



New York City Council

Christine C. Quinn, Speaker

Finance Division

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Hearing on the Mayor's Fiscal Year 2012 Executive Budget

Board of Elections

June 1, 2011

The Committee on Finance

Hon. Domenic M. Recchia, Jr., Chair

The Committee on Governmental Operations

Hon. Gale A. Brewer, Chair

Andy Grossman, Deputy Director

John Russell, Senior Legislative Financial Analyst

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.

Board of Elections Financial Summary

Dollars in Thousands

	2009 Actual	2010 Actual	2011 Adopted	2011 Exec. Plan	2012 Exec. Plan	Difference 2011–2012*
Spending						
Personal Services	\$25,976	\$26,951	\$18,274	\$44,962	\$47,428	\$29,154
Other Than Personal Services	55,079	68,755	71,098	\$58,415	\$52,260	(\$18,838)
TOTAL	\$81,054	\$95,706	\$89,371	\$103,377	\$99,688	\$10,317
Funding						
City Funds	N/A	N/A	\$89,371	\$97,297	\$99,688	\$10,317
Federal – Other	N/A	N/A	0	857	0	
State	N/A	N/A	0	5,223	0	
TOTAL	N/A	N/A	\$89,371	\$103,377	\$99,688	\$10,317
Positions						
Full-time Positions	340	341	319	319	319	0

*Difference refers to the variance between the Fiscal 2011 Adopted Budget and the Projected Fiscal 2012 Budget.

The Fiscal 2012 Executive Budget for the Board of Elections (approximately \$99.7 million) is \$10.3 million more than the agency's Fiscal 2011 Adopted Budget of \$89.4 million. The increase is the net effect of various budget actions, most notably the addition of funding required to conduct the 2012 Presidential Primary. Since Adoption, the current year budget has increased by approximately \$14 million due to higher expenses related to the Primary and General elections held this past fall, along with the recognition of State and federal grants.

Fiscal 2012 Executive Budget Highlights

- ☑ **BOE Additional Funding Request.** During the Fiscal 2012 Preliminary Budget hearing, the BOE testified to being significantly under-funded for Fiscal 2012 and presented a formal request for additional funding which included \$99.8 million in additional Expense Budget funding and an additional \$7.7 million in Capital Budget funding. (see chart on pg. 5)
- ☑ **Additional BOE Funding.** In response to the BOE's funding request, the Executive Plan includes proposals that would increase the Board's budget by a total of \$29.7 million.
- ☑ **2012 Presidential Primary.** The Executive Plan for the BOE includes a proposal that would provide \$23.9 million in additional funding for Fiscal 2012 to enable the Board to properly conduct the 2012 Presidential Primary.

Budget Actions in the Executive Plan

Description	Fiscal 2011			Fiscal 2012		
	City	Non-City	Total	City	Non-City	Total
Agency Budget as per the February 2011 Plan	\$97,253	\$6,080	\$103,333	\$69,908	\$0	\$69,908
New Needs						
2012 Presidential Primary	\$ 0	\$0	\$0	\$23,908	\$0	\$23,908
Capital Items	0	0	0	3,285	0	3,285
Transportation	0	0	0	2,500	0	2,500
Total New Needs	\$0	\$0	\$0	\$29,693	\$0	\$29,693
Other Adjustments						
Misc. City Adjustments	\$43	\$0	\$43	\$87	\$0	\$87
Federal Grants & Adjustments	0	0	0	0	0	0
State Grants & Adjustments	0	0	0	0	0	0
Total Other Adjustments	\$43	\$0	\$43	\$87	\$0	\$87
Total Exec. Plan Budget Changes	\$43	\$0	\$43	\$29,780	\$0	\$29,780
Agency Budget as per the FY 2012 Executive Plan	\$97,297	\$6,080	\$103,377	\$99,688	\$0	\$99,688

Executive Plan Budget Actions

- 2012 Presidential Primary.** The Executive Plan for the BOE includes a proposal that would provide \$23.9 million in additional funding for Fiscal 2012 to enable the Board to properly conduct the 2012 Presidential Primary. Of the total, \$9.5 million will go toward Personal Services and \$14.4 million will support Other Than Personal Services. The \$23.9 million figure slightly exceeds the amount requested by the Board at the Preliminary Budget hearing. The request was based on the Board’s Presidential Primary experience in 2008, when more than one million voters cast ballots.
- Additional Election Equipment.** The Executive Plan for the BOE includes additional funding of \$3.3 million in Fiscal 2012 for voter booth privacy enclosures and signage for voting locations. These items were included in the Board’s requests for additional Capital funding.
- Additional Transportation Expenses.** In response to the Board’s request for additional transportation expenses, the Executive Plan includes a proposal to increase the Board’s transportation budget by \$2.5 million in Fiscal 2012.

