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**Report on the Fiscal 2024 Preliminary Plan
and the Fiscal 2023 Preliminary Mayor's
Management Report for the**

Taxi and Limousine Commission

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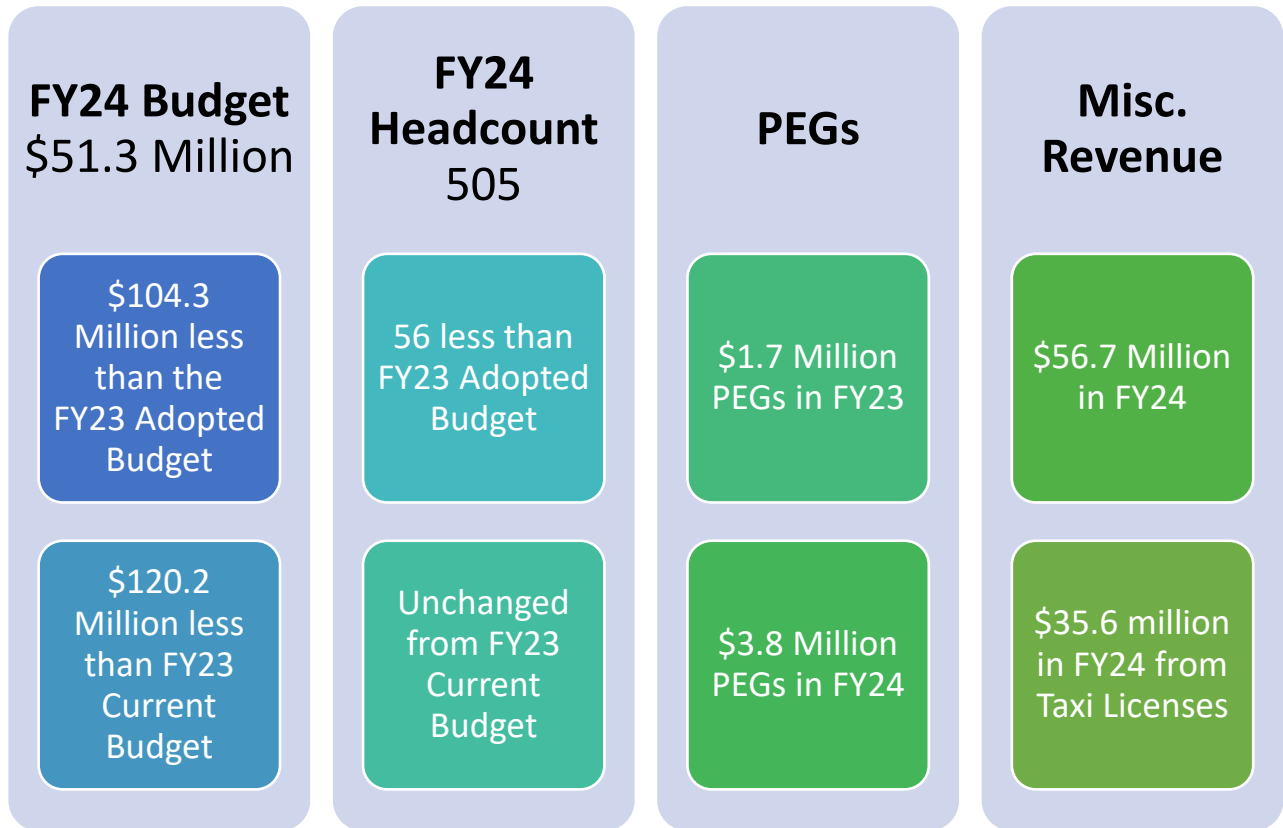
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TLC Fiscal 2024 Budget Snapshot



TLC Financial Plan Overview

The Taxi and Limousine Commission (TLC or the Commission) ensures that New Yorkers and visitors to the City have access to taxicabs, car services, and commuter van services that are safe, efficient, sufficiently plentiful, and provide a good passenger experience. The Commission licenses and regulates all aspects of New York City’s medallion yellow taxicabs, for-hire vehicles (FHV: community-based liveries, black cars, and high-volume cars), commuter vans, paratransit vehicles (ambulettes), certain luxury limousines, and Green Taxis. The Commission has the power and duty to set and enforce rates of fare to be charged and collected.

