



Fiscal 2009 Executive Budget Hearings

❖ **Committee on Finance jointly with the
Committee on Governmental Operations**

May 2008

Scheduled To Testify:

- *Department of Citywide Administrative Services*
- *Board of Elections*
- *Campaign Finance Board*
- *Law Department*
- *Community Boards*

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

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

*Hon. Simcha Felder, Chair
Committee on Governmental Operations*

*Preston Niblack, Director
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DEPARTMENT OF CITYWIDE ADMINISTRATIVE SERVICES (856)

Agency Operations

The Department of Citywide Administrative Services (DCAS), established by Local Law 59 of 1996, provides personnel and support services to City agencies, personnel management functions including personnel development; Civil Service administration; administration of civil service examinations and license issuance as required by law; oversight of the Equal Employment Opportunity program and policies; and classification of positions and salary levels. Citywide support functions include acquisition and distribution of supplies and equipment; maintenance and operation of the City's vehicle fleet; energy conservation; maintenance; operation, and reconstruction of city-owned public buildings; purchase, sale, and lease of City-owned nonresidential real property; and publication of the City Record and other official documents.

AGENCY FUNDING OVERVIEW

Agency Funding Sources	Fiscal 2008 Adopted Budget	Fiscal 2008 Current Mod. as of 4/25/2008	Fiscal 2009 Preliminary Budget	Fiscal 2009 Executive Budget
City	\$200,293,061	\$200,293,061	\$178,088,683	\$183,749,997
Other Categorical	\$93,511,493	\$94,515,228	\$93,553,437	\$101,495,721
Capital IFA	\$10,878,007	\$10,878,007	\$8,045,232	\$10,868,021
State	\$30,312,697	\$41,722,832	\$30,899,352	\$34,257,046
Community Development	\$0	\$40,000	\$0	\$0
Federal-Other	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000
Intra-City	\$690,804,453	\$699,751,594	\$694,865,603	\$740,179,268
Total	\$1,027,799,711	\$1,049,200,722	\$1,007,452,307	\$1,072,550,053

HEADCOUNT OVERVIEW

Headcount	Fiscal 2008 Adopted Budget	Fiscal 2008 Forecast for 6/30/2008	Fiscal 2009 Preliminary Budget	Fiscal 2009 Executive Budget
City	1,197	1,181	1,145	1,136
Non-City	765	765	728	782
Total	1,962	1,946	1,873	1,918

AGENCY HIGHLIGHTS

As compared with the Fiscal 2009 Preliminary Budget, the Fiscal 2009 Executive Budget for DCAS increased by approximately \$65.1 million (6.46 percent). Over that same period, DCAS has increased its City-funded budget by approximately \$5.7 million (3.18 percent). Capital IFA-funds have increased by approximately \$2.8 million (35.09 percent). State funding has increased by approximately \$3.4 million (10.87 percent). Federal funding has remained the same at \$2 million. Intra-city funds have increased by approximately \$45.3 million (6.52 percent).

TREND ANALYSIS

AGENCY FIVE-YEAR FUNDING ANALYSIS						
Funding Source	Adopted 2005	Adopted 2006	Adopted 2007	Adopted 2008	Preliminary 2009	Executive 2009
City	\$156,156,792	\$152,973,689	\$191,218,117	\$200,293,061	\$178,088,683	\$183,749,997
Other Categorical	\$54,580,477	\$69,983,754	\$91,408,103	\$93,511,493	\$93,533,437	\$101,495,721
Capital IFA	\$9,984,724	\$8,530,209	\$9,910,079	\$10,878,007	\$8,045,232	\$10,868,021
State	\$26,604,382	\$32,047,941	\$29,633,134	\$30,312,697	\$30,899,352	\$34,257,046
Federal-Other	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000
Intra-City	\$487,013,093	\$539,847,266	\$671,316,121	\$690,804,453	\$694,865,603	\$740,179,269
Agency Total	\$736,339,468	\$805,382,859	\$995,485,554	\$1,027,799,711	\$1,007,452,307	\$1,072,550,053

As compared with the Fiscal 2005 Adopted Budget, the Fiscal 2009 Executive Budget for DCAS increased by approximately \$336.2 million (45.66 percent). DCAS has increased its City-funded budget by approximately \$27.6 million (17.67 percent). Other Categorical funds have increased by approximately \$46.9 million (85.96 percent). Capital IFA-funds have increased by \$883,297 (8.85 percent). State funding has increased by approximately \$7.7 million (28.76 percent). Federal funding has remained the same (\$2 million) since Fiscal 2005. The overall budget increase is due primarily to an increase in Intra-city funds of approximately \$253.2 million (45.66 percent). Intra-city funds are comprised primarily of heat, light, and power costs (*see below*).

HEAT, LIGHT, AND POWER FIVE-YEAR FUNDING ANALYSIS						
Funding Source	Actual 2005	Actual 2006	Actual 2007	Current Mod 2008*	Preliminary 2009	Executive 2009
City	\$25,529,240	\$29,153,434	\$30,880,968	\$33,281,891	\$35,380,286	\$35,808,048
Other Categorical	\$58,944,904	\$74,420,045	\$79,277,696	\$84,879,957	\$91,212,093	\$98,991,006
State	\$291,115	\$265,128	\$366,687	\$378,822	\$368,580	\$399,360
Intra-City	\$438,841,724	\$505,577,384	\$552,270,150	\$582,667,201	\$620,034,707	\$663,386,237
Energy Adjustment					\$50,101,000	\$0
Agency Total	\$523,606,982	\$609,415,991	\$662,794,901	\$701,207,871	\$797,096,666	\$798,584,651

*Current Modified for 2008 includes pending budget modification actions for Heat, Light, and Power that have yet to be voted on.

As compared with the Fiscal 2005 Actual Expenditures, the Fiscal 2009 Executive Budget for heat, light, and power has increased by approximately \$275 million (52.52 percent). It's the Council's desire to have DCAS seek savings through alternative energy utilization and programs to reduce energy consumption. Such programs include the ENCORE program and PlaNYC 2030.

The ENCORE (ENergy COst REDuction) program is a major part of the City's efforts to control energy costs and to improve air quality. The ENCORE agreement with the New York Power Authority allows for energy efficiency and clean energy technology projects, which are paid for by the City of New York and administered by the Office of Energy Conservation (OEC). Projects carried out through this program save energy dollars and reduce greenhouse gas emissions by increasing the energy efficiency of City buildings or switching to cleaner fuels. Here are some examples of ENCORE projects:

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- Installation of high efficient lighting systems, including automatic lighting.
- Replacement of coal and heavy-oil fired boilers with clean dual fuel light-oil or natural gas burners.
- Elimination of chillers (large air conditioners) that use ozone-depleting refrigerants.
- Installation of fuel cells, for clean, on-site generation of electricity where there are special fuel sources that would otherwise be underutilized.

UNIT OF APPROPRIATIONS

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 Citywide Administrative Services.

