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OFFICE OF THE STATE COMPTROLLER

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DIVISION OF  
LOCAL GOVERNMENT SERVICES  
& ECONOMIC DEVELOPMENT

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Government  
in Partnership



**ALAN G. HEVESI**  
COMPTROLLER

# Foreword

## from the New York State Comptroller

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**Alan G. Hevesi**

As your State Comptroller, I am committed to the excellence in government service that has been the tradition of my Office. Our publications on local governments have always been a major part of that tradition.

My oversight and support for local governments is facilitated through our Division of Local Government Services and Economic Development. This annual report contains a description of their services, a summary of the local financial data they collect, and an analysis of the fiscal and demographic trends affecting local governments.

The trends described in this publication make it abundantly clear that tough times lie ahead for local governments and that state leaders must focus their energies on new ways to assist them in adjusting to today's realities. There must be an enhanced focus on economic development in every community and region, and that is why I have committed my Office to assisting these efforts.

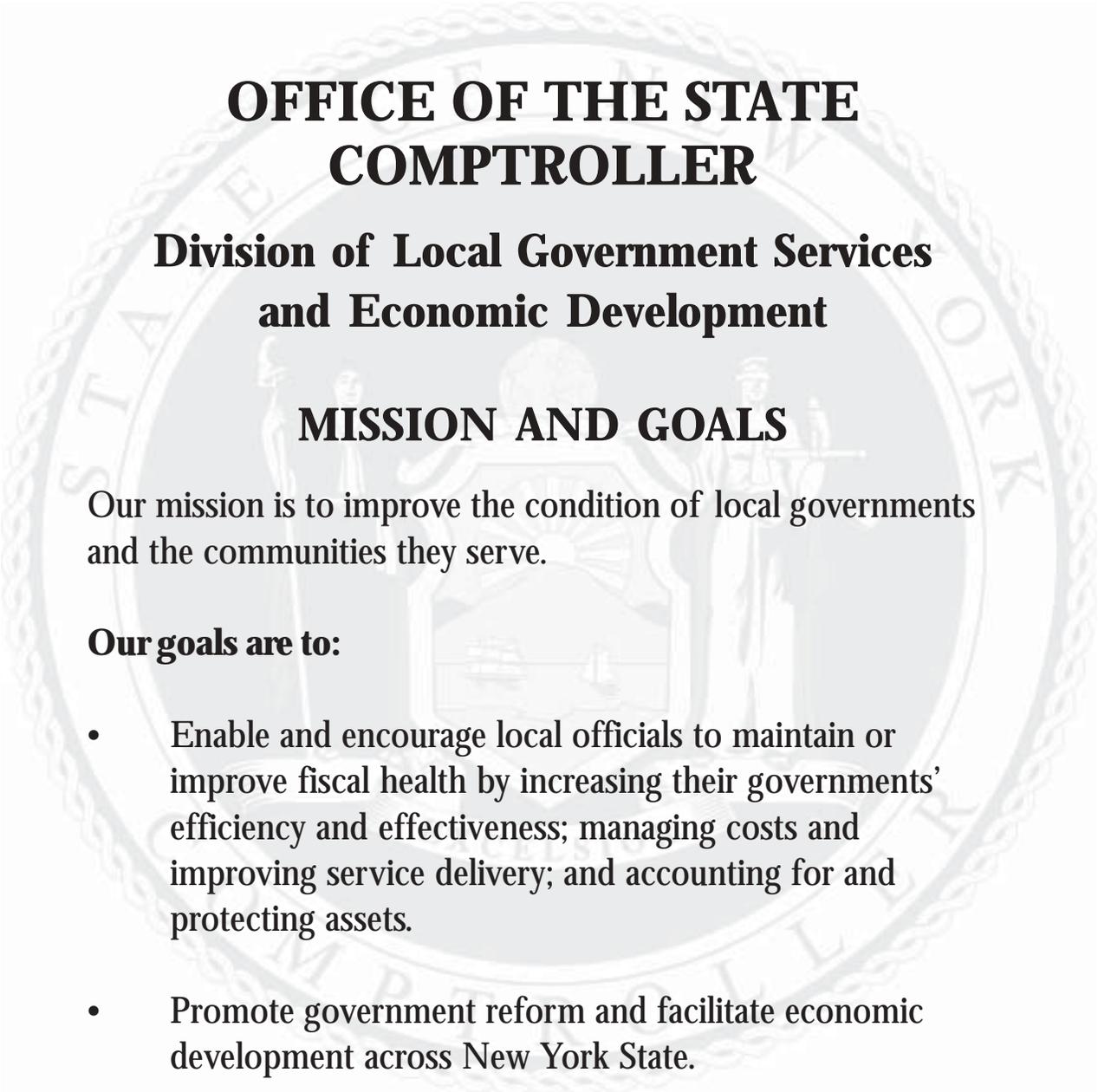
This year, in an effort to improve access to local data, and to save on printing and distribution costs, we are providing a CD-ROM disk with our *Annual Report*. That disk includes files containing all of the input data featured in this report, and providing it in greater detail for each local government. The data is available as a statistical file for analysis, and in a text file for those wishing to view the data as it has been displayed in previous publications. This CD-ROM replaces the statistical volumes previously published as the *Special Report on Municipal Affairs*.

Tough fiscal decisions are facing New York State and its local governments. The choices are difficult and will determine our future, making it all the more important that state and local leaders' decisions are based on solid information.

My Office will strive to make the best information and services available to assist local governments in the challenging times ahead. Together we can assure the taxpayers of New York that their governments will serve them effectively.

Sincerely,

Alan G. Hevesi

The background of the page features a large, faint watermark of the Seal of the Office of the State Comptroller of New York. The seal is circular with a rope-like border. Inside the border, the words "OFFICE OF THE STATE COMPTROLLER" are written in a circular path. In the center of the seal, there is a figure holding a scale and a sword, with a shield on their chest. The figure is flanked by two other figures, one holding a staff and the other holding a book.

# **OFFICE OF THE STATE COMPTROLLER**

## **Division of Local Government Services and Economic Development**

### **MISSION AND GOALS**

Our mission is to improve the condition of local governments and the communities they serve.

**Our goals are to:**

- Enable and encourage local officials to maintain or improve fiscal health by increasing their governments' efficiency and effectiveness; managing costs and improving service delivery; and accounting for and protecting assets.
- Promote government reform and facilitate economic development across New York State.

# Introduction

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The Comptroller's duties, as defined in the Constitution and general statutes, include supervision of the fiscal affairs of all local governments in New York State. This function is carried out by the Division of Local Government Services and Economic Development (formerly known as the Division of Municipal Affairs). This Annual Report provides a summary of the Division's activities and gives an overview of local government finances in New York State.

Local governments play a vital role in the life of New Yorkers, providing services in virtually every area, usually in concert with state and/or federal funding, and mandates and regulation from both levels. A growing demand for services, coupled with a revenue base that has not kept pace, continues to challenge local officials. As the State of New York faces its own fiscal challenges, these pressures are likely to intensify.

The Division of Local Government Services and Economic Development strives to be service-oriented while retaining its strong oversight role. To accomplish this, the Division has moved beyond traditional compliance audits and offers a large array of services, such as targeted training, technical assistance and consulting. In addition, the Division carries out performance audits and other studies that can point to areas where governments across the State can improve services or operate more efficiently. Under the Comptroller's leadership, the Division advocates for progressive policies and reforms at the State level to improve the environment in which local governments operate.

This report is presented in three sections:

- **The first section of this report gives an overview of the functions and services offered by the Division**, with a brief description of each. Two new initiatives of the Division, which are described therein, are the creation of an economic development outreach program that works with local governments statewide to support strategic economic development, and the creation of a research unit to assist the Comptroller's policy leadership in local government affairs.
- **The second section looks at trends in local government finances, with a particular focus on the fiscal problems facing local governments.** It discusses the link between these trends and the mounting fiscal stress that many local governments, especially cities, are facing.
- **The third section contains tables and charts that provide summary data on revenues, expenditures and debt for major classes of government** (counties, cities, towns, villages, school districts and fire districts). This data is extracted from budgets and annual financial reports and other documents filed by local governments. The first table summarizes local government finances for the 2001 fiscal year; the remaining tables provide financial data for the major classes of local government for years spanning the period 1991 to 2001.

This year, a CD-ROM disk containing data for each county, city, town, village, school and fire district is being sent out with the report. The CD-ROM data is provided in both spreadsheet and text formats, and corresponds to the summary information provided in the report. This disk replaces the statistical volumes previously published as the *Special Report on Municipal Affairs*. This change in approach will facilitate data access and free resources allowing the Division to focus on improving access to local data through modern formats, including direct access through the Comptroller's internet website.



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# Services and Activities

## of the Division

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The mission of the Division of Local Government Services and Economic Development is to improve the condition of local governments and the communities they serve. Inasmuch as local governments' fiscal conditions are inextricably tied to local economic performance, and local economies are similarly impacted by local government services and taxation, the Division has an implicit economic development role. The Division strives to promote progressive government by presenting research and information relevant to local government policy issues to state leaders, local government officials and the public.

**Inasmuch as local governments' fiscal conditions are inextricably tied to local economic performance, and local economies are similarly impacted by local government services and taxation, the Division has an implicit economic development role.**

### Research

**To provide additional support for the Comptroller's leadership in the area of local government policy, the Division is enhancing its research capability.**

The Division has historically supported research efforts by collecting and serving as the repository for local government fiscal data. A variety of periodic reports have presented statistical summaries of these data, and recent Annual Reports have provided an analysis

of fiscal trends among local governments.

To provide additional support for the Comptroller's leadership in the area of local government policy, the Division is enhancing its research capability. A new research unit has been created that will undertake projects in areas such as intermunicipal cooperation, smart growth, and urban fiscal problems. As directed by the Comptroller, this unit will develop reports on local government policy issues to help stimulate debate and reform.

The research unit also has overall responsibility for analysis of the local government database, including the fiscal trend analysis presented in this report and other public reports, and serves as the contact point and overseer of external data requests, providing assistance to others interested in local government data.

### Risk Assessment

The Division uses a risk assessment process to identify those local governments most in need of assistance and select the services best suited to those governments' needs.

The first step in the process is a review of the financial and other data available for each local government. This approach uses a series of financial indicators to help determine which local governments are susceptible to, or are already in, fiscal stress. These indicators, along with a peer comparison to similar local governments, are also provided to local officials as a management tool for assessing their financial trends.

**The Division uses a risk assessment process to identify those local governments in need of assistance and select the services best suited to those governments' needs.**

# Services and Activities of the Division

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The indicators are only the start of the process, however, and the analysis is completed by field staff visits to local governments potentially in need of assistance. This process allows for a much greater understanding of local situations, including the financial pressures and the steps that are being taken to address them.

As a result of the Division's risk assessment procedures, more than 100 local governments have been identified as being susceptible to, or suffering from, fiscal stress. All of those units which were offered services accepted them. Field visits allow examiners to assess the degree of

**Field visits allow examiners to assess the degree of problems being experienced, as well as the assistance needed and the type of service or services most suited to a local government's needs.**

problems being experienced, as well as the assistance needed and the type of service or services most suited to a local government's needs. The Division's services include audits, budget reviews, cooperation and consolidation consulting, SMART Reviews (described on page 3), economic development, training and technical assistance.

Our staff continues to investigate ways to more deeply research the issues facing fiscally stressed local governments, especially cities. We are examining ways we can go beyond identifying trends in financial statements to allow us to gain a deeper understanding of fiscal stress.

## Audits

The Division's audit staff can provide substantial assistance to local governments in fiscal stress by advising them on a variety of issues and providing real world, practical suggestions on how to cut costs, improve control systems, and evaluate financial projections.

To facilitate the implementation of audit report recommendations, our examiners work to ensure specific findings are understood and offer assistance to remedy problems. Regional office staff work with local governments to determine the most appropriate training and services we can provide, and offer each locality ongoing assistance after the services are completed.

In addition to standard audits, during the 2002 calendar year, 12 regional and five statewide audit projects were undertaken. These audits involved working with several local governments in a particular region or across the state to determine whether groups of local governments are using their resources efficiently. Regional projects allow us to highlight important operational issues and improvement opportunities of interest to a broad range of local governments. For example, reports were produced on:

**Regional projects allow us to highlight important operational issues and improvement opportunities of interest to a broad range of local governments.**

- **Water Delivery Systems:** This report showed that two of five water systems we reviewed could save up to \$1.2 million each year if managers had adequate records of the amount of water produced and delivered each year so that water losses could be stemmed.
- **Custodial Staffing Levels:** Nine of 15 school districts reviewed could save a total of \$675,000 each year if school district officials establish performance measures or benchmarks and periodically evaluate staffing levels and effectiveness of the work performed by the custodial staff.

# Services and Activities of the Division

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- **Enhanced 911 Program:** In the six counties studied, county expenses associated with the E911 program exceeded the surcharge revenues that the counties collect by more than \$53 million over a five-year period.

Other regional and statewide audit topics included residential refuse collection, the early retirement incentive for local governments and school districts, county inmate health care costs, municipal unemployment insurance costs, and a follow-up report on aid programs for pupils with special needs.

## Targeted Services

Each year, local officials from every corner of the state ask for assistance to help them improve their operations. In addition to training and technical assistance, in 2002 we performed a number of budget reviews, Consolidation and Cooperation Consulting Services (3CS) projects and \$SMART Reviews that were targeted to individual local governments and school districts.

### Budget Reviews

These reviews help local governments achieve structural balance in their budgets by evaluating the consistency and appropriateness of estimated revenues, appropriations and appropriated fund balances. In 2002, we performed 29 budget reviews for local governments.

### Consolidation and Cooperation Consulting Service (3CS)

3CS is a consulting service performed at the request of local officials to help them evaluate and implement cooperative activities or consolidation. The Division's role is to serve as a neutral party to bring officials together, facilitate discussions or meetings, and provide technical assistance and support. In 2002, staff consulted with local governments on two cooperative ventures, one involving cooperation between a town and village in providing water services, and another involving the

building and operation of a garage facility shared by a town, a school district and a fire district. In addition, this service was used to assist a town and village by developing statistical comparisons to help them better evaluate whether or not they would benefit from consolidation.

**The Division's role is to serve as a neutral party to bring officials together, facilitate discussions or meetings, and provide technical assistance and support.**

Local governments continue to reap benefits from cooperative ventures established in prior years. For example, a regional purchasing group formed with the assistance of our 3CS program in 2000 enhanced its economic development capabilities in 2002 by creating a regional bid notification system on the Internet to notify businesses of its participants' bid and contract opportunities.

### \$SMART

Since 1996, through the State Comptroller's Municipal Advisory Review Team (\$SMART) program, advisory services have been provided to 209 local governments to help them improve their operations. \$SMART Reviews are done at the request of local officials and identify cost savings or revenue enhancements for specific areas of operations. In 2002, our \$SMART program reviewed the operations of five local governments and identified potential savings and revenue enhancements of over \$7.6 million.

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# Services and Activities of the Division

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To help other local governments benefit from the lessons learned in these reviews, a do it yourself (DIY) SMART has been created. This program provides step-by-step guides that can help local officials do their own SMART Reviews on a number of operational areas such as highway operations and utility services. Each guide serves as a training tool, a resource and an idea primer designed to highlight opportunities for savings. Regional office staff are available to answer questions that may arise and to provide technical assistance, but local officials do the reviews themselves, using a series of questionnaires designed to assess areas with the greatest potential savings.

## Economic Development

Consistent with, and as an extension of, its progressive audit and assistance initiatives, the Division has launched an economic development outreach program. Staff specifically devoted to this function have begun to travel statewide, visiting local leaders and hearing their perspectives on what can be done to promote economic development.

**Working in partnership with local governments and others, the Division will identify and provide appropriate support to effective and strategic economic development initiatives that could benefit communities and regions in New York State.**

Working in partnership with local governments and others, the Division will identify and provide appropriate support to effective and strategic economic development initiatives that could benefit communities and regions in New York State. In so doing, the Division will:

- Perform outreach to local, state and federal officials, developers, finance professionals and other business people to gather information about economic development activities, their successes and impediments.
- Analyze proposed economic development and business ventures, developing an inventory of promising local initiatives. Identify opportunities to facilitate the exchange of new initiatives, best practices, successful projects, ideas and sharing information among interested parties.
- Forward promising local initiatives to the Division of Pension Investments and Public Finance.
- Directly support promising local initiatives by providing support and technical assistance to local development efforts, advocating for promising local initiatives with staff in state and federal agencies, and working with state agencies, local governments and economic development entities to resolve issues and facilitate progress.
- Analyze and assess statewide economic development efforts and programs, using audits and research studies to suggest areas for improvement.

## Local Official Training

One of the most important services offered by the Division is the training we provide to local officials. Since many local officials serve on a part-time basis and there is often a large election turnover, we offer frequent, conveniently located training seminars.

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# Services and Activities of the Division

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**Our regional offices provided 26 training sessions on a variety of topics, such as Fiscal Basics for Town Officials, Common DPW Audit Findings and Basic Accounting for Capital Projects.**

In 2002, we conducted 10 basic and advanced accounting schools, which were attended by a total of 318 local government officials. In response to special requests from local officials, our regional offices also provided 26 training sessions on a variety of topics, such as Fiscal Basics

for Town Officials, Common DPW Audit Findings and Basic Accounting for Capital Projects.

During 2002, staff from our Division provided training at nine major conferences sponsored by a variety of local government organizations. Over 1,000 local officials attended these training sessions. Training sessions are listed on the Comptroller's Local Government Partnership site, on the OSC website by subject, date and location.

In addition to the training provided at these conferences, OSC made numerous contacts with individual local government officials from throughout the state through individual consulting and by distributing handout materials. Our office provided a

consulting booth at five additional events that were held in 2002.

Each year, we also bring training on topics of current interest directly to local officials via live interactive satellite video teleconferences. In 2002, over 2,300 local officials participated in five teleconferences that were broadcast to over 50 sites statewide. Several of these teleconferences were co-sponsored by local government associations, and topics included small claims, conflicts of interest, retirement, fire district management and the responsibilities of town, village and city clerks.

## Technical Assistance

Each year the Division provides hundreds of local governments with over-the-phone or on-site customized assistance on a variety of questions and concerns. In 2002, we helped over 1,100 local officials file their annual financial reports electronically.

Our regional offices had significant contact with approximately two-thirds of local governments statewide. We have also issued several publications to assist local officials in performing their duties, including the Local Government Management Guide, which includes chapters on reserves, strategic planning, fiscal condition analysis, and other topics.

# Fiscal and Demographic Trends

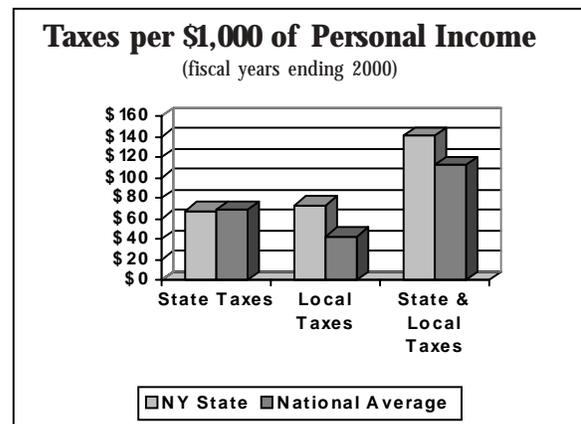
This section of the report presents an analysis of fiscal and demographic trends affecting local governments in New York State. The analysis is based in part on the fiscal data collected by the Office of the State Comptroller and presented in tables and charts in the next section of this report. The data is for local fiscal years ending in 2001,<sup>1</sup> with comparisons to earlier years. Unless otherwise noted, this data does not include New York City.<sup>2</sup>

The filing and processing of annual financial reports takes time, and the data reported in annual reports such as this are always somewhat dated. Therefore, to supplement this data, particularly in areas where trends are changing or new information is available, a variety of other information and data sources are employed in this analysis.

An increasing number of local governments are facing difficult fiscal challenges as a result of rising expenditures and declining or stagnant revenues. Increased costs include those for public safety, education, energy, employee benefits and social services. At the same time, local revenues are limited by a lack of growth in property values and taxable sales. With New York State facing its own fiscal problems, state aid to local governments is constrained and being cut in many areas, and it is not likely that this pattern will soon change. Although

many local governments are struggling, fiscal problems are particularly acute in cities.

It should be noted that overall, taxes in New York are high in comparison to other states. New York ranks first among the 50 states in state and local taxes per \$1,000 of personal income, exceeding the national average by 26 percent. However, as shown in the chart below, this discrepancy is driven by local taxes, which exceed the national average by 71 percent, while state taxes in New York are actually two percent below the national average.



Source: *State and Local Government Finances by Level of Government*  
Bureau of Economic Analysis, Regional Accounts Data

1. Because local governments have different fiscal years, this report uses the convention that all fiscal years ending in 2001 are described as 2001 data. Thus, 2001 data includes counties and towns (all of which have a calendar, or January 1 to December 31 fiscal year), cities (most of which have a calendar fiscal year), villages (most of which have June 1 to May 31 fiscal year), and school districts (all of which have a July 1 to June 30 fiscal year).

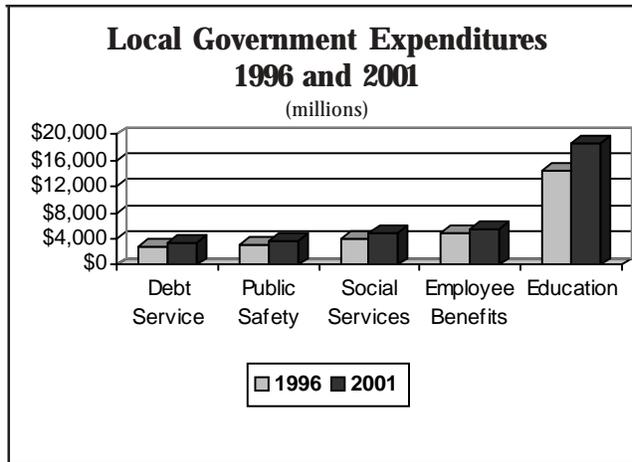
2. Data on New York City finances is collected by the Division of Local Government Services and Economic Development and is presented in the next section of this report. However, in some cases, data is not collected in the same manner for New York City as for other local governments, or is not available at the same level of detail. Separate divisions within the Office of the State Comptroller are responsible for oversight and audit of New York City. The analysis presented in this section does attempt to take account of New York City, often using statewide figures that include it, but the City is not a focus of the analysis. Excluding New York City also often simplifies comparisons between counties and cities, since New York City is unique in that it represents both classes of government.

The local tax burden also reflects the fact that, in New York State, county governments are responsible for a portion of Medicaid costs. Generally, the state and county governments share equal responsibility for Medicaid after federal participation. In most other states, Medicaid costs are split 50/50 between state and federal sources.

## Overview of Expenditures and Revenues

The rate of inflation for the five-year period 1996-2001, was 2.46, annualized. For the 10-year period 1991-2001, inflation was 2.67 percent annualized.

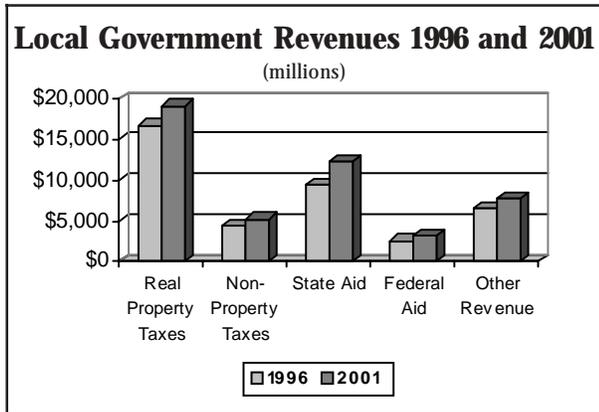
# Fiscal and Demographic Trends



Following are some salient observations based upon the expenditure and revenue data presented in this report:

- Local government expenditures have increased by 4.3 percent on an annualized basis since 1996. Inflation for the period was 2.5 percent. Major growth categories include education (5.2 percent growth), social services (3.3 percent growth), and public safety (4.2 percent growth).
- Education is the largest expenditure category for local governments taken as a whole, although school districts are responsible for most education expenditures. Education represents \$18.6 billion, or 43 percent of total expenditures for local governments; these expenditures have increased by 29 percent since 1996, or 5.2 percent on an annualized basis.
- Social service expenditures, which include costs for Medicaid, were the highest combined cost category for counties, cities, towns and villages, at \$4.8 billion, or 22 percent of total expenditures. This represents an 18 percent increase from 1996 to 2001, (or 3.3 percent annualized), and 46 percent from 1991 to 2001 (3.9 percent annualized).
- Medicaid expenditures of \$2.1 billion represent 108 percent of general fund real property tax revenues for counties in 2001. Ten years earlier, in 1991, Medicaid expenditures (\$872 million) constituted only 45 percent of county property taxes. On a county-by-county basis, Medicaid costs exceeded property tax revenues in 24 counties for 2001, up from just three counties in 1991.
- Employee benefits increased significantly from 1996 to 2001, and represent 11 percent of total expenditures in 2001. Employee retirement contributions, which have been unusually low in recent years due to the strong stock market, are now rising as market performance has declined in the wake of a weakened economy and high-profile corporate scandals. Employer contribution rates for 2003 will be 4.5 percent of payroll and will reach double digits in 2004. Double-digit contribution rates are a significant departure from the less than one percent average employer contribution rate of 2002, but represents a return to historical norms.
- Public safety represented the second highest combined expenditure category for counties, cities, towns and villages, at \$3.7 billion, or 17 percent of total expenditures. This represents a 23 percent growth from 1996 to 2001 (4.2 percent on an annualized basis).
- Combined interest costs on outstanding debt for counties, cities, towns and villages decreased by \$27 million, or 3.7 percent from 1996 to 2001. However, interest costs for school districts increased \$240 million, or 80 percent, during the period (12.5 percent annualized). This increase was encouraged through a series of aid incentives to spend more on school construction and renovation.

# Fiscal and Demographic Trends



- Real property taxes were the largest revenue source for all local governments at \$19 billion, or 40 percent of total revenues. However, this revenue source grew more slowly than any other major category, increasing just 14.5 percent since 1996, or 2.7 percent on an annualized basis. The growth rate differed significantly among classes of government. For county governments as a whole, property tax revenues actually declined by \$174 million, or five percent, between 1996 and 2001. In contrast, school district property taxes increased by 23 percent (4.2 annualized) over the period. (Property tax issues are discussed further below.)
- State aid increased by \$2.8 billion, or 29 percent (5.3 percent annualized), during the period. However, this trend has halted or reversed for most major aid categories since 2001. For example, in the 2003-04 enacted state budget, school aid decreased by \$199 million – the first actual year-to-year decrease in 12 years. Unrestricted aid to counties was also reduced.
- Non-property taxes, including sales and consumer utility taxes, increased by 18 percent (3.5 percent annualized) during the period 1996-2001. (Sales taxes are discussed further below.) Other revenue (e.g., licenses, permits, fees, fines, etc.) increased by 15 percent during this period.

- Federal aid increased by \$657 million, or 25 percent during the period (4.6 percent annualized). Federal aid represents 12 percent of county revenues, four percent of school revenues, seven percent of city revenues, three percent of town revenues and four percent of village revenues.

## Population

Overall, the population of New York State increased by 5.5 percent between the 1990 Census and the 2000 Census, going from 17,990,778 to 18,976,457. This growth is consistent with the rest of the Northeast, but lags the United States as a whole, which grew by 13 percent over the same period. Moreover, exclusive of New York City (where growth was driven in part by immigration), the State's population grew by only 2.8 percent, far below the average for the Northeast.

Between 1990 and 2000, New York City's population grew by just over nine percent, with population exceeding eight million in the 2000 census. This population growth in the state's largest city was driven by the strength of the city's economy during the 1990s, as well as immigration. However, statewide population in cities (exclusive of New York City) declined by five percent over the ten years, and 44 of 61 cities showed some level of population decrease. The notable exception to this statewide trend is the 14 cities in the Long Island and Mid-Hudson regions, where all but one city recorded an increase in population. Nine cities experienced a decline of 10 percent or more, including both Syracuse and Buffalo. Of the other two larger cities, Rochester declined by nearly five percent, while Yonkers shared in the growth occurring in the New York City metropolitan area, growing by approximately four percent.

Collectively, towns in New York State fared much better than cities in regard to population growth, while regional village population growth mirrored

# Fiscal and Demographic Trends

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the cities. 252 (out of 932) towns reported a loss in population, but overall, town population grew by almost 5 percent. Villages overall grew in population by just over 2 percent, but of 554 villages statewide, 321 experienced a decline in population.

Counties, which include city, suburban and rural populations, did better, overall. Unlike cities, a minority of counties lost population (22 out of 57). Four of the nine economic development regions (Western New York, Central New York, Southern Tier and Mohawk Valley) in New York State experienced declines ranging from one to four percent. Similar to the trend for cities, the Long Island and Mid-Hudson economic development regions increased the most, growing by approximately six and eight percent, respectively. Both areas benefited from growth in the New York City metropolitan area.

## Employment

Recent statewide and regional employment trends reflect the downturn in the economy. Between 2000 and 2002, total non-farm employment in the State declined by 2.3 percent. Private sector employment declined by three percent. The greatest employment decline was in New York City, where non-farm employment fell by four percent and private sector employment declined 4.7 percent. Outside of New York City, non-farm employment fell by 0.9 percent and private sector employment decreased 1.7 percent. Manufacturing employment has been especially hard hit, with the State losing 13.2 percent of its manufacturing jobs since 2000. In 1992, manufacturing accounted for 11.3 percent of jobs statewide; in 2002 it represented only 7.7 percent.

Regionally and locally, the rate of decline in private sector employment varied, with many areas exceeding the statewide rate. Notable declines in private sector employment included the Southern Tier, which lost 5.1 percent, and Rochester, which lost 4.6 percent between 2000 and 2002. On the positive side, both the Hudson Valley and the Capital

District experienced overall job growth during the period.

Statewide economic expectations are closely tied to the national economy in the coming years. With uncertainties in the national economy lingering, it becomes less likely that there will be significant job growth for New York in 2003.

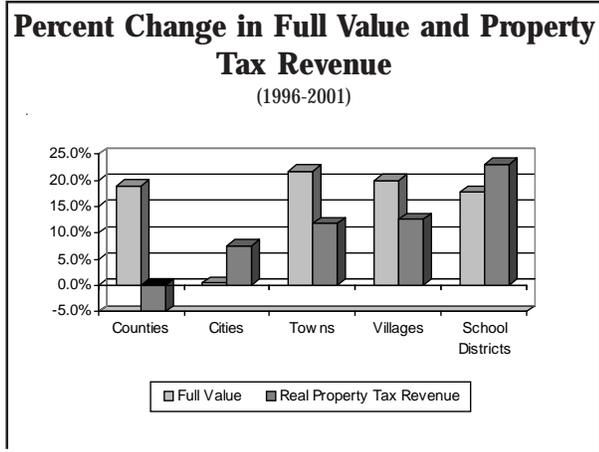
## Property Taxes

Property taxes are the largest source of revenue for local governments, providing \$27.5 billion (including New York City) in 2001. For New York City, property taxes provided 16 percent of overall revenue; this percentage rose to 40 percent for all other local governments as a whole. For school districts and towns, property taxes exceeded 50 percent of revenues, whereas for counties and cities they represented 22 and 26 percent, respectively. For villages, property taxes accounted for 44 percent of revenues.

