The City of New York

Michael R. Bloomberg, Mayor

January 2008 Financial Plan

Fiscal Years 2008–2012

Office of Management and Budget
Mark Page, Director

January 24, 2008

THE CITY OF NEW YORK
OFFICE OF THE MAYOR
NEW YORK, N.Y. 10007

January 24, 2008

To the Citizens of the City of New York
Members of the City Council
Members of the Financial Control Board

My Fellow New Yorkers,

There are storm clouds on the horizon. The national economy has begun to slow. New York City is not immune to the forces causing this slowdown. In fact, our local Wall Street firms have been seriously hurt by the ongoing credit crunch, with multi-billion dollar writedowns and unprecedented losses.

Although the tourism industry continues to do well, and the commercial real estate markets in Midtown and Downtown Manhattan are the strongest in the nation, the outlook for the City's overall economy is uncertain in the short-run.

Our proposed $60.4 billion budget for FY2008, the current fiscal year, is in balance. The preliminary plan for FY2009 is also in balance.

We made the right decisions in planning for the inevitable downturn, which may be upon us. We used the $4.6 billion in excess resources generated in FY2007 to help close the budget gaps in FY2008, FY2009 and FY2010. In addition, we have contributed $2.5 billion to a Retiree Health Benefits Trust Fund for the future liability the City faces for health benefits for its retirees. We paid down early over $1 billion of debt which was due in FY2009 and FY2010.

We also took action when the credit markets first seized up at the end of last summer, warning City agencies to act prudently. At the end of October, we requested that City agencies identify how they would continue to provide City services to New Yorkers with a 2.5% reduction in City-funded spending in the current fiscal year and a 5% reduction next year. We have exceeded our target in FY2008 and are close to the target for FY2009 City-wide. All City agencies have participated in the budget reductions, including the Police Department, the Fire Department and the Department of Education.

As has become customary, the Mayor and the City Council leadership have discussed certain shared priorities that both parties agree need to be addressed in some way. Therefore in this plan we are redeploying certain resources within these areas of joint concern to support Citywide priorities.

In our current preliminary budget for FY2009, we remain committed to extending the $400 property tax rebate to all homeowners. Also last year, working with the City Council, we offered a seven percent, across-the-board property tax cut for one year. We are proposing to extend that cut in FY2009 as well. However, adopting it will depend on a variety of factors unknown today - from the health of our economy to the continued help we get from our partners in State government to the outlook for future years after our Administration has come to an end.

We will be monitoring the City's economy and budget closely over the next few months and will take whatever actions are necessary to ensure that FY2008 and FY2009 remain in balance.

Although we cannot know the future, we have always known that the good times never last forever. We will see over the next few months if the bad times have, in fact, returned. Our administration has emphasized responsible fiscal management from the beginning, and we have not squandered our boom-time resources on unsustainable spending. Instead, we have acted prudently during the good times, which will help us weather the bad times which may be coming.

Very truly yours,

Michael R. Bloomberg
Mayor

January 2008 Financial Plan

Fiscal Years 2008—2012

The Financial Plan

The January 2008 Financial Plan sets forth revenues and expenses for fiscal years 2008 through 2012. Fiscal years 2008 and 2009 are balanced in accordance with Generally Accepted Accounting Principles (GAAP).

The 2009 Preliminary Budget is $58.5 billion. This is the twenty-ninth consecutive budget which is balanced under GAAP.

Major highlights of the Preliminary Budget and Financial Plan follow:

- the 2009 budget is balanced using $3.8 billion of prior year resources, including $2.2 billion in resources from 2007 already in the June plan and $1.6 billion in resources from actions taken in fiscal year 2008, including agency actions of $543 million. In addition, $1.2 billion of gap closing actions in fiscal year 2009 are required to balance the 2009 budget.

- agency gap closing actions are proposed which reduce spending or increase revenues totaling $543 million, $885 million, $746 million, $741 million and $708 million in fiscal years 2008 through 2012, respectively. As part of these agency programs authorized full-time City funded positions have been reduced by 2,658 in fiscal year 2008 and 4,121 in fiscal year 2009.

- the gap closing program also includes initiatives requiring state and federal actions of $100 million and $200 million from restructuring employee health insurance costs beginning in fiscal year 2009 and continuing through fiscal year 2012.

- after implementation of the gap closing program, an operating surplus of $4,119 million is projected for 2008, which is an increase of $1,567 million to the $2,552 operating surplus reflected in the June Plan.

- the operating surplus will be used to help balance the 2009 budget and reduce the projected 2010 budget gap. Discretionary transfers of $3,073 million to the Budget Stabilization Account and prepayments of $225 million to the Library Systems, $275 million for Transit subsidy payments and the prepayment of $546 million in TFA debt service are provided in fiscal year 2008, which will reduce equivalent costs in fiscal year 2009.

- the 2009 budget includes an appropriation of $350 million to the Budget Stabilization Account to prepay 2010 debt service, which reduces the 2010 budget gap.

- the continuation of the $400 property tax rebate to all homeowners. In addition, the 2009 budget includes the proposed extension of the 7% across–the–board property tax cut enacted in the 2008 budget. However, adopting it will depend on a variety of factors unknown today – from the health of the City's economy to the continued help the City receives from its partners in government to the outlook for future years.

- the 2009 budget also includes a general reserve of $300 million, while the 2008 budget provides for a general reserve of $100 million to offset any adverse changes, which may surface during the remainder of the fiscal year or during the audit of operating results.

- revenues and expenditures are balanced for 2008 and 2009 and gaps of $4.2 billion, $5.6 billion and $5.3 billion are projected for fiscal years 2010 , 2011 and 2012 respectively.

The following tables represent the City's financial plan as of June 2007, the Financial Plan Update detailing changes since the June 2007 Financial Plan and the City's January financial plan.

Financial Plan Revenues and Expenditures
June 2007
($ in millions)

	2008	2009	2010	2011
REVENUES				
Taxes				
General Property Tax	$12,984	$14,100	$15,186	$16,171
Other Taxes	22,676	22,300	23,151	23,882
Discretionary Transfers [1]	546	—	—	—
Tax Audit Revenue	559	559	560	560
Tax Reduction Program	(290)	(507)	(575)	(634)
Subtotal: Taxes	**36,475**	**36,452**	**38,322**	**39,979**
Miscellaneous Revenues	5,997	5,080	5,097	5,131
Unrestricted Intergovernmental Aid	340	340	340	340
Less: Intra-City Revenue	(1,393)	(1,364)	(1,365)	(1,365)
Disallowances Against Categorical Grants	(15)	(15)	(15)	(15)
Subtotal: City Funds	**$41,404**	**$40,493**	**$42,379**	**$44,070**
Other Categorical Grants	1,006	1,007	1,012	1,014
Inter-Fund Revenues	436	411	403	398
Total City Funds & Inter-Fund Revenues	**$42,846**	**$41,911**	**$43,794**	**$45,482**
Federal Categorical Grants	5,295	5,380	5,364	5,351
State Categorical Grants	10,824	11,410	12,275	12,718
Total Revenues	**$58,965**	**$58,701**	**$61,433**	**$63,551**
EXPENDITURES				
Personal Service				
Salaries and Wages	$20,979	$21,978	$23,332	$24,443
Pensions	5,728	6,390	6,509	6,519
Fringe Benefits	6,374	6,681	6,965	7,288
Subtotal - Personal Service	**$33,081**	**$35,049**	**$36,806**	**$38,250**
Other Than Personal Service				
Medical Assistance	5,714	5,603	5,756	5,916
Public Assistance	1,187	1,187	1,187	1,187
Pay-As-You-Go Capital /Prepay Outstanding Debt	100	200	200	200
All Other [1]	17,640	17,549	17,974	18,379
Subtotal - Other Than Personal Service	**$24,641**	**$24,539**	**$25,117**	**$25,682**
General Obligation, Lease and MAC Debt Service	3,838	3,929	4,322	5,053
FY 2007 Budget Stabilization and Discretionary Transfers [1]	(4,054)	—	—	—
FY 2008 Budget Stabilization	2,552	(2,552)	—	—
FY 2009 Budget Stabilization	—	350	(350)	—
General Reserve	300	300	300	300
Subtotal	**$60,358**	**$61,615**	**$66,195**	**$69,285**
Less: Intra-City Expenses	(1,393)	(1,364)	(1,365)	(1,365)
Total Expenditures	$58,965	$60,251	$64,830	$67,920
Gap To Be Closed	**$—**	**($1,550)**	**($3,397)**	**($4,369)**

1) Fiscal Year 2007 Budget Stabilization and Discretionary Transfers total $4.600 billion, including prepayments of subsidies of $639 million, Budget Stabilization of $3.315 billion, lease debt service of $100 million, and a TFA grant which increases FY 2008 revenues by $546 million, not including $65 million in debt retirement.

Financial Plan Update

($ in millions)

	2008	2009	2010	2011	2012
Gap to be Closed June 2007 Plan	**$—**	**($1,550)**	**($3,397)**	**($4,369)**	**($4,369)**
Revenue Increases					
Property Tax Forecast	$15	($181)	($237)	($313)	$489
Tax Revenue	(261)	(1,289)	(1,007)	(929)	317
Tax Audit	500	—	—	—	—
PIT Reallocation from Smart Fund	50	220	260	275	275
Non - Tax Revenue	60	160	19	13	22
Total Revenue Changes	**$364**	**($1,090)**	**($965)**	**($954)**	**$1,103**
Expense Changes					
Collective Bargaining	($92)	($438)	($1,075)	($1,610)	($2,264)
Pensions	(22)	153	12	210	413
Employee and Retiree Health Insurance	(2)	(39)	(42)	(46)	(50)
Debt Service	32	108	149	97	(490)
Energy Expenses	(27)	(78)	(152)	(183)	(187)
Agency Expenses	(29)	(18)	—	16	(688)
Reestimates of Prior Year Expenses	500	—	—	—	—
Reduce General Reserve	200	—	—	—	—
Pay Go Capital	100	200	200	200	200
Total Expense Changes	**$660**	**($112)**	**($908)**	**($1,316)**	**($3,066)**
Total Changes since June 2007	**$1,024**	**($1,202)**	**($1,873)**	**($2,270)**	**($1,963)**
Surplus / (Gap) to be closed January 2008 Plan	$1,024	($2,752)	($5,270)	($6,639)	($6,332)
Gap Closing Program					
Agency Programs	$543	$885	$746	$741	$708
Restructure Employee Health Insurance	—	200	200	200	200
State and Federal Actions	—	100	100	100	100
Total Gap Closing Plan	**$543**	**$1,185**	**$1,046**	**$1,041**	**$1,008**
Prepay FY 2009 Expenses	($1,567)	$1,567			
Gap To be Closed January 2008 Plan	**$—**	**$—**	**($4,224)**	**($5,598)**	**($5,324)**

Financial Plan Revenues and Expenditures
January 2008 - After Gap Closing Program
($ in millions)

	2008	2009	2010	2011	2012
REVENUES					
Taxes					
General Property Tax	$12,999	$13,919	$14,949	$15,858	$16,660
Other Taxes	22,175	20,725	21,830	22,594	23,840
Discretionary Transfers [1]	546	546	—	—	—
Tax Audit Revenue	1,059	559	560	560	560
Subtotal Taxes	**$36,779**	**$35,749**	**$37,339**	**$39,012**	**$41,060**
Miscellaneous Revenues	6,230	5,342	5,210	5,237	5,235
Unrestricted Intergovernmental Aid	340	340	340	340	340
Anticipated State and Federal Aid	—	100	100	100	100
Less: Intra-City Revenue	(1,481)	(1,390)	(1,381)	(1,381)	(1,381)
Disallowances Against Categorical Grants	(15)	(15)	(15)	(15)	(15)
Subtotal: City Funds	**$41,853**	**$40,126**	**$41,593**	**$43,293**	**$45,339**
Other Categorical Grants	1,053	991	991	992	996
Inter-Fund Revenues	466	434	422	417	417
Total City Funds & Inter-Fund Revenues	**$43,372**	**$41,551**	**$43,006**	**$44,702**	**$46,752**
Federal Categorical Grants	5,905	5,380	5,348	5,331	5,332
State Categorical Grants	11,080	11,568	12,430	12,873	12,875
Total Revenues	**$60,357**	**$58,499**	**$60,784**	**$62,906**	**$64,959**
EXPENDITURES					
Personal Service					
Salaries and Wages	$21,003	$21,910	$23,748	$25,004	$25,308
Pensions	5,749	6,237	6,536	6,530	6,545
Fringe Benefits	6,360	6,543	7,043	7,563	8,032
Subtotal - Personal Service	**$33,112**	**$34,690**	**$37,327**	**$39,097**	**$39,885**
Other Than Personal Service					
Medical Assistance	5,797	5,602	5,756	5,916	6,089
Public Assistance	1,219	1,177	1,176	1,176	1,176
All Other [1, 2]	17,748	17,523	18,008	18,441	18,675
Subtotal Other Than Personal Service	**$24,764**	**$24,302**	**$24,940**	**$25,533**	**$25,940**
General Obligation, Lease and MAC Debt Service [1, 2, 3]	3,797	3,820	4,172	4,955	5,539
FY2007 Budget Stabilization & Discretionary Transfers [1]	(4,054)	—	—	—	—
FY2008 Budget Stabilization [2]	4,119	(3,573)	—	—	—
FY2009 Budget Stabilization [3]	—	350	(350)	—	—
General Reserve	100	300	300	300	300
Subtotal	**$61,838**	**$59,889**	**$66,389**	**$69,885**	**$71,664**
Less: Intra-City Expenses	(1,481)	(1,390)	(1,381)	(1,381)	(1,381)
Total Expenditures	**$60,357**	**$58,499**	**$65,008**	**$68,504**	**$70,283**
Gap To Be Closed	**$—**	**$—**	**($4,224)**	**($5,598)**	**($5,324)**

1) *Fiscal Year 2007 Budget Stabilization and Discretionary Transfers total $4.600 billion, including prepayments of subsidies of $639 million, Budget Stabilization of $3.315 billion, lease debt service of $100 million, and a TFA grant which increases FY 2008 revenues by $546 million, not including $65 million in debt retirement.*
2) *Fiscal Year 2008 Budget Stabilization and Discretionary Transfers total $4.119 billion, including prepayments of subsidies of $500 million, Budget Stabilization of $3.073 billion and a TFA grant which increases FY 2009 revenues by $546 million.*
3) *Fiscal Year 2009 Budget Stabilization totals $350 million.*

Overview

The U.S. economy grew steadily in the first three quarters of 2007, averaging 3.1 percent growth. However, the deepening housing market correction, the sudden escalation of energy prices and the turbulent credit markets have caused the economy to decelerate in the fourth quarter. It is expected that the U.S. economy will grow at a sluggish pace of 1.8 percent in 2008 as these problems persist. Economic growth going forward will largely depend on the strength of consumption and exports. Consumption should contribute to growth due to ongoing job creation in non-financial services, and exports should remain strong due to the low value of the Dollar. Moreover, favorable fiscal and monetary policy actions could bolster consumer and business confidence, although the Federal Reserve will be forced to walk a fine line between stimulating growth and sparking inflation.

In 2007, the New York City economy followed a similar path as the U.S. The City started out strong, but by the end of the year, conditions weakened significantly. The City was not only affected by the slowing national economy, but also by the substandard performance of Wall Street firms. Huge losses by New York Stock Exchange (NYSE) member firms, stemming from the subprime mortgage crisis, were revealed in the third and fourth quarters. There will likely be negative spillover effects from the securities industry to the rest of the City's economy. Even if the national economy does not slide into a recession, it will take time for Wall Street to recover, prolonging its deleterious impact on the City.

Overall, employment growth in the City is projected to practically stall in 2008 after adding more than 50,000 jobs in each of the last three years. With employment in the finance sector forecast to contract, hiring in many of the ancillary office-using sectors will also decelerate. However, there will be modest job growth in the non-financial services sectors, which are generally impervious to business cycles. In the face of these challenges, there are underlying strengths that will continue to buoy the local economy. So far the commercial real estate market has endured, and a number of construction projects are in place in the City's central business districts. Furthermore, the residential real estate market is expected to better withstand the current national housing collapse than other metropolitan areas, and tourism is anticipated to remain robust.

Slowing growth in the national and local economies over the course of calendar year 2007, coupled with subprime related turmoil in the financial markets, leads to a decline in tax revenue of 0.3 percent in 2008[1].

Forecast Summary for 2008

Non-property tax revenues are forecast to decline 4.2 percent in 2008, mostly attributable to the steep decline in Wall Street profitability in the second half of calendar

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.*

year 2007 that resulted from the subprime mortgage debacle. This follows four years of double-digit non-property tax revenue growth (averaging 15.3 percent from 2004 through 2007). The decline seen in Wall Street profits in calendar year 2007 coupled with the national economic slowdown, results in a decline in the bonus payout and leads to a cessation of employment growth in the City. In 2008, personal income tax revenues increase 1.0 percent, the result of flat growth in wage income, as Wall Street bonuses from 2007 activity falls somewhat from the record payout last year. Also contributing to the weak personal income tax growth is a decline in the number of real property transactions and flat capital gains realizations, dampening nonwage income growth. Business income tax revenues decline 15.4 percent in 2008, the result of unprecedented Wall Street losses in the second half of calendar year 2007. Thanks to a strong first half, NYSE member-firm profits are estimated at $2.8 billion for calendar year 2007. Sales tax revenues increase 4.3 percent, and reflects employment growth and continued strength in the tourism industry, partially offset by a slowdown in real estate related consumption. Real estate markets in the City have not yet seen the price declines evident elsewhere in the U.S., but declines in volume have been present for sometime. The decline in sales volume for 1-3 family homes started in the last quarter of calendar year 2005 and is expected to deteriorate further, eventually impacting sales prices as well. The forecast calls for a decline in 1-3 family home sales volume of 46.1 percent from the peak in the first quarter of 2006 to the trough in the third quarter of 2009. A decline in prices of 7.0 percent follows. Similarly, co-op and condo sales volume is forecast to decline by 26.1 percent from the peak in the fourth quarter of 2006 through the third quarter of 2011. A decline in prices of 8.3 percent follows. Mortgage recording tax revenue is affected by the recent tightening seen in the credit market after the subprime market meltdown, impacting potential homeowners who are now required to meet higher lending standards. The commercial real estate market, which has seen strong sales of trophy buildings in Manhattan, is also expected to see a slowdown. With lenders reluctant to provide financing unless the borrower contributes sufficient capital, the sales volume of large commercial office buildings is likely to slow. As a result of these changes in market conditions, commercial real estate transaction tax revenues are forecast to decrease by 18.0 percent in 2008.

The real property tax is forecast to grow 8.7 percent in 2008, based on billable assessed value growth of 8.0 percent on the final roll.

Forecast Summary for 2009

Non-property tax revenues in 2009 are forecast to decline 4.9 percent, paralleling the continued weakness in the national and local economies and reflecting the decline in finance sector wages and employment throughout calendar year 2008. Personal income tax revenues are expected to decline 5.6 percent based upon another year of weak bonus payouts and anemic employment growth. Uncertainty in the financial markets is forecast to continue through calendar year 2008 as Wall Street profits are projected to increase moderately to

$9.1 billion, lower than the average in calendar years 2003 through 2006 ($15.2 billion). Despite rebounding profits, the decline in business tax revenues is expected to continue as net operating loss carry-forwards, liquidation of past overpayments, and large refunds continue to suppress business tax payments. Non-property tax revenues are forecast to grow 4.9 percent from 2010 through 2012, reflecting moderate Wall Street profits and flat wage earnings growth in calendar year 2009, followed by trend growth in wage earnings in calendar year 2010 and thereafter. Real estate transaction tax revenue is forecast to decline by 21.2 percent in 2009 as the correction in sales volume and prices continues in both the commercial and residential markets. Real property tax revenue is forecast to grow by 7.1 percent in 2009, based on 7.2 percent growth in billable assessed value forecast on the final roll for 2009. With growth in market value forecast to slow, yet a sizable 'pipeline'[2] of assessed value remaining to be phased in, property tax growth averages 6.2 percent from 2010 through 2012. Total tax revenue growth averages 5.4 percent from 2010 through 2012, as growth in the national and local economies returns to trend.

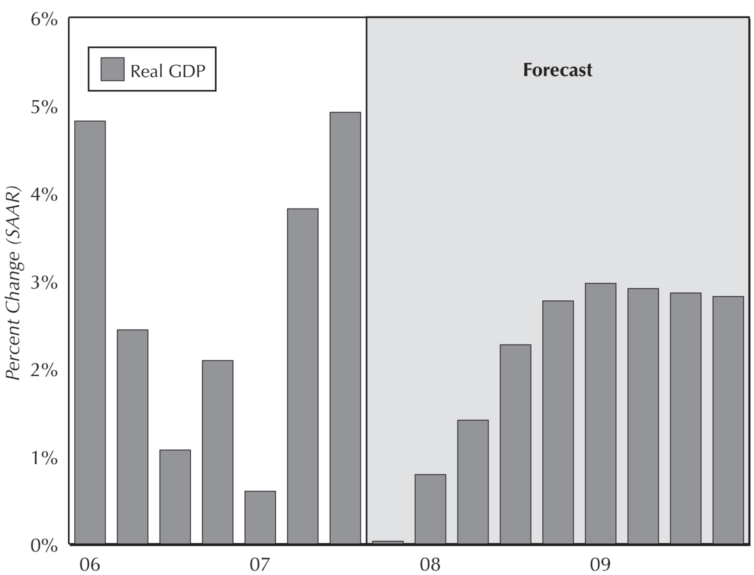
2) *Increases and decreases in value are phased into billable assessments over five years for Class 2 and Class 4. Increases in value not yet phased into billable assessed value are referred to as the 'pipeline.'*

The U.S. Economy

The U.S. economy demonstrated resilience in the face of a contracting housing market, exorbitant energy prices and a credit crunch. For the first three quarters of 2007, real GDP growth averaged 3.1 percent. Since then, growth has slowed sharply as the economy stalled in the fourth quarter. The vulnerability of the economy has increased as oil prices closed out the year at an all-time high, and the December employment report revealed a downturn in private employment. Core inflation may remain subdued, however, allowing the Federal Reserve to lower interest rates while the weak dollar will support exports and tourism. In concert, these factors may keep the economy slogging along until the housing market stabilizes and credit markets recover.

Real GDP growth in 2007 is estimated at slightly better than two percent, consistent with a soft landing scenario. Real disposable income rose 3.1 percent, supporting 2.8 percent consumption growth – a remarkable performance considering the numerous obstacles for consumers. In addition, net exports contributed an estimated 0.6 percent to GDP growth in 2007 due to a 35 percent drop of the dollar against the currencies of major U.S. trade partners. The increases in consumption and net exports more than offset the decline in residential investment.

Real GDP Growth is Forecast to Return to its Long Run Trend by 2009



Recent trends show that the economy is in distress: crude oil ended the year close to $100 per barrel and the unemployment rate spiked to 5.0 percent in December. GDP growth is forecast to barely remain in positive territory through the middle of 2008, but an improvement in the second half should allow real GDP to eke out a gain of 1.8 percent for the year. Assuming no further shocks, the economy should approach its potential growth rate of 2.8 percent in 2009.

The expectation is that consumer spending will remain just solid enough to avoid recession, but it will be a close call. Households are forecast to lose over $700 billion in real net worth in 2008 due to the decline in home prices and stagnant financial markets. Furthermore, shrinking home equity and tougher loan standards pose real constraints for mortgage equity withdrawals. As of the third quarter of 2007, cash-outs from all mortgage originations were down 25 percent on a year-over-year basis. Because mortgage equity withdrawals are expected to weaken further, consumption growth will be largely dependent on growth in wages and jobs.

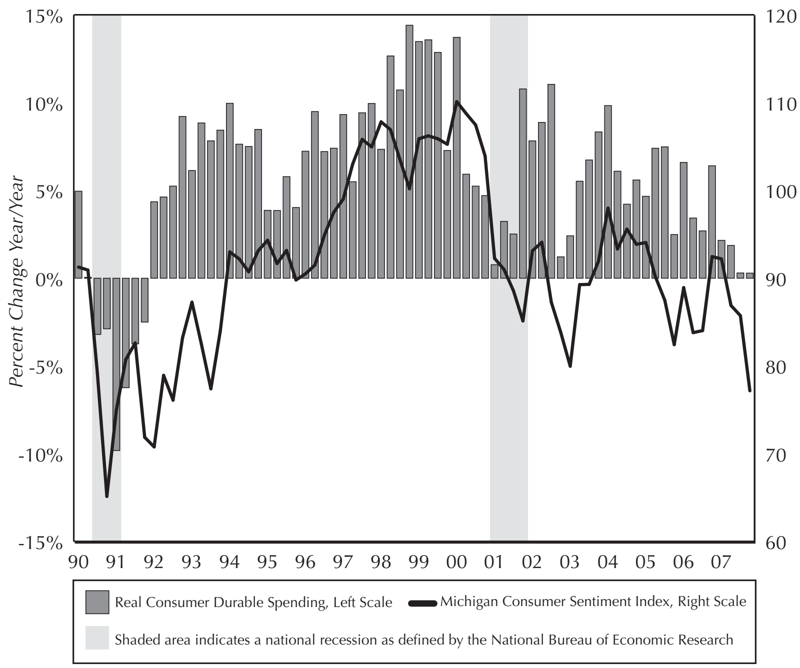
There was a gradual deterioration in the job market in 2007. Although preliminary figures for private sector payroll show a respectable 1.3 percent growth for the year as a whole, the pace of growth decelerated to only 0.9 percent by the end of the year.

December ended with a loss along with a 0.3 percentage point jump in the unemployment rate, phenomena usually associated with recessions.

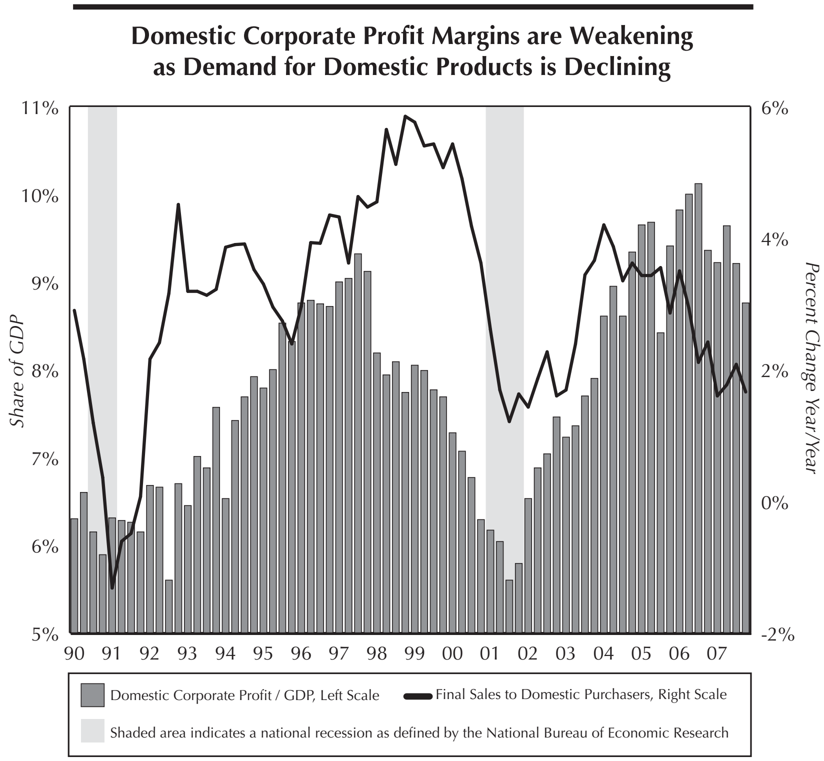
Much of the hiring in 2008 will likely be confined to the non-cyclical sectors of the labor market. Besides education & health, professional & business services and leisure & hospitality should make positive contributions to job growth. Nonetheless, many sectors will experience job cuts due to the subprime mortgage market melt-down and the ensuing credit crunch. There have already been significant lay-offs in the banking and real estate sectors. Mounting job losses in construction and manufacturing were also a drag on the labor market. In the last quarter of 2007, over 150,000 jobs were eliminated in these two sectors. The forecast calls for further erosion at least through the middle of 2008, after which some stabilization is expected. Overall, total employment is forecast to grow by a modest 0.8 percent in 2008 and average 1.2 percent in the out-years.

Slackness in the labor markets should reduce any wage pressures and average wages will grow by only 3.2 percent in 2008. As a result, total personal income growth decelerates to only 4.6 percent, well below the average of 6.2 percent over the past four years. Another damper to consumption is the high cost of energy. Expenditure on energy is now 6.0 percent of disposable income compared to 4.5 percent only four years ago. Consequently, consumer sentiment has dropped close to recessionary levels. Precipitous drops in sentiment are particularly damaging for consumer durable purchases, which are forecast to stall in 2008. Overall, real consumption spending slows to an anemic 1.6 percent growth.

The Drop in Consumer Sentiment to Recessionary Levels Portends a Slowdown in Consumer Durable Purchases



One of the most worrisome aspects of the near-term outlook is that the housing cycle has not bottomed out yet. Unsold housing inventory is at record levels, with ten months' supply of existing home sales and over eight months of new housing sales on the market in November. Mortgage delinquency and foreclosure rates are at historically high levels and there is a substantial volume of mortgage resets still in the pipeline, so the inventory situation is unlikely to improve soon. Home prices will undoubtedly decline further, providing little incentive for new construction. Housing starts are forecast to fall below one million on an annual basis in 2008, down by more than half from the previous peak. As a result, the decline in residential fixed investment directly erases a full percentage point from GDP growth.



As with most business cycle slowdowns, the path of business investments and profits is difficult to predict. Domestically, capital expenditures related to discretionary consumer purchases are going to be hit by the impending consumer retrenchment. In addition, financial firms are faced with huge uncertainties in terms of future product development and growth in securitization and venture capital. While prospects for growth in domestic investment look poor, offshore markets remain quite strong and are expected to contribute significantly to the growth of profits. Overall corporate profits are forecast to decline by 3.5 percent in 2008 and non-residential fixed investment is projected to maintain 2.5 percent growth.

Despite the decline in profits, the major equity markets squeezed out small gains over 2007. The Nasdaq led the group with a yearly increase of 9.8 percent. The Dow Jones and S&P 500 rose 6.4 percent and 3.5 percent, respectively. Almost all of the gains for the year were booked in the first three quarters. The fourth quarter saw declines in the S&P 500, Dow and Nasdaq of -3.8, -4.5 and -1.8 percent, respectively. This pattern was due to the housing decline, the credit crunch, elevated oil prices and declining corporate profits, all of which are expected to keep markets on edge for most of 2008.[1]

While equity markets were subdued, the debt markets were hit by a perfect storm. The mortgage-backed securities market was roiled by the continuing fallout from the subprime mortgage melt-down, which led to a credit crunch threatening a wider swath of the economy. While estimates of the total scale of current and future debt losses range from $200 to $400 billion – equivalent to a bad day on Wall Street – the more ominous danger is counterparty risk and the contraction of credit that could result from the ensuing liquidity squeeze.

In order to accommodate the additional risk and write-downs (see Box on next page), banks are attempting to bolster their reserves by selling assets, raising new capital (primarily from foreign sources), lowering dividends and borrowing from the Fed. It was evident from the unusually high London interbank lending rate spreads that banks were still conserving resources at the end of 2007. In response, central banks adopted the advice of Walter Bagehot, a onetime editor of The Economist magazine, who wrote

1) *Within the S&P 500, the investment banking & brokerage subsector saw a drop of 20 percent, while the homebuilders' subsector lost nearly 50 percent.*

in the 1860's that to stave off a panic the central bank should lend, "quickly, freely and readily." The Fed implemented several measures in an attempt to support credit markets. These included a reduction in the Fed Funds rate from 5.25 percent to 4.25 percent by year's end, a liberalization of the terms under which it lends to banks via the discount window, and finally, the introduction of the Term Auction Facility through which banks can borrow funds from the Fed without the stigma of the discount window. The hope is that these measures will help ease the fear of counterparty risk that has infected the financial markets and thereby avoid the vicious cycle of ever tightening credit.

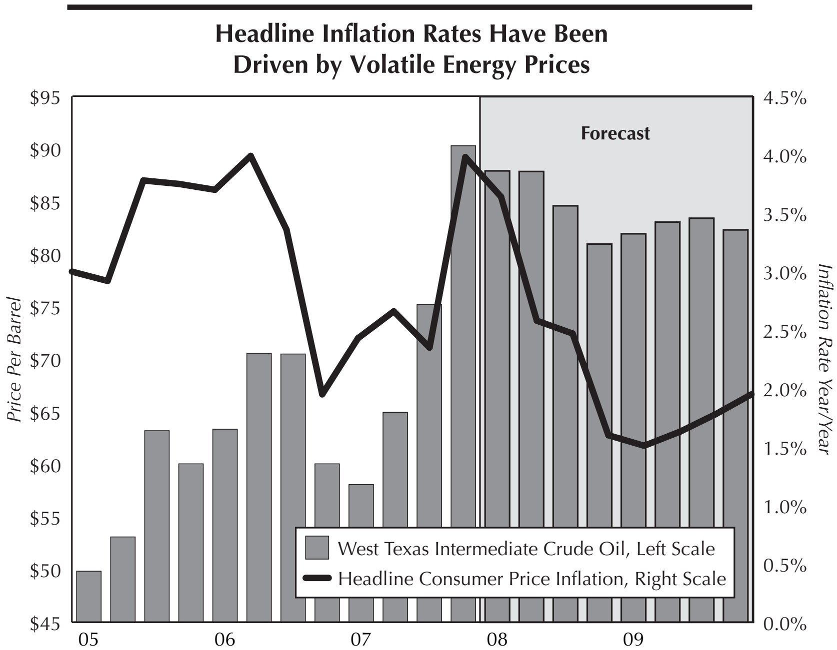
Credit Market Crunch 101

The connection between the wave of mortgage defaults and the extensive credit crunch lies in the complex framework of institutions and derivatives that arose to convert mortgages into securities. Major banks and securities firms found themselves vulnerable to the rising wave of subprime mortgage defaults on several fronts. The most direct threat came from their own portfolio of rapidly depreciating mortgage-backed assets. Because it became increasingly difficult to trade and value collateralized debt obligations, credit default swaps and asset-backed securities, banks were forced to write down over $100 billion of assets in 2007.

A second threat came from structured investment vehicles (SIVs) and conduits, which are off-balance sheet entities affiliated with the major finance institutions. SIVs borrow in short-term commercial paper markets and use the funds to invest in assets with longer maturities, including asset-backed securities. In late summer, investors in the commercial paper market suddenly became risk averse to purchasing asset-backed commercial paper. Faced with the prospect that SIVs would start selling assets en masse – further depressing valuations across the board – a consortium of banks lead by Citigroup, Bank of America and J.P. Morgan Chase floated plans for a $100 billion "super SIV," which would function as a support fund for distressed SIVs. While the plan received a blessing from the U.S. Treasury Department, the effort was eventually scuttled at the end of the year, forcing several banks, including Citigroup and HSBC, to bring the SIVs onto their balance sheets – thereby further exposing them to unprovisioned capital requirements.

The relatively benign inflation situation through the first three quarters of 2007 gave the Fed latitude in directing monetary policy toward the housing and credit market turmoil. Through the summer, the trajectory of the core personal consumption expenditure index (PCE) was favorable, declining from 2.4 percent year-over-year at the beginning of the year to 1.9 percent in August. However, core PCE inflation rates broke through the top of the Fed's comfort zone of two percent in November, a movement mirrored by core CPI. Headline CPI inflation, which includes volatile energy and food items, started the year at 2.1 percent and climbed to 4.3 percent in November. Both core and headline CPI inflation are projected to decline in 2008 due to weaker growth, with the headline rate averaging 2.6 percent. In the out-years falling energy prices will cause the headline inflation rate to drop below the core rate, which is forecast to converge to about two percent.

