

# 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

## **Campaign Finance Board**

May 17, 2018

### **Finance Division**

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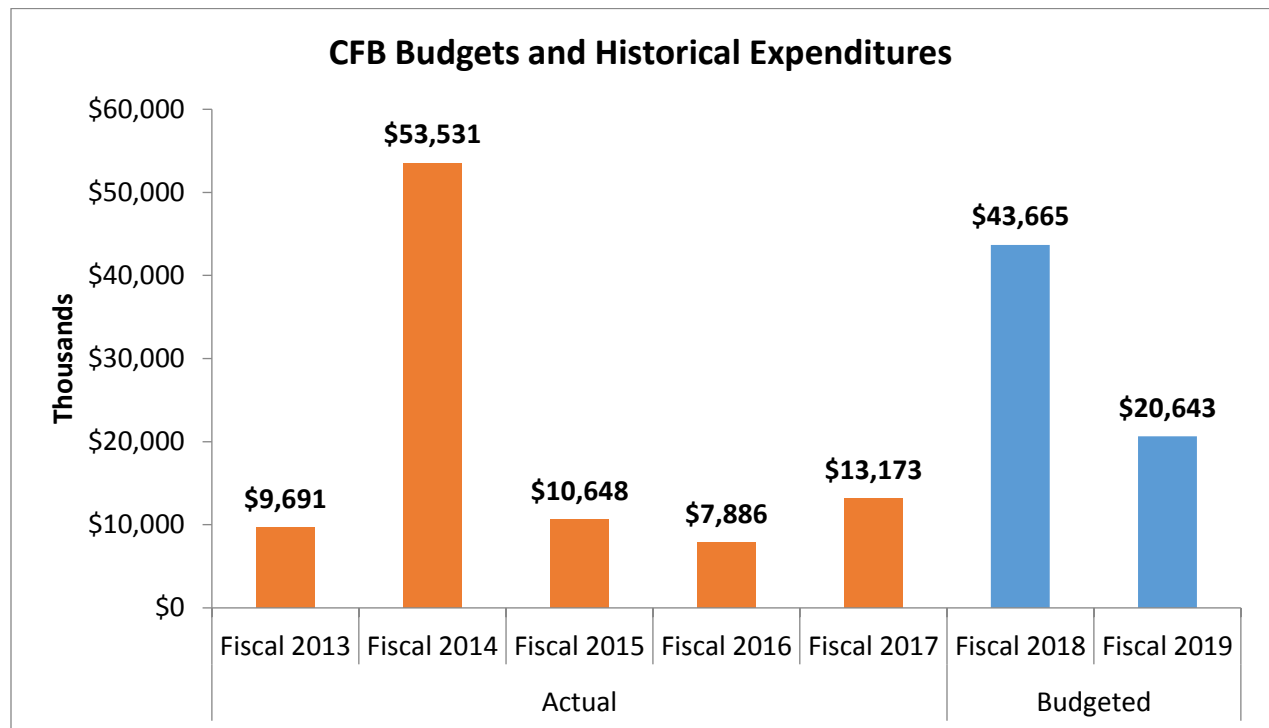
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## Campaign Finance Board Fiscal 2019 Expense Budget Summary

According to the City Charter, the Campaign Finance Board’s (CFB or the Board) budget request is to be included, without change, in the Mayor’s Executive Budget. The Board’s proposed Fiscal 2019 Expense Budget totals \$20.6 million, including \$11.4 million for Personal Services (PS) funding to support 109 full-time and 6 full-time equivalent positions, \$8.3 million in Other Than Personal Services (OTPS), and \$1 million for campaign matching funds.

<b>CFB Fiscal 2019 Operating Budget (\$ Thousands)</b>	
	<b>Fiscal 2019</b>
<b>Personal Services</b>	<b>\$11,375</b>
<b>Other Than Personal Services</b>	<b>8,264</b>
<i>Of which</i>	
CFB Core Operations	4,884
Voter Guide	3,380
<b>Election Funding</b>	<b>1,000</b>
<b>Total</b>	<b>\$20,643</b>
Full-Time Positions	109
Full-Time Equivalent Positions	6



## Campaign Finance Board Overview

The New York City Campaign Finance Board was created in 1988 as an independent, nonpartisan city agency. The CFB has three primary mandates: administering the Campaign Matching Funds program; publishing the Voter Guide; and overseeing the Debate Program. This report provides an overview of the Campaign Finance Board's Fiscal 2018 Budget.

