



Cuyahoga County Board of Elections
2020-2021 Biennial Budget Testimony

**PRESENTED BY DIRECTOR ANTHONY PERLATTI
ON MONDAY, OCTOBER 21, 2020**

Good Afternoon Chairman Miller, President Brady, and Members of Council. Thank you for allowing me the opportunity to provide budget testimony on behalf of the Board of Elections.

BUDGET TESTIMONY:

With almost 900,000 registered voters in 975 precincts, we are the largest elections jurisdiction in the State of Ohio. I am pleased to inform you that this biennial budget includes sufficient funding for the Board to successfully conduct all anticipated elections in 2020 and 2021 under the current mode of operation. There are a few initiatives the Board is pursuing to enhance operations and security that could require additional funding.

Overview

As you may know, our budget fluctuates significantly depending on the election year. In 2020, we will conduct a statewide Presidential Primary Election in March and a statewide Presidential General Election in November. These elections will include candidates for federal, state, and county offices.

The combined number of precincts, registered voters, and polling locations for these two elections will represent a 75% percent increase compared to this year's municipal elections. This will necessitate an increase in our budget to pay for more election officials, ballots, postage, printed materials, and other supplies, as well as for more temporary staff to assist with our processes. Therefore, our budget of \$15.9 million for 2020 represents a 32% percent increase compared to this year's projected expenditures of \$12 million.

Our budget will be reduced to \$12.8 million in 2021. That year, we will conduct municipal primary elections in May and September, and a countywide general election in November. It should be noted that Cleveland

council and mayoral candidates are elected in 2021 which can result in more precincts and higher turnout than other municipal election years such as the current year, 2019.

Budget Reductions / Eliminations of Programs, Initiatives, or Services

No existing programs, initiatives, or services were eliminated from our 2020 and 2021 budget. The reduction to the \$12.8 million in 2021 is a result of fewer precincts, polling locations, and registered voters involved in the elections anticipated for that year.

Special Elections

A detail we would like to highlight is that we did not request any funding for special elections. While special elections can also be held in August, they are infrequent, small, and revenue neutral. The Board will instead only request an appropriation for special elections on an as-needed basis if any such election occurs.

Personnel Changes from 2019

Full-Time Employees

The Board currently has 91 full-time employee positions, and the 2020 and 2021 budget does not include any additions or reductions in full-time personnel. As in past years, the budget also includes a two percent raise for full-time employees.

Temporary Employees

As mentioned previously, our temporary staffing levels fluctuate significantly each year. We have included funding for over 750 temporary positions for the 2020 elections, and 300 temporary positions for the 2021 elections. Additionally, the wage for temporary employees will increase from \$ 11.50 per hour to \$11.75 per hour in 2020 and to \$12.00 per hour in 2021. The annual increase, included for the first time in our last biennial budget recommendations, marked only the second temporary employee hourly wage increase in over a decade. Continuing this increase of just over two percent for the next two years ensure our pay rates become more comparable to the pay rates of other major boards of elections in Ohio. More importantly, competitive wages help make temporary positions more attractive to prospective recruits especially since we will be competing with 2020 census gathering efforts.

New Initiatives/ Increased Expenditures

In the Recommended 2020-2021 Biennial Budget submitted to OBM on August 29th, we provided information on a handful of new initiatives the Board of Elections is pursuing to strengthen security within Cuyahoga County's elections and to improve the efficiencies in which we administer as the largest jurisdiction in the State of Ohio. Some of these initiatives include the purchase and implementation of software and equipment mandated in all Boards of Elections by Ohio's Chief Election Official, Secretary of State Frank LaRose while others include the purchase of equipment, systems or services we feel necessary to maintain productivity within our agency.

Due to savings realized during the administration of election operations, we have been able to identify funds within our current year's agency budget to cover the cost of the initial purchase and installation for all of the remaining initiatives that we discuss below. However, the funds available to us at this time will only ensure that we do not incur additional expenses during 2020. There will be ongoing annual hardware maintenance and software licensing fees associated with these items that will first be due in calendar year 2021. While it is our intention to identify funds within the current recommended base budget for 2021, it may be necessary for us to seek an additional appropriation from the county.

