

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

of the

COMMITTEES ON FINANCE AND PUBLIC SAFETY

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November 24, 2008

Start: 10:08am

Recess: 7:39pm

HELD AT: Council Chambers
City Hall

B E F O R E:

DAVID I. WEPRIN,
PETER F. VALLONE, JR.
Chairpersons

COUNCIL MEMBERS:

Joseph P. Addabbo, Jr.
Melinda R. Katz
Vincent J. Gentile
Daniel R. Garodnick
Anthony Como
Joel Rivera
Diana Reyna
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A P P E A R A N C E S

COUNCIL MEMBERS:

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Eric N. Gioia
Robert Jackson
G. Oliver Koppell
Helen Sears
Albert Vann
David Yassky
Vincent Ignizio
James S. Oddo
Simcha Felder

A P P E A R A N C E S (CONTINUED)

Raymond W. Kelly
Police Commissioner
New York City Police Department

Edward J. Allocco
Deputy Commissioner for Management and Budget
New York City Police Department

Nicholas Scoppetta
Fire Commissioner
Fire Department, City of New York

CHAIRPERSON WEPRIN: Good morning and welcome to today's Finance Committee, which is starting out as being joint with the Public Safety Committee. We'll hold a hearing on the impact of the Fiscal 2009 November plan on the Police Department. Among the items of most significance are the planned proposals to reduce the New York Police Department's uniformed and civilian head counts, which will save \$14 million and \$80 million in Fiscal Year 09, and Fiscal Year 10 respectively, and hire 234 Traffic Enforcement Agents to enforce Block the Box laws, which will generate upwards of \$60 million annually. After we hear from Police Commissioner Ray Kelly, the Finance Committee will be joined by the Fire and Criminal Justice Services Committee and hear testimony from Fire Commissioner Nicholas Scoppetta. Among the items of most significance are the planned proposals to eliminate nighttime hours at five engine companies in dual firehouses, which saves almost \$9 million annually; reducing the length of fire academy training, saving \$6 million annually and increasing ambulance billing rates, which generates \$6 million per year. In

1 the afternoon, we will be joined by the Cultural
2 Affairs Committee as well as the Library
3 Subcommittee to hear how the November Plan affects
4 culturals and Libraries, entities that are so
5 vital to the growth of our City. At approximately
6 3:00 p.m. we will open up the floor to the public
7 and I will be prepared to stay as long as it
8 takes. I know we had over 60 people pre-signed up
9 from the public, I know there will be a lot of
10 other people coming and signing up on the spot.
11 Once again, Commissioner Kelly, we know you're
12 always prompt, and we appreciate you coming this
13 morning and I'm going to turn the mic over to my
14 co-chair, Chair Peter Vallone, Jr.

16 CHAIRPERSON VALLONE: Thank you,
17 Chair Weprin. I'd like to also thank the Police
18 Commissioner for being here and his staff and your
19 staff and my staff for preparing all these
20 documents for this morning. I'm going to not read
21 my opening, because the Commissioner only has
22 until 11:00. But let me just say this, David and
23 I have sat through many finance hearings and heard
24 Commissioners say that it's better to cut now and
25 to avoid more cuts and more problems later. But,

1 by cutting the police force now, we're causing
2 problems later, which will cost more to fix and
3 will take longer to fix and will hurt this City.
4 You can already see it. Crime rates in certain
5 areas are going up. The murder rate is up. The
6 robbery rate is up. Rapes are up. Overall crime
7 over two years in Staten Island is up. Overall
8 misdemeanors are up, like graffiti. Crime is down
9 this year less than any of the years since I've
10 been here as Public Safety Chair and since
11 Commissioner Kelly has been here since 2001.
12 There's no quicker way to hurt an economy than to
13 allow the crime rate to start creeping back up,
14 and yet that's what happening. When Mark Page
15 testified the other date, I asked him as our
16 Budgets Guru, did he have any theory on the
17 relationship between the crime rate and the
18 economy, and he said no. And I said, well he
19 should. Because again, the Chair and I have sat
20 through many, many hearings on the cuts of
21 different agencies, schools, homeless, housing,
22 you name it. But none, none of those areas of
23 this City can thrive without first having a safe
24 city. That's the lesson we learned with Safe
25

1 Streets Safe City. That was the catalyst that
2 turned the City around and made it the economic
3 engine it is today and made it the safest big city
4 in this country. More police. We raised the
5 police from 31,000 to 41,000 in 2001. Since 2001,
6 we have allowed our Police force to drop from
7 41,000 to about 36,000. And the lows, the lows
8 under this current plan will be around 33,000
9 police, a number we have not seen since 1992,
10 1993. That is not something we can allow to
11 happen, but unfortunately it has begun to happen
12 with a stroke of the Mayor's pen, without any
13 Council insight. So that being said, I'd like to
14 turn the floor over to Commissioner Kelly so he
15 can tell us how he's going to continue to do more
16 with less, despite the fact that he's going to
17 have less officers than any time that he's been in
18 office most likely. I believe there comes a point
19 where not even that man could do more with this
20 much less. But we'll see what the Commissioner
21 has to say. So thank you for being here,
22 Commissioner.

24 CHAIRPERSON WEPRIN: Before we hear
25 from the commissioner, let's just introduce our

colleagues that are here. We have Council Member Anthony Como from Queens; our minority leader from Staten Island, and Brooklyn he reminds me occasionally, Councilman Jim Oddo; also hailing from Staten Island, Council Member Vincent Ignizio; and from Brooklyn, Council Member Simcha Felder.

CHAIRPERSON VALLONE: And let me also say that the Commissioner has informed us he needs to leave at 11:00, so we have to keep our questioning within about five minutes, so thank you all.

CHAIRPERSON WEPRIN: Commissioner?

RAYMOND W. KELLY: Thank you, gentlemen. Thank you for the opportunity to discuss the changes in the Mayor's November financial plan. Allow me first to provide a brief update on the Department's crime-fighting and counterterrorism efforts. I last appeared before this Council in May. Since that time, crime rates in the City have continued to fall. Felony crime is down by three and a half percent this year and by 28% compared to 2001. Subway crime is down four percent on top of last year's record lows.