For most local governments, property taxes are the most stable and flexible source of revenue, and are relatively easy to administer and project. Although for some classes of government there are limits on the amount of revenue that can be raised through the tax (see following section on Constitutional tax and debt limits), property taxes are the balancing revenue source. That is, the property tax rate is set to provide the revenues needed to support a community's budget after all of the other sources of revenue (e.g., state aid, sales tax revenues) are estimated.

The major strength of the property tax—that it is levied on a relatively stable base—is also a weakness. Most local governments rely on the property tax to support increasing costs not funded elsewhere. This has made the property tax a lightning rod for taxpayer concerns. Additionally, in many areas the property tax base is not growing rapidly, or worse, is stagnating or declining. This means that real property tax revenues cannot increase without property tax

# Fiscal and Demographic Trends



rate increases. (In contrast, sales taxes often increase because sales increase, even though the tax rate does not change.)

Given the importance of property taxes, it is helpful to review changes in the tax base, as measured by the “full value” (market value) of taxable property. In communities where property assessments are not made at market value, full value is determined by applying equalization rates (which are ratios of assessed value to full value of taxable real property established by the NYS Office of Real Property Services).

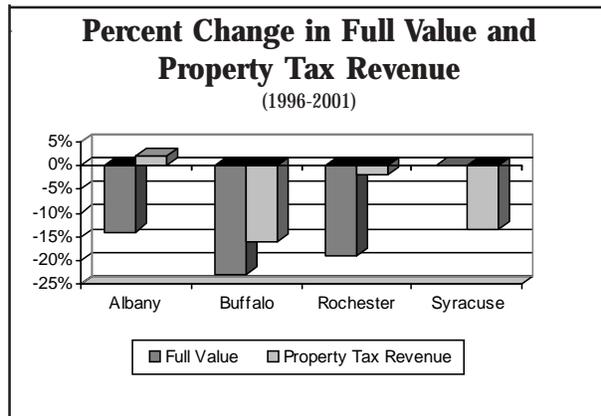
Overall, figures for all local governments combined show growth in tax base since 1996 of 19 percent, or 3.5 percent annualized. However, when the data is isolated for cities, a very different picture emerges. For cities overall, there was a small, positive change in full value from 1996 to 2001. During this period, 35 of the 61 cities experienced decreases in full value. Of these, 13 had double-digit drops, ranging from 11 percent to 49 percent. These falling values were experienced in every region of the state, except Long Island. In the Capital Region, North Country, Central New York, and Mohawk Valley there were decreases in more than half the cities. In the Southern Tier, six of seven cities experienced drops in full value.

Cities showed the least growth in property tax base among all classes of governments. This is indicative of their relative decline. As properties come off the

tax rolls, and the value of properties within the cities declines, there are fewer resources available to support city services. At the same time, studies have shown that while population as a whole has declined in cities, the population that does remain contains proportionally larger concentrations of poverty. This further strains city resources because, while the ability to support services has diminished (i.e. taxpayers are leaving), the demand for services has not.

Aggregate data showing a stagnant city tax base, combined with increased property taxes (albeit a small increase in comparison to towns, villages and school districts), means there have been tax rate increases. For many cities, and the large cities especially, this trend may not be sustainable. Cities are governed by Constitutional tax limits, and many are running up against them. Moreover, as most cities are already losing population to the suburbs and experiencing difficult economic conditions, increases in local taxes could be counterproductive.

As shown in the chart that follows, the decreases in tax base in the large upstate cities were even more severe than for cities generally. In the case of Buffalo, Rochester, and Syracuse, property tax revenue has actually declined over the period. Adding to the problem, all of these cities also experienced a net loss in population. Therefore, any tax increase would be applied to fewer taxpayers.



# Fiscal and Demographic Trends

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County governments present a different picture. Overall, the counties showed an increased taxing capacity (i.e., a positive change in full value). At the same time, they are the only class of government that has been able to reduce property taxes during the period shown in this data. Increased sales tax collections are part of the reason for this trend, as well as other factors, including the participation by counties in the national tobacco settlement, which provided a windfall to county governments.

Recently, this trend for counties has reversed. According to a 2003 survey of county budget officials conducted by the New York State Association of Counties (NYSAC), 52 counties increased their property taxes by an average of 12.2 percent in the wake of a weakened economy. Further, during the 2003-04 legislative session, 42 counties sought new or extended sales tax authority above the three percent statutory limit.

School districts have also demonstrated an increased reliance on property tax revenues although full value growth has not kept pace. According to the New York State Council of School Superintendents (NYSCOSS), budgets will increase an average of 4.1 percent in the 2003-04 school year, supported by a 7.4 percent increase in local property taxes. These large increases were caused in part by cuts in state aid (proposed and enacted). Interestingly, despite the tax increases, voters passed a record 94 percent of school budgets proposed for the 2003-04 school year in early June 2003.

Towns did much better than cities over the 1996 to 2001 period, in terms of growth in their property tax base. Of 932 towns statewide, 781 (84 percent) experienced increases in full value, while only 151 lost ground in this regard. Of the 151 towns with decreased full values, 71 -- nearly half -- were located in either the Southern Tier or the Mohawk Valley. This somewhat echoes the experience of cities in those regions during this period. Towns on Long

Island, in Western New York and the Mid-Hudson region fared best in terms of increasing full value.

More recent data is available to track full value changes for cities for 2002 and 2003. The picture appears less grim for 2002 than it did during the 1996 to 2001 period. Forty-nine cities (about 80 percent) showed some increase in full value. However, three of the "big four" cities continued to struggle, with Rochester decreasing 0.19 percent, Syracuse dropping 0.86 percent and Buffalo inching upward by 0.14 percent. In contrast, Yonkers experienced significant growth in full value of nine percent.

Of the 59 cities for which 2003 data is available, 41, or 68 percent, experienced increased full value from 2002 to 2003. Of the three "big four" cities for which we have data, there remained little positive movement in full value, with Buffalo increasing by 0.92 percent, Rochester decreasing at 0.27 percent and Syracuse decreasing at 1.65 percent.

## Constitutional Debt and Tax Limits

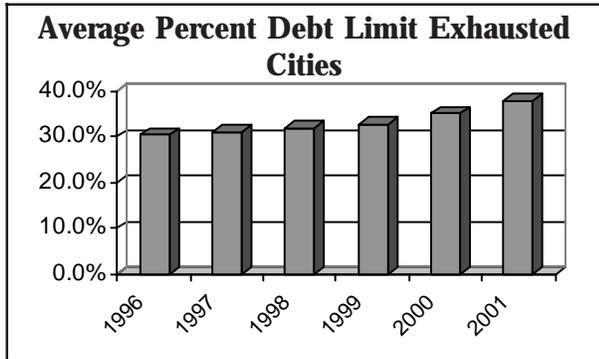
The State Constitution, and other applicable statutes, limit the amount of revenues that can be raised through property taxes (tax limits) and the amount of debt that can be issued (debt limits). Both limits are expressed as a percentage of property value,<sup>3</sup> and both are primarily an issue for cities. When property values decline, as in the case of the cities, the debt and tax limits decline with them. Thus, a city with a property tax levy that has declined can run up against its tax limit.<sup>4</sup>

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3. The full value used for these measures is based on a specially calculated 5-year average full valuation using the equalization rates and taxable assessed valuation figures for the five most recent years for which final state equalization rates are available, except for the largest 5 cities and city school districts, which use special equalization ratios and taxable assessed values. Non-city school districts have a statutory debt limit based upon their most recent single year full valuation.

4. As is currently the case in Buffalo, where a financial oversight board has been created, following the recommendation of the Comptroller in a May 2003 report, *Budget Review: City of Buffalo*.

# Fiscal and Demographic Trends



In the case of debt limits, outstanding debt is limited to a specified percentage<sup>5</sup> of average full value. However, certain debt categories are excluded from the limit, including most forms of short-term financing and debt issued for certain purposes such as water and some sewer projects. As the margin between debt limit and chargeable debt decreases, the more difficult it may be for a municipality to make needed capital improvements and may be indicative of poor fiscal condition. Cities stand out in this regard because, compared to counties, towns and villages, they have clearly and steadily advanced closer toward their debt limits. This trend started in 1999, and is especially discernible in the State's larger cities.

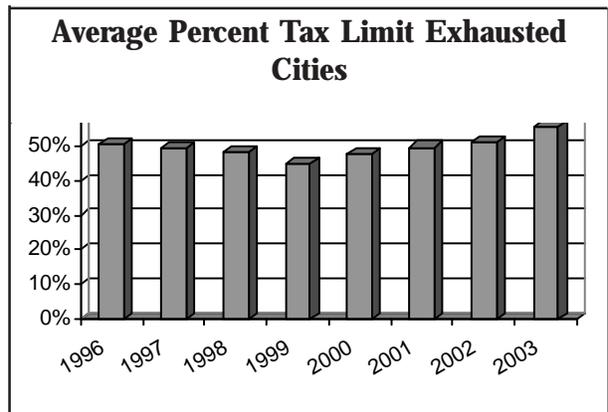
As of 2001, most of the 61 cities in New York State (outside New York City) used less than 60 percent of their debt limit. At the same time, however, the number of cities that used 60 percent or more of their debt limit grew from one, in 1999, to four in 2000, and six in 2001. Of those six, three are large upstate cities: Rochester, Syracuse and Buffalo. The financial difficulties facing these cities have been evident for some time. Since 1996, Rochester, Syracuse and Buffalo have been among those cities closest to their debt limits. They were joined by

5. Different percentage debt limits apply to the various types of municipal governments. For NYC (including school purposes) the limit is 10 percent; for the other large cities (population exceeding 125,000) the limit is nine percent; for small cities, counties, villages and towns, seven percent (except Nassau County, which is 10 percent); for city school districts, five percent; non-city school districts have a statutory debt limit of 10 percent of the latest full valuation.

Albany and Yonkers in 2000 and 2001, respectively. The data on debt limits related here is current only to 2001, but, one can reasonably expect that many cities are continuing to move closer to their debt limits, especially since the economies in these cities have yet to rebound, and property values are stagnant or declining.

New York City has struggled with its debt limit, as well. A 2002 New York City Comptroller's report showed the City with 81 percent of its debt limit exhausted – down from 94 percent in 1999, and 91 percent in 1996. However, the decrease in the percentage of debt limit exhausted is largely the result of the creation of the Transitional Finance Authority (TFA) and Tobacco Settlement Asset Securitization Corporation (TSASC). The State Legislature created these entities in 1997 and 1999, respectively, and the debt they issue is not subject to the general debt limit of the City.

Many city governments are also moving closer to their tax limits. In 2001, the number of cities operating at 60 percent or more of their tax limits stood at 11. The number remained at 11 for 2002, but the latest data available for 2003 shows that number has increased to 18.



Buffalo and Yonkers continue to be of particular concern. Since 2000, these cities have led the class in percentage of tax limit exhausted. The data for 2003 shows Yonkers at approximately 92 percent of tax

# Fiscal and Demographic Trends

limit exhausted and Buffalo at nearly 88 percent of tax limit exhausted. The remaining large cities show similar trends. Rochester is at 92 percent of tax limit exhausted, up from 46 percent in 2000. Syracuse is at 64 percent of tax limit exhausted, up from 45 percent in 2000. Albany has increased too, from 38 percent in 2000 to 42 percent of tax limit exhausted in 2003. Outside these large cities, four other cities have moved significantly closer towards their tax limits between 2000 and 2003. They include Gloversville, Niagara Falls, Schenectady, and Watertown.

In 2003, New York City levied real property taxes at a level equal to 86 percent of its tax limit. This represents an increase from 2002 in the percentage of the limit used, after making certain adjustments.<sup>6</sup> The increase comes despite an increase in the City's five-year average full value, reflecting a mid-year increase in the tax rate of more than nine percent. In 2004, the City will levy taxes at a level in excess of 95 percent of its tax limit.

Constitutional tax and debt limits are less of a concern for other local governments. At the county level, the average percentage exhausted (on both tax and debt) has actually decreased over the past few years. Town governments have shown only slight fluctuations over the past several years in relation to percent of debt limit exhausted, and the average for 2001 is actually lower than it was in 1996. Towns are not subject to Constitutional tax limits. Village governments showed only slight fluctuations in both measures, trending up on the tax measure and down on the debt measure.

## Sales Taxes

Sales taxes are an important component of the local government revenue mix. In 2001, sales tax revenues accounted for 19.2 percent of the total revenues of counties, cities (exclusive of New York City), towns and villages combined. Counties and cities are most

reliant on the sales tax, where these collections amount to 24.1 percent and 17.6 percent of total revenues, respectively. Cities may impose their own sales tax or instead share in the county proceeds. Towns, villages and school districts cannot levy their own sales tax, but share in the proceeds in some areas where the county government has elected to distribute some of the revenues.<sup>7</sup> For towns, villages and school districts, sales tax revenues accounted for 9.2 percent, 5.8 percent, and 0.9 percent of total revenues, respectively.

A decline in sales tax revenues can significantly affect a locality's bottom line, and can often affect its property tax rate. A comparison of changes in local government sales tax revenues in separate two-year time periods (1998 to 1999 vs. 2000 to 2001) helps highlight the impact of diminished collections:

	1998-1999	2000-2001
Overall increase in sales tax revenue (\$\$)	\$307 million	\$83 million
Percentage increase	7.3%	1.7%
Number of county regions with net decrease in sales tax for all local governments	1 out of 57	28 out of 57

The increase in sales tax revenues between 1998 and 1999 was indicative of a prosperous economy. Conversely, the impact of the declining economy is evident in the sales tax revenue figures for 2000 to 2001.<sup>8</sup> Local governments reported only an \$83 million increase in sales tax revenue from 2000 to 2001 – a

7. School districts (in cities with population under 125,000) may impose a consumer utility tax. Presently, 19 school districts have elected to do so.

8. To a lesser degree, the sales tax exemption (for clothing and footwear purchases under \$110), also accounts for part of the decline in revenue collections. Starting March 1, 2000, 14 counties elected to apply this exemption to their local sales tax, affecting collections for 10 months of their fiscal year. In 2001, this exemption was applied for the full fiscal year for the 14 counties as well as for two additional counties starting on March 1, 2001.

6. For the prepayment of debt service in 2001, which lowered the amount of the levy excluded from the limit.

# Fiscal and Demographic Trends

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significant portion of which resulted from a ¼ percent increase in the sales tax rate in Suffolk County.

For county governments, the increase in sales tax revenues between 1998 and 1999 was 7.4 percent of total real property tax revenues. Between 2000 and 2001, the increase in sales tax revenue amounted to only 1.6 percent of total real property taxes. Therefore, the inability to sustain the same magnitude of sales tax growth in 2001, as compared to 1999, could have accounted for an average 5.7 percent increase in the overall real property tax levy for counties in 2001.

Data from the NYS Department of Taxation and Finance indicates that the overall receipts are improving somewhat in 2003. Statewide collections of sales taxes for all local governments during the State's April-March 2002-03 fiscal year increased to \$9.1 billion dollars, up 4.1 percent from fiscal year 2001-2002. A similar level of underlying growth in the sales tax base is expected by the State for its own collections during the current state fiscal year and the next several years.

## **Conclusion: Increasing Fiscal Pressures, Especially on Cities**

The fiscal and demographic trends discussed in this report demonstrate the mounting levels of local fiscal stress that many governments are facing, particularly cities.

The risk assessment process we use to help target services to municipalities provides another indication of growing problems among local governments. This process, which is based on data from annual financial reports as well as field staff analysis, now routinely identifies symptoms of fiscal stress in more than 100 local governments - more than twice the level of several years ago.

As shown in this analysis, virtually every available demographic or financial indicator points to increasing and often severe problems among the State's cities. Cities are experiencing population declines while the surrounding suburbs are often growing. While employment trends are less than promising almost everywhere, the hardest hit areas have been the large cities. City tax bases are generally stagnant or declining, and modest increases in property tax revenue have come at the expense of mounting pressure on city taxpayers and, in some cases, of cities running perilously close to their Constitutional tax and debt limits.

There are also growing concerns over covering the costs of new homeland security measures for which local governments are responsible. Recent news reports suggest that nationwide, the costs to local governments will near \$3 billion. At a recent national meeting, the U.S. Conference of Mayors called for direct federal assistance to cities rather than indirect aid through state governments.

A budget survey conducted earlier this year by the New York State Conference of Mayors and Municipal Officials (NYCOM) asked city governments to detail their most pressing concerns. Their answers indicate the pressures they face.

Among the cities responding to the NYCOM survey:

- 59 percent reported that their financial condition had worsened or significantly deteriorated over the past year.
- 86 percent increased property taxes in 2003, up from 72 percent in 2002, and 54 percent in 2001.
- Property tax rate increases in 2003 averaged 7.4 percent, up from 5.6 percent in 2002, and 5.5 percent in 2001.

# Fiscal and Demographic Trends

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- Cities have been able to limit spending to the rate of inflation or below, but spending categories for which cities have little control have grown significantly.

The negative trends facing cities are especially discernible in the State's largest cities. The type of problems experienced by the City of Buffalo, which led to the creation of a fiscal oversight board, may be experienced in other cities as well.

Although most counties in New York State are comfortably within their Constitutional debt and tax limits, they will face increased fiscal challenges in the coming years. Many are already experiencing some level of fiscal stress as pressure to prevent budget imbalance mounts. Major credit rating agencies have recently downgraded the ratings of several counties or placed a negative outlook on their bond ratings.

On the expenditure side, Medicaid and employee health benefit costs are rising at double-digit rates, pension system contributions are increasing significantly due to the poor performance of the stock market, and gas and energy prices continue to

rise, as do the costs of labor force settlements. On the revenue side, limited growth in sales tax collections, brought on by a sluggish economy, combined with slowdowns in state and federal aid and pressures to maintain low property tax rates, have given counties few options to maintain balanced budgets. Most counties have resorted to various combinations of increased property and sales tax rates combined with service/staff reductions as a means to balance their budgets.

Despite these negative trends, however, there are also many reasons for optimism. It is said that in the midst of adversity, there is always opportunity, and there are many examples of creative solutions being sought to the fiscal problems now being experienced in many areas. Cooperative ventures between governments are often used to provide services more efficiently. In the large upstate cities and surrounding communities, a variety of bold suggestions for merging city and county services are being considered, and it is evident that these regions are increasingly concerned about the state of their central cities. Buffalo, Rochester and Syracuse have also joined together in an effort to create a cooperative upstate economic development agenda.

# Tables and Charts

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## Explanation of Terms

This section of the report contains charts and tables summarizing the local government fiscal data collected and maintained by the Division, as well as data from other sources. Following are descriptions of some of the key data elements.

**Population (City/County/Town/Village):** In accordance with U.S. Census Bureau practice, each person is counted as an inhabitant of his usual place of residence or abode. Persons in the armed forces quartered on military installations, and inmates of institutions, are counted as residents of the area where the installation or institution is located. Persons working overseas for extended periods of time are not included in the population of the state.

### Taxable Valuation of Real Property:

**Assessed Value:** This is the total taxable assessed valuation of real property as shown on the municipal or school district assessment rolls and used for the levy of the applicable taxes for the fiscal year that ended in 2001.

**Full Value:** This is the actual taxable valuation of real property on tax rolls determined by applying the final equalization rates established by the Office of Real Property Services to the rolls used to levy taxes for the applicable class of government's purposes for the fiscal year that ended 2001.

**Debt Issued:** This reflects the issuance of bonds, bond anticipation notes, and other notes. Debt issued for education purposes is included in cities over 125,000 population (Buffalo, Rochester, Syracuse, Yonkers and New York City).

**Outstanding Debt:** This includes all debt outstanding at the end of the 2001 fiscal year, with the exception of refunded bonds. Debt outstanding for education purposes is included in cities with population more than 125,000.

### Revenues:

**Real Property Taxes and Assessments (City/County/Town/Village/Fire Districts):** This represents the total amount of ad valorem real property taxes (taxes levied according to real property value) in the local government, plus special assessments levied on real property on the basis of benefit. It also includes other tax items, such as interest and penalties on taxes (inclusive of water and sewer rents), penalties on assessments, settlement of railroad taxes, payments in lieu of taxes, surplus on extension of county taxes and gains from the sale of tax acquired property. For counties, it includes town payments to the county to reduce the tax levy.

**Real Property Taxes and Assessments (School):** This represents the total amount of real property taxes received by the school district. The levy imposed by a school district in any one year may provide funds for both the year of the levy and the succeeding year due to the inclusion of a planned balance. This is permitted for all major school districts, except city school districts, in order to avoid shortages of cash between the opening of the school fiscal year and the actual receipt of property taxes. Taxes levied for a public library sponsored by a school district and taxes levied for a central high school district by a component elementary district are included, as well as federal payments and contributions in lieu of taxes and interest and penalties on real property taxes. State reimbursements for the School Tax Relief (STAR) program are also included as a component of Real Property Taxes. Additional information on STAR reimbursements for individual school districts is available by contacting the State Comptroller's Office at (518) 474-6858.

**Non-Property Taxes (City/County/Town/Village/Fire Districts):** This includes sales tax receipts retained by the county from a county sales tax, or sales tax receipts distributed to other classes of local government by the county. It also includes revenues from all other non-property taxes imposed by a local government (e.g., utilities gross receipts tax, consumer utility tax (if not included in sales tax), off-track betting surtax, franchises). For counties, it includes sales tax credits to towns to reduce the county real property tax levy, tax on hotel room occupancy, harness and flat track admission tax, privilege tax on coin-operated devices, interest and penalties on non-property taxes. City non-property taxes also includes the income tax surcharge of the City of Yonkers and New York City.

# Tables and Charts

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## Explanation of Terms (Cont'd)

**Non-Property Taxes (School):** These amounts consist of receipts by school districts from local sales and compensating use taxes and local consumer utility taxes. Sales and compensating use taxes may be imposed only by counties and cities, which retain the proceeds for municipal purposes or distribute all or part of the proceeds to school districts in the county based on sales tax agreements or county resolutions. Distribution of sales tax proceeds to school districts occurs in the following counties: Erie, Livingston, Monroe, Onondaga, Orleans, Wayne and Westchester. Consumer utility taxes may only be imposed by school districts with territory in cities under 125,000 population, as well as by counties and cities. Not all eligible school districts elect to impose this tax.

**State Aid (City/County/Town/Village/Fire Districts):** This is the total of aid from the State for various categories, including general purposes, education, public safety, health, transportation, social services, economic assistance and opportunity, culture and recreation, home and community services, natural resources, libraries, veterans' service agencies, mental health, urban renewal, natural resources, mortgage tax, maintenance and construction of sewage treatment facilities, highways, loss of railroad tax, navigation law enforcement, youth programs, recreation for the elderly, etc.

**State Aid (School):** Receipts from all types of state aid available to public schools are included here. Amounts of state aid deducted for each district's assessment for retirement and for the percentage of teachers' salaries for transmittal to the New York State Teachers' Retirement System are included as revenues to the district.

**Federal Aid:** This is the total of federal aid for the various categories enumerated under State Aid.

**Other Revenues:** This includes all revenues not otherwise classified, such as departmental income, licenses, permits, rentals, sales, fines and forfeits, recoveries, refunds, etc. It also includes interest from monies invested or deposited and revenues received from other local governments. For counties, this also includes tobacco settlement payments, including securitized payments. For school districts, this represents receipts not otherwise classified, including tuition and transportation of non-resident pupils, proceeds of insurance adjustments, sales of surplus property, and lunch and store fund sales. Interfund revenues are not included under this category.

## Expenditures:

**Current Operations:** This category includes total expenditures for operating costs. Included in current operations are personal services, employee benefits and contractual expenditures. Personal services include expenditures of salaries and wages. Employee benefits may include such items as the local government's share of State retirement, police and fire retirement, pension funds, hospital and medical insurance, social security, worker's compensation, life insurance, disability insurance, etc. For school districts, this would also include the school district's share of teachers' retirement. Contractual expenditures represent all other operating costs exclusive of personal services and employee benefits and would include expenditures for other operating supplies and services. For New York City only, current operations may also include equipment expenses.

**Equipment and Capital Outlay:** Included in this category are expenditures for equipment purchases and the construction, improvement and acquisition of fixed assets (municipal or school district facilities, public buildings, real property, streets, highways, bridges, sewers, etc.). For New York City, it only includes expenditures from the Capital Projects Fund.

## Debt Service:

**Principal:** This consists of principal payments for the redemption of bonds and notes. Due to accounting treatments, these amounts may not include principal payments on short term indebtedness and bond anticipation notes, principal payments made within enterprise funds and bond anticipation notes redeemed from the proceeds of bond issues.

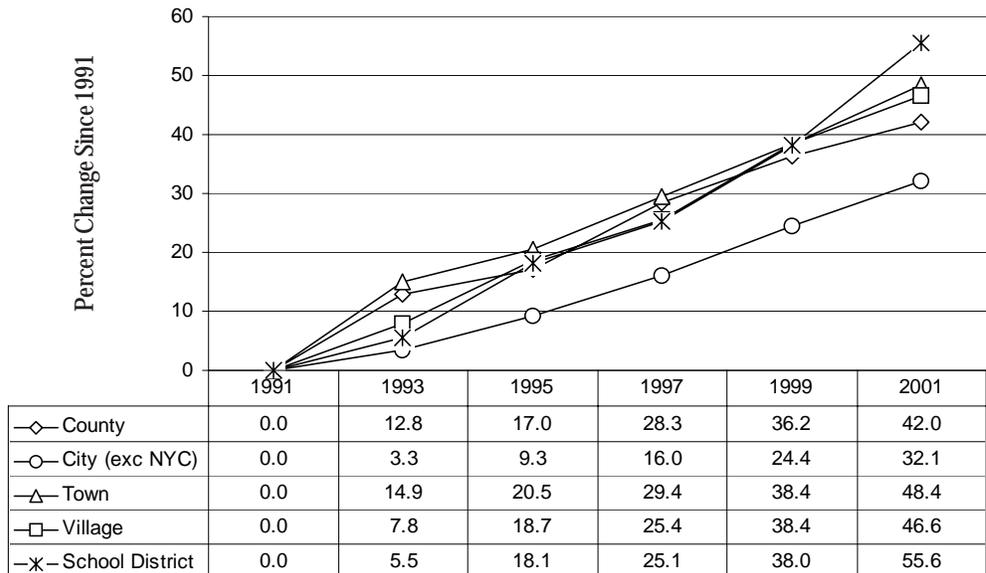
**Interest:** This consists of interest payments on bonds and notes.

