



The City of New York
Office of Management and Budget
75 Park Place - New York, New York 10007 - 2146
(212) 788-5904

Stuart Klein
First Deputy Director

June 25, 2007

Mr. Jeffrey L. Sommer
First Deputy Director
Financial Control Board
123 William Street, 23rd Floor
New York, NY 10038

Dear Mr. Sommer:

Enclosed is a revision to Exhibit A-1 of Modification No. 07-4, submitted on June 20, 2007. Medical Assistance of \$160 million in FY 2011 has been reclassified as Other Than Personal Services.

Yours truly,



Stuart Klein

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EXHIBIT A

CITY OF NEW YORK – FINANCIAL PLAN

A-1

Projection of Revenues and Expenditures – Revised

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

REVENUES	FY 2008	FY 2009	FY 2010	FY 2011
Taxes				
General Property Tax	\$ 12,984	\$ 14,100	\$ 15,186	\$ 16,171
Other Taxes	22,676	22,300	23,151	23,882
Discretionary Transfers ¹	546	-	-	-
Tax Audit Revenue	559	559	560	560
Tax Reduction Program	(290)	(507)	(575)	(634)
Miscellaneous Revenues	5,997	5,080	5,097	5,131
Unrestricted Intergovernmental Aid	340	340	340	340
Less: Intra-City Revenue	(1,393)	(1,364)	(1,365)	(1,365)
Disallowances Against Categorical Grants	(15)	(15)	(15)	(15)
Subtotal: City Funds	<u>\$ 41,404</u>	<u>\$ 40,493</u>	<u>\$ 42,379</u>	<u>\$ 44,070</u>
Other Categorical Grants	1,006	1,007	1,012	1,014
Inter-Fund Revenues	436	411	403	398
Total City Funds & Inter-Fund Revenues	<u>\$ 42,846</u>	<u>\$ 41,911</u>	<u>\$ 43,794</u>	<u>\$ 45,482</u>
Federal Categorical Grants	5,295	5,380	5,364	5,351
State Categorical Grants	10,824	11,410	12,275	12,718
Total Revenues	<u>\$ 58,965</u>	<u>\$ 58,701</u>	<u>\$ 61,433</u>	<u>\$ 63,551</u>
EXPENDITURES				
Personal Service				
Salaries and Wages	\$ 20,979	\$ 21,978	\$ 23,332	\$ 24,443
Pensions	5,728	6,390	6,509	6,519
Fringe Benefits	6,374	6,681	6,965	7,288
Subtotal - Personal Service	<u>\$ 33,081</u>	<u>\$ 35,049</u>	<u>\$ 36,806</u>	<u>\$ 38,250</u>
Other Than Personal Service				
Medical Assistance	5,714	5,603	5,756	5,916
Public Assistance	1,187	1,187	1,187	1,187
Pay-As-You-Go Capital	100	200	200	200
All Other ¹	17,641	17,549	17,974	18,379
Subtotal - Other Than Personal Service	<u>\$ 24,642</u>	<u>\$ 24,539</u>	<u>\$ 25,117</u>	<u>\$ 25,682</u>
General Obligation, Lease and MAC Debt Service ^{1, 2, 3}	3,835	3,963	4,353	5,053
FY2007 Budget Stabilization & Discretionary Transfers ¹	(4,052)	(34)	(31)	-
FY2008 Budget Stabilization ²	2,552	(2,552)	-	-
FY2009 Budget Stabilization ³	-	350	(350)	-
General Reserve	300	300	300	300
Subtotal	<u>\$ 60,358</u>	<u>\$ 61,615</u>	<u>\$ 66,195</u>	<u>\$ 69,285</u>
Less: Intra-City Expenses	(1,393)	(1,364)	(1,365)	(1,365)
Total Expenditures	<u>\$ 58,965</u>	<u>\$ 60,251</u>	<u>\$ 64,830</u>	<u>\$ 67,920</u>
Gap To Be Closed	<u>\$ -</u>	<u>\$ (1,550)</u>	<u>\$ (3,397)</u>	<u>\$ (4,369)</u>

¹ Fiscal Year 2007 Budget Stabilization and Discretionary Transfers total \$4.663 billion, including prepayments of subsidies of \$639 million, TFA Debt Service of \$546 million, Budget Stabilization of \$3.313 billion and lease debt service of \$165 million.

² Fiscal Year 2008 Budget Stabilization totals \$2.552 billion.

³ Fiscal Year 2009 Budget Stabilization totals \$350 million.



