



# **The City of New York**

**Michael R. Bloomberg, Mayor**

# **Financial Plan Summary**

**Fiscal Years 2011 - 2015**

**Office of Management and Budget**

**Mark Page, Director**

**February 17, 2011**

# Financial Plan Summary

Fiscal Years 2011 - 2015

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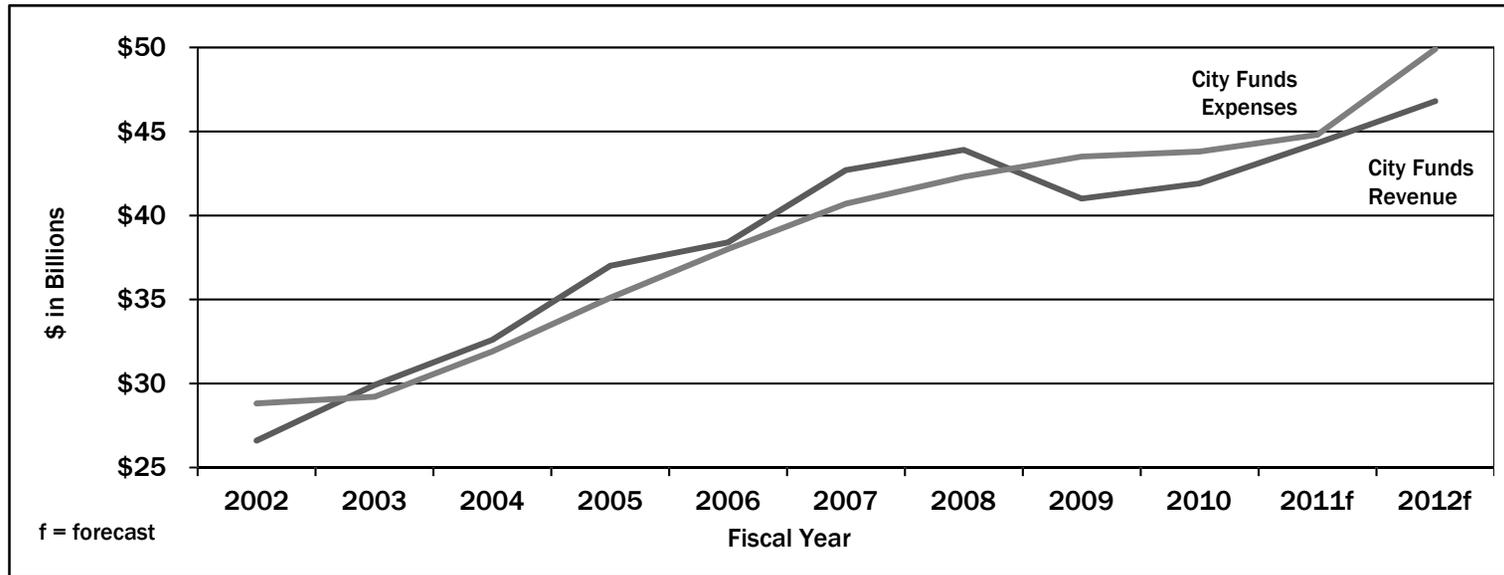
## **New York City Began Taking Actions to Help Close the Budget Gap in FY 2012 Over Three Years Ago**

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- ❖ **We have implemented 9 different Programs to Eliminate the Gap (PEGs) with City agencies taking actions of \$5.2 billion to help close the gap in FY 2012, while maintaining core City services that New Yorkers demand and deserve and continuing to improve the quality of life in our City. (Going forward, the recurring value of these PEGs is approximately \$5 billion annually - see page 21).**
- ❖ **During the economic boom years, we did not spend all of our resources each and every year, as many others did. Instead, we made sure to roll resources into the future, year after year, and it is these resources which have helped to sustain us through the economic downturn.**
- ❖ **Now that the national economy seems to have stabilized and economic growth is starting to return, we face new challenges.**

# City Funds Revenue and Expenses

## February 2011 Plan



	City Funds (\$ in Billions)										
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011f</u>	<u>2012f</u>
<b>Revenue</b>	<b>\$26.6</b>	<b>\$29.9</b>	<b>\$32.6</b>	<b>\$37.0</b>	<b>\$38.4</b>	<b>\$42.7</b>	<b>\$43.9</b>	<b>\$41.0</b>	<b>\$41.9</b>	<b>\$44.3</b>	<b>\$46.8</b>
<i>Year-to-Year Change:</i>	<i>(4.5%)</i>	<i>12.7%</i>	<i>8.8%</i>	<i>13.4%</i>	<i>3.8%</i>	<i>11.3%</i>	<i>2.9%</i>	<i>(6.8%)</i>	<i>2.2%</i>	<i>5.7%</i>	<i>5.6%</i>
<b>Expenses</b>	<b>\$28.8</b>	<b>\$29.2</b>	<b>\$31.9</b>	<b>\$35.1</b>	<b>\$38.0</b>	<b>\$40.7</b>	<b>\$42.3</b>	<b>\$43.5</b>	<b>\$43.8</b>	<b>\$44.8</b>	<b>\$49.9</b>
<i>Year-to-Year Change:</i>	<i>2.7%</i>	<i>1.3%</i>	<i>9.1%</i>	<i>10.3%</i>	<i>8.1%</i>	<i>7.2%</i>	<i>3.9%</i>	<i>2.7%</i>	<i>0.7%</i>	<i>2.3%</i>	<i>11.5%</i>
<b>Operating Surplus/(Deficit)</b>	<b>(\$2.2)</b>	<b>\$0.7</b>	<b>\$0.7</b>	<b>\$1.9</b>	<b>\$0.4</b>	<b>\$2.0</b>	<b>\$1.6</b>	<b>(\$2.5)</b>	<b>(\$1.9)</b>	<b>(\$0.5)</b>	<b>(\$3.1)</b>
<b>Cumulative Surplus/(Deficit)</b>	<b>\$0.7</b>	<b>\$1.4</b>	<b>\$2.1</b>	<b>\$4.0</b>	<b>\$4.4</b>	<b>\$6.4</b>	<b>\$8.0</b>	<b>\$5.5</b>	<b>\$3.6</b>	<b>\$3.1</b>	<b>\$---</b>
<b>Inflation (CPI-U)</b>	<b>2.2%</b>	<b>2.9%</b>	<b>3.3%</b>	<b>3.7%</b>	<b>4.0%</b>	<b>3.1%</b>	<b>3.4%</b>	<b>2.3%</b>	<b>1.1%</b>	<b>1.5%</b>	<b>1.8%</b>

Notes: FY 2009 and prior years revenue & expenses adjusted to include TFA PIT retention and TFA debt service; excluding the impact of rolls and debt defeasances.

# The State Executive Budget Included a Direct Hit on the City's Budget

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- ❖ In the City's November 2010 Plan, our budget gap for FY 2012 was \$2.4 billion. Since then, we have had additional expenses at City agencies of \$794 million through the end of FY 2012, which increased the shortfall to \$3.2 billion.
- ❖ Then the State Executive Budget reduced spending on State-supported services in New York City by \$2.1 billion, including a direct hit to New York City's budget of \$1.4 billion as we will see later in the presentation (see page 24).
- ❖ This \$1.4 billion direct hit to the City's budget increased the shortfall from \$3.2 billion to \$4.6 billion.

# **We Have Proposed a Preliminary Plan for Budget Balance Through the End of FY 2012**

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**We propose to close most of the \$4.6 billion shortfall we face with the following actions:**

- ❖ **Due to the slowly improving economy, the revenue forecast has increased by \$930 million in FY 2011 and \$1.1 billion in FY 2012**
- ❖ **We have received \$394 million of funding from FMAP sooner than we expected**
- ❖ **We have debt service savings of \$269 million in FY 2011 and \$339 million in FY 2012**
- ❖ **We have re-estimated expenses for health insurance and judgments & claims, saving \$239 million**
- ❖ **We have a reserve for prior year payables which we are no longer expecting to occur since we are now eight months into the fiscal year, so we can reduce this reserve by \$500 million**
- ❖ **We have a general operating reserve for FY 2011, which we are reducing by \$200 million**

**The total of these actions is \$4 billion, leaving a remaining shortfall of \$600 million.**

# **NYC is Relying on \$600 Million in Anticipated State Actions To Close the Remaining Gap of \$600 Million**

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**Our Preliminary Budget Relies on \$600 Million of Actions by the State, including:**

- ❖ **Equitable Reduction in Revenue Sharing - \$200 million**
- ❖ **Moderate Reform of the Variable Supplements Fund (VSF) - \$200 million**
- ❖ **Additional State Education Aid - \$200 million**

**If the State does not increase State aid to New York City or authorize us to achieve employee benefit savings, then the City would be forced to implement a \$600 million PEG Program with the next iteration of our budget, the Executive Budget later this spring.**

**Given the cumulative impact of the \$5.2 billion in agency Gap closing actions which we have already taken, an additional \$600 million PEG Program would be difficult and painful, and likely adversely affect City services.**

# Summary of Cumulative Changes Through FY 2012 Since the November 2010 Plan

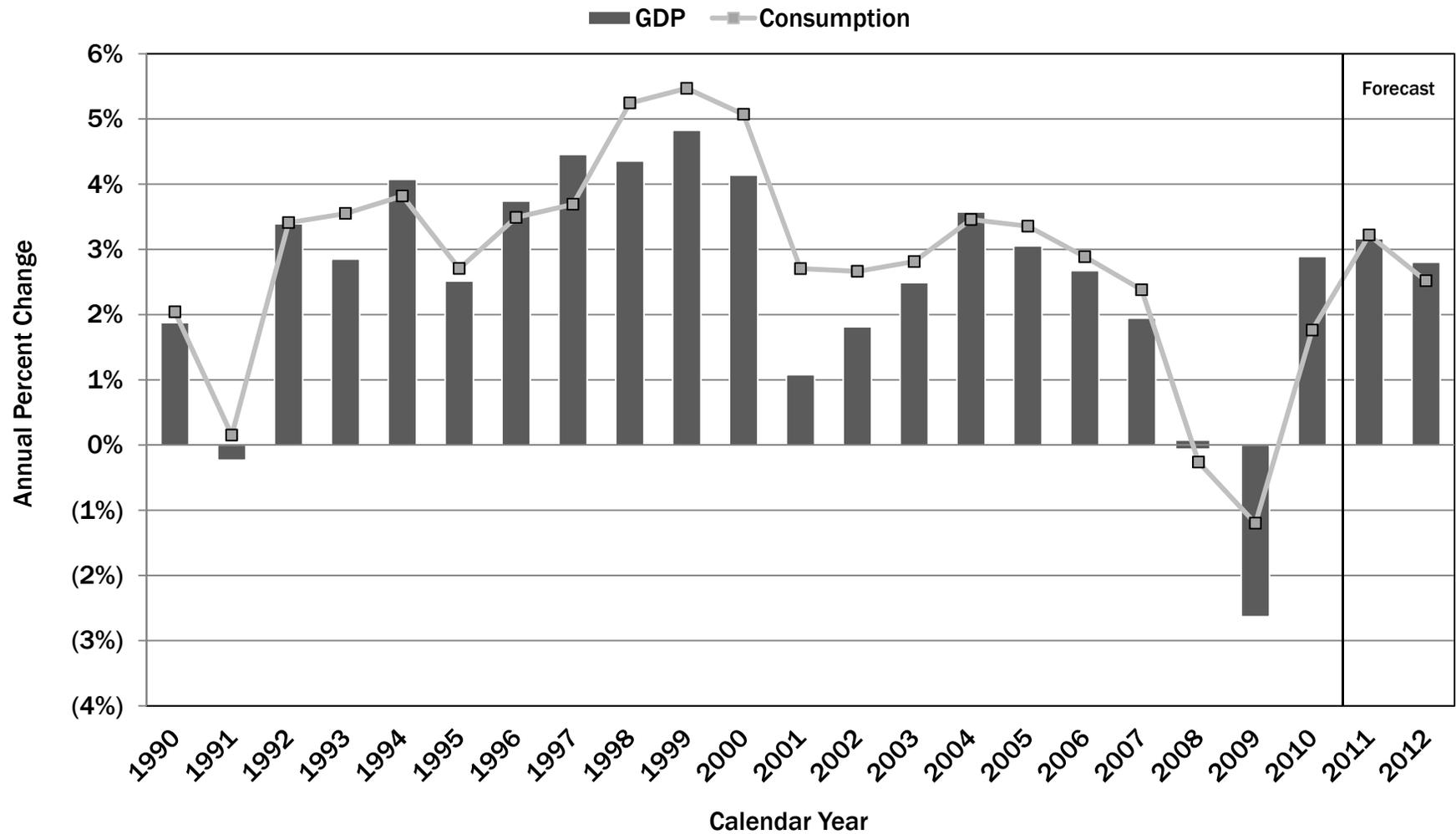
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	\$ in Millions <u>FY 2011 - FY 2012</u>
<b>Gap as of November 2010 Plan*</b>	<b>(\$2,357)</b>
State Budget Cut to NYC	(2,147)
Discontinued State Education Aid (Not Incorporated into NYC Budget When First Announced by the State in November)	434
Discontinued State Funding for Social Services, Health and Criminal Justice Programs, Resulting in Cuts to Services Across the City	403
Mandated Social Services Which the City Must Pay for Even Though the State Has Eliminated Funding for These Services	(124)
<b>Shortfall</b>	<b>(3,791)</b>
New Needs at City Agencies (see page 48)	(731)
<u>Changes in Forecast Pension Expenses</u>	<u>(63)</u>
<b>Shortfall</b>	<b>(4,585)</b>
<b>Resources</b>	
Increase in Revenue Forecast Through FY 2011 and FY 2012 (Net of Non-Tax Revenue Decrease)	2,044
Medicaid Revenue from Accelerated Federal Match (FMAP)	394
Savings from Debt Service Due To Lower Interest Rates and Refundings	608
Re-estimate of Health Insurance and Reduced Expenses for Judgments and Claims	239
Reduce Reserve for Prior Payables No Longer Expected to Occur	500
Reduce Reserve for FY 2011 General Operating Reserve from \$300 million to \$100 million	200
<b>Subtotal - Resources</b>	<b>3,985</b>
<b>Remaining Shortfall</b>	<b>(600)</b>
<b>Anticipated State Actions</b>	<b>600</b>
<b>Balance</b>	<b>\$ ---</b>

\*Already has the savings from the loss of approximately 6,000 teaching positions at DOE

