

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 2018 Executive Budget for Board of Elections May 12, 2017

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Executive Budget Summary

- **Expense Budget Overview.** The New York City Board of Elections (BOE or the Board) proposed Fiscal 2018 Expense Budget totals \$141 million, including \$71.1 million in Personal Services (PS) to support 505 full-time positions and over 30,000 poll workers. The Board's Fiscal 2018 Budget is significantly higher than its spending average of \$110 million over the past six years.
- **Election Funding.** The 2018 Executive Budget provides additional funding of \$42.5 million for the 2017 election cycle, which includes the Mayoral election and many City Council races. Because the Board is budgeted on a year-to-year basis, it is common for anticipated budget shortfalls to be addressed in the Executive Budget.
- **Contract Budget.** The BOE's contract budget for Fiscal 2018 totals \$39.4 million to support 37 contracts. As the BOE is responsible for printing all ballots for elections held in the City, printing contracts total \$17 million and represent 43.1 percent of BOE's contract budget.
- **Capital Budget.** The City's 2017-2021 Capital Commitment Plan provides \$2.9 million for the modernization of the Board of Elections. The largest share of this capital commitment is \$1.2 million towards the BOE's 126-06 Queens Boulevard offices. In addition, the Ten-Year Capital Strategy allots \$10.6 million for the modernization of the BOE between 2018-2027, including \$6 million for the purchase and installation of electronic voting systems and related equipment.
- **Actual Expenditures.** From Fiscal 2011 through 2016, the Board's total expenditures averaged \$110 million per year, peaking at \$116.7 million in Fiscal 2016.
- **BOE Reform.** Last year, in response to various problems regarding the election process, the Mayor proposed reforms for the Board of Elections to improve their 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. In the Fiscal 2018 Executive Budget, \$12.8 million is allocated to increase poll worker salaries.

Board of Elections Overview

This report presents a review of the Board of Elections' Fiscal 2018 Executive Budget. The section below presents an overview of the Department's budget and how it has changed during the course of Fiscal 2017, followed by a review of the significant budget actions introduced in the Fiscal 2018 Executive Budget. Appendix 1 reports the changes made to the Fiscal 2017 and Fiscal 2018 Budgets since Adoption of the Fiscal 2017 Budget. For additional information on the Department's budget and its various programs, please refer to the Fiscal 2018 Preliminary Budget Report for the Board of Elections at: <http://council.nyc.gov/budget/fy2018/>

BOE Financial Summary						
<i>Dollars in Thousands</i>	2015 Actual	2016 Actual	2017 Adopted	Executive Plan 2017	Executive Plan 2018	*Difference 2017 - 2018
Spending						
Personal Services						
Full-Time Salaried - Civilian	\$17,676	\$21,162	\$22,097	\$23,090	\$23,302	\$1,205
Other Salaried and Unsalaries	26,578	25,137	24,749	30,363	36,853	12,104
Additional Gross Pay	1,943	280	221	243	89	(132)
Overtime - Civilian	4,869	7,229	4,874	7,374	10,855	5,981
Fringe Benefits	326	238	414	627	24	(390)
Subtotal	\$51,391	\$54,045	\$52,356	\$61,697	\$71,123	\$18,767
Other Than Personal Services						
Supplies & Materials	\$3,903	\$4,579	\$6,000	\$3,570	\$3,999	(\$2,001)
Property & Equipment	3,569	5,235	1,958	5,977	3,796	1,838
Other Services & Charges	26,267	28,074	25,611	26,357	22,651	(2,960)
Contractual Services	21,626	24,740	37,822	34,523	39,426	1,604
Subtotal	\$55,364	\$62,627	\$71,391	\$70,426	\$69,873	(\$1,518)
TOTAL	\$106,755	\$116,672	\$123,746	\$132,123	\$140,996	\$17,250
Funding						
City Funds			\$121,716	\$130,099	\$140,996	\$19,280
State			1,974	1,974	0	(1,974)
Federal - Other			56	50	0	(56)
TOTAL	\$106,755	\$116,672	\$123,746	\$132,123	\$140,996	\$17,250
Budgeted Headcount						
Full-Time Positions - Civilian	367	469	475	505	505	30
TOTAL	367	469	475	505	505	30

*The difference of Fiscal 2017 Adopted Budget compared to Fiscal 2018 Executive Budget.

For the Board of Elections, the Fiscal 2018 Executive Budget totals \$141 million, \$17.3 million more than its Fiscal 2017 Adopted Budget of \$123.7 million. The majority of this increase reflects an increase in Personal Services (PS) expenditures of \$18.8 million since the Fiscal 2017 Adopted Budget. Of this growth in PS expenditures, \$12.8 million is allocated for a raise in poll worker salaries.

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.

New in the Executive Budget

The following are major financial plan actions for Fiscal 2018 included in the Executive Plan.

