

The City of New York
Executive Budget
Fiscal Year 2015

Bill de Blasio, Mayor

Office of Management and Budget
Dean Fuleihan, Director

Budget Summary

The FY 2015 Executive Budget

The budget builds on the foundation established in the Preliminary Budget and signals a new direction for our city based on the choices and values that have driven this Administration.

- ❖ This budget is fiscally responsible.
- ❖ This budget is progressive.
- ❖ This budget is honest.

This Budget is Fiscally Responsible

Since Day 1, we've identified **short and long term risks** and a **serious structural deficit**. This budget makes real progress:

- ❖ City and MLC agree to secure **health care savings of \$3.4 billion**, plus \$1 billion from the health stabilization fund, from FY 2015 – FY 2018. These savings are enforceable by arbitration.
- ❖ The Labor Reserve now reflects the UFT pattern of a **10% increase over 7 years**.

This Budget is Fiscally Responsible

The City Secured Critical Commitments from the State and Federal Governments.

❖ State Funding:

- Universal Pre-K
- Largest school aid increase in years
- After School Programs

❖ Federal Funding:

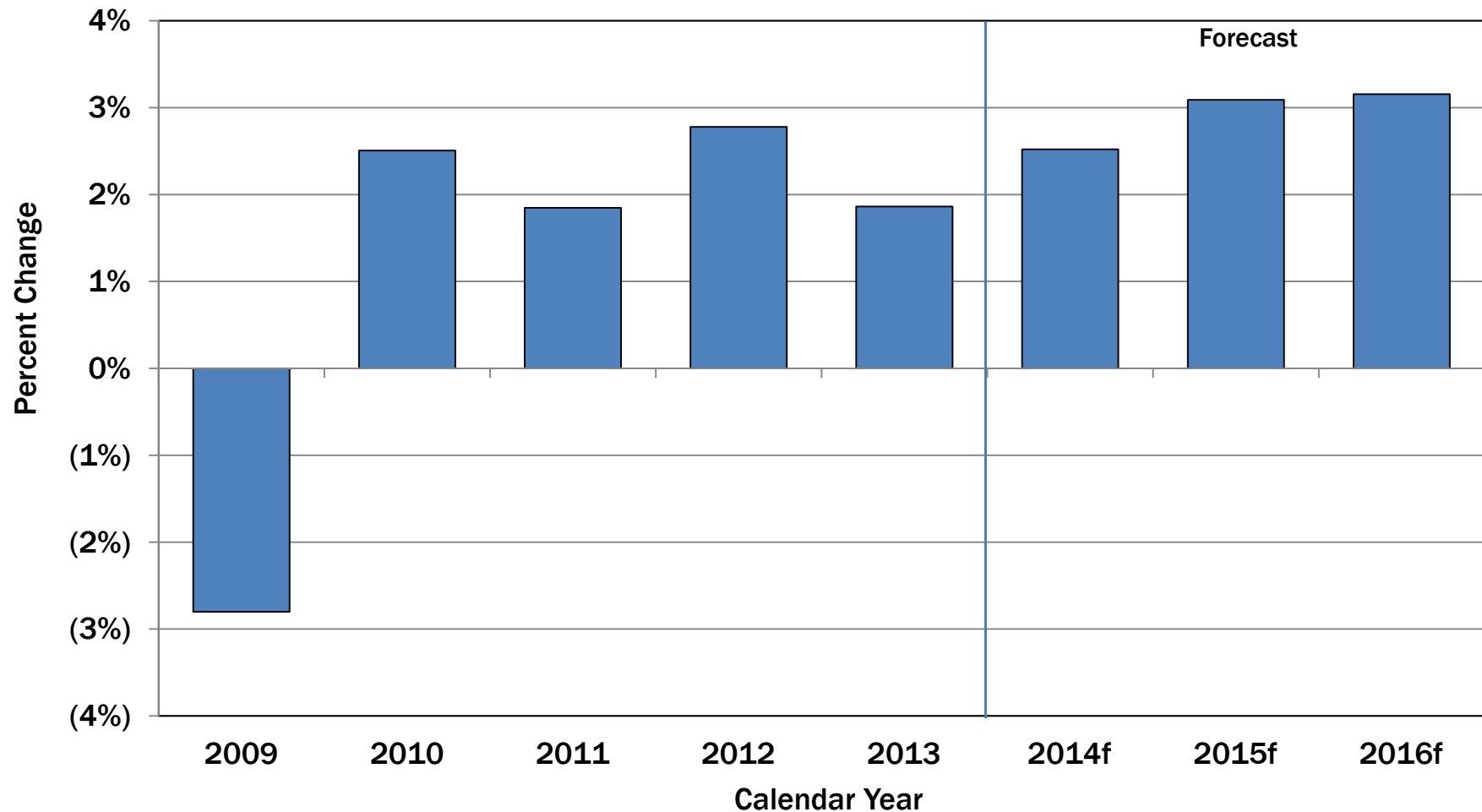
- Medicaid Waiver

Economic Update

- ❖ **We're fortunate to have a stronger economy.**
- ❖ **But it's clear that the benefits have not been shared by all New Yorkers.**
- ❖ **While we have addressed many concerns, we still must recognize the risks ahead.**

GDP Growth Will Increase Modestly in 2014, Before Climbing Above Three Percent in 2015

(Consistent with National Consensus Forecasts)

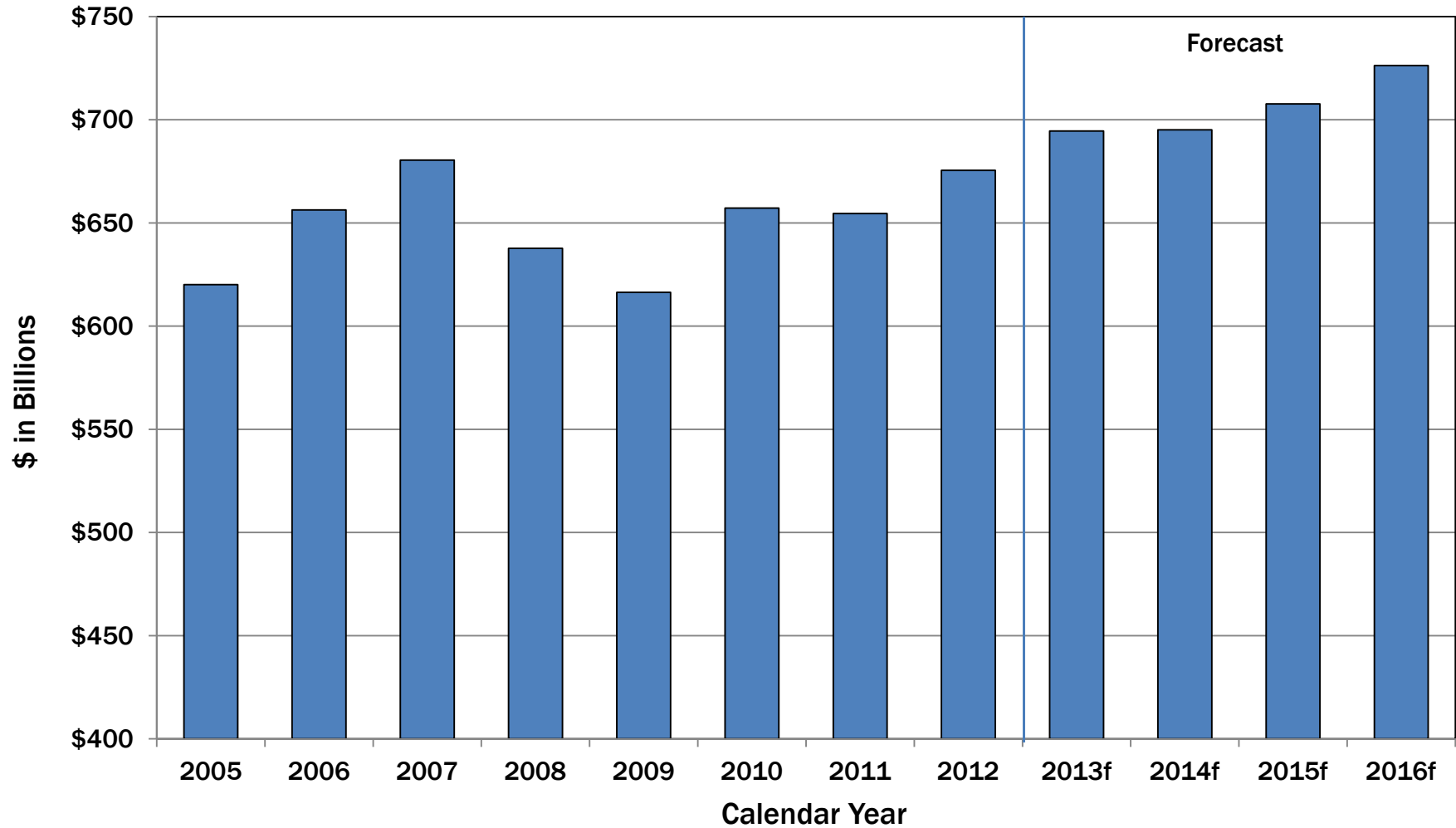


f = forecast

Source: U.S. Bureau of Economic Analysis, U.S. Bureau of Labor Statistics, NYC OMB

