



The City of New York

Zohran Kwame Mamdani, Mayor

February 2026 Financial Plan Detail

Fiscal Years 2026 - 2030

Mayor's Office of Management and Budget
Sherif Soliman, Director



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The Financial Plan

THE FINANCIAL PLAN

The February 2026 Financial Plan sets forth revenues and expenses for fiscal years 2026 through 2030.

The 2027 Preliminary Budget is \$127 billion. The budget is balanced using a prepayment of \$238 million from fiscal year 2026.

This is the forty-seventh consecutive budget which is balanced under GAAP.

Major highlights of the Preliminary Budget and Financial Plan are:

- Forecast revenues have increased by \$3.2 billion, \$8.7 billion, \$7.6 billion, \$6.4 billion, and \$9.1 billion in fiscal years 2026 through 2030, respectively. The changes include unrestricted state aid of \$500 million in fiscal year 2026. There are state actions that de-couple from corporate tax provisions of the One Big Beautiful Bill Act (OBBBA) of \$723 million, \$1.0 billion, \$520 million and \$317 million in fiscal years 2027 through 2030, respectively and the sales tax distress hospital intercept action of \$150 million, \$150 million and \$113 million in fiscal years 2026 through 2028, respectively. The total revenue forecast also includes a property tax increase of \$3.7 billion, \$3.6 billion \$3.7 billion and \$3.8 billion in fiscal years 2027 through 2030, respectively.
- Agency expense changes have increased by \$6.6 billion, \$7.4 billion, \$7.9 billion, \$7.9 billion, and \$8.0 billion in fiscal years 2026 through 2030, respectively.
- Health Stabilization Fund costs of \$911 million, \$1.1 billion, \$1.2 billion, \$1.3 billion and \$1.4 billion in fiscal years 2026 through 2030, respectively.
- NYCE PPO Health savings of \$411 million, \$791 million, \$840 million, \$891 million and \$953 million in fiscal years 2026 through 2030, respectively.
- State actions which reduce city spending by \$360 million in fiscal year 2026 and \$457 million in fiscal years 2027 through 2030 for Article 6, Youth Programming, and School Aid.
- Pensions changes have increased by \$16 million, \$10 million and \$11 million in fiscal years 2026, 2028 and 2029, and have decreased by \$99 million and \$19 million in fiscal year 2027 and fiscal year 2030.
- Debt Service changes have decreased by \$40 million in fiscal year 2026 and have increased by \$40 million, \$90 million, \$114 million and \$177 million in fiscal years 2027 through 2030, respectively.
- The General Reserve has decreased by \$1.2 billion and \$1.1 billion in fiscal year 2026 and fiscal year 2027, respectively.
- The Retiree Health Benefits Trust Reserve decreased by \$229 million in fiscal year 2027 and increased by \$229 million in fiscal year 2028.
- The Rainy Day Fund has decreased by \$980 million in fiscal year 2026 and increased by \$980 million in fiscal year 2028.

- The capital stabilization reserve has decreased by \$250 million in fiscal year 2026 and fiscal year 2027.
- The labor reserve has decreased by \$150 million and \$400 million in fiscal year 2026 and fiscal year 2027.
- Projected agency savings which reduce spending by \$710 million in fiscal year 2026 and \$1.1 billion in fiscal years 2027 through 2030. In addition to the savings there is an OTPS Inflation adjustment that decreased expenses by \$56 million in fiscal years 2027 through 2030.
- A re-estimate of prior years' expenses and receivables of \$500 million in fiscal year 2026.
- Revenues and expenditures are balanced for 2026 and 2027 and gaps of \$6.7 billion, \$6.8 billion, and \$7.1 billion are projected for fiscal years 2028, 2029 and 2030, respectively.

The following tables detail the changes since the November 2025 Financial Plan and the revenues and expenditures for the five-year financial plan.

Changes Since the November 2025 Plan					
City Funds (\$ in Millions)					
	FY 26	FY 27	FY 28	FY 29	FY 30
Gap to be Closed - November 2025 Financial Plan	\$—	(\$4,691)	(\$6,273)	(\$6,296)	(\$9,169)
Revenue Changes:					
Tax Revenues	\$2,447	\$4,140	\$2,951	\$2,245	\$5,055
State Action: Fiscal Impact of de-coupling from OBBBA	—	723	1,010	520	317
State Action: Sales Tax Distressed Hospital Intercept	150	150	113	—	—
State Tax Programs	(3)	(64)	(71)	(78)	(82)
Unrestricted State Aid	500	—	—	—	—
Non-Tax Revenues	56	25	5	5	5
Property Tax Increase	—	3,700	3,601	3,707	3,814
Total Revenue Changes	\$3,150	\$8,674	\$7,609	\$6,399	\$9,109
Expense Changes:					
Agency Expense Changes	\$6,610	\$7,405	\$7,895	\$7,907	\$8,043
Health Stabilization Fund Cost	911	1,144	1,227	1,319	1,424
NYCE PPO Health Savings	(411)	(791)	(840)	(891)	(953)
State Actions: Article 6, Youth Programming and School Aid	(360)	(457)	(457)	(457)	(457)
Pension	16	(99)	10	11	(19)
Debt Service	(40)	40	90	114	177
General Reserve	(1,150)	(1,100)	—	—	—
Retiree Health Benefits Trust Reserve	—	(229)	229	—	—
Rainy Day Fund	(980)	—	980	—	—
Capital Stabilization Fund	(250)	(250)	—	—	—
Labor Reserve Savings	(150)	(400)	—	—	—
Projected Agency Savings	(710)	(1,060)	(1,080)	(1,090)	(1,110)
OTPS Inflation Adjustment	—	(56)	(56)	(56)	(56)
Re-estimate of Prior Years' Expenses and Receivables	(500)	—	—	—	—
Total Expense Changes	\$2,986	\$4,147	\$7,998	\$6,857	\$7,049
Gap to be Closed Before Prepayments	\$164	(\$164)	(\$6,662)	(\$6,754)	(\$7,109)
FY 2026 Prepayment	(\$164)	\$164	\$—	\$—	\$—
Gap to be Closed - February 2026 Financial Plan	\$—	\$—	(\$6,662)	(\$6,754)	(\$7,109)

Fiscal years 2026 and 2027 are balanced in accordance with Generally Accepted Accounting Principles (GAAP), except for the application of Statement No. 49 of the Government Accounting Standards Board (GASB 49) which prescribes the accounting treatment of pollution remediation costs, and without regard to changes in certain fund balances described in General Municipal Law 25.

Financial Plan Revenues and Expenditures					
(\$ in Millions)					
	FY 26	FY 27	FY 28	FY 29	FY 30
REVENUES					
Taxes					
General Property Tax	\$35,361	\$36,649	\$37,753	\$38,868	\$40,169
Other Taxes	47,868	50,164	50,809	51,319	52,625
Tax Audit Revenue	959	879	879	879	879
Tax Programs	147	86	42	(78)	(82)
Property Tax Increase	—	3,700	3,601	3,707	3,814
Subtotal: Taxes	\$84,335	\$91,478	\$93,084	\$94,695	\$97,405
Miscellaneous Revenues	8,642	8,092	8,104	8,148	8,173
Unrestricted Intergovernmental Aid	502	—	—	—	—
Less: Intra-City Revenue	(2,275)	(1,946)	(1,938)	(1,931)	(1,929)
Disallowances Against Categorical Grants	(15)	(15)	(15)	(15)	(15)
Subtotal: City Funds	\$91,189	\$97,609	\$99,235	\$100,897	\$103,634
Other Categorical Grants	981	1,022	1,009	1,006	1,006
Inter-Fund Revenues	808	800	801	804	804
Federal Categorical Grants	8,889	7,260	7,179	7,155	7,165
State Categorical Grants	20,503	20,310	20,709	20,341	20,415
Total Revenues	\$122,370	\$127,001	\$128,933	\$130,203	\$133,024
EXPENDITURES					
Personal Service					
Salaries and Wages	\$35,027	\$36,184	\$37,976	\$38,774	\$39,614
Pensions	10,495	10,533	11,519	10,983	10,524
Fringe Benefits	15,881	16,483	17,267	17,989	18,823
Retiree Health Benefits Trust	—	(229)	229	—	—
Subtotal: Personal Service	\$61,403	\$62,971	\$66,991	\$67,746	\$68,961
Other Than Personal Service					
Medical Assistance	6,437	6,790	6,940	7,090	7,240
Public Assistance	2,764	2,746	2,746	2,746	2,746
All Other	50,017	47,050	47,863	48,323	49,385
Subtotal: Other Than Personal Service	\$59,218	\$56,586	\$57,549	\$58,159	\$59,371
Debt Service ^{1,2}	8,503	9,528	10,563	11,533	12,280
FY 2025 Budget Stabilization ¹	(3,787)	—	—	—	—
FY 2026 Budget Stabilization ²	238	(238)	—	—	—
Capital Stabilization Reserve	—	—	250	250	250
General Reserve	50	100	1,200	1,200	1,200
Rainy Day Fund	(980)	—	980	—	—
Less: Intra-City Expenses	(2,275)	(1,946)	(1,938)	(1,931)	(1,929)
Total Expenditures	\$122,370	\$127,001	\$135,595	\$136,957	\$140,133
Gap To Be Closed	\$—	\$—	(\$6,662)	(\$6,754)	(\$7,109)

¹ Fiscal Year 2025 Budget Stabilization total \$3.787 billion, including GO of \$1.443 billion and TFA-FTS of \$2.344 billion.

² Fiscal Year 2026 Budget Stabilization totals \$238 million.

Economic and Tax Revenue Forecast

ECONOMIC AND TAX REVENUE OVERVIEW

Economic Outlook

The national economy endured heightened uncertainty from large swings in trade, immigration, fiscal, and industrial policies in 2025. Despite the headwinds, aggregate growth remained above average, sustained by robust consumption by high-income households and an investment boom driven largely by elevated spending on artificial intelligence infrastructure. Tariff threats shifted consumption, inventory, and trade flows throughout the year, as consumers and firms attempted to lock in pre-tariff prices. However, core demand remained stable, benefitting from wealth effects created by strong equity market appreciation, tax cuts in the One, Big, Beautiful Bill Act (OBBBA), and declining interest rates as the Federal Reserve cautiously eased monetary policy. As a result, growth is expected to remain strong in 2026 before slowing to a long-run average pace below two percent in the out-years. In contrast, the job market decelerated sharply, adding fewer than 200,000 jobs in 2025, down from nearly 1.5 million the year before. At the same time, the unemployment rate rose, trending from four percent at the start of 2025 to 4.4 percent at the end. Equity markets suffered from a volatile start in 2025 as investors attempted to digest the policy turmoil in the first half of the year. Uncertainty peaked during the administration's "Liberation Day" tariff announcement in April 2025, as the S&P 500 index sagged on the prospects of a trade war. However, as many of the trade threats were softened, delayed, or withdrawn, equity prices rebounded, ending the year up by over 16 percent. The strong equity price appreciation, gradually easing interest rates, and periodic spells of volatility created a sweet spot for Wall Street, which is projected to earn \$63 billion in 2025, eclipsing the prior record of \$61 billion set in 2009.

Drastic shifts in federal policy under the current administration have placed the Federal Reserve in a policy dilemma. Following a series of rate cuts at the end of 2025, the Federal Reserve paused key policy rate changes in its January 2026 meeting. The labor market slowdown, still-elevated inflation, and shifting federal policymaking have created an unprecedented level of uncertainty, challenging the Federal Reserve's dual mandate of maintaining maximum employment and price stability. Fragile job growth and stubborn, above-target inflation have put the Federal Reserve in a wait-and-see mode, as policymakers await additional data to determine the next course of monetary policy. Therefore, the Federal Reserve is expected to keep the federal funds rate unchanged in the first half of 2026.

New York City's economy remained resilient in 2025, although some sectors decelerated. Notably, the City's labor market slowed significantly, with payroll employment expanding by 0.9 percent – its slowest pace since 2020. Of the nine major private sectors, only two, education & health and information, added jobs in 2025. Employment growth is anticipated to improve to 1.2 percent in 2026. In the long-run, job growth is expected to remain below two percent due to constraints on labor supply growth. Compared to the first half of 2024, average private sector wages in New York City were up seven percent on year-over-year basis in 2025. Strong average wage growth in high-paying sectors such as financial activities, information, and professional & business services drove overall wage gains. Robust private sector wage growth is anticipated to continue in 2026, increasing by 5.6 percent, driven mainly by the finance sector.

The City's commercial real estate market continues to recover, fueled by strong leasing activity from finance and technology firms. Office expansions driven by the AI boom and stricter return-to-office mandates in the finance and information sectors led to a rebound in leasing activity and occupied space across all office classes in 2025, reaching a total of 31 million square feet (msf) leased, up 32 percent year-over-year (YoY) from December 2024. In turn, the primary market vacancy rate fell by about 2.5

percentage points in 2025, the largest annual decline since 2007. Nonetheless, vacancy rates remain well above pre-pandemic levels. At the same time, asking rents strengthened as inventory declined due to a pickup in office-to-residential conversions. With shrinking availability, vacancy rates are expected to continue to decline, falling to around 16 percent by 2030 – an improvement but still historically elevated.

Housing market activity in New York City increased in 2025. Faster sales turnover and a rebound in sales inventory – up by 9.3 percent YoY in 2025 and the first annual increase post-pandemic – highlighted a recovery in the sector. Condo sales contributed to much of this rebound, increasing by 10 percent YoY – the largest annual increase among all components of sales in 2025. Nevertheless, elevated interest rates continued to restrain activity, as the mortgage lock-in effect discouraged sellers from listing homes and high borrowing costs deterred buyers from committing. Looking ahead, mortgage rates are anticipated to decline in 2026, enticing both buyers and sellers to return to the market. Home sales are projected to increase by 3.9 percent before moderating to around 2.5 percent in the out-years. However, near-term economic headwinds, including tariffs and high construction costs, are likely to keep inventory constrained, placing upward pressure on home prices and rents. Both are projected to rise around three percent in 2026, before slowing to a pace of two percent in 2027.

Overall, tourism in the city remained resilient. However, growing negative sentiment toward the U.S. is expected to hinder the sector's growth in the near term. Despite positive trends in a number of components of the tourism industry, air passenger data show that international arrival volumes declined in 2025, with large decreases from neighboring countries such as Canada and Mexico, where aggressive U.S. immigration and trade policies have discouraged visitors. The hotel industry continued to grow, but momentum began to slow in 2025. Continued softness in international travel in the coming years, along with rising federal policy uncertainty, is expected to keep occupancy rates in the mid-80 percent range. Risks to this sector remain elevated given the ongoing unpredictability of federal policy.

Tax Forecast Summary

NYC's economy expanded at a robust pace in 2025, associated with strength in financial markets, AI-fueled non-residential fixed investment and strong consumption growth. Given an expanding economy and pronounced strength in the finance sector, non-property tax revenue grew 10.8 percent in 2025, lifting overall tax revenue by 8.3 percent to \$80.3 billion. This strong economic growth continued into the first half of 2026, as non-property tax collections grew by 10.1 percent over the first six months of the year.

The February 2026 Preliminary Budget updates tax revenue forecasts, accounting for these economic dynamics. In addition, the update includes an increase in the average property tax rate from 12.283 percent to 13.450 percent beginning in 2027.

Forecast Summary for 2026

In 2026, total tax revenue is forecast at \$84.3 billion, increasing 5.0 percent from 2025. Property taxes are expected to grow 2.1 percent, decelerating from high growth years following immediate post-pandemic period. Non-property taxes are forecast to increase 7.0 percent, driven by an expanding economy and record Wall Street profits in calendar year 2025. The strength in financial markets contributes to an increase in personal income taxes (including PTET) of 10.1 percent in 2026, as bonus payments and non-wage income grow. Corporate taxes are expected to decline 1.2 percent in 2026, reflecting the interaction of two opposing factors: reduced corporate tax liability associated with the One Big Beautiful Bill Act, and increased profits associated with financial market gains.

The unincorporated business tax is expected to increase 8.4 percent, continuing robust growth following a 21.3 percent increase in 2025. Transaction taxes are forecast to increase 23.0 percent, continuing strong growth in 2025 of 17.1 percent. Sales tax grows at 5.0 percent as the economy expands. Hotel tax grows at 5.8 percent, associated with steady growth in the average room rate.

Forecast Summary for 2027

Total tax revenue is forecast to increase 8.5 percent in 2027 to \$91.5 billion. The increase is primarily associated with two factors: first, an increase in the property tax rate from 12.283 percent to 13.450 percent and, second, the assumed continued strength in financial markets. Following the increase in property tax rates, property tax revenues are expected to grow 14.1 percent in 2027. Non-property taxes are anticipated to increase 4.8 percent as financial market strength continues. Personal income taxes increase 5.0 percent, with growth predicated on a third consecutive exceptional year on Wall Street in calendar year 2026. Corporate taxes rebound 7.1 percent as the assumed State and City decoupling from provisions in the One Big Beautiful Bill Act reverse 2026 corporate tax losses. Unincorporated business taxes increase by 3.2 percent, decelerating following three consecutive years of above average growth. Sales tax increases by 5.2 percent as consumption trends remain stable. Hotel tax grows at 5.0 percent, associated with rising average room rate.

Tax Programs

The February 2026 Plan assumes that a number of revenue actions will become law in advance of the passage of the Adopted budget in June 2026. On net, these actions will change revenues by \$147 million in 2026, \$86 million in 2027, \$42 million in 2028, -\$78 million in 2029, and -\$82 million in 2030. The assumed actions are described below and are not yet incorporated in the individual tax forecasts.

Reversal of Sale Tax Intercept for the Distressed Provider Assistance Account

The NYS Comptroller's Office intercepts a certain amount of sales tax collections each year and reappropriates them for alternative purposes away from NYC coffers. One such intercept is the distressed hospital intercept which reallocates an amount set by legislation to aid hospitals and nursing homes with financial issues.

In 2020, NYS was set to intercept a portion of NYC sales tax collections and redirect them to the New York State Agency Trust Fund, under a Distressed Provider Assistance Account, for the purpose of relief for financially distressed hospitals and nursing home facilities (with the first 3 payments deferred until January 2021). Initially set to expire after two years at \$50 million per quarter, the intercept payment was changed to \$37.5 million quarterly and extended most recently through March 31, 2028. The elimination of the distressed provider assistance account intercept will return to the city \$150 million in 2026, \$150 million in 2027, and \$113 million in 2028.

This proposal requests a reversal of these intercepts as the revenue generated is based on the city's tax base and local sales tax rate and therefore should be utilized based on the city's discretion.

Extend the Sales Tax Exemption for Vending Machines in the NYS SFY27 Executive Budget

This proposal extends the current sales tax exemption on certain food and drink purchases from vending machines for an additional three years. Currently the law exempts purchases of certain food and drink items up to \$1.50 on vending machines that only accept coin or currency, or up to \$2.00 on vending machines that accept a payment in a form other than coin or currency (regardless of if coin or currency is accepted at that machine). This would extend the exemption through May 31, 2029. This provision will cost NYC \$3 million in 2026, \$4 million in 2027, \$4 million in 2028, and \$4 million in 2029.

PIT Exemption for Tipped Income in the NYS SFY27 Executive Budget

As part of OBBBA, the federal government began permitting taxpayers in tax year 2025 to deduct up to \$25,000 worth of qualified tips from their income before calculating tax liability. Within the NYS SFY27 Executive Budget the Governor proposes coupling to this federal provision, thereby allowing taxpayers the same \$25,000 deduction on both their NYS and NYC taxes. This provision will cost NYC \$56 million in 2027, \$58 million in 2028, \$61 million in 2029, and \$64 million in 2030.

SCRIE and DRIE Threshold Increase in the NYS SFY27 Executive Budget

The proposal increases the income eligibility threshold from \$50,000 to \$75,000 for recipients of Senior Citizen Rent Increase Exemption and Disabled Person Rent Increase Exemption (SCRIE and DRIE) without requiring additional local legislation to be passed. It also extends the SCRIE and DRIE programs through 2028. This proposal will cost NYC \$4 million in 2027, \$9 million in 2028, \$13 million in 2029, and \$18 million in 2030.

Tax Programs (Not Enacted)	2026	2027	2028	2029	2030
STX End of Distressed Provider Assistance	\$150	\$150	\$113	\$0	\$0
Account Sales Tax Intercept					
RPT SCRIE/DRIE Increase Threshold from \$50k to \$75k	0	(4)	(9)	(13)	(18)
PIT Eliminate Income Tax on Tipped Wages	0	(56)	(58)	(61)	(64)
STX Sales Tax Exemption for Vending Machines in NYS Budget	(3)	(4)	(4)	(4)	0
Total	\$147	\$86	\$42	(\$78)	(\$82)

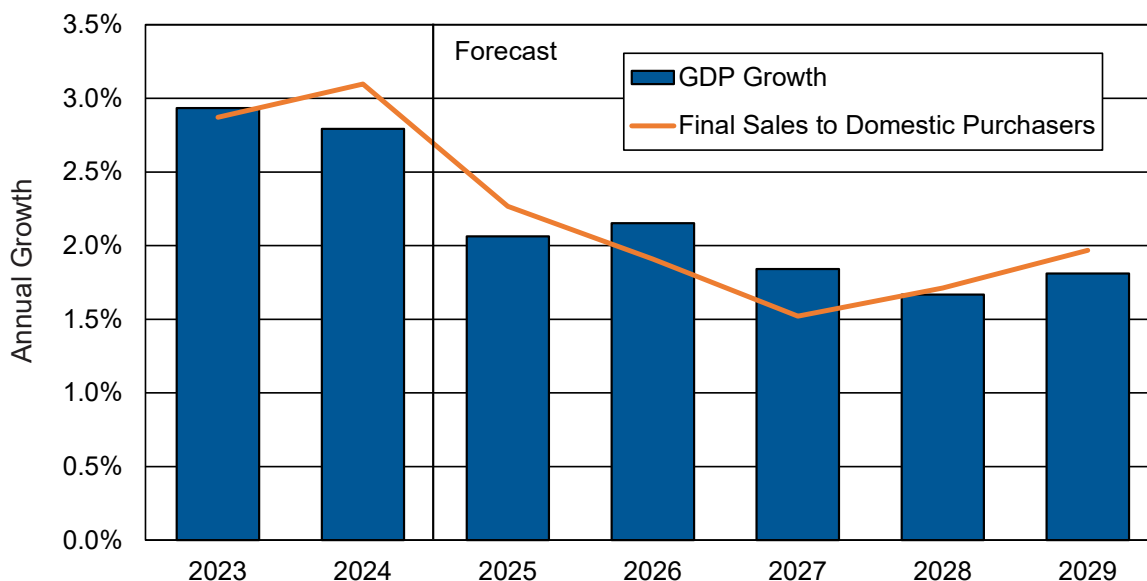
THE U.S. ECONOMY

The national economy in 2025 was buffeted by extraordinary uncertainty stemming from the current administration's haphazard trade, immigration, fiscal, and industrial policies. Despite these challenges, the economy has thus far weathered the headwinds, sustained by strong consumption by high-income households and an artificial intelligence (AI) investment boom. Real gross domestic product (GDP) growth in 2025 slowed marginally from 2024 but likely remains above the long-run average pace of around two percent. However, the path has been uneven as tariff threats have driven large-scale behavioral shifts in spending and investment, which have created corresponding swings in quarterly economic indicators. Furthermore, labor markets have cooled significantly, with payroll growth slowing in the latter half of the year, restrained by a rapid drop in net migration, ongoing demographic pressures from an aging population, and the prospects that many occupations will be significantly affected by AI systems, which appears to be causing a pause in labor demand as employers recalibrate staffing needs.

Most forecasters expected that aggregate growth would slow from an above-trend pace of 2.8 percent in 2024. For instance, the December Blue Chip Consensus projected real GDP growth of 1.9 percent in 2025, while the Federal Reserve's (Fed's) December Summary of Economic Projections (SEP) estimated 1.7 percent. Through the first three quarters of 2025, growth has averaged 2.1 percent relative to the same period in 2024, although the fourth quarter data may be weaker due to the federal shutdown in October. These average growth rates result from an extremely choppy quarterly path. The current administration's aggressive tariff threats at the beginning of the year caused consumers and

U.S. GDP and Final Sales to Domestic Purchasers

GDP growth decelerates in 2025 but strengthens in 2026, supported by strong consumption spending and AI investments. Growth subsequently slows in the out-years.



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

businesses to advance purchases to avoid paying prices inflated by the anticipated duties. Imports jumped 8.4 percent (annualized rate) in the first quarter of 2025, partly driven by soaring non-monetary gold imports. This was the largest quarterly increase in imports since the pandemic, and it created a large negative drag on growth (a subtraction of 4.7 percentage points, ppt). Some of the imports were stockpiled as inventories, adding a 2.6 ppt countervailing boost, but it was not enough of an offset to avoid a GDP contraction of 0.6 percent in the first quarter. The second quarter saw a sharp reversal, with imports declining 8.3 percent, resulting in a tailwind of 4.8 ppt from net exports, partly offset by a 3.4 ppt subtraction from inventory corrections. On net, growth rebounded to 3.8 percent in the second quarter. In September, the administration clarified that gold, tungsten, and uranium imports would be exempted from tariffs, which helped calm the trading frenzy.

While the GDP statistics for the third quarter of 2025 were delayed and partially disrupted by the October federal shutdown, the estimates show greater strength and less noise from trade flows. Consumption accelerated to 3.5 percent, contributing 2.3 ppt to overall growth, up from 1.7 ppt in the second quarter. In the four years since the pandemic, spending growth on services outpaced goods as consumers slowly normalized spending back towards services after the pandemic-induced binge on goods consumption. The tariff turmoil in 2025 disrupted this trend as consumers intertemporally shifted purchases to lock in pre-tariff pricing. Real goods spending in the first half of 2025 grew 4.2 percent on a year-over-year (YoY) basis, versus 2.3 percent for services. The third quarter data shows service spending increasing to 2.4 percent YoY, while goods expenditures dropped to 3.1 percent – potentially a sign that the economy is returning to long-run trends.

Sustained consumption growth at the current pace faces many challenges. On the aggregate level, current spending is being financed partly through a drawdown in savings and borrowing. The November personal saving rate dropped to 3.5 percent, down from more than five percent at the beginning of the year. This low level of saving has only been breached twice in the historical record – during the pandemic, when households spent their excess reserves bolstered by stimulus checks and accumulated savings from sheltering at home; and during the housing bubble, when households tapped the equity created by rapidly appreciating home values. Households are also borrowing more, with credit card balances hitting \$1.23 trillion in the third quarter, up 5.7 percent from a year ago. At the same time, the credit card delinquency rate has risen above seven percent of total balances, a level last seen in the wake of the Global Financial Crisis.

Lower-income households are also facing headwinds from significant federal policy changes. Millions of student loan borrowers relied on payment forbearance during the pandemic, resulting in a drop in delinquency rates from around nine percent of total balances pre-pandemic to under one percent at the end of 2024. The pause in payments ended in late 2023, but the Biden administration offered a one-year transition period where missed payments would not be reported to credit bureaus or counted towards default. With the end of this “on ramp”, delinquencies jumped to 14.3 percent by the third quarter of 2025. Healthcare costs will also jump in 2026 with the end of Affordable Care Act (ACA) subsidies. The One, Big, Beautiful Bill Act (OBBBA) cut these expanded premium tax credits at the end of 2025, which the Congressional Budget Office (CBO) estimates will result in 4.2 million more uninsured people. Finally, the OBBBA also reduced food assistance, particularly the Supplemental Nutrition Assistance Program (SNAP), which CBO estimates will suffer a funding drop of \$187 billion over the next decade due to new work requirements, less generous allowances, and federal-to-state cost shifting.

The weakening labor market is also creating headwinds for sustained growth. Private U.S. payroll growth decelerated sharply from an average of 108,000 jobs per month in the fourth quarter of 2024 to a

monthly average of 50,000 jobs a year later. Public sector job growth also weakened substantially with the loss of 166,000 federal jobs in October 2025, when deferred resignations offered by the Department of Government Efficiency (DOGE) were finally tallied by the Bureau of Labor Statistics (BLS). Furthermore, the recent benchmark revision shifted the employment path for the most recent two years lower, removing 862,000 jobs (down 0.5 percent) at the March 2025 reference month. Even more troubling is that most of the 2025 job growth was driven by a single sector. On a December-to-December basis, healthcare employment added 669,000 positions (up 2.9 percent), higher than the 260,000 private sector jobs created in 2025 (up 0.2 percent). Healthcare now accounts for nearly 18 percent of total private payrolls as of January 2026, the highest share in 35 years of data.

Despite the slowdown, the unemployment rate has been unexpectedly stable, rising modestly to 4.3 percent by January 2026, up from four percent 12 months earlier. The number of job openings per unemployed worker continued to decline gradually, dropping to 0.9 openings per job seeker in December 2025, down from 1.1 a year ago and the record high of two in 2022. Given the sharp decline in payroll employment growth, the relatively modest increase in the unemployment rate is somewhat of a puzzle. According to research by the Federal Reserve of San Francisco, the explanation lies in a balanced slowdown in both labor supply and demand that started in 2023 as the Fed tightened interest rates.¹ On the supply side, labor force growth has slowed due to tightening restrictions on foreign immigration and declines in labor force participation by baby boomers. Updated estimates published by the U.S. Census showed that net international migration nearly halved by mid-2025, dropping to 1.3 million from 2.7 million in 2024. The Census also estimates that if current trends continue, net migration will slow even further to just 321,000 by mid-2026.² In a separate analysis, the Brookings Institution estimated that in calendar year 2025, net migration likely stalled with zero or slightly negative growth, the slowest pace in at least 50 years.³

Moreover, as the bulk of baby boomers approach retirement age, there has been a behavioral change that is further constricting the labor force. Prior to the pandemic, the subset of the population aged 55 and older that remained economically active grew at an average of 2.5 percent annually. This trend downshifted during the pandemic and has not recovered, dropping to an annual pace below one percent over the last three years. Had this cohort instead followed pre-pandemic trends, the labor force would be 1.2 percent larger, equivalent to an extra 2.1 million workers in 2025.

On the labor demand side, job openings declined at a double-digit pace in 2023 and 2024 in the face of rising interest rates. This downward trend moderated in 2025 with job openings down 5.8 percent. Separations from employment have been declining, which could be an indicator that employees are not confident that they can easily transition to a new position. This configuration of declining openings and separations has been characterized as a “no hire, no fire” labor market, which explains why the unemployment rate has been inelastic to the deceleration in job growth.

While these strong headwinds are a challenge, there are also stimulative factors that will likely sustain growth and consumption in the near term. Robust stock market appreciation over the past three years has helped higher-income households maintain spending through wealth effects. Fiscal policy is now expansionary, led by the signing of the OBBBA in July 2025. This legislation made the 2017 Tax Cuts and Jobs Act provisions permanent and introduced new or expanded tax deductions for state and local taxes, tip income, overtime pay, and auto loan interest. The regulatory environment has also loosened over the last year, with the rollback of the Consumer Financial Protection Bureau

1 Leila Bengali, Ingrid Chen, Addie New-Schmidt, and Nicolas Petrosky-Nadeau, [“The Recent Slowdown in Labor Supply and Demand”](#), FRBSF Economic Letter, January 12, 2026.

2 Population Estimates Program Staff, U.S. Census Bureau, [“New Population Estimates Show Historic Decline in Net International Migration.”](#) January 27, 2026.

3 Wendy Edelberg, Stan Veuger, and Tara Watson, [“Macroeconomic implications of immigration flows in 2025 and 2026: January 2026 update”](#), Brookings Institute, January 13, 2026.

(CFPB), a relaxation of bank capital rules, and an administration directive to the government-sponsored enterprises (GSEs) to hold more mortgage-backed assets. These changes will enhance credit flow and lower borrowing costs, albeit at the expense of higher leverage, heightened systematic risk, and potential market instability in the future.

Healthy asset (equity) price growth has lifted the household wealth of the higher income cohorts as technology company valuations soared on the prospects of AI innovation. Over the year ending with the third quarter of 2025, household wealth increased nearly \$13 trillion, driven primarily by a \$9.6 trillion gain (17 percent YoY) in the value of equity holdings. The standard rule of thumb is that each dollar of additional equity wealth results in two to four cents of extra spending. Should stock markets continue higher in 2026, this would help support the current path of consumption. However, the benefits are unevenly distributed. Moody's Analytics estimates that since the pandemic, spending by the top 20 percent of households by income has climbed five ppt to nearly 60 percent of total personal outlays by the third quarter of 2025. By implication, the remaining bottom 80 percent of households have seen their share decline by five percentage points to 41 percent.

Investment spending in 2025 boosted GDP growth, primarily driven by large scale investments in AI infrastructure such as data centers, power generation, and computer hardware. Non-residential fixed investment provided an average quarterly boost of 0.9 ppt to aggregate growth in the first three quarters of 2025, up from just 0.4 ppt in full-year 2024. Of this growth contribution, 0.6 ppt stemmed from equipment investment, primarily information processing, up from 0.2 ppt in the prior year. This spending is also evident from the Census construction value put-in-place data. Spending on new data centers has been growing at a double-digit annual pace since 2022, initially spurred by the Infrastructure Investment and Jobs Act (2021) and the CHIPS and Science Act (2022). Year-to-date (YTD) through October 2025, data center construction value was up 32 percent YoY, slowing from the 54 percent growth in full-year 2024.

In contrast, residential fixed investment was a drag on growth through the first three quarters of 2025 as high borrowing rates and construction costs hindered housing production. Year-to-date through October 2025, housing starts and permits declined 0.8 and 3.9 percent, respectively. This indicates that the soft housing market that began in 2022 will continue for a fourth year, with housing investment subtracting an average of 0.2 ppt from growth in each of the first three quarters of 2025. In contrast, existing home sales managed to (just) break out of a three-year slump, growing 0.4 percent to 4.1 million transactions in 2025. This was still 1.2 million units (23 percent) below 2019 sales levels. Price appreciation has been weak, particularly in the west and south regions, despite the decline of 30-year conforming mortgage rates by 50 basis points to 6.2 percent by year end.

