

**THE CITY OF NEW YORK**  
**STATEMENT OF ACTIVITIES**

FOR THE YEAR ENDED JUNE 30, 2000  
(in thousands)

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government	
					Governmental Activities	Component Units
<b>Primary government:</b>						
General government . . . .	\$ 1,578,356	\$ 579,142	\$ 157,170	\$ 19,866	\$ (822,178)	\$ —
Public safety and judicial	7,772,048	179,587	522,156	42,708	(7,027,597)	—
Education . . . . .	11,533,688	61,096	6,024,204	3,054	(5,445,334)	—
City University . . . . .	652,576	136,962	420,716	1,998	(92,900)	—
Social services . . . . .	8,783,221	39,644	3,867,412	5,236	(4,870,929)	—
Environmental protection	2,058,606	836,355	790	3,260	(1,218,201)	—
Transportation services . .	1,401,725	547,905	168,658	173,885	(511,277)	—
Parks, recreation and cultural activities . . . .	574,024	47,925	6,350	12,363	(507,386)	—
Housing . . . . .	847,358	150,673	137,625	101,042	(458,018)	—
Health (including payments to HHC) . . .	1,976,975	41,413	602,469	15,395	(1,317,698)	—
Libraries . . . . .	268,931	—	—	—	(268,931)	—
Debt service interest . . .	2,114,285	—	—	—	(2,114,285)	—
Total Primary government . . . . .	<u>\$ 39,561,793</u>	<u>\$ 2,620,702</u>	<u>\$ 11,907,550</u>	<u>\$ 378,807</u>	<u>(24,654,734)</u>	<u>—</u>
<b>Component Units . . . . .</b>	<u>\$ 8,665,077</u>	<u>\$ 6,168,850</u>	<u>\$ 1,565,221</u>	<u>\$ 2,556,883</u>	<u>—</u>	<u>1,625,877</u>
General revenues:						
Taxes (Net of Refunds):						
					7,770,069	—
					4,165,944	—
					5,486,710	—
					3,457,112	—
					1,277,869	—
					346,857	209,155
					920,547	2,485
					347,937	276,571
					<u>23,773,045</u>	<u>488,211</u>
					(881,689)	2,114,088
					<u>2,336,230</u>	<u>99,636</u>
					1,454,541	2,213,724
					<u>(20,154,145)</u>	<u>9,273,501</u>
					<u>\$ (18,699,604)</u>	<u>\$ 11,487,225</u>

See accompanying notes to financial statements.

**THE CITY OF NEW YORK**

**GOVERNMENTAL FUNDS  
BALANCE SHEET**

June 30, 2001  
(in thousands)

	<u>General</u>	<u>New York City Capital Projects</u>	<u>General Debt Service</u>	<u>Nonmajor Governmental Funds</u>	<u>Adjustments/ Eliminations</u>	<u>Total Governmental Funds</u>
<b>ASSETS:</b>						
Cash and cash equivalents . . . . .	\$ 765,428	\$ 27,031	\$ 26,970	\$ 193,452	\$ —	\$ 1,012,881
Investments, including accrued interest . .	2,739,399	—	2,118,373	1,887,158	(171,590)	6,573,340
Accounts receivable:						
Real estate taxes (less allowance for uncollectible amounts of \$362,704) . .	616,473	—	—	—	—	616,473
Federal, State and other aid . . . . .	4,726,781	566,531	—	—	—	5,293,312
Taxes other than real estate . . . . .	2,550,670	—	—	—	—	2,550,670
Other . . . . .	505,284	—	—	—	—	505,284
Mortgage loans and interest receivable (less allowance for uncollectible amounts of \$750,148) . . . . .	—	—	—	33,437	—	33,437
Due from other funds . . . . .	2,840,419	1,154,105	—	252,073	(266,048)	3,980,549
Due from Component Units . . . . .	203,619	205,456	—	11,063	—	420,138
Restricted cash and investments . . . . .	—	209,080	—	42,142	—	251,222
Other . . . . .	—	44,596	—	29,824	—	74,420
Total assets . . . . .	<u>\$14,948,073</u>	<u>\$ 2,206,799</u>	<u>\$ 2,145,343</u>	<u>\$ 2,449,149</u>	<u>\$(437,638)</u>	<u>\$21,311,726</u>
<b>LIABILITIES AND FUND BALANCES:</b>						
<b>Liabilities:</b>						
Accounts payable and accrued liabilities . .	\$ 7,391,448	\$ 1,100,636	\$ 17,088	\$ 404,625	\$ (86,868)	\$ 8,826,929
Accrued tax refunds:						
Real estate taxes . . . . .	48,979	—	—	—	—	48,979
Personal income taxes . . . . .	43,884	—	—	—	—	43,884
Other . . . . .	77,575	—	—	—	—	77,575
Accrued judgments and claims . . . . .	309,007	105,474	—	—	—	414,481
Deferred revenues:						
Prepaid real estate taxes . . . . .	1,451,774	—	—	—	—	1,451,774
Uncollected real estate taxes . . . . .	586,737	—	—	—	—	586,737
Taxes other than real estate . . . . .	2,246,675	—	—	—	—	2,246,675
Other . . . . .	1,020,258	53,110	—	—	—	1,073,368
Due to other funds . . . . .	1,140,130	3,065,246	7,408	33,813	(266,048)	3,980,549
Due to Component Units . . . . .	23,458	—	—	—	—	23,458
Estimated disallowance of Federal, State and other aid . . . . .	210,268	—	—	—	—	210,268
Payable for investment securities purchased . . . . .	—	—	—	179,862	—	179,862
Total liabilities . . . . .	<u>14,550,193</u>	<u>4,324,466</u>	<u>24,496</u>	<u>618,300</u>	<u>(352,916)</u>	<u>19,164,539</u>
<b>Fund balances:</b>						
Reserved for:						
Debt service . . . . .	—	—	2,120,847	1,777,920	(84,722)	3,814,045
Noncurrent mortgage loans . . . . .	—	—	—	30,996	—	30,996
Unreserved (deficit), reported in:						
General fund . . . . .	397,880	—	—	—	—	397,880
New York City Capital projects fund . .	—	(2,117,667)	—	—	—	(2,117,667)
Nonmajor funds . . . . .	—	—	—	21,933	—	21,933
Total fund balances . . . . .	<u>397,880</u>	<u>(2,117,667)</u>	<u>2,120,847</u>	<u>1,830,849</u>	<u>(84,722)</u>	<u>2,147,187</u>
Total liabilities and fund balances . . . . .	<u>\$14,948,073</u>	<u>\$ 2,206,799</u>	<u>\$ 2,145,343</u>	<u>\$ 2,449,149</u>	<u>\$(437,638)</u>	<u>\$21,311,726</u>

