



**The City of New York**

**Bill de Blasio, Mayor**

# **February 2015 Financial Plan**

**Fiscal Years 2015–2019**

**Office of Management and Budget  
Dean Fuleihan, Director**

***February 9, 2015***

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# February 2015 Financial Plan

Fiscal Years 2015—2019

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## THE FINANCIAL PLAN

The Fiscal Year 2016 Preliminary Expense Budget is \$77.7 billion. This is the thirty-sixth consecutive budget which is balanced under Generally Accepted Accounting Principles (GAAP), except for the application of Statement No. 49 of the Government Accounting Standards Board (GASB 49) which prescribes the accounting treatment of pollution remediation costs. The following chart details the revenues and expenditures for the five year financial plan.

(\$ in Millions)

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
<b>REVENUES</b>					
Taxes					
General Property Tax	\$21,170	\$22,113	\$23,141	\$24,151	\$25,220
Other Taxes	28,346	29,019	29,814	30,737	31,679
Tax Audit Revenue	912	711	711	711	711
<b>Subtotal: Taxes</b>	<b>\$50,428</b>	<b>\$51,843</b>	<b>\$53,666</b>	<b>\$55,599</b>	<b>\$57,610</b>
Miscellaneous Revenues	7,738	6,938	6,805	6,862	7,090
Unrestricted Intergovernmental Aid	—	—	—	—	—
Less: Intra-City Revenue	(1,967)	(1,804)	(1,814)	(1,825)	(1,825)
Disallowances Against Categorical Grants	(15)	(15)	(15)	(15)	(15)
<b>Subtotal: City Funds</b>	<b>\$56,184</b>	<b>\$56,962</b>	<b>\$58,642</b>	<b>\$60,621</b>	<b>\$62,860</b>
Other Categorical Grants	898	832	840	848	845
Inter-Fund Revenues	574	547	543	546	546
Federal Categorical Grants	8,399	6,618	6,433	6,389	6,297
State Categorical Grants	12,493	12,772	13,181	13,638	13,682
<b>Total Revenues</b>	<b>\$78,548</b>	<b>\$77,731</b>	<b>\$79,639</b>	<b>\$82,042</b>	<b>\$84,230</b>
<b>EXPENDITURES</b>					
Personal Service					
Salaries and Wages	\$24,241	\$24,875	\$25,014	\$26,413	\$27,842
Pensions	8,582	8,534	8,504	8,490	8,586
Fringe Benefits	8,660	9,177	9,682	10,287	11,019
<b>Subtotal: Personal Service</b>	<b>\$41,483</b>	<b>\$42,586</b>	<b>\$43,200</b>	<b>\$45,190</b>	<b>\$47,447</b>
Other Than Personal Service					
Medical Assistance	6,447	6,415	6,415	6,415	6,415
Public Assistance	1,476	1,407	1,413	1,413	1,413
All Other	25,110	23,261	23,510	23,932	24,053
<b>Subtotal: Other Than Personal Service</b>	<b>\$33,033</b>	<b>\$31,083</b>	<b>\$31,338</b>	<b>\$31,760</b>	<b>\$31,881</b>
Debt Service <sup>1, 2, 3</sup>	6,242	7,031	7,414	7,735	8,051
Debt Defeasances <sup>1</sup>	(115)	(337)	(201)	(198)	—
FY 2014 Budget Stabilization <sup>2</sup>	(2,006)	—	—	—	—
FY 2015 Budget Stabilization <sup>3</sup>	1,578	(1,578)	—	—	—
General Reserve	300	750	750	750	750
<b>Subtotal</b>	<b>\$80,515</b>	<b>\$79,535</b>	<b>\$82,501</b>	<b>\$85,237</b>	<b>\$88,129</b>
Less: Intra-City Expenses	(1,967)	(1,804)	(1,814)	(1,825)	(1,825)
<b>Total Expenditures</b>	<b>\$78,548</b>	<b>\$77,731</b>	<b>\$80,687</b>	<b>\$83,412</b>	<b>\$86,304</b>
<b>Gap To Be Closed</b>	<b>\$—</b>	<b>\$—</b>	<b>(\$1,048)</b>	<b>(\$1,370)</b>	<b>(\$2,074)</b>

1. Includes Debt Defeasances of TFA in Fiscal Year 2013 of \$196 million and Fiscal Year 2015 of \$592 million impacting FY 2014 to FY 2018.

2. Fiscal Year 2014 Budget Stabilization totals \$2.006 billion, including GO of \$621 million, TFA of \$1.362 billion, and net equity contribution in bond refunding of \$23 million.

3. Fiscal Year 2015 Budget Stabilization totals \$1.578 billion in TFA.

## ECONOMIC AND TAX REVENUE FORECAST

### Economic Overview

For the first time in nearly five years, most economic sectors as well as fiscal and monetary policy are moving in the same direction, setting the stage for stronger growth in 2015. Until recently, the lackluster housing market had been a drag on the economy. However, the long-awaited recovery, aided by low mortgage rates and the improving labor market, has boosted residential investment and consumption spending. Real estate-related spending from building materials to home furnishings has revived, as has construction employment. Rising home and asset prices are lifting household net worth, leading to the first uptick in mortgage debt in four years as borrowers' sentiment and balance sheets improve.

The U.S. economy accelerated in 2014 compared to the previous three years. Real GDP growth increased to 2.4 percent, up from 2.2 percent in 2013. Stronger employment, lower energy prices, falling debt levels and appreciating asset markets have all bolstered consumer confidence, resulting in the strongest consumption growth since 2006. After pausing in 2014, conditions are favorable for a housing rebound in 2015 as mortgage rates have fallen almost a full percentage point from a year ago and supply appears to be picking up. However, several areas pose potential challenges to faster growth. Non-residential investment has been spotty, particularly with weak global growth and a strong dollar hurting U.S. manufacturing and exports. Low energy prices, while a fillip to consumers, are putting pressure on sectors exposed to the oil and gas drilling industry. Fiscal policy continues to be tight and the divided leadership in Washington does not bode well for compromise. In particular, Congress will need to revisit the debt-ceiling debate later this year.

Interest rates have drifted lower, resulting in another record year for corporate debt issuance as firms rushed to lock in favorable rates. However, the low-rate environment has been a challenge to the banking industry as net interest margins are squeezed. Regulatory uncertainty has restrained Wall Street activity with year-to-date profits through the first three quarters of 2014 down from the previous year. Equity markets saw increased volatility in the second half of 2014, but still appreciated strongly. Trading volume in the NYSE turned up in 2014 after five years of declines, while bond trading volumes declined.

The New York City labor market extended its expansion with private sector jobs growing by 2.6 percent in 2014 – the fourth consecutive year of robust activity. The only other period that matches the vigor of the current employment spell was the tech boom period at the end of the 1990's. However, the composition of new jobs continues to be skewed toward lower-wage sectors with strong growth in health, leisure and hospitality and retail trade, the latter two sectors driven by tourism and a record number of visitors. The one exception is professional and business services, which accounted for one in five new jobs in 2014. Also, financial service jobs started to grow again after two years of contraction, adding 2,000 jobs on an annual average basis. It is expected that employment markets will moderate after this stretch of strong increases, slowing to 1.9 percent growth in 2015.

The vibrant labor market is driving other parts of the City's economy. Higher levels of office-using employment resulted in a strong year for Manhattan office leasing. Tenants signed new leases of over 32 million square feet of office space in 2014, the highest since 1998. While three million square feet of new inventory was added to the market with the completion of One World Trade Center, strong demand pushed primary market rents up nearly seven percent from 2013. Following national trends, residential real estate markets paused, with transactions growing less than one percent in 2014, down from a double-digit pace in 2013. Permits grew 12 percent in 2014, but the level is still only two-thirds of the 2008 peak. The persistence of tight supply and strong demand and the bias towards high-end condos is expected to extend price growth in the near future.

## Tax Forecast Summary

New York City's economy is thriving and tax revenue is expected to reach the \$50 billion mark in 2015, growth of 4.2 percent over 2014. Property taxes are forecast to increase 6.0 percent, and non-property taxes are forecast to exhibit growth of 3.1 percent. The economic recovery is expected to continue at a decelerating pace and total tax revenue is forecast to grow 2.8 percent in 2016, resulting in total revenues of \$51.8 billion. Property tax revenue in 2016 is forecast to increase 4.5 percent and non-property tax revenue is expected to increase 2.4 percent.<sup>1</sup>

Property tax revenue is forecast to grow 6.0 percent in 2015 and 4.5 percent in 2016. Property tax revenue is forecast at \$21.2 billion in 2015 and \$22.1 billion in 2016. The steady growth in property tax is supported by growth of 9.4 percent in taxable billable assessed value, an increase of \$17.1 billion on the 2016 tentative roll. The tentative roll is projected to be reduced by \$4.1 billion on the final roll after Tax Commission actions, Department of Finance changes by notice, and the completion of exemption processing. On the tentative roll, Class 1 market values saw a steady increase of 7.1 percent, with an increase in billable assessed value of 4.9 percent. Small Class 2 properties saw market value growth of 4.8 percent while Large Class 2 properties saw market value growth of 12.8 percent, for a total Class 2 market value increase of 10.9 percent. Overall Class 2 billable assessed value grew 10.5 percent. Class 3 properties remain stable in both market and billable assessed values. Class 4 properties grew in market value by 11.8 percent and significantly contributed to the total market value increase of 9.1 percent. Class 4 billable assessed value increased 10.6 percent.

Non-property tax revenue is expected to grow 3.1 percent in 2015 and 2.4 percent in 2016. Personal income tax revenue totals \$9.8 billion in 2015, an increase of 2.9 percent. Robust employment and wage gains result in withholding revenue growth of over seven percent while non-wage income remains at high levels due to strong real estate and equity markets, and business income growth. City/State offsets are expected to drop and together with an increase in refunds offset the strong growth seen in withholding. Personal income tax revenue is forecast to grow 2.6 percent in 2016.

Business tax revenue, which includes the general corporation, banking corporation, and unincorporated business taxes, is forecast to increase 3.8 percent in 2015 and 2.7 percent in 2016, resulting in \$6.1 billion and \$6.3 billion, respectively. In 2015, a 6.1 percent increase forecast for general corporation tax gross collections is offset by a 3.2 percent decline in the banking corporation tax gross collections, stemming from increased financial regulations and settlements related to mortgage securities and unfair banking practices. Unincorporated business tax gross collections are forecast to grow 7.2 percent, reflecting growth in hedge fund asset management and employment growth.

Sales tax and hotel tax revenue growth remains stable. Sales tax revenue is expected to reach \$6.8 billion in 2015 and \$7.0 billion in 2016, an average growth of 4.2 percent, reflecting steady economic growth and continued high levels of tourism activity. Hotel tax revenue is forecast to increase 5.8 percent to \$567 million in 2015 and is expected to remain stable from 2016 through 2019, reflecting continued strength in the tourism industry, although the stronger dollar is expected to limit growth.

After four consecutive years of double-digit growth, transaction tax revenue (mortgage recording tax and real property transfer tax) is expected to remain at the \$2.5 billion mark in 2015 and 2016 as the pace of commercial transactions plateaus and the residential market is faced with a dearth of inventory. Real property transfer tax revenue accounts for approximately \$1.5 billion of the total. Growth is projected to average 3.3 percent for the remaining plan period as a substantial amount of new residential inventory comes onto the market. The slower pace of the mortgage recording tax recovery results from tighter lending standards, with 2015 levels remaining at 38.8 percent below their 2007 peak. Mortgage recording tax revenue is expected to fall 1.7 percent in 2016 before rebounding to average 4.3 percent growth from for the remaining plan period.

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<sup>1</sup> Total non-property taxes excludes audits.

In summary, revenues from non-property taxes will stabilize at \$28.3 billion in 2015. There is a risk that taxes sensitive to the financial sector will remain restrained due to the tightening of monetary policy, the impact of financial regulations, and global economic uncertainty. Assuming the moderate recovery of the City economy continues through the plan period, total tax revenue will grow at just under three percent in 2016 before stabilizing at an annual average growth rate of 3.6 percent from 2017 through 2019.

## The U.S. Economy

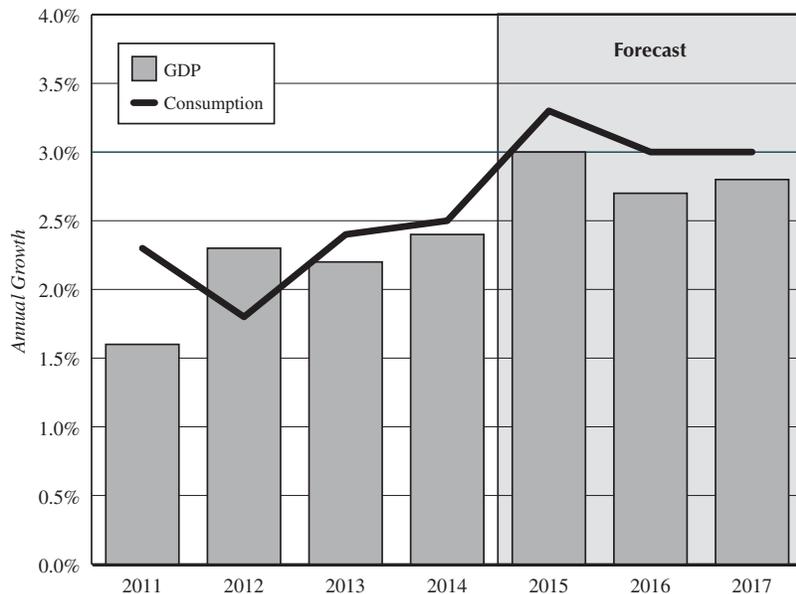
The engine of national growth is finally starting to accelerate, more than five years after the end of the housing recession. After an anemic first quarter due to severe winter weather, activity in the rest of 2014 was above trend. Fourth quarter real GDP was estimated to grow at an annualized rate of 2.6 percent, following the strongest combined two-quarter period since 2003. For the year, growth of real GDP was 2.4 percent, up from 2.2 percent in 2013. It is expected that favorable conditions will continue into 2015 with growth accelerating above three percent – the fastest pace in a decade – before settling back to 2.7 percent in the following year.

Strong employment growth, lower energy prices, lower debt and appreciating asset values (primarily equity and housing) have boosted consumer confidence and spending. The gradual pick-up in the labor market has been a key factor. Through the first three quarters of 2014, job creation averaged 240,000 per month, accelerating to a monthly rate of 325,000 in the final quarter, a 35 percent increase. For all of 2014, U.S. employment grew 1.9 percent, the fastest pace since the end of the tech boom 14 years ago. One caution to the otherwise upbeat employment picture is the lack of wage growth. Average hourly earnings at the national level have grown sluggishly since the

end of the recession and, accounting for inflation, earnings have been flat. Thus, while the unemployment rate continues to fall – hitting 5.6 percent at the end of 2014 – there are negligible signs of wage pressures.

The dramatic plunge of energy prices is also providing a tailwind. Since the middle of 2014, oil prices have fallen over 50 percent, with gasoline tumbling nearly as much. While there will be winners and losers, the net effect will be stronger overall growth via higher consumer confidence, expanded consumption and cheaper input costs to producers.<sup>1</sup> Moody's Analytics estimates that about 25 percent of the energy savings will be spent within six months and about two-thirds will be spent within a year. How long prices will remain low depends on the factors behind the decline. Clearly, increased supply from the United States and Canada using high-tech drilling techniques is one part of the equation. At the same time, global demand has been slackening as China, Japan and Europe face slowdowns. Analysts attribute about half of the price slump to supply increases and half to weaker demand.<sup>2</sup> At current prices, many producers are now selling beneath their production costs with predictable results. U.S. energy companies are scaling back investment in new drilling operations and a handful of smaller firms have closed. Ultimately, both cutbacks in supply and a pickup of global demand will drive prices higher. The forecast projects that West Texas Intermediate oil prices will finally start to increase in the second half of 2015, climbing back to nearly \$70/bbl by early 2016.

**Strong Consumption Spending Will Boost U.S. Economic Growth in 2015 to Three Percent, the Fastest Pace in a Decade.**



<sup>1</sup> A rough rule of thumb is that a permanent \$10 decline in crude oil price produces a 0.2 percentage point increase in real GDP growth.

<sup>2</sup> "What's driving the price of oil down?" by James Hamilton. Econobrowser, January 25, 2015

Household debt burdens have been steadily improving, mainly through the shedding of home mortgage debt. Total household indebtedness declined to 108 percent of disposable income in the third quarter of 2014, down from 135 percent in 2007 – the lowest debt-to-income ratio since 2003. Household net worth had been increasing at double-digit rates (year-over-year) since the beginning of 2013, driven by housing prices and equity market appreciation. However, financial market weakness in the fall resulted in a loss of 0.2 percentage points of household wealth from the second to the third quarter. With the S&P 500 up 4.4 percent in the fourth quarter (compared to only 0.6 percent in the third quarter), household wealth likely rebounded in the final quarter.

For these reasons, it is not surprising that both measures of consumer sentiment, the Conference Board and the University of Michigan index, have reached levels last seen in 2007 and most measures of consumer spending have been robust. Sales of auto and light trucks in 2014 were the strongest since 2006 as consumers took advantage of lower borrowing rates and cheap fuel costs. The average age of a U.S. automobile is now above 11 years so sales trends are expected to continue. Although overall retail sales dropped 0.9 percent from November to December, on a year-over-year basis, sales were still up 3.2 percent. Excluding gasoline purchases, which plummeted in value, sales were up 5.3 percent. Additionally, the National Retail Federation reported that retail sales excluding autos, gas stations and restaurants rose four percent in November and December over the same period a year prior, highlighting a strong holiday season. Since many of these factors will persist into 2015, the forecast projects that real consumption will accelerate to 3.3 percent this year – the fastest pace since 2005 – and remain near three percent growth in 2016 and 2017.

Investment spending continues to be volatile. After double-digit growth in 2012 and 2013, residential fixed investment paused in 2014. New home sales were up less than two percent for all of 2014, compared to 17 percent gains in 2013. Existing home sales in 2014 fell 3.1 percent over the prior year, while the S&P/Case Shiller composite price index was up 4.3 percent (year-over-year) in November. Despite this weakness, there are several reasons to expect housing to rebound in the near future. Mortgage rates have fallen back to extremely affordable levels, with rates on 30-year loans dropping to near 3.6 percent in January 2015, down almost a full percentage point from a year ago. Furthermore, rising prices continue to pull existing home-owners out of negative equity, which would allow owners to sell unencumbered. CoreLogic estimates that through the first three quarters of 2014, 1.5 million underwater properties regained positive equity, with another 5.1 million still owing more on their mortgages than the value of their properties. Moreover, late last year, Fannie Mae and Freddie Mac both announced programs to guarantee loans with down payments as low as three percent of purchase price, essentially a loosening of underwriting standards. The latest evidence is promising with December housing starts 5.3 percent higher than the prior year. While it is likely that mortgage rates will eventually rise again as the Fed looks to tighten monetary policy, residential investment is forecast to return to double-digit growth rates in 2015 and 2016.

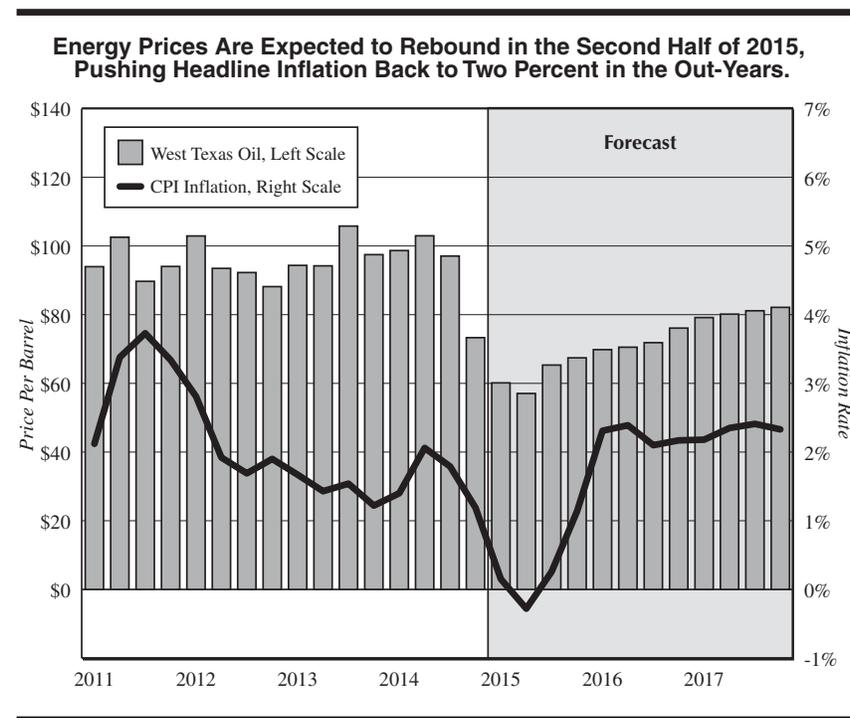
Unlike the housing outlook, the path of non-residential fixed investment is looking uneven, particularly with increasing pressure on sectors exposed to the oil and gas drilling industry. In addition, the strong dollar is also causing firms to scale back investment activity as overseas sales are hurt. Orders for non-defense capital goods (excluding aircraft) have contracted in five of the last six months through December on a month-to-month basis. Yet on a year-to-year basis capital goods spending is up slightly. Furthermore, the Institute for Supply Management's purchasing managers' index (PMI), which tracks U.S. manufacturing activity, has declined for the last three months through January, dipping to the lowest level since last January when the harsh winter freeze slowed production. The export component of the PMI has been drifting lower and finally, for the first time since 2012, dropped below 50, reflecting significant weakness from abroad. While most expect energy prices to bounce back in the near term, the decoupling of monetary policy between the U.S. Fed and most other central banks will likely keep the dollar strong until growth resumes in our major trading partners.

Another cloud on the horizon is the status of fiscal policy. The federal budget deficit hit a seven-year low in 2014, in both levels and as a share of GDP. During the recession, annual deficits rose to 10 percent of GDP and have now settled below three percent in the latest figures. Even though low deficits bode well for the long-

term sustainability of government spending, they result from recent budget impasses in Washington, which heighten uncertainty and create a steady drag on the economy. For example, since 2010, federal employment has contracted by nearly nine percent and is now at levels last seen in 1967. With the mid-term elections flipping the Senate to Republican leadership, the possibility of instability due to spending stalemates still exists. In particular, Congress suspended the federal debt limit until March 2015, and it is expected that they will have to vote again to raise the limit sometime in the summer. Additional discord has been generated by President Obama's recent budget proposal, which raises spending above the caps imposed by the 2011 Budget Control Act. These sequester limits were imposed by the agreement which ended the last major debt-limit battle.

The path of monetary policy is also a source of near-term uncertainty. The Fed is slowly tightening with the end of the last round of quantitative easing in October. It plans to maintain an accommodative policy by continuing to reinvest earnings from its massive asset holdings and target a federal funds rate (FFR) of 0 to 0.25 percent. There is still no clear date set for liftoff of the FFR; however, the majority of the members of the Federal Open Market Committee (FOMC) view sometime in 2015 as appropriate for the first rate hike. Following the FOMC's meeting in December, Chair Janet Yellen stated that it is unlikely for the Fed to raise the FFR target rate in the next couple of meetings and the January statement reiterated that the Fed would remain "patient" before initiating

its normalization plans. As survey based long-run inflation expectations are well anchored around the Fed's two percent target rate, the members of the committee feel comfortable continuing the accommodative policy in the near term despite the "solid pace" of the U.S. economy noted in the January meeting.



for December was 1.3 percent, slightly above the headline index but well below the target rate. The headline consumer price index (CPI) and the core CPI had December readings of 0.7 percent and 1.6 percent, respectively. A sustained low oil price could have spillover effects into the core indexes, suppressing price increases in the short run.<sup>3</sup> Currently, core PCE is expected to remain below two percent through 2015, while core CPI is projected to match the Fed's objective in 2015. Similar to the U.S., NYC's headline CPI is also projected to stay below two percent in 2014 and 2015, before surpassing the Fed's target rate in 2016.

Equity markets in 2014 slowed considerably from 2013. Despite episodic volatility in the second half of the year, the S&P 500 and Dow expanded by 11.4 and 7.5 percent in 2014, respectively. October was particularly problematic with the S&P 500 sliding over seven percent at the start of the month, only to turn around and gain

<sup>3</sup> Core CPI and PCE exclude the volatile energy and food components.

eight percent through the end of the month. The trading days ratio, the proportion of trading days with price moves in excess of one percent, spiked in October to 52 percent, up from five percent in September and well above the typical rate of 15 to 20 percent. One bright spot in the fourth quarter was NYSE trading volume. After 12 consecutive quarters of year-over-year declines, fourth quarter trading volume jumped 20 percent over 2013. This bump was enough to push the full year 2014 volume up 0.5 percent from 2013 – the first annual increase in six years.

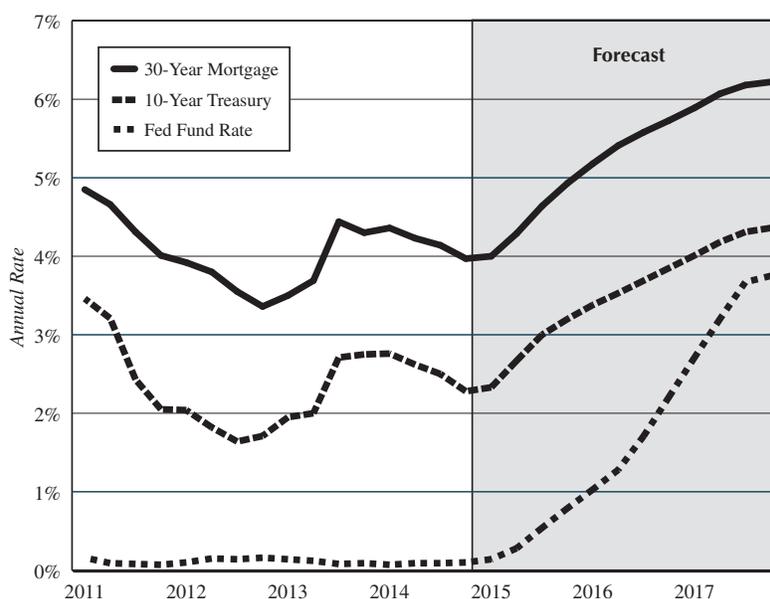
Fourth quarter 2014 trading in investment-grade fixed income securities was flat compared to year-ago values, a relatively positive outcome after five consecutive quarters of declines. Nevertheless, for the full year, average daily volume in 2014 was down nearly 11 percent, the fourth consecutive year with diminished activity. While nearly all types of bond trading were weak, the one standout was highly rated corporate securities, which saw an annual increase of 10 percent in volume, helped by the rapidly expanding supply of tradable assets. Corporate bond issuance last year hit \$1.5 trillion, up 3.5 percent over 2013, marking the third consecutive record year as corporations continue to take advantage of low rates. The largest deals included Apple’s \$12 billion sale in April, which was soon eclipsed by Medtronic in December with a \$17 billion issuance. This remarkable trend will likely continue as long as interest rates remain near historically low levels. The likely fallout from indebted energy companies will probably not impact the investment-grade market since most of their bond financing comes through risky, high-yield paper. Even in this market, the share of borrowing tied to oil and gas companies is estimated to be a relatively modest 15 percent of outstanding debt.

