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## **Report to the Committee on Finance and the Committee on Governmental Operations on the Fiscal 2018 Executive Budget for Department of Citywide Administrative Services May 12, 2017**

### **Finance Division**

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## Executive Budget Summary

- **Expense Budget Overview.** The Department of Citywide Administrative Services (DCAS or the Department) Fiscal 2018 Executive Budget totals \$1.19 billion; roughly \$5.5 million more than DCAS' Fiscal 2017 Adopted Budget of \$1.18 billion. Approximately \$721 million of the agency's funding is Intra-City, equal to 60.8 percent of the agency's total funding. This represents payments to DCAS from other city agencies for the payment of their heat, light and power (HLP) bills, rent and other receipts from other city agencies for the rental of space and/or the provision of other services/equipment.
- **Capital Budget.** The Capital Commitment Plan includes \$4.2 billion in Fiscal 2017-2021 for the Department of Citywide Administrative Services. Of this \$4.2 billion, \$1.4 billion is allocated towards Public Buildings, \$1.4 billion is allocated towards Energy Efficiency, \$963 million is allocated for Resiliency Measures, and \$126 million is allocated towards Waterfront and other Real Property. DCAS' Ten-Year Capital Strategy for Fiscal 2018-2027 totals \$5.6 billion.
- **Revenue Budget.** The Executive Plan projects that DCAS will generate \$65.8 million in miscellaneous revenue in Fiscal 2018. The majority of this revenue, approximately 65 percent of the total, is projected to stem from the rental of commercial properties.
- **Citywide Savings Program.** DCAS will generate expense budget savings of \$1.7 million in Fiscal 2017 and \$3.6 million in Fiscal 2018, as part of the three Citywide Savings Programs introduced since the Adoption of the Fiscal 2017 budget. The savings come primarily from the elimination of surplus funding for leased properties and a reduction in energy expenditures resulting from energy efficiency projects at DCAS-managed buildings. The DCAS Savings Program also includes additional revenue of \$6.9 million in Fiscal 2017 and \$3.5 million in Fiscal 2018. Additional revenue is generated through vehicle auctions, civil service exam fees, the collection of commercial rent, and rebates for citywide purchasing cards.
- **Citywide Heat Light and Power Expenditures.** The Fiscal 2018 Executive Plan includes heat, light and power (HLP) expenditures of \$686.5 million in Fiscal 2017 and \$713.9 million in Fiscal 2018. Compared to the Fiscal 2018 Preliminary Plan, HLP expenditures are \$20.2 million less for Fiscal 2017 and \$7.1 million greater for Fiscal 2018.
- **Executive Budget Changes From the Preliminary Budget**
  - New needs total an additional \$33.9 million in Fiscal 2018. Highlights include:
    - \$19.8 million to finance security guards at an estimated 299 private schools in Fiscal 2018;
    - \$4 million for Temporary Light Towers in Fiscal 2018;
    - \$5.3 million in baselined funding to support an additional 52 new staff.
  - Significant other adjustments for Fiscal 2018 include:
    - A fiscal rollover of \$15.8 million from Fiscal 2017 to Fiscal 2018; and
    - \$1.2 million in savings from the Executive Plan's Citywide Savings Program including, \$400,000 in additional energy savings and \$680,000 from the elimination of 10 vacant positions.

- \$4.7 million in savings from more efficient space management and lower procurement costs from reverse auctions. These savings are not part of DCAS' savings plan but rather citywide savings initiatives.

## DCAS Overview

This report presents a review of DCAS' Fiscal 2018 Executive Budget. The section below presents an overview of the Department's budget and how it has changed during the course of Fiscal 2017, followed by a review of the significant budget actions introduced in the Fiscal 2018 Executive Budget. Major issues related to the Department's budget are then discussed. Analysis and highlights of the Department's Capital Commitment Plan for the Fiscal 2018 Executive Budget follows the discussion of the expense budget. Appendix 1 reports the changes made to the Fiscal 2017 and Fiscal 2018 Budgets since Adoption of the Fiscal 2017 Budget. For additional information on the Department's budget and its various programs, please refer to the Fiscal 2018 Preliminary Budget Report for DCAS at: <http://council.nyc.gov/budget/wp-content/uploads/sites/54/2017/03/856-DCAS.pdf>

