

Budget & Financial Plan

BUDGETED REVENUES, EXPENDITURES, AND CHANGES IN CURRENT NET ASSETS
 (in thousands)

	Last Year (Actual) 2012	Current Year (Estimated) 2013	Next Year (Adopted) 2014	Proposed 2015	Proposed 2016	Proposed 2017
<u>REVENUE & FINANCIAL SOURCES</u>						
Operating Revenues						
Charges for services						
Rental & financing income	\$0	\$0	\$0	\$0	\$0	\$0
Other operating revenues	\$11,502	\$8,191	\$6,947	\$5,683	\$4,460	\$3,270
Nonoperating Revenues						
Investment earnings	\$244	\$250	\$255	\$260	\$265	\$270
State subsidies/grants						
Federal subsidies/grants						
Municipal subsidies/grants						
Public authority subsidies	\$19	\$230	\$5,750	\$750	\$420	\$2,500
Other nonoperating revenues						
Proceeds from the issuance of debt	\$10,008	\$2,675	\$10,000	\$0	\$0	\$0
Total Revenues & Financing Sources	\$21,773	\$11,346	\$22,952	\$6,693	\$5,145	\$6,040
<u>EXPENDITURES</u>						
Operating Expenditures						
Salaries and wages	110	213	213	213	213	183
Other employee benefits	21	21	21	21	21	21
Professional services contracts	0	0	0	0	0	0
Supplies and materials	0	0	0	0	0	0
Other operating expenditures	512	531	536	541	546	551
Nonoperating Expenditures						
Payment of principal on bonds and financing arrangements	\$4,280	\$3,505	\$3,090	\$3,090	\$3,085	\$3,085
Interest and other financing charges	1,247	897	725	563	400	263
Subsidies to other public authorities	\$0	\$0	\$0	\$0	\$0	\$0
Capital asset outlay	\$0	\$0	\$0	\$0	\$0	\$0
Grants and donations	19	230	5,750	750	420	2,500
Other nonoperating expenditures						
Total Expenditures	\$6,189	\$5,397	\$10,335	\$5,178	\$4,685	\$6,603
Capital Contributions	\$0	\$0	\$0	\$0	\$0	\$0
Excess (deficiency) of revenues and capital contributions over expenditures	\$15,584	\$5,949	\$12,617	\$1,515	\$460	(\$563)

**New York Job Development Authority
Budget and Financial Plan Report
2012 - 2017**

§203.6 (a) – Relationship with the unit or units of government, if any, on whose behalf or benefit the authority was established

(a) General

New York Job Development Authority (the "Authority" or "JDA"), doing business as Empire State Development ("ESD"), is a public benefit corporation organized and existing under the laws of the State of New York (the "State"). The Authority's main function is assisting private sector business expansion and job creation throughout the State. As a public benefit corporation, the Authority is tax exempt. The Authority is a component unit of the State and, as such, its financial statements are included in the State's general purpose financial statements.

(b) Activities

The principal activities of the Authority are providing business and industrial loans, described in the Authority's enabling legislation as "Special Purpose Loans," and the guarantee of loans made by banking organizations (as defined in the enabling legislation), described as "Special Purpose Loan Guarantees." All such loans and loan guarantees are made to businesses with operations in the State, and are provided for acquisition of real estate or machinery and equipment. The Authority generally requires security for loans and loan guarantees with the underlying assets and other available collateral.

The Authority finances these lending activities, as necessary, through the issuance of State guaranteed bonds and notes (the "Bonds") limited by the Constitution of the State and applicable legislation to an aggregate principal amount of \$900,000,000 outstanding at any time. To date, enabling legislation allows an aggregate principal amount of \$750,000,000 to be outstanding at any time.

