



# **Fiscal 2009 Executive Budget Hearings**

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## **❖ Committee on Finance jointly with the Committee on Land Use**

*May 2008*

### **Scheduled To Testify:**

- *Department of City Planning*
- *Department of Information Technology & Telecommunications (jointly with the Committee on Technology in Government)*

***Hon. Christine C. Quinn  
Speaker of the Council***

***Hon. David I. Weprin, Chair  
Committee on Finance***

***Hon. Melinda R. Katz, Chair  
Committee on Land Use***

***Hon. Gale A. Brewer, Chair  
Committee on Technology &  
Government***

***Preston Niblack, Director  
Finance Division***

New York City Council Finance Division

Preston Niblack  
Director

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Acting Deputy Director, Expense

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**DEPARTMENT OF CITY PLANNING (030)****Agency Operations**

The Department of City Planning (DCP) conducts planning related to the growth, improvement and future development of the City. It is responsible for initiating changes in the zoning maps and resolutions, providing technical and professional assistance to community boards, and preparing an annual capital needs and priorities report.

**AGENCY FUNDING OVERVIEW**

<b>Agency Funding Sources</b>	<b>Fiscal 2008 Adopted Budget</b>	<b>Fiscal 2008 Current Mod. as of 4/25/2008</b>	<b>Fiscal 2009 Preliminary Budget</b>	<b>Fiscal 2009 Executive Budget</b>
City	\$16,374,883	\$16,374,883	\$10,063,265	\$13,294,120
Other Categorical	\$0	\$0	\$0	\$0
Capital IFA	\$0	\$0	\$0	\$0
State	\$0	\$627,908	\$0	\$0
Community Development	\$12,282,506	\$12,359,790	\$12,298,210	\$12,320,160
Federal-Other	\$1,042,474	\$3,708,860	\$1,042,474	\$1,042,474
Intra-City	\$0	\$0	\$0	\$0
<b>Total</b>	<b>\$29,699,863</b>	<b>\$33,071,441</b>	<b>\$23,403,949</b>	<b>\$26,656,754</b>

**HEADCOUNT OVERVIEW**

<b>Headcount</b>	<b>Fiscal 2008 Adopted Budget</b>	<b>Fiscal 2008 Forecast for 6/30/2008</b>	<b>Fiscal 2009 Preliminary Budget</b>	<b>Fiscal 2009 Executive Budget</b>
City	158	154	149	147
Non-City	136	161	136	136
<b>Total</b>	<b>294</b>	<b>315</b>	<b>285</b>	<b>283</b>

**AGENCY HIGHLIGHTS**

During Fiscal 2008, the Department has received additional Federal funding of \$2,743,670, which consists primarily of funds used to conduct transportation studies. DCP has received additional State funding in the amount of \$627,908, which consists entirely of grants for waterfront revitalization.

## UNIT OF APPROPRIATION

The operating budget of an agency is structured into several levels, each of which provides varying levels of detail on an agency's spending plans. The unit of appropriation ("U/A") is the most basic level of detail within an agency's operating budget. U/As are essentially the building blocks of the City's Expense Budget. It is at this level that the Council adopts the City's Expense Budget. The City Charter requires that U/As represent the amount appropriated for Personal Services (i.e., salaries, overtime, etc.) or Other Than Personal Services (i.e., supplies, contracts, etc.) for a particular program, purpose, activity or institution. What follows is the U/A structure and Executive 2009 Financial Plan actions for the Department of City Planning.

U/A#	U/A Name	Fiscal 2008 Adopted Budget	Fiscal 2008 Current Mod. as of 4/25/2008	Fiscal 2009 Preliminary Budget	Fiscal 2009 Executive Budget
001	Personal Services	\$19,442,822	\$21,177,565	\$18,914,256	\$18,827,380
003	Geographic Systems	\$2,091,590	\$2,091,590	\$2,095,742	\$2,099,946
	<b>Total PS</b>	<b>\$21,534,412</b>	<b>\$23,269,155</b>	<b>\$21,009,998</b>	<b>\$20,927,326</b>
002	OTPS	\$7,867,763	\$9,462,314	\$2,096,263	\$5,431,740
004	Geographic Systems	\$297,688	\$339,972	\$297,688	\$297,688
	<b>Total OTPS</b>	<b>\$8,165,451</b>	<b>\$9,802,286</b>	<b>\$2,393,951</b>	<b>\$5,729,428</b>
	<b>Total Agency</b>	<b>\$29,699,863</b>	<b>\$33,071,441</b>	<b>\$23,403,949</b>	<b>\$26,656,754</b>