Predictably, energy prices were the primary driver of inflation. West Texas Intermediate (WTI) oil prices started in January 2007 at a low of $55 per barrel and ended in December above $90, an increase of over 60 percent. In January 2008, a small number of futures contracts for WTI actually breached the $100 mark, exceeding the recent post-Katrina price spike of $70 in 2005 and the previous peak of $78 in July 2006. Gasoline prices had a dampened response to crude oil price fluctuations, starting at a low of $2.20 per gallon in January and ending above $3 at the end of the year, an increase of about 35 percent.



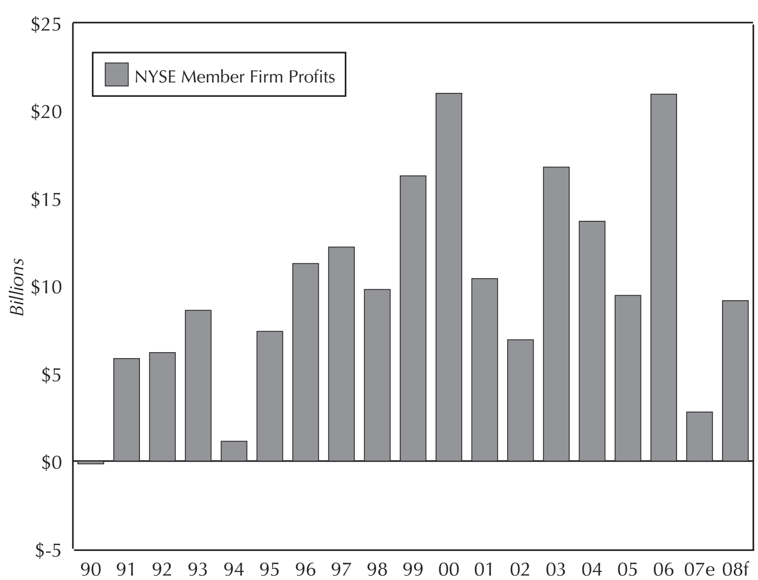
Energy prices are expected to moderate due to the slowing of the economy, with the price of WTI dropping to an average of $85 per barrel in 2008. However, there is always a risk that a supply disruption, such as an increase in hurricane activity or further turmoil in the Middle East, could push prices to new highs. The resultant stagflation – softening growth combined with rising inflation – could pose a thorny policy challenge for the Fed, which would face a choice between fighting inflation and avoiding recession. Futures markets are betting that the Fed will continue to give more weight to growth over inflation. Due to the weakening economy and financial market fragility, the Fed implemented an emergency Fed Funds cut of 75 basis points on January 22, and indicated a willingness to further reduce rates if conditions deteriorated. As the economy recovers, the Fed will need to step on the brakes by gradually increasing their target in the out-years.

The New York City Economy

New York City's economy began 2007 running on all cylinders: Wall Street was booming; labor markets were tight; residential and commercial real estate markets were performing exceptionally well; and tourists were crowding the sidewalks. By the end of the year, a series of economic potholes threatened to interrupt the ride – the national economy endured a collapsing housing market, soaring energy prices, a declining dollar and a credit crunch. As a result, Wall Street suffered and hiring decelerated across the City. Local real estate markets have remained resilient but have begun to show initial signs of weakness. The one bright spot is tourism, which proved to be robust due to the influx of foreign tourists. Overall, a slowdown in the City's economy is forecast in 2008 and 2009. Furthermore, there are significant downside risks that could exacerbate the weakening economic condition of the City.

Wall Street firms started off 2007 on a strong note. In the first two quarters, New York Stock Exchange (NYSE) member firms posted over $8 billion in profits as easy credit boosted trading activity. However, the subprime mortgage debacle broadened into a full scale financial credit crisis late in the summer. By the third quarter, the portfolios of local financial firms containing asset-backed loans and credit-related investment instruments were revalued at a considerable loss. Consequently, many of the largest Wall Street firms were forced to take enormous write-downs.[1] In aggregate, NYSE member firms posted a loss of $3.8 billion in the third quarter of 2007, the largest quarterly loss ever. Because the value of mortgage-related assets continues to decline, the fourth quarter is also likely to show a loss. On an annual basis, NYSE member firms are expected to generate only $2.8 billion in profits in 2007, down from $20.9 billion in 2006.[2] With cleaner balance sheets, business lines will gradually pick up and firms are anticipated to post $9.1 billion in profits in 2008, still well below the average performance of the past decade.

After Posting Near Record Profits in 2006, Wall Street Had a Tough Year in 2007 and is Expected to Remain Troubled throughout 2008



The steep decline in Wall Street profitability will have a negative impact on both bonus payouts and employment. However, bonuses are not expected to fall much in the 2007 bonus period (compared to the prior record year) due to strength in the first half of the year and the performance of business lines unrelated to the asset-backed

1) *Citigroup and Merrill Lynch alone, reported over $40 billion in write-downs in the third and fourth quarters of 2007.*
2) *It is assumed that NYSE member firms will lose an additional $2.3 billion in the fourth quarter of 2007. This is a fairly optimistic estimate based on early reports, leaving a downside risk to this forecast. It is also assumed that firms have realized all of their losses associated with the asset-backed securities market in 2007, and will begin 2008 with a clean slate.*

securities market. A general slowdown in activity will lead to an 11.1 percent drop in financial sector wages in 2008 and an additional 5.0 percent decline in 2009. A number of the City's financial firms announced layoffs in the fourth quarter of 2007 (December finance sector employment fell by 1,900) and are expected to reduce staffing throughout 2008. By 2009 financial sector employment is forecast to contract by nearly 12,000, with more than half of the cuts occurring in securities firms.

The City's other office-using sectors will also be adversely affected by the developments in the national economy and a slowdown on Wall Street.[3] Over the past few years, professional & business services have supplied much of the legal and administrative resources for Wall Street, adding an average of 15,000 workers per year from 2005 to 2007. As the financial markets dry up in 2008, this sector is expected to add only 6,000 jobs. Real estate employment, after a run of modest growth over the last five years, is projected to decrease by 2,000 in 2008. The information sector failed to expand in 2007 as gains in web-based media were offset by losses in older print media. This trend is expected to continue.

Office-using employment increased by 28,000 in 2007, which bolstered the demand for office space and created an extremely tight commercial real estate market. At the end of the year, Midtown vacancy rates were 5.6 percent, causing average asking rents to shoot up to over $83 per square foot (psf). The scarce supply of office space in Midtown, coupled with the sharp rise in rents, induced activity in the Downtown commercial market. Subsequently, Downtown vacancy rates plummeted from over 12 percent in the beginning of 2006 to only 5.0 percent by the end of 2007. Over the same period, Downtown asking rents rose 36 percent to over $53 psf. Record high rents, strong occupancy and the weaker dollar supported a record year of investment activity, with upwards of $47.8 billion worth of office buildings changing hands in 2007.[4]

Decreasing employment growth in finance and its ancillary office-using sectors will impede demand for office space, but the commercial real estate market will endure in 2008 and overall vacancy rates are expected to hold between six and seven percent. The Midtown market will remain tight because there is a limited amount of new space, whereas vacancy rates Downtown will increase in the out-years due to substantial development.[5] Therefore, overall asking rents are not expected to rise as much in 2008 and 2009. The weak dollar and the overall strength of the commercial market relative to other investments should help sustain the value of Manhattan trophy buildings, though tighter credit markets will diminish investment activity and higher equity requirements might lead to lower asking prices.

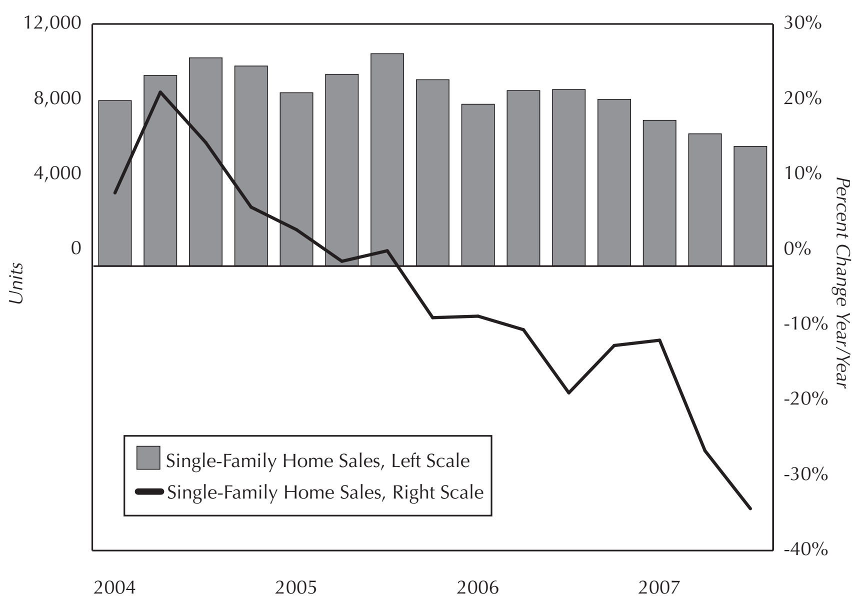
Over the last year the local housing market has outperformed most metropolitan markets in the nation. Development has been brisk in the City; new housing permits

3) Office-using sectors include financial activities, professional & business services and information.
4) All commercial real estate statistics compiled using Cushman & Wakefield data.
5) Major upcoming developments include the World Trade Center, the new Goldman Sachs headquarters and the conversion of the Verizon Building.

have averaged over 30,000 units annually for the past three years, the highest level since the early 1970s. This increase of supply was largely met as the labor markets expanded and bonus money flowed throughout the City. International investors, lured by the cheap dollar, further stimulated demand.

A slackening labor market, lower bonus payments and an increase in supply will loosen the local housing market. There have already been signs of easing in the market for single-family homes. Through the third quarter of 2007, volume was down 30 percent year-over-year. In total, single-family home sales are estimated to drop about 25 percent in 2007, followed by a decline of 20 percent in 2008. Average prices, which held steady through 2007, will fall by approximately ten percent through 2009.

The Number of Single-Family Home Sales Has Been Declining Since the Third Quarter of 2005



Manhattan's condo and co-op markets remained healthy throughout the year. By the fourth quarter of 2007, inventory dropped 13.5 percent on a year-over-year basis to 5,133 units.[6] Over the same period, the average price of condos rose 17.8 percent, driven by high value luxury sales such as 15 Central Park West and the Plaza Hotel, while co-op prices rose by 9.1 percent. Market conditions supported new condo construction not only in Manhattan, but also in Brooklyn and Queens. As with the market for single–family homes, demand is anticipated to decline in 2008. The number of condo and co–op transactions throughout the City will drop by almost ten percent per year in 2008 and 2009. Prices of condos and co–ops, which reached record high levels in the past year, are expected to fall 15 percent by 2009.

The booming real estate markets supported both goods and services industries. The slowdown in these markets will have a negative effect on construction and retail trade. Although in 2007 the City's construction sector gained 6,000 jobs, 2008 is not expected to be nearly as strong. As residential projects dwindle, the sector will incur a projected 1,000 job loss, followed by a further loss of 3,000 jobs in 2009.[7] Retail trade had a solid year, expanding by 5,000 jobs in 2007. As the local economy slows in 2008, this sector is anticipated to lose jobs.

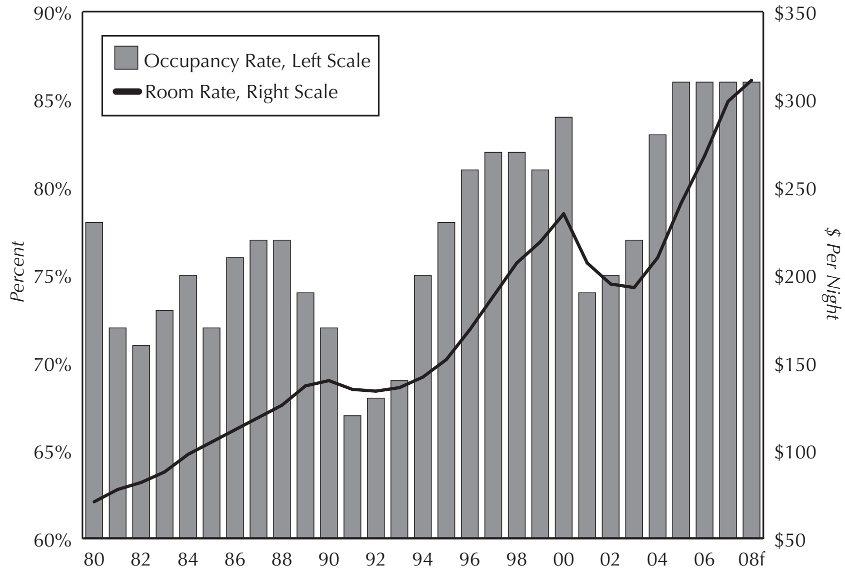
Amid all of the chaos on Wall Street, the tourism sector has played a vital role in sustaining the City. After hosting 44 million tourists in 2006, the City is estimated to have entertained a record 46 million in 2007.[8] Apart from the City's inherent cultural

6) *Miller Samuel, Prudential Douglas Elliman*
7) *Losses in the residential sector will be partially mitigated by continued non-residential (private & public) construction projects.*
8) *NYC & Company*

charms, the weak dollar was an important factor attracting the highest number of international visitors in history. According to the Port Authority of NY & NJ, 28 million international air passengers traveled to the City in the first ten months of 2007, compared to 26 million in the first ten months of 2006, an increase of eight percent. Over the same period of time, the number of domestic travelers increased about five percent. The inflow of visitors was reflected in surging hotel occupancy rates – on a seasonally adjusted basis, occupancy reached an all-time high of 90 percent in August 2007. Consequently, the average hotel room rate skyrocketed to a high of $337 by September. Rising demand resulted in the creation of an estimated 8,000 leisure & hospitality jobs in 2007.

Activity in the tourism sector is not expected to subside any time in the near future. The cheap dollar will most likely continue to attract tourists to the City, causing occupancy rates to stabilize at about 86 percent from 2008 through 2012. As a result, the leisure & hospitality sector is expected to add an average of 4,000 jobs in each of the next three years.

Strong Tourism Activity Will Sustain Hotel Occupancy and Room Rates



Apart from tourism, other sectors that have sustained strong growth despite the surrounding turmoil are the City's non-cyclical sectors, particularly education & health services. These sectors will expand along with the City's growing population. Education & health services added 13,000 jobs in 2007 and are expected to gain 11,000 in 2008.

Overall, the City added a total of 55,000 private sector jobs (1.8 percent growth) in 2007. Corresponding to the healthy labor market, total wage earnings are estimated to have grown by 10.3 percent. However, layoffs on Wall Street and in housing-related sectors are expected to bring the local labor market to a near standstill, with only 3,000 private sector job gains forecast for 2008. A sluggish labor market and lower bonus payments will cause overall wage earnings to decline by 2.3 percent in 2008 and to remain lackluster in 2009 before picking up in the out-years.

There is considerable downside risk to this forecast of New York City's economy. It is possible that the national housing collapse combined with rapidly escalating energy prices could force the U.S. economy into recession. This would undoubtedly put tremendous pressure on the local economy. Moreover, if Wall Street firms experience a steeper decline in profitability than anticipated, more job losses could occur and the downturn in the local economy could worsen.

Financial Plan Fiscal Year 2009
Forecasts of Selected United States and New York City Economic Indicators
Calendar Years 2007-2012

	2007	2008	2009	2010	2011	2012	1976-2006*
NATIONAL ECONOMY							
Real GDP							
Billions of 2000 Dollars	11,563	11,767	12,086	12,429	12,797	13,134	3.1
Percent Change	2.2	1.8	2.7	2.8	3.0	2.6	
Non-Agricultural Employment							
Millions of Jobs	138.0	139.1	140.7	142.4	144.3	145.9	
Change from Previous Year	1.8	1.1	1.6	1.7	1.9	1.6	
Percent Change	1.3	0.8	1.1	1.2	1.3	1.1	1.8
Consumer Price Index							
All Urban (1982-84=100)	207.4	212.7	216.3	220.5	224.4	228.4	
Percent Change	2.9	2.6	1.7	1.9	1.8	1.7	4.3
Wage Rate							
Dollars Per Employee	46,114	47,572	49,218	50,945	52,751	54,688	
Percent Change	4.3	3.2	3.5	3.5	3.5	3.7	4.6
Personal Income							
Billions of Dollars	11,662	12,197	12,786	13,435	14,136	14,866	
Percent Change	6.2	4.6	4.8	5.1	5.2	5.2	6.9
Before-tax Corporate Profits							
Billions of Dollars	1,866	1,766	1,791	1,787	1,807	1,790	
Percent Change	3.3	-5.4	1.4	-0.2	1.1	-0.9	8.0
Unemployment Rate							
Percent	4.6	5.1	5.2	5.1	4.9	4.8	6.2 (avg)
10-Year Treasury Bond Rate							
Percent	4.6	4.0	4.6	5.3	5.3	5.3	7.7(avg)
Federal Funds Rate							
Percent	5.0	3.6	3.9	4.7	4.7	4.7	6.6(avg)
NEW YORK CITY ECONOMY							
Real Gross City Product**							
Billions of 2000 Dollars	492	472	479	490	502	512	
Percent Change	0.3	-4.2	1.5	2.4	2.5	2.1	3.0
Non-Agricultural Employment							
Thousands of Jobs	3719	3725	3739	3764	3793	3818	
Change from Previous Year	54.5	5.2	14.6	25.2	29.0	24.4	
Percent Change	1.5	0.1	0.4	0.7	0.8	0.6	0.4
Consumer Price Index							
All Urban NY-NJ Area (1982-84=100)	227.3	233.9	238.4	243.4	248.3	253.3	
Percent Change	3.0	2.9	1.9	2.1	2.0	2.0	4.4
Wage Rate							
Dollars Per Employee	79,515	77,541	77,723	80,690	83,877	87,326	
Percent Change	8.2	-2.5	0.2	3.8	3.9	4.1	5.9
Personal Income							
Billions of Dollars	398	402	413	432	452	473	
Percent Change	7.5	1.0	2.7	4.5	4.7	4.7	6.3
NEW YORK CITY REAL ESTATE MARKET							
Manhattan Primary Office Market							
Asking Rental Rate***							
Dollars Per Sq. Ft.	71.91	78.85	78.31	81.21	81.54	81.96	
Percent Change	33.3	9.6	-0.7	3.7	0.4	0.5	N.A.
Vacancy Rate***							
Percent	5.3	6.2	7.2	6.8	7.3	7.4	N.A.

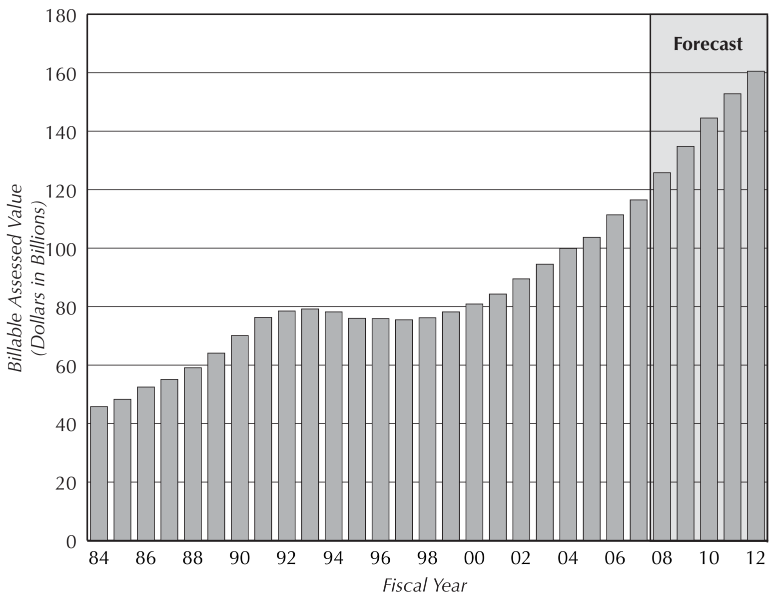
* *Compound annual growth rates for 1976-2006. Compound growth rate for Real Gross City Product covers the period 1980-2006; for NYC wage rate, 1976-2006.*
** *GCP estimated by OMB.*
*** *Office market data are based on statistics published by Cushman & Wakefield.*

Tax Revenue Forecast

Real Property Tax

The real property tax is estimated at $12,999 million for 2008, an increase of $15 million from the October Modification and growth of 0.3 percent over the 2007 level. The 2008 level reflects the 7.0 percent rate reduction in the average tax rate. Adjusted for tax law changes, revenue is forecast to grow 8.7 percent in 2008. The forecast change of $15 million for 2008 results from changes to the reserve for uncollectible taxes of $30 million and additional collections from the prior year delinquencies of $3 million, offset by an increase in refunds of $16 million and a reduction in lien sale proceeds of $2 million.

Billable Assessed Value Continues to Grow on the Fiscal Year 2009 Tentative Roll



In 2009, the property tax is expected to yield $13,919 million in revenue, a decrease of $181 million over the October Modification and a growth of 7.1 percent over 2008. The shortfall in property tax revenue results primarily from a lower than expected levy forecast of $167 million based on the 2009 tentative roll[1], an increase in refunds forecast of $36 million, partially offset by a $22 million decrease in reserve for uncollectible taxes.

The property tax levy forecast for 2009 is based on the tentative roll, which was released by the Department of Finance (DOF) on January 15, 2008. The total billable assessed value on the tentative roll (before accounting for the veterans and STAR exemptions) grew by $9.8 billion to $135.6 billion over 2008, or 7.8 percent. This is expected to be reduced by $0.8 billion on the final roll to be released in May 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 is forecast to grow at 7.2 percent, reflecting a slowdown in market value growth to 2.9 percent on the 2009 tentative roll - the lowest market value growth seen since 1998. The billable assessed value is forecast to grow at 7.2 percent in 2010, buoyed by the pipeline of billable assessed values to be phased in from the robust market value growth seen in the prior years for large Class 2 and Class 4 properties.

Class 1 properties (one-, two- and three-family homes) saw a decline of 0.9 percent in market value on the tentative roll, the first decline in market value seen since 1994. The Class 1 market values had been registering double digit growth rates since 2001, at an annual average growth of 14.6 percent. The billable assessed value, on the other hand, continues to grow at 5.3 percent on the tentative roll (after accounting for the

1) *For additional detail, see the Tentative Property Assessment Roll for Fiscal Year 2009, January 15, 2008, New York City Department of Finance.*

veterans and STAR exemptions), as the statutory caps in assessed value growth (six percent per year and twenty percent over five years) that have prevented steep increases in assessed value in recent years, allow an assessed value growth even with a declining market value. With an estimated tentative-to-final roll reduction in billable assessed value of $75 million, the billable assessed value on the final roll (before accounting for the veterans and STAR exemptions) is expected to grow by 4.3 percent, about the same as last year. With a forecast slowdown in the residential housing market, Class 1 billable assessed value growth is expected to slow to an annual average of 2.8 percent from 2010 through 2012.

Class 2 properties (apartments, condominiums and cooperatives) saw growth of 8.1 percent in market value on the tentative roll, substantially lower than last year's 24.7 percent growth. The billable assessed value growth on the tentative roll is 8.7 percent (after accounting for the veterans and STAR exemptions), slightly higher than last year's 7.9 percent. The billable assessed value on the final roll (before accounting for the veterans and STAR exemptions) is expected to grow 8.1 percent over the prior year. Starting in 2009, DOF implemented a change in methodology for valuing Class 2 properties. All Class 2 buildings were valued on the 2009 tentative roll using the Gross Income Multiplier (GIM) approach, instead of the net income capitalization approach used in the past. Under this new approach, DOF was able to eliminate valuation errors for apartment buildings that overstate their expenses. This approach is also expected to make the market values of apartment buildings more predictable in the future. With a forecast slowdown in the housing market, growth in the market value for Class 2 properties is expected to slow. However, with a substantial level of existing 'pipeline' of deferred assessment increases yet to be phased in, Class 2 billable assessed value is forecast to grow at an annual average rate of 5.9 percent from 2010 through 2012.

Class 3 properties (utilities) saw a billable assessed value growth of 3.1 percent on the 2009 tentative roll, after a decline of 3.9 percent in 2008. No additional reduction from the tentative roll to the final roll is expected for Class 3 properties. Class 3 billable assessed value is expected to grow at an annual average rate of 1.0 percent from 2010 through 2012.

Class 4 properties (office and commercial space) saw a market value growth of 6.2 percent on the tentative roll, substantially lower than last year's 19.0 percent. The billable assessed value growth on the tentative roll was 8.6 percent. With an estimated tentative-to-final roll reduction of $488 million, billable assessed value growth on the final roll (before accounting for the veterans and STAR exemptions) is expected to be 7.8 percent. Growth in Class 4 billable assessed value from 2010 through 2012 is forecast to average 7.5 percent buoyed by the existing 'pipeline' of deferred assessment increases to be phased in from prior years' strong market value growth. Property tax collections are expected to grow at an annual average rate of 6.2 percent from 2010 through 2012, consistent with the levy growth forecast of 6.0 percent during the same period, as the large 'pipeline' of deferred assessment increases for Class 2 and Class 4 come online despite a softening in market value growth for the City's real estate market.

Real Property Transfer & Mortgage Recording Taxes

Revenue from the real property transfer tax for 2008 is forecast at $1,475 million, an increase of $176 million over the October Modification and a decline of 14.4 percent from the 2007 level. The mortgage recording tax is forecast at $1,154 million for 2008, an increase of $79 million over the October Modification and a decline of 26.5 percent from the 2007 level.

Real property transfer tax collections year to date through December grew by 4.0 percent over the prior year, after registering an annual growth of 33.1 percent in 2007. Citywide, residential 1-3 family homes sales volume started falling in the fourth quarter of calendar year 2005 and the declines have accelerated recently, showing a prior year decline of 32.3 percent in the third quarter of calendar year 2007. Over the same period, median 1-3 family home prices have continued to exhibit growth, but that growth has slowed with a prior year median sales price growth of only 3.7 percent in the third quarter of calendar year 2007. The co-op and condo housing market has remained strong, especially in Manhattan, with year to date sales volume through the third quarter of calendar year 2007 growing at 17.1 percent, and the median sales price growing at 14.9 percent. Citywide, co-op/condo sales volume grew by 9.6 percent through the third quarter of calendar year 2007, while the median sales price grew by 16.7 percent. The strong growth seen in the Manhattan co-op and condo market (and to a lesser extent in the other boroughs) has been fueled by the sale of high-value condos, buoyed by a weak dollar, making the units attractive to foreign buyers. The sales volume for the 1-3 family homes in New York City is forecast to decline 46.1 percent from 2006 through 2009, while the average sales price is forecast to decline about 6.6 percent from 2008 through 2009. The rest of the residential market (co-ops and condos) is also forecast to decline, with the sales volume declining 26.1 percent from 2006 through 2011, and the average sales price, starting later in 2008, declining about 8.3 percent through 2009.

In 2008 the commercial transaction activity was stronger than expected despite the credit market turmoil. Sales volume for commercial transactions with a sale price of less than $25 million, through the third quarter of calendar year 2007 declined by 14.6 percent, while the median sales price in the third quarter of calendar year 2007 grew by 25.0 percent. However, during the same period the sales volume for commercial transactions with a sale price of more than $25 million grew by 38.4 percent and the median sales price grew by 15.7 percent. Our forecast calls for a decline in sales volume for all commercial transactions of 39 percent through 2009, while the median price is expected to decline by 32 percent. In 2009, the real property transfer tax is forecast to decline 24.2 percent to $1,118 million and decline further by 1.6 percent and 1.5

percent in 2010 and 2011, respectively, before growth returns in 2012.

The year to date collections through December for the mortgage recording taxes declined by 15.9 percent, after growing 16.0 percent for the year 2007. The impact of the recent credit market turmoil - a tighter credit market and higher lending standards - is impacting the borrower's ability to take jumbo mortgages (mortgage value of $417,000 or more) as well as limiting the financing for large commercial properties. Lenders have become reluctant to extend mortgages unless the borrower brings a much higher level of capital. Mortgage recording taxes are forecast to decline 17.8 percent to $949 million in 2009, and to decline further by 1.8 percent and 1.3 percent in 2010 and 2011, respectively, before growth returns in 2012.

Commercial Rent Tax

Commercial rent tax revenue for 2008 is forecast at $550 million, unchanged from the October Modification and growth of 7.4 percent over 2007. Revenue for 2009 is forecast at $566 million, no change over the October Modification and growth of 2.9 percent over the prior year. The 2008 growth results from strong growth in office employment, an extremely tight commercial office space with a vacancy rate of 5.5 percent, and high asking rents of over $78 per square foot. With a weak growth in office employment during the forecast period, primary market vacancy rates are expected to increase to 7.4 percent by 2012, while the asking rents are expected to remain flat in 2009 before increasing slowly to $82 per square foot by 2012. With a weak office market growth projected, commercial rent tax growth is forecast to average 3.2 percent from 2009 through 2012.

Personal Income Tax

Personal income tax revenues are forecast to decline 2.5 percent (before Transitional Finance Authority (TFA) retention), an increase of $39 million from the October Modification, after growth of 5.1 percent in 2007. In 2009, revenues are forecast to continue its downward trend and decline 6.6 percent. On a common rate and base, personal income tax revenues are forecast to grow 1.0 percent in 2008 and to decline 5.6 percent in 2009.

Personal income tax liability, on a common rate and base, is forecast to have grown 6.8 percent in tax year 2007, and reflects strong wage earnings growth of 10.3 percent. Calendar year 2007 wage earnings reflect the record bonus paid out on tax year 2006 earnings by Wall Street firms in the first quarter of the calendar year, as well as private sector employment gains of 55,000 jobs. Moderate nonwage income growth is forecast for liability year 2007, the result of forecast flat growth for capital gains and 1.9 percent growth in proprietors' income.

Withholding collections in fiscal year 2008 are forecast to grow 4.3 percent over the prior year, after growth of 8.6 percent in fiscal year 2007. Employment gains and wage rate growth were strong through November, yielding withholding growth of 10.1 percent. The Wall Street bonus payout expected in the December through March withholding collections is forecast to decline from the prior year record level. In the remaining quarter of the fiscal year, withholding is forecast to grow 2.1 percent as employment growth slows. Installment payments in fiscal year 2008 are forecast to grow 2.1 percent over the prior year, the result of a weak forecast for capital gains realizations due to anemic gains from securities sales and declines in gains from real estate transactions as the number of both residential and commercial transactions declines. For the settlement on tax year 2007 liability (net of final returns, refunds, extensions and City/State offsets), remittances are expected to offset refunds by approximately $200 million.

Personal income tax liability, on a common rate and base, is forecast to decline 4.2 percent in tax year 2008, and reflects a decline in wage earnings of 2.3 percent. The decline in wage earnings results from a slowdown in private employment gains (only 3,000 after several years of robust gains), a slowdown in non-finance wage rate growth as the national and local economies slow, and most importantly a decline in the bonus payout on calendar year 2007 earnings in the first quarter of calendar year 2008. Wall Street profits are now estimated at $2.8 billion for calendar year 2007, down from the $20.9 billion seen in calendar year 2006. Nonwage income for liability year 2008 is forecast to decline significantly, the result of a forecast decline in capital gains and 1.5 percent growth in proprietors' income.

Personal income tax revenues in fiscal year 2009 (before TFA retention) are forecast to decline 6.6 percent from the prior year. The steep decline is primarily attributable to declines in both finance sector employment and wage rate, as well as a decline in the bonus payout on calendar year 2008 Wall Street earnings. Additionally, the calendar year 2008 decline in capital gains realizations reduces the liability year 2008 settlement, further suppressing growth in fiscal year 2009. In the outyears of the forecast period, a rebound in Wall Street profitability and employment gains leads to growth averaging 5.4 percent in 2010 through 2012.

Business Income Tax

In 2008, business income tax revenues (general corporation, banking corporation and unincorporated business taxes) are forecast to decline 17.1 percent from the prior year and are reduced by $460 million from the October Modification. In 2009, business income tax revenues are forecast to decline 7.1 percent and are reduced by $490 million from the October Modification.

The forecast decline in business income tax revenues stem from the subprime related financial market turmoil beginning in the summer of 2007, which has led to historic losses at major City financial institutions. Partially offsetting the finance sector weakness is moderate business tax revenue growth from the non-finance sectors of the

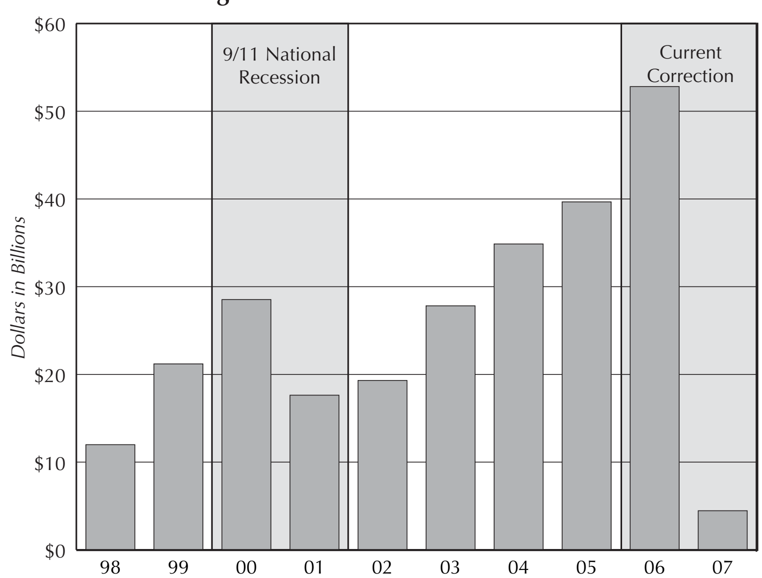
City economy, buoyed by the moderating, but still positive, growth in the national economy. Through December, business income tax collections growth was nearly flat compared to the prior year, as taxpayers have followed safe harbor rules by paying estimates of current year liability based on prior year results. Collections are expected to decline in the second half of 2008 as estimated liabilities on tax year 2007 are adjusted to catch up with falling earnings.

General corporation tax revenues through December 2007 are up 4.1 percent over the prior year. This reflects healthy revenue growth in the non-finance sector and the reliance of finance sector firms on safe harbor rules and prior year liabilities, as firms' earnings took a historic plunge in the second half of calendar year 2007.

Finance sector earnings in the first half of calendar year 2007 were strong; NYSE member firms posted $8.9 billion in profits for the first half. Over the summer, however, the financial markets unraveled. The problems began with the bursting of the housing bubble and high default rates on subprime mortgages made to higher-risk borrowers. Major banks and securities firms found themselves particularly vulnerable due to their own backlog of unsold assets backed by these rapidly depreciating mortgages. As the asset write-downs eroded their capital base, the liquidity of the financial system locked up, further impacting the ability of banks and corporations to get short-term financing, subsequently hurting their profitability. The deteriorating market conditions and subsequent large write-downs wiped out the robust earnings of the six largest investment banks in New York. After posting record pre-tax profits of $52.8 billion in 2006, these firms posted a mere $4.5 billion pre-tax profit for all of calendar year 2007. These six firms account for a large share of total finance sector earnings in the City, and consequently the picture is no brighter in the broader financial sector. The NYSE member firms posted a loss of $3.8 billion in the third quarter of calendar year 2007 and are estimated to report another loss of $2.3 billion in the fourth quarter. This yields a full year NYSE member-firm profit of $2.8 billion in calendar year 2007, a steep plunge from prior year's near record level of $20.9 billion. General corporation tax revenue growth is consequently forecast to slow in the second half of fiscal year 2008, and to decline by 11.9 percent for the fiscal year.

