

Thomas P. DiNapoli STATE COMPTROLLER

STATE OF New York



FINANCIAL CONDITION REPORT

For Fiscal Year Ended
March 31, 2008



2008 COMPTROLLER'S REPORT ON THE FINANCIAL CONDITION OF NEW YORK STATE

FOR FISCAL YEAR ENDED MARCH 31, 2008

Office of the State Comptroller • Thomas P. DiNapoli

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Comptroller's 2008 Report on the Financial Condition of New York State

Award for Outstanding Achievement in Popular Annual Financial Reporting

PRESENTED TO

State of New York

for the Fiscal Year Ended

March 31, 2007



Chas S Cox
President

Jeffrey L. Esser
Executive Director

This report provides citizens with an overview of the financial condition of New York State. It presents selected financial, economic, and demographic information in an easy-to-understand format.

It also presents basic information on trends in State receipts (revenues) and spending (disbursements), the State's financial position as measured by Generally Accepted Accounting Principles (GAAP), and selected economic and demographic trends affecting the State. Although it fills an information need not met by the traditional, more detailed financial reports issued by the Comptroller's Office, it is not meant to replace them. Detailed accounting data still can be found in reports such as the *Comprehensive Annual Financial Report*.

Financial condition is a broad concept aimed at assessing the ability of a government to meet current and future financial and service obligations. It deals with the State's ability to deliver acceptable levels of services at acceptable levels of taxation, while achieving budget balance and making required debt service payments and pension contributions.

The Office of the State Comptroller was honored this past year when it received the Award for Outstanding Achievement in Popular Annual Financial Reporting from the Government Finance Officers Association for the 2007 *Financial Condition Report*.



Message from the Comptroller

It is my pleasure to present the Financial Condition Report for the State of New York for the fiscal year ending March 31, 2008.

The State of New York faces serious fiscal challenges. Over the next few years, the State is projected to face annual budget gaps that combine to exceed \$26 billion. For too long, New York's budgets have contained spending commitments that dramatically outpace realistic revenue growth.

Total State spending increased to \$116.1 billion in State fiscal year (SFY) 2007-08 from \$97.3 billion in SFY 2003-04, a 19.3 percent spending increase in four years. This increase is significantly higher than the rate of inflation as measured by the Consumer Price Index, which rose 13.3 percent during that period. Spending from State resources is forecast in the SFY 2007-08 Enacted Budget Financial Plan to increase 29.3 percent over the next four years, outpacing the forecast of 17.3 percent revenue growth and creating a roughly \$10.9 billion spending gap for SFY 2011-12.

Meanwhile, State-funded debt outstanding is expected to increase to nearly \$67.6 billion by March 31, 2013, from the SFY 2007-08 level of \$52.4 billion. This increase will drive State-funded annual debt service costs to an estimated \$7.6 billion from the current \$4.8 billion. While debt can be an effective and appropriate funding mechanism to finance capital assets, New York has also issued debt to finance operating deficits and other budget relief, with approximately \$11 billion outstanding for such purposes.

It is time for State leaders to come together and collaboratively confront the difficult realities we face. It is time for us to roll up our sleeves and redesign the way the State manages its resources. We must address today the problems we have accumulated over years past. It is time to ensure that tomorrow's generation inherits a New York that is as vibrant and inspiring as its great tradition and rich potential deserve.



Thomas P. DiNapoli
STATE COMPTROLLER

Government-Wide Financial Data

New York State's government-wide financial statements include a Statement of Net Assets and a Statement of Activities, both of which distinguish between the State's governmental and business-type activities. (Component Unit data not shown.)

GOVERNMENTAL ACTIVITIES

Most of the State's basic services are reported here, including education, public health, public welfare, public safety, transportation, environment and recreation, support and regulation of business, general government, and interest on long-term debt. Federal grants, personal income taxes, consumption and use taxes, business and other taxes, lottery revenues, and bond proceeds finance most of these activities.

BUSINESS-TYPE ACTIVITIES

Revenues are received by the State from its customers to help it cover all or a part of the services it provides. The State's Lottery Fund, Unemployment Insurance Benefit Fund, the State University of New York and the City University of New York-senior colleges are reported here.

Condensed Statement of Activities - Primary Government

For the year ended March 31, 2008

(amounts in millions)

Functions/Programs	Expenses	Program Revenues	Net (Expenses) Revenues
Governmental activities:			
Education	\$31,215	\$3,315	\$(27,900)
Public health	44,777	28,900	(15,877)
Public welfare	12,491	8,315	(4,176)
Public safety	6,011	916	(5,095)
Transportation	6,595	1,844	(4,751)
Environment and recreation	1,275	493	(782)
Support and regulate business	1,288	552	(736)
General government	7,841	1,192	(6,649)
Interest on debt	1,862	—	(1,862)
Total governmental activities	113,355	45,527	(67,828)
Business-type activities:			
Lottery	5,044	7,548	2,504
Unemployment insurance	2,412	2,389	(23)
State University of New York	7,965	4,722	(3,243)
City University of New York	2,443	1,545	(898)
Total business-type activities	17,864	16,204	(1,660)
Total primary government	\$131,219	\$61,731	(69,488)
General revenues and net transfers:			
Taxes			63,060
Other			5,631
Net transfers			(733)
Total general revenues and net transfers			67,958
Change in Net Assets (decrease)			\$(1,530)

The full accrual method of accounting is used by many businesses and recognizes revenue and expenses when the earning process is complete, regardless of when cash is received or disbursed. This results in a long-term perspective on finances.

The Statement of Net Assets reports the State's total assets and liabilities. The Statement of Net Assets reports the difference between assets and liabilities in three categories: Capital Assets Net of Related Debt, Restricted Net Assets and Unrestricted Net Assets.

The Statement of Activities reports the expenses of each of the State's programs, reduced by the revenues generated by those programs, to arrive at net program expense. The net program expense is then reduced by general revenues and other gains and losses to arrive at a change in net assets for the year.

Condensed Statement of Net Assets - Primary Government

As of March 31, 2008

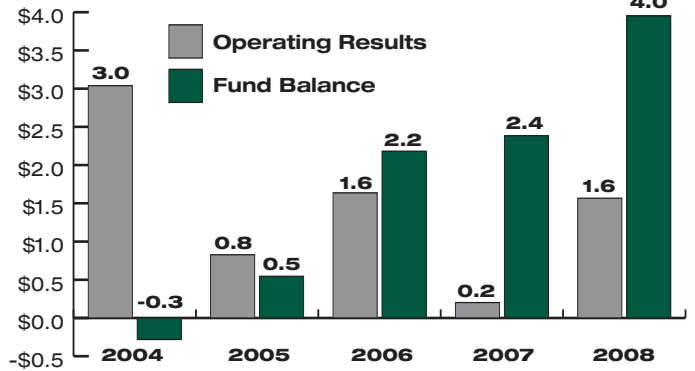
(amounts in millions)

	Governmental Activities	Business-type Activities	Total
Assets			
Cash and investments	\$11,962	\$6,688	\$18,650
Receivables, net	20,515	2,926	23,441
Internal balances	(435)	452	17
Other assets	1,005	210	1,215
Capital assets	79,194	7,773	86,967
Total Assets	112,241	18,049	130,290
Liabilities			
Tax refunds payable	7,918	—	7,918
Payable to local governments	4,358	—	4,358
Accrued liabilities and accounts payable	7,079	1,256	8,335
Other liabilities due within one year	3,588	1,507	5,095
Liabilities due in more than one year	45,788	11,069	56,857
Total Liabilities	68,731	13,832	82,563
Net Assets			
Invested in capital assets net of related debt	62,800	353	63,153
Restricted for debt service and other purposes	3,535	3,057	6,592
Unrestricted (deficit)	(22,825)	807	(22,018)
Total Net Assets	\$43,510	\$4,217	\$47,727

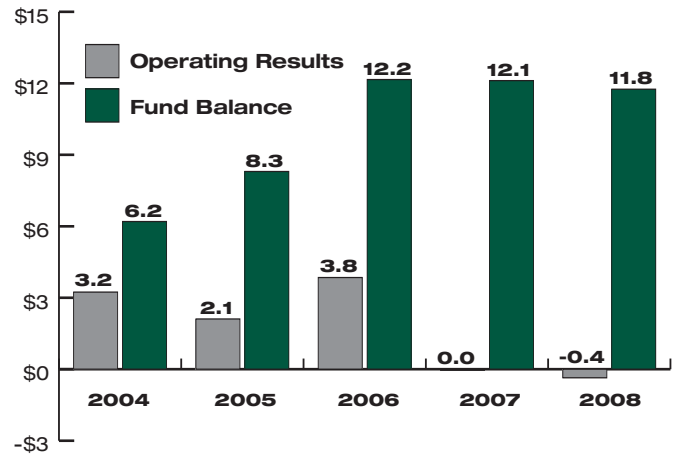
Fund Financial Data

- The State also prepares fund financial statements. Funds represent sources of funding and spending for particular purposes. The General Fund is used to report sources of funds and expenditures that are not required to be accounted for in another separate fund. In New York, significant sources of funds that normally would be reported in the General Fund have been pledged or dedicated to other funds for repayment of debt or project funding, and are therefore reported in other governmental funds.
- Fund financial statements provide a short-term view of government finances. Thus, payment of fund expenditures from proceeds of long-term borrowing will not have any impact on the fund balance, because the liability to repay the borrowing is not reported in the fund.
- The relationship between fund operating results and accumulated fund balance (or deficit) is graphically depicted at right.
- As of the year ended March 31, 2008, the State reported a \$1.6 billion operating surplus in the General Fund, but a \$360 million combined governmental funds operating deficit. The General Fund surplus is generally due to increased revenues related to improvement in the State's economy. The combined governmental fund balance decreased from \$12.1 billion to \$11.8 billion.

General Fund Operating Results versus Accumulated Surplus (Deficit)
(amounts in billions)

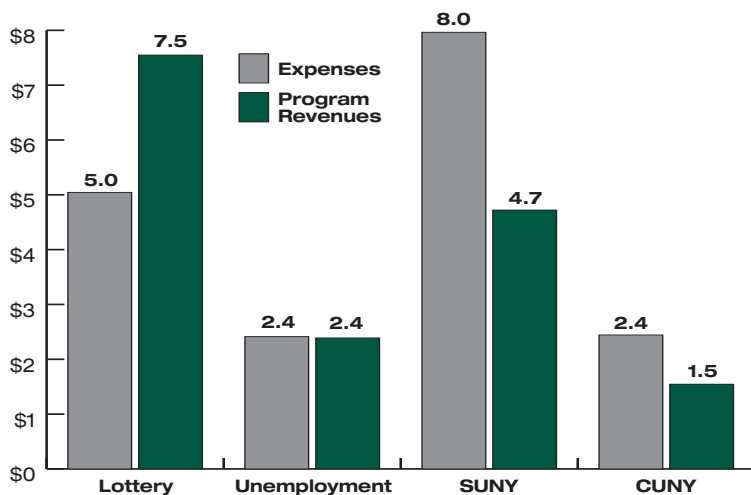


Governmental Operating Results versus Accumulated Surplus
(amounts in billions)



Business-Type Activities

(amounts in billions)



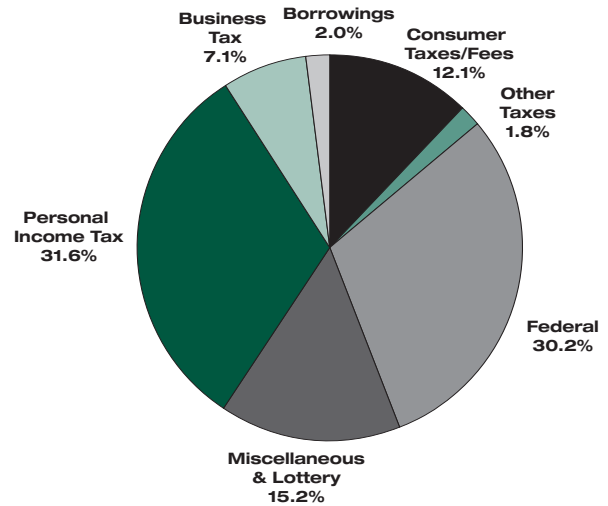
For details, please see Statement of Activities, page 4.

Total Receipts

Receipts are affected by economic changes and changes in federal and State policies. Tax base is a measure of the State's ability to generate revenue. A decreasing tax base may force spending reductions and/or increased taxes. Receipts are revenues that have been recorded on a cash basis. Appendix 3 contains State receipts by major source for the past five fiscal years.

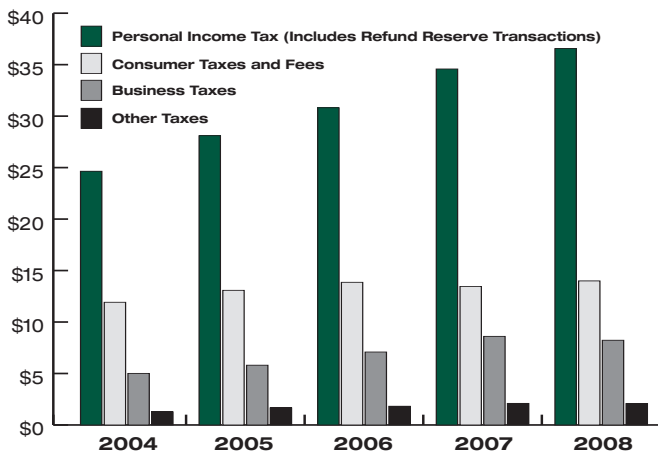
- Receipts have increased \$15.6 billion (15.6 percent) since 2004.
- In 2008, total tax receipts of \$60.9 billion represented a 42 percent increase over 2004 tax receipts.
- Receipts from the federal government decreased 6 percent since 2004. Medicaid was responsible for the largest decrease in federal cash receipts.