Gross City Product Finally Exceeded Pre-Recession Peak Levels in 2013

NYC Real Gross City Product

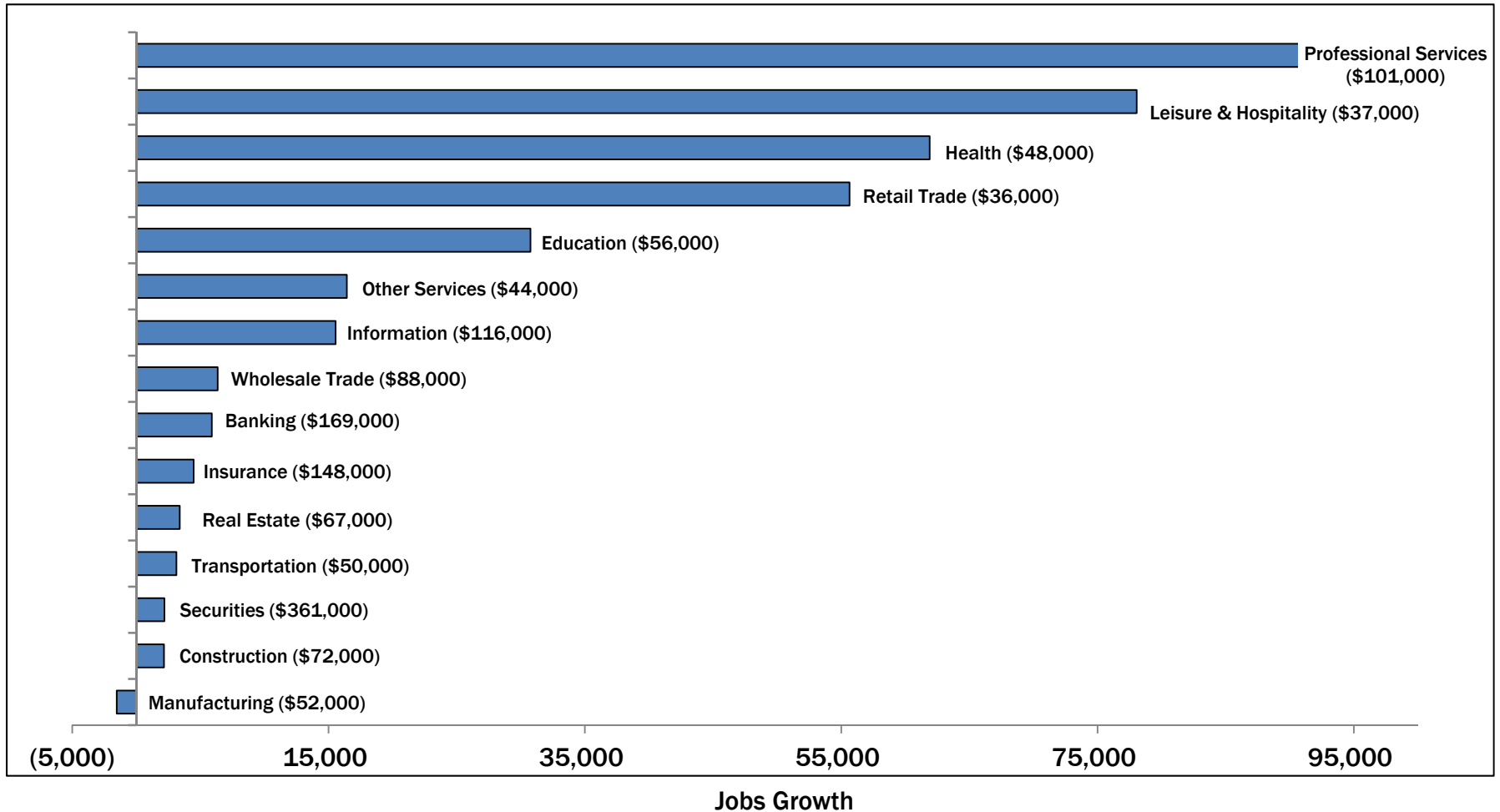


f = forecast

Source: U.S. Bureau of Economic Analysis, NYC OMB

New York City's Job Growth Has Come From a Variety of Industries – But Many Industries are Still Lagging

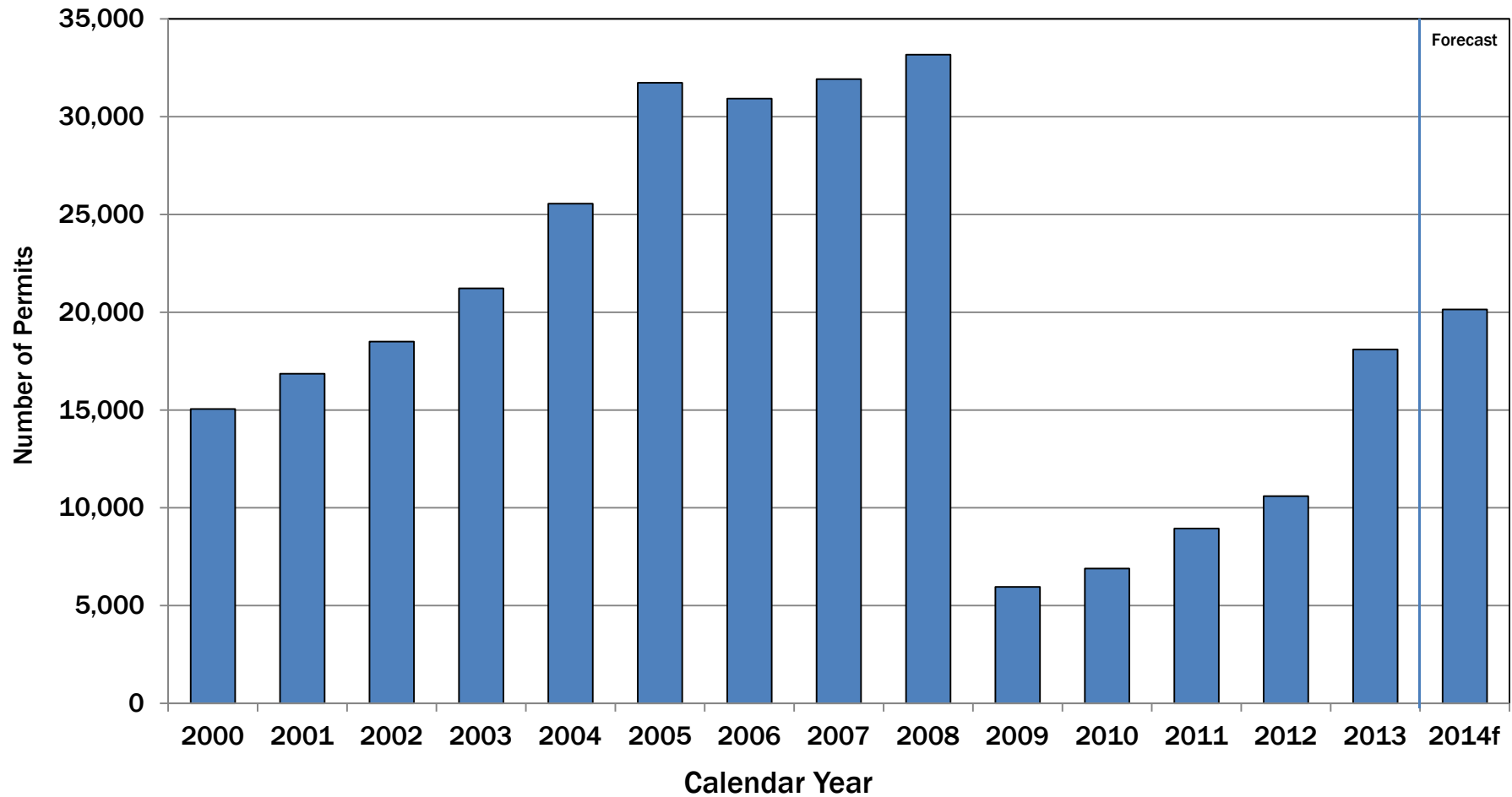
Change in Employment Level Since Employment Level Trough in August 2009 (2012 Avg. Wage)



Source: NY State Department of Labor

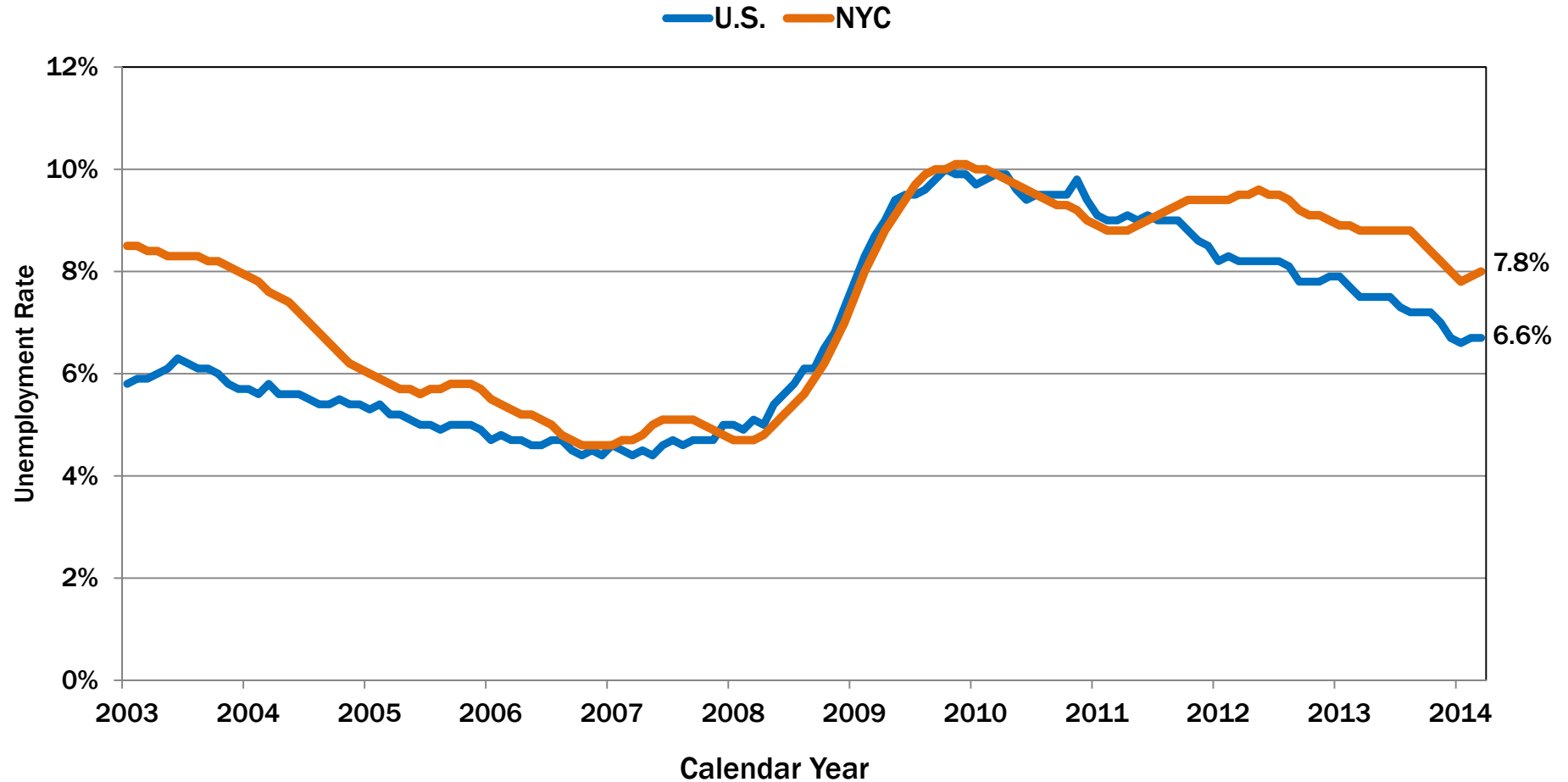
Construction Activity Reflected by Building Permits Remains Below Pre-Recession Levels

