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**Report to the Committee on Finance and the
Committee on Sanitation and Solid Waste
Management on the Fiscal 2024 Executive
Plan and the Fiscal 2024 Executive Capital
Commitment Plan for the**

Department of Sanitation

May 12, 2023

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Department of Sanitation Budget Overview

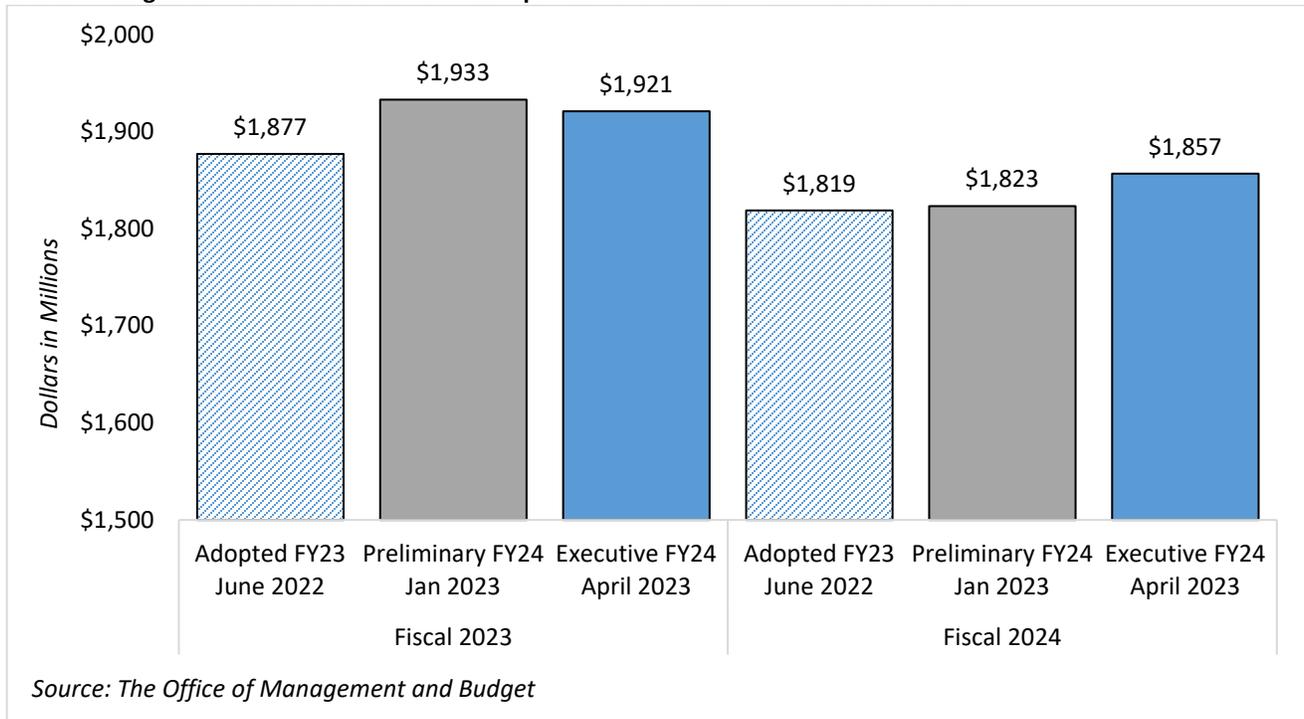
On April 26, 2023, the Administration released the Executive Financial Plan for Fiscal 2023-2027 (Executive Plan) which includes a proposed Fiscal 2024 budget of \$108.7 billion. This report offers a review of the Department of Sanitation (the Department or DSNY) Fiscal 2024 Executive Budget, including proposed budget actions taken in the Executive Plan. For additional information on DSNY’s Preliminary budget, please refer to the Fiscal 2024 Preliminary Budget report at: <https://council.nyc.gov/budget/wp-content/uploads/sites/54/2023/03/DSNY.pdf>

The Department’s projected Fiscal 2024 budget of \$1.86 billion represents 1.7 percent of the City’s proposed Fiscal 2024 budget in the Executive Plan.

DSNY’s Fiscal 2024 budget increased by \$33.4 million (1.8 percent), from the \$1.82 billion budgeted in the Fiscal 2024 Preliminary Financial Plan (Preliminary Plan) presented in January. The increase is the result of a number of actions taken, most significant of which is the increased funding for the citywide curbside organics collection. The program is budgeted \$23.2 million in Fiscal 2024 to cover its rollout in Brooklyn and the Bronx, with nine months of service starting in September, along with a full year of service in Queens. Additional increases in Fiscal 2024 include \$3.2 million for a waste containerization pilot and \$4.6 million for DC 37 collective bargaining adjustments and minimum wage increase, and \$2.0 million for Vending Enforcement, which includes 40 new budgeted uniform positions.

DSNY’s current Fiscal 2023 budget is \$1.92 billion, \$44.0 million (2.3 percent) greater than the agency’s Fiscal 2023 Adopted Budget (\$1.88 billion) and \$11.9 million (0.6 percent), smaller than the budget presented in the Preliminary Plan.

Chart 1: Budget for Fiscals 2023 and 2024: Comparison of the Last Three Financial Plans



Personal Services and Headcount

DSNY’s Executive Plan includes funding for a total of 9,546 full-time position in the current year, increasing to 9,816 in Fiscal 2024. The current plan represents a growth in agency headcount of 102 in Fiscal 2023 since adoption. The Fiscal 2024 budgeted headcount is 372 greater than the Fiscal 2023 headcount budgeted at adoption. DSNY is one of the few agencies which consistently has an actual headcount that exceeds its budgeted headcount. As shown in Charts 2 and 3 since Fiscal 2020 DSNY’s uniform and civilian actual headcount has exceeded its budgeted headcount at adoption.

