S&P Global
Ratings

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Summary:

New York City; Appropriations; General Obligation; Joint Criteria; Moral Obligation

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Summary:

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Credit Profile		
US$775.0 mil GO bnds ser 2016E due 08/01/2036		
Long Term Rating	AA/Stable	New
US$25.0 mil GO bnds ser 2016 F due 06/13/2036		
Long Term Rating	AA/Stable	New
New York City GO		
Long Term Rating	AA/Stable	Affirmed

Rationale

S&P Global Ratings has assigned its 'AA' long-term rating and stable outlook to New York City's fiscal 2016 series E and F general obligation (GO) bonds. We understand officials plan to use proceeds to refund various series of GO debt for debt service savings.

At the same time, S&P Global Ratings affirmed its 'AA' long-term rating on New York City's GO debt outstanding and its 'AA-' rating on the city's lease revenue bonds. The city's faith, credit, and unlimited ad valorem pledge secure the GO bonds, while the lease revenue bonds are subject to annual appropriation. Bondholders also benefit from the security of the general debt service fund, with city real estate tax revenue deposited into the fund and retained under a statutory formula in an amount sufficient to cover debt service.

S&P Global Ratings also affirmed its 'AA-' rating on the Dormitory Authority of the State of New York's (DASNY) lease revenue bonds outstanding based on the city's appropriation pledge. A state aid intercept mechanism further secures the DASNY bonds. In addition, S&P Global Ratings affirmed its 'A+' rating on the New York City Health & Hospitals Corp.'s (HHC) health system bonds based on the city's moral obligation pledge, although the bonds are additionally secured by a pledge of health care reimbursement revenues. We believe the HHC is essential to the city's health care infrastructure, in particular, its Medicaid population, and its medically underserved areas and, as such, we rate the bonds two notches below the GO debt rating rather than the customary three notches.

Finally, S&P Global Ratings affirmed its 'AAA/A-1+', 'AAA/A-1', 'AA/A-1', and 'AA/A-2' dual ratings on various issuances where the short-term ratings are based on the liquidity support provided by various financial institutions.

The outlook on all long-term ratings is stable.

The 'AA' GO rating reflects our view of New York City's:

- Strong and diverse economy, given the city's status as the nation's largest city and economic center, with income levels above the national average; however, despite recent diversification of the city's economy, there is still a higher-than-average reliance on the financial sector;

- Fairly strong employment growth led by the construction and service sectors; however, the state of the city's infrastructure could hamper long-term economic development within the city and region;
- Adequate budgetary performance with breakeven operating results in the general fund but an operating deficit at the total governmental level in fiscal 2015;
- Very strong management and historically conservative budgeting practices;
- Strong budgetary flexibility despite limitations on the city's ability to maintain general fund reserves under the Financial Emergency Act, which New York City has adjusted for by using surplus to prepay subsequent-year expenditures and fund a reserve for future retirees' health insurance costs;
- Very strong liquidity with access to external liquidity we consider exceptional; and
- Very strong institutional framework score.

These strengths are offset in our view by the city's very weak debt profile and its large pension and other postemployment benefit (OPEB) obligations, and the lack of a plan to sufficiently address the obligations.

Strong economy

New York City's economy remains robust as it serves as the economic engine for the Mid-Atlantic region. With an estimated population of 8.55 million, the city is the most populous in the nation and continues to grow. Its major employment sectors are trade, financial activities, professional services, education, health services, and government. New York City's projected per capita effective buying income is 103.6% of the national level and per capita market value is $116,881. The city's full valuation increased 11.8% year-over-year to $986.02 billion in fiscal 2016. The unemployment rate was 5.7% in 2015. In the future, S&P Global Ratings expects the mid-Atlantic region to see normal GDP growth of about 2% for the year, but at a slower rate and lagging behind some of the country.