<b>DCAS Financial Summary</b>						
<i>Dollars in Thousands</i>	2015	2016	2017	Executive Plan		*Difference
	Actual	Actual	Adopted	2017	2018	2017 - 2018
<b>Spending</b>						
PS	\$152,465	\$171,131	\$178,626	\$185,624	\$194,137	\$15,511
OTPS	\$1,005,317	\$946,647	\$1,002,038	\$1,003,851	\$992,072	(\$9,966)
<b>TOTAL</b>	<b>\$1,157,782</b>	<b>\$1,117,778</b>	<b>\$1,180,663</b>	<b>\$1,189,475</b>	<b>\$1,186,209</b>	<b>\$5,546</b>
<b>Budget by Program Area</b>						
Admin and Security	\$24,154	\$25,430	\$47,536	\$47,333	\$48,481	\$945
Asset Management	966,935	901,030	245,861	256,527	249,783	3,922
Board of Stan. & App.	1,993	2,379	2,999	3,000	3,425	426
Citywide Fleet Serv.	36,425	46,071	20,300	41,619	18,664	(1,636)
Energy Conservation	29,649	43,456	763,679	734,514	760,224	(3,455)
Exec & Opp. Support	28,516	29,577	27,288	29,195	29,927	2,639
Ext. Pub. & Ret. Opp.	2,481	2,562	2,594	2,596	2,652	58
Human Capital	28,343	26,997	31,701	32,377	35,856	4,155
Citywide Purchasing	39,287	40,275	38,706	42,314	37,196	(1,510)
<b>TOTAL</b>	<b>\$1,157,782</b>	<b>\$1,117,778</b>	<b>\$1,180,663</b>	<b>\$1,189,475</b>	<b>\$1,186,209</b>	<b>\$5,546</b>
<b>Funding</b>						
City Funds			\$325,140	\$316,691	\$322,634	(\$2,506)
Other Categorical			79,313	80,087	82,066	2,753
Capital- IFA			1,607	1,457	1,395	(212)
State			54,706	58,967	54,933	227
Fed Comm. Dev.			1,681	1,845	1,598	(83)
Federal - Other			2,109	3,551	2,120	11
Intra City			716,108	726,878	721,462	5,354
<b>TOTAL</b>	<b>\$1,157,782</b>	<b>\$1,117,778</b>	<b>\$1,180,663</b>	<b>\$1,189,475</b>	<b>\$1,186,209</b>	<b>\$5,546</b>

\*The difference of Fiscal 2017 Adopted Budget compared to Fiscal 2018 Executive Budget.

<b>DCAS Headcount Summary</b>						
<i>Dollars in Thousands</i>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>Executive Plan</b>		<b>*Difference</b>
	<b>Actual</b>	<b>Actual</b>	<b>Adopted</b>	<b>2017</b>	<b>2018</b>	<b>2017 - 2018</b>
<b>Headcount by Program Area</b>						
Admin and Security	131	150	166	197	211	45
Asset Management	1,106	1,203	1,286	1,313	1,339	53
Board of Stan. & App.	14	20	24	24	24	0
Citywide Fleet Serv.	29	33	32	31	34	2
Energy Conservation	33	37	60	58	58	(2)
Exec & Opp. Support	207	229	237	250	258	21
Ext. Pub. & Ret. Opp.	19	21	22	22	22	0
Human Capital	233	271	290	313	313	23
Citywide Purchasing	142	155	160	160	160	0
<b>TOTAL</b>	<b>1,914</b>	<b>2,119</b>	<b>2,277</b>	<b>2,368</b>	<b>2,419</b>	<b>142</b>

*\*The difference of Fiscal 2017 Adopted Budget compared to Fiscal 2018 Executive Budget.*

The City's Fiscal 2018 Executive Budget totals \$84.9 billion, \$2.8 billion more than the Fiscal 2017 Adopted Budget of \$82.1 billion. City funds (City tax-levy and non-tax revenues) total \$61.1 billion when compared to the Fiscal 2017 Adopted Budget amount of \$59.3 billion.

DCAS' Fiscal 2018 Executive Budget totals \$1.18 billion, \$5.5 million larger than the Fiscal 2017 Adopted Budget. Other Than Personal Services (OTPS) decreased by \$10 million since the Fiscal 2017 Adopted Budget. The decrease is in large part the result of a planned decrease in funding for the One City, Built to Last Program as non-recurring implementation costs are no longer reflected in the budget.

DCAS' Personal Services' expenses in Fiscal 2018 increase by \$15.5 million when compared to the Fiscal 2017 Adopted Budget, representing costs related to the increase in the headcount of 142 full-time positions. Of this increase, 65 were added in the Fiscal 2018 Preliminary Plan: 21 are new positions for the Provisional Employee Reduction Program and 44 are additional security positions, most of which are the result of converting contracted positions to city employees. In the Executive Budget, 51 positions were added as a result of new employment needs, 21 to staff the City's Space Management Citywide Savings Program, and the rest to fill various other Departmental vacancies. Additionally, in the Fiscal 2018 Executive Budget, 10 vacancies were eliminated as a part of DCAS' Citywide Savings Program, while 32 positions were added using existing resources by converting 32 contracted positions to DCAS staff.