Chart 2: Civilian Budgeted and Actual Headcount

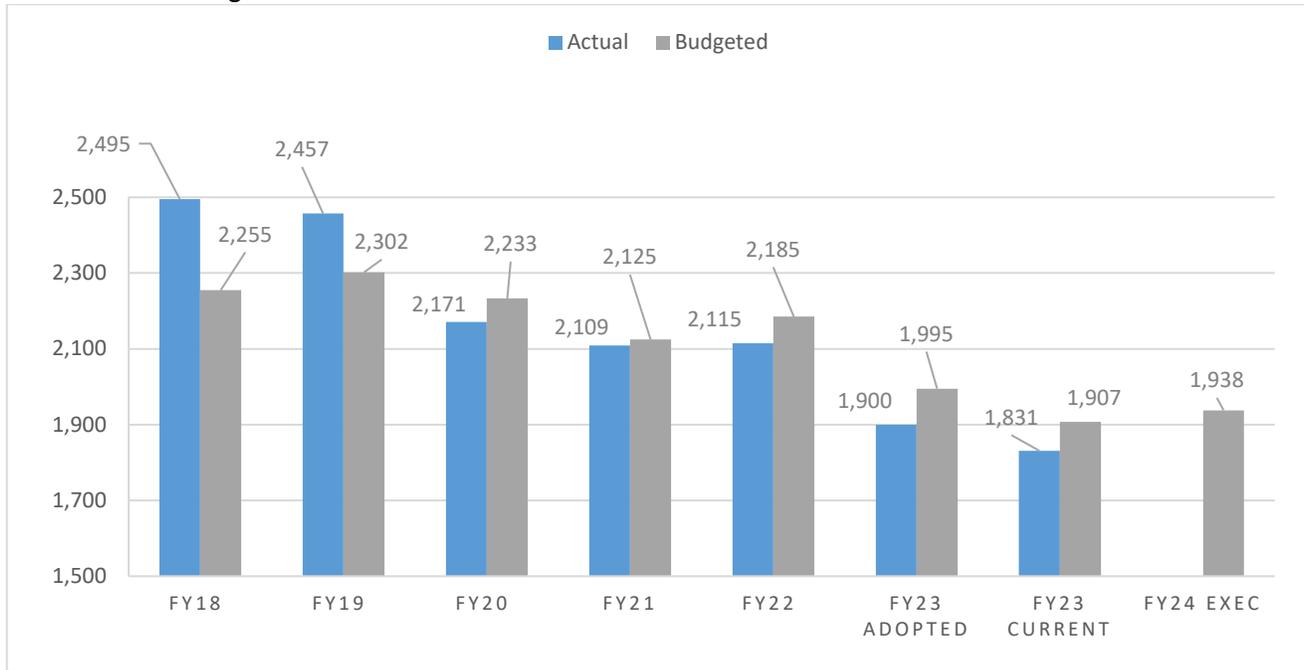
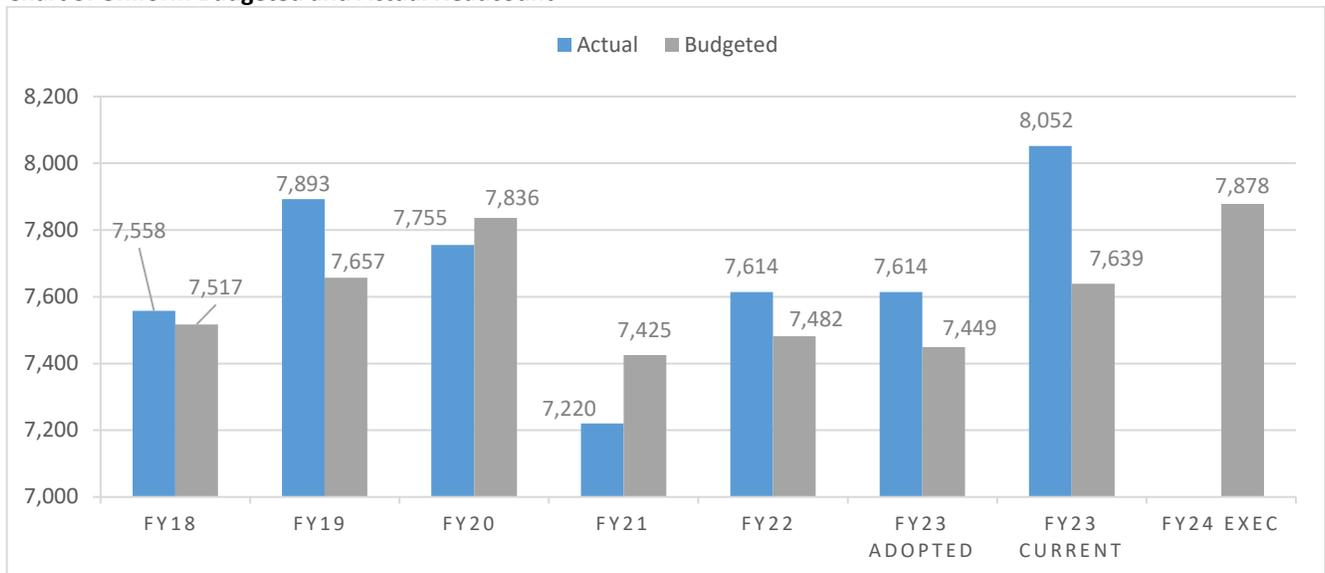


Chart 3: Uniform Budgeted and Actual Headcount



In the Executive Plan, funding for DSNY’s personal services (all agency staffing related expenses) comprise \$1.14 billion or 59.5 percent of the agency’s total Fiscal 2023 budget. This decreases to \$1.08 billion or 58.3 percent in Fiscal 2024.

Table 1: Spending and Budgeted Headcount Summary						
<i>Dollars in Thousands</i>	2021	2022	2023	Executive Plan		*Difference
	Actual	Actual	Adopted	2023	2024	2023 - 2024
Spending						
Personal Services	\$1,216,438	\$1,267,109	\$1,099,681	\$1,143,034	\$1,082,998	(\$16,683)
Other Than Personal Services	1,162,263	773,222	777,314	778,006	773,642	(3,672)
TOTAL	\$2,378,701	\$2,040,331	\$1,876,995	\$1,921,041	\$1,856,641	(\$20,354)
Budgeted Headcount						
Full-Time Positions - Civilian	1,998	1,917	1,995	1,907	1,938	(57)
Full-Time Positions - Uniform	7,220	7,614	7,449	7,639	7,878	429
TOTAL	9,218	9,531	9,444	9,546	9,816	372

**The difference of Fiscal 2023 Adopted Budget compared to Fiscal 2024 Executive Budget.*

Funding Sources

DSNY’s budget is financed by city funds as well as federal funds, intra city funds, capital inter-fund agreement (Capital-IFA) funds and other categorical funds. In the current financial plan, the Department’s primary funding source is city funds. City funds comprises 98.5 percent (\$1.89 billion) of DSNY’s total funding in the current fiscal year, down from the 98.7 percent (\$1.85 billion) of the Department’s budget financed by city funds in the Adopted 2023 budget. The Department’s Fiscal 2024 budget is funded with \$1.46 billion of City funds (78.8 percent), \$389.6 million less than the Fiscal 2023 budget at adoption.

The \$11.9 million decrease in DSNY’s Fiscal 2023 and \$33.4 million increase in its Fiscal 2024 budget between the 2024 Preliminary Plan and the 2024 Executive Plan is primarily the result of modifications to City, Federal, State, Intra-city, Capital-IFA and other categorical funding sources. These changes include:

City Funding

City funding for Fiscal 2024 in the Executive Plan is \$389.6 million less than Fiscal 2023 at adoption. The difference is primarily the result of \$370 million of City funds being replace by federal funds in DSNY’s waste export budget.

