

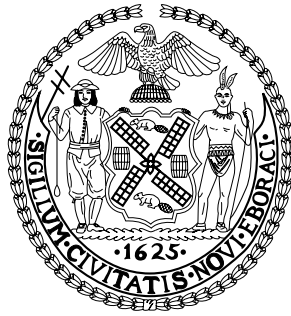
The City of New York

Executive Budget
Fiscal Year 2003

Michael R. Bloomberg, Mayor

Expense Revenue Contract

[Part 1 of 4 - Summaries](#)



**THE
EXECUTIVE BUDGET OF
THE CITY OF NEW YORK
FOR THE FISCAL YEAR 2003**

Submitted Pursuant to Section 249 of the City Charter

THE CITY OF NEW YORK BUDGET FOR FISCAL YEAR 2003

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FISCAL YEAR 2003
SUMMARY OF THE EXPENSE BUDGET AND THE REVENUE BUDGET

| | Fiscal Year 2002 Budget As Adopted | Fiscal Year 2002 Budget As Modified | | Change From Fiscal Year 2002 Budget As Adopted | Fiscal Year 2003 Executive Budget | | Change From Fiscal Year 2002 Budget As Modified |
|--------------------------------------------------|---------------------------------------------------|----------------------------------------------------|------------|-------------------------------------------------------------------|------------------------------------------------------|------------|--------------------------------------------------------------------|
| Expense Budget: | | | | | | | |
| Personal Service | \$21,938,312,198 | \$22,334,132,352 | (+) | \$395,820,154 | \$22,369,942,890 | (+) | \$35,810,538 |
| Other Than Personal Service | 17,852,626,553 | 19,370,018,386 | (+) | 1,517,391,833 | 17,818,444,534 | (-) | 1,551,573,852 |
| Debt Service | 1,251,546,823 | 1,151,252,404 | (-) | 100,294,419 | 2,435,845,141 | (+) | 1,284,592,737 |
| MAC Debt Service Funding | --- | --- | | --- | 255,299,800 | (+) | 255,299,800 |
| Total Expense Budget | \$41,042,485,574 | \$42,855,403,142 | (+) | \$1,812,917,568 | \$42,879,532,365 | (+) | \$24,129,223 |
| Less: Intra-City Sales | (1,344,424,827) | (1,466,655,734) | (-) | 122,230,907 | (1,012,105,467) | (+) | 454,550,267 |
| Net Total Expense Budget | \$39,698,060,747 | \$41,388,747,408 | (+) | \$1,690,686,661 | \$41,867,426,898 | (+) | \$478,679,490 |
| Revenue Budget: | | | | | | | |
| City Funds and Capital Budget Transfers: | | | | | | | |
| General Property Taxes | \$8,477,971,157 | \$8,600,521,000 | (+) | \$122,549,843 | \$8,866,000,000 | (+) | \$265,479,000 |
| Other Taxes | 14,218,515,000 | 12,993,505,000 | (-) | 1,225,010,000 | 13,683,570,000 | (+) | 690,065,000 |
| Tax Reduction Program | (100,000,000) | --- | (+) | 100,000,000 | --- | | --- |
| Miscellaneous Revenues | 4,662,098,378 | 4,763,663,848 | (+) | 101,565,470 | 4,212,150,961 | (-) | 551,512,887 |
| Transitional Finance Authority -- 9/11 | --- | --- | | --- | 1,500,000,000 | (+) | 1,500,000,000 |
| Unrestricted Federal and State Aid | 706,418,737 | 1,134,217,305 | (+) | 427,798,568 | 721,350,558 | (-) | 412,866,747 |
| Anticipated Revenue Program: | | | | | | | |
| State and Federal Actions | --- | --- | | --- | 630,000,000 | (+) | 630,000,000 |
| Decoupling from New Federal | | | | | | | |
| Accelerated Depreciation | --- | --- | | --- | 128,000,000 | (+) | 128,000,000 |
| Other Categorical Grants | 391,860,603 | 724,965,534 | (+) | 333,104,931 | 427,522,318 | (-) | 297,443,216 |
| Disallowances against | | | | | | | |
| Categorical Grants | (15,000,000) | (15,000,000) | | --- | (15,000,000) | | --- |
| Less: Intra-City Revenue | (1,344,424,827) | (1,466,655,734) | (-) | 122,230,907 | (1,012,105,467) | (+) | 454,550,267 |
| | 26,997,439,048 | 26,735,216,953 | (-) | 262,222,095 | 29,141,488,370 | (+) | 2,406,271,417 |
| Transfers from Capital Budget | 317,070,119 | 322,445,216 | (+) | 5,375,097 | 323,859,369 | (+) | 1,414,153 |
| | \$27,314,509,167 | \$27,057,662,169 | (-) | \$256,846,998 | \$29,465,347,739 | (+) | \$2,407,685,570 |
| Federal and State Funds: | | | | | | | |
| Federal Categorical Grants | \$4,442,392,592 | \$6,395,227,431 | (+) | \$1,952,834,839 | \$4,357,541,172 | (-) | \$2,037,686,259 |
| State Categorical Grants | 7,941,158,988 | 7,935,857,808 | (-) | 5,301,180 | 8,044,537,987 | (+) | 108,680,179 |
| Net Total Revenue Budget | \$39,698,060,747 | \$41,388,747,408 | (+) | \$1,690,686,661 | \$41,867,426,898 | (+) | \$478,679,490 |

