

THE COUNCIL OF THE CITY OF NEW YORK



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Hearing on the Fiscal Year 2013 Executive Budget

Board of Elections

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Board of Elections Fiscal 2013 Budget Overview

The Board of Elections (The Board or BOE) conducts, as specified by State Law, all elections within the City of New York. The Board has a central office and five borough offices. The Board receives and examines candidates' petitions, registers voters either by mail or on specified registration days, and keeps current the City's voter registration lists. The Board staff holds and keeps minutes of all of the Commissioners' meetings.

This report presents an analysis of the Board's Fiscal 2013 budget as proposed in the Executive Budget. A financial summary for the BOE is presented, along with a discussion of the Board's capital program. The report then identifies changes to BOE's budget proposed since Adoption.

BOE Financial Summary					
<i>Dollars in Thousands</i>	2011	2012	2012	2013	*Difference
	Actual	Adopted	Exec. Plan	Exec. Plan	2012 - 2013
Spending					
Personal Services	\$48,487	\$47,428	\$60,719	\$28,458	(\$18,969)
Full-Time Salaried – Civilian	15,646	19,487	22,478	9,517	(9,969)
Other Salaried & Unsalaries	25,752	25,390	25,690	16,390	(9,000)
Additional Gross Pay	193	89	89	89	0
Overtime - Civilian	6,698	1,292	1,292	1,292	0
Amounts to be Scheduled	0	1,146	11,146	1,146	0
Fringe Benefits	199	24	24	24	0
PS Other	(1)	0	0	0	0
Other Than Personal Services	\$54,387	\$52,260	\$71,619	\$44,132	(\$8,128)
Supplies and Materials	3,395	3,081	4,499	3,783	702
Property and Equipment	494	800	8,339	800	0
Other Services and Charges	21,275	23,460	24,037	17,129	(6,331)
Contractual Services	29,218	24,920	34,744	22,420	(2,500)
Fixed and Misc. Charges	5	0	0	0	0
TOTAL	\$102,874	\$99,688	\$132,338	\$72,590	(\$27,098)
Funding					
City Funds	NA	\$99,688	\$127,549	\$72,590	(\$27,098)
State	NA	0	3,731	0	0
Federal - Other	NA	0	1,058	0	0
TOTAL	\$102,874	\$99,688	\$132,338	\$72,590	(\$27,098)
Positions	341	319	319	323	4

**The difference of Fiscal 2012 Adopted compared to Fiscal 2013 Executive Plan funding.*

The Executive Plan total for Fiscal 2012 is significantly higher than the Fiscal 2011 actual expenditures due in large part to the April presidential primary and the statewide primary election set for June 2012. Because of the nature of elections, the BOE's budget varies significantly from year to year based on several variables, including the type of election (local, statewide,

congressional or presidential), implementation of new voter laws, and special elections and other changes in election scheduling, many of which occur mid-fiscal year.

In the Executive Budget, the BOE's contract budget for Fiscal 2013 totals \$22.4 million to support 37 contracts. Because the BOE is responsible for printing all ballots for elections held in the City, printing contracts represent 75.9 percent of its contract budget and 55.3 percent of all printing contracts citywide.

Spending for other salaried and unsalaried personnel totals \$16.4 million in Fiscal 2013 and includes expenditures for the Board's more than 30,000 poll workers.

BOE Fiscal 2013 Budget Shortfall

The Board's Fiscal 2013 Executive Budget of \$72.6 million is likely to be modified to include additional funding for the September 13th primary election for statewide offices and the November presidential election and general election for statewide offices. During the BOE's Preliminary Budget Hearing, the Board identified a projected \$50 million shortfall in its Fiscal 2013 budget. The Executive Plan does not address this shortfall. While BOE routinely identifies budget shortfalls, funding for any deficits are added to the Board's budget by the fiscal year's end. The details of the BOE Fiscal 2013 funding needs are itemized in Appendix 1.

Capital Program

Included in the Capital Plan for Fiscal 2012 and 2013 are planned commitments totaling \$14.4 million for BOE equipment and infrastructure. The majority of this funding (\$9.7 million) resides in a lump sum project line that operates as a holding code. Funding is transferred from this line as needs are identified. BOE capital projects identified in the Capital Plan include purchasing voter machines, call center upgrades, relocation of offices and additional warehouse space.