Job growth in the New York metropolitan statistical area (MSA) increased by 2.1% in 2015, and that trend is continuing. According to IHS Global Insight Inc. this was primarily led by hiring in the service sectors over the past two years, with leisure and hospitality services and education and health services both expanding payrolls by 3.1% in 2015. The finance sector also had solid growth of 1.5% in payrolls in 2015, its best performance since 2005. The MSA's jobless rate fell to 5.04% in March 2016, down from 5.8% in March of 2015. However, according to IHS Global Insight projections, the expansion of private sector payrolls in 2016 will be just 1.5%, lower than in 2015--although still solid. Private-sector payrolls are forecast to expand by a subdued 0.7% on average from 2016-2020 due to the city's economic maturity. On the downside, the finance sector is likely to stagnate over the next decade with an average 0.5% annual decline in jobs as forecast by IHS Global Insight.

The city's housing market continues to have good, stable value despite high prices. Real estate prices held steady while prices in other metropolitan areas nose-dived when the housing bubble burst. The residential real estate market continues to experience overwhelming demand and a consistent undersupply of living space. The median price for existing homes measures at $446,000 on the fourth quarter of 2014, the 13th highest among all U.S. metropolitan areas according to IHS Global Insight. As stated in our report "State And Local Government Credit Conditions Outlook: Smoother Sailing--Maybe--After A Turbulent Start," published April 19, 2016, on RatingsDirect, the increase in home prices should have a positive effect on municipalities as most rely on property tax collection revenues. This is relevant for New York City as 27.8% of its revenues (42.4% of its total tax revenues) are derived from the real estate tax.

Despite the continued employment strength, the long-term growth prospects for the city are hampered by the state of its infrastructure. Given the large population that commutes into the city daily this could worsen as New York City's infrastructure ages. The construction sector will remain a vital part of the MSA's economy; the state has committed about $1 billion in state funds for the rebuilding of the Tappan Zee Bridge; in our opinion, this will have the combined impact of supporting the local labor force and mitigating some of the MSA's infrastructure needs. The direction and magnitude of capital spending on city infrastructure will be integral to the region's future growth prospects, in our opinion.

Adequate budgetary performance

We consider New York City's budgetary performance adequate, with balanced general fund operations in fiscal 2015 after discretionary transfers--in compliance with the Fiscal Emergency Act--and a slight 1.6% total governmental fund deficit after adjusting for reimbursements to its central treasury for capital expenditures. Year-end results reflected a $3.601 billion debt prepayment for fiscal 2016 budget stabilization (significantly higher than the 2014 prepayment of $2.006 billion for 2015 budget stabilization) and a $955 million increase in the reserve for future retirees' health insurance costs.

New York City's fiscal 2017 executive budget was released April 26, 2016, and includes a modification to the financial plan for fiscal years 2016 through 2020, including the third modification to the June 2016 adopted budget. The city's fiscal 2016 budget now stands at $82.07 billion and includes a $3.36 billion budget stabilization prepayment for 2017. The prepayment amount was not budgeted for in the adopted budget and represents a $1.06 billion increase from the latest projection in the January preliminary budget. We continue to view this as increased flexibility for the city.. The executive budget projects fiscal 2016 revenues will be $1.85 billion larger than adopted, due in large part to higher-than-expected real property transfer and mortgage recording taxes ($575 million), property taxes ($431 million), and personal income taxes ($300 million), all evidence of New York City's continued stable economic growth. The executive budget also reflects higher-than-expected revenues of $539 million since the release of the preliminary budget, $393 million of which is from increased tax revenues. The executive budget anticipates fiscal 2016 expenditures will be $1.5 billion less than adopted, most significantly due to a $950 million reduction for the general reserve and $500 million for the capital stabilization reserve. Expenses were also revised downward by $522 million compared with the preliminary budget, due in large part to the citywide savings plan. New York City's active management of its expenses is a credit positive in our view and is an important component of maintaining stability to the city's credit profile. The city's revenue stream is largely locally derived; New York City projects local revenue (including real estate, personal income and sales tax receipts, user charges, and miscellaneous revenue) will provide roughly 74% of total 2016 revenue and state aid about 16%.

