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

October 11, 2012

Councilman David 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, 2012. Based my analysis of results through September 30<sup>th</sup>, I am projecting an operating deficit of \$16.9 million for FY2012 budget. Below you will find analysis and information concerning the revenue and expenditure items that had the most significant impact on the FY2012 budget.

### REVENUES

#### Taxes (-\$2.7 million)

Total revenue generated from current and back taxes is projected at \$308,657,126 against a budget of \$311,392,639, which represents 95.1% of the \$324,460,407 tax levy. A total tax collection rate of 96% was budgeted. Therefore, tax collections are expected to fall \$2,738,513 short of budget.

#### Fines & Forfeits (-\$2.7 million)

Budgeted revenues from Fines & Forfeits which are derived from parking, moving and other violations were increased from \$7.4 million in FY2011 to \$9.0 million in FY2012. Total revenue from this category is projected to be \$6,341,095 for FY2012.

A complete analysis of this revenue category is underway by my office in order to determine the main reasons for this shortfall and to suggest strategies to increase efficiencies. I will provide that analysis to the City Council when it is completed. In a March 2012 analysis that I presented to the Committee on Finance, it was determined that through February of 2012 the value of parking tickets written by police officers was down 46% from the previous year and that the value of parking tickets issued by handhelds was up on 16% from the previous year.

**Traffic Engineering**  
**(-\$545,000)**

The Department of Traffic Engineering has two revenue sources: parking fees (\$1.5 million) and overnight parking permits (\$1.0 million). A delay in the approval and implementation of a citywide overnight parking program resulted in a very small revenue stream. The shortfall in the overnight parking revenue was mitigated by parking fees, which surpassed the budgeted amount by close to \$500,000.

**Transfer from Police Details**  
**(+\$900,000)**

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. Revenue of \$1.2 million in fiscal 2012 was budgeted from police details. A total of \$2,111,751 has been transferred from the Police Detail Account to the General Fund during FY2012.

**Transfer from Capital Assets**  
**(+\$3,041,710)**

The transfer of the remaining \$3,041,710 of proceeds from the 2005 sale of the Providence Civic Center by the city to the Rhode Island Convention Center Authority was approved by the City Council and transferred to the General Fund. This revenue was not considered in the approved FY2012 budget, and therefore, the entire amount is a positive variance to the General Fund budget.

**Transfer from Bond Funds**  
**(+\$350,000)**

In 1997 and 2001 the city issued \$50 million "Neighborhood Bonds". The balance of the city-wide portion of these bonds, which is approximately \$350,000, will be transferred to the General Fund as an offset to city's FY2012 debt service budget. This revenue was not considered in the approved FY2012 budget, and therefore, the entire amount is a positive variance to the General Fund budget.

**Parking Securitization**  
**(\$+1.0 million)**

The city sold uncollected parking ticket receivables to PFS III, a private investment firm, for an up-front amount of \$1 million. Upon PFS III collecting 125% of the principal amount, the city and PFS III will share each additional dollar collected. This revenue was not considered in the approved FY2012 budget, and therefore, the entire amount is a positive variance to the General Fund budget.

**EXPENDITURES**

***Over-Expenditures***

**Medical Benefits**  
**(\$19.8 million)**

The FY2012 budget for employee medical benefits included an offset of approximately \$11 million from savings to be derived from transferring retirees age 65 and over to Medicare. The transfer of retirees was challenged in Superior Court and the savings from the transfer was not realized. In addition, an offset from employee medical co-shares was overstated in the budget, which contributed to the over-expenditure of the city's medical benefits line items.

**Police Department**  
**(\$2.8 million)**

Total budget savings of \$6 million from a new contract with the Fraternal Order of Police (FOP) was assumed and an offset in that amount was budgeted in police salaries. The majority of the \$6 million in budgeted savings was to be achieved from a minimum of thirty police officers taking advantage of a retirement incentive.

Police salaries ended FY2012 approximately \$4 million over budget. Budget savings of approximately \$280,000 in the department's Benefits line items, \$250,000 in the Services line items, and \$570,000 in the Supplies line items offset a portion of the over-expenditure in budgeted police salaries. The entire assumed savings from contract negotiations was credited against the department's salary budget. It is important to note that a portion of the contract savings is likely realized elsewhere in the budget (ex. medical budget).

**Fire Department**  
**(\$5.2 million)**

The Fire Department's FY2012 budget is expected to be overspent by \$5.2 million. A major driver in the over-expenditure is Callback Pay, which was \$1.0 million over budget. The minimum number of firefighters required per shift was dropped in fiscal 2012 from 92 to 90, but based upon current manpower; the department cannot meet the minimum of 90 firefighters without employing callback.

In addition to Callback Pay, a total of \$1.2 million in unbudgeted severance payments was made during fiscal 2012. The entire assumed savings from contract negotiations was credited against the department's salary budget. It is important to note that a portion of the contract savings is likely realized elsewhere in the budget (ex. medical budget).

**Law Department Services  
(\$1.4 million)**

Payments to outside legal counsel, which was predominantly attributed to the city's negotiations with retirees and the city's various unions on pension and health benefits, resulted in an over-expenditure of approximately \$1.3 million in the line item "Fees Not Classified". In addition, payments for claims against the city were approximately \$100,000 over the \$500,000 that was budgeted.