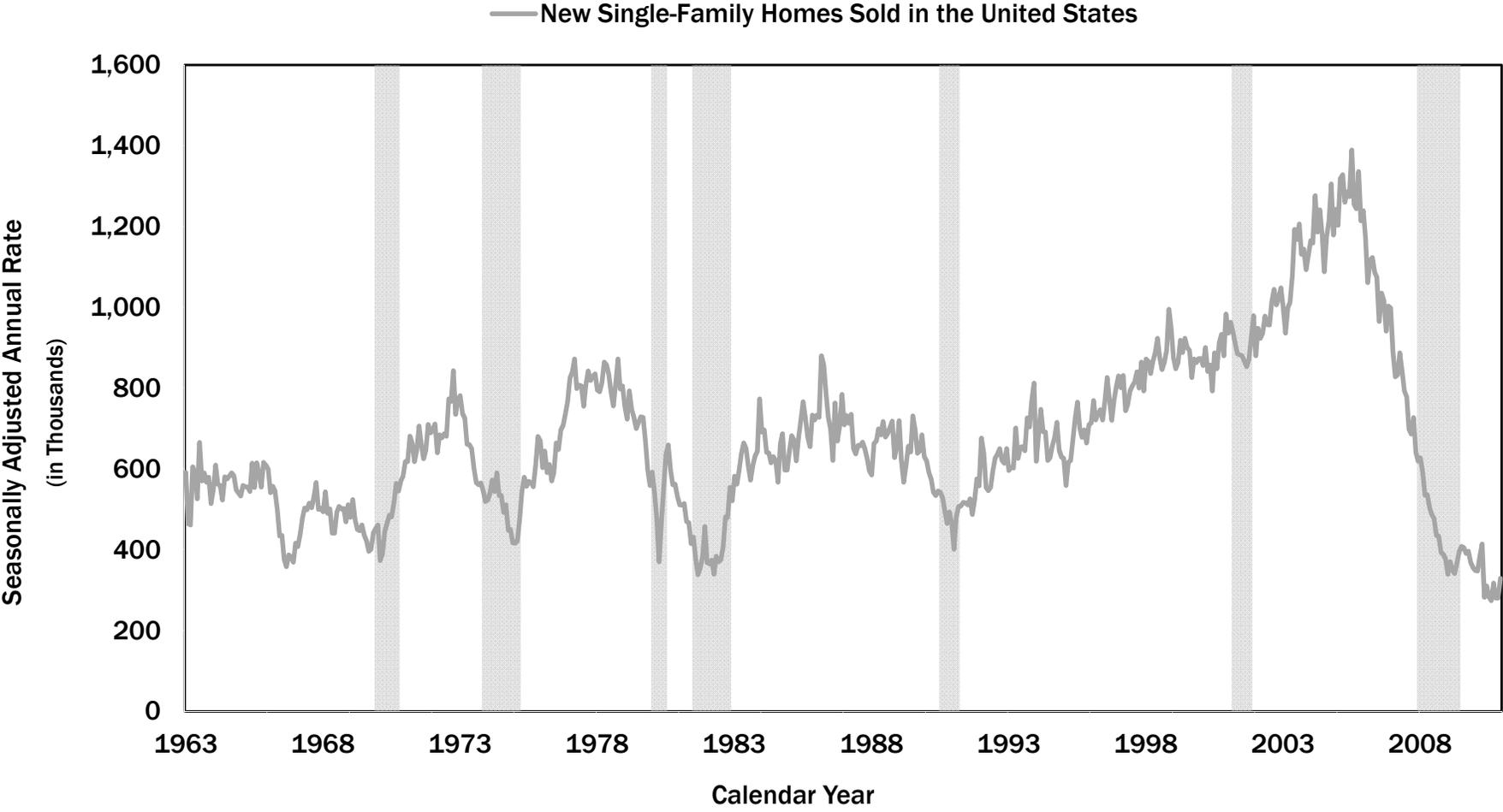
# I. Economic Update

# The U.S. Will Make a Modest Recovery with Consumption Spending Bouncing Back



Source: Bureau of Economic Analysis, New York City OMB

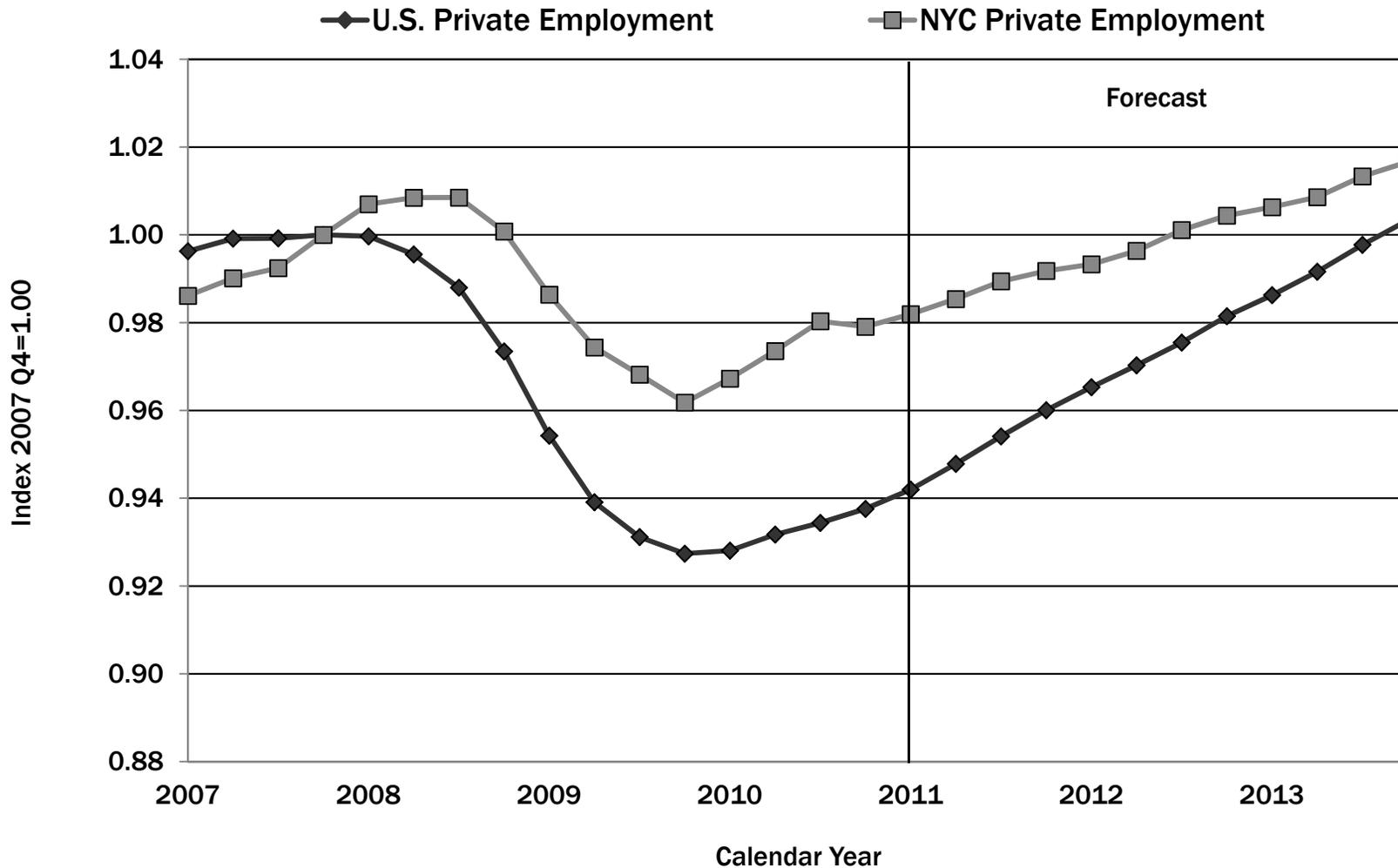
# A Major Roadblock to Overall Growth Is the U.S. Housing Market. Activity Is Still at Record Low Levels



Shaded Area Indicates a National Recession as Defined by the National Bureau of Economic Research

Source: U.S. Census Bureau

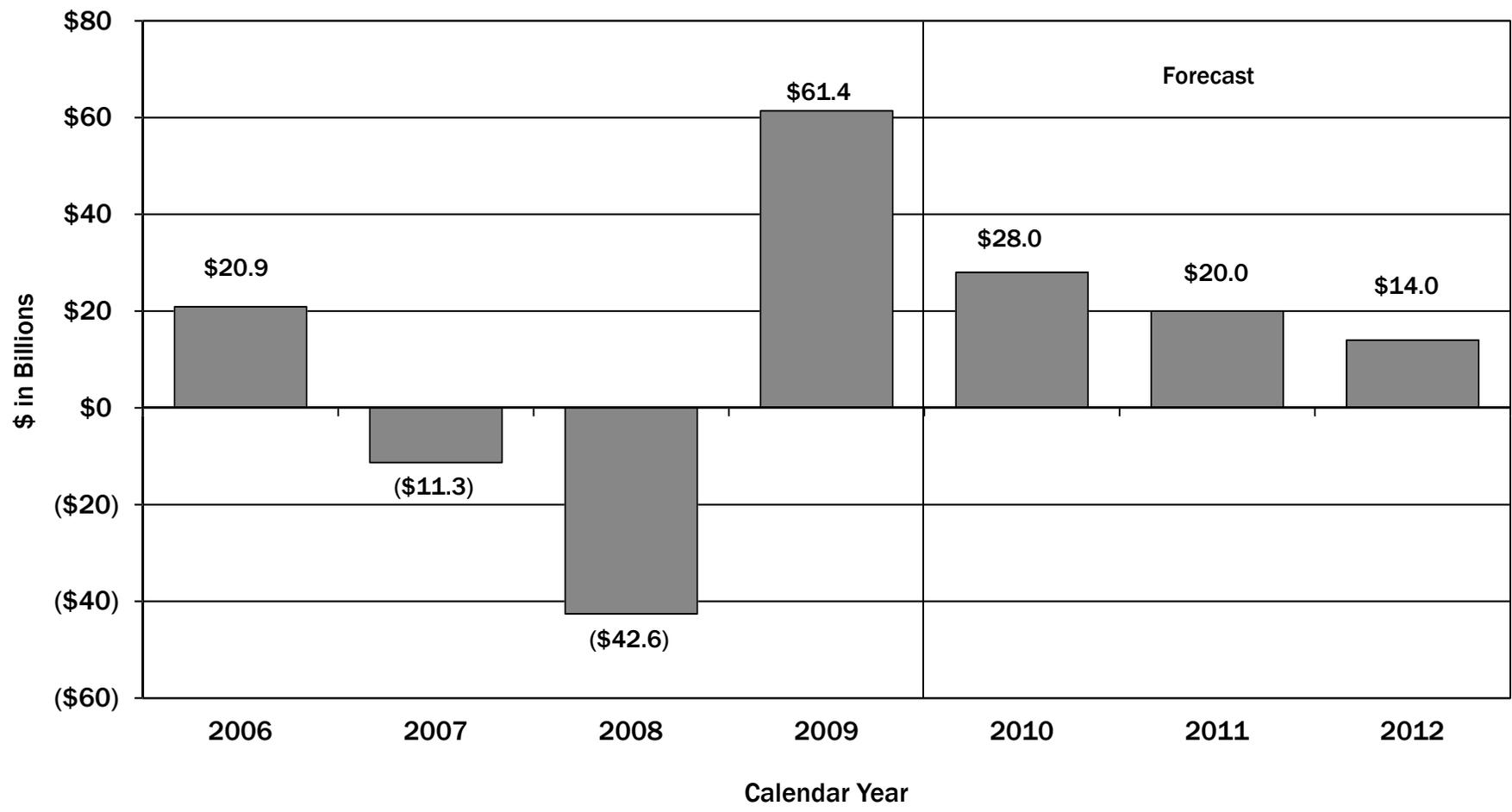
# Job Losses in New York City Were Less Severe Than in the Nation. The Forecast for Employment Growth Is Modest



Source: Bureau of Labor Statistics, New York City OMB

# Wall Street Is Expected To Have Another Strong Year in 2011, Boosted by A Steep Yield Curve and Strong Equity Markets. Profits Fall Back in 2012, As Rising Interest Expenses and Stricter Regulations Limit Growth

