

# 2005 State of New York

FINANCIAL CONDITION REPORT

FOR FISCAL YEAR ENDED MARCH 31, 2005

# **2005 COMPTROLLER'S REPORT ON THE FINANCIAL CONDITION OF NEW YORK STATE**

FOR FISCAL YEAR ENDED MARCH 31, 2005

**OFFICE OF THE STATE COMPTROLLER • ALAN G. HEVESI**

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# CONTENTS

Message from the Comptroller	3
Government-Wide Financial Data	4
Fund Financial Data	5
Total Revenues	6
Total Spending	7
Medicaid	8
Education	9
Economic/Demographic Trends	10-12
Taxes: Where New York Stands	13
Debt	14-15
Capital	16
Roads and Bridges	17
Local Governments	18-19
Implications for the Future	20-21
New York's Public Authorities	22
Appendix 1: State Funds Spending by Major Service Function	23
Appendix 2: Federal Funds Spending by Major Service Function	24
Appendix 3: State Revenues by Major Source	25

**Award for  
Outstanding  
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**PRESENTED TO**

**STATE OF  
NEW YORK**

**For the fiscal year ending  
March 31, 2004**



*Nancy L. Zjelke*  
President

*Jeffrey L. Essler*  
Executive Director

# COMPTROLLER'S 2005 REPORT ON THE FINANCIAL CONDITION OF NEW YORK STATE

This report provides citizens with an overview of the financial condition of New York State. It presents selected financial, economic, and demographic information in an easy-to-understand format.

It also presents basic information on trends in State receipts (revenues) and spending, the State's financial position as measured by Generally Accepted Accounting Principles (GAAP), and selected economic and demographic trends affecting the State. It fills an information need not met by the traditional, more detailed financial reports issued by the Comptroller's Office, but it is not meant to replace them. Detailed accounting data continues to be provided in reports such as the Comprehensive Annual Financial Report.

Financial condition is a broad concept aimed at assessing the ability of a government to meet future financial and service obligations. It deals with the State's ability to deliver acceptable levels of services at acceptable levels of taxation, while achieving budget balance and making required debt service payments and pension contributions.

The Office of the State Comptroller was honored this past year when it received the Award for Outstanding Achievement in Popular Annual Financial Reporting from the Government Finance Officers Association for the 2004 Financial Condition Report.

# MESSAGE FROM THE COMPTROLLER

I am pleased to present the Financial Condition Report for the State of New York for the fiscal year ending March 31, 2005.

Last fiscal year, the process by which the budget was constructed improved immeasurably. The budget was passed in a timely fashion, and more legislators were involved in crafting the final product. The commitment by all parties to cooperate and work together brought New Yorkers their first on-time budget in a generation.

While an on-time budget sends a positive signal to the rating agencies and the public that the State's budget process is improving, a sound, responsible fiscal policy must be the Governor's and Legislature's top priority. Unfortunately, there remains a fundamental and persistent deficiency in New York's budgeting practices that threatens the State's fiscal stability in the future, and that is the State's over-reliance on debt.

The enacted budget increased New York State's total outstanding debt by \$1.9 billion over last year's level for total debt of approximately \$48 billion. By the end of the new five-year capital plan in 2009-10, the State will have more than \$55 billion in outstanding debt, representing a 52 percent increase from 2000 and a 287 percent increase from 1990. By 2009-10, the State will pay nearly \$6 billion annually in debt service, reflecting a \$1.7 billion or 42 percent increase from 2004-05.

When used correctly, debt is an essential tool for financing public projects. However, when it is used to mask spending growth, delay difficult choices or shift burdens to future generations of taxpayers, it weakens the State's fiscal foundation. Acquiring more debt rather than instituting long-term planning for projects weakens the State's finances for the future when our infrastructure will be older and in need of greater repair and when new technologies may require completely new investments to keep the New York economy competitive.

Too often, the State has used long-term debt to finance budget deficits and operating costs with no plan to ensure that the debt burden created will leave future generations with sufficient borrowing capacity to both finance their capital needs and repay the debts created by the restructuring. But there are signs that improvements are possible.

This year, the Governor and Legislature instituted two borrowing plans. The first one, a \$2.9 billion bond act, will be on the ballot and will allow the taxpayers to determine whether they want to incur the debt and whether the projects are worthwhile. The second project involved a \$2.9 billion restructuring of Thruway Authority bonds that would have added \$460 million of costs to future taxpayers. My office blocked the latter deal and renegotiated the proposal to provide one that did not increase costs. My office will continue to work to ensure that borrowing is fair, affordable and equitable.

Another positive step in the enacted budget this year is that spending done through the Health Care Reform Act, known as HCRA, was put on budget for the first time. This helps improve transparency and will allow taxpayers to see a fuller scope of the State's obligations.

Clearly there remains more work to be done to improve fiscal accountability, but improvements have been made that will benefit current and future taxpayers. It took many years for the State to develop unhealthy fiscal practices, and it will take some time to institute all the reforms needed to put our fiscal house in order. As evident in the accomplishments achieved this past year, the momentum for reform has begun. We must continue to strive for additional reforms and be hopeful that improvements in the State's financial practices will continue into the future.



**ALAN G. HEVESI**  
STATE COMPTROLLER



# GOVERNMENT-WIDE FINANCIAL DATA

New York State's government-wide financial statements include a Statement of Net Assets and a Statement of Activities, both of which distinguish between the State's governmental and business activities.

The full accrual method of accounting is used by many businesses and recognizes revenue and expenses when the earning process is complete regardless of when cash is received or disbursed. This results in a long-term perspective on finances.

The Statement of Net Assets reports the State's total assets and liabilities. The Statement of Net Assets reports the difference between assets and liabilities into 3 categories: Capital Assets Net of Related Debt, Restricted Net Assets and Unrestricted Net Assets.

## Condensed Statement of Net Assets – Primary Government As of March 31, 2005

(amounts in millions)

	Governmental Activities	Business- type Activities	Total
<b>Assets:</b>			
Cash and investments	\$ 9,609	\$ 5,858	\$ 15,467
Receivables, net	15,956	2,978	18,934
Internal balances	(105)	460	355
Other assets	866	176	1,042
Capital assets	77,691	6,499	84,190
<b>Total Assets</b>	<b>104,017</b>	<b>15,971</b>	<b>119,988</b>
<b>Liabilities:</b>			
Tax refunds payable	6,390	–	6,390
Payable to local governments	3,361	–	3,361
Accrued liabilities & accounts payable	6,669	1,066	7,735
Other liabilities due within one year	3,388	2,487	5,875
Liabilities due in more than one year	43,019	9,773	52,792
<b>Total liabilities</b>	<b>62,827</b>	<b>13,326</b>	<b>76,153</b>
<b>Net Assets:</b>			
Invested in capital assets net of related debt	61,375	63	61,438
Restricted for debt service and other purposes	3,195	1,851	5,046
Unrestricted (deficit)	(23,380)	731	(22,649)
<b>Total Net Assets</b>	<b>\$ 41,190</b>	<b>\$ 2,645</b>	<b>\$ 43,835</b>

## Condensed Statement of Activities – Primary Government For the year ended March 31, 2005

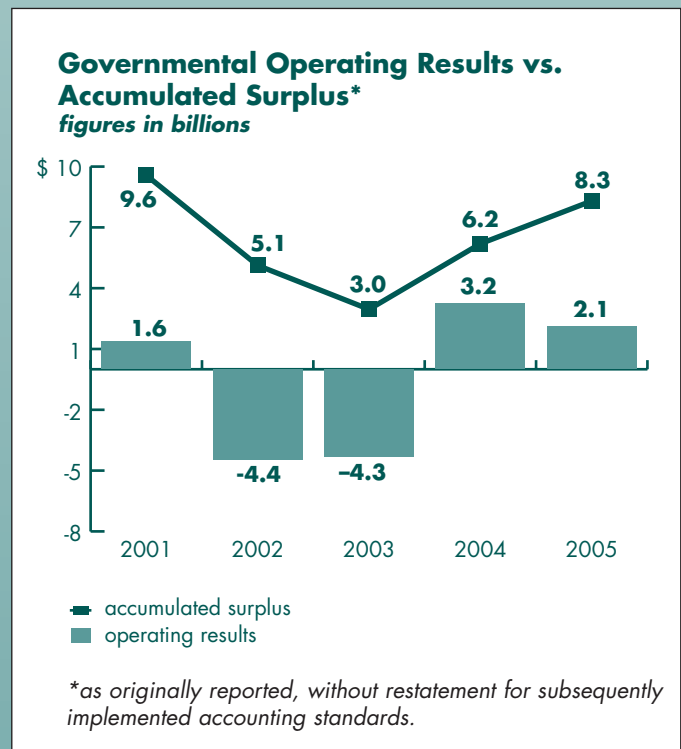
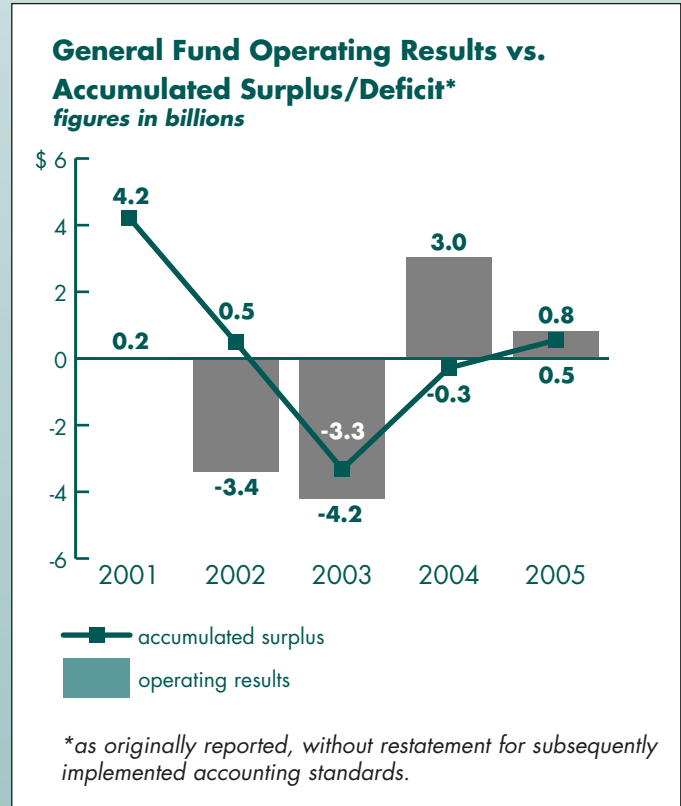
(amounts in millions)

Functions/Programs	Expense	Program Revenue	Net Expense
<b>Governmental activities:</b>			
Education	\$ 24,023	\$ 3,480	\$ (20,543)
Public health	39,540	26,878	(12,662)
Public welfare	10,697	7,678	(3,019)
Public safety	5,597	1,452	(4,145)
Transportation	4,614	1,873	(2,741)
Environment and recreation	1,324	496	(828)
Support and regulate business	927	266	(661)
General government	6,937	2,212	(4,725)
Interest on debt	1,684	–	(1,684)
<b>Total governmental activities</b>	<b>95,343</b>	<b>44,335</b>	<b>(51,008)</b>
<b>Business-type activities:</b>			
Lottery	4,298	6,271	1,973
Unemployment insurance	2,638	2,727	89
State University of New York	6,138	4,160	(1,978)
City University of New York	1,903	1,294	(609)
<b>Total business-type activities</b>	<b>14,977</b>	<b>14,452</b>	<b>(525)</b>
<b>Total primary government</b>	<b>\$ 110,320</b>	<b>\$ 58,787</b>	<b>(51,533)</b>
<b>General revenues and net transfers:</b>			
Taxes			49,540
Other			5,324
Net transfers			(670)
<b>Total general revenues and net transfers</b>			<b>54,194</b>
<b>Change in Net Assets (increase)</b>			<b>\$ 2,661</b>

The Statement of Activities reports the expenses of each of the State's programs reduced by the revenues generated by those programs to arrive at net program expense. The net program expense is then reduced by general revenues and other gains and losses to arrive at a change in net assets for the year.