The reconciliation of the fund balances of governmental funds to the net assets of governmental activities in the Statement of Net Assets is presented in an accompanying schedule.

See accompanying notes to financial statements.

**THE CITY OF NEW YORK**

**GOVERNMENTAL FUNDS  
BALANCE SHEET**

June 30, 2000  
(in thousands)

	<u>General</u>	<u>New York City Capital Projects</u>	<u>General Debt Service</u>	<u>Nonmajor Governmental Funds</u>	<u>Adjustments/ Eliminations</u>	<u>Total Governmental Funds</u>
<b>ASSETS:</b>						
Cash and cash equivalents . . . . .	\$ 878,116	\$ 81,332	\$ 38,705	\$ 378,287	\$ —	\$ 1,376,440
Investments, including accrued interest . . .	966,223	—	2,511,041	1,397,148	174,017	5,048,429
Accounts receivable:						
Real estate taxes (less allowance for uncollectible amounts of \$387,568) . .	613,158	—	—	—	—	613,158
Federal, State and other aid . . . . .	5,547,998	469,498	—	—	—	6,017,496
Taxes other than real estate . . . . .	2,695,446	—	—	—	—	2,695,446
Other . . . . .	633,056	—	—	—	—	633,056
Mortgage loans and interest receivable (less allowance for uncollectible amounts of \$742,353) . . . . .	—	—	—	35,204	—	35,204
Due from other funds . . . . .	2,502,667	1,359,442	—	246,210	(311,810)	3,796,509
Due from Component Units . . . . .	222,641	252,911	—	10,452	—	486,004
Restricted cash and investments . . . . .	—	718,240	—	627,403	—	1,345,643
Other . . . . .	435,372	52,621	—	33,573	—	521,566
Total assets . . . . .	<u>\$14,494,677</u>	<u>\$ 2,934,044</u>	<u>\$ 2,549,746</u>	<u>\$ 2,728,277</u>	<u>\$(137,793)</u>	<u>\$22,568,951</u>
<b>LIABILITIES AND FUND BALANCES:</b>						
<b>Liabilities:</b>						
Accounts payable and accrued liabilities . .	\$ 6,088,881	\$ 1,018,359	\$ 28,856	\$ 305,660	\$ (1,037)	\$ 7,440,719
Notes payable . . . . .	—	—	—	515,000	—	515,000
Accrued tax refunds:						
Real estate taxes . . . . .	50,886	—	—	—	—	50,886
Personal income taxes . . . . .	157,224	—	—	—	—	157,224
Other . . . . .	28,965	—	—	—	—	28,965
Accrued judgments and claims . . . . .	292,080	105,431	—	—	—	397,511
Deferred revenues:						
Prepaid real estate taxes . . . . .	1,620,651	—	—	—	—	1,620,651
Uncollected real estate taxes . . . . .	565,629	—	—	—	—	565,629
Taxes other than real estate . . . . .	2,222,113	—	—	—	—	2,222,113
Other . . . . .	1,529,052	192,505	—	—	—	1,721,557
Due to other funds . . . . .	1,293,842	2,727,074	7,408	79,995	(311,810)	3,796,509
Due to Component Units . . . . .	47,141	—	—	—	—	47,141
Estimated disallowance of Federal, State and other aid . . . . .	205,228	—	—	—	—	205,228
Payable for investment securities purchased . . . . .	—	—	—	255,876	—	255,876
Total liabilities . . . . .	<u>14,101,692</u>	<u>4,043,369</u>	<u>36,264</u>	<u>1,156,531</u>	<u>(312,847)</u>	<u>19,025,009</u>
<b>Fund balances:</b>						
Reserved for:						
Debt service . . . . .	—	—	2,513,482	1,500,631	175,054	4,189,167
Noncurrent mortgage loans . . . . .	—	—	—	32,121	—	32,121
Unreserved (deficit), reported in:						
General fund . . . . .	392,985	—	—	—	—	392,985
New York City Capital projects fund . .	—	(1,109,325)	—	—	—	(1,109,325)
Nonmajor funds . . . . .	—	—	—	38,994	—	38,994
Total fund balances . . . . .	<u>392,985</u>	<u>(1,109,325)</u>	<u>2,513,482</u>	<u>1,571,746</u>	<u>175,054</u>	<u>3,543,942</u>
Total liabilities and fund balances . . . . .	<u>\$14,494,677</u>	<u>\$ 2,934,044</u>	<u>\$ 2,549,746</u>	<u>\$ 2,728,277</u>	<u>\$(137,793)</u>	<u>\$22,568,951</u>