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	Division of Citywide Personnel Services	\$17,856,310	\$18,066,762	\$15,344,993	\$20,650,943
003	Office of Admin. Trials & Hearings	\$2,329,533	\$2,329,533	\$2,149,973	\$2,154,735
005	Board of Standards & Appeals	\$1,785,224	\$1,785,224	\$1,592,859	\$1,592,859
100	Executive & Financial Admin Services	\$15,716,947	\$15,798,785	\$16,655,434	\$19,079,186
200	Division of Admin. & Security	\$3,881,192	\$3,921,192	\$3,995,317	\$5,590,398
300	Division of Facilities Management	\$61,633,666	\$60,571,828	\$60,644,645	\$56,451,677
400	Division of Municipal Supply Services	\$8,562,361	\$8,562,361	\$8,718,485	\$8,885,921
500	Division of Real Estate Services	\$9,442,799	\$9,442,799	\$9,509,970	\$8,425,642
600	Communications	\$686,374	\$686,374	\$701,184	\$1,382,740
	Total PS	\$121,894,406	\$121,164,858	\$119,312,860	\$124,214,101
002	Division of Citywide Personnel Services	\$5,503,359	\$6,577,653	\$5,083,946	\$6,460,422
004	Office of Admin. Trials & Hearings	\$1,624,907	\$1,624,907	\$1,624,907	\$1,535,517
006	Board of Standards & Appeals	\$483,562	\$483,562	\$483,562	\$481,747
190	Executive & Financial Admin Services	\$11,195,233	\$12,470,974	\$11,302,643	\$11,442,675
290	Division of Admin. & Security	\$11,762,018	\$11,681,132	\$11,637,018	\$11,238,347
390	Division of Facilities Management	\$817,132,212	\$831,100,298	\$820,338,118	\$877,145,681
490	Division of Municipal Supply Services	\$49,287,024	\$55,306,333	\$28,877,263	\$31,061,428
590	Division of Real Estate Services	\$6,600,483	\$6,477,198	\$6,475,483	\$6,520,222
690	Communications	\$2,316,507	\$2,313,807	\$2,316,507	\$2,449,913
	Total OTPS	\$905,905,305	\$928,035,864	\$888,139,447	\$948,335,952
	Total Agency	\$1,027,799,711	\$1,049,200,722	\$1,007,452,307	\$1,072,550,053

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EXECUTIVE BUDGET ACTIONS (\$000)

Description	Fiscal 2008			Fiscal 2009		
	City	Non-City	Total	City	Non-City	Total
Agency Budget as per the Preliminary Plan	\$202,873	\$820,684	\$1,023,557	\$178,089	\$829,363	\$1,007,452
PEGs						
Reduction of Two Chauffers			\$0	(\$122)		(\$122)
Reduce Building Security Contract			\$0	(\$1,106)		(\$1,106)
Transfer DFMC Positions from City to State			\$0	(\$1,000)	\$1,000	\$0
Reduction in Administrative Expenses			\$0		(\$198)	(\$198)
Total PEGs	\$0	\$0	\$0	(\$2,228)	\$802	(\$1,426)
New Needs						
Firefighter Physical Exam			\$0	\$705		\$705
Provisional Reduction Program			\$0	\$1,322		\$1,322
Security Guard Rate Increase	\$201		\$201	\$279		\$279
Sales of Revised Construction Code	\$294		\$294	\$119		\$119
Provisional Reduction Plan Oversight Charge			\$0	\$600		\$600
PlaNYC Hybrid Vehicle Pilot	\$226		\$226			\$0
State Funds for the Purchase of Defibrillators			\$0		\$2,100	\$2,100
NYCAPS IFA Extension			\$0		\$2,753	\$2,753
Total New Needs	\$721	\$0	\$721	\$3,025	\$4,853	\$7,878
Other Adjustments						
DCAS Annuity Expenses	\$126		\$126	\$126		\$126
Collective Bargaining Increases	\$555	\$186	\$741	\$556	\$186	\$742
Fringe for Chauffer Reduction			\$0	\$27		\$27
DCAS Scaffolding Roll	(\$1,500)		(\$1,500)	\$1,500		\$1,500
Reprogram Building Energy Management Funding	(\$2,400)		(\$2,400)			\$0
Bronx Family Justice Center	\$200		\$200	\$200		\$200
Lease Adjustments			\$0	\$2,232	\$1,669	\$3,901
Heat, Light, and Power	(\$633)	(\$17,724)	(\$18,357)	\$428	\$51,161	\$51,589
Tenant Work		\$2,600	\$2,600			\$0
Fuel	(\$109)		(\$109)	(\$210)		(\$210)
Gasoline	(\$170)		(\$170)	\$6		\$6
Intra-City Changes		\$2,734	\$2,734		\$765	\$765
Other Categorical Changes		\$596	\$596			\$0
Total Other Adjustments	(\$3,931)	(\$11,608)	(\$15,539)	\$4,864	\$53,782	\$58,646
Total Executive Plan Budget Changes	(\$3,211)	(\$11,608)	(\$14,818)	\$5,661	\$59,436	\$65,098
Agency Budget as per the Executive Plan	\$199,662	\$809,076	\$1,008,738	\$183,750	\$888,800	\$1,072,550

EXECUTIVE BUDGET ACTION ANALYSIS

Programs to Eliminate the Gap (PEGs)

- **Reduction of Two Chauffer Positions.** This initiative reflects savings from the attrition of two chauffer positions. This action would reduce the agency's budget by two full-time positions and \$122,000 in Fiscal 2009 and the outyears. This action would reduce the number of chauffer positions at DCAS from 29 to 27.
- **Reduce Building Security Contract.** DCAS plans to reduce a building security contract by \$1.106 million in Fiscal 2009 and the outyears. DCAS had identified 12 buildings that they could still keep secure by reducing security staff by two full-time equivalent positions at each location.
- **Funding Switch.** DCAS plans to decrease its City-funded budget by \$1 million and 20 full-time positions in Fiscal 2009 and the outyears. DCAS is not reducing staff; it is merely transferring 20 full-time positions from City-funded to State-funded lines.

Revenue PEGs

- **Additional Commercial Rent Revenue.** DCAS plans to realize additional rent revenue in the amount of \$5.779 million in Fiscal 2008 and \$4.15 million in Fiscal 2009 and the outyears because of higher than expected hotel occupancy rates.
- **Additional Rent from Salvage Sales.** DCAS plans to realize additional revenue from salvage sales in the amount of \$2 million in Fiscal 2008 and \$300,000 in Fiscal 2009 and the outyears.

New Needs

- **Firefighter Physical Exam.** The Division of Citywide Personnel Services plans to increase its Personal Services (PS) budget by \$655,116 and its OTPS budget by \$50,000 in Fiscal 2009 and the outyears to fund the firefighter physical exam. The PS funds would be used for per diems such as exam monitors and administrators to conduct the six-days-a-week/18-week course. The OTPS funds would be used to purchase physical fitness courses.
- **Provisional Reduction Program.** The Division of Citywide Personnel Services plans to increase its PS budget by \$722,000 for 13 full-time positions and its OTPS budget by \$1.2 million in Fiscal 2009 and the outyears to fund the program that would reduce the number of provisional employees throughout the City. The PS funds would be used to hire: 10 test and measurement specialists that would conduct job studies and formulate testing questions for the Examinations Bureau; two associate staff analysts that would work with the Bureau of Civil Administration and monitor the number of provisional employees in City service; and one clerical position to provide assistance at the Manhattan Computer Testing Center. The OTPS funds would be used to ensure compliance with the provisional reduction program. In the Executive Budget, \$600,000 of the \$1.2 million was listed in the OTPS budget as an oversight charge. According to the Office of Management and Budget (OMB), this \$600,000

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will be removed as a technical adjustment in the Fiscal 2009 Adopted Budget since it was counted twice in the Executive Budget.

