

The City of New York  
**Office of Management and Budget**  
75 Park Place - New York, New York 10007 - 2146  
(212) 788-5900

**Mark Page**  
Director

January 30, 2009

**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. 09-2 to the Financial Plan for the City and Covered Organizations for fiscal years 2009-2013 (the "Modification"). The Modification as it relates to the City is attached hereto as Exhibit A. Any Covered Organization which requires modification will be forwarded to you under separate cover.

The Five 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 certain Covered Organizations, which are prepared on a cash basis.

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

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

REVENUES	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
<b>Taxes</b>					
General Property Tax	\$ 14,357	\$ 16,246	\$ 17,178	\$ 17,767	\$ 18,155
Other Taxes	19,869	17,232	19,102	20,633	22,141
Discretionary Transfers <sup>1,2</sup>	546	546	-	-	-
Debt Defeasances <sup>4</sup>	362	382	-	-	-
Tax Audit Revenue	680	596	596	595	594
Sales Tax Increase Program	77	894	920	972	1,023
Subtotal: Taxes	\$ 35,891	\$ 35,896	\$ 37,796	\$ 39,967	\$ 41,913
Miscellaneous Revenues	5,945	5,739	5,908	5,976	5,992
Unrestricted Intergovernmental Aid	254	254	254	254	254
Less: Intra-City Revenue	(1,631)	(1,462)	(1,462)	(1,462)	(1,462)
Disallowances Against Categorical Grants	(15)	(15)	(15)	(15)	(15)
Subtotal: City Funds	\$ 40,444	\$ 40,412	\$ 42,481	\$ 44,720	\$ 46,682
Other Categorical Grants	1,104	1,021	1,023	1,026	1,025
Inter-Fund Revenues	477	445	437	434	433
Total City, Capital IFA & Oth. Cat. Funds	\$ 42,025	\$ 41,878	\$ 43,941	\$ 46,180	\$ 48,140
Federal Categorical Grants	6,037	5,326	5,323	5,334	5,334
State Categorical Grants	12,031	11,629	12,127	12,390	12,833
Total Revenues	\$ 60,093	\$ 58,833	\$ 61,391	\$ 63,904	\$ 66,307
<b>EXPENDITURES</b>					
<b>Personal Service</b>					
Salaries and Wages	\$ 22,019	\$ 21,817	\$ 22,980	\$ 23,203	\$ 23,472
Pensions	6,383	6,502	7,031	7,280	7,554
Fringe Benefits <sup>1</sup>	6,774	6,451	6,504	6,767	7,711
Subtotal - Personal Service	\$ 35,176	\$ 34,770	\$ 36,515	\$ 37,250	\$ 38,737
<b>Other Than Personal Service</b>					
Medical Assistance	5,644	4,756	4,916	6,089	6,270
Public Assistance	1,313	1,299	1,299	1,299	1,299
All Other <sup>1,2</sup>	18,477	17,787	18,601	19,256	19,834
Subtotal - Other Than Personal Service	\$ 25,434	\$ 23,842	\$ 24,816	\$ 26,644	\$ 27,403
General Obligation and Lease Debt Service <sup>1,2,3</sup>	3,829	4,353	4,783	5,211	5,496
General Obligation and TFA Debt Defeasances <sup>4</sup>	(279)	(2,313)	-	-	-
FY 2008 Budget Stabilization & Discretionary Transfers <sup>1</sup>	(4,089)	-	-	-	-
FY 2009 Budget Stabilization & Discretionary Transfers <sup>2</sup>	1,553	(1,007)	-	-	-
FY 2010 Budget Stabilization <sup>3</sup>	-	350	(350)	-	-
General Reserve	100	300	300	300	300
Subtotal	\$ 61,724	\$ 60,295	\$ 66,064	\$ 69,405	\$ 71,936
Less: Intra-City Expenses	(1,631)	(1,462)	(1,462)	(1,462)	(1,462)
Total Expenditures	\$ 60,093	\$ 58,833	\$ 64,602	\$ 67,943	\$ 70,474
<b>Gap To Be Closed</b>	\$ -	\$ -	\$ (3,211)	\$ (4,039)	\$ (4,167)

<sup>1</sup> Fiscal Year 2008 Budget Stabilization and Discretionary Transfers total \$4.635 billion, including prepayments of subsidies of \$500 million, Retiree Health Benefits of \$460 million, lease debt service of \$46 million, net equity contribution in bond refunding of \$10 million, Budget Stabilization of \$3.073 billion, and a TFA grant which increases FY 2009 revenues by \$546 million.

