



NEW YORK CITY COMPTROLLER  
**SCOTT M. STRINGER**

---

# Comptroller's FY 2020 Preliminary Budget Presentation

# Economic Uncertainty



SOURCE: The Money Show, "VIX QuantCycle Flashing Warning Sign," Feb. 25, 2019  
<https://www.moneyshow.com/articles/tebiwkly08-50949/vix-quantcycle-flashing-warning-sign/>



© 2019 The Daily Shot. Used with permission.



# Important Initiatives in the FY 2020 Preliminary Budget



**3-K Expansion**

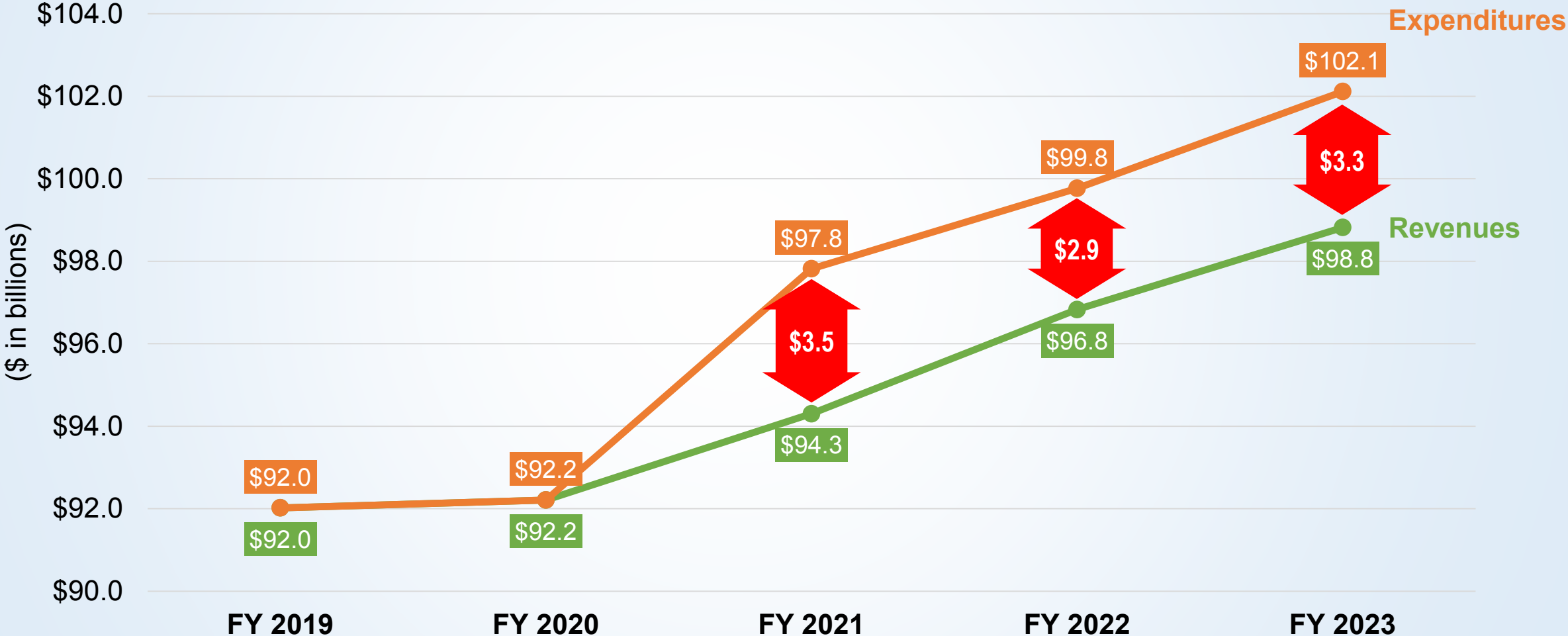


**Faster Buses**

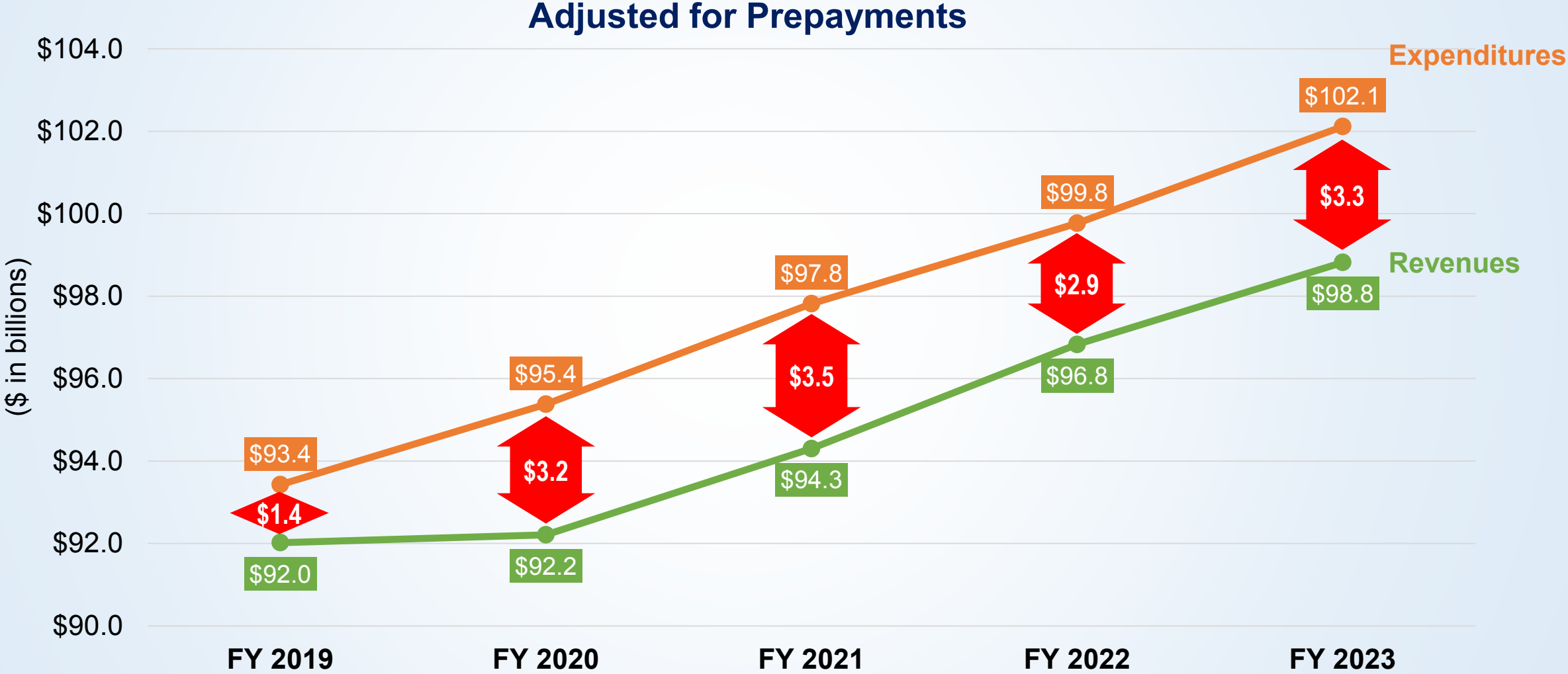


**LeadFree NYC**

# February 2019 Financial Plan Gaps



# February 2019 Financial Plan Gaps



# A Consistent Message



Comptroller Stringer Presents Analysis Of New York City's Preliminary FY 2016 Budget

“...But even in good times, we must always be laser-focused on **getting the most out** of government.”

Feb 2015

**POLITICO**

**Stringer to urge more **savings** from de Blasio**

Jun 2015



Comptroller Stringer Presents Analysis Of New York City's Preliminary FY 2017 Budget

“...we need action today to start **closing those gaps** to ensure that vital services aren't cut when the next crisis hits...”

Feb 2016



Comptroller Stringer Presents Analysis of New York City's Preliminary FY 2018 Budget and January Financial Plan

“...we will have to grow our budget cushion and a more vigorous **agency savings** program will be necessary.”

Feb 2017

**GOTHAM**GAZETTE

**Comptroller Criticizes Mayor for 'Out Of Control' Homelessness Spending, Limited **Agency Savings****

Feb 2017

**NEW YORK POST**

**NYC agencies put on **'watch list'** for **escalating spending****

Feb 2018



Comptroller Stringer Releases Analysis of New York City's Preliminary FY 2019 Budget

“That means **spending our limited resources** in a way that achieves **maximum impact...**”