NYC Building Permits



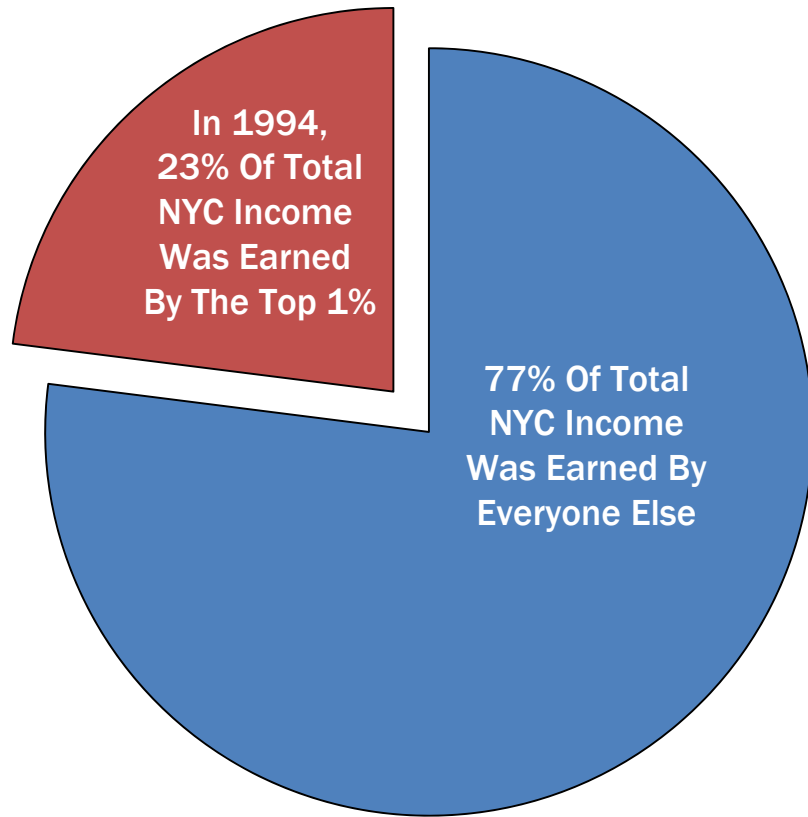
f = forecast
Source: U.S. Census Bureau, NYC OMB

The Unemployment Rate for Both the City and the Nation has Declined Since Hitting a Peak During the Recession

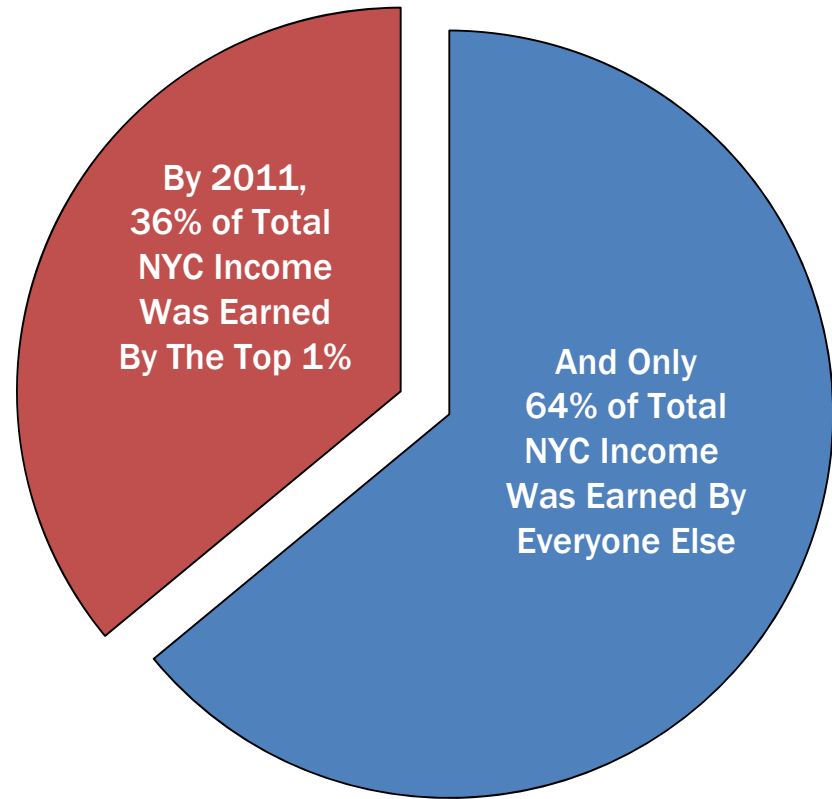


Source: U.S. Bureau of Labor Statistics

Since 1994, the Top 1% Have Increased Their Share of Income by Half, Growing From 23% to 36% of All Income Earned in New York City

