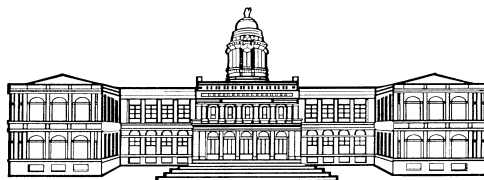


THE COUNCIL OF THE CITY OF NEW YORK

Finance Division



Hearing
on the Fiscal 2010 Executive Budget
for the
Taxi and Limousine Commission

May 13, 2009

Hon. Christine C. Quinn
Speaker

Hon. David I. Weprin
Chair, Committee on Finance

Hon. John C. Liu
Chair, Committee on Transportation

Preston Niblack
Director

Jeffrey Rodus
First Deputy Director

Jonathan Rosenberg
Deputy Director

Chima Obichere
Supervising Legislative Financial
Analyst

Taxi and Limousine Commission (156)

Agency Overview

The Taxi and Limousine Commission (TLC) establishes and enforces professional and uniform standards of for-hire car service and ensures public safety. Currently, TLC licenses and regulates 13,237 medallion taxicabs, 39,717 for-hire vehicles, 2,287 paratransit vehicles, 256 commuter vans and 101,564 drivers. The Commission regulates 28 taximeter shops, 25 taxicab brokers and 68 taxicab agents and sets fares charged by medallion taxicabs.

Expense Budget Highlights

The Taxi and Limousine Commission's budget is funded entirely with City tax-levy funds. The Fiscal 2010 Executive Budget for the Commission provides for operating expenses of \$29.6 million in City-tax levy funding, which represents an increase of \$853,000 or three percent when compared to the Fiscal 2010 Preliminary Budget. It includes \$240,000 in programs to eliminate the gap (PEG) and \$1 million in other adjustments.

	2008 Actual Expenses	2009 Adopted Budget	2010 Preliminary Budget	2010 Executive Budget
Spending				
Personal Services	\$20,396,260	\$21,872,744	\$22,634,134	\$22,865,565
Other than Personal Services	\$7,366,279	\$8,211,208	\$6,156,668	\$6,777,665
Total	\$27,762,539	\$30,083,952	\$28,790,802	\$29,643,230
Funding				
City	\$27,762,539	\$30,083,952	\$28,790,802	\$29,643,230
Total	\$27,762,539	\$30,083,952	\$28,790,802	\$29,643,230
Headcount				
Full-time Positions	370	404	404	404

Executive Budget Overview

The Commission's Fiscal 2010 Executive Budget contains \$231,000 in additional funding for collective bargaining and \$477,000 in accessible taxi funding that is rolled from Fiscal 2009 to Fiscal 2010. In addition, \$341,000 in OTPS funding for a comprehensive review of TLC rules (the Rules Project) is rolled from Fiscal 2009 to Fiscal 2010. The Rules Project is intended to comprehensively review the Taxi and Limousine Commission's rules with the aim of improving the quality of services provided by the Commission.

Units of Appropriation 001 and 002

Funding in these units of appropriation provides for administrative and operational positions and other than personal services costs within the Commission. The Commission's budget also includes associated costs for fringe benefits, judgment and claims, and pension costs, totaling \$11.9 million, which are appropriated in the miscellaneous budget.

	2008 Actual Expenses	2009 Adopted Budget	2010 Preliminary Budget	2010 Executive Budget
Spending				
001 – Personal Services	\$20,396,260	\$21,872,744	\$22,634,134	\$22,865,565
002 – OTPS	\$7,366,279	\$8,211,208	\$6,156,668	\$6,777,665
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Executive Budget Actions

