

The City of New York  
Preliminary Budget  
Fiscal Year 2016

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Office of Management and Budget  
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Financial Plan  
Summary

# **The FY 2016 Preliminary Budget**

**Responsible. Progressive. Honest.**

# On-Time FY 2015 Budget

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❖ Last year, we passed an on-time budget that reflected the Administration's values:

➤ **Fiscally Responsible**

➤ **Progressive**

➤ **Honest**

# Fiscally Responsible

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- ❖ **Established responsible, fair civilian labor pattern.**
- ❖ **Secured unprecedented health care savings.**
- ❖ **Boosted reserves.**
- ❖ **Targeted new spending.**
- ❖ **Brought out-year gaps to historic lows.**

# Fiscally Responsible

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## Every Independent Monitor and Rating Agency Affirmed Fiscal Responsibility as a Foundation of this Administration

### ❖ Standard and Poor's:

- “The city now has an element of certainty in its financial plan that it lacked in the past, when labor settlements and associated wage and benefit increases were unknown.”

### ❖ Fitch:

- “Fitch believes the overall [labor] package represents a sizeable but manageable funding need.”
- “Highly effective budget management: The city’s sound approach to budget development features reasonable revenue and expenditure forecasting, proactive budget monitoring, and effective actions to eliminate projected deficits.”
- Out-year budget gaps “are still fairly low relative to spending on a historical basis.”

### ❖ Moody's:

- Strengths include “strong governance and financial best practices.”

### ❖ City and State Comptrollers

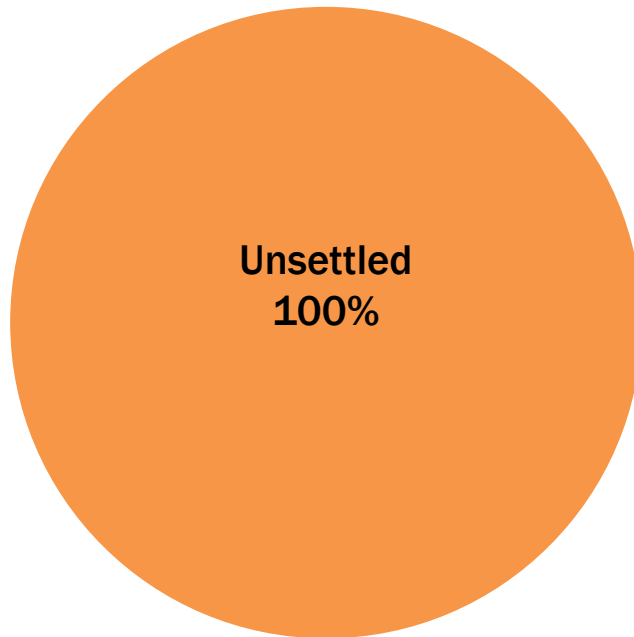
- “It would be easy for a new Administration to identify new sources of revenue and spend, spend, spend. But the Mayor found ways to fund critical programs and services - while also setting aside money for the city’s future.”  
- *New York City Comptroller Scott Stringer*
- “The agreement between the Mayor and the UFT lifts a cloud that has hung over the city’s finances for years.”  
- *New York State Comptroller Tom DiNapoli*

# In the Last Year, the Administration Has Settled 71% of Expired Contracts

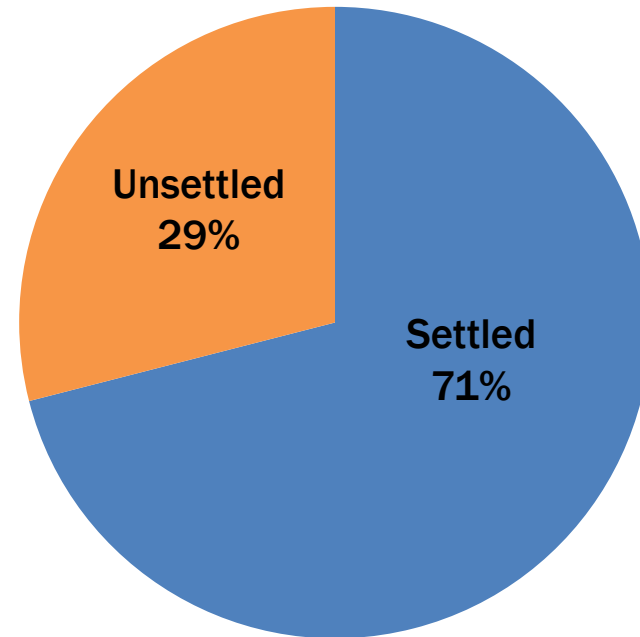
All of the City's labor contracts were expired when the administration took office. Since then the City has made fiscally responsible settlements with groups representing both civilian and uniformed workers – while securing \$3.4 billion in unprecedented, guaranteed health care savings geared toward bending the cost curve.

## Percentage of Workforce Settled as of:

January 1st, 2014



February 9, 2015



# Progressive

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**Moved forward this Administration's core initiatives:**

- ❖ Universal Pre-K
- ❖ Affordable Housing
- ❖ After School
- ❖ Paid Sick Leave
- ❖ NYCHA
- ❖ STEM at CUNY
- ❖ Vision Zero
- ❖ ID NYC

# Honest

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- ❖ **More productive budget process.**
- ❖ **Recognized the full cost of the pattern settlement for the entire municipal workforce.**



# 2015 Economic Update

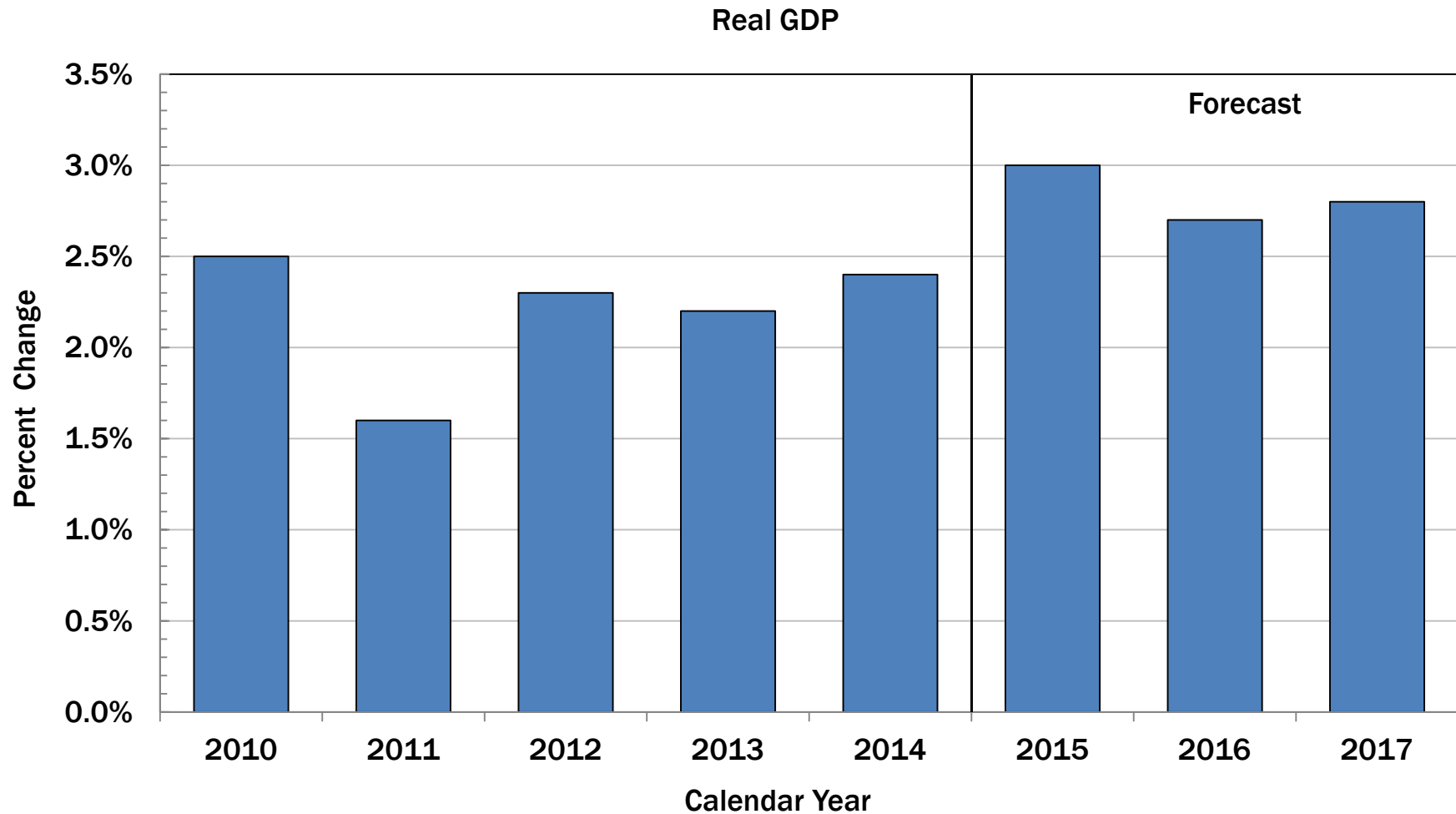
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# Economic Update

