



New York State
Thomas P. DiNapoli, State Comptroller

A Report to Our Citizens

For fiscal year ended March 31, 2009

STATE COMPTROLLER'S MISSION



To promote accountability, improve performance and build public trust in all levels of New York government through independent review, analysis and oversight of state and local fiscal affairs and by performing our critical services effectively and with the highest levels of ethics and integrity in partnership with all branches of government.

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STATE COMPTROLLER'S VALUES

- **Accountability** - We are answerable to taxpayers, employees, retirees and other customers and stakeholders for our decisions, actions and results.
- **Collaboration** – We work in partnership with customers and stakeholders to achieve common goals.
- **Continuous Learning** – We support employee development, participation and leadership, share knowledge and adapt to ongoing change.
- **Customer Service** – We are dedicated to providing exceptional, value-added service to internal and external customers.
- **Diversity** – We value difference and inclusion in our workforce and seek to create a level playing field in the delivery of our services and benefits.
- **Integrity** – We are stewards of the public trust and empower our employees to act objectively and forthrightly based on the highest ethical and professional standards.
- **Leadership** – We advance better ways of governing that promote greater transparency, accountability and citizen participation.



NEW YORK STATE DEMOGRAPHIC INFORMATION

Year	Population (1000s)	Personal Income (1000s)	Per Capita Personal Income	Unemployment Rate (Percent)	Public School Enrollment	State Employees
2007	19,298	\$ 914,431,670	\$ 47,385	4.2	2,715,068	195,526
2008	19,490	\$ 937,009,617	\$ 48,076	4.9	2,684,024	199,754



A Performance Report

Education

- Educational achievements for New Yorkers, age 25 years and over, as of 2007:
 - 84.1 percent have completed high school or an equivalency.
 - 31.7 percent have completed a bachelor's degree.
 - 13.5 percent have completed an advanced degree.
- New York ranked 35th, 10th, and 6th among all states and the District of Columbia in the percentage of its population completing high school or an equivalency, bachelor's degrees, and advanced degrees, respectively.

Transportation

- The State is responsible for maintaining more than 42,500 lane miles of highway.
- The number of highway lane miles rated poor-to-fair has decreased by 2.2 percent between 2004 and 2008.
- In 2008, 64.7 percent of the State's highways were rated good-to-excellent, a 1.3 percent improvement since 2004.
- New York has the longest travel time to work of all the states, with an average commute of 31.5 minutes compared to the national average of 25.3 minutes.

Public Welfare

- During 2007, 19.4 percent of children under 18 years of age were living below the poverty level, a decrease of 3 percent since the previous year. The United States Department of Health and Human Services lists the poverty level of a three-person family as \$17,170.
- In 2007, New York State ranked seventh for most expensive housing in the country, with 41.5 percent of home owners with mortgages spent 30 percent or more of their household income on selected monthly owner costs.

Debt

- In 2008, New York State was the second most indebted state (behind California), and had nearly twice as much debt as the third most indebted state.
- On March 31, 2009, New York State's outstanding debt per person was \$2,693, which was equal to nearly 6 percent of New Yorkers' personal income.

Environment

- The 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 cleaned-up from the list as 23 sites had been removed.
- The State ranked first in the nation in the number of State parks, recreation areas and natural areas available to its residents in 2007.
- New York State is a member of the Regional Greenhouse Gas Initiative (RGGI), a ten-state agreement to reduce greenhouse gas emissions from power plants by means of a market-based cap-and-trade system. Under RGGI, the governors of ten Northeastern and Mid-Atlantic States have committed to capping the amount of carbon dioxide that power plants are allowed to emit.

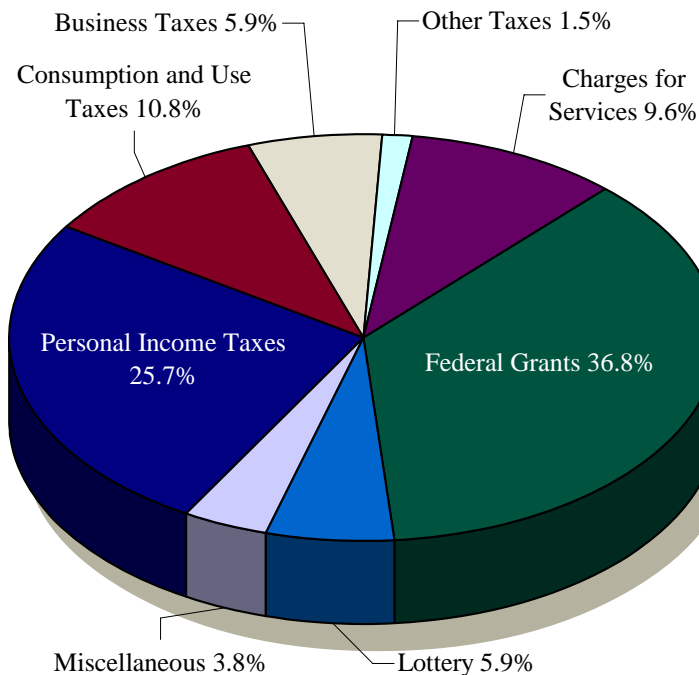
Public Health

- In 2009, the State expanded its Child Health Plus program so that children in families with incomes between 250 and 400 percent of the Federal Poverty Level would be eligible for coverage.
- In 2008, the State established the Doctors Across New York Program. The program provides financial support to medical practices in underserved rural and urban communities, so that all New Yorkers can have access to a doctor within a reasonable distance of their homes.