On January 12, 2023, the Administration released the Preliminary Financial Plan for Fiscal 2023-2027 (Preliminary Plan) with a proposed budget for Fiscal 2024 of \$102.7 billion. This report offers a review of TLC’s Fiscal 2024 Preliminary Budget, including proposed budget actions taken in the Preliminary Plan.

The Commission’s projected Fiscal 2024 budget of \$51.2 million represents less than one percent of the City’s proposed Fiscal 2024 budget in the Preliminary Plan. TLC’s proposed Fiscal 2024 budget is \$104.3 million, or 67 percent, less than the agency’s Fiscal 2023 Adopted Budget of \$155.5 million, which had reflected the one-time receipt of federal stimulus funding of \$65 million and additional City funding of approximately \$54.4 million. The Medallion Relief Program includes \$49.9 million in an escrow fund to cover potential loan defaults from medallion owners. The program offers long-term, zero interest loans of up to \$20,000 to eligible medallion owners in need of financial aid and

relief. However, no new funding was added for the Medallion Relief Program in the Fiscal 2024 Preliminary Budget.

Financial Summary

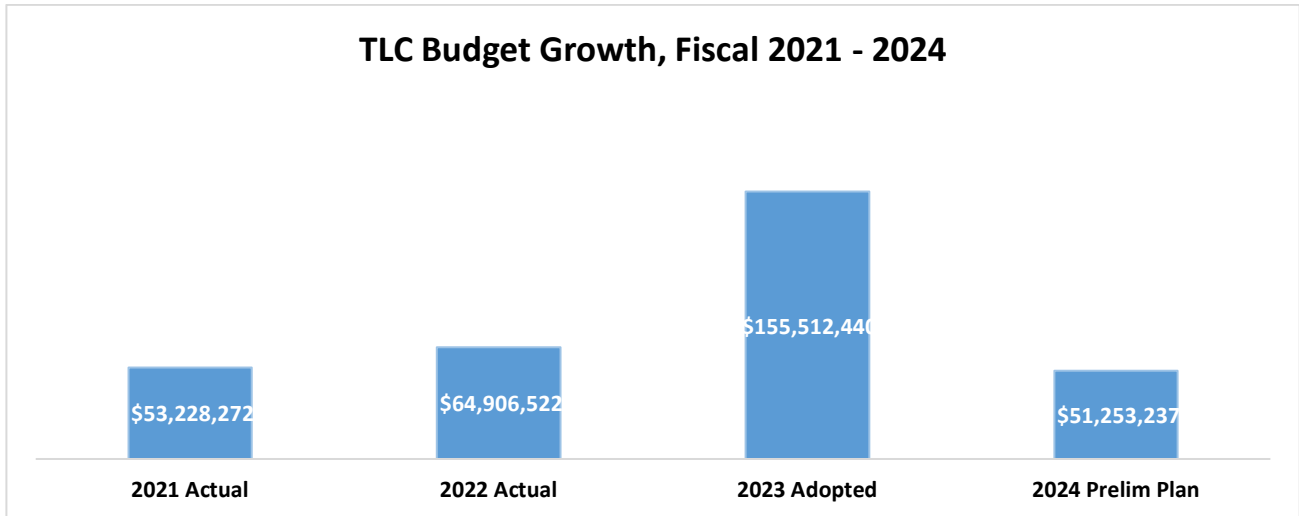
The Taxi and Limousine Commission’s Fiscal 2024 Preliminary Budget totals \$51.2 million and is funded entirely with City tax-levy funds. TLC’s budget for Fiscal 2024 is 67 percent less than the Fiscal 2023 Adopted Budget of \$155.5 million, which reflected the receipt of federal stimulus funding of \$65 million and additional City funding for the Medallion Relief Program.