New York Stock Exchange Member Firm Profits

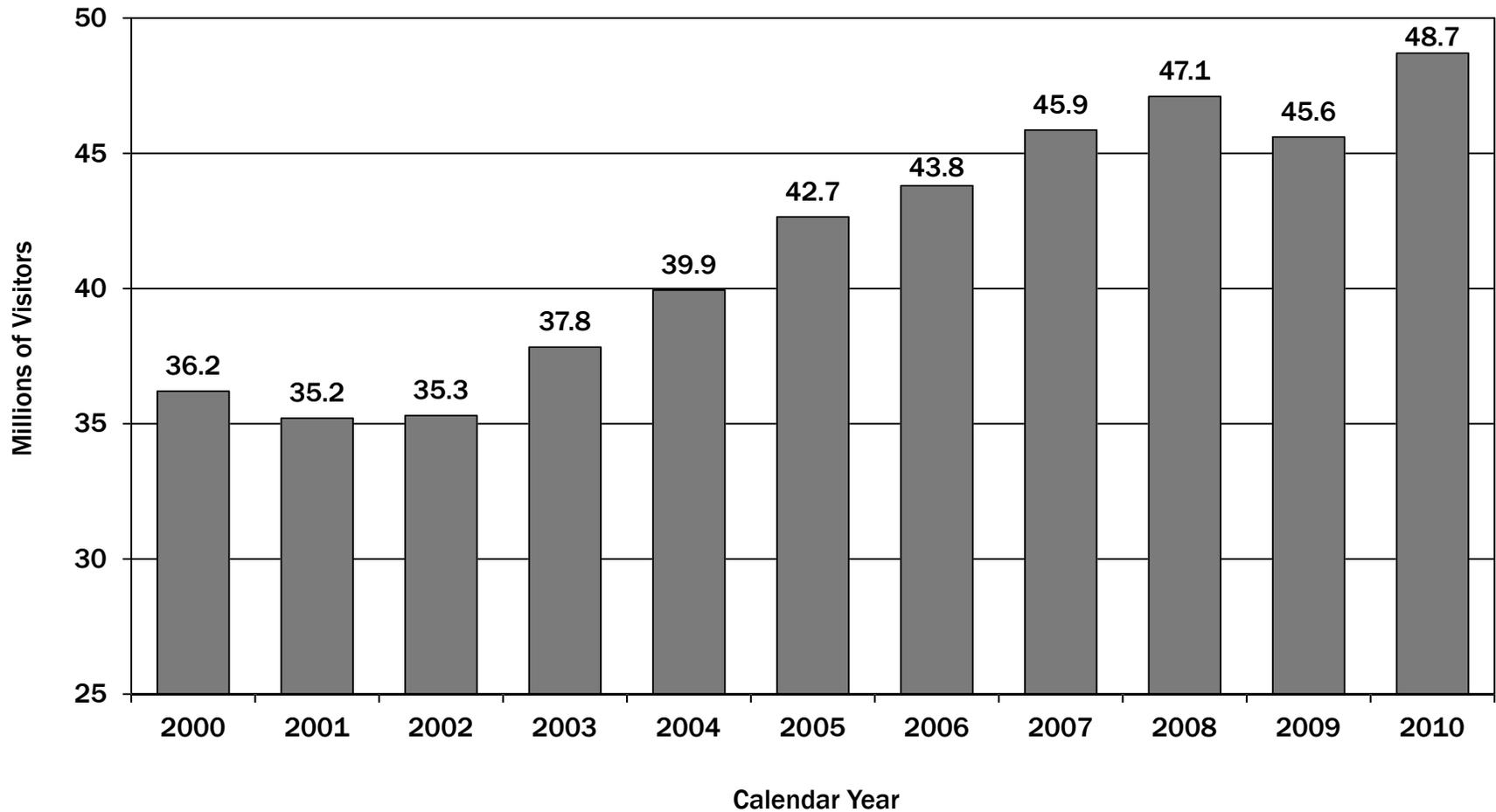


Source: New York Stock Exchange, NYC OMB

# New York City Attracted a Record 48.7 Million Visitors in 2010

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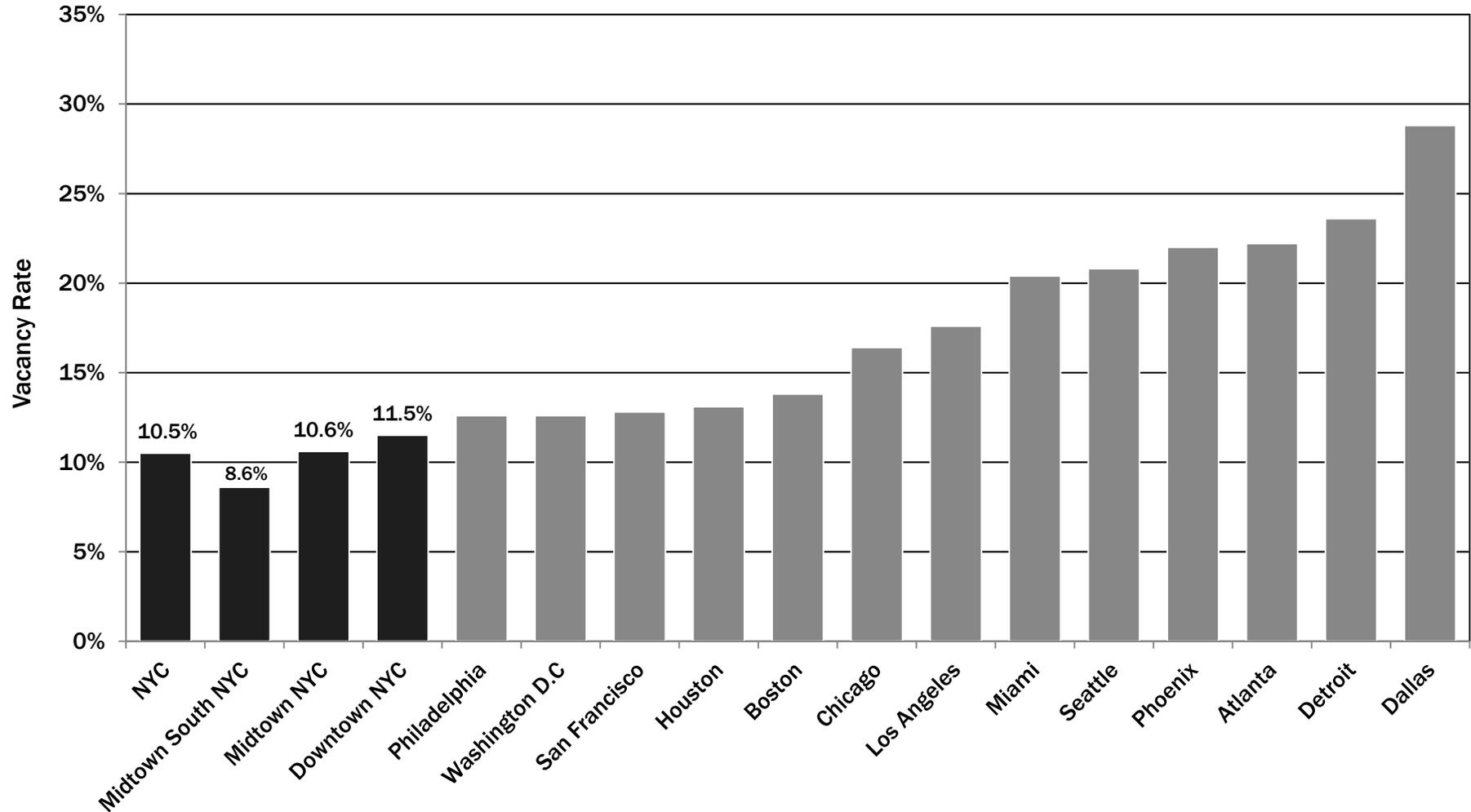
Visitors to NYC



Source: NYC & Company

# The Local Commercial Real Estate Market Remains the Strongest in the Country

Our Vacancy Rate is the Lowest in the Country



Source: Cushman & Wakefield 2010 Q4

## **II. Budget Update**

# We Are Continuing Agency Programs to Reduce the Gap Previously Announced in Our November 2010 Plan

## Increases the Gap / (Decreases the Gap)

	Fiscal Year 2011 City Funds - \$ in Millions				Fiscal Year 2012 City Funds - \$ in Millions			
	Expense	Revenue	Total	Percentage	Expense	Revenue	Total	Percentage
<b>Uniformed Forces</b>								
Police	(\$42)	(\$1)	(\$43)	(0.9%)	(\$64)	(\$3)	(\$67)	(1.3%)
Fire	(8)	---	(8)	(0.4%)	(34)	(2)	(36)	(2.0%)
Correction	(3)	(2)	(5)	(0.4%)	(9)	(1)	(10)	(0.8%)
Sanitation	(25)	---	(25)	(1.7%)	(76)	---	(76)	(5.0%)
<b>Health and Welfare</b>								
Administration for Children's Services*	(26)	---	(26)	(3.5%)	(38)	---	(38)	(5.2%)
Social Services	(51)	---	(51)	(8.6%)	(33)	---	(33)	(5.5%)
Homeless Services	(1)	---	(1)	(0.2%)	(18)	---	(18)	(4.8%)
Youth & Community Development	(9)	---	(9)	(3.9%)	(14)	---	(14)	(8.2%)
Health & Mental Hygiene	(22)	---	(22)	(4.9%)	(33)	---	(33)	(7.5%)
<b>Other Mayoral</b>								
Housing Preservation & Development	(2)	(2)	(4)	(5.1%)	(4)	(1)	(5)	(7.9%)
Finance	(1)	(6)	(7)	(2.6%)	(2)	(24)	(26)	(10.5%)
Transportation	(15)	(10)	(25)	(4.9%)	(13)	(28)	(41)	(8.0%)
Parks & Recreation	---	5	5	1.6%	(36)	---	(36)	(11.6%)
Libraries	(17)	---	(17)	(5.4%)	(20)	---	(20)	(8.0%)
Department of Cultural Affairs	(8)	---	(8)	(5.4%)	(9)	---	(9)	(8.0%)
Citywide Administrative Services	(9)	(5)	(14)	(5.9%)	(8)	(9)	(17)	(7.5%)
All Other Agencies	(62)	(30)	(92)	(4.9%)	(50)	(42)	(92)	(5.1%)
<b>Education</b>								
Education	(221)	---	(221)	(2.8%)	(350)	---	(350)	(4.0%)
CUNY	(9)	---	(9)	(3.7%)	(16)	---	(16)	(8.0%)
HHC	(3)	---	(3)	(3.9%)	(9)	---	(9)	(8.0%)
<b>Other</b>								
Procurement Savings	---	---	---		(56)	---	(56)	
<b>Total Agency Programs</b>	<b>(\$534)</b>	<b>(\$51)</b>	<b>(\$585)</b>	<b>(2.4%)</b>	<b>(\$892)</b>	<b>(\$110)</b>	<b>(\$1,002)</b>	<b>(4.1%)</b>

\* Includes the merger of Department of Juvenile Justice into Administration for Children's Services in FY 2012.

## **As Announced in Prior Plans, the Department of Education Headcount Will Fall By Over 6,000 Employees in FY 2012**

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**The Preliminary Budget and Financial Plan continues to include the reduction of over 6,000 employees at the Department of Education in FY2012, including over 4,500 layoffs.**

**It is imperative that the State approve the City's plan to modify the "Last-In-First-Out" or LIFO method of labor management at the Department of Education to ensure the quality of education provided to the City's schoolchildren.**

# Additional Examples of Agency Programs to Eliminate the Gap

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Agency Programs	Increase the Gap / (Decrease the Gap) City Funds - \$ In Millions FY 2012
November 2010                      Police:    Eliminate 350 civilian positions	(\$29.8)
November 2010                      Fire:        1.5% Increase in Firefighter Availability	(\$15.0)
November 2010                      Correction: Administrative Staff Reduction	(\$3.5)
November 2010                      Health and Mental Hygiene:    Mental Hygiene Contracted Services Reduction	(\$4.9)
November 2010                      Libraries:    8% Reduction in Subsidies	(\$19.7)
November 2010                      Cultural Affairs: 8% Reduction in Subsidies	(\$8.8)
November 2010                      Parks and Recreation: Reduction in Work Year - Selected Titles	(\$17.5)

In addition to these PEGs, ACS will eliminate 16,624 Child Care Seats due to federal funds not keeping pace with increased costs of care.

Also, our Plan continues to assume that 20 Fire Companies will be eliminated in FY 2012.

# Our Nine PEG Programs Resulted in Recurring Annual Savings of Over \$5 Billion

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Increases the Gap / (Decreases the Gap)  
City Funds - \$ in Millions

	<u>FY 2008</u>	<u>FY 2009</u>	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>FY 2014</u>	<u>FY 2015</u>
<b><u>Dates PEGs Were Implemented</u></b>								
Before June 2008	(\$618)	(\$1,145)	(\$1,081)	(\$979)	(\$985)	(\$985)	(\$985)	(\$985)
July 2008 - June 2009	---	(501)	(2,075)	(2,074)	(2,066)	(2,089)	(2,089)	(2,089)
July 2009 - June 2010	---	---	(300)	(915)	(1,143)	(1,150)	(1,104)	(1,104)
July 2010 - February 2011	---	---	---	(585)	(1,002)	(917)	(914)	(913)
<b>Total</b>	<b>(\$618)</b>	<b>(\$1,646)</b>	<b>(\$3,456)</b>	<b>(\$4,553)</b>	<b>(\$5,196)</b>	<b>(\$5,141)</b>	<b>(\$5,092)</b>	<b>(\$5,091)</b>

**The City Is Currently Reforming Its Own Internal Operations to Find Savings.  
There Is the Potential for More Than \$500 Million in Savings Over the Next 4 Years and  
\$500 Million in Continued Savings Each Year Going Forward**

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**Shared Services & Streamlining Opportunities**

- ❖ **Procurement:** Working with vendors to find savings within existing contracts. Restructuring citywide procurement practices and policies prospectively to leverage economies of scale and more strategic purchasing decisions.
- ❖ **Fleet:** Rationalize the City's 26,000 vehicle fleet by streamlining and consolidating maintenance, purchasing and distribution of parts and fuel.
- ❖ **Human Capital:** Reform antiquated State civil service laws and City practices. Consolidate HR transactions by creating a shared services center. Enhance Employee Self Service as well as overall customer service, while allowing agencies to focus on strategic HR decision-making.
- ❖ **Information Technology:** Consolidate data centers, email, help desk services, and IT purchasing and policies at DOITT. Pursue additional enterprise licensing agreements that take advantage of the City's scale and buying power.
- ❖ **Space and Real Estate:** Refocus real estate services at DCAS to shed unneeded City-used space, offer customer-oriented and efficiency-based relocation, consolidation and termination services to agencies.
- ❖ **Debt and Payment Collection:** Empower DOF to act as shared service provider for all citywide collection efforts and consolidate all accounts receivable at DOF. Enhance the City's ability to accept payments and the customer's ability to pay through third parties/commercial banks.
- ❖ **Enterprise Print Management:** Reduce the number of printers, copiers and scanners that City agencies purchase and use, as well as the contracts, ink, paper and energy consumed to support their functioning. Use more strategic procurement and accountability measures to rationalize the ratio of employees to device.

## **III. State Budget**

# The State Executive Budget Cut to State Funded Services in NYC Is \$2.1 Billion and The Direct Cut to the City’s Budget is \$1.4 Billion

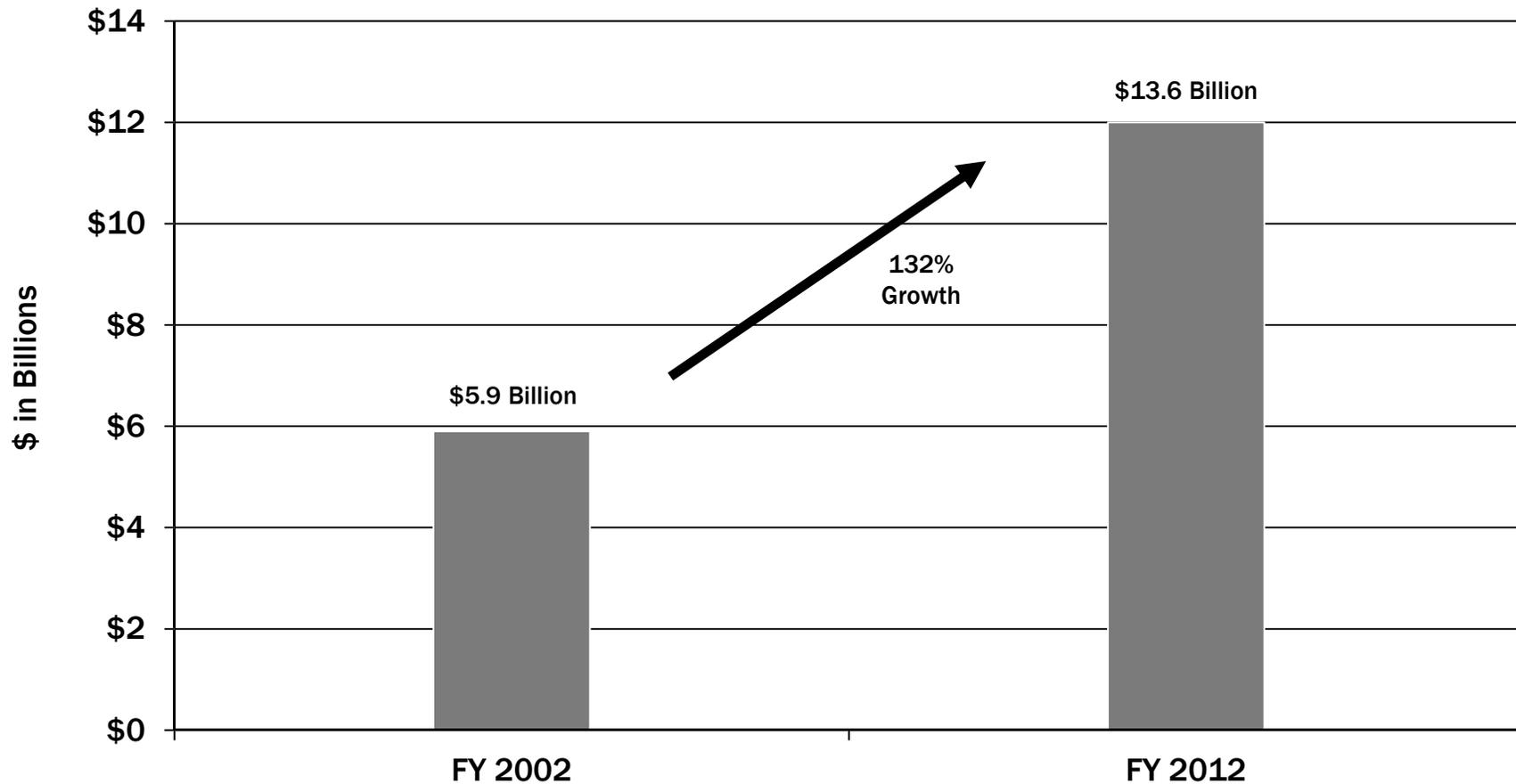
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	<u>\$ in Millions</u>
<b>Revenue Sharing Cut</b>	<b>(\$302)</b>
<b>Education Cut</b> (Includes \$434 million increase the State announced in November and then eliminated in the Governor's Executive Budget)	<b>(\$1,442)</b>
<b>Social Services, Health and Criminal Justice Cuts, Including:</b>	<b>(\$403)</b>
❖ Eliminate State support for severely disabled students in residential schools	
❖ Reduce State support for mandated adoption subsidies	
❖ State cut to adult homeless shelters	
❖ Juvenile Justice Restructuring	
❖ Title XX - cut to Senior Centers (State requiring NYC to repurpose Federal Funding)	
❖ Eliminate all funding of rental support for former shelter residents	
<hr/> <b>TOTAL STATE CUT TO STATE-FUNDED SERVICES IN NYC</b>	<hr/> <b>\$2.1 Billion</b>
 Increase in State Education Aid to NYC Announced by the State in November and Then Eliminated in the Governor's Executive Budget	 <b>(434)</b>
 State Funding Cuts to Social Services, Health and Criminal Justice Programs in NYC	 <b>(403)</b>
 Mandated Social Services Which the City Must Pay for Even Though the State Has Eliminated Its Funding for These Services	 <b>124</b>
<hr/> <b>TOTAL DIRECT STATE CUT TO THE NYC BUDGET (see page 7)</b>	<hr/> <b>\$1.4 Billion</b>