New York's 2008 Receipts Sources



Tax Receipts by Year

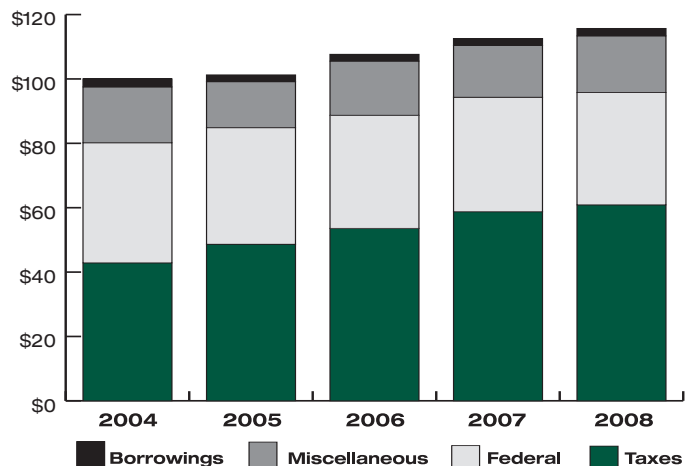
(amounts in billions)



- Personal income tax and consumer taxes and fees accounted for 43.7 percent of 2008 receipts, and have increased 38 percent since 2004.
- During SFY 2007-08, the State experienced a 5.7 percent increase in personal income tax (PIT) receipts — its largest revenue source.

Total State Receipts

(amounts in billions)



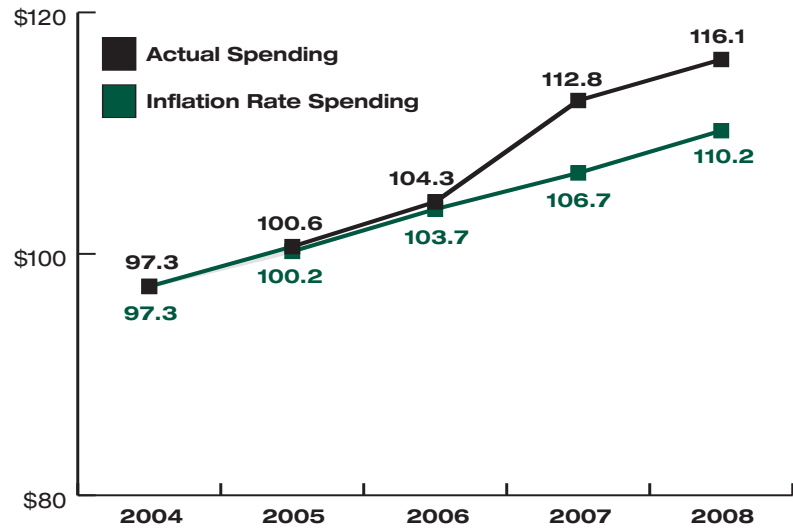
Total Spending

Spending data can be used to evaluate the State's program priorities and, compared to revenue data, can be used to measure the State's ability to support continuing programs. Appendices 1 and 2 show a history of State spending by major program for the past five fiscal years.

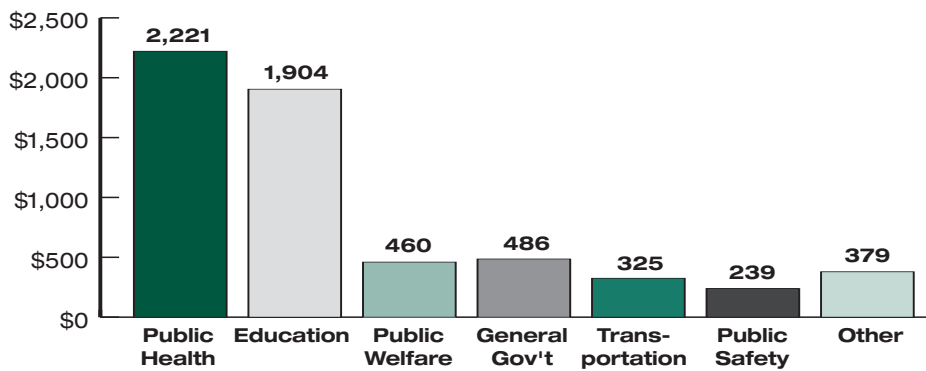
- State spending, including spending from federal funds, totaled \$116.1 billion in 2008, an increase of \$3.3 billion (2.9 percent) from the prior year.
- Since 2004, growth in State spending (19.3 percent) has outpaced inflation (Consumer Price Index of 13.3 percent).
- State spending has been partially paid for by borrowing \$11.3 billion since 2004, including \$2.3 billion in 2008.
- New York's spending in 2008 was \$6,014 per person.
- Education and public health spending represents 69 percent of total State spending.

Actual State Spending versus Spending at the Rate of Inflation

(amounts in billions)



2008 Total State Spending Per Person by Program

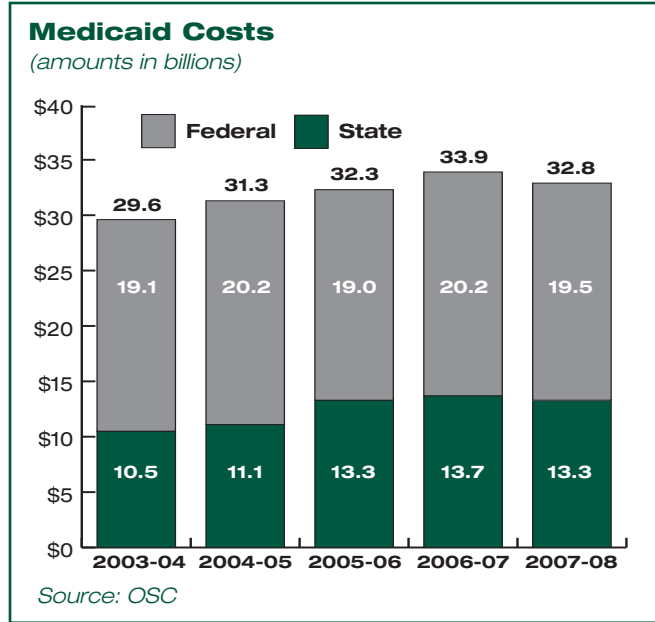


Public Health

MEDICAID

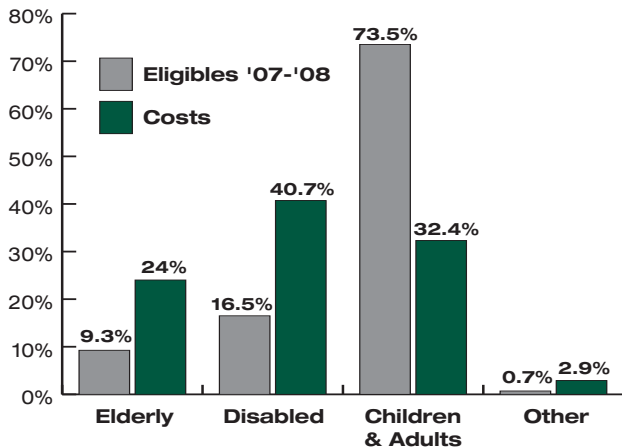
■ Medicaid costs decreased in SFY 2007-08 by approximately \$1.1 billion, or 3.2 percent, while the number of eligible recipients decreased by about 50,000, or 1.2 percent.

■ Children, historically the largest share of eligible recipients, accounted for much of the decrease in eligibles, declining by 43,000, or 2.6 percent, to approximately 1.6 million in SFY 2007-08, due in part to legislation enacted in 2004 limiting eligibility for children. The number of eligible adults and immigrants also decreased, while the number of elderly and blind and disabled recipients increased.



Medicaid Costs and Eligibles

Department of Health – Current Claims, 2007

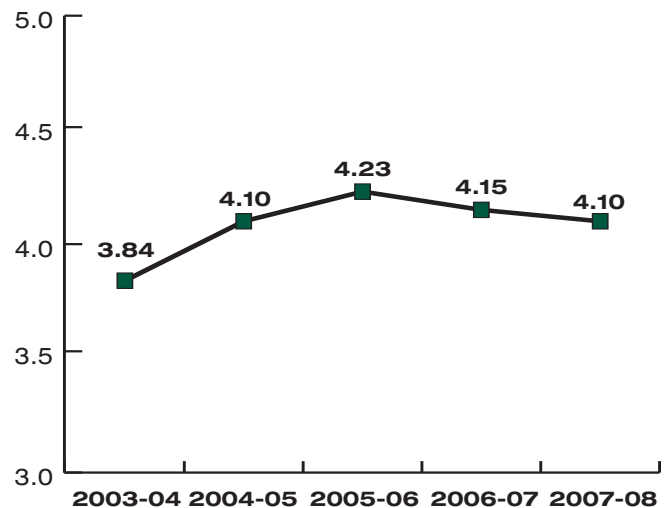


■ Family Health Plus, the Medicaid expansion program implemented in SFY 2001-02 for adults without health insurance but with income or resources too high to qualify for Medicaid, registered a small decrease in eligible recipients in SFY 2007-08, but a 3.4 percent increase in costs based on claims. Eligible recipients decreased less than one percent to approximately 545,000, while costs based on claims increased by \$53 million to \$1.6 billion in SFY 2007-08.

■ Children and adults continue to comprise nearly three-quarters of all eligible recipients. Elderly, blind and disabled recipients make up about a quarter of eligible recipients.

Medicaid Eligibles in New York

Department of Health – Current Claims, 2007
(amounts in millions)



Medicaid eligibles for 2007-08 includes draft data for the months of January through March 2008.



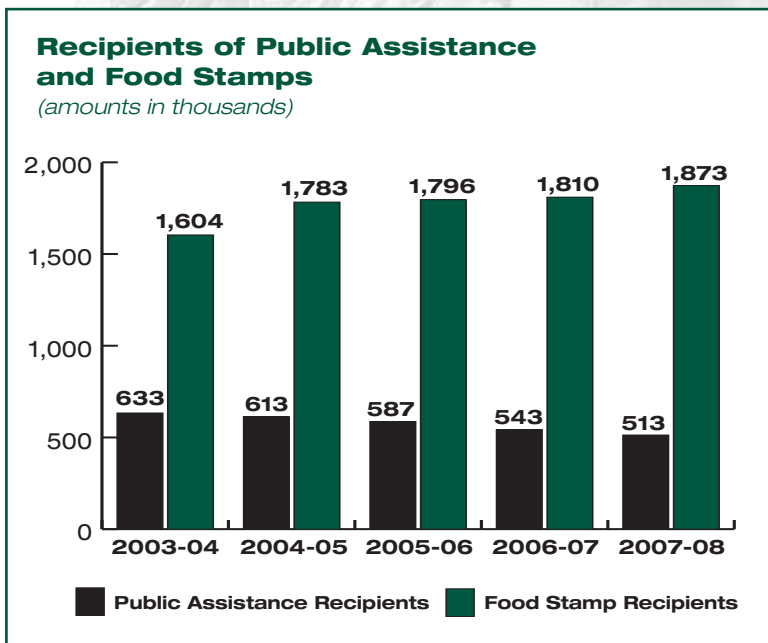
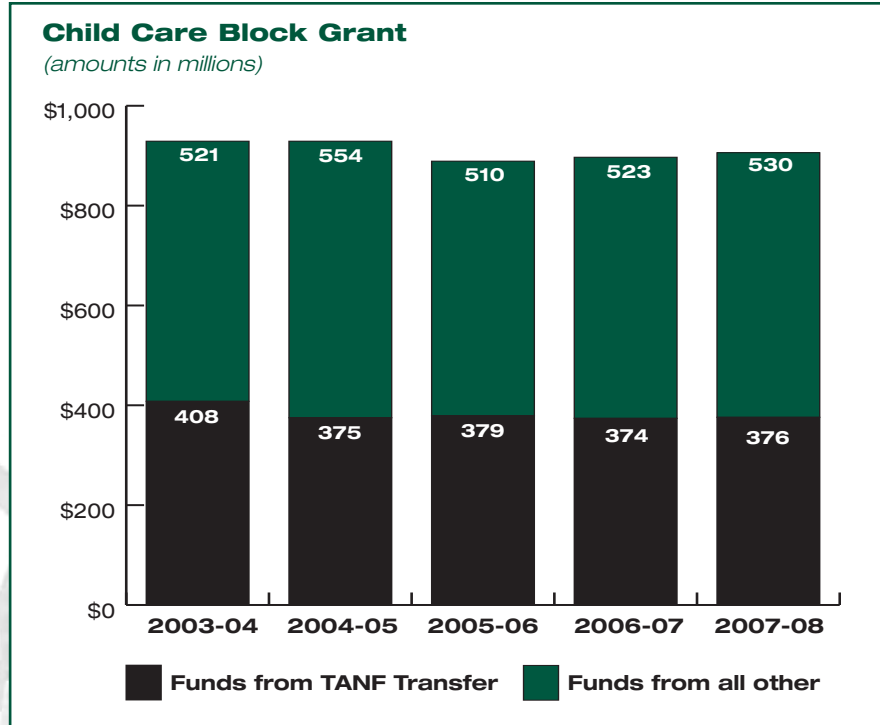
Public Welfare

The number of public assistance recipients decreased to 513,000 in March 2008 (a net decrease of 120,000, or nearly 19 percent, from 2004). In contrast, the number of food stamp recipients increased by 269,000, or approximately 17 percent, from 1.6 million in March 2004 to nearly 1.9 million in March 2008.

