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The Public Ought to Know: Mayor's budget spares the ax in city election year

By Corey Bearak

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Not so unsurprisingly in an election year, Mayor Michael Bloomberg's preliminary budget plan released Jan. 27 appears to make a great effort to avoid pain. That means fewer service cuts and almost no tax hikes - well sort of. New Yorkers need to pay close attention, not only to what the budget includes but what to read between and outside the lines.

With the mayor and most City Council members seeking re-election and the term-limited seeking higher office - the participants in the budget process want to take credit for shaping the budget, saving or expanding popular programs and services, and reducing taxes.

Many Council members, advocates for seniors, youth, our libraries, community economic development and cultural programs and civic leaders may object to the mayor's excluding those and other services the Council funded last June from being included in the budget.

Bloomberg dismisses the upset caused by these cuts and he questions whether the Council wants to carry over these programs. Not only does the mayor exclude these specific programs, his budget fails to include the funding even in some miscellaneous fashion if he really believes the Council would not support youth, seniors, libraries, etc.

The libraries must plan as if the budget cuts will stand. They reduce hours at air-conditioned branches for the July 1 start of the new fiscal year when school is out and the heat is on. Restored fund increase hours and days of service in the fall. Does that make sense?

New York City definitely merits more support from Albany and Washington. The mayor seeks \$750 million in aid (\$500 million from the state; \$250 from the federal government). What if our city gets less or, worse, none of this aid? The shortfall would mean a big hole or "gap" in the city budget that would require expense cuts or new revenues.

The mayor also expects to wrench \$325 million in savings from the city workers' health plans and pensions. Nothing guarantees success here.

Bloomberg's revenue estimates might be conservative and greater city tax collections over the course of the next fiscal year could fill any gap from miserly state and/or federal actions, increased expense or other estimates gone awry. This year the collections exceeded expectations by \$951 million.

A typical alternative to taxes relies on fees that not all of the public faces. City prisoners would pay two bucks for haircuts, raising \$100,000. Those who drive to Yankee Stadium and Shea Stadium would pay 20 percent more to park, or \$12, up from the current \$10. Certainly many fans who drive to the ballgames do not live in the city. Thus, no vote, no pain felt by our pols.

Here's where it gets tricky. Among our city's most consistent voters are those who will be less likely to be angered when birth certificates fees get hiked. Our seniors. Alas, they might get ticked at the increase in death certificates but may also realize they'll not be around to pay if it involves them. The mayor expects the higher charges for both documents to realize \$10.6 million.

Until you get caught running a red light, will you object to doubling red light cameras to 100 citywide?? the Mayor's budget estimates this initiative will bring in \$13 million. Imagine, if city drivers became more law-abiding, the budget could face a small hole.

The labor reserve to cover possible settlements with city workers, including teachers, police officers, and firefighters, may fall short of actual settlements. Alternatively, delays in reaching a settlement with city workers

puts off until later an actual expense. No one should object to initiatives to influence good behavior. Any revenue gained ought to be incidental, not money to depend upon.

This election year budget (and just about every budget preceding) fails to achieve an important goal that ought to become a requirement. It does nothing to address the city's structural deficit. Each year the city spends more than it takes in.

While mandates like Medicaid imposed by the state play a role, the bottom line is the city needs to do better on recurring revenues. Look at the proposals in the latest Queens Civic Congress platform for some ideas involving the personal income tax and real property tax reform. Look at restoring the commuter tax but dedicate it to transportation and transit. Let the suburbs keep what their residents pay; the city can do rather well collecting its share from Connecticut, New Jersey and other out-of-staters.

Why avoid this in an election year? Perhaps we voters can make it part of the debate.

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