



Request for City Council Committee Action from the Department of the City Clerk

Date: April 26, 2010

To: Council Member Hodges, Ways & Means/Budget Committee
Council Member Gordon, Elections Committee

Subject: Ranked Choice Voting – 2009 Election Administrative Costs

Recommendation: Motion to receive report for filing

Previous Directives: At the Elections Committee meeting on February 19, 2010, the City Council asked Elections staff to report on costs incurred in implementation of Ranked Choice Voting (RCV) for the Municipal Election of 2009 in terms of one-time costs, ongoing costs, and costs that would have occurred even in a traditional election

Department Information

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Presenter in Committee: Ginny Gelms, Interim Assistant City Clerk/Director of Elections Phone: 673-3874

Financial Impact - No current financial impact. However, projected Ranked Choice Voting (RCV) costs will be a factor in the 2011 budgeting process.

Supporting Information

In November 2006, the voters of Minneapolis approved a Charter Amendment to use RCV in municipal elections. The ordinance establishing RCV was passed by City Council in March 2008. In May 2008, a Request for Proposal was issued for services and voting equipment needed to conduct an election with RCV. Two vendors submitted proposals, but neither proposal met the necessary requirements. Staff therefore recommended that the election be conducted using a combination of the current equipment and a hand count. A legal challenge to the City's RCV ordinance was decided in favor of the City by the Minnesota Supreme Court in June 2009. Finally, in November 2009 the City conducted its RCV election, in which the position of Mayor, thirteen City Council positions, nine Park Board and two Board of Estimate and Taxation positions were on the ballot.

RCV implementation activities undertaken included adoption of the ordinance, creation of the ballot design and marking instructions, development of hand count procedures,

development of equipment and process testing plan and protocol, creation of a results reporting component, beta testing in the form of a test election, development of a communications plan, conduct of a city-wide voter education program, election judge training and candidate training, Election Day, hand-counting of ballots, determination of results, a recognition event, and an evaluation survey. A number of attachments are included as background information and for the historical record. (See also: [RCV Minneapolis Method Story](#), [Fact Sheet for 11/03/09 City of Minneapolis, Ranked Choice Voting Updates on Planning and Implementation](#), and [A Report on the Education and Outreach Activities](#).)

This report includes information on expenditures incurred in implementing RCV in 2009, including which of these costs were one-time and which can be expected to occur in future RCV elections. Elections staff would like to thank the Finance staff for their help in producing this report, as the nature of our accounting system required that this information be culled manually.

2009 RCV Expenditures

The expenditures in 2009 specific to RCV total \$364,922. Of that, \$122,895, or a little over one-third, was one-time startup costs that we do not expect to incur in future RCV elections. **(See the attached chart “2009 RCV Costs: Ongoing vs. One-time.”)** The total actual Elections budget for 2009 was greater than the actual budget for 2005 (the most recent prior Municipal election year) by \$345,726, adjusted for inflation. **(See the attached chart “Elections Budget by Year (Odd Years).”)**

The greatest expenditure was in the area of voter education and outreach, making up 30% of the total amount spent on RCV. A portion of the City’s voter education and outreach program was funded through a grant from the Minneapolis Foundation in the amount of \$35,000. Hand count expenditures were the next largest, with staffing the hand count at 19% and the costs associated with the hand count facility at 17% of the total RCV cost. **(See the attached chart “2009 RCV Costs: By Implementation Area” for the complete breakdown of all RCV costs.)**

Savings through Process Improvement

Elections staff undertook a week-long Kaizen Event/Process Improvement initiative in August 2009. A Kaizen Event is a focused, intense, short-term project often orchestrated by a consultant to improve a process, which includes training followed by analysis, design, and re-arrangement of a process. Through the Event, Elections staff was able to redesign the planned hand count process into a much more efficient and cost-effective process, ultimately resulting in savings on staffing costs for the hand count. The report presented at the May 21, 2009, Elections Committee meeting on the findings of the Test Election held in May projected an expense of \$152,660 for staffing a hand count that could have lasted 105 days. Partially as a result of the Kaizen Event, the actual hand count lasted merely 15 days and staffing costs were \$69,319. Considering the \$28,342 spent on the Kaizen Event (a one-time cost), the City saved \$54,998 in 2009 through this innovative process that is now being used in other City departments to streamline business processes. If additional RCV hand counts are conducted, further savings will be realized.

