



The City of New York
Office of Management and Budget
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Dean Fuleihan
Director

January 21, 2016

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. 16-2 to the Financial Plan for the City and Covered Organizations for fiscal years 2016-2020 (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 black ink, 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)

REVENUES	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Taxes					
General Property Tax	\$ 22,556	\$ 23,873	\$ 25,145	\$ 26,474	\$ 27,722
Other Taxes	29,804	30,465	31,397	32,489	33,667
Tax Audit Revenue	995	714	714	714	714
Subtotal: Taxes	\$ 53,355	\$ 55,052	\$ 57,256	\$ 59,677	\$ 62,103
Miscellaneous Revenues	6,917	6,621	6,677	6,790	6,892
Unrestricted Intergovernmental Aid	4	-	-	-	-
Less: Intra-City Revenue	(2,001)	(1,778)	(1,787)	(1,781)	(1,787)
Disallowances Against Categorical Grants	(15)	(15)	(15)	(15)	(15)
Subtotal: City Funds	\$ 58,260	\$ 59,880	\$ 62,131	\$ 64,671	\$ 67,193
Other Categorical Grants	763	823	828	825	821
Inter-Fund Revenues	606	632	573	573	572
Federal Categorical Grants	8,664	7,211	6,770	6,566	6,558
State Categorical Grants	13,416	13,566	13,979	14,341	14,624
Total Revenues	\$ 81,709	\$ 82,112	\$ 84,281	\$ 86,976	\$ 89,768
EXPENDITURES					
Personal Service					
Salaries and Wages	\$ 25,601	\$ 25,847	\$ 27,159	\$ 28,756	\$ 29,298
Pensions	9,343	9,399	9,554	9,734	10,107
Fringe Benefits	9,318	9,837	10,398	11,194	11,983
Subtotal: Personal Service	\$ 44,262	\$ 45,083	\$ 47,111	\$ 49,684	\$ 51,388
Other Than Personal Service					
Medical Assistance	6,078	6,220	6,220	6,220	6,220
Public Assistance	1,481	1,502	1,513	1,524	1,535
All Other	26,811	25,162	25,330	25,588	25,930
Subtotal: Other Than Personal Service	\$ 34,370	\$ 32,884	\$ 33,063	\$ 33,332	\$ 33,685
Debt Service ^{1,2,3}	6,110	6,718	7,173	7,678	8,223
Debt Defeasances ¹	(103)	-	-	-	-
FY 2015 Budget Stabilization ²	(3,524)	-	-	-	-
FY 2016 Budget Stabilization ³	2,295	(2,295)	-	-	-
Capital Stabilization Reserve	-	500	-	-	-
General Reserve	300	1,000	1,000	1,000	1,000
Subtotal	\$ 83,710	\$ 83,890	\$ 88,347	\$ 91,694	\$ 94,296
Less: Intra-City Expenses	(2,001)	(1,778)	(1,787)	(1,781)	(1,787)
Total Expenditures	\$ 81,709	\$ 82,112	\$ 86,560	\$ 89,913	\$ 92,509
Gap To Be Closed	\$ -	\$ -	\$ (2,279)	\$ (2,937)	\$ (2,741)

¹ Includes Debt Defeasances of TFA in Fiscal Year 2013 of \$196 million impacting Fiscal Year 2014 through Fiscal Year 2016.

² Fiscal Year 2015 Budget Stabilization totals \$3.601 billion, including GO of \$1.976 billion, TFA-PIT of \$1.501 billion, TFA-BARs of \$77 million, and net equity contribution in bond refunding of \$47 million.

³ Fiscal Year 2016 Budget Stabilization totals \$2.295 billion, including GO of \$960 million and TFA-PIT of \$1.335 billion.

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

Sources of Cash	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Funds Provided/(Used) from Operations	\$ 2,279	\$ -	\$ -	\$ -	\$ -
Proceeds from Seasonal Borrowings	-	2,400	2,400	2,400	2,400
Capital Plan Funding Sources (see Exhibit A-3)	8,385	9,178	10,351	10,754	10,458
Total Sources of Cash	\$ 10,664	\$ 11,578	\$ 12,751	\$ 13,154	\$ 12,858
Uses of Cash					
Capital Disbursements	\$ 8,385	\$ 9,178	\$ 10,351	\$ 10,754	\$ 10,458
Repayment of Seasonal Borrowings	-	2,400	2,400	2,400	2,400
Total Uses of Cash	\$ 8,385	\$ 11,578	\$ 12,751	\$ 13,154	\$ 12,858
Net Sources/(Uses) of Cash	\$ 2,279	\$ -	\$ -	\$ -	\$ -
Cash Balance - Beginning of Period	\$ 9,502	\$ 11,781	\$ 11,781	\$ 11,781	\$ 11,781
Cash Balance - End of Period	\$ 11,781	\$ 11,781	\$ 11,781	\$ 11,781	\$ 11,781

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

Sources of Capital Cash	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
New York City General Obligation Bonds	\$ 1,100	\$ 2,850	\$ 3,390	\$ 3,640	\$ 3,680
Other Long-Term Sources:					
TFA-PIT	\$ 3,950	\$ 2,850	\$ 3,390	\$ 3,640	\$ 3,680
Water Authority	1,404	1,790	1,727	1,725	1,630
Subtotal Long-Term Sources	\$ 6,454	\$ 7,490	\$ 8,507	\$ 9,005	\$ 8,990
Five Year Education Capital Plan					
TFA - Building Aid Revenue Bonds	683	304	343	222	107
Other State Funded Financing	78	150	180	185	110
Change in Non-City Cash	-	-	-	-	-
Other Non-City Funds	711	821	1,064	1,082	944
Subtotal Reimbursable Capital	\$ 1,472	\$ 1,275	\$ 1,587	\$ 1,489	\$ 1,161
Financial Plan Adjustment	459	413	257	260	307
Total Capital Plan Funding Sources	\$ 8,385	\$ 9,178	\$ 10,351	\$ 10,754	\$ 10,458

**New York City Financial Plan
FY 2016 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	\$ -	\$ -	\$ -	\$ 1,100	\$ 1,100
Transitional Finance Authority (TFA-PIT)	1,150	600	1,100	1,100	3,950
Water Authority ¹	620	-	400	384	1,404
Total Borrowing to Finance City Capital Program	\$ 1,770	\$ 600	\$ 1,500	\$ 2,584	\$ 6,454

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 2016	FY 2017	FY 2018	FY 2019	FY 2020	Total
City	\$ 10,171	\$ 12,002	\$ 9,439	\$ 9,214	\$ 9,106	\$ 49,932
Non-City	1,985	1,897	1,832	822	351	6,887
Total	\$ 12,156	\$ 13,899	\$ 11,271	\$ 10,036	\$ 9,457	\$ 56,819

Projected Capital Expenditures

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	Total
City	\$ 6,913	\$ 7,903	\$ 8,764	\$ 9,265	\$ 9,297	\$ 42,142
Non-City ¹	1,472	1,275	1,587	1,489	1,161	6,984
Total	\$ 8,385	\$ 9,178	\$ 10,351	\$ 10,754	\$ 10,458	\$ 49,126

Notes:

1. Includes Federal, State and other Reimbursable Capital.