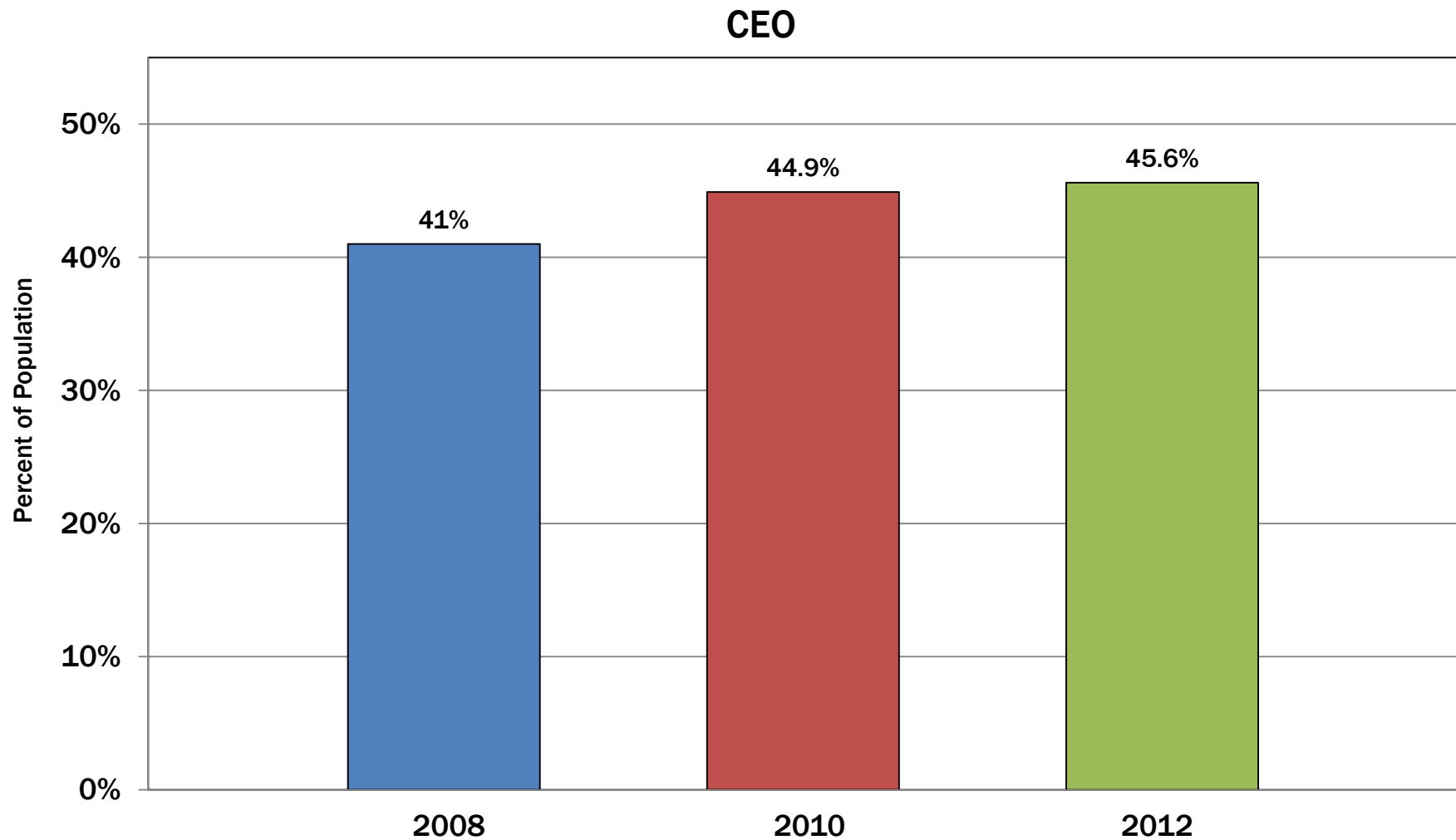


1994 Tax Year



2011 Tax Year

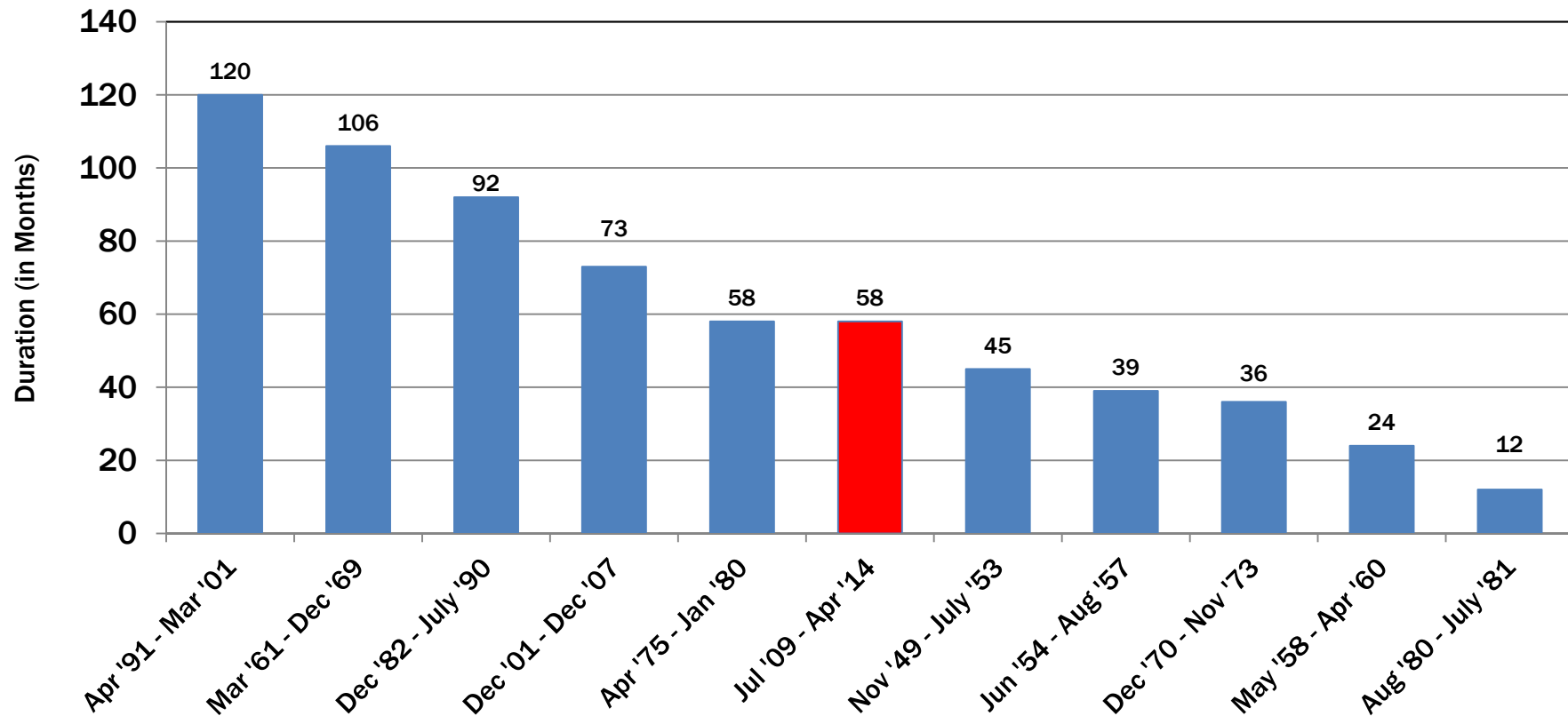
Percent of New Yorkers Struggling Economically Has Increased Over the Last Five Years – with 46% at or Near Poverty According to the NYC CEO Poverty Rate



Source: American Community Survey Public Use Micro Sample as augmented by CEO.

The Current Recovery Has Lasted 58 Months, Matching The Average Length of U.S. Expansions

Length of Economic Expansions Following Recessions (post-1945)



Source: NBER. Bar represented in red denotes current expansion

Financial Plan Overview

In a Very Short Period, We Have Addressed Serious Financial and Management Issues That Had Been Ignored – With No Property Tax Increase

Executive Budget is balanced for FY 2014 & FY 2015:

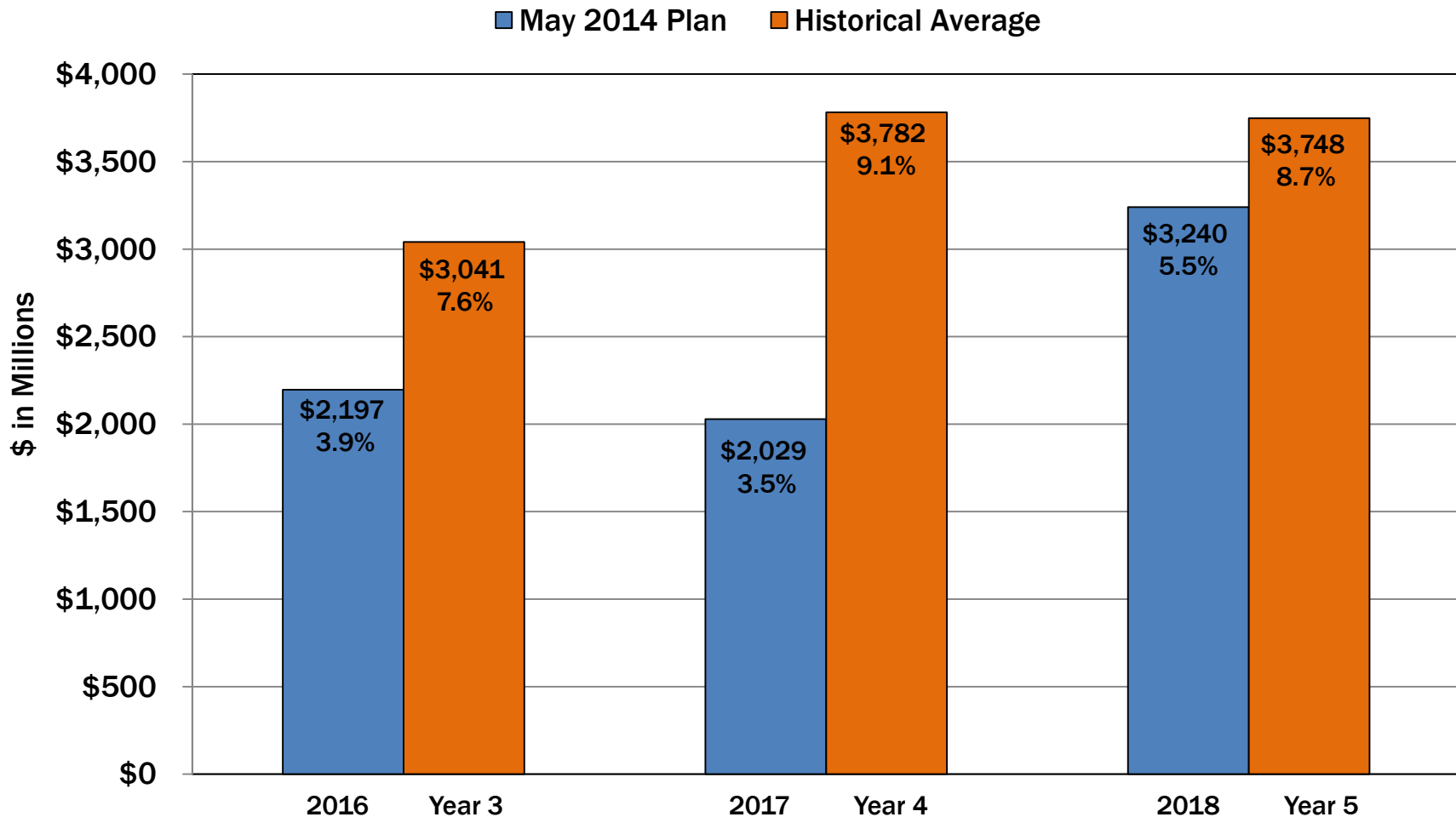
- ❖ Financial Plan estimates now reflect the UFT pattern of a 10% increase over 7 years.
- ❖ This removes one of the major Financial Plan uncertainties.

Executive Budget, like the Preliminary Budget, realistically acknowledges significant risks:

- ❖ Recognizes continued federal uncertainty, including still-unmet Sandy recovery needs and future federal sequestration.
- ❖ Even with the Medicaid Waiver and much-needed funds it provides, many local hospitals are still struggling.
- ❖ While we're five years into a recovery, economic events out of our control can undermine progress.
- ❖ Cautious on revenue growth, as we see consequences of over-estimating revenues in NJ and other places.

We Continue to Face Multi-Billion Dollar Budget Gaps in the Out Years of the Financial Plan. However, These Out Year Gaps are Below Historical Averages

We will take the necessary actions to maintain budget balance through all years of the Financial Plan.