Future Elections Costs with a Hand Count

The cost of a future election with a hand count will depend heavily on turnout. Future elections are likely to have greater turnout than the 2009 election, which would increase the cost as compared to 2009. The 2009 expenditures include approximately \$242,000 in ongoing RCV-specific costs that can be expected to occur in future RCV elections with a hand count and a turnout similar to that of 2009. Process improvements implemented from lessons learned in 2009 will likely make for a more efficient process than that used in 2009, which will impact the overall cost.

Future Elections Costs without a Hand Count

Though certified voting equipment capable of running an RCV election is not currently available, if it were to become available the City could conduct future RCV elections without a hand count. The 2009 expenditures included at least \$108,700 in RCV-specific costs that can be expected to occur in a future RCV election without a hand count. This figure does not include the cost of RCV voting equipment, software or other technology costs. Such costs will be determined by available technology when the City procures equipment.

Ongoing Costs for Voter Education and Outreach

The figures for ongoing costs include estimates for voter education and outreach expenditures at 75% what was spent in 2009. It should be noted that while \$35,000 of outreach activities were grant-funded in 2009, grant funds may not be available in future RCV election years.

“Four years is a long period between elections and voters will likely forget that the ranked choice voting method is used for municipal races. The city of Minneapolis should plan on running a similar voter education campaign before the 2011 election to refresh voters’ memories... The next election cycle will likely have a higher voter turnout that will necessitate additional education efforts targeted at infrequent voters who likely did not participate in 2009.”

- “A Report on the Education and Outreach Activities”, 2009. Mike Dean, Tipping Point Strategies

Future outreach campaigns can make use of data collected in the State Cloud State University survey to focus efforts on the most effective voter education activities.

Costs Not Included in These Figures

A number of expenses were not included as costs in this report. These are:

- Elections/Clerks permanent staff regular (non-overtime) wages/benefits
- Elections/Clerks permanent staff overtime wages for non-RCV duties
- City Attorney's Office staff wages/benefits
- City Coordinator staff wages/benefits
- Value of free and earned media
- Value of outreach volunteer time

Total 2009 RCV-specific expenditures	\$ 364,922.37
One-time RCV costs in 2009	\$ 122,895.71
Ongoing RCV costs (Hand count)	\$ 242,026.66
Ongoing RCV costs (No Hand count)*	\$ 108,692.08
2009 Grant Received (Minneapolis Foundation)	\$ 35,000.00

*Does not include equipment and programming costs. Actual costs to be determined by available technology.

Actual Expenditures

Total Elections Budget 2005 adj 2.5%/yr (Municipal Primary & General)	\$ 1,124,602.12
Total Elections Budget 2007 adj 2.5%/yr (No Election)	\$ 666,591.09
Total Elections Budget 2009 (RCV Municipal General)	\$ 1,470,329.00
Difference between 2009 and 2005	\$ 345,726.88

