



**The City of New York**

**Michael R. Bloomberg, Mayor**

# Financial Plan Summary

**Fiscal Years 2010 - 2014**

**Office of Management and Budget**

**Mark Page, Director**

**January 28, 2010**

# I. Economic Update

# U.S. GDP Fell in 2009, But Is Forecast to Grow in 2010



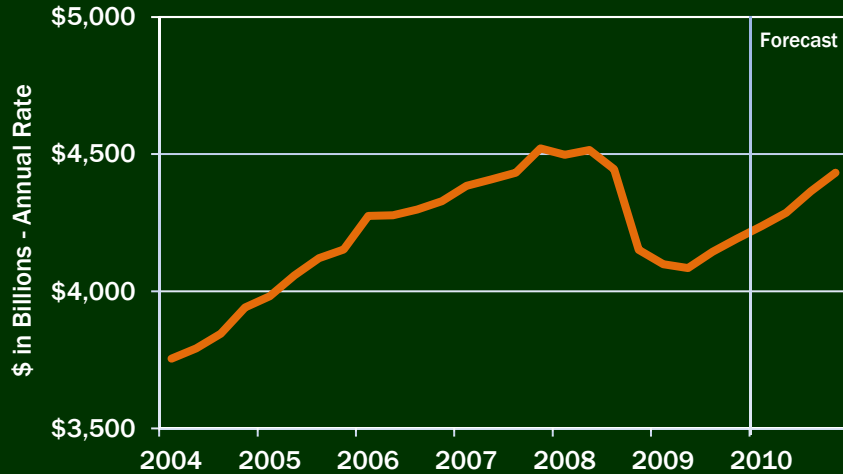
f = forecast

Sources: U.S. Real GDP- BEA

Forecast- OMB

# Consumption Indicators Began to Improve in 2009

## Retail Sales



Source: US Census Bureau

## Consumer Sentiment



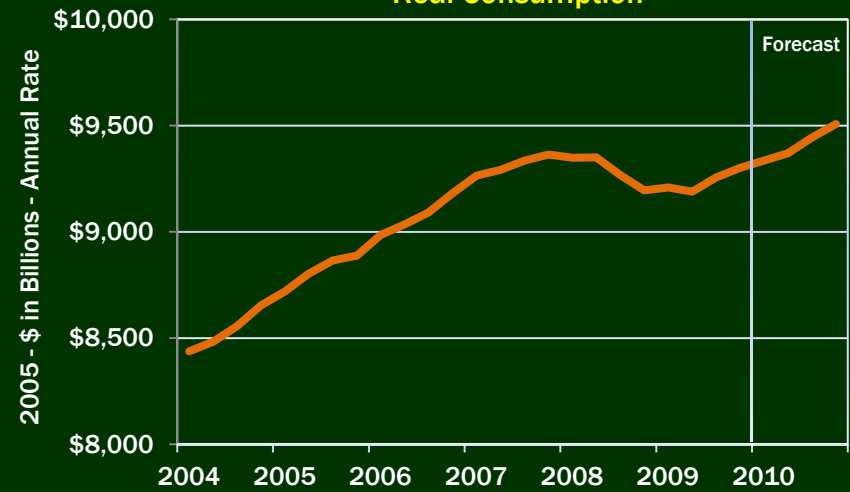
Source: Reuters and Univ. of Michigan

## Savings Rate



Source: Bureau of Economic Analysis

## Real Consumption

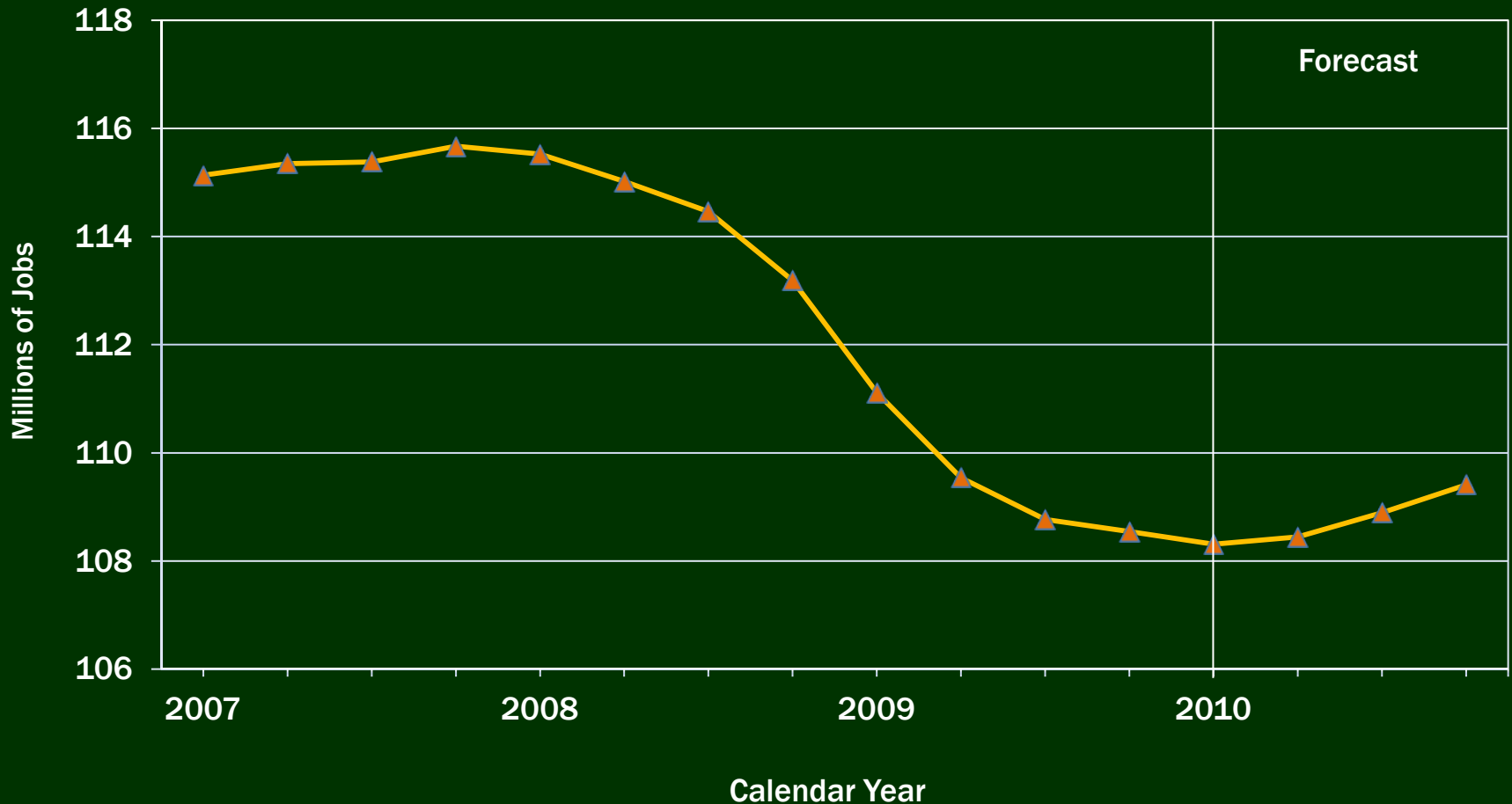


Source: Bureau of Economic Analysis

Calendar Years

# The U.S. Has Lost Over 7 Million Jobs Since 2008. The Decline in Labor Markets Nationally Has Been Leveling Off and Is Forecast to End in 2010

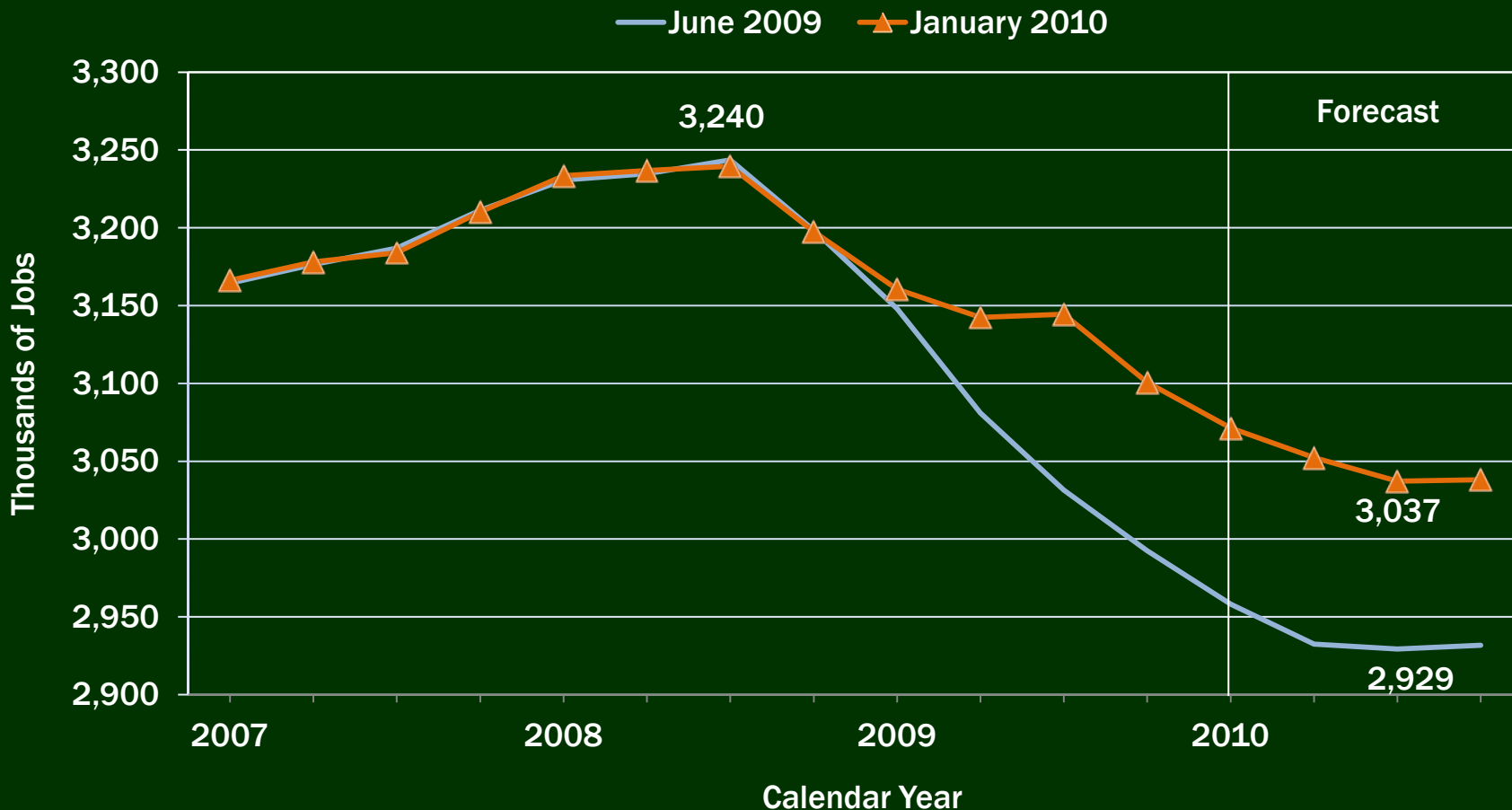
## U.S. Private Employment Level



Source: BLS, OMB

# We Now Expect NYC to Lose 100,000 Fewer Private Jobs than We Were Forecasting Last June. However, Job Losses Are Expected to Continue Until the Second Half of 2010