- **PlaNYC Hybrid Vehicle Project.** The Executive Budget plans to transfer \$225,810 from the Miscellaneous budget in Fiscal 2008 to DCAS's budget for a PlaNYC Hybrid Vehicle Pilot Program. These funds would be used to purchase five Yukon hybrid vehicles.
- **Sales of Revised Construction Code.** DCAS plans to increase its OTPS budget by \$294,000 in Fiscal 2008, by \$119,000 in Fiscal 2009, and by \$88,000 in Fiscal 2010 and the outyears due to sales of the revised construction code. This action is self funded since the sales of the revised construction code would generate revenue to cover the expenditures.
- **Security Guard Rate Increase.** DCAS plans to increase its OTPS budget by \$200,707 in Fiscal 2008 and by \$279,329 in Fiscal 2009 and the outyears due to a security guard rate increase. The security guards that are employed through a contract for the security of public buildings are receiving an hourly rate increase.

Other Adjustments

- **Collective Bargaining Adjustment.** Beginning in Fiscal 2009, annual funds totaling \$555,550 are being transferred from the Labor Reserve in the Miscellaneous Budget to the budget of the Department of Citywide Administrative Services to cover the costs associated with recent collective bargaining settlements.
- **Fringe Associated with Chauffer Reduction.** This technical adjustment represents an increase of \$27,000 in Fiscal 2009, \$28,000 in Fiscal 2010, \$30,000 in Fiscal 2011, and \$31,000 in Fiscal 2012 for fringe benefit costs as a result of 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.
- **Bronx Family Justice Center.** The Executive Budget plans to transfer \$200,000 from the Miscellaneous budget in Fiscal 2008 and Fiscal 2009 to DCAS's budget to fund design work at the Bronx Family Justice Center. This project is not funded past Fiscal 2009 because its expected completion date is prior to the end of the fiscal year.
- **DCAS Annuity Expenses.** Beginning in Fiscal 2009, annual funds totaling \$126,000 are being transferred from the Labor Reserve in the Miscellaneous Budget to the budget of the Department of Citywide Administrative Services to cover the costs associated with annuity expense.

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- **DCAS Scaffolding Roll.** Due to a timing issue, DCAS intends to rollover \$1.5 million from Fiscal 2008 to Fiscal 2009 for scaffolding replacements. \$2 million was placed into the budget of DCAS in the Fiscal 2009 Preliminary Budget for this item.
- **Reprogram Building Energy Management Funding.** DCAS plans to reduce its OTPS budget by \$2.4 million in Fiscal 2008 due to a reduction in building energy management funding. These funds will now appear in the Capital budget of the Department of Transportation.
- **Heat, Light, and Power Adjustment.** The Executive Plan removes \$632,952 from the agency's budget in Fiscal 2008 and adds \$427,762 to the agency's budget in Fiscal 2009 and the outyears to properly reflect the costs associated with heat, light, and power.
- **Lease Adjustments.** The Executive Plan adds approximately \$2.232 million to the agency's budget in Fiscal 2009 and approximately \$2.017 million in Fiscal 2010 and the outyears to properly reflect the costs associated with leases.
- **Fuel Adjustment.** The Executive Plan removes \$108,946 from the agency's budget in Fiscal 2008 and \$210,350 in Fiscal 2009 and the outyears to properly reflect the costs associated with fuel oil.
- **Gasoline Adjustment.** The Executive Plan removes \$170,428 from the agency's budget in Fiscal 2008 and adds \$5,872 in Fiscal 2009 and the outyears to properly reflect the costs associated with motor vehicle fuel.

PRELIMINARY BUDGET ACTION ANALYSIS

Programs to Eliminate the Gap (PEGs)

- **Board of Standards and Appeals (BSA) PS Reduction.** The BSA is reducing its PS budget by \$57,000 in Fiscal 2008 due to PS accruals.
- **Office of Administrative Trails and Hearings (OATH) PS Reduction.** OATH is reducing its PS budget by \$18,000 in Fiscal 2009 and the outyears due to the elimination of one part-time clerical associate.
- **Hiring Freeze and Vacancy Reduction Program (DCAS).** This initiative reflects savings from the partial elimination of vacancies and replacement of future attrition. This action would reduce the budget of DCAS by \$392,000 and 44 full-time positions in Fiscal 2008 and by \$3.278 million and 78 full-time positions in Fiscal 2009 and the outyears. The result of this initiative is two-fold: 1) As of 11/30/2007, only half of the vacancies at that time will be filled; and 2) For every two attrited positions, only one will be replaced.
- **Hiring Freeze and Vacancy Reduction Program (BSA).** This initiative reflects savings from the partial elimination of vacancies and replacement of future attrition. This action would reduce the BSA's budget by \$30,000 and two full-time positions in Fiscal 2008 and by

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\$208,000 and three full-time positions in Fiscal 2009 and the outyears. The result of this initiative is two-fold: 1) As of 11/30/2007, only half of the vacancies at that time will be filled; and 2) For every two attrited positions, only one will be replaced.

- **Hiring Freeze and Vacancy Reduction Program (OATH).** This initiative reflects savings from the partial elimination of vacancies and replacement of future attrition. This action would reduce OATH's budget by \$22,000 and two full-time positions in Fiscal 2008 and by \$172,000 and three full-time positions in Fiscal 2009 and the outyears. The result of this initiative is two-fold: 1) As of 11/30/2007, only half of the vacancies at that time will be filled; and 2) For every two attrited positions, only one will be replaced.
- **OTPS Reduction.** The Division of Facilities Management and Construction plans to reduce its OTPS budget by \$326,000 in Fiscal 2009 and the outyears.

Revenue PEGs

- **Lease Audits.** DCAS plans to receive a one-time refund on a City-lease of \$388,000 in Fiscal 2008.
- **Additional Commercial Rent Revenue.** DCAS plans to realize additional rent revenue in the amount of \$8.405 million in Fiscal 2008 and \$7.76 million in Fiscal 2009 and the outyears because of revised lease payment terms from the Marriott Marquis Hotel.
- **BSA Filing Fees.** The Board of Standards and Appeals plan to realize additional revenue of \$113,000 in Fiscal 2009 and the outyears because of a change in City Environmental Quality Review (CEQR) fees that were implemented in Fiscal 2007.

New Needs

- **Energy Projects PlaNYC 2030.** DCAS plans to increase its Personal Services (PS) budget by \$791,000 in Fiscal 2008 and by 1.582 million in Fiscal 2009 and the outyears for 17 full-time positions for Energy Projects associated with PlaNYC 2030. The 17 full-time positions will be comprised of staff to implement energy efficiency in DCAS buildings, project managers for non-DCAS buildings, and an employee to do environmental purchasing. The Other Than Personal Services (OTPS) costs associated with this action are \$11.964 million in Fiscal 2008 only. The OTPS funding will be used primarily for the purchase of energy-efficient replacement vehicles, contractual spending, and to implement energy audits.
- **Scaffolding Replacement.** DCAS plans to increase its OTPS budget by \$2 million in Fiscal 2008 to fund scaffolding replacements. DCAS plans to work with a new vendor for its scaffolding for façade improvements throughout the DCAS portfolio. The new vendor has yet to be determined.

Other Adjustments

- **Collective Bargaining Adjustment.** Beginning in Fiscal 2008, annual funds totaling \$554,821 are being transferred from the Labor Reserve in the Miscellaneous Budget to the budget of DCAS to cover the costs associated with recent collective bargaining settlements.