## EXECUTIVE BUDGET ACTIONS (\$000)

Description	Fiscal 2008			Fiscal 2009		
	City	Non-City	Total	City	Non-City	Total
<b>Agency Budget as per the Preliminary Plan</b>	<b>\$16,131</b>	<b>\$16,712</b>	<b>\$32,843</b>	<b>\$10,064</b>	<b>\$13,340</b>	<b>\$23,404</b>
<b>PEGs</b>						
PS Savings and Reduction from Two Positions			\$0	(\$149)		(\$149)
<b>Total PEGs</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$149)</b>	<b>\$0</b>	<b>(\$149)</b>
<b>New Needs:</b>						
Environmental Impact Statements			\$0	\$3,318		\$3,318
<b>Total New Needs</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$3,318</b>	<b>\$0</b>	<b>\$3,318</b>
<b>Other Adjustments</b>						
Collective Bargaining	\$15	\$22	\$37	\$15	\$22	\$37
Fringe associated with PS Savings			\$0	\$29		\$29
Heat, Light, and Power	(\$10)		(\$10)	\$17		\$17
<b>Total Other Adjustments</b>	<b>\$5</b>	<b>\$22</b>	<b>\$27</b>	<b>\$62</b>	<b>\$22</b>	<b>\$84</b>
<b>Total Executive Plan Budget Changes</b>	<b>\$5</b>	<b>\$22</b>	<b>\$27</b>	<b>\$3,231</b>	<b>\$22</b>	<b>\$3,253</b>
<b>Agency Budget as per the Executive Plan</b>	<b>\$16,137</b>	<b>\$16,734</b>	<b>\$32,871</b>	<b>\$13,294</b>	<b>\$13,362</b>	<b>\$26,656</b>

### EXECUTIVE BUDGET ACTION ANALYSIS

#### Programs to Eliminate the Gap (PEGs)

- **Personal Services (PS) Savings and Headcount Reduction.** This initiative reflects savings from the reduction of two vacant positions. This action would reduce the agency's budget by two full-time positions and \$149,180 in Fiscal 2009, by four full-time positions and \$365,450 in Fiscal 2010, \$368,350 in Fiscal 2011, and by \$371,550 in Fiscal 2012. According to the Department of City Planning, the two vacant positions that plan to be eliminated are in its Operations Division and its Zoning Division.

#### New Needs

- **Environmental Impact Statements.** The Department of City Planning proposes to increase its OTPS budget by \$3.318 million in Fiscal 2009 only. The funds would be used for a consulting contract to conduct environmental impact studies. These funds are only in the Fiscal 2009 budget because funding for environmental impact studies are negotiated on an annual basis.

#### Other Adjustments

- **Collective Bargaining Adjustment.** Beginning in Fiscal 2008, annual funds totaling \$15,378 are being transferred from the Labor Reserve in the Miscellaneous Budget to the budget of the Department of City Planning to cover the costs associated with recent collective bargaining settlements.
- **Fringe Benefits Adjustment Associated with PS Savings.** This technical adjustment adds \$29,180 in Fiscal 2009, \$65,450 in Fiscal 2010, \$68,350 in Fiscal 2011, and \$71,550 in Fiscal 2012 to offset a PEG savings credit provided to the agency for fringe benefit savings resulting from an agency-wide headcount reduction. In the Executive Budget, many agencies have proposed PEGs that include a reduction in headcount. In order to give the agencies PEG credit for the reduction in fringe benefit costs associated with these headcount reductions, the value of these PEGs include a reduction in fringe benefit costs even though these costs are paid out of the Miscellaneous budget. In order to offset this PEG credit and not reduce the agency budget more than the goal of the PEG, OMB has included Other Adjustments in the Executive Budget that put the value of the fringe benefit costs back into the agency budgets. This way the overall reduction in the Agency's budget doesn't include the Fringe Benefit costs, but the value of the PEG does include the Fringe Benefits.
- **Heat, Light, and Power Adjustment.** The Executive Plan removes \$10,073 from the agency's budget in Fiscal 2008 and adds \$17,477 to the agency's budget in Fiscal 2009 and the outyears to properly reflect the costs associated with heat, light, and power.

