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**Report on the Fiscal 2023
Preliminary Plan and the Fiscal 2022
Mayor's Management Report for the
Board of Elections**

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(Report prepared by Sebastian Palacio Bacchi)

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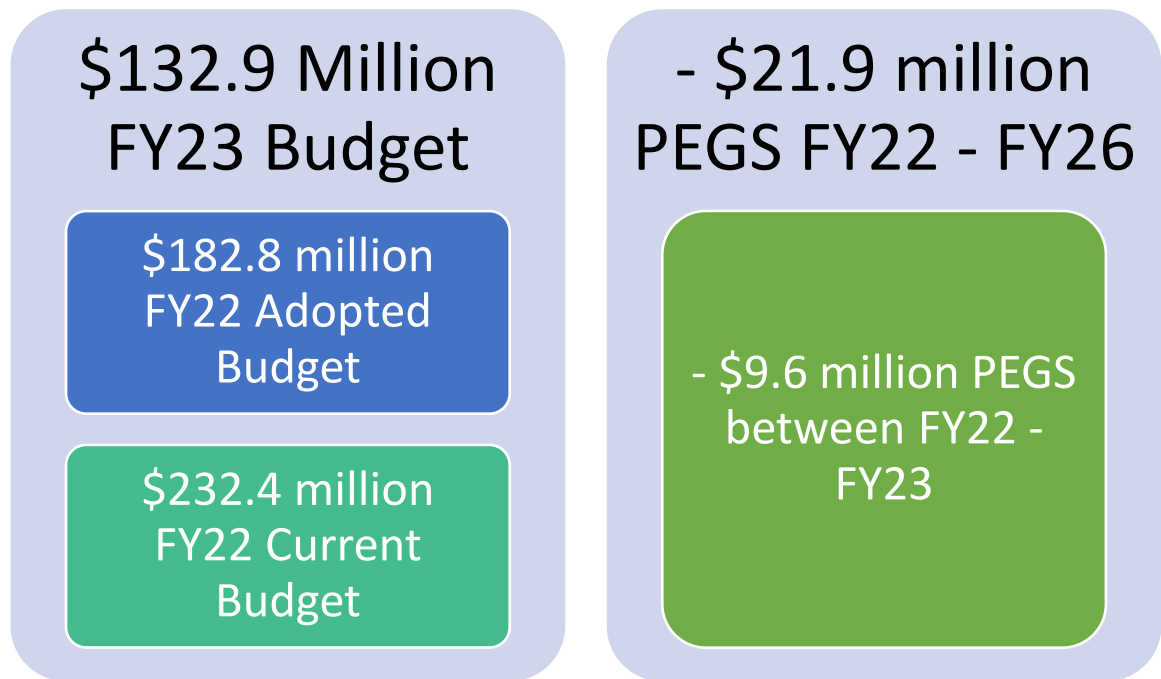
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Board of Elections Fiscal 2023 Budget Snapshot



Board of Elections Financial Plan Overview

The Board of Elections (BOE) conducts, as specified by State law, all elections within the City of New York. The BOE is an administrative body of ten Commissioners, two from each borough, upon the recommendation by both political parties and then appointed by the City Council for a term of four years. The Board has a central office and five borough offices. The BOE's activities include administering all elections within the City of New York; receiving and examining candidates' petitions; registering voters, either by mail or on specified registration days; and keeping current the City's voter registration lists. The Board's Fiscal 2023 budget is less than one percent of the City's entire Fiscal 2023 Preliminary Budget. Additionally, the Board's Program to Eliminate the Gap (PEG) savings, totaling \$21.9 million across the five-year plan period, equate to three percent of its City-funded budget, in line with the PEG target set by the new Administration.

Financial Plan Summary

The Board of Elections (BOE) Fiscal 2023 Preliminary Budget totals \$132.9 million, including \$61.1 million in Personal Services (PS) funding to support 517 full-time (FT) positions and 165 full-time equivalent (FTE) positions. The entirety of BOE's Fiscal 2023 budget is financed through City tax-levy funding, as is the rest of the five-year plan period. The Board's budget is subdivided into two Units of Appropriation (U/As), which include one for PS and one for Other Than Personal Services (OTPS)¹.