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- ❖ **The national economy continues to grow at a moderate pace:**
  - **U.S. economy will add 2.8 million jobs in 2015.**
  - **Inflation will remain at a low 0.3% in 2015.**
  - **The U.S. wage rate will grow above the rate of inflation in 2015 to 2.8%.**

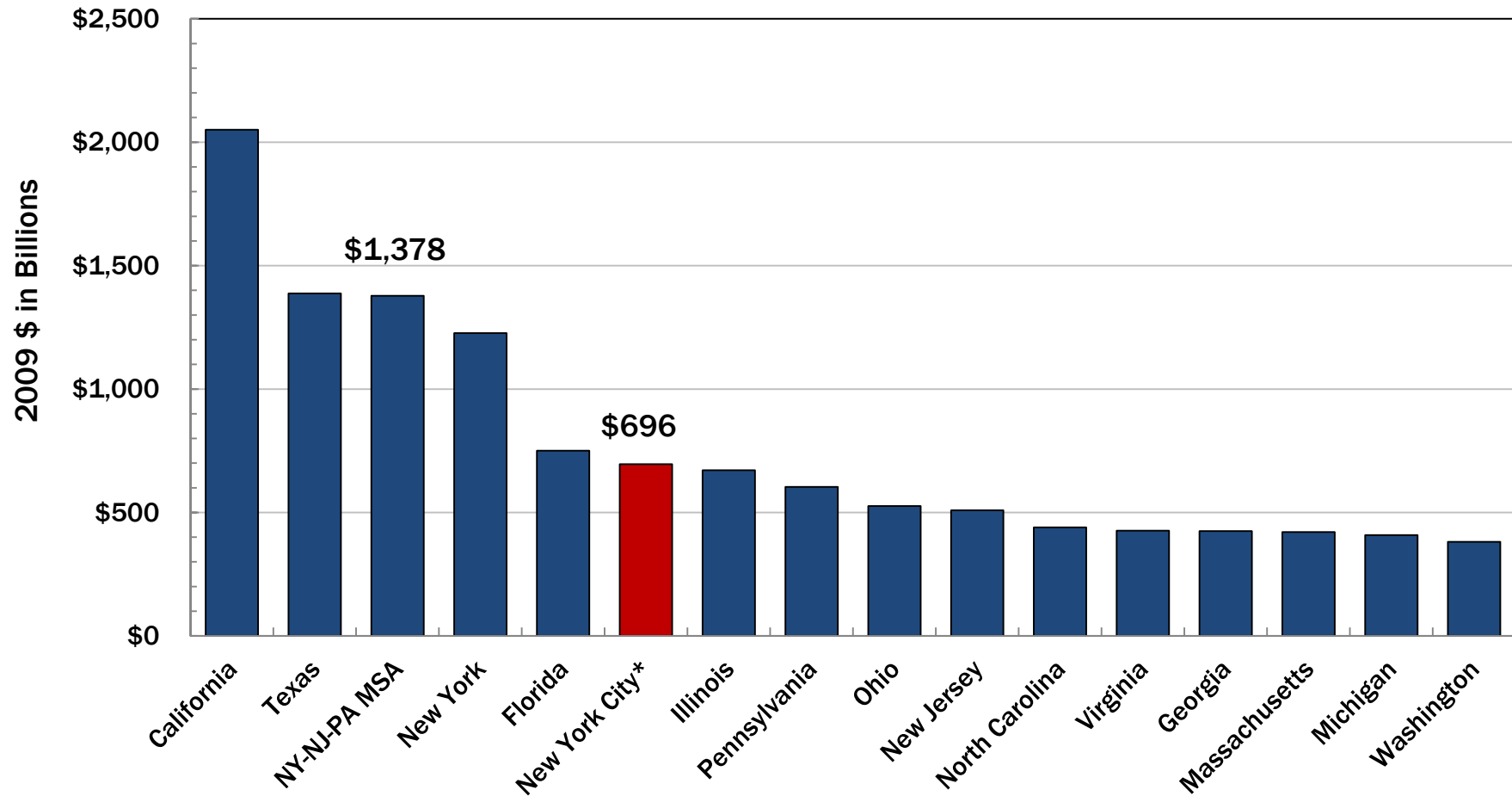
# U.S. GDP Growth Will Rise in 2015 Helped by Stronger Consumption



Source: U.S Bureau of Economic Analysis, NYC OMB

# New York City's Economic Production Places It Between Illinois and Florida

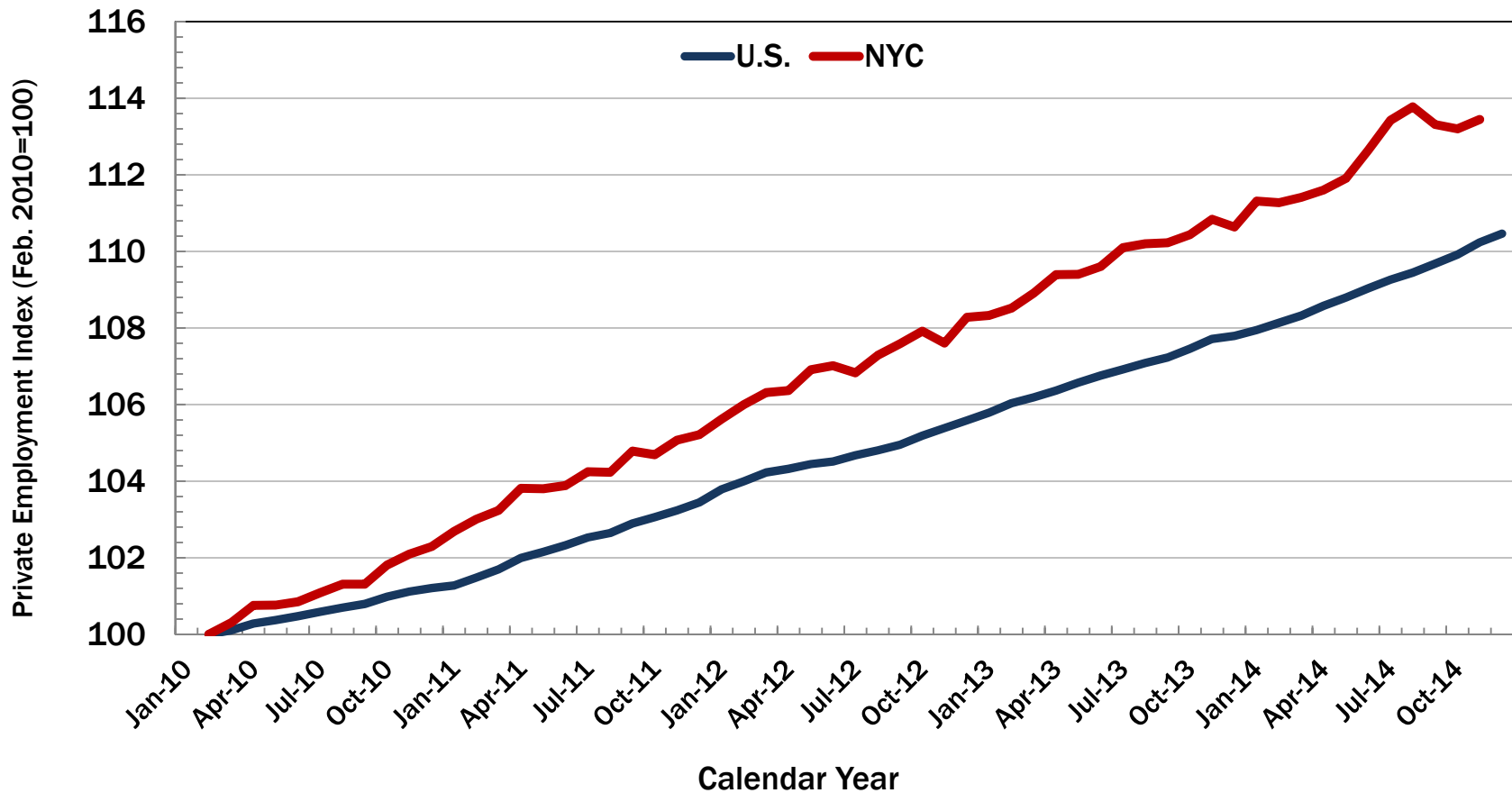
2013 Real Gross State Product and Gross City Product



\* NYC OMB Estimate of NYC real gross city product, the sum of all value-added by industries in NYC adjusted for inflation.  
Source: U.S. Bureau of Economic Analysis (States' GSP); NYC OMB (New York City)

