



The City of New York

Michael R. Bloomberg, Mayor

Financial Plan Summary

Fiscal Years 2012 - 2016

Office of Management and Budget

Mark Page, Director

February 2, 2012

Financial Plan Summary

Fiscal Years 2012 - 2016

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Overview

- ❖ **As required by law, the Preliminary Budget maintains budget balance in FY 2012 and presents our plan for budget balance in FY 2013.**
- ❖ **The national economy continues its slow climb out of the deep recession, which began almost three years ago, which should help us over time.**
- ❖ **The European sovereign debt crisis in 2011 resulted in volatility in U.S. financial markets, hurting Wall Street profitability and thus our tax revenues.**
- ❖ **The ongoing economic uncertainty has limited growth in wage earnings and job creation, both nationally and locally.**
- ❖ **Although there are bright spots in the City's economy, including record levels of tourism and a stable real estate market, the tentative recovery underway is by no means assured.**
- ❖ **We will continue to monitor economic conditions going forward, and we are prepared to take all necessary steps to maintain budget balance, including additional gap closing actions by City Agencies. We face a gap of over \$3 billion in FY 2014.**

Overview (continued)

- ❖ The All Funds budget is forecast to be \$70.3 billion in FY 2013, an increase of \$1.1 billion, or 1.6%, over the FY 2012 all funds budget of \$69.2 billion.
- ❖ The City funded budget is forecast to be \$50.7 billion in FY 2013, an increase of \$1.6 billion, or 3.2%, over the FY 2012 City funded budget of \$49.1 billion.
 - Our Controllable Agency Expenses are forecast to decline by \$437 million, or (1.9%), between FY 2012 and FY 2013.
 - Our Non-Controllable Expenses and Debt Service are forecast to increase by \$2 billion, or 7.5%, between FY 2012 and FY 2013, accounting for all of the increase in City funded expenses and more.
- ❖ All Funds headcount has fallen from 311,804 in FY 2002 to 291,326 in FY 2013, a decrease of 20,478, or (6.6%), due to the Agency PEG Programs we have implemented over the last ten years.
- ❖ City funded headcount has fallen from 269,956 in FY 2002 to 251,909 in FY 2013, a decrease of 18,047, or (6.7%), due to the Agency PEG Programs we have implemented over the last ten years.
- ❖ We still face budget gaps in the out years of the Financial Plan, currently forecast at \$3 billion in FY 2014, \$3.5 billion in FY 2015, and \$3.4 billion in FY 2016.

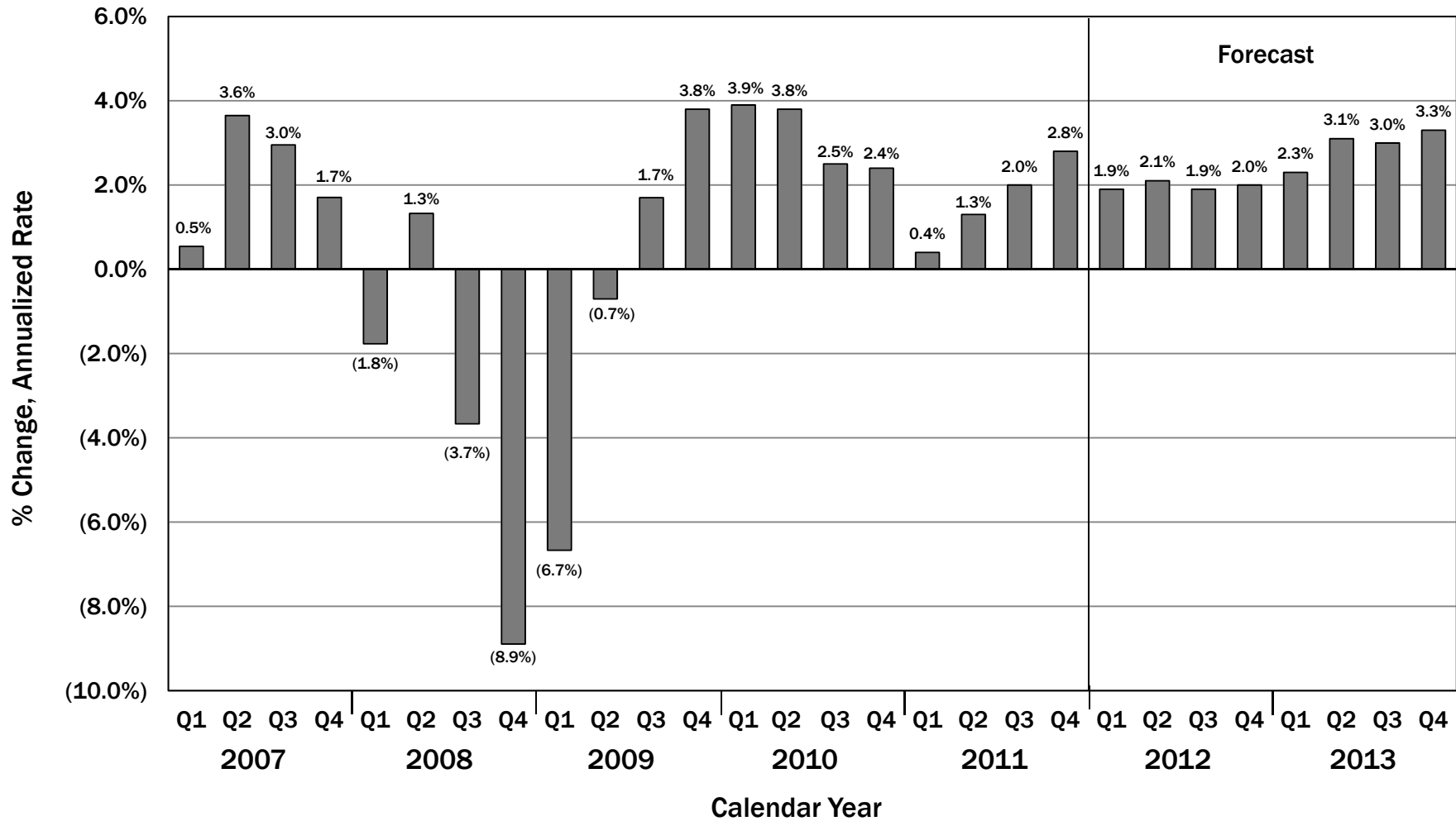
We Have Proposed a Preliminary Plan for Budget Balance Through the End of FY 2013

- ❖ We are continuing our Agency Programs to Eliminate the Gap previously announced in November, saving \$470 million in FY 2012 and \$1.02 billion in FY 2013.
- ❖ We have increased the revenue forecast slightly, by \$111 million in FY 2012 and \$278 million in FY 2013, largely based on year-to-date collections and the preliminary property tax roll for FY 2013.
- ❖ We now forecast spending \$575 million in each of FY 2012 and FY 2013 for Changes in Pension Methods and Assumptions, based on new estimates from the City's Actuary. This will result in our spending \$425 million less in FY 2012 and \$425 million less in FY 2013 than we had reserved for this purpose.
- ❖ We are forecasting debt service will be lower by \$81 million in FY 2012 and \$99 million in FY 2013, largely due to lower than expected interest rates.
- ❖ \$500 million of the City's reserve for accrued claims funded in prior years is no longer needed, and thus reduces our expenses.
- ❖ We appropriated a general operating reserve of \$300 million at the beginning of FY 2012, which we are reducing by \$200 million.
- ❖ We have re-estimated expenses for health insurance, resulting in a reduction of \$44 million.
- ❖ Our latest forecast is that we have an increase of \$122 million in other agency expenses.
- ❖ In total, these actions result in budget balance through the end of FY 2013.

I. Economic Update

After a Soft Patch in the First Quarter of 2011, U.S. GDP Growth Resumed and Is Expected to Continue At a Moderate Pace Next Year

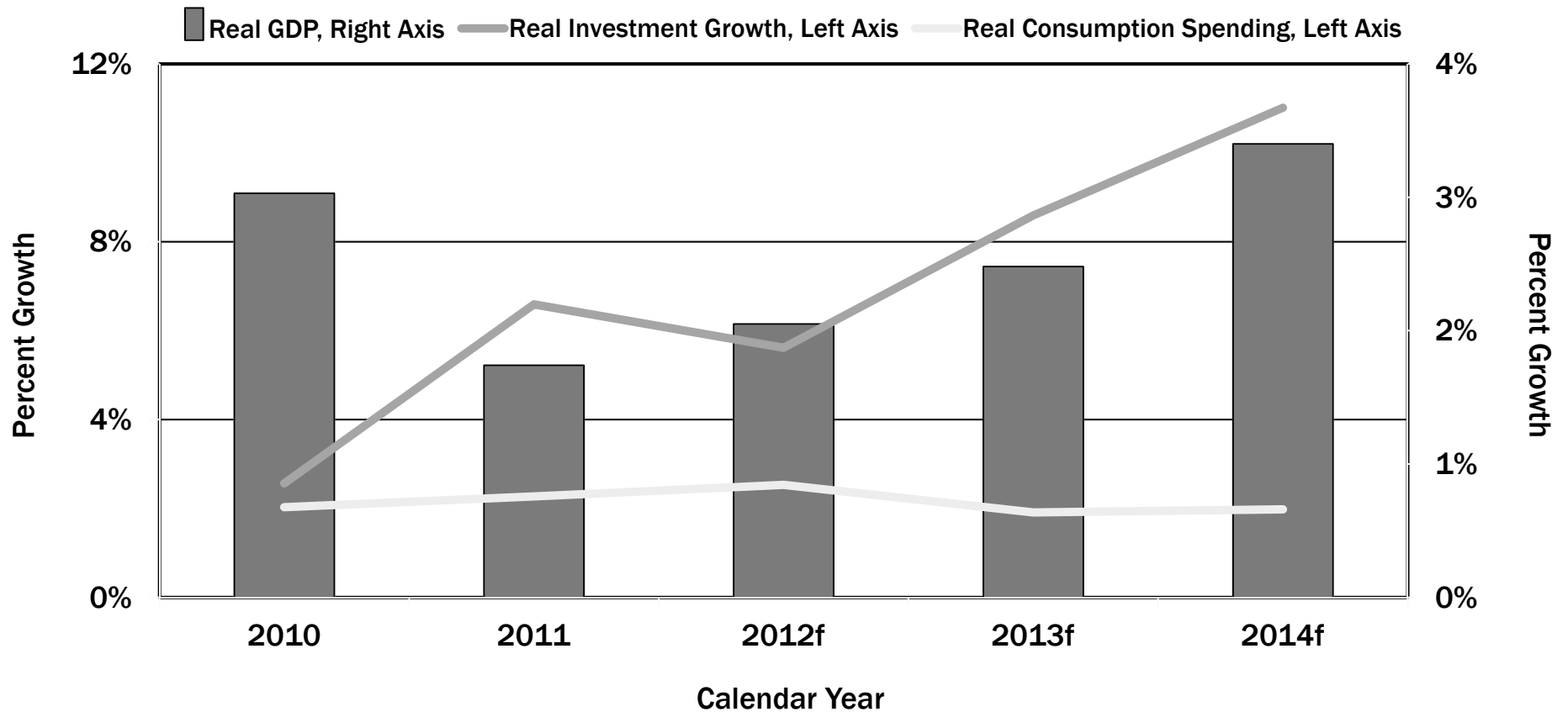
U.S. GDP Growth



Source: U.S. Bureau of Economic Analysis; NYC OMB

U.S. GDP Is Forecast to Get Support from Business Investment but Not Consumer Spending, Which Is Forecast to Remain Sluggish

Although Consumption Constitutes About Two-Thirds of GDP, Growth Will Be Driven by Investment Spending

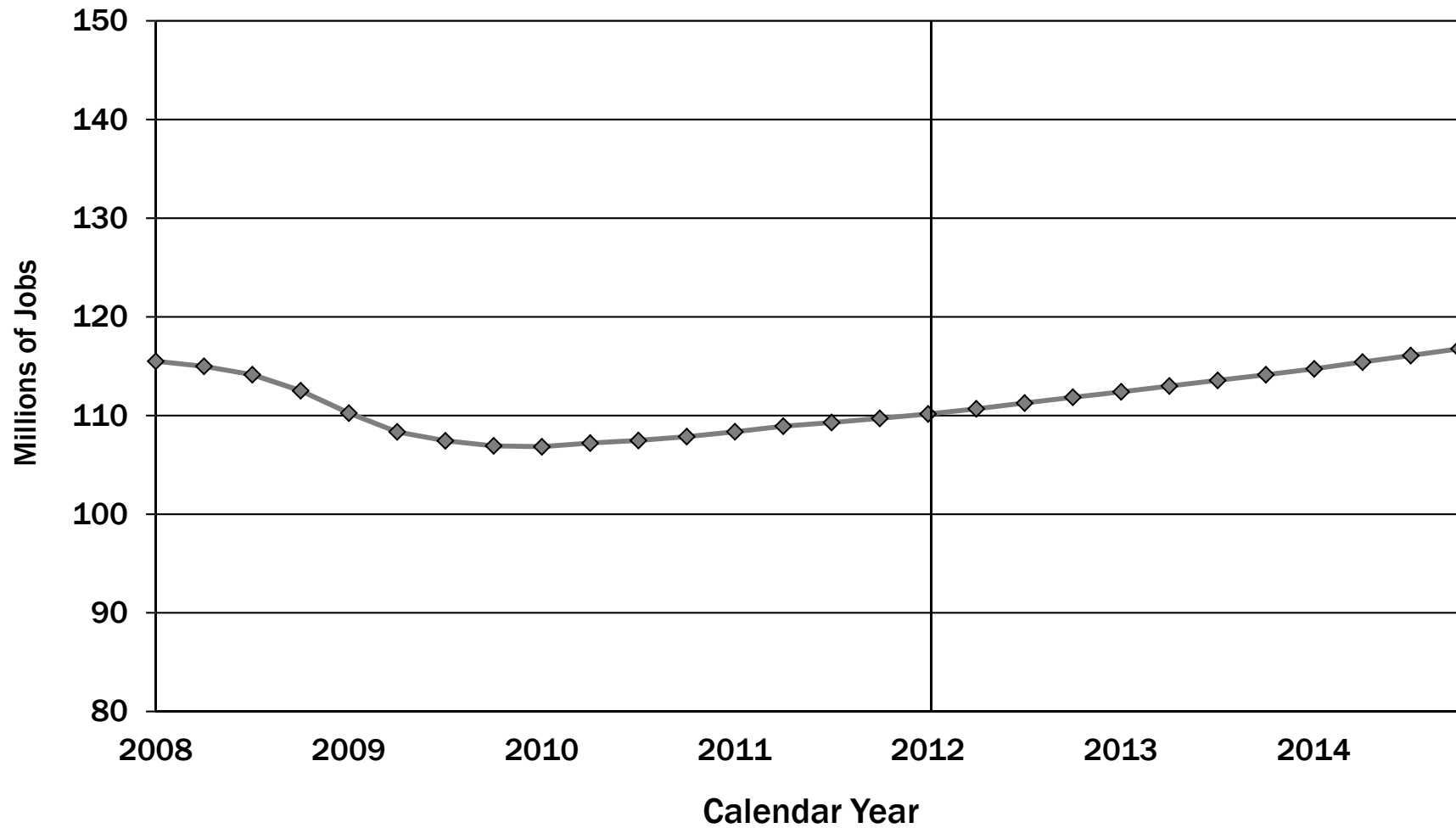


f = forecast

Source: U.S. Bureau of Economic Analysis; NYC OMB

U.S. Employment Started Rebounding Slowly in 2010. The U.S. Will Not Recover All of the Jobs Lost Since 2008 Until 2014

