WASHOE COUNTY

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STAFF REPORT
BOARD MEETING DATE: *April 25, 2023*

DATE: March 7, 2023

TO: Board of County Commissioners

FROM: Abbe Yacoben, Chief Financial Officer
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THROUGH: Eric Brown, County Manager

SUBJECT: Recommendation to approve 1) a contract with the Elections Group for an operational review of the 2022 election processes and staffing and make recommendations to the County Manager to improve the operational effectiveness and accuracy of the Washoe County election process; effective upon execution through December 31, 2023 (extensions may be allowable under certain circumstances) and; 2) if approved, approve the use of General Fund Contingency in the amount of $100,000 needed to support Phase I of the Elections Group contract in accordance with Nevada Revised Statute (NRS) 354.598005 and; 3) if approved, direct the Comptroller's Office to make the necessary budget appropriation transfers and to authorize the Purchasing and Contracts Manager to execute the agreement. [Total Fiscal Impact $600,000; Fiscal Years 2023 of approximately $100,000 for Phase I and up to a maximum of $500,000 for Fiscal Year 2024 for Phase II.] (All Commission Districts)

SUMMARY

After the 2022 election, feedback filtered through the public, county staff and Board of County Commission on inefficiencies in the election process and reporting. This contract with professional services firm Elections Group will assist the Registrar of Voter's (ROV) Department to codify and implement best elections practices, including software and reporting implementation, staffing levels and positions, and best practice elections activities for the upcoming 2024 and subsequent elections.

Nevada Revised Statute (NRS) 354.598005(5) provides that "budget appropriations may be transferred between functions, funds, or contingency accounts …. if such a transfer does not increase the total appropriation for any fiscal year and is not in conflict with other statutory provisions". Further, Nevada Revised Statute (NRS) 354.608 states that "no expenditure may be made directly from a contingency account, except as a transfer to the appropriate account…in accordance with the procedure established in NRS 354.598005".

Washoe County Strategic Objective supported by this item: Innovative Services

AGENDA ITEM # _____

PREVIOUS ACTION

On April 11, 2023, the Board of County Commission (BCC) motion ended in a four to one (4-1) in favor vote. Commissioner Herman was on the prevailing side of the motion, but indicated at the next BCC meeting on April 18, 2023, that her electronic vote was cast incorrectly. Commissioner Herman requested the item be reconsidered at the April 25, 2023, BCC meeting.

On March 28, 2023, the Board of County Commission motion ended in a two-to-two vote for item 15. (Hill and Garcia in support - Clark and Herman opposed).

At the January 25, 2023, Board of County Commissioners Strategic Planning Workshop, the Board was presented with the current state of the ROV Department, which is under new leadership with entirely new staff. The Department reported on outdated technology infrastructure, reporting deficiencies, and process inefficiencies. Multiple members of the Board expressed a desire to improve ROV practices and Washoe County voter experiences. As a result, the Office of the County Manager took steps to identify and retain an outside third party to conduct an independent evaluation of the 2022 general election operations. The Board provided specific directions on the elements of the Scope of Work and directed staff to include public input in the evaluation process. The review will also include specific recommendations for optimization of the ROV procedures in accordance with national standards and best practices for implementation before the 2024 and subsequent election cycles.

On May 17, 2022, the BCC approved the Fiscal Year 2023 Final Washoe County Budget, which included $11,615,400 of General Fund Contingency. The statutory maximum allowable contingency was recommended and approved for FY23 due to unknown and/or unquantified impacts, including 2021 Legislative actions and pandemic response.

On February 14, 2023, the BCC approved the use of $850,400 General Fund Contingency to support Indigent Defense through the Conflict Counsel program for court-appointed attorneys ($650,400) and the Alternate Public Defender for Expert Witness Fees ($200,000).

On March 28, 2023, the BCC will also be considering approval of the use of Fiscal Year 2023 General Fund Contingency of $1,500,000 to support expenditures associated with the 2023 North Valleys Flood response.