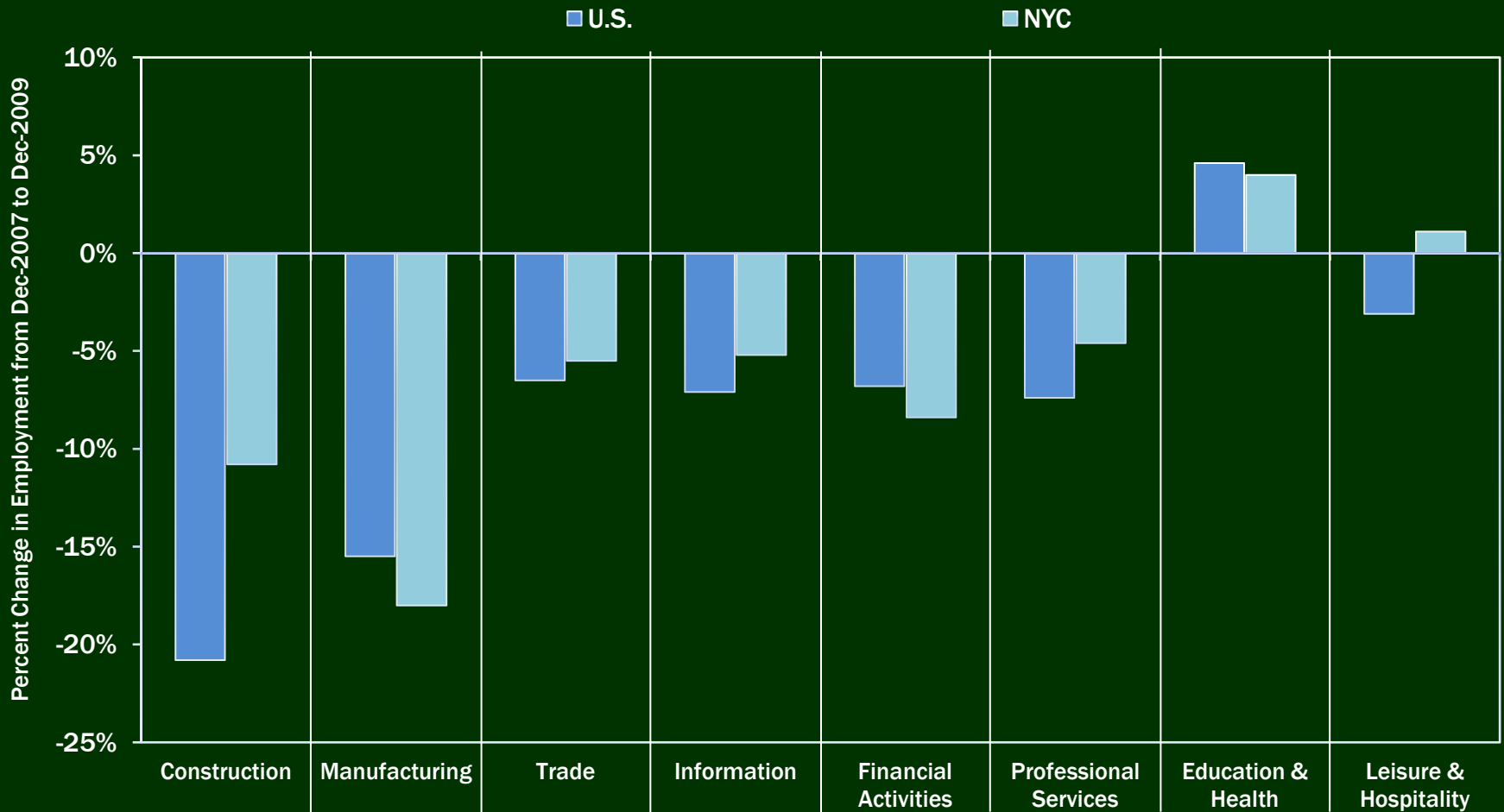
## NYC Private Employment Level\*



\* Employment measures people employed in NYC. The unemployment rate measures NYC residents only, regardless of place of employment.  
Source: NYS DOL, OMB

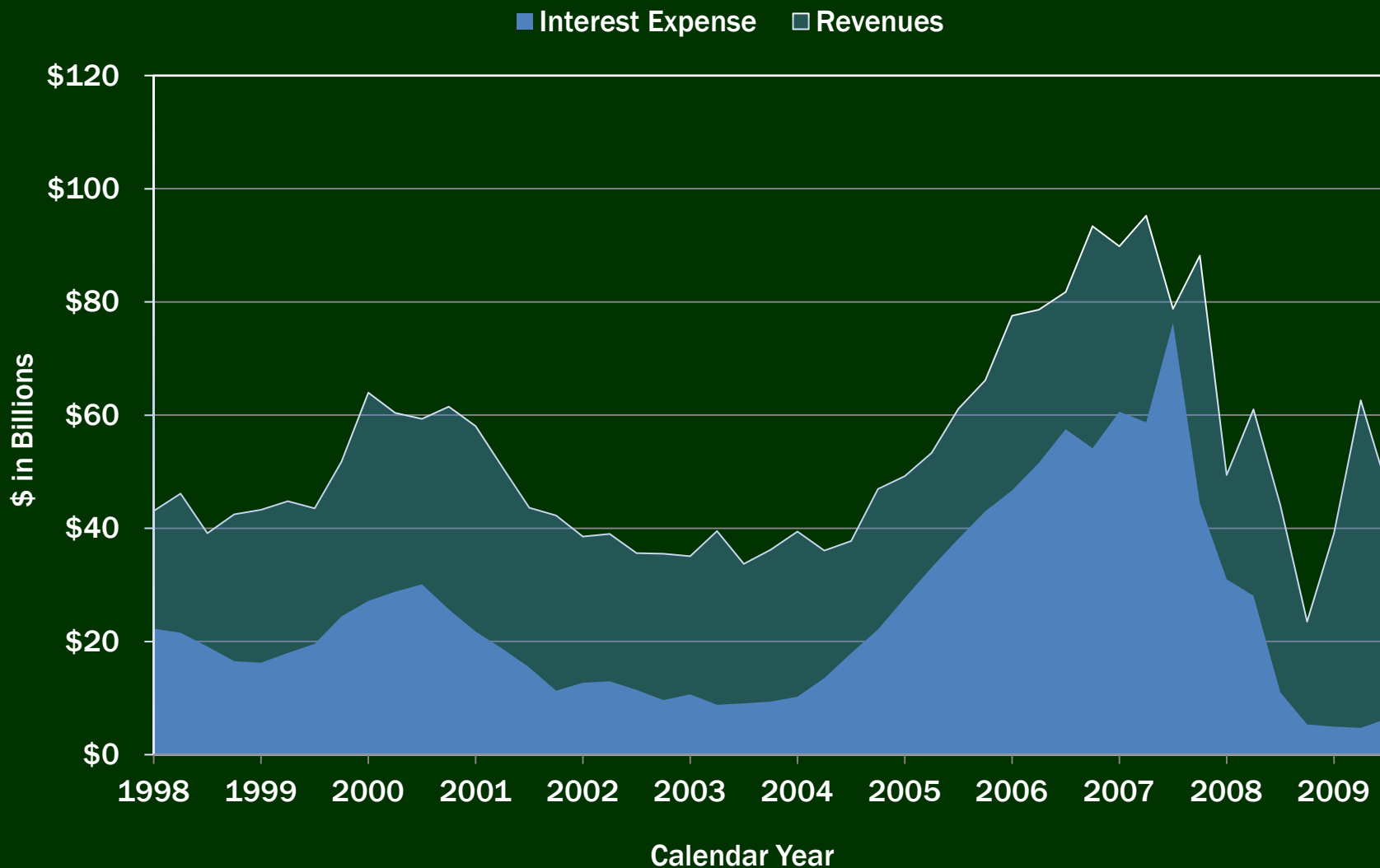
# Since December 2007, New York City Has Outperformed the Nation Across Most Private Employment Sectors

The U.S. has lost 6.3% of private sector jobs while NYC has only lost 3.4% of its private sector jobs



Source: BLS, NYS DOL  
NYC Data Seasonally Adjusted by OMB

# Wall Street Revenues Rose in 2009, While Interest Expenses Remain Low...



Source: SIFMA

# ...Resulting in Record Profits in 2009. Profits Are Expected to Remain Elevated in 2010, But Fall Back As Interest Rates Rise

## NYSE Member Firm Profits

(\$ in Billions)

Actual Forecast



Our forecast of Wall Street Profits in FY 2009 has increased from a loss of \$14 billion to profits of over \$58 billion, almost three times larger than any prior year ever. 2009 Wall Street Profits through Q3 were \$49.7 billion.

