

HB

79

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FILE

2/8/05

Director's Office
PO Box 110017
Juneau, Alaska 99811-0017
907.465.4611 907.465.3203 fax
elections@gov.state.ak.us

Regional Offices
Anchorage 907.522.8683
Fairbanks 907.451.2835
Juneau 907.465.3021
Nome 907.443.5285

STATE OF ALASKA
Division of Elections
Office of the Lieutenant Governor

Below are highlighted examples of the unanticipated and/or excessive costs for the 2004 Election cycle incurred by the Division of Elections. While the costs listed below exceed the \$694.9 requested in HB 79, the Division believes the amount requested in the Supplemental will enable the Division to operate through the end of FY 05.

Unanticipated and/or Excessive Costs Related to the 2004 Election Cycle

Additional Personal Services costs incurred in 2004 compared to 2002 \$304.0

During the 2004 election cycle, the Division received and processed 5 initiative petitions, one recall petition, and a record number of absentee by-mail applications. This additional workload required the Division to hire an additional 13 temporary workers to process mail, answer phones, process applications and perform data entry. This caused an increase in staff costs and overtime for both temporary and full time employees in 2004 compared to what was incurred in the 2002 elections.

Ballot Reprint costs totaled \$243.2

A Superior Court decision mandated the Division reprint the ballots for the 2004 election. The Division absorbed additional costs for reprinting ballots (203.1), expedited freight costs for paper stock (35.6), destruction costs for destroying previously printed ballots (4.3), and Personal Services costs (.2).

To date costs for conducting MOA election \$104.6

The Municipality of Anchorage requested that the State include two bond questions on the General Election ballot. The Agreement is authorized by article X, section 13 of the Alaska Constitution, AS 36.30.700 - 36.30.790, Anchorage Municipal Code (AMC) 28.10.050, and conforms to legislative intent in Sec. 1, ch. 82 SLA 2000. Additional costs for conducting this election will be collected through the "Bill of Collection" process and added back into the General Fund.

To date costs for conducting a Statewide Recount \$ 39.8

In December of 2004 the Division conducted two recounts - one for House District 5 requested by candidate Tim June, and a statewide recount that was requested by Alaskan's for Fair Elections. The recount total expenditures exceeded the \$750 and \$10,000 deposits "respectively" that are required under AS 15.20.450. Deposits for the recounts were collected and deposited into the General Fund. The total costs for the recounts were absorbed by the Division.

Unanticipated and/or Excessive Costs Related to the 2004 Election Cycle

Independent counsel **\$ 37.6**

Independent Counsel was sought to provide review and advice related to the Ogan recall petition.

Mainframe Chargeback costs **\$ 23.3**

The rise in absentee by-mail applications and voter registration forms increased the Division's chargeback costs for data entry time on the mainframe.

Expedited printing and freight costs for forms **\$ 22.1**

Due to the large number of political mailings of absentee by mail applications to voters that generated higher absentee by mail participation by Alaskans, the Division processed a record number of applications. This unexpected increase required the Division to place last minute orders for additional forms and envelopes needed for mailing ballots.

Increased Postage Costs **\$ 19.0**

The Division's postage costs increased due to higher by-mail turnout.

Additional Fax Press Machines **\$ 11.7**

In 2004, voter turnout for absentee by-fax increased 100% from the last presidential election in 2000. The Division's existing fax press could not handle the demand. The Division installed an additional 16 phone lines and purchased 2 8-line fax press machines to handle the incoming and outgoing faxes.