Funding for the Child Care Block Grant (CCBG), including Temporary Assistance for Needy Families (TANF) funds directed to it, have remained relatively flat.

Federal funding for the CCBG remained at \$4.8 billion from 2002 until it was increased by \$200 million in 2006, but its real value remains below the 2002 inflation-adjusted level. States would have needed an additional \$567 million in 2007 to return to the 2002 funding level. Furthermore, the federal government estimates that the number of children receiving daycare assistance by 2011 will decline by 650,000, or 25 percent, from 2.45 million children in 2000.

While New York associated a specific number of child care slots with CCBG appropriations in past years, accurate estimates have not been possible because each locality has the flexibility to meet its particular child care needs by providing either full- or part-time slots.

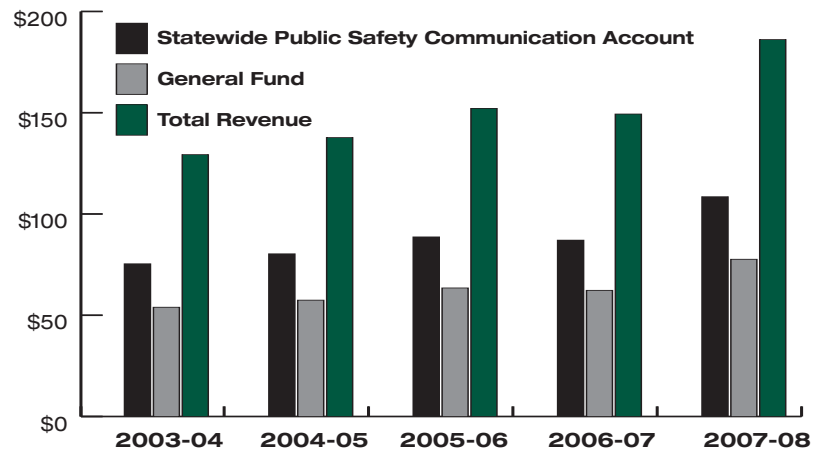


Public Safety

- The Office for Technology (OFT) awarded a \$2.0 billion contract in September 2005 to M/A-COM to design and build the Statewide Wireless Network (SWN) communications system for State and local government emergency responders.
- Under this contract, the State is not obligated to make any payments until the primary regional build-out is completed, tested and accepted.
- Of the \$25.5 million SFY 2006-07 appropriation, \$14.7 million is available and unencumbered. Of the \$31.5 million SFY 2007-08 appropriation, \$17.2 million is available and unencumbered.
- If the project goes forward, the Executive intends to fund the SWN with revenue from the enhanced wireless 911 (E911) surcharge.
- In addition to the projected \$2.8 billion for the SWN, an undetermined amount for enhanced features and functionality will be incurred by both the State and local governments. Enhanced functionality may include in-building or bridge and tunnel coverage, dispatch consoles, portable in-street coverage outside New York City and paging and alerting features.

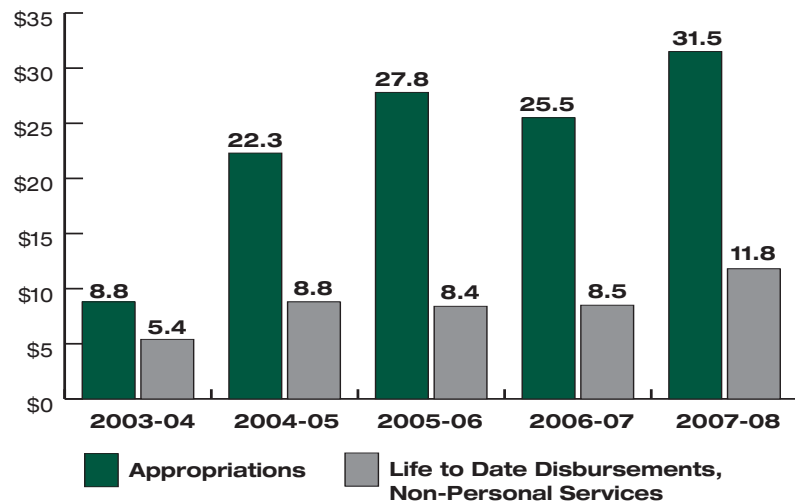
Deposits of E911 Surcharge

(amounts in millions)



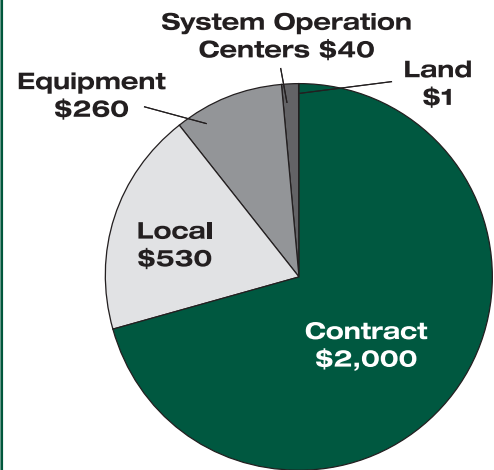
Statewide Wireless Network Appropriations and Disbursements

(amounts in millions)



Projected Statewide Wireless Network Costs

(amounts in millions)



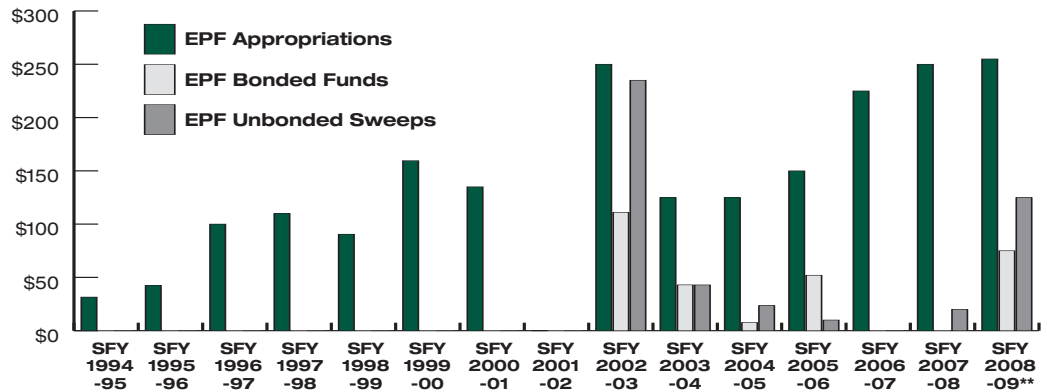
Environment

ENVIRONMENT

The Environmental Protection Fund (EPF) is New York State's primary source of funding for the purchase of land for conservation and recreational purposes; assistance to local governments for recycling, parks and waterfront programs; and non-point-source pollution control programs. The funding level in the EPF has increased from \$31 million in SFY 1994-95 to \$250 million in SFY 2007-08.

History of EPF Appropriations, Sweeps and Bonding

(amounts in millions)



* No appropriation was enacted for the EPF in SFY 2001-02; however, two EPF appropriations were enacted in SFY 2002-03.

** Projected

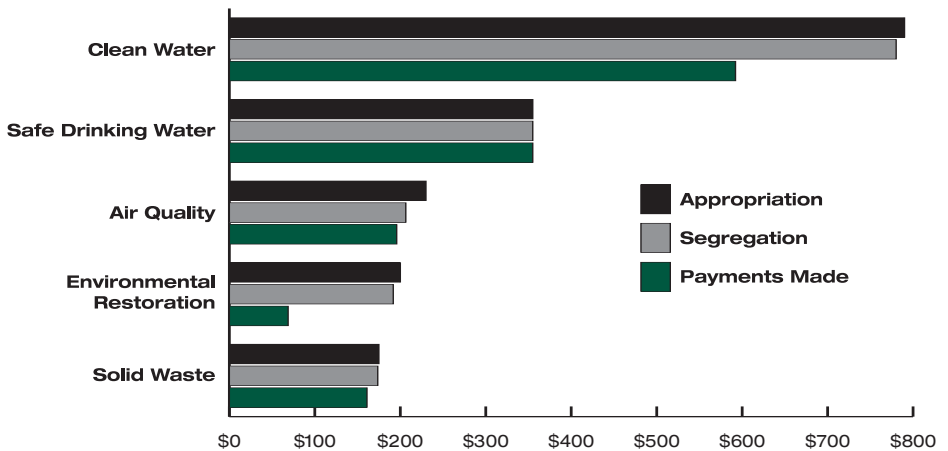
When established in 1993, the EPF was intended to be a dedicated, pay-as-you-go source of funding for environmental capital programs. However, in SFY 2002-03, the enacted budget included a sweep of \$346 million in unspent funds from the EPF. In subsequent fiscal years, additional cash sweeps have occurred. Through SFY 2008-09, sweeps totaling nearly \$750 million are expected to have been made. A portion of these funds have been replaced by approximately \$288 million in bonding authorization — creating long-term obligations for the State.

In November 1996, New York State voters approved a \$1.75 billion Clean Water/Clean Air Bond Act. Bonds issued under the Act provided funding for five specific programs: Clean Water, Safe Drinking Water, Solid Waste, Environmental Restoration and Air Quality. As of March 31, 2008, more than \$1.7 billion of the 1996 Bond Act had been committed; \$1.37 billion had been disbursed.

All \$355 million allocated for Safe Drinking Water under the Bond Act has been spent, while only 34 percent of the \$200 million allocated for Environmental Restoration has been disbursed. Less than \$4.9 million, or 32.6 percent, of the \$15 million allocated for Dam Safety has been disbursed.

1996 Clean Water/Clean Air Bond Act Appropriations, Segregations and Payments Made as of March 31, 2008

(amounts in millions)



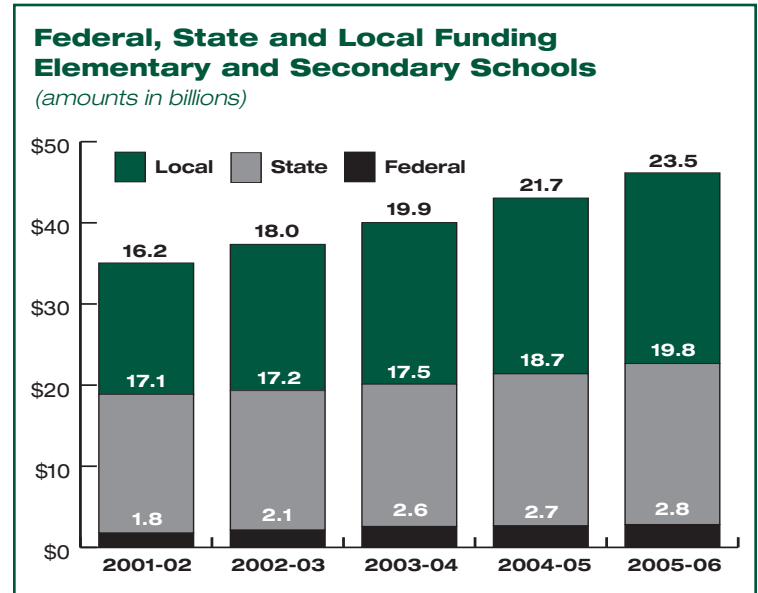
PARKS, ENVIRONMENT AND AGRICULTURE

- New York State ranked first in the nation in the number of State parks, recreation areas and natural areas available to its residents in 2005. Fifteen percent of the 5,482 areas in the United States are in New York State.
- New York State ranked fourth in the nation in the number of hazardous waste sites on the National Priority List in 2007 with a total of 87 sites, yet ranked third in the number of sites deleted from the list as 23 sites had been removed.
- New York's farms generated \$3.5 billion in earnings in 2006.
- New York is the nation's third leading milk-producing state with 12 billion pounds produced in 2006.

Education

ELEMENTARY AND SECONDARY

- For the 2006-07 school year, New York had the second highest per pupil expenditures of all the states, estimated to be \$14,206 in the public elementary and secondary system. This amount is 49 percent higher than the national average of \$9,557 per pupil, and second only to New Jersey.
- In 2005-06, support for public elementary and secondary schools came from local, State and federal sources in the amounts of \$23.5 billion, \$19.8 billion and \$2.8 billion respectively. Over the past five years, local funding has consistently increased by more than State or federal funding. Between school years 2004-05 and 2005-06, local support increased from \$21.7 billion to \$23.5 billion (8.3 percent), while State support increased from \$18.7 billion to \$19.8 billion (5.9 percent), and federal support increased from \$2.7 billion to \$2.8 billion (3.7 percent).
- In 2006, New York State first administered a grade 3-8 testing program to comply with the federally mandated *No Child Left Behind Act* (NCLB). Between 2007 and 2008, the percentage of students in grades 3 through 8 who met the achievement standards increased from 73 percent to 81 percent in Math and from 63 percent to 69 percent in English.
- The State Fiscal Year 2008-09 Enacted Budget included a \$1.8 billion increase in school funding, to a total of \$21.4 billion on a school year basis.