# FUND FINANCIAL DATA

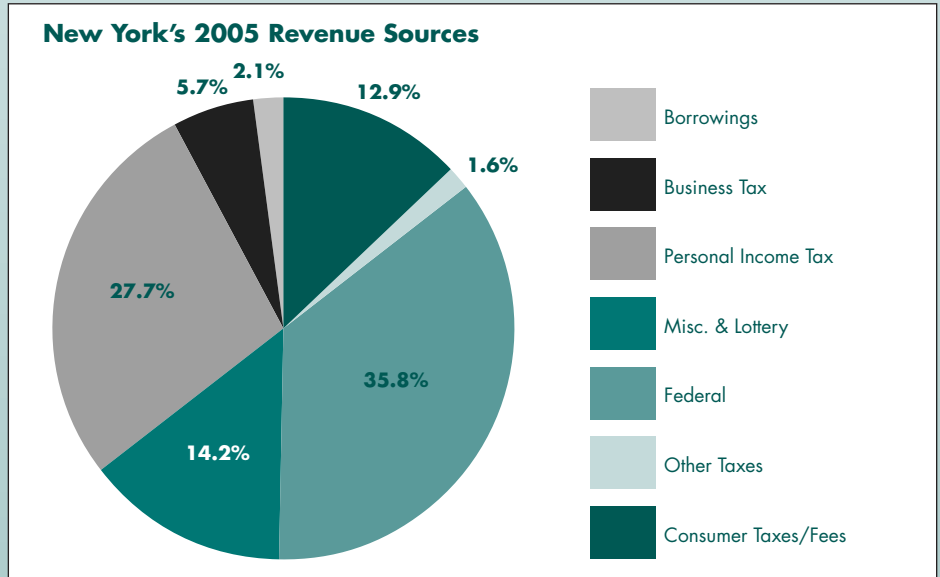
- The State also prepares fund financial statements. Funds present sources of funding and spending for particular purposes. The General Fund is used to report sources of funds and expenditures that are not required to be accounted for in another separate fund. In New York, significant sources of funds that normally would be reported in the General Fund have been pledged or dedicated to other funds for repayment of debt or project funding and are therefore reported in other governmental funds.
- Fund financial statements provide a short-term view of government finances. Thus, payment of fund expenditures with proceeds from long-term borrowing will not have any impact on the fund balance because the liability to repay the borrowing is not reported in the fund.
- The relationship between fund operating results and accumulated fund balance (deficit) is graphically depicted in the charts on this page.
- As of the year ended March 31, 2005, the State reported a \$2.1 billion combined governmental funds operating surplus which resulted in an accumulated General Fund surplus of \$827 million and increased the combined governmental fund balance to \$8.3 billion.



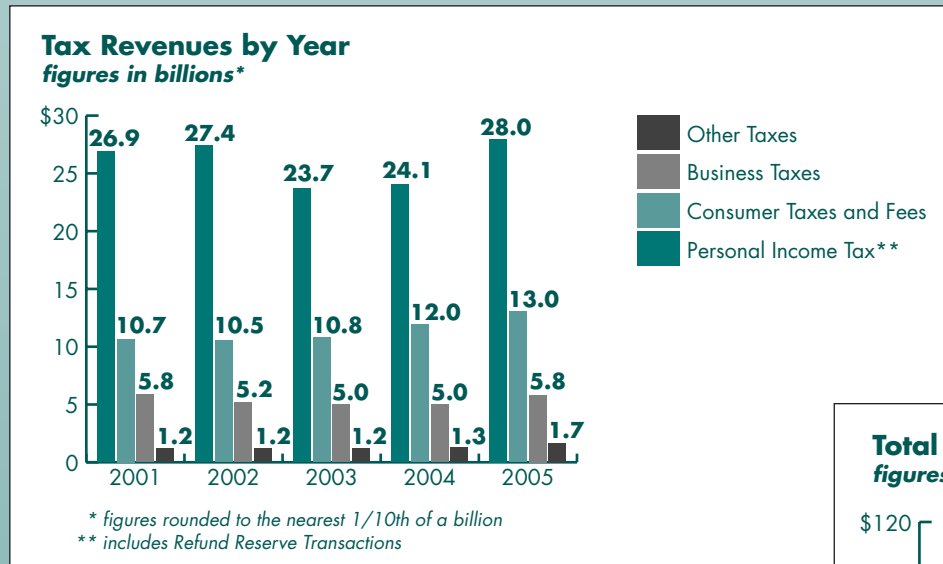
# TOTAL REVENUES

Revenues are affected by economic changes and changes in federal and State policies. Tax base is a measure of the State's ability to generate revenue. A decreasing tax base may force spending reductions, additional borrowing, and/or increased taxes. Appendix 3 contains State revenues by major source for the past five fiscal years.

- Revenues have increased \$19.5 billion (23.9%) since 2001 while personal income has grown at a rate of 10.9%.
- In 2005, total tax revenues of \$48.5 billion represented a 8.7% increase over 2001 tax revenues.

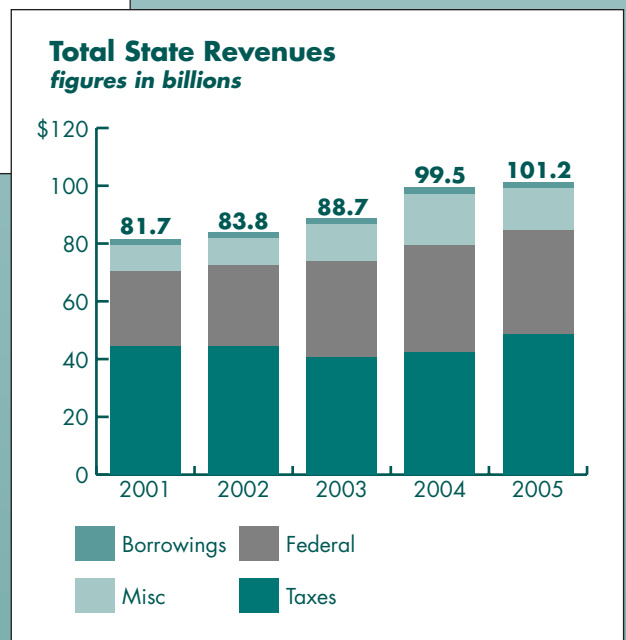


- Revenues from the Federal government increased 40.5% since 2001. Medicaid was responsible for the largest increase in federal revenues.



- Personal income tax and consumer taxes and fees accounted for 40.6% of 2005 revenues, and have increased 9.2% since 2001.
- During fiscal year 2005, the State experienced a 14.1% increase in personal income tax (PIT) revenues — its largest revenue source. This followed a 1.5% increase in 2004.

**In 2005 Personal Income Taxes and Consumer Taxes and Fees were 40.6% of State Revenue**

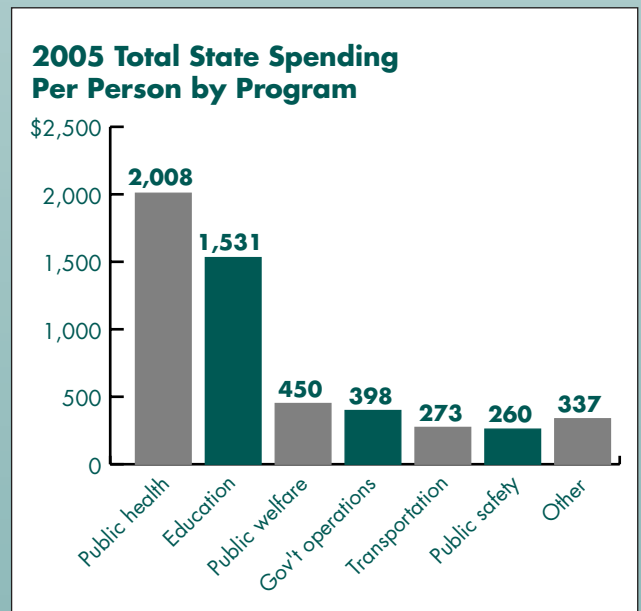
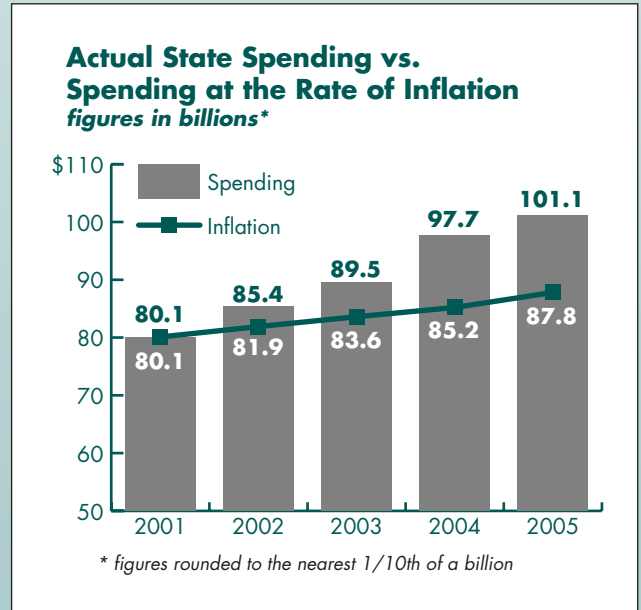




# TOTAL SPENDING

Spending data can be used to evaluate the State's program priorities and, compared to revenue data, can be used to measure the State's ability to support continuing programs. Appendices 1 and 2 show a history of State spending by major program for the past five fiscal years.

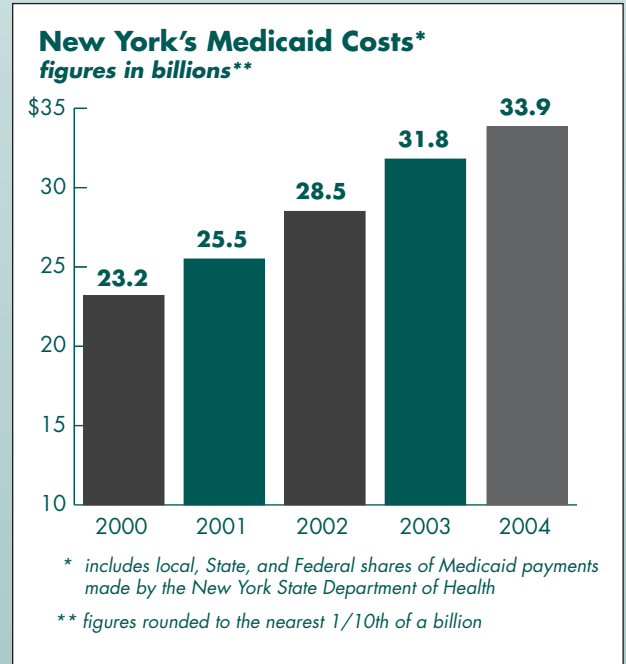
- State spending totaled \$101.1 billion in 2005, an increase of \$3.4 billion (3.5%) from the prior year.
- Spending during 2004 included \$1.9 billion for spending that was planned for 2003 but deferred until 2004 due to an imbalance between actual revenue and planned spending. This deferred spending was financed in 2004 with Tobacco Revenue Bonds. Because 2004 spending included \$1.9 billion that was deferred from 2003, the comparisons between 2003 - 2005 spending can be misleading. Excluding spending related to 2003 deferrals, 2004 would have been \$95.8 billion. Thus 2005 spending was actually \$5.3 billion higher than 2004 spending net of deferred payments (5.5%).
- Since 2001, growth in State spending (26.2%) has outpaced inflation (Consumer Price Index), (9.6%).
- State spending has been partially paid for by borrowing \$10.8 billion since 2001, including \$2.1 billion in 2005.
- In 2002, New York's spending per person (\$4,457) was 19.2% higher than the national average (\$3,738).
- Education and public health spending represents 67.3% of total State spending.