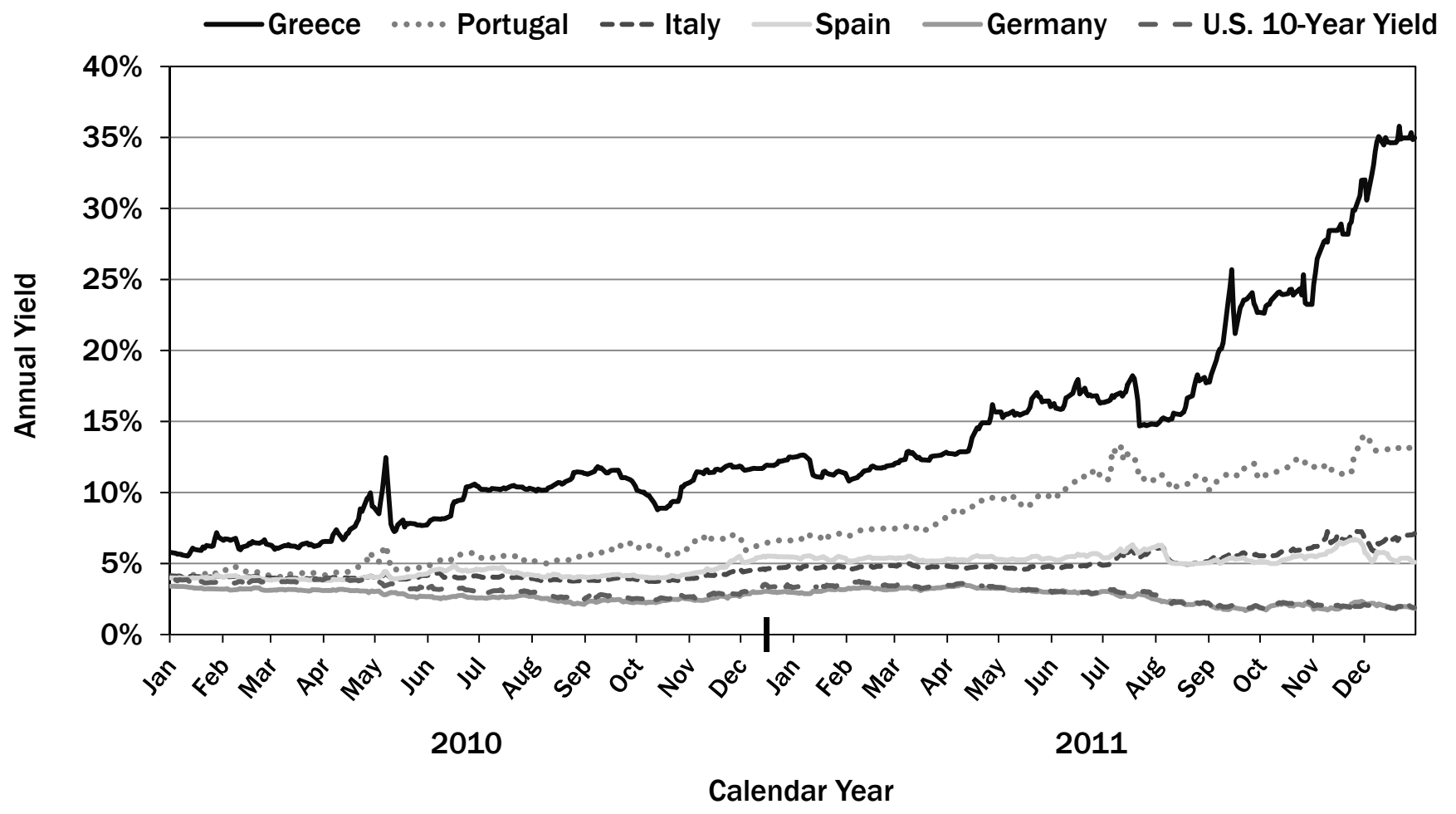
U.S. Private Employment Level



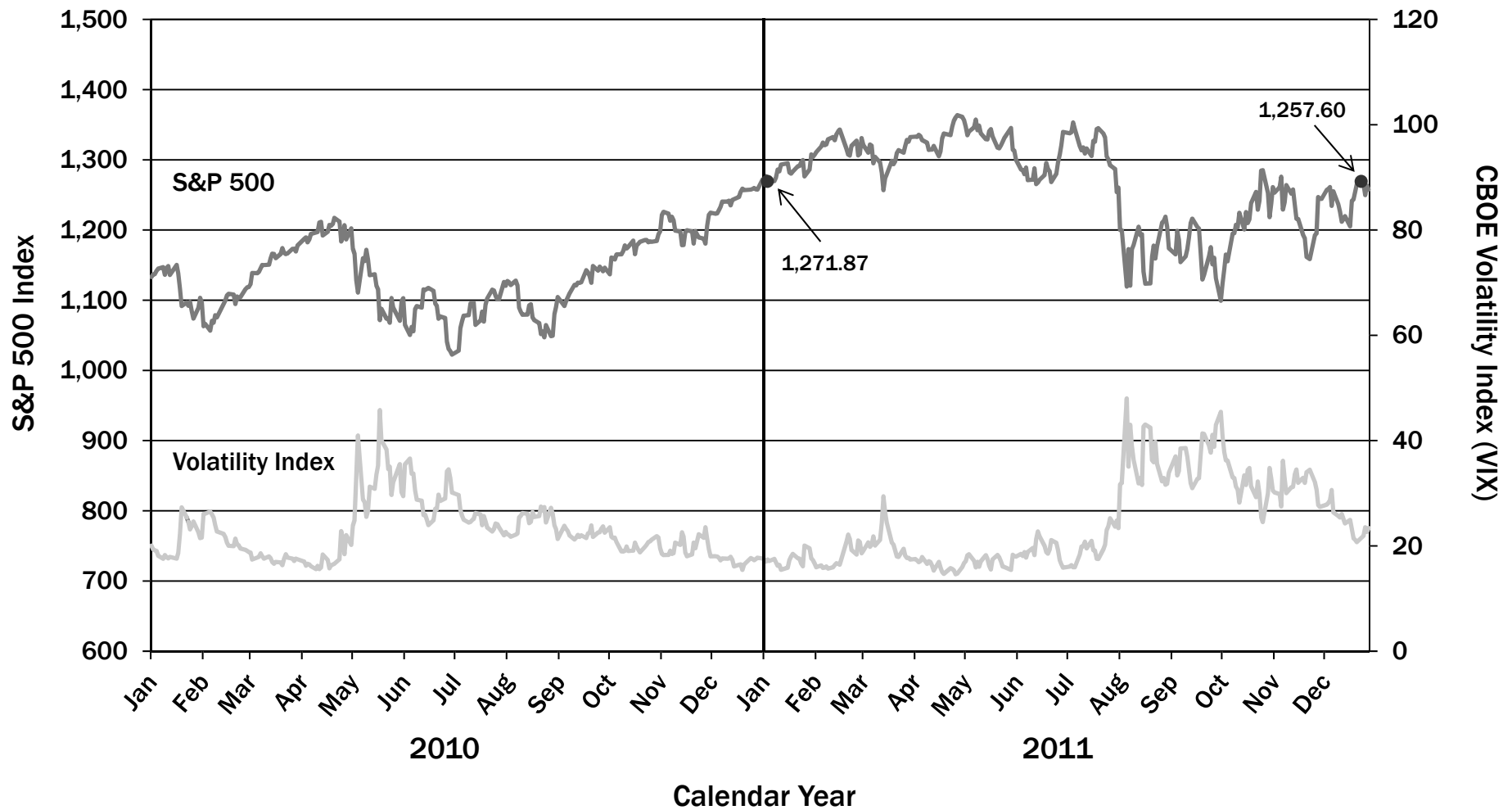
Source: U.S. Bureau of Labor Statistics; NYC OMB

Ratings Downgrades and Risk Averse Investors Have Pushed Yields Higher on Most Eurozone Debt...

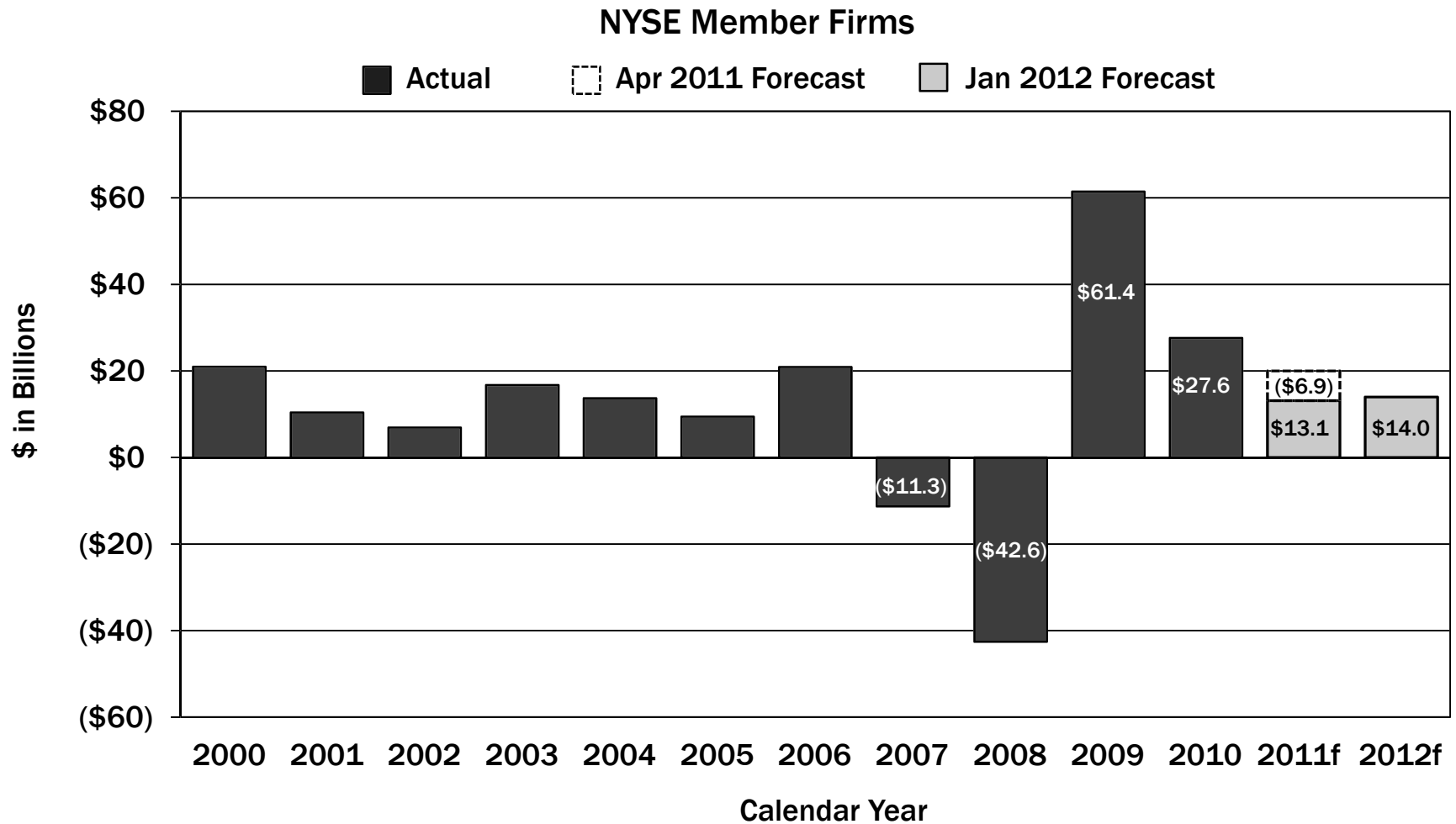
10-Year Sovereign Bond Yields



...Causing Volatility in U.S. Financial Markets. The S&P 500 Ended 2011 Flat for the Year



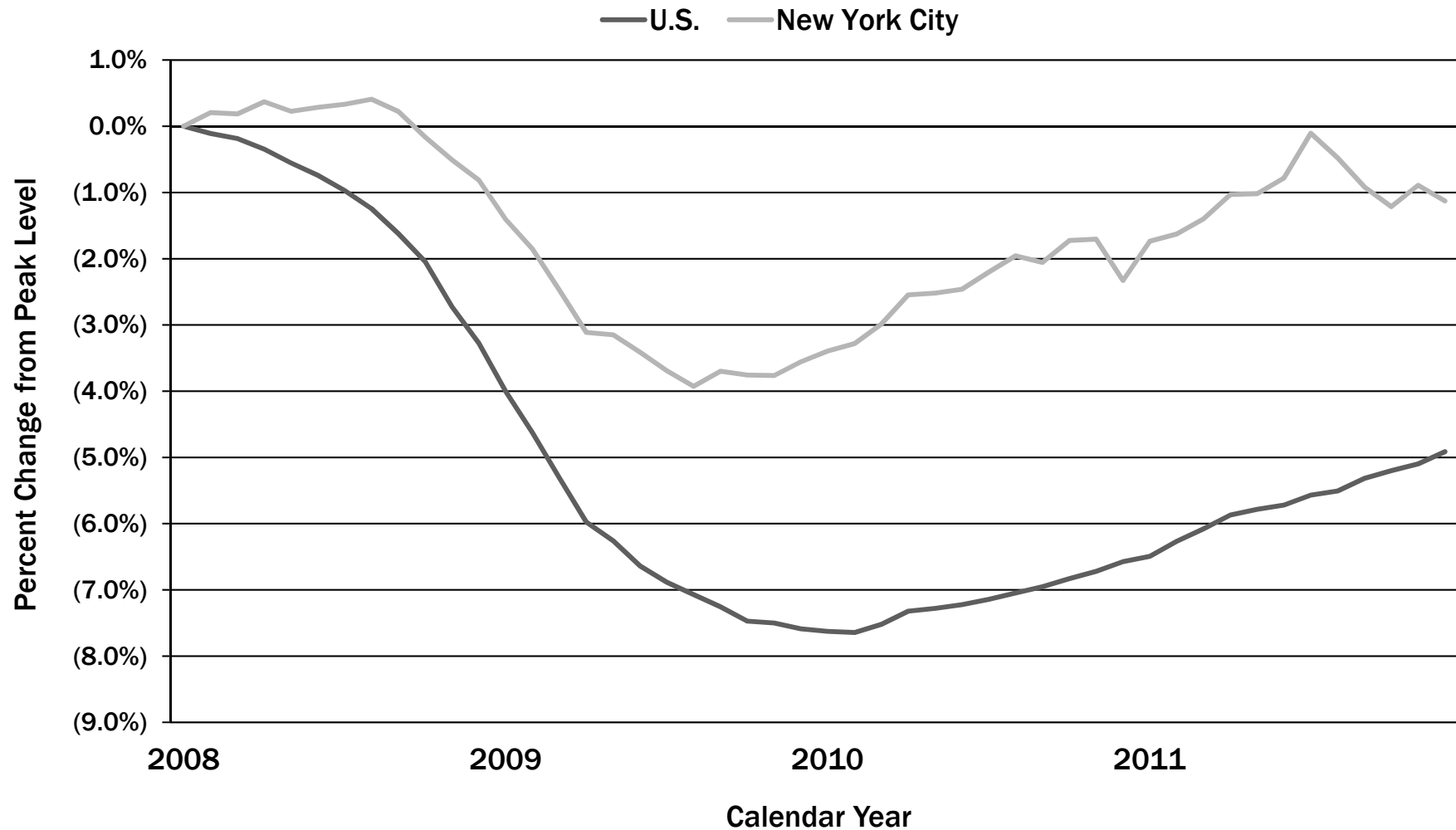
Due to Volatile Markets, Wall Street Profits Were \$6.9 Billion Below Our April 2011 Forecast. We Now Expect Wall Street Profits of \$13.1 Billion in 2011, With Modest Growth in 2012



f = forecast

Source: New York Stock Exchange; NYC OMB

The City's Labor Market Has Outperformed the Nation, Gaining Back 65% of the Private Sector Jobs Lost During the Recession, While the U.S. Has Only Gained Back 36%



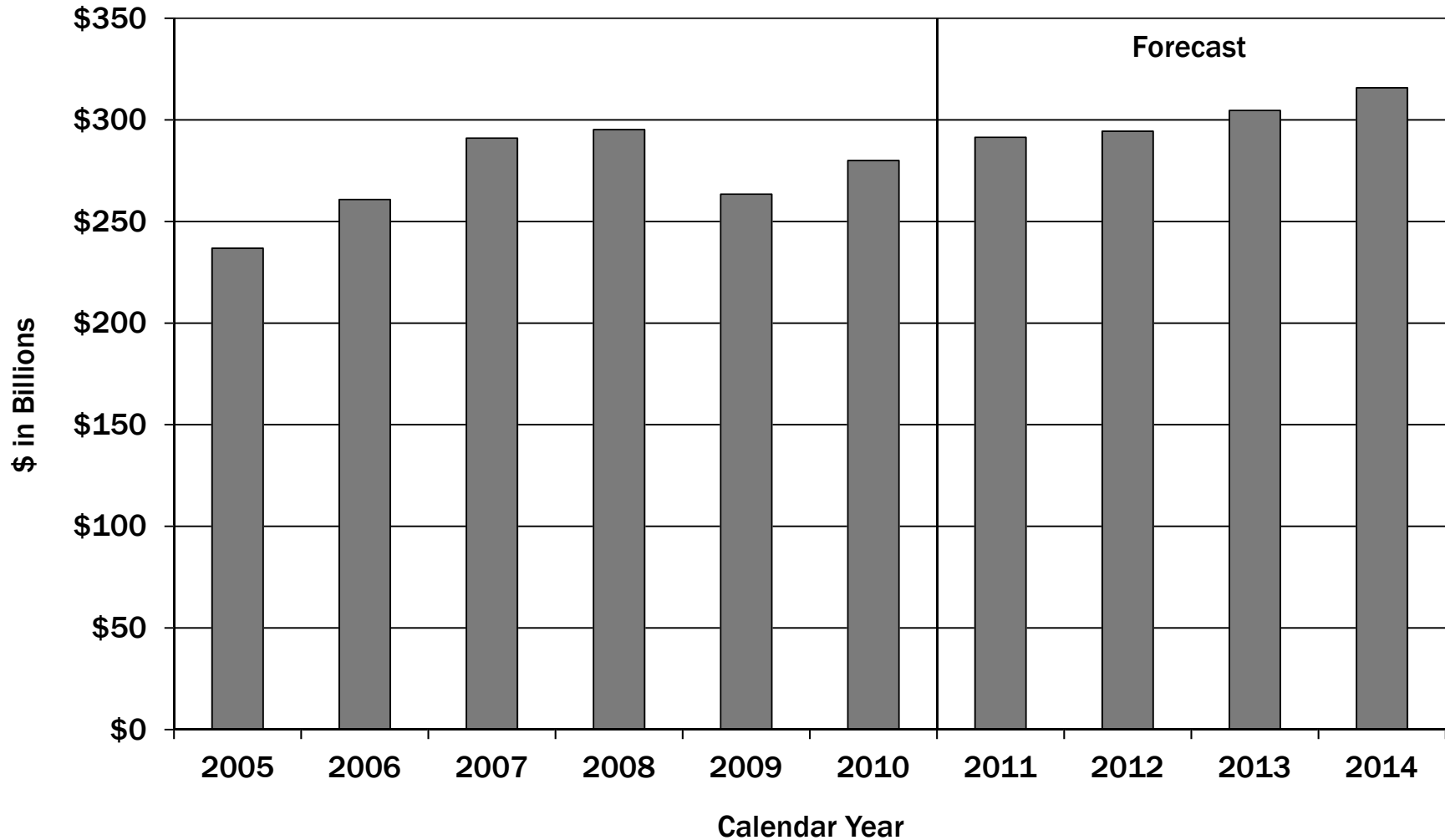
Source: U.S. Bureau of Labor Statistics, New York State Department of Labor

Moderate Private Sector Job Growth Is Expected for the City. We Expect to Recover All of the Jobs Lost Since 2008 in 2013, One Year Sooner Than the U.S.