HIGHER EDUCATION

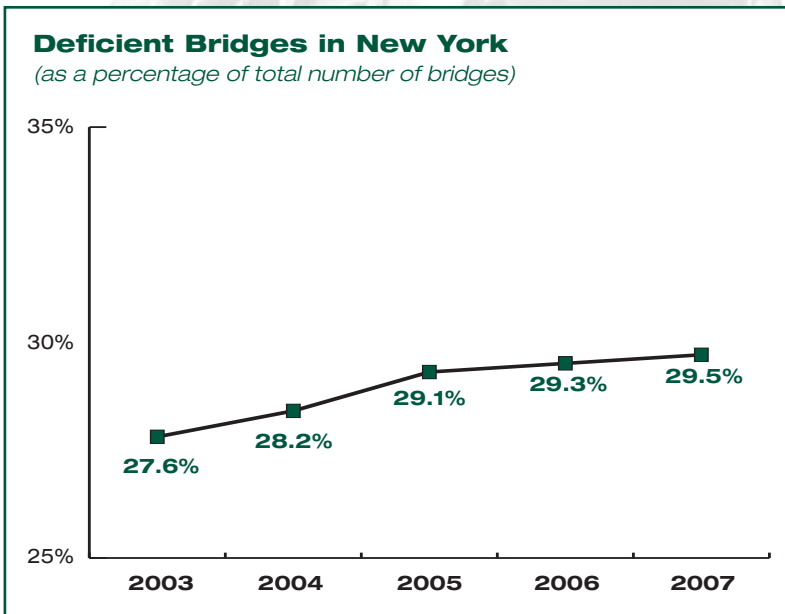
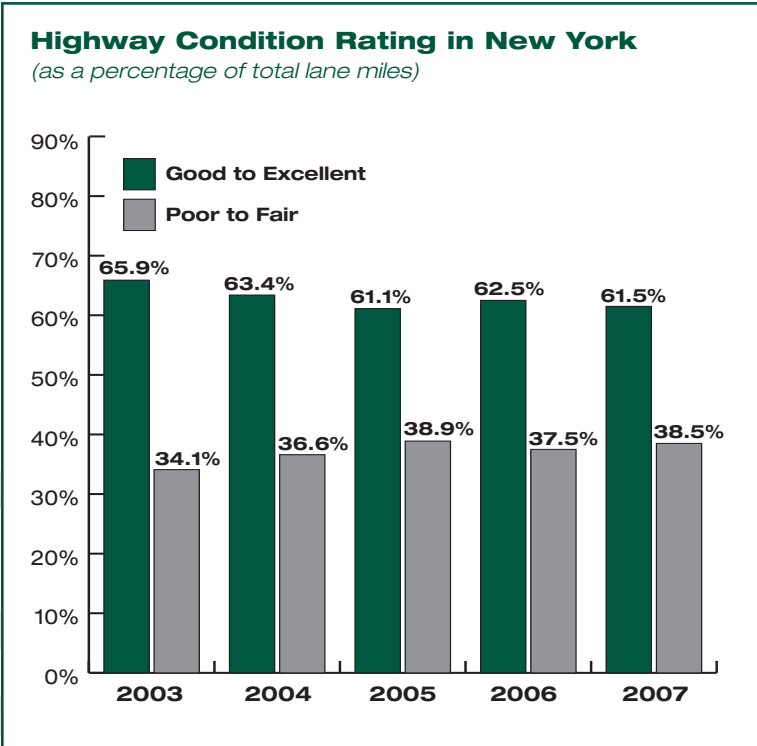
- There were 800,000 full-time and 342,000 part-time students in degree-credit enrollments in New York higher education institutions in 2005. Almost 337,000 students received State Tuition Assistance Program (TAP) aid in the 2004-2005 school year, up 16 percent from 2000-2001.
- There were 198,000 undergraduates enrolled at New York institutions eligible to participate in Federal Title IV student financial aid programs in 2006, of which 80.1 percent of these undergraduates were New York residents.
- The average cost of tuition and fees paid by full-time, in-state students at four year SUNY schools in 2007-08 was \$5,580, and \$4,000 for resident CUNY students.
- For the 2007-08 school year, the average full-time, in-state tuition and fees at SUNY community colleges totaled \$3,556, and \$2,800 at CUNY.
- The State spent \$266 per person on higher education in SFY 2007-08. This 5.6 percent growth is lower than the national average of 6.6 percent. New York ranked 23rd in the nation for higher education spending per capita.



Transportation

Data on the condition of highways and bridges, as supplied by the State Department of Transportation, provide insight into the quality of infrastructure which is used daily by residents and businesses.

- The State is responsible for maintaining more than 42,000 lane miles of highway.
- The number of highway lane miles rated poor to fair has increased by 14.2 percent since 2003.
- In 2007, 61.5 percent of the State's highways were rated good to excellent, a 4.4 percent decline since 2003.
- The State is responsible for maintaining more than 7,800 bridges, of which 29.5 percent were rated deficient in 2007 as compared to 27.6 percent in 2003, reflecting little change.
- The State's 2007 percentage (29.5 percent) of deficient bridges is greater than the nationwide figure of 21.7 percent. A deficient rating means a bridge is either structurally or functionally deficient, but not a current safety threat.



Local Government

THE ECONOMY AND LOCAL GOVERNMENTS

In mid-2007, the downturn in the nation's housing market produced a pronounced credit crunch in financial markets. This downturn adversely affected two major sectors of the national economy, the housing and financial services industries. Beginning in 2007 and continuing into 2008, the number of mortgages in delinquency and the number of home foreclosures are steadily increasing, and unemployment rates are rising. Consumer spending has slowed and the national economy has slipped into recession. Since this downturn is concentrated in sectors that have a major impact on New York finances, local governments face difficult fiscal decisions in the upcoming years. As property values stagnate or depreciate, local governments face pressures on their property tax base. As home sales decline, local governments experience decreased mortgage recording tax revenues. Furthermore, the downturn in the financial services sector may lead to a decrease in State revenue that could result in less State aid to localities. Invariably, recent economic woes will also have an effect on consumer and sales tax collections.

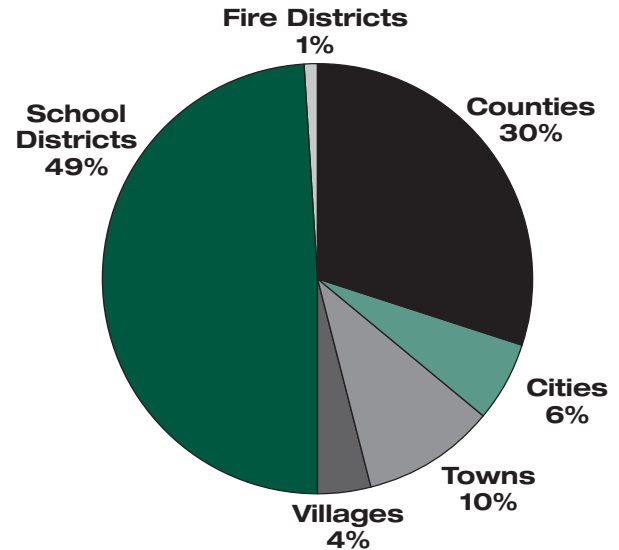
REVENUE AND EXPENDITURE TRENDS

In 2006, total revenue for all major classes of local government amounted to more than \$130 billion. Of this total, 30 percent was raised through property taxes and 22 percent was raised through non-property taxes, including sales tax. Intergovernmental aid represented another 29 percent of total revenues in 2006. Fine, fee and other revenues accounted for the remaining 19 percent.

In 2006, spending for all classes of New York's local governments, including New York City, totaled \$139.7 billion, a one year increase of 6 percent. Over half of all expenditures outside New York City support education provided by public school districts and community colleges. Police and Fire account for an additional 11 percent of all local spending. Another 10 percent goes to economic assistance, which includes social services and some economic development activities. Other major local expenses are home and community services (7 percent) and transportation (6 percent).

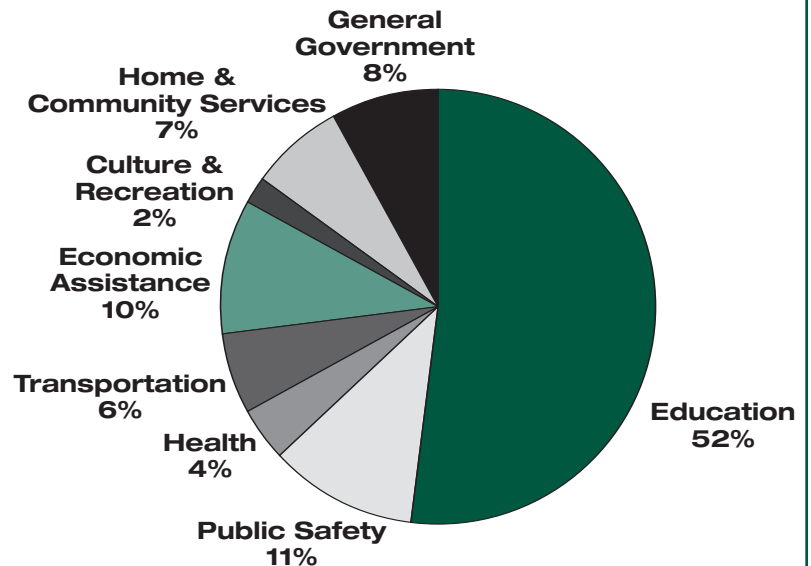
Share of Total Revenues and Expenditures by Class, 2006

All Major Classes of Government, excluding New York City



Total Expenditures by Function, 2006

All Major Classes of Government, excluding New York City



SALES TAX

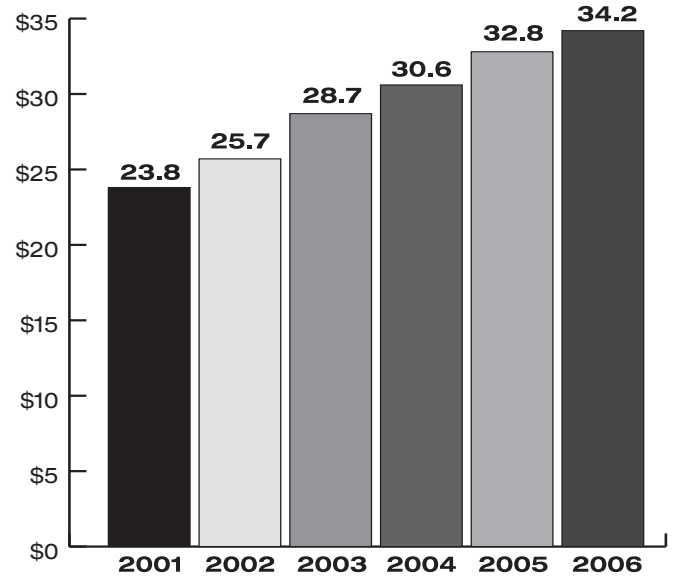
Sales tax receipts are particularly sensitive to the economy. In 2006, over a quarter of the revenue collected in the Long Island counties of Nassau and Suffolk was generated through the sales tax. This accounted for over \$2 billion, representing almost a third of all sales tax revenues collected Statewide, excluding New York City.

DEBT TRENDS

Local government debt in New York State is still on the rise. Between 2001 and 2006, outstanding long-term debt increased by over \$10 billion, an increase of almost 44 percent. As a result of the continuing economic decline, local governments may accelerate the issuance of debt in response to constrictive fiscal demands.

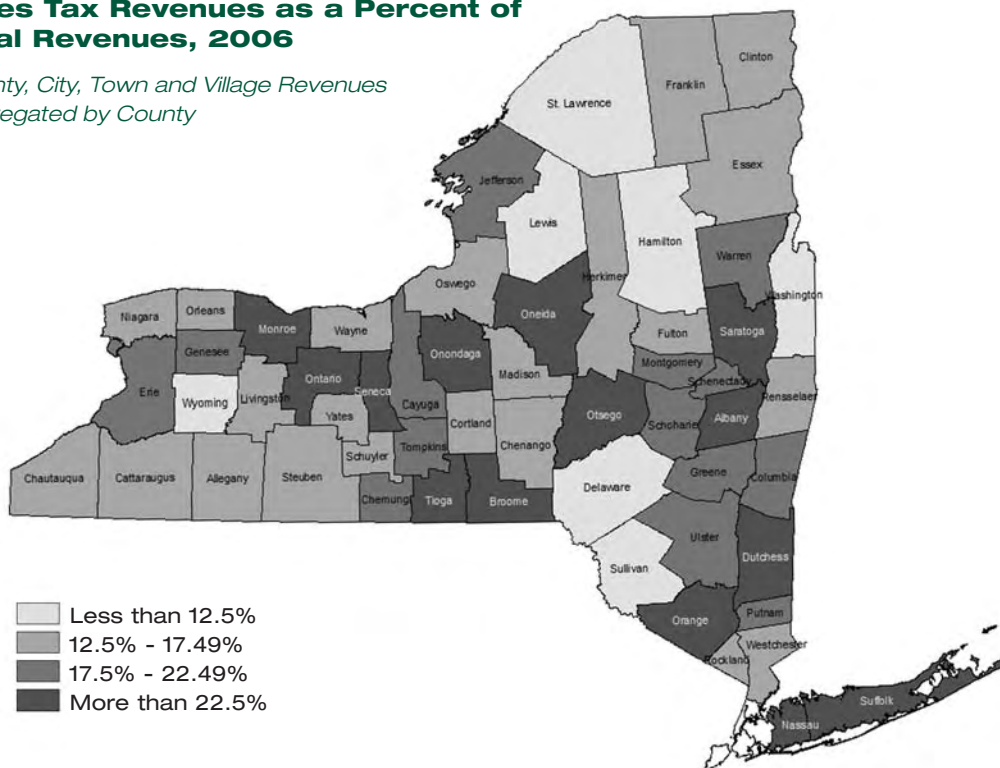
Total Long-Term Outstanding Debt for Local Governments

excluding New York City
(amounts in billions)



