

Changes Since the July 2010 Financial Plan

(\$ in millions)

	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>FY 2014</u>
Gap to be Closed - July 2010 Plan	\$ -	\$ (3,257)	\$ (4,055)	\$ (4,835)
Increases / (Decreases) to Revenue				
Tax Revenue Forecast	\$ 77	\$ (49)	\$ (204)	\$ (182)
Non-Tax Revenue	8	(56)	(11)	4
Total Revenue Changes	\$ 85	\$ (105)	\$ (215)	\$ (178)
Increases / (Decreases) to Expenses				
Replace ARRA Funding for Education	\$ -	\$ 853	\$ 853	\$ 853
FMAP (see note below)	43	72	-	-
Health Insurance	7	126	195	276
Pension Assumptions and Methods (Increase costs by \$1 billion)	(600)	400	400	400
Debt Service	(23)	(341)	45	51
Other Expense Changes (see next page)	82	48	(8)	(101)
Total Expense Changes	\$ (491)	\$ 1,158	\$ 1,485	\$ 1,479
Surplus / (Gap) to be Closed	\$ 576	\$ (4,520)	\$ (5,755)	\$ (6,492)
Agency Program	\$ 585	\$ 1,002	\$ 917	\$ 914
Prepayment of FY 2012 Expenses	\$ 1,161	\$ (1,161)	\$ -	\$ -
Remaining Gap - November 2010 Plan	\$ -	\$ (2,357)	\$ (4,838)	\$ (5,578)

Note: The July 2010 Plan included FMAP Savings from a two quarter extension of ARRA funding and a reserve for potential losses. When the extension was finally approved, the City's savings was \$180 million less than planned. This \$180 million cost was offset by using the reserve of \$137 million bringing the increased expense reflected in this plan to \$43 million in FY 2011.

	\$ in millions			
	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>FY 2014</u>
<u>Increases / (Decreases) to Other Expense Changes</u>				
Police (PS & Attrition Restoration)	\$ 40	\$ -	\$ -	\$ -
Fire (Overtime)	30	-	-	-
Correction (Overtime Restoration)	15	-	-	-
Homeless (Adult & Family Capacity Re-estimate)	45	59	59	59
Board of Elections (PS Restoration)	8	-	-	-
Miscellaneous Budget Offsets *	(14)	(31)	(54)	(87)
Other Pension Changes (Investment Fees offset by 6/30/2010 Asset Gains)	-	69	38	(23)
State Budget Impact (Gov. Vetoes of Autism (\$40m) & HASA Rent Cap (\$8m))	(48)	(48)	(48)	(48)
All Other	6	(1)	(3)	(2)
Total Other Expense Changes	\$ 82	\$ 48	\$ (8)	\$ (101)

* Reduced expenses for Judgments and Claims, Workers' Comp., Mental Health and Non-City Community College Cost.