2/8/05

INTERGOVERNMENTAL COOPERATION AGREEMENT FOR THE
PURPOSE OF THE STATE OF ALASKA CONDUCTING A SPECIAL
MUNICIPAL ELECTION FOR THE MUNICIPALITY OF ANCHORAGE
CONCURRENT WITH THE STATE-CONDUCTED
NOVEMBER 2, 2004, GENERAL ELECTION

This Intergovernmental Cooperation Agreement (hereafter "Agreement"), is for the purpose of authorizing the State of Alaska (hereafter "State" or "Division of Elections") to conduct a special municipal election, at the request of the Municipality of Anchorage (hereafter "MOA"), for submission to the qualified voters of the MOA certain municipal ballot propositions related to MOA school construction bonds. The special municipal election is to be conducted concurrently with the State-conducted November 2, 2004 general election.

Further, the Agreement provides for the joint exercise of the powers of the State and the MOA to conduct elections. The Agreement is authorized by article X, section 13 of the Alaska Constitution, AS 36.30.700 - 36.30.790, Anchorage Municipal Code (AMC) 28.10.050, and conforms to legislative intent in Sec. 1, ch. 82 SLA 2000.¹

The consideration for this Agreement is the duties and obligations of the parties set forth below.

¹ Sec. 1, ch. 82, SLA 2000 reads:

* Section 1. The uncodified law of the State of Alaska is amended by adding a new section to read:

INTENT. The division of elections shall facilitate the coordination of local government elections with regular state elections if requested to do so by a local government.

1. Municipality of Anchorage

- a. The MOA will prepare its ballot language for the special election ballot questions following MOA legal requirements.
- b. The MOA shall pay all costs associated with the printing of the municipal election ballot language to be included with the State's general election ballot.
- c. The MOA shall pay the State for actual costs and/or proportionate costs associated with the conduct of a municipal special election as set forth in Attachment A to this Agreement, which is incorporated herein.
- d. The MOA shall provide for all advertising and notification to Anchorage voters of the municipal bond ballot questions as required under the State election code, AS 15, and the MOA code.
- e. The MOA shall be responsible for identifying the qualified voting precincts.
- f. The MOA shall defend and hold the State harmless from any claim, suit, or liability arising out of a dispute over the wording of the municipal ballot, or any alleged violation of election procedures caused by the Municipality of Anchorage's negligence.
- g. The MOA is responsible for the distribution of final, certified election results concerning the municipal special election ballot questions.

- h. The MOA is responsible for obtaining pre-clearance from the U.S. Department of Justice under Section 5 of the Voting Rights Act of the election procedures set forth in this Agreement for the municipal special election.
- i. The MOA shall publish a notice of election that designates an office, website, or individual to whom questions concerning the municipal special election ballot can be referred by State employees, and publish the website address, e-mail address(es), address and phone number(s) as applicable.

2. State of Alaska – Division of Elections

- a. The Division of Elections shall determine ballot quantities and ballot sequence numbers, and provide, as necessary, for the printing and ordering of the municipal special election ballot questions from the State's ballot printer. It will be at the State's option and discretion as to whether the municipal special election ballot questions will be included on the State's general election ballot or be printed on a separate ballot.
- b. The Division of Elections boards will disseminate the municipal special election ballots at the Anchorage area polling places on Election Day.
- c. The Division of Elections will disseminate the municipal special election ballot in accordance with State absentee ballot procedures to the extent State procedures are consistent with the MOA absentee ballot procedures. The parties agree, however, that AS 15.20.082 and 6 AAC 25.660 do not, as a matter of law, apply to the MOA, and the parties further agree that the

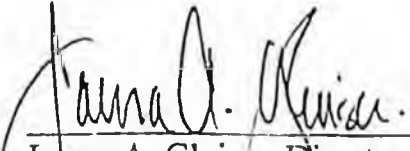
Division of Elections is not required to provide or otherwise make available the MOA's municipal special election ballot at polling places outside of the Anchorage area polling places.

- d. The Division of Elections will count ballots using the established State procedures and rules for counting, and will count the municipal special election ballots at the same established times as the State's ballots.
- e. The Division of Elections will provide the MOA with a State election calendar and ballot counting schedules.
- f. The Division of Elections will provide the MOA with the unofficial preliminary election results through its regular distribution process for the MOA to use at its own discretion. The Division of Elections will also provide the MOA with the final certified elections result.