The low interest rate environment, market volatility and ongoing litigation restrained Wall Street activity. Third quarter profits for all NYSE member firms were \$3 billion, down from \$3.4 billion booked during the same quarter a year ago. Aggregate profits through the first three quarters totaled \$11.7 billion, down about 14 percent over the same period in 2013. The forecast projects profits to end the year at \$14.8 billion, down from \$16.7 billion in 2013. Net profits are expected to fall slightly in 2015 to \$14.1 billion and remain in the \$14 billion range for 2016 and 2017. Revenue through the first three quarters was four percent higher than same prior year period, driven by gains in trading and investment, underwriting, and fees. Year-to-date, net revenue has grown at a faster pace than compensation resulting in a decreasing compensation to net revenue ratio. The ratio is expected to decline further in 2015 to 47.6 percent, well below the long run average of 53.2 percent.

Although fourth quarter industry-wide figures are not yet available, the Big Five banks recently reported their fourth quarter earnings.<sup>4</sup> Year-over-year pretax earnings at their investment banking units were up 9.2 percent from the fourth quarter 2013, while full year earnings were up a more modest 4.3 percent. The results for the full consolidated banks (including investment, commercial and retail units) were less sanguine as earnings contracted by 10 percent.

The end of the Fed’s QE program was expected to result in higher interest rates, but the opposite has occurred. Ten-year

**Ten-Year Treasury Yields and Mortgage Rates Rise as the Fed Starts to Tighten Monetary Policy in the Second Half of 2015.**



4 Bank of America, Citigroup, Goldman Sachs, JPMorgan Chase and Morgan Stanley

Treasury yields dropped 0.35 percentage points in the fourth quarter due to strong demand from risk-averse buyers. Since banks borrow short and lend long, a flattening yield curve hurts their margins on loans. Net interest earnings at the major retail banks (JP Morgan, Bank of America, Citigroup and Wells Fargo), fell by one percent (year-over-year) in the fourth quarter as yields sagged. Nonetheless, the drop in mortgage rates is spurring a large jump in mortgage refinancings, which should provide a temporary boost in fees. At the end of January, the Mortgage Bankers Association's mortgage index was up over 30 percent, with the refinancing component up over 50 percent (year-over-year). However, activity is not expected to approach the frenzy seen in 2012, when mortgage rates hit bottom at 3.4 percent, since most mortgages have already been refinanced at lower rates.

Continuing litigation and regulatory reforms are also challenging the banking industry. The biggest banks have collectively agreed to more than \$120 billion in fines and other costs due to wrongdoings associated with the mortgage and financial crisis. Of this total, about \$60 billion of the sanctions were levied in 2014. The largest was Bank of America's deal for \$16.5 billion to settle charges that it sold flawed mortgage securities just prior to the 2008 crisis. Other large settlements in 2014 included Citigroup (\$7 billion) and Goldman Sachs (\$1.2 billion), both as penalties for the packaging and sale of faulty mortgage bonds. S&P Ratings also recently agreed to pay \$1.4 billion in charges associated with their ratings of mortgage backed and related securities. While legal costs have accounted for a significant amount of the growth in bank expenses, these costs appear to be winding down as the litigation expense for the Big Five banks fell from \$9.4 billion in the third quarter to \$4.8 billion in the fourth quarter.

On the regulatory front, the Fed recently proposed new capital surcharges on the eight largest U.S. banks, which forces them to bolster their capital cushions against future crises. These levies are even stricter than international standards proposed by the Financial Stability Board in Basel and would be phased in starting in 2016. The Fed also finalized a Dodd-Frank rule that prohibits banks and financial firms from merging if the combined entity holds more than 10 percent of all financial liabilities. There are already three banks approaching this limit, including JPMorgan, Bank of America and Citigroup. At the same time, the financial industry is pushing back to limit or roll back existing rules. They recently received a two-year reprieve on the implementation of Volcker rule restrictions on ownership of private equity and hedge funds. In addition, the budget deal passed by Congress in December contained a modification to Dodd-Frank that eased derivative ownership rules.

## The New York City Economy

New York City's economy extended its robust expansion by adding 89,000 private sector jobs in 2014, an increase of 2.6 percent from the prior year. This is the fourth consecutive year in which the City saw job growth of over two percent; the only other period with such vigorous hiring was the tech boom (from 1997 to 2000). Since the trough in September 2009, the City has added 446,000 private sector jobs, a 14.4 percent jump. The City's employment growth has also outpaced the nation each of the past four years. In addition to posting strong employment gains, New York City had a record year in commercial real estate activity and tourism as well. With economic prospects looking bright, private employment is expected to sustain growth at 1.9 percent in 2015 and 2016.

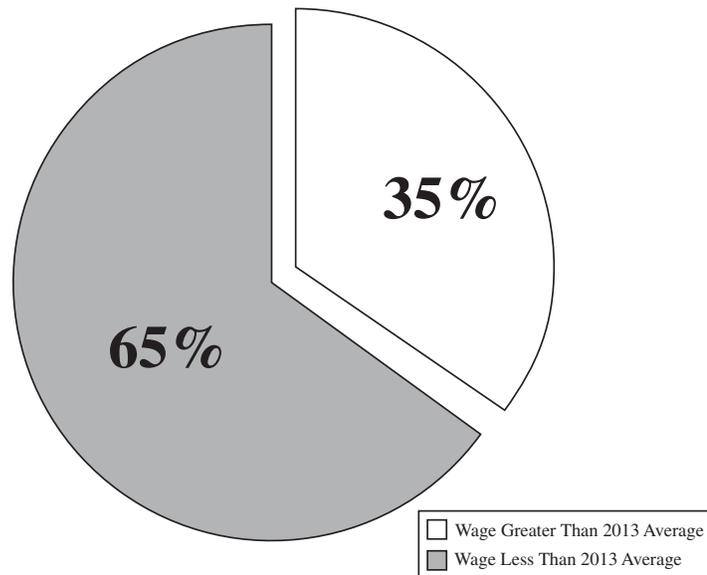
After suffering employment losses for two years in a row, the tide may be starting to turn for financial firms. In 2014, the financial services sector added an annual average of 2,200 jobs. As securities firms regain footing and continue to benefit from the economy's momentum, they are expected to add 5,000 jobs over the next two years. Even with improvement in the industry underway, securities sector headcounts still remain 11.7 percent below their pre-recession peak.

NYSE member firm profits are projected to hit \$14.8 billion in 2014 and decline slightly to around \$14 billion in 2015 and 2016. Profits have exceeded \$14 billion eight times during the 34-year period spanning 1980 to 2013. Tightening regulation along with a projected deceleration of equity markets will contribute to the marginal decline in profits. With the decline in profits, average securities wages are forecast to come down slightly in 2015 from an expected all-time high of \$404,000 in the prior year.

The professional and business services sector continues to be a steadfast engine of high-wage employment growth, adding an annual average of 17,800 jobs in 2014 and accounting for one in five private sector jobs. This sector, which includes computer systems design, management, advertising and employment services, has surpassed the pre-recession peak by 70,000 jobs. Growth in this sector is expected to average about 15,000 jobs per year from 2015 through 2017.

The higher level of office-using employment resulted in a spectacular year for Manhattan office leasing, with deals covering 32.8 million square feet (msf), the highest level since 1998. The long-awaited completion of One World Trade Center added 3.0 msf of new inventory to the primary market and pushed the primary Downtown vacancy rates up. Nonetheless, strong leasing in the Midtown market more than offset the rise. The vacancy rate for the market overall is 9.3 percent, down 1.6 percentage points from the prior year. New office towers at Hudson Yards and the World Trade Center are expected to be completed over the next three years, adding nearly five msf of space to the market. Vacancy rates are expected to stay around 11 percent, with demand growing steadily to meet the new supply.

**Since the Employment Trough in August 2009, the Majority of Employment Gains Have Come from Lower Wage Sectors**



Sectors with wages less than the 2013 average private non-finance wage include: Education, Health, Leisure and Hospitality, Manufacturing, Other Services, Retail, and Transportation.

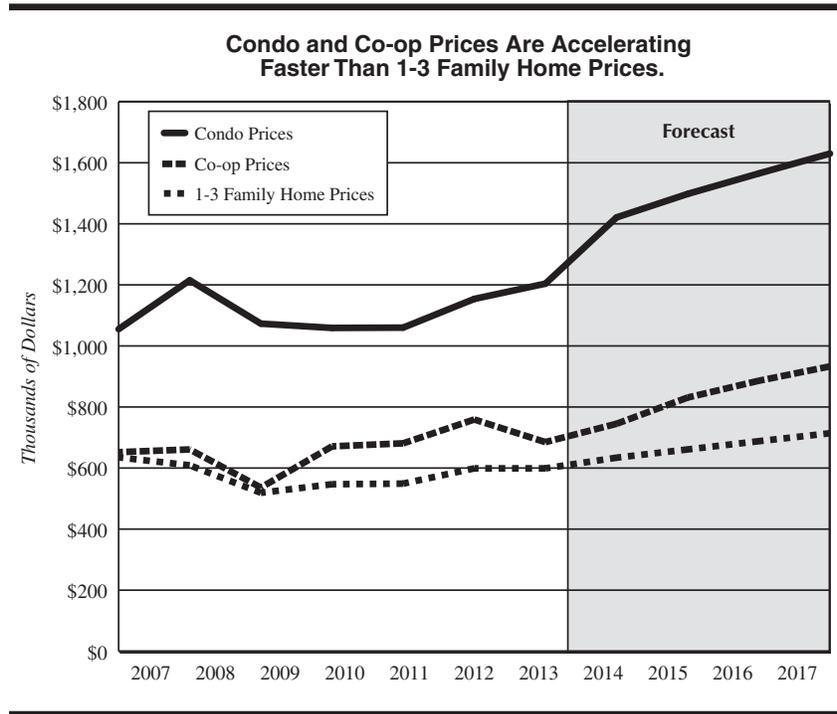
Asking rents have continued to rise, with rents in the primary market hitting \$73.69 per square foot (psf), a 6.9 percent increase from the prior year. Since the trough in September 2010, primary market asking rents have risen 21 percent. The secondary Midtown South market, a hot area for tech firms this year, has seen growth of 47 percent from its prior trough in May 2010. With average asking rents of \$63.23 psf, the space is currently considered more desirable than primary Downtown offices due to its proximity to tech powerhouses, such as Google, in the Silicon Alley area. This trend, however, may reverse course as newer, more affordable inventory in the Downtown area begins to attract fresh tenants in the tech, advertising, media, and information sectors.

In addition to robust leasing activity, the office sales market exhibited vigorous strength in the first three quarters of the year. Average prices exceeded \$100 million for four consecutive quarters from the fourth quarter of 2013 through the third quarter of 2014, the first time since the beginning of comprehensive data in 1985. Through November, there were multiple large transactions that suggest the momentum in large office transactions (over \$100 million) is unlikely to have slowed in the final quarter.<sup>5</sup>

Like the national real estate market, New York City’s residential housing market slowed but is showing signs of modest recovery. Through the first three quarters of 2014, total sales volume climbed 0.6 percent, down from a 17 percent jump in the first three quarters of 2013. Over the next three years, the favorable environment fostered by cheap borrowing rates and easing lending standards is expected to stimulate volume growth. Additionally, housing inventory is projected to rise in 2015 and 2016. Condos are forecast to lead the increase in transactions, with growth of 21 percent and 13 percent for 2015 and 2016, respectively.

As the residential housing market becomes more active, average housing prices continue to rise. There was a slight slip of 1.4 percent in total average prices in 2013 following the artificially strong performance in 2012, fueled by a surge in high-end sales to beat federal tax law changes. In 2015, prices are forecast to grow 10 percent, driven by the higher-end segments of the market: co-ops and condos. This significant pace is based upon lean supply and strong demand, but is forecast to slow to six percent as new completions alleviate the supply constraints. Prices of the three residential housing sectors, however, are not picking up at the same pace. The price levels for condos and co-ops have accelerated faster over the last decade relative to single family houses. As a consequence, the average price gap between condo/co-ops and single family homes is expected to continue widening. Building permits, a measure of future housing supply, were up 12 percent in 2014 but levels are still only two-thirds of the 2008 peak. Issuance flow is projected to maintain double-digit growth rates for most of the forecast horizon.

Employment gains have not necessarily translated into increased home ownership as job growth over the past four years has been concentrated in industries with relatively low annual salaries. Wages in health, leisure and hospitality, and retail trade are all below the citywide average, but have been key contributors to post-recession growth following the recession.



<sup>5</sup> The fourth quarter 2014 transactions data from NYC Department of Finance will not be released until March 2015.

The health services sector added 21,400 jobs in 2014 and contributed 57,400 positions to total employment since 2011. Demographics are one key driver of the strong gains within the sector. According to the Census Bureau, the percentage of the New York City population above 65 was 12.1 percent in 2010, an increase from 11.7 percent in 2000. Forecasts for 2015 through 2017 expect the sector's employment gains to slow to a more moderate pace, averaging 7,000 jobs per year.

The leisure & hospitality industry continues to be an important driver for City employment. Since the financial crisis, this industry has experienced above-average hiring with less volatility. The average annual growth rate for this industry post-financial crisis has been five percent. It is expected to add more than 10,000 jobs in each of the next three years. This growing dynamic is based upon its key subsector, accommodation & food services, whose growth is driven mostly by tourism. However, hiring in leisure & hospitality might down-shift to a more modest pace if the tourism industry slows due to factors such as currency appreciation or sluggish global growth. Nevertheless, domestic traffic makes up the majority of total visitors to NYC. Thus, a strengthening U.S. economy might also increase the flow of domestic travelers who would be uninfluenced by currency shifts.

Similar to leisure and hospitality, retail trade employment is closely tied to the tourism industry. It has also been a significant contributor to growth during this four year stretch, adding 13,600 jobs in 2014. Employment in this sector is projected to continue to grow, but at a more moderate pace, expanding by an average of approximately 9,000 jobs in 2015 through 2017. The projections for retail trade are subject to the same risks as the leisure and hospitality sector.

As New York City offers incomparable experiences for visitors from all over the world, the tourism industry continues to be a crucial part of the City's economy. In 2014, the industry set new highs, attracting 56.4 million visitors, of which 78 percent were domestic and 22 percent were international. In 2013, out of New York City's top 10 international markets, four were Eurozone countries (France, Germany, Italy and Spain), and since 2009, the number of international tourists has increased at a faster rate than domestic visitors. The travel boom has also resulted in a record hotel occupancy rate of 89.2 percent. Average daily room-rates finished 2014 at \$295, up from \$290 in the prior year. The economic impact from the booming tourism industry is significant, including but not limited to wages, jobs, and taxes that are directly generated from or supported by visitor spending.

The outlook for the New York City economy is positive; however, there are several risk factors that could alter the projections. One risk to the forecast is the potential slowdown of global economic growth, particularly in the Eurozone, Russia, and China, as an international slump will have some spillover to the City and the U.S. The decoupling of monetary policy between the Federal Reserve and other central banks will keep the dollar strong, casting a cloud over U.S. export activity. Meanwhile, at the city level, weaker foreign currencies might discourage international visitors and their spending on local goods and services. Finally, with a divided leadership in Washington, further fiscal uncertainty and potential for gridlock remains a possibility.

**New York City Job Growth Forecast**  
**Seasonally Adjusted**

	<b>2014</b>	<b>2015</b>	<b>2016</b>
<b>NYC Employment (Thousands)</b>	<b>Level</b>	<b>Level Change</b>	<b>Level Change</b>
<b>Total</b>	<b>4,054</b>	<b>65</b>	<b>64</b>
Private	3,513	66	64
Financial Activities	441	6	6
Securities	165	3	2
Professional & Business Services	661	18	15
Information	179	5	4
Education	202	2	2
Health & Social Services	639	6	8
Leisure & Hospitality	394	13	11
Wholesale & Retail Trade	496	9	10
Transportation & Utilities	123	2	1
Construction	123	2	3
Manufacturing	77	—	—
Other Services	178	2	1
Government	541	—	—

Note: Total may not add up due to rounding.

**Financial Plan Fiscal Year 2016**  
Forecasts of Selected Economic Indicators for the United States and New York City  
Calendar Year 2014-2019

	2014	2015	2016	2017	2018	2019	1979-2013*
<b>NATIONAL ECONOMY</b>							
Real GDP							
Billions of 2009 Dollars.....	\$16,089	\$16,573	\$17,013	\$17,497	\$17,932	\$18,441	
Percent Change .....	2.4	3.0	2.7	2.8	2.5	2.8	2.6%
Non-Agricultural Employment							
Millions of Jobs.....	138.9	141.7	144.1	146.0	147.1	148.5	
Level Change.....	2.5	2.8	2.4	1.9	1.1	1.4	
Percent Change.....	1.8	2.0	1.7	1.3	0.8	0.9	1.2%
Consumer Price Index							
All Urban (1982-84=100).....	236.7	237.5	242.8	248.4	254.6	260.9	
Percent Change .....	1.6	0.3	2.2	2.3	2.5	2.5	3.5%
Wage Rate							
Dollars Per Year.....	53,530	55,044	56,905	59,072	61,497	64,056	
Percent Change.....	2.5	2.8	3.4	3.8	4.1	4.2	4.0%
Personal Income							
Billions of Dollars.....	14,715	15,352	16,120	17,020	17,878	18,800	
Percent Change.....	3.9	4.3	5.0	5.6	5.0	5.2	5.8%
Before-Tax Corporate Profits							
Billions of Dollars.....	2,438	2,572	2,555	2,436	2,401	2,478	
Percent Change.....	9.1	5.5	-0.7	-4.7	-1.4	3.2	6.1%
Unemployment Rate							
Percent .....	6.2	5.6	5.3	5.2	5.2	5.1	6.4% avg
10-Year Treasury Note							
Percent.....	2.5	2.8	3.6	4.2	4.4	4.4	6.8% avg
Federal Funds Rate							
Percent.....	0.1	0.4	1.6	3.3	3.8	3.8	5.5% avg
<b>NEW YORK CITY ECONOMY</b>							
Real Gross City Product**							
Billions of 2009 Dollars.....	\$719.2	\$729.7	\$742.7	\$757.4	\$771.4	\$786.7	
Percent Change.....	3.4	1.5	1.8	2.0	1.9	2.0	2.6%
Non-Agricultural Employment***							
Thousands of Jobs.....	4,058	4,123	4,187	4,247	4,292	4,333	
Level Change.....	91	65	64	60	45	41	
Percent Change .....	2.3	1.6	1.6	1.4	1.1	1.0	0.5%
Consumer Price Index							
All Urban (1982-84=100).....	260.7	263.1	269.2	275.8	283.0	290.2	
Percent Change.....	1.5	0.9	2.3	2.4	2.6	2.6	3.7%
Wage Rate							
Dollars Per Year.....	84,449	86,235	88,512	91,151	94,104	97,241	
Percent Change.....	4.9	2.1	2.6	3.0	3.2	3.3	3.8%
Personal Income							
Billions of Dollars.....	503.7	519.0	539.3	565.0	589.1	613.2	
Percent Change.....	4.6	3.0	3.9	4.8	4.3	4.1	5.7%
<b>NEW YORK CITY REAL ESTATE MARKET</b>							
Manhattan Primary Office Market							
Asking Rental Rate****							
Dollars per Square Feet.....	\$73.66	\$76.68	\$80.60	\$82.86	\$86.30	\$87.61	
Percent Change.....	6.9	4.1	5.1	2.8	4.2	1.5	2.3%
Vacancy Rate****							
Percent.....	11.0	11.5	11.1	11.0	11.1	12.0	10.6% avg

\* Compound annual growth rates for 1979-2009. Compound growth rate for Real Gross City Product covers the period 1980-2013; Personal Income 1978-2013.

\*\* GCP estimated by OMB.

\*\*\* Employment levels are annual averages.

\*\*\*\* Office market statistics are based on 1987-2013 data published by Cushman & Wakefield.

## TAX REVENUE FORECAST<sup>1</sup>

### Real Property Tax

Real property tax revenue is forecast at \$21.170 billion in 2015, growth of 6.0 percent over the prior year. In 2016, real property tax revenue is forecast at \$22.113 billion, growth of 4.5 percent.

Total market value grew by 9.1 percent from the 2015 final roll to the 2016 tentative roll. The market value growth is primarily driven by an 11.8 percent increase in Class 4 (office and commercial space) properties. Class 1 (one-to three-family homes) properties saw an increase of 7.0 percent in their market value. Class 2 (rental apartments, condominiums, and cooperatives) properties saw market value growth of 10.9 percent overall. Large Class 2 (more than 10 units) properties saw an increase of 12.8 percent, while small Class 2 (10 units or less) properties saw growth of 4.8 percent. Class 3 (utilities) properties saw a slight market value increase of 0.7 percent.

Citywide, total billable assessed value on the 2016 tentative roll (after accounting for the veterans' and STAR exemptions) increased by \$17.1 billion over 2015 to \$199.6 billion, growth of 9.4 percent. The 2016 tentative roll is expected to be reduced by \$4.1 billion on the final roll as a result of Tax Commission actions, Department of Finance changes by notice, and the completion of exemption processing. The billable assessed value on the final roll (before accounting for the veterans' and STAR exemptions) is forecast to grow 5.8 percent.

On the 2016 tentative roll, Class 1 billable assessed value (based on the comparable sales price valuation methodology) increased 4.9 percent over the prior year (after accounting for the veterans' and STAR exemptions). With an estimated tentative-to-final roll reduction of \$9 million, billable assessed value on the final roll (before accounting for the veterans' and STAR exemptions) is expected to grow 4.5 percent, slightly higher than last year's growth of 3.4 percent. Class 1 billable assessed value is forecast to grow at an annual average of 3.6 percent from 2017 through 2019.

On the 2016 tentative roll, overall Class 2 properties saw billable assessed value growth of 10.5 percent (after accounting for the veterans' and STAR exemptions). With an estimated tentative-to-final roll reduction of \$1.4 billion, billable assessed value growth on the final roll (before accounting for the veterans' and STAR exemptions) is expected to be 8.2 percent, significantly stronger than last year's growth of 6.8 percent. Class 2 billable assessed value growth is forecast to grow at an annual average of 5.0 percent from 2017 through 2019.

Class 3 (utilities) properties saw billable assessed value growth of 0.8 percent on the 2016 tentative roll. After the assessments for Class 3 special franchise properties are completed by the NYS Office of Real Property Tax Services, Class 3 billable assessed value on the final roll is expected to grow 0.8 percent. Class 3 billable assessed value growth is expected to remain flat from 2017 through 2019.

Class 4 properties, which consist of all other real properties such as office buildings, factories, stores and vacant land, saw billable assessed value growth (after accounting for the veterans' and STAR exemptions) of 10.6 percent on the 2016 tentative roll. With an estimated tentative-to-final roll reduction of \$2.7 billion, the billable assessed value growth on the final roll (before accounting for the veterans' and STAR exemptions) is expected to be 5.1 percent. Class 4 billable assessed value is forecast to grow at an annual average of 5.5 percent from 2017 through 2019.

Property tax collections are expected to grow at an annual average of 4.5 percent from 2017 through 2019.

### Commercial Rent Tax

Commercial rent tax revenue is forecast at \$735 million in 2015, growth of 3.5 percent over the prior year. Market conditions have been improving steadily since 2010 with increasing occupancy and growth in both

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<sup>1</sup> All tax figures are stated in terms of the City fiscal year, which runs from July 1 to June 30. The text will specifically state when referring to calendar years.

Midtown and Downtown primary market asking rents. In calendar year 2015, commercial office markets are expected to remain steady with asking rents growing at 4.1 percent. New leasing activity in calendar year 2014 has reached the highest level of activity since 1998, while total leasing volume including renewals has reached an all-time high.

In 2016, the commercial rent tax is forecast at \$765 million, growth of 4.1 percent. This reflects the continued growth in office-using employment. Asking rents are expected to rise while the vacancy rate is forecast to remain steady.

Commercial rent tax revenue is projected to grow at an annual average of 4.2 percent from 2017 through 2019 as growth in the City's employment is expected to remain positive as the City's economy continues to rebound.

### **Transaction Taxes**

Real property transfer tax revenue is forecast at \$1.501 billion in 2015, a decline of 1.7 percent from the prior year. The 2015 level is now only 12.9 percent below the peak seen in 2007, reflecting a healthy recovery after collections collapsed by 64.3 percent from their 2007 peak. Real property transfer tax collections year-to-date through December grew 4.0 percent over the extraordinary levels of the prior year. Together with a stronger dollar and rising interest rates, demand for commercial office properties is expected to temper and real property transfer tax revenue is forecast to remain relatively flat in 2016 before returning to growth, averaging 3.3 percent from 2017 through 2019 as the local property market continues to rebound with stable employment growth.

In 2015, commercial transaction activity is forecast to be similar to last year's high levels as the market for large transactions (greater than \$100 million) remains strong. Strong office fundamentals, a relatively weak dollar and record low interest rates have made commercial real estate in New York City a sought after asset class as investors all over the globe search for safe assets with positive yields. The 2015 commercial transaction tax revenue forecast is now only 14.0 percent below the peak seen in 2007. The frenzied level of activity seen in recent years is expected to stabilize as the dollar appreciates and interest rates begin to rise from their nadir. Collections from commercial transactions are forecast to decline 13.7 percent in 2016 and decline slightly through the forecast period.

In 2015, residential transfer tax collections are forecast to decline 4.2 percent from the prior year as the residential real estate market tempers. A lack of inventory in the market is likely to result in an 8.2 percent decline in transactions, although the average price of units on the market is forecast to grow 8.0 percent. Collections from the residential real estate market are expected to return to growth in 2016 at a 21.2 percent increase as new condominiums are completed and offered to potential buyers, lifting both the volume and average price of the overall residential market. Revenue is forecast to grow at an annual average rate of 9.5 percent from 2017 through 2019.