Source: New York State Department of Labor; NYC OMB

New York City Wage Earnings Are Expected To Post Modest Gains Over the Next Few Years

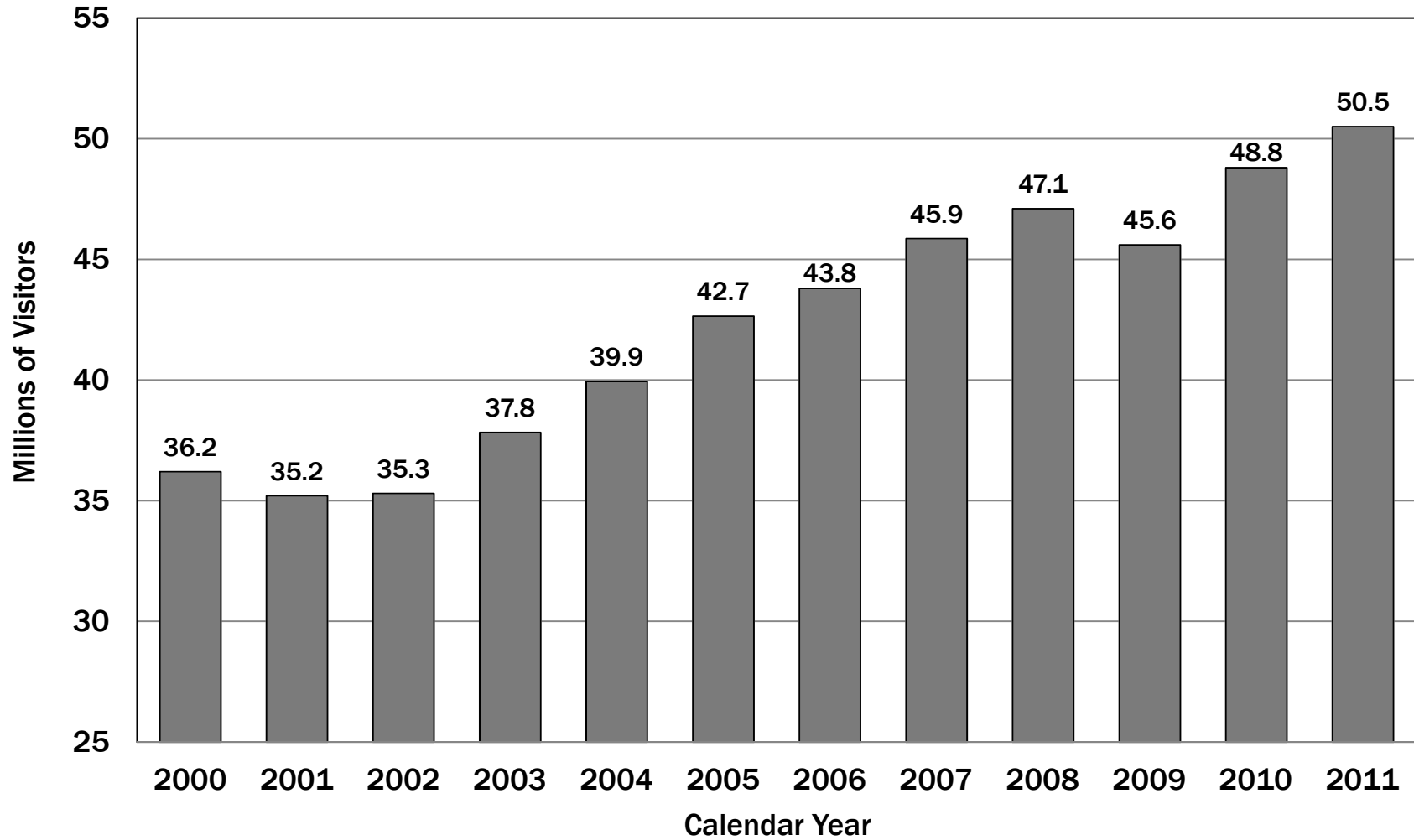


Source: New York State Department of Labor; NYC OMB

The City's Partnership with Cornell University and The Technion-Israel Institute of Technology to Develop a New Applied Sciences Campus on Roosevelt Island Will Be a Major Source of Future Economic Growth

- ❖ **The 11-acre NYCTech Campus is expected to become a world-leading institution, conferring graduate degrees and conducting research in the applied sciences with a commitment to innovation, commercialization, and facilitating start-up activity.**
- ❖ **NYCTech will not only directly create tens of thousands of new jobs, but also spur entrepreneurial activity among graduates and researchers. It is estimated to lead to the founding of nearly 600 spin-off companies in New York City and up to 30,000 permanent positions in these start-ups.**
- ❖ **The City will provide \$100 million in capital funding to assist with site infrastructure and construction and this funding is included in the City's Capital Plan.**

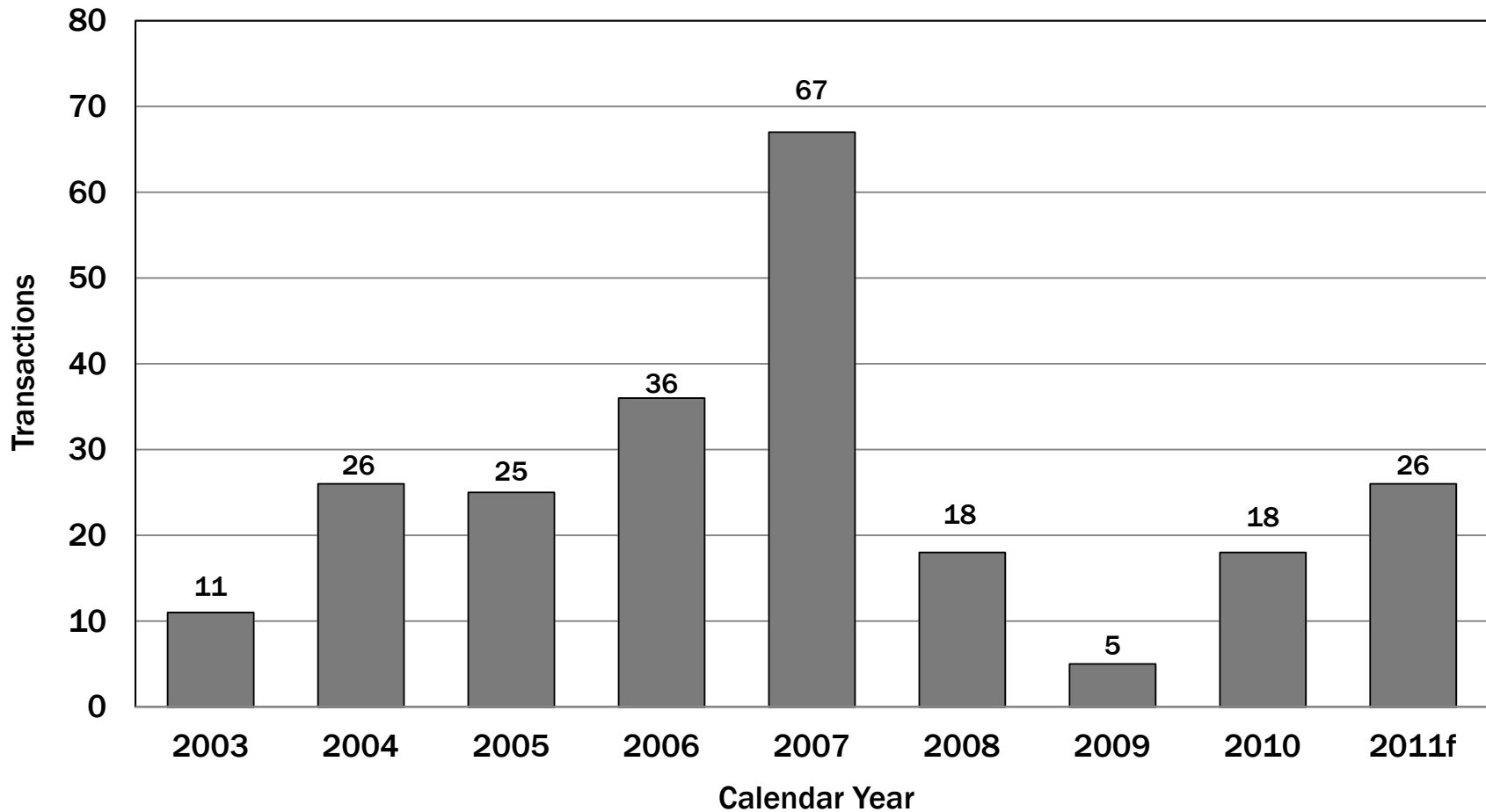
New York City Attracted a Record 50.5 Million Visitors in 2011



Source: NYC & Company

Following Several Years of Volatility, Large Office Transactions Recovered To More Normal Levels in 2011

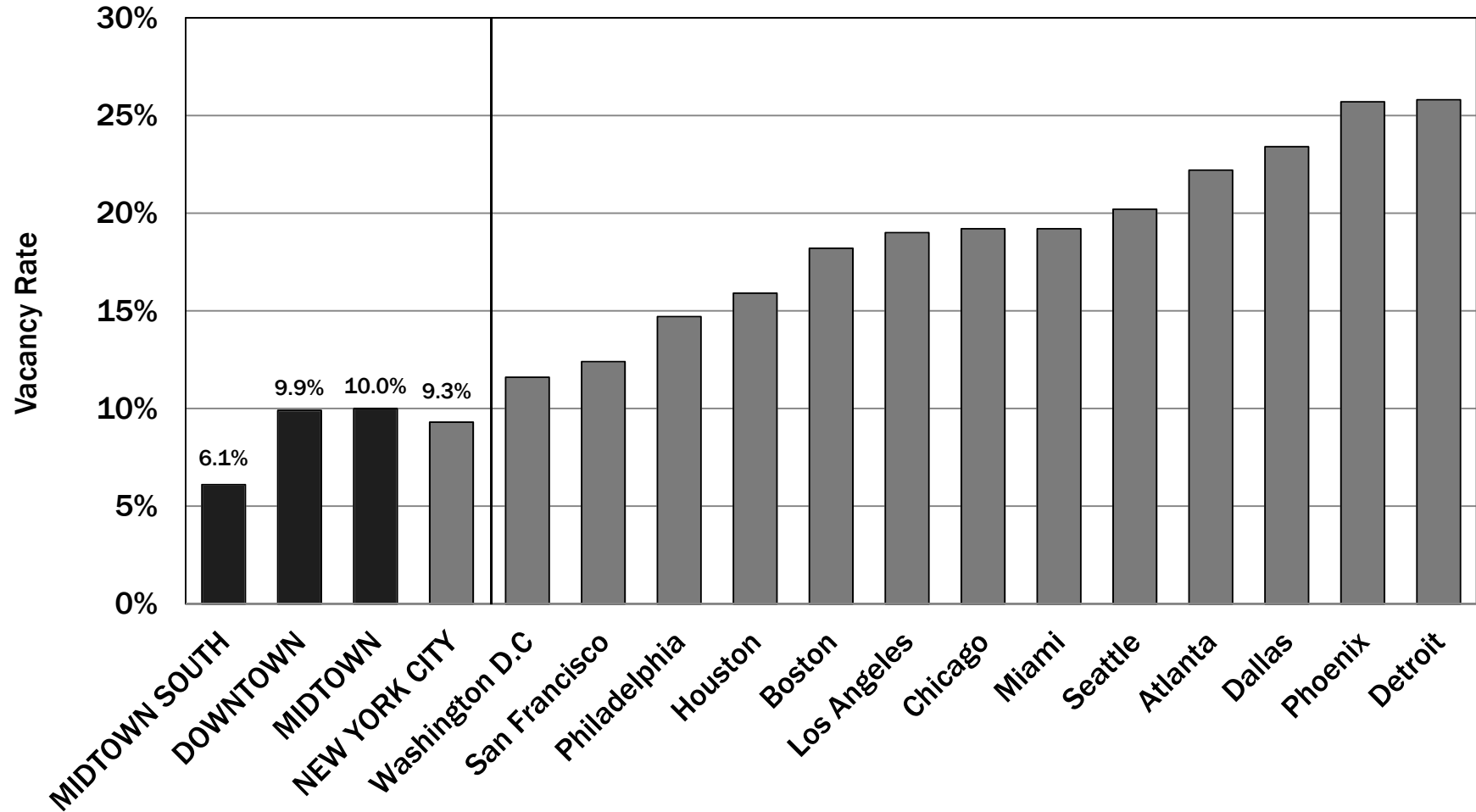
Transactions of Office Buildings - \$100 Million or Above



f = forecast

Source: NYC Department of Finance

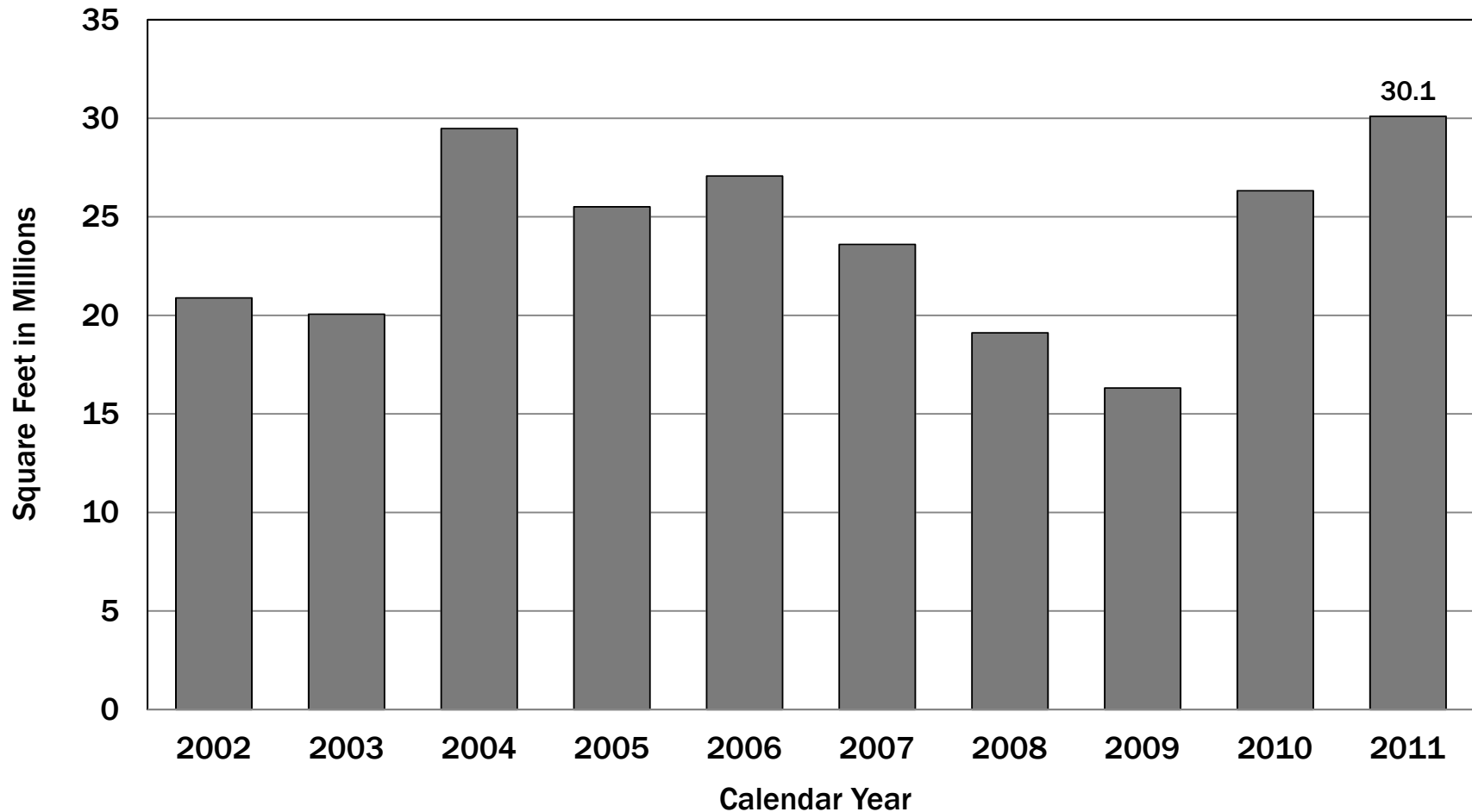
The Local Commercial Real Estate Market Remained the Strongest in the Country in the Third Quarter of 2011



