

The fiscal impact analysis of this ballot measure includes the expenses required to make the Strong Mayor Form of Governance permanent, increase the number of Council districts to nine, and increase the number of City Council votes required to override a Mayoral veto. It is anticipated that there will be no additional costs as a result of making the Strong Mayor Form of Governance permanent because the expenses associated with this type of government are currently in effect and have been included in the current budget. It is also anticipated that the increase to the veto override vote will not have a fiscal impact.

However, it is anticipated that the additional Council District will have a fiscal impact to the City's General Fund.

Each of the following estimates is subject to the City's budget process and may be adjusted depending on whether future City budgets absorb any costs of the new Council District. It should be noted that annual and one-time expenses could be offset by reductions to other areas of the City's General Fund budget which could impact other services or programs.

The estimated costs of adding an additional Council District include annual expenses of \$939,500 to \$971,500 for staff salaries and supplies based on current City Council Office budgets. Additional one-time expenses of \$80,000 to \$100,000 are anticipated for equipment, furniture and facility improvements. These costs will not be incurred until the new Council seat is filled in 2012.

The cost of running an election for the new Council seat would be paid by the City every four years. The amount is set by the number of voters in the district and how many candidates run for the seat. For the current election, for example, the costs for the primary election in a given Council District are estimated to be between approximately \$25,000 and \$43,000. For a general election, with only two candidates in the race, the estimate is \$14,000 to \$29,000 per district.