CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

of the

COMMITTEE ON FINANCE

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June 29, 2010 Start: 4:09pm Recess: 5:02pm

HELD AT: Council Chambers

City Hall

B E F O R E:

DOMENIC M. RECCHIA, JR.

Chairperson

#### COUNCIL MEMBERS:

Council Member Maria Del Carmen Arroyo

Council Member Charles Barron

Council Member Gale Brewer

Council Member Fernando Cabrera

Council Member Leroy G. Comrie, Jr.

Council Member Eric Martin Dilan

Council Member Julissa Ferreras

Council Member ourissa refretas

Council Member Lewis A. Fidler

Council Member Helen D. Foster

Council Member Daniel R. Garodnick

Council Member Sara M. Gonzalez

Council Member Daniel J. Halloran III

Council Member Vincent M. Ignizio

Council Member Robert Jackson

Council Member G. Oliver Koppell

Council Member Karen Koslowitz

Council Member Jessica S. Lappin

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# APPEARANCES

### COUNCIL MEMBERS:

Council Member Darlene Mealy

Council Member James S. Oddo

Council Member Diana Reyna

Council Member Joel Rivera

Council Member James G. Van Bramer

Council Member Albert Vann

Council Member Mark S. Weprin

Council Member Eric A. Ulrich

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

Preston Niblack Director of Finance New York City Council

Stuart Klein
Deputy Director
Office of Management and Budget

Kathleen Grimm
Deputy Chancellor
School Construction Authority

Emra Adev Representative E-Squared

Andy Unknown Unknown

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2	CHAIRPERSON RECCHIA: All the
3	members of the Finance Committee will be receiving
4	a packet with all the budget documents in there.
5	The Finance staff will be giving them out. Okay,
6	so every member will be recyou know, Members of
7	the Finance Committee, will be receiving their
8	documents. [long pause]and five, the
9	resources of where revenues came from, which was
10	handed out [pause, background noise]
11	FEMALE VOICE: [off mic] The items
12	that I'm handing out now, these are all the items
13	that are in the packet.
14	CHAIRPERSON RECCHIA: Okay, before
15	we get started, and we also want to thank the
16	Bloomberg Administration, under the leadership of
17	Mark Page, and his assistant Stu Klein, who's here
18	with us, we want to thank you for the wonderful
19	job that you've done, in working with us. So, to
20	all the Finance Members, inside your packet you
21	should have the expense revenue contract budget,
22	the executive capital budget, the community

development planned, amendments to the five year

plan for 2010 through 2014, the expense

modification to close out FY'10, the revenue

2	modification to close out FY'10, the certifying
3	base percentages and the current percentages,
4	adjusted base proportions, and the last thing is
5	the documents which show the fixing the tax rate
6	for Fiscal 2011. Everything should be in your
7	packet. The different Intros that were handed out
8	is Intro 23-2010, elevator inspection fees; intro
9	210, probation service fees; okay, 911 emergency
10	telephone system surcharge; and the Taxi and
11	Limousine Commission inspection fees. [long
12	pause, background noise] Testing, one, two.
13	Karen. [pause] Okay, we ready.
14	FEMALE VOICE: [off mic] Yeah, just
15	give me a second.
16	CHAIRPERSON RECCHIA: Let's go.
17	[pause]
18	MALE VOICE: [off mic] Do we have a
19	quorum?
20	CHAIRPERSON RECCHIA: Yep.
21	FEMALE VOICE: [off mic] Yes, more
22	than a quorum. [laughs]
23	[pause]
24	SERGEANT-AT-ARMS: [off mic] Quiet,
25	please. Sit down.

2	CHAIRPERSON RECCHIA: Can I have
3	everyone's attention? Kindly find your seat, Mr.
4	Rodus, would you like to sit next to Mr. Niblack,
5	please? [laughter, background noise] Okay.
6	Okay, all Finance Committee Members, Mr. Jackson,
7	welcome. [pause] Welcome to this meeting of the
8	City Council Finance Committee, my name is Domenic
9	M. Recchia, Jr., and I am the Chair of the Finance
10	Committee. Today we will take those necessary
11	actions to allow the full City Council to adopt
12	the Fiscal Year 2011 Budget. We will recommend an
13	expense and capital budget, fix property tax
14	rates, set the property class shares and take
15	action on budget related Intros. Before we start,
16	I'd like to take a second to thank our talented
17	and hardworking Finance staff under the leadership
18	of Finance Director Preston Niblack, and First
19	Deputy Director Jeff Rodus. They deserve
20	recognition [applause] for their round-the-clock
21	work to make sure the budget runs smoothly. With
22	that said, let's get down to the real business of
23	today. I will provide a brief description of the
24	items on our agenda today that require a vote.
25	And Preston Niblack, our Director of Finance

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Division, will testify shortly thereafter to provide much more greater detail. And then at the end, if you have any questions that you would like to ask, we'll take some questions. The first item is the expense budget modification. The second item is the revenue modification, both the expense and revenue modifications to close out Fiscal Year The third item is the amendment to the five 2011. year education capital plan. We have School Construction Authority here, who will answer questions. The fourth, fifth and sixth items are the property tax resolutions. The seventh item is the resolution approving the capital budget. The eighth item is the resolution approving the expense and contract budget. The ninth item is the resolution approving the 37<sup>th</sup> year of community developed program, and the 36<sup>th</sup> year of allocations. The tenth item is a transparency resolution which closes out Fiscal 2010. eleventh item is Intro 2011 which would increase elevator inspection fees from \$65 to \$100. twelfth item is Intro 210, which would impose a \$30 a month fee for individuals on probation for DUI or DWI convictions, and a fee between \$50 and

