

THE CITY OF NEW YORK
OFFICE OF THE MAYOR
NEW YORK, NY 10007

FOR IMMEDIATE RELEASE

May 3, 2012

No. 165

www.nyc.gov

MAYOR BLOOMBERG PRESENTS FISCAL YEAR 2013 EXECUTIVE BUDGET

Balanced Budget with No Tax Increases Due to Prudent Planning, Spending Restraint and an Increasingly Diversified City Economy

Mayor Michael R. Bloomberg today presented a Fiscal Year (FY) 2013 Executive Budget and an updated four-year financial plan. The Mayor outlined a plan that achieves a balanced budget - without tax increases - which is made possible by the City's years of prudent planning, spending restraint and an increasingly diversified city economy. The Executive Budget reduces year-over-year controllable City expenditures, but expenses that are not fully controlled by the City continue to rise and continue to make less funding available for City services. The Executive Budget relies on \$6.2 billion in savings for FY 2013 generated through 11 rounds of deficit closing actions taken by City agencies since 2007.

"Our budget won't impose any new taxes on New Yorkers, maintains the strength of the NYPD and continues our strong support for public schools," said Mayor Bloomberg. "We're able to make all of those commitments as a result of years of fiscal care, foresight and a constructive partnership with the City Council, as we began setting aside savings and reducing spending well before most other city and state governments heeded the economic storm warnings. But they're also the result of our efforts to diversify the City's economy. In the not-so-distant past, a drop like the one we saw this year in Wall Street profits would have been a debilitating blow, but the hard work we've done to diversify our economy has done a lot to offset its effects. Our efforts in the tech, TV and film, tourism and higher education sectors are producing results, with private employment now at its highest level ever in the city, exceeding the record set back in 1969, and we expect this growth in private sector jobs to continue."

The Executive Budget is a \$68.7 billion plan, with a City-funded portion of \$49.2 billion. The Executive Budget reduces year-over-year controllable City expenditures by \$110 million from FY 2012. Expenses not fully controlled by the City - primarily pensions, health care, Medicaid and debt service - rise by \$1.9 billion, a 7.2 percent increase from FY 2012. The City will spend less in most major areas of controllable spending except for education, where City funding will again increase.

The Executive Budget includes the agency budget savings actions proposed by the Mayor in November 2011, which produced a savings of \$464 million in FY 2012 and \$1 billion in FY 2013. The Executive Budget does not include any additional agency savings actions beyond what was proposed in November.

Education

The Mayor's budget again increases City funding for education, rising from \$13.3 billion in FY 2012 to \$13.6 billion in FY 2013. Continued increase in spending on education will allow the City to