# Tables and Charts

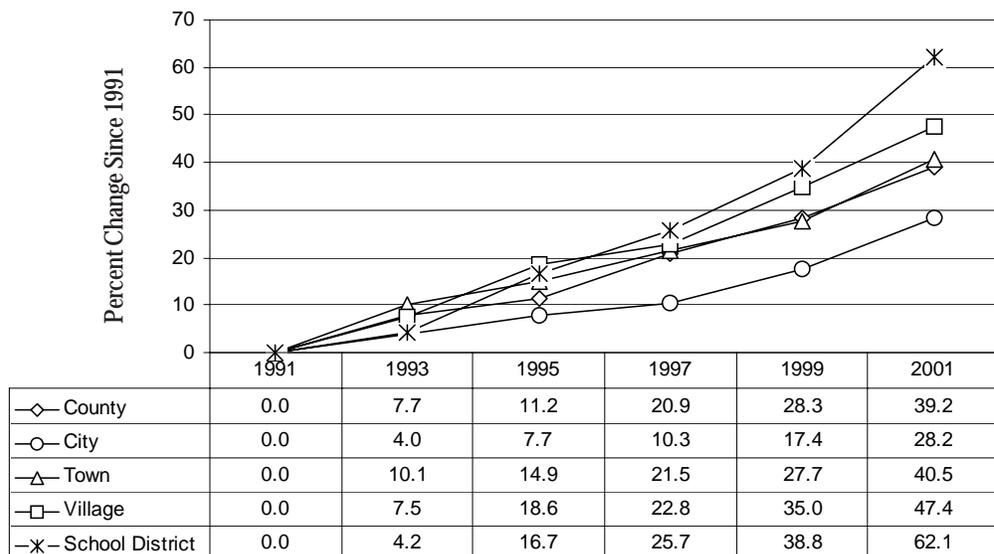
## Revenue and Expenditure Trends - 1991 to 2001

Counties, Cities, Towns, Villages and School Districts (Excludes NYC)

### Revenues



### Expenditures



**Revenues - City revenues increased much more slowly than did revenues for other classes of government.**

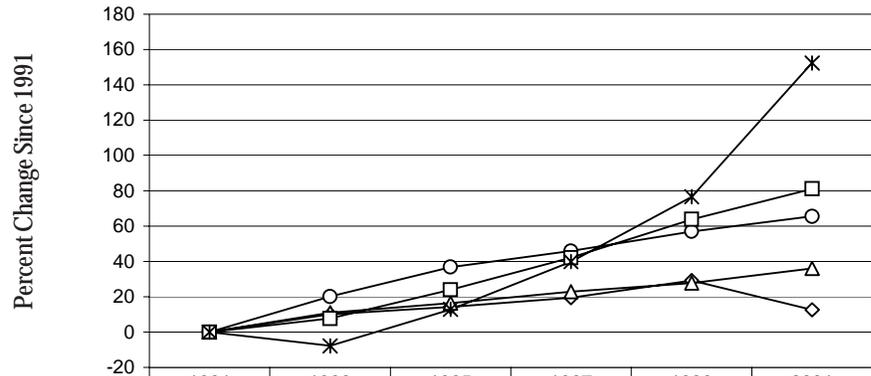
**Expenditures - School district expenditures (especially those for equipment and capital) are outpacing expenditures of other governments.**

# Tables and Charts

## Indebtedness and Property Value Trends - 1991 to 2001

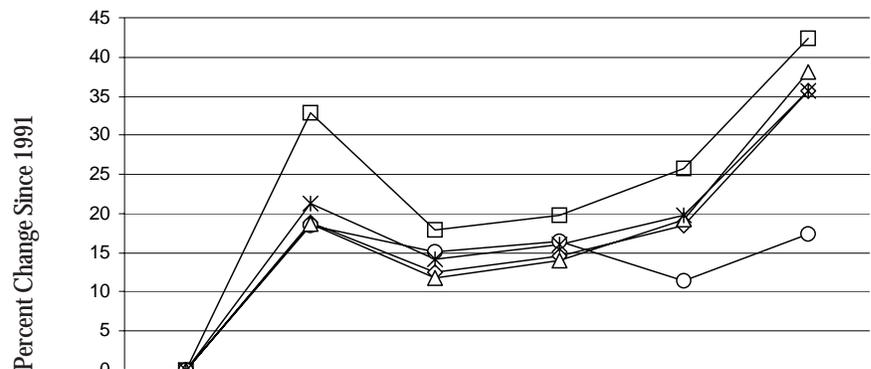
Counties, Cities, Towns, Villages and School Districts (Excludes NYC)

### Outstanding Indebtedness



	1991	1993	1995	1997	1999	2001
County	0.0	10.0	14.3	19.4	29.1	12.6
City	0.0	20.1	36.8	45.9	56.9	65.5
Town	0.0	10.9	16.4	22.9	27.7	36.0
Village	0.0	7.6	23.9	42.1	63.8	81.1
School District	0.0	-7.8	12.9	39.8	76.6	152.4

### Full Valuation



	1991	1993	1995	1997	1999	2001
County	0.0	18.8	12.5	14.5	18.5	35.6
City	0.0	18.4	15.1	16.4	11.3	17.3
Town	0.0	18.7	11.8	14.0	19.1	38.0
Village	0.0	32.8	17.8	19.7	25.8	42.3
School District	0.0	21.3	14.1	16.0	19.8	35.6

**Outstanding Indebtedness - While outstanding debt for cities, towns, counties and villages grew at comparable rates, school district debt significantly exceeded that of other local governments. The increase was encouraged through a series of aid incentives to spend more on school construction and renovation.**

**Full Valuation - The inability of cities to sustain or expand their tax base is evident in full value figures. From 1991 to 2001, city full value growth of 17.3 percent represents less than half the rate of growth for other local governments in 2001.**

# Table 1

## SUMMARY OF FINANCES FOR MAJOR CLASSES OF LOCAL GOVERNMENT Fiscal Years Ended in 2001

	Counties (1)	Cities Exclud.NYC	New York City (2)	Towns	Villages	School Districts Exclud.NYC	Fire Districts	Total (3)
Number of Units	57	61	1	932	554	703	867	3,175
Population - 2000 Census	(a) 10,968,179	2,265,897	8,008,278	8,692,132	1,871,947	—	—	18,976,457
Land Area (Square Miles)	46,910.2	572.7	303.3	46,214.9	941.6	—	—	47,213.5
Amounts below in millions of dollars								
<b>TAXABLE VALUE OF REAL PROP.:</b>								
Assessed Value (Municipal)	\$255,296.8	\$39,845.2	\$84,060.4	\$216,602.2	\$29,857.1	—	—	\$339,357.2
Assessed Value (School)	—	—	84,319.7	—	—	\$262,440.9	—	346,760.6
Full Value (Municipal)	635,075.6	71,418.1	328,489.4	565,231.4	126,288.4	—	—	\$963,565.0
<b>DEBT ISSUED:</b>								
Bonds	\$501.6	\$392.1	\$2,378.6	\$424.6	\$155.6	\$2,047.2	\$33.4	\$5,802.4
Notes	1,038.2	245.3	750.0	345.0	129.0	2,816.8	19.0	5,289.2
<b>OUTSTANDING DEBT:</b>								
Bonds (Gross)	\$5,816.0	\$2,512.4	\$26,835.8	\$2,932.9	\$958.9	\$8,306.2	\$153.3	\$47,016.2
Notes	964.5	394.5	—	619.1	268.2	2,046.5	24.3	4,255.8
<b>TOTAL OUTSTANDING DEBT</b>	<b>\$6,780.5</b>	<b>\$2,906.9</b>	<b>\$26,835.8</b>	<b>\$3,551.9</b>	<b>\$1,227.1</b>	<b>\$10,352.8</b>	<b>\$177.7</b>	<b>\$51,272.0</b>
<b>REVENUES:</b>								
Real Prop.Taxes & Assessments	\$3,332.4	\$778.7	\$8,426.4	\$2,335.0	\$761.4	\$11,503.0	\$365.4	\$27,502.4
Non-Property Taxes	3,713.7	636.1	14,751.5	488.9	132.9	240.1	—	19,963.1
State Aid	2,454.4	542.8	9,137.0	416.3	94.3	8,732.9	—	21,377.6
Federal Aid	1,860.8	206.0	6,627.1	149.6	69.4	961.2	—	9,874.1
Other Revenues	3,676.7	872.3	13,427.6	1,157.1	657.3	1,242.3	38.7	21,072.0
<b>TOTAL REVENUES</b>	<b>\$15,038.0</b>	<b>\$3,035.9</b>	<b>\$52,369.6</b>	<b>\$4,546.9</b>	<b>\$1,715.3</b>	<b>\$22,679.5</b>	<b>\$404.1</b>	<b>\$99,789.2</b>
<b>EXPENDITURES:</b>								
Current Operations	\$14,174.6	\$2,564.1	\$46,285.6	\$3,718.2	\$1,392.9	\$20,841.6	\$254.0	\$89,231.0
Equip. & Capital Outlay	1,232.5	415.5	(b) 5,318.6	797.6	310.7	2,543.8	135.3	10,754.0
<b>DEBT SERVICE:</b>								
Principal	782.3	175.0	1,777.0	331.3	103.8	848.5	34.9	4,052.8
Interest	366.7	121.3	2,913.0	156.9	51.4	539.5	9.4	4,158.3
<b>TOTAL EXPENDITURES</b>	<b>\$16,556.0</b>	<b>\$3,275.9</b>	<b>\$56,294.3</b>	<b>\$5,004.1</b>	<b>\$1,858.8</b>	<b>\$24,773.4</b>	<b>\$433.6</b>	<b>\$108,196.0</b>

For historical trends of all major units of government (comparable to data listed under the "Total" column of this Table) please refer to Table 1-1. New York City data on this Table includes financial data relating to the New York City School District and City University of New York.

(1) Includes counties other than the five comprising the City of New York.

(2) Also includes fiscal data relating to the New York City School District and the University of New York. Financial data reflect all discretely presented component units as reported in the City of New York CAFR; certain categories will not be comparable with data published prior to 1992. Please refer to Table 1-6 of this publication, which provides historical trends in New York City data. Debt issued and outstanding debt categories exclude data of the Municipal Assistance Corporation, the Transitional Finance Authority, certain public benefit corporations that are component units of the City and/or whose debt is guaranteed by the City, the TSASC Inc., the Samurai Funding Corporation and discretely presented component units.

(3) Totals are adjusted to eliminate instances of duplication. For example, the population and area of villages are also contained in the "Town" data. Another example, both the categories "Cities-Excluding NYC" and "School Districts-Excluding NYC" include debt outstanding and debt issued of the fiscally dependent school districts in the Cities of Buffalo, Rochester, Syracuse and Yonkers.

(a) County Totals also include data for Indian reservations which is not included in the City or Town Totals.

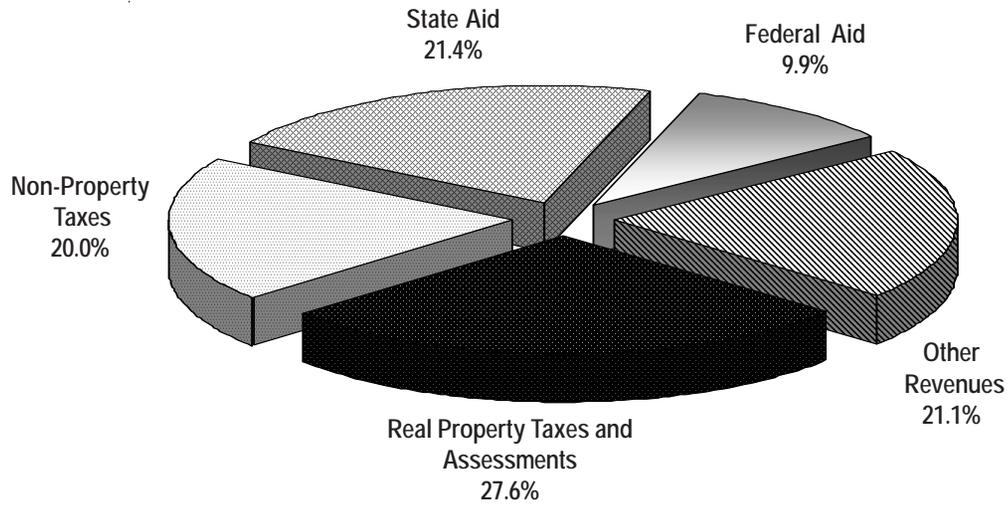
(b) Includes only direct charges to the Capital Projects Fund. Equipment is included in Current Operations.

Note: Detail may not add due to rounding. Please also refer to notes in Tables No. 1-4, 1-5, 1-6, 1-7, 1-8, 1-9 and 1-12.

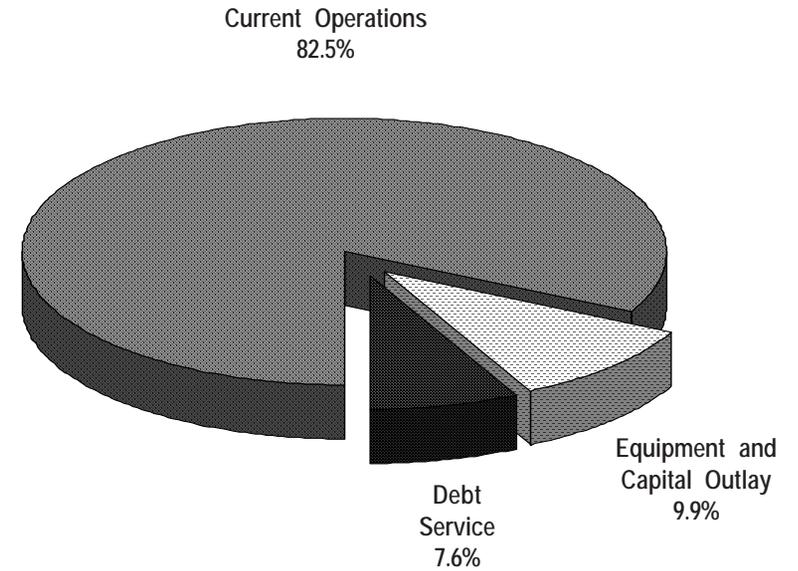
# Chart 1a

## REVENUES AND EXPENDITURES ALL MAJOR CLASSES OF LOCAL GOVERNMENT Fiscal Years Ended In 2001

### Revenues \$99,789,200,000



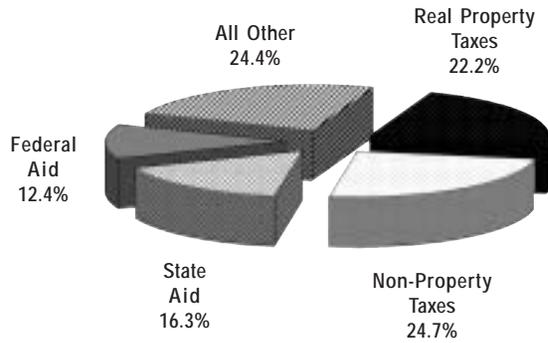
### Expenditures \$108,196,000,000



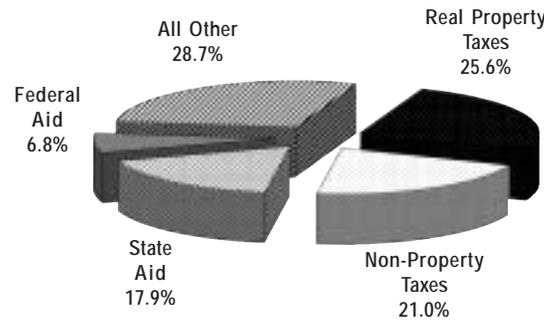
# Chart 1b

## REVENUES FOR MAJOR CLASSES OF LOCAL GOVERNMENT Fiscal Years Ended in 2001 COUNTIES, CITIES, TOWNS, VILLAGES and SCHOOL DISTRICTS

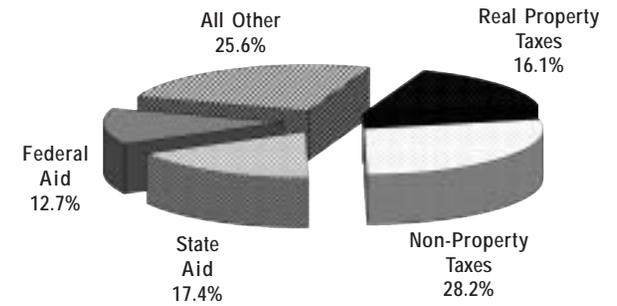
**Counties**  
\$15,038,000,000



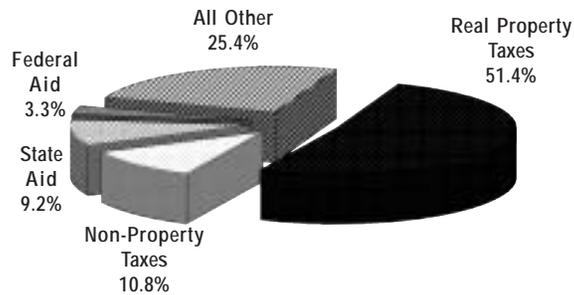
**Cities**  
\$3,035,900,000



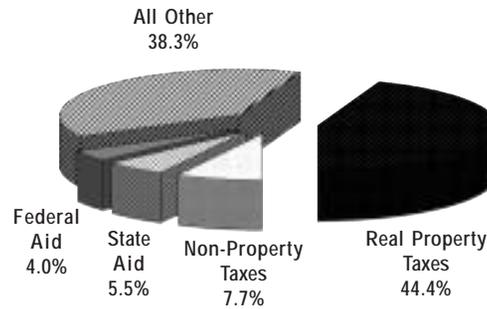
**New York City**  
\$52,369,600,000



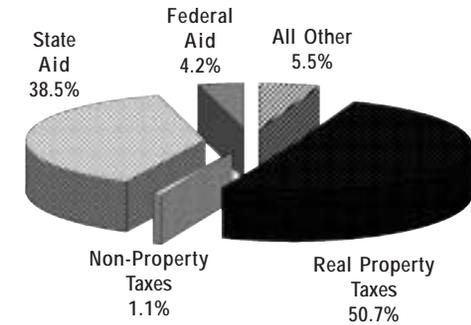
**Towns**  
\$4,546,900,000



**Villages**  
\$1,715,300,000

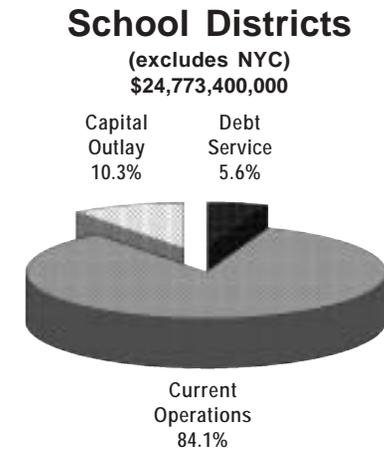
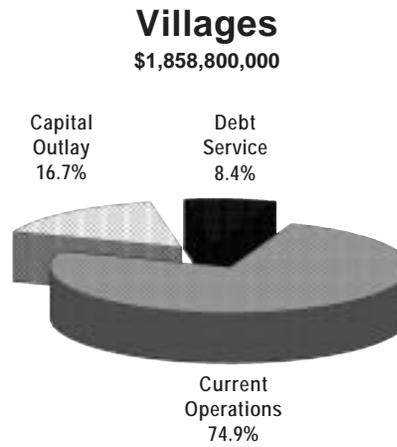
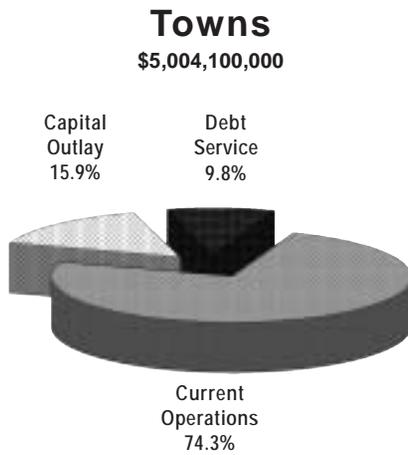
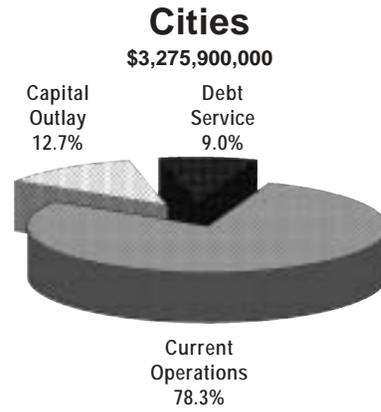
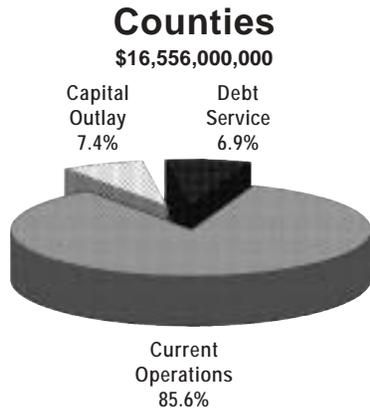


**School Districts**  
(excludes NYC)  
\$22,679,500,000



# Chart 1c

## EXPENDITURES FOR MAJOR CLASSES OF LOCAL GOVERNMENT Fiscal Years Ended in 2001 COUNTIES, CITIES, TOWNS, VILLAGES and SCHOOL DISTRICTS



# Table 1-1

## SUMMARY OF FINANCES FOR ALL MAJOR CLASSES OF LOCAL GOVERNMENT Fiscal Years Ended in 1991 and 1996 - 2001 Includes Counties, New York City (Including Schools and Higher Education), Cities, Towns, Villages, School Districts and Fire Districts

	1991	1996 (2)	1997 (3)	1998	1999	2000	2001	Percent Change 96-01	Percent Change 91-01
Population (1)	17,990,778	17,990,778	17,990,778	17,990,778	17,990,778	18,976,457	18,976,457	5.5%	5.5%
	Amounts below in millions of dollars								
<b>TAXABLE VALUATION OF REAL PROPERTY:</b>									
Assessed Value (Municipal Purposes)	\$217,175.2	\$275,669.3	\$300,027.8	\$307,707.7	\$320,498.1	\$325,093.7	\$339,357.2	23.1%	56.3%
Assessed Value (School Purposes)	221,437.3	280,572.2	306,184.8	314,296.9	325,166.5	332,375.4	346,760.6	23.6%	56.6%
Full Value (Municipal Purposes)	742,557.4	811,278.4	816,690.9	826,834.6	839,296.9	899,029.1	963,565.0	18.8%	29.8%
<b>INDEBTEDNESS DATA:</b>									
<b>Debt Issued:</b>									
Bonds	\$6,077.4	\$7,901.9	\$9,805.4	\$8,666.4	\$6,460.4	\$3,543.2	\$5,802.4	-26.6%	-4.5%
Notes	9,010.9	6,628.6	6,061.5	4,963.6	4,708.0	5,054.9	5,289.2	-20.2%	-41.3%
<b>Outstanding Debt:</b>									
Bonds	\$27,952.5	\$41,203.5	\$43,328.2	\$44,006.2	\$45,904.2	\$45,971.1	\$47,016.2	14.1%	68.2%
Notes	3,939.0	3,592.8	3,214.0	3,203.1	3,419.7	3,999.4	4,255.8	18.5%	8.0%
<b>TOTAL OUTSTANDING DEBT</b>	<b>\$31,891.5</b>	<b>\$44,796.3</b>	<b>\$46,542.2</b>	<b>\$47,209.3</b>	<b>\$49,323.9</b>	<b>\$49,970.5</b>	<b>\$51,272.0</b>	<b>14.5%</b>	<b>60.8%</b>
<b>REVENUES:</b>									
Real Property Taxes and Assessments	\$20,499.9	\$23,950.8	\$24,512.5	\$24,839.0	\$25,570.2	\$26,383.3	\$27,502.4	14.8%	34.2%
Non-Property Taxes	11,386.2	14,963.1	15,847.4	17,098.7	17,848.7	19,036.1	19,963.1	33.4%	75.3%
State Aid	14,869.4	16,645.8	16,834.4	17,677.6	19,018.2	19,895.6	21,377.6	28.4%	43.8%
Federal Aid	5,378.0	8,004.7	8,122.0	8,368.9	8,478.8	8,828.7	9,874.1	23.4%	83.6%
Other Revenues	13,033.5	18,274.0	18,555.9	17,967.0	18,645.4	19,759.2	21,072.0	15.3%	61.7%
<b>TOTAL REVENUES</b>	<b>\$65,167.2</b>	<b>\$81,838.3</b>	<b>\$83,872.5</b>	<b>\$85,951.1</b>	<b>\$89,561.1</b>	<b>\$93,903.3</b>	<b>\$99,789.2</b>	<b>21.9%</b>	<b>53.1%</b>
<b>EXPENDITURES:</b>									
Current Operations	\$59,032.1	\$73,969.6	\$74,018.0	\$76,537.0	\$78,922.6	\$82,674.0	\$89,231.0	20.6%	51.2%
Equipment and Capital Outlay	7,585.2	7,001.9	7,352.5	7,930.9	9,030.2	9,068.7	10,754.0	53.6%	41.8%
<b>Debt Service:</b>									
Principal	2,099.6	3,012.7	3,025.0	3,117.7	3,341.3	3,711.5	4,052.8	34.5%	93.0%
Interest	3,067.1	3,525.3	3,618.8	3,635.7	3,667.0	3,828.6	4,158.3	18.0%	35.6%
<b>TOTAL EXPENDITURES</b>	<b>\$71,783.9</b>	<b>\$87,509.6</b>	<b>\$88,014.2</b>	<b>\$91,221.4</b>	<b>\$94,961.3</b>	<b>\$99,282.7</b>	<b>\$108,196.0</b>	<b>23.6%</b>	<b>50.7%</b>

Note: This table includes New York City (Table No. 1-6) trend data which has been revised starting with the 1992 year. Because of these revisions, statistics reflected on this table may not be comparable with published data prior to 1992. Detail may not add due to rounding.

(1) 1990 Federal Census Population figures are used for 1990 through 1999. 2000 Federal Census Population figures are used starting in 2000.

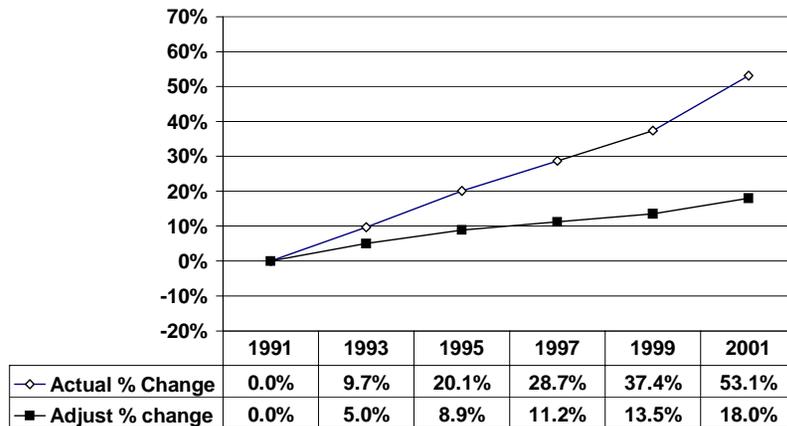
(2) The County of Nassau has changed its fiscal year to end December 31. For this reason, financial data of the County included in this table in 1996 is for a fifteen month interim fiscal year, October 1, 1995 - December 31, 1996.

(3) The County of Nassau now has a twelve month calendar fiscal year; in 1996 the County had a fifteen month interim period and in 1995 it had a nine month interim period. Please also refer to notes on Tables 1-4, 1-5, 1-6, 1-7, 1-8, 1-9, and 1-12. Of particular significance are notes (3) and (6) of the County trend Table 1-4 that describe the privatization of certain county health facilities, tobacco settlement payments, and other issues that impact financial data.

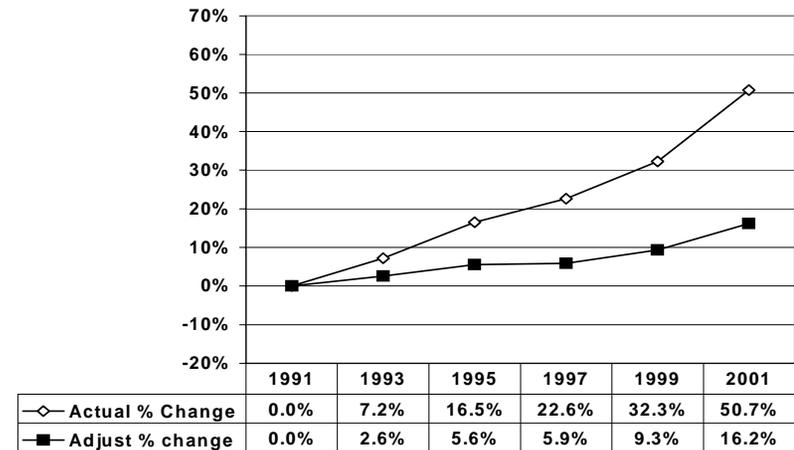
# Chart 1-1a

## MAJOR TRENDS IN FINANCES ALL MAJOR CLASSES OF LOCAL GOVERNMENT Actual and Inflation-Adjusted\* Change Between 1991 and 2001

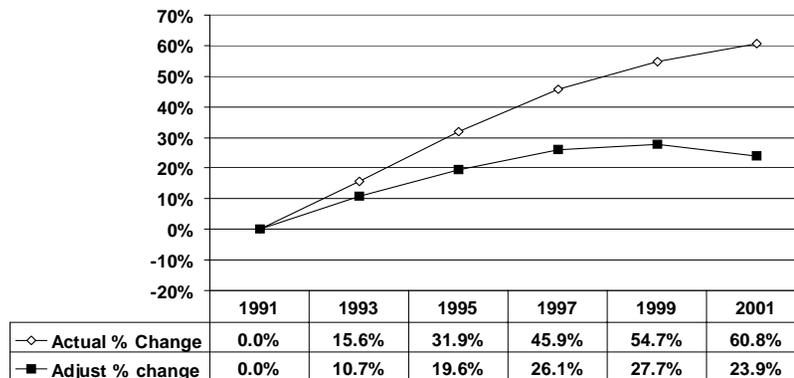
### Total Revenues



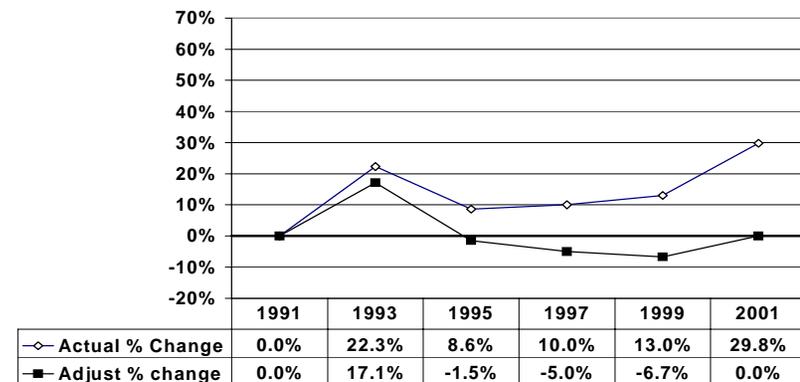
### Total Expenditures



### Outstanding Debt



### Full Valuation

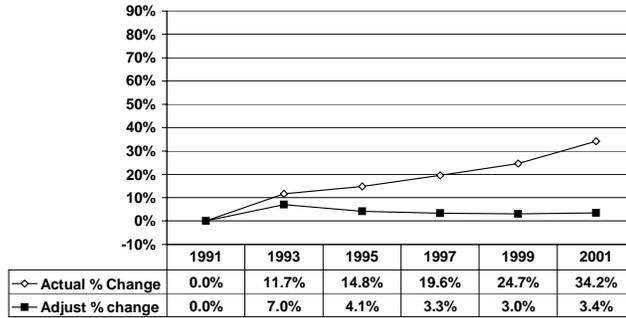


\*Note: Adjusted for inflation using the State and Local Government Price Index, 1996=100.  
Source: U.S. Department of Commerce, Bureau of Economic Analysis

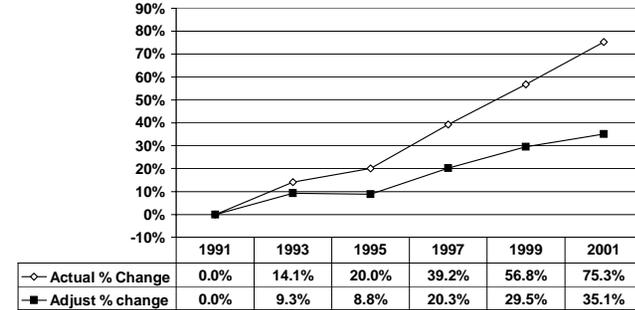
# Chart 1-1b

## REVENUE TRENDS ALL MAJOR CLASSES OF LOCAL GOVERNMENT Actual and Inflation-Adjusted\* Change Between 1991 and 2001

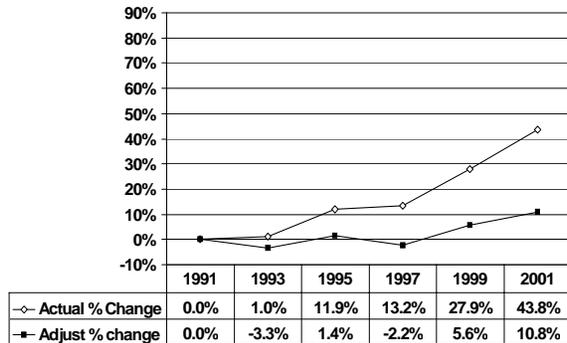
### Real Property Taxes



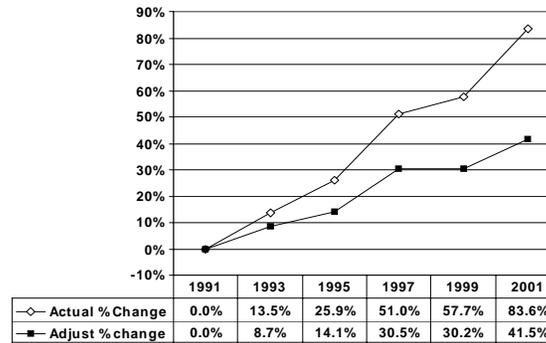
### Non-Property Taxes



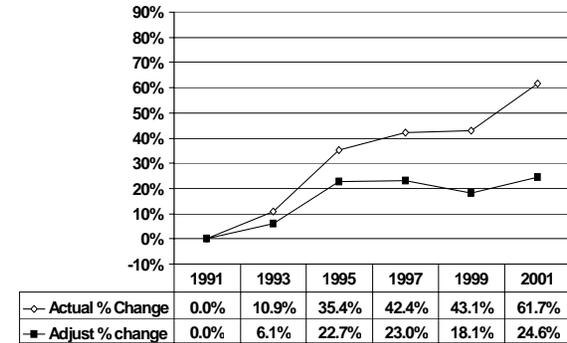
### State Aid



### Federal Aid



### Other Revenues

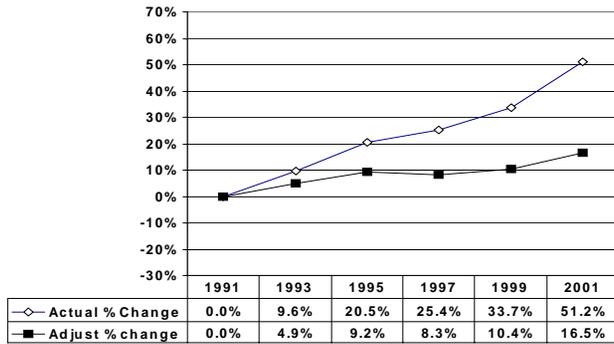


\*Note: Adjusted for inflation using the State and Local Government Price Index, 1996=100.  
Source: U.S. Department of Commerce, Bureau of Economic Analysis

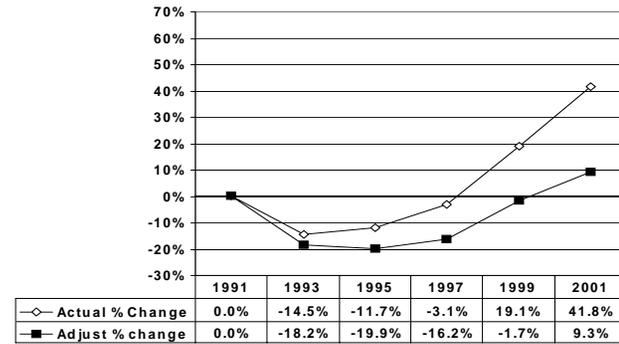
# Chart 1-1c

## EXPENDITURE TRENDS ALL MAJOR CLASSES OF LOCAL GOVERNMENT Actual and Inflation-Adjusted\* Change Between 1991 and 2001

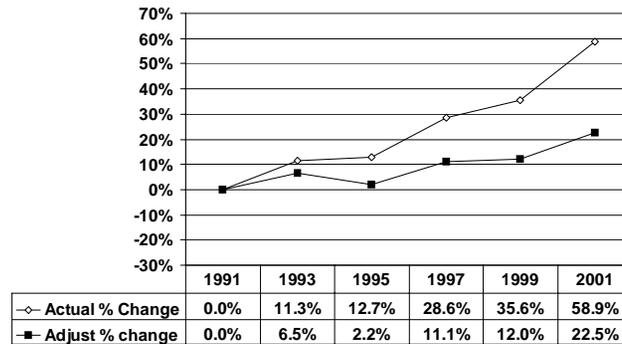
### Current Operations



### Capital Outlay



### Debt Service



\*Note: Adjusted for inflation using the State and Local Government Price Index, 1996=100.