¹ Units of Appropriation are the subdivisions of the City Expense Budget that the City Council votes upon.

BOE Financial Summary						
<i>Dollars in Thousands</i>	FY20	FY21	FY22	Preliminary Plan		**Difference
	Actual	Actual	Adopted	FY22	FY23	FY23-FY22
Personal Services						
Additional Gross Pay	\$368	\$363	\$89	\$96	\$89	\$0
Full-Time Salaried	35,695	43,528	39,584	39,515	30,155	\$(9,429)
Unsalaries & Other Salaried	39,938	47,088	45,156	65,312	21,387	\$(23,769)
Overtime - Civilian	11,507	12,335	11,500	11,500	8,327	\$(3,173)
P.S. Other	227	179	1,170	1,390	1,170	\$0
SUBTOTAL	\$87,735	\$103,493	\$97,499	\$117,813	\$61,128	\$(36,371)
Other Than Personal Services						
Contractual Services	\$46,251	\$46,544	\$29,064	\$39,936	\$29,064	\$0
Fixed & Misc. Charges	16	27	0	0	0	\$0
Other Services & Charges	44,308	45,941	48,244	37,777	34,731	\$(13,513)
Property & Equipment	34,515	30,779	4,009	15,485	4,009	\$0
Supplies & Materials	9,267	4,073	3,999	21,416	3,999	\$0
SUBTOTAL	\$134,357	\$127,364	\$85,316	\$114,614	\$71,803	\$(13,513)
TOTAL	\$222,092	\$230,857	\$182,815	\$232,427	\$132,931	\$(49,884)
Funding						
City Funds			\$182,815	\$221,119	\$132,931	\$(49,884)
State Funds			0	11,308	0	\$0
TOTAL	\$222,092	\$230,857	\$182,815	\$232,427	\$132,931	\$(49,884)
Budgeted Headcount						
Full-Time Positions - Civilian	682	724	517	517	517	0

**** The difference of Fiscal 2022 Adopted Budget compared to Fiscal 2023 Preliminary Budget**

BOE's Fiscal 2023 Preliminary Budget totals \$132.9 million, including \$61.1 million in PS funding to support 517 FT positions. The Board's Fiscal 2023 budget is \$49.9 million less than its Fiscal 2022 Adopted Budget of \$182.8 million. This decrease is due entirely to the fact that BOE's Fiscal 2023 budget has yet to receive funding that would accurately reflect its operating costs associated with funding citywide elections. Furthermore, its current year budget totals \$232.4 million, and is \$49.6 million higher than its Fiscal 2022 Adopted Budget. This is due to the fact that the Preliminary Plan adds \$42.9 million in new needs in the current fiscal year, the vast majority of which is allocated to cover expenses associated with Early Voting in the November 2021 Citywide Election and other Special Elections that have occurred this fiscal year. The Office of Management and Budget (OMB) has stated that the BOE's current year budget is an accurate reflection of its expenses, and does not anticipate the Board needing additional funding in the current fiscal year. Lastly, the Board also generated savings of \$21.9 million across the five-year plan period, generating savings of \$5.5 million in Fiscal 2022 and \$4.1 million in Fiscal 2023. This will be discussed in greater detail in the following section of this report. For additional information regarding budgetary actions that have occurred since the Fiscal 2022 Adopted Budget, please refer to Appendix A.

Fiscal 2023 Preliminary Budget Changes

This section will provide an itemized list of significant budget actions that impact the budget of the BOE as of the release of the Fiscal 2023 Preliminary Plan. It should be noted that no budget actions occurred in the November 2021 Financial Plan.

New Needs

The Fiscal 2023 Preliminary Plan includes new needs of \$42.9 million for the BOE, which include the following.