Feb 2018



# Growing Economic Risks



**INTERNATIONAL  
MONETARY FUND**

**A Weakening  
Global  
Expansion**

Jan 2019

**Bloomberg  
Businessweek**

**“The economic stimulus  
has dissipated pretty  
quickly, but the deficits  
will endure.”**

Dec 2018

**CNN BUSINESS**

**Tax cut investments  
'boom' is already  
over. Some say it  
never started**

Jan 2019

**FINANCIAL TIMES**

**Government  
shutdown begins  
to harm US  
economy**

Jan 2019

**THE WALL STREET JOURNAL.**

**Fed Signals  
Hold on Rate  
Increases**

Jan 2019

**The New York Times**

**Chance of a U.S.  
Recession Up, Number  
of Fed Rate Hikes  
Down: Reuters Poll**

Feb 2019

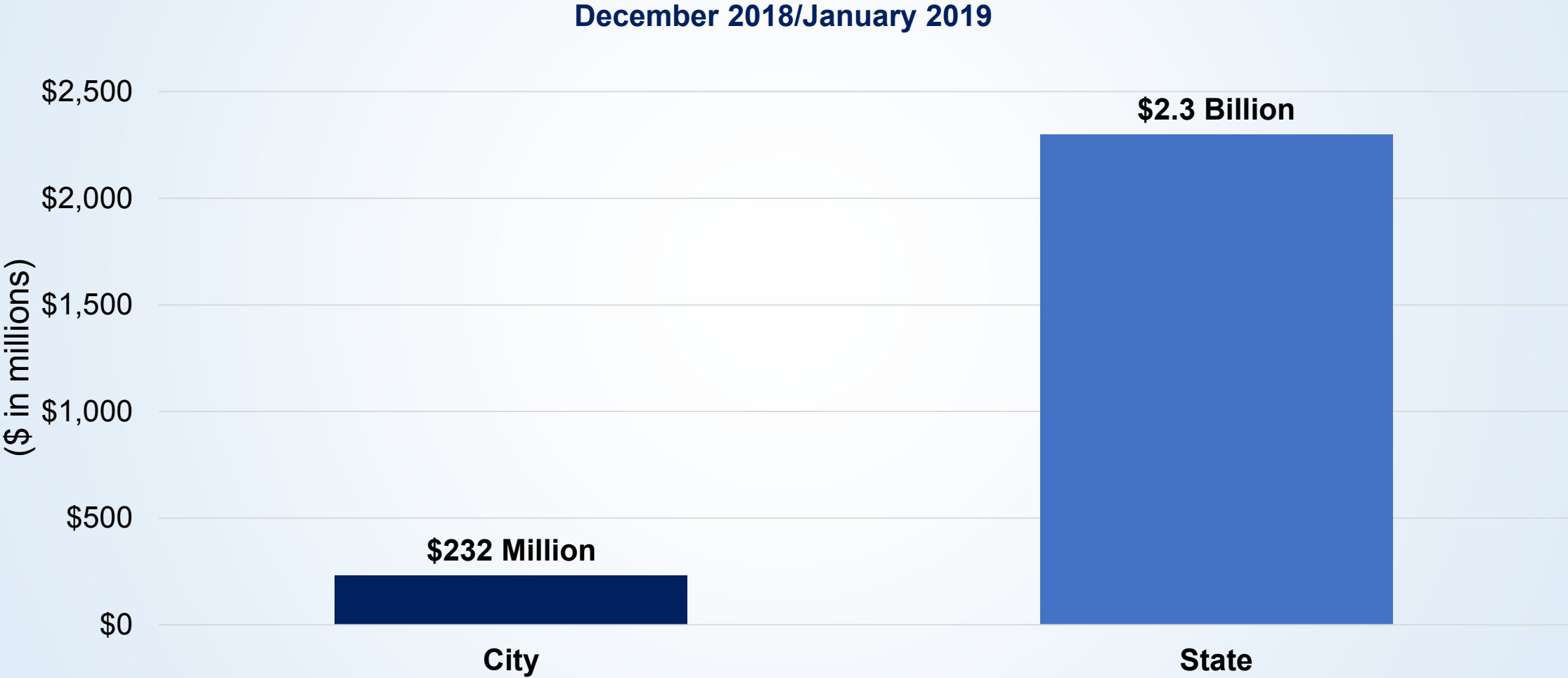
**USA TODAY**

**Ten years after  
financial crisis: Is  
corporate debt  
the next bubble?**

Sep 2018



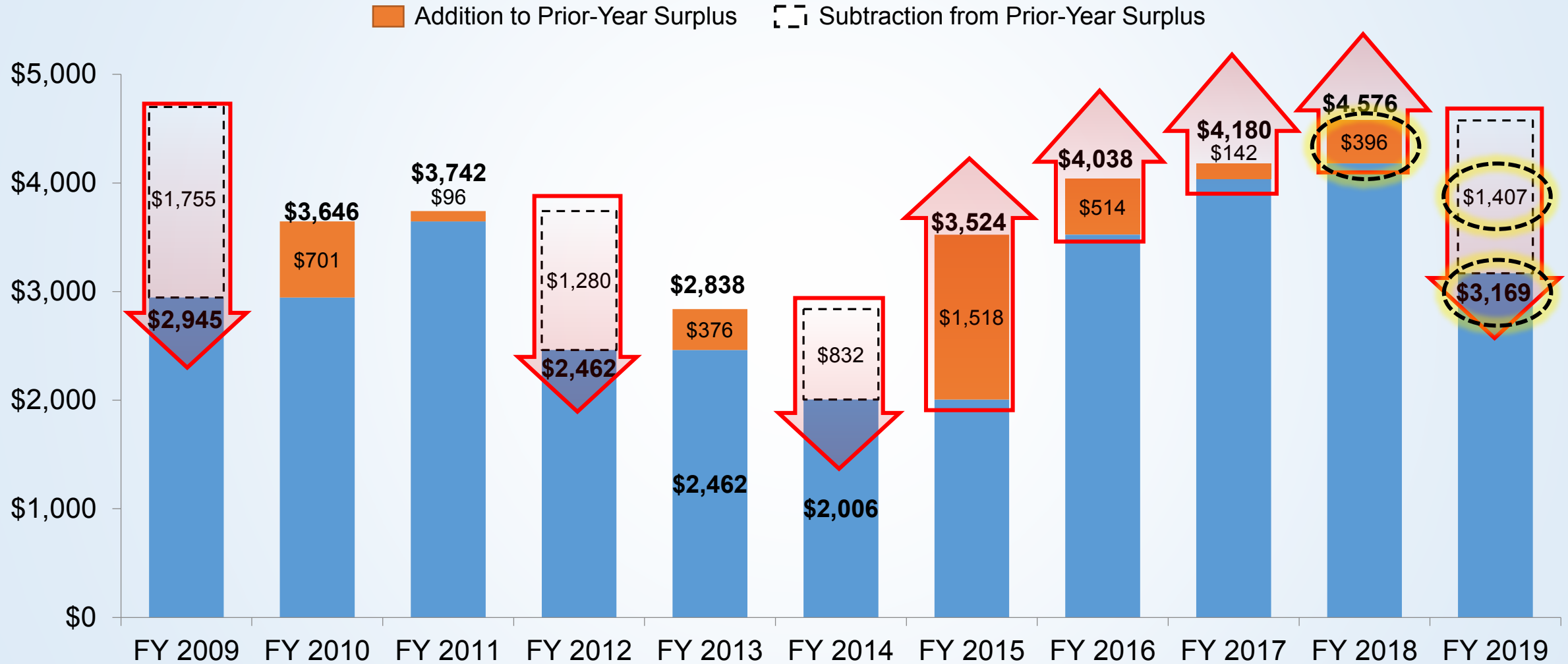
# City And State Personal Income Tax Shortfalls