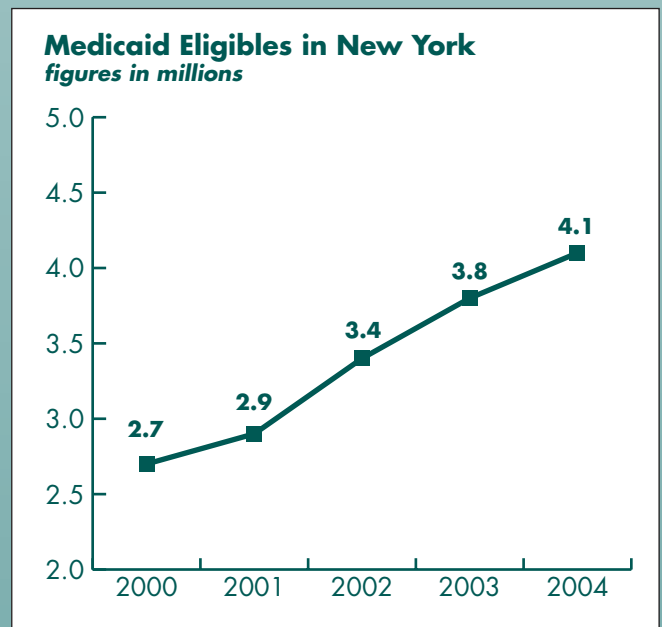
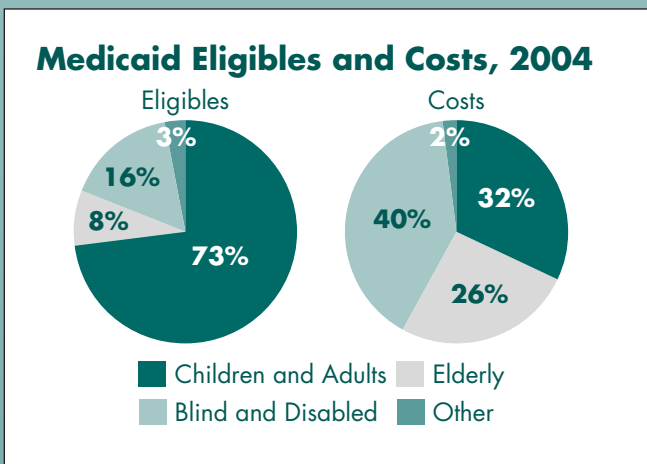
**Spending has increased 26.2% since 2001**

# MEDICAID

- New York experienced significant but slower growth in both Medicaid costs and eligible beneficiaries in 2004. Medicaid costs increased 6.6% to \$33.9 billion, while the number of eligible beneficiaries increased 7.9% to 4.1 million.
- In 2004, the monthly average number of Medicaid eligible beneficiaries increased by less than 10% for the first time in three years. Even with 2004's single-digit increase, the number of Medicaid eligible beneficiaries increased over 1.3 million (48.5%) from 2000 through 2004.
- The increase in eligible beneficiaries is due primarily to the lingering effects of the economic slowdown and the growth of the Family Health Plus (FHP) program, which began in October 2001 and provides public health insurance to adults ages 19 to 64 whose incomes are too high to otherwise qualify for Medicaid.
- In 2004, the FHP monthly average number of eligibles grew by over 160,000 (52.8%) to 468,366. By December 2004, FHP had over 514,000 eligibles, of which 72% were located in New York City.
- The monthly average number of Medicaid managed care enrollees increased by over 290,000 (18.2%) in 2004, with total enrollment at nearly 1.9 million (67.8%) of approximately 2.8 million recipients eligible to participate in Medicaid managed care.
- In 2004, Medicaid spending increased by less than 10% for the first time in three years. Despite 2004's single-digit increase, Medicaid spending increased nearly \$10.7 billion (46.0%) since 2000.
- Medicaid spending rose due primarily to the rising number of Medicaid recipients, increases in utilization, and growth in the cost of services and prescription drugs.
- During 2004, the elderly, blind and disabled represented about 24% of Medicaid beneficiaries, but accounted for 66% of the State's Medicaid costs.



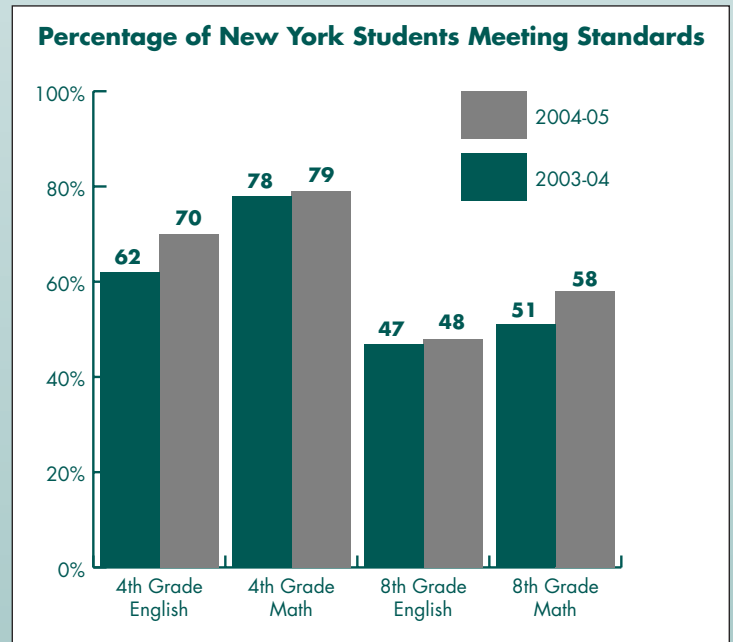
## Medicaid eligibles and Medicaid costs have increased steadily



# EDUCATION

## Elementary and Secondary

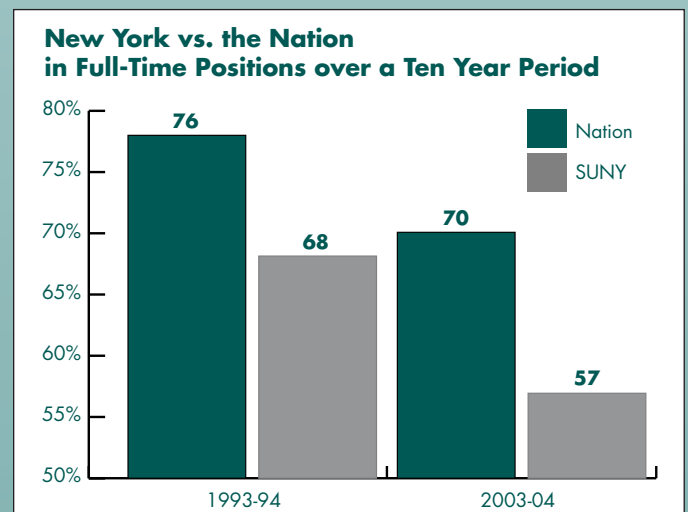
- New York State is credited with making a significant investment in its public school system. In 2004, New York State had the nation's highest per-pupil expenditures at \$12,270, compared to the national average of \$8,156.
- While 16% of the State's \$101 billion budget is directed to education, the Court of Appeals ruled in June 2003 that financing for New York City public schools is inadequate. In February 2005, the New York State Supreme Court affirmed a Court-appointed Special Master Panel's recommendation that the State implement a multi-year plan to provide New York City schools with an additional \$5.6 billion for operating expenses and \$9.2 billion in added funding for capital projects. However, the likely Legislative response to the case will affect school districts throughout the State, especially other large city school districts. The Governor is appealing the Court's order.



- The student achievement gains realized in 2003-04 in meeting 4th-grade educational standards continued in 2004-05. A significant 79% of the State's 4th-grade students met the math standards (up from 78% last year and 68% the year before), and 70% met the English standards (up from 62% last year and 64% the year before).
- But while great strides have been achieved at the 4th-grade level, 8th-grade English scores have remained effectively flat. The percent of students meeting the standards rose from 47% in 2003-04 to 48% in 2004-05, which is the same rate as in 1999, when the exam was first administered. The percent of students meeting 8th-grade math scores rose to 58%, up from 51% in 2003-04.

## Higher Education

- Over the past ten years, New York State has increased its support for higher education by only 22%, while national spending rose by 47%. During the same period, the Higher Education College and University Operations Price Index (HEPI) rose 42%.
- New York State spends \$211 per person annually on higher education, a \$17 increase from fiscal year 2003-04. New York spending, ranked 28th in the nation is also less than the national median spending rate of \$215.
- The cost of tuition and fees paid by full-time students at public four-year institutions in New York State increased by 38% between 1995-96 and 2004-05.



- For the school year 2004-05, full-time, in-state tuition and fees at SUNY community colleges totaled \$3,105. This was nearly 50% above the national average of \$2,076 and ranked New York 7th highest among the states.
- In 1993-94, full-time faculty made up 68% of the total faculty positions at SUNY four year colleges and universities; by 2003-04 full-time faculty represented only 57%. This is a significant decline compared to national figures of 76% in 1993 and 70% in 2003.

# ECONOMIC/DEMOGRAPHIC TRENDS

Economic and demographic trends impact funding received from the Federal government and indicate whether renewed attention is needed in State programs for the elderly, economic development, education, and income assistance.

■ New York State's population has continued to grow, increasing by 1.3% between 2000 and 2004. Between 1980 and 2000, the State's population increased 8.4%, after having declined during the 1970s. The nation's population, however, has increased at a faster rate, growing by 4.3% between 2000 and 2004 and by 24% during the two previous decades.

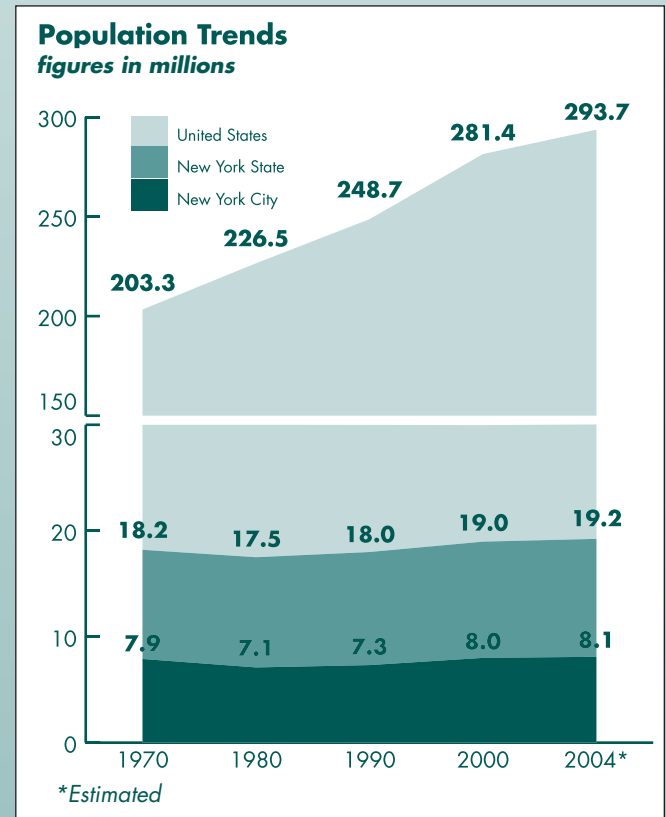
■ Over 42% of the State's population resides in the City of New York. Between 2000 and 2004, the City's population increased by 1.2%. During the 1990s, New York City's population grew by a rapid 9.3%, after only modest gains during the 1980s and a significant drop during the 1970s.

■ New York State's population has become more diverse as gains in minority groups—either through immigration or births—have fueled much of the State's population increase during the 1990s and 2000s. Mirroring national trends, the Hispanic and Latino population has experienced very strong growth during this period, raising its share of the State's population to 16.3% in 2003 from 12.3% in 1990.

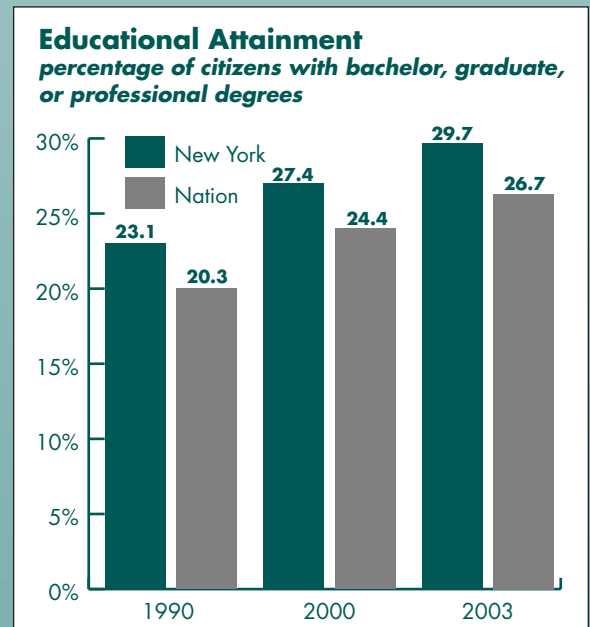
■ Between 2000 and 2004, 38% of the State's population increase occurred in New York City, while the downstate suburbs and the Hudson Valley accounted for another 54% of the State's population increase. By comparison, New York City accounted for 70% of the State's population increase during the 1990s. When combined with the gains in the suburbs that surround the City and the Hudson Valley, the downstate region was responsible for virtually all of the State's job growth during that decade.

■ New York State's population has become better educated. By 2003, almost 30% of the State's population aged 25 years and over held a bachelor's degree or a bachelor's and graduate or professional degree, compared to 27.4% in 2000 and 23.1% in 1990. The percentage of the population with at least a high school diploma has also increased, reaching 83.2% in 2003, up from 74.8% in 1990. While the State's share of the population with at least a high school degree is similar to the nation's, the nation's share of the population with at least a bachelor's degree is somewhat lower.

■ The State's economy is producing jobs, but at a slower rate than the nation. For the first five months of 2005 compared to the same period of 2003, employment in the State rose by 1.1%, while the number of jobs in the nation increased by 2.3%. The recent economic downturn was more severe in the State than in other parts of the country. The number of jobs in New York State declined by 2.9% between the first five months of 2001 and the first five months of 2003, while the nation lost jobs at a rate of 1.8%.