Crime in the public housing developments has fallen another three percent. And we're back on pace to see the second lowest murder rate since as far back as at least as 1961. The members of the Police Department have achieved all this with about 5,000 fewer officers than we had at our peak in fiscal year 2001. And they've done it in the face of an ever-increasing workload. So far in 2008, members of the department have responded to more than 4 million radio runs, an increase of 250,000 compared to the same time period last year. They've made approximately 260,000 arrests, issued 450,000 criminal court summonses and 840,000 summonses for traffic violations. Their average response time to critical crimes in progress is just 4.3 minutes. We can attribute much of the Department's overall success to Operation Impact. As you know, through this program we team newly graduated police officers with experienced supervisors and deploy them to areas of the city where we've registered an increase in serious crime. Impact continues to help us use limited resources strategically. So far this year crime in our 12 Impact Zones is down

14%. When the FBI released its most recent national crime report in September, it showed that in 2007, for the first time in three years, national crime rates had fallen. In New York City, the reduction in crime was especially dramatic. In fact, much of the drop in crime nationally can be attributed to New York City alone. For example, without the city's steep decline in murders, the national murder rate would have remained flat. New York City accounted for 99% of the national decrease in murders. These facts are all the more striking given that New York bears the complex and demanding responsibility of counterterrorism. In 2008, our counterterrorism program has continued to expand, and I believe our defense of the city has never been stronger. Earlier this month, we opened our Lower Manhattan Coordination Center. This is the base of operations for the Lower Manhattan Security Initiative, a program to protect the 1.7 miles south of Canal Street, the heart of the city's economic activity and a known terrorist target. As is the case with our firearms training programs at Rodman's Neck, we invite Council

Members to tour the Coordination Center in the coming weeks and months as it becomes fully operational. Inside this facility, 33 members of the Department provide 24-hour coverage of the protected area. Their computers are linked to 156 surveillance cameras and 30 mobile license-plate recognition readers. As the program expands, we'll be adding many more, up to 96 fixed license plate readers and more than 3,000 surveillance cameras. We'll also be installing throughout lower Manhattan sensors to detect biological and radiological weapons and retractable barriers to stop vehicle-borne threats. The officers and the coordination center will continually review the data from these systems for signs of hostile activity. They will be joined in this effort by representatives of our private sector and government partners. With the Coordination Centre now open and \$88.5 million of the initiative funded by DHS and City capital sources, New York is on its way to having the safest business district in the world. In September, the Police Department and neighboring law enforcement agencies were awarded \$29.5 million for the

program known as Securing the Cities. The Police Department serves as the lead agency in this effort to protect New York and the greater Metropolitan region from nuclear and radiological threats. Through this program we are installing detection equipment at bridges, tunnels, waterways and roadways leading into New York City and improving inter-agency coordination. We learned this month that under the Federal Fiscal Year 2008 Homeland Security Grant Program, the Police Department has been awarded \$77.7 million as follows: \$32 million for the Lower Manhattan Security Initiative; \$9 million for recruit training; \$6 million for a Joint Operations Center; \$1 million for intelligence analysts for the Department's counterterrorism bureau and intelligence division; \$4.5 million for Joint Terrorist Task Force overtime; and \$25.2 million for critical infrastructure protection programs. Together, Homeland Security and City funds are providing for new technology and counterterrorism programs that are essential to keeping the City safe, especially at a time when the Police Department facing further reductions to staffing

level. For the November 2008 Financial Plan, all City agencies were required to submit budget and reduction proposals of 2.5% in FY '09 and 5% in FY 10. The Police Department's target amount called for a reduction of \$94.7 million in FY '09 and \$192.5 million in Fiscal 10. The actual PEG implemented in this plan totals \$45.4 million or 1.2% in FY '09 and \$167.2 million or 4.24% in FY '10. The PEG amount increases to \$171 million in FY '11 and approximately \$133 million annually thereafter. A summary of the gap-closing programs is as follows. The January 2009 Police Officer class has been eliminated. This class elimination will reduce City expenses by \$36.1 million in FY '09. In FY '10 the budgeted peak headcount, which had been 37, 838 before being reduced by 1,000 positions in the prior Executive Plan, has been further reduced by 1,067 to 35,771. The FY '11 budgeted peak headcount has been reduced by 1,175 from 37,838 to 36,663. And the FY '12 peak headcount has been reduced by 282 from 37,838 to 37,556. In FY '12 the peak headcount returns to 37,838. These uniformed staffing decreases will reduce City costs by \$81 million in FY '10, \$87

million in FY '11 and \$49 million in FY '12.

Civilian staffing has been further reduced by 292 positions in FY '09 and 361 positions beginning in FY '10, to be realized through attrition. In the prior two financial plans, 573 civilian positions were eliminated beginning in FY '09. The total civilian positions eliminated in FY '09 is now 865 and increases to 934 beginning in FY '10. The titles affected by these cuts are primarily clerical, administrative and custodial. OMB projects that a workload reduction will result from the implementation of the new e-Arrestment System, which will automate tasks currently performed by civilians assigned to the Criminal Justice Bureau. Sixty-nine clerical positions are included in the additional reductions starting in FY '10. The remaining 292 positions eliminated will exclude public safety related titles such as School Safety Agents, Traffic Enforcement Agents and Police Communications Technicians, and will focus instead on clerical and administrative titles. Governor Paterson has signed into law a bill requested by Mayor Bloomberg allowing New York City to consider the VTL violation of

