

Election Billing Methodology: Overview

San Joaquin County Registrar of Voters

“Ensuring transparency, consistency, and fairness in election cost recovery”

Background

In 2023-24, The San Joaquin County Registrar of Voters (ROV) began reviewing its election billing methodology after a local jurisdiction had questions about cost allocation. The Board of Supervisors supported a study, and the ROV worked with The Election Center to ensure the process reflects both California law and modern industry standards.

Key Findings:

- The “legacy” methodology was already compliant with California law.
- Opportunities were identified to improve transparency and consistency.
- The updates made will ensure understandable billing for all jurisdictions.

What is the Purpose of Election Billing?

Why do jurisdictions get billed for elections?

- Per California Election Code, the election billing process allows the County to recover the actual costs of running elections while ensuring each participating jurisdiction pays only its share.

*A keynote – Election costs, both shared and direct costs, will vary based on a multitude of factors. The two largest factors are registered voter count and the ratio of Federal/State/County Contests to Local Contests. The contest ratio can vary from election to election, and some consolidated cycles have more contests to spread the shared cost pool.

Election Billing Process Overview

The ROV'S election billing process consists of many steps, including:

- Contest identification and voter count analysis
- Cost allocation based on shared and direct cost
- Candidate statement reconciliation and translation charges
 - This process is vital to ensure that these costs are the sole responsibility of the candidates, and not passed to districts
- Invoice preparation and record archiving
 - This includes categorizing election expenses and attributing them to category “buckets” or fields.

Direct vs. Shared Costs

Every election cost is classified as either shared or direct. This ensures the right costs go to the right places.

- Shared: Expenses attributed to all (e.g., poll worker training, payroll)
- Direct: Linked to specific contests (e.g., candidate statements, measures, notices of election/measure)
- Use volume-based ratios for precision (ballots, County Voter Information Guide (CVIG) pages, voter counts)
- Direct costs are billed only to jurisdictions associated with those cost types, and shared costs are billed proportionately to all districts

How the Costs are Distributed

How is each jurisdiction's fair share calculated?

- Determine which parties are responsible for each contest/measure (i.e. the County is responsible for all federal, state, and county contests/measures, and jurisdictions are responsible for their own local contests/measures)
- Direct costs are attributed to each specific contest/measure and shared costs are distributed amongst jurisdictions using the determined ratio
- Use total registered voter count per contest to determine ratio (key note: each voter in a jurisdiction is only counted once)

Allocation Examples

Below are some examples of how the new methodology will allocate shared costs based on the contests a jurisdiction has on ballot:

- City of Manteca: Mayoral contest and 2 City Council districts on ballot: all three will have direct costs, but only the Mayoral contest will have shared costs
- Stockton USD: 3 Trustee Areas on ballot, each going to non-overlapping voting bases: all three have direct and shared costs
- San Joaquin Delta Community College District: 1 full-measure + 3 trustees — only the measure bears shared costs, all 4 contests will carry their direct costs
- Each example shows how the same shared-cost formula applies consistently to all jurisdictions

What Costs are Included?

Included

We only include expenses directly attributable to the election:

- Included: ballots, CVIG, security, staffing, poll workers
 - Permanent and temporary staff hours related to the election
 - All poll worker costs (i.e. stipends for working election day, training costs, materials)
 - Advertisements attributed to the election (i.e. notice of election, general registration and voter engagement advertisements)

Excluded

- Grant-reimbursed expenses
- Operational/Admin costs
- Office upgrades
- Advertisements not related to the election
- Non-election related labor

County Voter Information Guide (CVIG) Billing

The County Voter Information Guide (CVIG) is one of the largest election expenses. The adopted process ensures it is handled with precision and accuracy.

Costs are broken into categories:

- Candidate Statements
- Measure Pages
- Standard Contests (including costs like composition, filler pages)
- Translation and mailing

These are direct costs that can be either attributed to a specific contest, or to a candidate's statement of qualifications. The ROV's print vendor breaks down costs by contest, which is then verified for accuracy by ROV fiscal staff.

Candidate Statements: Deposits and Credits

There are two ways candidate statement costs are handled:

- **ROV-managed:** The ROV collect deposits from the candidates, reconciles after the election, and issue refunds or invoices as needed, depending on the final actual cost. These costs are billed directly to candidates and are not included in the election billing.
- **City-managed:** The City collects the deposits directly from the candidate and is subsequently billed directly for actual statement costs. Cities manage their own refunds and supplemental invoices. These costs are billed as direct costs as part of the election billing.
 - The ROV provides Candidate Statement Cost Estimates for scheduled contests prior to the filing period. This information is made available on our website and is also available to each jurisdiction upon request.
 - The actual costs are provided promptly after the election

Either way, the process ensures these costs are paid only by the candidates who elect to provide Statement of Qualifications in the CVIG.

Measure Pages and Outlier Costs

Some measures — especially those with full measure text printed in the CVIG — can significantly increase printing costs.

- When including a measure, this can drastically affect what a jurisdiction “typically” pays for normal election services
- Estimates are available from the ROV on request
 - The ROV does not automatically generate individual estimates unless requested by the corresponding jurisdiction

Cost Per Registered Voter Information

This is a key benchmarking metric that the ROV uses to gauge variance between jurisdictions.

- Allows better year-over-year tracking
- Helps respond to billing inquiries from partners
- Can help identify cost increases during election cycles
- Helps compare SJC cost to other CA counties

*One thing to keep in mind about this metric: there are several factors that can affect this metric. Economies of scale is one. For example, the City of Stockton may have a \$3.25 cost per registered voter for a given election, while the Thornton Rural Fire District may be much higher at \$12.15 per voter. This could happen if the City of Stockton has 3 contests on the ballot and 2 are not included in the shared cost pool. Additionally, if a jurisdiction has a measure on ballot, those direct costs can have higher per registered voter cost due to printing cost in the CVIG.

Going Forward

Changes that were made based on the consultant review:

- Shifted to registered voter share model for both county costs and city/district costs – previously only applied to city/districts.
- Several items moved from direct costs to shared costs and vice-versa
- Items that had previously not been included in total billing are now included

Key Takeaway: These changes provide greater consistency across all election types when compared to the legacy method (which tended to fluctuate significantly from one election to another)

Recap

- The review confirmed that the County's existing billing practices were legally compliant, transparent, and reasonable
- The report also identified opportunities to strengthen consistency with statewide and national standards
- The ROV has implemented these recommended changes and conducted the billing for the November 2024 Presidential General Election with the updated methodology
- The most important takeaway is that the changes made do not affect the actual cost of the election, merely how those existing costs are grouped, which portions are included/excluded in the final billing, and how the shared portions are distributed
- The updated methodology is generally more cost-effective than the legacy method, providing modest savings to jurisdictions compared to prior billing cycles

Thank You

Thank you again for participating. We appreciate the continued partnership, and the County remains available to provide additional documentation or clarification at any time as we prepare for the upcoming elections in 2026.