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**Report to the Committee on Finance
on the Fiscal 2023 November Plan**

December 8, 2022



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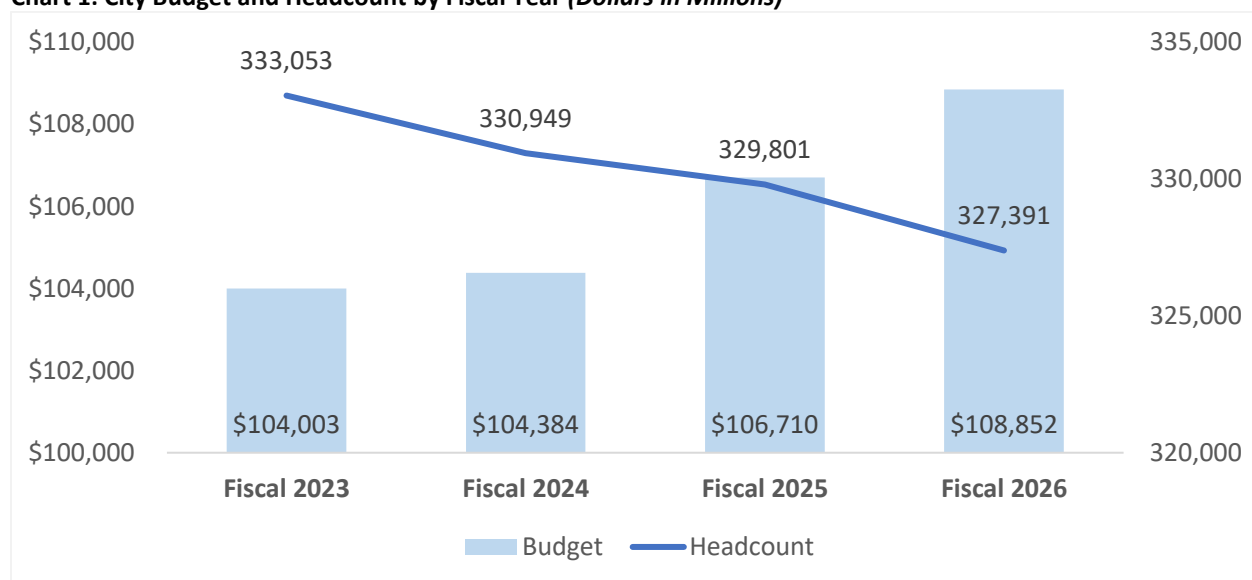
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Financial Plan Overview

On November 15, 2022, the Office of Management and Budget (OMB) released an update to the City's Financial Plan (November Plan or Plan).¹ The changes introduced in the Plan are primarily the result of the funding of the prior year's pension investment return shortfall partially offset by a Program to Eliminate the Gap (PEG) totaling \$2.5 billion across the first two years of the Plan and \$5.5 billion across the entire plan period. In the Plan the Fiscal 2023 Budget increases to \$104 billion, while the Fiscal 2024 gap is reduced by \$1.3 billion to \$2.9 billion.

Changes affecting headcount in the Plan reduce the City's total budgeted headcount by 684 positions compared to the Adopted Budget released in June, bringing it to 333,053 positions (full time and full-time equivalent positions).

Chart 1: City Budget and Headcount by Fiscal Year (Dollars in Millions)



Source: OMB, "November 2022 Financial Plan, Fiscal Years 2023-2026"

Financial Plan Summary

The November Plan includes budgeted spending of \$104 billion for Fiscal 2023, up from \$101.1 billion at adoption. This increase was driven solely by new spending supported by Federal and State aid. As required by the City's Charter, the Financial Plan remains balanced for the current fiscal year, though budget gaps do remain for the outyears. Actions taken in the November Plan narrowed the budget gap for Fiscal 2024 by \$1.3 billion, while those for Fiscal 2025 and Fiscal 2026 increased the gap by \$866 million and \$1.9 billion, respectively. The increased gaps are primarily the product of increased agency spending and contributions to the pension fund in the outyears presented in the November Plan.

Expenditures in the Plan increase at a faster rate than revenue over the plan period, resulting in outyear gaps. The Financial Plan includes \$5.4 billion of prior year resources to support Fiscal 2023 expenses, and approximately \$705 million of prior year resources being used to support

¹Financial Plan and Related Documents: <https://www.nyc.gov/site/omb/publications/finplan11-22.page>

Fiscal 2024. The table below shows budgeted revenues and expenditures from Fiscal 2023 to Fiscal 2026.

	FY23	FY24	FY25	FY26	Average Annual Change
REVENUES					
Taxes	\$67,749	\$68,387	\$70,073	\$71,517	1.8%
Misc Revenues	\$7,480	\$7,296	\$7,299	\$7,315	(0.7%)
Unrestricted Intergovernmental Aid	\$252	-	-	-	
Less: Intra-City and Disallowances	(\$2,158)	(\$1,934)	(\$1,935)	(\$1,933)	(3.5%)
Subtotal, City Funds	\$73,323	\$73,749	\$75,437	\$76,899	1.6%
State Aid	\$16,974	\$16,931	\$17,170	\$17,223	0.5%
Federal Aid	\$11,811	\$9,019	\$7,731	\$7,024	(15.7%)
Other Categorical Grants	\$1,154	\$1,059	\$1,056	\$1,055	(2.9%)
Capital Funds (IFA)	\$741	\$736	\$736	\$736	(0.2%)
TOTAL REVENUES	\$104,003	\$101,494	\$102,130	\$102,937	(0.3%)
EXPENDITURES					
Personal Services	\$53,451	\$54,815	\$56,444	\$58,045	2.8%
Other Than Personal Services (OTPS)	\$48,644	\$42,788	\$42,301	\$42,072	(4.6%)
Debt Service	\$7,655	\$7,955	\$8,435	\$9,203	6.4%
General Reserve	\$1,555	\$1,200	\$1,200	\$1,200	(7.6%)
Capital Stabilization Reserve	\$250	\$250	\$250	\$250	
Less: Intra-City	(\$2,143)	(\$1,919)	(\$1,920)	(\$1,918)	(3.5%)
Spending Before Adjustments	\$109,412	\$105,089	\$106,710	\$108,852	(0.1%)
Surplus Roll Adjustment (Net)	(\$5,409)	(\$705)			
TOTAL EXPENDITURES	\$104,003	\$104,384	\$106,710	\$108,852	1.5%
Gap to be Closed	-	(\$2,890)	(\$4,580)	(\$5,915)	

The November Plan includes \$73.3 billion in city funds in Fiscal 2023, which is unchanged since the Adopted Financial Plan in June. In Fiscal 2024, total city-fund revenues increased by \$61.3 million since the Adopted Financial Plan.

Accounting for all funds, Fiscal 2023 increased by \$2.9 billion compared to the Adopted Financial Plan (June Plan). This change corresponds primarily to an additional \$2.5 billion in federal aid with an assumption that the City will receive federal support of \$1 billion to address the increase in asylum seekers. The Plan also recognizes \$222 million in additional State aid.

The following table displays city-funds revenue and expenditure changes for the five-year plan period between the June and November Plans.

Table 2: November 2022 Financial Plan				
<i>City Funds (Dollars in Millions)</i>				
	FY23	FY24	FY25	FY26
Gap to be closed - June 2022 Financial Plan	0	(\$4,210)	(\$3,714)	(\$3,980)
Revenue Changes				
PEG - Revenue	-	\$61	\$46	\$43
Total Revenue Changes	0	\$61	\$46	\$43
Expense Changes				
Agency Expense Changes	\$211	\$138	\$414	\$416
PEG - Expense	(\$833)	(\$1,437)	(\$1,323)	(\$1,297)
Debt Service	(\$83)	(\$116)	(\$148)	(\$159)
Pensions	-	\$861	\$1,969	\$3,018
Total Expense Changes	(\$705)	(\$554)	\$912	\$1,978
(Gap)/Surplus	\$705	(\$3,595)	(\$4,580)	(\$5,915)
FY22 Prepayment	(\$705)	\$705	-	-
Gap to be closed - November 2022 Financial Plan	0	(\$2,890)	(\$4,580)	(\$5,915)

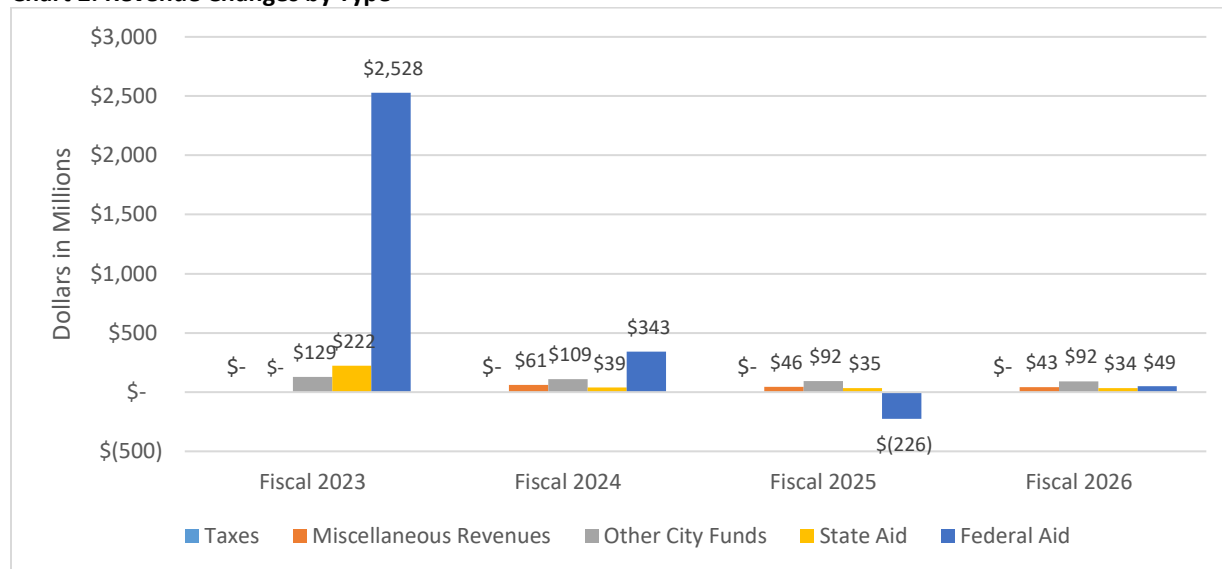
The City did not change its revenue estimates for Fiscal 2023. Spending decreased by \$705 million in Fiscal 2023, primarily the result of the Program to Eliminate the Gap (PEG) savings program (\$833 million reduction) and reductions to debt service (\$83 million reduction). In Fiscal 2024 budgeted spending decreased by \$554 million, primarily the result of additional PEG (\$1.4 billion reduction) and reductions to debt service (\$116 million reduction).

