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The City of New York  
**Mayor's Office of Management and Budget**  
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Dean Fuleihan  
Director

January 24, 2017

**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. 17-2 to the Financial Plan for the City and Covered Organizations for fiscal years 2017-2021 (the "Modification"). The Modification as it relates to the City is attached hereto as Exhibit A. The Plan for the 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") except for the application of Statement No. 49 of the Government Accounting Standards Board ("GASB 49"), and 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 judgment, the Modification is complete and complies with the standards set forth in Section 8.1 of the Act.

Yours truly,

A handwritten signature in cursive script, appearing to read "D. Fuleihan".

Dean Fuleihan

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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)**

<b>REVENUES</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>
<b>Taxes</b>					
General Property Tax	\$ 24,196	\$ 25,629	\$ 27,292	\$ 28,618	\$ 29,929
Other Taxes	29,646	30,556	31,712	33,079	34,208
Tax Audit Revenue	1,041	850	721	721	721
Subtotal: Taxes	\$ 54,883	\$ 57,035	\$ 59,725	\$ 62,418	\$ 64,858
Miscellaneous Revenues	6,835	6,362	6,602	6,804	6,807
Unrestricted Intergovernmental Aid	57	-	-	-	-
Less: Intra-City Revenue	(2,039)	(1,786)	(1,781)	(1,787)	(1,787)
Disallowances Against Categorical Grants	200	(15)	(15)	(15)	(15)
Subtotal: City Funds	\$ 59,936	\$ 61,596	\$ 64,531	\$ 67,420	\$ 69,863
Other Categorical Grants	980	856	847	837	833
Inter-Fund Revenues	655	658	658	595	593
Federal Categorical Grants	8,826	7,012	6,811	6,809	6,781
State Categorical Grants	14,417	14,546	15,008	15,404	15,718
<b>Total Revenues</b>	<b>\$ 84,814</b>	<b>\$ 84,668</b>	<b>\$ 87,855</b>	<b>\$ 91,065</b>	<b>\$ 93,788</b>
<b>EXPENDITURES</b>					
<b>Personal Service</b>					
Salaries and Wages	\$ 25,829	\$ 27,316	\$ 28,796	\$ 29,634	\$ 30,222
Pensions	9,413	9,819	10,100	10,152	10,170
Fringe Benefits	9,606	10,258	10,981	11,920	12,701
Subtotal: Personal Service	\$ 44,848	\$ 47,393	\$ 49,877	\$ 51,706	\$ 53,093
<b>Other Than Personal Service</b>					
Medical Assistance	5,915	5,915	5,915	5,915	5,915
Public Assistance	1,584	1,594	1,605	1,617	1,617
All Other <sup>1</sup>	28,801	26,776	27,001	26,914	27,121
Subtotal: Other Than Personal Service	\$ 36,300	\$ 34,285	\$ 34,521	\$ 34,446	\$ 34,653
Debt Service <sup>1,2</sup>	6,388	6,581	7,301	7,960	8,372
FY 2016 Budget Stabilization & Discretionary Transfers <sup>1</sup>	(4,038)	-	-	-	-
FY 2017 Budget Stabilization <sup>2</sup>	3,055	(3,055)	-	-	-
Capital Stabilization Reserve	-	250	250	250	250
General Reserve	300	1,000	1,000	1,000	1,000
Subtotal	\$ 86,853	\$ 86,454	\$ 92,949	\$ 95,362	\$ 97,368
Less: Intra-City Expenses	(2,039)	(1,786)	(1,781)	(1,787)	(1,787)
<b>Total Expenditures</b>	<b>\$ 84,814</b>	<b>\$ 84,668</b>	<b>\$ 91,168</b>	<b>\$ 93,575</b>	<b>\$ 95,581</b>
<b>Gap To Be Closed</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (3,313)</b>	<b>\$ (2,510)</b>	<b>\$ (1,793)</b>

<sup>1</sup> Fiscal Year 2016 Budget Stabilization and Discretionary Transfers total \$4.038 billion, including GO of \$1.760 billion, TFA-PIT of \$1.734 billion, lease debt service of \$100 million, net equity contribution in bond refunding of \$44 million and subsidies of \$400 million.

<sup>2</sup> Fiscal Year 2017 Budget Stabilization totals \$3.055 billion, including GO of \$1.146 billion and TFA-PIT of \$1.909 billion.