Source: U.S. Department of Commerce, Bureau of Economic Analysis

# Table

## 1-2

### SUMMARY OF FINANCES

#### ALL MAJOR CLASSES OF GOVERNMENT EXCEPT FOR NEW YORK CITY

#### Fiscal Years Ended in 1991 and 1996 - 2001

#### Includes Counties, Cities, Towns, Villages, School Districts and Fire Districts

	1991	1996 (2)	1997 (3)	1998	1999	2000	2001	Percent Change 96-01	Percent Change 91-01
Population (1)	10,668,214	10,668,214	10,668,214	10,668,214	10,668,214	10,968,179	10,968,179	2.8%	2.8%
Amounts below in millions of dollars									
<b>TAXABLE VALUATION OF REAL PROPERTY:</b>									
Assessed Value (Municipal Purposes)	\$140,841.6	\$199,817.7	\$224,532.8	\$231,687.0	\$242,508.3	\$244,464.3	\$255,296.8	27.8%	81.3%
Assessed Value (School Purposes)	144,908.9	204,542.8	230,516.3	238,108.5	246,927.2	251,490.1	262,440.9	28.3%	81.1%
Full Value (Municipal Purposes)	468,173.5	533,941.6	536,040.3	548,370.3	554,870.1	594,307.2	635,075.6	18.9%	35.6%
<b>INDEBTEDNESS DATA:</b>									
<b>Debt Issued:</b>									
Bonds	\$2,184.5	\$2,541.4	\$2,974.8	\$3,157.4	\$3,375.7	\$2,876.8	\$3,423.8	34.7%	56.7%
Notes	5,360.9	4,228.6	3,661.5	3,888.6	4,208.0	4,304.9	4,539.2	7.3%	-15.3%
<b>Outstanding Debt:</b>									
Bonds	\$11,140.0	\$15,024.3	\$16,180.0	\$17,127.2	\$18,463.1	\$19,079.0	\$20,180.4	34.3%	81.2%
Notes	3,939.0	3,592.8	3,214.0	3,203.1	3,419.7	3,999.4	4,255.8	18.5%	8.0%
<b>TOTAL OUTSTANDING DEBT</b>	<b>\$15,079.0</b>	<b>\$18,617.1</b>	<b>\$19,394.0</b>	<b>\$20,330.3</b>	<b>\$21,882.8</b>	<b>\$23,078.4</b>	<b>\$24,436.2</b>	<b>31.3%</b>	<b>62.1%</b>
<b>REVENUES:</b>									
Real Property Taxes and Assessments	\$13,092.1	\$16,662.2	\$16,997.6	\$17,388.4	\$17,745.7	\$18,346.5	\$19,075.9	14.5%	45.7%
Non-Property Taxes	3,129.6	4,398.8	4,393.9	4,500.7	4,798.7	5,113.9	5,211.7	18.5%	66.5%
State Aid	8,450.1	9,465.4	9,410.4	10,028.9	10,870.0	11,356.1	12,240.6	29.3%	44.9%
Federal Aid	2,019.9	2,590.3	2,638.7	2,692.8	2,742.6	2,941.3	3,247.0	25.4%	60.8%
Other Revenues	5,280.5	6,635.0	6,839.1	6,682.1	7,502.6	7,893.4	7,644.4	15.2%	44.8%
<b>TOTAL REVENUES</b>	<b>\$31,972.4</b>	<b>\$39,751.6</b>	<b>\$40,280.0</b>	<b>\$41,292.8</b>	<b>\$43,659.5</b>	<b>\$45,651.6</b>	<b>\$47,419.6</b>	<b>19.3%</b>	<b>48.3%</b>
<b>EXPENDITURES:</b>									
Current Operations	\$29,266.7	\$36,377.8	\$36,461.4	\$37,107.6	\$38,840.3	\$40,505.5	\$42,945.4	18.1%	46.7%
Equipment and Capital Outlay	3,352.3	3,206.3	3,493.9	3,779.5	4,189.7	4,226.1	5,435.4	69.5%	62.1%
<b>Debt Service:</b>									
Principal	1,256.0	1,719.0	1,666.8	1,780.0	2,010.3	2,150.5	2,275.7	32.4%	81.2%
Interest	967.3	1,031.5	1,018.3	1,064.5	1,083.5	1,112.1	1,245.3	20.7%	28.7%
<b>TOTAL EXPENDITURES</b>	<b>\$34,842.2</b>	<b>\$42,334.7</b>	<b>\$42,640.3</b>	<b>\$43,731.7</b>	<b>\$46,123.9</b>	<b>\$47,994.1</b>	<b>\$51,901.7</b>	<b>22.6%</b>	<b>49.0%</b>

(1) 1990 Federal Census Population figures are used for 1991 through 1999. 2000 Federal Census Population figures are used starting in 2000.

(2) The County of Nassau has changed its fiscal year to end December 31. For this reason, financial data of the County included in this table in 1996 is for a fifteen month interim fiscal year, October 1, 1995 - December 31, 1996.

(3) The County of Nassau now has a twelve month calendar fiscal year; in 1996 the County had a fifteen month interim period and in 1995 it had a nine month interim period.

Note: Detail may not add due to rounding. Please also refer to notes on Tables No. 1-4, 1-5, 1-7, 1-8, 1-9, and 1-12. Of particular significance are notes (3) and (6) of County trend table No. 1-4 that describe the privatization of certain county health facilities, tobacco settlement payments, and other issues that impact financial data.

# Table 1-3

## SUMMARY OF FINANCES FOR COUNTIES, CITIES (EXCLUDING NEW YORK CITY), TOWNS AND VILLAGES Fiscal Years Ended in 1991 and 1996 - 2001

	1991	1996 (2)	1997 (3)	1998	1999	2000	2001	Percent Change 96-01	Percent Change 91-01
Population (1)	10,668,214	10,668,214	10,668,214	10,668,214	10,668,214	10,968,179	10,968,179	2.8%	2.8%
<b>TAXABLE VALUATION OF REAL PROPERTY:</b>	Amounts below in millions of dollars								
Assessed Value	\$140,841.6	\$199,817.7	\$224,532.8	\$231,687.0	\$242,508.3	\$244,464.3	\$255,296.8	27.8%	81.3%
Full Value	468,173.5	533,941.6	536,040.3	548,370.3	554,870.1	594,307.2	635,075.6	18.9%	35.6%
<b>INDEBTEDNESS DATA:</b>									
<b>Debt Issued:</b>									
Bonds	\$1,569.1	\$1,936.8	\$1,765.1	\$2,011.0	\$2,097.5	\$1,225.8	\$1,473.9	-23.9%	-6.1%
Notes	2,278.6	2,061.8	1,660.3	1,875.1	2,080.2	1,470.0	1,757.4	-14.8%	-22.9%
<b>Outstanding Debt:</b>									
Bonds	\$8,577.2	\$11,401.2	\$11,790.2	\$12,107.0	\$12,754.1	\$12,336.3	\$12,220.1	7.2%	42.5%
Notes	492.7	2,288.5	2,142.7	2,096.1	2,225.4	2,050.8	2,246.3	-1.8%	-9.9%
<b>TOTAL OUTSTANDING DEBT</b>	<b>\$11,069.9</b>	<b>\$13,689.6</b>	<b>\$13,932.9</b>	<b>\$14,203.0</b>	<b>\$14,979.6</b>	<b>\$14,386.9</b>	<b>\$14,466.4</b>	<b>5.7%</b>	<b>30.7%</b>
<b>REVENUES:</b>									
Real Property Taxes and Assessments	\$5,713.4	\$6,995.0	\$6,936.6	\$6,999.3	\$6,992.0	\$7,103.3	\$7,207.5	3.0%	26.2%
Non-Property Taxes	2,961.6	4,186.3	4,175.8	4,277.5	4,573.6	4,881.0	4,971.6	18.8%	67.9%
State Aid	2,413.5	2,805.0	2,686.9	2,956.3	3,179.8	3,244.2	3,507.7	25.1%	45.3%
Federal Aid	1,589.1	1,961.4	2,012.0	1,996.9	1,968.0	2,080.0	2,285.8	16.5%	43.8%
Other Revenues	4,442.0	5,693.3	5,869.6	5,659.8	6,427.9	6,695.6	6,363.4	11.8%	43.3%
<b>TOTAL REVENUES</b>	<b>\$17,119.8</b>	<b>\$21,640.9</b>	<b>\$21,681.1</b>	<b>\$21,889.9</b>	<b>\$23,141.1</b>	<b>\$24,004.4</b>	<b>\$24,336.0</b>	<b>12.5%</b>	<b>42.2%</b>
<b>EXPENDITURES:</b>									
Current Operations	\$15,615.1	\$19,577.3	\$19,213.0	\$19,244.8	\$20,071.3	\$20,597.7	\$21,849.8	11.6%	39.9%
Equipment and Capital Outlay	2,150.7	2,051.6	2,045.5	2,118.6	2,419.9	2,323.4	2,756.3	34.3%	28.2%
<b>Debt Service:</b>									
Principal	834.4	1,140.3	1,118.0	1,193.1	1,331.8	1,404.5	1,392.4	22.1%	66.9%
Interest	667.8	723.4	690.2	693.9	685.1	683.5	696.3	-3.7%	4.3%
<b>TOTAL EXPENDITURES</b>	<b>\$19,268.0</b>	<b>\$23,492.7</b>	<b>\$23,066.7</b>	<b>\$23,250.4</b>	<b>\$24,508.2</b>	<b>\$25,009.1</b>	<b>\$26,694.8</b>	<b>13.6%</b>	<b>38.5%</b>

(1) 1990 Federal Census Population figures are used for 1991 through 1999. 2000 Federal Census Population figures are used starting in 2000.

(2) The County of Nassau has changed its fiscal year to end December 31. For this reason, financial data of the County included in this table in 1996 is for a fifteen month interim fiscal year, October 1, 1995 - December 31, 1996.

(3) The County of Nassau now has a twelve month calendar fiscal year; in 1996 the County had a fifteen month interim period and in 1995 it had a nine month interim period.

Note: Detail may not add due to rounding. Please also refer to notes on Tables No. 1-4, 1-5, 1-7, and 1-8. Of particular significance are notes (3) and (6) of County trend table No. 1-4 that describe the privatization of certain county health facilities, tobacco settlement payments, and other issues that impact financial data.

# Table

## 1-4

### SUMMARY OF FINANCES FOR COUNTIES (Excluding Counties in the City of New York) Fiscal Years Ended in 1991 and 1996 - 2001

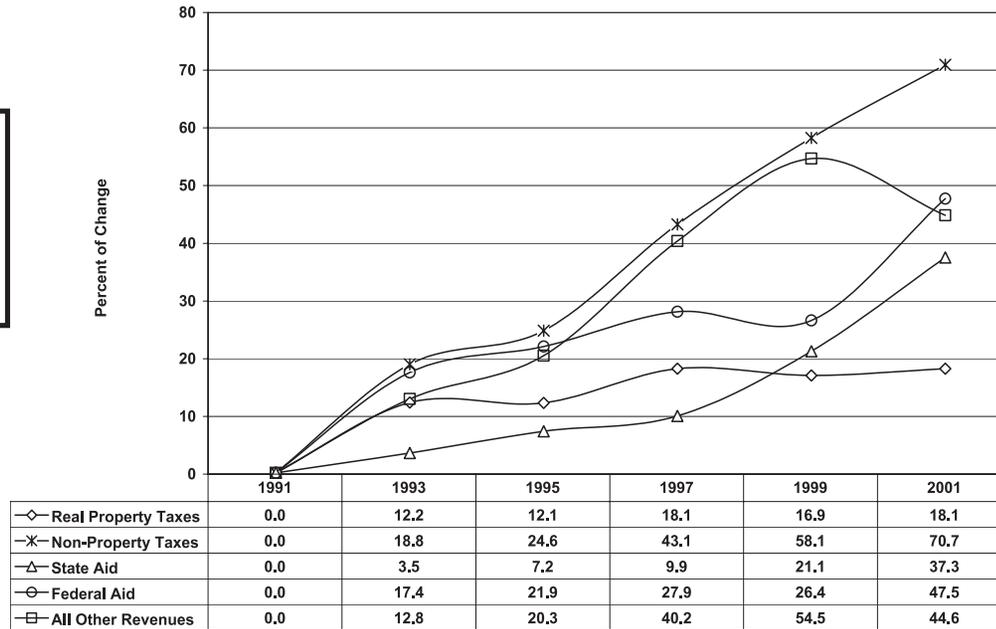
	1991	1996 (4)	1997 (5)	1998 (6)	1999	2000 (7)	2001 (7)	Percent Change 96-01	Percent Change 91-01
Population (1)	10,668,214	10,668,214	10,668,214	10,668,214	10,668,214	10,968,179	10,968,179	2.8%	2.8%
Amounts below in millions of dollars									
<b>TAXABLE VALUATION OF REAL PROPERTY:</b>									
Assessed Value	\$140,841.6	\$199,817.7	\$224,532.8	\$231,687.0	\$242,508.3	\$244,464.3	\$255,296.8	27.8%	81.3%
Full Value	468,173.5	533,941.6	536,040.3	548,370.3	554,870.1	594,307.2	635,075.6	18.9%	35.6%
<b>INDEBTEDNESS DATA:</b>									
<b>Debt Issued:</b>									
Bonds	\$761.9	\$1,220.0	\$1,139.5	\$968.1	\$1,105.7	\$534.6	\$501.6	-58.9%	-34.2%
Notes (2)	1,511.9	1,460.7	1,038.7	1,242.6	1,423.6	819.0	1,038.2	-28.9%	-31.3%
<b>Outstanding Debt:</b>									
Bonds	\$4,733.8	\$5,995.7	\$6,329.6	\$6,397.6	\$6,735.8	\$6,219.5	\$5,816.0	-3.0%	22.9%
Notes (2)	1,289.6	1,073.7	864.9	865.5	1,040.0	878.0	964.5	-10.2%	-25.2%
<b>TOTAL OUTSTANDING DEBT</b>	<b>\$6,023.4</b>	<b>\$7,069.4</b>	<b>\$7,194.5</b>	<b>\$7,263.0</b>	<b>\$7,775.8</b>	<b>\$7,097.4</b>	<b>\$6,780.5</b>	<b>-4.1%</b>	<b>12.6%</b>
<b>REVENUES:</b>									
Real Property Taxes and Assessments	\$2,822.6	\$3,506.1	\$3,332.4	\$3,377.3	\$3,299.0	\$3,336.6	\$3,332.4	-5.0%	18.1%
Non-Property Taxes	2,175.3	3,162.4	3,112.2	3,196.8	3,438.1	3,658.3	3,713.7	17.4%	70.7%
State Aid	1,787.4	2,076.5	1,963.9	2,070.5	2,164.2	2,286.8	2,454.4	18.2%	37.3%
Federal Aid	1,261.4	1,564.1	1,613.6	1,607.7	1,594.4	1,675.4	1,860.8	19.0%	47.5%
Other Revenues (3)	2,541.8	3,428.8	3,562.8	3,232.3	3,926.4	4,086.3	3,676.7	7.2%	44.6%
<b>TOTAL REVENUES</b>	<b>\$10,588.5</b>	<b>\$13,737.8</b>	<b>\$13,584.9</b>	<b>\$13,484.7</b>	<b>\$14,422.0</b>	<b>\$15,043.4</b>	<b>\$15,038.0</b>	<b>9.5%</b>	<b>42.0%</b>
<b>EXPENDITURES:</b>									
Current Operations (3)	\$10,047.9	\$13,056.3	\$12,561.1	\$12,474.6	\$13,033.9	\$13,308.5	\$14,174.6	8.6%	41.1%
Equipment and Capital Outlay	1,090.9	859.4	860.8	939.2	1,114.4	939.5	1,232.5	43.4%	13.0%
<b>Debt Service:</b>									
Principal	386.3	611.9	583.5	639.5	741.2	826.5	782.3	27.8%	102.5%
Interest	366.9	392.6	368.9	368.4	368.9	361.1	366.7	-6.6%	-0.1%
<b>TOTAL EXPENDITURES</b>	<b>\$11,892.0</b>	<b>\$14,920.2</b>	<b>\$14,374.3</b>	<b>\$14,421.8</b>	<b>\$15,258.4</b>	<b>\$15,435.7</b>	<b>\$16,556.0</b>	<b>11.0%</b>	<b>39.2%</b>

- (1) 1990 Federal Census population figures are used for 1991 through 1999. 2000 Federal Census population figures are used starting in 2000.
- (2) Includes the following types of notes: bond anticipation, capital, revenue anticipation, tax anticipation, budget, etc.
- (3) Effective September 29, 1999, the County of Nassau transferred ownership of County health facilities to the Nassau Health Care Corporation (NHCC). Therefore, related revenues and expenditures of health facilities previously owned and operated by Nassau County do not reflect a full year's operation in 1999 and are not reflected in 2000. For comparison purposes, Nassau County health facilities reported the following in 1998, 1999, 2000: Other revenues was \$420.4 million in 1998, \$334.2 million in 1999, \$0 in 2000. Current Operations was \$439.0 million in 1998, \$337.9 in 1999, and \$0 in 2000. Starting in 1999, Other Revenues increased significantly due to tobacco settlement payments, both current year and securitized. For instance, in 1999, Nassau County and Westchester County securitized \$170 million and \$89.4 million respectively of tobacco settlement monies, for a total of \$259.4 million. In the year 2000, it is estimated that counties securitized approximately \$650 million in tobacco settlement monies and in 2001 it is estimated this amount was approximately \$232 million. In 1999, Nassau County also received other revenues of \$82 million through an agreement in which they transferred County health facilities to the NHCC and \$70 million from the Metropolitan Transportation Authority pursuant to a mass transportation agreement.
- (4) The County of Nassau has changed its fiscal year to end December 31. For this reason, financial data of the County included in this table in 1996 is for a fifteen month interim fiscal year, October 1, 1995 - December 31, 1996.
- (5) The County of Nassau now has a twelve month calendar fiscal year; in 1996 the County had a fifteen month interim period and in 1995 it had a nine month interim period.
- (6) Starting in 1998, this table no longer reflects the financial transactions of the Westchester County Medical Center (WCMC) and the Ruth Taylor Institute (RTI) whose operations have been transferred to the Westchester County Health Care Corporation. For basis of comparison, in 1997 WCMC and RTI finances are summarized as follows: Other Revenues and Total Revenues - \$364.6 million, Current Operations - \$400.5 million, Interest - \$3.0 million, Total Expenditures \$403.5 million.
- (7) Fiscal year 2000 and 2001 data of the County of Schuyler is not available, as the County did not file a 2000 or 2001 annual financial report. For comparison purposes, in 1999 Schuyler County reported \$2.7 million in total outstanding debt, \$19.7 million in total revenues, and \$19.6 million in total expenditures.
- Note: This table includes some revenues and expenditures of county self insurance funds such as Workers' Compensation and Self Insurance which may represent a non-county participant share. Detail may not add due to rounding.

# Chart

## 1—4 Counties

**County Revenues -  
Percent Change  
1991 - 2001  
by Source of Revenue**



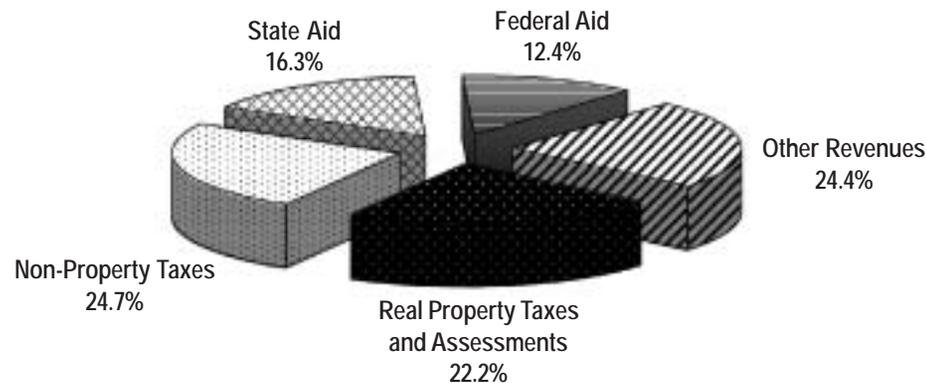
### County Revenues

County revenue streams are nearly equally divided between property taxes, non-property taxes, aid from other governments, and miscellaneous sources.

Non-property taxes have grown most rapidly since 1991. Sales tax revenue accounts for over 93 percent of all non-property tax revenue and it grew rapidly during the period shown in this chart, although collections have dropped off since 2001.

Counties will face increased fiscal challenges in the coming years. Limited growth in sales tax collections combined with slowdowns in state and federal aid and pressures to maintain low property tax rates are some of these challenges.

**Composition of  
County Revenues -  
2001**



# Table

## 1-5

### SUMMARY OF FINANCES FOR CITIES (Excluding New York City) Fiscal Years Ended in 1991 and 1996 - 2001

	1991	1996	1997	1998	1999	2000	2001	Percent Change 96-01	Percent Change 91-01
Population (1)	2,378,395	2,378,395	2,378,395	2,378,395	2,378,395	2,265,897	2,265,897	-4.7%	-4.7%
Amounts below in millions of dollars									
<b>TAXABLE VALUATION OF REAL PROPERTY:</b>									
Assessed Value	\$23,769.4	\$31,501.4	\$36,255.9	\$36,425.6	\$39,168.3	\$39,878.9	\$39,845.2	26.5%	67.6%
Full Value	60,883.7	71,043.7	70,872.0	68,691.1	67,784.8	69,147.7	71,418.1	0.5%	17.3%
<b>INDEBTEDNESS DATA (2):</b>									
<b>Debt Issued:</b>									
Bonds	\$261.8	\$322.5	\$223.3	\$403.9	\$424.6	\$321.5	\$392.1	21.6%	49.8%
Notes (3)	387.3	176.2	248.2	266.2	269.1	268.4	245.3	39.2%	-36.7%
<b>Outstanding Debt:</b>									
Bonds	\$1,320.4	\$2,077.7	\$2,106.2	\$2,145.6	\$2,294.1	\$2,379.2	\$2,512.4	20.9%	90.3%
Notes (3)	435.9	453.8	456.9	498.0	461.8	419.7	394.5	-13.1%	-9.5%
<b>TOTAL OUTSTANDING DEBT</b>	<b>\$1,756.3</b>	<b>\$2,531.5</b>	<b>\$2,563.1</b>	<b>\$2,643.6</b>	<b>\$2,755.9</b>	<b>\$2,798.8</b>	<b>\$2,906.9</b>	<b>14.8%</b>	<b>65.5%</b>
<b>REVENUES:</b>									
Real Property Taxes and Assessments	\$581.4	\$723.5	\$752.9	\$741.5	\$741.5	\$767.6	\$778.7	7.6%	33.9%
Non-Property Taxes	458.8	554.6	570.9	575.1	594.4	620.5	636.1	14.7%	38.6%
State Aid	324.9	364.6	374.4	452.6	516.2	492.1	542.8	48.9%	67.1%
Federal Aid	192.5	163.7	184.8	186.6	173.4	181.1	206.0	25.8%	7.0%
Other Revenues	740.2	786.9	781.5	816.0	834.0	849.7	872.3	10.9%	17.8%
<b>TOTAL REVENUES</b>	<b>\$2,297.9</b>	<b>\$2,593.3</b>	<b>\$2,664.6</b>	<b>\$2,771.8</b>	<b>\$2,859.5</b>	<b>\$2,911.0</b>	<b>\$3,035.9</b>	<b>17.1%</b>	<b>32.1%</b>
<b>EXPENDITURES:</b>									
Current Operations	\$1,991.3	\$2,158.3	\$2,238.9	\$2,271.9	\$2,360.3	\$2,442.2	\$2,564.1	18.8%	28.8%
Equipment and Capital Outlay	341.6	357.1	311.3	339.1	357.3	393.8	415.5	16.4%	21.6%
<b>Debt Service:</b>									
Principal	119.7	155.9	152.2	158.7	168.3	159.8	175.0	12.3%	46.2%
Interest	102.0	120.2	114.7	116.4	114.5	117.1	121.3	0.9%	18.9%
<b>TOTAL EXPENDITURES</b>	<b>\$2,554.6</b>	<b>\$2,791.6</b>	<b>\$2,817.1</b>	<b>\$2,886.0</b>	<b>\$3,000.3</b>	<b>\$3,112.8</b>	<b>\$3,275.9</b>	<b>17.3%</b>	<b>28.2%</b>

(1) 1990 Federal Census population figures are used for 1991 through 1999. 2000 Federal Census population figures are used starting in 2000.

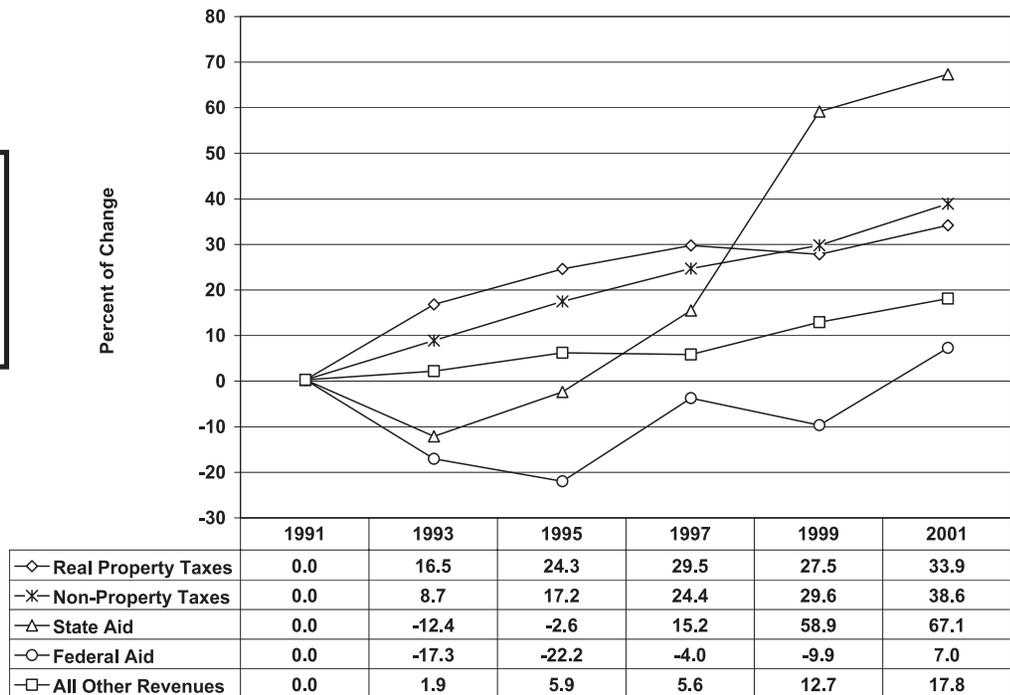
(2) Includes indebtedness data for the dependent school districts of Buffalo, Rochester, Syracuse and Yonkers.

(3) Includes the following types of notes: bond anticipation, capital, revenue anticipation, tax anticipation, budget, etc.

Note: Detail may not add due to rounding.