<sup>2</sup> Fiscal Year 2009 Budget Stabilization and Discretionary Transfers total \$1.553 billion, including Budget Stabilization of \$1.007 billion, and a TFA grant which increases FY 2010 revenues by \$546 million.

<sup>3</sup> Fiscal Year 2010 Budget Stabilization totals \$350 million.

<sup>4</sup> FY 2007 GO Debt Defeasance of \$536 million reduced debt service by \$27 million, \$279 million and \$277 million in FY 2008 through FY 2010, respectively. FY 2008 GO Debt Defeasance of \$1.986 billion reduced debt service by \$2.036 billion in FY 2010. FY 2007 TFA Debt Defeasance of \$718 million increases revenues by \$33 million, \$362 million and \$382 million in FY 2008 through FY 2010 respectively.

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

<b>Sources of Cash</b>	<b>FY 2009</b>	<b>FY 2010</b>	<b>FY 2011</b>	<b>FY 2012</b>	<b>FY 2013</b>
Funds Provided/(Used) from Operations	\$ (1,722)	\$ -	\$ -	\$ -	\$ -
Proceeds from Seasonal Borrowings	-	2,400	2,400	2,400	2,400
Capital Plan Funding Sources (see Exhibit A-3)	10,347	9,372	9,431	8,206	7,349
<b>Total Sources</b>	<b>\$ 8,625</b>	<b>\$ 11,772</b>	<b>\$ 11,831</b>	<b>\$ 10,606</b>	<b>\$ 9,749</b>
<b>Uses of Cash</b>					
Capital Disbursements	10,347	9,372	9,431	8,206	7,349
Repayment of Seasonal Borrowings	-	2,400	2,400	2,400	2,400
<b>Total Uses</b>	<b>\$ 10,347</b>	<b>\$ 11,772</b>	<b>\$ 11,831</b>	<b>\$ 10,606</b>	<b>\$ 9,749</b>
Net Sources/(Uses) of Cash	\$ (1,722)	\$ -	\$ -	\$ -	\$ -
Cash Balance - Beginning of Period	\$ 5,359	\$ 3,637	\$ 3,637	\$ 3,637	\$ 3,637
Cash Balance - End of Period	\$ 3,637	\$ 3,637	\$ 3,637	\$ 3,637	\$ 3,637

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

<b>Sources of Capital Cash</b>	<b>FY 2009</b>	<b>FY 2010</b>	<b>FY 2011</b>	<b>FY 2012</b>	<b>FY 2013</b>
New York City General Obligation Bonds	\$ 5,538	\$ 6,230	\$ 5,830	\$ 4,860	\$ 4,220
Other Long-Term Sources:					
Water Authority	2,600	2,229	2,009	1,910	1,700
Total Long-Term Sources	\$ 8,138	\$ 8,459	\$ 7,839	\$ 6,770	\$ 5,920
Five Year Education Capital Plan					
TFA - Building Aid Revenue Bonds	2,500	250	800	700	750
Other Non-City Funds	638	565	691	638	581
Reimbursable Capital	\$ 3,138	\$ 815	\$ 1,491	\$ 1,338	\$ 1,331
Changes in Restricted Cash	(929)	98	101	98	98
Total Capital Plan Funding Sources	\$ 10,347	\$ 9,372	\$ 9,431	\$ 8,206	\$ 7,349

**New York City Financial Plan  
Fiscal Year 2009 Borrowing Schedule  
(\$ in millions)**

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Total Financing
<b>Short-Term Borrowing:</b>					
Borrowing	\$ -	\$ -	\$ -	\$ -	\$ -
Repayment	-	-	-	-	-
<b>Total Short-Term Borrowing (Repayment)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Capital Borrowing:</b>					
New York City General Obligation	\$ 1,855	\$ 1,283	\$ 1,200	\$ 1,200	\$ 5,538
Water Authority <sup>1</sup>	550	715	865	470	2,600
<b>Total Borrowing to Finance City Capital Program</b>	<b>\$ 2,405</b>	<b>\$ 1,998</b>	<b>\$ 2,065</b>	<b>\$ 1,670</b>	<b>\$ 8,138</b>

