen their **taxes increase 10.1 percent.**

* Vehicle Assessment based on NADA - the state standard. During FY 2011, a 2002 Camry assessed at $8550. During this fiscal year, NADA lists the car at $6700. In FY12, Providence lowered the tax rate on vehicle excise taxes and reduced the deduction from $6000 to $1000 for all vehicles.

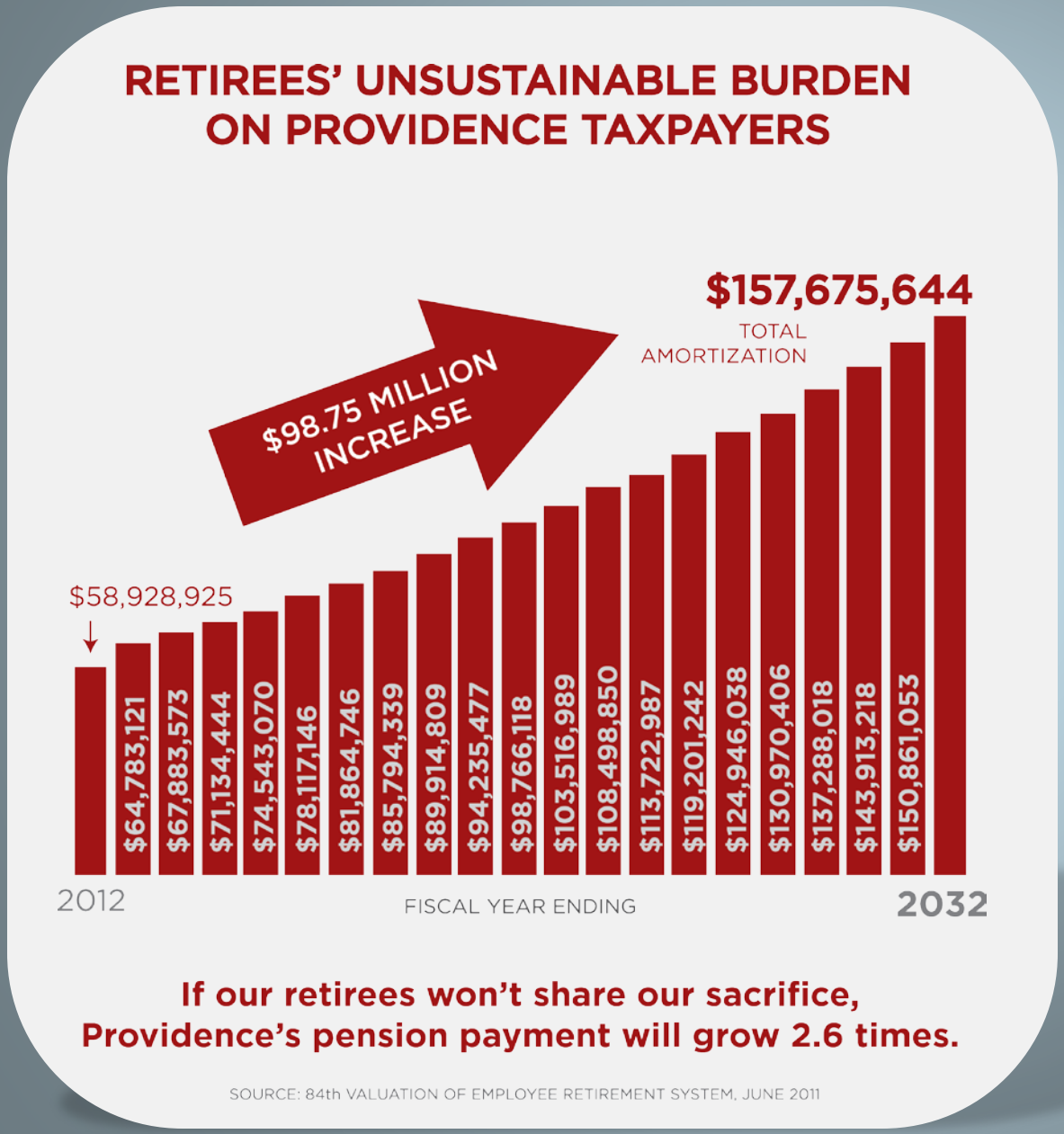
** Property tax based on median home assessment in Providence. Median assessment is $159,600.

IMPACT ON OUR BUDGET: TAX-EXEMPT INSTITUTIONS



Collectively our large hospitals, colleges and universities **own nearly $3B of property** across Providence. If taxed, would be **worth $105M in tax revenue per year.**

IMPACT ON OUR BUDGET: RETIREES



Without reform, Providence's annual pension **payment will increase nearly $100 million** within 20 years.

IMPACT ON OUR BUDGET: RETIREES

TOP 10 RETIREE PENSIONS

TITLE/TIME OF RET.	ANNUAL SALARY AT TIME OF RETIREMENT	CURRENT PENSION
Fire Chief	$70,496.40	$196,813.08
Deputy Assistant Fire Chief	$58,163.88	$162,944.04
Deputy Assistant Fire Chief	$57,732.40	$161,487.24
Fire Equipment Supt II	$60,291.36	$156,870.60
Deputy Assistant Fire Chief	$58,380.40	$148,839.84
Assistant Fire Chief	$64,138.36	$145,520.88
Fire Equipment Supt II	$53,912.36	$137,336.04
Lieutenant	$44,262.40	$135,702.72
Fire Battalion Chief	$51,921.36	$135,092.28
Captain	$51,705.68	$129,354.84

- The top retiree collects more from Providence **than any current City employee is paid**.
- The 25 highest paid retirees each **collect at least $109,000 in retirement.**

REVENUE SHORTFALLS AND OVERSPENDING

REVENUE SHORTFALLS AND OVERSPENDING IN FY2012 ENACTED BUDGET	
$8M**	Over expenditure in healthcare costs due to inability to move retirees over 65 to Medicare
$5M**	Over expenditure in public safety
$7.1M	Revenue shortfall from lack of increased contribution from tax-exempts
$1M	Revenue shortfall due to failure to implement overnight parking
$1.5M	Revenue shortfall due to lower than expected collections by Inspections & Standards
$22.6M	Total Shortfall

****ALREADY LOST**

WE CAN'T GET THERE FROM HERE

CURRENT FISCAL CONDITION - $22.5M SHORTFALL	
$613M	FY2012 budget
- $308.6M	School spending (no reduction allowed by state law)
$305M	
- $69M	Debt payments
$235M	
- $58.9M	Pension ARC (full 100 percent payment)
$176.6M	
-$38M	Retiree medical
$138.6M	Only money left that we have control over, including wages for employees & city services (mostly union contracts)
$92.4M	Already spent 8/12
$46.2M	Remaining, the deficit is 49% of this number