



NEW YORK CITY COUNCIL FINANCE DIVISION

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**NOTE ON THE FISCAL 2023 EXECUTIVE BUDGET FOR THE
DEPARTMENT OF FINANCE**

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On April 26, 2022, the Administration released the Executive Financial Plan for Fiscal 2022-2026 (Executive Plan) with a proposed budget for Fiscal 2023 of \$99.7 billion. The Department of Finance (DOF) Fiscal 2023 budget totals \$341.7 million and represents less than one percent of the City’s Executive Fiscal 2023 Budget. This Note provides a summary of the changes in the Executive Financial Plan for DOF.

For additional information on the DOF’s budget and its various programs, please refer to the Fiscal 2023 Preliminary Budget Report for DOF at:

<https://council.nyc.gov/budget/wp-content/uploads/sites/54/2022/03/836-DOF-1.pdf>

DOF’s Executive Plan Overview

DOF’s Fiscal 2023 budget totals \$341.7 million, including \$183.5 million for Personal Services (PS) to support a budgeted headcount of 1,992 positions and \$158.2 million for Other Than Personal Services (OTPS) costs. The DOF’s Fiscal 2023 budget in the Executive Plan is approximately \$2.4 million greater than its Fiscal 2022 Adopted Budget. This increase is primarily due to an increase of \$6.1 million in the Finance Information Technology and \$1.8 million in the Civil Enforcement program areas, however, this funding was added in the Preliminary Plan, not the Executive Plan, and was further offset by reductions in the Executive Plan.

DOF’s Fiscal 2022 budget in the Executive Plan is \$327.7 million, a \$11.7 million decrease, or nearly three percent less than the Department’s budget at adoption. This decrease is primarily due to anticipated savings associated with a lease re-adjustment, a reduction in vehicle bootings, and Personal Services re-estimates.

Department of Finance Financial Summary						
<i>Dollars in Thousands</i>						
	2020	2021	2022	Executive Plan		*Difference
	Actual	Actual	Adopted	2022	2023	2022-2023
Spending						
Personal Services	\$176,550	\$172,710	\$178,746	\$168,953	\$183,464	\$4,719
Other Than Personal Services	133,544	128,356	160,475	158,746	158,188	(2,287)
TOTAL	\$310,094	\$301,066	\$339,221	\$327,700	\$341,652	\$2,431
Budget by Program Area						
Administration	\$69,285	\$73,170	\$83,289	\$75,419	\$74,389	(\$8,900)
Audit	23,596	22,920	25,362	21,439	23,412	(1,950)
Civil Enforcement	39,435	30,020	45,481	44,853	47,387	1,906
Collections	14,065	16,490	22,572	22,226	22,411	(161)
Communications & Governmental Services	4,259	3,812	4,132	4,259	3,821	(310)
Financial Plan Savings	0	0	(8,584)	(10,006)	1,037	9,622
FIT(Finance Information Technology)	62,234	59,467	57,316	65,624	63,338	6,022
Legal & Adjudications	17,228	15,283	21,331	17,036	18,760	(2,571)
NYCSERV Contract Funding	2,605	1,708	3,356	4,908	3,498	142
Payment Ops & Application Processing	18,154	17,139	20,480	18,910	19,269	(1,210)
Property Records	6,015	6,133	5,652	5,857	5,734	82
Treasury	23,506	26,950	27,288	26,696	27,290	2
Valuing Property	29,711	27,975	31,547	30,479	31,305	(242)
TOTAL	\$310,094	\$301,066	\$339,221	\$327,700	\$341,652	\$2,431
Funding						
City Funds			\$333,928	\$321,952	\$336,100	\$2,172
Other Categorical			0	0	0	0
Capital- IFA			0	0	0	0
State			438	513	438	0
Federal - Other			0	154	0	0
Intra City			4,855	5,082	5,115	259
TOTAL	\$310,094	\$301,066	\$339,221	\$327,700	\$341,652	\$2,431
Budgeted Headcount						
Full-Time Positions - Civilian	1,996	1,906	2,109	1,992	1,992	(117)
TOTAL	1,996	1,906	2,109	1,992	1,992	(117)

*The difference of Fiscal 2022 Adopted Budget compared to Fiscal 2023 Executive Budget

Executive Plan Changes

Changes introduced in the Executive Plan include Other Adjustments of \$5.2 million in Fiscal 2022 and \$6.3 million in Fiscal 2023, as well as a savings of \$3.5 million in Fiscal 2022 and \$1 million in Fiscal 2023 as part of the citywide Program to Eliminate the Gap (PEG) savings plan. There were no new needs included in the Executive Plan for DOF. The following are the major financial plan actions included in the Executive Plan for DOF.