Note: Historical averages are based on Executive Budgets FY 2003 to FY 2014 for the 3rd year to 5th year of the financial plan. Percentages represent budget gaps as a percent of city funds revenue.

We're Taking Major Steps Toward Addressing New York City's Fiscal Health

- ❖ **Strengthening our economy by addressing income inequality:**
 - **Providing major education opportunities from pre-K to middle school to college.**
 - **Dramatically expanding affordable housing over next 10 years.**
 - **Increasing and extending paid sick leave for over half a million more New Yorkers.**

- ❖ **Prioritizing our infrastructure and establishing clear and affordable capital commitments.**

- ❖ **Process will continue with every agency ahead of Ten Year Capital Plan in January 2015.**

This Budget is Progressive

❖ Begins to implement an agenda that:

- Invests in our Children
- Creates Economic Opportunity
- Dramatically Expands Affordable Housing
- Protects the Most Vulnerable
- Makes NYC Safer

Investing in NYC's Children

High-Quality Full-Day Universal Pre-K

- ❖ Investing \$300 million in FY 2015 to fund 53,000 seats; \$340 million in FY 2016 to fund 73,000 seats.
- ❖ NYC is building a high-quality full-day universal pre-K program to ensure all four-year-olds are set up for long-term success.
- ❖ 6 hours & 20 minutes a day of pre-K instruction, free to families.
- ❖ Expectations for instruction focused on providing children with a solid foundation of skills and knowledge.
- ❖ Family engagement establishes strong partnerships from the beginning.
- ❖ Program data informs ongoing monitoring and improvements.
- ❖ Workforce development ensures all pre-K programs have the capacity to provide quality services.

High-Quality Full-Day Universal Pre-K

Seats

- ❖ 36,500 seats already set through enhancements of existing and new spaces.
- ❖ Thousands more to be selected by the end of the month.
- ❖ Expansion continues to reach target of 53,000 full-day seats.

Teachers

- ❖ 1,200 certified teachers have already applied to DOE – 53% more than this time last year.
- ❖ An additional 1,100 applications were received from individuals with elementary certification interested in teaching at a CBO.
- ❖ CUNY certification support will certify up to 400 teachers by September 2015.

Middle School After School Programs

- ❖ Unprecedented investment of \$145 million to fund 34,000 new seats to serve **nearly 100,000 children** in FY 2015.
- ❖ **Expanding summer programs** by over 17,000 new seats to serve 33,000 children in FY 2015.

Moves Forward Additional Key Education Priorities

- ❖ Reduces overcrowding and use of trailers.
- ❖ Expands arts education.
- ❖ Invests \$20 million in FY 2015 - growing to \$50 million in out years - to expand STEM programs at CUNY community colleges for 5,000 students in Year 1.

Creates Economic Opportunity

Fiscal Year 2015 Executive Budget

Creates Jobs & Protects Small Businesses

- ❖ **Reduces arbitrary and overly punitive DOH and DCA fines:**
 - **Total fine revenues projected to decline from \$859 million in FY 2012 to \$789 million in FY 2015 – an 8% decrease. This includes a reduction of 44% in DOH fines and 21% in DCA fines from FY 2012 to FY 2015.**
 - **Mayor’s Office of Operations and OMB conducting a comprehensive review of fees and fines, including an expanded focus on addressing obsolete, burdensome, and inequitable violations.**

- ❖ **Implements and enforces Paid Sick Leave**

- ❖ **Develops manufacturing jobs at Brooklyn Army Terminal**

Fiscal Year 2015 Executive Budget

Overhauls Sandy Recovery Efforts

- ❖ Invests in Build It Back to expedite relief
- ❖ Engages communities to create local jobs
- ❖ Provides financial relief to residents:
 - Water bill relief
 - Property tax relief
 - Building fee relief

Dramatically Expanding Affordable Housing

Housing New York: A Five-Borough, Ten-Year Plan

- ❖ **\$41 billion capital investment over 10 years to build or preserve 200,000 units of affordable housing.**
- ❖ **Serves wide range of households, from middle- to very low-income.**
- ❖ **Adds staff and inspectors, vital to protecting affordability and tenant rights.**
- ❖ **Creates approximately 194,000 construction jobs and 7,100 permanent jobs.**

Financial Relief for NYCHA

- ❖ **Provides additional \$70 million in relief to NYCHA to address the backlog of repairs and enhance security.**

Protecting the Most Vulnerable

Fiscal Year 2015 Executive Budget

Prevents and Reduces Homelessness

- ❖ Fully funds HASA 30% rent cap for low-income New Yorkers with HIV/AIDS.
- ❖ Consolidates anti-eviction legal services.
- ❖ Begins a multi-year proposal to implement a new Working Families Subsidy Program, working with the State.
- ❖ Targeted use of NYCHA units and Project Based Section 8 apartments for homeless families.
- ❖ Achieves shelter savings by reducing rates and working with the State to reinvest in permanent solutions.

Fiscal Year 2015 Executive Budget

Protects children and youth:

- ❖ Implements Child Protective Reform Plan to provide greater oversight of high-risk cases and children under court-ordered supervision.
- ❖ Finished conversion of Auburn Street Shelter ahead of schedule; Catherine Street Shelter in process.
- ❖ Provides shelter security enhancements.
- ❖ Funds 100 new crisis shelter beds for runaway and homeless youth, including 24 beds for LGBT youth.

Making New York City Safer

Fiscal Year 2015 Executive Budget

Implements Vision Zero:

- ❖ \$28.8 million for DOT initiatives, such as speed cameras, slow zones, and intersection redesigns.
- ❖ \$13 million for NYPD traffic enforcement.
- ❖ \$1.1 million for TLC safety squad ad campaign.

Invests in public safety and infrastructure:

- ❖ Increasing road resurfacing investment by \$49 million in FY 2015, for a total of \$226 million, to resurface 1,000 lane miles in FY 2015.
- ❖ Prioritizing investment in bridges by allocating an additional \$346 million for bridge rehab.
- ❖ \$110 million over next three years to rehab two NYPD precincts and construct a new 40th Precinct in the South Bronx.

This Budget is Honest

Reforms the budget process to end the budget dance and move forward shared priorities with the City Council.

- ❖ Continues funding allocated in the November Plan to ensure continuity of community services.
- ❖ Restoration of 20 fire companies in the Preliminary Budget.
- ❖ \$6 million for anti-gun violence initiatives.
- ❖ \$8.5 million for Summer Youth Employment Program.
- ❖ \$1 million for HPD's Alternative Enforcement Program.
- ❖ \$2.6 million to expand senior case management.

This Budget is Honest

Accounts for severe weather costs this past winter.

- ❖ Adds \$75 million to FY 2014 (\$40 million in Executive Budget; \$35 million in Preliminary Budget).
- ❖ Makes adjustments to the snow budget in out years to be more realistic about the cost of snow removal.

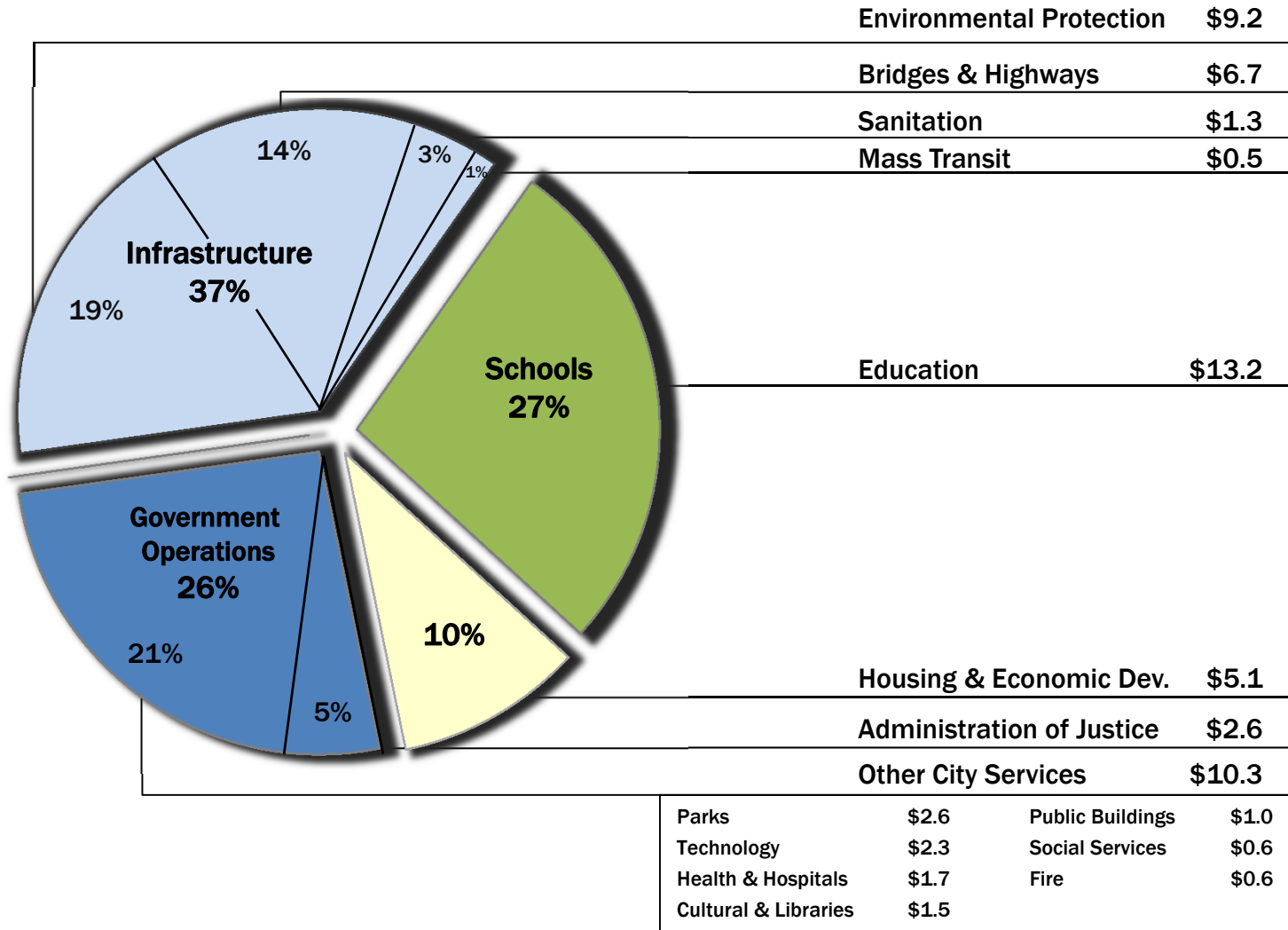
Executive Capital Plan

- ❖ Right-sizing the capital plan as a step toward a more honest and realistic timeframe for accomplishing our goals, ahead of the Ten Year Plan in January 2015.