By comparison, New York City accounted for 70% of the State's population increase during the 1990s. When combined with the gains in the suburbs that surround the City and the Hudson Valley, the downstate region was responsible for virtually all of the State's job growth during that decade.



## Employment and Job Growth – New York State vs. the U.S.

Job Growth and Loss\*

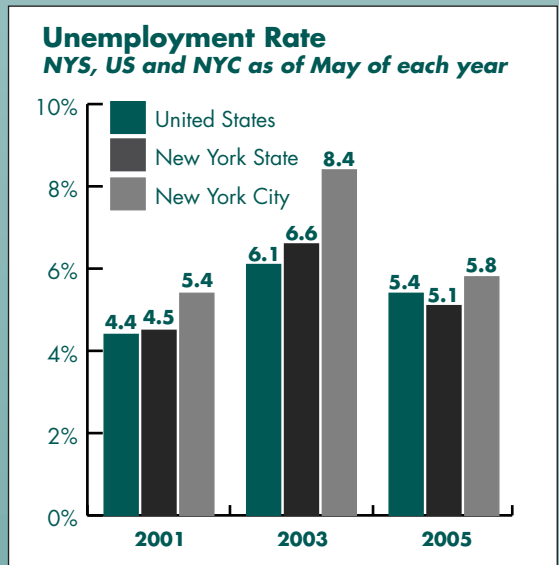
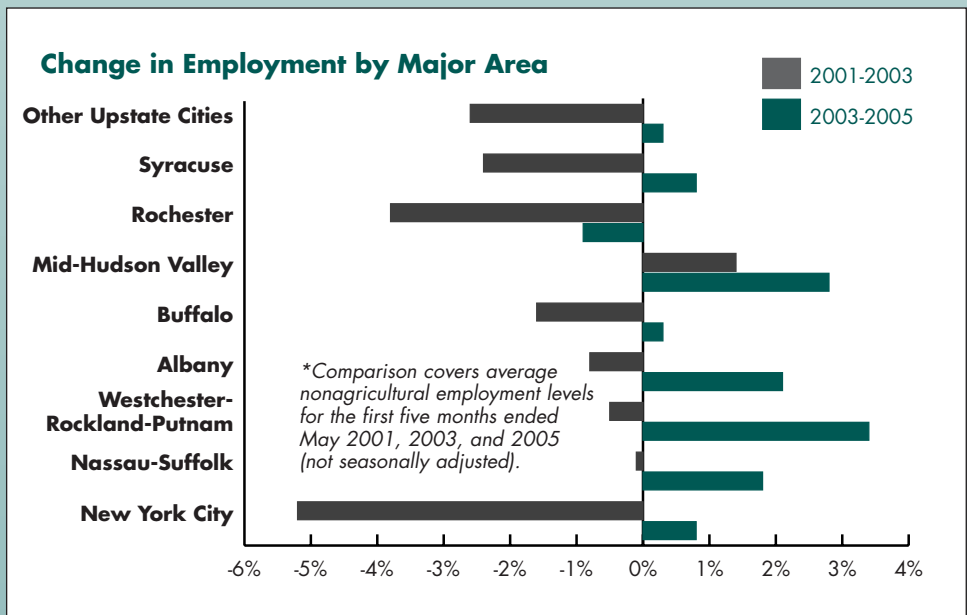
	New York State			United States				
	2001-2003	2003-05	Percent Change 2005	Level 2003-05	Percent Change 2005	Level 2005		
Manufacturing			-14.4%	-6.3%	581	-13.1%	7.4%	14,238
Construction & Mining			-4.4%	0.8%	307	-2.6%	-2.7%	7,504
Trade, Transportation, and Utilities			-4.0%	1.2%	1,473	-3.2%	1.7%	25,518
Information			-15.4%	-3.2%	270	-12.9%	-2.9%	3,123
Financial Activities			-6.6%	1.9%	704	2.2%	2.8%	8,138
Professional and Business Services			-6.9%	2.2%	1,051	-4.9%	5.5%	16,604
Educational and Health Services			5.0%	3.4%	1,550	6.7%	4.4%	17,302
Leisure and Hospitality			0.4%	5.0%	650	0.9%	4.8%	12,411
Other Services			1.4%	1.8%	354	3.6%	1.2%	5,441
Government			1.6%	-0.3%	1,494	3.2%	0.6%	22,018
<b>Total</b>			<b>-2.9%</b>	<b>1.1%</b>	<b>8,434</b>	<b>-1.8%</b>	<b>2.3%</b>	<b>132,297</b>

\*Average nonagricultural employment for five months ended May 2001, 2003, and 2005 (not seasonally adjusted)

Currently, 42% of the jobs in New York State are located in New York City, with another 25% of the jobs located in the downstate suburbs and the Hudson Valley. Employment changes in these regions have a major influence on the economic performance of the State.

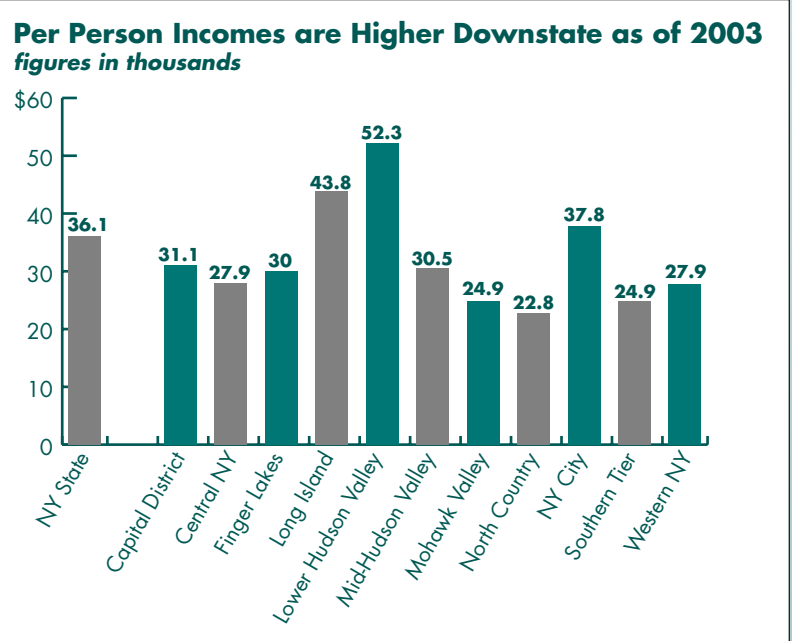
Employment in New York City has increased by 0.8% between the first five months of 2005 and the same period of 2003, while downstate suburban areas and the Hudson Valley have experienced strong growth ranging between 1.8% and 3.4% during this period. Most of the State's job losses during the recession were concentrated in New York City, although there were also significant declines in several major upstate metropolitan areas, including Binghamton, Buffalo and Rochester. Currently, job losses have ceased in most upstate areas. The number of jobs in the State has not yet returned to pre-recession levels.

Unemployment rates rose during the recession, but are now declining as the economy recovers. During the first five months of 2005, the State's unemployment rate averaged 5.1%, down from an average of 6.6% in the first five months of 2003. The State's unemployment rate has fallen faster than the nation's over the past two years, and during the first five months of 2005 it was lower than the national rate (5.4%), while during the same period in 2003 it had been higher than the national rate (6.1%).





■ The economic health of both New York State and New York City is tied to the securities industry. Every securities industry job added in New York City creates two other new jobs in the City and one job in the City suburbs. The 1990s bull market lifted employment, incomes, and tax revenues for the State and City. The bear market that began when prices collapsed in the technology sector, however, caused securities industry profits to fall from a record high of \$21 billion in 2000 to \$7 billion by 2002. Bonuses paid to Wall Street workers fell by 48% between 2000 and 2002. These declines, coupled with lower capital gains realizations resulting from the falling financial markets, adversely impacted State and City revenue collections, especially the personal income tax.

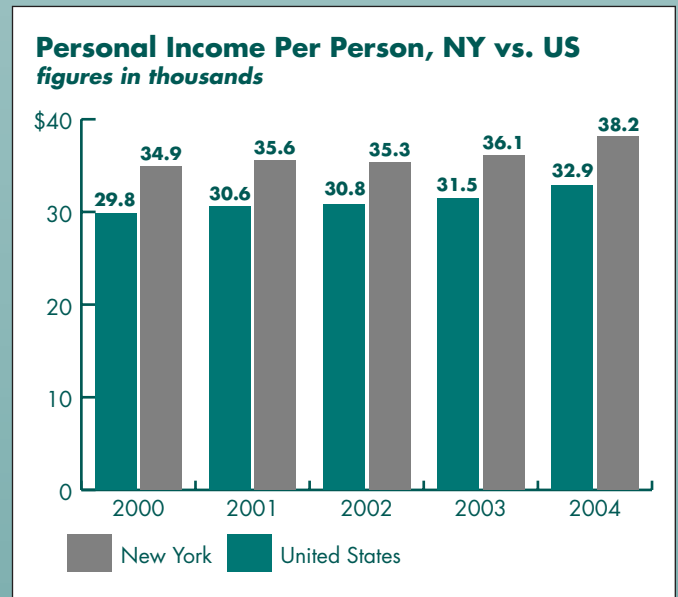


■ Since the end of 2002, the financial markets have recovered. Securities industry profits rose to \$16.8 billion (the second-highest level on record) in 2003 but eased to \$13.7 billion in 2004. Despite the decline in profits during 2004, bonuses are estimated to have increased by more than 50% from 2002 levels, contributing to an improvement in revenue collections.

■ Salaries are highest in the securities industry, which paid an average salary of \$217,473 in 2003. In the rest of the financial sector the average salary was \$59,307, while nonfinancial industries paid an average of \$42,092. The securities industry represented only 2.1% of all jobs in the State in 2003, but accounted for 9.8% of the total compensation paid. The gap between the salaries in the securities industry and the nonfinancial industries has also been growing. Since the early 1990s, salaries in the securities industry have increased, from 2.9 times higher than nonfinancial salaries to 5.2 times those salaries in 2003. Securities industry employment is even more important in New York City, where 90% of the industry's jobs in the State are located. During 2003, the securities industry comprised 4.6% of all jobs in the City, but accounted for 17.3% of all wages paid in the City.

■ New York State's per person personal income (\$38,228 in 2004) continues to be higher than that of the U.S. (\$32,937 in 2004). The State ranked fifth in personal income per person in 2004, behind Connecticut, Massachusetts, New Jersey, and Maryland.

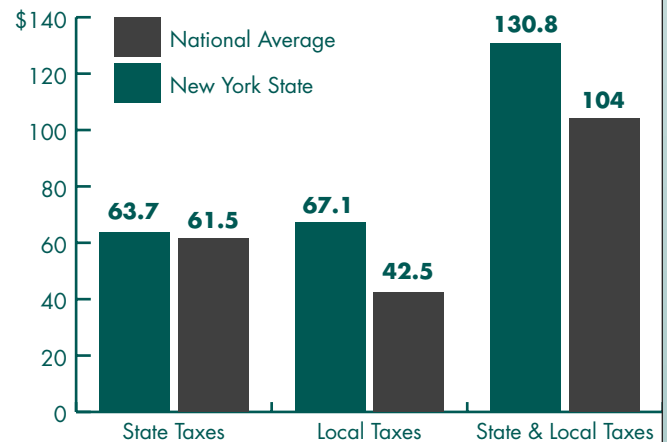
■ Per person personal income is much higher in downstate counties than in the rest of the State, primarily reflecting the higher wages and salaries paid by jobs in the downstate region. In 2003, per person personal income averaged \$37,815 in New York City, \$43,791 on Long Island, and \$52,256 in the Lower Hudson Valley. For the rest of the State, per person personal income ranged from \$22,786 in the North Country to \$31,126 in the Capital District. On a county basis, the highest per person personal income was in New York County/Manhattan (\$84,044) while the lowest was in Allegany County (\$19,660).



# TAXES: WHERE NEW YORK STANDS

- New York's combined State and local tax revenues are 26% above the national average per share of personal income, primarily because local taxes are nearly 58% above the national average. State taxes alone are 3.5% above the national average.
- Using taxes as a share of personal income, New York State ranks the highest in local taxes and highest in combined State and local taxes. New York State taxes alone ranked 24th among the states.
- One contributing factor to New York's high local tax burden is that unlike other states, New York's local governments pay a significant portion of Medicaid costs. To help alleviate the high cost of Medicaid to local governments, the 2005-06 Enacted Budget will begin capping their Medicaid costs at 2005 levels with maximum annual adjustments of 3.5% in 2006, 3.25% in 2007 and 3% thereafter.
- In 2001, New York taxpayers with incomes exceeding \$200,000 represented 3.5% of all taxpayers but accounted for 43.9% of all State taxes paid in New York.
- New York relies more heavily on the personal income tax as a source of revenue than most states. In 2004 personal income tax as a percent of total taxes was 53.8% in New York while the national average was 33.3%.
- The 2003-04 enacted budget temporarily raised the sales tax from 4% to 4.25% and increased personal income tax rates for high income taxpayers. On June 1, 2005 the sales tax returned to 4% and at the end of the calendar year the temporary increase in personal income tax rates will expire.