Obstructing Traffic at Intersection, to be a parking violation. The offense continues to be a moving violation, but the law now allows the offense to be alternatively written as a parking violation, and therefore subject, for the first time, to ticketing by Traffic Enforcement Agents. As of September 10, 2008, vehicles found blocking an intersection are issued summonses with a fine of \$1150. To effectively manage and direct traffic throughout the City, an additional 200 Traffic Enforcement Agent and 34 Supervisors were funded in the November plan. They will expand the initiative into four boroughs, including Staten Island. With input from community groups and patrol borough staff, members of the Traffic Control Divisions have identified gridlock locations. We anticipate that 50% of the agents will be assigned to Manhattan, with the remaining agents equally distributed among three outer boroughs. Traffic agents will be assigned to these locations in groups of two or three and teamed with a supervisor and a police officer. It is estimated that this program will generate an additional annual net revenue of approximately \$61

million in FY '09 and \$66 million annually thereafter. The Parking Enforcement District operates two pounds in Manhattan, the Bronx, Brooklyn and Queens. Throughout the City there are 129 regular duty tow trucks with an additional four heavy-duty trucks operating in Manhattan. There are now 239 tow operators assigned citywide. Vehicles may be towed for any violation of the New York City Traffic Regulations, however our tow operators focus their efforts of those violations that increase the likelihood of accidents and impede the flow of traffic. In FY '08, the Department replaced many old tow trucks with new trucks. This decreased amount of vehicle downtime and enabled the Department to make an additional 10,000 tows. We estimate that increase in tow volume will generate \$2 million more per year beginning in FY '09. We anticipate a funding increase of \$8 million in FY '10 from the federal government to be provided for the cost of security at the United Nations and various foreign consulates and embassies. This assumes that the nationwide appropriation Federal Fiscal Year 2009 will remain at \$22.8 million, of which

approximately \$15 million will be allocated to New York City, in which case the Department's revenue plan will increase from \$7 million to \$15 million in FY '10. Given the City's financial condition, the November Financial Plan only provided additional funds to cover recent labor agreements. Our FY '09 overtime-spending projection I \$468.2 million, which is approximately \$5.4 million lower than the FY '08 actual overtime expenditure of \$473.8 million after adjusting for collective bargaining. Approximately \$26.3 million of the FY '09 overtime costs will be reimbursed with grants and other non-city revenue. The current FY '09 overtime budget of \$353.5 million plus expected revenues will cover all but \$107.6 million of this year's projected overtime costs. We hope to cover much of the unbudgeted amounts through reallocation of the PS surplus funds. As always, we will work to achieve savings in overtime wherever possible. Since calendar year 2002, our uniformed deployment to planned events has been reduced thanks to careful management efforts. As a result, overtime costs for Planned Events decreased by a cumulative total of \$92.1 million

through calendar year 2007. On November 5th, the FY '09 Adopted Capital Commitment Plan was also released. It totals \$1.68 billion for the Police Department and covers Fiscal Years 2009 to 2013. This plan included a 20% measured delay of capital commitments in each fiscal year from FY '09-FY '12 for a total of \$343 million that has been reallocated to FY '13. Major delays are as follows. \$258 million in construction funding for the new Police Academy was delayed to FY '13. This project is currently budgeted at \$1 billion and is in the design process. \$47.9 million in design and construction funds for the 40th, 66th, and 70th Precincts was delayed to FY '13. In addition, \$4 million in site acquisition funds and \$6.4 million in design funds for the construction of a new 110th Precinct Stationhouse were delayed to FY '13 and FY '14 respectively. Each of these precincts is currently budgeted at \$30 million. \$19.3 million in funding for the life-cycle replacement of technology projects, harbor boards, vehicles and other equipment was also delayed to FY '13. The current plan maintains funding for the following precinct construction and

rehabilitation projects. Design and construction of a new facility for the 121st Precinct is budgeted in the current Capital Plan at \$33.8 million, which supplements \$3.7 million budgeted in prior fiscal years. However, based on bids received for other similar citywide projects, including the 120th Precinct, an additional \$18.1 million is required to fully fund the project. Therefore, the total estimated cost has increased to \$55.6 million. Design and construction of a new facility for the existing 120th Precinct is budgeted in the current Capital Plan at \$40 million, which supplements \$6.9 million budgeted in prior fiscal years. However, based on bids received, an additional \$30 million would be required to fully fund the project, since the total estimated cost has increased to \$76.9 million. Total restoration and renovation of the landmark Central Park Precinct is budgeted in the current Capital Plan at \$4.3 million, which supplements \$43.8 million budgeted in prior fiscal years. However, an additional \$7.9 million is required to fully fund the project. Therefore, the total estimated cost of this project has

1 increased to \$56 million. We will continue our
2 discussions with OMB during the January Plan
3 process in order to reach funding determinations
4 that will enable the advancement of priority
5 precinct construction projects. Finally, OMB has
6 approved the reallocation of \$25.6 million in de-
7 registered FY '08 capital funds to FY '09 for the
8 procurement of a Computer Aided Dispatch System.
9 OMB has also provided the balance needed for this
10 system by appropriating \$32.1 million in DoITT's
11 Capital Budget in FY 2009. Thanks again for the
12 opportunity to discuss these issues with you. And
13 I'll be happy-- and by the way I'm with
14 Commissioner Ed Allocco, our deputy commissioner
15 for Management and Budget, and we'll be happy to
16 take any questions, if you have any.

18 CHAIRPERSON WEPRIN: Thank you,
19 Commissioner. We've also been joined by some more
20 colleagues since the last round of introductions.
21 We have Council Member Vincent Gentile, from
22 Brooklyn, in the front sitting next to Council
23 Member Dan Garodnick from Manhattan; and we also
24 have Council Member Diana Reyna from Brooklyn and
25 Queens. You referenced in your testimony, and

1 we're obviously, and I know Chair Vallone is
2 particularly concerned about the reduction in
3 headcount. And just to get the numbers correct,
4 the, I think the all time high you referred to is
5 Fiscal Year '01, is that correct, the headcount?

6 RAYMOND W. KELLY: That's correct.

7 CHAIRPERSON WEPRIN: And was that--
8 that was over 40,000 at that point?

9 RAYMOND W. KELLY: 40,800.

10 CHAIRPERSON WEPRIN: Almost 41,000.
11 And now I guess with this proposed reduction we're
12 going to be going down to, I guess about 33,000.
13 Is that correct?