New York City's fiscal 2017 executive budget is balanced in accordance with generally accepted accounting principles (except for the application of the Governmental Accounting Standards Board Statement No. 49) at $82.22 billion, including the fiscal 2016 budget stabilization prepayment. This amount is larger than the $82.11 billion preliminary budget released in January, despite the expense offset associated with the larger prepayment. Year-over-year growth in revenues is mostly attributable to an increase in property (5.1% increase) and sales taxes (3.5% increase), despite an increase of $150 million in the anticipated sales tax intercepted by New York State, for which the state has budgeted $200 million. The executive budget revises preliminary revenue projections downward by $543 million, due to a downward revision in tax revenues ($409 million) and debt service relief for HHC ($180 million), offset by an upward revision in miscellaneous revenues ($46 million). The executive budget also revises preliminary spending projections upward by $518 million due to increases of roughly $1.2 billion in agency spending, partially offset by new savings from the citywide savings program. We believe that the city's historically strong and proactive management will remain an important component of balancing its operations as New York City implements its fiscal 2017 budget.

Out-year gaps are $2.73 billion for fiscal 2018, $2.98 billion for 2019, and $2.27 billion for 2020, compared with the average over the previous 13 years of $2.89 billion in the first year, $3.56 billion in the second, and $3.66 billion in the third. While projected out-year gaps are lower than historical levels and are based on what we view as conservative revenue and expenditure growth assumptions, we believe they could be problematic if economic conditions deteriorate given the city's fixed-cost structure. The gaps in fiscal 2018 and fiscal 2019 are larger than were projected in the January preliminary budget at $2.28 billion and $2.94 billion, respectively, while the projected fiscal 2020 gap was reduced from $2.74 billion. The Office of Management and Budget has directed agencies to submit plans to find additional savings for a new "Citywide Savings Plan" in the upcoming November financial plan.

S&P Global Ratings views the following as significant highlights:

- Budgeting of $50 million in general reserves in fiscal 2016 and $1 billion in general reserves from fiscal years 2017 and 2020;
- A $250 million addition to the retiree health benefits trust;
- The city does budget partial state intercept sales tax revenues in 2017-2019;
- Funding to cover pattern increases for unsettled unions (about 5% of the workforce) as well as 1% wage increases annually for the period beyond the current round of bargaining;
- Increased support for HHC, including operating support ($160 million) in fiscal 2016, and debt service relief in fiscal 2017 ($180 million), fiscal 2018 ($173 million), fiscal 2019 ($179 million), and fiscal 2020 ($203 million);
- Elimination of the water rental payment due from the Municipal Water Finance Authority to the general fund, projected to provide $122 million in revenue support in fiscal 2017;
- Lower prepayments and wider out-year gaps should the city fail to achieve additional savings through a new "Citywide Savings Plan."

Very strong management

We view the city's management as very strong, with "strong" financial policies and practices under our financial management assessment methodology, indicating financial practices are strong, well embedded, and likely sustainable. New York City's budgets and four-year financial plan are prepared with conservative revenue and expenditure projections that are based on an evaluation of historical data and incorporate information from outside resources, including private economists and economic forecasting services. Monthly financial statements and cash flows are prepared to identify major variances from the financial plan. The city publicly reports on cash balances and investments on a regular, at least quarterly, basis. New York City's three-tiered capital planning process is comprehensive and regularly updated, and its ability to issue debt is limited by both the Financial Emergency Act and New York State Constitution. As mentioned previously, New York City is unable to maintain a reserve as per state statute but has a practice of prepaying subsequent year's expenditures from current revenue.

Strong budgetary flexibility

The city's budgetary flexibility is strong, in our view. The Financial Emergency Act limits New York City's ability to maintain reserves from current-year revenue, translating into zero dollars in the available general fund balance at fiscal year-end. In response, the city has historically used its surplus in the fourth quarter of each year to prepay subsequent-year expenditures (primarily debt service). We view these prepayments as a form of reserve balance and a source of budgetary flexibility. New York City also funds a discretionary reserve for future retirees' health insurance costs. Combined, the fiscal 2015 budget stabilization contributions ($3.601 billion) and the reserve for retirees' health insurance costs ($3.65 billion) represented 9% of adjusted general fund expenditures.