Budget Actions Since Adoption

The Fiscal 2013 November, Preliminary and Executive Plans decrease the Board's budget by \$3.6 million for Fiscal 2013. The decrease is the net result of multiple budget actions, most notably the BOE's November PEG program which reduces the Board's budget by \$5.1 million in Fiscal 2013.

<i>Dollars in Thousands</i>	FY 2012			FY 2013		
	City	Non-City	Total	City	Non-City	Total
BOE Budget as of FY12 Adopted Plan	\$99,688	\$0	\$99,688	\$76,595	\$0	\$76,595
Program to Eliminate the Gap (PEGs)						
PS Reduction	(\$2,162)		(\$2,162)	(\$5,067)		(\$5,067)
TOTAL, PEGs	(\$2,162)	\$0	(\$2,162)	(\$5,067)	\$0	(\$5,067)
New Needs						
Additional 2012 Election Needs	\$1,040		\$1,040			\$0
June Presidential Primary Election	23,000		23,000			0
Special Election	840		840			0
Foreign Language Translation Staff			0	138		138
PS Deficit	5,000		5,000			0
TOTAL, New Needs	\$29,880	\$0	\$29,880	\$138	\$0	\$138
Other Adjustments						
Lease Adjustment			\$0	\$548		\$548
Heat Light & Power Adjustment	(10)		(10)	16		16
Fringe Offset	153		153	360		360
Federal Funding		1,058	1,058			0
State		3,731	3,731			360
TOTAL, Other Adjustments	\$143	\$4,789	\$4,932	\$924	\$0	\$1,284
TOTAL, All Changes	\$27,861	\$4,789	\$32,650	(\$4,005)	\$0	(\$3,645)
BOE Budget as of FY13 Exec Plan	\$127,549	\$4,789	\$132,338	\$72,590	\$0	\$72,950

Programs to Eliminate the Gap (PEGs)

- Personal Services (PS) Reduction.** The 2011 November Plan included a PEG to reduce personal services spending by \$2.2 million in Fiscal 2012 and \$5.1 million in Fiscal 2013 and in the outyears. The BOE has indicated that this PEG would not be achieved.

New Needs

- Presidential Primary Election.** New York had its presidential primary on April 24, 2012 and only registered republicans voted. The Fiscal 2012 Executive Plan includes \$23.9 million in Fiscal 2012 to conduct the presidential primary, an amount based on expenditures for the 2008 presidential primary.
- Special Election Funding.** The Preliminary Plan included \$840,000 for the special election in the 27th Senatorial District held in March 2012. The BOE is conducting a hand count to determine the winner. With over 22,000 votes cast, the candidates were separated by 27

votes which, according to BOE protocol, triggered an automatic hand recount. The original cost of the election was approximately \$750,000, but the recount will significantly increase the total cost of the election. The hand recount will also give the BOE an opportunity to measure the accuracy of the new electronic voting machines.

- ☑ **Additional 2012 Election Needs.** After the BOE identified a \$4.14 million shortfall for various needs associated with elections held in the first half of Fiscal 2012, the Preliminary Plan provided an additional \$ 1.04 million for the current fiscal year.
- ☑ **Primary Election U.S. Congress.** The Preliminary Plan included \$23 million for primary elections for congressional offices set for June 26, 2012.
- ☑ **Foreign Language Translation Staff.** In the Executive Plan, the BOE has identified a new need of \$138,000 annually beginning in Fiscal 2013 for four new foreign language translation positions. The Board currently employs two full-time administrative assistants as translators for three languages - Spanish, Chinese, and Korean - at an annual cost of \$255,954 per year. The Board of Elections spends about \$1 million annually providing foreign language services and ballots.
- ☑ **Personal Service (PS) Deficit.** The Executive Plan includes \$5 million in the current fiscal year to fund an anticipated PS deficit.

Appendix 1: BOE Fiscal 2013 Funding Needs:**Personal Services**

Fulltime Staff Payroll	\$14,400,000
Poll Worker	\$9,700,000

OTPS

Cumulative PEG Restoration	\$8,800,000
ES&S (Voting Assistance)	\$5,056,800
Dominion (Voting Assistance)	\$280,000
Scanner Parts, Seals - Election Testing	\$258,000
Poll Site and Training Site Increase	\$400,000
Transportation	\$1,750,000
Public Education	\$1,000,000
Election Night Reporting	\$400,000
Information hotline	\$106,000
Printing	\$900,000
IT Services	\$2,314,000
Reimbursable Grant Funding	\$4,500,000

Total Budget Shortfall	\$49,864,800
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