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**FACING UNPRECEDENTED CRISIS, MAYOR DE BLASIO UNVEILS BUDGET PLAN
THAT PROTECTS NEW YORKERS BY PRIORITIZING HEALTH, SAFETY,
SHELTER AND ACCESS TO FOOD**

NEW YORK—Today, Mayor Bill de Blasio [released](#) New York City’s Executive Budget for Fiscal Year 2021 (FY21). In these most adverse circumstances, the City must take significant action to preserve our ability to continue to fund life-saving measures. This Administration is committed to doing whatever it takes to keep New Yorkers protected.

The budget, which addresses serious revenue shortfalls, prioritizes protecting health, safety, shelter and access to food for all New Yorkers.

“Our top priorities are simple: we will keep people safe, protect their health, make sure there is a roof over their head and that food is on their table,” said **Mayor Bill de Blasio**. “There is no cost too great to keeping New Yorkers protected, but Washington must also step up. New Yorkers deserve nothing less than the full support of our federal government in this time of crisis.”

The FY21 Executive Budget

The \$89.3 billion Executive Budget is balanced and was crafted in light of immense fiscal hardship. Facing a \$7.4 billion tax revenue hit across FY20 and FY21, the Administration achieved an unprecedented level of savings and took down reserves. These actions reduced the budget by \$3.4 billion, or 3.7%, compared to the FY20 Budget that was adopted in June 2019.

Revenue: Substantial Reduction in the Tax Revenue Forecast

The Executive Budget Forecast has reduced tax revenue by 3.5% in FY20, or \$2.2 billion, and 8.3% in FY21, or \$5.2 billion compared to the Preliminary January Plan Budget. Losses in both years are primarily related to a decline in the Sales and Hotel Tax, Personal Income Tax, and Business Taxes, all due to the COVID-19 pandemic.

Savings: Prioritizing the Fight against COVID-19 and the Health and Safety of New Yorkers

New Yorkers are at the epicenter of the nation’s COVID-19 pandemic. In the Executive Budget, the Administration has taken drastic action to preserve the City’s ability to meet critical health care, safety, shelter and food needs.

In order to balance the budget while prioritizing those critical needs, the Administration has achieved savings of \$2.7 billion across FY20 and FY21. This includes PEG savings of \$2.1

billion (\$600 million recurring annually) and \$550 million in Citywide savings (\$220 million recurring annually).

These are pauses and adjustments to critical programs that cannot operate during this time of crisis. We have adjusted operational programs to ensure there is no gap in necessary services and will reevaluate as soon as we have navigated through this pandemic.

PEG savings over two years include:

Education

- Fair student funding reduction prioritizing schools that already have over 100% (DOE) - **\$100M in FY21**
- Operational savings in training, overtime, and materials at schools, central and field due to school building closures (DOE) - **\$100M in FY20**
- Professional Development reduction (DOE) - **\$67M in FY21 and outyears**
- Cuts to Summer in the City, Single Shepherd, College Access for All (DOE) - **\$49M in FY21 and outyears**
- Delay in 3K Expansion to districts in 1, 12, 14, and 29 (DOE) - **\$43M in FY21**
- Reducing the ATR pool by implementing a non-ATR hiring freeze (DOE) - **\$40M in FY21 and outyears**
- Temporary reduction of School Allocation Memoranda, which provides schools with funding to implement programming (DOE) - **\$40M in FY21**
- Temporary delay of new cohort of freshmen for CUNY ASAP program (CUNY) - **\$20M in FY21**
- Contract and supply reductions associated with arts programming in middle and high schools (DOE) - **\$15.5M in FY21 and outyears**
- Savings from delayed installation of air conditioners (DOE) - **\$10M in FY21**
- Monthly MetroCard underutilization for remaining 2 months of academic year (CUNY) - **\$6.8M in FY20**
- Eliminate District/Charter Partnerships program - **\$4.4M in FY21 and outyears**
- Eliminate supplies and materials used in Civics for All curriculum and programming (DOE) - **\$3.8M in FY21 and outyears**
- Adjustments to SONYC Afterschool budget (DOE) - **\$5M in FY21 and outyears**
- Savings achieved from anticipated low summer enrollment in CUNY Start Math program (CUNY) - **\$800K in FY20 and \$1.6M in FY21**
- Scaling down contracts, technology curriculum and health education certification programming for teachers (DOE) - **\$1.8M in FY21 and outyears**