Other Adjustments

- **Heat Light and Power.** Due to re-estimates, the Executive Plan includes additional \$98,000 in Fiscal 2022 and \$291,000 in Fiscal 2023 and in the outyears for costs associated with heat, light, and power.
- **Lease Adjustment.** Due to a re-estimate, the Executive Plan includes savings of \$6.7 million in Fiscal 2022, and \$7.2 million in Fiscal 2023 and in the outyears for lease costs.
- **Marshal Booting Reduction.** The Executive Plan anticipates a contract savings of \$5.5 million in Fiscal 2022 only due reduction in vehicle bootings.

Program to Eliminate the Gap (PEG)

- **Less than Anticipated PS Spending.** The Executive Plan includes a reduction of \$3.5 million in Fiscal 2022 only due to less than anticipated Personal Services (PS) spending.
- **Automation Efficiency.** The Department of Finance will realize savings from a data input contract used for handwritten ticketing due to implementation of handheld ticketing devices at the Department of Sanitation. As such, DOF anticipates a savings of \$1 million in Fiscal 2023 and in the outyears.

Appendix: Budget Actions Since Fiscal 2022 Adoption

<i>Dollars in Thousands</i>	FY22			FY23		
	City	Non-City	Total	City	Non-City	Total
DOF Budget as of the Adopted FY22 Budget	\$333,928	\$5,294	\$339,222	\$329,805	\$5,294	\$335,099
New Needs -Nov. 22 Plan						
Vaccine Incentive	\$55	\$0	\$55	\$0	\$0	\$0
Business and Property Tax System Support	3,419	0	3,419	6,838	0	6,838
Cybersecurity Tools	2,093	0	2,093	938	0	938
Digital Tax Map	1,037	0	1,037	609	0	609
Electronic Monitoring	4,284	0	4,284	4,186	0	4,186
Subtotal, New Needs - Nov 22 Plan	\$10,888	\$0	\$10,888	\$12,571	\$0	\$12,571
New Needs - FY23 Prelim Plan						
BQE Enforcement	\$212	\$0	\$212	\$586	\$0	\$586
Vaccine Incentive	1	0	1	0	0	0
Subtotal, New Needs - FY23 Prelim Plan	\$213	\$0	\$213	\$586	\$0	\$586
Other Adjustments – Nov 22 Plan						
Collective Bargaining	\$1,812	\$246	\$2,058	\$1,824	\$246	\$2,070
FY22 GRIMF Revenue	0	75	75	0	0	0
Lease Adjustment	(1,500)	0	(1,500)	0	0	0
Personal Services Savings	(4,456)	0	(4,456)	0	0	0
Subtotal, Other Adjustments - Nov 22 Plan	(\$4,144)	\$321	(\$3,823)	\$1,824	\$246	\$2,070
PEGs - FY23 Prelim Plan						
Lease Savings	(\$3,000)	\$0	(\$3,000)	\$0	\$0	\$0
Lease Savings - Intra City	(2,000)	0	(2,000)	0	0	0
Vacancy Reduction	(5,189)	(32)	(5,221)	(1,322)	(8)	(1,330)
Subtotal, PEGS FY23 Prelim Plan	(\$10,189)	(\$32)	(\$10,221)	(\$1,322)	(\$8)	(\$1,330)
TOTAL, All Changes	(\$3,232)	\$289	(\$2,943)	\$13,659	\$238	\$13,897
DOF Budget as of the Preliminary FY23 Budget	\$330,696	\$5,583	\$336,392	\$343,464	\$5,532	\$348,994
Other Adjustments – FY23 Executive Plan						
Deputy Sheriffs Collective Bargaining Agreement	\$45	0	\$45	\$83	0	\$83
Deputy Sheriffs Collective Bargaining Agreement – IC	0	12	12	0	22	22
DOTAFFSHeriff	0	154	154	0	0	0
Heat, Light, and Power	98	0	98	291	0	291
Lease Adjustment	0	0	0	(6,737)	0	(6,737)
Marshal Booting Reduction	(5,500)	0	(5,500)	0	0	0
Subtotal, Other Adjustments - Nov 22 Plan	(\$5,357)	\$166	(\$5,191)	(\$6,363)	\$22	(\$6,341)
PEGs - FY23 Executive Plan						
Automation Efficiency	\$0	\$0	\$0	(\$1,000)	\$0	(\$1,000)
PS Re-estimate	(3,500)	0	(3,500)	0	0	0
Subtotal, PEGS FY23 Executive Plan	(\$3,500)	\$0	(\$3,500)	(\$1,000)	\$0	(\$1,000)
TOTAL, All Changes	(\$8,589)	\$166	(\$8,691)	(\$7,363)	\$22	(\$7,341)
DOF Budget as of the Executive FY23 Budget	\$322,107	\$5,749	\$327,700	\$336,101	\$5,554	\$341,652