



The City of New York
Office of Management and Budget
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Mark Page
Director

July 6, 2005

TO THE FINANCIAL CONTROL BOARD

Pursuant to Section 8.3 of the Financial Emergency Act (the "Act"), the City hereby submits for review by the Financial Control Board, Modification No. 05-4 to the Financial Plan for the City and Covered Organizations for fiscal years 2005-2008 (the "Modification") as such plan relates to fiscal year 2005. The Modification as it relates to the City and the City University of New York ("CUNY") is attached hereto as Exhibit A. Any Covered Organization which requires modification will be forwarded to you under separate cover.

The City hereby certifies that, in its judgement, the Modification is complete and complies with the standards set forth in Section 8.1 of the Act.

Yours truly,


Mark Page 

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CITY OF NEW YORK - FINANCIAL PLAN

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Fiscal Year 2005 Financial Plan Revenues and Expenditures
(\$ in millions)

REVENUES	PLAN	REVISED PLAN	BETTER/ (WORSE)
Taxes			
General Property Tax	\$ 11,501	\$ 11,495	\$ (6)
Other Taxes ¹	17,780	18,368	588
Discretionary Transfer ²	400	400	-
Tax Audit Revenue	525	525	-
Tax Program	(23)	-	23
Miscellaneous Revenues	6,167	6,429	262
Unrestricted Intergovernmental Aid	562	562	-
Less: Intra-City Revenue	(1,289)	(1,319)	(30)
Disallowances Against Categorical Grants	(15)	(15)	-
Subtotal: City Funds	\$ 35,608	\$ 36,445	\$ 837
Other Categorical Grants	856	902	46
Inter-Fund Revenues	358	349	(9)
Total City Funds & Inter-Fund Revenues	\$ 36,822	\$ 37,696	\$ 874
Federal Categorical Grants	6,873	6,921	48
State Categorical Grants	9,021	9,031	10
Total Revenues	\$ 52,716	\$ 53,648	\$ 932
EXPENDITURES			
Personal Service			
Salaries and Wages	\$ 17,736	\$ 18,364	\$ 628
Pensions	3,387	3,372	(15)
Fringe Benefits	5,182	5,188	6
Subtotal - Personal Service	\$ 26,305	\$ 26,924	\$ 619
Other Than Personal Service			
Medical Assistance	4,917	4,917	-
Public Assistance	2,563	2,606	43
Pay-As-You-Go Capital/Prepay Outstanding Debt	200	200	-
All Other	14,932	15,009	77
Subtotal - Other Than Personal Service	\$ 22,612	\$ 22,732	\$ 120
Debt Service	3,172	3,138	(34)
FY2004 Budget Stabilization and Discretionary Transfers ¹	(1,523)	(1,523)	-
FY2005 Budget Stabilization and Discretionary Transfers ²	3,271	3,528	257
MAC Debt Service/Administrative Services	128	128	-
General Reserve	40	40	-
	\$ 54,005	\$ 54,967	\$ 962
Less: Intra-City Expenses	(1,289)	(1,319)	(30)
Total Expenditures	\$ 52,716	\$ 53,648	\$ 932
Gap To Be Closed	\$ -	\$ -	\$ -

Notes:

¹ Fiscal Year 2004 Budget Stabilization and Discretionary Transfers total \$1.923 billion, including prepayments of subsidies of \$480 million, debt service of \$1.0 billion and a TFA grant in fiscal year 2004 which increased fiscal year 2005 tax revenue by \$400 million.

² Fiscal Year 2005 Budget Stabilization and Discretionary Transfers total \$3.528 billion, including prepayments of subsidies of \$645 million, lease debt service of \$88 million, Budget Stabilization of \$1.848 billion and a TFA grant in fiscal year 2005 which increased fiscal year 2006 tax revenue by \$947 million.