We expect budgetary flexibility to remain adequate-to-strong over the next two years. The executive fiscal 2017 budget includes a slight increase in the 2016 budget stabilization contribution, therefore we believe the amount--in combination with the increased retiree health benefits trust--will result in reserves maintained in excess of 8%.

In addition, we believe that, despite statutory limitations on its major revenue sources (such as limits around the amount of revenue it can raise from property taxes in support of operations) New York City historically has retained a degree of additional budgetary flexibility, based on its record of receiving state legislative approval for proposed revenue increases. In our opinion, legislative approval has proven a lower hurdle than direct-voter approval. In addition, we believe the city has historically made these revenue requests sparingly and, as a result, has obtained legislative approvals or otherwise made adjustments when needed. Although the state did not agree to Mayor Bill de Blasio's proposed tax increase of 0.534% for households earning more than $500,000 per year, it did provide funding for New York City's universal prekindergarten initiative, which we believe supports this assessment.

Very strong liquidity

We view New York City's liquidity position as very strong. Total governmental cash and liquid investments were 10.9% of adjusted total governmental fund expenditures in fiscal 2015, and 89.6% of debt service. In addition, New York City has demonstrated exceptional access to capital markets based on its frequent debt issues backed by multiple security types. The second-quarter cash report (Dec. 31, 2015) shows the city ended with an unrestricted cash balance of about $11.6 billion.

S&P Global Ratings does not view New York City's investment portfolio supporting operations and capital as risky because the portfolio is concentrated in U.S. government treasuries, agencies, and instruments. Investments also include high-grade commercial paper and repurchase agreements that are collateralized by U.S. government debt instruments. In our opinion, the city has limited exposure to contingent liability risk despite its variable-rate debt portfolio, based on our understanding that acceleration is not a permissible remedy in any of the liquidity facilities in an event of a default. One such liquidity facility recently expired with Wells Fargo Bank, and Wells Fargo purchased the related series of GO bonds for its own account pursuant to a continuing covenant agreement. We do not believe the terms of the agreement create contingent liability risk.

Very weak debt and contingent liability profile

In our view, New York City's debt and contingent liability profile is very weak. Total governmental fund debt service is 12.2% of total governmental fund expenditures, and net direct debt is 81.5% of total governmental fund revenue.

While we understand there are no term-out provisions on New York City's variable-rate bonds, we believe the city has some exposure to interest-rate risk given maximum bank rates on its variable-rate debt of up to 25%. Additional debt plans include $13 billion of GO bonds and Transitional Finance Authority future tax-secured bonds through fiscal 2018. We believe New York City's pledge to fund $2.5 billion of the Metropolitan Transportation Authority' 2015-2019 capital plan, which remains partially funded at $657 million in the authority's current capital plan, could create additional financing needs.

In our opinion, a credit weakness is New York City's large pension and OPEB obligation, without a plan in place that we think will sufficiently address the obligation. Required pension and actual OPEB contributions totaled 14% of total governmental fund expenditures in 2015. Of that amount, 10.2% represented required contributions to pension obligations, and 3.8% represented OPEB payments. The city made its full annual required pension contribution in 2015. The funded ratio of the largest pension plan is 71.8%.

We believe that pension and OPEB fixed costs are a significant share of New York City's budget and a source of pressure. The city is fully funding its annual required pension contribution, and funds OPEB costs on a pay-as-you-go basis. Although the health plan modifications agreed to with the Municipal Labor Committee could lead to a reduced OPEB liability, we believe the liability will remain substantial given the level of benefits, coupled with volatility in health care costs, unless further action is taken. We estimate that combined debt service, pension, and OPEB fixed costs were 26.2% of total governmental expenditures in fiscal 2015, which we consider elevated.

Very strong institutional framework

The institutional framework score for New York City is very strong. See institutional framework score for New York.

Outlook

The stable outlook reflects what we view as New York City's deep and diverse economy and status as the nation's largest employment center. Strong and tested financial management policies and practices further support the rating. We believe these factors, together with the city's very strong liquidity position--but offset by the city's very weak debt and contingent liability profile--will be stable during the two-year outlook horizon.