# Chart 1-5

**City Revenues -  
Percent Change  
1991 - 2001  
by Source of Revenue  
(excluding NYC)**



## City Revenues

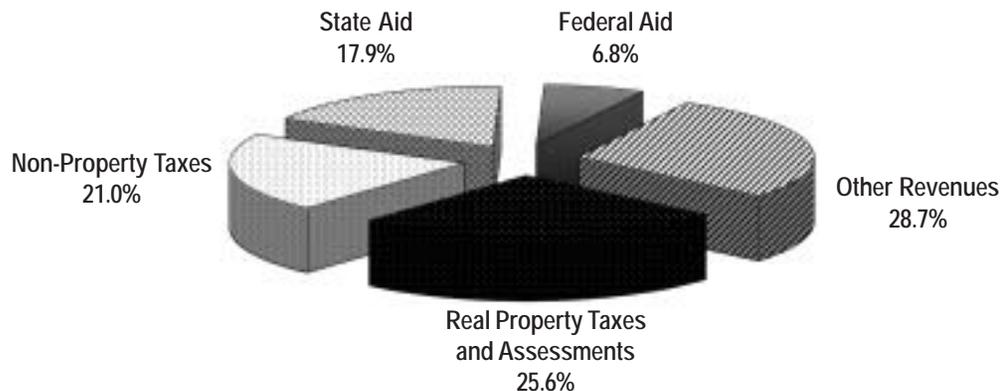
*Like counties, the portions of City revenues coming from property taxes, non-property taxes, outside aid and miscellaneous sources are nearly equal.*

*Cities are especially vulnerable to a deterioration of the real property tax base, due to residential migration to the suburbs and an aging infrastructure.*

*Of the five general sources of revenues, only state aid has shown a substantial rate of growth in the years between 1991 and 2001. Federal aid to cities has increased the least of any category during this period.*

*In the 2003-2004 State fiscal year, New York State's 61 cities (excluding New York City) received over \$480 million from unrestricted state aid programs.*

**Composition of  
City Revenues -  
2001**



**SUMMARY OF FINANCES FOR NEW YORK CITY**  
**Fiscal Years Ended in 1991 and 1996 - 2001**  
**(Includes School District and Higher Education)**

Table  
1-6

	1991	1996	1997	1998	1999	2000	2001	Percent Change 96-01	Percent Change 91-01
Population (1)	7,322,564	7,322,564	7,322,564	7,322,564	7,322,564	8,008,278	8,008,278	9.4%	9.4%
Amounts below in millions of dollars									
<b>TAXABLE VALUATION OF REAL PROPERTY:</b>									
Assessed Value (Municipal Purposes)	\$76,333.6	\$75,851.6	\$75,495.0	\$76,020.7	\$77,989.8	\$80,629.4	\$84,060.4	10.8%	10.1%
Assessed Value (School Purposes)	76,528.4	76,029.4	75,668.5	76,188.4	78,239.3	80,885.3	84,319.7	10.9%	10.2%
Full Value (Municipal Purposes)	274,383.9	277,336.8	280,650.6	278,464.3	284,426.8	304,721.9	328,489.4	18.4%	19.7%
<b>INDEBTEDNESS DATA (2):</b>									
<b>Debt Issued:</b>									
Bonds (3)	\$3,892.9	\$5,360.5	\$6,830.6	\$5,509.0	\$3,084.7	\$666.4	\$2,378.6	-55.6%	-38.9%
Notes (4)	3,650.0	2,400.0	2,400.0	1,075.0	500.0	750.0	750.0	-68.8%	-79.5%
<b>Outstanding Debt:</b>									
Bonds	\$16,812.5	\$26,179.2	\$27,148.2	\$26,879.0	\$27,441.1	\$26,892.1	\$26,835.8	2.5%	59.6%
Notes	—	—	—	—	—	—	—	—	—
<b>TOTAL OUTSTANDING DEBT</b>	<b>\$16,812.5</b>	<b>\$26,179.2</b>	<b>\$27,148.2</b>	<b>\$26,879.0</b>	<b>\$27,441.1</b>	<b>\$26,892.1</b>	<b>\$26,835.8</b>	<b>2.5%</b>	<b>59.6%</b>
<b>REVENUES:</b>									
Real Property Taxes and Assessments	\$7,407.8	\$7,288.6	\$7,514.9	\$7,450.6	\$7,824.5	\$8,036.8	\$8,426.4	15.6%	13.8%
Non-Property Taxes	8,256.6	10,564.3	11,453.5	12,598.0	13,050.0	13,922.2	14,751.5	39.6%	78.7%
State Aid	6,419.3	7,180.4	7,424.0	7,648.7	8,148.2	8,539.5	9,137.0	27.2%	42.3%
Federal Aid	3,358.1	(a) 5,414.4	5,483.3	5,676.1	5,736.2	5,887.4	6,627.1	22.4%	97.3%
Other Revenues	7,753.0	7,753.0	11,639.0	11,716.8	11,284.9	11,865.8	13,427.6	15.4%	73.2%
<b>TOTAL REVENUES (5)</b>	<b>\$33,194.8</b>	<b>\$42,086.7</b>	<b>\$43,592.5</b>	<b>\$44,658.3</b>	<b>\$45,901.6</b>	<b>\$48,251.7</b>	<b>\$52,369.6</b>	<b>24.4%</b>	<b>57.8%</b>
<b>EXPENDITURES:</b>									
Current Operations	\$29,765.4	\$37,591.8	\$37,556.6	\$39,429.4	\$40,082.3	\$42,168.5	\$46,285.6	23.1%	55.5%
Capital Outlay (6)	4,232.9	3,795.6	3,858.6	4,151.4	4,840.5	4,842.6	5,318.6	40.1%	25.6%
<b>Debt Service:</b>									
Principal	843.6	1,293.7	1,358.2	1,337.7	1,331.0	1,561.0	1,777.0	37.4%	110.6%
Interest	2,099.8	2,493.8	2,600.5	2,571.2	2,583.5	2,716.5	2,913.0	16.8%	38.7%
<b>TOTAL EXPENDITURES</b>	<b>\$36,941.7</b>	<b>\$45,174.9</b>	<b>\$45,373.9</b>	<b>\$47,489.7</b>	<b>\$48,837.4</b>	<b>\$51,288.6</b>	<b>\$56,294.3</b>	<b>24.6%</b>	<b>52.4%</b>

Note: Beginning with data published in 1992, the following enterprise funds are now included: Health and Hospitals Corporation, Off-Track Betting Corporation, Housing and Economic Development Funds and Water and Sewer System. Starting in 1994, these aforementioned enterprise funds are now presented in the City of New York Comprehensive Annual Financial Report (CAFR) of the Comptroller as discretely presented component units. For purposes of providing comparable data, we continue to include these discretely presented component units in this Table. The NYC Housing Authority which was not previously included in this Table, is now considered a discretely presented component unit, and is included starting in 1994. Financial data reflects payments made between the City governmental funds and these aforementioned activities. In addition, Table No. 1-6 has been revised to now include Board of Education (School District) and City University of New York (Higher Education) financial data as reported in the City of New York CAFR and not from the New York City Board of Education financial report which is used to compile information for Table 1-11. Also, certain trend data has been updated for some categories in order to present data in a manner consistent with other units of government in the State. For the reasons stated above, statistics reflected on this table may not be comparable with data published prior to 1992. Detail may not add due to rounding.

(1) 1990 Federal Census Population figures are used for 1990 through 1999. 2000 Federal Census Population figures are used starting in 2000.

(2) Excludes indebtedness data of the Municipal Assistance Corporation, certain public benefit corporations that are component units of the City and/or whose debt is guaranteed by the City, the Transitional Finance Authority, the Samurai Funding Corporation and discretely presented component units (formerly enterprise funds).

(3) Includes refunding bond issues.

(4) Includes revenue and tax anticipation notes issued and redeemed in the same year.

(5) Includes the Municipal Assistance Corporation takeout of \$448,700,000 in 1991, \$132,000,000 in 1996, \$264,000,000 in 1997, \$773,000,000 in 1998, \$385,900,000 in 1999, \$450,499,800 in 2000, and \$457,899,800 in 2001.

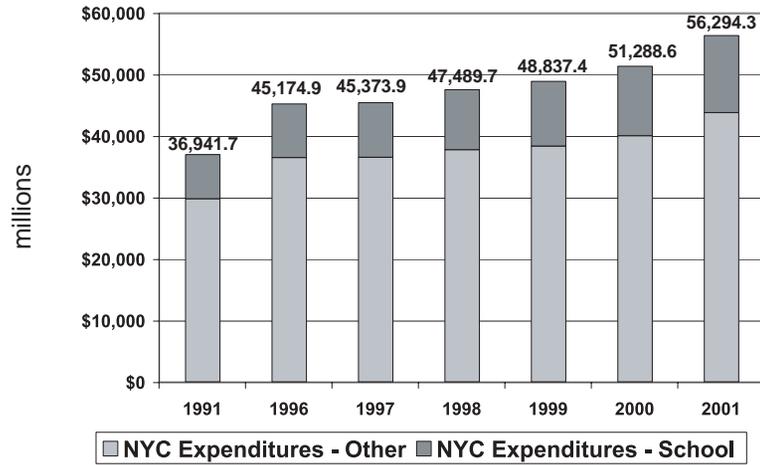
(6) Includes only direct charges to the Capital Projects Fund. Equipment is included in Current Operations.

(a) Due to a change in accounting treatment, Federal Aid now includes the Federal subsidy to the Housing Authority which amounted to \$984.9 million in 1996, \$1,002.4 million in 1997, \$1,132.5 million in 1998, \$1,171.8 million in 1999, \$1,187.8 million in 2000, and \$1,729.0 million in 2001; in prior years Federal subsidies have been categorized under Other Revenues.

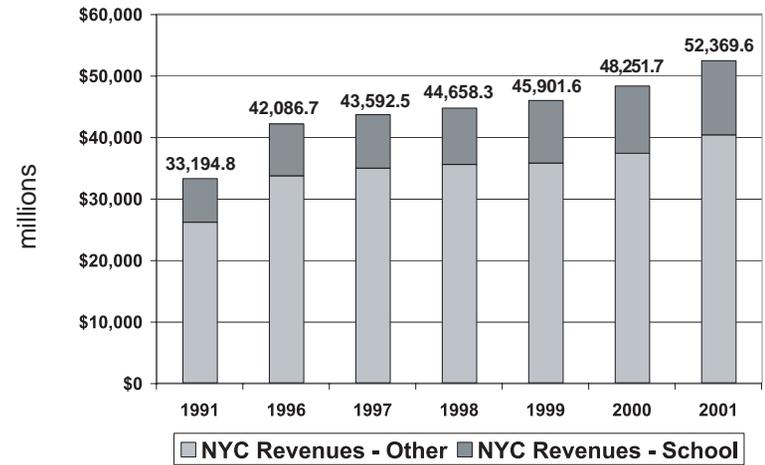
# Chart 1-6

## NEW YORK CITY AND NEW YORK CITY PUBLIC SCHOOLS Expenditures, Revenues and Outstanding Indebtedness 1991 - 2001 (Actual Dollars)

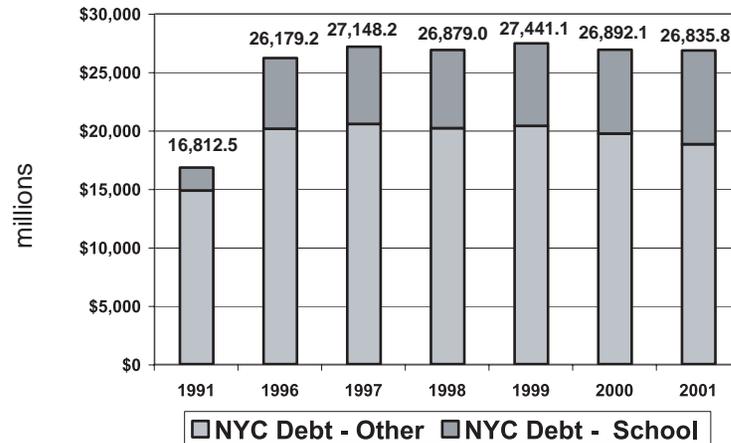
### Expenditures



### Revenues



### Outstanding Indebtedness



# Table

## 1-7

### SUMMARY OF FINANCES FOR TOWNS Fiscal Years Ended in 1991 and 1996 - 2001

	1991	1996	1997	1998	1999	2000	2001	Percent Change 96-01	Percent Change 91-01
Number of Towns	932	932	932	932	932	932	932	0.0%	0.0%
Population (1)	8,281,960	8,281,960	8,281,960	8,281,960	8,281,960	8,692,132	8,692,132	5.0%	5.0%
TAXABLE VALUATION OF REAL PROPERTY: Amounts below in millions of dollars									
Assessed Value	\$117,707.0	\$169,130.3	\$191,113.4	\$196,205.5	\$201,904.7	\$205,784.3	\$216,602.2	28.1%	84.0%
Full Value	409,539.6	464,313.8	466,823.3	481,248.5	487,930.4	526,663.5	565,231.4	21.7%	38.0%
INDEBTEDNESS DATA:									
Debt Issued:									
Bonds	\$468.9	\$305.4	\$310.6	\$492.1	\$382.3	\$262.9	\$424.6	39.0%	-9.4%
Notes (2)	290.4	313.3	246.6	243.4	254.7	254.5	345.0	10.1%	18.8%
Outstanding Debt:									
Bonds	\$2,057.1	\$2,635.0	\$2,641.3	\$2,788.1	\$2,847.0	\$2,827.2	\$2,932.9	11.3%	42.6%
Notes (2)	555.4	550.5	570.7	479.9	490.4	499.1	619.1	12.5%	11.5%
TOTAL OUTSTANDING DEBT	\$2,612.5	\$3,185.4	\$3,212.0	\$3,268.0	\$3,337.5	\$3,326.3	\$3,551.9	11.5%	36.0%
REVENUES:									
Real Property Taxes and Assessments	\$1,764.1	\$2,089.4	\$2,154.5	\$2,169.3	\$2,224.4	\$2,249.2	\$2,335.0	11.8%	32.4%
Non-Property Taxes	252.6	363.2	382.0	392.1	424.1	476.6	488.9	34.6%	93.5%
State Aid	230.6	297.6	285.9	361.1	396.0	367.2	416.3	39.9%	80.5%
Federal Aid	95.2	176.6	153.9	143.8	131.9	141.3	149.6	-15.3%	57.1%
Other Revenues	720.6	949.1	987.4	1,041.2	1,063.6	1,122.4	1,157.1	21.9%	60.6%
TOTAL REVENUES	\$3,063.1	\$3,875.9	\$3,963.8	\$4,107.5	\$4,239.9	\$4,356.8	\$4,546.9	17.3%	48.4%
EXPENDITURES:									
Current Operations	\$2,607.4	\$3,174.7	\$3,205.4	\$3,264.8	\$3,394.2	\$3,508.1	\$3,718.2	17.1%	42.6%
Equipment and Capital Outlay	530.6	621.5	662.7	592.3	671.8	667.8	797.6	28.3%	50.3%
Debt Service:									
Principal	266.8	294.5	298.8	307.1	329.1	321.2	331.3	12.5%	24.2%
Interest	155.9	162.8	159.7	162.5	152.8	155.0	156.9	-3.6%	0.6%
TOTAL EXPENDITURES	\$3,560.7	\$4,253.5	\$4,326.6	\$4,326.7	\$4,548.0	\$4,652.1	\$5,004.1	17.6%	40.5%

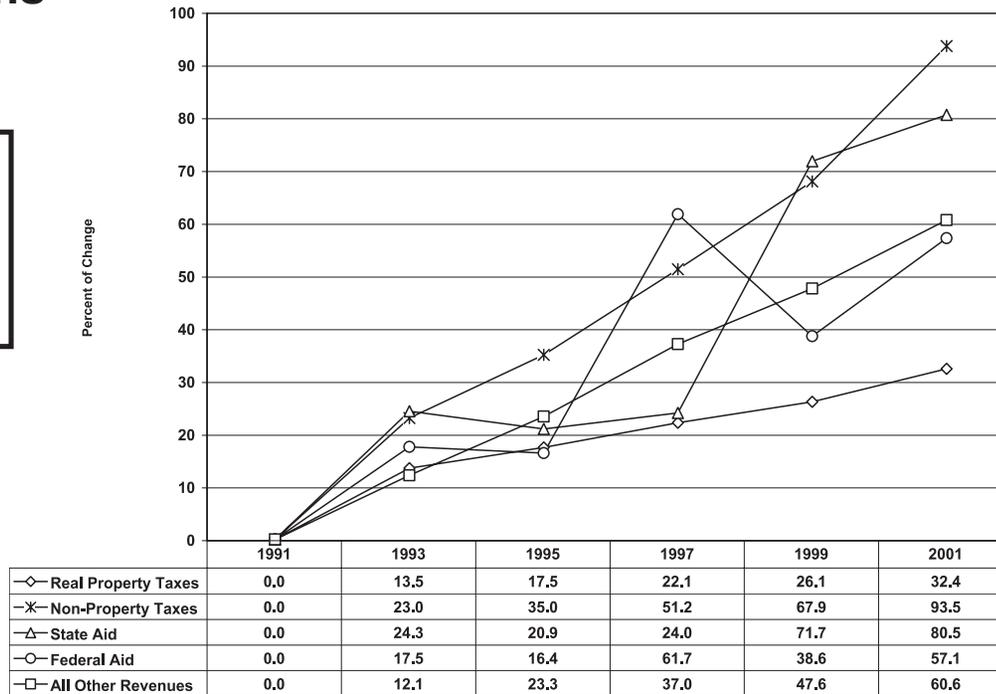
(1) 1990 Federal Census population figures are used for 1991 through 1999. 2000 Federal Census population figures are used starting in 2000.

(2) Includes the following types of notes: bond anticipation, capital, revenue anticipation, tax anticipation, budget, etc.

Note: Detail may not add due to rounding.

# Chart 1-7 Towns

**Town Revenues - Percent Change 1991 - 2001 by Source of Revenue**



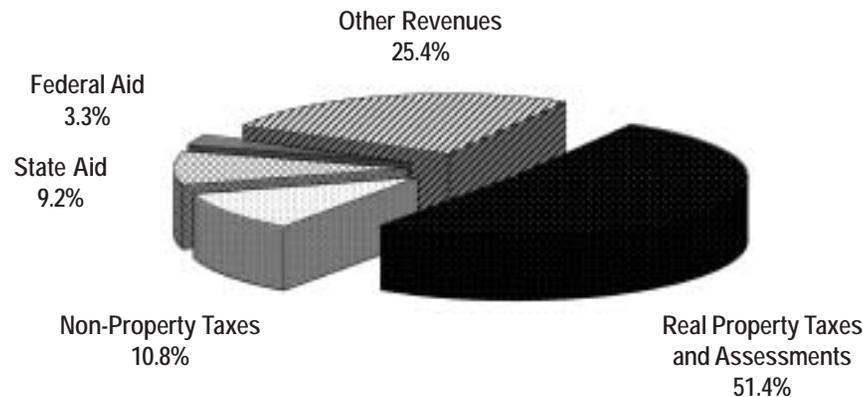
## Town Revenues

Over 8.6 million New Yorkers live in the State's 932 towns. Overall, town population has grown by five percent between 1991 and 2001. In the same period, 84 percent of towns experienced increases in full valuation of real property. Since towns rely on real property taxes and assessments for slightly more than half of their revenues, these population and financial trends bode well for this class of government.

Towns are also the only class of local government not subject to a Constitutional tax limit.

Non-property taxes have increased rapidly since 1991, but less than 11 percent of total revenues come from this source. Of this, approximately 85 percent are generated by sales taxes.

**Composition of Town Revenues - 2001**



# Table

## 1-8

### SUMMARY OF FINANCES FOR VILLAGES Fiscal Years Ended in 1991 and 1996 - 2001

	1991	1996	1997	1998	1999	2000	2001	Percent Change 96-01	Percent Change 91-01
Number of Villages	558	554	553	554	554	554	554	0.0%	-0.7%
Population (1)	1,839,544	1,833,781	1,833,314	1,834,159	1,834,159	1,871,947	1,871,947	2.1%	1.8%
TAXABLE VALUATION OF REAL PROPERTY: Amounts below in millions of dollars									
Assessed Value	\$18,595.7	\$24,753.4	\$25,533.7	\$27,218.0	\$27,559.8	\$29,464.8	\$29,857.1	20.6%	60.6%
Full Value	88,745.0	105,343.1	106,232.6	108,229.5	111,642.8	114,039.0	126,288.4	19.9%	42.3%
INDEBTEDNESS DATA:									
Debt Issued:									
Bonds	\$76.5	\$88.9	\$91.7	\$146.9	\$184.9	\$106.8	\$155.6	75.0%	103.4%
Notes (2)	89.0	111.6	126.8	122.9	132.8	128.1	129.0	15.6%	44.9%
Outstanding Debt:									
Bonds	\$465.9	\$692.8	\$713.1	\$775.7	\$877.2	\$910.4	\$958.9	38.4%	105.8%
Notes (2)	211.8	210.5	250.2	252.7	233.2	254.0	268.2	27.4%	26.6%
TOTAL OUTSTANDING DEBT	\$677.7	\$903.3	\$963.3	\$1,028.4	\$1,110.4	\$1,164.4	\$1,227.1	35.8%	81.1%
REVENUES:									
Real Property Taxes and Assessments	\$545.3	\$676.0	\$696.8	\$711.2	\$727.1	\$749.9	\$761.4	12.6%	39.6%
Non-Property Taxes	74.9	106.1	110.7	113.5	117.0	125.6	132.9	25.3%	77.4%
State Aid	70.6	66.3	62.7	72.1	103.4	98.1	94.3	42.2%	33.6%
Federal Aid	40.0	57.0	59.7	58.8	68.3	82.2	69.4	21.8%	73.5%
Other Revenues	439.4	528.5	537.9	570.3	603.9	637.2	657.3	24.4%	49.6%
TOTAL REVENUES	\$1,170.3	\$1,433.9	\$1,467.8	\$1,525.9	\$1,619.7	\$1,693.2	\$1,715.3	19.6%	46.6%
EXPENDITURES:									
Current Operations	\$968.5	\$1,188.0	\$1,207.6	\$1,233.5	\$1,282.9	\$1,338.9	\$1,392.9	17.2%	43.8%
Equipment and Capital Outlay	187.6	213.6	210.7	248.0	276.4	322.3	310.7	45.5%	65.6%
Debt Service:									
Principal	61.6	78.0	83.5	87.8	93.2	97.0	103.8	33.1%	68.5%
Interest	43.0	47.8	46.9	46.6	48.9	50.3	51.4	7.5%	19.5%
TOTAL EXPENDITURES	\$1,260.7	\$1,527.4	\$1,548.7	\$1,615.9	\$1,701.5	\$1,808.5	\$1,858.8	21.7%	47.4%

(1) 1990 Federal Census population figures are used for 1991 through 1999. 2000 Federal Census population figures are used starting in 2000.

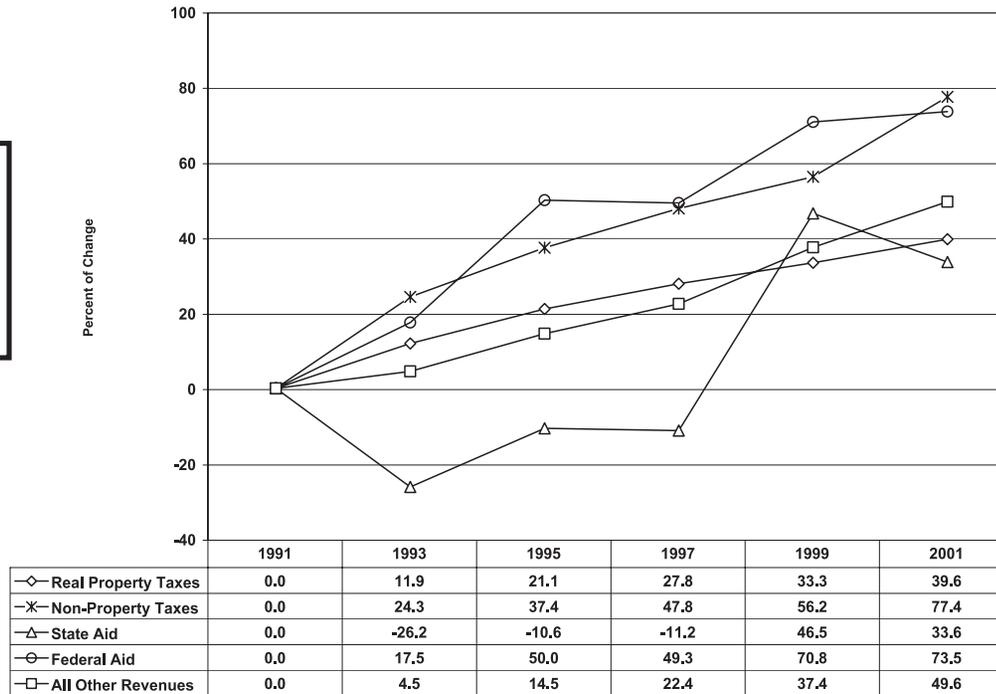
(2) Includes the following types of notes: bond anticipation, capital, revenue anticipation, tax anticipation, budget, etc.

Note: Detail may not add due to rounding.

# Chart

## 1—8 Villages

**Village Revenues - Percent Change 1991 - 2001 by Source of Revenue**



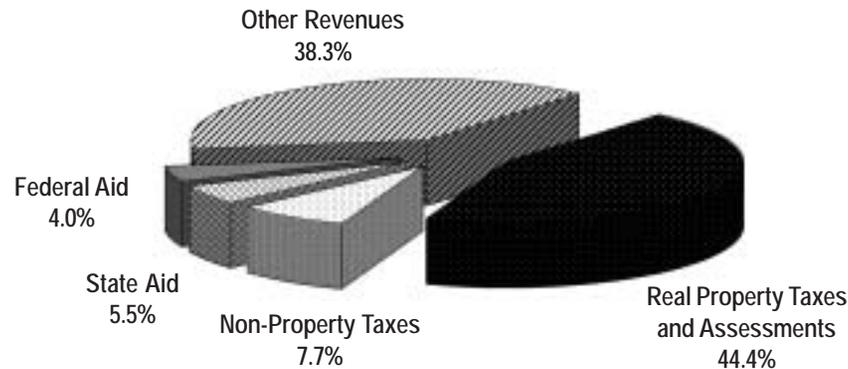
### Village Revenues

All villages in New York State are within the boundaries of one or more towns. The 554 villages vary widely in population, from West Hampton Dunes with a population of 11, to Hempstead with its population of over 56,000. Almost 58 percent of villages saw a decrease in population since 1991.

Village revenues totalled over \$1.7 billion in 2001. After real property taxes, villages rely on sales tax as a major revenue source. In 2001, the amount of sales tax revenue exceeded the amount of state aid received by this class of government.

Villages also rely on revenues from myriad other sources, including departmental income, interest on investments, revenues from other governments, licenses, permits, rentals, sales, fines and forfeits, and recoveries and refunds. This "all other revenues" category yields over one-third of village funds.

**Composition of Village Revenues - 2001**



# Table

## 1-9

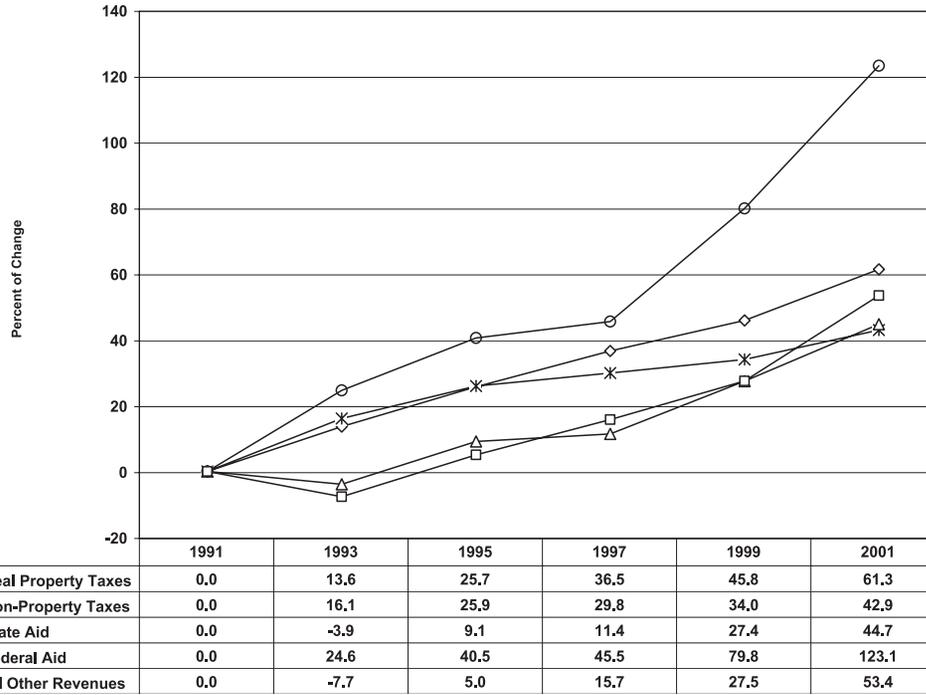
### SUMMARY OF FINANCES FOR SCHOOL DISTRICTS (Excluding New York City) Fiscal Years Ended in 1991 and 1996 - 2001

	1991	1996	1997	1998	1999	2000	2001	Percent Change 96-01	Percent Change 91-01
Number of Districts	718	709	706	705	705	704	703	-0.8%	-2.1%
Fall Enrollment	1,615,348	1,723,680	1,740,302	1,751,093	1,764,484	1,774,130	1,774,954	3.0%	9.9%
Amounts below in millions of dollars									
<b>TAXABLE VALUATION OF REAL PROPERTY:</b>									
Assessed Value	\$144,908.9	\$204,542.8	\$230,516.3	\$238,108.5	\$246,927.2	\$251,490.1	\$262,440.9	28.3%	81.1%
Full Value	477,300.3	549,672.2	553,700.4	560,857.6	571,807.5	606,180.4	647,144.4	17.7%	35.6%
<b>INDEBTEDNESS DATA:</b>									
<b>Debt Issued:</b>									
Bonds	\$617.3	\$655.8	\$1,216.8	\$1,176.3	\$1,403.0	\$1,677.9	\$2,047.2	212.2%	231.6%
Notes (1)	3,157.2	2,164.3	2,032.5	2,023.7	2,151.2	2,870.0	2,816.8	30.1%	-10.8%
<b>Outstanding Debt:</b>									
Bonds	\$2,628.8	\$3,849.2	\$4,607.7	\$5,232.3	\$5,989.5	\$7,028.4	\$8,306.2	115.8%	216.0%
Notes (1)	1,473.1	1,347.0	1,126.7	1,154.9	1,253.5	2,003.4	2,046.5	51.9%	38.9%
<b>TOTAL OUTSTANDING DEBT</b>	<b>\$4,101.9</b>	<b>\$5,196.2</b>	<b>\$5,734.4</b>	<b>\$6,387.2</b>	<b>\$7,243.0</b>	<b>\$9,031.9</b>	<b>\$10,352.8</b>	<b>99.2%</b>	<b>152.4%</b>
<b>REVENUES:</b>									
Real Property Taxes (2)	\$7,131.6	\$9,351.1	\$9,735.8	\$10,048.6	\$10,399.1	\$10,879.5	\$11,503.0	23.0%	61.3%
Non-Property Taxes	168.0	212.5	218.1	223.2	225.1	232.9	240.1	13.0%	42.9%
State Aid	6,036.6	6,660.4	6,723.5	7,072.6	7,690.2	8,111.9	8,732.9	31.1%	44.7%
Federal Aid	430.8	628.9	626.7	695.9	774.6	861.3	961.2	52.8%	123.1%
Other Revenues	810.0	907.5	937.3	979.0	1,032.4	1,148.8	1,242.3	36.9%	53.4%
<b>TOTAL REVENUES</b>	<b>\$14,577.0</b>	<b>\$17,760.4</b>	<b>\$18,241.5</b>	<b>\$19,019.2</b>	<b>\$20,121.4</b>	<b>\$21,234.5</b>	<b>\$22,679.5</b>	<b>27.7%</b>	<b>55.6%</b>
<b>EXPENDITURES:</b>									
Current Operations	\$13,480.6	\$16,576.4	\$17,022.2	\$17,633.7	\$18,530.0	\$19,657.2	\$20,841.6	25.7%	54.6%
Equipment and Capital Outlay	1,109.1	1,046.0	1,339.5	1,546.7	1,645.8	1,773.7	2,543.8	143.2%	129.4%
<b>Debt Service:</b>									
Principal	398.4	551.2	518.6	561.1	649.4	718.2	848.5	53.9%	113.0%
Interest	291.9	299.8	320.2	362.6	389.8	420.0	539.5	80.0%	84.8%
<b>TOTAL EXPENDITURES</b>	<b>\$15,280.0</b>	<b>\$18,473.4</b>	<b>\$19,200.4</b>	<b>\$20,104.1</b>	<b>\$21,215.0</b>	<b>\$22,569.0</b>	<b>\$24,773.4</b>	<b>34.1%</b>	<b>62.1%</b>
(1) Includes the following types of notes: bond anticipation, capital, tax anticipation, revenue anticipation, budget, etc.									
(2) Real Property Taxes includes revenues from the School Tax Relief (STAR) program of \$464.1 million in 1999, \$931.7 million in 2000, and \$1,376.7 million in 2001.									
Note: Detail may not add due to rounding.									

