



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

November 12, 2015

TO THE FINANCIAL CONTROL BOARD

Pursuant to Section 8.3 of the Financial Emergency Act (the "Act"), the City hereby submits for review by the Financial Control Board, Modification No. 16-1 to the Financial Plan for the City and Covered Organizations for fiscal years 2016-2019 (the "Modification"). The Modification as it relates to the City is attached hereto as Exhibit A. The Plan for the Covered Organization which requires modification will be forwarded to you under separate cover.

The Four Year Financial Plan has been prepared in accordance with generally accepted accounting principles ("GAAP") except for the application of Statement No. 49 of the Government Accounting Standards Board ("GASB 49"), and with the exception of that portion of the plan related to certain Covered Organizations, which are prepared on a cash basis.

The City hereby certifies that, in its judgment, the Modification is complete and complies with the standards set forth in Section 8.1 of the Act.

Yours truly,

A handwritten signature in black ink, appearing to read "D Fuleihan".

Dean Fuleihan

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EXHIBIT A

CITY OF NEW YORK - FINANCIAL PLAN

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Four Year Financial Plan Revenues and Expenditures
(\$ in millions)

REVENUES	FY 2016	FY 2017	FY 2018	FY 2019
Taxes				
General Property Tax	\$ 22,436	\$ 23,534	\$ 24,532	\$ 25,583
Other Taxes	29,306	30,084	31,039	32,025
Tax Audit Revenue	740	711	711	711
Subtotal: Taxes	\$ 52,482	\$ 54,329	\$ 56,282	\$ 58,319
Miscellaneous Revenues	6,738	6,698	6,797	6,851
Unrestricted Intergovernmental Aid	1	-	-	-
Less: Intra-City Revenue	(1,928)	(1,772)	(1,782)	(1,776)
Disallowances Against Categorical Grants	(15)	(15)	(15)	(15)
Subtotal: City Funds	\$ 57,278	\$ 59,240	\$ 61,282	\$ 63,379
Other Categorical Grants	887	824	829	827
Inter-Fund Revenues	577	548	551	551
Federal Categorical Grants	8,047	6,910	6,501	6,403
State Categorical Grants	13,142	13,367	13,769	14,097
Total Revenues	\$ 79,931	\$ 80,889	\$ 82,932	\$ 85,257
EXPENDITURES				
Personal Service				
Salaries and Wages	\$ 25,448	\$ 25,394	\$ 26,693	\$ 28,191
Pensions	8,774	8,818	8,945	9,120
Fringe Benefits	9,318	9,758	10,328	11,121
Subtotal: Personal Service	\$ 43,540	\$ 43,970	\$ 45,966	\$ 48,432
Other Than Personal Service				
Medical Assistance	6,282	6,424	6,424	6,424
Public Assistance	1,481	1,464	1,464	1,464
All Other	26,039	24,451	24,587	24,916
Subtotal: Other Than Personal Service	\$ 33,802	\$ 32,339	\$ 32,475	\$ 32,804
Debt Service ^{1,2,3}	6,509	6,726	7,196	7,705
Debt Defeasances ¹	(103)	-	-	-
FY 2015 Budget Stabilization ²	(3,524)	-	-	-
FY 2016 Budget Stabilization ³	135	(135)	-	-
Capital Stabilization Reserve	500	-	-	-
General Reserve	1,000	1,000	1,000	1,000
Subtotal	\$ 81,859	\$ 83,900	\$ 86,637	\$ 89,941
Less: Intra-City Expenses	(1,928)	(1,772)	(1,782)	(1,776)
Total Expenditures	\$ 79,931	\$ 82,128	\$ 84,855	\$ 88,165
Gap To Be Closed	\$ -	\$ (1,239)	\$ (1,923)	\$ (2,908)

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

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

³ Fiscal Year 2016 Budget Stabilization totals \$135 million.