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Mark Page
Director

June 20, 2007

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. 07-4 to the Financial Plan for the City and Covered Organizations for fiscal years 2007-2011 (the "Modification") as such plan relates to fiscal year 2007. 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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EXHIBIT A

CITY OF NEW YORK - FINANCIAL PLAN

A-1	Projection of Revenues and Expenditures
A-2	Projections of Cash Sources and Uses
A-3	Capital Plan Funding Source
A-4	Borrowing Schedule
A-5	Capital Plan

FY 2007 Financial Plan Revenues and Expenditures
(\$ in millions)

REVENUES	PLAN	REVISED PLAN	BETTER/ (WORSE)
Taxes			
General Property Tax	\$ 12,976	\$ 12,933	\$ (43)
Other Taxes	23,498	23,843	345
Tax Audit Revenue	959	1,159	200
Tax Reduction Program	-	-	-
Miscellaneous Revenues	5,526	5,675	149
Unrestricted Intergovernmental Aid	33	33	-
Less: Intra-City Revenue	(1,401)	(1,418)	(17)
Disallowances Against Categorical Grants	(15)	(15)	-
Subtotal: City Funds	\$ 41,576	\$ 42,210	\$ 634
Other Categorical Grants	1,104	1,113	9
Inter-Fund Revenues	418	412	(6)
Total City Funds & Inter-Fund Revenues	\$ 43,098	\$ 43,735	\$ 637
Federal Categorical Grants	5,906	5,899	(7)
State Categorical Grants	10,259	10,259	-
Total Revenues	\$ 59,263	\$ 59,893	\$ 630
EXPENDITURES			
Personal Service			
Salaries and Wages	\$ 19,668	\$ 19,556	\$ (112)
Pensions	4,861	4,861	-
Fringe Benefits	7,018	7,478	460
Subtotal - Personal Service	\$ 31,547	\$ 31,895	\$ 348
Other Than Personal Service			
Medical Assistance	5,194	5,222	28
Public Assistance	1,203	1,196	(7)
Pay-As-You-Go Capital	200	300	100
All Other ^{1,2}	17,474	17,619	145
Subtotal - Other Than Personal Service	\$ 24,071	\$ 24,337	\$ 266
General Obligation, Lease and MAC Debt Service ^{1,2}	4,327	4,127	(200)
FY2006 Budget Stabilization & Discretionary Transfers ¹	(3,751)	(3,751)	-
FY2007 Budget Stabilization & Discretionary Transfers ²	4,385	4,663	278
General Reserve	85	40	(45)
Subtotal	\$ 60,664	\$ 61,311	\$ 647
Less: Intra-City Expenses	(1,401)	(1,418)	(17)
Total Expenditures	\$ 59,263	\$ 59,893	\$ 630
Gap To Be Closed	\$ -	\$ -	\$ -

¹ Fiscal Year 2006 Budget Stabilization and Discretionary Transfers total \$3.751 billion, including prepayments of subsidies of \$473 million and lease debt service of \$74 million and Budget Stabilization of \$3.204 billion.

² Fiscal Year 2007 Budget Stabilization and Discretionary Transfers total \$4.663 billion, including prepayments of subsidies of \$639 million, TFA Debt Service of \$546 million, Budget Stabilization of \$3.313 billion and lease debt service of \$165 million.

New York City Financial Plan
FY 2007 Projections of Cash Sources and Uses
(\$ in millions)

Sources of Cash	Plan	Revised Plan	Better/ (Worse)
From Operations:			
Surplus/(Deficit)	\$ (2,356)	\$ (1,476)	\$ 880
Provision for disallowances of aid revenues	15	15	-
Disallowances Paid	(15)	(15)	-
Funds Provided/(Used) from Operations	\$ (2,442)	\$ (1,476)	\$ 880
Proceeds from Seasonal Borrowings	-	-	-
Capital Plan Funding Sources (see Exhibit A-3)	7,637	7,637	-
Total Sources	\$ 5,323	\$ 6,161	\$ 880
Uses of Cash			
Capital Disbursements	7,637	7,637	-
Repayment of Seasonal Borrowings	-	-	-
Total Uses	\$ 7,765	\$ 7,637	\$ -
Net Sources/(Uses) of Cash	\$ (2,356)	\$ (1,476)	\$ 880
Cash Balance - Beginning of Period	\$ 6,454	\$ 6,454	\$ -
Cash Balance - End of Period	\$ 4,098	\$ 4,978	\$ 880