Source: Cushman & Wakefield 2011 Q3; NYC OMB

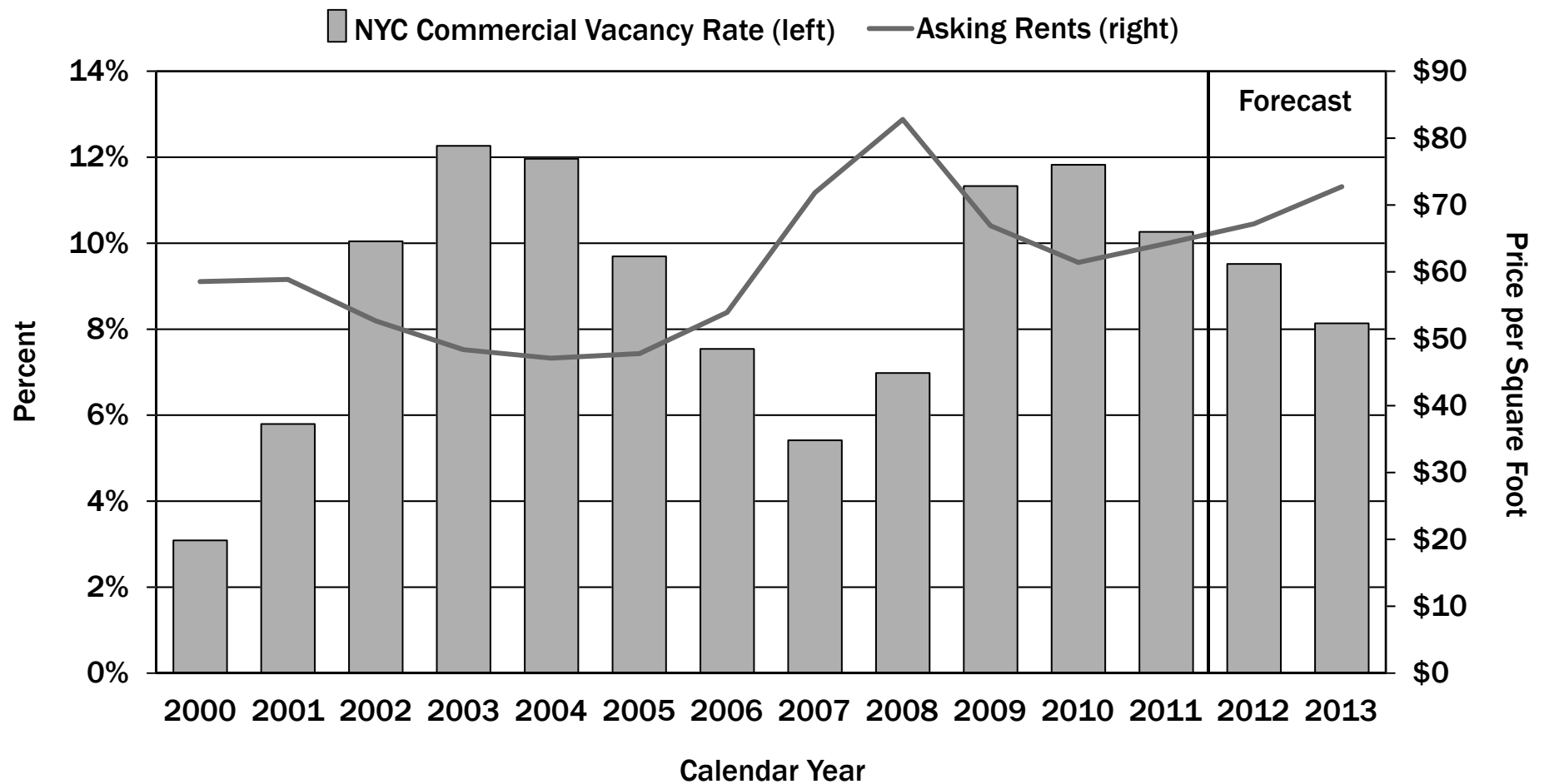
Office Leasing Activity Rebounded in 2011 To the Highest Level in Over a Decade

30.1 Million Square Feet of Office Space Was Leased in 2011



Source: Cushman & Wakefield

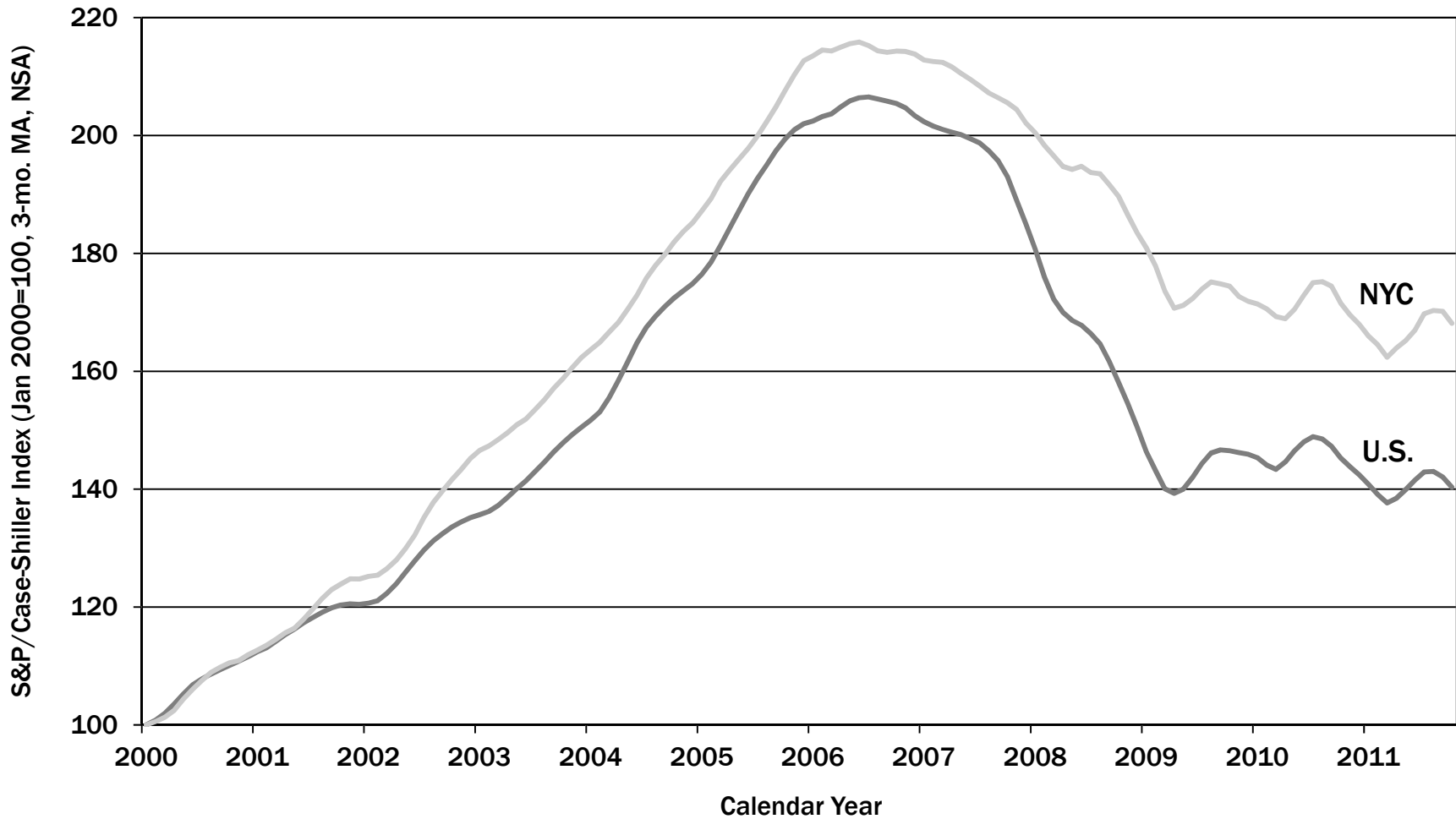
The Local Commercial Vacancy Rate and Asking Rents Are Forecast to Improve Gradually



Source: Cushman & Wakefield; NYC OMB

New York City's Residential Real Estate Prices Continue to Outperform the Nation...

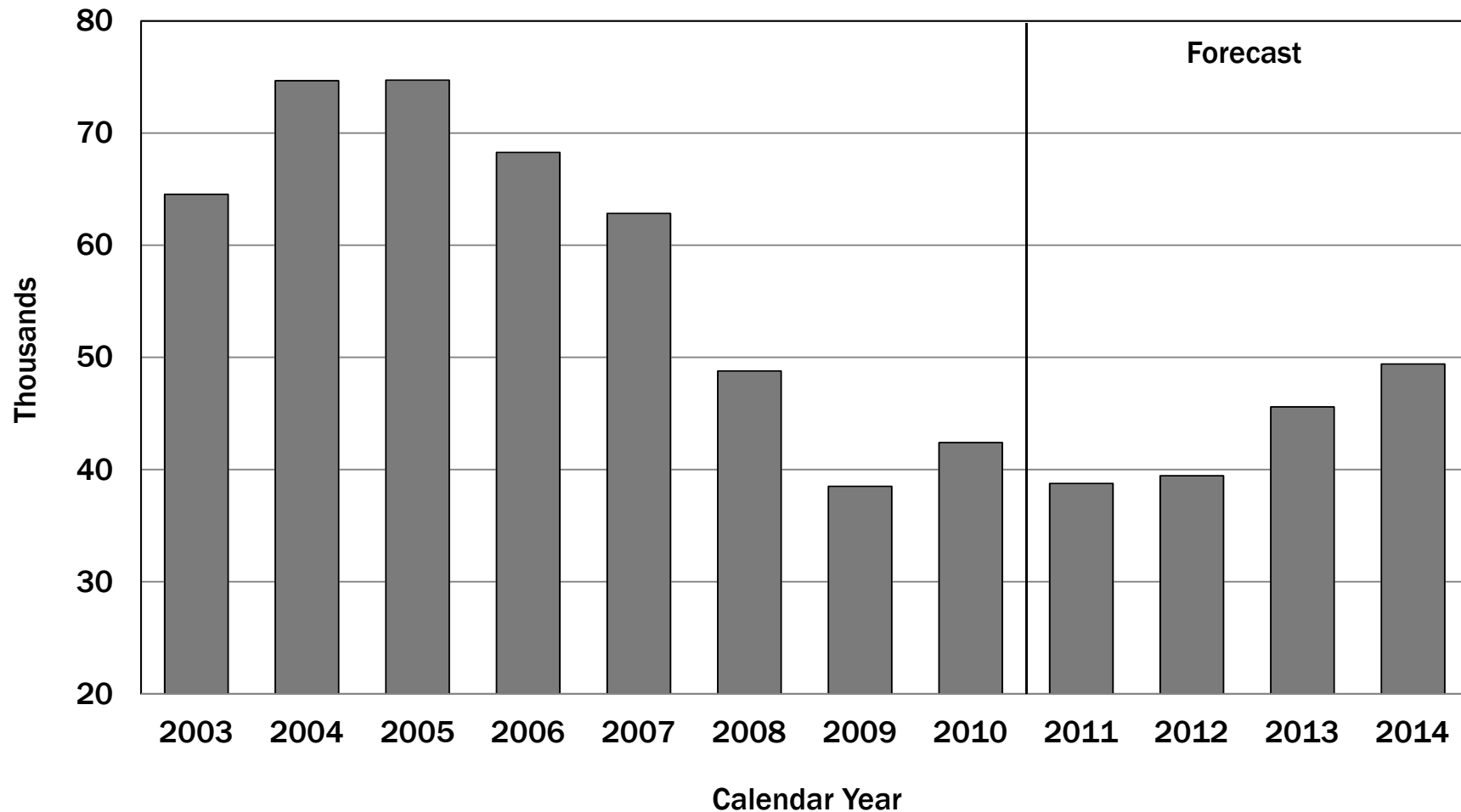
S&P/Case-Shiller Price Index



Source: Standard & Poor's

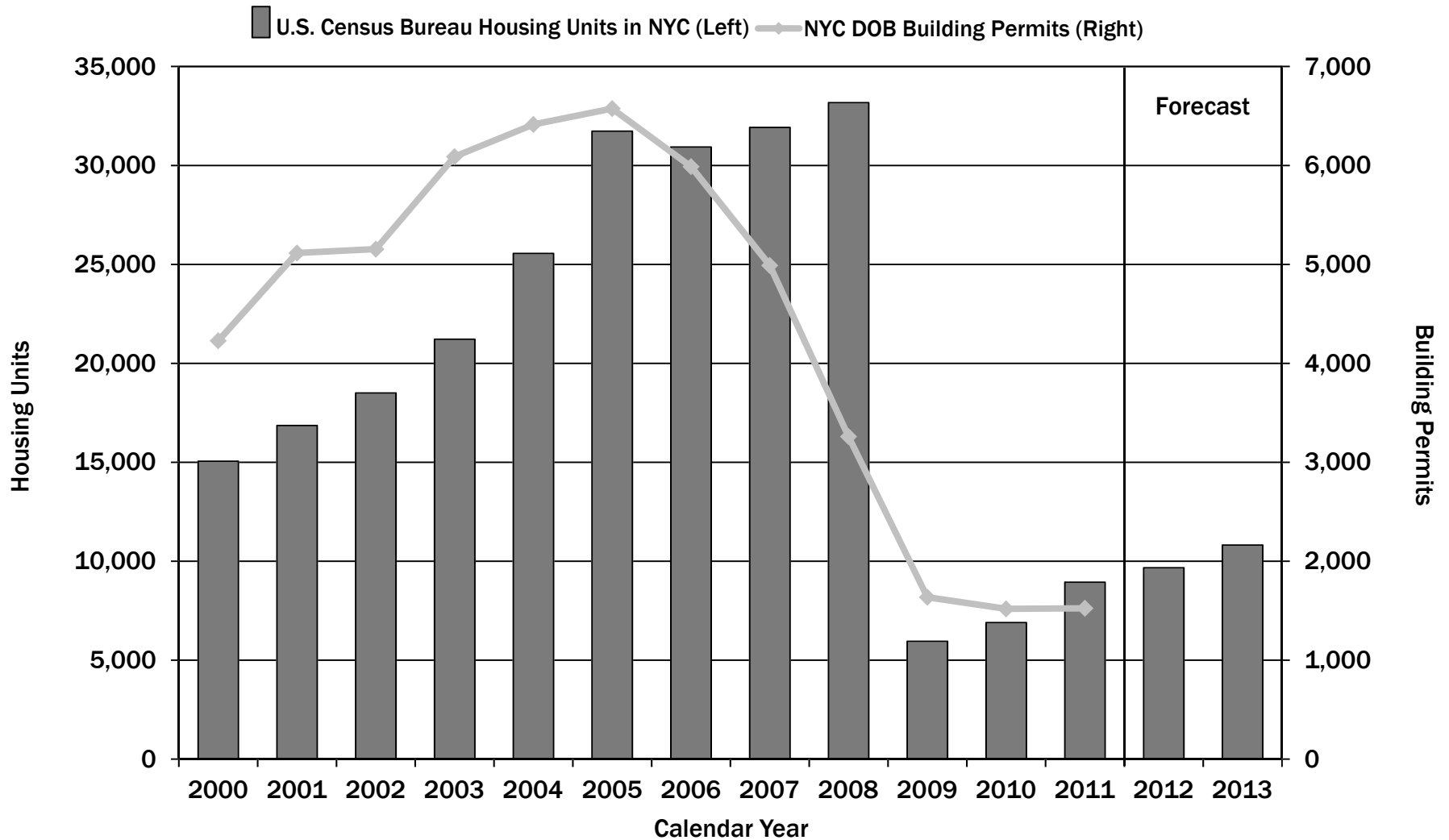
...While Housing Market Activity in the City Is Forecast To Remain Stable...

Residential Real Estate Transactions



Source: NYC Department of Finance; NYC OMB

...Resulting in Muted Construction Activity for the Next Few Years



Source: U.S. Census Bureau; NYC Department of Buildings; NYC OMB.
 The U.S. Census Bureau reports building permits in terms of housing units while NYC Department of Buildings reports on a permit filing basis.