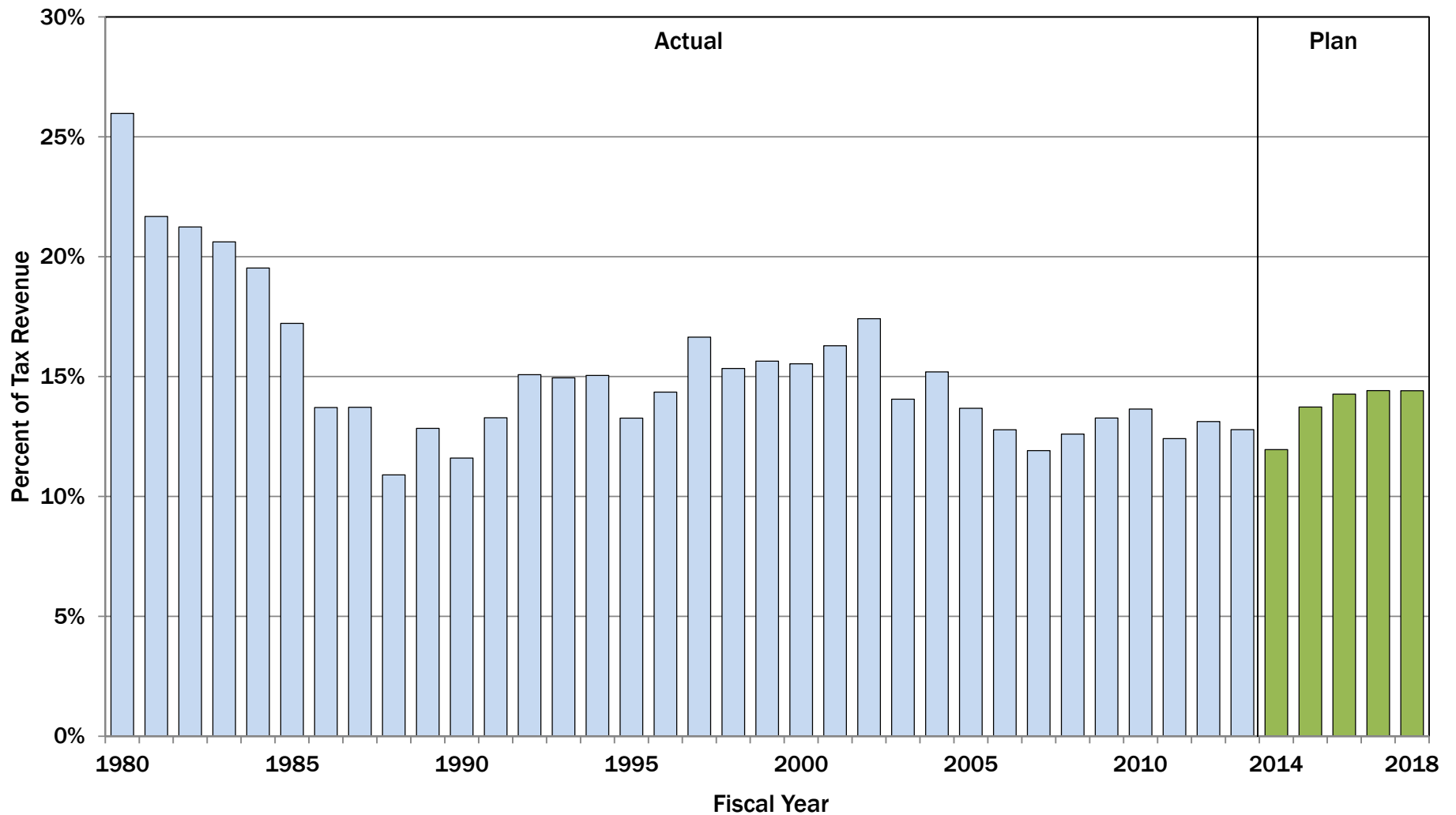
Executive Capital Commitments FY 2014 – FY 2018

Total - \$48.9 Billion in All Funds

\$ in Billions



Debt Service Remains Under 15% of Tax Revenues After the FY 2014 – 2018 Executive Budget Capital Plan Which Includes the Mayor’s New Affordable Housing Program



Note: Excludes Water & Sewer, BARBs, STAR debt service

Revenue and Expense Changes

City Funds Revenue and Expenses

	(\$ in Millions)				
	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>
Revenue	\$53,501	\$53,790	\$55,905	\$57,745	\$59,180
Expenses:					
Controllable Agency Expenses	\$25,033	\$24,629	\$25,317	\$25,906	\$27,496
Non-Controllable Expenses	28,974	31,493	32,785	33,868	34,924
Total Expenses	\$54,007	\$56,122	\$58,102	\$59,774	\$62,420
Surplus / (Deficit)	(\$506)	(\$2,332)	(\$2,197)	(\$2,029)	(\$3,240)
Prior Year Prepayment - Benefit	2,838	2,332	---	---	---
Current Year Prepayment - (Cost)	(2,332)	---	---	---	---
Net Impact of Prepayments	\$506	\$2,332	\$---	\$---	\$---
Gap To Be Closed	\$---	\$---	(\$2,197)	(\$2,029)	(\$3,240)

City Funds Changes to FY 2014 - FY 2018 Since the February 2014 Financial Plan

	City Funds (\$ in Millions)				
	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>
Gap to be Closed – February 2014 Financial Plan	\$ ---	\$ ---	(\$1,059)	(\$530)	(\$370)
Revenue Changes - Increase/(Decrease)					
Tax Revenue Forecast	\$1,214	\$95	\$10	(\$94)	(\$165)
Miscellaneous Revenues	33	183	36	11	(11)
Subtotal Revenue Changes	\$1,247	\$278	\$46	(\$83)	(\$176)
Expense Changes - Increase/(Decrease)					
New Initiatives	\$20	\$248	\$181	\$197	\$141
Technical Adjustments and Other Agency Expense Changes	115	228	194	226	395
Pensions	(52)	24	(4)	(6)	(6)
Debt Service Savings	(4)	(30)	(52)	(41)	15
Re-estimate of Prior Years' Expenses	(400)	---	---	---	---
Reduce FY 2014 General Reserve	(100)	---	---	---	---
Net Cost of Labor Settlement	1,106	370	865	1,040	2,149
Subtotal Expense Changes	\$685	\$840	\$1,184	\$1,416	\$2,694
FY 2014 Prepayment of FY 2015	(562)	562	---	---	---
Gap to be Closed - May 2014 Financial Plan	\$ ---	\$ ---	(\$2,197)	(\$2,029)	(\$3,240)

Controllable Agency Expenses

May 2014 Financial Plan

City Funds - \$ in Millions

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Uniformed Forces					
Police Department	\$4,382	\$4,451	\$4,376	\$4,377	\$4,378
Fire Department	1,606	1,557	1,533	1,514	1,477
Department of Correction	1,085	1,058	1,057	1,056	1,056
Department of Sanitation	1,432	1,461	1,515	1,494	1,494
Subtotal: Uniformed Forces	\$8,505	\$8,527	\$8,481	\$8,441	\$8,405
<i>Year-to-Year Change:</i>		\$22 0.3%	(\$46) (0.5%)	(\$40) (0.5%)	(\$36) (0.4%)
Health and Welfare					
Social Services	\$549	\$592	\$581	\$571	\$570
Children's Services	877	876	886	886	886
Homeless Services	486	467	466	476	476
Health and Mental Hygiene	635	645	639	639	639
HHC Subsidy	78	81	81	81	81
Subtotal: Health and Welfare	\$2,625	\$2,661	\$2,653	\$2,653	\$2,652
<i>Year-to-Year Change:</i>		\$36 1.4%	(\$8) (0.3%)	\$ --- 0.0%	(\$1) (0.0%)
Other Agencies					
Housing Preservation & Development	\$67	\$53	\$52	\$52	\$52
Environmental Protection	1,042	1,099	1,069	1,010	992
Finance	248	243	241	241	241
Transportation	460	493	490	494	494
Parks and Recreation	301	309	307	308	307
Citywide Administrative Services	230	232	224	223	223
All Other Mayoral	3,332	2,674	3,380	3,899	5,441
Subtotal: Other Agencies	\$5,680	\$5,103	\$5,763	\$6,227	\$7,750
<i>Year-to-Year Change:</i>		(\$577) (10.2%)	\$660 12.9%	\$464 8.1%	\$1,523 24.5%
Education					
Department of Education	\$7,111	\$7,181	\$7,266	\$7,427	\$7,584
CUNY	608	637	642	646	593
Subtotal: Education	\$7,719	\$7,818	\$7,908	\$8,073	\$8,177
<i>Year-to-Year Change:</i>		\$99 1.3%	\$90 1.2%	\$165 2.1%	\$104 1.3%
Elected Officials					
Mayoralty	\$71	\$68	\$68	\$68	\$68
All Other Elected	433	452	444	444	444
Subtotal: Elected Officials	\$504	\$520	\$512	\$512	\$512
<i>Year-to-Year Change:</i>		\$16 3.2%	(\$8) (1.5%)	\$ --- 0.0%	\$ --- 0.0%
Total Controllable Agency Spending	\$25,033	\$24,629	\$25,317	\$25,906	\$27,496
<i>Year-to-Year Change:</i>		(\$404) (1.6%)	\$688 2.8%	\$589 2.3%	\$1,590 6.1%