- **Election Funding.** The Plan includes one-time new needs of \$42.9 million in Fiscal 2022, which are adjustments to BOE's current year budget to reflect Early Voting expenses incurred in the November Citywide Election, and takes into account the Special Elections that have occurred so far in the current fiscal year. OMB has stated it is confident the BOE will not need additional funding in the current fiscal year to meet its operational needs.
- **Vaccine Incentive.** The Plan includes one-time new needs of \$7,000 in Fiscal 2022 for vaccine incentives. This is part of the City's initiative to grant City workers \$500 each for getting the COVID-19 vaccine between the announcement of the vaccine mandate and the deadline to be vaccinated during the last Administration.

Other Adjustments

The Fiscal 2023 Preliminary Plan includes other adjustments of \$12.2 million in Fiscal 2022, which include the following.

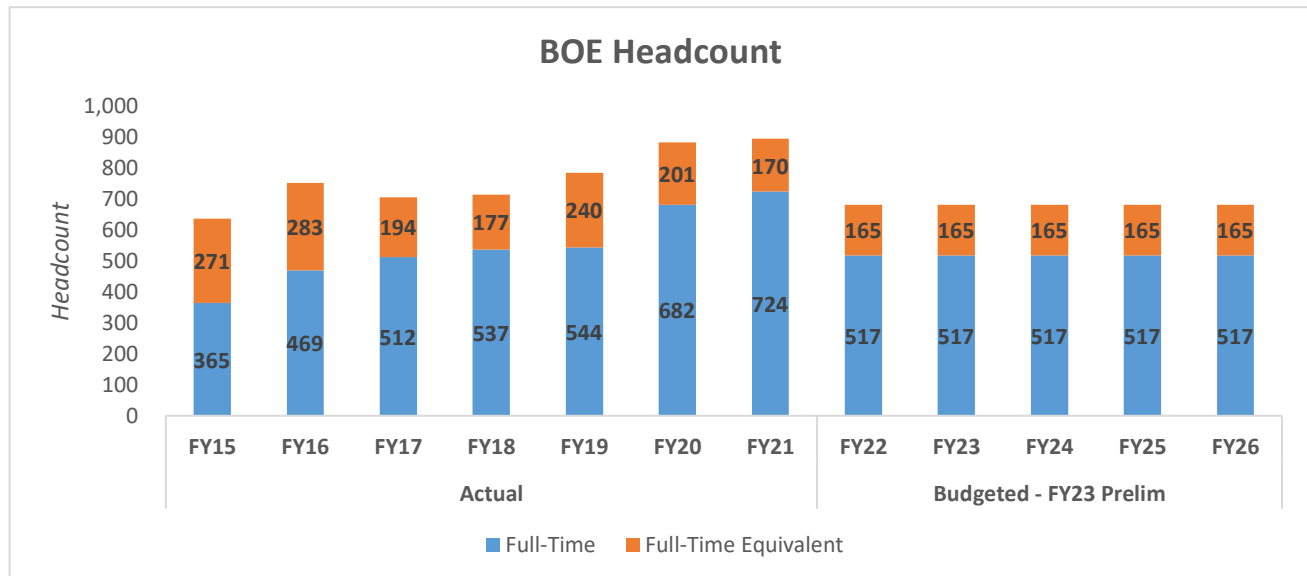
- **Cybersecurity Needs.** The Plan includes \$2.4 million in State funds in Fiscal 2022 to provide additional funding to meet and enhance the BOE's cybersecurity needs as it relates to the cyber-protection of the citywide election process.
- **Lease Adjustment.** The Plan includes \$891,000 in Fiscal 2022 to reflect increased operating costs associated with eleven Early Voting locations used during the November Citywide Election.
- **TIER Grant.** The Plan includes \$8.3 million in Fiscal 2022 from the Technology Innovation for Election Resources (TIER) grant received from New York State to further upgrade the Board's computer systems and provide additional enhancements to its cybersecurity infrastructure.