14 RAYMOND W. KELLY: Well, I think
15 that's probably a little low. We're going to
16 attrite down again. Attrition is somewhat
17 difficult to predict. But what's going to happen
18 under the plan as it is now is we will hire up to
19 a number of 35,771.

20 CHAIRPERSON WEPRIN: Okay. I know
21 when the Mayor released his financial plan just a
22 couple of weeks ago in November, the Mayor said
23 and I know there was a lot of talk about delaying
24 the class and a reduction in headcount, and I know
25

1 the Mayor said that you will monitor the situation
2 and if crime spikes up, obviously we'll make
3 adjustments. The problem I have is how quickly
4 can you make adjustments and how quickly, you
5 know, will we really be able to compensate for any
6 situation where there all of a sudden was a spike
7 in crime over a certain period of time? And you
8 know, what would be the plan to do that?

10 RAYMOND W. KELLY: Well we've been
11 certainly successful during this administration of
12 using strategies and tactics at a time that we've
13 had reduced headcount to address spikes in crime.
14 As I said in my prepared remarks, crime is down
15 28% from where it was in 2001. And we're down
16 5,000 police officers during that same period of
17 time. So it will be difficult. It will be
18 challenging, no question about it. But we have
19 the experience in our management core to respond
20 to spikes in crime.

21 CHAIRPERSON WEPRIN: Is there any
22 plan or any outreach, and I know you testified
23 about Homeland Security money and it looks like
24 we're doing a little better on the Homeland
25 Security front than we have in the past, but you

1 know, we do have a new president coming in who's
2 agenda might be more receptive to an urban agenda
3 to major cities like New York City. Is there a
4 major effort going on now? And obviously we're
5 not going to get much help from Albany, but is
6 there a major effort being done to really try to
7 get more federal money from the federal government
8 in light of the changeover in administration? And
9 if so, what is the plan and what steps are they
10 taking?
11

12 RAYMOND W. KELLY: Well that would
13 certainly be our intention, but I think it's a
14 little premature right now. I think we're going
15 to wait until we have a confirmation, the
16 president is in office and those confirmation
17 hearings take place. But we will aggressively
18 pursue that concept, no question about it.

19 CHAIRPERSON WEPRIN: Yeah. I would
20 recommend that, obviously. And as I said, I don't
21 think we can expect much help from Albany, since
22 their fiscal situation is a lot worse than ours
23 is. But, you know, as has been stated numerous
24 times, when you're dealing with public safety
25 you're also dealing with economics, because if

1 there's a perception, and even if it's just a
2 perception, of an increase in crime, that
3 obviously has an effect on tourism, on economic
4 activity and it's kind of a one thing leads to
5 another and obviously has a negative impact. So,
6 obviously we want to be very careful to monitor
7 that and to make sure that not only do we have a
8 reality of crime going down but also a perception.
9 And part of that I think has to do with, you know,
10 a perception of having more police officers on the
11 street. And I know you've made an effort to put
12 more police officers on the street, to take them
13 out of deskwork and to, you know, put them on the
14 street. Is this reduction in headcount and the
15 delay of the police academy going to have an
16 affect on police presence on the streets?

18 RAYMOND W. KELLY: Well ultimately
19 it will. But as I say, I think there's tactics
20 and strategies that we can use that will address
21 some of those, you know, some of the short falls.
22 Operation Impact has served us well since the
23 second year of this administration. We'll
24 continue to use that and variations of it. We've
25 used overtime, we used Impact overtime to address

1 concerns when they arise in certain neighborhoods.
2 So, you know, we prefer that this not happen, no
3 question about it. I know everyone's concerned,
4 the Mayor's concerned, I'm concerned. But this is
5 the hand that we've been dealt and we will do
6 everything we can to address any rise in crime.
7 And your point about the perception is well taken.
8 One of the things that we're particularly
9 cognizant of is the quality of life concerns. And
10 we know that there's some people out there just
11 all too willing to pounce on this notion and say
12 hey, the bad old says are back or they're coming
13 back; I saw this or I saw that. You know, squeeze
14 you people, that sort of thing. We're very, very
15 conscious of that issue. I have a team that works
16 specifically for me. The Chief of the department
17 has his own team that goes out and looks for these
18 kinds of neighborhood concerns. We certainly
19 monitor the 311 call service. Our commanders are
20 very much cognizant of the concern of the quality
21 of life violations slipping back and then giving,
22 you know, giving cause for alarm in a particular
23 neighborhood. So we're going to pay particular
24 attention to any sort of developing quality of
25

1
2 life issues.

3 CHAIRPERSON WEPRIN: Well we
4 appreciate that. We've been joined by Council
5 Member Robert Jackson from Manhattan, Council
6 Member Melinda Kats from Queens and Council Member
7 Helen Sears from Queens. Just one last question
8 and I'll turn it over to Chair Vallone. How much
9 notice were the inductees in the upcoming January
10 class that is being delayed given, and what
11 becomes their status and do they get some kind of
12 preference on the next class? And I know in the
13 past there were some recruiting issues when the
14 starting salary was much lower and I know with the
15 new contract the starting salary is going up, and
16 that's help significantly in recruitment vis-à-vis
17 some of the suburban areas that are much higher
18 starting salaries. How will this delay in the
19 class affect that recruitment effort? And as I
20 asked, will there be priority given to those class
21 that were supposed to be coming in?

22 RAYMOND W. KELLY: Well, we did
23 notify those people who were tentatively cued up
24 to go into the January class. We notified them as
25 soon as we were able that there was possibly going

1 to be a delay in the class. Now they are, they're
2 put together from various eligible lists. They're
3 not all from one list. So there may be some
4 people on an eligible list going into that class
5 that may expire between January and July, when we
6 hope to have the next hire. Those people,
7 unfortunately, will not be given a preference.
8 They're urged to take the police officer
9 examination. Is that your question, sir?