# Chart

## 1—9 School Districts (excluding NYC)

**School District Revenues - Percent Change 1991 - 2001 by Source of Revenue**



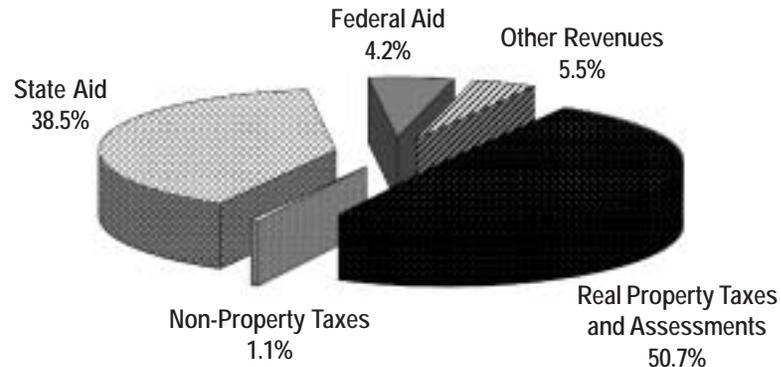
### School District Revenues

Although funding differs for city and non-city school districts, all of New York State's 703 school districts are largely dependent on two revenue sources: real property taxes and state aid.

Although Federal Aid to School Districts had the greatest percentage increase from 1991 to 2001, this source of funds yields a relatively small amount of revenue.

State aid formulas and allocations, as well as the need for approval of budgets by voters, makes multi-year projections difficult.

**Composition of School District Revenues - 2001**



# Table

## 1-10

### SUMMARY OF FINANCES FOR SCHOOL DISTRICTS (Including New York City) Fiscal Years Ended in 1991 and 1996 - 2001

	1991	1996	1997	1998	1999	2000	2001	Percent Change 96-01	Percent Change 91-01
Number of Districts	719	710	707	706	706	705	704	-0.8%	-2.1%
Fall Enrollment	2,547,258	2,756,467	2,790,175	2,808,584	2,822,720	2,830,838	2,823,646	2.4%	10.9%
Amounts below in millions of dollars									
<b>TAXABLE VALUATION OF REAL PROPERTY:</b>									
Assessed Value	\$221,437.3	\$280,572.2	\$306,184.8	\$314,296.9	\$325,166.5	\$332,375.4	\$346,760.6	23.6%	56.6%
Full Value	752,384.6	827,659.2	834,995.8	839,936.0	857,144.2	911,869.3	976,647.1	18.0%	29.8%
<b>INDEBTEDNESS DATA:</b>									
<b>Debt Issued:</b>									
Bonds (1)	\$1,304.0	\$1,879.6	\$2,695.4	\$2,544.5	\$2,117.2	\$1,861.6	\$2,976.1	58.3%	128.2%
Notes	3,157.2	2,164.3	2,032.5	2,023.7	2,152.1	2,871.7	2,818.2	30.2%	-10.7%
<b>Outstanding Debt:</b>									
Bonds	\$4,593.0	\$9,903.1	\$11,217.7	\$11,932.8	\$13,051.2	\$14,205.7	\$16,335.9	65.0%	255.7%
Notes	1,473.1	1,347.0	1,126.7	1,154.9	1,253.5	2,003.4	2,046.5	51.9%	38.9%
<b>TOTAL OUTSTANDING DEBT</b>	<b>\$6,066.1</b>	<b>\$11,250.1</b>	<b>\$12,344.4</b>	<b>\$13,087.7</b>	<b>\$14,304.7</b>	<b>\$16,209.2</b>	<b>\$18,382.5</b>	<b>63.4%</b>	<b>203.0%</b>
<b>REVENUES:</b>									
Real Property Taxes (2)	\$10,512.5	\$13,169.9	\$13,542.6	\$14,307.6	\$14,868.5	\$16,073.0	\$17,038.2	29.4%	62.1%
Non-Property Taxes	168.0	212.5	218.1	223.2	225.1	232.9	240.1	13.0%	42.9%
State Aid	9,069.9	10,198.0	10,405.7	10,972.0	11,966.8	12,572.3	13,922.4	36.5%	53.5%
Federal Aid	1,044.6	1,569.3	1,506.0	1,577.7	1,848.5	1,934.8	2,009.5	28.1%	92.4%
Other Revenues	864.3	1,038.5	1,282.5	1,094.4	1,397.5	1,367.0	1,541.3	48.4%	78.3%
<b>TOTAL REVENUES</b>	<b>\$21,659.3</b>	<b>\$26,188.2</b>	<b>\$26,955.0</b>	<b>\$28,174.8</b>	<b>\$30,306.4</b>	<b>\$32,180.1</b>	<b>\$34,751.5</b>	<b>32.7%</b>	<b>60.4%</b>
<b>EXPENDITURES:</b>									
Current Operations	\$20,464.8	\$24,878.2	\$25,445.1	\$26,891.0	\$28,500.3	\$30,248.4	\$32,855.5	32.1%	60.5%
Equipment and Capital Outlay (3)	1,159.7	1,094.6	1,401.6	1,651.1	1,774.2	1,926.6	2,650.7	142.2%	128.6%
<b>Debt Service:</b>									
Principal	445.0	612.3	568.0	601.5	718.1	817.4	926.3	51.3%	108.2%
Interest	403.9	621.5	663.2	721.0	747.0	857.4	884.0	42.2%	118.9%
<b>TOTAL EXPENDITURES</b>	<b>\$22,473.4</b>	<b>\$27,206.5</b>	<b>\$28,077.8</b>	<b>\$29,864.6</b>	<b>\$31,739.7</b>	<b>\$33,849.8</b>	<b>\$37,316.5</b>	<b>37.2%</b>	<b>66.0%</b>

Note: Financial data of the New York City School District (excluding Higher Education) is obtained from New York City School District Annual Financial Reports as submitted by the New York City Board of Education (See Table No. 1-11). The source of data for the New York City School District in other summary tables (Table Nos. 1, 1-1, 1-6, 1-13 and 1-18) is the City of New York Comprehensive Annual Financial Report of the Comptroller. Detail may not add due to rounding.

(1) Bonds Issued - all data includes refunding bonds issued for school districts, including the New York City School District.

(2) Real Property Taxes include revenues from the School Tax Relief (STAR) program of \$495.9 million in 1999, \$991.6 million in 2000, and \$1,466.2 million in 2001.

(3) For the New York City School District, Capital Fund expenditures are excluded.

# Table 1-11

## SUMMARY OF FINANCES FOR NEW YORK CITY SCHOOL DISTRICT Fiscal Years Ended in 1991 and 1996 - 2001

	1991	1996	1997	1998	1999	2000	2001	Percent Change 96-01	Percent Change 91-01
Number of Districts	1	1	1	1	1	1	1	0.0%	0.0%
Fall Enrollment	931,910	1,032,787	1,049,873	1,057,491	1,058,236	1,056,708	1,048,692	1.5%	12.5%
Amounts below in millions of dollars									
<b>TAXABLE VALUATION OF REAL PROPERTY:</b>									
Assessed Value	\$76,528.4	\$76,029.4	\$75,668.5	\$76,188.4	\$78,239.3	\$80,885.3	\$84,319.7	10.9%	10.2%
Full Value	275,084.3	277,987.0	281,295.4	279,078.4	285,336.7	305,688.9	329,502.7	18.5%	19.8%
<b>INDEBTEDNESS DATA:</b>									
<b>Debt Issued:</b>									
Bonds (1)	\$686.7	\$1,223.8	\$1,478.6	\$1,368.2	\$714.2	\$183.7	\$928.9	-24.1%	35.3%
Notes	—	—	—	—	0.9	1.7	1.4	N/A	N/A
<b>Outstanding Debt:</b>									
Bonds	\$1,964.2	\$6,053.9	\$6,610.0	\$6,700.5	\$7,061.7	\$7,177.3	\$8,029.7	32.6%	308.8%
Notes	—	—	—	—	—	—	—	—	—
<b>TOTAL OUTSTANDING DEBT</b>	<b>\$1,964.2</b>	<b>\$6,053.9</b>	<b>\$6,610.0</b>	<b>\$6,700.5</b>	<b>\$7,061.7</b>	<b>\$7,177.3</b>	<b>\$8,029.7</b>	<b>32.6%</b>	<b>308.8%</b>
<b>REVENUES:</b>									
Real Property Taxes (2)	\$3,380.9	\$3,818.8	\$3,806.8	\$4,259.0	\$4,469.4	\$5,193.5	\$5,535.2	44.9%	63.7%
State Aid	3,033.3	3,537.6	3,682.2	3,899.4	4,276.6	4,460.4	5,189.5	46.7%	71.1%
Federal Aid	613.8	940.4	879.3	881.8	1,073.9	1,073.5	1,048.3	11.5%	70.8%
Other Revenues	54.3	131.0	345.2	115.4	365.1	218.2	299.0	128.2%	450.6%
<b>TOTAL REVENUES</b>	<b>\$7,082.3</b>	<b>\$8,427.8</b>	<b>\$8,713.5</b>	<b>\$9,155.6</b>	<b>\$10,185.0</b>	<b>\$10,945.6</b>	<b>\$12,072.0</b>	<b>43.2%</b>	<b>70.5%</b>
<b>EXPENDITURES:</b>									
Current Operations	\$6,984.2	\$8,301.8	\$8,422.9	\$9,257.3	\$9,970.3	\$10,591.2	\$12,013.9	44.7%	72.0%
Equipment and Capital Outlay (3)	50.6	48.6	62.1	104.4	128.4	152.9	106.9	120.0%	111.3%
<b>Debt Service:</b>									
Principal	46.6	61.1	49.4	40.4	68.7	99.2	77.8	27.3%	67.0%
Interest	112.0	321.7	343.0	358.4	357.2	437.4	344.5	7.1%	207.6%
<b>TOTAL EXPENDITURES</b>	<b>\$7,193.4</b>	<b>\$8,733.1</b>	<b>\$8,877.4</b>	<b>\$9,760.5</b>	<b>\$10,524.7</b>	<b>\$11,280.8</b>	<b>\$12,543.1</b>	<b>43.6%</b>	<b>74.4%</b>
<p>Note: Financial data (excluding Higher Education) is obtained from New York City School District Annual Financial Reports as submitted by the New York City Board of Education and is presented separately for comparative purposes with other school districts in the State. The source of data for the New York City School District in other summary tables (Table Nos. 1, 1-1, 1-6 and 1-18) is the City of New York Comprehensive Annual Financial Report of the Comptroller. Detail may not add due to rounding.</p> <p>(1) Bonds Issued - all data includes refunding bonds issued for the New York City School District.</p> <p>(2) Real Property Taxes includes revenues from the State Tax Relief (STAR) program of \$31.8 million in 1999, \$59.9 million in 2000, and \$89.4 million in 2001.</p> <p>(3) Expenditures for Capital Fund are not included.</p>									

# Table

## 1-12

### SUMMARY OF FINANCES FOR FIRE DISTRICTS Fiscal Years Ended in 1991 and 1996 - 2001

	1991	1996	1997	1998	1999	2000	2001(1)	Percent Change 96-01	Percent Change 91-01
Number of Fire Districts	848	860	858	859	864	866	867	0.8%	2.2%
INDEBTEDNESS DATA:									
Amounts below in millions of dollars									
Debt Issued:									
Bonds	\$18.8	\$9.5	\$19.2	\$28.7	\$23.7	\$18.4	\$33.4	251.6%	77.7%
Notes	9.9	20.9	8.6	16.7	10.5	20.9	19.0	-9.1%	91.9%
Outstanding Debt:									
Bonds	\$88.5	\$110.6	\$112.3	\$130.3	\$140.7	\$142.9	\$153.3	38.6%	73.2%
Notes	22.5	25.8	16.6	25.5	17.3	24.9	24.3	-5.8%	8.0%
TOTAL OUTSTANDING DEBT	\$111.0	\$136.4	\$128.8	\$155.8	\$158.0	\$167.9	\$177.7	30.3%	60.1%
REVENUES:									
Real Property Taxes	\$247.1	\$316.1	\$325.2	\$340.5	\$354.6	\$363.7	\$365.4	15.6%	47.9%
Other Revenues	28.5	34.2	32.2	43.3	42.3	49.0	38.7	13.2%	35.8%
TOTAL REVENUES	\$275.6	\$350.3	\$357.4	\$383.7	\$397.0	\$412.7	\$404.1	15.4%	46.6%
EXPENDITURES:									
Current Operations	\$171.0	\$224.1	\$226.2	\$229.1	\$239.0	\$250.6	\$254.0	13.3%	48.5%
Equipment and Capital Outlay	92.5	108.7	108.9	114.2	124.0	129.0	135.3	24.5%	46.3%
Debt Service:									
Principal	23.2	27.5	30.2	25.8	29.1	27.8	34.9	26.9%	50.4%
Interest	7.6	8.3	7.9	8.0	8.6	8.6	9.4	13.3%	23.7%
TOTAL EXPENDITURES	\$294.2	\$368.6	\$373.2	\$377.2	\$400.7	\$416.0	\$433.6	17.6%	47.4%

(1) The source of data in this table is fire district annual financial reports filed with the State Comptroller's office. 2001 fire district data may not be comparable with the prior year due to fewer reports being available in time for publication compared to the 2000 fiscal year. For further information, contact the State Comptroller's Division of Local Government Services and Economic Development.

Note: Detail may not add due to rounding.

# Expenditures

## by Function

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The following tables and charts break down local government expenditures by function. Explanation of specific expenditures included in each function are shown in the footnotes to the applicable table.

Functional categories include only payments for personal services and contractual expenditures. Total employee benefits for all functions are included as a separate category. Equipment and capital outlay and payments of principal on debt do not appear in these tables.

# Table

## 1-13

### EXPENDITURE TRENDS BY FUNCTION

Includes Counties, New York City (including Schools and Higher Education),  
Cities, Towns, Villages, School Districts and Fire Districts  
Fiscal Years Ended in 1991 and 1996 - 2001

	1991	1996 (1)	1997 (2)	1998	1999	2000	2001	Percent Change 96-01	Percent Change 91-01
<b>GENERAL PURPOSE:</b>	Amounts below in millions of dollars								
General Government	\$3,095.2	\$3,935.8	\$3,740.1	\$3,907.6	\$4,017.5	\$4,232.7	\$4,520.9	14.9%	46.1%
Public Safety	5,510.2	7,072.2	7,372.4	7,698.0	8,237.9	8,701.0	9,058.5	28.1%	64.4%
Health (3)	6,337.6	8,300.7	7,565.4	7,442.4	7,573.7	7,619.9	8,101.8	-2.4%	27.8%
Sanitation	1,792.7	1,979.6	1,906.8	2,049.5	2,083.1	2,227.9	2,367.3	19.6%	32.1%
Highways	1,507.1	1,653.2	1,541.5	1,511.7	1,585.6	1,688.3	1,704.0	3.1%	13.1%
Social Services	9,712.6	11,708.9	11,583.9	11,583.1	11,872.3	12,553.0	13,238.4	13.1%	36.3%
Culture and Recreation	987.3	1,135.5	989.2	1,142.1	1,193.1	1,283.4	1,514.1	33.3%	53.4%
Education	18,072.1	21,635.3	22,339.9	23,786.0	25,270.1	27,127.2	29,192.0	34.9%	61.5%
Employee Benefits (3) (4)	7,283.4	8,914.7	8,935.8	8,995.5	9,083.5	8,984.1	10,085.5	13.1%	38.5%
All Other	4,734.1	7,633.5	8,043.0	8,421.4	8,005.8	8,256.2	9,448.4	23.8%	99.6%
<b>TOTAL GENERAL PURPOSE</b>	<b>\$59,032.1</b>	<b>\$73,969.6</b>	<b>\$74,018.0</b>	<b>\$76,537.0</b>	<b>\$78,922.6</b>	<b>\$82,674.0</b>	<b>\$89,231.0</b>	<b>20.6%</b>	<b>51.2%</b>
<b>INTEREST ON DEBT</b>	<b>\$3,067.1</b>	<b>\$3,525.3</b>	<b>\$3,618.8</b>	<b>\$3,635.7</b>	<b>\$3,667.0</b>	<b>\$3,828.6</b>	<b>\$4,158.3</b>	<b>18.0%</b>	<b>35.6%</b>
<b>TOTAL GENERAL PURPOSE AND INTEREST</b>	<b>\$62,099.3</b>	<b>\$77,495.0</b>	<b>\$77,637.0</b>	<b>\$80,172.8</b>	<b>\$82,589.2</b>	<b>\$86,501.9</b>	<b>\$93,389.3</b>	<b>20.5%</b>	<b>50.4%</b>

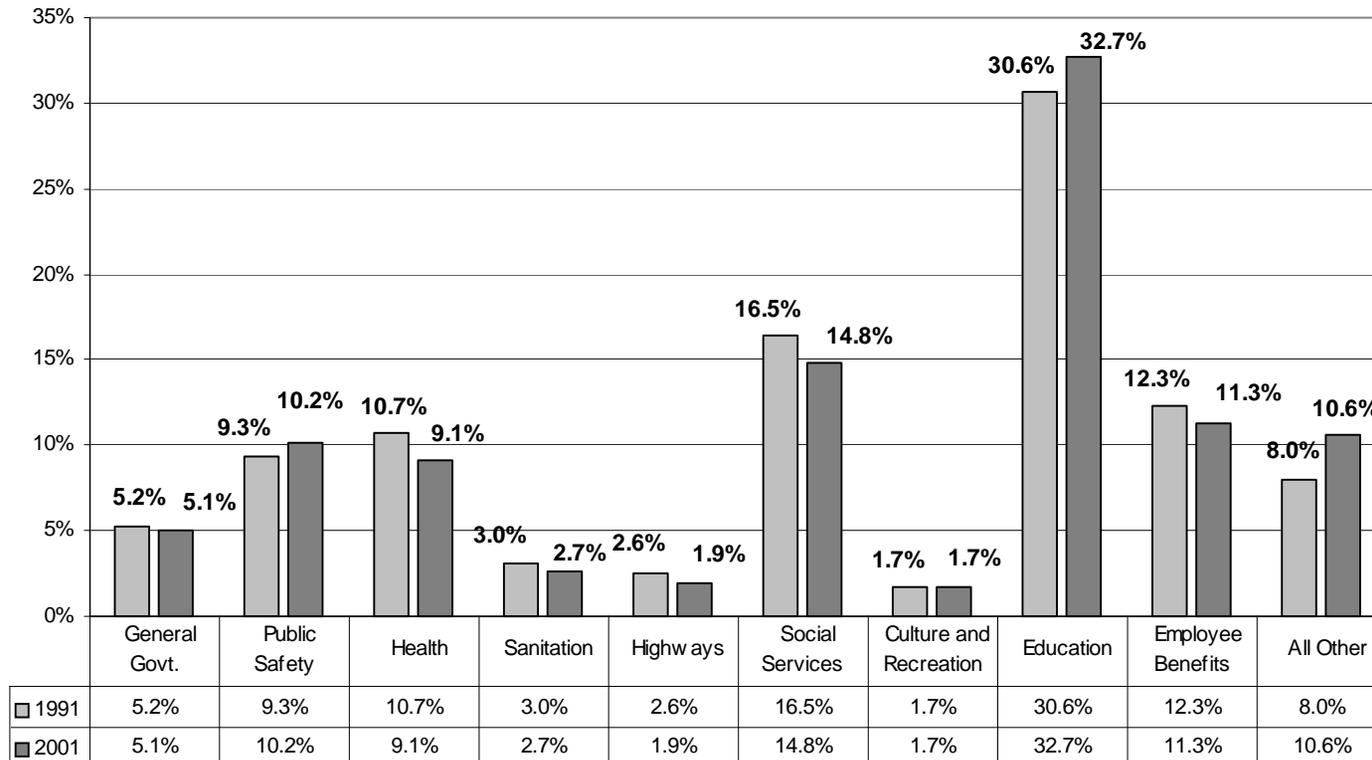
Note: This table includes New York City (Table No. 1-18) trend data which has been revised starting with the 1992 year. Because of these revisions, statistics reflected on this table may not be comparable with data published prior to 1992. Detail may not add due to rounding. Please also refer to notes on Tables No. 1-9, 1-12, 1-16, 1-17, 1-18, 1-19, and 1-20.

- (1) The County of Nassau has changed its fiscal year to end December 31. For this reason, financial data of the County included in this Table in 1996 is for a fifteen month interim fiscal year, October 1, 1995 - December 31, 1996.
- (2) The County of Nassau now has a twelve month calendar fiscal year; in 1996 the County had a fifteen month interim period and in 1995 it had a nine month interim period.
- (3) Starting in 1998, this table no longer reflects the financial transactions of the Westchester County Medical Center (WCMC) and the Ruth Taylor Institute (RTI) whose operations have been transferred to the Westchester County Health Care Corporation. For comparison purposes, in 1997 WCMC and RTI expenditures were \$345.5 million for Health and \$42.8 million for Employee Benefits. Effective September 29, 1999, the County of Nassau transferred ownership of County health facilities to the Nassau Health Care Corporation (NHCC). Therefore related revenues and expenditures of Nassau County health facilities do not reflect a full year's operation in 1999 and are not reflected in 2000. For comparison purposes Nassau County health facilities reported the following in 1998, 1999 and 2000: Health of \$380.4 million in 1998, \$294.9 million in 1999, and \$0 in 2000. Employee Benefits were \$58.6 million in 1998, \$42.9 million in 1999, and \$0 in 2000.
- (4) Includes employee benefits of counties, New York City (including schools), cities, towns, villages, school districts and fire districts. Certain employee benefits of New York City may be included in other functional categories.

# Chart 1-13

## EXPENDITURES BY FUNCTION AS PERCENTAGE OF TOTAL EXPENDITURES Includes All Major Classes of Local Government (including NYC)

Total Expenditures 1991 - \$59,032,100,000  
Total Expenditures 2001 - \$89,231,000,000



This table pertains to General Purpose Expenditures, and includes data on Counties, Cities, New York City, Towns, Villages, School Districts and Fire Districts. Please refer to the notes on the accompanying table.

### Expenditures- All Local Governments

*This chart includes all local governments and school districts, including New York City.*

*In both 1991 and 2001, local governments spent the greatest amount on Education, followed by Social Services and Employee Benefits.*

*Education, Public Safety and All Other were the functional categories with the greatest proportional increase over the 10-year period.*

# Table

## 1-14

### EXPENDITURE TRENDS BY FUNCTION (EXCLUDING NEW YORK CITY) Includes Counties, Cities, Towns, Villages, School Districts and Fire Districts Fiscal Years Ended in 1991 and 1996 - 2001

	1991	1996 (1)	1997 (2)	1998	1999	2000	2001	Percent Change 96-01	Percent Change 91-01
	Amounts below in millions of dollars								
<b>GENERAL PURPOSE:</b>									
General Government	\$1,875.7	\$2,566.5	\$2,365.3	\$2,461.8	\$2,500.3	\$2,566.9	\$2,773.1	8.0%	47.8%
Public Safety	2,424.3	3,141.0	3,173.2	3,313.4	3,511.7	3,675.0	3,853.0	22.7%	58.9%
Health (3)	1,790.9	2,236.8	2,163.0	1,869.2	1,970.2	1,764.1	1,831.4	-18.1%	2.3%
Sanitation	1,185.6	1,338.8	1,328.5	1,346.0	1,378.4	1,399.0	1,443.0	7.8%	21.7%
Highways	1,087.9	1,278.7	1,244.7	1,232.7	1,287.4	1,323.3	1,371.8	7.3%	26.1%
Social Services	3,319.3	4,115.6	4,110.4	4,086.2	4,294.9	4,568.0	4,842.7	17.7%	45.9%
Culture and Recreation	588.4	638.2	645.8	680.5	716.1	762.4	814.2	27.6%	38.4%
Education	11,786.2	14,428.6	14,884.5	15,645.9	16,514.5	17,459.8	18,560.5	28.6%	57.5%
Employee Benefits (3)	3,845.7	5,000.6	4,901.2	4,739.4	4,816.4	5,095.0	5,451.7	9.0%	41.8%
All Other	1,362.9	1,632.9	1,644.8	1,732.7	1,850.5	1,891.8	2,003.9	22.7%	47.0%
<b>TOTAL GENERAL PURPOSE</b>	<b>\$29,266.7</b>	<b>\$36,377.8</b>	<b>\$36,461.4</b>	<b>\$37,107.6</b>	<b>\$38,840.3</b>	<b>\$40,505.5</b>	<b>\$42,945.4</b>	<b>18.1%</b>	<b>46.7%</b>
<b>INTEREST ON DEBT</b>	<b>\$967.3</b>	<b>\$1,031.5</b>	<b>\$1,018.3</b>	<b>\$1,064.5</b>	<b>\$1,083.5</b>	<b>\$1,112.1</b>	<b>\$1,245.3</b>	<b>20.7%</b>	<b>28.7%</b>
<b>TOTAL GENERAL PURPOSE AND INTEREST</b>	<b>\$30,234.1</b>	<b>\$37,409.4</b>	<b>\$37,479.8</b>	<b>\$38,172.2</b>	<b>\$39,923.3</b>	<b>\$41,616.9</b>	<b>\$44,190.7</b>	<b>18.1%</b>	<b>46.2%</b>

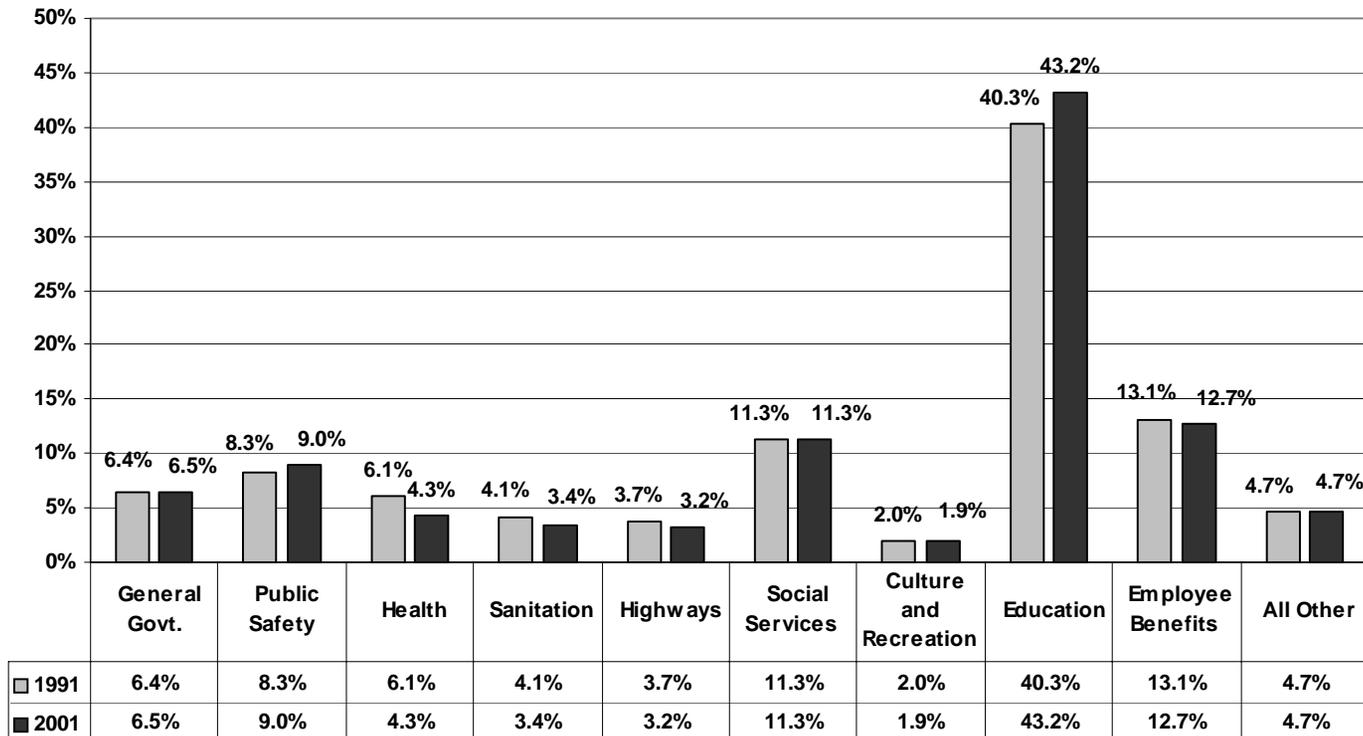
Note: Detail may not add due to rounding. Please also refer to notes on Tables No. 1-9, 1-12, 1-16, 1-17, 1-19, and 1-20.

- (1) The County of Nassau has changed its fiscal year to end December 31. For this reason, financial data of the County included in this table in 1996 is for a fifteen month interim fiscal year, October 1, 1995 - December 31, 1996.
- (2) The County of Nassau now has a twelve month calendar fiscal year; in 1996 the County had a fifteen month interim period and in 1995 it had a nine month interim period.
- (3) Starting in 1998, this table no longer reflects the financial transactions of the Westchester County Medical Center (WCMC) and the Ruth Taylor Institute (RTI) whose operations have been transferred to the Westchester County Health Care Corporation. For comparison purposes, in 1997 WCMC and RTI expenditures were \$345.5 million for Health and \$42.8 million for Employee Benefits. Effective September 29, 1999, the County of Nassau transferred ownership of County health facilities to the Nassau Health Care Corporation (NHCC). Therefore, related revenues and expenditures of Nassau County health related facilities do not reflect a full year's operation in 1999 and are not reflected in 2000. For comparison purposes, Nassau County health facilities reported the following in 1998, 1999 and 2000: Health of \$380.4 million in 1998, \$294.9 million in 1999, and \$0 in 2000. Employee benefits were \$58.6 million in 1998, \$42.9 million in 1999 and \$0 in 2000.

# Chart 1-14

## EXPENDITURES BY FUNCTION AS PERCENTAGE OF TOTAL EXPENDITURES All Major Units of Local Government (excluding NYC)

Total Expenditures 1991 - \$29,266,700,000  
Total Expenditures 2001 - \$42,945,400,000



### Expenditures - All Local Governments (Excluding NYC)

*This chart includes all major classes of local government and school districts, but excludes New York City. More than 40 percent of the total expenditures of these units are for education.*

*As the chart shows, spending patterns were relatively static over the 10-year period.*

This table pertains to General Purpose Expenditures, and includes data on Counties, Cities, (excluding New York City), Towns, Villages, School Districts and Fire Districts. Please refer to the notes on the accompanying table.