Upside scenario

If the New York City economy outperforms expectations over a long-term horizon and results in a strengthening of its financial performance and ability to manage its cost structure, while addressing needed infrastructure improvements without unduly increasing its debt profile, we could raise the rating. However, given the city's high debt position and weak contingent liability profile it is unlikely that there would be a rating change over the two-year outlook horizon.

Downside scenario

In our view, New York City's projected budget gaps in fiscal years 2018-2020 are manageable relative to the city's historically projected gaps if favorable economic conditions continue. However, should economic conditions deteriorate significantly, we believe the city could face problems adjusting its budget to maintain a stable financial position, given its fixed cost structure. An ongoing period of structural misalignment could result in weakened financial flexibility and performance and lead to a lower rating.

Related Criteria And Research

Related Criteria

- USPF Criteria: Assigning Issue Credit Ratings Of Operating Entities, May 20, 2015
- USPF Criteria: Local Government GO Ratings Methodology And Assumptions, Sept. 12, 2013
- Criteria: Use of CreditWatch And Outlooks, Sept. 14, 2009
- USPF Criteria: Debt Statement Analysis, Aug. 22, 2006
- USPF Criteria: Financial Management Assessment, June 27, 2006
- USPF Criteria: Appropriation-Backed Obligations, June 13, 2007
- USPF Criteria: Moral Obligation Bonds, June 27, 2006
- Criteria: Methodology And Assumptions: Approach To Evaluating Letter Of Credit-Supported Debt, Feb. 20, 2015
- USPF Criteria: Municipal Applications For Joint Support Criteria, June 25, 2007
- USPF Criteria: Bank Liquidity Facilities, June 22, 2007
- USPF Criteria: Standby Bond Purchase Agreement Automatic Termination Events, April 11, 2008
- Criteria: Joint Support Criteria Update, April 22, 2009
- USPF Criteria: Methodology: Rating Approach To Obligations With Multiple Revenue Streams, Nov. 29, 2011

Related Research

- Institutional Framework Overview: New York Local Governments

Ratings Detail (As Of May 13, 2016)		
New York City asdj rate GO fiscal 2004 subser A-3		
Long Term Rating	AAA/A-1	Affirmed
Unenhanced Rating	AA(SPUR)/Stable	Affirmed
New York City go bnds fiscal 2004 adj rate subser A-5 dtd 07/14/2003 due 08/01/2031		
Long Term Rating	AAA/A-1	Affirmed
Unenhanced Rating	AA(SPUR)/Stable	Affirmed
New York City go bnds fiscal 2004 subser A-4		
Long Term Rating	AAA/A-1	Affirmed
Unenhanced Rating	AA(SPUR)/Stable	Affirmed
New York City GO adj rate		
Long Term Rating	AAA/A-1+	Affirmed
Unenhanced Rating	AA(SPUR)/Stable	Affirmed
New York City GO bnds ser 2016 C due 08/01/2035		
Long Term Rating	AA/Stable	Affirmed
New York City GO bnds ser 2016 D due 08/01/2035		
Long Term Rating	AA/Stable	Affirmed
New York City GO bnds subseries 2014 I-1		
Long Term Rating	AA/Stable	Affirmed
New York City GO bnds subser J-8 ser 2008 J dtd 04/01/2008 rmktd 03/19/2013 due 08/01/2021		
Long Term Rating	AA/A-1/Stable	Affirmed
New York City GO bnds tax-exempt ser fiscal 1997 Ser E&F dtd 11/21/1996 due 08/01/2000-2013 2016 2024 2026		
Unenhanced Rating	AA(SPUR)/Stable	Affirmed