Note: Excludes the impact of prepayments

Non-Controllable Expenses

May 2014 Financial Plan

City Funds - \$ in Millions

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Non-Controllable Expenses					
Pensions	\$8,113	\$8,195	\$8,284	\$8,385	\$8,562
<i>Year-to-Year</i>		\$82	\$89	\$101	\$177
<i>Change:</i>		1.0%	1.1%	1.2%	2.1%
Fringe Benefits ⁽¹⁾	\$6,908	\$7,349	\$7,976	\$8,501	\$9,035
<i>Year-to-Year</i>		\$441	\$627	\$525	\$534
<i>Change:</i>		6.4%	8.5%	6.6%	6.3%
Employee-Related Costs	\$15,021	\$15,544	\$16,260	\$16,886	\$17,597
<i>Year-to-Year</i>		\$523	\$716	\$626	\$711
<i>Change:</i>		3.5%	4.6%	3.8%	4.2%
Medicaid	\$6,272	\$6,353	\$6,322	\$6,322	\$6,322
<i>Year-to-Year</i>		\$81	(\$31)	\$ ---	\$ ---
<i>Change:</i>		1.3%	(0.5%)	0.0%	0.0%
Re-estimate of Prior Years' Expenses	(\$400)	\$ ---	\$ ---	\$ ---	\$ ---
General Reserve	\$50	\$600	\$600	\$600	\$600
All Other ⁽²⁾	\$2,523	\$2,589	\$2,655	\$2,768	\$2,850
<i>Year-to-Year</i>		\$66	\$66	\$113	\$82
<i>Change:</i>		2.6%	2.5%	4.3%	3.0%
Subtotal	\$23,466	\$25,086	\$25,837	\$26,576	\$27,369
<i>Year-to-Year</i>		\$1,620	\$751	\$739	\$793
<i>Change:</i>		6.9%	3.0%	2.9%	3.0%
Debt Service	\$5,508	\$6,407	\$6,948	\$7,292	\$7,555
<i>Year-to-Year</i>		\$899	\$541	\$344	\$263
<i>Change:</i>		16.3%	8.4%	5.0%	3.6%
Total Non-Controllable	\$28,974	\$31,493	\$32,785	\$33,868	\$34,924
<i>Year-to-Year</i>		\$2,519	\$1,292	\$1,083	\$1,056
<i>Change:</i>		8.7%	4.1%	3.3%	3.1%

Excludes the impact of prepayments.

⁽¹⁾ Includes Health Insurance, Welfare Funds, Social Security Contributions, Worker's Compensation, Unemployment Insurance, Annuity Contributions, Uniform Allowance, and Disability Benefits Insurance.

⁽²⁾ Includes Public Assistance, Judgments & Claims, Indigent Defense Services, Contractual, Criminal Justice and Water & Sewer for City Facilities.

Fiscal Year 2014

May 2014 Financial Plan

AGENCY	\$ in Millions										
	Personal Service Costs				Other Than Personal Service Costs				Gross Total All Funds (Includes Intra-City)	Net Total All Funds (Excludes Intra-City)	City Fund Total
	Salaries & Wages	Fringe Benefits	Pensions	PS Subtotal	Agency OTPS	PA, MA & Other Mandates	Debt Service	OTPS Subtotal			
UNIFORMED AGENCIES											
Police Department	\$4,308	\$1,887	\$2,542	\$8,737	\$579	\$ ---	\$122	\$701	\$9,438	\$9,207	\$8,796
Fire Department	1,661	663	1,074	3,398	272	---	127	399	3,797	3,795	3,380
Department of Correction	937	454	376	1,767	137	---	168	305	2,072	2,072	2,043
Department of Sanitation	853	379	295	1,527	578	---	290	868	2,395	2,391	2,341
Subtotal	\$7,759	\$3,383	\$4,287	\$15,429	\$1,566	\$ ---	\$707	\$2,273	\$17,702	\$17,465	\$16,560
HEALTH AND WELFARE											
Administration for Children's Services	\$411	\$145	\$70	\$626	\$2,429	\$ ---	\$ ---	\$2,429	\$3,055	\$3,009	\$1,023
Department of Social Services	740	347	139	1,226	1,064	7,744	99	8,907	10,133	10,126	7,816
Department of Homeless Services	124	47	20	191	923	---	---	923	1,114	1,111	549
Department of Health and Mental Hygiene	377	126	68	571	1,078	---	46	1,124	1,695	1,679	842
Health and Hospitals Corporation ⁽¹⁾	---	29	---	29	197	---	173	370	399	282	243
Subtotal	\$1,652	\$694	\$297	\$2,643	\$5,691	\$7,744	\$318	\$13,753	\$16,396	\$16,207	\$10,473
EDUCATION											
Department of Education	\$9,428	\$3,561	\$3,095	\$16,084	\$6,972	\$ ---	\$1,347	\$8,319	\$24,403	\$24,165	\$13,726
City University	513	105	67	685	300	---	60	360	1,045	1,008	736
Subtotal	\$9,941	\$3,666	\$3,162	\$16,769	\$7,272	\$ ---	\$1,407	\$8,679	\$25,448	\$25,173	\$14,462
OTHER AGENCIES	\$2,414	\$851	\$440	\$3,705	\$6,126	\$ ---	\$2,921	\$9,047	\$12,752	\$11,682	\$8,496
ELECTED OFFICIALS	\$478	\$143	\$84	\$705	\$112	\$ ---	\$ ---	\$112	\$817	\$812	\$719
MISCELLANEOUS BUDGET	\$1,370	\$ ---	\$ ---	\$1,370	\$ ---	\$2,829 ⁽²⁾	\$292	\$3,121	\$4,491	\$4,491	\$3,662
DEBT SERVICE COSTS (Unallocated)	\$ ---	\$ ---	\$ ---	\$ ---	\$ ---	\$ ---	\$88	\$88	\$88	\$88	\$35
RE-ESTIMATE OF PRIOR YEARS' EXPENSES	\$ ---	\$ ---	\$ ---	\$ ---	(\$400)	\$ ---	\$ ---	(\$400)	(\$400)	(\$400)	(\$400)
TOTAL - ALL FUNDS ⁽³⁾	\$23,614	\$8,737	\$8,270	\$40,621	\$20,367	\$10,573	\$5,733	\$36,673	\$77,294	\$75,518	
TOTAL - CITY FUNDS ⁽³⁾	\$15,473	\$6,908	\$8,113	\$30,494	\$9,161	\$8,844	\$5,508	\$23,513			\$54,007
Less: Prepayments	\$ ---	\$ ---	\$ ---	\$ ---	\$64	\$ ---	\$442	\$506	\$506	\$506	\$506
Total After Prepayments	\$23,614	\$8,737	\$8,270	\$40,621	\$20,303	\$10,573	\$5,291	\$36,167	\$76,788	\$75,012	\$53,501

⁽¹⁾ Only reflects funding appropriated in the City's Budget.

⁽²⁾ Includes subsidies to the MTA, General Reserve, Judgments and Claims, Indigent Defense Services and Other Contractual Services.

⁽³⁾ Excludes the impact of prepayments.