Sales Tax Revenues as a Percent of Total Revenues, 2006

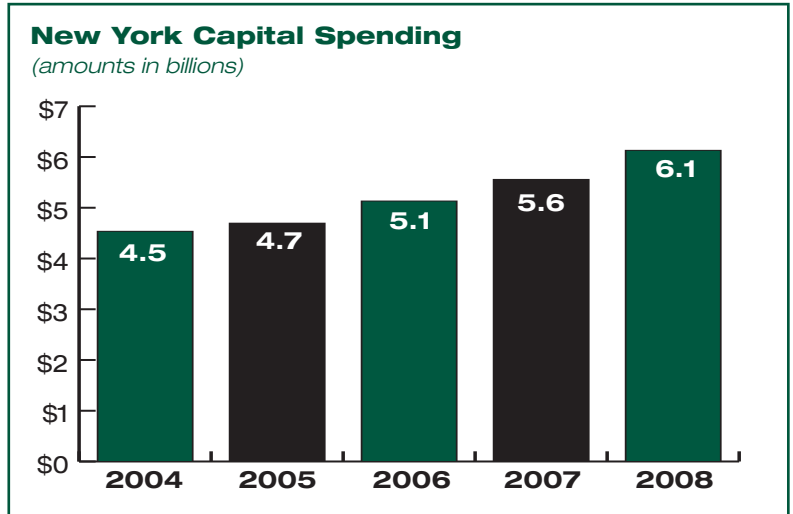
County, City, Town and Village Revenues
Aggregated by County



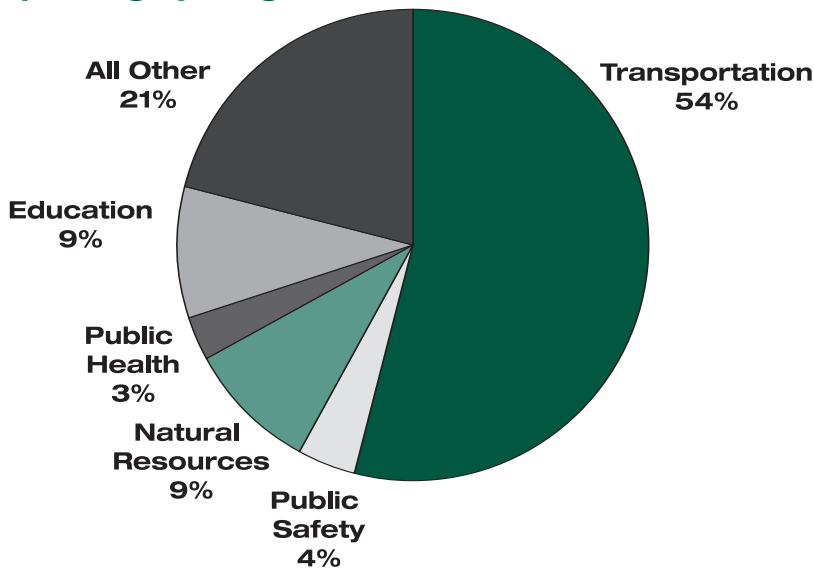
Capital

A deterioration in capital assets can have a direct impact on the State's economy and its ability to attract and retain business. Capital assets include not only highways and bridges, but also education, government, health and recreation facilities.

- Overall capital spending in 2008 was \$1.6 billion (35 percent) higher than in 2004. Transportation and other related spending accounts for most of the increase.
- In 1994, the pay-as-you-go share of non-federal capital financing was 51 percent. Since then, pay-as-you-go financing has averaged 40 percent.
- In the current Capital Program and Financing Plan, spending is projected to average \$9.5 billion per year through SFY 2012-13. The projected share of non-federal capital spending financed on a pay-as-you-go basis will average 27 percent over the 5-year period.
- At March 31, 2008, the State reported \$87 billion in capital assets, an increase of \$1.4 billion or 1.6 percent from the prior year. Capital assets include buildings, construction in progress, equipment, land preparation, and infrastructure such as roads and bridges.



Capital Spending by Program



New York's Public Authorities

Public authorities are legally separate entities that are created by government to provide services to the public as well as to State and local governments. While public authorities are generally supported through revenues derived from their activities, State and local governments do, in some cases, provide financial assistance and support for operating and other expenses. New Yorkers pay for public authorities in the form of rates, tolls or fees, and New York taxes offset authority-related tax exemptions and pay the debt service on certain authority-issued debt.

- As of December 31, 2007, the 19 public authorities shown in the chart below had outstanding debt of \$100 million or more, and the aggregate outstanding debt, including refunding bonds, of these public authorities was over \$134.2 billion, only a portion of which constitutes State-supported or State-related debt.
- Public authorities and subsidiaries that submit annual employee data to the Comptroller reported over 103,000 employees in SFY 2006-07.
- Public authorities and subsidiaries that submit annual procurement data to the Comptroller reported making payments of over \$5.4 billion pursuant to contracts in SFY 2006-07.

The fiscal stability of the State is related in part to the fiscal stability of certain public authorities closely related to the State. The State's access to public credit markets could be impaired if certain public authorities closely associated to the State were to default on their obligations.

Outstanding Debt of Certain Authorities ⁽¹⁾⁽²⁾⁽³⁾ as of December 31, 2007

(millions of dollars)

Source: Office of the State Comptroller

Authority	Total Debt	State Debt ⁽⁴⁾
Dormitory Authority ⁽⁵⁾	\$35,183	\$15,518
Metropolitan Transportation Authority	18,121	2,243
Port Authority of NY & NJ	12,710	–
Thruway Authority	12,014	9,635
Housing Finance Agency	8,129	1,413
Environmental Facilities Corporation	7,979	727
Triborough Bridge and Tunnel Authority	7,180	151
Long Island Power Authority (LIPA) ⁽⁶⁾	6,926	–
UDC\ESDC	6,552	6,186
Local Government Assistance Corporation	4,037	4,037
Tobacco Settlement Financing Corporation	3,869	3,869
Energy Research and Development Authority (ERDA) ⁽⁶⁾	3,658	3
State of New York Mortgage Agency	3,072	–
Power Authority	2,263	–
Battery Park City Authority	1,041	–
Convention Center Development Corporation	700	–
Municipal Bond Bank Agency	509	464
Niagara Frontier Transportation Authority	176	–
United Nations Development Corporation	128	–
TOTAL OUTSTANDING	\$134,247	\$44,246

⁽¹⁾ Includes only certain of the public authorities which have more than \$100 million in debt outstanding.

⁽²⁾ Amounts outstanding reflect original par amounts for bonds and financing arrangements or original gross proceeds in the case of capital appreciation bonds. Amounts outstanding do not reflect accretion of capital appreciation bonds or premiums received.

⁽³⁾ Includes short-term and long-term debt.

⁽⁴⁾ Reflects debt for which the primary repayment source is from State appropriations or assigned revenues of the State.

⁽⁵⁾ Includes debt previously issued by New York State Medical Care Facilities Finance Agency, which was consolidated with the Dormitory Authority on September 1, 1995.

⁽⁶⁾ Includes \$155 million in bonds issued by the Energy Research and Development Authority and included in amounts reported for both ERDA and LIPA.

Debt

The debt burden of a governmental entity directly affects its ability to provide current services as well as its long-term fiscal health. Existence of high levels of government borrowing may:

- Indicate that the State is unable to support current programs with current revenues.
- Force future program reductions, increased taxation or additional borrowing when future resources are needed to repay debt, especially in a slowing economy.
- Limit capacity to finance additional capital assets, budgetary deficits, and capital grants.

■ Several different measurements of the State's debt burden are reported at March 31, 2008, as follows:

- Constitutionally recognized (voter-approved) general obligation debt (\$3.2 billion).
- State-supported debt as statutorily defined in 2000, certificates of participation and certain capital leases for state facilities (\$44.4 billion).
- Debt reported in accordance with full accrual accounting – GAAP (\$50.6 billion).
- State-funded debt-repayment sources are solely dependent on future State funds (\$52.4 billion). This category has been defined by the State Comptroller as a comprehensive measurement of the State's debt burden.

■ Since 2004 debt recognized under the State Constitution (voter-approved) has decreased 16 percent, State-supported debt has increased 10 percent, debt recognized in accordance with GAAP has increased 8 percent, and State-funded debt has increased 13 percent.

■ In 2007, New York State was the 2nd most indebted state (behind California), and had nearly twice as much debt as the 3rd most indebted state. In 2007, New York State also ranked 5th among all states in debt per person.

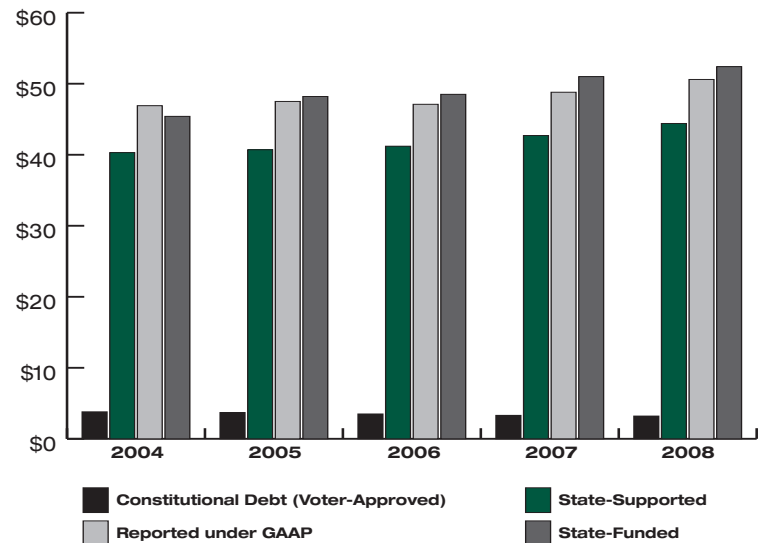
■ On March 31, 2008, New York State's outstanding debt per person was \$2,620, which was equal to nearly 6 percent of New Yorkers' personal income.

■ The State's general obligation bond ratings are assigned as follows: Aa3 by Moody's Investors Service, AA- by Fitch Ratings, and AA by Standard & Poor's Rating Services.

■ Significant differences exist between debt reported under the State-funded measurement (cash reporting) criteria and debt reported under GAAP. State-funded debt includes certain obligations that are not recognized as a State liability under GAAP, including \$2.5 billion in bonds issued in fiscal year 2006 that will be repaid from future sales tax revenues of the State and \$1.3 billion in bonds issued in fiscal year 2007 that will be repaid with dedicated local assistance payments from the State. Debt reported under GAAP but not counted in the State-funded debt measurement includes bond premiums (\$1.4 billion), accumulated accretion on capital appreciation bonds (\$255 million), and vendor-financed capital lease obligations and mortgage loan commitments (\$364 million).

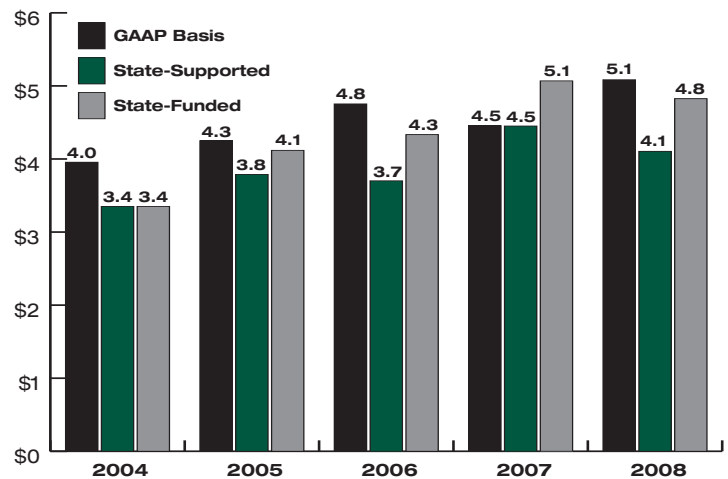
New York's Debt

(amounts in billions)



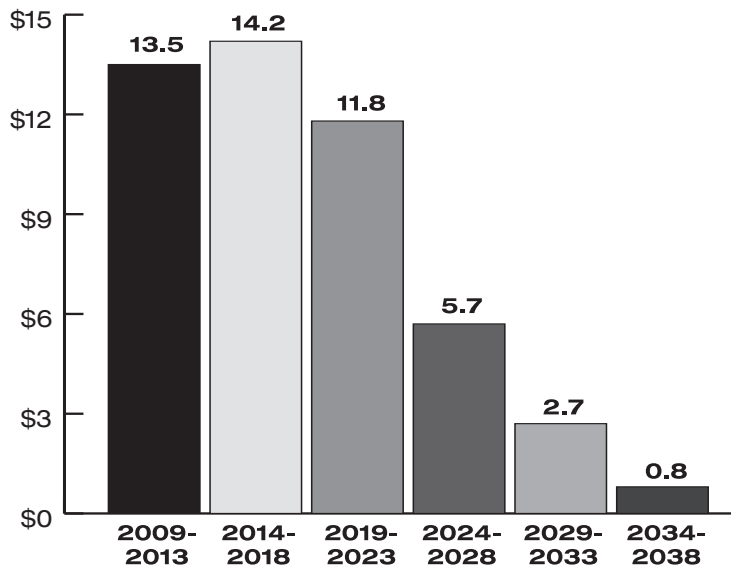
Debt Service Expenditures in New York State

(amounts in billions)



Rapidity of Repayment of Debt

(based on principal maturities, amounts in billions)



Rapidity of repayment illustrates how fast principal is scheduled to be retired.

