



**The City of New York**

**Michael R. Bloomberg, Mayor**

# **February 2011 Financial Plan**

**Fiscal Years 2011–2015**

**Office of Management and Budget  
Mark Page, Director**

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# February 2011 Financial Plan

Fiscal Years 2011—2015

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## THE FINANCIAL PLAN

The fiscal year 2012 Preliminary Expense Budget is \$65.6 billion. This is the thirty-second consecutive budget which is balanced under Generally Accepted Accounting Principles (GAAP), except for the application of GASB 49.

Major highlights of the Preliminary Budget and Financial Plan are:

- Forecast revenues have increased between fiscal years 2011 and 2012 by \$2.5 billion. Baseline tax revenue is projected to increase by \$1.9 billion.
- Controllable Agency Expenses increase by \$876 million or 4.1% from fiscal years 2011 to 2012 after implementation of an agency expense program.
- The agency program totals \$585 million and \$1.002 billion in fiscal years 2011 and 2012, respectively. Included in this program is a reduction in planned headcount for 2012 of 8,264 positions.
- Debt Service increases by \$548 million or 11.4% between fiscal years 2011 and 2012 while Non-Controllable Expenses increase by \$3.7 billion or 19.9% over this period. The increase in Non-Controllable Expenses includes \$1.9 billion for Pensions and Fringe Benefits, and \$509 million for Medicaid.
- The above actions leave the City with a forecast Operating Deficit of \$3.2 billion in fiscal year 2012 that is balanced using \$3.2 billion of surplus funds accumulated in prior years. The gaps for fiscal years 2013 and 2014 are \$4.9 billion and \$4.8 billion, respectively.

The following table reflects the changes in revenues and expenses assumed in the four year plan.

### City Revenue and Expense

(\$ in Millions)

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
<b>Revenue</b>	\$44,271	\$46,766	\$48,060	\$49,601	\$51,385
Year-to-Year	\$2,398	\$2,495	\$1,294	\$1,541	\$1,784
Change:	5.7%	5.6%	2.8%	3.2%	3.6%
<b>Expenses:</b>					
Controllable Agency Expenses	\$21,218	\$22,094	\$22,537	\$23,152	\$23,466
Year-to-Year	\$658	\$876	\$443	\$615	\$314
Change:	3.2%	4.1%	2.0%	2.7%	1.4%
Debt Service	\$4,827	\$5,375	\$6,362	\$6,611	\$6,965
Year-to-Year	(\$104)	\$548	\$987	\$249	\$354
Change:	(2.1%)	11.4%	18.4%	3.9%	5.4%
Non-Controllable Expenses	\$18,721	\$22,448	\$24,013	\$24,651	\$25,931
Year-to-Year	\$451	\$3,727	\$1,565	\$638	\$1,280
Change:	2.5%	19.9%	7.0%	2.7%	5.2%
<b>Total Expenses</b>	\$44,766	\$49,917	\$52,912	\$54,414	\$56,362
Year-to-Year	\$1,005	\$5,151	\$2,995	\$1,502	\$1,948
Change:	2.3%	11.5%	6.0%	2.8%	3.6%
<b>Operating Surplus / (Deficit)</b>	(\$495)	(\$3,151)	(\$4,852)	(\$4,813)	(\$4,977)
Current Year Roll - (Cost)	(\$3,151)	\$—	\$—	\$—	\$—
Prior Year Roll - Benefit	\$3,646	\$3,151	\$—	\$—	\$—
<b>Net Impact of Surplus Roll</b>	\$495	\$3,151	\$—	\$—	\$—
<b>Gap To Be Closed</b>	\$—	\$—	(\$4,852)	(\$4,813)	(\$4,977)

## Financial Plan Revenues and Expenditures

July 2010

(\$ in Millions)

<b>REVENUES</b>	<b>FY 2011</b>	<b>FY 2012</b>	<b>FY 2013</b>	<b>FY 2014</b>
<b>Taxes</b>				
General Property Tax	\$16,780	\$17,423	\$17,692	\$17,829
Other Taxes	21,504	22,766	24,012	25,204
Tax Audit Revenue	622	621	620	620
<b>Subtotal: Taxes</b>	<b>\$38,906</b>	<b>\$40,810</b>	<b>\$42,324</b>	<b>\$43,653</b>
Miscellaneous Revenues	5,912	5,738	5,769	5,819
Unrestricted Intergovernmental Aid	14	314	314	314
Less: Intra-City Revenue	(1,616)	(1,498)	(1,502)	(1,502)
Disallowances Against Categorical Grants	(15)	(15)	(15)	(15)
<b>Subtotal: City Funds</b>	<b>\$43,201</b>	<b>\$45,349</b>	<b>\$46,890</b>	<b>\$48,269</b>
Other Categorical Grants	1,235	1,142	1,139	1,137
Inter-Fund Revenues	558	493	493	493
Federal Categorical Grants	6,813	5,747	5,674	5,667
State Categorical Grants	11,352	12,274	12,487	12,903
<b>Total Revenues</b>	<b>\$63,159</b>	<b>\$65,005</b>	<b>\$66,683</b>	<b>\$68,469</b>
<b>EXPENDITURES</b>				
<b>Personal Service</b>				
Salaries and Wages	\$21,576	\$21,011	\$21,329	\$21,875
Pensions	7,612	7,876	7,983	8,086
Fringe Benefits	7,669	8,088	8,409	8,917
Retiree Health Benefits Trust	(395)	(672)	—	—
<b>Subtotal: Personal Service</b>	<b>\$36,462</b>	<b>\$36,303</b>	<b>\$37,721</b>	<b>\$38,878</b>
<b>Other Than Personal Service</b>				
Medical Assistance	\$5,166	\$5,947	\$6,171	\$6,778
Public Assistance	1,586	1,626	1,614	1,614
All Other <sup>1</sup>	\$19,415	\$19,290	\$19,832	\$20,377
<b>Subtotal: Other Than Personal Service</b>	<b>\$26,167</b>	<b>\$26,863</b>	<b>\$27,617</b>	<b>\$28,769</b>
General Obligation, Lease and TFA Debt Service <sup>1</sup>	\$5,351	\$6,294	\$6,602	\$6,859
FY 2010 Budget Stabilization & Discretionary Transfers <sup>1</sup>	(3,642)	—	—	—
General Reserve	437	300	300	300
<b>Subtotal</b>	<b>\$64,775</b>	<b>\$69,760</b>	<b>\$72,240</b>	<b>\$74,806</b>
Less: Intra-City Expenses	(1,616)	(1,498)	(1,502)	(1,502)
<b>Total Expenditures</b>	<b>\$63,159</b>	<b>\$68,262</b>	<b>\$70,738</b>	<b>\$73,304</b>
<b>Gap To Be Closed</b>	<b>\$—</b>	<b>(\$3,257)</b>	<b>(\$4,055)</b>	<b>(\$4,835)</b>

1. Fiscal Year 2010 Budget Stabilization and Discretionary Transfers total \$3.642 billion, including GO of \$2.888 billion, TFA of \$371 million and subsidies of \$383 million.

## Changes Since the July 2010 Plan

(\$ in Millions)

	FY 2011	FY 2012	FY 2013	FY 2014
<b>Gap to be Closed July 2010 Plan</b>	<b>\$—</b>	<b>(\$3,257)</b>	<b>(\$4,055)</b>	<b>(\$4,835)</b>
<b>Revenue Changes - Increases / (Decreases)</b>				
Tax Revenue Forecast	\$1,070	\$1,082	\$809	\$946
Loss of Revenue Sharing	—	(302)	(302)	(302)
Non-Tax Revenue	(51)	(73)	(27)	(10)
<b>Subtotal Revenue Changes</b>	<b>\$1,019</b>	<b>\$707</b>	<b>\$480</b>	<b>\$634</b>
<b>Expense Changes - Increases / (Decreases)</b>				
Replace ARRA Funding for Education	\$—	\$853	\$853	\$853
State Cut to Education	—	1,008	1,008	1,008
State Cuts Requiring Backfill in Health and Welfare	48	76	83	84
Medicaid (FMAP)	(142)	195	390	—
Health Insurance	3	62	125	199
Miscellaneous (Judgments and Claims)	(74)	(142)	(185)	(238)
Pensions Assumptions and Methods (Increase cost by \$1B)	(600)	400	400	400
Other Pensions Changes	(12)	144	187	115
Debt Service	(283)	(680)	(3)	(13)
Reduce Reserve for Prior Payables	(500)	—	—	—
Decrease FY 2011 General Reserve from \$437M to \$100M	(337)	—	—	—
Other Expenses	350	287	(64)	(151)
<b>Subtotal Expense Changes</b>	<b>(\$1,547)</b>	<b>\$2,203</b>	<b>\$2,794</b>	<b>\$2,257</b>
<b>Surplus / (Gap) to be Closed February 2011 Plan</b>	<b>\$2,566</b>	<b>(\$4,753)</b>	<b>(\$6,369)</b>	<b>(\$6,458)</b>
<b>Gap Closing Programs</b>				
Agency Program	\$585	\$1,002	\$917	\$914
Anticipated State Actions	—	600	600	600
Pension Reform	—	—	—	131
<b>Total Gap Closing Programs</b>	<b>\$585</b>	<b>\$1,602</b>	<b>\$1,517</b>	<b>\$1,645</b>
Prepayment of FY 2012 Expenses	(\$3,151)	\$3,151	\$—	\$—
<b>Gap to be Closed February 2011 Plan</b>	<b>\$—</b>	<b>\$—</b>	<b>(\$4,852)</b>	<b>(\$4,813)</b>

## Financial Plan Revenues and Expenditures February 2011 - After Gap Closing Program

(\$ in Millions)

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
<b>REVENUES</b>					
Taxes					
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>					
Personal Service					
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>
Other Than Personal Service					
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 GO 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 GO of \$2.361 billion and TFA of \$790 million.

## ECONOMIC AND TAX REVENUE FORECAST

### Overview

A year and a half has elapsed since the commencement of the national economic recovery. While GDP has grown moderately from the trough, the uneven gains over the last 18 months have been largely sustained by extensive fiscal and monetary policy interventions and transitory additions to business inventories. With these temporary influences winding down, there are hopeful signs that self-sustaining demand growth is beginning to pick up the slack. In particular, consumption spending grew briskly in the fourth quarter of 2010. At the same time, core business investment was robust in 2010 and is expected to maintain its resilience. Although growth thus far has been insufficient to reinvigorate feeble labor markets, recent gains in temporary employment and the steady decline in initial unemployment insurance claims suggest better conditions ahead. Nevertheless, with almost nine million lost jobs during the recession and new entrants joining the labor force, job market conditions will remain weak for the foreseeable future. In addition, both commercial and residential real estate will continue to be a drag as the market works off the excesses of the housing boom.

Given the scale and scope of the credit crisis, it is remarkable how quickly financial markets recovered over the last two years. Wall Street earned record profits in 2009 largely due to the Federal Reserve's accommodative monetary policy, which suppressed interest rates and encouraged trading. Estimated 2010 profits are lower, but still robust. Looking forward, the Fed's expansionary stance will continue into mid-2011 as it implements the second phase of its quantitative easing program, restraining longer-term interest rates and aiding the nascent recovery. However, financial markets must address many challenges before it can return to normalcy. Large banks have begun repurchasing soured mortgage loans from Fannie Mae and Freddie Mac and other investors and insurers are pressing for put-backs. The Dodd-Frank financial reform is being implemented slowly with many of the details yet to be determined. The Volcker rule provisions of the reform bill have already forced staff reorganizations and spin-offs from several financial firms. While inflation pressures currently appear distant, the specter of price instability through surging commodity and energy prices may constrain the Fed's ability to continue its monetary accommodation.

Both the profitability on Wall Street and the thriving tourist sector helped support New York City's economy. However, the rebound in overall private job growth – while faster than the nation – was still lethargic, increasing by only 0.2 percent in 2010 and forecast to pick up modestly to 1.2 percent in 2011. The crucial securities sector shed nearly 30,000 employees during the financial crisis and is only expected to add about 3,000 jobs in 2011. Nonetheless, securities sector wages remain high. In contrast, employment in the leisure and hospitality sector reached a record last year and should continue to grow strongly in the near future. Overall, wage earnings are forecast to increase by \$23 billion in 2010 and 2011 to \$286 billion, a welcome reversal from the \$32 billion decline in 2009. However, the level of earnings is not expected to surpass the 2008 peak until 2013.

Most other sectors of the economy are beginning to pick up. Demand for commercial real estate has grown as office-using employment expands. Vacancy rates have started dropping and should fall to single digits by 2012, while asking rents begin to increase. Likewise, the commercial investment market has turned the corner in 2010 with an up-tick in large office market transactions. Conversely, despite a temporary bounce in 2010 due to the homebuyer tax credit, the residential real estate market is again showing weakness. The slide in home prices has resumed and transaction volume is expected to slow in 2011. Permit activity for new buildings has been depressed for the last two years, a pattern that is expected to continue. As a result, construction employment is projected to be flat for the near term.

## **Forecast Summary for 2011**

Non-property tax revenues<sup>1</sup> are forecast to increase 8.0 percent in 2011. The growth reflects accelerating wage income growth in 2011 and the high level of Wall Street profits seen in calendar years 2009 and 2010. Personal income tax revenue grows 4.3 percent in 2011 following two years of decline. Employment gains and strength in the financial markets increase personal income tax liability through wage income growth and a rebound in nonwage income. Business income tax revenue is forecast to rebound 17.4 percent in 2011 following the declines seen in 2008 through 2010, as payments from financial firms surge in calendar year 2010, reflecting upward revisions to liability on tax years 2009 and 2010. Additionally, the national and local economic recovery has spurred increased tax payments from non-finance businesses. Sales tax revenue is forecast to grow 6.0 percent, following two years of declines, as job gains and improved consumer confidence lift taxable consumption in the City. Additionally, sales tax revenue growth is buoyed by strong tourist consumption, as the number of City visitors remains high. In 2011, real estate transaction tax revenue is forecast to grow 23.5 percent as the commercial real estate market shows signs of recovery, partially offset by continued weakness in residential transactions.

Real property tax revenue is forecast to grow 4.1 percent in 2011, based on billable assessed value growth of 4.2 percent on the 2011 final roll. Total tax revenue is forecast to grow 6.5 percent in 2011.

## **Forecast Summary for 2012 and Beyond**

Non-property tax revenues in 2012 are forecast to grow 5.8 percent, reflecting accelerating employment gains, a reduced but still high level of Wall Street profitability and the continuing national economic recovery. Personal income tax revenue grows 9.3 percent based upon continued wage income growth and strength in nonwage income. Business tax revenue grows 3.6 percent as Wall Street profitability remains high and the continued national and local economic recovery spurs payment growth from non-finance sector firms. Sales tax revenue is forecast to grow 5.4 percent as consumption continues to grow moderately with the local economic recovery. Real estate transaction tax revenues are forecast to grow 5.2 percent as continued strength in the number of commercial transactions is only partially offset by the weakness in residential markets. Non-property tax revenues are forecast to grow 4.0 percent on average from 2013 through 2015, reflecting the slow-growing recovery of both the national and local economies.

Real property tax revenue is forecast to grow 4.8 percent in 2012 based on a forecast of 5.6 percent growth in billable assessed value for the 2012 final roll. However, property tax revenue growth is forecast to moderate in the out-years as the large positive ‘pipeline’<sup>2</sup> generated in the boom years is replaced by a smaller ‘pipeline’ from weaker market value growth projected from 2013 through 2015. Property tax revenue growth averages 2.8 percent from 2013 through 2015. Total tax revenue growth averages 3.6 percent from 2013 through 2015, paralleling both the national and local economic recovery.

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*1) All tax revenue data are reported on a fiscal year basis ending June 30, unless otherwise stated. Tax revenue growth is reported on a common rate and base (tax revenue adjusted for the impact of enacted tax programs and tax law changes).*

*2) Increases and decreases in value are phased into billable assessments over five years for large Class 2 and Class 4 properties. Increases in value not yet phased into billable assessed value are referred to as the ‘pipeline.’*

## The U.S. Economy

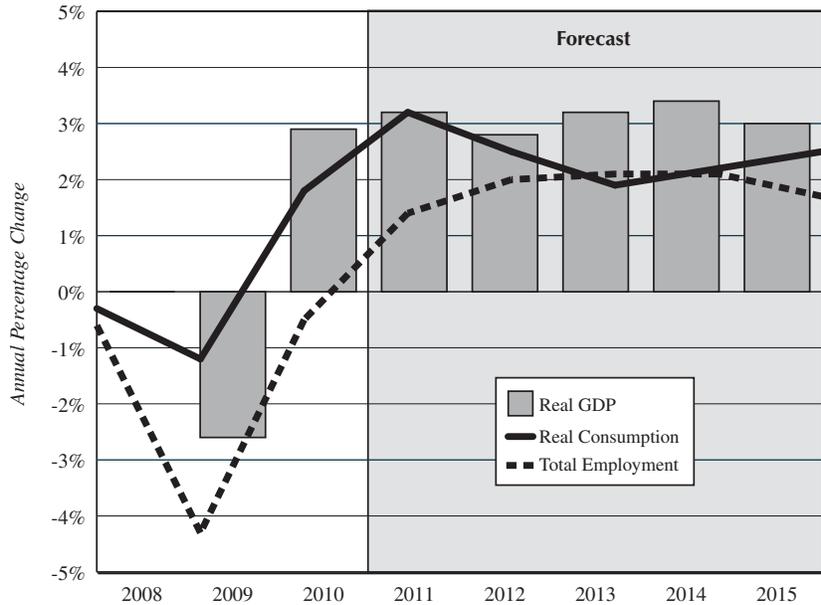
More than a year and a half has elapsed since the start of the national economic recovery. The economy was lifted by a broad array of fiscal and monetary actions. When the first round of fiscal stimulus ended in the middle of 2010 and the initial boost from inventory gains started to fade, economic growth almost stalled amid concerns of a double-dip recession. A second round of government fiscal stimulus and quantitative easing by the Federal Reserve was implemented to shore up the economy. At long last, the underlying cyclical drivers of growth appear to be reviving as improvements in aggregate demand and in the job market are slowly taking hold. Even though government stimulus will fade starting next year, the economy is expected to be growing on its own by then. Real GDP is projected to rise by 3.2 percent in the current year, decelerate slightly to 2.8 percent in 2012 and continue at over three percent growth in the out-years.

Until recently, the recovery was driven by an inventory build-up, which accounted for half of the GDP growth. As the positive boost from that inventory accumulation has faded, the turnaround in domestic demand appears to have started. The final sales component of real domestic product rose by a dramatic 7.1 percent in the fourth quarter of 2010, against the backdrop of a 3.2 percent rise in real consumption spending. Prior to the fourth quarter, spending growth averaged an anemic 1.3 percent.

Consumption, accounting for 70 percent of GDP, is pivotal in any recovery and there have been encouraging signs in this area. Most notably nondurable consumer spending has caught up with durable spending, which is evidence of a more balanced growth path. In the short run, the extended unemployment insurance benefits and new tax incentives will boost purchasing power. The two percent cut in the employee payroll tax is estimated to add \$110 billion to taxpayers' disposable income in 2011.<sup>1</sup> Household balance sheets have also benefitted from steady gains in the equity market, driven by robust corporate earnings. After rising 1.8 percent in 2010, real consumption spending is expected to bounce up to 3.2 percent growth in 2011, and then drop slightly below three percent in the out-years as the tax incentives expire.

Consumption growth is restrained by sluggish labor market conditions as only 1.3 million jobs were added in 2010 and the nation has a long way to go to recover the almost nine million jobs lost during the recession. About one-fifth of the recent gains occurred in the form of temporary employment, which is a traditional sign that employers are preparing for permanent hiring. In addition, the rate of job openings has also been rising for more than a year. Other forward-looking indicators of job growth also point to future improvement. The number of new applicants for unemployment insurance

**GDP Will Be Boosted by Consumption Spending, but Employment Growth Is Projected to Remain Relatively Sluggish.**



1) U.S. Treasury Department

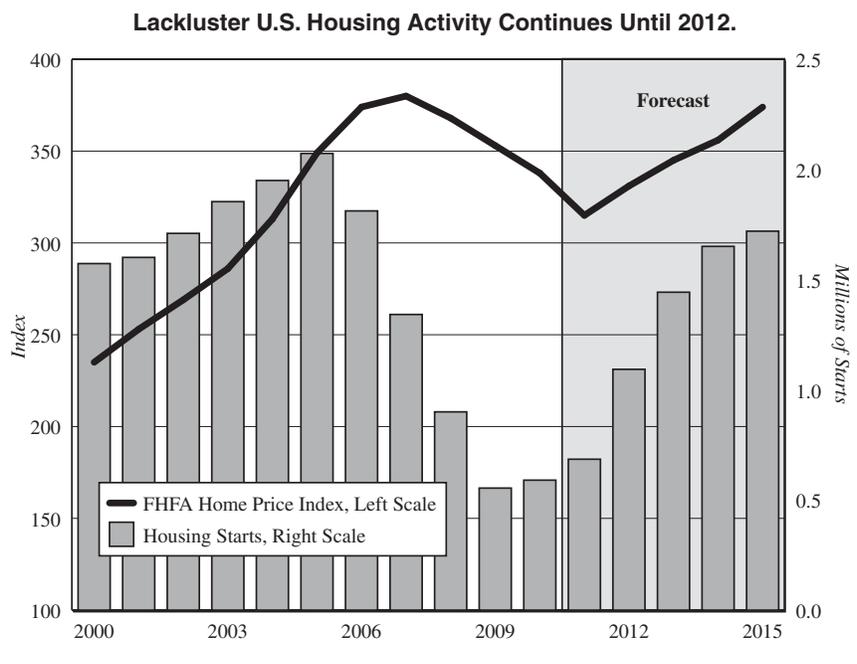
has been declining steadily and is currently hovering just above the 400,000 mark, more than 30 percent below the peak. The employment index in the Institute for Supply Management's (ISM) surveys indicate expansion and the latest results from the National Federation of Independent Business' (NFIB) survey also show some improvement after several years of stagnation.

In 2011, total employment is expected to increase by 1.8 million, or 1.4 percent growth. With expected downsizing in the government sector, private job growth will actually be higher, increasing 2.0 percent. In 2012, governments are expected to recover and the construction sector will finally start to expand after five years of contraction, pushing total employment growth to over two percent in 2012. However, even this pace of job growth will be insufficient to bring down the unemployment rate swiftly. It is estimated that the recession has forced about one million people to join the ranks of the discouraged labor force. As labor market conditions improve, these discouraged workers will resume their job searches and – augmented by normal population growth – the labor pool will expand. As a result, the unemployment rate will only fall at a modest pace and is expected to remain relatively elevated through the end of this forecast period.

Investment spending is providing reason for optimism with the exception of real estate. Core capital investment is in high gear, supported by an abundance of corporate profits, cash and tax incentives in the form of steeper depreciation allowances. Investment in equipment and software rose a hefty 15 percent in 2010 and is expected to repeat the performance this year.

However, both commercial and residential construction is not forecast to turn around significantly this year. The excess development from the housing boom will take time to work off and will lag the recovery in the labor markets. The hiring situation affects demand for office space and also the household formation rate. Even though hiring has improved over the past year, the average office vacancy rate across the nation's downtown markets stood at 14.9 percent in the third quarter of 2010 compared to 10.6 percent three years ago.<sup>2</sup> Household formation, which is crucial for creating sustained demand in the residential market, has plummeted to an estimated annual rate of 357,000 in 2010 from 1.6 million recorded only three years prior.<sup>3</sup> As a result, home prices are slated to fall further at least through the first part of 2011. At such depressed prices and facing competition from the glut of foreclosures, builders have little incentive to start new construction. Housing starts stagnate this year and are not expected to rise in a substantial way until next year.

Both housing and financial markets formed an important nexus in the great recession. However, unlike the moribund real estate market, credit markets appear to be recovering – a remarkable achievement considering how close the major financial firms came to the



2) *Colliers International, based on all downtown inventories.*  
 3) *Census Bureau, Current Population Survey*

precipice. According to Federal Reserve Chairman Ben Bernanke, at the depths of the crisis in 2008 all but one of the largest financial firms was at serious risk of failure. Nevertheless, while financial markets have made considerable progress, there are still a great number of potholes on the road to recovery. These include the implementation of regulatory reform, international credit turmoil, and the specter of inflation.

Financial firms booked record profits in 2009, boosted by an extremely accommodative monetary policy. Ample liquidity and low interest rates translated into low costs and brisk trading profits. While full results for 2010 are not yet available, it appears that Wall Street's performance last year was also robust, though more modest than 2009 due to the volatile environment. Preliminary evidence is provided by the earnings reports of the "Big 5" Banks, which recently released their fourth quarter 2010 results.<sup>4</sup> Compared to the fourth quarter a year ago, they saw a five percent increase in net revenue. However, expenses and other extraordinary charges also jumped, resulting in a decline in net income after tax of 32 percent. On an annual basis, net income declined 17 percent from 2009 to 2010.

The large financial firms continue to face many challenges, including the prospect for mortgage loan put-backs. Already Bank of America (BoA) has agreed to pay \$2.8 billion to Fannie Mae and Freddie Mac to cover bad mortgages originated by Countrywide Financial, now a BoA subsidiary. JPMorgan Chase, Wells Fargo, GMAC, and Citigroup have likewise repurchased soured mortgage loans from Fannie Mae and Freddie Mac. According to the Financial Crisis Inquiry Commission, Fannie and Freddie have recovered \$21 billion over the last three years due to these buy backs. Moreover, Fannie and Freddie are not the only source of repurchase demands – private investors and the monoline insurance companies are likewise putting pressure on mortgage originators for similar payments. While total outstanding liabilities are difficult to estimate, it is clear that the potential risk is sizeable. In addition, the continuing weakness in home values is putting marginal borrowers at risk. In the third quarter of 2010, 13.8 percent of all outstanding loans were delinquent or in foreclosure. A 90 basis point increase in mortgage rates from the low in November 2010 will likely stress borrowers and the housing market further.

The Dodd-Frank financial reform legislation requires hundreds of rule-makings, studies and reports, all but guaranteeing that implementation would be spread over the next several years. The Volcker rule provisions, which impose limits on proprietary trading and bank ownership of hedge funds, are pushing financial firms to downsize or reorganize their operations. The Financial Stability Oversight Council recently released a set of tentative guidelines to limit trading by banks for their own accounts and more specific regulations are due in September. Already several of the larger securities firms have announced staff departures and spinoffs associated with compliance with the anticipated constraints. While the profitability of proprietary trading is closely guarded, the decamping of these highly skilled staff for other employers – mainly hedge funds and private equity firms – is a loss to the large banks.

A year ago, it seemed that the Fed was ready to finally execute its "exit strategy" as it wound down its extraordinary intervention in financial markets. In particular, it had closed all of its special liquidity facilities and had finished purchasing \$1.7 trillion of longer-term Treasury securities in the unprecedented quantitative easing program. It was also testing mechanisms to start withdrawing the liquidity it had pumped into markets during the crisis. However, the painfully slow pace of job creation in 2010 motivated the Fed to implement a second phase of quantitative easing in an effort to suppress longer-term interest rates and jumpstart growth. In November 2010, the Fed announced that it would begin purchasing an additional \$600 billion of longer-term Treasuries. Augmented with the policy of rolling over maturing agency debt and other mortgage security holdings into government securities, the Fed's balance sheet has again begun to grow, reaching \$2.4 trillion at the end of January 2011, up from \$2.2 trillion a year ago. Of this amount, over \$1 trillion is currently held as longer-term Treasury notes and bonds.

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4) *Bank of America, Citigroup, Goldman Sachs, JP Morgan Chase, and Morgan Stanley.*

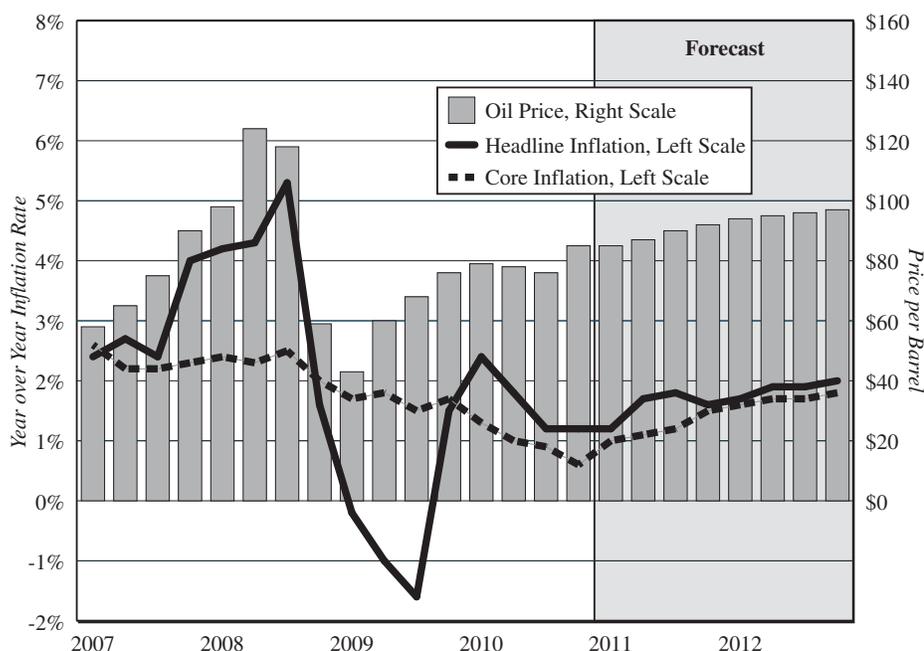
Thus far, inflation pressures are muted, providing maneuvering room for the Fed. Headline inflation for December 2010 was only 1.4 percent (year-over-year). The December core inflation rate, which omits the volatile food and energy components, was only 0.6 percent. The Fed's preferred inflation measure, the core PCE price index, was up only 0.7 percent in December and has stayed below the Fed's informal upper bound of two percent for more than two years now. However, prices of basic commodities such as cotton and wheat have appreciated by 10 and 15 percent, respectively, in the six weeks between the December and January FOMC meetings. Oil prices have also jumped, due partly to the turmoil in the Middle East and partly to the growth in emerging economies, reaching \$90 per barrel in January, more than double the price a year ago. Nonetheless, the forecast projects that oil prices will settle at an average of \$88 for 2011 and will increase somewhat to \$95 in the following year. Likewise, the headline inflation path remains placid averaging 1.6 percent for 2011 and rising to just 1.9 percent in 2012. Core inflation measures remain well below two percent until 2014.

This sudden surge in commodities prices adds complexity to the Fed's decision about when to switch to a tighter monetary stance. Nonetheless, due to the persistent labor market weakness, the forecast anticipates that the Fed will continue its accommodative monetary policy through 2011. As a result, it projects that the Fed will not start boosting its fed funds target until the first quarter of 2012.

A key risk to the forecast is the sluggish revitalization of real estate markets. In a recent speech, Chairman Bernanke said that "to date growth has not been fast enough to bring about a significant improvement in the job market" and he noted that the "overhang of vacant and foreclosed homes continues to weigh heavily on both home prices and residential

construction."<sup>5</sup> In the past, the contribution of housing activity to economic recoveries has been significant. During the first six quarters of the recovery phase following recent severe recessions – the 1973-75 and the 1981-82 downturns – residential fixed investment contributed more than a percentage point to real GDP growth on average. Historically, in every recovery households benefitted from a rise in real estate wealth. Uncharacteristically, current household real estate wealth continues to decline even though it is now a year and a half past the trough of the recession.<sup>6</sup> As a result, even under the most optimistic conditions, both the labor market and the housing market will take years to regain their pre-recession levels. Other short term risks include the winding down of the fiscal stimulus program in 2012, the debt problems in the Euro zone, and the turmoil in the Middle East.

**Despite Recent Volatility in Energy and Commodity Prices, Both Headline and Core Inflation Rates Are Expected to Remain Stable.**



5) "The Economic Outlook and Macroeconomic Policy," Remarks by Ben Bernanke at the National Press Club, Washington, D.C. February 3, 2011.

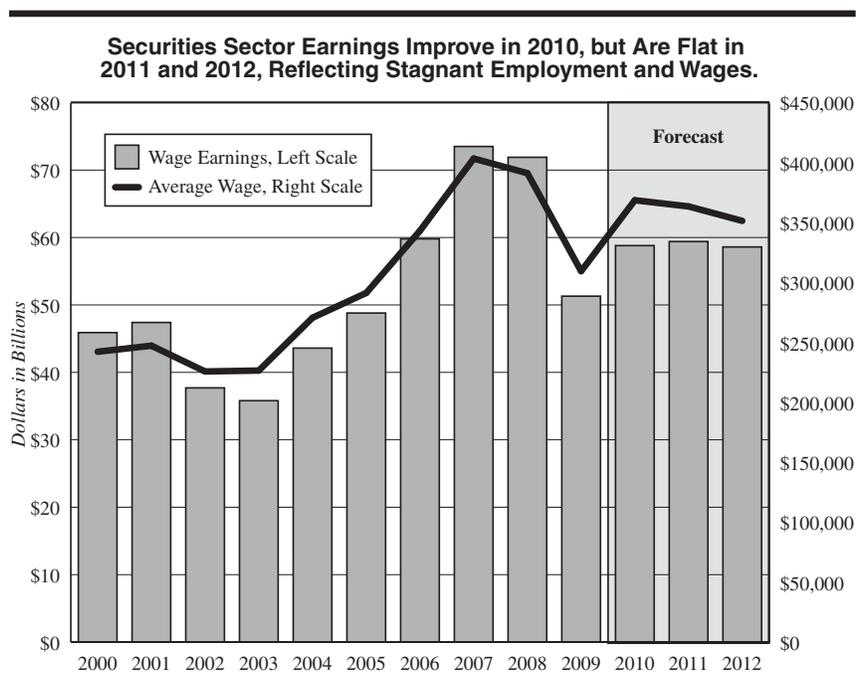
6) According to Federal Reserve Board Flow of Funds statistics, households' real estate wealth has declined by \$162 billion from the third quarter of 2009 through the third quarter of 2010.

## The New York City Economy

New York City bounced back impressively from the financial crisis and severe national recession. Overall wage earnings, which fell nearly 11 percent in 2009, are estimated to have risen five percent in 2010. In the early recovery period, local hiring outpaced the nation as Wall Street reaped record profits and tourists flooded into the City. In addition, both commercial and residential real estate markets showed signs of stabilization. The office market is poised to tighten further, though the local housing market will remain a drag. Private sector job growth is expected to continue at an average of 1.2 percent from 2011-2015. Along with job growth, private sector wages increase by about two percent, resulting in wage earnings increasing by an average of around three percent per year.

The last few years have been turbulent on Wall Street. During the financial crisis New York Stock Exchange firms lost a staggering \$63 billion. Wall Street reversed course in 2009, netting an unprecedented \$61 billion in profits. The recovery continued into 2010 as Wall Street booked an estimated \$28 billion.<sup>1</sup> The Federal Reserve policy holding the federal funds rate near zero has resulted in a steep decline in interest expenses from \$250 billion in 2007 to \$20 billion in both 2009 and 2010. Concurrently, a steep yield curve creates a ripe environment for firms to generate substantial revenue by borrowing short and lending long. The favorable government policies have also assisted banks' efforts to re-capitalize. Underwriting activity has been strong and M&A activity has picked up, fueling profits further. As the regulatory environment tightens and interest rates climb, the forecast calls for slightly lower but still strong profits of \$20 billion in 2011 and an average of \$12.5 billion from 2012-2015.

During the financial crisis firms cut 30,000 securities sector employees, and while the payrolls are now stable, firms appear reluctant to hire given the regulatory uncertainty and volatile global financial markets. However, the 160,000 employees who remain employed continue to be paid very well, averaging annual salaries of over \$360,000 (including bonus). Even though net revenues declined significantly between 2009 and 2010, firms are expected to pay out approximately the same level of compensation as they had the previous year. Firms are expected to boost their payrolls gradually in 2011, adding about 3,000 jobs. The aforementioned risks and weaker profitability will keep payrolls well below the 2008 peak of nearly 190,000, while industry wages will remain high but stagnant for the remainder of the forecast period. The rest of the financial industry – banking, insurance and real estate – contracted by about 10,000 jobs during the recession. These other financial industries now employ 270,000 and are not expected to expand during this forecast.



1) Through the first three quarters NYSE member firms generated \$21 billion in profits.

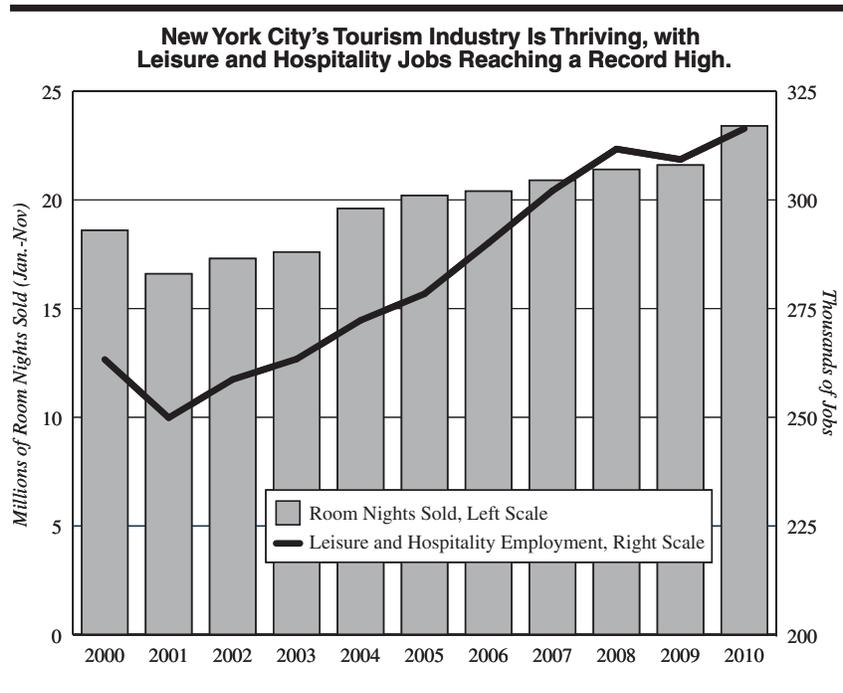
The other aspect of the economy that garnered a lot of attention over the past few years is the tourism industry. The City's tourism industry was perhaps one of the primary factors why the City has recovered faster than the nation. The relative weakness of the dollar and the City's inherent cultural charms continue to attract domestic and international visitors. In 2010, New York City welcomed 48.7 million visitors and Broadway earned over a billion dollars in box office gross receipts, both of which were record highs.

Hotels have displayed resilience and strength, as occupancy rates have not dipped below 80 percent since March 2009. Additionally, the average daily room rate has risen 19 percent from the recent low of \$219 in June 2009. Even more impressive is that occupancy rates have remained high despite the fact that 6,500 hotel rooms were added in 2010. As a result, 23.4 million daily room nights were sold year-to-date through November, an all-time best.

While the current European debt crises could pose potential problems for the tourism industry, it would not be surprising if the City continues to thrive even under adverse conditions. Occupancy rates are expected to stay above 80 percent throughout the forecast period, even as approximately 1,000 new hotel rooms come on line annually. Room rates rise from about \$250 per night, although the pace of growth will be slow as the new supply of budget hotels suppresses the average rate.

Leisure and hospitality industries have been the main beneficiary of the hordes of tourists and the new supply of hotels. The industry hardly paused during the financial crisis and reached a record number of 316,000 employees working in hotels, restaurants, museums and other recreational venues. With plenty of new hotels coming on line over the next few years, hiring in leisure and hospitality industries will average 6,000 per year from 2011-2015. Retail trade also benefitted from tourist activity. After cutting 10,000 jobs in 2009, this sector added 4,000 jobs in 2010 and is forecast to add an average of 3,500 jobs per year from 2011-2015.

Outside of tourism and finance, the main sector of growth in 2011 is expected to be professional and business services. Employees in this category, which covers a wide swath of industries including accounting, architecture, computer services, management consulting, advertising and employment services, earn an average of approximately \$90,000 per year. These industries are expected to expand by 15,000 jobs in 2011 and gain an average of 13,000 jobs from 2012-2015.



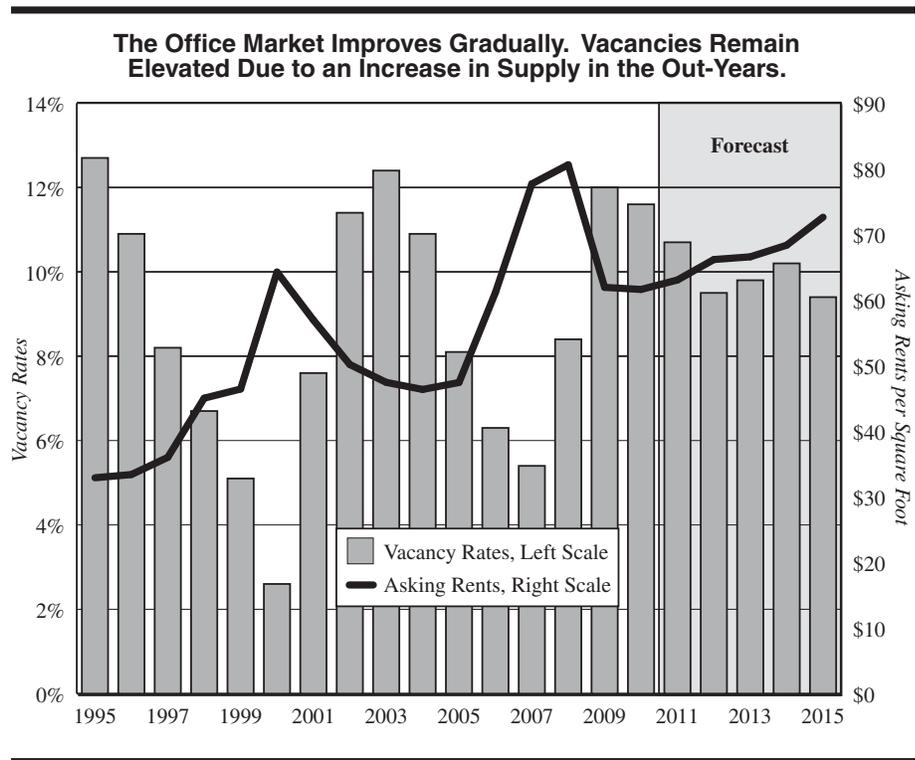
These industries are expected to expand by 15,000 jobs in 2011 and gain an average of 13,000 jobs from 2012-2015.

The information sector is slated to gain 1,000 jobs in 2011. This sector is still restructuring as old and new media continue to merge. After reaching 200,000 in 2001, employment fell 20 percent to 160,000 by 2005. Throughout the forecast period, employment levels in information are expected to remain far below the dot-com peak.

The traditionally non-cyclical sectors of education and health services continued to add jobs throughout the recession and early stages of the recovery. Education expanded by 3,000 jobs in 2010 and is forecast to gain 5,000 in 2011. Health employment rose by 13,000 in 2010. There is some uncertainty whether this pace can continue as state budget cuts may have a negative impact on this local private industry. Therefore, employment in health is expected to add only 6,000 jobs in 2011.