II. Budget Update

We Are Continuing the Agency Programs to Reduce the Gap Previously Announced in Our November 2011 Plan

Increases the Gap / (Decreases the Gap)

	Fiscal Year 2012				Fiscal Year 2013			
	City Funds - \$ in Thousands				City Funds - \$ in Thousands			
	Expense	Revenue	Total	Percentage	Expense	Revenue	Total	Percentage
Uniformed Forces								
Police	(\$7,897)	(\$399)	(\$8,296)	(0.2%)	(\$70,228)	(\$4,385)	(\$74,613)	(1.5%)
Fire	(12,824)	(3,917)	(16,741)	(0.9%)	(23,793)	(14,243)	(38,036)	(2.2%)
Correction	(13,194)	(175)	(13,369)	(1.1%)	(16,411)	(158)	(16,569)	(1.3%)
Sanitation	(7,578)	(6,787)	(14,365)	(1.0%)	(51,046)	(2,907)	(53,953)	(3.6%)
Health and Welfare								
Administration for Children's Services ⁽¹⁾	(57,170)	---	(57,170)	(6.8%)	(7,898)	---	(7,898)	(1.0%)
Social Services ⁽¹⁾	(41,361)	(280)	(41,641)	(6.6%)	(6,255)	(3,783)	(10,038)	(1.6%)
Homeless Services	(2,156)	---	(2,156)	(0.5%)	(9,901)	---	(9,901)	(2.4%)
Youth & Community Development	(3,433)	---	(3,433)	(1.5%)	(8,991)	---	(8,991)	(6.0%)
Health & Mental Hygiene	(6,761)	(1,277)	(8,038)	(1.9%)	(19,515)	(3,940)	(23,455)	(5.7%)
Other Mayoral								
Housing Preservation & Development	(4,174)	(187)	(4,361)	(5.7%)	(3,076)	(436)	(3,512)	(5.1%)
Finance	2,410	(10,375)	(7,965)	(3.1%)	2,964	(46,470)	(43,506)	(17.3%)
Transportation	(2,028)	(10,294)	(12,322)	(2.5%)	(12,496)	(15,994)	(28,490)	(5.5%)
Parks & Recreation	(2,687)	---	(2,687)	(0.9%)	(8,719)	(13,000)	(21,719)	(7.1%)
Libraries	(6,067)	---	(6,067)	(2.0%)	(13,157)	---	(13,157)	(6.0%)
Department of Cultural Affairs	(3,056)	---	(3,056)	(2.0%)	(6,059)	---	(6,059)	(6.0%)
Citywide Administrative Services	(1,273)	(15,794)	(17,067)	(7.5%)	(3,240)	(155)	(3,395)	(1.4%)
All Other Agencies	(21,757)	(18,208)	(39,965)	(2.7%)	(22,819)	(26,833)	(49,652)	(3.6%)
Elected Officials								
Mayor's Office	(1,468)	---	(1,468)	(3.4%)	(996)	(954)	(1,950)	(4.6%)
Borough Presidents	---	---	---	0.0%	(1,211)	---	(1,211)	(6.1%)
Office of the Comptroller	---	(1,389)	(1,389)	(2.0%)	---	(4,241)	(4,241)	(6.0%)
Public Advocate	---	---	---	0.0%	(127)	---	(127)	(6.0%)
City Council	---	---	---	0.0%	(3,705)	---	(3,705)	(6.0%)
District Attorneys	---	---	---	0.0%	(5,166)	---	(5,166)	(1.6%)
Major Organizations								
Education	(147,012)	---	(147,012)	(1.6%)	(301,212)	---	(301,212)	(3.2%)
HHC	---	---	---	0.0%	(4,265)	---	(4,265)	(6.0%)
Other								
Debt Service	(56,097)	---	(56,097)		(228,807)	---	(228,807)	
Procurement Savings	---	---	---		(55,519)	---	(55,519)	
Total Agency Programs	(\$395,583)	(\$69,082)	(\$464,665)	(1.8%)	(\$881,648)	(\$137,499)	(\$1,019,147)	(4.0%)

⁽¹⁾ State and Federal funding will be substituted for City Funds, resulting in savings to the City with no impact on services.

Our Eleven PEG Programs Resulted in Annual Savings of Over \$6 Billion in FY 2013

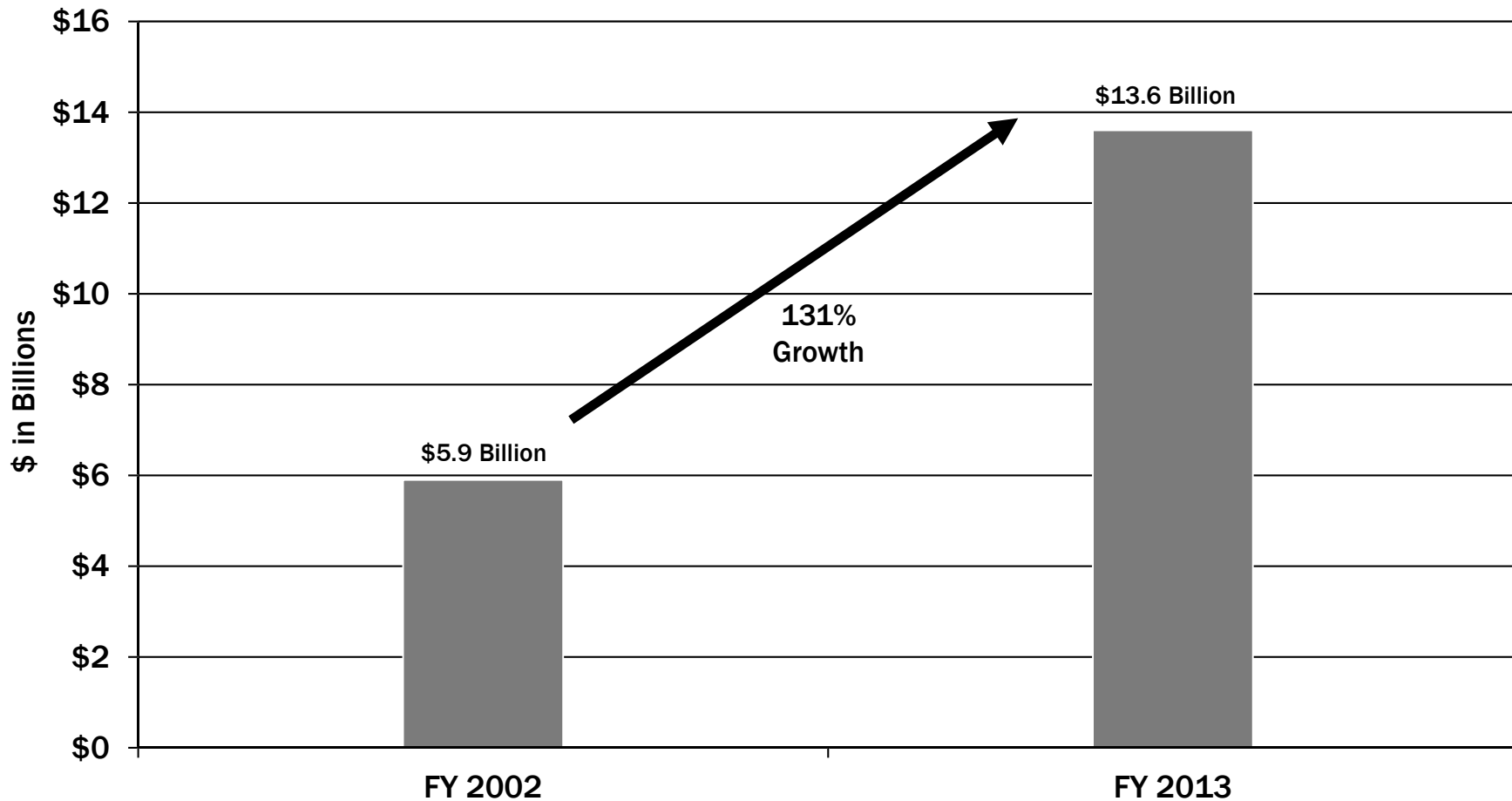
Increases the Gap / (Decreases the Gap)
City Funds - \$ in Millions

<u>Dates PEGs Were Implemented</u>	<u>FY 2008</u>	<u>FY 2009</u>	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>
Before June 2008	(\$618)	(\$1,145)	(\$1,081)	(\$1,021)	(\$939)	(\$929)
July 2008 - June 2009	---	(501)	(2,075)	(2,119)	(2,041)	(2,063)
July 2009 - June 2010	---	---	(300)	(971)	(1,059)	(1,067)
July 2010 - June 2011	---	---	---	(489)	(873)	(1,081)
July 2011 - February 2012	---	---	---	---	(465)	(1,019)
Total	(\$618)	(\$1,646)	(\$3,456)	(\$4,600)	(\$5,377)	(\$6,159)

III. Education

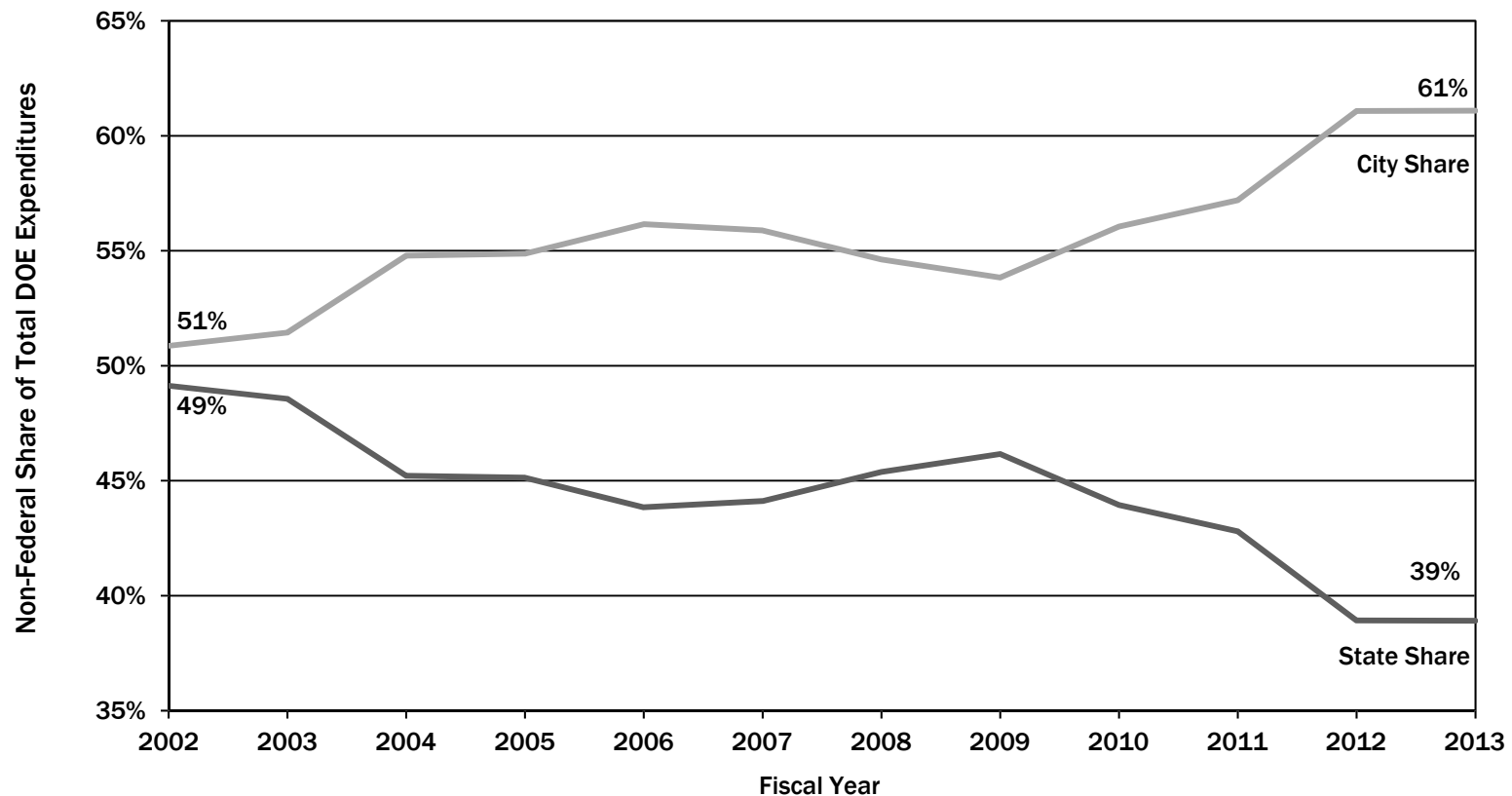
New York City Has Continued to Invest in Our Schools Over the Last 11 Years

NYC Has More than Doubled Its Spending on Education Since FY 2002



New York State Support for Education in New York City Has Fallen Further and Further Behind the City's Commitment

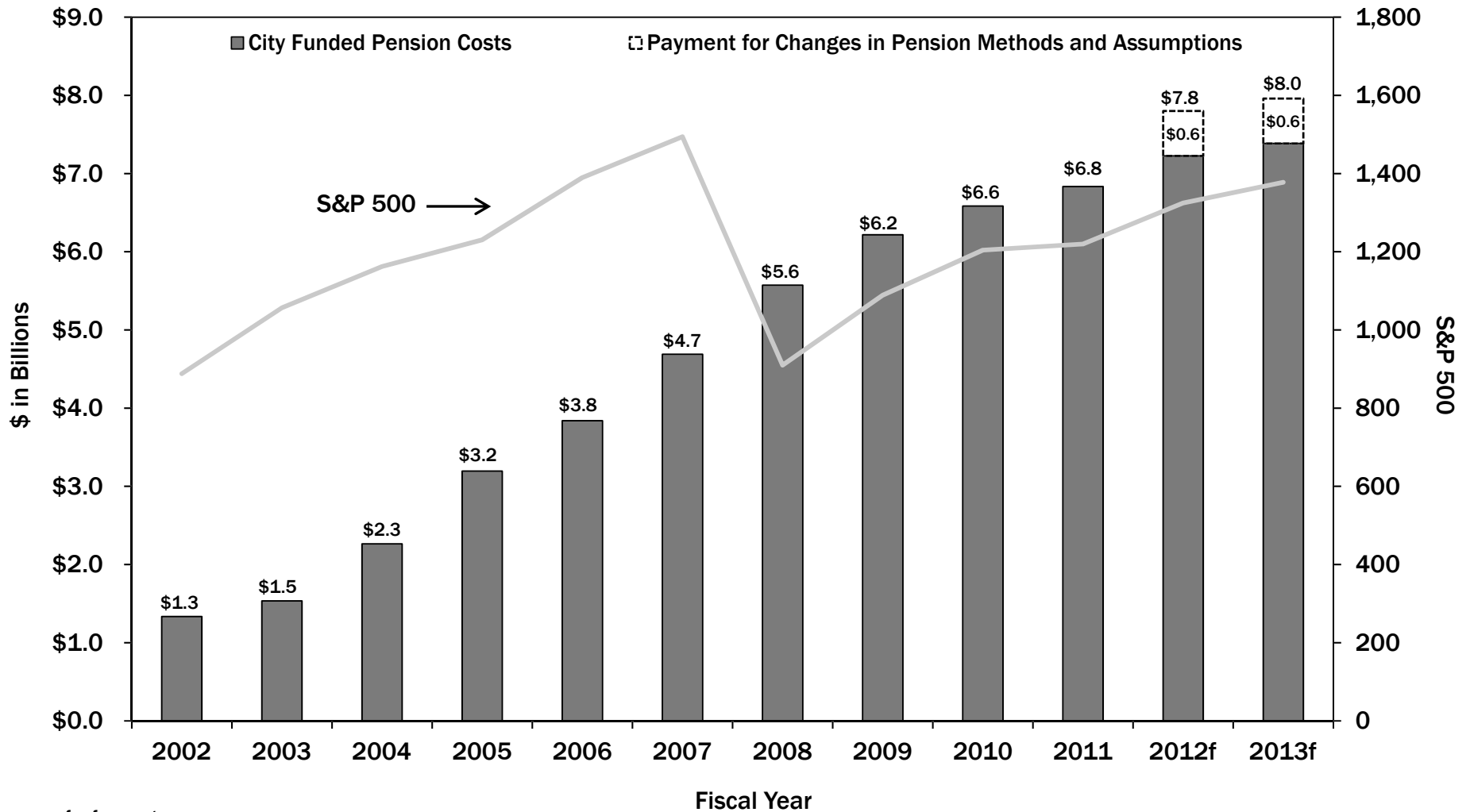
- ❖ In FY 2002, New York State and the City shared the non-federal cost of education equally
- ❖ In FY 2013, New York State's share is 39% while the City's share is 61%
- ❖ If the State had continued to share the cost of education equally with the City, spending on education would have cost local taxpayers \$2.2 billion less in FY 2013



IV. Pensions

City Funded Pension Costs Have Increased by 499% from \$1.3 Billion in FY 2002 to \$8.0 Billion in FY 2013

