



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

May 9, 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. 05-3 to the Financial Plan for the City and Covered Organizations for fiscal years 2005-2009 (the "Modification") as such plan relates to fiscal year 2005. The Modification as it relates to the City is attached hereto as Exhibit A. Any Covered Organizations whose plans require 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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May 2005

EXHIBIT A-1

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

REVENUES	PLAN	REVISED PLAN	BETTER/ (WORSE)
Taxes			
General Property Tax	\$ 11,536	\$ 11,501	\$ (35)
Other Taxes ^{1,2}	16,315	17,780	1,465
Discretionary Transfer ^{1,2}	400	400	-
Tax Audit Revenue	525	525	-
Tax Reduction Program	-	(23)	(23)
Miscellaneous Revenues	6,199	6,167	(32)
Unrestricted Intergovernmental Aid	562	562	-
Less: Intra-City Revenue	(1,268)	(1,289)	(21)
Disallowances Against Categorical Grants	(15)	(15)	-
Subtotal: City Funds	\$ 34,254	\$ 35,608	\$ 1,354
Other Categorical Grants	897	856	(41)
Inter-Fund Revenues	357	358	1
Total City Funds & Inter-Fund Revenues	\$ 35,508	\$ 36,822	\$ 1,314
Federal Categorical Grants	6,563	6,873	310
State Categorical Grants	8,999	9,021	22
Total Revenues	\$ 51,070	\$ 52,716	\$ 1,646
EXPENDITURES			
Personal Service			
Salaries and Wages	\$ 17,850	\$ 17,736	\$ 114
Pensions	3,243	3,387	(144)
Fringe Benefits	5,235	5,182	53
Subtotal - Personal Service	\$ 26,328	\$ 26,305	\$ 23
Other Than Personal Service			
Medical Assistance	4,901	4,917	(16)
Public Assistance	2,487	2,563	(76)
Pay-As-You-Go Capital	200	200	-
All Other ^{1,2}	14,509	14,932	(423)
Subtotal - Other Than Personal Service	\$ 22,097	\$ 22,612	\$ (515)
Debt Service			
FY2004 Budget Stabilization and Discretionary Transfers ¹	3,202	3,172	30
FY2005 Budget Stabilization and Discretionary Transfers ²	(1,523)	(1,523)	-
MAC Debt Service/Administrative Expenses	2,004	3,271	(1,267)
General Reserve	130	128	2
	100	40	60
	\$ 52,338	\$ 54,005	\$ (1,667)
Less: Intra-City Expenses	(1,268)	(1,289)	21
Total Expenditures	\$ 51,070	\$ 52,716	\$ (1,646)
Gap To Be Closed	\$ -	\$ -	\$ -

¹ Fiscal Year 2004 Budget Stabilization and Discretionary Transfers total \$1.523 billion, including prepayments of subsidies of \$480 million, debt service of \$1.043 billion. In addition, a TFA grant in fiscal year 2004 increased fiscal year 2005 tax revenue by \$400 million.

² Fiscal Year 2005 Budget Stabilization and Discretionary Transfers total \$3.271 billion, including prepayments of subsidies of \$532 million, lease debt service of \$88 million, Budget Stabilization of \$1.704 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	(683)	(313)	370
Provision for disallowances of aid revenues	15	15	-
Disallowances Paid	(15)	(15)	-
Funds Provided/(Used) from Operations	\$ (683)	\$ (313)	\$ 370
Proceeds from Seasonal Borrowings	-	-	-
Capital Plan Funding Sources (see Exhibit A-3)	5,933	5,900	(33)
Total Sources	<u>\$ 5,250</u>	<u>\$ 5,587</u>	<u>\$ 337</u>
Uses of Cash			
Capital Disbursements	\$ 5,933	\$ 5,900	\$ 33
Repayment of Seasonal Borrowings	-	-	-
Total Uses	<u>\$ 5,933</u>	<u>\$ 5,900</u>	<u>\$ 33</u>
Net Sources/(Uses) of Cash	\$ (683)	\$ (313)	\$ 304
Cash Balance - Beginning of Period	\$ 4,311	\$ 4,311	\$ -
Cash Balance - End of Period	\$ 3,628	\$ 3,998	\$ 370

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	1,451	1,651	200
Pay-As-You-Go Capital	200	200	-
Total Long-Term Sources	\$ 5,576	\$ 5,776	\$ 200
Receipt of Federal, State and other			
Reimbursable Capital	623	578	(45)
Changes in Restricted Cash	(266)	(443)	(177)
Total Capital Plan Funding Sources	\$ 5,933	\$ 5,911	\$ (22)

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	-	-	-	200	200
Total Borrowing to finance City Capital Program	\$ 1,110	\$ 1,500	\$ 1,812	\$ 1,354	\$ 5,776

