

**MATTHEW M. CLARKIN, JR.**  
INTERNAL AUDITOR  
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**City of Providence, Rhode Island**  
**Office of the Internal Auditor**

## Memorandum

**To:** City Council Members  
**CC:** Yvonne Graf, Chief of Staff – City Council;  
James Lombardi, Treasurer/Senior Advisor City Council;  
Gina Costa, Auditor/Budget Analyst  
**From:** Matthew M. Clarkin, Jr., Internal Auditor *MJC*  
**Date:** September 11, 2015  
**Re:** FY2016 Budget Report (through July 2015)

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Attached you will find the Finance Director's FY2016 budget report (Doc. #1) based upon actual results through the first month of the fiscal year. The Finance Director is projecting a year-end budget surplus of \$375,388.

In addition to the budget report, you will find a letter to the Finance Director from me with questions concerning the report (Doc. #2), and the Finance Director's responses to those questions (Doc. #3).

If you have any questions or would like additional information concerning the attached documents or the FY2016 budget, please contact me.

Lawrence J. Mancini  
Finance Director



Jorge O. Elorza

Mayor

**Finance Department**  
*"Building Pride In Providence"*

Matthew M. Clarkin  
Internal Auditor  
City Of Providence  
25 Dorrance Street  
Providence, RI 02903

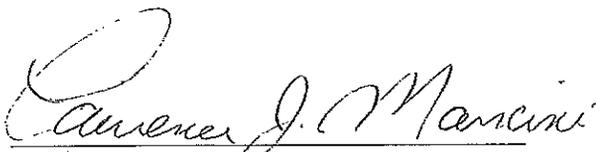
August 31, 2015

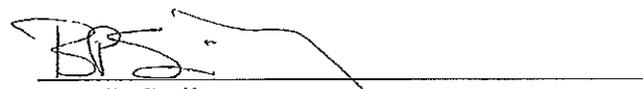
Dear Mr. Clarkin:

In accordance with Ordinance # 2011-22 Section 1, e (1) (i) and (ii), I am here-by submitting the required monthly operating statement of the following funds within the 25th day of the following month, for the month ended July 31, 2015.

General Fund  
School Fund

The undersigned do hereby attest that these reports were prepared in a manner prescribed by ordinance and are, to the best of our knowledge and belief, to be a true and accurate representation of the information contained within.

  
Lawrence J. Mancini  
Finance Director

  
Brett P. Smiley  
Chief Operating Officer

CC: Mayor Jorge O. Elorza  
Luis A. Aponte, President Providence City Council  
Sara Merritt, Deputy Finance Director

# CITY/TOWN OF PROVIDENCE

## BUDGET REPORT SUMMARY FISCAL YEAR 2016

MONTHLY PERIOD ENDING July 31, 2015

General Fund	Adopted Budget	Revised Budget	Actual Year To Date	% Collected Expended YTD	Projected Total FY 2016
Revenues	467,465,176		94,396,087	20.2%	466,120,438
Expenditures	467,465,176		40,354,437	8.6%	465,745,050
<b>* Surplus/(Deficit)</b>					<b>375,388</b>

School Fund	Proposed Budget	Revised Budget	Actual Year To Date	% Collected Expended YTD	Projected Total FY 2016
Revenues	354,101,868	354,101,868	16,066,415	4.5%	354,101,868
Expenditures	354,101,868	354,101,868	9,335,706	2.6%	354,101,868
<b>* Projected Surplus/(Deficit)</b>					<b>0</b>
<b>* Adjustments (page 4)</b>					<b>0</b>
<b>Total Projected Surplus/(Deficit)</b>					<b>375,388</b>

**GENERAL FUND BUDGET REPORT FISCAL YEAR 2016**  
MONTHLY/QUARTERLY PERIOD ENDING July 31, 2015

	Adopted Budget	Revised Budget	Actual Year To Date	Collected YTD	Projected FY 2016	Projected Variance FY 2016
Revenues	\$ 467,465,176		\$ 94,396,087	20.19%	\$ 466,120,438	\$ (1,344,738)
Expenditures	\$ 467,465,176		\$ 40,354,437	8.63%	\$ 465,745,050	\$ 1,720,126
<b>SURPLUS/DEFICIT</b>	\$ -		\$ 54,041,649		\$ 375,388	\$ 375,388

Revenues	Adopted Budget	Revised Budget	Revenues Year To Date	Collected YTD	Projected Total Revenues FY 2016	Projected Revenue Variance FY 2016
Local Property Taxes (See Attach Details)	A 336,649,500	See Detail List #1	90,839,819	26.98%	336,649,500	0
<b>Local Non-Property Taxes:</b>						
Licenses and Permits	B 7,344,578	See Detail List #1	660,937	9.00%	8,627,769	1,283,191
Fines and Forfeitures	C 7,000,000	See Detail List #1	464,419	6.63%	7,000,000	0
Investment Income/Interest	D 4,500,000	See Detail List #1	221,871	4.93%	4,500,000	0
Departmental	E 14,727,922	See Detail List #1	703,486	4.78%	14,727,922	0
Federal Aid (Please Attach Detail)						
State Aid:						
MV Excise Tax Reimbursement	1,868,582		0	0.00%	1,868,582	0
PILOT	27,109,512		0	0.00%	27,109,512	0
Distressed Community Relief Fund	6,179,102		0	0.00%	6,179,102	0
Library Aid	25,066,484		0	0.00%	24,371,555	(694,929)
Public Service Corporation Tax	2,415,159		0	0.00%	2,415,159	0
Room Tax	2,182,600		0	0.00%	2,182,600	0
Meals & Beverage Tax	5,117,433		0	0.00%	5,117,433	0
Other (See Attach Details)	F 27,304,304	See Detail List #1	1,505,556	5.51%	25,371,304	(1,933,000)
<b>Total Municipal Revenues</b>	<b>467,465,176</b>		<b>94,396,087</b>	<b>20.19%</b>	<b>466,120,438</b>	<b>(1,344,738)</b>