Taxi and Limousine Commission Financial Summary						
<i>Dollars in Thousands</i>						
	2021	2022	2023	Preliminary Plan		*Difference
	Actual	Actual	Adopted	2023	2024	2023-2024
Spending						
Personal Services	\$40,891	\$36,985	\$40,682	\$37,140	\$36,838	(\$3,844)
Other Than Personal Services	12,338	27,922	114,831	134,360	14,415	(100,416)
TOTAL	\$53,228	\$64,907	\$155,512	\$171,500	\$51,253	(\$104,259)
Personal Services						
Additional Gross Pay	\$2,250	\$2,344	\$1,300	\$1,300	\$1,300	\$0
Full-Time Salaried - Civilian	35,155	31,725	35,989	32,447	32,145	(3,844)
Full-Time Salaried - Uniformed	0	0	0	0	0	0
Other Salaried & Unsalariated	2,350	2,053	2,235	2,235	2,235	0
Overtime - Civilian	767	559	809	809	809	0
P.S. Other	(2)	(2)	0	0	0	0
Amount to be Scheduled	0	0	204	204	204	0
Fridge Benefits	371	306	145	145	145	0
SUBTOTAL	\$40,891	\$36,985	\$40,682	\$37,140	\$36,838	(\$3,844)
Other Than Personal Services						
Contractual Services	\$3,777	\$3,823	\$3,775	\$4,125	\$3,775	\$73
Fixed & Misc. Charges	42	15,017	100,100	119,470	100	0
Other Services & Charges	6,981	7,229	8,841	8,619	8,775	(500)
Property & Equipment	445	640	689	1,157	339	150
Supplies & Materials	1,092	1,213	1,426	990	1,426	296
SUBTOTAL	\$12,338	\$27,922	\$114,831	\$134,360	\$14,415	(\$100,416)
TOTAL	\$53,228	\$64,907	\$155,512	\$171,500	\$51,253	(\$104,259)
Funding						
City Funds			\$105,512	\$121,500	\$51,253	(\$54,259)
Other Categorical			0	0	0	0
Capital- IFA			0	0	0	0
State			0	0	0	0
Federal - Other			50,000	50,000	0	(50,000)
Intra City			0	0	0	0
TOTAL	\$53,228	\$64,907	\$155,512	\$171,500	\$51,253	(\$104,259)
Budgeted Headcount						
Full-Time Positions - Civilian	522	481	561	505	505	(56)
TOTAL	522	481	561	505	505	(56)

*The difference of Fiscal 2023 Adopted Budget compared to Fiscal 2024 Preliminary Budget