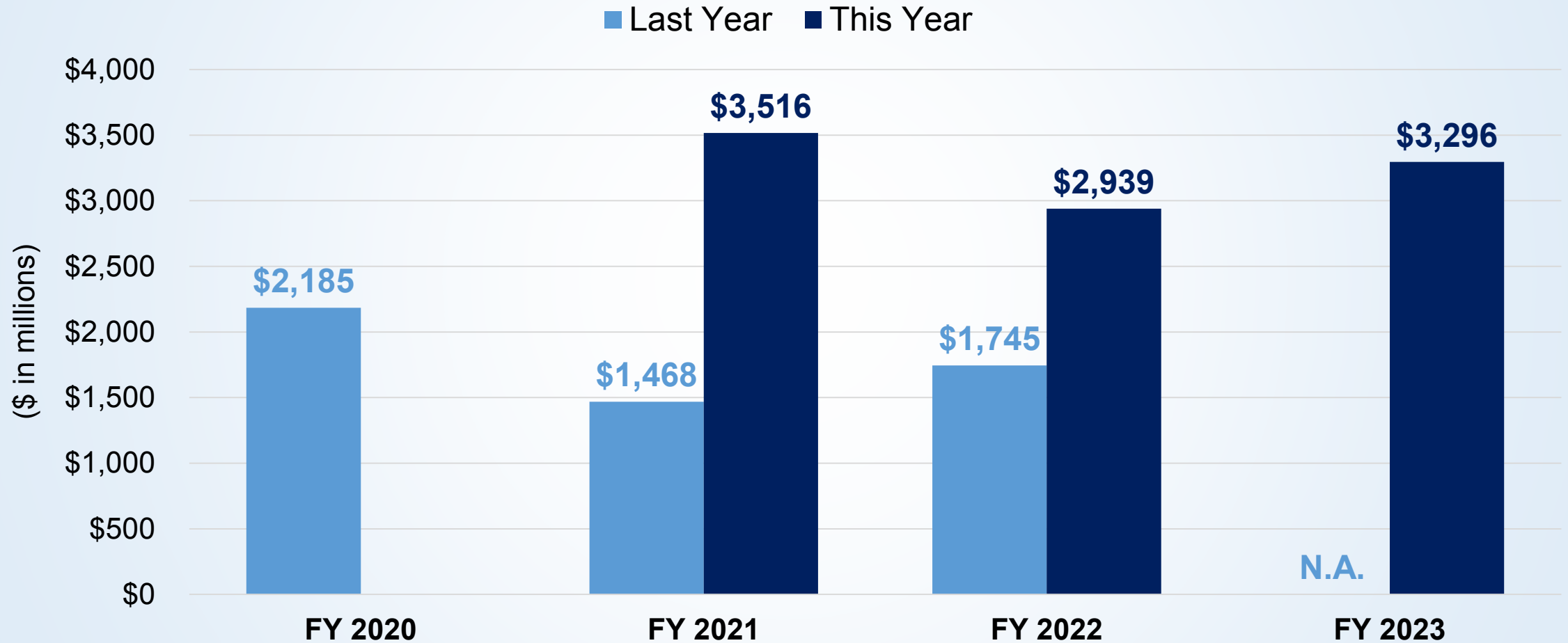


# Accumulation of the Year-End Budget Surplus

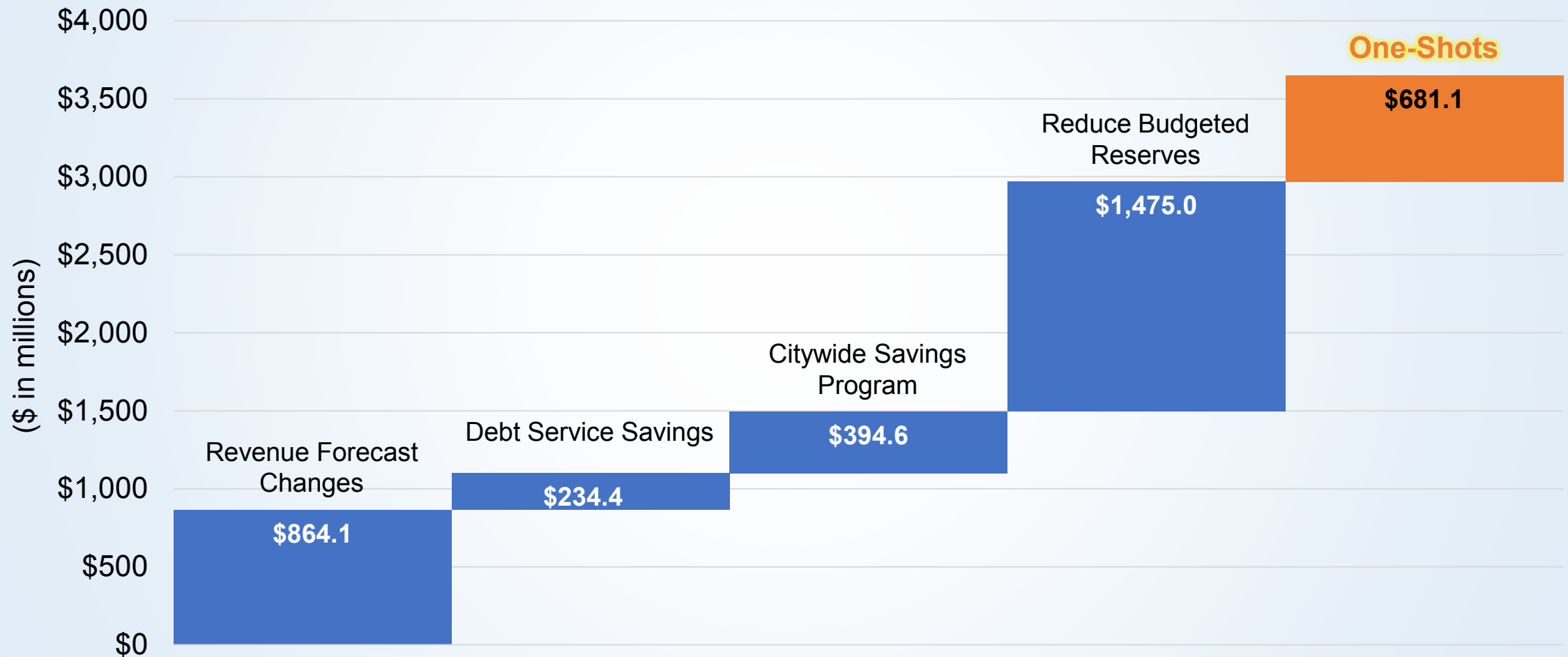
(\$ in millions)