**Taxes per \$1,000 of Personal Income**  
*New York vs. the national average,*  
*fiscal year ending in 2002*

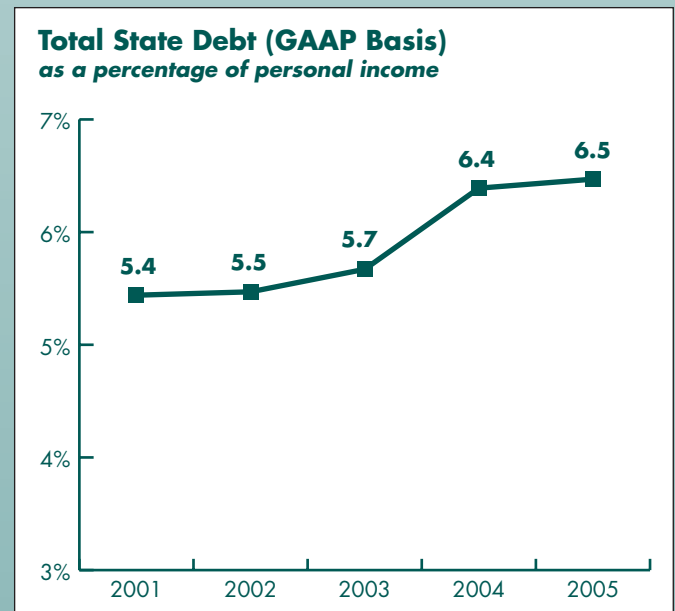
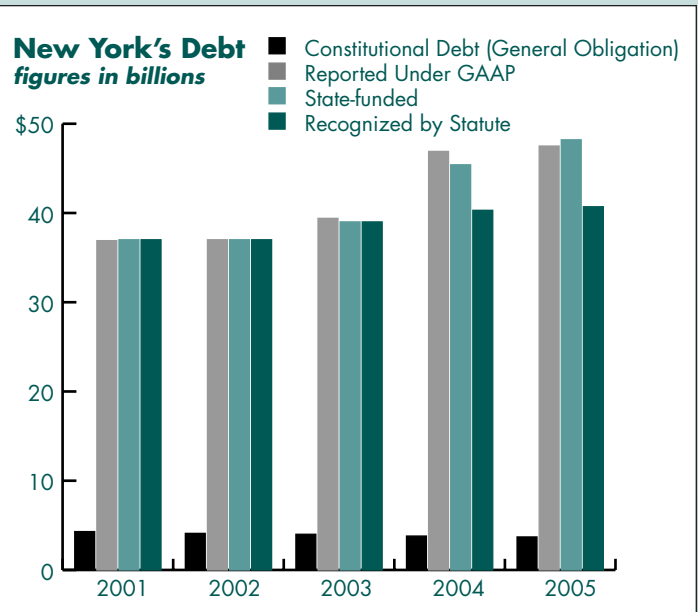


**In 2004 Personal  
 Income Taxes  
 equaled 53.8% of  
 all State Taxes**

# DEBT

Debt can impact government operations both currently and in the long term. The following discussion is limited to debt from borrowing. Existence of high levels of government borrowing may:

- Indicate that the State is unable to support current programs with current revenues;
- Force future program reductions or additional borrowing when future resources are needed to repay debt; and
- Limit capacity to finance additional capital assets and capital grants.
- There are several different measurements of the State's debt being reported at March 31, 2005:
  - Constitutionally recognized (Voter-approved) general obligation debt (\$3.7 billion);
  - Debt as statutorily defined in 2000 — State-supported (\$40.7 billion);
  - Debt reported in accordance with full accrual accounting — Generally Accepted Accounting Principles (\$47.5 billion); and
  - State-funded debt (primary repayment sources are future State funds (\$48.2 billion)). This category has been defined by the State Comptroller as a significant measurement because it reflects more directly on the State's capacity to issue additional debt in the most comprehensive fashion.
- The differences between debt reported under the State-funded measurement criteria and debt reported under GAAP are: State-funded debt includes \$2.6 billion in debt issued in fiscal year 2005 that will be repaid from future sales tax revenues of the State but that is not recognized under GAAP; and also debt reported under GAAP includes bond premiums (\$991 million), appreciation of certain debts issued at a discount (\$287 million), and vendor financed capital lease obligations (\$376 million) that is not included in the State-funded criteria.



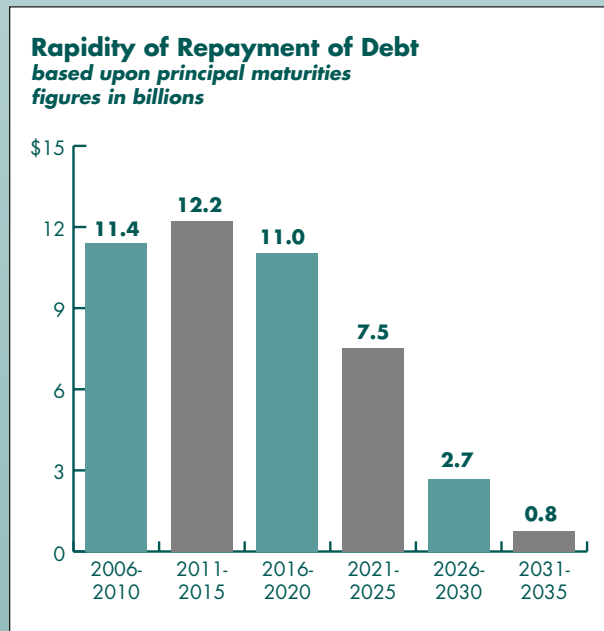
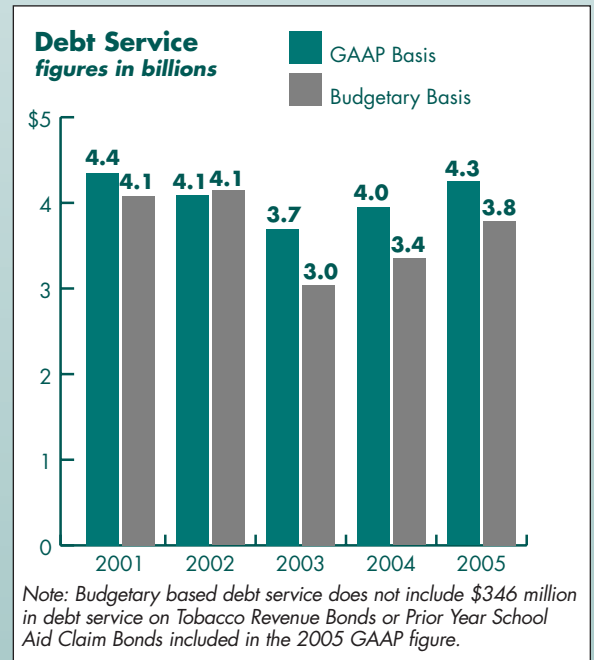
**The State has committed to funding debt service for \$48.2 billion in debt outstanding.**

■ Since 2001, debt recognized under the State Constitution (Voter-approved) has decreased 14%, debt recognized under the Debt Reform Act of 2000 has increased 10%, debt recognized in accordance with GAAP has increased 29%, and State-funded debt has increased 30%.

■ In 2004, New York State became the 2nd most indebted state behind California but still had nearly twice as much debt as the 3rd most indebted state. In 2004, New York State also ranked 5th among all states in debt per person.

■ At March 31, 2005, New York's outstanding debt per person was \$2,473 which was equal to 6.5% of New Yorkers' personal income.

- The State's general obligation bond ratings assigned are as follows: A1 by Moody's Investor Service, AA- by Fitch Ratings, and AA by Standard & Poor's.
- Debt service expenditures over the past five years have been affected by the use of reserve funds used to pay debt service and deferring debt service during refundings. During the past three years the State engaged in a series of refunding transactions totaling about \$16 billion which refinanced portions of both the principal due in the current and near terms and interest accrued on certain refunded debt.
- The ability of the State to issue new debt relates to how rapidly existing debt is repaid. As existing debt is repaid, borrowing capacity is restored.



■ The graph at the left illustrates the rapidity of the repayment of New York

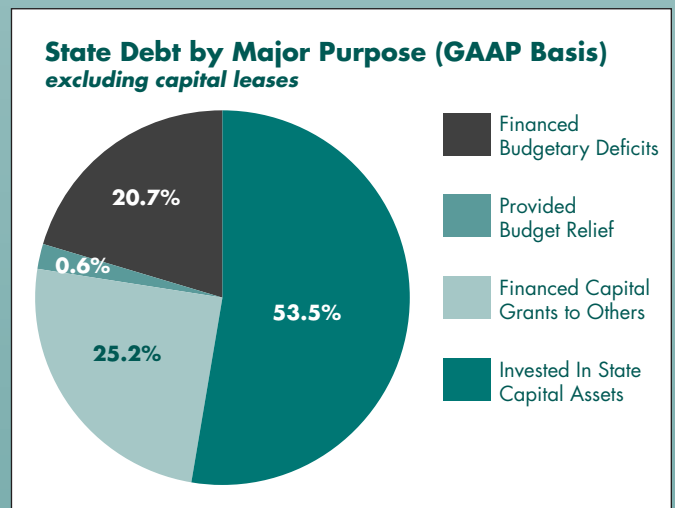
State's entire debt portfolio based upon bond maturity dates. The graph shows the par amounts of bonds currently outstanding that will be repaid during each of the next five year periods.

■ The State's currently proposed Capital Program & Financing Plan relies upon issuing \$19.7 billion of new debt and \$3.2 billion in additional restructuring debt during the five years ending March 31, 2010. Thus, the State plans to issue new debt faster than it will retire existing debt.

■ The State has used 53.5% of the debt it issued to finance capital assets it owns, 20.7% to finance budget deficits, and 25.2% to finance grants that were once funded on a pay-as-go basis.

■ Based upon scheduled repayment dates, the State's accumulated deficit financing will not be fully repaid until 2028.

■ The State has relied upon variable rate debt and interest rate exchange agreements (swaps) to lower the cost of borrowing and facilitate restructuring of its portfolio of debt. At March 31, 2005, the State had \$6 billion in variable-to-fixed-rate swaps, \$850 million of fixed-to-variable rate swaps, \$2.1 billion in net (un-hedged) variable rate bonds outstanding, and \$2.4 in convertible bonds whose interest rates reset to either a new fixed or a new variable rate at dates ranging from 2005 to 2013.

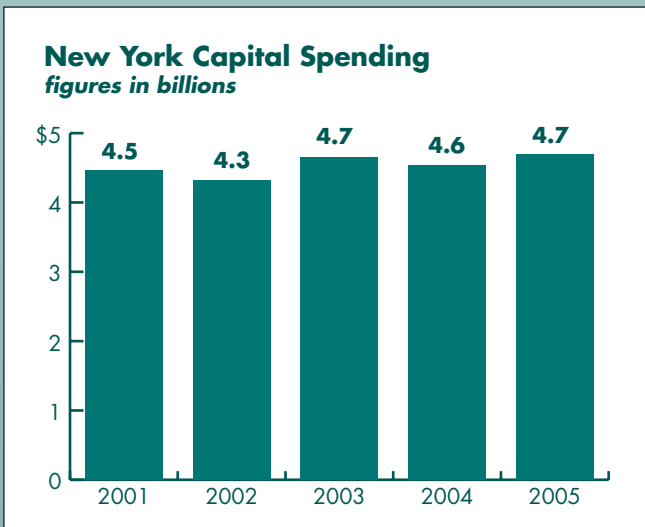
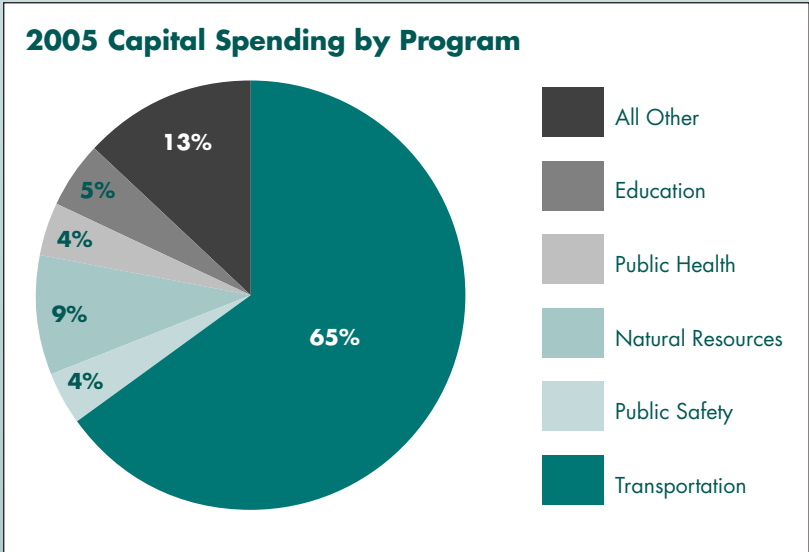


**Only about half of the State's debt was issued to finance a State capital asset.**

# CAPITAL

A deterioration in capital assets can have a direct impact on the State's economy and its ability to attract and retain business. Capital assets not only include highways and bridges, but also include education, government, health and recreation facilities.