**Early Retirement Reimbursement Program (ERRP)  
(\$1.5 million)**

In the financials for the fiscal year ending June 30, 2011, Braver, the city's external auditor, recognized a receivable of \$1.5 million from a federal reimbursement of medical expenditure for retirees under age 65 as a revenue. Subsequent to the issuance of the city's FY2011 audit, it was learned that because of numerous delays and errors in the city's application process the limited funds available in the ERRP were exhausted and Providence was placed on a waiting list.

It is very likely that the Braver will consider the \$1.5 million that was recognized as revenue in FY2011 as an expense in the fiscal year ending June 30, 2012.

***Expenditures Under Budget***

**Snow Removal  
(\$1.2 million)**

A total of \$1,938,932 was appropriated for snow removal services, but actual expenditures were only \$704,498.

**Pension Contribution  
(General Fund \$9.1 million)  
(Schools \$552,953)**

The city's general fund appropriation to the Employees' Retirement System was budgeted at \$48,284,620 for FY2012. According to the finance director, the actual general fund contribution will be \$39,232,925 or \$9,051,695 less than the amount appropriated in the budget. This newly stated contribution represents 90% of the restated Annual Required Contribution (ARC) that Buck Consultants published in August.

The school department's general fund appropriation to the Employees' Retirement System was budgeted at \$5,872,862 for FY2012. The actual school department's general fund contribution will be \$5,319,909 or \$552,953 less than the amount appropriated in the budget. This newly stated contribution represents 90% of the restated Annual Required Contribution (ARC) that Buck Consultants published in August.

#### SCHOOL DEPARTMENT

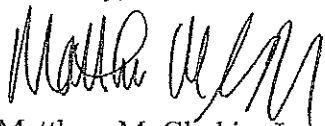
##### **School Department (\$543,140)**

The school department budget ended FY2012 with a projected operating surplus of \$543,140. Salaries were overspent by approximately \$1.4 million. Savings in Utilities (\$1.0 million), Snow Removal (\$300,000), Supplies (\$200,000) and the above-mentioned reduction to the school's portion of the pension contribution (\$550,000) was sufficient to offset the salary over-expenditure.

#### CONCLUSION

I understand that the finance staff is still working with the external auditors to finalize the reporting of all revenues and expenditures, so it is likely that some of the revenues and expenditures will be adjusted. The final operating deficit will be published in December, but I can confident that projections provided in this analysis is accurate based upon the information available at this time.

Sincerely,



Matthew M. Clarkin, Jr.  
Internal Auditor

Cc: Members Ways & Means Committee  
Council President Michael Solomon  
City Council Members  
Jake Bissailon, City Council Chief of Staff

**Internal Auditor's  
Fiscal 2012 Year-End Projections  
(As of results through September 2012)**

<b>Revenues - Expenditures Summary</b>			
	<b>Budget</b>	<b>Fiscal 2012 Projected</b>	<b>Variance</b>
<b>Revenues:</b>			
General Fund Revenues	\$430,177,545	\$431,608,942	\$1,431,397
School Revenues	\$183,656,396	\$182,712,532	(\$943,864)
<b>Total Revenue</b>	<b>\$613,833,941</b>	<b>\$614,321,474</b>	<b>\$487,533</b>
<b>Expenditures:</b>			
General Fund Expenditures	\$430,177,545	\$449,080,097	(\$18,902,552)
School Expenditures	\$183,656,396	\$182,169,392	\$1,487,004
<b>Total Revenue</b>	<b>\$613,833,941</b>	<b>\$631,249,489</b>	<b>(\$17,415,548)</b>
<b>Total Projected Suplus/(Deficit)</b>			<b>(\$16,928,015)</b>

<b>General Fund - School Department Summary</b>			
	<b>Budget</b>	<b>Fiscal 2012 Projected</b>	<b>Variance</b>
<b>City General Fund:</b>			
Revenues	\$305,280,934	\$306,712,331	\$1,431,397
Expenditures	\$305,280,934	\$324,183,486	(\$18,902,552)
		<b>Projected Surplus/(Deficit)</b>	<b>(\$17,471,155)</b>
<b>School Department:</b>			
Revenues	\$308,553,007	\$307,609,143	(\$943,864)
Expenditures	\$308,553,007	\$307,066,003	\$1,487,004
		<b>Projected Surplus/(Deficit)</b>	<b>\$543,140</b>
<b>Total Projected Suplus/(Deficit)</b>			<b>(\$16,928,015)</b>