**IV. Since June, New York City Has Provided \$1.86 Billion of City Taxpayer Funds to the Department of Education in FY 2012 to Replace \$1.86 Billion of State and Federal Cuts**

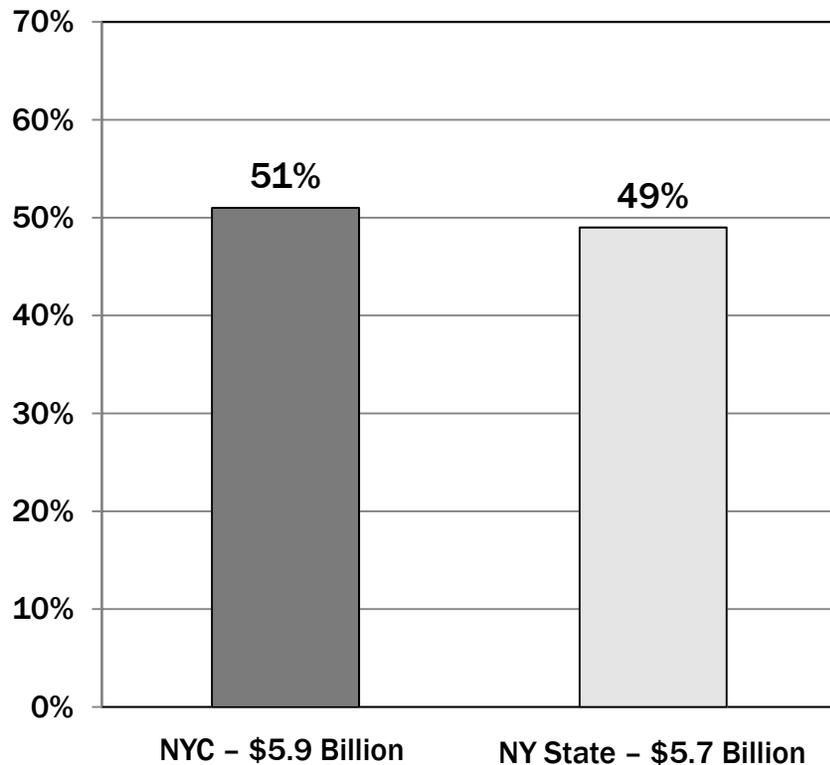
# NYC Has Continued to Invest in Our Schools Over the Last 10 Years

NYC Has More than Doubled Its Spending on Education Since FY 2002



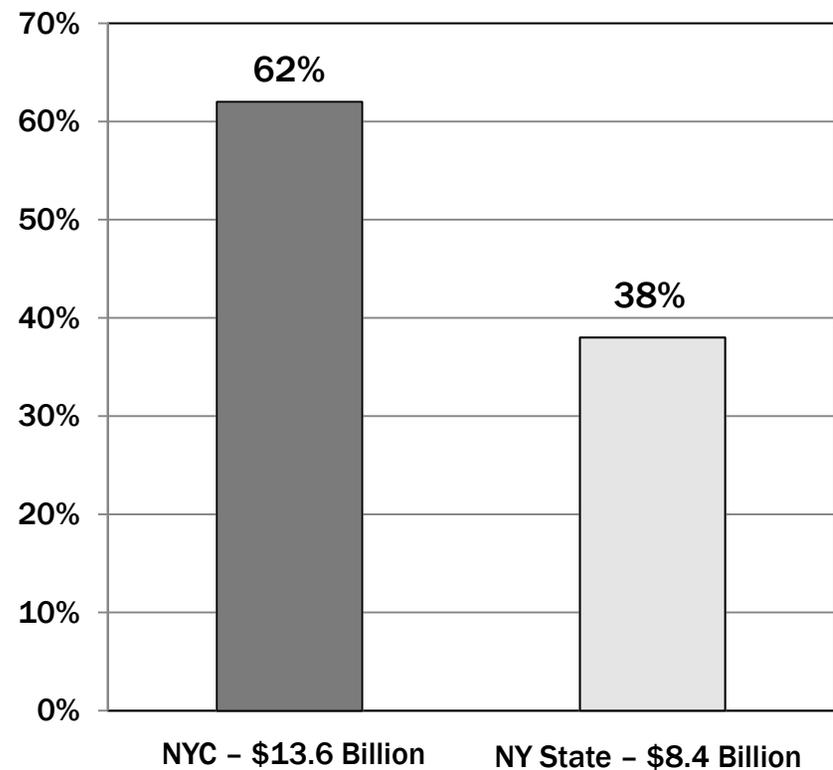
# Over The Last 10 Years, New York State Has Not Maintained Its Support of New York City's Public Schools

In FY 2002, New York State and New York City shared the non-federal portion of funding NYC's public schools equally.



FY 2002 - Total \$11.6 Billion

In FY 2012, NYC is providing 62% of the non-federal portion of funding for our public schools.



FY 2012 - Total \$22.0 Billion

# Compared With Other Large American Cities, New York City's Per Pupil Expenditures Are Among the Highest

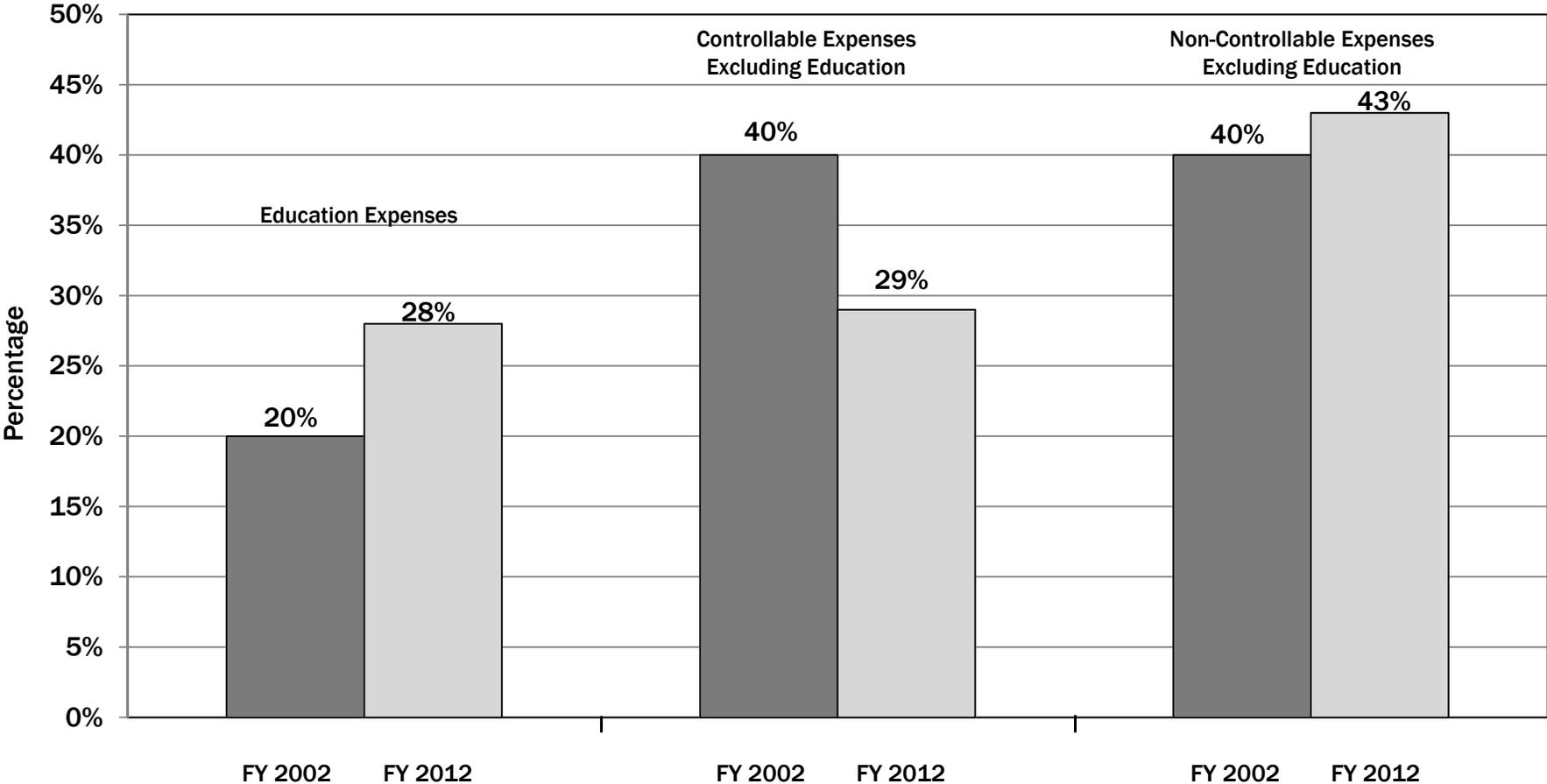
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<b>School District</b>	<b>Total Expenditures per Pupil</b>
Boston	\$ 20,324
<b>New York City</b>	<b>\$ 17,923</b>
District of Columbia	\$ 14,594
Detroit	\$ 12,016
Los Angeles Unified	\$ 11,357
Seattle	\$ 10,609
Chicago	\$ 10,392
Miami-Dade	\$ 9,933
San Francisco Unified	\$ 9,711
Philadelphia	\$ 9,399
Dallas	\$ 9,236
Houston	\$ 8,604

Source: US Census Bureau. Survey of Local Government Finances – School Systems, Table 17. “Per Pupil Amounts for Current Spending of Public Elementary-Secondary School Systems with Enrollments of 10,000 or More: 2007-08.

# In FY 2002, NYC Spent 20% of All of Its City Funds on Education. In FY 2012, NYC Will Spend 28% of All of Its City Funds on Education

FY 2012 Education Expenses Include \$1.86 Billion of City Taxpayer Funds Replacing State and Federal Cuts to Education of \$1.86 Billion Since June



Note: Excludes the impact of prepayments and debt defeasances.

**Since June, State and Federal Cuts To the Department of Education Total \$1.86 Billion.  
We Have Replaced This Loss With \$1.86 Billion in City Taxpayer Funding**

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**Changes to NYC Department of Education Operating Budget**

All Funds (\$ in Millions)

**FY 2012**

**Department of Education Operating Budget - Adopted Budget (June 2010) \$18,476**

<b>Additional City Funds to Replace Expiring Federal Stimulus Funds</b>	<b>\$853</b>
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**State Cut to Education (\$1,008)**

<b>Additional City Funds to Replace State Cut to Education</b>	<b>\$1,008</b>
<small>(Excluding \$434 Million Increase in State Education Announced in November and Eliminated in the Governor's Executive Budget)</small>	

**November 2010 Plan Agency PEG Program - City Funds (\$350)**

**Other Budget Changes \$141**

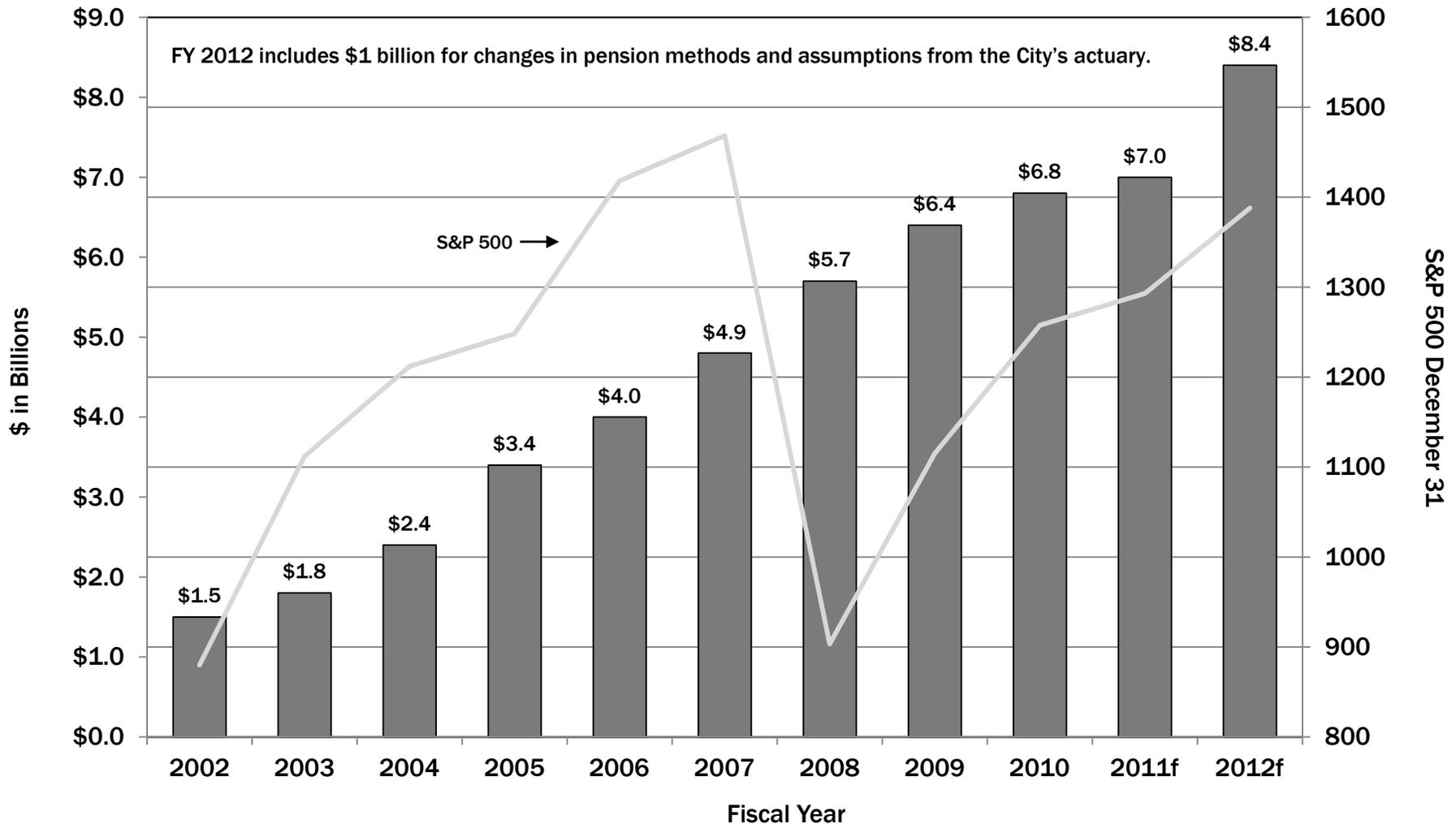
**Department of Education Operating Budget - February 2011 Plan \$19,120**

The \$1.86 billion in additional City taxpayer funding represents 10% of the operating budget of the Department of Education in FY 2012.