\$500 for the investigation in child custody or 2 3 visitation cases. The thirteenth item is proposed, is Intro 214-A, which would extend the enhanced 911 telephone surcharge that currently 5 applies to land line telephones to apply to voice 6 7 over internet protocol phones. And finally, we 8 have proposed Intro 236-A, which would require a payment of \$50 for every reinspection that occurs 9 10 as a result of Taxi and Limousine Commission 11 licensed taxicabs failure to meet vehicle 12 requirements established by the New York State 13 Department of Motor Vehicles. The budget packet that members have in front of them contains all 14 15 the items just mentioned, with the exclusion of 16 the Intros which are on your desk, which were 17 handed out by our wonderful staff. The budget 18 packet also contains supporting document and 19 schedules which are not voted on by the members. Preston Niblack will elaborate in more details on 20 21 all these items we will be voting on today. 22 Before I turn the microphone over to Preston 23 Niblack, our Finance Director, I want to briefly speak about this year's budget process. 24 This is 25 my ninth year budget, it's my first as Chairman of

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this Committee, and since I was appointed earlier this year, I've come to appreciate the tremendous amount of work and dedication made by both the City Council and the Mayor to balance the City priorities. I'm very proud that the Council and the Mayor were able to work together to maintain core services and pass a balanced budget during these tough economic times. This was not an easy process, we had to make tough choices and compromise on levels that were extremely difficult. Many services have been reduced and some programs have even been eliminated. But make no mistake, while this budget definitely reflects the strange economy of the country, this state and our great City, I honestly believe it also reflects smart choices that were made through a thoughtful and deliberate process. In this budget, the Council made good on many promises we have made in the last few years to preserve essential core services. The Council has restored funding for all public schools, restored funding to the Fire Department to prevent the closure of 25 companies, restored funding to the libraries to help maintain citywide library service at an

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average of five days per week, and kept current staffing levels for child welfare workers at the Administration of Children's Services. We were able to accomplish all of this while assuming the State Budget will reduce tax revenue to the City by \$1.3 billion, and without raising taxes. This budget was particularly difficult because the Council was charged with the responsibility of being compassionate, while at the same time making tough decisions. I am pleased to say that under the leadership of Speaker Quinn, the City Council accepted the responsibility and executed it to the best of our ability. I'm proud to be a member of this body, and I'm proud to be the Chair of this wonderful Finance Committee. I'd like to thank Speaker Quinn and my colleagues for giving me this amazing opportunity, and I will now recognize our Budget Director, Preston Niblack.

## [applause]

PRESTON NIBLACK: Thank you, Mr.

Chairman. So, today I thought I'd start just by reviewing the two budget modifications for FY'10 and you also have a transparency resolution there that closes out this year's Schedule C, and

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changes to it. Let me start with the MN4, the Expense Budget Modification. There are a number of items that provided savings this year, that were used to fund other new expenses, and that were also incorporated into the roll that will fund expenditures in the next year, 2011. are a few items that I'll just highlight. First, in the Department of Education, there was a significant midyear cut to the Department of Education. There was also, at the end of the year, some new needs that were identified and, and those were met with those savings. There was also a labor reserve in the DOE budget that was intended to provide teacher salary increases, and members of the UFT, I should say, and members of That will now be rolled into FY'11 to the CSA. help support spending in FY'll. In the broader labor reserve, for the City, for non-DOE employees, there was also roughly \$247 million that was taken down there. And there was also a reserve for pensions of \$250 million that was reversed for this year, and rolled into next year. So there were a number of other savings that were about \$350 million altogether. There were several

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new needs that occurred during the last part of this year that were met, including the additional cost for shelter in the Department of Homeless Services, funding of the, of a timing switch, essentially the recognition of Medicaid revenues. a settlement with DEP sewage treatment workers. And finally the balance of about \$387 million was put into the general reserve, bringing that up to about \$464 million, that's part of the roll. So, you have in front of you sort of a summary of all the changes provided by OMB, and we can answer any specific questions that you might have about them. Let me turn to the revenue modification, MN5. The revenue modification essentially recognizes new revenues that have been realized during the year, and uses them to prepay certain expenses for the coming year, which we refer to generally as the surplus roll. Briefly, taxes came in stronger this year than we had anticipated, to the tune altogether of a little over \$2 billion. We had some additional miscellaneous revenues that came in of about \$300 million; we also had a onetime payment out of the Battery Park City Authority surplus revenues, surplus reserves, that were of

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\$134 million. And that was, those items were coupled with the general reserve, which was drawn down, and a recognition of about \$800 million in payables from previous years that were written Altogether, that brings the FY'10 surplus to \$3.6 billion, which is up about \$300 million from the Executive Budget estimate. So that, all of that funding will be used in FY'11 to support FY'11 expenditures. And the mechanism will be prepay expenditures to the library systems of about \$164 million, prepayments to the MTA of \$219 million, and a balance of about \$3.3 billion for debt service. So that is, in essence is the, the two mods that will close out this fiscal year, and most importantly will provide funding in FY'11 for spending in FY'11. I'll stop and see if you have any questions. CHAIRPERSON RECCHIA: Okay, does

any Council Member have any questions? On the revenue modification, the expense modification, the transparency resolution? Without seeing any questions—Yes, I recognize Gale Brewer from Manhattan.