- **NYCAPS Functional Transfer.** DCAS plans to increase its PS budget by \$485,930 for 15 full-time positions in Fiscal 2008 and \$682,731 in Fiscal 2009 and the outyears due to a functional transfer. The 15 employees would be transferred from the following agencies into DCAS: Human Resources Administration (7); Administration for Children Services (3); Department of Parks and Recreation (2); Housing Preservation and Development (1); Law Department (1); and the Department of Probation (1).
- **Coastal Storm Plan Technical Adjustment.** DCAS plans to transfer \$13 million to the Department of Emergency Management in Fiscal 2008 as part of a technical adjustment. This action would leave \$7.624 million in the Department's budget for coastal storm purchasing.
- **Lease Adjustment.** The January Plan added \$200,000 to the agency's budget in Fiscal 2008 and \$675,000 in Fiscal 2009 and the outyears to properly reflect the costs associated with leases.
- **Heat, Light, and Power.** The January Plan removed \$1,465,443 from the agency's budget in Fiscal 2008 to properly reflect the costs associated with heat, light, and power.
- **Fuel Adjustment.** The January Plan added \$391,680 to the agency's budget in Fiscal 2008 and \$388,080 in Fiscal 2009 and the outyears to properly reflect the costs associated with fuel oil.
- **Gasoline Adjustment.** The January Plan added \$234,038 to the agency's budget in Fiscal 2008 and \$268,849 in Fiscal 2009 and the outyears to properly reflect the costs associated with motor vehicle fuel.

BOARD OF ELECTIONS (003)**Agency Operations**

The Board of Elections (The Board or BOE) conducts, as specified by State Law, all elections within the City of New York. The Board has a central office and five borough offices. The Board receives and examines candidates' petitions, registers voters either by mail or on specified registration days, and keeps current the City's voter registration lists. The Board holds and keeps minutes of all of the Commissioners' meetings on the Board of Elections.

AGENCY FUNDING OVERVIEW

Agency Funding Sources	Fiscal 2008 Adopted Budget	Fiscal 2008 Current Mod. as of 4/25/2008	Fiscal 2009 Preliminary Budget	Fiscal 2009 Executive Budget
City	\$100,864,284	\$100,864,284	\$78,678,284	\$89,162,413
Other Categorical	\$0	\$0	\$0	\$0
Capital IFA	\$0	\$0	\$0	\$0
State	\$0	\$0	\$0	\$0
Community Development	\$0	\$0	\$0	\$0
Federal-Other	\$0	\$0	\$0	\$0
Intra-City	\$0	\$0	\$0	\$0
Total	\$100,864,284	\$100,864,284	\$78,678,284	\$89,162,413

FUNDING OVERVIEW

The Mayor's Executive Plan contains several actions for the Board of Elections. The Board is taking an across-the-board Personnel Services (PS) and Other Than Personnel Services (OTPS) reduction of \$2.36 million as a part of the Program to Eliminate the GAP (PEG) for Fiscal Year 2009 and continuing in the out years. Additionally, the Board is returning \$5 million in unspent Presidential Primary funds from Fiscal Year 2008 as a part of the PEG program. Also noteworthy is an increase in OTPS funds of \$3.9 million for additional warehouse space and \$594,000 for additional office space. The funding for office space continues at the same level in the out years. The additional warehouse funding increases to just over \$7 million for the Fiscal Years 2010 to 2012. Additional funding for warehouse space is essential due to the mandate to use ballot marking devices (BMDs) in all polling places for the fall 2008 elections.

HEADCOUNT OVERVIEW

Headcount	Fiscal 2008 Adopted Budget	Fiscal 2008 Forecast for 6/30/2008	Fiscal 2009 Preliminary Budget	Fiscal 2009 Executive Budget
City	325	326	326	319
Non-City	0	0	0	0
Total	325	326	326	319

AGENCY HIGHLIGHTS

In 2002, Congress passed the Help America Vote Act (HAVA) that required the creation of statewide, computerized, interactive voter registration lists, and the installation of disability-accessible voting machines at each poll site. HAVA also appropriated funds to states to modernize their voting systems. That act made available \$220 million to the State of New York. Of that amount, New York City is expecting to get 38 percent or \$83.6 million to carry out the voting machine upgrades. Currently the City is home to 42 percent of the State's total registered voters. If the State were to recalculate the share, the City would be receiving \$92.4 million of the total funding. HAVA requires at least one machine per election district (ED); when an ED's population is more than 800, the ED must have more than one machine. The City has 6,111 election districts. The City's BOE has not yet published a listing of the election districts that require multiple machines, but it is an issue for the Executive Director.

The State legislature waited until June of 2005 to pass the State's Election Reform and Modernization Act (ERMA) which left the State Board of Elections less than enough time to carry out the implementation of the act. The State Board has only recently conducted public hearings and sought comments from voters and advocacy groups about Voting System Standards. Currently, there are two types of voting machines systems that are being presented to local Boards: Optical Scan and Direct Recording Electronic (DRE). Many advocates prefer Optical Scan over DRE's for various reasons including the former's ability to create an auditable paper trail. Optical Scan machines are expected to cost \$5,000 each, and DRE's between \$8,000 and \$10,000. The disability community is advocating having ballot-marking devices at each polling site. Each ballot-marking device costs \$3,000 although the DRE machines have a ballot-marking device built in. At present, the City Board of Elections staff is unsure about next steps required to implement HAVA and ERMA.

All HAVA-participating states were required to comply with the law by the general election in November 2004. However, since New York received a one-time waiver from the Federal government, full HAVA compliance was extended in 2005 to the September 2006 primary election. In order to implement HAVA the New York State Legislature passed the Election Reform and Modernization Act (ERMA), which, among other things, authorized the local Boards of Elections to make the final decision about which systems to select for their respective counties to replace the current lever machines.

In February of 2006, the Department of Justice sued New York State for its failure to meet HAVA requirements. On June 2, 2006, as part of the settlement of the HAVA lawsuit, the United States District Court for the Northern District of New York (Court) issued a remedial order accepting the State Board of Election's plan for partial HAVA compliance for the 2006 election cycle, and setting forth future deadlines for full HAVA compliance by 2007.

Further extending the delay, the State-chosen consultant, CIBER, has not been certified by the Election Assistance Commission (EAC) to test voting machines. EAC was created in HAVA to oversee elections and set standards for voting machine systems. The standards set by EAC are voluntary, however New York State made those standards mandatory. CIBER's methods for testing voting machines did not meet EAC standards.

On January 11, 2008 the Department of Justice ruled New York State had to be HAVA compliant for the fall elections in 2008, saying State law and procedures “must give way” to Federal law requirements. As a result of this ruling the City has to equip all polling locations with a Ballot Marking Device (BMD) for the 2008 general election.

The Board of Elections (BOE) estimates this will cost the City approximately \$20 million. This includes the cost of the machines, additional Election Day staff to run the machines, and training for the additional Election Day staff. The BOE has selected ES&S to be the BMD vendor for the fall 2008 elections. The total cost is \$19.66 million of which \$16 million will be for the machines and related hardware and accessories. The additional \$3 million is for support services and training. This will allow the Board to place a BMD at each of the 1,353 polling sites, as well as secure additional BMDs at polling sites with more than 10 EDs or 5,000 voters, BMDs for training, and spare machines in the event of a breakdown.

The ruling also mandated that the State must have a HAVA-compliant voting system operational for the 2009 elections. The State BOE could choose different machines to be used starting in 2009 than the BMDs that are being used for 2008, costing the City additional money above the \$50 million the State has allocated for this purpose.

The Mayor’s Executive Budget includes a \$2.36 million across-the-board PS and OTPS PEG program, but does roll over \$8.12 million in HAVA funds from Fiscal Year 2008. There are still concerns regarding the cuts especially in light of the Board’s needs as a result of the court decision requiring BOE to be HAVA compliant for the fall 2008 general election.