# Revenues

**Internal Auditor's Fiscal 2012 Year-End Revenue Projections**  
(As of results through September 2012)

		Fiscal 2012	
	Budget	Projected	Variance
City Clerk	\$14,500	\$15,181	● \$681
Law Department	\$0	\$1,714	● \$1,714
Probate Court	\$168,000	\$175,193	● \$7,193
Housing Court	\$22,000	\$40,338	● \$18,338
PERA	\$0	\$0	● \$0
Public Property	\$0	\$144,379	● \$144,379
Finance	\$0	\$0	● \$0
City Controller	\$0	\$7,086	● \$7,086
Data Processing	\$0	\$0	● \$0
City Collector	\$800,000	\$519,494	● (\$280,506)
City Assessor	\$2,000	\$786	● (\$1,214)
Treasury	\$0	\$205	● \$205
Personnel	\$0	\$1,465	● \$1,465
Commissioner of Public Safety	\$50,000	\$66,705	● \$16,705
Police	\$1,366,650	\$999,932	● (\$366,718)
Commissioner of Public Safety	\$450,000	\$850,816	● \$400,816
Communications	\$628,000	\$588,495	● (\$39,505)
Traffic Engineering	\$2,500,000	\$1,955,289	● (\$544,711)
Building Administration	\$4,463,000	\$4,111,543	● (\$351,457)
Structures & Zoning	\$0	\$11,319	● \$11,319
Zoning Board of Review	\$80,000	\$56,740	● (\$23,260)
Building Board	\$66,000	\$5,280	● (\$60,720)
Bldg Inspect Code Enforcement	\$0		● \$0
Public Works Administration	\$0	\$3,712	● \$3,712
Engineering & Sanitation	\$0	\$0	● \$0
Enviromental Control	\$20,000	\$13,650	● (\$6,350)
Highway	\$316,000	\$192,436	● (\$123,564)
Sewer Construction	\$0	\$8,624	● \$8,624
Garage R&M Equipment	\$0	\$0	● \$0
Recreation	\$0	\$0	● \$0
Recreation Seasonal	\$0	\$0	● \$0
Neighborhood Park Services	\$0	\$668,927	● \$668,927
Zoological Services	\$0	\$0	● \$0
North Burial Ground	\$0	\$0	● \$0
Recorder of Deeds	\$2,200,000	\$2,439,754	● \$239,754
Vital Statisics	\$355,000	\$315,274	● (\$39,726)
Board of Canvassers	\$0	\$272	● \$272
Bureau of Licenses	\$1,450,000	\$1,492,703	● \$42,703
Emergency Mgmt / Homeland Sec.	\$140,000	\$192,232	● \$52,232
Planning & Urban Development	\$2,750,262	\$2,416,692	● (\$333,570)
Arts, Culture, Film, & Tourism	\$0	\$88,634	● \$88,634
Human Services	\$30,000	\$0	● (\$30,000)
<b>Total Departmental Revenue</b>	<b>\$17,871,412</b>	<b>\$17,384,870</b>	<b>● -\$486,542</b>



**Internal Auditor's Fiscal 2012 Year-End Revenue Projections**  
(As of results through September 2012)

	Budget	Fiscal 2012 Projected	Variance
Property Taxes - Current	\$300,392,639	\$299,707,126	● (\$685,513)
Property Taxes - Prior Years	\$11,000,000	\$8,950,000	● (\$2,050,000)
PILOT - Rhode Island	\$23,109,815	\$23,455,411	● \$345,596
School Debt Construction	\$27,199,913	\$27,199,913	● \$0
Telephone Tax	\$1,879,801	\$2,142,738	● \$262,937
Excise Tax Reimbursement	\$1,617,922	\$1,715,885	● \$97,963
Distressed Cities Revenue	\$5,143,906	\$5,169,134	● \$25,228
Meals & Beverage Tax	\$4,100,000	\$4,443,753	● \$343,753
Reimbursement Blue Cross Providers	\$650,000	\$591,637	● (\$58,363)
Data Processing Reimb - School Department	\$230,000	\$230,000	● \$0
Fines & Forfeits	\$9,000,000	\$6,341,095	● (\$2,658,905)
Interest on Overdue Taxes	\$5,525,000	\$6,141,025	● \$616,025
Donations	\$0	\$100	● \$100
Rental Income	\$20,000	\$14,481	● (\$5,519)
Miscellaneous Revenue	\$0	\$0	● \$0
Medical Reimbursement - PWSB	\$375,000	\$442,335	● \$67,335
Miscellaneous Revenue	\$200,000	\$10,091	● (\$189,909)
Miscellaneous Revenue - Other	\$0	\$95,076	● \$95,076
Reimb. Services - PWSB	\$839,200	\$485,755	● (\$353,445)
Retirement Reimbursement - JTPA	\$50,000	\$277,557	● \$227,557
Room Tax	\$1,350,000	\$1,448,761	● \$98,761
Tax Stabilization - Misc	\$0	\$4,659	● \$4,659
In Lieu of Taxes on Exempt Property	\$5,000	\$6,000	● \$1,000
Colleges, Universities & Hospitals Payments	\$8,795,715	\$9,080,486	● \$284,771
Electric Compaany Tax Stabilization	\$5,222,222	\$5,222,222	● \$0
Providence Place Mall	\$200,000	\$300,000	● \$100,000
Providence Housing Authroity	\$0	\$68,377	● \$68,377
Port of Providence	\$0	\$45,991	● \$45,991
Transfer from Police Details	\$1,200,000	\$2,111,751	● \$911,751
Transfer from Rescue Runs	\$3,600,000	\$3,484,532	● (\$115,468)
Transfer from Fund 657	\$0	\$0	● \$0
Transfer from North Burial Ground	\$600,000	\$646,471	● \$46,471
Transfer from Bond Proceeds	\$0	\$350,000	● \$350,000
Transfer from Capital Assets (Fund 857)	\$0	\$3,041,710	● \$3,041,710
Rescue Run Securitization	\$0	\$0	● \$0
Parking Securitization	\$0	\$1,000,000	● \$1,000,000
<b>Total Non Departmental-General Fund</b>	<b>\$412,306,133</b>	<b>\$414,224,072</b>	<b>● \$1,917,939</b>
<b>Total General Fund Revenue</b>	<b>\$430,177,545</b>	<b>\$431,608,942</b>	<b>● \$1,431,397</b>
<b>School Department Revenue:</b>			
State Aid to Education	\$177,121,396	\$177,121,396	● \$0
Tuition Revenue	\$585,000	\$585,000	● \$0
Medicaid Reimbursement	\$4,250,000	\$4,104,188	● (\$145,812)
Other Revenues	\$1,700,000	\$901,948	● (\$798,052)
<b>Total School Department Revenue</b>	<b>\$183,656,396</b>	<b>\$182,712,532</b>	<b>● (\$943,864)</b>
<b>Total Revenues</b>	<b>\$613,833,941</b>	<b>\$614,321,474</b>	<b>● \$487,533</b>