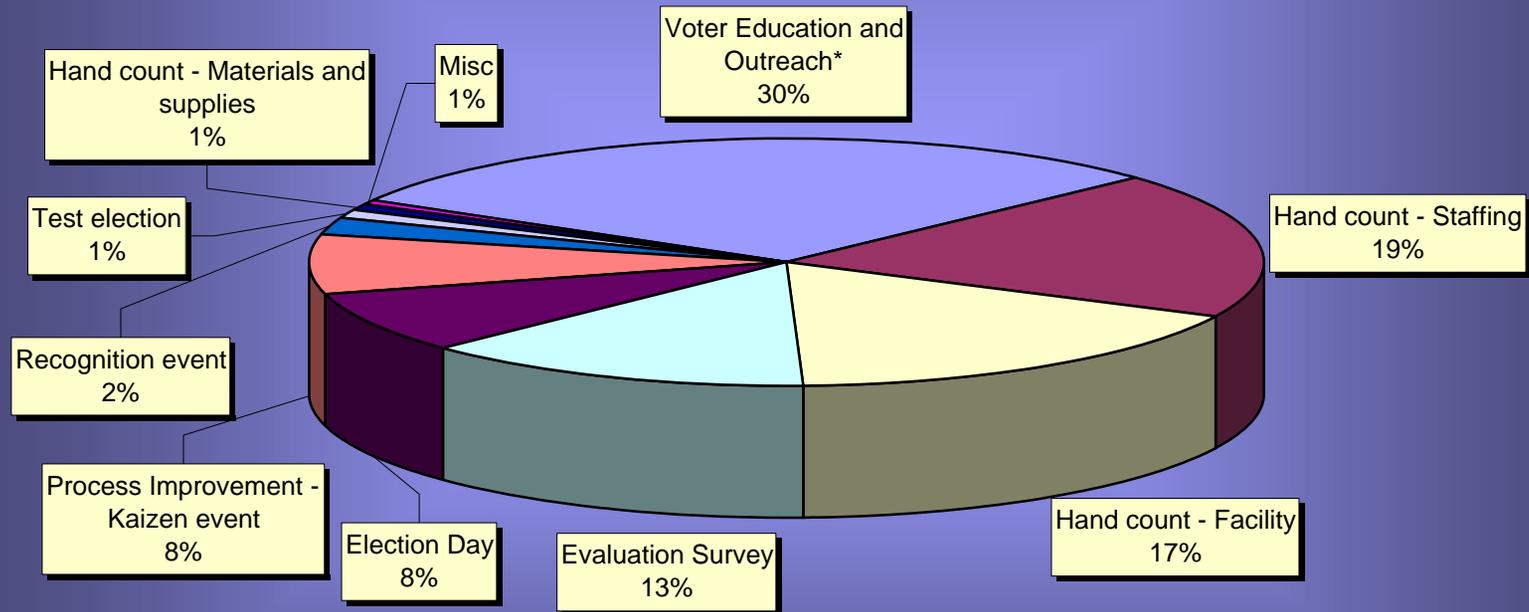
Savings through Process Improvement

5/21/09 Hand Count Staffing Cost Projection	\$ 152,660.60
Actual Election Judge and Seasonal Hand Count Staffing Cost	\$ 69,319.71
Process Improvement - Kaizen Event cost	\$ 28,342.41
Amount saved through Process Improvement	\$ 54,998.48