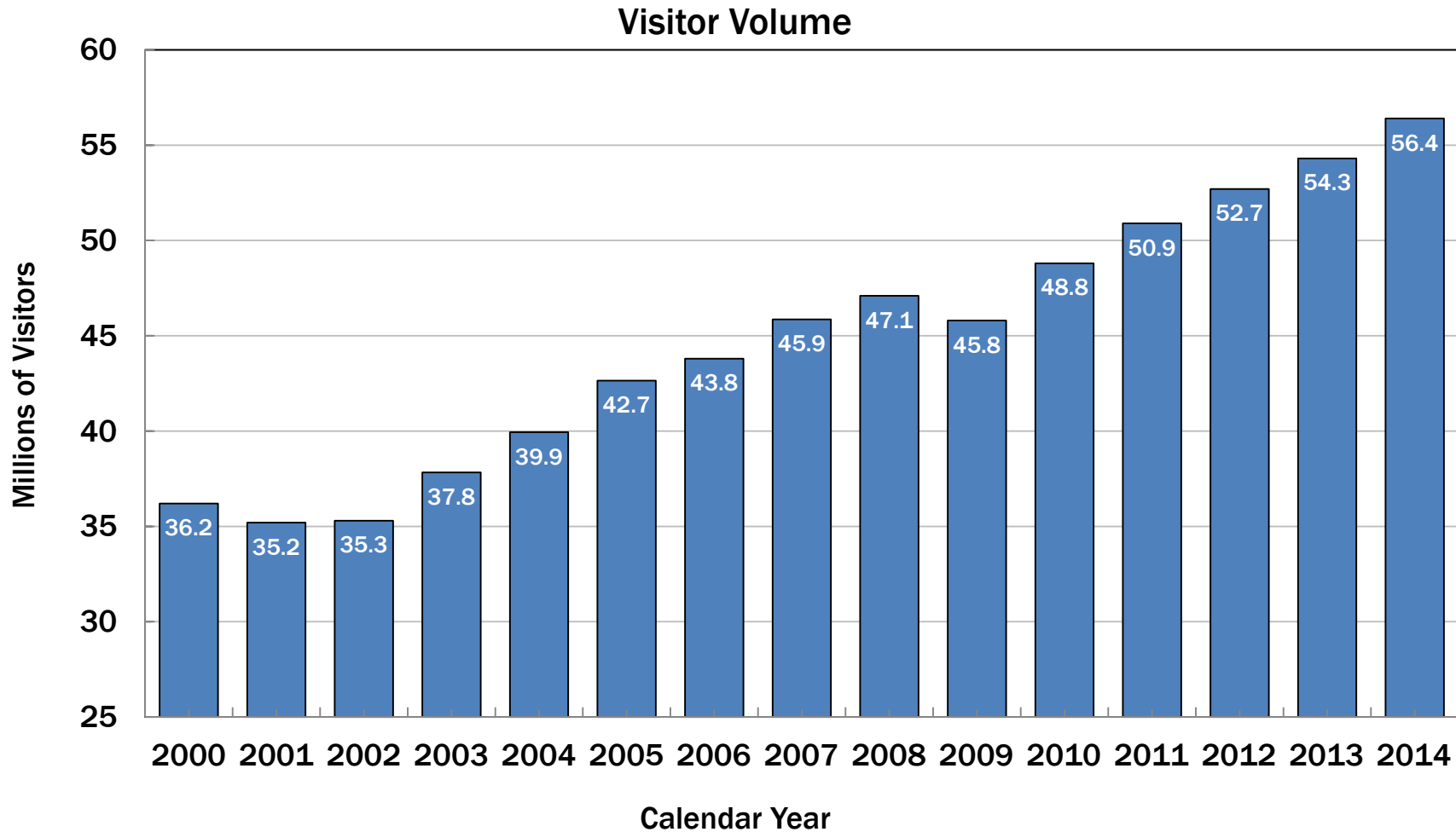
# Since the U.S. Employment Trough, New York City's Private Employment Growth Has Outpaced The Nation's

- ❖ In the prior two expansions, NYC job growth lagged behind U.S. job growth.
- ❖ 2014 marks the fourth consecutive year of job growth in excess of 2%, matching the record of the tech boom.



Source: U.S. Bureau of Labor Statistics, New York State Department of Labor. Seasonally adjusted by NYC OMB.

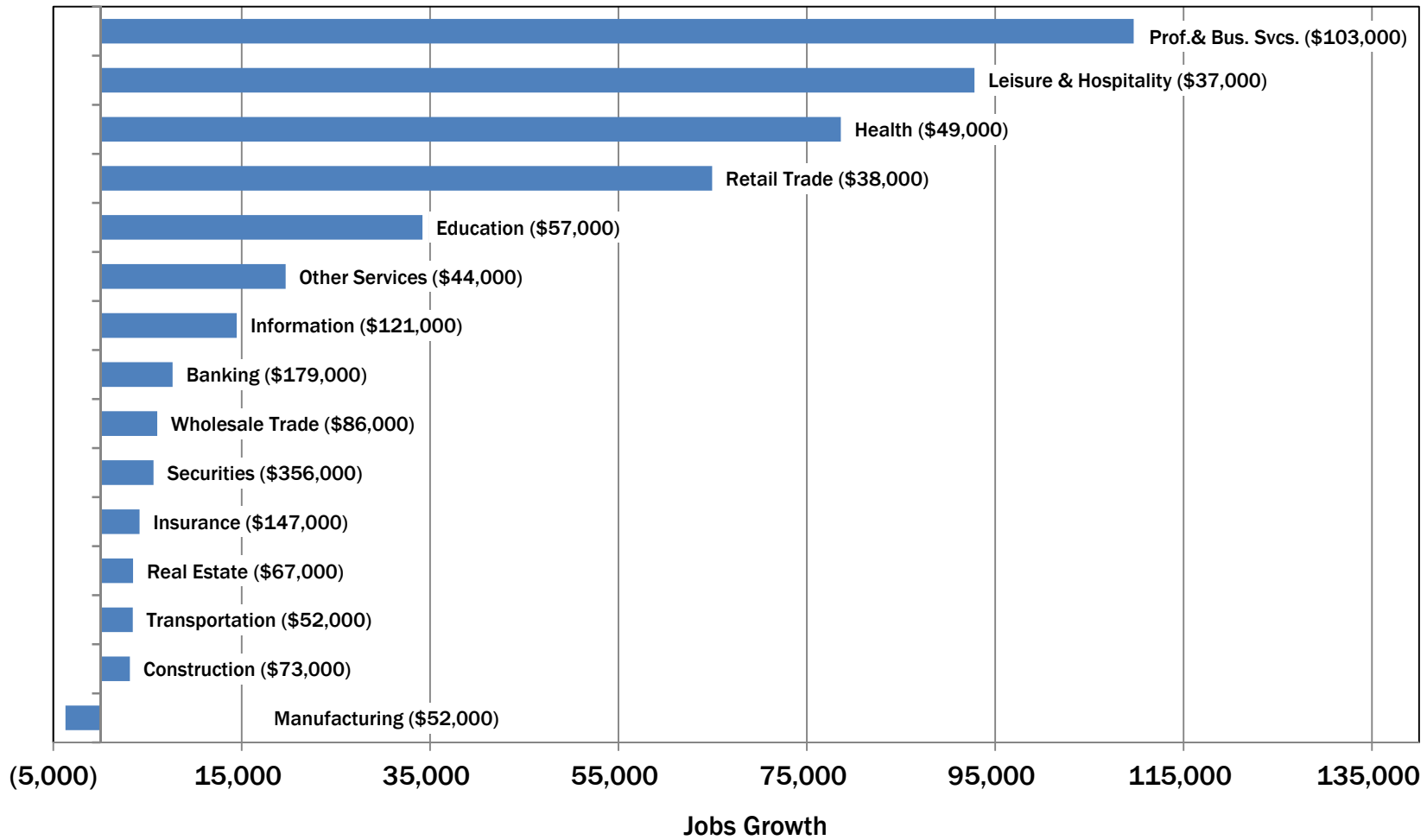
# New York City Tourism Continues to Set New Highs, Attracting 56.4 Million Visitors in 2014



Source: NYC & Company

# Job Growth Has Come From a Wide Range of Industries

Change in Employment Since Trough in August 2009 (2013 Avg. Wage)



Note: As of November 2014

Source: U.S. Bureau of Labor Statistics, New York State Department of Labor. Seasonally adjusted by NYC OMB.

# While There Has Been Moderate Growth...

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- ❖ **It's clear that the benefits have not been shared by all New Yorkers.**