The long-term contraction of the manufacturing sector is expected to persist in coming years. Manufacturing cut 3,000 jobs in 2010, leaving the employment level at a new record low of 80,000. In the last decade, the size of this sector has shrunk by half. In 2011, the manufacturing sector is forecast to lose another 4,000 jobs.

With labor market conditions improving, especially in office-using sectors, demand for commercial real estate has grown.<sup>2</sup> Leasing activity picked up in 2010 to over 26 million square feet, making it the most active year in terms of leasing since 2006. Some of the fervor in leasing activity was caused by existing firms trying



to lock in new leases as asking rents dropped by nearly 30 percent from the peak in the middle of 2008. The spike in activity was also fueled by new firms securing space and existing firms expanding, leading to a decent amount of positive net absorption. Vacancy rates across the City's primary office market dropped from 12.3 percent in the first quarter of 2010 to 11.4 percent in the fourth quarter. With a brighter outlook and no significant new inventory expected to come to the market in the next two years, primary market vacancy rates are expected to drop below 10 percent, while asking rents gradually increase

throughout the forecast period. There is concern, however, that the completion of two new World Trade Center buildings by 2014 with over 4 million square feet will not be met by sufficient demand. As a result, vacancy rates are expected to rise in the out-years.

The commercial investment market has also recovered following a complete collapse during the financial crisis. While 2009 saw only five transactions valued at more than \$100 million, 2010 had 18 such transactions. Improving conditions in the office market portend an increase in investment-type transactions for the City's office market.

The residential real estate market bounced back in the first half of 2010 from the dismal lows in 2009. Total residential transactions were up 47 percent year-on-year during that time, most likely boosted by the federal home buyers' tax credit. As a result, there was a respite in falling home prices as the S&P/Case-Shiller price index for the New York Metro Area increased from May 2010 through August 2010.

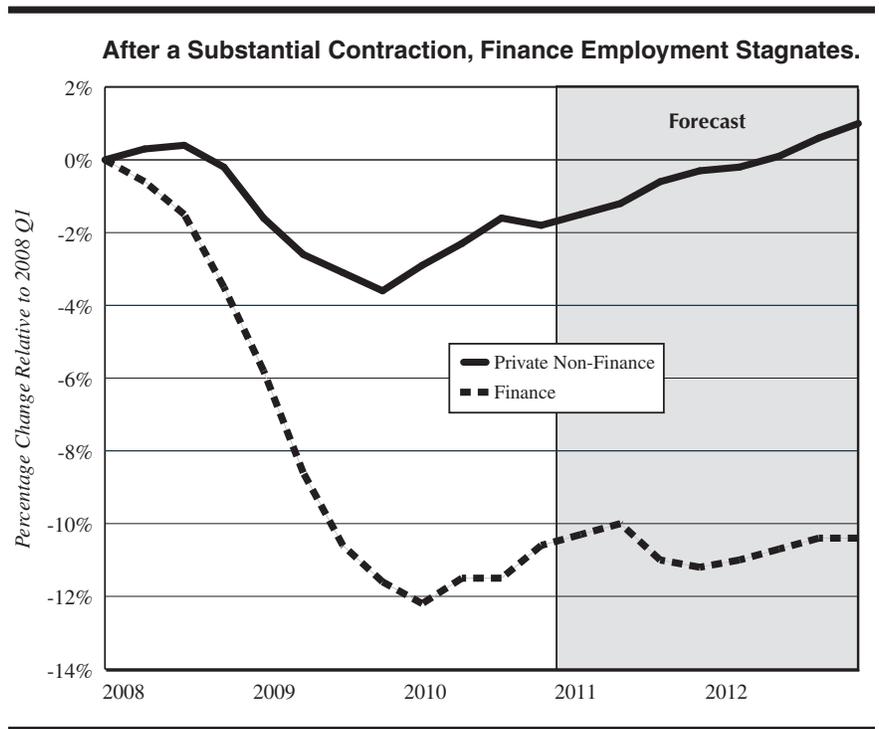
2) Office-using is defined as financial activities, professional and business services, and information.

However, the housing market has hit a wall following the expiration of the tax credit, with home prices resuming their decline. Total transactions dropped 14 percent year-on-year in the third quarter of 2010, signifying that the boost in activity in the previous two quarters was largely borrowing from future demand. Hence, the outlook shows that total transactions slide in 2011, before gradually picking up in the out-years. Likewise, prices will resume their downward trend in 2011 and 2012, before a slight recovery takes place later in the forecast period.

The most telling measure of the housing market is the virtual standstill of new construction activity in the City. New York City averaged roughly 28,000 permits per year from 2005 through 2008, but has issued only 5,953 permits in 2009 and 6,895 in 2010. Due to overbuilding in the boom years, permit activity will likely stay flat for the foreseeable future. This does not bode well for construction employment. After losing 17,000 jobs from 2009 through 2010, headcount for construction staffing will remain flat for the near term.

Overall, private employment in New York City is anticipated to increase 1.2 percent in 2011 following a meager 0.2 percent rise in 2010. The modest growth rate of 1.2 percent is expected to continue from 2012-2015.

While the employment picture has certainly improved, many of the new jobs anticipated over the next few years will be in non-financial low to middle income industries. As of 2010 the average non-finance salary was about \$60,000 per year. Non-finance wages are expected to increase by about three percent per year in the forecast period. With few new jobs and stagnant wages, the financial industry will not do much to boost overall earnings. As a result, overall wage earnings in the City rise to \$286 billion in 2011, up from \$263 billion in 2009, but still below the \$295 billion earned in 2008. Wage earnings growth averages 3.4 percent from 2012-2015 gradually surpassing the 2008 level by 2013.



There is considerable uncertainty regarding the path of City’s economic recovery. Despite some evidence of a self-sustaining recovery, the national economy is projected to grow at a tepid pace. Assumptions for continued profitability on Wall Street in 2011 are predicated on favorable government policies. Strong financial regulatory reform imposed on the industry could also hamper profits and the serious fiscal conditions of New York State could further adversely impact the City’s economy.

**Financial Plan Fiscal Year 2011**  
Forecasts of Selected Economic Indicators for the United States and New York City  
Calendar Year 2010-2015

	2010	2011	2012	2013	2014	2015	1979-2009*
<b>NATIONAL ECONOMY</b>							
Real GDP							
Billions of 2005 Dollars.....	\$13,253	\$13,672	\$14,055	\$14,502	\$14,988	\$15,435	
Percent Change .....	2.9	3.2	2.8	3.2	3.4	3.0	2.7%
Non-Agricultural Employment							
Millions of Jobs.....	130.3	132.0	134.7	137.5	140.4	142.8	
Level Change.....	(0.7)	1.8	2.6	2.8	2.9	2.4	
Percent Change.....	(0.5)	1.4	2.0	2.1	2.1	1.7	1.3%
Consumer Price Index							
All Urban (1982-84=100).....	218.1	221.5	225.7	230.2	235.4	240.7	
Percent Change .....	1.7	1.6	1.9	2.0	2.3	2.2	3.7%
Wage Rate							
Dollars Per Year.....	49,178	50,820	52,202	53,643	55,088	56,604	
Percent Change.....	2.6	3.3	2.7	2.8	2.7	2.8	4.2%
Personal Income							
Billions of Dollars.....	12,543	13,162	13,601	14,246	15,054	15,886	
Percent Change.....	3.0	4.9	3.3	4.7	5.7	5.5	6.1%
Before-Tax Corporate Profits							
Billions of Dollars.....	1,831	1,484	1,508	1,879	1,993	1,912	
Percent Change.....	39.1	(19.0)	1.6	24.6	6.1	(4.1)	5.4%
Unemployment Rate							
Percent .....	9.7	9.3	8.8	8.0	7.3	6.7	6.2% avg
10-Year Treasury Note							
Percent.....	3.2	3.6	4.2	4.6	4.8	5.6	7.3% avg
Federal Funds Rate							
Percent.....	0.2	0.2	1.3	3.4	3.6	4.7	6.2% avg
<b>NEW YORK CITY ECONOMY</b>							
Real Gross City Product**							
Billions of 2005 Dollars.....	\$570.3	\$568.4	\$576.0	\$586.6	\$600.0	\$613.8	
Percent Change.....	5.3	-0.3	1.3	1.8	2.3	2.3	2.5%
Non-Agricultural Employment							
Thousands of Jobs.....	3,677	3,710	3,749	3,790	3,833	3,876	
Level Change.....	(10)	32	39	41	44	43	
Percent Change .....	(0.3)	0.9	1.0	1.1	1.1	1.1	0.4%
Consumer Price Index							
All Urban (1982-84=100).....	240.8	244.9	249.7	255.0	261.2	267.5	
Percent Change.....	1.7	1.7	2.0	2.1	2.4	2.4	4.0%
Wage Rate							
Dollars Per Year.....	77,521	79,296	80,337	82,070	84,274	86,731	
Percent Change.....	5.0	2.3	1.3	2.2	2.7	2.9	5.3%
Personal Income							
Billions of Dollars.....	429.5	446.2	455.0	472.7	496.7	522.5	
Percent Change.....	3.3	3.9	2.0	3.9	5.1	5.2	6.4%
<b>NEW YORK CITY REAL ESTATE MARKET</b>							
Manhattan Primary Office Market							
Asking Rental Rate***							
Dollars per Square Feet.....	\$61.60	\$63.04	\$66.16	\$66.57	\$68.34	\$72.61	
Percent Change.....	(0.5)	2.3	5.0	0.6	2.7	6.2	2.2%
Vacancy Rate***							
Percent.....	11.6	10.7	9.5	9.8	10.2	9.4	10.8% avg

\* Compound annual growth rates for 1979-2009. Compound growth rate for Real Gross City Product covers the period 1980-2009; Personal Income 1978-2008.

\*\* GCP estimated by OMB. The GCP figures have been revised due to a methodological change.

\*\*\* Office market statistics are based on 1987-2009 data published by Cushman & Wakefield.

## TAX REVENUE FORECAST

### Real Property Tax

In 2011, real property tax is forecast at \$16,847 million, an increase of \$663 million over the prior year. This is an increase of \$60 million from the November 2010 Plan. The plan change results from a lower than expected payout of refunds by \$120 million, offset by an increase of \$50 million in reserve for uncollectible taxes and an increase of \$10 million in refunds for defective liens. On a common rate and base, revenue is forecast to grow 4.1 percent in 2011.

In 2012, real property tax revenue is forecast at \$17,643 million, an increase of \$796 million over the prior year. This is an increase of \$210 million over the November 2010 Plan. The plan change results from a higher than expected levy forecast of \$377 million, based on the 2012 tentative roll, offset by an increase in reserve for uncollectible taxes of \$139 million and an increase in refunds of \$28 million. On a common rate and base, revenue is forecast to grow 4.8 percent in 2012.

In 2012, total market value is estimated to grow by 3.7 percent based on the 2012 tentative roll released by the Department of Finance (DOF) on January 14, 2011. The market value growth is primarily driven by strong growth seen in large Class 2 properties (more than 10 units) and Class 4 properties (office and commercial space). Class 1 (one- to three-family homes) properties saw only a slight market value increase of 0.9 percent on the 2012 tentative roll, the first year of growth after declining for three consecutive years. Class 2 (rental apartments, condominiums, and cooperatives) properties saw market value growth of 4.0 percent overall. Large Class 2 properties and Class 4 properties saw even stronger market value growth of 12.8 percent and 9.9 percent, respectively. The valuation of large Class 2 properties and Class 4 properties are based on an income capitalization valuation method. Net operating income reported by property owners on their income and expense statements in calendar year 2009 grew over calendar year 2008, contributing to strong market value growth in 2012 for both large Class 2 and Class 4 properties. In addition, the capitalization rates<sup>1</sup> used in the income capitalization methodology to calculate the market values for these properties declined over the prior year, further contributing to strong market value growth for large Class 2 and Class 4 properties.

Citywide, total billable assessed value on the 2012 tentative roll (after accounting for the veterans' and STAR exemptions) increased by \$9.7 billion over 2011 to \$157.3 billion, growth of 6.6 percent. The 2012 tentative roll is expected to be reduced by \$1.3 billion on the final roll (to be released on May 25, 2011) as a result of Tax Commission actions, Department of Finance changes by notice and the completion of exemption processing. The billable assessed value on the final roll (before accounting for the veterans' and STAR exemptions) is forecast to grow at 5.6 percent.

On the 2012 tentative roll, Class 1 market values, based on comparable sales price valuation methodology, increased by 0.9 percent over the prior year. The billable assessed value for Class 1 grew by 2.7 percent on the 2012 tentative roll (after accounting for the veterans' and STAR exemptions). The statutory cap on assessed value growth (six percent per year and 20 percent over five years) that had prevented steep increases in assessed value during the years of robust market value growth from 2001 through 2008 is now allowing assessed value to grow even when market value growth remains essentially flat. With an estimated tentative-to-final roll reduction of \$38 million, billable assessed value on the final roll (before accounting for the veterans' and STAR exemptions) is expected to grow 2.2 percent. Market value for Class 1 is forecast to decline in 2013 and 2014 following the continued forecast decline in sales prices before recovering in 2015. Class 1 billable assessed value growth is forecast to slow to an annual average of 1.5 percent from 2013 through 2015.

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1) *The Department of Finance derives the capitalization rates using the AAA / BBB bond rates and mortgage interest rates. In addition, it also takes into account factors that affect the liquidity of the asset and management. A change in the cap rate affects the market values inversely.*

On the 2012 tentative roll, Class 2 properties saw market value growth of 4.0 percent. Large Class 2 properties saw an increase of 12.8 percent in market value. The robust growth in large Class 2 properties is due to increases in reported net operating income and a decline from the prior year in the cap rates used to calculate the market value from net income. The billable assessed value growth on the 2012 tentative roll for Class 2 is 8.0 percent (after accounting for the veterans' and STAR exemptions), a substantial increase compared to last year's 3.1 percent growth. With an estimated tentative-to-final roll reduction of \$1,019 million, billable assessed value growth on the final roll (before accounting for the veterans' and STAR exemptions) is expected to be 5.9 percent. Class 2 market values are forecast to decline in the out-years of the February 2011 Plan. Cap rates are projected to rise, paralleling the forecast increases in long-term interest rates, putting downward pressure on the market value growth, which is only partially offset by projected income growth. Class 2 billable assessed value, however, is forecast to show mild growth as projected market value weakness is offset by the existing 'pipeline' of deferred assessment increases from prior years' market value growth. Class 2 billable assessed value is forecast to grow at an annual average rate of 2.3 percent from 2013 through 2015.

Class 3 properties (utilities) saw billable assessed value growth of 0.4 percent on the 2012 tentative roll, after growth of 5.6 percent in 2011. When the NYS Office of Real Property Tax Services completes the assessment for Class 3 special franchise properties in April, billable assessed value is forecast to increase by \$562 million over the 2012 tentative roll. Class 3 billable assessed value on the final roll is expected to grow 5.4 percent. No additional reduction from the tentative roll to the final roll is expected for Class 3 properties. Class 3 billable assessed value growth is expected to be flat from 2013 through 2015.

Class 4 properties (office and commercial space) saw a market value growth of 9.9 percent on the 2012 tentative roll. Similar to large Class 2 properties, the strong market value growth in 2012 is due to increases in reported net operating income and a decline from the prior year in the cap rates used to calculate the market value from net income. The Class 4 billable assessed value growth (after accounting for the veterans' and STAR exemptions) on the 2012 tentative roll is 7.3 percent. With an estimated tentative-to-final roll reduction of \$839 million, the billable assessed value growth on the final roll (before accounting for the veterans' and STAR exemptions) is expected to be 6.2 percent. Class 4 market values are forecast to increase only at a modest rate in the out-years. Net operating income is forecast to grow, which is partially offset by projected increases in cap rates. Class 4 billable assessed value is forecast to show moderate growth — an annual average rate of 3.1 percent from 2013 through 2015 — as the result of soft growth in market value combined with the existing 'pipeline' of deferred assessment increases from prior years' market value growth.

Property tax collections are expected to grow at an annual average rate of 2.6 percent from 2013 through 2015.

### **Real Property Tax Transfer & Mortgage Recording Taxes**

In 2011, real property transfer tax revenue is forecast at \$768 million, an increase of \$153 million over the prior year, growth of 25.0 percent. This is an increase of \$99 million over the November 2010 Plan. The 2011 level is still \$955 million (55.4 percent) below the peak seen in 2007.

Real property transfer tax collections year-to-date through December grew by 28.1 percent over the prior year, after declining 17.2 percent in 2010, indicating the stabilization of the local real estate market. In the second half of 2011, total real property transfer tax collections are forecast to grow by an additional 23.7 percent before growth drops to 0.3 percent in 2012. The revenue growth is forecast to average 8.0 percent from 2013 through 2015 as the local economic recovery continues to take hold.

In 2011, commercial transaction collections year-to-date through December grew by 85.8 percent, driven by two very large transactions as well as increases in both the number of transactions and average sales price. Collections for the year are forecast to grow 89.1 percent. In 2011, the market for commercial transactions,

including very large transactions, recovered from the depressed levels of transactions seen in 2009 and 2010. The two recent very large commercial transactions are a commercial office building at 111 Eighth Avenue, which was purchased by Google for \$1.77 billion, and a former Macklowe building at 1330 Sixth Avenue, which was purchased for \$400 million. Despite these gains, the commercial transaction collections forecast of \$348 million in 2011 is still 67 percent below the 2007 peak. Growth in collections from commercial transactions is forecast to continue in 2012, as the commercial office market further improves, with a strong rebound in the number of transactions. Growth in commercial real property transfer tax collections is forecast to average 9.0 percent from 2013 through 2015.

In 2011, residential transaction collections year-to-date through December grew by 1.8 percent, spurred by strength from the Federal First-Time Homebuyer Credit in the first quarter, which offset the trend of declining transactions and average sales prices. As the weakness in the residential market returns in the second half of the year, the number of transactions and average sales price resume their decline, driving collections for the year down by 2.5 percent. In 2012, the overall number of transactions is expected to remain relatively flat over the prior year, growth of 0.2 percent, while the average sales price is forecast to decline further by 8.0 percent, as the weakness in the housing market persists and interest rates are forecast to rise. With the recovery of the housing market from 2013 through 2015, both the number of transactions and average sales price are forecast to rebound and residential transaction tax collections are expected to average 7.4 percent growth.

In 2011, mortgage recording tax revenue is forecast at \$444 million, an increase of \$78 million over the prior year, growth of 21.2 percent. This is an increase of \$29 million over the November 2010 Plan. The 2011 level is still \$1.1 billion below the 2007 peak, a decline of 71.7 percent. In 2012, the overall mortgage recording tax revenue growth is forecast at 13.1 percent and growth is forecast to average 12.0 percent from 2013 through 2015.

Mortgage recording tax collections year-to-date through December grew 4.3 percent over the prior year, after declining 28.9 percent in 2010, indicating an improvement in the credit markets. In the second half of 2011, mortgage recording tax collections are forecast to grow by an additional 40.1 percent, as the real estate market conditions improve further.

Residential mortgage recording tax revenue is forecast to decline 2.1 percent in 2011 after declining 11.4 percent in 2010. Year-to-date collections through December have declined by 6.9 percent from the prior year. While the real property transfer tax benefited from the Federal First-Time Homebuyer Credit, mortgage originations have continued to remain weak, suppressing collections in 2011. The spread between jumbo and conforming mortgage rates has remained high, dampening mortgage originations in 2011. In 2012, collections from residential mortgages are forecast to decline further by 5.1 percent, as interest rates rise and mortgage originations fall even further for both purchases and refinancing. With the recovery of the housing market from 2013 through 2015, both the number of transactions and average mortgage value are forecast to rebound and growth in residential transaction tax collections is expected to average 12.8 percent.

In 2011, commercial mortgage recording tax revenue is forecast to rebound strongly, growth of 66.7 percent, as both transaction volume and average sales price jump. This recovery is spurred by improved credit market conditions and the local economic recovery, which has led to increased demand for investment property over the severely depressed levels seen in the previous three years. In 2012, collections from commercial mortgage recording tax are forecast to grow by 33.8 percent. As the commercial office market improves from 2013 through 2015, growth is expected to average 11.4 percent.

## **Commercial Rent Tax**

In 2011, commercial rent tax revenue is forecast at \$603 million, \$9 million above the prior year, growth of 1.5 percent. This is an increase of \$37 million over the November 2010 Plan.

Year-to-date collections through January 2011 show a slight decline from the prior year. Even though the commercial office market is showing signs of recovery in 2011, existing tenants with expiring leases were able to renew their leases at much lower rents, causing commercial rent tax collections to grow at a slower pace.

In 2012, commercial rent tax revenue is forecast at \$622 million, \$19 million above the prior year, growth of 3.2 percent. Tax revenue growth forecast for 2012 reflects the forecast of continued improvement in commercial office leasing. In particular, the availability of subleased space, which flooded the commercial market and dragged down asking rents for the last couple of years, is now declining as the demand for space from primary leaseholders is rising. As office-related employment is forecast to grow, primary market vacancy rates are expected to drop and asking rents are forecast to increase.

From 2013 through 2015, as the City's employment gains are expected to remain strong, commercial rent tax collections are projected to grow an average of 3.3 percent.

### **Personal Income Tax**

In 2011, personal income tax revenue is forecast at \$7,477 million, \$619 million above the prior year, growth of 9.0 percent. This is a decrease of \$56 million from the November 2010 Plan. In 2012, personal income tax revenue is forecast at \$8,171 million, \$694 million above the prior year, growth of 9.3 percent. This is an increase of \$7 million over the November 2010 Plan.

On a common rate and base, personal income tax revenue is forecast to increase 4.3 percent in 2011. The difference between the collections and the common rate and base growth rate is primarily due to two recently enacted tax law changes for tax year 2010. The School Tax Relief (STAR) rate cut was eliminated for filers with taxable income greater than \$500,000. Additionally, itemized deductions for filers with income greater than \$10 million were limited to 25 percent of the filers' charitable contributions. Previously in tax year 2009, itemized deductions for filers with income greater than \$1 million were limited to 50 percent of the filers' charitable contributions. Both of these tax law changes, however, did not occur until August 2010, more than halfway through tax year 2010. Because of the retroactive nature of these tax law changes, the City is expected to collect the additional revenue from the first half of calendar year 2010 in fiscal year 2011.

In 2011, personal income tax is forecast to grow 9.0 percent over the prior year, following growth of 4.1 percent in 2010. Withholding collections in 2011 are forecast to grow 6.0 percent over the prior year, after an increase of 1.1 percent in 2010. The withholding growth results from employment gains throughout the year, an increase in the wage rate, and the elimination of the STAR rate cut for high-income earners. The July through November growth in withholding collections was 4.6 percent, reflecting the addition of 18,000 private sector jobs in the second half of calendar year 2010, a 5.0 percent rise in the wage rate during the calendar year, and the STAR elimination for high-income earners. For the December through March bonus period, withholding collections are forecast to grow 9.0 percent. However, total bonus payouts from Wall Street firms are forecast to only increase by 0.8 percent following a strong rebound in the prior year. Therefore, the year-over-year growth in withholding during the bonus period stems from the continuation of the non-bonus (or "base") withholding growth seen in the July through November period, the elimination of the STAR rate cut for high-income filers and a return to a more traditional bonus payment schedule. In 2010, some Wall Street firms delayed their bonus payments to the April through June quarter. In 2011, bonus payouts that had been delayed in the prior year are expected to occur in the traditional December through March bonus period. Withholding collections are forecast to grow 2.5 percent for the fourth quarter of fiscal year 2011. After adjusting for tax law changes, it is expected to mirror the wage earnings forecast.

Installment payments on tax year 2010 are forecast to be virtually flat over the prior year. This follows two years of installment payment declines in tax years 2008 and 2009. In tax year 2010, when the local recovery took hold and the equity market rebounded, taxpayers are expected to have paid under "safe-harbor" rules, which

allow payments to equal 110 percent of taxpayers' prior year liability. However, total liability for estimated payments (the sum of installment and extension payments) is expected to increase, lifting extension payments in tax year 2010, as capital gains realizations are forecast to rebound. The S&P 500 index gained 12.8 percent over the prior year in December 2010, which contributes to the forecast growth in capital gains realizations. Also, payments from the non-finance sector are expected to rebound as the local and national recovery has taken hold.

Although installment payment growth is expected to be nearly flat for tax year 2010, the increase in liability is forecast to impact tax revenue in the spring settlement payments as taxpayers "true up" their tax liability to account for increases in capital gains realizations and tax law changes. The settlement payment on tax year 2010 liability (net of final returns, refunds, extensions and City/State offsets) is expected to increase significantly over the prior year, which is typical of the first year of a recovery.

In 2012, personal income tax revenue is forecast to grow 9.3 percent. Withholding collections are forecast to grow 2.2 percent, a moderate increase resulting from two conflicting forces. The rebound in City employment is forecast to continue in 2012 as the City is expected to gain 39,000 private sector jobs in calendar year 2011. Dampening wage earnings, however, is the forecast of a decline in bonus payouts by Wall Street firms. Installment payment growth is expected to be robust in 2012, growth of 8.5 percent. The S&P 500 index is forecast to rise about 11 percent in calendar year 2011, supporting nonwage income growth. Also, the market for large commercial transactions is expected to continue recovering. This strength in equity and in the real estate markets is expected to fuel a rise in capital gains realizations in calendar year 2011. The settlement payment on tax year 2011 liability (net of final returns, refunds, extensions and City/State offsets) is expected to increase by approximately \$300 million over the prior year, as the recovery in nonwage income is expected to strengthen.

In the out-years of the forecast period, a continued recovery in employment, wage rates, and nonwage income leads to personal income tax growth averaging 5.2 percent from 2013 through 2015.

## **Business Income Taxes**

In 2011, business income tax revenues (general corporation, banking corporation, and unincorporated business taxes) are forecast at \$5,365 million, \$859 million above the prior year, growth of 19.1 percent. This is an increase of \$375 million over the November 2010 Plan. In 2012, business income tax revenues are forecast at \$5,630 million, \$265 million above the prior year, growth of 4.9 percent. This is an increase of \$296 million over the November 2010 Plan.

In 2011, the business income tax forecast reflects an expectation of stronger NYSE member-firm profits in calendar year 2010 than previously forecasted in the November 2010 Plan. NYSE member-firm profits for calendar year 2010 are forecast at \$28 billion, the second highest level ever after calendar year 2009. Consequently, tax payments from finance sector firms are forecast to be strong in the second half of 2011. In addition, the business tax forecast for 2011 is lifted by rebounding non-finance sector tax payments.

In 2012, business income tax revenues are expected to grow 4.9 percent over the prior year, as a result of the continued relative strength in NYSE member-firm profits in calendar year 2011, and an increasingly broad, sustainable recovery in the non-finance sector, as evidenced by continuing job growth. Business income tax collections growth in the out-years is forecast to moderate as the finance sector rebound is dampened due to the withdrawal of unprecedented government assistance from the nation's financial system, returning finance sector tax payments to sustainable levels. The non-finance sector growth in the out-years is expected to continue, paralleling the slow but steady forecast expansion of the national and local economies. Collection levels are not expected to surpass the 2007 collections peak until 2015.

In 2011, general corporation tax collections are forecast to rebound 22.2 percent over the prior year, or \$439 million above the prior year. This is an increase of \$108 million over the November 2010 Plan. General

corporation tax collections year-to-date through December are up 10.3 percent over the prior year. Tax payments from top finance sector firms appear to have lagged the upward swing in their estimated tax liability, while tax payments from non-finance sector firms have rebounded from the prior year's depressed levels. Tax payments in the second half of the year from finance firms are expected to reflect the rebound in Wall Street profitability as liabilities and payments catch up to the finance sector's improved economic fortunes. Tax payments from non-finance firms in the second half of the fiscal year are expected to moderate.

In 2012, general corporation tax collections are forecast to grow 12.8 percent over the prior year. This results from Wall Street profitability persisting at a historically high level in calendar year 2011 and, with a self-sustaining national recovery and job growth gaining momentum locally over the course of the year, tax payments from the City's non-finance sector are expected to continue at a sustainable level. Collections growth is forecast to average 4.4 percent from 2013 through 2015.

In 2011, banking corporation tax collections are forecast to grow 28.4 percent, or \$275 million over the prior year. This is an increase of \$150 million over the November 2010 Plan. Banking corporation tax collections are up 48.1 percent year-to-date through December. The increase in collections is attributed to strong cash payments by large commercial banks, reflecting continued accommodative monetary support by the Federal Reserve. The strong growth in tax payments in the first half of 2011 is forecast to slow in the second half as sizeable overpayments on account are expected to dampen cash collections. As the accommodative monetary policy is gradually withdrawn from the nation's financial system, banking corporation tax collections are forecast to return to a sustainable level, averaging a decline of 4.7 percent from 2012 through 2015.

In 2011, unincorporated business tax collections are forecast to grow 9.3 percent, \$145 million over the prior year. This is an increase of \$117 million over the November 2010 Plan. Unincorporated business tax gross collections are up 15.4 percent year-to-date through December. Finance sector tax payments have started to grow after several quarters of declines. Hedge funds, which make up a large portion of the unincorporated business tax finance sector, have seen assets under management recover in calendar year 2010. In addition, non-finance sector tax payments, led by legal and professional services, are rebounding strongly from suppressed levels as the local economy and employment recover. In 2012, unincorporated business tax collections are forecast to grow 5.5 percent over the prior year, paralleling the ongoing recovery. Collections growth is forecast to average 4.3 percent from 2013 through 2015.

## **Sales & Use Tax**

In 2011, sales tax revenue is forecast at \$5,509 million, \$449 million above the prior year, growth of 8.9 percent. This is an increase of \$224 million over the November 2010 Plan. After adjusting for tax law changes, sales tax revenue is forecast to grow 6.0 percent in 2011 and grow 5.4 percent in 2012. The following tax law changes became effective August 1, 2009: the sales tax rate was increased from 4.0 percent to 4.5 percent; unbundled electric and natural gas transmission and distribution charges were added to the taxable base and; the clothing and footwear exemption for items costing \$110 and above was repealed.

Sales tax revenue declined 4.0 percent in 2010 on a common rate and base. Taxable consumption in the City declined precipitously for five quarters starting in the second quarter of 2009. The decline in local consumption exceeded the declines seen in any recent recession. The strength of the City's tourism industry in 2010 partially offset declines in local taxable consumption.

In 2011, sales tax revenue is forecast to grow 6.0 percent on a common rate and base reflecting a rebound in taxable consumption. The first two quarters of 2011 have exhibited strong growth as the City added jobs at a faster rate than the rest of the nation and consumers spent strongly during the holiday season. Local job growth and rising consumer confidence have unlocked local consumption pent up during the recession. Additionally, the two percent cut in Federal payroll taxes and the extension of unemployment benefits are lifting the purchasing

power of consumers. Tourist consumption is expected to remain high, as the strength in tourism in calendar year 2010 is expected to continue in calendar year 2011.

In 2012, sales tax revenue is forecast at \$5,797 million, \$289 million above the prior year, growth of 5.2 percent. Taxable consumption, on a common rate and base, is forecast to reach pre-recession levels, fueled by the local economic recovery and continued growth in domestic and international visitors.

Sales tax revenue growth is forecast to average 3.1 percent from 2013 through 2015, returning to trend growth.

### **All Other Taxes**

Utility tax revenue is forecast at \$383 million in 2011, growth of 2.2 percent. Year-to-date utility tax collections through December are up 8.2 percent over the prior year due to a record-breaking hot summer and an increase in total City employment. However, subdued utility tax revenue growth is expected for the year due to a weak outlook for natural gas and electric prices. Utility tax revenue is forecast at \$398 million in 2012, growth of 3.9 percent, and growth is forecast to average 3.3 percent from 2013 through 2015.

Cigarette tax revenue is forecast at \$72.2 million in 2011, \$21.7 million below the prior year, and a decline of 23.1 percent. This is a decrease of \$3 million from the November 2010 Plan. In 2012, cigarette tax revenue is forecast at \$71.5 million, a decline of 1.0 percent from the prior year. This is a decrease of \$2 million from the November 2010 Plan. On a common rate and base, cigarette tax revenue is forecast to decline 4.1 percent in 2011 and 0.7 percent in 2012.

The 2011 revenue decline results primarily from the recent New York State cigarette tax increase, effective July 1, 2010. In addition to the normal trend decline, cigarette consumption declined even further due to the recent increase by New York State that raised the State cigarette tax by \$1.60 per pack, from \$2.75 to \$4.35 per pack. The combined City/State cigarette taxes paid in the City went up from \$4.25 to \$5.85 per pack, the highest cigarette tax in the country. This tax increase resulted in a sharp decline in the number of packs sold within the City, both from the diversion of purchases to jurisdictions outside the City with a lower cigarette tax rate as well as some smoking cessation. From 2013 through 2015, cigarette tax collections are projected to decline 2.3 percent per year, reflecting the long-term historical trend in the number of packs sold.

Hotel tax revenue is forecast at \$418 million in 2011, growth of 15.2 percent. Calendar year 2010 drew a record-breaking 48.7 million visitors to the City. Despite adding approximately 6,500 new hotel rooms in calendar year 2010, room rates saw double-digit growth starting in June 2010. Strong growth in the number of visitors and growth in room rates are expected to continue in the first half of calendar year 2011.

In 2012, hotel tax revenue is forecast at \$398 million, a decline of 4.9 percent. The revenue decline is due to the expiration of the temporary hotel tax, which lowers the City hotel tax rate to 5.0 percent from 5.875 percent after November 30, 2011. However, hotel tax revenue on a common rate and base is forecast to grow 2.5 based on an expectation of nearly full occupancy at the City's hotels and subdued room rate growth reflecting the slow rate of economic recovery. Hotel tax revenue is forecast to grow on average 5.2 percent on a common rate and base from 2013 through 2015 as the global and national economies return to trend growth.

All other tax revenues are forecast at \$502.7 million in 2011, \$12.4 million below the prior year, a decline of 2.4 percent. This is an increase of \$11.0 million from the November 2010 Plan. The increase from the November 2010 Plan stems primarily from Payments in Lieu of Taxes (PILOTs) increase of \$13 million, an increase of \$1.0 million in taxi medallion taxes, offset by a decline of \$3.0 million in OTB-surtax. In 2012, all other taxes are forecast at \$454.6 million, a decline of 9.6 percent. On a common rate and base, all other taxes are forecast to decline 2.1 percent in 2011 and decline 8.4 percent in 2012. All other tax revenue growth is forecast to average 0.9 percent from 2013 through 2015.

## **Tax Enforcement Revenue**

Tax audit revenue for 2011 is forecast to increase by \$98.6 million over the prior year, growth of 12.8 percent. This is an increase of \$240 million over the November 2010 Plan. As part of the City's program to reduce the projected budget gap, the Department of Finance will vigorously pursue delinquent taxpayers through agency audit activities and computer matches. From 2012 through 2015, audit revenue is forecast at \$645 million, \$644 million, \$651 million and \$651 million, respectively.

## Tax Revenue Forecast

(\$ in Millions)

	<i>Fiscal Year</i>				
	2011	2012	2013	2014	2015
<b>Real Estate Related Taxes:</b>					
Real Property	\$16,847	\$17,643	\$18,197	\$18,632	\$19,062
Real Property Transfer	768	770	785	850	971
Mortgage Recording	444	502	552	618	705
Commercial Rent	603	622	642	663	686
<b>Income - Based Taxes:</b>					
Personal Income	7,477	8,171	8,435	8,925	9,522
General Corporation	2,415	2,725	2,879	2,992	3,098
Banking Corporation	1,245	1,106	1,010	1,018	1,026
Unincorporated Business	1,705	1,799	1,873	1,956	2,041
<b>Consumption and Use Taxes:</b>					
Sales and Use	5,509	5,797	5,939	6,086	6,345
Utility	383	398	412	425	439
Hotel	418	398	381	400	427
Cigarette	72	72	70	68	67
All Other	503	455	456	468	468
<b>Subtotal</b>	<b>38,388</b>	<b>40,456</b>	<b>41,631</b>	<b>43,100</b>	<b>44,854</b>
Tax Audit Revenue	868	645	644	651	651
<b>Total</b>	<b>\$39,256</b>	<b>\$41,101</b>	<b>\$42,274</b>	<b>\$43,751</b>	<b>\$45,506</b>
STAR Aid	727	818	887	885	885
<b>Total*</b>	<b>\$39,982</b>	<b>\$41,919</b>	<b>\$43,161</b>	<b>\$44,636</b>	<b>\$46,391</b>

\* Total may not add due to rounding

**Tax Revenue Forecast**  
**All Other Taxes**

(\$ in Millions)

	<i>Fiscal Year</i>				
	2011	2012	2013	2014	2015
<b>Excise Taxes:</b>					
Off-Track Betting (Dividend)	\$—	\$—	\$—	\$—	\$—
OTB Surtax	1.3	1.3	1.3	1.3	1.3
Horse Race Admissions	—	—	—	—	—
Beer and Liquor	23.0	24.0	24.0	24.0	24.0
Liquor Licence	5.0	5.0	5.0	5.0	5.0
<b>Auto Related Taxes:</b>					
Commercial Motor Vehicle	47.5	47.5	47.5	47.5	47.5
Auto Use	28.0	29.0	29.0	29.0	29.0
Taxi Medallion	8.0	7.0	7.0	7.0	7.0
<b>Miscellaneous Taxes:</b>					
Section 1127 (Waiver)	116.9	116.9	116.9	116.9	116.9
PILOTs	260.0	210.9	212.2	223.8	223.8
Other Tax Refunds	(29.0)	(29.0)	(29.0)	(29.0)	(29.0)
<b>Penalties and Interest:</b>					
P&I - Real Estate Current Year	15.0	15.0	15.0	15.0	15.0
P&I - Real Estate Prior Year	30.0	30.0	30.0	30.0	30.0
P&I - Other (Refunds)	(3.0)	(3.0)	(3.0)	(3.0)	(3.0)
<b>Total All Other Taxes*</b>	<b>\$502.7</b>	<b>\$454.6</b>	<b>\$455.9</b>	<b>\$467.5</b>	<b>\$467.5</b>

\* Total may not add due to rounding

## STATE AND FEDERAL AGENDA

### Impact of State Executive Budget

The New York State Executive Budget includes \$2.1 billion in proposed cuts to New York City. These reductions and cost shifts are concentrated in education, revenue sharing, and social services.

The Executive Budget singles out New York City as the only locality slated for complete elimination of its revenue sharing payment. The revenue sharing program is the City's only source of unrestricted State aid and therefore is an invaluable, flexible funding stream. Other recipients would receive only 2 percent cuts, yet the City was targeted for a 100 percent, \$302 million cut. Last year's budget eliminated the City's revenue sharing payment, but committed to a restoration of the payment in SFY 2011-12. If that statutory promise is not kept and funding is not restored, this funding stream could be lost permanently for the City.

The largest single impact of the Executive Budget is a \$1.442 billion cut to New York City's schools. This cut includes a reduction of \$1.008 billion below education aid levels anticipated in the City's financial plan. The main component is a cut in school aid, and the remainder is composed of cost shifts for programs for children with disabilities. The remaining \$434 million is a result of the elimination of Foundation Aid increases scheduled under current law.

The Executive Budget cuts the state's reimbursement rate for summer special education by approximately half, resulting in an additional cost of \$120 million to the City budget. The Governor also reduces State support for the education of City students placed at private schools for the deaf and blind. Shifting the costs of these mandated services to districts would cost City taxpayers \$50 million.

The Governor has also proposed a \$53 million elimination of the State's support for living expenses for children with severe disabilities placed in residential schools. Again, these services are mandated by Federal and State law, and the State sets the rate the City is required to pay.

In total, the Executive Budget proposes several major changes in the financing of social services, with an immediate fiscal impact to the City of approximately \$375 million between FY 2011 and 2012. The impact to mandated services alone is \$127 million. The most costly proposal in the long term does not actually negatively impact FY12, but could end up costing the City \$200 million in FY13 and more in the future. The proposed funding change for Family Assistance and Safety Net Assistance increases the local share of Safety Net from 50 percent to 70 percent and uses surplus TANF funds to replace State and local Family Assistance shares. Once the State has exhausted its surplus TANF funding (primarily ARRA contingency) the savings could evaporate, leaving the City with a \$200 million new cost in the Safety Net program.

The Executive Budget proposes reducing its support for the court-mandated adult homeless shelter system by \$32 million. The City's system of about 60 shelters currently serves almost 9,000 homeless adults.

The Executive Budget also reduces the State's share of adoption subsidies for 30,000 families receiving a Federal and State mandated subsidy for adopting special needs and hard to place children. This is a \$45 million cost shift to the City's taxpayers.

The Executive Budget includes proposed changes to the funding and operation of the State and local juvenile justice system. New York City has articulated four priorities for reform of the system. The first is rate reform for localities. Currently, localities are forced to pay excess costs that have resulted from empty beds and sparsely filled facilities run by the State. Since 2001, the rates billed by the State have grown 192 percent, essentially requiring the City to fund State inefficiency. Second, the City supports returning children to New York City instead of requiring them to be placed far from their families and communities in upstate facilities. Next, the City is asking for State funding and oversight of private facilities, the costs of which are borne solely by New

York City and where an ever increasing share of City juveniles are placed. Finally, the City supports increased funding for community-based alternatives to detention and placement programs that allow participants to avoid institutional placements where possible while delivering the services and supervision necessary to support positive outcomes.

The Executive Budget proposes reducing the State's capacity in Office of Children and Families Services (OCFS) facilities by 30 percent. While the City supports reduction in unneeded capacity, the 30 percent reduction is not large enough to encompass the actual excess capacity, which is closer to 50 percent. The proposal also does not allow localities to share in savings produced by the facility closures. Instead, State savings are re-invested in the existing, failing system. The City supports the development of new options that are closer to home.

The Executive Budget also proposes capping and restricting detention funding. The existing funding partnership for the State's support of local detention will be replaced with a capped state contribution at a reduced level of \$20 million, down from the current State support for detention expenses, which is projected at \$35 million. The proposal restricts reimbursement to the highest-risk juveniles, excluding a population that will become the sole responsibility of the City. The City supports the proposed new funding stream for alternatives, but it forces a local share without passing down capacity savings. In addition, the new stream does not include enough funding to support both alternatives to detention and alternatives to placement programs. Unfortunately, the Executive Budget proposals do not address the funding or oversight of private facilities at all. The proposed changes to the juvenile justice system have an expected net cost to the City of \$7 million, which could increase to \$16 million if OCFS does not reduce their juvenile detention capacity.