**New York City Financial Plan
FY 2007 Capital Plan Funding Sources
(\$ in millions)**

<u>Sources of Capital Cash</u>	<u>Plan</u>	<u>Revised Plan</u>	<u>Better/ (Worse)</u>
New York City General Obligation Bonds	\$ 820	\$ 820	\$ -
Other Long-Term Sources:			
Transitional Finance Authority	2,000	2,000	-
Water Authority	2,062	2,059	(3)
Pay-As-You-Go Capital	<u>200</u>	<u>300</u>	<u>100</u>
Total Long-Term Sources	\$ 5,679	\$ 5,179	\$ 97
Five Year Education Capital Plan			
TFA - Building Aid Revenue Bonds	1,277	1,277	-
DASNY	755	755	-
Other Non-City Funds	<u>377</u>	<u>377</u>	<u>-</u>
Reimbursable Capital	\$ 2,455	\$ 2,409	\$ -
Changes in Restricted Cash	<u>146</u>	<u>49</u>	<u>(97)</u>
Total Capital Plan Funding Sources	<u>\$ 7,765</u>	<u>\$ 7,637</u>	<u>\$ -</u>

**New York City Financial Plan
Fiscal Year 2007 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 Transitional Finance Authority ¹	\$ -	\$ -	\$ 820	\$ -	\$ 820
Water Authority ¹	-	1,400	600	-	2,000
Pay-As-You-Go Capital	449	200	210	1,200	2,059
Total Borrowing to Finance City Capital Program	\$ 449	\$ 1,600	\$ 1,630	\$ 1,500	\$ 5,179

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.

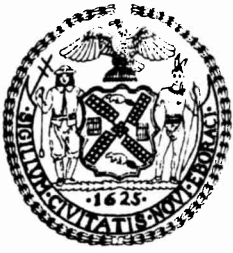
**New York City Financial Plan
FY 2007 Capital Plan
(\$ in millions)**

Projected Capital Commitments			
	<u>Plan</u>	<u>Revised Plan</u>	<u>Change</u>
City	\$ 7,994	\$ 7,994	\$ -
Non-City	<u>2,966</u>	<u>2,966</u>	<u>-</u>
Total	<u>\$ 10,960</u>	<u>\$ 10,960</u>	<u>\$ -</u>

Projected Capital Expenditures			
	<u>Plan</u>	<u>Plan</u>	<u>Change</u>
City	\$ 5,228	\$ 5,228	\$ -
Non-City ¹	<u>2,409</u>	<u>2,409</u>	<u>-</u>
City-administered Capital Plan	<u>\$ 7,637</u>	<u>\$ 7,637</u>	<u>\$ -</u>
Total Capital Plan Expenditures	<u>\$ 7,637</u>	<u>\$ 7,637</u>	<u>\$ -</u>

Notes:

1. Includes Federal, State and other Reimbursable Capital.



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Mark Page
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June 20, 2007

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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 2008– 2011 (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 2008 dated April 26, 2007 (the "Executive Budget"), updated to reflect the adjustments in the Fiscal Year 2008 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 2008	FY 2009	FY 2010	FY 2011
Taxes				
General Property Tax	\$ 12,984	\$ 14,100	\$ 15,186	\$ 16,171
Other Taxes	22,676	22,300	23,151	23,882
Discretionary Transfers ¹	546	-	-	-
Tax Audit Revenue	559	559	560	560
Tax Reduction Program	(290)	(507)	(575)	(634)
Miscellaneous Revenues	5,997	5,080	5,097	5,131
Unrestricted Intergovernmental Aid	340	340	340	340
Less: Intra-City Revenue	(1,393)	(1,364)	(1,365)	(1,365)
Disallowances Against Categorical Grants	(15)	(15)	(15)	(15)
Subtotal: City Funds	<u>\$ 41,404</u>	<u>\$ 40,493</u>	<u>\$ 42,379</u>	<u>\$ 44,070</u>
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Total Revenues	<u>\$ 58,965</u>	<u>\$ 58,701</u>	<u>\$ 61,433</u>	<u>\$ 63,551</u>
EXPENDITURES				
Personal Service				
Salaries and Wages	\$ 20,979	\$ 21,978	\$ 23,332	\$ 24,443
Pensions	5,728	6,390	6,509	6,519
Fringe Benefits	6,374	6,681	6,965	7,288
Subtotal - Personal Service	<u>\$ 33,081</u>	<u>\$ 35,049</u>	<u>\$ 36,806</u>	<u>\$ 38,250</u>
Other Than Personal Service				
Medical Assistance	5,714	5,603	5,756	6,076
Public Assistance	1,187	1,187	1,187	1,187
Pay-As-You-Go Capital	100	200	200	200
All Other ¹	17,641	17,549	17,974	18,219
Subtotal - Other Than Personal Service	<u>\$ 24,642</u>	<u>\$ 24,539</u>	<u>\$ 25,117</u>	<u>\$ 25,682</u>
General Obligation, Lease and MAC Debt Service ^{1, 2, 3}	3,835	3,963	4,353	5,053
FY2007 Budget Stabilization & Discretionary Transfers ¹	(4,052)	(34)	(31)	-
FY2008 Budget Stabilization ²	2,552	(2,552)	-	-
FY2009 Budget Stabilization ³	-	350	(350)	-
General Reserve	300	300	300	300
Subtotal	<u>\$ 60,358</u>	<u>\$ 61,615</u>	<u>\$ 66,195</u>	<u>\$ 69,285</u>
Less: Intra-City Expenses	<u>(1,393)</u>	<u>(1,364)</u>	<u>(1,365)</u>	<u>(1,365)</u>
Total Expenditures	<u>\$ 58,965</u>	<u>\$ 60,251</u>	<u>\$ 64,830</u>	<u>\$ 67,920</u>
Gap To Be Closed	<u>\$ -</u>	<u>\$ (1,550)</u>	<u>\$ (3,397)</u>	<u>\$ (4,369)</u>