Pay Equity

For several years, the BOE has been advocating for an increase in the salaries of its employees. The Board conducted a study showing that when compared to the salaries of the surrounding counties Boards and those of the City’s Campaign Finance Board, New York City BOE employees’ salaries were among the lowest overall. The Board is currently seeking a baseline addition of \$7 million to properly fund its salary costs. According to the Board, this is particularly vital given the substantial increase in required job expertise and training associated with election modernization and the Help America Vote Act.

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 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 January 2008 Financial Plan actions for the Board of Elections.

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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	\$21,511,036	\$21,511,036	\$20,261,036	\$19,800,036
002	Other Than Personal Services	\$79,353,248	\$79,353,248	\$58,417,248	\$69,362,377
	Total	\$100,864,284	\$100,864,284	\$78,678,284	\$89,162,413

EXECUTIVE BUDGET ACTIONS (\$000)

Description	Fiscal 2008			Fiscal 2009		
	City	Non-City	Total	City	Non-City	Total
Agency Budget as per the Preliminary Plan	\$100,859	\$0	\$100,859	\$78,678	\$0	\$78,678
PEGs						
Across the Board PS Reduction			\$0	(\$608)		(\$608)
Across the Board OTPS Reduction			\$0	(\$1,753)		(\$1,753)
Unpsent Presidential Primary Funds	(\$5,000)		(\$5,000)			\$0
Total PEGs	(\$5,000)	\$0	(\$5,000)	(\$2,361)	\$0	(\$2,361)
New Needs:						
Additional Warehouse Space			\$0	\$3,905		\$3,905
Additional Office Space			\$0	\$594		\$594
Total New Needs	\$0	\$0	\$0	\$4,499	\$0	\$4,499
Other Adjustments						
HAVA FY09 Adjustment	(\$8,120)		(\$8,120)	\$8,120		\$8,120
Heat, Light and Power	(\$10)		(\$10)	\$24		\$24
Lease Adjustment			\$0	\$54		\$54
PS Reduction- Fringe Savings			\$0	\$147		\$147
Total Other Adjustments	(\$8,130)	\$0	(\$8,130)	\$8,345	\$0	\$8,345
Total Executive Plan Budget Changes	(\$13,130)	\$0	(\$13,130)	\$10,483	\$0	\$10,483
Agency Budget as per the Executive Plan	\$87,729	\$0	\$87,729	\$89,162	\$0	\$89,162

EXECUTIVE BUDGET ACTION ANALYSIS

PEGs

- **Across the Board OTPS Reduction:** The sum of \$1,753,000 is proposed to be removed from the Board's OTPS budget as a result of an across-the-board reduction.
- **Across the Board PS Reduction:** The sum of \$608,000 is proposed to be removed from the Board's PS budget as a result of an across-the-board reduction.

New Needs

- **Additional Office Space:** The Executive Budget adds \$594,000 to the agency's budget in Fiscal Year 2009 and continuing in the out years for additional office space.

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- **Additional Warehouse Space:** The Executive Budget adds \$3,905,442 to the agency's budget in Fiscal Year 2009 for additional warehouse space. From Fiscal Years 2010 to 2012 the additional funding for warehouse space increases to just over \$7 million.

Other Adjustments

- **Heat, Light and Power:** The Executive Budget removes \$10,436 from the agency's budget in Fiscal Year 2008, and adds \$24,629 to the agency's budget in Fiscal Year 2009.
- **HAVA Fiscal Year 09 Adjustment:** The Executive budget moves \$8,120,000 from the agency's budget in Fiscal Year 2008 to the agency's budget in Fiscal Year 2009.
- **Lease Adjustment:** The Executive budget adds \$54,058 to the agency's budget in Fiscal 2009.
- **PS Reduction – Fringe Savings:** This action adds \$147,000 to the agency's budget. In order to give agencies PEG credit for the reduction in fringe benefit costs associated with 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, the value of the fringe benefit costs have been put 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 savings.

CAMPAIGN FINANCE BOARD (004)**Agency Operations**

The Campaign Finance Board (The Board) is responsible for implementing the City's campaign finance program. The Board establishes regulations regarding contribution and expenditure limitations for candidates seeking election to the office of Mayor, Public Advocate, Comptroller, Borough President and City Council. The Board renders advisory opinions and initiates reviews and investigations to insure compliance with, and administration of, the New York City Campaign Finance Act. In addition, the Board publishes and distributes the Voter Guide.

AGENCY FUNDING OVERVIEW

Agency Funding Sources	Fiscal 2008 Adopted Budget	Fiscal 2008 Current Mod. as of 4/25/2008	Fiscal 2009 Preliminary Budget	Fiscal 2009 Executive Budget
City	\$9,805,549	\$9,805,549	\$8,668,081	\$11,752,217
Other Categorical	\$0	\$0	\$0	\$0
Capital IFA	\$0	\$0	\$0	\$0
State	\$0	\$0	\$0	\$0
Community Development	\$0	\$0	\$0	\$0
Federal-Other	\$0	\$0	\$0	\$0
Intra-City	\$0	\$0	\$0	\$0
Total	\$9,805,549	\$9,805,549	\$8,668,081	\$11,752,217

HEADCOUNT OVERVIEW

Headcount	Fiscal 2008 Adopted Budget	Fiscal 2008 Forecast for 6/30/2008	Fiscal 2009 Preliminary Budget	Fiscal 2009 Executive Budget
City	67	67	67	89
Non-City	0	0	0	0
Total	67	67	67	89

AGENCY HIGHLIGHTS**The Budget Submission Process Following Charter Reform**

The budget submission process for the Campaign Finance Board has changed significantly since Fiscal Year 1999. Following adoption of the Charter reform ballot proposal in the general election of 1998, the Campaign Finance Board's budget request is to be included, without change, in the Mayor's Executive Budget submission to the City Council. The Board's budget is submitted to the Mayor and the Speaker of the Council on March 10th.

The Board's budget for Fiscal Year 2009 contains three major actions, and several smaller actions. First is an increase in the Board's Personnel Services (PS) budget of \$1,694,581 to hire staff to enforce the regulations required under the "doing business" legislation passed by the Council. Additionally, the amount of \$709,800 is added to the Other Than Personnel Services

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(OTPS) budget to cover increased operating costs. The third major action is the addition of \$500,000 to the Campaign Finance Fund for Fiscal Year 2009. The smaller actions include increased PS funds for collective bargaining, and several Intra-City transfers.

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 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 Plan actions for the Campaign Finance Board.

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	\$4,798,589	\$4,798,589	\$4,662,901	\$6,430,217
	Total PS	\$4,798,589	\$4,798,589	\$4,662,901	\$6,430,217
002	Other Than Personal Services	\$4,006,960	\$4,006,960	\$3,005,180	\$3,822,000
003	Election Funding	\$1,000,000	\$1,000,000	\$1,000,000	\$1,500,000
	Total OTPS	\$5,006,960	\$5,006,960	\$4,005,180	\$5,322,000
	Total	\$9,805,549	\$9,805,549	\$8,668,081	\$11,752,217

EXECUTIVE BUDGET ACTIONS (\$000)

Description	Fiscal 2008			Fiscal 2009		
	City	Non-City	Total	City	Non-City	Total
Agency Budget as per the Preliminary Plan	\$9,009	\$0	\$9,009	\$8,668	\$0	\$8,668
New Needs						
Pay to Play Staffing			\$0	\$1,695		\$1,695
Campaign Finance Fund Re-estimate			\$0	\$500		\$500
FY09 Operating Cost Adjustment			\$0	\$710		\$710
Total New Needs	\$0	\$0	\$0	\$2,904	\$0	\$2,904
Other Adjustments						
CFB OSA Collective Bargaining	\$73		\$73	\$73		\$73
FY09 DOITT IC			\$0	\$97		\$97
FY09 DCAS Auto IC			\$0	\$4		\$4
FY09 Intra-City with DCAS			\$0	\$6		\$6
Total Other Adjustments	\$73	\$0	\$73	\$180	\$0	\$180
Total Executive Plan Budget Changes	\$73	\$0	\$73	\$3,084	\$0	\$3,084
Agency Budget as per the Executive Plan	\$9,082	\$0	\$9,082	\$11,752	\$0	\$11,752

EXECUTIVE BUDGET ACTION ANALYSIS

New Needs

- **Campaign Fund Re-estimate:** The Executive Budget adds \$500,000 to the Campaign Finance Fund for Fiscal Year 2009.
- **Fiscal Year09 Operating Cost Adjustment:** The Executive Budget adds \$709,800 to the agency's OTPS budget for Fiscal Year 2009 and continues in the out years.
- **"Doing Business" Staffing:** The Executive Budget adds \$1,694,581 to the agency's PS budget for Fiscal Year 2009 and continues through the out years to pay for additional staff to work on the "doing business" regulations.