Expenditures	Adopted Budget	Revised Budget	Actual Expenditures Year To Date	Collected YTD	Projected Total Expenditures FY 2016	Projected Expenditures Variance FY 2016
<b>Salaries:</b>						
Municipal	39,738,290		2,930,044	7.37%	39,738,290	0
Police	37,157,750		2,865,816	7.71%	37,157,750	0
Fire	40,308,688		4,142,996	10.28%	38,925,048	1,383,640
<b>Employee Benefits:</b>						
FICA	4,457,040		339,275	7.61%	4,351,192	105,848
Medical Insurance - (Active)	20,852,650		1,212,295	5.81%	20,852,650	0
Medical Insurance - (Retirees)	22,155,374		1,929,913	8.71%	22,155,374	0
Dental & Vision Insurance - (Active)	1,753,314		126,008	7.19%	1,753,314	0
Dental & Vision Insurance - (Retirees)	0		0	0.00%	0	0
Life Insurance	200,000		0	0.00%	200,000	0
<b>Pension Contributions:</b>						
Municipal	9,250,314		672,934	7.27%	9,250,314	0
Police	23,432,120		1,687,522	7.20%	23,432,120	0
Fire	24,903,816		1,847,326	7.42%	24,903,816	0
Police Department	2,271,627.0		(732,652)	-32.25%	2,271,627	0
Libraries	3,824,500		272,692	7.13%	3,824,500	0
Fire Department	1,783,527		132,724	7.44%	1,552,889	230,638
<b>Debt Service (Municipal):</b>						
Principal on Debt	18,618,801		8,332,801	44.75%	18,618,801	0
Interest on Debt	6,793,353		2,493,423	36.70%	6,793,353	0
<b>Debt Service (School):</b>						
Principal on Debt	27,797,000		206,068	0.74%	27,797,000	0
Interest on Debt	9,667,646		33,342	0.34%	9,667,646	0
Public Works	11,872,736	①	58,475	0.49%	11,872,736	0
Other (See Attach Details)	G 35,730,019	See Detail List #2	1,395,386	3.91%	35,730,019	0
Education	124,896,611	②	10,408,051	8.33%	124,896,611	0
<b>Total Municipal Expenditures</b>	<b>467,465,176</b>		<b>40,354,437</b>	<b>8.63%</b>	<b>465,745,050</b>	<b>1,720,126</b>

**Note:**

- ① Reduced DPW Reimbursable Expense and Added in \$100,000 Capital Expense
- ② School Appropriation Accrual

# CITY OF PROVIDENCE

MONTHLY/QUARTERLY PERIOD ENDING July 31, 2015

	Adopted Budget	Revised Budget	Actual Year To Date	Collected YTD	Projected FY 2016	Projected Variance FY 2016
Revenues	\$ 354,101,868		\$ 16,066,415	4.54%	\$ 354,101,868	\$ -
Expenditures	\$ 354,101,868		\$ 9,335,706	2.64%	\$ 354,101,868	\$ -
Surplus/Deficit	\$ -		\$ 6,730,709		\$ -	\$ -

Revenues	Proposed Budget	Revised Budget	Actual Revenues Year To Date	% Collected YTD	Projected Total Revenues FY 2016	Projected Revenue Variance FY 2016
<b>Municipal Appropriations</b>	124,896,611	124,896,611	10,408,051	8.33%	124,896,611	0
<b>State Aid:</b>						
General	222,770,257	222,770,257	5,658,364	2.54%	222,770,257	0
Group Home (If Applicable)						
School Construction Aid						
Other (Please Attach Detail)						
<b>Federal Aid:</b>						
Impact Aid						
Medicaid	4,450,000	4,450,000	0	0.00%	4,450,000	0
Federal Stabilization Funds						
Other (Please Attach Detail)						
Other	1,985,000	1,985,000	0	0.00%	1,985,000	0
<b>Total Education Revenues</b>	<b>354,101,868</b>	<b>354,101,868</b>	<b>16,066,415</b>	<b>4.5%</b>	<b>354,101,868</b>	<b>0</b>

Expenditures	Proposed Budget	Revised Budget	Actual Expenditures Year To Date	% Expended YTD	Projected Total Expenditures FY 2016	Projected Expenditure Variance FY 2016
<b>Salaries</b>	181,298,827	181,298,827	3,271,998	1.80%	181,298,827	0
<b>Employee Benefits:</b>	7,217,501	7,217,501	395,353	5.48%	7,217,501	0
FICA	13,869,357	13,869,357	239,463	1.73%	13,869,357	0
Medical Insurance - (Active)	30,175,043	30,175,043	258,442	0.86%	30,175,043	0
Medical Insurance - (Retirees)	6,680,774	6,680,774	488,583	7.31%	6,680,774	0
Dental & Vision Insurance - (Active)	3,017,158	3,017,158	151,101	5.01%	3,017,158	0
Dental & Vision Insurance - (Retirees)						
Life Insurance						
<b>Pension Contributions:</b>						
Teacher	20,587,717	20,587,717	139,935	0.68%	20,587,717	0
Non-Certified	8,195,948	8,195,948	253,207	3.09%	8,195,948	0
<b>Purchased Services</b>	76,167,681	76,167,681	3,961,338	5.20%	76,167,681	0
<b>Supplies and Materials</b>	5,202,311	5,202,311	133,590	2.57%	5,202,311	0
<b>Capital Outlays</b>	1,112,551	1,112,551	6,807	0.61%	1,112,551	0
Other	577,000	577,000	35,889	6.22%	577,000	0
<b>Total Education Expenditures</b>	<b>354,101,868</b>	<b>354,101,868</b>	<b>9,335,706</b>	<b>2.6%</b>	<b>354,101,868</b>	<b>0</b>

Note:

① School Appropriation Accrual

DETAIL LIST # 1  
FY 2016 PERIOD 1 BUDGET and ACTUAL-REVENUE DETAIL

Description	Budget FY 2016	Actual July 31, 2015	Projected FY 2016	Variance FY 2016
<u>MONTHLY/QUARTERLY PERIOD ENDING July 31, 2015</u>				
PROPERTY TAXES (BACK)	9,600,000	608,356	9,600,000	0
PROPERTY TAXES (CURRENT)	247,777,605	62,394,969	327,049,500	79,271,895
TANGIBLE TAX REVENUE 2015	46,722,420	16,094,336	0	(46,722,420)
EXCISE TAX REVENUE 2015	32,549,475	11,742,157	0	(32,549,475)
CURRENT TAX TOTAL	327,049,500	90,231,462	327,049,500	0
TOTAL PROPERTY TAXES	A 336,649,500	90,839,819	336,649,500	0
<u>LOCAL RECEIPTS</u>				
<u>LICENSES AND PERMITS</u>				
BUREAU OF LICENSES				
LIQUOR LICENSES	913,154	15	913,154	0
TOBACCO LICENSES	33,000	300	33,000	0
BUREAU OF LICENSES-ENTERTAINMENT	765,850	19,628	765,850	0
BUREAU OF LICENSES-PETROLEUM STORAGE	16,700	0	16,700	0
SUBTOTAL	1,728,704	19,943	1,728,704	0
<u>INSPECTION &amp; STANDARDS</u>				
CODE ENFORCEMENT / MISC FEES	1,320	0	1,320	0
ELECTRICAL INSTALLATIONS	1,061,500	110,105	1,061,500	0
MECHANICAL EQUIP & INSTALLATIONS	854,964	28,955	854,964	0
PLUMBING, DRAINAGE & GAS PIPING	202,620	14,881	202,620	0
STRUCTURE & ZONING	3,121,690	437,097	4,404,881	1,283,191
BUILDING INSPECTOR MISCELLANEOUS	1,980	250	1,980	0
STATE FEES - ADA	0	31,977	0	0
STATE FEES - RADON	0	146	0	0
MISCELLANEOUS REVENUE	16,500	707	16,500	0
INSPECTION VIOLATIONS	172,040	10,150	172,040	0
SALES - CREDIT CARDS	0	692	0	0
BLDG/INSP-BOARDING LIEN REVENUE	128,920	4,634	128,920	0
ABANDONED PROPERTIES REVENUE	54,340	1,400	54,340	0
SUBTOTAL	5,615,874	640,994	6,899,065	1,283,191
TOTAL LICENSE AND PERMITS	B 7,344,578	660,937	8,627,769	1,283,191
<u>FINES, FORFEITS &amp; ESCHEATS:</u>				
FINES & FORFEITS INSTATE DELQ	7,000,000	1,135	7,000,000	0
PROV. MUNICIPAL COURT INCR. FINES	0	0	0	0
FINES & FORFEITS/MOVING VIOLATION	0	28,125	0	0
FINES & FORFEITS/REG PARKING	0	417,796	0	0
FINES & FORFEITS/ENVIRONMENTAL	0	17,363	0	0
TOTAL FINES, FORFEITS & ESCHEATS	C 7,000,000	464,419	7,000,000	0
<u>INTEREST INCOME:</u>				
INTEREST-PORTFOLIO	0	0	0	0
INTEREST - OVERDUE TAXES & RENTS	4,500,000	221,871	4,500,000	0
INTEREST	0	0	0	0
TOTAL INTEREST INCOME	D 4,500,000	221,871	4,500,000	0

Description	Budget FY 2016	Actual July 31, 2015	Projected FY 2016	Variance FY 2016
<b>DEPARTMENTAL FEES</b>				
MAYORAL OFFICES	0	0	0	0
FINANCE DEPARTMENTS	3,707,904	212,481	3,707,904	0
PERSONAL/HUMAN RESOURCES	0	0	0	0
PUBLIC SAFETY	2,915,995	126,422	2,915,995	0
PLANNING & URBAN RESOURCES	1,845,500	315	1,845,500	0
DEPARTMENT OF PUBLIC WORKS	4,751,700	274,528	4,751,700	0
RECREATION	0	0	0	0
DEPARTMENT OF INSPECTION & STANDARDS	46,200	2,430	46,200	0
PARKS	250,000	36,694	250,000	0
CITY COURTS	194,261	5,184	194,261	0
HUMAN SERVICES	555,770	29,850	555,770	0
MISCELLANEOUS DEPARTMENTS	323,256	8,400	323,256	0
CITY COUNCIL	9,216	304	9,216	0
LAW DEPARTMENT/CITY SOLICITOR	120	210	120	0
INFORMATION TECHNOLOGY	0	0	0	0
PUBLIC PROPERTY & PURCHASING	128,000	6,667	128,000	0
<b>TOTAL DEPARTMENTAL FEES</b>	<b>14,727,922</b>	<b>703,486</b>	<b>14,727,922</b>	<b>0</b>
<b>OTHER REVENUE</b>				
<b>NON-DEPARTMENTAL FUND</b>				
REIMB BLUE CROSS PROVIDERS	0	0	0	0
FEDERAL GRANTS	0	0	0	0
ADDITIONAL STATE REVENUE	2,500,000	0	0	(2,500,000)
STATE OF R.I. EDUCATION AID	0	0	0	0
STATE OF R.I. MEDICAL REIMBURSEMENT	0	0	0	0
ANTICIPATED REIMBURSEMENT FROM FEMA	0	0	0	0
RENTAL INCOME	0	0	0	0
DONATIONS	0	0	0	0
WATER SUPPLY MEDICAL REIMB	0	0	0	0
MISCELLANEOUS REVENUE	0	0	0	0
MISCELLANEOUS REVENUE-OTHER	0	0	0	0
REIMBURSEMENT-W.S.B	839,167	0	839,167	0
REIMB RETIREMENT JTPA	0	0	0	0
TUITION REVENUE	0	0	0	0
PORT OF PROVIDENCE	350,000	0	350,000	0
TAX STABILIZATION PLAN-CLAW BACK PENALTY	0	0	567,000	567,000
RESTITUTION PAYMENTS	0	0	0	0
<b>TOTAL NON-DEPARTMENTAL FUND</b>	<b>3,689,167</b>	<b>0</b>	<b>1,756,167</b>	<b>(1,933,000)</b>
<b>PILOT PAYMENTS (VOLUNTARY)</b>				
PMTS FROM COLLEGES & HOSPITALS	8,233,374	0	8,233,374	0
STABILIZATION TREATY-ELECTRIC CO.	5,222,222	1,305,556	5,222,222	0
PROVIDENCE PLACE MALL	300,000	0	300,000	0
PILOT - PROVIDENCE HOUSING AUTHORITY	75,000	0	75,000	0
IN LIEU OF TAXES ON TAX EXMPT PROP.	0	0	0	0
PAYMENT IN LIEU OF TAXES (GRANTS COMM & MISC.)	0	0	0	0
<b>TOTAL PILOT PAYMENTS</b>	<b>13,830,596</b>	<b>1,305,556</b>	<b>13,830,596</b>	<b>0</b>
<b>TRANSFERS FROM FUNDS</b>				
TRANSFER FROM FUND 252	2,134,541	0	2,134,541	0
TRANSFER FROM FUND 250 - POLICE PLANNING	0	0	0	0
TRANSFER FROM FUND 256	0	0	0	0
TRANSFER FROM FUND 260	0	0	0	0
TRANSFER FROM FUND 283	4,700,000	200,000	4,700,000	0
TRANSFER FROM NO BURIAL GD (FD 801)	350,000	0	350,000	0
TRANSFER FROM \$40MM ROAD BOND FUND	0	0	0	0
TRANSFER FROM FUND 856	2,600,000	0	2,600,000	0
<b>TOTAL TRANSFERT FROM FUNDS</b>	<b>9,784,541</b>	<b>200,000</b>	<b>9,784,541</b>	<b>0</b>
<b>TOTAL OTHER REVENUE</b>	<b>27,304,304</b>	<b>1,505,556</b>	<b>25,371,304</b>	<b>(1,933,000)</b>

Note:

\* Reclassified DPW State Grant

DETAIL LIST #2  
FY 2016 PERIOD 1 OTHER MUNICIPAL EXPENDITURES

MONTHLY/QUARTERLY PERIOD ENDING July 31, 2015	Budget FY16	Actual July 31, 2015	Projected FY 2016	Projected Variance FY 2016
<b>DEPARTMENTAL EXPENSES</b>				
MAYORS OFFICE	187,200	15,661	187,200	0
DEPARTMENT OF LAW	2,179,320	219,627	2,179,320	0
FINANCE DEPARTMENT	2,116,268	4,558	2,116,268	0
INFORMATION TECHNOLOGY	1,354,881	6,695	1,354,881	0
HUMAN RESOURCES	118,550	1,072	118,550	0
COMMISSIONER OF PUBLIC SAFETY	577,011	0	577,011	0
DEPARTMENT OF COMMUNICATIONS	1,527,084	47,953	1,527,084	0
EMERGENCY MANAGEMENT	160,745	14,517	160,745	0
PLANNING & DEVELOPMENT	963,348	31,480	963,348	0
RECREATION DEPARTMENT	130,200	28,088	130,200	0
PARKS DEPARTMENT	876,086	251,218	876,086	0
INSPECTION & STANDARDS	587,258	28,998	587,258	0
PUBLIC PROPERTY/PURCHASING	3,587,150	180,385	3,587,150	0
DEPARTMENT OF HUMAN SERVICES	354,877	24,096	354,877	0
MISCELLANEOUS DEPARTMENTS	238,344	14,099	238,344	0
CITY COUNCIL	834,316	13,670	834,316	0
HOUSING COURT	4,174	339	4,174	0
MUNICIPAL COURT	643,864	47	643,864	0
PROBATE COURT	27,772	2,582	27,772	0
BENEFITS DEPARTMENT - MISC.	0	0	0	0
TOTAL DEPARTMENTAL EXPENSE	16,468,448	885,086	16,468,448	0
<b>NON DEPARTMENTAL-GENERAL FUND</b>				
CONTINGENCIES	680,000	0	680,000	0
FISCAL AGENTS FEES	0	0	0	0
DEFICIT REDUCTION PER STATE REQUIREMENT	4,330,154	0	4,330,154	0
HEAT POWER & LIGHT	6,500,000	791	6,500,000	0
TRANSFER TO PUBLIC SAFETY INSPECTION	0	0	0	0
TELLER SHORTAGE Overage	0	41	0	0
GRANTS COMMISSIONS & MISC.	1,243,500	27,338	1,243,500	0
CEREMONIES	9,030	0	9,030	0
TOTAL GENERAL (NON-DEPARTMENTAL)	12,762,684	28,169	12,762,684	0
<b>OTHER MUNICIPAL BENEFITS</b>				
<b>WORKERS COMPENSATION</b>				
MEDICAL SERVICES - WORKMANS COMP	168,900	5,400	168,900	0
INJURY PAYMENTS	1,400,000	102,982	1,400,000	0
FEES NOT CLASSIFIED	340,000	30,916	340,000	0
MEDICAL FEES	0	0	0	0
MISC. EXPENSES	75,000	0	75,000	0
DENTAL INSURANCE	0	0	0	0
LABORERS INT'L PENSION	0	0	0	0
F.I.C.A.	0	0	0	0
LOCAL 1033 BENEFITS EXPENSE	0	0	0	0
TRANSFER TO ACTIVE MEDICAL INS FUND	0	0	0	0
LABORERS BENEFIT ACCOUNT (LOCAL 1033)	2,038,641	156,185	2,038,641	0
LABORERS PENSION FUND (LOCAL 1033)	1,801,957	149,702	1,801,957	0
AUTO ALLOWNACE	273,129	22,065	273,129	0
ELECTED OFFICIALS PENSION CONTRIBUTION	0	0	0	0
RETIREE MEDICAL	0	0	0	0
STATE UNEMPLOY COMP	165,000	0	165,000	0
EDUCATION INCENTIVE PAY	152,880	12,830	152,880	0
LEGAL SERVICE	0	0	0	0
HEALTHCARE BE CASH PAYMENT	3,500	1,500	3,500	0
LABORERS TRAINING FUND	0	0	0	0
POLICE LEGAL FUND	68,880	0	68,880	0
FIRE LEGAL FUND	0	0	0	0
STIPENDS	11,000	550	11,000	0
LEGAL AND CONTRACTUAL (POLICE AND FIRE)	0	0	0	0
TRANSFER TO B.C. SELF INS. FUND	0	0	0	0
TOTAL OTHER MUNICIPAL BENEFITS	6,498,887	482,130	6,498,887	0
<b>TOTAL OTHER EXPENDITURE</b>	35,730,019	1,395,386	35,730,019	0

Note:

\* Reclassified Finance Department (101-201) Private Contractors and Misc. Expenses

# CITY/TOWN OF PROVIDENCE

## BUDGET REPORT SUMMARY FISCAL YEAR 2016

MONTHLY PERIOD ENDING July 31, 2015

General Fund	Adopted Budget	Revised Budget	Actual Year To Date	% Collected Expended YTD	Projected Total FY 2016
Revenues	467,465,176		94,396,087	20.2%	466,120,438
Expenditures	467,465,176		40,354,437	8.6%	465,745,050
<b>* Surplus/(Deficit)</b>					<b>375,388</b>

School Fund	Proposed Budget	Revised Budget	Actual Year To Date	% Collected Expended YTD	Projected Total FY 2016
Revenues	354,101,868	354,101,868	16,066,415	4.5%	354,101,868
Expenditures	354,101,868	354,101,868	9,335,706	2.6%	354,101,868
<b>* Projected Surplus/(Deficit)</b>					<b>0</b>
<b>* Adjustments (page 4)</b>					<b>0</b>
<b>Total Projected Surplus/(Deficit)</b>					<b>375,388</b>

**GENERAL FUND BUDGET REPORT FISCAL YEAR 2016**  
MONTHLY/QUARTERLY PERIOD ENDING July 31, 2015

	Adopted Budget	Revised Budget	Actual Year To Date	Collected YTD	Projected FY 2016	Projected Variance FY 2016
Revenues	\$ 467,465,176		\$ 94,396,087	20.19%	\$ 466,120,438	\$ (1,344,738)
Expenditures	\$ 467,465,176		\$ 40,354,437	8.63%	\$ 465,745,050	\$ 1,720,126
<b>SURPLUS/DEFICIT</b>	\$ -		\$ 54,041,649		\$ 375,388	\$ 375,388