Spending decreases in Fiscal 2023 resulted in an additional \$705 million in the current year surplus. These additional resources, are used to prepay Fiscal 2024 expenses, helping to reduce the budget gap for that year to \$2.9 billion.

Revenue Budget

In the November Plan, revenues for Fiscal 2023 total \$104 billion, 2.8 percent higher than projected in the June Plan, almost entirely the result of the recognition of additional Federal and State aid. Changes to revenues in the out-years of the Plan were much more modest, primarily the result of changes in the timing of Federal COVID-19 aid. The chart below presents the revenue changes in the Plan by fiscal year and revenue type.

Chart 2: Revenue Changes by Type



Source: OMB, “November 2022 Financial Plan, Fiscal Years 2023-2026”.

City tax revenues were unchanged in the November Plan despite year-to-date tax collections through October that are approximately \$1.4 billion higher than expected. The Plan does recognize \$169 million more in miscellaneous revenue in Fiscal 2023, but this was comprised solely of intra-city funds, which reflect inter-agency payments, rather than additional resources available to cover new needs.

The November Plan assumes additional revenue of \$2.5 billion in Fiscal 2023 from the federal government. A large portion of the additional federal revenue in Fiscal 2023 is comprised of \$1 billion in additional federal support for the costs associated with the asylum seekers. Further federal funds stem from an earlier drawdown of COVID-19 related federal relief funds, and the regular recognition of federal grants.

The Plan also includes an additional \$222.1 million in Fiscal 2023 from the State. Most of the additional revenue from State grants in Fiscal 2023 comes from the Hurrell-Harring Settlement Reimbursement, for the cost of public defenders.

Changes in revenues in the outyears of the Plan are minor, typical for the November Plan. Beyond changes in expected timing of the draw-down in Federal aid, the outyears have minor increases in miscellaneous City revenues, mostly related to the implementation of the City’s PEG program.

For additional details of the Revenue Budget, see the “Revenue and Economic Forecast Update” dashboard from the Council Finance Division, released simultaneously with this report.

Budget Reserves

The November Financial Plan includes minor changes to the City’s reserve funds: an additional \$705 million for the Fiscal 2024 Budget Stabilization Account, pushing up reserve levels to \$9.0 billion in the current year as compared to \$8.3 billion in the Adopted budget.

Compared to the close of Fiscal 2022, it may appear that the City has spent a good portion of its reserves, but to a large degree this is an artifact of OMB's budgeting practice. It is typical for reserves to decline at the beginning of a fiscal year, to be replenished as the year progresses. For example, while the City ended Fiscal 2022 with \$12.7 billion in reserves, it only had \$6.1 billion in last year's November Plan. Considering that the City currently has \$2.9 billion more in reserves than it did at this point last year, there is a good chance that the City will end the year with a similar or higher end of the year reserve than it did in Fiscal 2022.

Reserve Components (<i>Dollars in Billions</i>)	Fiscal 2022 (Close)	Fiscal 2023 (Adopt)	Fiscal 2023 (Nov)
Roll/ Budget Stabilization Account	\$6.1	\$-	\$0.705
RHBT	\$4.6	\$4.6	\$4.6
General Reserve	\$-	\$1.5	\$1.5
Rainy Day Fund	\$2.0	\$2.0	\$2.0
Capital Stabilization Reserve	\$-	\$0.250	\$0.250
Total Reserves	\$12.7	\$8.3	\$9.0

Source: New York City Council Finance Division analysis of the Annual Comprehensive Financial Report & OMB November Plan Documents

Note: Fiscal 2022 Close RHBT number is net of a \$792 million temporary deposit that is accounted for the Roll/Budget Stabilization Account

Risks to the Budget

As with most financial plans, the November Plan has a number of external and internal risks that could significantly alter the financial plan outlook. Some of the major risks to the Plan include:

Asylum Seekers: One of the issues that threatens the City's budgetary stability is the influx of new immigrants seeking asylum from Central and South American countries. As of November 29, 2022, over 27,000 asylum seekers had immigrated to New York City, with over 19,000 residing in the City's shelter system. The November Plan includes an additional \$1 billion of federal aid in Fiscal 2023 for the costs related to providing services for the asylum seekers. However, these funds have yet to be allocated by the federal government. The City did not add any funding for the response effort in Fiscal 2024 nor in the remainder of the financial plan period. Moreover, the City's actual spending to date on provision of services for the asylum seekers is unknown. Absent federal action to modify current policies, undocumented individuals are not eligible for most municipal safety net benefit programs and will not receive work authorizations until they receive legal status to remain in the United States. At this time it is unclear how much it would cost the City to address all these issues, and how long the City would bear the costs associated with the asylum seekers.

Collective Bargaining: With most of the City's contracts already expired, the next round of collective bargaining agreements is likely to cost the City hundreds of millions of dollars more than is currently allocated for labor settlements. At Adoption, the Administration added funds to the labor reserve to pay for what it assumed would be a 1.25 percent annual raise in the upcoming agreement. However, given how high inflation has been and the patterns emerging from recent agreements elsewhere, the City's unions are likely to seek significantly higher raises. The Finance Division expects any agreement to at minimum match the patterns set in the contracts signed by 1199, 32BJ and the Civil Services Employees Association, which included 3 percent annual wage increases and a \$3,000 signing bonus. Matching this pattern would cost the City an extra \$1.8 billion in Fiscal 2023, \$1.6 billion in Fiscal 2024, and \$2.4 billion annually in

Fiscal 2025 and 2026. These costs will show up in the financial plan as soon as the City and the unions reach an agreement.

Health Insurance Cost: The rising cost of health insurance is another significant budget risk the City faces going forward. With GHI premiums exceeding HIP premiums in recent years, the City has had to draw down on the Health Insurance Stabilization Fund (HISF) to cover the extra cost from GHI, causing the fund to dry up faster than anticipated. In the past, besides using the HISF to cover any additional costs for GHI premiums, the Administration and the unions have used surpluses from the fund to pay for other benefits provided by the union welfare fund, such as the provision of certain injectable drugs. As a result, the depletion of the fund would jeopardize the City's ability to provide for premium-free health insurance and continuously fund the cost of these other essential employee benefits.

Recently, the Administration attempted to address some of the challenges facing the HISF by proposing implementation of a Medicare Advantage Plan, which would have shifted the cost of supplemental Medicare for retirees to the federal government. The projected savings from the implementation of the Medicare Advantage Plan, \$600 million a year, would have been used to keep the HISF solvent. However, on-going litigation has prevented the Medicare Advantage Plan from being implemented, further jeopardizing the HISF. Without the savings from switching to Medicare Advantage, the Administration would have to find alternative means to address the funding issues facing the HISF. At this time, it is unclear how much it would cost the City to address the HISF's funding issues and how they will affect collective bargaining.

Tax Collections: As noted earlier, Fiscal 2023 tax collections have come in much stronger than OMB expected in the Adopted Budget, with at least \$1.4 billion in additional revenues through October. Much of this higher collections is the result of stronger than expected revenues from the Personal Income and Sales taxes. It has been general OMB practice to conservatively forecast revenues, but then, with the release of mid-year financial plans, recognize the higher collections as they are confirmed. However, in this case, OMB has not recognized any of the increased collections. In addition, Personal Income Tax collections for November were approximately \$376 million above OMB's November Plan. While there is a bit of uncertainty around the interaction of the higher personal income tax collections with the recently created Pass-Through Entity Tax², it is unusual for OMB to not recognize at least some of these stronger tax revenues. As such, there is an upside risk to the budget in tax collections coming in higher than OMB expects.

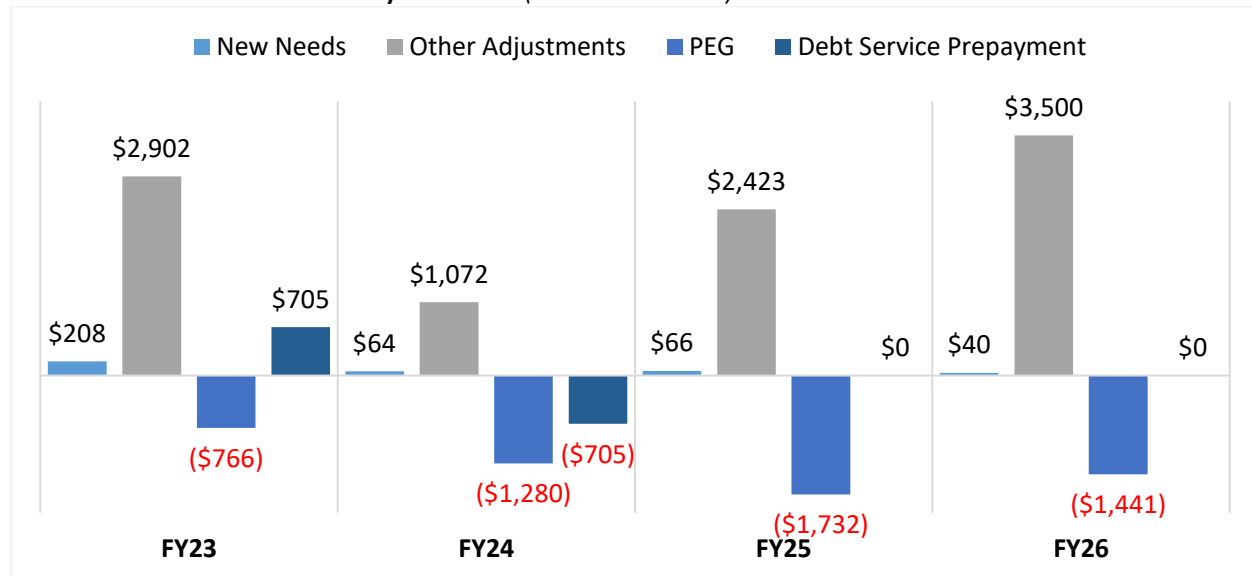
Expenditure Changes

In the November Plan the City's Fiscal 2023 Budget increases to \$104 billion from \$101 billion in the Adopted Budget. The \$3 billion growth in the Plan is attributable to a very small new needs package totaling \$208 million, the recognition of \$2 billion of spending supported with non-City aid, and the prepayment of \$705 million of Fiscal 2024 expenses with Fiscal 2023 resources, offset

² The Pass-through Entity Tax (PTET) was created in 2022 by the State and allows certain taxpayers to pay taxes through this regime and receive a corresponding credit on their Personal Income Tax. Fiscal 2023 represents the first year that PTET revenues will be received so there is some greater than unusual uncertainty around how the PTET and PIT will interact.

slightly by PEG savings. The table below summarizes expenditure changes in the Plan by type - new needs, other adjustments, savings, and debt service prepayment.

