



The City of New York
Mayor's Office of Management and Budget
255 Greenwich Street - New York, New York 10007 - 2146
(212) 788-5900

Dean Fuleihan
Director

January 24, 2017

TO THE FINANCIAL CONTROL BOARD

Pursuant to Section 8.3 of the Financial Emergency Act (the "Act"), the City hereby submits for review by the Financial Control Board, Modification No. 17-2 to the Financial Plan for the City and Covered Organizations for fiscal years 2017-2021 (the "Modification"). The Modification as it relates to the City is attached hereto as Exhibit A. The Plan for the Covered Organization which requires modification will be forwarded to you under separate cover.

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

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

Yours truly,

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

Dean Fuleihan

TABLE OF CONTENTS

EXHIBIT A

CITY OF NEW YORK - FINANCIAL PLAN

A-1	Projection of Revenues and Expenditures
A-2	Projections of Cash Sources and Uses
A-3	Capital Plan Funding Sources
A-4	Borrowing Schedule
A-5	Capital Plan

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

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

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

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

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

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

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

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

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

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

Notes:

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

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

Projected Capital Commitments

	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	Total
City	\$ 12,176	\$ 14,395	\$ 12,106	\$ 12,098	\$ 9,336	\$ 60,111
Non-City	2,974	2,182	1,009	592	1,184	7,941
Total	\$ 15,150	\$ 16,577	\$ 13,115	\$ 12,690	\$ 10,520	\$ 68,052

Projected Capital Expenditures

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

Notes:

1. Includes Federal, State and other Reimbursable Capital.



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Mayor's Office of Management and Budget
255 Greenwich Street - New York, New York 10007 - 2146
(212) 788-5900

Dean Fuleihan
Director

Charles Brisky
Deputy Director

February 9, 2017

Mr. Jeffrey Sommer
Acting Executive Director
Financial Control Board
123 William Street, 23rd Floor
New York, New York 10038

Dear Mr. Sommer:

Enclosed please find Exhibits B1-B2 on behalf of the Covered Organizations. This completes Modification No. 17-2.

Yours truly,

A handwritten signature in black ink, appearing to read 'Charles Brisky', written in a cursive style.

Charles Brisky

TABLE OF CONTENTS

EXHIBIT B

COVERED ORGANIZATIONS - FINANCIAL PLAN

B-1

New York City Housing Authority

B-2

City University Construction Fund



2017 - 2021 Proposed Operating Budget

All Funds

(Dollars in Thousands)

	2017 Budget	2018 Budget	2019 Budget	2020 Budget	2021 Budget
Revenues					
Revenue from Operations:					
Tenant Rental Revenue	1,053,094	1,076,924	1,086,063	1,094,889	1,103,792
Other Revenue from Operations	17,495	19,710	27,287	27,388	26,583
Total Revenue from Operations	1,070,589	1,096,634	1,113,350	1,122,277	1,130,375
Other Revenues					
Federal Subsidies	821,986	822,701	810,651	819,714	840,628
Debt Services Subsidy	360	285	230	180	131
Section 8 Phased Conversion	56,325	59,258	62,231	65,120	68,010
Section 8 Management Fees	-	-	-	-	-
Capital Fund Reimbursements	12,697	4,697	4,697	4,697	4,697
Interest on Investments	4,726	5,932	6,099	6,099	7,242
Other*	195,742	163,781	91,394	90,334	65,444
Categorical Grants	1,377	618	68	68	68
Section 8 Subsidy	941,043	960,827	957,732	948,465	935,608
Section 8 Admin	76,406	76,411	75,498	74,314	73,063
City Funds	81,927	89,060	107,721	114,849	105,886
Total Other Revenues	2,192,590	2,183,571	2,116,323	2,123,840	2,100,777
Total Revenues	3,263,179	3,280,205	3,229,673	3,246,117	3,231,151
Expenditures					
Personal Service:					
Salary F/T	659,040	649,781	646,839	644,784	643,914
Salary P/T	1,670	1,170	918	252	-
Seasonal	-	-	-	-	-
Overtime	77,420	77,281	77,270	77,045	77,045
Shift Differential	978	976	976	976	976
Retro	227	227	227	227	227
Fringe	588,890	602,733	619,992	640,188	658,780
Other Salary	14,042	14,009	14,009	14,009	14,009
Total Personal Service	1,342,266	1,346,178	1,360,231	1,377,482	1,394,952
Other Than Personal Service:					
Leases	41,632	42,765	44,770	57,925	60,004
Supplies	69,820	67,943	67,858	66,377	66,377
Equipment	16,077	14,751	12,262	12,075	11,749
Utilities	529,868	535,166	540,518	545,923	551,382
Contracts	216,670	193,601	197,495	196,869	197,859
Debt Services	653	551	469	390	310
Insurance	40,513	38,586	61,913	65,502	69,372
OTPS Other	18,276	17,652	15,464	15,098	15,121
Housing Assistance Payments	966,221	962,010	948,311	935,801	920,790
Total Other Than Personal Service	1,899,731	1,873,026	1,889,060	1,895,961	1,892,964
Total Expenditures	3,241,997	3,219,203	3,249,291	3,273,443	3,287,915
Surplus/(Deficit)	21,182	61,001	(19,617)	(27,325)	(56,764)
HC	11,107	10,930	10,890	10,860	10,847

* "Other" Revenue Includes Section 8 Reserves

CITY UNIVERSITY CONSTRUCTION FUND
FINANCIAL PLAN FOR CITY FISCAL YEARS 2017 - 2021
(\$ in thousands)

	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>
REVENUES					
State	\$ 161,655	\$ 147,170	\$ 133,091	\$ 206,018	\$ 111,597
City	10,634	10,300	7,934	7,374	7,050
Interest and Investment Income ³	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>
Total ¹	\$ 182,289	\$ 167,470	\$ 151,024	\$ 223,392	\$ 128,647
EXPENDITURES					
Debt Service (<i>Senior Colleges</i>)	\$ 138,981	\$ 130,527	\$ 118,706	\$ 191,871	\$ 97,435
Debt Service (<i>Community Colleges</i>)	<u>18,099</u>	<u>18,461</u>	<u>13,648</u>	<u>12,418</u>	<u>11,654</u>
Subtotal - D.A. Rentals	\$ 157,080	\$ 148,988	\$ 132,354	\$ 204,289	\$ 109,089
D.A. Administration (<i>Senior Colleges</i>)	100	372	181	190	200
D.A. Administration (<i>Community Colleges</i>)	1,360	120	99	104	109
Pass-through Expenses (<i>Senior Colleges</i>)	11,940	5,971	6,270	6,583	6,912
Pass-through Expenses (<i>Community Colleges</i>)	1,809	2,019	2,120	2,226	2,337
CUCF Administration ³	<u>9,500</u>	<u>9,500</u>	<u>9,500</u>	<u>9,500</u>	<u>9,500</u>
Total	\$ 181,789	\$ 166,970	\$ 150,524	\$ 222,892	\$ 128,147
Surplus/ (Deficit)	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500
Cash Flow Adjustment ²	<u>20,750</u>	<u>21,250</u>	<u>21,750</u>	<u>22,250</u>	<u>22,750</u>
Adjusted Surplus/ (Deficit)	\$ 21,250	\$ 21,750	\$ 22,250	\$ 22,750	\$ 23,250

NOTES

1. Totals may be slightly off due to rounding.
2. Cash Flow adjustment is unaudited
3. CUCF Administration and Investment and Other Income are estimated.
4. Information per DASNY 12/19/2016