11 CHAIRPERSON WEPRIN: Yes.

12 RAYMOND W. KELLY: And, you know,
13 we will keep them informed. We have a unit in our
14 applicant processing division, a retention unit
15 that tries to keep people who are on the list and
16 who are eligible to be appointed and keep them up
17 to date and keep them continually interested. Now
18 as far as recruitment is concerned, you're right.
19 That whole issue has turned around 180 degrees.
20 We have lots of inquiries. The number of people
21 taking the last police officer test went up 76%
22 from the previous year. We have over 100%
23 increase in inquiries on our website. So,
24 ironically the recruiting problem has been well
25 taken care of because of the economy because of

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the--

CHAIRPERSON WEPRIN: [Interposing]

Raise in salary.

RAYMOND W. KELLY: --raise in

salary at a time when we can't hire.

CHAIRPERSON WEPRIN: But will the

delay in the class have an impact on those
recruiting efforts?

RAYMOND W. KELLY: Well we will

hold up some of our advertising. Yes, we'll put a
delay in spending some of our advertising money.

CHAIRPERSON WEPRIN: Okay. I'm

going to turn it over to Chair Vallone.

CHAIRPERSON VALLONE: Thank you.

Just to finish up on that, I have the letter you
sent out to the new class on November 7th, saying
that their class would be postponed. Many of
these people changed their lives around on the
expectation they were going into the Police
Academy, under the reasonable expectation. They
changed their schooling, they changed or they quit
their jobs and then they were told on November 7th
that they would not be able to be hired. In fact,
there are ten exams that you list on this letter

that expire in the interim. So ten different exams expire and that means people who took any of those exams and who were about to be hired and who changed their entire life around won't be on the list unless they take a new exam and score just as highly. Isn't that correct?

RAYMOND W. KELLY: That's correct.

CHAIRPERSON VALLONE: That's a lot to ask of people who finally, when we finally turn the corner on recruitment and told people that this is a job that we wanted them to have, to snatch it from them at the last minute like that, is this reversible like the tax rebate checks, or is this written in stone?

RAYMOND W. KELLY: Is what reversible?

CHAIRPERSON VALLONE: The
cancellation of this class.

RAYMOND W. KELLY: The information that I have from the Office of Management and Budget, yes.

CHAIRPERSON VALLONE: So yes, it's not reversible.

RAYMOND W. KELLY: To the best of

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my knowledge it isn't reversible.

CHAIRPERSON VALLONE: David wonders whether we have to vote on it. I've been informed that unlike the tax rebate checks, this is something that the Mayor has the power to do, but is something that we've been debating over. Here, do you want to say something on that, David?

CHAIRPERSON WEPRIN: Yeah. Is it your impression that the City Council approval is not required for the suspension of the class?

RAYMOND W. KELLY: My belief that this is an executive branch decision, yes.

CHAIRPERSON WEPRIN: But it's part of the November plan that we're being asked to vote on.

RAYMOND W. KELLY: I think you're being asked to vote on the overall plan, is that...

CHAIRPERSON WEPRIN: Right. Which I guess includes a reduction in budget amount for the class.

RAYMOND W. KELLY: It's my belief that the hiring is an executive decision. And the information that I have is the executive branch is not going forward with the January hire.

CHAIRPERSON VALLONE: My

understanding is that even if we found funding for this, much like we found funding for the firehouses, it's something that the Mayor can control. I could be wrong, but that's my understanding. Commissioner, you've done a remarkable job, as we always say here at this hearing, reducing crime. Will you be able to continue to decrease crime at the rates we've seen over the last few years with 1,000 less officers?

RAYMOND W. KELLY: Well, it's going to be more challenging, no question about it. And I think the real test will come in after July; July 1. This class that's graduating next month, December, we have about 1,100, close to 1,000 recruits. We're going to put them all in Operation Impact. It's worked for us, as I said, in the past. We're going to put them and deploy them in places where they can do the most good. Now, the challenge will kick in in July. We'll have to make decisions and we'll monitor each one of our units, literally on a daily basis. We're putting in a procedure, a process, now where we'll be able to look, from headquarters at the highest

1 level, the staffing at each one of our, certainly
2 our patrol commands, but other commands as well.
3 And we have to watch attrition. Now it's my
4 belief that attrition will slow down. It will
5 slow down for a couple of reasons, slow down
6 because of the number of hires that we made in
7 1988 and '89. We made fewer hires in those years
8 and there's a direct relationship of course
9 between the number of retirees that we have 20
10 years after the date that we hire them. And also
11 because of the economic situation that we find
12 ourselves in, that retirements will slow down
13 because people will find it more difficult to
14 obtain other employment. But we'll look at that,
15 as I say, literally on a daily basis in each one
16 of our operation commands to, if necessary, shift
17 resources into those commands to make certain that
18 they're effective as they can be.

20 CHAIRPERSON VALLONE: Commissioner,
21 would you do a better job of reducing crime rates
22 with 1,000 extra officers?

23 RAYMOND W. KELLY: Sure.

24 CHAIRPERSON VALLONE: And you just
25 mentioned operation impact. You said that every

1 officer graduating in July would go into Operation
2 Impact. That's not always been the case. In the
3 past, you've taken a half, two-thirds of the new
4 officers and put the rest in the precincts. So,
5 it's safe to assume that our precincts will be
6 getting no new officers in July?
7

8 RAYMOND W. KELLY: Well we're going
9 to start out with Operation Impact. And we always
10 reserve the right to draw down from those
11 operational, from the Impact Officers, and put
12 them into patrol commands as we see fit.

13 CHAIRPERSON VALLONE: So, this
14 class will all go into Operation Impact. And what
15 about the officers who are in the Operation Impact
16 now, and who would normally then be released to go
17 into the precincts? Will that be happening?

18 RAYMOND W. KELLY: Yeah. We'll
19 have some overlap with the current Impact. We'll
20 keep them probably through January and then start
21 to deploy them into patrol commands.