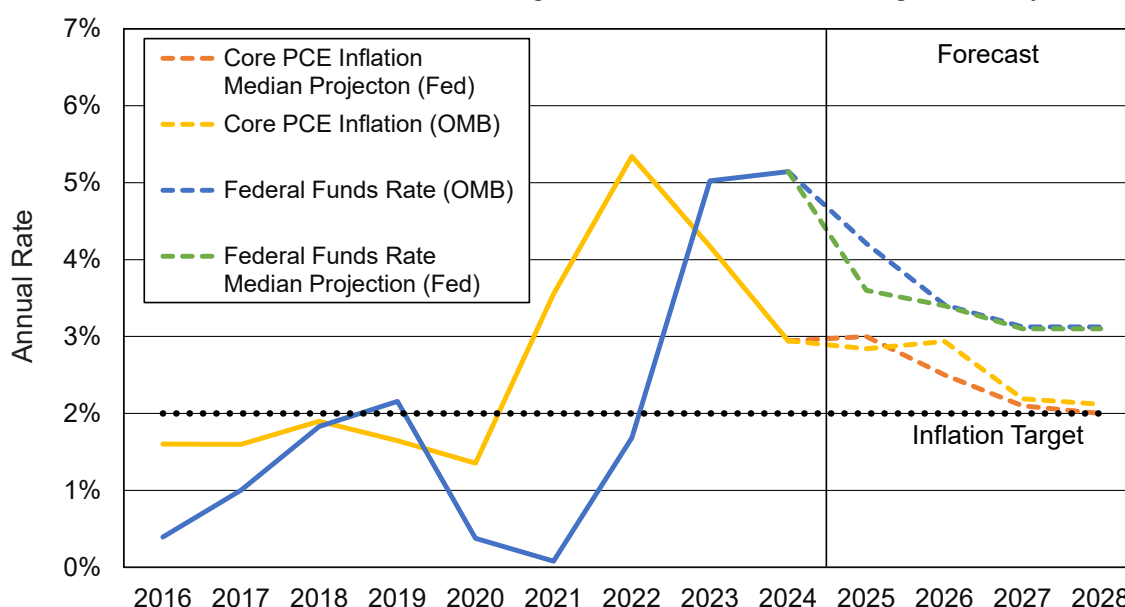
The change in private inventories is counted as part of investment since stockpiles help maintain a reliable supply chain and retail flow and, over longer periods, the net growth effect typically nets out to zero. However, this component is the most volatile part of gross investment, and the negative 3.4 ppt drag from inventory adjustments in the second quarter was the largest subtraction, outside of recession periods, since 1988. In that episode, inventories swelled following the Black Monday stock market crash (October 1987) as consumers and firms became more cautious and slowed expenditures. In response, production dropped in early 1988 as firms cleared their overstocked warehouses. This sudden slowdown resulted in a 3.7 ppt subtraction from growth in the first quarter of 1988.

The recent extreme swings in net exports and inventories confounds the interpretation of GDP data since the noise overwhelms the underlying trends. As an alternative, BEA provides a measure called final sales to domestic purchasers, which removes net exports and inventory adjustments from the topline GDP figure, disclosing the underlying core domestic demand for goods and services, regardless of production location. In 2024, final sales grew at an above-average 3.1 percent before dipping to 1.4 percent in the first quarter of 2025. In the subsequent second and third quarters, final sales accelerated to 2.4 and 2.8 percent, respectively. Thus, core demand appears to be growing, despite the volatile policy environment. Given this underlying support, real GDP is forecast to grow 2.1 percent in 2025, strengthening marginally to 2.2 percent in 2026 before reverting to a slower pace of around 1.8 percent in the out-years.

The configuration of an expanding economy troubled by a fragile labor market puts the Federal Reserve (Fed) in a monetary policy dilemma, with the mixed and delayed economic data readings complicating monetary policymaking. Overall, the Fed has been cautious in its policy decisions, walking a tightrope between supporting a slowing labor market and restraining still-elevated inflation. In addition to erratic trade and immigration policies that have burdened the economy, the Trump administration has also escalated political pressure on the Fed to lower the federal funds rate. The Fed has sought to side-step this political pressure, as Chair Jerome Powell has continued to emphasize the importance of data in guiding monetary policy. This stance persisted despite the Fed's announcement that the Justice Department had served it with grand jury subpoenas, threatening criminal indictment. Powell called the move "unprecedented," viewing it as another attempt by the administration to pressure the

Federal Funds Rate and Inflation

Following the series of rate cuts in 2025, the Federal Reserve is expected to wait for further signs of inflation cooling before lowering the federal funds rate in the second half of 2026. Inflation is projected to remain elevated above the Fed's target in the near term before falling in the out-years.



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

Fed to cut interest rates. Politics notwithstanding, the economic conditions supported a path of gradual normalization, which led to the Fed's series of rate cuts in 2025 followed by a pause in early 2026. The future policy path, however, remains uncertain given mixed economic data and an expected change in the Fed's leadership in May 2026.

The Fed's data-driven approach was impeded by the federal government shutdown in October 2025, which left permanent gaps in some reports and delayed the release of official economic data, clouding the policymaking process. Chair Powell compared the situation to "driving in the fog" and urged other Fed policymakers to avoid making hasty decisions, as the Federal Open Market Committee (FOMC) was deeply divided over whether the Fed should lower its policy rate. The disruption from the federal shutdown continued even after the government reopened in November 2025, the longest shutdown in U.S. history. Notably, the BLS issued a combined employment report in December covering both October and November data, but the household survey data for October was not collected. As a result, that month's unemployment rate and labor force observations are permanently missing. In place of delayed and missing data, the Fed relied more heavily on private-sector indicators to assess labor market conditions, such as the Challenger and ADP employment reports, as well as information provided by businesses within Federal Reserve Districts.

The post-reopening BLS data releases revealed that the national labor market continued to fade, with benchmarked data showing a total seasonally adjusted employment gain of just 181,000 jobs in 2025, down steeply from 1.5 million jobs added in 2024. Part of the slowdown was due to the mass federal resignations in October 2025, which subtracted 166,000 jobs from the federal workforce, but private payrolls were likewise sluggish. The unemployment rate drifted higher, reaching a peak of 4.5 percent in November, up from four percent in January. At the same time, job openings decreased from 7.5 million in December 2024 to 6.5 million a year later, the lowest reading in over five years.

The Fed's January 2026 Beige Book hinted at a reason for the drop in job openings. Surveyed firms noted that they are more likely to backfill vacancies rather than create new positions due to ongoing economic uncertainty, leading to a slowdown in new openings.⁴ At the same time some Federal Reserve Districts, including the Second District of the Federal Reserve Bank of New York, observed that recent changes in immigration policy have led to labor shortages in labor-intensive sectors such as construction, warehousing, and food services, suggesting continued demand for lower-paid and labor-intensive jobs despite layoffs and weakness in other sectors. The recent weakening labor market has temporarily eased wage growth, but restrictive immigration policy could quickly tighten labor markets in certain areas – such as agriculture, leisure and hospitality, and construction – lifting wage growth in these sectors and, in turn, affecting prices.

Restrictive immigration policy is not the sole risk to inflation. The administration's trade and deglobalization policies are likely to keep prices higher for longer. The series of tariffs implemented in 2025 has resulted in retail price hikes, pushing overall inflation risks to the upside. Headline consumer price inflation rose 2.7 percent YoY in December 2025. While slightly lower than a year earlier, it was higher than the 2.4 percent rate reported in March 2025, just before the April 2nd "Liberation Day" announcement of over 50 reciprocal, country-specific tariffs and a sweeping 10 percent baseline tariff on nearly all U.S. trade partners. Inflation as measured by the Personal Consumption Expenditures (PCE) Price Index also remained above the Fed's two percent target. The PCE Price Index rose 2.8 percent YoY in November, slightly higher than the 2.4 percent reading in March 2025. Core PCE, the Fed's preferred inflation measure, which excludes volatile food and energy prices, also rose 2.8 percent YoY in November 2025, above the March 2025 reading of 2.7 percent.

⁴ ["The Beige Book: Summary of Commentary on Current Economic Conditions by Federal Reserve District: January 2026."](#) The Federal Reserve.

Despite the Fed's December projections showing inflation falling in 2026, most forecasters are less optimistic. The Fed's median projection for core PCE inflation in its December 2025 Summary of Economic Projections shows inflation rising three percent in full-year 2025 before declining to 2.5 percent in 2026. However, overall prices are likely to remain stubbornly high given the increase in tariff rates. The average effective tariff rate jumped to nearly 17 percent toward the end of 2025, up from about two percent in early 2025, as calculated by the Budget Lab at Yale.⁵ In addition, recent Fed's Beige Books suggest that firms are increasingly beginning to pass on higher input costs to consumers as cost pressures mount and profit margins become compressed. As of January 2026, the Blue Chip consensus expects Core PCE inflation to grow at a pace near three percent in both 2025 and 2026, before easing to below 2.5 percent in 2027. Given rising uncertainty around trade policy, the current forecast projects core PCE inflation to remain elevated in both 2025 and 2026, at 2.8 percent and 2.9 percent, respectively, before falling to 2.2 percent in 2027.

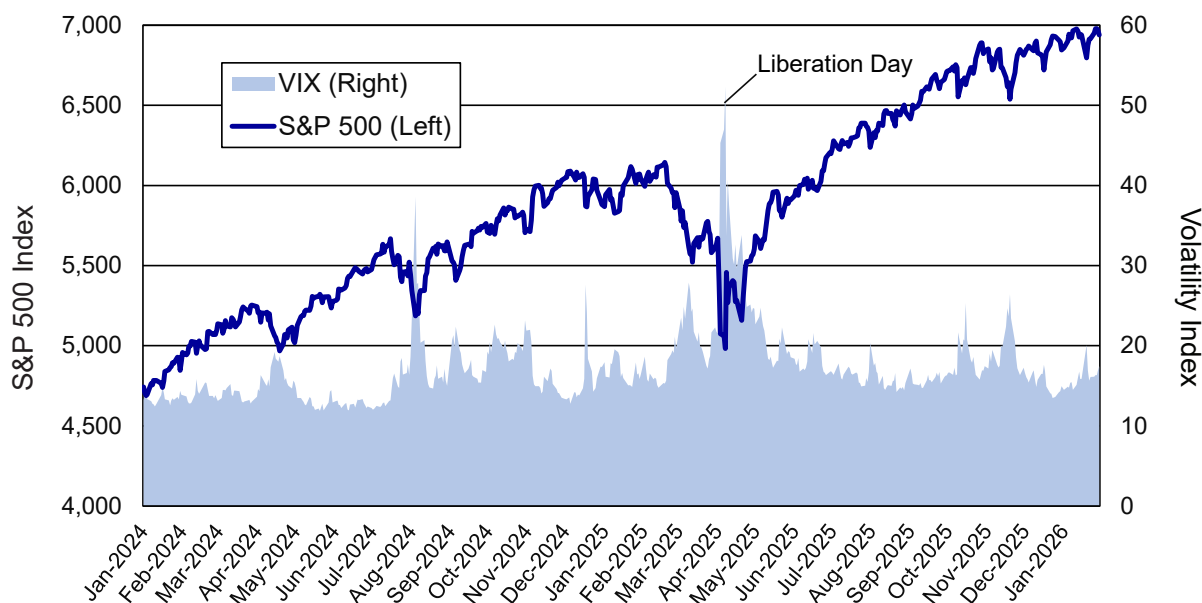
To keep the Fed's dual mandate – maintaining maximum employment and price stability – in balance, the FOMC lowered the policy rate three times in the second half of 2025 amid a weakening labor market. The Fed reduced its policy rate by a total of 75 basis points over its final three meetings of 2025, bringing the target range to 3.50 - 3.75 percent. Following these consecutive rate cuts, the Fed returned to a wait-and-see approach in January 2026 as delayed employment and inflation data releases gradually resumed after months of disruption caused by the shutdown. The effective federal funds rate (EFFR) stood at 3.64 percent as of early February 2026, down from 4.33 percent a year earlier. Based on federal funds futures prices, the Chicago Mercantile Exchange (CME) placed a 33 percent probability – the modal outcome – that the Fed will lower the federal funds rate to a target range of 3.00 - 3.25 percent by the end of 2026, equivalent to two additional quarter-point cuts. Consistent with CME expectations, the current forecast assumes the Fed will pause its easing cycle in the first half of 2026 as elevated inflation remains a concern, before resuming rate cuts around mid-2026. This baseline projection is also broadly consistent with the Fed's December 2025 SEP, which shows a projected policy rate of 3.4 percent for 2026.

In addition to the recent pause in rate cuts, the Fed also made a significant shift in its balance sheet policy. In October 2025, the Fed announced that it would conclude its balance sheet runoff and halt its balance sheet reduction plan – effective December 1, 2025. The balance sheet reduction plan, also known as quantitative tightening (QT), was reimplemented in June 2022 to remove liquidity from the financial system and facilitate a gradual transition from abundant to ample reserve balances. The recent runoff, which began in 2022 as Chair Powell's second balance sheet reduction attempt, resulted in a decline of more than \$2 trillion in the Fed's total securities holdings, which dropped from a peak of \$8.9 trillion in April 2022 to \$6.5 trillion just before the pause in late November 2025. Under the new balance sheet policy, the Fed will fully reinvest all maturing Treasury securities and reinvest any maturing agency mortgage-backed securities (MBS) into Treasury bills. This policy shift effectively halts further balance sheet contraction. As a result, the Fed's balance sheet stood at \$6.6 trillion as of late January 2026, its lowest level since early 2020, around the onset of the Covid-19 pandemic. Looking ahead, the outlook for balance sheet policy remains uncertain heading into 2026, as Chair Powell's term is set to end in May 2026. The current administration has recently announced the nomination of Kevin Warsh as the next Fed Chair. Warsh, who previously served on the Fed's Board of Governors from 2006 to 2011, has opposed the Fed's involvement in financial markets in the past, though it is uncertain whether Warsh would maintain the same policy stance if confirmed by the U.S. Senate.

5 ["State of U.S. Tariffs: November 17, 2025."](#) The Budget Lab at Yale.

S&P 500 and VIX Volatility Index

After a correction in early 2025, the S&P 500 rebounded to a full-year gain of 16 percent. The extreme volatility reflected by the VIX following the “Liberation Day” tariff announcements was the highest since the pandemic.



Source: S&P Dow Jones Indices, CBOE

Shifts in direction and leadership of monetary policy were just a few of the many factors shaping financial markets in 2025, as Wall Street attempted to digest the chaotic flow of policymaking from Washington. Fortunately, most of the turmoil occurred in the first half of 2025, as the administration ratcheted up deglobalization pressures, headlined by the “Liberation Day” tariff announcement in early April. Financial markets responded with an equity market selloff and an unexpected jump in Treasury yields. After the administration backed off on some of the reciprocal tariff threats, markets began to stabilize, with the S&P 500 gaining 37 percent from the low point of 2025 through the end of the year. For the full year, the S&P 500 appreciated 16.4 percent, while the Dow was up 13 percent. Ten-year Treasury yields ended the year at 4.2 percent, down about 40 basis points (bps) from year-ago levels. Three-month Treasury yields dropped 70 bps, reflecting the three quarter-point rate cuts implemented in the last three FOMC meetings of 2025. The forecast projects that interest rates will trend lower, despite periodic policy turmoil, with the 10-year Treasury yield falling below four percent by mid-2026 before flattening around 3.9 percent in the out-years.

Markets traded more smoothly in the second half of 2025, apparently because Wall Street started to view the administration’s heated rhetoric as a negotiating tactic and likely to be modified, delayed, or withdrawn. Bloomberg Economics examined the 49 tariff threats made since the last presidential election and concluded that only 20 percent were imposed in full, while the rest were only partially executed, withdrawn, or not yet imposed.⁶ As a result, volatility measures spiked in April then gradually receded through the rest of the year. The CBOE Volatility Index (VIX), which reflects the 30-day forward-looking volatility in the S&P 500 index, jumped from a first quarter average of 18.6 to a 2025 peak of 52 in early April, the highest level since the start of the pandemic in March 2020. Yet, readings

6 Brenda Murray, [“TACO Tracking: Trump Carries Out One in Four Tariff Threats”](#), Bloomberg, January 27, 2026.

subsequently returned to daily averages around 18 in the second half of the year, with minor wobbles due to the federal shutdown in October and additional tariff-related scuffles when China announced export controls on rare earth minerals in November. The trading-days ratio – the proportion of days in a month with absolute price movements greater than one percent – also reflected this pattern. In the fourth quarter of 2024, the share of volatile days was about 14 percent. This jumped to 50 percent in March and April of 2025, a level last seen in early 2022 when the Fed began tightening interest rates. Since then, the trading-days ratio has settled back to about 20 percent, close to its long-run average.

Trading patterns have changed in response to policy uncertainty and choppy equity market prices. Prior to 2025, the archetypal response to market distress and unexpected events was for traders to crowd into safer and less risky U.S. dollar assets, such as Treasury bonds. This safe-haven trade typically resulted in a short-term dip in yields since rates move opposite to prices. For example, in early August 2024, an adverse jobs report combined with a Japanese Central Bank rate hike led to a 6.1 percent drop in the S&P 500 over three trading days and a 31-basis point drop in the 10-year Treasury yield. By contrast, the April 2025 “Liberation Day” turmoil pushed the S&P 500 down by over 12 percent, while Treasury yields increased by nearly 50 bps – the fastest gain since 2001. At the same time, the U.S. dollar sank three percent by the end of April, which is consistent with traders shedding dollar assets. This “sell America” pattern repeated itself in January 2026, when the administration asserted ownership over Greenland and threatened the European Union with additional tariffs until they conceded. Equity prices declined by 2.1 percent over a two-week period, interest rates rose 12 basis points, and the dollar lost 1.4 percent against a basket of trading partners’ currencies.

Retail investors appeared to become more circumspect in 2025 given elevated uncertainty, richly valued equity prices, and heavy exposure to the tech sector. By the end of 2025, the S&P 500 was up 91 percent from its last major correction in 2022, while the tech-heavy NASDAQ index was up 125 percent. According to the Investment Company Institute data on mutual and exchange traded fund (ETF) flows, in 2025, investors withdrew \$279 billion from equity funds and purchased \$553 billion of less risky bond funds. Within equity funds, one noteworthy change was that international funds saw positive inflows of \$65 billion, while domestic funds suffered the brunt of the withdrawals (outflows of \$344 billion). Preliminary data for January 2026 reveals that investors are again buying equity funds (\$42 billion), most of which went into international funds (\$39 billion). Likewise, bond funds saw strong purchases totaling \$112 billion.

Strong equity price appreciation, gradually declining interest rates, and periodic spells of volatility have created ideal conditions for Wall Street. After generating \$50 billion in profits in 2024, the New York Stock Exchange (NYSE) member firms have so far reported \$48 billion through the first three quarters of 2025. High equity valuations have spurred initial public offerings (IPOs), which were up 50 percent by value in full-year 2025. The prospects for 2026 remain good, with SpaceX, OpenAI, and Anthropic set to go public this year. While the number of completed mergers and acquisition (M&A) deals grew 0.9 percent in 2025, the overall value was down 11 percent. As interest rates ease, the M&A pipeline for 2026 should start to expand. There were pending deals worth over \$1.1 trillion at the end of 2025, including the blockbuster sale of Warner Bros. to either Netflix or Paramount.

While the NYSE data for the fourth quarter of 2025 is not yet available, fourth quarter earnings announcements from the Big Five banks have been promising.⁷ Total earnings in the investment banking units jumped 12.6 percent YoY, while the consolidated banks’ earnings rose 6.7 percent. As the yield curve steepens, large banks are enjoying a tailwind from strong net interest income, which they generate from the spread between their funding (deposits and short-term borrowing) and their longer-term loan

7 JPMorgan Chase, Bank of America, Citigroup, Goldman Sachs, and Morgan Stanley.

portfolio. Fourth quarter net interest income was up 24.5 percent YoY for the Big Five investment banking units. Given the favorable conditions, the forecast projects full-year 2025 earnings of \$63 billion, eclipsing the prior record of \$61 billion set in 2009. Profits are expected to remain historically high at \$50 billion as the pipeline of mergers and IPOs materializes and trading activity boosts revenue. Profits subsequently revert to historical norms of \$31 billion in 2027.

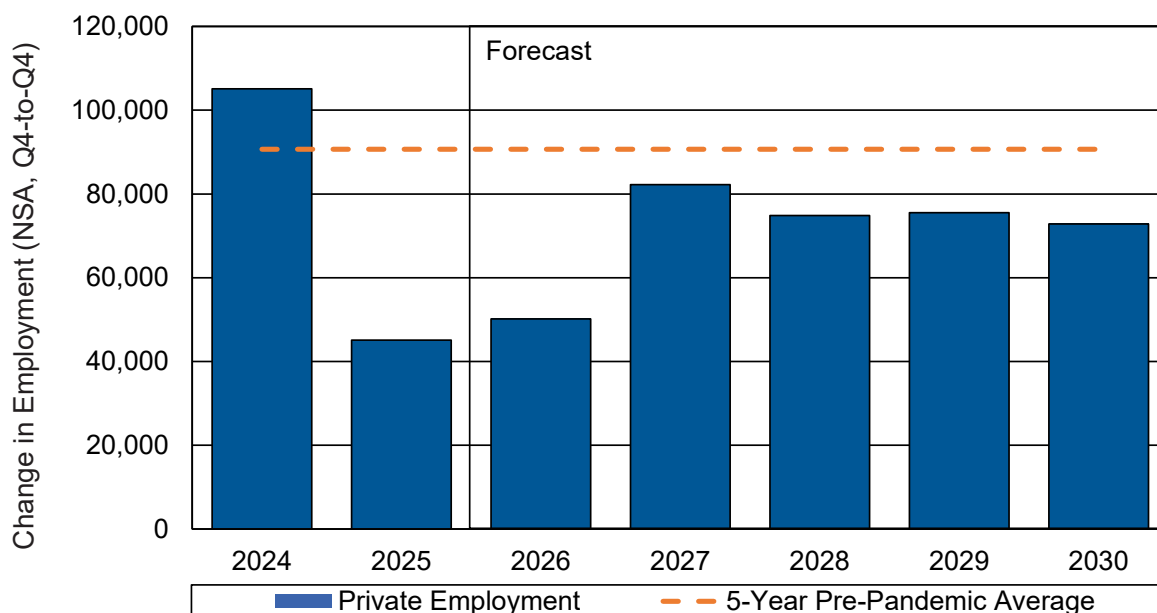
THE NEW YORK CITY ECONOMY

Despite the volatile U.S. economy in 2025, the New York City economy remained resilient. However, this resiliency masks what appears to be evidence of a K-shaped expansion, suggesting that recent economic growth has been mainly supported by higher-income households, while lower-income households continue to fall behind. Employment growth in the City continued to outpace the nation on a year-over-year basis. However, job growth in the City, like at the national level, slowed significantly, with gains driven almost entirely by the healthcare sector. Outside of healthcare, most private sectors contracted in 2025, following the broader national trend. In contrast, Wall Street continued to outperform, recording exceptional profitability in calendar year 2024 and 2025. Strong Wall Street performance is expected to continue in 2026 as the artificial intelligence investment boom is sustained, supporting wage growth in high-earning sectors. The office market also saw a rebound, with leasing activity boosted by demand from information and financial firms. As a result, office market vacancy rates in the City continued to decline, but remain elevated compared with pre-pandemic levels. Activity in the housing market began to pick up, with sales rebounding in 2025, though inventory constraints remain a hurdle. The lack of available homes has also driven up prices, especially for condos. Tourism remained resilient, particularly in some components of the industry, such as Broadway. However, the tourism industry could face heightened uncertainty in the coming years, as international sentiment toward the U.S. become more negative amid recent trade and immigration policies.

Reflecting broader national trends, New York City's labor market continues to soften. In 2025, the City added 44,200 jobs, corresponding to a 0.9 percent increase.¹ This marks the City's weakest year

Private Sector Employment Forecast

Private sector employment in NYC is projected to grow at a below-average pace for the forecast horizon, primarily driven by labor supply constraints.



Source: NYS Department of Labor, NYC OMB

¹ Annual employment growth rates are on a Q4-over-Q4 not seasonally adjusted basis, unless stated otherwise.

of employment growth since the Covid-19 pandemic in 2020. The recent slowdown in employment growth in the City is due to a combination of factors, including elevated interest rates and unpredictable trade and immigration policies at the federal level under the current administration. Below-average employment growth is anticipated to continue in the forecast, driven by labor supply challenges such as an aging population and declining immigration. As a result, City employment is forecast to expand by 1.2 percent in 2026 and grow at a rate below two percent in the out-years.

According to data from the New York State Department of Labor's Current Employment Statistics (CES), private sector employment in New York City increased by 45,100 jobs (up 1.1 percent) in 2025. Of the nine major private sectors, only two, education & health and information, reported employment gains. The remaining sectors all shed jobs in 2025, with the construction sector (down 8,100) and trade, transportation & utilities (down 5,300) reporting the steepest losses.

Of the private sectors, the education & health sector added the most jobs in 2025, expanding by 72,000 positions. Both subsectors reported gains, with the majority of new jobs (71,000) coming from the healthcare & social assistance subsector. Similar to the national trend, healthcare has dominated job creation amid a rapidly aging population, driving demand for healthcare-related jobs. In New York State, the Consumer Directed Personal Assistance Program (CDPAP), a state Medicaid program that enables older adults and people with disabilities to hire friends and family as home health aides, also supported employment growth in the State's healthcare sector. However, in New York City, the extent of these healthcare job gains may be overestimated. Data from the Quarterly Census of Employment and Wages (QCEW), a more reliable but less timely source of employment data, reveal that healthcare & social assistance job growth in the first half of 2025 (up 3.7 percent YoY) was softer than what was estimated by the CES data (up 7.3 percent YoY).

In addition, recent CDPAP restructuring could impact employment growth in New York City's healthcare sector. Previously, the program was administered by hundreds of fiscal intermediaries – private organizations that oversaw the distribution of wages and benefits to caregivers. On April 1, 2025, New York State replaced these fiscal intermediaries with a single statewide fiscal intermediary in a bid to strengthen program oversight. These reforms seem to have significantly affected healthcare employment in the QCEW data. In New York City, employment in the home health care and individual & family services subsectors, which include home care workers, decreased by 41,100 jobs on a quarter-over-quarter basis in the second quarter of 2025. Conversely, the rest of the state added a total of 42,600 jobs in these subsectors over the same period. Thus, it appears that home care jobs previously attributed to fiscal intermediary firms operating in NYC were reallocated to other regions of the state. This employment shift due to the CDPAP changes has not yet fully appeared in the monthly establishment survey data; New York City employment in these subsectors increased by 16,000 on a quarterly basis as of the second quarter of 2025, according to the CES data.

Notably, approximately 84 percent of all healthcare gains in 2025 (59,500 jobs) are attributed to home health care services and individual & family services in monthly CES data. As a result of the CDPAP changes impacting these sectors through both geographic reallocation of labor and stronger oversight, healthcare employment growth in the City is projected to be more tepid going forward. Healthcare & social assistance employment is expected to be flat in 2026 and then grow at a rate around two percent in the out-years.

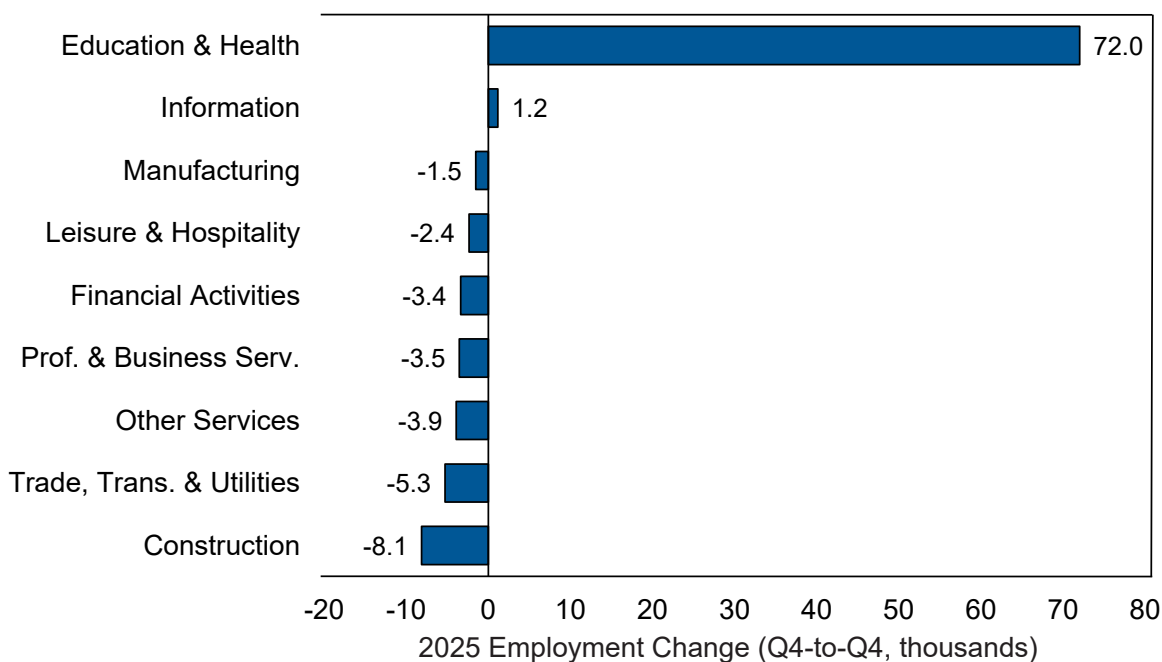
The other major private sector that expanded in 2025 was the information sector, which added 1,200 jobs. However, as with the healthcare sector, employment growth in the information sector is likely overstated in the monthly CES data. Incoming QCEW data show that information employment fell four percent year-over-year in the first half of 2025, compared to a 1.8 percent gain estimated in CES data. Of the subsectors, motion picture & video industries (down 3,700 jobs) and newspaper, periodical, book, & directory publishers (down 2,200 jobs) recorded the largest job declines in the first half of 2025, per the QCEW data. Meanwhile, according to the Challenger Jobs Cut report, media industry layoffs in the U.S. were up 15 percent in 2025.² The software publishers subsector also contracted on a year-over-year basis in the first half of 2025, losing 1,700 jobs. The Challenger Report also notes that tech layoffs were up 15 percent in 2025.

Despite these headwinds, information employment is expected to improve in 2026, growing by 2.4 percent. A report by Colliers stated that in the fourth quarter of 2025, more than a third of Manhattan leasing activity came from the TAMI (technology, advertising, media and information services) sector, indicating that the information industry remains committed to placing employees in New York City.³ Additionally, the sector is expected to benefit from easing financial conditions and the recent surge in artificial intelligence investment.

Employment growth in the leisure & hospitality sector has been fairly weak over the past two years. In 2025, sector employment was down 2,400 jobs. NYC Tourism + Conventions estimated that tourism to New York City grew by just 0.3 percent in 2025, as international sentiment towards the U.S. turned

NYC Employment Gains - 2025

While NYC added 45,100 private sector positions in 2025, most of the job gains were concentrated in the education & health sector.



Source: NYS Department of Labor, NYC OMB

² [“December 2025 Challenger Report”](#) Challenger, Gray & Christmas, January 8, 2026.

³ [“Colliers Q4 2025 Manhattan Office Report”](#) Colliers, January 9, 2026.

more negative due to inimical trade and immigration policies.⁴ However, the outlook is anticipated to improve this year, with the 2026 World Cup projected to bring additional tourists to the City. Despite a contraction in 2025, leisure & hospitality employment is projected to grow by over four percent in 2026. In the out-years, sector employment is forecast to grow between two and three percent, slower than its 10-year pre-pandemic average pace of 4.1 percent. Almost half of leisure & hospitality workers in New York City are foreign-born, so, future employment growth will likely be muted as immigration slows, creating binding supply constraints.⁵

Despite an outstanding year on Wall Street, financial activities employment in 2025 was relatively weak. Monthly CES data reveal that employment fell by 3,400 in 2025. The majority of job losses occurred in the finance & insurance sector (down by 3,300 positions). The securities component, which is part of finance & insurance, lost 4,300 jobs in 2025. While monthly data paints a pessimistic picture of finance sector employment, it is likely that its weakness is overstated. In the annual benchmark exercise, in which the monthly CES data is synchronized with the more accurate QCEW data, finance & insurance employment and securities employment have been revised upward each time in the past seven years. The benchmark, on average, has added 5,400 jobs and 6,600 jobs to the finance & insurance and securities employment's annual average, respectively. The latest QCEW data indicate stronger employment in the first half of 2025 compared to CES data, suggesting that employment in these sectors will again be revised higher at the next benchmark. Growth in 2026 is projected at 1.2 percent for finance & insurance and 1.2 percent for its securities component.

Employment in the professional & business services sector fell by 3,500 positions in 2025, corresponding to a 0.4 percent decline. Of the subsectors, professional, scientific & technical services recorded the largest job losses, shedding 5,100 jobs. Components such as management, scientific, & technical consulting services and advertising were also down on an annual basis. The Fed's January Beige Book reported that marketing employment demand is down largely because of artificial intelligence adoption, which is eliminating jobs in this sector.⁶ The administrative services subsector added 1,300 jobs in 2025, with its employment services subcomponent, which encompasses temporary workers, reporting a gain of 1,800 jobs – its strongest year since 2021. In this period of growing uncertainty, hiring temporary workers is appealing for firms because it gives firms flexibility without long-term payroll commitments. Professional & business services employment is forecast to remain soft as hiring remains tepid amid ongoing economic uncertainty. Employment is expected to rise by 0.6 percent in 2026 and then grow around two percent in the years after.

The trade, transportation & utilities sector shed 5,300 jobs in 2025. Of the subsectors, retail trade reported the greatest loss, with employment declining by 5,700. The Fed's Beige Book describes a decline in retail activity in the New York District driven by decreased sales of lower-end goods, as consumer spendings in lower-income quartiles continues to subside. Additionally, reported wholesale trade activity also softened, with wholesale trade employment falling by 2,500 in 2025 – its weakest year since 2020. In contrast, the transportation, warehousing & utilities subsector gained 2,900 positions in 2025. Overall, ongoing unpredictability in trade policy combined with weaker spending among lower-income groups is anticipated to moderate employment growth in the trade, transportation & utilities sector. In 2026, sector employment is forecast to grow by 0.9 percent and then expand 1.3 percent in 2027.

Of the major private sectors in New York City, construction had the weakest performance in 2025, losing 8,100 jobs (a 5.7 percent decline). Recently, the New York Building Congress estimated that

4 ["Travel & Tourism Outlook"](#) New York City Tourism + Conventions, November 2025.

5 U.S. Census Bureau (2025). 2024 American Community Survey 1-year Public Use Microdata Samples.

6 ["Beige Book - January 2026."](#) Board of Governors of the Federal Reserve System, January 14, 2026.