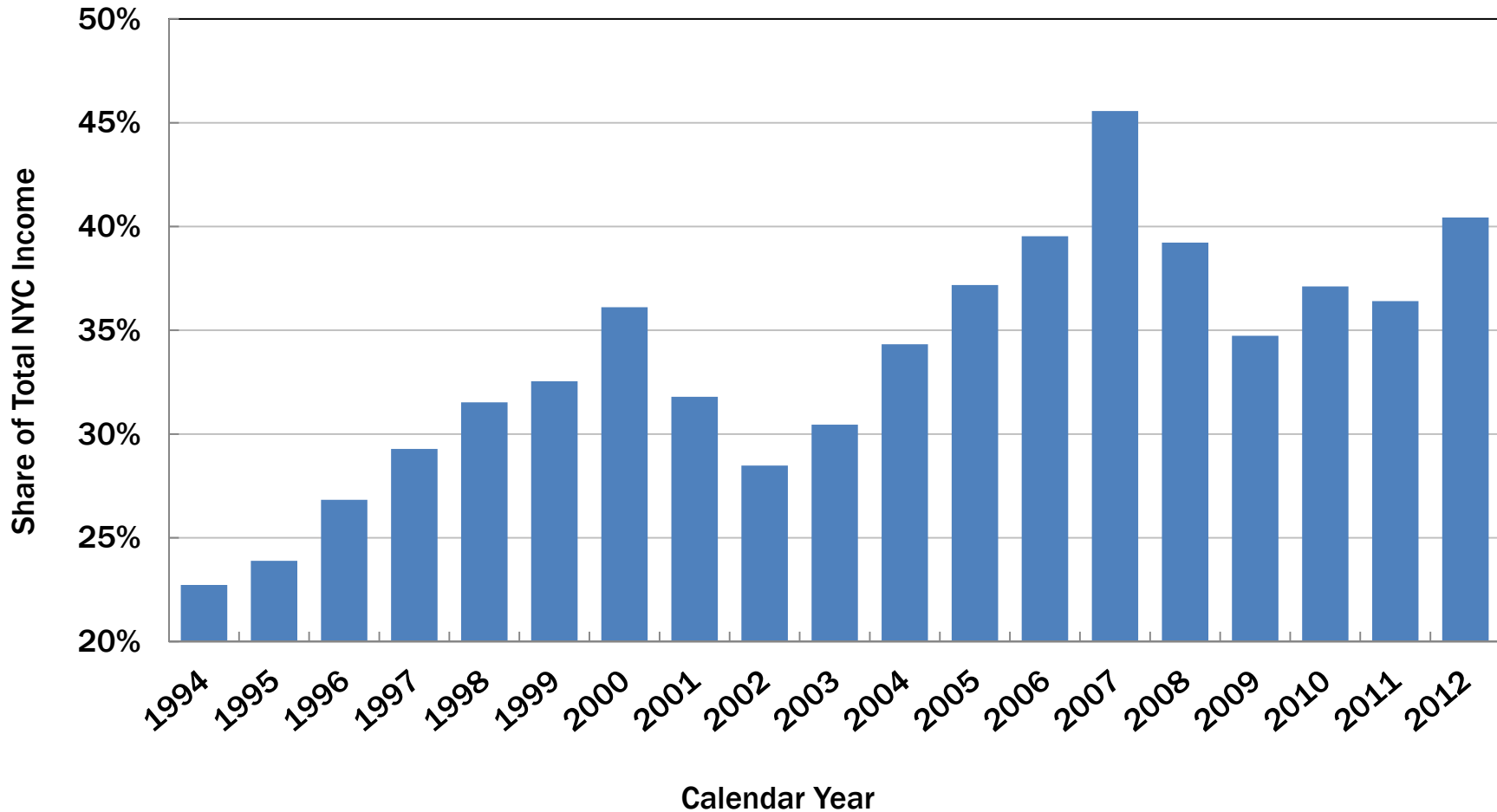
# In The Current Expansion, 65% of The Job Growth Has Come from Low Wage Sectors. However, These Low Wage Sectors Have Only Received 28% of The Earnings Gains



Note: Low wage sectors include: education, health, leisure and hospitality, manufacturing, other services, retail, and transportation.  
Source: U.S. Bureau of Labor Statistics, New York State Department of Labor. Seasonally adjusted by NYC OMB.

# As a Result, The Top 1% of Income Tax Filers Account for A Growing Share of Income

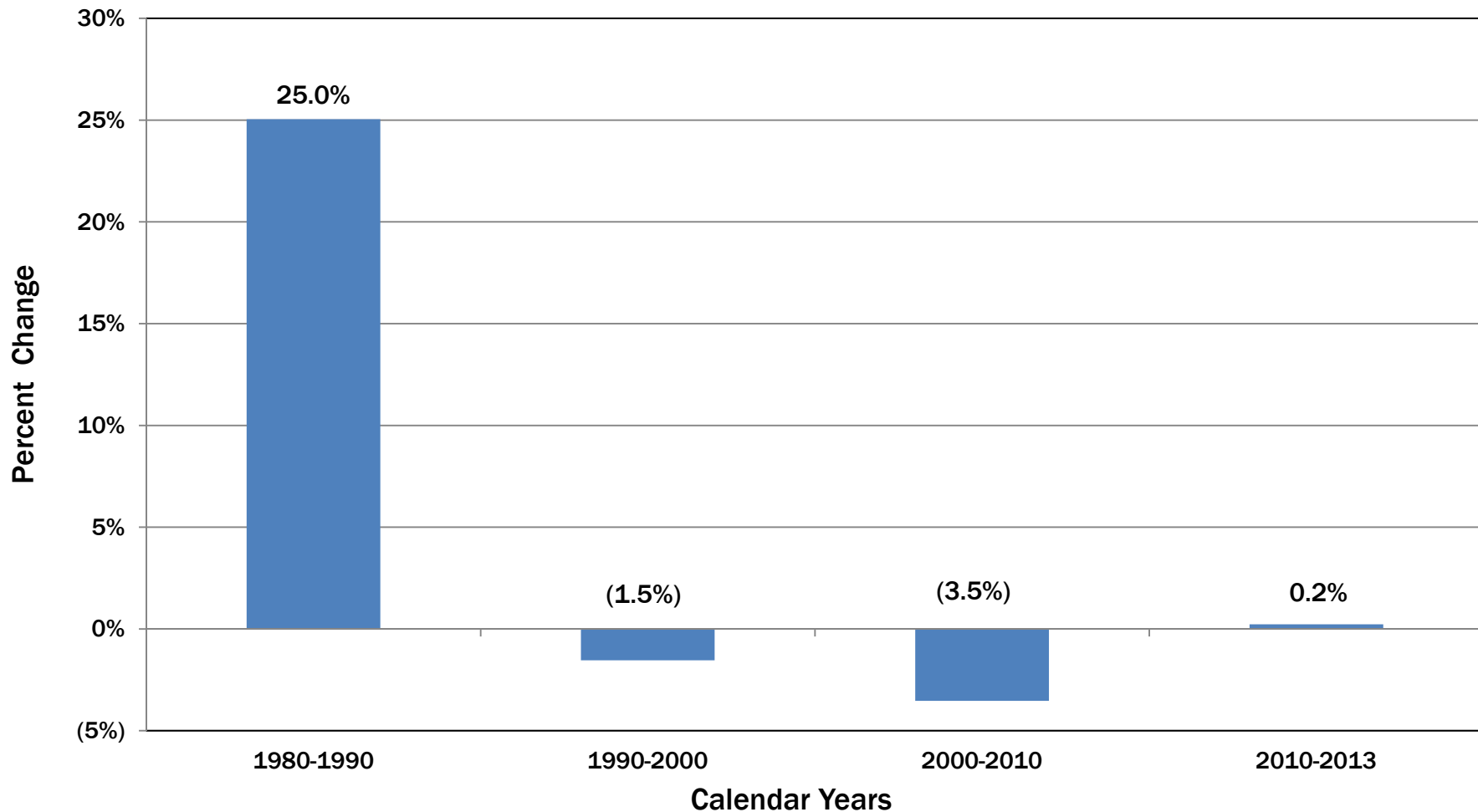
Share of Total NYC Income Reported by Top 1% of Filers



Source: NYC OMB calculations based on data from the New York State Department of Taxation and Finance

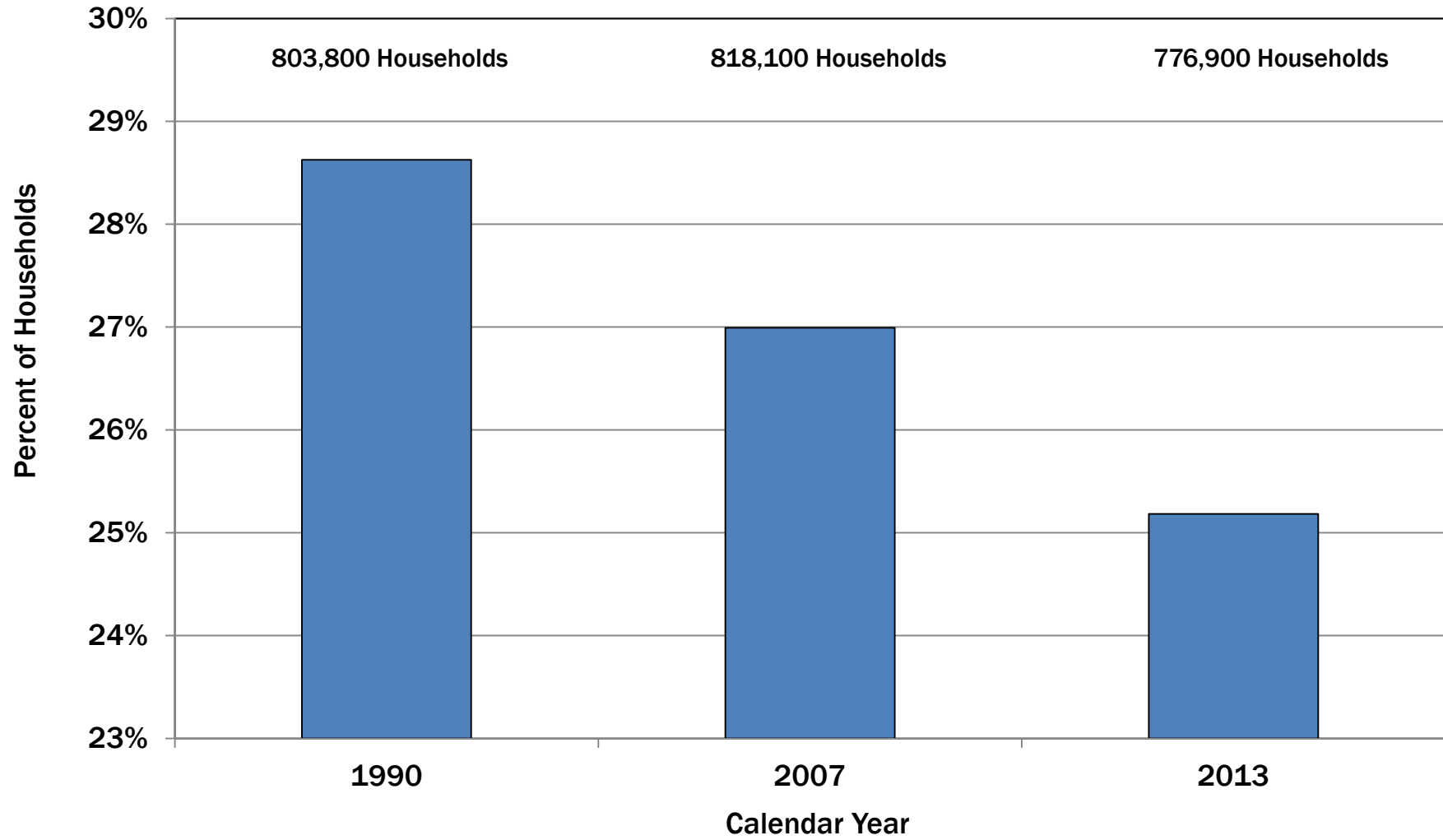
# The Inflation-Adjusted Median Income of NYC Households Declined Since 1990 and Stagnated in the First Years of the Current Recovery