New York City Financial Plan
Fiscal Year 2005 Projections of Cash Sources and Uses
(\$ in millions)

Sources of Cash	Plan	Revised Plan	Better/ (Worse)
From Operations:			
Surplus/(Deficit)	\$ -	\$ -	\$ -
Changes in accounts receivable, accounts payable, accrued liabilities and other liabilities	(313)	2,519	2,832
Provision for disallowances of aid revenues	15	15	-
Disallowances Paid	(15)	(15)	-
Funds Provided/(Used) from Operations	\$ (313)	\$ 2,519	\$ 2,832
Proceeds from Seasonal Borrowings	-	-	-
Capital Plan Funding Sources (see Exhibit A-3)	5,900	5,900	-
Total Sources	<u>\$ 5,587</u>	<u>\$ 8,419</u>	<u>\$ 2,832</u>
Uses of Cash			
Capital Disbursements	5,900	5,900	-
Repayment of Seasonal Borrowings	-	-	-
Other - Net	-	-	-
Total Uses	<u>\$ 5,900</u>	<u>\$ 5,900</u>	<u>\$ -</u>
Net Sources/(Uses) of Cash	\$ (313)	\$ 2,519	(2,832)
Cash Balance - Beginning of Period	\$ 4,311	\$ 4,311	\$ -
Cash Balance - End of Period	\$ 3,998	\$ 6,830	\$ 2,832

**New York City Financial Plan
Fiscal Year 2005 Capital Plan Funding Sources
(\$ in millions)**

Sources of Capital Cash	Plan	Revised Plan	Change
New York City General Obligation Bonds	\$ 3,880	\$ 3,880	\$ -
Other Long-Term Sources:			
TSASC	45	45	-
Water Authority	1,651	1,651	-
Pay-As-You-Go Capital	200	0	(200)
Total Long-Term Sources	\$ 5,776	\$ 5,576	\$ (200)
Receipt of Federal, State and other Reimbursable Capital	578	578	-
Changes in Restricted Cash	(443)	(243)	200
Total Capital Plan Funding Sources	\$ 5,911	\$ 5,911	\$ -

**New York City Financial Plan
Fiscal Year 2005 Borrowing Schedule
(\$ in millions)**

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Total Financing
Short-Term Borrowing:					
Borrowing	\$ -	\$ -	\$ -	\$ -	\$ -
Repayment	-	-	-	-	-
Total Short-Term Borrowing (Repayment)	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Borrowing:					
New York City General Obligation	\$ 730	\$ 1,200	\$ 1,300	\$ 650	\$ 3,880
TSASC ¹	14	15	12	4	45
Water Authority ²	366	285	500	500	1,651
Pay-As-You-Go Capital	-	-	-	-	-
Total Borrowing to finance City Capital Program	\$ 1,110	\$ 1,500	\$ 1,812	\$ 1,154	\$ 5,576

Notes:

1. Includes Transportation Infrastructure Finance Innovation Act loan draws and excludes costs of issuance, reserve fund allocations, capitalized interest and amounts to finance Fresh Kills landfill.
2. Excludes costs of issuance and reserve fund allocations and reflects Water Authority Commercial Paper and revenue bonds issued to finance the water and sewer system's capital program. Amounts do not include revenue bonds issued to permanently finance previously issued commercial paper.

**New York City Financial Plan
Fiscal Year 2005 Capital Plan
(\$ in millions)**

Projected Capital Commitments

	Plan	Revised Plan	Change
City	\$ 6,913	\$ 6,913	\$ -
Non-City	917	917	-
Total	<u>\$ 7,830</u>	<u>\$ 7,830</u>	<u>\$ -</u>

Projected Capital Expenditures

	Plan	Revised Plan	Change
City	\$ 5,323	\$ 5,323	\$ -
Non-City ¹	578	578	-
City-administered Capital Plan	<u>\$ 5,901</u>	<u>\$ 5,901</u>	<u>\$ -</u>
DASNY	10	10	-
Total Capital Plan Expenditures	<u>\$ 5,911</u>	<u>\$ 5,911</u>	<u>\$ -</u>

Notes:

1. Includes Federal, State and other Reimbursable Capital.



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TO THE FINANCIAL CONTROL BOARD

Pursuant to Section 8.3 of the Financial Emergency Act (the "Act"), the City hereby submits the Four Year Financial Plan for the City and Covered Organizations for fiscal years 2006 – 2009 (the "Plan"). The Financial Plan as it relates to the City and the City University of New York ("CUNY") is attached hereto as Exhibit A. Any Covered Organization which requires modification will be forwarded to you under separate cover.