COUNCIL MEMBER BREWER: Thank you

2	very much, and thank you, Preston Niblack. So,
3	these two mods, just to help me summarize, and for
4	the public also, thewhat, which moneys in these,
5	if any, roll over to '11, or is that not part of
6	these mods? So I'm clear, I'm sorry.
7	PRESTON NIBLACK: Right, no, the
8	the revenue mod essentially is the mechanism by
9	which surplus funds are recognized and rolled.
LO	COUNCIL MEMBER BREWER: That's the
11	surplus roll, you call.
12	PRESTON NIBLACK: Right. And that,
13	that totals this year \$3.6 billion.
L4	COUNCIL MEMBER BREWER: Okay.
15	PRESTON NIBLACK: And as I said, it
L6	comes from three principal sources, additional tax
L7	and nontax revenues, of about two-pointroughly
18	\$2.4 billion.
19	COUNCIL MEMBER BREWER: And then
20	the Battery Park.
21	PRESTON NIBLACK: And that includes
22	the Battery Park number.
23	COUNCIL MEMBER BREWER: Okay.
24	PRESTON NIBLACK: The reduction in
25	the general reserve and recognition of prior,

your choice. This is--Stu, your former college mate has a question for you, Mr. Lew Fidler. I recognize Lew Fidler from Brooklyn.

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2	the way I'm reading the document, too. But one of
3	the lines kind of jumps off the page, it's almost
4	likeit would be so outlandish for the average
5	New Yorker to believe that I have to ask about it.
6	And you're showing a decrease in parking violation
7	revenue anticipated of \$78 million and change.
8	CHAIRPERSON RECCHIA: Councilman
9	Fidler, that was a Dan Holleran question.
LO	[laughter]
11	COUNCIL MEMBER HOLLERAN: Thanks,
12	Lew.
L3	COUNCIL MEMBER FIDLER: I mean, is
L4	that, is that even remotely correct understanding
15	of that number?
L6	STUART KLEIN: I believe so.
L7	COUNCIL MEMBER FIDLER: The City of
L8	New York expected to get \$78 million more in
L9	parking tickets. Can you explain
20	STUART KLEIN: I
21	COUNCIL MEMBER FIDLER:the, the
22	dramatic difference in that number? I mean, and
23	it is dramatic. I mean, it's bigger than any
24	other number in the fine revenue page by like a
25	factor of six.

2	STUART KLEIN: Mmhm. We can get
3	you more detail, but I believe this was the "block
4	the box" program, which was put into last year's
5	budget. And it did not prove to be anywhere's
6	nearly as lucrative as was planned when we put it
7	in the budget.
8	COUNCIL MEMBER FIDLER: Aha.
9	STUART KLEIN: This was a new
10	program.
11	COUNCIL MEMBER FIDLER: I see. So,
12	that's factored, folded into this number. Can you
13	tell me, and I know this is a tough question, I'm
14	not trying to stump you, but I'm really trying to
15	understand whether or not we collected more fine
16	revenue during this past fiscal year, than the
17	year before, and if so, how much?
18	STUART KLEIN: If you give me a
19	minute, I'll let you know.
20	CHAIRPERSON RECCHIA: Does any
21	other Members have any questions besides Council
22	Member Fidler? Gale Brewer, I understand you have
23	another follow up question? Okay, you will be
24	next.
25	COUNCIL MEMBER FIDLER: I'm waiting

COUNCIL MEMBER FIDLER: I, I, you

25 know.

2	STUART KLEIN: There's about
3	[pause] in Fiscal Year 2008, '9, it was \$802
4	million; in Fiscal Year '10 it was \$841; in Fiscal
5	Year '11, it was \$846 million, and that's after
6	taking out the "block the box."
7	COUNCIL MEMBER FIDLER: So, all
8	right, so, then, then my eyes do in fact deceive
9	me, we are continuing to collect more fine revenue
LO	every year, it's just that, you know, we got, you
11	know, piggy eyes here and thought we were going to
L2	get a lot more from the "block the box" program.
13	STUART KLEIN: Yes.
L4	COUNCIL MEMBER FIDLER: So fine
15	revenue is in fact up about \$40 million.
L6	STUART KLEIN: Something like that.
L7	COUNCIL MEMBER FIDLER: Thank you,
L8	Stu.
L9	STUART KLEIN: You're welcome.
20	CHAIRPERSON RECCHIA: Recognize
21	Gale Brewer from Manhattan.
22	COUNCIL MEMBER BREWER: I just want
23	to get a clarification 'cause I know people are
24	interested in the Health Trust Fund, and how much
25	is in it. And how it will be allocated.

2	STUART KLEIN: There, there's about
3	\$2.5 billion in the Fund. This year, in addition
4	to our normal PAYGO contribution, which is about,
5	between a billion-and-a-half and a billion-six.
6	CHAIRPERSON RECCHIA: Could you
7	speak into the microphone?
8	STUART KLEIN: Sure. In addition
9	to our normal retiree healthcare contribution,
LO	we're using about \$400 million out of the Fund.
11	This was money that was budgeted back a few years
12	ago, when the stock market really took a dive.
L3	And we used it to offset some of our pension
L4	losses. Over the three years, there's about a
L5	billion dollars that's being used from the fund.
L6	CHAIRPERSON RECCHIA: Okay. All
L7	right, seeing no further questions, call the roll,
18	please. We're voting on the transparency
L9	resolution, the expense mod and the revenue mod.
20	Call the roll, please.
21	CLERK: William Martin, Committee
22	Clerk, roll call on the Committee on Finance.
23	Council Member Recchia.
24	CHAIRPERSON RECCHIA: I'm
2.5	encouraging all my members to vote ave. Ave.