Other Adjustments

- **Collective Bargaining Funding:** The Executive Budget adds \$72,735 from the Labor Reserve in the Miscellaneous Budget to the Board to cover the costs associated with recent collective bargaining settlements, and continues in the out years.
- **Fiscal Year09 DCAS Auto IC:** The Executive Budget adds \$4,439 to the agency's budget for Fiscal Year 2009 and continues through the out years.
- **Fiscal Year09 DOITT IC:** The Executive Budget adds \$96,940 to the agency's budget for Fiscal Year 2009 and continues through the out years.
- **Fiscal Year09 Intra-City with DCAS:** The Executive Budget adds \$5,641 to the agency's budget for Fiscal Year 2009 and continues through the out years.

LAW DEPARTMENT (025)**Agency Operations**

The Law Department serves as the attorney and counsel for the Mayor and other elected officials, mayoral agencies, and non-mayoral agencies such as the Health and Hospitals Corporation and the Housing Authority. The Law Department protects the City's interests by litigating affirmative and defensive cases in all state and federal courts. In addition, the Law Department prepares legislation, leases, contracts, and financial instruments for the sale of bonds and notes, and provides legal counsel on a wide range of other matters, including pensions and the restructuring of City government.

AGENCY FUNDING OVERVIEW

Agency Funding Sources	Fiscal 2008 Adopted Budget	Fiscal 2008 Current Mod. as of 4/25/2008	Fiscal 2009 Preliminary Budget	Fiscal 2009 Executive Budget
City	\$119,085,544	\$119,085,544	\$116,273,968	\$120,845,800
Other Categorical	\$437,024	\$1,627,024	\$437,024	\$437,024
Capital IFA	\$1,999,867	\$1,999,867	\$2,005,472	\$2,005,472
State	\$0	\$35,000	\$0	\$0
Community Development	\$0	\$0	\$0	\$0
Federal-Other	\$0	\$62,500	\$0	\$0
Intra-City	\$2,475,134	\$3,502,699	\$2,475,134	\$2,475,134
Total	\$123,997,569	\$126,312,634	\$121,191,598	\$125,763,430

HEADCOUNT OVERVIEW

Headcount	Fiscal 2008 Adopted Budget	Fiscal 2008 Forecast for 6/30/2008	Fiscal 2009 Preliminary Budget	Fiscal 2009 Executive Budget
City	1,284	1,258	1,245	1,252
Non-City	36	37	36	36
Total	1,320	1,295	1,281	1,288

AGENCY HIGHLIGHTS

The Law Department's Fiscal 2008 Adopted Expense Budget was approximately \$124 million. The Department's Fiscal 2009 Preliminary Budget was \$121.2 million, a decrease of 2.2 percent. The year-to-year decrease most significantly reflects the January Plan's Hiring Freeze and Vacancy Reduction Program offset by new needs (the expansion of the Torts Division and the Senior Counsel Program) and other adjustments, including collective bargaining (see below). The Executive Plan increases the agency's budget to approximately \$125.8 million, and also increases appropriations for the Department in the Miscellaneous Budget.

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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	\$94,897,773	\$94,492,838	\$94,044,802	\$94,759,428
002	Other Than Personal Services	\$29,099,796	\$31,819,796	\$27,146,796	\$31,004,002
	Total	\$123,997,569	\$126,312,634	\$121,191,598	\$125,763,430

EXECUTIVE BUDGET ACTIONS (\$000)

Description	Fiscal 2008			Fiscal 2009		
	City	Non-City	Total	City	Non-City	Total
Agency Budget as per the Preliminary Plan	\$118,897	\$5,510	\$124,407	\$116,274	\$4,917	\$121,191
PEGs						
OSE Legal Action Collections	\$213		\$213	\$220		\$220
Total PEGs	\$213	\$0	\$213	\$220	\$0	\$220
New Needs						
Charter Revision Commission	\$354		\$354	\$1,415		\$1,415
Total New Needs	\$354	\$0	\$354	\$1,415	\$0	\$1,415
Other Adjustments						
OSA Staff Analysts Salary Adjustments	\$135		\$135	\$135		\$135
Heat, Light, and Power	(\$10)		(\$10)	\$49		\$49
Lease Adjustment			\$0	\$2,753		\$2,753
Federal Adjustments		\$63	\$63			\$0
Other Categorical Adjustments		\$910	\$910			\$0
Intra-City Adjustments		\$750	\$750			\$0
Total Other Adjustments	\$125	\$1,722	\$1,847	\$2,937	\$0	\$2,937
Total Executive Plan Budget Changes	\$692	\$1,722	\$2,414	\$4,572	\$0	\$4,572
Agency Budget as per the Executive Plan	\$119,588	\$7,232	\$126,820	\$120,846	\$4,917	\$125,763

EXECUTIVE BUDGET ACTION ANALYSIS

New Needs

- **Charter Revision Funding.** The Executive Plan includes new needs funding for the operation of a Charter Revision Commission. These sums include \$354,000 in Fiscal 2008, \$1.415 million in Fiscal 2009 and \$354,000 in Fiscal 2010. According to the Law Department, "The full annual value for [Personal Services] PS and [Other Than Personal

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Services] OTPS is \$580,000 and \$835,000, respectively. The costs in FY'08 and FY'10 represents a three month value of the annualized need...The OTPS costs consist of estimates for consultants and such other costs as printing, transcription and postage.” The reported salary structure is as follows:

Executive Director	\$140,000
Counsel & Director of Research	\$99,000
Chief of Staff and Special Counsel	\$86,000
Deputy Counsel	\$75,000
Communications Director	\$85,000
Research Assistant	\$50,000
Administrative Assistant	\$45,000

Programs to Eliminate the Gap (PEGs)

Expense PEGs

- **Office of Special Enforcement (OSE) Legal Action Collections.** The Executive Budget includes Expense Budget funding for two contract attorneys whose actions are anticipated to “result in the collection of funds by the Mayor’s Office of Special Enforcement. That office deals with enforcement issues including counterfeit goods.” The Plan includes Law Department funding of \$213,000 in Fiscal 2008, \$220,000 in Fiscal 2009 and \$110,000 in Fiscal 2010. The revenues in Fiscal 2008 and Fiscal 2010 are anticipated to equal the Expense Budget funding, thus having no net budgetary impact. The anticipated revenue in Fiscal 2009 (\$803,000) is expected to exceed Expense costs (\$220,000) by \$583,000.