Ratings Detail (As Of May 13, 2016) (cont.)		
New York City GO bnds, fiscal 2015 series F Subser F-6 due 06/01/2044		
Long Term Rating	AA/A-1/Stable	Affirmed
New York City GO bnds, fiscal 2015 F Subser F-5 due 06/01/2044		
Long Term Rating	AA/A-2/Stable	Affirmed
New York City GO rmktd to index rate FRN bnds		
Long Term Rating	AA/Stable	Affirmed
New York City GO to index rate bnds FRN		
Long Term Rating	AA/Stable	Affirmed
New York City GO var rate dem bnds		
Long Term Rating	AAA/A-1+	Affirmed
Unenhanced Rating	AA(SPUR)/Stable	Affirmed
New York City GO var rate dem bnds subseries J-3 ser 2008J dtd 04/01/2008 due 08/01/2023		
Long Term Rating	AA/A-2/Stable	Affirmed
Unenhanced Rating	NR(SPUR)	
New York City GO VRDB fiscal 2006 subser I-6		
Long Term Rating	AAA/A-1+	Affirmed
Unenhanced Rating	AA(SPUR)/Stable	Affirmed
New York City GO (wrap of insured) (MBIA) (AGM) (SEC MKT)		
Unenhanced Rating	AA(SPUR)/Stable	Affirmed
New York City GO (ASSURED GTY) (SEC MKT)		
Unenhanced Rating	AA(SPUR)/Stable	Affirmed
New York City GO (ASSURED) (MBIA)		
Unenhanced Rating	AA(SPUR)/Stable	Affirmed
New York City GO (Fiscal 1996) Subser J-1 (AGM)		
Unenhanced Rating	AA(SPUR)/Stable	Affirmed
New York City GO (MBIA) (National)		
Unenhanced Rating	AA(SPUR)/Stable	Affirmed
New York City GO		
Long Term Rating	AA/Stable	Affirmed
New York City GO		
Long Term Rating	AA/A-1+/Stable	Affirmed
New York City GO		
Long Term Rating	AA/A-1+/Stable	Affirmed
New York City GO		
Long Term Rating	AA/Stable	Affirmed
Unenhanced Rating	NR(SPUR)	
New York City GO		
Long Term Rating	AA/A-1/Stable	Affirmed
New York City GO		
Long Term Rating	AA/A-1/Stable	Affirmed

Ratings Detail (As Of May 13, 2016) (cont.)		
New York City GO		
Long Term Rating	AA/A-1/Stable	Affirmed
New York City GO		
Long Term Rating	AA/A-1/Stable	Affirmed
New York City GO		
Long Term Rating	AA/A-2/Stable	Affirmed
New York City GO		
Long Term Rating	AA/A-1/Stable	Affirmed
New York City GO		
Long Term Rating	AA/A-1/Stable	Affirmed
New York City GO		
Long Term Rating	AA/Stable	Affirmed
Unenhanced Rating	NR(SPUR)	
New York City GO		
Long Term Rating	AA/Stable	Affirmed
New York City GO		
Long Term Rating	AA/A-1/Stable	Affirmed
New York City GO		
Long Term Rating	AA/Stable	Affirmed
New York City GO		
Long Term Rating	AA/Stable	Affirmed
New York City GO		
Long Term Rating	AA/A-1/Stable	Affirmed
New York City GO		
Long Term Rating	AA/Stable	Affirmed
New York City GO		
Long Term Rating	AA/A-1+/Stable	Affirmed
New York City GO		
Long Term Rating	AA/Stable	Affirmed
New York City GO		
Long Term Rating	AA/Stable	Affirmed
New York City GO		
Unenhanced Rating	AA(SPUR)/Stable	Affirmed
New York City GO		
Long Term Rating	AA/Stable	Affirmed
New York City GO		
Long Term Rating	AA/Stable	Affirmed
New York City GO		
Long Term Rating	AA/Stable	Affirmed

