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## Mayor Introduces Doomsday Budget Scenario 11,000 City Employees to Be Let Go, HIV/AIDS and Other Services Cut



Mayor Bloomberg introduces doomsday budget scenario.

At noon on Thursday, May 6, NYC Mayor Michael Bloomberg announced his Executive Budget for the 2010-2011 City fiscal year, which begins in eight weeks on July 1. The Mayor almost immediately began his budget speech attacking Albany for its inability to pass a budget, and he pointed to the resulting uncertainty that causes his administration in fiscal planning. The Mayor also described the situation facing New York City as much more dire than usual due to the Governor's proposal to slash \$1.3 billion in state aid to New York City, including a \$500 million cut in aid to education. "We face a terrible price for Albany's inability to act," Bloomberg said.

The Mayor claims a \$4.5 billion deficit in the over all \$63 billion City budget, a gap that must be closed, he said.

The Mayor's solution is a harsh one and includes:

- 6,400 teacher layoffs
- 400 firefighter layoffs
- 500 Corrections Department layoffs
- 740 library layoffs

Overall, under the Bloomberg budget plan, the City would be forced to reduce headcount by an 11,000 employees, an astonishing slashing of personnel, particularly in critical public safety, education and human services areas.

"There is very little overhead left to cut" he said at the budget unveiling, adding that the City is forced to reduce payroll costs in order to balance the budget. He pointed out that there are certain costs that will continue to grow, including a significant expansion of the City's payouts to pension benefits for retirees, which he said will reach \$12.6 billion in 2014. These payouts in 2002 were \$6.6 billion.

The Mayor did choose to increase City support for at least one agency, the Health and Hospitals Corporation. "It is the ultimate safety net in the City," he said. But overall, virtually every City agency is facing a significant budget axe, with the exception of the New York City Police Department and HHC. Ironically, the attempted car bombing in Times Square may have saved the NYPD from cuts the rest of the City will have to bear.

### Funding Cuts for HIV Services

The Mayor's proposed budget includes several cuts to HIV services, all of which were proposed in the January Financial Plan. The largest reduction, to HASA caseworkers, would cut 248 caseworkers at the HIV/AIDS Services Administration (HASA), a division of the Human Resources Administration. This would save the City \$4.2 million in FY 2011. Many HIV advocates and HASA consumers have raised concerns about how a reduction of almost a third of HASA's work force would impact on the ability to HASA to perform basic functions, including approving entitlement benefits, approving apartments, processing rental assistance applications, ensuring continued access to Medicaid benefits and providing referrals for other services. Also, with the impending enactment of mandatory Medicaid managed care for persons living with HIV, HASA staff will have to play an important role in helping consumers navigate a new Medicaid environment.

Many AIDS housing advocates contend that the cut in HASA caseworkers would have the effect of increasing caseloads above the legally mandated limit, and that it violates Local Law 49 of 1997 as well as a federal court order based on the Americans with Disabilities Act because it would block access to public benefits for HASA clients. There are more than 45,000 low-income persons with HIV/AIDS and their families on HASA in all five boroughs.

VillageCare's Momentum Project is also in jeopardy of losing half of its City support, with the Mayor repeating his cut of a year ago of \$491,000, which was restored in the current fiscal year by City Council. In the new budget proposal, the Mayor ignores all the previous year's City Council restorations, including HIV nutrition grant funding. This means that City Council would have to renew its restoration to Momentum again this year in order for funding to continue at the current year's level. The Mayor's cut to Momentum would mean the closing of two or three congregate meal sites, leaving individuals in vulnerable communities without access to food near where they live.

Additional City Council restorations from last year that the Mayor did not include in this year's budget (meaning the Council must restore these funds again in order to avoid the cut proposed last year) includes a \$1,876,000 cut in case management staff in contracted supportive housing programs, for a total cut of \$3,752,000 when the loss of state matching funds are taken into consideration. This could overwhelm supportive housing programs that serve 4,300 individuals, a subset of HASA clients that have a history of chronic homelessness, mental health issues, and substance use.

### Cuts to Other Health and Social Services

Among other cuts easily identified in Mayor Bloomberg's Executive Budget include:

- Closing 50 senior centers funded through the NYC Department of the Aging
- Reduction in funding for correctional health services through NYC Department of Health
- Reduction in funding for HIV prevention contracts funded through NYC Department of Health
- Increased caseworker caseloads at Adult Protective Services, affecting 8,000 clients

Between now and the end of June, the City Council and the Mayor will engage in budget negotiations, with the goal of having a City budget in place by June 30. HIV advocates and the rest of the community have the next few weeks to convince the City Council not to balance the budget on the backs of low-income individuals living with HIV and AIDS.

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