Banking corporation tax revenues through December are down 18.2 percent from the prior year, halting strong collections growth seen in the last several years as commercial banks are hit with significant losses caused by the subprime mortgage related financial market turmoil and the credit crunch. These challenging market conditions left the three largest

The Six Largest Investment Banks Posted a Steep Plunge in Profits Due to the Current Correction



Source: Reported Earnings from Bear Stearns, Goldman Sachs, Lehman Brothers, Morgan Stanley, Citigroup's Markets and Banking Division, and Merrill Lynch.

commercial banks in New York with a pre-tax loss of $11.9 billion in the fourth quarter of calendar year 2007. A steep decline in banking corporation tax collections are forecast for the second half of 2008 as banks continue to struggle with large losses from asset write-downs due to mortgage market weakness. The banking corporation tax revenues are forecast to decline 42.9 percent in 2008.

Unincorporated business tax revenues through December grew 11.1 percent over the prior year, reflecting payment growth from the non-finance sector. Collections growth is expected to slow dramatically in the last two quarters of 2008, reflecting the ongoing financial turmoil on Wall Street. With the decline of Wall Street profitability in 2007 suppressing finance sector payments, and mounting concern over slowing of the national economy, the unincorporated business tax revenues are forecast to decline 8.0 percent in 2008.

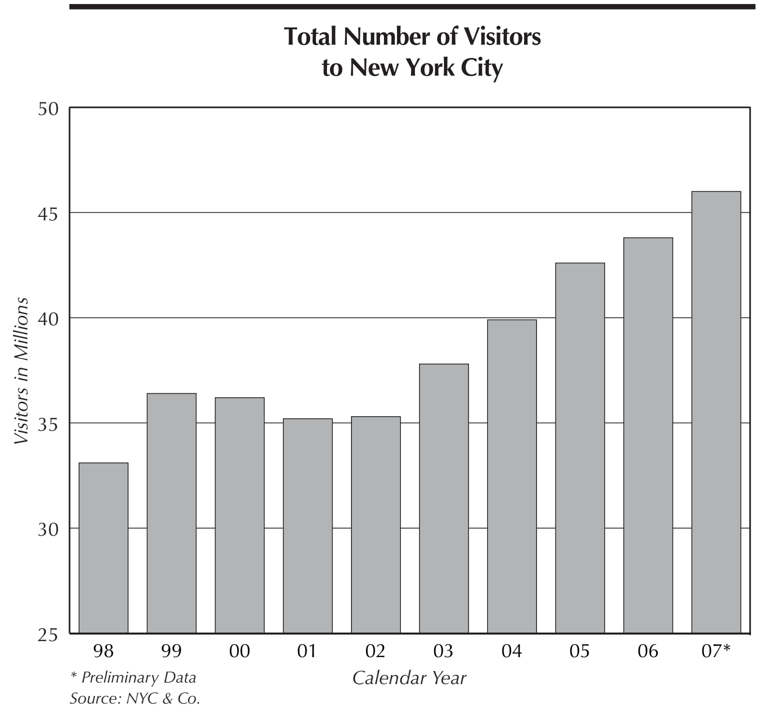
In 2009, business income tax collections are expected to decline 7.1 percent from the prior year, resulting from the retrenchment in the finance sector, after a year of record losses and a national economic slowdown in calendar year 2008. The general corporation tax, banking corporation tax, and unincorporated business tax are forecast to decline 3.1 percent, 28.6 percent, and 4.6 percent, respectively. Wall Street profitability is expected to recover moderately in calendar year 2008, but tax payments from businesses continue to decline as net operating loss carry-forwards, the liquidation of overpayments and large refunds suppress current year collections. Business income tax collections are forecast to increase 8.6 percent in 2010, reflecting a recovery in Wall Street profitability in calendar year 2009. Business income tax collections are expected to grow on average 7.3 percent from 2011 through 2012 as Wall Street profitability returns to trend levels.

Sales & Use Tax

Sales tax revenues are forecast at $4,704 million in 2008, growth of 1.8 percent and an increase of $78 million from the October Modification. Sales tax revenues are forecast at $4,642 million in 2009, a decline of 1.3 percent, unchanged from the October Modification. Adjusted for tax law changes (the local exemption of clothing and footwear purchases costing $110 and above), revenues are forecast to grow 4.3 percent in 2008, and decline 1.0 percent in 2009.

Sales tax revenue growth averaged 6.9 percent from 2004 through 2007. Consumption growth was supported by the strength of the residential and commercial real estate markets (fueling real estate transaction related consumption), private employment gains (45,000, 59,000, and 58,000 in 2005, 2006, and 2007, respectively), and the resurgence in hotel and tourist-related consumption due to record numbers of domestic and international visitors arriving in the City.

In 2008, sales tax revenue growth is forecast to moderate to 4.3 percent on a common rate and base. In 2008, wage earnings growth is forecast to slow due to slowing employment gains in the second half of the year and a decline in the Wall Street bonus payout on calendar year 2007 earnings. In addition, real estate transactions continue to slow, reducing real estate related consumption. However, tourism is expected to remain strong, sustaining sales tax revenues and partially offsetting a slowing local economy. In calendar year 2007, the City saw a nearly 20 percent increase in tourist arrivals from abroad, the highest ever-recorded number of international visitors (presumably supported by the declining value of the U.S. Dollar).



In 2009, sales tax revenues are forecast to decline 1.3 percent based on the expected decline in wage earnings growth, as the Wall Street bonus payout on calendar year 2008 earnings declines for the second year in a row and job gains slow from the prior year. In addition, continued declines in residential real estate transactions will further suppress taxable consumption. From 2010 through 2012, sales tax revenues are forecast to grow on average 5.4 percent, paralleling growth in wage earnings.

All Other Taxes

Utility tax revenues are forecast at $360 million in 2008, an increase of $5 million from the October Modification, and flat growth over the prior year. Through December, utility tax collections are up 4.9 percent over the prior year. This moderate increase stems from several factors. First, electricity consumption reported by Con Edison grew 1.6 percent over the prior calendar year. Secondly, cooling degree-days from July through November increased 7.2 percent over the prior year. Furthermore, heating degree-days also increased due to a very mild winter in 2007. Finally, growth in other utilities, which include telecommunications firms with services such as wireless, fiberoptics and other types of transmissions, also contributed to increased collections. Electricity consumption accounts for 38.8 percent of total gross collections while other utilities, excluding telephone and natural gas, accounts for 37.6 percent. Utility tax revenues for 2009 are forecast at $375 million for 2009, growth of 4.2 percent over the prior year, an increase of $5 million over the October Modification. Utility tax revenues are forecast to grow on average 3.8 percent from 2010 through 2012.

Cigarette Tax revenues in 2008 are forecast at $121 million, an increase of $2.0 million from the October Modification, a decline of 0.9 percent from the prior year. The 2009 revenue is forecast at $118 million, a 2.5 percent decline from 2008. Since the City raised the cigarette tax from $0.08 to $1.50 per pack in 2002, the number of packs sold has been declining, from 342 million packs in 2002 to 151 million packs in

2007, and is forecast to decline further to 146 million packs in 2008. From 2009 through 2012, cigarette tax collections are projected to decline an average of 2.6 percent per year based on the long-term historical decline in the number of packs sold.

Hotel tax revenues are forecast at $366 million in 2008, 12.3 percent growth over the prior year, an increase of $9 million from the October Modification. Double-digit hotel tax revenue growth continues as the result of across the board strength in the travel and tourism sector. In calendar year 2007, the City welcomed a record-breaking 46 million domestic and international visitors. The number of international visitors grew nearly 20 percent over calendar year 2006. The declining value of the U.S. Dollar against the Euro and other currencies has encouraged international visitors to come to New York City. Since June 2007, hotel occupancy rates have averaged 89.5 percent or higher, very near a frictional full occupancy rate. As a result, hoteliers have been able to maximize room rates, which have averaged $318 a night since June. In calendar year 2007, 1,000 new hotel rooms were added to the current inventory stock to bring the total inventory to 73,500 rooms. Hotel tax revenues for 2009 are forecast at $387 million, growth of 5.7 percent over 2008, an increase of $13 million from the October Modification. This growth is the result of the continued weak U.S. Dollar and historically low crime rates, as well as an aggressive campaign to market New York City in Asia, Europe, and South America by NYC & Company. Hotel tax revenues are forecast to grow on average 6.8 percent from 2010 through 2012 as the national and local economies return to trend growth.

The all other tax revenues in 2008 are forecast at $409.5 million, an increase of $29.0 million over the October Modification. Most of the increase is from revisions to the PILOT revenue estimates amounting to $27.7 million, and smaller revisions to Section 1127 (waiver) of $2.0 million, other refunds of $1.0 million, off track betting surcharge tax of $0.3 million offset by a reduction in the current year penalty and interest from the real estate taxes of $2.0 million. The forecast for all other taxes is estimated at $391.1 million in 2009.

Tax Enforcement Revenue

Tax audit revenue for 2008 is forecast at $1,058.6 million, an increase of $400 million over the October Modification. Most of the increase is allocated to the general corporation tax. The audit target increase stems from the Department of Finance's resolution of ongoing audits issues. As part of the City's program to reduce the projected budget gap, the Department of Finance will vigorously pursue the delinquent taxpayers through agency audit activities and computer matches. Audit revenue is forecast at $558.6 million in 2009.

Tax Revenue Forecast
($ in Millions)

	Fiscal Year				
	2008	*2009*	*2010*	*2011*	*2012*
Real Estate Related Taxes:					
Real Property	$12,999	$13,919	$14,949	$15,858	$16,660
Commercial Rent	550	566	583	601	623
Mortgage Recording	1,154	949	932	920	959
Real Property Transfer	1,475	1,118	1,100	1,084	1,129
Income - Based Taxes:					
Personal Income (PIT)					
Total PIT	7,498	7,003	7,372	7,840	8,211
Less: TFA Retention	(157)	(226)	(763)	(1,149)	(1,158)
PIT-General Fund	7,341	6,777	6,609	6,691	7,053
General Corporation	2,753	2,667	2,850	3,056	3,270
Banking Corporation	696	497	613	679	727
Unincorporated Business	1,536	1,466	1,564	1,667	1,790
Consumption and Use Taxes:					
Sales and Use	4,704	4,642	4,895	5,142	5,443
Utility	360	375	391	407	419
Cigarette	121	118	115	112	109
Hotel	366	387	421	447	471
All Other	410	391	398	399	408
Sub total	**34,465**	**33,872**	**35,420**	**37,063**	**39,060**
Tax Audit Revenue	1,059	559	560	560	560
Total Baseline	**$35,524**	**$34,431**	**$35,980**	**$37,623**	**$39,621**
STAR Aid	1,255	1,318	1,359	1,389	1,439
Tax Reduction Program	—	—	—	—	—
Total*	**$36,779**	**$35,749**	**$37,339**	**$39,012**	**$41,060**

* *Totals may not add due to rounding.*

Tax Revenue Forecast
All Other Taxes
($ in Millions)

	Fiscal Year				
	2008	*2009*	*2010*	*2011*	*2012*
Excise Taxes:					
Horse Race Admissions	$—	$—	$—	$—	$—
Beer and Liquor	23.0	23.0	23.0	23.0	24.0
Liquor Licence	4.0	4.0	5.0	5.0	5.0
OTB Surtax	19.9	20.1	20.4	20.6	20.8
Auto Related Taxes:					
Commercial Motor Vehicle	46.0	46.0	46.0	46.0	47.0
Auto Use	28.0	28.0	28.0	28.0	29.0
Taxi Medallion	7.0	7.0	7.0	7.0	7.0
Miscellaneous Taxes:					
Section 1127 (Waiver)	92.0	92.0	92.0	92.0	93.0
Other Tax Refunds	(24.0)	(24.0)	(24.0)	(24.0)	(25.0)
PILOTs	175.6	157.0	162.8	163.8	168.7
Penalties and Interest:					
P&I - Real Estate Current Year	13.0	13.0	13.0	13.0	13.0
P&I - Real Estate Prior Year	30.0	30.0	30.0	30.0	30.0
P&I - Other (Refunds)	(5.0)	(5.0)	(5.0)	(5.0)	(5.0)
Total All Other Taxes*	**$409.5**	**$391.1**	**$398.2**	**$399.4**	**$407.5**

* *Totals may not add due to rounding.*

State and Federal Agenda

The FY 2009 Preliminary Budget includes $100 million in initiatives requiring Federal action. Specifically, the State and Federal Agenda focuses on controlling and reducing mandated costs on local governments. The State and Federal governments have been provided with a menu of over $3.5 billion in initiatives to help meet this target.

STATE AGENDA

Transitional Finance Authority Capacity

OMB proposes limiting new Transitional Finance Authority (TFA) debt to the existing debit limit for the City's general obligation (GO) bonds. This proposal does not increase the hard cap debt limit of the City, but enables the City to issue new TFA debt or new GO debt under the existing debt limit. The City has exhausted its $13.5 billion TFA capacity. TFA is currently a more cost-effective financing vehicle than GO debt. Investors in New York City often are restricted in the volume of GO debt they may purchase and TFA offerings allow those investors the diversity they require at a substantial fiscal savings to city taxpayers. This proposal would save New York City $14 million in 2009, $24 million in 2010 and $35 million in 2011.

Reduce State-Imposed Mandates on OTB

New York City's Off Track Betting Corporation produced a significant operating profit in FY2007, yet because of excessive state-mandated distributions to the racing industry and to the State, OTB ended the year with a deficit of $9 million, for a fourth consecutive year of losses. Since 2001, the State has continued to increase OTB's statutory obligations, while also reducing their ability to collect revenue. In spite of successful efforts to cut costs through senior staff reduction, operational savings and other efficiencies, OTB is projected to run out of unrestricted cash in June 2008. Without changes to the Racing and Wagering Law to reduce State mandates and structure a stable fiscal relationship with the operator of New York State racing, New York City's OTB will be forced to close, displacing approximately 1,500 employees.

Universal Pre-K Flexibility

New York City operates state-funded Universal Pre-Kindergarten (UPK) programs for four-year-olds both in schools and through partnerships with community-based organizations. In order to more efficiently and effectively use the State allocation for the UPK program, New York City is requesting more flexibility in funding usage in the following three areas: flexibility in the reimbursement rate, unused dollars for startup and facility costs, and funding for full-day pre-K and Headstart programs.

The City opened 9,000 additional UPK slots during the 2007-2008 school year; further expansion requires enabling more community-based providers to participate in the UPK program by offering more competitive rates and assistance with startup costs. The current per-child rate is insufficient to cover the costs of operating a pre-k program in New York City. Higher rates when needed would bring more providers into the UPK program. In addition, New York City requests the flexibility to use any unclaimed UPK funding (in excess of $20 million) to assist providers with one-time startup costs to bring their facilities and programs in line with UPK requirements. The City also requires flexibility to offer full-day programs. Many working parents do not enroll their four-year olds in UPK because they require full-day child care. If New York City is able to provide more full-day pre-k, more families will be able to take advantage of the program. Similarly, Headstart programs facing federal funding deficiencies could maintain their popular full day programming with flexibility in UPK funding.

New York City Child Safety Zones for Transportation

Outside of New York City, every school district can designate particularly dangerous streets and areas as "child safety zones." Districts are allowed to claim transportation aid for transporting children whose routes from home to school pass through these safety zones, even if the children live less than 1.5 miles from school, the usual requirement for claiming transportation aid. The City is not permitted to designate any streets as child safety zones, no matter how dangerous, and the City pays the entire cost of transporting children who live in these areas. Some of the most dangerous streets and areas are in Queens and the Bronx. New York City is requesting that the State allow New York City to designate these areas and others like them as safety zones. If the City received Transportation Aid for just 20 percent of the children who are transported by school bus and are currently not eligible, the City would receive an additional $8.5 million in FY 2009.

Healthy School Lunch

Last year, state legislation was proposed that would change school nutrition guidelines, including limiting trans fats, expand healthy options for meals and snacks served in schools, and promote nutrition and wellness education. New York City supports these efforts; both the Assembly and Senate versions of the bills would have increased the state reimbursement rates for school breakfast and lunch. The Assembly bill would result in an additional $19 million for the City in FY 2011, and the Senate bill would result in an additional $13 million for the City in FY 2009.

Eliminate Degree Subsidies for Four-Year Colleges

New York State is responsible for providing full financial responsibility for the funding of net operating costs for SUNY and CUNY senior colleges, as well as full capital budget funding. The State also provides full funding for the six technical schools in the system. However, New York City is required to pay both a subsidy to the senior college operating budget for CUNY associate degree students, costing the City $20.2 million annually and 50 percent of Medgar Evers college capital costs. By law, the Fashion Institute of Technology (FIT) is defined as a community college despite the fact that it provides four year degrees and graduate degrees in addition to associate degrees. As a full opportunity community college, the City as a local sponsor, via the Department of Education, is obligated to provide financial support to supplement tuition and State aid. This support amounts to approximately $38 million in operating expenses. Because the State fully funds all SUNY senior colleges and technical schools, outside of New York City, this exception should be eliminated for CUNY Senior Colleges; additionally, FIT should be redefined as a senior college for the purpose of such funding change.

City/State Partnership for Juvenile ATD, ATP and Aftercare Programs

New York City urges the State to create a fiscal partnership with New York City for programs that provide alternatives to juvenile detention and placement, and community based post-release services. The City and State currently equally share the expenses of detention and placement of New York City juveniles. The City has implemented reforms that increase the use of community-based alternatives to detention (ATD) and alternatives to placement (ATP) for court-involved youth and to ensure public safety. These programs have reduced the population of New York City juveniles in OCFS placement by 30 percent since 2002, resulting in $17.2 million in savings for the State. The programs' success has also avoided the previously anticipated need to open three new group home facilities at an annual cost of $3 million to the State and City. However, the cost of the City's ATD and ATP programs has been borne disproportionately by the City. New York City has invested $14.8 million in alternative and diversionary programs. The 2007-08 State budget included $13 million for alternatives to detention and alternatives to OCFS placement, yet New York City received only $1.3 million. New York City generates more than 60 percent of the juvenile population and costs, yet its allocation is only 10 percent. This funding partnership would provide the City with an additional $6 million per year.

Eliminate Retroactive Overcharge for State Placement of Juveniles

The City and State equally share the expenses of placement of New York City juveniles in state facilities. Traditionally, the annual per diem rates were based on actual costs from the prior year. In 2006 the State retroactively raised the local share of the rate for the five previous years contrary to its longstanding policy and practice. This retroactive billing sets a dangerous precedent allowing the State to demand new funds from localities in addition to prior payments previously received. The City urges the State to abandon the retroactive overcharge, which would save the City $5.2 million in FY 2008, $8.4 million in FY 2009, and $10.8 million in FY 2010.

Increase Daily Reimbursement Rate for Inmates for State Custody and Parole Violators

The State's $40 per day reimbursement to localities for inmates ready for state custody and parole violators leaves the City with a substantial shortfall from the actual average cost of nearly $365 per day. The City recognizes that the State has recently made efforts to take these individuals into their custody in a timelier manner, but since these individuals are the sole responsibility of the State, anything less than full reimbursement is an unfunded mandate. Full reimbursement for the actual cost of incarceration for inmates for state custody and parole violators would save the City $126 million annually. The City spends approximately $32 million annually on medical care for inmates and parole violators. At a minimum, the City requests that the State provide supplemental aid to fund the medical care of these individuals.

Increase Probation Aid Reimbursement Rate to Statutory Level

New York State law requires the State to reimburse local governments for 50 percent of approved probation spending, yet the State reimburses the City far less-- only 17 percent in FY 2008. In its 2007 report to the Chief Judge of the State of New York, the Task Force on the Future of Probation in New York State called for a $75 million annual increase in state reimbursement to local probation departments. The report stated, "Probation is in dire need of more resources in order to do its job and fulfill its mission to protect public safety." The State should increase probation reimbursement up to the statutory level, which would result in an additional $26 million to the City in FY 2009.

Funding for Children Awaiting Placement in State Institutions

Foster care children with serious mental illness or emotional disturbances are referred to the State Office of Mental Health for placement in a residential treatment facility and children with mental retardation or developmental disabilities are referred to the State Office of Mental Retardation and Developmental Disabilities for residential placement and/or specialized services. These State placements are funded 100 percent by the State. Currently there are substantial waiting periods to move foster care children to these facilities (more than 120 children are on the waiting list), where more appropriate specialized services can be provided. During the delay, the State neither provides services nor reimburses localities that provide services to children waiting to be transferred. The State must take immediate action to expand State capacity so these children can be transferred as soon as possible to the appropriate care setting. It is estimated that the City would save $14 million annually if the State were to provide the City full reimbursement.

Invest in Child Care

Affordable child care is the most critical work support to working families, current and former public benefit recipients. Over the last three years the City has added $100 million in City Tax Levy to support the growing demand for quality child care and after-school programs. The City urges the State to increase its funding for child care in the City by $45 million; and to provide increased flexibility to improve coordination between childcare, Out-of-School Time programs, UPK and Head Start.

Article VI Reimbursement for Fringe Benefits

The City proposes to amend Article VI of the Public Health Law to allow State reimbursement of funds expended by local health departments for fringe benefits associated with personnel who provide public health services. The provision of fringe benefits is a key factor in the ability of municipalities to maintain a highly qualified public health workforce in the competitive marketplace, which is needed to ensure the health of its populations. This measure would provide approximately $18.5 million to the City in FY 2009 to maintain the caliber of its public health workforce and in turn the high quality of its public health programs.

Medicaid Passive Reenrollment

The City proposes amending the State Medicaid plan in order to allow passive reenrollment for Medicaid enrollees. The current Medicaid reenrollment statute requires the completion and return of a pre-populated mail-in form every twelve months with accompanying documentation. Passive reenrollment is the process of automatically reenrolling clients in Medicaid when all known sources indicate the client's likely eligibility in Medicaid. Proof of income and assets will be required only if income or circumstances have changed; otherwise eligibility is assumed and the client remains enrolled. Clients will still complete a full enrollment form every two years and provide necessary documentation. This initiative will provide for continuous coverage for the vast majority of Medicaid recipients who remain eligible each year and will improve care while both reducing administrative overhead and adhering to federal requirements on recertification. It is estimated that this change would result in savings to the City of approximately $3 million in enrollment costs.

Increase the City's Cigarette Tax from $1.50 to $2.00 Per Pack

Cigarette smoking is one of the leading causes of lung-related illness and deaths in this country. The effects of second hand smoke are also well known to increase the risk of tobacco-related diseases for individuals, especially children, who spend time in the presence of smokers. Findings from the Community Health Survey and data from City and State cigarette and sales tax information show a significant decline in smoking prevalence when New York City increased the cigarette tax in 2002. The City proposes to increase the City's Cigarette tax from $1.50 to $2.00, bringing the total City and State tax on a pack of cigarettes to $3.50. The increase would continue to serve as a disincentive for cigarette consumption and will therefore lead to a decrease in the long term health care costs associated with smoking-related illness and disease. The $0.50 increase is estimated to bring the City $20 million in FY 2009.

Reimbursement for State-Built Public Housing Units

NYCHA spends approximately $60 million dollars a year to operate 15 public housing projects that were constructed by the State. Last year, NYCHA only received $3.4 million dollars in the state budget for operating subsidies for these developments. This year the City is requesting that the State of New York fully fund this allocation. This funding is essential in providing support to these 12,180 state-built units of public housing and needs to be provided annually.

Credit Other Benefits Paid Against Tort Award

The City urges that judgments and awards against local governments and the State be offset by both past and future compensation from all collateral sources instead of just past compensation. Currently, an award against a government entity may be close to twice the appropriate size because it is not offset by prospective payments from collateral sources. The enactment of collateral source legislation will save New York City millions of dollars in its pending cases and would treat cases against public employers similarly to those against private employers. This proposal would save New York City $11 million annually and some funds on pending actions.

Interest on Judgments

For many years, the courts have required municipalities to pay post-judgment interest rates of 9 percent, double the applicable market rate. The City supports setting the post-judgment interest rate equal to the yield of U.S. Treasuries at a one year constant maturity while retaining a 9 percent statutory cap on such rates. This inflated rate has placed an unfair economic burden on the City. Adjusting the rate would save the City $2 million.

Wicks Law Reform

The City is required, for all construction projects over $50,000, to issue separate contracts for electric, plumbing, heating, ventilation and air conditioning and all other services. This multiple contracting requirement adds approximately 14 percent to the cost of every City–funded construction project subject to the Wicks law. Projects bid under multiple contract systems cost more than single contract bids. These costs include risk of delays, litigation, unenforceable warranties and higher costs in insurance and change-orders. During the last legislative session, the Governor and the Assembly and Senate leaders agreed to pass modest Wicks Reform legislation that would have increased the New York City threshold from $50,000 to $3 million. If this agreement were to be enacted in the next legislative session, City capital construction cost savings would be about $244 million in over ten years, whereas full repeal of the Wicks Law would provide $3.5 billion in capital construction cost savings over the next ten years.

FEDERAL AGENDA

Resumption of Federal Revenue Sharing

The nation's largest cities need and deserve an increased federal investment to meet the obligations that have been absorbed by local governments since 1986 when the Federal General Revenue Sharing program was eliminated. Our large cities are both the engines of our national economy and the gateway for immigrants and foreign nationals making a better life in America. Poverty is concentrated in our large cities, creating the dichotomy of balancing the costly service needs of the impoverished with the fertile business climate necessary for innovation and entrepreneurship. The City is requesting the Federal Government once again award substantial unrestricted aid to the largest cities. The reinstatement of this program will start to redress the City's balance of payment deficit with the Federal Government. Cities such as New York have been a major component of the Federal Government's fiscal success. The nation's largest cities should begin to receive unrestricted federal aid targeted to continuing this progress. The City of New York received significant revenue from this program from 1972 to 1987; $305 million at the peak in 1978 and $270 million when the program was terminated. In current dollars, New York City's share would be $1.02 billion.

Fully Fund No Child Left Behind (NCLB)

The Federal NCLB Law holds school districts and states directly accountable for student achievement. The original law authorized specific funding levels through FFY 2007; however, the Federal Government has consistently failed to provide adequate funding for states and school districts to meet the law's numerous mandates. Funding for K-12 education under NCLB has remained stagnant since FFY 2002. At the current level of appropriation, New York City will be $742 million short of the FFY 2008 spending authorization in NCLB. Full appropriation would yield an additional $785 million of federal revenue annually. The City seeks the full amount of NCLB funding authorized by law.

Fully Fund Individuals with Disabilities Education Act (IDEA) and Formula Change

IDEA mandates that school districts provide a full range of special education services for students who need them, but the Federal Government has consistently appropriated less than the authorized amounts. If the Federal Government had fully funded IDEA in FFY 2008, the City would have gained $202 million in federal revenue. In the upcoming fiscal year, this shortfall is expected to grow to $258 million. The City seeks the full amount of IDEA funding authorized by the law.

In addition, the City is requesting that Congress change the current IDEA formula grants to states, which has a detrimental impact to New York schools and special education students. The formula is based on an average of US spending per pupil rather than an average spending per special education pupil; in addition, the formula also utilizes adjustments for overall student population changes as opposed to special education population changes. Such changes reflect NYC's special education enrollment and costs increasing more rapidly than general education. If special education costs and enrollment were used as a basis for the formula, a fully funded appropriation for NYC would yield an additional $740 million a year.

Fund the Justice Assistance Grants (JAG) at the Authorized Level

Since 2005, the federal appropriation for JAG has dropped by 77 percent; New York City's allocation has decreased from $11.4 million in FFY 2004 to a projected $2.6 million in FFY 2009. The City uses JAG funds for important public safety projects such as 911 operators. JAG was reauthorized at a level of $1.1 billion for FFY 2006 and for "such sums as may be necessary" in FFY 2007 through FFY 2009. New York City requests that JAG be fully funded at a level of at least $1.1 billion, which would provide the City with an additional $14.9 million a year.

Fund the State Criminal Alien Assistance Program (SCAAP) at the Authorized Level

The Federal Government reimburses states and localities for a portion of the costs of incarcerating illegal aliens who have been convicted of one felony or two misdemeanor offenses. In past years, the City received $30 million annually through SCAAP to partially offset the costs of keeping these individuals in local jails. The City's allocation has been reduced over 37 percent to only $18.8 million despite a cost of more than $80 million to hold more than 8,000 criminal illegal aliens each year. The City requests that SCAAP be funded at a level that will cover the full cost of this program, which would provide the City with an additional $61 million annually.

Distribute All Homeland Security Funds Based on Fair Risk-based Criteria

The Homeland Security Appropriations Acts of 2006 and 2007 demonstrated progress toward threat-based funding for which the City has consistently advocated. The replacement of population with risk as a factor in the State Homeland Security Grant and Law Enforcement Terrorism Prevention Program is particularly welcome. The City supports replacing state minimums with fair risk-based criteria for all programs and cities.

Eliminate Cap on Homeland Security Personnel Costs

The City relies on its police officers to guard against terrorist attacks, yet a 25 percent cap on "operational" costs in the Homeland Security grants prevents adequate federal funding of police officers. This year, the City spent $17 million of additional city funds because of the cap. The City requests the elimination of this restriction to use homeland security funds more effectively and appropriately.

Transit Security Grant

There are approximately 2,600 NYPD officers working in the City's transit system, yet unlike the Metropolitan Transit Authority (MTA), the City is unable to apply directly for the transit security grants. New York City requests the ability to apply for transit security funds for the NYPD's work in the transit system. Currently, there is $400 million available nationally for transit and rail. In 2006, the MTA received almost $30 million for transit security.

Staten Island Ferry Funding

Ferry Security and Preventative Maintenance Costs

The Staten Island Ferry serves both commuters and tourists, carrying more than 65,000 passengers per day. The Ferry is subject to U.S. Coast Guard regulations, which have become more stringent in recent years. In complying with federal Maritime Security (MARSEC) regulations, the City formulated a security plan that was approved by the U.S. Coast Guard. Under the plan, the City implemented safety measures such as increased preventative maintenance to ensure the reliability of the fleet, hiring additional staff for the boats, increasing training and instituting emergency drills. The plan also implemented security measures such as bomb sniffing dogs, bomb sweeps and air quality detection devices. All of these measures required additional personnel for operations, maintenance and security. In addition, as the threat level fluctuates, the City must be prepared to operate under MARSEC's strictest requirements. The City therefore requests $25 million a year for ferry security and maintenance and operations personnel.

Ferry Rack Reconstruction

The City requests $68 million for the reconstruction of the Staten Island Ferry racks. The Ferry utilizes eight slips which are protected by fender racks- whose purpose is to absorb impact energy and guide the boats to loading bridges. In general, the racks must periodically be reconstructed to be kept in good working condition. Moreover, the City recently employed heavier boats which require rack modifications.

Ensure Bridge Safety

East River Bridges Homeland Security Enhancements

The City requests $100 million in order to achieve structural strengthening and security improvements for the East River Bridges (Brooklyn, Manhattan, Williamsburg and Queensboro). The enhancements would better protect these vital structures from terrorist attacks and natural disasters. Work would include fortification of cables, towers and anchorages, placing cofferdams around bridge towers and installing high tech video and lighting systems. The Federal Government deemed these bridges a priority by investing over $1 billion in capital funding for the East River bridges and should protect its investment. More than half a million vehicles and 340,000 transit riders cross the East River bridges each day. In addition, these crossings are essential to the City's economy as virtually all of the City's goods arrive over its bridges by truck.

Maintenance and Corrective Repair

The Federal Government provided over $1 billion in capital funding to New York City for the four East River bridges and now provides approximately $10 million per year for preventative maintenance funding to preserve these critical assets. The City's remaining 783 bridges received substantial federal capital funding over the years too. They are also in need of funding for inspection, maintenance and general repair. The City currently spends $60 million a year on inspection, maintenance and repair on these 783 bridges and an additional $10 million on the East River Bridges beyond the federal funding already provided. The FFY 2008 Omnibus bill appropriated $1 billion in obligation limitation, nationally for bridge repair and inspections, of which New York State will receive $100 million. The City share of the State appropriation is not expected to cover the amount needed for preventative maintenance, especially now that federal standards are expected to be raised, following the Minnesota bridge collapse. Therefore, the City requests an additional $70 million in order to fully fund bridge maintenance.

Invest in Child Care

Since the implementation of welfare reform in 1996, New York City has moved thousands of families to independence. The availability of child care and other work supports is a critical link to the world of work. States and localities must balance their investment in child care and after-school services between working families, former cash assistance recipients and welfare families that are participating in federally mandated employment activities. In order to meet these priorities, the City has increased its own investment in child care and after-school programming by $100 million, or 43 percent between City Fiscal Years 2005 and 2008. During the same period, federal support for the Child Care and Development Fund (CCDF) has not kept up with the rising pressure on States and localities to serve more families, support work in increasingly difficult economic times and to pay for the inevitable rise in costs for quality care. The City urges Congress to increase the CCDF by $6 billion over five years, which would provide approximately $45 million per year for New York City.

Update Foster Care Eligibility

Foster children's eligibility for Title IV-E foster care payments are determined by the child's eligibility for a federal welfare program that was abolished in 1996. The City supports legislation to update the eligibility by linking it to existing federal poverty guidelines and when parental income is not available, uses the child's resources to determine IV-E eligibility. Currently, the City's Administration for Children's Services (ACS) spends an estimated $712 million in foster care services and related administration of which only 56 percent is IV-E eligible. Updating IV-E foster care eligibility would provide the City with $16 million in additional federal aid.

Kinship Caregiver Support

The City urges Congress to allow States to draw down Title IV-E funding for kinship guardianship placements that confer legal rights to relative caregivers without the adversarial process of terminating parental rights, a process which many kinship foster parents are reluctant to initiate against a family member. Kinship guardianship is more cost-effective than foster care because states have fewer administrative expenses since they do not retain the legal custody of children.

It costs approximately $11,000 a year to support a child in foster care. In 2007, there were 4,940 children in New York City kinship foster care. If the foster parents of approximately one-third of the children in kinship care took advantage of the opportunity to seek subsidized guardianship, the Federal Government could save close to $5 million a year in the NYC program alone. New York City would save $12.8 million annually.

Extend Health Coverage for Children

The City proposes to extend the authorization period for the State Children's Health Insurance Program (SCHIP) and Medicaid Title XIX Children-Only cases to two years for children aged 18 or under. Current federal law requires a re-determination of eligibility for SCHIP and child-only cases every 12 months. Extending the authorization period would help enable children to receive seamless coverage and would result in significant administrative cost savings for both programs. Implementing this provision would result in over 100,000 fewer cases requiring eligibility re-determinations per year and would save almost $3 million a year in enrolling children in health insurance programs.

9/11 Health Funding

Six years after the attacks of September 11, 2001, New York City continues to assist the health and mental health needs of rescue workers, police officers, firefighters, volunteers, residents in the area, commuters working in the area and contractors who were involved in recovery and clean-up efforts on the World Trade Center site. Through monitoring, research and treatment programs run by the Fire Department (FDNY), the Department of Health and Mental Hygiene (DOHMH) and the Health and Hospitals Corporation (HHC), the City has been able to provide essential care to these populations. The World Trade Center Health Panel, appointed by the Mayor issued a report which indicated that it costs at least $150 million annually to sustain the current treatment programs in New York City and to implement the panel's recommendations. New York City acknowledges the important federal funding of $108 million for these programs in FFY 2008; accordingly, the City requests that Congress remain a consistent source of funding these essential programs for the long term.

Reopen 9/11 Victim Compensation Fund

The City requests that the Federal Government reopen the Victim Compensation Fund to address the unmet needs of people adversely affected by their work in the World Trade Center recovery effort. The Fund would provide an appropriate means to both compensate these victims and resolve divisive, costly and unnecessary litigation. In addition, the City requests that the Federal Government provide an indemnification agreement to the City and to its contractors for lawsuits related to 9/11 and its recovery. The attack on 9/11 was an attack on the nation and the responsibility for addressing any unmet needs of those who worked on the WTC recovery should be borne by the Federal Government, not just New York City.

Nurse-Family Partnership

The City proposes the option to provide nurse home visitation services under Medicaid and the State Children's Health Insurance Program (SCHIP). The City operates the nationally recognized Nurse-Family Partnership (NFP), which pairs a registered nurse with a low income first-time mother. The nurse provides weekly visits to the woman during her pregnancy and until the child attains two years of age. The nurse delivers a curriculum focusing on healthy pre-natal care and child development. The NFP is evidence-based, has been proven to increase the health of mother and child, creates social and economic benefits for the surrounding community and has been cited by the Brookings Institution as meriting increased federal funding. The City currently enrolls approximately 900 families in the NFP program at a cost of approximately $7.5 million in FY 2008. Implementing this provision would provide the City approximately $17.9 million in FY 2009.