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

**Projected Capital Commitments**

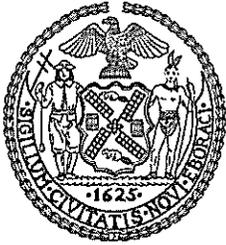
	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Total
City	\$ 11,304	\$ 7,144	\$ 5,023	\$ 4,000	\$ 5,145	\$ 32,616
Non-City	3,352	1,820	1,221	869	990	8,252
<b>Total</b>	<b>\$ 14,656</b>	<b>\$ 8,964</b>	<b>\$ 6,244</b>	<b>\$ 4,869</b>	<b>\$ 6,135</b>	<b>\$ 40,868</b>

**Projected Capital Expenditures**

	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Total
City	\$ 7,209	\$ 8,557	\$ 7,940	\$ 6,868	\$ 6,018	\$ 36,592
Non-City <sup>1</sup>	3,138	815	1,491	1,338	1,331	8,113
<b>Total Capital Plan Expenditures</b>	<b>\$ 10,347</b>	<b>\$ 9,372</b>	<b>\$ 9,431</b>	<b>\$ 8,206</b>	<b>\$ 7,349</b>	<b>\$ 44,705</b>

Notes:

1. Includes Federal, State and other Reimbursable Capital.



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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

February 17, 2009

Mr. Jeffrey Sommer  
Acting Executive Director  
Financial Control Board  
123 William Street, 23<sup>rd</sup> Floor  
New York, New York 10038

Dear Mr. Sommer:

Enclosed please find Exhibits B1-B6 on behalf of the Covered Organizations. This completes Modification No. 09-2.

Yours truly,

A handwritten signature in black ink, appearing to read "Stuart Klein", with a long horizontal flourish extending to the right.

Stuart Klein

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### EXHIBIT B

### COVERED ORGANIZATIONS - FINANCIAL PLAN

B-1	New York City Health and Hospitals Corporation
B-2	New York City Transit Authority
B-3	New York City Housing Development Corporation
B-4	New York City Industrial Development Agency
B-5	City University Construction Fund
B-6	New York City Educational Construction Fund

NYC Health & Hospitals Corporation

EXHIBIT B-1

Accrual Basis  
January 2009 Financial Plan  
(\$ in millions)

