



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

**Melanie Hartzog**  
Director

February 1, 2018

**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. 18-2 to the Financial Plan for the City and Covered Organizations for fiscal years 2018-2022 (the "Modification"). The Modification as it relates to the City is attached hereto as Exhibit A. The Plan for the Covered Organization which requires modification will be forwarded to you under separate cover.

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

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

Yours truly,

A handwritten signature in black ink, appearing to read "Melanie Hartzog", written over a horizontal line.

Melanie Hartzog

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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)**

<b>REVENUES</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>
<b>Taxes</b>					
General Property Tax	\$ 26,080	\$ 27,674	\$ 29,154	\$ 30,438	\$ 30,721
Other Taxes	29,915	31,269	32,348	33,423	34,181
Tax Audit Revenue	1,299	1,056	721	721	721
Subtotal: Taxes	\$ 57,294	\$ 59,999	\$ 62,223	\$ 64,582	\$ 65,623
Miscellaneous Revenues	6,995	6,712	6,932	6,964	6,793
Unrestricted Intergovernmental Aid	-	-	-	-	-
Less: Intra-City Revenue	(2,132)	(1,757)	(1,749)	(1,754)	(1,754)
Disallowances Against Categorical Grants	85	(15)	(15)	(15)	(15)
Subtotal: City Funds	\$ 62,242	\$ 64,939	\$ 67,391	\$ 69,777	\$ 70,647
Other Categorical Grants	1,098	870	860	855	855
Inter-Fund Revenues	674	670	606	605	605
Federal Categorical Grants	8,650	7,219	6,973	6,955	6,939
State Categorical Grants	14,776	14,968	15,463	15,838	16,251
<b>Total Revenues</b>	<b>\$ 87,440</b>	<b>\$ 88,666</b>	<b>\$ 91,293</b>	<b>\$ 94,030</b>	<b>\$ 95,297</b>
<b>EXPENDITURES</b>					
<b>Personal Service</b>					
Salaries and Wages	\$ 27,273	\$ 28,571	\$ 29,394	\$ 30,037	\$ 29,677
Pensions	9,590	9,802	9,764	9,678	9,882
Fringe Benefits <sup>1</sup>	9,972	10,678	11,556	12,318	12,999
Subtotal: Personal Service	\$ 46,835	\$ 49,051	\$ 50,714	\$ 52,033	\$ 52,558
<b>Other Than Personal Service</b>					
Medical Assistance	5,915	5,915	5,915	5,915	5,915
Public Assistance	1,594	1,605	1,617	1,617	1,617
All Other <sup>1</sup>	30,112	28,097	28,067	28,310	28,641
Subtotal: Other Than Personal Service	\$ 37,621	\$ 35,617	\$ 35,599	\$ 35,842	\$ 36,173
Debt Service <sup>1,2</sup>	6,412	7,089	7,664	8,127	8,815
FY 2017 Budget Stabilization & Discretionary Transfers <sup>1</sup>	(4,180)	-	-	-	-
FY 2018 Budget Stabilization <sup>2</sup>	2,584	(2,584)	-	-	-
Capital Stabilization Reserve	-	250	250	250	250
General Reserve	300	1,000	1,000	1,000	1,000
Subtotal	\$ 89,572	\$ 90,423	\$ 95,227	\$ 97,252	\$ 98,796
Less: Intra-City Expenses	(2,132)	(1,757)	(1,749)	(1,754)	(1,754)
<b>Total Expenditures</b>	<b>\$ 87,440</b>	<b>\$ 88,666</b>	<b>\$ 93,478</b>	<b>\$ 95,498</b>	<b>\$ 97,042</b>
<b>Gap To Be Closed</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (2,185)</b>	<b>\$ (1,468)</b>	<b>\$ (1,745)</b>

<sup>1</sup> Fiscal Year 2017 Budget Stabilization and Discretionary Transfers total \$4.180 billion, including GO of \$1.560 billion, TFA-PIT of \$1.909 billion, Retiree Health Benefits of \$400 million, net equity contribution in bond refunding of \$11 million and subsidies of \$300 million.

<sup>2</sup> Fiscal Year 2018 Budget Stabilization totals \$2.584 billion, including GO of \$584 million and TFA-PIT of \$2.0 billion.