Not included in RCV expenditures figures

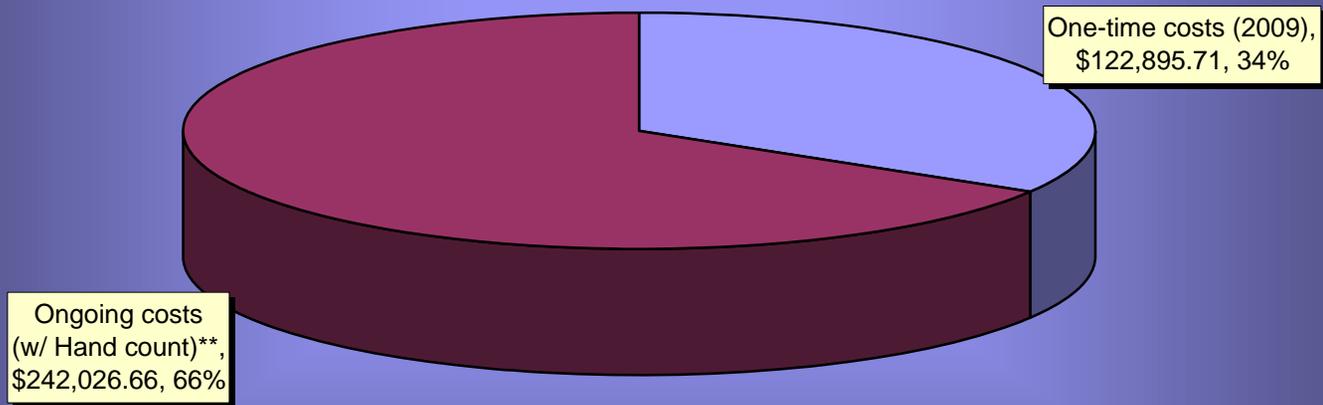
Elections/Clerks permanent staff regular (non-overtime) wages/benefits
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Value of outreach volunteer time

**2009 RCV Costs:
By Implementation Area**



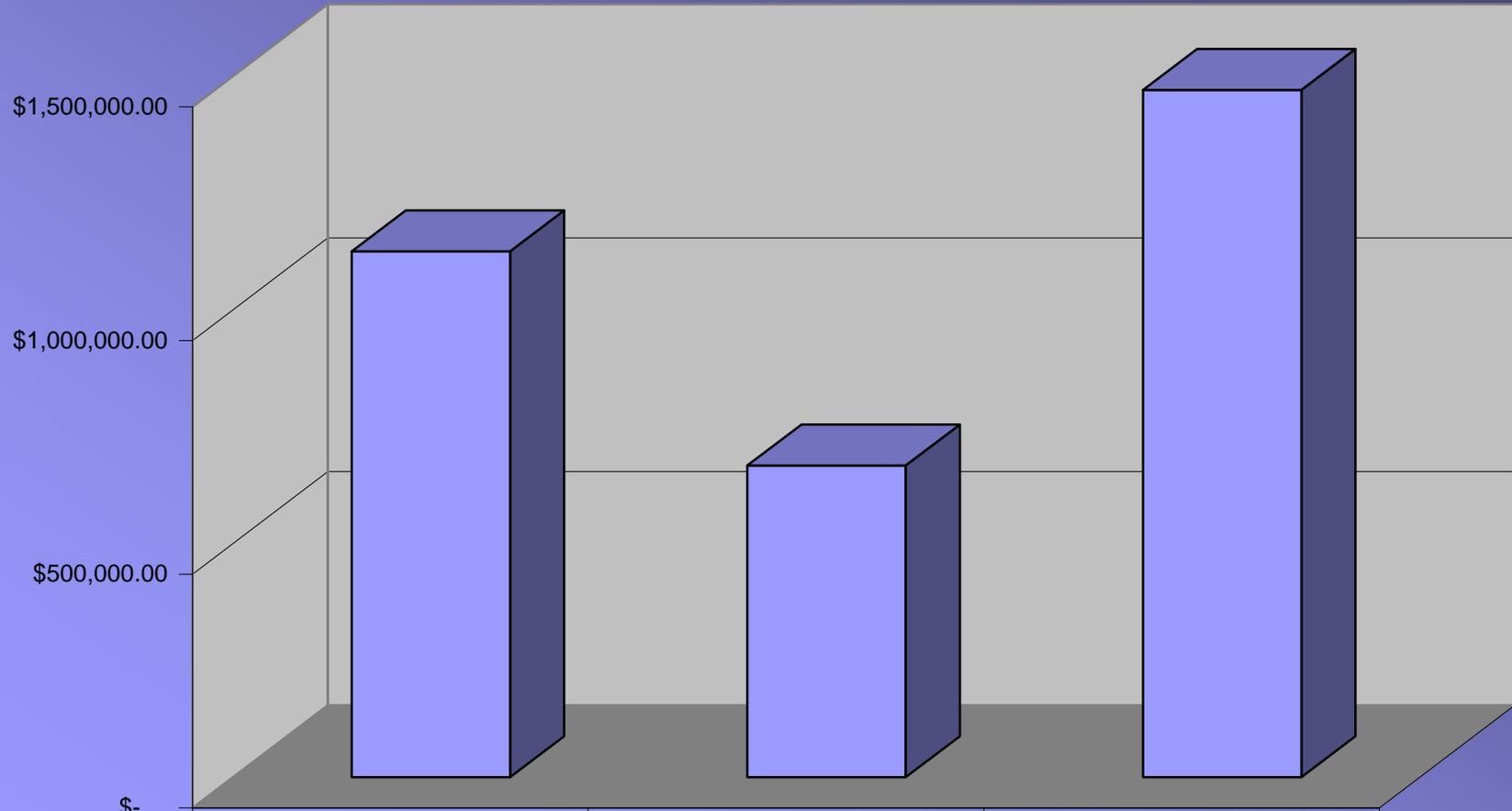
*Voter education and outreach partially grant-funded by the Minneapolis Foundation.