	Projected 2009	Projected 2010	Projected 2011	Projected 2012	Projected 2013
<b>OPERATING REVENUES</b>					
<b>Third Party Revenue</b>					
Medicaid Fee for Service	1,558.6	1,609.8	1,604.6	1,631.1	1,661.1
Medicare	592.7	604.6	616.6	629.0	641.6
Other Third Parties <i>which includes Medicaid &amp; Medicare managed care</i>	921.4	967.5	1,015.9	1,066.7	1,120.0
Pools & Additional Revenues <i>including Self Pay</i>	1,375.8	1,145.4	1,144.9	1,144.9	1,144.9
<b>Subtotal: Third Party Revenue</b>	<b>4,448.5</b>	<b>4,327.2</b>	<b>4,382.0</b>	<b>4,471.6</b>	<b>4,567.5</b>
<b>Funds Appropriated by the City</b>					
Debt Service	(59.2)	(66.3)	(65.3)	(57.2)	(60.3)
Prisoner/Uniform Services	52.6	52.6	52.6	52.6	52.6
Other City Services	42.9	41.7	41.3	31.3	31.3
Unrestricted City Services	9.3	5.1	5.2	5.3	5.6
Adjustment for Prepayment	-	-	-	-	-
CEO: Nursing Ladder Program	1.1	1.1	-	-	-
<b>Subtotal: Funds Appropriated by the City</b>	<b>46.7</b>	<b>34.2</b>	<b>33.7</b>	<b>31.9</b>	<b>29.2</b>
<b>Grants (including CHP and Intra-City)</b>	<b>266.9</b>	<b>212.9</b>	<b>213.3</b>	<b>214.5</b>	<b>214.5</b>
<b>Other Revenue</b>	<b>48.0</b>	<b>49.2</b>	<b>50.4</b>	<b>51.7</b>	<b>53.0</b>
<b>MetroPlus Premium Revenue</b>	<b>961.3</b>	<b>1,080.2</b>	<b>1,113.8</b>	<b>1,132.8</b>	<b>1,151.2</b>
<b>TOTAL OPERATING REVENUES</b>	<b>5,771.5</b>	<b>5,703.7</b>	<b>5,793.2</b>	<b>5,902.5</b>	<b>6,015.4</b>
<b>OPERATING EXPENSES</b>					
Personal Services	2,532.4	2,633.7	2,686.4	2,740.1	2,794.9
Fringe Benefits	980.7	1,038.1	1,111.6	1,169.9	1,228.4
Other Than Personal Services	1,609.7	1,658.8	1,709.9	1,762.1	1,814.9
Information Systems	-	-	-	-	-
Medical Malpractice	170.0	189.9	189.9	189.9	189.9
Affiliations	779.3	810.5	834.8	859.8	885.6
Depreciation	240.0	250.0	260.0	270.0	280.0
Postemployment benefits, other than pension (Excl PYG)	335.6	364.1	395.1	428.7	465.1
<b>TOTAL OPERATING EXPENSES</b>	<b>6,647.7</b>	<b>6,945.1</b>	<b>7,187.6</b>	<b>7,420.5</b>	<b>7,658.9</b>
<b>TOTAL OPERATING INCOME/(LOSS)</b>	<b>(876.3)</b>	<b>(1,241.4)</b>	<b>(1,394.5)</b>	<b>(1,518.0)</b>	<b>(1,643.5)</b>
<b>NON-OPERATING REVENUE/(EXPENSE)</b>					
Interest Income	20.0	20.0	20.0	20.0	20.0
Interest Expense	(120.0)	(120.0)	(120.0)	(120.0)	(120.0)
<b>Total Non-Operating Expenses (net)</b>	<b>(100.0)</b>	<b>(100.0)</b>	<b>(100.0)</b>	<b>(100.0)</b>	<b>(100.0)</b>
<b>PROFIT/(LOSS) BEFORE OTHER CHANGES IN NET ASSETS</b>	<b>(976.3)</b>	<b>(1,341.4)</b>	<b>(1,494.5)</b>	<b>(1,618.0)</b>	<b>(1,743.5)</b>
<b>CORRECTIVE ACTIONS</b>					
State/Federal Actions	557.9	784.0	773.9	773.9	773.9
Corporate Savings Initiatives	50.0	100.0	150.0	200.0	200.0
Revenue Initiatives	-	50.0	50.0	50.0	50.0
Medical Malpractice Containment	-	25.0	25.0	25.0	25.0
Managed Care Initiatives	-	-	-	-	-
Operational Initiatives	-	80.0	80.0	80.0	80.0
<b>Subtotal: Corrective Actions</b>	<b>607.9</b>	<b>1,039.0</b>	<b>1,078.9</b>	<b>1,128.9</b>	<b>1,128.9</b>
<b>PROFIT/(LOSS) AFTER CORRECTIVE ACTIONS</b>	<b>(368.4)</b>	<b>(302.5)</b>	<b>(415.6)</b>	<b>(489.1)</b>	<b>(614.6)</b>
<b>PRIOR YEAR CASH BALANCE</b>	<b>879.7</b>	<b>1,402.9</b>	<b>1,297.8</b>	<b>1,107.9</b>	<b>883.2</b>
<b>ACCRUAL TO CASH ADJUSTMENT</b>	<b>891.6</b>	<b>197.3</b>	<b>225.6</b>	<b>264.4</b>	<b>314.2</b>
<b>CLOSING CASH BALANCE</b>	<b>1,402.9</b>	<b>1,297.8</b>	<b>1,107.9</b>	<b>883.2</b>	<b>582.8</b>

**NEW YORK CITY TRANSIT**  
**2008-2012 FINANCIAL PLAN SUMMARY - MODIFIED ACCRUAL BASED**  
**(Calendar Years; \$ in Millions)**