The majority of DCAS funding comes from Intra-City funds which represents 60.8 percent of DCAS' Fiscal 2018 budget. Intra-City funding primarily represents transfers from other City Agencies for the payment of heat, light and power expenses, rental payments for the use of DCAS managed City-buildings, and the provision of other services and equipment to other City agencies.

A majority of DCAS' spending, 64.1 percent of the total, is through its Division of Energy Conservation. This Division's spending is primarily dedicated to paying the heat, light and power expenses for all City agencies, which, as noted above, are largely funded through intra-city transfers. The Division of Asset Management, which is responsible for the maintenance, upkeep and management of a large share of city-owned property, represents DCAS' second largest division, accounting for 21.1 percent of the agency's total budget in Fiscal 2018.

## New in the Executive Budget

The following are major financial plan actions for Fiscal 2018 included in the Executive Plan:

- **Private School Security Initiative.** The Executive Plan includes \$19.8 million to provide security guards for an estimated 299 non-public schools. Funding is provided for Fiscal 2018 only. This initiative is the result of Local Law 2 of 2016 passed by the Council in December of 2015.
- **Space Management Staff.** The Executive Plan adds 21 new staff to manage the City's space management initiative at an annual cost of \$2.2 million. The City expects to save tens of millions of dollars in upcoming years through this program, which will integrate all 37 million square feet of city leased and owned space on a single computer platform. This will create savings by greatly simplifying space management decisions, management and tracking.
- **Various New Positions.** In addition, DCAS is hiring an additional 30 new engineers, legislative staff, analysts and various other employees to manage and work on several other DCAS projects. These new hires will cost \$3.1 million annually.
- **Fiscal Year Rollover.** The Executive Plan includes \$15.8 million in funding that will roll from Fiscal 2017 to Fiscal 2018. This represents earmarked funding for projects that have yet to be completed, including \$8 million for Energy Management Division projects and \$4.6 million for the Asset Management Division.
- **Funding for Temporary Light Towers.** In the Fiscal 2018 Executive Budget, DCAS is allocated \$4 million for the purchase of temporary light towers for installation at New York City Housing Authority (NYCHA) properties. The installation of these towers will be used to determine the impact of lighting on public safety and crime reduction at NYCHA housing facilities. Additional funding for this project is included in the miscellaneous budget.
- **Elimination of 10 Vacant Positions.** DCAS will eliminate 10 vacant positions as a part of its Savings Program, saving \$680,000 annually.
- **Insourcing.** DCAS will convert 32 contractual positions to in-house staff. This action will require no additional funding as cost will be covered using existing resources.
- **IFA Conversion.** The Executive Plan includes an action that would shift two positions currently funded through IFAs to City tax-levy positions. As capital projects complete the development stage, essential positions can no longer be funded by capital funds.
- **Real-time Vehicle Speed Tracking.** A total of \$1.9 million was added to DCAS' Fiscal 2018 budget, and \$1.3 million added to subsequent outyears, for the enhanced real-time tracking of city-owned vehicles.

## Contract Budget

DCAS' Fiscal 2018 Executive Contract Budget totals \$67.7 million for 159 contracts accounting for 5.7 percent of the Department's OTPS budget. Contracts for security service and general maintenance and repair comprise more than half (52 percent) of the Department's contract budget, as DCAS is responsible for the maintenance and protection of city-owned infrastructure.

<b>DCAS Fiscal 2018 Executive Contract Budget</b>				
<i>Dollars in Thousands</i>				
<b>Category</b>	<b>Fiscal 2018 Preliminary</b>	<b>Number of Contracts</b>	<b>Fiscal 2018 Executive</b>	<b>Number of Contracts</b>
Contractual Services General	\$12,023	11	\$17,073	12
Telecommunications Maintenance	8	5	8	5
Maintenance and Repair of Motor Vehicle Equipment	2,642	8	2,642	8
Maintenance & Repair, General	10,831	49	15,232	49
Office Equipment Maintenance	94	7	94	7
Data Processing Equipment	181	8	180	8
Printing Contracts	613	6	613	6
Security Services	20,181	10	20,181	10
Temporary Services	366	7	446	7
Cleaning Services	108	9	108	9
Transportation Expenditures	116	3	116	3
Training Programs for City Employees	1,149	11	1,158	11
Maintenance and Operations of Infrastructure	4,418	2	4,418	2
Professional Services Accounting and Auditing	1	1	1	1
Professional Services: Computer Services	1,505	8	2,642	8
Professional Services: Other	1,150	12	2,750	12
Bank Charges Public Asst Acct	20	1	21	1
<b>TOTAL</b>	<b>\$55,406</b>	<b>158</b>	<b>\$67,682</b>	<b>159</b>

## Miscellaneous Revenue

DCAS generates revenue from a wide range of sources that include license and service fees, equipment, commercial rent reimbursement payments, and occasional property sales. The chart below shows the Department's major miscellaneous revenue sources. Miscellaneous revenue generated by DCAS contributes to the City's General Fund and therefore is not a dedicated funding source for the Department.