Chart 3: November Plan Actions by Fiscal Year (Dollars in Millions)



Source: OMB, “November 2022 Program to Eliminate the Gap (PEG), Fiscal Years 2023-2026”

Over the four years of the Financial Plan period, new needs total \$377.5 million, other adjustments \$4 billion, PEGs total \$5.4 billion, and debt service prepayment lowers Fiscal 2024 spending by \$705 million.

Program to Eliminate the Gap (PEG)

The November Plan includes a Program to Eliminate the Gap (PEG) totaling over \$5 billion for the entire Plan period. Agencies were asked to provide OMB with PEG proposals for each year of the financial plan period. The PEG goal for each agency was 3 percent of city-funded expenditures in Fiscal 2023 and 4.75 percent of city-funded expenditures in each of the remaining years of the Plan.

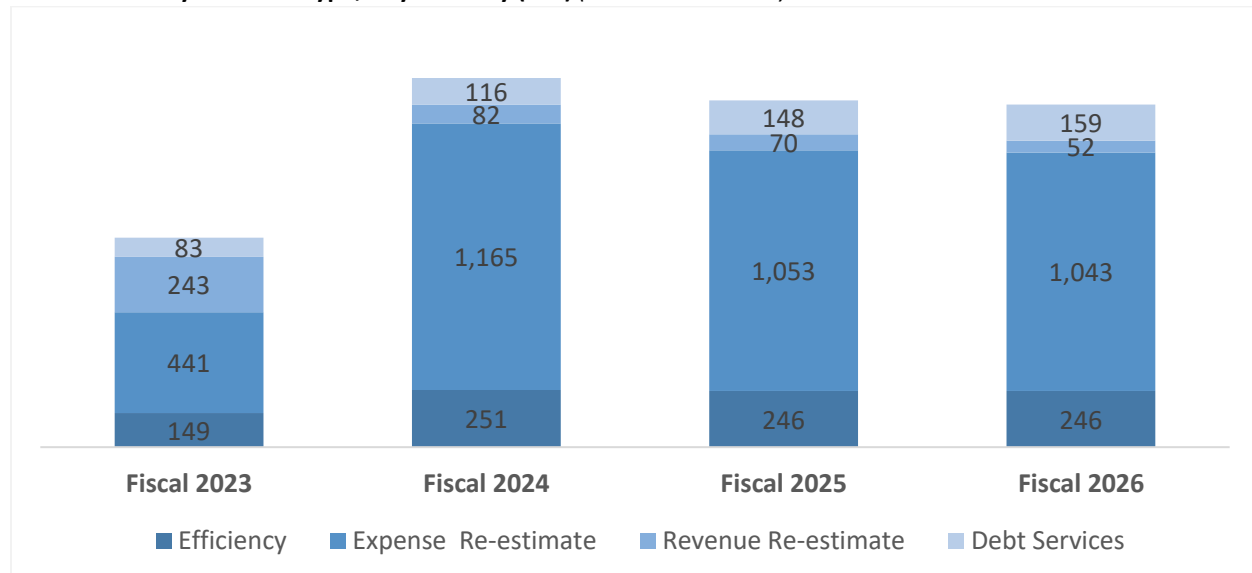
Not all agencies ended up meeting the targets for the PEG. Uniformed agencies, including the New York Police Department (NYPD), Fire Department of the City of New York (FDNY), and Department of Sanitation (DSNY) presented PEGs that did not meet the OMB targeted amount. As displayed in Chart 4, the November Plan Citywide PEG total \$916 million in Fiscal 2023, \$1.55 billion in Fiscal 2024, \$1.47 billion in Fiscal 2025, and \$1.46 billion in Fiscal 2026.

It should be noted that OMB utilized a cost-avoidance offset for certain PEG initiatives, which includes corresponding funding increases that mirror savings identified as PEGs. As a result, some initiatives that appear to reduce the spending effectively have a net-zero impact on expenditures in Fiscal 2023 and the outyears. Examples of the cost-avoidance offset include, operational savings of \$12.2 million for the Department of Correction (DOC), \$27 million for the Fire Department (FDNY), and \$18 million for the Department of Sanitation (DSNY) as well as \$284 million in the Department of Education (DOE) related to the elimination of the 3-K expansion.

PEGs by Type

The majority of PEGs for the first two years of the Plan are due to expense re-estimates, accounting for nearly half of the PEG in Fiscal 2023 and nearly 75 percent in Fiscal 2024.

Chart 4: PEGs by Year and Type, City Tax Levy (CTL) (Dollars in Millions)



Source: OMB, "November 2022 Program to Eliminate the Gap (PEG), Fiscal Years 2023-2026"

Expense Re-estimate. Expense re-estimates include lower than expected spending due to a delay or lower than expected costs. Expense re-estimates make up the largest portion of the PEG across the Plan. In Fiscal 2023, expense re-estimates total \$440.6 million or 48 percent of PEGs, increasing to \$1.2 billion or 72 percent of PEGs in Fiscal 2024.

Revenue Re-estimate. Revenue re-estimates are additional revenue recognized by an agency that did not require active agency efforts. These can include grant claiming that results in a funding shift or an increase in City funds revenue. Revenue re-estimates total \$243.1 million or 27 percent of PEGs in Fiscal 2023, declining to \$81.8 million or 5 percent of the program in Fiscal 2024.

Efficiency. Efficiencies are changes to agency practices that reduce city spending or increase revenues without reducing service levels. This may include lowering spending, optimizing grant claiming, or increasing revenue collection. Savings resulting from efficiencies make up 16 percent of PEGs in the entire Plan, totaling \$149.0 million in Fiscal 2023, growing to \$250.6 million in Fiscal 2024.

Debt Services. The Plan includes savings of \$83.3 million, or 19 percent in Fiscal 2023, growing to \$116.2 million in Fiscal 2024 resulting from refinancing and other actions related to the financing of the City's debt. Part of this reduction is the result of a decrease in the amount of debt the City plans to issue during the Plan Period, resulting from an \$860 million reduction in the City's capital financing plan. The Plan includes \$41.9 billion of new debt issuance, not including \$6.8 billion in borrowing by the New York City Municipal Water Finance Authority (NYW), which is paid through dedicated water and sewer fees.

PEGs by Agencies

The Program to Eliminate the Gap was initiated by the Administration in an effort to lower spending in the current and future fiscal years in order to reduce the size of the budget gap in Fiscal 2024. The PEG in the November Plan has a value of \$826 million in Fiscal 2023, \$1.4 billion in Fiscal 2024, \$1.3 billion in Fiscal 2025, and \$1.3 billion in Fiscal 2026. Most of the PEG value is resultant of actions in three agencies, Human Resources Administration (HRA) including the Department of Homeless Services (DHS), the Department of Education (DOE), and the NYC Police Department (NYPD), as shown in Table 4. In Fiscal 2023, PEGs for these agencies totaled \$423.5 million comprising 46 percent of all PEGs in that year, growing to \$887 million or 55 percent of all PEGs in Fiscal 2024. PEGs resulting from non-agency actions total \$90 million in Fiscal 2023, \$191 million in Fiscal 2024, \$224 million in Fiscal 2025, and \$236 million in Fiscal 2026. These PEG initiatives are comprised of debt services savings of \$83 million in Fiscal 2023 growing to \$159 million in Fiscal 2024, and procurement savings of \$56 million in Fiscal 2024 and out years. Appendix 1 presents the full list of PEGs by agencies, while this section provides a review of certain changes by agency.