Mortgage recording tax revenue is forecast at \$960 million in 2015, nearly flat from the prior year. The 2015 level is still 38.8 percent below the 2007 peak. As a result of tighter lending standards, growth in mortgage recording tax lags the recovery seen in the real property transfer tax. Mortgage recording tax collections year-to-date through December grew 16.4 percent. In 2016, mortgage recording tax revenue is forecast to fall 1.7 percent, before returning to growth averaging 4.3 percent from 2017 through 2019.

In 2015, commercial mortgage recording tax revenue is expected to remain flat from the prior year. The strength in mortgage recording tax collections stemming from strong commercial real estate sales activity in the prior year is not expected to continue. Transactions are then expected to drop off, mirroring the decline in large commercial transaction activity. Collections are forecast to decline 13.8 percent in 2016 and remain flat from 2017 through 2019.

In 2015, residential mortgage recording tax revenue is forecast to remain flat following a slightly weaker level of sales activity. Parallel to the strength in transactions due to new inventory, collections from residential mortgage recording tax are forecast to grow 21.2 percent in 2016 and average growth of 9.6 percent from 2017 through 2019 as the housing market continues to improve.

### **Personal Income Tax**

Personal income tax revenue is forecast at \$9.817 billion in 2015, an increase of 2.9 percent over the prior year. This moderate growth follows record high personal income tax revenue of \$9.5 billion in 2014, the result of continued withholding growth bolstered by strong private and securities sector bonus payments as well as higher than expected City/State offset payments. Estimated payments fell in 2014 as they were coming off a strong 2013 caused by a behavioral shift whereby taxpayers realized capital gains before higher federal rates came into effect. In 2015, estimated payments are expected to grow modestly from the 2014 level. Withholding for 2015 is expected to continue to grow; however a drop in City/State offsets is forecast to offset some of this growth.

Withholding collections in 2015 are forecast to grow 7.5 percent over the prior year after an increase of 6.6 percent in 2014. The July through November withholding collections grew 8.3 percent over the same prior year period as the City added nearly 90,000 jobs during the calendar year. For the December through March bonus period, withholding collections are forecast to increase 7.9 percent. This reflects a small increase in private sector bonus payouts after strong growth in the prior year, as well as continued growth in non-bonus withholding. Withholding collections are forecast to increase 2.6 percent for the fourth quarter of 2015, reflecting moderate growth in the wage earnings forecast off of an elevated base.

Estimated payments (the sum of installment and extension payments) are expected to increase in 2015 after a decline the prior year. The growth in total estimated payments is due to higher liability driven by strength in equity markets, large commercial transactions, and proprietor's income growth. The decline in estimated payments in 2014 was a return to a more sustainable level after taxpayers in 2013 accelerated capital gains realizations in order to avoid the higher federal tax rates which came into effect on January 1, 2013. This behavioral shift caused a rebasing of capital gains for tax year 2013, but growth in capital gains is expected for tax year 2014, buoyed by strong growth in equity markets throughout the calendar year. This growth in capital gains paired with the increase in proprietor's income will drive up overall non-wage income, which is expected to boost estimated and extension payments.

Settlement payments (net of final returns, refunds, extensions and City/State offsets) are forecast to decline due to a drop in City/State offsets as well as an increase in refunds. Extension payments and final returns are projected to remain nearly flat from the previous year. City/State offsets came in higher than expected in 2014, but are forecast to revert to lower trend levels for 2015. Refunds are projected to increase in line with the forecast withholding growth. Overall, City/State offsets and refunds drive the decline in the settlement payments in 2015.

Personal income tax revenue in 2016 is forecast to grow 2.6 percent. Withholding collections are forecast to grow 4.2 percent, as job growth is expected to continue throughout 2016 and the average wage rate is forecast to increase 2.3 percent. However, this growth in base withholding is expected to be dampened by a decline in securities sector bonuses after consecutive years of near-record levels. Non-wage income levels are expected to remain high for tax year 2015. This will result in growth of 1.9 percent for estimated payments on tax year 2015.

In the out-years of the forecast period, continued growth in employment, wage rates, and non-wage income leads to personal income tax growth averaging 2.7 percent from 2017 through 2019.

### **Business Income Taxes**

Business income tax revenues (general corporation, banking corporation, and unincorporated business taxes) are forecast at \$6.100 billion in 2015, growth of 3.8 percent over the prior year. In 2016, business income tax revenues are forecast at \$6.262 billion, growth of 2.7 percent.

General corporation tax gross collections are forecast to grow 6.1 percent in 2015 to over three billion dollars. Gross collections year-to-date through December increased 4.4 percent from the prior year. Tax payments from finance sector firms grew nearly eight percent year-to-date over the prior year period, reflecting the high level of Wall Street profitability in calendar year 2013 and the first half of calendar year 2014. Lower levels of finance sector tax payments are forecast for the second half of the fiscal year, reflecting the expected decline of Wall Street firm profitability from \$14.8 billion in calendar year 2014 to approximately \$14 billion in calendar year 2015. Non-finance sector tax payments have exhibited strong growth year-to-date through December and healthy levels of non-finance sector tax payments are forecast to continue for the remaining half of the fiscal year, supported by the high level of calendar year 2014 corporate profits.

In 2016, general corporation tax gross collections are forecast to grow 2.6 percent, reflecting moderate levels of corporate profits and continued Wall Street profitability. General corporation tax gross collections are forecast to average growth of 2.9 percent annually from 2017 through 2019.

Banking corporation tax gross collections are forecast to decline 3.2 percent in 2015 to \$1.313 billion. Gross collections increased 5.4 percent year-to-date through December, in part attributable to significant clearing house bank tax payments this year that were insignificant in the same prior year period. The increase in bank tax payments reflects a pickup in mortgage loan originations and refinancing activity, resulting from low interest rates and gradual improvements in the nation's housing market. However, settlements related to mortgage securities and unfair banking practices, along with more restrictive regulations, are expected to reduce bank tax payments in the second half of 2015 and remain a drag on bank tax collections from 2016 through 2019.

Unincorporated business tax gross collections are forecast to grow 7.2 percent in 2015 to \$2.121 billion. Unincorporated business tax gross collections are up 18.0 percent year-to-date through December. Finance sector tax payments have demonstrated strong growth, reflecting healthy finance market performance. Hedge funds, which make up a significant portion of the unincorporated business tax finance sector, have seen assets under management maintain at the all-time high level over the past two years (calendar years 2013 and 2014), facilitating the payments to rebound to the pre-2008 recession level. Non-finance sector tax payments, led by robust real estate market activities, as well as the healthy growth in construction, professional services, health care and leisure & hospitality, are forecast to reach a new all-time high level for the third consecutive year.

In 2016, unincorporated business tax gross collections are forecast to grow 4.3 percent, paralleling the sustained growth of the national and local economies. Unincorporated business tax gross collections are forecast to average growth of 3.4 percent annually from 2017 through 2019.

In March 2014, the State of New York's enacted budget for State Fiscal Year 14-15 imposed major changes to the State Corporate tax structure. These changes included the merging of the NYS franchise tax with the NYS banking franchise tax as well as modifications to other sections of the NYS corporate tax code. The proposed Governor's Budget, released January 21, 2015, includes a proposal supported by NYC Mayor Bill de Blasio which would conform the NYC corporate tax structure to the State corporate tax structure with revisions to ensure that the effects of corporate tax reform on NYC tax revenue are revenue neutral.

## **Sales & Use Tax**

Sales tax revenue is forecast at \$6.782 billion in 2015, growth of 4.4 percent over the prior year. The forecast for 2015 is supported by continued high levels of visitor spending and the local economic recovery. Sales tax collections year-to-date through December grew 4.7 percent. The moderate growth, through December, reflects local employment growth, Wall Street profitability, and continued strength from tourist consumption. Overall, the holiday spending season was seen to be healthy, as reported by several organizations that track consumer spending, with women's apparel, jewelry, and casual dining among the best-performing categories.

NYC tourist consumption continued to thrive as the City welcomed approximately 56 million visitors, making calendar year 2014 another record-breaking year for tourism. An improving jobs market, with national and statewide unemployment at a six-year low, and falling gasoline prices are among the factors helping to spur spending.

In 2016, sales tax revenue is forecast at \$7.045 billion, growth of 3.9 percent. Taxable consumption is forecast to grow moderately due to strength in the tourism industry and growth in wage earnings. Sales tax revenue growth is forecast to average 3.9 percent annually from 2017 through 2019, paralleling steady growth in the local economy.

### **Hotel Tax**

Hotel tax revenue is forecast at \$567 million in 2015, growth of 5.8 percent over the prior year. Year-to-date hotel tax collections growth through December, after adjusting for a December tax payment that slipped into January, is over seven percent. The forecast assumes solid growth to continue through the remainder of the fiscal year. The forecast growth in hotel tax revenue stems from the continued expansion in hotel room inventory and extremely high occupancy rates at hotels throughout the City. The strength in tourism allows hoteliers to increase hotel room rates by 3.1 percent in 2015, after growing 2.5 percent in 2014. Hotel tax revenue is forecast to remain essentially flat at the current high levels from 2016 through 2019. Stable national macroeconomic growth is offset by weaker demand from abroad, as the appreciating dollar and global economic malaise limit growth.

### **Utility Tax**

Utility tax revenue is forecast at \$398 million in 2015, a decline of nearly two percent from the prior year. Utility tax collections through December declined from the prior year, reflecting substantially lower natural gas prices and a milder summer than in recent years. Collections for the second half of the fiscal year are forecast to decline slightly from the prior year as the effect of lower natural gas prices is still impacting collections. In addition, early winter weather that was warmer than in recent years is expected to decrease natural gas consumption, resulting in a decline in collections. Utility tax revenue is forecast to average growth of 2.5 percent annually from 2016 through 2019, reflecting more stable energy prices.

### **Cigarette Tax**

Cigarette tax revenue is forecast at \$49 million in 2015, a decline of 9.2 percent from the prior year. In 2016, cigarette tax revenue is forecast to decline to \$48 million. From 2017 through 2019, cigarette tax collections are projected to average a decrease of 2.1 percent. This reflects the long-term trend of decline in the number of packs sold resulting from cessation of smoking and substitution towards new products.

### **Other Taxes**

All other tax revenues are forecast at \$576.2 million in 2015, an increase of 5.3 percent over the prior year. All other taxes are forecast at \$541.4 million, a decline of 6.0 percent in 2016 and remain flat from 2017 through 2019.

### **Tax Audit Revenue**

As part of the City's tax enforcement efforts, the Department of Finance vigorously pursues delinquent taxpayers through agency audit activities and computer matches. Tax audit revenue for 2015 is forecast at \$912.3 million. Audit revenue is forecast at \$711.1 million annually from 2016 through 2019.

## Tax Revenue Forecast

(\$ in Millions)

	<i>Fiscal Year</i>				
	2015	2016	2017	2018	2019
<b>Real Estate-Related Taxes:</b>					
Real Property	\$21,170	\$22,113	\$23,141	\$24,151	\$25,220
Real Property Transfer	1,501	1,506	1,557	1,612	1,661
Mortgage Recording	960	944	986	1,030	1,071
Commercial Rent	735	765	800	835	865
<b>Income-Based Taxes:</b>					
Personal Income	9,817	10,076	10,308	10,591	10,908
General Corporation	2,900	2,950	3,036	3,136	3,246
Banking Corporation	1,171	1,194	1,190	1,191	1,218
Unincorporated Business	2,029	2,118	2,167	2,251	2,345
<b>Consumption and Use Taxes:</b>					
Sales and Use	6,782	7,045	7,327	7,624	7,893
Utility	398	404	413	428	440
Hotel	567	550	565	574	569
Cigarette	49	48	47	46	45
All Other	576	541	537	537	537
<b>Subtotal</b>	<b>48,655</b>	<b>50,255</b>	<b>52,074</b>	<b>54,007</b>	<b>56,018</b>
Tax Audit Revenue	912	711	711	711	711
<b>Total</b>	<b>\$49,567</b>	<b>\$50,966</b>	<b>\$52,785</b>	<b>\$54,718</b>	<b>\$56,729</b>
STAR Aid	861	877	881	881	881
<b>Total*</b>	<b>\$50,428</b>	<b>\$51,843</b>	<b>\$53,666</b>	<b>\$55,599</b>	<b>\$57,610</b>

\* Totals may not add due to rounding

**Tax Revenue Forecast**  
**All Other Taxes**

(\$ in Millions)

	<i>Fiscal Year</i>				
	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
<b>Excise Taxes:</b>					
Off-Track Betting (Dividend)	\$—	\$—	\$—	\$—	\$—
OTB Surtax	1.3	1.3	1.3	1.3	1.3
Horse Race Admissions	—	—	—	—	—
Beer and Liquor	24.0	26.0	24.0	24.0	24.0
Liquor License	5.0	5.0	5.0	5.0	5.0
<b>Auto-Related Taxes:</b>					
Commercial Motor Vehicle	53.0	50.0	50.0	50.0	50.0
Auto Use	29.0	29.0	29.0	29.0	29.0
Taxi Medallion	8.0	8.0	8.0	8.0	8.0
<b>Miscellaneous Taxes:</b>					
Section 1127 (Waiver)	130.0	130.0	130.0	130.0	130.0
PILOTs	305.9	269.1	269.1	269.1	269.1
Other Tax Refunds	(32.0)	(29.0)	(29.0)	(29.0)	(29.0)
<b>Penalties and Interest:</b>					
P&I - Real Estate Current Year	19.0	19.0	18.0	18.0	18.0
P&I - Real Estate Prior Year	36.0	36.0	35.0	35.0	35.0
P&I - Other (Refunds)	(3.0)	(3.0)	(3.0)	(3.0)	(3.0)
<b>Total All Other Taxes*</b>	<b>\$576.2</b>	<b>\$541.4</b>	<b>\$537.4</b>	<b>\$537.4</b>	<b>\$537.4</b>

\* Totals may not add due to rounding

## **SANDY RECOVERY**

### **New York City's Response to Sandy**

Hurricane Sandy, which made landfall in New York City on October 29, 2012, disrupted critical systems and caused significant damage across the five boroughs of New York City. Sandy's impacts included power outages, hospital closures, transportation disruptions, and, most tragically, the loss of 44 lives in New York City.

In addition to emergency response and repairs to damages, the City is making resiliency improvements to protect against future disasters. Extreme weather events are expected to increase in both frequency and intensity due to climate change.

### **Federal Funding for Sandy Recovery**

Funding for Sandy Recovery comes primarily from two sources, the Federal Emergency Management Agency (FEMA), and the U.S. Department of Housing and Urban Development (HUD). The FEMA Public Assistance program supports costs borne by the City for emergency response and long-term repairs to damaged City facilities and infrastructure, as well as qualifying resiliency improvements. HUD funding is provided through the Community Development Block Grant – Disaster Recovery program (CDBG-DR). Through this program the City is funding additional recovery needs such as housing recovery and assistance to impacted businesses.

#### *Federal Emergency Management Agency (FEMA) Public Assistance*

A total of \$4.7 billion was budgeted in prior years and in the prior Financial Plan (\$1.9 billion in the expense budget and \$2.8 billion in the capital budget).

The February Financial Plan adds \$1.3 billion to the capital budget for FEMA-funded projects. Included in this addition is \$828 million at HHC for repairs and mitigation investments at four major hospitals (out of an expected total HHC grant of \$1.7 billion). At SCA \$200 million were added, bringing up the capital program for school repairs to \$649 million. At DEP \$115 million of capital funding were added for repairs and mitigation investments for damaged electrical conduit. At EDC \$101 million were added for repairs and mitigation investments at the Homeport on Staten Island. At DPR \$67 million were added to cover change orders on the plan to rebuild and harden the Rockaway Beach Boardwalk.

The February Financial Plan reflects 97% of total anticipated FEMA-funded projects (\$6.0 billion of \$6.2 billion) that flow through the City's budget.

#### *Community Development Block Grant – Disaster Recovery Program (CDBG-DR)*

The Federal Department of Housing and Urban Development has allocated \$4.2 billion of CDBG-DR funds from HUD for Hurricane Sandy, of which \$3.2 billion have been published in a Action Plan approved by HUD. The February Financial Plan adds \$1.0 billion in HUD CDBG-DR funding to the budget for Sandy recovery, \$0.5 billion in expense funding and \$0.5 billion in capital funding.

The additional expense funding primarily supports housing recovery, including the mitigation measures to protect the City's housing stock from future flooding. Capital funding will support, through the local match of the 10% local share of FEMA funding, repair and resiliency measures for public housing, hospitals, and parks.

This \$1.0 billion increase in additional HUD CDBG-DR funding results in a total of \$2.6 billion budgeted, or 93% of total available CDBG-DR funds. The City will budget the remaining \$1.6 billion once HUD approves the City's revised Action Plan, expected in mid-April.

## **CAPITAL PROGRAM**

The Modified Capital Commitment Plan for Fiscal Years 2015-2018 authorizes agencies to commit \$44.7 billion, of which \$36.6 billion will be City-Funded. City funds include proceeds of bonds issued by the City Municipal Water Finance Authority and the New York City Transitional Finance Authority as well as City general obligation bonds.

The targeted level for City-funded commitments is \$9.8 billion in Fiscal Year 2015. The aggregate agency-by-agency authorized commitments of \$13.6 billion exceed the Fiscal Year Financial Plan by \$3.8 billion. Excess authorizations in this proportion have proven necessary to achieve commitment spending targets by accommodating such factors as scope changes and delays.

## The Capital Program Since 2011

The following table summarizes capital commitments over the past four years.

### FY 2011-2014 Commitments

(\$ in Millions)\*

	2011		2012		2013		2014	
	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds
<b>Environmental Protection</b>								
Equipment	\$100	\$98	\$59	\$59	\$65	\$58	\$84	\$84
Sewers	178	190	366	368	279	288	300	302
Water Mains, Sources & Treatment	602	602	578	590	402	402	343	345
Water Pollution Control	354	361	571	570	454	456	412	408
Water Supply	1	1	97	97	316	316	21	21
<b>Subtotal</b>	<b>\$1,235</b>	<b>\$1,252</b>	<b>\$1,670</b>	<b>\$1,685</b>	<b>\$1,516</b>	<b>\$1,521</b>	<b>\$1,160</b>	<b>\$1,160</b>
<b>Transportation</b>								
Mass Transit	\$130	\$130	\$5	\$35	\$125	\$133	\$35	\$35
Bridges	137	137	6	125	249	361	131	234
Highways	296	333	278	300	298	438	325	415
<b>Subtotal</b>	<b>\$563</b>	<b>\$600</b>	<b>\$290</b>	<b>\$460</b>	<b>\$672</b>	<b>\$931</b>	<b>\$491</b>	<b>\$684</b>
<b>Education</b>								
Education	\$953	\$1,787	\$1,263	\$2,481	\$1,282	\$2,345	\$1,040	\$2,060
Higher Education	58	58	70	70	48	48	74	74
<b>Subtotal</b>	<b>\$1,011</b>	<b>\$1,845</b>	<b>\$1,332</b>	<b>\$2,551</b>	<b>\$1,330</b>	<b>\$2,394</b>	<b>\$1,113</b>	<b>\$2,134</b>
<b>Housing And Economic Development</b>								
Economic Development	\$143	\$190	\$205	\$244	\$272	\$282	\$255	\$278
Housing	258	343	192	298	308	376	336	415
<b>Subtotal</b>	<b>\$400</b>	<b>\$533</b>	<b>\$397</b>	<b>\$542</b>	<b>\$580</b>	<b>\$657</b>	<b>\$590</b>	<b>\$694</b>
<b>Administration Of Justice</b>								
Correction	\$69	\$69	\$95	\$95	\$104	\$104	\$114	\$125
Courts	97	97	63	63	17	17	123	123
Police	80	80	63	63	83	89	164	170
<b>Subtotal</b>	<b>\$246</b>	<b>\$246</b>	<b>\$221</b>	<b>\$221</b>	<b>\$204</b>	<b>\$210</b>	<b>\$401</b>	<b>\$418</b>
<b>City Operations &amp; Facilities</b>								
Cultural Institutions	\$149	\$161	\$133	\$135	\$172	\$176	\$211	\$215
Fire	90	94	83	87	143	157	52	63
Health & Hospitals	279	286	292	298	264	315	244	307
Parks	367	396	256	290	310	533	255	365
Public Buildings	116	116	154	154	190	190	144	144
Sanitation	319	320	222	222	392	400	276	277
Technology & Equipment	462	475	260	276	277	279	571	573
Other	132	248	147	187	147	215	216	356
<b>Subtotal</b>	<b>\$1,914</b>	<b>\$2,097</b>	<b>\$1,548</b>	<b>\$1,651</b>	<b>\$1,894</b>	<b>\$2,265</b>	<b>\$1,969</b>	<b>\$2,298</b>
<b>Total Commitments</b>	<b>\$5,369</b>	<b>\$6,575</b>	<b>\$5,458</b>	<b>\$7,111</b>	<b>\$6,196</b>	<b>\$7,978</b>	<b>\$5,725</b>	<b>\$7,387</b>
<b>Total Expenditures</b>	<b>\$8,602</b>	<b>\$9,099</b>	<b>\$6,994</b>	<b>\$8,431</b>	<b>\$6,888</b>	<b>\$8,385</b>	<b>\$7,468</b>	<b>\$7,903</b>

\* Note: Individual items may not add to totals due to rounding.

## FY 2015-2018 Commitment Plan

(\$ in Millions)\*

	2015		2016		2017		2018	
	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds
<b>Environmental Protection</b>								
Equipment	\$98	\$98	\$59	\$59	\$91	\$91	\$49	\$49
Sewers	470	488	567	583	435	444	333	333
Water Mains, Sources & Treatment	738	739	823	823	385	385	381	381
Water Pollution Control	668	700	591	702	580	580	733	889
Water Supply	666	666	16	16	7	7	151	151
<b>Subtotal</b>	<b>\$2,638</b>	<b>\$2,691</b>	<b>\$2,057</b>	<b>\$2,183</b>	<b>\$1,499</b>	<b>\$1,508</b>	<b>\$1,647</b>	<b>\$1,803</b>
<b>Transportation</b>								
Mass Transit	\$351	\$375	\$40	\$40	\$40	\$40	\$40	\$40
Bridges	310	758	672	982	452	757	430	498
Highways	395	582	668	922	305	467	344	349
<b>Subtotal</b>	<b>\$1,056</b>	<b>\$1,714</b>	<b>\$1,381</b>	<b>\$1,945</b>	<b>\$797</b>	<b>\$1,264</b>	<b>\$814</b>	<b>\$887</b>
<b>Education</b>								
Education	\$1,741	\$3,101	\$2,425	\$2,743	\$2,405	\$2,600	\$1,928	\$2,600
Higher Education	304	314	57	57	32	32	6	7
<b>Subtotal</b>	<b>\$2,045</b>	<b>\$3,415</b>	<b>\$2,482</b>	<b>\$2,800</b>	<b>\$2,437</b>	<b>\$2,632</b>	<b>\$1,935</b>	<b>\$2,607</b>
<b>Housing And Economic Development</b>								
Economic Development	\$699	\$871	\$352	\$371	\$274	\$292	\$72	\$90
Housing	535	672	618	668	627	676	643	693
<b>Subtotal</b>	<b>\$1,234</b>	<b>\$1,543</b>	<b>\$970</b>	<b>\$1,039</b>	<b>\$900</b>	<b>\$968</b>	<b>\$715</b>	<b>\$782</b>
<b>Administration Of Justice</b>								
Correction	\$340	\$401	\$196	\$205	\$477	\$477	\$126	\$126
Courts	291	291	103	103	61	61	47	47
Police	388	422	106	111	151	151	76	77
<b>Subtotal</b>	<b>\$1,018</b>	<b>\$1,114</b>	<b>\$405</b>	<b>\$419</b>	<b>\$689</b>	<b>\$689</b>	<b>\$250</b>	<b>\$250</b>
<b>City Operations &amp; Facilities</b>								
Cultural Institutions	\$617	\$717	\$20	\$20	\$27	\$27	\$50	\$50
Fire	245	386	108	108	38	38	87	87
Health & Hospitals	533	701	256	896	139	283	79	170
Parks	1,307	1,840	260	269	242	242	82	82
Public Buildings	391	391	262	262	152	152	124	124
Sanitation	356	375	238	238	336	336	123	123
Technology & Equipment	1,029	1,038	410	410	240	240	145	145
Other	1,170	1,382	199	603	212	429	153	239
<b>Subtotal</b>	<b>\$5,647</b>	<b>\$6,830</b>	<b>\$1,753</b>	<b>\$2,806</b>	<b>\$1,387</b>	<b>\$1,747</b>	<b>\$844</b>	<b>\$1,020</b>
<b>Total Commitments</b>	<b>\$13,638</b>	<b>\$17,307</b>	<b>\$9,047</b>	<b>\$11,191</b>	<b>\$7,709</b>	<b>\$8,808</b>	<b>\$6,204</b>	<b>\$7,349</b>
<b>Reserve For Unattained Commitments</b>	<b>(\$3,851)</b>	<b>(\$3,851)</b>	<b>\$57</b>	<b>\$57</b>	<b>(\$232)</b>	<b>(\$232)</b>	<b>\$446</b>	<b>\$446</b>
<b>Commitment Plan</b>	<b>\$9,787</b>	<b>\$13,456</b>	<b>\$9,104</b>	<b>\$11,248</b>	<b>\$7,477</b>	<b>\$8,576</b>	<b>\$6,650</b>	<b>\$7,795</b>
<b>Total Expenditures</b>	<b>\$6,464</b>	<b>\$8,480</b>	<b>\$6,865</b>	<b>\$8,572</b>	<b>\$7,521</b>	<b>\$9,282</b>	<b>\$7,720</b>	<b>\$9,376</b>

\* Note: Individual items may not add to totals due to rounding.

## **The Department of Design and Construction**

The Department of Design and Construction was created in October 1995 by Local Law 77, which authorized it to assume responsibility for construction projects performed by the departments of Transportation, Environmental Protection and General Services. The Department delivers the City's construction projects in an expeditious, cost-effective manner, while maintaining the highest degree of architectural, engineering and construction quality. The Department performs design and construction functions related to streets and highways; sewers; water mains; correctional and court facilities; cultural buildings; libraries; and other public buildings, facilities and structures.