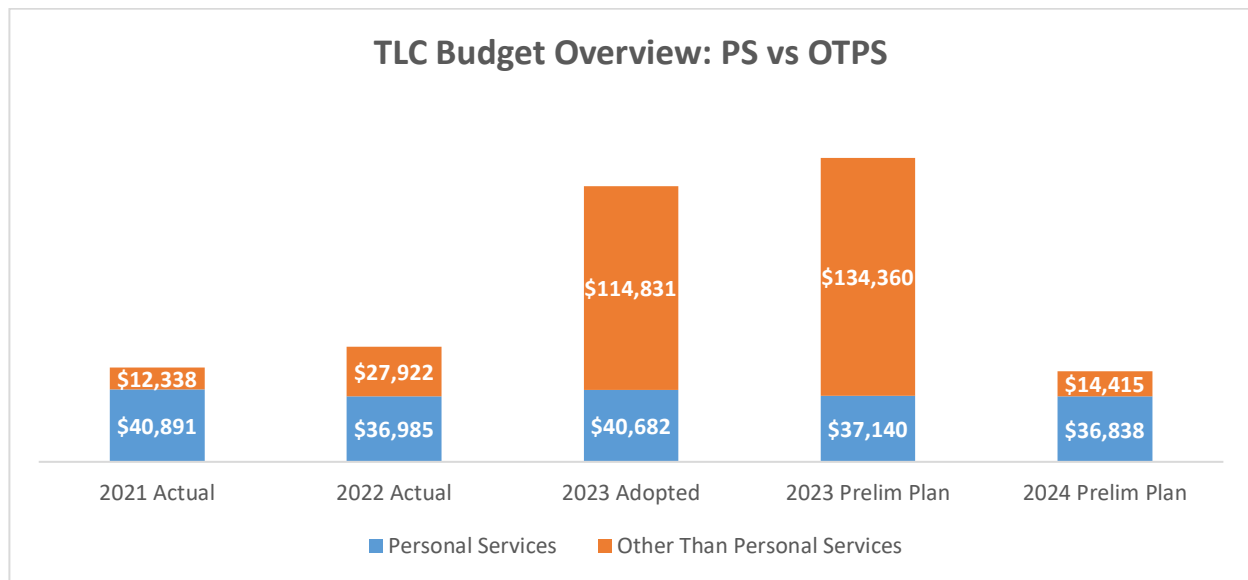
The proposed Fiscal 2024 budget for the TLC is more in line with the Fiscal 2021 actual spending. TLC’s Fiscal 2024 budget is \$2 million (1.8 percent) less than Fiscal 2021, as illustrated in the below chart (figure 1).

Figure 1:



TLC’s Fiscal 2024 Preliminary Budget includes \$36.8 million for Personal Services (PS), to support 505 Full-Time positions and \$14.4 million for Other Than Personal Services (OTPS).

Figure 2:



Fiscal 2024 Preliminary Budget Changes

The Fiscal 2024 Preliminary Budget for the TLC does not include any new needs in Fiscal 2023 or Fiscal 2024. However, the Preliminary Plan includes net other adjustments totaling \$206,000 in Fiscal 2023. As part of the Citywide Savings program, TLC also identified additional Program to Eliminate the Gap (PEG) savings of \$1.9 million in Fiscal 2023 and \$3.8 million in Fiscal 2024 and the outyears.

TLC’s budget actions included in the Preliminary Budget include the following:

Other Adjustments

- **Heat, Light, and Power.** Due to an increase in costs related to heat, light, and power, the Preliminary Plan includes an adjustment of \$63,000 in Fiscal 2023.
- **Lease Adjustment.** Due to a lease adjustment, the Preliminary Plan includes an additional \$143,000 in expense funding in Fiscal 2023.

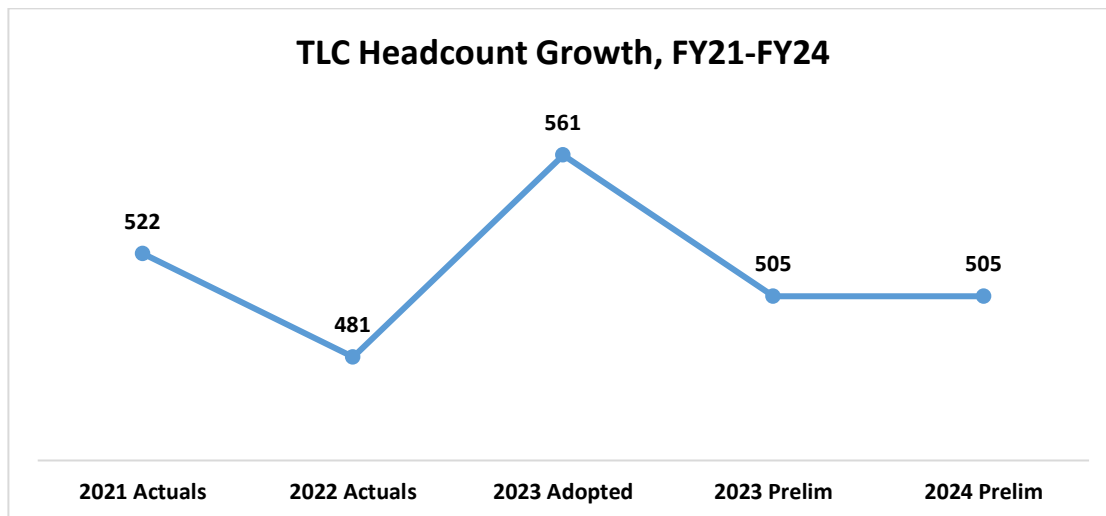
Program to Eliminate the Gap (PEG)

