

Nonprofit New York Statement on April 5% Budget Cut Cancellation

Nonprofit New York Members and Community,

Yesterday, Mayor Adams announced the <u>5% planned budget cut set for April would be canceled</u> due to an estimated <u>budget surplus and increased tax revenue forecast</u>. The <u>#WHY15 campaign</u> is relieved to hear the 5% cut has been canceled. This is a win for the campaign. However, this cancellation does not restore the cuts from <u>November</u> and <u>January</u>.

This budget cycle has been an unwarranted roller coaster for nonprofits. Nonprofits and the communities they serve have faced unnecessary, severe disruptions and distress while being asked to develop and implement plans with unacceptably limited information. Nonprofits cannot plan or adjust plans without knowing whether projected cuts are real, how much they are, or how they would be implemented.

While we are relieved by the retraction of the planned April budget cuts, the simultaneous announcement of better-than-expected revenue with drastic cuts in migrant housing services is grounds for grave concern. This policy is not strategic or compassionate.

We know many of the services for the newest New Yorkers will rightfully move from for-profit providers to nonprofits. Nonprofits want to be involved in providing services and solutions to challenges facing New York City and the newest New Yorkers. Nonprofits know how to provide shelter, supportive services, and legal assistance. If we had been engaged in initial emergency response efforts, things could look different today. The city's nonprofit contract processing, registration, and payment <u>remains extremely delayed</u>. Funding should be delivered upfront for organizations providing emergency services for the newest New Yorkers.

Nonprofit New York's #WHY15 campaign continues to call for increased and sustained transparency on budget decisions, for the city to partner with the nonprofit sector, to restore cuts from this fiscal year, and to address contract payment challenges. We are very concerned by the practice of extensively cutting services for New Yorkers as a default during budget strains. We call on the administration to reprioritize their commitment to a standard quality of life for all

New Yorkers.

We will continue to mobilize the sector and advance the campaign through the fiscal year 2024 budget process.

