

**COUNTY – MUNICIPALITY -- SCHOOL AGREEMENT
FOR THE SHARING OF ELECTION EXPENSES**

This County-Municipality-School Agreement for the sharing of election related expenses (hereinafter “Agreement”) is made between Blue Earth County (“County”),

and Mankato (“Local Election Unit of Government” or “LEUG”).

Recitals

1. Under Minnesota Statutes Section 204B.32, County and LEUG are responsible to pay certain election expenses, including all necessary expenses incurred by county auditors, municipal clerks, and school district clerks in connection with elections.
2. Minnesota Statutes Section 204B.32 further requires the secretary of state to develop procedures for the allocation of election expenses among County and LEUG for elections held concurrently, including allocation of expenses related to salaries of election judges; postage for absentee ballots and applications; preparation of polling places; preparation and testing of electronic voting systems; ballot preparation; publication of election notices; transportation of ballots and election supplies; and compensation for administrative expenses of the county auditor, municipal clerk, or school district clerk.
3. The Secretary of State requires its allocation procedures be followed unless County and LEUG have voluntarily entered into an agreement to assume or share election expenses in another manner.
4. County and LEUG have been parties to various agreements to allocate election expenses, including technology and equipment expenses, since at least 2013, however such agreements have been informal, subject to significant budgetary impacts depending on the year, and ad hoc in nature.
5. County desires to establish a more formal and consistent process to allocate election expenses, including technology and equipment expenses, on an annual basis to provide stability and predictability to County and LEUG budget processes.
6. County invited LEUG representatives to discuss the election expense allocation process in 2024, presented a proposal to allocate expenses, and invited feedback from LEUG representatives; the feedback received was generally positive.

Agreement

1. Effectiveness of Agreement

- 1.1. Effective date.** January 1, 2025, or the date all required signatures have been affixed to this Agreement by County and LEUG, whichever is later.
- 1.2. Effective date impact on allocation and payment.** The allocation process under this Agreement results in notification to LEUG of an estimated allocated amount each year; the final allocated amount based on that estimate is payable in the subsequent year. Therefore, the first payment under this Agreement shall be due in 2026 based on an estimated allocated amount provided in 2025. Each subsequent year under this Agreement shall follow the same timeline.
- 1.2 Annual renewal.** This agreement shall remain in effect and renew annually until such time that County or LEUG notifies the other party in writing of its desire to terminate this Agreement. The termination will be effective December 31 of the year of notice to the other party, for the following year’s estimated allocated amount which is the basis for the final allocated amount payable in the subsequent year.

- 1.3 **Effect of termination.** Both parties agree that termination of this Agreement does not eliminate the obligation under state law to allocate election expenses nor will it eliminate the obligation of LEUG to pay certain necessary election expenses.
- 1.4 **Amendment to Agreement.** Any amendment or modification to this Agreement shall be made in writing and signed by both parties.
- 1.5 **Entire agreement.** This Agreement constitutes the entire agreement between the parties concerning the allocation of election expenses. This Agreement supersedes all prior or contemporaneous oral or written agreements, understandings, representations, communications, and negotiations with respect to the allocation of election expenses.
- 1.6 **Good faith effort to resolve disputes.** Both parties agree to cooperate to reasonably resolve all disputes, including appointing a senior representative to meet and engage in good faith negotiations if requested by either party.
- 1.7 **Notices.** All notices required or permitted under this Agreement shall be in writing or via email and sent to the representative listed.
- 1.8 **Survival.** Both parties acknowledge this Agreement to allocate election expenses is developed to apply consistently to each LEUG incurring election expenses in County. LEUG acknowledges this Agreement will survive the termination of this Agreement by other LEUGs.
- 1.9 **Severability.** If any term or provision of this Agreement is held invalid or unenforceable, the remainder of this Agreement will be considered valid and enforceable to the fullest extent permitted by law.

2. **Allocation of Election Technology and Equipment Expenses**

- 2.1. **Overall expense amount determination.** County will review annually the per year cost of all election equipment utilized countywide. The equipment and technology includes, without limitation, any central count machines (for example, DS450), precinct-level tabulators (for example, DS200), assistive voting devices (for example, ExpressVote), and electronic rosters (for example, PollPad).
- 2.2. **Allocation amount determination.** County will establish annually the portion of the per year cost of all election equipment utilized countywide, by equipment type, to be allocated to LEUGs. County will provide detail on the determination if requested by LEUG to explain it and consider future adjustments.
- 2.3. **Allocation methodology.** County will apply consistent allocation percentages based on the type of election conducted by LEUG. The types of LEUG elections are: Mail Ballot LEUG, Election Day LEUG, City of Mankato LEUG, and School District LEUG. The allocation percentage applied to each election type will be based on that election type's reliance and need for the technology and equipment, the value the technology/equipment provides to County and LEUG, and other consistently-applied factors. County will provide detail on the methodology and factors if requested by LEUG to explain it and consider future adjustments.