Percentage Change in Inflation-Adjusted Median Income of NYC Households



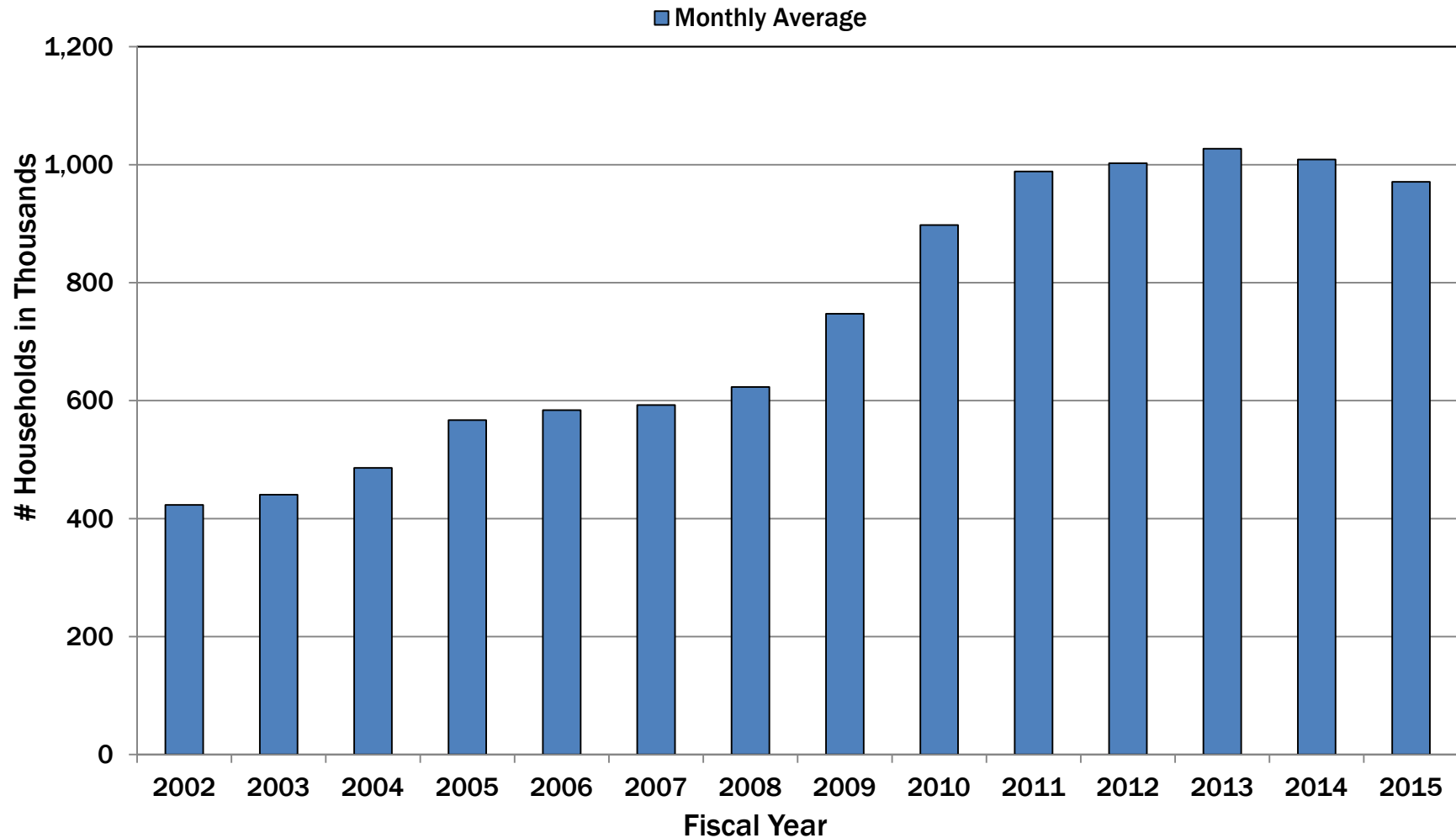
Source: Census Bureau, iPUMS, Bureau of Labor Statistics, NYC OMB.

# The Share of New York City Households With Moderate and Middle Income is Steadily Declining



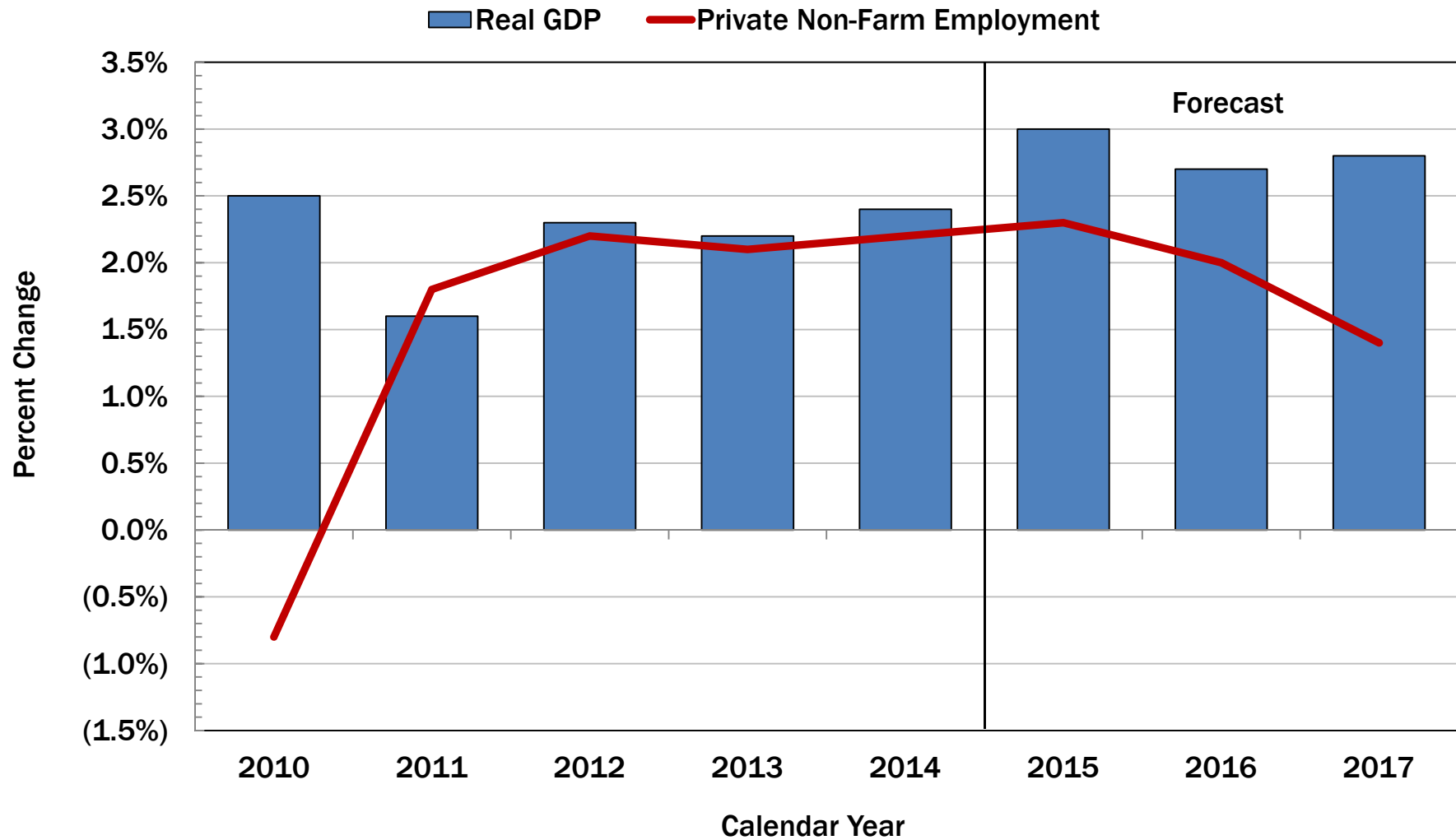
Note: Moderate and middle income between approximately \$67K and \$138K in 2014 dollars, per the definitions used in *Housing New York: A Five-Borough, Ten-Year Plan*.  
Sources: American Community Survey, Decennial Census, NYC OMB.