<b>DCAS Miscellaneous Revenue Budget Overview</b>					
<i>Dollars in Thousands</i>					
<b>Revenue Sources</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Executive Plan</b>	
	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>2017</b>	<b>2018</b>
BSA filing fees	\$1,958	\$1,881	\$1,193	\$1,696	\$1,696
City publishing center	983	1,204	943	743	743
Civil service exam fees	4,709	10,707	5,730	6,060	5,260
Claims for damage to vehicles	559	636	409	735	735
Commercial rents	64,957	55,468	52,410	49,077	43,077
Down payment for property sale	0	446	19,166	0	0
Mortgage payment non inrem	1,550	912	9,408	500	450
Salvage (autos, equip. & other.)	9,892	10,406	11,026	8,693	8,893
Third party gas and electric	4,215	3,971	5,339	3,800	3,800
Procurement Card Rebates	182	460	553	2,395	1,093
All Other Revenue	45	38	23	40	40
<b>TOTAL</b>	<b>\$89,048</b>	<b>\$86,129</b>	<b>\$106,200</b>	<b>\$73,739</b>	<b>\$65,787</b>

The Executive Plan projects that DCAS will generate Miscellaneous Revenue totaling \$65.8 million in Fiscal 2018. Because DCAS regularly generates non-reoccurring revenue such as property and equipment sales, real estate and other prepayments, revenue for DCAS can vary significantly from year to year. In Fiscal 2016, DCAS generated \$19.2 million from property related sales, including \$16 million for a change in the terms of a deed restriction for 45 Rivington Street in Manhattan. Additionally, Mohawk Housing Industries prepaid \$8.8 million in Fiscal 2016 to satisfy its mortgage with the City. Excluding property sales, which can vary greatly from year to year, commercial rent accounts for the majority of DCAS' annual Miscellaneous Revenue. In the Executive Plan, commercial rent is projected to account for 65.5 percent of the Department's total miscellaneous revenue for Fiscal 2018.

The Fiscal 2018 Executive Budget also expects DCAS to collect increased miscellaneous revenue as a part of its Citywide Savings Program:

- An upward revision of revenue collected from the administration of civil service exams of \$2.3 million in Fiscal 2017 and \$1.5 million in Fiscal 2018;
- A substantial relative increase in revenue from Procurement Card Rebates. In Fiscal 2017, this revenue is expected to rise from \$400,000 to \$2.4 million, while revenue is expected to increase from \$93,000 to \$1.1 million in Fiscal 2018, and remain above \$1 million in the outyears; and
- An increase in revenue from commercial rent payments due to increased collections of \$1 million in Fiscal 2017, Fiscal 2018 and in the outyears.

## Heat, Light and Power (HLP)

Funding for citywide HLP expenditures is a part of the Department's Energy Conservation Division OTPS budget. The chart below breaks out the various funding sources that comprise the City's HLP budget. Other categorical funds, \$78.6 million in Fiscal 2018, represent reimbursements from the Health and Hospitals Corporation for HLP expenses. Intra-city funds, which account for 85.5 percent of the entire HLP budget for Fiscal 2018, represent transfers from other agencies. City funds go toward paying expenditures related to city-owned facilities managed directly by DCAS.

HEAT, LIGHT, AND POWER FIVE-YEAR FUNDING ANALYSIS (Dollars in Thousands)							
Funding Source	Actual					Executive Plan	
	FY12	FY13	FY14	FY15	FY16	FY17	FY18
City Total	\$24,250	\$32,892	\$29,024	\$28,852	\$24,690	\$23,830	\$24,647
Other Cat	86,220	84,978	86,972	81,834	70,344	74,834	78,639
State	435	438	439	421	394	456	295
Intra-City	625,918	641,996	684,317	633,972	557,293	587,419	610,317
Total	\$736,823	\$760,304	\$800,751	\$745,079	\$652,722	\$686,540	\$713,898

Total spending on heat, light and power decreased significantly in Fiscal 2016 when compared to previous years. The decrease can be attributed in large part to lower costs for energy, as well as the efforts to make the City more energy efficient. The \$713.9 million budgeted for heat, light and power in Fiscal 2018 is 3.4 percent lower than the five-year average of \$739 million. The City's heat, light and power budget is often impacted by variables outside of the City's control, including weather patterns and the price of oil.