# The Market for Office Buildings Remains Stalled and Prices Have Fallen by More than Half

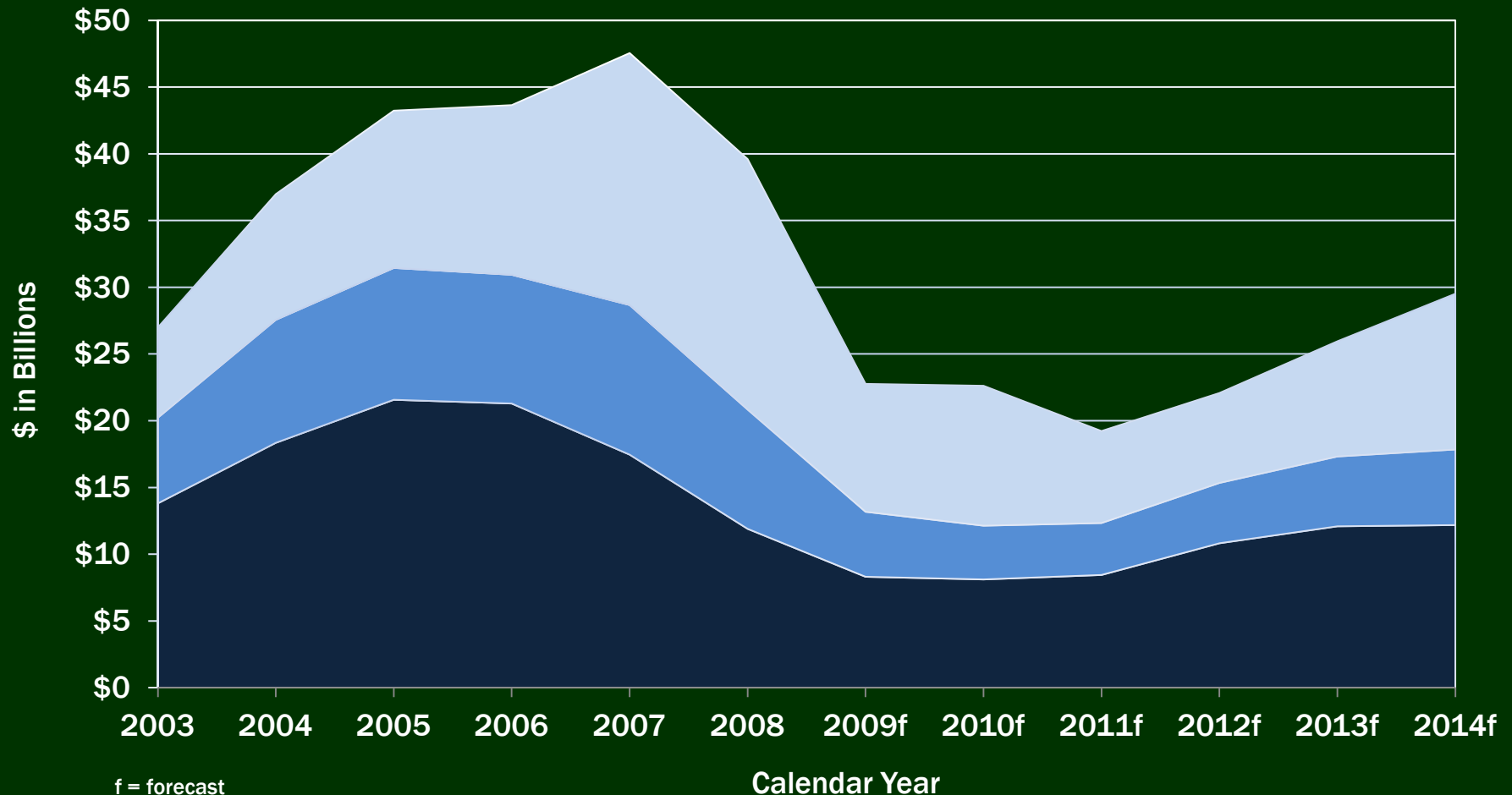


\* 2009 Preliminary Estimate  
Source: NYC DOF

# The Value of Residential Transactions in New York City Will Only Regain Their 2003 Total by 2014

## Total Transaction Value

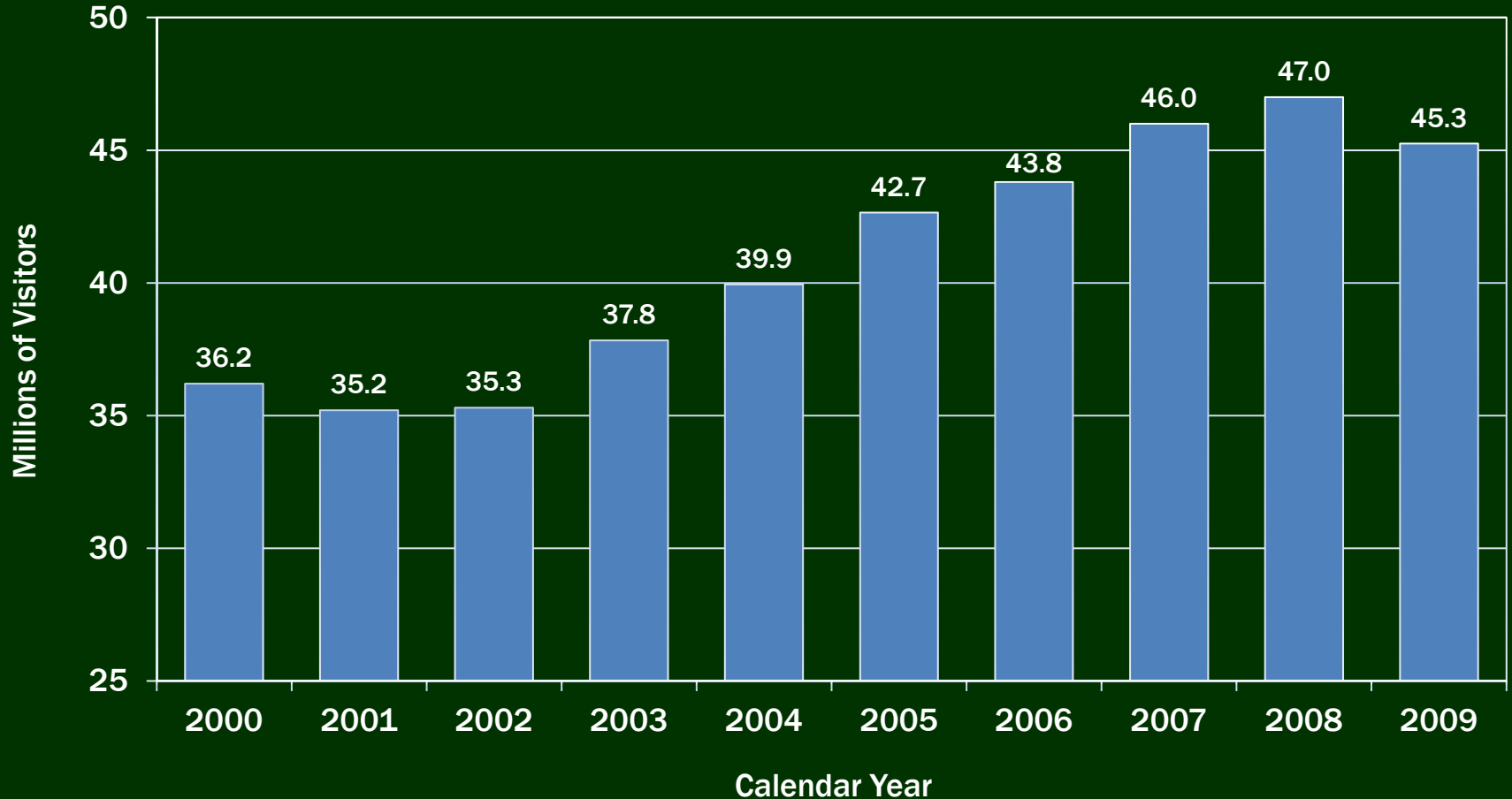
■ 1-3 Family Homes ■ Co-ops ■ Condos



f = forecast  
Source: NYC DOF, OMB

# Despite the Economic Slowdown, New York City Was the Most Popular Tourist Destination in the Nation in 2009, Attracting 45.3 Million Visitors

Millions of Visitors



Source: NYC & Company

**II. NYC Is Taking Almost \$500 Million of Gap-Closing Actions This Year and \$1.1 Billion of Gap-Closing Actions Next Year to Maintain Budget Balance in FY 2010 and FY 2011**

# NYC Is Taking Almost \$500 Million of Gap-Closing Actions This Year and \$1.1 Billion of Gap-Closing Actions Next Year to Maintain Budget Balance in FY 2010 and FY 2011

## January 2010 Plan Agency Programs to Reduce the Gap Increases the Gap / (Decreases the Gap)

	Fiscal Year 2010				Fiscal Year 2011			
	City Funds - \$ in Millions				City Funds - \$ in Millions			
	Expense	Revenue	Total	Percentage	Expense	Revenue	Total	Percentage
<b>Unformed Forces</b>								
Police	(\$26)	(\$1)	(\$27)	(0.6%)	(\$128)	\$ ---	(\$128)	(2.5%)
Fire	(3)	---	(3)	(0.2%)	(18)	(2)	(20)	(1.1%)
Correction	(21)	---	(21)	(1.8%)	(52)	---	(52)	(4.2%)
Sanitation	(29)	---	(29)	(2.0%)	(63)	---	(63)	(4.0%)
<b>Health and Welfare</b>								
Administration for Children's Services	(31)	---	(31)	(4.0%)	(52)	---	(52)	(6.8%)
Social Services	(29)	---	(29)	(4.2%)	(56)	---	(56)	(8.0%)
Homeless Services	(9)	---	(9)	(2.6%)	(22)	---	(22)	(6.6%)
Youth & Community Development	(9)	---	(9)	(3.9%)	(14)	---	(14)	(8.0%)
Health & Mental Hygiene	(18)	---	(18)	(3.7%)	(34)	---	(34)	(7.6%)
<b>Other Mayoral</b>								
Housing Preservation & Development	(1)	(1)	(2)	(3.1%)	(1)	(3)	(4)	(5.9%)
Finance	1	(10)	(9)	(3.6%)	(6)	(16)	(22)	(8.4%)
Transportation	(20)	(2)	(22)	(4.0%)	(27)	(16)	(43)	(8.0%)
Parks & Recreation	(7)	---	(7)	(2.1%)	(34)	---	(34)	(10.0%)
Libraries	(13)	---	(13)	(4.0%)	(22)	---	(22)	(8.0%)
Department of Cultural Affairs	(6)	---	(6)	(4.0%)	(11)	---	(11)	(8.0%)
Citywide Administrative Services	(7)	(11)	(18)	(6.9%)	(7)	(11)	(18)	(7.0%)
All Other Agencies	(58)	(48)	(106)	(5.7%)	(91)	(34)	(125)	(7.5%)
<b>Major Organizations</b>								
Education	(113)	---	(113)	(1.5%)	(317)	---	(317)	(4.0%)
CUNY	(9)	---	(9)	(4.0%)	(15)	---	(15)	(8.0%)
HHC	---	(3)	(3)	(4.0%)	---	(8)	(8)	(9.6%)
<b>Other</b>								
Procurement Savings	---	---	---		(56)	---	(56)	
<b>Total Agency Programs</b>	<b>(\$408)</b>	<b>(\$76)</b>	<b>(\$484)</b>	<b>(2.1%)*</b>	<b>(\$1,026)</b>	<b>(\$90)</b>	<b>(\$1,116)</b>	<b>(4.7%)*</b>

\* Reduction in Agency Controllable Expenses and Fringe Benefits

# Examples of New Agency Programs to Eliminate the Gap as of January 2010

January 2010 Agency Programs		Increase the Gap / (Decrease the Gap) City Funds - \$ In Millions	
		FY 2010	FY 2011
<b>Libraries:</b>	Reduce Subsidies to Library Systems	(\$12.9)	(\$22.1)
<b>Parks:</b>	Close 4 Pools and Shorten Outdoor Pool Season by 2 Weeks	---	(\$1.4)
<b>Police:</b>	Uniform Attrition of 892 Officers	---	(\$55.4)
<b>Police:</b>	Reduction in Overtime Spending via Improved OT Management Strategies	(\$25.0)	(\$50.0)
<b>Fire:</b>	Eliminate Staffing of 4 Additional Engine Companies	---	(\$5.6)
<b>Fire:</b>	Eliminate 5 <sup>th</sup> Firefighter on 60 Engine Companies	---	(\$7.9)
<b>Transportation:</b>	Increase Commercial Parking Rates from \$2 to \$2.50 Per Hour in Midtown Manhattan	---	(\$4.1)
<b>Finance:</b>	Hire 29 Additional Tax Auditors to Increase Audit Revenue	(\$6.2)	(\$13.1)
<b>Children's Services:</b>	Eliminate 32 Units in Protective Services Increasing Caseload Average to 10.6 from 9.5	---	(\$5.9)
<b>Social Services:</b>	Reduce by 248 Direct City Case Management Staff at HIV/AIDS Services Administration	---	(\$4.2)
<b>Homeless:</b>	Close a 24 Hour Drop-In Center in Manhattan	(\$1.0)	(\$2.4)
<b>Health:</b>	Eliminate Nurse Coverage for Elementary Schools with Less than 300 Students.	---	(\$3.1)
<b>Correction:</b>	Reduction of 291 Uniformed Positions through Increased Staffing Efficiencies	(\$8.1)	(\$26.9)
<b>Juvenile Justice:</b>	Reduce Utilization of Detention Capacity	---	(\$5.0)

# January 2010 Plan Headcount Reductions

	<u>FY 2010</u>			<u>FY 2011</u>		
	Layoffs	Attrition	Total	Layoffs	Attrition	Total
<b>MAYORAL AGENCIES:</b>						
<b>Uniform Forces</b>						
Police	- Uniform	---	---	---	(1,292)	(1,292)
	- Civilian	---	---	---	400	400
Fire	- Uniform	---	---	---	(400)	(400)
	- Civilian	---	(7)	---	(9)	(9)
Sanitation	- Uniform	---	---	---	(248)	(248)
	- Civilian	---	---	---	(54)	(54)
Correction	- Uniform	---	(286)	---	(477)	(477)
	- Civilian	---	39	---	114	114
	<b>Subtotal</b>	---	<b>(254)</b>	---	<b>(1,966)</b>	<b>(1,966)</b>
<b>Health and Welfare:</b>						
	Social Services	---	(41)	---	(299)	(299)
	Admin. For Children Services	---	---	---	(250)	(250)
	Homeless Services	---	(14)	---	(57)	(57)
	Health and Mental Hygiene	---	(15)	(141)	(33)	(174)
	<b>Subtotal</b>	---	<b>(70)</b>	<b>(141)</b>	<b>(639)</b>	<b>(780)</b>
<b>Other Agencies:</b>						
	Housing Preservation and Development	(4)	---	(4)	(8)	(12)
	Environmental Protection	---	(5)	---	(5)	(5)
	Finance	(33)	58	(65)	58	(7)
	Transportation	---	(48)	---	(76)	(76)
	Parks	---	(11)	---	(377)	(377)
	Citywide Administrative Services	---	(16)	---	(16)	(16)
	All Other	(58)	(108)	(139)	(288)	(427)
	<b>Subtotal</b>	<b>(95)</b>	<b>(130)</b>	<b>(208)</b>	<b>(712)</b>	<b>(920)</b>
<b>Department of Education:</b>						
	Pedagogical	---	---	---	---	---
	Civilian	---	---	---	---	---
	<b>Subtotal</b>	---	---	---	---	---
<b>LIBRARIES AND CULTURALS:</b>						
	Libraries	(165)	(90)	(299)	(135)	(434)
	Cultural Institutions	(87)	---	(186)	---	(186)
	<b>Subtotal</b>	<b>(252)</b>	<b>(90)</b>	<b>(485)</b>	<b>(135)</b>	<b>(620)</b>
<b>Total</b>		<b>(347)</b>	<b>(544)</b>	<b>(834)</b>	<b>(3,452)</b>	<b>(4,286)</b>

# Tax Fairness Proposals

## Revenue Estimates

\$ in Millions

	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>FY 2014</u>
<b>Tax Base Broadeners</b>				
Include Aviation Fuel in the Sales Tax Base	\$169	\$183	\$191	\$206
State Proposed Mortgage Recording Tax on Co-ops (City Impact)	50	58	71	78
<b>Total</b>	<b>\$219</b>	<b>\$241</b>	<b>\$262</b>	<b>\$284</b>

**III. The State Executive Budget if Adopted  
as Proposed Would Cut State Funding to  
NYC by \$1.3 Billion, Which Would Require  
Thousands of Layoffs and Dramatic Cuts in  
City Services**

# The State Executive Budget Would Cut State Funding to the NYC Budget by Almost \$1.3 Billion in FY 2010 and FY 2011

\$ in Millions

FY 2010 – FY 2011

Elimination of Revenue Sharing	\$656
State Cuts to Social Service Programs	89
State Cuts to Criminal Justice Programs	10
State Cuts to Health Programs	7
State Cuts to Transportation	5
Other State Cuts	24
<b>Subtotal</b>	<b>\$791</b>
<b>State Cut to Education</b>	<b>\$493</b>
<b>TOTAL</b>	<b>\$1.28 Billion</b>

# A State Cut of \$791 Million (Excluding Education) Would Require an Additional City-Funds Reduction of 3.6% in Uniform Agencies and 7.2% in All Other City Agencies. This Is in Addition to the Reductions Already Included in Agency Budgets for FY 2011

Increase the Gap /  
(Decrease the Gap)  
City Funds - \$ In Millions

## Examples of State Budget Cut PEGs

FY 2011

<b>Police:</b>	Layoff 3,150 Police Officers, reducing operational strength to 1985 levels. This \$182 million reduction is also equal to the total cost of the NYPD Transit Bureau	(\$182.3)
<b>Fire:</b>	Eliminate staffing for 42 engine companies, resulting in 1,050 uniform firefighter layoffs	(\$63.9)
<b>Sanitation:</b>	In districts outside of Hi-Rise Residential Areas, refuse collection will be reduced by one pick-up per week	(\$8.6)
<b>Sanitation:</b>	Recycling pick-up will be reduced from weekly to every other week	(\$15.6)
<b>Sanitation:</b>	Street cleaning and street litter basket collection will be eliminated	(\$32.2)
<b>Parks:</b>	Eliminate 484 positions, or 19% of total headcount. This reduction is also equal to the total cost of all pools, beach lifeguards and recreation centers Citywide	(\$24.4)
<b>Correction:</b>	Eliminate 978 Correction Officer positions – this would require a daily census reduction of 15.5% (or 2,063 inmates) – A 38% reduction in Court Processing time by 60 days (from 157 to 97) would reduce the daily census by this amount. This would require a major initiative in the State managed judiciary system.	(\$44.1)
<b>Children's Services:</b>	Preventive slots will be reduced by approximately 30% or 2,584 slots	(\$9.2)
<b>Children's Services:</b>	Reduce day care vouchers for low-income households by more than 25% or 6,000 vouchers	(\$35.6)
<b>Social Services:</b>	Eliminate funding to 500 soup kitchens and food pantries Citywide	(\$10.2)
<b>Aging:</b>	Close 15 less utilized senior centers	(\$3.5)
<b>Health:</b>	Reduce school nurse coverage to 1 nurse per 500 students	(\$5.5)

# State Cuts to Education Aid to NYC of Almost \$500 Million Will Result in Many Fewer Teachers and Other Reductions

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- ❖ A \$493 million reduction in available funding for NYC DOE would result in over 8,500 fewer teachers.
- ❖ This would clearly require teacher layoffs and larger classes.

