

THE COUNCIL OF THE CITY OF NEW YORK

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Report to the Committee on Finance and the Committee on Governmental Operations
on the Fiscal 2019 Executive Budget for

Board of Elections

May 17, 2018

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Board of Elections Fiscal 2019 Executive Budget Overview

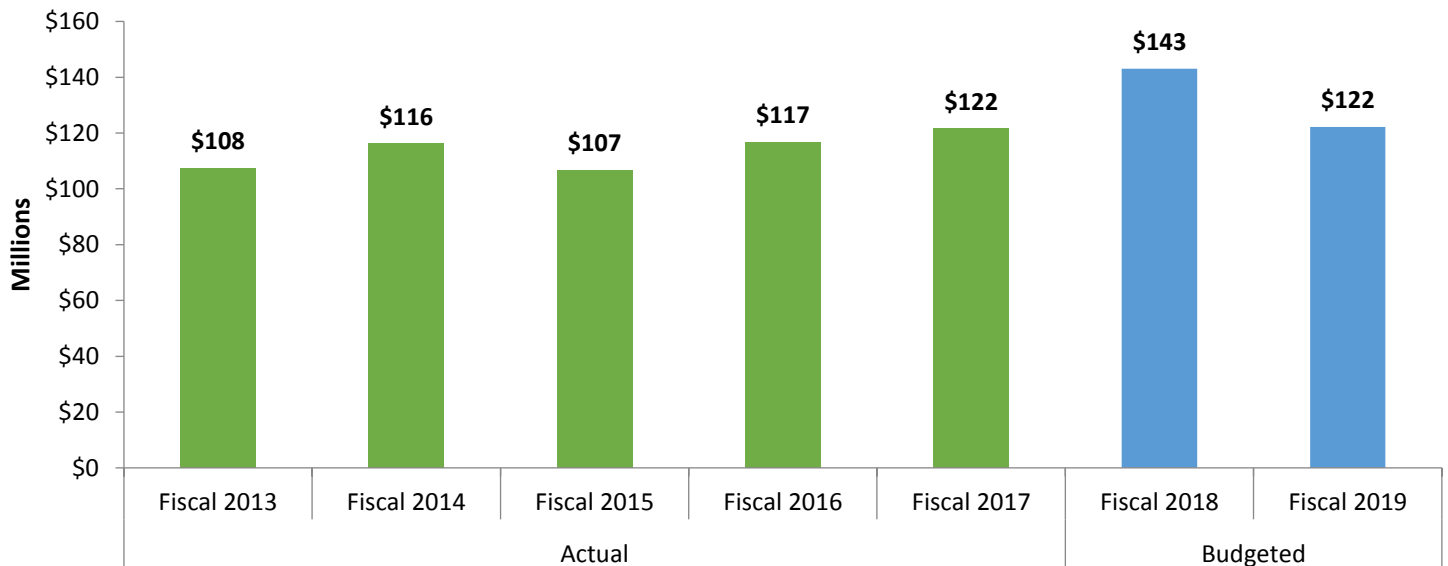
\$122.2 million – Fiscal 2019 Executive Expense Budget	
Fully City-funded	517 full-time headcount

Fiscal 2019 Executive Budget vs. Fiscal 2019 Preliminary Hearing Budget Request

- The Board of Elections Requested the following for its Fiscal 2019 Budget at the Preliminary Budget Hearing:
 - A total Fiscal 2019 Budget of \$137.9 million, including additional funding of:
 - **Cyber Security** - \$1.3 million for Cyber Security;
 - **Voter List Maintenance** - \$980,000 and 13 new positions for Voter List Maintenance;
 - **Poll Worker Funding (not increased salaries)** - \$14.1 million in additional funding for poll workers;
 - **Poll Worker Salaries** - An additional \$7.4 million to increase poll worker salaries;
 - **Poll Worker Outreach** - \$840,000 for poll worker outreach; and
 - **OTPS Funding** - \$10.4 million in additional OTPS funding.

- The Board of Elections’ Fiscal 2019 Executive Budget contains the following:
 - A Fiscal 2019 Executive Budget of \$122.2 million, including the following increases since the Preliminary Plan:
 - **Cyber Security** - No funding to bolster Cyber Security;
 - **Voter List Maintenance** - \$880,000 and 12 new positions for Voter List Maintenance;
 - **Poll Worker Funding (not increased salaries)** - \$10.4 million in additional funding for poll workers;
 - **Poll Worker Salaries** - No funding to raise poll worker salaries;
 - **Poll Worker Outreach** - No funding for poll worker outreach; and
 - **OTPS Funding** - \$2.8 million in additional OTPS funding.