In the Fiscal 2018 Preliminary Plan, HLP expenditures were \$706.8 million for Fiscal 2017 and Fiscal 2018. These figures are \$20.2 million higher for Fiscal 2017 and \$7.1 million lower for Fiscal 2018 than in the Fiscal 2018 Executive Plan.

## Preliminary Budget Highlights

- **Expansion of the Provisional Employee Reduction Program.** The November Plan included a new need of \$2.6 million in Fiscal 2018 and \$2.1 million in Fiscal 2019 and in the outyears to expand efforts to reduce the number of the City's over 23,000 provisional employees. This action increases DCAS' headcount by 21 positions, including 18 positions for the Division of Human Capital and three positions for the Executive Operations Support. DCAS will expand its Computerized Exam Testing and Application Centers beyond the current locations in Brooklyn and Manhattan to include locations in all boroughs. A particular focus will be put on efforts to make civil service exams more accessible to those with disabilities.
- **Additional Security Staffing.** Between Fiscal 2017 Adoption and Fiscal 2018 Preliminary Budget, DCAS identified new needs that would increase the Division of Administration and Security headcount by 44 security personnel. Of the total, 35 positions result from the conversion of contracted positions to full-time staff, the majority of which will be assigned to the Public Safety Answering Center II in the Bronx. The additional PS costs were offset by a reduction in the contract budget. Additionally, DCAS planned to hire six full-time security personnel for 22 Reade Street and three for the new Computerized Testing and Applications Center (CTAC) in Queens.
- **DCAS Office Space Construction.** The Fiscal 2018 Preliminary Plan included one-time funding of \$1.6 million in Fiscal 2017 to reconstruct office space on the 18th floor of 1 Centre Street to accommodate additional staff.
- **Lease Savings.** DCAS will realize baseline savings of \$1.2 million by eliminating surplus lease funds budgeted for 141 Livingston Street and the Civic Center.

## DCAS Capital Plan and Strategy

DCAS capital assets include buildings, vehicles, and information technology infrastructure. Long-term capital spending goals for the agency are reflected in the Ten-Year Capital Strategy, and include the repair and renovation of city-owned space, the acquisition of new property, the modernization of IT systems, and various other capital projects. Conversely, actionable projects that are already funded in the capital budget are included in the Capital Commitment Plan, which in turn aligns with the priorities set forth in the Ten-Year Capital Strategy.

### Capital Commitment Plan

The Executive Capital Commitment Plan includes \$4.2 billion in Fiscal 2017-2021 for the Department of Citywide Administrative Services. The Department's Executive Capital Commitment Plan increased by \$517 million when compared to its Preliminary Plan, representing an increase of 14 percent. The increase is due to an increase of \$255 million towards the East Side Coastal Resiliency Measure, an increase of \$68 million towards the 345 Adams Restacking Plan, an additional \$46 million towards the Riverside Park 79 St. Boat Basin, and increase capital allocations for several other smaller projects.

DCAS' \$4.2 billion Fiscal 2017-2021 Executive Capital Commitment Plan is subdivided into 4 areas:

### **Public Buildings**

The Public Buildings capital program for Fiscal 2017-2021 totals \$1.4 billion, an increase of 18 percent when compared to the Fiscal 2017 Preliminary Plan. Major changes include an additional \$68 million for the reconstruction of the building at 345 Adams Street in Brooklyn, and an additional \$41 million towards improvements to 137 Centre Street. Along with 345 Adams Street, now allocated \$101 million from 2017-2021, the expansion of leased space at 930 Flushing Avenue and the installation of fire sprinklers at 1 Centre Street represent the other two largest projects in this portfolio, with capital allotments of \$85 million and \$47 million over 2017-2021, respectively.

<b>Public Buildings 2017-2021 Capital Commitment Plan</b>						
<i>Dollars in Thousands</i>						
	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>Total</b>
<b>Executive Plan</b>	\$172,860	\$483,872	\$484,431	\$157,817	\$75,041	\$1,374,021
<b>Preliminary Plan</b>	246,319	486,468	226,573	142,762	59,163	1,161,285
<b>Change</b>	(73,459)	(2,596)	257,858	15,055	15,878	212,736
<b>Percentage Change</b>	(30%)	(1%)	114%	11%	27%	18%

*Source: OMB Fiscal 2018 Executive Capital Commitment Plan*

### **Energy Efficiency**

DCAS' Capital Program for Fiscal 2017-2021 includes \$1.4 billion to purchase equipment and services and fund energy efficiency and sustainability projects. These projects are being spearheaded under the One City, Built to Last initiative, that aims to reduce greenhouse gas emissions through quick, targeted investments in building retrofits and energy efficiency measures that target the individual needs of each City agency. Therefore, the majority of this funding resides in lump sum project lines and funding is transferred from these lines as needs are identified.