# Expenditures

**Internal Auditor's Fiscal 2012 Year-End Expenses Projections**  
(As of results through September 2012)

	<b>Budget</b>	<b>Fiscal 2012 Projected</b>	<b>Variance</b>
<b>Mayor's Office</b>			
Salaries	\$1,637,813	\$1,628,400 ●	\$9,413
Services	\$68,805	\$39,675 ●	\$29,130
Supplies	\$10,800	\$15,885 ●	(\$5,085)
Other	\$108,000	\$140,076 ●	(\$32,076)
	<b>\$1,825,418</b>	<b>\$1,824,036 ●</b>	<b>\$1,382</b>
<b>City Sergeant</b>			
Salaries	\$35,553	\$40,794 ●	(\$5,241)
Services	\$0	\$205 ●	(\$205)
	<b>\$35,553</b>	<b>\$40,999 ●</b>	<b>(\$5,446)</b>
<b>Law Department</b>			
Salaries	\$1,707,778	\$1,619,330 ●	\$88,448
Services	\$1,269,500	\$2,741,896 ●	(\$1,472,396)
Supplies	\$32,500	\$43,540 ●	(\$11,040)
	<b>\$3,009,778</b>	<b>\$4,404,766 ●</b>	<b>(\$1,394,988)</b>
<b>Finance</b>			
Salaries	\$316,374	\$329,591 ●	(\$13,217)
Services	\$154,510	\$153,696 ●	\$814
Supplies	\$1,500	\$1,004 ●	\$496
	<b>\$472,384</b>	<b>\$484,291 ●</b>	<b>(\$11,907)</b>
<b>City Controller</b>			
Salaries	\$743,351	\$761,313 ●	(\$17,962)
Services	\$10,225	\$9,629 ●	\$596
Supplies	\$9,500	\$2,407 ●	\$7,093
	<b>\$763,076</b>	<b>\$773,349 ●</b>	<b>(\$10,273)</b>
<b>Retirement Office</b>			
Salaries	\$273,207	\$324,603 ●	(\$51,396)
Services	\$14,430	\$16,486 ●	(\$2,056)
Supplies	\$4,000	\$899 ●	\$3,101
	<b>\$291,637</b>	<b>\$341,988 ●</b>	<b>(\$50,352)</b>

**Internal Auditor's Fiscal 2012 Year-End Expenses Projections**  
(As of results through September 2012)

	<b>Budget</b>	<b>Fiscal 2012 Projected</b>	<b>Variance</b>
<b>City Collector</b>			
Salaries	\$703,143	\$687,322 ●	\$15,821
Services	\$781,032	\$1,099,745 ●	(\$318,713)
Supplies	\$1,000	\$3,998 ●	(\$2,998)
Other	\$0	●	\$0
	<b>\$1,485,175</b>	<b>\$1,791,065 ●</b>	<b>(\$305,890)</b>
<b>City Tax Assessor</b>			
Salaries	\$796,428	\$841,139 ●	(\$44,711)
Services	\$536,489	\$521,354 ●	\$15,135
Supplies	\$4,918	\$3,637 ●	\$1,281
	<b>\$1,337,835</b>	<b>\$1,366,130 ●</b>	<b>(\$28,295)</b>
<b>Board of Tax Assessment&amp;Review</b>			
Salaries	\$16,000	\$12,996 ●	\$3,004
	<b>\$16,000</b>	<b>\$12,996 ●</b>	<b>\$3,004</b>
<b>Recorder of Deeds</b>			
Salaries	\$274,375	\$242,876 ●	\$31,499
Services	\$113,674	\$109,084 ●	\$4,590
Supplies	\$2,500	\$944 ●	\$1,556
	<b>\$390,549</b>	<b>\$352,904 ●</b>	<b>\$37,645</b>
<b>Data Processing</b>			
Salaries	\$827,270	\$785,896 ●	\$41,374
Services	\$1,362,475	\$1,325,435 ●	\$37,040
Supplies	\$113,500	\$61,978 ●	\$51,522
	<b>\$2,303,245</b>	<b>\$2,173,309 ●</b>	<b>\$129,936</b>
<b>Personnel</b>			
Salaries	\$909,725	\$889,126 ●	\$20,599
Services	\$98,900	\$80,743 ●	\$18,157
Supplies	\$2,000	\$1,474 ●	\$526
	<b>\$1,010,625</b>	<b>\$971,343 ●</b>	<b>\$39,282</b>
<b>Commissioner of Public Safety</b>			
Salaries	\$594,366	\$626,487 ●	(\$32,121)
Services	\$550,545	\$466,438 ●	\$84,107
Supplies	\$2,400	\$2,264 ●	\$136
	<b>\$1,147,311</b>	<b>\$1,095,189 ●</b>	<b>\$52,122</b>