New York City Job Growth Forecast			
NYC Employment (Thousands)	2025 Level	Forecast	
		2026 Level Change	2027 Level Change
Total	4,858	39	70
Private	4,253	39	68
Financial Activities	507	5	9
Securities	198	1	4
Professional & Business Services	800	5	13
Information	229	3	5
Education	255	4	3
Health & Social Services	1,067	21	21
Leisure & Hospitality	446	12	8
Wholesale & Retail Trade	425	-4	5
Transportation & Utilities	156	1	2
Construction	137	-3	2
Manufacturing	54	-2	-1
Other Services	177	-1	1
Government	605	0	2

Source: NYC OMB
Note: Totals may not add up due to rounding.

construction spending, adjusted for inflation, fell 12 percent in 2025.⁷ High construction-related material costs and elevated interest rates have slowed the project pipeline, weakening employment growth in the construction sector. Another factor contributing to the slowdown of construction employment is the composition of its labor pool. In 2024, approximately 63 percent of construction workers in New York City were foreign-born – the highest share among the major private sectors.⁸ Therefore, ongoing immigration restrictions pose a threat to the sector's labor supply, putting employment growth at risk. Employment in the construction sector is projected to expand by just 1.2 percent in 2026.

According to QCEW data, total private sector wage earnings in New York City increased by 7.9 percent year-over-year in the first half of 2025. The increase was driven by a 0.9 percent rise in employment and a seven percent increase in average wages. However, overall wage growth was not broad-based, rather it was propelled by robust average wage gains in high-paying, mostly office-using sectors such as financial activities, information, and professional & business services. In the first half of 2025, average wages in these sectors were up 10.7 percent year-over-year. Meanwhile, in lower-paying sectors (other services, education & health, leisure & hospitality, and retail), average wages rose just 2.1 percent YoY over the same period. Notably, these two trends, stronger wage growth from high-paying sectors and weaker growth in lower-paying sectors, support the K-shaped economic expansion pattern. Overall private sector average wages are projected to grow by 5.7 percent in 2025 followed by 5.6 percent in 2026, driven mostly by the financial sector. In the out-years, average wage growth is anticipated to normalize, growing at a rate between two and three percent.

Rebounding activities in the office-using sector and TAMI continued to support Manhattan's office market. The turnaround was driven primarily by robust leasing activity from finance, law, and tech firms as demand for high-tier offices expands, reflecting the ongoing flight-to-quality trend where tenants

⁷ "2025-2027 New York City Construction Outlook Report" New York Building Congress, October 2025.

⁸ U.S. Census Bureau (2025). 2024 American Community Survey 1-year Public Use Microdata Samples.

continue to seek high-end amenities and premium locations over older, lower-quality buildings. In turn, vacant space across all markets has declined to its lowest level since 2022, albeit more than double pre-pandemic levels. Moreover, asking rents have surged in both the primary and secondary office markets, reflecting tightening inventories and demand spillovers into lower-tier offices as supply dwindles alongside a growing number of office-to-residential conversions, removing inventory from the market. According to Cushman & Wakefield, the first three quarters of 2025 saw the most active wave of conversions since 2008, and momentum is expected to continue beyond 2025.⁹ Despite an upswing in activity across property classes and markets, economic uncertainty combined with signs of a cooling labor market may reduce office demand and keep vacancy rates elevated above pre-pandemic levels in the near term.

Year-to-date leasing activity across all office classes in Manhattan reached nearly 31 million square feet (msf) in December 2025, up from 23 msf in 2024 and approaching pre-pandemic average levels of 31.1 msf. While improvements were recorded across all property classes, Class A office leasing activity continues to outperform the broader market, comprising nearly 78 percent of total uptake. Leasing of Class A Midtown buildings increased to about 21 msf by the end of 2025, a 34 percent jump from 2024 and about 21 percent above average pre-pandemic levels. Meanwhile, three msf of Class A space was leased Downtown, up nearly 140 percent from 2024, but still below pre-pandemic levels. Alongside strong primary absorption, Class A sublease availability has tightened. At the end of 2025, available Class A sublease space fell by almost six msf YoY from 2024, ending the year with 11.3 msf of space available. However, this level remains more than double the pre-pandemic average. Midtown saw the steepest decline in Class A sublease availability, decreasing by almost four msf YoY to about eight msf – the lowest level since September 2020. Downtown Class A sublease availability dropped by almost two msf YoY to 3.2 msf, a low not seen since November 2020.

Improved leasing activity can be attributed to growing demand from the office-using sector, which includes the financial activities, professional & business services, and the information sectors. According to Colliers, the financial services, insurance, and real estate (FIRE) sector accounted for 37 percent of leasing activity, while the technology, advertising, media, and information services (TAMI) sector was responsible for 34 percent of Manhattan's leasing activity in the fourth quarter of 2025.¹⁰ Most notably, the drivers of the information sector's leasing activity have been AI companies pursuing office expansion plans in New York City. In 2025, leasing by AI startups reached a two-year high, totaling 486,000 square feet in Manhattan through the third quarter – already nearly double the reported amount in 2023 and around 72,000 square feet higher than in 2024.¹¹ AI firms reinforced the flight-to-quality trend, as 54 percent of AI leasing activity took place in Class A buildings.¹² In addition to corporate relocations, stricter or full-week return-to-office mandates by Wall Street, law firms, and tech companies have also increased office demand, as firms recognize the need to expand office space to accommodate higher employee occupancy. Based on Kastle's Back to Work Barometer, weekly office occupancy in NYC for the week ending December 3rd, 2025 reached a new post-pandemic high of 63 percent of its pre-pandemic baseline. As a result, 2025 marked a turning point in the operational needs of the City's office-using sectors, accelerating demand for high-quality workspaces.

The elevated demand for premium office spaces continued to drive Class A asking rents higher. Overall, Class A asking rents increased by 1.5 percent YoY to a 17-year high of \$83 per square foot (psf) in 2025 – nearly six percent above the pre-pandemic average. Midtown Class A office asking rents rose one percent YoY and was 6.4 percent above average pre-pandemic levels. While Downtown

9 [“Office to Residential Conversions Surge to Record Levels in New York City. Driven by Market Forces and Policy Support.”](#) Cushman & Wakefield, October 2025.

10 [“Manhattan's Highest Year of Leasing Demand Since 2019.”](#) Colliers, January 2026.

11 [“AI Leasing Fuels Manhattan Office Growth in 2025.”](#) CRE Daily, October 2025.

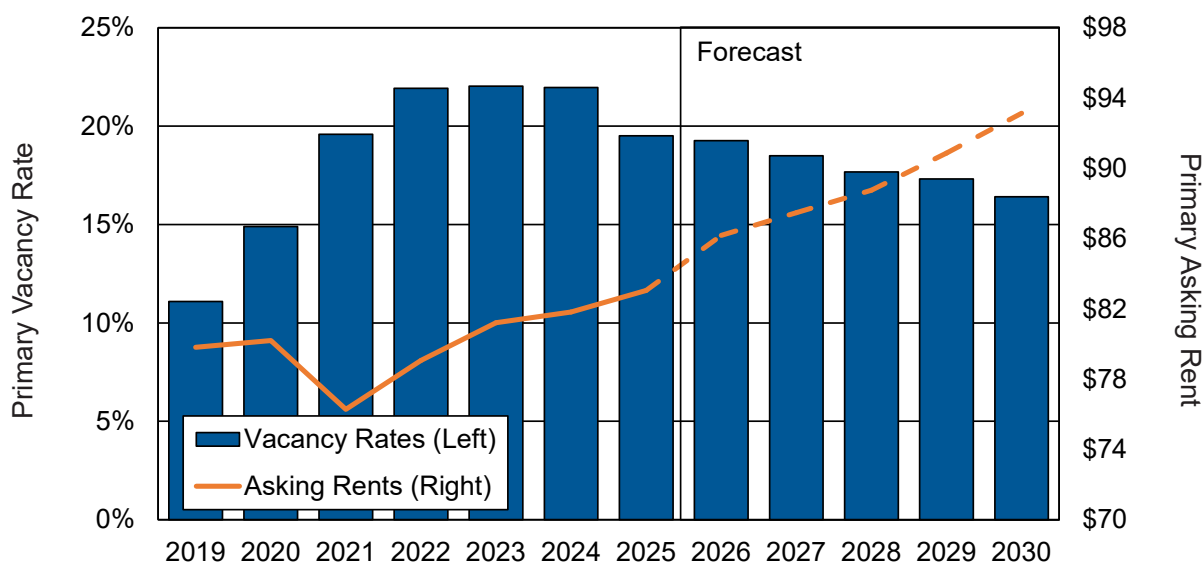
12 [“AI Leasing Fuels Manhattan Office Growth in 2025.”](#) CRE Daily, October 2025.

Class A asking rents were still below their average pre-pandemic levels by around five percent, they grew faster than Midtown rents, rising 3.4 percent YoY – a reversal from 2024's decline. However, Midtown Class A asking rents (\$88 psf) remained higher than Downtown's (\$61 psf) due to Midtown's highly coveted locations and the growing number of new, high-end developments constructed over the past few years. With the ongoing flight-to-quality trend, total Class A asking rents are expected to continue to rise, reaching \$86 psf by the end of 2026, before slowing to an average annual growth rate of around two percent over the forecast horizon. In Midtown, asking rents are projected to increase by 3.7 percent through 2026 before decelerating to an average pace of 1.9 percent in the subsequent years. Downtown asking rents are expected to grow at an above-average pace of 5.1 percent in 2026 before decelerating to an average annual pace of about 1.4 percent through 2030. Nevertheless, Midtown and Downtown asking rents are expected to remain elevated above pre-pandemic levels over the forecast horizon.

Due to robust absorption in 2025, the Class A vacancy rate continued to fall from its peak in 2024, decreasing by about 2.5 ppt to 19.5 percent in 2025. However, Class A vacancy rates remain elevated, still roughly twice the pre-pandemic average. On an annual basis, the Midtown Class A vacancy rate declined by 2.4 ppt to 19.2 percent in 2025, while the Downtown Class A vacancy rate fell by 2.6 ppt to 21.1 percent – a significant improvement for both markets, but still well-above their pre-pandemic levels. The declining vacancies in these two submarkets are driven by different factors. In Midtown, lowered vacancy rates are driven by the flight-to-quality trend. Since Midtown contains the majority (nearly 82 percent) of Class A inventory and accounted for most of Class A leasing activity in 2025, this, in turn, lowered vacancy rates and increased occupied space. Class A occupied space in Midtown increased by seven msf, nearly triple the increase from 2024 and outpacing pre-pandemic average

Commercial Vacancy Rates and Asking Rents

Since peaking in 2024, the vacancy rate declined solidly in 2025, driven by strengthened leasing activity. Asking rents reached a record high in 2025 and are expected to continue rising over the forecast horizon.



Source: Cushman and Wakefield, NYC OMB

growth. In contrast, the decline in Downtown's vacancy rate was driven by positive net absorption and shrinking inventory. Downtown's net absorption turned positive for the first time since 2018, indicating increased leasing activity. However, year-over-year, Downtown Class A inventory decreased more than Midtown's, in part due to an uptick in office-to-residential conversions. According to Cushman & Wakefield, conversion activity grew from an average of less than 1.2 msf annually before 2020 to 4.1 msf as of August 2025.¹³

Based on current availability and leasing dynamics, the overall primary market vacancy rate is projected to decline by 0.2 ppt to 19.3 percent by the end of 2026, before continuing to fall at a faster pace, reaching 16.4 percent by 2030. Of the submarkets, Midtown's vacancy rate is projected to continue to improve, ending 2026 at 19 percent and declining further to 16.5 percent by 2030. Meanwhile, the Downtown vacancy rate is also expected to fall, but remaining higher than Midtown's, dropping to 20.5 percent in 2026 and 16.1 percent by 2030.

Similar to the office market, New York City's residential real estate market has also begun to show signs of improvement. However, with interest rates still elevated and the labor market slowing, headwinds remain in the near term. Local data from StreetEasy showed an uptick in city-wide total sales inventory and sales volume in 2025, though both remain limited compared with pre-pandemic levels. In particular, total sales inventory in NYC rebounded in 2025, growing for the first time on an annual basis since 2020, increasing by 9.3 percent YoY to nearly 14,000 active listings. However, inventory remains about three percent below the pre-pandemic average. At the same time, the median number of days a home is listed for sale decreased every month on an annual basis from 2024 except the summer months of July and August, suggesting faster sales. The combination of a higher number of homes for sale and faster turnover indicates a modest rebound in the housing market.

Overall, condos recorded the largest annual uptick in sales in 2025, driving much of the housing market rebound. Through September 2025, the most recent observation, condo sales increased by 10 percent YoY to more than 9,000 sales YTD. Condo sales were virtually unchanged from the pre-pandemic average over the same period, reflecting resilience despite elevated interest rates. Meanwhile, single-family homes continue to represent the weakest segment of the sales market, remaining more than 20 percent below their pre-pandemic average. From January through September 2025, approximately 14,000 single-family homes were sold, up a modest two percent from the same period in 2024. Co-ops sales also remain around 14 percent below their pre-pandemic average. However, about 10,000 co-ops were sold through September 2025, up three percent from the same period in 2024.

Subdued sales activity is partly due to elevated mortgage rates, which did not show signs of sustained easing until late 2025. Mortgage rates fluctuated between six to seven percent throughout 2025, nearly double pre-pandemic rates of three to four percent, contributing to the mortgage lock-in effect. This occurs when existing homeowners are locked into mortgage rates significantly below current rates, which discourages moving since this would entail new financing at a much higher cost. In turn, this constrains sales inventory due to the drop in turnover. High mortgage rates also raise monthly payments for prospective buyers, weighing on demand. While mortgage rates started 2025 near seven percent, rates dipped in August and remained consistently below 2024's average of 6.8 percent. By the end of 2025, the average contract rate for a 30-year mortgage had fallen 65 basis points from the end of 2024 to 6.32 percent. Coinciding with the recent decline in mortgage rates, the Mortgage Bankers Association's (MBA) Purchase Index increased, growing by an average of 19.5 percent YoY (not seasonally adjusted) from August through December 2025. This increase reflects a pickup in mortgage loan applications for home purchases and improving buyer confidence from lowered rates. Looking ahead, based on

¹³ ["Office to Residential Conversions Surge to Record Levels in New York City. Driven by Market Forces and Policy Support."](#)
Cushman & Wakefield, October 2025.

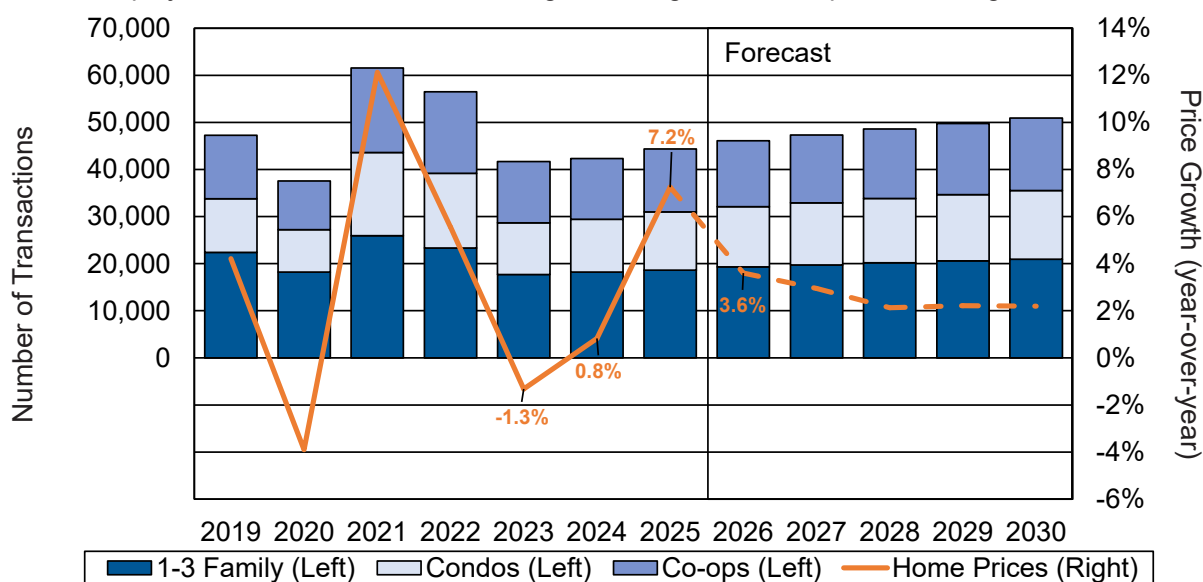
expectations of Fed rate cuts in 2026, mortgage rates are projected to decline further, improving affordability and boosting housing demand. With lowered mortgage rates encouraging stronger buyer activity, sales volume is expected to increase by 3.9 percent by the end of 2026 before decelerating to an average growth rate of 2.5 percent over the forecast horizon.

While NYC home sales volume is slowly recovering, average home prices continue to rise after weakening in the second half of 2022. Through the third quarter of 2025, average prices increased by 7.9 percent YoY, compared with an average pace of roughly one percent in 2024. This was nearly double the pre-pandemic average growth rate for the same period. Co-op prices showed the strongest acceleration, increasing by an average of nearly 10 percent YoY through September 2025. Single-family home prices rose an average of 7.3 percent, while condo prices rebounded after three consecutive quarterly declines in 2024, growing at an average pace of 5.3 percent. Although home prices typically move inversely with interest rates (i.e. prices fall when interest rates rise), prices have remained high despite elevated interest rates, supported by limited inventory. Additionally, tariffs have increased the costs of construction materials, raising overall homebuilding costs. Cushman & Wakefield estimates tariff rates (as of September 2025) would increase construction material costs by nine percent relative to average material costs in 2024. Meanwhile, total project costs are estimated to rise 4.6 percent.¹⁴

Affordability challenges continue to plague New York City's residential market. Sales of homes remain constrained by limited inventory, pushing home prices and consequently, rents, upward as prospective buyers are priced out and forced to remain in the rental market. Average home prices across NYC are projected to grow by 3.6 percent in 2026, before decelerating to around 2.4 percent over

Sales Volume by Housing Type and Average Price Growth

NYC home sales modestly improved in 2025, surpassing 44,000 homes sold, but remain well below pre-pandemic levels. At the same time, home prices accelerated to record levels, growing 7.2 percent. Home sales are expected to continue rising steadily through 2030, while prices are projected to decelerate to an average annual growth of 2.6 percent through 2030.



Source: NYC Department of Finance, NYC OMB

14 ["The Impact of Tariffs on CRE Construction Costs."](#) Cushman & Wakefield, 2025.

the following four years. Price appreciation is expected to be strongest in the condo market, peaking at an annual growth rate of 5.2 percent in 2026 before decelerating to around three percent annually in the out-years. As prices are projected to continue to set record highs, albeit at a decelerating rate over the forecast horizon, addressing the City's decades-long affordable housing crunch will continue to be a challenge.

New York City's rental market continues to tighten amid pressure from the City's housing shortage. In 2025, New York City's rental inventory declined by nearly six percent YoY to approximately 26,200 units, following a four percent decline in 2024 and leaving inventory about 20 percent below the pre-pandemic levels. The fall in rental stock reflects increased demand in the rental market, indicated through the re-acceleration of rents. Based on StreetEasy's rent index, rents increased 4.4 percent YoY in the first half of 2025 and accelerated to 5.6 percent in the second half, ending the year near an all-time high. The acceleration of the rent index is expected to ease by the end of 2026 to an annual growth rate of 3.6 percent, before slowing further to an average of 2.1 percent annually through 2030.

Similar to the housing market, New York City's tourism industry experienced a significant rebound over the past few years. However, the current presidential administration's increasingly adversarial stance toward European nations and neighboring countries could deter future visitors. The City's tourism industry began to moderate in 2025 following the recent presidential election. According to estimates from New York City Tourism + Conventions (formerly NYC & Company), there were 64.7 million visitors to New York City in 2025, up just 0.3 percent from 2024. While the number of domestic visitors increased by 1.6 percent, international visitors declined by 4.7 percent. Rising trade tensions, negative sentiment toward the U.S., and stricter immigration policies are hindering international travel to the U.S., weighing on New York City's tourism outlook.

NYC Tourism + Conventions expects visitation to improve in 2026 to 66.0 million, supported in part by the World Cup. Even with this major event, total visitors in 2026 would still fall short of the pre-pandemic 2019 level of 66.6 million. Meanwhile, monthly travel data point to increasing headwinds for the tourism industry, particularly in international markets. According to the Port Authority of New York and New Jersey, through December 2025 there were 142.7 million air passengers arriving at major NYC-area airports, down 2.3 percent from 146.1 million in 2024. Both domestic and international air passenger volumes declined, falling by 2.8 percent and 1.4 percent, respectively. Within the international market, Canada (down 8.8 percent), the Caribbean & Bermuda (down 3.6 percent) and Mexico (down 1.6 percent) recorded the steepest declines in arrivals.

Despite these challenges, portions of the City's tourism industry remained resilient in 2025 and heading into 2026, as evidenced by Broadway performance. Broadway season statistics from The Broadway League show that the 2024-2025 season was robust, with gross revenue surpassing the prior pre-pandemic peak from the 2018-2019 season, reaching \$1.9 billion. Broadway attendance also returned to its pre-pandemic peak, totaling 14.7 million. These positive trends show that some parts of the tourism sector can continue to succeed despite a slowdown in travelers.

Like Broadway, the hotel industry benefited from a strong post-pandemic recovery but has begun to show signs of slowing. According to CoStar, the full-year average hotel room rate in 2025 was \$329, up from \$314 in 2024. The forecast projects this momentum to decelerate as international travel weakens. On an annual average basis, hotel room rates are projected to reach \$342 in 2026 and \$349 in 2027. Hotel occupancy, after four years of recovery, also showed signs of leveling off in 2025. Hotel

occupancy averaged 84 percent in 2025, unchanged from 2024. Continued softness in international travel and increases in hotel supply over the coming years are expected to keep occupancy rates in the mid-80 percent range, averaging 84 percent in both 2026 and 2027, before edging up modestly to 85 percent in the out-years. While the current baseline forecast assumes the hotel industry will remain stable over the next few years, heightened uncertainty and unpredictable federal immigration policy could significantly alter this outlook.

Overall, New York City's economy showed evidence of a K-shaped expansion in 2025, reflecting the broader national trend amid rising uncertainty at the federal level. Despite continued expansion, the City's labor market recorded its slowest pace of job growth in five years, with just two of the nine private sectors added jobs. However, wage growth in high-earning sectors, particularly finance, continued to bolster the local economy. This trend is expected to continue as Wall Street posts its third consecutive year of exceptional profitability. Increasing activities in office-using sectors, such as finance and information, supported the City's office market rebound, with Class A leasing activity reaching its highest level since 2019 and vacancy rates continuing to edge downward. Meanwhile, home prices in the City remained elevated in 2025 due to supply constraints, though sales activity slowly rebounded. As for tourism, clouds are on the horizon as international sentiment toward the U.S. continues to worsen.

Risk to the Forecast

The foremost risk to the forecast is the elevated level of uncertainty surrounding federal policy under the current administration. The administration's trade and industrial policies remain a concern and could create significant headwinds. Although many proposed tariffs have been delayed or renegotiated, the policy environment remains highly uncertain, discouraging firms from investing and hiring. If business investment slows and firms restrain hiring, labor market conditions could weaken and encumber consumer spending, raising the risk of a downturn. Moreover, the tariffs that have been enacted are increasingly being passed through to consumers as firms' profit margins become compressed, potentially weighing on household spending and boosting inflationary pressures. Another risk stems from the disproportionate share of consumption spending from high-income households. Wealthier households have benefited from the strong equity market in recent years, but a sharp market correction could lead to a rapid reduction in spending as wealth effects diminish.

Beyond federal policies, the Federal Reserve's conduct of monetary policy is also a potential risk. As of early 2026, the Fed is in a wait-and-see mode, closely monitoring inflation and labor market conditions. While the easing cycle is expected to resume in the second half of 2026, policymakers are at risk of falling behind a possible economic slowdown. At the same time, a sudden spike in inflation would place the Fed in a stagflationary dilemma, having to address higher-than-expected inflation alongside a fragile labor market. In addition, the Federal Reserve faces increasing political pressure from the administration to lower interest rates. Chair Powell's term is set to end in May 2026, and the administration has indicated plans to nominate Kevin Warsh as his replacement. It remains unclear whether Warsh will maintain the Federal Reserve's tradition of political independence and data-driven policymaking – both of which are vital for preserving economic stability.

Beyond domestic policy risks, geopolitical tensions remain a lesser but still significant threat to the national and global economy. The ongoing war in Ukraine, simmering conflicts in the Middle East, recent military operations in Venezuela, and rising tensions across the Taiwan Strait are all notable concerns. A major escalation in any of these regions could disrupt global supply chains, push energy prices higher, and weigh on global growth. Although the risk of a large-scale conflict in any of these regions remains relatively low, such events could nevertheless have meaningful ripple effects on the U.S. economy.

Financial Plan Fiscal Year 2027

Forecasts of Selected Economic Indicators for the United States and New York City

Calendar Year 2025-2030

	2025	2026	2027	2028	2029	2030	1979 - 2024 ¹
<u>NATIONAL ECONOMY</u>							
Real GDP							
Billions of 2017 Dollars.....	\$23,840	\$24,353	\$24,801	\$25,215	\$25,671	\$26,125	
Percent Change.....	2.1	2.2	1.8	1.7	1.8	1.8	2.6%
Non-Agricultural Employment							
Millions of Jobs.....	159.4	160.2	161.0	161.3	161.9	162.7	
Level Change.....	1.5	0.8	0.8	0.3	0.6	0.7	
Percent Change.....	0.9	0.5	0.5	0.2	0.4	0.5	1.3%
Consumer Price Index							
All Urban (1982-84=100).....	322.3	331.3	339.7	347.2	354.9	363.2	
Percent Change.....	2.7	2.8	2.5	2.2	2.2	2.3	3.3%
Wage Rate							
Dollars Per Year.....	81,276	85,349	89,231	93,113	96,658	100,243	
Percent Change.....	3.6	5.0	4.5	4.4	3.8	3.7	3.9%
Personal Income							
Billions of Dollars.....	26,117	27,592	29,120	30,493	31,870	33,317	
Percent Change.....	4.9	5.6	5.5	4.7	4.5	4.5	5.7%
Before-Tax Corporate Profits							
Billions of Dollars.....	4,150	4,228	4,228	4,216	4,516	4,617	
Percent Change.....	-0.7	1.9	0.0	-0.3	7.1	2.3	6.0%
Unemployment Rate							
Percent.....	4.3	4.6	4.6	4.6	4.4	4.3	6.1% avg
10-Year Treasury Note							
Percent.....	4.3	3.9	3.9	3.9	3.9	3.9	5.7% avg
Federal Funds Rate							
Percent.....	4.2	3.4	3.1	3.1	3.1	3.1	4.6% avg
<u>NEW YORK CITY ECONOMY</u>							
Real Gross City Product ²							
Billions of 2017 Dollars.....	\$1,165	\$1,206	\$1,240	\$1,271	\$1,304	\$1,339	
Percent Change.....	3.5	3.5	2.8	2.5	2.6	2.7	2.9%
Non-Agricultural Employment ³							
Thousands of Jobs.....	4,858	4,897	4,967	5,047	5,123	5,196	
Level Change.....	70.7	38.6	70.3	80.1	76.0	72.7	
Percent Change.....	1.5	0.8	1.4	1.6	1.5	1.4	0.8%
Consumer Price Index							
All Urban (1982-84=100).....	345.8	356.6	365.7	373.6	381.6	390.2	
Percent Change.....	3.5	3.1	2.5	2.2	2.1	2.2	3.4%
Wage Rate							
Dollars Per Year.....	124,620	131,304	134,834	138,477	142,174	146,239	
Percent Change.....	5.3	5.4	2.7	2.7	2.7	2.9	4.6%
Personal Income							
Billions of Dollars.....	832.5	881.9	931.6	974.8	1,019.8	1,068.4	
Percent Change.....	5.3	5.9	5.6	4.6	4.6	4.8	5.5%
<u>NEW YORK CITY REAL ESTATE MARKET</u>							
Manhattan Primary Office Market							
Asking Rental Rate ⁴							
Dollars per Square Feet.....	\$83.0	\$86.2	\$87.5	\$88.8	\$90.9	\$93.1	
Percent Change.....	1.5	3.8	1.5	1.5	2.4	2.5	2.1%
Vacancy Rate ⁴							
Percent.....	19.5	19.3	18.5	17.7	17.3	16.4	11.7% avg

1 Compound annual growth rates for 1979-2024. Compound growth rate for Real Gross City Product covers the period 1990-2024.

2 Starting in 2021, forecasts of gross city product reflect estimates of local area GDP (for NYC) published by the U.S. Bureau of Economic Analysis. Estimates of NYC gross city product published prior to 2021 represent OMB's estimates of NYC economic activity.

3 Annual averages derived from non-seasonally adjusted quarterly forecasts.

4 Office market statistics are based on 1985-2025 data published by Cushman & Wakefield.

Note: The national employment figures reflect pre-benchmarked data.

TAX REVENUE FORECAST¹

Real Property Tax

Real property tax (RPT) revenue is forecast at \$35.361 billion in 2026, growth of 2.1 percent over the prior year, and an increase of \$140 million from the November 2025 Plan, as collections fiscal year-to-date have been higher than plan. In 2027, property tax revenue is revised up by \$3.825 billion to \$40.349 billion, growth of 14.1 percent, reflecting the assessed value growth seen in the Department of Finance (DOF)'s tentative roll as well as an increase in real property tax rates from 12.283 percent to 13.450 percent. The higher property tax rates are anticipated to generate \$3.7 billion in FY 2027, \$3.6 billion in 2028, \$3.7 billion in 2029 and \$3.8 billion in 2030.

The levy projection for 2027 is based on the updated tax rates and the 2027 tentative roll, which the Department of Finance released on January 15th, 2026. Values from the tentative roll are then adjusted to reflect processes taking place between the tentative and final roll publication including Tax Commission actions, Department of Finance changes by notice, and the completion of exemption processing. This yields the projected final roll estimates.

In the final roll estimates, Class 1 taxable billable assessed value (TBAV) is expected to be \$28.355 billion, growth of 3.6 percent over 2026, and is forecast to grow at an annual average of 3.6 percent from 2028 through 2030.

The final roll estimate of Class 2 TBAV is expected to be \$126.541 billion, growth of 5.9 percent over 2026. Class 2 growth in 2027 is led by rental properties, although regulated rental properties growth is more subdued. Out-year growth is expected to normalize slightly below the long-term average as stronger post-pandemic growth in the pipeline is replaced with weaker growth seen in the subsequent years.² Average Class 2 TBAV growth is forecast to be 3.6 percent from 2028 through 2030.

Class 3 TBAV is forecast to grow 2.4 percent in 2027 to \$28.997 billion, in accordance with long-term growth rates, and is forecast to average 2.1 percent growth from 2028 through 2030.

Finally, the final roll estimate of Class 4 TBAV is expected to be \$140.237 billion, growth of 4.7 percent over 2026. The below-average TBAV growth in 2025 and 2026 was largely attributed to pre-pandemic growth in the pipeline being replaced by weaker post-pandemic growth, while the significant decline that occurred in 2022 due to the onset of COVID-19, remained until 2026. In 2027, growth returns to more normalized levels as the significant declines immediately after the pandemic have cleared the pipeline. Out-year growth in Class 4 is expected to stay subdued in later years attributable to continued weakness in the office market. Average Class 4 TBAV growth is forecast to be 2.4 percent from 2028 through 2030.

Citywide, total TBAV is expected to increase by 4.8 percent in 2027 to \$324.130 billion. In levy terms, this results in an increase of \$5.6 billion over the 2026 levy, incorporating the increase in the property tax rate. In revenue terms, RPT is expected to grow 14.1 percent over 2026, \$3.825 billion more than the previous plan, reflecting the increased property tax rate. RPT revenues are expected to average 2.9 percent growth from 2028 through 2030.

The forecast assumes that no tax lien sale, or alternative property tax enforcement mechanism, will be implemented in 2026. This lowers the estimate for net lien sale proceeds by \$80 million from

¹ All tax figures are stated in terms of the city fiscal year, which runs from July 1 to June 30. The text will specifically state when referring to calendar years.

² The "pipeline" refers to the changes in Class 4 assessed value (AV) being phased in over a period of 5 years. Due to this pipeline the impacts of AV changes up to 4 years ago impact current year growth.

the prior plan in 2026. The lien sale revenue remains in the plan for 2027 through 2030. Although the 2024 reauthorization of lien sale extended DOF's authority to conduct a sale through 2028, City Council passed legislation at the end of 2025 that would establish a land bank in lieu of lien sale, which would materially alter DOF's role in administering tax enforcement. In this context, notices of intent to sell tax and water liens, which usually occur 90 days before the lien sale date, remain on hold pending discussions regarding the future of the program. Consequently, the delinquency rate is assumed to remain at 1.9 percent, compared with the 5-year pre-pandemic average of 1.3 percent when the lien sale was in effect.

Commercial Rent Tax

Commercial rent tax (CRT) revenue is forecast at \$950 million in 2026, growth of 0.8 percent over the prior year. Collections are flat year-to-date through December. This slow growth and leveled collections reflect the net effect of offsetting office market dynamics: softened office-using employment, and easing vacancy rates from pandemic-era highs.

Corporate cost-cutting and increased adoption of AI and automation have limited the growth of office-using employment. Despite this subdued employment trend, Manhattan's commercial office market demonstrates strong alignment with the national flight-to-quality phenomenon: Class A new leasing reached 24.1 million square feet in 2025, the second-highest annual total in the past three decades and nearly matching the pre-pandemic peak of 24.3 million square feet in 2019. Higher-tier office space demand continues to expand as TAMI and FIRE³ sector firms pursue corporate relocations and office expansions in premium locations, particularly as they enforce stricter return-to-office mandates. As a result, positive absorption trends were observed across all Manhattan submarkets, with Midtown leasing activity exceeding pre-pandemic levels.

The flight-to-quality dynamic has caused vacancy rates for premium properties to decline to their lowest levels since late 2021. Importantly, these vacancy improvements reflect not only the reallocation of leasing demand toward higher-quality buildings but also the contraction in overall office inventory. Office-to-residential conversions have begun to reduce inventory and new office construction remains minimal. This reduction in available office inventory has supported upward pressure on asking rents across Manhattan, with increases most pronounced among Class A assets.