The Average Annual Growth in City Funded Pension Costs FY 2002 - FY 2013 Is 18%

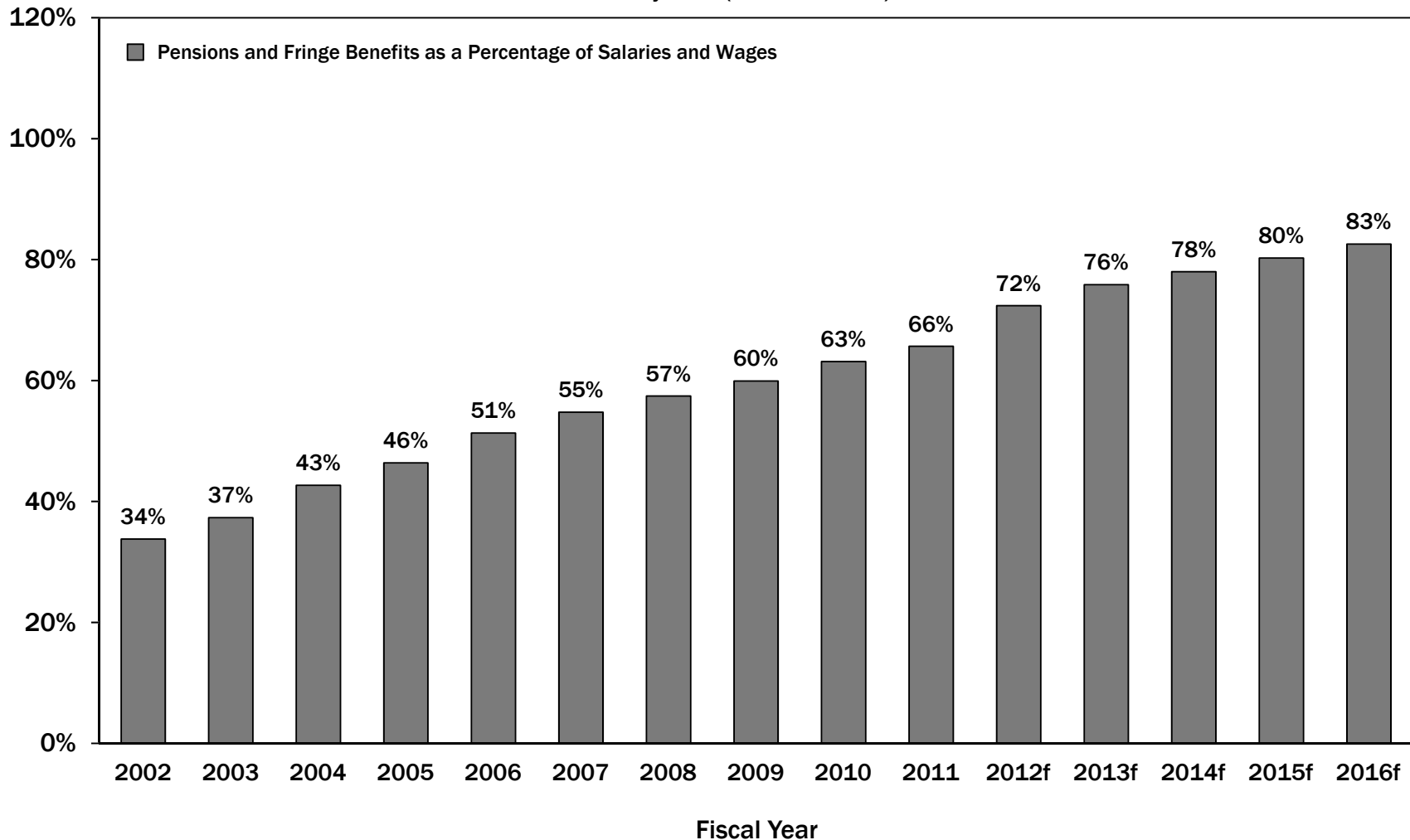


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Note: Includes Pension contributions to non-city systems and "pay as you go" non-actuarial systems.

Pensions and Fringe Benefits as a Percentage of Salaries and Wages Continue to Increase

Citywide (\$ in All Funds)

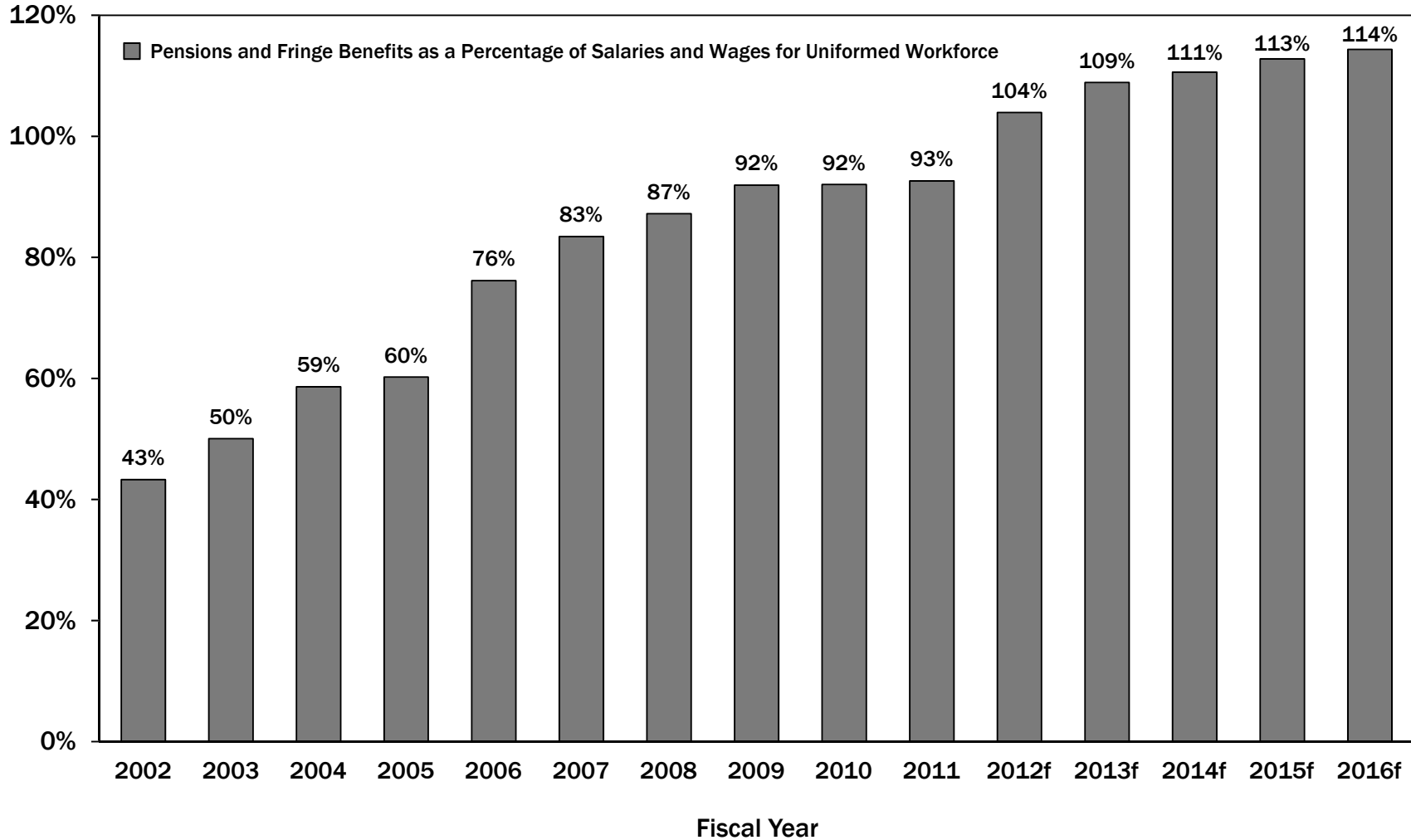


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Note: Excludes the impact of prepayments and RHBT.

For the City's Uniformed Workforce, Pensions and Fringe Benefits as a Percentage of Salaries and Wages Now Exceed 100%

Uniformed Workforce (\$ in All Funds)



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Note: Excludes the impact of prepayments and RHBT.

New York City Needs a New Pension Plan for New Employees. The City Endorses the Governor's Proposal as a New Tier 5 for All New York City Employees

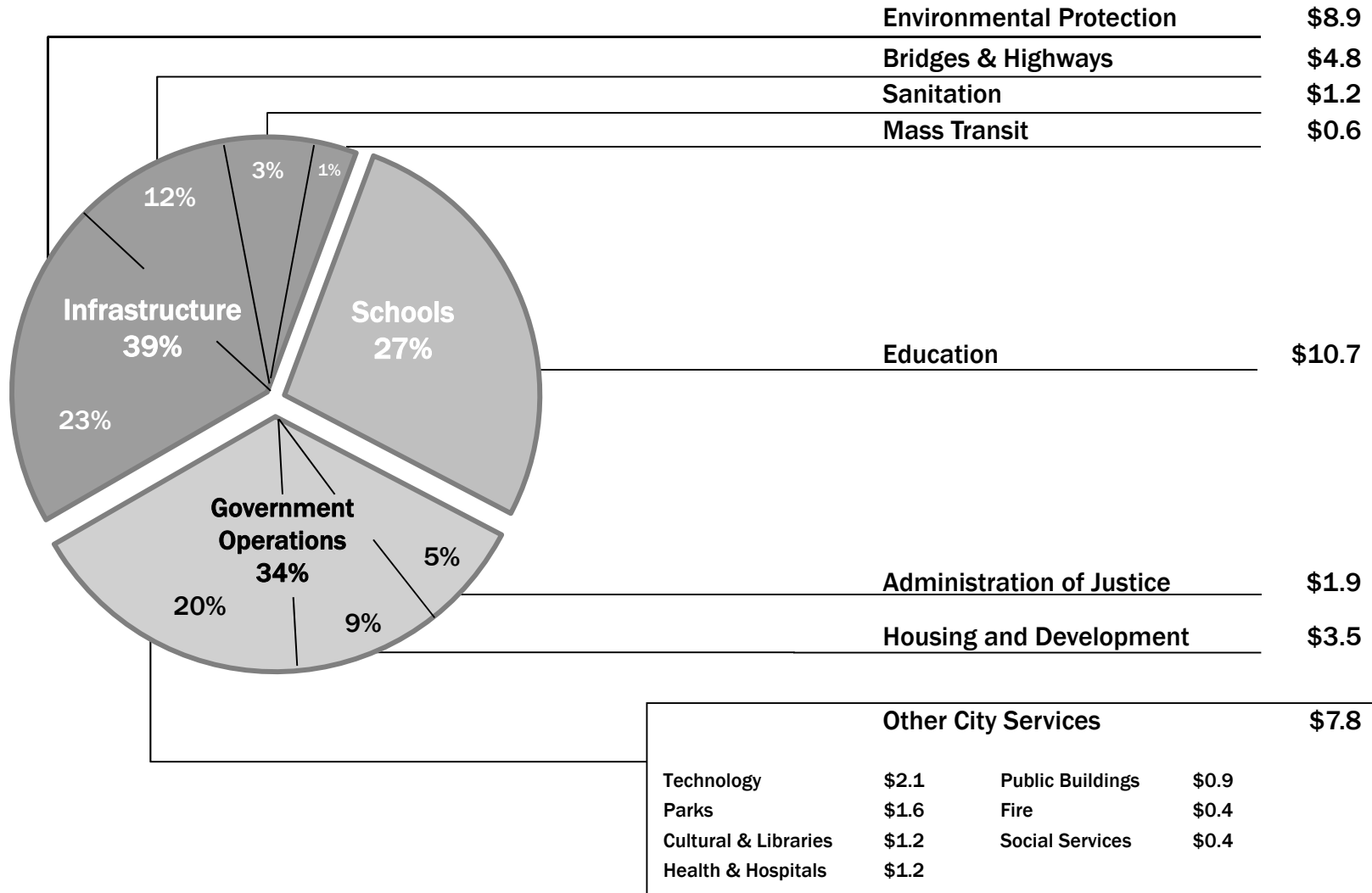
- ❖ **All new non-uniform employees will be required to work until age 65 to retire and receive a pension.**
- ❖ **All new employees will contribute 4%, 5%, or 6% of pay, the higher rates corresponding to higher salary levels.**
- ❖ **The City and new employees will share the additional cost/savings if pension contributions fall outside of a set range.**
- ❖ **New employees can elect a Defined Contribution plan that vests in one year, with a 4% employer contribution plus an employer match of up to an additional 3%. Defined Contribution plans are also portable, so employees who leave can take their savings with them. According to the U.S. Bureau of Labor Statistics, only 20% of private sector workers participate in Defined Benefit programs comparable to the City's pension system. The Governor's pension proposal would start to bring the public sector into line with what the private sector started a generation ago.**
- ❖ **Restrictions on including overtime and other items in the salary used to calculate pensions will reduce costs.**
- ❖ **If enacted, the Governor's pension proposal will save the City approximately \$30 billion over the next 30 years.**

V. Capital

Our Capital Commitments FY 2012 – FY 2016

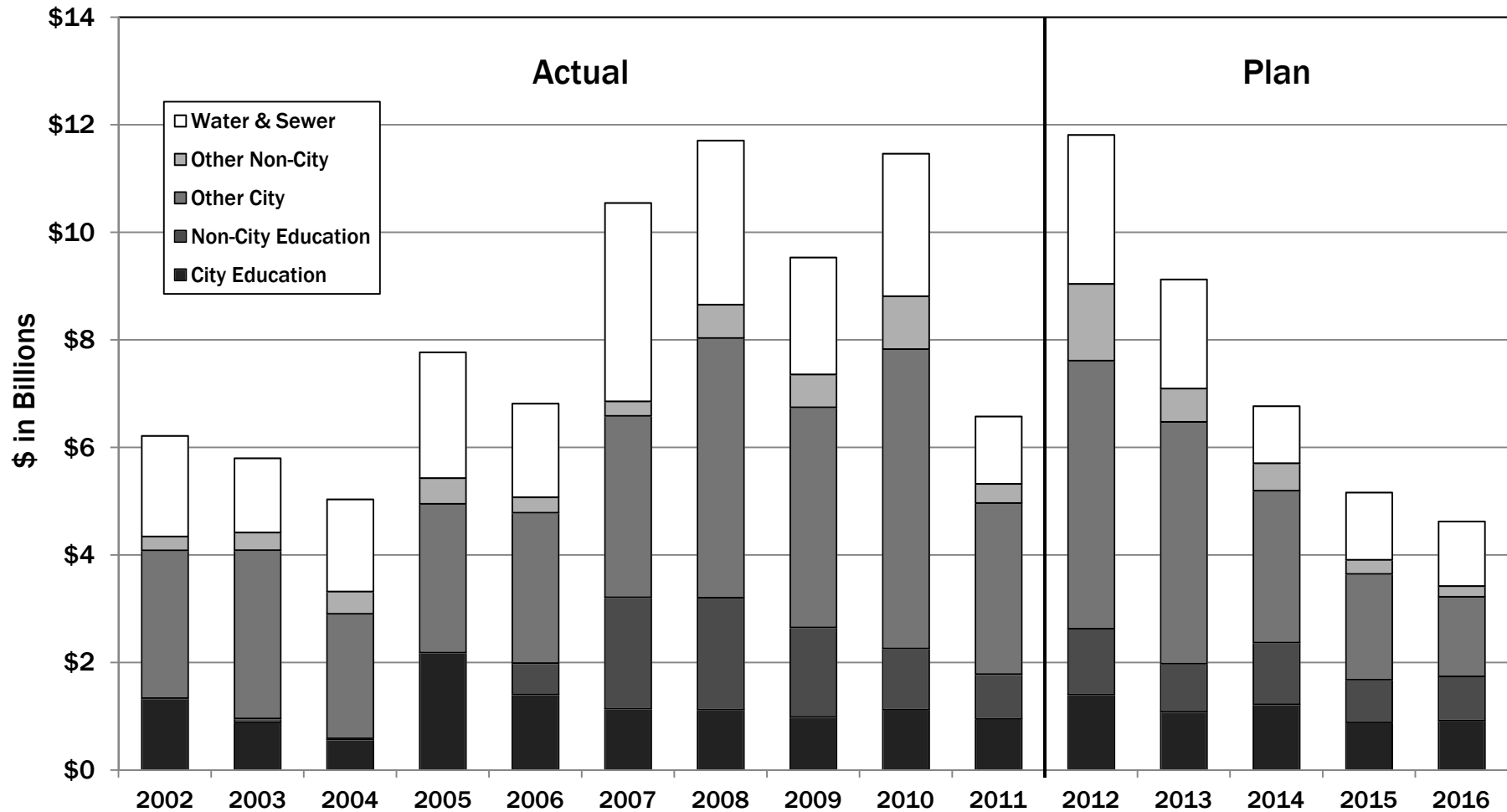
Total - \$39.4 Billion, an Increase of Almost \$700 Million