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

<b>Sources of Cash</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>
Funds Provided/(Used) from Operations	\$ (1,284)	\$ -	\$ -	\$ -	\$ -
Proceeds from Seasonal Borrowings	-	-	-	-	-
Capital Plan Funding Sources (see Exhibit A-3)	8,957	11,800	13,489	13,791	12,875
<b>Total Sources</b>	<b>\$ 7,673</b>	<b>\$ 11,800</b>	<b>\$ 13,489</b>	<b>\$ 13,791</b>	<b>\$ 12,875</b>
<b>Uses of Cash</b>					
Capital Disbursements	\$ 8,957	\$ 11,800	\$ 13,489	\$ 13,791	\$ 12,875
Repayment of Seasonal Borrowings	-	-	-	-	-
<b>Total Uses</b>	<b>\$ 8,957</b>	<b>\$ 11,800</b>	<b>\$ 13,489</b>	<b>\$ 13,791</b>	<b>\$ 12,875</b>
<b>Net Sources/(Uses) of Cash</b>	<b>\$ (1,284)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Cash Balance - Beginning of Period	\$ 9,342	\$ 8,058	\$ 8,058	\$ 8,058	\$ 8,058
Cash Balance - End of Period	\$ 8,058	\$ 8,058	\$ 8,058	\$ 8,058	\$ 8,058

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

<b>Sources of Capital Cash</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>
New York City General Obligation Bonds	\$ 2,200	\$ 4,000	\$ 4,770	\$ 4,800	\$ 4,440
Other Long-Term Sources:					
TFA-PIT	\$ 3,540	\$ 4,000	\$ 4,770	\$ 4,800	\$ 4,440
Water Authority	1,746	1,842	1,909	1,940	2,033
Subtotal Long-Term Sources	\$ 7,486	\$ 9,842	\$ 11,449	\$ 11,540	\$ 10,913
Five Year Education Capital Plan					
TFA - Building Aid Revenue Bonds	500	500	77	295	261
Other State Funded Financing	222	210	112	41	12
Change in Non-City Cash	(671)	(404)	60	64	12
Other Non-City Funds	608	913	1,243	1,258	986
Subtotal Reimbursable Capital	\$ 659	\$ 1,219	\$ 1,492	\$ 1,658	\$ 1,271
Financial Plan Adjustment	812	739	548	593	691
Total Capital Plan Funding Sources	\$ 8,957	\$ 11,800	\$ 13,489	\$ 13,791	\$ 12,875

**New York City Financial Plan  
FY 2018 Borrowing Schedule  
(\$ in millions)**

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Total Financing
<b>Short-Term Borrowing:</b>					
Borrowing	\$ -	\$ -	\$ -	\$ -	\$ -
Repayment	-	-	-	-	-
<b>Total Short-Term Borrowing (Repayment)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Capital Borrowing:</b>					
New York City General Obligation	\$ -	\$ 1,000	\$ 1,200	\$ -	\$ 2,200
Transitional Financial Authority (TFA-PIT)	1,350	990	-	1,200	3,540
Water Authority <sup>1</sup>	259	740	424	323	1,746
<b>Total Borrowing to Finance City Capital Program</b>	<b>\$ 1,609</b>	<b>\$ 2,730</b>	<b>\$ 1,624</b>	<b>\$ 1,523</b>	<b>\$ 7,486</b>

## 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 2018	FY 2019	FY 2020	FY 2021	FY 2022	Total
City	\$ 13,764	\$ 16,874	\$ 14,109	\$ 11,469	\$ 10,226	\$ 66,442
Non-City <sup>1</sup>	1,947	2,440	1,362	1,448	473	7,670
Total	\$ 15,711	\$ 19,314	\$ 15,471	\$ 12,917	\$ 10,699	\$ 74,112

**Projected Capital Expenditures**

	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	Total
City	\$ 8,298	\$ 10,581	\$ 11,997	\$ 12,133	\$ 11,604	\$ 54,613
Non-City <sup>1</sup>	659	1,219	1,492	1,658	1,271	6,299
Total	\$ 8,957	\$ 11,800	\$ 13,489	\$ 13,791	\$ 12,875	\$ 60,912

Notes:

1. Includes Federal, State and other Reimbursable Capital.