The consolidation of design and construction into a single agency allows for the elimination of duplicative program units within agencies; the standardization of construction procedures and practices; the implementation of reforms of current practices relating to procurement for construction projects; and the expansion of the use of construction-related technology, such as Computer-Aided Drafting and Design (CADD); and a project management information system. The Department also enables the City to coordinate a wide variety of construction projects with utilities, community representatives, and private industry, thus minimizing the disruption to individual neighborhoods caused by water-main projects, sewer construction, and road work, as well as reducing the costs associated with such projects. The Department of Design and Construction serves 21 client agencies.

## **Capital Asset Inventory and Maintenance Program**

The Charter mandates an annual assessment of the City's major assets, including buildings, piers, bulkheads, bridges, streets and highways, and the preparation of state of good repair needs for these assets. The annual report, used by agencies for capital planning purposes, includes, as a separate volume, a reconciliation of the amounts recommended in the condition assessment with amounts funded in the budget. All asset reports are now available to the agencies via the City intranet.

## **Value Engineering**

For the past 31 years, the Mayor's Office of Management and Budget (OMB) has successfully used several review and assessment tools of value management as a means of maximizing the City's return on investment. These include the value engineering and value analysis methodologies, defined below:

Value Engineering (VE) systematically reviews construction designs, costs and functions for the purpose of achieving the most effective project at the lowest life-cycle cost for both capital and operating expenses. Value Engineering is conducted on selected major capital projects at an early enough phase to confirm that their scope includes all required elements, to identify potential problems and to incorporate solutions and recommendations into the design. Each review is customized to bring in relevant experts on a wide range of technical disciplines who contribute their vast knowledge to the development of City projects. An independent cost estimate is prepared for each VE study as a reality cost check.

In its role as technical support, the Value Engineering Unit is able to provide expertise otherwise unavailable in-house, both at OMB and other agencies. Working with a VE team of outside consultants and experts, along with input from agency clients, the VE Unit is able to review capital projects and operational processes, and greatly contribute to the effectiveness of how the City conducts its business and manages its resources. This truly collaborative effort also provides a forum to address the concerns of the interested parties. Recommendations stemming from VE reviews enable agency policy makers to make an informed assessment on the viability of a project's scope, cost and schedule, which often result in substantial construction cost savings. In many cases it also results in improved designs and future operational savings.

Projects earmarked for future VE review include bridges, water supply tunnels and reservoirs, dams, waste water treatment facilities, hospitals, labs, sanitation garages, roadways, and jail projects.

Value Analysis (VA) fundamentally redesigns key operational functions to effect increased efficiency and improvements. Value analysis is applied to the review of the City's operational processes and procedures to assist agencies in streamlining their operations.

Value Analysis has provided agencies with new operational and functional processes for existing programs, and often offers a new paradigm for providing services. One of the essential goals of Value Analysis is to provide a structure within which a client agency's operations can be reviewed and changed by those closest to the process with support from the decision-makers charged with performing the agency's mission. This process encourages all levels of staff to "see" the larger mission and creates internal support for change which increases the likelihood of success.

OMB continues to be on the forefront in Value Management (VM). The City's VM program has provided agencies with a management tool that allows participation in the decision-making process by personnel at various levels, thereby adding collaborative and constructive input to the overall "big picture" scope of projects.

## FINANCING PROGRAM

The City's financing program projects \$33.1 billion of long-term borrowing for the period fiscal years 2015 through 2019 to support the City's current capital program. The portion of the capital program not financed by the New York City Municipal Water Finance Authority (NYW or the Authority) will be split between General Obligation (GO) bonds of the City and bonds of the New York City Transitional Finance Authority (TFA). Figures below do not include state funded financing for education capital purposes through TFA Building Aid Revenue Bonds (BARBs):

### Financing Program

(\$ in Millions)

	2015	2016	2017	2018	2019	Total
City General Obligation Bonds	\$800	\$2,500	\$3,020	\$3,100	\$3,090	\$12,510
TFA Bonds <sup>(1)</sup>	2,650	2,500	3,020	3,100	3,090	14,360
Water Authority Bonds <sup>(2)</sup>	1,198	1,314	1,265	1,269	1,192	6,238
<b>Total</b>	<b>\$4,648</b>	<b>\$6,314</b>	<b>\$7,305</b>	<b>\$7,469</b>	<b>\$7,372</b>	<b>\$33,108</b>

(1) TFA Bonds do not include BARBs issued for education capital purposes. TFA expects to continue to issue BARBs under the current legislative authorization.

(2) Includes commercial paper and revenue bonds issued for the water and sewer system's capital program. Figures do not include bonds that defease commercial paper or refunding bonds.

The following three tables show statistical information on debt issued and expected to be issued by the financing entities described above, other than BARBs to be issued by the TFA.

### Debt Outstanding

(\$ in Millions at year end)

	2015	2016	2017	2018	2019
City General Obligation Bonds	\$40,348	\$40,532	\$41,227	\$42,016	\$42,779
TFA Bonds <sup>(1)</sup>	26,280	28,063	30,197	32,358	34,199
TSASC Bonds	1,216	1,203	1,190	1,168	1,145
Conduit Debt	1,534	1,445	1,365	1,284	1,206
<b>Total</b>	<b>\$69,378</b>	<b>\$71,243</b>	<b>\$73,979</b>	<b>\$76,826</b>	<b>\$79,329</b>
Water Authority Bonds	\$30,901	\$32,348	\$33,319	\$34,276	\$35,125

(1) Figures above do not include state funded financing for education capital purposes through the TFA BARBs.

### Annual Debt Service Costs

(\$ in Millions, Before Prepayments)

	2015	2016	2017	2018	2019
City General Obligation Bonds <sup>(1)</sup>	\$3,935	\$4,422	\$4,553	\$4,662	\$4,754
TFA Bonds <sup>(2)</sup>	1,968	2,037	2,351	2,574	3,002
TSASC Bonds	74	74	74	82	82
Conduit Debt <sup>(3)</sup>	224	235	308	301	295
<b>Total Debt Service</b>	<b>\$6,201</b>	<b>\$6,768</b>	<b>\$7,286</b>	<b>\$7,619</b>	<b>\$8,133</b>
Water Authority Bonds <sup>(4)</sup>	\$1,452	\$1,719	\$1,813	\$1,893	\$1,985

(1) Includes interest on short-term obligations (RANs).

(2) Figures above do not include state funded financing for education capital purposes through the TFA BARBs.

(3) Conduit Debt debt service includes interest on the \$3 billion Hudson Yards Infrastructure Corporation (HYIC) debt issued in December 2006 and October 2011. Such debt is not included in the "Debt Outstanding" table above because the City is not required to pay principal of the HYIC debt.

(4) Includes First Resolution debt service and Second Resoluiton debt service net of subsidy payments from the NYS Environmental Facilities Corporation.

### Debt Burden

	2015	2016	2017	2018	2019
Total Debt Service <sup>(1)</sup> as % of:					
a. Total Revenue	7.8%	8.6%	9.1%	9.2%	9.6%
b. Total Taxes	12.1%	12.9%	13.4%	13.6%	14.0%
c. Total NYC Personal Income	1.2%	1.3%	1.3%	1.3%	1.3%
Total Debt Outstanding <sup>(1)</sup> as % of:					
a. Total NYC Personal Income	13.3%	13.3%	13.2%	13.1%	13.0%

(1) Total Debt Service and Debt Outstanding include GO, conduit debt and TFA bonds other than BARBs (PIT Bonds).

The financing of the City capital program is split among GO, TFA and NYW bond issuance. The City and TFA will issue \$12.5 billion and \$14.4 billion, respectively, during the plan period. The City issuance supports 38 percent of the total, while TFA issuance supports 43 percent of the total. NYW's annual financing amount, excluding refundings, will average approximately \$1.25 billion. The aggregate NYW financing during the plan period will account for 19 percent of the total financing program.

In spite of continuing volatility and uncertainty in the financial markets, the City, TFA, and NYW have enjoyed continued market access which has allowed the City's capital program to continue to be financed at reasonable interest rates. All of the issuers financing the City capital program have maintained credit ratings in the AA or better category by Moody's, Standard & Poor's, and Fitch, as indicated in the table below.

### Ratings

Issuer	Fitch	Moody's	Standard and Poor's
NYC GO	AA	Aa2	AA
TFA Senior	AAA	Aaa	AAA
TFA Subordinate	AAA	Aa1	AAA
TFA BARBs	AA	Aa2	AA
NYW First Resolution	AA+	Aa1	AAA
NYW Second Resolution	AA+	Aa2	AA+
EFC Senior SRF Bonds	AAA	Aaa	AAA
EFC Subordinated SRF Bonds	AA+	Aaa	AAA

### New York City General Obligation Bonds

Since July 1, 2014, the City has issued approximately \$980 million in refunding bonds. The date and principal amount are as follows:

#### NYC GO Issuances

(\$ in Millions)

Series	(N)ew Money/ (R)efunding	Issue Date	Tax Exempt Amount	Taxable Amount	Total Par Amount
2015 AB	R	9/4/2014	\$980	\$—	\$980

The refunding transaction the City has completed to date in fiscal year 2015 generated approximately \$135 million of debt service savings during the financial plan period.

In addition to the total issuance mentioned above, the City took steps to manage its outstanding floating rate debt. The City reoffered approximately \$350 million of floating rate bonds in order to manage expiring bank facilities supporting that debt. Of that amount, \$50 million was reoffered as an index bond directly to a bank such that the debt will remain in a floating rate mode until maturity without further management action required. Within the refunding issue mentioned above, the City refunded approximately \$33 million of floating rate bonds using the same rationale as for the converted issues

The City plans to issue \$800 million of GO bonds for capital purposes during the remainder of fiscal year 2015 and approximately \$2.5 billion, \$3.0 billion, \$3.1 billion, and \$3.1 billion in fiscal years 2016 through 2019, respectively.

Currently the debt service for the City, TFA (excluding BARBs), and City appropriation debt, or conduit debt, excluding the effect of pre-payments, is 7.8 percent of the City's total budgeted revenues in fiscal year 2015. That ratio is projected rise to 9.6 percent in fiscal year 2019. As a percentage of tax revenues, the debt service ratio is 12.1 percent in fiscal year 2015 and is projected to increase to 14.0 percent in fiscal year 2019.

In fiscal year 2015, the City does not project a note issuance to satisfy cash flow needs. The City's financing program assumes the issuance of \$2.4 billion of notes annually through the remainder of the financial plan.

#### **New York City Related Issuers - Variable Rate Debt**

Floating rate bonds have been a reliable source of cost savings in the City's capital program. In considering the proportion of the City's debt which is in variable rather than fixed rates, it is useful to consider all sources of financing with the exception of NYW, which is typically considered separately for such purposes. Included would be not only City GO bonds but also TFA, TSASC bonds and conduit debt. The City and its related entities have approximately \$10.4 billion of floating rate exposure.

Despite changes in the floating rate market, the City and other issuers supporting the City capital program have maintained floating rate exposure to minimize interest costs. The City and related financing entities have managed bank facility expirations by obtaining renewals from existing providers or replacement facilities from new providers. In addition, the City and related financing entities have explored new floating rate structures not requiring bank facilities. The City and TFA entered into private placements and public offerings of index floating rate bonds bearing all-in costs comparable to variable rate demand bonds with bank facilities. The City and TFA continue to explore these and other debt instruments which confer the benefit of floating rate exposure.

The City has not entered into any new interest rate swaps to date in fiscal year 2015. The total notional amount of swaps outstanding as of December 31, 2014 was \$1.75 billion, on which the termination value was negative \$138 million. This is the theoretical amount which the City would pay if all of the swaps were terminated under market conditions as of December 31, 2014.

The following table shows the City's and its related issuers' floating rate exposure. Floating rate exposure is of note because certain events can cause unexpected increased costs. Those events would include rising interest rates, a change in the tax code (in the case of tax-exempt debt), and the deterioration of the City's credit. Additionally, the deterioration of the credit of a related credit or liquidity provider can also have an impact on interest cost. By contrast, the cost of outstanding fixed rate debt does not increase if any of the previously mentioned events takes place. On the other hand, fixed rate borrowing locks in a higher borrowing cost if interest rates do not change materially or if they decline. Overall, floating rate exposure benefits the City because it reduces the cost of financing. In short, interest costs on short term debt are almost always lower than long term debt. The City has assumed floating rate exposure using a variety of instruments; including tax exempt floating

rate debt, taxable floating rate debt, basis swaps, and certain types of synthetic fixed rate debt. The basis swaps and certain synthetic fixed rate debt provide exposure to changes in the tax code but are largely insensitive to changes in interest rates and changes in the City's credit. Given that those instruments provide only limited floating rate exposure, they are counted as variable rate exposure at less than the full amount of par or notional amount. Instruments that provide exposure only to changes in the tax code are counted at 25 percent of par or notional amount in the table below.

### NYC Floating-Rate Exposure<sup>(1)</sup>

(\$ in Millions)

	GO	TFA	Conduit	TSASC	Total
Floating Rate Bonds	\$6,167	\$3,773	\$30	\$—	9,971
Synthetic Fixed	212		31		243
Taxable Basis Swap	91				91
Enhanced Basis Swap	125				125
Total Floating-Rate	\$6,595	\$3,773	\$61	\$—	\$10,430
Total Debt Outstanding	\$40,348	\$26,280	\$1,534	\$1,216	\$69,378
% of Floating-Rate / Total Debt Outstanding					15.0%
Total Floating-Rate Less \$6.143 Billion Balance in General Fund (Floating-Rate Assets)					4,286
% of Net Floating Rate / Total Debt Outstanding					6.2%

(1) Debt Outstanding as of the February 2015 Financial Plan excluding NYW, HYIC, and TFA BARBs

The 15 percent floating rate exposure, including the risk from the synthetic fixed rate swaps and the basis swaps, is even more manageable after taking into account the 10 year average balance of \$6.14 billion of short-term assets in the City's General Fund which are an offset to these floating rate liabilities. Net of these floating rate assets, the floating rate exposure of the City, excluding NYW, is 6.2 percent of its outstanding debt. Moreover, the City uses conservative assumptions in budgeting expenses for floating rate instruments.

During fiscal year 2015, short-term interest rates relating to the \$10.4 billion of floating rate debt have been 0.07 percent on average for tax-exempt and 0.49 percent for taxable floating rate debt. These rates have continued to provide extremely attractive financing costs relative to fixed rate debt despite the recent market turmoil. Tax exempt floating rate debt has traded recently at rates that are approximately 300 basis points lower than those for long term fixed-rate debt, resulting in an annual savings of approximately \$315 million.

### The New York City Municipal Water Finance Authority

The New York City Municipal Water Finance Authority (NYW) was created in 1985 to finance capital improvements to the City's water and sewer system. Since its first bond sale in November 1985, the Authority has sold \$56.4 billion in bonds. These bond issuances included a combination of general (first) resolution, second general resolution and subordinated special resolution crossover refunding water and sewer system revenue bonds. Of this aggregate bond par amount, \$30.1 billion is outstanding, \$19.6 billion was refinanced with lower cost debt, \$2.3 billion was defeased with revenues prior to maturity, and \$4.4 billion was retired with revenues as it matured.

In addition to this long-term debt, NYW uses a \$600 million tax-exempt commercial program as a source of flexible short-term financing. The commercial paper includes \$400 million of unenhanced extendible municipal commercial paper (EMCP) notes and \$200 million of notes backed by a line of credit from a bank.

NYW's outstanding debt also includes floating rate bonds, which have been a reliable source of cost effective financing. NYW has \$4.7 billion of floating rate bonds or 16% of its outstanding debt, including \$401 million which was swapped to a fixed rate. NYW's floating rate exposure includes tax-exempt floating rate debt supported by liquidity facilities.

NYW participates in the State Revolving Fund (SRF) program administered by the New York State Environmental Facilities Corporation (EFC). The SRF provides a source of long-term below-market interest rate borrowing, subsidized from federal capitalization grants, state matching funds and other funds held by EFC.

On July 10, 2014, NYW issued \$200 million of new money tax-exempt fixed rate Second Resolution Bonds, Fiscal 2015 Series AA. The bonds included term bonds maturing in 2044.

On July 10, 2014, NYW issued \$400 million of new money tax-exempt adjustable rate Second Resolution Bonds, Fiscal 2015 Series BB. The bonds are backed by standby purchase agreements provided by four banks. This bond issue included term bonds maturing in 2049 and 2050.

On September 24, 2014, NYW issued \$200 million of new money tax-exempt fixed rate Second Resolution bonds, Fiscal 2015 Series CC. This bond issue included a term bond maturing in 2045.

On September 24, 2014, NYW issued \$300 million of refunding tax-exempt fixed rate Second Resolution bonds, Fiscal 2015 Series DD. The bonds refunded portions of NYW's First Resolution bonds, Fiscal 2005 Series B. The refunding bonds included term bonds maturing in 2028, 2029 and 2036.

On November 20, 2014, NYW issued \$392.1 million of refunding and new money tax-exempt fixed rate Second Resolution bonds, Fiscal 2015 Series EE. The new money bonds included a term bond maturing in 2045. The refunding bonds refunded portions of NYW's First Resolution bonds, Fiscal 2005 Series B. The refunding bonds included term bonds maturing in 2028, 2029 and 2036.

In fiscal year 2015, NYW has drawn on short-term loans from EFC, pursuant to agreements entered into in fiscal year 2012 and fiscal year 2014. To date, NYW has drawn \$179.5 million against these loans.

Summarized in the following table are five bond series that have closed to date in fiscal year 2015. The proceeds of the bonds refinanced commercial paper previously issued by NYW, paid costs of improvements to the water and sewer system or paid principal and interest on certain of the Authority's outstanding debt and paid the costs of issuance.

### NYW Issuance

Series	(N)ew Money/ (R)efunding	Issue Date	Par Amount	True Interest Cost (TIC)	Longest Maturity
2015 AA	N	7/10/14	\$200,000,000	4.18%	2044
2015 BB	N	7/10/14	\$400,000,000	0.04% <sup>(1)</sup>	2050
2015 CC	N	9/24/14	\$200,000,000	3.99%	2045
2015 DD	R	9/24/14	\$300,000,000	3.96%	2036
2015 EE	N/R	11/20/14	\$392,110,000	4.07%	2045

*(1) Bonds issued as variable rate demand bonds; rate shown is an average from the issue date through January 2, 2015.*

NYW is a party to two interest rate exchange agreements (swaps) with a total notional amount of \$401 million. As of December 31, 2014, the mark-to-market value of the swaps was negative \$114.1 million. This is the theoretical amount which NYW would pay if all swaps were terminated as of December 31, 2014.

NYW expects to issue an additional \$300 million of new money bonds over the remainder of fiscal year 2015.

During the period from fiscal years 2015 to 2019, NYW expects to sell an average of approximately \$1.25 billion of new money bonds per year. Of this amount, NYW plans to issue a minimum of \$300 million per year through EFC, taking advantage of the interest rate subsidy available for qualifying projects, and minimizing the overall costs of its financing program. After fiscal year 2015, NYW expects to issue approximately 90 percent of its new debt per year as fixed rate debt with the remainder issued as variable rate debt, subject to market conditions

### The New York City Transitional Finance Authority

The TFA is a public authority of New York State created by the New York Transitional Finance Authority Act. The TFA was created to issue debt, primarily secured with the City's personal income tax (PIT), to fund a portion of the capital program of the City. The TFA was originally authorized to issue up to \$7.5 billion of bonds and notes. On September 13, 2001, the TFA was given statutory authority to borrow \$2.5 billion to finance costs related to the September 11th terrorist attack on the City. Currently, TFA is permitted to have \$13.5 billion of debt outstanding and any amounts over and above that level are subject to the City's remaining debt incurring power under the State constitutional debt limit.

Since July 1, 2014, the TFA has issued approximately \$1.9 billion in bonds for capital purposes. The dates and principal amounts are as follows:

### NYC TFA Issuance

(\$ in Millions)

Series	(N)ew Money/ (R)efunding	Issue Date	Tax Exempt Amount	Taxable Amount	Total Par Amount
2015 A	N	8/1/2014	\$875	\$125	\$1,000
2015 B	N	11/13/2014	700	150	850
<b>Total</b>			<b>\$1,575</b>	<b>\$275</b>	<b>\$1,850</b>

Beyond the financings described above, the TFA plans to issue an additional \$800 million of TFA bonds for capital purposes during the remainder of fiscal year 2015 and approximately \$2.5 billion, \$3.0 billion, \$3.1 billion, and \$3.1 billion in fiscal years 2016 through 2019, respectively.

In April 2006, the State enacted legislation authorizing the TFA to have outstanding an additional \$9.4 billion of bonds to be used to fund capital costs for the Department of Education. This legislation also provided for the assignment to TFA of State building aid that had previously been paid directly to the City. The TFA currently has approximately \$6.7 billion of BARBs outstanding which fund the capital program of the Department of Education.

Since June 2014, the TFA BARBs received several credit rating upgrades. Moody's Investor Service upgraded the BARBs from Aa3 to Aa2 and Fitch, Inc. upgraded the BARBs from AA- to AA. Standard & Poor's subsequently upgraded the BARBs from AA- to AA. The TFA plans to continue to issue BARBs for the educational capital program under the current legislative authorization.

## **Hudson Yards Infrastructure Corporation**

Hudson Yard Infrastructure Corporation (HYIC), a not-for-profit local development corporation, was established to provide financing for infrastructure improvements to facilitate economic development on Manhattan's far west side. Improvements include the extension of the No. 7 subway line west and south, construction of a system of parks, streets, and open spaces, as well as the acquisition of development rights over the MTA rail yards.

In December 2006, HYIC issued its first series of bonds in the principal amount of \$2 billion. HYIC issued its second issuance of \$1 billion of bonds in October 2011. Principal on the HYIC bonds will be repaid from revenues generated by this new development, notably payments-in-lieu-of-property taxes (PILOT) on the commercial development and various developer payments. To the extent these revenues are not sufficient to cover interest payments, the City has agreed to make interest support payments to HYIC subject to appropriation.

Given the ongoing development in the Manhattan's far west side, revenues received by HYIC have accelerated. HYIC has begun to receive recurring PILOT revenue. Additionally, HYIC recently received approximately \$130 million from the sale of Transferrable Development Rights as well as District Improvement Bonus associated with the Related Companies' project located at 55 Hudson Yards. These revenues will reduce the interest support the City would have to provide on the HYIC Bonds.

The subway extension, which is being constructed by the MTA, will open for service in 2015. As of January 2015, nearly 100% of the construction work and 96% of the systems installation work necessary for passenger service was complete, and operational testing has commenced.

Construction is also underway on the HYIC-funded first phase of Hudson Park and Boulevard. As of January 2015, construction of the boulevard was nearly 100% complete, and the park was 95% complete. Construction began in 2012 and is proceeding on schedule for completion in 2015. The construction work is being performed by the New York City Economic Development Corporation with oversight by the Hudson Yards Development Corporation.

## **Sales Tax Asset Receivable Corporation**

The Sales Tax Receivable Asset Corporation (STAR), received credit rating upgrades related to the upgrade of New York State. In June 2014, Moody's Investor Service upgraded STAR from Aa2 to Aa1 and Fitch, Inc. upgraded STAR from AA to AA+. Standard and Poor's had previously rated STAR AAA since 2006.

In October 2014, STAR executed a refunding of all of its outstanding debt. The refinancing generated approximately \$650 million of savings, which was applied to benefit fiscal years 2016 through 2018.

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# Supplemental Information

## EXPENDITURE ASSUMPTIONS

The expenditure estimates in the plan reflect the four-year financial plan submitted on November 25, 2014 adjusted for new needs, approved categorical budget modifications through February 2, 2015, changes in inflation and other technical adjustments.

### Personal Services

The estimates for Personal Services over the five-year period of the plan are as follows:

	(\$ in Millions)				
	2015	2016	2017	2018	2019
Salaries & Wages	\$23,389	\$23,547	\$24,043	\$24,543	\$24,881
Pensions	8,582	8,534	8,504	8,490	8,586
Other Fringe Benefits	8,660	9,177	9,682	10,287	11,019
Reserve for Collective Bargaining					
Department of Education	11	—	—	—	—
Other	841	1,328	971	1,870	2,961
<b>Total</b>	<b>\$41,483</b>	<b>\$42,586</b>	<b>\$43,200</b>	<b>\$45,190</b>	<b>\$47,447</b>

### Salaries & Wages

The projections for salaries and wages reflect personnel costs associated with current and projected headcount levels and also includes recognized needs and any wage adjustments from rounds of collective bargaining that have been implemented.

### Pensions and Other Fringe Benefits

Pension expenses reflect actuarial valuation estimates of the City's five major retirement systems prepared by the Office of the Actuary (OA). These estimates include the civilian Collective Bargaining pattern set in 2014 and the impact of fiscal year 2014 asset performance.

Pension expense estimates in the financial plan reflect the funding assumptions and actuarial methods recommended by the Chief Actuary. The assumptions were adopted by the boards of trustees of each of the City's retirement systems and a certain portion of the assumptions subject to legislation was enacted into law in January 2013.

The financial plan includes valuation updates from the OA, which incorporate fiscal year 2014 investment returns of 17.48%. The investment return – higher than the assumed actuarial rate of seven percent - reduced required pension contributions by \$208 million, \$415 million, \$623 million, and \$831 million in fiscal years 2016 through 2019, respectively.

Other adjustments stemming from changes in the number of pension members and expected increases in pension administration costs have also been reflected in the financial plan.

Total pension expenses for the financial plan are shown below:

<b>Total Pension Expenses</b>					
(\$ in Millions)					
	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
City Actuarial Systems	\$8,445	\$8,381	\$8,344	\$8,318	\$8,409
Non-City Systems	73	85	88	94	95
Non-Actuarial	64	68	72	78	82
<b>Total</b>	<b>\$8,582</b>	<b>\$8,534</b>	<b>\$8,504</b>	<b>\$8,490</b>	<b>\$8,586</b>

Other fringe benefits include, primarily, Social Security, Unemployment Insurance, Workers' Compensation and Health Insurance. Expenditures on fringe benefits include adjustments for the expected changes in the City's planned headcount levels. The Social Security expense estimates reflect the tax rates and earnings caps issued by the Social Security Administration. In Calendar 2015, the combined tax rate is 7.65%. The OASDI tax portion of 6.2% is capped at \$118,500 in earnings; the Medicare tax portion of 1.45% is applied to all earnings. Unemployment Insurance expense estimates are consistent with the statutory weekly benefit levels and planned payroll levels. Workers' Compensation expense estimates are consistent with the compensation rate schedule mandated by State law and the projected growth in medical costs. Health Insurance expense estimates reflect current levels of City enrollee coverage based on the health insurance contract counts and premium data available from the City's health insurance providers. These estimates also include the health care savings agreed to in the May 2014 Agreement between the City and the Municipal Labor Committee. The savings amounts agreed to were \$400 million, \$700 million, \$1 billion and \$1.3 billion in FY 2015 through FY 2018 respectively; with the \$1.3 billion growing with trend beyond FY 2018.