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2 CLERK: Rivera.

COUNCIL MEMBER RIVERA: Because of your encouragement, I vote aye.

CLERK: Reyna. [pause] Brewer.

COUNCIL MEMBER BREWER: I vote aye, and will thank, I assume, the many people later on, when we speak from the floor. But there are many people to thank for this budget.

CLERK: Comrie.

COUNCIL MEMBER COMRIE: I want to congratulate Chairman Recchia on his stewardship as Finance Chair, and has truly taken us in a very positive direction during a different, difficult I want to thank the entire Finance staff. time. I'm not going to wait till the, till the meeting, I'm going to say thank yous now. This was a very difficult budget. I want to thank the, my Queens Delegation members for not being afraid to speak and be passionate about the issues and concerns, and I want to thank all of the people that, that expressed their personal convictions and passions to me during this difficult budget. I want to thank Speaker Quinn and all of the, all of her legislative team, Chuck Meara, Chief of Staff, and

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Thank you.

Ramon Martinez, and all of the people that worked on this budget. And especially again the Finance Staff. Without their detailed breakdown and their investigative capabilities, I think that our budget would've been much different. And it was truly a yeoman effort on behalf of the Finance staff to make sure that we understood all of the options that were available to us, all of the details that we needed to deal with, and all of the things that we were most passionate about, how we could fix them in a proper manner. I'm--I am pleased to say that I am voting on this budget despite the fact that it's not, we're in a difficult fiscal time, we are getting our budget done on time. Vote aye.

CLERK: Fidler.

COUNCIL MEMBER FIDLER: I'll, I'll save my thank yous for the floor, where it makes better TV. I was going to vote, I was going to vote yes, but since my friend the Finance Chairman asked me to vote "aye," I'll vote aye.

CLERK: Foster.

COUNCIL MEMBER FOSTER: Aye on all.

1	COMMITTEE ON FINANCE 24
2	CLERK: Jackson.
3	COUNCIL MEMBER JACKSON: Aye on
4	all.
5	CLERK: Koppell.
6	COUNCIL MEMBER KOPPELL: [off mic]
7	Aye.
8	CLERK: Vann.
9	COUNCIL MEMBER VANN: Aye.
10	CLERK: Mealy.
11	COUNCIL MEMBER MEALY: Aye. I want
12	to thank Domenic Recchia, our leader, from
13	Brooklyn, a great job with the Finance and all the
14	whole Finance staff. And our budget negotiation
15	for Brooklyn, thank you so much. And I vote aye.
16	CLERK: Ferreras.
17	COUNCIL MEMBER FERRERAS: I vote
18	aye.
19	CLERK: Cabrera.
20	COUNCIL MEMBER CABRERA: Aye.
21	CLERK: Koslowitz.
22	COUNCIL MEMBER KOSLOWITZ: Aye.
23	CLERK: Van Bramer.
24	COUNCIL MEMBER VAN BRAMER: Aye.
25	CLERK: Ignizio.

Next we're going to have School Construction

2	Authority, if the School Construction Authority,
3	if you could please come on up and have a seat
4	right here in the front row. We will be dealing
5	FEMALE VOICE: [off mic] And the
6	DOE is here.
7	CHAIRPERSON RECCHIA:and the
8	DOE. So, we're going to do
9	FEMALE VOICE: [off mic] The
10	amendments to the five year
11	CHAIRPERSON RECCHIA: The
12	Amendments to the Five Year Capital Plan and
13	Community Development Plan.
14	FEMALE VOICE: And the Executive
15	Capital.
16	CHAIRPERSON RECCHIA: And the
17	Executive Capital Budget. [pause, background
18	noise] All right, one thing at a time, we're
19	doing this. I can't deal with[pause, background
20	noise] Okay. This is for the Amendment to the
21	Five Year Plan, the Community Development Plan,
22	the Executive Capital Budget Plan. We have the
23	School Construction Authority, we have Deputy
24	Chancellor Kathleen Grimm here, welcome. Ms.
25	Grillo, welcome. Do you have a prepared

we took the time to work very closely with Council

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staff to work out an M--a new MOU, which was signed today. And in it, it was signed by the Chancellor and the Speaker, of course, and the Mayor. We agreed to a couple of things, mostly more transparency, more information on the web. For example, we will put on the web better explanations of sites that we have looked at and found not to be appropriate siting locations for a school, and we'll give the full explanation of that. We're also going to put on the web and of course we'll share with the Council Members information, in terms of an inventory and the use of various rooms in our school buildings, about which there has been a lot of conversation this We also agree, as we did in their prior MOU, to meet several times a year with the borough delegations. And to accept from the borough delegations any lists they might have of sites if they want us to explore in their boroughs, and of course we'll report back.

CHAIRPERSON RECCHIA: Does any
Member have any question on the Five Year Capital
Plan for School Construction Authority? Yes, I
recognize Gale Brewer from Manhattan.