These market conditions are expected to keep CRT collections stable in the near term. Over time, continued market rebalancing, driven by office-using sectors' preference for high-quality buildings and reduced office inventory, is expected to further tighten vacancy conditions and support rent growth. This is expected to result in a 2.5 percent uptick in CRT collections in 2027 and stabilization at an average annual rate of 1.4 percent from 2028 to 2030.

Transaction Taxes

Real Property Transfer Tax (RPTT) revenue is forecast at \$1.473 billion in 2026, a growth of 17.9 percent over the prior year. This forecast is \$141 million higher than the November 2025 Plan. RPTT revenue is expected to grow 3.8 percent in 2027 and grow at an average rate of 2.5 percent through 2030. Real property transfer tax collections year-to-date through December increased 18.7 percent from the prior year, after increasing 10.5 percent in 2025.

Commercial transaction revenue shows strength while the commercial market shows mixed signals. Through December, commercial RPTT collections increased 23.3 percent compared to the same period last year after increasing 13.3 percent in 2025. Lower interest rates and an increase in large commercial transactions have made commercial RPTT revenue strong in

3 TAMI (technology, advertising, media, and information services); FIRE (financial services, insurance, and real estate)

2026. However, many of these large commercial transactions are distressed, selling either at a loss or under default to near-default conditions. Research undertaken by The Federal Reserve of New York in 2024 suggests that an “extend-and-pretend” dynamic may have encouraged owners to retain properties longer by extending loan terms in anticipation of improved commercial real estate market conditions.⁴ As these loans reach maturity, some owners may now be forced to sell at reduced prices, contributing to increased transaction activity, and in turn, higher commercial transaction taxes. Commercial RPTT revenue is forecast to be \$600 million in 2026. This is an increase of 23.9 percent over the previous year.

Residential activity has shown strength. Residential RPTT Collections through December have increased 14.0 percent compared to last year. The lack of supply has driven up prices, leading to the increase in revenue. The volume of transactions through December has increased 4.5 percent compared to last year. Residential RPTT is forecast to be \$873 million in 2026, a 14.1 percent increase over the prior year. Residential collections are expected to grow in 2027 with an increase of 5.8 percent as the Federal Reserve is expecting to lower interest rates further, spurring activity, before averaging 4.0 percent through 2030.

Mortgage Recording Tax (MRT) revenue is forecast at \$1.015 billion in 2026, a growth of 31.3 percent over the prior year. This forecast is \$202 million more than the November 2025 Plan. Mortgage recording tax collections year-to-date through December increased by 30.1 percent over the prior year, after increasing 29.6 percent in 2025, reflecting an increase of activity as lower interest rates spur activity.

As the Federal Reserve is expected to lower interest rates in the future, MRT revenue is forecast to grow with increases in both residential and commercial transaction volumes. Growth is forecast at 5.6 percent in 2027 with an essentially flat growth rate in the out-years.

Commercial MRT is forecast at \$552 million in 2026, an increase of 33.9 percent from the prior year, a \$144 million increase from the November 2025 Plan. The current year’s forecast reflects strength in commercial borrowing amid high-value commercial transactions and lower interest rates.

Residential MRT is forecast at \$463 million in 2026, a 28.3 percent increase from the prior year. This is \$58 million more than the November 2025 Plan.

Personal Income Tax and Pass-through Entity Tax

Combined personal income tax (PIT) and pass-through entity tax (PTET) revenues are forecast at \$20.283 billion in 2026, up 10.1 percent year-over-year. In 2027, revenues are projected to total \$21.297 billion, up 5.0 percent from 2026. The forecast represents a significant upward revision compared to the November 2025 plan of \$1.557 billion and \$3.017 billion in 2026 and 2027.

Personal income tax collections have remained strong in 2026 after posting growth of 17.6 percent in 2025. Year-to-date through December, collections are up 14.2 percent. While overall employment level growth has decelerated in the City, the continued momentum can be attributed to surging financial market activity fueled by the AI investment boom. As a result, both wage withholding and non-withholding income growth has been robust.

Withholding grew 8.8 percent for the first half of 2026 and is forecast to end the year up 7.6 percent in 2026 to \$14.382 billion. In 2026, a resurgence in dealmaking and vigorous trading activity on Wall Street is expected to boost bonus collections. Bonuses are forecast to top the

⁴ ["Extend-and-Pretend in the U.S. CRE Market."](#) Federal Reserve Bank of New York, Staff Reports, no. 1130, October 2024.

record levels of the prior year totaling \$2.053 billion, up 9.9 percent year-over-year. Bonuses are forecast to decline 7.0 percent in 2027, but will remain at one of the highest historical levels. The outlook for bonuses is predicated on Wall Street posting another exceptional year in calendar year 2026. Base withholding (non-bonus) is expected to remain steady, averaging growth of 6.5 percent in 2026 and 2027. Withholding is projected to maintain this trend in the near term before decelerating in out-years. Overall, withholding is projected to lift 3.6 percent in 2027 to \$14.902 billion with the remaining forecast window averaging 4.1 percent annual growth.

Following two consecutive years of decline in 2023 and 2024, collections from non-withholding components, including PTET, rebounded in 2025. Year-to-date through December, non-withholding revenues are up 31.4 percent, largely driven by unusually high PTET offset payments from NYS in September. Adjusting for the one-time payment, non-withholding components are up closer to 14.0 percent year-over-year. Capital gains, the most concentrated non-wage income category, set new records during the pandemic before returning to more typical levels in calendar years 2022 and 2023. Rebounding financial markets propelled capital gains in calendar years 2024 and 2025. Non-withholding revenues are forecast to surge 16.6 percent in 2026 and 8.4 percent in 2027. Further growth in 2026 and 2027 is contingent on calendar year 2026 financial markets remaining on a bull market trajectory, thus, sustaining non-wage income at record levels. Additionally, the current high-interest rate environment is expected to boost fixed income from interest and dividends. Overall, non-withholding revenues are forecast to average a 4.9 percent decline from 2028 to 2030 as financial markets return to long-run average profits.

Total PIT revenues are forecast to average 1.5 percent growth in 2028 through 2030 as withholding continues to grow albeit at a slower pace and non-withholding stabilizes at levels more consistent with longer-term trends.

Business Income Taxes

Business income taxes (from business corporation and unincorporated business taxes) are forecast at \$10.470 billion in 2026, growing modestly at 2.0 percent over the prior year. In 2027, business income taxes are forecast at \$11.074 billion, a growth of 5.8 percent year-over-year. Compared to the November 2025 Plan, business income tax estimates have been revised down by \$37 million in 2026 and revised up by \$800 million in 2027.

Following robust growth in the post-pandemic period, corporate tax collections remained flat in 2025. Collections in 2026 are forecast to decline 1.2 percent or \$335 million in downward revisions relative to the November 2025 Plan. Year-to-date through December, corporate tax collections are down 5.6 percent in 2026. Quarterly deadline collections in September 2025 declined 14.7 percent while December payments somewhat recovered, up 3.0 percent year-over-year. Collections from non-finance industries drove these recent trends, contracting 17.7 percent and 7.7 percent in September and December of 2025, respectively. In December, non-finance declines were offset by strong collections from the finance industry. Nearly all non-finance sectors underperformed compared to the prior year. The key drivers of the non-finance sector's downward trend were manufacturing and information sectors. Year-to-date through December, collections from manufacturing were nearly halved while information sector collections cratered almost 30 percent year-over-year.

Corporate tax collections in 2026 have significantly contracted at all levels of government. In December of calendar year 2025, federal corporate tax collections slumped by 31.9 percent while NYS collections were down 20.6 percent. There are several factors that may have impacted corporate

tax collections. The federal government passed H.R.1 – the One Big Beautiful Bill Act (OBBBA or Public Law 119-21) into law and instituted steep tariffs on a broad range of US trading partners in calendar year 2025. These two policy changes have significant negative impact on corporate taxes. OBBBA contains multiple provisions that allow corporations to reduce tax liability in the near term. The law permits businesses to reduce tax liability by immediately expensing investments in research and experimentation and certain production properties. Previously, businesses were allowed to deduct these investments over longer time horizons. Non-finance sectors, including manufacturing and information are expected to take advantage of these provisions to lower tax payments. Many businesses may have already reduced their tax payments in September and December of calendar year 2025 as a result of OBBBA provisions that applied retroactively. Additionally, tariffs increase costs on business inputs with firms absorbing much of the added costs in the short term, shrinking profit margins and thereby tax liability.

OBBBA provisions are estimated to reduce corporate tax collections by \$489 million in 2026 and average a little over \$500 million annually from 2027 to 2030 if NYC remains coupled with OBBBA. However, the NYS SFY27 Executive Budget proposes decoupling NYC from these provisions retroactively from tax year 2025 onwards. Retroactive reversal of OBBBA is expected to recoup lost revenue in 2026 by boosting collections in 2027 and 2028. As a result, collections in 2027 are forecast to rebound 7.1 percent year-over-year to \$7.286 billion, totaling \$340 million in upward revisions relative to the November 2025 Plan.

While non-finance sectors saw substantial contraction in 2026, year-to-date through December collections from the finance industry grew 5.4 percent year-over-year. Elevated Wall Street profits in calendar year 2025 are on track to top records last set in 2009. Investment banking was the driving factor for the surge in profitability as the markets saw a revival in dealmaking and trading activity. Additionally, the major banks benefited from the high-interest rate environment, achieving extraordinary increases in net interest revenue. The finance sector is forecast to grow 7.2 percent year-over-year in 2026, buttressing contractions in non-finance sectors.

Overall collections are expected to rebound in 2027 following OBBBA decoupling. The increase reflects both a return to pre-OBBBA depreciation dynamics and retroactive payments associated with liability from tax year 2025. The forecast averages a 3.2 percent annual decline in the out-years as Wall Street profits return to more typical levels.

Unincorporated business tax (UBT) collections are forecast to total \$3.669 billion in 2026, up 8.4 percent year-over-year. Compared to November 2025 Plan, the forecast represents a \$298 million upward revision. In 2027, collections are projected to grow 3.2 percent to \$3.788 billion, a \$460 million upward revision compared to last plan.

Year-to-date through December, collections were up 11.8 percent year-over-year. Collections from finance and non-finance sectors recorded double-digit growth in the first half of 2026. Collections from the finance sector spiked 18.4 percent as large hedge funds profited from high trading and volatility in the markets. Global hedge fund assets have grown above \$5 trillion, hitting new record levels after net inflows and performance gains. Consistent with past cycles, financial markets are expected to cool, and finance-related gains are assumed to revert to long-term averages in 2027 and out. Finance collections are expected to grow 11.4 percent in 2026 followed by 2.3 percent growth in 2027.

Collections from non-finance industries also recorded robust growth. Through December, the service sector, the most concentrated industry in UBT, surged 8.2 percent year-over-year. In 2026,

collections from non-finance are forecast to grow 5.2 percent year-over year with the out-years averaging 3.7 percent annual growth.

The out-years are forecast to average 2.8 percent annual growth rate over the forecast window.

Sales Tax

Sales tax revenue is forecast at \$10.868 billion in 2026, representing growth of 5.0 percent over the prior year. In 2027, sales tax revenue is forecast at \$11.432 billion, an increase of 5.2 percent over 2026. Compared to the November 2025 plan, this forecast reflects an increase of \$163 million in 2026 and \$391 million in 2027.

Year-to-date sales tax collections through December grew 4.5 percent over the prior year, largely matching projected changes in NYC total wages and growth in visitor spending over the period. Wage growth supports local consumption and underpins continued sales tax strength. It is expected that the remainder of the year will grow at a slightly stronger pace as inflation pressure continues to keep prices elevated while wage and visitor spending growth continues steadily.

NYC taxable sales data in the first half of 2026, reflecting sales activity from June through November 2025, increased 5.1 percent year-over-year.⁵ Retail, business and information services, and food services and accommodation, which together account for approximately 70 percent of total taxable sales, grew 6.7 percent year-over-year.

Retail, the largest category, increased 4.2 percent, driven primarily by department stores and clothing and accessories, indicating continued consumer engagement despite historically low U.S. consumer confidence especially during holidays season. The five-day holiday weekend from Thanksgiving through Cyber Monday welcomed a record 202.9 million shoppers, bolstering retail sales.⁶

Business and information services have continued to support taxable sales growth for the past two years and are currently up 10.6 percent year to date. Accommodation, which is closely tied to tourism activity, also posted solid increases of 5.6 percent. Food services and drinking places are up 6.3 percent and show no signs of slowing down. Overall, these trends highlight the resilience of the sales tax base despite tourism concerns and the potential impacts of tariffs on business activity.

In 2027, collections growth is expected to remain healthy, reflecting rising wage earnings, and solid tourism spending. In the out-years, sales tax growth revenue is forecast to average 4.3 percent from 2028 through 2030, reflecting a more subdued macroeconomic environment.

Hotel Tax

Hotel tax revenue is forecast at \$815 million in 2026, growth of 5.8 percent over the prior year and down \$3 million from the November 2025 Plan. Collections are forecast at \$856 million in 2027, \$45 million greater than the prior plan with a growth rate of 5.0 percent from 2026.

Year-to-date hotel tax collections through December (reflecting June through November 2025 activity) total \$431 million, a 6.1 percent increase from last year. The growth is associated with increases in the average room rate, as room demand has only maintained a slight edge on last year's performance. A slight recovery in total hotel supply has met the minor demand increase resulting in little change in the average occupancy rate.

Calendar year 2025 saw a slight uptick in total visitors to the city with a decrease in international visitors being offset by an increase in domestic visitors according to NYC Tourism + Conventions.⁷ The

5 ["Taxable Sales and Purchases Data"](#), NYS Department of Taxation and Finance

6 ["Thanksgiving Holiday Weekend Draws a Record 203 Million Shoppers"](#), National Retail Federation, December 2, 2025

7 ["Travel & Tourism Outlook"](#) New York City Tourism + Conventions, November 2025

weakness in visitor counts has been counteracted by growth in average room rates, generating increases in hotel tax revenue year-to-date. This forecast anticipates this trend will continue through the year.

Hotel tax revenue is forecast at \$856 million in 2027 propelled by further, moderate rises in room rate and a pickup in demand. NYC Tourism + Conventions projects 2.0 percent growth in total visitors in calendar year 2026 with increases of 3.3 percent in international visitors and 1.7 percent in domestic visitors. The increase in demand, room rate, and international visitors is partially attributable to NYC's hosting of select 2026 FIFA World Cup matches which will occur in June and July. The tourism impact from the World Cup is incorporated into this forecast.

Growth is expected in the out-years from 2028 through 2030, averaging 3.4 percent.

Utility Tax

Utility tax revenue is forecast at \$512 million in 2026, a 10.4 percent increase from the prior year, and up \$29 million from the November 2025 Plan. Utility tax collections through December have increased 9.9 percent from last year as average retail electricity prices in New York have expanded by 8.6 percent over the same period with natural gas prices increasing by over 17 percent through October. Severe winter weather across the United States in January, straining demand for heating and driving up energy prices, will likely result in strong third quarter collections. Changes in energy demand and price drive most of the volatility in utility tax collections.

Utilities must pass on the cost of energy onto the customer without profit, however, utilities may petition for increases in delivery charges to fund projects such as infrastructure improvements or affordability programs. The NYS Public Service Commission (PSC) permitted Con Edison annual increases of 4.4 percent on electric delivery revenues and 2.8 percent on gas delivery revenues for three years starting in January 2026. All else equal, this will raise the average Con Edison customer's electric and gas bills and may increase utility tax liability. NYC utility taxes are derived from both increases in delivery and supply charges.

Utility tax revenue is forecast at \$550 million in 2027, an increase of 7.4 percent, and \$24 million over the November 2025 Plan. Elevated electric and natural gas prices continue to drive growth in 2027 as well.

Utility tax revenue is forecast to grow at an average of 0.2 percent from 2028 through 2030. Out-years are expected to stagnate due to deflating natural gas prices.

Cigarette Tax

Cigarette tax revenue is forecast at \$12.0 million in 2026, a slight decline of 1.1 percent from the prior year. The forecast reflects the continued slowdown in collections experienced in the past few years. High prices coupled with smoking restrictions, including many public smoking bans, and anti-smoking campaigns put downward pressure on cigarette consumption. NYC applies some of the highest cigarette taxes in the nation, driving consumers to turn to other nicotine and tobacco alternatives, purchase from other lower tax jurisdictions or simply quit smoking. From 2026 through 2029, it is expected to stabilize at \$12 million annually, reflecting steady market equilibrium given current market conditions and demand (including anti-smoking sentiment and elevated prices relative to other jurisdictions).

Adult Use Cannabis Tax

Adult use cannabis tax revenue is forecast at \$24 million in 2026, a 33.3 percent increase from the prior year. Year-to-date collections have grown approximately 50 percent over last year. On average, eight licensed dispensaries have opened each month in the city since July 2025, bringing the total to 211 stores at the end of December, more than double the 105 at the end of the prior December. Collections growth has not been as rapid as the expansion in store openings because of competition among suppliers as well as lower cannabis prices. Sales per store in NYC have been dropping each quarter since the end of calendar year 2025.

Adult use cannabis tax is forecast at \$33 million, an increase of 37.5 percent, in 2027 as new dispensaries expand accessibility to cannabis and existing locations expand their customer bases. NYC currently has approximately 50 dispensary licenses being processed by the Office of Cannabis Management.

Adult use cannabis tax revenue is forecast to average growth of 9.4 percent from 2028 through 2030 as the market continues to reach maturity.

All Other Taxes

Revenue from other taxes (OTX) is forecast at \$1.342 billion in 2026, a decrease of 0.6 percent from the prior year. In 2027, OTX collections are forecast at \$1.232 billion. From 2028 through 2030, growth averages 1.0 percent annually.

Tax Audit Revenue

The Department of Finance vigorously pursues delinquent taxpayers through agency audit activities and computer matches as part of the city's tax enforcement efforts. Tax audit revenue for 2026 is forecast at \$959 million, an increase of \$150 million compared to the November 2025 Plan. Audit revenue is forecast at \$879 million in 2027, an upward revision of \$100 million compared to the November 2025 Plan. Audit revenue is then forecast to remain at the same level through 2030.

TAX REVENUE FORECAST

(\$ in Millions)

	Fiscal Year				
	2026	2027	2028	2029	2030
Real Estate Related Taxes:					
Real Property	\$35,361	\$40,349	\$41,354	\$42,575	\$43,983
Real Property Transfer	1,473	1,529	1,581	1,629	1,645
Mortgage Recording	1,015	1,072	1,090	1,057	1,066
Commercial Rent	950	974	989	1,000	1,015
Income-Based Taxes:					
Personal Income & Pass-through Entity Tax	20,283	21,297	21,349	21,706	22,298
General Corporation	6,801	7,286	7,097	6,513	6,584
Banking Corporation	—	—	—	—	—
Unincorporated Business	3,669	3,788	3,878	3,991	4,121
Consumption and Use Taxes:					
Sales and Use	10,868	11,432	11,976	12,527	12,972
Utility	512	550	552	563	553
Hotel	815	856	899	919	947
Cigarette	12	12	12	12	12
Adult Use Cannabis	24	33	39	41	43
All Other	1,342	1,232	1,246	1,262	1,270
Subtotal	\$83,125	\$90,410	\$92,062	\$93,795	\$96,509
Tax Audit Revenue	959	879	879	879	879
Total	\$84,083	\$91,289	\$92,941	\$94,674	\$97,388
STAR Aid	105	103	101	99	99
Tax Programs (Not Enacted)					
Total	147	86	42	(78)	(82)
Total*	\$84,335	\$91,478	\$93,084	\$94,695	\$97,405

* Total may not add due to rounding

TAX REVENUE FORECAST
All Other Taxes
(\$ in Millions)

	Fiscal Year				
	2026	2027	2028	2029	2030
Excise Taxes:					
Off-Track Betting (Dividend)	\$—	\$—	\$—	\$—	\$—
OTB Surtax	0.8	0.8	0.8	0.8	0.8
Horse Race Admissions	0.1	0.1	0.1	0.1	0.1
Beer and Liquor	24.0	25.0	25.0	25.0	25.0
Liquor License	6.5	6.0	6.0	6.0	6.0
Medical Marijuana Excise Tax	0.6	0.6	0.6	0.6	0.6
Auto Related Taxes:					
Commercial Motor Vehicle	61.1	67.1	67.1	67.1	67.1
Auto Use	29.0	30.0	30.0	30.0	30.0
Taxi Medallion	0.8	0.8	0.8	0.8	0.8
Miscellaneous Taxes:					
Section 1127 (Waiver)	267.0	240.0	240.0	240.0	240.0
PILOTs	881.0	804.0	818.0	834.0	842.0
Other Tax Refunds	(52.0)	(52.0)	(52.0)	(52.0)	(52.0)
Penalties and Interest:					
P&I - Real Estate Current Year	46.0	38.0	38.0	38.0	38.0
P&I - Real Estate Prior Year	85.0	80.0	80.0	80.0	80.0
P&I - Other (Refunds)	(8.0)	(8.0)	(8.0)	(8.0)	(8.0)
Total All Other Taxes*	\$1,341.8	\$1,232.3	\$1,246.3	\$1,262.3	\$1,270.3

* Total may not add due to rounding

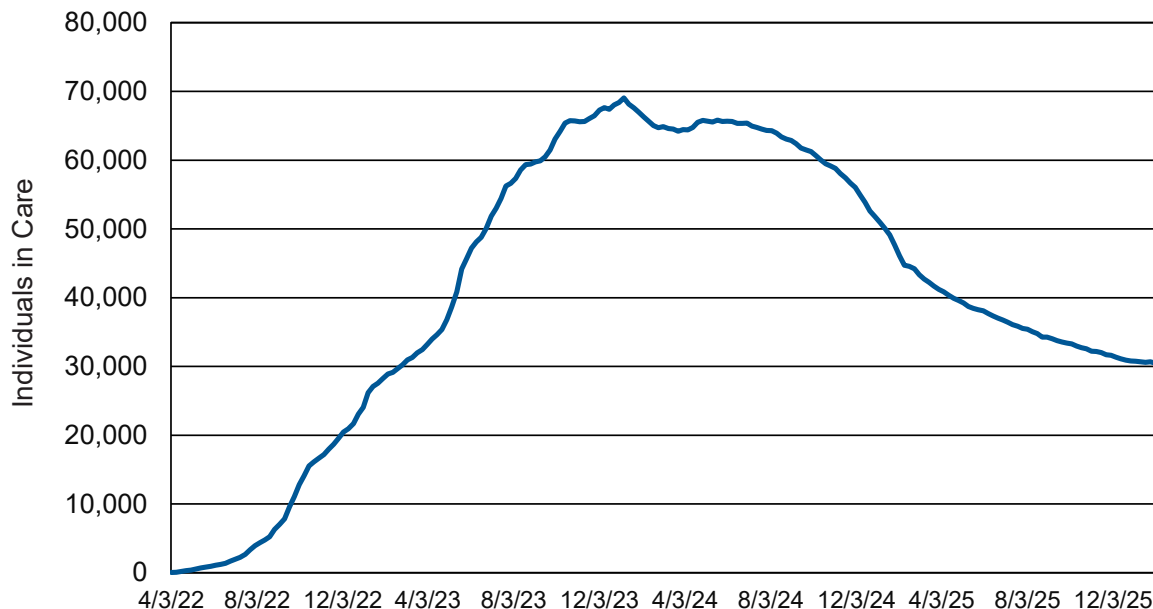
Asylum Seekers

ASYLUM SEEKERS

Since Spring 2022, New York City has experienced a large increase in asylum seeker migrants, with over 237,000 individuals seeking help from the city through the end of fiscal year 2025. Many asylum seekers are characterized by significant economic and health challenges and require deep support from the city to provide shelter, food, and clothing, as well as access to legal and educational resources. As of February 2026, over 30,000 asylum seekers remain in city care nightly.

New York City has made significant investments to care for asylum seekers. The city's initial response utilized the Department of Homeless Services (DHS) shelter system to house asylum seekers. In October 2022, with significantly increasing numbers of new arrivals, the city declared a state of emergency and created Humanitarian Emergency Response and Relief Centers (HERRCs) to help meet the growing need. Through the course of the emergency response, the asylum seeker shelter system further expanded to include sites managed by agencies including the Department of Housing Preservation and Development (HPD) and New York City Emergency Management (NYCEM). Across all systems, the city has opened 258 emergency shelters, including 18 HERRCs, to house asylum seeker migrants.

Asylum Seekers in New York City Shelter Facilities



Source: New York City's DHS, DYCD, HPD, H+H and NYCEM, with calculations by NYC OMB.

The asylum seeker emergency has had a significant fiscal impact on the city, with costs rising as the population increased, peaking in fiscal year 2024, before decreasing as the census has declined. Through January 2026, total estimated costs of caring for this population are \$9.01 billion.

Asylum Seeker All Funds Estimated Spending

- Fiscal Year 2023: \$1.45 billion
- Fiscal Year 2024: \$3.75 billion
- Fiscal Year 2025: \$2.91 billion
- Fiscal Year 2026 to Date (estimated through January 2026): \$900 million

During the emergency, the city implemented a series of policy changes to manage growth in the asylum seeker population. In July 2023, the city announced a policy to give adult asylum seeker entrants 60 days' notice to find alternative housing arrangements following intake, pairing the policy with intensive casework services to connect individuals with housing resources. In September 2023, the policy was revised to a 30-day notice period.

In October 2023, the city announced an expansion of the notice policy to include 60-day notices for families with children in non-DHS facilities. Families could re-apply for shelter if they were not able to make alternative housing arrangements at the end of the 60-day stay period.

In March 2024, the city entered into a State Supreme Court approved stipulation revising the city's existing obligations to provide housing to asylum seekers while the State of Emergency remains in effect, unless otherwise ordered by the court. The stipulation gives the city more flexibility in its provision of shelter services to single adult asylum seekers. In May 2024, the city revised the policy to strictly limit adult stays to a 30-day period, granting extension requests to adult migrants that met exemption criteria.

In addition to the city's actions, the federal government has taken steps to regulate border crossings. In June 2024, the Biden administration announced an executive order to restrict asylum eligibility during periods of high levels of border encounters. In January 2025, additional restrictions implemented by the Trump administration substantially reduced the number of monthly border encounters.

In conjunction, the city and federal actions have contributed to a slowdown and subsequent decline in the number of asylum seekers in care over time, with the population declining steadily since Summer 2024.

Asylum Seekers in New York City Care

- January 2023: 24,030
- January 2024: 68,660
- January 2025: 51,532
- January 2026: 30,813

Since late 2024, sustained reductions in the asylum seeker census have allowed for the closure of dozens of emergency sites, the sunset of shelter notice policies, and the gradual consolidation of shelter systems under DHS. Shelter notice policies for asylum seeker families with children sunset in December 2025, with the closure of the last remaining HERRC site for families. As of February

2026, there is only one remaining emergency shelter site being operated outside of the DHS system, exclusively serving single adults.

In January 2026, the city issued a revised emergency executive order continuing the state of emergency and directing DSS and DHS to develop a plan within 45 days, in consultation with the Law Department, to phase out the continued use of shelter facilities that have been operated in reliance on the suspensions and modifications of laws and rules.

At current trends in the asylum seeker population, the city expects the costs of caring for the population to be \$1.47 billion in FY26. Budgeted costs for asylum seekers total \$1.20 billion in FY27 and \$500 million in FY28 and out.

Capital Program

CAPITAL PROGRAM

The Modified Capital Commitment Plan for Fiscal Years 2026-2030 authorizes agencies to commit \$113.0 billion, of which \$108.4 billion will be City-Funded. City funds include proceeds of bonds issued by the City Municipal Water Finance Authority and the New York City Transitional Finance Authority as well as City general obligation bonds.

The targeted level for City-funded commitments is \$22.0 billion in Fiscal Year 2026. The aggregate agency by agency authorized commitments of \$29.5 billion exceed the Fiscal Year Financial Plan by \$7.5 billion. Excess authorizations in this proportion have proven necessary to achieve commitment spending targets by accommodating such factors as scope changes and delays.

The Capital Program Since 2022

The following table summarizes capital commitments over the past four years.

FY 2022-2025 Commitments								
(\$ in Millions)*								
	2022		2023		2024		2025	
	City	All	City	All	City	All	City	All
	Funds	Funds	Funds	Funds	Funds	Funds	Funds	Funds
Environmental Protection								
Equipment	\$30	\$30	\$130	\$130	\$10	\$10	\$79	\$79
Sewers	533	543	464	480	224	234	177	205
Water Mains, Sources & Treatment	197	197	309	326	343	350	331	371
Water Pollution Control	758	777	1,426	1,429	1,352	1,473	610	615
Water Supply	62	62	38	38	434	434	1,952	1,952
Subtotal	\$1,580	\$1,610	\$2,367	\$2,402	\$2,363	\$2,501	\$3,149	\$3,222
Transportation								
Mass Transit	\$760	\$772	\$1,189	\$1,199	\$1,458	\$1,458	\$277	\$277
Bridges	197	220	440	608	171	185	179	224
Highways	506	541	609	728	665	775	808	1,075
Subtotal	\$1,463	\$1,534	\$2,238	\$2,534	\$2,293	\$2,418	\$1,264	\$1,576
Education								
Education	\$4,139	\$3,989	\$4,519	\$4,532	\$3,972	\$3,991	\$3,729	\$3,739
Higher Education	44	44	100	100	33	33	100	100
Subtotal	\$4,183	\$4,032	\$4,619	\$4,632	\$4,005	\$4,024	\$3,829	\$3,839
Housing And Economic Development								
Economic Development	\$470	\$489	\$417	\$434	\$447	\$529	\$353	\$388
Housing	886	916	1,351	1,411	2,289	2,400	2,710	2,743
Subtotal	\$1,356	\$1,405	\$1,767	\$1,845	\$2,736	\$2,930	\$3,062	\$3,131
Administration Of Justice								
Correction	\$499	\$499	\$775	\$775	\$983	\$983	\$2,529	\$2,529
Courts	240	241	27	27	97	100	148	148
Police	158	162	89	90	135	145	172	172
Subtotal	\$897	\$903	\$891	\$892	\$1,215	\$1,228	\$2,849	\$2,849
City Operations & Facilities								
Cultural Institutions	\$56	\$56	\$53	\$54	\$268	\$268	\$70	\$70
Fire	116	119	244	261	172	175	159	160
Health + Hospitals	629	792	711	756	470	501	318	333
Parks	461	538	482	554	602	622	623	668
Public Buildings	48	48	158	159	101	101	146	146
Sanitation	169	171	404	406	281	283	278	277
Coastal Resiliency, Tech. & Equip.	778	916	1,044	1,238	1,125	1,173	1,149	1,233
Other	546	595	684	741	1,347	1,373	1,096	1,156
Subtotal	\$2,804	\$3,235	\$3,780	\$4,170	\$4,366	\$4,496	\$3,837	\$4,043
Total Commitments	\$12,282	\$12,718	\$15,663	\$16,475	\$16,978	\$17,597	\$17,990	\$18,659
Total Expenditures	\$9,440	\$10,530	\$10,512	\$12,150	\$13,951	\$14,524	\$15,344	\$15,578

* Note: Individual items may not add to totals due to rounding.

FY 2026-2030 Commitments

(\$ in Millions)*

	2026		2027		2028		2029		2030	
	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds
Environmental Protection										
Equipment	\$349	\$349	\$156	\$156	\$114	\$114	\$95	\$95	\$37	\$37
Sewers	655	675	678	678	610	638	662	662	1,013	1,013
Water Mains, Sources & Treatment	744	912	850	850	833	867	918	954	439	439
Water Pollution Control	2,338	2,591	1,790	1,790	1,596	1,596	2,196	2,196	1,451	1,451
Water Supply	312	312	1,498	1,498	15	15	252	252	25	25
Subtotal	\$4,399	\$4,840	\$4,972	\$4,972	\$3,169	\$3,230	\$4,123	\$4,159	\$2,965	\$2,965
Transportation										
Mass Transit	\$453	\$497	\$400	\$400	\$400	\$400	\$400	\$400	\$405	\$405
Bridges	1,061	1,137	618	655	907	997	808	1,045	2,591	2,749
Highways	841	1,027	1,059	1,187	1,062	1,126	966	1,041	2,148	2,227
Subtotal	\$2,355	\$2,662	\$2,077	\$2,241	\$2,369	\$2,523	\$2,173	\$2,486	\$5,144	\$5,381
Education										
Education	\$4,951	\$5,054	\$4,350	\$4,350	\$4,000	\$4,000	\$3,400	\$3,400	\$1,289	\$1,289
Higher Education	366	370	346	346	211	211	129	129	49	49
Subtotal	\$5,317	\$5,424	\$4,696	\$4,696	\$4,211	\$4,211	\$3,529	\$3,529	\$1,337	\$1,337
Housing And Economic Development										
Economic Development	\$915	\$1,153	\$727	\$932	\$623	\$649	\$699	\$764	\$755	\$755
Housing	5,890	5,930	2,907	2,947	1,943	1,983	1,958	1,998	1,756	1,796
Subtotal	\$6,806	\$7,083	\$3,635	\$3,879	\$2,566	\$2,632	\$2,657	\$2,763	\$2,511	\$2,551
Administration Of Justice										
Correction	\$2,306	\$2,339	\$4,097	\$4,097	\$2,969	\$2,969	\$1,715	\$1,715	\$657	\$657
Courts	137	142	297	297	146	162	170	170	392	392
Police	366	395	195	195	116	116	33	33	62	62
Subtotal	\$2,808	\$2,877	\$4,589	\$4,589	\$3,231	\$3,247	\$1,918	\$1,918	\$1,111	\$1,111
City Operations & Facilities										
Cultural Institutions	\$490	\$545	\$109	\$109	\$246	\$246	\$136	\$136	\$193	\$193
Fire	212	257	173	175	158	158	132	132	240	240
Health + Hospitals	1,088	1,759	764	766	374	374	276	277	243	245
Parks	989	1,088	625	1,092	838	849	937	940	1,502	1,506
Public Buildings	307	309	210	211	164	164	351	351	210	210
Sanitation	265	283	271	277	242	242	344	344	391	391
Coastal Resiliency, Tech. & Equip.	2,146	2,202	921	921	841	841	787	787	904	904
Other	2,340	2,505	1,554	1,756	707	801	498	534	526	532
Subtotal	\$7,837	\$8,948	\$4,628	\$5,308	\$3,570	\$3,674	\$3,461	\$3,501	\$4,209	\$4,221
Total Commitments	\$29,521	\$31,833	\$24,597	\$25,686	\$19,115	\$19,517	\$17,862	\$18,357	\$17,278	\$17,566
ReserveForUnattained Commitments	(\$7,537)	(\$7,537)	(\$1,970)	(\$1,970)	(\$511)	(\$511)	\$260	\$260	\$295	\$295
Commitment Plan	\$21,984	\$24,296	\$22,627	\$23,716	\$18,604	\$19,006	\$18,122	\$18,617	\$17,573	\$17,861
Total Expenditures	\$17,253	\$18,375	\$18,228	\$19,397	\$18,933	\$19,979	\$18,890	\$19,941	\$18,356	\$19,305

* Note: Individual items may not add to totals due to rounding.