# In Addition to the Cuts to the NYC Budget, the State Executive Budget Also Treats NYC Taxpayers Unfairly by Targeting a STAR Personal Income Tax (PIT) Increase Directly at Us

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- ❖ **NYC** is already short changed in STAR Aid, receiving 26% of the statewide total benefit for 40% of the statewide Education burden. NYC represents 26% of the statewide total STAR Aid, but the State Executive Budget cut in STAR Aid targets 80% of the reduction to NYC.
- ❖ The reduction in STAR Aid in NYC will require City taxpayers to pay hundreds of millions of dollars more in City income tax and City property tax.

# IV. Department of Education Salaries

## Although the Economic Climate Is Challenging, the City Faces Serious Budget Constraints, and the State Has Proposed Cuts to Education Funding in NYC, We Still Have a Plan to Increase Salaries at DOE

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- ❖ In this budget, we have included funding for a 2% increase on the first \$70,000 of salary for teachers, principals, and managers, this year and next. (The managers at DOE have already received this increase)
- ❖ This will generate \$160 million in savings in FY 2010 and \$357 million in savings in FY 2011, growing to over \$500 million by FY 2013.

# These Savings Will Be Used to Mitigate the Proposed Budget Cuts at DOE in FY 2010 and FY 2011, Ending Reductions in Teacher Funding Otherwise Necessary to Close the City's Budget Deficit

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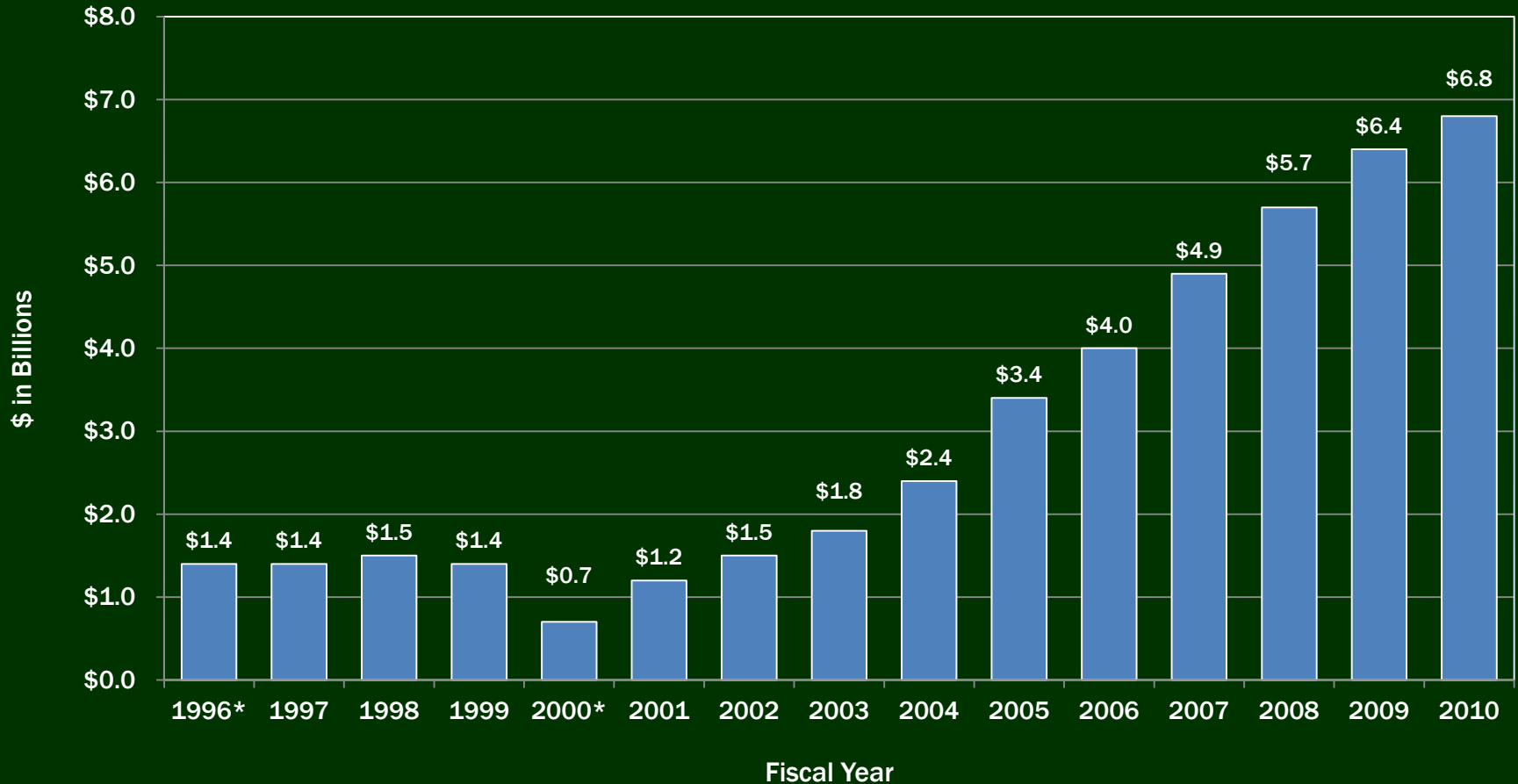
	\$ in Millions	
	FY 2010	FY 2011
Savings From Capped 2% DOE Labor Settlement	\$160	\$357
These Savings Will Be Used as Follows:		
Reduce NYC DOE Program to Eliminate the Gap (PEG)	(\$113)	(\$317)
State Mandated Carter Case Adjudications	(\$47)	\$ ---
Federal Mandated Special Education Expenses	\$ ---	(\$40)
	\$ ---	\$ ---

- ❖ The NYC DOE Program to Eliminate the Gap (PEG) would have resulted in 2,500 fewer teachers. The savings from the capped 2% DOE labor settlement allows us to rescind this reduction.

# V. Labor

# New York City Contributions to the Pension Systems Have Risen by 357% Since 1996 from \$1.4 Billion to \$6.8 Billion

## City Pension Contributions



\* Years in which a market value restart was done.

# Since 2002, Salaries Have Increased 30.8% While Fringe Benefits Have Increased by 73.6%. Pension Costs Have Increased Over this Period by 353%

\$ in Millions

	Fiscal Year 2002				Fiscal Year 2010				FY 2002-FY 2010 Increase / (Decrease)			
	<u>Salary &amp; Wages</u>	<u>Fringe Benefits</u>	<u>Pensions</u>	<u>Total PS Costs</u>	<u>Salary &amp; Wages</u>	<u>Fringe Benefits</u>	<u>Pensions</u>	<u>Total PS Costs</u>	<u>Salary &amp; Wages</u>	<u>Fringe Benefits</u>	<u>Pensions</u>	<u>Total PS Costs</u>
Total	\$17,055	\$4,209	\$1,492	\$22,756	\$22,310	\$7,307	\$6,760	\$36,377	30.8%	73.6%	353.1%	59.9%

- ❖ Salaries and wages are determined through collective bargaining between the City and its unions.
- ❖ The level of fringe benefits (mostly health insurance) is set by the NYC Administrative Code, but has also been the subject of bargaining between the City and its unions.
- ❖ Pension benefits are determined by State law and protected for current employees by the State Constitution. However, changes in contributions can also be caused by other factors including investment performance and headcount changes.
- ❖ Costs have grown substantially even as headcount has dropped by 7,540 (2.4%) from 311,804 to 304,264 full time and full time equivalents between FY 2002 and FY 2010.

Notes: Expenses exclude the impact of prepayments.

# We Have Not Included Funding for the Next Round of Wage Increases in This Plan. The Next Round of Collective Bargaining Will Be Funded by Productivity, Savings in Health Insurance, and Savings in Pension Costs

\$ in Millions

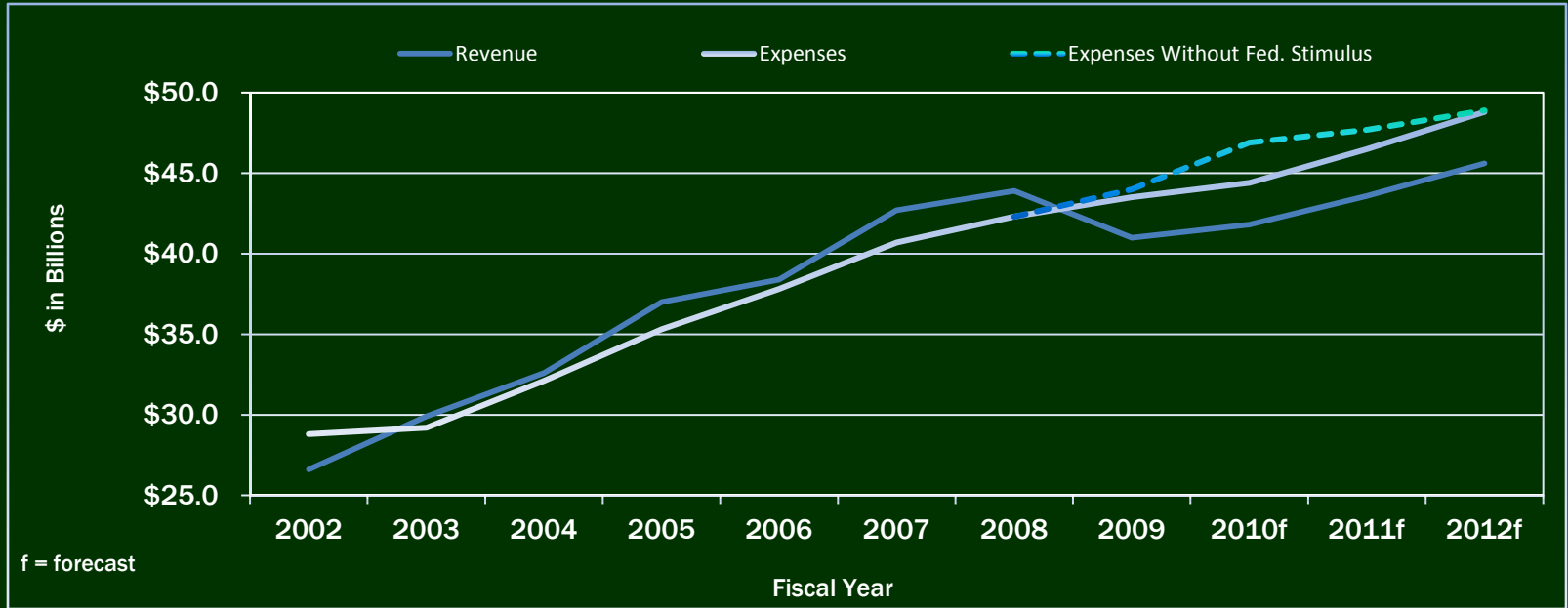
Sources of Funding for the Next Round of Collective Bargaining:	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>FY 2014</u>
Productivity	TBD	TBD	TBD	TBD	TBD
Savings from Health Insurance Contributions	---	(\$357)	(\$386)	(\$418)	(\$451)
Savings from Tier 5 Pension Proposal	---	(\$200)	(\$200)	(\$200)	(\$200)

- ❖ The next round of collective bargaining was previously funded at 1.25% per year for 2 years. But due to the City's budget constraints these funds have been removed from the financial plan. The savings from this reduction grow to almost \$1 billion annually by FY 2014.

