



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

February 2, 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. 05-2 to the Financial Plan for the City and Covered Organizations for fiscal years 2005-2008 (the "Modification"). The Modification 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 other Covered Organization which requires modification will be forwarded to you under separate cover. Please note that forecasts relating to fiscal year 2009 are included for your information but are not a part of the City's current four year financial plan, as required by the Act.

The modification is based upon certain assumptions, methods of estimation and data previously submitted to you including the City publication known as the January 2005 Financial Plan dated January 27, 2005.

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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EXHIBIT B

COVERED ORGANIZATIONS - FINANCIAL PLAN

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B-2	New York City Educational Construction Fund
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B-4	New York City Housing Authority
B-5	New York City Industrial Development Agency
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Five Year Financial Plan Revenues and Expenditures
(\$ in millions)

REVENUES	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
Taxes					
General Property Tax	\$ 11,520	\$ 12,339	\$ 13,060	\$ 14,000	\$ 14,665
Other Taxes ¹	16,315	15,556	15,821	16,564	17,386
Tax Audit Revenue	523	509	509	509	509
Miscellaneous Revenues	5,993	4,505	4,325	4,362	4,387
Unrestricted Intergovernmental Aid	562	562	562	562	562
FY 2004 Discretionary Transfer ¹	400	-	-	-	-
Less: Intra-City Revenue	(1,268)	(1,206)	(1,205)	(1,205)	(1,205)
Disallowances Against Categorical Grants	(15)	(15)	(15)	(15)	(15)
Subtotal: City Funds	\$ 34,030	\$ 32,250	\$ 33,057	\$ 34,777	\$ 36,289
Other Categorical Grants	874	912	896	902	908
Inter-Fund Revenues	354	347	339	332	332
Total City Funds & Inter-Fund Revenues	\$ 35,258	\$ 33,509	\$ 34,292	\$ 36,011	\$ 37,529
Federal Categorical Grants	5,522	4,820	4,801	4,790	4,790
Federal - FEMA Insurance Program	1,000	-	-	-	-
State Categorical Grants	8,987	9,054	9,087	9,151	9,192
Total Revenues	\$ 50,767	\$ 47,383	\$ 48,180	\$ 49,952	\$ 51,511
EXPENDITURES					
Personal Service					
Salaries and Wages	\$ 17,943	\$ 17,681	\$ 17,672	\$ 17,549	\$ 17,561
Pensions	3,243	4,219	4,494	4,681	4,609
Fringe Benefits	5,235	5,521	5,811	6,159	6,482
Subtotal - Personal Service	\$ 26,421	\$ 27,421	\$ 27,977	\$ 28,389	\$ 28,652
Other Than Personal Service					
Medical Assistance	4,901	5,070	5,339	5,720	6,149
Public Assistance	2,523	2,394	2,395	2,395	2,395
Pay-As-You-Go Capital	200	200	200	200	200
All Other ^{1,2}	14,595	13,347	13,463	13,648	13,795
Subtotal - Other Than Personal Service	\$ 22,219	\$ 21,011	\$ 21,397	\$ 21,963	\$ 22,539
Debt Service ^{1,2}	3,202	3,517	4,169	4,509	4,853
FY2004 Budget Stabilization and Discretionary Transfers ¹	(1,523)	-	-	-	-
FY2005 Budget Stabilization and Discretionary Transfers ²	2,004	(2,004)	-	-	-
MAC Debt Service/Administrative Expenses	130	10	10	10	-
General Reserve	100	300	300	300	300
Subtotal	\$ 52,553	\$ 50,255	\$ 53,853	\$ 55,171	\$ 56,344
Less: Intra-City Expenses	(1,268)	(1,206)	(1,205)	(1,205)	(1,205)
Total Expenditures	\$ 51,285	\$ 49,049	\$ 52,648	\$ 53,966	\$ 55,139
Gap To Be Closed	\$ (518)	\$ (1,666)	\$ (4,468)	\$ (4,014)	\$ (3,628)
Gap Closing Program	\$ 518	\$ 1,666	\$ 750	\$ 449	\$ 449
Remaining Gap To Be Closed	\$ -	\$ -	\$ (3,718)	\$ (3,565)	\$ (3,179)

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 \$2.004 billion, including prepayments of subsidies of \$300 million and debt service of \$1.7 billion.