# Outyear Gaps Have Grown



# FY 2019 Surplus Relies Heavily on One-Shots



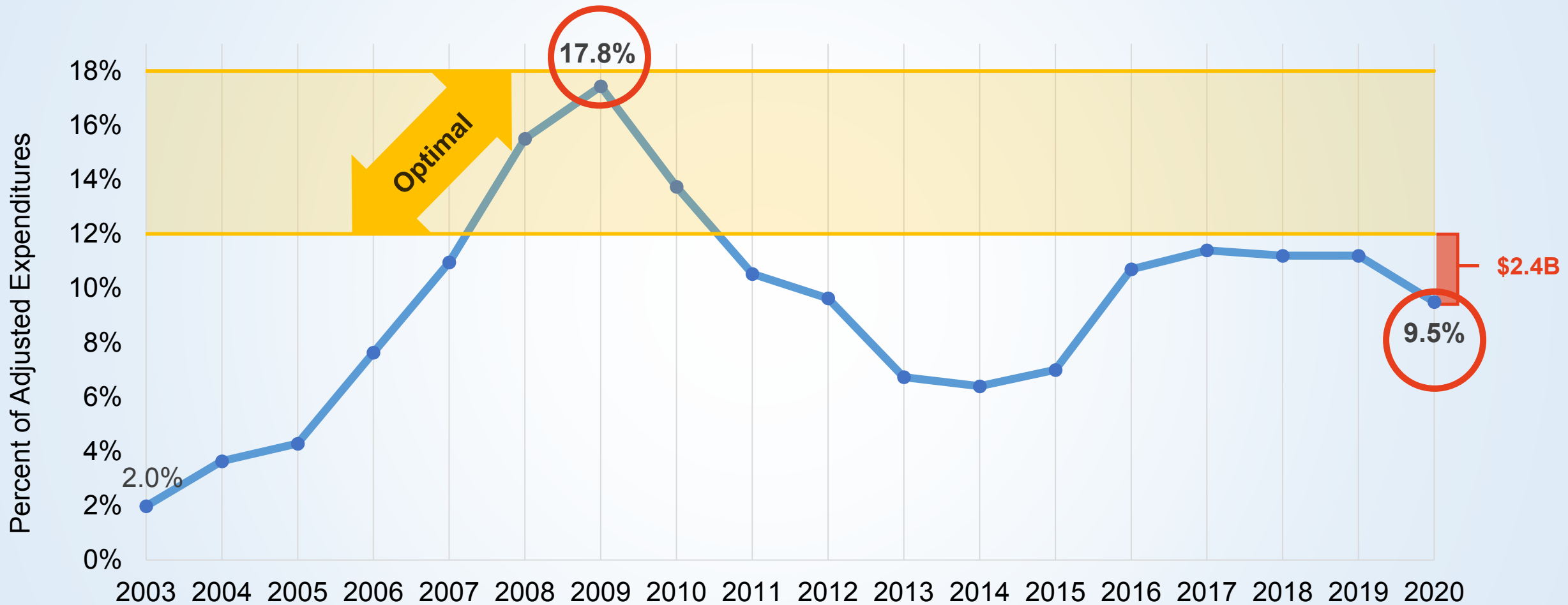
# One-Shots in the FY 2019 Budget

(\$ in millions)