# The Supplemental Nutrition Assistance Program (SNAP) Caseload Has More than Doubled Since FY 2002



Source: Data from the New York City Human Resources Administration

# The National Job Growth Rate is Projected to Slow



Source: U.S. Bureau of Economic Analysis, U.S. Bureau of Labor Statistics, NYC OMB

# **We Also Recognize The Risks We Face**

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- ❖ **There are uncertainties with federal and state aid.**
- ❖ **And there's the potential for an economic downturn.**

# We Also Recognize The Risks We Face

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## ❖ Federal:

### ➤ Aid:

- Changes in Congress, partisan gridlock, and expiring programs place the City at risk of losing vital funding.

### ➤ Sequestration:

- The 2013 sequestration threatened the City with over \$370 million in cuts in one single year.
- It's unlikely the Republican Congress will adopt the President's proposed offsets, potentially leading to new cuts next year.

### ➤ Highway Trust Fund:

- On a trajectory to become insolvent by May 31, 2015.
- The NYC metropolitan region could see a loss of \$2 billion.



# We Also Recognize The Risks We Face

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## ❖ State:

### ➤ Infrastructure:

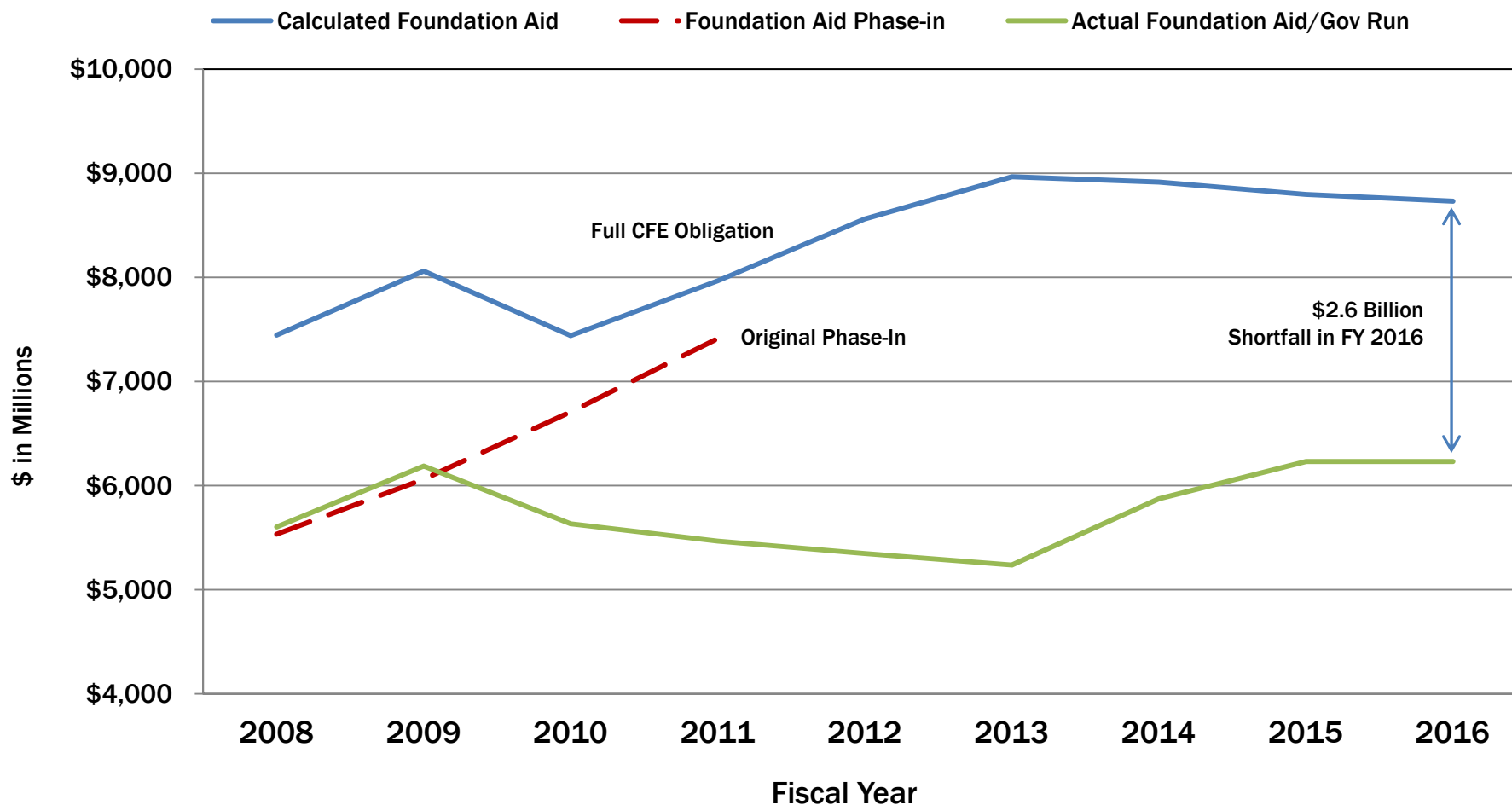
- MTA Capital Plan faces a \$15.2 billion shortfall.
- The State has not adequately funded road and bridge rehabilitation and highway maintenance.

### ➤ School Aid:

- The State Executive Budget proposal continues to fall short of the CFE obligation to NYC, by \$2.6 billion.

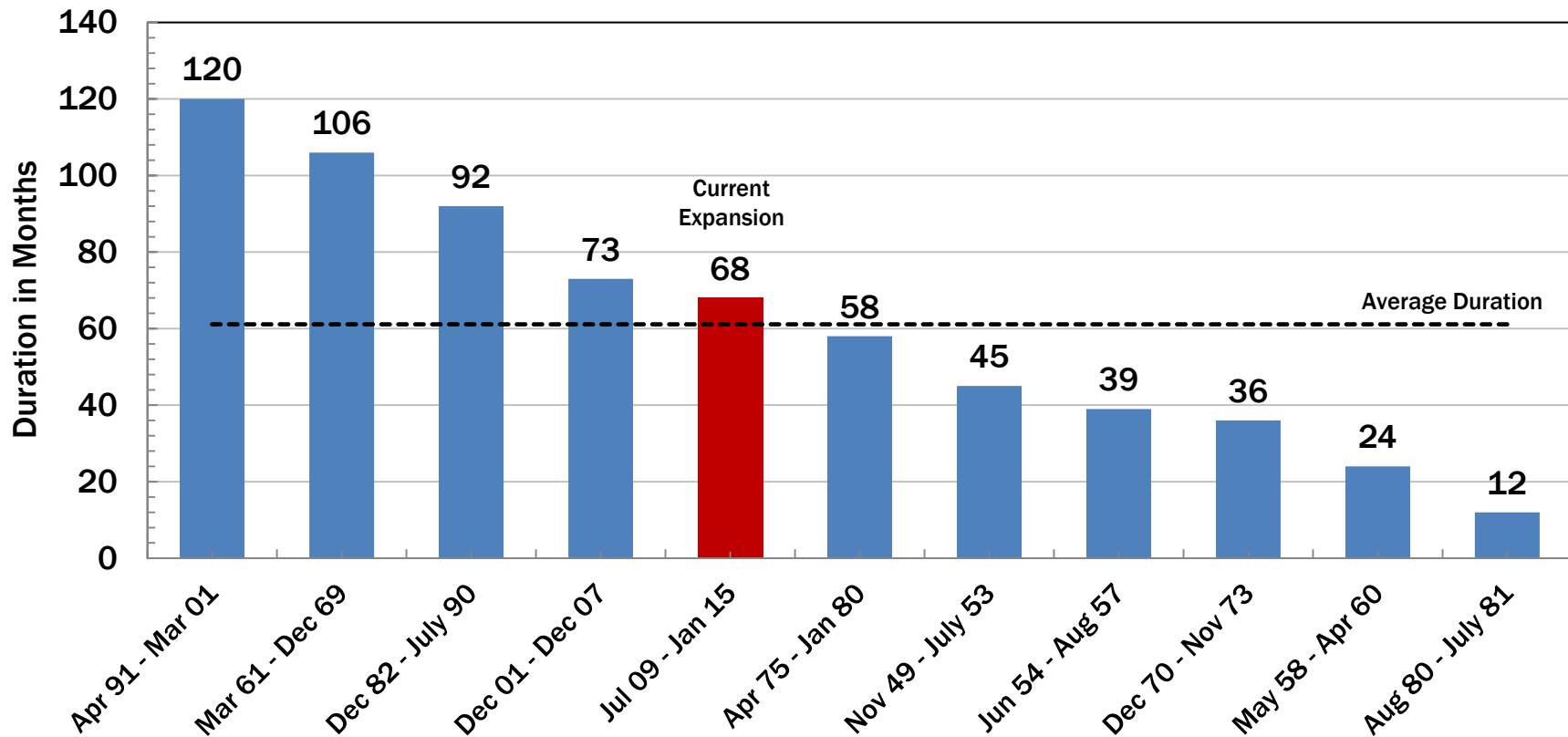
# Following the Campaign for Fiscal Equity Settlement, New York State Walked Away from the Phase-In of Additional Education Aid

NYC Foundation Aid Since Campaign for Fiscal Equity



\*Original Phase-In per State FY 2008 Budget

# The Current U.S. Expansion Reached 68 Months and Now Exceeds the Average Length of Post-War Expansions



Source: National Bureau of Economic Research

# State Funding and Non-Property Tax Revenue Collections Have Declined Significantly in Past Downturns

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## ❖ After 9/11:

- Non-property tax revenue declined by \$2.3 billion between 2001 and 2003.