22 CHAIRPERSON VALLONE: OMB says
23 that-- they've characterized this, the elimination
24 of this class as a delay in the hiring of the
25 class as opposed to an elimination, but would you

1
2 agree with that characterization?

3 RAYMOND W. KELLY: It's a delay
4 only if you look to Fiscal Year '13.

5 CHAIRPERSON VALLONE: That's a good
6 point. In Fiscal Year '13 we're supposed to be,
7 we're back up to the peak number of 37,838.

8 However, every year I've sat through these public
9 safety hearings and heard about how we're going to
10 start hiring more cops and get back to levels
11 we're supposed to be at and every year come the
12 next year, we've cut the class again. And I think
13 it's about time we realize we're not getting back
14 up to peak levels, that the administration has
15 made a decision that we're going to survive on
16 less and less cops and that's not something that I
17 can abide by. Every year we come in here and
18 we're told the peak class has been pushed out
19 another year and another year. Last May I was
20 complaining that you weren't going to hire the
21 1,000 new cops that we successfully funded. And
22 that was pushed out to 2010, 2011. Now it's 2013,
23 and that's not even 1,000 new cops; that's just
24 back to regular levels in 2013. We'll never see
25 this again by 2013. This is just a plan to say

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2 They have to work 24 hours a day, seven days a
3 week. So it's inevitable that some of those
4 positions will be back filled by uniform officers.

5 CHAIRPERSON VALLONE: You mentioned
6 the Homeland Security money and that we receive
7 \$77.7 million. How much less than requested is
8 that?

9 RAYMOND W. KELLY: That was only
10 about \$5 million less than requested.

11 CHAIRPERSON VALLONE: That's some
12 good news, finally. My staff has prepared so many
13 questions for me. But I've been told just this
14 morning that you have to leave relatively soon,
15 around 11:00. So we've already got a full list
16 and I'm not sure we're going to get to everybody.
17 So please limit your questions to maximum five
18 minutes, or we'll have to start banging the gavel.
19 And if you don't, your colleagues at the end of
20 the list will suffer. So I'm going to end my
21 questioning now and go straight to Council Member
22 Gentile.

23 COUNCIL MEMBER GENTILE: Thank you,
24 Mr. Chairman, and good morning Commissioner.

25 RAYMOND W. KELLY: Good morning.

COUNCIL MEMBER GENTILE: I'm sorry, it's a little hard to see you from here, but that's great. I'm fine. I have to at least congratulate you for when you talked about the new Traffic Enforcement Agents that you at least said that part of the goal is to manage and direct traffic throughout the City and make it flow more smoothly. Because I say that because Mark Page was here, the Budget Director, and he spoke about these new Traffic Enforcement Agents only in terms of what revenue could be generated by the tickets that they write. Now you mentioned that too, but I congratulate you for at least mentioning the fact that there's a component here of trying to help with the flow of traffic, so that's interesting. But the reason I'm bringing this up is because it really struck me that in talking about these new Traffic Agents which will do block the box type summonses, you said they would be assigned to these locations in groups of two or three and teamed with a supervisor and a police officer. So are you telling us at this point that there could be upwards of five salaried, uniformed officers on a street corner giving out block the

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box tickets?

RAYMOND W. KELLY: The team is normally three, and we started off with a police officer present, since we've been doing this. Again, this is sort of a new practice. As you know, the law was changed to allow Traffic Enforcement Agents to give it out as a parking violation. So we deploy them often times with police officers to make certain that there is no, you know, that there is not a disturbance caused by this new practice of issuing these summonses. It may not-- we most likely will not be having police officers with them once the practice is embedded.

COUNCIL MEMBER GENTILE: You would agree it seems a little bit-- in this austere budget to have that many uniformed officers, whether traffic or police at a particular corner.

RAYMOND W. KELLY: Generally speaking, right. It doesn't make sense.

COUNCIL MEMBER GENTILE: Okay. Now I heard about the headcounts that you mentioned in your opening statement, and I missed some of it. I'm not sure if in fact you did talk about what

1 the Department's projections would be for your
2 hiring needs in FY 10 and beyond. Could you talk
3 about that?

4
5 RAYMOND W. KELLY: Yes. The
6 numbers that I gave are numbers that we hire up to
7 after, you know, attrition takes place. Now our
8 projected attrition for this year would be, I'm
9 talking about this fiscal year, would be
10 approximately 1,500. Now, we have a targeted peak
11 headcount for FY 10 of 35,771. So we would hire
12 up to that number. We believe that that would
13 require a class of anywhere from 500 to 700
14 recruits in the next part of-- of the first part
15 of Fiscal Year 10.

16 COUNCIL MEMBER GENTILE: And that
17 would be the half-year total, 500 to 700?

18 RAYMOND W. KELLY: Would get us up
19 to the 35,771.

20 COUNCIL MEMBER GENTILE: Right.
21 Okay. Well, it's interesting. If you look at the
22 OMB figures for, that they produced on November
23 5th, it appears that OMB is saying that there is
24 sufficient funds in the FY 10 budget to hire 4,000
25 recruits, new recruits. It says funding future

academy classes of 2,000 recruits starting in July 2009. Now, if your projections are the ones that we're working with, why can we use the excess funds that OMB is claiming in their paperwork, and I'm looking at their paperwork, use the excess funds from the 2,000 they claim is in there, to put it in the budget to restore the January 2009 class?

RAYMOND W. KELLY: Well that's really an issue for OMB to-- we have our numbers. We have our--

COUNCIL MEMBER GENTILE:
[Interposing] But you agree the numbers are in there. The numbers are in the OMB documents.

RAYMOND W. KELLY: It might be in the testimony, the OMB testimony.

COUNCIL MEMBER GENTILE: Well I'm looking at the document that they--

RAYMOND W. KELLY: [Interposing]
But not in the numbers that we have. Again, the number that we have is 35,771. And our attrition from now until the end of this fiscal year, June 30th, '09, will be approximately 700.