■ Debt service expenditures over the past five years have been affected by the use of reserve funds to pay debt service and deferral of debt service during refundings. Beginning in 2002-03, the State engaged in a series of refunding transactions totaling over \$18 billion which refinanced portions of both the principal due in the current and near terms and interest accrued on certain refunded debt. In addition, in 2007-08, the State utilized \$127 million in reserve funds to repay outstanding high cost debt in advance.

■ The State's current Capital Program & Financing Plan (updated July 30, 2008) projects \$29.4 billion in new debt issuance and \$15.1 billion in debt retirement through March 31, 2013, meaning the State will issue debt almost twice as fast as it retires debt.

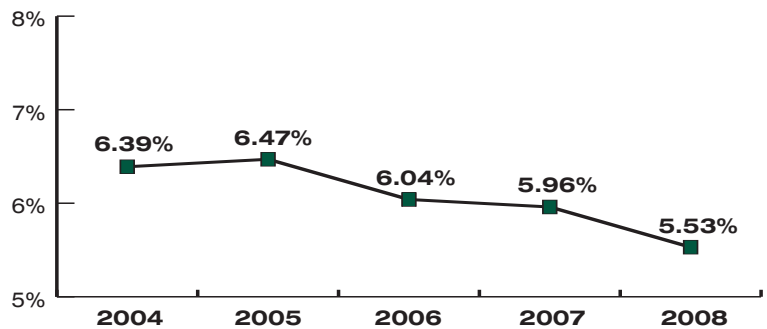
■ State-funded debt service totaled \$4.8 billion in SFY 2007-08 and is expected to grow to nearly \$7.6 billion by 2013.

■ Based upon scheduled repayment dates, the State's accumulated deficit financing (\$8.4 billion as of March 31, 2008) will not be fully repaid until 2025. This includes bonds issued by the New York Local Government Assistance Corporation, Municipal Bond Bank Agency, and the Tobacco Settlement Financing Corporation.

■ The State has relied upon variable rate debt and interest rate exchange agreements (swaps) to lower the cost of borrowing and facilitate restructuring of its debt portfolio. By March 31, 2008, the State had \$5.9 billion in variable to fixed rate swaps, \$861 million of fixed to variable rate swaps, \$1.6 billion in net (unhedged) variable rate bonds outstanding, and \$2.4 billion in convertible bonds whose interest rates reset to either a new fixed or new variable rate at dates ranging from 2009 to 2013.

Total State Debt (GAAP Basis)

(as a percentage of personal income)



Note that much of the decline is due to personal income growing faster than debt outstanding.

Economic and Demographic Trends

Economic and demographic trends affect both the demand for State programs — such as education, Medicaid, social assistance, and economic development — as well as the level of resources that can be generated to fund these programs.

- Since 2000, the population of New York State has increased by more than 300,000 to reach 19.3 million people. This increase represents a gain of only 1.6 percent, which ranks 42nd among all the states. Although New York benefits from a strong birth rate (third-highest in the nation) and international immigration (second-highest in the nation), these gains have been offset by a large number of residents who have left New York for other parts of the country.

- New York City accounts for 43 percent of the State's population and all of the State's population gain since 2004.

- Although the rate of growth in New York's inflation-adjusted Gross Domestic Product (GDP) slowed to 4.4 percent in 2007 from 5.2 percent in 2006, the growth rates were considerably higher than the nation (national GDP increased by 3.1 percent in 2006 and 2 percent in 2007). New York's growth in 2007 ranked second among the 50 states.

- The pace of job growth in New York State increased in 2007, to 1.4 percent, up from a 1 percent gain in 2006. By comparison, job growth in the nation slowed to 1 percent in 2007 from a 1.8 percent pace in 2006. As a result, New York State's ranking among the states rose to 18th in 2007 from 39th in 2006.

- Within the State, New York City had the highest rate of job growth in 2007 (2.2 percent), followed by the surrounding suburbs of the Lower Hudson Valley (1.8 percent) and Long Island (1.2 percent). Nearly two thirds of the State's jobs are located in New York City and its suburbs, and these regions accounted for 88 percent of the State's job gains in 2007.

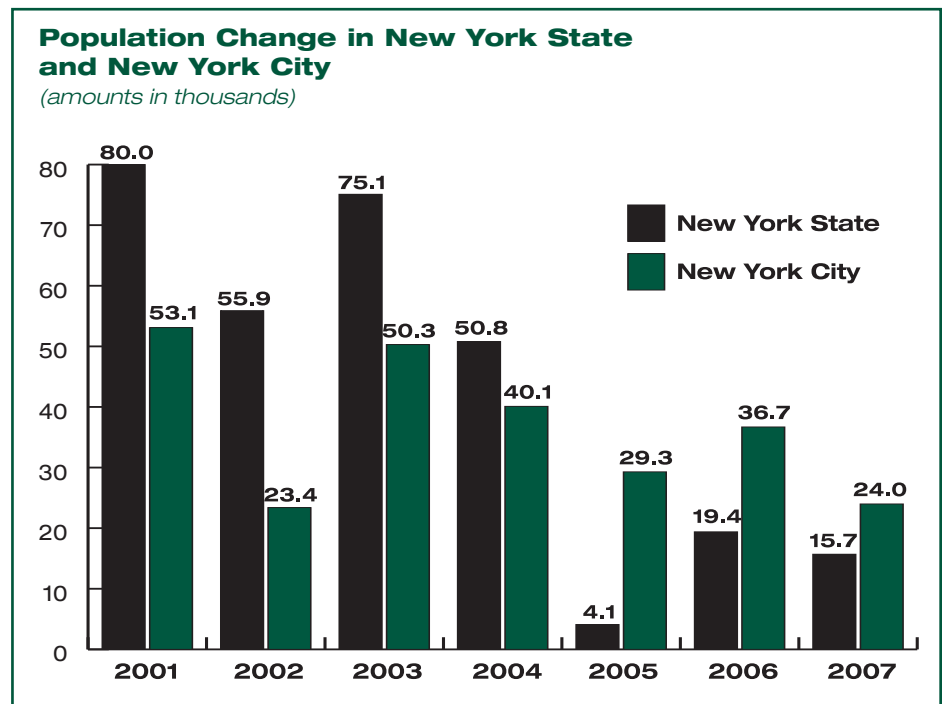
- Between December 2007 and June 2008, the national economy slowed and 438,000 jobs were lost (on a seasonally adjusted basis). The national slowdown has also begun to affect New York State, which lost 4,100 jobs during this same period.

- During the first half of 2008, the unemployment rate for New York State (5.1 percent) was higher than for the same period in 2007 (4.5 percent), but still

remained below the national rate. This was the first time since 2003 that the unemployment rate increased in the first half of the year. The national unemployment rate also rose in the first half of 2008 (to 5.3 percent, from 4.6 percent in the first half of 2007).

- New York City's unemployment rate has followed a similar trend as the State's, but with a lower increase in the average rate for the first half of 2008 (to 5 percent from 4.9 percent in the first half of 2007). Thus the City's unemployment rate has fallen below the State's rate. Historically, the City's unemployment rate has been higher than the State's; at the end of the last recession in 2003, the City's rate was 8.6 percent, nearly two percentage points higher than the State's.

- Across New York State, average unemployment rates for the first half of 2008 were highest in Hamilton (7.4 percent), and Schoharie and Montgomery counties



(both 7.3 percent). The State's lowest average rates were in Tompkins (3.8 percent), Putnam (4.1 percent), and New York and Nassau counties (both 4.3 percent).

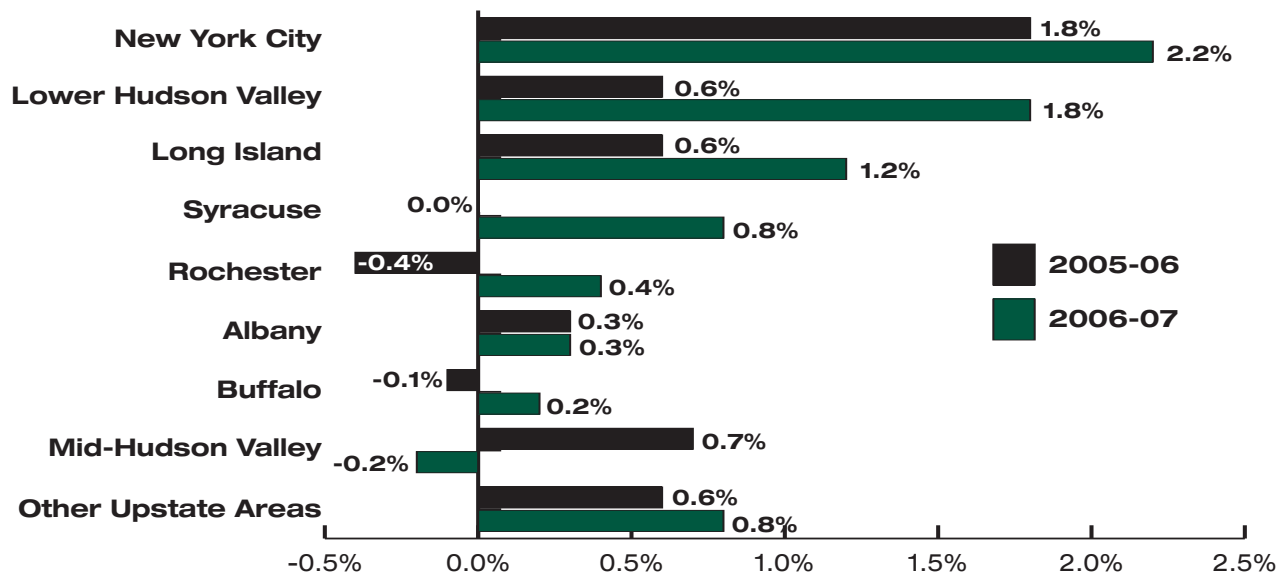
- The economic health of New York City and the State as a whole is closely tied to the securities industry. While the industry represented only 2.3 percent of all jobs in the State in 2006, it accounted for 13.6 percent of the total compensation paid. New York City contains 89 percent of all securities industry jobs in the State. The securities industry accounts for 5 percent of all City jobs but 23 percent of all City wages paid. The Comptroller estimates that every securities industry job added in New York City creates two other jobs in the City and one job in the City's suburbs. Wall Street is responsible for about 20 percent of State tax revenues and 10 percent of City tax revenues.

Job Growth and Employment Levels — New York State versus the United States

(thousands of jobs)

	New York State			United States		
	Percent Change		2007 Level	Percent Change		2007 Level
	2005-06	2006-07		2005-06	2006-07	
Manufacturing	-2.2%	-2.5%	553.5	-0.5%	-1.9%	13,884
Mining and Construction	3.8%	3.8%	356.7	5.2%	-0.5%	8,337
Trade, Transportation and Utilities	0.6%	1.1%	1,525.6	1.2%	1.3%	26,608
Information	-0.9%	-0.6%	265.2	-0.8%	-0.3%	3,029
Financial Activities	1.8%	0.7%	731.4	2.1%	-0.2%	8,308
Professionals and Business Services	2.4%	2.5%	1,136.7	3.6%	2.3%	17,962
Educational and Health Services	1.9%	1.8%	1,602.1	2.6%	2.8%	18,327
Leisure and Hospitality	1.4%	2.7%	698.8	2.3%	2.8%	13,474
Other Services	0.3%	1.8%	363.4	0.8%	1.0%	5,491
Government	-0.3%	1.3%	1,504.3	0.8%	1.0%	22,203
Total Nonfarm	1.0%	1.4%	8,737.7	1.8%	1.1%	137,623

Change in Employment by Major Area



■ Wall Street is now facing a major challenge. The subprime mortgage debt crisis that began in the spring of 2007 has evolved into a major credit crunch, and write-offs in the value of debt held by financial institutions have battered profitability. The broker/dealer operations of the securities industry earned \$8.9 billion during the first half of 2007, but lost \$20.2 billion in the second half of 2007. Wall Street lost \$22.4 billion in just the first quarter of 2008.

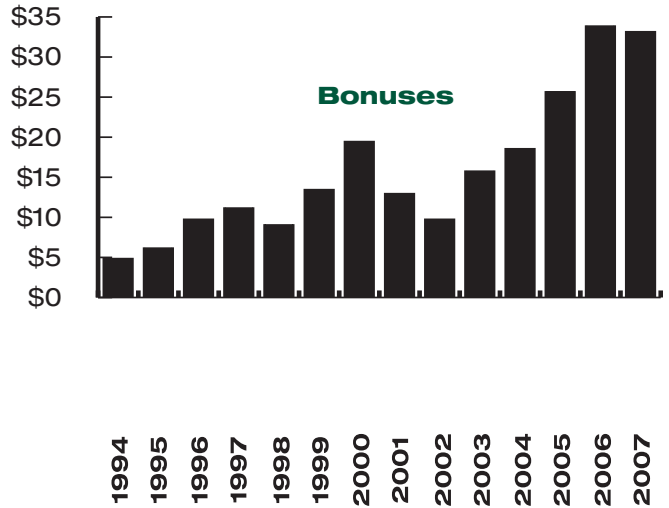
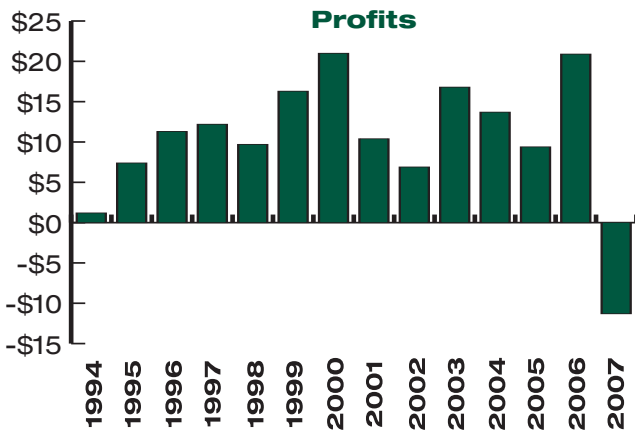
■ New York City's June 2008 financial plan assumes that Wall Street will shed some 25,000 jobs over the next two years, and although the bonus pool shrank by only 2 percent in 2007 to \$33.2 billion, the decline will be much larger in 2008. The securities industry pays the highest average salaries in the State — \$321,070 in 2006. In the rest of the financial sector the average salary was \$79,180, while nonfinancial industries paid an average of \$47,050.