- **Vacancy Reductions.** The Preliminary Plan includes a vacancy reduction of 56 positions, resulting in savings of \$1.9 million in Fiscal 2023 and \$3.8 million in Fiscal 2024 and in the outyears. These reductions were spread across multiple departments at TLC and do not affect any particular job titles or programs.

Headcount

The Commission’s Fiscal 2024 Preliminary Budget provides for 505 budgeted full-time positions a decrease of 56 positions, or 10 percent, when compared to the Fiscal 2023 Adopted Budget. The Department is operating with a 12 percent staff vacancy rate. Overall, high vacancy rates are a persistent issue for TLC. However, the current vacancy rate has improved since December 2017 when the Commission had a 21 percent vacancy rate.

Figure 3:



Fiscal 2024 Preliminary Mayor’s Management Report

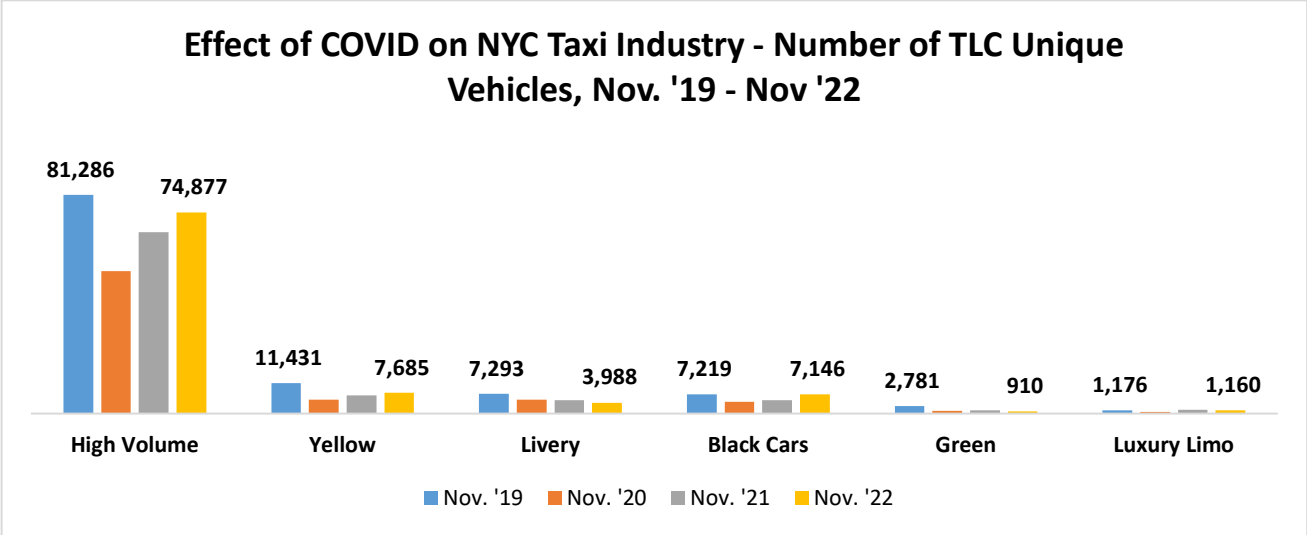
The section below outlines the effectiveness of key performance indicators from Fiscal 2020 to Fiscal 2022 and during the first four months of Fiscal 2023 across major programmatic areas at TLC. For additional information on the Commission’s performance and effectiveness across its various programs, please refer to the Fiscal 2023 Preliminary Mayor’s Management Report (PMMR) for TLC at: <https://www.nyc.gov/assets/operations/downloads/pdf/pmmr2023/tlc.pdf>