Expand CDC Grants for Prevention and Chronic Diseases to Localities

In FY 2008, approximately $849 million was appropriated to the Center for Disease Control and Prevention (CDC) to fund health promotion activities distributed primarily to states, universities and community-based organizations which address chronic diseases and prevention. New York City, unlike other localities, funds a host of programs aimed to prevent chronic diseases such as diabetes, cancer, asthma, heart disease, and obesity which are expected to total $13.9 million in 2009. New York City requests that it be made eligible for CDC grants for chronic disease prevention that would be directed to local public health departments.

Health Information Technology Initiatives

The City supports federal funding of Health Information Technology (HIT) initiatives. The City has invested millions of local dollars in the establishment of health information technologies designed to prevent disease and to promote health. Such technologies provide great potential for improving the quality of health care, reducing medical errors as well as generating savings in administrative costs. The City expects to spend $4.4 million on HIT initiatives in FY 2009. Federal funds would enable New York City to continue to expand its HIT programs.

Recalibrate Alternative Minimum Tax (AMT)

The Alternative Minimum Tax, enacted in 1969, was created to prevent the wealthiest individuals from avoiding all taxes through deductions and credits. Because the income threshold is not indexed to inflation, each year more taxpayers become subject to the AMT. For the past several years, Congress has passed one-year patches to prevent further expansion of the AMT into the middle class but has not structured a permanent solution to this problem. Last year, 4 million taxpayers were subject to the AMT; this year's patch has prevented an additional 21 million taxpayers from paying the AMT. The AMT disproportionately affects New York City residents because of the accumulative effect of high property values, relatively high incomes, and high state and local taxes. The City urges Congress to restore the AMT to its original intent of capturing only the wealthiest taxpayers who actively use tax planning to eliminate tax liability and to prevent middle-class New Yorkers from paying a tax never intended to affect them.

Restore HUD Upfront Rehabilitation Grants

HUD upfront rehabilitation grants which funded repairs to former HUD projects and provided funds of 50 percent total development costs up to $40,000 per unit were eliminated by Congress in 2006. Using an upfront grant for a property maintains the HUD affordable standards for 20 years. HPD plans to develop approximately 500 units of affordable housing each year; if $40,000 per unit were to be provided from upfront grants it would result in $20 million in savings to the City.

Change HUD Formula to Include NYCHA Developments Built by the City and State

NYCHA operates 21,000 City and State built units of public housing that are not included in the formula that determines the NYCHA's annual allocation of HUD capital and operating subsidies. These developments should be treated in the same manner as NYCHA's other federal developments and receive the federal funding necessary for their operation. Currently the federal developments receive about $4,900 per unit subsidy from HUD; if these 21,000 were to receive the same allocation the City would receive $100 million.

Increase Fiscal Impact Disaster Relief in the Stafford Act

The Stafford Act, which provides much-needed assistance to localities for disaster response, does not provide sufficient reimbursement for tax revenue lost by local governments resulting from disasters. The Community Disaster Loan Program provides small loans to compensate for lost tax revenue, but is capped at only $5 million per local government. This cap is too low to cover a meaningful fraction of the fiscal impact associated with a major natural disaster or terrorist attack in a major metropolitan city. The Stafford Act cap needs to be increased to cover revenue loss to $1 billion in full recognition of this additional local impact of a disaster.

Water Supply Security

The City urges the Federal Government to increase funding for the protection of New York City's water supply. Providing adequate protection for the City's watershed is vital to not only to the health and safety of the 9 million persons in New York City and surrounding communities who rely on water from the watershed, but also to the stability of the entire region and, arguably, the nation. The City currently employs a 200-person watershed police force and performs routine helicopter patrols in its watershed-security efforts, with over $11 million in projected expenditures in FY 2008. In spite of the impressive scale and the importance of this undertaking, the City currently receives only $933,000 from the Federal Government's Homeland Security Grant Program for the leasing of a helicopter, a small amount in light of the City's burden for its water supply security operations.

Dam Collapse Prevention Funding

Recent incidents such as the dam collapse in Taunton, Massachusetts demonstrate that we must be stewards of our infrastructure, for the consequences of non-investment and neglect may prove costly and even pose serious threats to public safety. When conditions at the Gilboa Dam were shown to be inadequate, New York City made an initial investment of $44 million to make the dam safe, with projected future upgrades to the dam reaching $640 million. The City therefore requests federal assistance for dam collapse prevention.

Provide Funding for the Catskill and Delaware Ultraviolet Light Disinfection Facility

The City seeks federal assistance for the cost of construction of the $1.8 billion Catskill and Delaware Ultraviolet (UV) Disinfection facility and ancillary projects, which would destroy disease-causing organisms in the Catskill and Delaware watersheds. These watersheds provide 60 percent of the City's water supply. By using UV light to protect against chlorine-resistant pathogens such as Giardia and Cryptosporidium, the facility, located on 153 acres in Westchester County, will be the largest of its kind and will treat over 1.3 billion gallons per day.

Expand SAFER Grant Eligibility to Include New York City Fire Department

The City proposes modifying Staffing for Adequate Fire and Emergency Response (SAFER) Grant guidelines to be used to provide specialty pay for responders who have advanced training and fulfill technical and complex responsibilities in preparing to respond to terrorism.

SAFER Grants only fund increases to a jurisdiction's number of firefighters. New York City does not need more firefighters, but rather training to create special advanced capabilities in response to terrorism.

Federal Expansion of the Earned Income Tax Credit

The Federal Earned Income Tax Credit (EITC) is part of a network of supports that the City utilizes to enable low income New Yorkers to become self-sufficient and maintain independence. It continues to be one of government's most effective tools to drive down the poverty rate encouraging low-income adults to work full-time. Barriers to accessing the EITC compete against achieving deeper reductions in poverty. The City urges Congress to expand EITC eligibility and benefit levels in order to help low-income families, non-custodial parents, and singles without children, increase income, employment, and child support collections. The City proposes several initiatives to achieve these objectives.

Lower the qualifying age for childless tax filers from 25 to 21, expand maximum income to qualify and increase the amount of the EITC benefit for working single adults and non-custodial parents. In addition to satisfying income eligibility requirements, non-custodial parents must be current in child support payments to qualify for the EITC. Eliminate the existing marriage penalty that counts earnings of both parents in calculating the EITC benefit. Rules governing eligibility of unmarried couples for EITC are more favorable and result in a deeper EITC benefit by counting the income of only one parent. In order to remedy the inequity permit the parent in the married couple who claims the children to receive the current EITC rate for families and allow the other parent to receive the rate for singles.

Further, as a condition for obtaining the EITC benefit establish a minimum work requirement of 30 hours per week for at least 26 weeks for singles and non-custodial parents and for at least one parent in married couples. Singles and non-custodial parents who fail to satisfy the work requirement would be ineligible for the EITC benefit. Married couples would be ineligible for the marriage penalty relief.

City Agenda

In order to achieve a balanced budget for FY2008 and FY2009 we have reduced agency spending rather than adding to Agency initiatives. However, as has become customary, the Mayor and the City Council leadership have discussed certain shared priorities that both parties agree need to be addressed in some way. Therefore in this plan we are redeploying certain resources within these areas of joint concern to support Citywide priorities including the following:

CITY AGENDA

Family Justice Centers

The City has allocated $3.7 million in baseline funding for operating Family Justice Centers in three boroughs - Queens, Brooklyn, and the Bronx. While the Brooklyn Center is long established, $1.2 million in City Council funding was provided in FY08 to develop the Queens and Bronx centers which are scheduled to open in FY09.

Child Advocacy Centers

In FY08, the City Council allocated $1 million to the development of Child Advocacy Centers Citywide. With the support of the City Council, the City will expand its commitment to Child Advocacy Centers by opening new centers in the Bronx and Manhattan, thereby implementing the model in each of the five boroughs. Going forward, the City has allocated $2.9 million in baseline funding for Child Advocacy Center operations.

Housing

The Center for New York City Neighborhoods is a newly created non-profit entity that will consist of legal service providers, program managers and community based organizations. The Center will provide counseling, referral services, preventive education, outreach and serve as a clearinghouse for foreclosure prevention best practices. Funded in conjunction with the Mayor's Office, the New York City Council and private funders, the Center will assist homeowners at risk of mortgage foreclosure throughout the five boroughs.

Aging

New York City's aging population is expected to double in the next twenty five years. As the Mayor said in his recent State of the City address, we need to increase our efforts to ensure that we are adequately prepared to address their unique needs. The Department for the Aging, in collaboration with the Department of Health and Mental Hygiene, will embark on an ambitious reengineering of the operations of the 325 City-contracted senior centers. With a vision of promoting healthy aging through evidence-based practice, the agency will issue a new request for proposals to revamp services provided to seniors in the 21st century.

Health

The budget continues many of the City Council's priorities in health. The Department of Health and Mental Hygiene is improving access to healthy foods for low-income New Yorkers. The Department is working with greenmarkets and local hospitals to find new sites for farmers' markets and through its Healthy Bodega program is improving the availability of healthy food selections in neighborhoods where they are the hardest to find. HIV prevention remains another priority shared by the City Council and the Administration and is reflected in the continuation of prevention programs at the DOHMH. All HHC clinics continue to offer rapid testing services, allowing for test results to be available within 30 minutes, eliminating the need for repeat visits.

Buildings

The City has allocated $1.2 million in baseline funding to create three new programs within the Department of Buildings. These programs include:

- Gut Renovation Plan Review and Inspection program to 1.) review the plans of gut renovations to make sure that the engineer of record is responsible and knowledgeable enough to ensure that the contractor follows the proper means and methods and 2.) send Department teams of structural engineers and inspectors to the site to ensure that the contractor does not create a dangerous condition.

- Low-Rise Safety program to ensure safe construction practices are followed on low-rise structures that have the same safety requirements as high rises, but do not require the site safety plans to be on file or site safety managers to be on site.

- A pre-qualifying program for professional certification to ensure that licensed professionals do not abuse the self-certification privilege.

Capital Program

The Modified Capital Commitment Plan for Fiscal Years 2008-2011 authorizes agencies to commit $52.5 billion, of which $42.5 billion will be City-Funded. City funds include proceeds of bonds issued by the City Municipal Water Finance Authority and City general obligation bonds (as described in the Financing Program section).

The targeted level for City-funded commitments is $10.0 billion in Fiscal Year 2008. The aggregate agency-by-agency authorized commitments of $15.4 billion exceed the Fiscal Year Financial Plan by $5.4 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 2004

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

FY 2004-2007 Commitments
*($ in Millions)**

	2004 City Funds	2004 All Funds	2005 City Funds	2005 All Funds	2006 City Funds	2006 All Funds	2007 City Funds	2007 All Funds
Environmental Protection								
Equipment	$43	$43	$68	$69	$73	$107	$92	$93
Sewers	216	216	186	187	191	192	177	177
Water Mains, Sources & Treatment	480	481	499	498	568	568	2,253	2,253
Water Pollution Control	877	935	838	839	843	848	1,071	1,102
Water Supply	39	39	746	746	26	26	64	64
Subtotal	$1,654	$1,713	$2,337	$2,338	$1,702	$1,741	$3,657	$3,690
Transportation								
Mass Transit	$80	$80	$180	$180	$83	$83	$43	$43
Bridges	364	570	94	266	259	281	254	262
Highways	202	227	224	246	200	215	319	345
Subtotal	$646	$878	$498	$692	$541	$578	$616	$650
Education								
Education	$571	$593	$2,188	$2,188	$1,411	$1,990	$1,143	$3,216
Higher Education	18	19	20	20	39	40	22	22
Subtotal	$589	$612	$2,208	$2,208	$1,449	$2,029	$1,165	$3,238
Housing And Economic Development								
Economic Development	$206	$221	$207	$215	$154	$168	$134	$175
Housing	216	283	275	423	238	356	218	299
Subtotal	$422	$504	$481	$638	$393	$524	$353	$475
Administration Of Justice								
Correction	$30	$30	$50	$50	$92	$92	$44	$44
Courts	103	105	129	132	142	142	159	159
Police	65	65	43	43	76	76	87	87
Subtotal	$198	$200	$222	$225	$310	$310	$290	$290
City Operations & Facilities								
Cultural Institutions	$98	$101	$140	$140	$143	$151	$97	$102
Fire	66	69	93	93	108	121	116	119
Health & Hospitals	90	90	451	451	307	307	230	230
Parks	116	143	211	225	262	279	464	476
Public Buildings	175	176	78	78	108	110	95	95
Sanitation	140	140	137	137	77	77	189	189
Technology & Equipment	174	180	297	297	379	410	681	706
Other	169	228	135	247	133	177	219	286
Subtotal	$1,029	$1,127	$1,542	$1,668	$1,516	$1,631	$2,090	$2,203
Total Commitments	**$4,539**	**$5,034**	**$7,288**	**$7,769**	**$5,911**	**$6,814**	**$8,171**	**$10,546**
Total Expenditures	**$5,133**	**$5,755**	**$5,274**	**$6,655**	**$6,211**	**$6,595**	**$5,098**	**$7,496**

* *Individual items may not add to totals due to rounding.*

FY 2008-2011 Commitment Plan
*($ in Millions)**

	2008		2009		2010		2011	
	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds
Environmental Protection								
Equipment	$339	$542	$266	$269	$141	$141	$55	$55
Sewers	198	199	178	178	355	355	250	250
Water Mains, Sources & Treatment	2,074	2,076	846	846	574	574	1,359	1,359
Water Pollution Control	936	940	1,503	1,503	1,025	1,025	733	733
Water Supply	17	17	361	361	0	0	103	103
Subtotal	$3,565	$3,774	$3,154	$3,157	$2,095	$2,095	$2,501	$2,501
Transportation								
Mass Transit	$100	$132	$89	$89	$90	$90	$75	$75
Bridges	724	1,091	1,204	1,668	428	651	103	103
Highways	506	602	468	593	375	448	396	428
Subtotal	$1,329	$1,825	$1,761	$2,350	$894	$1,189	$573	$606
Education								
Education	$1,174	$3,253	$1,254	$3,287	$1,241	$2,481	$1,283	$2,565
Higher Education	298	307	94	95	24	24	29	41
Subtotal	$1,472	$3,560	$1,348	$3,382	$1,265	$2,505	$1,312	$2,606
Housing And Economic Development								
Economic Development	$1,467	$1,769	$287	$287	$82	$82	$158	$158
Housing	776	982	323	424	258	358	321	417
Subtotal	$2,242	$2,751	$610	$711	$340	$440	$478	$574
Administration Of Justice								
Correction	$142	$142	$133	$137	$187	$187	$598	$598
Courts	239	239	902	902	28	28	44	44
Police	341	341	1,074	1,074	90	90	78	78
Subtotal	$722	$722	$2,109	$2,113	$305	$305	$720	$720
City Operations & Facilities								
Cultural Institutions	$696	$725	$480	$501	$22	$22	$110	$110
Fire	285	323	133	151	72	72	211	211
Health & Hospitals	758	758	189	189	149	149	346	346
Parks	1,043	1,267	692	719	617	621	269	278
Public Buildings	504	505	240	240	65	65	67	67
Sanitation	435	441	797	797	376	376	258	258
Technology & Equipment	1,475	1,488	899	899	713	713	196	196
Other	908	1,205	279	394	219	277	189	235
Subtotal	$6,103	$6,712	$3,710	$3,889	$2,233	$2,294	$1,646	$1,701
Total Commitments	$15,434	$19,344	$12,691	$15,602	$7,131	$8,829	$7,230	$8,708
Reserve For Unattained Commitments	($5,402)	($5,402)	($931)	($931)	$1,620	$1,620	$533	$533
Commitment Plan	$10,032	$13,942	$11,760	$14,671	$8,751	$10,449	$7,763	$9,241
Total Expenditures	$5,671	$8,560	$7,476	$9,989	$9,267	$10,851	$9,122	$11,078

* *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 24 years, the Mayor's Office of Management and Budget (OMB) has successfully used several 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 costs, both capital and operating. 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 procedures.

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. Projects earmarked for future VE reviews include bridges, parks, dams, courts and water treatment facilities. Value analysis has provided agencies with new operational and functional processes for existing programs, and often offers a new paradigm for providing services. OMB has recently conducted a series of Value analysis reviews on enhancing revenue collection at city hospitals, providing the client agency with mechanisms for improving existing processes and implementing new revenue capture procedures to generate greater operational efficiency.

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 a project.

Financing Program

The City's financing program projects $39.3 billion of long-term borrowing for the period 2008 through 2012 to support the City's current capital program. Unless bonding capacity of the New York City Transitional Finance Authority (TFA) is increased, all but a very small portion of this financing will be implemented through General Obligation (GO) bonds of the City and bonds of the New York City Municipal Water Finance Authority (NYW). Figures below do not include $6.5 billion of state funded financing for education capital purposes through the Dormitory Authority of the State of New York (DASNY) and the TFA Building Aid Revenue Bonds (BARBs):

Financing Program

($ in millions)

	2008	*2009*	*2010*	*2011*	*2012*	*Total*
City General Obligation	$3,675	$5,060	$7,008	$6,874	$5,930	$28,547
Transitional Finance Authority[1]	—	—	—	—	—	—
Water Authority[2]	2,103	2,297	2,159	2,148	2,049	10,756
Total	**$5,778**	**$7,357**	**$9,167**	**$9,022**	**$7,979**	**$39,303**

1) *TFA Bonds do not include BARBs issued for education capital purposes. TFA expects to issue $1.4 billion, $1.4 billion and $700 million of such bonds in fiscal years 2008 through 2010, respectively.*
2) *Includes commercial paper and revenue bonds issued for the water and sewer system's capital program. Figures do not include bonds that defease 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)

	2008	*2009*	*2010*	*2011*	*2012*
City General Obligation Bonds	$36,416	$39,896	$45,209	$50,050	53,713
TFA Bonds	12,832	12,674	12,520	11,993	11,403
TSASC Bonds	1,291	1,267	1,241	1,212	1,182
Conduit Debt	2,395	2,314	2,272	2,206	2,101
Total	**$52,934**	**$56,151**	**$61,242**	**$65,461**	**$68,399**
Water Authority Bonds	**$19,036**	**$21,275**	**$23,305**	**$25,248**	**$27,066**

Annual Debt Service Costs

($ in millions before prepayments)

	2008	*2009*	*2010*	*2011*	*2012*
City General Obligation Bonds*	$3,551	$3,537	$3,892	$4,639	$5,229
TFA Bonds	719	772	763	1,149	1,158
TSASC Bonds	92	89	90	91	92
MAC	10	0	0	0	0
Conduit Debt **	234	283	281	316	311
Total Debt Service	**$4,606**	**$4,681**	**$5,026**	**$6,195**	**$6,790**
Water Authority Bonds	**$986**	**$1,147**	**$1,297**	**$1,519**	**$1,639**

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

** *Conduit Debt debt service includes interest on the $2 billion Hudson Yards Infrastructure Corporation (HYIC) debt issued in December 2006 as well as tax equivalency payments made to HYIC from the City. Such debt is not included in the "Debt Outstanding" table above because the City is not required to pay principal of the HYIC debt.*

Debt Burden

	2008	*2009*	*2010*	*2011*	*2012*
Total Debt Service (NYC GO, Conduit & TFA) as % of:					
a. Total Revenue*	7.4%	7.7%	8.0%	9.5%	10.1%
b. Total Taxes**	12.0%	12.6%	13.0%	15.2%	15.9%
c. Total NYC Personal Income	1.1%	1.1%	1.2%	1.4%	1.4%
Total Debt Outstanding (NYC GO, Lease & TFA) as % of:					
a. Total NYC Personal Income	13.0%	13.6%	14.2%	14.5%	14.5%

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

** *Total taxes includes amount required to pay debt service on PIT Bonds and TFA operating expenses.*

TFA has exhausted its statutory bonding capacity for general capital purposes of $13.5 billion (excluding refunding bonds and Recovery Bonds to pay costs related to the September 11th terrorist attacks and BARBs). TFA has been a cost-effective source of financing for the City since its inception. It has been an important source of diversification as a financing vehicle in the marketplace as well. Legislative approval is required to increase TFA's borrowing cap. If the TFA cap is not increased, the City will issue approximately $28.5 billion of GO bonds during the plan period, which will equal 73 percent of the total program. If the TFA cap is lifted, approximately half of what otherwise would be issued in the form of GO bonds would be issued by the TFA instead, significantly reducing the City's financing costs. NYW's annual financing amount, excluding refundings, will average approximately $2.1 billion. The aggregate NYW financing during the plan period will account for approximately 27 percent of the total financing program.

New York City General Obligation Bonds

In June through July 2007, the City received bond rating upgrades from three credit rating agencies. During the month of June, Standard & Poor's raised the City's credit rating from "AA-" to "AA" and Fitch raised the City's rating from "A+" to "AA-". In July, Moody's upgraded the City from "A1" to "Aa3". In commenting on the upgrades, the rating agencies cited the City's well institutionalized budgetary controls, conservative fiscal management, continued dedication of surplus revenue to manage future budget pressures, and strong economic performance.

Since July l, 2007, the City has issued $2.2 billion in refunding bonds and $1.875 billion in bonds for capital purposes, totaling $4.075 billion. The dates, principal amounts, and the true interest costs of the tax-exempt, fixed rate portion of these issues are as follows:

NYC GO Issuances
($ in millions)

Series	New$/ Refunding	Issue Date	Tax Exempt Amount	Taxable Amount	TIC	Total Par Amount
2008AB	R	8/15/2007	$1,245	$—	4.269%*	$1,245
2008C	N	10/4/2007	800	250	4.526%*	1,050
2008D	N	12/4/2007	700	125	4.777%*	825
2008EF	R	12/4/2007	350	—	4.199%	350
2008GH	R	1/3/2008	605	—	4.355%	605
Total			**$3,700**	**$375**		**$4,075**

* *A portion of the Series 2008AB, 2008C, and 2008D transactions consisted of floating-rate bonds.*

The three refunding transactions the City has completed to date in fiscal year 2008, totaling $2.2 billion in aggregate principal amount, generated $170 million of debt service savings in 2009 through 2012. The present value savings from the refunding transactions were in excess of $121 million.

All of the $375 million of taxable financing during the current fiscal year has been issued through competitive bidding. The City's taxable bonds are generally amortized in 12 years or less so that the higher cost taxable debt is paid off sooner than the longer-term lower cost tax exempt debt. In the current fiscal year, the City's taxable bonds, with maturities ranging between 5 to 10 years, were priced approximately 52 to 97 basis points higher in yield than those of the US Treasury bonds for comparable maturities.

In addition to the financings described above, the City plans to issue $1.8 billion of GO bonds for capital purposes in the remainder of 2008 and $5.0 billion, $7.0 billion, $6.9 billion and $5.9 billion in 2009 through 2012, respectively, assuming that TFA's statutory bonding cap is not increased.

Currently the debt service for the City and its related financing entities (TFA, TSASC, MAC and conduit debt, excluding the effect of pre-payments) is 7.4 percent of the City's total budgeted revenues in 2008. That ratio is projected rise to 10.1 percent in 2012. As a percentage of tax revenues, the debt service ratio is 12.0 percent in 2008 and is projected to increase to 15.9 percent in 2012.

While the ratios mentioned above are primarily influenced by the cost of the City's capital program relative to tax and total revenues, the ratios are also affected by the term of the debt financing the capital program. With the overlapping constraints of federal tax law and New York State Local Finance Law, the City's debt is amortized, on average, five years shorter than the life of the assets being financed. This means that earlier generations are more heavily burdened by the cost of the capital program than future generations. Although it might be viewed as prudent to pay off debt sooner rather than later, accelerated debt repayment does not distribute the burden of the costs equitably across generations. The City will continue to balance the goals of spreading the debt burden equally over time and repaying debt as quickly as possible.

During 2008, short-term interest rates relating to approximately $6.5 billion of floating rate debt (including synthetic floating-rate debt, auction rate bonds and variable-rate demand bonds) issued by the City have been 3.4% percent on average for tax-exempt and 5.3% percent for taxable floating rate debt. This floating rate debt has traded on average at rates that are at least 150 basis points lower than those for the City's fixed-rate tax exempt debt, resulting in an annual savings of over $90 million. In many years, savings from variable rate debt have often been significantly higher.

From 2005 through 2008, 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 annually from 2009 to 2012.

New York City Related Issuers - Variable Rate Debt

As discussed above, variable rate demand 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 $10.7 billion of variable rate demand bonds and auction rate bonds currently outstanding. The TFA floating rate bonds are supported by liquidity facilities while the City's floating rate general obligation and lease appropriation bonds have generally been supported by credit enhancement facilities and liquidity facilities. Given the recent upgrade of the City credit, the City has issued floating rate bonds without credit enhancement.

The City and its related entities have issued some portion of their floating rate debt as variable rate demand bonds and auction rate securities enhanced with bond insurance. Recently, the credit rating agencies have been reviewing the capital adequacy of the bond insurance providers in light of their insurance of debt backed by subprime mortgages. This has caused the credit rating agencies to place most of the bond insurers under credit review with negative implications. One bond insurer has already sustained a rating downgrade. The City and its related entities are monitoring the situation closely and evaluating alternative strategies to ensure that interest costs are minimized.

Swaps

The City has entered into various interest rate exchange agreements (swaps and swaptions) since 2002, taking on various risks similar to those of variable rate bonds. The City also bears the economic responsibility for certain swaps entered into through DASNY and the New York City Industrial Development Agency (IDA). The total notional amount of swaps outstanding (including DASNY and IDA) as of December 31, 2007 was approximately $3.4 billion, on which the termination value was negative $39.68 million. This is the theoretical amount which the City would pay if all of the swaps terminated under market conditions as of December 31, 2007. However, most of the swaps entered into by the City have sufficient liquidity such that there should be relatively little cost to enter into replacement swaps.

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 $33.1 billion in General (First) and Second General (Second) Resolution bonds and subordinated special resolution crossover refunding bonds. Of this aggregate bond par amount, $18.3 billion is outstanding, $11.1 billion was refinanced with lower cost debt, $752 million was defeased with revenues prior to maturity, and $2.9 billion was retired with Authority revenues as it matured.

In addition to this long-term debt, NYW uses an $800 million tax-exempt commercial paper program as a source of flexible short-term financing. This program is comprised of $200 million of unenhanced extendable municipal commercial paper notes and $600 million of commercial paper notes backed by three lines of credit.

NYW Ratings

Resolution	Fitch	Moody's	Standard and Poor's
First Resolution	AA	Aa2	AA+
Second Resolution	AA	Aa3	AA

NYW participates in the State Revolving Fund (SRF) program that is administered by the New York State Environmental Facilities Corporation (EFC). The SRF provides a benefit to NYW in the form of lowered borrowing costs for NYW debt issued to EFC through the investment of Federal and matching state funds.

EFC Ratings

Program	Fitch	Moody's	Standard and Poor's
Senior SRF Bonds	AAA	Aaa	AAA
Subordinated SRF Bonds	AA+	Aa1	AA

To date in Fiscal Year 2008, NYW has closed four new money and refunding bond transactions with a total par of $1.6 billion. In addition, the Authority effected a conversion and reoffering of four series of bonds from variable rate demand obligations to auction rate bonds. The Fiscal 2008 Series AA, BB, and CC bonds were issued under the Second Resolution, and the Fiscal 2008 Series A bonds were issued under the First Resolution. The series AA and A are fixed rate bonds, while the series BB and CC are variable rate bonds in daily and auction modes, respectively. The Authority executed a current refunding with the Series CC bonds totaling $352.2 million.

The Fiscal Year 2008 bond transactions are summarized in the following table. New money issuances were used to refinance commercial paper previously issued by NYW, to pay the costs of issuance, and, in case of the First Resolution bonds, to fund a portion of the Debt Service Reserve Fund.

NYW Issuance
($ in millions)

Series	(N)ew Money /(R)ef.	Issue Date	Par Amount	True Interest Cost (TIC)	Longest Maturity
2008 Series AA	N	10-Oct-07	$400	4.71%	2038
2008 Series BB	N	24-Oct-07	$401	3.28% *	2036
2008 Series CC	R	24-Oct-07	$352	3.57% *	2022
2007 Series A	N	11-Dec-07	$446	4.77%	2038

**Average rates from 10/24/2007 through 12/31/2007 for adjustable rate bonds.*

NYW is a party to four interest rate exchange agreements (swaps) with a total notional amount of $621 million. In the current fiscal year, the Authority has entered into two synthetic fixed rate swaps in conjunction with its sale of $401 million of Fiscal 2008 Series BB Second Resolution bonds effective on October 24, 2007. Under the terms of these competitively bid swaps, the Authority pays a fixed interest rate of 3.439 percent in exchange for a floating rate based on 67 percent of one-month LIBOR. Goldman Sachs Mitsui Marine Derivative Products and Bank of America are the two counterparties on the swaps with $240.6 million and $160.4 million notional amounts, respectively. Additional information on the Authority's swaps executed in previous years can be found in the published financial statements.

NYW expects to issue approximately $900 million of new money bonds over the remainder of Fiscal 2008. These bonds are likely to consist of bonds issued to EFC as well as bonds sold directly to the public.

During the period from 2009 to 2012, NYW expects to sell an average of approximately $2.3 billion of new 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.

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. Subsequently, the TFA received an additional $4 billion of bonding capacity in 2000 and an additional $2 billion of bonding capacity in 2007, increasing its overall authorization to $13.5 billion. The TFA PIT bond ratings are "Aa1" and "Aa2" for senior and subordinate debt from Moody's, "AAA" from Standard & Poor's, and "AA+" from Fitch.

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. Pursuant to that authority, the TFA issued approximately $2 billion of long-term debt in the first half of fiscal year 2003. One billion dollars of Recovery Bond proceeds were used to pay recovery costs consisting of revenue losses associated with the September 11 event and the remaining $1.03 billion of proceeds were used to retire the Recovery Notes issued in October 2001, which were used to fund other costs and revenue losses related to the attack. The TFA Recovery Bonds are subordinated to TFA senior debt and have a shorter maturity (20 years vs. 30 years for senior bonds).

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. BARBs are secured by State building aid and have no claim on PIT. The BARBs received ratings of "AA-" from Standard & Poor's (S&P), "A1" from Moody's, and "A+" from Fitch. To date, TFA has issued 1.3 billion of BARBs. The financial plan reflects $3.5 billion of TFA BARB issuance.

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 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. Since the initial issuance of HYIC bonds, the City has not needed to make interest support payments because revenues and earnings on bond proceeds have been sufficient to cover interest payments. In addition, HYIC expects a second and final issuance of $1 billion of Senior Bonds in 2011. In November of 2007, the board of the MTA approved the initial tunneling contract for the No. 7 line extension for a cost of $1.14 billion.

Supplemental Information

Expenditure Assumptions

The expenditure estimates in the plan reflect the four-year financial plan submitted on October 26, 2007 adjusted for new needs, initiatives in the program to eliminate the gap (PEG's), approved categorical budget modifications through January 18, 2008, and changes in inflation assumptions and other adjustments as discussed below.

Personal Services

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

	($ in millions)				
	2008	2009	2010	2011	2012
Salaries & Wages	$20,465	$20,804	$21,582	$22,149	$22,022
Pensions	5,749	6,237	6,536	6,530	6,545
Other Fringe Benefits	6,360	6,543	7,043	7,563	8,032
Reserve for Collective Bargaining:					
Department of Education	28	76	367	630	630
Other	510	1,030	1,799	2,225	2,656
Total	**$33,112**	**$34,690**	**$37,327**	**$39,097**	**$39,885**

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 2008 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. These projections incorporate new developments including, among other adjustments, investment gains achieved in 2007 (the pension funds earned approximately 18 percent last year versus an assumed return of 8 percent), the costs of settling certain litigation, and the expected cost, pending enabling legislation, of a newly negotiated improved retirement program for teachers which would permit incumbent teachers to retire at age 55 with 25 years of service. New teachers who are hired after the legislation is enacted would be eligible to retire at age 55 with 27 years of service.

In addition, commencing in 2010, the financial plan contains a reserve of $200 million per year to address the potential costs associated with an independent audit published last year by the Segal Company. The Chief Actuary is currently reviewing the audit.

Total pension expenses for the financial plan are shown below:

	($ in millions)				
	2008	*2009*	*2010*	*2011*	*2012*
City Actuarial	$5,645	$6,131	$6,428	$6,422	$6,437
Non-City Systems	59	61	62	62	62
Non-Actuarial	45	45	46	46	46
Total	**$5,749**	**$6,237**	**$6,536**	**$6,530**	**$6,545**

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. In an effort to address escalating health insurance costs, the City intends to work collaboratively with its municipal unions to restructure the health insurance program. The overall goal is to save $200 million per year commencing in 2009 while providing an equal or better benefits package.

Retiree Health Benefits Trust Fund

The Retiree Health Benefits Trust Fund (the "Trust") began operating in 2007 exclusively to pay the costs of retiree health insurance and supplemental welfare benefits. The Trust was funded with $2.5 billion in City contributions ($1 billion in 2006 and $1.5 billion in 2007). The Trust paid out approximately $1.4 billion in 2007 to cover the costs of these retiree benefits.

Reserve for Collective Bargaining

The Reserve for Collective Bargaining contains funding for the cost of undistributed collective bargaining increases. The reserve contains funding for the PBA for wage increases of 3 percent, 3.15 percent, 4 percent, 4 percent, 4 percent and 4 percent as well as additional funds used for other than across the board increases consistent with the uniformed wage patterns covering the period from 2004 to 2010. The reserve also contains funding for the LBA, COBA, and UFA for the 2008-2010 round of bargaining consistent with the uniformed pattern. In addition, the reserve contains funding for non-uniformed employees for the 2008-2010 round assuming a non-uniformed pattern for this round of 4 percent the 1st day of the agreement and 4 percent on the 1st day of the 2nd year. The reserve also contains funding for wage increases beyond the 2008-2010 round assumed to be 1.25 percent per year as well as small amounts for previous rounds.

Other Than Personal Services

The following items are included in this category:

	($ in millions)				
	2008	*2009*	*2010*	*2011*	*2012*
Administrative OTPS	$15,058	$14,823	$15,259	$15,581	$15,679
Public Assistance	1,219	1,177	1,176	1,176	1,176
Medical Assistance	5,797	5,602	5,756	5,916	6,089
Health and Hospitals Corp.*	247	163	167	168	168
Covered Agency Support & Other Subsidies*	2,443	2,537	2,582	2,692	2,828
City & MAC Debt Service*	3,797	3,820	4,172	4,955	5,539
General Reserve	100	300	300	300	300
Prepayment Adjustments	65	(3,223)	(350)	—	—
Total	**$28,726**	**$25,199**	**$29,062**	**$30,788**	**$31,779**

* *Numbers adjusted for prepayments*

Administrative OTPS

The estimates in this category include new needs in the baseline. For 2009 through 2012, 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 2009 through 2012. However, for 2009-2012 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 2008 through 2012 reflects current projections for energy related purchases. Gasoline and fuel costs are expected to remain relatively constant. Heat, light and power is expected to increase by $200 million between FY 2008 and FY 2012 due to an anticipated increase in Con Edison's transmission and delivery charges and the retirement of the Poletti power plant.

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 2008 adjustments, where applicable.

The annual cost projections are as follows:

Energy Costs

	($ in millions)				
	2008	*2009*	*2010*	*2011*	*2012*
Gasoline	$95	$95	$94	$94	$94
Fuel Oil	106	106	106	105	106
HPD-In Rem / DAMP	12	11	8	7	6
HPD-Emergency Repairs	3	3	3	3	3
Heat, Light & Power	728	814	889	924	928
Total	**$944**	**$1,029**	**$1,100**	**$1,133**	**$1,137**

Leases

Agency baseline expenditures carry the cost of leases at a constant level for 2009 through 2012 with the exception of the annualization of 2008 adjustments where applicable. A citywide adjustment for 2009 through 2012 provides for the increased cost of leases based on a 3.0 percent annual inflator. The four-year projection includes $690 million for leases in 2009, $710 million in 2010, $732 million in 2011, and $754 million in 2012. Of these amounts, the citywide adjustment is $20 million, $41 million, $62 million and $84 million respectively in 2009 through 2012.