New York's Finances



PRIMARY GOVERNMENT SOURCES OF REVENUE



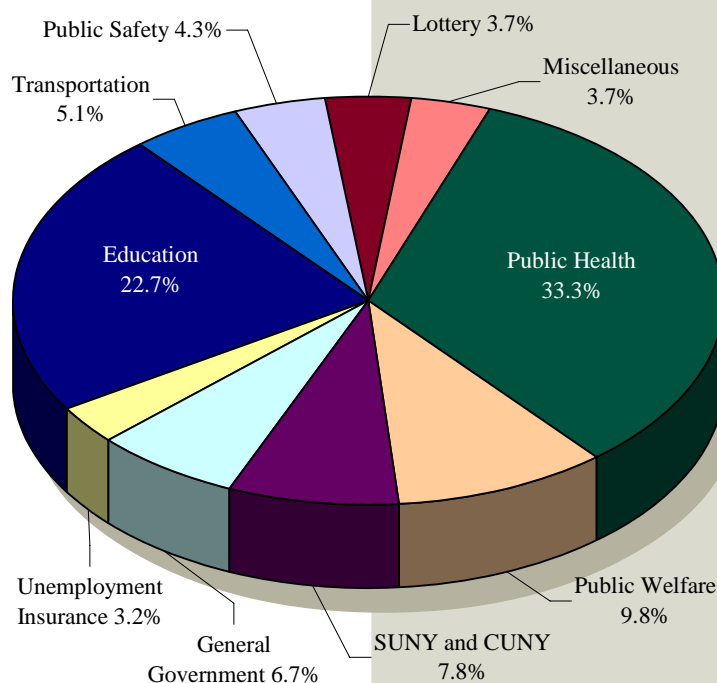
Revenues by Source (amounts in millions)	Years Ended March 31,	
	2008	2009
Personal Income Taxes	\$ 38,756	\$ 33,108
Consumption and Use Taxes	13,856	13,910
Business Taxes	8,157	7,661
Other Taxes	2,291	1,898
Charges for Services	11,436	12,357
Federal Grants	42,747	47,481
Lottery	7,548	7,660
Miscellaneous	5,631	4,809
Total	\$ 130,422	\$ 128,884

An independent audit was conducted, resulting in a clean audit opinion. Complete financial information can be found on our website at www.osc.state.ny.us.

PRIMARY GOVERNMENT EXPENSES

Expenses (amounts in millions)	Years Ended March 31,	
	2008	2009
Function or Program		
Public Health	\$ 44,777	\$ 47,233
Education	31,215	32,184
Public Welfare	12,491	13,824
SUNY and CUNY *	10,408	10,996
General Government	7,841	9,457
Transportation	6,595	7,164
Public Safety	6,011	6,066
Lottery	5,044	5,235
Unemployment Insurance	2,412	4,562
Miscellaneous	4,425	4,939
Total	\$ 131,219	\$ 141,660

* State University of New York and City University of New York - Senior Colleges





What's New?

INITIATIVES AND ACCOUNTABILITY

Now more than ever, New Yorkers need to understand their finances and work to build a strong financial future. State Comptroller Thomas P. DiNapoli is providing the tools New Yorkers need.

Your Money New York is a financial education initiative developed to help you and your family deal with a broad variety of money-related issues—whether it's getting out of debt, looking for a job, saving for college or retirement, or buying a car or home.

Your Money New York gives New Yorkers access to useful and reliable information, and serves as a centralized, coordinated access point for important government resources.

It connects you to the tools you need to meet whatever financial challenges you may be facing.

New Yorkers should also know how their tax dollars are spent. Comptroller DiNapoli has launched *Open Book New York* to make government more accountable to the public.

This easy-to-use website gives taxpayers unprecedented access to the financial information of State and local governments. It contains searchable databases of spending for:

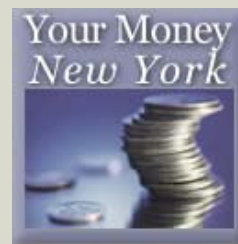
- 3,100 local governments,
- more than 100 State agencies,
- more than 60,000 active State contracts, and
- federal stimulus dollars.

Where do your tax dollars go?



www.openbooknewyork.com

Make every dime count



www.yourmoneynewyork.com

ECONOMIC OUTLOOK

While New York State's economy was less affected than other parts of the country by the downturn in housing, the State's economy was deeply affected by the worldwide financial crisis. The securities industry is a major component of New York's economy, having accounted for up to 20 percent of the State's tax revenues before the downturn. For 2008 as a whole, the securities industry lost a record \$42.6 billion. In addition, year-end bonuses for the industry in New York City fell by 44 percent to \$18.4 billion. The declines in

securities industry profitability and bonuses have significantly reduced State revenues.

Total State spending from all governmental funds is expected to approach \$150 billion by 2012-13, representing an increase of 22.6 percent over 2008-09 and 67.4 percent from 2002-03, for an average annual growth of 5.3 percent.

The State continues to rely heavily on debt to finance its infrastructure. The SFY 2009-10 Enacted Capital Program and Financing Plan projects

this reliance on debt will continue to increase.

While New York faces challenges with its ongoing structural deficit and the annual budget process, other challenges directly related to current economic conditions are beginning to become more apparent. According to the Debt Reform Act of 2000, State-Supported debt outstanding is limited to four percent of personal income within the State. The current recession has caused economists to lower projections for personal income significantly, which will impact future borrowings.

We want to hear from you. Do you like this report? What information would you like to see in next year's report? Your input is important to us. Please contact us by email at finrep@osc.state.ny.us or by phone at (518) 486-1235.