PEG Savings

The Fiscal 2023 Preliminary Plan includes savings of \$21.9 million across the five-year plan period, which includes the following.

- **PS Savings.** The BOE will generate budgetary savings of \$5.5 million in Fiscal 2022 and baselined savings of \$4.1 million beginning in Fiscal 2023, totaling \$21.9 million across the five-year plan period. According to OMB, these savings originated from the BOE's poll worker budget in order for the Board to meet its PEG target of three percent. It should be noted that this was a savings target issued by the new Administration, which required all City agencies, with the exception of the Department of Health and Mental Hygiene (DOHMH), the Health and Hospitals Corporation (H+H), the Department of Correction (DOC), and the Office of the Chief Medical Examiner (OCME), to achieve savings that was equivalent to three percent of its City-funded budget in Fiscal 2022, Fiscal 2023, and the outyears.

Headcount



In the Fiscal 2023 Preliminary Plan, the BOE's PS Budget includes \$61.1 million to support 517 FT positions and 165 FTE positions. As of December 2021, the Board actually employed 203 more FT staff than its budgeted amount. The number of actual FT positions at BOE has risen over the past several fiscal years, while actual FTE positions have fallen. This represents a conversion of part-time positions to full-time positions. It should also be noted that these headcount figures do not include the poll workers that work poll sites on Early Voting and election days, which total over 30,000. For additional information regarding the BOE's headcount, please refer to Appendix B.

Fiscal 2023 Preliminary Mayor's Management Report

The Preliminary Mayor's Management Report (PMMR) for Fiscal 2022 was released in February 2022, and contains information regarding City agencies/offices that allow the public to better understand how NYC programs are performing. The Board's PMMR report includes numerous metrics which provide information on elections, such as voter turnout, voter complaints regarding poll workers, among others. Although the Board's PMMR report contains valuable information, none of the metrics include a target, which makes the long-term analysis of these metrics difficult. Additionally, the report does not include explanations for increases or decreases in its metrics. This is problematic, as it does not provide specific information regarding the context of these metrics. The BOE should strive to include these explanations within its metrics in order to provide additional transparency on its operations. Some notable performance metrics provided by the BOE in the Fiscal 2022 PMMR include the following.

- Poll Worker Performance.** Voter complaints regarding poll worker performance decreased from 480 in Fiscal 2020 to 256 in Fiscal 2021. Similarly, poll worker attendance on election day has increased from 94.8 percent in Fiscal 2020 to 96.3 percent in Fiscal 2021. In recent years, the BOE has made it a priority to increase poll worker participation in NYC elections, as well as improve their performance.

For additional information regarding the BOE's Fiscal 2022 performance metrics, please refer to the Fiscal 2022 Preliminary Mayor's Management Report found here:

https://www1.nyc.gov/assets/operations/downloads/pdf/pmmr2022/2022_pmmr.pdf

Preliminary Capital Commitment Plan for Fiscal 2022 to Fiscal 2026

The BOE does not manage its own capital program. The Board of Election's capital program is included in the Fiscal 2022 – 2026 Capital Commitment Plan, and is located in the Public Buildings program area, which is managed by the Department of Citywide Administrative Services (DCAS). The BOE's capital program totals \$11.3 million between Fiscal 2022 – 2026 for numerous capital projects. These include \$260,000 for bathroom renovations at BOE offices in 345 Adams Street, \$549,000 for upgrades to BOE's call center, \$801,000 for an expansion to BOE's Brooklyn borough office, among other projects.

Budget Issues and Concerns

One of the largest issues in the Preliminary Plan, associated with the BOE, is that it does not accurately reflect the BOE's expenses associated with the cost of operating citywide elections for Fiscal 2023. Furthermore, the Fiscal 2023 New York State Executive Budget included a number of new proposals that is worth noting, as it related to BOE, which include the following.