The reconciliation of the fund balances of governmental funds to the net assets of governmental activities in the Statement of Net Assets is presented in an accompanying schedule.

See accompanying notes to financial statements.

**THE CITY OF NEW YORK**  
**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL**  
**FUNDS TO THE STATEMENT OF NET ASSETS**

June 30, 2001  
(in thousands)

Amounts reported for *governmental activities* in the Statement of Net Assets are different because:

Total fund balances — governmental funds . . . . .	\$ 2,147,187
Materials and supplies recorded in the Statement of Net assets are recorded as expenditures in the governmental funds. . . . .	197,593
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. . . . .	24,497,361
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds. . . . .	3,403,801
Long-term liabilities are not due and payable in the current period and accordingly are not reported in the funds:	
Bonds and notes payable . . . . .	(38,429,756)
Accrued interest payable. . . . .	(612,507)
Other Long-term liabilities . . . . .	<u>(11,050,838)</u>
Net assets (deficit) of governmental activities . . . . .	<u>\$ (19,847,159)</u>

See accompanying notes to financial statements.

**THE CITY OF NEW YORK**  
**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL**  
**FUNDS TO THE STATEMENT OF NET ASSETS**

June 30, 2000  
(in thousands)

Amounts reported for *governmental activities* in the Statement of Net Assets are different because:

Total fund balances—governmental funds. . . . .	\$ 3,543,942
Materials and supplies recorded in the Statement of Net assets are recorded as expenditures in the governmental funds. . . . .	210,110
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. . . . .	22,538,547
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds. . . . .	3,326,284
Long-term liabilities are not due and payable in the current period and accordingly are not reported in the funds.	
Bonds notes payable. . . . .	(37,281,340)
Accrued interest payable. . . . .	(628,107)
Other Long-term liabilities . . . . .	<u>(10,409,040)</u>
Net assets (deficit) of governmental activities . . . . .	<u>\$ (18,699,604)</u>

See accompanying notes to financial statements.

**THE CITY OF NEW YORK**  
**GOVERNMENTAL FUNDS**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**

FOR THE YEAR ENDED JUNE 30, 2001  
(in thousands)