BACKGROUND

During the 2020 and 2022 elections, the County experienced staffing changes, software expiration, and lack of technical support and reporting challenges. These difficulties were exacerbated as the ROV Department was required to process the increased number of mail-in ballots associated with conducting elections during the Pandemic. As a result, staff recognized the need for expert-level assistance to conduct a full review of and recommendations for new software, optimized staffing levels, training, and codification of the new operational procedures in the ROV Department.

The County must stay within its adjusted budget for each fund and function, with certain very limited exceptions. To remain compliant with this statutory requirement, a General Fund Contingency account transfer totaling $100,000 is needed for the contract with the Elections Group.

Approval of this contract and the associated transfers will leave $10,665,000 available in the FY23 General Fund Contingency (not including the separate $1,500,000 being considered to support the 2023 North Valleys Flood response).

FISCAL IMPACT

The Elections Group proposes to complete their work in two phases, totaling a maximum expenditure of $600,000. Phase I requires an appropriation transfer of $100,000 from County's General Fund Contingency Account to the Registrar of Voter's General Fund budget, and Phase II is not-to-exceed expenditures of $500,000 and will be included in the Fiscal Year 2024 Manager's Recommended Budget.

If approved, the use of General Fund contingency in account 189000-820000 and the associated budget appropriation transfers are anticipated to bring the budget into alignment with actual and/or anticipated expenditures for Fiscal Year 2023 (FY23) for the Elections Group contract. All adjustments are within the existing approved budget for Washoe County and are summarized in the following table.

General Fund Contingency Transfer: Fund/Function	**Department/ Expenditure/Transfer**	**Cost Object(s)/ G-L Account(s)**	**Budget Change**
General Fund (F100)		**Contingency Funds**	
General Gov't	Contingency	189000-820000	(100,000.00)
Subtotal Contingency			***(100,000.00)***
General Fund (F100)		**Department/Expenditure**	
General Gov't	Registrar of Voters – Elections Administration	112210-710100	100,000.00
Subtotal Expenditures			***100,000.00***
NET TOTAL CONTINGENCY			***-0.00-***

*Upon approval, Comptroller will need to process all budget appropriation transfers as outlined above.

RECOMMENDATION

Recommendation to approve 1) a contract with the Elections Group for an operational review of the 2022 election processes and staffing and make recommendations to the County Manager to improve the operational effectiveness and accuracy of the Washoe County election process; effective upon execution through December 31, 2023 (extensions may be allowable under certain circumstances) and; 2) if approved, approve the use of General Fund Contingency in the amount of $100,000 needed to support Phase I of the Elections Group contract in accordance with Nevada Revised Statute (NRS) 354.598005 and; 3) if approved, direct the Comptroller's Office to make the necessary budget appropriation transfers and to authorize the Purchasing and Contracts Manager to execute the agreement. [Total Fiscal Impact $600,000; Fiscal Years 2023 of approximately $100,000 for Phase I and up to a maximum of $500,000 for Fiscal Year 2024 for Phase II.]

POSSIBLE MOTION

Should the Board agree with staff's recommendation, a possible motion would be:

"Move to approve 1) a contract with the Elections Group for an operational review of the 2022 election processes and staffing and make recommendations to the County Manager to improve the operational effectiveness and accuracy of the Washoe County election process effective upon execution through December 31, 2023 (extensions may be allowable under certain circumstances) and; 2) if approved, approve the use of General Fund Contingency in the amount of $100,000 needed to support Phase I of the Elections Group contract in accordance with Nevada Revised Statute (NRS) 354.598005 and; 3) if approved, direct the Comptroller's Office to make the necessary budget appropriation transfers and to authorize the Purchasing and Contracts Manager to execute the agreement. *[Total Fiscal Impact $600,000; Fiscal Years 2023 of approximately $100,000 for Phase I and up to a maximum of $500,000 for Fiscal Year 2024 for Phase II.]"*