



New York City Comptroller
Scott M. Stringer

NEWS

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**COMPTROLLER SCOTT M. STRINGER RELEASES
ANALYSIS OF NEW YORK CITY'S
FISCAL YEAR 2016 ADOPTED BUDGET**

*Comptroller Projects Additional Billions in Tax Revenue across
Financial Plan*

(New York, NY) – New York City’s FY 2016 Adopted Budget of \$78.5 billion benefitted from \$5.9 billion in additional resources since June of last year, including higher than projected tax revenues, savings and prior-year funds rolled over, according to an [analysis](#) released today by New York City Comptroller Scott M. Stringer.

The Comptroller’s Office’s independent tax revenue projections span the FY 2016 – FY 2019 plan period and project additional tax revenues of \$822 million in FY 2016, \$1.1 billion in FY 2017, \$1.3 billion in FY 2018 and \$1.5 billion in FY 2019, stemming primarily from higher forecasts in personal income, property and real estate transaction taxes.

“The City’s tax revenues came in well above projections yet again, but robust revenue growth doesn’t last forever,” Comptroller Stringer said. “If we want to stay nimble in case of a downturn, the City must continue to find efficiencies and recurring savings.”

Comptroller Stringer also identified risks to the financial plan, such as understated uniformed overtime costs and lower than budgeted federal Medicaid reimbursement for special education services. When those risks are combined with the Comptroller’s projected additional resources, the cumulative out-year budget gap is reduced to \$1.85 billion - the lowest cumulative out-year gap at budget adoption in over twenty years.

Other findings include:

- Tax revenues in FY 2015 grew by 7 percent— almost a full percentage point higher than average growth from FY 2009 through FY 2014. The additional resources in FY 2015 were rolled to FY 2015 and added to the retiree health benefits trust.
- The FY 2016 budget utilized its additional resources to close the budget gap, fund City Council initiatives, pay for increased expenses, add to the General Reserve, establish the Capital Stabilization Reserve and offset the revenue loss from delaying yellow taxi medallion sales.
- From FY 2016 through FY 2019, expenditures, when adjusted for prepayments and other prior-year actions, average 2.3 percent growth annually.
- The Comptroller identified several high growth areas: salaries and wages, debt service, health insurance, other fringe benefits and judgments and claims which grew by 14 percent over the Plan period, averaging 4.6 percent a year.
- Areas that saw lower growth include: pensions, Medicaid, public assistance and other non-personal services costs.

“The Mayor took a responsible step by adding to the City’s reserves, but there is more work to be done. Providing for current City costs while building back an adequate cushion to be prepared for the future is a challenge that doesn’t go away. To capitalize on these good times, we must prepare for the day that the revenue rug gets pulled out from under us,” Stringer said.

To read Comptroller Stringer's analysis of the Fiscal Year 2016 Adopted Budget, please click [here](#).

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