Ratings Detail (As Of May 13, 2016) (cont.)		
New York City GO		
Long Term Rating	AA/Stable	Affirmed
New York City GO		
Long Term Rating	AA/Stable	Affirmed
New York City GO		
Long Term Rating	AA/Stable	Affirmed
New York City GO		
Long Term Rating	AA/Stable	Affirmed
New York City GO		
Unenhanced Rating	AA(SPUR)/Stable	Affirmed
New York City JOINTCRIT		
Long Term Rating	AAA/A-1	Affirmed
Unenhanced Rating	AA(SPUR)/Stable	Affirmed
New York City JOINTCRIT		
Long Term Rating	AAA/A-1	Affirmed
Unenhanced Rating	AA(SPUR)/Stable	Affirmed
New York City JOINTCRIT		
Long Term Rating	AAA/A-1	Affirmed
Unenhanced Rating	AA(SPUR)/Stable	Affirmed
New York City JOINTCRIT		
Long Term Rating	AAA/A-1	Affirmed
Unenhanced Rating	AA(SPUR)/Stable	Affirmed
New York City JOINTCRIT		
Long Term Rating	AAA/A-1+	Affirmed
Unenhanced Rating	AA(SPUR)/Stable	Affirmed
New York City JOINTCRIT		
Long Term Rating	AAA/A-1	Affirmed
Unenhanced Rating	AA(SPUR)/Stable	Affirmed
New York City JOINTCRIT		
Long Term Rating	AAA/A-1+	Affirmed
Unenhanced Rating	AA(SPUR)/Stable	Affirmed
New York City JOINTCRIT		
Long Term Rating	AAA/A-1	Affirmed
Unenhanced Rating	AA(SPUR)/Stable	Affirmed
New York City JOINTCRIT		
Long Term Rating	AAA/A-1	Affirmed
Unenhanced Rating	AA(SPUR)/Stable	Affirmed
New York City JOINTCRIT		
Long Term Rating	AAA/A-1	Affirmed
Unenhanced Rating	AA(SPUR)/Stable	Affirmed

Ratings Detail (As Of May 13, 2016) (cont.)		
New York City JOINTCRIT		
Long Term Rating	AAA/A-1	Affirmed
Unenhanced Rating	AA(SPUR)/Stable	Affirmed
New York City JOINTCRIT		
Long Term Rating	AAA/A-1	Affirmed
Unenhanced Rating	AA(SPUR)/Stable	Affirmed
New York City JOINTCRIT		
Long Term Rating	AAA/A-1	Affirmed
Unenhanced Rating	AA(SPUR)/Stable	Affirmed
New York City JOINTCRIT		
Long Term Rating	AAA/A-1	Affirmed
Unenhanced Rating	AA(SPUR)/Stable	Affirmed
New York City JOINTCRIT		
Long Term Rating	AAA/A-1+	Affirmed
Unenhanced Rating	AA(SPUR)/Stable	Affirmed
New York City JOINTCRIT		
Long Term Rating	AAA/A-1+	Affirmed
Unenhanced Rating	AA(SPUR)/Stable	Affirmed
New York City JOINTCRIT		
Long Term Rating	AAA/A-1	Affirmed
Unenhanced Rating	AA(SPUR)/Stable	Affirmed
New York City JOINTCRIT		
Long Term Rating	AAA/A-1+	Affirmed
Unenhanced Rating	AA(SPUR)/Stable	Affirmed
New York City adj rate fiscal 94 ser H subser H-3 dtd		
Unenhanced Rating	AA(SPUR)/Stable	Affirmed
Long Term Rating	AA/A-1+/Stable	Affirmed
New York City rev bnds ser 2012 A-4		
Unenhanced Rating	AA(SPUR)/Stable	Affirmed
Long Term Rating	AAA/A-1	Affirmed
New York City GO		
Unenhanced Rating	NR(SPUR)	
New York City GO adj rate		
Unenhanced Rating	AA(SPUR)/Stable	Affirmed
New York City GO VRDB subser J-5 ser 2008J		
Long Term Rating	AA/A-1/Stable	Affirmed
New York City GO (CIFG)		
Unenhanced Rating	AA(SPUR)/Stable	Affirmed