- Fleet Related Expense Reduction.** Embracing an alternative savings proposal made by the City Council, OMB included in the November Plan lump sum reductions in City funds associated with a citywide fleet reduction. These lump sum reductions included \$20 million in Fiscal 2010 associated with the purchase of fewer vehicles, and \$2 million annually beginning in Fiscal 2011 associated with lowered vehicle maintenance costs. The Executive Plan now zeroes out this lump sum figure and apportions the savings throughout the City's many agencies. For the TLC, the Executive Plan shows a fleet reduction savings of \$25,000 in Fiscal 2009 and \$40,000 in Fiscal 2010 and the outyears.
- Collective Bargaining Adjustments.** The Executive Plan includes increases in City funds of \$110,000 in Fiscal 2009, \$231,000 in Fiscal 2010 and \$258,000 in Fiscal 2011 and the outyears for collective bargaining adjustments for various staff positions within the Commission. These funds are being transferred from the Labor Reserve in the Miscellaneous Budget to the Commission's budget to cover the costs associated with recent collective bargaining settlements. In addition, the November and January Plans included collective bargaining increases totaling \$488,000 in Fiscal 2009, \$921,000 in Fiscal 2010, and \$1 million in Fiscal 2011 and the outyears.

- **Accessible Taxi Roll.** In an effort to promote and encourage equal accessibility to yellow taxicabs, the Council allocated \$1.3 million, which was not baselined in the Fiscal 2006 Adopted Budget, to subsidize a Disabled Accessible Taxi program. Each year, the unspent portion of the allocation has been rolled over to the next year. In the Fiscal 2010 Executive Budget, the remainder of this funding (\$477,000) will be rolled over to Fiscal 2010 from Fiscal 2009.
- **TLC Contract and Rules OTPS Roll.** Tax-levy funding of \$314,000 in Fiscal 2009 will be rolled over to Fiscal 2010 to continue the implementation of a new initiative to comprehensively review the Taxi and Limousine Commission's rules with the aim of improving the quality of services provided by the Commission.
- **Heat, Light and Power.** The Department will receive an increase in funding for heat, light and power costs of \$15,000 in Fiscal 2009 and \$45,000 in Fiscal 2010 and the outyears.
- **Lease Adjustment.** Due to a funding re-estimate, TLC will receive \$26,000 for lease costs in Fiscal 2010 and the outyears.

Supplemental Tables

Executive Budget Actions

The following table summarizes changes to the Fiscal 2009 and 2010 budgets since the 2009 budget was adopted. The Non-City actions include State, Federal, Other Categorical, Intra-City and Capital Inter-Fund Agreement (IFA) funding changes.

Description	Fiscal 2009			Fiscal 2010		
	City	Non-City	Total	City	Non-City	Total
Agency Budget as per the January Plan	\$30,571	\$0	\$30,571	\$28,791	\$0	\$28,791
Executive Plan Programs to Eliminate the Gap (PEGs)						
Fleet Related Expenses	(\$25)	\$0	(\$25)	(\$240)	\$0	(\$240)
Total PEGs	(\$25)	\$0	(\$25)	(\$240)	\$0	(\$240)
Executive Plan New Needs						
Total New Needs	\$0	\$0	\$0	\$0	\$0	\$0
Executive Plan Other Adjustments						
Collective Bargaining	\$110	\$0	\$110	\$231	\$0	\$231
Accessible Taxi Roll	(\$477)	\$0	(\$477)	\$477	\$0	\$477
TLC Contract & Rules OTPS Roll	(\$314)	\$0	(\$314)	\$314	\$0	\$314
Heat, Light and Power	\$15	\$0	\$15	\$45	\$0	\$45
Lease Adjustment	\$0	\$0	\$0	\$26	\$0	\$26
Total Other Adjustments	(\$666)	\$0	(\$666)	\$1,093	\$0	\$1,093
Total Executive Plan Budget Changes	(\$691)	\$0	(\$691)	\$853	\$0	\$853
Agency Budget as per the Executive Plan	\$29,880	\$0	\$29,880	\$29,644	\$0	\$29,644

Summary of Changes Since June 2009 Plan

City Funds only, \$\$ 000's

	2009	2010	2011	2012	2013
June 2009 Plan	\$30,084	\$27,870	\$27,870	\$27,870	\$27,870
New Needs	-	-	-	-	-
Collective Bargaining	\$597	\$1,152	\$1,259	\$1,259	\$1,257
Other Adjustments	\$(776)	\$861	\$70	\$70	\$70
PEGs	(\$25)	(\$240)	(\$40)	(\$40)	(\$40)
Exec 2010 Plan	\$29,880	\$29,643	\$29,159	\$29,159	\$29,157