	2008	2009	2010	2011	2012
<b>REVENUES</b>					
Operating Revenue					
Farebox Revenue	\$3,030.4	\$3,010.2	\$3,026.8	\$3,072.2	\$3,121.3
Other Operating Revenue	295.3	308.3	325.3	346.3	370.8
<b>Total Operating Revenue</b>	<b>\$3,325.7</b>	<b>\$3,318.5</b>	<b>\$3,352.1</b>	<b>\$3,418.5</b>	<b>\$3,492.1</b>
Capital & Police Reimbursement	\$875.2	\$894.6	\$870.1	\$847.9	\$861.1
<b>Subsidies</b>					
Bridges & Tunnels Surplus Transfer	\$111.9	\$42.2	\$19.5	\$12.6	\$1.1
Operating Assistance	316.4	316.4	316.4	316.4	316.4
Tax-Supported Subsidies	2,224.1	2,044.9	2,043.1	2,087.3	2,163.9
MMTOA Transfers to Capital Projects <sup>(1)</sup>	(\$50.0)	(\$50.0)	\$0.0	\$0.0	\$0.0
NYCT Charge Back of MTA Bus Debt Service <sup>(2)</sup>	(\$12.0)	(\$11.5)	(\$11.5)	(\$11.5)	(\$11.5)
Forward Energy Contracts <sup>(3)</sup>	\$0.0	\$117.8	\$0.0	\$0.0	\$0.0
Fulton Street <sup>(4)</sup>	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
55/25 Pension Funding <sup>(5)</sup>	\$118.0	\$0.0	\$0.0	\$0.0	\$0.0
<b>Total Subsidies</b>	<b>2,708.4</b>	<b>2,459.8</b>	<b>2,367.5</b>	<b>2,404.8</b>	<b>2,469.9</b>
<b>TOTAL REVENUES AND SUBSIDIES</b>	<b>\$6,909.3</b>	<b>\$6,672.8</b>	<b>\$6,589.6</b>	<b>\$6,671.1</b>	<b>\$6,823.0</b>
<b>EXPENSES</b>					
<b>Nonreimbursable Expenses</b>					
<b>Personal Services</b>					
Salaries and Wages	\$3,021.7	\$3,110.1	\$3,197.0	\$3,265.5	\$3,313.9
Fringe Benefits	\$1,637.3	\$1,714.5	\$1,767.8	\$1,820.0	\$1,900.5
Reimbursable Overhead	(\$188.1)	(\$200.2)	(\$193.1)	(\$185.4)	(\$187.2)
<b>Total Personal Services</b>	<b>\$4,470.9</b>	<b>\$4,624.4</b>	<b>\$4,771.7</b>	<b>\$4,900.1</b>	<b>\$5,027.2</b>
<b>OTPS TOTAL</b>	<b>\$1,445.7</b>	<b>\$1,621.2</b>	<b>\$1,741.7</b>	<b>\$1,847.2</b>	<b>\$1,967.0</b>
Debt Service <sup>(6)</sup>	\$695.2	\$649.2	\$853.6	\$953.6	\$1,102.3
Depreciation	\$1,109.3	\$1,185.2	\$1,266.5	\$1,321.5	\$1,376.5
Other Post Employment Benefits (OPEB)	1,009.5	1,055.4	1,098.9	1,144.8	1,191.6
Environmental Remediation	18.0	0.0	0.0	0.0	0.0
<b>Total Nonreimbursable Expenses</b>	<b>\$8,748.6</b>	<b>\$9,135.4</b>	<b>\$9,732.4</b>	<b>\$10,167.2</b>	<b>\$10,664.6</b>
<b>Total Reimbursable Expenses</b>	<b>\$875.2</b>	<b>\$894.6</b>	<b>\$870.1</b>	<b>\$847.9</b>	<b>\$861.1</b>
<b>TOTAL EXPENSES</b>	<b>\$9,623.8</b>	<b>\$10,030.0</b>	<b>\$10,602.5</b>	<b>\$11,015.1</b>	<b>\$11,525.7</b>
<b>BALANCE BEFORE OTHER MTA ACTIONS AND CASH FLOW ADJUSTMENTS</b>	<b>(\$2,714.5)</b>	<b>(\$3,357.2)</b>	<b>(\$4,012.9)</b>	<b>(\$4,344.0)</b>	<b>(\$4,702.6)</b>
2009 MTA Program to Eliminate GAP <sup>(7)</sup>	\$9.9	\$61.0	\$61.9	\$69.3	\$59.1
Post-2009 Agency Program to Eliminate Gap <sup>(7)</sup>	\$0.0	\$0.0	\$59.6	\$119.2	\$178.8
<b>BUSINESS SERVICE CENTER <sup>(8)</sup></b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$10.8</b>	<b>\$35.9</b>
<b>OTHER ACTIONS AVAILABLE TO OFFSET OUTYEAR BUDGET GAPS <sup>(9)</sup></b>	<b>\$0.0</b>	<b>\$896.1</b>	<b>\$1,482.2</b>	<b>\$1,634.9</b>	<b>\$1,807.1</b>
<b>CASH FLOW ADJUSTMENTS</b>	<b>\$159.1</b>	<b>\$158.7</b>	<b>\$43.8</b>	<b>\$43.5</b>	<b>\$53.7</b>
<b>DEPRECIATION ADJUSTMENT</b>	<b>\$1,109.3</b>	<b>\$1,185.2</b>	<b>\$1,266.5</b>	<b>\$1,321.5</b>	<b>\$1,376.5</b>
<b>OPEB ADJUSTMENT</b>	<b>\$1,009.5</b>	<b>\$1,055.4</b>	<b>\$1,098.9</b>	<b>\$1,144.8</b>	<b>\$1,191.6</b>
<b>ENVIRONMENTAL REMEDIATION <sup>(10)</sup></b>	<b>\$18.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>
<b>CASH SURPLUS FROM PREVIOUS YEAR</b>	<b>\$409.5</b>	<b>\$0.8</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>
<b>SURPLUS / ( DEFICIT ) <sup>(11)</sup></b>	<b>\$0.8</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>

