

Details of Pricing Differences Between IBO and the Administration

Items that Affect the Gap

Dollars in millions

	2001	2002	2003	2004	2005
Gaps as Estimated by the Mayor	\$ -	\$ -	\$ (2,781)	\$ (2,898)	\$ (2,721)
IBO Pricing Differences:					
Revenues:					
Taxes:					
Property	(47)	(10)	(9)	(7)	8
Personal Income	(63)	225	76	(80)	(196)
General Sales	81	163	170	211	206
Business Income	92	(56)	(24)	(224)	(186)
Real-Estate Related	5	118	90	87	82
Total Taxes	68	440	303	(13)	(86)
Tax Reduction Program	-	(7)	(12)	(32)	(8)
STaR Reimbursement	-	5	17	8	18
Airport Rent	-	-	(170)	(315)	(280)
Sale of OTB	-	(250)	250	-	-
Anticipated State Actions	-	(51)	(76)	(76)	(76)
Total Revenues	68	137	312	(428)	(432)
Expenditures:					
Public Assistance	(63)	(77)	(64)	(64)	(64)
Medicaid	(49)	(158)	(183)	(187)	(298)
Education (excluding labor adjustment)	5	(282)	(291)	(426)	(505)
Education Reserve (shift to BOE)	-	85	101	101	101
Interim Waste Export Contracts	5	11	11	8	4
Federal Actions not Expected	-	(26)	(8)	(8)	(8)
Federal Reimbursement (Dept. of Corrections)	-	15	15	15	15
Labor Costs Exceeding Reserves	-	-	(299)	(566)	(874)
Campaign Finance Board	-	-	-	(30)	-
Overtime	-	(50)	(145)	(145)	(145)
Total Expenditures	(102)	(482)	(863)	(1,302)	(1,774)
Reduce Debt Service Prepayment	34	(34)	-	-	-
Total Pricing Differences	-	(379)	(551)	(1,730)	(2,206)
IBO Surplus/(Gap) Estimate	\$ -	\$ (379)	\$ (3,332)	\$ (4,628)	\$ (4,927)

SOURCE: IBO.

NOTES: IBO projects a surplus of \$2,727 billion for 2001, \$34 million below the Administration's forecast.

The \$2,727 billion is used to prepay 2002 expenditures, leaving 2001 with a balanced budget.

Negative pricing differences (in parentheses) widen the gaps, while positive pricing differences narrow the gaps.

Pricing differences exclude intra-city revenues and expenditures.