**2009 RCV Costs:
Ongoing vs. One-time**



**Ongoing voter education and outreach expenses estimated (75% of 2009 expenditure).

**Elections Budget by Year
(Odd Years)**



	Total Elections Budget 2005 adj 2.5%/yr (Municipal Primary & General)	Total Elections Budget 2007 adj 2.5%/yr (No Election)	Total Elections Budget 2009 (RCV Municipal General)
Actual Expenditures	\$1,124,602.12	\$666,591.09	\$1,470,329.00

RCV Expenses for 2009 Municipal Election

Type	Vendor	Expense	Amount	One-time costs (2009)	Ongoing costs (Handcount)**	Ongoing costs (No Handcount)***
Misc	Municipal Code	Priority update to Ordinance language	1,636.00	1,636.00	-	-
Misc	Payroll - Seasonal Staff, Warehouse	Additional amount paid to Seasonal Staff for performing additional warehouse duties while permanent staff (Election Technician) consumed with RCV duties	402.85	402.85	-	-
Election Day	Copy Center	Printing - RCV polling place signage and materials	11,771.40	0.00	11,771.40	11,771.40
Election Day	Payroll - Election Judges, Election Day Demonstration	One extra Demonstration judge at each polling place on Election Day	18,340.00	0.00	18,340.00	18,340.00
Equipment and programming	To Be Determined	Equipment and programming expenses	TBD***	0.00	-	TBD***
Evaluation Survey	SCSU Survey	Survey of voters, non-voters, Election Judges, and candidates	48,692.00	48,692.00	-	-
Hand count - Facility	Allens Building Maintenance	Cleaning service for the Counting Center	5,000.00	0.00	5,000.00	-
Hand count - Facility	BIS	Technology for Counting Center	22,000.00	0.00	22,000.00	-
Hand count - Facility	Loffler	Copier for Counting Center for (handcount only)	235.53	0.00	235.53	-
Hand count - Facility	Mid-City Plaza Partnership	Additional warehouse space needed for Counting Center	8,449.08	0.00	8,449.08	-
Hand count - Facility	Cort Furniture Rental, Midwest Vending, Premium Waters, G&K Services	Office furniture, supplies, and setup for Counting Center	26,699.07	-	26,699.07	-
Hand count - Materials and supplies	Copy Center	Printing - Materials for Hand count	1,285.35	0.00	1,285.35	-
Hand count - Materials and supplies	Office Depot, Target, etc.	Materials and supplies for Hand count	2,109.53	2,109.53	-	-
Hand count - Staffing	Copy Center & Postage	Mailing to Hand count Election Judges - schedules, info, etc	345.84	0.00	345.84	-
Hand count - Staffing	Payroll - Election Judges, Hand count	Payroll for Election Judges working hand count	57,948.68	0.00	57,948.68	-
Hand count - Staffing	Payroll - Seasonal Staff, Hand count	Payroll for Seasonal Staff working hand count	11,371.03	0.00	11,371.03	-