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

<b>CFB Financial Summary</b>						
	<b>FY16</b>	<b>FY17</b>	<b>FY18</b>	<b>Executive Plan</b>		<b>*Difference</b>
<i>Dollars in Thousands</i>	<b>Actual</b>	<b>Actual</b>	<b>Adopted</b>	<b>FY18</b>	<b>FY19</b>	<b>FY18-FY19</b>
<b>Spending</b>						
Personal Services	\$8,109	\$8,732	\$10,561	\$10,565	\$11,379	\$818
Other Than Personal Services	3,472	3,442	17,000	17,000	8,264	(8,736)
Election Funding	(3,696)	1,000	29,100	16,100	1,000	(28,100)
<b>TOTAL</b>	<b>\$7,886</b>	<b>\$13,173</b>	<b>\$56,661</b>	<b>\$43,665</b>	<b>\$20,643</b>	<b>(\$36,017)</b>
<b>Personal Services</b>						
Additional Gross Pay	\$497	\$94	\$120	\$120	\$32	(\$88)
Full-Time Salaried - Civilian	7,176	7,570	8,623	8,627	10,445	1,822
Unsalariated	330	883	1,032	1,032	398	(634)
Overtime - Civilian	105	184	400	400	75	(325)
Amounts to be Scheduled & P.S. Other	0	0	386	386	429	43
<b>SUBTOTAL</b>	<b>\$8,109</b>	<b>\$8,732</b>	<b>\$10,561</b>	<b>\$10,565</b>	<b>\$11,379</b>	<b>\$818</b>
<b>Other Than Personal Services (including Election Funding)</b>						
Contractual Services	\$1,675	\$1,780	\$9,435	\$9,072	\$4,799	(\$4,637)
Election Funding & Other Fixed & Misc. Charges	(3,695)	1,000	29,100	16,100	1,000	(28,100)
Other Services & Charges	1,385	1,371	3,268	4,510	1,725	(1,543)
Property & Equipment	247	122	322	322	270	(52)
Supplies & Materials	165	169	3,974	3,097	1,470	(2,504)
<b>SUBTOTAL</b>	<b>(\$223)</b>	<b>\$4,442</b>	<b>\$46,100</b>	<b>\$33,100</b>	<b>\$9,264</b>	<b>(\$36,836)</b>
<b>TOTAL</b>	<b>\$7,886</b>	<b>\$13,173</b>	<b>\$56,661</b>	<b>\$43,665</b>	<b>\$20,643</b>	<b>(\$36,017)</b>
<b>Funding</b>						
City Funds			\$56,661	\$43,665	\$20,643	(\$36,017)
<b>TOTAL</b>	<b>\$7,886</b>	<b>\$13,173</b>	<b>\$56,661</b>	<b>\$43,665</b>	<b>\$20,643</b>	<b>(\$36,017)</b>
<b>Budgeted Headcount</b>						
Full-Time Positions	90	90	103	103	109	6
Full-Time Equivalent Positions	4	21	14	15	6	(8)
<b>TOTAL</b>	<b>94</b>	<b>111</b>	<b>117</b>	<b>118</b>	<b>115</b>	<b>(2)</b>

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

## New in the Executive Budget

In the Fiscal 2019 Executive Plan, the CFB's budget for Fiscal 2019 totals \$20.6 million, including \$11.4 million in PS costs to support 109 full-time positions and six full-time equivalent positions. The CFB's Fiscal 2019 budget reflects an increase of \$818,000 in PS funding to support six new positions. This growth in headcount will be directed towards upgrading outdated technology, implementing Local Law 238 of 2017 (facilitation of online voter registration), and ensuring sufficient auditing capacity for what the CFB expects to be very strong participation in the Campaign Matching Funds Program for the 2021 city elections.

Conversely, OTPS funding for the CFB in Fiscal 2019 is \$8.7 million less than in the Fiscal 2018 Adopted Budget. With no city elections scheduled for Fiscal 2019, the CFB expects substantially less spending on printing contracts, supplies purchases, and various other non-salary expenses associated with its election-cycle operations. Nonetheless, OTPS budgeted funding is greater than in previous years without scheduled city elections as the CFB has budgeted funding for the printing of voter guides for the expected vote on changes to the City Charter proposed by the Mayoral Charter Commission in the Fall of 2019.