The Executive Budget also cuts important non-mandated services. First, it eliminates State and Federal funding for rental subsidies to formerly homeless households leaving the shelter system, at a cost of \$192 million. The Executive Budget restricts Title XX discretionary funds that the City uses for senior centers, costing the City \$27 million. The Executive Budget changes the allocation of the Flexible Fund for Family Services, at a cost to the City of \$9 million. The Executive Budget also eliminates funding for summer youth employment, a loss to the City of \$9 million. It also combines several preventive services programs, including the Nurse-Family Partnership, Runaway and Homeless Youth, and Youth Development and Delinquency Prevention into a new block grant, which is expected to cost the City \$6 million. The remainder of the cuts affects non-residential domestic violence services, wage subsidy programs, and supportive housing for vulnerable populations including the mentally ill and people with HIV/AIDS.

Finally, the Executive Budget includes \$30 million in cuts to health and criminal justice. It eliminates Article VI public health funds used by the City for the Office of the Chief Medical Examiner and dental health services. Cuts to criminal justice are expected to reduce the City's state aid for probation services, prosecution, and other criminal justice services.

### **Restorations Required for Preliminary Budget**

The Preliminary Budget assumes \$600 million in State actions to restore reductions included in the New York State Executive Budget.

**Equitable Restoration of Revenue Sharing.** The Executive Budget includes a \$321 million cut to the revenue sharing program, yet virtually all of the cut would be borne by New York City. The City's current proposed cut is \$302 million, yet the entire rest of the State would be cut less than \$20 million. If the cut were distributed in an equitable, proportional manner, and each locality received an equal cut of 31 percent, the State could achieve the same level of savings while restoring more than \$200 million to New York City. The Preliminary Budget assumes the restoration of \$200 million in revenue sharing funds.

**Modest Restoration of School Aid.** The Preliminary Budget assumes a \$200 million restoration in education aid. Restoring the proposed cuts to summer special education and to schools for the deaf and blind, and a partial restoration of school aid would achieve these anticipated savings.

**Variable Supplement Fund Reduction.** The Variable Supplement Fund (VSF) pays members of the Police Pension Fund and the Fire Pension Fund who retire with at least 20 years of service \$12,000 per year in addition to their pension benefits. The Preliminary Budget assumes a savings of \$200 million per year for a modification of this costly non-pension benefit.

## **Federal Budget**

In addition to the proposed \$2.1 billion impact of the State budget, the City's Federal funds are at risk for major reductions in Federal Fiscal Years 2011 and 2012. In the current fiscal year, the Federal government has been operating under a series of continuing resolutions that maintained funding at approximately last year's level. Most recently, the House of Representatives has proposed a Continuing Resolution for FFY11 which contains about \$100 billion in national cuts. The cuts targeted many programs that are crucial to New York City, including Community Development Block Grants (CDBG), which were slated for a 62 percent reduction, the Public Housing Capital Fund, which was slated for a 40 percent reduction, and New York City's homeland security programs, which would receive a cut of more than \$20 million.

Federal Fiscal Year 2012 will begin on October 1, and there are already strong indications that local assistance programs will be substantially cut. On February 14, the President released the FFY12 budget proposal, which also included multiple cuts to localities. The President's proposed cut to CDBG would decrease the City's award by an estimated \$15 million. The City uses CDBG funds for housing code enforcement, emergency repairs, small business counseling, day care services, correction of code violations in senior centers, and dozens of other programs. The President's budget includes a substantial 17 percent cut to the Public Housing Operating Fund, requesting that local public housing authorities use reserves to cover the operating and maintenance payments provided by the fund. The New York City Housing Authority (NYCHA)'s projected share of the national cut is about \$140 million. NYCHA serves more than 400,000 residents in 334 developments, and it depends upon federal operating funding, which could be reduced by more than \$780 million nationally. The President's budget proposal halves the City's Community Services Block Grant (CSBG) and converts the remainder into a competitive block grant. This change will likely lead to a cut to New York City that will reduce its ability to fund the programs currently supported by CSBG, which include summer youth employment, adult literacy, and after-school programs. The budget proposal also includes a large cut to the Criminal Alien Assistance Program, further shifting the cost for the incarceration of criminal aliens to the City.

Federal budget negotiations will continue in the coming months. The current year reductions will be discussed and negotiated by Congress over the next several weeks, and the House of Representatives and Senate will respond to the President's FFY12 proposal throughout the spring and summer. Cuts to the City's federal funds remain a strong possibility in the current and next federal fiscal years.

## **CAPITAL PROGRAM**

The Modified Capital Commitment Plan for Fiscal Years 2011-2014 authorizes agencies to commit \$33.2 billion, of which \$27.6 billion will be City-Funded. City funds include proceeds of bonds issued by the City Municipal Water Finance Authority and the New York City Transitional Finance Authority as well as City general obligation bonds.

The targeted level for City-funded commitments is \$8.3 billion in Fiscal Year 2011. The aggregate agency-by-agency authorized commitments of \$11.5 billion exceed the Fiscal Year Financial Plan by \$3.2 billion. Excess authorizations in this proportion have proven necessary to achieve commitment spending targets by accommodating such factors as scope changes and delays.

## The Capital Program Since 2007

The following table summarizes capital commitments over the past four years.

### FY 2007-2010 Commitments Plan

(\$ in Millions)\*

	2007		2008		2009		2010	
	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds
<b>Environmental Protection</b>								
Equipment	\$92	\$93	\$149	\$150	\$174	\$174	\$137	\$237
Sewers	177	177	200	200	164	164	127	134
Water Mains, Sources & Treatment	2,253	2,253	1,839	1,838	663	663	660	660
Water Pollution Control	1,071	1,102	843	842	944	936	1,315	1,530
Water Supply	64	64	20	20	237	237	89	89
<b>Subtotal</b>	<b>\$3,657</b>	<b>\$3,690</b>	<b>\$3,051</b>	<b>\$3,051</b>	<b>\$2,182</b>	<b>\$2,175</b>	<b>\$2,327</b>	<b>\$2,650</b>
<b>Transportation</b>								
Mass Transit	\$43	\$43	\$40	\$40	\$71	\$71	\$100	\$117
Bridges	254	262	443	783	338	513	532	1,165
Highways	319	345	325	360	226	334	375	437
<b>Subtotal</b>	<b>\$616</b>	<b>\$650</b>	<b>\$808</b>	<b>\$1,184</b>	<b>\$635</b>	<b>\$918</b>	<b>\$1,007</b>	<b>\$1,719</b>
<b>Education</b>								
Education	\$1,143	\$3,216	\$1,127	\$3,205	\$991	\$2,656	\$1,123	\$2,265
Higher Education	22	22	129	132	205	210	29	31
<b>Subtotal</b>	<b>\$1,165</b>	<b>\$3,238</b>	<b>\$1,255</b>	<b>\$3,337</b>	<b>\$1,196</b>	<b>\$2,866</b>	<b>\$1,152</b>	<b>\$2,296</b>
<b>Housing And Economic Development</b>								
Economic Development	\$134	\$175	\$380	\$398	\$300	\$373	\$399	\$461
Housing	218	299	351	453	243	358	192	293
<b>Subtotal</b>	<b>\$353</b>	<b>\$475</b>	<b>\$731</b>	<b>\$851</b>	<b>\$543</b>	<b>\$730</b>	<b>\$591</b>	<b>\$754</b>
<b>Administration Of Justice</b>								
Correction	\$44	\$44	\$6	\$6	\$40	\$40	\$68	\$68
Courts	159	159	540	540	11	11	77	77
Police	87	87	101	101	146	146	805	805
<b>Subtotal</b>	<b>\$290</b>	<b>\$290</b>	<b>\$647</b>	<b>\$647</b>	<b>\$197</b>	<b>\$197</b>	<b>\$950</b>	<b>\$950</b>
<b>City Operations &amp; Facilities</b>								
Cultural Institutions	\$97	\$102	\$211	\$212	\$426	\$430	\$319	\$338
Fire	116	119	121	153	71	71	120	136
Health & Hospitals	230	230	231	231	281	281	175	175
Parks	464	476	507	545	504	551	519	542
Public Buildings	95	95	165	165	141	141	91	91
Sanitation	189	189	172	173	170	171	503	503
Technology & Equipment	681	706	864	864	656	664	1,035	1,033
Other	219	286	246	294	261	336	225	277
<b>Subtotal</b>	<b>\$2,090</b>	<b>\$2,203</b>	<b>\$2,517</b>	<b>\$2,638</b>	<b>\$2,510</b>	<b>\$2,644</b>	<b>\$2,986</b>	<b>\$3,094</b>
<b>Total Commitments</b>	<b>\$8,171</b>	<b>\$10,546</b>	<b>\$9,008</b>	<b>\$11,707</b>	<b>\$7,264</b>	<b>\$9,531</b>	<b>\$9,014</b>	<b>\$11,463</b>
<b>Total Expenditures</b>	<b>\$5,098</b>	<b>\$7,496</b>	<b>\$6,310</b>	<b>\$9,005</b>	<b>\$7,248</b>	<b>\$10,044</b>	<b>\$9,824</b>	<b>\$10,536</b>

\* Note: Individual items may not add to totals due to rounding.

## FY 2011-2014 Commitments Plan

(\$ in Millions)\*

	2011		2012		2013		2014	
	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds
<b>Environmental Protection</b>								
Equipment	\$157	\$161	\$87	\$87	\$99	\$109	\$176	\$176
Sewers	484	551	336	468	172	172	195	195
Water Mains	972	1,097	575	575	512	512	262	262
Water Pollution Control	631	639	398	398	473	473	657	657
Water Supply	5	5	190	190	678	678	322	322
<b>Subtotal</b>	<b>\$2,249</b>	<b>\$2,453</b>	<b>\$1,586</b>	<b>\$1,718</b>	<b>\$1,935</b>	<b>\$1,945</b>	<b>\$1,613</b>	<b>\$1,613</b>
<b>Transportation</b>								
Mass Transit	\$213	\$266	\$105	\$105	\$40	\$40	\$40	\$40
Bridges	217	247	327	710	180	253	185	296
Highways	518	710	335	473	238	277	183	232
<b>Subtotal</b>	<b>\$947</b>	<b>\$1,223</b>	<b>\$767</b>	<b>\$1,288</b>	<b>\$457</b>	<b>\$570</b>	<b>\$409</b>	<b>\$568</b>
<b>Education</b>								
Education	\$1,128	\$1,975	\$1,358	\$1,858	\$886	\$1,386	\$1,169	\$1,669
Higher Education	251	261	0	0	44	44	3	3
<b>Subtotal</b>	<b>\$1,379</b>	<b>\$2,236</b>	<b>\$1,358</b>	<b>\$1,858</b>	<b>\$929</b>	<b>\$1,430</b>	<b>\$1,171</b>	<b>\$1,671</b>
<b>Housing And Economic Development</b>								
Economic Development	\$776	\$965	\$261	\$261	\$261	\$261	\$24	\$24
Housing	544	730	188	332	282	390	253	365
<b>Subtotal</b>	<b>\$1,320</b>	<b>\$1,695</b>	<b>\$448</b>	<b>\$593</b>	<b>\$543</b>	<b>\$651</b>	<b>\$278</b>	<b>\$390</b>
<b>Administration Of Justice</b>								
Correction	\$256	\$256	\$132	\$132	\$70	\$70	\$553	\$553
Courts	139	139	23	23	58	58	27	27
Police	256	256	42	42	66	66	71	71
<b>Subtotal</b>	<b>\$651</b>	<b>\$651</b>	<b>\$197</b>	<b>\$197</b>	<b>\$194</b>	<b>\$194</b>	<b>\$651</b>	<b>\$651</b>
<b>City Operations &amp; Facilities</b>								
Cultural Institutions	\$396	\$446	\$91	\$91	\$95	\$95	\$18	\$18
Fire	185	194	89	89	87	87	35	35
Health & Hospitals	644	664	275	276	312	312	58	59
Parks	961	1,146	122	144	249	249	71	71
Public Buildings	359	360	296	296	80	80	43	43
Sanitation	577	583	114	114	106	106	79	79
Technology & Equipment	1,107	1,151	448	448	431	431	98	98
Other	751	1,006	145	247	163	449	71	128
<b>Subtotal</b>	<b>\$4,979</b>	<b>\$5,549</b>	<b>\$1,580</b>	<b>\$1,705</b>	<b>\$1,523</b>	<b>\$1,810</b>	<b>\$471</b>	<b>\$529</b>
<b>Total Commitments</b>	<b>\$11,525</b>	<b>\$13,808</b>	<b>\$5,936</b>	<b>\$7,358</b>	<b>\$5,581</b>	<b>\$6,599</b>	<b>\$4,593</b>	<b>\$5,422</b>
<b>Reserve For Unattained Commitments</b>	<b>(\$3,248)</b>	<b>(\$3,248)</b>	<b>\$584</b>	<b>\$584</b>	<b>(\$221)</b>	<b>(\$221)</b>	<b>\$268</b>	<b>\$268</b>
<b>Commitment Plan</b>	<b>\$8,277</b>	<b>\$10,560</b>	<b>\$6,520</b>	<b>\$7,942</b>	<b>\$5,360</b>	<b>\$6,378</b>	<b>\$4,861</b>	<b>\$5,690</b>
<b>Total Expenditures</b>	<b>\$8,524</b>	<b>\$9,867</b>	<b>\$7,429</b>	<b>\$8,826</b>	<b>\$6,703</b>	<b>\$8,155</b>	<b>\$6,485</b>	<b>\$7,832</b>

\*Note: Individual items may not add to totals due to rounding.

## **The Department of Design and Construction**

The Department of Design and Construction was created in October 1995 by Local Law 77, which authorized it to assume responsibility for construction projects performed by the departments of Transportation, Environmental Protection and General Services. The Department delivers the City's construction projects in an expeditious, cost-effective manner, while maintaining the highest degree of architectural, engineering and construction quality. The Department performs design and construction functions related to streets and highways; sewers; water mains; correctional and court facilities; cultural buildings; libraries; and other public buildings, facilities and structures.

The consolidation of design and construction into a single agency allows for the elimination of duplicative program units within agencies; the standardization of construction procedures and practices; the implementation of reforms of current practices relating to procurement for construction projects; and the expansion of the use of construction-related technology, such as Computer-Aided Drafting and Design (CADD); and a project management information system. The Department also enables the City to coordinate a wide variety of construction projects with utilities, community representatives, and private industry, thus minimizing the disruption to individual neighborhoods caused by water-main projects, sewer construction, and road work, as well as reducing the costs associated with such projects. The Department of Design and Construction serves 22 client agencies.

## **Capital Asset Inventory and Maintenance Program**

The Charter mandates an annual assessment of the City's major assets, including buildings, piers, bulkheads, bridges, streets and highways, and the preparation of state of good repair needs for these assets. The annual report, used by agencies for capital planning purposes, includes, as a separate volume, a reconciliation of the amounts recommended in the condition assessment with amounts funded in the budget.

## **Value Engineering**

For the past 27 years, the Mayor's Office of Management and Budget (OMB) has successfully used several review and assessment tools of value management as a means of maximizing the City's return on investment. These include the value engineering and value analysis methodologies, defined below:

Value Engineering (VE) systematically reviews construction designs, costs and functions for the purpose of achieving the most effective project at the lowest life-cycle cost for both capital and operating expenses. Value Engineering is conducted on selected major capital projects at an early enough phase to confirm that their scope includes all required elements, to identify potential problems and to incorporate solutions and recommendations into the design.

Value Analysis (VA) fundamentally redesigns key operational functions to effect increased efficiency and improvements. Value analysis is applied to the review of the City's operational processes and procedures to assist agencies in streamlining their operations.

In its role as technical support, the Value Engineering Unit is able to provide expertise otherwise unavailable in-house, both at OMB and other agencies. Working with a VE team of outside consultants and experts, along with input from agency clients, the VE Unit is able to review capital projects and operational processes, and greatly contribute to the effectiveness of how the City conducts its business and manages its resources. This truly collaborative effort also provides a forum to address the concerns of the interested parties. Recommendations stemming from VE reviews enable agency policy makers to make an informed assessment on the viability of a project's scope, cost and schedule, which often result in substantial construction cost savings. In many cases it also results in improved designs and future operational savings.

Projects earmarked for future VE reviews include bridges, dams, cultural institutions, water treatment facilities and hospitals.

Value Analysis has provided agencies with new operational and functional processes for existing programs, and often offers a new paradigm for providing services. One of the essential goals of Value Analysis is to provide a structure within which a client agency's operations can be reviewed and changed by those closest to the process with support from the decision-makers charged with performing the agency's mission. This process also creates internal champions for change which can support the likelihood of success.

OMB continues to be on the forefront in Value Management (VM). The City's VM program has provided agencies with a management tool that allows participation in the decision-making process by personnel at various levels, thereby adding collaborative and constructive input to the overall "big picture" scope of projects.

## FINANCING PROGRAM

The City's financing program projects \$35 billion of long-term borrowing for the period 2011 through 2015 to support the City's current capital program. The portion of the capital program not financed by the New York City Municipal Water Finance Authority (NYW or the Authority) will be split between General Obligation (GO) bonds of the City and the Transitional Finance Authority (TFA). Figures below do not include state funded financing for education capital purposes through TFA Building Aid Revenue Bonds (BARBs):

### Financing Program

(\$ in Millions)

	2011	2012	2013	2014	2015	Total
City General Obligation Bonds	\$2,475	\$2,640	\$2,420	\$2,410	\$2,210	\$12,155
TFA Bonds <sup>(1)</sup>	3,600	2,640	2,420	2,410	2,210	13,280
Water Authority Bonds <sup>(2)</sup>	3,008	1,978	1,657	1,487	1,231	9,361
<b>Total</b>	<b>\$9,083</b>	<b>\$7,258</b>	<b>\$6,497</b>	<b>\$6,307</b>	<b>\$5,651</b>	<b>\$34,796</b>

(1) TFA Bonds do not include BARBs issued for education capital purposes. TFA expects to issue \$922 million, \$619 million, \$610 million, \$629 million and \$617 million of such bonds in fiscal years 2011 through 2015, respectively.

(2) Includes commercial paper and revenue bonds issued for the water and sewer system's capital program. Figures do not include bonds that refund commercial paper or refunding bonds.

The following three tables show statistical information on debt issued and expected to be issued by the financing entities described above, other than BARBs to be issued by the TFA.

### Debt Outstanding

(\$ in Millions at year end)

	2011	2012	2013	2014	2015
City General Obligation Bonds	\$42,242	\$42,877	\$43,105	\$43,315	\$43,206
TFA Bonds <sup>(1)</sup>	19,096	21,141	22,775	24,355	25,681
TSASC Bonds	1,255	1,244	1,232	1,219	1,205
Conduit Debt	1,845	1,773	1,699	1,617	1,535
<b>Total</b>	<b>\$64,438</b>	<b>\$67,035</b>	<b>\$68,811</b>	<b>\$70,506</b>	<b>\$71,628</b>
Water Authority Bonds <sup>(2)</sup>	\$26,898	\$28,642	\$30,040	\$31,156	\$31,960

(1) Figures above do not include state funded financing for education capital purposes through the TFA Building Aid Revenue Bonds (BARBs).

(2) Net of economically defeased debt.

### Annual Debt Service Costs

(\$ in Millions, Before Prepayments)

	2011	2012	2013	2014	2015
City General Obligation Bonds <sup>(1)</sup>	\$3,732	\$4,017	\$4,465	\$4,542	\$4,719
TFA Bonds <sup>(2)</sup>	1,094	1,582	1,869	2,044	2,225
TSASC Bonds	74	74	74	75	75
Conduit Debt <sup>(3)</sup>	220	309	338	333	325
<b>Total Debt Service</b>	<b>\$5,120</b>	<b>\$5,982</b>	<b>\$6,746</b>	<b>\$6,994</b>	<b>\$7,344</b>
Water Authority Bonds <sup>(4)</sup>	\$1,318	\$1,582	\$1,692	\$1,885	\$1,998

(1) Includes interest on short-term obligations (RANs).

(2) Figures above do not include state funded financing for education capital purposes through the TFA Building Aid Revenue Bonds (BARBs).

(3) Conduit Debt debt service includes interest on Hudson Yards Infrastructure Corporation (HYIC) debt. Such debt is not included in the "Debt Outstanding" table above because the City is not required to pay principal of the HYIC debt.

(4) Includes First Resolution debt service, commercial paper interest and Second Resolution debt service net of subsidy payments from the NYS Environmental Facilities Corporation and federal subsidy payments on BABS. Water Authority Bonds debt service is net of debt service on economically defeased debt.

### Debt Burden

	2011	2012	2013	2014	2015
Total Debt Service <sup>(1)</sup> (NYC GO, Lease & TFA) as % of:					
a. Total Revenue <sup>(2)</sup>	7.7%	9.0%	10.0%	10.1%	10.4%
b. Total Taxes <sup>(3)</sup>	12.6%	14.1%	15.5%	15.5%	15.7%
c. Total NYC Personal Income	1.2%	1.3%	1.4%	1.4%	1.4%
Total Debt Outstanding <sup>(1)</sup> (NYC GO, Lease & TFA) as % of:					
a. Total NYC Personal Income	14.5%	14.7%	14.6%	14.3%	13.8%

(1) Total debt service and debt outstanding include GO, conduit debt and TFA.

(2) Total revenue includes amounts required to pay debt service on TFA bonds other than BARBs (PIT Bonds) and operating expenses.

(3) Total tax includes amount required to pay debt service on PIT Bonds and TFA operating expenses.

The financing of the City capital program is split among GO, TFA and NYW bond issuance. The City and TFA will issue \$12.2 billion and \$13.3 billion, respectively, during the plan period. The City issuance supports 35 percent of the total, while TFA issuance supports 38 percent of the total. NYW’s annual bonding amount, excluding refundings, will average approximately \$1.9 billion. The aggregate NYW financing during the plan period will account for 27 percent of the total financing program.

In spite of recent financial market dislocations, the City, TFA, and NYW have enjoyed continued market access which has allowed the City capital program to continue to be financed at reasonable interest rates. All of the issuers financing the City capital program have maintained credit ratings in the “AA” or better category by Moody’s, Standard & Poor’s, and Fitch, as indicated in the table below.

### Ratings

Issuer	Fitch	Moody’s	Standard and Poor’s
NYC GO	AA	Aa2	AA
TFA Senior	AAA	Aaa	AAA
TFA Subordinate	AAA	Aa1	AAA
TFA BARBs	AA-	Aa3	AA-
NYW First Resolution	AA+	Aa1	AAA
NYW Second Resolution	AA+	Aa2	AA+
EFC Senior SRF Bonds	AAA	Aaa	AAA
EFC Subordinated SRF Bonds	AA+	Aa1	AA+

### Federally-Subsidized American Recovery and Reinvestment Act (ARRA) Bonds

The City and its financing entities (NYC GO, TFA, and NYW) made significant use of the various types of bonds authorized during the life of the ARRA program. Build America Bonds (BABs), which carry a 35% subsidy payment from the Federal Government on taxable bond interest, generated significant savings relative to tax-exempt financing. The City issued \$4.4 billion of BABs, while TFA issued \$3.3 billion, and NYW issued \$3.7 billion of BABs. Compared to tax-exempt financing, the savings from BABs ranged from 10 to 100 basis points depending on the term of the bond and market conditions at the time of issuance.

The City and NYW also made use of the City’s full allocation of Recovery Zone Economic Development Bonds (RZDBs). The City issued \$22.135 million of RZDBs while NYW issued \$59 million of such bonds. Like the BABs, RZDBs are issued on a taxable basis and receive a subsidy payment from the Federal Government. However, the RZDBs receive a higher subsidy rate (45%) and can only be used to finance economic development projects in a recovery zone.

Although the authorization has lapsed for BAB issuance and the allocation for RZDBs has been fully utilized, there remains issuance authorization for Qualified School Construction Bonds (QSCBs). The interest subsidy on QSCBs is the lower of the actual bond rate and a published maximum determined by the Federal Government.

Interest on the TFA QSCBs issued to date, totaling \$397 million, is fully subsidized. The financial plan reflects an additional \$1.3 billion of QSCB issuance.

### New York City General Obligation Bonds

Since July 1, 2010, the City has issued approximately \$1.4 billion in refunding bonds and \$2 billion in bonds for capital purposes, totaling approximately \$3.4 billion. The dates and principal amounts are as follows:

### NYC GO Issuances

(\$ in Millions)

Series	(N)ew Money/ (R)efunding	Issue Date	Tax Exempt Amount	Taxable Amount	BAB Amount	Total Par Amount
2011 AB	R	08/12/2010	\$963	\$—	\$—	\$963
2011 C	N	10/20/2010	—	150	775	925
2011 DE	R	10/20/2010	300	—	—	300
2011 F <sup>(1)</sup>	N	12/21/2010	75	148	902	1,125
2011 GH	R	01/04/2011	100	—	—	100
<b>Total</b>			<b>\$1,438</b>	<b>\$298</b>	<b>\$1,677</b>	<b>\$3,413</b>

(1) 2011F includes \$22.14 million of RZDB issuance and \$879.86 million of BAB issuance.

The \$1.4 billion of refunding transactions the City has completed to date in fiscal year 2011 generated approximately \$108 million of debt service savings during the financial plan period.

In addition to the financings described above, the City plans to issue \$425 million of GO bonds for capital purposes in the remainder of 2011 and \$2.6 billion, \$2.4 billion, \$2.4 billion and \$2.2 billion in 2012 through 2015, respectively.

Currently the debt service for the City, TFA (excluding BARBs), and City appropriation debt, or conduit debt, excluding the effect of pre-payments, is 7.7 percent of the City's total budgeted revenues in 2011. That ratio is projected rise to 10.4 percent in 2015. As a percentage of tax revenues, the debt service ratio is 12.6 percent in 2011 and is projected to increase to 15.7 percent in 2015.

During fiscal year 2011, short-term interest rates relating to the \$6.36 billion of floating rate debt (including synthetic floating-rate debt, auction rate bonds and variable-rate demand bonds) issued by the City have been 0.25 percent on average for tax-exempt and 0.40 percent for taxable floating rate debt. These rates have continued to provide extremely attractive financing costs relative to fixed rate debt despite the recent market turmoil. Tax exempt floating rate debt has traded recently at rates that are approximately 500 basis points lower than those for the City's long term fixed-rate debt, resulting in an annual savings of over \$300 million.

In 2011, the City did not require a note issuance to satisfy cash flow needs. The City's financing program assumes the issuance of \$2.4 billion of notes annually through the remainder of the financial plan.

### New York City Related Issuers - Variable Rate Debt

As discussed above, floating rate bonds have been a reliable source of cost savings in the City's capital program. In considering the proportion of the City's debt which is in variable rather than fixed rates, it is useful to consider all sources of financing with the exception of NYW, which is typically considered separately for such purposes. Included would be not only City GO bonds but also TFA, TSASC bonds and conduit debt. The City and its related entities have approximately \$10.6 billion of floating rate exposure.

While bank facilities supporting floating rate debt have become more scarce and expensive, the City and other issuers supporting the City capital program have maintained, and even increased floating rate exposure to minimize interest costs. The City and related financing entities have managed bank facility expirations by obtaining renewals from existing providers or replacement facilities from new providers. In addition, the City and related financing entities have explored new floating rate structures not requiring bank facilities. During fiscal year 2011, the City and TFA entered into four private placements totaling approximately \$750 million of index floating rate bonds bearing all-in costs comparable to publicly sold variable rate demand bonds with bank facilities.

The City has not entered into any new interest rate swaps to date in fiscal year 2011. The total notional amount of swaps outstanding as of December 31, 2010 was \$2.6 billion, on which the termination value was negative \$157 million. This is the theoretical amount which the City would pay if all of the swaps terminated under market conditions as of December 31, 2010.

The following table shows the City's and its related issuers' floating rate exposure. Floating rate exposure is of note because certain events can cause unexpected increased costs. Those events include rising interest rates, a change in the tax code (in the case of tax-exempt debt), and the deterioration of the City's credit. Additionally, the deterioration of the credit of a related credit or liquidity provider can also have an impact on interest cost. By contrast, the cost of outstanding fixed rate debt does not increase if any of the previously mentioned events takes place. On the other hand, fixed rate borrowing locks in a higher borrowing cost if interest rates do not change materially or if they decline. Overall, floating rate exposure benefits the City because it reduces the cost of financing. In short, interest costs on short term debt are almost always lower than long term debt. The City has assumed floating rate exposure using a variety of instruments, including tax exempt floating rate debt, taxable floating rate debt, synthetic floating rate debt through total return swaps, basis swaps, and certain types of synthetic fixed rate debt. The basis swaps and certain synthetic fixed rate debt provide exposure to changes in the tax code but are largely insensitive to changes in interest rates and changes in the City's credit. Given that those instruments provide only limited floating rate exposure, they are counted as variable rate exposure at less than the full amount of par or notional amount. Instruments that provide exposure only to changes in the tax code are counted at 25 percent of par or notional amount in the table below. Since an agreement to enter into a swap in the future, at the counterparty's option (a "swaption"), is a contingent liability, the swaptions which the City has entered into are not counted as floating rate exposure.

### NYC Floating-Rate Exposure<sup>(1)</sup>

(\$ in Millions)

	GO	TFA	Lease	TSASC	Total
Natural VRDB & Auction Rate Bonds	\$5,858	\$3,695	\$30	\$—	9,583
Synthetic Fixed	237	—	31	—	269
Taxable Basis Swap	142	—	—	—	142
Total Return Swap	500	—	—	—	500
Enhanced Basis Swap	125	—	—	—	125
<b>Total Floating-Rate</b>	<b>\$6,863</b>	<b>\$3,695</b>	<b>\$61</b>	<b>\$—</b>	<b>\$10,619</b>
<b>Total Debt Outstanding</b>	<b>\$42,242</b>	<b>\$19,096</b>	<b>\$1,845</b>	<b>\$1,255</b>	<b>\$64,437</b>
% of Floating-Rate / Total Debt Outstanding					16.5%
<b>Total Floating-Rate Less \$4.9 Billion Balance in     General Fund (Floating-Rate Assets)</b>					<b>5,687</b>
% of Net Floating Rate / Total Debt Outstanding					8.8%

(1) Debt Outstanding as of the February 2011 Financial Plan excluding NYW, HYIC, and TFA BARBs

The 16.5 percent floating rate exposure, including the risk from the synthetic fixed rate swaps, the basis swaps, and the “total return” swaps, is even more manageable after taking into account the 10 year average balance of \$4.9 billion of short-term assets in the City’s General Fund which are an offset to these floating rate liabilities. Net of these floating rate assets, the floating rate exposure of the City, excluding NYW, is 8.8 percent of its outstanding debt. Moreover, the City uses conservative assumptions in budgeting expenses from floating rate instruments.

### **The New York City Municipal Water Finance Authority**

The New York City Municipal Water Finance Authority (NYW) was created in 1985 to finance capital improvements to the City’s water and sewer system. Since its first bond sale in November 1985, the Authority has sold \$44 billion in bonds. These bond issuances included a combination of general (first) resolution, second general resolution and subordinated special resolution crossover refunding water and sewer system revenue bonds. Of this aggregate bond par amount, \$26.2 billion is outstanding, \$13.3 billion was refinanced with lower cost debt, \$772 million was defeased with Authority funds prior to maturity, and \$3.7 billion was retired with revenues as it matured.

In addition to this long-term debt, NYW uses a \$800 million tax-exempt commercial program as a source of flexible short-term financing. The commercial paper includes \$400 million of unenhanced extendible municipal commercial paper (EMCP) notes and \$400 million of notes backed by lines of credit from three banks.

NYW’s outstanding debt also includes floating rate bonds, which have been a reliable source of cost effective financing. NYW has \$2.7 billion of floating rate bonds or 10% of its outstanding debt. NYW’s floating rate exposure primarily includes tax-exempt floating rate debt supported by liquidity facilities, and \$200 million of synthetic variable rate debt.

NYW participates in the State Revolving Fund (SRF) program administered by the New York State Environmental Facilities Corporation (EFC). The SRF provides a source of long-term below-market interest rate borrowing, subsidized from federal capitalization grants, state matching funds and other funds held by EFC.

On September 23, 2010, NYW issued \$750 million of new money fixed rate Second Resolution General Revenue bonds, Fiscal 2011 Series AA Taxable Build America Bonds. BABs allow NYW to issue higher cost taxable bonds and receive a reimbursement from the federal government for 35% of the annual interest on the bonds. This bond issue included two term bonds maturing in 2041 and 2043.

On September 30, 2010, NYW issued \$210.04 million of tax-exempt refunding bonds under the second general resolution. The 2011 Series BB bonds refunded all outstanding 1999 Series A first resolution bonds and a portion of the 2001 Series D first resolution bonds. The Fiscal 2011 Series BB bonds included serial bonds maturing from 2011 through 2031.

On November 18, 2010, NYW issued \$750 million of new money fixed rate Second Resolution General Revenue bonds, Fiscal 2011 Series CC Taxable Build America Bonds. This bond issue included two term bonds maturing in 2042 and 2044. The 2042 term bonds include \$59 million of RZDBs. RZDBs are issued on a taxable basis and receive a 45% subsidy payment from the Federal Government. RZDBs can only be used to finance economic development projects in a recovery zone.

Additionally, on November 18, 2010, NYW issued \$275 million of new money adjustable rate tax-exempt bonds under its Second General Resolution, Fiscal 2011 Series DD-1, DD-2 and DD-3A and DD-3B bonds. The bonds are backed by standby bond purchase agreements from three banks and a public sector pension fund. These bonds will mature in 2043.

On January 27, 2011, NYW closed \$450 million of new money tax-exempt fixed rate Second Resolution Revenue bonds, Fiscal 2011 Series EE. This bond issue included term bonds maturing in 2040 and 2043.

Summarized in the following table are seven bond series that closed to date in Fiscal Year 2011. The proceeds of new money bonds refinanced commercial paper previously issued by NYW, paid costs of improvements to the water and sewer system or paid principal and interest on certain of the Authority's outstanding debt and paid the costs of issuance.

### NYW Issuance

Series	(N)ew Money/ (R)efunding	Issue Date	Par Amount	True Interest Cost (TIC)	Longest Maturity
2011 Series AA	N	9/23/10	\$750,000,000	3.64% <sup>(1)</sup>	2043
2011 Series BB	R	9/30/10	\$210,040,000	4.12%	2031
2011 Series CC	N	11/18/10	\$750,000,000	3.90% <sup>(1)</sup>	2044
2011 Series DD-1, DD-2, DD-3 A&B	N	11/18/10	\$275,000,000	0.21% <sup>(2)</sup>	2043
2011 Series EE	N	1/27/11	\$450,000,000	5.57%	2043

(1) Bonds issued as Build America Bonds; rate shown net of subsidy provided by the federal government.

(2) Bonds issued as variable rate demand bonds; rate shown is an average from the issue date through January 27, 2011.

On November 19, 2009, EFC entered into an agreement to provide NYW a direct loan in an amount up to \$217.5 million, with funds made available through ARRA. NYW expects to receive these funds to pay for certain capital projects over the next several years. As of January 21, 2011, NYW has drawn on \$11.2 million of the loan.

NYW is a party to four interest rate exchange agreements (swaps) with a total notional amount of \$621 million. As of December 31, 2010, the mark-to-market value of the swaps was negative \$36.8 million. This is the theoretical amount which NYW would pay if all swaps terminated as of December 31, 2010.

NYW expects to issue approximately \$1.0 billion of new money bonds over the remainder of Fiscal 2011.

During the period from 2012 to 2015, NYW expects to sell an average of approximately \$1.7 billion of new money debt per year. Of this amount, NYW plans to issue a minimum of \$300 million per year through EFC, taking advantage of the interest rate subsidy available for qualifying projects, and minimizing the overall costs of its financing program. NYW expects to issue its remaining new debt in 2010 as both fixed rate and variable rate. After 2011, NYW expects to issue approximately 85 to 90 percent of its new debt per year as fixed rate debt with the remainder issued as variable rate debt, subject to market conditions.

### The New York City Transitional Finance Authority

The TFA is a corporate governmental agency constituting a public benefit corporation and instrumentality of the State of New York created by Chapter 16 of the Laws of 1997 in March 1997. The TFA was created to issue debt, primarily secured with the City's personal income tax (PIT), to fund a portion of the capital program of the City. The TFA was originally authorized to issue up to \$7.5 billion of bonds and notes. On September 13, 2001, the TFA was given statutory authority to borrow \$2.5 billion to finance costs related to the September 11th terrorist attack on the City. Most recently, TFA was permitted to have \$13.5 billion of debt outstanding and any amounts over and above that level are subject to the City's remaining debt incurring power under the State constitutional debt limit.

Since July 1, 2010, the TFA has issued approximately \$3.6 billion in bonds for capital purposes. The dates and principal amounts are as follows:

### NYC TFA Issuances

(\$ in Millions)

Series	(N)ew Money/ (R)efunding	Issue Date	Tax Exempt Amount	Taxable Amount	BAB Amount	Total Par
2011A <sup>(1)</sup>	N	8/16/2010	\$239	\$—	\$761	\$1,000
2011B	N	11/3/2010	50	100	700	850
2011C	N	1/20/2011	875	—	—	875
2011D	N	2/10/2011	775	100	—	875
<b>Total</b>			<b>\$1,939</b>	<b>\$200</b>	<b>\$1,461</b>	<b>\$3,600</b>

(1) 2011A is inclusive of \$147.1 million of QSCB issuance and \$615.4 million of BAB issuance.

The TFA plans to issue \$2.6 billion, \$2.4 billion, \$2.4 billion and \$2.2 billion in years 2012 through 2015, respectively.

In April 2006, the State enacted legislation authorizing issuance by the TFA of an additional \$9.4 billion of bonds to be used to fund capital costs for the Department of Education. This legislation also provided for the assignment to TFA of State building aid that had previously been paid directly to the City. Since the inception of this financing program, the TFA has issued \$4.43 billion of BARBs to fund the capital program of the Department of Education. The \$4.43 billion is inclusive of \$350 million of BARBs that were issued in November. Of this amount, \$295 million were issued as BABs rather than traditional tax exempt bonds. The TFA plans to issue \$572 million of BARBs for the educational capital program in the remainder of 2011 and \$619 million, \$610 million, \$629 million and \$617 million in 2012 through 2015, respectively.

### Hudson Yards Infrastructure Corporation

In December 2006, HYIC, a not-for-profit local development corporation, issued its first series of bonds in the principal amount of \$2 billion. HYIC was established to provide financing for infrastructure improvements to facilitate economic development on Manhattan's far west side. Improvements include the extension of the No. 7 subway line west and south, construction of a system of parks, streets, and open spaces, as well as the acquisition of development rights over the MTA rail yards. Principal on the HYIC bonds will be repaid from revenues generated by this new development, notably payments-in-lieu-of-property taxes (PILOT) on the commercial development and various developer payments. To the extent these revenues are not sufficient to cover interest payments, the City has agreed to make interest support payments to HYIC subject to appropriation. In addition, HYIC expects a second and final issuance of \$1 billion of Senior Bonds in late 2011. In November 2007, the board of the MTA approved the initial tunneling contract for the No. 7 line extension for a cost of \$1.14 billion. The shafts for the two subway tunnels have been under construction since February of 2008. The components of the Tunnel Boring Machine that construct the tunnels were delivered to the site in the first quarter of calendar year 2009. Tunneling was completed in July 2010 and the entire subway is due to be operational in December 2013. In May 2010, the MTA entered into agreements to enter into a lease with two affiliates of The Related Companies for their development of the eastern and western sections of the MTA's West Side Rail Yard. Pursuant to such agreements, the two Related entities will be required to enter into Rail Yard development leases with the MTA when certain statistical thresholds associated with real estate market conditions are met. Altogether, the development of the West Side Rail Yard will comprise a 12 million square foot mixed-use project, including the construction of platforms. MTA has estimated the present value of the lease payments to be made to the MTA to be \$1 billion. The Related entities will pay PILOT to HYIC.

## **Conduit Debt**

There have been a number of bond issuances by other entities which impact the City's debt service budget. In June 2010, the Dormitory Authority of the State of New York (DASNY) sold approximately \$131 million of refunding bonds by competitive bid, which resulted in over \$5.4 million of savings in 2011. This bond issue refunded debt previously issued to finance capital projects for HHC. In August 2010, DASNY sold approximately \$30 million of refunding bonds by negotiated sale. This bond issue refunded debt issued on behalf of the Primary Care Development Corporation (PCDC). Under this bond resolution, the City pays the debt service subject to appropriation and PCDC pays the City for most of the bond payments. The refinancing generated just under \$400 thousand of savings recurring annually over life of the transaction (until 2025), which benefits PCDC. In the following month, DASNY refinanced debt previously issued for CUNY. The City received debt service savings of \$4 million in 2011 and approximately \$2.6 million annually from 2012 through 2015. In January 2011, the Educational Construction Fund (ECF) sold approximately \$137 million of new money bonds by competitive bid. Under this bond resolution, the debt is paid by revenues generated by ECF. Should ECF revenues be insufficient to pay debt service, the City will make up any shortfall, subject to appropriation.

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# Supplemental Information

## EXPENDITURE ASSUMPTIONS

The expenditure estimates in the plan reflect the four-year financial plan submitted on November 18, 2010 adjusted for new needs, initiatives in the program to eliminate the gap (PEG's), approved categorical budget modifications through February 14, 2011, and changes in inflation.

### Personal Services

The estimates for Personal Services over the five-year period of the plan are as follows:

	(\$ in Millions)				
	2011	2012	2013	2014	2015
Salaries & Wages	\$22,057	\$21,115	\$21,061	\$21,030	\$20,841
Pensions	6,999	8,419	8,566	8,444	8,721
Other Fringe Benefits	7,664	7,994	8,439	8,959	9,523
Retiree Health Benefits Trust	(395)	(672)	—	—	—
Reserve for Collective Bargaining:					
Department of Education	12	42	40	40	40
Other	55	106	270	528	804
<b>Total</b>	<b>\$36,392</b>	<b>\$37,004</b>	<b>\$38,376</b>	<b>\$39,001</b>	<b>\$39,929</b>

### Salaries & Wages

The projections for salaries and wages reflect personnel costs associated with current and projected headcount levels assuming implementation of projected PEG initiatives, and also including recognized needs and any wage adjustments from rounds of collective bargaining that have been implemented.

### Pensions and Other Fringe Benefits

Pension expenses for 2011 and beyond are based on valuation estimates prepared by the Office of the Actuary and reflect current funding assumptions adopted by the trustees and supported by state law. Certain adjustments have been made to reflect changes in the City's planned payroll. The valuation projections incorporate the impact of a 5.4 percent pension fund investment loss that occurred in 2008, an 18.3 percent pension fund investment loss that occurred in 2009, and a 14.2 percent pension fund investment gain that occurred in 2010.

The financial plan also contains, commencing in 2012, a reserve of \$1 billion per year to address the potential costs that the Chief Actuary could recommend as a result of his review of experience study audits. The Actuary has not yet completed his review of these audits.

The financial plan also reflects savings commencing in 2014 associated with proposed pension reforms for new employees. The financial plan assumes that enabling state legislation would be applicable to new employees who are hired in fiscal year 2012. Highlights of the proposed reforms include provisions that all new non-uniform employees be required to make higher contributions to their pensions for their entire working career, and that they must wait until age 65 before receiving a full pension. The City is also proposing that new uniform Correction and Sanitation workers receive the same pension benefit that is provided to new Police Officers and Firefighters. In addition, among other proposed reforms, overtime pay would no longer count in the pension calculation for all new employees.