The guarantee of the Bonds by the State is authorized by the New York Job Development Authority Act, as amended by Section 1813 of Title 8 Article 8 of the Public Authorities Law and Section 8 Article X of the Constitution of New York State. Under these provisions, if the Authority fails to pay, when due, the principal or interest on the Bonds or if sued by any holder of the Bonds, the State Comptroller must set apart from the first revenues thereafter received from any source, applicable to the General Fund of the State, a sum sufficient to pay such principal and interest, and shall so apply the monies thus set apart. Effectively, the State is subrogated to the rights of the bondholders. The net assets of the fund are considered restricted.

The Authority has the power to create local development corporations under Section 1804 of the New York Public Authorities Law and Section 1411 of the New York Not-for-Profit Corporation Law. The Authority has created three Local Development Corporations, the New York Liberty Development Corporation (the "NYLDC"), the Empire State Local Development Corporation (the "ESLDC"), and the Brooklyn Arena Local Development Corporation (the "BALDC"). The Authority's Board has authorized the creation of the Canal Side Local Development Corporation (the "CSLDC").

JDA substantially controls the operations of the Local Development Corporations. Under Governmental Accounting Standard Board Statement (GASB) No. 39 – "The Financial Reporting

Entity," NYLDC, ESLDC and BALDC are considered blended component units of the Authority, and their assets, liabilities, and results of operations are combined with the operations of the Authority for financial reporting purposes.

§203.6 (b) – Description of the budget process, including the dates of key budget decisions

Not Applicable

§203.6 (c) – Description of principal budget assumptions, including sources of revenues, staffing and programmatic goals

Not Applicable

§203.6 (d) – Self-assessment of budgetary risks

Not Applicable

§203.6 (e) – Revised forecast of the current year's budget

Not Applicable

§203.6 (f) – Reconciliation that identifies all changes in estimates from the projections in the previously approved budget or plan

Not Applicable

§203.6 (g) – Statement of the last completed fiscal year's actual financial performance in categories consistent with the proposed budget or financial plan

See Accompanying Budget and Financial Plan FY2011-2016

§203.6 (h) – Projection of the number of employees, including sources of funding, the numbers of full-time and full-time equivalents, and functional classifications

Not Applicable

§203.6 (i) – Statement of each revenue-enhancement and cost-reduction initiative that represents a component of any gap-closing program and the annual impact on revenues, expenses and staffing

Not Applicable

§203.6 (j) – Statement of the source and amount of any material non-recurring resource for use in any given fiscal year

- Pre-payments on any loan within the Authority which are not readily forecasted or valued are reflected as revenue when received.

§203.6 (k) – Statement of any transactions that shift material resources from one year to another and the amount of any reserves

None

§203.6 (l) – Statement of borrowed debt projected to be outstanding at the end of each fiscal year covered by the budget or financial plan; the planned use or purpose of debt issuances; scheduled debt service payments for both issued and proposed debt; the principal amount of proposed debt and assumed interest rate(s); debt service for each issuance as a percentage of total pledged revenues, listed by type or category of pledged revenues; cumulative debt service as a percentage of available revenues; and amount of debt that can be issued until legal limits are met

See Accompanying Statement (Attachment #1)

§203.6 (m) – Statement of the annual projected capital cost broken down by category and sources of funding, and for each capital project, estimates of the annual commitment, total project cost, expected date of completion and the annual cost for operating and maintaining those capital projects or capital categories that, when placed into service, are expected to have a material impact on the operating budget

Not Applicable

New York State Job Development Authority-Special Purpose Fund
 Debt Service Schedule
 As of March 31, 2012

Bonds	March 31, 2010		2012		2013		2014		2015		2016		2017	
	Outstanding	Principal Balance	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2004 Series A	12,310,000.00		4,280,000	363,800.00	3,505,000	167,450.04	-	-	-	-	3,085,000	492,983.00	3,085,000	331,329.00
2004 Series B	15,435,000.00		-	808,163.00	-	808,163.00	3,090,000	808,163.00	3,090,000	651,809.00	3,085,000	492,983.00	3,085,000	331,329.00
	27,745,000.00		4,280,000	1,171,963.00	3,505,000	975,613.04	3,090,000	808,163.00	3,090,000	651,809.00	3,085,000	492,983.00	3,085,000	331,329.00