



The City of New York
Office of Management and Budget
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Director

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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. 12-2 to the Financial Plan for the City and Covered Organizations for fiscal years 2012-2016 (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,


Mark Page

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EXHIBIT A

CITY OF NEW YORK - FINANCIAL PLAN

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

REVENUES	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Taxes					
General Property Tax	\$ 17,812	\$ 18,383	\$ 18,986	\$ 19,648	\$ 20,291
Other Taxes	23,650	24,751	25,373	26,643	27,624
Tax Audit Revenue	700	724	706	706	706
Subtotal: Taxes	\$ 42,162	\$ 43,858	\$ 45,065	\$ 46,997	\$ 48,621
Miscellaneous Revenues	6,289	7,058	6,035	6,097	6,197
Unrestricted Intergovernmental Aid	25	-	-	-	-
Less: Intra-City Revenue	(1,791)	(1,531)	(1,533)	(1,537)	(1,542)
Disallowances Against Categorical Grants	(15)	(15)	(15)	(15)	(15)
Subtotal: City Funds	\$ 46,670	\$ 49,370	\$ 49,552	\$ 51,542	\$ 53,261
Other Categorical Grants	1,046	913	909	906	892
Inter-Fund Revenues	551	509	504	504	504
Federal Categorical Grants	7,734	6,592	6,491	6,414	6,412
State Categorical Grants	11,368	11,341	11,449	11,586	11,705
Total Revenues	\$ 67,369	\$ 68,725	\$ 68,905	\$ 70,952	\$ 72,774
EXPENDITURES					
Personal Service					
Salaries and Wages	\$ 22,123	\$ 21,730	\$ 21,796	\$ 21,759	\$ 22,002
Pensions ¹	7,999	8,145	8,078	7,964	8,039
Fringe Benefits	8,005	8,335	8,920	9,499	10,123
Retiree Health Benefits Trust	(672)	(1,000)	(1,000)	-	-
Subtotal: Personal Service	\$ 37,455	\$ 37,210	\$ 37,794	\$ 39,222	\$ 40,164
Other Than Personal Service					
Medical Assistance	\$ 6,275	\$ 6,321	\$ 6,458	\$ 6,638	\$ 6,735
Public Assistance	1,409	1,345	1,365	1,365	1,365
All Other ²	20,754	20,099	20,764	21,317	21,710
Subtotal: Other Than Personal Service	\$ 28,438	\$ 27,765	\$ 28,587	\$ 29,320	\$ 29,810
General Obligation, Lease and TFA Debt Service ^{2,3}	\$ 5,612	\$ 6,278	\$ 6,797	\$ 7,163	\$ 7,436
FY 2011 Budget Stabilization & Discretionary Transfers ²	(3,742)	-	-	-	-
FY 2012 Budget Stabilization ³	1,297	(1,297)	-	-	-
General Reserve	100	300	300	300	300
Subtotal	\$ 69,160	\$ 70,256	\$ 73,478	\$ 76,005	\$ 77,710
Less: Intra-City Expenses	(1,791)	(1,531)	(1,533)	(1,537)	(1,542)
Total Expenditures	\$ 67,369	\$ 68,725	\$ 71,945	\$ 74,468	\$ 76,168
Gap To Be Closed	\$ -	\$ -	\$ (3,040)	\$ (3,516)	\$ (3,394)

¹ Assumes savings from Governor's pension proposal of \$80 million in Fiscal Year 2015 and \$155 million in Fiscal Year 2016.

² Fiscal Year 2011 Budget Stabilization and Discretionary Transfers total \$3.742 billion, including GO of \$2.784 billion, TFA of \$790 million, net equity contribution in bond refunding of \$4 million, and subsidies of \$164 million.

³ Fiscal Year 2012 Budget Stabilization total \$1.297 billion.

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

Sources of Cash	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Funds Provided/(Used) from Operations	\$ 1,574	\$ -	\$ -	\$ -	\$ -
Proceeds from Seasonal Borrowings	-	2,400	2,400	2,400	2,400
Capital Plan Funding Sources (see Exhibit A-3)	9,410	8,725	8,584	7,844	7,172
Total Sources	\$ 10,984	\$ 11,125	\$ 10,984	\$ 10,244	\$ 9,572
Uses of Cash					
Capital Disbursements	9,410	8,725	8,584	7,844	7,172
Repayment of Seasonal Borrowings	-	2,400	2,400	2,400	2,400
Total Uses	\$ 9,410	\$ 11,125	\$ 10,984	\$ 10,244	\$ 9,572
Net Sources/(Uses) of Cash	\$ 1,574	\$ -	\$ -	\$ -	\$ -
Cash Balance - Beginning of Period	\$ 3,919	\$ 5,493	\$ 5,493	\$ 5,493	\$ 5,493
Cash Balance - End of Period	\$ 5,493	\$ 5,493	\$ 5,493	\$ 5,493	\$ 5,493

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

Sources of Capital Cash	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
New York City General Obligation Bonds	\$ 2,725	\$ 2,500	\$ 2,570	\$ 2,400	\$ 2,140
Other Long-Term Sources:					
TFA-PIT	\$ 2,600	\$ 2,500	\$ 2,570	\$ 2,400	\$ 2,140
Water Authority	2,101	1,655	1,444	1,175	1,147
Total Long-Term Sources	\$ 7,426	\$ 6,655	\$ 6,584	\$ 5,975	\$ 5,427
Five Year Education Capital Plan					
TFA - Building Aid Revenue Bonds	950	1,076	1,155	1,058	973
Change in Non-City Cash	120	(38)	(29)	(25)	(34)
Other Non-City Funds	877	815	700	646	583
Reimbursable Capital	\$ 1,947	\$ 1,853	\$ 1,826	\$ 1,679	\$ 1,522
Financial Plan Adjustment	37	217	174	190	223
Total Capital Plan Funding Sources	\$ 9,410	\$ 8,725	\$ 8,584	\$ 7,844	\$ 7,172

**New York City Financial Plan
FY 2012 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	\$ 775	\$ 720	\$ 1,230	\$ -	\$ 2,725
Transitional Financial Authority	-	900	900	800	2,600
Water Authority ¹	679	672	435	315	2,101
Total Borrowing to Finance City Capital Program	\$ 1,454	\$ 2,292	\$ 2,565	\$ 1,115	\$ 7,426

Notes:

1. Excludes costs of issuance and reserve fund allocations and reflects Water Authority Commercial Paper 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 2012	FY 2013	FY 2014	FY 2015	FY 2016	Total
City	\$ 8,993	\$ 7,518	\$ 5,108	\$ 4,104	\$ 3,515	\$ 29,238
Non-City	2,817	1,604	1,660	1,057	1,109	8,247
Total	\$ 11,810	\$ 9,122	\$ 6,768	\$ 5,161	\$ 4,624	\$ 37,485

Projected Capital Expenditures

	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Total
City	\$ 7,463	\$ 6,872	\$ 6,758	\$ 6,165	\$ 5,650	\$ 32,908
Non-City ¹	1,947	1,853	1,826	1,679	1,522	8,827
Total	\$ 9,410	\$ 8,725	\$ 8,584	\$ 7,844	\$ 7,172	\$ 41,735

Notes:

1. Includes Federal, State and other Reimbursable Capital.