The City is also proposing to eliminate the guaranteed fixed return on Tax Deferred Annuities offered to all teachers and certain other employees of the Department of Education.

Total pension expenses for the financial plan are shown below:

	(\$ in Millions)				
	2011	2012	2013	2014	2015
City Actuarial	\$6,882	\$8,297	\$8,436	\$8,308	\$8,578
Non-City Systems	68	72	77	83	91
Non-Actuarial	49	50	53	53	52
<b>Total</b>	<b>\$6,999</b>	<b>\$8,419</b>	<b>\$8,566</b>	<b>\$8,444</b>	<b>\$8,721</b>

Social Security cost estimates reflect the projected tax rates and wage ceilings issued by the Social Security Administration as well as planned payroll adjustments. Unemployment Insurance costs are consistent with the statutory maximum weekly benefit levels and planned payroll levels. Workers' Compensation costs are consistent with the compensation rate schedule mandated by State law and the projected growth in medical costs. Health insurance estimates reflect current levels of coverage based on the latest population and premium data available from the City's health insurance providers.

### Reserve for Collective Bargaining

The Reserve for Collective Bargaining contains funding for the cost of undistributed collective bargaining increase. The reserve contains funding for unsettled non-uniformed employees for the 2006-2008. The reserve also contains funding for wage increases beyond the 2008-2010 round assumed to be 1.25 percent per year beginning two years after the expiration of the 2008-2010 round of bargaining.

### Other Than Personal Services

The following items are included in this category:

	(\$ in Millions)				
	2011	2012	2013	2014	2015
Administrative OTPS	\$17,087	\$16,414	\$16,707	\$17,152	\$17,471
Public Assistance	1,562	1,526	1,546	1,546	1,546
Medical Assistance	4,883	6,141	6,327	6,463	6,643
Health and Hospitals Corp.	185	178	177	177	177
Covered Agency Support & Other Subsidies*	3,018	2,821	3,050	3,106	3,274
City Debt Service*	5,046	5,908	6,672	6,919	7,269
General Reserve	100	300	300	300	300
Prepayment Adjustments	(495)	(3,151)	—	—	—
<b>Total</b>	<b>\$31,386</b>	<b>\$30,137</b>	<b>\$34,779</b>	<b>\$35,663</b>	<b>\$36,680</b>

\* Numbers adjusted for prepayments

### Administrative OTPS

The estimates in this category include new needs in the baseline. For 2012 through 2015, most expenditures have been increased to reflect the effect of inflation. The inflation adjustment, which is shown in a citywide account, represents an annual 2.5 percent increase in 2012 through 2015. However, for 2012-2015 the Agency PEG Program includes a \$55.5 million reduction to the inflation adjustment. Baseline costs for energy and

lease requirements are shown in the appropriate operating agency, while out-year inflationary costs are primarily shown in citywide accounts as noted in the following two sections.

## Energy

The financial plan for 2011 through 2015 reflects current projections for energy related purchases. Gasoline and fuel costs are expected to increase by \$39 million between 2011 and 2015. Heat, light and power is expected to increase by \$99 million between 2011 and 2015.

Usage adjustments are held constant, with the exception of varying workload adjustments, the privatization initiative in the In-Rem / DAMP program, and the annualization of 2011 adjustments, where applicable.

The annual cost projections are as follows:

<b>Energy Costs</b>					
(\$ in Millions)					
	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
Gasoline	\$97	\$106	\$111	\$114	\$117
Fuel Oil	114	122	127	130	133
HPD-In Rem / DAMP	7	7	7	6	6
HPD-Emergency Repairs	3	3	3	3	3
Heat, Light and Power	812	842	879	897	911
<b>Total</b>	<b>\$1,033</b>	<b>\$1,080</b>	<b>\$1,127</b>	<b>\$1,150</b>	<b>\$1,170</b>

## Leases

Agency baseline expenditures carry the cost of leases at a constant level for 2012 through 2015 with the exception of the annualization of 2012 adjustments where applicable. A citywide adjustment for 2012 through 2015 provides for the increased cost of leases based on a 3.0 percent annual inflator. The four-year projection includes \$812 million for leases in 2012, \$873 million in 2013, \$900 million in 2014, and \$927 million in 2015. Of these amounts, the citywide adjustment is \$24 million, \$85 million, \$137 million and \$140 million respectively in 2012 through 2015.

## Public Assistance

The financial plan for Public Assistance projects 361,900 persons will be on Public Assistance in June 2011 and remain at that level for the balance of the four-year plan.

## Medical Assistance

The financial plan for Medicaid assistance funds 2.9 million eligibles including 2.2 million enrolled in Medicaid Managed Care. NYC Medicaid expenditures were capped as a result of the 2005-2006 State Budget. The Medicaid budget growth is capped at three percent. In 2012, the City anticipates a budget of \$6.0 billion in City Tax Levy, due to an increased Federal Medical Assistance percentage proposed in the Federal economic stimulus package.

## Health and Hospitals Corporation

The City support for the Health and Hospitals Corporation reflects the costs incurred by HHC in providing healthcare to prison inmates and uniformed service employees, as well as other City services. The 2012 City support is budgeted at \$169.6 million. Affiliation costs start with a baseline of \$882.7 million in 2012 and

increase 3.0 percent annually. The full assumptions underlying the plan are set forth in the covered organization submissions for the Health and Hospitals Corporation.

### Covered Agency Support and Other Subsidies

Included in this category are the contributions made by the City to the Transit Authority, Housing Authority, Libraries and various Cultural Institutions. Also included in this category are the estimated projections for the cost of Judgements and Claims.

### General Reserve

The General Reserve is projected at \$100 million for 2011 and \$300 million for 2012-2015 to provide for uncontrollable increases in expenditures as well as shortfalls in revenue. The General Reserve has been increased above the required \$100 million to allow for any further uncertainties that may occur in the future.

### Debt Service

Debt Service projections estimate payments of debt service on currently outstanding City, Transitional Finance Authority (TFA) and Lease debt and future issuances in accordance with the financing program for 2011-2015. Actual debt service payments in these years will be affected by the timing of such issuances as well as market conditions. Projections of debt service on debt to be issued are based on estimates of the periods of probable usefulness of the expenditures to be financed for the City.

A Budget Stabilization account has been established for the prepayment of future years' debt service costs. Funding of \$3.2 billion in 2011 has been provided for this purpose.

The details of the program are provided in the Capital and Financing Section. The baseline debt service estimates are as follows:

(\$ in Millions)

	Long Term	Short Term	Lease Purchase	Budget Stabilization	Total City and Lease	TFA	Prepayment Adjustment	Total City, Lease and TFA
2011	\$840	\$-	\$220	\$3,151	\$4,211	\$724	\$111	\$5,046
2012	1,621	35	309	—	1,965	792	3,151	5,908
2013	4,390	75	338	—	4,803	1,869	—	6,672
2014	4,467	75	333	—	4,875	2,044	—	6,919
2015	4,644	75	325	—	5,044	2,225	—	7,269

**NEW YORK CITY**  
**Five Year Expenditure Analysis**

(All Funds - \$ in Millions)

	2011	2012	2013	2014	2015
<b>Uniformed Forces</b>					
Police Department	\$4,877	\$4,450	\$4,416	\$4,413	\$4,413
Fire Department	1,784	1,625	1,593	1,571	1,570
Department of Correction	1,037	1,021	1,013	1,013	1,013
Department of Sanitation	1,402	1,297	1,339	1,423	1,423
<b>Health and Welfare</b>					
Admin. for Children Services <sup>1</sup>	2,761	2,711	2,684	2,682	2,682
Department of Social Services	8,189	9,331	9,524	9,661	9,841
Dept. of Homeless Services	1,045	804	797	797	797
Dept Health & Mental Hygiene	1,676	1,543	1,533	1,532	1,533
<b>Other Mayoral</b>					
NY Public Library - Research	11	17	17	17	17
New York Public Library	48	85	85	85	85
Brooklyn Public Library	35	63	63	63	63
Queens Borough Public Library	34	61	61	61	61
Department for the Aging	270	217	217	217	217
Department of Cultural Affairs	143	101	101	101	101
Housing Preservation & Dev.	772	565	564	564	563
Dept of Environmental Prot.	1,036	987	983	983	983
Department of Finance	223	220	219	219	219
Department of Transportation	834	670	680	679	679
Dept of Parks and Recreation	363	290	298	299	299
Dept of Citywide Admin Srvces	1,169	1,099	1,103	1,103	1,102
All Other Mayoral	2,060	1,605	1,538	1,504	1,503
<b>Major Organizations</b>					
Department of Education	18,820	19,120	19,426	19,811	20,014
City University	785	721	715	717	716
Health and Hospitals Corp.	185	178	177	177	178
<b>Other</b>					
Citywide Pension Contributions	6,999	8,419	8,566	8,444	8,721
Miscellaneous	6,115	6,298	7,721	8,428	9,288
Debt Service	4,935	2,757	6,672	6,919	7,269
Prior Payable Adjustment	(500)	—	—	—	—
General Reserve	100	300	300	300	300
IT Efficiency Savings	(4)	(8)	(9)	(9)	(9)
Energy Adjustment	30	72	120	144	164
Lease Adjustment	—	24	85	137	140
OTPS Inflation Adjustment	—	—	56	111	167
<b>Elected Officials</b>					
Mayoralty	100	92	92	92	91
All Other Elected	444	406	406	406	406
Total Including Intra-City	\$67,778	\$67,141	\$73,155	\$74,664	\$76,609
Intra/City	1,871	1,515	1,512	1,512	1,512
<b>Total Excluding Intra-City</b>	<b>\$65,907</b>	<b>\$65,626</b>	<b>\$71,643</b>	<b>\$73,152</b>	<b>\$75,097</b>

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

**NEW YORK CITY**  
**Five Year Expenditure Analysis**  
(City Funds - \$ in Millions)

	2011	2012	2013	2014	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
Department of Sanitation	1,363	1,269	1,311	1,395	1,395
<b>Health and Welfare</b>					
Admin. for Children Services <sup>1</sup>	710	857	830	831	831
Department of Social Services	5,736	7,032	7,255	7,391	7,571
Dept. of Homeless Services	423	424	423	423	423
Dept Health & Mental Hygiene	608	578	576	576	576
<b>Other Mayoral</b>					
NY Public Library - Research	11	17	17	17	17
New York Public Library	48	85	85	85	85
Brooklyn Public Library	35	63	63	63	63
Queens Borough Public Library	34	61	61	61	61
Department for the Aging	143	99	99	99	99
Department of Cultural Affairs	141	101	101	101	101
Housing Preservation & Dev.	68	52	51	51	51
Dept of Environmental Prot.	958	927	923	923	923
Department of Finance	219	217	216	216	216
Department of Transportation	417	418	437	442	442
Dept of Parks and Recreation	259	222	230	230	230
Dept of Citywide Admin Srvcas	201	195	200	200	200
All Other Mayoral	1,409	1,145	1,117	1,089	1,084
<b>Major Organizations</b>					
Department of Education	7,722	9,410	9,661	9,996	10,199
City University	532	499	494	495	495
Health and Hospitals Corp.	59	82	81	81	81
<b>Other</b>					
Citywide Pension Contributions	6,834	8,255	8,401	8,280	8,557
Miscellaneous	4,789	5,219	6,466	7,178	8,038
Debt Service	4,716	2,224	6,362	6,611	6,965
Prior Payable Adjustment	(500)	—	—	—	—
General Reserve	100	300	300	300	300
IT Efficiency Savings	(4)	(8)	(9)	(9)	(9)
Energy Adjustment	30	72	120	144	164
Lease Adjustment	—	24	85	137	140
OTPS Inflation Adjustment	—	—	56	111	167
<b>Elected Officials</b>					
Mayoralty	69	68	68	67	67
All Other Elected	400	379	379	379	379
<b>Citywide Total</b>	<b>\$44,271</b>	<b>\$46,766</b>	<b>\$52,912</b>	<b>\$54,414</b>	<b>\$56,362</b>

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

## Revenue Detail

(\$ in Millions)

	2011	2012	2013	2014	2015
<b>Taxes:</b>					
• Real Property	\$16,847	\$17,643	\$18,197	\$18,632	\$19,062
• Personal Income	7,476	8,170	8,435	8,925	9,521
• General Corporation	2,415	2,725	2,879	2,992	3,098
• Banking Corporation	1,245	1,106	1,010	1,018	1,026
• Unincorporated Business	1,705	1,799	1,873	1,956	2,041
• Sale and Use	5,509	5,797	5,939	6,086	6,345
• Commercial Rent	603	622	642	663	686
• Real Property Transfer	768	770	785	850	971
• Mortgage Recording	444	502	552	618	705
• Utility	383	398	412	425	439
• Cigarette	72	72	70	68	67
• Hotel	418	398	381	400	427
• All Other	502	454	455	467	467
• Tax Audit Revenue	868	645	644	651	651
• State Tax Relief Program - STAR	727	818	887	885	885
<b>Total Taxes</b>	<b>\$39,982</b>	<b>\$41,919</b>	<b>\$43,161</b>	<b>\$44,636</b>	<b>\$46,391</b>
<b>Miscellaneous Revenue:</b>					
• Licenses, Franchises, Etc.	\$498	\$507	\$507	\$510	\$511
• Interest Income	21	34	107	140	165
• Charges for Services	751	798	795	794	794
• Water and Sewer Charges	1,314	1,335	1,332	1,361	1,378
• Rental Income	239	250	256	264	267
• Fines and Forfeitures	799	801	799	799	799
• Miscellaneous	668	525	506	500	483
• Intra-City Revenue	1,871	1,515	1,512	1,512	1,512
<b>Total Miscellaneous</b>	<b>\$6,161</b>	<b>\$5,765</b>	<b>\$5,814</b>	<b>\$5,880</b>	<b>\$5,909</b>
<b>Unrestricted Intergovernmental Aid:</b>					
• N.Y. State Per Capita Aid	\$—	\$—	\$—	\$—	\$—
• Other Federal and State Aid	14	12	12	12	12
<b>Total Unrestricted Intergovernmental Aid</b>	<b>\$14</b>	<b>\$12</b>	<b>\$12</b>	<b>\$12</b>	<b>\$12</b>

## Revenue Detail

(\$ in Millions)

	2011	2012	2013	2014	2015
<b>Anticipated State Actions:</b>					
• Anticipated State Actions	\$—	\$600	\$600	\$600	\$600
<b>Total Anticipated State Actions</b>	<b>\$—</b>	<b>\$600</b>	<b>\$600</b>	<b>\$600</b>	<b>\$600</b>
Reserve for Disallowance of Categorical Grants	(\$15)	(\$15)	(\$15)	(\$15)	(\$15)
Less: Intra City Revenue	(1,871)	(1,515)	(1,512)	(1,512)	(1,512)
<b>SUB TOTAL 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 Agreements	559	500	493	493	493
<b>TOTAL CITY FUNDS &amp; CAPITAL BUDGET TRANSFERS</b>	<b>\$46,145</b>	<b>\$48,426</b>	<b>\$49,710</b>	<b>\$51,248</b>	<b>\$53,028</b>
<b>Federal Categorical Grants:</b>					
• Community Development	\$284	\$241	\$241	\$241	\$240
• Social Services	2,964	2,743	2,707	2,707	2,707
• Education	2,953	1,724	1,719	1,718	1,718
• Other	1,996	1,229	1,128	1,095	1,095
<b>Total Federal Grants</b>	<b>\$8,197</b>	<b>\$5,937</b>	<b>\$5,795</b>	<b>\$5,761</b>	<b>\$5,760</b>
<b>State Categorical Grants:</b>					
• Social Services	\$2,048	\$1,932	\$1,929	\$1,926	\$1,926
• Education	7,982	7,909	7,978	8,028	8,028
• Higher Education	186	204	204	204	204
• Department of Health and Mental Hygiene	463	443	438	438	439
• Other	886	775	737	734	734
<b>Total State Grants</b>	<b>\$11,565</b>	<b>\$11,263</b>	<b>\$11,286</b>	<b>\$11,330</b>	<b>\$11,331</b>
<b>TOTAL REVENUE</b>	<b>\$65,907</b>	<b>\$65,626</b>	<b>\$66,791</b>	<b>\$68,339</b>	<b>\$70,120</b>

**American Recovery and Reinvestment Act  
Federal Stimulus Funding in the February 2011 Financial Plan**

**FUNDING APPROPRIATED IN EXPENSE BUDGET**

<b>Program</b>	<b>Agency</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
<i>COMMUNITY DEVELOPMENT</i>							
Single Adult Services	DHS	\$5,665,516	\$23,497	\$—	\$—	\$—	\$—
Code Violation Removal in Schools	DOE	8,029,998	1,970,002	—	—	—	—
Neighborhood Improvement Program	DSS	514,598	655,402	—	—	—	—
Fringe Benefits For ARRA Funded Staff	MISC	2,706,993	—	—	—	—	—
Emergency Repair Program	HPD	9,120,099	12,255,511	—	—	—	—
Emergency Demolition Program	HPD	2,241,239	1,142,964	—	—	—	—
Neighborhood Preservation Offices	HPD	3,200,000	—	—	—	—	—
Graffiti Removal in Parks and Playgrounds	PARKS	289,364	—	—	—	—	—
Charlton Garden Retaining Wall Restoration	PARKS	—	500,000	—	—	—	—
<i>Subtotal Community Development</i>		\$31,767,807	\$16,547,376	\$—	\$—	\$—	\$—
<i>EDUCATION</i>							
State Fiscal Stabilization Fund (SFSF)	DOE	\$555,085,625	\$227,170,247	\$—	\$—	\$—	\$—
State Fiscal Stabilization Fund (SFSF): Pre-K	DOE	139,826,093	106,384,691	—	—	—	—
Title I Grants	DOE	330,348,426	377,369,412	—	—	—	—
Title I School Improvement	DOE	—	19,800,003	—	—	—	—
Title II Enhancing Education Through Technology	DOE	—	38,678,692	—	—	—	—
Education Jobs Fund	DOE	—	190,140,523	—	—	—	—
State Fiscal Stabilization Fund (SFSF): Teacher Center	DOE	14,713,215	—	—	—	—	—
SFSF: Mentor Teacher Internship Program	DOE	886,000	—	—	—	—	—
Investing in Innovation School of One	DOE	—	2,464,772	1,674,652	860,135	—	—
Everyday Arts in Special Education (EASE)	DOE	—	804,223	883,876	937,159	991,000	1,017,139
National School Lunch Program	DOE	1,801,933	—	—	—	—	—
State Energy Program	DOE	—	5,032,152	4,953,652	—	—	—
Special Education (IDEA)	DOE	144,153,633	172,449,725	—	—	—	—
Special Education (IDEA): Pre-School	DOE	4,889,568	9,701,958	—	—	—	—
Teacher Incentive Fund	DOE	—	13,377,635	—	—	—	—
McKinney-Vento School Improvement Programs	DOE	2,090,930	2,845,437	—	—	—	—
<i>Subtotal Education</i>		\$1,193,795,423	\$1,166,219,470	\$7,512,180	\$1,797,294	\$991,000	\$1,017,139
<i>CITY UNIVERSITY EDUCATION STABILIZATION FUND</i>	CUNY	\$13,730,000	\$32,779,000	\$—	\$—	\$—	\$—
<i>NEIGHBORHOOD STABILIZATION</i>							
Homelessness Prevention and Rapid Re-Housing Program	DHS & Multiple	\$22,019,847	\$37,265,146	\$6,678,939	\$—	\$—	\$—
Tax Credit Assistance Program	HPD	38,200,000	—	—	—	—	—
Neighborhood Stabilization 2	HPD	—	19,609,466	250,000	200,000	—	—
Volunteers in Service for America (VISTA)	Mayoralty	221,880	11,120	—	—	—	—
<i>Subtotal Neighborhood Stabilization</i>		\$60,441,727	\$56,885,732	\$6,928,939	\$200,000	\$—	\$—
<i>HEALTH AND SOCIAL SUPPORT</i>							
Child Care and Development Block Grant & Supplemental	ACS	\$27,940,783	\$29,386,103	\$—	\$—	\$—	\$—
Head Start	ACS	7,578,131	3,036,896	—	—	—	—
Foster Care Title IV-E	ACS	14,272,000	14,514,892	—	—	—	—
Adoption Assistance Title IV-E	ACS	5,305,357	5,659,874	—	—	—	—
Senior Nutrition Programs: Congregate Meals	DFTA	1,903,336	—	—	—	—	—
Senior Nutrition Programs: Home Delivered Meals	DFTA	936,600	—	—	—	—	—
Chronic Disease Self-Management	DFTA	—	46,750	—	—	—	—
Strengthening Communities	DoITT	—	250,000	—	—	—	—
Child Support Incentive Fund	DSS	13,634,712	7,172,060	—	—	—	—
TANF ECF Subsidized Jobs	DSS	6,863,903	5,069,742	—	—	—	—
Supplemental Nutrition Assistance	DSS	7,739,825	—	—	—	—	—
TANF ECF Back to School Assistance	DSS	81,446,880	—	—	—	—	—
Community Services Block Grant	DYCD	32,077,091	19,277,650	—	—	—	—
Early Intervention Program	DOHMH	—	3,357,414	—	—	—	—
Immunization and Vaccination Programs	DOHMH	1,290,546	1,897,460	—	—	—	—
<i>Subtotal Health and Social Support</i>		\$200,989,164	\$89,668,841	\$—	\$—	\$—	\$—

**American Recovery and Reinvestment Act  
Federal Stimulus Funding in the February 2011 Financial Plan**

**FUNDING APPROPRIATED IN EXPENSE BUDGET**

<b>Program</b>	<b>Agency</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
<i>ECONOMIC &amp; WORKFORCE DEVELOPMENT</i>							
Senior Community Service Employment Program	DFTA	\$1,299,222	\$—	\$—	\$—	\$—	\$—
WIA-Youth	DYCD	26,668,936	1,525,819	—	—	—	—
WIA-Administration	DYCD	1,335,053	1,800,936	—	—	—	—
WIA-Adults	SBS	12,392,074	3,572,972	—	—	—	—
WIA-Dislocated Worker	SBS	13,404,172	2,878,536	—	—	—	—
<i>Subtotal Economic &amp; Workforce Development</i>		\$55,099,457	\$9,778,263	\$—	\$—	\$—	\$—
<i>COBRA EMPLOYEE BENEFITS</i>	Misc (098)	\$1,128,735	\$6,500,000	\$—	\$—	\$—	\$—
<i>PUBLIC SAFETY</i>							
911 Operator	NYPD	\$2,343,779	\$181,133	\$—	\$—	\$—	\$—
e-Arrestment	DoITT	359,314	496,185	—	—	—	—
Midtown and Red Hook Community Courts	SBS	188,271	587,000	587,000	587,000	—	—
Byrne Competitive: Forensic & Crime Scene Information	OCME	326,670	713,743	81,660	—	—	—
Byrne Competitive: Supervision & Community Reintegration	Probation	3,019,372	2,954,945	—	—	—	—
Byrne Competitive: Real Time Correction Intelligence Center	DOC	—	1,956,894	—	—	—	—
District Attorney's Offices	DA-Multiple	1,321,312	2,733,928	1,051,032	111,496	—	—
STOP Violence Against Women	Law	—	37,500	37,500	—	—	—
CJC Programs	Mayoralty	2,793,850	3,610,718	—	—	—	—
Fire Investigation Bureau	FDNY	1,460,835	2,539,164	—	—	—	—
Port Security Grant Program	FDNY	—	2,766,640	—	—	—	—
Port Security Grant Program	DOT	—	20,000	—	—	—	—
Institute of Development	DOC	3,002,695	3,345,790	66,464	—	—	—
Rockefeller Drug Law Reform	Probation	902,252	899,863	—	—	—	—
Transit Security Grant Program	NYPD	4,595,702	12,398,074	11,785,939	6,574,788	—	—
<i>Subtotal Public Safety</i>		\$20,314,052	\$35,241,577	\$13,609,595	\$7,273,284	\$—	\$—
<i>INFRASTRUCTURE</i>							
Broadband Technology (BTOP): NYC Connected Learning	DoITT	\$—	\$14,748,908	\$7,413,917	\$—	\$—	\$—
Ferry Transit / Maintenance	DOT	13,522,085	11,402,876	8,742,876	—	—	—
<i>Subtotal Infrastructure</i>		\$13,522,085	\$26,151,784	\$16,156,793	\$—	\$—	\$—
<i>ENERGY EFFICIENCY</i>							
Solar America Cities	SBS	\$—	\$557,802	\$374,706	\$—	\$—	\$—
State Energy Program	DCAS	—	500,897	—	—	—	—
Energy Efficiency and Conservation Block Grant	DCAS	2,340,945	53,669,633	1,700,000	—	—	—
<i>Subtotal Energy Efficiency</i>		\$2,340,945	\$54,728,332	\$2,074,706	\$—	\$—	\$—
<i>ADDITIONAL PROGRAMS</i>							
Build America Bonds / TFA Bonds	Debt Service	\$15,580,207	125,852,918	174,497,661	173,485,649	173,485,649	173,255,845
<i>Subtotal Additional</i>		\$15,580,207	\$125,852,918	\$174,497,661	\$173,485,649	\$173,485,649	\$173,255,845
<b>TOTAL EXPENSE BUDGET</b>		<b>\$1,608,709,602</b>	<b>\$1,620,353,293</b>	<b>\$220,779,874</b>	<b>\$182,756,227</b>	<b>\$174,476,649</b>	<b>\$174,272,984</b>

**American Recovery and Reinvestment Act**  
**Federal Stimulus Funding in the February 2011 Financial Plan**

**BUDGET RELIEF**

<b>Program</b>	<b>Agency</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
<i>MEDICAID - FMAP *</i>	Social Services	\$893,640,487	\$998,858,666	\$199,448,003	\$32,356,662	\$—	\$—

\* City funds removed from the expense budget. The cost has been shifted to federal programs.  
Includes a 2 quarter extension of the increased federal participation in Medicaid.

**CAPITAL FUNDING**

<b>Program</b>	<b>Agency</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
<i>SCHOOL TAX CREDIT BONDS</i>	Education	\$250,000,000	\$147,000,000	\$478,000,000	\$320,000,000	\$280,000,000	\$225,000,000

*OTHER CAPITAL PROGRAMS*

Reconstruction of Digesters at Hunts Point	DEP	\$35,365,000	\$—	\$—	\$—	\$—	\$—
Newtown Creek - Purchase of 3 Sludge Vessels	DEP	65,500,000	—	—	—	—	—
Reconstruction of Boiler System at Port Richmond	DEP	27,011,000	—	—	—	—	—
Paerdegat Basin Natural Area Park Ecological Restoration	DEP	14,637,000	—	—	—	—	—
26th Ward: Emergency Generators	DEP	32,464,000	—	—	—	—	—
Reconstruction of Substation at Oakwood Beach	DEP	13,853,000	—	—	—	—	—
Replacement of Primary Sludge System at Wards Island	DEP	15,704,000	—	—	—	—	—
Replacement of Bar Screens at 26th Ward	DEP	6,326,000	—	—	—	—	—
Reconstruction of CBS/PBS System at Rockaway WPCP	DEP	5,111,000	—	—	—	—	—
Reconstruction of Sludge Main Gate & Valves at Owls Head	DEP	1,550,000	—	—	—	—	—
Greenstreets: Staten Island, the Bronx and Queens	DPR	2,000,000	—	—	—	—	—
Brooklyn Bridge (#6) Bk Appr's, Main Span & Paint	DOT	30,000,000	—	—	—	—	—
Recon Pier at Ferry Maintenance Facility	DOT	—	4,000,000	—	—	—	—
Drydock Austen Class Ferry Boats	DOT	—	—	—	—	—	—
Drydock Molinari Ferry Boats	DOT	5,522,000	—	—	—	—	—
Recon & Drydocking of Barberi Class Ferry Boats	DOT	—	4,095,000	—	—	—	—
Bruckner Expwy / Bronx River - Painting	DOT	3,500,000	—	—	—	—	—
Comp Rehab Construction	DOT	2,500,000	—	—	—	—	—
Component Rehab of Greenpoint Ave Br. / Newtown Creek	DOT	2,500,000	—	—	—	—	—
Wards Island Pedestrian Br / Harlem River 2-24062-0	DOT	1,500,000	—	—	—	—	—
Reconstruction of Ramps at St. George Terminals - SI	DOT	554,000	—	—	—	—	—
<i>Total Other Capital Programs</i>		\$265,597,000	\$8,095,000	\$—	\$—	\$—	\$—

## Full-Time and Part-Time Positions (FTEs)

	12/31/01 Actual <sup>[1][4]</sup>		1/31/11 Actual		6/30/12 February Plan		6/12 vs 12/01 Inc/(Dec)	
	Total Funds	City Funds	Total Funds	City Funds	Total Funds	City Funds	Total Funds	City Funds
<b>MAYORAL AGENCIES:</b>								
<b>Uniform Forces:</b>								
Police Department - Uniform	39,297	39,297	34,724	34,614	34,413	34,309	(4,884)	(4,988)
Police Department - Civilian	14,779	14,166	16,047	15,881	15,660	15,516	881	1,350
Fire Department - Uniform	11,120	11,113	10,871	10,848	10,282	10,274	(838)	(839)
Fire Department - Civilian	4,495	4,491	5,012	4,966	4,884	4,873	389	382
Sanitation Department - Uniform	7,957	7,810	7,116	6,998	6,923	6,782	(1,034)	(1,028)
Sanitation Department - Civilian	2,265	2,053	2,021	1,856	2,199	1,995	(66)	(58)
Department of Correction - Uniform	10,617	9,874	8,598	8,598	8,437	8,437	(2,180)	(1,437)
Department of Correction - Civilian	1,603	1,488	1,420	1,420	1,727	1,727	124	239
<b>Subtotal</b>	<b>92,133</b>	<b>90,292</b>	<b>85,809</b>	<b>85,181</b>	<b>84,525</b>	<b>83,913</b>	<b>(7,608)</b>	<b>(6,379)</b>
<b>Health and Welfare:</b>								
Social Services	16,836	13,293	13,801	10,037	14,282	10,288	(2,554)	(3,005)
Admin. For Children Services <sup>[5]</sup>	8,286	8,232	5,722	5,619	6,367	6,199	(1,919)	(2,033)
Homeless Services	2,090	2,081	1,883	1,789	1,915	1,884	(175)	(197)
Health and Mental Hygiene	5,442	4,398	6,020	4,541	6,049	4,754	607	356
<b>Subtotal</b>	<b>32,654</b>	<b>28,004</b>	<b>27,426</b>	<b>21,986</b>	<b>28,613</b>	<b>23,125</b>	<b>(4,041)</b>	<b>(4,879)</b>
<b>Other Agencies:</b>								
Housing Preservation and Development	2,720	645	2,317	513	2,585	590	(135)	(55)
Environmental Protection	5,760	376	5,831	201	6,084	218	324	(158)
Finance	2,685	2,685	1,828	1,828	2,033	2,021	(652)	(664)
Transportation	4,415	2,498	4,644	2,131	4,390	2,153	(25)	(345)
Parks	6,630	6,231	5,128	4,566	5,217	4,756	(1,413)	(1,475)
Citywide Administrative Services	1,879	1,296	2,184	1,373	2,141	1,379	262	83
All Other	18,103	13,776	17,995	14,270	17,386	14,000	(717)	224
<b>Subtotal</b>	<b>42,192</b>	<b>27,507</b>	<b>39,927</b>	<b>24,882</b>	<b>39,836</b>	<b>25,117</b>	<b>(2,356)</b>	<b>(2,390)</b>
<b>Education:</b>								
Department of Education - Pedagogical	112,810	95,407	109,051	94,379	105,177	88,901	(7,633)	(6,506)
Department of Education - Civilian	25,442	22,174	24,671	22,301	25,017	22,828	(425)	654
City University - Pedagogical	4,273	4,273	4,521	4,520	5,134	5,134	861	861
City University - Civilian	2,300	2,299	2,498	2,498	2,195	2,195	(105)	(104)
<b>Subtotal</b>	<b>144,825</b>	<b>124,153</b>	<b>140,741</b>	<b>123,698</b>	<b>137,523</b>	<b>119,058</b>	<b>(7,302)</b>	<b>(5,095)</b>
<b>Total</b>	<b>311,804</b>	<b>269,956</b>	<b>293,903</b>	<b>255,747</b>	<b>290,497</b>	<b>251,213</b>	<b>(21,307)</b>	<b>(18,743)</b>
<b>COVERED ORGANIZATION AND NON-CITY EMPLOYEES</b>								
<b>SUBSTANTIALLY PAID BY CITY SUBSIDIES<sup>[2]</sup></b>								
Health and Hospitals Corporation	37,941	37,941	39,361	39,361	38,129	38,129	188	188
Housing Authority	14,863	—	11,334	—	12,126	—	(2,737)	—
Libraries	4,428	4,428	3,950	3,950	2,915	2,915	(1,513)	(1,513)
Cultural Institutions <sup>[3]</sup>	1,728	1,728	1,600	1,600	952	952	(776)	(776)
School Construction Authority	933	933	680	680	715	715	(218)	(218)
New York City Employees Retirement System	368	368	398	398	392	392	24	24
Economic Development Corporation	344	344	413	413	410	410	66	66
Teachers Retirement System	308	308	360	360	390	390	82	82
Police Pension Fund	66	66	148	148	139	139	73	73
All Other	155	155	247	242	246	241	91	86
<b>Subtotal</b>	<b>61,134</b>	<b>46,271</b>	<b>58,491</b>	<b>47,152</b>	<b>56,414</b>	<b>44,283</b>	<b>(4,720)</b>	<b>(1,988)</b>
<b>Total</b>	<b>372,938</b>	<b>316,227</b>	<b>352,394</b>	<b>302,899</b>	<b>346,911</b>	<b>295,496</b>	<b>(26,027)</b>	<b>(20,731)</b>

[1] Adjusted for transfers.

[2] Includes non-city employees paid by City subsidies. For these agencies the December 2001 data reflects staffing as of February 2002.

[3] Includes only those employees of the Cultural Institutions Group paid by city fund subsidies.

[4] Includes restatements for positions formerly funded under vendor contracts and for Education part-time positions not previously included in the city headcount.

[5] Includes the merger of Department of Juvenile Justice into Administration for Children's Services in FY 2012.

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# Expense Program

## Agency PEG Program

(City Funds - \$ in 000's)

	Fiscal Year 2011			Fiscal Year 2012			Fiscal Year 2013		
	Expense	Revenue	Total	Expense	Revenue	Total	Expense	Revenue	Total
<b>UNIFORMED FORCES</b>									
Police	(\$42,447)	(\$611)	(\$43,058)	(\$63,605)	(\$3,475)	(\$67,080)	(\$37,278)	\$—	(\$37,278)
Fire	(7,759)	(150)	(7,909)	(33,916)	(1,980)	(35,896)	(29,099)	(1,980)	(31,079)
Correction	(3,409)	(1,500)	(4,909)	(8,904)	(1,000)	(9,904)	(8,989)	(1,000)	(9,989)
Sanitation	(25,130)	—	(25,130)	(75,996)	—	(75,996)	(53,998)	—	(53,998)
<b>HEALTH AND WELFARE</b>									
Admin. for Children's Services <sup>1</sup>	(26,191)	—	(26,191)	(38,059)	—	(38,059)	(38,332)	—	(38,332)
Social Services	(51,405)	—	(51,405)	(33,237)	—	(33,237)	(41,019)	—	(41,019)
Homeless Services	(934)	—	(934)	(17,969)	—	(17,969)	(19,469)	—	(19,469)
Youth & Community Dev.	(9,151)	—	(9,151)	(13,601)	—	(13,601)	(13,601)	—	(13,601)
Health & Mental Hygiene	(21,963)	—	(21,963)	(32,717)	—	(32,717)	(32,702)	—	(32,702)
<b>OTHER MAYORAL</b>									
Housing Preservation & Dev.	(2,135)	(1,538)	(3,673)	(4,082)	(1,124)	(5,206)	(4,490)	(1,345)	(5,835)
Finance	(509)	(6,000)	(6,509)	(2,021)	(24,100)	(26,121)	(2,137)	(25,100)	(27,237)
Transportation	(15,061)	(9,603)	(24,664)	(12,709)	(28,032)	(40,741)	(12,831)	(28,032)	(40,863)
Parks & Recreation	—	4,938	4,938	(35,687)	4	(35,683)	(24,642)	4	(24,638)
Libraries	(16,671)	—	(16,671)	(19,694)	—	(19,694)	(19,694)	—	(19,694)
Department of Cultural Affairs	(8,120)	—	(8,120)	(8,837)	—	(8,837)	(8,837)	—	(8,837)
Citywide Admin. Services	(8,547)	(5,043)	(13,590)	(7,866)	(9,166)	(17,032)	(8,753)	(211)	(8,964)
All Other Agencies	(62,419)	(31,048)	(93,467)	(52,811)	(40,869)	(93,680)	(40,712)	(31,921)	(72,633)
<b>MAJOR ORGANIZATIONS</b>									
Education	(220,587)	—	(220,587)	(350,048)	—	(350,048)	(350,048)	—	(350,048)
CUNY	(9,020)	—	(9,020)	(16,157)	—	(16,157)	(16,157)	—	(16,157)
HHC	(3,388)	—	(3,388)	(8,815)	—	(8,815)	(8,815)	—	(8,815)
<b>OTHER</b>									
Procurement Savings	—	—	—	(55,519)	—	(55,519)	(55,519)	—	(55,519)
<b>TOTAL AGENCY PROGRAMS</b>	<b>(\$534,846)</b>	<b>(\$50,555)</b>	<b>(\$585,401)</b>	<b>(\$892,250)</b>	<b>(\$109,742)</b>	<b>(\$1,001,992)</b>	<b>(\$827,122)</b>	<b>(\$89,585)</b>	<b>(\$916,707)</b>
<b>CITYWIDE INITIATIVES</b>									
Anticipated State Actions	—	—	—	—	(600,000)	(600,000)	—	(600,000)	(600,000)
Pension Reform	—	—	—	—	—	—	—	—	—
<b>TOTAL</b>	<b>(\$534,846)</b>	<b>(\$50,555)</b>	<b>(\$585,401)</b>	<b>(\$892,250)</b>	<b>(\$709,742)</b>	<b>(\$1,601,992)</b>	<b>(\$827,122)</b>	<b>(\$689,585)</b>	<b>(\$1,516,707)</b>

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

## Agency PEG Program

(City Funds - \$ in 000's)

	Fiscal Year 2014			Fiscal Year 2015		
	Expense	Revenue	Total	Expense	Revenue	Total
<b>UNIFORMED FORCES</b>						
Police	(\$37,598)	\$—	(\$37,598)	(\$37,598)	\$—	(\$37,598)
Fire	(29,215)	(1,980)	(31,195)	(29,860)	(1,980)	(31,840)
Correction	(9,084)	(1,000)	(10,084)	(9,189)	(1,000)	(10,189)
Sanitation	(26,986)	—	(26,986)	(27,225)	—	(27,225)
<b>HEALTH AND WELFARE</b>						
Admin. for Children's Services <sup>1</sup>	(38,475)	—	(38,475)	(38,632)	—	(38,632)
Social Services	(41,211)	—	(41,211)	(41,422)	—	(41,422)
Homeless Services	(19,469)	—	(19,469)	(19,469)	—	(19,469)
Youth & Community Dev.	(13,601)	—	(13,601)	(13,601)	—	(13,601)
Health & Mental Hygiene	(32,702)	—	(32,702)	(32,702)	—	(32,702)
<b>OTHER MAYORAL</b>						
Housing Preservation & Dev.	(4,765)	(1,596)	(6,361)	(4,810)	(1,875)	(6,685)
Finance	(2,266)	(33,000)	(35,266)	(2,408)	(33,000)	(35,408)
Transportation	(6,273)	(28,032)	(34,305)	(6,341)	(28,032)	(34,373)
Parks & Recreation	(24,649)	4	(24,645)	(24,650)	4	(24,646)
Libraries	(19,694)	—	(19,694)	(19,694)	—	(19,694)
Department of Cultural Affairs	(8,837)	—	(8,837)	(8,837)	—	(8,837)
Citywide Admin. Services	(8,753)	(211)	(8,964)	(8,753)	(211)	(8,964)
All Other Agencies	(62,472)	(31,916)	(94,388)	(59,484)	(31,919)	(91,403)
<b>MAJOR ORGANIZATIONS</b>						
Education	(350,048)	—	(350,048)	(350,049)	—	(350,049)
CUNY	(16,157)	—	(16,157)	(16,157)	—	(16,157)
HHC	(8,815)	—	(8,815)	(8,815)	—	(8,815)
<b>OTHER</b>						
Procurement Savings	(55,519)	—	(55,519)	(55,519)	—	(55,519)
<b>TOTAL AGENCY PROGRAMS</b>	<b>(\$816,589)</b>	<b>(\$97,731)</b>	<b>(\$914,320)</b>	<b>(\$815,215)</b>	<b>(\$98,013)</b>	<b>(\$913,228)</b>
<b>CITYWIDE INITIATIVES</b>						
Anticipated State Actions	—	(600,000)	(600,000)	—	(600,000)	(600,000)
Pension Reform	(131,000)	—	(131,000)	(252,000)	—	(252,000)
<b>TOTAL</b>	<b>(\$947,589)</b>	<b>(\$697,731)</b>	<b>(\$1,645,320)</b>	<b>(\$1,067,215)</b>	<b>(\$698,013)</b>	<b>(\$1,765,228)</b>

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

## AGENCY FIVE YEAR SUMMARY PROGRAM

### Police Department

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
<b><u>Dollars</u></b>	<i>(City Funds in 000's)</i>				
Baseline Per July Plan - 7/13/2010	\$4,128,094	\$4,152,026	\$4,125,586	\$4,125,593	\$4,125,593
PEG Program	(43,058)	(67,081)	(37,279)	(37,599)	(37,599)
Less PEG Program Reflected in Revenue Budget	611	3,475	-	-	-
Expenditure Increases / Re-estimates	161,696	8,754	9,010	9,330	9,330
<b>Financial Plan of 2/17/2011</b>	<b><u>\$4,247,343</u></b>	<b><u>\$4,097,174</u></b>	<b><u>\$4,097,317</u></b>	<b><u>\$4,097,324</u></b>	<b><u>\$4,097,324</u></b>
<b><u>Headcount</u></b>	<i>(City Funded)</i>				
Baseline Per July Plan - 7/13/2010	34,309 U	34,309 U	34,309 U	34,309 U	34,309 U
	14,378 C	14,378 C	14,378 C	14,378 C	14,378 C
PEG Program	(350) C	(350) C	(350) C	(350) C	(350) C
Expenditure Increases / Re-estimates	328 C	-	-	-	-
<b>Financial Plan of 2/17/2011</b>	<b>34,309 U</b>	<b>34,309 U</b>	<b>34,309 U</b>	<b>34,309 U</b>	<b>34,309 U</b>
	<b><u>14,356 C</u></b>	<b><u>14,028 C</u></b>	<b><u>14,028 C</u></b>	<b><u>14,028 C</u></b>	<b><u>14,028 C</u></b>

C = Civilian U = Uniform

## CITY PEG PROGRAM

### Police Department

Description	City Personnel * Attrition Layoff		(City Funds in 000's)				
			2011	2012	2013	2014	2015
<b><u>UN Reimbursement</u></b> The Department anticipates additional revenues associated with the Federal UN Security reimbursement for Federal Fiscal Year 2011.			--	(12,000)	--	--	--
<b><u>Athletic Non-Charitable Event Fee</u></b> The Department will generate additional revenue from the implementation of a fee to recover traffic management costs associated with non-charitable athletic events.			(611)	(3,475)	--	--	--
<b><u>Police Recruitment Advertising Budget Reduction</u></b> Reduction in the Advertising budget that allows for one recruitment campaign in FY2011 and FY2012.			(2,468)	(4,000)	--	--	--
<b><u>Civilian Headcount Reduction</u></b> Savings associated with the elimination of 350 civilian positions.	(350)	-- C	(13,818)	(29,772)	(30,028)	(30,348)	(30,348)
<b><u>Police Cadet Corps Headcount Reduction</u></b> Savings from the permanent Police Cadet Corps headcount reduction of 160 positions.			(761)	(3,083)	(3,083)	(3,083)	(3,083)
<b><u>Eliminate Voluntary Vacation Pay</u></b> The Police Department will achieve savings by eliminating voluntary vacation pay. Police Officers are eligible for an extra week's worth of pay by voluntarily working through a week's worth of annual leave.			(1,100)	(4,168)	(4,168)	(4,168)	(4,168)
<b><u>Overtime Reduction</u></b> Savings associated with a reduction in city funded overtime by methods to be identified and implemented by the NYPD.			(24,300)	--	--	--	--

## CITY PEG PROGRAM

### Police Department

Description	City Personnel * Attrition Layoff		(City Funds in 000's)				
			2011	2012	2013	2014	2015
<p><b><u>Fleet Lifecycle Maintenance Reduction</u></b></p> <p>OTPS savings associated with a partial reduction of funds for vehicle lifecycle replacement. This will result in the delayed replacement of 392 vehicles.</p>			--	(10,583)	--	--	--
<b>Total Agency: CITY PEG PROGRAM</b>			(43,058)	(67,081)	(37,279)	(37,599)	(37,599)
	(350)	-- C					

## Expenditure Increases/Re-estimates

### Police Department

Description	City Personnel * Attrition Layoff	(City Funds in 000's)				
		2011	2012	2013	2014	2015
<b>November</b>						
<b><u>Restoration of the Uniformed PS Savings PEG</u></b>		20,000	--	--	--	--
Increase in personal service costs to offset projected overtime deficit.						
<b><u>Civilian HC Reduction</u></b>		2,655	6,188	6,444	6,764	6,764
Fringe adjustment associated with the elimination of 350 civilian positions.						
<b><u>Emergency Communications Transformation Program (ECTP)- NYPD Cost Restoration</u></b>		3,245	--	--	--	--
Restoration of funds from July to December 2010 for Public Safety Answering Center (PSAC) maintenance/support contract costs due to the delays in the implementation of the new enhanced 911 telephone system.						
<b><u>ECTP - NYPD CAD System</u></b>		123	--	--	--	--
Restoration of funds for NYPD CAD system						
<b><u>Police Cadet Headcount Reduction</u></b>		45	183	183	183	183
Fringe adjustment associated with Police Cadet headcount reduction.						
<b><u>Radio Repairs Mechanics CBA</u></b>		2,383	2,383	2,383	2,383	2,383
Radio Repair Mechanics collective bargaining.						
<b>February</b>						
<b><u>Historical Uniform Attrition Savings</u></b>		40,000	--	--	--	--
Restoration of uniform attrition savings PEG.						
<b><u>Revised Recruit Class Schedule</u></b>		8,536	--	--	--	--
Restoration of PEG which revised the recruit class schedule by delaying a portion of the January class to April 2011.						