2	COUNCIL MEMBER BREWER: Thank you,
3	Mr. Chair. Does that include also as part of the
4	MOU, 'cause we haven't seen it, when you have
5	schools with many different, or buildings with
6	many different schools, and you get an allocation
7	that is toward the building, does it include how
8	that building works with the different principals
9	and divides up the allocation? Something that
LO	gives a campus wide information, regarding how
11	that money's being spent?
12	KATHLEEN GRIMM: No, it, it
13	doesn't, it really only addresses sort of the
L4	issues that we look at in terms of capital
L5	construction. Certainly that's
L6	COUNCIL MEMBER BREWER: So not
L7	renovation, more construction, is what you're
L8	saying.
L9	KATHLEEN GRIMM: Yes. And what
20	you're talking about we'll be happy to talk to you
21	about that more, are situations where we have co-
22	locations of schools, and we have building
23	councils, and we have a footprint that our space
2.4	planners look at. and we have to allocate space

along with the principals.

2	COUNCIL MEMBER BREWER: Okay, so
3	it's more towards the old, the new buildings.
4	KATHLEEN GRIMM: Correct.
5	COUNCIL MEMBER BREWER: Okay.
6	Thank you, thank you, Mr. Chair.
7	CHAIRPERSON RECCHIA: I also want
8	to recognize Ross Holden, the General Counsel.
9	Welcome. Without recognizing any more questions,
10	on the School Construction Five Year Capital Plan,
11	okay, since there are no further questions before
12	we call the roll, I would just like, we're voting
13	on the Capital Amendment, the Community
14	Development Plan and the Executive Capital Budget.
15	If any Member has any conflict, please make the
16	disclosure on the record, before you vote. Okay?
17	So if you have any conflicts with Department of
18	Ed, you must disclose on the record. Okay? I
19	just want to thank the Department of Education for
20	working with us on the MOU, we look forward to
21	working with you in the future. It's something
22	that's been long in the making, and a lot of
23	Council Members now will see what projects are.
24	FEMALE VOICE: Good. [laughter]
25	CHAIRPERSON RECCHIA: Without

2	always have to be wondering what's happening. And
3	it's going to take a lot of work and School
4	Construction Authority is very, be very, very
5	helpful. [background noise] Oh, okay, we're
6	going to call the roll, we're voting on Capital
7	Amendment, the Community Development Plan and the
8	Executive Capital Budget Plan. Call the roll,
9	please.
10	CLERK: Recchia.
11	CHAIRPERSON RECCHIA: Before I
12	vote, I'd like to disclose that there is money in
13	this budget that will be giving to public schools
14	that my children attend, and that I want to make
15	it on the record that there, these schools will be
16	getting money, and I disclose that on the record,
17	and I also would encourage all my colleagues to
18	vote aye or yes. Okay, so I vote aye.
19	CLERK: Rivera.
20	COUNCIL MEMBER RIVERA: I vote aye.
21	CLERK: Reyna.
22	COUNCIL MEMBER REYNA: [off mic] I
23	vote aye.
24	CLERK: Brewer.
25	COUNCIL MEMBER BREWER: I vote aye,

24 Jackson. CLERK:

25 COUNCIL MEMBER JACKSON: I have to

2	own budget, but it seems across the City so many
3	hundreds of school aids are being laid off, and
4	our schools need them, and we really feel for
5	these people in our communities. So we'd like to
6	have a conversation with that after this budget,
7	to see what could be done.
8	KATHLEEN GRIMM: We'd be more than
9	happy to do that, I just would remind the
LO	Committee that of course the SAPIS workers are
11	dependent on State funding that has been cut.
12	CHAIRPERSON RECCHIA: Yes, I know.
13	KATHLEEN GRIMM: As you know.
L4	CHAIRPERSON RECCHIA: Okay, we know
L5	that. Thank you very much, Deputy Chancellor.
L6	Okay. The next, we are going to do the Expense
L7	Revenue Contract Budget. [pause, background
18	noise] Okay. On the Expense Revenue Contract
L9	Budget, does any Member have any question?
20	Without seeing any questions, call the roll
21	
	please.
22	please.  CLERK: Recchia.
22	
	CLERK: Recchia.

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1	COMMITTEE ON FINANCE 36
2	CLERK: Reyna. [pause] Brewer.
3	COUNCIL MEMBER BREWER: Aye.
4	CLERK: Comrie.
5	COUNCIL MEMBER COMRIE: Aye.
6	CLERK: Fidler.
7	COUNCIL MEMBER FIDLER: [off mic]
8	Yes.
9	CLERK: Foster.
10	COUNCIL MEMBER FOSTER: Yes.
11	CLERK: Jackson.
12	COUNCIL MEMBER JACKSON: Aye.
13	CLERK: Koppell.
14	CHAIRPERSON RECCHIA: What?
15	[laughter] The, the expenseyou have to speak
16	into the mic to get on the record. Right up
17	COUNCIL MEMBER KOPPELL: I would
18	like an explanation of what this budget includes,
19	to know whether I have to indicate a conflict.
20	CHAIRPERSON RECCHIA: Okay, this,
21	do you want to address that?
22	MALE VOICE: We're, excuse me,
23	we're voting on the Expense Budget for the year
24	which includes two restwo resolutions, Reso, I'm
25	sorry, Schedule A, which is the Expense Budget;