### **Reserve for Collective Bargaining**

The labor reserve contains funding for the net cost of all of the elements of the UFT and DC37 pattern as applied to the remaining unsettled unions (including those for whom ratification is pending). The reserve also contains funding for the restructured payments for those unions that were covered by the UFT nine-year pattern. In addition, the reserve includes the additional cost of the uniformed pattern for the unsettled uniformed unions. For the period beyond current round of bargaining, the reserve contains funding for wage increases assumed to be 1% per year following the expiration of the contracts in the 2010-2017 round of collective bargaining.

In May 2014, the City announced a settlement with the United Federation of Teachers (UFT) covering the 2008-2010 bargaining period and the seven-year portion beyond 2010. The agreement provides for a total compounded value of 19.41% in general wage increases over the nine-year period. In July 2014, the City reached a settlement with the District Council 37 (DC37) that provides for a total compounded value of 10.41% in general wage increases over the seven-year period.

The reserve assumes employees whose contracts were unsettled for the 2008-2010 round of collective bargaining will follow the UFT pattern. For all other civilians, the reserve assumes application of the DC37 deal over the seven-year period.

In December 2014, the City reached a settlement with the eight members of the Uniformed Superior Officers Coalition (USOC) representing superior officers in each of the four uniformed forces. The settlement set the pattern for uniformed force employees in the 2010-2017 round of collective bargaining.

The USOC deal largely mirrored the seven-year agreement reached with DC37 with the following alterations: 1) An additional 1% the first day of the twelfth month. 2) Giving those who retire the option of taking terminal leave in a lump sum. 3) No \$1,000 lump sum. 4) The members of the coalition agreed to savings items including delaying wage increases, reducing the City’s welfare fund contributions, and reducing the City’s contributions to the annuity fund.

Subsequently alterations were made to the deal allowing some groups to advance the date of the first increase to the first day of the seventh month and required that they provide additional savings items to cover this cost. Over the plan, these changes were approximately cost neutral. The cost above the already budgeted civilian pattern through FY 2019 was approximately \$746 million when applied to all uniformed force employees. The portion of this amount that is for unsettled contracts or contracts that have not been ratified is reflected in the reserve for collective bargaining in the Preliminary Budget.

The reserve for collective bargaining also contains a small amount of funding for the cost of undistributed collective bargaining increases for those groups that have settled in the previous round of bargaining.

**Other Than Personal Services**

The following items are included in this category:

	(\$ in Millions)				
	2015	2016	2017	2018	2019
Administrative OTPS	\$21,054	\$19,367	\$19,442	\$19,733	\$19,749
Public Assistance	1,476	1,407	1,413	1,413	1,413
Medical Assistance	6,447	6,415	6,415	6,415	6,415
Health and Hospitals Corp.	294	215	258	273	278
Covered Agency Support & Other Subsidies	3,762	3,679	3,810	3,926	4,026
City Debt Service*	6,242	7,031	7,414	7,735	8,051
Debt Defeasance	(115)	(337)	(201)	(198)	—
Prepayment Adjustments	(428)	(1,578)	—	—	—
General Reserve	300	750	750	750	750
<b>Total</b>	<b>\$39,032</b>	<b>\$36,949</b>	<b>\$39,301</b>	<b>\$40,047</b>	<b>\$40,682</b>

\* Numbers adjusted for prepayments and debt defeasances.

**Administrative OTPS**

The estimates in this category include new needs in the baseline. For 2016 through 2019, most expenditures have been increased to reflect the effect of inflation. The inflation adjustment, which is shown in a citywide account, represents an estimated annual 2.5 percent increase in 2016 through 2019. Baseline costs for energy and lease requirements are shown in the appropriate operating agency, while out-year inflationary costs are primarily shown in citywide accounts as noted in the following two sections.

## Energy

The financial plan for 2015 through 2019 reflects current projections for energy related purchases. Gasoline and fuel costs are expected to increase by \$58 million between 2015 and 2019. Heat, light and power is expected to increase by \$88 million between 2015 and 2019.

Usage adjustments are held constant, with the exception of varying workload adjustments, the privatization initiative in the In-Rem / DAMP program, and the annualization of 2015 adjustments, where applicable.

The annual cost projections are as follows:

	<b>Energy Costs</b>				
	(\$ in Millions)				
	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
Gasoline	\$94	\$95	\$106	\$114	\$122
Fuel Oil	95	99	110	117	125
HPD-In Rem / DAMP	6	6	6	6	6
HPD-ERP / AEP	6	3	3	3	3
Heat, Light and Power	771	781	803	838	859
<b>Total</b>	<b>\$972</b>	<b>\$984</b>	<b>\$1,028</b>	<b>\$1,078</b>	<b>\$1,115</b>

## Leases

Agency baseline expenditures carry the cost of leases at a constant level for 2016 through 2019 with the exception of the annualization of 2016 adjustments where applicable. A citywide adjustment for 2016 through 2019 provides for the increased cost of leases based on a 3.0 percent annual inflator. The four-year projection includes \$989 million for leases in 2016, \$1,019 million in 2017, \$1,050 million in 2018, and \$1,081 million in 2019. Of these amounts, the citywide adjustment is \$33 million, \$63 million, \$94 million and \$125 million respectively in 2016 through 2019.

## Public Assistance

The financial plan for Public Assistance projects 350,297 persons will be on Public Assistance in June 2015 and remain at that level for the balance of the four-year plan.

## Medical Assistance

The financial plan for Medicaid assistance funds 3.4 million recipients including 2.6 million enrolled in Medicaid Managed Care. NYC Medicaid expenditures were capped as a result of the 2005-2006 and 2012-2013 State Budgets. In 2016, the City anticipates a budget of \$6.3 billion in City Tax Levy.

## Health and Hospitals Corporation

The City's support for the Health and Hospitals Corporation reflects funding for HHC's provision of healthcare to prison inmates and uniformed service employees, as well as other City services. Support also includes the most recent round of collective bargaining costs for applicable unions that have reached agreements with the City. The 2016 City support is budgeted at \$215 million. Details of HHC's own institutional financial plan are set forth in the covered organization submissions for the Health and Hospitals Corporation.

## Covered Agency Support and Other Subsidies

Included in this category are the contributions made by the City to the Transit Authority, Housing Authority, Libraries and various Cultural Institutions. Also included in this category are the estimated projections for the cost of Judgments and Claims.

## General Reserve

The General Reserve is projected at \$300 million for 2015 and \$750 million for 2016-2019 to provide for uncontrollable increases in expenditures as well as shortfalls in revenue. The General Reserve has been increased above the required \$100 million to allow for any further uncertainties that may occur in the future.

## Debt Service

Debt Service projections estimate payments of debt service on currently outstanding City, Transitional Finance Authority (TFA) and Lease debt and future issuances in accordance with the financing program for 2015-2019. Actual debt service payments in these years will be affected by the timing of such issuances as well as market conditions. Projections of debt service on debt to be issued are based on estimates of the periods of probable usefulness of the expenditures to be financed for the City.

A Budget Stabilization account has been established for the prepayment of future years' debt service costs. Funding of \$1.58 billion in 2015 has been provided for this purpose.

Below are the detailed estimates for debt service for 2015 through 2019 after prepayments:

(\$ in Millions)

	Long Term	Short Term	Lease Purchase	Budget Stabilization*	Total City and Lease	TFA	Prepayment Adjustment	Total City, Lease and TFA
2015	\$3,292	\$-	\$224	\$1,578	\$5,094	\$605	\$428	\$6,127
2016	4,348	75	235	—	4,658	458	1,578	6,694
2017	4,479	75	308	—	4,862	2,351	—	7,213
2018	4,588	75	301	—	4,964	2,574	—	7,538
2019	4,680	75	295	—	5,050	3,001	—	8,051

\* Amounts in the Budget Stabilization Account are used to prepay the succeeding year's debt service. Does not adjust for the impact of debt defeasances.

**NEW YORK CITY**  
**Five Year Expenditure Analysis**

(All Funds - \$ in Millions)

	2015	2016	2017	2018	2019
<b>Uniformed Forces</b>					
Police Department	\$5,163	\$4,798	\$4,788	\$4,798	\$4,801
Fire Department	1,985	1,814	1,800	1,774	1,777
Department of Correction	1,142	1,170	1,158	1,161	1,165
Department of Sanitation	1,485	1,569	1,563	1,562	1,560
<b>Health and Welfare</b>					
Admin. for Children Services	2,952	2,951	2,961	2,964	2,964
Department of Social Services	9,879	9,701	9,694	9,681	9,667
Dept. of Homeless Services	1,112	1,034	1,032	1,032	1,035
Dept Health & Mental Hygiene	1,515	1,447	1,449	1,443	1,443
<b>Other Mayoral</b>					
NY Public Library - Research	24	24	24	24	24
New York Public Library	120	116	117	118	118
Brooklyn Public Library	90	86	88	88	88
Queens Borough Public Library	91	87	89	89	89
Department for the Aging	286	257	258	258	258
Department of Cultural Affairs	166	150	151	150	150
Housing Preservation & Dev.	959	720	591	551	551
Dept of Environmental Prot.	1,713	1,233	1,182	1,117	1,101
Department of Finance	266	262	265	268	267
Department of Transportation	958	840	846	847	847
Dept of Parks and Recreation	474	428	430	431	431
Dept of Citywide Admin Srvc	1,214	1,169	1,169	1,157	1,155
All Other Mayoral	2,720	2,218	2,166	2,238	2,162
<b>Major Organizations</b>					
Department of Education	20,906	21,588	22,445	23,359	23,916
City University	975	923	928	931	933
Health and Hospitals Corp.	294	215	258	273	278
<b>Other</b>					
Citywide Pension Contributions	8,582	8,534	8,504	8,490	8,586
Miscellaneous	8,858	9,683	9,796	11,221	12,912
Debt Service	5,699	5,116	7,213	7,538	8,051
General Reserve	300	750	750	750	750
Energy Adjustment	(65)	(47)	(10)	40	75
Lease Adjustment	—	34	63	94	125
OTPS Inflation Adjustment	—	56	111	167	222
<b>Elected Officials</b>					
Mayoralty	120	109	110	108	113
All Other Elected	532	500	512	515	515
<b>Total Including Intra-City</b>					
	\$80,515	\$79,535	\$82,501	\$85,237	\$88,129
<b>Less: Intra-City Expenses</b>					
	(1,967)	(1,804)	(1,814)	(1,825)	(1,825)
<b>Total Excluding Intra-City</b>					
	<b>\$78,548</b>	<b>\$77,731</b>	<b>\$80,687</b>	<b>\$83,412</b>	<b>\$86,304</b>

**NEW YORK CITY**  
**Five Year Expenditure Analysis**  
(City Funds - \$ in Millions)

	2015	2016	2017	2018	2019
<b>Uniformed Forces</b>					
Police Department	\$4,575	\$4,533	\$4,532	\$4,538	\$4,541
Fire Department	1,609	1,593	1,579	1,553	1,556
Department of Correction	1,128	1,160	1,148	1,151	1,155
Department of Sanitation	1,460	1,545	1,539	1,538	1,537
<b>Health and Welfare</b>					
Admin. for Children Services	911	907	910	911	911
Department of Social Services	7,630	7,562	7,554	7,542	7,531
Dept. of Homeless Services	540	519	528	528	531
Dept Health & Mental Hygiene	682	693	697	691	692
<b>Other Mayoral</b>					
NY Public Library - Research	24	24	24	24	24
New York Public Library	120	116	117	118	118
Brooklyn Public Library	89	86	88	88	88
Queens Borough Public Library	90	87	89	89	89
Department for the Aging	173	148	149	149	149
Department of Cultural Affairs	159	150	150	150	150
Housing Preservation & Dev.	71	57	58	58	58
Dept of Environmental Prot.	1,119	1,100	1,046	1,031	1,030
Department of Finance	261	257	260	264	262
Department of Transportation	534	505	511	511	511
Dept of Parks and Recreation	348	336	341	342	342
Dept of Citywide Admin Srvces	265	258	258	246	243
All Other Mayoral	1,716	1,562	1,543	1,551	1,550
<b>Major Organizations</b>					
Department of Education	9,771	10,189	10,678	11,179	11,734
City University	657	643	650	653	655
Health and Hospitals Corp.	154	150	193	208	214
<b>Other</b>					
Citywide Pension Contributions	8,423	8,373	8,343	8,328	8,425
Miscellaneous	7,445	8,252	8,314	9,689	11,335
Debt Service	5,444	4,821	6,923	7,252	7,773
General Reserve	300	750	750	750	750
Energy Adjustment	(65)	(47)	(10)	40	75
Lease Adjustment	—	34	63	94	125
OTPS Inflation Adjustment	—	56	111	167	222
<b>Elected Officials</b>					
Mayoralty	73	73	74	75	75
All Other Elected	478	470	480	483	483
<b>Citywide Total</b>	<b>\$56,184</b>	<b>\$56,962</b>	<b>\$59,690</b>	<b>\$61,991</b>	<b>\$64,934</b>

## Revenue Detail

(\$ in Millions)

	2015	2016	2017	2018	2019
<b>Taxes:</b>					
• Real Property	\$21,170	\$22,113	\$23,141	\$24,151	\$25,220
• Personal Income	9,817	10,076	10,308	10,591	10,908
• General Corporation	2,900	2,950	3,036	3,136	3,246
• Banking Corporation	1,171	1,194	1,190	1,191	1,218
• Unincorporated Business	2,029	2,118	2,167	2,251	2,345
• Sale and Use	6,782	7,045	7,327	7,624	7,893
• Commercial Rent	735	765	800	835	865
• Real Property Transfer	1,501	1,506	1,557	1,612	1,661
• Mortgage Recording	960	944	986	1,030	1,071
• Utility	398	404	413	428	440
• Cigarette	49	48	47	46	45
• Hotel	567	550	565	574	569
• All Other	576	542	537	538	537
• Tax Audit Revenue	912	711	711	711	711
• State Tax Relief Program - STAR	861	877	881	881	881
<b>Total Taxes</b>	<b>\$50,428</b>	<b>\$51,843</b>	<b>\$53,666</b>	<b>\$55,599</b>	<b>\$57,610</b>
<b>Miscellaneous Revenue:</b>					
• Licenses, Franchises, Etc.	\$612	\$603	\$577	\$574	\$574
• Interest Income	17	45	134	163	163
• Charges for Services	933	926	926	926	926
• Water and Sewer Charges	1,541	1,563	1,533	1,534	1,549
• Rental Income	271	271	271	271	271
• Fines and Forfeitures	819	788	787	787	787
• Miscellaneous	1,578	938	763	782	995
• Intra-City Revenue	1,967	1,804	1,814	1,825	1,825
<b>Total Miscellaneous</b>	<b>\$7,738</b>	<b>\$6,938</b>	<b>\$6,805</b>	<b>\$6,862</b>	<b>\$7,090</b>

## Revenue Detail

(\$ in Millions)

	2015	2016	2017	2018	2019
Reserve for Disallowance of Categorical Grants	(15)	(15)	(15)	(15)	(15)
Less: Intra City Revenue	(1,967)	(1,804)	(1,814)	(1,825)	(1,825)
<b>SUB TOTAL CITY FUNDS</b>	<b>\$56,184</b>	<b>\$56,962</b>	<b>\$58,642</b>	<b>\$60,621</b>	<b>\$62,860</b>
Other Categorical Grants	\$898	\$832	\$840	\$848	\$845
Inter Fund Agreements	574	547	543	546	546
<b>TOTAL CITY FUNDS &amp; CAPITAL BUDGET TRANSFERS</b>	<b>\$57,656</b>	<b>\$58,341</b>	<b>\$60,025</b>	<b>\$62,015</b>	<b>\$64,251</b>
<b>Federal Categorical Grants:</b>					
• Community Development	\$1,316	\$521	\$362	\$327	\$239
• Social Services	3,315	3,245	3,238	3,232	3,229
• Education	1,684	1,696	1,696	1,696	1,696
• Other	2,084	1,156	1,137	1,134	1,133
<b>Total Federal Grants</b>	<b>\$8,399</b>	<b>\$6,618</b>	<b>\$6,433</b>	<b>\$6,389</b>	<b>\$6,297</b>
<b>State Categorical Grants:</b>					
• Social Services	\$1,500	\$1,499	\$1,499	\$1,503	\$1,503
• Education	9,250	9,569	9,932	10,341	10,341
• Higher Education	262	262	262	262	262
• Department of Health and Mental Hygiene	477	468	468	468	468
• Other	1,004	974	1,020	1,064	1,108
<b>Total State Grants</b>	<b>\$12,493</b>	<b>\$12,772</b>	<b>\$13,181</b>	<b>\$13,638</b>	<b>\$13,682</b>
<b>TOTAL REVENUE</b>	<b>\$78,548</b>	<b>\$77,731</b>	<b>\$79,639</b>	<b>\$82,042</b>	<b>\$84,230</b>

## Full-Time and Full-Time Equivalent (FTE) Headcount

	6/30/2015		6/30/2016		6/30/2017		6/30/2018	
	Total	City	Total	City	Total	City	Total	City
<b>MAYORAL AGENCIES:</b>								
<b>Uniform Forces:</b>								
Police Department - Uniform	34,483	34,483	34,483	34,483	34,483	34,483	34,483	34,483
Police Department - Civilian	16,614	16,492	16,727	16,707	16,728	16,708	16,728	16,708
Fire Department - Uniform	10,789	10,781	10,789	10,781	10,789	10,781	10,789	10,781
Fire Department - Civilian	5,447	5,419	5,631	5,617	5,624	5,612	5,624	5,612
Department of Correction - Uniform	9,537	9,537	9,526	9,526	9,526	9,526	9,526	9,526
Department of Correction - Civilian	1,776	1,767	1,777	1,769	1,777	1,769	1,777	1,769
Sanitation Department - Uniform	7,449	7,332	7,578	7,461	7,490	7,373	7,490	7,373
Sanitation Department - Civilian	2,308	2,194	2,367	2,253	2,368	2,254	2,368	2,254
<b>Subtotal</b>	<b>88,403</b>	<b>88,005</b>	<b>88,878</b>	<b>88,597</b>	<b>88,785</b>	<b>88,506</b>	<b>88,785</b>	<b>88,506</b>
<b>Health and Welfare:</b>								
Admin. For Children Services	6,722	6,554	7,084	6,916	7,086	6,918	7,086	6,918
Social Services	14,557	10,580	14,380	10,404	14,004	10,027	13,945	9,968
Homeless Services	2,239	2,166	2,149	2,149	2,149	2,149	2,148	2,148
Health and Mental Hygiene	6,279	4,585	6,083	4,658	5,971	4,655	5,971	4,655
<b>Subtotal</b>	<b>29,797</b>	<b>23,885</b>	<b>29,696</b>	<b>24,127</b>	<b>29,210</b>	<b>23,749</b>	<b>29,150</b>	<b>23,689</b>
<b>Other Agencies:</b>								
Housing Preservation and Development	2,331	552	2,307	545	2,303	545	2,299	545
Environmental Protection	6,249	243	6,293	243	6,338	243	6,378	243
Finance	2,110	2,098	2,105	2,093	2,099	2,087	2,095	2,083
Transportation	5,228	2,488	5,039	2,328	5,024	2,328	5,016	2,328
Parks	7,462	6,584	6,936	6,303	6,862	6,292	6,862	6,292
Citywide Administrative Services	2,331	1,642	2,306	1,617	2,296	1,606	2,297	1,607
All Other	20,325	16,504	19,194	15,996	19,140	15,974	19,069	15,973
<b>Subtotal</b>	<b>46,036</b>	<b>30,111</b>	<b>44,180</b>	<b>29,125</b>	<b>44,062</b>	<b>29,075</b>	<b>44,016</b>	<b>29,071</b>
<b>Education:</b>								
Department of Education - Pedagogical	112,423	93,896	113,890	93,896	114,390	93,896	114,890	93,896
Department of Education - Civilian	23,010	20,778	22,907	20,675	22,907	20,675	22,907	20,675
City University - Pedagogical	6,260	6,239	6,242	6,242	6,283	6,283	6,283	6,283
City University - Civilian	3,068	3,058	3,006	3,006	3,006	3,006	3,006	3,006
<b>Subtotal</b>	<b>144,761</b>	<b>123,971</b>	<b>146,045</b>	<b>123,819</b>	<b>146,586</b>	<b>123,860</b>	<b>147,086</b>	<b>123,860</b>
<b>Total</b>	<b>308,997</b>	<b>265,972</b>	<b>308,799</b>	<b>265,668</b>	<b>308,643</b>	<b>265,190</b>	<b>309,037</b>	<b>265,126</b>
<b>COVERED ORGANIZATIONS<sup>[1]</sup></b>								
Health and Hospitals Corporation	38,333	38,333	38,333	38,333	38,333	38,333	38,333	38,333
Housing Authority	11,318	—	11,221	—	11,139	—	11,070	—
Libraries	3,926	3,926	3,873	3,873	3,873	3,873	3,873	3,873
Cultural Institutions <sup>[2]</sup>	1,356	1,356	1,356	1,356	1,356	1,356	1,356	1,356
School Construction Authority	715	715	715	715	715	715	715	715
New York City Employees Retirement System	392	392	392	392	392	392	392	392
Economic Development Corporation	443	443	443	443	443	443	443	443
Teachers Retirement System	386	386	390	390	390	390	390	390
Police Pension Fund	142	142	144	144	146	146	147	147
All Other <sup>[3]</sup>	268	263	269	264	270	265	271	266
<b>Subtotal</b>	<b>57,279</b>	<b>45,956</b>	<b>57,136</b>	<b>45,910</b>	<b>57,057</b>	<b>45,913</b>	<b>56,990</b>	<b>45,915</b>
<b>Total</b>	<b>366,276</b>	<b>311,928</b>	<b>365,935</b>	<b>311,578</b>	<b>365,700</b>	<b>311,103</b>	<b>366,027</b>	<b>311,041</b>

[1] Includes non-city employees substantially paid by city subsidies.

[2] Includes only those employees of the Cultural Institutions Group paid by city fund subsidies.

[3] Includes Housing Development Corporation, Education Construction Fund, City University Construction Fund, Rent Guidelines Board and Water Finance Authority.

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# Expense Program

## AGENCY FIVE YEAR SUMMARY PROGRAM

### Police Department

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
<b><u>Dollars</u></b>	<i>(City Funds in 000's)</i>				
Baseline Per November Plan - 11/25/2014	\$4,532,354	\$4,408,503	\$4,419,275	\$4,421,874	\$4,421,945
Expenditure Increases / Re-estimates	42,411	124,086	112,761	115,860	119,053
<b>Financial Plan as of 2/09/2015</b>	<b><u><u>\$4,574,765</u></u></b>	<b><u><u>\$4,532,589</u></u></b>	<b><u><u>\$4,532,036</u></u></b>	<b><u><u>\$4,537,734</u></u></b>	<b><u><u>\$4,540,998</u></u></b>
<b><u>Headcount</u></b>	<i>(City Funded)</i>				
Baseline Per November Plan - 11/25/2014	34,483 U				
	14,803 C	14,651 C	14,651 C	14,651 C	14,651 C
Expenditure Increases / Re-estimates	248 C	198 C	198 C	198 C	198 C
<b>Financial Plan as of 2/09/2015</b>	<b>34,483 U</b>				
	<b><u><u>15,051 C</u></u></b>	<b><u><u>14,849 C</u></u></b>	<b><u><u>14,849 C</u></u></b>	<b><u><u>14,849 C</u></u></b>	<b><u><u>14,849 C</u></u></b>

C = Civilian U = Uniform

## Expenditure Increases/Re-estimates

### Police Department

Description	City Personnel *	(City Funds in 000's)				
		2015	2016	2017	2018	2019
<b>February</b>						
<b><u>Police Cadets</u></b>		--	10,060	10,060	10,060	10,060
Funding to increase the Police Cadet headcount by 520. Funding includes annual compensation and tuition reimbursement.						
<b><u>Email Account Expansion</u></b>		--	4,079	5,079	5,079	5,079
Funding to support 30,000 new email users hosted in the cloud, and to incrementally migrate existing email users to the cloud over two years.						
<b><u>Technology Needs</u></b>		21,901	3,886	3,280	3,681	3,815
Funding for IT maintenance and non-capitally funded IT projects.						
<b><u>Parking Enforcement System Refresh</u></b>		--	13,009	--	--	--
Funding to implement a refresh of the parking enforcement system including hardware and other implementation costs.						
<b><u>Preventive Maintenance Teams</u></b>	23 C	3,936	2,459	2,459	2,459	2,459
Funding to create a preventive maintenance program consisting of 23 trained professionals to improve building system operations and energy efficiency at NYPD facilities.						
<b><u>OTPS Funding</u></b>		1,199	1,256	880	755	755
OTPS funding for the Aviation Unit, Mounted Unit, Harbor Unit, and Risk Assessment and Compliance Unit.						
<b><u>Police Communications Technicians (PCT)</u></b>	151 C	--	6,276	6,276	6,276	6,276
Funding to maintain Police Communications Technician (PCT) headcount in FY16 and the out-years at the same level as FY15.						
<b><u>NYCHA Payment Relief</u></b>		2,682	72,450	72,450	72,450	72,450
City tax levy funding required to relieve NYCHA of its obligation to pay for NYPD services in the baseline.						