## Expenditure Increases/Re-estimates

### Police Department

Description	City Personnel * Attrition Layoff	(City Funds in 000's)				
		2011	2012	2013	2014	2015
<b><u>Citywide Court Efficiencies</u></b>		2,396	--	--	--	--
Restoration of PEG for savings from citywide court efficiencies from the implementation of E-arraignment processes.						
<b><u>Overtime/Longevity Deficits</u></b>		79,069	--	--	--	--
\$79.1M to cover expected PS overtime and longevity deficits.						
<b><u>Emergency Communications Transformation Program (ECTP) - NYPD Cost Restoration</u></b>		3,244	--	--	--	--
Restoration of funds from January to June 2011 for Public Safety Answering Center (PSAC) maintenance/support contract costs due to the delays in the implementation of the new enhanced 911 telephone system.						
<b>Total Agency: Expenditure Increases/Re-estimates</b>		<b>161,696</b>	<b>8,754</b>	<b>9,010</b>	<b>9,330</b>	<b>9,330</b>

## AGENCY FIVE YEAR SUMMARY PROGRAM

### Fire Department

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
<b><u>Dollars</u></b>	<i>(City Funds in 000's)</i>				
Baseline Per July Plan - 7/13/2010	\$1,445,645	\$1,405,046	\$1,401,421	\$1,399,808	\$1,399,808
PEG Program	(7,909)	(35,896)	(31,079)	(31,195)	(31,839)
Less PEG Program Reflected in Revenue Budget	150	1,980	1,980	1,980	1,980
Expenditure Increases / Re-estimates	50,363	29,709	9,776	9,883	10,083
<b>Financial Plan of 2/17/2011</b>	<b><u>\$1,488,249</u></b>	<b><u>\$1,400,839</u></b>	<b><u>\$1,382,098</u></b>	<b><u>\$1,380,476</u></b>	<b><u>\$1,380,032</u></b>
<b><u>Headcount</u></b>	<i>(City Funded)</i>				
Baseline Per July Plan - 7/13/2010	10,879 U	10,299 U	10,299 U	10,299 U	10,299 U
	4,803 C	4,850 C	4,847 C	4,844 C	4,844 C
PEG Program	-	(25) U	(25) U	(25) U	(25) U
	4 C	(52) C	(52) C	(52)	C 52)
Expenditure Increases / Re-estimates	-	17 C	17 C	17 C	17 C
<b>Financial Plan of 2/17/2011</b>	<b>10,879 U</b>	<b>10,274 U</b>	<b>10,274 U</b>	<b>10,274 U</b>	<b>10,274 U</b>
	<b><u>4,807 C</u></b>	<b><u>4,815 C</u></b>	<b><u>4,812 C</u></b>	<b><u>4,809 C</u></b>	<b><u>4,809 C</u></b>

C = Civilian U = Uniform

## CITY PEG PROGRAM

### Fire Department

Description	City Personnel *		(City Funds in 000's)				
	Attrition	Layoff	2011	2012	2013	2014	2015
<b>November</b>							
<b><u>NIOSH Savings</u></b>			(2,277)	--	--	--	--
Grant funding from the National Institute of Occupational Safety and Health (NIOSH) will help cover salaries of personnel in the Bureau of Health Services that serve in the WTC Medical Programs.							
<b><u>New Fire Code - Plan Review Rooftop Access</u></b>			(36)	(274)	(271)	(226)	(221)
The Department will receive additional revenue from the review of rooftop access plans, which will be partially offset by the cost of 4 additional inspectors.	4	-- C					
<b><u>1B Medical Boards Savings</u></b>			--	(301)	(298)	(271)	(268)
Additional staff to shorten the turnaround time in reviewing and closing active and pending retirement cases, leading to uniformed salary savings.	3	-- C					
<b><u>Elimination of 100 Uniformed Administrative Positions</u></b>	(100)	-- U	--	(5,864)	(6,403)	(6,948)	(7,601)
The Fire Department will eliminate 100 uniformed administrative positions.							
<b><u>Civilianization of Uniformed Posts - Restoration</u></b>	75	-- U	--	860	1,209	1,558	1,558
Restoration of the Department's civilianization program which planned on eliminating 75 uniformed administrative positions and replacing 60 of these positions with civilian lines. A new initiative has been created to completely eliminate 100 uniformed administrative positions.	(60)	-- C					
<b><u>EMS Leases</u></b>			(596)	(596)	(596)	(596)	(596)
Reconciliation of EMS lease budget to current costs.							
<b><u>Emergency Response Billing</u></b>			--	(1,043)	(1,042)	(1,034)	(1,033)
The Department will begin billing legally insured parties for responses to certain accidents. Revenue will be partially offset by the cost of an additional hire.	1	-- C					

## CITY PEG PROGRAM

### Fire Department

Description	City Personnel *		(City Funds in 000's)				
	Attrition	Layoff	2011	2012	2013	2014	2015
<p><b><u>Voluntary Hospitals' Dispatch Fee</u></b>                      911 system dispatch and telemetry costs, currently borne by the Fire Department, will be shared with voluntary hospitals participating in the 911 system as ambulance providers.</p>	--		--	(8,678)	(8,678)	(8,678)	(8,678)
<p><b><u>1.5% Availability Increase</u></b>                      The Department will seek to increase uniformed availability by 1.5% through controls on medical leave, light duty, and/or other leave.</p>	--		--	(15,000)	(15,000)	(15,000)	(15,000)
<p><b><u>Increased Grant Reimbursement</u></b>                      The Department will be reimbursed for additional grant-eligible expenditures.</p>			(5,000)	(5,000)	--	--	--
<b>Total Agency: CITY PEG PROGRAM</b>	(25)	-- U	(7,909)	(35,896)	(31,079)	(31,195)	(31,839)
	(52)	-- C					

## Expenditure Increases/Re-estimates

### Fire Department

Description	City Personnel *		(City Funds in 000's)					
			Attrition	Layoff	2011	2012	2013	2014
<b>November</b>								
<b><u>Overtime Adjustment</u></b>				30,000	--	--	--	--
Adjustment to address higher than anticipated uniform overtime.								
<b><u>1.5% Availability Increase - Fringe</u></b>				--	1,000	1,000	1,000	1,000
Fringe associated with the 1.5% availability increase PEG.								
<b><u>1B Medical Boards Savings - Fringe</u></b>				--	(1,406)	(1,408)	(1,413)	(1,416)
Fringe associated with uniform overtime savings achieved through the hiring of additional staff at the Board of Trustees.								
<b><u>Increased Grant Fringe Reimbursement - Fringe</u></b>				5,000	5,000	--	--	--
Fringe adjustment for the increased grant reimbursement PEG.								
<b><u>Friends of Firefighters, Inc.</u></b>				(4)	--	--	--	--
<b><u>Budget Headcount Mods From 9/20/2010 to 10/22/2010</u></b>				--	--	--	--	--
	(1)	--	C					
<b><u>Collective Bargaining Adjustment for Radio Repair Mechanics</u></b>				874	874	874	874	874
Collective bargaining for Radio Repair Mechanics.								
<b><u>Funding for FDNY CPR Program</u></b>				214	--	--	--	--
In partnership with NYC Service, FDNY is working to increase the number of people trained in CPR. This funding supports the CPR program through FY 2011.								
<b><u>Restoration of Civilianization of Uniformed Posts - Fringe</u></b>				--	(235)	(271)	(310)	(310)
Fringe associated with the restoration of the Fire Department's civilianization program.								
<b><u>New Fire Code - Fringe</u></b>				(21)	(71)	(74)	(81)	(86)
Fringe associated with the new fire code initiative.								
<b><u>Emergency Response Billing - Fringe</u></b>				--	(16)	(17)	(19)	(20)
Fringe associated with emergency response billing.								

## Expenditure Increases/Re-estimates

### Fire Department

Description	City Personnel *		(City Funds in 000's)				
			2011	2012	2013	2014	2015
<b><u>Elimination of 100 Uniformed Administrative Positions - Fringe</u></b> Fringe associated with the elimination of 100 uniformed administrative positions.			--	1,606	1,728	1,859	2,008
<b>February</b>							
<b><u>Overtime Adjustment</u></b> Adjustment to address higher than anticipated uniform overtime.			14,300	15,000	--	--	--
<b><u>Differentials</u></b> Adjustment to address higher than anticipated differential payments.			--	7,300	7,300	7,300	7,300
<b><u>Woodlawn EMS Supervision</u></b> Funding for 6 Lieutenants and 1 Captain for the new Woodlawn EMS Station in the Bronx.	7	-- C	--	415	415	438	438
<b><u>North General BLS Tours</u></b> Due to the bankruptcy of North General Hospital, FDNY will be running additional Basic Life Support (BLS) EMS tours to maintain coverage.	11	-- C	--	242	229	235	295
<b>Total Agency: Expenditure Increases/Re-estimates</b>	<b>17</b>	<b>-- C</b>	<b>50,363</b>	<b>29,709</b>	<b>9,776</b>	<b>9,883</b>	<b>10,083</b>

## AGENCY FIVE YEAR SUMMARY PROGRAM

### Department of Correction

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
<b><u>Dollars</u></b>	<i>(City Funds in 000's)</i>				
Baseline Per July Plan - 7/13/2010	\$969,057	\$983,868	\$980,722	\$980,722	\$980,722
PEG Program	(4,909)	(9,904)	(9,991)	(10,085)	(10,189)
Less PEG Program Reflected in Revenue Budget	1,500	1,000	1,000	1,000	1,000
Expenditure Increases / Re-estimates	40,800	6,694	1,835	1,930	2,035
<b>Financial Plan of 2/17/2011</b>	<b><u>\$1,006,448</u></b>	<b><u>\$981,658</u></b>	<b><u>\$973,566</u></b>	<b><u>\$973,567</u></b>	<b><u>\$973,568</u></b>
<b><u>Headcount</u></b>	<i>(City Funded)</i>				
Baseline Per July Plan - 7/13/2010	8,576 U	8,555 U	8,555 U	8,555 U	8,555 U
	1,638 C	1,638 C	1,638 C	1,638 C	1,638 C
PEG Program	(61) U	(118) U	(118) U	(118) U	(118) U
	33 C	23 C	23 C	23 C	23 C
Expenditure Increases / Re-estimates	123 U	-	--	-	
	17 C	16 C	-	-	-
<b>Financial Plan of 2/17/2011</b>	<b><u>8,638 U</u></b>	<b><u>8,437 U</u></b>	<b><u>8,437 U</u></b>	<b><u>8,437 U</u></b>	<b><u>8,437 U</u></b>
	<b><u>1,688 C</u></b>	<b><u>1,677 C</u></b>	<b><u>1,661 C</u></b>	<b><u>1,661 C</u></b>	<b><u>1,661 C</u></b>

C = Civilian U = Uniform

## CITY PEG PROGRAM

### Department of Correction

Description	City Personnel *		(City Funds in 000's)				
			2011	2012	2013	2014	2015
<b><u>Increased Telephone Revenue</u></b>			(1,500)	(1,000)	(1,000)	(1,000)	(1,000)
The Department will collect additional revenue from an increase in inmate telephone system usage based on historical and current performance.							
<b><u>Health Management Division (HMD) Sick Desk Staffing Reduction</u></b>			--	(1,332)	(1,332)	(1,332)	(1,332)
The Department will reduce staffing at the Health Management Division's Sick Desk and redeploy them to budgeted posts in other commands.							
<b><u>Administrative Support Staff Reduction</u></b>	(61)	-- U	(1,734)	(3,491)	(3,517)	(3,545)	(3,575)
The Department will eliminate administrative support staff assigned to Assistant Deputy Wardens, civilianize those assigned to Deputy Wardens and reduce the number of administrative support staff assigned to Wardens.							
<b><u>Reduce Correction Assistance Response for Employees (CARE) Staffing</u></b>	(6)	-- U	--	(340)	(346)	(351)	(358)
The Department will reduce Correction Assistance Response for Employees (CARE) Unit uniformed staffing level from 9 to 3.							
<b><u>Headquarters Civilian Reduction</u></b>			--	(580)	(589)	(599)	(610)
The Department will reduce civilian headcount at Headquarters.							
<b><u>One-Time Inventory Drawdown</u></b>			(1,500)	--	--	--	--
The Department will reduce food inventory on hand on a one time basis.							
<b><u>Reduce Non-Essential Food Servings</u></b>			(175)	(350)	(350)	(350)	(350)
The Department will achieve savings by adjusting servings of non-essential food items.							

## CITY PEG PROGRAM

### Department of Correction

Description	City Personnel *		(City Funds in 000's)				
	Attrition	Layoff	2011	2012	2013	2014	2015
<p><b><u>Eliminate 51 Correction Officers</u></b>                      The Department will eliminate Correction Officer positions at their discretion.</p>	(51)	-- U	--	(2,811)	(2,857)	(2,908)	(2,964)
<b>Total Agency: CITY PEG PROGRAM</b>	(118)	-- U	(4,909)	(9,904)	(9,991)	(10,085)	(10,189)
	23	-- C					

C = Civilian U = Uniform

## Expenditure Increases/Re-estimates

### Department of Correction

Description	City Personnel *		(City Funds in 000's)				
	Attrition	Layoff	2011	2012	2013	2014	2015
<b>November</b>							
<b><u>Four Day Visit Schedule</u></b>			2,912	--	--	--	--
The Department of Correction has not received the variance needed to achieve overtime savings associated with altering the inmate visit schedule from five to four days per week. Overtime savings would be achieved by reducing posts and redeploying officers.							
<b><u>Overtime Savings</u></b>			12,000	--	--	--	--
The Department of Correction was unable to achieve overtime savings in FY11 due to an inmate population increase and the delay of a new classification system.							
<b><u>Radio Repair Mechanics Collective Bargaining</u></b>			108	108	108	108	108
Radio Repair Mechanic Collective Bargaining Adjustment.							
<b><u>Administrative Support Staff Reduction</u></b>			279	581	606	634	665
Fringe adjustment associated with Administrative Support Staff Reduction.							
<b><u>Headquarters Civilian</u></b>			--	160	169	179	190
Fringe adjustment associated with Headquarters Civilian.							
<b><u>Eliminate 51 Officers</u></b>			--	806	852	903	959
Fringe adjustment associated with Eliminate 51 Officers.							
<b><u>Reduce CARE Staff</u></b>			--	95	100	106	113
Fringe adjustment associated with Reduce CARE Staff.							
<b>February</b>							
<b><u>Leasing Beds to Federal Government</u></b>			13,238	--	--	--	--
The Department of Correction has been unable to achieve savings associated with leasing beds to federal agencies due to delays in negotiations.							

## Expenditure Increases/Re-estimates

### Department of Correction

Description	City Personnel *		(City Funds in 000's)				
	Attrition	Layoff	2011	2012	2013	2014	2015
<b><u>Increase Housing Efficiencies</u></b> The Department of Correction is unable to achieve the savings associated with a new inmate classification system due to implementation delays.			8,625	--	--	--	--
<b><u>Mix Detainees and Sentenced</u></b> The Department of Correction has not received the variance needed to achieve the post reductions that would result from the ability to mix detainee and sentenced inmate populations.			378	--	--	--	--
<b><u>Alternative for Rose M. Singer Center Nursery</u></b> The Department of Correction has not been able to secure a community based alternative to the Rose M. Singer Center Nursery.			213	--	--	--	--
<b><u>Transportation Efficiencies</u></b> The Department of Correction has not received the cooperation from the courts required to achieve these savings through scheduling alternative court delivery times.			210	--	--	--	--
<b><u>"Benjamin" Litigation</u></b> This initiative increases the Department's civilian headcount in order to address sanitation condition needs within inmate facilities. OTPS funds are also provided for cleaning and maintenance and repair materials.	16	-- C	2,037	4,920	--	--	--
<b><u>Commissary Services Adjustment</u></b> OTPS funding increase, offset by a revenue increase from inmate commissary operations, to meet anticipated demand for commissary goods.			800	--	--	--	--
<b><u>CEO Funding Adjustment</u></b> CEO funding adjustment.			--	24	--	--	--
<b>Total Agency: Expenditure Increases/Re-estimates</b>	<b>16</b>	<b>-- C</b>	<b>40,800</b>	<b>6,694</b>	<b>1,835</b>	<b>1,930</b>	<b>2,035</b>

## AGENCY FIVE YEAR SUMMARY PROGRAM

### Department of Sanitation

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
<b><u>Dollars</u></b>	<i>(City Funds in 000's)</i>				
Baseline Per July Plan - 7/13/2010	\$1,308,329	\$1,336,061	\$1,359,874	\$1,416,193	\$1,416,193
PEG Program	(25,130)	(75,997)	(53,998)	(26,986)	(27,225)
Expenditure Increases / Re-estimates	79,645	8,897	5,206	5,494	5,815
<b>Financial Plan of 2/17/2011</b>	<b><u>\$1,362,844</u></b>	<b><u>\$1,268,961</u></b>	<b><u>\$1,311,082</u></b>	<b><u>\$1,394,701</u></b>	<b><u>\$1,394,783</u></b>
<b><u>Headcount</u></b>	<i>(City Funded)</i>				
Baseline Per July Plan - 7/13/2010	7,075 U	7,047 U	7,292 U	7,292 U	7,292 U
	1,861 C	1,861 C	1,919 C	1,919 C	1,919 C
PEG Program	(200) U	(265) U	(265) U	(265) U	(265) U
	(2)	C 4)	( C 4)	( C 4)	( C 4)
<b>Financial Plan of 2/17/2011</b>	<b>6,875 U</b>	<b>6,782 U</b>	<b>7,027 U</b>	<b>7,027 U</b>	<b>7,027 U</b>
	<b><u>1,859 C</u></b>	<b><u>1,857 C</u></b>	<b><u>1,915 C</u></b>	<b><u>1,915 C</u></b>	<b><u>1,915 C</u></b>

C = Civilian U = Uniform

## CITY PEG PROGRAM

### Department of Sanitation

Description	City Personnel *		(City Funds in 000's)				
	Attrition	Layoff	2011	2012	2013	2014	2015
<b><u>Supervisor Post Efficiencies - Attrition &amp; Redeployment</u></b>	(200)	-- U	(9,943)	(21,111)	(21,367)	(21,834)	(21,809)
The Department will achieve savings by modifying the supervisor span of control.	(2)	-- C					
<b><u>Flat Refuse Truck Target</u></b>	(65)	-- U	--	(2,491)	(5,016)	(5,152)	(5,416)
Reduce the number of fixed weekly refuse truckshifts using a year-round flat target, rather than a fluctuating monthly target.	(2)	-- C					
<b><u>Landfill Closure Surplus</u></b>			--	(34,895)	(27,615)	--	--
The Department anticipates a surplus in the Fresh Kills Landfill Closure budget.							
<b><u>Waste Export Surplus</u></b>			(6,734)	(15,000)	--	--	--
Surplus in the waste export budget in FY 2011 and FY 2012 due to lower tonnage and changes in long-term contract schedules.							
<b><u>Personal Services Surplus</u></b>			(3,400)	--	--	--	--
Surplus in Personal Services funding in FY 2011 as a result of increased attrition, decreased hiring, and no uniform promotions.							
<b><u>Reverse OTPS Portion of Sunday Security PEG</u></b>			(2,803)	--	--	--	--
Reduce the funding to provide contractual security at Sanitation facilities on Sundays and holidays.							
<b><u>Recycling Outreach</u></b>			(2,250)	(2,500)	--	--	--
Reduction in the level of funding for recycling outreach.							
<b><u>Staten Island Rail Line Usage</u></b>			(984)	--	--	--	--
The Department will receive a refund from its long-term export contractor based on other companies' usage of the City's Staten Island Rail Line.							

**CITY PEG PROGRAM**

**Department of Sanitation**

Description	City Personnel *		(City Funds in 000's)				
	Attrition	Layoff	2011	2012	2013	2014	2015
<p><b><u>Methane Gas Concession Revenue</u></b></p> <p>Due to a decrease in the market price, the Department will generate less revenue from the sale of methane gas at Fresh Kills.</p>			984	--	--	--	--
<b>Total Agency: CITY PEG PROGRAM</b>	(265)	-- U	(25,130)	(75,997)	(53,998)	(26,986)	(27,225)
	(4)	-- C					

C = Civilian U = Uniform

\*As of 6/30/12

## Expenditure Increases/Re-estimates

### Department of Sanitation

Description	City Personnel *		(City Funds in 000's)				
			Attrition	Layoff	2011	2012	2013
<b>November</b>							
<b><u>Flat Refuse Truck Target Fringe Offset</u></b>			--	559	1,179	1,251	1,338
Fringe associated with the reduction in the number of fixed weekly refuse truckshifts by using a year-round flat target, rather than a fluctuating monthly target.							
<b><u>Supervisor Post Efficiencies - Attrition &amp; Redeployment - Fringe Offset</u></b>			1,816	3,833	4,027	4,243	4,477
The Department will achieve savings by modifying the supervisor span of control.							
<b>February</b>							
<b><u>Snow Deficit in FY 2011 and Incremental Need for FY 2012</u></b>			76,629	4,505	--	--	--
Funding to address snow deficit in FY 2011, and incremental need for FY 2012 based on average snow expenditures from FY 2006-FY 2010.							
<b><u>Graffiti Removal Funding</u></b>			1,200	--	--	--	--
Graffiti Removal Funding							
<b>Total Agency: Expenditure Increases/Re-estimates</b>			<b>79,645</b>	<b>8,897</b>	<b>5,206</b>	<b>5,494</b>	<b>5,815</b>

## AGENCY FIVE YEAR SUMMARY PROGRAM

### Administration for Children's Services

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
<b><u>Dollars</u></b>	<i>(City Funds in 000's)</i>				
Baseline Per July Plan - 7/13/2010	\$682,530	\$664,903	\$666,822	\$666,822	\$666,822
PEG Program	(26,192)	(36,850)	(36,967)	(37,096)	(37,239)
Expenditure Increases / Re-estimates	53,838	228,541	200,434	201,127	201,835
<b>Financial Plan of 2/17/2011</b>	<b><u><u>\$710,176</u></u></b>	<b><u><u>\$856,594</u></u></b>	<b><u><u>\$830,289</u></u></b>	<b><u><u>\$830,853</u></u></b>	<b><u><u>\$831,418</u></u></b>
<b><u>Headcount</u></b>	<i>(City Funded)</i>				
Baseline Per July Plan - 7/13/2010	5,947	5,713	5,713	5,713	5,713
PEG Program	(114)	(257)	(257)	(257)	(257)
Expenditure Increases / Re-estimates	- 684	681	681	681	
<b>Financial Plan of 2/17/2011</b>	<b><u><u>5,833</u></u></b>	<b><u><u>6,140</u></u></b>	<b><u><u>6,137</u></u></b>	<b><u><u>6,137</u></u></b>	<b><u><u>6,137</u></u></b>

## CITY PEG PROGRAM

### Administration for Children's Services

Description	City Personnel * Attrition Layoff		(City Funds in 000's)				
			2011	2012	2013	2014	2015
<b>November</b>							
<b><u>Increase Child Care Copayments</u></b>			--	(13,000)	(13,000)	(13,000)	(13,000)
Minimum weekly payments will increase from \$5 to \$15 and maximum payment levels will rise from 12% to 17% of adjusted family income.							
<b><u>Restructure Homemaking Services</u></b>			(2,535)	(5,070)	(5,070)	(5,070)	(5,070)
Restructure program to serve more families and operate a short-term crisis intervention model.							
<b><u>IV-E Revenue Maximization</u></b>			(6,000)	(2,000)	(2,000)	(2,000)	(2,000)
Increase in federal IV-E foster care claiming rate due to improved child eligibility data.							
<b><u>Preventive Accrual</u></b>			(1,253)	--	--	--	--
Delay in new procurement will produce one-time savings.							
<b><u>Agencywide Administrative Savings</u></b>			(609)	(609)	(609)	(609)	(609)
Reduction in expenditures for supplies and administrative contracts.							
<b><u>Reduce Training Academy</u></b>	--	(6)	(329)	(894)	(897)	(900)	(904)
Reduces training consultant contracts and eliminates six positions at training academy for ACS protective service staff.							
<b><u>Reduce PYA funding</u></b>			(1,900)	(2,670)	(2,670)	(2,670)	(2,670)
Reduce the Preparing Youth for Adulthood (PYA) budget to reflect the declining foster care census. The current per child allocation will be maintained in 2012 and beyond.							
<b><u>One Time Revenue</u></b>			(4,433)	--	--	--	--
Revenue settlement for which there is no outstanding receivable.							

## CITY PEG PROGRAM

### Administration for Children's Services

Description	City Personnel *		(City Funds in 000's)				
	Attrition	Layoff	2011	2012	2013	2014	2015
<b><u>SSI Revenue Maximization</u></b> ACS will increase the number of foster care children receiving Supplemental Security Income (SSI) benefits. SSI benefits will offset City costs for foster care services.			--	(5,174)	(5,174)	(5,174)	(5,174)
<b><u>Personal Services Accruals</u></b> Savings from delays in hiring.			(2,800)	--	--	--	--
<b><u>Reduce Program Functions by Attrition</u></b> Savings from staff attrition in program areas throughout the agency.	(26)	--	(487)	(828)	(840)	(853)	(867)
<b><u>Child and Family Specialists</u></b> Eliminates staff that facilitate case conferences.	--	(27)	(439)	(1,012)	(1,024)	(1,038)	(1,053)
<b><u>Reduce Program Functions by Demotions</u></b> Savings from salary reductions for 10 staff who will revert to underlying civil service positions.			(74)	(74)	(74)	(74)	(74)
<b><u>Eliminate Child Welfare Positions Funded in FY11 Only</u></b> ACS will eliminate child welfare positions effective January 1, 2011.			(933)	--	--	--	--
<b><u>Eliminate Program Functions Through Layoffs</u></b> Eliminates targeted administrative and support functions through layoffs.	--	(118)	(1,114)	(2,813)	(2,866)	(2,925)	(2,991)
<b><u>Division of Child Protection Reductions</u></b> Staff reduction in the Child Protective Specialist Supervisor and other managerial titles.	(80)	--	(1,579)	(2,706)	(2,743)	(2,783)	(2,827)
<b>February</b>							
<b><u>Child and Family Specialists</u></b> Restores staff that facilitate case conferences.			439	--	--	--	--

## CITY PEG PROGRAM

### Administration for Children's Services

Description	City Personnel *		(City Funds in 000's)						
			Attrition	Layoff	2011	2012	2013	2014	2015
<b><u>Child Welfare Positions Funded in FY11 Only</u></b>					933	--	--	--	--
Restores child welfare positions scheduled to be eliminated January 1, 2011.									
<b><u>Restore Program Functions</u></b>					826	--	--	--	--
Restores targeted administrative and support functions that were scheduled for layoffs.									
<b><u>Restore Division of Child Protection Reductions</u></b>					395	--	--	--	--
Restores staff reduction in the Child Protective Specialist Supervisor and other managerial titles.									
<b><u>Community Partnership Offsetting Reduction</u></b>					(1,300)	--	--	--	--
<b><u>IV-E Revenue Offsetting Savings</u></b>					(500)	--	--	--	--
Increase in federal IV-E foster care claiming rate due to improved child eligibility data.									
<b><u>Preventive Accrual Offsetting Savings</u></b>					(1,000)	--	--	--	--
Savings from contract accruals.									
<b><u>PS Accrual Offsetting Savings</u></b>					(1,500)	--	--	--	--
Savings from delays in hiring.									
<b>Total Agency: CITY PEG PROGRAM</b>	<b>(106)</b>	<b>(151)</b>			<b>(26,192)</b>	<b>(36,850)</b>	<b>(36,967)</b>	<b>(37,096)</b>	<b>(37,239)</b>

## Expenditure Increases/Re-estimates

### Administration for Children's Services

Description	City Personnel * Attrition Layoff		(City Funds in 000's)				
			2011	2012	2013	2014	2015
<b>November</b>							
<b><u>ACS-DOI Technical Adjustment</u></b>			10	10	10	10	10
Conversion of collective bargaining funding to intra-City to be consistent with DOI's budget assumption.							
<b><u>Fringe Benefit Offset</u></b>			186	225	237	250	265
Fringe Benefit Offset for Attrition							
<b><u>Fringe Benefit Offset</u></b>			57	247	260	273	288
Fringe Benefit Offset for Child and Family Specialists							
<b><u>Fringe Benefit Offset</u></b>			107	--	--	--	--
Fringe benefit offset for Child Welfare Restoration							
<b><u>Fringe Benefit Offset</u></b>			7	7	7	7	7
Fringe Benefit Offset for Demotions							
<b><u>Fringe Benefit Offset</u></b>			177	940	993	1,053	1,118
Fringe Benefit Offset for Clerical Layoffs							
<b><u>Fringe Benefit Offset</u></b>			579	708	744	784	828
Fringe Benefit Offset for Division of Child Protection Reductions							
<b><u>Fringe Benefit Offset</u></b>			12	55	57	60	64
Fringe Benefit Offset for Training Academy							
<b><u>NFP CTL Transfer</u></b>			600	--	--	--	--
Transfer of CTL to ACS under intra-city agreement for State funding for NFP.							
<b>February</b>							
<b><u>OCFS Retroactive Charge</u></b>			--	29,000	--	--	--
Retroactive charges for cost of juveniles placed in NYS operated facilities between 2002 and 2007.							

## Expenditure Increases/Re-estimates

### Administration for Children's Services

Description	City Personnel *		(City Funds in 000's)							
			Attrition	Layoff	2011	2012	2013	2014	2015	
<b><u>Special Education Care &amp; Maintenance</u></b>						19,726	18,174	18,530	18,886	19,243
Increased costs for room and board of 900 children placed by the DOE in residential settings.										
<b><u>State Budget - Adoption Subsidies</u></b>						14,900	29,700	29,700	29,700	29,700
State Executive SFY11-12 proposal to reduce State reimbursement percentage from 73.5% to 62% for the non-federal share of subsidy payments for 28,000 children in adoptive homes.										
<b><u>CEO Funding Adjustment</u></b>	3	--	--	96	--	--	--	--	--	--
Transfer of CEO funds to Youth Financial Empowerment (YFE) program.										
<b><u>State Budget - Special Education Reimbursement</u></b>						17,850	34,824	35,032	35,240	35,448
State Executive SFY11-12 proposal to eliminate State reimbursement for the room and board costs of children placed by the Committee for Special Education in residential schools.										
<b><u>State Budget Impact: Detention Funding</u></b>						--	15,000	15,000	15,000	15,000
State Executive SFY11-12 proposal to eliminate open ended juvenile detention funding.										
<b><u>State Budget Impact: OCFS Placement Rates</u></b>						--	1,000	1,300	1,300	1,300
State Executive SFY11-12 proposal to eliminate beds and add services increases local costs for juveniles placed in state facilities.										
<b><u>DJJ Intracity Transfer</u></b>						--	629	629	629	629
DJJ Intracity Transfer										
<b><u>DJJ Intracity Transfer</u></b>						--	12	12	12	12
DJJ Intracity Transfer										
<b><u>Juvenile Justice Transfer</u></b>						--	84,041	84,050	84,050	84,050
Juvenile Justice Transfer										

## Expenditure Increases/Re-estimates

### Administration for Children's Services

Description	City Personnel *		(City Funds in 000's)				
	Attrition	Layoff	2011	2012	2013	2014	2015
<b><u>Juvenile Justice Transfer</u></b>	681	--	--	13,873	13,873	13,873	13,873
Juvenile Justice Transfer							
<b><u>PS Realignment U/A 001</u></b>	(36)	--	(1,205)	(1,205)	(1,205)	(1,205)	(1,205)
PS Realignment U/A 001							
<b><u>PS Realignment U/A 003</u></b>	16	--	580	580	580	580	580
PS Realignment U/A 003							
<b><u>PS Realignment U/A 005</u></b>	20	--	625	625	625	625	625
PS Realignment U/A 005							
<b><u>Fringe Benefit Offset</u></b>			(57)	--	--	--	--
Fringe Benefit Offset for Child and Family Specialists							
<b><u>Fringe Benefit Offset</u></b>			(107)	--	--	--	--
Fringe benefit offset for Child Welfare Restoration							
<b><u>Fringe Benefit Offset</u></b>			(103)	--	--	--	--
Fringe Benefit Offset for Clerical Layoffs							
<b><u>Fringe Benefit Offset</u></b>			(106)	--	--	--	--
Fringe Benefit Offset for Division of Child Protection Reductions							
<b>Total Agency: Expenditure Increases/Re-estimates</b>	<b>684</b>	<b>--</b>	<b>53,838</b>	<b>228,541</b>	<b>200,434</b>	<b>201,127</b>	<b>201,835</b>

## AGENCY FIVE YEAR SUMMARY PROGRAM

### Department of Social Services

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
<b><u>Dollars</u></b>	<i>(City Funds in 000's)</i>				
Baseline Per July Plan - 7/13/2010	\$6,099,267	\$6,866,395	\$7,129,258	\$7,736,494	\$7,736,494
PEG Program	(51,406)	(33,238)	(41,020)	(41,212)	(41,424)
Expenditure Increases / Re-estimates	(311,883)	199,032	166,463	(303,987)	(123,911)
<b>Financial Plan of 2/17/2011</b>	<b><u>\$5,735,978</u></b>	<b><u>\$7,032,189</u></b>	<b><u>\$7,254,701</u></b>	<b><u>\$7,391,295</u></b>	<b><u>\$7,571,159</u></b>
<b><u>Headcount</u></b>	<i>(City Funded)</i>				
Baseline Per July Plan - 7/13/2010	10,598	10,352	10,352	10,352	10,352
PEG Program	(130)	(134)	(334)	(334)	(334)
Expenditure Increases / Re-estimates	7	69	62	62	62
<b>Financial Plan of 2/17/2011</b>	<b><u>10,475</u></b>	<b><u>10,287</u></b>	<b><u>10,080</u></b>	<b><u>10,080</u></b>	<b><u>10,080</u></b>

## CITY PEG PROGRAM

### Department of Social Services

Description	City Personnel * Attrition Layoff	(City Funds in 000's)				
		2011	2012	2013	2014	2015
<b>November</b>						
<b><u>Employment Efficiencies</u></b>		(577)	(1,153)	(1,153)	(1,153)	(1,153)
Back to Work vendors serving Cash Assistance clients will no longer be provided with milestone payments for the development of career plans for clients who obtain employment.						
<b><u>Carfare Savings</u></b>		(243)	(486)	(486)	(486)	(486)
Cash Assistance clients will receive carfare for their first three months of employment through Back to Work placement vendors.						
<b><u>BEGIN Administrative Reduction</u></b>		--	(2,248)	(2,248)	(2,248)	(2,248)
Eliminates the administrative component of CUNY's Begin Employment, Gain Independence Now (BEGIN) program. Services will continue to be provided by community-based contractors overseen by HRA.						
<b><u>One-Time Revenue Adjustments</u></b>		(10,561)	--	--	--	--
One-time revenue from New York State from the former Administrative Cap and a supplemental Federal Food Stamps Administration allocation.						
<b><u>Improved Cost Allocation</u></b>		(5,669)	(6,038)	(6,038)	(6,038)	(6,038)
Realizes savings from changes in cost allocation methodologies for administrative and personnel expenditures.						
<b><u>Medicaid Revenue for Hospitalized Inmates</u></b>		(21,513)	(3,800)	(3,800)	(3,800)	(3,800)
As a result of automating the claiming process for costs related to hospitalizations of prison inmates HRA will realize additional Medicaid revenue.						
<b><u>Medicaid Provider Fraud, Waste and Abuse - 25% Reimbursement</u></b>		--	(943)	(1,006)	(1,006)	(1,006)
Improved recovery and audit processes will generate additional revenues.						