Table 4: PEG Changes by Agencies, CTL (Dollars in Millions)

Agency	FY23	FY24	FY25	FY26
Department of Education (DOE)	\$154	\$758	\$546	\$546
Human Resources Administration (HRA) + Homeless Services (DHS)	\$201	\$32	\$133	\$133
Debt Service	\$83	\$116	\$148	\$159
Police Department (NYPD)	\$69	\$97	\$54	\$33
Fire Department (FDNY)	\$58	\$81	\$79	\$79
Department of Correction (DOC)	\$55	\$59	\$59	\$59
Procurement Savings	\$0	\$56	\$56	\$56
Miscellaneous	\$7	\$19	\$20	\$21
All Other	\$289	\$395	\$421	\$413
TOTAL	\$916	\$1,614	\$1,517	\$1,499

Source: OMB, "November 2022 Program to Eliminate the Gap (PEG), Fiscal Years 2023-2026"

Department of Education (DOE)

Savings realized from the DOE's portion of the PEG total \$154 million in Fiscal 2023, \$758 million in Fiscal 2024, and \$546 million in each of the outyears. Fiscal 2023 savings are primarily the product of accruals (\$112 million) and a re-estimate of the cost of providing funding for schools to address staffing changes because of the vaccine mandate (\$40 million). Savings in Fiscal 2024 are primarily due to the right sizing of funding for the DOE's Universal 3K program. DOE planned to expand the number of 3K seats by 6,000 in Fiscal 2024, but decided to rescind the increase (a savings of \$568 million) because the current 3K enrollment is only 35,000, out of 55,000 available slots. Additional

Table 5: DOE PEGs FY23 and FY24 (Dollars in Millions)				
PEG Reductions	FY23	FY24	FY25	FY26
3-K Right Sizing	\$0.0	\$567.9	\$0.0	\$0.0
Fringe Adjustment	\$0.0	\$80.0	\$165.0	\$165.0
3-K Cost Avoidance	\$0.0	\$0.0	\$284.0	\$284.0
YMI Funding Adjustment	\$0.1	\$0.4	\$0.4	\$0.4
School Safety Agent Accruals & Fringe	\$23.9	\$13.1	\$0.0	\$0.0
Vaccine Mandate Support Funds	\$40.0	\$97.0	\$97.0	\$97.0
Re-estimate				
Personal Services Adjustment	\$89.8	\$0.0	\$0.0	\$0.0
TOTAL	\$153.8	\$758.4	\$546.4	\$546.4

savings in Fiscal 2024 are the result of vaccine mandate cost savings (\$97 million) and re-estimates of health care costs (\$80 million).

In Fiscal 2025 and 2026, DOE PEGs total \$546 million each year, resulting from Universal 3K cost avoidance related to the prior year's non-expansion of the program (\$284 million), health care costs re-estimates (\$165 million), and vaccine mandate cost re-estimate (\$97 million).

Human Resources Administration (HRA) + Homeless Services (DHS)

The PEGs in the November Plan for HRA and DHS total \$201 million in Fiscal 2023, \$32 million in Fiscal 2024, and \$133 million in Fiscal 2025 and 2026. The Fiscal 2023 PEGs are due to the recognition of prior year federal revenue which was swapped for City funds (\$161 million), an increase in the federally negotiated fringe reimbursement rate (\$19 million), the rightsizing of various program budgets to more closely align with recent actual expenditures (\$17 million), and lease savings (\$4 million). In Fiscal 2024, expense reductions come from an increase in the fringe benefit reimbursement rate (\$19 million), lease savings (\$7 million), and right sizing of program budgets (\$6 million). In Fiscal 2025 and 2026, agency PEGs are comprised primarily of an anticipated increase in federal Medicaid revenue for shelter and service costs (\$120 million), as well as lease savings (\$7 million) and right sizing of program budgets (\$6 million). Notably, no additional federal Medicaid revenue was added to DHS' budget, only the anticipated savings were recognized in the November Plan.

Housing Preservation and Development (HPD) and New York City Housing Authority (NYCHA)

HPD's PEGs (CTL only) total \$20.9 million in Fiscal 2023, \$16.1 million in Fiscal 2024, \$15 million in Fiscal 2025, and \$13.6 million in Fiscal 2026. In Fiscal 2023, \$15.8 million (or 76 percent) is generally associated with ongoing challenges at HPD and NYCHA (which receives pass-through funding via HPD's budget) with staffing and affordable housing development.

The November Plan includes a \$6 million reduction in spending for NYC 15/15 Supportive Housing rental assistance in Fiscal 2023, \$5 million reduction in Fiscal 2024, and decreases of \$2.5 million in Fiscal 2025 and \$1.2 million in Fiscal 2026. These reductions align the budget to slower-than-expected project timelines for supportive housing and longer wait times until the lease goes up. These delays are noteworthy in light of the Administration's plan, announced November 29, 2022, to involuntarily institutionalize those persons deemed to be in "psychiatric crisis". A critical aspect of the Administration's plan is the provision of permanent supportive housing for long-term recovery of those people who were formerly institutionalized. The chances of a successful outcome for those people in psychiatric crisis will decline if there is an absence of permanent supportive housing for long-term recovery. The Fiscal 2023 Adopted Budget included \$24 million for supportive housing rental assistance at HPD. The November Plan PEG is a 25 percent reduction, reducing the program's goal by 125 supportive congregate housing units per year (NYC 15/15 also targets for development 500 units of scatter-site housing through DSS per year). It is possible this PEG could be repeated in future financial plans if supportive housing development is not expedited.

In addition to the reduction in supportive housing rental assistance, HPD's November Plan includes a PEG of \$2.4 million in Fiscal 2023 for positions that have been vacant since the start of the fiscal year, including 77 new positions that were added in the Fiscal 2023 Executive Budget at a cost of more than \$10.6 million. This included six new NYC 15/15 Supportive Housing staff

intended to support program growth, three positions to address the backlog of Section 8 Housing Choice Voucher appeals, and other staff including lead paint remediation, asset management, equal opportunity.

Finally, the Plan includes a PEG of \$7.4 million in Fiscal 2023, \$9.6 million in Fiscal 2024, \$9.5 million in Fiscal 2025, and \$9.4 million in Fiscal 2026 (approximately \$36 million over the Plan) for OTPS costs at NYCHA, of which approximately 85 percent is associated with staffing and operational issues with NYCHA's "Vacant Unit Readiness" program. The program is intended to help prepare and rehabilitate NYCHA units for turnover and placements from DHS shelters, emergency transfers, and NYCHA's general waiting list. However, the program has been challenged by limits to NYCHA's in-house staff capacity. The underperformance issues in the Vacant Unit Readiness program are concerning given the City's lack of affordable housing.

Police Department (NYPD)

The NYPD's PEG in the November Plan includes \$69 million of savings in Fiscal 2023, \$97 million in Fiscal 2024, \$54 million in Fiscal 2025 and \$33 million in Fiscal 2026. For the current fiscal year, savings are primarily the result of less than anticipated personal services spending (\$57 million) and the use of federal grant funds to offset City fringe expenses (\$8 million). Reductions in the outyears are driven by less than anticipated personal services spending.

Department for the Aging (DFTA)

The DFTA's PEG in Fiscal 2023 totals \$10.5 million in city tax levy (CTL) savings. This includes a \$4.3 million reduction in expenditure on case management services, the result of delaying a case management expansion planned in the Fiscal 2023 Executive Budget by 3 months and eliminating \$3 million added in the Fiscal 2023 Adopted Budget. The Council has regularly identified persistent waitlists for full case management assessments as a barrier for older adults, such as those needing homecare services. Currently, there are over 2,000 older adults on the case management waitlist.

New Needs

The November Plan introduces a modest package of new needs across 13 City agencies, totaling \$208 million in Fiscal 2023 and additional headcount of 230 positions. Most new needs in the Plan are funded in Fiscal 2023 only. In the outyears, new needs total \$64 million in Fiscal 2024, \$65 million in Fiscal 2025 and nearly \$40 million in Fiscal 2026. Additional headcount related to new needs increase to 311 in Fiscal 2025 and Fiscal 2026. Appendix 2 presents a breakdown of new needs by agencies. Below we review the most significant new needs by agency.

- **NYC Office of Technology and Innovation (OTI).** The November Plan includes an additional \$52.7 million in Fiscal 2023 and \$27.3 million in Fiscals 2024 and 2025 for OTI. Of this total, \$37 million is added in Fiscal 2023 only for Capital Projects Expense Funding, and \$15.7 million in Fiscal 2023 and \$27.2 million in Fiscals 2024 and 2025 for Big Apple Connect. The City officially launched Big Apple Connect in September 2022 to ensure that NYCHA residents have access to free, fast, reliable, and safe internet.
- **Miscellaneous.** The November Plan includes an additional \$43.2 million in Fiscal 2023, \$13.6 million in Fiscal 2024, \$14.2 million in Fiscal 2025, and \$14.5 million in Fiscal 2026 in the Miscellaneous budget. Of this total, \$35 million was added in Fiscal 2023 only for

the Assigned Counsel Plan, \$6 million was baselined funding for Article 10 Adjustments, and \$2.2 million was added in Fiscal 2023 growing to \$8.5 million in Fiscal 2026 for fringe benefits associated with headcount adjustments.

The Assigned Counsel Plan has provided legal services to indigent persons in the Bronx and New York County Criminal Courts since 1966. The Plan provides compensation to private attorneys for representing indigent clients charged with criminal offenses.

- **NYC Department of Citywide Administrative Services (DCAS).** The November Plan includes an additional \$31.3 million in Fiscal 2023 in DCAS. This includes \$19.6 million for Life and Safety Needs, \$9.4 million for the Nonpublic School Security Guard Reimbursement Program (NPS), \$1.2 million for Uniformed Test Administration, and \$1.2 million for Stockpile storage and surplus disposal.
- **Board of Elections (BOE).** The November Plan includes an additional \$23 million for election funding in Fiscal 2023 only.
- **NYC Taxi and Limousine Commission (TLC).** The November Plan includes an additional \$19.4 million in the TLC's budget for the Medallion Relief Program (MRP). MRP provides debt relief for eligible medallion owners and provides financial assistance and free legal representation to help medallion owners negotiate with lenders to reduce loan balances and lower monthly payments. Medallion owners with five or fewer medallions are eligible to apply for the program.
- **Department of Sanitation (DSNY).** The November Plan includes an additional \$16.7 million in Fiscal 2023 and \$13 million in the outyears for several initiatives. In Fiscal 2023, additions include \$8.5 million for Highway and Pedestrian Space Cleaning, \$3.9 million for Park Perimeter and Greenway Cleaning, \$2.6 million for a Queens Residential Organics Pilot, and \$1.7 million for Illegal Dumping Enforcement. With the exception of the Queens Residential Organics Pilot, which is funded in Fiscal 2023 only, all other initiatives are funded in the outyears.
- **Department of Correction (DOC).** The November Plan includes an additional \$13.2 million in funding for Rikers Island Emergency Work. This additional expense funding is allocated for critical repairs to jail facilities on Rikers Island that are capitally ineligible because the closure of Rikers Island is sooner than the useful life requirements for capital dollars.
- **Department of Education (DOE).** The Plan includes \$3 million in Fiscal 2023 for the cost of converting boiler systems in schools from oil-based to electric. This new need is accompanied by a 21 person headcount increase. In the outyears \$4.8 million was added for this new need.
- **Department of Transportation (DOT).** The November Plan includes an additional \$2.9 million in Fiscal 2023, \$3.5 million in Fiscal 2024, \$4.2 million in Fiscal 2025, and \$4.3 million in Fiscal 2026 for DOT. The funding added in DOT is funding supported by capital dollars via an inter-fund agreement (IFA) for three projects - Environmental Compliance Materials related to Department of Environmental Protection's (DEP) new Unified Stormwater Rule, materials related to street improvement projects funding, and IFA

staffing funding that supports the addition of 47 headcount positions in Fiscal 2023, 69 in Fiscal 2024, and 73 in the outyears.