**FISCAL YEAR 2003
REVENUE BUDGET DETAILED BY MAJOR CATEGORY**

| | Fiscal Year 2002 Budget As Adopted | Fiscal Year 2002 Budget As Modified | | Change From Fiscal Year 2002 Budget As Adopted | Fiscal Year 2003 Executive Budget | | Change From Fiscal Year 2002 Budget As Modified |
|---------------------------------------------------------------|------------------------------------------|-------------------------------------------|-----|---------------------------------------------------------|--------------------------------------------|------------|----------------------------------------------------------|
| Taxes: | | | | | | | |
| General Property | \$8,477,971,157 | \$8,488,121,000 | (+) | \$10,149,843 | \$8,866,000,000 | (+) | \$377,879,000 |
| General Sales | 3,710,000,000 | 3,482,000,000 | (-) | 228,000,000 | 3,564,000,000 | (+) | 82,000,000 |
| Personal Income | 4,514,441,000 | 4,253,781,000 | (-) | 260,660,000 | 4,398,835,000 | (+) | 145,054,000 |
| General Corp | 1,475,000,000 | 1,362,000,000 | (-) | 113,000,000 | 1,428,000,000 | (+) | 66,000,000 |
| Stock Transfer | 114,000,000 | --- | (-) | 114,000,000 | --- | | --- |
| Commercial Occupancy | 356,000,000 | 353,000,000 | (-) | 3,000,000 | 364,000,000 | (+) | 11,000,000 |
| Banking Corporation | 359,000,000 | 264,000,000 | (-) | 95,000,000 | 317,000,000 | (+) | 53,000,000 |
| Utility | 276,000,000 | 276,000,000 | | --- | 277,000,000 | (+) | 1,000,000 |
| Unincorporated Business | 802,000,000 | 755,000,000 | (-) | 47,000,000 | 870,000,000 | (+) | 115,000,000 |
| Real Property Transfer | 418,000,000 | 344,000,000 | (-) | 74,000,000 | 422,000,000 | (+) | 78,000,000 |
| Mortgage Recording | 340,000,000 | 323,000,000 | (-) | 17,000,000 | 384,000,000 | (+) | 61,000,000 |
| Tax Audit Revenues | 487,135,000 | 462,135,000 | (-) | 25,000,000 | 426,635,000 | (-) | 35,500,000 |
| Other | 1,366,939,000 | 1,230,989,000 | (-) | 135,950,000 | 1,232,100,000 | (+) | 1,111,000 |
| Tax Reduction Program | (100,000,000) | --- | (+) | 100,000,000 | --- | | --- |
| Total Taxes | <u>\$22,596,486,157</u> | <u>\$21,594,026,000</u> | (-) | <u>\$1,002,460,157</u> | <u>\$22,549,570,000</u> | (+) | <u>\$955,544,000</u> |
| Miscellaneous Revenues: | | | | | | | |
| Licenses, Franchises, etc. | \$319,873,427 | \$323,070,427 | (+) | \$3,197,000 | \$342,657,140 | (+) | \$19,586,713 |
| Interest Income | 154,540,000 | 80,540,000 | (-) | 74,000,000 | 65,980,000 | (-) | 14,560,000 |
| Charges for Services | 414,746,750 | 408,128,807 | (-) | 6,617,943 | 429,452,418 | (+) | 21,323,611 |
| Water and Sewer Charges | 863,537,084 | 864,977,524 | (+) | 1,440,440 | 882,648,953 | (+) | 17,671,429 |
| Rental Income | 110,614,000 | 100,677,000 | (-) | 9,937,000 | 265,925,000 | (+) | 165,248,000 |
| Fines and Forfeitures | 479,660,380 | 450,590,380 | (-) | 29,070,000 | 489,012,380 | (+) | 38,422,000 |
| Miscellaneous | 974,701,910 | 1,069,023,976 | (+) | 94,322,066 | 724,369,603 | (-) | 344,654,373 |
| Intra-City Revenue | 1,344,424,827 | 1,466,655,734 | (+) | 122,230,907 | 1,012,105,467 | (-) | 454,550,267 |
| Total Miscellaneous | <u>\$4,662,098,378</u> | <u>\$4,763,663,848</u> | (+) | <u>\$101,565,470</u> | <u>\$4,212,150,961</u> | (-) | <u>\$551,512,887</u> |
| Transitional Finance Authority -- 9/11 | --- | --- | | --- | 1,500,000,000 | (+) | 1,500,000,000 |
| Unrestricted Intergovernmental Aid: | | | | | | | |
| N.Y. State Revenue Sharing | \$327,389,668 | \$327,389,668 | | --- | \$327,389,668 | | --- |
| Other Intergovernmental Aid | 379,029,069 | 806,827,637 | (+) | 427,798,568 | 393,960,890 | (-) | 412,866,747 |
| Total Unrestricted Intergovernmental Aid | <u>\$706,418,737</u> | <u>\$1,134,217,305</u> | (+) | <u>\$427,798,568</u> | <u>\$721,350,558</u> | (-) | <u>\$412,866,747</u> |
| Anticipated Revenue Program: | | | | | | | |
| State and Federal Actions | --- | --- | | --- | 630,000,000 | (+) | 630,000,000 |
| Decoupling from New Federal Accelerated Depreciation | --- | --- | | --- | 128,000,000 | (+) | 128,000,000 |
| Total Anticipated Revenue Program | <u>---</u> | <u>---</u> | | <u>---</u> | <u>758,000,000</u> | <u>(+)</u> | <u>630,000,000</u> |