Public Assistance

The financial plan for Public Assistance projects 342,509 persons will be on Public Assistance in June 2008 and remain at that level for the balance of the four-year plan.

Medical Assistance

The financial plan for Medicaid assistance funds 2.8 million eligibles including 1.5 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 3 percent. In FY 2008, the City anticipates a budget of $5.6 billion in City Tax Levy.

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 FY 2009 City support is budgeted at $157.7 million. Personnel expenses contain modest increases for FYs 2008 through 2012, pending the next collective bargaining agreement. Affiliation costs start with a baseline of $774.4 million in FY 2009 and increase 3 to 5 percent annually. The full assumptions underlying the HHC 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, CUNY 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 2008 and $300 million for 2009-2012 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 and Lease debt and future City issuances in accordance with the financing program for 2008-2012. 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 $3.1 billion in 2008 and $350 million in 2009 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	MAC	Prepayment Adjustment	Total City and MAC
2008	$238	$-	$134	$3,073	$3,445	$10	$342	$3,797
2009	389	75	283	350	1,097	—	2,723	3,820
2010	3,466	75	281	—	3,822	—	350	4,172
2011	4,564	75	316	—	4,955	—	—	4,955
2012	5,153	75	311	—	5,539	—	—	5,539

NEW YORK CITY
Five Year Expenditure Analysis
(All Funds - $ in million)

	2008	2009	2010	2011	2012
Uniformed Forces					
Police Department	$4,078	$3,941	$4,063	$4,147	$4,150
Fire Department	1,561	1,526	1,527	1,536	1,536
Department of Correction	978	969	975	981	987
Department of Sanitation	1,268	1,297	1,368	1,450	1,457
Health and Welfare					
Admin. for Children Services	2,762	2,687	2,683	2,683	2,683
Department of Social Services	8,697	8,435	8,588	8,747	8,921
Dept. of Homeless Services	786	656	660	660	660
Dept. Health & Mental Hygiene	1,665	1,561	1,585	1,595	1,606
Other Mayoral					
NY Public Library - Research	19	10	24	24	24
New York Public Library	100	30	115	115	115
Brooklyn Public Library	74	21	85	85	85
Queens Borough Public Library	71	21	83	83	83
Department for the Aging	288	244	244	243	243
Department of Cultural Affairs	166	147	147	147	147
Housing Preservation & Dev.	615	509	488	484	484
Dept. of Environmental Prot.	974	953	932	929	929
Department of Finance	218	211	208	208	208
Department of Transportation	759	643	637	637	637
Dept. of Parks and Recreation	384	355	355	350	350
Dept. of Citywide Admin Srvces	1,024	1,007	1,007	1,007	1,007
All Other Mayoral	1,902	1,606	1,572	1,568	1,573
Major Organizations					
Department of Education	16,876	17,812	19,246	20,313	20,325
City University	677	594	597	600	600
Health and Hospitals Corp.	156	163	167	168	168
Other					
Citywide Pension Contributions	5,749	6,237	6,536	6,530	6,545
Miscellaneous	6,385	6,300	7,668	8,522	9,402
Debt Service	3,445	1,097	3,822	4,955	5,539
M.A.C. Debt Service	10	—	—	—	—
Prior Payable Adjustment	(500)	—	—	—	—
General Reserve	100	300	300	300	300
Energy Adjustment	—	50	123	158	162
Lease Adjustment	—	20	41	62	84
OTPS Inflation Adjustment	—	—	56	111	167
Elected Officials					
Mayoralty	94	86	85	85	85
All Other Elected	457	401	402	402	402
Total Including Intra-City	**$61,838**	**$59,889**	**$66,389**	**$69,885**	**$71,664**
Intra-City	1,481	1,390	1,381	1,381	1,381
Total Excluding Intra-City	**$60,357**	**$58,499**	**$65,008**	**$68,504**	**$70,283**

NEW YORK CITY
Five Year Expenditure Analysis
(City Funds - $ in million)

	2008	2009	2010	2011	2012
Uniformed Forces					
Police Department	$3,603	$3,641	$3,772	$3,857	$3,859
Fire Department	1,333	1,352	1,361	1,375	1,375
Department of Correction	939	932	937	943	949
Department of Sanitation	1,228	1,270	1,342	1,423	1,430
Health and Welfare					
Admin. for Children Services	856	791	794	794	794
Department of Social Services	6,566	6,497	6,658	6,817	6,991
Dept. of Homeless Services	349	298	301	301	301
Dept. Health & Mental Hygiene	619	614	627	630	632
Other Mayoral					
NY Public Library - Research	19	10	24	24	24
New York Public Library	100	30	115	115	115
Brooklyn Public Library	74	21	85	85	85
Queens Borough Public Library	71	21	83	83	83
Department for the Aging	139	104	104	103	103
Department of Cultural Affairs	163	146	146	146	146
Housing Preservation & Dev.	83	65	62	62	62
Dept. of Environmental Prot.	909	898	877	874	874
Department of Finance	213	206	203	203	203
Department of Transportation	453	428	425	426	426
Dept. of Parks and Recreation	285	272	272	275	275
Dept. of Citywide Admin Srvces	203	178	177	177	177
All Other Mayoral	1,338	1,135	1,116	1,119	1,124
Major Organizations					
Department of Education	7,070	7,175	7,746	8,376	8,387
City University	424	370	373	376	376
Health and Hospitals Corp.	27	84	84	83	83
Other					
Citywide Pension Contributions	5,579	6,066	6,359	6,353	6,368
Miscellaneous	5,822	5,762	7,135	7,988	8,867
Debt Service	3,297	945	3,673	4,807	5,395
M.A.C. Debt Service	10	—	—	—	—
Prior Payable Adjustment	(500)	—	—	—	—
General Reserve	100	300	300	300	300
Energy Adjustment	—	50	123	158	162
Lease Adjustment	—	20	41	62	84
OTPS Inflation Adjustment	—	—	56	111	167
Elected Officials					
Mayoralty	70	68	67	67	67
All Other Elected	411	377	379	379	379
Citywide Total	**$41,853**	**$40,126**	**$45,817**	**$48,892**	**$50,663**

Revenue Detail

($ in millions)

	2008	2009	2010	2011	2012
Taxes:					
• Real Property	$12,999	$13,919	$14,949	$15,858	$16,660
• Personal Income	7,341	6,777	6,609	6,691	7,053
• General Corporation	2,753	2,667	2,850	3,056	3,270
• Banking Corporation	696	497	613	679	727
• Unincorporated Business	1,536	1,466	1,564	1,667	1,790
• Sale and Use	4,704	4,642	4,895	5,142	5,443
• Commercial Rent	550	566	583	601	623
• Real Property Transfer	1,475	1,118	1,100	1,084	1,129
• Mortgage Recording	1,154	949	932	920	959
• Utility	360	375	391	407	419
• Cigarette	121	118	115	112	109
• Hotel	366	387	421	447	471
• All Other	410	391	398	399	408
• Tax Audit Revenue	1,059	559	560	560	560
• State Tax Relief Program	1,255	1,318	1,359	1,389	1,439
Total Taxes	**$36,779**	**$35,749**	**$37,339**	**$39,012**	**$41,060**
Miscellaneous Revenue:					
• Licenses, Franchises, Etc.	$457	$453	$446	$450	$455
• Interest Income	387	137	144	144	144
• Charges for Services	587	570	568	566	567
• Water and Sewer Charges	1,213	1,197	1,208	1,234	1,252
• Rental Income	212	201	201	201	200
• Fines and Forfeitures	762	740	741	741	741
• Miscellaneous	1,131	654	521	520	495
• Intra-City Revenue	1,481	1,390	1,381	1,381	1,381
Total Miscellaneous	**$6,230**	**$5,342**	**$5,210**	**$5,237**	**$5,235**
• N.Y. State Per Capita Aid	$327	$327	$327	$327	$327
• Other Federal and State Aid	13	13	13	13	13
Total Unrestricted Intergovernmental Aid	**$340**	**$340**	**$340**	**$340**	**$340**

Revenue Detail

($ in millions)

	2008	2009	2010	2011	2012
Anticipated State and Federal Aid:					
• Anticipated Federal Aid	$—	$100	$100	$100	$100
• Anticipated State Aid	—	—	—	—	—
Total Anticipated Aid	**$—**	**$100**	**$100**	**$100**	**$100**
Reserve for Disallowance of Categorical Grants	($15)	($15)	($15)	($15)	($15)
Less: Intra City Revenue	(1,481)	(1,390)	(1,381)	(1,381)	(1,381)
SUB TOTAL CITY FUNDS	**$41,853**	**$40,126**	**$41,593**	**$43,293**	**$45,339**
Other Categorical Grants	$1,053	$991	$991	$992	$996
Inter Fund Agreements	466	434	422	417	417
TOTAL CITY FUNDS & CAPITAL BUDGET TRANSFERS	**$43,372**	**$41,551**	**$43,006**	**$44,702**	**$46,752**
Federal Categorical Grants:					
• Community Development	$282	$278	$262	$259	$259
• Social Services	2,478	2,364	2,357	2,357	2,357
• Education	1,851	1,898	1,899	1,900	1,900
• Other	1,294	840	830	815	816
Total Federal Grants	$5,905	$5,380	$5,348	$5,331	$5,332
State Categorical Grants:					
• Social Services	$2,010	$1,861	$1,864	$1,864	$1,864
• Education	7,893	8,680	9,546	9,983	9,983
• Higher Education	209	209	209	209	209
• Department of Health and Mental Hygiene	479	443	446	452	454
• Other	489	375	365	365	365
Total State Grants	**$11,080**	**$11,568**	**$12,430**	**$12,873**	**$12,875**
TOTAL REVENUE	**$60,357**	**$58,499**	**$60,784**	**$62,906**	**$64,959**

Full-Time and Part-Time Positions (FTEs)

	12/31/01 Actual[1, 5]		12/31/07 Actual		06/30/09 January Plan	
	Total Funds	City Funds	Total Funds	City Funds	Total Funds	City Funds
MAYORAL AGENCIES						
Uniform Forces						
Police Department - Uniform[2]	39,297	39,297	35,342	35,342	34,624	34,624
Police Department - Civilian	14,779	14,166	16,639	16,546	16,393	16,250
Fire Department - Uniform	11,120	11,113	11,555	11,548	11,275	11,264
Fire Department - Civilian	4,495	4,491	4,719	4,701	4,835	4,815
Sanitation Department - Uniform	7,957	7,810	7,857	7,713	7,593	7,452
Sanitation Department - Civilian	2,265	2,053	2,134	1,944	2,250	2,046
Department of Correction - Uniform	10,617	9,874	9,105	8,369	9,389	8,653
Department of Correction - Civilian	1,603	1,488	1,458	1,390	1,542	1,474
Subtotal	**92,133**	**90,292**	**88,809**	**87,553**	**87,901**	**86,578**
Health and Welfare						
Social Services	16,836	13,293	14,041	10,440	15,227	11,304
Administration for Children's Services	8,286	8,232	7,040	6,913	7,414	7,201
Homeless Services	2,090	2,081	2,024	1,991	2,128	2,128
Health and Mental Hygiene	5,442	4,398	6,508	5,130	6,733	5,360
Subtotal	**32,654**	**28,004**	**29,613**	**24,474**	**31,502**	**25,993**
Other Agencies						
Housing Preservation and Development	2,720	645	2,683	708	2,891	762
Environmental Protection	5,760	376	6,188	442	6,506	458
Finance	2,685	2,685	2,170	2,170	2,229	2,217
Transportation	4,415	2,498	4,503	2,295	4,417	2,335
Parks	6,630	6,231	6,208	5,791	7,251	6,722
Citywide Administrative Services	1,879	1,296	2,118	1,366	2,187	1,458
All Other	18,103	13,776	18,408	14,517	18,364	14,581
Subtotal	**42,192**	**27,507**	**42,278**	**27,289**	**43,845**	**28,533**
Education						
Department of Education - Pedagogical	112,810	95,407	113,811	96,721	114,107	94,942
Department of Education - Non-Pedagogical	25,442	22,174	25,953	23,742	25,597	23,408
City University - Pedagogical	4,273	4,273	4,945	4,938	4,147	4,142
City University - Non-Pedagogical	2,300	2,299	2,547	2,546	2,318	2,318
Subtotal	**144,825**	**124,153**	**147,256**	**127,947**	**146,169**	**124,810**
Total	**311,804**	**269,956**	**307,956**	**267,263**	**309,417**	**265,914**
COVERED ORGANIZATION AND NON-CITY EMPLOYEES SUBSTANTIALLY PAID BY CITY SUBSIDIES[3]						
Health and Hospitals Corporation	37,941	37,941	40,229	40,229	39,950	39,950
Housing Authority	14,863	0	12,332	0	12,493	0
Libraries	4,428	4,428	4,765	4,765	4,761	4,761
Cultural Institutions[4]	1,728	1,728	1,946	1,946	1,682	1,682
School Construction Authority	933	933	602	602	775	775
New York City Employees Retirement System	368	368	383	383	398	398
Economic Development Corporation	344	344	436	436	425	425
Teachers Retirement System	308	308	378	378	395	395
Police Pension Fund	66	66	133	133	138	138
All Other	155	155	190	185	211	206
Subtotal	**61,134**	**46,271**	**61,394**	**49,057**	**61,228**	**48,730**
Total	**372,938**	**316,227**	**369,350**	**316,320**	**370,645**	**314,644**

1) *Adjusted for transfers.*
2) *Police Department uniform headcount will be at 36,838 with the swearing in of attrition replacement recruit classes July 1, 2008 and January 1, 2009.*
3) *Includes non-city employees substantially paid by city subsidies. For these agencies the December 2001 data reflects staffing as of February 2002.*
4) *Includes only those employees of the Cultural Institutions Group paid by city fund subsidies.*
5) *Includes restatements for positions formerly funded under vendor contracts and for Education part-time positions not previously included in the city headcount.*

Expense Program

PEG Program

(City Funds- $ in 000's)

	Fiscal Year 2008 Expense	Fiscal Year 2008 Revenue	Fiscal Year 2008 Total	Fiscal Year 2009 Expense	Fiscal Year 2009 Revenue	Fiscal Year 2009 Total	Fiscal Year 2010 Expense	Fiscal Year 2010 Revenue	Fiscal Year 2010 Total
UNIFORMED FORCES									
Police	($33,832)	$—	($33,832)	($95,600)	$—	($95,600)	($24,427)	$—	($24,427)
Fire	(17,310)	(2,452)	(19,762)	(18,782)	(4,247)	(23,029)	(18,262)	(4,247)	(22,509)
Sanitation	(31,029)	(6,498)	(37,527)	(44,817)	(8,914)	(53,731)	(19,076)	(4,364)	(23,440)
Correction	(4,078)	(1,000)	(5,078)	(12,683)	—	(12,683)	(14,990)	—	(14,990)
HEALTH AND WELFARE									
Admin. for Children's Services	(21,800)	—	(21,800)	(37,279)	—	(37,279)	(34,235)	—	(34,235)
Social Services	(75,910)	—	(75,910)	(20,973)	—	(20,973)	(21,370)	—	(21,370)
Homeless Services	(10,631)	—	(10,631)	(15,644)	—	(15,644)	(11,722)	—	(11,722)
Health & Mental Hygiene	(11,994)	(4,987)	(16,981)	(14,126)	(5,753)	(19,879)	(13,320)	(5,753)	(19,073)
Youth & Community Dev.	(7,976)	—	(7,976)	(9,679)	—	(9,679)	(9,679)	—	(9,679)
OTHER MAYORAL									
Housing Preservation & Dev.	(850)	(1,821)	(2,671)	(4,048)	(411)	(4,459)	(4,389)	(411)	(4,800)
Finance	(410)	(8,586)	(8,996)	(4,407)	(10,500)	(14,907)	(6,357)	(10,500)	(16,857)
Transportation	(422)	(17,368)	(17,790)	(11,386)	(8,878)	(20,264)	(14,260)	(8,878)	(23,138)
Parks & Recreation	(1,900)	—	(1,900)	(4,990)	(10,750)	(15,740)	(4,990)	(10,750)	(15,740)
Citywide Admin. Services	(501)	(8,793)	(9,294)	(4,002)	(7,873)	(11,875)	(4,994)	(7,873)	(12,867)
All Other Agencies	(53,664)	(23,330)	(76,994)	(120,223)	(19,337)	(139,560)	(126,525)	(17,086)	(143,611)
MAJOR ORGANIZATIONS									
Education	(180,146)	—	(180,146)	(324,282)	—	(324,282)	(273,489)	—	(273,489)
HHC	—	(10,077)	(10,077)	—	—	—	—	(9,050)	(9,050)
CUNY	(5,813)	—	(5,813)	(9,698)	—	(9,698)	(9,698)	—	(9,698)
OTHER									
Procurement Savings	—	—	—	(55,519)	—	(55,519)	(55,519)	—	(55,519)
TOTAL AGENCY PROGRAMS	**($458,266)**	**($84,912)**	**($543,178)**	**($808,138)**	**($76,663)**	**($884,801)**	**($667,302)**	**($78,912)**	**($746,214)**

PEG Program

(City Funds- $ in 000's)

	Fiscal Year 2011			Fiscal Year 2012		
	Expense	Revenue	Total	Expense	Revenue	Total
UNIFORMED FORCES						
Police	($14,960)	$—	($14,960)	($14,960)	$—	($14,960)
Fire	(18,170)	(4,247)	(22,417)	(18,170)	(4,247)	(22,417)
Sanitation	(19,076)	(3,463)	(22,539)	(19,076)	(2,963)	(22,039)
Correction	(14,990)	—	(14,990)	(14,990)	—	(14,990)
HEALTH AND WELFARE						
Admin. for Children's Services	(34,235)	—	(34,235)	(34,235)	—	(34,235)
Social Services	(21,370)	—	(21,370)	(21,370)	—	(21,370)
Homeless Services	(11,722)	—	(11,722)	(11,722)	—	(11,722)
Health & Mental Hygiene	(13,320)	(5,753)	(19,073)	(13,320)	(5,753)	(19,073)
Youth & Community Dev.	(9,679)	—	(9,679)	(9,679)	—	(9,679)
OTHER MAYORAL						
Housing Preservation & Dev.	(4,698)	(411)	(5,109)	(4,698)	(411)	(5,109)
Finance	(6,357)	(10,500)	(16,857)	(6,357)	(10,500)	(16,857)
Transportation	(14,723)	(8,878)	(23,601)	(14,723)	(8,878)	(23,601)
Parks & Recreation	(4,990)	(6,750)	(11,740)	(4,990)	(6,750)	(11,740)
Citywide Admin. Services	(4,994)	(7,873)	(12,867)	(4,994)	(7,873)	(12,867)
All Other Agencies	(133,402)	(28,594)	(161,996)	(123,703)	(18,668)	(142,371)
MAJOR ORGANIZATIONS						
Education	(271,466)	—	(271,466)	(259,328)	—	(259,328)
HHC	—	(856)	(856)	—	—	—
CUNY	(9,698)	—	(9,698)	(9,698)	—	(9,698)
OTHER						
Procurement Savings	(55,519)	—	(55,519)	(55,519)	—	(55,519)
TOTAL AGENCY PROGRAMS	**($663,369)**	**($77,325)**	**($740,694)**	**($641,532)**	**($66,043)**	**($707,575)**

AGENCY FIVE YEAR SUMMARY

Police Department

City Funds ($ In Thousands)	2008	2009	2010	2011	2012
Baseline Per Adopted Plan - 06/15/07	3,561,995	3,595,911	3,601,793	3,595,288	3,595,288
Expenditure Increases / Reestimates	74,647	140,924	194,738	276,257	278,932
PEG Program	(33,832)	(95,600)	(24,427)	(14,960)	(14,960)
Financial Plan of 1/24/08	3,602,810	3,641,235	3,772,104	3,856,585	3,859,260

City Funded Headcount	2008	2009	2010	2011	2012
Baseline Per Adopted Plan - 06/15/07	35,624U 10,362C	35,624U 10,362C	35,624U 10,370C	35,624U 10,325C	35,624U 10,325C
PEG Program	(1,000)U (257)C	(1,000)U (374)C	(374)C	(374)C	(374)C
Financial Plan of 1/24/08	34,624U 10,105C	34,624U 9,988C	35,624U 9,996C	35,624U 9,951C	35,624U 9,951C

U = Uniformed
C = Civilians

Police Department

Baseline Per Adopted Plan - 06/15/07	City Personnel*	City Funds ($ In Thousands)				
		2008	2009	2010	2011	2012
	35,624U 10,362C	3,561,995	3,595,911	3,601,793	3,595,288	3,595,288
Expenditure Increases / Reestimates						
DEA CBA DEA Salary Adjustment	-	5,282	29,366	55,590	109,439	104,494
SBA CBA SBA Salary Adjustment	-	46,515	73,378	93,048	117,685	120,562
LBA CBA LBA Salary Adjustment	-	6,271	15,640	19,860	18,646	18,761
CEA CBA CEA Salary Adjustment	-	14,669	18,030	21,730	25,978	30,605
Various CBAs Stationary Engineers, Oilers and Supervisors of Mechanics Salary Adjustments	-	571	571	571	571	571
CBA Specialty Pay DEA, SBA, LBA, & CEA Special Assignment Positions Salary Adjustment	-	8,033	8,033	8,033	8,033	8,033
CWA Local 1180 CBA CWA Local 1180 Salary Adjustment.	-	1,222	1,222	1,222	1,222	1,222
SSA CBA Agency Transfer SSA CBA Agency Transfer. Includes CWA Local 1180 Salary Adjustment.	-	(11,297)	(11,297)	(11,297)	(11,297)	(11,297)

U = Uniformed
C = Civilians

* As of 6/30/09

Police Department

Description	City Personnel*	City Funds ($ In Thousands) 2008	2009	2010	2011	2012
Expenditure Increases / Reestimates						
Heat, Light and Power Heat, Light and Power Adjustment.	-	(816)	-	-	-	-
Fuel Fuel Adjustment.	-	656	654	654	654	654
Gasoline Gasoline Adjustment.	-	4,003	5,326	5,326	5,326	5,326
LEASE ADJUSTMENT Lease Adjustment.	-	(464)	-	-	-	-
PEG PROGRAM	(1,000)U (374)C	(33,832)	(95,600)	(24,427)	(14,960)	(14,960)
Financial Plan of 1/24/08	34,624U 9,988C	3,602,808	3,641,234	3,772,103	3,856,585	3,859,259

U = Uniformed
C = Civilians

* As of 6/30/09

Police Department

Description	City Personnel*	City Funds ($ In Thousands) 2008	2009	2010	2011	2012
PEG PROGRAM						
Local Enhanced Wireless 911 Grant Funding Increased claiming for costs associated with operating the wireless portion of the E911 system.	-	(2,200)	(1,600)	-	-	-
UN Reimbursement $8 million increase to the Federal appropriation for UN security for NYC.	-	-	(8,000)	-	-	-
JAG Grant Increase Increase based on Federal FY07 Justice Assistance Grant award.	-	(499)	-	-	-	-
Uniform Savings Adjustment to reflect recent uniform hiring trends, resulting in an average headcount of 35,927 and funded peak of 36,838.	(1,000)U	(14,120)	(37,327)	(9,467)	-	-
Civilian PS Accruals Re-estimate of PS based on timing of hiring of 100 TEAs funded as part of the PlaNYC 2030 and civilian PS accruals.	-	(2,809)	-	-	-	-
Uniformed Promotional PS Accruals Uniformed Promotional PS Accruals associated with vacancies in the ranks above Police Officer.	-	(4,468)	-	-	-	-

U = Uniformed

* As of 6/30/09

Police Department

Description	City Personnel*	City Funds ($ In Thousands) 2008	2009	2010	2011	2012
PEG PROGRAM						
Uniform PS Attrition Savings Accruals Additional savings associated with higher than expected uniformed attrition.	-	(6,172)	(36,333)	-	-	-
Contractual Savings Contractual savings associated with the purchase of bullet proof vests for Auxilary Police Officers.	-	(762)	-	-	-	-
Lower Manhattan Security Initiative Lease Lower Manhattan Security Initiative lease savings due to delay in lease signing and site build-out.	-	(371)	-	-	-	-
Hiring Freeze and Vacancy Reduction This initiative reflects savings from the partial elimination of vacancies and replacement of future attrition.	(374)C	(2,430)	(12,340)	(14,960)	(14,960)	(14,960)
Total Agency Program	(1,000)U (374)C	(33,831)	(95,600)	(24,427)	(14,960)	(14,960)

U = Uniformed
C = Civilians

* As of 6/30/09

Fire Department

City Funds ($ In Thousands)	2008	2009	2010	2011	2012
Baseline Per Adopted Plan - 06/15/07	1,303,739	1,315,414	1,309,471	1,310,552	1,310,552
Expenditure Increases / Reestimates	46,591	55,259	69,463	82,214	82,661
PEG Program	(19,762)	(23,029)	(22,509)	(22,417)	(22,417)
Less Amount Reflected in Revenue Budget	2,452	4,247	4,247	4,247	4,247
Financial Plan of 1/24/08	1,333,020	1,351,891	1,360,672	1,374,596	1,375,043

City Funded Headcount					
Baseline Per Adopted Plan - 06/15/07	11,264U 4,729C	11,264U 4,729C	11,264U 4,729C	11,264U 4,729C	11,264U 4,729C
Expenditure Increases / Reestimates	4C	103C	103C	103C	103C
PEG Program	(77)C	(83)C	(83)C	(83)C	(83)C
Financial Plan of 1/24/08	11,264U 4,656C	11,264U 4,749C	11,264U 4,749C	11,264U 4,749C	11,264U 4,749C

U = Uniformed
C = Civilians

Fire Department

	City Personnel*	City Funds ($ In Thousands)				
		2008	2009	2010	2011	2012
Baseline Per Adopted Plan - 06/15/07	11,264U 4,729C	1,303,739	1,315,414	1,309,471	1,310,552	1,310,552
Expenditure Increases / Reestimates						
Uniformed Overtime	-	8,475	4,233	4,233	4,233	4,233
EMS Overtime	-	10,605	6,734	6,734	6,734	6,734
Civilian Overtime	-	2,874	1,015	1,015	1,015	1,015
Volunteer Fire Companies (Worker's Compensation Insurance) Funding to provide worker's compensation insurance for several volunteer fire companies.	-	168	-	-	-	-
Takeover of Voluntary Tours Replacement of ambulance tours from hospitals scheduled to be closed based on recommendations by the Berger Commission.	99C	200	3,578	3,844	3,953	4,401
Electronic Critical Information Dispatch System (E-CIDS) Personnel & Hardware	4C	350	430	430	430	430
Collective Bargaining-Stationary Engineers	-	84	84	84	84	84
Collective Bargaining-Supervisor of Mechanics	-	272	272	272	272	272
Collective Bargaining-UFOA Collective Bargaining-Uniformed Fire Officers Association	-	15,433	30,136	44,073	56,715	56,715

U = Uniformed
C = Civilians

* As of 6/30/09

Fire Department

Description	City Personnel*	City Funds ($ In Thousands) 2008	2009	2010	2011	2012
Expenditure Increases / Reestimates						
Specialty Pay for HazMat Units	-	5,577	5,577	5,577	5,577	5,577
CWA Local 1180 Collective Bargaining for CWA Local 1180 Titles	-	672	672	672	672	672
Telephone Adjustment	-	(1,948)	(1,948)	(1,948)	(1,948)	(1,948)
Telephone Adjustment	-	1,948	1,948	1,948	1,948	1,948
FY 08 MN 1	-	(10)	-	-	-	-
Heat, Light and Power Heat, light and power adjustment.	-	(253)	-	-	-	-
Fuel Fuel adjustment	-	376	374	374	374	374
Gasoline Gasoline adjustment	-	1,767	2,153	2,153	2,153	2,153
PEG PROGRAM	(83)C	(19,762)	(23,029)	(22,509)	(22,417)	(22,417)

C = Civilians

* As of 6/30/09

Fire Department

Description	City Personnel*	City Funds ($ In Thousands) 2008	2009	2010	2011	2012
Less Amount Reflected in the Revenue Budget	-	2,452	4,247	4,247	4,247	4,247
Financial Plan of 1/24/08	11,264U 4,749C	1,333,019	1,351,890	1,360,670	1,374,594	1,375,042

U = Uniformed
C = Civilians

* As of 6/30/09

Fire Department

Description	City Personnel*	City Funds ($ In Thousands) 2008	2009	2010	2011	2012
PEG PROGRAM						
Officer Overquota Program The FDNY will promote additional Uniformed Officers to achieve overtime savings.	-	-	(410)	-	-	-
Increase EMS Revenue EMS revenue is anticipated to exceed the current budgeted amount.	1C	(14,679)	(14,660)	(14,660)	(14,660)	(14,660)
Improvements to Bureau of Fire Prevention (BFP) Inspection Units Based on improvements in the Hi-Rise, Suppression and Rangehood Inspection Units of the Fire Prevention Bureau, the Department will generate additional revenue above its current revenue baseline. This increase will offset expenses of approximately $1.2 million a year.	27C	-	(2,207)	(2,236)	(2,144)	(2,144)
Additional Revenue from 2% Tax on Fire Insurance Premiums Based on current activity, the Fire Department anticipates additional collections from the two percent tax on fire insurance premiums assessed on foreign and alien insurers.	-	(500)	(500)	(500)	(500)	(500)
Additional Revenue from Private Fire Alarm Companies	-	(1,252)	(347)	(347)	(347)	(347)

C = Civilians

* As of 6/30/09

Fire Department

Description	City Personnel*	City Funds ($ In Thousands) 2008	2009	2010	2011	2012
PEG PROGRAM						
The Fire Department has reached an out of court settlement with a private fire alarm company and will receive a lump sum payment in FY 2008 as well as a recommencement of yearly payments in the out years.						
Additional Revenue from Fire Prevention Fees and Permits The Bureau of Fire Prevention has enhanced inspection reporting and enlarged its account base, thereby improving collections.	-	(700)	-	-	-	-
National Institute for Occupational Safety and Health (NIOSH) Grant Funding for the Bureau of Health Services (BHS) Costs FDNY will charge all eligible expenditures to the National Institute for Occupational Safety and Health (NIOSH) grants.	-	(836)	(836)	-	-	-
Civilian FTNG Accrued Savings Accrued savings from civilian vacancies.	-	(788)	-	-	-	-
Reduction of Civilian Vacancies Eliminate 30 vacant positions.	(30)C	(690)	(1,380)	(1,380)	(1,380)	(1,380)
Hiring Freeze and Vacancy Reduction Program This initiative reflects savings from the	(81)C	(317)	(2,689)	(3,386)	(3,386)	(3,386)

C = Civilians

* As of 6/30/09

Fire Department

Description	City Personnel*	City Funds ($ In Thousands) 2008	2009	2010	2011	2012
PEG PROGRAM						
partial elimination of vacancies and replacement of future attrition.						
Total Agency Program	(83)C	(19,762)	(23,029)	(22,509)	(22,417)	(22,417)

C = Civilians

* As of 6/30/09

Department of Sanitation

City Funds ($ In Thousands)	2008	2009	2010	2011	2012
Baseline Per Adopted Plan - 06/15/07	1,215,576	1,248,394	1,273,889	1,328,696	1,328,696
Expenditure Increases / Reestimates	43,926	66,789	86,692	113,168	120,291
PEG Program	(37,527)	(53,731)	(23,440)	(22,539)	(22,039)
Less Amount Reflected in Revenue Budget	6,498	8,914	4,364	3,463	2,963
Financial Plan of 1/24/08	1,228,473	1,270,366	1,341,505	1,422,788	1,429,911

City Funded Headcount	2008	2009	2010	2011	2012
Baseline Per Adopted Plan - 06/15/07	7,622U 2,016C	7,622U 2,015C	7,622U 2,016C	7,870U 2,070C	7,870U 2,070C
Expenditure Increases / Reestimates		1U	1U	2U	2U
PEG Program	(18)U (55)C	(171)U (117)C	(171)U (117)C	(171)U (117)C	(171)U (117)C
Financial Plan of 1/24/08	7,604U 1,961C	7,452U 1,898C	7,452U 1,899C	7,701U 1,953C	7,701U 1,953C

U = Uniformed
C = Civilians

Department of Sanitation

	City Personnel*	City Funds ($ In Thousands)				
		2008	2009	2010	2011	2012
Baseline Per Adopted Plan - 06/15/07	7,622U 2,015C	1,215,576	1,248,394	1,273,889	1,328,696	1,328,696
Expenditure Increases / Reestimates						
Increase Recycling Outreach for Spring Yard Waste Pilot The Department of Sanitation will conduct outreach for the Spring Yard Waste Collection Pilot in Staten Island through newspaper advertisements, mailings, and additional promotion.	-	125	-	-	-	-
Motor Vehicle Parts Increase Funding for vehicle parts to address the increased parts costs due to inflation and the need to replace more parts as the Department's fleet ages.	-	1,700	-	-	-	-
Energy Efficiency Projects The Department of Sanitation will use this funding for fluorescent lighting conversion and LED Exit Sign installation. This initiative is one of the Energy Steering Committee projects.	-	275	-	-	-	-
Letterer Collective Bargaining	-	23	24	24	24	24
Sanitation Officer (SOA) Collective Bargaining City funds provided for the most recent collective bargaining agreement.	-	2,862	8,903	11,610	17,301	21,332

U = Uniformed
C = Civilians

* As of 6/30/09

Department of Sanitation

Description	City Personnel*	City Funds ($ In Thousands) 2008	2009	2010	2011	2012
Expenditure Increases / Reestimates						
Specialty Pay (USA)	-	172	172	172	172	172
Specialty Pay (SOA)	-	38	38	38	38	38
Supervisor Mechanic Collective Bargaining	-	484	484	484	484	484
Construction Laborer Collective Bargaining	-	20	20	20	20	20
Supervisor Iron Worker Collective Bargaining	-	20	20	20	20	20
Deputy Director Motor Equipment Collective Bargaining	-	24	24	24	24	24
Oiler & Stationary Engineer Collective Bargaining	-	222	222	222	222	222
Sanitation Worker (USA) Collective Bargaining City funds provided for the most recent collective bargaining agreement.	-	29,107	41,143	57,136	76,662	79,655
Sanitation Worker Collective Bargaining Adjustment Community Development Block Grant funding is provided for the new sanitation worker contract, as well as additional City funds needed for assignment differentials under the contract.	-	1,539	2,391	3,536	4,901	5,082

* As of 6/30/09

Department of Sanitation

Description	City Personnel*	City Funds ($ In Thousands) 2008	2009	2010	2011	2012
Expenditure Increases / Reestimates						
Principal Administrative Associate and Computer Associate Collective Bargaining Funds provided for collective bargaining for Principal Administrative Associates and Computer Associates.	-	204	204	204	204	204
Sanitation Officer (SOA) Collective Bargaining Adjustment Community Development Block Grant funding is provided for the new sanitation officers contract as well as additional City funds for holiday pay and an increase in supervisor headcount to cover two union release positions.	1U	112	-	(42)	(147)	(229)
Snapple Commission Revenue Offset The Department of Sanitation will generate additional Snapple revenue commissions, which will be used to offset associated expenses.	-	31	-	-	-	-
Snow Budget Adjustment The snow budget is adjusted yearly to reflect an average of the last five years' expenditures on snow operations, as mandated by the City Charter.	-	-	5,679	5,679	5,679	5,679
Notice of Violation Administration System Funding is advanced to FY 2008 from FY 2009	-	100	(100)	-	-	-