### PRELIMINARY BUDGET ACTION ANALYSIS

#### Programs to Eliminate the Gap (PEGs)

- **Hiring Freeze and Vacancy Reduction Program.** This initiative reflects savings from the partial elimination of vacancies and replacement of future attrition. This action would reduce the agency's budget by \$240,000 and four full-time positions in Fiscal 2008 and by \$360,000 and six full-time positions in Fiscal 2009 and the outyears.

#### Other Adjustments

- **Collective Bargaining Adjustment.** Beginning in Fiscal 2008, annual funds totaling \$19,637 are being transferred from the Labor Reserve in the Miscellaneous Budget to the budget of the Department of City Planning to cover the costs associated with recent collective bargaining settlements.

**DEPARTMENT OF INFORMATION, TECHNOLOGY AND TELECOMMUNICATIONS (858)****Agency Operations**

The Department of Information Technology and Telecommunications (DoITT) administers and supports the integration and consolidation of a single data communications network among City agencies. It provides improved access for inter-agency transmissions as well as data processing services to City agencies; plans and coordinates telecommunications policy for the City including administering all franchises and revocable consents relating to telecommunications; develops municipal uses for cable television; and provides related technical assistance to City agencies.

**AGENCY FUNDING OVERVIEW**

<b>Agency Funding Sources</b>	<b>Fiscal 2008 Adopted Budget</b>	<b>Fiscal 2008 Current Mod. as of 4/25/2008</b>	<b>Fiscal 2009 Preliminary Budget</b>	<b>Fiscal 2009 Executive Budget</b>
City	\$226,556,820	\$226,556,820	\$233,900,149	\$243,692,965
Other Categorical	\$1,356,252	\$3,688,935	\$1,356,252	\$1,356,252
Capital IFA	\$11,416,943	\$11,416,943	\$930,000	\$10,460,911
State	\$0	\$52,222	\$0	\$0
Community Development	\$1,450,693	\$1,450,693	\$1,483,356	\$1,483,356
Federal-Other	\$0	\$0	\$0	\$0
Intra-City	\$106,790,601	\$113,646,344	\$108,253,464	\$114,926,251
<b>Total</b>	<b>\$347,571,309</b>	<b>\$356,811,957</b>	<b>\$345,923,221</b>	<b>\$371,919,735</b>

**HEADCOUNT OVERVIEW**

<b>Headcount</b>	<b>Fiscal 2008 Adopted Budget</b>	<b>Fiscal 2008 Forecast for 6/30/2008</b>	<b>Fiscal 2009 Preliminary Budget</b>	<b>Fiscal 2009 Executive Budget</b>
City	1,138	1,085	1,049	1,071
Non-City	179	179	48	152
<b>Total</b>	<b>1,317</b>	<b>1,264</b>	<b>1,097</b>	<b>1,223</b>

**AGENCY HIGHLIGHTS**

The Department's Expense Budget is slated to increase by \$24.3 million over its Adopted Budget for Fiscal 2009. The agency's budget grows to \$371.9 million in the Executive Plan as a result of two factors. First, DoITT's Fiscal 2009 City-funds budget was significantly larger than its Fiscal 2008 City-funds budget at the time of the Fiscal 2008 Adoption. Second, although a PEG reduction led to a net decrease in City funds during the January Plan, the Executive Plan now increases DoITT's City-funds budget by approximately \$10 million due to a variety of new needs and other adjustments, in particular a new need of \$6.4 million related to the 311 Call Center.



### UNITS OF APPROPRIATION

The operating budget of an agency is structured into several levels, each of which provides varying levels of detail on an agency's spending plans. The City Charter requires that U/As represent the amount appropriated for Personal Services (i.e., salaries, overtime, etc.) or Other Than Personal Services (i.e., supplies, contracts, etc.) for a particular program, purpose, activity or institution.

U/A#	U/A Name	Fiscal 2008 Adopted Budget	Fiscal 2008 Current Mod. as of 4/25/2008	Fiscal 2009 Preliminary Budget	Fiscal 2009 Executive Budget
001	Personal Services	\$86,142,769	\$86,244,254	\$72,015,818	\$86,286,104
002	Other Than Personal Services	\$261,428,540	\$270,567,703	\$273,907,403	\$285,633,631
	<b>Total</b>	<b>\$347,571,309</b>	<b>\$356,811,957</b>	<b>\$345,923,221</b>	<b>\$371,919,735</b>