H+H Prior-Year Reimbursement	\$371.5
Reduce Categorical Aid Reserve	106.0
Property Sales	118.4
Bank Settlement	85.2
<b>TOTAL</b>	<b>\$681.1</b>

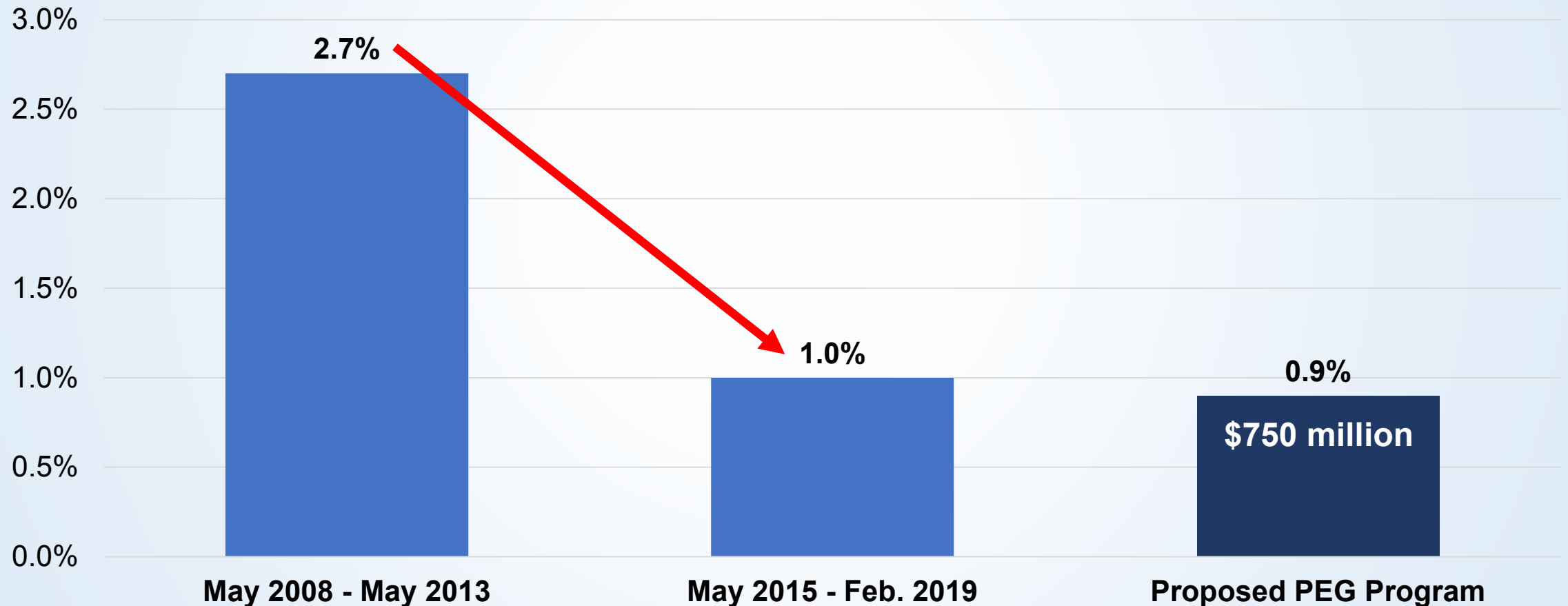


# City's Reserve Cushion Remains Inadequate

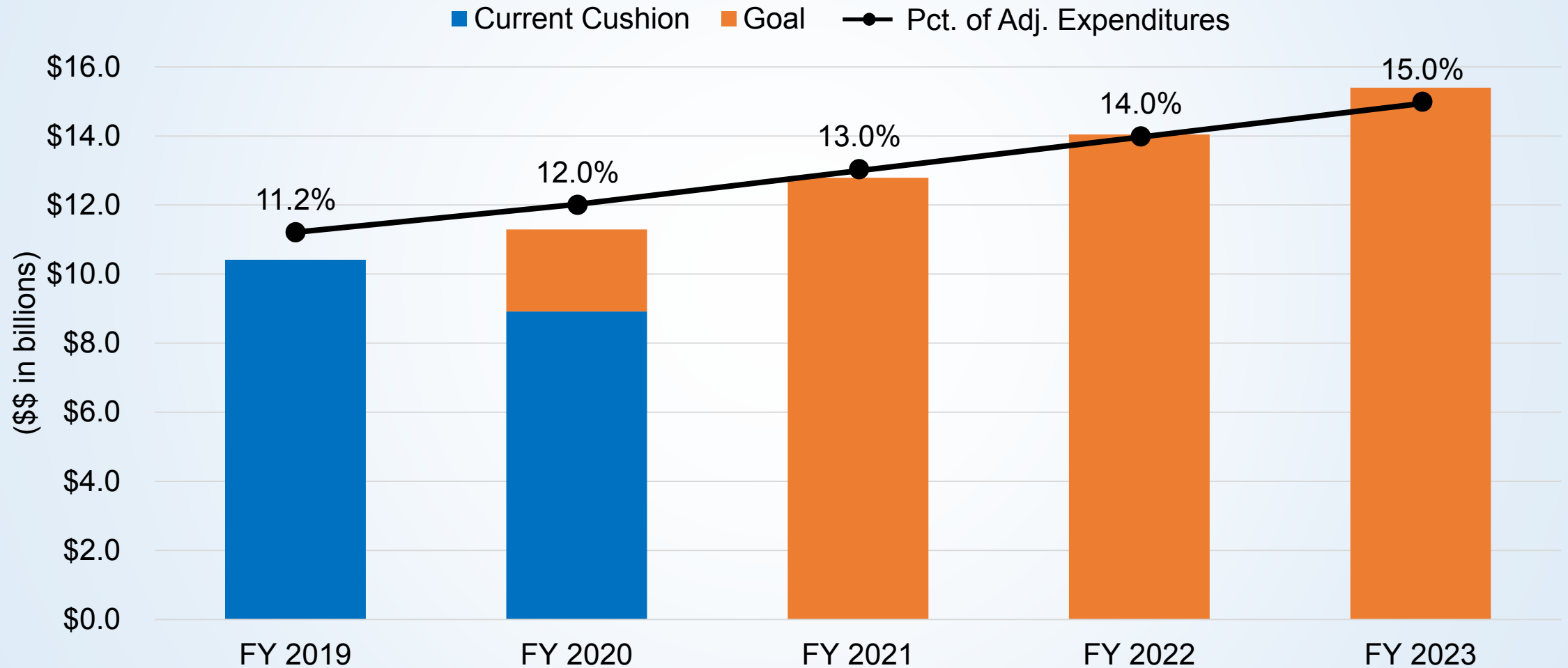