\$ in Billions



Capital Commitments - All Funds

\$ in Billions



Highlights of the Capital Plan

Highlights

\$ In Millions

❖ Educational Facilities	\$10,417
❖ Rondout West Branch Tunnel Bypass and Related Infrastructure	\$1,500
❖ Street Resurfacing (3,856 lane miles)	\$714
❖ Emergency Communications Systems and Facilities	\$608
❖ New 1,500 Bed Rikers Island Facility	\$594
❖ Replacement of Heavy-duty Sanitation Vehicles and Equipment	\$498
❖ Replacement of Six Belt Parkway Bridges, including the Belt Parkway Bridge over Mill Basin	\$405
❖ Construction of Marine Transfer Stations	\$397
❖ Filtration Avoidance Determination (FAD) for the City's Catskill and Delaware Water Supplies	\$334
❖ Goldwater North Long Term Acute Care Hospital and Skilled Nursing Facility	\$264
❖ Replacement of Front-line Fire Fighting Apparatus, Support Vehicles, Fireboats and Equipment	\$250
❖ Construction of New Barberi Class Vessels for the Staten Island Ferry	\$200
❖ New York City Green Infrastructure Plan	\$192
❖ Citywide Tree Planting	\$160
❖ New Public Health Laboratory	\$151
❖ PlaNYC 2030 Regional Parks	\$148
❖ Gouverneur Hospital Major Modernization	\$107
❖ Harlem Hospital Major Modernization and EMS Station	\$101
❖ Applied Science Facility on Roosevelt Island	\$100
❖ DoITT Primary and Back-up Citywide Data Centers	\$100

VI. Tables

Five-Year Financial Plan Revenues and Expenditures

As Required by Law

February 2012 Financial Plan

(All Funds - \$ in Millions)

Revenues	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Taxes					
General Property Tax	\$17,812	\$18,383	\$18,986	\$19,648	\$20,291
Other Taxes	23,650	24,751	25,373	26,643	27,624
Tax Audit Revenue	700	724	706	706	706
Subtotal: Taxes	\$42,162	\$43,858	\$45,065	\$46,997	\$48,621
Miscellaneous Revenues	6,289	7,058	6,035	6,097	6,197
Unrestricted Intergovernmental Aid	25	---	---	---	---
Less: Intra-City Revenue	(1,791)	(1,531)	(1,533)	(1,537)	(1,542)
Disallowances Against Categorical Grants	(15)	(15)	(15)	(15)	(15)
Subtotal: City Funds	\$46,670	\$49,370	\$49,552	\$51,542	\$53,261
Other Categorical Grants	1,046	913	909	906	892
Inter-Fund Revenues	551	509	504	504	504
Federal Categorical Grants	7,734	6,592	6,491	6,414	6,412
State Categorical Grants	11,368	11,341	11,449	11,586	11,705
Total Revenues	\$67,369	\$68,725	\$68,905	\$70,952	\$72,774
Expenditures					
Personal Service					
Salaries and Wages	\$22,123	\$21,730	\$21,796	\$21,759	\$22,002
Pensions ⁽¹⁾	7,999	8,145	8,078	7,964	8,039
Fringe Benefits	8,005	8,335	8,920	9,499	10,123
Retiree Health Benefits Trust	(672)	(1,000)	(1,000)	---	---
Subtotal: Personal Service	\$37,455	\$37,210	\$37,794	\$39,222	\$40,164
Other Than Personal Service					
Medical Assistance	6,275	6,321	6,458	6,638	6,735
Public Assistance	1,409	1,345	1,365	1,365	1,365
All Other ⁽²⁾	20,754	20,099	20,764	21,317	21,710
Subtotal: Other Than Personal Service	\$28,438	\$27,765	\$28,587	\$29,320	\$29,810
General Obligation, Lease and TFA Debt Service ^{(2),(3)}	5,612	6,278	6,797	7,163	7,436
FY 2011 Budget Stabilization & Discretionary Transfers ⁽²⁾	(3,742)	---	---	---	---
FY 2012 Budget Stabilization ⁽³⁾	1,297	(1,297)	---	---	---
General Reserve	100	300	300	300	300
Subtotal	\$69,160	\$70,256	\$73,478	\$76,005	\$77,710
Less: Intra-City Expenses	(1,791)	(1,531)	(1,533)	(1,537)	(1,542)
Total Expenditures	\$67,369	\$68,725	\$71,945	\$74,468	\$76,168
Gap To Be Closed	\$ ---	\$ ---	(\$3,040)	(\$3,516)	(\$3,394)

⁽¹⁾ Assumes savings from Governor's pension proposal of \$80 million in Fiscal Year 2015 and \$155 million in Fiscal Year 2016.

⁽²⁾ Fiscal Year 2011 Budget Stabilization and Discretionary Transfers total \$3.742 billion, including G.O. of \$2.784 billion, TFA of \$790 million, subsidies of \$164 million, and net equity contribution in bond refunding of \$4 million.

⁽³⁾ Fiscal Year 2012 Budget Stabilization total \$1.297 billion.

City Tax Revenue

February 2012 Financial Plan

		\$ in Millions					
		FY 2011	FY 2012 ^f	FY 2013 ^f	FY 2014 ^f	FY 2015 ^f	FY 2016 ^f
Property Tax		\$16,868	\$17,812	\$18,383	\$18,986	\$19,648	\$20,291
	<i>Year-to-Year</i>		944	571	603	662	643
	<i>Change:</i>		5.6%	3.2%	3.3%	3.5%	3.3%
Economically Sensitive Taxes		\$23,482	\$24,350	\$25,475	\$26,079	\$27,349	\$28,330
	<i>Year-to-Year</i>		868	1,125	604	1,270	981
	<i>Change:</i>		3.7%	4.6%	2.4%	4.9%	3.6%
Subtotal – Tax Revenue		\$40,350	\$42,162	\$43,858	\$45,065	\$46,997	\$48,621
	<i>Year-to-Year</i>		1,812	1,696	1,207	1,932	1,624
	<i>Change:</i>		4.5%	4.0%	2.8%	4.3%	3.5%
Non-Tax Revenue		\$4,315	\$4,508	\$5,512	\$4,487	\$4,545	\$4,640
	<i>Year-to-Year</i>		193	1,004	(1,025)	58	95
	<i>Change:</i>		4.5%	22.3%	(18.6%)	1.3%	2.1%
Total Revenue		\$44,665	\$46,670	\$49,370	\$49,552	\$51,542	\$53,261
	<i>Year-to-Year</i>		2,005	2,700	182	1,990	1,719
	<i>Change:</i>		4.5%	5.8%	0.4%	4.0%	3.3%

f = forecast

Controllable Agency Expenses

February 2012 Financial Plan

City Funds - \$ in Millions

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Uniformed Forces						
Police Department	\$4,261	\$4,330	\$4,278	\$4,291	\$4,290	\$4,289
Fire Department	1,488	1,506	1,460	1,431	1,386	1,386
Department of Correction	1,020	1,060	1,033	1,042	1,023	1,023
Sanitation Department	1,370	1,299	1,317	1,437	1,436	1,436
Subtotal: Uniformed Forces	\$8,139	\$8,195	\$8,088	\$8,201	\$8,135	\$8,134
Year-to-Year Change:		56 0.7%	(107) (1.3%)	113 1.4%	(66) (0.8%)	(1) (0.0%)
Health and Welfare						
Social Services	\$416	\$509	\$493	\$465	\$481	\$481
Children's Services	695	849	782	784	784	784
Homeless Services	417	407	391	387	387	387
Health and Mental Hygiene	606	617	582	580	569	569
HHC Subsidy	84	75	68	67	67	67
Subtotal: Health and Welfare	\$2,218	\$2,457	\$2,316	\$2,283	\$2,288	\$2,288
Year-to-Year Change:		239 10.8%	(141) (5.7%)	(33) (1.4%)	5 0.2%	---
Other Agencies						
Housing Preservation & Development	\$59	\$63	\$54	\$53	\$53	\$53
Environmental Protection	925	977	954	955	956	956
Finance	214	224	220	219	219	219
Transportation	421	422	431	447	447	447
Parks and Recreation	268	251	234	242	242	242
Citywide Administrative Services	211	200	204	203	202	202
All Other Mayoral	1,717	1,772	1,640	1,912	2,219	2,568
Subtotal: Other Agencies	\$3,815	\$3,909	\$3,737	\$4,031	\$4,338	\$4,687
Year-to-Year Change:		94 2.5%	(172) (4.4%)	294 7.9%	307 7.6%	349 8.0%
Education						
Department of Education (see below)	\$5,910	\$7,164	\$7,172	\$7,364	\$7,321	\$7,393
CUNY	539	553	547	524	522	522
Subtotal: Education	\$6,449	\$7,717	\$7,719	\$7,888	\$7,843	\$7,915
Year-to-Year Change:		1,268 19.7%	2 0.0%	169 2.2%	(45) (0.6%)	72 0.9%
Elected Officials						
Mayoralty	\$64	\$66	\$66	\$65	\$65	\$65
All Other Elected	394	401	382	382	382	383
Subtotal: Elected Officials	\$458	\$467	\$448	\$447	\$447	\$448
Year-to-Year Change:		9 2.0%	(19) (4.1%)	(1) (0.2%)	---	1 0.2%
Total Controllable Agency Spending	\$21,079	\$22,745	\$22,308	\$22,850	\$23,051	\$23,472
Year-to-Year Change:		1,666 7.9%	(437) (1.9%)	542 2.4%	201 0.9%	421 1.8%
Dept of Education (Including State and Federal funds)	\$15,874	\$16,136	\$16,297	\$16,546	\$16,601	\$16,672
Year-to-Year Change:		262 1.7%	161 1.0%	249 1.5%	55 0.3%	71 0.4%

Note: Excludes the impact of prepayments.

Non-Controllable Agency Expenses and Debt Service

February 2012 Financial Plan

		City Funds - \$ in Millions					
		FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Non-Controllable Agency Expenses							
Pensions		\$6,834	\$7,840	\$7,985	\$7,919	\$7,805	\$7,880
	Year-to-Year		\$1,006	\$145	(\$66)	(\$114)	\$75
	Change:		14.7%	1.8%	(0.8%)	(1.4%)	1.0%
Fringe Benefits ⁽¹⁾		\$5,832	\$6,125	\$6,664	\$7,295	\$7,968	\$8,586
	Year-to-Year		\$293	\$539	\$631	\$673	\$618
	Change:		5.0%	8.8%	9.5%	9.2%	7.8%
Retiree Health Benefits Trust		(\$395)	(\$672)	(\$1,000)	(\$1,000)	\$ ---	\$ ---
Employee-Related Costs		\$12,271	\$13,293	\$13,649	\$14,214	\$15,773	\$16,466
	Year-to-Year		\$1,022	\$356	\$565	\$1,559	\$693
	Change:		8.3%	2.7%	4.1%	11.0%	4.4%
Medicaid		\$5,727	\$6,215	\$6,232	\$6,337	\$6,517	\$6,614
	Year-to-Year		\$488	\$17	\$105	\$180	\$97
	Change:		8.5%	0.3%	1.7%	2.8%	1.5%
FMAP (Federal Matching Percent for Medicaid)		(\$1,081)	(\$124)	(\$32)	\$ ---	\$ ---	\$ ---
Reserve for Claims From Past Periods		(\$384)	(\$500)	\$ ---	\$ ---	\$ ---	\$ ---
General Reserve		\$ ---	\$100	\$300	\$300	\$300	\$300
All Other ⁽²⁾		\$2,189	\$2,242	\$2,300	\$2,390	\$2,547	\$2,657
	Year-to-Year		\$53	\$58	\$90	\$157	\$110
	Change:		2.4%	2.6%	3.9%	6.6%	4.3%
Subtotal Non-Controllable Expenses		\$18,722	\$21,226	\$22,449	\$23,241	\$25,137	\$26,037
	Year-to-Year		\$2,504	\$1,223	\$792	\$1,896	\$900
	Change:		13.4%	5.8%	3.5%	8.2%	3.6%
Debt Service		\$4,763	\$5,144	\$5,910	\$6,501	\$6,870	\$7,146
	Year-to-Year		\$381	\$766	\$591	\$369	\$276
	Change:		8.0%	14.9%	10.0%	5.7%	4.0%
Total Non-Controllable and Debt Service		\$23,485	\$26,370	\$28,359	\$29,742	\$32,007	\$33,183
	Year-to-Year		\$2,885	\$1,989	\$1,383	\$2,265	\$1,176
	Change:		12.3%	7.5%	4.9%	7.6%	3.7%

Excludes the impact of prepayments.

⁽¹⁾ Includes Health Insurance, Welfare Funds, Social Security Contributions, Worker's Compensation, Unemployment Insurance, Annuity Contributions, Uniform Allowance, and Disability Benefits Insurance.

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

Fiscal Year 2012

February 2012 Financial Plan

\$ in Millions

AGENCY	Personal Service Costs				Other Than Personal Service Costs						Gross Total All Funds (Includes Intra-City)	Net Total All Funds (Excludes Intra-City)	City Fund Total
	Salaries & Wages	Fringe Benefits	Pensions	PS Subtotal	Agency OTPS	PA, MA & Other Mandates	Legal Services	Judgment & Claims	Debt Service	OTPS Subtotal			
UNIFORM AGENCIES													
Police Department	\$4,346	\$1,726	\$2,632	\$8,704	\$515	---	\$46	\$152	\$127	\$840	\$9,544	\$9,311	\$8,849
Fire Department	1,558	593	1,089	3,240	219	---	7	23	128	377	3,617	3,615	3,262
Department of Correction	931	390	357	1,678	131	---	8	28	198	365	2,043	2,043	1,995
Department of Sanitation	782	357	263	1,402	520	---	8	39	270	837	2,239	2,235	2,176
Subtotal	\$7,617	\$3,066	\$4,341	\$15,024	\$1,385	---	\$69	\$242	\$723	\$2,419	\$17,443	\$17,204	\$16,282
HEALTH AND WELFARE													
Administration for Children's Services	412	133	65	610	2,503	---	4	2	---	2,509	3,119	3,063	972
Department of Social Services	749	319	124	1,192	989	7,683	17	---	70	8,759	9,951	9,941	7,507
Department of Homeless Services	119	43	18	180	757	---	1	1	---	759	939	893	457
Department of Health & Mental Hygiene	400	120	62	582	1,249	---	2	1	50	1,302	1,884	1,875	819
Health and Hospitals Corporation ⁽⁴⁾	---	25	---	25	201	---	5	190	179	575	600	474	250
Subtotal	\$1,680	\$640	\$269	\$2,589	\$5,699	\$7,683	\$29	\$194	\$299	\$13,904	\$16,493	\$16,246	\$10,005
EDUCATION													
Department of Education	9,526	3,335	2,848	15,709	6,773	---	16	50	1,529	8,368	24,077	23,842	13,337
City University	491	68	63	622	255	---	---	1	45	301	923	891	664
Subtotal	\$10,017	\$3,403	\$2,911	\$16,331	\$7,028	---	\$16	\$51	\$1,574	\$8,669	\$25,000	\$24,733	\$14,001
OTHER AGENCIES	\$2,279	\$770	\$407	\$3,456	\$4,632	---	\$79	\$166	\$2,565	\$7,442	\$10,898	\$9,864	\$7,580
ELECTED OFFICIALS	\$448	\$126	\$71	\$645	\$96	---	\$3	\$2	---	\$101	\$746	\$742	\$656
MISCELLANEOUS BUDGET	\$82	---	---	\$82	---	\$1,664 ⁽²⁾	---	---	\$368	\$2,032	\$2,114	\$2,114	\$1,745
DEBT SERVICE COSTS (Unallocated)	---	---	---	---	---	---	---	---	\$83	\$83	\$83	\$83	\$18
RESERVE FOR CLAIMS FROM PAST PERIODS	---	---	---	---	(\$500)	---	---	---	---	(\$500)	(\$500)	(\$500)	(\$500)
RETIREE HEALTH BENEFITS TRUST (RHBT)	---	(\$672)	---	(\$672)	---	---	---	---	---	---	(\$672)	(\$672)	(\$672)
TOTAL - ALL FUNDS⁽³⁾	\$22,123	\$7,333	\$7,999	\$37,455	\$18,340	\$9,347	\$196	\$655	\$5,612	\$34,150	\$71,605	\$69,814	
TOTAL - CITY FUNDS⁽³⁾	\$13,649	\$5,453	\$7,840	\$26,942	\$8,424	\$7,957	\$183	\$465	\$5,144	\$22,173			\$49,115
Less: Prepayments	---	---	---	---	\$164	---	---	---	\$2,281	\$2,445	\$2,445	\$2,445	\$2,445
Total After Prepayments	\$22,123	\$7,333	\$7,999	\$37,455	\$18,176	\$9,347	\$196	\$655	\$3,331	\$31,705	\$69,160	\$67,369	\$46,670

⁽¹⁾ Only reflects funding appropriated in the City's Budget

⁽²⁾ Includes subsidies to the MTA, General Reserve, Indigent Defense Services and Other Contractual Services.

⁽³⁾ Excludes the impact of prepayments.