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

Sources of Cash	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
From Operations:					
Surplus/(Deficit)	\$ -	\$ -	\$ -	\$ -	\$ -
Changes in accounts receivable, accounts payable, accrued liabilities and other liabilities	(683)	-	-	-	-
Provision for disallowances of aid revenues	15	15	15	15	15
Disallowances Paid	(15)	(15)	(15)	(15)	(15)
Funds Provided/(Used) from Operations	\$ (683)	\$ -	\$ -	\$ -	\$ -
Proceeds from Seasonal Borrowings	-	2,400	2,400	2,400	2,400
Capital Plan Funding Sources (see Exhibit A-3)	5,933	6,769	7,562	7,945	7,665
Total Sources	\$ 5,250	\$ 9,169	\$ 9,962	\$ 10,345	\$ 10,065
Uses of Cash					
Capital Disbursements	5,933	6,769	7,562	7,945	7,665
Repayment of Seasonal Borrowings	-	2,400	2,400	2,400	2,400
Total Uses	\$ 5,933	\$ 9,169	\$ 9,962	\$ 10,345	\$ 10,065
Net Sources/(Uses) of Cash	\$ (683)	\$ -	\$ -	\$ -	\$ -
Cash Balance - Beginning of Period	\$ 4,311	\$ 3,628	\$ 3,628	\$ 3,628	\$ 3,628
Cash Balance - End of Period	\$ 3,628	\$ 3,628	\$ 3,628	\$ 3,628	\$ 3,628

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

Sources of Capital Cash	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
New York City General Obligation Bonds	\$ 3,880	\$ 4,060	\$ 4,460	\$ 4,600	\$ 4,240
Other Long-Term Sources:					
Transitional Finance Authority	0	0	0	0	0
TSASC	45	0	0	0	0
Water Authority	1,451	1,625	1,520	1,590	1,557
Pay-As-You-Go Capital	200	200	200	200	200
Total Long-Term Sources	\$ 5,576	\$ 5,885	\$ 6,180	\$ 6,390	\$ 5,997
Receipt of Federal, State and other Reimbursable Capital	623	867	1,204	1,474	1,576
Changes in Restricted Cash	(266)	17	178	81	92
Total Capital Plan Funding Sources	\$ 5,933	\$ 6,769	\$ 7,562	\$ 7,945	\$ 7,665

**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
Transitional Finance Authority	0	0	0	0	-
TSASC ¹	14	15	12	4	45
Water Authority ²	366	285	500	300	1,451
Pay-As-You-Go Capital	0	0	0	200	200
Total Borrowing to finance City Capital Program	\$ 1,110	\$ 1,500	\$ 1,812	\$ 1,154	\$ 5,576
Other Borrowing					
Jay Street Development Corp.	-	-	-	-	-

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
Five Year Capital Plan
(\$ in millions)**

Projected Capital Commitments

	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	Total
City	\$ 6,873	\$ 7,376	\$ 7,200	\$ 5,935	\$ 4,992	\$ 32,376
Non-City	1,020	2,045	1,729	1,699	1,617	8,110
Total	\$ 7,893	\$ 9,421	\$ 8,929	\$ 7,634	\$ 6,609	\$ 40,486

Projected Capital Expenditures

	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	Total
City	\$ 5,300	\$ 5,902	\$ 6,358	\$ 6,471	\$ 6,089	\$ 30,120
Non-City ¹	623	867	1,204	1,474	1,576	5,744
City-administered Capital Plan	\$ 5,923	\$ 6,769	\$ 7,562	\$ 7,945	\$ 7,665	\$ 35,864
DASNY	10	-	-	-	-	\$ 10
Total Capital Plan Expenditures	\$ 5,933	\$ 6,769	\$ 7,562	\$ 7,945	\$ 7,665	\$ 35,874

Notes:

1. Includes Federal, State and other Reimbursable Capital.

CITY UNIVERSITY CONSTRUCTION FUND
FINANCIAL PLAN FOR FISCAL YEARS 2005 - 2009
(\$ in thousands)