2	Reso B, which is the contract budget; and Schedule
3	C, which is not part of the vote, is a supporting
4	schedule, which has been, as you know, available
5	online for the last roughly 20 hours.
6	COUNCIL MEMBER KOPPELL: Mr.
7	Chairman, as in the past, I just, I suspect that
8	I haven't seen this item, but I suspect that the
9	American Ballet Theater may be receiving moneys in
10	our allocations. My sister is an employee of the
11	American Ballet Theater. That's the only conflict
12	that I'm aware of, and I wish to disclose it. I
13	vote aye.
14	CLERK: Vann.
15	COUNCIL MEMBER VANN: I vote aye.
16	CLERK: Mealy.
17	COUNCIL MEMBER MEALY: I vote aye.
18	CLERK: Ferreras.
19	COUNCIL MEMBER FERRERAS: I vote
20	aye.
21	CLERK: Cabrera.
22	COUNCIL MEMBER CABRERA: I vote
23	aye.
24	CLERK: Koslowitz.
25	COUNCIL MEMBER KOSLOWITZ: I vote
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We just have to go back and before, okay, I, number one, have a conflict, I'd like to recognize on the record, that there is money being given, expense money given to public schools in New York City and other schools, and my children's schools are included, I would like to make that disclosure to my children's schools. I recognize Lew Fidler,

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+ hon	$C \cap I \cap$	Brewer.
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2 3 COUNCIL MEMBER FIDLER: Actually, 4 Mr. Chairman, I would like to disclose a number of 5 things, which are all contained on the form that I have filed. Is that sufficient for the record, 6 7 Counsel? All right, and so rather than go 8 through, I think seven different items for me and Members of my staff, I'll rely on the written 9 10 disclosure. 11 CHAIRPERSON RECCHIA: Okay, Gale 12 Brewer. 13 COUNCIL MEMBER BREWER: Thank you. I teach at Hunter College, that's the disclosure, 14 15 and my husband's a part-time lecturer at New York 16 Historical Society. Thank you. 17 CHAIRPERSON RECCHIA: Recognize Council, Majority Leader, Council Member Leroy 18 19 Comrie. 2.0 COUNCIL MEMBER COMRIE: Again, my 21 children attend public schools and so therefore--22 and my wife also works at, for CUNY at York 23 College--and so therefore I have to note that for 24 the record.

CHAIRPERSON RECCHIA: Okay.

Any

2	more disclosures by any Finance Members? Al Vann?
3	COUNCIL MEMBER VANN: Yeah, since
4	we're all confessing that is, yeah, I have seven
5	grandchildren that are all in public schools
6	CHAIRPERSON RECCHIA: God bless.
7	[laughter]
8	COUNCIL MEMBER VANN:at this
9	time, and I don't know if any money's going to
10	those schools, but I want the world to know I got
11	seven grandchildren now in public schools. Their
12	parents went to public schools, my daughters went
13	to public schools. I'm committed to the public
14	schools, and I want everyoneno, no. [laughter]
15	I just wanted
16	CHAIRPERSON RECCHIA: All right, Al
17	Vann!
18	COUNCIL MEMBER VANN: Just
19	disclose.
20	CHAIRPERSON RECCHIA: Okay. Did we
21	call the roll? We're all finished with calling
22	the roll?
23	MALE VOICE: I'd just like to add
24	that when we're done, I may be needing some of the
25	mental health services that are being funded in

23 questions? Without no questions, call the roll. Gale Brewer always has a question. Recognize Gale 24

Brewer from Manhattan.

must be serious, Chuck. [laughs] Not, no

22

25

2	COUNCIL MEMBER BREWER: Thank you.
3	I guess I want to understand just quickly one more
4	time, the number two, we've got one, two, three
5	and four, I think we've all memorized the tax
6	categories.
7	CHAIRPERSON RECCHIA: The classes,
8	the different classes.
9	COUNCIL MEMBER BREWER: Correct.
10	And my question is, to be sure for the renters in
11	our district, there will not be any impact. If I
12	could just understand that one more time.
13	EMRA ADEV: The, the impact will be
14	that the, the rates will change from, from this,
15	from this current fiscal year, fiscal '10 to
16	fiscal '11. What won't, won't have any impact is
17	we had, back on the, I believe it was the, the
18	ninth, we voted to ask the State Legislature to
19	pass a 2.5 percent cap bill, which, changing the,
20	the class share cap has no impact on, on the bill.
21	But this, there's, these are State formulas that
22	there's nothing we can do to kind of change the
23	impact it'll have on, on class II properties.
24	COUNCIL MEMBER BREWER: Okay, so
25	therethe answer to your question, my question,

1		COMMI	TTEE ON FINANCE 44
2		CLERK:	Reyna.
3		COUNCIL	MEMBER REYNA: [off mic]
4	Aye.		
5		CLERK:	Brewer.
6		COUNCIL	MEMBER BREWER: Aye.
7		CLERK:	Comrie.
8		COUNCIL	MEMBER COMRIE: Aye.
9		CLERK:	Fidler.
10		COUNCIL	MEMBER FIDLER: Aye.
11		CLERK:	Foster.
12		COUNCIL	MEMBER FOSTER: Aye.
13		CLERK:	Jackson.
14		COUNCIL	MEMBER JACKSON: Aye.
15		CLERK:	Koppell.
16		COUNCIL	MEMBER KOPPELL: [off mic]
17	Aye.		
18		CLERK:	Vann.
19		COUNCIL	MEMBER VANN: Aye.
20		CLERK:	Mealy.
21		COUNCIL	MEMBER MEALY: Aye.
22		CLERK:	Ferreras.
23		COUNCIL	MEMBER FERRERAS: Aye.
24		CLERK:	Cabrera.
25		COUNCIL	MEMBER CABRERA: Aye.