# VI. Budget Update

# Revenue and Expenses

## January 2010 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<sup>f</sup></u>	<u>2011<sup>f</sup></u>	<u>2012<sup>f</sup></u>
<b>Revenue</b>	\$26.6	\$29.9	\$32.6	\$37.0	\$38.4	\$42.7	\$43.9	\$41.0	\$41.8	\$43.6	\$45.6
<i>Year-to-Year Change:</i>	(4.6%)	12.7%	8.8%	13.4%	3.8%	11.3%	2.9%	(6.8%)	2.0%	4.3%	4.7%
<b>Expenses</b>	\$28.8	\$29.2	\$32.1	\$35.3	\$37.8	\$40.7	\$42.3	\$43.5	\$44.4	\$46.5	\$48.8
<i>Year-to-Year Change:</i>	2.7%	1.3%	9.8%	10.2%	6.9%	7.8%	3.9%	2.7%	2.3%	4.6%	5.0%
<b>Operating Surplus/(Deficit)</b>	(\$2.2)	\$0.7	\$0.5	\$1.7	\$0.6	\$2.0	\$1.6	(\$2.5)	(\$2.6)	(\$2.9)	(\$3.2)
<b>Cumulative Surplus/(Deficit)</b>	\$0.9	\$1.6	\$2.1	\$3.8	\$4.4	\$6.4	\$8.0	\$5.5	\$2.9	\$--	(\$3.2)

Note: Excludes the impact of prepayments and debt defeasances. FY 2009 and prior years' revenue and expenses adjusted to include TFA.

# FY 2010 - City Funds Changes Between June 2009 Plan and January 2010 Plan

(City Funds - \$ in Millions)

	FY 2010		Change Between June 2009 Plan and Jan 2010 Plan	Percent Change Between June 2009 Plan and Jan 2010	
	June 2009 Plan <sup>(3)</sup>	Jan 2010 Plan			
<b>Revenue</b>	<b>\$39,939</b>	<b>\$41,792</b>	<b>\$1,853</b>	<b>4.6%</b>	❖ Our Current Plan forecasts City Funds Revenue to be \$41,792 in FY 2010, an increase of \$1.853 billion (4.6%) since the June 2009 Plan
<i>Change from 2009 Actual:</i>	<i>(\$1,026)</i>	<i>\$827</i>			
<i>% Change from 2009 Actual:</i>	<i>(2.5%)</i>	<i>2.0%</i>			
<b>Expenses <sup>(4)</sup></b>					
<b>Controllable Agency Expenses</b>	<b>\$21,170</b>	<b>\$20,716</b>	<b>(\$454)</b>	<b>(2.1%)</b>	❖ Our Current Plan forecasts City Funds Controllable Agency Expenses to be \$20,716 in FY 2010, a decrease of \$454 million (-2.1%) since the June 2009 Plan
<i>Change from 2009 Actual:</i>	<i>\$967</i>	<i>\$513</i>			
<i>% Change from 2009 Actual:</i>	<i>4.8%</i>	<i>2.5%</i>			
<b>Debt Service</b>	<b>\$5,126</b>	<b>\$5,002</b>	<b>(\$124)</b>	<b>(2.4%)</b>	❖ Our Current Plan forecasts City Funds Debt Service to be \$5,002 in FY 2010, a decrease of \$124 million (-2.4%) since the June 2009 Plan
<i>Change from 2009 Actual:</i>	<i>\$511</i>	<i>\$387</i>			
<i>% Change from 2009 Actual:</i>	<i>11.1%</i>	<i>8.4%</i>			
<b>Non-Controllable Expenses</b>	<b>\$19,182</b>	<b>\$18,730</b>	<b>(\$452)</b>	<b>(2.4%)</b>	❖ Our Current Plan forecasts City Funds Non-Controllable Expenses to be \$18,730 in FY2010, a decrease of \$452 million (-2.4%) since the June 2009 Plan
<i>Change from 2009 Actual:</i>	<i>\$543</i>	<i>\$91</i>			
<i>% Change from 2009 Actual:</i>	<i>2.9%</i>	<i>0.5%</i>			
<b>Total Expenses</b>	<b>\$45,478</b>	<b>\$44,448</b>	<b>(\$1,030)</b>	<b>(2.3%)</b>	❖ Our Current Plan forecasts City Funds Total Expenditures to be \$44,448 in FY 2010, a decrease of \$1.030 billion (-2.3%) since the June 2009 Plan
<i>Change from 2009 Actual:</i>	<i>\$2,021</i>	<i>\$991</i>			
<i>% Change from 2009 Actual:</i>	<i>4.7%</i>	<i>2.3%</i>			
<b>Operating Surplus/(Deficit)</b>	<b>(\$5,539)</b>	<b>(\$2,656)</b>	<b>\$2,883</b>	<b>(52.0%)</b>	❖ Our Current Plan forecasts a roll of \$2.883 billion out of FY 2010 into FY 2011 to help balance the FY 2011 budget
Current Year Roll (Cost)	\$ ---	(\$2,883)	(\$2,883)		
Prior Year Roll – Benefit	\$2,813	\$2,813	\$ ---		
Net Impact of Prior Debt Defeasances <sup>(2)</sup>	\$2,726	\$2,726	\$ ---		
<b>Gap to be Closed</b>	<b>\$ ---</b>	<b>\$ ---</b>	<b>\$ ---</b>		

<b>Agency Program</b>	
Revenue Increases	\$76
Controllable Agency Expense Decreases	(\$374)
Non-Controllable Expense Decreases	(\$34)
<b>Agency Program</b>	<b>\$484</b>

<sup>(1)</sup> Excludes the impact of prepayments and debt defeasances.

<sup>(2)</sup> Includes FY 2007 and FY 2008 debt defeasances which reduced debt service by \$690 million and \$2.036 billion, respectively, in FY 2010.

<sup>(3)</sup> Restated to include TFA PIT retention and TFA debt service.

# FY 2011 - City Funds Changes Between June 2009 Plan and January 2010 Plan

(City Funds - \$ in Millions)

	FY 2011		Change Between June 2009 Plan and Jan 2010 Plan	Percent Change Between June 2009 Plan and Jan 2010	
	June 2009 Plan <sup>(2)</sup>	Jan 2010 Plan			
<b>Revenue</b>	<b>\$42,509</b>	<b>\$43,589</b>	<b>\$1,080</b>	<b>2.5%</b>	❖ Our Current Plan forecasts City Funds Revenue to be \$43,589 in FY 2011, an increase of \$1.080 billion (2.5%) since the June 2009 Plan
	<i>Change - 2010 to 2011:</i>	<i>\$2,570</i>	<i>\$1,797</i>		
	<i>% Change - 2010 - 2011:</i>	<i>6.4%</i>	<i>4.3%</i>		
<b>Expenses <sup>(4)</sup></b>					
<b>Controllable Agency Expenses</b>	<b>\$21,658</b>	<b>\$20,341</b>	<b>(\$1,317)</b>	<b>(6.1%)</b>	❖ Our Current Plan forecasts City Funds Controllable Agency Expenses to be \$20,341 in FY 2011, a decrease of \$1.317 billion (-6.1%) since the June 2009 Plan
	<i>Change - 2010 to 2011:</i>	<i>\$488</i>	<i>(\$375)</i>		
	<i>% Change - 2010 - 2011:</i>	<i>2.3%</i>	<i>(1.8%)</i>		
<b>Debt Service</b>	<b>\$5,638</b>	<b>\$5,352</b>	<b>(\$286)</b>	<b>(5.1%)</b>	❖ Our Current Plan forecasts City Funds Debt Service to be \$5,352 in FY 2011, a decrease of \$286 million (-5.1%) since the June 2009 Plan
	<i>Change - 2010 to 2011:</i>	<i>\$512</i>	<i>\$350</i>		
	<i>% Change - 2010 - 2011:</i>	<i>10.0%</i>	<i>7.0%</i>		
<b>Non-Controllable Expenses</b>	<b>\$20,138</b>	<b>\$20,779</b>	<b>\$641</b>	<b>3.2%</b>	❖ Our Current Plan forecasts City Funds Non-Controllable Expenses to be \$20,779 in FY2011, an increase of \$641 million (3.2%) since the June 2009 Plan
	<i>Change - 2010 to 2011:</i>	<i>\$956</i>	<i>\$2,049</i>		
	<i>% Change - 2010 - 2011:</i>	<i>5.0%</i>	<i>10.9%</i>		
<b>Total Expenses</b>	<b>\$47,434</b>	<b>\$46,472</b>	<b>(\$962)</b>	<b>(2.0%)</b>	❖ Our Current Plan forecasts City Funds Total Expenditures to be \$46,472 in FY 2011, a decrease of \$962 million (-2.0%) since the June 2009 Plan
	<i>Change - 2010 to 2011:</i>	<i>\$1,956</i>	<i>\$2,024</i>		
	<i>% Change - 2010 - 2011:</i>	<i>4.3%</i>	<i>4.6%</i>		
<b>Operating Surplus/(Deficit)</b>	<b>(\$4,925)</b>	<b>(\$2,883)</b>	<b>\$2,042</b>	<b>(41.5%)</b>	
<b>Current Year Roll (Cost)</b>	<b>\$ ---</b>	<b>\$ ---</b>	<b>\$ ---</b>		
<b>Prior Year Roll - Benefit</b>	<b>\$ ---</b>	<b>\$2,883</b>	<b>\$2,883</b>		
<b>Net Impact of Prior Debt Defeasances</b>	<b>\$ ---</b>	<b>\$ ---</b>	<b>\$ ---</b>		
<b>Gap to be Closed</b>	<b>(\$4,925)</b>	<b>\$ ---</b>	<b>\$4,925</b>		

<b>Agency Program</b>	
Revenue Increases	\$90
Controllable Agency Expense Decreases	(\$934)
Non-Controllable Expense Decreases	(\$92)
<b>Agency Program</b>	<b>\$1,116</b>

<sup>(4)</sup> Excludes the impact of prepayments and debt defeasances.  
<sup>(2)</sup> Restated to include TFA PIT retention and TFA debt service.

# Changes Since the June 2009 Plan

City Funds - \$ in Millions

<b>CHANGES SINCE JUNE 2009 PLAN</b>	<b>FY 2010</b>	<b>FY 2011</b>	<b>FY 2012</b>	<b>FY 2013</b>
<b>Revenue - Increase / (Decrease)</b>				
Tax Revenue Forecast	\$1,667	\$727	\$637	\$542
Tax Fairness Program	---	219	241	262
Non-Tax Revenue	110	44	78	78
Agency Program	76	90	83	84
<b>Total Revenue Changes</b>	<b>\$1,853</b>	<b>\$1,080</b>	<b>\$1,039</b>	<b>\$966</b>
<b>Controllable Expenses - Increase / (Decrease)</b>				
Productivity Labor Settlement*	(\$35)	(\$190)	(\$448)	(\$660)
Other Controllable Expenses	(45)	(193)	(214)	(216)
Agency Program	(374)	(934)	(912)	(860)
<b>Total Controllable Expense Changes</b>	<b>(\$454)</b>	<b>(\$1,317)</b>	<b>(\$1,574)</b>	<b>(\$1,736)</b>
<b>Debt Service - Increase / (Decrease)</b>	<b>(\$124)</b>	<b>(\$286)</b>	<b>(\$12)</b>	<b>\$3</b>
<b>Non-Controllable Expenses - Increase / (Decrease)</b>				
Employee and Retiree Health Insurance	\$ ---	\$357	\$386	\$418
Tier 5 Pension Proposal	---	200	200	200
Prior Payables	(500)	---	---	---
General Reserve	(100)	---	---	---
Pension	60	34	186	141
Other Non-Controllable Changes	122	142	179	219
Agency Program	(34)	(92)	(160)	(247)
<b>Total Non-Controllable Expense Changes</b>	<b>(\$452)</b>	<b>\$641</b>	<b>\$791</b>	<b>\$731</b>
<b>Total Expense Changes</b>	<b>(\$1,030)</b>	<b>(\$962)</b>	<b>(\$795)</b>	<b>(\$1,002)</b>
<b>Net Changes to Operating Surplus / (Deficit)</b>	<b>\$2,883</b>	<b>\$2,042</b>	<b>\$1,834</b>	<b>\$1,968</b>
<b>FY 2010 Prepayment of FY 2011 Expenses</b>	<b>(\$2,883)</b>	<b>\$2,883</b>	<b>\$ ---</b>	<b>\$ ---</b>
<b>Net Changes Since June 2009 Plan</b>	<b>\$ ---</b>	<b>\$4,925</b>	<b>\$1,834</b>	<b>\$1,968</b>

\* Eliminate 1.25% for next two years of bargaining to be funded by productivity, savings in health insurance and savings in pensions costs.