	General	New York City Capital Projects	General Debt Service	Nonmajor Governmental Funds	Adjustments/ Eliminations	Total Governmental Funds
<b>REVENUES:</b>						
Real estate taxes . . . . .	\$ 8,245,585	\$ —	\$ —	\$ —	\$ —	\$ 8,245,585
Sales and use taxes . . . . .	4,195,594	—	—	—	—	4,195,594
Personal income tax . . . . .	5,757,074	—	—	407,442	—	6,164,516
Income taxes, other . . . . .	3,685,224	—	—	—	—	3,685,224
Other taxes . . . . .	1,293,657	—	—	—	—	1,293,657
Federal, State and other categorical aid . . . . .	12,763,683	355,359	—	303,136	—	13,422,178
Unrestricted Federal and State aid . . . . .	634,380	—	—	—	—	634,380
Charges for services . . . . .	1,494,292	—	—	—	—	1,494,292
Tobacco settlement . . . . .	154,340	—	—	49,988	—	204,328
Investment income . . . . .	245,353	—	35,611	104,609	—	385,573
Interest on mortgages, net . . . . .	—	—	—	6,329	—	6,329
Other revenues . . . . .	1,762,690	1,057,547	2	1,486,027	(1,443,379)	2,862,887
Total revenues . . . . .	<u>40,231,872</u>	<u>1,412,906</u>	<u>35,613</u>	<u>2,357,531</u>	<u>(1,443,379)</u>	<u>42,594,543</u>
<b>EXPENDITURES:</b>						
<b>Current Operations:</b>						
General government . . . . .	1,078,423	583,998	—	12,604	—	1,675,025
Public safety and judicial . . . . .	5,874,881	236,331	—	—	—	6,111,212
Education . . . . .	11,545,119	1,707,614	—	1,439,057	(1,443,379)	13,248,411
City University . . . . .	392,936	9,038	—	—	—	401,974
Social services . . . . .	8,716,971	161,991	—	—	—	8,878,962
Environmental protection . . . . .	1,528,271	1,008,236	—	—	—	2,536,507
Transportation services . . . . .	749,682	855,677	—	—	—	1,605,359
Parks, recreation and cultural activities . . . . .	317,150	255,908	—	—	—	573,058
Housing . . . . .	481,757	413,896	—	—	—	895,653
Health (including payments to HHC) . . . . .	1,959,084	60,426	—	—	—	2,019,510
Libraries . . . . .	382,776	16,839	—	—	—	399,615
Pensions . . . . .	1,127,129	—	—	—	—	1,127,129
Judgments and claims . . . . .	594,846	—	—	—	—	594,846
Fringe benefits and other benefit payments . . . . .	2,200,117	—	—	—	—	2,200,117
Administrative and other . . . . .	315,282	—	13,447	62,930	—	391,659
<b>Debt Service:</b>						
Interest . . . . .	—	—	1,449,178	703,377	(11,809)	2,140,746
Redemptions . . . . .	—	—	1,310,263	214,339	252,435	1,777,037
Lease payments . . . . .	—	—	—	268,212	—	268,212
Refunding escrow . . . . .	—	—	46,182	—	—	46,182
Total expenditures . . . . .	<u>37,264,424</u>	<u>5,309,954</u>	<u>2,819,070</u>	<u>2,700,519</u>	<u>(1,202,753)</u>	<u>46,891,214</u>
Excess (deficiency) of revenues over expenditures . . . . .	<u>2,967,448</u>	<u>(3,897,048)</u>	<u>(2,783,457)</u>	<u>(342,988)</u>	<u>(240,626)</u>	<u>(4,296,671)</u>
<b>OTHER FINANCING SOURCES (USES):</b>						
Transfers from General Fund . . . . .	—	—	2,390,882	571,400	(19,150)	2,943,072
Transfers from Nonmajor Capital Projects Funds . . . . .	—	1,576,954	—	56,847	(1,576,954)	56,847
Proceeds from sale of bonds . . . . .	—	1,256,501	—	1,588,164	—	2,844,665
Capitalized leases . . . . .	—	55,251	—	—	—	55,251
Refunding bond proceeds . . . . .	—	—	1,147,335	—	—	1,147,335
Transfer to New York City Capital Projects Fund . . . . .	—	—	—	(1,576,954)	1,576,954	—
Transfers to General Debt Service Fund . . . . .	(2,962,553)	—	—	—	—	(2,962,553)
Transfer to Nonmajor Debt Service Funds . . . . .	—	—	—	(37,366)	—	(37,366)
Payments to refunded bond escrow holder . . . . .	—	—	(1,147,335)	—	—	(1,147,335)
Total other financing sources (uses) . . . . .	<u>(2,962,553)</u>	<u>2,888,706</u>	<u>2,390,822</u>	<u>602,091</u>	<u>(19,150)</u>	<u>2,899,916</u>
Net change in fund balances . . . . .	4,895	(1,008,342)	(392,635)	259,103	(259,776)	(1,396,755)
FUND BALANCES (DEFICIT) AT BEGINNING OF YEAR . . . . .	392,985	(1,109,325)	2,513,482	1,571,746	175,054	3,543,942
FUND BALANCES (DEFICIT) AT END OF YEAR . . . . .	<u>\$ 397,880</u>	<u>\$ (2,117,667)</u>	<u>\$ 2,120,847</u>	<u>\$ 1,830,849</u>	<u>\$ (84,722)</u>	<u>\$ 2,147,187</u>

The reconciliation of the change in fund balances of governmental funds to the change in net assets of governmental activities in the Statement of Net Assets is presented in an accompanying schedule.

See accompanying notes to financial statements.

