



**NOTE ON THE FISCAL 2021 EXECUTIVE BUDGET FOR THE COMMITTEE ON
GOVERNMENTAL OPERATIONS
MAY 29, 2020**

New York City Council

Hon. Corey Johnson,
Speaker
Hon. Daniel Dromm, Chair,
Finance Committee
Hon. Fernando Cabrera,
Governmental Operations

Finance Division

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Board of Elections Overview

This report presents a review of the Board of Election’s Fiscal 2021 Executive Budget. The section below presents an overview of the Board’s budget and how it has changed during the course of Fiscal 2020, followed by a review of the significant budget actions introduced in the Fiscal 2021 Executive Budget. Major issues related to the Department’s budget are then discussed. Appendix 1 reports the changes made to the Fiscal 2020 and Fiscal 2021 Budgets since Adoption of the Fiscal 2020 Budget. For additional information on the Department’s budget and its various programs, please refer to the Fiscal 2021 Preliminary Budget Report for the Board of Elections at: <https://council.nyc.gov/budget/wp-content/uploads/sites/54/2020/03/Board-of-Elections.pdf>

Below is a summary of key funding changes by program area and source when comparing the Board of Elections’ Fiscal 2021 Executive Budget to its Fiscal 2020 Adopted Budget.

Board of Elections Financial Summary						
<i>Dollars in Thousands</i>	FY18	FY19	FY20	Executive Plan		*Difference
	Actual	Actual	Adopted	FY20	FY21	FY20-FY21
Spending						
Personal Services	\$64,777	\$82,400	\$115,874	\$89,069	\$65,240	(\$50,634)
Other Than Personal Services	64,540	90,527	130,155	134,450	70,389	(59,766)
TOTAL	\$129,316	\$172,927	\$246,029	\$223,519	\$135,629	(\$110,400)
Personal Services (PS)						
Additional Gross Pay	\$470	\$564	\$89	\$89	\$89	\$0
Full-Time Salaried	28,020	30,000	32,331	32,326	30,155	(2,176)
Other Salaried & Unsalariated	28,844	40,059	70,193	43,193	25,498	(44,694)
Overtime - Civilian	7,229	11,540	12,091	12,091	8,327	(3,764)
P.S. Other, Amounts to be Scheduled, and Fringe Benefits	213	238	1,170	1,370	1,170	0
Subtotal	\$64,777	\$82,400	\$115,874	\$89,069	\$65,240	(\$50,634)
Other Than Personal Services (OTPS)						
Contractual Services	\$30,372	\$50,278	\$80,540	\$53,797	\$29,357	(\$51,183)
Fixed & Misc. Charges	55	33	0	9	0	0
Other Services & Charges	29,089	31,613	33,839	37,423	33,023	(816)
Property & Equipment	2,123	3,788	7,576	34,801	4,009	(3,567)
Supplies & Materials	2,901	4,816	8,199	8,420	3,999	(4,200)
Subtotal	\$64,540	\$172,927	\$246,029	\$223,519	\$135,629	(\$59,766)
TOTAL	\$129,316	\$172,927	\$246,029	\$223,519	\$135,629	(\$110,400)

<i>Dollars in Thousands</i>	FY18	FY19	FY20	Executive Plan		*Difference
	Actual	Actual	Adopted	FY20	FY21	FY20-FY21
Funding						
City Funds			\$246,029	\$215,015	\$135,629	(\$110,400)
State			0	8,504	0	0
Federal - Other			0	0	0	0
TOTAL	\$129,316	\$172,927	\$246,029	\$223,519	\$135,629	(\$110,400)
Budgeted Headcount						
Full-Time Positions	537	544	517	517	517	0
TOTAL	537	544	517	517	517	0

**The difference of Fiscal 2020 Adopted Budget compared to Fiscal 2021 Executive Budget.*

The Board of Elections' Fiscal 2021 Executive Budget totals \$135.6 million, and includes \$65.2 million in Personal Services (PS) funding to support 517 full-time (FT) positions. The Board's Fiscal 2021 Executive Budget is \$110.4 million less than its Fiscal 2020 Adopted Budget of \$246 million. This is primarily due to the fact that funding for Early Voting, which was funded at \$75 million for the current fiscal year, is not yet included in the Board's Fiscal 2021 budget. This is due to the fact that BOE is awaiting on further guidance from the Administration and the Governor as to how it would conduct its operations during the November Presidential Election due to the coronavirus (COVID-19) pandemic and social distancing guidelines currently in place. Additionally, the Board's current year budget is \$31 million less than its current year budget during the Fiscal 2021 Preliminary Budget at \$254.5 million. This is entirely due to the Board's Citywide Savings Program, which is discussed later in the "Citywide Savings Plan" section of this report.

New in the Executive Budget

Although the Board's Fiscal 2021 Executive Budget does not include new needs, it includes other adjustments and savings that impact its Fiscal 2020 and Fiscal 2021 budget.

Other Adjustments

- **Heat, Light and Power.** The Board's Fiscal 2021 Executive Budget includes a decrease of \$14,000 in Fiscal 2020 and a baselined decrease of \$4,000 beginning in Fiscal 2021 as it reduces spending on its heat, light and power budget.
- **Lease Expenditures.** The Fiscal 2021 Executive Budget adds \$4.7 million in Fiscal 2021, \$4.9 million in Fiscal 2022, and baselined \$4.5 million beginning in Fiscal 2023 due to increased lease expenditures at BOE facilities. Of this total, \$3 million is associated with new lease costs and higher rent for more space at a warehouse at 43-23 2nd Avenue, and other utility and rent increases to various other BOE warehouses and facilities in the City.