Health and Social Services

- Temporary suspension of Summer Youth Employment Program (DYCD) - **\$124M over FY20- 21**
- Fair Fares decline in ridership as a result of COVID-19 (DSS) - **\$65.5M in FY20**
- Suspend summer programming, including COMPASS, Beacons, and Cornerstones due to school closures (DYCD) - **\$55M in FY21**
- Reduction in price for hotel rooms due to decreased demand (DSS) - **\$35M in FY21 and outyears**

- Adjustments to DHS security budget to more accurately reflect need (DSS) - **\$25M in FY21 and outyears**
- Adjustments to Access to Counsel budget to more accurately reflect spending (DSS) - **\$20M over FY20-21**
- Re-estimate of funding needed to support City's contracted non-profit administrative costs (multiple agencies) - **\$20M in FY20**
- Delayed ramp up on contracted mobile treatment teams due to State Medicaid cuts (Thrive/DOHMH) – **\$10M over FY20-21**
- School Mental Health Consultant Program – this need is covered by increased clinical capacity in schools added as part of FY20 Adoption (Thrive/DOHMH) - **\$1.2M FY20 and \$1.2M in FY21**
- Slow implementation of citywide crisis response teams – this need is covered in part by increasing mobile crisis teams and mobile treatment teams (Thrive/DOHMH) – **\$10M over FY20-21**
- Office of Labor Relations BeWell Program adjustment (Thrive/OLR) – **\$500K in FY20**
- Cancellation of upcoming Summer SONYC (DYCD) - **\$6M in FY21**
- Re-estimate of number of Close to Home beds due to underutilization (ACS) - **\$3.7M in FY20 and \$4.5M in FY21 and outyears**
- Rightsizing Job Training Program due to COVID-19 (DSS) - **\$3.2M in FY20 and \$6M in FY21 and outyears**
- Client carfare underspending due to low usage during COVID-19 (DSS) - **\$6M over FY20 and FY21**

Law Enforcement and Training

- Hiring delays of non-safety civilian titles (NYPD) - **\$6.8M in FY20 and \$4M in FY21**
- Delay implementation of non-essential training (FDNY) - **\$3.25M in FY20 and \$3.25M in FY21**
- Attrition of 100 traffic enforcement agent positions (non-moving violations only) dedicated to intersection control (NYPD) - **\$4M in FY20**
- Procurement delays tied to operational challenges from COVID-19 (MOCJ) - **\$420K in FY20 and \$2.7M in FY21**
- Redeployment of training academy staff as a result of declining population at Rikers (DOC) - **\$400K in FY20 and \$2.6M in FY21**
- Adjustment to support services budget due to decline in population at Rikers (DOC) - **\$400K in FY20 and \$2.8M in FY21**
- Delayed April NYPD Cadet class until July due to training restrictions from COVID-19 (NYPD) - **\$1.1M IN FY20**
- Delayed April NYPD Officer class until July due to training restrictions from COVID-19 (NYPD) - **\$9.6M IN FY20**
- Facility closures, post reductions at Horizons and OT reductions (DOC) - **\$100M in FY21; \$144M FY22 and outyears**
- Temporary Suspension of Fly Car Program to maximize transport capacity (FDNY) - **\$28M in FY21**

Infrastructure and Transportation

- One-time Water Authority cash infusion to stabilize City budget in light of COVID-19 crisis (DEP) - **\$128M in FY20**
- Delay implementation of parking meter upgrades for pay by plate (DOT) - **\$3.7M in FY20 and \$3.2M in FY21**
- Postpone Placard Abuse Enforcement Team (DOT) - **\$400K in FY20 and \$800K in FY21 and outyears**
- Delay in Rollout of Better Bus Initiative tied to COVID-19 operational restraints and traffic easing (DOT) - **\$2.7M in FY20 and \$5.7M in FY21**
- Reduce overnight Staten Island ferry service because of reduced demand - **\$600K in FY20 and \$4.9M in FY21**
- Reduce funding for Vision Zero public awareness campaign - **\$1M in FY20 and \$2M in FY21**
- Delayed implementation of Green Wave plan - **\$1.5M in FY20 and \$1.5M in FY21**

Housing and Economic Development

- Additional penalty revenue from hazardous violations (DOB) - **\$12M in FY21**
- Utilize Battery Park City Authority Housing Trust Fund proceeds for housing activities (HPD) - **\$3M in FY20 and \$6M in FY21**
- Contract delays associated with waterfront and building codes - **\$4.3M in FY21**
- Postpone City-funded portion of the anti-Graffiti Program (EDC) - **\$3M in FY21 and outyears**
- Use EDC funding to support city planning studies - **\$3M in FY21**