- Between 2003 and 2007, Statewide personal income rose by 31.9 percent, helped by strong gains on Wall Street. This is a faster growth rate than in the nation as a whole during this period (27.3 percent). The annual rate of growth in total personal income in the State has also been increasing since 2003, rising from 2.4 percent to 7.7 percent in 2007, when New York ranked fifth among the states for personal income growth.
- New York's per capita income was \$47,385 in 2007, and continues to be higher than the national level (\$38,611). Among all the states, New York ranked fourth behind Connecticut, New Jersey, and Massachusetts.

- Within New York State, per capita income was considerably higher in the downstate regions, reflecting the higher wages paid in these areas (regional data are from 2006). In Long Island, New York City, and the Lower Hudson Valley, per capita income was greater than in both the State and the nation.

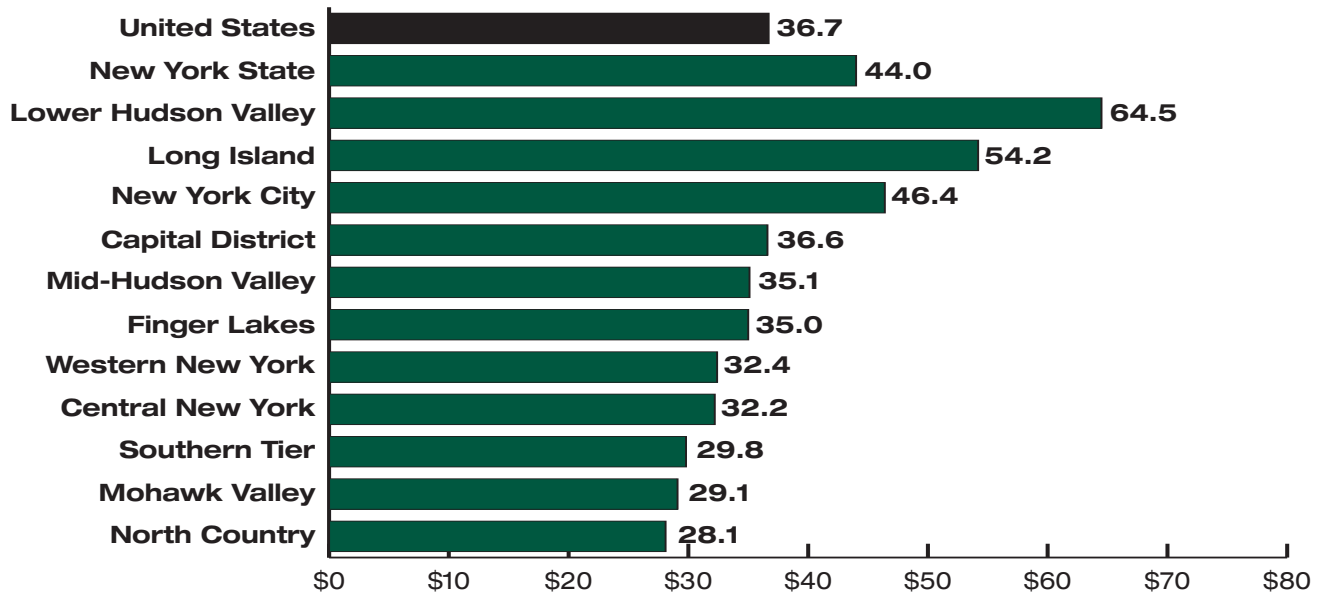
Wall Street Profits and Bonuses

(amounts in billions)



Personal Income Per Person

(2006 amounts in thousands)

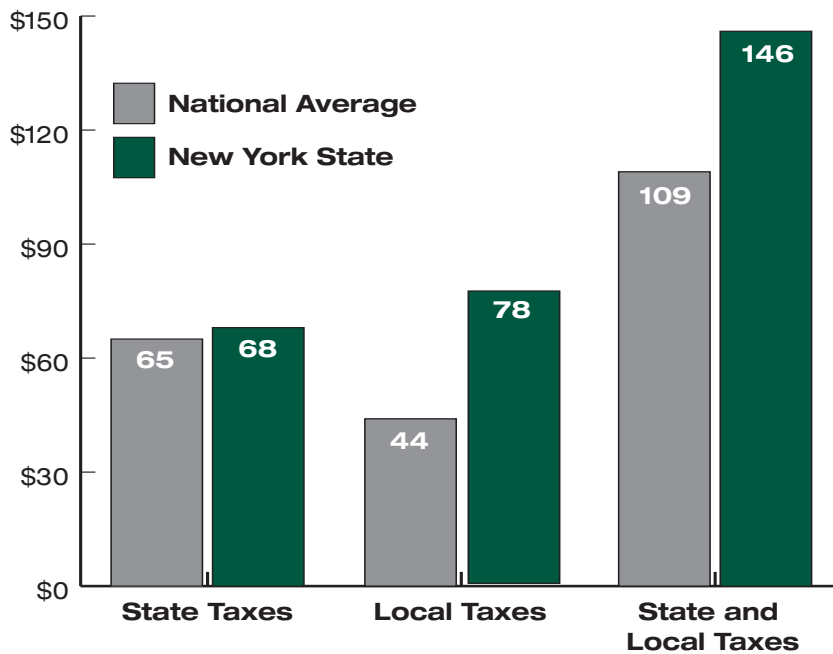


Taxes: Where New York Stands

- In 2007, New York's combined State and local tax revenues per \$1,000 of personal income were 33.9 percent above the national average. Local taxes were 77.3 percent above the national average, while State taxes were only 4.6 percent above the national average.
- New York has the second highest combined State and local taxes as a percentage of personal income in the nation, with local taxes ranking first and State taxes ranking 24th.
- One contributing factor to New York's high local tax burden is that, unlike other states, New York's local governments pay a significant portion of Medicaid costs. To help alleviate the high cost of Medicaid to local governments, the 2005-06 Enacted Budget capped Medicaid costs at 2005 levels with maximum annual adjustments of 3.5 percent in 2006, 3.25 percent in 2007, and 3 percent thereafter.
- Local property tax levies grew by 67 percent from 1997 to 2007, more than twice the rate of inflation during that period (29.2 percent). However, as a result of the Medicaid cap, local property tax levies continued to moderate somewhat in 2007.
- In 2005, New York taxpayers with incomes exceeding \$200,000 represented 4.6 percent of all taxpayers, but accounted for 53.6 percent of all State taxes paid in New York.
- New York relies more heavily on the personal income tax as a source of revenue than most states. In 2007, personal income tax as a percent of total taxes was 54.7 percent in New York, while the national average was 35.4 percent.

Taxes per \$1,000 of Personal Income — New York versus the National Average

fiscal year ending in 2007



Implications for the Future

Spending supported solely with State Funds is expected to reach \$105.2 billion by 2011-12, representing an increase of 29.3 percent over 2007-08 and 84.7 percent from 2001-02.

The 2008-09 Enacted Budget Financial Plan follows a historic trend in which the State Funds budget is dominated by growth in Medicaid and aid to local school districts, which, when counted together, made up approximately 38 percent of total State Funds spending in SFY 2007-08. By SFY 2011-12, combined spending for both Medicaid and school aid will account for over 41 percent of the State Funds budget, which represents an increase of 7.7% in the combined share.

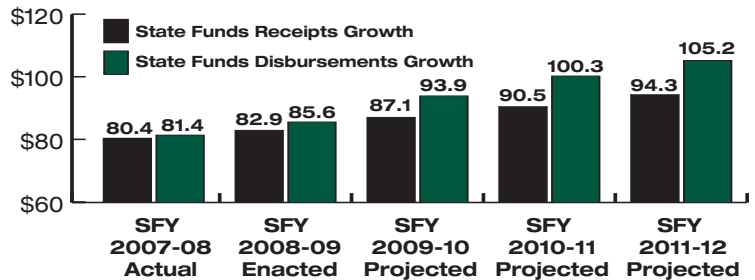
In addition, one of the fastest growing areas within the State Funds budget is debt service. Combined with Medicaid and school aid, these three areas are expected to require 47 percent of all State Funds by 2011-12. This will leave approximately 53 percent for all other needs, including transportation, higher education, mental health, economic development, local government assistance, public protection, parks and environmental purposes.

Furthermore, according to the 2008-09 First Quarter Update to the Financial Plan, State source revenue collections are projected to grow only 17.3 percent between March 31, 2008 and March 31, 2012, as compared to spending growth of 29.3 percent, resulting in a spending gap of nearly \$11 billion by the end of 2012. Currently, only the General Fund (nearly 60 percent of State Funds in 2008-09) is required to be balanced in the Enacted Budget. However, State Funds comprise all revenues and expenditures from State sources, including the General Fund, and all dedicated non-federal special revenue funds.

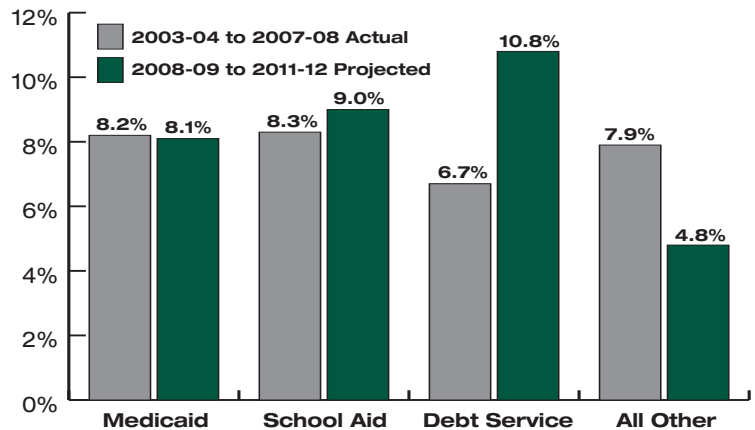
New York has a history of structural imbalance in the budget, with recurring spending exceeding recurring revenue. In the past, to address the structural imbalance, the State has borrowed money to provide either budget relief or deficit financing. As of March 31, 2008, nearly 21 percent or \$11 billion of New York's State-funded debt outstanding was issued to provide budget relief or deficit financing. In addition, to pay for recurring expenses, since 2002-03, the State has also relied on over \$18.8 billion in nonrecurring resources, or one-shots, including dedicated fund sweeps, the sale of the State's share of the Master Settlement Agreement for tobacco revenue, insurance conversion proceeds and the sale of assets. The 2008-09 Enacted Budget Financial Plan depends on an additional \$2.75 billion in nonrecurring resources to support spending.

State Funds Projected Growth

(amounts in billions)



Average Annual Growth Comparison

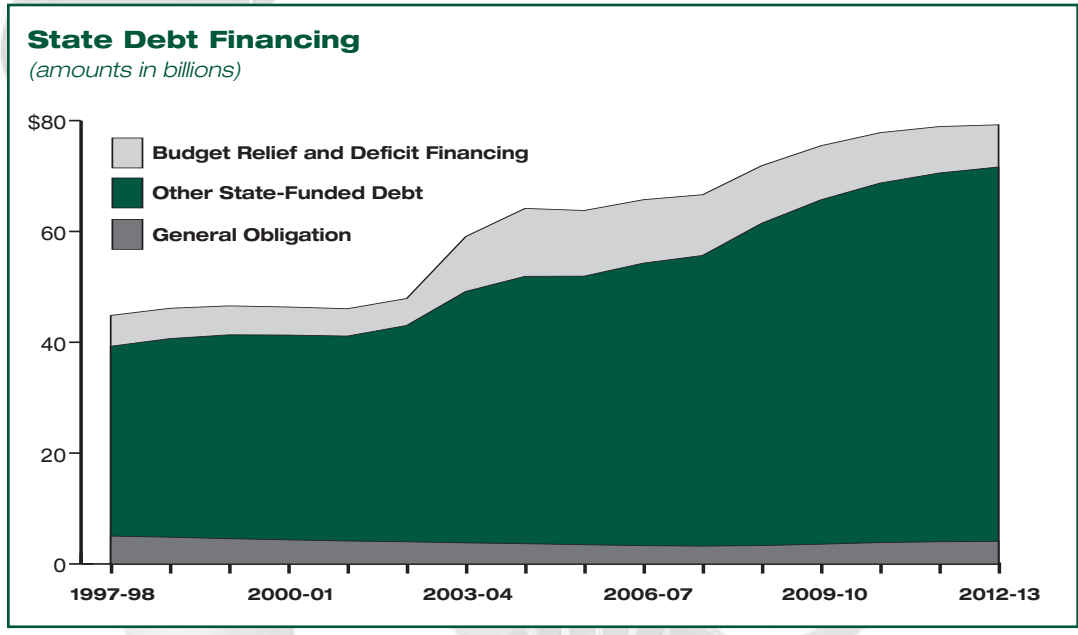


Good fiscal management dictates that the use of current resources to finance capital spending fluctuate in accordance with economic conditions — when the economy slows and current resources are constrained, the use of debt to support capital spending increases. Inversely, when the economy flourishes, the use of current resources in place of debt increases as funds become more available. However, as the use of debt increases, future debt service costs also increase.