3. **Allocation of Election Operations Expenses**

- 3.1. **Overall expense amount determination.** County will review annually the per year per registered voter cost of the election operations budget area. This budget area includes, without limitation, salary and benefits for election staff time, supplies, postage, services/fees, and maintenance agreements. It does not include any capital costs such as technology and equipment. County will also compare per year per registered voter costs of similar counties and statewide averages when information is available.
- 3.2. **Allocation amount determination.** County will establish annually the portion of the per year per registered voter cost of the election operations budget area to be allocated to LEUGs. County will provide detail on the determination if requested by LEUG to explain it and consider future adjustments.
- 3.3. **Allocation methodology.** County will apply consistent allocation percentages based on the type of election conducted by LEUG. The types of LEUG elections are: Mail Ballot LEUG, Election Day LEUG, and School District LEUG. The allocation percentage applied to each election type will be based on that election type's utilization of services and resources included in the election operations budget area and

other consistently-applied factors. County will provide detail on the methodology and factors if requested by LEUG to explain it and consider future adjustments.

4. *Timelines and Payment Schedules*

- 4.1. *Registered voter counts.*** County will utilize the May 1 registered voter counts as prepared for and by the Office of the Secretary of State, when possible, for any allocation calculations utilizing registered voter information.
- 4.2. *Estimated allocated election expense amounts.*** County will provide an estimated allocated election expense amount to LEUG no later than July 31 annually. The purpose of this estimate is to aid in the budgeting process. The estimate shall include the registered voter count, the estimated rates separately calculated for the election technology and equipment expenses and election operations expenses, plus any estimated deductions to the estimated expense.
- 4.3. *Actual allocated election expense amount.*** County will provide the final allocated election expense amount to LEUG no later than January 31 annually in the form of an invoice. The final amount is based on the estimate of the previous July 31 and includes similar detail as the estimate. The actual allocated election expense amount is due no later than July 31 annually.
- 4.4. *Subsequent years.*** Each subsequent year under this agreement shall follow the same timeline, using updated estimates and data as appropriate.
- 4.5. *No minimal billing.*** In instances where the cost to generate and collect an allocated expense amount is more than the amount due, County may not create an invoice and will notify LEUG.

5. *Change in Election Type and Expense Allocation for Other Elections*

- 5.1. *From Mail Ballot LEUG to Election Day LEUG.*** If LEUG changes from Mail Ballot LEUG to Election Day LEUG, LEUG must reimburse County for the purchase of election technology and equipment as required by County at LEUG's cost in addition to the allocated election expense determined by this Agreement. The allocation methodology utilized will then be applied in the following year.
- 5.2. *From Election Day LEUG to Mail Ballot LEUG.*** If LEUG changes from Election Day LEUG to Mail Ballot LEUG, LEUG will get credit for the difference in the allocated election technology and equipment expense, if already paid by LEUG, in the year of change. The change in the allocated election operations expense rate will be applied to the first year with an actual election once the change is designated. LEUG acknowledges this may result in an amended/supplemental bill in the year the change is designated.
- 5.3. *Stand-alone Recurring Election.*** LEUGs that conduct recurring stand-alone elections are solely responsible for all County costs to help administer those elections, and County will bill back at actual cost.
- 5.4. *Special or Other Election.*** The cost of special or other elections beyond the regularly scheduled Statewide Primary or Statewide General election ("Regular Election") may be negotiated as part of a separate agreement for election services between LEUG and County. If the election is not concurrent with a Regular Election and only contains a LEUG contest or question, LEUG is solely responsible for all County costs to help administer that election and County will bill back at actual cost, unless a separate agreement is in place. If the election is not concurrent with a Regular Election and is only for a County contest or question, County will not bill back any additional costs. If the election is not concurrent with a Regular election and is for any other contest or question, additional bill back to LEUG occurs at 50% of that year's election operations expense allocation for LEUG.

6. *Use and Maintenance of VOTER Account Funds*

- 6.1. *LEUG authorization.*** If LEUG receives VOTER account funds, LEUG has agreed to authorize County to expend the allocated amount for authorized purposes on behalf of LEUG in accordance with its VOTER Account Fund agreement.
- 6.2. *Authorized purposes.*** County may use the funds provided under the VOTER Account Fund agreement for expenditures directly related to election administration as defined in state law, including as a direct reduction to the actual allocated expense amount to LEUG under this Agreement.

7. Authorized Representatives

County's Authorized Representative is:

Michael Stalberger
Property and Environmental Resources Director
PO Box 3567, Mankato MN 56002
507-304-4257
michael.stalberger@blueearthcountymn.gov

LEUG's Authorized Representative is:

Name: _____
Title: _____
Address: _____
Phone: _____
Email: _____

If either Authorized Representative changes at any time before the funds provided for in this Agreement are fully expended, parties must notify each other of the change.

7. Signatures and Certification

County and LEUG certify that the appropriate person(s) have executed this Agreement on behalf of County and LEUG as required by applicable resolutions or ordinances.

COUNTY

By: MICHAEL STALBERGER
Signed: *MS*
Title: PROP & ENV RES DIRECTOR
Date: NOV 22, 2024

LOCAL ELECTION UNIT OF GOVERNMENT

LEUG: Mankato
By: _____
Signed: _____
Title: _____
Date: _____