	<u>FY 2005</u>	<u>FY 2006</u>	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>
REVENUES					
State	\$ 304,780	\$ 302,565	\$ 356,357	\$ 309,747	\$ 354,106
City	37,314	37,833	36,135	39,695	40,426
Investment Income	5,000	5,000	5,000	5,000	5,000
Refunding & Other Credits	<u>56,966</u>	<u>9,393</u>	<u>8,636</u>	<u>8,636</u>	<u>8,636</u>
Total	\$ 404,060	\$ 354,790	\$ 406,128	\$ 363,078	\$ 408,168
EXPENDITURES					
Debt Service	\$ 374,167	\$ 323,651	\$ 373,682	\$ 329,261	\$ 372,909
Administrative Cost	<u>26,493</u>	<u>27,739</u>	<u>29,046</u>	<u>30,417</u>	<u>31,859</u>
Total	\$ 400,660	\$ 351,390	\$ 402,728	\$ 359,678	\$ 404,768
Surplus/ (Deficit)	\$ 3,400	\$ 3,400	\$ 3,400	\$ 3,400	\$ 3,400
Cash Flow Adjustment	<u>12,481</u>	<u>15,883</u>	<u>19,283</u>	<u>22,683</u>	<u>26,083</u>
Adjusted Surplus/ (Deficit)	\$ 15,883	\$ 19,283	\$ 22,683	\$ 26,083	\$ 29,483

**NEW YORK CITY EDUCATIONAL CONSTRUCTION FUND
FIVE YEAR PLAN (2005 - 2009)
(\$000'S)**

	FY05	FY06	FY07	FY08	FY09
RECEIPTS					
NON-SCHOOL RENTALS & TAX PAYMENTS	10,073	16,500	16,500	16,500	16,500
INTEREST INCOME	1,100	1,850	2,000	2,100	2,100
D/S PAYMENT (PS/IS 89 SHORTFALL) FROM NYC (NOTE 1)	3,133	3,163	3,163	4,000	4,000
TOTAL	14,306	21,513	21,663	22,600	22,600

DISBURSEMENTS					
PERSONAL SERVICE (INCL. HEALTH, RETIREMENT--ETC.)	266	281	300	310	310
OTHER THAN PERSONAL SERVICES (NOTE 2)	485	600	650	675	675
CONSTRUCTION COST (PS/IS 89)					
INSURANCE REIM.	958	900	950	1,000	1,000
DEBT SERVICE (NOTE 3)					
PRINCIPAL	10,035	10,880	11,060	12,070	12,070
INTEREST 94	5,963	5,127	5,213	3,340	3,340
TOTAL	17,707	17,788	18,173	17,395	17,395

SURPLUS/(DEFICIT)	(3,401)	3,725	3,490	5,205	5,205
TRANSFER TO BOE (NOTE 4)					
BEGINNING BAL. 7/1/04 ACTUAL	35,037	31,636	35,361	35,361	38,851
ENDING	31,636	35,361	38,851	40,566	44,056

NOTES:

- 1) Debt Service payment by the City to ECF for the BATTERY PARK CITY PROJECT (SITE 22) IS/PS 89
- 2) OPTS includes the following: Operations, Legal & Developments Fees, Insurance and Related Fees inflated at 3% per year.
- 3) Debt Service pertains to the 1994 & 1996 Revenue Bond Issues in Original Amounts of \$137,750,000 and \$44,880,000 respectively totaling \$182,630,000.
- 4) During the fiscal year ending June 30, 2004, ECF distributed a total of \$13,209,000 in excess funds.