Revenues	Adopted Budget	Revised Budget	Revenues Year To Date	Collected YTD	Projected Total Revenues FY 2016	Projected Revenue Variance FY 2016
Local Property Taxes (See Attach Details)	A 336,649,500	See Detail List #1	90,839,819	26.98%	336,649,500	0
<b>Local Non-Property Taxes:</b>						
Licenses and Permits	B 7,344,578	See Detail List #1	660,937	9.00%	8,627,769	1,283,191
Fines and Forfeitures	C 7,000,000	See Detail List #1	464,419	6.63%	7,000,000	0
Investment Income/Interest	D 4,500,000	See Detail List #1	221,871	4.93%	4,500,000	0
Departmental	E 14,727,922	See Detail List #1	703,486	4.78%	14,727,922	0
Federal Aid (Please Attach Detail)						
State Aid:						
MV Excise Tax Reimbursement	1,868,582		0	0.00%	1,868,582	0
PILOT	27,109,512		0	0.00%	27,109,512	0
Distressed Community Relief Fund	6,179,102		0	0.00%	6,179,102	0
Library Aid	25,066,484		0	0.00%	24,371,555	(694,929)
Public Service Corporation Tax	2,415,159		0	0.00%	2,415,159	0
Room Tax	2,182,600		0	0.00%	2,182,600	0
Meals & Beverage Tax	5,117,433		0	0.00%	5,117,433	0
Other (See Attach Details)	F 27,304,304	See Detail List #1	1,505,556	5.51%	25,371,304	(1,933,000)
<b>Total Municipal Revenues</b>	<b>467,465,176</b>		<b>94,396,087</b>	<b>20.19%</b>	<b>466,120,438</b>	<b>(1,344,738)</b>

Expenditures	Adopted Budget	Revised Budget	Actual Expenditures Year To Date	Collected YTD	Projected Total Expenditures FY 2016	Projected Expenditures Variance FY 2016
<b>Salaries:</b>						
Municipal	39,738,290		2,930,044	7.37%	39,738,290	0
Police	37,157,750		2,865,816	7.71%	37,157,750	0
Fire	40,308,688		4,142,996	10.28%	38,925,048	1,383,640
<b>Employee Benefits:</b>						
FICA	4,457,040		339,275	7.61%	4,351,192	105,848
Medical Insurance - (Active)	20,852,650		1,212,295	5.81%	20,852,650	0
Medical Insurance - (Retirees)	22,155,374		1,929,913	8.71%	22,155,374	0
Dental & Vision Insurance - (Active)	1,753,314		126,008	7.19%	1,753,314	0
Dental & Vision Insurance - (Retirees)	0		0	0.00%	0	0
Life Insurance	200,000		0	0.00%	200,000	0
<b>Pension Contributions:</b>						
Municipal	9,250,314		672,934	7.27%	9,250,314	0
Police	23,432,120		1,687,522	7.20%	23,432,120	0
Fire	24,903,816		1,847,326	7.42%	24,903,816	0
Police Department	2,271,627.0		(732,652)	-32.25%	2,271,627	0
Libraries	3,824,500		272,692	7.13%	3,824,500	0
Fire Department	1,783,527		132,724	7.44%	1,552,889	230,638
<b>Debt Service (Municipal):</b>						
Principal on Debt	18,618,801		8,332,801	44.75%	18,618,801	0
Interest on Debt	6,793,353		2,493,423	36.70%	6,793,353	0
<b>Debt Service (School):</b>						
Principal on Debt	27,797,000		206,068	0.74%	27,797,000	0
Interest on Debt	9,667,646		33,342	0.34%	9,667,646	0
Public Works	11,872,736	①	58,475	0.49%	11,872,736	0
Other (See Attach Details)	G 35,730,019	See Detail List #2	1,395,386	3.91%	35,730,019	0
Educaffon	124,896,611	②	10,408,051	8.33%	124,896,611	0
<b>Total Municipal Expenditures</b>	<b>467,465,176</b>		<b>40,354,437</b>	<b>8.63%</b>	<b>465,745,050</b>	<b>1,720,126</b>

Note:

- ① Reduced DPW Reimbursable Expense and Added in \$100,000 Capital Expense
- ② School Appropriation Accrual

# CITY OF PROVIDENCE

MONTHLY/QUARTERLY PERIOD ENDING July 31, 2015

	Adopted Budget	Revised Budget	Actual Year To Date	Collected YTD	Projected FY 2016	Projected Variance FY 2016
Revenues	\$ 354,101,868		\$ 16,066,415	4.54%	\$ 354,101,868	\$ -
Expenditures	\$ 354,101,868		\$ 9,335,706	2.64%	\$ 354,101,868	\$ -
Surplus/Deficit	\$ -		\$ 6,730,709		\$ -	\$ -

Revenues	Proposed Budget	Revised Budget	Actual Revenues Year To Date	% Collected YTD	Projected Total Revenues FY 2016	Projected Revenue Variance FY 2016
<b>Municipal Appropriations</b>	124,896,611	124,896,611	10,408,051	8.33%	124,896,611	0
<b>State Aid:</b>						
General	222,770,257	222,770,257	5,658,364	2.54%	222,770,257	0
Group Home (If Applicable)						
School Construction Aid						
Other (Please Attach Detail)						
<b>Federal Aid:</b>						
Impact Aid						
Medicaid	4,450,000	4,450,000	0	0.00%	4,450,000	0
Federal Stabilization Funds						
Other (Please Attach Detail)						
Other	1,985,000	1,985,000	0	0.00%	1,985,000	0
<b>Total Education Revenues</b>	<b>354,101,868</b>	<b>354,101,868</b>	<b>16,066,415</b>	<b>4.5%</b>	<b>354,101,868</b>	<b>0</b>

Expenditures	Proposed Budget	Revised Budget	Actual Expenditures Year To Date	% Expended YTD	Projected Total Expenditures FY 2016	Projected Expenditure Variance FY 2016
<b>Salaries</b>	181,298,827	181,298,827	3,271,998	1.80%	181,298,827	0
<b>Employee Benefits:</b>	7,217,501	7,217,501	395,353	5.48%	7,217,501	0
FICA	13,869,357	13,869,357	239,463	1.73%	13,869,357	0
Medical Insurance - (Active)	30,175,043	30,175,043	258,442	0.86%	30,175,043	0
Medical Insurance - (Retirees)	6,680,774	6,680,774	488,583	7.31%	6,680,774	0
Dental & Vision Insurance - (Active)	3,017,158	3,017,158	151,101	5.01%	3,017,158	0
Dental & Vision Insurance - (Retirees)						
Life Insurance						
<b>Pension Contributions:</b>						
Teacher	20,587,717	20,587,717	139,935	0.68%	20,587,717	0
Non-Certified	8,195,948	8,195,948	253,207	3.09%	8,195,948	0
<b>Purchased Services</b>	76,167,681	76,167,681	3,961,338	5.20%	76,167,681	0
<b>Supplies and Materials</b>	5,202,311	5,202,311	133,590	2.57%	5,202,311	0
<b>Capital Outlays</b>	1,112,551	1,112,551	6,807	0.61%	1,112,551	0
<b>Other</b>	577,000	577,000	35,889	6.22%	577,000	0
<b>Total Education Expenditures</b>	<b>354,101,868</b>	<b>354,101,868</b>	<b>9,335,706</b>	<b>2.6%</b>	<b>354,101,868</b>	<b>0</b>