BOE Budgets and Historical Expenditures



Board of Elections Overview

This report presents a review of the Board of Election's Fiscal 2019 Executive Budget. The section below presents an overview of the Department's budget and how it has changed during the course of Fiscal 2018, followed by a review of the significant budget actions introduced in the Fiscal 2019 Executive Budget. Major issues related to the Department's budget are then discussed. Appendix 1 reports the changes made to the Fiscal 2018 and Fiscal 2019 Budgets since Adoption of the Fiscal 2018 Budget. For additional information on the Department's budget and its various programs, please refer to the Fiscal 2019 Preliminary Budget Report for the Board of Elections at: <https://council.nyc.gov/budget/wp-content/uploads/sites/54/2018/03/FY19-Board-of-Elections.pdf>

Below is a summary of key funding changes by program area and source when comparing the Board of Elections' Fiscal 2019 Executive Budget to its Fiscal 2018 Adopted Budget.

BOE Financial Summary						
	FY16	FY17	FY18	Executive Plan		*Difference
<i>Dollars in Thousands</i>	Actual	Actual	Adopted	FY18	FY19	FY18-FY19
Spending						
Personal Services	\$54,045	\$63,093	\$71,123	\$71,435	\$62,569	(\$8,554)
Other Than Personal Services	62,627	58,525	69,873	71,627	59,600	(10,273)
TOTAL	\$116,672	\$121,618	\$140,996	\$143,062	\$122,169	(\$18,827)
Personal Services						
Additional Gross Pay	\$280	\$245	\$89	\$89	\$89	\$0
Full-Time Salaried	21,162	24,555	23,302	23,302	27,929	4,627
Other Salaried & Unsalariated	25,140	29,724	35,707	35,707	25,054	(10,653)
Overtime - Civilian	7,229	8,274	10,855	10,855	8,327	(2,528)
P.S. Other	235	295	1,170	1,482	1,170	0
SUBTOTAL	\$54,045	\$63,093	\$71,123	\$71,435	\$62,569	(\$8,554)
Other Than Personal Services						
Contractual Services	\$24,740	\$21,391	\$39,426	\$38,898	\$28,110	(\$11,316)
Fixed & Misc. Charges	13	18	0	8	0	0
Other Services & Charges	28,061	29,789	22,651	24,958	23,461	810
Property & Equipment	5,235	4,685	3,796	3,796	4,029	233
Supplies & Materials	4,579	2,642	3,999	3,967	3,999	0
SUBTOTAL	\$62,627	\$58,525	\$69,873	\$71,627	\$59,600	(\$10,273)
TOTAL	\$116,672	\$121,618	\$140,996	\$143,062	\$122,169	(\$18,827)
Funding						
City Funds			\$140,996	\$141,038	\$122,169	(\$18,827)
State			0	1,974	0	0
Federal - Other			0	50	0	0
TOTAL	\$116,672	\$121,618	\$140,996	\$143,062	\$122,169	(\$18,827)
Budgeted Headcount						
Full-Time Positions	469	512	505	505	517	12
Full-Time Equivalent Positions	283	194	562	562	562	0
TOTAL	752	706	1,067	1,067	1,079	12

*The difference of Fiscal 2018 Adopted Budget compared to Fiscal 2019 Executive Budget.

The Board of Elections' Fiscal 2019 Executive Budget totals \$122.2 million, \$18.8 million less than its Fiscal 2018 Adopted Budget of \$143.1 million. The primary reason for this decrease in funding for Fiscal 2019 is the discrepancy in the number of elections scheduled for each fiscal year, which is the primary driver of year-over-year differences in funding for the Board. There were four scheduled election events in Fiscal 2018, while in Fiscal 2019 there are only two: a State Office Primary in September 2018 and a State Office General Election in November 2018.

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-year. While BOE routinely identifies budget shortfalls, funding for any deficits are added to the Board's budget by the fiscal year's end. The Chart on page one of this report highlights the BOE's actual expenditures over the past five fiscal years compared with budgeted expenditures for Fiscal 2018 and Fiscal 2019.

New in the Executive Budget

The Board of Election's Fiscal 2019 Executive Budget introduces \$26.3 million in new needs for Fiscal 2019. However, these do not represent New Needs in the usual sense of the term, with the majority of this funding representing the continued financing of the Board's existing Personal Services and Other Than Personal Services expenses adjusted to meet the needs of the Fiscal 2019 election cycle. Given the nature of the agency's operations, the Board's budget is adjusted each fiscal year to meet the needs of that year's elections. The BOE's budget in the Preliminary Plan is usually much lower than in other plans, as the Board identifies its specific budgetary needs in the Executive and Adopted Plans.

New Needs

- **OTPS and PS funding for the FY2019 Election Cycle.** The Fiscal 2019 Executive Plan includes \$2.8 million in OTPS funding and \$12.1 million in PS funding to the BOE's Fiscal 2019 Budget for the Fiscal 2019 election cycle. Overall OTPS and PS funding is lower in Fiscal 2019 than in Fiscal 2018 given the lower number of citywide elections scheduled in Fiscal 2019 relative to Fiscal 2018.
- **Poll worker Salaries.** The Fiscal 2019 Executive Plan includes \$10.4 million for poll worker salaries in Fiscal 2019, raising total funding for poll worker salaries in Fiscal 2019 to \$20.3 million. This does not represent an increase in salary per poll worker, but rather budgeting salaries for the amount of poll workers needed to staff poll sites for the two citywide elections planned for Fiscal 2019.
- **Records Management Staff.** The Fiscal 2019 Executive Plan includes \$880,000 and 12 new voter list maintenance positions for Fiscal 2019 and in the outyears to fulfill federal and state mandates to maintain accurate voter lists.