**Expenditure Increases/Re-estimates**

**Police Department**

Description	City Personnel *	(City Funds in 000's)				
		2015	2016	2017	2018	2019
<b><u>Lease Adjustment</u></b> Lease adjustment.		933	1,063	996	943	245
<b><u>Bulletproof Vests</u></b> Funding for the replacement of bulletproof vests and to undertake a study to establish an appropriate regular replacement cycle for all vests going forward.		8,050	4,200	4,200	4,200	4,200
<b><u>Federal Funding Adjustment</u></b> City tax levy funding to support positions previously funded through Justice Assistance Grant (JAG) funding.	24 C	750	1,000	1,000	1,000	1,000
<b><u>Collective Bargaining for Captains</u></b> Collective bargaining increases for Captains, Inspectors, and Surgeons.		3,256	4,348	6,081	8,957	12,714
<b><u>Lease Adjustment</u></b> Lease adjustment.		(296)	--	--	--	--
<b>Total Agency: Expenditure Increases/Re-estimates</b>	<b>198 C</b>	<b>42,411</b>	<b>124,086</b>	<b>112,761</b>	<b>115,860</b>	<b>119,053</b>

C = Civilian

\*As of 6/30/16

## AGENCY FIVE YEAR SUMMARY PROGRAM

### Fire Department

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
<b><u>Dollars</u></b>	<i>(City Funds in 000's)</i>				
Baseline Per November Plan - 11/25/2014	\$1,561,826	\$1,537,579	\$1,520,570	\$1,483,649	\$1,483,730
Expenditure Increases / Re-estimates	46,713	55,007	58,536	69,514	72,268
<b>Financial Plan as of 2/09/2015</b>	<b><u>\$1,608,539</u></b>	<b><u>\$1,592,586</u></b>	<b><u>\$1,579,106</u></b>	<b><u>\$1,553,163</u></b>	<b><u>\$1,555,998</u></b>
<b><u>Headcount</u></b>	<i>(City Funded)</i>				
Baseline Per November Plan - 11/25/2014	10,780 U	10,780 U	10,780 U	10,780 U	10,780 U
	5,146 C	5,146 C	5,141 C	5,141 C	5,141 C
Expenditure Increases / Re-estimates	1 U	1 U	1 U	1 U	1 U
	225 C	423 C	423 C	423 C	423 C
<b>Financial Plan as of 2/09/2015</b>	<b><u>10,781 U</u></b>	<b><u>10,781 U</u></b>	<b><u>10,781 U</u></b>	<b><u>10,781 U</u></b>	<b><u>10,781 U</u></b>
	<b><u>5,371 C</u></b>	<b><u>5,569 C</u></b>	<b><u>5,564 C</u></b>	<b><u>5,564 C</u></b>	<b><u>5,564 C</u></b>

C = Civilian U = Uniform

## Expenditure Increases/Re-estimates

### Fire Department

Description	City Personnel *		(City Funds in 000's)				
			2015	2016	2017	2018	2019
<b>February</b>							
<b><u>WTC Health HIPAA Compliance</u></b>			7,000	--	--	--	--
Legal, technical, and staffing costs associated with HIPAA compliance measures at the Fire Department's World Trade Center (WTC) Health program.							
<b><u>45 New EMS Tours</u></b>	181	C	2,812	11,249	8,689	8,557	8,662
45 new Basic Life Support (BLS) tours targeted to the South Bronx, western Queens, and Staten Island in order to reduce response times to life threatening emergencies.							
<b><u>Emergency Medical Dispatch</u></b>	149	C	3,332	6,663	6,663	6,663	6,663
Additional EMS call takers for Emergency Medical Dispatch.							
<b><u>24 EMS Lieutenants</u></b>	24	C	770	1,539	1,539	1,539	1,539
Additional EMS Lieutenants.							
<b><u>WTC Tours</u></b>	11	C	309	618	618	618	618
Funding to maintain existing EMS service levels.							
<b><u>Fire Academy - OTPS</u></b>			217	189	189	189	189
Costs associated with efforts to minimize the risk of MRSA infections as recommended by the Department of Health.							
<b><u>Recruitment / Diversity</u></b>	1	C	3,662	3,660	3,660	3,660	3,660
A new Military Coordinator for the Office of Recruitment and Diversity, as well as increased funding for uniformed overtime to support the Firefighter candidate mentorship program and other recruitment related activities.							
<b><u>Facilities - Fuel Monitoring and OSHA</u></b>	5	C	520	370	370	370	370
Additional facilities staff for the OSHA Unit and to monitor fuel storage tanks.							

## Expenditure Increases/Re-estimates

### Fire Department

Description	City Personnel *		(City Funds in 000's)				
			2015	2016	2017	2018	2019
<b><u>Automotive Parts</u></b> Technical adjustment to address baseline shortfalls in the automotive parts budget, when compared to historical spending levels.			4,549	4,549	4,549	4,549	4,549
<b><u>Renovations at Fire Headquarters</u></b> Costs to renovate the medical and Fire Prevention spaces at Fire Department Headquarters (9 MetroTech).			997	--	--	--	--
<b><u>Fire Academy Fitness Instructors</u></b> Additional Fire Academy Fitness Instructors to address increased workload.	2	U	100	200	200	200	200
<b><u>Technical Adjustment</u></b> Technical headcount adjustment to convert one position from uniformed to civilian.	(1) 1	U C	--	--	--	--	--
<b><u>Increased Revenue from BFP Inspections, Exams and Plan Reviews</u></b> The Fire Department will generate additional revenue through inspections, the administration of tests for certificates and plan reviews, as dictated by the Fire Code. This revenue offsets expenses associated with these Bureau of Fire Prevention initiatives.	20	C	484	1,334	1,334	1,334	1,334
<b><u>Fleet Services</u></b> Additional auto mechanics and related vehicles to maintain current vehicle service levels.	10	C	740	760	760	760	760
<b><u>EMD Back-up Site Upgrade</u></b> Upgrade of technology at the Emergency Medical Dispatch (EMD) back-up site.			4,000	800	800	800	800
<b><u>Technology &amp; Communications Needs</u></b> 19 additional technology/communications staff to support ongoing 911 system upgrades, including the new Computer Aided Dispatch (CAD) system and the radio installation at PSAC 2, as well as associated OTPS.	19	C	841	1,916	1,776	1,461	1,461

**Expenditure Increases/Re-estimates**

**Fire Department**

Description	City Personnel *	(City Funds in 000's)				
		2015	2016	2017	2018	2019
<b><u>Health Services PEG Restoration</u></b>		2,578	2,578	--	--	--
A prior PEG anticipated efficiencies between the Bureau of Health Services and the World Trade Center health program. This is not feasible due to HIPAA requirements, which require a greater staff separation between the two programs.						
<b><u>Small Business First</u></b>	2 C	229	386	382	382	382
The City will implement initiatives across several agencies to improve the regulatory environment for small businesses. For Fire the related expenses are for providing customer service and plain language training and increasing the use of interpretation services.						
<b><u>UFOA Collective Bargaining</u></b>		13,578	18,196	27,007	38,432	41,081
City funding for UFOA labor contract settlement.						
<b><u>Local Initiatives</u></b>		(5)	--	--	--	--
Local Initiatives						
<b>Total Agency: Expenditure Increases/Re-estimates</b>	1 U 423 C	46,713	55,007	58,536	69,514	72,268

C = Civilian U = Uniform

\*As of 6/30/16

## AGENCY FIVE YEAR SUMMARY PROGRAM

### Department of Correction

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
<b><u>Dollars</u></b>	<i>(City Funds in 000's)</i>				
Baseline Per November Plan - 11/25/2014	\$1,107,859	\$1,105,643	\$1,104,100	\$1,105,104	\$1,105,156
Expenditure Increases / Re-estimates	20,261	54,264	43,778	46,071	49,464
<b>Financial Plan as of 2/09/2015</b>	<b><u><u>\$1,128,120</u></u></b>	<b><u><u>\$1,159,907</u></u></b>	<b><u><u>\$1,147,878</u></u></b>	<b><u><u>\$1,151,175</u></u></b>	<b><u><u>\$1,154,620</u></u></b>
<b><u>Headcount</u></b>	<i>(City Funded)</i>				
Baseline Per November Plan - 11/25/2014	9,208 U				
	1,657 C	1,656 C	1,656 C	1,656 C	1,656 C
Expenditure Increases / Re-estimates	329 U	318 U	318 U	318 U	318 U
	71 C				
<b>Financial Plan as of 2/09/2015</b>	<b><u><u>9,537 U</u></u></b>	<b><u><u>9,526 U</u></u></b>	<b><u><u>9,526 U</u></u></b>	<b><u><u>9,526 U</u></u></b>	<b><u><u>9,526 U</u></u></b>
	<b><u><u>1,728 C</u></u></b>	<b><u><u>1,727 C</u></u></b>	<b><u><u>1,727 C</u></u></b>	<b><u><u>1,727 C</u></u></b>	<b><u><u>1,727 C</u></u></b>

C = Civilian U = Uniform

## Expenditure Increases/Re-estimates

### Department of Correction

Description	City Personnel *		(City Funds in 000's)				
			2015	2016	2017	2018	2019
<b>February</b>							
<b><u>Young Adult Housing</u></b>	282	U	12,648	25,291	25,307	25,332	25,368
Funding to provide a 1:15 staff to inmate ratio and programming for new young adult (18-21 year old) housing areas.	6	C					
<b><u>Programming Staff</u></b>	22	C	417	1,669	1,669	1,669	1,669
Funding for 2 Deputy Commissioners to oversee agency-wide programming and 20 Correctional Counselors to implement and facilitate rehabilitation and behavioral modification treatment programs.							
<b><u>Legal Staff</u></b>	8	C	179	717	717	717	717
Funding for additional legal staff to handle workload tied to increases in lawsuits, FOIL requests, and subpoenas.							
<b><u>Press Officers</u></b>	2	C	45	180	180	180	180
Funding for 2 additional Press Officers to handle an increase in press inquiries.							
<b><u>Applicant Investigation Unit</u></b>	8	U	783	2,397	2,325	2,327	2,330
Funding to expand the Applicant Investigation Unit, including additional investigators and medical staff.	23	C					
<b><u>Recruitment Unit</u></b>	12	U	305	1,213	1,214	1,216	1,219
Funding to re-establish a dedicated Recruitment Unit within the Department of Correction.	3	C					
<b><u>Camera Expansion Staff/Maint.</u></b>	10	U	1,035	2,347	3,336	3,336	3,336
Funding for technical, maintenance, and support staff for camera expansion throughout DOC facilities, as well as uniformed staff to monitor camera feeds.	7	C					
<b><u>Expanded Canine Services</u></b>	6	U	267	602	604	606	609
Funding for expanded canine use, including handlers, canine food, transportation, and veterinary services.							

## Expenditure Increases/Re-estimates

### Department of Correction

Description	City Personnel *	(City Funds in 000's)				
		2015	2016	2017	2018	2019
<b><u>Training</u></b> Funding for enhanced officer training.		590	6,572	545	545	545
<b><u>Equipment Replacement</u></b> Funding to replace equipment, including inmate tables in housing areas, as well as other items requested by each command.		124	5,080	652	652	652
<b><u>Maintenance Funds</u></b> Funding for shortfall in resources for maintenance activities, surveying/mapping of Rikers Island, and diesel spill remediation.		1,100	2,421	32	32	32
<b><u>Replacement of Ceramic Fixtures</u></b> Funding to replace ceramic lavatory sinks, toilet bowls and fixtures with tamper resistant stainless steel.		--	1,802	1,802	1,802	1,802
<b><u>ADWA Collective Bargaining Increases</u></b> Assistant Deputy Warden Association (ADWA) collective bargaining increases.		456	654	888	1,260	1,811
<b><u>CCA Collective Bargaining Increases</u></b> Correction Captains' Association (CCA) collective bargaining increases.		2,312	3,319	4,507	6,397	9,194
<b>Total Agency: Expenditure Increases/Re-estimates</b>	<b>318 U 71 C</b>	<b>20,261</b>	<b>54,264</b>	<b>43,778</b>	<b>46,071</b>	<b>49,464</b>

C = Civilian U = Uniform

\*As of 6/30/16

## AGENCY FIVE YEAR SUMMARY PROGRAM

### Department of Sanitation

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
<b><u>Dollars</u></b>	<i>(City Funds in 000's)</i>				
Baseline Per November Plan - 11/25/2014	\$1,467,677	\$1,518,350	\$1,498,626	\$1,499,101	\$1,499,107
Expenditure Increases / Re-estimates	(7,776)	27,095	40,761	39,245	37,578
<b>Financial Plan as of 2/09/2015</b>	<b><u>\$1,459,901</u></b>	<b><u>\$1,545,445</u></b>	<b><u>\$1,539,387</u></b>	<b><u>\$1,538,346</u></b>	<b><u>\$1,536,685</u></b>
<b><u>Headcount</u></b>	<i>(City Funded)</i>				
Baseline Per November Plan - 11/25/2014	7,239 U	7,280 U	7,280 U	7,280 U	7,280 U
	2,059 C	2,091 C	2,091 C	2,091 C	2,091 C
Expenditure Increases / Re-estimates	93 U	181 U	93 U	93 U	93 U
	5 C	32 C	32 C	32 C	32 C
<b>Financial Plan as of 2/09/2015</b>	<b><u>7,332 U</u></b>	<b><u>7,461 U</u></b>	<b><u>7,373 U</u></b>	<b><u>7,373 U</u></b>	<b><u>7,373 U</u></b>
	<b><u>2,064 C</u></b>	<b><u>2,123 C</u></b>	<b><u>2,123 C</u></b>	<b><u>2,123 C</u></b>	<b><u>2,123 C</u></b>

C = Civilian U = Uniform

## Expenditure Increases/Re-estimates

### Department of Sanitation

Description	City Personnel *		(City Funds in 000's)				
			2015	2016	2017	2018	2019
<b>February</b>							
<b><u>Residential Organics Pilot</u></b>	76	U	1,404	4,570	--	--	--
Continuation of the residential organics pilot.							
<b><u>School Organics Collection</u></b>	7	U	--	321	--	--	--
Continuation of the school organics pilot.							
<b><u>Recycling and Sustainability</u></b>	20	C	--	1,314	1,344	1,344	1,344
Additional staff for the Bureau of Recycling and Sustainability to support new and expanding recycling programs.							
<b><u>Operations Management Supervisors</u></b>	15	U	447	1,489	1,491	1,489	1,618
Additional Supervisors in the Operations Assistance Unit to support the snow route sectoring project, routing for organics pilots, and other programs.							
<b><u>District Field Supervisors</u></b>	78	U	1,992	6,707	6,776	6,830	8,208
Additional Supervisors to be assigned to all 59 community districts to improve monitoring of field conditions and provide critical administrative support.							
<b><u>Sanitation Workers for Brooklyn Interim Export Relays</u></b>	5	U	--	253	--	--	--
Sanitation Workers for relays to Brooklyn interim export contract vendors.							
<b><u>Fresh Kills Closure</u></b>			(13,560)	4,728	23,936	22,085	22,385
Funding to continue closure construction at the Fresh Kills Landfill.							
<b><u>Solid Waste Management Plan Legal Services</u></b>			1,077	406	--	--	--
Legal services to support implementation of the Solid Waste Management Plan.							
<b><u>Civilian Analytics Staff</u></b>	6	C	--	600	600	600	600
Additional positions in the Operations Management Division to enhance the Department's analytic capabilities.							

## Expenditure Increases/Re-estimates

### Department of Sanitation

Description	City Personnel *	(City Funds in 000's)				
		2015	2016	2017	2018	2019
<b><u>Update Medical Standards</u></b> The Department's Medical Division will update its medical standards for new hires and update its guidelines for medical leave.		20	390	--	--	--
<b><u>Temp Conversion</u></b> Conversion of four temporary contract positions to full-time positions in the Medical Division.	4 C	19	39	39	39	39
<b><u>Environmental Compliance Specialist</u></b> One Environmental Compliance Specialist in the Bureau of Legal Affairs.	1 C	19	75	75	75	75
<b><u>Great Kills Park Remediation</u></b> Funding for a Remedial Investigation/Feasibility Study at Great Kills Park.		525	3,067	3,067	3,067	525
<b><u>Bureau of Information Technology OTPS - Licenses and Maintenance</u></b> Funding for licenses and software maintenance costs in the Bureau of Information Technology.		--	2,735	2,871	2,877	1,685
<b><u>EEO Investigator</u></b> One additional position in the Department's EEO Office.	1 C	--	40	40	40	40
<b><u>Labor Transfer Non-Union Employees</u></b> Reestimate of labor transfer for wage increases for City funded non-union employees.		(42)	(55)	(81)	(90)	(90)
<b><u>USCA Collective Bargaining</u></b> Funding for Uniformed Sanitation Chiefs labor contract settlement.		320	416	603	889	1,149

**Expenditure Increases/Re-estimates**

**Department of Sanitation**

Description	City Personnel *	(City Funds in 000's)				
		2015	2016	2017	2018	2019
<u>Local Initiatives</u>		3	--	--	--	--
Local Initiatives						
<b>Total Agency: Expenditure Increases/Re-estimates</b>	181 U 32 C	(7,776)	27,095	40,761	39,245	37,578

C = Civilian U = Uniform

\*As of 6/30/16

## AGENCY FIVE YEAR SUMMARY PROGRAM

### Administration for Children's Services

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
<b><u>Dollars</u></b>	<i>(City Funds in 000's)</i>				
Baseline Per November Plan - 11/25/2014	\$902,245	\$894,936	\$898,888	\$899,729	\$899,749
Expenditure Increases / Re-estimates	8,426	12,063	11,491	11,588	11,588
<b>Financial Plan as of 2/09/2015</b>	<b><u><u>\$910,671</u></u></b>	<b><u><u>\$906,999</u></u></b>	<b><u><u>\$910,379</u></u></b>	<b><u><u>\$911,317</u></u></b>	<b><u><u>\$911,337</u></u></b>
<b><u>Headcount</u></b>	<i>(City Funded)</i>				
Baseline Per November Plan - 11/25/2014	6,399	6,761	6,761	6,761	6,761
Expenditure Increases / Re-estimates	83	83	83	83	83
<b>Financial Plan as of 2/09/2015</b>	<b><u><u>6,482</u></u></b>	<b><u><u>6,844</u></u></b>	<b><u><u>6,844</u></u></b>	<b><u><u>6,844</u></u></b>	<b><u><u>6,844</u></u></b>

**Expenditure Increases/Re-estimates**

**Administration for Children's Services**

Description	City Personnel *	(City Funds in 000's)				
		2015	2016	2017	2018	2019
<b>February</b>						
<b><u>Child Welfare Reforms</u></b>	83	5,517	11,034	9,987	9,987	9,987
Funding to support data-driven risk assessments, frontline coaching, training and preventive services.						
<b><u>YMI Reallocation: Cultural Sensitivity Plus Training</u></b>		20	--	--	--	--
Funding for training of agency personnel to enhance sensitivity to cultural differences.						
<b><u>Labor Transfer for Non-Union Employees</u></b>		97	117	172	190	190
Realigns funding.						
<b><u>Supervision and Treatment Services for Juveniles Program</u></b>		1,960	--	--	--	--
<b><u>I/C DC37 Collective Bargaining Adjustment</u></b>		5	6	8	9	9
<b><u>DC37 Collective Bargaining</u></b>		827	906	1,324	1,402	1,402
Realigns funding for DC37 Collective Bargaining Agreement.						
<b>Total Agency: Expenditure Increases/Re-estimates</b>	<b>83</b>	<b>8,426</b>	<b>12,063</b>	<b>11,491</b>	<b>11,588</b>	<b>11,588</b>

## AGENCY FIVE YEAR SUMMARY PROGRAM

### Department of Social Services

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
<b><u>Dollars</u></b>	<i>(City Funds in 000's)</i>				
Baseline Per November Plan - 11/25/2014	\$7,595,897	\$7,523,749	\$7,526,104	\$7,516,306	\$7,506,577
Expenditure Increases / Re-estimates	33,969	38,143	27,401	25,742	24,268
<b>Financial Plan as of 2/09/2015</b>	<b><u><u>\$7,629,866</u></u></b>	<b><u><u>\$7,561,892</u></u></b>	<b><u><u>\$7,553,505</u></u></b>	<b><u><u>\$7,542,048</u></u></b>	<b><u><u>\$7,530,845</u></u></b>
<b><u>Headcount</u></b>	<i>(City Funded)</i>				
Baseline Per November Plan - 11/25/2014	10,370	9,767	9,585	9,526	9,526
Expenditure Increases / Re-estimates	174	594	440	440	440
<b>Financial Plan as of 2/09/2015</b>	<b><u><u>10,544</u></u></b>	<b><u><u>10,361</u></u></b>	<b><u><u>10,025</u></u></b>	<b><u><u>9,966</u></u></b>	<b><u><u>9,966</u></u></b>

## Expenditure Increases/Re-estimates

### Department of Social Services

Description	City Personnel *	(City Funds in 000's)				
		2015	2016	2017	2018	2019
<b>February</b>						
<b><u>SNAP Staffing</u></b>	515	--	6,920	3,848	3,848	3,848
Funding to support current staffing at SNAP centers to allow HRA to maintain services as the agency transitions to a more modernized and user friendly approach with rollout of the Benefits Re-engineering initiative.						
<b><u>ID NYC</u></b>		5,038	4,124	--	--	--
Additional staff and administrative funding to support an increased application volume for IDNYC, the New York City municipal identification card.						
<b><u>Anti-Eviction Legal Services</u></b>		5,000	--	--	--	--
Funding to maintain affordable housing by providing housing court legal assistance for residents experiencing tenant harassment and displacement in neighborhoods identified for rezoning.						
<b><u>Employment and Aftercare Services for LINC I Families</u></b>		--	2,064	2,064	2,064	2,064
Support for LINC I working families to ensure that they maintain employment and housing after placement in permanent housing.						
<b><u>LINC IV / Rental Assistance for Homeless Seniors</u></b>		2,602	8,661	7,794	7,015	6,314
Funding for rental assistance for 1,100 homeless seniors.						
<b><u>Broker's Fees</u></b>		3,651	--	--	--	--
Funding for enhanced broker's fees to promote shelter move outs.						
<b><u>LINC V / Rental Assistance for Homeless Working Adults</u></b>		2,174	7,129	6,060	5,151	4,378
Funding for rental assistance for 1,000 homeless working adults.						
<b><u>Aftercare Services for LINC III Families</u></b>		--	495	495	495	495
Support for domestic violence survivors receiving LINC III rental assistance.						

## Expenditure Increases/Re-estimates

### Department of Social Services

Description	City Personnel *	(City Funds in 000's)				
		2015	2016	2017	2018	2019
<b><u>Enhanced Moving Allowances for Homeless Families</u></b> Funding to increase the furniture allowance and cover moving costs for families moving from shelter to permanent housing.		4,596	1,440	1,440	1,440	1,440
<b><u>Landlord Bonus and Enhanced Security Fund</u></b> Funding for one-time incentive payments to landlords participating in the LINC programs and for establishment of a program to reimburse landlord costs not covered by security deposits.		2,000	1,000	1,000	1,000	1,000
<b><u>Employment and Aftercare Services for LINC V Individuals</u></b> Support for working individuals receiving LINC rental assistance.		700	1,700	--	--	--
<b><u>LINC Apartment Inspections</u></b> Funding for HPD staff, vehicles, and equipment to conduct inspections of LINC apartments.		759	840	831	831	831
<b><u>Early Warning Homeless Prevention</u></b> Funding for programs to provide outreach and preventive services to families and individuals known to HRA who are at high risk of entering shelter.		328	656	656	656	656
<b><u>Homeless Program Support</u></b> Staff to provide operational and administrative support for LINC and homeless prevention programs.	79	1,403	2,907	2,907	2,907	2,907
<b><u>Aftercare Services for LINC I and LINC III Families</u></b> Support for working families receiving LINC I rental assistance and Domestic Violence survivors receiving LINC III rental assistance.		1,389	--	--	--	--
<b><u>Homeless Prevention Strategies</u></b> Short-term rental assistance for families at-risk of homelessness.		3,507	--	--	--	--
<b><u>I/C Labor Transfer for Non-Union Employees</u></b>		10	12	18	20	20

## Expenditure Increases/Re-estimates

### Department of Social Services

Description	City Personnel *	(City Funds in 000's)				
		2015	2016	2017	2018	2019
<b><u>IC Transfer for Non-Union Employees</u></b>		70	89	131	145	145
<b><u>I/C Labor Transfer for Non-union Employees - Mayor's Office</u></b>		16	17	26	28	28
<b><u>I/C Labor Transfer for Non-union Employees - Mayor's Office</u></b>		34	43	64	71	71
<b><u>I/C Labor Transfer For Non-Union Employees - OLR</u></b>		4	5	7	8	8
<b><u>FY15 Local Initiatives</u></b>		558	--	--	--	--
<b><u>DC37 Collective Bargaining</u></b>		10	13	19	20	20
Realigns funding for DC37 Collective Bargaining Agreement.						
<b><u>DC37 Collective Bargaining</u></b>		26	28	41	43	43
Realigns funding for DC37 Collective Bargaining Agreement.						
<b><u>Technical Adjustment for Executive Action Legal Services</u></b>		657	--	--	--	--
Transfers funding for Executive Action legal services from DCAS to HRA.						
<b><u>CEO: Evaluation</u></b>		(490)	--	--	--	--
Reallocates funds for other CEO programming.						
<b><u>Young Men's Initiative: Jobs Plus</u></b>		(73)	--	--	--	--
Reallocates funding for other YMI programming.						
<b>Total Agency: Expenditure Increases/Re-estimates</b>	<b>594</b>	<b>33,969</b>	<b>38,143</b>	<b>27,401</b>	<b>25,742</b>	<b>24,268</b>

## AGENCY FIVE YEAR SUMMARY PROGRAM

### Department of Homeless Services

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
<b><u>Dollars</u></b>	<i>(City Funds in 000's)</i>				
Baseline Per November Plan - 11/25/2014	\$529,510	\$500,394	\$512,120	\$512,671	\$515,774
Expenditure Increases / Re-estimates	10,962	18,140	15,383	14,940	14,732
<b>Financial Plan as of 2/09/2015</b>	<b><u><u>\$540,472</u></u></b>	<b><u><u>\$518,534</u></u></b>	<b><u><u>\$527,503</u></u></b>	<b><u><u>\$527,611</u></u></b>	<b><u><u>\$530,506</u></u></b>
<b><u>Headcount</u></b>	<i>(City Funded)</i>				
Baseline Per November Plan - 11/25/2014	1,976	1,994	1,994	1,994	1,994
Expenditure Increases / Re-estimates	189	154	154	153	153
<b>Financial Plan as of 2/09/2015</b>	<b><u><u>2,165</u></u></b>	<b><u><u>2,148</u></u></b>	<b><u><u>2,148</u></u></b>	<b><u><u>2,147</u></u></b>	<b><u><u>2,147</u></u></b>

## Expenditure Increases/Re-estimates

### Department of Homeless Services

Description	City Personnel *	(City Funds in 000's)				
		2015	2016	2017	2018	2019
<b>February</b>						
<b><u>PATH Community-Based Demonstration Project</u></b>	25	1,615	4,306	4,306	4,306	4,306
Funding to improve homeless prevention efforts at family shelter intake.						
<b><u>Aftercare for LINC IV Individuals</u></b>	4	770	2,563	2,307	2,076	1,868
Support for elderly adults receiving LINC IV rental assistance.						
<b><u>LINC Support</u></b>	44	1,026	3,079	3,079	3,079	3,079
Staff to provide operational and administrative support for LINC programs.						
<b><u>Prevention Team</u></b>	5	114	342	342	342	342
Staff to provide oversight of prevention and aftercare programming.						
<b><u>Conditional Rental Assistance for Singles</u></b>	1	1,992	2,713	212	--	--
Funding for a conditional rental assistance program for homeless adults in shelter.						
<b><u>Flexible Funding for At-Risk Singles</u></b>		200	--	--	--	--
Provides funding to assist singles at risk for homelessness in maintaining housing stability.						
<b><u>Homebase Media Campaign</u></b>		708	--	--	--	--
Funding for the Homebase public media campaign.						
<b><u>Adult Shelter Housing Specialists</u></b>		500	--	--	--	--
Additional housing specialists at single adult shelters.						
<b><u>Family Shelter Intake Staffing</u></b>		456	--	--	--	--
Staff to expedite family shelter eligibility reviews.						
<b><u>Child Safety Campaign</u></b>		300	--	--	--	--
Social workers to assist homeless families involved in the child welfare system.						