# Agencies Can Do More

Agency Savings as Percentage of Agency City Funds Budgeted Spending



# Set a Target for the Cushion



# FY 2020 Agency Watch List



**HOMELESSNESS**



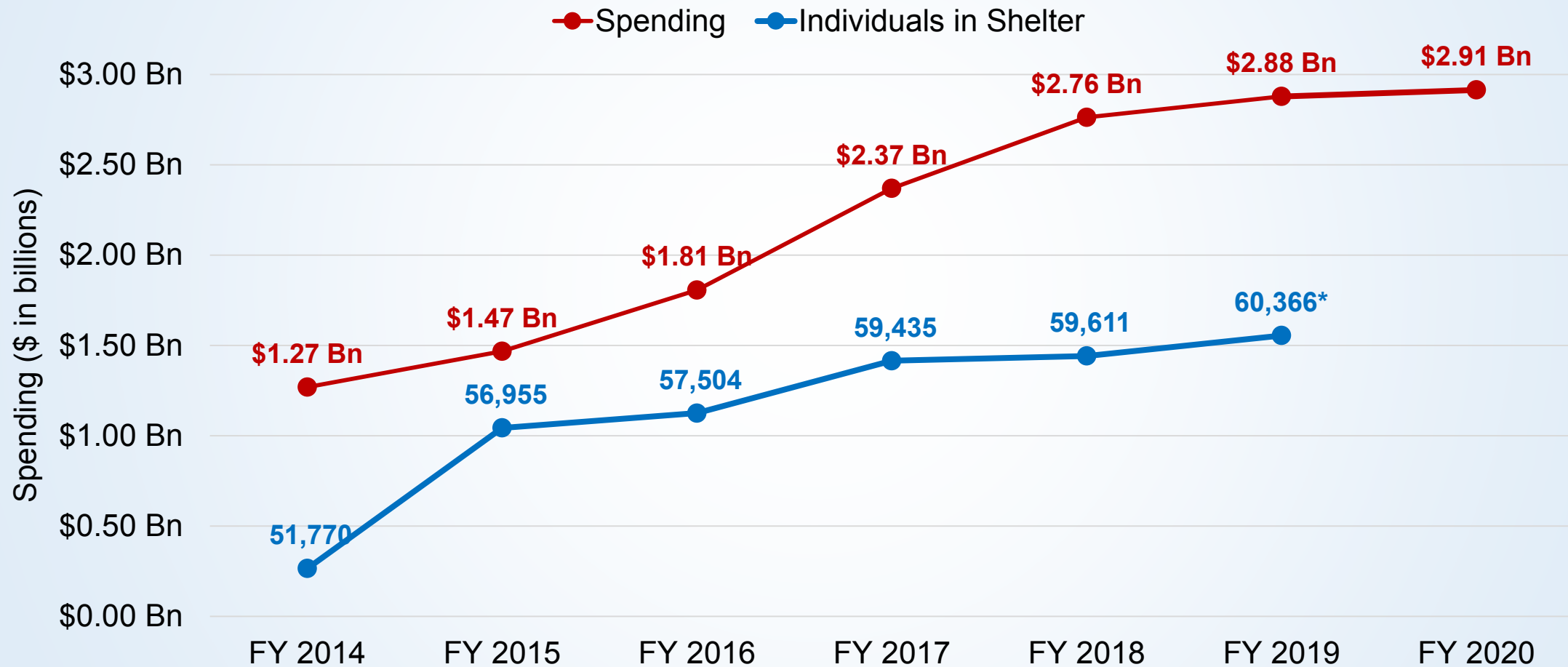