# City Revenue

## January 2010 Plan

		\$ in Millions				
		FY 2008	FY 2009	FY 2010 <sup>f</sup>	FY 2011 <sup>f</sup>	FY 2012 <sup>f</sup>
<b>Property Tax</b>		\$13,062	\$14,338	\$16,035	\$16,917	\$17,536
	<i>Year-to-Year</i>	104	1,276	1,697	882	619
	<i>Change:</i>	0.8%	9.8%	11.8%	5.5%	3.7%
<b>Economically Sensitive Taxes</b>		\$25,703	\$21,673	\$20,953	\$22,099	\$23,477
	<i>Year-to-Year</i>	134	(4,030)	(720)	1,146	1,378
	<i>Change:</i>	0.5%	(15.7%)	(3.3%)	5.5%	6.2%
<b>Subtotal – Tax Revenue</b>		\$38,765	\$36,011	\$36,988	\$39,016	\$41,013
	<i>Year-to-Year</i>	238	(2,754)	977	2,028	1,997
	<i>Change:</i>	0.6%	(7.1%)	2.7%	5.5%	5.1%
<b>Non-Tax Revenue</b>		\$5,172	\$4,954	\$4,804	\$4,573	\$4,631
	<i>Year-to-Year</i>	997	(218)	(150)	(231)	58
	<i>Change:</i>	23.9%	(4.2%)	(3.0%)	(4.8%)	1.3%
<b>Total Revenue</b>		\$43,937	\$40,965	\$41,792	\$43,589	\$45,644
	<i>Year-to-Year</i>	1,235	(2,972)	827	1,797	2,055
	<i>Change:</i>	2.9%	(6.8%)	2.0%	4.3%	4.7%

The growth in property tax revenue began to slow in FY 2011 because of the phase-in of lower property values. Total Revenue remains below FY 2008 levels until FY 2012.

f = forecast  
Restated to include TFA PIT Retention.

# Controllable Agency Expenses<sup>(1)</sup>

## January 2010 Plan

City Funds - \$ in Millions

	FY 2008 <sup>(2)</sup>	FY 2009	FY 2010 <sup>f</sup>	FY 2011 <sup>f</sup>	FY 2012 <sup>f</sup>
<b>Uniformed Forces</b>					
Police Department	\$3,735	\$4,057	\$4,172	\$4,046	\$4,103
Fire Department	1,323	1,364	1,446	1,420	1,407
Department of Correction	927	975	983	951	967
Sanitation Department	1,206	1,222	1,254	1,327	1,356
<b>Subtotal: Uniformed Forces</b>	<b>\$7,191</b>	<b>\$7,618</b>	<b>\$7,855</b>	<b>\$7,744</b>	<b>\$7,833</b>
Year-To-Year: Change:	400 5.9%	427 5.9%	237 3.1%	(111) (1.4%)	89 1.1%
<b>Health and Welfare</b>					
Social Services	\$437	\$469	\$521	\$497	\$496
Children's Services	830	818	697	664	680
Homeless Services	360	350	340	329	326
Health and Mental Hygiene	570	656	638	610	618
HHC Subsidy	128	94	87	87	113
<b>Subtotal: Health and Welfare</b>	<b>\$2,325</b>	<b>\$2,387</b>	<b>\$2,283</b>	<b>\$2,187</b>	<b>\$2,233</b>
Year-To-Year: Change:	(109) (4.5%)	62 2.7%	(104) (4.4%)	(96) (4.2%)	46 2.1%
<b>Other Mayoral</b>					
Housing Preservation & Development	\$75	\$74	\$76	\$58	\$58
Environmental Protection	850	908	968	908	908
Finance	210	219	226	217	216
Transportation	422	457	447	425	425
Parks and Recreation	277	279	264	239	245
Citywide Administrative Services	196	217	232	235	233
All Other Mayoral	2,100	1,953	1,944	1,786	2,043
<b>Subtotal: Other Mayoral</b>	<b>\$4,130</b>	<b>\$4,107</b>	<b>\$4,157</b>	<b>\$3,868</b>	<b>\$4,128</b>
Year-To-Year: Change:	550 15.4%	(23) (0.6%)	50 1.2%	(289) (7.0%)	260 6.7%
<b>Education</b>					
Department of Education (see below)	\$4,918	\$5,154	\$5,415	\$5,635	\$5,605
CUNY	445	481	524	489	476
<b>Subtotal: Education</b>	<b>\$5,363</b>	<b>\$5,635</b>	<b>\$5,939</b>	<b>\$6,124</b>	<b>\$6,081</b>
Year-To-Year: Change:	87 1.6%	272 5.1%	304 5.4%	185 3.1%	(43) (0.7%)
<b>Elected Officials</b>					
Mayoralty	\$64	\$66	\$69	\$70	\$70
All Other Elected	398	390	413	348	348
<b>Subtotal: Elected Officials</b>	<b>\$462</b>	<b>\$456</b>	<b>\$482</b>	<b>\$418</b>	<b>\$418</b>
Year-To-Year: Change:	21 4.8%	(6) (1.3%)	26 5.7%	(64) (13.3%)	---
<b>Total Controllable Agency Spending</b>	<b>\$19,471</b>	<b>\$20,203</b>	<b>\$20,716</b>	<b>\$20,341</b>	<b>\$20,693</b>
Year-To-Year: Change:	949 5.1%	732 3.8%	513 2.5%	(375) (1.8%)	352 1.7%
<b>Dept of Education (Including State and Federal funds)</b>	<b>\$14,311</b>	<b>\$15,090</b>	<b>\$15,396</b>	<b>\$15,619</b>	<b>\$15,365</b>
	911 6.8%	779 5.4%	306 2.0%	223 1.4%	(254) (1.6%)

Note: Excludes the impact of prepayments; <sup>(1)</sup> Actual Change. <sup>(2)</sup> Change from FY 2007 - data not shown. f=forecast

# Non-Controllable Expenses

## January 2010 Plan

City Funds - \$ in Millions

	FY 2002	FY 2008 <sup>(1)</sup>	FY 2009	FY 2010 <sup>f</sup>	FY 2011 <sup>f</sup>	FY 2012 <sup>f</sup>
<b>Non-Controllable Agency Expenses</b>						
Pensions	\$1,334	\$5,571	\$6,217	\$6,595	\$7,087	\$7,512
Year-to-Year		\$4,237	\$646	\$378	\$492	\$425
Change:		317.6%	11.6%	6.1%	7.5%	6.0%
Fringe Benefits	\$3,791	\$5,504	\$5,768	\$5,638	\$6,091	\$6,516
Year-to-Year		\$1,713	\$264	(\$130)	\$453	\$425
Change:		45.2%	4.8%	(2.3%)	8.0%	7.0%
Retiree Health Benefits Trust	\$ ---	\$ ---	\$ ---	(\$82)	(\$395)	(\$672)
<b>Employee-Related Costs</b>	<b>\$5,125</b>	<b>\$11,075</b>	<b>\$11,985</b>	<b>\$12,151</b>	<b>\$12,783</b>	<b>\$13,356</b>
Year-to-Year		\$5,950	\$910	\$166	\$632	\$573
Change:		116.1%	8.2%	1.4%	5.2%	4.5%
Medicaid	\$3,536	\$5,621	\$5,161	\$4,797	\$5,509	\$5,977
Includes Federal Matching Percent for Medicaid		\$2,085	(\$460)	(\$364)	\$712	\$468
Change:		59.0%	(8.2%)	(7.1%)	14.8%	8.5%
Re-estimate of Prior Year Expenses	(\$413)	(\$399)	(\$453)	(\$500)	\$ ---	\$ ---
Year-to-Year		\$14	(\$54)	(\$47)	\$500	\$ ---
Change:		3.4%	(13.5%)	(10.4%)	100.0%	0.0%
General Reserve	\$ ---	\$ ---	\$ ---	\$200	\$300	\$300
Year-to-Year		\$ ---	\$ ---	\$200	\$100	\$ ---
Change:		0.0%	0.0%	0.0%	50.0%	0.0%
All Other <sup>(2)</sup>	\$1,616	\$1,868	\$1,946	\$2,082	\$2,187	\$2,374
Year-to-Year		\$252	\$78	\$136	\$105	\$187
Change:		15.6%	4.2%	7.0%	5.0%	8.6%
<b>Total Non-Controllable Expenses</b>	<b>\$9,864</b>	<b>\$18,165</b>	<b>\$18,639</b>	<b>\$18,730</b>	<b>\$20,779</b>	<b>\$22,007</b>
Year-to-Year		\$8,301	\$474	\$91	\$2,049	\$1,228
Change:		84.2%	2.6%	0.5%	10.9%	5.9%

<sup>(1)</sup> Change is FY 2002-2008

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

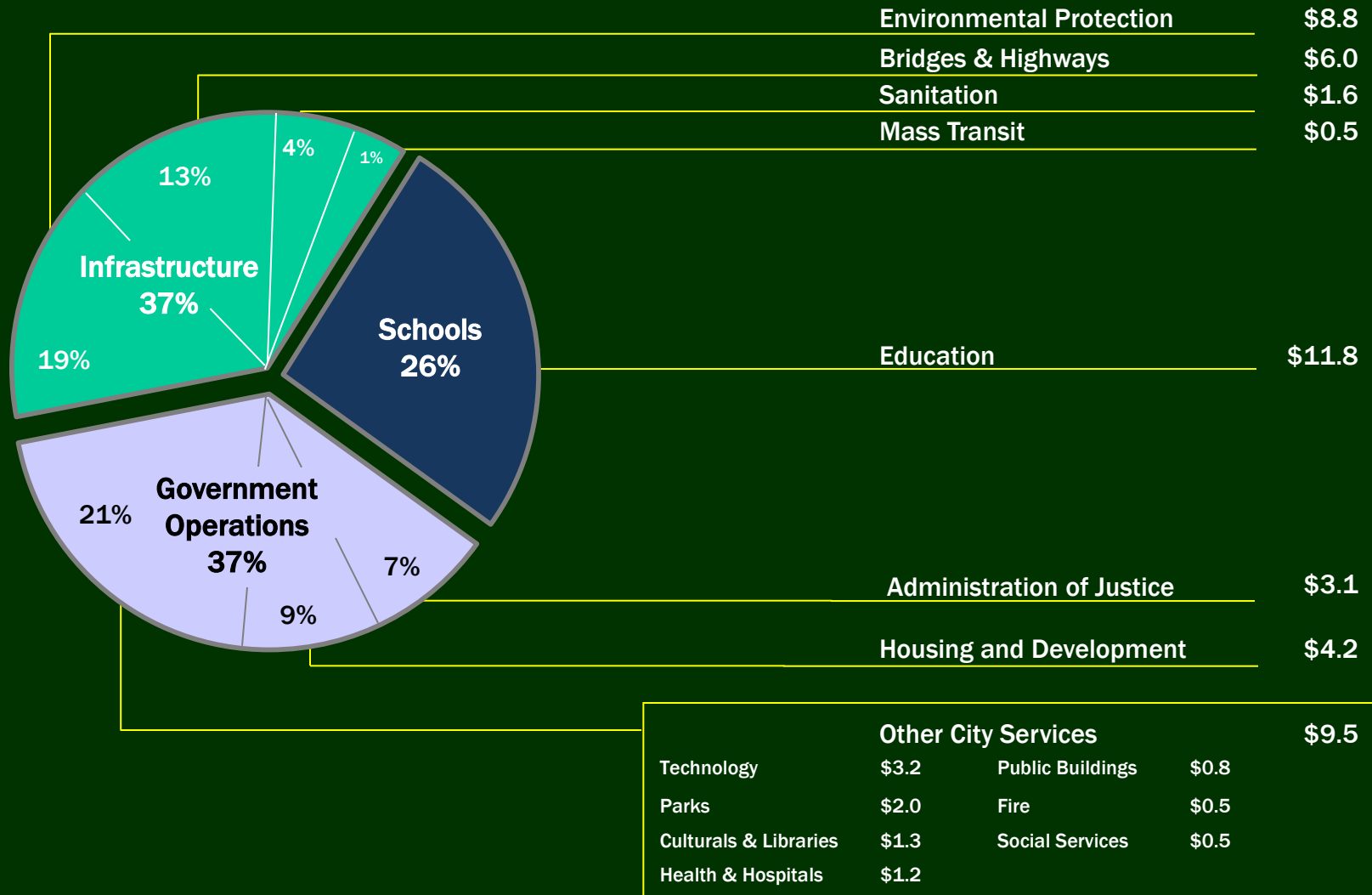
Note: Excludes the impact of prepayments

