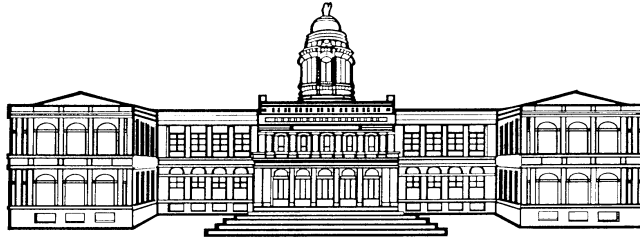


New York City Council



# BUDGET REPORT

Finance Division

March 2009

***Analysis of the  
Fiscal 2010 Preliminary Budget  
and  
Fiscal 2009 Preliminary Mayor's Management Report  
for the  
Landmarks Preservation Commission  
Thursday, March 19, 2009***

**Hon. Christine C. Quinn**  
Speaker

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

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

**Preston Niblack**, Director

**Jeffrey Rodus**, First Deputy Director

**Jonathan Rosenberg**, Deputy Director

**Anthony Brito**, Legislative Financial  
Analyst

## PREFACE

On March 19, 2009, at 11 am., the Committee on Land Use, chaired by the Hon. Melinda R. Katz, will hold a hearing on the Mayor's Fiscal 2010 Preliminary Budget and Fiscal 2009 Preliminary Mayor's Management Report for the Landmarks Preservation Commission.

Section 236 of the New York City Charter requires the Mayor to submit by January 16<sup>th</sup> a preliminary budget for the upcoming fiscal year.<sup>a</sup> In addition, under section 12 of the City Charter, the Mayor must make public and submit to the Council by January 30<sup>th</sup> the Preliminary Mayor's Management Report (PMMR) for the current fiscal year.<sup>b</sup> Among other things, the PMMR must contain "proposed program performance goals and measures for the next fiscal year reflecting budgetary decisions made as of the date of submission of the preliminary budget."<sup>c</sup> The Charter also requires the Council to hold hearings on the preliminary budget and to submit recommendations to the Mayor by March 25<sup>th</sup>.<sup>d</sup> This year, the Council will hold joint hearings on the Fiscal 2010 Preliminary Budget and the Fiscal 2009 Preliminary Mayor's Management Report.

Beginning with the Fiscal Year 2008 Adopted Budget, the Council and the Mayor's Office of Management and Budget agreed to an additional budget presentation, referred to by OMB as the budget function analysis, and by the Council as the program budget. Two agencies were initially presented in the program budget form. Beginning with the January 2008 Financial Plan (Fiscal 2009 Preliminary Budget), a total of 16 agencies are now in program budget form. The Landmarks Preservation Commission is not a program budget agency.

This report was prepared by Anthony Brito, Legislative Financial Analyst, under the supervision of Deputy Director Jonathan Rosenberg.

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<sup>a</sup> The Charter prescribes specific actions that are required as part of the annual budget submission process during a fiscal year. The Charter allows for changes, via local law, in the dates in the submission of the PMMR, as well as an extension for subsequent steps in the budget process. This year, Local Law 03 of 2009 changed the date for the submission of the Preliminary Budget to January 30th, and the date for the Council's Response to the Preliminary Budget to April 8<sup>th</sup>.

<sup>b</sup> Local Law 03 of 2009 changed the date of submission of the PMMR to February 13, 2009.

<sup>c</sup> New York City Charter, §12(b)(2).

<sup>d</sup> *See id.* at §247.

## Landmarks Preservation Commission (136)

The Landmarks Preservation Commission (LPC) protects the City's architectural, historic, and cultural resources. The Commission identifies, designates, and regulates buildings, districts, sites, and interiors; surveys potential landmarks and historic districts; evaluates proposals for landmark designations; and regulates alterations to designated sites and structures.

### PROGRAM TO ELIMINATE THE GAP

Since the Fiscal 2009 Budget was adopted in June, the Office of Management and Budget has twice asked agency heads to submit Programs to Eliminate the Gap (PEGs) proposals. In the first round, in September, OMB sought PEG submissions equal to five percent of agency City tax-levy budgets for Fiscal 2010, with a further seven percent sought in December.

PEGs reduce the City's budget gap either by reducing an agency's City tax-levy Expense Budget spending, or by increasing City revenues. The chart below indicates the proposed PEG amounts for the LPC based on the Fiscal 2010 forecast at the time the Fiscal 2009 Budget was adopted (June 2008).