- Overall capital spending in 2005 was \$238 million (5.3%) higher than in 2001. Transportation-related spending accounts for most of the increase.
- In 1994, the pay-as-you-go share of non-Federal capital financing was 51%. Since then, pay-as-you-go financing has averaged 39%.
- In the currently proposed Capital Program and Financing Plan, spending is projected to average \$7.1 billion per year through 2009-10. At the same time, the projected share of non-Federal capital spending financed on a pay-as-you-go basis will average 28% over the five-year period.
- At March 31, 2005, the State reported \$84.2 billion in capital assets, an increase of \$1.3 billion or 1.6% from the prior year. Capital assets include buildings, construction in progress, equipment, land preparation, and infrastructure such as roads and bridges.



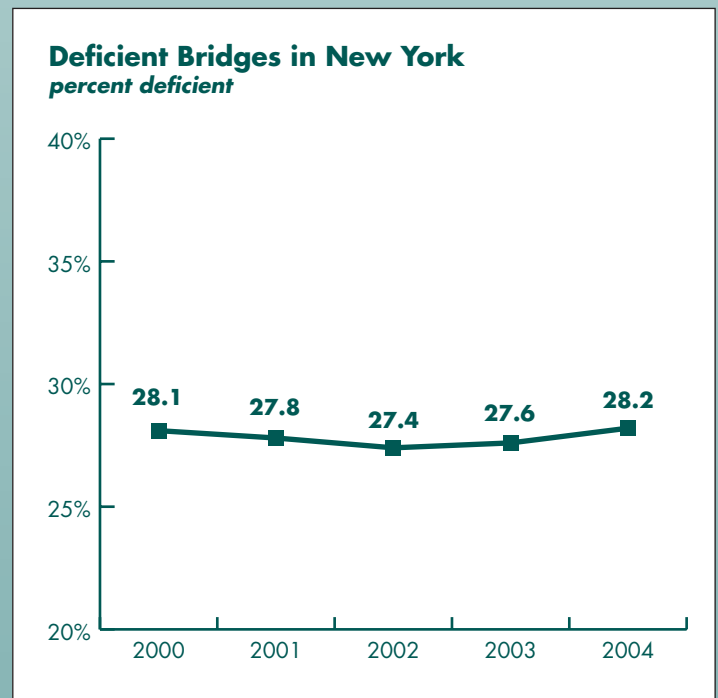
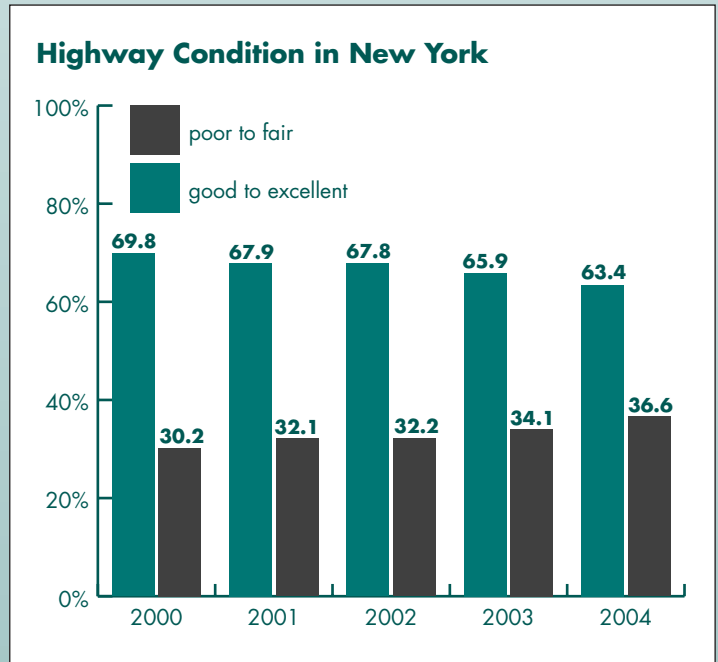
**The State reported \$84.2 billion in capital assets at March 31, 2005**



# ROADS AND BRIDGES

Data on the condition of highways and bridges, as provided by the State Department of Transportation, provide insight into the quality of infrastructure which is used daily by residents and businesses.

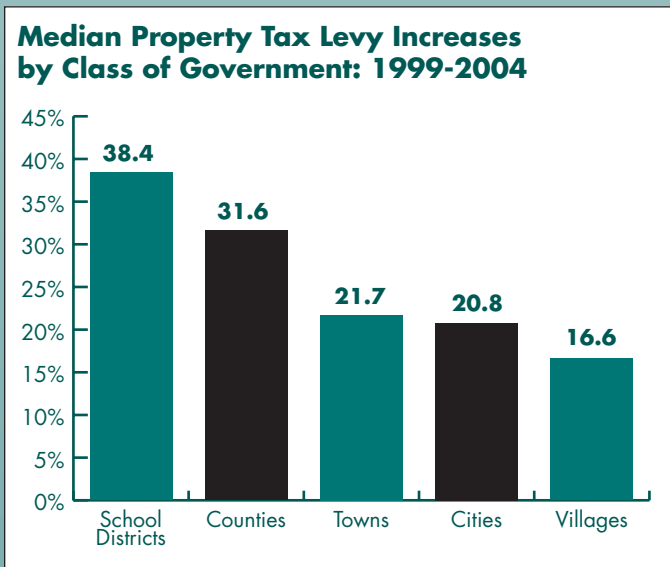
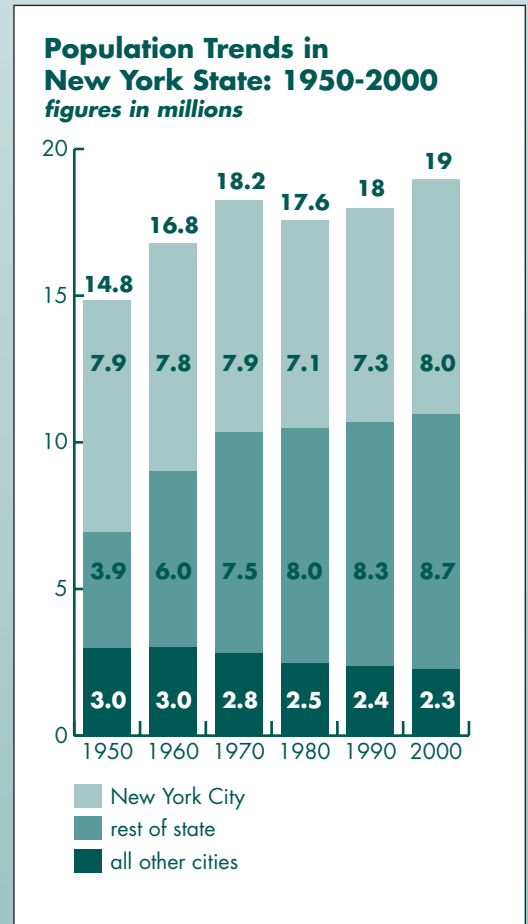
- The State is responsible for maintaining more than 42,000 lane miles of highway.
- The number of highway lane miles rated poor/fair has increased by 21.5% since 2000.
- In 2004, 63.4% of the State's highways were rated good or excellent, a 8.9% decline since 2000.
- The State is responsible for maintaining more than 7,800 bridges, of which 28.2% were rated deficient in 2004 as compared to 28.1% in 2000, reflecting little change.
- The State's 2004 percentage (28.2%) of deficient bridges compares to the nationwide percentage of 21.6%. A deficient rating means it is either structurally or functionally deficient, but not a current safety threat.



# LOCAL GOVERNMENTS

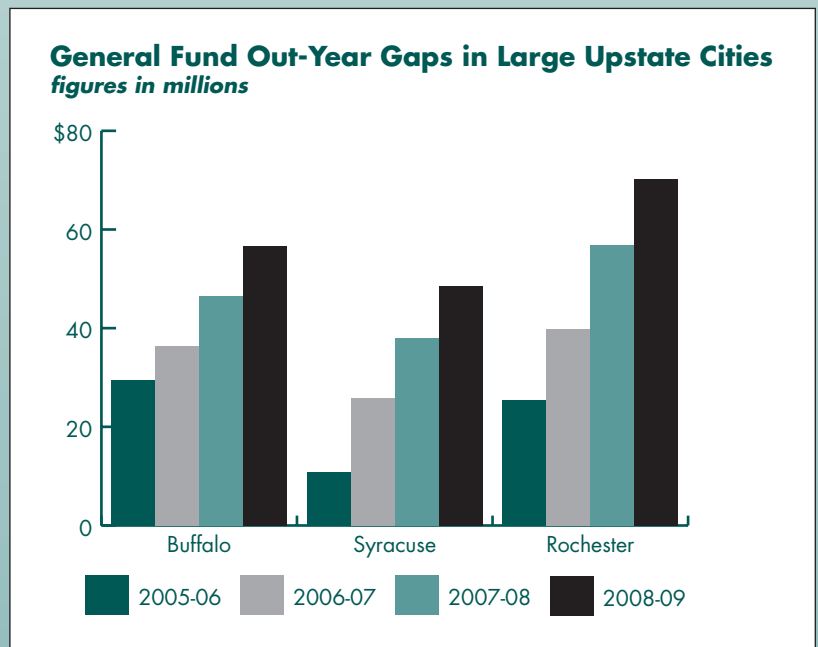
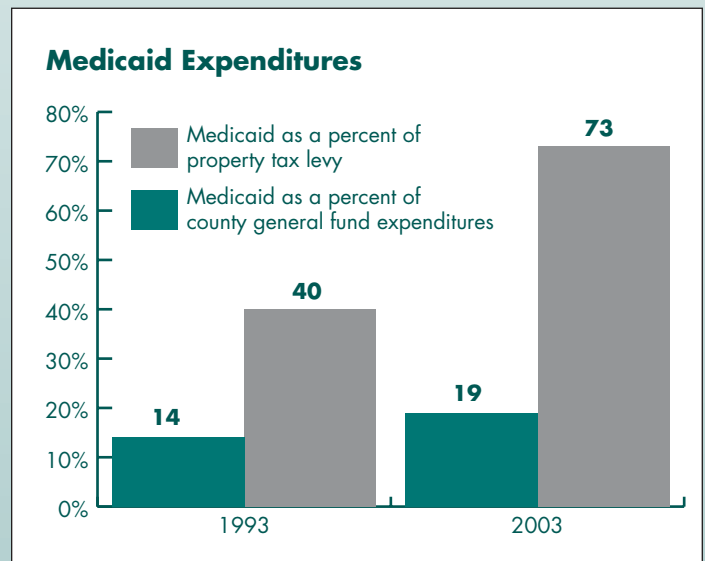
New York's local governments face tough fiscal challenges in increasingly complex environments. Local responses to diminishing resources and increasing costs have included budget cuts, increased sales tax rates and increased local taxes and fees. Some communities have also sought emergency assistance, such as authorization for deficit financing and emergency State aid increases or payment accelerations. Despite some 2005 State budgetary relief - the Medicaid cap and increased revenue sharing - local governments continue to face a number of challenges to fiscal stability and budget balance. Many communities, particularly upstate urban communities, are also confronted with population losses and deteriorating tax bases. These developments highlight the need for multi-year financial planning.

- Property tax revenues continue to represent the major source of revenue for local governments, accounting for 30% of local revenues in 2003 (42% excluding New York City). For counties, cities, towns and villages combined, property tax levies grew 25.3% between 1999 and 2004 (4.6% on an average annual basis). School district property tax levy increases outpaced all other classes of local government, with a median increase of 38.4% between 1999 and 2004 (6.6% on an average annual basis). New York's local tax burden remains the highest in the nation.
- Sales taxes also represent an important revenue source for local governments. Most counties (47 out of 57) have received legislative approval to increase their local sales tax rates above the original 3% limit. Presently, 33 counties have combined State/local sales tax rates of 8% and six counties have combined State/local sales tax rates exceeding 8%.