¹ Fiscal Year 2007 Budget Stabilization and Discretionary Transfers total \$4.663 billion, including prepayments of subsidies of \$639 million, TFA Debt Service of \$546 million, Budget Stabilization of \$3.313 billion and lease debt service of \$165 million.

² Fiscal Year 2008 Budget Stabilization totals \$2.552 billion.

³ Fiscal Year 2009 Budget Stabilization totals \$350 million.

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

Sources of Cash	FY 2008	FY 2009	FY 2010	FY 2011
From Operations:				
Surplus/(Deficit)	\$ -	\$ -	\$ -	\$ -
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	-	2,400	2,400	2,400
Capital Plan Funding Sources (see Exhibit A-3)	8,823	9,629	10,153	10,403
Total Sources	\$ 8,823	\$ 12,029	\$ 12,553	\$ 12,803
Uses of Cash				
Capital Disbursements	8,823	9,629	10,153	10,403
Repayment of Seasonal Borrowings	-	2,400	2,400	2,400
Total Uses	\$ 8,823	\$ 12,029	\$ 12,553	\$ 12,803
Net Sources/(Uses) of Cash	\$ -	\$ -	\$ -	\$ -
Cash Balance - Beginning of Period	\$ 4,978	\$ 4,978	\$ 4,978	\$ 4,978
Cash Balance - End of Period	\$ 4,978	\$ 4,978	\$ 4,978	\$ 4,978

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

Sources of Capital Cash	FY 2008	FY 2009	FY 2010	FY 2011
New York City General Obligation Bonds	\$ 4,200	\$ 4,850	\$ 6,300	\$ 6,030
Other Long-Term Sources:				
Transitional Finance Authority	-	-	-	-
Water Authority	1,949	2,173	2,213	2,221
Pay-As-You-Go Capital	100	200	200	200
Total Long-Term Sources	\$ 6,249	\$ 7,223	\$ 8,713	\$ 8,451
Five Year Education Capital Plan				
TFA - Building Aid Revenue Bonds	1,394	1,394	698	-
DASNY	823	222	-	-
Other Non-City Funds	568	638	659	1,855
Reimbursable Capital	\$ 2,785	\$ 2,254	\$ 1,357	\$ 1,855
Changes in Restricted Cash	(211)	152	83	97
Total Capital Plan Funding Sources	\$ 8,823	\$ 9,629	\$ 10,153	\$ 10,403

**New York City Financial Plan
Fiscal Year 2008 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	\$ 1,400	\$ 700	\$ 1,400	\$ 700	\$ 4,200
Water Authority ¹	-	1,000	449	500	1,949
Pay-As-You-Go Capital	-	-	-	100	100
Total Borrowing to Finance City Capital Program	\$ 1,400	\$ 1,700	\$ 1,849	\$ 1,300	\$ 6,249

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 2008	FY 2009	FY 2010	FY 2011	Total
City	\$ 10,198	\$ 10,572	\$ 7,702	\$ 7,426	\$ 35,898
Non-City	3,103	2,807	1,501	1,457	8,868
Total	\$ 13,301	\$ 13,379	\$ 9,203	\$ 8,883	\$ 44,766

Projected Capital Expenditures

	FY 2008	FY 2009	FY 2010	FY 2011	Total
City	\$ 6,038	\$ 7,375	\$ 8,796	\$ 8,548	\$ 30,757
Non-City ¹	2,785	2,254	1,357	1,855	8,251
City-administered Capital Plan	\$ 8,823	\$ 9,629	\$ 10,153	\$ 10,403	\$ 39,008
Total Capital Plan Expenditures	\$ 8,823	\$ 9,629	\$ 10,153	\$ 10,403	\$ 39,008

Notes:

1. Includes Federal, State and other Reimbursable Capital.