- **New Needs.** The Fiscal 2018 Executive Budget includes \$42.5 million in new needs for Fiscal 2018, including:
 - \$10.6 million for miscellaneous Departmental OTPS needs and \$19.2 million for miscellaneous Departmental PS needs. These added expenditures reflect the Board's expected greater general expenditures in line with the significant number of city elections taking place in the Fall of 2017; and
 - \$12.8 million to raise poll worker salaries. The BOE has expressed concerns over the difficulties of recruiting, training and retaining tens of thousands of effective poll workers. The Board believes that much of this is due to low poll worker

salaries, which are not high enough to attract enough poll workers to participate on election days. They believe that raising poll worker salaries will mitigate this problem.

Preliminary Budget Highlights

BOE's Fiscal 2018 Executive Budget also entails changes made in the Preliminary Budget. Below are some of the key highlights from the Board's Fiscal 2018 Preliminary Budget.

- **New Needs.** New needs for the BOE in the Fiscal 2018 Preliminary Plan include \$8.7 million for Fiscal 2017 and \$8.1 million for Fiscal 2018. New needs for Fiscal 2018 include:
 - \$5.9 million for the purchase and installation of ramp parts at voting sites. This equipment and its installation is required at voting site that are currently not adequately compliant with the American's with Disabilities Act (ADA), and must have temporary ramps installed to make the sites accessible for disabled voters during election days; and
 - \$2.2 million for the maintenance and operation of voter machines, including contracting the services of 30 voting machine technicians.

BOE's Language Assistance Program

In the 2018 Preliminary Budget Response, City Council urged the Board of Elections to work with the Mayor's Office of Immigrant Affairs to commit to including additional languages to its 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.

Actual Expenditures

BOE Actuals <i>Dollars in Thousands</i>	Fiscal Year					
	2011	2012	2013	2014	2015	2016
PS	\$48,487	\$57,651	\$52,682	\$57,410	\$51,391	\$54,045
OTPS	\$54,387	\$52,187	\$54,791	\$58,753	\$55,364	\$62,627
Agency Total	\$102,874	\$109,838	\$107,473	\$116,163	\$106,755	\$116,672

From Fiscal 2011 through 2016, the Board's total expenditures averaged \$1.10 million per year, peaking at \$116.7 million in Fiscal 2016. The Board's Fiscal 2018 Executive Budget of \$141 million is \$24.3 million greater than this six-year average in actual spending. This reflects greater expected expenditures this year given the large number of candidates expected to run for City offices.

The BOE's actual spending was relatively high in Fiscal 2014 as a result of the large number of competitive local and citywide elections. There were no incumbents for either the mayoral or public advocate races, leading to competitive elections with many candidates. The comptroller race was also competitive, and all but 13 City Council seats were contested.

BOE actual spending was also comparatively high in Fiscal 2016. Much of this higher than average spending can be attributed to the competitive Democratic and Republican Presidential Primaries, which saw relatively high turnout.

Appendix 1: BOE Fiscal 2018 Budget Actions since Fiscal 2017 Adoption

<i>Dollars in Thousands</i>	FY 2017			FY 2018		
	City	Non-City	Total	City	Non-City	Total
BOE Budget as of the Adopted 2017 Plan	\$121,717	\$2,030	\$123,747	\$90,481	\$0	\$90,481
New Needs - Prelim. 2018						
Ramp Parts & Installation	\$4,794		\$4,794	\$5,891		\$5,891
Data Entry Temps	291		291			0
Poll Worker Funding Adjustment	1,354		1,354			0
Voter Machine Maintenance	1,257		1,257	1,257		1,257
Voting Machine Technicians (30)	987		987	987		987
Subtotal, New Needs	\$8,683	\$0	\$8,683	\$8,135	\$0	\$8,135
Other Adjustments - Prelim. 2018						
HAVA Adjustment		(\$6)	(\$6)			\$0
Subtotal, Other Adjustments	\$0	(\$6)	(\$6)	\$0	\$0	\$0
TOTAL, All Changes Prelim. 2018	\$8,683	(\$6)	\$8,677	\$8,135	\$0	\$8,135
BOE Budget as of the Preliminary 2018 Plan	\$130,400	\$2,024	\$132,424	\$98,616	\$0	\$98,616
New Needs - Exec. 2018						
Miscellaneous Departmental OTPS Needs			0	\$10,556		\$10,556
Miscellaneous Personal Services Needs			0	19,156		19,156
Poll Worker Salaries			0	12,816		12,816
Subtotal, New Needs	\$0	\$0	\$0	\$42,528	\$0	\$42,528
Other Adjustments - Exec. 2018						
Heat, Light and Power	(\$302)		(\$302)	(\$181)		(\$181)
Lease Adjustment.			0	33		33
Subtotal, Other Adjustments	(\$302)	\$0	(\$302)	(\$148)	\$0	(\$148)
TOTAL, All Changes - Exec. 2018	(\$302)	\$0	(\$302)	\$42,380	\$0	\$42,380
BOE Budget as of the Fiscal 2018 Executive Plan	\$130,098	\$2,024	\$132,123	\$140,996	\$0	\$140,996