U = Uniformed

* As of 6/30/09

Department of Sanitation

Description	City Personnel*	City Funds ($ In Thousands) 2008	2009	2010	2011	2012
Expenditure Increases / Reestimates						
for consulting support for the Notice of Violation Administration System's (NOVAS) documentation and transition phase.						
FY 08 MN 1	-	(4)	-	-	-	-
Heat, Light and Power Heat, light and power adjustment.	-	(1,646)	-	-	-	-
Fuel Fuel adjustment	-	1,290	1,127	1,127	1,127	1,127
Gasoline Gasoline adjustment	-	7,227	6,437	6,437	6,437	6,437
PEG PROGRAM	(171)U (117)C	(37,527)	(53,731)	(23,440)	(22,539)	(22,039)
Less Amount Reflected in the Revenue Budget	-	6,498	8,914	4,364	3,463	2,963
Financial Plan of 1/24/08	7,452U 1,898C	1,228,472	1,270,365	1,341,504	1,422,788	1,429,911

U = Uniformed
C = Civilians

* As of 6/30/09

Department of Sanitation

Description	City Personnel*	City Funds ($ In Thousands) 2008	2009	2010	2011	2012
PEG PROGRAM						
Conversion of 4 Districts to Dual-Bin Collection of Recyclables. The Department of Sanitation has converted 4 districts from rear loader recycling trucks to dual-bin trucks thereby reducing the number of required truck shifts and associated personnel costs.	(18)U	(936)	(936)	(936)	(936)	(936)
DEC Environmental Protection Grant (Revenue) The Department of Sanitation is being reimbursed in FY 2008 by NYS Department of Environmental Conservation for prior year recycling outreach and education.	-	(2,875)	-	-	-	-
Methane Gas Concession Revenue The Department of Sanitation will generate additional revenue due to an increase in market prices and higher extraction levels of methane gas from Fresh Kills.	-	-	(5,000)	(1,500)	(1,500)	(1,000)
Recycled Bulk and Paper Sales Revenue The Department of Sanitation will generate additional revenue from various processors for the sale of recycled newspaper and bulk materials.	-	(4,611)	(2,179)	(1,129)	(429)	(429)
Increase in Visy MTS Charges The Department of Sanitation will collect	-	(997)	(997)	(997)	(796)	(796)

U = Uniformed

* As of 6/30/09

Department of Sanitation

Description	City Personnel*	City Funds ($ In Thousands) 2008	2009	2010	2011	2012
PEG PROGRAM						
greater than anticipated revenue as a result of an increase in marine transfer station and relay fees charged for the transportation of paper to the Visy paper recycling plant.						
Change in Abandoned Vehicle Contractors The Department of Sanitation has negotiated with new abandoned vehicle contractors that pay the City higher scrap metal prices.	-	(640)	(488)	(488)	(488)	(488)
Fees from Professional Waste Collection Program An increase in the number of accounts in its professional waste collection program has resulted in additional fee revenue to the Department of Sanitation.	-	(250)	(250)	(250)	(250)	(250)
Cleaning and Collection Reductions and Efficiencies The Department of Sanitation will achieve savings through cleaning and collection reductions and efficiencies.	(137)U	-	(7,261)	(7,261)	(7,261)	(7,261)
Eliminate Supplemental Basket Collection The Department of Sanitation will achieve a savings of $1.4 million by eliminating 16 positions from the existing program.	(16)U	-	(1,375)	(1,426)	(1,426)	(1,426)

U = Uniformed

* As of 6/30/09

Department of Sanitation

Description	City Personnel*	City Funds ($ In Thousands) 2008	2009	2010	2011	2012
PEG PROGRAM						
Eliminate Leaf Collection Program Overtime savings will be generated by eliminating the leaf collection program.	-	-	(2,254)	(2,254)	(2,254)	(2,254)
Uniform Salary The Department of Sanitation is experiencing a higher rate of attrition than expected, with savings resulting due to the lower starting salaries for new sanitation workers under the new contract.	-	(13,000)	(16,000)	-	-	-
Uniform Overtime As a result of the Department of Sanitation continuing to maintain its budgeted headcount through aggressive hiring, a surplus in uniform overtime is forecasted in FY 2008. The Department of Sanitation will continue this effort in FY2009 to reduce $5 million in overtime spending.	-	(7,000)	(5,000)	-	-	-
Uniform Differentials As a result of a lower number of collection routes being performed on overtime, there is a projected surplus of $3 million in FY 2008. The Department of Sanitation expects to continue this effort next fiscal year and therefore projects a $2.5 million surplus in FY 2009.	-	(3,000)	(2,500)	-	-	-

* As of 6/30/09

Department of Sanitation

Description	City Personnel*	City Funds ($ In Thousands) 2008	2009	2010	2011	2012
PEG PROGRAM						
Civilian Accruals Accrued savings from civilian vacancies.	-	(3,000)	-	-	-	-
Waste Export Surplus In FY 2009 the Department of Sanitation is expecting a surplus in the waste export budget due to lower projected tonnage and later contract start dates for long-term export contracts.	-	-	(4,000)	-	-	-
Elimination of the Inter-Agency Cover Program Due to progress in post-closure construction at Fresh Kills, the Department of Sanitation will no longer be accepting material through the inter-agency cover program.	(5)C	-	(462)	(462)	(462)	(462)
Metal, Glass, Plastic Processing Savings due to Lower Tonnage Surplus resulting from a decrease in metal, glass and plastic (MGP) tonnage.	-	(250)	-	-	-	-
Hiring Freeze and Vacancy Reduction Program This initiative reflects savings from the partial elimination of vacancies and replacement of future attrition.	(112)C	(968)	(5,028)	(6,736)	(6,736)	(6,736)
Total Agency Program	(171)U (117)C	(37,527)	(53,730)	(23,439)	(22,538)	(22,038)

U = Uniformed
C = Civilians

* As of 6/30/09

AGENCY FIVE YEAR SUMMARY

Department of Correction

City Funds ($ In Thousands)	2008	2009	2010	2011	2012
Baseline Per Adopted Plan - 06/15/07	895,173	874,604	877,411	876,820	876,820
Expenditure Increases / Reestimates	48,224	69,611	74,520	81,355	87,189
PEG Program	(5,078)	(12,683)	(14,990)	(14,990)	(14,990)
Less Amount Reflected in Revenue Budget	1,000	-	-	-	-
Financial Plan of 1/24/08	939,319	931,532	936,941	943,185	949,019

City Funded Headcount	2008	2009	2010	2011	2012
Baseline Per Adopted Plan - 06/15/07	8,869U 1,466C	8,779U 1,454C	8,779U 1,454C	8,779U 1,454C	8,779U 1,454C
Expenditure Increases / Reestimates	2C				
PEG Program	(6)U (19)C	(126)U (32)C	(222)U 64C	(222)U 64C	(222)U 64C
Financial Plan of 1/24/08	8,863U 1,449C	8,653U 1,422C	8,557U 1,518C	8,557U 1,518C	8,557U 1,518C

U = Uniformed
C = Civilians

Department of Correction

	City Personnel*	City Funds ($ In Thousands)				
		2008	2009	2010	2011	2012
Baseline Per Adopted Plan - 06/15/07	8,779U 1,454C	895,173	874,604	877,411	876,820	876,820
Expenditure Increases / Reestimates						
Overtime Need Funding to match projected overtime expenditures in FY08.	-	20,000	-	-	-	-
COBA Collective Bargaining COBA Collective Bargaining	-	22,520	54,443	58,550	61,028	62,651
L621 Collective Bargaining Supervisor of Mechanics Collective Bargaining	-	23	23	23	23	23
L832 Institutional Titles Collective Bargaining L832 Institutional Titles Collective Bargaining	-	50	50	50	50	50
Stationary Engineers Collective Bargaining Stationary Engineers Collective Bargaining	-	634	634	634	634	634
COBA Specialty Pay COBA Specialty Pay	-	3,271	3,271	3,271	3,271	3,271
CCA Collective Bargaining CCA Collective Bargaining	-	1,551	4,932	8,894	12,516	15,877
Deputy Warden and Assistant Deputy Warden Collective Bargaining Deputy Warden and Assistant Deputy Warden Collective Bargaining	-	221	1,828	1,674	2,410	3,259

U = Uniformed
C = Civilians

* As of 6/30/09

Department of Correction

Description	City Personnel*	City Funds ($ In Thousands) 2008	2009	2010	2011	2012
Expenditure Increases / Reestimates						
Collective Bargaining for Local 1180 Collective Bargaining for Local 1180	-	434	434	434	434	434
Collective Bargaining for Local 1199 Collective Bargaining for Local 1199 Pharmacists and Dieticians.	-	22	40	40	40	40
CEO Funding Switch from DOC to DJJ The CEO initiative to expand education for 18-21 year olds on Rikers Island was overfunded. These funds will be used to cover a shortfall in a DJJ CEO initiative.	-	(202)	-	-	-	-
Model Education Program for Adults Discharged from DOC and DOP The contracts to provide literacy services for adults age 18-21 leaving DOC custody started later in the fiscal year than planned.	-	(205)	205	-	-	-
Lease Adjustment for 60 Hudson Increased lease costs due to temporary holdover lease.	-	-	2,800	-	-	-
Heat, Light and Power Heat, light and power adjustment.	-	(898)	-	-	-	-

* As of 6/30/09

Department of Correction

Description	City Personnel*	City Funds ($ In Thousands) 2008	2009	2010	2011	2012
Expenditure Increases / Reestimates						
Fuel Fuel adjustment	-	586	611	611	611	611
Gasoline Gasoline adjustment	-	217	339	339	339	339
PEG PROGRAM	(126)U (32)C	(5,078)	(12,683)	(14,990)	(14,990)	(14,990)
Less Amount Reflected in the Revenue Budget	-	1,000	-	-	-	-
Financial Plan of 1/24/08	8,653U 1,422C	939,319	931,531	936,941	943,186	949,019

U = Uniformed
C = Civilians

* As of 6/30/09

Department of Correction

Description	City Personnel*	City Funds ($ In Thousands) 2008	2009	2010	2011	2012
PEG PROGRAM						
Headquarters Staff Reduction Reduction of Civilian and Uniform positions in Headquarters and Support Units.	(25)U (19)C	(1,238)	(2,700)	(2,700)	(2,700)	(2,700)
Civilianization of Administrative Functions Civilianization of functions being performed by Correction Officers.	(62)U 62C	-	(3,837)	(5,359)	(5,359)	(5,359)
Reduce Adjudication Captains The Department will reduce 3 Adjudication Captains.	(3)U	(120)	(210)	(210)	(210)	(210)
Management and Operational Efficiencies DOC will eliminate redundancies and streamline functions in the areas of facility management, emergency operations, and investigations.	(36)U	(1,920)	(2,520)	(2,520)	(2,520)	(2,520)
Increased Commissary Revenue Based on current activity, the Department of Correction anticipates additional commissary revenue for FY 2008.	-	(1,000)	-	-	-	-
Insource Victim Notification The Department will insource its Victim Notification program in order to improve services and generate savings.	-	-	(200)	(200)	(200)	(200)

U = Uniformed
C = Civilians

* As of 6/30/09

Department of Correction

Description	City Personnel*	City Funds ($ In Thousands) 2008	2009	2010	2011	2012
PEG PROGRAM						
Hiring Freeze and Vacancy Reduction Program This initiative reflects savings from the partial elimination of vacancies and replacement of future attrition.	(75)C	-	(3,216)	(4,001)	(4,001)	(4,001)
Commissary Inventory Drawdown The Department will draw down inventory leading to $800,000 in savings this year.	-	(800)	-	-	-	-
Total Agency Program	(126)U (32)C	(5,078)	(12,683)	(14,990)	(14,990)	(14,990)

U = Uniformed
C = Civilians

* As of 6/30/09

Admin. for Children Services

City Funds ($ In Thousands)	2008	2009	2010	2011	2012
Baseline Per Adopted Plan - 06/15/07	874,482	822,741	822,744	822,785	822,785
Expenditure Increases / Reestimates	3,327	5,610	5,260	5,260	5,260
PEG Program	(21,800)	(37,279)	(34,235)	(34,235)	(34,235)
Financial Plan of 1/24/08	856,009	791,072	793,769	793,810	793,810

City Funded Headcount	2008	2009	2010	2011	2012
Baseline Per Adopted Plan - 06/15/07	7,369	7,365	7,365	7,365	7,365
Expenditure Increases / Reestimates	(83)	(26)	(26)	(26)	(26)
PEG Program	(70)	(197)	(197)	(197)	(197)
Financial Plan of 1/24/08	7,216	7,142	7,142	7,142	7,142

Admin. for Children Services

	City Personnel*	City Funds ($ In Thousands)				
		2008	2009	2010	2011	2012
Baseline Per Adopted Plan - 06/15/07	7,365	874,482	822,741	822,744	822,785	822,785
Expenditure Increases / Reestimates						
Improve Child Protective Investigations Funding to implement recommendations made by the Department of Investigation regarding ACS case practice. ACS will hire additional investigative consultants, school social workers, and substance abuse counselors.	59	-	2,260	1,894	1,894	1,894
Collective Bargaining	-	629	629	629	629	629
Transfer Positions from ACS to DOI Transfer two positions to the Department of Investigation to train ACS caseworkers in investigative practices.	(2)	-	(148)	(131)	(131)	(131)
ACS Transfer to NYCAPS Central Transfer of three positions from ACS for implementation of the New York City Automated Personnel System.	(3)	(102)	(132)	(132)	(132)	(132)
Child Care Lease Savings Reinvestment of savings from the consolidation of day care capacity.	-	3,000	3,000	3,000	3,000	3,000
Headcount Adjustment Adjustment to accurately reflect the staffing level that is supported by the budget.	(80)	-	-	-	-	-

* As of 6/30/09

Admin. for Children Services

Description	City Personnel*	City Funds ($ In Thousands) 2008	2009	2010	2011	2012
Expenditure Increases / Reestimates						
FY 08 MN 1	-	5	-	-	-	-
Heat, Light and Power Adjustment	-	(205)	-	-	-	-
PEG PROGRAM	(197)	(21,800)	(37,279)	(34,235)	(34,235)	(34,235)
Financial Plan of 1/24/08	7,142	856,009	791,071	793,769	793,810	793,810

* As of 6/30/09

Admin. for Children Services

Description	City Personnel*	City Funds ($ In Thousands) 2008	2009	2010	2011	2012
PEG PROGRAM						
Administrative Efficiencies Reduction in expenditures for supplies, building management services and other administrative costs.	-	-	(1,475)	(1,475)	(1,475)	(1,475)
Homemaking Services Underutilization Savings from reduced use of service hours in the homemaking program, which provides in-home services to prevent child abuse and neglect.	-	(525)	(525)	(525)	(525)	(525)
Child Protective Services Productivity Adjustment made to the staffing model for child protective services to reflect higher availability of field office workers. Greater availablility has resulted in fewer staff needed to maintain required caseload ratios.	(127)	-	(2,823)	(2,823)	(2,823)	(2,823)
Decline in Special Education Costs Tuition expenses for foster children placed outside of New York City have declined due to fewer placements in congregate foster care settings.	-	(9,083)	(20,083)	(22,683)	(22,683)	(22,683)
Child Care Utilization - Pay for Children Enrolled	-	-	(2,000)	-	-	-

* As of 6/30/09

Admin. for Children Services

Description	City Personnel*	City Funds ($ In Thousands) 2008	2009	2010	2011	2012
PEG PROGRAM						
ACS will reimburse contracted child care providers based on enrollment. $2 million will also be reinvested in technical assistance to providers to increase public and private placements.						
Preventive Accruals Savings from the phase in of new preventive and after-care programs.	-	(3,150)	-	-	-	-
Overtime Management Reduction in overtime spending agency wide.	-	(738)	(3,150)	(3,150)	(3,150)	(3,150)
Reduce Placements of CSE Children into Residential Facilities ACS will work with the Department of Education to reduce the number of residential placements of non-foster children by the Committee on Special Education (CSE). ACS pays room and board costs for these children, who are placed in specialized facilities outside New York City.	-	-	(2,562)	(2,562)	(2,562)	(2,562)
Personal Service Accruals Savings from the phase-in of new hires for child protective case workers.	-	(7,287)	(3,644)	-	-	-

* As of 6/30/09

Admin. for Children Services

Description	City Personnel*	City Funds ($ In Thousands) 2008	2009	2010	2011	2012
PEG PROGRAM						
Hiring Freeze and Vacancy Reduction Program	(70)	(1,017)	(1,017)	(1,017)	(1,017)	(1,017)
Total Agency Program	(197)	(21,800)	(37,279)	(34,235)	(34,235)	(34,235)

* As of 6/30/09

Department of Social Services

City Funds ($ In Thousands)	2008	2009	2010	2011	2012
Baseline Per Adopted Plan - 06/15/07	6,644,445	6,523,330	6,684,780	6,844,449	6,844,449
Expenditure Increases / Reestimates	(2,241)	(5,827)	(5,827)	(5,827)	167,680
PEG Program	(75,910)	(20,973)	(21,370)	(21,370)	(21,370)
Financial Plan of 1/24/08	6,566,294	6,496,530	6,657,583	6,817,252	6,990,759

City Funded Headcount	2008	2009	2010	2011	2012
Baseline Per Adopted Plan - 06/15/07	11,941	11,930	11,930	11,930	11,930
Expenditure Increases / Reestimates	(548)	(543)	(543)	(543)	(543)
PEG Program	(75)	(83)	(83)	(83)	(83)
Financial Plan of 1/24/08	11,318	11,304	11,304	11,304	11,304

Department of Social Services

	City Personnel*	City Funds ($ In Thousands)				
		2008	2009	2010	2011	2012
Baseline Per Adopted Plan - 06/15/07	11,930	6,644,445	6,523,330	6,684,780	6,844,449	6,844,449
Expenditure Increases / Reestimates						
Collective Bargaining	-	83	83	83	83	83
Collective Bargaining	-	2,626	2,626	2,626	2,626	2,626
CEO: Access NYC Outreach Contracted staff will do outreach throughout NYC to demonstrate ACCESSNYC, a screening tool that can determine client eligibility for 35 benefit programs.	-	174	-	-	-	-
HRA Transfer to NYCAPS Central Transfer of seven positions from HRA for implementation of the New York City Automated Personnel System.	(7)	(224)	(325)	(325)	(325)	(325)
Medicaid Re-estimate	-	-	-	-	-	228,651
Cash Assistance Re-estimate Cash Assistance re-estimate based on projected expenditure and caseload declines. The number of individuals receiving assistance is expected to be 342,509 by June 2008.	-	(4,948)	(8,355)	(8,355)	(8,355)	(8,355)
Medicaid Re-estimate	-	-	-	-	-	(55,143)
Administrative Budget Realignment Lower caseloads and increased use of	(530)	-	-	-	-	-

* As of 6/30/09

Department of Social Services

Description	City Personnel*	City Funds ($ In Thousands) 2008	2009	2010	2011	2012
Expenditure Increases / Reestimates						
technology has reduced the need for personnel. Funding is reallocated to administrative OTPS, where there is a shortfall for technology, security and other costs.						
FY 08 MN 1	-	5	-	-	-	-
Headcount Realignment	(6)	-	-	-	-	-
Heat, Light and Power adjustment	-	(102)	-	-	-	-
Fuel adjustment	-	145	144	144	144	144
PEG PROGRAM	(83)	(75,910)	(20,973)	(21,370)	(21,370)	(21,370)
Financial Plan of 1/24/08	11,304	6,566,294	6,496,530	6,657,583	6,817,252	6,990,760

* As of 6/30/09

Department of Social Services

Description	City Personnel*	City Funds ($ In Thousands) 2008	2009	2010	2011	2012
PEG PROGRAM						
Print to Mail Savings HRA will expand use of Print to Mail, an automated mailing system, to include an additional 2.3 million mailings by the end of FY08. Mailings will be automated for programs that currently process mail manually, resulting in labor savings.	(8)	-	(214)	(214)	(214)	(214)
Administrative Cap Waiver Payments Payments received from New York State for administrative cost containment activities in prior years.	-	(46,637)	-	-	-	-
Federal Revenue for Food Stamp Employment and Training A change in New York State's federal Food Stamp Employment and Training (FSET) plan will allow New York City to claim FSET funding for Safety Net-Time Limit clients. Reimbursement retroactive to 2006 is anticipated in the current year.	-	(27,500)	(10,000)	(10,000)	(10,000)	(10,000)
Child Support Initiative The Department will work with families to increase earnings and maximize child support, providing Cash Assistance savings through case closings and grant adjustments.	-	(313)	(1,251)	(1,251)	(1,251)	(1,251)

* As of 6/30/09

Department of Social Services

Description	City Personnel*	City Funds ($ In Thousands) 2008	2009	2010	2011	2012
PEG PROGRAM						
Implementation of New Employment Verification System The Department will implement employment and income verification matches using a new automated system. These matches will produce additional Cash Assistance savings through case closings and grant adjustments.	-	(349)	(2,438)	(2,835)	(2,835)	(2,835)
Fair Hearing Default Case Adjustments The Department will accelerate implementation of administrative hearing decisions to reduce or close Cash Assistance cases.	-	-	(4,833)	(4,833)	(4,833)	(4,833)
Hiring Freeze and Vacancy Reduction Program	(75)	(1,111)	(2,237)	(2,237)	(2,237)	(2,237)
Total Agency Program	(83)	(75,910)	(20,973)	(21,370)	(21,370)	(21,370)

* As of 6/30/09

Dept. of Homeless Services

City Funds ($ In Thousands)	2008	2009	2010	2011	2012
Baseline Per Adopted Plan - 06/15/07	313,152	312,766	311,986	311,986	311,986
Expenditure Increases / Reestimates	46,049	922	922	922	922
PEG Program	(10,631)	(15,644)	(11,722)	(11,722)	(11,722)
Financial Plan of 1/24/08	348,570	298,044	301,186	301,186	301,186

City Funded Headcount	2008	2009	2010	2011	2012
Baseline Per Adopted Plan - 06/15/07	2,300	2,296	2,296	2,296	2,296
Expenditure Increases / Reestimates	(171)	(171)	(171)	(171)	(171)
PEG Program	(66)				
Financial Plan of 1/24/08	2,063	2,125	2,125	2,125	2,125

Dept. of Homeless Services

	City Personnel*	City Funds ($ In Thousands)				
		2008	2009	2010	2011	2012
Baseline Per Adopted Plan - 06/15/07	2,296	313,152	312,766	311,986	311,986	311,986
Expenditure Increases / Reestimates						
Information Technology Consultants Funding for consultants to support agency information technology needs.	-	552	-	-	-	-
Family Capacity Increase Funding for 2,050 additional shelter units for homeless families. The family census is 9,413 as of November 2007.	-	40,843	-	-	-	-
Collective Bargaining	-	106	106	106	106	106
Collective Bargaining	-	555	555	555	555	555
Headcount Adjustment Adjustment to accurately reflect the staffing level that is supported by the budget.	(171)	-	-	-	-	-
FY 08 MN 1	-	5	-	-	-	-
Heat, Light and Power Adjustment	-	(416)	-	-	-	-
Fuel Adjustment	-	258	262	262	262	262
Pre-Placement Capacity Funding for pre-placement capacity to support	-	4,146	-	-	-	-

* As of 6/30/09

Dept. of Homeless Services

Description	City Personnel*	City Funds ($ In Thousands) 2008	2009	2010	2011	2012
Expenditure Increases / Reestimates						
overnight accomodations for families who arrive late at the Family Intake Center.						
PEG PROGRAM	-	(10,631)	(15,644)	(11,722)	(11,722)	(11,722)
Financial Plan of 1/24/08	2,125	348,570	298,045	301,187	301,187	301,187

* As of 6/30/09

Dept. of Homeless Services

Description	City Personnel*	City Funds ($ In Thousands) 2008	2009	2010	2011	2012
PEG PROGRAM						
Increased State and Federal Reimbursement for Family Shelter Improvements in public assistance eligibility for family shelter clients will result in higher state and federal reimbursement.	-	-	(1,500)	(1,500)	(1,500)	(1,500)
Convert Drop-In Centers to Safe Haven Programs DHS will phase in a new model for street homeless by redirecting funding from two Drop In centers to Safe Haven program. Safe Havens offer low-threshold shelter for clients who are not ready for structured shelter or independent living.	-	-	(4,600)	-	-	-
Adult Rental Assistance Eliminates funding for city funded short term rental assistance program for single adults. The program is made redundant by the Advantage program.	-	-	(900)	(900)	(900)	(900)
Eliminate Funding for Decentralized Men's Intake Eliminates funding for contracts to decentralize the intake facility for homeless men. DHS will continue to perform this function.	-	(7,161)	(6,161)	(6,161)	(6,161)	(6,161)

* As of 6/30/09

Dept. of Homeless Services

Description	City Personnel*	City Funds ($ In Thousands) 2008	2009	2010	2011	2012
PEG PROGRAM						
Re-Estimate of Single Adult Shelter A decline in the single adult shelter population will reduce the existing shelter capacity.	-	-	(2,483)	(3,161)	(3,161)	(3,161)
Hiring Freeze and Vacancy Reduction Program	-	(3,470)	-	-	-	-
Total Agency Program	-	(10,631)	(15,644)	(11,722)	(11,722)	(11,722)

* As of 6/30/09

AGENCY FIVE YEAR SUMMARY

Department for the Aging

City Funds ($ In Thousands)	2008	2009	2010	2011	2012
Baseline Per Adopted Plan - 06/15/07	142,081	109,245	109,245	108,245	108,245
Expenditure Increases / Reestimates	152	150	150	150	150
PEG Program	(3,552)	(5,462)	(5,462)	(5,462)	(5,462)
Financial Plan of 1/24/08	138,681	103,933	103,933	102,933	102,933

City Funded Headcount	2008	2009	2010	2011	2012
Baseline Per Adopted Plan - 06/15/07	57	57	57	57	57
Expenditure Increases / Reestimates	8				
Financial Plan of 1/24/08	65	57	57	57	57

Department for the Aging

	City Personnel*	City Funds ($ In Thousands)				
		2008	2009	2010	2011	2012
Baseline Per Adopted Plan - 06/15/07	57	142,081	109,245	109,245	108,245	108,245
Expenditure Increases / Reestimates						
Collective Bargaining	-	150	150	150	150	150
Heat, Light and Power Adjustment	-	(52)	-	-	-	-
Lease Adjustment	-	57	-	-	-	-
PEG PROGRAM	-	(3,552)	(5,462)	(5,462)	(5,462)	(5,462)
Financial Plan of 1/24/08	57	138,684	103,933	103,933	102,933	102,933

* As of 6/30/09

Department for the Aging

Description	City Personnel*	City Funds ($ In Thousands) 2008	2009	2010	2011	2012
PEG PROGRAM						
Contract Reduction Savings from reducing contract agency bugdets, including senior centers, meal programs, and homecare, by three percent.	-	(3,252)	(5,462)	(5,462)	(5,462)	(5,462)
Administrative Accruals Savings in agency administrative costs.	-	(300)	-	-	-	-
Total Agency Program	-	(3,552)	(5,462)	(5,462)	(5,462)	(5,462)

* As of 6/30/09

Youth & Community Development

City Funds ($ In Thousands)	2008	2009	2010	2011	2012
Baseline Per Adopted Plan - 06/15/07	284,794	192,916	192,916	192,916	192,916
Expenditure Increases / Reestimates	(839)	322	322	322	322
PEG Program	(7,976)	(9,679)	(9,679)	(9,679)	(9,679)
Financial Plan of 1/24/08	275,979	183,559	183,559	183,559	183,559

City Funded Headcount	2008	2009	2010	2011	2012
Baseline Per Adopted Plan - 06/15/07	228	218	218	218	218
Expenditure Increases / Reestimates		122	122	122	122
PEG Program		(4)	(4)	(4)	(4)
Financial Plan of 1/24/08	228	336	336	336	336

Youth & Community Development

	City Personnel*	City Funds ($ In Thousands)				
		2008	2009	2010	2011	2012
Baseline Per Adopted Plan - 06/15/07	218	284,794	192,916	192,916	192,916	192,916
Expenditure Increases / Reestimates						
Collective Bargaining	-	212	212	212	212	212
CEO: Access NYC Counselors Contracted staff will do outreach throughout NYC to demonstrate ACCESSNYC, a screening tool that can determine client eligibility for 35 benefit programs.	-	122	-	-	-	-
Technical Adjustment	-	(220)	110	110	110	110
PS Realignment	122	-	-	-	-	-
FY 08 MN 1	-	(954)	-	-	-	-
PEG PROGRAM	(4)	(7,976)	(9,679)	(9,679)	(9,679)	(9,679)
Financial Plan of 1/24/08	336	275,978	183,559	183,559	183,559	183,559

* As of 6/30/09

Youth & Community Development

Description	City Personnel*	City Funds ($ In Thousands) 2008	2009	2010	2011	2012
PEG PROGRAM						
OST Contract Expenses Contract agency performance indicates lower than anticipated spending because of failure to achieve attendance targets.	-	(3,800)	(2,604)	(2,604)	(2,604)	(2,604)
Miscellaneous Program Accruals Projected underspending in miscellaneous programs across the agency.	-	(2,165)	-	-	-	-
Eliminate Bus Program Eliminates funding for bus trips for youth in community based programs.	-	-	(200)	(200)	(200)	(200)
Federal Revenue for Adult Literacy The agency will work with the Department of Social Services to claim federal Food Stamp Employment and Training funds for eligible clients attending adult education programs.	-	(856)	(1,187)	(1,187)	(1,187)	(1,187)
Prior Year Federal Revenue Remaining funds from prior year federal grants will reduce tax levy needs in FY 08.	-	(1,155)	-	-	-	-
Reduce Non-Core Beacon Services Reduction in funding for drop-in services and community events, provided by Beacon after-school programs.	-	-	(2,300)	(2,300)	(2,300)	(2,300)

* As of 6/30/09

Youth & Community Development

Description	City Personnel*	City Funds ($ In Thousands) 2008	2009	2010	2011	2012
PEG PROGRAM						
Summer Youth Reduction Eliminates funding for 2,100 out of 22,400 city tax levy slots for the Summer 2008 Summer Youth Employment Program. In 2007, a combination of City, State, and federal funds supported 38,521 slots.	-	-	(3,153)	(3,153)	(3,153)	(3,153)
Hiring Freeze and Vacancy Reduction Program	(4)	-	(234)	(234)	(234)	(234)
Total Agency Program	(4)	(7,976)	(9,678)	(9,678)	(9,678)	(9,678)

* As of 6/30/09

Dept Health & Mental Hygiene

City Funds ($ In Thousands)	2008	2009	2010	2011	2012
Baseline Per Adopted Plan - 06/15/07	633,108	611,561	612,327	612,480	612,480
Expenditure Increases / Reestimates	(2,585)	16,908	27,971	30,943	33,170
PEG Program	(16,981)	(19,879)	(19,073)	(19,073)	(19,073)
Less Amount Reflected in Revenue Budget	4,987	5,753	5,753	5,753	5,753
Financial Plan of 1/24/08	618,529	614,343	626,978	630,103	632,330

City Funded Headcount	2008	2009	2010	2011	2012
Baseline Per Adopted Plan - 06/15/07	4,231	4,215	4,198	4,200	4,200
Expenditure Increases / Reestimates	27	8	8	4	4
PEG Program	(146)	(200)	(200)	(200)	(200)
Financial Plan of 1/24/08	4,112	4,023	4,006	4,004	4,004

Dept Health & Mental Hygiene

	City Personnel*	City Funds ($ In Thousands)				
		2008	2009	2010	2011	2012
Baseline Per Adopted Plan - 06/15/07	4,215	633,108	611,561	612,327	612,480	612,480
Expenditure Increases / Reestimates						
New York/New York III Housing Funds congregate supportive housing for enrollees of New York/New York III housing program.	-	797	3,348	7,341	10,066	12,791
Correctional and Veterinary Health Revised estimate of costs for contracts for these services.	-	-	8,457	11,461	12,838	12,838
OCME DNA Lab Provides funding for operation of the new lab.	-	2,825	4,136	5,205	5,205	5,205
World Trade Center Excavations Funding to complete the excavation project for human remains on the west side of World Trade Center site.	-	3,611	-	-	-	-
Technical Adjustment	-	217	3,936	4,490	4,490	4,490
Collective Bargaining Increases Collective bargaining increases for Stationary Engineers and Supervisors of Mechanical Engineers	-	132	132	132	132	132
Collective Bargaining Increases Collective Bargaining increases for 1199	-	1,246	1,392	1,392	1,392	1,392

* As of 6/30/09

Dept Health & Mental Hygiene

Description	City Personnel*	City Funds ($ In Thousands) 2008	2009	2010	2011	2012
Expenditure Increases / Reestimates						
Pharmacists & Dieticians, Hospital Technicians, Microbiologists, and CWA 1180.						
Early Intervention Re-Estimate Aligns budget for Early Intervention clinical services with current program expenditures.	-	(10,696)	(4,621)	(2,179)	(3,309)	(3,806)
FY 08 MN 1	-	422	-	-	-	-
Headcount Adjustments	2	-	-	-	-	-
Headcount Adjustments	6	-	-	-	-	-
Heat, Light and Power Heat, light and power adjustment.	-	(1,138)	129	129	129	129
PEG PROGRAM	(200)	(16,981)	(19,879)	(19,073)	(19,073)	(19,073)
Less Amount Reflected in the Revenue Budget	-	4,987	5,753	5,753	5,753	5,753
Financial Plan of 1/24/08	4,023	618,530	614,344	626,978	630,103	632,331

* As of 6/30/09

Dept Health & Mental Hygiene

Description	City Personnel*	City Funds ($ In Thousands) 2008	2009	2010	2011	2012
PEG PROGRAM						
Administrative Efficiencies Reduce expenditures through consolidation of functions and maximizing revenue opportunities	-	-	(1,987)	(1,987)	(1,987)	(1,987)
Additional Agency Revenue Realignment of revenue budget indicates higher portion of budget is claimable to Medicaid and other sources.	-	(3,900)	(4,970)	(4,970)	(4,970)	(4,970)
Enhanced Claiming for Early Intervention Services Increase Medicaid and insurance claiming for Early Intervention program.	-	(6,000)	(1,000)	(1,000)	(1,000)	(1,000)
Re-estimate of Tribunal Fine Revenue Additional fine revenue from improved collections.	-	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)
Re-estimate of Fee Collections Based on current and historical trends, the Department will realize additional certificate, permit, license and inspection fee revenue.	-	(1,750)	(2,000)	(2,000)	(2,000)	(2,000)
Fee Revenue from Other Jurisdictions Revenue from non-city requests for DNA	-	-	(500)	(500)	(500)	(500)

* As of 6/30/09

Dept Health & Mental Hygiene

Description	City Personnel*	City Funds ($ In Thousands) 2008	2009	2010	2011	2012
PEG PROGRAM						
analysis and licensing of patented DNA swab kit.						
Recoupment of Funds Owed by Contracted Service Providers Collection of revenue due to the Department from contractors.	-	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)
OCME Personnel Service Accruals Revised staffing estimates for DNA and morgue operations.	-	(1,178)	(1,769)	(261)	(261)	(261)
Hiring Freeze and Vacancy Reduction Program	(200)	(1,153)	(4,653)	(5,354)	(5,354)	(5,354)
Total Agency Program	(200)	(16,981)	(19,879)	(19,072)	(19,072)	(19,072)

* As of 6/30/09

AGENCY FIVE YEAR SUMMARY

Housing Preservation & Dev.

City Funds ($ In Thousands)	2008	2009	2010	2011	2012
Baseline Per Adopted Plan - 06/15/07	83,191	68,252	66,535	66,493	66,493
Expenditure Increases / Reestimates	319	305	305	305	305
PEG Program	(2,671)	(4,458)	(4,800)	(5,108)	(5,108)
Less Amount Reflected in Revenue Budget	1,821	411	411	411	411
Financial Plan of 1/24/08	82,660	64,510	62,451	62,101	62,101

City Funded Headcount					
Baseline Per Adopted Plan - 06/15/07	783	777	774	773	773
Expenditure Increases / Reestimates	(1)	(1)	(1)	(1)	(1)
PEG Program	(22)	(36)	(36)	(36)	(36)
Financial Plan of 1/24/08	760	740	737	736	736

Housing Preservation & Dev.