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

<b>Sources of Cash</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>
Funds Provided/(Used) from Operations	\$ (487)	\$ -	\$ -	\$ -	\$ -
Proceeds from Seasonal Borrowings	-	-	-	-	-
Capital Plan Funding Sources (see Exhibit A-3)	8,882	10,719	12,191	12,206	11,649
<b>Total Sources</b>	<b>\$ 8,395</b>	<b>\$ 10,719</b>	<b>\$ 12,191</b>	<b>\$ 12,206</b>	<b>\$ 11,649</b>
<b>Uses of Cash</b>					
Capital Disbursements	\$ 8,882	\$ 10,719	\$ 12,191	\$ 12,206	\$ 11,649
Repayment of Seasonal Borrowings	-	-	-	-	-
<b>Total Uses</b>	<b>\$ 8,882</b>	<b>\$ 10,719</b>	<b>\$ 12,191</b>	<b>\$ 12,206</b>	<b>\$ 11,649</b>
<b>Net Sources/(Uses) of Cash</b>	<b>\$ (487)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Cash Balance - Beginning of Period	\$ 11,719	\$ 11,232	\$ 11,232	\$ 11,232	\$ 11,232
Cash Balance - End of Period	\$ 11,232	\$ 11,232	\$ 11,232	\$ 11,232	\$ 11,232

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

<b>Sources of Capital Cash</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>
New York City General Obligation Bonds	\$ 2,281	\$ 3,350	\$ 4,220	\$ 4,350	\$ 4,130
Other Long-Term Sources:					
TFA-PIT	\$ 3,200	\$ 3,350	\$ 4,220	\$ 4,350	\$ 4,130
Water Authority	1,874	1,597	1,777	1,848	1,845
Subtotal Long-Term Sources	\$ 7,355	\$ 8,297	\$ 10,217	\$ 10,548	\$ 10,105
Five Year Education Capital Plan					
TFA - Building Aid Revenue Bonds	-	750	163	77	295
Other State Funded Financing	156	222	210	112	41
Change in Non-City Cash	455	(583)	-	-	-
Other Non-City Funds	803	1,060	1,220	1,141	959
Subtotal Reimbursable Capital	\$ 1,414	\$ 1,449	\$ 1,593	\$ 1,330	\$ 1,295
Financial Plan Adjustment	113	973	381	328	249
Total Capital Plan Funding Sources	\$ 8,882	\$ 10,719	\$ 12,191	\$ 12,206	\$ 11,649

**New York City Financial Plan  
FY 2017 Borrowing Schedule  
(\$ in millions)**

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Total Financing
Short-Term Borrowing:					
Borrowing	\$ -	\$ -	\$ -	\$ -	\$ -
Repayment	-	-	-	-	-
Total Short-Term Borrowing (Repayment)	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Borrowing:					
New York City General Obligation	\$ 1,431	\$ 850	\$ -	\$ -	\$ 2,281
Transitional Finance Authority (TFA-PIT)	2,200	-	-	1,000	3,200
Water Authority <sup>1</sup>	352	683	375	464	1,874
Total Borrowing to Finance City Capital Program	\$ 3,983	\$ 1,533	\$ 375	\$ 1,464	\$ 7,355

## Notes:

1. Excludes costs of issuance and reserve fund allocations and reflects Water Authority Commercial Paper, Bond Anticipation Notes, releases from debt service reserve funds, 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 2017	FY 2018	FY 2019	FY 2020	FY 2021	Total
City	\$ 12,176	\$ 14,395	\$ 12,106	\$ 12,098	\$ 9,336	\$ 60,111
Non-City	2,974	2,182	1,009	592	1,184	7,941
Total	\$ 15,150	\$ 16,577	\$ 13,115	\$ 12,690	\$ 10,520	\$ 68,052

**Projected Capital Expenditures**

	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	Total
City	\$ 7,468	\$ 9,270	\$ 10,598	\$ 10,876	\$ 10,354	\$ 48,566
Non-City <sup>1</sup>	1,414	1,449	1,593	1,330	1,295	7,081
Total	\$ 8,882	\$ 10,719	\$ 12,191	\$ 12,206	\$ 11,649	\$ 55,647

Notes:

1. Includes Federal, State and other Reimbursable Capital.