Revenue PEGs

- **Office of Special Enforcement (OSE) Legal Action Collections.** As detailed in the Expense PEG action above, OSE contract attorneys are projected to generate \$213,000 in Fiscal 2008, \$803,000 in Fiscal 2009 and \$110,000 in Fiscal 2010.
- **Additional Affirmative Litigation Revenue.** The Executive Plan recognizes additional revenue of \$5 million in Fiscal 2009 “relating to a case entitled City v. Venkataram, Abreu, VisualSoft Technologies and DVS Raju. The matter involves alleged bid rigging/overbilling of the Office of the Chief Medical Examiner.” Whereas an argument can be made for the inclusion in the baseline Revenue Budget of such affirmative litigation revenues, the Law Department contends that, “No additional revenues, beyond those included in the baseline, are included because of the vagaries of litigation and the fact that we cannot predict, with any degree of certainty, when matters will be settled and when payments will be made to the City and in what amount.” As provided by the Department, “Below are the completed yearly reconciliation of revenues brought in by the Affirmative Litigation since the beginning of the Bloomberg Administration.”

FY 2002	\$17,174,316
FY 2003	\$10,882,000
FY 2004	\$7,987,000
FY 2005	\$18,336,000
FY 2006	\$10,232,000
FY 2007	\$10,390,000

Other Adjustments

- **Collective Bargaining Increase – Organization of Staff Analysts (OSA).** Funds totaling \$134,000 in Fiscal 2008 and the outyears are being transferred from the Labor Reserve in the Miscellaneous Budget to the Law Department to cover costs associated with collective bargaining for staff analysts.
- **Heat, Light and Power.** The Executive Plan removes \$9,000 from the Law Department's budget in Fiscal 2008 and adds \$48,000 to the agency's baseline budget beginning in Fiscal 2009 to properly reflect the costs associated with heat, light and power.
- **Lease Adjustments.** The January Plan adds approximately \$2.8 million to the Law Department's budget in Fiscal 2008 and \$4 million in Fiscal 2009 and the outyears to properly reflect the costs associated with agency leases. The Department's lease at 100 Church Street will reportedly expire in October 2008. The vast majority of the aforementioned funding "...relates to the exercising of a 5 year renewal option for the space [the Law Department] currently occup[ies] as well as additional file storage space in Brooklyn."

Law Department New Needs funded in the Miscellaneous Budget

- **Law Department Contractual New Needs.** Funds totaling \$7.644 million in Fiscal 2008 and \$6.498 million in Fiscal 2009 are included in the Executive Plan for Law Department contractual needs. These funds are placed in the Miscellaneous Budget rather than the budget for the Law Department. According to the Law Department, "The basis for the need relates to cases with large amounts of discovery. These cases include the Deutsche Bank fire and Guns litigations." While it could be argued that these costs should be reflected directly in the Law Department's budget, or that at the very least, they could be estimated and baselined in the Miscellaneous Budget, it is the Department's contention that, "With these matters it is extremely difficult to predict exactly when or if they will be settled or what will be required to effectively defend the City's position. Given their size and complexity, budgetary needs are raised with the benefit of more reliable data surrounding litigation support needs as well as expert consultants." The agency does not have yearly reconciliations of these contractual new needs.

Law Department Other Adjustments funded in the Miscellaneous Budget

- **Technical Adjustment – Law Department Contractual Needs.** The Executive Plan includes a technical adjustment to roll over \$1.475 million from Fiscal 2008 to Fiscal 2009. "The rollover of funds relate to a [Fair Labor Standards Act] FLSA matter (Tyler) which is

currently on appeal. As a result, budgeted funds will not be needed in the current fiscal year. Based on the outcome of settlement discussions, those funds will more likely be needed during FY 2009. The funds are associated with a law firm contract.”

PRELIMINARY BUDGET ACTION ANALYSIS

New Needs

- **Expanded Senior Counsel Program.** The January Plan proposed an expansion of the agency’s Senior Counsel Program, a program designed to retain senior attorneys through the provision of salary enhancements. The Plan increased funding for the program by \$462,500 in Fiscal 2009 and approximately \$2.4 million annually thereafter.
- **Tort Division Expansion.** The January Plan proposed an expansion of the agency’s Tort Division by 35 positions and approximately \$2.1 million beginning in Fiscal 2009.

Programs to Eliminate the Gap (PEGs)

- **Hiring Freeze and Vacancy Reduction Program.** As per the January Plan, “This initiative reflect[ed] savings from the partial elimination of vacancies and replacement of future attrition.”

Other Adjustments

- **Collective Bargaining Increase.** Funds totaling \$264,353 in Fiscal 2008 and the outyears are being transferred from the Labor Reserve in the Miscellaneous Budget to the Law Department to cover costs associated with collective bargaining.
- **NYCAPS Functional Transfer.** DCAS plans to increase its Personal Services (PS) budget by \$485,930 for 15 full-time positions in Fiscal 2008 and \$682,731 in Fiscal 2009 and the outyears due to a functional transfer. The 15 employees would be transferred from the following agencies into DCAS: Human Resources Administration (7); Administration for Children Services (3); Department of Parks and Recreation (2); Housing Preservation and Development (1); Department of Probation (1); and Law Department (1). This action would remove \$30,166 in Fiscal 2008 and \$52,288 annually thereafter from the Law Department’s budget associated with the transfer of this one position.
- **Heat, Light and Power.** The January Plan added \$6,241 to the agency’s budget in Fiscal 2008 to properly reflect the costs associated with heat, light and power.

COMMUNITY BOARDS (499)**Agency Operations**

There are 59 community boards in New York City: 12 are located in Manhattan, 12 in the Bronx, 14 in Queens, 18 in Brooklyn, and three on Staten Island. Each community board is responsible for cooperating with, advising, and assisting any public agency or office concerning matters that relate to the welfare of the district and its residents. Each board submits recommendations to the Mayor, Borough President, City Council, and other City officials, which are in the best interest of the district. Every board conducts public hearings and submits recommendations on the capital and expense budgets. Community boards play an advisory role in zoning and other land use issues, in community planning and in the coordination of municipal services. Each board is required to hire a full-time district manager and other staff to run a district office, which is responsible for resolving residents' service delivery problems.

AGENCY FUNDING OVERVIEW

Agency Funding Sources	Fiscal 2008 Adopted Budget	Fiscal 2008 Current Mod. as of 4/25/2008	Fiscal 2009 Preliminary Budget	Fiscal 2009 Executive Budget
City	\$14,497,729	\$14,495,729	\$13,757,175	\$13,831,247
Other Categorical	\$0	\$124,160	\$0	\$0
Capital IFA	\$0	\$0	\$0	\$0
State	\$0	\$24,500	\$0	\$0
Community Development	\$0	\$0	\$0	\$0
Federal-Other	\$0	\$0	\$0	\$0
Intra-City	\$0	\$0	\$0	\$0
Total	\$14,497,729	\$14,644,389	\$13,757,175	\$13,831,247

HEADCOUNT OVERVIEW

Headcount	Fiscal 2008 Adopted Budget	Fiscal 2008 Forecast for 6/30/2008	Fiscal 2009 Preliminary Budget	Fiscal 2009 Executive Budget
City	169	173	173	173
Non-City	0	0	0	0
Total	169	173	173	173

AGENCY HIGHLIGHTS

In the Fiscal 2008 Adopted Budget, all boards received a uniform base level of funding in the amount of \$199,895, with an additional allocation for rent and heat, light and power for those community boards located in non-City owned lease space. The Fiscal 2008 Current Modified Budget for the 59 community boards is \$146,660 higher than the Adopted Budget due to the receipt of categorical and State grants. In the Fiscal 2009 Executive Budget, all boards would receive a uniform base level of funding in the amount of \$189,895 as part of a \$10,000 (five-

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percent) reduction per community board that was proposed in the Fiscal 2009 Preliminary Budget.