BOE Budget Modifications

In the past few years, in an effort to rein in spending and drive BOE to become more frugal in its spending patterns, OMB has set aggressive budgets for the agency. Over this time span, the City Council has sought and received from OMB assurances that should the Board’s funding prove mid-year to be insufficient, appropriate supplemental funding would be modified into its budget. While BOE finds such “budgeting by modification” to be distasteful, OMB has kept up its part of the bargain when verifiable deficits have occurred.

As an example, during Fiscal 2010, OMB added to BOE’s budget \$21.5 million: \$13.5 million in January to cover the cost of the November 2009 Runoff Election, \$7 million in the January Plan to

cover a general deficit, and \$1 million at the time of Fiscal 2011 Adoption in June to cover an additional PS deficit. That BOE's Fiscal 2011 Adopted Budget may not have been sufficient to cover all twelve months of the fiscal year in no way should have hamstrung the agency's ability to operate during the first six months of the year during which the Primary and General Elections occurred.

Similarly, the 2010 November Plan included \$8 million to restore in Fiscal 2011 the across-the-board PEG reduction that had previously been included in the 2011 January Plan. That Plan also contained a new PEG to reduce the Department's OTPS budget by \$5.1 million in Fiscal 2011 and \$6.6 million in Fiscal 2012.

The Board fully understands OMB's and Council's commitment to cover any legitimate funding shortfalls and should act accordingly when making budgetary and planning decisions.

Capital Budget

The Fiscal 2012 Capital Commitment Plan includes \$17.5 million for Board of Elections modernization, which exceeds the \$12.7 million requested by the Board. This funding is housed in the Public Buildings (PW) Capital Budget in budget line PW-340.

Appendix A: Budget Actions in the November and February Plans

Description	Fiscal 2011			Fiscal 2012		
	City	Non-City	Total	City	Non-City	Total
Agency Budget as per June 2010 Plan	\$89,372	\$0	\$89,372	\$76,494	\$0	\$76,494
Program to Eliminate the Gap (PEGs)						
OTPS Reduction	(\$5,118)	\$0	(\$5,118)	(\$6,586)	\$0	(\$6,586)
Total PEGs	(\$5,118)	\$0	(\$5,118)	(\$6,586)	\$0	(\$6,586)
New Needs						
Poll Worker Funding	\$5,000	\$0	\$5,000	\$0	\$0	\$0
Total New Needs	\$5,000	\$0	\$5,000	\$0	\$0	\$0
PEG Restorations						
PS Reduction Restoration	\$8,000	\$0	\$8,000	\$0	\$0	\$0
Total Peg Restorations	\$8,000	\$0	\$8,000	\$0	\$0	\$0
Other Adjustments						
Misc. City Adjustments	\$0	\$0	\$0	\$0	\$0	\$0
Federal Grants & Adjustments	0	857	857	0		0
State Grants & Adjustments	0	5,222	5,222	0	0	0
Total Other Adjustments	\$0	\$,079	\$6,079	\$0	\$0	\$0
Total Changes	\$7,882	\$6,079	\$13,961	(\$6,586)	\$0	(\$6,586)
Agency Budget as per the February 2011 Plan	\$97,253	\$6,080	\$103,333	\$69,908	\$0	\$69,908

Appendix B:**Board of Elections FY 2012 New Needs Funding Request****Personal Services**

Normal Staff Payroll	\$10,000,000
Poll Worker Payroll	\$7,911,000
New Staff	\$3,466,000
Total PS Needs	\$21,377,000

Other Than Personal Services

Multi-year PEGs Reduction	\$18,457,135
ES&S (Voting Assistance)	\$32,425,000
Poll and Training Site Increase	\$750,000
Transportation	\$2,500,000
Public Education	\$1,523,000
Total OTPS Needs	\$55,655,135

2012 Presidential Primary

Personal Services	\$14,400,000
OTPS	\$8,360,000
Total 2012 Primary Needs	\$22,760,000

Total Expense Budget Shortfall	\$99,792,135
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Total Capital Funds Needed

\$12,727,385
