File No. 260959 **Committee Item No.** 1
Board Item No. _____

COMMITTEE/BOARD OF SUPERVISORS

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Committee: Budget and Finance Committee **Date** October 7, 2026
Board of Supervisors Meeting **Date** _____

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Completed by: Brent Jalipa **Date** October 1, 2026
Completed by: Brent Jalipa **Date** _____

FILE NO. 260959 ORDINANCE NO.
RO# 27006
SA# 80-06

[Appropriation - Department of Elections - Costs Associated for Statewide November 2026 Election - $658,000 - FY2026-2027]

Ordinance appropriating $658,000 of State revenue to the Department of Elections to support costs associated with the Statewide November 2026 Election in Fiscal Year (FY) 2026-2027; this Ordinance requires a two-thirds approval vote of all members of the Board of Supervisors for $308,000 appropriated for salary, overtime, mandatory fringe benefits, and non-personnel services pursuant to Charter, Section 9.113(c).

Note: Additions are *single-underline italics Times New Roman*; deletions are ~~*strikethrough italics Times New Roman*~~.
Board amendment additions are double underlined.
Board amendment deletions are ~~strikethrough normal~~.

Be it ordained by the People of the City and County of San Francisco:

Section 1. The sources of funding outlined below are herein appropriated to reflect the funding available in Fiscal Year 2026-2027.

SOURCES Appropriation

Fund / Department ID	Project & Activity / Authority	Account	Description	Amount
10000 GF Annual Account Ctrl/ 232302 REG Elections Services	10026787-0001 RG Elections/ 10000 Operating	448999	Other State Grants & Subventions	$658,000
Total SOURCES Appropriation				**$658,000**

Section 2. The uses of funding outlined below are herein appropriated to reflect the projected uses of funding in Fiscal Year 2026-2027.

USES Appropriation

Fund / Department ID	Project & Activity / Authority	Account	Description	Amount
10000 GF Annual Account Ctrl/ 232302 REG Elections Services	10026787-0001 RG Elections/ 10000 Operating	505010	Temporary Staffing	$170,000
10000 GF Annual Account Ctrl/ 232302 REG Elections Services	10026787-0001 RG Elections/ 10000 Operating	511010	Overtime	$53,000

Fund / Department ID	Project & Activity / Authority	Account	Description	Amount
10000 GF Annual Account Ctrl/ 232302 REG Elections Services	10026787-0001 RG Elections/ 10000 Operating	513010	Retire City Misc	$50,000
10000 GF Annual Account Ctrl/ 232302 REG Elections Services	10026787-0001 RG Elections/ 10000 Operating	527000	Professional and Specialized Services	$35,000
10000 GF Annual Account Ctrl/ 232302 REG Elections Services	10026787-0001 RG Elections/ 10000 Operating	549250	Minor Data Processing Equipment	$350,000
Total USES Appropriation				**$658,000**

Section 3. Approval for the $308,000 appropriated for salary, overtime, mandatory fringe benefits, and non-personnel services requires a two-thirds vote of the Board of Supervisors pursuant to Charter Section 9.113(c).

Section 4. The Controller is authorized to record transfers between funds and adjust the accounting treatment of sources and uses appropriated in this ordinance as necessary to conform with Generally Accepted Accounting Principles and other laws.

APPROVED AS TO FORM:
DAVID CHIU, City Attorney

By: /s/ Bradley Russi
BRADLEY RUSSI
Deputy City Attorney

FUNDS AVAILABLE:
GREG WAGNER, Controller

By: /s/ Greg Wagner
GREG WAGNER
Controller

Item 1 File 26-0959	Department: Elections

EXECUTIVE SUMMARY

Legislative Objectives

- The proposed ordinance would appropriate $658,000 in State revenues allocated by the California Department of Finance to the Department of Elections to accelerate ballot processing for the November 3, 2026 General Election. The appropriation requires approval of two-thirds of the Board of Supervisors under City Charter Section 9.113(c).

Key Points

- In June 2026, the State amended the 2026 Budget Act to include $34 million for counties to expedite election processing, including $5 million specifically for voter outreach. In August 2026, San Francisco received $658,000, of which $96,765 is designated for outreach and education. The Department of Elections developed a spending plan within this allocation to fund temporary staffing, overtime, rental of supplemental ballot-tabulation equipment, and acquisition of ballot-processing hardware, such as a ballot-envelope sorting and scanning machine, a ballot-extraction machine, and additional laptops and scanners.
- According to Department staff, the additional equipment and staffing provided by the proposed new revenues, along with other process changes, will allow the Department to finish processing the majority of vote-by-mail ballots by the end of election week rather than the week after.

Fiscal Impact

- The appropriation of $658,000 increases the Department of Elections' FY 2026-27 budget by roughly 2.9 percent, from $22.7 million to $23.4 million. While most costs are one-time, the new equipment will result in approximately $35,000 in ongoing annual licensing and maintenance expenses. Of the total appropriation, $308,000 for staffing, overtime, fringe, and non-personnel services requires approval of two-thirds of the Board of Supervisors.

Recommendation

- Approve the proposed ordinance.

MANDATE STATEMENT

City Charter Section 9.105 states that amendments to the Annual Appropriations Ordinance, after the Controller certifies the availability of funds, are subject to Board of Supervisors approval by ordinance.