**V. We Must Act Now to Get Savings  
From Large and Growing Pension,  
Fringe Benefit and Debt Service Costs**

# Pension Costs Have Increased by 464% from \$1.5 Billion in FY 2002 to \$8.4 Billion in FY 2012

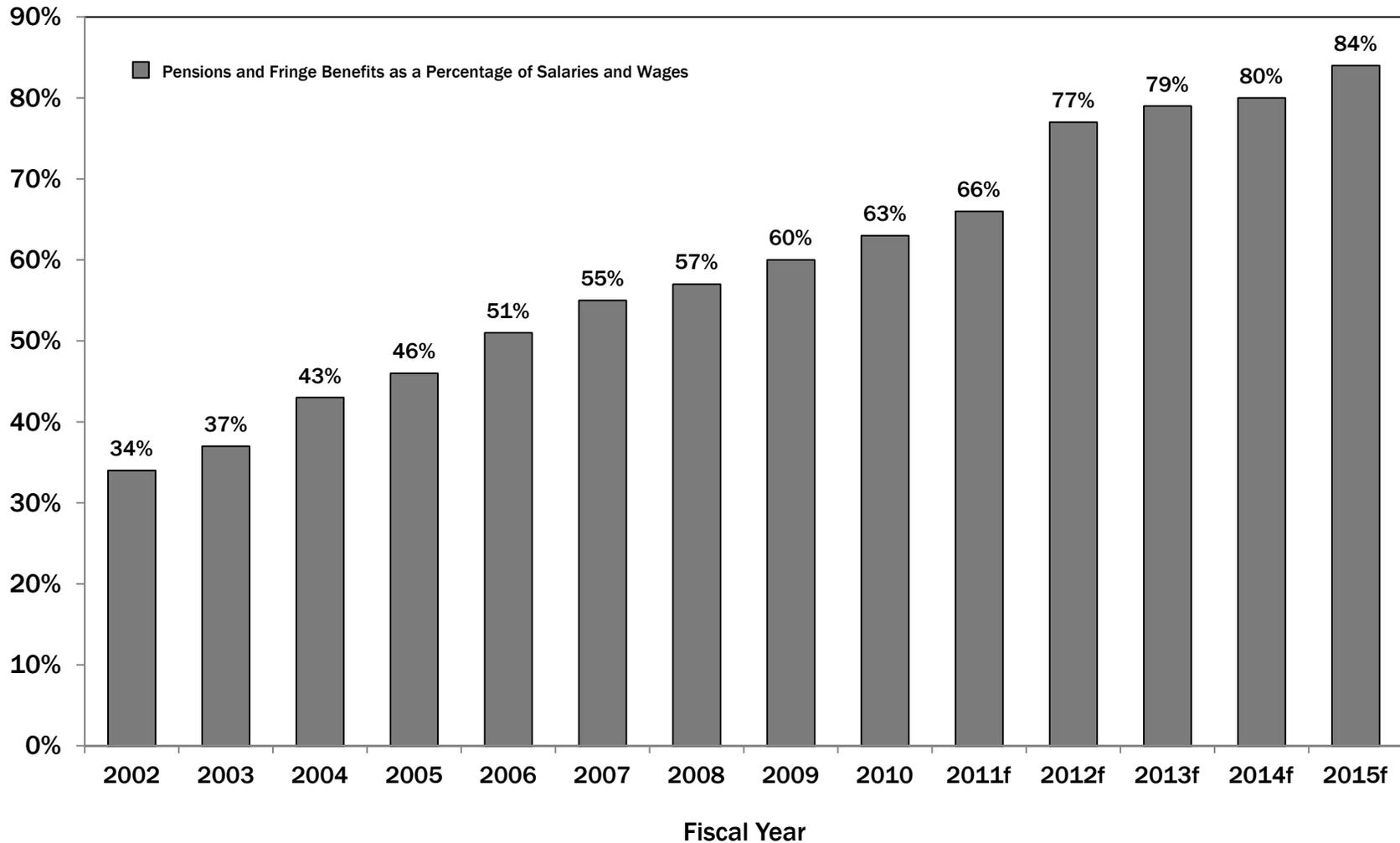
The Average Annual Growth in Pension Costs FY 2002 - FY 2012 Is 19%



f = forecast

Note: Include Pension contributions to non-city systems and "pay as you go" non-actuarial systems.

# Pensions and Fringe Benefits as a Percentage of Salaries and Wages Continue to Increase and NYC Needs Authorization from the State To Negotiate Pensions with Our Labor Force



f = forecast

Note: Excludes the impact of prepayments and RHBT.

# **New York City Needs a New Pension Plan for New Employees**

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- ❖ **Under our proposal, all current employees would continue to receive the pension benefits that they have earned.**
- ❖ **All new non-uniform employees would be required to work until age 65 before receiving a full pension.**
- ❖ **All new non-uniform employees would also need to contribute to their pensions for their entire working lifetimes.**
- ❖ **Overtime pay would not count in the pension calculation for all new employees.**
- ❖ **These and other pension changes we are proposing would save the City \$1 billion by FY 2019.**

# VI. Capital

# **The City's Preliminary Ten-Year Capital Strategy (Excluding Water) Has Been Reduced by 10%**

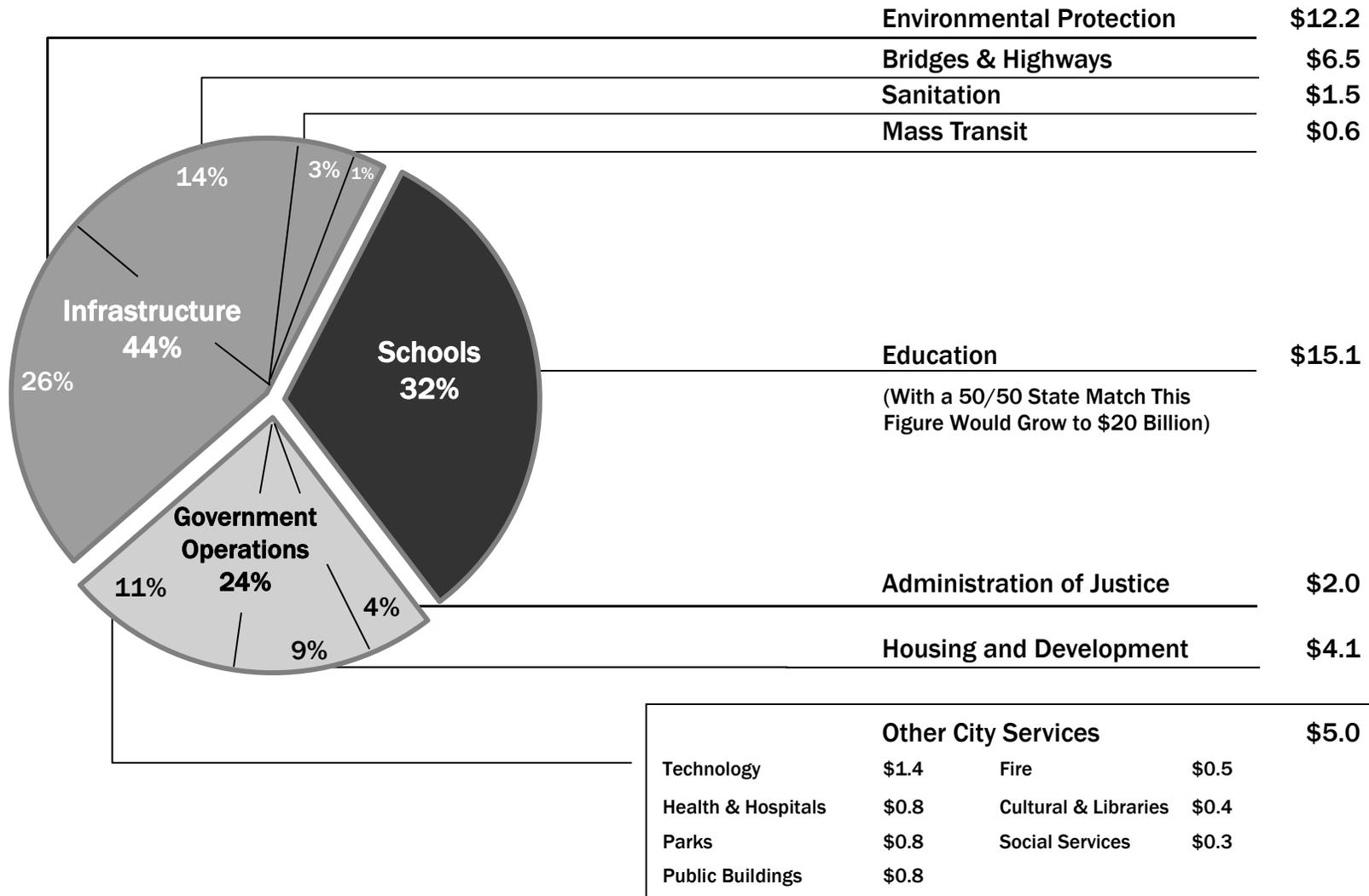
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- ❖ **The City's Preliminary Ten-Year Capital Strategy (excluding Water) has been reduced from \$39.8 billion to \$35.8 billion, a reduction of 10%.**
- ❖ **With our Capital cut, we will reduce our forecast debt service costs over the period FY 2011 – FY 2021 by \$807 million.**
- ❖ **With our Capital cut, we will reduce our forecast borrowing by \$2.4 billion over the period FY 2011 – FY 2021.**
- ❖ **With our Capital cut, we will reduce our outstanding debt by \$2.3 billion by FY 2021.**

# Preliminary Ten-Year Capital Strategy FY 2012 – FY 2021

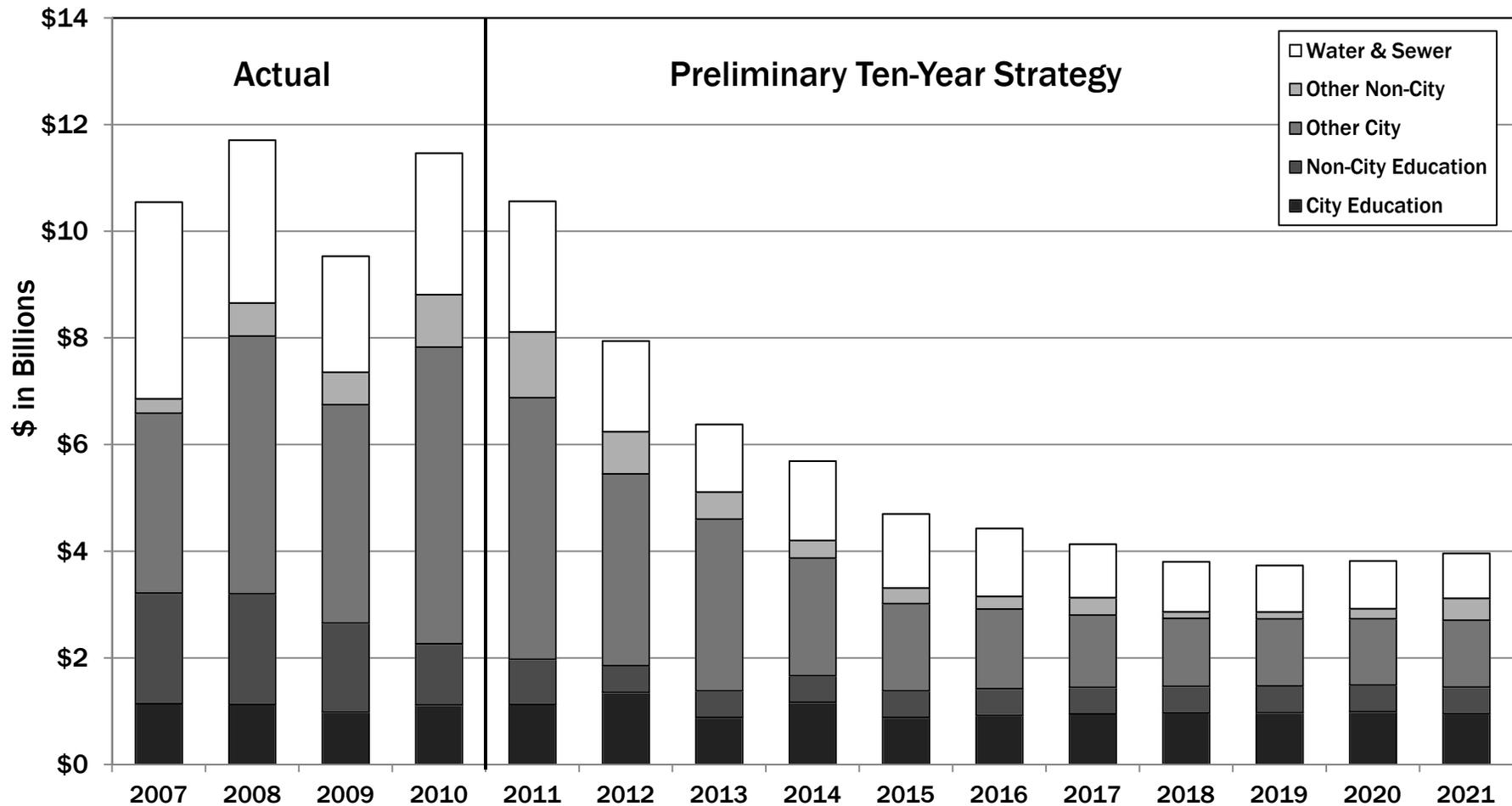
## Total - \$47.0 Billion in All Funds

\$ in Billions



# Capital Commitments - All Funds

\$ in Billions



# Highlights of the Preliminary Ten-Year Capital Strategy

## Highlights of the Preliminary Ten-Year Capital Strategy

**\$ In Millions**

❖ Construction of New Schools to Address the Shortage of Seats	\$3,300
❖ Rondout West Branch Tunnel Bypass and Related Infrastructure	\$2,100
❖ Combined Sewer Overflow Reduction Projects via DEP Adaptive Management Strategy	\$1,900
❖ Resurfacing of 7,500 Lane Miles of Streets, Citywide	\$1,288
❖ New 1,500 Bed Facility on Rikers Island	\$594
❖ Emergency Communications Systems & Facilities	\$593
❖ Replacement of Three Belt Parkway Bridges	\$387
❖ Construction of New Barberi Class Vessels for Staten Island Ferry	\$190
❖ North General/Coler-Goldwater Consolidation	\$187
❖ Public Health Lab New Building	\$137
❖ Ambulance Purchases	\$127
❖ Phase II of DoITT Datacenter and DoITT/FISA Backup Datacenter Facility	\$99
❖ Fire Alarm and Sprinkler Upgrades in City-owned buildings	\$92
❖ Gouverneur Hospital Major Modernization	\$89
❖ Harlem Hospital Major Modernization	\$84
❖ Consolidation of City-owned Office Space and Reduction of Leased Office Space	\$71
❖ Whitney Museum of American Art expansion	\$44
❖ Building Façade Reconstruction, Citywide	\$41
❖ New Shark Exhibit at the New York Aquarium	\$41
❖ Ocean Breeze Park Development	\$35