<b>November and January Plan PEGs for Fiscal 2010</b> <i>(in 000s)</i>	
<b>Fiscal 2010 Forecast at Fiscal 2009 Adoption (June 2008)</b>	<b>\$3,756</b>
Expense PEGs	\$--
Revenue PEGs	\$--
<b>Total Fiscal 2010 PEGs</b>	<b>\$--</b>
PEGs as a Percent of the Fiscal 2010 Forecast	0%

### PRELIMINARY BUDGET HIGHLIGHTS

LPC's Fiscal 2010 Preliminary Budget has not been affected by the City's overall PEG program and its overall budget has increased by nearly four percent since the Fiscal 2009 Adopted Budget. In particular, the LPC projects to receive an additional \$17,969 in Community Development funds which is to be used for facade improvements. In addition, the Fiscal 2010 Preliminary Budget includes a collective bargaining increase of \$158,723.

### AGENCY FUNDING OVERVIEW

Agency Funding Sources	Fiscal 2009 Adopted Budget	Fiscal 2009 Modified as of 1/30/2009	Fiscal 2010 Preliminary Budget
City	\$3,761,927	\$3,761,927	\$3,905,810
Other Categorical	\$0	\$56,728	\$0
Capital IFA	\$0	\$0	\$0
State	\$0	\$42,379	\$0
Community Development	\$592,379	\$788,175	\$610,348
Federal-Other	\$0	\$0	\$0
Intra-City	\$0	\$0	\$0
<b>Total</b>	<b>\$4,354,306</b>	<b>\$4,649,209</b>	<b>\$4,516,158</b>

### HEADCOUNT OVERVIEW

Headcount (Uniform and Civilian)	Fiscal 2009 Adopted Budget	Fiscal 2009 Modified as of 1/30/2009	Fiscal 2010 Preliminary Budget
City	54	54	54
Non-City	4	4	4
<b>Total</b>	<b>58</b>	<b>58</b>	<b>58</b>

### 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/A's represent the amount appropriated for personal services (i.e. salaries) or Other Than Personal Services (i.e. supplies) for a particular program, purpose, activity or institution. The table below presents the LPC budget, comparing the Fiscal 2009 Adopted Budget to the Fiscal 2010 Preliminary Budget. The Fiscal 2009 Modified Budget reflects this year's budget at the time this financial plan was released.

U/A#	U/A Name	Fiscal 2009 Adopted Budget	Fiscal 2009 Modified as of 1/30/2009	Fiscal 2010 Preliminary Budget	Percent Change from Adoption
001	Personal Services	\$3,803,497	\$3,803,497	\$3,885,775	2.16%
002	Other Than Personal Services	\$550,809	\$845,712	\$630,383	14.45%
	<b>Total Agency</b>	<b>\$4,354,306</b>	<b>\$4,649,209</b>	<b>\$4,516,158</b>	<b>3.72%</b>

## PRELIMINARY BUDGET ACTION ANALYSIS

### Other Adjustments

- DC 37 Collective Bargaining.** The January Plan includes an annual increase in City funds of \$104,344 in Fiscal 2009 and \$158,723 in Fiscal 2010 for collective bargaining adjustments for various staff positions across both of LPC's PS units of appropriation. These funds are being transferred from the Labor Reserve in the Miscellaneous Budget to cover the costs associated with recent collective bargaining settlements.

### PRELIMINARY BUDGET ACTIONS (in 000s)

The following table is a summary of the Preliminary Plan actions for Fiscal 2009 and Fiscal 2010 that are described in the Program Budget section above. The Non-City actions include State, Federal, Other Categorical, Intra-City and Capital Inter-Fund Agreement (IFA) funding changes for the LPC.

Description	Fiscal 2009			Fiscal 2010		
	City	Non-City	Total	City	Non-City	Total
Agency Budget as per the November Plan	\$3,764	\$888	\$4,652	\$3,764	\$593	\$4,357
January Plan Programs to Eliminate the Gap (PEGs)						
<b>Total PEGs</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
January Plan New Needs						
<b>Total New Needs</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
January Plan Other Adjustments						
DC 37 Collective Bargaining	\$93	\$12	\$104	\$141	\$18	\$159
<b>Total Other Adjustments</b>	<b>\$93</b>	<b>\$12</b>	<b>\$104</b>	<b>\$141</b>	<b>\$18</b>	<b>\$159</b>
<b>Total January Plan Budget Changes</b>	<b>\$93</b>	<b>\$12</b>	<b>\$104</b>	<b>\$141</b>	<b>\$18</b>	<b>\$159</b>
<b>Agency Budget as per the January Plan</b>	<b>\$3,857</b>	<b>\$900</b>	<b>\$4,756</b>	<b>\$3,905</b>	<b>\$611</b>	<b>\$4,516</b>