**FISCAL YEAR 2003
REVENUE BUDGET DETAILED BY MAJOR CATEGORY**

| | Fiscal Year 2002 Budget As Adopted | Fiscal Year 2002 Budget As Modified | | Change From Fiscal Year 2002 Budget As Adopted | Fiscal Year 2003 Executive Budget | | Change From Fiscal Year 2002 Budget As Modified |
|------------------------------------------------------------|------------------------------------------|-------------------------------------------|-----|---------------------------------------------------------|--------------------------------------------|-----|----------------------------------------------------------|
| Other Categorical Grants | \$391,860,603 | \$724,965,534 | (+) | \$333,104,931 | \$427,522,318 | (-) | \$297,443,216 |
| Disallowances Against Categorical Grants | (15,000,000) | (15,000,000) | | --- | (15,000,000) | | --- |
| Less: Intra-City Revenue | (\$1,344,424,827) | (\$1,466,655,734) | (-) | \$122,230,907 | (\$1,012,105,467) | (+) | \$454,550,267 |
| Total City Funds | \$26,997,439,048 | \$26,735,216,953 | (-) | \$262,222,095 | \$29,141,488,370 | (+) | \$2,406,271,417 |
| Transfers from Capital Budget | 317,070,119 | 322,445,216 | (+) | 5,375,097 | 323,859,369 | (+) | 1,414,153 |
| Total City Funds and Capital Budget Transfers | <u>\$27,314,509,167</u> | <u>\$27,057,662,169</u> | (-) | <u>\$256,846,998</u> | <u>\$29,465,347,739</u> | (+) | <u>\$2,407,685,570</u> |
| Federal Categorical Grants: | | | | | | | |
| Community Development | 309,920,500 | 361,886,807 | (+) | 51,966,307 | 266,574,087 | (-) | 95,312,720 |
| Welfare | 2,560,414,646 | 2,693,178,819 | (+) | 132,764,173 | 2,318,253,630 | (-) | 374,925,189 |
| Education | 1,046,465,285 | 1,055,056,136 | (+) | 8,590,851 | 1,237,329,580 | (+) | 182,273,444 |
| Other | 525,592,161 | 2,285,105,669 | (+) | 1,759,513,508 | 535,383,875 | (-) | 1,749,721,794 |
| Total Federal Categorical Grants | <u>\$4,442,392,592</u> | <u>\$6,395,227,431</u> | (+) | <u>\$1,952,834,839</u> | <u>\$4,357,541,172</u> | (-) | <u>\$2,037,686,259</u> |
| State Categorical Grants: | | | | | | | |
| Welfare | \$1,520,623,239 | \$1,494,036,202 | (-) | \$26,587,037 | \$1,570,226,947 | (+) | \$76,190,745 |
| Education | 5,579,692,586 | 5,531,160,207 | (-) | 48,532,379 | 5,576,837,432 | (+) | 45,677,225 |
| City University | 174,801,463 | 164,301,463 | (-) | 10,500,000 | 164,301,463 | | --- |
| Public Health | 368,217,354 | 433,496,734 | (+) | 65,279,380 | 461,971,462 | (+) | 28,474,728 |
| Other | 297,824,346 | 312,863,202 | (+) | 15,038,856 | 271,200,683 | (-) | 41,662,519 |