<b>Energy Efficiency 2017-2021 Capital Commitment Plan</b>						
<i>Dollars in Thousands</i>						
	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>Total</b>
<b>Executive Plan</b>	\$169,333	\$315,048	\$261,486	\$371,914	\$304,649	\$1,422,430
<b>Preliminary Plan</b>	224,569	259,869	261,486	371,914	304,649	1,422,487
<b>Change</b>	(55,236)	55,179	0	0	0	(57)
<b>Percentage Change</b>	(25%)	21%	0%	0%	0%	0%

*Source: OMB Fiscal 2018 Executive Capital Commitment Plan*

### **Real Property**

The Executive Capital Commitment Plan includes \$126 million in Fiscal 2017-2021 for the City's Real Property capital program. Funding in this budget area remains largely unchanged since Preliminary. The overwhelming majority of this funding is allocated for pier and bulkhead reconstruction.

**Real Property 2017-2021 Capital Commitment Plan***Dollars in Thousands*

	2017	2018	2019	2020	2021	Total
<b>Executive Plan</b>	\$11,029	\$30,239	\$30,799	\$27,695	\$26,185	\$125,947
<b>Preliminary Plan</b>	25,907	33,668	33,415	30,769	2,260	126,019
<b>Change</b>	(14,878)	(3,429)	(2,616)	(3,074)	23,925	(72)
<b>Percentage Change</b>	(57%)	(10%)	(8%)	(10%)	1,059%	0%

*Source: OMB Fiscal 2018 Executive Capital Commitment Plan***Resiliency**

The Executive Capital Commitment Plan includes \$963 million for the financing of infrastructure that protects the City's coastline from future natural disasters, such as Superstorm Sandy. This subdivision includes the East Side Coastal Resiliency Measure, a \$512 million project, of which \$252 million is City funding, to protect the Lower East Side of Manhattan from storm damage.

**Resiliency 2017-2021 Capital Commitment Plan***Dollars in Thousands*

	2017	2018	2019	2020	2021	Total
<b>Executive Plan</b>	\$79,843	\$226,439	\$448,060	\$508,458	\$5,067	\$1,267,867
<b>Preliminary Plan</b>	528,530	241,708	175,150	17,636	0	963,024
<b>Change</b>	(448,687)	(15,269)	272,910	490,822	5,067	304,843
<b>Percentage Change</b>	(85%)	(6%)	156%	2783%	N/A	32%

*Source: OMB Fiscal 2018 Executive Capital Commitment Plan***Ten-Year Capital Strategy**

The City's Ten-Year Capital Strategy totals \$95.8 billion (all funds) an increase of \$6.2 billion or 6.9 percent greater than the Preliminary Ten-Year Capital Strategy total of \$89.6 billion. The Department of Citywide Administrative Services' Ten-Year Capital Strategy for Fiscal 2018-2027 totals approximately \$5.6 billion, and its Capital Commitment Plan totals \$4.2 billion.

DCAS' Ten-Year Capital Strategy covers a wide variety of capital spending, from the retrofitting of buildings to improve energy efficiency, to the purchase of property for city-use, to repairs and renovations to ensure compliance with legally-mandated safety building safety requirements. A breakdown of DCAS' Ten-Year Capital Strategy is below.

Fiscal 2018-2027 Preliminary Ten-Year Capital Strategy											
<i>Dollars in Thousands</i>	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	Total
Acquisition of Real Property	\$32,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$32,000
Communications Equipment	782	161	0	0	0	0	0	0	0	0	943
Rehabilitation of Court Buildings	310	0	0	0	0	0	0	0	0	0	310
Legal Mandates/Correction of Unsafe Conditions	93,818	177,849	132,609	6,145	19,322	17,574	24,475	23,696	24,431	25,188	545,107
Rehabilitation of City-owned Office Space	212,504	155,489	19,542	64,863	13,124	9,061	6,031	8,150	8,857	8,818	506,439
Renovation of Leased Space	101,676	89,963	2,226	0	26,711	12,704	11,904	11,593	11,952	12,322	281,051
Renovation of Other City-owned Facilities	30,410	38,398	0	0	0	0	0	0	615	634	70,057
Equipment & Interagency Services	28,269	24,325	3,006	3,326	23,951	5,026	5,172	5,323	4,872	5,336	108,606
Board of Elections Modernization	195	0	0	707	1,955	6,030	1,164	549	0	0	10,600
Miscellaneous Construction	25,384	10,300	2,201	2,600	0	0	0	0	0	0	40,485
Rehabilitation to Real Property	30,239	30,799	27,695	26,185	3,835	3,921	4,050	4,184	4,314	4,447	139,669
Energy Efficiency & Sustainability	270,374	137,132	324,288	284,649	239,098	173,746	146,470	144,119	224,462	231,420	2,175,758
Resiliency and Protective Measures	239,562	517,932	556,084	25,067	67,615	71,549	100,407	76,312	0	0	1,654,528
<b>Total</b>	<b>\$1,065,523</b>	<b>\$1,182,348</b>	<b>\$1,067,651</b>	<b>\$413,542</b>	<b>\$395,611</b>	<b>\$299,611</b>	<b>\$299,673</b>	<b>\$273,926</b>	<b>\$279,503</b>	<b>\$288,165</b>	<b>\$5,565,553</b>