Local Medicaid costs have been a growing burden on county budgets over the last decade. In 1993, Medicaid accounted for 14% of total county general fund expenditures and 40% of total property tax levies. In 2003, Medicaid accounted for 19% of total county general fund expenditures and 73% of total property tax levies. State leaders have finally responded to this Medicaid burden by passing legislation that limits the growth in the local share of Medicaid. Beginning in January of 2006, growth in local Medicaid costs will be capped at 3.5% of 2005 expenditures. Growth will be capped at 3.25% in 2007 and 3.0% in 2008 and beyond.

New York's large upstate cities face persistent and increasing budget gaps resulting from the overall imbalance between ongoing revenue and expenditure projections. Current projected budget deficits ranging from 6% to 9% of total general fund expenditures in 2005-06, widen to 16% to 22% of total general fund expenditures by 2008-09.



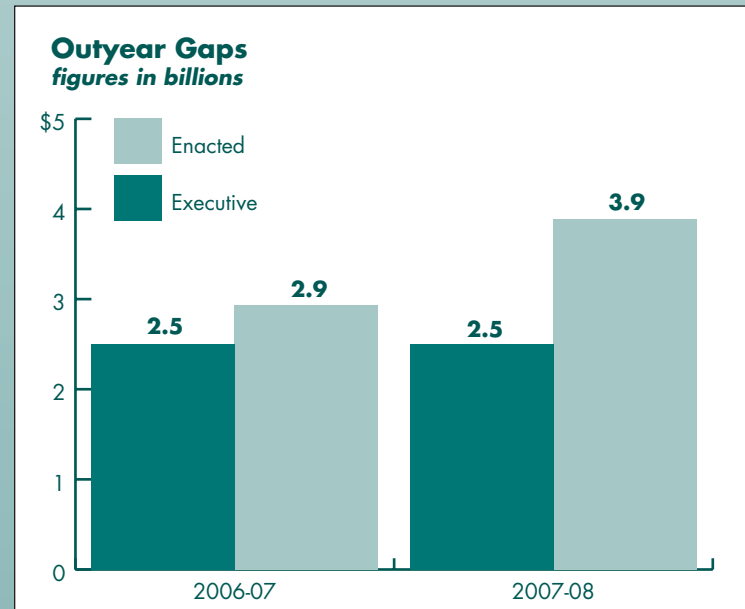
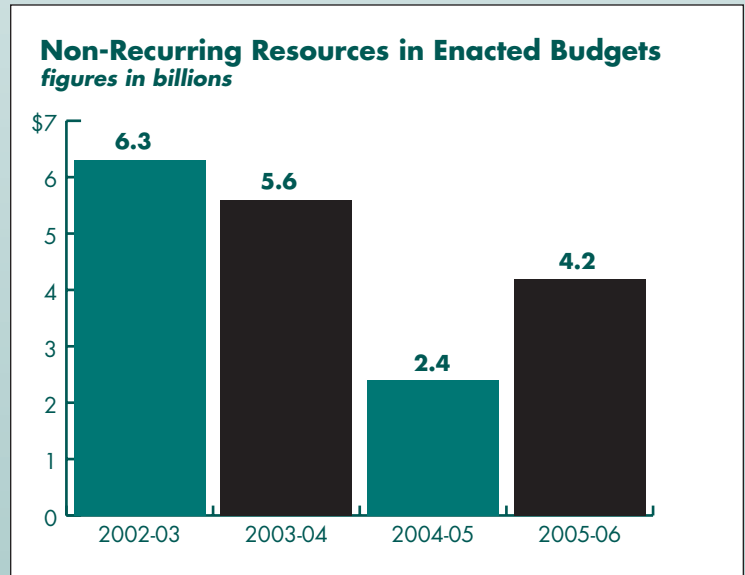
# IMPLICATIONS FOR THE FUTURE

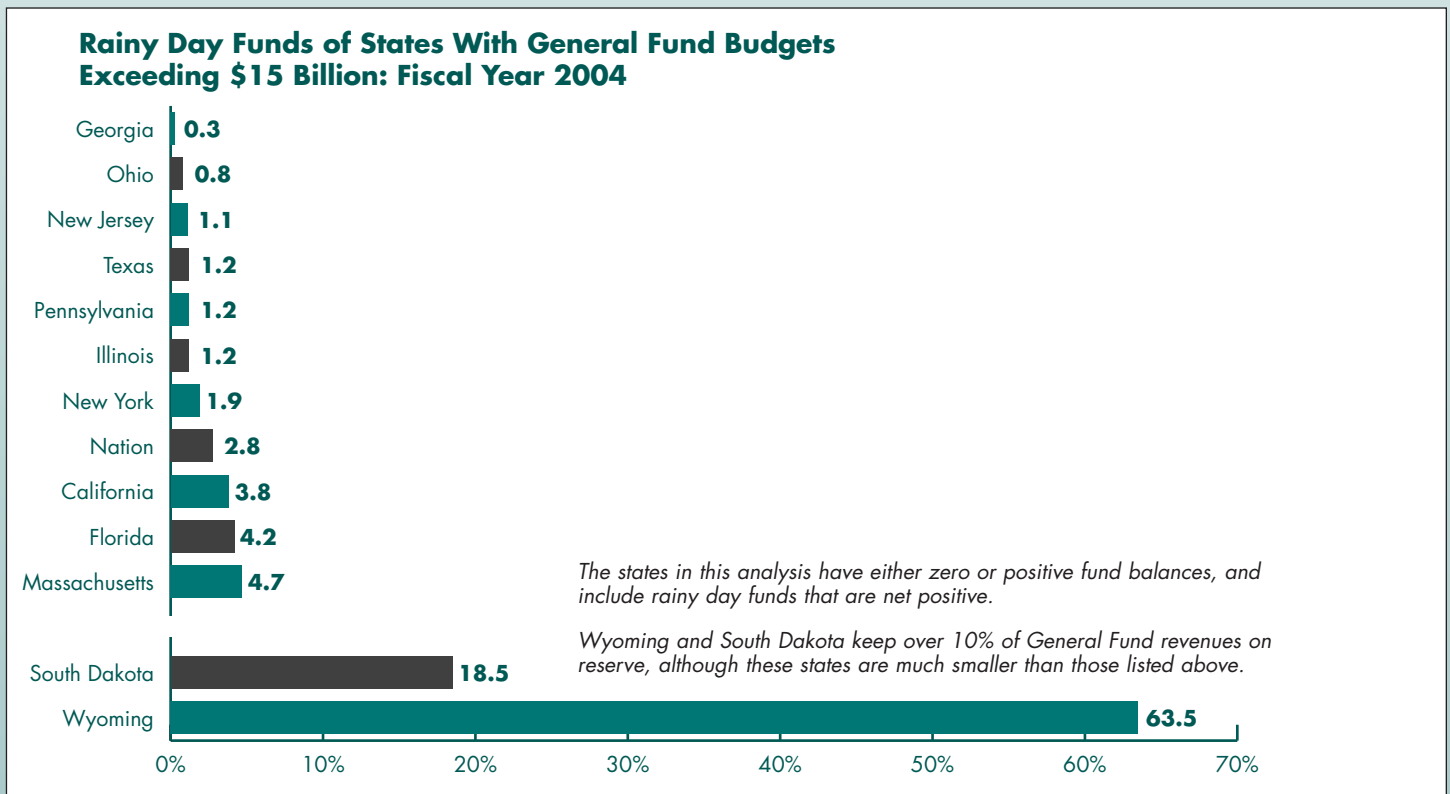
When New York entered a recession in March 2001, revenue collection slowed significantly. Two years of severe fiscal instability followed, fueled by the attacks of September 11, 2001, the conflict in Iraq, and stock market scandals. New York began relying heavily on non-recurring resources to balance its budget, using over \$18 billion in one-shot revenues since 2002-03.

The budget enacted for 2005-06 relies on \$4.2 billion in non-recurring resources to maintain balance throughout the year, representing almost 10% of General Fund spending. This structural imbalance — not raising as much in revenues as is spent — causes massive out-year gaps.

In addition to the high level of non-recurring resources, the 2005-06 budget also makes risky assumptions about spending and revenue levels. Debt service payments, for example, are projected to be \$150 million lower due to debt management actions such as refinancing. But interest rates are climbing and the State's ability to refund outstanding debt is nearly gone, leaving the possibility of increased rather than decreased debt service payments. The 2005-06 budget also assumes voters will approve the \$2.9 billion Transportation Bond Act in November, providing nearly \$100 million for transportation projects in 2005-06.

The Division of the Budget projects future budget gaps at \$2.9 billion in 2006-07 and \$3.9 billion in 2007-08. The use of one-shots, coupled with spending and revenue risks, further adds to the State's structural gaps and has long-term negative implications for the State.





New York’s rainy day fund — the reserve set aside for times of economic downturn — is much smaller than the national average. In 2004, the national average was 2.8% of General Fund revenues, but New York had reserved only 1.9%. Other large states are able to keep at least 2% of General Fund revenues in reserve, and some states do even better: Wyoming and South Dakota reserve 64% and 19%, respectively.<sup>1</sup>

Over the past decade, New York has consistently projected budget gaps for future years. This structural imbalance — the condition of spending growth being greater than underlying revenue growth — is the most prominent sign of New York’s precarious financial condition.

Even though the State has continually faced multi-billion-dollar structural deficits, including an 18-month, nearly \$12 billion shortfall between 2001 and 2003, its rainy day fund (Tax Stabilization Reserve Fund) has not been used. Instead, the State has turned to unrestricted reserves, tax and fee increases, and administrative actions to address shortfalls, along with fiscal gimmicks like fund raids, new debt, and delayed payments.

These harmful practices are exacerbated by the State’s lack of long-term planning. The Comptroller advocates reforms such as long-term financial planning, the establishment of a meaningful and restricted reserve fund, and an improved budget process. To fully take advantage of all the State’s vast resources, and to effectively serve the interests of the public, budgets must be approached strategically, rather than reactively.

<sup>1</sup> Note that Wyoming budgets on a biennial basis.



# NEW YORK'S PUBLIC AUTHORITIES

Public authorities are legally separate entities that provide services to the public as well as to State and local governments. While generally supported through revenues derived from their activities, State and local governments do, in some cases, provide financial assistance and support for operating and other expenses. New Yorkers pay for public authorities in the form of rates, tolls or fees, and New York taxes offset authority-related tax exemptions and pay the debt service on certain authority-issued debt.

- The 18 largest public authorities in New York State had total outstanding debt of almost \$120.4 billion in 2004. This includes only public authorities that are not reported as part of a local government, some of which do have more than \$100 million in bonds outstanding.
- Over the past 20 years, State-funded (non-voter approved) public authority debt increased by 680%, from \$5.7 billion in 1985 to \$44.6 billion in 2005. During the same period, General Obligation (voter approved) debt decreased by 4%, from \$3.8 billion in 1985 to \$3.65 billion in 2005.
- Of the more than 730 public authorities in the State, 259 operate either statewide, regionally, interstate or internationally and employed over 105,000 people in 2004.
- The 46 public authorities that report procurement activity to the Comptroller's Office awarded 11,661 contracts valued at \$5.7 billion in 2004. These same entities made payments of more than \$4.7 billion pursuant to contracts in 2004.

The fiscal stability of the State is related in part to the fiscal stability of certain public authorities closely related to the State. The State's access to public credit markets could be impaired if certain public authorities closely associated to the State were to default on their obligations. The following authorities are not related to a local government and have more than \$100 million in debt outstanding.

## Outstanding Debt of Certain Authorities<sup>(1)</sup> as of December 31, 2004 (millions of dollars)

<sup>(1)</sup> Includes only public authorities that are not reported as part of a local government, some of which do have more than \$100 million in bonds outstanding.

<sup>(2)</sup> Amounts outstanding reflect original par amounts for bonds and financing arrangements or original net proceeds in the case of capital appreciation bonds. Amounts outstanding do not reflect accretion of capital appreciation bonds or premiums received.

<sup>(3)</sup> Includes short-term and long-term debt.

<sup>(4)</sup> Reflects debt for which the primary repayment source is from State appropriations or assigned revenues of the State.

<sup>(5)</sup> Includes debt previously issued by New York State Medical Care Facilities Finance Agency, which was consolidated with the Dormitory Authority on September 1, 1995.

<sup>(6)</sup> Includes \$155 million in bonds issued by the Energy Research and Development Authority and included in amounts reported for both ERDA and LIPA.