**Expenditure Increases/Re-estimates**

**Department of Homeless Services**

Description	City Personnel *	(City Funds in 000's)				
		2015	2016	2017	2018	2019
<b><u>Auburn and Catherine Street Shelter Staff</u></b> Provides staff for the conversion of Auburn and Catherine Shelters into adult only facilities.	15	347	833	833	833	833
<b><u>Drop-In Center Capacity</u></b> Expansion of drop-in center capacity to serve street homeless individuals.		354	850	850	850	850
<b><u>Routine Site Review Inspections</u></b> Staff to conduct routine site review inspections to prevent premature failure of building systems.	19	303	1,212	1,212	1,212	1,212
<b><u>Permanency Specialists</u></b> Staff to provide advocacy support, assistance, oversight, and training to shelter providers related to housing permanency.	37	624	1,873	1,873	1,873	1,873
<b><u>Office of Public-Private Partnerships</u></b> Staff to build community resources for shelter clients and coordinate services with other City agencies.	4	123	369	369	369	369
<b><u>Aftercare for LINC II Families</u></b> Support for families receiving LINC II rental assistance.		1,250	--	--	--	--
<b><u>Lease Adjustment</u></b>		270	--	--	--	--
<b><u>Member Item Reallocation</u></b>		10	--	--	--	--
<b>Total Agency: Expenditure Increases/Re-estimates</b>	<b>154</b>	<b>10,962</b>	<b>18,140</b>	<b>15,383</b>	<b>14,940</b>	<b>14,732</b>

## AGENCY FIVE YEAR SUMMARY PROGRAM

### Department of Youth and Community Development

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
<b><u>Dollars</u></b>	<i>(City Funds in 000's)</i>				
Baseline Per November Plan - 11/25/2014	\$349,156	\$229,437	\$230,149	\$230,330	\$230,331
Expenditure Increases / Re-estimates	706	21,163	22,293	22,293	22,293
<b>Financial Plan as of 2/09/2015</b>	<b><u><u>\$349,862</u></u></b>	<b><u><u>\$250,600</u></u></b>	<b><u><u>\$252,442</u></u></b>	<b><u><u>\$252,623</u></u></b>	<b><u><u>\$252,624</u></u></b>
<b><u>Headcount</u></b>	<i>(City Funded)</i>				
Baseline Per November Plan - 11/25/2014	409	417	417	417	417
<b>Financial Plan as of 2/09/2015</b>	<b><u><u>409</u></u></b>	<b><u><u>417</u></u></b>	<b><u><u>417</u></u></b>	<b><u><u>417</u></u></b>	<b><u><u>417</u></u></b>

## Expenditure Increases/Re-estimates

### Department of Youth and Community Development

Description	City Personnel *	(City Funds in 000's)				
		2015	2016	2017	2018	2019
<b>February</b>						
<b><u>Summer Youth Employment Program (SYEP) Minimum Wage Increase</u></b>		--	3,391	4,521	4,521	4,521
Funding to maintain summer 2014 service levels at the new minimum wage.						
<b><u>COMPASS Summer Slots</u></b>		--	17,606	17,606	17,606	17,606
Funding to maintain summer programming for all elementary afterschool slots.						
<b><u>Relocation Costs</u></b>		341	--	--	--	--
Funding to cover additional move costs related to the relocation of the agency's administrative offices.						
<b><u>City Council Member Item Reallocation</u></b>		321	--	--	--	--
<b><u>City Council Member Item Reallocation</u></b>		44	--	--	--	--
<b><u>YMI Reallocation: Mayor's Youth Leadership Council</u></b>		--	166	166	166	166
Funding to support the Mayor's Youth Leadership Council.						
<b>Total Agency: Expenditure Increases/Re-estimates</b>		<b>706</b>	<b>21,163</b>	<b>22,293</b>	<b>22,293</b>	<b>22,293</b>

## AGENCY FIVE YEAR SUMMARY PROGRAM

### Department of Health and Mental Hygiene

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
<b><u>Dollars</u></b>	<i>(City Funds in 000's)</i>				
Baseline Per November Plan - 11/25/2014	\$676,605	\$676,925	\$682,326	\$684,157	\$684,336
Expenditure Increases / Re-estimates	5,500	15,678	15,002	7,332	7,332
<b>Financial Plan as of 2/09/2015</b>	<b><u><u>\$682,105</u></u></b>	<b><u><u>\$692,603</u></u></b>	<b><u><u>\$697,328</u></u></b>	<b><u><u>\$691,489</u></u></b>	<b><u><u>\$691,668</u></u></b>
<b><u>Headcount</u></b>	<i>(City Funded)</i>				
Baseline Per November Plan - 11/25/2014	3,470	3,442	3,438	3,438	3,438
Expenditure Increases / Re-estimates	14	18	18	18	18
<b>Financial Plan as of 2/09/2015</b>	<b><u><u>3,484</u></u></b>	<b><u><u>3,460</u></u></b>	<b><u><u>3,456</u></u></b>	<b><u><u>3,456</u></u></b>	<b><u><u>3,456</u></u></b>

## Expenditure Increases/Re-estimates

### Department of Health and Mental Hygiene

Description	City Personnel *	(City Funds in 000's)				
		2015	2016	2017	2018	2019
<b>February</b>						
<b><u>Enhanced Supervision Housing</u></b>		2,002	3,538	3,538	3,538	3,538
Funding for health and mental health staff in new housing units at Rikers Island.						
<b><u>OCME Forensic Operations</u></b>	12	196	782	782	782	782
Funding will support additional staff to improve mortuary operations.						
<b><u>OCME Administration</u></b>		788	1,108	928	928	928
Funding for maintenance and professional support services.						
<b><u>Health Clinic Expansion</u></b>		250	8,200	8,050	--	--
Planning and financial support for new community-based health clinics.						
<b><u>Child Health Surveillance</u></b>	2	--	749	749	749	749
Funding to support an annual child health survey, which will enhance the City's capability to monitor and evaluate trends in child health risk factors and outcomes.						
<b><u>Language Development Campaign</u></b>	1	--	1,055	1,055	1,055	1,055
Media campaign to encourage parents of young children to talk, read, and sing to their babies to promote brain development.						
<b><u>Small Business First</u></b>		3	468	122	122	122
The City will implement initiatives across several agencies to improve the regulatory environment for small businesses. For DOHMH, the related expenses are for creating plain language guides, plain language training, and increasing translated materials.						
<b><u>Child Care Enhanced Oversight</u></b>	3	89	178	178	178	178
Additional funding for enhanced oversight of child care programs in NYC.						

**Expenditure Increases/Re-estimates**

**Department of Health and Mental Hygiene**

Description	City Personnel *	(City Funds in 000's)				
		2015	2016	2017	2018	2019
<b><u>Pre-Arrestment Screening</u></b> Funding realignment.		(380)	(380)	(380)	--	--
<b><u>Animal Control</u></b>	1	33	65	65	65	65
<b><u>HHC-DOHMH Transfer</u></b> DOHMH and HHC functional transfer Intracity agreement for HIV/AIDs Testing and Counseling services.		516	--	--	--	--
<b><u>PECO HPD Transfer</u></b>	(1)	(64)	(85)	(85)	(85)	(85)
<b><u>HHC-DOHMH Transfer</u></b> DOHMH and HHC functional transfer Intracity agreement for Chronic Disease.		2,063	--	--	--	--
<b><u>City Council Member Items</u></b>		4	--	--	--	--
<b>Total Agency: Expenditure Increases/Re-estimates</b>	<b>18</b>	<b>5,500</b>	<b>15,678</b>	<b>15,002</b>	<b>7,332</b>	<b>7,332</b>

## AGENCY FIVE YEAR SUMMARY PROGRAM

### Housing Preservation and Development

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
<b><u>Dollars</u></b>	<i>(City Funds in 000's)</i>				
Baseline Per November Plan - 11/25/2014	\$71,141	\$54,537	\$54,992	\$55,108	\$55,111
Expenditure Increases / Re-estimates	266	2,586	2,734	2,785	2,785
<b>Financial Plan as of 2/09/2015</b>	<b><u><u>\$71,407</u></u></b>	<b><u><u>\$57,123</u></u></b>	<b><u><u>\$57,726</u></u></b>	<b><u><u>\$57,893</u></u></b>	<b><u><u>\$57,896</u></u></b>
<b><u>Headcount</u></b>	<i>(City Funded)</i>				
Baseline Per November Plan - 11/25/2014	515	508	508	508	508
Expenditure Increases / Re-estimates	27	27	27	27	27
<b>Financial Plan as of 2/09/2015</b>	<b><u><u>542</u></u></b>	<b><u><u>535</u></u></b>	<b><u><u>535</u></u></b>	<b><u><u>535</u></u></b>	<b><u><u>535</u></u></b>



## AGENCY FIVE YEAR SUMMARY PROGRAM

### Department of Finance

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
<b><u>Dollars</u></b>	<i>(City Funds in 000's)</i>				
Baseline Per November Plan - 11/25/2014	\$255,829	\$254,063	\$256,529	\$260,212	\$258,591
Expenditure Increases / Re-estimates	4,709	3,401	3,400	3,410	3,410
<b>Financial Plan as of 2/09/2015</b>	<b><u><u>\$260,538</u></u></b>	<b><u><u>\$257,464</u></u></b>	<b><u><u>\$259,929</u></u></b>	<b><u><u>\$263,622</u></u></b>	<b><u><u>\$262,001</u></u></b>
<b><u>Headcount</u></b>	<i>(City Funded)</i>				
Baseline Per November Plan - 11/25/2014	1,962	1,957	1,952	1,947	1,947
Expenditure Increases / Re-estimates	63	63	63	63	63
<b>Financial Plan as of 2/09/2015</b>	<b><u><u>2,025</u></u></b>	<b><u><u>2,020</u></u></b>	<b><u><u>2,015</u></u></b>	<b><u><u>2,010</u></u></b>	<b><u><u>2,010</u></u></b>

## Expenditure Increases/Re-estimates

### Department of Finance

Description	City Personnel *	(City Funds in 000's)				
		2015	2016	2017	2018	2019
<b>February</b>						
<b><u>Paylock</u></b>		3,000	--	--	--	--
Additional funding is allocated to Department of Finance to pay for the cost of car booting services. This is offset by revenue.						
<b><u>New City Tax Auditors</u></b>	27	767	1,534	1,534	1,534	1,534
New City Tax Auditors						
<b><u>Tax Policy and Planning - New Assessors</u></b>	20	400	800	800	800	800
Tax Policy and Planning - New Assessors						
<b><u>Speed Camera and Vision Zero Support Staff</u></b>	2	--	--	--	--	--
Speed Camera and Vision Zero Support Staff						
<b><u>Sheriff - Support for NYC Law Dept Investigations</u></b>	4	102	193	163	163	163
Funding for the Sheriff to support Law Department investigations that require work outside the City.						
<b><u>Financial Data Matching unit</u></b>	3	90	180	180	180	180
Additional staff for the Financial Data Matching unit.						
<b><u>Tax Audit Support Staff</u></b>	4	223	446	446	446	446
Tax Audit Support Staff						
<b><u>Funding for 55A staff</u></b>	3	77	185	185	185	185
Positions and funding restoration for Office Machine Aides previously laid off in 2011.						
<b><u>Labor Transfer for Non-union Employees Correction</u></b>		(1,689)	(2,119)	(3,111)	(3,446)	(3,446)
Prior labor transfer for non-union employees technical correction.						

**Expenditure Increases/Re-estimates**

**Department of Finance**

Description	City Personnel *	(City Funds in 000's)				
		2015	2016	2017	2018	2019
<b><u>Labor Transfer for Non-union Employees</u></b>		1,739	2,182	3,203	3,548	3,548
Labor transfer for non-union employees.						
<b>Total Agency: Expenditure Increases/Re-estimates</b>	<b>63</b>	<b>4,709</b>	<b>3,401</b>	<b>3,400</b>	<b>3,410</b>	<b>3,410</b>

## AGENCY FIVE YEAR SUMMARY PROGRAM

### Department of Transportation

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
<b><u>Dollars</u></b>	<i>(City Funds in 000's)</i>				
Baseline Per November Plan - 11/25/2014	\$501,381	\$497,450	\$504,319	\$504,985	\$504,991
Expenditure Increases / Re-estimates	33,053	7,687	6,529	6,309	6,424
<b>Financial Plan as of 2/09/2015</b>	<b><u><u>\$534,434</u></u></b>	<b><u><u>\$505,137</u></u></b>	<b><u><u>\$510,848</u></u></b>	<b><u><u>\$511,294</u></u></b>	<b><u><u>\$511,415</u></u></b>
<b><u>Headcount</u></b>	<i>(City Funded)</i>				
Baseline Per November Plan - 11/25/2014	2,173	2,171	2,171	2,171	2,171
Expenditure Increases / Re-estimates	226	68	68	68	68
<b>Financial Plan as of 2/09/2015</b>	<b><u><u>2,399</u></u></b>	<b><u><u>2,239</u></u></b>	<b><u><u>2,239</u></u></b>	<b><u><u>2,239</u></u></b>	<b><u><u>2,239</u></u></b>

## Expenditure Increases/Re-estimates

### Department of Transportation

Description	City Personnel *	(City Funds in 000's)				
		2015	2016	2017	2018	2019
<b>February</b>						
<b><u>Parking Meter Operating Costs</u></b>		345	--	--	--	--
Funding for increased annual Air Time (wireless communication) costs for multi-space parking meters.						
<b><u>Parking Meter Credit Card Fees</u></b>		3,051	--	--	--	--
Funding for credit card fees associated with multi-space parking meters.						
<b><u>Parking Meter Upgrades</u></b>		370	1,110	--	--	--
Expense costs for reprogramming multi-space meters.						
<b><u>NYC Parking Surveys</u></b>		--	350	--	--	--
Costs for establishing a comprehensive, City-wide survey model in order to more accurately manage metered parking.						
<b><u>Accessible Pedestrian Signals</u></b>	3	135	182	182	182	182
Staffing cost for Local Law 60, which mandates additional 50 Accessible Pedestrian Signals units to be installed annually.						
<b><u>Brooklyn Bridge Cameras</u></b>		--	400	400	400	400
Maintenance for Brooklyn Bridge surveillance cameras.						
<b><u>Bridge Inspection &amp; Load Rating</u></b>	18	866	1,743	1,743	1,743	1,743
Staffing and equipment costs for inspection and load rating of bridges.						
<b><u>Intercity Bus Stop Permit Headcount</u></b>	1	14	55	55	55	55
Additional Intercity Bus Stop Permit Group staff. Revenue will offset expenses associated with this initiative.						
<b><u>HIQA &amp; Permit Management</u></b>	37	2,198	1,356	1,638	1,753	1,868
Additional Highway Inspection & Quality Assurance (HIQA) and Permit Management staff to handle increased building and street opening permit volumes. Revenue will offset expenses associated with this initiative.						

## Expenditure Increases/Re-estimates

### Department of Transportation

Description	City Personnel *	(City Funds in 000's)				
		2015	2016	2017	2018	2019
<b><u>Freedom of Information Law (FOIL) Unit Staffing</u></b>	2	21	85	85	85	85
Additional resources to handle the Department of Transportation's Freedom of Information Law (FOIL) requests.						
<b><u>New York State Industries for the Disabled (NYSID) Contract - Prevailing Wages</u></b>		270	549	549	549	549
Prevailing Wage increases for New York State Industries for the Disabled (NYSID) cleaning contract.						
<b><u>Information Technology Needs</u></b>		1,064	783	452	--	--
Funding for information technology expenses including hardware and software and ongoing maintenance costs.						
<b><u>Commercial Biking</u></b>	7	284	314	326	326	326
Additional Commercial Biking Unit staff to implement new commercial biking regulations. Revenue will offset expenses associated with this initiative.						
<b><u>Small Business First</u></b>		3	13	3	3	3
The City will implement initiatives across several agencies to improve the regulatory environment for small businesses. For DOT this will require expense costs associated with providing plain language staff training and increased use of translated materials.						
<b><u>Resurfacing Reallocation</u></b>		23,861	--	--	--	--
Adjustment to accurately reflect the IFA funding of fringe benefits associated with resurfacing in the miscellaneous expense budget. The increase in DOT city tax levy is offset by a corresponding decrease in the miscellaneous expense budget for a net zero tax levy expense impact.						
<b><u>Labor Transfer for Non-Union Employees - Fed</u></b>		113	147	216	239	239
Labor Transfer for Non-Union Employees - Federal						
<b><u>Labor Transfer for Non-Union Employees - OC</u></b>		7	9	13	14	14
Labor Transfer for Non-Union Employees - Other Categorical						

**Expenditure Increases/Re-estimates**

**Department of Transportation**

Description	City Personnel *	(City Funds in 000's)				
		2015	2016	2017	2018	2019
<b><u>Labor Transfer for Non-Union Employees - State</u></b>		108	139	204	226	226
Labor Transfer for Non-Union Employees - State						
<b><u>Labor Transfer for Non-Union Employees - City</u></b>		347	452	663	734	734
Labor Transfer for Non-Union Employees - City						
<b><u>Council Member Adjustment</u></b>		(4)	--	--	--	--
<b>Total Agency: Expenditure Increases/Re-estimates</b>	<b>68</b>	<b>33,053</b>	<b>7,687</b>	<b>6,529</b>	<b>6,309</b>	<b>6,424</b>

## AGENCY FIVE YEAR SUMMARY PROGRAM

### Department of Parks and Recreation

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
<b><u>Dollars</u></b>	<i>(City Funds in 000's)</i>				
Baseline Per November Plan - 11/25/2014	\$340,241	\$325,178	\$330,088	\$331,262	\$331,266
Expenditure Increases / Re-estimates	8,211	10,740	10,740	10,365	10,365
<b>Financial Plan as of 2/09/2015</b>	<b><u><u>\$348,452</u></u></b>	<b><u><u>\$335,918</u></u></b>	<b><u><u>\$340,828</u></u></b>	<b><u><u>\$341,627</u></u></b>	<b><u><u>\$341,631</u></u></b>
<b><u>Headcount</u></b>	<i>(City Funded)</i>				
Baseline Per November Plan - 11/25/2014	3,367	3,279	3,281	3,281	3,281
Expenditure Increases / Re-estimates	21	40	40	40	40
<b>Financial Plan as of 2/09/2015</b>	<b><u><u>3,388</u></u></b>	<b><u><u>3,319</u></u></b>	<b><u><u>3,321</u></u></b>	<b><u><u>3,321</u></u></b>	<b><u><u>3,321</u></u></b>

## Expenditure Increases/Re-estimates

### Department of Parks and Recreation

Description	City Personnel *	(City Funds in 000's)				
		2015	2016	2017	2018	2019
<b>February</b>						
<b><u>Overtime Adjustment</u></b>		5,000	5,000	5,000	5,000	5,000
Funding to address a baseline deficit in the Department's overtime budget.						
<b><u>Pre-Design Site Testing and Analysis</u></b>		1,800	1,800	1,800	1,800	1,800
Pre-design testing program to better assess the cost of capital projects prior to funding being added to the capital plan; this is also anticipated to reduce the number of change orders, allowing for quicker project completion.						
<b><u>Parks Usership Study</u></b>		--	175	175	--	--
Funding for a Citywide parks usership study.						
<b><u>Continuation of Forestry Staff</u></b>	23	--	1,500	1,500	1,500	1,500
Continuation of funding for the forestry staff previously supported by DEP funding as part of the Croton Forestry Management Program.						
<b><u>Environmental Monitoring</u></b>		110	120	120	120	120
Funding to continue environmental monitoring at Barretto Point Park and White Island, as required by the State Department of Environmental Conservation (DEC).						
<b><u>Driver Training (Vision Zero)</u></b>	5	138	275	275	275	275
Funding for driver trainers to supplement classroom instruction with in-vehicle training.						
<b><u>Public Music Licenses</u></b>		31	162	162	162	162
Funding for blanket licenses for performances of music on City property in order to comply with Federal law.						
<b><u>Historic Houses</u></b>		87	87	87	87	87
Funding to support the care and maintenance of 23 historic houses under the Department's portfolio.						

## Expenditure Increases/Re-estimates

### Department of Parks and Recreation

Description	City Personnel *	(City Funds in 000's)				
		2015	2016	2017	2018	2019
<b><u>Natural Resources Group (NRG) Move</u></b>		125	--	--	--	--
Funding to support the move of the Natural Resources Group (NRG) staff to a new location in Queens.						
<b><u>Capitally Ineligible Project Needs</u></b>		400	400	400	400	400
Funding to cover capitally ineligible charges associated with the completion of capital projects.						
<b><u>Parks Needs Assessment Study</u></b>		--	200	200	--	--
Funding for the development of a comprehensive capital assets needs assessment study.						
<b><u>GreenThumb and Land Restoration Project (LRP) Funding</u></b>	7	211	421	421	421	421
Continuation of funding for GreenThumb and Land Restoration Project (LRP) sites that are no longer eligible for Community Development (CD) funding.						
<b><u>Recreation Center Programming and Maintenance</u></b>	5	300	600	600	600	600
Funding for dedicated maintenance staff for Recreation Centers and for all Recreation Centers to remain open a minimum of 6 days per week. This funding would increase the operating hours at three locations (Owen Dolen, Von King, and Fort Hamilton) from 5 to 6 days.						
<b><u>Member Item Reallocation</u></b>		9	--	--	--	--
Council member item reallocation.						
<b>Total Agency: Expenditure Increases/Re-estimates</b>	<b>40</b>	<b>8,211</b>	<b>10,740</b>	<b>10,740</b>	<b>10,365</b>	<b>10,365</b>

## AGENCY FIVE YEAR SUMMARY PROGRAM

### New York Public Library

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
<b><u>Dollars</u></b>	<i>(City Funds in 000's)</i>				
Baseline Per November Plan - 11/25/2014	\$119,549	\$115,788	\$117,453	\$117,761	\$117,761
Expenditure Increases / Re-estimates	20	-	-	-	-
<b>Financial Plan as of 2/09/2015</b>	<b><u><u>\$119,569</u></u></b>	<b><u><u>\$115,788</u></u></b>	<b><u><u>\$117,453</u></u></b>	<b><u><u>\$117,761</u></u></b>	<b><u><u>\$117,761</u></u></b>



## AGENCY FIVE YEAR SUMMARY PROGRAM

### Brooklyn Public Library

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
<b><u>Dollars</u></b>	<i>(City Funds in 000's)</i>				
Baseline Per November Plan - 11/25/2014	\$89,084	\$86,137	\$87,508	\$87,780	\$87,781
Expenditure Increases / Re-estimates	202	170	259	337	337
<b>Financial Plan as of 2/09/2015</b>	<b><u><u>\$89,286</u></u></b>	<b><u><u>\$86,307</u></u></b>	<b><u><u>\$87,767</u></u></b>	<b><u><u>\$88,117</u></u></b>	<b><u><u>\$88,118</u></u></b>

**Expenditure Increases/Re-estimates**

**Brooklyn Public Library**

Description	City Personnel *	(City Funds in 000's)				
		2015	2016	2017	2018	2019
<b>February</b>						
<b><u>BPL L237 Collective Bargaining</u></b>		186	170	259	337	337
Brooklyn Public Library Local 237 Collective Bargaining						
<b><u>Member Item Reallocation</u></b>		16	--	--	--	--
Member Item Reallocation						
<b>Total Agency: Expenditure Increases/Re-estimates</b>		<b>202</b>	<b>170</b>	<b>259</b>	<b>337</b>	<b>337</b>

## AGENCY FIVE YEAR SUMMARY PROGRAM

### Queens Borough Public Library

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
<b><u>Dollars</u></b>	<i>(City Funds in 000's)</i>				
Baseline Per November Plan - 11/25/2014	\$90,086	\$87,405	\$88,927	\$89,216	\$89,216
Expenditure Increases / Re-estimates	6	-	-	-	-
<b>Financial Plan as of 2/09/2015</b>	<b><u><u>\$90,092</u></u></b>	<b><u><u>\$87,405</u></u></b>	<b><u><u>\$88,927</u></u></b>	<b><u><u>\$89,216</u></u></b>	<b><u><u>\$89,216</u></u></b>

**Expenditure Increases/Re-estimates**

**Queens Borough Public Library**

Description	City Personnel *	(City Funds in 000's)				
		2015	2016	2017	2018	2019
<b>February</b>						
<u>Member Item Reallocation</u>		6	--	--	--	--
Member Item Reallocation						
<b>Total Agency: Expenditure Increases/Re-estimates</b>						
		6	--	--	--	--

## AGENCY FIVE YEAR SUMMARY PROGRAM

### Department of Cultural Affairs

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
<b><u>Dollars</u></b>	<i>(City Funds in 000's)</i>				
Baseline Per November Plan - 11/25/2014	\$159,665	\$149,678	\$150,398	\$149,806	\$149,806
Expenditure Increases / Re-estimates	(184)	-	-	-	-
<b>Financial Plan as of 2/09/2015</b>	<b><u><u>\$159,481</u></u></b>	<b><u><u>\$149,678</u></u></b>	<b><u><u>\$150,398</u></u></b>	<b><u><u>\$149,806</u></u></b>	<b><u><u>\$149,806</u></u></b>
<b><u>Headcount</u></b>	<i>(City Funded)</i>				
Baseline Per November Plan - 11/25/2014	46	46	46	46	46
<b>Financial Plan as of 2/09/2015</b>	<b><u><u>46</u></u></b>	<b><u><u>46</u></u></b>	<b><u><u>46</u></u></b>	<b><u><u>46</u></u></b>	<b><u><u>46</u></u></b>

**Expenditure Increases/Re-estimates**

**Department of Cultural Affairs**

Description	City Personnel *	(City Funds in 000's)				
		2015	2016	2017	2018	2019
<b>February</b>						
<u>Member Item Reallocation</u>		(125)	--	--	--	--
Member item reallocation.						
<u>Member Item Reallocation</u>		(59)	--	--	--	--
Member item reallocation.						
<b>Total Agency: Expenditure Increases/Re-estimates</b>		<b>(184)</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>

## AGENCY FIVE YEAR SUMMARY PROGRAM

### Department of Citywide Administrative Services

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
<b><u>Dollars</u></b>	<i>(City Funds in 000's)</i>				
Baseline Per November Plan - 11/25/2014	\$261,722	\$257,161	\$256,691	\$244,160	\$241,794
Expenditure Increases / Re-estimates	2,801	1,204	1,386	1,447	1,447
<b>Financial Plan as of 2/09/2015</b>	<b><u><u>\$264,523</u></u></b>	<b><u><u>\$258,365</u></u></b>	<b><u><u>\$258,077</u></u></b>	<b><u><u>\$245,607</u></u></b>	<b><u><u>\$243,241</u></u></b>
<b><u>Headcount</u></b>	<i>(City Funded)</i>				
Baseline Per November Plan - 11/25/2014	1,381	1,383	1,383	1,383	1,383
Expenditure Increases / Re-estimates	(21)	(27)	(27)	(27)	(27)
<b>Financial Plan as of 2/09/2015</b>	<b><u><u>1,360</u></u></b>	<b><u><u>1,356</u></u></b>	<b><u><u>1,356</u></u></b>	<b><u><u>1,356</u></u></b>	<b><u><u>1,356</u></u></b>

## Expenditure Increases/Re-estimates

### Department of Citywide Administrative Services

Description	City Personnel *	(City Funds in 000's)				
		2015	2016	2017	2018	2019
<b>February</b>						
<b><u>Asset Management</u></b>	4	--	--	--	--	--
Headcount for four Fire Safety Inspector Supervisor positions for DCAS-managed buildings. The agency will self-fund the salary costs.						
<b><u>Civil Service Compliance Headcount and Funding</u></b>	2	108	215	215	215	215
Funding and positions are provided for a Systems Manager and a Senior IT Developer to provide technical improvements to civil service systems and exams.						
<b><u>Human Capital Offices</u></b>	6	251	501	501	501	501
Funding and positions are provided to establish an Office of Citywide Recruitment and an Office of Workforce Development. The respective units will enhance the City's efforts in recruitment and retention of public employees.						
<b><u>Procurement IT Developer</u></b>	1	50	100	100	100	100
Funding and a position are provided for an IT Developer to maintain the Procurement and Contract Tracking (PACT) System.						
<b><u>BSA Office Space Renovations</u></b>		238	--	--	--	--
Funding for construction of temporary office space for the Board of Standards and Appeals at 250 Broadway.						
<b><u>Immigration</u></b>		2,020	--	--	--	--
Headcount and funding for Citywide immigration coordination, outreach and education plan.						
<b><u>Labor Transfer for Non-Union Employees (IC)</u></b>		6	7	10	11	11
<b><u>Immigration Plan Reallocation</u></b>		(177)	--	--	--	--
Reallocation of immigration plan funding.						