- **Mayor’s Office of Contract Services (MOCS).** The November Plan includes an additional \$1 million in Fiscal 2023 and the outyears for MOCS to support the project management and quality assurance (PMQA).
- **Department of Health and Mental Hygiene (DOHMH).** The Plan includes \$700,000 in Fiscal 2023, \$933,000 in Fiscal 2024, and nearly \$800,000 in the outyears to support the expansion of the Neighborhood Rat Reduction Program into Harlem. The Neighborhood Rat Reduction Initiative is an effort by the DOHMH and several other City agencies to improve neighborhood sanitation by eliminating the food, water and habitat that rats need to survive.
- **Department of Small Business Services (SBS).** The Plan includes an additional \$525,000 in Fiscal 2023 only for an adjustment of funding for the Young Men’s Initiative (YMI). YMI was created as a public-private partnership to address increasing disparities among black and Latino men between the ages of 16 and 24 in education, employment, health, and justice. This funding supports the partnership between YMI and the Mayor’s Office of Economic Opportunity with SBS to understand the need to support the equitable development of NYC’s emerging cannabis industry.
- **Department of Probation (DOP).** The November Plan includes an additional \$385,000 for DOP to support the Candidate Assessment & Investigation Unit.

Other Adjustments

Most expenditure changes in the Plan are categorized as Other Adjustments, totaling \$9.9 billion across the four years. Other Adjustments increase the budget by \$2.9 billion in Fiscal 2023, \$1 billion in Fiscal 2024, \$2.4 billion in Fiscal 2025 and \$3.5 billion in Fiscal 2026. Across the Plan, most of the Other Adjustments’ growth is associated with increased pension contributions. Additionally, the Administration recognized \$1 billion in federal funding related to the asylum seeker crisis.

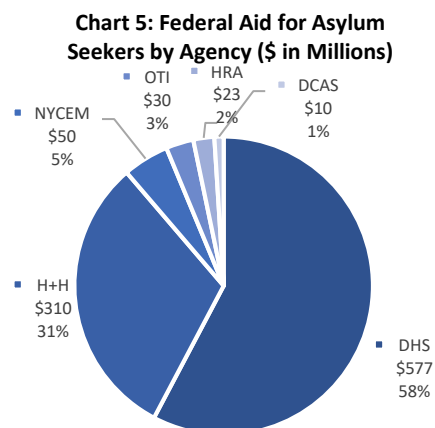
Category	FY23	FY24	FY25	FY26
CDBG	\$137	\$0	\$0	\$0
City	\$7	\$938	\$2,321	\$3,398
Intra –City	\$197	\$2	(\$1)	(\$2)
Other Categorical	\$111	\$35	\$31	\$31
Federal	\$2,233	\$55	\$37	\$37
State	\$217	\$41	\$36	\$36
TOTAL	\$2,902	\$1,072	\$2,423	\$3,500

As shown in Table 6, approximately 62 percent of the expenditure increase in Fiscal 2023 is funded by federal sources, while City funding constitutes the majority of the increase in Fiscal 2024 and outyears. In Fiscal 2025 and 2026, City funding makes up over 95 percent of the increases. Below we outline the major changes.

- **Pensions.** The November Plan includes an additional \$861 million in pension contributions for Fiscal 2024, growing to roughly \$3 billion by Fiscal 2026, to account for the retirement system’s 8.65 percent decrease in return on investments in Fiscal 2022. The City is required to amortize the pension systems’ losses over 15 years, and then

recognize the amortized loss over a 20-year period. The retirement system’s investment returns at the close of Fiscal 2023 will determine the degree to which this level of new funding needs to remain in the Plan.

- Aid for Asylum Seekers.** The November Plan includes an additional \$1 billion in Federal funding in the City’s budget in Fiscal 2023 for costs relating to the City’s response to the asylum seeker crisis. The Administration does not have confirmation of a federal funding source for this \$1 billion. The City is in the process of making the request for support from the Federal government to assist with the fiscal burden of the City’s response efforts. While the Administration is working with federal partners to secure funding, City agencies continue to administer services. Chart 5 presents an agency breakdown of the funding added to the Plan for costs related to provision of services to asylum seekers.



- Opioid Settlement Funds.** The November Plan includes an additional \$30 million of Federal funding in Fiscal 2023 and in the outyears for the costs related to the City’s response to the opioid crisis. Additional funds are provided to: \$14.6 million for DOHMH, \$14.6 million for H+H, and \$800,000 for Office of Chief Medical Examiner (OCME).

Citywide Headcount Changes

The November Plan includes \$53.5 billion in Fiscal 2023 for personal services (PS) costs which includes an additional 292 full-time (FT) positions. Citywide headcount in Fiscal 2023 total 333,053, which includes 306,594 FT positions and 26,459 full-time equivalent (FTE) position. In all other years of the Plan, the budgeted headcount in the November Plan is lower than in the Adopted Plan. Table 7 presents a summary of the headcount changes in the Plan by fiscal year.

The November Plan includes approximately 300 positions resulting from new needs, in each year of the Plan period. The Plan includes an additional \$208 million for these positions beginning in Fiscal 2023. Most of the new need headcount occurs in the DSNY, including 153 positions in Fiscal 2023 and 204 in Fiscal 2024. This includes 76 positions in Fiscal 2023 for the Queens Residential Organics Pilot and 156 positions in Fiscal 2024 for the Highway and Pedestrian Space Cleaning.

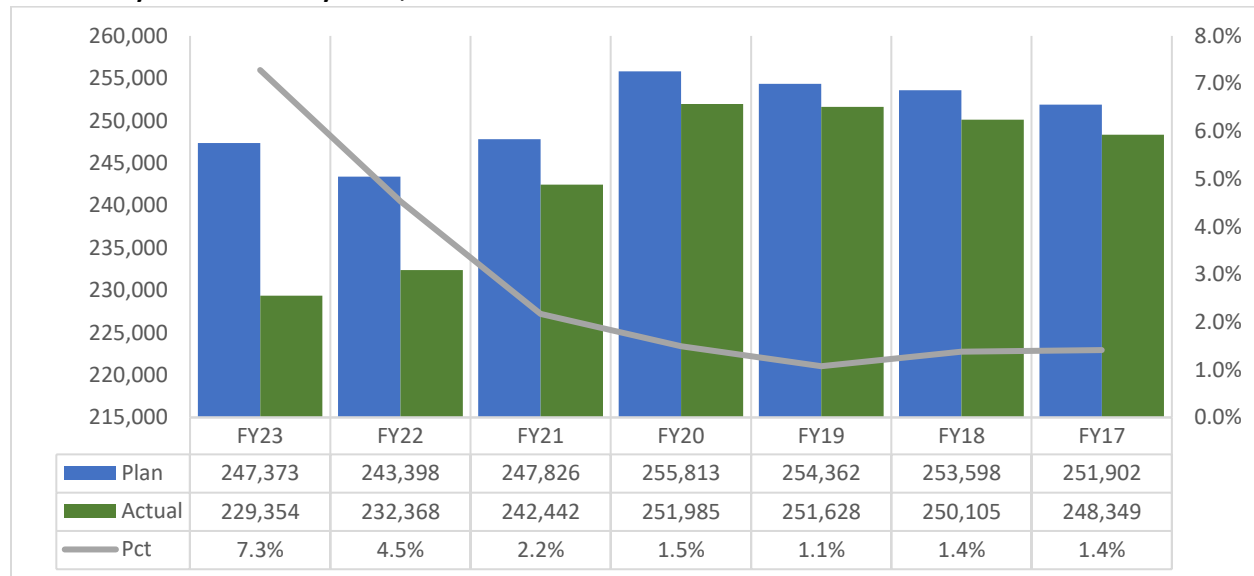
Category	FY23	FY24	FY25	FY26
New Needs	230	307	311	311
Other Adjustments	746	138	(11)	(18)
PEGs	(684)	(2,132)	(2,160)	(703)
TOTAL	292	(1,687)	(1,860)	(410)

Vacancy Rates

On November 21, 2022, OMB sent a letter to all City agencies asking them to present a vacancy reduction plan to help further reduce the Fiscal 2024 budget gap of \$2.9 billion. Agencies were asked to reduce their vacant, City-funded full time civilian positions, along with the associated funding by 50 percent. Additionally, OMB has lifted the current 2 for 1 hiring restriction and

committed to reviewing and approving new hire requests quickly and efficiently. Chart 6 shows the vacancy rates for City funded positions for the last seven fiscal years.