**DEPT. OF CORRECTION**



**DEPT. OF BUILDINGS**



# Agency Watch List: Homeless Services

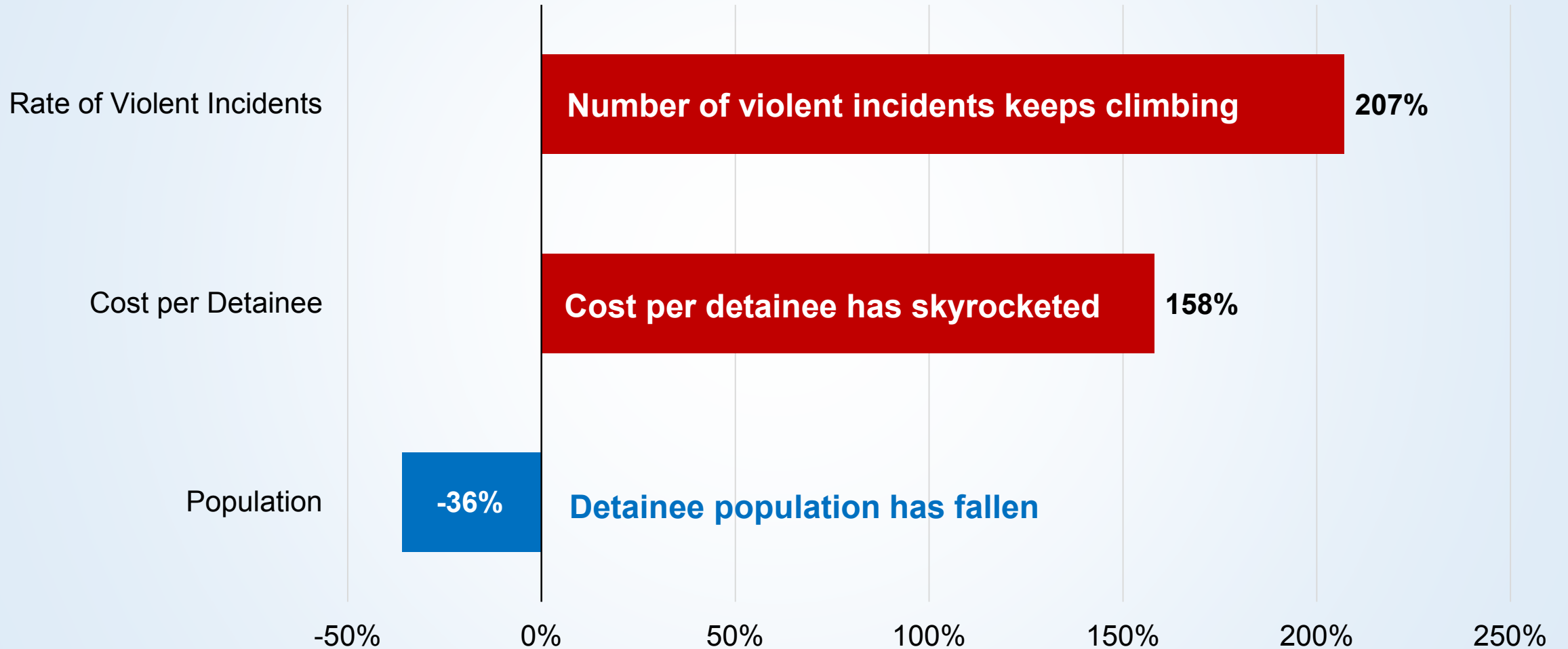


\* As of 02/13/19



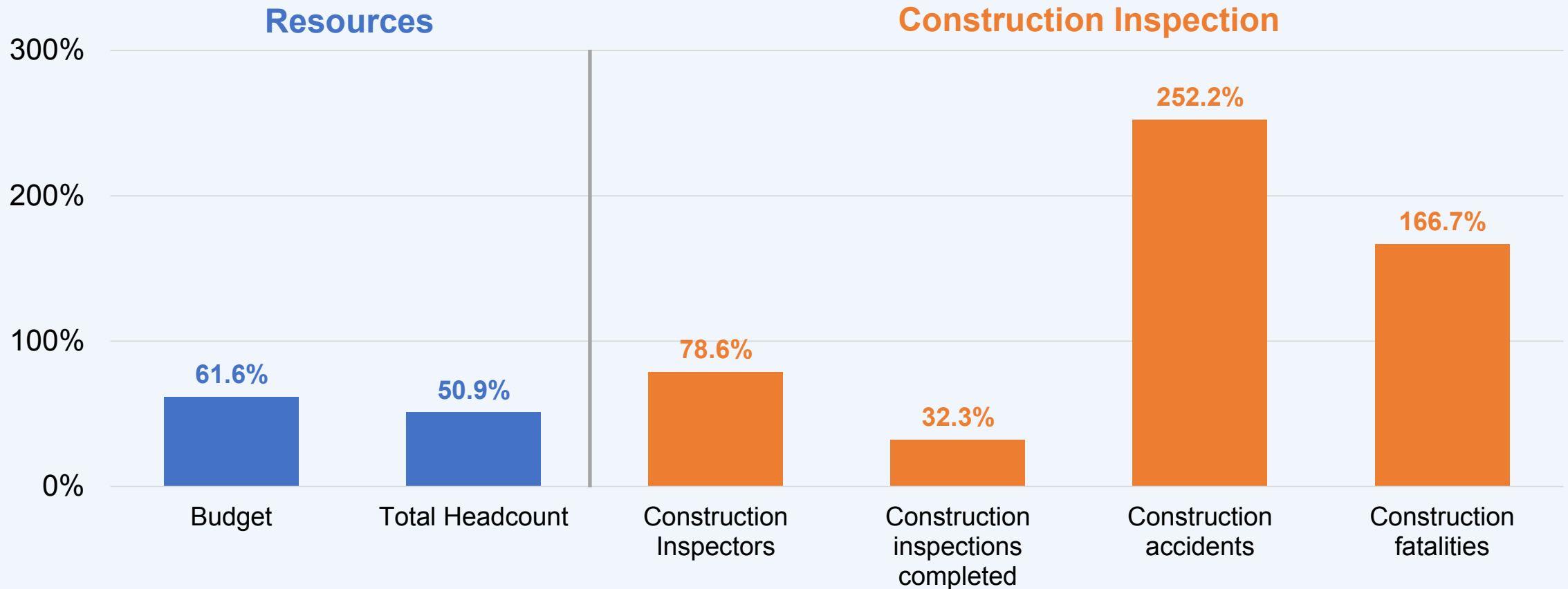
# Agency Watch List: Dept. of Correction