**Expenditure Increases/Re-estimates**

**Department of Citywide Administrative Services**

Description	City Personnel *	(City Funds in 000's)				
		2015	2016	2017	2018	2019
<b><u>Budget Code Realignment</u></b>	(40)	--	--	--	--	--
Budget Code Realignment to appropriately reflect Court Cleaning program headcount.						
<b><u>Labor Transfer for Non-Union Employees</u></b>		305	381	560	620	620
Labor Transfer for Non-Union Employees (City).						
<b>Total Agency: Expenditure Increases/Re-estimates</b>	<b>(27)</b>	<b>2,801</b>	<b>1,204</b>	<b>1,386</b>	<b>1,447</b>	<b>1,447</b>

## AGENCY FIVE YEAR SUMMARY PROGRAM

### Department of Education

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
<b><u>Dollars</u></b>	<i>(City Funds in 000's)</i>				
Baseline Per November Plan - 11/25/2014	\$9,680,492	\$10,083,968	\$10,524,904	\$10,994,077	\$11,502,630
Expenditure Increases / Re-estimates	90,357	104,714	152,707	184,549	231,674
<b>Financial Plan as of 2/09/2015</b>	<b><u><u>\$9,770,849</u></u></b>	<b><u><u>\$10,188,682</u></u></b>	<b><u><u>\$10,677,611</u></u></b>	<b><u><u>\$11,178,626</u></u></b>	<b><u><u>\$11,734,304</u></u></b>
<b><u>Headcount</u></b>	<i>(City Funded)</i>				
Baseline Per November Plan - 11/25/2014	93,291 P	93,291 P	93,291 P	93,291 P	93,291 P
	9,024 C	9,025 C	9,025 C	9,025 C	9,025 C
Expenditure Increases / Re-estimates	12 P	12 P	12 P	12 P	12 P
	1 C	7 C	7 C	7 C	7 C
<b>Financial Plan as of 2/09/2015</b>	<b><u><u>93,303 P</u></u></b>	<b><u><u>93,303 P</u></u></b>	<b><u><u>93,303 P</u></u></b>	<b><u><u>93,303 P</u></u></b>	<b><u><u>93,303 P</u></u></b>
	<b><u><u>9,025 C</u></u></b>	<b><u><u>9,032 C</u></u></b>	<b><u><u>9,032 C</u></u></b>	<b><u><u>9,032 C</u></u></b>	<b><u><u>9,032 C</u></u></b>

C = Civilian P = Pedagogical

## Expenditure Increases/Re-estimates

### Department of Education

Description	City Personnel *	(City Funds in 000's)				
		2015	2016	2017	2018	2019
<b>February</b>						
<b><u>Family Welcome Centers</u></b>		272	--	--	--	--
Upgrades technology platform at Family Welcome Centers to make them compatible with P311.						
<b><u>New Impartial Hearing Office</u></b>	3 C	--	360	330	330	330
Creates a new satellite Impartial Hearing Office, which will help speed up decisions in Special Education related cases.						
<b><u>Committee on Special Education</u></b>		306	525	525	525	525
Funding for temp staff at each Committee on Special Education (CSE) to help speed up responses to 10-day notice of claims.						
<b><u>Tuition Assistance for Paraprofessionals</u></b>		961	1,009	1,009	1,009	1,009
Career training program that provides UFT and DC37 paraprofessionals an opportunity to acquire college credits.						
<b><u>Local 372 Union Leave Employee</u></b>	1 C	64	109	109	109	109
Funds L372 employee salary & fringe to serve for a year as a grievance representative.						
<b><u>TCIS Training</u></b>		--	443	462	516	--
Threapeutic Crisis Intervention training for staff who work with students who have behavioral issues.						
<b><u>School Food</u></b>	3 C	--	2,614	2,614	2,614	2,614
Funds salary, fringe & supplies for 9 new school food sites opening in Fall 2015.						
<b><u>Webcasting for PEP Meetings</u></b>		--	119	119	119	119
Funds the webcasting of all DOE PEP and contract meetings.						
<b><u>Literacy Intervention Teams</u></b>	2 P	336	655	703	735	767
Literacy training for teachers including those who work with students with dyslexia.						

## Expenditure Increases/Re-estimates

### Department of Education

Description	City Personnel *	(City Funds in 000's)				
		2015	2016	2017	2018	2019
<b><u>PSAL</u></b> Adds 12 new varsity girls teams per year.		--	214	435	665	906
<b><u>Student Enrollment System</u></b> Upgrades to enrollment system to include enhancements that increases enrollment and placement opportunities for ELL and other disadvantaged students.		335	--	--	--	--
<b><u>Language Line</u></b> Supports over-the-phone language services for parents in over 80 languages.		75	47	26	14	7
<b><u>Language Access Campaign</u></b> Public awareness campaign to inform parents of Language Line services.		--	68	--	--	--
<b><u>Teacher Leadership Positions</u></b> Funds enhanced salaries for master and model teacher positions per the UFT contract.		4,912	4,912	4,912	4,912	4,912
<b><u>Guidance Support</u></b> Funds Guidance Counselors and Social Workers at Alternative Learning Centers in response to the fatal stabbing at I.S. 117.	10 P	824	1,097	1,097	1,097	1,097
<b><u>Renewal Schools</u></b> Funds the first year of services for the Renewal Schools initiative.		5,240	--	--	--	--
<b><u>I/C DC37 Collective Bargaining Adjustment</u></b>		54	69	101	107	107
<b><u>I/C DC37 Collective Bargaining Adjustment</u></b>		10	13	18	19	19
<b><u>I/C DC37 Collective Bargaining Adjustment</u></b>		20	23	33	35	35
<b><u>I/C DC37 Collective Bargaining Adjustment</u></b>		10	13	18	20	20
<b><u>I/C Labor Transfer for Non-Union Employees</u></b>		19	25	36	40	40
<b><u>I/C Labor Transfer for Non-Union Employees</u></b>		7	9	13	15	15

**Expenditure Increases/Re-estimates**

**Department of Education**

Description	City Personnel *	(City Funds in 000's)				
		2015	2016	2017	2018	2019
<b><u>I/C Labor Transfer for Non-Union Employees</u></b>		5	7	10	11	11
<b><u>YMI: Youth Leadership Council</u></b>		--	(166)	--	--	--
YMI Funds for Mayor's Youth Leadership Council shifting to DYCD						
<b><u>YMI: Scholastic Partnership</u></b>		53	--	--	--	--
YMI: Scholastic Partnership for Native Sons Campaign						
<b><u>CSA Collective Bargaining</u></b>		19,993	27,317	52,131	85,224	132,599
Funds CB related wage increases.						
<b><u>Local891 Collective Bargaining</u></b>		9,299	13,076	18,521	18,521	18,521
Funds CB related wage increases						
<b><u>L94 Collective Bargaining</u></b>		8,873	11,428	14,791	14,062	14,062
Funds Collective Bargaining related wage increases.						
<b><u>32BJ Collective Bargaining</u></b>		24,735	28,953	37,475	35,629	35,629
Funds Collective Bargaining related wage increases.						
<b><u>DC37 Collective Bargaining</u></b>		14,001	11,775	17,219	18,221	18,221
Salary and fringe for school aides, health aides related to collective bargaining.						
<b><u>Council Items</u></b>		(50)	--	--	--	--
Reallocations to Council Items						
<b><u>Council Member Items</u></b>		3	--	--	--	--
Reallocation of Member Items						
<b>Total Agency: Expenditure Increases/Re-estimates</b>	<b>12 P 7 C</b>	<b>90,357</b>	<b>104,714</b>	<b>152,707</b>	<b>184,549</b>	<b>231,674</b>

## AGENCY FIVE YEAR SUMMARY PROGRAM

### City University

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
<b><u>Dollars</u></b>	<i>(City Funds in 000's)</i>				
Baseline Per November Plan - 11/25/2014	\$654,955	\$634,442	\$634,319	\$629,436	\$629,477
Expenditure Increases / Re-estimates	2,172	8,219	15,621	23,993	25,733
<b>Financial Plan as of 2/09/2015</b>	<b><u>\$657,127</u></b>	<b><u>\$642,661</u></b>	<b><u>\$649,940</u></b>	<b><u>\$653,429</u></b>	<b><u>\$655,210</u></b>
<b><u>Headcount</u></b>	<i>(City Funded)</i>				
Baseline Per November Plan - 11/25/2014	3,336 P	3,331 P	3,365 P	3,365 P	3,365 P
	1,728 C	1,676 C	1,676 C	1,676 C	1,676 C
Expenditure Increases / Re-estimates	826 P	826 P	826 P	826 P	826 P
	177 C	177 C	177 C	177 C	177 C
<b>Financial Plan as of 2/09/2015</b>	<b>4,162 P</b>	<b>4,157 P</b>	<b>4,191 P</b>	<b>4,191 P</b>	<b>4,191 P</b>
	<b><u>1,905 C</u></b>	<b><u>1,853 C</u></b>	<b><u>1,853 C</u></b>	<b><u>1,853 C</u></b>	<b><u>1,853 C</u></b>

C = Civilian P = Pedagogical

## Expenditure Increases/Re-estimates

### City University

Description	City Personnel *	(City Funds in 000's)				
		2015	2016	2017	2018	2019
<b>February</b>						
<b><u>Solar Cities</u></b>		319	325	331	338	344
CUNY's NYSolar Smart project aims to ensure funding for the NYC Solar programs that support large-scale solar energy market growth in NYC and engage CUNY faculty, staff and students.						
<b><u>Fatherhood Academy</u></b>		1,074	1,074	1,074	1,074	1,074
CUNY's Fatherhood Academy program provides services to fathers aged 18-24 who are interested in improving their employment and educational prospects.						
<b><u>LaGuardia Community College Rent</u></b>		279	279	--	--	--
Technical adjustment to increase rental aid.						
<b><u>Fringe</u></b>		--	7,041	14,716	23,081	24,315
Technical adjustment to fund CUNY at appropriate fringe levels.						
<b><u>Technical Headcount Adjustment</u></b>	826 P	--	--	--	--	--
Technical adjustment to align headcount plan with past funding and hiring decisions.						
<b><u>Green City Force</u></b>	177 C	(500)	(500)	(500)	(500)	--
Transferring funding from CUNY to MOCJ to support the Green City Force Project. The program provides job training for NYCHA residents who are disconnected high school graduates or GED holders between the ages of 18 and 24.						
<b><u>Create New Technology Incubators</u></b>		1,000	--	--	--	--
Create New Technology Incubators						
<b>Total Agency: Expenditure Increases/Re-estimates</b>	<b>826 P</b> <b>177 C</b>	<b>2,172</b>	<b>8,219</b>	<b>15,621</b>	<b>23,993</b>	<b>25,733</b>

## AGENCY FIVE YEAR SUMMARY PROGRAM

### Health and Hospitals Corporation

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
<b><u>Dollars</u></b>	<i>(City Funds in 000's)</i>				
Baseline Per November Plan - 11/25/2014	\$156,823	\$149,881	\$193,081	\$208,096	\$213,500
Expenditure Increases / Re-estimates	(2,579)	-	-	-	-
<b>Financial Plan as of 2/09/2015</b>	<b><u><u>\$154,244</u></u></b>	<b><u><u>\$149,881</u></u></b>	<b><u><u>\$193,081</u></u></b>	<b><u><u>\$208,096</u></u></b>	<b><u><u>\$213,500</u></u></b>



## AGENCY FIVE YEAR SUMMARY PROGRAM

### Department for the Aging

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
<b><u>Dollars</u></b>	<i>(City Funds in 000's)</i>				
Baseline Per November Plan - 11/25/2014	\$172,937	\$148,266	\$148,798	\$148,832	\$148,833
Expenditure Increases / Re-estimates	(65)	1	1	1	1
<b>Financial Plan as of 2/09/2015</b>	<b><u><u>\$172,872</u></u></b>	<b><u><u>\$148,267</u></u></b>	<b><u><u>\$148,799</u></u></b>	<b><u><u>\$148,833</u></u></b>	<b><u><u>\$148,834</u></u></b>
<b><u>Headcount</u></b>	<i>(City Funded)</i>				
Baseline Per November Plan - 11/25/2014	141	143	143	143	143
Expenditure Increases / Re-estimates	1	-	-	-	-
<b>Financial Plan as of 2/09/2015</b>	<b><u><u>142</u></u></b>	<b><u><u>143</u></u></b>	<b><u><u>143</u></u></b>	<b><u><u>143</u></u></b>	<b><u><u>143</u></u></b>



## AGENCY FIVE YEAR SUMMARY PROGRAM

### Department of Small Business Services

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
<b><u>Dollars</u></b>	<i>(City Funds in 000's)</i>				
Baseline Per November Plan - 11/25/2014	\$96,330	\$52,554	\$52,455	\$52,603	\$52,603
Expenditure Increases / Re-estimates	(4,412)	13,391	5,922	6,161	3,861
<b>Financial Plan as of 2/09/2015</b>	<b><u><u>\$91,918</u></u></b>	<b><u><u>\$65,945</u></u></b>	<b><u><u>\$58,377</u></u></b>	<b><u><u>\$58,764</u></u></b>	<b><u><u>\$56,464</u></u></b>
<b><u>Headcount</u></b>	<i>(City Funded)</i>				
Baseline Per November Plan - 11/25/2014	103	97	94	94	94
Expenditure Increases / Re-estimates	52	62	62	62	62
<b>Financial Plan as of 2/09/2015</b>	<b><u><u>155</u></u></b>	<b><u><u>159</u></u></b>	<b><u><u>156</u></u></b>	<b><u><u>156</u></u></b>	<b><u><u>156</u></u></b>

## Expenditure Increases/Re-estimates

### Department of Small Business Services

Description	City Personnel *	(City Funds in 000's)				
		2015	2016	2017	2018	2019
<b>February</b>						
<b><u>MWBE Funding</u></b>	10	25	1,400	1,385	1,385	1,385
The Department of Small Business Services will receive funding for expansion of the MWBE Program.						
<b><u>OER BIG Funding</u></b>		--	1,925	2,118	2,329	--
The Mayor's Office of Environmental Remediation will receive new funding for the Brownfield Incentive Grant program.						
<b><u>TGI Electricity</u></b>		650	676	703	731	760
The Trust for Governors Island will receive funding for the cost of electricity.						
<b><u>Small Business First</u></b>	21	1,663	3,080	1,716	1,716	1,716
The City will implement initiatives across several agencies to improve the regulatory environment for small businesses. For SBS, the related expenses are for building a new Business Center, deploying Compliance Advisors, and implementing all Small Business First initiatives.						
<b><u>CEO Scholars at Work</u></b>		490	--	--	--	--
The Center for Economic Opportunity (CEO) will receive funding transferred from the Human Resources Administration (HRA) for the Scholars at Work Program.						
<b><u>MWBE Disparity Study</u></b>		(1,500)	1,500	--	--	--
The Department of Small Business Services will reallocate funding added at the FY16 NOV Plan to conduct a Disparity Study.						
<b><u>OER Reallocation</u></b>		(4,810)	4,810	--	--	--
The Mayor's Office of Environmental Remediation will reallocate funding between fiscal years.						
<b><u>PS Realignment</u></b>	31	--	--	--	--	--
The Department of Small Business Services will realign its fulltime headcount.						

**Expenditure Increases/Re-estimates**

**Department of Small Business Services**

Description	City Personnel *	(City Funds in 000's)				
		2015	2016	2017	2018	2019
<b><u>FY16 November Plan - City Council Member Item Changes - EDC</u></b>		(1,000)	--	--	--	--
Decrease in EDC City Council TL Allocation - Incubators						
<b><u>City Council Member Items</u></b>		70	--	--	--	--
Reallocation of City Council member items associated with the Department of Small Business Services.						
<b>Total Agency: Expenditure Increases/Re-estimates</b>	<b>62</b>	<b>(4,412)</b>	<b>13,391</b>	<b>5,922</b>	<b>6,161</b>	<b>3,861</b>

## AGENCY FIVE YEAR SUMMARY PROGRAM

### Department of Buildings

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
<b><u>Dollars</u></b>	<i>(City Funds in 000's)</i>				
Baseline Per November Plan - 11/25/2014	\$107,207	\$103,042	\$103,729	\$104,103	\$104,104
Expenditure Increases / Re-estimates	4,736	13,416	7,898	7,898	7,898
<b>Financial Plan as of 2/09/2015</b>	<b><u><u>\$111,943</u></u></b>	<b><u><u>\$116,458</u></u></b>	<b><u><u>\$111,627</u></u></b>	<b><u><u>\$112,001</u></u></b>	<b><u><u>\$112,002</u></u></b>
<b><u>Headcount</u></b>	<i>(City Funded)</i>				
Baseline Per November Plan - 11/25/2014	1,139	1,139	1,125	1,125	1,125
Expenditure Increases / Re-estimates	60	67	67	67	67
<b>Financial Plan as of 2/09/2015</b>	<b><u><u>1,199</u></u></b>	<b><u><u>1,206</u></u></b>	<b><u><u>1,192</u></u></b>	<b><u><u>1,192</u></u></b>	<b><u><u>1,192</u></u></b>

## Expenditure Increases/Re-estimates

### Department of Buildings

Description	City Personnel *	(City Funds in 000's)				
		2015	2016	2017	2018	2019
<b>February</b>						
<b><u>DOB Audit</u></b>	15	563	1,050	1,050	1,050	1,050
The Department of Buildings will receive funding for auditing improvements within the agency.						
<b><u>DOB ELP Project</u></b>	13	2,434	7,082	2,064	2,064	2,064
The Department of Buildings will receive funding for the Enterprise Licensing and Permitting Project to upgrade its IT systems.						
<b><u>DOB Enforcement Improvements</u></b>	32	1,374	2,235	2,235	2,235	2,235
The Department of Buildings will receive funding for enforcement improvements.						
<b><u>DOB Development Hub</u></b>	7	211	2,385	2,385	2,385	2,385
The Department of Buildings will receive funding for the Development Hub.						
<b><u>Small Business First</u></b>		154	664	164	164	164
The City will implement initiatives across several agencies to improve the regulatory environment for small businesses. For DOB, the related expenses are to fund studies to improve coordination between DOB and FDNY, and to streamline several processes at DOB.						
<b>Total Agency: Expenditure Increases/Re-estimates</b>	<b>67</b>	<b>4,736</b>	<b>13,416</b>	<b>7,898</b>	<b>7,898</b>	<b>7,898</b>

## AGENCY FIVE YEAR SUMMARY PROGRAM

### Department of Environmental Protection

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
<b><u>Dollars</u></b>	<i>(City Funds in 000's)</i>				
Baseline Per November Plan - 11/25/2014	\$1,116,805	\$1,095,783	\$1,043,221	\$1,029,326	\$1,027,646
Expenditure Increases / Re-estimates	2,203	3,720	2,606	2,051	2,051
<b>Financial Plan as of 2/09/2015</b>	<b><u><u>\$1,119,008</u></u></b>	<b><u><u>\$1,099,503</u></u></b>	<b><u><u>\$1,045,827</u></u></b>	<b><u><u>\$1,031,377</u></u></b>	<b><u><u>\$1,029,697</u></u></b>
<b><u>Headcount</u></b>	<i>(City Funded)</i>				
Baseline Per November Plan - 11/25/2014	222	222	222	222	222
Expenditure Increases / Re-estimates	14	14	14	14	14
<b>Financial Plan as of 2/09/2015</b>	<b><u><u>236</u></u></b>	<b><u><u>236</u></u></b>	<b><u><u>236</u></u></b>	<b><u><u>236</u></u></b>	<b><u><u>236</u></u></b>

## Expenditure Increases/Re-estimates

### Department of Environmental Protection

Description	City Personnel *	(City Funds in 000's)				
		2015	2016	2017	2018	2019
<b>February</b>						
<b><u>Office of Environmental Remediation Staffing Increase</u></b>	4	149	197	197	197	197
Funding for 4 additional positions within the Office of Environmental Remediation.						
<b><u>MS4 Assessment of Facilities</u></b>	2	350	1,810	698	143	143
Funding for two positions and a Citywide Requirements Contract for assessment of municipal operations and facilities and the impact on stormwater management. This contract will assist the City in complying with the forthcoming Municipal Separate Storm Sewer System (MS4) Permit.						
<b><u>Small Business First</u></b>		7	16	14	14	14
The City will implement initiatives across several agencies to improve the regulatory environment for small businesses. For DEP the related expenses are for creating plain language guides, providing plain language training, and increasing the use of interpretation services.						
<b><u>LEEBA Collective Bargaining</u></b>		1,697	1,697	1,697	1,697	1,697
Collective bargaining increase for the Law Enforcement Employees Benevolent Association (LEEBA) settlement.						
<b><u>Air Pollution Inspectors</u></b>	8	--	--	--	--	--
Reallocate overtime funding to support the hiring of 8 additional air and noise enforcement agents (5 Inspectors and 3 Associate Inspectors).						
<b>Total Agency: Expenditure Increases/Re-estimates</b>	<b>14</b>	<b>2,203</b>	<b>3,720</b>	<b>2,606</b>	<b>2,051</b>	<b>2,051</b>

## AGENCY FIVE YEAR SUMMARY PROGRAM

### Debt Service

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
<b><u>Dollars</u></b>					
Baseline Per November Plan - 11/25/2014	\$4,299,445	\$6,437,546	\$6,980,742	\$7,260,841	\$7,698,739
Expenditure Increases / Re-estimates	1,144,820	(1,616,228)	(57,910)	(8,357)	74,103
<b>Financial Plan as of 2/09/2015</b>	<b><u><u>\$5,444,265</u></u></b>	<b><u><u>\$4,821,318</u></u></b>	<b><u><u>\$6,922,832</u></u></b>	<b><u><u>\$7,252,484</u></u></b>	<b><u><u>\$7,772,842</u></u></b>

## Expenditure Increases/Re-estimates

### Debt Service

Description	City Personnel *	(City Funds in 000's)				
		2015	2016	2017	2018	2019
<b>February</b>						
<b><u>Projected Debt Service</u></b>		(27,120)	(54,240)	(58,926)	(33,671)	8,707
Reflects changes in annual issuance amounts						
<b><u>Variable Rate Interest Savings</u></b>		(117,346)	--	--	--	--
Reflects changes in assumed floating rates						
<b><u>Swap Payments</u></b>		(11,250)	--	--	--	--
Swap Payments adjusted to follow variable rate interest assumptions.						
<b><u>GO Interest Earnings on Proceeds</u></b>		2,000	--	--	--	--
GO Interest Earnings on Proceeds						
<b><u>Swap Receipts</u></b>		2,396	--	--	--	--
Swap Receipts						
<b><u>Education Construction Fund</u></b>		(16,425)	--	--	--	--
Education Construction Fund						
<b><u>Hudson Yards Interest Support</u></b>		(76,515)	(93,231)	(8,959)	(8,959)	(8,959)
Hudson Yards Interest Support						
<b><u>TFA Retention</u></b>		(66,136)	--	5,016	29,314	69,396
TFA Retention						
<b><u>GO LOC/Remarketing</u></b>		(18,500)	--	--	--	--
GO LOC/Remarketing						
<b><u>HYIC Tax Equivalency Payment</u></b>		--	4,959	4,959	4,959	4,959
HYIC Tax Equivalency Payment						
<b><u>Debt Service Prepayment</u></b>		1,473,716	(1,473,716)	--	--	--
Debt Service Prepayment						
<b>Total Agency: Expenditure Increases/Re-estimates</b>		<b>1,144,820</b>	<b>(1,616,228)</b>	<b>(57,910)</b>	<b>(8,357)</b>	<b>74,103</b>