The Plan is based upon certain assumptions, methods of estimation and data previously submitted to you, including the City publications known as the City of New York Executive Budget Fiscal Year 2006 dated May 5, 2005 (the "Executive Budget"), updated to reflect the adjustments in the Fiscal Year 2006 Adopted Budget. The Four Year Financial Plan has been prepared in accordance with generally accepted accounting principles ("GAAP"), with the exception of that portion of the plan related to Covered Organizations, which are prepared on a cash basis.

The City hereby certifies that, in its judgment, the Plan is complete and complies with the standards set forth in Section 8.1 of the Act.

Yours truly,


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Four Year Financial Plan Revenues and Expenditures
(\$ in millions)

REVENUES	FY 2006	FY 2007	FY 2008	FY 2009
Taxes				
General Property Tax	\$ 12,452	\$ 13,136	\$ 14,067	\$ 14,722
Other Taxes ¹	16,644	16,749	16,697	17,646
Discretionary Transfers ¹	947	-	-	-
Tax Audit Revenue	512	509	509	509
Tax Program	(221)	(233)	(92)	(141)
Miscellaneous Revenues	4,826	4,486	4,506	4,528
Unrestricted Intergovernmental Aid	562	562	562	562
Anticipated State & Federal Actions	50	-	-	-
Less: Intra-City Revenue	(1,289)	(1,271)	(1,270)	(1,271)
Disallowances Against Categorical Grants	(15)	(15)	(15)	(15)
Subtotal: City Funds	\$ 34,468	\$ 33,923	\$ 34,964	\$ 36,540
Other Categorical Grants	927	923	928	934
Inter-Fund Revenues	364	355	344	343
Total City Funds & Inter-Fund Revenues	\$ 35,759	\$ 35,201	\$ 36,236	\$ 37,817
Federal Categorical Grants	5,109	4,860	4,850	4,850
State Categorical Grants	9,320	9,372	9,432	9,475
Total Revenues	\$ 50,188	\$ 49,433	\$ 50,518	\$ 52,142
EXPENDITURES				
Personal Service				
Salaries and Wages	\$ 18,151	\$ 18,260	\$ 18,437	\$ 18,651
Pensions	4,735	5,086	4,979	4,851
Fringe Benefits	5,549	5,804	6,145	6,467
Subtotal - Personal Service	\$ 28,435	\$ 29,150	\$ 29,561	\$ 29,969
Other Than Personal Service				
Medical Assistance	5,024	5,172	5,319	5,458
Public Assistance	2,516	2,504	2,504	2,504
Pay-As-You-Go Capital	200	200	200	200
All Other	14,246	13,769	13,886	14,066
Subtotal - Other Than Personal Service	\$ 21,986	\$ 21,645	\$ 21,909	\$ 22,228
General Obligation, Lease and MAC Debt Service	3,337	4,116	4,488	4,841
FY2005 Budget Stabilization and Discretionary Transfers ¹	(2,581)	-	-	-
General Reserve	300	300	300	300
	\$ 51,477	\$ 55,211	\$ 56,258	\$ 57,338
Less: Intra-City Expenses	(1,289)	(1,271)	(1,270)	(1,271)
Total Expenditures	\$ 50,188	\$ 53,940	\$ 54,988	\$ 56,067
Gap To Be Closed	\$ -	\$ (4,507)	\$ (4,470)	\$ (3,925)

¹ Fiscal Year 2006 includes the benefit of fiscal year 2005 discretionary transfers and prepayments of \$3.528 billion. These 2005 discretionary transfers include prepayments of subsidies of \$645 million, lease debt service of \$88 million and Budget Stabilization of \$1.848 billion, totaling \$2.581 billion, and a TFA grant of \$947 million which increased fiscal year 2006 revenue by \$947 million.