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Τ	COMMITTEE ON FINANCE 45
2	CLERK: Koslowitz.
3	COUNCIL MEMBER KOSLOWITZ: Aye.
4	CLERK: Van Bramer.
5	COUNCIL MEMBER VAN BRAMER: Aye.
6	CLERK: Ignizio.
7	COUNCIL MEMBER IGNIZIO: No.
8	CLERK: Oddo.
9	COUNCIL MEMBER ODDO: No.
10	CLERK: By a vote of 15 in the
11	affirmative, two in the negative and no
12	abstentions, item is adopted.
13	CHAIRPERSON RECCHIA: Okay. At the
14	end, all the Finance Members have to sign all the
15	documents from the votings. If you vote no, you
16	do not have to sign that bill.
17	FEMALE VOICE: [off mic] There's a
18	quick description of the
19	CHAIRPERSON RECCHIA: Okay.
20	FEMALE VOICE: [off mic]of the
21	911 bill.
22	CHAIRPERSON RECCHIA: Okay. Now,
23	we're going to vote on the 911 emergency telephone
24	system surcharge bill, Proposed Intro 214A-2010.
25	All right?

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1	COMMITTEE ON FINANCE 47
2	COUNCIL MEMBER RIVERA: Aye.
3	COUNCIL MEMBER BREWER: Lew, do you
4	want to
5	[pause, background noise]
6	CLERK: Brewer.
7	COUNCIL MEMBER BREWER: I vote aye.
8	I think that the VOIP, charging VOIP for VOIP is a
9	good idea. I'm not sure that it's much of a
10	revenue enhancer, because a hard line, landline
11	phones are going away, and some people are getting
12	VOIP, not a lot. Most people are just going to
13	cell. But it's a good concept, and I think people
14	who have VOIP should pay the tax. I vote aye.
15	CLERK: Comrie.
16	COUNCIL MEMBER COMRIE: Aye.
1 -	Graphy, p. 11

CLERK: Fidler. 17

18 COUNCIL MEMBER FIDLER: With

apologies to my fellow Skype users, I vote ay 19

20 CLERK: Foster.

21 COUNCIL MEMBER FOSTER: Aye.

22 Jackson. [pause] Koppell. CLERK:

COUNCIL MEMBER KOPPELL: [off mic] 23

24 Aye.

25 CLERK: Vann.

1	COMMITTEE ON FINANCE 48
2	COUNCIL MEMBER VANN: [off mic]
3	Aye.
4	CLERK: Mealy.
5	COUNCIL MEMBER MEALY: Aye.
6	CLERK: Ferreras.
7	COUNCIL MEMBER FERRERAS: Aye.
8	CLERK: Cabrera.
9	COUNCIL MEMBER CABRERA: Aye.
10	CLERK: Koslowitz.
11	COUNCIL MEMBER KOSLOWITZ: Aye.
12	CLERK: Van Bramer.
13	COUNCIL MEMBER VAN BRAMER: Aye.
14	CLERK: Ignizio.
15	COUNCIL MEMBER IGNIZIO: No.
16	CLERK: Oddo.
17	COUNCIL MEMBER ODDO: Yes.
18	CLERK: Reyna.
19	COUNCIL MEMBER REYNA: Aye.
20	CLERK: Jackson.
21	COUNCIL MEMBER JACKSON: Aye.
22	CLERK: By a vote of 16 in the
23	affirmative, one in the negative and no
24	abstentions, Introduction 214A is adopted.
25	[pause, background noise]

you, I have a question regarding the probation

25

2	service fees, as they, as they impact the
3	inspection on homes, and with regards to the
4	custody, that of who can answer that. Do we have
5	somebody?
6	CHAIRPERSON RECCHIA: Where's Andy?
7	Andy Gr
8	FEMALE VOICE: [off mic] Also have
9	four departmental , and Michael Ognavini
10	[phonetic] is available, too.
11	CHAIRPERSON RECCHIA: All right.
12	FEMALE VOICE: We have somebody
13	from
14	CHAIRPERSON RECCHIA: Andy, we have
15	a question from Council Member Vinnie Ignizio.
16	FEMALE VOICE: [off mic] We also
17	have some folks from
18	CHAIRPERSON RECCHIA: What? All
19	right, can you please repeat the question for our,
20	for Andy? Yeah, sit up next to Preston. Yes?
21	COUNCIL MEMBER IGNIZIO: Sure.
22	I'll start with the generic of, Can you explain
23	the genesis of the custody inspection fee and how
24	we got to where this bill is today?
25	ANDY: This bill is something that

the State Legislature has, in the past, given us
the authority to do, the City, the authority to
do, pass on probation fees to certain individuals.
And this is the first time that the City has
decided, as a way to generate some revenue, to
charge these probation fees to two different
classes of individuals. On one hand, people who
are on probation for DWI or DWI offenses, and also
in Family Court, individuals who are involved in
custody issues. In both instances, it's based on,
there's a fee schedule, but it also has the
ability to waive the fees for those who cannot
afford to pay them.

COUNCIL MEMBER IGNIZIO: And the, the fee schedule was set up by, by us? Is there, is there directives from the State which allows for, "Here's what you can charge" from where to where? And what is that fee schedule based on? Is it income? Is it, is it, you know, how do we get to that number?

ANDY: The fee schedule, I believe, was established by the City, in the local law that you have before you.