| Total State Categorical Grants | <u>\$7,941,158,988</u> | <u>\$7,935,857,808</u> | (-) | <u>\$5,301,180</u> | <u>\$8,044,537,987</u> | (+) | <u>\$108,680,179</u> |
| Net Total Revenue Budget | <u>\$39,698,060,747</u> | <u>\$41,388,747,408</u> | (+) | <u>\$1,690,686,661</u> | <u>\$41,867,426,898</u> | (+) | <u>\$478,679,490</u> |

GLOSSARY OF TERMS

ADOPTED BUDGET: The budget initially adopted by the City Council for each unit of appropriation and agency.

ALLOCATION: A sum of money set aside for a specific purpose.

ANNUALIZATION: The impact of a new appropriation or expenditure reduction on the basis of a full year. For instance, if an employee is terminated halfway through the fiscal year, the budget reduction in that year will equal half the employee's annual salary. The "annualized" reduction is the full amount of the employee's salary.

APPROPRIATION: A general term used to denote the amount authorized in the budget for expenditure by an agency.

ASSESSED VALUATION: The value attached by the Finance Administrator to a parcel of real estate for purpose of taxation. The relationship between the assessed value and market value of a parcel may vary for properties of different types and in different parts of the City.

ATTRITION: The natural reduction of employees from a payroll through resignation, retirements, deaths and transfers.

BUDGET CODE: A 4-digit code assigned to a schedule within an agency which identifies the allocation made in such schedule in terms of its accounting fund class, unit of appropriation, responsibility center, control category, local service district and program.

BUDGET GAP: An excess of estimated expenditures over revenues for a future fiscal year.

BUDGET LINE: An identified amount allocated for a specific purpose in expense budget supporting schedules for each budget code within a unit of appropriation. Budget lines are used to provide detailed information on the number of positions, titles, salaries and other expenses in a budget code.

BUDGET MODIFICATION: A change in an amount in any budget line during the fiscal year.

BUDGETED POSITIONS: The number of full-time and part-time positions scheduled for an agency. However, the number of staff on board at any time during the year will vary from the budgeted position level because of employee terminations, delays in hiring, or other authorized changes in position or staff levels. Positions which become vacant and are not anticipated to be filled are periodically eliminated from the budget.

CASH FLOW: A schedule reflecting projected cash receipts and disbursements to aid in determining seasonal and long-term borrowing needs and investment policy.