**THE CITY OF NEW YORK**  
**GOVERNMENTAL FUNDS**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**FOR THE YEAR ENDED JUNE 30, 2000**  
(in thousands)

	General	New York City Capital Projects	General Debt Service	Nonmajor Governmental Funds	Adjustments/ Eliminations	Total Governmental Funds
<b>REVENUES:</b>						
Real estate taxes . . . . .	\$ 7,849,962	\$ —	\$ —	\$ —	\$ —	\$ 7,849,962
Sales and use taxes . . . . .	4,159,943	—	—	—	—	4,159,943
Personal income tax . . . . .	5,364,597	—	—	247,113	—	5,611,710
Income taxes, other . . . . .	3,589,023	—	—	—	—	3,589,023
Other taxes . . . . .	1,265,780	—	—	—	—	1,265,780
Federal, State and other categorical aid . . . . .	11,905,370	312,537	—	291,500	—	12,509,407
Unrestricted Federal and State aid . . . . .	631,224	—	—	—	—	631,224
Charges for services . . . . .	1,430,184	—	—	—	—	1,430,184
Tobacco settlement . . . . .	247,364	—	—	27,559	—	274,923
Investment Income . . . . .	194,753	—	7,516	131,353	—	333,622
Interest on mortgages, net . . . . .	—	—	—	7,516	—	7,516
Other interest income . . . . .	—	—	5,462	257	—	5,719
Other . . . . .	1,246,370	802,290	—	1,274,468	(1,248,250)	2,074,878
<b>Total revenues . . . . .</b>	<b>37,884,570</b>	<b>1,114,827</b>	<b>12,978</b>	<b>1,979,766</b>	<b>(1,248,250)</b>	<b>39,743,891</b>
<b>EXPENDITURES:</b>						
<b>Current Operations:</b>						
General government . . . . .	1,043,124	368,199	—	31,718	—	1,443,041
Public safety and judicial . . . . .	5,648,618	522,927	—	—	—	6,171,545
Education . . . . .	10,492,457	1,295,717	—	1,249,663	(1,248,250)	11,789,587
City University . . . . .	383,851	14,326	—	—	—	398,177
Social services . . . . .	8,329,814	138,351	—	—	—	8,468,165
Environmental protection . . . . .	1,398,196	914,984	—	—	—	2,313,180
Transportation services . . . . .	763,337	906,559	—	—	—	1,669,896
Parks, recreation and cultural activities . . . . .	288,517	262,070	—	—	—	550,587
Housing . . . . .	432,925	289,845	—	—	—	722,770
Health (including payments to HHC) . . . . .	1,777,299	75,558	—	—	—	1,852,857
Libraries . . . . .	232,521	20,947	—	—	—	253,468
Pensions . . . . .	615,085	—	—	—	—	615,085
Judgments and claims . . . . .	490,669	—	—	—	—	490,669
Fringe benefits and other benefit payments . . . . .	2,065,166	—	—	—	—	2,065,166
Administrative and other . . . . .	(36,429)	—	13,992	25,427	—	2,990
<b>Debt Service:</b>						
Interest . . . . .	—	—	1,466,203	541,420	(20,468)	1,987,155
Redemptions . . . . .	—	—	1,157,419	485,551	(81,952)	1,561,018
Lease payments . . . . .	—	—	—	252,987	—	252,987
Refunding escrow . . . . .	—	—	16,818	—	—	16,818
<b>Total expenditures . . . . .</b>	<b>33,925,150</b>	<b>4,809,483</b>	<b>2,654,432</b>	<b>2,586,766</b>	<b>(1,350,670)</b>	<b>42,625,161</b>
Excess (deficiency) of revenues over expenditures . . . . .	3,959,420	(3,694,656)	(2,641,454)	(607,000)	102,420	(2,881,270)
<b>OTHER FINANCING SOURCES (USES):</b>						
Transfers from General Fund . . . . .	—	182,000	3,148,774	647,661	(23,699)	3,954,736
Transfers from Nonmajor Capital Projects Fund . . . . .	—	2,410,168	—	115,730	(2,410,168)	115,730
Proceeds from sale of bonds . . . . .	—	600,000	—	2,544,407	—	3,144,407
Capitalized leases . . . . .	—	328,686	—	—	—	328,686
Refunding bond proceeds . . . . .	—	—	65,828	—	—	65,828
Transfer to New York City Capital Projects Fund . . . . .	(182,000)	—	—	(2,410,168)	2,410,168	(182,000)
Transfers to General Debt Service Fund . . . . .	(3,772,736)	—	—	—	—	(3,772,736)
Transfer to Nonmajor Debt Service Fund . . . . .	—	—	—	(115,730)	—	(115,730)
Payment to refunded bond escrow holder . . . . .	—	—	(65,828)	—	—	(65,828)
<b>Total other financing sources (uses) . . . . .</b>	<b>(3,954,736)</b>	<b>3,520,854</b>	<b>3,148,774</b>	<b>781,900</b>	<b>(23,699)</b>	<b>3,473,093</b>
Net change in fund balances . . . . .	4,684	(173,802)	507,320	174,900	78,721	591,823
<b>FUND BALANCES (DEFICIT) AT BEGINNING OF YEAR . . . . .</b>	<b>388,301</b>	<b>(935,523)</b>	<b>2,006,162</b>	<b>1,396,846</b>	<b>96,333</b>	<b>2,952,119</b>
<b>FUND BALANCES (DEFICIT) AT END OF YEAR . . . . .</b>	<b>\$ 392,985</b>	<b>\$ (1,109,325)</b>	<b>\$ 2,513,482</b>	<b>\$ 1,571,746</b>	<b>\$ 175,054</b>	<b>\$ 3,543,942</b>

The reconciliation of the change in fund balances of governmental funds to the change in net assets of governmental activities in the Statement of Net Assets is presented in an accompanying schedule.