The Department of Design and Construction

The Department of Design and Construction was created in October 1995 by Local Law 77, which authorized it to assume responsibility for construction projects performed by the departments of Transportation, Environmental Protection and General Services. The Department delivers the City's construction projects in an expeditious, cost-effective manner, while maintaining the highest degree of architectural, engineering and construction quality. The Department performs design and construction functions related to streets and highways; sewers; water mains; correctional and court facilities; cultural buildings; libraries; and other public buildings, facilities and structures.

The consolidation of design and construction into a single agency allows for the elimination of duplicative program units within agencies; the standardization of construction procedures and practices; the implementation of reforms of current practices relating to procurement for construction projects; and the expansion of the use of construction-related technology, such as Computer-Aided Drafting and Design (CADD); and a project management information system. The Department also enables the City to coordinate a wide variety of construction projects with utilities, community representatives, and private industry, thus minimizing the disruption to individual neighborhoods caused by water-main projects, sewer construction, and road work, as well as reducing the costs associated with such projects. The Department of Design and Construction serves 21 client agencies.

Capital Asset Inventory and Maintenance Program

The Charter mandates an annual assessment of the City's major assets, including buildings, piers, bulkheads, bridges, streets and highways, and the preparation of state of good repair needs for these assets. The annual report, used by agencies for capital planning purposes, includes, as a separate volume, a reconciliation of the amounts recommended in the condition assessment with amounts funded in the budget. All asset reports are distributed to the owner agencies and are also available to the agencies via the City intranet.

Value Engineering

For the past 40-plus years, the Mayor's Office of Management and Budget (OMB) has successfully used the review and assessment tools of value management as a means of maximizing the City's return on investment. These include the value engineering and value analysis methodologies, defined below:

Value Engineering (VE) is a systematic review of construction designs, costs and functions for the purpose of achieving the most effective project at the lowest life-cycle cost for both capital and operating expenses. Value Engineering is conducted on select major capital projects at an early phase of design to confirm that the scope includes all required elements, to identify potential problems, and to incorporate solutions and recommendations into the design. Each review is customized to bring in relevant experts on a wide range of technical disciplines who contribute their vast knowledge to the development of City projects. An independent cost estimate is prepared for each VE study as a reality cost check.

In its role as technical support, the Value Engineering Unit is able to provide expertise otherwise unavailable in-house, both at OMB and other agencies. Working with a VE team of outside consultants and experts, along with input from agency clients, the VE Unit is able to review capital projects and operational processes, and greatly contribute to the effectiveness of how the City conducts its business and manages its resources. This truly collaborative effort also provides a forum to address the concerns of the interested parties. Recommendations stemming from VE reviews enable agency policymakers to make an informed assessment on the viability of a project's scope, cost and schedule, which often results in substantial construction cost savings. In many cases it also results in improved designs and future operational savings.

Value Analysis (VA) fundamentally redesigns key operational functions to effect increased efficiency and improvements. Value Analysis is applied to the review of the City's operational processes and procedures to assist agencies in streamlining their operations.

Value Analysis has assisted agencies in developing operational and functional processes for existing programs, and often offers a new paradigm for providing services. One of the essential goals of Value Analysis is to provide a structure within which a client agency's operations can be reviewed and changed by those closest to the process with support from the decision-makers charged with performing the agency's mission. This process encourages all levels of staff to see the larger mission, and creates internal support for change, which increases the likelihood of success.

OMB continues to be on the forefront in Value Management (VM). The City's VM program has provided agencies with a management tool that allows participation in the decision-making process by personnel at various levels, thereby adding collaborative and constructive input to the overall scope of projects.

Financing Program

FINANCING PROGRAM

The City financing program projects \$90.9 billion of long-term borrowing for the period from 2026 through 2030 to support the current City capital program. The portion of the capital program not financed by the New York City Municipal Water Finance Authority (NYW or the Authority) will be split between General Obligation (GO) bonds of the City and Future Tax Secured (FTS) bonds of the New York City Transitional Finance Authority (TFA).

The City and TFA expect to issue \$39.8 billion and \$36.1 billion, respectively, during the plan period. The City issuance supports 43.8 percent of the total, and TFA FTS issuance supports another 39.7 percent of the total. NYW expects to issue approximately \$15.0 billion which represents 16.5 percent of the total.

Financing Program (\$ in Millions)						
	2026	2027	2028	2029	2030	Total
NYC GO Bonds	\$7,830	\$8,890	\$7,720	\$7,770	\$7,570	\$39,780
TFA FTS Bonds	7,165	5,850	7,720	7,770	7,570	36,075
NYW Bonds*	2,595	3,032	3,392	3,058	2,948	15,025
Total	\$17,590	\$17,772	\$18,832	\$18,598	\$18,088	\$90,880

* Includes commercial paper and revenue bonds issued for the water and sewer system's capital program. Figures do not include bonds that defease commercial paper or refunding bonds. Does not include bonds to fund reserves or cost of issuance.

Overview of the Financing Program

The tables titled “Debt Outstanding,” “Annual Debt Service Costs,” and “Debt Burden” show statistical information for the period from 2026 through 2030, based on debt currently outstanding and expectations for future issuances.

Debt Outstanding					
(\$ in Millions at Year End)					
	2026	2027	2028	2029	2030
NYC GO Bonds	\$59,795	\$66,361	\$71,603	\$76,715	\$81,743
TFA FTS Bonds	60,829	64,467	69,874	75,270	80,351
Conduit Debt ¹	725	655	586	511	449
Total	\$121,349	\$131,483	\$142,063	\$152,496	\$162,543
NYW Bonds	\$35,624	\$38,284	\$41,220	\$43,801	\$46,240
TSASC Bonds	\$854	\$827	\$800	\$773	\$744

Annual Debt Service Costs					
(\$ in Millions, Before Prepayments)					
	2026	2027	2028	2029	2030
NYC GO Bonds	\$4,575	\$4,968	\$5,535	\$6,061	\$6,295
TFA FTS Bonds	3,817	4,452	4,925	5,360	5,890
Conduit Debt ¹	111	108	103	112	95
Total	\$8,503	\$9,528	\$10,563	\$11,533	\$12,280
NYW Bonds ²	\$1,933	\$2,127	\$2,393	\$2,567	\$2,746
TSASC Bonds	\$69	\$69	\$68	\$67	\$67

Debt Burden					
	2026	2027	2028	2029	2030
Total Debt Service ³ as % of:					
a. Total Revenue	6.9%	7.5%	8.2%	8.9%	9.2%
b. Total Taxes	10.1%	10.4%	11.3%	12.2%	12.6%
c. Total NYC Personal Income	1.0%	1.1%	1.1%	1.2%	1.2%
Total Debt Outstanding ³ as % of:					
a. Total NYC Personal Income	14.2%	14.5%	14.9%	15.3%	15.6%

1 Conduit debt consists of bonds issued by the Dormitory Authority of the State of New York, New York City Educational Construction Fund, and New York City Industrial Development Agency for which the City is obligated to make payments for debt service, subject to appropriation.

2 Includes First Resolution debt service and Second Resolution debt service net of subsidy payments from the NYS Environmental Facilities Corporation.

3 Total Debt Service and Debt Outstanding include NYC GO, conduit debt and TFA FTS bonds.

Currently the debt service for City GO, TFA FTS, and City appropriation debt, or conduit debt, excluding the effect of pre-payments, is 6.9 percent of the City's total budgeted revenues in 2026. That ratio is projected to rise to 9.2 percent in 2030. As a percentage of tax revenues, the debt service ratio is 10.1 percent in 2026 and is projected to increase to 12.6 percent in 2030.

The primary issuers financing the City capital program have maintained credit ratings in the AA category or better by Moody's, S&P, and Fitch, and in the case of the City, Kroll, as indicated in the table titled "Ratings". All of the outlooks are stable.

Ratings				
Issuer	Moody's	S&P	Fitch	Kroll
NYC GO	Aa2	AA	AA	AA+
TFA FTS-Subordinate*	Aa1	AAA	AAA	
NYW First Resolution	Aa1	AAA	AA+	
NYW Second Resolution	Aa1	AA+	AA+	

* TFA may also issue FTS-Senior bonds, although none are currently outstanding. The most recent ratings assigned to the Senior credit were triple-A from each of Moody's, S&P, and Fitch.

New York City General Obligation Bonds

Since July 1, 2025, the City has issued approximately \$4.4 billion in GO bonds for capital purposes and \$841 million in GO refunding bonds. The dates and principal amounts are shown in the table titled "NYC GO Issuance".

NYC GO Issuance (\$ in Millions)					
Series	(N)ew Money/ (R)efunding	Issue Date	Tax Exempt Amount	Taxable Amount	Total Par Amount
2026 A	N	8/19/2025	\$1,050	\$0	\$1,050
2026 BC	R	8/19/2025	585	256	841
2026 D	N	10/23/2025	1,500	0	1,500
2026 E-1	N	10/23/2025	0	1,420	1,420
2026 E-2 (Social Bonds)	N	10/23/2025	0	460	460
Total			\$3,135	\$2,136	\$5,271

In October 2025, the City issued its fourth series of Social Bonds, structured as \$460 million of taxable GO bonds. The proceeds of the Social Bonds sale financed affordable housing programs administered by the City's Department of Housing Preservation and Development.

The City's GO refunding transaction completed to date in 2026 generated approximately \$35 million of debt service savings, primarily spread evenly across 2026 through 2029.

The City plans to issue GO bonds for capital purposes of approximately \$7.8 billion, \$8.9 billion, \$7.7 billion, \$7.8 billion, and \$7.6 billion in 2026 through 2030, respectively.

New York City Transitional Finance Authority

The TFA is a public authority of New York State created by the New York City Transitional Finance Authority Act in 1997. It was created to issue FTS bonds, secured primarily with the City's personal income tax, to fund a portion of the capital program of the City.

The TFA was originally authorized to issue up to \$7.5 billion of FTS bonds and notes. This authorization has evolved over time to permit TFA to have additional FTS debt outstanding, with amounts over and above certain levels subject to the City's remaining debt incurring power under the State constitutional debt limit. The total amount of FTS debt authorized to be outstanding and not subject to the City's debt limit is currently \$30.5 billion.

Since July 1, 2025, the TFA has issued \$5.9 billion in FTS bonds for capital purposes and \$1.5 billion in refunding bonds. The dates and principal amounts are shown in the table titled "NYC TFA Issuance".

NYC TFA Issuance					
(\$ in Millions)					
Series	(N)ew Money/ (R)efunding	Issue Date	Tax Exempt Amount	Taxable Amount	Total Par Amount
2026 A	N	8/12/2025	\$1,700	\$0	\$1,700
2026 B	N	10/30/2025	1,500	0	1,500
2026 C	N	1/7/2026	500	0	500
2026 DE	R	1/7/2026	1,332	168	1,500
2026 F	N	2/3/2026	1,900	300	2,200
Total			\$6,932	\$468	\$7,400

The TFA refunding transaction completed to date in 2026 generated approximately \$143.5 million of debt service savings, primarily spread evenly across 2026 through 2029.

The TFA plans to issue FTS bonds for capital purposes of approximately \$7.2 billion, \$5.9 billion, \$7.7 billion, \$7.8 billion, and \$7.6 billion in 2026 through 2030, respectively.

In April 2006, the State enacted legislation authorizing issuance by the TFA of an additional \$9.4 billion of bonds (Building Aid Revenue Bonds, or BARBs) to be used to fund certain capital costs for the Department of Education. This legislation also provided for the assignment to TFA of State building aid that had previously been paid directly to the City. As of December 31, 2025, there were approximately \$7.1 billion of BARBs outstanding. The BARBs are rated Aa2 by Moody's, AA by S&P, AA by Fitch, and have stable outlooks. The financial plan does not currently contemplate the issuance of BARBs for new money purposes.

In August 2025, the TFA sold approximately \$1.4 billion of BARBs in order to reoffer and refund certain outstanding bonds. The transaction generated approximately \$113 million of debt service savings, primarily spread evenly across 2026 through 2029.

New York City Related Issuers - Variable Rate Debt

The City and other issuers supporting the City capital program utilize floating rate debt in an effort to diversify their offerings and minimize interest costs. Variable rate demand bonds, which require an accompanying bank facility, comprise the majority of the City's and its related entities' variable rate portfolio. The City and TFA also have floating rate bonds which do not require a bank facility, where interest rates are set periodically according to a benchmark index, by auction, or by a remarketing agent. Currently, the City and its related entities, excluding NYW, have approximately \$8.8 billion of floating rate exposure.

While floating rate debt can provide savings relative to fixed rate debt, the exposure is of note because certain events can cause costs to increase unexpectedly. Those events would include rising short-term interest rates, reductions in tax rates in the tax code (in the case of tax-exempt debt), and the deterioration of the City's credit or the credit of a liquidity provider. The City uses conservative assumptions in budgeting interest rates and associated expenses from floating rate instruments.

The table "NYC Floating-Rate Exposure" summarizes the City's and its related issuers' floating rate exposure, excluding NYW. Total floating rate exposure is 7.2 percent, which remains below the City's policy guideline of 20 percent. This is even more manageable after taking into account the 10-year average balance of \$9.0 billion of short-term assets in the City's General Fund, which are an offset to these floating rate liabilities. Net of these floating rate assets, the floating rate exposure of the City, excluding NYW, is entirely mitigated. GO and TFA floating rate exposure represents 7.9 percent and 6.5 percent of GO and TFA FTS debt, respectively.

NYC Floating-Rate Exposure*				
(\$ in Millions)				
	GO	TFA	Conduit	Total
Floating Rate Bonds	\$4,719	\$3,962	\$30	\$8,711
Synthetic Fixed	5	0	45	50
Total Floating-Rate	\$4,724	\$3,962	\$75	\$8,761
Total Debt Outstanding	\$59,795	\$60,829	\$725	\$121,349
% of Floating-Rate / Total Debt Outstanding				7.2%
Total Floating-Rate Less \$9.0 Billion Balance in General Fund (Floating-Rate Assets)				(\$277)
% of Net Floating Rate / Total Debt Outstanding				(0.2%)

* End of Fiscal Year 2026 Debt Outstanding as of the February 2026 Financial Plan excluding NYW.

In addition to floating rate debt instruments, the City has utilized synthetic fixed rate debt (issuance of floating rate debt which is then swapped to a fixed rate). In contrast to variable rate demand bonds and other floating rate instruments, synthetic fixed rate debt is relatively insensitive to changes in interest rates and changes in the City's credit, though it can provide exposure to the relationship between tax-exempt and taxable floating rates. To calculate the floating rate exposure associated with synthetic fixed rate debt in the foregoing analysis, it is conservatively assumed that there is no difference between tax-exempt bond rates and the taxable rates on which swap receipts are based.

The City has not entered into any new interest rate swaps in recent years. The City is a party to one remaining GO interest rate swap with an outstanding notional amount as of December 31, 2025 of \$11.55 million, for which the mark-to-market value was negative \$199 thousand. This is the theoretical amount that the City would pay if the swap was terminated under market conditions as of December 31, 2025. This swap matures on August 1, 2026. Additionally, the City is required to make payments under two interest rate swap agreements that relate to conduit indebtedness; as of December 31, 2025, the total notional amount was \$125.5 million and the combined mark-to-market value was negative \$5.6 million. These swaps mature on May 15, 2039. The TFA has no outstanding swaps.

The variable rate receipts on outstanding interest rate swap agreements were originally based on the London Interbank Offered Rate (LIBOR), a benchmark index that has been phased out. Additionally, certain floating rate debt instruments included alternative rates based on LIBOR. To address the market's transition away from LIBOR, these swap and debt instruments were modified to incorporate the Secured Overnight Financing Rate (SOFR) as a replacement index.

New York City Municipal Water Finance Authority

The New York City Municipal Water Finance Authority (NYW or the Authority) was created in 1984 to finance capital improvements to the City's water and sewer system. Since its first bond sale in November 1985, the Authority has sold \$92.0 billion of bonds.

Of the aggregate bond par sold, as of February 17, 2026, \$35.3 billion is outstanding, \$40.7 billion, including \$665 million of special resolution crossover bonds, was refinanced, \$7.3 billion was defeased with Authority funds including economically defeased bonds, and \$8.7 billion was retired with revenues as they matured. In addition to this long-term debt, NYW uses bond anticipation notes (BANs) issued to the New York State Environmental Facilities Corporation (EFC) and has used a commercial paper program as a source of flexible short-term financing. As of February 17, 2026, NYW had \$10.9 million in outstanding BAN draws and available undrawn capacity of \$27.9 million pursuant to agreements with EFC to fund certain projects. NYW is authorized to draw up to \$600 million of commercial paper notes, including up to \$400 million of Extendable Municipal Commercial Paper. Currently, the Authority has no commercial paper outstanding.

NYW's outstanding debt also includes floating rate bonds, which have been a reliable source of cost-effective financing. As of February 17, 2026, NYW had \$4.5 billion of floating rate bonds representing approximately 13 percent of its outstanding debt. NYW's floating rate exposure consists primarily of tax-exempt floating rate debt supported by liquidity facilities. NYW also has floating rate bonds which do not require a bank facility, where interest rates are set periodically according to a benchmark index, or by a remarketing agent.

NYW participates in the State Revolving Fund (SRF) program administered by the EFC. The SRF provides a source of long-term below-market interest rate borrowing, subsidized by federal capitalization grants, state matching funds, and other funds held by EFC. The Authority's BAN draws are expected to be refinanced with fixed rate second resolution bonds issued to EFC.

Summarized in the table titled “NYW Issuance” is the issuance that has closed to date in 2026. The proceeds of the bonds were applied to pay the cost of improvements to the system, refund certain of the Authority’s outstanding debt, and pay the costs of issuance.

NYW Issuance (\$ in Millions)					
Series	(N)ew Money/ (R)efunding	Issue Date	Par Amount	True Interest Cost (TIC)	Longest Maturity
2026 1, 2, 3, 4 ¹	N/R	8/5/2025	\$707	2.51% ²	2055
2026 AA	N/R	12/2/2025	1,028	4.60%	2055
2026 BB	N	2/5/2026	825	4.93%	2056
2026 CC	N	2/5/2026	175	VAR	2056
Total			\$2,735		

1 Bonds issued to EFC

2 Includes the benefit from the EFC subsidy and accounts for the cost of annual fees for administration

During the period from 2026 to 2030, NYW expects to issue an average of approximately \$3.0 billion of new money bonds per year. Of this amount, NYW plans to issue to EFC about \$300 million of bonds annually, taking advantage of the interest rate subsidy available for qualifying projects, and minimizing the overall costs of its financing program. NYW expects to issue approximately 90 percent of its new debt per year as fixed rate debt with the remainder issued as floating rate debt, subject to market conditions.

TSASC, Inc.

TSASC, Inc., a local development corporation, was created in October 1999 to fund a portion of the City’s capital program. TSASC’s currently outstanding bonds are secured by a pledge of 37.4% of tobacco settlement revenues (TSRs) eligible to be received by TSASC pursuant to a nationwide Master Settlement Agreement. Pursuant to a Security Agreement entered into by TSASC in December 2024, TSASC agreed to use unpledged TSRs received by TSASC to pay any projected shortfall on TSASC debt service payments through June 2028. The Security Agreement may be terminated by TSASC upon ninety days’ notice.

The financial plan does not currently contemplate the issuance of additional TSASC bonds for new money purposes.

Hudson Yards Infrastructure Corporation

Hudson Yards Infrastructure Corporation (HYIC), a not-for-profit local development corporation, was established to provide financing for infrastructure improvements to facilitate economic development on Manhattan’s far west side. Improvements to date have included the extension of the No. 7 subway line west and south, construction of a park, as well as the acquisition of development rights over the MTA rail yards, and may include additional projects in the future as authorized.

In December 2006, HYIC issued its first series of bonds in the principal amount of \$2 billion. HYIC completed its second issuance of \$1 billion of bonds in October 2011. Debt service on the HYIC bonds is being repaid from revenues generated by this new development, notably payments-in-lieu-of-property taxes (PILOT) on the commercial development, tax equivalency payments on residential developments,

and various developer payments. To the extent these revenues are not sufficient to cover interest payments, the City has agreed to make interest support payments (ISP) to HYIC subject to appropriation. ISPs have not been required since 2015.

After the initial bond issues funding the capital improvements, HYIC has undertaken two refinancing transactions. In May 2017, HYIC issued approximately \$2.1 billion of refunding bonds which refinanced all of its initial \$2 billion bond issue and a portion of its second bond issue under a new legal structure. This refinancing allowed HYIC to remit approximately \$110 million of accumulated revenues for the City's benefit in 2017. Moreover, the refunding enabled HYIC to transfer periodically to the City excess revenues over and above amounts needed for HYIC debt service. In October 2021, HYIC issued approximately \$450 million in refunding bonds which refinanced the remainder of its second bond issue. This refinancing generated over \$50 million of savings during the period fiscal years 2022-2025 and additional annual savings thereafter. After the transaction, all of HYIC's bonds are under the legal structure established in the 2017 refunding transaction mentioned above. HYIC's bonds are rated Aa2 by Moody's, AA by S&P, AA- by Fitch, and have stable outlooks.

The No. 7 Subway extension was constructed by the MTA and began service in September 2015. The secondary entrance to this station located at W. 35th Street and Hudson Boulevard East opened in September 2018. Phase I of the Hudson Park and Boulevard opened to the public in August 2015 and is managed by the Hudson Yards Hell's Kitchen Alliance Business Improvement District. A second phase for the park ("Phase II") will expand the park north to 39th Street. Phase II is being financed through a term loan agreement which permits HYIC to draw up to \$380 million for project costs. As of December 31, 2025, HYIC has drawn approximately \$119 million on the term loan to fund costs of Phase II.

Supplemental Information

EXPENDITURE ASSUMPTIONS

Personal Services

The estimates for Personal Services over the five-year period of the plan are as follows:

	(\$ in millions)				
	2026	2027	2028	2029	2030
Salaries and Wages	\$34,709	\$35,559	\$36,175	\$36,350	\$36,410
Pensions	10,495	10,533	11,519	10,983	10,524
Other Fringe Benefits	15,881	16,483	17,267	17,989	18,823
Retiree Health Benefits Trust	—	(229)	229	—	—
Reserve for Collective Bargaining	318	625	1,801	2,424	3,204
Total	\$61,403	\$62,971	\$66,991	\$67,746	\$68,961

Salaries and Wages

The projections for salaries and wages reflect personnel costs associated with current and projected headcount levels and also includes recognized needs and any wage adjustments from rounds of collective bargaining that have been implemented.

Pensions and Other Fringe Benefits

The pension expenses in the financial plan reflect actuarial estimates of the City's five major retirement systems. These estimates were prepared by the Office of the Actuary using funding assumptions and methods developed in 2021, including the use of an actuarial interest rate assumption of seven percent per annum and updated (MP-2020) mortality tables.

The Actuary's estimates reflect the projected pension costs for wage increases associated with the most recent round of collective bargaining. In addition, adjustments are made in the financial plan to account for headcount changes and the cost of pension benefit enhancements from recently enacted state legislation, including one which lowers the service requirement for Tier 3 Fire members from 22 years to 20 years to receive full pension. Other adjustments are made for the projected yearly change in administrative expenses of the retirement systems. The financial plan reflects the impact of all investment gains and losses through 2025, including the most recent investment return of 10.3 percent in 2025.

The financial plan also includes an annual reserve of \$279 million, commencing in fiscal year 2028, to fund potential changes that could arise from audit recommendations.

Total pension expenses for the financial plan are shown below:

	Total Pension Expenses (\$ in millions)				
	2026	2027	2028	2029	2030
City Actuarial Systems	\$10,378	\$ 10,408	\$ 11,403	\$ 10,862	\$ 10,399
Non-City Systems	116	124	116	121	125
Non-Actuarial*	—	—	—	—	—
Total**	\$10,495	\$10,533	\$11,519	\$10,983	\$10,524

* Non-Actuarial expenses are \$350,000 rounded to zero.

** Numbers may not add due to rounding.

Other fringe benefits include primarily Social Security, Unemployment Insurance, Workers' Compensation and Health Insurance. Expenditures on fringe benefits include adjustments for the expected changes in the City's planned headcount levels. The Social Security expense estimates reflect the tax rates and earnings caps as issued by the Social Security Administration. In Calendar 2026, the combined tax rate is 7.65%. The OASDI tax portion of 6.20% is applied to covered earnings capped at \$184,500, while the Medicare tax portion of 1.45% is applied to all covered earnings. Unemployment Insurance expense estimates are consistent with the statutory weekly benefit levels and planned payroll levels. Workers' Compensation expense estimates are consistent with the compensation rate schedules mandated by state law, and the projected growth in medical costs. Health insurance expense estimates reflect current City enrollment and premium data available from the City's health insurance providers.

Reserve for Collective Bargaining

Approximately 98% of the workforce have settled contracts with the City for the 2021-2026 round of collective bargaining. The pattern framework for this round is 16.26% and a \$3,000 ratification bonus for civilian employees and 18.98% for uniformed employees over a five-year period. The Labor Reserve currently contains funding for the cost of undistributed collective bargaining increases and funding for prevailing wage risks for relevant skill trades titles. After the expiration of the 2021-2026 round of collective bargaining, the Reserve contains city funding for wage increases assumed to be 1.25% per year.

Other Than Personal Services

The following items are included in this category:

	(\$ in millions)				
	2026	2027	2028	2029	2030
Administrative OTPS	\$41,214	\$38,810	\$39,679	\$40,051	\$40,944
Public Assistance	2,764	2,746	2,746	2,746	2,746
Medical Assistance	6,437	6,790	6,940	7,090	7,240
Health + Hospitals	2,119	1,739	1,776	1,777	1,777
Covered Agency Support and Other Subsidies	6,684	6,501	6,408	6,495	6,664
City Debt Service*	8,503	9,528	10,563	11,533	12,280
Prepayment Adjustments	(3,549)	(238)	—	—	—
Capital Stabilization Reserve	—	—	250	250	250
Rainy Day Fund	(980)	—	980	—	—
General Reserve	50	100	1,200	1,200	1,200
Total	\$63,242	\$65,976	\$70,542	\$71,142	\$73,101

* Number adjusted for prepayments.

Administrative OTPS

The estimates in this category include expenditures in the baseline. For 2028 through 2030, most expenditures have been increased to reflect the effect of inflation. Baseline costs for energy and lease requirements are shown in the appropriate operating agency.

Energy

The financial plan for 2026 through 2030 reflects current projections for energy related purchases. Due to fluctuating commodity costs and increased delivery rates, total energy costs are expected to increase from 2026 to 2030. Gasoline and fuel costs are expected to increase by \$12 million from 2026 to 2030. Heat, light and power costs are expected to increase by \$81 million between 2026 and 2030.

Usage adjustments are held constant, with the exception of varying workload adjustments and the annualization of 2026 adjustments, where applicable.

The annual cost projections are as follows:

	Energy Costs (\$ in millions)				
	2026	2027	2028	2029	2030
Gasoline	\$109	\$109	\$111	\$113	\$117
Fuel Oil	77	77	78	79	81
HPD-ERP/AEP	3	3	3	3	3
Heat, Light and Power	1,038	1,151	1,139	1,109	1,119
Total	\$1,227	\$1,340	\$1,331	\$1,304	\$1,320

Leases

Agency baseline expenditures carry the cost of leases at a constant level for 2027 through 2030 with the exception of the annualization of 2026 adjustments where applicable. A citywide adjustment for 2027 through 2030 provides for the increased cost of leases based on a 3.0 percent annual inflator. The four-year projection includes \$1,827 million for leases in 2027, \$1,882 million in 2028, \$1,939 million in 2029, and \$1,997 million in 2030. Of these amounts, the citywide adjustment is \$53 million, \$108 million, \$165 million, and \$223 million respectively in 2027 through 2030.

Public Assistance

The financial plan supports the current Public Assistance caseload, which was 589,537 unduplicated recipients as of December 2025.

Medical Assistance

The financial plan for Medical Assistance funds Medicaid expenditures for 3.9 million New York City recipients. The City's share of total Medicaid expenditures was capped as a result of the 2005-2006 and 2012-2013 State Budgets. In 2027, the City anticipates a budget of \$6.8 billion for Medical Assistance.

Health + Hospitals

The City's support for Health + Hospitals reflects funding for the provision of healthcare to persons incarcerated in NYC jails, the administration of the HERRC program, as well as other City services. Support also includes collective bargaining costs for applicable unions that have reached agreements with the City. In 2027, the City anticipates a budget of \$1.7 billion for Health + Hospitals.

Covered Agency Support and Other Subsidies

Included in this category are the contributions made by the City to the Transit Authority, Housing Authority, Libraries and various Cultural Institutions. Also included in this category are the estimated projections for the cost of Judgments and Claims.

General Reserve

The General Reserve is projected at \$50 million for 2026, \$100 million for 2027 and \$1.2 billion for 2028 through 2030 to provide for uncontrollable increases in expenditures as well as shortfalls in revenue. The General Reserve for 2028 through 2030 is above the required amount as per the City Charter to allow for any further uncertainties that may occur in the future.

Capital Stabilization Reserve

The financial plan includes a capital stabilization reserve of \$250 million in fiscal years 2028 through 2030 for a total of \$750 million.

Debt Service

Debt Service projections estimate payments of debt service on currently outstanding City, Transitional Finance Authority (TFA) and Lease debt and future issuances in accordance with the financing program for 2026-2030. Actual debt service payments in these years will be affected by the timing of such issuances as well as market conditions. Projections of debt service on debt to be issued are based on estimates of the periods of probable usefulness of the expenditures to be financed for the City.

A Budget Stabilization account has been established for the prepayment of future years' debt service costs. Funding of \$238 million in 2026 has been provided for this purpose.

Below are the detailed estimates for debt service for 2026 through 2030 after prepayments:

(\$ in millions)								
	Long Term	Short Term	Lease Purchase	Budget Stabilization*	Total City and Lease	TFA	Total City, Prepayment Adjustment	Lease and TFA
2026	\$3,132	\$—	\$111	\$238	\$3,481	\$1,473	\$3,549	\$8,503
2027	4,968	—	108	—	5,076	4,214	238	9,528
2028	5,535	—	103	—	5,638	4,925	—	10,563
2029	6,061	—	112	—	6,173	5,360	—	11,533
2030	6,295	—	95	—	6,390	5,890	—	12,280

* Amounts in the Budget Stabilization Account are used to prepay the succeeding year's debt service.