CONTRACT CATEGORY: Represents a group of object codes (600 series) used to identify contracts by purpose for services that are technical, consulting or personal service in nature.

CONTROL CATEGORY: A separate coding presently used to identify federal grants disbursed to a number of agencies. This permits central accounting and coordination of the grant funds. The code is currently used for Community Development funding.

DEBT LIMIT: A limit on long-term borrowing imposed by the State constitution.

DEBT LIMIT FUNDS: Dollars budgeted in the capital budget that are subject to debt limit.

DEBT SERVICE: Expenditure providing for the repayment of principal and interest on City long-term obligations and interest costs on short-term borrowings for seasonal cash needs.

EXEMPT FUNDS: Dollars budgeted in the capital budget that are exempt from the debt limit.

EXPENDITURE RECOGNITION: In general, expenditures are recognized on an encumbrance basis, that is, when a purchase order has been placed or a contract or other commitment has been registered. Transfers to the City's General Debt Service Funds are recorded on the cash basis when made. Payments to the Municipal Assistance Corporation are also recorded on the cash basis.

FINANCIAL PLAN SAVINGS: Amounts by which a detailed schedule of expenditures must be reduced in accordance with a budget reduction program. Financial plan savings are allocated when it is not possible to reduce the lines in the schedule directly, such as for voluntary employee separations. During the fiscal year, agencies will reduce or eliminate individual lines in the schedule in order to achieve financial plan savings.

FISCAL YEAR (FY): The City's accounting period of twelve months which begins July 1 and ends the following June 30. FY 2003 refers to the period July 1, 2002 to June 30, 2003.

FRINGE BENEFITS: Payments made by the City to cover pensions, health insurance and other benefits to City employees.

GLOSSARY OF TERMS

FUNDED DEBT: The interest and redemption costs associated with the City's issuance of long-term general obligation debt to finance the capital program.

INTER-FUND AGREEMENT: An internal contract for services of City engineering, architectural and design staffs and other expenditures associated with specific capital projects.

INTRA-CITY PURCHASES AND SALES: Services purchased and sold among City agencies. Budgeting and accounting systems will include within agency budgets amounts required to pay for services purchased from other agencies.

LEASE PURCHASE AND CITY GUARANTEED DEBT: The annual lease and debt service costs associated with debt issued by other entities on behalf of the city and certain covered organizations.

LINE ITEM BUDGET: A type of budget which details allocations for Personal Services and Other Than Personal Service.

LUMP SUM APPROPRIATION: Allocations which at the time of budget preparation, cannot be assigned to particular lines or codes. Agencies cannot spend such monies without modifying their budget to allocate the lump sum to particular budget lines and codes. Such modification requires the approval of the Office of Management and Budget.

MODIFIED BUDGET: The Adopted Budget as revised through modification and approval in accordance with Sections 107(b) and (e) of the City Charter.

OBJECT CODE: A 3-digit code which classifies expenditures pursuant to the Chart of Accounts issued by the City Comptroller.

OTHER THAN PERSONAL SERVICE (OTPS): Expenses other than salaries, such as supplies, equipment, utilities and contractual services.

PERIOD OF PROBABLE USEFULNESS (PPU): The number of years established in the State Local Finance Law as the useful life of a particular type of capital project. This period is the maximum term for which a bond may be sold to finance as capital project.

PERSONAL SERVICE: Salaries and fringe benefits of City employees.

RESPONSIBILITY CENTER: An organizational unit within an agency with an identifiable manager who is responsible for activities of the unit.

REVENUE RECOGNITION: Revenues are recognized when received in cash unless susceptible to accrual, i.e., measurable and available to finance the City operations.

SCHEDULE AMOUNT: The maximum amount that may be obligated in a given budget line.

SUPPORTING SCHEDULE: Detailed itemization by budget lines of how funds will be spent within units of appropriation.

TEMPORARY DEBT: The interest cost associated with the city's annual seasonal cash flow borrowing.

UNIT OF APPROPRIATION: A particular program or activity in an agency's budget for which a sum of money is allocated by the City Council. Agencies have discretion to spend money within a unit of appropriation. Supporting schedules provide information on the responsibility centers and budget codes within each unit of appropriation.