Note:

① School Appropriation Accrual

DETAIL LIST # 1  
 FY 2016 PERIOD 1 BUDGET and ACTUAL-REVENUE DETAIL

Description	Budget FY 2016	Actual July 31, 2015	Projected FY 2016	Variance FY 2016
<b><u>MONTHLY/QUARTERLY PERIOD ENDING July 31, 2015</u></b>				
PROPERTY TAXES (BACK)	9,600,000	608,356	9,600,000	0
PROPERTY TAXES (CURRENT)	247,777,605	62,394,969	327,049,500	79,271,895
TANGIBLE TAX REVENUE 2015	46,722,420	16,094,336	0	(46,722,420)
EXCISE TAX REVENUE 2015	32,549,475	11,742,157	0	(32,549,475)
CURRENT TAX TOTAL	<u>327,049,500</u>	<u>90,231,462</u>	<u>327,049,500</u>	<u>0</u>
TOTAL PROPERTY TAXES	A <u>336,649,500</u>	<u>90,839,819</u>	<u>336,649,500</u>	<u>0</u>
<b><u>LOCAL RECEIPTS</u></b>				
<b>LICENSES AND PERMITS</b>				
<b>BUREAU OF LICENSES</b>				
LIQUOR LICENSES	913,154	15	913,154	0
TOBACCO LICENSES	33,000	300	33,000	0
BUREAU OF LICENSES-ENTERTAINMENT	765,850	19,628	765,850	0
BUREAU OF LICENSES-PETROLEUM STORAGE	16,700	0	16,700	0
SUBTOTAL	<u>1,728,704</u>	<u>19,943</u>	<u>1,728,704</u>	<u>0</u>
<b>INSPECTION &amp; STANDARDS</b>				
CODE ENFORCEMENT / MISC FEES	1,320	0	1,320	0
ELECTRICAL INSTALLATIONS	1,061,500	110,105	1,061,500	0
MECHANICAL EQUIP & INSTALLATIONS	854,964	28,955	854,964	0
PLUMBING, DRAINAGE & GAS PIPING	202,620	14,881	202,620	0
STRUCTURE & ZONING	3,121,690	437,097	4,404,881	1,283,191
BUILDING INSPECTOR MISCELLANEOUS	1,980	250	1,980	0
STATE FEES - ADA	0	31,977	0	0
STATE FEES - RADON	0	146	0	0
MISCELLANEOUS REVENUE	16,500	707	16,500	0
INSPECTION VIOLATIONS	172,040	10,150	172,040	0
SALES - CREDIT CARDS	0	692	0	0
BLDG/INSP-BOARDING LIEN REVENUE	128,920	4,634	128,920	0
ABANDONED PROPERTIES REVENUE	54,340	1,400	54,340	0
SUBTOTAL	<u>5,615,874</u>	<u>640,994</u>	<u>6,899,065</u>	<u>1,283,191</u>
TOTAL LICENSE AND PERMITS	B <u>7,344,578</u>	<u>660,937</u>	<u>8,627,769</u>	<u>1,283,191</u>
<b>FINES, FORFEITS &amp; ESCHEATS:</b>				
FINES & FORFEITS INSTATE DELQ	7,000,000	1,135	7,000,000	0
PROV. MUNICIPAL COURT INCR. FINES	0	0	0	0
FINES & FORFEITS/MOVING VIOLATION	0	28,125	0	0
FINES & FORFEITS/REG PARKING	0	417,796	0	0
FINES & FORFEITS/ENVIORNMENTAL	0	17,363	0	0
TOTAL FINES, FORFEITS & ESCHEATS	C <u>7,000,000</u>	<u>464,419</u>	<u>7,000,000</u>	<u>0</u>
<b>INTEREST INCOME:</b>				
INTEREST-PORTFOLIO	0	0	0	0
INTEREST - OVERDUE TAXES & RENTS	4,500,000	221,871	4,500,000	0
INTEREST	0	0	0	0
TOTAL INTEREST INCOME	D <u>4,500,000</u>	<u>221,871</u>	<u>4,500,000</u>	<u>0</u>