**JANUARY FY06 Budget
Final**

**Health and Hospitals Corporation
Financial Plan
Fiscal Years 2005-2009 budget
(\$ in millions)**

RECEIPTS	2005	2006	2007	2008	2009
Third Party Receipts					
Medicaid Fee for Service	1,623.518	1,635.736	1,666.815	1,698.484	1,730.755
Medicaid Managed Care	539.915	553.413	567.248	581.429	595.965
Bad Debt and Charity Care (Pools)	682.638	549.662	548.962	548.962	549.462
Medicare	646.967	595.850	602.404	609.031	615.730
Other Payors	278.917	278.917	278.917	278.917	278.917
Subtotal: Third Party Receipts	3,771.955	3,613.578	3,664.346	3,716.823	3,770.829
City Services					
Prisoners/Uniformed Services	52.558	52.558	52.558	52.558	52.558
Other City Services/ HHC Debt Service	33.663	101.309	99.320	95.752	91.082
Unrestricted City Subsidy/City Subsidy for Preventive Health	0.000	23.606	19.906	13.106	13.106
Pre-Payment of City Subsidy	150.000	(150.000)	0.000	0.000	0.000
Department of Health Intracity	27.109	3.441	3.220	3.229	3.682
Mental Hygiene Intracity	43.695	49.752	49.981	49.981	49.981
Correctional Health & Family Health Services Intracity	22.564	22.564	22.564	22.564	22.564
HRA Mental Health & Substance Abuse Intracity	4.365	4.365	4.365	4.365	4.365
Other Intracity Payments	5.874	5.874	5.874	5.874	5.874
Prior Year Intracity Payments	24.300	6.708	5.766	5.767	5.768
Subtotal: City Services	364.128	120.176	263.554	253.196	248.980
Grants	120.420	120.384	120.384	95.634	87.384
Community Health Partnership	36.879	61.120	34.480	8.560	0.000
FDNY/EMS	104.247	105.367	106.452	107.556	108.685
Other/ Miscellaneous Receipts	121.129	105.162	105.162	105.162	105.162
Subtotal:	382.675	392.033	366.478	316.912	301.231
TOTAL RECEIPTS	4,518.758	4,125.787	4,294.378	4,286.931	4,321.040
DISBURSEMENTS					
Personal Services	1,994.279	2,022.000	1,955.300	1,955.300	1,955.300
Fringe Benefits	661.733	754.986	807.860	838.383	866.944
Other Than Personal Services	1,022.970	1,035.249	1,059.412	1,084.187	1,109.589
Malpractice Settlements	183.637	189.869	189.869	189.869	189.869
Affiliation Contracts	602.619	627.920	659.316	692.282	726.896
Other City Services and Charges	1.635	1.659	1.659	1.659	1.659
HHC Debt Service	95.914	106.056	106.543	107.170	106.971
TOTAL DISBURSEMENTS	4,562.787	4,737.739	4,779.959	4,868.850	4,957.228
Receipts Over/(Under) Disbursements	(44.030)	(611.950)	(485.579)	(581.918)	(636.188)
Net Capital Receipts	29.473	0.000	0.000	0.000	0.000
State / Federal Actions	18.661	275.050	275.000	350.000	350.000
PS / OTPS Productivity Savings	31.237	100.000	100.000	100.000	100.000
Revenue Maximization with City Agencies	10.000	35.000	35.000	35.000	35.000
HHC Revenue Re-Engineering	15.000	50.000	75.000	75.000	75.000
* Opening Cash Balance	254.500	314.841	162.940	162.361	140.443
CLOSING CASH BALANCE	314.841	162.940	162.361	140.443	64.255

* Operating Closing Cash Balance per Adopted FY 2005 Budget (07/02/04) was \$308.4. Inclusion of Capital receipts and disbursements in the financial plan accounted for a year-end net capital disbursement of \$(53.9)m. Final closing cash balance adjusted for capital deficit equals combined Operating and Capital Cash balance of \$254.5m.

NEW YORK CITY HOUSING AUTHORITY
FOUR-YEAR FINANCIAL PLAN
(In Thousands of Dollars)

	FY 2005	FY 2006	FY 2007	FY 2008
Revenues				
<i>Revenue from Operations:</i>				
Basic Dwelling Rent	\$ 659,904	\$ 673,102	\$ 686,564	\$ 686,564
Other Revenue from Operations	22,704	24,201	25,700	25,700
Total Revenue from Operations	682,608	697,303	712,264	712,264
<i>Subsidies:</i>				
Federal	764,446	747,440	761,209	761,209
Section 8 NC	5,788	6,062	6,062	6,062
Debt Service	15,338	14,304	14,304	14,304
HCVP Section 8	760,526	760,526	760,526	760,526
Total Subsidies	1,546,098	1,528,332	1,542,101	1,542,101
Cash Grants	33,874	32,857	32,707	32,707
Capital Transfer	63,371	63,699	64,772	64,772
Other Revenues	69,413	14,071	7,256	7,256
Total Revenues	2,395,364	2,336,262	2,359,100	2,359,100
Expenditures				
PS				
Salary	642,395	648,500	644,206	644,207
Fringe	289,273	334,768	356,743	376,859
Total PS	931,668	983,268	1,000,949	1,021,066
OTPS				
Supplies	27,194	26,875	26,915	26,915
Contracts	224,724	215,419	218,075	218,093
Section 8 Payments	719,972	717,270	717,091	717,053
Payment in Lieu of Taxes	27,633	27,633	27,633	27,633
Debt Service	15,338	15,338	15,338	15,338
Utilities	350,824	355,199	356,509	356,550
All Other	98,011	95,672	95,682	95,685
Total OTPS	1,463,696	1,453,406	1,457,243	1,457,267
Total Expenditures	2,395,364	2,436,674	2,458,192	2,478,333
Gap To Be Closed	\$ -	\$ (100,412)	\$ (99,092)	\$ (119,233)