Federal Funding

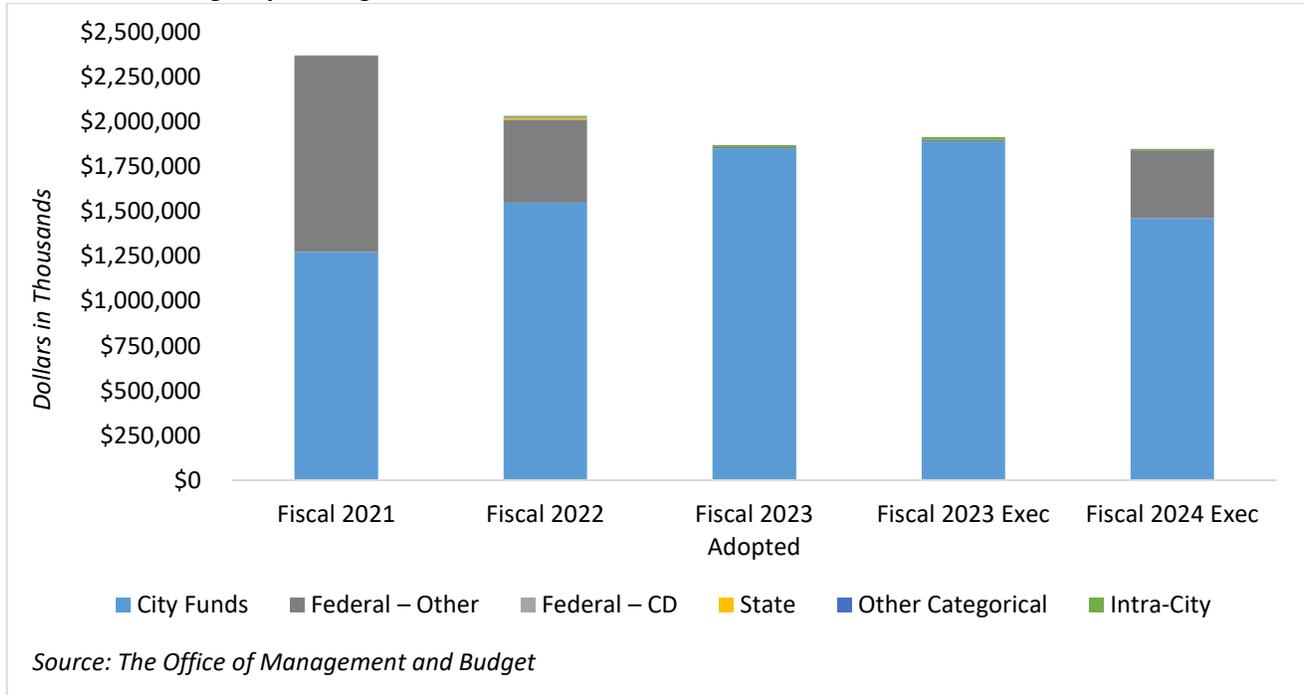
Federal funding for Fiscal 2024 in the Executive Plan is \$370.1 million greater than Fiscal 2023 at adoption. This difference is due the addition of \$370 million of American Rescue Plan State and Local Fiscal Recovery Funds (ARP-SLFRF), replacing an equal amount of City funding in DSNY’s budget.

State Funding

DSNY has no State funding in Fiscal 2024 in the Executive Plan. The Department has \$250,000 of State funding in Fiscal 2023 as a result of additional funding provided for the purchase of sanitation cameras.

See Appendix A for a complete list of all changes reflected in DSNY’s Fiscal 2023 and 2024 budgets since adoption of the Fiscal 2023 budget.

Chart 4: DSNY Budget by Funding Source



Dollars in Thousands	2021 Actual	2022 Actual	2023 Adopted	Executive Plan		*Difference 2024 - 2023
				2023	2024	
Funding						
City Funds	\$1,274,026	\$1,550,402	\$1,853,206	\$1,893,037	\$1,463,632	(\$389,574)
Federal – Other	1,092,703	463,261	7,600	7,600	377,691	370,091
Federal – CD	412	48	0	0	0	0
State	0	11,235	0	509	0	0
Other Categorical	3,456	4,952	750	1,385	750	0
Intra-City	2,389	4,684	9,706	12,494	8,549	(1,157)
Capital – IFA	5,714	5,749	5,735	6,017	6,019	284
TOTAL	\$2,378,701	\$2,040,331	\$1,876,995	\$1,921,041	\$1,856,640	(\$20,355)

*The difference of Fiscal 2023 Adopted Budget compared to Fiscal 2024 Executive Budget.

Source: The Office of Management and Budget

Program Area Budgets

In order to provide for better transparency within agency budgets, in 2007 at the behest of the City Council, the Administration began providing agency budgets broken down by program areas for fifteen of the City’s agencies. The programmatic budgets provide a summary of planned spending in each functional area of an agency.

Table 3: Budget by Program Area

Dollars in Thousands	Fiscal 2021 Actual	Fiscal 2022 Actuals	Fiscal 2023 Adopted	Fiscal 2023 Executive	Fiscal 2024 Executive	Difference 2023 - 2024
Budget by Program Area						
Civilian Enforcement - Bronx	\$958	\$718	\$1,054	\$664	\$661	(\$393)
Civilian Enforcement – Brooklyn	1,190	1,048	1,439	643	639	(800)
Civilian Enforcement - Manhattan	1,094	942	1,153	687	683	(470)

Table 3: Budget by Program Area

<i>Dollars in Thousands</i>	Fiscal 2021 Actual	Fiscal 2022 Actuals	Fiscal 2023 Adopted	Fiscal 2023 Executive	Fiscal 2024 Executive	Difference 2023 - 2024
Budget by Program Area						
Civilian Enforcement – Queens	1,008	868	1,380	642	638	(742)
Civilian Enforcement – Staten Island	218	200	235	204	204	(31)
Collection & Street Cleaning – Bronx	85,765	113,280	73,149	73,020	72,986	(164)
Collection & Street Cleaning – Brooklyn	206,895	268,444	169,856	169,627	169,581	(276)
Collection & Street Cleaning – General	214,722	109,862	300,712	354,586	279,828	(20,884)
Collection & Street Cleaning – Lot Cleaning	12,448	14,719	13,657	13,651	13,624	(33)
Collection & Street Cleaning – Manhattan	113,777	153,756	95,437	95,493	95,446	9
Collection & Street Cleaning – Queens	184,334	242,527	155,594	155,220	155,184	(409)
Collection & Street Cleaning – Staten Island	57,448	74,489	47,716	47,625	47,614	(102)
Enforcement – General	13,131	17,058	16,114	16,116	18,114	2,000
Engineering	7,309	8,025	8,428	9,010	9,008	581
General Administration	612,726	187,598	151,604	194,489	170,830	19,226
Legal Services	4,287	4,278	3,904	3,652	3,642	(226)
Long Term Export	1,322	1,170	1,061	1,130	1,122	61
Public Information	2,124	2,444	2,386	2,476	2,407	21
Snow Removal	142,541	105,263	96,173	51,258	97,656	1,483
Solid Waste Transfer Stations	25,040	34,859	25,589	25,674	25,492	(98)
Support Operations – Motor Equipment	96,049	100,188	98,797	101,576	97,382	(1,415)
Support Operations – Building Management	33,681	33,676	31,780	32,611	28,993	(2,787)
Waste Disposal – General	15,196	17,856	18,809	21,312	14,850	(3,960)
Waste Disposal – Landfill Closure	50,345	34,984	16,787	13,773	13,670	(3,117)
Waste Export	452,300	465,951	470,004	464,504	471,123	1,119
Waste Prevention, Reuse, and Recycling	42,793	46,129	74,177	71,399	65,264	(8,914)
TOTAL	\$2,378,701	\$2,040,331	\$1,876,995	\$1,921,041	\$1,856,640	(\$20,355)