See accompanying notes to financial statements.

**THE CITY OF NEW YORK**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND**  
**BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**  
FOR THE YEAR ENDED JUNE 30, 2001  
(in thousands)

Amounts reported for *governmental activities* in the Statement of Activities are different because:

Net change in fund balances—total governmental funds . . . . .		\$ (1,396,755)
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.</p>		
Purchases of fixed assets . . . . .	\$ 3,366,818	
Depreciation expense . . . . .	<u>(1,243,000)</u>	2,123,818
<p>The net effect of various miscellaneous transactions involving capital assets and other (i.e. sales, trade-ins, and donations) is to decrease net assets. . . . .</p>		
		(179,048)
<p>The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.</p>		
Proceeds from sales of bonds . . . . .	(2,844,665)	
Principal payments of bonds . . . . .	1,777,037	
Other . . . . .	<u>(31,217)</u>	(1,098,845)
<p>Some expenses reported in the statement of activities do not require the use of current financial resource and therefore, are not reported as expenditures in governmental funds. . . . .</p>		
		(718,735)
<p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. . . . .</p>		
		<u>122,010</u>
Change in net assets—governmental activities . . . . .		<u>\$ (1,147,555)</u>

See accompanying notes to financial statements.

**THE CITY OF NEW YORK**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND**  
**BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**  
FOR THE YEAR ENDED JUNE 30, 2000  
(in thousands)

Amounts reported for *governmental activities* in the Statement of Activities are different because:

Net change in fund balances—total governmental funds . . . . .		\$ 591,823
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.</p>		
Purchases of fixed assets . . . . .	\$ 1,737,402	
Depreciation expense . . . . .	(889,341)	
Other . . . . .	<u>188,357</u>	1,036,418
The net effect of various miscellaneous transactions involving capital assets and other (i.e. sales, trade-ins, and donations) is to decrease net assets. . . . .		(347,405)
<p>The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.</p>		
Proceeds from sales of bonds . . . . .	(3,144,407)	
Principal payments of bonds . . . . .	1,561,018	
Other . . . . .	<u>(31,431)</u>	(1,614,820)
Some expenses reported in the statement of activities do not require the use of current financial resource and therefore, are not reported as expenditures in governmental funds. . . . .		(311,914)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. . . . .		(235,791)
Decrease in the accrued pension liability did not provide financial resources and is not reported as a revenue in the general fund. . . . .		<u>2,336,230</u>
Change in net assets—governmental activities . . . . .		<u>\$ 1,454,541</u>

See accompanying notes to financial statements.

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**THE CITY OF NEW YORK**

**GENERAL FUND  
STATEMENTS OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL**

FOR THE YEARS ENDED JUNE 30, 2001 and 2000  
(in thousands)