NEW YORK CITY
Five Year Expenditure Analysis
 (All Funds - \$ in Millions)

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Uniformed Forces					
Police	\$6,893	\$6,697	\$6,759	\$6,749	\$6,749
Fire	2,822	2,646	2,624	2,619	2,621
Correction	1,401	1,264	1,386	1,385	1,384
Sanitation	2,249	2,077	2,096	2,101	2,101
Health and Welfare					
Admin. for Children's Services	3,832	3,425	3,470	3,471	3,472
Social Services	14,205	14,628	15,206	15,724	16,254
Homeless Services	4,421	4,629	3,995	4,070	4,146
Aging	620	573	573	573	563
Youth and Community Dev.	1,548	1,634	1,678	1,674	1,674
Health and Mental Hygiene	2,908	2,512	2,520	2,535	2,551
Health + Hospitals	2,119	1,739	1,776	1,777	1,777
Other Agencies					
New York Research Library	38	36	36	36	36
New York Public Library	193	179	179	179	179
Brooklyn Public Library	147	136	136	136	136
Queens Borough Public Library	150	141	141	141	141
Cultural Affairs	301	216	216	216	216
Housing Preservation and Dev.	2,023	1,458	1,446	1,471	1,470
Environmental Protection	1,890	1,687	1,680	1,678	1,680
Finance	388	378	380	381	381
Transportation	1,570	1,557	1,553	1,561	1,561
Parks and Recreation	710	654	654	654	654
Citywide Administrative Services	1,846	1,693	1,691	1,692	1,692
All Other Agencies	4,319	3,443	3,431	3,427	3,434
Education					
Education	36,898	38,030	39,538	39,602	40,039
City University	1,628	1,550	1,573	1,591	1,609
Other					
Pensions	10,495	10,533	11,519	10,983	10,524
Miscellaneous	14,213	15,832	19,217	19,358	21,057
Debt Service	4,954	9,289	10,563	11,533	12,280
Prior Payable Adjustment	(500)	—	—	—	—
General Reserve	50	100	1,200	1,200	1,200
Citywide Savings Initiatives	(922)	(1,060)	(1,080)	(1,090)	(1,110)
Energy Adjustment	—	113	104	78	94
Lease Adjustment	—	53	108	165	223
Procurement Savings	—	—	56	111	167
Elected Officials					
Mayoralty	197	188	189	187	187
All Other Elected	1,039	917	920	920	920
Intra-City	(2,275)	(1,946)	(1,938)	(1,931)	(1,929)
Total Excluding Intra-City	\$122,370	\$127,001	\$135,595	\$136,957	\$140,133

NEW YORK CITY
Five Year Expenditure Analysis
 (City Funds - \$ in Millions)

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Uniformed Forces					
Police	\$6,403	\$6,381	\$6,449	\$6,439	\$6,439
Fire	2,486	2,210	2,200	2,202	2,205
Correction	1,396	1,261	1,384	1,383	1,382
Sanitation	2,227	2,061	2,080	2,085	2,085
Health and Welfare					
Admin. for Children's Services	1,279	1,316	1,366	1,367	1,368
Social Services	11,314	11,900	12,481	13,031	13,561
Homeless Services	3,461	3,857	3,211	3,269	3,328
Aging	499	469	469	469	460
Youth and Community Dev.	1,412	1,505	1,551	1,551	1,551
Health and Mental Hygiene	1,600	1,455	1,471	1,488	1,507
Health + Hospitals	1,860	1,615	1,656	1,656	1,656
Other Agencies					
New York Research Library	38	36	36	36	36
New York Public Library	191	179	179	179	179
Brooklyn Public Library	145	136	136	136	136
Queens Borough Public Library	150	141	141	141	141
Cultural Affairs	300	216	216	216	216
Housing Preservation and Dev.	715	583	609	637	637
Environmental Protection	1,694	1,623	1,616	1,614	1,617
Finance	381	373	374	376	376
Transportation	960	970	976	982	981
Parks and Recreation	617	586	586	586	586
Citywide Administrative Services	546	447	444	444	444
All Other Agencies	3,471	2,910	2,912	2,912	2,920
Education					
Education	20,167	20,891	22,048	22,538	22,975
City University	1,158	1,174	1,196	1,217	1,235
Other					
Pensions	10,350	10,389	11,375	10,839	10,380
Miscellaneous	11,849	13,505	16,837	16,910	18,537
Debt Service	4,849	9,193	10,486	11,460	12,207
Prior Payable Adjustment	(500)	—	—	—	—
General Reserve	50	100	1,200	1,200	1,200
Citywide Savings Initiatives	(922)	(1,060)	(1,080)	(1,090)	(1,110)
Energy Adjustment	—	113	104	78	94
Lease Adjustment	—	53	108	165	223
Procurement Savings	—	—	56	111	167
Elected Officials					
Mayoralty	155	148	147	147	147
All Other Elected	888	873	877	877	877
Total Expenditures	\$91,189	\$97,609	\$105,897	\$107,651	\$110,743

Revenue Detail

(\$ in Millions)

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Taxes:					
Real Property	\$35,361	\$40,349	\$41,354	\$42,575	\$43,983
Personal Income & Pass-through Entity Tax	20,283	21,297	21,349	21,706	22,298
General Corporation	6,801	7,286	7,097	6,513	6,584
Banking Corporation	—	—	—	—	—
Unincorporated Business	3,669	3,788	3,878	3,991	4,121
Sale and Use	10,868	11,432	11,976	12,527	12,972
Commercial Rent	950	974	989	1,000	1,015
Real Property Transfer	1,473	1,529	1,581	1,629	1,645
Mortgage Recording	1,015	1,072	1,090	1,057	1,066
Utility	512	550	552	563	553
Cigarette	12	12	12	12	12
Cannabis Tax	24	33	39	41	43
Hotel	815	856	899	919	947
All Other	1,341	1,232	1,246	1,262	1,270
Tax Audit Revenue	959	879	879	879	879
State Tax Relief Program - STAR	105	103	101	99	99
Tax Programs	147	86	42	(78)	(82)
Total Taxes	\$84,335	\$91,478	\$93,084	\$94,695	\$97,405
Miscellaneous Revenue:					
Licenses, Franchises, Etc.	741	712	715	716	716
Interest Income	371	271	270	272	272
Charges for Services	1,055	1,039	1,039	1,039	1,039
Water and Sewer Charges	2,301	2,277	2,313	2,337	2,366
Rental Income	236	260	260	260	260
Fines and Forfeitures	1,308	1,304	1,290	1,296	1,295
Miscellaneous	355	283	279	297	296
Intra-City Revenue	2,275	1,946	1,938	1,931	1,929
Total Miscellaneous	\$8,642	\$8,092	\$8,104	\$8,148	\$8,173
Unrestricted Intergovernmental Aid	502	—	—	—	—
Reserve for Disallowance of Categorical Grants	(15)	(15)	(15)	(15)	(15)
Less: Intra City Revenue	(2,275)	(1,946)	(1,938)	(1,931)	(1,929)
TOTAL CITY FUNDS	\$91,189	\$97,609	\$99,235	\$100,897	\$103,634

Revenue Detail

(\$ in Millions)

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Other Categorical Grants	\$981	\$1,022	\$1,009	\$1,006	\$1,006
Inter Fund Agreements	808	800	801	804	804
Federal Categorical Grants:					
Community Development	428	269	249	247	243
Social Services	4,126	3,625	3,633	3,647	3,661
Education	1,937	1,901	1,901	1,901	1,901
Other	2,398	1,465	1,396	1,360	1,360
Total Federal Grants	\$8,889	\$7,260	\$7,179	\$7,155	\$7,165
State Categorical Grants:					
Social Services	2,802	2,518	2,517	2,508	2,510
Education	14,363	14,934	15,285	14,860	14,861
Higher Education	304	304	304	304	304
Department of Health and Mental Hygiene	811	738	738	738	738
Other	2,223	1,816	1,865	1,931	2,002
Total State Grants	\$20,503	\$20,310	\$20,709	\$20,341	\$20,415
TOTAL REVENUE	\$122,370	\$127,001	\$128,933	\$130,203	\$133,024

Full-Time and Full-Time Equivalent (FTE) Headcount

	6/30/2026		6/30/2027		6/30/2028		6/30/2029	
	Total	City	Total	City	Total	City	Total	City
MAYORAL AGENCIES AND ELECTED OFFICIALS:								
Uniform Forces:								
Police Department - Uniform	35,025	34,971	34,975	34,971	35,160	35,156	35,160	35,156
Police Department - Civilian	15,548	15,482	15,405	15,397	15,405	15,397	15,405	15,397
Fire Department - Uniform	11,294	11,284	11,294	11,284	11,294	11,284	11,294	11,284
Fire Department - Civilian	6,321	6,208	6,308	6,198	6,308	6,198	6,276	6,198
Department of Correction - Uniform	7,060	7,060	7,060	7,060	7,060	7,060	7,060	7,060
Department of Correction - Civilian	1,833	1,823	1,828	1,821	1,823	1,823	1,823	1,823
Sanitation Department - Uniform	7,957	7,957	7,963	7,963	7,963	7,963	7,963	7,963
Sanitation Department - Civilian	1,946	1,888	1,939	1,881	1,939	1,881	1,939	1,881
Subtotal	86,984	86,673	86,772	86,575	86,952	86,762	86,920	86,762
Health and Human Services:								
Admin. For Children Services	7,114	6,337	7,121	6,344	7,121	6,344	7,121	6,344
Social Services	12,525	9,914	12,510	9,901	12,510	9,901	12,510	9,901
Homeless Services	2,206	2,153	2,117	2,116	2,116	2,116	2,116	2,116
Health and Mental Hygiene	7,435	5,730	7,219	5,647	7,173	5,640	7,176	5,647
Subtotal	29,280	24,134	28,967	24,008	28,920	24,001	28,923	24,008
Other Agencies:								
Housing Preservation and Development	2,891	1,004	2,905	1,018	2,903	1,020	2,901	1,021
Environmental Protection	6,547	343	6,512	335	6,512	335	6,511	335
Finance	2,066	2,054	2,078	2,066	2,083	2,071	2,082	2,070
Transportation	6,260	2,915	6,309	2,964	6,326	2,983	6,340	2,998
Parks	8,144	7,469	7,752	7,123	7,752	7,123	7,751	7,122
Citywide Administrative Services	2,598	1,916	2,590	1,908	2,593	1,911	2,593	1,911
All Other	23,587	20,475	23,243	20,369	23,245	20,381	23,210	20,375
Subtotal	52,093	36,176	51,389	35,783	51,414	35,824	51,388	35,832
Education:								
Department of Education - Pedagogical	128,634	93,554	128,784	92,996	128,790	93,002	128,790	93,002
Department of Education - Civilian	26,604	23,251	26,488	22,898	26,488	22,898	26,488	22,898
City University - Pedagogical	6,252	6,252	6,252	6,252	6,252	6,252	6,252	6,252
City University - Civilian	3,127	3,127	3,123	3,123	3,123	3,123	3,123	3,123
Subtotal	164,617	126,184	164,647	125,269	164,653	125,275	164,653	125,275
Total Mayoral Agencies and Elected Officials	332,974	273,167	331,775	271,635	331,939	271,862	331,884	271,877
COVERED ORGANIZATIONS ¹:								
Health + Hospitals	46,917	46,917	46,917	46,917	46,917	46,917	46,917	46,917
Housing Authority	12,265	—	12,228	—	12,201	—	12,196	—
Libraries	4,311	4,311	4,173	4,173	4,173	4,173	4,173	4,173
Cultural Institutions ²	1,383	1,383	1,383	1,383	1,383	1,383	1,383	1,383
School Construction Authority	1,059	1,059	1,059	1,059	1,059	1,059	1,059	1,059
New York City Employees Retirement System	561	561	561	561	561	561	561	561
Economic Development Corporation	625	625	625	625	625	625	625	625
Teachers Retirement System	385	385	403	403	403	403	403	403
Police Pension Fund	153	153	153	153	153	153	153	153
Fire Pension Fund	57	57	57	57	57	57	57	57
All Other ³	363	359	364	360	365	361	366	362
Subtotal	68,079	55,810	67,923	55,691	67,897	55,692	67,893	55,693
Grand Total	401,053	328,977	399,698	327,326	399,836	327,554	399,777	327,570

¹ Includes non-city employees substantially paid by city subsidies.

² Includes only those employees of the Cultural Institutions Group paid by city fund subsidies.

³ Includes Housing Development Corporation, Education Construction Fund, City University Construction Fund, Rent Guidelines Board and Water Finance Authority.

Agency Five Year Summary

Savings Program

Expense Only

(City Funds - \$ in 000's)

	Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028	Fiscal Year 2029	Fiscal Year 2030
Citywide Savings Initiatives	(\$710,000)	(\$1,060,000)	(\$1,080,000)	(\$1,090,000)	(\$1,110,000)
Procurement Savings	—	(55,519)	(55,519)	(55,519)	(55,519)
Total	(\$710,000)	(\$1,115,519)	(\$1,135,519)	(\$1,145,519)	(\$1,165,519)

AGENCY FIVE YEAR SUMMARY

Police Department

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Dollars</u>	<i>(City Funds in 000's)</i>				
Baseline Per November 2025 Plan	\$5,981,737	\$6,154,194	\$6,305,104	\$6,452,684	\$6,600,017
Expenditure Increases / Re-estimates	421,300	226,556	143,867	(13,235)	(160,568)
February 2026 Financial Plan	<u>\$6,403,037</u>	<u>\$6,380,750</u>	<u>\$6,448,971</u>	<u>\$6,439,449</u>	<u>\$6,439,449</u>
<u>Headcount</u>	<i>(City Funded)</i>				
Baseline Per November 2025 Plan	34,975 U	35,275 U	37,574 U	40,074 U	40,074 U
	13,934 C	13,891 C	13,891 C	13,891 C	13,891 C
Expenditure Increases / Re-estimates	(4) U	(304) U	(2,418) U	(4,918) U	(4,918) U
	39 C	-	-	-	-
February 2026 Financial Plan	<u>34,971 U</u>	<u>34,971 U</u>	<u>35,156 U</u>	<u>35,156 U</u>	<u>35,156 U</u>
	<u>13,973 C</u>	<u>13,891 C</u>	<u>13,891 C</u>	<u>13,891 C</u>	<u>13,891 C</u>

C = Civilian, P = Pedagogical, U = Uniform

Expenditure Increases/Re-estimates

Police Department

Description	City Personnel As of 6/30/27	(City Funds in 000's)				
		FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>At-Risk Youth</u> At-Risk Youth.	(4) U	(497)	(497)	(497)	(497)	(497)
<u>Auto Parts</u> Auto parts adjustment.		12,000	12,000	12,000	12,000	12,000
<u>Bronx Patrol Borough South</u> Funding to support an additional Patrol Borough in the Bronx.		1,993	--	11,483	11,483	11,483
<u>Domain Awareness System and Mobility</u> Funding to support the Domain Awareness System and associated mobility costs.		93,800	31,200	64,300	64,300	64,300
<u>Emergency Response Vehicles</u> Funding for the purchase of emergency response vehicles.		43,857	--	--	--	--
<u>FIFA World Cup</u> Expenses associated with the FIFA World Cup International Soccer Tournament.		31,300	18,922	--	--	--
<u>Her Safe Space Progam - NYPD</u> Mayor's Office of Equity & Racial Justice funding for the young women's safety program.		25	--	--	--	--
<u>IT Adjustment</u> Information Technology adjustment.		54,200	54,200	54,200	54,200	54,200
<u>Local Initiatives.</u> Local Initiatives.		8	--	--	--	--
<u>Motor Vehicle Operators ACF Collective Bargaining Adjustment</u> Motor Vehicle Operators ACF collective bargaining agreement.		15	15	15	15	15
<u>NYPD 5,000 Officer Reduction</u> Discontinuing the phased hiring of 5,000 additional police officers.	(300) U	--	(17,784)	(156,634)	(315,836)	(463,169)
<u>Personal Service Adjustment</u> Personal service adjustment.		184,599	128,500	159,000	161,100	161,100
Total Agency: Expenditure Increases/Re-estimates	(304) U	421,300	226,556	143,867	(13,235)	(160,568)

C = Civilian, P = Pedagogical, U = Uniform

AGENCY FIVE YEAR SUMMARY

Fire Department

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Dollars</u>	<i>(City Funds in 000's)</i>				
Baseline Per November 2025 Plan	\$2,158,422	\$2,152,966	\$2,148,416	\$2,148,416	\$2,148,416
Expenditure Increases / Re-estimates	328,012	57,002	52,002	54,002	56,502
February 2026 Financial Plan	<u>\$2,486,434</u>	<u>\$2,209,968</u>	<u>\$2,200,418</u>	<u>\$2,202,418</u>	<u>\$2,204,918</u>
<u>Headcount</u>	<i>(City Funded)</i>				
Baseline Per November 2025 Plan	11,284 U 6,162 C	11,284 U 6,162 C	11,284 U 6,162 C	11,284 U 6,162 C	11,284 U 6,162 C
Expenditure Increases / Re-estimates	10 C	-	-	-	-
February 2026 Financial Plan	11,284 U <u>6,172 C</u>	11,284 U <u>6,162 C</u>	11,284 U <u>6,162 C</u>	11,284 U <u>6,162 C</u>	11,284 U <u>6,162 C</u>

C = Civilian, P = Pedagogical, U = Uniform

Expenditure Increases/Re-estimates

Fire Department

Description	City Personnel As of 6/30/27	(City Funds in 000's)				
		FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>EMS Revenue</u> EMS Revenue is projected to be lower than planned.		146,000	--	--	--	--
<u>Local Initiatives</u> Local initiatives.		10	--	--	--	--
<u>Motor Vehicle Operators ACF Collective Bargaining Adjustment</u> Motor Vehicle Operators Additional Compensation Fund collective bargaining adjustment.		2	2	2	2	2
<u>Other Than Personal Services Adjustment</u> Adjustment to OTPS funding.		62,000	--	--	--	--
<u>Personal Services Adjustment</u> Adjustment to PS funding.		120,000	57,000	52,000	54,000	56,500
Total Agency: Expenditure Increases/Re-estimates		328,012	57,002	52,002	54,002	56,502

AGENCY FIVE YEAR SUMMARY

Department of Correction

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Dollars</u>	<i>(City Funds in 000's)</i>				
Baseline Per November 2025 Plan	\$1,209,870	\$1,257,720	\$1,379,765	\$1,379,808	\$1,379,808
Expenditure Increases / Re-estimates	186,466	3,475	4,397	3,364	1,968
February 2026 Financial Plan	<u>\$1,396,336</u>	<u>\$1,261,195</u>	<u>\$1,384,162</u>	<u>\$1,383,172</u>	<u>\$1,381,776</u>
<u>Headcount</u>	<i>(City Funded)</i>				
Baseline Per November 2025 Plan	7,060 U	7,060 U	7,060 U	7,060 U	7,060 U
	1,741 C	1,739 C	1,739 C	1,739 C	1,739 C
February 2026 Financial Plan	7,060 U	7,060 U	7,060 U	7,060 U	7,060 U
	<u>1,741 C</u>	<u>1,739 C</u>	<u>1,739 C</u>	<u>1,739 C</u>	<u>1,739 C</u>

C = Civilian, P = Pedagogical, U = Uniform

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E-6

AGENCY FIVE YEAR SUMMARY

Department of Sanitation

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Dollars</u>	<i>(City Funds in 000's)</i>				
Baseline Per November 2025 Plan	\$1,985,031	\$2,025,702	\$2,045,000	\$2,049,944	\$2,050,268
Expenditure Increases / Re-estimates	242,155	35,000	35,000	35,000	35,000
February 2026 Financial Plan	<u>\$2,227,186</u>	<u>\$2,060,702</u>	<u>\$2,080,000</u>	<u>\$2,084,944</u>	<u>\$2,085,268</u>
<u>Headcount</u>	<i>(City Funded)</i>				
Baseline Per November 2025 Plan	7,957 U 1,610 C	7,963 U 1,603 C	7,963 U 1,603 C	7,963 U 1,603 C	7,963 U 1,603 C
February 2026 Financial Plan	7,957 U <u>1,610 C</u>	7,963 U <u>1,603 C</u>	7,963 U <u>1,603 C</u>	7,963 U <u>1,603 C</u>	7,963 U <u>1,603 C</u>

C = Civilian, P = Pedagogical, U = Uniform

Description	City Personnel As of 6/30/27	(City Funds in 000's)				
		FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Other Adjustments</u> Other Adjustments.		100	--	--	--	--
<u>Other Than Personal Services Adjustment</u> Adjustment to OTPS funding.		72,000	--	--	--	--
<u>Personal Services Adjustment</u> Adjustment to PS funding.		70,000	35,000	35,000	35,000	35,000
<u>Programmatic Adjustment</u> Programmatic Adjustment.		55	--	--	--	--
<u>Snow Budget Adjustment</u> Adjustment to snow funding.		100,000	--	--	--	--
Total Agency: Expenditure Increases/Re-estimates		242,155	35,000	35,000	35,000	35,000

E-8

AGENCY FIVE YEAR SUMMARY

Administration for Children's Services

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Dollars</u>	<i>(City Funds in 000's)</i>				
Baseline Per November 2025 Plan	\$1,294,121	\$1,230,478	\$1,230,600	\$1,230,650	\$1,230,650
Expenditure Increases / Re-estimates	(14,907)	85,877	135,304	136,474	137,556
February 2026 Financial Plan	<u>\$1,279,214</u>	<u>\$1,316,355</u>	<u>\$1,365,904</u>	<u>\$1,367,124</u>	<u>\$1,368,206</u>
<u>Headcount</u>	<i>(City Funded)</i>				
Baseline Per November 2025 Plan	6,861	6,861	6,861	6,861	6,861
Expenditure Increases / Re-estimates	(555)	(548)	(548)	(548)	(548)
February 2026 Financial Plan	<u>6,306</u>	<u>6,313</u>	<u>6,313</u>	<u>6,313</u>	<u>6,313</u>

C = Civilian, P = Pedagogical, U = Uniform

Expenditure Increases/Re-estimates

Administration for Children's Services

Description	City Personnel As of 6/30/27	(City Funds in 000's)				
		FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>ACS DOHMH Transfer</u>		(624)	(1,819)	(2,252)	(1,082)	--
Transfer of ACS funding to DOHMH for Nurse-Family Partnership Expansion (NFPx) and Early Childhood Mental Health programs.						
<u>At-Risk Youth</u>	(611) C	(194,529)	(194,529)	(194,529)	(194,529)	(194,529)
At-Risk Youth.						
<u>Child Care Program Integrity</u>	10 C	300	1,100	1,100	1,100	1,100
Child Care program integrity staff.						
<u>Children's Center Staff and Support Services</u>	13 C	1,500	2,000	2,000	2,000	2,000
Children's Center staff and support services.						
<u>Cost of Living Adjustment Technical Adjustment</u>		(1,578)	(2,449)	(2,449)	(2,449)	(2,449)
Cost of living adjustment.						
<u>Foster Care State Mandate</u>		165,050	263,100	312,960	312,960	312,960
Increased state-mandated reimbursement costs for foster parents, adoptive parents and kinship guardians.						
<u>Indirect Cost Rate Funding Adjustment</u>		10,372	10,372	10,372	10,372	10,372
Indirect Cost Rate Funding Adjustment.						
<u>Juvenile Justice Staff and Support Services</u>	40 C	4,600	8,100	8,100	8,100	8,100
Juvenile Justice staff and support services.						
<u>MVO ACF CB</u>		2	2	2	2	2
MVO Collective Bargaining.						
Total Agency: Expenditure Increases/Re-estimates	(548) C	(14,907)	85,877	135,304	136,474	137,556

C = Civilian, P = Pedagogical, U = Uniform

AGENCY FIVE YEAR SUMMARY

Department of Social Services

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Dollars</u>	<i>(City Funds in 000's)</i>				
Baseline Per November 2025 Plan	\$9,694,072	\$9,672,369	\$10,081,893	\$10,481,893	\$10,881,893
Expenditure Increases / Re-estimates	1,619,544	2,227,857	2,399,041	2,548,696	2,678,895
February 2026 Financial Plan	<u>\$11,313,616</u>	<u>\$11,900,226</u>	<u>\$12,480,934</u>	<u>\$13,030,589</u>	<u>\$13,560,788</u>
<u>Headcount</u>	<i>(City Funded)</i>				
Baseline Per November 2025 Plan	9,707	9,549	9,549	9,549	9,549
Expenditure Increases / Re-estimates	203	348	348	348	348
February 2026 Financial Plan	<u>9,910</u>	<u>9,897</u>	<u>9,897</u>	<u>9,897</u>	<u>9,897</u>

C = Civilian, P = Pedagogical, U = Uniform

Expenditure Increases/Re-estimates

Department of Social Services

Description	City Personnel As of 6/30/27	(City Funds in 000's)				
		FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Affordable Housing Services</u> Funding re-estimate for Affordable Housing Services program.		--	48,832	50,160	51,553	51,553
<u>Cash Assistance</u> Re-estimate of Cash Assistance benefits costs related to caseload increases.		703,000	337,000	77,063	(173,000)	(173,000)
<u>Community Food Connection</u> Funds Community Food Connection purchase and delivery.	6 C	--	53,600	53,600	53,600	53,600
<u>Cost of Living Funding Adjustment</u> Cost of Living (COLA) Funding Adjustment.		4,268	6,746	6,746	6,746	6,746
<u>CVAP PEG Restoration</u> Restoration of funding for the Mayor's Office to End Domestic and Gender-Based Violence (ENDGBV) Crime Victim Assistance Program (CVAP).		2,600	2,600	2,600	2,600	2,600
<u>English Learning and Support Centers</u> Funds Mayor's Office of Immigrant Affairs (MOIA) English Learning and Support Centers.		--	1,500	1,500	1,500	1,500
<u>Housing Services Administration</u> Transfers Housing Services Administration (HSA) funding from the Department of Homeless Services to the Human Resources Administration.		--	558	558	558	558
<u>HRA to NYCPS Funding Transfer</u> Funding Transfer to New York City Public Schools (NYCPS).		(50)	--	--	--	--
<u>Immigration Legal Services</u> Expansion of legal defense for immigrants facing deportation and other immigration legal services.		6,680	21,250	20,850	19,150	19,150
<u>Indigent Care Pool</u> Indigent Care Pool.		57,000	57,000	57,000	57,000	57,000
<u>Indirect Cost Rate Funding Adjustment</u> Indirect Cost Rate (ICR) Funding Adjustment.		9,655	28,655	28,655	28,655	28,655
<u>Legal Support Centers</u> Funds Mayor's Office of Immigrant Affairs (MOIA) Legal Support Centers.		--	11,600	11,600	11,600	11,600

C = Civilian, P = Pedagogical, U = Uniform

Expenditure Increases/Re-estimates

Department of Social Services

Description	City Personnel As of 6/30/27	(City Funds in 000's)				
		FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Local Initiatives</u> Local Initiatives.		5	--	--	--	--
<u>Mayor's Office of Food Policy</u> Mayor's Office of Food Policy (MOFP) funding adjustment.		(135)	--	--	--	--
<u>Medical Assistance Adjustment</u> Medical Assistance Adjustment.		123,000	--	--	--	--
<u>MOIA Transfer - DOE</u> Mayor's Office of Immigrant Affairs (MOIA) transfer to Department of Education (DOE).		(250)	--	--	--	--
<u>MVOs ACF CB</u> Motor Vehicle Operators (MVO) Collective Bargaining (CB) adjustment.		5	5	5	5	5
<u>OEO Transfer - NYCO Innovation</u> Mayor's Office of Economic Opportunity (OEO) funding adjustment for Miscellaneous Budget.		(55)	--	--	--	--
<u>OEO Transfer - TCOL</u> Mayor's Office of Economic Opportunity (OEO) True Cost of Living (TCOL) funding transfer.		200	--	--	--	--
<u>Other Adjustments</u> Other Adjustments.		4,900	--	--	--	--
<u>Other Adjustments</u> Other Adjustments.		(1,700)	--	--	--	--
<u>Programmatic Adjustment</u> Programmatic Adjustment.		(5)	--	--	--	--
<u>Programmatic Adjustment</u> Programmatic Adjustment.		(4,046)	--	--	--	--
<u>Rental Assistance</u> Funding re-estimate for the City Fighting Homelessness and Eviction Prevention Supplement (CityFHEPS).		711,000	1,640,000	2,070,000	2,470,000	2,600,000
<u>Shelter to Housing Action Plan</u> Homelessness prevention and shelter move out enhancements.	139 C	--	10,171	10,171	10,171	10,171
<u>SNAP Eligibility Specialists</u> Eligibility Specialist II headcount for Supplemental Nutrition Assistance Program (SNAP).	183 C	2,147	6,440	6,633	6,658	6,857

C = Civilian, P = Pedagogical, U = Uniform

Description	City Personnel As of 6/30/27	(City Funds in 000's)				
		FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>SNAP Trainers</u> Supplemental Nutrition Assistance Program (SNAP) Trainers for the Human Resources Administration's Office of Policy Procedure and Training (OPPT).	20 C	1,000	1,900	1,900	1,900	1,900
<u>YMI Transfer - Admin</u> Mayor's Young Men's Initiative (YMI) funding adjustment.		325	--	--	--	--
Total Agency: Expenditure Increases/Re-estimates	348 C	1,619,544	2,227,857	2,399,041	2,548,696	2,678,895

E-14

AGENCY FIVE YEAR SUMMARY

Department of Homeless Services

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Dollars</u>	<i>(City Funds in 000's)</i>				
Baseline Per November 2025 Plan	\$2,760,550	\$2,844,067	\$2,152,059	\$2,151,008	\$2,151,008
Expenditure Increases / Re-estimates	700,124	1,012,792	1,058,984	1,117,931	1,176,905
February 2026 Financial Plan	<u>\$3,460,674</u>	<u>\$3,856,859</u>	<u>\$3,211,043</u>	<u>\$3,268,939</u>	<u>\$3,327,913</u>
<u>Headcount</u>	<i>(City Funded)</i>				
Baseline Per November 2025 Plan	1,939	1,902	1,902	1,902	1,902
Expenditure Increases / Re-estimates	212	212	212	212	212
February 2026 Financial Plan	<u>2,151</u>	<u>2,114</u>	<u>2,114</u>	<u>2,114</u>	<u>2,114</u>

C = Civilian, P = Pedagogical, U = Uniform

Expenditure Increases/Re-estimates

Department of Homeless Services

Description	City Personnel As of 6/30/27	(City Funds in 000's)				
		FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Asylum Seeker Expense Re-estimate</u> Re-estimate of asylum seeker costs based on expected fiscal year 2026 expenses.		64,000	--	--	--	--
<u>Asylum Seeker Reallocation</u> Reallocation of the fiscal year 2026 budget based on the current state of asylum seeker operations.		44,497	--	--	--	--
<u>Cost of Living Adjustment Technical Adjustment</u> Cost of living adjustment.		(4,181)	(6,366)	(6,366)	(6,366)	(6,366)
<u>Housing Services Administration</u> Transfer of Housing Services funding from the Department of Homeless Services (DHS) to the Human Resources Administration (HRA).		--	(558)	(558)	(558)	(558)
<u>Local Initiatives</u> Local Initiatives.		(5)	--	--	--	--
<u>MVOs ACF CB</u> Motor Vehicle Operators (MVO) Collective Bargaining (CB) adjustment.		7	7	7	7	7
<u>Outdoor Structures</u> Funds additional services to support New Yorkers experiencing street homelessness.	66 C	9,668	31,149	29,875	30,771	31,694
<u>Shelter Costs Re-estimate</u> Re-estimate of shelter costs.	146 C	586,138	988,560	1,036,026	1,094,077	1,152,128
Total Agency: Expenditure Increases/Re-estimates	212 C	700,124	1,012,792	1,058,984	1,117,931	1,176,905

AGENCY FIVE YEAR SUMMARY

Department for the Aging

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Dollars</u>	<i>(City Funds in 000's)</i>				
Baseline Per November 2025 Plan	\$493,113	\$440,240	\$440,239	\$440,240	\$430,925
Expenditure Increases / Re-estimates	6,181	29,241	29,241	29,241	29,241
February 2026 Financial Plan	<u>\$499,294</u>	<u>\$469,481</u>	<u>\$469,480</u>	<u>\$469,481</u>	<u>\$460,166</u>
<u>Headcount</u>	<i>(City Funded)</i>				
Baseline Per November 2025 Plan	235	235	235	235	223
February 2026 Financial Plan	<u>235</u>	<u>235</u>	<u>235</u>	<u>235</u>	<u>223</u>

C = Civilian, P = Pedagogical, U = Uniform

Expenditure Increases/Re-estimates

Department for the Aging

Description	City Personnel As of 6/30/27	(City Funds in 000's)				
		FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>City Council Programmatic Adjustments</u> City Council initiative for programmatic adjustments.		(5)	--	--	--	--
<u>Cost of Living Funding Adjustment</u> Cost of Living Funding Adjustment.		6,256	9,525	9,525	9,525	9,525
<u>Indirect Cost Rate Funding Adjustment</u> Indirect Cost Rate Funding Adjustment.		--	19,716	19,716	19,716	19,716
<u>Local Initiatives</u> Local initiatives for DFTA.		30	--	--	--	--
<u>Other Adjustments</u> City Council initiative for other adjustments.		(100)	--	--	--	--
Total Agency: Expenditure Increases/Re-estimates		6,181	29,241	29,241	29,241	29,241

AGENCY FIVE YEAR SUMMARY

Department of Youth and Community Development

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Dollars</u>	<i>(City Funds in 000's)</i>				
Baseline Per November 2025 Plan	\$1,397,181	\$1,454,913	\$1,500,645	\$1,500,645	\$1,500,645
Expenditure Increases / Re-estimates	14,356	49,677	50,203	50,203	50,203
February 2026 Financial Plan	<u>\$1,411,537</u>	<u>\$1,504,590</u>	<u>\$1,550,848</u>	<u>\$1,550,848</u>	<u>\$1,550,848</u>
<u>Headcount</u>	<i>(City Funded)</i>				
Baseline Per November 2025 Plan	636	630	631	628	628
February 2026 Financial Plan	<u>636</u>	<u>630</u>	<u>631</u>	<u>628</u>	<u>628</u>

C = Civilian, P = Pedagogical, U = Uniform

Expenditure Increases/Re-estimates

Department of Youth and Community Development

Description	City Personnel As of 6/30/27	(City Funds in 000's)				
		FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Cost of Living Adjustment Technical Adjustment</u> Cost of living adjustment.		6,340	9,699	9,699	9,699	9,699
<u>Cost of Living Funding Adjustment</u> Cost of Living Funding Adjustment.		12,990	20,338	20,864	20,864	20,864
<u>Local Initiatives</u> Other adjustments.		(145)	--	--	--	--
<u>Other adjustments</u> Other adjustments.		(4,414)	--	--	--	--
<u>Programmatic Adjustment</u> Other adjustments.		(296)	--	--	--	--
<u>Summer Rising Restoration</u> Summer Rising Restoration.		--	19,640	19,640	19,640	19,640
<u>Young Men's Initiative Funding Adjustment</u> YMI Transfer- Admin.		(119)	--	--	--	--
Total Agency: Expenditure Increases/Re-estimates		14,356	49,677	50,203	50,203	50,203

AGENCY FIVE YEAR SUMMARY

Department of Health and Mental Hygiene

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Dollars</u>	<i>(City Funds in 000's)</i>				
Baseline Per November 2025 Plan	\$1,476,668	\$1,295,392	\$1,294,100	\$1,294,122	\$1,294,122
Expenditure Increases / Re-estimates	123,128	159,397	176,835	194,111	212,436
February 2026 Financial Plan	<u>\$1,599,796</u>	<u>\$1,454,789</u>	<u>\$1,470,935</u>	<u>\$1,488,233</u>	<u>\$1,506,558</u>
<u>Headcount</u>	<i>(City Funded)</i>				
Baseline Per November 2025 Plan	4,435	4,278	4,278	4,278	4,278
Expenditure Increases / Re-estimates	93	122	131	138	138
February 2026 Financial Plan	<u>4,528</u>	<u>4,400</u>	<u>4,409</u>	<u>4,416</u>	<u>4,416</u>

C = Civilian, P = Pedagogical, U = Uniform

Expenditure Increases/Re-estimates

Department of Health and Mental Hygiene

Description	City Personnel As of 6/30/27	(City Funds in 000's)				
		FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>2-K Inspections and Early Intervention Connection</u> Funding for 2-K regulation, monitoring, and inspections, as well as Early Intervention connection.	16 C	--	1,593	2,293	2,851	2,851
<u>ACS DOHMH Transfer</u> Transfer of ACS funding to DOHMH for Nurse-Family Partnership Expansion (NFPx) and Early Childhood Mental Health programs.		624	1,819	2,252	1,082	--
<u>Article 6</u> Article 6.		(60,000)	(60,000)	(60,000)	(60,000)	(60,000)
<u>Childcare Regulation and Monitoring</u> Resources for childcare regulation, monitoring, and inspection.	62 C	5,362	5,362	5,362	5,362	5,362
<u>Cost of Living Adjustment</u> Cost of living adjustment.		9,083	13,830	13,830	13,830	13,830
<u>Early Intervention</u> Funding reestimate for Early Intervention.		78,450	92,950	108,650	125,550	143,850
<u>Financial Plan Headcount Adjustments</u> Headcount adjustments as a result of approved budget modifications	26 C	--	--	--	--	--
<u>Get the Good Stuff Program</u> Funding for the continuation of the Get the Good Stuff food assistance program.		--	3,100	3,100	3,100	3,100
<u>Jamaica Neighborhood Plan</u> Funding for Jamaica Neighborhood Plan including a new Queens Neighborhood Health Action Center and a new Trauma Recovery Center.	13 C	--	1,500	2,700	2,700	2,700
<u>Local Initiatives</u> Local Initiatives		(5)	--	--	--	--
<u>Motor Vehicle Operators ACF CB</u> Motor Vehicle Operators ACF CB.		16	16	16	16	16
<u>New Public Health Lab</u> Funding operating costs for the new, state-of-the-art Public Health Laboratory.	5 C	7,660	16,827	15,832	16,320	16,827
<u>Other Adjustments</u> Other Adjustments		(62)	--	--	--	--

