

FINANCE AND ADMINISTRATION COMMITTEE - JANUARY 16, 2012

ELECTION RESERVE CONTRIBUTION

Recommendation

The City Clerk, in consultation with the Commissioner of Finance and City Treasurer recommends:

- 1) That 2012 contribution to the election reserve be \$350,000, an increase of \$50,000 over the 2011 contribution, subject to overall direction on the Item "*Final 2012 Draft Operating Budget*" included in the January 16, 2012 Finance and Administration Committee Agenda;
- 2) That the City Clerk report back on recommended adjustments to contributions to the election reserve as may be appropriate when refinements are made to the 2014 election project budget; and
- 3) That 2010 campaign surpluses paid to the City Clerk pursuant to the *Municipal Elections Act, 1996* in the amount of approximately \$35,000 be applied to the election reserve.

Contribution to Sustainability

The administration of fair elections in an impartial manner is a fundamental statutory responsibility of Municipal Clerks in Ontario. The highest priority for a municipal clerk in the course of an election is to carry out duties in accordance with the provisions of the *Municipal Elections Act, 1996*, and an established set of election principles. It is also the responsibility of election administrators to manage expenditures and other resources in a manner which contributes to the financial and operational sustainability of the municipality.

Economic Impact

An election reserve account has been established to fund elections, recounts and by-elections with the balance in the account at present being approximately \$480,000. Committed expenditures still to be drawn from the reserve include annual payments for tabulator leasing at \$136,000 per annum, contracted voters list services at \$6,100 per annum, and the salary and benefits of the Elections Coordinator.

Expenditures for the 2010 election withdrawn from the reserve total \$1,265,226.20 to date. Included in this sum is approximately \$60,000 for the contribution rebate program.

A working estimate for advance voting and election day in 2014 is approximately \$1.1 million to cover such matters as election day staffing, additional tabulator deployment, printing, postage, communications and hardware acquisition and leasing. After including committed annual expenditures, for example the cost for the base number of leased tabulators, the salary and benefits for the Elections Coordinator, and contracted voters' list services, the preliminary cost for the 2014 election is estimated to be approximately \$1.8 million. Maintaining the existing annual funding contribution of \$300,000 for four years totals \$1.2 million, resulting in a projected shortfall. Staff recommend that the annual contribution be increased to \$350,000 for 2012, as a phased approach pending a detailed report on the projected costs of the 2014 election.

Detailed planning for the 2014 election has commenced and staff are examining options to decrease election delivery costs without undermining service to voters and candidates, or diminishing the integrity of the election.

Communications Plan

No specific communications are planned for the election budget, as it will form part of the overall City budget. As in the 2010 general municipal election, significant communications will be undertaken to support the election itself.

Purpose

The purpose of this report is to recommend a phased approach to increase the annual contribution to the election reserve account to cover the costs of preparation and conduct of the 2014 general municipal election and resulting recounts and by-elections, if any.

Background - Analysis and Options

The City Clerk has the statutory responsibility to conduct municipal elections. This report sets out the preliminary forecasted expenditures required to carry out the statutory and logistical requirements for delivering a fair and unbiased election in accordance with the *Municipal Elections Act, 1996* and the principles that guide Municipal Clerks in their election related duties.

In preparing preliminary estimates for the 2014 election, the City Clerk is taking into account the 2010 experience and will incorporate measures to improve the voting process. At its May 24, 2011 meeting, Council approved Item 2 of Report No. 29 of the Committee of the Whole (Working Session) titled, "Learning from the Election – Preparations for the 2014 Municipal and School Board Elections" which set out a number of planned initiatives to improve upon the 2010 election event. Included recommendations were:

- the extension of the Election Co-ordinator's contract to, amongst other things, commence preparations for the 2014 election;
- resources for information technology staff to be provided at least one year prior to the election event;
- a report request on internet voting; and
- a report request on procedural modifications for the 2014 event (contemplating such things as a consolidation of polling subdivisions to allow for larger polling locations with multiple tabulators to offer better customer service).

Detailed planning for the 2014 election event is in its early stages and it is not possible to fully cost the election at this point in time. It is proposed that the contribution to the Election Reserve be increased by \$50,000 at this time, and that should a change in funding be appropriate, that the City Clerk report back at the earliest opportunity once plans are refined. It should also be noted that significant expenditures not yet included in the working budget for the 2014 election event include estimates for the cost of major new technologies such as internet voting (approximately \$200,000) and any increases to the election rebate program. If a ward boundary review is undertaken, the cost of any resulting appeals has not been included in the current estimates for the election reserve.

Every opportunity will be taken to find efficiencies in funding the election. For example,

- the design of the media campaign used for the 2010 will be redeployed, minimizing the campaign development costs;
- internal staff will be used where possible;

- polls will be consolidated and 'right-sized' staffing plans will be created;
- some printing costs will be reduced (such as candidates' voters' lists which can be provided on CD only);
- the reduction in overtime costs through the use of databases for staff/candidate and issues management.

Known pressures, however, include:

- increased hourly rates for election officials due to increased training attendance;
- population growth; and
- the number of tabulators in areas of high turnout being increased to reduce wait times in some locations.

Other potential costs include:

- Ward boundary appeals; (\$110,000)
- Potential internet voting (\$200,000 for Advance Vote)

Relationship to Vaughan Vision 2020/Strategic Plan

This report is consistent with the priorities previously set by Council as set out in Vaughan Vision 2020, particularly:

MANAGEMENT EXCELLENCE -
Demonstrate Leadership and Promote Effective Governance

Regional Implications

N/A

Conclusion

The lessons learned from the administration of the 2010 Elections are integral to the planning effort for the 2014 events. The preparation of the 2014 election began after the 2011 York Catholic District School Board by-election and has run concurrently with the Contribution Rebate Program and the Compliance Audit Process. Given the scope and magnitude of election administration, the City Clerk is recommending an increase to the reserve contribution at this time so that preparations can be suitably resourced and all the required elements of the election can be implemented in a timely and professional manner. Refinements to the election budget that have implications for the reserve will be reported as necessary in future budget cycles.

Report prepared by:

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Respectfully submitted,

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City Clerk