	City Personnel*	City Funds ($ In Thousands)				
		2008	2009	2010	2011	2012
Baseline Per Adopted Plan - 06/15/07	777	83,191	68,252	66,535	66,493	66,493
Expenditure Increases / Reestimates						
HPD Transfer to NYCAPS Central Transfer of one position from HPD for implementation of the New York City Automated Personnel System.	(1)	(35)	(46)	(46)	(46)	(46)
CWA Collective Bargaining CWA collective bargaining increase (IFA).	-	351	351	351	351	351
PEG PROGRAM	(36)	(2,671)	(4,458)	(4,800)	(5,108)	(5,108)
Less Amount Reflected in the Revenue Budget	-	1,821	411	411	411	411
Financial Plan of 1/24/08	740	82,657	64,510	62,451	62,101	62,101

* As of 6/30/09

Housing Preservation & Dev.

Description	City Personnel*	City Funds ($ In Thousands)				
		2008	2009	2010	2011	2012
PEG PROGRAM						
<u>Shelters CD/TL Swap for Singles</u> This service will be funded with Federal CDBG dollars instead of tax levy.	-	(383)	(766)	(766)	(766)	(766)
<u>Neighborhood Redevelopment Program</u> When projects enter the disposition pipeline for NRP, emergency repairs and stabilization are generally done. At this time HPD is able to save funding because there are fewer buildings in City ownership.	-	(100)	(250)	(250)	(250)	(250)
<u>Housing Fellows</u> HPD intends to fundraise to cover the salaries of two housing fellows that are currently funded with tax levy.	(2)	-	(110)	(110)	(110)	(110)
<u>Reduce EPA lead training contract</u> Currently HPD provides EPA certification trainings through a private contractor. The agency will eliminate this contract and provide the course in-house using existing trainers.	-	(17)	(68)	(68)	(68)	(68)
<u>Reduce AOTPS Spending</u> HPD, through a series of initiatives, such the delayed purchase of vehicles and the implementation of a new more cost effective	-	-	(350)	(350)	(350)	(350)

* As of 6/30/09

Housing Preservation & Dev.

Description	City Personnel*	City Funds ($ In Thousands) 2008	2009	2010	2011	2012
PEG PROGRAM						
contract for agency wide copiers, will reduce administrative expenses.						
MDR Funding Swap Replacement of tax levy funding for the Multiple Dwelling Registration Unit with Federal CDBG funds.	(4)	-	(565)	(565)	(565)	(565)
Property Management Reduction Reduction to property management budget for management of vacant lots and buildings.	-	-	(557)	(716)	(1,024)	(1,024)
Increased Revenue from 421a Fees The Department of Housing Preservation and Development will collect additional Section 421-a fee revenue from new construction of multiple dwellings. This additional fee revenue takes into account increased construction costs offsets by recent changes.	-	(1,686)	-	-	-	-
Increased Collections from Housing Litigation Fines The Department of Housing Preservation and Development has improved revenue collections by increasing the productivity of the Housing Litigation Division through a new legal case tracking system, developing a targeted	-	(100)	(100)	(100)	(100)	(100)

* As of 6/30/09

Housing Preservation & Dev.

Description	City Personnel*	City Funds ($ In Thousands) 2008	2009	2010	2011	2012
PEG PROGRAM						
litigation strategy, and ensuring the unit is fully staffed.						
Mortgage Refinancing Fee Revenue The Department of Housing, Preservation and Development will establish a new fee to process mortgage refinance requests.	-	-	(240)	(240)	(240)	(240)
Increased Revenue from Certificate of Non Harassment Fees The Department of Housing Preservation and Development will collect additional revenue from fees charged for Certification of No Harassment. The certification is required for owners converting single room occupancy buildings for another use.	-	(35)	(71)	(71)	(71)	(71)
Hiring Freeze and Vacancy Reduction Program This initiative reflects savings from the partial elimination of vacancies and replacement of future attrition.	(30)	(350)	(1,382)	(1,564)	(1,564)	(1,564)
Total Agency Program	(36)	(2,671)	(4,459)	(4,800)	(5,108)	(5,108)

* As of 6/30/09

Department of Buildings

City Funds ($ In Thousands)	2008	2009	2010	2011	2012
Baseline Per Adopted Plan - 06/15/07	99,272	88,505	88,401	88,148	88,148
Expenditure Increases / Reestimates	1,285	1,922	1,922	1,922	1,922
Financial Plan of 1/24/08	100,557	90,427	90,323	90,070	90,070

City Funded Headcount					
Baseline Per Adopted Plan - 06/15/07	1,286	1,271	1,271	1,271	1,271
Expenditure Increases / Reestimates	15	15	15	15	15
Financial Plan of 1/24/08	1,301	1,286	1,286	1,286	1,286

Department of Buildings

	City Personnel*	City Funds ($ In Thousands)				
		2008	2009	2010	2011	2012
Baseline Per Adopted Plan - 06/15/07	1,271	99,272	88,505	88,401	88,148	88,148
Expenditure Increases / Reestimates						
Gut Renovations Plan Review and Inspections Gut Renovations Plan Review and Inspections. This funding determination was made in collaboration with City Council.	6	243	485	485	485	485
Low Rise Safety Inspections Programs Low Rise Safety Inspections Programs. This funding determination was made in collaboration with City Council.	6	203	405	405	405	405
Pre-Qualifying Pro-Cert Program Funding for staff for the Pre-Qualifying Pro-Cert Program. This funding determination was made in collaboration with City Council.	3	136	273	273	273	273
CWA 1180 Collective Bargaining CWA 1180 Collective Bargaining	-	760	760	760	760	760
Heat, Light and Power Heat, light and power adjustment.	-	(57)	-	-	-	-
Financial Plan of 1/24/08	1,286	100,557	90,428	90,324	90,071	90,071

* As of 6/30/09

Dept of Environmental Prot.

City Funds ($ In Thousands)	2008	2009	2010	2011	2012
Baseline Per Adopted Plan - 06/15/07	911,725	888,219	868,201	866,427	866,427
Expenditure Increases / Reestimates	(4,988)	7,303	7,303	7,303	7,303
PEG Program	(1,341)	(3,460)	(3,460)	(3,460)	(3,460)
Less Amount Reflected in Revenue Budget	3,778	5,738	4,463	3,275	3,349
Financial Plan of 1/24/08	909,174	897,800	876,507	873,545	873,619

City Funded Headcount	2008	2009	2010	2011	2012
Baseline Per Adopted Plan - 06/15/07	345	340	340	340	340
Expenditure Increases / Reestimates		5	5	5	5
PEG Program	(13)	(13)	(13)	(13)	(13)
Financial Plan of 1/24/08	332	332	332	332	332

Dept of Environmental Prot.

	City Personnel*	City Funds ($ In Thousands)				
		2008	2009	2010	2011	2012
Baseline Per Adopted Plan - 06/15/07	340	911,725	888,219	868,201	866,427	866,427
Expenditure Increases / Reestimates						
Additional Air and Noise Inspectors DEP will generate additional fine revenue from increased summons issuance. The revenue will offset the cost of hiring five Air and Noise inspectors.	5	-	176	176	176	176
CB Supervisor of Mechanics Collective Bargaining agreement for Supervisor of Mechanics titles.	-	161	161	161	161	161
CB Stationary Engineers/Oilers Collective Bargaining agreement for Stationary Engineers and Oilers	-	743	743	743	743	743
CB CWA Local 1180 Collective Bargaining agreement with CWA Local 1180.	-	1,530	1,530	1,530	1,530	1,530
Heat, Light and Power Heat, light and power adjustment.	-	(11,710)	-	-	-	-
Fuel Fuel adjustment	-	3,874	4,075	4,075	4,075	4,075
Gasoline Gasoline adjustment	-	415	618	618	618	618
PEG PROGRAM	(13)	(1,341)	(3,460)	(3,460)	(3,460)	(3,460)

* As of 6/30/09

Dept of Environmental Prot.

Description	City Personnel*	City Funds ($ In Thousands) 2008	2009	2010	2011	2012
Less Amount Reflected in the Revenue Budget	-	3,778	5,738	4,463	3,275	3,349
Financial Plan of 1/24/08	332	909,175	897,800	876,507	873,545	873,619

* As of 6/30/09

Dept of Environmental Prot.

Description	City Personnel*	City Funds ($ In Thousands) 2008	2009	2010	2011	2012
PEG PROGRAM						
Additional Revenue from Hydroelectric Program Based on the hydroelectric agreement with the New York Power Authority, the Department of Environmental Protection will generate additional upstate water sales revenue. This incremental revenue will be partially offset by engineering service costs.	-	(225)	(1,300)	(1,300)	(1,300)	(1,300)
Various Payments From Several Sources The Department of Environmental Protection will generate additional miscellaneous revenue from timber sales, worker's compensation claims and other unplanned revenues.	-	(100)	(100)	(100)	(100)	(100)
Additional Con Edison Right-To-Know Fee Revenue DEP will generate additional revenue based on its current agreement with Con Edison for filing facility inventory forms as part of the Right to Know Law.	-	(150)	(150)	(150)	(150)	(150)
Additional Upstate Rentals Revenue The agency will generate additional revenue based on improved fee collection procedures and increased property rental activity.	-	(100)	(100)	(100)	(100)	(100)

* As of 6/30/09

Dept of Environmental Prot.

Description	City Personnel*	City Funds ($ In Thousands) 2008	2009	2010	2011	2012
PEG PROGRAM						
Additional ECB Fine Revenue The Department will realize additional collections from improvements in arrears collections at the Environmental Control Board.	-	(500)	(800)	(800)	(800)	(800)
Re-estimate of Brownfields OTPS Budget A re-estimate of the OTPS needs of the Brownfields program.	-	-	(100)	(100)	(100)	(100)
Hiring Freeze and Vacancy Reduction Program This initiative reflects savings from the partial elimination of vacancies and replacement of future attrition.	(13)	(266)	(910)	(910)	(910)	(910)
Total Agency Program	(13)	(1,341)	(3,460)	(3,460)	(3,460)	(3,460)

* As of 6/30/09

Department of Finance

City Funds ($ In Thousands)	2008	2009	2010	2011	2012
Baseline Per Adopted Plan - 06/15/07	212,890	210,818	209,788	209,788	209,788
Expenditure Increases / Reestimates	737	(116)	(116)	(116)	(116)
PEG Program	(8,995)	(14,907)	(16,857)	(16,857)	(16,857)
Less Amount Reflected in Revenue Budget	8,586	10,500	10,500	10,500	10,500
Financial Plan of 1/24/08	213,218	206,295	203,315	203,315	203,315

City Funded Headcount	2008	2009	2010	2011	2012
Baseline Per Adopted Plan - 06/15/07	2,241	2,241	2,241	2,241	2,241
Expenditure Increases / Reestimates	(16)	(16)	(16)	(16)	(16)
PEG Program	(44)	(115)	(115)	(115)	(115)
Financial Plan of 1/24/08	2,181	2,110	2,110	2,110	2,110

Department of Finance

	City Personnel*	City Funds ($ In Thousands)				
		2008	2009	2010	2011	2012
Baseline Per Adopted Plan - 06/15/07	2,241	212,890	210,818	209,788	209,788	209,788
Expenditure Increases / Reestimates						
Collective Bargaining Increases CWA Local 1180 collective bargaining increase.	-	1,555	1,555	1,555	1,555	1,555
Tax Appeals Tribunal Transfer Funding and headcount transfer to the Tax Commission associated with the merger between the Commission and the Tribunal.	(16)	(646)	(1,671)	(1,671)	(1,671)	(1,671)
Heat, Light and Power Heat, light and power adjustment.	-	(172)	-	-	-	-
PEG PROGRAM	(115)	(8,995)	(14,907)	(16,857)	(16,857)	(16,857)
Less Amount Reflected in the Revenue Budget	-	8,586	10,500	10,500	10,500	10,500
Financial Plan of 1/24/08	2,110	213,218	206,295	203,315	203,315	203,315

* As of 6/30/09

Department of Finance

Description	City Personnel*	City Funds ($ In Thousands) 2008	2009	2010	2011	2012
PEG PROGRAM						
One-Time Rebates The Department of Finance will realize one-time payments from prior year purchases of services and equipment.	-	(1,386)	-	-	-	-
Additional City Register Fee Activity Due to sustained real estate transaction activity, the Department of Finance is projecting additional revenue above the plan.	-	(6,200)	(6,200)	(6,200)	(6,200)	(6,200)
Increase Surveyor Fees The Department of Finance will generate additional revenue resulting from the increase and consolidation of the surveyor fees.	-	-	(1,500)	(1,500)	(1,500)	(1,500)
Implement a New Fleet Program Fee The Department of Finance will establish a fee per year per plate to register companies in the Fleet Program and recover the cost of administering the program.	-	-	(1,800)	(1,800)	(1,800)	(1,800)
Additional Court and Trust Fee Revenue The Department of Finance is anticipating additional court and trust fees based on higher cash balances held and processed by the Court and Trust Divisions.	-	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)

* As of 6/30/09

Department of Finance

Description	City Personnel*	City Funds ($ In Thousands) 2008	2009	2010	2011	2012
PEG PROGRAM						
Hiring Freeze and Vacancy Reduction Program.	(115)	(410)	(4,407)	(6,357)	(6,357)	(6,357)
This initiative reflects savings from the partial elimination of vacancies and replacement of future attrition.						
Total Agency Program	(115)	(8,996)	(14,907)	(16,857)	(16,857)	(16,857)

* As of 6/30/09

Department of Transportation

City Funds ($ In Thousands)	2008	2009	2010	2011	2012
Baseline Per Adopted Plan - 06/15/07	427,659	415,931	416,412	417,731	417,731
Expenditure Increases / Reestimates	26,226	23,917	23,002	23,002	22,958
PEG Program	(17,790)	(20,265)	(23,139)	(23,602)	(23,602)
Less Amount Reflected in Revenue Budget	17,368	8,878	8,878	8,878	8,878
Financial Plan of 1/24/08	453,463	428,461	425,153	426,009	425,965

City Funded Headcount	2008	2009	2010	2011	2012
Baseline Per Adopted Plan - 06/15/07	2,257	2,314	2,314	2,314	2,314
Expenditure Increases / Reestimates	21	35	19	19	19
PEG Program	(31)	(111)	(111)	(111)	(111)
Financial Plan of 1/24/08	2,247	2,238	2,222	2,222	2,222

Department of Transportation

	City Personnel*	City Funds ($ In Thousands)				
		2008	2009	2010	2011	2012
Baseline Per Adopted Plan - 06/15/07	2,314	427,659	415,931	416,412	417,731	417,731
Expenditure Increases / Reestimates						
Work Over Water Rescue Boat OSHA regulations require that DOT provide a rescue boat under any bridge on which DOT personnel are working.	-	250	500	500	500	500
Pedestrian Bridge Inspections Diving inspections for the 20 City owned pedestrian bridges that cross over water.	-	50	50	50	50	50
Enviromental Compliance Funding for mandated hazardous waste removal contract.	-	50	50	50	50	50
Continue Ferry Night Service Continue night service on the Staten Island Ferry. Delay of FY03 Executive Plan PEG for contracting out services.	16	-	609	-	-	-
Bio-diesel Fuel Increased Cost Increased cost associated with bio-diesel fuel use which will reduce ferry boat sulfur emissions.	-	430	860	860	860	860
Security Contract Increase Rate increases to the DCAS-managed city-wide security services contract. Beginning in FY10, efficiency savings for DOT security	-	122	104	-	-	-

* As of 6/30/09

Department of Transportation

Description	City Personnel*	City Funds ($ In Thousands) 2008	2009	2010	2011	2012
Expenditure Increases / Reestimates						
services are expected from consolidation of DOT office locations into 55 Water Street.						
Agency-Wide Vehicle Need Funding to purchase cars that are currently being paid for with capital contracts and to replace the oldest operations vehicles.	-	1,603	658	658	658	658
Comprehensive Street Management Study An engineering and management consultant will review DOT's capital program and coordination with various entities that do work on the streets and improve DOT's assessment of the condition of the street system.	-	4,560	-	-	-	-
Collision & Major Body Work Vehicle Maintenance Contract Temporary increase in DCAS-managed contract rates for maintenance of DOT light-duty vehicle fleet while current contract is renegotiated.	-	107	174	-	-	-
Signal Maintenance Contract Increase in Signal Maintenance Contract rates.	-	8,524	14,613	14,613	14,613	14,613

* As of 6/30/09

Department of Transportation

Description	City Personnel*	City Funds ($ In Thousands) 2008	2009	2010	2011	2012
Expenditure Increases / Reestimates						
Priority Regulatory Signs (Intro 581) To comply with new legislation (Intro 581) DOT will increase staff resources (overtime and one new position) to repair and replace priority regulatory signs within three business days of a work request.	1	310	310	310	310	310
Parking Meter Credit Card Acceptance Efficiencies Parking meter collection efficiencies will be achieved through the use of credit cards and handheld equipment in the conversion of single-space meters to multi-space meters.	-	425	449	422	422	378
East River Bridge Necklace Lighting Replaces 100-watt mercury vapor lamps with 24-watt LED lamps on the Brooklyn Bridge.	-	500	-	-	-	-
Oilers Collective Bargaining Collective Bargaining adjustments for DOT Oiler titles	-	111	111	111	111	111
Letterers Collective Bargain Collective bargaining adjustments for DOT Letterer titles	-	70	74	74	74	74
Ferry Title Collective Bargain Collective bargaining adjustments for ferry MEBA titles	-	711	711	711	711	711

* As of 6/30/09

Department of Transportation

Description	City Personnel*	City Funds ($ In Thousands) 2008	2009	2010	2011	2012
Expenditure Increases / Reestimates						
Supervisor Highway Repairer Arbitration Award Supervisor Highway Repairer arbitration award adjusting salaries and compensation rates for overtime on Sundays and Holidays	-	770	770	770	770	770
Collective Bargaining for CWA 1180 Titles CWA Local 1180 collective bargaining increase (IFA).	-	866	866	866	866	866
FY 08 MN 1	-	(35)	-	-	-	-
Budget Mods Positions 1/14/2008 to 1/17/2008	18	-	-	-	-	-
Heat, Light and Power Heat, light and power adjustment.	-	3,632	-	-	-	-
Fuel Fuel adjustment	-	97	98	98	98	98
Gasoline Gasoline adjustment	-	3,073	2,909	2,909	2,909	2,909
PEG PROGRAM	(111)	(17,790)	(20,265)	(23,139)	(23,602)	(23,602)

* As of 6/30/09

Department of Transportation

Description	City Personnel*	City Funds ($ In Thousands) 2008	2009	2010	2011	2012
Less Amount Reflected in the Revenue Budget	-	17,368	8,878	8,878	8,878	8,878
Financial Plan of 1/24/08	2,238	453,463	428,460	425,153	426,009	425,965

* As of 6/30/09

Department of Transportation

Description	City Personnel*	City Funds ($ In Thousands) 2008	2009	2010	2011	2012
PEG PROGRAM						
Elimination of Overnight Watch in Shipyard. DOT will eliminate overtime expenditures for overnight safety/security watch on boats in drydocking as this service is provided by the drydocking contractor.	-	-	(100)	(100)	(100)	(100)
Elimination of Generator Watch. DOT will safely eliminate the Molinari Class generator watch (which required a Marine Engineer working overtime to be present on Molinari boiler rooms when boat is not in use) through the installation of a remote alarm system, thus reducing overtime expenditures.	-	-	(529)	(529)	(529)	(529)
Reduction of Weekend Overtime for Ferry Maintenance. DOT will reduce overtime expenditures by limiting weekend overtime for ferry maintenance to every other weekend except for emergency repairs through scheduled preventive maintenance.	-	-	(375)	(375)	(375)	(375)
Delivery of Training via Streaming Video. DOT will generate productivity savings by enabling mandated training via streaming video, saving travel time between worksites and central training location.	-	-	(88)	(88)	(88)	(88)

* As of 6/30/09

Department of Transportation

Description	City Personnel*	City Funds ($ In Thousands) 2008	2009	2010	2011	2012
PEG PROGRAM						
Energy Reduction Program-Street Lighting Savings resulting from wattage reduction program to replace 250 and 150 watt street lights with more energy efficient 150 and 100 watt street light bulbs and reflectors.	-	-	(2,477)	(4,917)	(5,380)	(5,380)
Re-estimate of Red Light Camera Fines The Department of Transportation is projecting additional fine revenue from the 50 new cameras added in FY 2007.	-	(8,000)	(4,500)	(4,500)	(4,500)	(4,500)
Eliminate City Funded Signs & Markings Position Eliminate a City funded position in Geometric Design.	(1)	(41)	(62)	(62)	(62)	(62)
Electrical Transformers and Revocable Consents Revenue The Department of Transportation will collect additional revocable consent revenue from electrical transformers, bridges connecting buildings, minor tunnels, pipes, and other miscellaneous privileges.	-	(3,282)	(3,283)	(3,283)	(3,283)	(3,283)
Increase Utility Permit Activity Based on the first four months of FY 2008, the agency will collect additional revenue due to increased street work permit activity	-	(800)	(800)	(800)	(800)	(800)

* As of 6/30/09

Department of Transportation

Description	City Personnel*	City Funds ($ In Thousands) 2008	2009	2010	2011	2012
PEG PROGRAM						
One-Time Settlement Payment DOT and the Law Department successfully negotiated with Con Edison for a $5 million reimbursement for the facility charge for streetlight energy.	-	(5,000)	-	-	-	-
Raised Casting Fee Revenue Due to an increase in the number of lane miles resurfaced as a result of PlaNYC 2030 initiatives, DOT will realize additional raised casting revenue from utilities.	-	(285)	(295)	(295)	(295)	(295)
State Ferry Subsidy DOT will utilize increased State Mass Transportation Operating Assistance Fund Program funding for Staten Island Ferry operations to replace City funds.	(60)	-	(6,017)	(6,017)	(6,017)	(6,017)
Hiring Freeze and Vacancy Reduction Program This initiative reflects savings from the partial elimination of vacancies and replacement of future attrition.	(50)	(381)	(1,739)	(2,173)	(2,173)	(2,173)
Total Agency Program	(111)	(17,789)	(20,265)	(23,139)	(23,602)	(23,602)

* As of 6/30/09

Dept of Parks and Recreation

City Funds ($ In Thousands)	2008	2009	2010	2011	2012
Baseline Per Adopted Plan - 06/15/07	280,478	271,202	271,775	275,256	275,256
Expenditure Increases / Reestimates	6,224	5,421	5,119	5,119	5,119
PEG Program	(1,900)	(15,740)	(15,740)	(11,740)	(11,740)
Less Amount Reflected in Revenue Budget	-	10,750	10,750	6,750	6,750
Financial Plan of 1/24/08	284,802	271,633	271,904	275,385	275,385

City Funded Headcount	2008	2009	2010	2011	2012
Baseline Per Adopted Plan - 06/15/07	3,363	3,383	3,402	3,419	3,419
Expenditure Increases / Reestimates	34	2	2	2	2
PEG Program	(76)	(133)	(133)	(133)	(133)
Financial Plan of 1/24/08	3,321	3,252	3,271	3,288	3,288

Dept of Parks and Recreation

	City Personnel*	City Funds ($ In Thousands)				
		2008	2009	2010	2011	2012
Baseline Per Adopted Plan - 06/15/07	3,383	280,478	271,202	271,775	275,256	275,256
Expenditure Increases / Reestimates						
Shea and Yankee Stadia Repairs	-	2,000	-	-	-	-
Barretto Floating Pool Funding for the operation of the floating pool at Barretto Point Park in the Bronx.	-	600	303	-	-	-
Central Park Indoor Tennis The Department of Parks and Recreation will bid a concession for the construction of an indoor tennis facility in Central Park to allow for year-round tennis.	-	-	1,000	1,000	1,000	1,000
Concert Event Fees The Department of Parks and Recreation will generate additional event fee revenue from concerts in various parks.	-	-	750	750	750	750
Incandescent Bulb Replacement Funding for replacing all incandescent bulbs at Parks facilities citywide along with fixtures where needed.	-	100	-	-	-	-
Variable Transformers in Parks Buildings Funding to install variable transformers at selected buildings.	-	360	-	-	-	-
Stationary Engineer C.B. Collective Bargaining settlement for Stationary Engineers.	-	165	165	165	165	165

* As of 6/30/09

Dept of Parks and Recreation

Description	City Personnel*	City Funds ($ In Thousands) 2008	2009	2010	2011	2012
Expenditure Increases / Reestimates						
Letterers C.B. Collective Bargaining settlement for Letterers/Sign Painter.	-	20	21	21	21	21
Collective Bargaining for Supervisors of Mechanics Funding for the collective bargaining settlement of Supervisors of Mechanics.	-	22	22	22	22	22
CWA Collective Bargaining	-	711	711	711	711	711
Parks Transfer to NYCAPS Central Transfer of two Parks Department positions for implementation of the New York City Automated Personnel System.	(2)	(59)	(82)	(82)	(82)	(82)
Annuity Payments for Trades Titles	-	469	469	469	469	469
Concession Audits Additional funding to hire auditors.	4	60	200	200	200	200
FY 08 MN 1	-	11	-	-	-	-
Heat, Light and Power Heat, light and power adjustment.	-	(633)	-	-	-	-
Fuel Fuel adjustment	-	825	817	817	817	817

* As of 6/30/09

Dept of Parks and Recreation

Description	City Personnel*	City Funds ($ In Thousands) 2008	2009	2010	2011	2012
Expenditure Increases / Reestimates						
Gasoline Gasoline adjustment	-	1,574	1,045	1,045	1,045	1,045
PEG PROGRAM	(133)	(1,900)	(15,740)	(15,740)	(11,740)	(11,740)
Less Amount Reflected in the Revenue Budget	-	-	10,750	10,750	6,750	6,750
Financial Plan of 1/24/08	3,252	284,803	271,633	271,903	275,384	275,384

* As of 6/30/09

Dept of Parks and Recreation

Description	City Personnel*	City Funds ($ In Thousands) 2008	2009	2010	2011	2012
PEG PROGRAM						
Various Indoor Tennis Facilities The Department of Parks and Recreation will bid several concessions for the construction of indoor tennis facilities in Central Park, Astoria, East River and Riverside Parks to allow for year-round tennis.	-	-	(2,000)	(2,000)	(2,000)	(2,000)
Outdoor Concert Event Fees The Department of Parks and Recreation will generate additional event fee revenue from outdoor concerts in various parks.	-	-	(1,750)	(1,750)	(1,750)	(1,750)
Sale of Surplus Materials The City will evaluate and dispose of surplus materials from several City-owned facilities.	-	-	(4,000)	(4,000)	-	-
Naming Rights at Major Sites The Department of Parks and Recreation will receive revenue for providing corporations with name recognition at major sites throughout the City.	-	-	(3,000)	(3,000)	(3,000)	(3,000)
PS Accruals Accrued savings from delay in filling vacancies.	-	(500)	-	-	-	-

* As of 6/30/09

Dept of Parks and Recreation

Description	City Personnel*	City Funds ($ In Thousands) 2008	2009	2010	2011	2012
PEG PROGRAM						
Staten Island Asian Longhorned Beetle Program Other Than Personal Services savings resulting from lower than expected proliferation of Asian Longhorned Beetle infestation.	-	(250)	(250)	(250)	(250)	(250)
Hiring Freeze and Vacancy Reduction Program This initiative reflects savings from the partial elimination of vacancies and replacement of future attrition.	(76)	(1,150)	(3,440)	(3,440)	(3,440)	(3,440)
Hiring Freeze and Vacancy Reduction Program This initiative reflects savings from the partial elimination of vacancies and replacement of future attrition.	(57)	-	(1,300)	(1,300)	(1,300)	(1,300)
Total Agency Program	(133)	(1,900)	(15,740)	(15,740)	(11,740)	(11,740)

* As of 6/30/09

AGENCY FIVE YEAR SUMMARY

Dept of Citywide Admin Srvces

City Funds ($ In Thousands)	2008	2009	2010	2011	2012
Baseline Per Adopted Plan - 06/15/07	200,293	177,014	177,014	177,014	177,014
Expenditure Increases / Reestimates	3,081	5,076	5,321	5,321	5,321
PEG Program	(9,294)	(11,875)	(12,867)	(12,867)	(12,867)
Less Amount Reflected in Revenue Budget	8,793	7,873	7,873	7,873	7,873
Financial Plan of 1/24/08	202,873	178,088	177,341	177,341	177,341

City Funded Headcount	2008	2009	2010	2011	2012
Baseline Per Adopted Plan - 06/15/07	1,197	1,197	1,197	1,197	1,197
Expenditure Increases / Reestimates	32	32	32	32	32
PEG Program	(48)	(84)	(84)	(84)	(84)
Financial Plan of 1/24/08	1,181	1,145	1,145	1,145	1,145

Dept of Citywide Admin Srvces

	City Personnel*	City Funds ($ In Thousands)				
		2008	2009	2010	2011	2012
Baseline Per Adopted Plan - 06/15/07	1,197	200,293	177,014	177,014	177,014	177,014
Expenditure Increases / Reestimates						
Scaffolding Replacement Scaffolding replacement.	-	2,000	-	-	-	-
Energy Projects PlaNYC 2030 DCAS PlaNYC 2030 energy savings projects.	17	12,755	1,582	1,582	1,582	1,582
CB Stationary Engineers and Oilers. City portion of Collective Bargaining for Stationary Engineers and Oilers.	-	925	925	925	925	925
CWA Local 1180 CB Funding - City CWA Local 1180 collective bargaining increase.	-	555	555	555	555	555
Coastal Storm Plan Technical Adjustment Coastal Storm Plan technical adjustment.	-	(13,000)	-	-	-	-
ACS Transfer to NYCAPS Central Transfer of three positions from ACS for implementation of the New York City Automated Personnel System.	3	102	132	132	132	132
HPD Transfer to NYCAPS Central Transfer of one position from HPD for implementation of the New York City Automated Personnel System.	1	35	46	46	46	46

* As of 6/30/09

Dept of Citywide Admin Srvces

Description	City Personnel*	City Funds ($ In Thousands) 2008	2009	2010	2011	2012
Expenditure Increases / Reestimates						
HRA Transfer to NYCAPS Central Transfer of seven positions from HRA for implementation of the New York City Automated Personnel System.	7	224	325	325	325	325
Law Transfer to NYCAPS Central Transfer of one position from the Law Department for implementation of the New York City Automated Personnel System.	1	30	52	52	52	52
Parks Transfer to NYCAPS Central Transfer of two Parks Department positions for implementation of the New York City Automated Personnel System.	2	59	82	82	82	82
Probation Transfer to NYCAPS Central Transfer of one Department of Probation position for implementation of the New York City Automated Personnel System.	1	35	46	46	46	46
LEASE ADJUSTMENT	-	200	675	920	920	920
Heat, Light and Power Heat, light and power adjustment.	-	(310)	-	-	-	-
Heat, Light and Power Heat, light and power adjustment.	-	(1,156)	-	-	-	-

* As of 6/30/09

Dept of Citywide Admin Srvces

Description	City Personnel*	City Funds ($ In Thousands) 2008	2009	2010	2011	2012
Expenditure Increases / Reestimates						
Fuel Fuel adjustment	-	392	388	388	388	388
Gasoline Gasoline adjustment	-	234	269	269	269	269
PEG PROGRAM	(84)	(9,294)	(11,875)	(12,867)	(12,867)	(12,867)
Less Amount Reflected in the Revenue Budget	-	8,793	7,873	7,873	7,873	7,873
Financial Plan of 1/24/08	1,145	202,872	178,089	177,342	177,342	177,342

* As of 6/30/09

Dept of Citywide Admin Srvces

Description	City Personnel*	City Funds ($ In Thousands) 2008	2009	2010	2011	2012
PEG PROGRAM						
BSA Filing Fees The Board of Standards and Appeals will realize additional revenue due to a change in CEQR fees implemented in FY 2007.	-	-	(113)	(113)	(113)	(113)
Lease Audits The Department of Citywide Administrative Services will receive a one-time refund on a City lease.	-	(388)	-	-	-	-
Additional Commercial Rent Revenue The Department of Citywide Administrative Services will generate additional revenue due to revised lease payment terms for the Marriott Marquis Hotel.	-	(8,405)	(7,760)	(7,760)	(7,760)	(7,760)
BSA PS Reduction Accrual savings from vacancies.	-	(57)	-	-	-	-
OATH PS Budget Reduction Elimination of one part-time Clerical Associate.	-	-	(18)	(18)	(18)	(18)
DFMC OTPS Reduction Across-the-board OTPS reduction in the Division of Facilities Management and Construction.	-	-	(326)	(326)	(326)	(326)

* As of 6/30/09

Dept of Citywide Admin Srvces

Description	City Personnel*	City Funds ($ In Thousands) 2008	2009	2010	2011	2012
PEG PROGRAM						
Hiring Freeze and Vacancy Reduction Program (BSA) This initiative reflects savings from the partial elimination of vacancies and replacement of future attrition.	(3)	(30)	(208)	(235)	(235)	(235)
Hiring Freeze and Vacancy Reduction Program (DCAS) This initiative reflects savings from the partial elimination of vacancies and replacement of future attrition.	(78)	(392)	(3,278)	(4,203)	(4,203)	(4,203)
Hiring Freeze and Vacancy Reduction Program (OATH) This initiative reflects savings from the partial elimination of vacancies and replacement of future attrition.	(3)	(22)	(172)	(212)	(212)	(212)
Total Agency Program	(84)	(9,294)	(11,875)	(12,867)	(12,867)	(12,867)

* As of 6/30/09

NY Public Library - Research

City Funds ($ In Thousands)	2008	2009	2010	2011	2012
Baseline Per Adopted Plan - 06/15/07	5,815	25,366	25,366	25,366	25,366
Expenditure Increases / Reestimates	14,142	(14,156)	-	-	-
PEG Program	(627)	(1,268)	(1,268)	(1,268)	(1,268)
Financial Plan of 1/24/08	19,330	9,942	24,098	24,098	24,098

NY Public Library - Research

	City Personnel*	City Funds ($ In Thousands)				
		2008	2009	2010	2011	2012
Baseline Per Adopted Plan - 06/15/07	-	5,815	25,366	25,366	25,366	25,366
Expenditure Increases / Reestimates						
New York Research Library Prepayment Prepayment of FY09 subsidies for NYPL Research Libraries in FY08.	-	14,156	(14,156)	-	-	-
Heat, Light and Power Heat, light and power adjustment.	-	(15)	-	-	-	-
PEG PROGRAM	-	(627)	(1,268)	(1,268)	(1,268)	(1,268)
Financial Plan of 1/24/08	-	19,329	9,942	24,098	24,098	24,098

* As of 6/30/09

NY Public Library - Research

Description	City Personnel*	City Funds ($ In Thousands) 2008	2009	2010	2011	2012
PEG PROGRAM						
Subsidy Reduction A 2.5% reduction in FY08 and a 5% reduction in the out-years to the subsidy for the NYPL Research Libraries.	-	(627)	(1,268)	(1,268)	(1,268)	(1,268)
Total Agency Program	-	(627)	(1,268)	(1,268)	(1,268)	(1,268)

* As of 6/30/09

New York Public Library

City Funds ($ In Thousands)	2008	2009	2010	2011	2012
Baseline Per Adopted Plan - 06/15/07	17,812	121,310	121,310	121,310	121,310
Expenditure Increases / Reestimates	84,723	(84,757)	-	-	-
PEG Program	(2,999)	(6,066)	(6,066)	(6,066)	(6,066)
Financial Plan of 1/24/08	99,536	30,487	115,244	115,244	115,244