## Fiscal 2009 Executive Budget Report

### EXECUTIVE BUDGET ACTIONS (\$000)

Description	Fiscal 2008			Fiscal 2009		
	City	Non-City	Total	City	Non-City	Total
<b>Agency Budget as per the Preliminary Plan</b>	<b>\$215,691</b>	<b>\$126,143</b>	<b>\$341,834</b>	<b>\$233,900</b>	<b>\$112,023</b>	<b>\$345,923</b>
<b>PEGs</b>						
311 Contract Budget Reduction			\$0	(\$1,600)		(\$1,600)
Contract Budget Reduction			\$0	(\$1,194)		(\$1,194)
Lease Surplus Reduction			\$0	(\$1,910)		(\$1,910)
Reduce 311 Vacancies			\$0	(\$2,313)		(\$2,313)
<b>Total PEGs</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$7,017)</b>	<b>\$0</b>	<b>(\$7,017)</b>
<b>New Needs</b>						
311 Call Center			\$0	\$6,408		\$6,408
Capital Project Expense Needs			\$0	\$36		\$36
Datacenter Rationalization/Greening Study	\$175		\$175			\$0
End-to-End Procurement			\$0	\$1,210		\$1,210
Enterprise Technology Development (ETD)			\$0	\$245		\$245
IFA Extensions			\$0		\$9,467	\$9,467
NYCServ/ACRIS Maintenance			\$0	\$2,661		\$2,661
NYCWiN Funding			\$0	\$893		\$893
Virtual Server Environment			\$0	\$1,799		\$1,799
<b>Total New Needs</b>	<b>\$175</b>	<b>\$0</b>	<b>\$175</b>	<b>\$13,252</b>	<b>\$9,467</b>	<b>\$22,719</b>
<b>Other Adjustments:</b>						
NYPD Help Desk Takeover			\$0	\$770		\$770
Collective Bargaining Increases	\$230	\$64	\$294	\$230	\$64	\$294
OTPS Re-estimate	(\$13,200)		(\$13,200)			\$0
Heat, Light, and Power	(\$167)		(\$167)	\$1,588		\$1,588
HHS-Connect Transfer	(\$522)	\$891	\$368	(\$1,002)	\$1,609	\$607
IFA Surplus Reduction		(\$2,500)	(\$2,500)			\$0
Lease Adjustments			\$0	\$546	\$432	\$978
PlaNYC Telecommunications		\$1,000	\$1,000			\$0
Reduce 311 Vacancies			\$0	\$573		\$573
FY09 EXEC-CEO			\$0	\$853		\$853
Other Categorical Adjustments		\$504	\$504			\$0
Intra-city Adjustments		\$3,940	\$3,940		\$4,631	\$4,631
<b>Total Other Adjustments</b>	<b>(\$13,659)</b>	<b>\$3,899</b>	<b>(\$9,760)</b>	<b>\$3,557</b>	<b>\$6,737</b>	<b>\$10,294</b>
<b>Total Executive Plan Budget Changes</b>	<b>(\$13,484)</b>	<b>\$3,899</b>	<b>(\$9,585)</b>	<b>\$9,793</b>	<b>\$16,204</b>	<b>\$25,997</b>
<b>Agency Budget as per the Executive Plan</b>	<b>\$202,207</b>	<b>\$130,041</b>	<b>\$332,248</b>	<b>\$243,693</b>	<b>\$128,226</b>	<b>\$371,919</b>

### EXECUTIVE BUDGET ACTION ANALYSIS

#### Programs to Eliminate the Gap (PEGs)

- **311 Contract Budget Reduction.** The Department would restructure and renegotiate its 311 Contract Budget to lower costs of services delivered and generate a savings of \$1.6 million per year beginning in Fiscal 2009.
- **Contract Budget Reduction.** The Department would restructure and renegotiate its general contract budget to lower cost of services delivered and generate a savings of \$1.2 million in Fiscal 2009, \$1.4 million in Fiscal 2010 and \$1.5 million in the outyears.
- **Lease Surplus Reduction.** The Department would re-estimate its lease costs and reevaluate its space needs to surrender unnecessary space and terminate unneeded leases to generate a savings of \$1.9 million in Fiscal 2009, \$1.7 million in Fiscal 2010, \$1.6 million in Fiscal 2011 and \$1.5 million in Fiscal 2012.
- **Reduce 311 Vacancies.** The Department would surrender 44 vacancies within its 311 Call Center to generate a savings of \$2.3 million in Fiscal 2009 and Fiscal 2010, and \$2.4 million in Fiscal 2011 and Fiscal 2012. These PEG amounts include fringe benefit savings normally reflected in the Miscellaneous budget and not in the Department's budget. An associated Other Adjustment item, detailed below, offsets the fringe benefit amounts that are included as part of the PEG figures to give the Department PEG credit.