# VII. Tables

# FY 2011 - City Funds Changes Between November 2010 Plan and February 2011 Plan

City Funds - \$ in Millions

	FY 2010	FY 2011				
	<u>Actuals</u>	<u>Nov 2010 Plan</u>	<u>Feb 2011 Plan</u>	<u>Changes Since Nov 2010</u>		<u>Percent Change</u>
<b>Revenue</b>	<b>\$ 41,873</b>	<b>\$ 43,341</b>	<b>\$ 44,271</b>	<b>\$930</b>	<b>2.1%</b>	❖ Our Current Plan forecasts City Funds Revenue to be \$44,271 in FY 2011, an increase of \$930 million since the November 2010 Plan.
	<i>Change - 2010 to 2011</i>	\$1,468	\$2,398			
	<i>% Change - 2010 to 2011</i>	3.5%	5.7%			
<b><u>Expenditures</u></b>						
Controllable Agency Expenses	\$20,560	\$20,746	\$21,218	\$472	2.3%	❖ Our Current Plan forecasts City Funds Controllable Agency Expenses to be \$21,218 in FY 2011, an increase of \$472 million since the November 2010 Plan.
	<i>Change - 2010 to 2011</i>	\$186	\$658			
	<i>% Change - 2010 to 2011</i>	0.9%	3.2%			
Debt Service	\$4,931	\$5,096	\$4,827	(\$269)	(5.3%)	❖ Our Current Plan forecasts City Funds Debt Service to be \$4,827 in FY 2011, a decrease of \$269 million since the November 2010 Plan.
	<i>Change - 2010 to 2011</i>	\$165	(\$104)			
	<i>% Change - 2010 to 2011</i>	3.3%	(2.1%)			
Non-Controllable Expenses	\$18,270	\$19,984	\$18,721	(\$1,263)	(6.3%)	❖ Our Current Plan forecasts City Funds Non-Controllable Expenses to be \$18,721 in FY 2011, a decrease of \$1,263 million since the November 2010 Plan.
	<i>Change - 2010 to 2011</i>	\$1,714	\$451			
	<i>% Change - 2010 to 2011</i>	9.4%	2.5%			
<b>Total Expenditures</b>	<b>\$43,761</b>	<b>\$45,826</b>	<b>\$44,766</b>	<b>(\$1,060)</b>	<b>(2.3%)</b>	❖ Our Current Plan forecasts City Funds Total Expenses to be \$44,766 in FY 2011, a decrease of \$1,060 million since the November 2010 Plan.
	<i>Change - 2010 to 2011</i>	\$2,065	\$1,005			
	<i>% Change - 2010 to 2011</i>	4.7%	2.3%			
<b>Operating Surplus / (Deficit)</b>	<b>(\$1,888)</b>	<b>(\$2,485)</b>	<b>(\$495)</b>	<b>\$1,990</b>		❖ Our Current Plan forecasts City Funds roll of \$1,990 million in FY 2011 to help balance the FY 2012 budgets.
Current Year Roll (Cost)	(\$3,646)	(\$1,161)	(\$3,151)	(\$1,990)		
Prior Year Roll - Benefit	\$2,813	\$3,646	\$3,646	\$ ---		
Net Impact of Prior Debt Defeasances	\$2,726	\$ ---	\$ ---	\$ ---		
<b>Gap to be Closed</b>	<b>\$ 5</b>	<b>\$ ---</b>	<b>\$ ---</b>	<b>\$ ---</b>		
<b><u>Agency PEG Program</u></b>						
Revenue Increases		\$55	\$55	\$ ---		
Controllable Agency Expense Decreases		(\$509)	(\$509)	\$ ---		
Non-Controllable Expense Decreases		(\$21)	(\$21)	\$ ---		
<b>Total</b>		<b>\$585</b>	<b>\$585</b>	<b>\$ ---</b>		

Note: Excludes the impact of prepayments and debt defeasances.

# FY 2012 - City Funds Changes Between November 2010 Plan and February 2011 Plan

City Funds - \$ in Millions

	FY 2011	FY 2012				
	Feb 2011 Plan	Nov 2010 Plan	Feb 2011 Plan	Changes Since Nov 2010	Percent Change	
<b>Revenue</b>	<b>\$44,271</b>	<b>\$45,354</b>	<b>\$46,766</b>	<b>\$1,412</b>	<b>3.1%</b>	❖ Our Current Plan forecasts City Funds Revenue to be \$46,766 in FY 2012, an increase of \$1,412 million since the November 2010 Plan.
	<i>Change - 2011 to 2012</i>	\$2,013	\$2,495			
	<i>% Change - 2011 to 2012</i>	4.6%	5.6%			
<b>Expenditures</b>						
Controllable Agency Expenses	\$21,218	\$20,725	\$22,094	\$1,369	6.6%	❖ Our Current Plan forecasts City Funds Controllable Agency Expenses to be \$22,094 in FY 2012, an increase of \$1,369 million since the November 2010 Plan.
	<i>Change - 2011 to 2012</i>	(\$21)	\$876			
	<i>% Change - 2011 to 2012</i>	(0.1%)	4.1%			
Debt Service	\$4,827	\$5,714	\$5,375	(\$339)	(5.9%)	❖ Our Current Plan forecasts City Funds Debt Service to be \$5,375 in FY 2012, a decrease of \$339 million since the November 2010 Plan.
	<i>Change - 2011 to 2012</i>	\$618	\$548			
	<i>% Change - 2011 to 2012</i>	12.3%	11.4%			
Non-Controllable Expenses	\$18,721	\$22,433	\$22,448	\$15	0.1%	❖ Our Current Plan forecasts City Funds Non-Controllable Expenses to be \$22,448 in FY 2012, an increase of \$15 million since the November 2010 Plan.
	<i>Change - 2011 to 2012</i>	\$2,449	\$3,727			
	<i>% Change - 2011 to 2012</i>	12.3%	19.9%			
<b>Total Expenditures</b>	<b>\$44,766</b>	<b>\$48,872</b>	<b>\$49,917</b>	<b>\$1,045</b>	<b>2.1%</b>	❖ Our Current Plan forecasts City Funds Total Expenses to be \$49,917 in FY 2012, an increase of \$1,045 million since the November 2010 Plan.
	<i>Change - 2011 to 2012</i>	\$3,046	\$5,151			
	<i>% Change - 2011 to 2012</i>	6.6%	11.5%			
<b>Operating Surplus / (Deficit)</b>	<b>(\$495)</b>	<b>(\$3,518)</b>	<b>(\$3,151)</b>	<b>\$367</b>		
Current Year Roll (Cost)	(\$3,151)	\$ ---	\$ ---	\$ ---		
Prior Year Roll - Benefit	\$3,646	\$1,161	\$3,151	\$1,990		
Net Impact of Prior Debt Defeasances	\$ ---	\$ ---	\$ ---	\$ ---		
<b>Gap to be Closed</b>	<b>\$ ---</b>	<b>(\$2,357)</b>	<b>\$ ---</b>	<b>\$2,357</b>		
<b>Agency PEG Program</b>						
Revenue Increases		\$110	\$110	\$ ---		
Controllable Agency Expense Decreases		(\$795)	(\$795)	\$ ---		
Non-Controllable Expense Decreases		(\$97)	(\$97)	\$ ---		
<b>Total</b>		<b>\$1,002</b>	<b>\$1,002</b>	<b>\$ ---</b>		

Note: Excludes the impact of prepayments and debt defeasances.

# City Funds Revenue

## February 2011 Financial Plan

		\$ in Millions				
		FY 2008	FY 2009	FY 2010	FY 2011 <sup>f</sup>	FY 2012 <sup>f</sup>
<b>Property Tax</b>		\$13,062	\$14,338	\$16,184	\$16,847	\$17,643
	<i>Year-to-Year</i>	104	1,276	1,846	663	796
	<i>Change:</i>	0.8%	9.8%	12.9%	4.1%	4.7%
<b>Economically Sensitive Taxes</b>		\$25,703	\$21,673	\$21,017	\$23,135	\$24,276
	<i>Year-to-Year</i>	134	(4,030)	(656)	2,118	1,141
	<i>Change:</i>	0.5%	(15.7%)	(3.0%)	10.1%	4.9%
<b>Subtotal – Tax Revenue</b>		<b>\$38,765</b>	<b>\$36,011</b>	<b>\$37,201</b>	<b>\$39,982</b>	<b>\$41,919</b>
	<i>Year-to-Year</i>	238	(2,754)	1,190	2,781	1,937
	<i>Change:</i>	0.6%	(7.1%)	3.3%	7.5%	4.8%
<b>Non-Tax Revenue</b>		\$5,172	\$4,954	\$4,672	\$4,289	\$4,847
	<i>Year-to-Year</i>	997	(218)	(282)	(383)	558
	<i>Change:</i>	23.9%	(4.2%)	(5.7%)	(8.2%)	13.0%
<b>Total Revenue</b>		<b>\$43,937</b>	<b>\$40,965</b>	<b>\$41,873</b>	<b>\$44,271</b>	<b>\$46,766</b>
	<i>Year-to-Year</i>	1,235	(2,972)	908	2,398	2,495
	<i>Change:</i>	2.9%	(6.8%)	2.2%	5.7%	5.6%

f = forecast

Note: FY 2009 and prior years restated to include TFA PIT Retention.

# Tax Revenue Changes Since November 2010 Plan

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\$ in Millions

		FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
<b>Tax Revenue as of November 2010 Plan</b>		\$38,765	\$36,011	\$37,201	\$38,989	\$40,788
	<i>Year-to-Year Change</i>		(7.1%)	3.3%	4.8%	4.6%
<b>Tax Revenue Changes</b>					\$993	\$1,131
<b>Tax Revenue as of February 2011 Plan</b>		\$38,765	\$36,011	\$37,201	\$39,982	\$41,919
	<i>Year-to-Year Change</i>		(7.1%)	3.3%	7.5%	4.8%
<b>Percentage Change from November Plan Forecast</b>					2.5%	2.8%

# Controllable Agency Expenses

## February 2011 Plan

City Funds - \$ in Millions

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
<b>Uniformed Forces</b>					
Police Department	\$4,247	\$4,097	\$4,097	\$4,097	\$4,097
Fire Department	1,488	1,401	1,382	1,380	1,380
Department of Correction	1,006	982	974	974	974
Sanitation Department	1,363	1,269	1,311	1,395	1,395
<b>Subtotal: Uniformed Forces</b>	<b>\$8,104</b>	<b>\$7,749</b>	<b>\$7,764</b>	<b>\$7,846</b>	<b>\$7,846</b>
Year-to-Year	230	(355)	15	82	---
Change:	2.9%	(4.4%)	0.2%	1.1%	0.0%
<b>Health and Welfare</b>					
Social Services	\$478	\$487	\$480	\$480	\$480
Children's Services*	710	857	830	831	831
Homeless Services	423	424	423	423	423
Health and Mental Hygiene	607	578	576	576	576
HHC Subsidy	59	82	81	81	81
<b>Subtotal: Health and Welfare</b>	<b>\$2,277</b>	<b>\$2,428</b>	<b>\$2,390</b>	<b>\$2,391</b>	<b>\$2,391</b>
Year-to-Year	(27)	151	(38)	1	---
Change:	(1.2%)	6.6%	(1.6%)	0.0%	0.0%
<b>Other Agencies</b>					
Housing Preservation & Development	\$68	\$52	\$51	\$51	\$51
Environmental Protection	958	927	923	923	923
Finance	219	217	216	216	216
Transportation	417	418	437	442	442
Parks and Recreation	259	222	230	230	230
Citywide Administrative Services	201	195	200	200	200
All Other Mayoral	1,799	1,519	1,820	2,181	2,532
<b>Subtotal: Other Agencies</b>	<b>\$3,921</b>	<b>\$3,550</b>	<b>\$3,877</b>	<b>\$4,243</b>	<b>\$4,594</b>
Year-to-Year	(86)	(371)	327	366	351
Change:	(2.1%)	(9.5%)	9.2%	9.4%	8.3%
<b>Education</b>					
Department of Education (see below)	\$5,917	\$7,421	\$7,565	\$7,731	\$7,694
CUNY	532	499	494	495	495
<b>Subtotal: Education</b>	<b>\$6,449</b>	<b>\$7,920</b>	<b>\$8,059</b>	<b>\$8,226</b>	<b>\$8,189</b>
Year-to-Year	548	1,471	139	167	(37)
Change:	9.3%	22.8%	1.8%	2.1%	(0.4%)
<b>Elected Officials</b>					
Mayorality	\$69	\$68	\$68	\$67	\$67
All Other Elected	398	379	379	379	379
<b>Subtotal: Elected Officials</b>	<b>\$467</b>	<b>\$447</b>	<b>\$447</b>	<b>\$446</b>	<b>\$446</b>
Year-to-Year	(7)	(20)	---	(1)	---
Change:	(1.5%)	(4.3%)	0.0%	(0.2%)	0.0%
<b>Total Controllable Agency Spending</b>	<b>\$21,218</b>	<b>\$22,094</b>	<b>\$22,537</b>	<b>\$23,152</b>	<b>\$23,466</b>
Year-to-Year	658	876	443	615	314
Change:	3.2%	4.1%	2.0%	2.7%	1.4%
<b>Dept of Education (including State and Federal funds)</b>	<b>\$15,657</b>	<b>\$15,827</b>	<b>\$16,053</b>	<b>\$16,309</b>	<b>\$16,363</b>
Year-to-Year	156	170	226	256	54
Change:	1.0%	1.1%	1.4%	1.6%	0.3%

\* Includes the merger of Department of Juvenile Justice into Administration for Children's Services in FY 2012. Note: Excludes the impact of prepayments.