**NEW YORK CITY INDUSTRIAL DEVELOPMENT AGENCY
SCHEDULE OF REVENUES, EXPENDITURES AND FUND BALANCES**

Fiscal Years 2005 through 2009

(000) Amounts in thousands

CATEGORIES:	2005	2006	2007	2008	2009
REVENUES:					
Application Fees	190	192	192	192	192
Financed Project Fees	14,925	4,758	4,758	4,758	4,758
Compliance Fees	1,185	1,185	1,185	1,185	1,185
Miscellaneous	10	10	10	10	10
Interest Income	372	372	372	372	372
TOTAL REVENUES	16,682	6,517	6,517	6,517	6,517
EXPENDITURES:					
OTPS (NOTE 1)	16,682	6,852	6,852	6,852	6,852
TOTAL EXPENDITURES	16,682	6,852	6,852	6,852	6,852
SURPLUS/(DEFICIT)	0	(335)	(335)	(335)	(335)
FUND BALANCE (Beginning of Period)	30,030	30,029	29,695	29,361	28,959
FUND BALANCE (End of Period)	30,029	29,695	29,361	29,027	28,624

Note 1: This amount also includes projects approved by the IDA Board to fund special economic activities related to the City's long-term future economic development.

NEW YORK CITY OFF TRACK BETTING CORPORATION
FINANCIAL PLAN SUBMISSION JANUARY 2005
FISCAL YEAR 2004/05 THRU FISCAL YEAR 2008/09
(IN MILLIONS)

	FY 04/05	FY05/06	FY06/07	FY07/08	FY08/09
GROSS HANDLE	\$1,051.4	\$1,061.9	\$1,072.6	\$1,083.3	\$1,094.1
TOTAL REVENUE	\$252.5	\$254.9	\$257.5	\$260.1	\$262.7
COMPENSATION TO THE RACING INDUSTRY	98.1	99.1	100.1	101.1	102.1
EXPENDITURES:					
PERSONAL SERVICES	90.1	93.4	95.9	97.9	100.1
OTHER THAN PERSONAL SERVICES	38.3	40.2	42.6	45.3	48.1
TOTAL EXPENDITURES	128.4	133.6	138.5	143.2	148.2
SURPLUS	26.0	22.2	18.9	15.8	12.4
PAYMENTS TO NEW YORK CITY REGIONAL OTB COMMUNITIES	2.7	2.7	2.7	2.8	2.8
GROSS SURPLUS	\$28.7	\$24.9	\$21.6	\$18.6	\$15.2
PAYMENTS TO GOVERNMENTS:					
PAYMENTS TO NEW YORK STATE	\$11.3	\$11.4	\$11.5	\$11.6	\$11.8
PAYMENTS TO LOCAL GOVERNMENTS	2.6	2.6	2.6	2.7	2.7
PAYMENTS TO SRWB - REGULATORY FEE	4.1	4.1	4.2	4.2	4.2
SURCHARGE REVENUE FOR NYC	17.5	17.7	17.9	18.1	18.3
RESIDUAL REVENUE/(LOSS) FOR NYC	(13.4)	(17.5)	(21.3)	(24.8)	(28.6)
CAPITAL ACQUISITION FUND	3.9	3.9	4.0	4.0	4.0
PAYMENTS	26.0	22.2	18.9	15.8	12.4
PAYMENTS TO NEW YORK CITY REGIONAL OTB COMMUNITIES	2.7	2.7	2.7	2.8	2.8
TOTAL PAYMENTS	\$28.7	\$24.9	\$21.6	\$18.6	\$15.2
	20.2	20.4	20.6	20.9	21.1