New York City Financial Plan
Four Year Projections of Cash Sources and Uses
(\$ in millions)

Sources of Cash	FY 2006	FY 2007	FY 2008	FY 2009
From Operations:				
Surplus/(Deficit)	\$ -	\$ -	\$ -	\$ -
Changes in accounts receivable, accounts payable, accrued liabilities and other liabilities	(3,100)	-	-	-
Provision for disallowances of aid revenues	15	15	15	15
Disallowances Paid	(15)	(15)	(15)	(15)
Funds Provided/(Used) from Operations	\$ (3,100)	\$ -	\$ -	\$ -
Proceeds from Seasonal Borrowings	1,500	2,400	2,400	2,400
Capital Plan Funding Sources (see Exhibit A-3)	7,004	7,896	8,545	8,302
Total Sources	\$ 5,404	\$ 10,296	\$ 10,945	\$ 10,702
Uses of Cash				
Capital Disbursements	7,004	7,896	8,545	8,302
Repayment of Seasonal Borrowings	1,500	2,400	2,400	2,400
Other - Net	-	-	-	-
Total Uses	\$ 8,504	\$ 10,296	\$ 10,945	\$ 10,702
Net Sources/(Uses) of Cash	\$ (3,100)	\$ -	\$ -	\$ -
Cash Balance - Beginning of Period	\$ 6,830	\$ 3,730	\$ 3,730	\$ 3,730
Cash Balance - End of Period	\$ 3,730	\$ 3,730	\$ 3,730	\$ 3,730

**New York City Financial Plan
Four Year Capital Plan Funding Sources
(\$ in millions)**

Sources of Capital Cash	FY 2006	FY 2007	FY 2008	FY 2009
New York City General Obligation Bonds	\$ 4,200	\$ 4,660	\$ 4,880	\$ 4,520
Other Long-Term Sources:				
Water Authority	1,530	1,519	1,582	1,553
Pay-As-You-Go Capital	200	200	200	200
Total Long-Term Sources	\$ 5,930	\$ 6,379	\$ 6,662	\$ 6,273
Receipt of Federal, State and other				
Reimbursable Capital	986	1,350	1,790	1,932
Changes in Restricted Cash	88	167	93	97
Total Capital Plan Funding Sources	\$ 7,004	\$ 7,896	\$ 8,545	\$ 8,302

**New York City Financial Plan
Fiscal Year 2006 Borrowing Schedule
(\$ in millions)**

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Total Financing
Short-Term Borrowing:					
Borrowing	\$ -	\$ 1,500	\$ -	\$ -	\$ 1,500
Repayment	-	-	-	(1,500)	(1,500)
Total Short-Term Borrowing (Repayment)	\$ -	\$ 1,500	\$ -	\$ (1,500)	\$ -
Capital Borrowing:					
New York City General Obligation	\$ 1,400	\$ 700	\$ 1,400	\$ 700	\$ 4,200
Water Authority ¹	750	-	530	250	1,530
Pay-As-You-Go Capital	-	-	-	200	200
Total Borrowing to finance City Capital Program	\$ 2,150	\$ 700	\$ 1,930	\$ 1,150	\$ 5,930

Notes:

1. Excludes costs of issuance and reserve fund allocations and reflects Water Authority Commercial Paper and revenue bonds issued to finance the water and sewer system's capital program. Amounts do not include revenue bonds issued to permanently finance previously issued commercial paper.

**New York City Financial Plan
Four Year Capital Plan
(\$ in millions)**

Projected Capital Commitments

	FY 2006	FY 2007	FY 2008	FY 2009	Total
City	\$ 8,013	\$ 7,785	\$ 6,033	\$ 5,077	\$ 26,908
Non-City	2,678	2,166	2,003	1,721	8,568
Total	\$ 10,691	\$ 9,951	\$ 8,036	\$ 6,798	\$ 35,476

Projected Capital Expenditures

	FY 2006	FY 2007	FY 2008	FY 2009	Total
City	\$ 6,018	\$ 6,546	\$ 6,755	\$ 6,369	\$ 25,688
Non-City ¹	986	1,350	1,790	1,932	6,058
City-administered Capital Plan	\$ 7,004	\$ 7,896	\$ 8,545	\$ 8,301	\$ 31,746
DASNY	-	-	-	-	-
Total Capital Plan Expenditures	\$ 7,004	\$ 7,896	\$ 8,545	\$ 8,301	\$ 31,746

Notes:

1. Includes Federal, State and other Reimbursable Capital.