Description	Budget FY 2016	Actual July 31, 2015	Projected FY 2016	Variance FY 2016
<b>DEPARTMENTAL FEES</b>				
MAYORAL OFFICES	0	0	0	0
FINANCE DEPARTMENTS	3,707,904	212,481	3,707,904	0
PERSONAL/HUMAN RESOURCES	0	0	0	0
PUBLIC SAFETY	2,915,995	126,422	2,915,995	0
PLANNING & URBAN RESOURCES	1,845,500	315	1,845,500	0
DEPARTMENT OF PUBLIC WORKS	4,751,700	274,528	4,751,700	0
RECREATION	0	0	0	0
DEPARTMENT OF INSPECTION & STANDARDS	46,200	2,430	46,200	0
PARKS	250,000	36,694	250,000	0
CITY COURTS	194,261	5,184	194,261	0
HUMAN SERVICES	555,770	29,850	555,770	0
MISCELLANEOUS DEPARTMENTS	323,256	8,400	323,256	0
CITY COUNCIL	9,216	304	9,216	0
LAW DEPARTMENT/CITY SOLICITOR	120	210	120	0
INFORMATION TECHNOLOGY	0	0	0	0
PUBLIC PROPERTY & PURCHASING	128,000	6,667	128,000	0
<b>TOTAL DEPARTMENTAL FEES</b>	<b>14,727,922</b>	<b>703,486</b>	<b>14,727,922</b>	<b>0</b>
<b>OTHER REVENUE</b>				
<b>NON-DEPARTMENTAL FUND</b>				
REIMB BLUE CROSS PROVIDERS	0	0	0	0
FEDERAL GRANTS	0	0	0	0
ADDITIONAL STATE REVENUE	2,500,000	0	0	(2,500,000)
STATE OF R.I. EDUCATION AID	0	0	0	0
STATE OF R.I. MEDICAL REIMBURSEMENT	0	0	0	0
ANTICIPATED REIMBURSEMENT FROM FEMA	0	0	0	0
RENTAL INCOME	0	0	0	0
DONATIONS	0	0	0	0
WATER SUPPLY MEDICAL REIMB	0	0	0	0
MISCELLANEOUS REVENUE	0	0	0	0
MISCELLANEOUS REVENUE-OTHER	0	0	0	0
REIMBURSEMENT-W.S.B	839,167	0	839,167	0
REIMB RETIREMENT JTPA	0	0	0	0
TUITION REVENUE	0	0	0	0
PORT OF PROVIDENCE	350,000	0	350,000	0
TAX STABILIZATION PLAN-CLAW BACK PENALTY	0	0	567,000	567,000
RESTITUTION PAYMENTS	0	0	0	0
<b>TOTAL NON-DEPARTMENTAL FUND</b>	<b>3,689,167</b>	<b>0</b>	<b>1,756,167</b>	<b>(1,933,000)</b>
<b>PILOT PAYMENTS (VOLUNTARY)</b>				
PMTS FROM COLLEGES & HOSPITALS	8,233,374	0	8,233,374	0
STABILIZATION TREATY-ELECTRIC CO.	5,222,222	1,305,556	5,222,222	0
PROVIDENCE PLACE MALL	300,000	0	300,000	0
PILOT - PROVIDENCE HOUSING AUTHORITY	75,000	0	75,000	0
IN LIEU OF TAXES ON TAX EXMPT PROP.	0	0	0	0
PAYMENT IN LIEU OF TAXES (GRANTS COMM & MISC.)	0	0	0	0
<b>TOTAL PILOT PAYMENTS</b>	<b>13,830,596</b>	<b>1,305,556</b>	<b>13,830,596</b>	<b>0</b>
<b>TRANSFERS FROM FUNDS</b>				
TRANSFER FROM FUND 252	2,134,541	0	2,134,541	0
TRANSFER FROM FUND 250 - POLICE PLANNING	0	0	0	0
TRANSFER FROM FUND 256	0	0	0	0
TRANSFER FROM FUND 260	0	0	0	0
TRANSFER FROM FUND 283	4,700,000	200,000	4,700,000	0
TRANSFER FROM NO BURIAL GD (FD 801)	350,000	0	350,000	0
TRANSFER FROM \$40MM ROAD BOND FUND	0	0	0	0
TRANSFER FROM FUND 856	2,600,000	0	2,600,000	0
<b>TOTAL TRANSFERT FROM FUNDS</b>	<b>9,784,541</b>	<b>200,000</b>	<b>9,784,541</b>	<b>0</b>
<b>TOTAL OTHER REVENUE</b>	<b>27,304,304</b>	<b>1,505,556</b>	<b>25,371,304</b>	<b>(1,933,000)</b>

Note:

\* Reclassified DPW State Grant

DETAIL LIST #2  
FY 2016 PERIOD 1 OTHER MUNICIPAL EXPENDITURES

MONTHLY/QUARTERLY PERIOD ENDING July 31, 2015	Budget FY16	Actual July 31, 2015	Projected FY 2016	Projected Variance FY 2016
<b>DEPARTMENTAL EXPENSES</b>				
MAYORS OFFICE	187,200	15,661	187,200	0
DEPARTMENT OF LAW	2,179,320	219,627	2,179,320	0
FINANCE DEPARTMENT	2,116,268	4,558	2,116,268	0
INFORMATION TECHNOLOGY	1,354,881	6,695	1,354,881	0
HUMAN RESOURCES	118,550	1,072	118,550	0
COMMISSIONER OF PUBLIC SAFETY	577,011	0	577,011	0
DEPARTMENT OF COMMUNICATIONS	1,527,084	47,953	1,527,084	0
EMERGENCY MANAGEMENT	160,745	14,517	160,745	0
PLANNING & DEVELOPMENT	963,348	31,480	963,348	0
RECREATION DEPARTMENT	130,200	28,088	130,200	0
PARKS DEPARTMENT	876,086	251,218	876,086	0
INSPECTION & STANDARDS	587,258	28,998	587,258	0
PUBLIC PROPERTY/PURCHASING	3,587,150	180,385	3,587,150	0
DEPARTMENT OF HUMAN SERVICES	354,877	24,096	354,877	0
MISCELLANEOUS DEPARTMENTS	238,344	14,099	238,344	0
CITY COUNCIL	834,316	13,670	834,316	0
HOUSING COURT	4,174	339	4,174	0
MUNICIPAL COURT	643,864	47	643,864	0
PROBATE COURT	27,772	2,582	27,772	0
BENEFITS DEPARTMENT - MISC.	0	0	0	0
TOTAL DEPARTMENTAL EXPENSE	16,468,448	885,086	16,468,448	0
<b>NON DEPARTMENTAL-GENERAL FUND</b>				
CONTINGENCIES	680,000	0	680,000	0
FISCAL AGENTS FEES	0	0	0	0
DEFICIT REDUCTION PER STATE REQUIREMENT	4,330,154	0	4,330,154	0
HEAT POWER & LIGHT	6,500,000	791	6,500,000	0
TRANSFER TO PUBLIC SAFETY INSPECTION	0	0	0	0
TELLER SHORTAGE OVERAGE	0	41	0	0
GRANTS COMMISSIONS & MISC.	1,243,500	27,338	1,243,500	0
CEREMONIES	9,030	0	9,030	0
TOTAL GENERAL (NON-DEPARTMENTAL)	12,762,684	28,169	12,762,684	0
<b>OTHER MUNICIPAL BENEFITS</b>				
WORKERS COMPENSATION				
MEDICAL SERVICES - WORKMANS COMP	168,900	5,400	168,900	0
INJURY PAYMENTS	1,400,000	102,982	1,400,000	0
FEES NOT CLASSIFIED	340,000	30,916	340,000	0
MEDICAL FEES	0	0	0	0
MISC. EXPENSES	75,000	0	75,000	0
DENTAL INSURANCE	0	0	0	0
LABORERS INT'L PENSION	0	0	0	0
F.I.C.A.	0	0	0	0
LOCAL 1033 BENEFITS EXPENSE	0	0	0	0
TRANSFER TO ACTIVE MEDICAL INS FUND	0	0	0	0
LABORERS BENEFIT ACCOUNT (LOCAL 1033)	2,038,641	156,185	2,038,641	0
LABOERS PENSION FUND (LOCAL 1033)	1,801,957	149,702	1,801,957	0
AUTO ALLOWNACE	273,129	22,065	273,129	0
ELECTED OFFICIALS PENSION CONTRIBUTION	0	0	0	0
RETIREE MEDICAL	0	0	0	0
STATE UNEMPLOY COMP	165,000	0	165,000	0
EDUCATION INCENTIVE PAY	152,880	12,830	152,880	0
LEGAL SERVICE	0	0	0	0
HEALTHCARE EE CASH PAYMENT	3,500	1,500	3,500	0
LABORERS TRANINNG FUND	0	0	0	0
POLICE LEGAL FUND	68,880	0	68,880	0
FIRE LEGAL FUND	0	0	0	0
STIPENDS	11,000	550	11,000	0
LEGAL AND CONTRACTUAL (POLICE AND FIRE)	0	0	0	0
TRANSFER TO B.C. SELF INS. FUND	0	0	0	0
TOTAL OTHER MUNICIPAL BENEFITS	6,498,887	482,130	6,498,887	0
<b>TOTAL OTHER EXPENDITURE</b>	35,730,019	1,395,386	35,730,019	0