COUNCIL MEMBER GENTILE: So are you

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1 where is that money? And that is something that
2 we can't just say, well, that's not our figures.
3 And I respect what you're saying, but somebody has
4 to resolve this. Somebody has to resolve this.
5 The money is there. According to OMB, the money
6 is there.
7

8 EDWARD J. ALLOCCO: Good morning,
9 Councilman.

10 COUNCIL MEMBER GENTILE: Yes.

11 EDWARD J. ALLOCCO: Ed Allocco,
12 Deputy Commissioner of Management and Budget. I
13 think I can clarify the issue. The money that
14 you're referring to as possibly new money to hire
15 above our peak headcount is not new money. It
16 assumes a much higher attrition level than the
17 Department projects. So the money is generated by
18 people actually leaving the Department and then
19 being replaced. We're not getting any new money
20 based on the OMB projections. Are projections are
21 lower. It means that fewer people are leaving and
22 therefore there's less money in the budget to hire
23 them back.

24 COUNCIL MEMBER GENTILE: Well if
25 that were true, if that were true then you would

1 not be saving \$36 million by eliminating the
2 January 2009 class. Because according to OMB,
3 you're only losing 406 units, 406 positions by
4 eliminating the January class. Now the \$36
5 million savings would translate into a hiring
6 class of about 1,200 people. OMB is showing a
7 loss of 406, which means to me that if there were
8 fewer retirees than you anticipated, some of that
9 \$36 million would be going to pay for those people
10 who did not retire. But you're-- they're
11 subtracting \$36 million, the entire amount, which
12 means you did not need that to support those who
13 didn't retire. So something is wrong there.
14 Something is wrong.
15

16 RAYMOND W. KELLY: I think the
17 difference is OMB uses a different attrition
18 model. They use an average attrition for the last
19 three years. That's what they do. WE use a
20 different method and I think our method, we
21 believe at this juncture, will be correct. And it
22 will show 700 to 800 officers attriting for the
23 rest of this fiscal year.

24 CHAIRPERSON VALLONE: Thank you
25 Council Member. I'm sorry, we've got to move on.

COUNCIL MEMBER GENTILE: Chairman,
I'll finish on that.

CHAIRPERSON VALLONE: No, Vinny.
We--

COUNCIL MEMBER GENTILE:
[Interposing] I just think there's no need to
shore up the police budget when in fact--

CHAIRPERSON VALLONE: [Interposing]
Council Member, you've said-- and I've got to
move. I've got a long list of questions--

COUNCIL MEMBER GENTILE:
[Interposing] I will leave it at that.

CHAIRPERSON VALLONE: I'm going to
move on to Council Member Oddo. Thank you.
Council Member Oddo.

COUNCIL MEMBER ODDO: Thank you,
Chairman. Good morning, Commissioner.
Commissioner, I was going to ask you if I should
applaud or complain the fact that none of the 200
Traffic Agents were coming to Staten Island. But
since we're short on time I'll ask you a question
on--

RAYMOND W. KELLY: [Interposing] We
can negotiate that if you want.

[Laughter]

COUNCIL MEMBER ODDO: I'll ask you a question on the capital side, specific to the Staten Island project, but I guess any project, any capital project that the Department was planning. If-- and I understand the need to push projects out to the outer years, but if in doing so we're raising the price tag substantially, I guess my question is, is the delay tantamount to the death knell for these projects, specifically for the 121 and the 120? Each year we push it out we're seeing nearly \$20 million or a \$30 million increase in the overall price tag. Is that essentially we're saying that these projects are done?

RAYMOND W. KELLY: The 120 and the 121 right now are going forward. They have not been delayed. Other precincts have been rolled into FY '13. 120 and 121 are going forward. However, what I pointed out in my prepared remarks, is that there's a gap for both of those precincts. We need more money to do them. We, you know, we have to work with--

COUNCIL MEMBER ODDO: [Interposing]

1 Well the 121 was pushed out by one year at least,
2 right?

3 RAYMOND W. KELLY: Yes.

4 COUNCIL MEMBER ODDO: And with that
5 delay though, of pushing out a year, that price
6 tag-- as you delay the project the price tags are
7 going up, no? So my point is if we keep delaying
8 it and the price tags continue to grow, isn't that
9 tantamount to saying that these projects may never
10 ever see the light of day?

11 RAYMOND W. KELLY: Well in this
12 economy, the prices may very well come down.

13 COUNCIL MEMBER ODDO: Okay. All
14 right. Well, I mean we can only hope. I mean my
15 fear is that we won't ever see these buildings
16 because the price tags will continue to go up.
17 But let's hope that somehow the, you know, without
18 getting into a deflationary situation price tags
19 come down. The only other question I have is a
20 general question, but it's following up a little
21 bit on Council Member Gentile's questions. Do you
22 have in your mind a number, sort of a number with
23 a red flag or a buzzer goes off on overall staff
24 count that when we approach that number of, that
25

1
2 you think it's not impossible to do the job, but
3 we're reaching a really dangerous amount? And if
4 you do have a number, would you be willing to
5 share that with us publicly in terms of overall
6 staffing levels for the Department?

7 RAYMOND W. KELLY: I don't have
8 that number. I don't want these cuts to go
9 forward, nobody does. And we can do a more
10 effective job the more police officers we have.
11 There's no question about that. You know,
12 resources matters, size of the department matters.
13 We had a department that was up to almost 41,000
14 officers that were acting effectively and
15 efficiently. We're down now to 36,000 officers.
16 I'd prefer not to be there. And I can't give you,
17 you know, a number. I don't want to reduce any.
18 I don't want to lose any. But this is the world
19 that we live in. We're told this is the economic
20 crisis of a lifetime. And we're going to have to
21 deal with it. So we will do the best we can. We
22 will use our experienced executive core to help
23 fashion plans and tactics and strategies that will
24 continue to keep the City safe.