Ratings Detail (As Of May 13, 2016) (cont.)		
Dorm Auth of the St of New York, New York		
New York City, New York		
New York State Dorm Auth (New York City) court fac		
Long Term Rating	AA-/NR	Affirmed
Unenhanced Rating	AA-(SPUR)/Stable	Affirmed
New York State Dorm Auth (New York City) lse rev bnds (Mun Hlth Facs Imp Prog)		
Long Term Rating	AA-/Stable	Affirmed
New York State Dorm Auth (New York City) mun hlth		
Long Term Rating	AA-/Stable	Affirmed
New York St Dorm Auth (New York City) court facs lse (The City Of New York Issue) (wrap of insured) (AMBAC & BHAC) (SEC MKT)		
Unenhanced Rating	AA-(SPUR)/Stable	Affirmed
New York St Dorm Auth (New York City) lse (Mun Hlth Facs Imp Prog) (BHAC) (SEC MKT)		
Unenhanced Rating	AA-(SPUR)/Stable	Affirmed
DASNY (New York City) (Court Fac Prog)		
Long Term Rating	AA-/Stable	Affirmed
New York St Dorm Auth (NYC) court fac ser 1999 & 2005		
Unenhanced Rating	AA-(SPUR)/Stable	Affirmed
New York St Dorm Auth (NYC) (Mun Hlth Fac Imp Prog)		
Unenhanced Rating	AA-(SPUR)/Stable	Affirmed
New York City Educl Const Fd, New York		
New York City, New York		
New York City Educl Const Fd (New York City)		
Long Term Rating	AA-/Stable	Affirmed
New York City Educl Const Fd (New York City) rev bnds (New York City) ser 2007A 01/18/2007 due 04/01/2009-2026 2031 2037		
Unenhanced Rating	AA-(SPUR)/Stable	Affirmed
New York City Educl Const Fd (New York City) rev bnds (New York City) ser 2007A 01/18/2007 due 04/01/2009-2026 2031 2037		
Unenhanced Rating	AA-(SPUR)/Stable	Affirmed
New York City Educl Const Fd (New York City) APPROP		
Long Term Rating	AA-/Stable	Affirmed
New York City Hlth & Hosp Corp, New York		
New York City, New York		
New York City Health & Hospital Corporation (New York City) hlth sys - 2008B		
Long Term Rating	AAA/A-1+	Affirmed
Unenhanced Rating	A+(SPUR)/Stable	Affirmed
New York City Health & Hospital Corporation (New York City) hlth sys - 2008C		
Long Term Rating	AAA/A-1+	Affirmed
Unenhanced Rating	A+(SPUR)/Stable	Affirmed
New York City Health & Hospital Corporation (New York City) hlth sys - 2008D		
Long Term Rating	AAA/A-1	Affirmed
Unenhanced Rating	A+(SPUR)/Stable	Affirmed

Ratings Detail (As Of May 13, 2016) (cont.)		
New York City Health & Hospital Corporation (New York City) hlth sys - 2008E		
Long Term Rating	AAA/A-1	Affirmed
Unenhanced Rating	A+(SPUR)/Stable	Affirmed
New York City Hlth & Hosp Corp (New York City) hlth sys		
Long Term Rating	A+/Stable	Affirmed
New York City Hlth & Hosp Corp (New York City) hlth sys (AGM) (SEC MKT)		
Unenhanced Rating	A+(SPUR)/Stable	Affirmed
New York City Hlth & Hosp Corp (New York City) GO rev bnds		
Long Term Rating	A+/Stable	Affirmed
New York City Hlth & Hosp Corp (New York City) hlth sys bnds & var rate		
Unenhanced Rating	A+(SPUR)/Stable	Affirmed
New York City Indl Dev Agy, New York		
New York City, New York		
New York City Industrial Development Agency (NYC-New York Stock Exchange Proj)		
Long Term Rating	AA-/Stable	Affirmed
Many issues are enhanced by bond insurance.		

Certain terms used in this report, particularly certain adjectives used to express our view on rating relevant factors, have specific meanings ascribed to them in our criteria, and should therefore be read in conjunction with such criteria. Please see Ratings Criteria at www.standardandpoors.com for further information. Complete ratings information is available to subscribers of RatingsDirect at www.globalcreditportal.com. All ratings affected by this rating action can be found on the S&P Global Ratings public website at www.standardandpoors.com. Use the Ratings search box located in the left column.