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

Sources of Cash	FY 2016	FY 2017	FY 2018	FY 2019
Funds Provided/(Used) from Operations	\$ 2,584	\$ -	\$ -	\$ -
Proceeds from Seasonal Borrowings	-	2,400	2,400	2,400
Capital Plan Funding Sources (see Exhibit A-3)	7,938	8,814	9,953	10,377
Total Sources of Cash	\$ 10,522	\$ 11,214	\$ 12,353	\$ 12,777
Uses of Cash				
Capital Disbursements	\$ 7,938	\$ 8,814	\$ 9,953	\$ 10,377
Repayment of Seasonal Borrowings	-	2,400	2,400	2,400
Total Uses of Cash	\$ 7,938	\$ 11,214	\$ 12,353	\$ 12,777
Net Sources/(Uses) of Cash	\$ 2,584	\$ -	\$ -	\$ -
Cash Balance - Beginning of Period	\$ 9,502	\$ 12,086	\$ 12,086	\$ 12,086
Cash Balance - End of Period	\$ 12,086	\$ 12,086	\$ 12,086	\$ 12,086

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

Sources of Capital Cash	FY 2016	FY 2017	FY 2018	FY 2019
New York City General Obligation Bonds	\$ 1,100	\$ 3,030	\$ 3,390	\$ 3,620
Other Long-Term Sources:				
TFA-PIT	3,950	3,030	3,390	3,620
Water Authority	1,340	1,287	1,408	1,468
Subtotal Long-Term Sources	\$ 6,390	\$ 7,347	\$ 8,188	\$ 8,708
Four Year Education Capital Plan				
TFA - Building Aid Revenue Bonds	759	279	329	213
Other State Funded Financing	77	150	180	185
Change in Non-City Cash	-	-	-	-
Other Non-City Funds	802	809	1,004	1,029
Subtotal Reimbursable Capital	\$ 1,638	\$ 1,238	\$ 1,513	\$ 1,427
Financial Plan Adjustment	(90)	229	252	242
Total Capital Plan Funding Sources	<u>\$ 7,938</u>	<u>\$ 8,814</u>	<u>\$ 9,953</u>	<u>\$ 10,377</u>

**New York City Financial Plan
FY 2016 Borrowing Schedule
(\$ in millions)**

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Total Financing
Short-Term Borrowing:					
Borrowing	\$ -	\$ -	\$ -	\$ -	\$ -
Repayment	-	-	-	-	-
Total Short-Term Borrowing (Repayment)	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Borrowing:					
New York City General Obligation	\$ -	\$ -	\$ -	\$ 1,100	\$ 1,100
Transitional Finance Authority (TFA-PIT)	1,150	600	1,200	1,000	3,950
Water Authority ¹	620	-	400	320	1,340
Total Borrowing to Finance City Capital Program	\$ 1,770	\$ 600	\$ 1,600	\$ 2,420	\$ 6,390

Notes:

1. Excludes costs of issuance and reserve fund allocations and reflects Water Authority Commercial Paper, Bond Anticipation Notes, releases from debt service reserve funds, and revenue bonds issued to finance the water and sewer system's capital program. Amounts do not include revenue bonds issued to permanently finance previously issued commercial paper.

**New York City Financial Plan
Four Year Capital Plan
(\$ in millions)**

Projected Capital Commitments

	FY 2016	FY 2017	FY 2018	FY 2019	Total
City	\$ 9,753	\$ 10,653	\$ 9,188	\$ 8,828	\$ 38,422
Non-City	2,179	1,602	1,810	786	6,377
Total	\$ 11,932	\$ 12,255	\$ 10,998	\$ 9,614	\$ 44,799

Projected Capital Expenditures

	FY 2016	FY 2017	FY 2018	FY 2019	Total
City	\$ 6,300	\$ 7,576	\$ 8,440	\$ 8,950	\$ 31,266
Non-City ¹	1,638	1,238	1,513	1,427	5,816
Total	\$ 7,938	\$ 8,814	\$ 9,953	\$ 10,377	\$ 37,082

Notes:

1. Includes Federal, State and other Reimbursable Capital.