25 CHAIRPERSON VALLONE: Thank you for

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1 every agency, every department-- I truly
2 understand that. But I'm just, I'm afraid, quite
3 frankly. I'm afraid that these cuts are going to
4 reduce the staffing level where the sense of
5 security in the community is threatened. And I
6 just wanted to be assured that the residents that
7 I represent and obviously all over the City that
8 these cuts are not going to be at the level that
9 my colleague Jim Oddo said, is at the level where
10 we're in the danger zone that we can't provide the
11 safety net that is necessary not only for the
12 downtown area, but for the communities that we
13 represent. So that's my primary concern, and then
14 I want to hear your comment on that, if you have
15 one, Commissioner.

17 RAYMOND W. KELLY: Well it's
18 certainly my concern as well. We're going to do
19 everything that we possibly can to continue to
20 reduce crime in this City. As I say, we've done
21 it effectively at a time when we lost 5,000 police
22 officers. Crime has still come down. And
23 certainly in Manhattan North, it's safer than it's
24 ever been. And we're going to do everything we
25 can to ensure that it remains that way,

Councilman.

COUNCIL MEMBER JACKSON:

Commissioner, you commented in response to one of my colleagues with respect to back filling some of the clerical positions with some officers, and obviously that's not the ideal situation. But for me as a City Council Member, it doesn't make sense overall to back fill a clerical position with an officer, because the officer should be on the streets; that's number one. And number two, my understanding that officer's salaries are much higher than clericals, administrative. And so I'm trying to understand the logic of back filling administrative positions that are absolutely necessary with officers.

RAYMOND W. KELLY: I just tried to give the Chairman a real world answer. The fact of the matter is--

COUNCIL MEMBER JACKSON:

[Interposing] And I appreciate the real world--

RAYMOND W. KELLY: [Interposing] If we are going to reduce our clerical force headcount by in this instance 292 on top of other reductions that we have, there's going to come a

1 time when some of the work that they would
2 normally do is going to have to be done, and it
3 may very well be done by uniformed police
4 officers. That's the reality of the situation.
5 In theory, what you say is correct. In actual
6 practice, we have to get some work done and that
7 work in some instances will be done by uniformed
8 officers.
9

10 COUNCIL MEMBER JACKSON: But
11 Commissioner, let me just follow up on that, if
12 you don't mind. I mean it's my understanding that
13 the headcount reduction in administrative is that--
14 - that's determined by NYPD? Or is that
15 determined by OMB. Because in my opinion if
16 that's determined by you, meaning NYPD, then you
17 determine what the reductions are going to be and
18 thus it doesn't make sense from an economic point
19 of view to use officers to fill administrative
20 positions when they're absolutely necessary. So
21 I'm trying to understand the number of reductions,
22 is that NYPD or OMB?

23 RAYMOND W. KELLY: No. That's an
24 OMB number.

25 COUNCIL MEMBER JACKSON: That's an

OMB. Okay. Then I can understand that that's your mandate, in essence. Is that correct?

RAYMOND W. KELLY: Correct.

COUNCIL MEMBER JACKSON: Thank you, sir.

CHAIRPERSON VALLONE: Thank you. Council Member Ignizio?

COUNCIL MEMBER IGNIZIO: Thank you very much, Commissioner. In the interest of time, I'm going to defer my questions, because I know you have to leave. But I'm just going to echo the sentiments of my colleagues, Council Members Oddo, Jackson. And just to make a statement that I know you know, which is that in these times of economic downturn, the last place that you ultimately want to see eroding is the crime stats, because that will only exasperate the economic downturn that we see in the City. And I know you desire extra headcount. I am very concerned for my borough, Staten Island, and the lower headcount that we have in our precincts as it is. And to whatever extend that you feel that we can assist and this council can help you in ways that you believe that we can contribute some savings for the Police

1 Department in order to get you additional
2 headcount, I'm certainly open to those comments.
3 But I know I have-- there's many questions ahead
4 of me, so in the interest of time, and I'm going
5 to defer to the Chairman, who has asked me to keep
6 it brief. Thank you.
7

8 CHAIRPERSON WEPRIN: We've been
9 joined by Council Member Eric Gioia from Queens
10 and the last questioner on the list is Council
11 Member Helen Sears.

12 COUNCIL MEMBER SEARS: Thank you,
13 Mr. Chair. Good morning, Commissioner.

14 RAYMOND W. KELLY: Good morning.

15 COUNCIL MEMBER SEARS: My one
16 question is, and I know that you said you did not
17 know where you were going to take these officers
18 to replace the civilian jobs, but I'm making a
19 real pitch for the CPOP officers, because they
20 have truly come to know the communities and above
21 all they know the commercial areas. And there are
22 not many of them to begin with. I fully
23 understand what we have to do. Half of us are on
24 Finance and Budget Negotiating, so we're very
25 sensitive to the times. But I think that in doing

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2 actually listen like this. So it must have
3 something to do with you being in the room, I
4 don't know.

5 CHAIRPERSON WEPRIN: I assume,
6 Commissioner, if there's any follow up questions
7 or information we can call your office--

8 RAYMOND W. KELLY: [Interposing]
9 Absolutely.

10 CHAIRPERSON WEPRIN: And you'll
11 provide it to the Council?

12 RAYMOND W. KELLY: Yes, sir.

13 CHAIRPERSON WEPRIN: Thank you.

14 RAYMOND W. KELLY: Thanks a lot.

15 CHAIRPERSON VALLONE: Thank you,
16 commissioner.


17 CHAIRPERSON WEPRIN: We've also
18 been joined by Council Member David Yassky, from
19 Brooklyn.

20 [Pause]

21 CHAIRPERSON WEPRIN: Okay. We're
22 going to take a ten-minute recess and then we're
23 going to hear from Commissioner Nicholas Scoppetta
24 of the Fire Department.
25

C E R T I F I C A T E

I, Erika Swyler certify that the foregoing transcript is a true and accurate record of the proceedings. I further certify that I am not related to any of the parties to this action by blood or marriage, and that I am in no way interested in the outcome of this matter.

Signature  _____

Date _____ December 17, 2008 _____