## CITY PEG PROGRAM

### Department of Social Services

Description	City Personnel * Attrition Layoff		(City Funds in 000's)				
			2011	2012	2013	2014	2015
<b><u>Enhanced Monitoring of Residential Treatment Program Attendance</u></b> Implementation of finger imaging technology at Residential Substance Abuse Treatment programs will improve attendance tracking.			(39)	(1,893)	(1,893)	(1,893)	(1,893)
<b><u>Broker's Fees Reduction</u></b> 50 percent reduction to payments made to real estate brokers on behalf of Cash Assistance clients.			(2,396)	(4,793)	(4,793)	(4,793)	(4,793)
<b><u>Personal Injury Settlement Collections</u></b> Revenue from additional collections related to personal injury settlements awarded to current and former Cash Assistance recipients.			(490)	(979)	(979)	(979)	(979)
<b><u>Federal Revenue for Emergency Grants</u></b> Recognizes improved claiming for short-term non-recurring needs of families seeking emergency benefits or domestic violence shelter.			(1,443)	(1,443)	(1,443)	(1,443)	(1,443)
<b><u>Managerial Reductions</u></b> Eliminate provisional managerial positions.	--	(15)	(453)	(1,001)	(1,009)	(1,017)	(1,027)
<b><u>Reductions from Redeployment</u></b> Redeploy shelter literacy and finance staff throughout the agency.	(23)	--	(643)	(851)	(863)	(876)	(890)
<b><u>Vacancy and Overtime Reduction</u></b> Savings from elimination of 96 vacant positions in 2011 and an additional 200 beginning in 2013. HRA will also reduce its overtime budget beginning in FY12.	(96)	--	(4,206)	(4,814)	(14,405)	(14,576)	(14,764)
<b><u>Administrative Efficiencies</u></b> Savings from reducing lease costs at three locations, accruals from procurement delays in the expansion of supportive housing services and replacing three toll-free numbers with local lines.			(273)	(2,796)	(904)	(904)	(904)

## CITY PEG PROGRAM

### Department of Social Services

Description	City Personnel *		(City Funds in 000's)				
			Attrition	Layoff	2011	2012	2013
<b>February</b>							
<b><u>CEO Offsetting Reduction</u></b>			(200)	--	--	--	--
Reduction of funds for CEO evaluation contracts.							
<b><u>HOPWA Offsetting Savings</u></b>			(700)	--	--	--	--
Recognizes additional HOPWA (Housing Opportunities for Persons with AIDS) revenue.							
<b><u>PS Accruals Offsetting Savings</u></b>			(2,000)	--	--	--	--
Savings from delays in hiring.							
<b>Total Agency: CITY PEG PROGRAM</b>	(119)	(15)	(51,406)	(33,238)	(41,020)	(41,212)	(41,424)

## Expenditure Increases/Re-estimates

### Department of Social Services

Description	City Personnel * Attrition Layoff		(City Funds in 000's)				
			2011	2012	2013	2014	2015
<b>November</b>							
<u>Wildcat Service Corporation</u>			(50)	--	--	--	--
<u>Connecting to Advantages, Inc.</u>			(4)	--	--	--	--
<u>Advantage Broker's Fees Adjustment</u> Adjustment to accurately reflect savings in the Cash Assistance budget.			--	(1,578)	(1,578)	(1,578)	(1,578)
<u>HRA-DOI Technical Adjustment</u> Conversion of collective bargaining funding to intra-City to be consistent with DOI's budget assumption.			229	229	229	229	229
<u>Security Headcount Adjustment</u> HRA will contract in security staff.	62	--	--	--	--	--	--
<u>Transfer Medicaid Inmate Revenue from HRA to HHC</u>			25,000	25,000	25,000	25,000	25,000
<u>Integrated Payment System Adjustment</u> Funds to support integrated payment system for human service agencies.			(63)	(71)	(71)	(71)	(71)
<u>Fringe Benefit Adjustment - Attrition</u> Fringe Benefit Adjustment			915	999	3,199	3,369	3,557
<u>Fringe Benefit Adjustment - Layoffs</u> Fringe Adjustment for Layoffs			38	172	180	188	198
<u>Fringe Benefit Adjustment - Redeployment</u> Offsets of fringe benefits from PS Redeployment PEG			149	212	224	237	251
<u>Fringe Benefit Adjustment - Revenues from Improved Cost Allocation</u> Fringe Benefit Adjustment - Revenues from Improved Cost Allocation.			904	964	964	964	964
<u>FMAP Impact of Federal Changes</u>			108,742	72,494	--	--	--
<u>MA Adjustment</u>			190,810	--	--	--	--

## Expenditure Increases/Re-estimates

### Department of Social Services

Description	City Personnel *		(City Funds in 000's)				
	Attrition	Layoff	2011	2012	2013	2014	2015
<b><u>FMAP Impact of Federal Changes</u></b>			70,931	--	--	--	--
<b><u>State Budget Adjustment</u></b>			(8,206)	(8,206)	(8,206)	(8,206)	(8,206)
Adjustment for changes in State FY10-11 budget agreement.							
<b><u>MA FY15 Tech Adj</u></b>			--	--	--	--	157,864
Technical Adjustment to reflect annual growth for FY15							
<b><u>MA UPL Adjustment</u></b>			(188,000)	--	--	--	--
<b>February</b>							
<b><u>DV Shelter Rate</u></b>			2,171	2,171	2,171	2,171	2,171
Funding for NYS rates for emergency shelter and increase in occupancy.							
<b><u>CEO FUNDING ADJUSTMENT</u></b>	6	--	--	1,960	--	--	--
<b><u>Vacancy Reduction Fringe Adjustment</u></b>			192	351	510	510	510
Fully restores JAN 10 fringe adjustment in initiative HRAJAN10VRFRNGE.							
<b><u>Budget Headcount Mods From 12/21/2010 to 1/25/2011</u></b>	1	--	--	--	--	--	--
<b><u>State Budget - Public Assistance Basic Allowance Increase Delay</u></b>			--	(3,943)	--	--	--
The Executive SFY11-12 State Budget proposes to delay the third scheduled increase in the Public Assistance base grant by one year, until July 1, 2012.							
<b><u>State Budget - Full Family Sanction</u></b>			--	(8,850)	(11,800)	(11,800)	(11,800)
The Executive SFY11-12 State Budget proposes to withhold benefits from all members of Public Assistance cases with heads of household who fail to comply with employment requirements.							
<b><u>MA Adjustment</u></b>			(515,641)	122,000	393,641	--	--
<b><u>MA Adjustment</u></b>			--	--	(238,000)	(315,000)	(293,000)

## Expenditure Increases/Re-estimates

### Department of Social Services

Description	City Personnel *		(City Funds in 000's)				
	Attrition	Layoff	2011	2012	2013	2014	2015
<p><b><u>State Budget - Public Assistance Funding</u></b></p> <p>The Executive SFY11-12 State Budget proposes to change the funding structure for Public Assistance, providing one-time savings for NYC.</p>			--	(4,872)	--	--	--
<b>Total Agency: Expenditure Increases/Re-estimates</b>	<b>69</b>	<b>--</b>	<b>(311,883)</b>	<b>199,032</b>	<b>166,463</b>	<b>(303,987)</b>	<b>(123,911)</b>

## AGENCY FIVE YEAR SUMMARY PROGRAM

### Department of Homeless Services

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
<b><u>Dollars</u></b>	<i>(City Funds in 000's)</i>				
Baseline Per July Plan - 7/13/2010	\$353,855	\$349,266	\$351,512	\$351,569	\$351,569
PEG Program	(935)	(17,968)	(19,468)	(19,468)	(19,468)
Expenditure Increases / Re-estimates	69,997	92,432	90,952	90,932	90,910
<b>Financial Plan of 2/17/2011</b>	<b><u><u>\$422,917</u></u></b>	<b><u><u>\$423,730</u></u></b>	<b><u><u>\$422,996</u></u></b>	<b><u><u>\$423,033</u></u></b>	<b><u><u>\$423,011</u></u></b>
<b><u>Headcount</u></b>	<i>(City Funded)</i>				
Baseline Per July Plan - 7/13/2010	2,044	1,974	1,975	1,975	1,975
PEG Program	10	20	20	20	20
Expenditure Increases / Re-estimates	(139)	(111)	(111)	(111)	(111)
<b>Financial Plan of 2/17/2011</b>	<b><u><u>1,915</u></u></b>	<b><u><u>1,883</u></u></b>	<b><u><u>1,884</u></u></b>	<b><u><u>1,884</u></u></b>	<b><u><u>1,884</u></u></b>

## CITY PEG PROGRAM

### Department of Homeless Services

Description	City Personnel *		(City Funds in 000's)							
			Attrition	Layoff	2011	2012	2013	2014	2015	
<b><u>Emergency Assistance Revenue Increase</u></b>					(665)	(1,329)	(1,329)	(1,329)	(1,329)	(1,329)
Additional reimbursement for Outreach and Drop In services for street homeless.										
<b><u>Safety Net Revenue for Adult Shelter</u></b>					--	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)
Increase in Cash Assistance population in adult shelter will provide additional revenue.										
<b><u>Public Assistance Revenue for Family Shelter</u></b>	10	--			--	(4,000)	(4,000)	(4,000)	(4,000)	(4,000)
Recognizes the increase in Cash Assistance eligibility levels among families in shelter.										
<b><u>Adult Shelter Diversions</u></b>	10	--			--	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)
Expansion of homelessness prevention services will assist single adult applicants to remain in the community and avoid shelter.										
<b><u>Shared Rooms for Families With Children</u></b>					--	(1,685)	(1,685)	(1,685)	(1,685)	(1,685)
Create efficiencies in family shelter system by housing small families with children in shared, apartment style units.										
<b><u>Contracted Security</u></b>					(270)	(753)	(753)	(753)	(753)	(753)
Reduction in the number of contracted security posts in directly operated family shelters.										
<b><u>Graduated Payment System Enhancement</u></b>					--	(1,027)	(1,027)	(1,027)	(1,027)	(1,027)
Increases performance targets for family shelter providers participating in the Graduated Payment System, which rewards providers expediting placements to permanent housing.										
<b><u>Adult Shelter Provider Performance Payments</u></b>					--	(1,000)	(2,500)	(2,500)	(2,500)	(2,500)
Savings from the redesign of adult shelter performance based payment incentive program.										
<b><u>Family Hotel Provider Performance Payments</u></b>					--	(1,236)	(1,236)	(1,236)	(1,236)	(1,236)
Implements a performance based payment component, incentivizing family hotel providers to improve the number of placements into permanent housing.										

## CITY PEG PROGRAM

### Department of Homeless Services

Description	City Personnel *		(City Funds in 000's)				
	Attrition	Layoff	2011	2012	2013	2014	2015
<p><b><u>Administrative Savings</u></b> Savings from reduction in contracts for facility maintenance and transportation.</p>			--	(360)	(360)	(360)	(360)
<p><b><u>Advantage Broker's Fees</u></b> Reduce broker's fees in the Advantage program to better align payment levels with other rental subsidy programs.</p>			--	(1,578)	(1,578)	(1,578)	(1,578)
<b>Total Agency: CITY PEG PROGRAM</b>	<b>20</b>	<b>--</b>	<b>(935)</b>	<b>(17,968)</b>	<b>(19,468)</b>	<b>(19,468)</b>	<b>(19,468)</b>

## Expenditure Increases/Re-estimates

### Department of Homeless Services

Description	City Personnel *		(City Funds in 000's)				
	Attrition	Layoff	2011	2012	2013	2014	2015
<b>November</b>							
<b><u>Adult Capacity Reestimate</u></b>	28	--	35,969	49,224	49,224	49,224	49,224
Additional funding to support shelters that house homeless adults. The adult census was 8,260 in October 2010.							
<b><u>Family Capacity Reestimate</u></b>			9,145	9,724	9,724	9,724	9,724
Reestimate of expenses to provide shelter services for 9,615 homeless families.							
<b><u>Doe Fund, Inc., The</u></b>			13	--	--	--	--
<b><u>Advantage Broker's Fees Adjustment</u></b>			--	1,578	1,578	1,578	1,578
Adjustment to accurately reflect savings in the Cash Assistance budget.							
<b><u>Fringe Benefit Offset</u></b>			(80)	(168)	(177)	(187)	(198)
Adjustment for fringe savings in Adult Shelter Diversions.							
<b><u>Fringe Benefit Offset</u></b>			--	(167)	(176)	(186)	(197)
Adjustment for fringe savings in Public Assistance Revenue for Family Shelter.							
<b>February</b>							
<b><u>Federal Stimulus Funding</u></b>	(77)	--	--	--	--	--	--
Federal stimulus funding for prevention staff.							
<b><u>Adult Capacity Reestimate</u></b>			7,000	13,000	13,000	13,000	13,000
Additional funding to support shelters that house homeless adults. The adult census was 8,763 in January 2011.							
<b><u>New Family Intake Center</u></b>			1,179	2,439	864	864	864
Funds maintenance and security costs for new intake facility.							
<b><u>Fringe Benefit Offset</u></b>			1,071	1,102	1,215	1,215	1,215
Adjustment for fringe savings in Federal Stimulus Funding.							

## Expenditure Increases/Re-estimates

### Department of Homeless Services

Description	City Personnel *		(City Funds in 000's)				
	Attrition	Layoff	2011	2012	2013	2014	2015
<b><u>State Budget - Adult Shelter Cap</u></b>			15,700	15,700	15,700	15,700	15,700
SFY 11-12 Executive budget proposal reduces New York City's Adult Shelter Cap allocation from \$84.7 to \$69 million.							
<b><u>Personal Services Budget Realignment</u></b>	(62)	--	--	--	--	--	--
Realigns funding and headcount by program area.							
<b>Total Agency: Expenditure Increases/Re-estimates</b>	<b>(111)</b>	<b>--</b>	<b>69,997</b>	<b>92,432</b>	<b>90,952</b>	<b>90,932</b>	<b>90,910</b>

## AGENCY FIVE YEAR SUMMARY PROGRAM

### Department of Youth and Community Development

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
<b><u>Dollars</u></b>	<i>(City Funds in 000's)</i>				
Baseline Per July Plan - 7/13/2010	\$231,581	\$159,794	\$159,811	\$159,811	\$159,811
PEG Program	(9,152)	(13,602)	(13,602)	(13,602)	(13,602)
Expenditure Increases / Re-estimates	1,040	11,228	28	28	28
<b>Financial Plan of 2/17/2011</b>	<b><u><u>\$223,469</u></u></b>	<b><u><u>\$157,420</u></u></b>	<b><u><u>\$146,237</u></u></b>	<b><u><u>\$146,237</u></u></b>	<b><u><u>\$146,237</u></u></b>
<b><u>Headcount</u></b>	<i>(City Funded)</i>				
Baseline Per July Plan - 7/13/2010	312	302	302	302	302
Expenditure Increases / Re-estimates	-	7	-	-	-
<b>Financial Plan of 2/17/2011</b>	<b><u><u>312</u></u></b>	<b><u><u>309</u></u></b>	<b><u><u>302</u></u></b>	<b><u><u>302</u></u></b>	<b><u><u>302</u></u></b>

## CITY PEG PROGRAM

### Department of Youth and Community Development

Description	City Personnel * Attrition Layoff	(City Funds in 000's)				
		2011	2012	2013	2014	2015
<b>November</b>						
<b><u>Reduce Summer Youth Employment Program Slots</u></b>		--	(3,238)	(3,238)	(3,238)	(3,238)
Eliminate approximately 2,140 summer job slots for young people in the summer of calendar year 2011.						
<b><u>Reduce OST Option I School Holiday Availability</u></b>		(6,189)	(6,052)	(6,052)	(6,052)	(6,052)
Savings from reducing OST Option I program availability from 20 school holidays a year to 15 per year in 2011 and 14 per year in 2012.						
<b><u>Reduce NYCHA Cornerstone Programs</u></b>		(833)	(1,106)	(1,106)	(1,106)	(1,106)
Savings from reducing holiday service availability from 20 holidays a year to 15, and eliminating 118 slots in 2011 and 632 slots in 2012.						
<b><u>Reduce Runaway Homeless Youth Services</u></b>		(569)	(330)	(330)	(330)	(330)
Funding reductions to five drop in centers and elimination of City funds for street outreach contracts.						
<b><u>Reduce Beacon Contracts</u></b>		(2,496)	(2,634)	(2,634)	(2,634)	(2,634)
Ten percent reduction in funding for 66 City funded Beacon Center programs located in public schools.						
<b><u>Reduce Literacy Contracts</u></b>		(465)	(242)	(242)	(242)	(242)
Six percent reduction to adult literacy programs in 2011 and an eleven percent reduction to family literacy programs in 2012 and beyond.						
<b><u>Reduce Funding to Discretionary Programs</u></b>		(1,878)	--	--	--	--
Reduces funding for City Council discretionary programs by 5.4 percent.						
<b><u>Reduce Center for Economic Opportunity (CEO) Contracts</u></b>		(92)	--	--	--	--
Reduce CEO Service Learning Contracts by two percent.						

## CITY PEG PROGRAM

### Department of Youth and Community Development

Description	City Personnel *		(City Funds in 000's)				
	Attrition	Layoff	2011	2012	2013	2014	2015
<b>February</b>							
<b><u>Partial Restoration of NYCHA Cornerstone Programs</u></b>			153	--	--	--	--
Restores funding for 118 slots for participants between the ages 16-21.							
<b><u>Restoration of Runaway Homeless Youth Funding</u></b>			969	--	--	--	--
Restores funding to five drop in centers and street outreach contracts.							
<b><u>Partial Restoration to Beacon Center Contracts</u></b>			1,248	--	--	--	--
Restores 50 percent of a \$2.5 million reduction in funding for 66 City funded Beacon Center programs located in public schools.							
<b><u>Partial Restoration to Discretionary Programs</u></b>			1,000	--	--	--	--
Restores funding for City Council discretionary programs.							
<b>Total Agency: CITY PEG PROGRAM</b>			<b>(9,152)</b>	<b>(13,602)</b>	<b>(13,602)</b>	<b>(13,602)</b>	<b>(13,602)</b>

## Expenditure Increases/Re-estimates

### Department of Youth and Community Development

Description	City Personnel * Attrition Layoff		(City Funds in 000's)				
			2011	2012	2013	2014	2015
<b>November</b>							
<u>Tzivos Gaon Yakov</u>			(4)	--	--	--	--
<u>Metropolitan New York Coordinating Council on Jewish Poverty, Inc.</u>			(2)	--	--	--	--
<u>Vietnam Veterans of America, Inc. - Queens Chapter #32</u>			(1)	--	--	--	--
<u>I Love Our Youth, Inc.</u>			(10)	--	--	--	--
<u>Friends of the Upper East Side Historic Districts</u>			(5)	--	--	--	--
<u>Commodore Barry Club of Brooklyn, Inc.</u>			(2)	--	--	--	--
<u>Narrows Community Theater</u>			(2)	--	--	--	--
<u>Ridge Chorale, The</u>			(2)	--	--	--	--
<u>Scandinavian East Coast Museum</u>			(2)	--	--	--	--
<u>Artists Unite, Inc.</u>			4	--	--	--	--
<u>Doe Fund, Inc., The</u>			(13)	--	--	--	--
<u>Primary Stages Company, Inc.</u>			(4)	--	--	--	--
<u>Brooklyn Queens Land Trust</u>			(7)	--	--	--	--
<u>Caribbean American Sports and Cultural Youth Movement (CASYM), Inc.</u>			10	--	--	--	--
<u>Nia Theatrical Production Company, Inc.</u>			62	--	--	--	--
<u>Nia Theatrical Production Company, Inc.</u>			5	--	--	--	--
<u>Wyckoff House Association, Inc.</u>			(10)	--	--	--	--
<u>Spring Creek Tenant Association, Inc.</u>			3	--	--	--	--
<u>Ebbets Field Residents' Organization, Inc.</u>			4	--	--	--	--

## Expenditure Increases/Re-estimates

### Department of Youth and Community Development

Description	City Personnel * Attrition Layoff	(City Funds in 000's)				
		2011	2012	2013	2014	2015
<u>A Better Jamaica, Inc.</u>		(5)	--	--	--	--
<u>West Bronx Housing and Neighborhood Resource Center, Inc.</u>		(20)	--	--	--	--
<u>Cultural After School Adventure (CASA)</u>		160	--	--	--	--
<u>Friends of Public School 163, Inc.</u>		(8)	--	--	--	--
<u>Samaritans of New York, Inc.</u>		(4)	--	--	--	--
<u>Lincoln Center for the Performing Arts, Inc.</u>		(7)	--	--	--	--
<u>La Casa de la Herencia Cultural Puertorriquena, Inc.</u>		10	--	--	--	--
<u>Southwest Brooklyn Citizens Corps, Ltd. d/b/a Community Emergency Response Team - CERT 1 NYC</u>		(1)	--	--	--	--
<u>Jets of Harlem, Inc.</u>		(4)	--	--	--	--
<u>Young Dancers in Repertory, Inc.</u>		(40)	--	--	--	--
<u>Federazione Italo-Americana di Brooklyn and Queens, Inc.</u>		3	--	--	--	--
<u>Hollis Presbyterian Church</u>		(12)	--	--	--	--
<u>Friends of the Upper East Side Historic Districts</u>		(4)	--	--	--	--
<u>Community-Word Project, Inc.</u>		(4)	--	--	--	--
<u>Russian American Cultural Heritage Center, Inc., The</u>		4	--	--	--	--
<u>Queens Theatre in the Park, Inc.</u>		(10)	--	--	--	--
<u>Alley Pond Environmental Center, Inc.</u>		(5)	--	--	--	--
<u>Center for the Women of New York, Inc., The</u>		(3)	--	--	--	--
<u>Korean American Community Center of New York, Inc. (KACCNY)</u>		(2)	--	--	--	--
<u>Charter School Funding</u>		944	--	--	--	--
Expenses for additional charter schools.						

## Expenditure Increases/Re-estimates

### Department of Youth and Community Development

Description	City Personnel *		(City Funds in 000's)				
	Attrition	Layoff	2011	2012	2013	2014	2015
<b><u>Integrated Payment System Adjustment</u></b>			25	28	28	28	28
Funds to support contract payment system between agencies.							
<b><u>Transfer Council Funds to Office of Emergency Management</u></b>			(1)	--	--	--	--
<b>February</b>							
<b><u>CEO FUNDING ADJUSTMENT</u></b>	7	--	--	11,200	--	--	--
<b>Total Agency: Expenditure Increases/Re-estimates</b>	7	--	1,040	11,228	28	28	28

## AGENCY FIVE YEAR SUMMARY PROGRAM

### Department of Health and Mental Hygiene

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
<b><u>Dollars</u></b>	<i>(City Funds in 000's)</i>				
Baseline Per July Plan - 7/13/2010	\$630,629	\$614,737	\$613,578	\$613,479	\$613,479
PEG Program	(21,963)	(32,715)	(32,701)	(32,700)	(32,700)
Expenditure Increases / Re-estimates	(1,130)	(3,811)	(4,693)	(4,502)	(4,290)
<b>Financial Plan of 2/17/2011</b>	<b><u>\$607,536</u></b>	<b><u>\$578,211</u></b>	<b><u>\$576,184</u></b>	<b><u>\$576,277</u></b>	<b><u>\$576,489</u></b>
<b><u>Headcount</u></b>	<i>(City Funded)</i>				
Baseline Per July Plan - 7/13/2010	3,716	3,684	3,684	3,684	3,684
PEG Program	(123)	(142)	(142)	(142)	(142)
Expenditure Increases / Re-estimates	83	74	71	71	71
<b>Financial Plan of 2/17/2011</b>	<b><u>3,676</u></b>	<b><u>3,616</u></b>	<b><u>3,613</u></b>	<b><u>3,613</u></b>	<b><u>3,613</u></b>

## CITY PEG PROGRAM

### Department of Health and Mental Hygiene

Description	City Personnel *		(City Funds in 000's)				
	Attrition	Layoff	2011	2012	2013	2014	2015
<b><u>OCME Attrition and PS Efficiencies</u></b> OCME will achieve savings through attrition and PS efficiencies.	(10)	--	(983)	(1,038)	(1,148)	(1,194)	(1,360)
<b><u>OCME Grant Revenue</u></b> OCME will shift staff to various grants.			(464)	(116)	(52)	(53)	(54)
<b><u>Correctional Health - Medicaid</u></b> DOHMH will claim additional Medicaid for Correctional Health staff.			(1,603)	(1,626)	(1,652)	(1,681)	(1,713)
<b><u>WTC Mental Health Benefit Program Excess Funding</u></b> The WTC Mental Health Benefit Program ends in FY11. Therefore, baseline funding for the fiscal agent is unnecessary and will be eliminated.			--	(853)	(853)	(853)	(853)
<b><u>Early Intervention - Service Coordination</u></b> DOHMH will perform some service coordination functions using existing DOHMH staff and will therefore reduce reliance on contracted providers.			--	(244)	(244)	(244)	(244)
<b><u>Intra-Cities with HHC</u></b> Funding will be reduced for outpatient medications, pass-through funding for child health clinics, enhancements to HIV/AIDS supportive services, and mental health, alcohol/substance abuse and mental retardation/developmental disability services.			(2,274)	(3,960)	(3,960)	(3,960)	(3,960)
<b><u>School Based Health Centers</u></b> Funding for two SBHCs will be eliminated.			--	(182)	(182)	(182)	(182)
<b><u>TB Direct Clinical Care-Layoffs</u></b> Layoffs will be conducted at TB clinics because two clinics will be closed and selected remaining clinics will have reduced hours of operations.	--	(13)	(131)	(659)	(726)	(742)	(759)

## CITY PEG PROGRAM

### Department of Health and Mental Hygiene

Description	City Personnel *		(City Funds in 000's)				
	Attrition	Layoff	2011	2012	2013	2014	2015
<b><u>TB Direct Clinical Care</u></b> Two TB clinics will be closed and selected remaining TB clinics will have reduced hours of operations.	(1)	--	(116)	(334)	(336)	(338)	(341)
<b><u>Agencywide Layoffs</u></b> Layoffs will be conducted agencywide, affecting programs in Disease Control, Health Promotion & Disease Prevention, and Environmental Health.	--	(30)	(294)	(1,404)	(1,540)	(1,574)	(1,611)
<b><u>Agencywide Program Reductions and Efficiencies</u></b> Reductions and efficiencies will be achieved agencywide, affecting programs and services in Disease Control, Health Promotion & Disease Prevention, and Environmental Health.	(41)	--	(1,992)	(3,439)	(3,427)	(3,470)	(3,518)
<b><u>Reductions to Intra-Cities</u></b> Intra-Cities with HPD for lead poisoning outreach/education and DEP for Hazmat training and equipment will be reduced.			(38)	(38)	(38)	(38)	(38)
<b><u>Central Administration-Layoffs</u></b> The agency will layoff staff in Central Administration and Executive Office functions.	--	(8)	(156)	(502)	(534)	(543)	(553)
<b><u>Central Administration PS Efficiencies</u></b> Central Administration and the Executive Office will achieve PS efficiencies through accruals and attrition.	(1)	--	(332)	(60)	(61)	(62)	(63)
<b><u>Intra-City Agreements for Mental Hygiene</u></b> Intra-city funding with DHS, HRA and CUNY will be reduced.			(462)	(1,014)	(1,014)	(1,014)	(1,014)
<b><u>Public Health Labs - Layoffs</u></b> Layoffs will be conducted at the PHL because the agency is reducing or eliminating PHL testing services provided other City Agencies and non-governmental organizations, as well as other DOHMH programs.	--	(11)	(139)	(605)	(653)	(664)	(676)

## CITY PEG PROGRAM

### Department of Health and Mental Hygiene

Description	City Personnel *		(City Funds in 000's)				
	Attrition	Layoff	2011	2012	2013	2014	2015
<b><u>Public Health Labs</u></b> DOHMH will reduce or eliminate PHL testing services provided other City Agencies and non-governmental organizations, as well as other DOHMH programs.	(4)	--	(119)	(189)	(193)	(197)	(201)
<b><u>Mental Hygiene Contracted Services</u></b> Contracts for targeted Mental Health programs and Alcohol/Substance Abuse outpatient treatment programs will be reduced. City funding for Mental Retardation/Developmental Disabilities clinics will be reduced.			(1,446)	(4,858)	(4,858)	(4,858)	(4,858)
<b><u>Correctional Health - Vacancy and Contract Reductions</u></b> Correctional Health will achieve savings through vacancy reductions and operational efficiencies to ancillary and supportive services.	(2)	--	(1,021)	(2,039)	(2,041)	(2,044)	(2,048)
<b><u>Early Intervention Administration Revenue Maximization</u></b> EI is aligning its budget with the State EI Grant and will also receive additional Medicaid Administrative revenue.			(750)	--	--	--	--
<b><u>PS Underspending &amp; Efficiencies</u></b> The agency will achieve savings through PS underspending in FY11 and efficiencies in the out years.	(4)	--	(2,765)	(257)	(261)	(265)	(269)
<b><u>City Council Reductions</u></b> DOHMH will reduce the City Council's HHC initiatives. Individual CBO contracts will not be reduced.			(422)	--	--	--	--
<b><u>School Health Medicaid Revenue</u></b> The agency will claim additional Medicaid for School Health EPSDT services.			(6,430)	(8,211)	(7,902)	(7,745)	(7,573)
<b><u>OCME Additional Revenue</u></b> OCME will claim additional Article 6.			(27)	(40)	(40)	(40)	(40)
<b><u>OCME PS Furloughs</u></b> OCME will require furloughs from staff for FY 12 and FY13.			--	(482)	(260)	(186)	--

## CITY PEG PROGRAM

### Department of Health and Mental Hygiene

Description	City Personnel *		(City Funds in 000's)				
	Attrition	Layoff	2011	2012	2013	2014	2015
<p><b><u>OCME Layoffs</u></b></p> <p>OCME will generate savings by laying off 17 staff. These staff come from a variety of program areas and will not impact DNA or Mortuary operations.</p>	(17)	--	--	(565)	(726)	(753)	(772)
<b>Total Agency: CITY PEG PROGRAM</b>	(80)	(62)	(21,964)	(32,715)	(32,701)	(32,700)	(32,700)

## Expenditure Increases/Re-estimates

### Department of Health and Mental Hygiene

Description	City Personnel *		(City Funds in 000's)				
			Attrition	Layoff	2011	2012	2013
<b>November</b>							
<b><u>2 Gotham Move</u></b>			716	672	--	--	--
Expenses related to agency moving 3,800 employees from 18 locations to 2 Gotham in Long Island City, including a document scanning project and decommissioning vacated spaces.							
<b><u>Nurse Family Partnership</u></b>			--	1,000	2,000	2,000	2,000
CTL match required for Federal funds and the transfer to ACS.							
<b><u>Correctional Health - Funding Shifts</u></b>			437	460	486	515	547
Fringe offset for Correctional Health - Funding Shifts.							
<b><u>TB Direct Clinical Care-Layoffs</u></b>			(21)	207	273	289	307
Fringe offset for TB Direct Clinical Care-Layoffs.							
<b><u>TB Direct Clinical Care</u></b>			27	49	51	53	56
Fringe offset for TB Direct Clinical Care.							
<b><u>Public Health Labs - Layoffs</u></b>			(13)	156	204	215	227
Fringe offset for Public Health Labs - Layoffs.							
<b><u>Public Health Labs</u></b>			40	66	70	74	78
Fringe offset for Public Health Labs.							
<b><u>Correctional Health</u></b>			34	47	50	53	56
Fringe offset for Correctional Health.							
<b><u>Friends of Firefighters, Inc.</u></b>			4	--	--	--	--
<b><u>Brain Tumor Foundation, The</u></b>			(2)	--	--	--	--
<b><u>Samaritans of New York, Inc.</u></b>			4	--	--	--	--
<b><u>Budget Headcount Mods From 7/13/2010 to 9/17/2010</u></b>	25	--	--	--	--	--	--
<b><u>Budget Headcount Mods From 9/20/2010 to 10/22/2010</u></b>	(6)	--	--	--	--	--	--

## Expenditure Increases/Re-estimates

### Department of Health and Mental Hygiene

Description	City Personnel *		(City Funds in 000's)				
	Attrition	Layoff	2011	2012	2013	2014	2015
<b><u>Integrated Payment System Funding</u></b>			38	43	43	43	43
Funding Transfer from HRA to support Integrated Payment System							
<b><u>HHC Program Transfers</u></b>			(1,375)	(4,779)	(4,779)	(4,779)	(4,779)
Program budgets for HIV, Child Health Clinics and Outpatient Medications will be transferred from DOHMH to HHC.							
<b><u>2 Gotham Move</u></b>			2,255	1,495	--	--	--
Expenses related to agency moving 3,800 employees from 18 locations to 2 Gotham in Long Island City, including a document scanning project and decommissioning vacated spaces.							
<b><u>Program Surplus Take-Down</u></b>			(2,092)	--	--	--	--
Reduce program funds in FY11							
<b><u>Article 6 Realignment</u></b>			(1,652)	(1,652)	(1,652)	(1,652)	(1,652)
Realigning Article 6 according to State Budget SFY10-12 enacted measures.							
<b><u>Program Efficiencies - Layoffs</u></b>			(21)	255	334	354	376
Fringe offset.							
<b><u>HPDP</u></b>			69	174	183	193	204
Fringe Offset.							
<b><u>Central Admin - Layoffs</u></b>			15	134	167	176	186
Fringe offset.							
<b><u>Central Admin.</u></b>			53	16	16	17	19
Fringe offset.							
<b><u>EH-Chld Cr,CommSan, EDP-Layoff</u></b>			(3)	77	99	105	112
Fringe Offset.							
<b><u>EH-ChldCr,CommSan,EDP</u></b>			144	324	341	360	380
Fringe Offset.							

## Expenditure Increases/Re-estimates

### Department of Health and Mental Hygiene

Description	City Personnel *		(City Funds in 000's)				
	Attrition	Layoff	2011	2012	2013	2014	2015
<b><u>Program Efficiencies.</u></b>			133	260	274	289	305
Fringe offset.							
<b><u>Mental Hygiene-PS Efficiencies</u></b>			33	66	69	73	78
Fringe Offset							
<b><u>PS Underspending.</u></b>			525	--	--	--	--
Fringe offset.							
<b><u>HPDP - Layoffs</u></b>			(8)	113	147	155	164
Fringe Offset.							
<b><u>Reverse Transfer to DCJS</u></b>			(973)	(960)	(960)	(960)	(960)
Reverse transfer of OCME to DCJS reflecting the state budget during EXE11.							
<b><u>PS Accruals and Reductions</u></b>			33	41	36	39	50
Fringe Offset							
<b><u>OCME PS Furloughs</u></b>			--	45	24	18	--
Fringe Offset.							
<b><u>OCME Attrition</u></b>			138	172	178	188	199
Fringe Offset							
<b><u>OCME Grant Revenue Offset</u></b>			78	31	18	19	20
Fringe Offset.							
<b><u>OCME Layoffs</u></b>			--	114	285	302	321
Fringe Offset.							
<b>February</b>							
<b><u>DOHMH License Processing</u></b>			511	511	511	511	511
The Department of Health and Mental Hygiene will generate additional revenue from restaurant permits. This will offset the Department of Consumer Affairs' License processing expenses.							

## Expenditure Increases/Re-estimates

### Department of Health and Mental Hygiene

Description	City Personnel *		(City Funds in 000's)				
	Attrition	Layoff	2011	2012	2013	2014	2015
<b><u>Intra-City Technical Adjustment</u></b>			76	76	76	76	76
City to intra-City funds technical adjustment between DCA and DOHMH.							
<b><u>CEO: Expand Access to Healthy Foods</u></b>	3	--	--	182	--	--	--
CEO Funding Adjustment							
<b><u>AOT Functional Transfer</u></b>	60	--	(334)	(1,336)	(1,336)	(1,336)	(1,336)
The AOT unit is being transferred from HHC to DOHMH.							
<b><u>Early Intervention - State Budget SFY11-12</u></b>			--	(2,000)	(2,000)	(2,000)	(2,000)
State Budget proposals including rate changes, billing, and commercial insurance reimbursement							
<b><u>OCME Budget Adjustment</u></b>	(8)	--	--	15	--	--	--
Due to difficulties in implementing the furloughs proposed in the NVB Plan (PEGCMENOV120002), OCME has identified additional positions for attrition to meet its target. The number of layoffs has been reduced from 17 to 12, and the number of attrition has increased from 10 to 23.							
<b><u>OCME Budget Adjustment</u></b>			--	114	98	107	121
Fringe Benefits offset							
<b>Total Agency: Expenditure Increases/Re-estimates</b>	<b>74</b>	<b>--</b>	<b>(1,131)</b>	<b>(3,812)</b>	<b>(4,694)</b>	<b>(4,503)</b>	<b>(4,291)</b>

## AGENCY FIVE YEAR SUMMARY PROGRAM

### Housing Preservation and Development

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
<b><u>Dollars</u></b>	<i>(City Funds in 000's)</i>				
Baseline Per July Plan - 7/13/2010	\$64,469	\$54,808	\$53,932	\$53,860	\$53,860
PEG Program	(3,673)	(5,206)	(5,835)	(6,361)	(6,684)
Less PEG Program Reflected in Revenue Budget	1,538	1,124	1,345	1,596	1,875
Expenditure Increases / Re-estimates	5,985	1,302	1,795	2,069	2,114
<b>Financial Plan of 2/17/2011</b>	<b><u>\$68,319</u></b>	<b><u>\$52,028</u></b>	<b><u>\$51,237</u></b>	<b><u>\$51,164</u></b>	<b><u>\$51,165</u></b>
<b><u>Headcount</u></b>	<i>(City Funded)</i>				
Baseline Per July Plan - 7/13/2010	600	600	598	598	598
PEG Program	(12)	(26)	(26)	(26)	(26)
Expenditure Increases / Re-estimates	2	----			
<b>Financial Plan of 2/17/2011</b>	<b><u>590</u></b>	<b><u>574</u></b>	<b><u>572</u></b>	<b><u>572</u></b>	<b><u>572</u></b>

## CITY PEG PROGRAM

### Housing Preservation and Development

Description	City Personnel *		(City Funds in 000's)				
			2011	2012	2013	2014	2015
<b>November</b>							
<b><u>Tax Levy Vacancies</u></b>	(12)	--	(1,028)	(1,037)	(1,049)	(1,061)	(1,074)
The Department of Housing Preservation and Development will achieve savings by eliminating 12 vacant positions generated by agency attrition.							
<b><u>Code Inspection Realignment</u></b>			(296)	(1,197)	(1,209)	(1,224)	(1,239)
The Department of Housing Preservation and Development will make administrative changes to Code Enforcement processes to improve efficiency and maximize federal funding.							
<b><u>Housing Supervision</u></b>	--	(14)	--	(289)	(876)	(890)	(906)
The Department of Housing Preservation and Development will achieve savings by laying off 14 employees in the process of merging the Division of Housing Supervision into the Division of Asset Management.							
<b><u>AOTPS Reductions</u></b>			--	(354)	--	--	--
The Department of Housing Preservation and Development will achieve savings by an AOTPS reduction through changes to the use of temporary employees, telecommunication funding changes, and reduction of printing costs, newspapers, subscriptions, and supplies.							
<b><u>Paid Overtime</u></b>			(50)	(50)	--	--	--
The Department of Housing Preservation and Development will achieve savings by a reduction in overtime usage for non-front line staff.							
<b><u>Parking Lot Maintenance</u></b>			--	(23)	(23)	(23)	(23)
The Department of Housing Preservation and Development will achieve savings by converting City managed vacant lots into privately-run parking lots, allowing the agency to reduce maintenance expenditures.							

## CITY PEG PROGRAM

### Housing Preservation and Development

Description	City Personnel * Attrition Layoff		(City Funds in 000's)				
			2011	2012	2013	2014	2015
<p><b><u>Reduce City Council funds</u></b></p> <p>The Department of Housing Preservation and Development will implement a proportional reduction to FY11 City Council items by 5.4%, excluding Council member items and contracts related to mortgage foreclosures and local initiatives.</p>			(276)	--	--	--	--
<p><b><u>Manhattan Plaza</u></b></p> <p>The Department will generate additional revenue from recaptured rental subsidies associated with Manhattan Plaza residents.</p>			(300)	(300)	(300)	(300)	(300)
<p><b><u>Proceeds from Land Sales</u></b></p> <p>The Department of Housing Preservation and Development will generate revenue through additional land sales.</p>			(750)	--	--	--	--
<p><b><u>Rental of Parking Sites</u></b></p> <p>Beginning in 2012, the Department of Housing Preservation and Development will generate revenue by converting six City managed vacant lots into privately-run parking lots.</p>			--	(144)	(144)	(144)	(144)
<p><b><u>Waterside Offset</u></b></p> <p>The Department of Housing Preservation and Development has taken action resulting in additional tax revenues to the City from the Waterside development based on the property's revised assessment value.</p>			(694)	(863)	(1,064)	(1,298)	(1,298)
<p><b><u>North Waterside Revenue</u></b></p> <p>The Department of Housing Preservation and Development has taken action resulting in additional tax revenues to the City from the North Waterside development based on the property's revised assessment value.</p>			(352)	(544)	(765)	(1,016)	(1,295)
<p><b><u>Window Guard Inspections</u></b></p> <p>The Department of Housing Preservation and Development will assume responsibility for window guard inspections currently performed by the Department of Health and Mental Hygiene, allowing DOHMH to reduce its headcount by 14 positions.</p>			(67)	(269)	(269)	(269)	(269)

## CITY PEG PROGRAM

### Housing Preservation and Development

Description	City Personnel *		(City Funds in 000's)				
	Attrition	Layoff	2011	2012	2013	2014	2015
<p><b><u>SCRIE Recapture</u></b></p> <p>The Department of Housing Preservation and Development has identified ineligible households receiving SCRIE benefits. This will allow the City to recapture previously exempted property taxes.</p>			(136)	(136)	(136)	(136)	(136)
<b>February</b>							
<p><b><u>Restore City Council Funds</u></b></p> <p>Restore City Council Funds</p>			276	--	--	--	--
<b>Total Agency: CITY PEG PROGRAM</b>		(12) (14)	(3,673)	(5,206)	(5,835)	(6,361)	(6,684)

## Expenditure Increases/Re-estimates

### Housing Preservation and Development

Description	City Personnel *		(City Funds in 000's)				
	Attrition	Layoff	2011	2012	2013	2014	2015
<b>November</b>							
<u>West Bronx Housing and Neighborhood Resource Center, Inc.</u>			20	--	--	--	--
<u>University Settlement Society of New York</u>			4	--	--	--	--
<u>Tax Levy Vacancies</u>			207	216	227	239	252
The Department of Housing Preservation and Development will receive credit for fringe benefits savings associated with PS reductions.							
<u>Increased CODE in CD areas</u>			60	252	264	278	294
The Department of Housing Preservation and Development will receive credit for fringe benefits savings associated with PS reductions.							
<u>Housing Supervision</u>			--	(29)	240	254	270
The Department of Housing Preservation and Development will receive credit for fringe benefits savings associated with PS reductions.							
<u>Waterside Offset</u>			694	863	1,064	1,298	1,298
Waterside Offset							
<b>February</b>							
<u>Demolition Funding</u>			5,000	--	--	--	--
The Department of Housing Preservation and Development will receive additional funding for the agency's demolition program.							
<b>Total Agency: Expenditure Increases/Re-estimates</b>			<b>5,985</b>	<b>1,302</b>	<b>1,795</b>	<b>2,069</b>	<b>2,114</b>

## AGENCY FIVE YEAR SUMMARY PROGRAM

### Department of Finance

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
<b><u>Dollars</u></b>	<i>(City Funds in 000's)</i>				
Baseline Per July Plan - 7/13/2010	\$217,440	\$216,107	\$215,218	\$215,224	\$215,224
PEG Program	(6,509)	(26,121)	(27,237)	(35,266)	(35,408)
Less PEG Program Reflected in Revenue Budget	6,000	24,100	25,100	33,000	33,000
Expenditure Increases / Re-estimates	2,339	3,013	2,779	2,908	2,800
<b>Financial Plan of 2/17/2011</b>	<b><u>\$219,270</u></b>	<b><u>\$217,099</u></b>	<b><u>\$215,860</u></b>	<b><u>\$215,866</u></b>	<b><u>\$215,616</u></b>
<b><u>Headcount</u></b>	<i>(City Funded)</i>				
Baseline Per July Plan - 7/13/2010	2,041	2,023	2,023	2,023	2,023
PEG Program	(10)	(68)	(68)	(68)	(68)
Expenditure Increases / Re-estimates	5	5	5	5	5
<b>Financial Plan of 2/17/2011</b>	<b><u>2,036</u></b>	<b><u>1,960</u></b>	<b><u>1,960</u></b>	<b><u>1,960</u></b>	<b><u>1,960</u></b>

## CITY PEG PROGRAM

### Department of Finance

Description	City Personnel *		(City Funds in 000's)				
	Attrition	Layoff	2011	2012	2013	2014	2015
<p><b><u>Five Judgments in One Year / Suspension of NYS Registration</u></b>                      The Department will generate additional revenue from the enforcement of a provision in the Vehicle and Traffic Law that suspends a vehicle's registration if there are five tickets in judgment in a rolling twelve-month period.</p>			(1,000)	(1,000)	--	--	--
<p><b><u>Enhanced Tax Enforcement</u></b>                      The Department will promote strategic objectives such as tax compliance, efficient production of accurate property rolls, identification of audit targets through the use of data matching/modeling, and targeted audits and enforcement strategies for sales, business and PIT filers</p>	61	--	(4,225)	(20,000)	(22,000)	(29,900)	(29,900)
<p><b><u>Staffing Efficiencies</u></b>                      The Department will consolodate and reorganize units and eliminate titles.</p>	--	(129)	(1,284)	(5,121)	(5,237)	(5,366)	(5,508)
<b>Total Agency: CITY PEG PROGRAM</b>	<b>61</b>	<b>(129)</b>	<b>(6,509)</b>	<b>(26,121)</b>	<b>(27,237)</b>	<b>(35,266)</b>	<b>(35,408)</b>

## Expenditure Increases/Re-estimates

### Department of Finance

Description	City Personnel * Attrition Layoff		(City Funds in 000's)				
			2011	2012	2013	2014	2015
<b>November</b>							
<b><u>Staffing Fringe Offset</u></b>			(312)	2,113	2,229	2,358	2,500
Staffing Fringe Offset							
<b>February</b>							
<b><u>Payment Services Pilot</u></b>			950	600	250	250	--
This initiative covers one-time development, implementation, and annual maintenance costs associated with the Department of Finance's payment services pilot.							
<b><u>Pension Unit</u></b>	5	--	300	300	300	300	300
This initiative will fund 5 heads in the Department of Finance's Pension Unit.							
<b><u>Dun &amp; Bradstreet Data Matching</u></b>			400	--	--	--	--
This initiative will fund data matching services provided by Dun & Bradstreet (D&B).							
<b><u>Collection Agency Costs</u></b>			1,000	--	--	--	--
The Department of Finance incurred additional costs associated with collection agency commissions.							
<b>Total Agency: Expenditure Increases/Re-estimates</b>	<b>5</b>	<b>--</b>	<b>2,338</b>	<b>3,013</b>	<b>2,779</b>	<b>2,908</b>	<b>2,800</b>

## AGENCY FIVE YEAR SUMMARY PROGRAM

### Department of Transportation

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
<b><u>Dollars</u></b>	<i>(City Funds in 000's)</i>				
Baseline Per July Plan - 7/13/2010	\$423,659	\$423,790	\$443,781	\$443,781	\$443,781
PEG Program	(24,664)	(40,740)	(40,863)	(34,305)	(34,372)
Less PEG Program Reflected in Revenue Budget	9,604	28,032	28,032	28,032	28,032
Expenditure Increases / Re-estimates	8,224	6,896	6,266	4,284	4,353
<b>Financial Plan of 2/17/2011</b>	<b><u>\$416,823</u></b>	<b><u>\$417,978</u></b>	<b><u>\$437,216</u></b>	<b><u>\$441,792</u></b>	<b><u>\$441,794</u></b>
<b><u>Headcount</u></b>	<i>(City Funded)</i>				
Baseline Per July Plan - 7/13/2010	2,117	2,110	2,130	2,130	2,130
PEG Program	(107)	(135)	(123)	(62)	(62)
Expenditure Increases / Re-estimates	87	88	76	76	76
<b>Financial Plan of 2/17/2011</b>	<b><u>2,097</u></b>	<b><u>2,063</u></b>	<b><u>2,083</u></b>	<b><u>2,144</u></b>	<b><u>2,144</u></b>

## CITY PEG PROGRAM

### Department of Transportation

Description	City Personnel * Attrition Layoff		(City Funds in 000's)				
			2011	2012	2013	2014	2015
<b>November</b>							
<b><u>Increase Passenger &amp; Commercial Parking Rates in Manhattan</u></b>			(1,224)	(10,392)	(10,392)	(10,392)	(10,392)
DOT will increase the rate of passenger and commercial parking from \$2.50 to \$3.00 per hour in the commercial zone.							
<b><u>CHIPS Funding Switch for In-House Flag Repairs</u></b>	(27)	--	(2,317)	(2,338)	(2,363)	--	--
State funds from the Consolidated Highway Improvement Program (CHIPS) to replace City funds for in-house bridge flag repairs.							
<b><u>Reduction in Managerial, Administrative, Clerical and Planning Positions</u></b>	--	(35)	(994)	(2,732)	(2,764)	(2,799)	(2,837)
4% reduction to the 877 "office title" positions across managerial, administrative, clerical and planning functions. Field personnel and engineers are not included.							
<b><u>Federal Funding Switch for Traffic Management Center</u></b>			(6,462)	--	--	--	--
Federal Highway Administration (FHWA) funds to replace City funds for the maintenance of automated traffic signals.							
<b><u>Federal Funding Switch for Bridge Inspections</u></b>	(34)	--	--	(2,791)	(2,821)	--	--
Federal Highway Administration (FHWA) funds to replace City funds for bridge inspections.							
<b><u>Savings Resulting from Installation of Energy-Efficient Cobra Heads on Highways</u></b>			(974)	(1,948)	(1,948)	(1,948)	(1,948)
Replacement of 23,511 standard 250-watt cobra heads with energy-efficient 150-watt cobra heads, which was completed through either State bid or managed reconstruction contracts.							
<b><u>Additional Revenue from Amtrak Litigation</u></b>			(4,757)	--	--	--	--
The City realized additional revenue in FY 2011 from the Amtrak litigation judgment through a joint effort between the Law Department and DOT.							

