


File # 160526  
Received in Committee  
4/16/16

# Mayor's Proposed FY 2016-17 and FY 2017-18 budget

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PRESENTATION TO BUDGET AND FINANCE COMMITTEE

JUNE 16, 2016



# Overview

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- Budget is approximately \$9.6 billion in FY 2016-17 and \$9.7 billion in FY 2017-18
  
- Positions citywide approximately 30,700 (4% growth from FY 2015-16 to FY 2016-17):
  - Enterprise department growth (approx. half) – MTA in particular
  - DPH and H.S.A. – affordable care implementation, opening of the new hospital, etc.
  - Public Safety hiring plans (nearing full implementation of the multi-year plans)


# Overview

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- Balancing approximately \$250 million deficit over the upcoming two years, as opposed to \$100M this time last year
  - Worsening financial condition from one year ago largely due to:
    - Employer retirement contributions
    - Increasing commitments around baselines and set asides
  - One-time money in the budget means it is important to fund one-time uses and plan for the long term

# Assumptions in the budget

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- 0.75 cent increase in the sales tax on the November ballot
  - \$60 million reserve for unknown impacts
  - Assume CBO COLA of 2.5% in FY 2016-17
  - Accept some department target proposals – mostly revenue
  - Fully fund capital, IT and equip in year 1, but do not fully fund in year 2
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# Assumptions in the budget

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- Focus this year on 3 main priorities in the budget:
  - Homelessness
  - Public safety: violence prevention and police reforms
  - Quality of life (clean and safe neighborhoods)

## Other items of note

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- Children's Fund
- Rec Park
- Library hours
- Nonprofit displacement
- Legacy Business
- Dignity Fund
- Fire Equipment plan
- Ethics Commission requests
- Responsible budgeting

# How did we balance?

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	FY 16-17	FY 17-18
<b>March 2016 Joint Report Deficit Projection:</b>	<b>(85.5)</b>	<b>(160.9)</b>
<b>Balancing Solutions:</b>		
Revenue*	148	184
Salaries and Benefits	4	4
Citywide	24	98
Departmental	9	25
<b>Subtotal Solutions:</b>	<b>184</b>	<b>311</b>

*\* Assumes passage of a sales tax increase in November 2016*




# How did we balance?

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<b>New Investments:</b>	<b>FY 16-17</b>	<b>FY 17-18</b>
Homelessness*	(32)	(50)
Public Safety / Violence Prevention	(10)	(10)
Quality of Life	(3)	(3)
Capital, IT and equipment	(24)	-
Transportation*	(14)	(65)
Dignity Fund (Mayor's Proposal)	(3)	(9)
Other	(13)	(13)
<b>Subtotal New Investments:</b>	<b>(98)</b>	<b>(150)</b>

<b>Updated Deficit:</b>	<b>0</b>	<b>0</b>
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*\* Assumes passage of a sales tax increase in November 2016*





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Questions?