Fiscal Year 2015

May 2014 Financial Plan

AGENCY	\$ in Millions										
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	Salaries & Wages	Fringe Benefits	Pensions	PS Subtotal	Agency OTPS	PA, MA & Other Mandates	Debt Service	OTPS Subtotal			
UNIFORMED AGENCIES											
Police Department	\$4,296	\$1,962	\$2,467	\$8,725	\$341	\$ ---	\$143	\$484	\$9,209	\$8,979	\$8,890
Fire Department	1,586	664	1,071	3,321	170	---	145	315	3,636	3,634	3,373
Department of Correction	915	478	371	1,764	129	---	182	311	2,075	2,075	2,047
Department of Sanitation	827	395	292	1,514	625	---	397	1,022	2,536	2,533	2,486
Subtotal	\$7,624	\$3,499	\$4,201	\$15,324	\$1,265	\$ ---	\$867	\$2,132	\$17,456	\$17,221	\$16,796
HEALTH AND WELFARE											
Administration for Children's Services	\$411	\$155	\$69	\$635	\$2,479	\$ ---	\$ ---	\$2,479	\$3,114	\$3,024	\$1,063
Department of Social Services	749	357	142	1,248	1,105	7,874	119	9,098	10,346	10,335	8,046
Department of Homeless Services	121	50	21	192	831	---	---	831	1,023	1,022	533
Department of Health and Mental Hygiene	369	128	66	563	1,019	---	57	1,076	1,639	1,636	865
Health and Hospitals Corporation ⁽¹⁾	---	32	---	32	179	---	178	357	389	291	251
Subtotal	\$1,650	\$722	\$298	\$2,670	\$5,613	\$7,874	\$354	\$13,841	\$16,511	\$16,308	\$10,758
EDUCATION											
Department of Education	\$9,615	\$3,652	\$3,252	\$16,519	\$7,592	\$ ---	\$1,583	\$9,175	\$25,694	\$25,474	\$14,324
City University	530	161	69	760	238	---	62	300	1,060	1,044	770
Subtotal	\$10,145	\$3,813	\$3,321	\$17,279	\$7,830	\$ ---	\$1,645	\$9,475	\$26,754	\$26,518	\$15,094
OTHER AGENCIES	\$2,397	\$878	\$450	\$3,725	\$4,716	\$ ---	\$3,309	\$8,025	\$11,750	\$10,633	\$8,894
ELECTED OFFICIALS	\$475	\$146	\$84	\$705	\$104	\$ ---	\$ ---	\$104	\$809	\$805	\$743
MISCELLANEOUS BUDGET	\$835	\$ ---	\$ ---	\$835	\$ ---	\$3,437 ⁽²⁾	\$373	\$3,810	\$4,645	\$4,645	\$3,782
DEBT SERVICE COSTS (Unallocated)	\$ ---	\$ ---	\$ ---	\$ ---	\$ ---	\$ ---	\$117	\$117	\$117	\$117	\$55
RE-ESTIMATE OF PRIOR YEARS' EXPENSES	\$ ---	\$ ---	\$ ---	\$ ---	\$ ---	\$ ---	\$ ---	\$ ---	\$ ---	\$ ---	\$ ---
TOTAL - ALL FUNDS ⁽³⁾	\$23,126	\$9,058	\$8,354	\$40,538	\$19,528	\$11,311	\$6,665	\$37,504	\$78,042	\$76,247	\$ ---
TOTAL - CITY FUNDS ⁽³⁾	\$15,320	\$7,349	\$8,195	\$30,864	\$9,309	\$9,542	\$6,407	\$25,258	\$ ---	\$ ---	\$56,122
Less: Prepayments	\$ ---	\$ ---	\$ ---	\$ ---	\$ ---	\$ ---	\$2,332	\$2,332	\$2,332	\$2,332	\$2,332
Total After Prepayments	\$23,126	\$9,058	\$8,354	\$40,538	\$19,528	\$11,311	\$4,333	\$35,172	\$75,710	\$73,915	\$53,790

⁽¹⁾ Only reflects funding appropriated in the City's Budget.

⁽²⁾ Includes subsidies to the MTA, General Reserve, Judgments and Claims, Indigent Defense Services and Other Contractual Services.

⁽³⁾ Excludes the impact of prepayments.

Changes Between FY 2014 and FY 2015

May 2014 Financial Plan

AGENCY	\$ in Millions										
	Personal Service Costs				Other Than Personal Service Costs				Gross Total All Funds (Includes Intra-City)	Net Total All Funds (Excludes Intra-City)	City Fund Total
	Salaries & Wages	Fringe Benefits	Pensions	PS Subtotal	Agency OTPS	PA, MA & Other Mandates	Debt Service	OTPS Subtotal			
UNIFORMED AGENCIES											
Police Department	(\$12)	\$75	(\$75)	(\$12)	(\$238)	\$ ---	\$21	(\$217)	(\$229)	(\$228)	\$94
Fire Department	(75)	1	(3)	(77)	(102)	---	18	(84)	(161)	(161)	(7)
Department of Correction	(22)	24	(5)	(3)	(8)	---	14	6	3	3	4
Department of Sanitation	(26)	16	(3)	(13)	47	---	107	154	141	142	145
Subtotal	(\$135)	\$116	(\$86)	(\$105)	(\$301)	\$ ---	\$160	(\$141)	(\$246)	(\$244)	\$236
HEALTH AND WELFARE											
Administration for Children's Services	\$ ---	\$10	(\$1)	\$9	\$50	\$ ---	\$ ---	\$50	\$59	\$15	\$40
Department of Social Services	9	10	3	22	41	130	20	191	213	209	230
Department of Homeless Services	(3)	3	1	1	(92)	---	---	(92)	(91)	(89)	(16)
Department of Health and Mental Hygiene	(8)	2	(2)	(8)	(59)	---	11	(48)	(56)	(43)	23
Health and Hospitals Corporation ⁽¹⁾	---	3	---	3	(18)	---	5	(13)	(10)	9	8
Subtotal	(\$2)	\$28	\$1	\$27	(\$78)	\$130	\$36	\$88	\$115	\$101	\$285
EDUCATION											
Department of Education	\$187	\$91	\$157	\$435	\$620	\$ ---	\$236	\$856	\$1,291	\$1,309	\$598
City University	17	56	2	75	(62)	---	2	(60)	15	36	34
Subtotal	\$204	\$147	\$159	\$510	\$558	\$ ---	\$238	\$796	\$1,306	\$1,345	\$632
OTHER AGENCIES	(\$17)	\$27	\$10	\$20	(\$1,410)	\$ ---	\$388	(\$1,022)	(\$1,002)	(\$1,049)	\$398
ELECTED OFFICIALS	(\$3)	\$3	\$ ---	\$ ---	(\$8)	\$ ---	\$ ---	(\$8)	(\$8)	(\$7)	\$24
MISCELLANEOUS BUDGET	(\$535)	\$ ---	\$ ---	(\$535)	\$ ---	\$608 ⁽²⁾	\$81	\$689	\$154	\$154	\$120
DEBT SERVICE COSTS (Unallocated)	\$ ---	\$ ---	\$ ---	\$ ---	\$ ---	\$ ---	\$29	\$29	\$29	\$29	\$20
RE-ESTIMATE OF PRIOR YEARS' EXPENSES	\$ ---	\$ ---	\$ ---	\$ ---	\$400	\$ ---	\$ ---	\$400	\$400	\$400	\$400
TOTAL - ALL FUNDS ⁽³⁾	(\$488)	\$321	\$84	(\$83)	(\$839)	\$738	\$932	\$831	\$748	\$729	
TOTAL - CITY FUNDS ⁽³⁾	(\$153)	\$441	\$82	\$370	\$148	\$698	\$899	\$1,745			\$2,115
Less: Prepayments	\$ ---	\$ ---	\$ ---	\$ ---	(\$64)	\$ ---	\$1,890	\$1,826	\$1,826	\$1,826	\$1,826
Total After Prepayments	(\$488)	\$321	\$84	(\$83)	(\$775)	\$738	(\$958)	(\$995)	(\$1,078)	(\$1,097)	\$289

⁽¹⁾ Only reflects funding appropriated in the City's Budget.

⁽²⁾ Includes subsidies to the MTA, General Reserve, Judgments and Claims, Indigent Defense Services and Other Contractual Services.

⁽³⁾ Excludes the impact of prepayments.

Five Year Financial Plan Revenues and Expenditures as Required by Law May 2014 Financial Plan

(All Funds - \$ in Millions)

Revenues	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Taxes					
General Property Tax	\$19,969	\$20,679	\$21,714	\$22,603	\$23,478
Other Taxes	27,116	27,149	28,323	29,285	30,214
Tax Audit Revenue	860	709	709	709	709
Subtotal: Taxes	\$47,945	\$48,537	\$50,746	\$52,597	\$54,401
Miscellaneous Revenues	7,347	7,063	6,994	6,986	6,622
Unrestricted Intergovernmental Aid	---	---	---	---	---
Less: Intra-City Revenue	(1,776)	(1,795)	(1,820)	(1,823)	(1,828)
Disallowances Against Categorical Grants	(15)	(15)	(15)	(15)	(15)
Subtotal: City Funds	\$53,501	\$53,790	\$55,905	\$57,745	\$59,180
Other Categorical Grants	900	761	837	832	828
Inter-Fund Revenues	538	527	513	513	513
Federal Categorical Grants	8,303	6,377	6,333	6,310	6,299
State Categorical Grants	11,770	12,460	12,904	13,401	13,953
Total Revenues	\$75,012	\$73,915	\$76,492	\$78,801	\$80,773
Expenditures					
Personal Service					
Salaries and Wages	\$23,614	\$23,126	\$23,860	\$24,346	\$25,750
Pensions	8,270	8,354	8,445	8,546	8,723
Fringe Benefits	8,737	9,058	9,722	10,444	11,240
Subtotal: Personal Service	\$40,621	\$40,538	\$42,027	\$43,336	\$45,713
Other Than Personal Service					
Medical Assistance	6,365	6,447	6,415	6,415	6,415
Public Assistance	1,379	1,428	1,407	1,413	1,413
All Other ⁽¹⁾	23,146	22,364	22,818	23,307	23,860
Subtotal: Other Than Personal Service	\$30,890	\$30,239	\$30,640	\$31,135	\$31,688
Debt Service ^{(1),(2)}	5,733	6,665	7,242	7,582	7,840
FY 2013 Budget Stabilization & Discretionary Transfers ⁽¹⁾	(2,838)	---	---	---	---
FY 2014 Budget Stabilization ⁽²⁾	2,332	(2,332)	---	---	---
General Reserve	50	600	600	600	600
Subtotal	\$76,788	\$75,710	\$80,509	\$82,653	\$85,841
Less: Intra-City Expenses	(1,776)	(1,795)	(1,820)	(1,823)	(1,828)
Total Expenditures	\$75,012	\$73,915	\$78,689	\$80,830	\$84,013
Gap To Be Closed	\$ ---	\$ ---	(\$2,197)	(\$2,029)	(\$3,240)

⁽¹⁾ Fiscal Year 2013 Budget Stabilization and Discretionary Transfers total \$2.807 billion, including GO of \$2.727 billion, net equity contribution in bond refunding of \$16 million, and subsidies of \$64 million. In addition, the Fiscal Year 2012 Budget Stabilization included \$31 million for prepayment of Fiscal Year 2014's debt service.

⁽²⁾ Fiscal Year 2014 Budget Stabilization totals \$2.332 billion, including GO of \$970 million and TFA of \$1.362 billion.