Other Adjustments

- **Heat, Light and Power.** The Fiscal 2019 Executive Plan adds \$42,300 to BOE's Fiscal 2019 Heat, Light and Power budget, while reducing Heat, Light and Power budgets by \$4,123 in Fiscal 2020 and the outyears.

- **Lease Adjustments.** The Fiscal 2019 Executive Plan includes \$805,000 in Fiscal 2019 and in the outyears for increased lease expenditures to the Department of Citywide Administrative Services.

Budget Issues

BOE Reform

In April 2016, in response to various problems regarding the election process in the 2016 Democratic Presidential Primary, the Mayor proposed reforms for the Board of Elections to improve its processes. These reforms included: 1) an external review (which was carried out in Fiscal 2017); 2) improved poll worker training and salaries; and 3) operational improvements, including better records management and voter communication, particularly regarding their registration status. The Mayor has proposed providing the BOE with additional funding for the implementation of these reforms. However, the BOE has opted to follow its own reform schedule. In the Fiscal 2018 Adopted Budget, \$7 million was earmarked in Fiscal 2018 to increase poll worker salaries above the current \$200 they currently receive per election pending the adoption of the Mayor's proposed reforms for the BOE. This funding is currently being held in the Department of Finance's budget.

Language Assistance Program

In the 2018 Preliminary Budget Response, City Council urged the inclusion of additional languages in the Board of Elections' Language Assistance Program. The BOE places language interpreters at poll sites in order to assist voters with limited English proficiency in the voting process, currently providing Spanish, Chinese (Cantonese and Mandarin), Korean, Bengali and Hindi interpreters in various targeted neighborhoods across New York City.

In response to this request, \$350,000 was included in the Fiscal 2018 Adopted Budget to pilot a program providing interpreter services in Russian and Haitian Creole in select poll sites for the 2017 General City Election. While funding was added to the Department of Social Services' (DSS) Budget, the pilot was conducted by the Mayor's Office of Immigrant Affairs (MOIA). While the pilot was conducted, the BOE opposed allowing interpreters working for the Mayor's Office access to poll sites, and the program thus operated outside a 100-foot radius of poll sites.

In the Fiscal 2019 Executive Budget, \$639,686 was added to DSS' Fiscal 2019 Budget for Poll Site Interpretation, through a program that will again be conducted by MOIA.

Unfunded Board of Election's Budgetary Requests

At the Fiscal 2019 Preliminary Budget Hearing, the Board of Elections requested that the Administration fund a number of items that were not included in the Executive Budget. These included an additional \$1.3 million for improved Cyber Security, \$7.4 million to raise poll worker salaries above the current \$200 per election event, and \$1 million to continue and expand the Board's poll worker outreach program.

Appendix 1: Fiscal 2019 Budget Actions since Fiscal 2018 Adoption

<i>Dollars in Thousands</i>	FY18			FY19		
	City	Non-City	Total	City	Non-City	Total
BOE Budget as of the Adopted FY18 Budget	\$140,996	\$0	\$140,996	\$95,113	\$0	\$95,113
Other Adjustments - November Plan						
Help America Vote Act FY18	\$0	\$2,024	\$2,024	\$0	\$0	\$0
Subtotal, Other Adjustments	\$0	\$2,024	\$2,024	\$0	\$0	\$0
TOTAL, All Changes November and Preliminary Plans	\$0	\$2,024	\$2,024	\$0	\$0	\$0
BOE Budget as of the Preliminary FY19 Budget	\$140,996	\$2,024	\$143,020	\$95,113	\$0	\$95,113
New Needs - Executive Plan						
OTPS for FY2019 Election Cycle	\$0	\$0	\$0	\$2,833	\$0	\$2,833
Poll worker Salaries	0	0	0	10,446	0	10,446
PS for FY2019 Election Cycle	0	0	0	12,093	0	12,093
Records Management Staff	0	0	0	880	0	880
Subtotal, New Needs	\$0	\$0	\$0	\$26,252	\$0	\$26,252
Other Adjustments - Executive Plan						
Heat, Light and Power	\$42	\$0	\$42	(\$4)	\$0	(\$4)
Lease Adjustment	0	0	0	809	0	809
Subtotal, Other Adjustments	\$42	\$0	\$42	\$805	\$0	\$805
TOTAL, All Changes Executive Plan	\$42	\$0	\$42	\$27,057	\$0	\$27,057
BOE Budget as of the Executive FY19 Budget	\$141,038	\$2,024	\$143,062	\$122,170	\$0	\$122,170