3. Miscellaneous

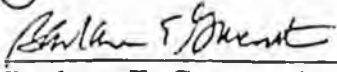
- a. The municipal special election ballots, precinct registers, and all other election related records are the property of, and will remain in the custody of the Division of Elections.
- b. All costs associated with any election contest concerning the municipal special election ballot shall be borne by the MOA.

This Agreement is effective on the date the last party signs.



Laura A. Glaiser, Director
Division of Elections
State of Alaska

Dated: September 23, 2004.



Barbara E. Gruenstein
Municipal Clerk
Municipality of Anchorage

Dated: September 23, 2004

Attachment A

The following costs incurred by the State of Alaska in conducting the MOA's municipal special election pursuant to the Agreement shall be reimbursed in full by the MOA:

1. Costs associated with programming and testing of Accu-Vote.
2. Costs associated with printing of the municipal special ballot questions on a separate card, sample ballots, and copies of proposed law required to be available and displayed at each polling place.
3. Shipping costs related to additional ballot (including costs of shipping voted ballots to Juneau for review by State Review Board).
4. Additional postage costs for the State to mail two ballots (if applicable).
5. Costs of additional, temporary staff necessary to handle two ballots, including salary and overtime (ballot loggers, election board members, poll workers, ballot stuffers, etc.).
6. Division staff time related to the MOA special election ballot, including certification and recount costs.
7. Costs related to facsimile teams (for duplication of two ballots instead of one).

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Election Statistics

	2000	2004	Percentage Increase
Number of Voters Who Cast a Ballot	232,852	314,502*	35%
Turnout in General Election	51%	67%**	16%
Absentee By-Mail Ballots Mailed	28,886	58,559	103%
Absentee By-Mail Ballots Voted	24,339	32,075	32%
Absentee In Person	23986	36,228	51%
By Fax Voting	1,548	3,149	103%
Special Advance Ballots	501	3,932	685%
Federal Write-in Ballots	6	805	1332%

* - Denotes Highest Since Statehood

** - Denotes Highest in Last 12 Years

2/8/05

FY 2005 DIVISION OF ELECTIONS BUDGET STATUS AS OF JANUARY 24, 2005					REMAINING						1/24/2005
					JANUARY	1/31/2005	FEBRUARY	2/28/2005	MARCH-JUNE	7/31/2005	
					PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED	
FY 04 AR 05-1632-05 ELECTIONS/OPERATIONS	AUTHORIZ*	EXPENDED	OBLIGT'D	BALANCE	EXPEND	BALANCE	EXPEND	BALANCE	EXPEND	BALANCE	
S** 71000 PERSONAL SERVICES	805,200	642,152	0	163,048	75,356	87,692	132,856	-45,164	573,568	-618,732	
S** 72000 TRAVEL	15,400	6,652	0	8,748	1,264	7,484	2,646	4,838	8,923	-4,085	
S** 73000 SERVICES	504,600	339,266	187,599	-22,265	2,474	-24,739	13,858	-38,597	66,522	-105,119	
S** 74000 COMMODITIES	23,800	8,404	527	14,869	602	14,267	911	13,356	2,920	10,436	
S** 75000 CAPITAL OUTLAY	0	0	0	0	0	0	0	0	0	0	
S** 70000 TOTAL EXPENDITURES	1,349,000	996,474	188,126	164,400	79,696	84,704	150,271	-65,567	651,933	-717,500	

Expenditure projections based on FY 2004 actuals less equipment and one-time items.
 *Note: \$442,800 in HAVA funding in Commodities and Capital Outlay for Voter Verifiable Paper Trail for Optically Scanned Ballots has been deducted from authorized for management reporting purposes. \$181,300 in CIP Receipts for Personal Services has also been reduced for management reporting purposes.