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	\$ 6,873	\$ 6,913	\$ 40
Non-City	1,020	917	(103)
Total	<u>\$ 7,893</u>	<u>\$ 7,830</u>	<u>\$ (63)</u>

Projected Capital Expenditures			
	Plan	Revised Plan	Change
City	\$ 5,300	\$ 5,323	\$ 23
Non-City ¹	623	578	(45)
City-administered Capital Plan	<u>\$ 5,923</u>	<u>\$ 5,901</u>	<u>\$ (22)</u>
DASNY	10	10	-
Total Capital Plan Expenditures	<u>\$ 5,933</u>	<u>\$ 5,911</u>	<u>\$ (22)</u>

Notes:

1. Includes Federal, State and other Reimbursable Capital.



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Director

May 9, 2005

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 is attached hereto as Exhibit A. As it relates to the Covered Organizations, these are attached hereto as Exhibit B. Any Covered Organizations whose plans require 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"). A copy of the Executive Budget has been supplied to you previously. 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 Financial Emergency Act. In addition, I hereby certify that, in our judgment, the Executive Budget is consistent with the Plan.

Yours truly,


Mark Page

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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	\$ 12,326	\$ 13,061	\$ 14,021	\$ 14,695
Other Taxes ¹	16,414	16,552	16,690	17,639
Discretionary Transfers ¹	947	-	-	-
Tax Audit Revenue	512	509	509	509
Tax Reduction Program	(235)	(177)	(17)	(38)
Miscellaneous Revenues	4,765	4,462	4,485	4,506
Unrestricted Intergovernmental Aid	562	562	562	562
Anticipated Federal Aid	50	-	-	-
Less Intra-City Revenue	(1,249)	(1,249)	(1,249)	(1,249)
Disallowances Against Categorical Grants	(15)	(15)	(15)	(15)
Subtotal: City Funds	\$ 34,077	\$ 33,705	\$ 34,986	\$ 36,609
Other Categorical Grants	923	927	932	938
Inter-Fund Revenues	364	355	343	343
Total City Funds & Inter-Fund Revenues	\$ 35,364	\$ 34,987	\$ 36,261	\$ 37,890
Federal Categorical Grants	5,081	4,858	4,848	4,847
State Categorical Grants	9,279	9,361	9,421	9,464
Total Revenues	\$ 49,724	\$ 49,206	\$ 50,530	\$ 52,201
EXPENDITURES				
Personal Service				
Salaries and Wages	\$ 17,771	\$ 18,018	\$ 18,246	\$ 18,518
Pensions	4,762	5,018	4,911	4,783
Fringe Benefits	5,552	5,811	6,154	6,477
Subtotal - Personal Service	\$ 28,085	\$ 28,847	\$ 29,311	\$ 29,778
Other Than Personal Service				
Medical Assistance	5,024	5,172	5,319	5,458
Public Assistance	2,408	2,353	2,353	2,353
Pay-As-You-Go Capital	200	200	200	200
All Other ¹	13,902	13,885	14,005	14,184
Subtotal - Other Than Personal Service	\$ 21,534	\$ 21,610	\$ 21,877	\$ 22,195
General Obligation, Lease and MAC Debt Service	3,378	4,171	4,527	4,880
FY2005 Budget Stabilization and Discretionary Transfers ¹	(2,324)	-	-	-
General Reserve	300	300	300	300
	\$ 50,973	\$ 54,928	\$ 56,015	\$ 57,153
Less Intra-City Expenses	(1,249)	(1,249)	(1,249)	(1,249)
Total Expenditures	\$ 49,724	\$ 53,679	\$ 54,766	\$ 55,904
Gap To Be Closed	\$ -	\$ (4,473)	\$ (4,236)	\$ (3,703)

¹ Fiscal Year 2006 includes the benefit of fiscal year 2005 discretionary transfers and prepayments of \$3.271 billion. These 2005 discretionary transfers include prepayments of subsidies of \$532 million, lease debt service of \$88 million and Budget Stabilization of \$1.704 billion, totaling \$2.234 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	-	-	-	-
Provision for disallowances of aid revenues	15	15	15	15
Disallowances Paid	(15)	(15)	(15)	(15)
Funds Provided/(Used) from Operations	\$ -	\$ -	\$ -	\$ -
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	<u>\$ 8,504</u>	<u>\$ 10,296</u>	<u>\$ 10,945</u>	<u>\$ 10,702</u>
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
Total Uses	<u>\$ 8,504</u>	<u>\$ 10,296</u>	<u>\$ 10,945</u>	<u>\$ 10,702</u>
Net Sources/(Uses) of Cash	\$ -	\$ -	\$ -	\$ -
Cash Balance - Beginning of Period	\$ 3,998	\$ 3,998	\$ 3,998	\$ 3,998
Cash Balance - End of Period	\$ 3,998	\$ 3,998	\$ 3,998	\$ 3,998

**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.