C = Civilian, P = Pedagogical, U = Uniform

Expenditure Increases/Re-estimates

Department of Health and Mental Hygiene

[illegible]

C = Civilian, P = Pedagogical, U = Uniform

AGENCY FIVE YEAR SUMMARY

Health + Hospitals

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Dollars</u>	<i>(City Funds in 000's)</i>				
Baseline Per November 2025 Plan	\$1,866,939	\$1,595,135	\$1,643,767	\$1,644,404	\$1,644,404
Expenditure Increases / Re-estimates	(6,511)	19,430	11,879	11,879	11,879
February 2026 Financial Plan	<u>\$1,860,428</u>	<u>\$1,614,565</u>	<u>\$1,655,646</u>	<u>\$1,656,283</u>	<u>\$1,656,283</u>

C = Civilian, P = Pedagogical, U = Uniform

Expenditure Increases/Re-estimates

Health + Hospitals

Description	City Personnel As of 6/30/27	(City Funds in 000's)				
		FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Asylum Seeker Reallocation</u> Reallocation of the fiscal year 2026 budget based on the current state of asylum seeker operations.		(19,248)	--	--	--	--
<u>Comprehensive Adolescent Care</u> Comprehensive Adolescent Care.		7,500	7,500	--	--	--
<u>H+H Warming Centers</u> H+H Warming Centers.		5,000	--	--	--	--
<u>Local Initiatives</u> Local Initiatives.		5	--	--	--	--
<u>Motor Vehicle Operators ACF CB</u> Motor Vehicle Operators ACF CB.		26	26	34	34	34
<u>OEO Transfer- NYCO Innovation</u> OEO Transfer- NYCO Innovation.		87	--	--	--	--
<u>Outdoor Structures</u> Funds additional services to support New Yorkers experiencing street homelessness.		--	11,904	11,845	11,845	11,845
<u>YMI Transfer- Admin</u> YMI Transfer- Admin.		119	--	--	--	--
Total Agency: Expenditure Increases/Re-estimates		(6,511)	19,430	11,879	11,879	11,879

AGENCY FIVE YEAR SUMMARY

Housing Preservation and Development

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Dollars</u>	<i>(City Funds in 000's)</i>				
Baseline Per November 2025 Plan	\$698,939	\$568,137	\$596,397	\$624,219	\$624,019
Expenditure Increases / Re-estimates	16,388	14,788	12,738	12,738	12,738
February 2026 Financial Plan	<u>\$715,327</u>	<u>\$582,925</u>	<u>\$609,135</u>	<u>\$636,957</u>	<u>\$636,757</u>
<u>Headcount</u>	<i>(City Funded)</i>				
Baseline Per November 2025 Plan	987	1,001	1,003	1,004	1,004
Expenditure Increases / Re-estimates	10	10	10	10	10
February 2026 Financial Plan	<u>997</u>	<u>1,011</u>	<u>1,013</u>	<u>1,014</u>	<u>1,014</u>

C = Civilian, P = Pedagogical, U = Uniform

Expenditure Increases/Re-estimates

Housing Preservation and Development

Description	City Personnel As of 6/30/27	(City Funds in 000's)				
		FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Cost of Living Funding Adjustment</u> Cost of Living Funding Adjustment.		51	78	78	78	78
<u>Emergency Demolition Contracts</u> Funds emergency demolition work.		8,300	6,000	6,000	6,000	6,000
<u>Emergency Repair Program</u> Funds Emergency Repair Program and Elevator work.		4,484	3,712	1,662	1,662	1,662
<u>Local Initiatives</u> City Council member items reallocation from other City Council adjustments and restorations.		(18)	--	--	--	--
<u>Local Initiatives</u> Local Initiatives		(103)	--	--	--	--
<u>Mayor's Office to Protect Tenants Staff and Programming</u> Funds the Mayor's Office to Protect Tenants.	5 C	414	905	905	905	905
<u>NYCHA Pact and Trust Staff</u> Additional staff for NYCHA PACT and Trust transactions.	4 C	190	380	380	380	380
<u>Other Adjustments</u> Other Council Adjustments.		420	--	--	--	--
<u>Single Adult Shelter SRO Rates</u> Funds Single Room Occupancy rate increase.		1,108	2,216	2,216	2,216	2,216
<u>Technology Subscriptions</u> Funds for software subscriptions and licenses.		1,497	1,406	1,406	1,406	1,406
<u>Tenant Interim Lease Staff</u> Additional staff for asset and property management of city-owned residential buildings.	1 C	45	91	91	91	91
Total Agency: Expenditure Increases/Re-estimates	10 C	16,388	14,788	12,738	12,738	12,738

C = Civilian, P = Pedagogical, U = Uniform

AGENCY FIVE YEAR SUMMARY

Department of Finance

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Dollars</u>	<i>(City Funds in 000's)</i>				
Baseline Per November 2025 Plan	\$380,669	\$371,927	\$373,198	\$374,713	\$374,560
Expenditure Increases / Re-estimates	432	1,002	1,002	1,002	1,002
February 2026 Financial Plan	<u>\$381,101</u>	<u>\$372,929</u>	<u>\$374,200</u>	<u>\$375,715</u>	<u>\$375,562</u>
<u>Headcount</u>	<i>(City Funded)</i>				
Baseline Per November 2025 Plan	1,998	2,004	2,007	2,007	2,007
Expenditure Increases / Re-estimates	5	5	5	5	5
February 2026 Financial Plan	<u>2,003</u>	<u>2,009</u>	<u>2,012</u>	<u>2,012</u>	<u>2,012</u>

C = Civilian, P = Pedagogical, U = Uniform

Description	City Personnel As of 6/30/27	(City Funds in 000's)				
		FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Lease Adjustment</u> Lease Adjustment		(145)	--	--	--	--
<u>MVO Collective Bargaining</u> Motor vehicle operator collective bargaining adjustment.		2	2	2	2	2
<u>OEO Transfer - NYCO Innovation</u> OEO Transfer - NYCO Innovation.		75	--	--	--	--
<u>Office to Prevent Deed Theft</u> Office to Prevent Deed Theft.	5 C	500	1,000	1,000	1,000	1,000
Total Agency: Expenditure Increases/Re-estimates	5 C	432	1,002	1,002	1,002	1,002

E-29

AGENCY FIVE YEAR SUMMARY

Department of Transportation

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Dollars</u>	<i>(City Funds in 000's)</i>				
Baseline Per November 2025 Plan	\$958,911	\$960,613	\$966,767	\$971,900	\$971,300
Expenditure Increases / Re-estimates	1,102	9,139	9,407	9,636	10,047
February 2026 Financial Plan	<u>\$960,013</u>	<u>\$969,752</u>	<u>\$976,174</u>	<u>\$981,536</u>	<u>\$981,347</u>
<u>Headcount</u>	<i>(City Funded)</i>				
Baseline Per November 2025 Plan	2,786	2,806	2,825	2,840	2,840
Expenditure Increases / Re-estimates	1	24	24	24	24
February 2026 Financial Plan	<u>2,787</u>	<u>2,830</u>	<u>2,849</u>	<u>2,864</u>	<u>2,864</u>

C = Civilian, P = Pedagogical, U = Uniform

Expenditure Increases/Re-estimates

Department of Transportation

Description	City Personnel As of 6/30/27	(City Funds in 000's)				
		FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Bridge Repairers and Riveters - City</u> Collective bargaining funding.		246	246	246	246	246
<u>Brooklyn Army Terminal Utility Payments</u> Technical adjustment for a Brooklyn Army Terminal payment to EDC.		(818)	--	--	--	--
<u>Bus and Bike Lanes</u> Funding to support bus and bike lane programs.	20 C	--	5,000	5,000	5,000	5,000
<u>E-Bike Trade-In</u> Funding to support the e-bike battery trade-in program.		1,367	--	--	--	--
<u>Financial Plan Headcount Adjustments</u> Headcount adjustments as a result of approved budget modifications	1 C	--	--	--	--	--
<u>Local Initiatives</u> Council member items.		11	--	--	--	--
<u>OneLIC SEED Rezoning</u> Funding to support the OneLIC SEED rezoning initiative.		--	100	100	--	--
<u>Other Adjustments</u> Council member items.		1	--	--	--	--
<u>Secure Bike Parking</u> Funding for the Secure Bike Parking program.	3 C	295	1,793	2,061	2,390	2,801
<u>Summer Streets</u> Funding to support the Summer Streets program.		--	2,000	2,000	2,000	2,000
Total Agency: Expenditure Increases/Re-estimates	24 C	1,102	9,139	9,407	9,636	10,047

C = Civilian, P = Pedagogical, U = Uniform

AGENCY FIVE YEAR SUMMARY

Department of Parks and Recreation

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Dollars</u>	<i>(City Funds in 000's)</i>				
Baseline Per November 2025 Plan	\$616,061	\$585,658	\$585,743	\$585,743	\$585,743
Expenditure Increases / Re-estimates	473	169	119	119	119
February 2026 Financial Plan	<u>\$616,534</u>	<u>\$585,827</u>	<u>\$585,862</u>	<u>\$585,862</u>	<u>\$585,862</u>
<u>Headcount</u>	<i>(City Funded)</i>				
Baseline Per November 2025 Plan	4,509	4,423	4,423	4,422	4,422
February 2026 Financial Plan	<u>4,509</u>	<u>4,423</u>	<u>4,423</u>	<u>4,422</u>	<u>4,422</u>

C = Civilian, P = Pedagogical, U = Uniform

Expenditure Increases/Re-estimates

Department of Parks and Recreation

Description	City Personnel As of 6/30/27	(City Funds in 000's)				
		FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>City Seasonal Aides ACF CB</u> City Seasonal Aides ACF from DC37 CB.		90	90	90	90	90
<u>Job Training Participants ACF CB</u> Job Training Participants ACF from DC37 CB.		29	29	29	29	29
<u>Local Initiatives</u> Local Initiatives.		(21)	--	--	--	--
<u>OneLIC SEED Rezoning</u> Funding to support the OneLIC SEED rezoning initiative.		--	50	--	--	--
<u>Other Adjustments</u> Other Adjustments.		75	--	--	--	--
<u>Owen Dolan Recreation Center</u> Owen Dolan Recreation Center Abatement.		535	--	--	--	--
<u>Programmatic Adjustment</u> Programmatic Adjustment.		(235)	--	--	--	--
Total Agency: Expenditure Increases/Re-estimates		473	169	119	119	119

AGENCY FIVE YEAR SUMMARY

Department of Citywide Administrative Services

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Dollars</u>	<i>(City Funds in 000's)</i>				
Baseline Per November 2025 Plan	\$542,110	\$446,388	\$444,118	\$444,172	\$444,172
Expenditure Increases / Re-estimates	3,957	173	173	173	173
February 2026 Financial Plan	<u>\$546,067</u>	<u>\$446,561</u>	<u>\$444,291</u>	<u>\$444,345</u>	<u>\$444,345</u>
<u>Headcount</u>	<i>(City Funded)</i>				
Baseline Per November 2025 Plan	1,781	1,763	1,766	1,766	1,766
Expenditure Increases / Re-estimates	(10)	2	2	2	2
February 2026 Financial Plan	<u>1,771</u>	<u>1,765</u>	<u>1,768</u>	<u>1,768</u>	<u>1,768</u>

C = Civilian, P = Pedagogical, U = Uniform

Description	City Personnel As of 6/30/27	(City Funds in 000's)				
		FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>1 Centre St. Tower and Cupola Tours</u> 1 Centre St. tower and cupola tours.	2 C	54	173	173	173	173
<u>Asylum Seeker Reallocation</u> Reallocation of the fiscal year 2026 budget based on the current state of asylum seeker operations.		(3,690)	--	--	--	--
<u>Emergency Facade and Roof Repairs</u> Emergency facade and roof repairs.		8,015	--	--	--	--
<u>Lease Adjustment</u> Lease Adjustment		(630)	--	--	--	--
<u>Office Consolidation</u> Funding to facilitate consolidation of office space.		208	--	--	--	--
Total Agency: Expenditure Increases/Re-estimates	2 C	3,957	173	173	173	173

E-35

AGENCY FIVE YEAR SUMMARY

Department of Education

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Dollars</u>	<i>(City Funds in 000's)</i>				
Baseline Per November 2025 Plan	\$18,620,598	\$19,071,416	\$19,812,002	\$20,215,168	\$20,618,582
Expenditure Increases / Re-estimates	1,546,754	1,819,948	2,235,740	2,322,396	2,356,009
February 2026 Financial Plan	<u>\$20,167,352</u>	<u>\$20,891,364</u>	<u>\$22,047,742</u>	<u>\$22,537,564</u>	<u>\$22,974,591</u>
<u>Headcount</u>	<i>(City Funded)</i>				
Baseline Per November 2025 Plan	92,630 P 10,339 C	92,403 P 10,034 C	92,409 P 10,034 C	92,409 P 10,034 C	92,409 P 10,034 C
Expenditure Increases / Re-estimates	331 P 84 C	- 36 C	- 36 C	- 36 C	- 36 C
February 2026 Financial Plan	<u>92,961 P</u> <u>10,423 C</u>	<u>92,403 P</u> <u>10,070 C</u>	<u>92,409 P</u> <u>10,070 C</u>	<u>92,409 P</u> <u>10,070 C</u>	<u>92,409 P</u> <u>10,070 C</u>

C = Civilian, P = Pedagogical, U = Uniform

Expenditure Increases/Re-estimates

Department of Education

Description	City Personnel As of 6/30/27	(City Funds in 000's)				
		FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Charter Schools</u> Aligns funding with projected cost of charter schools.		75,000	--	--	--	--
<u>Class Size</u> Support for the class size reduction mandate in school year 2026-27 and beyond.		--	542,913	942,913	942,913	942,913
<u>Contracted Related Services</u> Aligns funding with projected spend on related services through contracted providers.		105,610	--	--	--	--
<u>Cost of Living Funding Adjustment</u> Cost of Living Funding Adjustment.		2,190	3,335	3,335	3,335	3,335
<u>DIIT Core Operations</u> Funding to support DIIT core operations.		100,000	--	--	--	--
<u>Due Process Cases</u> Funding to support the costs of Due Process Cases.		500,000	550,000	600,000	600,000	600,000
<u>Early Childhood Education Headcount</u> Provides critical headcount in Early Childhood Education and other divisions within DOE to support renewed investment in 3-K and launch of 2-K.	36 C	2,546	6,519	6,519	6,519	6,519
<u>Early Childhood Education Support</u> Adds funding to address structural shortfall in Early Childhood Education.		300,000	380,000	380,000	380,000	380,000
<u>Food Education Roadmap</u> Food Education Roadmap.		135	--	--	--	--
<u>HIP Rate Increase</u> Funding for increased HIP rate.		167,246	171,585	182,377	194,033	207,646
<u>HRA to NYCPS Funding Transfer</u> HRA to NYCPS Funding Transfer.		50	--	--	--	--
<u>Indirect Cost Rate Funding Adjustment</u> Indirect Cost Rate Funding Adjustment.		5,600	11,600	11,600	11,600	11,600
<u>Individualized Education Services Plan (IESP) Support</u> Funding to support equitable provision of special education services.		86,000	--	--	--	--
<u>Local Initiatives</u> Local Initiatives.		44	--	--	--	--

C = Civilian, P = Pedagogical, U = Uniform

Expenditure Increases/Re-estimates

Department of Education

Description	City Personnel As of 6/30/27	(City Funds in 000's)				
		FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>MOIA Transfer</u> MOIA Transfer.		250	--	--	--	--
<u>NYC Her Future</u> NYC Her Future.		200	--	--	--	--
<u>Other Adjustments</u> Other Adjustments.		215	--	--	--	--
<u>Personal Service Adjustment</u> Personal service adjustment.		25,791	14,700	14,700	14,700	14,700
<u>Programmatic Adjustment</u> Programmatic Adjustment.		(620)	--	--	--	--
<u>Pupil Transportation</u> Aligns funding with projected spend on pupil transportation.		134,000	130,000	85,000	160,000	180,000
<u>School Cleaning</u> Funding to support New York City School Support Services (NYCSSS) costs.		26,300	--	--	--	--
<u>State Aid Adjustment</u> Reflects anticipated state aid.		--	(97,000)	(97,000)	(97,000)	(97,000)
<u>Summer Rising</u> Funding to support the continuation of Summer Rising.		16,197	106,296	106,296	106,296	106,296
Total Agency: Expenditure Increases/Re-estimates	36 C	1,546,754	1,819,948	2,235,740	2,322,396	2,356,009

C = Civilian, P = Pedagogical, U = Uniform

AGENCY FIVE YEAR SUMMARY

City University

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Dollars</u>	<i>(City Funds in 000's)</i>				
Baseline Per November 2025 Plan	\$1,144,900	\$1,152,442	\$1,179,843	\$1,200,787	\$1,217,861
Expenditure Increases / Re-estimates	13,370	21,179	16,101	16,539	17,083
February 2026 Financial Plan	<u>\$1,158,270</u>	<u>\$1,173,621</u>	<u>\$1,195,944</u>	<u>\$1,217,326</u>	<u>\$1,234,944</u>
<u>Headcount</u>	<i>(City Funded)</i>				
Baseline Per November 2025 Plan	4,289 P	4,289 P	4,289 P	4,289 P	4,289 P
	1,739 C	1,735 C	1,735 C	1,735 C	1,735 C
February 2026 Financial Plan	4,289 P	4,289 P	4,289 P	4,289 P	4,289 P
	<u>1,739 C</u>	<u>1,735 C</u>	<u>1,735 C</u>	<u>1,735 C</u>	<u>1,735 C</u>

C = Civilian, P = Pedagogical, U = Uniform

Description	City Personnel As of 6/30/27	(City Funds in 000's)				
		FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>HIP Rate Increase</u> Funding for increased HIP rate.		6,356	6,797	7,229	7,667	8,211
<u>Local Initiatives</u> Local Initiatives.		4	--	--	--	--
<u>MOERJ Public Health Career Exploration</u> Career exploration for public health careers.		30	--	--	--	--
<u>Programmatic Adjustment</u> Programmatic Adjustment.		3,756	--	--	--	--
<u>PSC CB Technical Adjustment</u> Professional Staff Congress Collective Bargaining Technical Adjustment.		3,224	14,382	8,872	8,872	8,872
Total Agency: Expenditure Increases/Re-estimates		13,370	21,179	16,101	16,539	17,083

E-40

AGENCY FIVE YEAR SUMMARY

Citywide Savings Initiatives

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Dollars</u>	<i>(City Funds in 000's)</i>				
Baseline Per November 2025 Plan	(\$212,000)	\$-	\$-	\$-	\$-
Savings Program	(710,000)	(1,060,000)	(1,080,000)	(1,090,000)	(1,110,000)
February 2026 Financial Plan	<u>(\$922,000)</u>	<u>(\$1,060,000)</u>	<u>(\$1,080,000)</u>	<u>(\$1,090,000)</u>	<u>(\$1,110,000)</u>

C = Civilian, P = Pedagogical, U = Uniform

Citywide Savings Initiatives

Description	City Personnel As of 6/30/27	(City Funds in 000's)				
		FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Projected Agency Savings</u> Agency Chief Savings Officer estimated savings.		(710,000)	(1,060,000)	(1,080,000)	(1,090,000)	(1,110,000)
Total Agency: Savings Program		(710,000)	(1,060,000)	(1,080,000)	(1,090,000)	(1,110,000)

C = Civilian, P = Pedagogical, U = Uniform

AGENCY FIVE YEAR SUMMARY

Pensions

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Dollars</u>	<i>(City Funds in 000's)</i>				
Baseline Per November 2025 Plan	\$10,334,401	\$10,487,469	\$11,365,586	\$10,828,593	\$10,398,985
Expenditure Increases / Re-estimates	16,071	(98,613)	9,600	10,500	(19,100)
February 2026 Financial Plan	<u>\$10,350,472</u>	<u>\$10,388,856</u>	<u>\$11,375,186</u>	<u>\$10,839,093</u>	<u>\$10,379,885</u>

C = Civilian, P = Pedagogical, U = Uniform

Expenditure Increases/Re-estimates

Pensions

Description	City Personnel As of 6/30/27	(City Funds in 000's)				
		FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Corpus Funding.</u> Corpus Funding.		--	(48,630)	--	--	--
<u>FY25 Chaptered Bills.</u> FY25 Chaptered Bills.		6,000	6,000	6,000	7,000	7,000
<u>Headcount Changes.</u> Headcount Changes.		--	(69,432)	3,600	3,500	(26,100)
<u>Update to Smaller Codes.</u> Update to Smaller Codes.		10,071	13,449	--	--	--
Total Agency: Expenditure Increases/Re-estimates		16,071	(98,613)	9,600	10,500	(19,100)

AGENCY FIVE YEAR SUMMARY

Miscellaneous

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Dollars</u>	<i>(City Funds in 000's)</i>				
Baseline Per November 2025 Plan	\$11,851,879	\$12,973,592	\$14,293,600	\$15,681,741	\$17,228,459
Expenditure Increases / Re-estimates	(2,889)	530,969	2,543,328	1,227,817	1,308,497
February 2026 Financial Plan	<u>\$11,848,990</u>	<u>\$13,504,561</u>	<u>\$16,836,928</u>	<u>\$16,909,558</u>	<u>\$18,536,956</u>

C = Civilian, P = Pedagogical, U = Uniform

Expenditure Increases/Re-estimates

Miscellaneous

Description	City Personnel As of 6/30/27	(City Funds in 000's)				
		FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>At-Risk Youth</u> At-Risk Youth.		(65,137)	(65,137)	(65,137)	(65,137)	(65,137)
<u>Bridge Repairers CB</u> Bridge Repairers 2021-2026 round collective bargaining.		(246)	(246)	(246)	(246)	(246)
<u>Capital Stabilization Reserve</u> Capital Stabilization Reserve.		(250,000)	(250,000)	--	--	--
<u>CPSD Studies</u> FY26 CPSD Studies.		(45)	--	--	--	--
<u>DC37 ACF CB</u> DC37 Additional Compensation Funds for Motor Vehicle Operators, Job Training Participants, and City Seasonal Aides (Non-Lifeguard).		(176)	(176)	(176)	(176)	(176)
<u>Fringe Adjustment</u> Fringe Adjustment.		--	(9,596)	(84,281)	(177,367)	(188,102)
<u>Fringe Benefit Revenue Headcount</u> Fringe Benefit Revenue Headcount.		242	1,441	1,565	1,565	1,565
<u>Fringe Benefits Headcount Adjustment</u> Fringe Benefits Headcount Adjustment.		9,215	31,955	36,881	39,056	41,270
<u>H+H CB</u> H+H 2021-2026 round collective bargaining.		(26)	(26)	(34)	(34)	(34)
<u>HIP Rate Increase</u> HIP Rate Increase.		234,630	239,342	255,816	273,267	294,719
<u>HYIC Tax Equivalency Payments</u> HYIC Tax Equivalency Payments.		2,878	--	--	--	--
<u>Judgments & Claims Re-Estimate</u> Judgments & Claims Re-Estimate.		443,000	308,000	206,000	90,000	79,000
<u>Labor Reserve Re-estimate</u> Labor Reserve Re-estimate.		(150,000)	(400,000)	--	--	--
<u>MTA Subsidy Alignment</u> City subsidy for the Metropolitan Transportation Authority.		256,000	567,724	607,844	649,904	685,774
<u>NYCE PPO Health Savings</u> New York City Employees Preferred Provider Organization health plan savings.		(411,000)	(791,000)	(840,000)	(891,000)	(953,000)

Description	City Personnel As of 6/30/27	(City Funds in 000's)				
		FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
PSC CUNY CB Technical Adjustment Professional Staff Congress CB Technical Adjustment.		(3,224)	(14,382)	(8,872)	(8,872)	(8,872)
Rainy Day Fund Rainy Day Fund.		(980,000)	--	980,000	--	--
Retiree Health Benefits Trust Retiree Health Benefits Trust.		--	(229,000)	229,000	--	--
Stabilization Fund Costs Health Insurance Stabilization Fund Costs.		911,000	1,144,000	1,227,000	1,319,000	1,424,000
Water & Sewer Re-Estimate Water & Sewer Re-Estimate.		--	(1,930)	(2,032)	(2,143)	(2,264)
Total Agency: Expenditure Increases/Re-estimates						
		(2,889)	530,969	2,543,328	1,227,817	1,308,497

E-47

AGENCY FIVE YEAR SUMMARY

Debt Service

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Dollars</u>	<i>(City Funds in 000's)</i>				
Baseline Per November 2025 Plan	\$4,724,791	\$9,316,588	\$10,396,425	\$11,345,497	\$12,029,541
Expenditure Increases / Re-estimates	124,117	(123,754)	89,619	114,217	177,279
February 2026 Financial Plan	<u>\$4,848,908</u>	<u>\$9,192,834</u>	<u>\$10,486,044</u>	<u>\$11,459,714</u>	<u>\$12,206,820</u>

C = Civilian, P = Pedagogical, U = Uniform

Expenditure Increases/Re-estimates

Debt Service

Description	City Personnel As of 6/30/27	(City Funds in 000's)				
		FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Debt Service Prepayment</u> Reflects the prepayment of debt service to benefit the subsequent fiscal year.		164,046	(164,046)	--	--	--
<u>GO Debt Service Projection</u> Reflects changes in General Obligation bond issuance due to new projections of capital spending and adjusting for bonds issued in the current fiscal year.		--	(70)	23,886	39,176	52,897
<u>GO Earnings on Bond Proceeds</u> Reflects changes in earnings on bond proceeds due to updated projections in issuance amounts.		125	(425)	(525)	(325)	(150)
<u>GO Variable Rate Interest</u> Reflects changes to variable rate interest expected to be paid in the current fiscal year.		(17,748)	--	--	--	--
<u>TFA Debt Service Retention</u> Reflects the changes to retention of Tax Revenues for payment of Transitional Finance Authority Future Tax Secured debt service and support costs.		(22,306)	40,787	66,258	75,366	124,532
Total Agency: Expenditure Increases/Re-estimates		124,117	(123,754)	89,619	114,217	177,279

AGENCY FIVE YEAR SUMMARY

Board of Elections

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Dollars</u>	<i>(City Funds in 000's)</i>				
Baseline Per November 2025 Plan	\$181,875	\$146,875	\$146,875	\$146,875	\$146,875
Expenditure Increases / Re-estimates	32,530	-	-	-	-
February 2026 Financial Plan	<u>\$214,405</u>	<u>\$146,875</u>	<u>\$146,875</u>	<u>\$146,875</u>	<u>\$146,875</u>
<u>Headcount</u>	<i>(City Funded)</i>				
Baseline Per November 2025 Plan	517	517	517	517	517
February 2026 Financial Plan	<u>517</u>	<u>517</u>	<u>517</u>	<u>517</u>	<u>517</u>

C = Civilian, P = Pedagogical, U = Uniform

Description	City Personnel As of 6/30/27	(City Funds in 000's)				
		FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Election Funding</u> FY26 election funding.		32,530	--	--	--	--
Total Agency: Expenditure Increases/Re-estimates		32,530	--	--	--	--

E-51

AGENCY FIVE YEAR SUMMARY

Campaign Finance Board

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Dollars</u>	<i>(City Funds in 000's)</i>				
Baseline Per November 2025 Plan	\$123,886	\$13,482	\$13,482	\$13,482	\$13,482
Expenditure Increases / Re-estimates	(5)	(5)	-	-	-
February 2026 Financial Plan	<u>\$123,881</u>	<u>\$13,477</u>	<u>\$13,482</u>	<u>\$13,482</u>	<u>\$13,482</u>
<u>Headcount</u>	<i>(City Funded)</i>				
Baseline Per November 2025 Plan	258	87	87	87	87
February 2026 Financial Plan	<u>258</u>	<u>87</u>	<u>87</u>	<u>87</u>	<u>87</u>

C = Civilian, P = Pedagogical, U = Uniform

Description	City Personnel As of 6/30/27	(City Funds in 000's)				
		FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Budget Realignment</u> Budget realignment.		(5)	(5)	--	--	--
Total Agency: Expenditure Increases/Re-estimates		(5)	(5)	--	--	--

E-53

AGENCY FIVE YEAR SUMMARY

Department of Emergency Management

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Dollars</u>	<i>(City Funds in 000's)</i>				
Baseline Per November 2025 Plan	\$47,751	\$39,357	\$39,358	\$39,358	\$39,358
Expenditure Increases / Re-estimates	2,135	230	-	-	-
February 2026 Financial Plan	<u>\$49,886</u>	<u>\$39,587</u>	<u>\$39,358</u>	<u>\$39,358</u>	<u>\$39,358</u>
<u>Headcount</u>	<i>(City Funded)</i>				
Baseline Per November 2025 Plan	92	92	92	92	92
Expenditure Increases / Re-estimates	1	1	1	1	1
February 2026 Financial Plan	<u>93</u>	<u>93</u>	<u>93</u>	<u>93</u>	<u>93</u>

C = Civilian, P = Pedagogical, U = Uniform

Description	City Personnel As of 6/30/27	(City Funds in 000's)				
		FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Emergency Operations Center Upgrade</u> Funding to support replacement of equipment at the Emergency Operations Center (EOC).		914	--	--	--	--
<u>FIFA World Cup Coverage</u> Expenses associated with the FIFA World Cup International Soccer Tournament.		230	230	--	--	--
<u>Headcount Adjustment</u> Headcount Adjustment.	1 C	--	--	--	--	--
<u>Radio Lifecycle Replacement</u> Funding to support the lifecycle replacement of radios.		341	--	--	--	--
<u>Winter Storm Fern Warming Centers</u> Funding to support warming centers citywide due to Winter Storm Fern.		650	--	--	--	--
Total Agency: Expenditure Increases/Re-estimates	1 C	2,135	230	--	--	--

E-55

AGENCY FIVE YEAR SUMMARY

Law Department

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Dollars</u>	<i>(City Funds in 000's)</i>				
Baseline Per November 2025 Plan	\$267,152	\$268,285	\$268,285	\$268,285	\$268,285
Expenditure Increases / Re-estimates	25,145	46,163	50,227	50,227	50,227
February 2026 Financial Plan	<u>\$292,297</u>	<u>\$314,448</u>	<u>\$318,512</u>	<u>\$318,512</u>	<u>\$318,512</u>
<u>Headcount</u>	<i>(City Funded)</i>				
Baseline Per November 2025 Plan	1,458	1,458	1,458	1,458	1,458
Expenditure Increases / Re-estimates	102	300	300	300	300
February 2026 Financial Plan	<u>1,560</u>	<u>1,758</u>	<u>1,758</u>	<u>1,758</u>	<u>1,758</u>

C = Civilian, P = Pedagogical, U = Uniform

Description	City Personnel As of 6/30/27	(City Funds in 000's)				
		FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Additional Staffing</u> Additional staffing.	300 C	5,281	38,073	42,137	42,137	42,137
<u>At-Risk Youth</u> At-Risk Youth.		(21,000)	(21,000)	(21,000)	(21,000)	(21,000)
<u>Case Specific Needs</u> Case specific needs.		36,564	19,340	19,340	19,340	19,340
<u>DOC Remediation Manager Costs</u> DOC Remediation Manager costs.		4,300	9,750	9,750	9,750	9,750
Total Agency: Expenditure Increases/Re-estimates	300 C	25,145	46,163	50,227	50,227	50,227

E-57

AGENCY FIVE YEAR SUMMARY

Department of City Planning

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Dollars</u>	<i>(City Funds in 000's)</i>				
Baseline Per November 2025 Plan	\$36,406	\$33,696	\$33,731	\$31,468	\$31,468
Expenditure Increases / Re-estimates	685	1,349	1,388	1,037	803
February 2026 Financial Plan	<u>\$37,091</u>	<u>\$35,045</u>	<u>\$35,119</u>	<u>\$32,505</u>	<u>\$32,271</u>
<u>Headcount</u>	<i>(City Funded)</i>				
Baseline Per November 2025 Plan	190	190	190	187	187
Expenditure Increases / Re-estimates	5	7	7	7	3
February 2026 Financial Plan	<u>195</u>	<u>197</u>	<u>197</u>	<u>194</u>	<u>190</u>

C = Civilian, P = Pedagogical, U = Uniform

Description	City Personnel As of 6/30/27	(City Funds in 000's)				
		FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>2030 Census - Address Update</u> Funding to support the local address updates for the 2030 Census.	7 C	263	857	896	545	311
<u>City Map Amendment</u> Funding to support the new city map amendment changes.		150	300	300	300	300
<u>Motor Vehicle Operators ACF CB</u> Motor Vehicle Operators ACF 21-26 Round Collective Bargaining Funding. .		2	2	2	2	2
<u>Program Funding Adjustment</u> Program Funding Adjustment.		80	--	--	--	--
<u>Software and Licensing Increase</u> Funding for increased software and licensing expenses.		190	190	190	190	190
Total Agency: Expenditure Increases/Re-estimates	7 C	685	1,349	1,388	1,037	803

E-59

AGENCY FIVE YEAR SUMMARY

Department of Investigation

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Dollars</u>	<i>(City Funds in 000's)</i>				
Baseline Per November 2025 Plan	\$46,516	\$44,747	\$44,747	\$44,187	\$44,187
Expenditure Increases / Re-estimates	601	-	-	-	-
February 2026 Financial Plan	<u>\$47,117</u>	<u>\$44,747</u>	<u>\$44,747</u>	<u>\$44,187</u>	<u>\$44,187</u>
<u>Headcount</u>	<i>(City Funded)</i>				
Baseline Per November 2025 Plan	309	293	293	293	293
February 2026 Financial Plan	<u>309</u>	<u>293</u>	<u>293</u>	<u>293</u>	<u>293</u>

C = Civilian, P = Pedagogical, U = Uniform

Description	City Personnel As of 6/30/27	(City Funds in 000's)				
		FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Lease Adjustment</u> Lease Adjustment		601	--	--	--	--
Total Agency: Expenditure Increases/Re-estimates		601	--	--	--	--