**Internal Auditor's Fiscal 2012 Year-End Expenses Projections**  
(As of results through September 2012)

	<b>Budget</b>	<b>Fiscal 2012 Projected</b>	<b>Variance</b>
<b>Police</b>			
Salaries	\$32,033,770	\$35,969,713 ●	(\$3,935,943)
Benefits	\$380,000	\$66,699 ●	\$313,301
Services	\$1,236,767	\$980,105 ●	\$256,662
Supplies	\$1,165,496	\$597,093 ●	\$568,403
	<b>\$34,816,033</b>	<b>\$37,613,610 ●</b>	<b>(\$2,797,577)</b>
<b>Fire</b>			
Salaries	\$33,174,270	\$38,548,231 ●	(\$5,373,961)
Benefits	\$50,000	\$48,960 ●	\$1,040
Services	\$568,800	\$668,043 ●	(\$99,243)
Supplies	\$801,852	\$537,271 ●	\$264,581
	<b>\$34,594,922</b>	<b>\$39,802,505 ●</b>	<b>(\$5,207,583)</b>
<b>Communications</b>			
Salaries	\$4,625,255	\$4,850,521 ●	(\$225,266)
Benefits	\$179,400	\$174,403 ●	\$4,997
Services	\$1,255,110	\$1,467,184 ●	(\$212,074)
Supplies	\$318,500	\$78,304 ●	\$240,196
	<b>\$6,378,265</b>	<b>\$6,570,412 ●</b>	<b>(\$192,147)</b>
<b>Emergency Mgmt / Homeland Sec.</b>			
Salaries	\$327,532	\$277,974 ●	\$49,558
Services	\$90,900	\$112,518 ●	(\$21,618)
Supplies	\$14,000	\$6,451 ●	\$7,549
	<b>\$432,432</b>	<b>\$396,943 ●</b>	<b>\$35,489</b>
<b>Planning &amp; Urban Development</b>			
Salaries	\$2,700,226	\$2,538,498 ●	\$161,728
Services	\$463,108	\$501,108 ●	(\$38,000)
Supplies	\$30,000	\$13,057 ●	\$16,943
Other	\$475,000	\$360,332 ●	\$114,668
	<b>\$3,668,334</b>	<b>\$3,412,995 ●</b>	<b>\$255,339</b>
<b>Traffic Engineering</b>			
Salaries	\$405,307	\$469,178 ●	(\$63,871)
Services	\$642,888	\$314,649 ●	\$328,239
Supplies	\$51,360	\$37,325 ●	\$14,035
	<b>\$1,099,555</b>	<b>\$821,152 ●</b>	<b>\$278,403</b>

**Internal Auditor's Fiscal 2012 Year-End Expenses Projections**  
(As of results through September 2012)

	Budget	Fiscal 2012 Projected	Variance
<b>Public Works Administration</b>			
Salaries	\$443,922	\$526,967 ●	(\$83,045)
Services	\$25,000	\$13,588 ●	\$11,412
Supplies	\$4,000	\$651 ●	\$3,349
	<b>\$472,922</b>	<b>\$541,206 ●</b>	<b>(\$68,284)</b>
<b>Engineering &amp; Sanitation</b>			
Salaries	\$485,639	\$442,233 ●	\$43,406
Services	\$162,000	\$13,889 ●	\$148,111
Supplies	\$1,000	\$0 ●	\$1,000
	<b>\$648,639</b>	<b>\$456,122 ●</b>	<b>\$192,517</b>
<b>Enviromental Control</b>			
Salaries	\$498,691	\$589,262 ●	(\$90,571)
Services	\$8,235,000	\$8,596,040 ●	(\$361,040)
Supplies	\$20,500	\$5,272 ●	\$15,228
	<b>\$8,754,191</b>	<b>\$9,190,574 ●</b>	<b>(\$436,383)</b>
<b>Highway</b>			
Salaries	\$2,215,195	\$2,153,698 ●	\$61,497
Services	\$5,000	\$1,130 ●	\$3,870
Supplies	\$137,800	\$126,908 ●	\$10,892
Capital	\$100,000	(\$502,028) ●	\$602,028
	<b>\$2,457,995</b>	<b>\$1,779,708 ●</b>	<b>\$678,287</b>
<b>Snow Removal</b>			
Salaries	\$600,000	\$185,213 ●	\$414,787
Services	\$275,000	\$225,323 ●	\$49,677
Supplies	\$945,000	\$234,341 ●	\$710,659
	<b>\$1,820,000</b>	<b>\$644,877 ●</b>	<b>\$1,175,123</b>
<b>Sewer Construction</b>			
Salaries	\$416,067	\$420,136 ●	(\$4,069)
Services	\$1,500	\$0 ●	\$1,500
Supplies	\$52,000	\$40,271 ●	\$11,729
	<b>\$469,567</b>	<b>\$460,407 ●</b>	<b>\$9,160</b>