# Table

## 1-15

### EXPENDITURE TRENDS BY FUNCTION SUMMARY OF COUNTIES, CITIES (EXCLUDING NEW YORK CITY), TOWNS AND VILLAGES Fiscal Years Ended in 1991 and 1996 - 2001

	1991	1996(1)	1997(2)	1998	1999	2000	2001	Percent Change 96-01	Percent Change 91-01
	Amounts below in millions of dollars								
<b>GENERAL PURPOSE:</b>									
General Government	\$1,875.7	\$2,566.5	\$2,365.3	\$2,461.8	\$2,500.3	\$2,566.9	\$2,773.1	8.0%	47.8%
Public Safety	2,294.0	2,972.9	3,002.4	3,138.7	3,328.1	3,484.0	3,656.7	23.0%	59.4%
Health (3)	1,790.9	2,236.8	2,163.0	1,869.2	1,970.2	1,764.1	1,831.4	-18.1%	2.3%
Sanitation	1,185.6	1,338.8	1,328.5	1,346.0	1,378.4	1,399.0	1,443.0	7.8%	21.7%
Highways	1,087.9	1,278.7	1,244.7	1,232.7	1,287.4	1,323.3	1,371.8	7.3%	26.1%
Social Services	3,319.3	4,115.6	4,110.4	4,086.2	4,294.9	4,568.0	4,842.7	17.7%	45.9%
Culture and Recreation	588.4	638.2	645.8	680.5	716.1	762.4	814.2	27.6%	38.4%
Education	478.7	617.4	607.2	629.4	640.0	641.9	722.6	17.0%	51.0%
Employee Benefits (3)	1,632.0	2,179.4	2,101.0	2,067.7	2,105.6	2,196.2	2,390.3	9.7%	46.5%
All Other	1,362.9	1,632.9	1,644.8	1,732.7	1,850.5	1,891.8	2,003.9	22.7%	47.0%
<b>TOTAL GENERAL PURPOSE</b>	<b>\$15,615.1</b>	<b>\$19,577.3</b>	<b>\$19,213.0</b>	<b>\$19,244.8</b>	<b>\$20,071.3</b>	<b>\$20,597.7</b>	<b>\$21,849.8</b>	<b>11.6%</b>	<b>39.9%</b>
<b>INTEREST ON DEBT</b>	<b>\$667.8</b>	<b>\$723.4</b>	<b>\$690.2</b>	<b>\$693.9</b>	<b>\$685.1</b>	<b>\$683.5</b>	<b>\$696.3</b>	<b>-3.7%</b>	<b>4.3%</b>
<b>TOTAL GENERAL PURPOSE AND INTEREST</b>	<b>\$16,283.1</b>	<b>\$20,300.8</b>	<b>\$19,903.4</b>	<b>\$19,938.7</b>	<b>\$20,756.6</b>	<b>\$21,281.2</b>	<b>\$22,546.1</b>	<b>11.1%</b>	<b>38.5%</b>

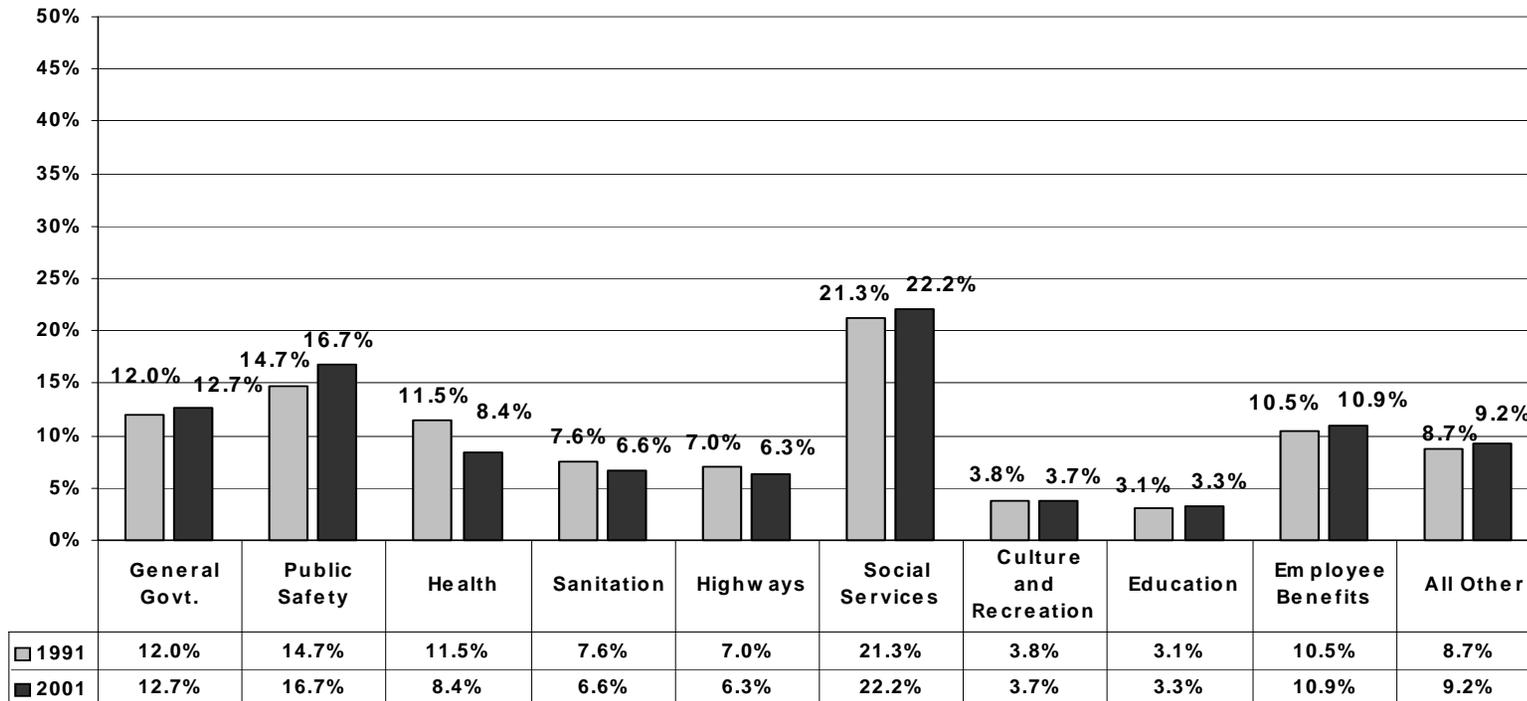
Note: Detail may not add due to rounding. Please also refer to notes on Tables No. 1-16, 1-17, 1-19, and 1-20.

- (1) The County of Nassau has changed its fiscal year to end December 31. For this reason, financial data of the County included in this table in 1996 is for a fifteen month interim fiscal year, October 1, 1995 - December 31, 1996.
- (2) The County of Nassau now has a twelve month calendar fiscal year; in 1996 the County had a fifteen month interim period and in 1995 it had a nine month interim period.
- (3) Starting in 1998, this table no longer reflects the financial transactions of the Westchester County Medical Center (WCRC) and the Ruth Taylor Institute (RTI) whose operations have been transferred to the Westchester County Health Care Corporation. For comparison purposes, in 1997 WCRC and RTI expenditures were \$345.5 million for Health and \$42.8 million for Employee Benefits. Effective September 29, 1999, the County of Nassau transferred ownership of County health facilities to the Nassau Health Care Corporation (NHCC). Therefore, related revenues and expenditures of Nassau County health related facilities do not reflect a full year's operation in 1999 and are not reflected in 2000. For comparison purposes, Nassau County health facilities reported the following in 1998, 1999 and 2000: Health of \$380.4 million in 1998, \$294.9 million in 1999, and \$0 in 2000. Employee benefits were \$58.6 million in 1998, \$42.9 million in 1999 and \$0 in 2000.

# Chart 1-15

## EXPENDITURES BY FUNCTION AS PERCENTAGE OF TOTAL EXPENDITURES Counties, Cities, Towns and Villages (excluding NYC)

Total Expenditures 1991 - \$15,615,100,000  
Total Expenditures 2001 - \$21,849,800,000



This table pertains to General Purpose Expenditures, and includes data on Counties, Cities, (excluding New York City), Towns, and Villages. Please refer to the notes on the accompanying table.

### Expenditures - Counties, Cities, Towns and Villages

*This chart shows the apportionment of expenditures of four major classes of local government in the years 1991 and 2001. There was no major change in spending patterns over the 10-year period. Public safety expenditures were up slightly, with these classes of local government spending nearly \$2.3 billion in this area in 1991 and over \$3.6 billion in 2001.*

*More specific information on individual classes of government is shown on the charts that follow. Information on specific local governments and school districts can be obtained from the CD-ROM that accompanies this publication.*

## Table 1-16

EXPENDITURE TRENDS BY FUNCTION FOR COUNTIES  
Fiscal Years Ended in 1991 and 1996 - 2001

	1991	1996(1)	1997(2)	1998	1999	2000(4)	2001(4)	Percent Change 96-01	Percent Change 91-01
	Amounts below in millions of dollars								
<b>GENERAL PURPOSE:</b>									
General Government	\$984.5	(a)\$1,569.5	\$1,348.1	\$1,421.6	\$1,404.3	\$1,421.3	\$1,540.1	-1.9%	56.4%
Public Safety	1,177.0	1,593.9	1,566.7	1,647.0	1,769.6	1,853.3	\$1,961.6	23.1%	66.7%
Health (3)	1,681.1	2,166.0	2,086.4	1,791.6	1,889.0	1,678.2	\$1,740.6	-19.6%	3.5%
Sanitation	369.6	460.5	430.4	435.0	446.0	464.6	\$482.4	4.8%	30.5%
Highways	337.5	388.1	360.2	356.5	369.6	386.3	\$392.5	1.1%	16.3%
Social Services	3,316.0	4,113.4	4,108.4	4,084.3	4,293.4	4,566.5	\$4,841.6	17.7%	46.0%
Culture and Recreation	181.8	176.5	168.3	178.5	188.6	225.0	\$232.0	31.4%	27.6%
Education	478.5	617.1	606.4	628.5	639.2	641.0	\$721.7	17.0%	50.8%
Employee Benefits (3)	908.2	(b)1,260.3	1,171.8	1,157.9	1,177.7	1,212.2	\$1,322.4	4.9%	45.6%
All Other	613.8	711.0	714.4	773.9	856.5	860.2	\$939.7	32.2%	53.1%
<b>TOTAL GENERAL PURPOSE</b>	<b>\$10,047.9</b>	<b>\$13,056.3</b>	<b>\$12,561.1</b>	<b>\$12,474.6</b>	<b>\$13,033.9</b>	<b>\$13,308.5</b>	<b>\$14,174.6</b>	<b>8.6%</b>	<b>41.1%</b>
<b>INTEREST ON DEBT</b>	<b>\$366.9</b>	<b>\$392.6</b>	<b>\$368.9</b>	<b>\$368.4</b>	<b>\$368.9</b>	<b>\$361.1</b>	<b>\$366.7</b>	<b>-6.6%</b>	<b>-0.1%</b>
<b>TOTAL GENERAL PURPOSE AND INTEREST</b>	<b>\$10,414.9</b>	<b>\$13,448.9</b>	<b>\$12,930.1</b>	<b>\$12,843.0</b>	<b>\$13,402.8</b>	<b>\$13,669.6</b>	<b>\$14,541.3</b>	<b>8.1%</b>	<b>39.6%</b>

(1) The County of Nassau has changed its fiscal year to end December 31. For this reason, financial data of the County included in this table in 1996 is for a fifteen month interim fiscal year, October 1, 1995 - December 31, 1998.

(2) The County of Nassau now has a twelve month calendar fiscal year; in 1996 the County had a fifteen month interim period and in 1995 it had a nine month interim period.

(3) Starting in 1998, this table no longer reflects the financial transactions of the Westchester County Medical Center (WCRC) and the Ruth Taylor Institute (RTI) whose operations have been transferred to the Westchester County Health Care Corporation. For comparison purposes, in 1997 WCRC and RTI expenditures were \$345.5 million for Health and \$42.8 million for Employee Benefits. Effective September 29, 1999, the County of Nassau transferred ownership of County health facilities to the Nassau County Health Care Corporation (NHCC). Therefore related revenues and expenditures of Nassau County health related facilities do not reflect a full year's operation in 1999 and are not reflected in 2000. For comparison purposes, Nassau County health facilities reported the following in 1998, 1999 and 2000: Health of \$380.4 million in 1998, \$294.9 million in 1999, and \$0 in 2000. Employee Benefits were \$58.6 million in 1998, \$42.9 million in 1999 and \$0 in 2000.

(4) Fiscal 2000 and 2001 data of the County of Schuyler are not available, as the county did not file a 2000 or 2001 annual financial report. For comparison purposes, in 1999 Schuyler reported \$17.4 million in General Purpose expenditures of which \$1.9 million was Employee Benefits and also an additional \$0.2 million in interest expense.

(a) Includes \$376.6 million for judgements and claims in 1996. In 1997, this category included \$184.0 million for judgements and claims.

(b) Due to a change in reporting treatment, financial data of Westchester County relating to employee health benefits are now reported in the County Self Insurance fund as an expenditure.

Note: This table includes some expenditures of county self insurance funds such as Workers Compensation and Self Insurance which may represent a non-county participant share. Detail may not add due to rounding.

## EXPENDITURES INCLUDED IN EACH FUNCTION

**GENERAL GOVERNMENT** - County officers and staff, district attorney, public defender, operation and maintenance of buildings, central operation (storage, garage, printing, data processing, etc.), other administrative and county-wide expenditures.

**PUBLIC SAFETY** - Sheriff, police, county jail, penitentiary, juvenile detention home, probation, fire department, civil defense, safety inspection, other public safety activities.

**HEALTH** - Operation of a county owned hospital, public nursing home, mental health programs and administration, public health department, health programs, laboratory, other health related activities.

**SANITATION** - Sewer administration, sanitary sewer, sewage treatment and disposal, refuse and garbage disposal (sanitary landfill).

**HIGHWAYS** - Highway and bridge maintenance, snow removal, engineering.

**SOCIAL SERVICES** - Medical assistance, aid to dependent children, home relief, home energy assistance, public home, infirmary, child care, services for recipients, aid to aged, blind and disabled, state training school, juvenile delinquent care, adults in private institutions, burial, emergency aid for adults, other programs. Also includes administration of social services programs. The State has assumed responsibility for making direct payments to providers of Medical Assistance programs through the Medical Management Information System. Therefore, the State and Federally funded portions of Medical Assistance programs are generally not reflected.

**CULTURE AND RECREATION** - Parks, youth programs, libraries, museums, beach and pool, special recreational facilities, other cultural and recreational activities.

**EDUCATION** - Community college (sponsor's contribution for operating expenses and tuition payments to other community colleges), education of children with special needs, other educational activities.

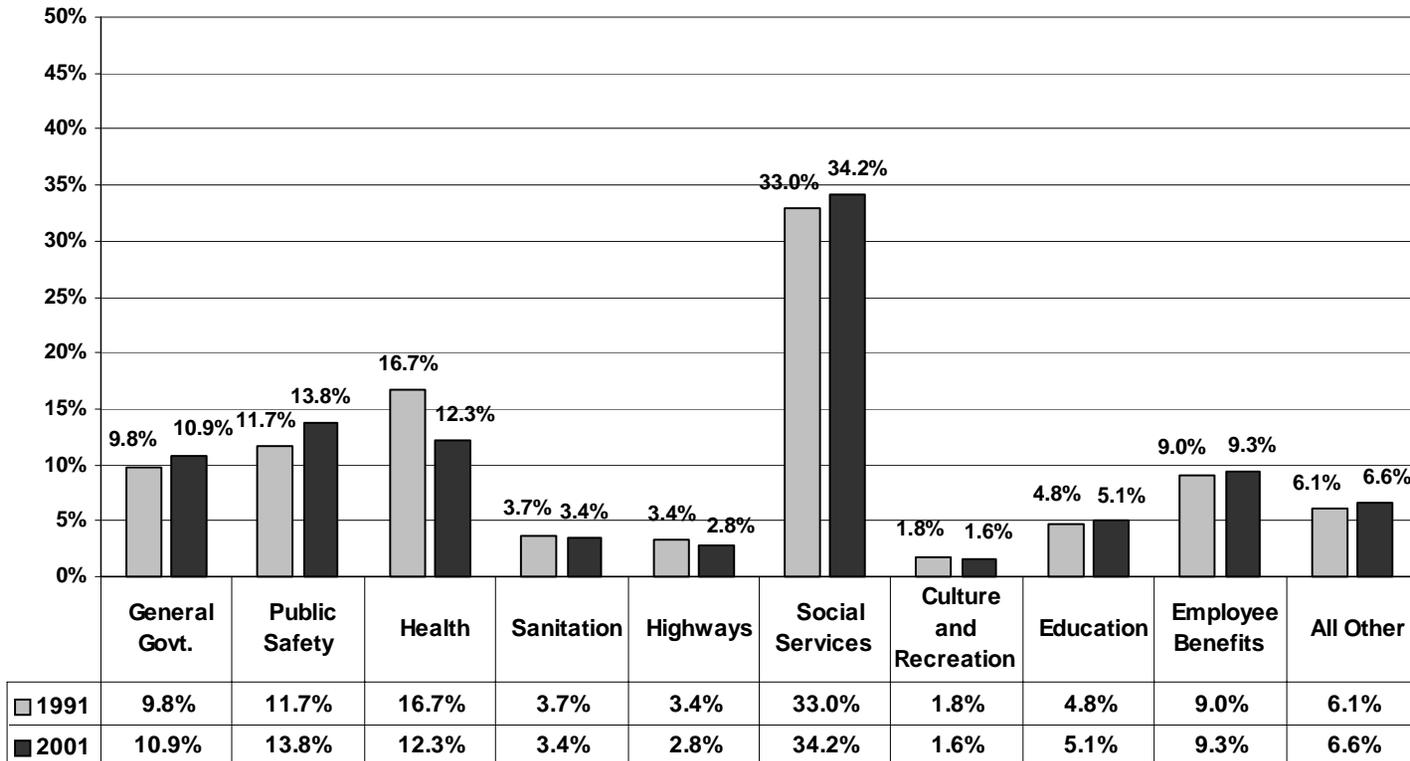
**EMPLOYEE BENEFITS** - Includes employee benefits of all functions.

**ALL OTHER** - Economic opportunity and development, home and community services (activities that improve or benefit the general environment, housing and community development, natural resources, and other special services), other transportation activities (railroad or rapid transit, railroad station maintenance, bus operations, airport, etc.), water supply and distribution.

# Chart 1-16

## EXPENDITURES BY FUNCTION AS PERCENTAGE OF TOTAL EXPENDITURES COUNTIES (excluding the counties comprising NYC)

Total Expenditures 1991 - \$10,047,900,000  
Total Expenditures 2001 - \$14,174,600,000



### Expenditures - Counties

Counties spend about one-third of their total expenditures for social services. This category includes Medicaid, which is funded by a combination of Federal, State and local funds.

The proportion of overall spending allotted toward health decreased in the 10-year period, but total dollars held relatively steady. In 1991, almost \$1.68 billion was spent by counties in this functional category; in 2001, the figure was only slightly greater, at \$1.74 billion.

Public Safety spending saw the greatest increase in proportion, and rose from \$1.18 billion in 1991 to \$1.96 billion in 2001.

It should be noted that these statistics generally reflect spending prior to the September 11, 2001 terrorist attacks. Public safety expenditure percentages may change significantly in subsequent years.

This table pertains to General Purpose Expenditures. Please refer to the notes on the accompanying table.

# Table

## 1-17

### EXPENDITURE TRENDS BY FUNCTION FOR CITIES (Excluding New York City and Public Schools) Fiscal Years Ended in 1991 and 1996 - 2001

	1991	1996	1997	1998	1999		2001	Percent Change 96-01	Percent Change 91-01
	Amounts below in millions of dollars								
<b>GENERAL PURPOSE:</b>									
General Government	\$290.8	\$300.6	\$319.7	\$313.1	\$343.0	\$362.7	\$388.1	29.1%	33.5%
Public Safety	577.3	690.2	722.0	750.0	782.5	814.6	851.1	23.3%	47.4%
Health	58.5	5.8	5.9	4.5	5.0	5.2	5.2	-10.3%	-91.1%
Sanitation	180.6	190.2	191.1	194.8	198.3	203.6	206.0	8.3%	14.1%
Highways	110.0	121.9	124.3	124.6	128.1	129.6	135.1	10.8%	22.8%
Social Services	0.5	0.1	0.1	0.1	0.1	0.1	0.1	0.0%	-80.0%
Culture and Recreation	127.3	135.5	140.1	145.4	153.3	138.1	144.1	6.3%	13.2%
Education	0.2	0.3	0.8	0.9	0.8	0.9	0.9	200.0%	350.0%
Employee Benefits	299.9	367.8	374.2	358.5	365.2	390.3	427.7	16.3%	42.6%
All Other	346.2	345.8	360.7	379.9	384.1	397.0	405.9	17.4%	17.2%
<b>TOTAL GENERAL PURPOSE</b>	<b>\$1,991.3</b>	<b>\$2,158.3</b>	<b>\$2,238.9</b>	<b>\$2,271.9</b>	<b>\$2,360.3</b>	<b>\$2,442.2</b>	<b>\$2,564.1</b>	<b>18.8%</b>	<b>28.8%</b>
<b>INTEREST ON DEBT</b>	<b>\$102.0</b>	<b>\$120.2</b>	<b>\$114.7</b>	<b>\$116.4</b>	<b>\$114.5</b>	<b>\$117.1</b>	<b>\$121.3</b>	<b>0.9%</b>	<b>18.9%</b>
<b>TOTAL GENERAL PURPOSE AND INTEREST</b>	<b>\$2,093.3</b>	<b>\$2,278.6</b>	<b>\$2,353.6</b>	<b>\$2,388.2</b>	<b>\$2,474.8</b>	<b>\$2,559.2</b>	<b>\$2,685.4</b>	<b>17.9%</b>	<b>28.3%</b>

Note: Detail may not add due to rounding.

#### EXPENDITURES INCLUDED IN EACH FUNCTION

**GENERAL GOVERNMENT** - City officers and administrative staff (including legal, engineer, elections, etc.), operation and maintenance of buildings, central operations, (storage, garage, printing, data processing, etc.), and other administrative and city-wide expenditures.

**PUBLIC SAFETY** - Police department, fire department, traffic control, safety inspection, jail, public pound, other public safety activities.

**HEALTH** - Operation of a city owned hospital (prior to 1996), ambulance, laboratory, health department, other public health activities.

**SANITATION** - Sanitary sewers, sewage treatment and disposal, refuse and garbage disposal (including sanitary landfill), street cleaning and storm sewers.

**HIGHWAYS** - Maintenance of streets, highways and bridges, snow removal, street lighting, traffic signs and signals.

**SOCIAL SERVICES** - Miscellaneous social services expenditures.

**CULTURE AND RECREATION** - Parks and playgrounds, beach and pool, library, youth programs, adult recreation, recreation administration, special recreational facilities, other cultural and recreational activities.

**EDUCATION** - Contributions made to a community college by the City of Jamestown.

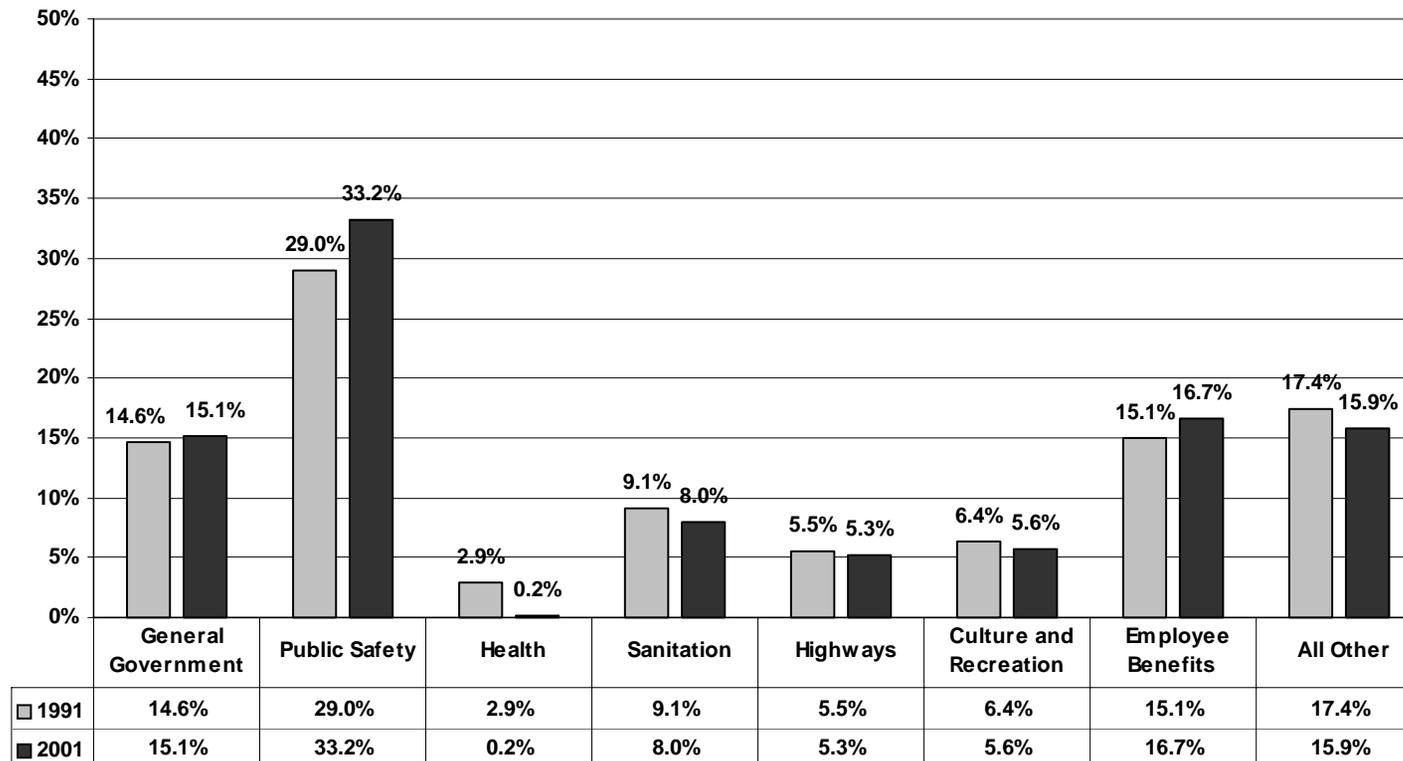
**EMPLOYEE BENEFITS** - Includes employee benefits of all functions.

**ALL OTHER** - Economic opportunity and development, home and community services (activities that improve or benefit the general environment, housing and community development, natural resources, and other special services), other transportation activities (bus operations, airport, off-street parking, etc.). Starting with data published in 1994, the operation of a city owned water or sewer system is included in this category for all years.

# Chart 1-17

## EXPENDITURES BY FUNCTION AS PERCENT OF TOTAL EXPENDITURES CITIES (excluding NYC)

Total Expenditures 1991 - \$1,991,300,000  
Total Expenditures 2001 - \$2,564,100,000



### Expenditures - Cities (excludes NYC)

*Cities spend proportionally more of their total expenditures on employee benefits than other classes of local governments. This functional category includes the city share of retirement and pension funds, social security, health insurance, workers' compensation and various other types of employee insurance. In 1991, cities spent \$299.9 million on employee benefits; by 2001, this figure was \$427.7 million.*

*The biggest proportional increase was for public safety, which is also the function with the highest percentage of spending by cities other than NYC. Public safety includes police, fire, traffic control, administration, animal control, building inspection, civil defense, etc.*

This table pertains to General Purpose Expenditures. Expenditures for social services and education are included in All Other. Please refer to the notes on the accompanying table.

**EXPENDITURE TRENDS BY FUNCTION FOR NEW YORK CITY**  
**(Includes School District and Higher Education)**  
**Fiscal Years Ended in 1991 and 1996 - 2001**

**Table**  
**1-18**

	1991	1996	1997	1998	1999	2000	2001	Percent Change 96-01	Percent Change 91-01
	Amounts below in millions of dollars								
<b>GENERAL PURPOSE:</b>									
General Government	\$1,219.5	\$1,369.3	\$1,374.8	\$1,445.8	\$1,517.2	\$1,665.8	\$1,747.8	27.6%	43.3%
Public Safety	3,085.9	3,931.2	(a) 4,199.2	4,384.6	4,726.2	5,026.0	5,205.5	32.4%	68.7%
Health	4,546.7	6,063.9	5,402.4	5,573.2	5,603.5	5,855.8	6,270.4	3.4%	37.9%
Sanitation	607.1	640.8	578.3	703.5	704.7	828.9	924.3	44.2%	52.2%
Highways	419.2	374.5	(a) 296.8	279.0	298.2	365.0	332.2	-11.3%	-20.8%
Social Services	6,393.3	7,593.3	7,473.5	7,496.9	7,577.4	7,985.0	8,395.7	10.6%	31.3%
Culture and Recreation	398.9	497.3	343.4	461.6	477.0	521.0	699.9	40.7%	75.5%
Education	6,285.9	7,206.7	7,455.4	8,140.1	8,755.6	9,667.4	10,631.5	47.5%	69.1%
Employee Benefits	3,437.7	3,914.1	4,034.6	4,256.1	4,267.1	3,889.1	4,633.8	18.4%	34.8%
All Other	3,371.2	6,000.6	6,398.2	6,688.7	6,155.3	6,364.4	7,444.5	24.1%	120.8%
<b>TOTAL GENERAL PURPOSE</b>	<b>\$29,765.4</b>	<b>\$37,591.8</b>	<b>\$37,556.6</b>	<b>\$39,429.4</b>	<b>\$40,082.3</b>	<b>\$42,168.5</b>	<b>\$46,285.6</b>	<b>23.1%</b>	<b>55.5%</b>
<b>INTEREST ON DEBT</b>	<b>\$2,099.8</b>	<b>\$2,493.8</b>	<b>\$2,600.5</b>	<b>\$2,571.2</b>	<b>\$2,583.5</b>	<b>\$2,716.5</b>	<b>\$2,913.0</b>	<b>16.8%</b>	<b>38.7%</b>
<b>TOTAL GENERAL PURPOSE AND INTEREST</b>	<b>\$31,865.2</b>	<b>\$40,085.6</b>	<b>\$40,157.2</b>	<b>\$42,000.6</b>	<b>\$42,665.9</b>	<b>\$44,885.0</b>	<b>\$49,198.6</b>	<b>22.7%</b>	<b>54.4%</b>

Note: Beginning with data published in 1992, New York City financial data has been updated to now include financial data of all enterprise funds (Health and Hospitals Corporation, Off-Track Betting Corporation, Housing and Economic Development Funds, Water and Sewer System) as reflected in the City of New York Comprehensive Annual Financial Report of the Comptroller and will not be comparable with data published prior to 1992. Starting in 1994, these aforementioned enterprise funds of the City are now presented in the New York City Comprehensive Annual Report as discretely presented component units. For purposes of providing comparable data, we continue to include these discretely presented component units in this table. Financial data reflects payments made between the City governmental funds and the aforementioned activities. Data has been summarized and compiled from the Capital City Report in an effort to provide data that is consistent with other units of local government in the State. However, because the City uses its own accounting system, data reflected will not be entirely comparable with other local governments. Functional categories include payments for personal services, contractual expenses, and equipment. Employee benefits are generally reflected as a separate category (see definition below). Detail may not add due to rounding.