# VII. Capital

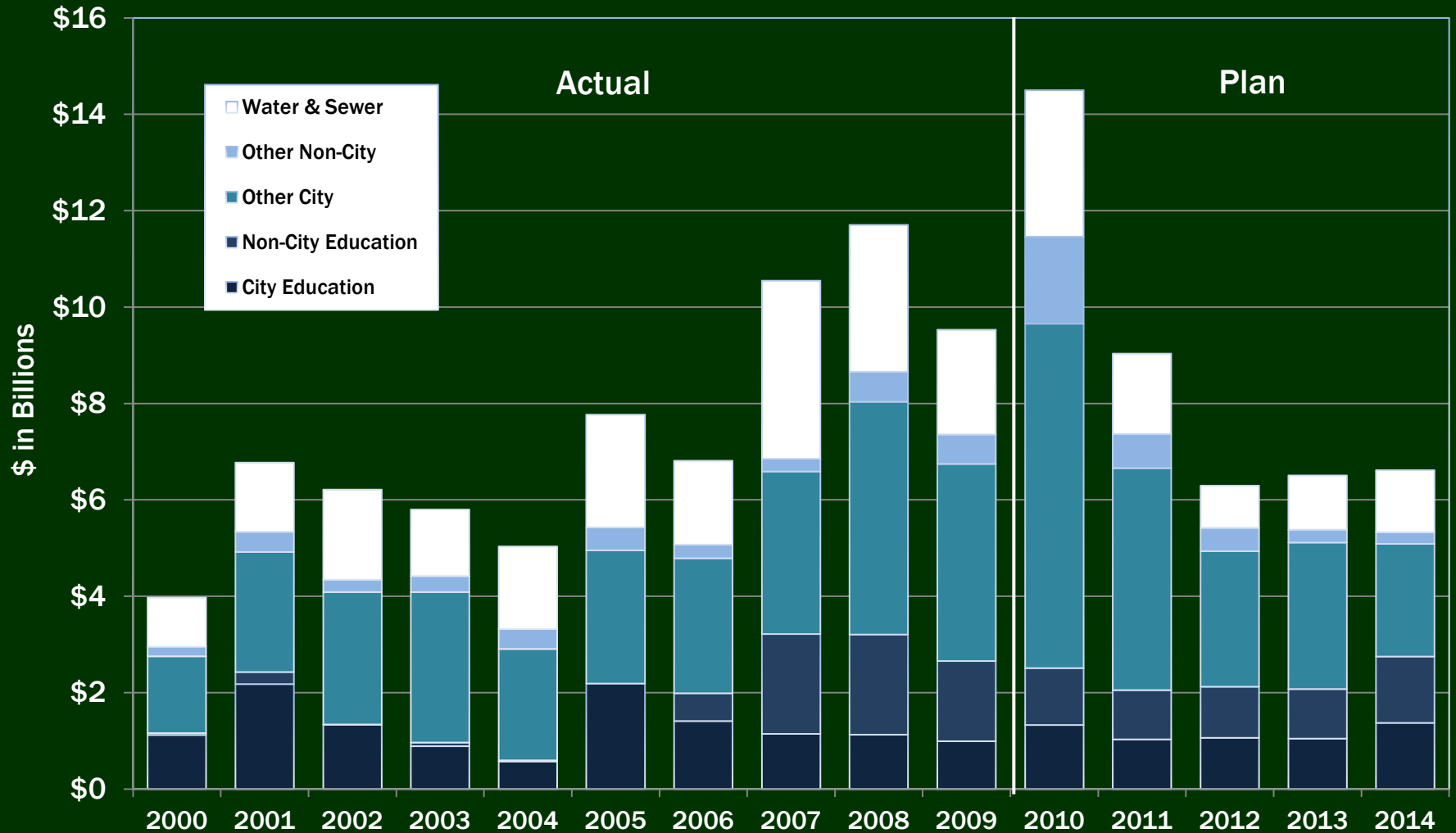
# Our Capital Commitments FY 2010 – FY 2014

## Total \$45.5 Billion

\$ in Billions



# Capital Commitments - All Funds



# Highlights of the Capital Plan 2010-2014

## Highlights

	<u>\$ In Millions</u>
❖ Educational Facilities	\$11,257
❖ Emergency Communications Systems & Facilities	\$1,293
❖ Street Resurfacing (3,700 Lane Miles)	\$689
❖ Newtown Creek Waste Water Treatment Plant	\$646
❖ PlaNYC 2030 Energy Efficiency Projects	\$433
❖ Schoharie Reservoir/Gilboa Dam	\$419
❖ Willets Point Redevelopment	\$350
❖ North Shore Marine Transfer Station	\$191
❖ PlaNYC 2030 Replacement of Fuel Burners in Public Schools	\$187
❖ Harlem Hospital Major Modernization	\$171
❖ New Staten Island Supreme Court	\$153

# VIII. Tables

# Fiscal Year 2010 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	Pension	PS Subtotal	Agency OTPS	PA, MA & Other Mandates	Legal Services	Judgment & Claims	Debt Service	OTPS Subtotal				
<b>UNIFORM AGENCIES</b>														
Police Department	\$4,176	\$1,516	\$2,142	\$7,834	\$451	---	\$41	\$134	\$98	\$724	\$8,558	\$8,330	\$7,929	
Fire Department	1,519	538	942	2,999	214	---	6	24	96	340	3,339	3,328	2,976	
Department of Correction	866	343	275	1,484	130	---	8	23	202	363	1,847	1,847	1,789	
Department of Sanitation	744	326	211	1,281	511	---	8	34	272	825	2,106	2,102	2,048	
<b>Subtotal</b>	<b>\$7,305</b>	<b>\$2,723</b>	<b>\$3,570</b>	<b>\$13,598</b>	<b>\$1,306</b>	<b>---</b>	<b>\$63</b>	<b>\$215</b>	<b>\$668</b>	<b>\$2,252</b>	<b>\$15,850</b>	<b>\$15,607</b>	<b>\$14,742</b>	
<b>HEALTH AND WELFARE</b>														
Administration for Children's Services	\$378	\$117	\$49	\$544	\$2,362	---	\$3	\$2	---	\$2,367	\$2,911	\$2,892	\$811	
Department of Social Services	725	286	104	1,115	959	6,530	5	3	78	7,575	8,690	8,682	6,181	
Department of Homeless Services	119	41	15	175	795	---	1	1	---	797	972	826	378	
Department of Health & Mental Hygiene	426	118	48	592	1,280	1	2	3	41	1,327	1,919	1,910	817	
Health and Hospitals Corporation <sup>(4)</sup>	---	21	---	21	195	---	6	190	183	574	595	496	269	
<b>Subtotal</b>	<b>\$1,648</b>	<b>\$583</b>	<b>\$216</b>	<b>\$2,447</b>	<b>\$5,591</b>	<b>\$6,531</b>	<b>\$17</b>	<b>\$199</b>	<b>\$302</b>	<b>\$12,640</b>	<b>\$15,087</b>	<b>\$14,806</b>	<b>\$8,456</b>	
<b>EDUCATION</b>														
Department of Education	\$9,916	\$3,062	\$2,576	\$15,554	\$5,620	---	\$19	\$46	\$1,243	\$6,928	\$22,482	\$22,280	\$11,158	
City University	423	96	51	570	275	---	---	1	41	317	887	845	619	
<b>Subtotal</b>	<b>\$10,339</b>	<b>\$3,158</b>	<b>\$2,627</b>	<b>\$16,124</b>	<b>\$5,895</b>	<b>---</b>	<b>\$19</b>	<b>\$47</b>	<b>\$1,284</b>	<b>\$7,245</b>	<b>\$23,369</b>	<b>\$23,125</b>	<b>\$11,777</b>	
<b>OTHER AGENCIES</b>	\$2,282	\$731	\$293	\$3,306	\$4,724	---	\$87	\$200	\$2,231	\$7,242	\$10,548	\$9,516	\$7,277	
<b>ELECTED OFFICIALS</b>	\$465	\$112	\$54	\$631	\$93	---	\$5	\$2	---	\$100	\$731	\$727	\$656	
<b>MISCELLANEOUS BUDGET</b>	\$271	---	---	\$271	---	\$1,634 <sup>(2)</sup>	---	---	\$453	\$2,087	\$2,358	\$2,358	\$1,964	
<b>DEBT SERVICE COSTS (Unallocated)</b>	---	---	---	---	---	---	---	---	\$179	\$179	\$179	\$179	\$158	
<b>REESTIMATE OF PRIOR YEARS' EXPENSES</b>	---	---	---	---	(\$500)	---	---	---	---	(\$500)	(\$500)	(\$500)	(\$500)	
<b>TOTAL <sup>(3)</sup></b>	<b>\$22,310</b>	<b>\$7,307</b>	<b>\$6,760</b>	<b>\$36,377</b>	<b>\$17,109</b>	<b>\$8,165</b>	<b>\$191</b>	<b>\$663</b>	<b>\$5,117</b>	<b>\$31,245</b>	<b>\$67,622</b>	<b>\$65,818</b>	<b>\$44,530</b>	
<b>City Funds</b>	<b>\$12,245</b>	<b>\$5,638</b>	<b>\$6,595</b>	<b>\$24,478</b>	<b>\$7,802</b>	<b>\$6,595</b>	<b>\$180</b>	<b>\$473</b>	<b>\$5,002</b>	<b>\$20,052</b>	<b>\$44,530</b>			
Less: Retiree Health Benefits Trust (RHBT)	---	\$82	---	\$82	---	---	---	---	---	---	\$82	\$82	\$82	
Less: Prepayments	---	\$225	---	\$225	\$349	\$294	---	---	\$1,788	\$2,431	\$2,656	\$2,656	\$2,656	
<b>Total After Prepayments and RHBT</b>	<b>\$22,310</b>	<b>\$7,000</b>	<b>\$6,760</b>	<b>\$36,070</b>	<b>\$16,760</b>	<b>\$7,871</b>	<b>\$191</b>	<b>\$663</b>	<b>\$3,329</b>	<b>\$28,814</b>	<b>\$64,884</b>	<b>\$63,080</b>	<b>\$41,792</b>	

<sup>(4)</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 and debt defeasances