- **10-Day Voter Registration Deadline.** The Fiscal 2023 Executive State Budget stated that Governor Hochul would amend State Law to lower the voter registration deadline from 25 days to 10 days before the election. According to proposed legislation, this action will take effect immediately.
- **Public Campaign Finance.** The Fiscal 2023 Executive State Budget mentioned the creation of a Public Campaign Finance (PCF) program, which will go into effect November 9, 2022. The PCF program establishes public financing to encourage candidates for public office to focus campaign efforts toward soliciting small donations from individual constituents rather than corporate interest groups. As such, the State will provide matching funds on the first \$250 of any qualifying donation. The Executive Budget commits to funding the State's matching portion, with estimated spending occurring for the first time in Fiscal 2024. Additionally, the Executive Budget provides \$3.2 million in additional funding for the State Board of Elections to support additional PCF staff and IT-related costs.
- **Election Reforms.** The Fiscal 2023 Executive State Budget continues to include capital funding in the amount of \$15 million to support the purchase of electronic poll books, \$16 million to create an online voter registration system, and \$25 million to support the acquisition of voting equipment.

Appendices

A. Budget Actions in the November and Preliminary Plans

<i>Dollars in Thousands</i>	FY22			FY23		
BOE Budget as of the Adopted 2022 Budget	City	Non-City	Total	City	Non-City	Total
	\$182,815	\$0	\$182,815	\$137,043	\$0	\$137,043
Total All Changes	0	0	0	0	0	0
BOE Budget as of the November 2021 Plan	\$182,815	\$0	\$182,815	\$137,043	\$0	\$137,043
New Needs						
Election Funding	42,890	0	42,890	0	0	0
Vaccine Incentive	7	0	7	0	0	0
Subtotal New Needs	\$42,897	\$0	\$42,897	\$0	\$0	\$0
Other Adjustments						
PS Savings	(5,484)	0	(5,484)	(4,111)	0	(4,111)
Cybersecurity Remediation	0	2,445	2,445	0	0	0
Early Voting Expansion Grant	0	521	521	0	0	0
Lease Adjustment	891	0	891	0	0	0
TIER Grant	0	8,341	8,341	0	0	0
Subtotal Other Adjustments	\$(4,593)	\$11,307	\$6,714	\$(4,111)	\$0	\$(4,111)
Total All Changes	\$38,304	\$11,307	\$49,611	\$(4,111)	\$0	\$(4,111)
BOE Budget as of the FY23 Prelim Plan	\$221,119	\$11,308	\$232,427	\$132,932	\$0	\$132,932

B. BOE Headcount

	Actual				Budgeted - FY23 Prelim				
	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26
Full-Time	537	544	682	724	517	517	517	517	517
Full-Time Equivalent	177	240	201	170	165	165	165	165	165
Total	714	784	883	894	682	682	682	682	682

C. Contract Budget

BOE Contract Budget				
<i>Dollars in Thousands</i>	FY22 Adopted		FY23 Prelim	
Title	# of Contracts	Amount	# of Contracts	Amount
Contractual Services General	2	\$5,514	2	\$5,514
Telecommunications Maint	8	841	8	841
Maint & Repair General	1	1,258	1	1,258
Office Equipment Maint	2	220	2	220
Data Processing Equipment	1	200	1	200
Printing Contracts	9	17,541	9	17,541
Security Services	1	200	1	200
Cleaning Services	1	100	1	100
Transportation Expenditures	9	2,750	9	2,750
Training Prgm for City Employees	1	190	1	190
Professional Svcs: Legal Services	1	150	1	150
Professional Svcs: Other	1	100	1	100
Total	37	\$ 29,064	37	\$ 29,064

D. Fiscal 2023 Preliminary Budget Miscellaneous Revenue

BOE Miscellaneous Revenue						
<i>Dollars in Thousands</i>	Actual				FY23 Prelim	
	2018	2019	2020	2021	2022	2023
Photocopies & Searches	\$32	\$35	\$16	\$23	\$18	\$18
Sales of Maps & Voter Lists	22	20	19	32	20	20
Minor Sales	0	0	0	0	0	0
Total	\$54	\$55	\$35	\$55	\$38	\$38