# Non-Controllable Agency Expenses and Debt Service

City Funds - \$ in Millions

		FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
<b>Non-Controllable Agency Expenses</b>						
Pensions		\$6,834	\$8,255	\$8,401	\$8,280	\$8,557
	<i>Year-to-Year</i>	\$251	\$1,421	\$146	(\$121)	\$277
	<i>Change:</i>	3.8%	20.8%	1.8%	(1.4%)	3.3%
Fringe Benefits <sup>(1)</sup>		\$5,849	\$6,313	\$6,786	\$7,353	\$8,009
	<i>Year-to-Year</i>	\$422	\$464	\$473	\$567	\$656
	<i>Change:</i>	7.8%	7.9%	7.5%	8.4%	8.9%
Retiree Health Benefits Trust		(\$395)	(\$672)	\$ ---	\$ ---	\$ ---
<b>Employee-Related Costs</b>		<b>\$12,288</b>	<b>\$13,896</b>	<b>\$15,187</b>	<b>\$15,633</b>	<b>\$16,566</b>
	<i>Year-to-Year</i>	\$360	\$1,608	\$1,291	\$446	\$933
	<i>Change:</i>	3.0%	13.1%	9.3%	2.9%	6.0%
Medicaid		\$5,697	\$6,206	\$6,224	\$6,328	\$6,508
	<i>Year-to-Year</i>	(\$255)	\$509	\$18	\$104	\$180
	<i>Change:</i>	(4.3%)	8.9%	0.3%	1.7%	2.8%
FMAP (Federal Matching Percent for Medicaid)		(\$999)	(\$199)	(\$32)	\$ ---	\$ ---
Re-estimate of Prior Year Expenses		(\$500)	\$ ---	\$ ---	\$ ---	\$ ---
General Reserve		\$100	\$300	\$300	\$300	\$300
All Other <sup>(2)</sup>		\$2,135	\$2,245	\$2,334	\$2,390	\$2,557
	<i>Year-to-Year</i>	(\$3)	\$110	\$89	\$56	\$167
	<i>Change:</i>	(0.1%)	5.2%	4.0%	2.4%	7.0%
<b>Subtotal Non-Controllable Expenses</b>		<b>\$18,721</b>	<b>\$22,448</b>	<b>\$24,013</b>	<b>\$24,651</b>	<b>\$25,931</b>
	<i>Year-to-Year</i>	\$451	\$3,727	\$1,565	\$638	\$1,280
	<i>Change:</i>	2.5%	19.9%	7.0%	2.7%	5.2%
<b>Debt Service</b>		<b>\$4,827</b>	<b>\$5,375</b>	<b>\$6,362</b>	<b>\$6,611</b>	<b>\$6,965</b>
	<i>Year-to-Year</i>	(\$104)	\$548	\$987	\$249	\$354
	<i>Change:</i>	(2.1%)	11.4%	18.4%	3.9%	5.4%
<b>Total Non-Controllable and Debt Service</b>		<b>\$23,548</b>	<b>\$27,823</b>	<b>\$30,375</b>	<b>\$31,262</b>	<b>\$32,896</b>
	<i>Year-to-Year</i>	\$347	\$4,275	\$2,552	\$887	\$1,634
	<i>Change:</i>	1.5%	18.2%	9.2%	2.9%	5.2%

Excludes the impact of prepayments and debt defeasances

<sup>(1)</sup> Includes Health Insurance, Welfare Funds, Social Security Contributions, Worker's Compensation, Unemployment Insurance, Annuity Contributions, Uniform Allowance, and Disability Benefits Insurance.

<sup>(2)</sup> Includes Public Assistance, Judgments & Claims, Indigent Defense Service, Contractual, Criminal Justice, and Water & Sewer for City Facilities.

# Agency Expenses (New Needs)

<u>Agency Description</u>	City Funds - \$ in Millions		
	<u>FY 2011</u>	<u>FY 2012</u>	<u>Total</u>
Police (Overtime/Longevity Funding, Historical Attrition Savings)	\$110	\$ ---	\$110
Sanitation (Snow Deficit, Graffiti Removal)	78	5	83
Miscellaneous Budget (Indigent Defense, Criminal Justice Contracts, Fringes Assoc. with HC)	36	77	113
Energy (Heat, Light and Power)	30	21	51
Juvenile Justice (OCFS Retroactive Charge and Delayed Detention Reduction)	28	---	28
DoITT (Maintenance Needs Associated With Major Citywide Initiatives, Such as the Emergency Communications Transformation Project)	27	25	52
Correction (Unachieved Savings from Leasing Beds/Housing Efficiencies)	26	5	31
ACS (OCFS Retroactive Charge, Special Education Care and Maintenance)	20	47	67
Parks (September Storm Damage, PS Structural Deficit and Hiring Freeze Partial Restoration)	20	14	34
Fire (Overtime/Differentials Funding)	14	23	37
CUNY (Tuition Increase)	6	12	18
All Other	58	49	107
<b>Total</b>	<b>\$453</b>	<b>\$278</b>	<b>\$731</b>

# Fiscal Year 2011 Budget

\$ in Millions

AGENCY	Personal Service Costs				Other Than Personal Service Costs						Gross Total (Includes Intra-City)	Net Total (Excludes Intra-City)	City Fund Total	
	Salaries & Wages	Fringe Benefits	Pensions	PS Subtotal	Agency OTPS	PA, MA & Other Mandates	Legal Services	Judgment & Claims	Debt Service	OTPS Subtotal				
<b>UNIFORM AGENCIES</b>														
Police Department	\$4,305	\$1,641	\$2,264	\$8,210	\$491	---	\$42	\$132	\$99	\$764	\$8,974	\$8,742	\$8,266	
Fire Department	1,544	563	967	3,074	214	---	9	23	115	361	3,435	3,424	3,087	
Department of Correction	883	368	277	1,528	129	---	7	28	185	349	1,877	1,877	1,825	
Department of Sanitation	810	341	213	1,364	560	---	4	36	251	851	2,215	2,212	2,151	
<b>Subtotal</b>	<b>\$7,542</b>	<b>\$2,913</b>	<b>\$3,721</b>	<b>\$14,176</b>	<b>\$1,394</b>	<b>---</b>	<b>\$62</b>	<b>\$219</b>	<b>\$650</b>	<b>\$2,325</b>	<b>\$16,501</b>	<b>\$16,255</b>	<b>\$15,329</b>	
<b>HEALTH AND WELFARE</b>														
Administration for Children's Services	\$360	\$113	\$56	\$529	\$2,400	---	\$3	\$1	---	\$2,404	\$2,933	\$2,883	\$843	
Department of Social Services	772	302	113	1,187	972	6,444	4	---	67	7,487	8,674	8,667	6,083	
Department of Homeless Services	119	39	17	175	925	---	1	1	---	927	1,102	903	466	
Department of Health & Mental Hygiene	409	118	55	582	1,266	---	2	1	44	1,313	1,895	1,883	795	
Health and Hospitals Corporation <sup>(1)</sup>	---	23	---	23	185	---	6	190	169	550	573	455	225	
<b>Subtotal</b>	<b>\$1,660</b>	<b>\$595</b>	<b>\$241</b>	<b>\$2,496</b>	<b>\$5,748</b>	<b>\$6,444</b>	<b>\$16</b>	<b>\$193</b>	<b>\$280</b>	<b>\$12,681</b>	<b>\$15,177</b>	<b>\$14,791</b>	<b>\$8,412</b>	
<b>EDUCATION</b>														
Department of Education	\$9,674	\$3,179	\$2,581	\$15,434	\$6,139	---	\$19	\$46	\$1,231	\$7,435	\$22,869	\$22,646	\$11,572	
City University	414	108	57	579	265	---	---	1	44	310	889	859	637	
<b>Subtotal</b>	<b>\$10,088</b>	<b>\$3,287</b>	<b>\$2,638</b>	<b>\$16,013</b>	<b>\$6,404</b>	<b>---</b>	<b>\$19</b>	<b>\$47</b>	<b>\$1,275</b>	<b>\$7,745</b>	<b>\$23,758</b>	<b>\$23,505</b>	<b>\$12,209</b>	
<b>OTHER AGENCIES</b>	\$2,328	\$754	\$337	\$3,419	\$4,653	---	\$89	\$176	\$2,230	\$7,148	\$10,567	\$9,585	\$7,266	
<b>ELECTED OFFICIALS</b>	\$451	\$115	\$62	\$628	\$93	---	\$4	\$2	---	\$99	\$727	\$723	\$639	
<b>MISCELLANEOUS BUDGET</b>	\$55	---	---	\$55	---	\$1,772 <sup>(2)</sup>	---	---	\$361	\$2,133	\$2,188	\$2,188	\$1,614	
<b>DEBT SERVICE COSTS (Unallocated)</b>	---	---	---	---	---	---	---	---	\$250	\$250	\$250	\$250	\$192	
<b>RE-ESTIMATE OF PRIOR YEARS' EXPENSES</b>	---	---	---	---	(\$500)	---	---	---	---	(\$500)	(\$500)	(\$500)	(\$500)	
<b>RETIREE HEALTH BENEFITS TRUST (RHBT)</b>	---	(\$395)	---	(\$395)	---	---	---	---	---	---	(\$395)	(\$395)	(\$395)	
<b>TOTAL<sup>(3)</sup></b>	<b>\$22,124</b>	<b>\$7,269</b>	<b>\$6,999</b>	<b>\$36,392</b>	<b>\$17,792</b>	<b>\$8,216</b>	<b>\$190</b>	<b>\$637</b>	<b>\$5,046</b>	<b>\$31,881</b>	<b>\$68,273</b>	<b>\$66,402</b>	<b>\$44,766</b>	
<b>City Funds</b>	<b>\$12,348</b>	<b>\$5,454</b>	<b>\$6,834</b>	<b>\$24,636</b>	<b>\$8,206</b>	<b>\$6,472</b>	<b>\$178</b>	<b>\$447</b>	<b>\$4,827</b>	<b>\$20,130</b>	<b>\$44,766</b>			
Less: Prepayments	---	---	---	---	\$164	\$219	---	---	\$112	\$495	\$495	\$495	\$495	
<b>Total After Prepayments</b>	<b>\$22,124</b>	<b>\$7,269</b>	<b>\$6,999</b>	<b>\$36,392</b>	<b>\$17,628</b>	<b>\$7,997</b>	<b>\$190</b>	<b>\$637</b>	<b>\$4,934</b>	<b>\$31,386</b>	<b>\$67,778</b>	<b>\$65,907</b>	<b>\$44,271</b>	

<sup>(1)</sup> Only reflects funding appropriated in the City's Budget.

<sup>(2)</sup> Includes subsidies to the MTA, General Reserve, Indigent Defense Services and Other Contractual Services.

<sup>(3)</sup> Excludes the impact of prepayments.

# Fiscal Year 2012 Budget

\$ in Millions

AGENCY	Personal Service Costs				Other Than Personal Service Costs						Gross Total (Includes Intra-City)	Net Total (Excludes Intra-City)	City Fund Total	
	Salaries & Wages	Fringe Benefits	Pensions	PS Subtotal	Agency OTPS	PA, MA & Other Mandates	Legal Services	Judgment & Claims	Debt Service	OTPS Subtotal				
<b>UNIFORM AGENCIES</b>														
Police Department	\$4,096	\$1,730	\$2,730	\$8,556	\$280	---	\$43	\$145	\$115	\$583	\$9,139	\$8,909	\$8,719	
Fire Department	1,452	587	1,168	3,207	149	---	9	25	133	316	3,523	3,516	3,251	
Department of Correction	873	389	330	1,592	125	---	7	31	214	377	1,969	1,969	1,908	
Department of Sanitation	760	360	254	1,374	506	---	4	40	292	842	2,216	2,213	2,159	
<b>Subtotal</b>	<b>\$7,181</b>	<b>\$3,066</b>	<b>\$4,482</b>	<b>\$14,729</b>	<b>\$1,060</b>	<b>---</b>	<b>\$63</b>	<b>\$241</b>	<b>\$754</b>	<b>\$2,118</b>	<b>\$16,847</b>	<b>\$16,607</b>	<b>\$16,037</b>	
<b>HEALTH AND WELFARE</b>														
Administration for Children's Services	\$393	\$131	\$70	\$594	\$2,318	---	\$3	\$2	---	\$2,323	\$2,917	\$2,916	\$1,022	
Department of Social Services	760	318	133	1,211	903	7,667	4	1	78	8,653	9,864	9,860	7,435	
Department of Homeless Services	115	40	19	174	687	---	1	1	---	689	863	860	472	
Department of Health & Mental Hygiene	380	122	66	568	1,162	---	2	1	51	1,216	1,784	1,783	789	
Health and Hospitals Corporation <sup>(4)</sup>	---	25	---	25	178	---	6	190	193	567	592	504	269	
<b>Subtotal</b>	<b>\$1,648</b>	<b>\$636</b>	<b>\$288</b>	<b>\$2,572</b>	<b>\$5,248</b>	<b>\$7,667</b>	<b>\$16</b>	<b>\$195</b>	<b>\$322</b>	<b>\$13,448</b>	<b>\$16,020</b>	<b>\$15,923</b>	<b>\$9,987</b>	
<b>EDUCATION</b>														
Department of Education	\$9,367	\$3,334	\$3,069	\$15,770	\$6,600	---	\$19	\$46	\$1,452	\$8,117	\$23,887	\$23,676	\$13,755	
City University	418	89	68	575	217	---	---	1	44	262	837	823	615	
<b>Subtotal</b>	<b>\$9,785</b>	<b>\$3,423</b>	<b>\$3,137</b>	<b>\$16,345</b>	<b>\$6,817</b>	<b>---</b>	<b>\$19</b>	<b>\$47</b>	<b>\$1,496</b>	<b>\$8,379</b>	<b>\$24,724</b>	<b>\$24,499</b>	<b>\$14,370</b>	
<b>OTHER AGENCIES</b>	\$2,130	\$751	\$436	\$3,317	\$3,745	---	\$82	\$190	\$2,629	\$6,646	\$9,963	\$9,013	\$7,337	
<b>ELECTED OFFICIALS</b>	\$414	\$117	\$76	\$607	\$84	---	\$4	\$2	---	\$90	\$697	\$694	\$638	
<b>MISCELLANEOUS BUDGET</b>	\$106	---	---	\$106	---	\$1,900 <sup>(2)</sup>	---	---	\$418	\$2,318	\$2,424	\$2,424	\$2,017	
<b>DEBT SERVICE COSTS (Unallocated)</b>	---	---	---	---	---	---	---	---	\$289	\$289	\$289	\$289	\$203	
<b>RE-ESTIMATE OF PRIOR YEARS' EXPENSES</b>	---	---	---	---	---	---	---	---	---	---	---	---	---	
<b>RETIREE HEALTH BENEFITS TRUST (RHBT)</b>	---	(\$672)	---	(\$672)	---	---	---	---	---	---	(\$672)	(\$672)	(\$672)	
<b>TOTAL<sup>(3)</sup></b>	<b>\$21,264</b>	<b>\$7,321</b>	<b>\$8,419</b>	<b>\$37,004</b>	<b>\$16,954</b>	<b>\$9,567</b>	<b>\$184</b>	<b>\$675</b>	<b>\$5,908</b>	<b>\$33,288</b>	<b>\$70,292</b>	<b>\$68,777</b>	<b>\$49,917</b>	
<b>City Funds</b>	<b>\$13,304</b>	<b>\$5,641</b>	<b>\$8,255</b>	<b>\$27,200</b>	<b>\$8,621</b>	<b>\$8,061</b>	<b>\$175</b>	<b>\$485</b>	<b>\$5,375</b>	<b>\$22,717</b>	<b>\$49,917</b>			
Less: Prepayments	---	---	---	---	---	---	---	---	\$3,151	\$3,151	\$3,151	\$3,151	\$3,151	
<b>Total After Prepayments</b>	<b>\$21,264</b>	<b>\$7,321</b>	<b>\$8,419</b>	<b>\$37,004</b>	<b>\$16,954</b>	<b>\$9,567</b>	<b>\$184</b>	<b>\$675</b>	<b>\$2,757</b>	<b>\$30,137</b>	<b>\$67,141</b>	<b>\$65,626</b>	<b>\$46,766</b>	

<sup>(1)</sup> Only reflects funding appropriated in the City's Budget

<sup>(2)</sup> Includes subsidies to the MTA, General Reserve, Indigent Defense Services and Other Contractual Services.