## ❖ During the Great Recession:

- Non-property tax revenue declined by \$4.4 billion between 2008 and 2010.
- During the Great Recession, State funding to New York City fell by \$1.668 billion between 2009 and 2011.

# **We Are Taking a Cautious Approach, Targeting Investments and Guarding Against Risks**

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- ❖ **Despite another year of economic growth, risks remain.**
- ❖ **That is why we've focused on targeted spending, making investments that will create a stronger, safer, and fairer New York City.**

# Budget Highlights

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- ❖ Balances budget in FY 2016 by closing \$1.8 billion deficit.
- ❖ Maintains balanced budget in FY 2015.
- ❖ Includes reserves of \$750 million a year, through the out years.
- ❖ Further reduces out year budget deficits.

**Keeps New York City Safe**

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# Keeps New York City Safe

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## ❖ NYPD

- \$7.3 million in FY 2015 and \$4.2 million in FY 2016 to replace all NYPD bullet-resistant vests over five years old.
- \$10 million to expand the Police Cadet Program.
- \$3.2 million to enhance how the Law Department handles lawsuits against police officers.

## ❖ FDNY

- \$11.3 million to add 45 new ambulance tours to improve response times.
- \$6.7 million to add 149 new EMS dispatchers.

## ❖ Correction

- \$35.3 million to reduce use-of-force incidents and violence, improve the inmate-officer ratio, enhance programming in Youth Adult Housing, and more.
- \$3.6 million to improve the Applicant Investigations Unit and reestablish the Recruitment Unit.

# Invests in Education

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## ❖ Universal Pre-K

- \$340 million to build on this year's success.
- Continues expansion of high-quality, full-day pre-K for all four-year olds.

## ❖ After School

- \$190 million to further expand SONYC to over 100,000 middle school students.

# Invests in Education

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## ❖ Community and Renewal Schools

- Funds 128 Community Schools, including the transformation of 94 renewal schools.

## ❖ Teacher Leadership Positions

- \$4.9 million to provide 594 Model and Master teacher positions, one of the reforms codified in the UFT contract.

## ❖ Literacy Intervention Teams

- \$0.7 million to build new capacity to support students with dyslexia.

## ❖ Language Services for Parents

- \$0.8 million to provide over-the-phone language services for limited-English proficient parents.

# Invests in Education

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## ❖ CUNY

- **\$29 million to expand academic intervention and support for STEM at community college.**
- **\$300,000 to complement a recent \$859,000 federal grant for the NYSolar Smart Initiative, part of the Administration's sustainability and resiliency agenda.**
- **\$1.1 million to expand the Fatherhood Academy at CUNY to help fathers ages 18 to 24 improve their job and education prospects, part of the Young Men's Initiative.**

# Protects the Most Vulnerable

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## ❖ Addressing the Homeless Crisis

- \$28.4 million for rental assistance and support to move homeless New Yorkers out of shelter.
- \$8.6 million for prevention programs and support services to keep New Yorkers stably housed.
- \$4.3 million for the PATH Community-Based Demonstration Project, to improve family services like counseling and eviction-prevention.
- \$0.9 million to expand drop-in center capacity so street homeless can access vital services.

# Protects the Most Vulnerable

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## ❖ Protecting our Children

- \$11 million for ACS child welfare reforms, including training and preventative services.

## ❖ Investing in Community Health

- \$1.8 million to improve children's health, including a child health survey and a campaign to promote reading.
- \$16.5 million over the next three years to expand community health centers.



# Protects the Most Vulnerable

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## ❖ Expanding ID NYC

- \$5 million in FY 2015 to increase staffing and address high demand.

# Supports Economic Development

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## ❖ Tax Reform

- Streamline and modernize the tax code and reduce the burden on NYC businesses.
- Provide real tax relief to NYC small businesses and manufacturers.
- Revenue neutral.

# Supports Economic Development

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## ❖ MWBE Expansion

- \$1.4 million a year to expand access for small businesses to the City's MWBE program

## ❖ Improving DOB Service

- \$4.6 million to improve service at DOB, speeding up inspections and cutting bureaucracy for small businesses.

# Revenue and Expense Changes

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# Changes Since the November 2014 Financial Plan

	City Funds (\$ in Millions)				
	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>
<b>Gap to be Closed - November 2014 Financial Plan</b>	\$ ---	(\$1,835)	(\$1,190)	(\$1,771)	(\$2,197)
<b>Revenue Changes - Increase/(Decrease)</b>					
Tax Revenue Forecast	\$1,045	\$699	\$605	\$663	\$702
Miscellaneous Revenues	29	(12)	(4)	(7)	3
<b>Subtotal Revenue Changes</b>	<b>\$1,074</b>	<b>\$687</b>	<b>\$601</b>	<b>\$656</b>	<b>\$705</b>
<b>Expense Changes - Increase/(Decrease)</b>					
Agency Expense Changes	\$130	\$340	\$324	\$322	\$319
NYCHA Payment Relief for Police Services	3	72	72	72	72
Collective Bargaining (Additional Cost for Uniformed Pattern and CSA)	261	137	94	143	171
Cost for New Round of Collective Bargaining	---	---	---	13	254
Debt Service Savings	(329)	(143)	(58)	(8)	74
Pensions	(5)	(94)	12	(304)	(328)
Fringe Benefits	(10)	14	15	17	20
General Reserve (Decrease from \$750M to \$300M in FY15)	(450)	---	---	---	---
<b>Subtotal Expense Changes</b>	<b>(\$400)</b>	<b>\$326</b>	<b>\$459</b>	<b>\$255</b>	<b>\$582</b>
FY 2015 Prepayment of FY 2016 Expenses (Increase from \$105M to \$1.6B)	(1,474)	1,474	---	---	---
<b>Gap to be Closed - February 2015 Financial Plan</b>	<b>\$ ---</b>	<b>\$ ---</b>	<b>(\$1,048)</b>	<b>(\$1,370)</b>	<b>(\$2,074)</b>

# City Funds Revenue and Expenses

	(\$ in Millions)				
	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>
<b>Revenue</b>	<b>\$56,184</b>	<b>\$56,962</b>	<b>\$58,642</b>	<b>\$60,621</b>	<b>\$62,860</b>
<b>Expenses:</b>					
Controllable Agency Expenses	\$26,042	\$26,633	\$26,894	\$28,473	\$30,013
Non-Controllable Expenses	30,685	32,244	32,997	33,716	34,921
<b>Total Expenses</b>	<b>\$56,727</b>	<b>\$58,877</b>	<b>\$59,891</b>	<b>\$62,189</b>	<b>\$64,934</b>
<b>Surplus / (Deficit)</b>	<b>(\$543)</b>	<b>(\$1,915)</b>	<b>(\$1,249)</b>	<b>(\$1,568)</b>	<b>(\$2,074)</b>
Debt Defeasances	115	337	201	198	---
Prior Year Prepayment - Benefit	2,006	1,578	---	---	---
Current Year Prepayment - (Cost)	(1,578)	---	---	---	---
<b>Net Impact of Prepayments / Debt Defeasances</b>	<b>\$543</b>	<b>\$1,915</b>	<b>\$201</b>	<b>\$198</b>	<b>\$---</b>
<b>Gap To Be Closed</b>	<b>\$---</b>	<b>\$---</b>	<b>(\$1,048)</b>	<b>(\$1,370)</b>	<b>(\$2,074)</b>

# Fiscal Year 2015

## February 2015 Financial Plan

(\$ in Millions)