- **Wheelchair Accessible Vehicles (WAVs).** In the first four months of 2023, there were 6,421 active wheelchair accessible vehicles (WAVs) in the City, an increase of 24 percent when compared to the same period last year. There are currently 3,023 active WAV medallion vehicles, an increase of 25 percent when compared to the same period in Fiscal 2022. The total number of accessible for-hire-vehicles (FHV's) grew from 2,710 in Fiscal 2022 to 3,667 vehicles in Fiscal 2023. The total number of accessible boro taxis (green cabs) declined from 52 in Fiscal 2022 to 31 in Fiscal 2023, mirroring the overall decline in active boro taxis in the City.
- **Patrol Summonses.** Patrol summonses issued for both illegal street hails and unlicensed activity dramatically decreased in 2021. This was due to an extension in TLC Enforcement duties to provide support to the City's emergency work related to the COVID-19 pandemic. TLC Enforcement had been focused on PPE distribution to drivers, coordination of food delivery services with the Office of Emergency Management, and work with the Sheriff's Department, including distribution of COVID-19 educational material to the public at bridge and tunnel crossings. This focus temporarily diverted enforcement efforts away from illegal street hails and unlicensed operations in the first four months of Fiscal 2021. As such, patrol summonses issued for illegal street hails and unlicensed activity declined 88 and 75 percent, respectively, when compared to pre-pandemic 2019. As TLC Enforcement has resumed normal activities, the number of summonses issued for these violations has increased in the first-four months of 2023, to 393 for illegal street hail summons and 1,815 for unlicensed activities. However, summonses issued for illegal street hails have declined by 53 percent in the first-four months of 2023 when compared to the same period in 2022.
- **Consumer Complaints.** The number of consumer complaints received has increased by more than 2,600 in the first four months of Fiscal 2023 when compared to the previous year. TLC attributes this change to an increase in the number of trips completed by TLC licensees due to a recovery from the COVID-19 pandemic, as more trips correspond to a rise in the number of consumer complains. The average processing time increased to 28.4 days from 22.9 days, but is significantly below the processing goal of 50 days

Budget Issues and Concerns

Effects of COVID-19 Pandemic on the For-Hire Vehicle Industry. Overall, the COVID-19 pandemic greatly reduced the number of active unique vehicles across all TLC industries in 2020. The number of High Volume FHV's had declined by 30 percent as of November 2020 compared to November 2019. During the same period the number of Yellow and Green taxis declined by 54 and 60 percent, respectively. Additionally, Livery vehicles, Black Cars, and Luxury Limos declined by 28 percent, 38 percent, and 41 percent respectively. In addition, as of December 2020, there were 42,238 unique drivers working in TLC regulated vehicles, a decline of 66 percent when compared to the 124,763 unique drivers in December 2019. While TLC reported during the Fiscal 2022 Preliminary Budget hearing that it anticipated a return of active vehicles as the City began to reopen, as indicated in the chart below, total numbers of unique vehicles have not fully recovered to pre-pandemic levels. The number of unique Yellow Taxis on the road as of November 2022 declined 32 percent when compared to pre-pandemic November 2019. In addition to the severe economic and personal effects of the pandemic on taxi drivers, this decline may also impact TLC's miscellaneous revenue (see appendix) moving forward if the effects of the pandemic do not abate.