NOTE: The Calendar Year is the Fiscal Year used by MTA-New York City Transit

SOURCE: MTA 2009 Final Proposed Budget 2009-2012, dated November 2008. This report is an accrual based operating report statement excluding amounts for debt service and subsidies, which are reported on a cash basis.

(1) These subsidy adjustments represent transfers to the South Ferry and #1 Train Capital projects. The State has agreed to appropriate MMTOA funds to subsidize MTA projects in areas devastated by the World Trade Center Disaster.

(2) These amounts reflect reimbursement to MTA Bus under a swap agreement with NYCT in which Federal capital grant monies are paid to NYCT for the benefit of MTA Bus. The additional portion of MTA Bus debt service is funded from MRT-2.

(3) Reflects the \$150M that was prepaid for NYCT, LIRR, and Metro-North to implement a forward energy contract to lock-in fuel prices. The budget also reflects the \$91M prepayment for commuter railroads pension expenses as a reduction to subsidies as this is where the funds were drawn down from.

(4) The MTA Board approved \$56M of NYCT 07 operating funds to meet the Fulton Street project's funding needs beyond available federal funds.

(5) This is a reimbursement payment to NYCERS and MaBSTOA pension plans from the GASB account for payments by them to union employees who previously made contributions to the 55/25 pension program. This is the result of a 12/05 Labor agreement and arbitration with union employees and NYCT.

(6) Debt Service includes NYCT Base Debt Service plus Debt Service assumed by the MTA on behalf of NYCT. It equals the Sub-Total MTA Paid Debt Service. The total debt service amount is cash-based. For the 2009-2012 November Plan, cash defeasance is incorporated into the baseline amount.

(7) MTA PEGs (Program to Eliminate the Gap) includes various initiatives included in the MTA 2009 November Final Proposed Budget approved by the MTA Board in November 2008 Financial Plan.

(8) Created to streamline financial operations. It will start in 2011. These amounts are implementation costs including capital and feasibility studies. MTA has listed this center as a gap closing action.

(9) Includes items not yet provided by the MTA. Typically includes Increased Ridership, Fare Collection, Expense Reductions, Management Initiatives, Cash Reserve, & Other Governmental Assistance. MTA has proposed a 23% fare and toll increase, as well as service reductions on subways, buses, and commuter rails to close the 2009 budget gap.

(10) Reflects implementation of GASB 49 which requires governmental bodies to provide the public with better information about the financial impact of environmental cleanup. This number was estimated using an "expected cash flow" measurement technique.