**The difference of Fiscal 2023 Adopted Budget compared to Fiscal 2024 Executive Budget.*

DSNY's program budget includes 26 program areas. The Executive Plan includes changes to DSNY's budget in Fiscal 2024 that impact all the program areas. Below is a discussion of the most significant program area funding changes in the Executive Plan.

- Collection & Street Cleaning – General:** The Executive Plan includes \$279.8 million for Collection and Street Cleaning – General in Fiscal 2024, \$20.9 million less than in Fiscal 2023 at adoption. The decrease is largely driven by the one-time funding of \$22 million that the Council secured for litter basket service in Fiscal 2023 that is not included in Fiscal 2024. Additionally, one-time funding of \$7.5 million for the precision cleaning initiative, and \$4.9 million for lot cleaning restoration were included for Fiscal 2023 at adoption but are not budgeted in Fiscal 2024.

- **General Administration:** The Executive Plan includes \$170.8 million for General Administration in Fiscal 2024, \$19.2 million more than in Fiscal 2023 at adoption. The increase is driven by a number of small adjustments: \$4.5 million in other than personal services funding for the Organics Program; \$2.4 million of the \$3.2 million in funding for the Waste Containerization Pilot; \$1.2 million in funding for the Solid Waste Management Plan Consultant; \$3.3 million in increased funding for heat, light and power; and \$2.5 million in increased funding for motor fuel.
- **Waste Prevention, Reuse, and Recycling:** The Executive Plan includes \$65.3 million for Waste Prevention, Reuse, and Recycling in Fiscal 2024, \$8.9 million less than in Fiscal 2023 at adoption. The decrease is due largely to a waste characterization study, included in the Fiscal 2023 Executive Plan and primarily funded in Fiscal 2023 with only a small portion funded in Fiscal 2024. Funding in this program area for the Organics Program covers some of the \$16.7 million difference that existed in the Fiscal 2024 Preliminary Plan.
- **Waste Disposal – General:** The Executive Plan includes \$14.9 million for Waste Disposal – General in Fiscal 2024, \$4.0 million less than in Fiscal 2023 at adoption. The decrease is due largely to a \$2.1 million savings from the Solid Waste Management staff reduction.
- **Waste Disposal – Landfill Closure:** The Executive Plan includes \$13.7 million for Waste Disposal – Landfill Closure in Fiscal 2024, \$3.1 million less than in Fiscal 2023 at adoption. The decrease is due entirely to technical funding adjustments in the Fiscal 2024 Preliminary and Fiscal 2024 Executive Plans the moved funds into other program areas.

Executive Plan Changes

Each financial plan is comprised of changes to an agency's budget from the prior plan. These changes are comprised of new needs that have not previously been included in the agency's budget, other adjustments to existing spending (these adjustments can involve adding additional funding or removing funding), savings programs which provide additional resources either through reduced spending or increased revenue, and savings restorations which include the restoration of expenditures that had been reduced in prior financial plans.

A summary of all changes made to the Department of Sanitation's financial plan since adoption can be found in Appendix A.

New Needs

DSNY's Executive Plan includes five new needs, totaling \$34.4 million in Fiscal 2023, \$29.4 million in Fiscal 2024, \$28.0 million in Fiscal 2025, \$27.8 million in Fiscal 2026 and \$41.4 million in Fiscal 2027.

- **Personal Services (PS) Adjustment** (\$31 million in Fiscal 2023). The Executive Plan includes an adjustment to personal services spending in the Collection & Street Cleaning and General Administration program areas. This forecast adjustment primarily accounts for greater overtime spending than was previously budgeted for.
- **Organics Program** (\$23.2 million in Fiscal 2024, \$24.4 million in Fiscal 2025, \$23.9 million in Fiscal 2026 and \$37.1 million in Fiscal 2027). The Executive Plan includes funding for the City's ongoing rollout of citywide curbside organics collection. The funding in Fiscal 2024 is to provide twelve months of service in Queens, nine months of service in Brooklyn, and three months of service in the Bronx and Staten Island. The funding includes 253 additional

budgeted positions in the Collection & Street Cleaning – General program area for the biweekly collection service and 36 positions in the Support Operations – Motor Equipment program area to maintain the increased number of vehicles needed. A small portion of the funding goes to other than personal services costs: \$4.5 million in Fiscal 2024 and \$1.5 million in Fiscal 2025 for outreach, communication, advertising and bins. The program also increases funding in the Waste, Prevention and Reuse program area, while decreasing the Waste Export program area, by diverting organics waste from the refuse waste stream.

- **Solid Waste Management Plan Consultant** (\$1.2 million in Fiscal 2024, \$1.6 million in Fiscal 2025, \$1.8 million in Fiscal 2026 and \$500,000 in Fiscal 2027). The Executive Plan includes City funding for consultant services as DSNY develops the City’s 2026 Solid Waste Management Plan, as required by law. No consultant has been determined yet; DSNY will release a Request for Proposals at the beginning of Fiscal 2024.
- **Vending Enforcement.** (\$897,672 in Fiscal 2023, \$2.0 million in Fiscal 2024 and Fiscal 2025, \$2.1 million in Fiscal 2026 and \$3.8 million in Fiscal 2027). The Executive Plan includes City funding for illegal street vendor enforcement, including 40 new budgeted uniform positions of which 26 are baselined and funded through DSNY’s budget while 14 are transferred from the budget of the Department of Consumer and Worker Protection (DCWP). The City announced in March that the responsibility for illegal street vendor enforcement would be switching from DCWP to DSNY.
- **Waste Containerization Pilot** (\$2.5 million in Fiscal 2023 and \$3.2 million in Fiscal 2024). The Executive Plan includes funding for a waste containerization pilot in Manhattan Sanitation District 9. The pilot utilizes containers instead of garbage bags on the street and residential refuse and recycling collection will both increase to six times a week and twice a week, respectively, during the pilot duration. The funding provides for 12 budgeted positions in Fiscal 2024 only and for additional collection frequency. The \$2.5 million in Fiscal 2023 is for the purchase of bins, enclosures and retrofitting collection trucks to service the new bins in anticipation of the pilot program beginning in Fiscal 2024.