#### Revenue PEGs

- **Cable Television Franchise Revenue Increase.** As per the Executive Budget, "based on historical and current revenue collections, [DoITT] would receive additional [\$7 million in] revenue from cable television franchisees" beginning in Fiscal 2009.

#### New Needs

- **311 Call Center.** The Department would receive \$6.4 million in Fiscal 2009 and \$6.8 million in the outyears to fund consulting services pertaining to call-taking analytics.
- **Capital Project Expense Needs.** The Department would receive \$36,157 in Fiscal 2009 and \$68,436 in the outyears relating to several capital projects funded through the PU 16 Capital Project code.
- **Data Center Rationalization/Greening Study.** The Department would receive funding of \$175,000 in Fiscal 2008 to produce a complete inventory of all City data processing centers to determine how to reduce lease and energy costs, as well as the "energy footprint" of each facility.
- **End-to-End Procurement.** The Department would receive funding of \$1.2 million beginning in Fiscal 2009 to work with the Mayor's Office of Contracts (MOCS) to develop an automated procurement system to put the City's contracting system on-line from Pre-Solicitation Reports to Contract Registration and vendor oversight.

- **Enterprise Technology Development (ETD).** The Executive Plan adds additional funding to DoITT's ETD Division. These sums include \$245,312 in Fiscal 2009, \$743,316 in Fiscal 2010 and \$587,033 in Fiscal 2011 and Fiscal 2012.
- **NYCServer/ACRIS Maintenance.** NYCServer is the computer server for the Department of Finance that acts as the intake mechanism for City revenue. As per the Executive Plan, DoITT would receive funding of \$2.7 million per year beginning in Fiscal 2009 to cover associated maintenance costs.
- **New York City Wireless Network (NYCWiN) Funding.** The Department would receive funds totaling \$892,700 in Fiscal 2009, \$972,700 in Fiscal 2010, \$509,700 in Fiscal 2011 and \$509,700 in Fiscal 2012 to provide maintenance for NYCWiN system.
- **Virtual Server Environment.** As per the Executive Budget, DoITT would receive an additional \$1.8 million per year beginning in Fiscal 2009 for its Virtual Server Environment.

### Other Adjustments

- **Heat, Light and Power.** The Executive Plan removes \$166,595 from DoITT's budget in Fiscal 2008 and adds \$1.6 million in Fiscal 2009 and the outyears to properly reflect the costs associated with heat, light and power.
- **(Health and Human Services) HHS-Connect Transfer.** DoITT would receive funds from Social Service agencies to do project management work on the HHS-Connect call service that assists people in obtaining social services and information about social services by phone. DoITT would receive \$368,261 in Fiscal 2008, \$606,986 in Fiscal 2009 and \$667,356 in the outyears.
- **NYPD Help Desk Takeover.** The Department would assume responsibility for computer help desk tasks currently handled by the NYPD in-house. NYPD would surrender 14 positions to DoITT along with baselined funds of \$770,000 beginning in Fiscal 2009.
- **Organization of Staff Analysts (OSA) Collective Bargaining.** Funds totaling \$229,589 in Fiscal 2008 and the outyears are being transferred from the Labor Reserve in the Miscellaneous Budget to the Department's PS budget to cover the costs associated with recent collective bargaining settlements with the Organization of Staff Analysts.
- **OTPS Re-Estimate.** As per the Executive Budget, the Department would have its OTPS budget adjusted downward by \$13.2 million in Fiscal 2008.
- **PlanNYC Telecommunications Adjustment.** Telecommunications projects associated with "PlanNYC 2030" would be allocated an additional \$1 million in Fiscal 2008.
- **Reduce 311 Vacancies – Fringe Benefit Adjustment.** In order to offset the fringe benefits portion of the PEG program associated with this item, DoITT would be provided \$573,125 in Fiscal 2009, \$600,625 in Fiscal 2010, \$632,525 in Fiscal 2011 and \$667,725 in Fiscal 2012.

- **Heat, Light, and Power Adjustment.** The January Plan removed \$23,501 from the agency's budget in Fiscal 2008 to properly reflect the costs associated with heat, light, and power.