(a) Starting in 1997, Traffic Enforcement and Violation Tow programs of the Department of Transportation have been transferred to the Police Department.

Expenditures Included in Each Function

**GENERAL GOVERNMENT**

General government and judicial expenditures.

**PUBLIC SAFETY**

Police department, fire department and other public safety expenditures.

**HEALTH**

Department of Health, Department of Mental Health, Mental Retardation and Alcoholism Services, payments by the City to the Health and Hospitals Corporation, and expenses of the Health and Hospitals Corporation.

**SANITATION**

Department of Sanitation.

**HIGHWAYS**

Department of Transportation.

**SOCIAL SERVICES**

Department of Social Services. Starting in 1994, also includes expenditures for the newly created Department of Homeless Services (this activity was formerly part of the Department of Social Services). Starting in 1997, also includes the newly created Administration for Children's Services (this activity was formerly part of the Department of Social Services).

**CULTURE AND RECREATION**

Department of Cultural Affairs, Department of Parks and Recreation and libraries.

**EDUCATION**

Board of Education (exclusive of fringe benefits) and the City University of New York (Community Colleges and Hunter Campus Schools). For 1992 and 1993 only, includes expenditures relating to City University of New York senior colleges.

**EMPLOYEE BENEFITS**

Includes fringe benefits (including those of the Board of Education) and pension contributions. Fringe benefits of certain agencies such as the City University, libraries, cultural institutions, etc. and the discretely presented component units may be allocated to their appropriate functional category.

**ALL OTHER**

Includes economic opportunity (Department of Employment, Human Resources Administration, Department for the Aging), housing (Department of Housing Preservation and Development, Department of Buildings, payments to the Housing Authority), Department of Environmental Protection, the Trade Waste Commission, payments to the Transit Authority, payments to private bus companies, judgments and claims and miscellaneous other expenditures. Also includes other expenditures (administrative, lease payments, refunding escrow, etc.) of general and non-major debt service funds and expenses of the New York City Off-Track Betting Corporation, Housing and Economic Development entities, and the City Water and Sewer System. Starting in 1994, the New York City Housing Authority is now considered to be a discretely presented component unit and is included in All Other.

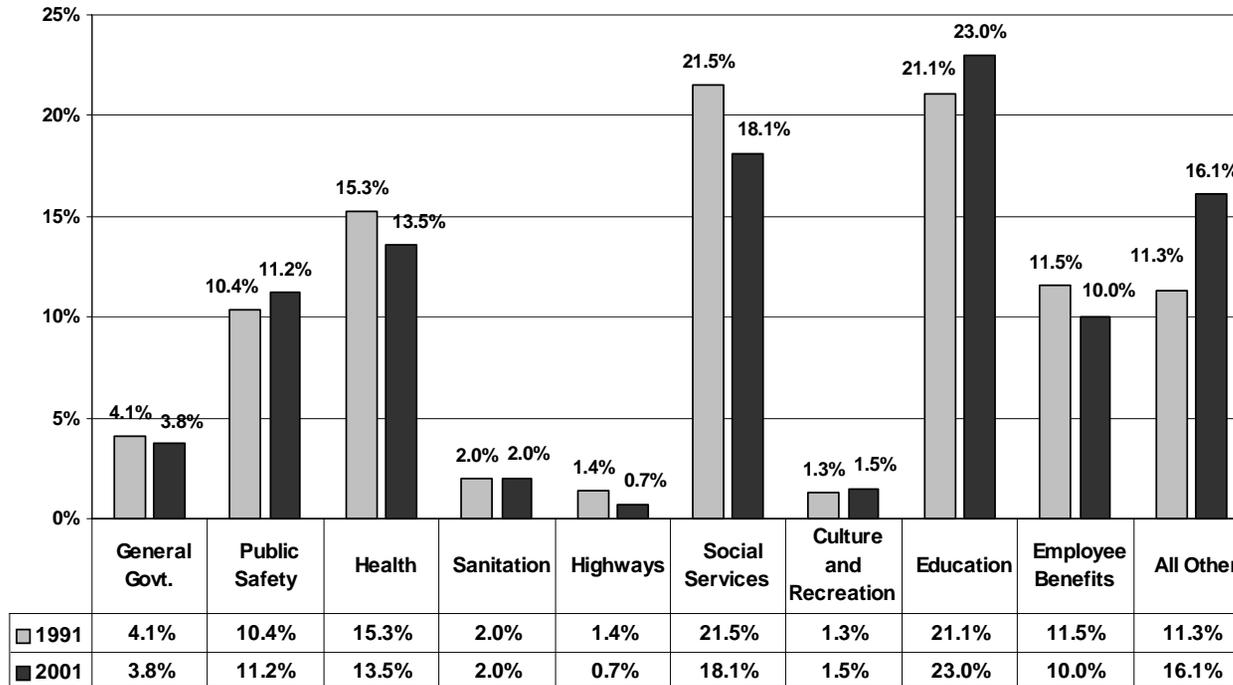
**INTEREST**

Includes interest expenditures in the general debt service fund and the non-major debt service funds. Also includes interest on short-term borrowings.

# Chart 1-18

## EXPENDITURES BY FUNCTION AS PERCENT OF TOTAL EXPENDITURES NEW YORK CITY

Total Expenditures 1991 - \$29,765,400,000  
Total Expenditures 2001 - \$46,285,600,000



This table refers to General Purpose Expenditures. Please refer to notes on the accompanying table.

### Expenditures - New York City

*New York City is unique among the State's local governments. The area of New York City is coterminous with the five counties (boroughs) of the Bronx, Kings, New York, Queens and Richmond, but these counties do not perform any financial function. Therefore, unlike the other cities, New York City is responsible for providing services usually provided by county government.*

*Additionally, New York City uses its own accounting system, and its data is not entirely comparable with other local governments.*

*Not surprisingly, since the City is responsible for most governmental services, the highest proportion of spending is in the areas of education and social services.*

*Please note that NYC's fiscal year ends June 30; therefore the data shown here is for the period prior to the September 11 attacks, which had a profound effect on NYC.*

# Table

## 1-19

### EXPENDITURE TRENDS BY FUNCTION FOR TOWNS Fiscal Years Ended in 1991 and 1996 - 2001

	1995	1996	1997	1998	1999	2000	2001	Percent Change 96-01	Percent Change 91-01	
	Amounts below in millions of dollars									
<b>GENERAL PURPOSE:</b>										
General Government	\$431.2	\$499.3	\$492.3	\$515.3	\$533.5	\$559.4	\$610.8	22.3%	41.7%	
Public Safety	329.9	425.7	439.5	456.2	479.8	502.2	517.2	21.5%	56.8%	
Health	49.0	62.3	67.6	69.9	72.6	76.8	81.3	30.5%	65.9%	
Sanitation	494.6	538.6	554.7	562.3	579.4	570.8	593.3	10.2%	20.0%	
Highways	535.0	639.7	638.0	625.5	656.2	672.0	700.9	9.6%	31.0%	
Social Services	2.8	2.1	1.9	1.8	1.4	1.4	1.0	-52.4%	-64.3%	
Culture and Recreation.	220.3	254.4	264.0	278.7	291.6	312.4	347.1	36.4%	57.6%	
Employee Benefits	303.1	386.0	388.4	386.7	400.5	426.7	460.0	19.2%	51.8%	
All Other	241.6	366.6	359.0	368.5	379.2	386.4	406.5	10.9%	68.3%	
TOTAL GENERAL PURPOSE	\$2,607.4	\$3,174.7	\$3,205.4	\$3,264.8	\$3,394.2	\$3,508.1	\$3,718.2	17.1%	42.6%	
INTEREST ON DEBT	\$155.9	\$162.8	\$159.7	\$162.5	\$152.8	\$155.0	\$156.9	-3.6%	0.6%	
TOTAL GENERAL PURPOSE AND INTEREST	\$2,763.3	\$3,337.5	\$3,365.2	\$3,427.4	\$3,547.1	\$3,663.2	\$3,875.2	16.1%	40.2%	

Note: Detail may not add due to rounding.

#### EXPENDITURES INCLUDED IN EACH FUNCTION

GENERAL GOVERNMENT - Town officers and staff, municipal court, operation and maintenance of town hall and offices, central operations (storage, garage, printing, data processing, etc.), unallocated insurance, and other administrative and townwide expenditures.

PUBLIC SAFETY - Police, fire protection districts, safety inspection, traffic control, dog warden, other public safety activities.

HEALTH - Operation of town owned hospital, ambulance, board of health, registrar of vital statistics, other public health activities. Starting in 1991, the Town of German Flatts no longer operates a hospital.

SANITATION - Townwide refuse and garbage disposal (including sanitary landfill), sewer districts, drainage districts, refuse and garbage districts, other sanitation activities.

HIGHWAYS - Highway and bridge maintenance, snow removal, garage, cutting weeds and brush, street lighting.

SOCIAL SERVICES - Home relief grants and burials in towns which have elected to administer them. Also includes juvenile delinquent care and miscellaneous expenditures.

CULTURE AND RECREATION - Parks and playgrounds, park districts, libraries, recreation administration, youth programs, adult recreation, museums, special recreational facilities, other cultural and recreational activities.

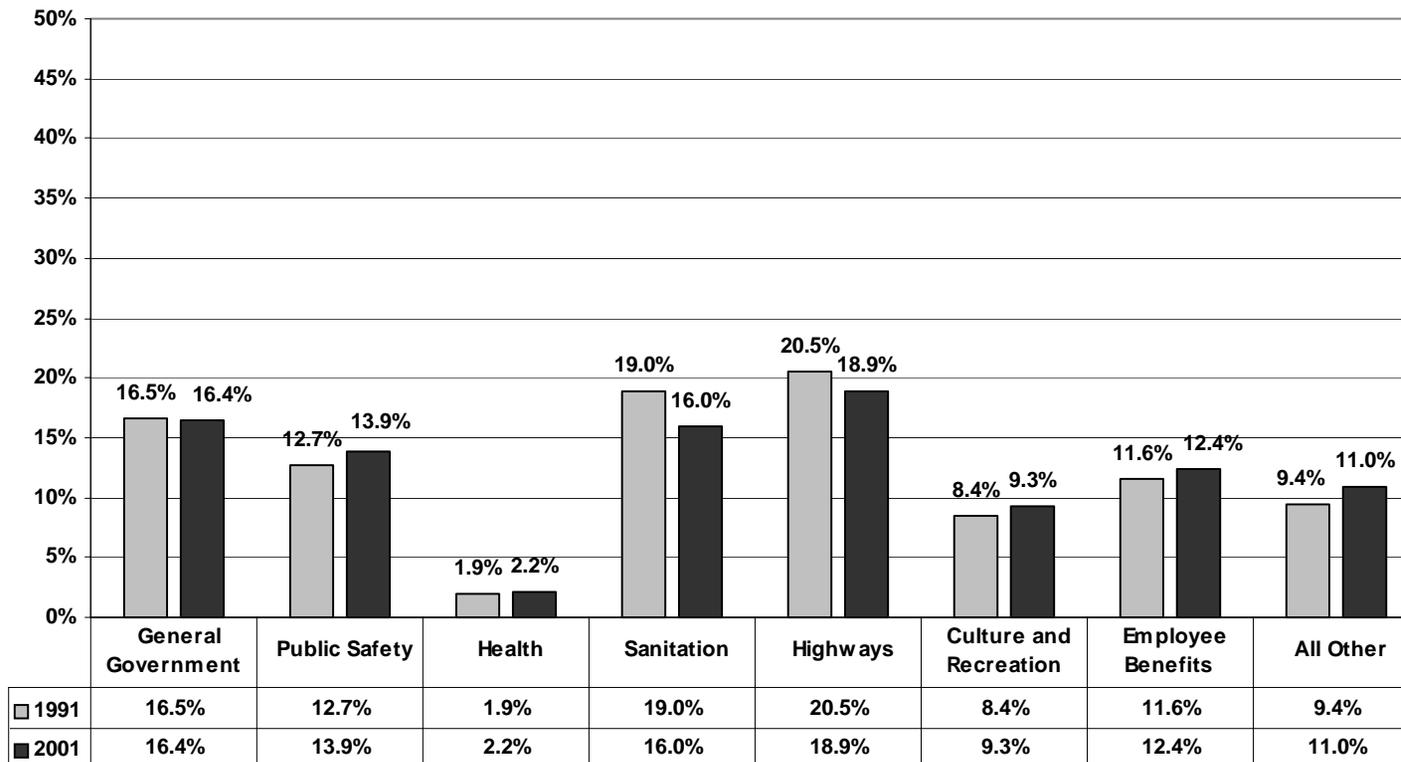
EMPLOYEE BENEFITS - Includes employee benefits of all functions.

ALL OTHER - Economic opportunity, home and community services (activities that improve or benefit the general environment, housing and community development, natural resources, and other special services), other transportation activities, water systems or districts.

# Chart 1-19

## EXPENDITURES BY FUNCTION AS PERCENT OF TOTAL EXPENDITURES TOWNS

Total Expenditures 1991 - \$2,607,400,000  
Total Expenditures 2001 - \$3,718,200,000



This table refers to General Purpose Expenditures. Expenditures for social services are included in All Other. Please refer to the notes on the accompanying table.

### Expenditures - Towns

*Towns in New York State may contain one or more villages within their boundaries, but many do not. The CD-ROM on local government finances contains data for individual towns statewide.*

*As a class of local government, towns spend more dollars on highways than on any other function.*

*Town expenditures include spending in special benefit areas, such as sewer and water districts that are created under Town Law.*

# Table

## 1-20

### EXPENDITURE TRENDS BY FUNCTION FOR VILLAGES Fiscal Years Ended in 1991 and 1996 - 2001

	1991	1996	1997	1998	1999	2000	2001	Percent Change 96-01	Percent Change 91-01	
	Amounts below in millions of dollars									
<b>GENERAL PURPOSE:</b>										
General Government	\$169.2	\$197.1	\$205.2	\$211.8	\$219.5	\$223.5	\$234.1	18.8%	38.4%	
Public Safety	209.8	263.1	274.2	285.5	296.2	313.9	326.8	24.2%	55.8%	
Health	2.3	2.7	3.1	3.2	3.6	3.9	4.3	59.3%	87.0%	
Sanitation	140.8	149.5	152.3	153.9	154.7	160.0	161.3	7.9%	14.6%	
Highways	105.4	129.0	122.2	126.1	133.5	135.4	143.3	11.1%	36.0%	
Culture and Recreation	59.0	71.8	73.4	77.9	82.6	86.9	91.0	26.7%	54.2%	
Employee Benefits	120.8	165.3	166.6	164.6	162.2	167.0	180.2	9.0%	49.2%	
All Other	161.3	209.5	210.7	210.4	230.7	248.2	251.8	20.2%	56.1%	
TOTAL GENERAL PURPOSE	\$968.5	\$1,188.0	\$1,207.6	\$1,233.5	\$1,282.9	\$1,338.9	\$1,392.9	17.2%	43.8%	
<b>INTEREST ON DEBT</b>	\$43.0	\$47.8	\$46.9	\$46.6	\$48.9	\$50.3	\$51.4	7.5%	19.5%	
<b>TOTAL GENERAL PURPOSE AND INTEREST</b>	\$1,011.6	\$1,235.8	\$1,254.5	\$1,280.1	\$1,331.9	\$1,389.2	\$1,444.2	16.9%	42.8%	

Note: Detail may not add due to rounding.

**EXPENDITURES INCLUDED IN EACH FUNCTION**

GENERAL GOVERNMENT - Village officials and staff, municipal court, village hall and central garage, unallocated insurance, and other miscellaneous items.

PUBLIC SAFETY - Police, fire protection, traffic control, safety inspection, other public safety activities.

HEALTH - Ambulance service and other health activities.

SANITATION - Refuse collection and disposal, sanitary sewer system, sewage treatment and disposal, storm sewer, street cleaning, other sanitation activities.

HIGHWAYS - Street maintenance, snow removal, street lighting.

CULTURE AND RECREATION - Parks and playgrounds, libraries, youth programs, other cultural and recreational activities.

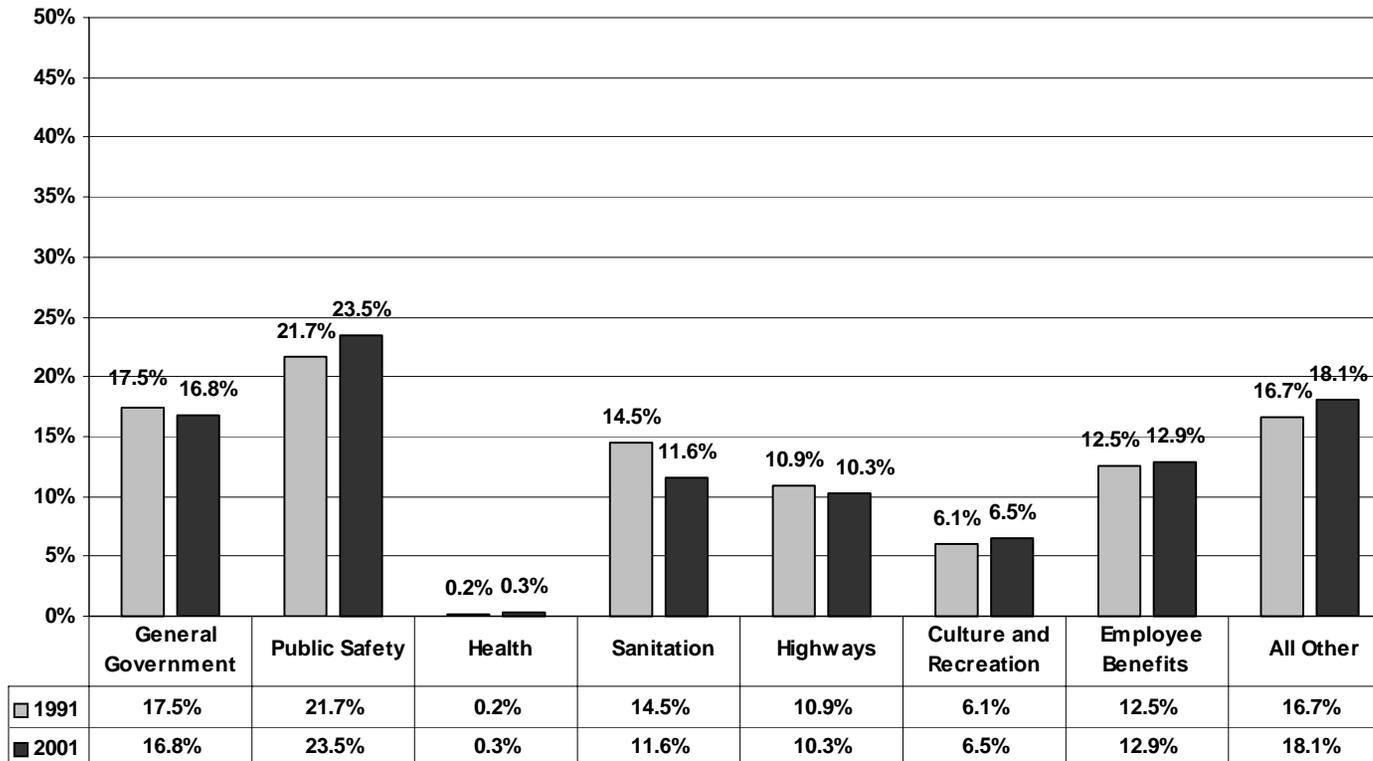
EMPLOYEE BENEFITS - Includes employee benefits of all functions.

ALL OTHER - Home and community services, economic opportunity and development, sidewalks, off-street parking, other public transportation activities, operation of village owned utilities (water, electric and other).

# Chart 1—20

## EXPENDITURES BY FUNCTION AS PERCENT OF TOTAL EXPENDITURES VILLAGES

Total Expenditures 1991 - \$968,500,000  
Total Expenditures 2001 - \$1,392,900,000



This table refers to General Purpose Expenditures. Please refer to the notes on the accompanying table.

### Expenditures - Villages

*New York contains 554 villages, which are incorporated areas that vary greatly in size and population.*

*As this chart shows, the proportion of village spending by function has remained fairly steady between 1991 and 2001. Data on individual villages can be obtained from the CD-ROM containing local government data.*

*Many areas statewide are not part of an incorporated village or city, relying instead on town and county government to provide services.*

Please refer to the Comptroller's Website (<http://www.osc.state.ny.us>) or call (518) 486-3152 for more information on these publications.

### **ACCOUNTING AND FINANCIAL INFORMATION**

#### **1) UNIFORM SYSTEM OF ACCOUNTS**

Pursuant to General Municipal Law, the Comptroller's Office publishes accounting manuals with a standard chart of accounts to assist governments in maintaining accounting records in conformance with Generally Accepted Accounting Principles and legal requirements:

1(a) **Accounting & Reporting Manual** (formerly known as the "Uniform System of Accounts")  
**for Cities, Villages, Counties and Towns**

- 1(b) Uniform System of Accounts for School Districts
- 1(c) Uniform System of Accounts Libraries
- 1(d) Uniform System of Accounts B.O.C.E.S.
- 1(e) Uniform System of Accounts Soil & Water Conservation Districts
- 1(f) Uniform System of Accounts for Industrial Development Agencies

#### **2) ACCOUNTING PROCEDURES FOR CERTAIN COUNTY DEPARTMENTS**

- 2(a) Accounting Procedures for Probation Departments
- 2(b) Accounting Procedures for County Sheriffs
- 2(c) Accounting Procedures for County Clerks

#### **3) LOCAL GOVERNMENT MANAGEMENT GUIDE (LGMG)**

- 3(a) Financial Condition Analysis
- 3(b) Internal Controls
- 3(c) Reserves
- 3(d) Strategic Planning
- 3(e) Fiscal Oversight Responsibilities
- 3(f) Capital Assets
- 3(g) Multi-Year Capital Plans

#### **4) FINANCIAL MANAGEMENT GUIDE FOR LOCAL GOVERNMENTS**

This two-volume set covers the following topics: Financial Planning and Budgeting, Cash Management and Investments, Receivables and Other Assets, and Reference Sources.

## Resources : Publication Listing

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**4a) GOVERNMENTAL ACCOUNTING IN NEW YORK STATE #1  
(Introduction To Governmental Bookkeeping)**

The textbook used in the Introduction to Governmental Bookkeeping Seminar conducted by the Comptroller's Office. It describes the double-entry basis of accounting as used by New York State local governments.

**4b) GOVERNMENTAL ACCOUNTING IN NEW YORK STATE #2  
(Accounting Principles and Procedures)**

The textbook used in the Accounting Principles and Procedures Seminar conducted by the Comptroller's Office. It describes the accounting principles prescribed by GAAP and procedures in the areas of procurement, budgeting, fixed assets, and various types of fiduciary functions.

**5) CONFLICTS OF INTEREST OF MUNICIPAL OFFICERS AND EMPLOYEES**

Under Section 807 of the General Municipal Law, the chief executive officer of each municipality is required to cause a copy of Article 18 of the General Municipal Law to be kept posted in each public building under the jurisdiction of his/her municipality. The Comptroller's Office will provide a copy upon request. This information is also available at The New York State Assembly's website (<http://assembly.state.ny.us>).

**6) INFORMATION FOR TOWN OFFICIALS**

A review of the basic duties of a town supervisor with statutory references designed to assist the newly elected supervisor in becoming familiar with the structure of town government and the supervisor's role in it. This is also a publication useful to town board members and other town officials.

**7) FINANCIAL INFORMATION FOR TOWN HIGHWAY SUPERINTENDENTS**

Information on personnel, budgeting, accounting, payrolls, borrowing, capital planning, purchasing, leasing and other topics of interest to town highway superintendents (Also applicable to county highway superintendents).

**8) INFORMATION FOR FIRE DISTRICT OFFICIALS**

A comprehensive guide that includes Uniform System of Accounts for Fire Districts and information on basic duties of various district officers, referendums and public hearings, budget process, capital planning, cash management, reserves, bonds and notes, convention travel and other expenses, procurement procedures, internal controls, fire protection contracts and ambulance service and statutory references.

### **STATISTICAL AND INFORMATION PUBLICATIONS**

**9) SPECIAL REPORT ON MUNICIPAL AFFAIRS**

This publication is now included on the CD-ROM accompanying this volume.

**10) OVERLAPPING REAL PROPERTY TAXES**

This publication presents comprehensive statistics and pertinent information concerning overall real property tax rates of the State's municipalities.

**11) HOW TO APPLY FOR EXCLUSION OF SEWER DEBT FROM MUNICIPAL DEBT LIMITS**

Sewer debt exclusions are not automatically granted to municipalities. This publication describes the procedures for counties, cities, towns, and villages to apply to the State Comptroller for exclusion of sanitary sewer debt from their Constitutional debt limits.

**12) HOW TO APPLY FOR EXCLUSION OF SELF-LIQUIDATING DEBT**

This booklet describes the procedures for counties, cities, towns and villages to apply, pursuant to Section 123.00 of the Local Finance Law, to the State Comptroller for exclusion of self-liquidating debt from their municipal debt limits.

### **LEGAL TOPICS**

**13) LEGAL REQUIREMENTS AND ADMINISTRATIVE PROCEDURES FOR APPROVAL OF COUNTY DISTRICTS**

A guide for preparation of applications to be submitted to the State Comptroller for approval of county districts.

**14) PART 85 APPLICATIONS FOR PERMISSION TO ESTABLISH OR TO EXTEND TOWN OR COUNTY IMPROVEMENT DISTRICTS AND TO AUTHORIZE TOWN SEWER, DRAINAGE, AND WATER IMPROVEMENTS**

Part 85 was added to Chapter 3 of the Code of the Rules and Regulations of the State of New York. The Comptroller's Office will provide a copy of these State regulations upon request.

## Resources : Publication Listing

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**15) LEGAL REQUIREMENTS AND ADMINISTRATIVE PROCEDURES FOR APPROVAL OF TOWN SPECIAL IMPROVEMENT DISTRICTS AND SEWER AND WATER IMPROVEMENTS**

A guide for preparation of applications to be submitted to the State Comptroller for approval.

**16) LEGAL REQUIREMENTS AND ADMINISTRATIVE PROCEDURES FOR APPROVAL OF FIRE, FIRE ALARM AND FIRE PROTECTION DISTRICTS**

Information on the requirements and procedures for forming these districts in towns.

**17) APPLICATION FORMS FOR CERTAIN TOWNS WITHIN THE ADIRONDACK PARK**

These forms are intended for use by those towns within the Adirondack Park that are required to obtain the consent of the State Comptroller to the original issuance of bonds and notes (Local Finance Law, §104.10) or to fire protection contracts entered into on behalf of fire protection districts (Town Law, §184-b).

**18) COMPETITIVE BIDDING UNDER GENERAL MUNICIPAL LAW, §103**

A research paper discussing the legal requirements in connection with competitive bidding for procurement.

### **JUSTICE COURT FUND**

**19) HANDBOOK FOR TOWN AND VILLAGE JUSTICES AND COURT CLERKS**

The Handbook for Town and Village Justices and Court Clerks is to assist in fulfilling the financial reporting requirements of the Town and Village courts.

# Resources

## Video Tape Listing

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Please refer to the Comptroller's Website (<http://www.osc.state.ny.us>) or call (518) 486-6574 for more information on ordering these videos.

**Justice Court Management: Covering Your Assets**- For town or village magistrates, court clerks or managers of governing boards. Explains the importance of internal controls, good business practices, duties and responsibilities, resources available to help and more.

**Fire District Management: Tools of the Trade - How to Prevent Waste, Fraud, Abuse**- For fire district officials. Learn directly from the experts about financial records and reporting, conflicts of interest, travel expenses, contracts and procurement, risk management and good business practices.

**Building Blocks for Town Government - The 3R's: Roles, Responsibilities and Relationships**- This program explores the relationships between the town board and the supervisor, clerk, highway superintendent and the budget, meetings, motions, minutes, appointments, audit of claims and fiscal records and other town topics of interest to new town officials.

**New and Improved Retirement Benefits**- This program focuses on the impact of recent retirement legislation.

**The Key to Intermunicipal Cooperation**- A panel of experts reviews available resources, legal requirements, and analyzing the feasibility of intermunicipal cooperation.

**DWI: Arrest, Arraignment and Beyond**- For town and village justices and court clerks - cosponsored by the Office of Court Administration. Includes a mock DWI arraignment, information on setting bail, a Pringle hearing, granting a hardship privilege, the necessary forms and other pertinent information.

**Building Blocks for Town Government: Personnel Management and Civil Service**- For town officials and policy makers. Another in a series co-sponsored by the Association of Towns, this program includes personnel and civil service information, including job classification, hiring, appointments, fringe benefits and Section 75 procedures. The Taylor Law and tax issues are not covered in this teleconference.

**Implementing the New and Improved Retirement Benefits: The Dialogue Continues**- Gives an overview of the NYS Retirement System's processing, setting of priorities, new member statements and internet monthly reporting.

**Fire District Management Tools of the Trade: Money - How to Raise It, Spend it and Still Stay Out of Trouble**- For fire district officials. An expert panel discusses budgets, procurement, competitive bidding, change orders, bid specs and the documentation needed for audits.

**What Do We Do Now?**- For newly elected and re-elected town officials - cosponsored by The Association of Towns of the State of New York. Experts discuss powers and duties, budgets, conducting town board meetings, appointments, conflicts of interest and other town topics.

## Resources : Video Tape Listing

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**Small Claims - Big Issues**- Co-sponsored by the Office of Court Administration, this tape answers questions about small claims court and includes information on filing claims, counterclaims, hearings and post judgment.

**Avoiding Conflicts of Interest**- What is an interest in a contract? Is it ever prohibited? What is the dollar limit on gifts? This program discusses incompatibility of office, appearance of impropriety, codes of ethics and many related topics. Co-sponsored by The Association of Towns of the State of New York.

**A Pre-Retirement Seminar - An Employer Perspective** - An abbreviated version of Employee Retirement seminars, this program will give the information needed for an employer to guide prospective retirees. Discusses final average salary, service credits, vesting estimates, filing requirements and benefits registration.

**Fire District Management - Tools of the Trade: Roles and Responsibilities**- This program, co-sponsored by the Association of Fire Districts of the State of New York, Inc., explains the relationships of chief and commissioner, and fire company and fire district, discipline, residency, travel, training, dues, fund raising, budgets and other timely topics of interest to fire district officials.

**Calling ALL Clerks**- Experts explain the clerk's role is in the legislative process, helping viewers understand this topic and many others such as records management in the 21<sup>st</sup> century and roles and responsibilities of the clerk and the board. Co-sponsored by The Association of Towns of the State of New York and the New York State Conference of Mayors.

**Getting Up To Speed on Handling VTL 1180 Cases**- A program for town and villages justices and clerks on handling speeding tickets, including pre-taped segments with examples of actual situations. Co-sponsored by the Office of Court Administration

**The Low Down on LOSAP & Purchasing Issues**- This program is about volunteer firefighter service award programs and issues relating to purchases of equipment and apparatus. It is designed for all fire district commissioners and officers and co-sponsored by the Association of Fire Districts of the State of New York, Inc.

# New York State

# Regional Office Map