## CITY PEG PROGRAM

### Department of Transportation

Description	City Personnel *		(City Funds in 000's)				
	Attrition	Layoff	2011	2012	2013	2014	2015
<b><u>Federal Funding Switch for Ferry Dockbuilding &amp; Terminal Maintenance</u></b> Federal Transit Administration (FTA) funds to replace City funds for dockbuilding and terminal maintenance operations for the Staten Island Ferry.	(12)	--	(1,416)	(1,425)	(1,436)	--	--
<b><u>One-Week Winter Layoff of Full-Time Employees in Street Maintenance &amp; Arterial Resurfacing</u></b> One-week winter layoff for 641 full-time (non-seasonal) workers in Street Maintenance and Arterial Resurfacing. DOT estimates that 9,000 fewer potholes will be fixed during this temporary layoff.			(1,056)	(1,056)	(1,056)	(1,056)	(1,056)
<b><u>Increase HIQA Summons Fines</u></b> DOT will generate additional revenue by increasing the fine amount of four HIQA violations.			(1,000)	(1,000)	(1,000)	(1,000)	(1,000)
<b><u>Agency-wide PS Reduction - City Vacancies</u></b> Agency-wide reduction of City-funded vacancies.	(10)	--	(411)	(829)	(838)	(848)	(859)
<b><u>Increase Meter Parking Rates in Municipal Fields</u></b> DOT will increase the rate for 1,857 of the 4,069 spaces in 35 municipal parking fields in the boroughs from \$0.75 to \$1.00 per hour.			(344)	(759)	(759)	(759)	(759)
<b><u>Consolidate Ferry Offices</u></b> The Office of Private Ferries will be consolidated with Staten Island Ferry (SIF) and the unit's tasks will be absorbed by SIF and EDC.	(8)	--	(331)	(688)	(696)	(704)	(712)
<b><u>Agency OTPS Reduction - Traffic Programs</u></b> Agency reduction of City OTPS funds for Traffic programs.			(1,387)	--	--	--	--
<b><u>Eliminate Auto Mechanic Positions from Fleet Services</u></b> Eliminate 3 vacancies in FY11 and 5 vacancies in each of the out-years (FY12-15).	(5)	--	(124)	(417)	(421)	(426)	(432)

## CITY PEG PROGRAM

### Department of Transportation

Description	City Personnel *		(City Funds in 000's)				
	Attrition	Layoff	2011	2012	2013	2014	2015
<b><u>Eliminate Vacancies in Arterial Maintenance</u></b>	(4)	--	(127)	(257)	(261)	(265)	(269)
Eliminate 4 vacant positions (1 Associate Parking Control Specialist, 1 Associate Staff Analyst, 2 City Debris Removers) in Arterial Maintenance.							
<b><u>CHIPS Funding Switch for In-House Signs</u></b>			(500)	--	--	--	--
State funds from the Consolidated Highway Improvement Program (CHIPS) to replace City funds for the manufacture of traffic signs.							
<b><u>CHIPS When &amp; Where Funding Switch</u></b>			(500)	--	--	--	--
State funds from the Consolidated Highway Improvement Program (CHIPS) to replace City funds for When & Where Bridge Repair operations.							
<b><u>Reduce Security Guard Services at DOT Locations in Brooklyn &amp; Queens</u></b>			(100)	(175)	(175)	(175)	(175)
Reduction of Security Guard services at yard locations in Brooklyn & Queens. DOT will eliminate guard services during business hours at the following locations: Greenpoint Ave Bridge (BK), 141 58th St (BAT-BK), 424 Wythe Ave (BK), 448 Hamilton Ave (BK) & 37th Ave at 48th St (Q).							
<b><u>CHIPS Funding Switch for Bridge Painting</u></b>			(400)	--	--	--	--
State funds from the Consolidated Highway Improvement Program (CHIPS) to replace City funds for bridge painting operations.							
<b><u>Eliminate Security Guard Services at 55 Water Street</u></b>			(66)	(108)	(108)	(108)	(108)
Elimination of contracted security post at 55 Water Street.							
<b><u>Eliminate Pitkin Avenue Cleaning Contract</u></b>			(41)	(61)	(61)	(61)	(61)
Elimination of cleaning contract for DOT's Pitkin Avenue facility. Cleaning will be handled in-house by Work Experience Program (WEP) participants.							
<b><u>Extend Safety Footwear Replacement Cycle</u></b>			(133)	--	--	--	--
Extend safety footwear replacement cycle until FY 2012.							

**CITY PEG PROGRAM**

**Department of Transportation**

Description	City Personnel *		(City Funds in 000's)				
	Attrition	Layoff	2011	2012	2013	2014	2015
<b>February</b>							
<u><b>Increase Passenger Parking Rates in all Boroughs</b></u>			--	(13,764)	(13,764)	(13,764)	(13,764)
DOT will implement passenger parking rate changes from \$0.75 to \$1.00 per hour for all meters in Manhattan above 86th Street and the outer boroughs.							
<b>Total Agency: CITY PEG PROGRAM</b>	<b>(100)</b>	<b>(35)</b>	<b>(24,664)</b>	<b>(40,740)</b>	<b>(40,863)</b>	<b>(34,305)</b>	<b>(34,372)</b>

## Expenditure Increases/Re-estimates

### Department of Transportation

Description	City Personnel * Attrition Layoff		(City Funds in 000's)				
			2011	2012	2013	2014	2015
<b>November</b>							
<b><u>Reduction in Managerial, Administrative, Clerical and Planning Positions</u></b> Fringe benefit transfer / offset.			(77)	612	643	678	717
<b><u>Consolidate Ferry Offices</u></b> Fringe benefit transfer / offset.			58	144	151	159	168
<b><u>One-Week Winter Layoff of Full-Time Employees in Street Maintenance &amp; Arterial Resurfacing</u></b> Fringe benefit transfer / offset.			75	75	75	75	75
<b><u>Eliminate Vacancies in Arterial Maintenance</u></b> Fringe benefit transfer / offset.			31	66	69	73	78
<b><u>Eliminate Auto Mechanic Positions from Fleet Services</u></b> Fringe benefit transfer / offset.			26	89	94	99	104
<b><u>Increase Passenger &amp; Commercial Parking Rates in Manhattan</u></b> Fringe benefit transfer / offset.			(13)	--	--	--	--
<b><u>Increase Meter Parking Rates in Municipal Fields</u></b> Fringe benefit transfer / offset.			(1)	--	--	--	--
<b><u>Agency-wide PS Reduction - City Vacancies</u></b> Fringe benefit transfer / offset.			85	178	187	197	208
<b>February</b>							
<b><u>City Match for FEMA Federal Funding for Sidewalk Repair After Sept 2010 Storm</u></b> City match of \$1.8M (12.5%) required as a stipulation of receiving \$14.4M from the Federal Emergency Management Agency (FEMA) for emergency sidewalk repairs following the September 2010 storm. Federal grant and State match approved in October 2010 to begin repairs.			1,800	--	--	--	--

## Expenditure Increases/Re-estimates

### Department of Transportation

Description	City Personnel *		(City Funds in 000's)				
	Attrition	Layoff	2011	2012	2013	2014	2015
<b><u>Parking Meter Expenses</u></b> The Department of Transportation requires funding to conduct meter reprogramming in FY11-12 in preparation for FY12 meter rate changes.			169	780	--	--	--
<b><u>Lower Manhattan Construction Command Center</u></b> Continue Department of Transportation funding for highway inspectors related to ongoing LMCCC construction projects.	12	--	270	637	666	--	--
<b><u>55 Water Street - Miscellaneous Services</u></b> Operational cost increases at the Department of Transportation's headquarters at 55 Water Street and other DOT facilities.			3,003	3,003	3,003	3,003	3,003
<b><u>Roadway Repair and Maintenance - Overtime</u></b> The Roadway Repair and Maintenance division at the Department of Transportation requires additional funding for overtime expenses to conduct critical repairs to street infrastructure, including pothole repairs.			2,025	--	--	--	--
<b><u>Budget Headcount Mods From 1/26/2011 to 2/7/2011</u></b>	76	--	--	--	--	--	--
<b><u>Federal Funding Switch for Ferry Dockbuilding &amp; Terminal Maintenance</u></b> Fringe benefit transfer / offset.			234	244	255	--	--
<b><u>Federal Funding Switch for Bridge Inspections</u></b> Fringe benefit transfer / offset.			--	581	611	--	--
<b><u>CHIPS Funding Switch for In-House Flag Repairs</u></b> Fringe benefit transfer / offset.			466	487	512	--	--
<b><u>CHIPS Funding Switch for Bridge Painting</u></b> Fringe benefit transfer / offset.			73	--	--	--	--
<b>Total Agency: Expenditure Increases/Re-estimates</b>	<b>88</b>	<b>--</b>	<b>8,224</b>	<b>6,896</b>	<b>6,266</b>	<b>4,284</b>	<b>4,353</b>

## AGENCY FIVE YEAR SUMMARY PROGRAM

### Department of Parks and Recreation

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
<b><u>Dollars</u></b>	<i>(City Funds in 000's)</i>				
Baseline Per July Plan - 7/13/2010	\$238,399	\$236,179	\$236,672	\$236,832	\$236,832
PEG Program	4,938	(35,682)	(24,637)	(24,645)	(24,645)
Less PEG Program Reflected in Revenue Budget	(4,938)	(4)	(4)	(4)	(4)
Expenditure Increases / Re-estimates	20,331	21,613	18,113	18,213	18,299
<b>Financial Plan of 2/17/2011</b>	<b><u>\$258,730</u></b>	<b><u>\$222,106</u></b>	<b><u>\$230,144</u></b>	<b><u>\$230,396</u></b>	<b><u>\$230,482</u></b>
<b><u>Headcount</u></b>	<i>(City Funded)</i>				
Baseline Per July Plan - 7/13/2010	2,554	2,722	2,723	2,723	2,723
PEG Program	-	(299)	(30)	(28)	(25)
Expenditure Increases / Re-estimates	354	227	226	226	226
<b>Financial Plan of 2/17/2011</b>	<b><u>2,908</u></b>	<b><u>2,650</u></b>	<b><u>2,919</u></b>	<b><u>2,921</u></b>	<b><u>2,924</u></b>

## CITY PEG PROGRAM

### Department of Parks and Recreation

Description	City Personnel *		(City Funds in 000's)				
	Attrition	Layoff	2011	2012	2013	2014	2015
<b><u>Revenue from Concession Audits</u></b> The Department will not realize the anticipated revenue associated with a previous gap closing initiative for auditing efforts.			1,000	1,000	1,000	1,000	1,000
<b><u>PlaNYC Hiring Delay</u></b> The Department will delay the hiring of 88 full-time and 11 full-time equivalent positions from FY 2012 to FY 2013 to reflect the revised timetable for construction of PlaNYC Regional Parks.	(88)	--	--	(4,586)	--	--	--
<b><u>Central Park Indoor Tennis</u></b> The Department has discontinued its efforts to construct an indoor tennis facility in Central Park.			2,000	2,000	2,000	2,000	2,000
<b><u>PlaNYC OTPS Delay</u></b> The Department will delay OTPS costs from FY 2012 to FY 2013 to reflect the revised timetable for construction of PlaNYC Regional Parks.			--	(586)	--	--	--
<b><u>FY 2012 Attrition</u></b> The Department will continue a full hiring freeze in FY 2012.	(120)	--	--	(2,990)	(1,522)	(1,449)	(1,321)
<b><u>Concert Event Fees</u></b> Due to a reduction in private event sponsorship, the Department will collect less revenue from concerts in various parks.			300	300	300	300	300
<b><u>Reduction in Work Year - Selected Titles</u></b> The Department will reduce the work year, from 12 months to 9 months, for select full-time positions.			--	(17,498)	(17,498)	(17,498)	(17,498)
<b><u>Recreation Center Membership Fee Increase</u></b> The Department will generate additional revenue by increasing recreation center membership fees.			--	(4,000)	(4,000)	(4,000)	(4,000)

## CITY PEG PROGRAM

### Department of Parks and Recreation

Description	City Personnel *		(City Funds in 000's)				
			2011	2012	2013	2014	2015
<b><u>Tennis Permits Fee Increase</u></b> The Department will generate additional revenue from increasing adult, single play and reservation tennis permit fees.			(1,182)	(1,576)	(1,576)	(1,576)	(1,576)
<b><u>Ball Field Permits Fee Increase</u></b> The Department will generate additional revenue from increasing ball field permit fees.			(180)	(720)	(720)	(720)	(720)
<b><u>Continuation of FY 2011 Attrition</u></b> Continuation of the Department's FY 2011 attrition savings.	(91)	--	--	(4,535)	--	--	--
<b><u>15% Seasonal Reduction</u></b> Fifteen percent reduction to the seasonal budget for general seasonal staff as well as recreation center seasonal staff.			--	(5,491)	(5,621)	(5,702)	(5,830)
<b><u>Naming Rights at Major Sites</u></b> The Department will not pursue the name recognition initiative at major sites throughout the City.			3,000	3,000	3,000	3,000	3,000
<b>Total Agency: CITY PEG PROGRAM</b>	<b>(299)</b>	<b>--</b>	<b>4,938</b>	<b>(35,682)</b>	<b>(24,637)</b>	<b>(24,645)</b>	<b>(24,645)</b>

## Expenditure Increases/Re-estimates

### Department of Parks and Recreation

Description	City Personnel * Attrition Layoff		(City Funds in 000's)				
			2011	2012	2013	2014	2015
<b>November</b>							
<b><u>FY 2012 Attrition - Fringe</u></b>			--	926	490	485	461
Fringe associated with the continuation of a full hiring freeze in FY 2012.							
<b><u>Continuation of FY 2011 Attrition - Fringe</u></b>			--	1,404	--	--	--
Fringe associated with the continuation of the Department's FY 2011 savings.							
<b><u>15% Seasonal Reduc - Fringe</u></b>			--	2,359	2,469	2,574	2,684
Fringe associated with the 15 percent reduction to the seasonal budget for general seasonal staff as well as recreation center seasonal staff.							
<b><u>Department of Parks and Recreation</u></b>			15	--	--	--	--
<b><u>Artists Unite, Inc.</u></b>			(4)	--	--	--	--
<b><u>Brooklyn Queens Land Trust</u></b>			7	--	--	--	--
<b><u>MillionTreesNYC - NYC Service Programs Transfers</u></b>			42	--	--	--	--
NYC Service Programs funding transfer to purchase supplies needed for the Spring 2011 volunteer tree planting day. Includes banners, gloves, emergency to go boxes, ponchos.							
<b><u>Shape Up Program - NYC Service Programs Transfers</u></b>			40	--	--	--	--
NYC Service Programs funding transfer to increase awareness of and participation in the Shape Up program through a citywide marketing campaign. Signage will be displayed at all Shape Up locations and ads will be placed in subways, bus shelters and community papers.							
<b><u>NYC Cool Roofs - NYC Services</u></b>			100	--	--	--	--
NYC Service Programs funding transfer to purchase Cool Roof coating materials and supplies as an affordable way to bring down energy costs, increase the lifespan of a rooftop and fight the urban heat island effect.							

## Expenditure Increases/Re-estimates

### Department of Parks and Recreation

Description	City Personnel *		(City Funds in 000's)				
	Attrition	Layoff	2011	2012	2013	2014	2015
<b><u>PlaNYC Hiring Delay - Fringe</u></b>			--	1,467	--	--	--
Fringe associated with delaying the hiring of 88 fulltime and 11 full time equivalent positions from FY 2012 to FY 2013 to reflect the revised timetable for construction of PlaNYC Regional Parks.							
<b><u>Reduction in Work Year - Selected Titles - Fringe</u></b>			--	1,315	1,315	1,315	1,315
Fringe associated with the reduction of the work year, from 12 months to 9 months, for select full-time positions.							
<b>February</b>							
<b><u>FY2010 Hiring Freeze Restoration</u></b>	109	--	5,012	5,012	5,012	5,012	5,012
Funding restoration of the failed FY 2010 January Plan hiring freeze PEG.							
<b><u>Partial Restoration of FY 2010 City Funded Hiring Freeze</u></b>	44	--	4,346	3,852	3,800	3,800	3,800
Restoration of the failed portion of the FY 2010 November Plan hiring freeze PEG.							
<b><u>Accelerated Attrition Restoration</u></b>	74	--	3,089	2,848	2,848	2,848	2,848
Restoration of the failed portion of the Accelerated Attrition PEG Program.							
<b><u>September Storm Damage</u></b>			6,800	--	--	--	--
Funding to cover costs incurred as a result of the September tornado.							
<b><u>Personal Services Structural Deficit</u></b>			782	2,180	2,179	2,179	2,179
Funding to address the Parks Department's fulltime personal services structural deficit.							
<b><u>Lease Adjustment</u></b>			102	--	--	--	--
Lease Adjustment							

## Expenditure Increases/Re-estimates

### Department of Parks and Recreation

Description	City Personnel *		(City Funds in 000's)				
	Attrition	Layoff	2011	2012	2013	2014	2015
<u>Center for Economic Opportunity (CEO) Million Trees NYC</u> <u>Apprenticeship</u> CEO funding adjustment	--	--	--	250	--	--	--
<b>Total Agency: Expenditure Increases/Re-estimates</b>	227	--	20,331	21,613	18,113	18,213	18,299

## AGENCY FIVE YEAR SUMMARY PROGRAM

### New York Research Library

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
<b><u>Dollars</u></b>	<i>(City Funds in 000's)</i>				
Baseline Per July Plan - 7/13/2010	\$12,205	\$18,970	\$18,970	\$18,970	\$18,970
PEG Program	(1,242)	(1,518)	(1,518)	(1,518)	(1,518)
<b>Financial Plan of 2/17/2011</b>	<b><u>\$10,963</u></b>	<b><u>\$17,452</u></b>	<b><u>\$17,452</u></b>	<b><u>\$17,452</u></b>	<b><u>\$17,452</u></b>
<b><u>Headcount</u></b>	<i>(City Funded)</i>				
PEG Program	- (32	) (32	) (32	) (32	) (32
<b>Financial Plan of 2/17/2011</b>	<b><u>-</u></b>	<b><u>(32)</u></b>	<b><u>(32)</u></b>	<b><u>(32)</u></b>	<b><u>(32)</u></b>

**CITY PEG PROGRAM**

**New York Research Library**

Description	City Personnel *		(City Funds in 000's)				
	Attrition	Layoff	2011	2012	2013	2014	2015
<b>FY12 November Plan PEG</b>	(11)	(21)	(1,242)	(1,518)	(1,518)	(1,518)	(1,518)
5.4% Reduction to FY11, 8% reduction to the out-years							
<b>Total Agency: CITY PEG PROGRAM</b>	<b>(11)</b>	<b>(21)</b>	<b>(1,242)</b>	<b>(1,518)</b>	<b>(1,518)</b>	<b>(1,518)</b>	<b>(1,518)</b>

## AGENCY FIVE YEAR SUMMARY PROGRAM

### New York Public Library

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
<b><u>Dollars</u></b>	<i>(City Funds in 000's)</i>				
Baseline Per July Plan - 7/13/2010	\$54,223	\$92,216	\$92,216	\$92,216	\$92,216
PEG Program	(6,233)	(7,384)	(7,384)	(7,384)	(7,384)
Expenditure Increases / Re-estimates	-	350	-	-	-
<b>Financial Plan of 2/17/2011</b>	<b><u><u>\$47,990</u></u></b>	<b><u><u>\$85,182</u></u></b>	<b><u><u>\$84,832</u></u></b>	<b><u><u>\$84,832</u></u></b>	<b><u><u>\$84,832</u></u></b>
<b><u>Headcount</u></b>	<i>(City Funded)</i>				
PEG Program	-	(163)	(163)	(163)	(163)
<b>Financial Plan of 2/17/2011</b>	<b><u><u>-</u></u></b>	<b><u><u>(163)</u></u></b>	<b><u><u>(163)</u></u></b>	<b><u><u>(163)</u></u></b>	<b><u><u>(163)</u></u></b>

## CITY PEG PROGRAM

### New York Public Library

Description	City Personnel *		(City Funds in 000's)				
	Attrition	Layoff	2011	2012	2013	2014	2015
<b><u>CEO Funding Reduction</u></b> Reduction to CEO funding in FY11 in response to the FY12 November Plan PEG.			(70)	--	--	--	--
<b><u>FY12 November Plan PEG</u></b> 5.4% Reduction to FY11, 8% reduction to the out-years	(50)	(113)	(6,163)	(7,384)	(7,384)	(7,384)	(7,384)
<b>Total Agency: CITY PEG PROGRAM</b>	<b>(50)</b>	<b>(113)</b>	<b>(6,233)</b>	<b>(7,384)</b>	<b>(7,384)</b>	<b>(7,384)</b>	<b>(7,384)</b>

## Expenditure Increases/Re-estimates

### New York Public Library

Description	City Personnel * Attrition Layoff		(City Funds in 000's)				
			2011	2012	2013	2014	2015
<b>February</b>							
<b><u>CEO Funding Allocation</u></b>			--	350	--	--	--
Each library system will receive \$350K in CEO funding for FY12.							
<b>Total Agency: Expenditure Increases/Re-estimates</b>			--	350	--	--	--

## AGENCY FIVE YEAR SUMMARY PROGRAM

### Brooklyn Public Library

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
<b><u>Dollars</u></b>	<i>(City Funds in 000's)</i>				
Baseline Per July Plan - 7/13/2010	\$39,200	\$68,461	\$68,461	\$68,461	\$68,461
PEG Program	(4,646)	(5,483)	(5,483)	(5,483)	(5,483)
Expenditure Increases / Re-estimates	-	350	-	-	-
<b>Financial Plan of 2/17/2011</b>	<b><u><u>\$34,554</u></u></b>	<b><u><u>\$63,328</u></u></b>	<b><u><u>\$62,978</u></u></b>	<b><u><u>\$62,978</u></u></b>	<b><u><u>\$62,978</u></u></b>
<b><u>Headcount</u></b>	<i>(City Funded)</i>				
PEG Program	(108)	(108)	(108)	(108)	(108)
<b>Financial Plan of 2/17/2011</b>	<b><u><u>(108)</u></u></b>	<b><u><u>(108)</u></u></b>	<b><u><u>(108)</u></u></b>	<b><u><u>(108)</u></u></b>	<b><u><u>(108)</u></u></b>

## CITY PEG PROGRAM

### Brooklyn Public Library

Description	City Personnel *		(City Funds in 000's)						
			Attrition	Layoff	2011	2012	2013	2014	2015
<b><u>CEO Funding Reduction</u></b>					(55)	--	--	--	--
Reduction to CEO funding in FY11 in response to the FY12 November Plan PEG.									
<b><u>FY12 November Plan PEG</u></b>	--	(108)			(4,591)	(5,483)	(5,483)	(5,483)	(5,483)
5.4% Reduction to FY11, 8% reduction to the out-years									
<b>Total Agency: CITY PEG PROGRAM</b>	--	(108)			(4,646)	(5,483)	(5,483)	(5,483)	(5,483)

## Expenditure Increases/Re-estimates

### Brooklyn Public Library

Description	City Personnel * Attrition Layoff	(City Funds in 000's)				
		2011	2012	2013	2014	2015
<b>February</b>						
<u><b>CEO Funding Allocation</b></u> Each library system will receive \$350K in CEO funding for FY12.		--	350	--	--	--
<b>Total Agency: Expenditure Increases/Re-estimates</b>		--	350	--	--	--

## AGENCY FIVE YEAR SUMMARY PROGRAM

### Queens Borough Public Library

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
<b><u>Dollars</u></b>	<i>(City Funds in 000's)</i>				
Baseline Per July Plan - 7/13/2010	\$38,740	\$66,301	\$66,301	\$66,301	\$66,301
PEG Program	(4,550)	(5,309)	(5,309)	(5,309)	(5,309)
Expenditure Increases / Re-estimates	-	350	-	-	-
<b>Financial Plan of 2/17/2011</b>	<b><u><u>\$34,190</u></u></b>	<b><u><u>\$61,342</u></u></b>	<b><u><u>\$60,992</u></u></b>	<b><u><u>\$60,992</u></u></b>	<b><u><u>\$60,992</u></u></b>
<b><u>Headcount</u></b>	<i>(City Funded)</i>				
PEG Program	(101)	(101)	(101)	(101)	(101)
<b>Financial Plan of 2/17/2011</b>	<b><u><u>(101)</u></u></b>	<b><u><u>(101)</u></u></b>	<b><u><u>(101)</u></u></b>	<b><u><u>(101)</u></u></b>	<b><u><u>(101)</u></u></b>

## CITY PEG PROGRAM

### Queens Borough Public Library

Description	City Personnel *		(City Funds in 000's)				
	Attrition	Layoff	2011	2012	2013	2014	2015
<b><u>CEO Funding Reduction</u></b>			(70)	--	--	--	--
Reduction to CEO funding in FY11 in response to the FY12 November Plan PEG.							
<b><u>FY12 November Plan PEG</u></b>	--	(101)	(4,480)	(5,309)	(5,309)	(5,309)	(5,309)
5.4% Reduction to FY11, 8% reduction to the out-years							
<b>Total Agency: CITY PEG PROGRAM</b>	--	(101)	(4,550)	(5,309)	(5,309)	(5,309)	(5,309)

## Expenditure Increases/Re-estimates

### Queens Borough Public Library

Description	City Personnel * Attrition Layoff		(City Funds in 000's)				
			2011	2012	2013	2014	2015
<b>February</b>							
<u><b>CEO Funding Allocation</b></u> Each library system will receive \$350K in CEO funding for FY12.			--	350	--	--	--
<b>Total Agency: Expenditure Increases/Re-estimates</b>			--	350	--	--	--

## AGENCY FIVE YEAR SUMMARY PROGRAM

### Department of Cultural Affairs

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
<b><u>Dollars</u></b>	<i>(City Funds in 000's)</i>				
Baseline Per July Plan - 7/13/2010	\$149,517	\$109,548	\$109,548	\$109,548	\$109,548
PEG Program	(8,120)	(8,837)	(8,837)	(8,837)	(8,837)
Expenditure Increases / Re-estimates	(208)	-	-	-	-
<b>Financial Plan of 2/17/2011</b>	<b><u><u>\$141,189</u></u></b>	<b><u><u>\$100,711</u></u></b>	<b><u><u>\$100,711</u></u></b>	<b><u><u>\$100,711</u></u></b>	<b><u><u>\$100,711</u></u></b>
<b><u>Headcount</u></b>	<i>(City Funded)</i>				
Baseline Per July Plan - 7/13/2010	45	45	45	45	45
PEG Program	(193)	(193)	(193)	(193)	(193)
<b>Financial Plan of 2/17/2011</b>	<b><u><u>(148)</u></u></b>	<b><u><u>(148)</u></u></b>	<b><u><u>(148)</u></u></b>	<b><u><u>(148)</u></u></b>	<b><u><u>(148)</u></u></b>

**CITY PEG PROGRAM**

**Department of Cultural Affairs**

Description	City Personnel *		(City Funds in 000's)				
	Attrition	Layoff	2011	2012	2013	2014	2015
<b><u>November Plan PEG Program</u></b>	--	(193)	(8,120)	(8,837)	(8,837)	(8,837)	(8,837)
5.4% reduction to FY11, 8% reduction to out years							
<b>Total Agency: CITY PEG PROGRAM</b>	--	(193)	(8,120)	(8,837)	(8,837)	(8,837)	(8,837)

## Expenditure Increases/Re-estimates

### Department of Cultural Affairs

Description	City Personnel * Attrition Layoff	(City Funds in 000's)				
		2011	2012	2013	2014	2015
<b>November</b>						
<u>Primary Stages Company, Inc.</u>		4	--	--	--	--
<u>Wyckoff House Association, Inc.</u>		10	--	--	--	--
<u>Cultural After School Adventure (CASA)</u>		(160)	--	--	--	--
<u>Lincoln Center for the Performing Arts, Inc.</u>		7	--	--	--	--
<u>La Casa de la Herencia Cultural Puertorriquena, Inc.</u>		(10)	--	--	--	--
<u>Friends of Public School 163, Inc.</u>		(8)	--	--	--	--
<u>Young Dancers in Repertory, Inc.</u>		40	--	--	--	--
<u>Whitney Museum of American Art</u>		4	--	--	--	--
<u>Friends of Public School 163, Inc.</u>		8	--	--	--	--
<u>Community-Word Project, Inc.</u>		4	--	--	--	--
<u>Russian American Cultural Heritage Center, Inc., The</u>		(4)	--	--	--	--
<u>Poppenhusen Institute</u>		(2)	--	--	--	--
<u>Friends of the Upper East Side Historic Districts</u>		5	--	--	--	--
<u>Friends of Historic New Utrecht</u>		(1)	--	--	--	--
<u>Nia Theatrical Production Company, Inc.</u>		(100)	--	--	--	--
<u>Nia Theatrical Production Company, Inc.</u>		(5)	--	--	--	--
<b>Total Agency: Expenditure Increases/Re-estimates</b>		<b>(208)</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>

## AGENCY FIVE YEAR SUMMARY PROGRAM

### Department of Citywide Administrative Services

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
<b><u>Dollars</u></b>	<i>(City Funds in 000's)</i>				
Baseline Per July Plan - 7/13/2010	\$201,244	\$198,203	\$205,672	\$205,672	\$205,672
PEG Program	(13,590)	(17,031)	(8,963)	(8,963)	(8,963)
Less PEG Program Reflected in Revenue Budget	5,043	9,166	211	211	211
Expenditure Increases / Re-estimates	8,388	4,399	3,387	3,204	3,021
<b>Financial Plan of 2/17/2011</b>	<b><u>\$201,085</u></b>	<b><u>\$194,737</u></b>	<b><u>\$200,307</u></b>	<b><u>\$200,124</u></b>	<b><u>\$199,941</u></b>
<b><u>Headcount</u></b>	<i>(City Funded)</i>				
Baseline Per July Plan - 7/13/2010	1,176	1,097	1,097	1,097	1,097
<b>Financial Plan of 2/17/2011</b>	<b><u>1,176</u></b>	<b><u>1,097</u></b>	<b><u>1,097</u></b>	<b><u>1,097</u></b>	<b><u>1,097</u></b>

## CITY PEG PROGRAM

### Department of Citywide Administrative Services

Description	City Personnel * Attrition Layoff	(City Funds in 000's)				
		2011	2012	2013	2014	2015
<b><u>Court Reimbursement</u></b> The Department will recognize additional revenue from court reimbursements.		(866)	(6,955)	--	--	--
<b><u>Appellate Court Lease</u></b> The New York State Office of Court Administration is reimbursing localities for leased space occupied by Appellate Court Judges.		(257)	(257)	(257)	(257)	(257)
<b><u>Con Edison Refund</u></b> This refund was part of a rate case settlement for Con Edison customers.		(2,063)	--	--	--	--
<b><u>Refunds for Prior Year Expenses</u></b> The Department has collected refunds for prior year expenses.		(1,177)	--	--	--	--
<b><u>Citywide Lease Efficiency</u></b> Savings are achieved via terminations and renegotiations of city leases with private landlords in conjunction with agency office space consolidation.		(5,182)	(1,066)	(4,714)	(4,714)	(4,714)
<b><u>Lease Audits</u></b> Savings result from audits that the Department performs on the terms of agency leases.		(500)	(1,000)	--	--	--
<b><u>Energy Savings: ENCORE Projects</u></b> Energy savings associated with completed energy efficiency projects.		(186)	(992)	(992)	(992)	(992)
<b><u>Energy Savings: Operations and Maintenance Projects</u></b> Energy savings associated with steam trap replacements, thermostat replacements, and lighting occupancy sensors.		(135)	(189)	(189)	(189)	(189)
<b><u>Energy Savings: Delay in Reactive Power Charges</u></b> Savings occur as a result of a three month delay in the implementation of Con Edison's new reactive power charges.		(24)	--	--	--	--

## CITY PEG PROGRAM

### Department of Citywide Administrative Services

Description	City Personnel * Attrition Layoff	(City Funds in 000's)				
		2011	2012	2013	2014	2015
<b><u>Reduction in Use of Bottled Water</u></b> The Department will reduce purchases of bottled water.		(25)	(50)	(50)	(50)	(50)
<b><u>Reduction of Commuter Vehicles</u></b> Fuel and maintenance savings associated with the reduction of agency commuter vehicles.		(25)	(50)	(50)	(50)	(50)
<b><u>Property Sales</u></b> The Department will generate additional revenue from the sale of surplus properties.		--	(2,000)	--	--	--
<b><u>Salvage Revenue</u></b> The Department will generate additional revenue due to an increase in auction sales of salvage trucks and landfill equipment.		(3,000)	(211)	(211)	(211)	(211)
<b><u>Reduce Overtime Associated with the Administration of Civil Service Exams.</u></b> The Division of Citywide Personnel Services will implement a change in the scheduling and staffing of civil service exams to reduce overtime by approximately 30%.		(150)	(300)	(300)	(300)	(300)
<b><u>PlaNYC OTPS Reduction</u></b> A 10% reduction of the city funds OTPS allocation for PlaNYC projects/initiatives in FY 2012.		--	(1,761)	--	--	--
<b><u>Reduce Contractual Security Guards</u></b> Reduction of private contractual security guard services. The Department currently has approximately \$12.3 million per year in funding for contracted security services for City buildings.		--	(2,200)	(2,200)	(2,200)	(2,200)
<b>Total Agency: CITY PEG PROGRAM</b>		<b>(13,590)</b>	<b>(17,031)</b>	<b>(8,963)</b>	<b>(8,963)</b>	<b>(8,963)</b>

## Expenditure Increases/Re-estimates

### Department of Citywide Administrative Services

Description	City Personnel * Attrition Layoff		(City Funds in 000's)				
			2011	2012	2013	2014	2015
<b>February</b>							
<b><u>Fire Safety Director (Prevailing Wage)</u></b>			2,400	2,641	2,641	2,641	2,641
Funding for increased costs associated with the prevailing wage determination for Fire Safety Directors.							
<b><u>Annuity Funding Shortfall</u></b>			380	380	380	380	380
Funds a structural shortfall in annuity payments.							
<b><u>Bridge Painter Exam Consultant</u></b>			120	12	--	--	--
Funding for an outside consultant to develop the Civil Service Bridge Painter exam.							
<b><u>NYC Service Office DCAS Portion</u></b>			46	366	366	183	--
Funding for NYC Service							
<b><u>Lease Adjustment</u></b>			(240)	--	--	--	--
Lease Adjustment							
<b><u>Citywide Lease Efficiency</u></b>			5,182	--	--	--	--
Savings via terminations and renegotiations of city leases with private landlords in conjunction with agency office space consolidation.							
<b><u>Lease Audits</u></b>			500	1,000	--	--	--
Savings from audits that the Department performs on the terms of agency leases.							
<b>Total Agency: Expenditure Increases/Re-estimates</b>			<b>8,388</b>	<b>4,399</b>	<b>3,387</b>	<b>3,204</b>	<b>3,021</b>

## AGENCY FIVE YEAR SUMMARY PROGRAM

### Department of Education

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
<b><u>Dollars</u></b>	<i>(City Funds in 000's)</i>				
Baseline Per July Plan - 7/13/2010	\$7,954,965	\$7,889,978	\$8,119,126	\$8,425,860	\$8,425,860
PEG Program	(220,588)	(350,048)	(350,048)	(350,048)	(350,049)
Expenditure Increases / Re-estimates	(12,128)	1,870,281	1,891,695	1,920,505	2,123,159
<b>Financial Plan of 2/17/2011</b>	<b><u>\$7,722,249</u></b>	<b><u>\$9,410,211</u></b>	<b><u>\$9,660,773</u></b>	<b><u>\$9,996,317</u></b>	<b><u>\$10,198,970</u></b>
<b><u>Headcount</u></b>	<i>(City Funded)</i>				
Baseline Per July Plan - 7/13/2010	7,628 C	7,904 C	7,904 C	7,904 C	7,904 C
PEG Program	-	(5,398) P	(4,541) P	(4,481) P	(4,417) P
Expenditure Increases / Re-estimates	-	8,294 P	4,969 P	(94) P	(3,052) P
	999 C	1,007 C	999 C	999 C	999 C
<b>Financial Plan of 2/17/2011</b>	<b>94,492 P</b>	<b>87,848 P</b>	<b>87,863 P</b>	<b>88,027 P</b>	<b>85,133 P</b>
	<b><u>8,627 C</u></b>	<b><u>8,911 C</u></b>	<b><u>8,903 C</u></b>	<b><u>8,903 C</u></b>	<b><u>8,903 C</u></b>

C = Civilian P = Pedagogical

## CITY PEG PROGRAM

### Department of Education

Description	City Personnel *		(City Funds in 000's)				
	Attrition	Layoff	2011	2012	2013	2014	2015
<b>November</b>							
<b><u>School Cut - Layoff</u></b>	--	(4,278) P	--	(269,048)	(269,048)	(269,048)	(269,048)
Reduction of teacher headcount through layoffs.							
<b><u>School Cut - Attrition</u></b>	(1,500)	-- P	--	(81,000)	(81,000)	(81,000)	(81,000)
Reduction of teacher headcount through attrition.							
<b><u>Reduction of central supply budget.</u></b>			(617)	(18,280)	(18,280)	(18,280)	(18,280)
Reduction of central supply budget.							
<b><u>Reduction of central travel budget.</u></b>			(1,000)	(1,000)	(1,000)	(1,000)	(1,000)
Reduction of central travel budget.							
<b><u>Central restructuring - reduction in part time work.</u></b>			--	(3,768)	(3,768)	(3,768)	(3,768)
Central restructuring - reduction in part time work.							
<b><u>Admin Mitigation of School Cut</u></b>	380	-- P	--	23,048	23,048	23,048	23,047
This initiative mitigates direct cuts to the classroom in the amount of the central cuts.							
<b><u>Ed. Jobs Bill Mitigation</u></b>			(159,141)	--	--	--	--
Mitigates impact of City Tax Levy PEG with funds from the Education Jobs Bill.							
<b><u>Summer SE Mitigation - CY</u></b>			(51,000)	--	--	--	--
This initiative mitigates the FY11 impact of the City Tax Levy PEG with a restoration of State Summer Handicapped funding.							
<b><u>Facilities Reduction</u></b>			(3,230)	--	--	--	--
Reduction of the contract custodial allocation by .05 dollars per square foot, resulting in an anticipated reduction of 150-200 contract staff.							
<b><u>CEO-LPN Career Ladder</u></b>			(100)	--	--	--	--
CEO-LPN Career Ladder (a CEO program) - 15.4% reduction for FY11.							