AGENCY	Personal Service Costs				Other Than Personal Service Costs				Gross Total All Funds (Includes Intra-City)	Net Total All Funds (Excludes Intra-City)	City Fund Total
	Salaries & Wages	Fringe Benefits	Pensions	PS Subtotal	Agency OTPS	PA, MA & Other Mandates	Debt Service	OTPS Subtotal			
<b>UNIFORMED AGENCIES</b>											
Police Department	\$4,426	\$1,863	\$2,531	\$8,820	\$659	\$ ---	\$135	\$794	\$9,614	\$9,372	\$8,964
Fire Department	1,661	654	1,096	3,411	277	---	138	415	3,826	3,823	3,408
Department of Correction	972	454	379	1,805	147	---	172	319	2,124	2,122	2,092
Department of Sanitation	822	375	298	1,495	631	---	376	1,007	2,502	2,499	2,449
<b>Subtotal</b>	<b>\$7,881</b>	<b>\$3,346</b>	<b>\$4,304</b>	<b>\$15,531</b>	<b>\$1,714</b>	<b>\$ ---</b>	<b>\$821</b>	<b>\$2,535</b>	<b>\$18,066</b>	<b>\$17,816</b>	<b>\$16,913</b>
<b>HEALTH AND WELFARE</b>											
Administration for Children's Services	\$443	\$140	\$68	\$651	\$2,509	\$ ---	\$ ---	\$2,509	\$3,160	\$3,070	\$1,080
Department of Social Services	790	343	138	1,271	1,166	7,922	113	9,201	10,472	10,463	8,105
Department of Homeless Services	135	46	20	201	976	---	---	976	1,177	1,175	602
Department of Health and Mental Hygiene	404	128	65	597	1,109	---	54	1,163	1,760	1,745	897
Health and Hospitals Corporation	---	30	---	30	294	---	172	466	496	412	318
<b>Subtotal</b>	<b>\$1,772</b>	<b>\$687</b>	<b>\$291</b>	<b>\$2,750</b>	<b>\$6,054</b>	<b>\$7,922</b>	<b>\$339</b>	<b>\$14,315</b>	<b>\$17,065</b>	<b>\$16,865</b>	<b>\$11,002</b>
<b>EDUCATION</b>											
Department of Education	\$10,025	\$3,464	\$3,273	\$16,762	\$7,561	\$570	\$1,445	\$9,576	\$26,338	\$26,296	\$14,631
City University	584	88	70	742	305	---	60	365	1,107	1,066	789
<b>Subtotal</b>	<b>\$10,609</b>	<b>\$3,552</b>	<b>\$3,343</b>	<b>\$17,504</b>	<b>\$7,866</b>	<b>\$570</b>	<b>\$1,505</b>	<b>\$9,941</b>	<b>\$27,445</b>	<b>\$27,362</b>	<b>\$15,420</b>
<b>OTHER AGENCIES</b>	\$2,618	\$850	\$436	\$3,904	\$6,377	\$ ---	\$3,073	\$9,450	\$13,354	\$12,137	\$8,939
<b>ELECTED OFFICIALS</b>	\$520	\$140	\$82	\$742	\$130	\$ ---	\$ ---	\$130	\$872	\$867	\$766
<b>MISCELLANEOUS</b>	\$841	\$85	\$126	\$1,052	\$ ---	\$2,700 <sup>(1)</sup>	\$353	\$3,053	\$4,105	\$3,893	\$3,597
<b>DEBT SERVICE COSTS (Unallocated)</b>	\$ ---	\$ ---	\$ ---	\$ ---	\$ ---	\$ ---	\$151	\$151	\$151	\$151	\$90
<b>TOTAL - ALL FUNDS<sup>(2)</sup></b>	<b>\$24,241</b>	<b>\$8,660</b>	<b>\$8,582</b>	<b>\$41,483</b>	<b>\$22,141</b>	<b>\$11,192</b>	<b>\$6,242</b>	<b>\$39,575</b>	<b>\$81,058</b>	<b>\$79,091</b>	
<b>TOTAL - CITY FUNDS<sup>(2)</sup></b>	<b>\$16,178</b>	<b>\$6,879</b>	<b>\$8,423</b>	<b>\$31,480</b>	<b>\$9,865</b>	<b>\$9,395</b>	<b>\$5,987</b>	<b>\$25,247</b>			<b>\$56,727</b>
Less: Prepayments and Debt Defeasances	\$ ---	\$ ---	\$ ---	\$ ---	\$ ---	\$ ---	\$543	\$543	\$543	\$543	\$543
<b>Total After Prepayments and Debt Defeasances</b>	<b>\$24,241</b>	<b>\$8,660</b>	<b>\$8,582</b>	<b>\$41,483</b>	<b>\$22,141</b>	<b>\$11,192</b>	<b>\$5,699</b>	<b>\$39,032</b>	<b>\$80,515</b>	<b>\$78,548</b>	<b>\$56,184</b>

<sup>(1)</sup> Includes subsidies to the MTA, General Reserve, Judgments and Claims, Indigent Defense Services and Other Contractual Services.

<sup>(2)</sup> Excludes the impact of prepayments and debt defeasances.



# Fiscal Year 2016

## February 2015 Financial Plan

(\$ in Millions)

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	Salaries & Wages	Fringe Benefits	Pensions	PS Subtotal	Agency OTPS	PA, MA & Other Mandates	Debt Service	OTPS Subtotal			
<b>UNIFORMED AGENCIES</b>											
Police Department	\$4,361	\$1,968	\$2,429	\$8,758	\$363	\$---	\$151	\$514	\$9,272	\$9,031	\$8,942
Fire Department	1,621	667	1,073	3,361	170	---	153	323	3,684	3,682	3,420
Department of Correction	997	488	391	1,876	149	---	192	341	2,217	2,217	2,189
Department of Sanitation	854	398	295	1,547	683	---	419	1,102	2,649	2,646	2,596
<b>Subtotal</b>	<b>\$7,833</b>	<b>\$3,521</b>	<b>\$4,188</b>	<b>\$15,542</b>	<b>\$1,365</b>	<b>\$---</b>	<b>\$915</b>	<b>\$2,280</b>	<b>\$17,822</b>	<b>\$17,576</b>	<b>\$17,147</b>
<b>HEALTH AND WELFARE</b>											
Administration for Children's Services	\$481	\$153	\$71	\$705	\$2,470	\$---	\$---	\$2,470	\$3,175	\$3,099	\$1,094
Department of Social Services	788	364	144	1,296	1,089	7,823	126	9,038	10,334	10,323	8,081
Department of Homeless Services	140	49	22	211	893	---	---	893	1,104	1,103	584
Department of Health and Mental Hygiene	385	133	67	585	1,062	---	61	1,123	1,708	1,705	922
Health and Hospitals Corporation	---	34	---	34	215	---	184	399	433	368	325
<b>Subtotal</b>	<b>\$1,794</b>	<b>\$733</b>	<b>\$304</b>	<b>\$2,831</b>	<b>\$5,729</b>	<b>\$7,823</b>	<b>\$371</b>	<b>\$13,923</b>	<b>\$16,754</b>	<b>\$16,598</b>	<b>\$11,006</b>
<b>EDUCATION</b>											
Department of Education	\$10,341	\$3,626	\$3,279	\$17,246	\$7,781	\$605	\$1,605	\$9,991	\$27,237	\$27,227	\$15,230
City University	518	162	71	751	247	---	70	317	1,068	1,052	785
<b>Subtotal</b>	<b>\$10,859</b>	<b>\$3,788</b>	<b>\$3,350</b>	<b>\$17,997</b>	<b>\$8,028</b>	<b>\$605</b>	<b>\$1,675</b>	<b>\$10,308</b>	<b>\$28,305</b>	<b>\$28,279</b>	<b>\$16,015</b>
<b>OTHER AGENCIES</b>	\$2,559	\$899	\$476	\$3,934	\$5,058	\$---	\$3,485	\$8,543	\$12,477	\$11,326	\$9,288
<b>ELECTED OFFICIALS</b>	\$502	\$146	\$87	\$735	\$107	\$---	\$---	\$107	\$842	\$837	\$766
<b>MISCELLANEOUS</b>	\$1,328	\$90	\$129	\$1,547	\$---	\$3,118 <sup>(1)</sup>	\$394	\$3,512	\$5,059	\$4,839	\$4,536
<b>DEBT SERVICE COSTS (Unallocated)</b>	\$---	\$---	\$---	\$---	\$---	\$---	\$191	\$191	\$191	\$191	\$119
<b>TOTAL - ALL FUNDS<sup>(2)</sup></b>	<b>\$24,875</b>	<b>\$9,177</b>	<b>\$8,534</b>	<b>\$42,586</b>	<b>\$20,287</b>	<b>\$11,546</b>	<b>\$7,031</b>	<b>\$38,864</b>	<b>\$81,450</b>	<b>\$79,646</b>	
<b>TOTAL - CITY FUNDS<sup>(2)</sup></b>	<b>\$16,929</b>	<b>\$7,399</b>	<b>\$8,373</b>	<b>\$32,701</b>	<b>\$9,703</b>	<b>\$9,736</b>	<b>\$6,737</b>	<b>\$26,176</b>			<b>\$58,877</b>
Less: Prepayments and Debt Defeasances	\$---	\$---	\$---	\$---	\$---	\$---	\$1,915	\$1,915	\$1,915	\$1,915	\$1,915
<b>Total After Prepayments and Debt Defeasances</b>	<b>\$24,875</b>	<b>\$9,177</b>	<b>\$8,534</b>	<b>\$42,586</b>	<b>\$20,287</b>	<b>\$11,546</b>	<b>\$5,116</b>	<b>\$36,949</b>	<b>\$79,535</b>	<b>\$77,731</b>	<b>\$56,962</b>

<sup>(1)</sup> Includes subsidies to the MTA, General Reserve, Judgments and Claims, Indigent Defense Services and Other Contractual Services.

<sup>(2)</sup> Excludes the impact of prepayments and debt defeasances.

# Five Year Financial Plan Revenues and Expenditures

## February 2015 Financial Plan

	(All Funds - \$ in Millions)				
<b>Revenues</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>
<b>Taxes</b>					
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>					
<b>Personal Service</b>					
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>
<b>Other Than Personal Service</b>					
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>

<sup>(1)</sup> 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.

<sup>(2)</sup> 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.

<sup>(3)</sup> Fiscal Year 2015 Budget Stabilization totals \$1.578 billion in TFA.