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 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 Community Boards.

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	\$10,007,013	\$10,021,519	\$9,485,955	\$9,800,418
	Total PS	\$10,007,013	\$10,021,519	\$9,485,955	\$9,800,418
002	Other Than Personal Services	\$1,943,793	\$2,075,947	\$1,717,851	\$1,403,388
003	Rent and Energy	\$2,546,923	\$2,546,923	\$2,553,369	\$2,627,441
	Total OTPS	\$4,490,716	\$4,622,870	\$4,271,220	\$4,030,829
	Total Agency	\$14,497,729	\$14,644,389	\$13,757,175	\$13,831,247

EXECUTIVE BUDGET ACTIONS (\$000)

Description	Fiscal 2008			Fiscal 2009		
	City	Non-City	Total	City	Non-City	Total
Agency Budget as per the Preliminary Plan	\$14,531	\$121	\$14,652	\$13,757	\$0	\$13,757
PEGs						
None			\$0			\$0
Total PEGs	\$0	\$0	\$0	\$0	\$0	\$0
New Needs						
None			\$0			\$0
Total New Needs	\$0	\$0	\$0	\$0	\$0	\$0
Other Adjustments						
Heat, Light, and Power	(\$24)		(\$24)	(\$14)		(\$14)
Lease Adjustments			\$0	\$88		\$88
Other Categorical Changes		\$11	\$11			\$0
State Changes		\$17	\$17			\$0
Total Other Adjustments	(\$24)	\$27	\$3	\$74	\$0	\$74
Total Executive Plan Budget Changes	(\$24)	\$27	\$3	\$74	\$0	\$74
Agency Budget as per the Executive Plan	\$14,507	\$149	\$14,656	\$13,831	\$0	\$13,831

EXECUTIVE BUDGET ACTION ANALYSIS

Other Adjustments

- **Lease Adjustments.** All of the Community Boards that do not operate in City-owned space must provide funds for rent from their budgets. Community Boards that required an increase or decrease in funding for leasing purposes in Fiscal 2008 are listed below with decreases appearing in parentheses: Manhattan Community Board #2=\$1,714; Manhattan Community Board #3=(\$22,041); Manhattan Community Board #4=(\$31,961); Manhattan Community Board #5=\$113; Manhattan Community Board #6=\$989; Manhattan Community Board #8=\$33,361; Manhattan Community Board #9=(\$6,772); Manhattan Community Board #10=\$4,171; Manhattan Community Board #11=\$7,210; Bronx Community Board #1=(\$4,000); Bronx Community Board #2=\$15,404; Bronx Community Board #3=\$96; Bronx Community Board #8=(\$3,884); Bronx Community Board #9=\$988; Bronx Community Board #10=\$2,136; Bronx Community Board #11=\$1,150; Queens Community Board #1=\$28,731; Queens Community Board #2=\$10,460; Queens Community Board #4=(\$4,000); Queens Community Board #5=\$575; Queens Community Board #6=\$59; Queens Community Board #7=\$347; Queens Community Board #8=\$1,272; Queens Community Board #11=\$120; Queens Community Board #12=\$251; Queens Community Board #13=(\$49,453); Queens Community Board #14=\$2,600; Brooklyn Community Board #2=\$1,813; Brooklyn Community Board #4=\$41,690; Brooklyn Community Board #6=\$124; Brooklyn Community Board #8=\$36; Brooklyn Community Board #9=\$454; Brooklyn Community Board #10=\$28,769; Brooklyn Community Board #11=\$90; Brooklyn Community Board #12=\$154; Brooklyn Community Board #13=\$120; Brooklyn Community Board #17=\$18,586; Staten Island Community Board #1=\$383; Staten Island Community Board #3=\$6,051;
- **Heat, Light, and Power Adjustments.** All of the Community Boards that do not operate in City-owned space must provide funds for heat, light, and power from their budgets. Community Boards that required an increase or decrease in funding for energy purposes in Fiscal 2009 and the outyears are listed below with decreases appearing in parentheses: Manhattan Community Board #2=\$1,621; Manhattan Community Board #3=(\$2,095); Manhattan Community Board #5=(\$20,515); Manhattan Community Board #7=\$4,356; Manhattan Community Board #11=\$103; Bronx Community Board #3=(\$573); Bronx Community Board #7=\$881; Bronx Community Board #8=\$38; Bronx Community Board #10=(\$180); Bronx Community Board #11=\$129; Queens Community Board #4=\$67; Queens Community Board #5=\$211; Queens Community Board #6=(\$705); Queens Community Board #7=\$1,172; Queens Community Board #8=(\$321); Queens Community Board #10=\$2,810; Queens Community Board #11=(\$422); Queens Community Board #12=(\$332); Queens Community Board #13=(\$801); Queens Community Board #14=\$227; Brooklyn Community Board #1=\$1,693; Brooklyn Community Board #3=\$829; Brooklyn Community Board #8=\$390; Brooklyn Community Board #9=(\$750); Brooklyn Community Board #11=(\$111); Brooklyn Community Board #12=(\$2,089); Brooklyn Community Board #13=\$891; Brooklyn Community Board #14=\$327; Brooklyn Community Board #17=(\$935); Staten Island Community Board #3=\$70.

PRELIMINARY BUDGET ACTION ANALYSIS

Programs to Eliminate the Gap (PEGs)

- **Across the Board 5% Reduction.** Each of the 59 community boards will reduce its budget by \$10,000 (or five percent) in Fiscal 2008 and the outyears. This would result in an overall savings of \$590,000 for all 59 community boards.

Other Adjustments

- **Lease Adjustments.** All of the Community Boards that do not operate in City-owned space must provide funds for rent from their budgets. Community Boards that required an increase or decrease in funding for leasing purposes in Fiscal 2008 are listed below with decreases appearing in parentheses: Manhattan Community Board #6=\$15,000; Manhattan Community Board #8=\$4,000; Queens Community Board #2=\$9,000; Brooklyn Community Board #14=\$10,000.
- **Heat, Light, and Power Adjustments.** All of the Community Boards that do not operate in City-owned space must provide funds for heat, light, and power from their budgets. Community Boards that required an increase or decrease in funding for energy purposes in Fiscal 2008 are listed below with decreases appearing in parentheses: Manhattan Community Board #2=(\$2,601); Manhattan Community Board #3=(\$64); Manhattan Community Board #5=(\$4,720); Manhattan Community Board #7=\$1,648; Manhattan Community Board #11=(\$293); Bronx Community Board #3=(\$40); Bronx Community Board #7=(\$17); Bronx Community Board #8=(\$32); Bronx Community Board #10=(\$33); Bronx Community Board #11=\$69; Queens Community Board #4=(\$121); Queens Community Board #5=\$1,028; Queens Community Board #6=(\$405); Queens Community Board #7=\$1,761; Queens Community Board #8=(\$158); Queens Community Board #10=\$2,941; Queens Community Board #11=(\$348); Queens Community Board #12=(\$662); Queens Community Board #13=(\$1,349); Queens Community Board #14=(\$486); Brooklyn Community Board #1=\$1,105; Brooklyn Community Board #3=\$352; Brooklyn Community Board #8=(\$96); Brooklyn Community Board #9=(\$443); Brooklyn Community Board #11=\$19; Brooklyn Community Board #12=(\$252); Brooklyn Community Board #13=\$144; Brooklyn Community Board #14=(\$176); Brooklyn Community Board #17=\$1,017; Staten Island Community Board #3=(\$342).