	2001			2000		
	Budget		Actual	Budget		Actual
	Adopted	Modified		Adopted	Modified	
<b>REVENUES:</b>						
Real estate taxes . . . . .	\$ 8,111,268	\$ 8,277,436	\$ 8,245,585	\$ 7,765,297	\$ 7,813,297	\$ 7,849,962
Sales and use taxes . . . . .	3,945,900	4,265,021	4,195,594	3,782,900	4,097,900	4,159,943
Personal Income Tax . . . . .	5,239,728	5,669,565	5,757,074	4,837,461	5,399,311	5,364,597
Income taxes other . . . . .	3,341,535	3,671,535	3,685,224	3,138,436	3,608,700	3,589,023
Other taxes . . . . .	1,176,400	1,237,848	1,293,657	1,115,200	1,241,296	1,265,780
Federal, State and other categorical aid	12,193,170	13,263,962	12,763,683	11,064,668	12,622,396	11,905,370
Unrestricted Federal and State aid . . . . .	564,323	592,643	634,380	614,730	616,730	631,224
Charges for services . . . . .	1,374,949	1,434,424	1,460,891	1,380,296	1,391,225	1,400,507
Tobacco settlement . . . . .	139,142	153,142	154,340	283,534	247,426	247,364
Interest income . . . . .	170,910	250,305	245,353	104,030	168,010	194,753
Other revenues . . . . .	1,032,462	1,987,123	1,762,690	777,267	1,555,275	1,246,369
Total revenues . . . . .	<u>37,289,787</u>	<u>40,803,004</u>	<u>40,198,471</u>	<u>34,863,819</u>	<u>38,761,566</u>	<u>37,854,892</u>
<b>OTHER FINANCING SOURCES:</b>						
Transfers from Component Units . . . . .	34,400	34,200	33,401	30,600	31,100	29,678
Total revenues and other financing sources . . . . .	<u>37,324,187</u>	<u>40,837,204</u>	<u>40,231,872</u>	<u>34,894,419</u>	<u>38,792,666</u>	<u>37,884,570</u>
<b>EXPENDITURES:</b>						
General government . . . . .	1,054,043	1,109,173	1,078,423	1,039,534	1,080,538	1,043,124
Public safety and judicial . . . . .	5,659,045	5,914,604	5,874,881	5,486,097	5,723,158	5,648,618
Board of Education . . . . .	10,972,518	11,594,255	11,545,119	10,067,438	10,530,607	10,492,457
City University . . . . .	426,182	427,967	392,936	420,750	420,484	383,851
Social services . . . . .	8,458,562	8,829,394	8,716,971	7,910,928	8,607,028	8,329,814
Environmental protection . . . . .	1,599,362	1,552,029	1,528,271	1,424,519	1,439,716	1,398,196
Transportation services . . . . .	616,997	790,519	749,682	593,292	792,568	763,337
Parks, recreation and cultural activities .	287,070	317,508	317,150	269,924	287,339	288,517
Housing . . . . .	460,983	517,382	477,636	445,796	475,600	428,644
Health (including payments to HHC) . . .	1,842,472	2,039,011	1,959,084	1,644,688	1,794,541	1,777,299
Libraries . . . . .	242,392	382,999	382,776	229,035	232,524	232,521
Pensions . . . . .	1,132,414	1,209,043	1,127,129	1,215,950	623,159	615,085
Judgments and claims . . . . .	442,273	498,273	594,846	392,889	490,549	490,669
Fringe benefits and other benefit payments . . . . .	2,160,700	2,172,215	2,200,117	2,068,615	2,065,813	2,065,166
Other . . . . .	714,950	509,622	315,282	548,389	204,116	(36,429)
Total expenditures . . . . .	<u>36,069,963</u>	<u>37,863,994</u>	<u>37,260,303</u>	<u>33,757,844</u>	<u>34,767,740</u>	<u>33,920,869</u>
<b>OTHER FINANCING USES:</b>						
Transfers and other payments for debt service . . . . .	1,254,224	2,973,210	2,966,674	1,136,575	3,842,926	3,777,017
Transfer to capital projects fund . . . . .	—	—	—	—	182,000	182,000
Total expenditures and other financing uses . . . . .	<u>37,324,187</u>	<u>40,837,204</u>	<u>40,226,977</u>	<u>34,894,419</u>	<u>38,792,666</u>	<u>37,879,886</u>
<b>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES . . . . .</b>	<u>\$ —</u>	<u>\$ —</u>	<u>4,895</u>	<u>\$ —</u>	<u>\$ —</u>	<u>4,684</u>
<b>FUND BALANCES AT BEGINNING OF YEAR</b>			<u>392,985</u>			<u>388,301</u>
<b>FUND BALANCES AT END OF YEAR . . . . .</b>			<u>\$ 397,880</u>			<u>\$ 392,985</u>

See accompanying notes to financial statements.

**THE CITY OF NEW YORK**  
**FIDUCIARY FUNDS**  
**STATEMENT OF FIDUCIARY NET ASSETS**

JUNE 30, 2001  
(in thousands)

	<u>Pension and Other Employee Benefit Trust Funds</u>	<u>Agency Funds</u>
ASSETS:		
Cash and cash equivalents . . . . .	\$ 485,396	\$ 77,339
Receivables:		
Receivable for investment securities sold . . . . .	1,717,906	—
Accrued interest and dividend receivable . . . . .	466,266	—
Investments:		
Other short-term investments . . . . .	3,694,342	—
Debt securities . . . . .	29,369,366	1,168,699
Equity securities . . . . .	53,082,431	—
International investment fund—equity . . . . .	12,972,165	—
Mortgages . . . . .	9,359	—
Guaranteed investment contracts . . . . .	1,043,069	—
Management investment contracts . . . . .	97,518	—
Mutual funds . . . . .	3,238,919	—
Collateral from securities lending transactions . . . . .	10,882,901	—
Due from other funds . . . . .	750	—
Other . . . . .	55,760	—
Total assets . . . . .	<u>117,116,148</u>	<u>1,246,038</u>
LIABILITIES:		
Accounts payable and accrued liabilities . . . . .	510,336	311,005
Payable for investment securities purchased . . . . .	5,957,262	—
Accrued benefits payable . . . . .	306,123	—
Due to other funds . . . . .	750	—
Securities lending transactions . . . . .	10,882,901	—
Other . . . . .	21,752	935,033
Total liabilities . . . . .	<u>17,679,124</u>	<u>1,246,038</u>
Plan Net Assets Held In Trust For Benefit Payments . . . . .	<u>\$ 99,437,024</u>	<u>\$ —</u>

See accompanying notes to financial statements.