Citywide Savings Plan

- **PS and OTPS Savings.** The Board will generate one-time budgetary savings of \$31 million in Fiscal 2020 primarily due Governor Cuomo's Executive Order in March 2020, which moved the date of the New York State Presidential Primary from April 28th to June 23rd. Of this total, \$18 million originate from the Board's Poll Worker Budget, while another \$4 million are from avoiding duplicating the annual informational notices and ballots for the April 28th NY State Presidential Primary, prior to the March 30th official mailing date. Other savings originate from a reduction in printing and trucking costs.

Fiscal 2021 Executive Budget Issues

The Fiscal 2021 Executive Budget for the Board of Elections, coupled with the ongoing COVID-19 pandemic, present significant budget issues that the Council will address in this section.

Lack of Early Voting Funding

As mentioned above, the Board's Fiscal 2021 Executive Budget does not include funding for Early Voting. During the Fiscal 2020 Executive Budget last year, the Administration added \$75 million in BOE's budget to cover costs associated with Early Voting, with it was first used during the November 2019 General Election. OMB has mentioned that since Fiscal 2021 only has two elections, which include the November Presidential Election and the June 2021 Citywide Primaries, compared to the three elections what were budgeted for in Fiscal 2020, it anticipates the Board would need approximately \$50 million for Early Voting expenses. Nonetheless, the lack of funding for Early Voting in the Board's Fiscal 2021 budget presents a significant budgetary risk.

Absentee Ballots

In March 2020, NY State Governor Cuomo signed an Executive Order that moved the NY State Presidential Primaries, the Queens Borough President and Council District 37 Special Elections from April 28th to June 23rd. On April 9, 2020, the Governor signed an Executive Order that allowed New Yorkers to file and obtain an absentee ballot to vote during the June 23rd election, in an effort to reduce the number of people gathering at poll sites to vote in the wake of the COVID-19 pandemic. Lastly, on April 24, 2020, the Governor signed another Executive Order that would send each eligible voter in NY State an absentee ballot application form, with a postage paid return option for such application. According to the City Board of Elections, on any given year, it is able to process approximately 100,000 absentee ballots without significant constraints. Given the Governor's recent Executive Orders which will send all New Yorkers an absentee ballot, it is likely that the Board will need additional funding in its current fiscal year budget to process a large influx in absentee ballots due to the COVID-19 pandemic. However, it is difficult to provide a cost estimate to this number, as it depends on the number of people that submit their absentee ballots for processing.

Ranked Choice Voting

As part of Ballot Proposal #1 during the November 2019 General Election, NYC voters approved to move to a system of ranked choice voting, which would take effect beginning in January 2021 for all Mayor, Public Advocate, Borough President, and City Council races. Under the system, voters will have the opportunity to rank up to five candidates in order of preference, instead of casting a ballot for one person. If no candidate get a majority vote, the last place candidate is eliminated, and their votes are parceled out to the voter's second choice, a computerized process that continues until one candidate has the majority and is declared the winner of said race. However, ranked choice voting will cause ballots to become longer, and therefore, generate additional ballot printing costs. As of the release of the Executive Budget, the Board's Fiscal 2021 budget does not include funding for ballot printing costs associated with the introduction of ranked choice voting.

Poll Site Interpretation Services

The BOE currently offers interpretation services in Spanish, Chinese, Bengali and Korean in neighborhoods with large numbers of speakers in those languages. Unfortunately, interpretation services in some of the City's most commonly spoken languages, including Russian, Haitian Creole, Yiddish and Polish are not offered. In Fiscal 2019, pursuant to an agreement with the City

Council, the Mayor's Office of Immigrant Affairs (MOIA) launched a supplementary program to provide poll-site interpretation services in languages not covered by the BOE. Although the current fiscal year includes \$640,000 for this program, funding for this program has yet to be included in the Fiscal 2021 budget.

Appendix 1: Fiscal 2021 Budget Actions since Fiscal 2020 Adoption

Dollars in Thousands	FY20			FY21		
	City	Non-City	Total	City	Non-City	Total
BOE Budget as of the FY20 Adopted Budget	\$246,029	-	\$246,029	\$130,895	-	\$130,895
New Needs	-	\$-	-	-	-	-
Other Adjustments						
State Voting Equipment Grant	-	\$5,068	5,068	-	-	-
FY20 Early Vote	-	3,436	3,436	-	-	-
Subtotal, Other Adjustments	-	\$8,504	8,504	-	-	-
Total, All Changes	-	\$8,504	\$8,504	-	-	-
BOE Budget as of the FY21 Preliminary Budget	\$246,029	\$8,504	\$254,533	\$130,895	-	\$130,895
New Needs - Exec	-	-	-	-	-	-
Other Adjustments						
Heat, Light and Power	\$(14)	-	\$(14)	\$(4)	-	\$(4)
Lease Adjustment	-	-	-	4,738	-	4,738
PS & OTPS Savings	(31,000)	-	(31,000)	-	-	-
Subtotal, Other Adjustments	\$(31,014)	-	\$(31,014)	\$4,734	-	\$4,734
Total, All Changes	\$(31,014)	-	\$(31,014)	\$4,734	-	\$4,734
BOE Budget as of the FY21 Executive Budget	\$215,015	\$8,504	\$223,519	\$135,629	-	\$135,629