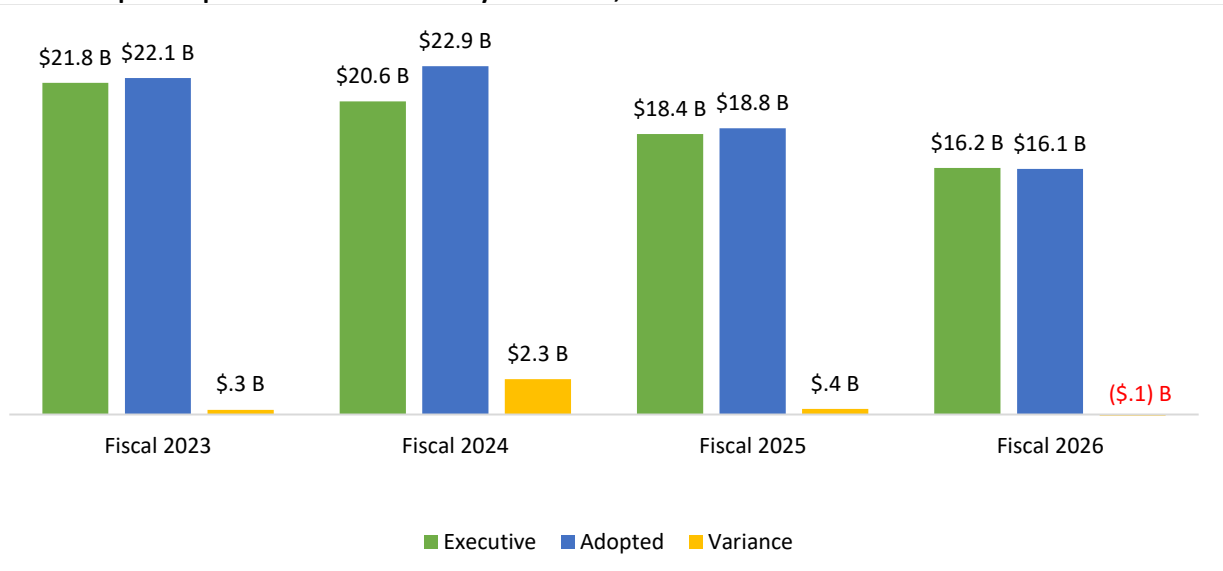
Chart 6: City Funded Vacancy Rates, Fiscal 2017 -2023³



Adopted Capital Commitment Plan for Fiscal 2023-2026

The Adopted Capital Commitment Plan (Adopted Plan), released on September 12, 2022, includes \$80.0 billion (all funds) in planned commitments citywide. This represents an increase of \$2.9 billion from the Executive Capital Commitment Plan total of \$77.0 billion.

Chart 7: Adopted Capital Commitment Plan by Fiscal Year, 2023-2026



The variance from the Executive Capital Commitment Plan is composed mainly of a roll of planned commitments from Fiscal 2022 into Fiscal 2023. Altogether, roughly \$4.9 billion of commitments

³ Fiscal 2023 Actuals are as of October 2022.

originally planned for Fiscal 2022 have been shifted into the four-year Adopted Plan period. New appropriations of roughly \$1.1 billion that were added to the Adopted Capital Budget by the Mayor, City Council, and Borough Presidents also increased planned commitments in the Adopted Plan.

The six agencies broken out in Chart 8, have the largest capital plans over the four-year period and account for roughly 71 percent of the total capital plan for that period.

Chart 8: Adopted Capital Commitment Plan by Agency- FY 2023-2026, Major Agencies

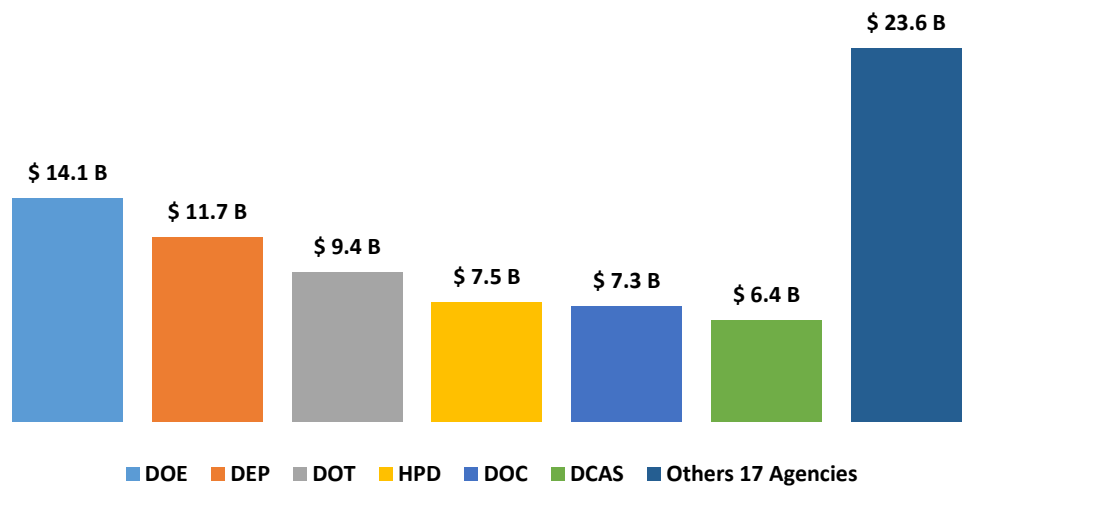


Table 8: Fiscal 2023-2026 Adopted Capital Commitment Plan, Variance by Agency (*Dollars in Millions*)

Agency	Executive Commitment Plan	Adopted Commitment Plan	Variance
DOE	\$13,177	\$14,113	\$936
DEP	\$11,574	\$11,666	\$92
DOT	\$10,354	\$9,410	(\$944)
HPD	\$7,542	\$7,540	(\$2)
DOC	\$7,337	\$7,293	(\$43)
DCAS	\$6,180	\$6,385	\$205
DPR	\$3,621	\$3,566	(\$55)
NYCHA	\$2,466	\$3,165	\$699
MTA	\$1,469	\$3,039	\$1,570
EDC	\$2,472	\$2,769	\$297
H+H	\$2,517	\$2,577	\$60
DSNY	\$1,730	\$1,722	(\$8)
FDNY	\$1,031	\$1,055	\$25
DCLA	\$905	\$952	\$47
NYPD	\$862	\$894	\$32
DOHMH	\$750	\$798	\$48
Courts	\$795	\$655	(\$139)
Libraries	\$588	\$605	\$17
ACS	\$450	\$519	\$69
HRA	\$435	\$488	\$53
CUNY	\$465	\$411	(\$53)
DHS	\$284	\$311	\$26
DFTA	\$33	\$41	\$7
Grand Total	\$77,035	\$79,973	\$2,938

Agencies with Significant Funding Changes

The \$2.9 billion increase in the four-year Adopted Plan occurs across many of the 18,051 capital budget lines. The budget lines which saw the largest change in the Adopted Plan include:

- **DOT: Construction, Reconstruction of Highways, Resurfacing of Streets (\$638.9 Million).**
- **DOT: Improvements to Highway Bridges & Structures, Citywide. (\$376.1 Million).**
- **DOT: Sidewalk Construction (\$251.0 Million).**
- **DOT: Energy Efficiency and Sustainability (\$167.6 Million).**
- **DEP: City Tunnel Number 3, Stage 2 (\$159.7 Million).**
- **DOE: City Council, Section 254 Additions \$244.4 Million.** The Adopted Plan includes an increase of \$244.4 million resulting from additional funds allocated by the City Council to schools, primarily for technology purchases.
- **DOT: Reconstruction of Harlem River Drive Ramp, Bin 2-26724-0, Manhattan (\$261.9 Million).**
- **DOE: Five-Year Educational Facilities Capital Plan (\$485.9 Million).** Primarily the result of the \$399.8 million allocation for the electrification of existing school buildings.
- **NYCHA: Housing Authority City Capital Subsidies (\$548.1 Million).**
- **MTA: Various Transit Authority Projects and Purchases (\$1.5 Billion).**

Appendix 1: PEGs by Agency

City Tax Levy (CTL) Only, Dollars in Thousands

Agency	Fiscal 2023	Fiscal 2024	Fiscal 2025	Fiscal 2026
Admin For Children's Services	\$30,626	\$41,954	\$41,954	\$41,954
Board Of Correction	\$257	\$43	\$43	\$43
Borough President - Brooklyn	\$1	\$4	\$4	\$4
Borough President - Manhattan	\$1	\$4	\$4	\$4
Borough President Bronx	\$1	\$4	\$4	\$4
Borough President Staten Island	\$0	\$0	\$0	\$0
Brooklyn Public Library	\$3,758	\$5,678	\$5,678	\$5,678
Business Integrity Commission	\$281	\$449	\$449	\$449
Campaign Finance Board	\$2,401	\$712	\$712	\$712
City Clerk	\$217	\$250	\$281	\$281
City University	\$13,700	\$19,650	\$19,650	\$19,650
Civil Service Commission	\$35	\$56	\$56	\$56
Civilian Complaint Review Bd	\$702	\$1,136	\$1,136	\$1,136
Commission On Human Rights	\$459	\$732	\$732	\$732
Conflicts Of Interest Board	\$43	\$1	\$1	\$1
Department For The Aging	\$10,500	\$15,713	\$15,720	\$15,713
Department of Buildings	\$7,229	\$9,951	\$9,851	\$9,851
Department of City Planning	\$4,351	\$554	\$704	\$861
Department of Consumer And Worker Protection	\$1,489	\$1,016	\$1,016	\$1,016
Department of Correction	\$54,641	\$58,922	\$58,922	\$58,922
Department of Cultural Affairs	\$1,500	\$1	\$1	\$1
Department of Education	\$153,766	\$758,442	\$546,382	\$546,382
Department of Emergency Management	\$1,172	\$1,631	\$1,631	\$1,631
Department of Finance	\$233	\$1,123	\$5,988	\$5,988
Department of Health And Mental Hygiene	\$34,892	\$36,452	\$41,600	\$39,874
Department of Investigation	\$1,414	\$2,108	\$2,108	\$2,108
Department of Probation	\$3,887	\$4,047	\$4,721	\$4,721
Department of Sanitation	\$22,060	\$24,971	\$24,971	\$24,971
Department of Social Services	\$201,019	\$31,932	\$13,432	\$13,432
Department of Transportation	\$74	\$16,624	\$19,391	\$22,103
Department of Veterans' Services	\$176	\$281	\$281	\$281
Dept of Small Business Services	\$5,053	\$4,004	\$35,390	\$3,503
Dept of Citywide Admin Servs	\$20,709	\$3,671	\$7,339	\$6,439
Dept of Design & Construction	\$1,410	\$1,010	\$1,010	\$1,010
Dept of Homeless Services	\$67	\$200	\$119,800	\$119,800
Dept of Info Tech & Telecomm	\$11,454	\$10,711	\$1,864	\$29,118
Dept of Parks And Recreation	\$15,098	\$23,060	\$23,060	\$23,060
Dept of Youth & Community Dev	\$26,786	\$35,447	\$35,447	\$35,447
Dept Records + Information Svs	\$497	\$840	\$840	\$840
District Attorney Bronx Co.	\$0	\$0	\$0	\$0
Equal Employ Practices Commission	\$104	\$0	\$0	\$0
Financial Info Services Agency	\$6	\$18	\$18	\$18
Fire Department	\$58,465	\$81,446	\$78,579	\$78,579
Debt Service	\$83,298	\$116,164	\$147,652	\$158,593
Health + Hospitals	\$14,094	\$18,595	\$20,581	\$20,581
Housing Preservation and Development	\$20,899	\$16,136	\$15,044	\$13,630
Landmarks Preservation Comm.	\$1	\$3	\$3	\$3