Sanitation

- Snow Savings (DSNY) - **\$52M in FY20**
- Temporary Suspension of Organics Program and Organics Processing (DSNY) - **\$21M in FY21**
- Temporary suspension of community composting subsidy (DSNY) - **\$3.5M in FY21**
- Suspend E-Waste Collection (manufacturers still mandated to collect) (DSNY) - **\$3.4M in FY21 and outyears**
- Reduce dedicated weekday basket truck service (DSNY) - **\$2.5M in FY21 and outyears**
- Temporary suspension of SAFE Events and Special Waste sites (DSNY) - **\$2.2M in FY21**
- Reduction in funding for recycling outreach programs (DSNY) - **\$2.9M in FY21 and outyears**
- Eliminate 4th Day Curbside Collection in Rat Zones – utilization has been low on 4th days - **\$1.5M in FY21 and outyears**
- Reduce Brooklyn North Cleaning – no evidence this increase has improved cleanliness - **\$1.2M in FY21 and outyears**
- Reduce Sunday and Holiday Basket Service – reduced usage currently **\$1.7M in FY21 and outyears**
- Reduce Highway Cleaning - **\$133K in FY20**

Parks

- Delays in seasonal spending – **\$5M in FY20 and \$6M in FY21**

- Closing all outdoor pools for the 2020 season (late June to Labor Day) given COVID-19 - **\$12M in FY21**
- Delay purchases of non-critical, non COVID-19 items - **\$10M in FY20 and \$1.5M in FY21**
- Reductions to tree and sidewalks programs given delays to non-essential work - **\$6M in FY21**
- Reduction in Tree Pruning – contract reduction (retaining in-house emergency capacity) **\$3M in FY21**
- Reduction of Tree Stump Removal Program – contract reduction - **\$1M in FY21**
- Suspension of 1,000 summer camp slots run by Parks Department for the 2020 season- **\$0.6M in FY21**

Others/Administrative Agencies

- Federal and State Reimbursements - **\$180M in FY20**
- Hiring Freeze and Vacancy Reductions across multiple agencies - **\$106M over FY20-21**
- Contract underspending, lease savings, IT and media savings across multiple agencies - **\$85M over FY20-21**
- Savings from delay in April Election (BOE) - **\$31M in FY20**
- Heat, Light and Power Savings - **\$20M over FY20-21**
- Personnel accruals, supplies and materials savings at Campaign Finance Board - **\$6M in FY20**
- Revenue from civil service exams fees, real property income expense statement filings, court fees, auction proceeds - **\$12M over FY20-21**

Reserves: Funds Priorities and Saves Lives

This Administration has increased reserve levels in each financial plan. This cautious planning helped buffer the loss of tax revenue over FY20 and FY21 and will allow the City to continue saving lives and maintain critical functions.

Total reserves for FY21 are now \$2.18 billion. The City drew down \$900 million from the General Reserve and \$250 million from the Capital Stabilization fund. The Retiree Health Benefits Trust fund drew down \$2.6 billion and has a balance of \$2.08 billion.

Filling State Budget Cuts

The City was forced to backfill \$800 million in state cuts, including an Education Aid shortfall (\$360 million), and a sales tax intercept for distressed hospitals (\$250 million) which allows the State to take funding from City sales tax proceeds in order to pay a portion of costs related to hospitals the State considers to be distressed. The City also had to fill a cut in financial assistance for families in need (TANF), a critical source of funds for vulnerable New Yorkers, especially in this uncertain time (\$123 million). On top of these budget hits, the City was required to make an additional contribution towards MTA's Access-a-Ride (\$63 million).

COVID-19 Spending: Keeping New Yorkers Safe, Healthy, Fed and Sheltered

At the inception of New York City's COVID-19 crisis, Mayor de Blasio instructed City agencies to spend what was necessary to protect City residents. To date, the City has spent more than \$700 million to fight COVID-19, with the expectation of spending \$3.5 billion by the end of the calendar year. This includes more than \$170 million to make sure that no one goes hungry; this is in addition to food security investments the City traditionally makes. Health + Hospitals, the largest public health system in the country, has felt the full weight of the pandemic. We have added \$100 million to increase staffing, and support their heroic efforts to save lives and prevent the virus from spreading further. To protect New Yorkers who are actively fighting this outbreak, we have spent almost \$200 million in Personal Protective Equipment (PPE). And to support small businesses, who are facing extreme economic hardship, we have allocated \$50 million in grants and loans to help them get through these tough times. On top of these investments, we have invested millions of dollars in new technology, cleaning supplies, information campaigns, and medical testing.

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