(11) May be revised to reflect allocations for other MTA Actions.

New York City Housing Development Corporation  
 Five Year Financial Plan -- Schedule of Revenues, Expenditures and Fund Balances  
 HDC Fiscal Years 2009 through 2013  
 Accrual Basis, Dollars in Thousands  
 HDC Programs Only

Reporting Categories	2009	2010	2011	2012	2013
<b>Operating Revenues</b>					
Interest on Loans	218,073	226,796	235,868	245,303	255,115
Fees and Charges	25,684	26,198	26,722	27,256	27,801
Income on Loan Participation Interests	6,000	6,000	6,000	6,000	6,000
Other Operating Revenues	100	100	100	100	100
Subtotal, Operating Revenues	<u>249,858</u>	<u>259,094</u>	<u>268,690</u>	<u>278,659</u>	<u>289,016</u>
<b>Operating Expenses</b>					
Interest, Amortization of Bond Discount/Premium	240,329	249,943	259,940	270,338	281,151
Salaries and Related Expense <sup>(1)</sup>	31,412	17,712	18,421	19,158	19,924
Trustee and Other Fees	3,983	4,381	4,819	5,301	5,831
Amortization of Debt Issuance Costs	5,167	5,271	5,376	5,484	5,593
Corporate Operating Expenses	5,300	5,565	5,844	6,136	6,443
Subtotal, Operating Expenses	<u>286,192</u>	<u>282,872</u>	<u>294,400</u>	<u>306,416</u>	<u>318,942</u>
<b>Non-Operating Revenues (Expenses)</b>					
Earnings on Investments	62,525	63,306	64,573	65,864	67,181
Non-Operating Revenues (Expenses), Net	<u>6,000</u>	<u>6,000</u>	<u>6,000</u>	<u>6,000</u>	<u>6,000</u>
Subtotal, Non-Operating Revenues	<u>68,525</u>	<u>69,306</u>	<u>70,573</u>	<u>71,864</u>	<u>73,181</u>
Transfers	200	210	221	232	243
Change in Net Assets	32,390	45,739	45,083	44,339	43,498
Net Assets, Beginning of Year <sup>(2)</sup>	1,105,873	1,138,263	1,184,002	1,229,085	1,273,423
Net Assets, End of Year <sup>(2)</sup>	<u>1,138,263</u>	<u>1,184,002</u>	<u>1,229,085</u>	<u>1,273,423</u>	<u>1,316,922</u>

<sup>(1)</sup> As of October 31, 2008, the actuarial accrued liability for OPEB (Other Post Employment Benefits) was \$17,066,000 all of which will be funded in 2009 from funds held by the Corporation.

<sup>(2)</sup> Net Assets of the Corporation consist principally of loan assets (notes and mortgages) and restricted and dedicated invested funds. The assets are reserved by bond covenant, contract and/or HDC policy.

NEW YORK CITY INDUSTRIAL DEVELOPMENT AGENCY  
 SCHEDULE OF REVENUES, EXPENDITURES AND FUND BALANCES  
 Fiscal Years 2009 through 2013  
 (000) Amounts in thousands

CATEGORIES:	2009	2010	2011	2012	2013
<b>REVENUES:</b>					
Application Fees	200	108	53	53	53
Financed Project Fees	13,139	15,081	6,199	6,199	6,199
Compliance Fees	1,200	1,200	1,200	1,200	1,200
Investment Income	2,200	2,200	2,200	2,200	2,200
Other Income	150	150	150	150	150
<b>TOTAL REVENUES</b>	<b>16,889</b>	<b>18,739</b>	<b>9,802</b>	<b>9,802</b>	<b>9,802</b>
<b>EXPENDITURES:</b>					
OTPS (NOTE 1)	32,090	6,525	6,525	6,525	6,525
<b>TOTAL EXPENDITURES</b>	<b>32,090</b>	<b>6,525</b>	<b>6,525</b>	<b>6,525</b>	<b>6,525</b>
<b>SURPLUS/(DEFICIT)</b>	<b>(15,201)</b>	<b>12,214</b>	<b>3,277</b>	<b>3,277</b>	<b>3,277</b>
<b>FUND BALANCE (Beginning of Period)</b>	<b>46,411</b>	<b>31,210</b>	<b>43,424</b>	<b>46,701</b>	<b>49,978</b>
<b>FUND BALANCE (End of Period)</b>	<b>31,210</b>	<b>43,424</b>	<b>46,701</b>	<b>49,978</b>	<b>53,255</b>