# 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	Pension	PS Subtotal	Agency OTPS	PA, MA & Other Mandates	Legal Services	Judgment & Claims	Debt Service	OTPS Subtotal				
<b>UNIFORM AGENCIES</b>														
Police Department	\$4,035	\$1,591	\$2,319	\$7,945	\$269	---	\$39	\$151	\$106	\$565	\$8,510	\$8,280	\$8,099	
Fire Department	1,454	560	983	2,997	122	---	6	27	103	258	3,255	3,248	3,023	
Department of Correction	836	361	302	1,499	144	---	8	26	217	395	1,894	1,894	1,821	
Department of Sanitation	759	347	232	1,338	563	---	7	38	292	900	2,238	2,237	2,186	
<b>Subtotal</b>	<b>\$7,084</b>	<b>\$2,859</b>	<b>\$3,836</b>	<b>\$13,779</b>	<b>\$1,098</b>	<b>---</b>	<b>\$60</b>	<b>\$242</b>	<b>\$718</b>	<b>\$2,118</b>	<b>\$15,897</b>	<b>\$15,659</b>	<b>\$15,129</b>	
<b>HEALTH AND WELFARE</b>														
Administration for Children's Services	\$361	\$118	\$56	\$535	\$2,207	---	\$3	\$2	---	\$2,212	\$2,747	\$2,740	\$787	
Department of Social Services	714	302	115	1,131	887	7,206	5	3	84	8,185	9,316	9,313	6,926	
Department of Homeless Services	118	41	17	176	580	---	1	1	---	582	758	755	376	
Department of Health & Mental Hygiene	403	118	55	576	1,205	---	2	3	44	1,254	1,830	1,827	800	
Health and Hospitals Corporation <sup>(1)</sup>	---	23	---	23	175	---	6	190	192	563	586	506	276	
<b>Subtotal</b>	<b>\$1,596</b>	<b>\$602</b>	<b>\$243</b>	<b>\$2,441</b>	<b>\$5,054</b>	<b>\$7,206</b>	<b>\$17</b>	<b>\$199</b>	<b>\$320</b>	<b>\$12,796</b>	<b>\$15,237</b>	<b>\$15,141</b>	<b>\$9,165</b>	
<b>EDUCATION</b>														
Department of Education	\$9,740	\$3,241	\$2,734	\$15,715	\$6,011	---	\$18	\$46	\$1,295	\$7,370	\$23,085	\$22,885	\$11,785	
City University	421	87	55	563	220	---	---	1	46	267	830	817	593	
<b>Subtotal</b>	<b>\$10,161</b>	<b>\$3,328</b>	<b>\$2,789</b>	<b>\$16,278</b>	<b>\$6,231</b>	<b>---</b>	<b>\$18</b>	<b>\$47</b>	<b>\$1,341</b>	<b>\$7,637</b>	<b>\$23,915</b>	<b>\$23,702</b>	<b>\$12,378</b>	
<b>OTHER AGENCIES</b>	\$2,123	\$721	\$338	\$3,182	\$3,934	---	\$77	\$227	\$2,436	\$6,674	\$9,856	\$8,861	\$7,209	
<b>ELECTED OFFICIALS</b>	\$393	\$112	\$62	\$567	\$85	---	\$4	\$2	---	\$91	\$658	\$655	\$600	
<b>MISCELLANEOUS BUDGET</b>	\$338	---	---	\$338	---	\$1,841 <sup>(2)</sup>	---	---	\$487	\$2,328	\$2,666	\$2,666	\$2,196	
<b>DEBT SERVICE COSTS (Unallocated)</b>	---	---	---	---	---	---	---	---	\$234	\$234	\$234	\$234	\$190	
<b>REESTIMATE OF PRIOR YEARS' EXPENSES</b>	---	---	---	---	---	---	---	---	---	---	---	---	---	
<b>TOTAL <sup>(3)</sup></b>	<b>\$21,695</b>	<b>\$7,622</b>	<b>\$7,268</b>	<b>\$36,585</b>	<b>\$16,402</b>	<b>\$9,047</b>	<b>\$176</b>	<b>\$717</b>	<b>\$5,536</b>	<b>\$31,878</b>	<b>\$68,463</b>	<b>\$66,918</b>	<b>\$46,867</b>	
<b>City Funds</b>	<b>\$11,922</b>	<b>\$6,091</b>	<b>\$7,087</b>	<b>\$25,100</b>	<b>\$8,257</b>	<b>\$7,464</b>	<b>\$167</b>	<b>\$527</b>	<b>\$5,352</b>	<b>\$21,767</b>	<b>\$46,867</b>			
Less: Retiree Health Benefits Trust (RHBT)	---	\$395	---	\$395	---	---	---	---	---	---	\$395	\$395	\$395	
Less: Prepayments	---	---	---	---	---	---	---	---	\$2,883	\$2,883	\$2,883	\$2,883	\$2,883	
<b>Total After Prepayments and RHBT</b>	<b>\$21,695</b>	<b>\$7,227</b>	<b>\$7,268</b>	<b>\$36,190</b>	<b>16,402</b>	<b>\$9,047</b>	<b>\$176</b>	<b>\$717</b>	<b>\$2,653</b>	<b>\$28,995</b>	<b>\$65,185</b>	<b>\$63,640</b>	<b>\$43,589</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 and debt defeasances

# Changes Between FY 2010 and FY 2011 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	Pension	PS Subtotal	Agency OTPS	PA, MA & Other Mandates	Legal Services	Judgment & Claims	Debt Service	OTPS Subtotal			
<b>UNIFORM AGENCIES</b>													
Police Department	(\$141)	\$75	\$177	\$111	(\$182)	---	(\$2)	\$17	\$8	(\$159)	(\$48)	(\$50)	\$170
Fire Department	(65)	22	41	(2)	(92)	---	---	3	7	(82)	(84)	(80)	47
Department of Correction	(30)	18	27	15	14	---	---	3	15	32	47	47	32
Department of Sanitation	15	21	21	57	52	---	(1)	4	20	75	132	135	138
<b>Subtotal</b>	<b>(\$221)</b>	<b>\$136</b>	<b>\$266</b>	<b>\$181</b>	<b>(\$208)</b>	<b>---</b>	<b>(\$3)</b>	<b>\$27</b>	<b>\$50</b>	<b>(\$134)</b>	<b>\$47</b>	<b>\$52</b>	<b>\$387</b>
<b>HEALTH AND WELFARE</b>													
Administration for Children's Services	(\$17)	\$1	\$7	(\$9)	(\$155)	---	---	---	---	(\$155)	(\$164)	(\$152)	(\$24)
Department of Social Services	(11)	16	11	16	(72)	676	---	---	6	610	626	631	745
Department of Homeless Services	(1)	---	2	1	(215)	---	---	---	---	(215)	(214)	(71)	(2)
Department of Health & Mental Hygiene	(23)	---	7	(16)	(75)	(1)	---	---	3	(73)	(89)	(83)	(17)
Health and Hospitals Corporation <sup>(1)</sup>	---	2	---	2	(20)	---	---	---	9	(11)	(9)	10	7
<b>Subtotal</b>	<b>(\$52)</b>	<b>\$19</b>	<b>\$27</b>	<b>(\$6)</b>	<b>(\$537)</b>	<b>\$675</b>	<b>---</b>	<b>---</b>	<b>\$18</b>	<b>\$156</b>	<b>\$150</b>	<b>\$335</b>	<b>\$709</b>
<b>EDUCATION</b>													
Department of Education	(\$176)	\$179	\$158	\$161	\$391	---	(\$1)	---	\$52	\$442	\$603	\$605	\$627
City University	(2)	(9)	4	(7)	(55)	---	---	---	5	(50)	(57)	(28)	(\$26)
<b>Subtotal</b>	<b>(\$178)</b>	<b>\$170</b>	<b>\$162</b>	<b>\$154</b>	<b>\$336</b>	<b>---</b>	<b>(\$1)</b>	<b>---</b>	<b>\$57</b>	<b>\$392</b>	<b>\$546</b>	<b>\$577</b>	<b>\$601</b>
<b>OTHER AGENCIES</b>	(\$159)	(\$10)	\$45	(\$124)	(\$790)	---	(\$10)	\$27	\$205	(\$568)	(\$692)	(\$655)	(\$68)
<b>ELECTED OFFICIALS</b>	(\$72)	---	\$8	(\$64)	(\$8)	---	(\$1)	---	---	(\$9)	(\$73)	(\$72)	(\$56)
<b>MISCELLANEOUS BUDGET</b>	\$67	---	---	\$67	---	\$207 <sup>(2)</sup>	---	---	\$34	\$241	\$308	\$308	\$232
<b>DEBT SERVICE COSTS (Unallocated)</b>	---	---	---	---	---	---	---	---	\$55	\$55	\$55	\$55	\$32
<b>REESTIMATE OF PRIOR YEARS' EXPENSES</b>	---	---	---	---	\$500	---	---	---	---	\$500	\$500	\$500	\$500
<b>TOTAL <sup>(3)</sup></b>	<b>(\$615)</b>	<b>\$315</b>	<b>\$508</b>	<b>\$208</b>	<b>(\$707)</b>	<b>\$882</b>	<b>(\$15)</b>	<b>\$54</b>	<b>\$419</b>	<b>\$633</b>	<b>\$841</b>	<b>\$1,100</b>	<b>\$2,337</b>
<b>City Funds</b>	<b>(\$323)</b>	<b>\$453</b>	<b>\$492</b>	<b>\$622</b>	<b>\$455</b>	<b>\$869</b>	<b>(\$13)</b>	<b>\$54</b>	<b>\$350</b>	<b>\$1,715</b>	<b>\$2,337</b>		
Less: Retiree Health Benefits Trust (RHBT)	---	\$313	---	\$313	---	---	---	---	---	---	\$313	\$313	\$313
Less: Prepayments	---	(\$225)	---	(\$225)	(\$349)	(\$294)	---	---	\$1,095	\$452	\$227	\$227	\$227
<b>Total After Prepayments and RHBT</b>	<b>(\$615)</b>	<b>\$227</b>	<b>\$508</b>	<b>\$120</b>	<b>(\$358)</b>	<b>\$1,176</b>	<b>(\$15)</b>	<b>\$54</b>	<b>(\$676)</b>	<b>\$181</b>	<b>\$301</b>	<b>\$560</b>	<b>\$1,797</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 and debt defeasances.

# Five-Year Financial Plan

## Revenues and Expenditures

(All Funds - \$ in Millions)

Revenues	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
<b>Taxes</b>					
General Property Tax	\$16,035	\$16,917	\$17,536	\$17,746	\$17,882
Other Taxes	20,063	21,268	22,625	24,008	25,258
Tax Audit Revenue	890	612	611	610	610
Tax Fairness Program	---	219	241	262	284
<b>Subtotal: Taxes</b>	<b>\$36,988</b>	<b>\$39,016</b>	<b>\$41,013</b>	<b>\$42,626</b>	<b>\$44,034</b>
Miscellaneous Revenues	6,283	5,793	5,853	5,897	5,918
Unrestricted Intergovernmental Aid	340	340	340	340	340
Less: Intra-City Revenue	(1,804)	(1,545)	(1,547)	(1,552)	(1,552)
Disallowances Against Categorical Grants	(15)	(15)	(15)	(15)	(15)
<b>Subtotal: City Funds</b>	<b>\$41,792</b>	<b>\$43,589</b>	<b>\$45,644</b>	<b>\$47,296</b>	<b>\$48,725</b>
Other Categorical Grants	1,372	1,200	1,155	1,152	1,151
Inter-Fund Revenues	497	471	450	450	450
<b>Total City, Capital IFA &amp; Oth. Cat. Funds</b>	<b>\$43,661</b>	<b>\$45,260</b>	<b>\$47,249</b>	<b>\$48,898</b>	<b>\$50,326</b>
Federal Categorical Grants	7,943	6,614	5,720	5,680	5,679
State Categorical Grants	11,476	11,766	12,407	13,057	13,195
<b>Total Revenues</b>	<b>\$63,080</b>	<b>\$63,640</b>	<b>\$65,376</b>	<b>\$67,635</b>	<b>\$69,200</b>
<b>Expenditures</b>					
<b>Personal Service</b>					
Salaries and Wages	\$22,310	\$21,695	\$21,353	\$21,993	\$22,168
Pensions	6,760	7,268	7,694	7,841	7,949
Fringe Benefits <sup>1</sup>	7,307	7,622	7,921	8,214	8,715
Retiree Health Benefits Trust	(82)	(395)	(672)	---	---
<b>Subtotal: Personal Service</b>	<b>\$36,295</b>	<b>\$36,190</b>	<b>\$36,296</b>	<b>\$38,048</b>	<b>\$38,832</b>
<b>Other Than Personal Service</b>					
Medical Assistance	\$4,951	\$5,644	\$6,113	\$6,293	\$6,478
Public Assistance	1,580	1,563	1,603	1,591	1,591
All Other <sup>1</sup>	19,397	18,835	19,485	20,041	20,585
<b>Subtotal: Other Than Personal Service</b>	<b>\$25,928</b>	<b>\$26,042</b>	<b>\$27,201</b>	<b>\$27,925</b>	<b>\$28,654</b>
General Obligation, Lease and TFA Debt Service <sup>1,2,3</sup>	\$5,117	\$5,536	\$6,286	\$6,579	\$6,815
General Obligation and TFA Debt Defeasances (Net) <sup>3</sup>	(2,726)	---	---	---	---
FY 2009 Budget Stabilization & Discretionary Transfers <sup>1</sup>	(2,813)	---	---	---	---
FY 2010 Budget Stabilization <sup>2</sup>	2,883	(2,883)	---	---	---
General Reserve	200	300	300	300	300
<b>Subtotal</b>	<b>\$64,884</b>	<b>\$65,185</b>	<b>\$70,083</b>	<b>\$72,852</b>	<b>\$74,601</b>
Less: Intra-City Expenses	(1,804)	(1,545)	(1,547)	(1,552)	(1,552)
<b>Total Expenditures</b>	<b>\$63,080</b>	<b>\$63,640</b>	<b>\$68,536</b>	<b>\$71,300</b>	<b>\$73,049</b>
<b>Gap To Be Closed</b>	<b>\$ ---</b>	<b>\$ ---</b>	<b>(\$3,160)</b>	<b>(\$3,665)</b>	<b>(\$3,849)</b>

(1) Fiscal Year 2009 Budget Stabilization and Discretionary Transfers total \$2.813 billion, including Budget Stabilization of \$1.286 billion, lease debt service of \$110 million, Retiree Health Benefits of \$225 million, subsidies of \$643 million, net equity contribution in bond refunding of \$3 million and TFA grant of \$546 million.

(2) Fiscal Year 2010 Budget Stabilization of \$2.883 billion.

(3) FY 2007 GO debt defeasance of \$536 million reduced debt service by \$27 million, \$279 million and \$277 million in FY 2008 through FY 2010, respectively. FY 2008 GO debt defeasance of \$1.986 billion reduced debt service by \$2.036 billion in FY 2010. FY 2007 TFA debt defeasance of \$718 million reduced debt service by \$33 million, \$362 million and \$382 million in FY 2008 through FY 2010, respectively. FY 2007 JSDC debt defeasance of \$65 million reduced debt service by \$34 million and \$31 million in FY 2009 and FY 2010.