<u>Authority</u>	<u>Total Debt</u> <sup>(2)(3)</sup>	<u>State Debt</u> <sup>(2)(4)</sup>
Dormitory Authority <sup>(5)</sup>	\$31,529	\$13,013
Metropolitan Transportation Authority	13,422	2,375
Port Authority of NY & NJ	10,961	0
Thruway Authority	10,479	8,782
Long Island Power Authority <sup>(6)</sup>	7,184	0
Triborough Bridge and Tunnel Authority	7,070	268
Environmental Facilities Corporation	7,023	652
UDC\ESDC	6,515	5,910
Housing Finance Agency	6,334	1,244
Tobacco Settlement Financing Corporation	4,495	4,495
Local Government Assistance Corporation	4,449	4,449
Energy Research and Development Authority	3,687	30
State of New York Mortgage Agency	2,893	0
Power Authority	2,283	0
Battery Park City Authority	1,133	0
Municipal Bond Bank Agency	572	507
Niagara Frontier Transportation Authority	194	0
United Nations Development Corporation	128	0
<b>TOTAL OUTSTANDING</b>	<b>\$120,351</b>	<b>\$41,725</b>

# APPENDIX 1

## State Funds Spending by Major Service Function

figures in millions

STATE FUNDS SPENDING FOR THE YEAR ENDED MARCH 31:	2001	2002	2003	2004	2005
<b>EDUCATION</b>	<b>\$21,464</b>	<b>\$23,123</b>	<b>\$22,158</b>	<b>\$25,744</b>	<b>\$25,936</b>
Public Schools	14,285	15,338	14,333	17,037	16,581
State University of New York	3,484	3,694	4,059	4,184	4,438
School Tax Relief (STAR)	1,877	2,510	2,664	2,820	3,059
City University of New York	1,103	814	714	1,049	860
Tuition Assistance Program	639	690	310	586	929
Higher Education Services	76	77	78	68	69
<b>PUBLIC HEALTH</b>	<b>10,803</b>	<b>11,916</b>	<b>13,001</b>	<b>13,675</b>	<b>14,691</b>
Health and Mental Health Services	2,858	3,378	3,381	3,193	3,450
Medical Assistance (Medicaid)	7,877	8,456	9,467	10,461	11,127
Payments made by the Dormitory Authority	68	82	153	21	114
<b>PUBLIC WELFARE</b>	<b>3,522</b>	<b>3,423</b>	<b>2,832</b>	<b>3,562</b>	<b>3,598</b>
Public Welfare	3,159	3,029	2,418	3,147	3,183
Public Housing	167	188	208	186	188
Employment Services	196	206	206	229	227
<b>PROTECT THE PEOPLE</b>	<b>2,943</b>	<b>2,975</b>	<b>2,986</b>	<b>3,127</b>	<b>3,262</b>
Criminal Justice & Correctional Alternatives	884	904	891	933	947
Emergency Management & Security Services	38	54	86	96	78
Prisons and Reformatons	2,021	2,017	2,009	2,098	2,237
<b>TRANSPORTATION</b>	<b>3,806</b>	<b>3,758</b>	<b>4,074</b>	<b>3,903</b>	<b>3,901</b>
Traffic Safety	184	190	188	179	187
Transportation	3,374	3,299	3,608	3,417	3,413
Payments Made by the New York State Thruway Authority	248	269	278	307	301
<b>PRESERVATION OF NATURAL AND CULTURAL RESOURCES</b>	<b>956</b>	<b>888</b>	<b>845</b>	<b>899</b>	<b>825</b>
Environmental Protection	596	570	538	574	515
Parks, Recreation & Historic Preservation	306	266	256	279	265
Cultural Programs	54	52	51	46	45
<b>SUPPORT AND REGULATE BUSINESS</b>	<b>575</b>	<b>579</b>	<b>562</b>	<b>441</b>	<b>474</b>
Commerce, Industry, & Agriculture	377	375	341	237	262
Regulate Business	198	204	221	204	212
<b>SHARE GENERAL REVENUES WITH LOCAL GOVERNMENTS</b>	<b>980</b>	<b>832</b>	<b>963</b>	<b>853</b>	<b>1,034</b>
<b>REPAY BORROWED MONEY AND REDUCE DEBT</b>	<b>4,083</b>	<b>4,143</b>	<b>3,038</b>	<b>3,351</b>	<b>3,788</b>
<b>OPERATE THE STATE GOVERNMENT</b>	<b>5,625</b>	<b>5,904</b>	<b>6,251</b>	<b>6,761</b>	<b>7,420</b>
Other Executive Agencies	965	948	1,011	978	1,006
Office of the State Comptroller	129	143	156	149	160
Office of the Attorney General	129	139	146	139	161
Legislature	196	208	219	202	207
Court Administration	1,309	1,393	1,456	1,429	1,506
Pension Contributions & Other Employee Benefits	2,612	2,719	2,958	3,528	4,090
Other	285	354	305	336	290
<b>TOTAL STATE FUNDS SPENDING</b>	<b>\$54,757</b>	<b>\$57,541</b>	<b>\$56,710</b>	<b>\$62,316</b>	<b>\$64,929</b>

# APPENDIX 2

## Federal Funds Spending by Major Service Function

figures in millions

<b>FEDERAL FUNDS SPENDING FOR THE YEAR ENDED MARCH 31:</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>
<b>EDUCATION</b>	<b>\$2,260</b>	<b>\$2,371</b>	<b>\$3,024</b>	<b>\$3,620</b>	<b>\$3,505</b>
Public Schools	2,124	2,210	2,466	3,218	3,319
State University of New York	131	144	166	174	167
Tuition Assistance Program	5	11	385	224	12
Higher Education Services	—	6	7	4	7
<b>PUBLIC HEALTH</b>	<b>16,949</b>	<b>18,125</b>	<b>20,772</b>	<b>22,657</b>	<b>23,920</b>
Health and Mental Health Services	3,235	3,165	3,380	3,585	3,700
Medical Assistance (Medicaid)	13,714	14,960	17,392	19,072	20,220
<b>PUBLIC WELFARE</b>	<b>4,250</b>	<b>4,890</b>	<b>5,840</b>	<b>5,481</b>	<b>5,053</b>
Public Welfare	3,685	4,231	5,031	4,749	4,490
Public Housing	15	15	14	13	13
Employment Services	550	644	795	719	550
<b>PROTECT THE PEOPLE</b>	<b>306</b>	<b>817</b>	<b>1,322</b>	<b>1,882</b>	<b>1,731</b>
Criminal Justice & Correctional Alternatives	88	126	115	274	306
Emergency Management & Security Services	109	614	1,112	1,573	1,410
Prisons and Reformatons	109	77	95	35	15
<b>TRANSPORTATION</b>	<b>933</b>	<b>1,030</b>	<b>1,158</b>	<b>1,074</b>	<b>1,353</b>
Traffic Safety	10	11	15	15	14
Transportation	923	1,019	1,143	1,059	1,339
<b>PRESERVATION OF NATURAL AND CULTURAL RESOURCES</b>	<b>351</b>	<b>307</b>	<b>281</b>	<b>272</b>	<b>243</b>
Environmental Protection	348	302	273	265	235
Parks, Recreation & Historic Preservation	3	4	7	6	7
Cultural Programs	—	1	1	1	1
<b>SUPPORT AND REGULATE BUSINESS</b>	<b>13</b>	<b>15</b>	<b>45</b>	<b>17</b>	<b>16</b>
Commerce, Industry, & Agriculture	11	14	44	16	15
Regulate Business	2	1	1	1	1
<b>SHARE GENERAL REVENUES WITH LOCAL GOVERNMENTS</b>	<b>77</b>	<b>95</b>	<b>101</b>	<b>117</b>	<b>102</b>
<b>OPERATE THE STATE GOVERNMENT</b>	<b>174</b>	<b>204</b>	<b>233</b>	<b>219</b>	<b>231</b>
Other Executive Agencies	22	27	27	24	24
Office of the Attorney General	18	19	22	18	22
Court Administration	3	3	5	5	3
Pensions and Other Employee Benefits	131	155	179	172	182
<b>TOTAL FEDERAL FUNDS SPENDING</b>	<b><u>\$25,313</u></b>	<b><u>\$27,854</u></b>	<b><u>\$32,776</u></b>	<b><u>\$35,339</u></b>	<b><u>\$36,154</u></b>

# APPENDIX 3

## STATE REVENUES BY MAJOR SOURCE

figures in millions

STATE REVENUES FOR THE YEAR ENDED MARCH 31:	2001	2002	2003	2004	2005
<b>TOTAL TAXES</b>	<b>\$44,607</b>	<b>\$44,315</b>	<b>\$40,675</b>	<b>\$42,254</b>	<b>\$48,495</b>
<b>PERSONAL INCOME TAX</b>	<b>26,892</b>	<b>27,414</b>	<b>23,698</b>	<b>24,050</b>	<b>27,997</b>
<b>CONSUMER TAXES AND FEES</b>	<b>10,670</b>	<b>10,543</b>	<b>10,804</b>	<b>11,919</b>	<b>13,036</b>
Sales Tax	8,732	8,540	8,796	9,907	11,016
Motor Vehicle Fees	495	584	612	654	666
Cigarette and Tobacco Products Taxes	528	532	446	419	406
Motor Fuel Tax	510	489	544	516	530
Alcoholic Beverage Tax	211	212	222	237	227
Highway Use Tax	155	148	147	147	151
Auto Rental Tax	39	38	37	39	40
<b>BUSINESS TAXES</b>	<b>5,846</b>	<b>5,185</b>	<b>4,983</b>	<b>5,007</b>	<b>5,806</b>
Corporation Franchise Tax	2,631	1,702	1,612	1,700	2,111
Corporation and Utilities Taxes	1,009	1,218	1,091	882	827
Insurance Taxes	644	696	776	1,031	1,108
Bank Tax	591	566	481	342	675
Petroleum Business Tax	971	1,003	1,023	1,052	1,085
<b>OTHER TAXES</b>	<b>1,199</b>	<b>1,173</b>	<b>1,190</b>	<b>1,278</b>	<b>1,656</b>
Real Property Gains Tax	6	5	5	4	1
Estate and Gift Taxes	758	767	708	736	898
Pari-Mutuel Taxes	29	30	29	27	26
Real Estate Transfer Tax	405	370	447	510	730
Racing and Boxing Exhibition Taxes	1	1	1	1	1
<b>GAMING AND LOTTERY INCOME</b>	<b>1,587</b>	<b>1,713</b>	<b>1,931</b>	<b>2,129</b>	<b>2,222</b>
<b>FEDERAL GRANTS</b>	<b>25,786</b>	<b>28,124</b>	<b>33,256</b>	<b>37,323</b>	<b>36,222</b>
<b>OTHER REVENUES</b>	<b>7,605</b>	<b>7,727</b>	<b>10,713</b>	<b>15,218</b>	<b>12,096</b>
Student Tuitions and Fees	1,079	1,149	1,174	1,376	1,454
Hospital Patient Fees	931	1,073	1,290	1,280	1,412
Income from Investments	581	427	77	56	78
Abandoned Property	305	407	729	597	563
Reimbursement of Advances	748	692	883	918	1,041
Transfers from Public Benefit Corporations	124	138	572	344	672
Regulatory Assessments	1,764	1,853	2,740	2,580	1,502
Tobacco Control & Insurance Initiatives Pool	373	495	1,258	2,075	3,202
Securitization of Tobacco Settlement Funds	—	—	—	4,200	—
Transfers from Tobacco Settlement Fund	328	91	90	—	183
Miscellaneous Licenses, Fees and Other	1,372	1,402	1,700	1,792	1,989
Loans from HCRA Pools	—	—	200	—	—
<b>BORROWED AND ADDED TO DEBT</b>	<b>2,073</b>	<b>1,930</b>	<b>2,174</b>	<b>2,534</b>	<b>2,134</b>
Bonds and Notes Issued by the State	219	211	245	140	178
Public Authority Financings <sup>1</sup>	1,854	1,719	1,929	2,394	1,956
<b>TOTAL STATE REVENUES</b>	<b><u>\$81,658</u></b>	<b><u>\$83,809</u></b>	<b><u>\$88,749</u></b>	<b><u>\$99,458</u></b>	<b><u>\$101,169</u></b>

<sup>1</sup> Amount includes financing from the NYS Thruway Authority and the Dormitory Authority of the State of New York.

# 2005 COMPTROLLER'S REPORT ON THE FINANCIAL CONDITION OF NEW YORK STATE

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## **Data Sources**

Campaign for Fiscal Equity

Grapevine Study, Illinois State University

Moody's Investors Service

New York State Association of Counties

New York Stock Exchange

NYS Division of the Budget

NYS Department of Labor

NYS Department of Health

NYS Department of Taxation and Finance

NYS Department of Transportation

NYS Education Department

Office of the State Comptroller

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