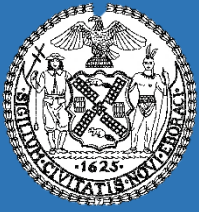
City Tax Levy (CTL) Only, Dollars in Thousands

Agency	Fiscal 2023	Fiscal 2024	Fiscal 2025	Fiscal 2026
Law Department	\$8,183	\$11,098	\$11,098	\$11,134
Mayoralty	\$7,550	\$5,618	\$7,413	\$7,413
Miscellaneous	\$7,312	\$18,944	\$19,760	\$20,528
New York Public Library	\$4,976	\$7,504	\$7,504	\$7,504
New York Research Library	\$951	\$1,452	\$1,452	\$1,452
NYC Taxi And Limousine Commission	\$1,647	\$81	\$81	\$81
Office of Collective Bargaining	\$0	\$1	\$1	\$1
Office of Admin Trials & Hearings	\$2,051	\$3,258	\$3,265	\$3,265
Office of Administrative Tax Appeals	\$0	\$0	\$0	\$0
Office of The Actuary	\$216	\$354	\$354	\$354
Office of The Comptroller	\$1,513	\$40	\$40	\$40
Office Payroll Administration	\$52	\$6	\$6	\$6
OTPS Inflation Adjustment	\$0	\$55,519	\$55,519	\$55,519
Police Department	\$68,750	\$97,257	\$54,417	\$33,304
Public Administrator Bronx	\$23	\$0	\$0	\$0
Public Administrator Queens	\$32	\$0	\$0	\$0
Public Administrator-Kings	\$0	\$0	\$0	\$0
Public Administrator-NY	\$60	\$0	\$0	\$0
Public Administrator-Richmond	\$6	\$0	\$0	\$0
Queens Borough Public Library	\$3,900	\$5,872	\$5,872	\$5,872
Grand Total	\$916,047	\$1,552,748	\$1,470,829	\$1,455,650

Appendix 2: New Needs by Agency

<i>Dollars in Millions</i>								
Agency	Fiscal 2023		Fiscal 2024		Fiscal 2025		Fiscal 2026	
	HC	Amount	HC	Amount	HC	Amount	HC	Amount
Board Of Elections	0	\$23.4	0	\$0.0	0	\$0.0	0	\$0.0
Election Funding	0	\$23.4	0	\$0.0	0	\$0.0	0	\$0.0
Department Of Correction	0	\$13.2	0	\$0.0	0	\$0.0	0	\$0.0
Rikers Island Emergency Work	0	\$13.2	0	\$0.0	0	\$0.0	0	\$0.0
Department Of Education	21	\$3.0	21	\$4.8	21	\$4.8	21	\$4.8
Boiler Modifications	21	\$3.0	21	\$4.8	21	\$4.8	21	\$4.8
Department Of Health and Mental Hygiene	9	\$0.7	9	\$0.9	9	\$0.8	9	\$0.8
Neighborhood Rat Reduction Expansion to Harlem	9	\$0.7	9	\$0.9	9	\$0.8	9	\$0.8
Department Of Probation	0	\$0.0	4	\$0.4	4	\$0.4	4	\$0.4
Candidate Assessment & Investigation Unit	0	\$0.0	4	\$0.4	4	\$0.4	4	\$0.4
Department Of Sanitation	153	\$16.7	204	\$12.7	204	\$13.1	204	\$13.8
Highway and Pedestrian Space Cleaning	74	\$8.5	156	\$9.0	156	\$9.3	156	\$9.8
Illegal Dumping Enforcement	3	\$1.7	3	\$0.4	3	\$0.4	3	\$0.4
Park Perimeter and Greenway Cleaning	0	\$3.9	45	\$3.3	45	\$3.4	45	\$3.5
Queens Residential Organics Pilot	76	\$2.6	0	\$0.0	0	\$0.0	0	\$0.0
Department Of Transportation	47	\$2.9	69	\$3.5	73	\$4.2	73	\$4.3
Environmental Compliance Materials	0	\$0.4	0	\$0.4	0	\$0.4	0	\$0.4
IFA Staffing	47	\$1.2	69	\$2.1	73	\$2.8	73	\$2.8
Street Improvement Project Materials	0	\$1.3	0	\$1.0	0	\$1.1	0	\$1.1
Dept Of Small Business Services	0	\$0.5	0	\$0.0	0	\$0.0	0	\$0.0
YMI Funding Adjustment	0	\$0.5	0	\$0.0	0	\$0.0	0	\$0.0
Dept Of Citywide Admin Services	0	\$31.3	0	\$0.0	0	\$0.0	0	\$0.0
Life and Safety Needs	0	\$19.6	0	\$0.0	0	\$0.0	0	\$0.0
NPS Program	0	\$9.4	0	\$0.0	0	\$0.0	0	\$0.0
Stockpile Storage	0	\$0.4	0	\$0.0	0	\$0.0	0	\$0.0
Stockpile Surplus Disposal	0	\$0.8	0	\$0.0	0	\$0.0	0	\$0.0
Uniformed Test Administration	0	\$1.2	0	\$0.0	0	\$0.0	0	\$0.0
Dept Of Info Tech & Telecomm	0	\$52.7	0	\$27.3	0	\$27.3	0	\$0.0
Big Apple Connect	0	\$15.7	0	\$27.3	0	\$27.3	0	\$0.0
CP Expense Funding	0	\$37.0	0	\$0.0	0	\$0.0	0	\$0.0
Mayoralty	0	\$1.0	0	\$1.0	0	\$1.0	0	\$1.0
PMQA - MOCS	0	\$1.0	0	\$1.0	0	\$1.0	0	\$1.0
Miscellaneous	0	\$43.2	0	\$13.7	0	\$14.2	0	\$14.5

<i>Dollars in Millions</i> Agency	Fiscal 2023		Fiscal 2024		Fiscal 2025		Fiscal 2026	
	HC	Amount	HC	Amount	HC	Amount	HC	Amount
Article 10 Adjustment	0	\$6.0	0	\$6.0	0	\$6.0	0	\$6.0
Assigned Counsel Plan	0	\$35.0	0	\$0.0	0	\$0.0	0	\$0.0
Fringe Benefits associated with headcount adjustment	0	\$2.2	0	\$7.7	0	\$8.2	0	\$8.5
NYC Taxi And Limousine Commission	0	\$19.4	0	\$0.0	0	\$0.0	0	\$0.0
Medallion Relief Program Plus	0	\$19.4	0	\$0.0	0	\$0.0	0	\$0.0
Grand Total	230	\$208.0	307	\$64.2	311	\$65.8	311	\$39.5