Note:

\* Reclassified Finance Department (101-201) Private Contractors and Misc. Expenses

MATTHEW M. CLARKIN, JR.  
INTERNAL AUDITOR  
25 DORRANCE STREET, ROOM #307  
PROVIDENCE, RI 02903  
Phone: (401) 421-7740 EXT. 577  
Fax: (401) 351-1056  
mclarkin@providenceri.com



2

City of Providence, Rhode Island  
Office of the Internal Auditor

September 1, 2015

Mr. Lawrence J. Mancini  
Finance Director  
City of Providence  
25 Dorrance Street  
Providence, RI 02903

Dear Mr. Mancini:

Thank you for providing my office with your FY2016 budget projections based upon the first month of the fiscal year. I would appreciate if you would provide information and answers to the following questions concerning the report and the projected \$375,000 year-end surplus.

**Revenues**

Inspections & Standards (Structures & Zoning) – Please provide details on the project(s) that will result in this revenue ending the fiscal year \$1.3 million above budget.

Tax Stabilization Plan (Claw Back Penalty) - Please provide details concerning the TSA project(s) that are included in this projected revenue of \$567,000.

School Debt Construction – Please explain the reason(s) for projected shortfall of \$694,929 to this revenue.

**Expenditures**

Fire Department Salaries – Please provide a detailed analysis/projection that supports the fire department's salaries being \$1.3 million below budget at year-end.

Fire Department Line Items – Please provide details concerning the projected savings of \$230,638 in the fire department's line items.

Sincerely,

A handwritten signature in black ink, appearing to read "Matthew M. Clarkin, Jr.", written over a horizontal line.

Matthew M. Clarkin, Jr.  
Internal Auditor

Lawrence J. Mancini  
Finance Director

Jorge O. Elorza  
Mayor



**Finance Department**  
*"Building Pride In Providence"*

Mr. Matthew M. Clarkin, Jr.  
Internal Auditor  
City of Providence  
25 Dorrance Street  
Providence, RI 02903

September 3, 2015

Dear Mr. Clarkin,

I am writing in reply to your letter of September 1, 2015, requesting responses to questions that you have presented regarding the City's July 2015 operating Report which was filed with your office on August 31, 2015, as is required by Ordinance # 2011-22 Section 1, e (1)(i) and (ii)

The report represented the most accurate information available at the time of the filing. For ease of comprehension, I have styled our replies, in bold italics, immediately following each question and in succession of each question.

**Revenues:**

**Inspections & Standards (Structures & Zoning)** – Please provide details on the project(s) that will result in this revenue ending the fiscal year \$1.3 million above budget.

*The Department of Inspection and Standards provided an updated schedule of projects that reflect a revised confidence factor associated with projects that were previously planned and/or awaiting approval, along with those which have now completed the permit issuance process sooner than anticipated for this fiscal year.*

*Projects were measured by only those known projects with at least a 50 percent prospect of completion or have already applied for and completed the permitting process. This resulted in a projection of \$6,899,065 or \$1,283,191 more than budgeted. (Please see attached analysis worksheet compiled by Department of Inspection and Standards.)*

**Tax Stabilization Plan (Claw Back Penalty)** - Please provide details concerning the TSA project(s) that are included in this projected revenue of \$567,000.

*The City will be receiving a "claw back" payment of \$567,735 in previously waived taxes from Victory Square for its failure to complete the project terms and conditions associated with the tax stabilization that was approved by the City Council on December 17, 2012. (See attached Ordinance #660 Chapter 2012-67 Section #8 Page 6) The Mayor is expected to sign an agreement that will address the matter in greater detail.*

**School Debt Construction** – Please explain the reason(s) for projected shortfall of \$694,929 to this revenue

*The Rhode Island Department of Education (RIDE), working with and through RIHEBC, informed the City of Providence Finance Department on June 11, 2015, that as a result of a change in calculation of so-called capitalized interest on certain prior year bond issues (Series 2010A and Series 2010 B) it resulting in a lower Housing Aid reimbursement to the City. (See attached correspondence from Joseph da Silva, School Construction Coordinator, RIDE and Adam Krea First Southwest)*

*Those bond issues were part of the interest rate bond refundings that were completed in May of 2015, but unknown to the City at the time of closing. Therefore it was too late in FY 15 for RIDE to change the Housing Aid formula for FY 15 reimbursement so that an extra \$694,926 was paid to the City in FY 15, resulting in a reduction of \$694,926 in FY 16.*

**Expenditures:**

**Fire Department Salaries** – Please provide a detailed analysis/projection that supports the fire department's salaries being \$1.3 million below budget at year-end.

*At this time we are projecting a salary savings associated with the likely event of the planned and budgeted fire training school being cancelled.*

*The salary components associated with the fire training school were Temporary Salaries of \$630,240 and the salaries associated with their subsequent employment of \$753,400. The total of these 2 components equals \$1,383,640.*

*Also, at this time, due to the current litigation surrounding the change in platoon shifts, the Administration is unable to comment on the costs associated with the shift implementation due to excessively higher than normal injured on duty status of the current workforce.*

*For the first month of the new fiscal year and until we are able to complete the first quarter, we are not positioned to make an adequate determination of salary projections associated with callback.*

**Fire Department Line Items** – Please provide details concerning the projected savings of \$230,638 in the fire department's line items.

*The costs associated with the FY 16 budget that are related to fire school operations, are as follows:*

<i>Uniforms</i>	<i>\$ 166,238</i>
<i>Lumber</i>	<i>4,400</i>
<i>Educational materials</i>	<i>6,000</i>
<i>Recruitment expense</i>	<i>54,000</i>
<i>Grand Total</i>	<i>\$ 230,638</i>

Lawrence J. Mancini  
Finance Director

Finance Department  
"Building Pride In Providence"

Jorge O. Elorza  
Mayor

I trust that this information will assist you with your review and should you require any additional information kindly do not hesitate to ask.

Sincerely,



Lawrence J. Mancini  
Finance Director

CC: Tony Simon, Chief of Staff  
Brett P. Smiley, Chief Operating Officer  
Sara Silveria, Deputy Finance Director  
Council President Luis A. Aponte  
Councilman John J. Iglizzi, Chairman Finance Committee  
Ms. Yvonne Graf, Chief of Staff City Council  
Mr. James J. Lombardi, City Treasurer/Senior Advisor to City Council