E-61

AGENCY FIVE YEAR SUMMARY

New York Research Library

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Dollars</u>	<i>(City Funds in 000's)</i>				
Baseline Per November 2025 Plan	\$37,867	\$35,506	\$35,524	\$35,524	\$35,524
Expenditure Increases / Re-estimates	-	140	140	140	140
February 2026 Financial Plan	<u>\$37,867</u>	<u>\$35,646</u>	<u>\$35,664</u>	<u>\$35,664</u>	<u>\$35,664</u>

C = Civilian, P = Pedagogical, U = Uniform

Description	City Personnel As of 6/30/27	(City Funds in 000's)				
		FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Seven Day Service</u> Funding to support 7-day service at branch libraries.		--	140	140	140	140
Total Agency: Expenditure Increases/Re-estimates						
		--	140	140	140	140

C = Civilian, P = Pedagogical, U = Uniform

AGENCY FIVE YEAR SUMMARY

New York Public Library

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Dollars</u>	<i>(City Funds in 000's)</i>				
Baseline Per November 2025 Plan	\$190,598	\$178,212	\$178,289	\$178,289	\$178,289
Expenditure Increases / Re-estimates	-	744	744	744	744
February 2026 Financial Plan	<u>\$190,598</u>	<u>\$178,956</u>	<u>\$179,033</u>	<u>\$179,033</u>	<u>\$179,033</u>

C = Civilian, P = Pedagogical, U = Uniform

Description	City Personnel As of 6/30/27	(City Funds in 000's)				
		FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Seven Day Service</u> Funding to support 7-day service at branch libraries.		--	744	744	744	744
Total Agency: Expenditure Increases/Re-estimates		--	744	744	744	744

E-65

AGENCY FIVE YEAR SUMMARY

Brooklyn Public Library

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Dollars</u>	<i>(City Funds in 000's)</i>				
Baseline Per November 2025 Plan	\$144,700	\$135,500	\$135,765	\$135,765	\$135,765
Expenditure Increases / Re-estimates	-	558	558	558	558
February 2026 Financial Plan	<u>\$144,700</u>	<u>\$136,058</u>	<u>\$136,323</u>	<u>\$136,323</u>	<u>\$136,323</u>

C = Civilian, P = Pedagogical, U = Uniform

Description	City Personnel As of 6/30/27	(City Funds in 000's)				
		FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Seven Day Service</u> Funding to support 7-day service at branch libraries.		--	558	558	558	558
Total Agency: Expenditure Increases/Re-estimates		--	558	558	558	558

E-67

AGENCY FIVE YEAR SUMMARY

Queens Borough Public Library

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Dollars</u>	<i>(City Funds in 000's)</i>				
Baseline Per November 2025 Plan	\$149,942	\$140,185	\$140,258	\$140,258	\$140,258
Expenditure Increases / Re-estimates	-	558	558	558	558
February 2026 Financial Plan	<u>\$149,942</u>	<u>\$140,743</u>	<u>\$140,816</u>	<u>\$140,816</u>	<u>\$140,816</u>

C = Civilian, P = Pedagogical, U = Uniform

Description	City Personnel As of 6/30/27	(City Funds in 000's)				
		FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Seven Day Service</u> Funding to support 7-day service at branch libraries.		--	558	558	558	558
Total Agency: Expenditure Increases/Re-estimates		--	558	558	558	558

E-69

AGENCY FIVE YEAR SUMMARY

Department of Veterans' Services

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Dollars</u>	<i>(City Funds in 000's)</i>				
Baseline Per November 2025 Plan	\$6,345	\$5,701	\$5,701	\$5,701	\$5,701
Expenditure Increases / Re-estimates	29	45	45	45	45
February 2026 Financial Plan	<u>\$6,374</u>	<u>\$5,746</u>	<u>\$5,746</u>	<u>\$5,746</u>	<u>\$5,746</u>
<u>Headcount</u>	<i>(City Funded)</i>				
Baseline Per November 2025 Plan	47	46	46	46	46
February 2026 Financial Plan	<u>47</u>	<u>46</u>	<u>46</u>	<u>46</u>	<u>46</u>

C = Civilian, P = Pedagogical, U = Uniform

Description	City Personnel As of 6/30/27	(City Funds in 000's)				
		FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Cost of Living Funding Adjustment</u> Cost of Living Funding Adjustment.		29	45	45	45	45
Total Agency: Expenditure Increases/Re-estimates		29	45	45	45	45

C = Civilian, P = Pedagogical, U = Uniform

AGENCY FIVE YEAR SUMMARY

Department of Cultural Affairs

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Dollars</u>	<i>(City Funds in 000's)</i>				
Baseline Per November 2025 Plan	\$300,030	\$215,560	\$215,579	\$215,579	\$215,579
Expenditure Increases / Re-estimates	177	-	30	-	-
February 2026 Financial Plan	<u>\$300,207</u>	<u>\$215,560</u>	<u>\$215,609</u>	<u>\$215,579</u>	<u>\$215,579</u>
<u>Headcount</u>	<i>(City Funded)</i>				
Baseline Per November 2025 Plan	55	55	55	55	55
February 2026 Financial Plan	<u>55</u>	<u>55</u>	<u>55</u>	<u>55</u>	<u>55</u>

C = Civilian, P = Pedagogical, U = Uniform

Description	City Personnel As of 6/30/27	(City Funds in 000's)				
		FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Atlantic Ave SEED Rezoning</u> Funding to support the Atlantic Ave SEED rezoning initiative.		--	--	30	--	--
<u>Local Initiatives</u> Local Initiatives.		182	--	--	--	--
<u>Other Adjustments</u> Other Adjustments.		140	--	--	--	--
<u>Programmatic Adjustment</u> Programmatic Adjustment.		(145)	--	--	--	--
Total Agency: Expenditure Increases/Re-estimates		177	--	30	--	--

E-73

AGENCY FIVE YEAR SUMMARY

Financial Information Services Agency

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Dollars</u>	<i>(City Funds in 000's)</i>				
Baseline Per November 2025 Plan	\$122,931	\$122,724	\$122,558	\$122,558	\$122,558
Expenditure Increases / Re-estimates	4,046	1,713	-	-	-
February 2026 Financial Plan	<u>\$126,977</u>	<u>\$124,437</u>	<u>\$122,558</u>	<u>\$122,558</u>	<u>\$122,558</u>
<u>Headcount</u>	<i>(City Funded)</i>				
Baseline Per November 2025 Plan	400	400	400	400	400
February 2026 Financial Plan	<u>400</u>	<u>400</u>	<u>400</u>	<u>400</u>	<u>400</u>

C = Civilian, P = Pedagogical, U = Uniform

Description	City Personnel As of 6/30/27	(City Funds in 000's)				
		FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Expense Costs for Approved CPs</u> Expense costs for approved capital projects.		2,593	62	--	--	--
<u>FMS Maintenance</u> Financial Management System maintenance.		1,453	1,651	--	--	--
Total Agency: Expenditure Increases/Re-estimates						
		4,046	1,713	--	--	--

E-75

AGENCY FIVE YEAR SUMMARY

Office of Criminal Justice

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Dollars</u>	<i>(City Funds in 000's)</i>				
Baseline Per November 2025 Plan	\$790,467	\$764,241	\$766,756	\$769,256	\$779,256
Expenditure Increases / Re-estimates	7,483	46,098	46,098	46,098	46,098
February 2026 Financial Plan	<u>\$797,950</u>	<u>\$810,339</u>	<u>\$812,854</u>	<u>\$815,354</u>	<u>\$825,354</u>
<u>Headcount</u>	<i>(City Funded)</i>				
Baseline Per November 2025 Plan	74	74	74	74	74
February 2026 Financial Plan	<u>74</u>	<u>74</u>	<u>74</u>	<u>74</u>	<u>74</u>

C = Civilian, P = Pedagogical, U = Uniform

Description	City Personnel As of 6/30/27	(City Funds in 000's)				
		FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Cost of Living Funding Adjustment</u> Cost of living funding adjustment.		5,737	17,843	17,843	17,843	17,843
<u>Hate Crime Prevention</u> Funding for the Office for the Prevention of Hate Crimes.		--	26,000	26,000	26,000	26,000
<u>Indigent Defense Providers</u> Indigent defense providers adjustment.		1,640	2,255	2,255	2,255	2,255
<u>Program Funding Adjustment</u> Program funding adjustment.		150	--	--	--	--
<u>Programmatic Adjustment</u> Adjustment for ATI and Reentry programs.		(44)	--	--	--	--
Total Agency: Expenditure Increases/Re-estimates		7,483	46,098	46,098	46,098	46,098

E-77

AGENCY FIVE YEAR SUMMARY

Office of Racial Equity

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Dollars</u>	<i>(City Funds in 000's)</i>				
Baseline Per November 2025 Plan	\$6,726	\$5,627	\$5,627	\$5,627	\$5,627
Expenditure Increases / Re-estimates	(1,010)	-	-	-	-
February 2026 Financial Plan	<u>\$5,716</u>	<u>\$5,627</u>	<u>\$5,627</u>	<u>\$5,627</u>	<u>\$5,627</u>
<u>Headcount</u>	<i>(City Funded)</i>				
Baseline Per November 2025 Plan	38	38	38	38	38
February 2026 Financial Plan	<u>38</u>	<u>38</u>	<u>38</u>	<u>38</u>	<u>38</u>

C = Civilian, P = Pedagogical, U = Uniform

Description	City Personnel As of 6/30/27	(City Funds in 000's)				
		FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Program Funding Adjustment</u> Net-zero citywide transfer to the Human Resources Administration.		(685)	--	--	--	--
<u>Young Men's Initiative (YMI) Transfer - Admin.</u> Young Men's Initiative (YMI) - technical adjustment.		(325)	--	--	--	--
Total Agency: Expenditure Increases/Re-estimates						
		(1,010)	--	--	--	--

E-79

AGENCY FIVE YEAR SUMMARY

Community Boards (All)

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Dollars</u>	<i>(City Funds in 000's)</i>				
Baseline Per November 2025 Plan	\$22,273	\$21,930	\$21,930	\$21,930	\$21,930
Expenditure Increases / Re-estimates	34	-	-	-	-
February 2026 Financial Plan	<u>\$22,307</u>	<u>\$21,930</u>	<u>\$21,930</u>	<u>\$21,930</u>	<u>\$21,930</u>
<u>Headcount</u>	<i>(City Funded)</i>				
Baseline Per November 2025 Plan	157	157	157	157	157
February 2026 Financial Plan	<u>157</u>	<u>157</u>	<u>157</u>	<u>157</u>	<u>157</u>

C = Civilian, P = Pedagogical, U = Uniform

Description	City Personnel As of 6/30/27	(City Funds in 000's)				
		FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Lease Adjustment</u> Lease Adjustment		30	--	--	--	--
<u>Local Initiative</u> Local Initiative Funding Update		6	--	--	--	--
<u>Local Initiative</u> Local Initiative Funding Update		(2)	--	--	--	--
Total Agency: Expenditure Increases/Re-estimates						
		34	--	--	--	--

E-81

AGENCY FIVE YEAR SUMMARY

Department of Probation

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Dollars</u>	<i>(City Funds in 000's)</i>				
Baseline Per November 2025 Plan	\$94,430	\$94,700	\$95,122	\$95,122	\$95,122
Expenditure Increases / Re-estimates	(18,478)	(18,291)	(18,291)	(18,291)	(18,291)
February 2026 Financial Plan	<u>\$75,952</u>	<u>\$76,409</u>	<u>\$76,831</u>	<u>\$76,831</u>	<u>\$76,831</u>
<u>Headcount</u>	<i>(City Funded)</i>				
Baseline Per November 2025 Plan	786	786	786	786	786
Expenditure Increases / Re-estimates	(178)	(178)	(178)	(178)	(178)
February 2026 Financial Plan	<u>608</u>	<u>608</u>	<u>608</u>	<u>608</u>	<u>608</u>

C = Civilian, P = Pedagogical, U = Uniform

Description	City Personnel As of 6/30/27	(City Funds in 000's)				
		FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>At-Risk Youth</u> At-Risk Youth.	(177) C	(18,837)	(18,837)	(18,837)	(18,837)	(18,837)
<u>Cost of Living Funding Adjustment</u> Cost of living funding adjustment.		359	546	546	546	546
<u>Funding Realignment</u> Funding realignment.	(1) C	--	--	--	--	--
Total Agency: Expenditure Increases/Re-estimates						
	(178) C	(18,478)	(18,291)	(18,291)	(18,291)	(18,291)

E-83

AGENCY FIVE YEAR SUMMARY

Department of Small Business Services

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Dollars</u>	<i>(City Funds in 000's)</i>				
Baseline Per November 2025 Plan	\$239,304	\$129,685	\$125,820	\$125,184	\$125,184
Expenditure Increases / Re-estimates	28,890	10,325	10,325	10,325	10,225
February 2026 Financial Plan	<u>\$268,194</u>	<u>\$140,010</u>	<u>\$136,145</u>	<u>\$135,509</u>	<u>\$135,409</u>
<u>Headcount</u>	<i>(City Funded)</i>				
Baseline Per November 2025 Plan	270	270	271	271	271
Expenditure Increases / Re-estimates	30	30	30	30	30
February 2026 Financial Plan	<u>300</u>	<u>300</u>	<u>301</u>	<u>301</u>	<u>301</u>

C = Civilian, P = Pedagogical, U = Uniform

Expenditure Increases/Re-estimates

Department of Small Business Services

Description	City Personnel As of 6/30/27	(City Funds in 000's)				
		FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Brooklyn Army Terminal Utility Payments</u> Technical adjustment for a Brooklyn Army Terminal payment to EDC.		818	--	--	--	--
<u>Cost of Living Funding Adjustment</u> Cost of Living Funding Adjustment.		299	455	455	455	455
<u>Customer Relationship Software</u> Funding for increased software expenses.		430	430	430	430	430
<u>EDC CPSD Studies</u> Net-zero transfer to EDC for FY26 CPSD Studies.		45	--	--	--	--
<u>FIFA World Cup</u> Additional funding for World Cup hosting commitments.		15,000	--	--	--	--
<u>Jamaica Rezoning Administration</u> Funding to support the Jamaica rezoning.		--	140	140	140	140
<u>Jamaica Workforce Small Business Program</u> Funding for workforce and small business programming as part of the Jamaica rezoning.		--	200	200	200	200
<u>LIC Small Businesses</u> Funding to support small businesses as part of the Long Island City rezoning.		--	100	100	100	--
<u>Local Initiatives</u> Local Initiatives		(5)	--	--	--	--
<u>Modular Bathrooms</u> Funding for the Modular Bathrooms Initiative.		4,000	--	--	--	--
<u>NYC Business Express Service Teams (NYC BEST)</u> Funding to expand the NYC Business Express Service Teams (NYC BEST) program.	30 C	2,000	4,000	4,000	4,000	4,000
<u>NYCT+C Contract Funding</u> Funding for NYC Tourism+Conventions marketing services.		--	5,000	5,000	5,000	5,000
<u>NYCT+C World Cup Marketing</u> Funding to support World Cup marketing and promotion.		4,500	--	--	--	--
<u>OEO Funding Adjustment</u> OEO Transfer- NYCO Innovation.		(107)	--	--	--	--
<u>Other Adjustments</u> Other Adjustments.		425	--	--	--	--

C = Civilian, P = Pedagogical, U = Uniform

Description	City Personnel As of 6/30/27	(City Funds in 000's)				
		FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Programmatic Adjustment</u> Programmatic Adjustment		1,485	--	--	--	--
Total Agency: Expenditure Increases/Re-estimates	30 C	28,890	10,325	10,325	10,325	10,225

C = Civilian, P = Pedagogical, U = Uniform

AGENCY FIVE YEAR SUMMARY

Department of Buildings

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Dollars</u>	<i>(City Funds in 000's)</i>				
Baseline Per November 2025 Plan	\$230,079	\$208,305	\$206,095	\$206,095	\$206,095
Expenditure Increases / Re-estimates	970	4,663	3,265	3,265	3,265
February 2026 Financial Plan	<u>\$231,049</u>	<u>\$212,968</u>	<u>\$209,360</u>	<u>\$209,360</u>	<u>\$209,360</u>
<u>Headcount</u>	<i>(City Funded)</i>				
Baseline Per November 2025 Plan	1,831	1,827	1,838	1,838	1,838
Expenditure Increases / Re-estimates	21	36	36	36	36
February 2026 Financial Plan	<u>1,852</u>	<u>1,863</u>	<u>1,874</u>	<u>1,874</u>	<u>1,874</u>

C = Civilian, P = Pedagogical, U = Uniform

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E-88

AGENCY FIVE YEAR SUMMARY

Office of Administrative Trials and Hearings

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Dollars</u>	<i>(City Funds in 000's)</i>				
Baseline Per November 2025 Plan	\$81,639	\$80,051	\$80,085	\$80,093	\$80,101
Expenditure Increases / Re-estimates	145	-	-	-	-
February 2026 Financial Plan	<u>\$81,784</u>	<u>\$80,051</u>	<u>\$80,085</u>	<u>\$80,093</u>	<u>\$80,101</u>
<u>Headcount</u>	<i>(City Funded)</i>				
Baseline Per November 2025 Plan	470	470	470	470	470
February 2026 Financial Plan	<u>470</u>	<u>470</u>	<u>470</u>	<u>470</u>	<u>470</u>

C = Civilian, P = Pedagogical, U = Uniform

Description	City Personnel As of 6/30/27	(City Funds in 000's)				
		FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Lease Adjustment</u> Lease Adjustment		145	--	--	--	--
Total Agency: Expenditure Increases/Re-estimates		145	--	--	--	--

C = Civilian, P = Pedagogical, U = Uniform

AGENCY FIVE YEAR SUMMARY

Department of Environmental Protection

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Dollars</u>	<i>(City Funds in 000's)</i>				
Baseline Per November 2025 Plan	\$1,692,299	\$1,617,620	\$1,612,018	\$1,610,189	\$1,612,595
Expenditure Increases / Re-estimates	1,212	5,156	4,206	4,206	4,206
February 2026 Financial Plan	<u>\$1,693,511</u>	<u>\$1,622,776</u>	<u>\$1,616,224</u>	<u>\$1,614,395</u>	<u>\$1,616,801</u>
<u>Headcount</u>	<i>(City Funded)</i>				
Baseline Per November 2025 Plan	335	325	325	325	325
Expenditure Increases / Re-estimates	7	9	9	9	9
February 2026 Financial Plan	<u>342</u>	<u>334</u>	<u>334</u>	<u>334</u>	<u>334</u>

C = Civilian, P = Pedagogical, U = Uniform

Expenditure Increases/Re-estimates

Department of Environmental Protection

Description	City Personnel As of 6/30/27	(City Funds in 000's)				
		FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>CSA Collective Bargaining - UTL</u> CSA Collective Bargaining, CBU 172.		2	2	2	2	2
<u>Motor Vehicle Operators</u> Collective Bargaining Motor Vehicle Operators.		10	10	10	10	10
<u>NYC Accelerator Expansion</u> Expand building owner assistance for Local Law 97 compliance.	2 C	--	1,844	1,844	1,844	1,844
<u>Personal Services Adjustment</u> Personal Services adjustment for the Mayor's Offices of Environmental Remediation and Environmental Coordination.	7 C	450	1,350	1,350	1,350	1,350
<u>PlaNYC and Report Management</u> Long term sustainability reports and planning.		750	1,600	1,000	1,000	1,000
<u>Utility Rate Case Advocacy</u> Pilot program supporting community advocacy during utility rate case proceedings.		--	350	--	--	--
Total Agency: Expenditure Increases/Re-estimates	9 C	1,212	5,156	4,206	4,206	4,206

C = Civilian, P = Pedagogical, U = Uniform

AGENCY FIVE YEAR SUMMARY

Business Integrity Commission

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Dollars</u>	<i>(City Funds in 000's)</i>				
Baseline Per November 2025 Plan	\$8,725	\$8,727	\$8,727	\$8,727	\$8,727
Expenditure Increases / Re-estimates	5	5	-	-	-
February 2026 Financial Plan	<u>\$8,730</u>	<u>\$8,732</u>	<u>\$8,727</u>	<u>\$8,727</u>	<u>\$8,727</u>
<u>Headcount</u>	<i>(City Funded)</i>				
Baseline Per November 2025 Plan	72	72	72	72	72
February 2026 Financial Plan	<u>72</u>	<u>72</u>	<u>72</u>	<u>72</u>	<u>72</u>

C = Civilian, P = Pedagogical, U = Uniform

Description	City Personnel As of 6/30/27	(City Funds in 000's)				
		FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Budget Realignment</u> Budget realignment.		5	5	--	--	--
Total Agency: Expenditure Increases/Re-estimates		5	5	--	--	--

E-94

AGENCY FIVE YEAR SUMMARY

Department of Design and Construction

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Dollars</u>	<i>(City Funds in 000's)</i>				
Baseline Per November 2025 Plan	\$21,294	\$20,159	\$20,159	\$20,159	\$20,159
Expenditure Increases / Re-estimates	(763)	-	-	-	-
February 2026 Financial Plan	<u>\$20,531</u>	<u>\$20,159</u>	<u>\$20,159</u>	<u>\$20,159</u>	<u>\$20,159</u>
<u>Headcount</u>	<i>(City Funded)</i>				
Baseline Per November 2025 Plan	97	98	98	98	98
February 2026 Financial Plan	<u>97</u>	<u>98</u>	<u>98</u>	<u>98</u>	<u>98</u>

C = Civilian, P = Pedagogical, U = Uniform

Description	City Personnel As of 6/30/27	(City Funds in 000's)				
		FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Asylum Seeker Reallocation</u> Reallocation of the fiscal year 2026 budget based on the current state of asylum seeker operations.		(763)	--	--	--	--
Total Agency: Expenditure Increases/Re-estimates		(763)	--	--	--	--

E-96

AGENCY FIVE YEAR SUMMARY

Department of Information Technology and Telecommunication

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Dollars</u>	<i>(City Funds in 000's)</i>				
Baseline Per November 2025 Plan	\$701,165	\$538,889	\$537,440	\$537,440	\$537,440
Expenditure Increases / Re-estimates	78,414	12,387	13,621	14,917	16,277
February 2026 Financial Plan	<u>\$779,579</u>	<u>\$551,276</u>	<u>\$551,061</u>	<u>\$552,357</u>	<u>\$553,717</u>
<u>Headcount</u>	<i>(City Funded)</i>				
Baseline Per November 2025 Plan	1,543	1,534	1,533	1,533	1,533
February 2026 Financial Plan	<u>1,543</u>	<u>1,534</u>	<u>1,533</u>	<u>1,533</u>	<u>1,533</u>

C = Civilian, P = Pedagogical, U = Uniform

Expenditure Increases/Re-estimates

Department of Information Technology and Telecommunication

Description	City Personnel As of 6/30/27	(City Funds in 000's)				
		FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Asylum Seeker Reallocation</u> Reallocation of the fiscal year 2026 budget based on the current state of asylum seeker operations.		(20,796)	--	--	--	--
<u>CP Expense Costs</u> Expense funding for capital projects.		59,000	--	--	--	--
<u>DOE Chromebook Initiative Maintenance and Connectivity</u> Funding for maintenance support and connectivity for DOE chromebooks.		35,600	--	--	--	--
<u>FAST Team</u> Funding to support the FAST team.		600	350	350	350	350
<u>Microsoft Enterprise License Agreement - Azure</u> Funding for Microsoft Enterprise License Agreement related costs.		3,604	12,037	13,271	14,567	15,927
<u>MOEO Equipment</u> Funding to support the Mayor's Office of Economic Opportunity.		378	--	--	--	--
<u>MOME Relocation Funding</u> Funding to support Mayor's Office of Media and Entertainment relocation.		28	--	--	--	--
Total Agency: Expenditure Increases/Re-estimates		78,414	12,387	13,621	14,917	16,277

AGENCY FIVE YEAR SUMMARY

Department of Records and Information Services

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Dollars</u>	<i>(City Funds in 000's)</i>				
Baseline Per November 2025 Plan	\$15,205	\$15,213	\$15,213	\$15,213	\$15,213
Expenditure Increases / Re-estimates	273	273	273	273	273
February 2026 Financial Plan	<u>\$15,478</u>	<u>\$15,486</u>	<u>\$15,486</u>	<u>\$15,486</u>	<u>\$15,486</u>
<u>Headcount</u>	<i>(City Funded)</i>				
Baseline Per November 2025 Plan	49	49	49	49	49
February 2026 Financial Plan	<u>49</u>	<u>49</u>	<u>49</u>	<u>49</u>	<u>49</u>

C = Civilian, P = Pedagogical, U = Uniform

Description	City Personnel As of 6/30/27	(City Funds in 000's)				
		FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>OTPS Adjustment</u> Other than personal services adjustment.		273	273	273	273	273
Total Agency: Expenditure Increases/Re-estimates		273	273	273	273	273

C = Civilian, P = Pedagogical, U = Uniform

AGENCY FIVE YEAR SUMMARY

Department of Consumer and Worker Protection

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Dollars</u>	<i>(City Funds in 000's)</i>				
Baseline Per November 2025 Plan	\$76,192	\$68,033	\$71,598	\$72,093	\$72,093
Expenditure Increases / Re-estimates	3,874	1,309	1,309	1,309	1,309
February 2026 Financial Plan	<u>\$80,066</u>	<u>\$69,342</u>	<u>\$72,907</u>	<u>\$73,402</u>	<u>\$73,402</u>
<u>Headcount</u>	<i>(City Funded)</i>				
Baseline Per November 2025 Plan	452	452	452	452	452
Expenditure Increases / Re-estimates	9	9	9	9	9
February 2026 Financial Plan	<u>461</u>	<u>461</u>	<u>461</u>	<u>461</u>	<u>461</u>

C = Civilian, P = Pedagogical, U = Uniform

[illegible]

E-102

AGENCY FIVE YEAR SUMMARY

Borough President - Manhattan

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Dollars</u>	<i>(City Funds in 000's)</i>				
Baseline Per November 2025 Plan	\$6,018	\$5,587	\$5,587	\$5,587	\$5,587
Expenditure Increases / Re-estimates	175	-	-	-	-
February 2026 Financial Plan	<u>\$6,193</u>	<u>\$5,587</u>	<u>\$5,587</u>	<u>\$5,587</u>	<u>\$5,587</u>
<u>Headcount</u>	<i>(City Funded)</i>				
Baseline Per November 2025 Plan	56	56	56	56	56
February 2026 Financial Plan	<u>56</u>	<u>56</u>	<u>56</u>	<u>56</u>	<u>56</u>

C = Civilian, P = Pedagogical, U = Uniform

Description	City Personnel As of 6/30/27	(City Funds in 000's)				
		FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Charter Mandated Adjustment</u> Charter Mandated Adjustment.		175	--	--	--	--
Total Agency: Expenditure Increases/Re-estimates		175	--	--	--	--

C = Civilian, P = Pedagogical, U = Uniform

AGENCY FIVE YEAR SUMMARY

Borough President - Bronx

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Dollars</u>	<i>(City Funds in 000's)</i>				
Baseline Per November 2025 Plan	\$7,035	\$6,478	\$6,478	\$6,478	\$6,478
Expenditure Increases / Re-estimates	204	-	-	-	-
February 2026 Financial Plan	<u>\$7,239</u>	<u>\$6,478</u>	<u>\$6,478</u>	<u>\$6,478</u>	<u>\$6,478</u>
<u>Headcount</u>	<i>(City Funded)</i>				
Baseline Per November 2025 Plan	69	69	69	69	69
February 2026 Financial Plan	<u>69</u>	<u>69</u>	<u>69</u>	<u>69</u>	<u>69</u>

C = Civilian, P = Pedagogical, U = Uniform

Description	City Personnel As of 6/30/27	(City Funds in 000's)				
		FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Charter Mandated Adjustment</u> Charter Mandated Adjustment.		204	--	--	--	--
Total Agency: Expenditure Increases/Re-estimates		204	--	--	--	--

C = Civilian, P = Pedagogical, U = Uniform

AGENCY FIVE YEAR SUMMARY

Borough President - Brooklyn

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Dollars</u>	<i>(City Funds in 000's)</i>				
Baseline Per November 2025 Plan	\$7,736	\$6,866	\$6,866	\$6,866	\$6,866
Expenditure Increases / Re-estimates	224	-	-	-	-
February 2026 Financial Plan	<u>\$7,960</u>	<u>\$6,866</u>	<u>\$6,866</u>	<u>\$6,866</u>	<u>\$6,866</u>
<u>Headcount</u>	<i>(City Funded)</i>				
Baseline Per November 2025 Plan	67	67	67	67	67
February 2026 Financial Plan	<u>67</u>	<u>67</u>	<u>67</u>	<u>67</u>	<u>67</u>

C = Civilian, P = Pedagogical, U = Uniform

Description	City Personnel As of 6/30/27	(City Funds in 000's)				
		FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Charter Mandated Adjustment</u> Charter Mandated Adjustment.		224	--	--	--	--
Total Agency: Expenditure Increases/Re-estimates		224	--	--	--	--

E-108

AGENCY FIVE YEAR SUMMARY

Borough President - Queens

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Dollars</u>	<i>(City Funds in 000's)</i>				
Baseline Per November 2025 Plan	\$6,779	\$5,838	\$5,838	\$5,838	\$5,838
Expenditure Increases / Re-estimates	197	-	-	-	-
February 2026 Financial Plan	<u>\$6,976</u>	<u>\$5,838</u>	<u>\$5,838</u>	<u>\$5,838</u>	<u>\$5,838</u>
<u>Headcount</u>	<i>(City Funded)</i>				
Baseline Per November 2025 Plan	54	54	54	54	54
February 2026 Financial Plan	<u>54</u>	<u>54</u>	<u>54</u>	<u>54</u>	<u>54</u>

C = Civilian, P = Pedagogical, U = Uniform

Description	City Personnel As of 6/30/27	(City Funds in 000's)				
		FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Charter Mandated Adjustment</u> Charter Mandated Adjustment.		197	--	--	--	--
Total Agency: Expenditure Increases/Re-estimates		197	--	--	--	--

E-110

AGENCY FIVE YEAR SUMMARY

Borough President - Staten Island

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Dollars</u>	<i>(City Funds in 000's)</i>				
Baseline Per November 2025 Plan	\$5,207	\$4,909	\$4,909	\$4,909	\$4,909
Expenditure Increases / Re-estimates	151	-	-	-	-
February 2026 Financial Plan	<u>\$5,358</u>	<u>\$4,909</u>	<u>\$4,909</u>	<u>\$4,909</u>	<u>\$4,909</u>
<u>Headcount</u>	<i>(City Funded)</i>				
Baseline Per November 2025 Plan	45	45	45	45	45
February 2026 Financial Plan	<u>45</u>	<u>45</u>	<u>45</u>	<u>45</u>	<u>45</u>

C = Civilian, P = Pedagogical, U = Uniform

Description	City Personnel As of 6/30/27	(City Funds in 000's)				
		FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Charter Mandated Adjustment</u> Charter Mandated Adjustment.		151	--	--	--	--
Total Agency: Expenditure Increases/Re-estimates		151	--	--	--	--

E-112

AGENCY FIVE YEAR SUMMARY

Public Advocate

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Dollars</u>	<i>(City Funds in 000's)</i>				
Baseline Per November 2025 Plan	\$5,543	\$5,543	\$5,543	\$5,543	\$5,543
Expenditure Increases / Re-estimates	161	-	-	-	-
February 2026 Financial Plan	<u>\$5,704</u>	<u>\$5,543</u>	<u>\$5,543</u>	<u>\$5,543</u>	<u>\$5,543</u>
<u>Headcount</u>	<i>(City Funded)</i>				
Baseline Per November 2025 Plan	56	56	56	56	56
February 2026 Financial Plan	<u>56</u>	<u>56</u>	<u>56</u>	<u>56</u>	<u>56</u>

C = Civilian, P = Pedagogical, U = Uniform

Description	City Personnel As of 6/30/27	(City Funds in 000's)				
		FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Charter Mandated Adjustment</u> Charter Mandated Adjustment.		161	--	--	--	--
Total Agency: Expenditure Increases/Re-estimates		161	--	--	--	--

C = Civilian, P = Pedagogical, U = Uniform

AGENCY FIVE YEAR SUMMARY

District Attorney - Bronx

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Dollars</u>	<i>(City Funds in 000's)</i>				
Baseline Per November 2025 Plan	\$132,863	\$137,044	\$138,973	\$138,973	\$138,973
Expenditure Increases / Re-estimates	809	1,484	1,484	1,484	1,484
February 2026 Financial Plan	<u>\$133,672</u>	<u>\$138,528</u>	<u>\$140,457</u>	<u>\$140,457</u>	<u>\$140,457</u>
<u>Headcount</u>	<i>(City Funded)</i>				
Baseline Per November 2025 Plan	1,312	1,312	1,312	1,312	1,312
Expenditure Increases / Re-estimates	18	18	18	18	18
February 2026 Financial Plan	<u>1,330</u>	<u>1,330</u>	<u>1,330</u>	<u>1,330</u>	<u>1,330</u>

C = Civilian, P = Pedagogical, U = Uniform

Description	City Personnel As of 6/30/27	(City Funds in 000's)				
		FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Paralegals</u> Funding for additional paralegals.	18 C	809	1,484	1,484	1,484	1,484
Total Agency: Expenditure Increases/Re-estimates	18 C	809	1,484	1,484	1,484	1,484

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AGENCY FIVE YEAR SUMMARY

District Attorney - Brooklyn

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Dollars</u>	<i>(City Funds in 000's)</i>				
Baseline Per November 2025 Plan	\$161,516	\$163,255	\$163,719	\$164,019	\$164,019
Expenditure Increases / Re-estimates	1,839	2,418	2,513	2,608	2,608
February 2026 Financial Plan	<u>\$163,355</u>	<u>\$165,673</u>	<u>\$166,232</u>	<u>\$166,627</u>	<u>\$166,627</u>
<u>Headcount</u>	<i>(City Funded)</i>				
Baseline Per November 2025 Plan	1,183	1,183	1,183	1,183	1,183
Expenditure Increases / Re-estimates	24	24	24	24	24
February 2026 Financial Plan	<u>1,207</u>	<u>1,207</u>	<u>1,207</u>	<u>1,207</u>	<u>1,207</u>

C = Civilian, P = Pedagogical, U = Uniform

[illegible]

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