Figure 4:



Appendices

A. Budget Actions in the November and Preliminary Plans

<i>Dollars in Thousands</i>	FY23			FY24		
	City	Non-City	Total	City	Non-City	Total
TLC Budget as of the Adopted FY23 Budget	\$105,512	\$50,000	\$155,512	\$55,178	\$0	\$55,178
November Plans - New Needs						
Medallion Relief Program Plus	\$19,350	\$0	\$19,350	\$0	\$0	\$0
Subtotal, November Plan - New Needs	\$19,350	\$0	\$19,350	\$0	\$0	\$0
November Plans - Program to Eliminate GAP (PEGs)						
PS Accruals	(\$1,620)	\$0	(\$1,620)	\$0	\$0	\$0
Telecommunication Savings	(27)	0	(27)	(81)	0	(81)
Subtotal, November Plan - PEGs	(\$1,647)	\$0	(\$1,647)	(\$81)	\$0	(\$81)
TOTAL, All Changes Nov. Plans	\$17,703	\$0	\$17,703	(\$81)	\$0	(\$81)
TLC Budget as of the November FY23 Budget	\$123,215	\$50,000	\$173,215	\$55,097	\$0	\$55,097
Preliminary Plan - Other Adjustments						
Heat, Light, and Power	\$63	\$0	\$63	\$0	\$0	\$0
Lease Adjustment	143	0	143	0	0	0
Subtotal, Preliminary Plan - Other Adjustments	\$206	\$0	\$206	\$0	\$0	\$0
Prelim. Plan - Program to Eliminate GAP (PEGs)						
Vacancy Reduction	(\$1,922)	\$0	(\$1,922)	(\$3,844)	\$0	(\$3,844)
Subtotal, Preliminary Plan - PEGs	(\$1,922)	\$0	(\$1,922)	(\$3,844)	\$0	(\$3,844)
TOTAL, All Changes Preliminary Plan	(\$1,716)	\$0	(\$1,716)	(\$3,844)	\$0	(\$3,844)
TLC Budget as of the Preliminary FY24 Budget	\$121,500	\$50,000	\$171,500	\$51,254	\$0	\$51,254

B. Contract Budget

TLC FY24 Preliminary Contract Budget				
<i>Dollars in Thousands</i>				
Category	FY23 Adopted	Number of Contracts	FY24 Preliminary	Number of Contracts
Contractual Services General	\$1,660	14	\$1,660	14
Telecommunications Maint	129	2	129	2
Maint & Rep General	120	2	120	2
Office Equipment Maintenance	1	1	1	1
Data Processing Equipment	15	1	15	1
Printing Contracts	100	3	100	3
Security Services	431	2	431	2
Temporary Services	40	3	40	3
Cleaning Services	306	1	306	1
Training Prgm City Employees	5	1	5	1
Professional Serv Computer Services	967	1	967	1
TOTAL	\$3,775	31	\$3,775	31

D. Miscellaneous Revenue

The Preliminary Plan’s Fiscal 2024 forecast for the Taxi and Limousine Commission includes miscellaneous revenues totaling \$56.7 million in Fiscal 2024, \$35.6 million of which comes from taxi licenses. Historically, TLC generated a significant amount of its miscellaneous revenue from the sale of Taxi Medallions. However, due to the rapid growth of the High-Volume For-Hire-Vehicle sector, combined with a subsequent decline in medallion prices, there have been no new taxi medallions sold by TLC since March 2014. As such, the Preliminary Plan does not anticipate any revenue from the sale of yellow taxi medallions in Fiscal 2024 or the outyears.

TLC Miscellaneous Revenue Budget Overview						
<i>Dollars in Thousands</i>						
Revenue Sources	FY21	FY22	FY23	Preliminary Plan		*Difference
	Actual	Actual	Adopted	FY23	FY24	FY23-FY24
Taxi Licenses	\$42,765	\$41,191	\$33,020	\$33,020	\$35,570	\$2,550
Hail Licenses	22	36	485	78	23	(462)
High Volume Licenses	0	0	1,500	760	0	(1,500)
Taxi Inspection & TLC Fees	8,132	9,313	9,500	9,500	9,500	0
STIP/Settlement Fines	4,736	8,835	11,600	10,000	11,600	0
Sale of Taxi Medallions	0	0	0	0	0	0
TOTAL	\$55,655	\$59,375	\$56,105	\$53,358	\$56,693	\$588

**The difference of Fiscal 2023 Adopted compared to Fiscal 2024 Preliminary Budget*