<sup>(3)</sup> Excludes the impact of prepayments.

# Changes Between FY 2011 and FY2012 Budgets

\$ in Millions

AGENCY	Personal Service Costs				Other Than Personal Service Costs						Gross Total (Includes Intra-City)	Net Total (Excludes Intra-City)	City Fund Total
	Salaries & Wages	Fringe Benefits	Pensions	PS Subtotal	Agency OTPS	PA, MA & Other Mandates	Legal Services	Judgment & Claims	Debt Service	OTPS Subtotal			
<b>UNIFORM AGENCIES</b>													
Police Department	(\$209)	\$89	\$466	\$346	(\$211)	---	\$1	\$13	\$16	(\$181)	\$165	\$167	\$453
Fire Department	(92)	24	201	133	(65)	---	---	2	18	(45)	88	92	164
Department of Correction	(10)	21	53	64	(4)	---	---	3	29	28	92	92	83
Department of Sanitation	(50)	19	41	10	(54)	---	---	4	41	(9)	1	1	8
<b>Subtotal</b>	<b>(\$361)</b>	<b>\$153</b>	<b>\$761</b>	<b>\$553</b>	<b>(\$334)</b>	<b>---</b>	<b>\$1</b>	<b>\$22</b>	<b>\$104</b>	<b>(\$207)</b>	<b>\$346</b>	<b>\$352</b>	<b>\$708</b>
<b>HEALTH AND WELFARE</b>													
Administration for Children's Services	\$33	\$18	\$14	\$65	(\$82)	---	---	\$1	---	(\$81)	(\$16)	\$33	\$179
Department of Social Services	(12)	16	20	24	(69)	1,223	---	1	11	1,166	1,190	1,193	1,352
Department of Homeless Services	(4)	1	2	(1)	(238)	---	---	---	---	(238)	(239)	(43)	6
Department of Health & Mental Hygiene	(29)	4	11	(14)	(104)	---	---	---	7	(97)	(111)	(100)	(6)
Health and Hospitals Corporation <sup>(1)</sup>	---	2	---	2	(7)	---	---	---	24	17	19	49	44
<b>Subtotal</b>	<b>(\$12)</b>	<b>\$41</b>	<b>\$47</b>	<b>\$76</b>	<b>(\$500)</b>	<b>\$1,223</b>	<b>---</b>	<b>\$2</b>	<b>\$42</b>	<b>\$767</b>	<b>\$843</b>	<b>\$1,132</b>	<b>\$1,575</b>
<b>EDUCATION</b>													
Department of Education	(\$307)	\$155	\$488	\$336	\$461	---	---	---	\$221	\$682	\$1,018	\$1,030	\$2,183
City University	4	(19)	11	(4)	(48)	---	---	---	---	(48)	(52)	(36)	(22)
<b>Subtotal</b>	<b>(\$303)</b>	<b>\$136</b>	<b>\$499</b>	<b>\$332</b>	<b>\$413</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>\$221</b>	<b>\$634</b>	<b>\$966</b>	<b>\$994</b>	<b>\$2,161</b>
<b>OTHER AGENCIES</b>	(\$198)	(\$3)	\$99	(\$102)	(\$908)	---	(\$7)	\$14	\$399	(\$502)	(\$604)	(\$572)	\$71
<b>ELECTED OFFICIALS</b>	(\$37)	\$2	\$14	(\$21)	(\$9)	---	---	---	---	(\$9)	(\$30)	(\$29)	(\$1)
<b>MISCELLANEOUS BUDGET</b>	\$51	---	---	\$51	---	\$128 <sup>(2)</sup>	---	---	\$57	\$185	\$236	\$236	\$403
<b>DEBT SERVICE COSTS (Unallocated)</b>	---	---	---	---	---	---	---	---	\$39	\$39	\$39	\$39	\$11
<b>RE-ESTIMATE OF PRIOR YEARS' EXPENSES</b>	---	---	---	---	\$500	---	---	---	---	\$500	\$500	\$500	\$500
<b>RETIREE HEALTH BENEFITS TRUST (RHBT)</b>	---	(\$277)	---	(\$277)	---	---	---	---	---	---	(\$277)	(\$277)	(\$277)
<b>TOTAL<sup>(3)</sup></b>	<b>(\$860)</b>	<b>\$52</b>	<b>\$1,420</b>	<b>\$612</b>	<b>(\$838)</b>	<b>\$1,351</b>	<b>(\$6)</b>	<b>\$38</b>	<b>\$862</b>	<b>\$1,407</b>	<b>\$2,019</b>	<b>\$2,375</b>	<b>\$5,151</b>
<b>City Funds</b>	<b>\$956</b>	<b>\$187</b>	<b>\$1,421</b>	<b>\$2,564</b>	<b>\$415</b>	<b>\$1,589</b>	<b>(\$3)</b>	<b>\$38</b>	<b>\$548</b>	<b>\$2,587</b>	<b>\$5,151</b>		
Less: Prepayments	---	---	---	---	(\$164)	(\$219)	---	---	\$3,039	\$2,656	\$2,656	\$2,656	\$2,656
<b>Total After Prepayments</b>	<b>(\$860)</b>	<b>\$52</b>	<b>\$1,420</b>	<b>\$612</b>	<b>(\$674)</b>	<b>\$1,570</b>	<b>(\$6)</b>	<b>\$38</b>	<b>(\$2,177)</b>	<b>(\$1,249)</b>	<b>(\$637)</b>	<b>(\$281)</b>	<b>\$2,495</b>

<sup>(1)</sup> Only reflects funding appropriated in the City's Budget.

<sup>(2)</sup> Includes subsidies to the MTA, General Reserve, Indigent Defense Services and Other Contractual Services.

<sup>(3)</sup> Excludes the impact of prepayments.

# Changes Since the November 2010 Financial Plan

	\$ in Millions				
	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
<b>Gap to be Closed - November 2010 Plan</b>	\$ ---	(\$2,357)	(\$4,838)	(\$5,578)	(\$6,434)
<b><u>Gap Opening State Actions - (Increases the Gap) / Decreases the Gap</u></b>					
Loss of Revenue Sharing	\$ ---	(\$302)	(\$302)	(\$302)	(\$302)
Cuts Requiring Backfill in Health and Welfare	(48)	(76)	(83)	(84)	(84)
State Cut to Education	---	(1,008)	(1,008)	(1,008)	(1,008)
<b>Total Gap Opening State Actions</b>	<b>(\$48)</b>	<b>(\$1,386)</b>	<b>(\$1,393)</b>	<b>(\$1,394)</b>	<b>(\$1,394)</b>
<b>Surplus / (Gap) to be Closed After State Budget</b>	<b>(\$48)</b>	<b>(\$3,743)</b>	<b>(\$6,231)</b>	<b>(\$6,972)</b>	<b>(\$7,828)</b>
<b><u>Revenue Changes - Increase / (Decrease)</u></b>					
Tax Revenue Forecast	\$993	\$1,131	\$1,013	\$1,128	\$1,634
Non-Tax Revenue	(63)	(17)	(16)	(14)	(13)
<b>Subtotal Revenue Changes</b>	<b>\$930</b>	<b>\$1,114</b>	<b>\$997</b>	<b>\$1,114</b>	<b>\$1,621</b>
<b><u>Expense Changes - Increase / (Decrease)</u></b>					
Debt Service	(\$269)	(\$339)	(\$48)	(\$63)	(\$61)
Pensions	(12)	75	149	138	83
Medicaid (FMAP Timing)	(516)	122	394	---	---
Miscellaneous (HIP Rate, Judgments and Claims)	(64)	(175)	(200)	(228)	(256)
Reduce Reserve for Prior Payables	(500)	---	---	---	---
Decrease FY 2011 General Reserve	(200)	---	---	---	---
Agency Expenses (New Needs)	453	278	(77)	(161)	(144)
<b>Subtotal Expense Changes</b>	<b>(\$1,108)</b>	<b>(\$39)</b>	<b>\$218</b>	<b>(\$314)</b>	<b>(\$378)</b>
<b>Surplus / (Gap) to be Closed - February 2011 Plan</b>	<b>\$1,990</b>	<b>(\$2,590)</b>	<b>(\$5,452)</b>	<b>(\$5,544)</b>	<b>(\$5,829)</b>
<b><u>Gap Closing Program - (Increases the Gap) / Decreases the Gap</u></b>					
Anticipated State Actions	\$ ---	\$600	\$600	\$600	\$600
Pension Reform	---	---	---	131	252
<b>Total Gap Closing Program</b>	<b>\$ ---</b>	<b>\$600</b>	<b>\$600</b>	<b>\$731</b>	<b>\$852</b>
<b>Prepayment of FY 2012 Expenses</b>	<b>(1,990)</b>	<b>1,990</b>	<b>---</b>	<b>---</b>	<b>---</b>
<b>Remaining Gap - February 2011 Plan</b>	<b>\$ ---</b>	<b>\$ ---</b>	<b>(\$4,852)</b>	<b>(\$4,813)</b>	<b>(\$4,977)</b>

# Five-Year Financial Plan

## Revenues and Expenditures

(All Funds - \$ in Millions)

<b>Revenues</b>	<b>FY 2011</b>	<b>FY 2012</b>	<b>FY 2013</b>	<b>FY 2014</b>	<b>FY 2015</b>
<b>Taxes</b>					
General Property Tax	\$16,847	\$17,643	\$18,197	\$18,632	\$19,062
Other Taxes	22,267	23,631	24,320	25,353	26,678
Tax Audit Revenue	868	645	644	651	651
<b>Subtotal: Taxes</b>	<b>\$39,982</b>	<b>\$41,919</b>	<b>\$43,161</b>	<b>\$44,636</b>	<b>\$46,391</b>
Miscellaneous Revenues	6,161	5,765	5,814	5,880	5,909
Unrestricted Intergovernmental Aid	14	12	12	12	12
Anticipated State Actions	---	600	600	600	600
Less: Intra-City Revenue	(1,871)	(1,515)	(1,512)	(1,512)	(1,512)
Disallowances Against Categorical Grants	(15)	(15)	(15)	(15)	(15)
<b>Subtotal: City Funds</b>	<b>\$44,271</b>	<b>\$46,766</b>	<b>\$48,060</b>	<b>\$49,601</b>	<b>\$51,385</b>
Other Categorical Grants	1,315	1,160	1,157	1,154	1,150
Inter-Fund Revenues	559	500	493	493	493
Federal Categorical Grants	8,197	5,937	5,795	5,761	5,761
State Categorical Grants	11,565	11,263	11,286	11,330	11,331
<b>Total Revenues</b>	<b>\$65,907</b>	<b>\$65,626</b>	<b>\$66,791</b>	<b>\$68,339</b>	<b>\$70,120</b>
<b>Expenditures</b>					
<b>Personal Service</b>					
Salaries and Wages	\$22,124	\$21,263	\$21,371	\$21,598	\$21,685
Pensions	6,999	8,419	8,566	8,444	8,721
Fringe Benefits	7,664	7,994	8,439	8,959	9,523
Retiree Health Benefits Trust	(395)	(672)	---	---	---
<b>Subtotal: Personal Service</b>	<b>\$36,392</b>	<b>\$37,004</b>	<b>\$38,376</b>	<b>\$39,001</b>	<b>\$39,929</b>
<b>Other Than Personal Service</b>					
Medical Assistance	\$4,883	\$6,141	\$6,327	\$6,463	\$6,643
Public Assistance	1,562	1,526	1,546	1,546	1,546
All Other <sup>(1)</sup>	20,290	19,413	19,934	20,435	20,922
<b>Subtotal: Other Than Personal Service</b>	<b>\$26,735</b>	<b>\$27,080</b>	<b>\$27,807</b>	<b>\$28,444</b>	<b>\$29,111</b>
General Obligation, Lease and TFA Debt Service <sup>(1),(2)</sup>	5,046	5,908	6,672	6,919	7,269
FY 2010 Budget Stabilization & Discretionary Transfers <sup>(1)</sup>	(3,646)	---	---	---	---
FY 2011 Budget Stabilization <sup>(2)</sup>	3,151	(3,151)	---	---	---
General Reserve	100	300	300	300	300
<b>Subtotal</b>	<b>\$67,778</b>	<b>\$67,141</b>	<b>\$73,155</b>	<b>\$74,664</b>	<b>\$76,609</b>
Less: Intra-City Expenses	(1,871)	(1,515)	(1,512)	(1,512)	(1,512)
<b>Total Expenditures</b>	<b>\$65,907</b>	<b>\$65,626</b>	<b>\$71,643</b>	<b>\$73,152</b>	<b>\$75,097</b>
<b>Gap To Be Closed</b>	<b>\$ ---</b>	<b>\$ ---</b>	<b>(\$4,852)</b>	<b>(\$4,813)</b>	<b>(\$4,977)</b>

(1) Fiscal Year 2010 Budget Stabilization and Discretionary Transfers total \$3.646 billion, including G.O. of \$2.888 billion, TFA of \$371 million, net equity contribution in bond refunding of \$4 million, and subsidies of \$383 million.

(2) Fiscal Year 2011 Budget Stabilization total \$3.151 billion, including G.O. of \$2.361 billion and TFA of \$790 million.