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

CITY UNIVERSITY CONSTRUCTION FUND  
 FINANCIAL PLAN FOR FISCAL YEARS 2009 - 2013  
 (\$ in thousands)

	<u>FY 2009</u>	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>
<b>REVENUES</b>					
State	\$ 319,744	\$ 244,440	\$ 295,357	\$ 238,862	\$ 270,282
City	36,865	24,406	26,781	26,850	26,760
Investment income	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>
Total <sup>1</sup>	\$ 361,609	\$ 273,845	\$ 327,138	\$ 270,712	\$ 302,041
<b>EXPENDITURES</b>					
Debt Service ( <i>Senior Colleges</i> )	\$ 264,511	\$ 209,209	\$ 257,209	\$ 200,078	\$ 230,991
Debt Service ( <i>Community Colleges</i> )	<u>68,823</u>	<u>44,461</u>	<u>48,995</u>	<u>48,904</u>	<u>48,483</u>
Subtotal - D.A. Rentals	\$ 333,334	\$ 253,670	\$ 306,204	\$ 248,982	\$ 279,474
D.A. Administration ( <i>Senior Colleges</i> )	14,151	6,695	7,030	7,381	7,750
D.A. Administration ( <i>Community Colleges</i> )	3,344	2,969	3,117	3,273	3,437
Pass-through Expenses ( <i>Senior Colleges</i> )	4,217	4,130	4,337	4,553	4,781
Pass-through Expenses ( <i>Community Colleges</i> )	1,563	1,381	1,450	1,523	1,599
CUCF Administration	<u>1,600</u>	<u>1,600</u>	<u>1,600</u>	<u>1,600</u>	<u>1,600</u>
Total	\$ 358,209	\$ 270,445	\$ 323,738	\$ 267,312	\$ 298,641
Surplus/ (Deficit)	\$ 3,400	\$ 3,400	\$ 3,400	\$ 3,400	\$ 3,400
Cash Flow Adjustment	<u>28,559</u>	<u>31,959</u>	<u>35,359</u>	<u>38,759</u>	<u>42,159</u>
Adjusted Surplus/ (Deficit)	\$ 31,959	\$ 35,359	\$ 38,759	\$ 42,159	\$ 45,559

**NOTES**

<sup>1</sup> Totals may be slightly off due to rounding

**NYC EDUCATIONAL CONSTRUCTION FUND  
FY09-FY13 BUDGET (in \$000's)**

	FY09	FY10	FY11	FY12	FY13
<b>RECEIPTS</b>					
NON-SCHOOL RENTALS & TAX PAYMENTS	14,246	17,399	17,921	18,459	19,012
INTEREST INCOME	4,221	4,348	4,435	4,523	4,614
<b>TOTAL</b>	<b>18,467</b>	<b>21,747</b>	<b>22,356</b>	<b>22,982</b>	<b>23,626</b>
<b>DISBURSEMENTS</b>					
PERSONAL SERVICE (INCL. HEALTH, RETIREMENT--ETC.)	518	544	571	600	630
OTHER THAN PERSONAL SERVICES (Note 1)	366	384	404	424	445
INSURANCE	530	557	573	590	608
DEBT SERVICE (Note 2)					
PRINCIPAL	7,465	6,135	6,075	6,750	6,390
INTEREST	4,917	4,616	4,421	4,228	3,894
<b>TOTAL</b>	<b>13,796</b>	<b>12,236</b>	<b>12,044</b>	<b>12,592</b>	<b>11,967</b>
<b>SURPLUS/(DEFICIT)</b>	<b>4,671</b>	<b>9,511</b>	<b>10,312</b>	<b>10,390</b>	<b>11,659</b>

**NOTES:**

- 1) OTPS includes Operations, Legal & Development Fees.
- 2) Debt Service pertains to the 2005A Series Revenue Bond Issue and 2007A Bond Series in original amounts of \$99,140,000, replacing 1994 and 1996 Revenue Bonds .