Information Technology Security Software Licensing

Secretary of State Directive 2018-08 requires Boards of Elections to enhance various aspects of its information technology systems and related security programs. This includes purchasing and maintaining additional software licenses that exceed the standard licenses provided to the majority of Cuyahoga County employees. Many of these licenses allow for data encryption, secure file sharing, and additional firewall maintenance as a direct result of the Directive. We have identified money within our current year's budget for the initial purchase of the required software licenses, however, the maintenance and software licensing renewal fee is estimated to be \$160,000 annually.

Elections Asset Inventory Management System

The CCBOE is required to keep comprehensive records of its voting equipment, including physical inventory, maintenance history, and deployment schedules to name a few. The system currently utilized is antiquated and inefficient. As part of the new voting equipment acquisition provided for in Senate Bill 135, Boards of Elections are required to have an asset inventory system in place to adequately account for the new voting equipment. It is imperative the system is in place well in advance of acquiring new voting equipment to better account for the existing equipment and its corresponding disposal while accounting for the receipt of the new voting equipment.

We are in the process of securing a contract for the initial purchase, installation, and implementation of an Asset Inventory Management system that will meet the needs of our large-scale election operation using our own funds from this year. We anticipate the ongoing annual license fees to be somewhere between \$60,000 and \$80,000 which will be first due in 2021.

Mail Ballot Verifier

The Mail Ballot Verifier (MBV) fully automates the processing, verifying and sorting of returned Vote-by-Mail ballot envelopes and since the CCBOE processes the highest volume of absentee ballots in Ohio, this piece of equipment would pay for itself over time by reducing labor costs involved with this time-sensitive function. Although we were able to use \$125,000 of this year's allocated funds for the one-time purchase of the hardware, there is an ongoing annual maintenance and licensing fee of \$25,000 first due in 2021.

Other Initiatives

At this time there are two initiatives for which we are unable to provide an associated cost.

Voting Equipment Replacement

The first of those two initiatives we would like to discuss is the replacement of our voting equipment and tabulation system which will inevitably impact this biennium's budget. In 2018, Cuyahoga County was allocated approximately \$10.4M of state funds for the purchase of new tabulation equipment. Per state requirements, this capital project expenditure can only be utilized for the initial purchase and installation of voting system hardware and software with any remaining capital funds being returned to the state. These funds cannot be used for necessary costs Cuyahoga County will incur associated with training, required ancillary items, and additional costs associated with operating, servicing, maintaining, and insuring a voting system.

The Board is currently in the process of evaluating certified tabulations systems with the goal of selecting a vendor by the end of the year 2020 and beginning implementation in 2021. The total cost of required items not eligible for purchase with state capital dollars will be determined once the final tabulation system is selected, at which time the Board of Elections will request the necessary additional appropriation when we are before you requesting the approval of the new voting system.

Early In-Person Voting

The other initiative presented in our initial submission is the physical location for our Early In-Person Voting Operations. New legislation went into effect this year that changes the method in which Boards conduct Early In-Person Voting. HB 41 now requires Boards to place ballot scanners at the Early In-Person Voting location, allowing voters to scan their ballot in the same manner as voters on Election Day. This is a positive change, but increases the space needed to facilitate the Early In-Person Voting process. Early In-Person Voting is very popular in Presidential Election years and we can expect to see at least 45,000 early voters in November 2020. In the past few Presidential Elections we have voted individuals on two floors of our building to accommodate the crowd which is not operationally optimal. The Board has been working with officials in the County's Department of Public Works on the feasibility of repurposing some of the Board's and County's current space. Specifically, moving the Board's Vote-by-Mail operations to open space at the Halle Warehouse which would create more available space for Early In-Person Voting at our current location. By modifying the current first floor at the Board's Office, such as removing some of the walls and creating an open floor plan this could accommodate Early In-Person Voting on one floor. The Department of Public Works is currently working on cost estimates for this initiative if it were to be approved.

Conclusion

At this time, I would be happy to answer any questions from the Committee.

Thank you,

Anthony Perlatti, Director