Other Adjustments

DSNY’s Executive Plan includes a reduction of \$1.3 million in other adjustments in Fiscal 2023, an additional \$19.9 million added in Fiscal 2024, \$18.9 million added in Fiscal 2025 and \$20.4 million added in Fiscal 2026 and Fiscal 2027. Some of the major adjustments include the following:

- **American Rescue Plan State and Local Fiscal Recovery Funds (ARP-SLFRF) Adjustment** (\$105 million added in Fiscal 2024 and \$145 million decrease in Fiscal 2025). The Plan recognizes additional federal funding in Fiscal 2024, which replaces an equal amount of City funding, and recognizes a decrease in federal funding in Fiscal 2025, which is replaced by an equal amount of City funding. The federal funds will be used for waste export processing fees.
- **Heat, Light and Power** (\$385,000 added in Fiscal 2023 and \$3.3 million in Fiscal 2024 and the outyears). The Plan includes additional funding for the cost of heat, light and power DSNY facilities.
- **Motor Fuel** (\$4.4 million reduction in Fiscal 2023 and \$2.5 million added in Fiscal 2024 and the outyears). The additional funding is to cover the higher than expected cost of motor fuel.

- **DC 37 Collective Bargaining Adjustments and Minimum Wage Increase** (\$4.7 million in Fiscal 2023, \$4.6 million in Fiscal 2024, \$6.1 million in Fiscal 2025, \$7.5 million in Fiscal 2026 and Fiscal 2027). Additional funding is allocated in DSNY's Executive Plan for the recently ratified collective bargaining agreement between the DC37 union and the City, which increases wages for DC37 bargaining units within DSNY. This increased personal services spending is funded through City, Intra-City and Capital-IFA funding.
- **Other than Personal Services (OTPS) Roll** (\$2.5 million reduction in Fiscal 2023 and \$2.5 million increase in Fiscal 2024). Other than personal services spending in the Waste Prevention, Reuse and Recycling programmatic area rolling over from Fiscal 2023 to Fiscal 2024. This covers the summer season portion of the Waste Characterization study.
- **Snow Training Cost Avoidance Offset** (\$6.7 million increase in Fiscal 2024 and in the outyears). A City tax-levy funded offset to the snow training PEG for a net zero budgetary effect.
- **Vendor Enforcement Transfer** (\$896,000 increase in Fiscal 2024 and in the outyears). The Executive Plan includes additional City funding which will cover 14 of the 40 uniform vendor enforcement positions being added, starting in Fiscal 2024.

Program to Eliminate the Gap (PEG)

DSNY's Executive Plan includes \$45.0 million of additional resources from the Department's PEGs in Fiscal 2023, \$23.7 million in Fiscal 2024, \$33.1 million in Fiscal 2025, \$37.0 million in Fiscal 2026 and \$37.5 million in Fiscal 2027 as part of the citywide PEG initiative. The agency was able to locate additional resources in nine initiatives, including:

- **Alternate Side Parking (ASP) Fines** (\$7.5 million in savings in Fiscal 2024 and in the outyears). This is additional revenue due to increased issuance of Alternate Side Parking summonses.
- **Snow Removal** (\$45.0 million reduction in Fiscal 2023, \$904,000 reduction in Fiscal 2024, and \$11.8 million reduction in the outyears). Due to funding re-estimates, the Executive Plan includes reduction of \$45 million for snow removal costs in Fiscal 2023. This action reflects an update of the estimated cost of snow removal this year based on low snowfall totals. The Fiscal 2024 and Fiscal 2025 and outyears savings reflect Charter mandated five year rolling averages to the cost of snow removal.
- **Community Composting** (\$1.0 million reduction in Fiscal 2024, \$2.0 million reduction in Fiscal 2025 and \$3.5 million reduction in Fiscal 2026 and Fiscal 2027). This reduction to funding for community composting programs is due to the rollout of citywide curbside composting. DSNY has not yet determined which community composting sites will receive cuts.
- **Precision Cleaning Initiative Reduction** (\$1.1 million reduction in Fiscal 2024, \$1.2 million reduction in Fiscal 2025 and Fiscal 2026 and \$2.3 million reduction in Fiscal 2027). This PEG cuts 24 budgeted uniform positions funded through this initiative. The reduction was made based on its current workload and the impact of other cleaning programs and initiatives.
- **Relinquishment of Property** (\$2.3 million in Fiscal 2026). Revenue from the relinquishment and sale of DSNY property.
- **Snow Training** (\$6.7 million reduction in Fiscal 2024 and in the outyears). This savings come from discontinuing the annual refresher training on snow operations. A snow training cost

avoidance offset of \$6.7 million is added to the Plan in other adjustments, which creates a net zero budgetary effect. DSNY claims future snow trainings will be conducted more efficiently by avoiding OT-funded Sunday trainings. It is unclear what the programmatic impact of this change will be.

- **Solid Waste Management Staff Reduction** (\$2.1 million reduction in Fiscal 2024 and Fiscal 2025, \$2.2 million reduction in Fiscal 2026 and \$3.5 million reduction in Fiscal 2027). DSNY plans to decrease the number of budgeted uniform positions in the Bureau of Solid Waste Management by 33 positions to account for attrition. The specific budgeted position titles have not yet been determined.
- **Splinter Group Staffing Reduction** (\$1.7 million reduction in Fiscal 2024 through Fiscal 2026 and \$2.3 million reduction in Fiscal 2027). DSNY plans to reduce the number of budgeted uniform positions in administrative and support roles by 19 to account for attrition.
- **Waste Characterization Study Scope Reduction** (\$2.5 million reduction in Fiscal 2024). The Department is reducing the scope of the waste characterization study from three seasons to two. However, the OTPS roll in the other adjustments adds \$2.5 million in in Fiscal 2024 for the summer season. It is unclear what the programmatic impact of this change will be.

Fiscal 2024 Preliminary Budget Response

In the City Council’s Fiscal 2024 Preliminary Budget Response (Budget Response)¹, the Council identified several areas of concern relating to Sanitation.

No funding was added to DSNY budget for the areas highlighted by the City Council in its response to the Mayor’s Preliminary Fiscal 2024 Financial Plan.