Fiscal Year 2013

February 2012 Financial Plan

\$ in Millions

AGENCY	Personal Service Costs				Other Than Personal Service Costs						Gross Total All Funds (Includes Intra-City)	Net Total All Funds (Excludes Intra-City)	City Fund Total	
	Salaries & Wages	Fringe Benefits	Pensions	PS Subtotal	Agency OTPS	PA, MA & Other Mandates	Legal Services	Judgment & Claims	Debt Service	OTPS Subtotal				
UNIFORM AGENCIES														
Police Department	\$4,254	\$1,833	\$2,641	\$8,728	\$284	---	\$46	\$163	\$141	\$634	\$9,362	\$9,132	\$8,966	
Fire Department	1,521	626	1,090	3,237	152	---	7	25	142	326	3,563	3,561	3,280	
Department of Correction	904	419	369	1,692	123	---	8	30	220	381	2,073	2,073	2,037	
Department of Sanitation	789	380	272	1,441	524	---	8	41	300	873	2,314	2,311	2,262	
Subtotal	\$7,468	\$3,258	\$4,372	\$15,098	\$1,083	---	\$69	\$259	\$803	\$2,214	\$17,312	\$17,077	\$16,545	
HEALTH AND WELFARE														
Administration for Children's Services	\$403	\$140	\$53	\$596	\$2,303	---	\$4	\$2	---	\$2,309	\$2,905	\$2,904	\$941	
Department of Social Services	742	336	138	1,216	937	7,666	17	---	78	8,698	9,914	9,907	7,660	
Department of Homeless Services	118	44	20	182	648	---	1	1	---	650	832	829	445	
Department of Health & Mental Hygiene	367	122	66	555	1,147	---	2	1	56	1,206	1,761	1,758	798	
Health and Hospitals Corporation ⁽¹⁾	---	27	---	27	166	---	5	190	192	553	580	482	256	
Subtotal	\$1,630	\$669	\$277	\$2,576	\$5,201	\$7,666	\$29	\$194	\$326	\$13,416	\$15,992	\$15,880	\$10,100	
EDUCATION														
Department of Education	\$9,398	\$3,403	\$2,935	\$15,736	\$7,032	---	\$16	\$50	\$1,709	\$8,807	\$24,543	\$24,335	\$13,829	
City University	490	89	64	643	210	---	---	1	46	257	900	887	660	
Subtotal	\$9,888	\$3,492	\$2,999	\$16,379	\$7,242	---	\$16	\$51	\$1,755	\$9,064	\$25,443	\$25,222	\$14,489	
OTHER AGENCIES	\$2,163	\$788	\$419	\$3,370	\$3,824	---	\$75	\$179	\$2,901	\$6,979	\$10,349	\$9,389	\$7,748	
ELECTED OFFICIALS	\$417	\$128	\$78	\$623	\$85	---	\$4	\$2	---	\$91	\$714	\$711	\$650	
MISCELLANEOUS BUDGET	\$164	---	---	\$164	---	\$2,086 ⁽²⁾	---	---	\$408	\$2,494	\$2,658	\$2,658	\$2,120	
DEBT SERVICE COSTS (Unallocated)	---	---	---	---	---	---	---	---	\$85	\$85	\$85	\$85	\$15	
RESERVE FOR CLAIMS FROM PAST PERIODS	---	---	---	---	---	---	---	---	---	---	---	---	---	
RETIREE HEALTH BENEFITS TRUST (RHBT)	---	(\$1,000)	---	(\$1,000)	---	---	---	---	---	---	(\$1,000)	(\$1,000)	(\$1,000)	
TOTAL - ALL FUNDS⁽³⁾	\$21,730	\$7,335	\$8,145	\$37,210	\$17,435	\$9,752	\$193	\$685	\$6,278	\$34,343	\$71,553	\$70,022	---	
TOTAL - CITY FUNDS⁽³⁾	\$13,519	\$5,664	\$7,985	\$27,168	\$8,612	\$8,298	\$184	\$495	\$5,910	\$23,499	---	---	\$50,667	
Less: Prepayments	---	---	---	---	---	---	---	---	\$1,297	\$1,297	\$1,297	\$1,297	\$1,297	
Total After Prepayments	\$21,730	\$7,335	\$8,145	\$37,210	\$17,435	\$9,752	\$193	\$685	\$4,981	\$33,046	\$70,256	\$68,725	\$49,370	

⁽¹⁾ Only reflects funding appropriated in the City's Budget

⁽²⁾ Includes subsidies to the MTA, General Reserve, Indigent Defense Services and Other Contractual Services.

⁽³⁾ Excludes the impact of prepayments.

Changes Between FY 2012 and FY 2013

February 2012 Financial Plan

AGENCY	\$ in Millions																					
	Personal Service Costs				Other Than Personal Service Costs						Gross Total All Funds (Includes Intra-City)	Net Total All Funds (Excludes Intra-City)	City Fund Total									
	Salaries & Wages	Fringe Benefits	Pensions	PS Subtotal	Agency OTPS	PA, MA & Other Mandates	Legal Services	Judgment & Claims	Debt Service	OTPS Subtotal												
UNIFORM AGENCIES																						
Police Department	(\$92)	\$107	\$9	\$24	(\$231)	---	---	\$11	\$14	(\$206)	(\$182)	(\$179)	\$117									
Fire Department	(37)	33	1	(3)	(67)	---	---	2	14	(51)	(54)	(54)	18									
Department of Correction	(27)	29	12	14	(8)	---	---	2	22	16	30	30	42									
Department of Sanitation	7	23	9	39	4	---	---	2	30	36	75	76	86									
Subtotal	(\$149)	\$192	\$31	\$74	(\$302)	---	---	\$17	\$80	(\$205)	(\$131)	(\$127)	\$263									
HEALTH AND WELFARE																						
Administration for Children's Services	(9)	7	(12)	(14)	(200)	---	---	---	---	(200)	(214)	(159)	(31)									
Department of Social Services	(7)	17	14	24	(52)	(17)	---	---	8	(61)	(37)	(34)	153									
Department of Homeless Services	(1)	1	2	2	(109)	---	---	---	---	(109)	(107)	(64)	(12)									
Department of Health & Mental Hygiene	(33)	2	4	(27)	(102)	---	---	---	6	(96)	(123)	(117)	(21)									
Health and Hospitals Corporation ⁽⁴⁾	---	2	---	2	(35)	---	---	---	13	(22)	(20)	8	6									
Subtotal	(\$50)	\$29	\$8	(\$13)	(\$498)	(\$17)	---	---	\$27	(\$488)	(\$501)	(\$366)	\$95									
EDUCATION																						
Department of Education	(\$128)	\$68	\$87	\$27	\$259	---	---	---	\$180	\$439	\$466	\$493	\$492									
City University	(1)	21	1	21	(45)	---	---	---	1	(44)	(23)	(4)	(4)									
Subtotal	(\$129)	\$89	\$88	\$48	\$214	---	---	---	\$181	\$395	\$443	\$489	\$488									
OTHER AGENCIES	(\$116)	\$18	\$12	(\$86)	(\$808)	---	(\$4)	\$13	\$336	(\$463)	(\$549)	(\$475)	\$168									
ELECTED OFFICIALS	(\$31)	\$2	\$7	(\$22)	(\$11)	---	\$1	---	---	(\$10)	(\$32)	(\$31)	(\$6)									
MISCELLANEOUS BUDGET	\$82	---	---	\$82	---	\$422 ⁽²⁾	---	---	\$40	\$462	\$544	\$544	\$375									
DEBT SERVICE COSTS (Unallocated)	---	---	---	---	---	---	---	---	\$2	\$2	\$2	\$2	(\$3)									
RESERVE FOR CLAIMS FROM PAST PERIODS	---	---	---	---	\$500	---	---	---	---	\$500	\$500	\$500	\$500									
RETIREE HEALTH BENEFITS TRUST (RHBT)	---	(\$328)	---	(\$328)	---	---	---	---	---	---	(\$328)	(\$328)	(\$328)									
TOTAL - ALL FUNDS⁽³⁾	(\$393)	\$2	\$146	(\$245)	(\$905)	\$405	(\$3)	\$30	\$666	\$193	(\$52)	\$208	---									
TOTAL - CITY FUNDS⁽³⁾	(\$130)	\$211	\$145	\$226	\$188	\$341	\$1	\$30	\$766	\$1,326	---	---	\$1,552									
Less: Prepayments	---	---	---	---	(\$164)	---	---	---	(\$984)	(\$1,148)	(\$1,148)	(\$1,148)	(\$1,148)									
Total After Prepayments	(\$393)	\$2	\$146	(\$245)	(\$741)	\$405	(\$3)	\$30	\$1,650	\$1,341	\$1,096	\$1,356	\$2,700									

⁽⁴⁾ Only reflects funding appropriated in the City's Budget.

⁽²⁾ Includes subsidies to the MTA, General Reserve, Indigent Defense Services and Other Contractual Services.

⁽³⁾ Excludes the impact of prepayments.

City Funds Changes to FY 2012 – FY 2016 Since the November 2011 Financial Plan

(City Funds - \$ in Millions)

	<u>FY 2012</u>	<u>FY 2013</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>
Gap to be Closed Prior to November 2011 Agency PEG Program	(\$470)	(\$3,061)	(\$4,454)	(\$5,505)	(\$6,101)
Agency PEG Program - November 2011 Plan	470	1,020	626	628	538
Gap to be Closed - November 2011 Plan	\$ ---	(\$2,041)	(\$3,828)	(\$4,877)	(\$5,563)
<u>Revenue Changes - Increase / (Decrease)</u>					
Tax Revenue Forecast	\$90	\$218	\$367	\$571	\$1,297
Miscellaneous Revenue	21	60	16	16	26
Subtotal Revenue Changes	\$111	\$278	\$383	\$587	\$1,323
<u>Expense Changes - Increase / (Decrease)</u>					
Reduced Cost of Changes to Pension Assumptions and Methods	(\$425)	(\$425)	(\$501)	(\$902)	(\$1,023)
Delay in Pension Reform	---	---	131	172	218
Debt Service	(81)	(99)	(64)	(42)	(14)
Reserve for Claims From Past Periods	(500)	---	---	---	---
General Reserve	(200)	---	---	---	---
HIP Rate Savings	(2)	(42)	(46)	(51)	(55)
Other Agency Expenses	34	88	75	49	28
Subtotal Expense Changes	(\$1,174)	(\$478)	(\$405)	(\$774)	(\$846)
Remaining Gap to be Closed	\$1,285	(\$1,285)	(\$3,040)	(\$3,516)	(\$3,394)
FY 2012 Prepayment of FY 2013 Expenses	(\$1,285)	\$1,285	\$ ---	\$ ---	\$ ---
Gap to be Closed - February 2012 Plan	\$ ---	\$ ---	(\$3,040)	(\$3,516)	(\$3,394)

FY 2012 - City Funds Changes Between November 2011 Plan and February 2012 Plan

City Funds - \$ in Millions

	FY 2011	FY 2012				
	Actuals	Nov 2011 Plan	Feb 2012 Plan	Changes Since Nov 2011	Percent Change	
Shown for Comparison to FY 2012						
Revenue	\$44,665	\$46,559	\$46,670	\$111	0.2%	❖ Our Current Plan forecasts City Funds Revenue to be \$46,670 in FY 2012, an increase of \$111 million since the November 2011 Plan.
	<i>Change - 2011 to 2012</i>	\$ 1,894	\$2,005			
	<i>% Change - 2011 to 2012</i>	4.2%	4.5%			
Expenditures						
Controllable Agency Expenses	\$21,079	\$22,702	\$22,745	\$43	0.2%	❖ Our Current Plan forecasts City Funds Controllable Agency Expenses to be \$22,745 in FY 2012, an increase of \$43 million since the November 2011 Plan.
	<i>Change - 2011 to 2012</i>	\$1,623	\$1,666			
	<i>% Change - 2011 to 2012</i>	7.7%	7.9%			
Debt Service	\$4,763	\$5,225	\$5,144	(\$81)	(1.6%)	❖ Our Current Plan forecasts City Funds Debt Service to be \$5,144 in FY 2012 a decrease of \$81 million since the November 2011 Plan.
	<i>Change - 2011 to 2012</i>	\$462	\$381			
	<i>% Change - 2011 to 2012</i>	9.7%	8.0%			
Non-Controllable Expenses	\$18,722	\$22,362	\$21,226	(\$1,136)	(5.1%)	❖ Our Current Plan forecasts City Funds Non-Controllable Expenses to be \$21,226 in FY 2012, a decrease of \$1.136 billion since the November 2011 Plan.
	<i>Change - 2011 to 2012</i>	\$3,640	\$2,504			
	<i>% Change - 2011 to 2012</i>	19.4%	13.4%			
Total Expenditures	\$44,564	\$50,289	\$49,115	(\$1,174)	(2.3%)	❖ Our Current Plan forecasts City Funds Total Expenses to be \$49,115 in FY 2012, a decrease of \$1.174 billion since the November 2011 Plan.
	<i>Change - 2011 to 2012</i>	\$5,725	\$4,551			
	<i>% Change - 2011 to 2012</i>	12.8%	10.2%			
Operating Surplus / (Deficit)	\$101	(\$3,730)	(\$2,445)	\$1,285		❖ Our Current Plan forecasts City Funds roll of \$1.297 billion out of FY 2012 to help balance the FY 2013 budget.
Current Year Roll (Cost)	(\$3,742)	(\$12)	(\$1,297)	(\$1,285)		
Prior Year Roll - Benefit	\$3,646	\$3,742	\$3,742	\$ ---		
Gap to be Closed	\$ 5	\$ ---	\$ ---	\$ ---		
Agency PEG Program						
Revenue Increases		\$69	\$69	\$ ---		
Controllable Agency Expense Decreases		(\$268)	(\$263)	\$5		
Debt Service Decreases		(\$56)	(\$56)	\$ ---		
Non-Controllable Expense Decreases		(\$77)	(\$77)	\$ ---		
Total		\$470	\$465	(\$5)		

Note: Excludes the impact of prepayments.

FY 2013 - City Funds Changes Between November 2011 Plan and February 2012 Plan

City Funds - \$ in Millions

	FY 2012	FY 2013				
	Shown for Comparison to FY 2013 Feb 2012 Plan	Nov 2011 Plan	Feb 2012 Plan	Changes Since Nov 2011	Percent Change	
Revenue	\$46,670	\$49,092	\$49,370	\$278	0.6%	❖ Our Current Plan forecasts City Funds Revenue to be \$49,370 in FY 2013, an increase of \$278 million since the November 2011 Plan.
	<i>Change - 2012 to 2013</i>	\$2,533	\$2,700			
	<i>% Change - 2012 to 2013</i>	5.4%	5.8%			
<u>Expenditures</u>						
Controllable Agency Expenses	\$22,745	\$22,196	\$22,308	\$112	0.5%	❖ Our Current Plan forecasts City Funds Controllable Agency Expenses to be \$22,308 in FY 2013, an increase of \$112 million since the November 2011 Plan.
	<i>Change - 2012 to 2013</i>	(\$506)	(\$437)			
	<i>% Change - 2012 to 2013</i>	(2.2%)	(1.9%)			
Debt Service	\$5,144	\$6,009	\$5,910	(\$99)	(1.6%)	❖ Our Current Plan forecasts City Funds Debt Service to be \$5,910 in FY 2013, a decrease of \$99 million since the November 2011 Plan.
	<i>Change - 2012 to 2013</i>	\$784	\$766			
	<i>% Change - 2012 to 2013</i>	15.0%	14.9%			
Non-Controllable Expenses	\$21,226	\$22,940	\$22,449	(\$491)	(2.1%)	❖ Our Current Plan forecasts City Funds Non-Controllable Expenses to be \$22,449 in FY 2013, a decrease of \$491 million since the November 2011 Plan.
	<i>Change - 2012 to 2013</i>	\$578	\$1,223			
	<i>% Change - 2012 to 2013</i>	2.6%	5.8%			
Total Expenditures	\$49,115	\$51,145	\$50,667	(\$478)	(0.9%)	❖ Our Current Plan forecasts City Funds Total Expenses to be \$50,667 in FY 2013, a decrease of \$478 million since the November 2011 Plan.
	<i>Change - 2012 to 2013</i>	\$856	\$1,552			
	<i>% Change - 2012 to 2013</i>	1.7%	3.2%			
Operating Surplus / (Deficit)	(\$2,445)	(\$2,053)	(\$1,297)	\$756		
Current Year Roll (Cost)	(\$1,297)	\$ ---	\$ ---	\$ ---		
Prior Year Roll - Benefit	\$3,742	\$12	\$1,297	\$1,285		
Gap to be Closed	\$ ---	(\$2,041)	\$ ---	\$2,041		
<u>Agency PEG Program</u>						
Revenue Increases		\$137	\$137	\$ ---		
Controllable Agency Expense Decreases		(\$633)	(\$632)	\$1		
Debt Service Decreases		(\$229)	(\$229)	\$ ---		
Non-Controllable Expense Decreases		(\$21)	(\$21)	\$ ---		
Total		\$1,020	\$1,019	(\$1)		

Note: Excludes the impact of prepayments.