**Internal Auditor's Fiscal 2012 Year-End Expenses Projections**  
(As of results through September 2012)

	Budget	Fiscal 2012 Projected	Variance
<b>Garage R&amp;M Equipment</b>			
Salaries	\$467,188	\$416,893 ●	\$50,295
Services	\$171,000	\$104,307 ●	\$66,693
Supplies	\$60,000	\$40,403 ●	\$19,597
	<b>\$698,188</b>	<b>\$561,603 ●</b>	<b>\$136,585</b>
<b>Parking Administration</b>			
Salaries	\$178,266	\$31,188 ●	\$147,078
Services	\$50,000	\$19,848 ●	\$30,152
Supplies	\$0	\$0 ●	\$0
	<b>\$228,266</b>	<b>\$51,036 ●</b>	<b>\$177,230</b>
<b>Recreation</b>			
Salaries		\$0 ●	\$0
Benefits	\$0	●	\$0
Services	\$0	\$206 ●	(\$206)
Supplies	\$0	(\$228) ●	\$228
	\$0	(\$22) ●	\$22
<b>Recreation Seasonal</b>			
Salaries	\$600,000	\$587,254 ●	\$12,746
Services	\$30,903	\$39,013 ●	(\$8,110)
	<b>\$630,903</b>	<b>\$626,267 ●</b>	<b>\$4,636</b>
<b>Neighborhood Park Services</b>			
Salaries	\$2,824,300	\$2,974,194 ●	(\$149,894)
Services	\$362,683	\$302,253 ●	\$60,430
Supplies	\$207,600	\$131,305 ●	\$76,295
Other	\$2,000	\$2,934 ●	(\$934)
	<b>\$3,396,583</b>	<b>\$3,410,686 ●</b>	<b>(\$14,103)</b>
<b>Forestry Services</b>			
Salaries	\$712,780	\$540,190 ●	\$172,590
Services	\$50,850	\$726,284 ●	(\$675,434)
Supplies	\$6,500	\$3,534 ●	\$2,966
	<b>\$770,130</b>	<b>\$1,270,008 ●</b>	<b>(\$499,878)</b>

**Internal Auditor's Fiscal 2012 Year-End Expenses Projections**  
(As of results through September 2012)

	Budget	Fiscal 2012 Projected	Variance
<b>Zoological Services</b>			
Salaries	\$1,445,753	\$1,393,339 ●	\$52,414
Services	\$471,114	\$471,114 ●	\$0
	<b>\$1,916,867</b>	<b>\$1,864,453 ●</b>	<b>\$52,414</b>
<b>Greenhouse</b>			
Salaries	\$476,726	\$451,723 ●	\$25,003
Supplies		●	\$0
Services		●	\$0
	<b>\$476,726</b>	<b>\$451,723 ●</b>	<b>\$25,003</b>
<b>Roger Williams Park Services</b>			
Salaries	\$1,208,577	\$1,159,552 ●	\$49,025
Services	\$24,250	\$15,355 ●	\$8,895
Supplies	\$0	\$7,932 ●	(\$7,932)
	<b>\$1,232,827</b>	<b>\$1,182,839 ●</b>	<b>\$49,988</b>
<b>Superintendent of Parks</b>			
Salaries	\$699,764	\$709,703 ●	(\$9,939)
Services	\$68,560	\$72,482 ●	(\$3,922)
Supplies	\$23,550	\$18,548 ●	\$5,002
	<b>\$791,874</b>	<b>\$800,733 ●</b>	<b>(\$8,859)</b>
<b>North Burial Ground</b>			
Salaries	\$350,128	\$375,567 ●	(\$25,439)
Services	\$0	\$0 ●	\$0
Supplies	\$0	\$0 ●	\$0
Other	\$0	\$0 ●	\$0
	<b>\$350,128</b>	<b>\$375,567 ●</b>	<b>(\$25,439)</b>
<b>Building Administration</b>			
Salaries	\$578,998	\$511,342 ●	\$67,656
Services	\$503,664	\$429,068 ●	\$74,596
Supplies	\$500	\$2,100 ●	(\$1,600)
	<b>\$1,083,162</b>	<b>\$942,510 ●</b>	<b>\$140,652</b>



**Internal Auditor's Fiscal 2012 Year-End Expenses Projections**  
(As of results through September 2012)

	<b>Budget</b>	<b>Fiscal 2012 Projected</b>	<b>Variance</b>
<b>Structures &amp; Zoning</b>			
Salaries	\$621,806	\$723,763 ●	(\$101,957)
Services	\$0	\$272 ●	(\$272)
	<b>\$621,806</b>	<b>\$724,035 ●</b>	<b>(\$102,229)</b>
<b>Plumbing Drainage &amp; Gas Piping</b>			
Salaries	\$171,115	\$171,986 ●	(\$871)
	<b>\$171,115</b>	<b>\$171,986 ●</b>	<b>(\$871)</b>
<b>Electrical Installaition</b>			
Salaries	\$200,984	\$184,106 ●	\$16,878
Services	\$0	\$1 ●	(\$1)
	<b>\$200,984</b>	<b>\$184,107 ●</b>	<b>\$16,878</b>
<b>Mechanical Equip&amp;Installation</b>			
Salaries	\$109,280	\$81,651 ●	\$27,629
	<b>\$109,280</b>	<b>\$81,651 ●</b>	<b>\$27,629</b>
<b>Zoning Board of Review</b>			
Salaries	\$15,500	\$15,291 ●	\$209
Services	\$0	\$1,890 ●	(\$1,890)
	<b>\$15,500</b>	<b>\$17,181 ●</b>	<b>(\$1,681)</b>
<b>Building Board</b>			
Salaries	\$13,000	\$11,958 ●	\$1,042
Services	\$0	\$865 ●	(\$865)
	<b>\$13,000</b>	<b>\$12,824 ●</b>	<b>\$176</b>
<b>Bldg Inspect Code Enforcement</b>			
Salaries	\$344,554	\$324,380 ●	\$20,174
	<b>\$344,554</b>	<b>\$324,380 ●</b>	<b>\$20,174</b>
<b>Bldg Inspection Prosecution</b>			
Salaries	\$103,166	\$121,382 ●	(\$18,216)
	<b>\$103,166</b>	<b>\$121,382 ●</b>	<b>(\$18,216)</b>