Percent Increase, FY 08 - FY18

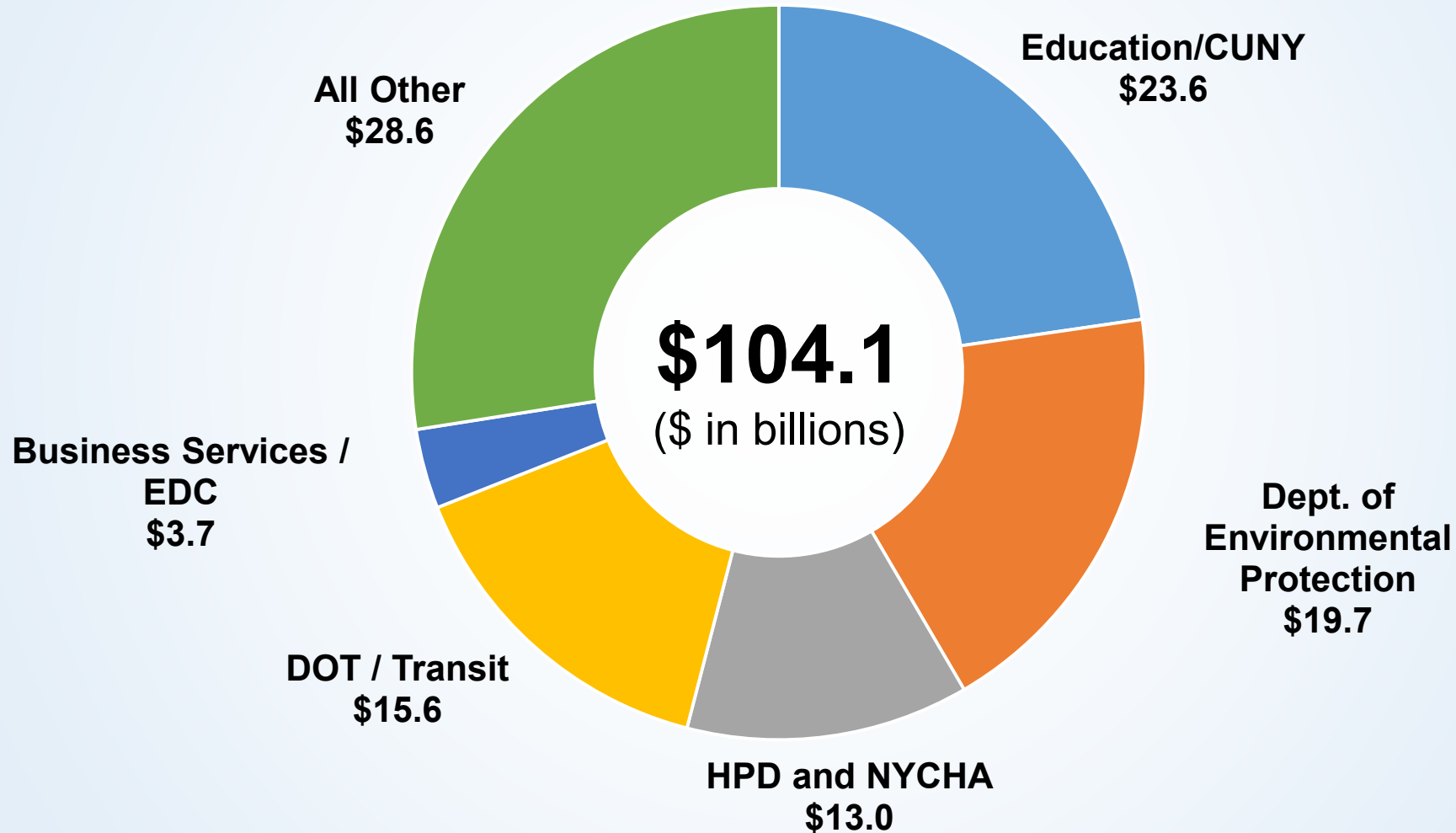


# Agency Watch List: Dept. of Buildings

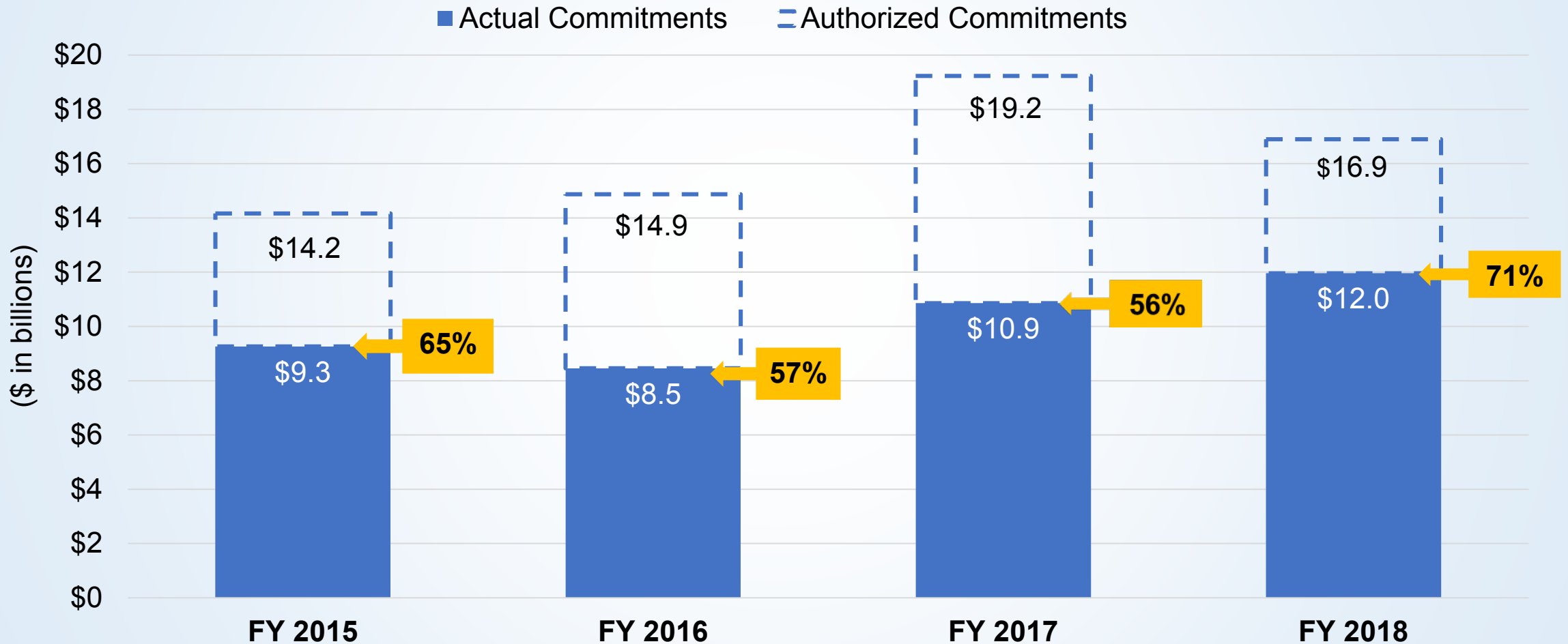
## Percent Increase FY14 - FY18



# Preliminary Ten-Year Capital Strategy



# Capital Commitment Rate Improved in FY 2018



# The Capital Budget is a Black Box



# Improving Accountability in the Capital Budget

## Charter Revision Proposals

- 1 One capital project per capital budget line
- 2 Regular reporting on condition of capital assets
- 3 Report on schedule delays and cost overruns