RCV Expenses for 2009 Municipal Election

Type	Vendor	Expense	Amount	One-time costs (2009)	Ongoing costs (Handcount)**	Ongoing costs (No Handcount)***
Process Improvement - Kaizen event	Intergrated Performance Management	Process Improvement Consultant for Kaizen event	20,549.74	20,549.74	-	-
Process Improvement - Kaizen event	Payroll - Election Judges, Kaizen event	Payroll for Election Judges working Kaizen event	6,686.39	6,686.39	-	-
Process Improvement - Kaizen event	Payroll - Permanent Staff OT, Kaizen event	Payroll for permanent staff overtime during Kaizen event	468.24	468.24	-	-
Process Improvement - Kaizen event	Various	Kaizen event - materials and miscellaneous costs	638.04	638.04	-	-
Recognition event	Copy Center	Printing - recognition event materials	3,096.73	3,096.73	-	-
Recognition event	Kelber Catering	Recognition event refreshments	2,988.00	2,988.00	-	-
Recognition event	Minneapolis Convention Center	Recognition event room rental	1,218.00	1,218.00	-	-
Test election	Copy Center	Printing - Test election materials	125.38	125.38	-	-
Test election	Payroll - Election Judges, Test Election	Payroll for Election Judges working Test Election	1,393.44	1,393.44	-	-
Test election	Payroll - Permanent Staff OT, Test Election	Payroll for permanent staff overtime during Test Election	371.07	371.07	-	-
Test election	Synergy Graphics	Test election programming and ballot printing	2,302.37	2,302.37	-	-

RCV Expenses for 2009 Municipal Election

Type	Vendor	Expense	Amount	One-time costs (2009)	Ongoing costs (Handcount)**	Ongoing costs (No Handcount)***
Voter education and outreach*	Copy Center	Printing - RCV educational materials*	10,301.73	2,575.43	7,726.30	7,726.30
Voter education and outreach*	Minnesota Premier Publications, Northeast and NorthNews, Spokesman-Recorder, FairVote MN Foundation	Advertising - publications and lawn signs*	8,796.16	2,199.04	6,597.12	6,597.12
Voter education and outreach*	Giebink Designs	Educational materials design*	9,096.25	2,274.06	6,822.19	6,822.19
Voter education and outreach*	Impact Mailing	RCV mailing materials*	3,884.27	971.07	2,913.20	2,913.20
Voter education and outreach*	Reimenschneider Counseling	Web site development*	2,100.00	525.00	1,575.00	1,575.00
Voter education and outreach*	Straight Line Theory	Usability study for voter education materials and ballot design*	2,500.00	2,500.00	-	-
Voter education and outreach	Synergy Graphics	Demonstration ballot programming and ballot printing	1,524.37	1,524.37	-	-
Voter education and outreach	Tipping Point Strategies	RCV Outreach Coordinator	46,000.00	11,500.00	34,500.00	34,500.00
Voter education and outreach*	USPS	Postage for RCV direct mailing to voters*	24,595.83	6,148.96	18,446.87	18,446.87
		Total 2009 RCV expenditures	\$ 364,922.37	\$122,895.71	\$242,026.66	\$108,692.08
		Minneapolis Foundation Grant	\$ 35,000.00			
		2009 City-funded RCV expenditures	\$ 329,922.37			
*Voter education and outreach partially grant-funded by the Minneapolis Foundation.						
**Ongoing voter education and outreach expenses estimated (75% of 2009 expenditure).						
***Equipment and programming estimate not included. Actual costs to be determined by available technology. Ongoing voter education and outreach expenses estimated.						