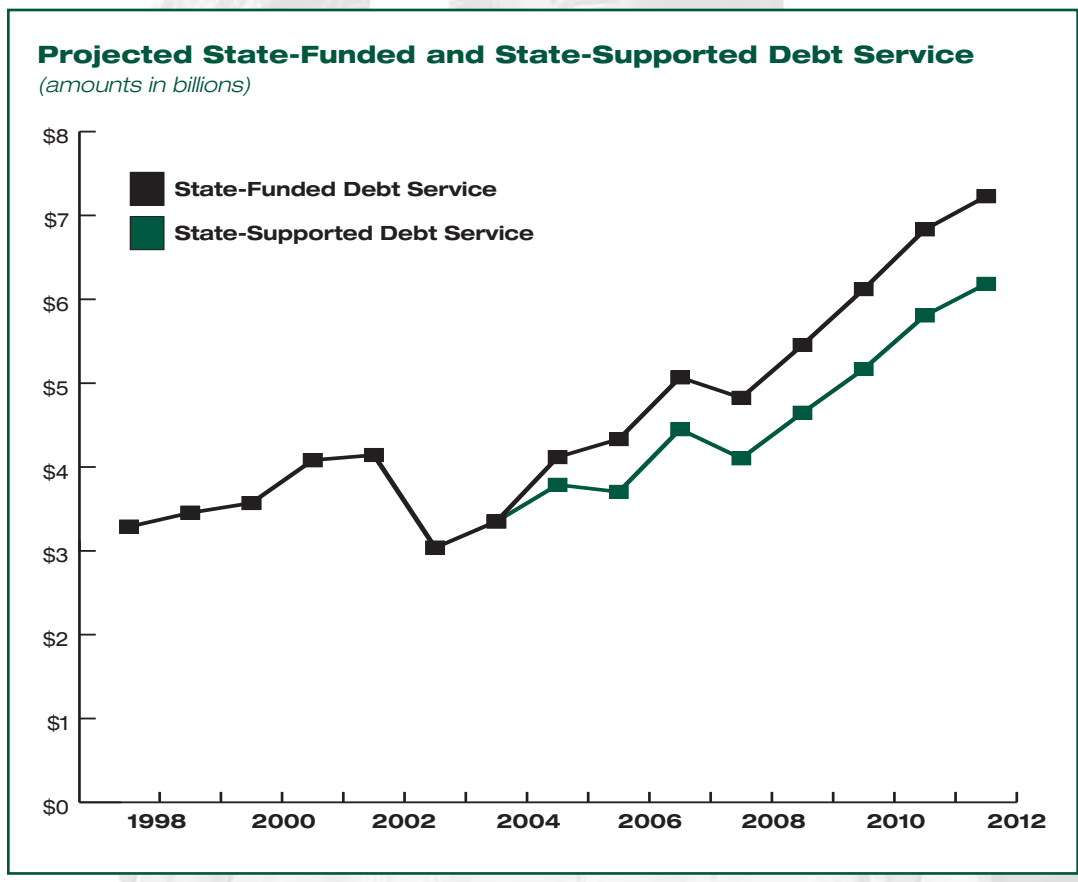
In the past, New York State has not followed this practice and has instead relied heavily on the use of debt, even in good economic times.

Since SFY 1997-98, the State has utilized current cash resources to support, on average, 34.5 percent of its State-funded capital program. However, the SFY 2008-09 Enacted Five-Year Capital Program and Financing Plan projects that current resources will support, on average, only 26.6 percent.

The State's use of debt to fund noncapital needs such as deficit financing or budget relief has resulted in increased future costs. The State paid nearly \$1 billion in debt service for these obligations in SFY 2007-08.



The increased use of debt for budget relief and deficit financing along with the increased reliance on debt rather than available current resources for capital spending contributes to increased debt service requirements in the future. The SFY 2008-09 Enacted Budget Financial Plan projects debt service will grow an average of 10.8 percent annually over the next four years, making debt service one of the fastest growing budget areas.



Appendix 1

STATE FUNDS SPENDING BY MAJOR SERVICE FUNCTION

(amounts in millions)

STATE FUNDS SPENDING FOR THE FISCAL YEAR ENDING MARCH 31:	2004	2005	2006	2007	2008
EDUCATION	\$25,790	\$25,981	\$27,094	\$29,741	\$32,109
Public Schools	17,037	16,581	17,394	19,059	20,898
School Tax Relief (STAR)	2,820	3,059	3,213	3,321	3,559
State University of New York	4,184	4,438	4,804	5,289	5,546
City University of New York	1,049	860	620	1,065	1,101
Tuition Assistance Program	586	929	943	866	860
Higher Education Services Corporation	68	69	76	89	90
Cultural Programs	46	45	44	52	55
STAR PROPERTY TAX REBATES	—	—	—	673	1,099
PUBLIC HEALTH	13,654	14,577	17,623	19,477	19,151
Health and Mental Health Services	3,193	3,450	4,371	5,815	5,896
Medical Assistance (Medicaid)	10,461	11,127	13,252	13,662	13,255
PUBLIC WELFARE	3,562	3,598	3,602	3,689	4,263
Public Welfare	3,147	3,183	3,190	3,283	3,828
Public Housing	186	188	191	198	220
Employment Services	229	227	221	208	215
PUBLIC SAFETY	3,127	3,262	3,443	4,049	4,075
Criminal Justice & Correctional Alternatives	933	947	1,070	1,161	1,226
Emergency Management & Security Services	96	78	90	183	163
Prisons and Reformatons	2,098	2,237	2,283	2,705	2,686
TRANSPORTATION	3,596	3,600	4,143	4,288	4,955
Traffic Safety	179	187	189	198	210
Transportation	3,417	3,413	3,954	4,090	4,745
ENVIRONMENT AND RECREATION	853	780	859	920	998
Environmental Protection	574	515	551	583	658
Parks, Recreation & Historic Preservation	279	265	308	337	340
SUPPORT AND REGULATE BUSINESS	441	474	754	599	900
Commerce, Industry & Agriculture	237	262	459	439	604
Regulate Business	204	212	295	160	296
SHARE GENERAL REVENUES WITH LOCAL GOVERNMENTS	853	1,034	1,079	1,198	949
REPAY BORROWED MONEY AND REDUCE DEBT	3,351	3,788	3,701	4,451	4,104
GENERAL GOVERNMENT	6,761	7,420	8,105	8,755	9,096
Executive Agencies	978	1,006	1,086	1,132	1,135
Office of the State Comptroller	149	160	171	177	176
Office of the Attorney General	139	161	166	180	176
Legislature	202	207	210	213	217
Court Administration	1,429	1,506	1,616	1,729	1,794
Pension Contributions & Other Employee Benefits	3,528	4,090	4,505	4,953	5,248
Other	336	290	351	371	350
TOTAL STATE FUNDS SPENDING	\$61,988	\$64,514	\$70,403	\$77,840	\$81,699

Appendix 2

FEDERAL FUNDS SPENDING BY MAJOR SERVICE FUNCTION (amounts in millions)

FEDERAL FUNDS SPENDING FOR THE FISCAL YEAR ENDING MARCH 31:	2004	2005	2006	2007	2008
EDUCATION	\$3,621	\$3,506	\$3,815	\$3,780	\$3,539
Public Schools	3,218	3,319	3,649	3,600	3,330
State University of New York	174	167	159	167	188
Tuition Assistance Program	224	12	2	7	17
Higher Education Services Corporation	4	7	4	6	3
Cultural Programs	1	1	1	—	1
PUBLIC HEALTH	22,657	23,920	22,799	24,126	23,715
Health and Mental Health Services	3,585	3,700	3,790	3,897	4,152
Medical Assistance (Medicaid)	19,072	20,220	19,009	20,229	19,563
PUBLIC WELFARE	5,481	5,053	5,127	4,635	4,608
Public Welfare	4,749	4,490	4,617	4,170	4,177
Public Housing	13	13	17	15	15
Employment Services	719	550	493	450	416
PUBLIC SAFETY	1,882	1,731	302	467	550
Criminal Justice & Correctional Alternatives	274	306	125	172	182
Emergency Management & Security Services	1,573	1,410	147	266	335
Prisons and Reformatons	35	15	30	29	33
TRANSPORTATION	1,074	1,353	1,233	1,308	1,317
Traffic Safety	15	14	12	12	14
Transportation	1,059	1,339	1,221	1,296	1,303
ENVIRONMENT AND RECREATION	271	242	269	195	220
Environmental Protection	265	235	263	187	213
Parks, Recreation & Historic Preservation	6	7	6	8	7
SUPPORT AND REGULATE BUSINESS	17	16	22	19	12
Commerce, Industry & Agriculture	16	15	21	18	11
Regulate Business	1	1	1	1	1
SHARE GENERAL REVENUES WITH LOCAL GOVERNMENTS	117	102	107	105	121
GENERAL GOVERNMENT	219	231	264	289	277
Executive Agencies	24	24	29	41	34
Office of the Attorney General	18	22	24	24	22
Court Administration	5	3	5	5	5
Pensions and Other Employee Benefits	172	182	206	219	216
TOTAL FEDERAL FUNDS SPENDING	<u>\$35,339</u>	<u>\$36,154</u>	<u>\$33,938</u>	<u>\$34,924</u>	<u>\$34,359</u>

Appendix 3

STATE RECEIPTS BY MAJOR SOURCE

(amounts in millions)

STATE RECEIPTS FOR THE FISCAL YEAR ENDING MARCH 31:	2004	2005	2006	2007	2008
TOTAL TAXES	\$42,851	\$48,642	\$53,578	\$58,739	\$60,871
PERSONAL INCOME TAX(1)	24,647	28,100	30,813	34,580	36,564
CONSUMER TAXES AND FEES	11,919	13,080	13,857	13,456	13,993
Sales Tax	9,907	11,016	11,196	10,739	11,296
Motor Vehicle Tax	654	710	720	769	748
Tobacco Products Taxes	419	406	974	985	976
Motor Fuel Tax	516	530	531	513	525
Beverage Taxes	237	227	234	252	253
Highway Use Tax	147	151	160	153	148
Auto Rental Tax	39	40	42	45	47
BUSINESS TAXES	5,007	5,806	7,088	8,606	8,231
Corporation Franchise Tax	1,700	2,111	3,053	4,228	3,997
Corporation and Utilities Taxes	882	827	832	820	802
Insurance Taxes	1,031	1,108	1,083	1,258	1,219
Bank Tax	342	675	974	1,210	1,058
Petroleum Business Tax	1,052	1,085	1,146	1,090	1,155
OTHER TAXES	1,278	1,656	1,820	2,097	2,083
Real Property Gains Tax	4	1	1	—	—
Estate and Gift Taxes	736	898	857	1,053	1,037
Parimutuel Taxes	27	26	23	21	24
Real Estate Transfer Taxes	510	730	938	1,022	1,021
Racing and Exhibition Taxes	1	1	1	1	1
GAMING - LOTTERY INCOME, VLT & CASINO	2,129	2,222	2,413	2,611	2,904
FEDERAL RECEIPTS	37,323	36,213	35,129	35,579	34,909
OTHER RECEIPTS	15,218	12,061	14,418	13,452	14,690
Student Tuitions and Fees (SUNY/CUNY)	1,376	1,800	1,965	2,096	2,123
Patient/Client Care	1,280	1,412	1,337	1,638	1,533
Income from Investments	56	78	264	501	535
Abandoned Property	597	563	541	701	686
Refunds and Reimbursements	918	704	740	710	1,003
Public Benefit Corporations (2)	344	672	457	417	996
Regulatory Assessments	2,401	1,242	1,310	1,594	1,496
EPIC Fees and Rebates	179	260	284	308	264
Securitization of Tobacco Settlement Funds	4,200	—	—	—	—
Loans from HCRA Pools	—	—	—	—	—
Public Asset Sale — Non-Profit Conversion	—	—	2,743	514	1,003
Transfers from Public Goods Pool	2,075	3,202	2,725	2,936	3,014
Transfers from Tobacco Settlement Fund	—	183	—	—	—
Miscellaneous Licenses, Fees and Other	1,792	1,945	2,052	2,037	2,037
BORROWED AND ADDED TO DEBT	2,534	2,134	2,117	2,197	2,318
Bonds and Notes Issued by the State	140	178	159	181	269
Public Authority Financings	2,394	1,956	1,958	2,016	2,049
TOTAL RECEIPTS	\$100,055	\$101,272	\$107,655	\$112,578	\$115,692

(1) Personal Income Tax (PIT) receipts have been restated to include funds that had been set aside to pay Personal Income Tax refunds in the following fiscal year and therefore, were not previously reported as receipts in 2004-2005.

(2) Includes Bond Proceeds and General Receipts.



2008 COMPTROLLER'S REPORT ON THE FINANCIAL CONDITION OF NEW YORK STATE

FOR FISCAL YEAR ENDED MARCH 31, 2008

Office of the State Comptroller • Thomas P. DiNapoli

DATA SOURCES

NYS Office of the State Comptroller

NYS Department of Taxation and Finance

NYS Division of the Budget

NYS Education Department

NYS Department of Health

NYS Office of Temporary and Disability Assistance

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