**Internal Auditor's Fiscal 2012 Year-End Expenses Projections**  
(As of results through September 2012)

	<b>Budget</b>	<b>Fiscal 2012 Projected</b>	<b>Variance</b>
<b>Public Property</b>			
Salaries	\$1,421,592	\$1,541,344 ●	(\$119,752)
Services	\$1,908,250	\$1,717,057 ●	\$191,193
Supplies	\$2,137,550	\$2,116,247 ●	\$21,303
	<b>\$5,467,392</b>	<b>\$5,374,648 ●</b>	<b>\$92,744</b>
<b>Purchasing</b>			
Services	\$0	\$1,824 ●	(\$1,824)
	<b>\$0</b>	<b>\$1,824 ●</b>	<b>(\$1,824)</b>
<b>Municipal Court</b>			
Salaries	\$603,203	\$508,731 ●	\$94,472
Services	\$1,502,600	\$1,569,515 ●	(\$66,915)
Supplies	\$1,500	\$4,042 ●	(\$2,542)
	<b>\$2,107,303</b>	<b>\$2,082,288 ●</b>	<b>\$25,015</b>
<b>Probate Court</b>			
Salaries	\$255,926	\$281,607 ●	(\$25,681)
Services	\$28,110	\$26,828 ●	\$1,282
Supplies	\$800	\$490 ●	\$310
	<b>\$284,836</b>	<b>\$308,925 ●</b>	<b>(\$24,089)</b>
<b>Housing Court</b>			
Salaries	\$250,054	\$263,185 ●	(\$13,131)
Services	\$1,900	\$2,334 ●	(\$434)
Supplies	\$450	\$0 ●	\$450
Other	\$0	●	\$0
	<b>\$252,404</b>	<b>\$265,519 ●</b>	<b>(\$13,115)</b>
<b>Housing Authority</b>			
Salaries	\$0	\$7,650 ●	(\$7,650)
Services	\$45,000	\$0 ●	\$45,000
	<b>\$45,000</b>	<b>\$7,650 ●</b>	<b>\$37,350</b>
<b>PERA</b>			
Salaries	\$113,822	\$64,720 ●	\$49,102
Services	\$4,500	\$4,830 ●	(\$330)
Supplies	\$0	●	\$0
	<b>\$118,322</b>	<b>\$69,550 ●</b>	<b>\$48,771</b>

**Internal Auditor's Fiscal 2012 Year-End Expenses Projections**  
(As of results through September 2012)

	Budget	Fiscal 2012 Projected	Variance
<b>League of Cities &amp; Towns</b>			
Services	\$12,000	\$12,000 ●	\$0
	<b>\$12,000</b>	<b>\$12,000 ●</b>	<b>\$0</b>
<b>Human Relations</b>			
Salaries	\$38,588	\$55,722 ●	(\$17,134)
Services	\$14,232	\$32 ●	\$14,200
Supplies	\$3,050	\$0 ●	\$3,050
	<b>\$55,870</b>	<b>\$55,754 ●</b>	<b>\$116</b>
<b>Arts, Culture, Film, &amp; Tourism</b>			
Salaries	\$160,421	\$292,620 ●	(\$132,199)
Services	\$80,500	\$69,228 ●	\$11,272
Supplies	\$1,100	\$132 ●	\$968
Other	\$136,860	\$130,624 ●	\$6,236
	<b>\$378,881</b>	<b>\$492,604 ●</b>	<b>(\$113,723)</b>
<b>Human Services</b>			
Salaries	\$167,489	\$81,515 ●	\$85,974
Services	\$12,741	\$3,833 ●	\$8,908
Supplies	\$2,300	\$0 ●	\$2,300
	<b>\$182,530</b>	<b>\$85,348 ●</b>	<b>\$97,181</b>
<b>Vital Statistics</b>			
Salaries	\$172,672	\$202,092 ●	(\$29,420)
Services	\$6,750	\$6,771 ●	(\$21)
Supplies	\$750	\$700 ●	\$50
	<b>\$180,172</b>	<b>\$209,563 ●</b>	<b>(\$29,391)</b>
<b>Board of Canvassers</b>			
Salaries	\$376,826	\$334,160 ●	\$42,666
Services	\$170,930	\$129,491 ●	\$41,439
Supplies	\$4,500	\$2,282 ●	\$2,218
	<b>\$552,256</b>	<b>\$465,933 ●</b>	<b>\$86,323</b>
<b>Bureau of Licenses</b>			
Salaries	\$426,947	\$383,614 ●	\$43,333
Services	\$115,900	\$90,316 ●	\$25,584
Supplies	\$2,000	\$906 ●	\$1,094
	<b>\$544,847</b>	<b>\$474,836 ●</b>	<b>\$70,011</b>