#	Response Priorities	Amount Requested	Amount in the Exec Budget
1	Restore and Baseline Corner Litter Basket Pick-up	\$44 million	\$0
2	Enhance Funding for DSNY Syringe Waste Removal Program	\$550,000	\$0
3	Provide Funding for Department of Sanitation Code Enforcement for Clean Public Areas	\$1.4 Million	\$0
4	Provide Increased Funding for Illegal Dumping Enforcement	\$1.7 Million	\$0
5	Restore and Expand E-Waste Collection	\$4.3 Million	\$0
6	Expand the Derelict Vehicle Removal Program	\$813,000	\$0

- **Restore and Baseline Corner Litter Basket Pick-up:** In the Budget Response, the Council called on the Administration to include \$44 million to restore and baseline corner litter basket service in each district throughout the five boroughs to twice-a-day/six-day-a-week service. No additional funding was included in the Executive Plan.
- **Enhance Funding for DSNY Syringe Waste Removal Program:** In the Budget Response, the Council called on the Administration to include \$550,000 to enhance the Syringe Waste

¹ The full response can be found at: <http://council.nyc.gov/wp-content/uploads/2023/04/Fiscal-2024-Preliminary-Budget-Response.pdf>

Removal Program, including \$275,000 for 6 positions at DSNY to collect syringe litter. Nothing is added to the Executive Plan to address this request.

- **Provide Funding for Department of Sanitation Code Enforcement for Clean Public Areas:** In the Budget Response, the Council called on the Administration to restore \$1.4 million for 34 civilian enforcement positions that were cut as part of DSNY's civilian vacancy cuts in the Fiscal 2023 November Plan. These positions would ensure more effective code enforcement of public areas and that public spaces are well maintained. Nothing is added to the Executive Plan to address this request.
- **Provide Increased Funding for Illegal Dumping Enforcement:** In the Budget Response, the Council called on the Administration to include \$1.7 million for 25 uniform positions to enforce and combat illegal dumping. The Council originally called on the administration to include \$3.4 million for 50 positions in its Fiscal 2023 Budget Response and the Administration added \$1.7 million for Fiscal 2023, of which \$380,000 was baselined. Nothing is added to the Executive Plan to address this request.
- **Restore and Expand E-Waste Collection:** In the Budget Response, the Council called on the Administration to restore citywide curbside e-waste collection in the amount of \$4.3 million. In Fiscal 2023, the Council secured \$1.4 million for curbside collection in Staten Island only as one-time funding. Nothing is added to the Executive Plan to address this request.
- **Expand the Derelict Vehicle Removal Program:** In the Budget Response, the Council called on the Administration to add \$813,000 in funding for six uniform positions and four civilian positions for DSNY's Derelict Vehicle Operation, to remove abandoned and derelict vehicles. Nothing is added to the Executive Plan to address this request.

Federal and State Budget Risks

Historically, the Department has been funded primarily through City tax levy funding; in Fiscal 2023, 98.5 percent of DSNY's funding is from City funds. In the Fiscal 2024 Executive Plan, DSNY recognizes \$370 million in American Rescue Plan State and Local Fiscal Recovery Funds (ARP-SLFRF) for Fiscal 2024 and \$80 million in Fiscal 2025. These funds are being used for Waste Export contracting. The City has budgeted for City funds to replace the federal funding after Fiscal 2025.

Capital Plan Overview

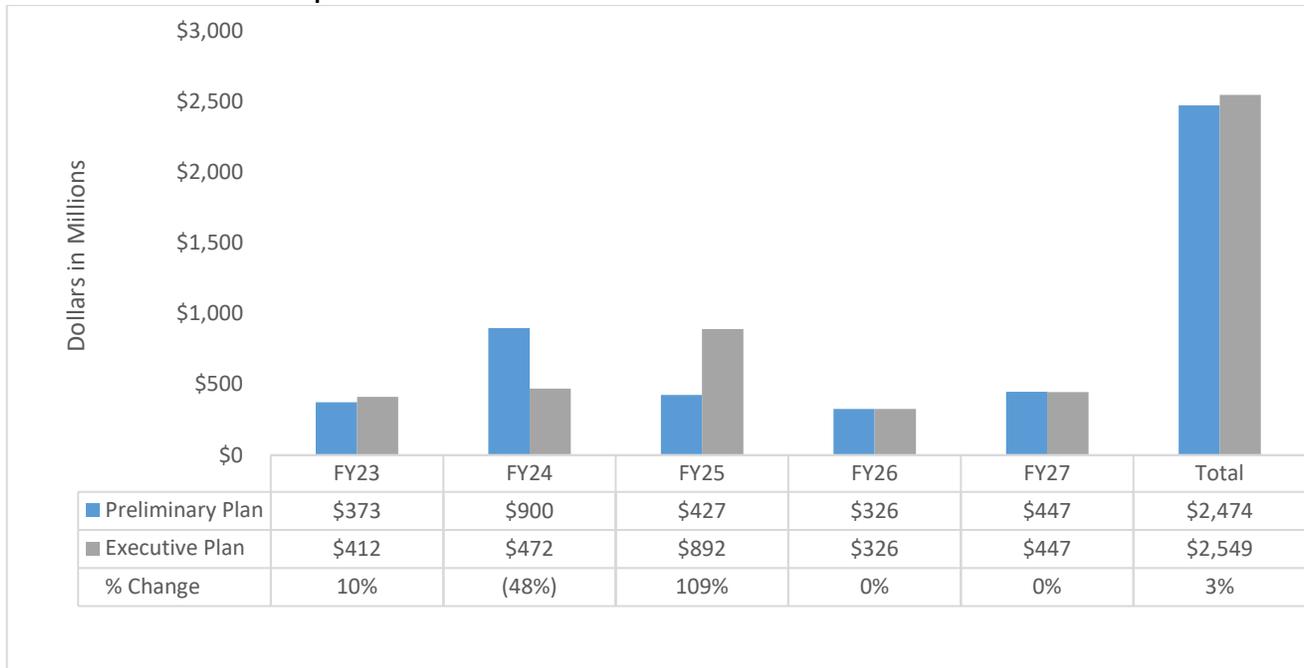
On April 26, 2023, Mayor Eric Adams released the Executive Capital Commitment Plan for Fiscal 2023-2027 (the Commitment Plan), the Fiscal 2024-2027 Executive Capital Budget (the Capital Budget) and the Fiscal 2024-2033 Ten-Year Capital Strategy (the Strategy).

This section will provide an overview of the Commitment Plan, and the Strategy for the Department of Sanitation.

Fiscal 2023-2027 Capital Commitment Plan

DSNY's commitments for Fiscal 2023 through 2027 as presented in the Fiscal 2024 Capital Commitment Plan totals \$2.55 billion, 3 percent greater than the total for the same period presented in the Preliminary Capital Commitment Plan released in January. The Department's planned commitment comprises 2.6 percent of the City's total \$97.9 billion Fiscal 2023 through 2027 plan.

Chart 5: Fiscal 2023-2027 Capital Commitment Plan



The amount of commitments planned for each year of the plan period is mostly balanced throughout each fiscal year, except for Fiscal 2025, with 35 percent of the entire planned expenditure in that year. Of the remainder of the funding, 16.2 percent of the planned expenditures are in Fiscal 2023, 18.5 percent in Fiscal 2024, 12.8 percent in Fiscal 2026, and 17.5 percent in Fiscal 2027.

