

Proposed Elections Billing Changes summarized

- Eliminates voter registration & state petition processing labor cost as a billable expense.
- Formalizes excluding all County-wide indirect cost (A-87) from Elections billings to local agencies.
- For Uniform District Elections, changes allocation factor from 1 for each contest to 1 for the first contest plus 0.1 for each additional contest.
- For Statewide/Countywide elections, changes allocation factor from 1 for each contest to 1 for the first federal/state/county contest plus 0.1 for each additional state/federal/county.
 - For Statewide elections, changes allocation factor for all local agencies from 1 for each contest to 0.25 for the first plus 0.1 for each additional issue within an agency.

Proposed Elections Billing Changes (Voter Registration)

- **Recommendation** : Eliminate voter registration & state petition processing labor cost as a billable expense.

Contention: County would have to perform this function whether or not local agencies are involved in election.

Research results:

1. CC opinion is that the statutory authority for charging these costs is unclear.
2. Survey of other counties...some do, some don't
3. Outside consultant says code is vague therefore creating grey area.

Cost Impact: Would reduce costs allocated to an election. For example ...estimated City of SB cost for Nov 2005 election is between \$100-\$150K....this change coupled with recommendation to also eliminate cost of processing petitions would reduce their cost by roughly 10% or \$10-15K.

Proposed Elections Billing Changes (County-wide Indirect Costs)

- **Recommendation** : Formalize excluding all County-wide indirect cost (A-87) from billing to local agencies.

Contention: The County would have these costs whether or not cities are involved in election.

Research results:

1. CC opinion is County shouldn't be charging these costs to cities.
(Reference: Goleta City incorporation.)
2. Survey of other counties...some do, some don't.
3. Outside consultant says code is vague therefore creating grey area.

Cost Impact: None. We currently do not include these costs.

Proposed Elections Billing Changes (Cost Allocation - Local Elections)

Recommendation : For Uniform District Elections, change cost allocation factor from 1 for each contest to 1 for the first contest plus 0.1 for each additional contest for that agency.

Contention: Assigning an allocation factor of 1 for each and every contest is not reflective of how the costs are incurred (meaning costs are not linear) and doesn't result in an allocation that is fair or equitable.

Research results:

1. Department feels recommended method spreads cost in a more equitable manner.
2. Outside consultant recommends proposed method and many other counties use something similar. Method is statewide-directed in Washington State and has been upheld by courts.

Cost Impact: There is no change in total cost, but it does reallocate cost amongst various agencies. In the department's & consultant's opinion this will allocate cost in a more equitable manner. Costs are really incremental, not linear. Adding an additional contest does not double the cost.

Proposed Elections Billing Changes (Cost Allocation-Federal/State Elections)

Recommendation : For Statewide elections, changes allocation factor from 1 for each contest to 1 for the first federal/state plus 0.1 for each additional state or federal contest.

Contention: The County is required to administer federal/state elections. This proposal recognizes this responsibility and assumes responsibility for the associated costs.

Research results:

1. Department feels recommended method spreads cost in a more equitable manner.
2. Outside consultant recommends proposed method and many other counties use something similar. Method is statewide-directed in Washington State and has been upheld by courts.

Cost Impact: Cost doesn't change. Allocation of cost and any revenue impact will vary depending upon number of state/federal contests versus the number of local contests. The more federal/state contests the lower potential revenues would be...the higher the number of local contests the greater the potential revenues.

Proposed Elections Billing Changes

Recommendation : For Statewide elections, changes allocation factor for all local agencies from 1 for each contest to 0.25 for the first plus 0.1 for each additional issue within an agency.

Contention: County is required to administer federal/state elections. It assigns a higher allocation factor to the first of these in recognition of that responsibility.

Research results:

1. Department feels recommended method spreads cost in a more equitable manner.
2. Outside consultant recommends proposed method and many other counties use something similar. Method is statewide-directed in Washington State and has been upheld by courts.

Cost Impact: Cost doesn't change. Allocation of cost and any revenue impact will vary depending upon number of state/federal contest versus the number of local contests. The more federal/state contests the lower potential revenues would be...the higher the number of local contests the greater the potential revenues. Revenues from these elections have been averaged between \$100-150K. This method would likely result in a change to these revenues of roughly 10% plus or minus.