CHAIRPERSON RECCHIA: Okay, it's

5:00 o'clock.

month while someone is on probation for DWI or DUI, and then there's a range that people would pay who are in Family Court for custody cases, that ranges I think from about \$50 to \$500. So, it's a sliding scale, it'd be an average of about \$300, per payer, and again some people will not pay if they are in fact indigent and have an inability to do so.

COUNCIL MEMBER IGNIZIO: All right, okay, thank you very much. Mr. Chairman, I guess my concern, if you will, was the fact that we are coupling two very different issues here. An issue of allowing or mandating that those that are on probation for a DWI, or DUI, be combined with the fee structure for those that are seeking proper custody for their kids in a Family Court setting. I don't believe these bills ought have been put together. I don't believe these fees ought have been put together, and therefore I have serious concerns with allocating a fee onto those that may be, may have difficulty or maybe have issues in Family Court as it is, and now to turn around and

2	say, "Well, you should pay for the overall
3	inspection from the City, to determine where the
4	best placement for a child is," I personally have
5	issue with that, and it concerns me greatly. I
6	may consider abstaining on the, on the bill
7	altogether if it can't be decoupled.
8	CHAIRPERSON RECCHIA: WeWe
9	recognize your, your concerns, but at this later
LO	hour, we wish that you would've informed us, prior
11	to today, and we would've been, the staff would've
L2	been delighted to work with you and see what we
L3	could've done to address your concerns. In the
L4	future, we ask if you have concerns like this, to
L5	please contact us ahead of time. Okay, call the
L6	roll, please. Any
L7	CLERK: Council Member Recchia.
18	CHAIRPERSON RECCHIA: Aye.
L9	CLERK: Rivera.
20	COUNCIL MEMBER RIVERA: I vote aye.
21	CLERK: Reyna.
22	COUNCIL MEMBER REYNA: [off mic]
23	Aye.
24	CLERK: Brewer.
25	COUNCIL MEMBER BREWER: Aye.

1	COMMITTEE ON FINANCE 54
2	CLERK: Comrie.
3	COUNCIL MEMBER COMRIE: Aye.
4	CLERK: Fidler.
5	COUNCIL MEMBER FIDLER: Yes.
6	CLERK: Foster.
7	COUNCIL MEMBER FOSTER: Yes, and
8	for the record, I need to disclocan I do that
9	now?
10	CHAIRPERSON RECCHIA: Yeah,
11	disclose it.
12	COUNCIL MEMBER FOSTER: Yes, for
13	the record, I need to disclose that we are funding
14	or giving money to SCAN New York, and my husband
15	works for SCAN.
16	CLERK: Jackson.
17	COUNCIL MEMBER JACKSON: Aye.
18	CLERK: Koppell.
19	COUNCIL MEMBER KOPPELL: [off mic]
20	Aye.
21	CLERK: Vann.
22	COUNCIL MEMBER VANN: Aye.
23	CLERK: Mealy.
24	COUNCIL MEMBER MEALY: Aye.
25	CLERK: Ferreras.

1	COMMITTEE ON FINANCE 55			
2	COUNCIL MEMBER FERRERAS: Aye.			
3	CLERK: Cabrera.			
4	COUNCIL MEMBER CABRERA: [off mic]			
5	Aye.			
6	CLERK: Koslowitz.			
7	COUNCIL MEMBER KOSLOWITZ: Aye.			
8	CLERK: Van Bramer.			
9	COUNCIL MEMBER VAN BRAMER: Aye.			
10	CLERK: Ignizio.			
11	COUNCIL MEMBER IGNIZIO: For the			
12	reasons previously mentioned, I abstain on this			
13	bill, and the coupling of these two issues. Thank			
14	you. [pause] So, yes, yes on the two andOh,			
15	I'm sorry, I, I should be somewhat more clear in			
16	FEMALE VOICE: Pull it together,			
17	Ignizio.			
18	COUNCIL MEMBER IGNIZIO: Yeah,			
19	yeah, we'll, we'll pull it together here.			
20	[laughs]			
21	CHAIRPERSON RECCHIA: Vinnie, just			
22	say aye on all.			
23	COUNCIL MEMBER IGNIZIO: [laughs]			
24	MALE VOICE: No.			
25	COUNCIL MEMBER IGNIZIO: No, no on			

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2	COUNCIL MEMBER ODDO: Learned
3	gentleman from Staten Island. I will abI'm
4	getting heckled here byI, I will abstain on
5	2010, and associate myself with the comments of my
6	learned colleague, Council Member Ignizio, and
7	vote yes on the other two items.
8	CHAIRPERSON RECCHIA: Okay, while

we're tallying that up, I just want to make two announcements. Those members who were not on Finance will now receive their packets. So, okay? And there was an additional terms and conditions that are not in--included in the printed version in the packets. It is a terms and condition dealing with the study on funding capital projects, that was handed out. Billy, do we have a total on that last vote?

CLERK: Yep. Final vote on the

Committee on Finance, Introduction 210A is adopted

by a vote of 15 in the affirmative, zero in the

negative and two abstentions. Introduction 23 and

236A are adopted by a vote of 17 in the

affirmative, zero in the negative and no

abstentions. Council Members, please sign all

Committee reports. Thank you.

58	COMMITTEE ON FINANCE	1
	CHAIRPERSON RECCHIA: All Council	2
	Members who voted aye, please sign all papers	3
	report. This concludes the Finance Hearing.	4
	[gavel]	5
	[pause until end]	6
		7

I, JOHN DAVID TONG, 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 July 15, 2010