The Board's budget includes \$1 million to provide matching funds for participating candidates for elections held in Fiscal 2018, a decrease of \$28.1 million since the Fiscal 2018 Adopted Budget. The CFB's budgetary needs change annually according to the election cycle. Driven by the legal requirement to give campaign matching funds to participating candidates, the agency requires budgetary resources proportional to the number of candidates who participate in any given election cycle. The large decrease in funding for the Campaign Matching Funds program since the Fiscal 2018 Adopted Budget represents the fact that there are no scheduled city elections for Fiscal 2019.

### Campaign Matching Funds

The CFB administers the Campaign Matching Funds Program, which provides eligible candidates for elected city offices (the Mayoralty, Public Advocate, Comptroller, Borough Presidency, and City Council) matching public funds for private donations received. Each private donation a candidate receives will be matched, six-to-one, with public funding, up to a maximum donation value of \$175. For example, if a candidate receives a private donation of \$500, \$175 of that \$500 dollars will be matched, six-to-one, with public funds. That equates to \$1,050 in public funds on top of the \$500 private donation the candidate received.

Candidates who participate in the Campaign Matching Funds Program can use public funding to cover 55 percent of their expenditure limit.<sup>1</sup> This expenditure limit, which only applies to candidates who participate in the program, varies depending on which elected office a candidate is running, as well as the number of elections the candidate has participated in in an election year (i.e. primaries, general elections, or both).

For Fiscal 2019, \$1 million has been allocated for the matching funds program, in line with other years in which no city elections are scheduled to occur.

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<sup>1</sup> Public funding can represent more than 55% of a candidate's actual expenditure, as long as actual expenditures are below the candidate's expenditure limit.

### The Budget Submission Process Following Charter Reform

Following the adoption of the Charter reform proposal included in the 1998 general election, the Campaign Finance Board's budget request is to be included, without change, in the Mayor's Executive Budget. The Board's budget is to be submitted annually to the Mayor and the Speaker of the Council by March 10<sup>th</sup>.

### Voter Assistance Advisory Committee

The 2010 Charter Revision Commission amended the New York City Charter to reconstitute the Voter Assistance Commission (VAC) within the CFB, commencing January 1, 2011. As part of implementing the new provisions of the Charter, VAC staff moved to the CFB as the new Voter Assistance Unit, and a new Voter Assistance Advisory Committee (VAAC) was created, comprised of nine members whose role is to advise the CFB on voter engagement.

## 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
<b>CFB Budget as of the FY18 Adopted Budget</b>	<b>\$56,661</b>	<b>\$0</b>	<b>\$56,661</b>	<b>\$14,019</b>	<b>\$0</b>	<b>\$14,019</b>
<b>Citywide Savings - Preliminary Plan</b>						
Surplus Takedown	(\$13,000)	\$0	(\$13,000)	\$0	\$0	\$0
<b>Subtotal, Citywide Savings</b>	<b>(\$13,000)</b>	<b>\$0</b>	<b>(\$13,000)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>TOTAL, All Changes November and Preliminary Plans</b>	<b>(\$13,000)</b>	<b>\$0</b>	<b>(\$13,000)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>CFB Budget as of the Preliminary FY19 Budget</b>	<b>\$43,661</b>	<b>\$0</b>	<b>\$43,661</b>	<b>\$14,019</b>	<b>\$0</b>	<b>\$14,019</b>
<b>New Needs - Executive Plan</b>						
Campaign Finance Board FY19 Budget	\$0	\$0	\$0	\$6,620	\$0	\$6,620
<b>Subtotal, New Needs</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$6,620</b>	<b>\$0</b>	<b>\$6,620</b>
<b>Other Adjustments - Executive Plan</b>						
DC37 Collective Bargaining	\$4	\$0	\$4	\$4	\$0	\$4
<b>Subtotal, Other Adjustments</b>	<b>\$4</b>	<b>\$0</b>	<b>\$4</b>	<b>\$4</b>	<b>\$0</b>	<b>\$4</b>
<b>TOTAL, All Changes Executive Plan</b>	<b>\$4</b>	<b>\$0</b>	<b>\$4</b>	<b>\$6,624</b>	<b>\$0</b>	<b>\$6,624</b>
<b>CFB Budget as of the Executive FY19 Budget</b>	<b>\$43,665</b>	<b>\$0</b>	<b>\$43,665</b>	<b>\$20,643</b>	<b>\$0</b>	<b>\$20,643</b>