## CITY PEG PROGRAM

### Department of Education

Description	City Personnel * Attrition Layoff		(City Funds in 000's)				
			2011	2012	2013	2014	2015
<b>February</b>							
<b><u>Council Reductions</u></b>			(5,500)	--	--	--	--
Council reductions to DOE that will fund restorations in other agencies.							
<b>Total Agency: CITY PEG PROGRAM</b>			(1,120) (4,278) P	(220,588)	(350,048)	(350,048)	(350,048) (350,049)

## Expenditure Increases/Re-estimates

### Department of Education

Description	City Personnel *		(City Funds in 000's)				
	Attrition	Layoff	2011	2012	2013	2014	2015
<b>November</b>							
<b><u>HIP Rate Adjustment</u></b>			7,000	50,000	74,000	106,000	132,000
This initiative adjusts health funding due to changes in the HIP rate.							
<b><u>CTL Backfill of ARRA</u></b>	14,190	-- P	--	853,011	853,011	853,011	853,011
Restores the ARRA cliff in FY12 and the outyears with CTL funds.							
<b><u>SE Mandates - CTL</u></b>	--	(3,569) P	--	--	--	--	--
This initiative funds growth in special education mandates through cuts to general education.							
<b><u>School Expense Growth</u></b>	--	(2,327) P	--	--	--	--	--
This initiative lowers the number of heads that can be supported with existing GE school funding due to rising classroom costs.							
<b><u>Public School 230K - Doris Cohen School</u></b>			4	--	--	--	--
<b><u>Public School 200K Parent Teacher Association</u></b>			1	--	--	--	--
<b><u>Public School 204K Parent Teacher Association</u></b>			1	--	--	--	--
<b><u>A Better Jamaica, Inc.</u></b>			5	--	--	--	--
<b><u>Our Firefighters' Children's Foundation</u></b>			4	--	--	--	--
<b><u>Friends of Public School 163, Inc.</u></b>			8	--	--	--	--
<b><u>K490 Fort Hamilton High School Tigers Football Team</u></b>			(2)	--	--	--	--
<b><u>Public School 112K Parent Teacher Association</u></b>			1	--	--	--	--
<b><u>Public School 127K Parent Teacher Association</u></b>			1	--	--	--	--
<b><u>Public School 163K Parent Teacher Association</u></b>			1	--	--	--	--
<b><u>Public School 170K Parent Teacher Association</u></b>			1	--	--	--	--

## Expenditure Increases/Re-estimates

### Department of Education

Description	City Personnel * Attrition Layoff		(City Funds in 000's)				
			2011	2012	2013	2014	2015
<b><u>Public School 176K Parent Teacher Association</u></b>			1	--	--	--	--
<b><u>Public School 185K Parent Teacher Association</u></b>			1	--	--	--	--
<b><u>Public School 186K Parent Teacher Association</u></b>			1	--	--	--	--
<b><u>Mandated Autism Coverage Veto</u></b> Reflects Governor's veto of mandated autism coverages.			(15,969)	(15,969)	(15,969)	(15,969)	(15,969)
<b><u>SCI Transfer</u></b> Removes funding associated with the Special Commissioner of Investigations -- to be picked up by the DOI.	(1)	-- C	(110)	(194)	(194)	(194)	(194)
<b><u>Service in Schools</u></b> NYCService funding for the Service in Schools program.			222	--	--	--	--
<b><u>Middle School Mentors</u></b> NYCService funding for the Middle School Mentors program.			110	--	--	--	--
<b><u>Go Pass</u></b> NYCService funding for the Go Pass program.			333	--	--	--	--
<b><u>Fringe FY15 Allocation</u></b> Funds 10% growth in health and 1% for the FICA impact of salary drift in FY15.			--	--	--	--	180,000
<b>February</b>							
<b><u>HIP Rate Decrease</u></b> HIP rate Decrease from 11.5% to 9.79%.			(3,742)	(25,615)	(27,653)	(30,843)	(34,189)
<b><u>Headcount Realignment</u></b> This initiative shifts hourly non-pedagogical headcount within the schools into the full-time category to reflect aggregate principals' choices.	1,000	-- C	--	--	--	--	--
<b><u>CEO-LPN Career Ladder</u></b> CEO Career Ladder (a CEO program) FY 12 Reallocation.	8	-- C	--	548	--	--	--

## Expenditure Increases/Re-estimates

### Department of Education

Description	City Personnel *		(City Funds in 000's)				
	Attrition	Layoff	2011	2012	2013	2014	2015
<b><u>City Backfill of State Cut</u></b> City backfill of State cut.	--	1,008,500	1,008,500	1,008,500	1,008,500	1,008,500	1,008,500
<b>Total Agency: Expenditure Increases/Re-estimates</b>	14,190	(5,896) P	(12,128)	1,870,281	1,891,695	1,920,505	2,123,159
	1,007	-- C					

## AGENCY FIVE YEAR SUMMARY PROGRAM

### City University

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
<b><u>Dollars</u></b>	<i>(City Funds in 000's)</i>				
Baseline Per July Plan - 7/13/2010	\$535,080	\$495,933	\$496,147	\$496,259	\$496,259
PEG Program	(9,019)	(16,156)	(16,156)	(16,156)	(16,156)
Expenditure Increases / Re-estimates	5,906	19,721	13,890	14,806	14,720
<b>Financial Plan of 2/17/2011</b>	<b><u>\$531,967</u></b>	<b><u>\$499,498</u></b>	<b><u>\$493,881</u></b>	<b><u>\$494,909</u></b>	<b><u>\$494,823</u></b>
<b><u>Headcount</u></b>	<i>(City Funded)</i>				
Baseline Per July Plan - 7/13/2010	3,173 P 1,601 C	3,173 P 1,580 C	3,173 P 1,580 C	3,173 P 1,580 C	3,173 P 1,580 C
PEG Program	(22) P (44) C	(44) P (55) C	(44) P (55) C	(44) P (55) C	(44) P (55) C
Expenditure Increases / Re-estimates	-	40 C	-	-	-
<b>Financial Plan of 2/17/2011</b>	<b><u>3,151 P</u></b> <b><u>1,557 C</u></b>	<b><u>3,129 P</u></b> <b><u>1,565 C</u></b>	<b><u>3,129 P</u></b> <b><u>1,525 C</u></b>	<b><u>3,129 P</u></b> <b><u>1,525 C</u></b>	<b><u>3,129 P</u></b> <b><u>1,525 C</u></b>

C = Civilian P = Pedagogical

## CITY PEG PROGRAM

### City University

Description	City Personnel *		(City Funds in 000's)				
	Attrition	Layoff	2011	2012	2013	2014	2015
<b>November</b>							
<b><u>General Administration</u></b>	(3)	-- P	(1,349)	(1,820)	(1,820)	(1,820)	(1,820)
Reduces general administration spending levels.	(6)	-- C					
<b><u>Maintenance and Operations</u></b>			(2,136)	(2,531)	(2,531)	(2,531)	(2,531)
Reduces maintenance and operations spending levels.	(23)	-- C					
<b><u>General Instructional Services</u></b>	(3)	-- P	(1,667)	(1,900)	(1,900)	(1,900)	(1,900)
Reduces general instructional spending levels.	(18)	-- C					
<b><u>External &amp; Public Services</u></b>	(3)	-- P	(229)	(369)	(369)	(369)	(369)
Reduces external and public services.							
<b><u>CEO:CUNY Jobs Plus</u></b>			(170)	--	--	--	--
CEO:CUNY Jobs Plus							
<b><u>CEO:Subsidized Jobs</u></b>			(50)	--	--	--	--
CEO:Subsidized Jobs							
<b><u>CEO:Civic Justice Corps</u></b>			(554)	--	--	--	--
CEO:Civic Justice Corps							
<b><u>CEO:New Adolescent Re-entry Program</u></b>			(480)	--	--	--	--
CEO:New Adolescent Re-entry Program							
<b>February</b>							
<b><u>Student Services</u></b>	(13)	-- P	(1,137)	(2,271)	(2,271)	(2,271)	(2,271)
Partial restoration of student services such as tutoring and counseling activities, testing, financial aid counseling, and registration.	(5)	-- C					
<b><u>Library/Organized Activities</u></b>	(2)	-- P	(47)	(632)	(632)	(632)	(632)
Partially restores library and organized activities PEG.							

## CITY PEG PROGRAM

### City University

Description	City Personnel *		(City Funds in 000's)				
	Attrition	Layoff	2011	2012	2013	2014	2015
<b><u>Institutional and Departmental Research PEG Restoration</u></b>	(20)	-- P	(1,200)	(6,633)	(6,633)	(6,633)	(6,633)
Partially restores Institutional and Departmental Research PEG.	(3)	-- C					
<b>Total Agency: CITY PEG PROGRAM</b>	<b>(44)</b>	<b>-- P</b>	<b>(9,019)</b>	<b>(16,156)</b>	<b>(16,156)</b>	<b>(16,156)</b>	<b>(16,156)</b>
	<b>(55)</b>	<b>-- C</b>					

## Expenditure Increases/Re-estimates

### City University

Description	City Personnel * Attrition Layoff		(City Funds in 000's)				
			2011	2012	2013	2014	2015
<b>November</b>							
<b><u>Community College HIP HMO Rate Increase.</u></b> Adjusts health funding associated with HIP rate changes.			--	1,000	3,000	4,000	4,000
<b><u>York College Performing Arts Center</u></b>			50	--	--	--	--
<b><u>Research Foundation of the City University of New York - Oasis Beacon Center</u></b>			2	--	--	--	--
<b><u>Queensborough Community College Auxiliary Enterprise Association, Inc.</u></b>			10	--	--	--	--
<b><u>CUNY Creative Arts Team</u></b>			10	--	--	--	--
<b><u>Mobility Tax Adjustment</u></b> Adjusts estimates for Mobility Tax Funding.			224	206	206	206	206
<b><u>Community College Mandated Autism Coverage Adjustment</u></b> Reverses adjustment to Autism coverage.			(415)	(415)	(415)	(415)	(415)
<b>February</b>							
<b><u>Community College HIP HMO Rate Decrease</u></b> Adjusts health funding associated with HIP rate changes.			--	(792)	(864)	(948)	(1,034)
<b><u>Mobility Tax Adjustment</u></b> Adjusts estimates for Mobility Tax funding.			25	(37)	(37)	(37)	(37)
<b><u>Tuition Adjustment</u></b> Adjusts for 5% spring 2011 tuition increase.			6,000	12,000	12,000	12,000	12,000
<b><u>CEO:CUNY Jobs Plus</u></b> CEO funding adjustment.			--	430	--	--	--
<b><u>CEO: Subsidized Jobs</u></b> CEO funding adjustment.			--	200	--	--	--
<b><u>CEO:Civic Justice Corps</u></b> CEO funding adjustment.	2	-- C	--	3,254	--	--	--

## Expenditure Increases/Re-estimates

### City University

Description	City Personnel *		(City Funds in 000's)				
	Attrition	Layoff	2011	2012	2013	2014	2015
<b><u>CUNY Prep</u></b>			--	3,575	--	--	--
CEO funding adjustment.	35	-- C					
<b><u>CUNY ASAP-Pathways to Success</u></b>			--	300	--	--	--
CEO funding adjustment.	3	-- C					
<b>Total Agency: Expenditure Increases/Re-estimates</b>			<b>5,906</b>	<b>19,721</b>	<b>13,890</b>	<b>14,806</b>	<b>14,720</b>
	40	-- C					



## CITY PEG PROGRAM

### Health and Hospitals Corporation

Description	City Personnel *	(City Funds in 000's)				
	Attrition    Layoff	2011	2012	2013	2014	2015
<b><u>CEO: HHC Career Ladder Program</u></b>		(100)	--	--	--	--
<b><u>Reestimate of spending for Medical Malpractice</u></b> HHC has re-estimated its spending for outside legal counsel for Medical Malpractice.		(400)	(400)	(400)	(400)	(400)
<b><u>Eliminate SART Program</u></b> Funding for the Sexual Assault Response Team (SART) program will be eliminated.		--	(1,272)	(1,272)	(1,272)	(1,272)
<b><u>Reduction of Unrestricted City Subsidy</u></b> HHC's unrestricted subsidy will be reduced.		(2,888)	(7,143)	(7,143)	(7,143)	(7,143)
<b>Total Agency: CITY PEG PROGRAM</b>		<b>(3,388)</b>	<b>(8,815)</b>	<b>(8,815)</b>	<b>(8,815)</b>	<b>(8,815)</b>

## Expenditure Increases/Re-estimates

### Health and Hospitals Corporation

Description	City Personnel * Attrition Layoff		(City Funds in 000's)				
			2011	2012	2013	2014	2015
<b>November</b>							
<b><u>Transfer Medicaid Inmate Revenue from HRA to HHC</u></b>			(25,000)	(25,000)	(25,000)	(25,000)	(25,000)
<b><u>HHC Child Health Transfer</u></b>			--	2,763	2,763	2,763	2,763
Transferring Child Health CTL budget to HHC							
<b><u>HHC Outpatient Medication Transfer</u></b>			141	819	819	819	819
Transferring Outpatient Medication CTL budget to HHC							
<b><u>HHC HIV Transfer</u></b>			1,235	1,197	1,197	1,197	1,197
Transferring HIV CTL budget to HHC							
<b>February</b>							
<b><u>CEO: HHC Career Ladder Program</u></b>			--	740	--	--	--
A training and apprenticeship program for Registered Nurses and Licensed Practical Nurses to be hired by HHC upon credentialing. Program will be run by HHC in partnership with CUNY at Kings County Hospital.							
<b>Total Agency: Expenditure Increases/Re-estimates</b>			<b>(23,624)</b>	<b>(19,481)</b>	<b>(20,221)</b>	<b>(20,221)</b>	<b>(20,221)</b>

## AGENCY FIVE YEAR SUMMARY PROGRAM

### Department for the Aging

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
<b><u>Dollars</u></b>	<i>(City Funds in 000's)</i>				
Baseline Per July Plan - 7/13/2010	\$145,893	\$108,252	\$108,252	\$108,252	\$108,252
PEG Program	(5,550)	(8,947)	(9,096)	(9,110)	(9,126)
Less PEG Program Reflected in Revenue Budget	2,000	-	-	-	-
Expenditure Increases / Re-estimates	166	110	260	274	289
<b>Financial Plan of 2/17/2011</b>	<b><u>\$142,509</u></b>	<b><u>\$99,415</u></b>	<b><u>\$99,416</u></b>	<b><u>\$99,416</u></b>	<b><u>\$99,415</u></b>
<b><u>Headcount</u></b>	<i>(City Funded)</i>				
Baseline Per July Plan - 7/13/2010	38	38	38	38	38
Expenditure Increases / Re-estimates	8 - - - -				
<b>Financial Plan of 2/17/2011</b>	<b><u>46</u></b>	<b><u>38</u></b>	<b><u>38</u></b>	<b><u>38</u></b>	<b><u>38</u></b>

## CITY PEG PROGRAM

### Department for the Aging

Description	City Personnel * Attrition Layoff	(City Funds in 000's)				
		2011	2012	2013	2014	2015
<b>November</b>						
<b><u>Case Management Restructuring</u></b>		(3,300)	(6,600)	(6,600)	(6,600)	(6,600)
Fifteen percent reduction in 2011 and 30 percent reduction in 2012 to funding for case management contracts. Case management links approximately 18,000 seniors with services, including homecare and home delivered meals.						
<b><u>DFTA Headcount Reduction</u></b>		--	(1,000)	(1,149)	(1,163)	(1,179)
Eliminate 14 positions.						
<b><u>Central Insurance Program Savings</u></b>		(990)	(1,131)	(1,131)	(1,131)	(1,131)
Lower health insurance rates for staff in DFTA contract programs will produce savings.						
<b><u>DFTA lease termination.</u></b>		(280)	(216)	(216)	(216)	(216)
Relocation of training center will permit DFTA to vacate leased space.						
<b><u>Refunds from Contractors</u></b>		(2,000)	--	--	--	--
The Department for the Aging captured contractor refunds from unexpended account balances.						
<b><u>Savings From One Time Agency Accruals</u></b>		(1,780)	--	--	--	--
Recoupment of prior year advances to contracted providers.						
<b>February</b>						
<b><u>Case Management Restructuring Restoration</u></b>		3,300	--	--	--	--
Restoration of funding for case management contracts that link seniors with services, including homecare and home delivered meals.						

**CITY PEG PROGRAM**

**Department for the Aging**

Description	City Personnel * Attrition Layoff	(City Funds in 000's)				
		2011	2012	2013	2014	2015
<b><u>Older Americans Act Offsetting Savings</u></b>		(500)	--	--	--	--
Recognize accruals from federal Older Americans Act funding.						
<b>Total Agency: CITY PEG PROGRAM</b>		<b>(5,550)</b>	<b>(8,947)</b>	<b>(9,096)</b>	<b>(9,110)</b>	<b>(9,126)</b>

## Expenditure Increases/Re-estimates

### Department for the Aging

Description	City Personnel * Attrition Layoff	(City Funds in 000's)				
		2011	2012	2013	2014	2015
<b>November</b>						
<u>Federazione Italo-Americana di Brooklyn and Queens, Inc.</u>		(3)	--	--	--	--
<u>Hollis Presbyterian Church</u>		12	--	--	--	--
<u>Middle School Mentors NYC Service Transfer</u>		30	--	--	--	--
Middle School Mentors NYC Service Transfer						
<u>Time Banks NYC Service Programs Transfer</u>		127	--	--	--	--
Time Banks NYC Service Programs Transfer.						
<u>Fringe Benefit Offset- Headcount Reduction</u>		--	110	260	274	289
Adjustment for fringe savings from headcount reduction.						
<b>Total Agency: Expenditure Increases/Re-estimates</b>		<b>166</b>	<b>110</b>	<b>260</b>	<b>274</b>	<b>289</b>

## AGENCY FIVE YEAR SUMMARY PROGRAM

### Department of Small Business Services

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
<b><u>Dollars</u></b>	<i>(City Funds in 000's)</i>				
Baseline Per July Plan - 7/13/2010	\$76,065	\$57,823	\$55,411	\$50,085	\$50,085
PEG Program	(5,905)	(8,421)	(8,347)	(7,945)	(7,784)
Less PEG Program Reflected in Revenue Budget	3,222	5,008	5,114	5,109	5,112
Expenditure Increases / Re-estimates	(2,774)	11,277	4,818	2,123	(3,330)
<b>Financial Plan of 2/17/2011</b>	<b><u>\$70,608</u></b>	<b><u>\$65,687</u></b>	<b><u>\$56,996</u></b>	<b><u>\$49,372</u></b>	<b><u>\$44,083</u></b>
<b><u>Headcount</u></b>	<i>(City Funded)</i>				
Baseline Per July Plan - 7/13/2010	133	102	102	102	102
PEG Program	(6) (6	) (6	) (6	) (6	) (6
Expenditure Increases / Re-estimates	13	38	32	32	27
<b>Financial Plan of 2/17/2011</b>	<b><u>140</u></b>	<b><u>134</u></b>	<b><u>128</u></b>	<b><u>128</u></b>	<b><u>123</u></b>

## CITY PEG PROGRAM

### Department of Small Business Services

Description	City Personnel * Attrition Layoff		(City Funds in 000's)				
			2011	2012	2013	2014	2015
<b>November</b>							
<b><u>Graffiti Free NYC PEG</u></b>			(44)	(38)	(38)	(38)	(38)
Reduction in City funding to the Graffiti Free NYC Program.							
<b><u>Financial Services PEG</u></b>			(353)	--	--	--	--
Reduction in City funding to the Financial Services Contract.							
<b><u>Greenpoint Williamsburg Access Fund PEG</u></b>			--	--	(184)	--	--
Reduction in City funding to the Greenpoint Williamsburg Access Fund.							
<b><u>East River Ferry Operating PEG</u></b>			(48)	(282)	(257)	(163)	--
Reduction in City funding to the East River Ferry Operation.							
<b><u>Advance at Work</u></b>	(3)	--	(456)	(968)	(970)	(971)	(972)
The Department of Small Business Services will achieve part of its PEG through the elimination of the Advance at Work program.							
<b><u>Reduction to OTPS</u></b>			(220)	(151)	(146)	(24)	(21)
The Department of Small Business services will achieve part of its PEG through a reduction in the New Business Assistance Team (NBAT), the Division of Economic and Financial Opportunity (DEFO), the Clean Streets Program, and in the Industrial Business Zone Contracts.							
<b><u>Reduction to SBS EZ</u></b>			(100)	(100)	(100)	(100)	(100)
The Department of Small Business Services will achieve part of its PEG through a reduction in the funding associated with the Empowerment Zone program.							
<b><u>Downtown Brooklyn Partnership Reduction</u></b>			(14)	(20)	--	--	--
The Downtown Brooklyn Partnership will achieve its PEG through a direct contract reduction.							

## CITY PEG PROGRAM

### Department of Small Business Services

Description	City Personnel * Attrition Layoff		(City Funds in 000's)				
			2011	2012	2013	2014	2015
<p><b><u>Governors Island Reduction</u></b> The Trust for Governors Island will achieve its PEG through contract reductions in FY11-15.</p>			(671)	(993)	(994)	(994)	(993)
<p><b><u>Direct Reduction of City Council Funding</u></b> The City Council will reduce its budget within agency 801 by 5.4%.</p>			(527)	--	--	--	--
<p><b><u>NYC &amp; Company Sports Commission and Conventions Sales</u></b> NYC &amp; Company will achieve its PEG target through a reduction in its personnel services dedicated to convention sales and the Sports Commission.</p>			(125)	(365)	(365)	(365)	(365)
<p><b><u>NYC &amp; Company Credit for Tavern on the Green Visitors Center</u></b> NYC &amp; Company will achieve a portion of its PEG target through recognition of costs incurred for services and equipment related to the Tavern on the Green Visitors Center.</p>			(121)	--	--	--	--
<p><b><u>PlaNYC-EDC budget PEG - OER Brownfields Fund</u></b> Reduction from the Office of Environmental Remediation's Brownfields Fund; 5.4% in FY11 and 8% in FY12. The full PEG for PlaNYC funding within EDC to be taken from the Brownfields Fund.</p>			(362)	(319)	--	--	--
<p><b><u>EDC Community Court Reduction</u></b> Reduction in City funding to the Red Hook and Midtown Community Courthouse program.</p>			(16)	(23)	(23)	(23)	(23)
<p><b><u>Three Vacancy Reductions</u></b> The Department of Small Business Services will achieve part of its PEG through three full-time vacancy reductions in facilities, strategic planning and the Division of Economic and Financial Opportunity (DEFO).</p>	(3)	--	(153)	(154)	(156)	(158)	(160)

## CITY PEG PROGRAM

### Department of Small Business Services

Description	City Personnel *		(City Funds in 000's)					
	Attrition	Layoff	2011	2012	2013	2014	2015	
<p><b><u>EDC Increase in Contractual Payments</u></b></p> <p>EDC will increase its contractual payment to the City in FY 2011 and the out years.</p>			(3,222)	(5,008)	(5,114)	(5,109)	(5,112)	
<b>February</b>								
<p><b><u>Restoration of City Council Funding</u></b></p> <p>Restoration of 5.4% reduction of City Council funding from the FY12 November Financial Plan.</p>			527	--	--	--	--	
<b>Total Agency: CITY PEG PROGRAM</b>		<b>(6)</b>	<b>--</b>	<b>(5,905)</b>	<b>(8,421)</b>	<b>(8,347)</b>	<b>(7,945)</b>	<b>(7,784)</b>

## Expenditure Increases/Re-estimates

### Department of Small Business Services

Description	City Personnel *		(City Funds in 000's)				
	Attrition	Layoff	2011	2012	2013	2014	2015
<b>November</b>							
<b><u>East River Ferry Service Pilot - Adjustment for Automatic Baseline</u></b>			--	--	--	--	(2,039)
The funding for the East River Ferry Service Pilot extends until FY14. This adjustment corrects for an automatic baselining of funding into FY15.							
<b><u>Credit for fringe benefit savings associated with PS reductions.</u></b>			77	93	97	102	107
Credit for fringe benefit savings associated with PS reductions.							
<b><u>Headcount Reconciliation</u></b>	3	--	--	--	--	--	--
Headcount Reconciliation							
<b><u>MOFTB/MOME Transfer</u></b>	(21)	--	(1,168)	(1,398)	(1,398)	(1,398)	(1,398)
MOFTB (Mayors Office of Film Theatre and Broadcasting), now known as the Mayor's Office of Media and Entertainment (MOME) will transfer personnel funds from the Department of Small Business Services (SBS) to the Department of Information Technology and Telecommunications (DoITT).							
<b><u>NYC &amp; Company Contract - Offset for Services Provided for Tavern on the Green Visitors Center</u></b>			121	--	--	--	--
Offsetting adjustment for NYC & Co PEG recognition of costs incurred for services and equipment related to the Tavern on the Green Visitors Center.							
<b>February</b>							
<b><u>SBS Express Workforce Centers</u></b>	4	--	711	5,500	5,500	2,800	--
SBS Express Workforce Centers will expand jobseeker services, focusing on screening and matching candidates to jobs in areas of high unemployment.							

## Expenditure Increases/Re-estimates

### Department of Small Business Services

Description	City Personnel *		(City Funds in 000's)				
	Attrition	Layoff	2011	2012	2013	2014	2015
<b><u>SBS M/WBE Capacity Building and Joint Venture Services</u></b> New services for capacity building and joint venture assistance for Minority- and Women-owned Business Enterprises (M/WBE).	1	--	17	440	435	435	--
<b><u>EDC Funding Adjustment</u></b> City tax levy funding for Development Coordinator Position			77	184	184	184	--
<b><u>CEO Funding Distribution</u></b> The Center for Economic Opportunity's FY12 SBS initiative disburses funding for Business Solution Training and Employment Works. This initiative does not represent a net change to the City's budget.	6	--	--	3,819	--	--	--
<b><u>CEO Program Funding</u></b> Funding adjustment for the Center for Economic Opportunity (CEO) Business Solutions training program in FY12.			--	30	--	--	--
<b><u>Brownfields Fund Reallocation</u></b> Reallocate projected Brownfields Fund surpluses from FY11 to FY12.			(2,609)	2,609	--	--	--
<b><u>Budget Headcount Mods From 12/21/2010 to 1/25/2011</u></b>	45	--	--	--	--	--	--
<b>Total Agency: Expenditure Increases/Re-estimates</b>	<b>38</b>	<b>--</b>	<b>(2,774)</b>	<b>11,277</b>	<b>4,818</b>	<b>2,123</b>	<b>(3,330)</b>

## AGENCY FIVE YEAR SUMMARY PROGRAM

### Department of Buildings

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
<b><u>Dollars</u></b>	<i>(City Funds in 000's)</i>				
Baseline Per July Plan - 7/13/2010	\$98,418	\$92,448	\$92,448	\$92,466	\$92,466
PEG Program	(5,600)	(9,791)	(9,838)	(9,890)	(9,947)
Less PEG Program Reflected in Revenue Budget	4,700	6,100	6,100	6,100	6,100
Expenditure Increases / Re-estimates	1,699	909	955	1,007	1,048
<b>Financial Plan of 2/17/2011</b>	<b><u>\$99,217</u></b>	<b><u>\$89,666</u></b>	<b><u>\$89,665</u></b>	<b><u>\$89,683</u></b>	<b><u>\$89,667</u></b>
<b><u>Headcount</u></b>	<i>(City Funded)</i>				
Baseline Per July Plan - 7/13/2010	1,211	1,211	1,211	1,211	1,211
PEG Program	(46)	(66)	(66)	(66)	(66)
<b>Financial Plan of 2/17/2011</b>	<b><u>1,165</u></b>	<b><u>1,145</u></b>	<b><u>1,145</u></b>	<b><u>1,145</u></b>	<b><u>1,145</u></b>

## CITY PEG PROGRAM

### Department of Buildings

Description	City Personnel *		(City Funds in 000's)				
	Attrition	Layoff	2011	2012	2013	2014	2015
<b><u>Borough Operations Support Staff Savings</u></b> As the Department implements recommendations from studies involving consolidation, technology and streamlining processes, staff will be reduced in the effected areas.	(20)	--	--	(1,662)	(1,680)	(1,700)	(1,722)
<b><u>Implementation of Hazardous Reinspection Program</u></b> The Department will generate additional revenue by implementing a new \$85 fee to re-inspect Class 1 hazardous conditions which pose a threat of imminent danger to the public or property.			(700)	(1,700)	(1,700)	(1,700)	(1,700)
<b><u>Attrition Savings from Hiring Freeze</u></b> DOB will achieve savings from attrition as a result of a hiring freeze.			(900)	(2,029)	(2,058)	(2,090)	(2,125)
<b><u>Unfunded Headcount Reduction</u></b> This initiative is to reduce headcount in the form of unfunded vacancies.	(46)	--	--	--	--	--	--
<b><u>New Construction Fee Estimation Tools</u></b> The Department of Buildings will generate additional revenue by implementing new fee estimation protocols, establishing a Cost Estimation Unit, and by developing new software for determining and validating construction costs.			(4,000)	(4,400)	(4,400)	(4,400)	(4,400)
<b>Total Agency: CITY PEG PROGRAM</b>	<b>(66)</b>	<b>--</b>	<b>(5,600)</b>	<b>(9,791)</b>	<b>(9,838)</b>	<b>(9,890)</b>	<b>(9,947)</b>

## Expenditure Increases/Re-estimates

### Department of Buildings

Description	City Personnel * Attrition Layoff	(City Funds in 000's)				
		2011	2012	2013	2014	2015
<b>November</b>						
<b><u>Cool Roofs Initiative</u></b>		100	--	--	--	--
Cool Roofs Initiative						
<b><u>Fringe Benefit PEG Credit</u></b>		--	356	374	394	416
Fringe Benefit PEG Credit						
<b><u>Additional Attrition Savings</u></b>		471	525	553	585	621
FB PEG Credit						
<b><u>Adjustment to Concrete OTPS</u></b>		--	--	--	--	(17)
Adjustment to Concrete OTPS-training portion in the out year budget base-lined the amount in the out years.						
<b><u>DOB-DOI Technical Adjustment</u></b>		28	28	28	28	28
Conversion of collective bargaining funding to intra-City to be consistent with DOI's budget assumption.						
<b>February</b>						
<b><u>Private Elevator Inspection Contract</u></b>		1,100	--	--	--	--
The Department of Buildings will collect additional revenue through changes in elevator inspection fees and the private elevator inspection contract.						
<b>Total Agency: Expenditure Increases/Re-estimates</b>		<b>1,699</b>	<b>909</b>	<b>955</b>	<b>1,007</b>	<b>1,048</b>

## AGENCY FIVE YEAR SUMMARY PROGRAM

### Department of Environmental Protection

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
<b><u>Dollars</u></b>	<i>(City Funds in 000's)</i>				
Baseline Per July Plan - 7/13/2010	\$956,280	\$925,255	\$920,997	\$920,997	\$920,997
PEG Program	(836)	(1,411)	(1,412)	(1,413)	(1,414)
Less PEG Program Reflected in Revenue Budget	628	1,156	1,156	1,156	1,156
Expenditure Increases / Re-estimates	2,382	1,953	1,954	1,955	1,956
<b>Financial Plan of 2/17/2011</b>	<b><u>\$958,454</u></b>	<b><u>\$926,953</u></b>	<b><u>\$922,695</u></b>	<b><u>\$922,695</u></b>	<b><u>\$922,695</u></b>
<b><u>Headcount</u></b>	<i>(City Funded)</i>				
Baseline Per July Plan - 7/13/2010	209	209	209	209	209
PEG Program	(1) (1	) (1	) (1	) (1	) (1
<b>Financial Plan of 2/17/2011</b>	<b><u>208</u></b>	<b><u>208</u></b>	<b><u>208</u></b>	<b><u>208</u></b>	<b><u>208</u></b>

## CITY PEG PROGRAM

### Department of Environmental Protection

Description	City Personnel * Attrition Layoff		(City Funds in 000's)				
			2011	2012	2013	2014	2015
<b><u>Asbestos Program Fee Increase</u></b> DEP will generate additional revenue by increasing fees for ACP-5 application review.			(528)	(1,056)	(1,056)	(1,056)	(1,056)
<b><u>ECB - Technical Adjustment</u></b> Reduction to remaining Environmental Control Board funds left in DEP's budget after transfer to the Office of Administrative Trials and Hearings (OATH). No impact on services.			(21)	(21)	(21)	(21)	(21)
<b><u>SARA Right-to-Know Fees</u></b> DEP will realize additional revenue from the reporting of hazardous materials storage under the SARA program (Superfund Amendments Reauthorization Act of 1986).			(100)	(100)	(100)	(100)	(100)
<b><u>Reduction to DERTA - Vacancy</u></b> Reduction to the Division of Emergency Response and Technical Assessment (DERTA) program budget. Headcount will be reduced by 1 vacancy.	(1)	--	(88)	(89)	(90)	(91)	(92)
<b><u>Reduction to DERTA - Part-Time Budget</u></b> Reduction to the Division of Emergency Response and Technical Assessment (DERTA) part-time budget.			(70)	(145)	(145)	(145)	(145)
<b><u>FY 2011 PS REDUCTION</u></b> Reduction to the FY 2011 longevity differentials budget for the Bureau of Environmental Compliance administrative staff.			(29)	--	--	--	--
<b>Total Agency: CITY PEG PROGRAM</b>	<b>(1)</b>	<b>--</b>	<b>(836)</b>	<b>(1,411)</b>	<b>(1,412)</b>	<b>(1,413)</b>	<b>(1,414)</b>

## Expenditure Increases/Re-estimates

### Department of Environmental Protection

Description	City Personnel * Attrition Layoff		(City Funds in 000's)				
			2011	2012	2013	2014	2015
<b>November</b>							
<b><u>DEP-DOI Technical Adjustment</u></b>			24	24	24	24	24
Conversion of collective bargaining funding to intra-City to be consistent with DOI's budget assumption.							
<b><u>Reduction to DERTA - Vacancy</u></b>			17	18	19	20	21
DERTA Reduction (Vacancy) - Fringe Benefit Offset							
<b><u>Reduction to DERTA - Part Time</u></b>			5	10	10	10	10
DERTA Reduction (Part Time) - Fringe Benefit Offset							
<b>February</b>							
<b><u>Landfill Remediation</u></b>			2,336	1,901	1,901	1,901	1,901
Funding to support DEP's continuing landfill remediation efforts.							
<b>Total Agency: Expenditure Increases/Re-estimates</b>			<b>2,382</b>	<b>1,953</b>	<b>1,954</b>	<b>1,955</b>	<b>1,956</b>

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# Revenue Program

**REVENUE PROGRAM**

Description	(City Funds in 000's)				
	2011	2012	2013	2014	2015
<b><u>Tax Revenue</u></b>					
Additional audit revenue is projected by selecting targets through the use of data matching and modeling which will increase City tax revenue.	1,000	3,300	2,200	2,200	2,200
Additional tax revenue is projected as a result of correcting the under assessed value of a property.	352	544	765	1,016	1,295
By correcting for the property tax exemptions and SCRIE credits granted previously in error, additional tax revenue is projected.	136	136	136	136	136
The Department of Finance will increase City tax revenue and promote tax compliance by hiring additional auditors, data modelers and assessors.	5,000	23,100	25,100	33,000	33,000
<b><u>Sub Total: Tax Revenue</u></b>	<b>6,488</b>	<b>27,080</b>	<b>28,201</b>	<b>36,352</b>	<b>36,631</b>

**REVENUE PROGRAM**

Description	(City Funds in 000's)				
	2011	2012	2013	2014	2015
<b><u>Miscellaneous Revenue</u></b>					
The Office of Management and Budget will review Trust and Agency accounts to determine the availability of funds for recovery or reimbursement to the general fund.	644	1,461	0	0	0
The Law Department has realized additional revenue from the Amtrak litigation judgment in conjunction with the Department of Transportation and from the World Trade Center Captive Insurance reimbursement.	6,426	0	0	0	0
The Department of Investigation's Bureau of City Marshals has held unclaimed funds collected from marshal judgment activity in a trust and agency account. A portion of these monies will be transferred into the general fund.	407	0	0	0	0
The Department of Investigation will realize additional one time revenues in connection with an investigation.	571	1,464	0	0	0
The Police Department will generate additional revenue from the implementation of a fee to recover traffic management costs associated with non-charitable athletic events.	611	3,475	0	0	0
The Fire Department will receive additional revenue from the review of rooftop access plans.	150	600	600	600	600
The Fire Department will begin billing legally insured parties for responses to motor vehicle accidents.	0	1,380	1,380	1,380	1,380
The Department of Correction will collect additional revenue from an increase in inmate telephone system usage based on historical and current performance.	1,500	1,000	1,000	1,000	1,000

**REVENUE PROGRAM**

Description	(City Funds in 000's)				
	2011	2012	2013	2014	2015
<b><u>Miscellaneous Revenue</u></b>					
The Department for the Aging captured contractor refunds from unexpended account balances.	2,000	0	0	0	0
Both the Office of Payroll Administration and the Financial Information Services Agency will collect additional revenue from fees charged to process the payrolls of several covered organizations.	0	779	0	0	0
The Landmarks Preservation Commission will collect additional revenue as a result of a fee increase for landmark permits.	0	576	576	576	576
The Taxi and Limousine Commission will generate additional revenue by increasing the fee for medallion, for-hire vehicle, paratransit and commuter van drivers' licenses from \$60 to \$84.	703	1,734	1,734	1,734	1,734
The Taxi and Limousine Commission will generate additional revenue by increasing the fee for the initial medallion vehicle inspection from \$50 to \$90.	625	1,600	1,600	1,600	1,600
The Taxi and Limousine Commission will generate additional revenue by implementing a new \$38 fee for the visual inspection of for-hire vehicles.	700	1,121	1,121	1,121	1,121
The Economic Development Corporation will increase its contractual payment to the City in FY 2011 and the out years.	3,222	5,008	5,114	5,109	5,112
The Department of Housing Preservation and Development will realize additional revenue from the recapture of rental subsidies associated with Manhattan Plaza.	300	300	300	300	300
The Department of Housing Preservation and Development will generate additional revenue through additional land sales.	750	0	0	0	0

**REVENUE PROGRAM**

Description	(City Funds in 000's)				
	2011	2012	2013	2014	2015
<b><u>Miscellaneous Revenue</u></b>					
Beginning in 2012, the Department of Housing Preservation and Development will generate revenue by converting six City managed vacant lots into privately-run parking lots.	0	144	144	144	144
The Department of Buildings will generate additional revenue by implementing a new \$85 fee to re-inspect Class 1 hazardous conditions which pose a threat of imminent danger to the public or property.	700	1,700	1,700	1,700	1,700
The Department of Buildings will generate additional revenue by implementing new fee estimation protocols, establishing a Cost Estimation Unit, and by developing new software for determining and validating construction costs.	4,000	4,400	4,400	4,400	4,400
The Office of Administrative Trials and Hearings will generate additional fine revenue from an increase in case processing and adjudications at the Environmental Control Board.	1,651	2,479	2,479	2,479	2,479
The Department of Environmental Protection will generate additional revenue from increasing fees for ACP-5 forms.	528	1,056	1,056	1,056	1,056
The Department of Environmental Protection will realize additional revenue from the reporting of hazardous materials storage under the SARA program.	100	100	100	100	100
Due to a decrease in the market price, the Department of Sanitation will generate less revenue from the sale of methane gas at Fresh Kills.	(984)	0	0	0	0

**REVENUE PROGRAM**

Description	(City Funds in 000's)				
	2011	2012	2013	2014	2015
<b><u>Miscellaneous Revenue</u></b>					
The Department of Sanitation will receive a refund from its long-term export contractor based on other companies' usage of the City's Staten Island Rail Line.	984	0	0	0	0
Due to increased enforcement action against unregistered carters, the Business Integrity Commission will generate additional revenue from an increase in private carter license and registration applications.	328	283	127	268	355
The Business Integrity Commission will generate additional revenue from an increase in fees collected from market registrations, market loader/unloader licenses, and photo ID applications.	125	391	546	405	319
The Department of Finance will generate additional revenue from the enforcement of a provision in the Vehicle and Traffic Law that suspends a vehicle's registration if there are five tickets in judgment in a rolling twelve-month period.	1,000	1,000	0	0	0
The Department of Transportation will implement passenger parking rate changes from \$0.75 to \$1.00 per hour for all meters in Manhattan above 86th Street and the outer boroughs.	0	14,114	14,114	14,114	14,114
Through a joint effort between the Law Department and the Department of Transportation, the City realized additional revenue in FY 2011 from the Amtrak litigation judgment.	4,757	0	0	0	0
The Department of Transportation will generate additional revenue by increasing the fine amount of four HIQA violations.	1,000	1,000	1,000	1,000	1,000

**REVENUE PROGRAM**

Description	(City Funds in 000's)				
	2011	2012	2013	2014	2015
<b><u>Miscellaneous Revenue</u></b>					
The Department of Transportation will implement passenger and commercial rate changes from \$2.50 to \$3.00 per hour for multi-space meters in Manhattan below 86th Street. Revenue will be offset by increased collections costs.	3,467	12,159	12,159	12,159	12,159
The Department of Transportation will implement passenger rate changes from \$0.75 to \$1.00 per hour for 18 municipal parking fields throughout the City.	380	759	759	759	759
The Department of Parks and Recreation will generate additional revenue from increasing recreation center membership fees.	0	4,000	4,000	4,000	4,000
The Department of Parks and Recreation will not realize the anticipated revenue associated with a previous gap closing initiative for auditing efforts.	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)
The Department of Parks and Recreation has discontinued its efforts to construct an indoor tennis facility in Central Park.	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)
Due to a reduction in private event sponsorship, the Department of Parks and Recreation will collect less revenue from concerts in various parks.	(300)	(300)	(300)	(300)	(300)
The Department of Parks and Recreation will not pursue the name recognition initiative at major sites throughout the City.	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)
The Department of Parks and Recreation will generate additional revenue from increasing adult, single play and reservation tennis permit fees.	1,182	1,576	1,576	1,576	1,576
The Department of Parks and Recreation will generate additional revenue from increasing ball field permit fees.	180	720	720	720	720

**REVENUE PROGRAM**

Description	(City Funds in 000's)				
	2011	2012	2013	2014	2015
<b><u>Miscellaneous Revenue</u></b>					
The Department of Citywide Administrative Services will recognize additional revenue from court reimbursements.	866	6,955	0	0	0
The Department of Citywide Administrative Services has collected refunds for prior year expenses.	1,177	0	0	0	0
The Department of Citywide Administrative Services will generate additional revenue from the sale of surplus properties.	0	2,000	0	0	0
Due to an increase in auction sales of salvage trucks and landfill equipment, the Department of Citywide Administrative Services will generate additional revenue.	3,000	211	211	211	211
The Department of Information Technology and Telecommunications will receive additional revenue from cable television franchises based on historical and current collections.	6,060	7,278	7,278	7,278	7,278
Based on audits of Verizon telephone billings, the Department of Information Technology and Telecommunications will receive additional refund revenue.	0	4,250	0	0	0
The Department of Consumer Affairs will collect additional sidewalk cafe consent fee revenue from increased filings and annual fee escalation.	1,258	1,890	1,890	1,890	1,890
<b><u>Sub Total: Miscellaneous Revenue</u></b>	<b>44,067</b>	<b>82,662</b>	<b>61,384</b>	<b>61,379</b>	<b>61,382</b>
<b>Total Revenue Program</b>	<b>50,555</b>	<b>109,742</b>	<b>89,585</b>	<b>97,731</b>	<b>98,013</b>