Proposed Agency PEGs – Fiscal 2023

Fiscal 2023 November Plan Fact Sheet

Fiscal 2023

3% PEG Target for City Funds

\$916 million
Total City Funds PEGs

\$825.4 million
Agency City Funds PEGs

\$90.6 million
Non-Agency City Funds PEGs

Fiscal 2024

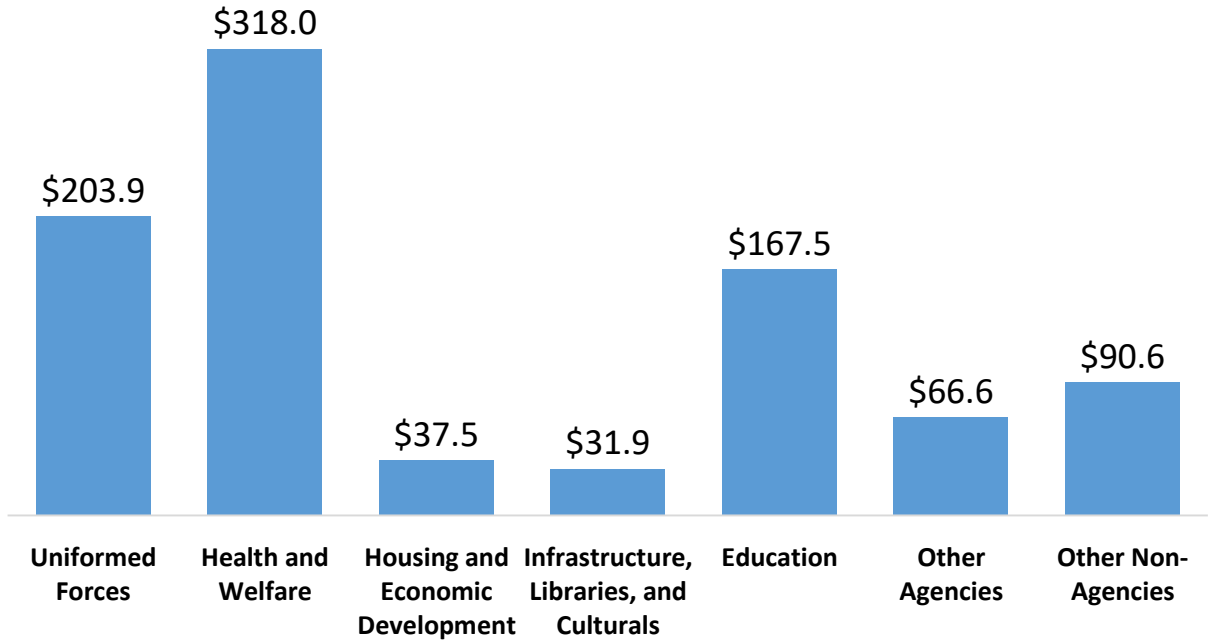
4.75% PEG Target for City Funds

\$1.55 billion
Total City Funds PEGs

\$1.36 billion
Agency City Funds PEGs

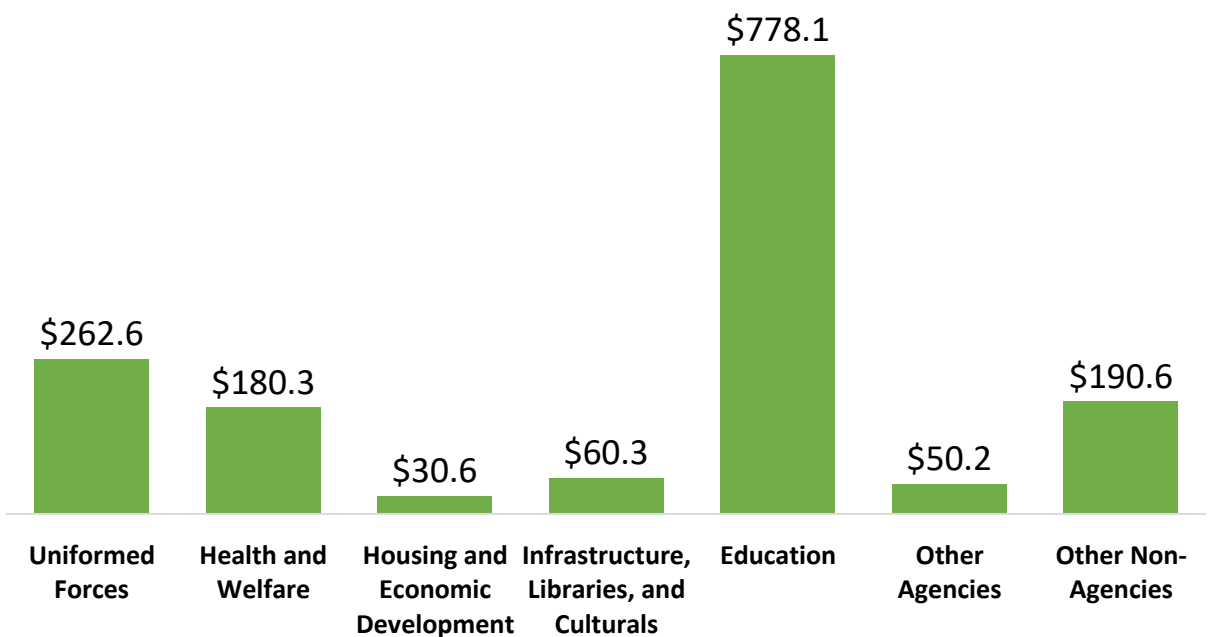
\$190.6 million
Non-Agency City Funds PEGs

Fiscal 2023 Proposed PEGs



Dollars in Millions

Fiscal 2024 Proposed PEGs



Dollars in Millions

City Funds Budgets and November Plan PEGs, by Agency

Agency	Fiscal 2023				Fiscal 2024			
	Adopted Budget	PEG	% Cut	Met target?	Adopted Budget	PEG	% Cut	Met target?
Uniformed Forces								
Dept. of Correction	\$1,265.7	\$54.6	4.3%	Yes	\$1,238.4	\$58.9	4.8%	Yes
Dept. of Sanitation	\$1,853.2	\$22.1	1.2%	No	\$1,794.9	\$25.0	1.4%	No
Fire Dept.	\$1,871.0	\$58.5	3.1%	Yes	\$1,828.7	\$81.4	4.5%	Almost
Police Dept.	\$5,234.8	\$68.7	1.3%	No	\$5,274.8	\$97.3	1.8%	No
Subtotal	\$10,224.7	\$203.9			\$10,136.9	\$262.6		
Health and Welfare								
Administration for Children's Services	\$1,041.2	\$30.6	2.9%	Almost	\$901.5	\$42.0	4.7%	Almost
Dept. for the Aging	\$349.8	\$10.5	3.0%	Yes	\$330.4	\$15.7	4.8%	Yes
Dept. of Health and Mental Hygiene	\$1,227.6	\$34.9	2.8%	Almost	\$1,086.1	\$36.5	3.4%	No
Dept. of Homeless Services	\$1,686.0	\$0.1	0.0%	No	\$1,508.9	\$0.2	0.0%	No
Dept. of Youth and Community Dev.	\$892.6	\$26.8	3.0%	Yes	\$745.7	\$35.4	4.8%	Yes
Health + Hospitals	\$996.7	\$14.1	1.4%	No	\$826.6	\$18.6	2.2%	No
Human Resources Administration	\$8,959.0	\$201.0	2.2%	No	\$8,414.9	\$31.9	0.4%	No
Subtotal	\$15,152.9	\$318.0			\$13,814.0	\$180.3		
Housing and Economic Development								
Dept. of Buildings	\$238.8	\$7.2	3.0%	Yes	\$205.3	\$10.0	4.8%	Yes
Dept. of City Planning	\$34.8	\$4.4	12.5%	Yes	\$28.9	\$0.6	1.9%	No
Dept. of Small Business Services	\$243.1	\$5.1	2.1%	No	\$129.1	\$4.0	3.1%	No
Housing Preservation and Dev.	\$406.6	\$20.9	5.1%	Yes	\$350.8	\$16.1	4.6%	Almost
Subtotal	\$923.2	\$37.5			\$714.2	\$30.6		
Infrastructure, Libraries, and Cultural								
Brooklyn Public Library	\$125.3	\$3.8	3.0%	Yes	\$119.5	\$5.7	4.8%	Yes
Dept. of Cultural Affairs	\$237.5	\$1.5	0.6%	No	\$149.5	\$0.0	0.0%	No
Dept. of Environmental Protection	\$1,549.0	\$0.0	0.0%	No	\$1,483.9	\$0.0	0.0%	No
Dept. of Parks and Recreation	\$500.0	\$15.1	3.0%	Yes	\$479.3	\$23.1	4.8%	Yes
Dept. of Transportation	\$898.9	\$0.1	0.0%	No	\$914.6	\$16.6	1.8%	No
New York Public Library	\$165.9	\$5.0	3.0%	Yes	\$158.0	\$7.5	4.7%	Almost
New York Research Library	\$31.7	\$1.0	3.0%	Yes	\$30.6	\$1.5	4.8%	Yes
Queens Borough Public Library	\$130.0	\$3.9	3.0%	Yes	\$123.6	\$5.9	4.7%	Almost
Taxi and Limousine Commission	\$105.5	\$1.6	1.6%	No	\$55.2	\$0.1	0.1%	No
Subtotal	\$3,743.8	\$31.9			\$3,514.3	\$60.3		
Education								
City University of New York	\$1,030.9	\$13.7	1.3%	No	\$991.5	\$19.7	2.0%	No
Dept. of Education	\$14,519.7	\$153.8	1.1%	No	\$14,811.0	\$758.4	5.1%	Yes
Subtotal	\$15,550.6	\$167.5			\$15,802.6	\$778.1		
Other Agencies								
Board of Correction	\$3.3	\$0.3	7.8%	Yes	\$3.3	\$0.0	1.3%	No
Business Integrity Commission	\$9.3	\$0.3	3.0%	Yes	\$9.3	\$0.4	4.8%	Yes
Campaign Finance Board	\$80.4	\$2.4	3.0%	Yes	\$14.9	\$0.7	4.8%	Yes
City Clerk	\$6.2	\$0.2	3.5%	Yes	\$5.9	\$0.2	4.3%	No
Civilian Complaint Review Board	\$23.5	\$0.7	3.0%	Yes	\$23.5	\$1.1	4.8%	Yes
Civil Service Commission	\$1.2	\$0.0	3.0%	Yes	\$1.2	\$0.1	4.8%	Yes
Commission on Human Rights	\$15.2	\$0.5	3.0%	Yes	\$15.2	\$0.7	4.8%	Yes
Dept. of Citywide Adm. Services	\$447.4	\$20.7	4.6%	Yes	\$411.4	\$3.7	0.9%	No
Dept. of Consumer & Worker Protection	\$64.5	\$1.5	2.3%	No	\$62.2	\$1.0	1.6%	No
Dept. of Design and Construction	\$47.6	\$1.4	3.0%	Yes	\$21.3	\$1.0	4.7%	Almost
Dept. of Emergency Management	\$38.4	\$1.2	3.0%	Yes	\$33.2	\$1.6	4.9%	Yes
Dept. of Finance	\$338.2	\$0.2	0.1%	No	\$332.8	\$1.1	0.3%	No
Dept. of IT and Telecomm	\$561.5	\$11.5	2.0%	No	\$573.9	\$10.7	1.9%	No
Dept. of Investigation	\$46.6	\$1.4	3.0%	Yes	\$43.4	\$2.1	4.9%	Yes
Dept. of Probation	\$103.7	\$3.9	3.7%	Yes	\$98.6	\$4.0	4.1%	No
Dept. of Veteran's Services	\$5.8	\$0.2	3.0%	Yes	\$5.8	\$0.3	4.8%	Yes
Equal Employment Practices Comm.	\$1.3	\$0.1	7.7%	Yes	\$1.3	\$0.0	0.0%	No
Law Dept.	\$271.5	\$8.2	3.0%	Yes	\$231.2	\$11.1	4.8%	Yes
Mayoralty	\$166.5	\$7.6	4.5%	Yes	\$142.0	\$5.6	4.0%	No
Other	\$1,166.8	\$4.5	0.4%	No	\$1,088.9	\$4.5	0.4%	No
Subtotal	\$3,398.9	\$66.6			\$3,119.5	\$50.2		
Non-Agencies								
Miscellaneous	\$11,254.9	\$7.3	0.1%	No	\$13,010.9	\$18.9	0.1%	No