**Legal Mandates and Correction of Unsafe Conditions.** The correction of code violations and compliance with legal mandates represents \$545 million of the Preliminary Ten-Year Capital Strategy. This includes \$288 million to ensure compliance with fire and safety law, \$180 million for fuel tank replacement and remediation, and \$20 million for façade upgrades to ensure compliance with Local Law 11.

**Rehabilitation of City-owned Office Space.** Capital funding for the rehabilitation and renovation of city-owned office space totals \$506 million, including \$95 million for projects at 345 Adams Street Brooklyn, \$53 million for the Brooklyn Municipal building, and \$15 million for a Computerized Testing and Applications Center in the Bronx.

**Renovation of Leased Space.** The Preliminary Ten-Year Capital Strategy includes \$281 million for leased space renovations. Of the total, \$85 million is for the expansion of the Department of Emergency Management space in Brooklyn, \$19 million is for the space for the Department of Investigation in Manhattan, and \$17 million is for infrastructure equipment upgrades of the Department of Information Technology and Telecommunications space in Brooklyn.

**Equipment and Interagency Services.** Capital funding for equipment and interagency services in the Preliminary Ten-Year Capital Strategy totals \$109 million and includes \$14 million for upgrades to DCAS' inventory management system and \$6 million for the installation of security cameras in public buildings.

**Renovation of Other City-Owned Facilities.** Capital funding for other city-owned facilities in the Preliminary Ten-Year Capital Strategy totals \$70 million, most of which is for facility remediation and construction for the Taxi and Limousine Commission in Woodside, Queens.

**Miscellaneous Construction.** The Preliminary Ten-Year Capital Strategy includes \$40 million for construction on non-City facilities and properties.

**Board of Elections Modernization.** The Preliminary Ten-Year Capital Strategy includes \$11 million to modernize Board of Elections equipment of which \$6 million is for the purchase and installation of electronic voting systems and related accessories.

**Rehabilitation of Real Property.** The Preliminary Ten-Year Capital Strategy includes \$140 million for Capital funding for the rehabilitation of the City's waterfront properties.

**Energy Efficiency and Sustainability.** The Preliminary Ten-Year Capital Strategy includes \$2.2 billion for expanded solar power on City rooftops, cogeneration heat and power systems, deep retrofits to comply with local laws, and installation of efficient lighting fixtures expected to both generate savings and reduce Green House Gas emissions. These efforts fall in line with the City's One City, Built to Last initiative, a long-term strategy that aims to reduce the City's greenhouse gas emissions by 80 percent below 2005 levels by 2050.