New York Public Library

	City Personnel*	City Funds ($ In Thousands)				
		2008	2009	2010	2011	2012
Baseline Per Adopted Plan - 06/15/07	-	17,812	121,310	121,310	121,310	121,310
Expenditure Increases / Reestimates						
New York Public Library Prepayment Prepayment of FY09 subsidies for New York Public Library in FY08.	-	84,757	(84,757)	-	-	-
Heat, Light and Power Heat, light and power adjustment.	-	(34)	-	-	-	-
PEG PROGRAM	-	(2,999)	(6,066)	(6,066)	(6,066)	(6,066)
Financial Plan of 1/24/08	-	99,536	30,487	115,244	115,244	115,244

* As of 6/30/09

New York Public Library

Description	City Personnel*	City Funds ($ In Thousands) 2008	2009	2010	2011	2012
PEG PROGRAM						
Subsidy Reduction A 2.5% reduction in FY08 and a 5% reduction in the out-years to the subsidy for the New York Public Library.	-	(2,999)	(6,066)	(6,066)	(6,066)	(6,066)
Total Agency Program	-	(2,999)	(6,066)	(6,066)	(6,066)	(6,066)

* As of 6/30/09

Brooklyn Public Library

City Funds ($ In Thousands)	2008	2009	2010	2011	2012
Baseline Per Adopted Plan - 06/15/07	11,816	89,250	89,250	89,250	89,250
Expenditure Increases / Reestimates	63,981	(64,039)	-	-	-
PEG Program	(2,207)	(4,463)	(4,463)	(4,463)	(4,463)
Financial Plan of 1/24/08	73,590	20,748	84,787	84,787	84,787

Brooklyn Public Library

	City Personnel*	City Funds ($ In Thousands)				
		2008	2009	2010	2011	2012
Baseline Per Adopted Plan - 06/15/07	-	11,816	89,250	89,250	89,250	89,250
Expenditure Increases / Reestimates						
Brooklyn Public Library Prepayment Prepayment of FY09 subsidies for Brooklyn Public Library in FY08.	-	64,039	(64,039)	-	-	-
Heat, Light and Power Heat, light and power adjustment.	-	(57)	-	-	-	-
PEG PROGRAM	-	(2,207)	(4,463)	(4,463)	(4,463)	(4,463)
Financial Plan of 1/24/08	-	73,591	20,748	84,787	84,787	84,787

* As of 6/30/09

Brooklyn Public Library

Description	City Personnel*	City Funds ($ In Thousands) 2008	2009	2010	2011	2012
PEG PROGRAM						
Subsidy Reduction A 2.5% reduction in FY08 and a 5% reduction in the out-years to the subsidy for the Brooklyn Public Library.	-	(2,207)	(4,463)	(4,463)	(4,463)	(4,463)
Total Agency Program	-	(2,207)	(4,463)	(4,463)	(4,463)	(4,463)

* As of 6/30/09

Queens Borough Public Library

City Funds ($ In Thousands)	2008	2009	2010	2011	2012
Baseline Per Adopted Plan - 06/15/07	11,818	87,704	87,704	87,704	87,704
Expenditure Increases / Reestimates	61,782	(61,847)	-	-	-
PEG Program	(2,170)	(4,385)	(4,385)	(4,385)	(4,385)
Financial Plan of 1/24/08	71,430	21,472	83,319	83,319	83,319

Queens Borough Public Library

	City Personnel*	City Funds ($ In Thousands)				
		2008	2009	2010	2011	2012
Baseline Per Adopted Plan - 06/15/07	-	11,818	87,704	87,704	87,704	87,704
Expenditure Increases / Reestimates						
Queens Borough Public Library Prepayment Prepayment of FY09 subsidies for Queens Borough Public Library in FY08.	-	61,847	(61,847)	-	-	-
Heat, Light and Power Heat, light and power adjustment.	-	(65)	-	-	-	-
PEG PROGRAM	-	(2,170)	(4,385)	(4,385)	(4,385)	(4,385)
Financial Plan of 1/24/08	-	71,430	21,472	83,319	83,319	83,319

* As of 6/30/09

Queens Borough Public Library

Description	City Personnel*	City Funds ($ In Thousands) 2008	2009	2010	2011	2012
PEG PROGRAM						
Subsidy Reduction A 2.5% reduction in FY08 and a 5% reduction in the out-years to the subsidy for the Queens Borough Public Library.	-	(2,170)	(4,385)	(4,385)	(4,385)	(4,385)
Total Agency Program	-	(2,170)	(4,385)	(4,385)	(4,385)	(4,385)

* As of 6/30/09

Department of Cultural Affairs

City Funds ($ In Thousands)	2008	2009	2010	2011	2012
Baseline Per Adopted Plan - 06/15/07	167,903	153,812	153,812	153,812	153,812
Expenditure Increases / Reestimates	(904)	75	75	75	75
PEG Program	(4,214)	(7,766)	(7,791)	(7,791)	(7,791)
Financial Plan of 1/24/08	162,785	146,121	146,096	146,096	146,096

City Funded Headcount					
Baseline Per Adopted Plan - 06/15/07	46	46	46	46	46
Expenditure Increases / Reestimates	1	1	1	1	1
PEG Program	(1)	(2)	(2)	(2)	(2)
Financial Plan of 1/24/08	46	45	45	45	45

Department of Cultural Affairs

	City Personnel*	City Funds ($ In Thousands)				
		2008	2009	2010	2011	2012
Baseline Per Adopted Plan - 06/15/07	46	167,903	153,812	153,812	153,812	153,812
Expenditure Increases / Reestimates						
Bronx Zoo Co-generation Plant Expense Funding Shortfall Reimbursement for Bronx Zoo Co-generation Plant operating costs in FY06 and FY07 not covered by the baselined subsidy of $1,168,056 but which are required to be funded by the City as per the 1986 MOU and Operating Agreement.	-	952	-	-	-	-
New Needs for Materials for the Arts Expansion Additional funds needed for new cleaning and maintenance contract of expanded MFTA space.	-	24	59	59	59	59
Per Diem Position Conversion to FT Convert the per diem position in the Cultural Institutions Unit to one Full Time position. Additional PS funds will not be needed as part of this conversion.	1	-	-	-	-	-
Energy Steering Committee Project Replace Cultural Institutions' lightbulbs with CFLs.	-	200	-	-	-	-
Collective Bargaining Increase for Principal Administrative Associate Titles Collective Bargaining Increase for Principal	-	15	15	15	15	15

* As of 6/30/09

Department of Cultural Affairs

Description	City Personnel*	City Funds ($ In Thousands) 2008	2009	2010	2011	2012
Expenditure Increases / Reestimates						
Administrative Associate Titles: 2% as of 10/6/2006, 5% as of 4/6/07.						
FY 08 MN 1	-	92	-	-	-	-
Heat, Light and Power Heat, light and power adjustment.	-	(2,187)	-	-	-	-
PEG PROGRAM	(2)	(4,214)	(7,766)	(7,791)	(7,791)	(7,791)
Financial Plan of 1/24/08	45	162,785	146,120	146,095	146,095	146,095

* As of 6/30/09

Department of Cultural Affairs

Description	City Personnel*	City Funds ($ In Thousands) 2008	2009	2010	2011	2012
PEG PROGRAM						
Subsidy Reduction The City will reduce its operating subsidy to the Department of Cultural Affairs by 2.5% in FY08. In the out-years, DCLA's operating subsidy will be reduced by 5%.	-	(4,200)	(7,691)	(7,691)	(7,691)	(7,691)
Hiring Freeze and Vacancy Reduction Program This initiative reflects savings from the partial elimination of vacancies and replacement of future attrition.	(2)	(15)	(75)	(100)	(100)	(100)
Total Agency Program	(2)	(4,215)	(7,766)	(7,791)	(7,791)	(7,791)

* As of 6/30/09

Dept. Small Business Services

City Funds ($ In Thousands)	2008	2009	2010	2011	2012
Baseline Per Adopted Plan - 06/15/07	114,301	49,885	45,294	44,485	44,485
Expenditure Increases / Reestimates	6,998	3,294	2,294	1,294	1,294
PEG Program	(1,596)	(2,184)	(2,428)	(5,038)	(5,038)
Less Amount Reflected in Revenue Budget	479	95	95	2,791	2,791
Financial Plan of 1/24/08	120,182	51,090	45,255	43,532	43,532

City Funded Headcount	2008	2009	2010	2011	2012
Baseline Per Adopted Plan - 06/15/07	148	125	125	122	122
Expenditure Increases / Reestimates	1	1	1	1	1
PEG Program	(10)	(10)	(10)	(10)	(10)
Financial Plan of 1/24/08	139	116	116	113	113

Dept. Small Business Services

	City Personnel*	City Funds ($ In Thousands)				
		2008	2009	2010	2011	2012
Baseline Per Adopted Plan - 06/15/07	125	114,301	49,885	45,294	44,485	44,485
Expenditure Increases / Reestimates						
Downtown Alliance Security Rollover Downtown Alliance Security Rollover	-	125	-	-	-	-
Downtown Brooklyn Partnership Downtown Brooklyn Partnership (DBP) - Addtional Out Year Funding	-	-	(500)	1,000	-	-
Film Office Position & PS Adjustments Mayor's Office of Film, Theatre, and Broadcasting (MOFTB): Funding for 1 New Position & PS Adjustments.	1	57	85	85	85	85
West Side Security (EDC) Economic Development Corporation (EDC): To fund a security contract for the development of the West Side.	-	3,500	3,500	1,000	1,000	1,000
Energy Steering Committee - PlaNYC Economic Development Corporation (EDC): Additional funding for Energy Steering Committee - PlaNYC.	-	3,050	-	-	-	-
CWA 1180 Collective Bargaining CWA 1180 Collective Bargaining	-	209	209	209	209	209
FY 08 MN 1	-	205	-	-	-	-

* As of 6/30/09

Dept. Small Business Services

Description	City Personnel*	City Funds ($ In Thousands) 2008	2009	2010	2011	2012
Expenditure Increases / Reestimates						
Heat, Light and Power Heat, light and power adjustment.	-	(148)	-	-	-	-
PEG PROGRAM	(10)	(1,596)	(2,184)	(2,428)	(5,038)	(5,038)
Less Amount Reflected in the Revenue Budget	-	479	95	95	2,791	2,791
Financial Plan of 1/24/08	116	120,182	51,090	45,255	43,532	43,532

* As of 6/30/09

Dept. Small Business Services

Description	City Personnel*	City Funds ($ In Thousands) 2008	2009	2010	2011	2012
PEG PROGRAM						
Clean Streets Savings in Clean Streets contractor costs based on first rounds of bids.	-	(13)	(219)	(77)	-	-
Comprehensive Neighborhood Economic Development (CNED) Comprehensive Neighborhood Economic Development (CNED) Savings	-	(3)	(15)	(10)	-	-
Downtown Brooklyn Partnership Passthrough Downtown Brooklyn Partnership (DBP) Passthrough	-	(48)	(96)	-	-	-
Empowerment Zone Empowerment Zone: Technical adjustment and savings in out year budget.	-	(169)	(169)	(656)	(656)	(656)
Garment Industry Development Corporation (GIDC) Passthrough Garment Industry Development Corporation (GIDC) Passthrough	-	(15)	-	-	-	-
Governors Island Preservation and Education Corp. (GIPEC) Passthrough Governors Island Preservation and Education Corp. (GIPEC) Passthrough	-	(168)	-	-	-	-

* As of 6/30/09

Dept. Small Business Services

Description	City Personnel*	City Funds ($ In Thousands) 2008	2009	2010	2011	2012
PEG PROGRAM						
Mayor's Commission on Construction Opportunity (MCCO) Mayor's Commission on Construction Opportunities (MCCO): FY08 savings.	-	(42)	-	-	-	-
NYC & Co. Passthrough NYC & Co. Passthrough	-	-	(1,029)	(1,029)	(1,029)	(1,029)
Savings from PS accruals Savings from PS accruals in FY08 and attrition savings in the out years.	-	(214)	(206)	(206)	(209)	(209)
Workforce Development & Commercial Revitalization Savings in FY08 from Workforce Development & Commercial Revitalization programs.	-	(341)	-	-	-	-
Increase in Contractual Payments The Economic Development Corporation will increase their contractual payment to the City in FY 2011 and in the out years.	-	-	-	-	(2,696)	(2,696)
Wind-Down Payment from the NYC Marketing Development Corporation The New York City Marketing Development Corporation has returned all remaining funds to the City after fulfilling their outstanding contractual obligations.	-	(410)	-	-	-	-

* As of 6/30/09

Dept. Small Business Services

Description	City Personnel*	City Funds ($ In Thousands) 2008	2009	2010	2011	2012
PEG PROGRAM						
Additional Premier Fee Revenue Based on current and historical activity, the Mayor's Office of Film, Theatre and Broadcasting will generate additional premier fee revenue.	-	(49)	(95)	(95)	(95)	(95)
Contractor Reimbursement The Department of Small Business Services will receive a one-time refund from a contractor for the completion of a project under budget.	-	(20)	-	-	-	-
Hiring Freeze and Vacancy Reduction Program This initiative reflects savings from the partial elimination of vacancies and replacement of future attrition.	(10)	(103)	(354)	(354)	(354)	(354)
Total Agency Program	(10)	(1,595)	(2,183)	(2,427)	(5,039)	(5,039)

* As of 6/30/09

Department of Education

City Funds ($ In Thousands)	2008	2009	2010	2011	2012
Baseline Per Adopted Plan - 06/15/07	7,200,332	7,460,153	7,830,065	8,317,331	8,317,331
Expenditure Increases / Reestimates	49,889	38,886	189,338	329,721	329,480
PEG Program	(180,146)	(324,282)	(273,489)	(271,466)	(259,328)
Financial Plan of 1/24/08	7,070,075	7,174,757	7,745,914	8,375,586	8,387,483

City Funded Headcount	2008	2009	2010	2011	2012
Baseline Per Adopted Plan - 06/15/07	93,870P 8,982NP	94,002P 8,982NP	94,579P 8,982NP	94,569P 8,982NP	94,569P 8,982NP
PEG Program	(57)P (183)NP	(113)P (491)NP	(113)P (491)NP	(113)P (491)NP	(113)P (491)NP
Financial Plan of 1/24/08	93,813P 8,799NP	93,889P 8,491NP	94,466P 8,491NP	94,456P 8,491NP	94,456P 8,491NP

P = Pedagogical
NP = Non-Pedagogical

Department of Education

	City Personnel*	City Funds ($ In Thousands)				
		2008	2009	2010	2011	2012
Baseline Per Adopted Plan - 06/15/07	94,002P 8,982NP	7,200,332	7,460,153	7,830,065	8,317,331	8,317,331
Expenditure Increases / Reestimates						
HIP HMO Rate Renewal This initiative covers the expense of the HIP HMO health insurance rate renewal.	-	2,250	15,645	16,867	18,243	19,702
ARIS Laptops This initiative provides funding for 6,000 laptops for ARIS.	-	4,705	-	-	-	-
2008-2010 Round CB 4% This initiative transfers an amount from the labor reserve and state unrestricted aid to fund 4% for all DOE employees for the 2008-2010 round of collective bargaining.	-	5,756	34,077	208,807	366,714	366,714
FICA for SSA CB This initiative adds funds for FICA related to the CB increase for school safety agents	-	812	812	812	812	812
SSA CBA Agency Transfer SSA CBA Agency Transfer. Includes CWA Local 1180 Salary Adjustment.	-	11,317	11,317	11,317	11,317	11,317
Current Year Fringe Adjustment This initiative reallocates and adds funds the fringe benefits need in the current year based on updated information.	-	5,302	-	-	-	-

P = Pedagogical
NP = Non-Pedagogical

* As of 6/30/09

Department of Education

Description	City Personnel*	City Funds ($ In Thousands) 2008	2009	2010	2011	2012
Expenditure Increases / Reestimates						
Longevity and Differentials This initiative funds salary cost increases due to increments, differentials, and longevity net of turnover savings between FY11 and FY12.	-	-	-	-	-	12,000
55/25 Program Savings Savings generated by increased retirements as a result of the new age and experience retirement policy (55/25).	-	-	(43,100)	(68,600)	(87,500)	(101,200)
FY 08 MN 1	-	187	-	-	-	-
Heat, Light and Power Heat, light and power adjustment.	-	(584)	-	-	-	-
Fuel Fuel adjustment	-	20,144	20,134	20,134	20,134	20,134
PEG PROGRAM	(113)P (491)NP	(180,146)	(324,282)	(273,489)	(271,466)	(259,328)
Financial Plan of 1/24/08	93,889P 8,491NP	7,070,075	7,174,756	7,745,913	8,375,585	8,387,482

P = Pedagogical
NP = Non-Pedagogical

* As of 6/30/09

Department of Education

Description	City Personnel*	City Funds ($ In Thousands) 2008	2009	2010	2011	2012
PEG PROGRAM						
Food Efficiencies The DOE will require schools to pay for liabilities caused by not collecting fees from students who consume food but are not eligible for free or reduced lunch.	-	-	(5,000)	(5,000)	(5,000)	(5,000)
School Based DIIT This is a change that will require schools to be more accountable for their technology needs.	-	(2,000)	(10,000)	(10,000)	(10,000)	(10,000)
Purchasing Efficiencies The DOE will utilize the benefits of their purchasing power to strategically establish lower rates in several commodities.	-	-	(15,000)	(15,000)	(15,000)	(15,000)
Purchasing Efficiencies 2 The DOE will utilize the benefits of their purchasing power to strategically establish lower rates in several commodities.	-	-	(8,000)	(8,000)	(8,000)	(8,000)
Transportation Reflects a re-estimate of the original cost forecast.	-	(5,500)	(5,000)	(5,000)	(5,000)	(5,000)
State High Cost Aid Re-estimate of revenue levels.	-	(47,000)	(47,000)	(47,000)	(47,000)	(47,000)

* As of 6/30/09

Department of Education

Description	City Personnel*	City Funds ($ In Thousands) 2008	2009	2010	2011	2012
PEG PROGRAM						
Technology Support Costs A re-estimate of support costs for schools; this does not reflect a decrease in support.	-	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)
Summer School FY08 surplus that is expected to continue into FY09.	-	(4,000)	(4,000)	(4,000)	(4,000)	(4,000)
School Level Underspending As a result of late hiring decisions and restrained purchasing, a surplus is anticipated in schools.	-	(98,954)	(180,678)	(126,862)	(124,839)	(112,701)
Periodic Assessment Savings generated by bringing the progress report process in-house and reducing the number of periodic assessments from 5 to 4.	-	(1,000)	(2,000)	(2,000)	(2,000)	(2,000)
Hiring Freeze & Other Administration Elimination of vacancies and a reduction in central as well as elimination of funding specifically for phase-out schools.	(19)NP	(6,780)	(10,639)	(10,639)	(10,639)	(10,639)
Hiring Freeze and Vacancy Reduction Program This initiative reflects savings from the partial elimination of vacancies and replacement of future attrition.	(472)NP	(939)	(6,242)	(9,265)	(9,265)	(9,265)

NP = Non-Pedagogical

* As of 6/30/09

Department of Education

Description	City Personnel*	City Funds ($ In Thousands) 2008	2009	2010	2011	2012
PEG PROGRAM						
Facility Efficiencies As a result of more effectively managing facility related resources.	-	(1,000)	(2,000)	(2,000)	(2,000)	(2,000)
Repairs and Maintenance Reduce the budget for repairs and maintenance by concentrating on addressing emergency needs and limiting discretionary needs.	-	(1,000)	(2,000)	(2,000)	(2,000)	(2,000)
Lead Teachers Reduces central subsidy and requires schools to fund the program.	-	-	(10,000)	(10,000)	(10,000)	(10,000)
Central-Based DIIT Elimination of a proposed expansion of a student scheduling system.	-	(4,000)	(4,000)	(4,000)	(4,000)	(4,000)
Reduce ELL Reserve Allocation Reduce set-aside to address potential mid-year increases in ELL populations.	(113)P	(5,000)	(10,000)	(10,000)	(10,000)	(10,000)
FIT PEG Savings achieved by delayed hiring and a reduction in OTPS expenditures.	-	(973)	(723)	(723)	(723)	(723)
Total Agency Program	(113)P (491)NP	(180,146)	(324,282)	(273,489)	(271,466)	(259,328)

P = Pedagogical
NP = Non-Pedagogical

* As of 6/30/09

City University

City Funds ($ In Thousands)	2008	2009	2010	2011	2012
Baseline Per Adopted Plan - 06/15/07	430,956	378,436	381,122	384,378	384,378
Expenditure Increases / Reestimates	(1,440)	1,191	1,226	1,267	1,312
PEG Program	(5,813)	(9,698)	(9,698)	(9,698)	(9,698)
Financial Plan of 1/24/08	423,703	369,929	372,650	375,947	375,992

City Funded Headcount	2008	2009	2010	2011	2012
Baseline Per Adopted Plan - 06/15/07	2,706P 1,773NP	2,700P 1,637NP	2,700P 1,637NP	2,700P 1,637NP	2,700P 1,637NP
PEG Program	(19)P (114)NP	(26)P (119)NP	(26)P (119)NP	(26)P (119)NP	(26)P (119)NP
Financial Plan of 1/24/08	2,687P 1,659NP	2,674P 1,518NP	2,674P 1,518NP	2,674P 1,518NP	2,674P 1,518NP

P = Pedagogical
NP = Non-Pedagogical

City University

	City Personnel*	City Funds ($ In Thousands)				
		2008	2009	2010	2011	2012
Baseline Per Adopted Plan - 06/15/07	2,700P 1,637NP	430,956	378,436	381,122	384,378	384,378
Expenditure Increases / Reestimates						
FY 2009 HIP HMO health insurance rate renewal FY 2009 HIP HMO health insurance rate renewal	-	-	479	514	555	600
Hunter Campus Schools - Register Increases Hunter Campus Schools - Register Increases	-	-	288	288	288	288
FY 08 MN 1	-	31	-	-	-	-
Heat, Light and Power Heat, light and power adjustment.	-	(1,899)	-	-	-	-
Fuel Fuel adjustment	-	428	424	424	424	424
PEG PROGRAM	(26)P (119)NP	(5,813)	(9,698)	(9,698)	(9,698)	(9,698)
Financial Plan of 1/24/08	2,674P 1,518NP	423,703	369,929	372,650	375,947	375,992

P = Pedagogical
NP = Non-Pedagogical

* As of 6/30/09

City University

Description	City Personnel*	City Funds ($ In Thousands) 2008	2009	2010	2011	2012
PEG PROGRAM						
University-Wide Initiative FY 2008 Reduction Program Reduction of several City funded initiatives. These include the Long Term Unemployment program, the Center for Employment Opportunities, and John Jay Cert. Program.	-	(725)	(435)	(435)	(435)	(435)
General Administration - FY 2008 City Expense Reduction Program Reduction of general administration OTPS and PS costs.	(2)P (1)NP	(179)	(417)	(417)	(417)	(417)
Maintenance and Operations - FY 2008 City Expense Reduction Plan Reduction of maintenance and operation OTPS and PS costs. Reduced spending levels will adversely impact the Colleges' ability to properly maintain physical plants and provide appropriate levels of security.	(7)P	(285)	(1,127)	(1,127)	(1,127)	(1,127)
General Institutional Services - FY 2008 City Expense Reduction Program Reduction of general institutional services.	(9)P (1)NP	(297)	(1,258)	(1,258)	(1,258)	(1,258)
External and Public Services - FY 2008 City Expense Reduction Program Reduction of external and public services.	(1)P	(84)	(290)	(290)	(290)	(290)

P = Pedagogical
NP = Non-Pedagogical

* As of 6/30/09

City University

Description	City Personnel*	City Funds ($ In Thousands) 2008	2009	2010	2011	2012
PEG PROGRAM						
Student Services - FY 2008 City Expense Reduction Program Reduction of student services such as tutoring and counseling activities, testing, financial aid counseling, and registration.	(4)P (1)NP	(349)	(964)	(964)	(964)	(964)
Library and Organized Activities - FY 2008 City Expense Reduction Program Reduction of library and organized activities.	(1)P (1)NP	(300)	(867)	(867)	(867)	(867)
Institutional and Departmental Research - FY 2008 City Expense Reduction Program Reduction of institutional and departmental research.	(2)P (1)NP	(755)	(2,663)	(2,663)	(2,663)	(2,663)
University-Wide Initiative FY 2008 Reduction Program Savings due to the delayed start-up of the Civic Justice Corps, a Center for Economic Opportunity program.	-	(2,350)	-	-	-	-
Hiring Freeze and Vacancy Reduction Program This initiative reflects savings from the partial elimination of vacancies and replacement of future attrition.	(114)NP	(489)	(1,676)	(1,676)	(1,676)	(1,676)
Total Agency Program	(26)P (119)NP	(5,813)	(9,697)	(9,697)	(9,697)	(9,697)

P = Pedagogical
NP = Non-Pedagogical

* As of 6/30/09

Health and Hospitals Corp.

City Funds ($ In Thousands)	2008	2009	2010	2011	2012
Baseline Per Adopted Plan - 06/15/07	27,050	84,082	83,869	83,482	83,482
PEG Program	(10,077)	-	(9,050)	(856)	-
Less Amount Reflected in Revenue Budget	10,077	-	9,050	856	-
Financial Plan of 1/24/08	27,050	84,082	83,869	83,482	83,482

Health and Hospitals Corp.

	City Personnel*	City Funds ($ In Thousands)				
		2008	2009	2010	2011	2012
Baseline Per Adopted Plan - 06/15/07	-	27,050	84,082	83,869	83,482	83,482
Expenditure Increases / Reestimates						
PEG PROGRAM	-	(10,077)	-	(9,050)	(856)	-
Financial Plan of 1/24/08	-	16,973	84,082	74,819	82,626	83,482

* As of 6/30/09

Health and Hospitals Corp.

Description	City Personnel*	City Funds ($ In Thousands) 2008	2009	2010	2011	2012
PEG PROGRAM						
Reimbursement for City Services Recognizes revenues associated with the cost of providing services to HHC.	-	(10,077)	-	(9,050)	(856)	-
Total Agency Program	-	(10,077)	-	(9,050)	(856)	-

* As of 6/30/09

Revenue Program

Description	City Funds ($ In Thousands)				
	2008	2009	2010	2011	2012
Miscellaneous Revenue					
The City will receive a payment from a private developer for the transfer of the development rights of a property located near the Brooklyn Battery Tunnel approach. A portion of the funds will be collected at the transfer and the balance upon completion of construction.	6,000	0	0	10,000	0
The Mayor's Office of Contract Services will generate revenue from the administration of the City's Procurement Card program. As part of an agreement with a financial institution, the City is enrolled in a customer incentive program which provides a cash back payment.	100	0	0	0	0
The Street Activity Permit Office will generate additional event revenue.	375	375	375	375	375
The Comptroller's Office will realize additional revenue from an audit of concession agreements.	498	0	0	0	0
The Department of Investigation will establish a fee to cover the City's administrative costs for providing fingerprint services.	24	57	57	57	57

Description	City Funds ($ In Thousands) 2008	2009	2010	2011	2012
Miscellaneous Revenue					
The Department of Investigation will increase all employee background check fees by $10.	5	12	12	12	12
Based on current activity, the Fire Department anticipates additional collections from the two percent tax on fire insurance premiums assessed on foreign and alien insurers.	500	500	500	500	500
The Fire Department has reached an out of court settlement with a private fire alarm company and will receive a lump sum payment in FY 2008 as well as a recommencement of yearly payments in the out years.	1,252	347	347	347	347
The Bureau of Fire Prevention has enhanced inspection reporting and enlarged its account base, thereby improving collections.	700	0	0	0	0
Based on improvements in the Hi-Rise, Suppression, and Rangehood Units of the Fire Prevention Bureau, the Department will generate additional fee revenue. This incremental revenue will be partially offset by the cost of 27 additional positions.	0	3,400	3,400	3,400	3,400
Based on current activity, the Department of Corrections anticipates additional commissary revenue for FY 2008.	1,000	0	0	0	0

Description	City Funds ($ In Thousands)				
	2008	2009	2010	2011	2012
Miscellaneous Revenue					
The Financial Information Services Agency will collect additional revenue from fees charged to process the payroll of several covered organizations based on a new one year contract.	34	512	0	0	0
The Office of Payroll Administration will collect additional revenue from fees charged to process the payroll of several covered organizations based on a new one year contract.	16	387	0	0	0
The Office of Payroll Administration will receive additional revenue from the replacement of checks that were cashed prior to the specified payroll date.	78	78	0	0	0
The Economic Development Corporation will increase its contractual payment to the City in FY 2011 and in the out years.	0	0	0	2,696	2,696
The New York City Marketing Development Corporation has returned all remaining funds to the City after fulfilling its outstanding contractual obligations.	410	0	0	0	0
Based on current and historical activity, the Mayor's Office of Film, Theatre and Broadcasting will generate additional premier fee revenue.	49	95	95	95	95

Description	City Funds ($ In Thousands)				
	2008	2009	2010	2011	2012
Miscellaneous Revenue					
The Department of Small Business Services will receive a one-time refund from a contractor for the completion of a project under budget.	20	0	0	0	0
The Department of Housing Preservation and Development will collect additional Section 421-a fee revenue from new construction of multiple dwellings. This additional fee revenue takes into account increased construction costs offset by recent program changes.	1,686	0	0	0	0
The implementation of a new legal case tracking system and the development of a targeted litigation strategy within the Housing Department's Division of Housing Litigation has resulted in an increase in productivity and improved fine revenue collections.	100	100	100	100	100
The Department of Housing Preservation and Development will establish a new fee to process mortgage refinance requests.	0	240	240	240	240
The Department of Housing Preservation and Development will collect additional revenue from fees charged for Certification of No Harassment. The certification is required for owners converting single room occupancy buildings for other uses.	35	71	71	71	71

Description	City Funds ($ In Thousands)				
	2008	2009	2010	2011	2012
Miscellaneous Revenue					
The Office of the Chief Medical Examiner will charge other jurisdictions for high sensitivity DNA testing in criminal cases and for expert DNA testimony. The Office will also realize additional revenue from licensing fees for the use of a patented DNA swab design.	0	500	500	500	500
The Department of Health and Mental Hygiene will generate additional fine revenue from improved collections of outstanding prior year receivables.	2,126	2,126	2,126	2,126	2,126
Based on current and historical trends, the Department of Health and Mental Hygiene will generate additional certificate, permit, license and inspection fee revenue.	1,861	2,127	2,127	2,127	2,127
As a result of a new recoupment policy, the Department of Health and Mental Hygiene will collect outstanding payments against current year contracts on a monthly basis, which ensures higher levels of collections than previously achieved.	1,000	1,000	1,000	1,000	1,000
Additional payments from Health and Hospitals Corporation for the reimbursement of City's debt service and A-87 overhead allocation.	10,077	0	9,050	856	0

Description	City Funds ($ In Thousands)				
	2008	2009	2010	2011	2012
Miscellaneous Revenue					
The Department of Environmental Protection will generate additional miscellaneous revenue from worker's compensation claims and other unplanned payments.	100	100	100	100	100
Based on its current agreement with Con Edison, the Department of Environmental Protection will generate additional revenue from the filing of facility inventory forms as part of the Right to Know Law.	150	150	150	150	150
The Department of Environmental Protection will generate additional revenue based on improved fee collection procedures and increased property rental activity.	100	100	100	100	100
Based on the hydroelectric agreement with the New York Power Authority, the Department of Environmental Protection will generate additional upstate water sales revenue. This incremental revenue will be partially offset by engineering service costs.	2,928	4,588	3,313	2,125	2,199
The Department of Environmental Protection will realize additional fine collections from improvements in arrears collections at the Environmental Control Board.	500	800	800	800	800
Due to an increase in market prices and higher extraction levels, the Department of Sanitation will generate additional revenue from the sale of methane gas at Fresh Kills.	0	5,000	1,500	1,500	1,000

Description	City Funds ($ In Thousands)				
	2008	2009	2010	2011	2012
Miscellaneous Revenue					
The Department of Sanitation will generate additional revenue from various processors for the sale of recycled newspaper and bulk materials.	4,611	2,179	1,129	429	429
The Department of Sanitation will collect greater than anticipated revenue as a result of an increase in marine transfer station and relay fees charged for the transportation of paper to the Visy paper recycling plant.	997	997	997	796	796
Newly negotiated agreements with abandoned vehicle contractors will result in higher scrap metal revenue per vehicle for the Department of Sanitation.	640	488	488	488	488
An increase in the number of accounts in its professional waste collection program has generated additional fee revenue for the Department of Sanitation.	250	250	250	250	250
The additional revenue is due to a greater than expected number of license and registration applications received by the Business Integrity Commission.	148	289	289	289	289
The Department of Finance will realize one-time payments from prior year purchases of services and equipment.	1,386	0	0	0	0

Description	City Funds ($ In Thousands)				
	2008	2009	2010	2011	2012
Miscellaneous Revenue					
Due to sustained real estate transaction activity, the Department of Finance is projecting additional fee revenue above the current financial plan.	6,200	6,200	6,200	6,200	6,200
The Department of Finance will generate additional fee revenue resulting from the increase and consolidation of the surveyor fees.	0	1,500	1,500	1,500	1,500
To recover the City's cost of administering the Fleet Program, the Department of Finance will implement an annual fee for each plate registered by participating companies in this program.	0	1,800	1,800	1,800	1,800
The Department of Finance is anticipating additional court and trust fees based on higher cash balances held and processed by the Court and Trust Divisions.	1,000	1,000	1,000	1,000	1,000
The Department of Transportation will realize additional fine revenue from the fifty new Red Light Cameras added in FY 2007.	8,000	4,500	4,500	4,500	4,500
The Department of Transportation will collect additional revocable consent revenue from electrical transformers, bridges connecting buildings, minor tunnels, pipes, and other miscellaneous privileges.	3,282	3,283	3,283	3,283	3,283

Description	City Funds ($ In Thousands)				
	2008	2009	2010	2011	2012
Miscellaneous Revenue					
Based on historical and current activity, the Department of Transportation will realize additional revenue from street work permits.	800	800	800	800	800
The Department of Transportation collected a one-time settlement payment to correct prior year overcharges by a utility company.	5,000	0	0	0	0
Due to an increase in the number of lane miles resurfaced as a result of PlaNYC 2030 initiatives, the Department of Transportation will realize additional raised casting revenue from utilities.	285	295	295	295	295
The Department of Parks and Recreation will bid several concessions for the construction of indoor tennis facilities in Central Park, Astoria, East River and Riverside Parks to allow for year-round activities.	0	2,000	2,000	2,000	2,000
The Department of Parks and Recreation will generate additional event fee revenue from outdoor concerts in various parks.	0	1,750	1,750	1,750	1,750
The City will evaluate and dispose of surplus materials from several City-owned facilities.	0	4,000	4,000	0	0

Description	City Funds ($ In Thousands) 2008	2009	2010	2011	2012
Miscellaneous Revenue					
The Department of Parks and Recreation will receive revenue for providing corporations with name recognition at major sites throughout the City.	0	3,000	3,000	3,000	3,000
The Department of Citywide Administrative Services will receive a one-time refund on a City lease.	388	0	0	0	0
Due to revised lease payment terms for the Marriott Marquis Hotel, the Department of Citywide Administrative Services will realize additional rent revenue.	8,405	7,760	7,760	7,760	7,760
The Board of Standards and Appeals will realize additional revenue due to a change in CEQR fees implemented in FY 2007.	0	113	113	113	113
Based on historical and current revenue collections, the Department of Information Technology & Telecommunications will receive additional revenue from cable television franchisees.	10,000	10,000	10,000	10,000	10,000
The Department of Information Technology & Telecommunications will realize additional revenue from Mobile Telecom Franchises.	500	500	500	500	500

	City Funds ($ In Thousands)				
Description	**2008**	**2009**	**2010**	**2011**	**2012**
<u>Miscellaneous Revenue</u>					
The Department of Information Technology & Telecommunications realized additional revenue based on public pay telephone advertising activity.	1,295	1,295	1,295	1,295	1,295
<u>Sub Total: Miscellaneous Revenue</u>	**84,911**	**76,663**	**78,912**	**77,324**	**66,042**
Total Revenue Program	**84,911**	**76,663**	**78,912**	**77,324**	**66,042**

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