Capital Highlights

- **Bronx 9/10/11 Garage Replacement.** The Executive Capital Commitment Plan includes \$472.2 million for the replacement of Bronx 9/10/11 Garage, unchanged from the amount budgeted in the Fiscal 2024 Preliminary Capital Commitment Plan. The project is replacing two dilapidated garages, one that covers Bronx Sanitation District 9 and 10 and another that covers District 11, with one new garage for all three districts. Funds are allocated for establishing temporary facilities, demolishing the current garages and an incinerator on the site, and construction of a new garage, which will start in Fiscal 2027. The design of the temporary personnel facilities are currently underway and DSNY is working with the New York State Department of Environmental Conservation on permitting, due to adjacent wetlands and also is working to identify off-street parking opportunities.
- **Queens Garage 1.** The Executive Capital Commitment Plan includes \$283.1 million for replacement of Queens Garage 1, unchanged from the amount budgeted in the Fiscal 2024 Preliminary Capital Commitment Plan. This project will replace the current garage next to Ravenswood with a new garage by Luyster Creek in Queens West Sanitation District 1. The design phase is anticipated to begin in Fiscal 2024 after the procurement process is completed.
- **Equipment Replacement in Fiscal 2023.** The Executive Capital Commitment Plan includes \$320.6 million replacement of DSNY equipment in Fiscal 2023, \$71.3 million more than the \$249.3 million in the Fiscal 2024 Preliminary Capital Commitment Plan. The increase in funding is for the purchase of 112 dual bin collection trucks and 46 loading trucks needed for the expansion of the organics curbside collection program.

- Equipment Replacement in Fiscal 2024.** The Executive Capital Commitment Plan includes \$260.6 million for DSNY equipment replacement in Fiscal 2024, \$2.0 million more than the \$258.6 million included in the Preliminary Capital Commitment Plan. Funds allocated for equipment replacement in each year are not committed to specific purchases ahead of time, but are instead a budgeted amount for the general yearly cost to replace collection trucks, street sweepers, salt spreaders and other frequent equipment needs.
- DSNY Facility Rehab, Citywide.** The Executive Capital Commitment Plan includes \$61.5 million for DSNY facilities rehabilitation projects, \$6 million less than the \$67.5 million included in the Preliminary Capital Commitment Plan. These funds are held pending reallocation to specific projects based on cost increases and construction change orders.

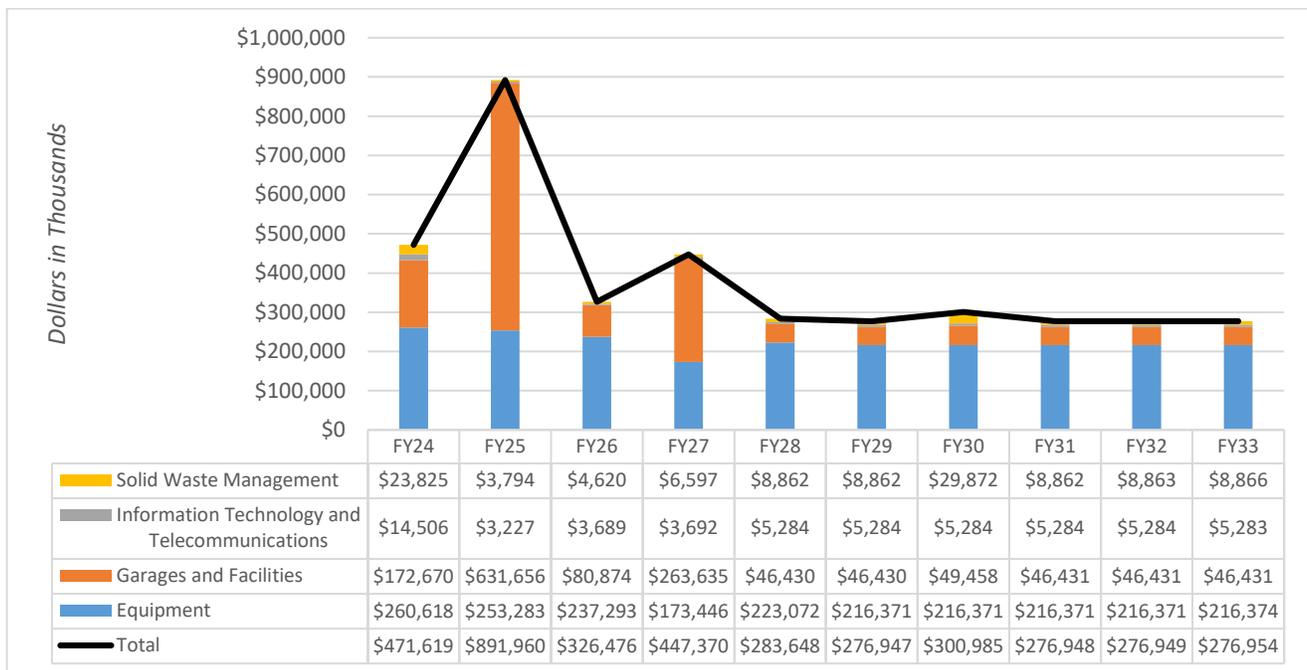
Executive Ten-Year Capital Strategy Fiscal 2024-2033

The Ten-Year Strategy is the City’s long term capital planning document which provides a framework for capital spending by agency. The Strategy is released every two years as mandated by the City Charter.

The City’s Ten-Year Strategy totals \$164.8 billion (all funds). The Strategy provides information on the comprehensive infrastructure planning that the City undertakes and explains the connection between capital investment and strategic priorities. It is designed to help prioritize investment decisions across all capital agencies and communicate to the public an integrated approach to capital planning across infrastructure types, in line with the growth of the City.

The Department of Sanitation’s Ten-Year Strategy includes \$3.8 billion in Fiscal 2024–2033 for capital construction and reconstruction projects. The funding includes: \$2.2 billion for equipment, \$1.4 billion for garages and facilities, \$113 million for solid waste management, and \$57 million for information technology and telecommunications.

Chart 6: Fiscal 2024-2033 Ten-Year Capital Strategy



As illustrated in Chart 6, the Ten-Year Capital Strategy is front-loaded, with a majority of the capital spending in the first four years of the plan. It is unlikely that this Ten-Year Strategy accurately reflects how the funds will be used.