## Appendix 1: Fiscal 2018 Budget Actions since Fiscal 2017 Adoption

<i>Dollars in Thousands</i>	FY 2017			FY 2018		
	City	Non-City	Total	City	Non-City	Total
<b>DCAS Budget as of the Adopted 2017 Plan</b>	<b>\$325,140</b>	<b>\$855,524</b>	<b>\$1,180,664</b>	<b>\$277,983</b>	<b>\$851,630</b>	<b>\$1,129,613</b>
<b>New Needs - Preliminary 2018</b>						
Lease Appraisals - 3 Positions	\$161	\$0	\$161	\$422	\$0	\$422
Provisional Reduction Prgm-21 Positions	2,235	0	2,235	2,579	0	2,579
One Centre Street Fire Safety	357	0	357	244	0	244
DCAS Security Services	650	0	650	473	0	473
Grant Diversion for Subsidized Jobs	0	165	165	0	198	198
Job Training Program	0	1,058	1,058	0	1,366	1,366
Office Space Construction	1,575	0	1,575	0	0	0
Portable Boiler Rental	825	0	825	0	0	0
Property Manager for Leasing Unit	17	0	17	67	0	67
Renov. of Training Rm (2 Lafayette St.)	119	0	119	0	0	0
Auto Parts Study	100	0	100	0	0	0
<b>Subtotal, New Needs</b>	<b>\$6,039</b>	<b>\$1,223</b>	<b>\$7,262</b>	<b>\$3,785</b>	<b>\$1,564</b>	<b>\$5,349</b>
<b>Other Adjustments - Preliminary 2018</b>						
Other City Adjustments	(\$2,551)	\$0	(\$2,551)	(\$2,170)	\$0	(\$2,170)
State Adjustments	0	2,900	2,900	0	0	0
CDBG	0	164	164	0	0	0
Other Federal Adjustments	0	473	473	0	0	0
Other Categorical Adjustments	0	904	904	0	0	0
Inter-City Adjustments	0	16,891	16,891	0	803	803
<b>Subtotal, Other Adjustments</b>	<b>(\$2,551)</b>	<b>\$21,333</b>	<b>\$18,782</b>	<b>(\$2,170)</b>	<b>\$803</b>	<b>(\$1,367)</b>
<b>TOTAL, All Changes Preliminary 2018</b>	<b>\$3,488</b>	<b>\$22,556</b>	<b>\$26,044</b>	<b>\$1,615</b>	<b>\$2,367</b>	<b>\$3,982</b>
<b>DCAS Budget as of the Preliminary 2018 Plan</b>	<b>\$328,628</b>	<b>\$878,080</b>	<b>\$1,206,708</b>	<b>\$279,598</b>	<b>\$853,997</b>	<b>\$1,133,595</b>
<b>New Needs - Executive 2018</b>						
Non-Public School Security			\$0	\$19,800		\$19,800
Temporary Light Towers			0	4,000		4,000
Space Management Staffing - 19 new staff	115		115	1,917		1,917
Real-time Vehicle Speed Tracking			0	1,868		1,868
Life and Safety Measures	1,925		1,925	946		946
Prevailing Wage Increase	448		448	897		897
Engineering Staffing - 7 new staff			0	760		760
Capitally Ineligible Items	1,554		1,554	736		736
Citywide Procurement Innovation and Technology Staffing - 3 new staff			0	360		360
Community Transformation Staffing - 3 new staff			0	320		320
Staffing for Project Controls - 4 new staff	65		65	260		260
Deputy Chief Engineers - 2 new staff			0	250		250
Space Management Staffing - 2 new staff	63		63	250		250
NYCHA Fleet Consolidation - 3 new staff			0	238		238
Network Infrastructure and Telecommunication Engineers - 2 new staff	44		44	210		210
Staffing for Real Estate and Land Use Planning - 2 new staff			0	200		200
City Planner and Real Estate Management System Analyst - 2 new staff			0	195		195
Legislative Staffing - 2 new staff			0	145		145
Fleet Share Technology			0	91		91
Labor Analyst - 1 new staff			0	90		90
Misc. Departmental OTPS Needs			0		336	336
<b>Subtotal, New Needs</b>	<b>\$4,214</b>	<b>\$0</b>	<b>\$4,214</b>	<b>\$33,533</b>	<b>\$336</b>	<b>\$33,869</b>

<i>Dollars in Thousands</i>	FY 2017			FY 2018		
	City	Non-City	Total	City	Non-City	Total
<b>Other Adjustments - Executive 2018</b>						
Other City Adjustments	(\$496)		(\$496)	(\$953)		(\$953)
State Adjustments		1,354	1,354		17	17
Other Categorical Adjustments		181	181		25	25
Other Intra-City Adjustments		4,836	4,836		448	448
WEX Program		1,279	1,279		25	25
IFA Adjustment		(150)	(150)	219	(219)	0
DPR NuEnergen Invoice		844	844			0
Security/Film Shoot OC		280	280			0
FY17 NOAA Grant		700	700			0
EV Charging Stations DCAS		269	269			0
Vendor Managed Stockroom		3,318	3,318			0
Internal Storehouse		122	122			0
Fiscal Year Rollover	(15,848)		(15,848)	15,848		15,848
Lease Adjustments			0	860	731	1,591
Heat, Light and Power	(1,908)	(18,328)	(20,236)	(1,091)	8,214	7,123
Reverse Auctions			0	(1,700)		(1,700)
Citywide Space Management			0	(3,000)		(3,000)
Personal Services Enhancements/Reductions	2,100		2,100	(680)		(680)
<b>Subtotal, Other Adjustments</b>	<b>(\$16,152)</b>	<b>(\$5,295)</b>	<b>(\$21,447)</b>	<b>\$9,503</b>	<b>\$9,241</b>	<b>\$18,744</b>
<b>TOTAL, All Changes - Exec. 2018</b>	<b>(\$11,938)</b>	<b>(\$5,295)</b>	<b>(\$17,233)</b>	<b>\$43,036</b>	<b>\$9,577</b>	<b>\$52,613</b>
<b>DCAS Budget as of the Fiscal 2018 Executive Plan</b>	<b>\$316,690</b>	<b>\$872,785</b>	<b>\$1,189,475</b>	<b>\$322,634</b>	<b>\$863,574</b>	<b>\$1,186,209</b>

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