**Internal Auditor's Fiscal 2012 Year-End Expenses Projections**  
(As of results through September 2012)

	<b>Budget</b>	<b>Fiscal 2012 Projected</b>	<b>Variance</b>
<b>City Council Members</b>			
Salaries	\$287,730	\$279,152 ●	\$8,578
Services	\$561,482	\$599,474 ●	(\$37,992)
Supplies	\$20,000	\$6,782 ●	\$13,218
Other	\$40,000	\$21,234 ●	\$18,766
	<b>\$909,212</b>	<b>\$906,642 ●</b>	<b>\$2,570</b>
<b>City Clerk</b>			
Salaries	\$503,661	\$476,730 ●	\$26,931
Services	\$22,800	\$18,033 ●	\$4,767
Supplies	\$400	\$0 ●	\$400
	<b>\$526,861</b>	<b>\$494,763 ●</b>	<b>\$32,098</b>
<b>Treasury</b>			
Salaries	\$266,792	\$260,193 ●	\$6,599
Services	\$62,000	\$31,450 ●	\$30,550
Supplies	\$2,200	\$1,535 ●	\$665
	<b>\$330,992</b>	<b>\$293,178 ●</b>	<b>\$37,814</b>
<b>City Council Administration</b>			
Salaries	\$522,808	\$518,801 ●	\$4,007
Services	\$19,750	\$15,759 ●	\$3,991
Supplies	\$20,250	\$14,976 ●	\$5,274
	<b>\$562,808</b>	<b>\$549,536 ●</b>	<b>\$13,272</b>
<b>Office of the Internal Auditor</b>			
Salaries	\$185,512	\$185,524 ●	(\$12)
Services	\$63,500	\$52,698 ●	\$10,802
Supplies	\$1,250	\$46 ●	\$1,204
	<b>\$250,262</b>	<b>\$238,268 ●</b>	<b>\$11,994</b>
<b>Archives</b>			
Salaries	\$141,488	\$138,889 ●	\$2,599
Services	\$23,875	\$14,127 ●	\$9,748
Supplies	\$9,500	\$945 ●	\$8,555
	<b>\$174,863</b>	<b>\$153,961 ●</b>	<b>\$20,902</b>

# Internal Auditor's Fiscal 2012 Year-End Expenses Projections

(As of results through September 2012)

	Budget	Fiscal 2012 Projected	Variance
<b>Heat Power &amp; Light</b>			
Fire Hydrant - PWSB	\$0	\$144,308 ●	(\$144,308)
Services	\$7,000,000	\$7,182,335 ●	(\$182,335)
	<b>\$7,000,000</b>	<b>\$7,326,643</b>	<b>(\$326,643)</b>
<b>Grants Commissions &amp; Misc.</b>			
Other	\$4,537,811	\$4,440,975 ●	\$96,836
	<b>\$4,537,811</b>	<b>\$4,440,975</b> ●	<b>\$96,836</b>
<b>Ceremonies</b>			
Other	\$9,030	\$3,375 ●	\$5,655
	<b>\$9,030</b>	<b>\$3,375</b> ●	<b>\$5,655</b>
<b>Debt Service</b>	<b>\$69,673,342</b>	<b>\$68,838,105</b> ●	<b>\$835,237</b>
<b>Reserve for Tax Abatements</b>	<b>\$600,000</b>	<b>\$116,696</b> ●	<b>\$483,304</b>
<b>Workers Compensation</b>			
Services	\$400,000	\$376,055 ●	\$23,945
	<b>\$400,000</b>	<b>\$376,055</b> ●	<b>\$23,945</b>
<b>Employee Benefits</b>			
Medical - Retirees	\$10,265,458	\$28,493,506 ●	(\$18,228,048)
Medical Services - WC	\$150,000	\$199,803 ●	(\$49,803)
Injury Payments - WC	\$1,242,000	\$1,357,935 ●	(\$115,935)
Dental Insurance	\$1,799,062	\$1,769,668 ●	\$29,394
Healthcare EE Cash Payments	\$1,500	\$24,000 ●	(\$22,500)
Local 1033 Benefits	\$2,244,628	\$2,571,588 ●	(\$326,960)
Laborers Pension	\$1,319,143	\$1,471,144 ●	(\$152,001)
Auto Allowance	\$277,348	\$301,337 ●	(\$23,989)
FICA	\$4,259,261	\$4,131,967 ●	\$127,294
Death Benefits	\$200,000	\$177,474 ●	\$22,526
Elected Officials Pension	\$102,342	\$102,342 ●	\$0
Medical - Active	\$16,431,961	\$18,080,273 ●	(\$1,648,312)
State Unemployment	\$215,000	\$627,058 ●	(\$412,058)
Pension Contribution - City	\$48,284,620	\$39,232,925 ●	\$9,051,695
	<b>\$86,792,323</b>	<b>\$98,541,020</b> ●	<b>(\$11,748,697)</b>
<b>Transfer to General Fund</b>	<b>\$185,666</b>	<b>\$ -</b> ●	<b>\$185,666</b>

**Internal Auditor's Fiscal 2012 Year-End Expenses Projections**  
(As of results through September 2012)

	Budget	Fiscal 2012 Projected	Variance
Encumbrances	\$0	\$0 ●	\$0
ERRP Reimbursement (FY2011)	\$0	\$1,500,000 ●	(\$1,500,000)
School Department (City Share)	\$124,896,611 \$	124,896,611 ●	\$0
Total General Fund Expenditures	\$430,177,545	\$449,080,097 ●	(\$18,902,552)
School Department Expenditures	\$183,656,396 \$	182,169,392 ●	\$1,487,004
Total Expenditures	\$613,833,941	\$631,249,489 ●	(\$17,415,548)