



**SAN BENITO COUNTY  
AGENDA ITEM  
TRANSMITTAL FORM**

Dom Zanger  
District No. 1

Kollin Kosmicki  
District No. 2

Mindy Sotelo  
District No. 3  
Vice-Chair

Angela Curro  
District No. 4  
Chair

Bea Gonzales  
District No. 5

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**Item Number: 1.5**

**MEETING DATE:** 11/12/2024

**DEPARTMENT:** COUNTY CLERK/RECORDER/ELECTIONS

**AGENDA ITEM PREPARER:** Francisco Diaz

**DEPT HEAD/DIRECTOR:** Francisco Diaz

**SUBJECT:**

**COUNTY CLERK/RECORDER/REGISTRAR OF VOTERS - F. DIAZ**

Approve Budget Adjustment in the amount of \$340,010.43, reallocating funds from the contingency fund to mitigate increased expenses associated with K&H Printers-Lithographers, Inc. printing and mailing of mail ballot kits, with the potential to recover up to 60% of such costs through reimbursements from local jurisdictions; and Authorize the Auditor-Controller and Budget Officer to make necessary budgetary adjustments. (4/5 Vote Required)

SBC FILE NUMBER: 285

**AGENDA SECTION:**

CONSENT AGENDA

**BACKGROUND/SUMMARY:**

**Summary**

Elections staff is requesting budget adjustment in the amount of \$340,010.43, reallocating funds from the county contingency fund to address increased costs associated with the K&H Printers-Lithographers, Inc. printing and mailing of mail ballot kits.

In the primary election, the total cost of printing and mailing ballots was \$166,662.89. For the general election, staff initially budgeted \$267,000.00, which only covers half of the anticipated expenses. However, for the current election cycle, the costs are expected to reach approximately \$607,010.43, excluding translations, content formatting, two legally required postcards, which were budgeted separately.

Elections staff took steps to reduce rising costs by eliminating ballot voter stubs, reissuing the majority of second ballots in-house, and performing voter information guide formatting and editing in-house. These measures collectively saved taxpayers an additional \$50,000.

## **Background**

The increase in costs is due to five main factors:

1. **Expanded Local Measures:** The addition of local measures has heightened the demand for more detailed voter information guides. This expanded content necessitates larger printed formats, leading to higher printing and postage costs, as well as greater resource requirements.
2. **Voter Information Guide Packaging:** Unlike its neighboring counties, San Benito County provides a dual-language voter information guide within its voter guide kit. This dual-language format increases both mailing weight and printing costs. To reduce these expenses and move away from this practice, the elections office will need to launch a comprehensive campaign to gather language preferences from all registered voters in the county.
3. **Court Challenges:** Ongoing litigation and delays in court proceedings have forced the elections staff to redesign and reformat materials while adjusting critical deadlines. These challenges have resulted in additional postponements and numerous revisions, further driving up costs.
4. **Election Turnout Uncertainty:** Uncertainty regarding election turnout has led to higher printing and spoilage costs. The county must purchase extra paper stock to accommodate potential reprints and spoilage, necessitating additional envelopes and kits for reprints. To account for these uncertainties, the elections staff has budgeted for potential increases in registration and reprints of up to 25%.
5. **Rising Paper Costs:** Paper prices have surged over the past year, with the cost per ton increasing from \$800 last year to \$1,200 this year — a 50% rise. This increase directly impacts the overall costs associated with printing mail ballot kits.

## **Cost Recovery**

The potential to recover up to 60% of the costs incurred through reimbursements from local jurisdictions is consistent with contractual agreements between the county and local jurisdictions. This provision not only mitigates the financial burden but also fosters intergovernmental collaboration in managing election-related expenses.

## **Conclusion**

The requirement for legal recruitment to produce and distribute ballot kits, along with the factors contributing to rising costs, increased the costs for this election. Given that the elections office has a deadline of 15 days from this Board of Supervisors item to secure these funds before falling behind its net 30 payment policy, timely approval is crucial for the effective administration of electoral processes.

**Recommendation:** It is recommended that the governing body approve the budget adjustment in the amount of \$340,010.43 as proposed.

## **RESOLUTION OR ORDINANCE NEEDED FOR THIS ITEM:**

N/A

## **CONTRACT NEEDED FOR THIS ITEM:**

N/A

**RFP AND BID HISTORY:**

N/A

**LAST CONTRACT AMOUNT OR N/A:**

N/A

**CONTRACT HISTORY (Describe all amendments and previous contracts):**

N/A

**STRATEGIC PLAN GOALS: 1. Operational Development & Excellence**

Yes

**STRATEGIC PLAN GOALS: 2. Planning And Sustainable Growth**

No

**STRATEGIC PLAN GOALS: 3. Technology**

No

**STRATEGIC PLAN GOALS: 4. Community Engagement**

Yes

**STRATEGIC PLAN GOALS: 5. Health & Safe Community**

Yes

**BUDGETED:**

No

**BUDGET ADJUSTMENT NEEDED:**

Yes

**SOURCE OF FUNDING:**

General Fund

**UNFUNDED MANDATE:**

Yes

**SBC BUDGET LINE ITEM NUMBER:**

101.32.1115.1000.619.250

**CURRENT FY COST:**

N/A

**STAFF RECOMMENDATION:**

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**ATTACHMENTS:**

[Budget Adjustment - CRE - K&H Ballot Printing and Mailing](#)  
[K&H Ballot Printing and Mailing Invoices](#)