**THE CITY OF NEW YORK**  
**FIDUCIARY FUNDS**  
**STATEMENT OF FIDUCIARY NET ASSETS**

JUNE 30, 2000  
(in thousands)

	<u>Pension and Other Employee Benefit Trust Funds</u>	<u>Agency Funds</u>
<b>ASSETS:</b>		
Cash and cash equivalents . . . . .	\$ 408,877	\$ 192,898
Receivables:		
Receivable for investment securities sold . . . . .	5,089,837	—
Accrued interest and dividend receivable . . . . .	491,060	—
Investments:		
Other short-term investments . . . . .	5,761,597	185,759
Debt securities . . . . .	27,131,650	937,671
Equity securities . . . . .	63,841,356	—
International investment fund—equity . . . . .	16,623,264	—
Mortgages . . . . .	11,677	—
Guaranteed investment contracts . . . . .	995,978	—
Management investment contracts . . . . .	181,726	—
Mutual funds . . . . .	3,186,814	—
Collateral from securities lending transactions . . . . .	12,268,340	—
Due from other funds . . . . .	100,000	—
Other . . . . .	55,378	—
Total assets . . . . .	<u>136,147,554</u>	<u>1,316,328</u>
<b>LIABILITIES:</b>		
Accounts payable and accrued liabilities . . . . .	314,428	81,113
Payable for investment securities purchased . . . . .	9,197,548	—
Accrued benefits payable . . . . .	268,454	—
Deferred employer contribution . . . . .	435,373	—
Due to other funds . . . . .	100,000	—
Securities lending transactions . . . . .	12,268,340	—
Other . . . . .	6,370	1,235,215
Total liabilities . . . . .	<u>22,590,513</u>	<u>1,316,328</u>
Plan Net Assets Held in Trust for Benefit Payments . . . . .	<u>\$113,557,041</u>	<u>\$ —</u>

See accompanying notes to financial statements.

**THE CITY OF NEW YORK**  
**FIDUCIARY FUNDS**  
**STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS**  
FOR THE YEAR ENDED JUNE 30, 2001  
(in thousands)

	<u>Pension and Other Employee Benefit Trust Funds</u>
<b>ADDITIONS:</b>	
Contributions:	
Member contributions (net of loans to members) . . . . .	\$ 959,715
Employer contributions . . . . .	1,256,832
Other employer contributions . . . . .	<u>21,324</u>
Total contributions . . . . .	<u>2,237,871</u>
Investment income:	
Interest income . . . . .	2,978,974
Dividend income . . . . .	739,949
Net depreciation in fair value of investments . . . . .	(12,970,698)
Less investment expenses . . . . .	<u>723,134</u>
Investment loss, net . . . . .	<u>(9,974,909)</u>
Payments from other funds . . . . .	750
Other . . . . .	<u>20,697</u>
Total decrease . . . . .	<u>(7,715,591)</u>
<b>DEDUCTIONS:</b>	
Benefit payments and withdrawals . . . . .	6,312,103
Payments to other fund . . . . .	750
Other . . . . .	24,319
Administrative expenses . . . . .	<u>67,254</u>
Total deductions . . . . .	<u>6,404,426</u>
Decrease in plan net assets . . . . .	(14,120,017)
<b>PLAN NET ASSETS HELD IN TRUST FOR BENEFIT PAYMENTS:</b>	
Beginning of Year . . . . .	<u>113,557,041</u>
End of Year . . . . .	<u>\$ 99,437,024</u>

See accompanying notes to financial statements.

**THE CITY OF NEW YORK**  
**FIDUCIARY FUNDS**  
**STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS**  
FOR THE YEAR ENDED JUNE 30, 2000  
(in thousands)

	<u>Pension and Other Employee Benefit Trust Funds</u>
<b>ADDITIONS:</b>	
Contributions:	
Member contributions (net of loans to members) . . . . .	\$ 911,605
Employer contributions . . . . .	703,079
Other employer contributions . . . . .	<u>20,988</u>
Total contributions . . . . .	<u>1,635,672</u>
Investment income:	
Interest income . . . . .	2,714,028
Dividend income . . . . .	837,933
Net appreciation in fair value of investments . . . . .	7,738,625
Less investment expenses . . . . .	<u>704,523</u>
Investment income, net . . . . .	<u>10,586,063</u>
Payments from other funds . . . . .	100,031
Other . . . . .	<u>28,008</u>
Total additions . . . . .	<u>12,349,774</u>
<b>DEDUCTIONS:</b>	
Benefit payments and withdrawals . . . . .	5,762,371
Payments to other funds . . . . .	100,031
Administrative expenses . . . . .	<u>57,562</u>
Total deductions . . . . .	<u>5,919,964</u>
Increase in plan net assets . . . . .	6,429,810
<b>PLAN NET ASSETS HELD IN TRUST FOR BENEFIT PAYMENTS:</b>	
Beginning of Year . . . . .	<u>107,127,231</u>
End of Year . . . . .	<u>\$ 113,557,041</u>

See accompanying notes to financial statements.