Appendix A: Budget Actions since Fiscal 2023 Adoption

Dollars in Thousands	Fiscal 2023			Fiscal 2024		
	City	Non-City	Total	City	Non-City	Total
DSNY Fiscal 2023 Adopted Budget	\$1,853,206	\$23,790	\$1,876,995	\$1,794,897	\$23,881	\$1,818,778
New Needs – Nov.						
Highway and Pedestrian Space Cleaning	\$8,514	\$0	\$8,514	\$8,978	\$0	\$8,978
Illegal Dumping Enforcement	1,400	250	1,650	380	0	380
Park Perimeter and Greenway Cleaning	3,948	0	3,948	3,344	0	3,344
Queens Residential Organics Pilot	2,619	0	2,619	0	0	0
Subtotal, New Needs	\$16,481	\$250	\$16,731	\$12,702	\$0	\$12,702
Other Adjustments – Nov.						
1ST QTR REVENUE FOR FUEL	\$0	\$4	\$4	\$0	\$0	\$0
1ST QTR REVENUE FOR CDL	0	62	62	0	0	0
1ST QTR REVENUE OF FY23	0	166	166	0	0	0
ExCEL Projects	0	1,512	1,512	0	0	0
Facility Cleaning Cost Avoidance Offset	778	0	778	3,110	0	3,110
I/C MOD to pay Sanitation Dept	200	0	200	0	0	0
Intra-City Budget Transfer	5	0	5	0	0	0
LGRMIF Grant	0	9	9	0	0	0
NYC Service Bureau Program	50	0	50	0	0	0
Plumbers Collective Bargaining Adjustment	155	0	155	155	0	155
Seasonal Operational Improvements Cost Avoidance Offset	17,311	0	17,311	17,741	0	17,741
Subtotal, Other Adjustments	\$18,499	\$1,753	\$20,252	\$21,006	\$0	\$21,006
PEGs – Nov.						
Civilian Vacancy Reduction	(\$3,898)	\$0	(\$3,898)	(\$3,898)	\$0	(\$3,898)
Facility Cleaning	(778)	0	(778)	(3,110)	0	(3,110)
Job Training Program	(1,000)	0	(1,000)	(2,044)	0	(2,044)
Seasonal Operational Improvements	(17,311)	0	(17,311)	(17,741)	0	(17,741)
Telecommunication Savings	(74)	0	(74)	(223)	0	(223)
Subtotal, PEGs	(\$23,060)	\$0	(\$23,060)	(\$27,015)	\$0	(\$27,015)
TOTAL, All Changes - Nov.	\$11,919	\$2,003	\$13,922	\$6,693	\$0	\$6,693
DSNY Fiscal 2023 November Plan	\$1,865,919	\$24,998	\$1,890,917	\$1,803,633	\$21,837	\$1,825,470
New Needs – Prelim.						
PS Adjustment	35,000	0	35,000	0	0	0
Subtotal, New Needs	\$35,000	\$0	\$35,000	\$0	\$0	\$0
Other Adjustments – Prelim.						
ARP-SLFRF Adjustment	\$0	\$0	\$0	(\$265,000)	\$265,000	\$0
Council Member Item Reallocation	(144)	0	(144)	0	0	0
Energy Personnel	374	0	374	0	0	0
ExCEL Program	905	0	905	0	0	0
Heat, Light and Power	1,915	0	1,915	0	0	0
Heating Fuel Adjustment	76	0	76	0	0	0
Motor Fuel	4,907	0	4,907	0	0	0
Steamfitters Collective Bargaining	130	0	130	130	0	130
Subtotal, Other Adjustments	\$8,164	\$0	\$8,164	(\$264,870)	\$265,000	\$130
PEGs – Prelim.						
Vacancy Reduction	(\$1,177)	\$0	(\$1,177)	(\$2,353)	\$0	(\$2,353)
Subtotal, PEGs	(\$1,177)	\$0	(\$1,177)	(\$2,353)	\$0	(\$2,353)
TOTAL, All Changes - Prelim.	\$41,987	\$0	\$41,987	(\$267,223)	\$265,000	(\$2,223)
DSNY Fiscal 2024 Preliminary Budget	\$1,906,627	\$26,278	\$1,932,904	\$1,536,410	\$286,837	\$1,823,247
New Needs - Exec						
Organics Program	\$0	\$0	\$0	\$23,160	\$0	\$23,160
PS Adjustment	31,000	0	31,000	0	0	0
Solid Waste Management Plan Consultant	0	0	0	1,150	0	1,150
Vending Enforcement	897	0	897	1,971	0	1,971
Waste Containerization Pilot	2,514	0	2,514	3,151	0	3,151
Subtotal, New Needs	\$34,411	\$0	\$34,411	\$29,432	\$0	\$29,432
Other Adjustments - Exec						
Council Member Item Reallocation	(\$12)	\$0	(\$12)	\$0	\$0	\$0
Heat, Light and Power	385	0	385	3,306	0	3,306
Heating Fuel Adjustment	(323)	0	(323)	(584)	0	(584)
Motor Fuel	(4,393)	0	(4,393)	2,520	0	2,520

<i>Dollars in Thousands</i>	Fiscal 2023			Fiscal 2024		
	City	Non-City	Total	City	Non-City	Total
NYC Service Bureau Program	50	0	50	0	0	0
RCM Projects	0	115	115	0	0	0
2nd Quarter Revenue Various Expenses	0	173	173	0	0	0
2nd Quarter Revenue for CDL	0	132	132	0	0	0
ARP-SLFRF Adjustment	0	0	0	(105,000)	105,000	0
DC 37 Collective Bargaining Adjustment	3,750	0	3,750	3,415	0	3,415
DC 37 Collective Bargaining Adjustment (IC Funds - DSNY)	0	20	20	0	22	22
DC 37 Collective Bargaining Adjustment (IFA Funds)	0	282	282	0	284	284
DC 37 Collective Bargaining Adjustment (Intracity Funds)	0	286	286	0	180	180
DC 37 Minimum Wage Increase	0	370	370	0	685	685
Energy Demand Response Program	0	97	97	0	0	0
OTPS Roll	(2,477)	0	(2,477)	2,477	0	2,477
Snow Training Cost Avoidance Offset	0	0	0	6,732	0	6,732
State Funds for Cameras	0	250	250	0	0	0
Vending Enforcement Transfer	0	0	0	896	0	896
Subtotal, Other Adjustments	(\$3,020)	\$1,725	(\$1,295)	(\$86,238)	\$106,171	\$19,933
PEGs - Exec						
Snow Removal	(\$44,981)	\$0	(\$44,981)	(\$904)	\$0	(\$904)
Community Composting	0	0	0	(1,000)	0	(1,000)
Precision Cleaning Initiative Reduction	0	0	0	(1,127)	0	(1,127)
Snow Training	0	0	0	(6,732)	0	(6,732)
Solid Waste Management Staff Reduction	0	0	0	(2,060)	0	(2,060)
Splinter Group Staffing Reduction	0	0	0	(1,671)	0	(1,671)
Waste Characterization Study Scope Reduction	0	0	0	(2,477)	0	(2,477)
Subtotal, PEGs	(\$44,981)	\$0	(\$44,981)	(\$15,971)	\$0	(\$15,971)
TOTAL, All Changes - Exec	(\$13,590)	\$1,725	(\$11,865)	(\$72,777)	\$106,171	\$33,394
DSNY Fiscal 2024 Executive Budget	\$1,893,037	\$28,004	\$1,921,040	\$1,463,632	\$393,008	\$1,856,640