City Charter Section 9.113(c) states that supplemental appropriations related to items that were rejected by the Mayor or the Board of Supervisors during the development of the annual appropriation ordinance requires approval of two-thirds of the Board of Supervisors.

BACKGROUND

November 2026 Statewide General Election

In June 2026, an amendment to the 2026 State Budget Act was enacted. The legislation included $34 million in State appropriations for counties to expedite vote counting in the November 2026 election, of which $5 million is to be used on voter outreach and education. In August 2026, the California Department of Finance allocated $658,000 to the San Francisco Department of including $96,765 for voter outreach and education.

Department of Elections Budget

The Department of Elections FY 2026-27 expenditure budget is $22.7 million. At the time the budget was approved, the statewide general election was scheduled and included in the Department's budget.

DETAILS OF PROPOSED LEGISLATION

The proposed ordinance would appropriate $658,000 of State revenues from the California Department of Finance to the Department of Elections. The funds were provided to accelerate the vote counting process for the November 3, 2026 general election. Exhibit 1 below shows the breakdown of how the $658,000 state revenue will be used, itemized by category.

Exhibit 1: Proposed Uses of State Funds

Proposed Uses	Amount
Temporary Staffing*	$170,000
Overtime*	53,000
Mandatory Fringe Benefits*	50,000
Professional and Specialized Services *	35,000
Computers and Ballot Processing Hardware	350,000
Total	**$658,000**

Source: Proposed ordinance

*Appropriation requires approval of two-thirds of the Board of Supervisors

The State specifically identified increased staffing, equipment and technology upgrades, and voter outreach as eligible uses of the funds. Elections prepared its spending plan to stay within

the allotted $658,000. Of that amount, $35,000 for professional services will be used to rent ballot-tabulation equipment. These units are part of the Departments existing voting system – they function the same way as the current tabulators and are supplemental machines to expand capacity to read voter-marked cards and record the selections. The $350,000 hardware allocation will fund a ballot envelope sorting and scanning machine, a ballot extraction machine, and additional laptops to expand processing capacity and relieve workflow bottlenecks. The ballot-extraction machine slices open the ballot envelope on two sides and uses suction to separate and open it, allowing staff to quickly and safely remove its contents. This is also the point in the process where the voter's identity is separated from the ballot to maintain confidentiality. The additional extraction unit will help alleviate potential bottlenecks and increase throughput during peak processing periods. With more laptops and scanners, the Department can scan and verify the voter roster more quickly, allowing other steps in the workflow to begin earlier. The additional units will also speed up the scanning of provisional envelopes, enabling staff to transition to subsequent tasks sooner. The Department has already ordered this new equipment and received the sorting and scanning machine and expects to receive the remaining items in mid-October.

Funding for personnel, overtime, and fringe benefits will support increased staffing for extended work hours. The Department intends to use temporary staff for ballot processing and voter outreach and will rely on overtime to continue ballot processing beyond normal operating hours. Outreach efforts will expand, with staff conducting presentations, community meetings, tabling events, equipment demonstrations, and packaging of outreach materials.

According to Department staff, the additional equipment and staffing provided by the proposed new revenues, along with other process changes, will allow the Department to finish processing the majority of vote-by-mail ballots by the end of election week rather than the week after.

FISCAL IMPACT

The proposed ordinance would appropriate $658,000 in State revenues to the Department of Elections budget as shown in Exhibit 1 above. This would increase the department's budget by 2.9 percent from $22.7 million to $23.4 million. The new equipment also carries ongoing licensing and maintenance costs of approximately $35,000 per fiscal year.

Two-Thirds Vote Required

According to the proposed ordinance, $308,000 appropriated for salary, overtime, mandatory fringe benefits, and non-personnel services requires approval of two-thirds vote of the Board of Supervisors per City Charter Section 9.113(c), which states that supplemental appropriations related to items that were rejected by the Mayor or the Board of Supervisors during the development of the annual appropriation ordinance requires approval of two-thirds of the Board of Supervisors.

The FY 2026-27 annual appropriation ordinance approved by the Board of Supervisors reduced the Mayor's proposed budget for the Department of Elections' salaries, professional services,

and materials and supplies by $277,654. Therefore, increases to these budgets require two-thirds approval by the Board of Supervisors.

RECOMMENDATION

Approve the proposed ordinance.

President, District 8
BOARD of SUPERVISORS

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RAFAEL MANDELMAN

PRESIDENTIAL ACTION

Date: 09/09/2026

To: Angela Calvillo, Clerk of the Board of Supervisors

Madam Clerk,
Pursuant to Board Rules, I am hereby:

☒ Waiving 30-Day Rule (Board Rule No. 3.22)

File No. 260959 Mayor
(Primary Sponsor)

Title. Appropriation - Department of Elections - Costs Associated for Statewide November 2026 Election - $658,000 - FY2026-2027

☐ Transferring (Board Rule No 3.3)

File No. _____ _____
(Primary Sponsor)

Title. _____

From: _____ Committee

To: _____ Committee

☐ Assigning Temporary Committee Appointment (Board Rule No. 3.1)

Supervisor: _____ Replacing Supervisor: _____

For: _____ _____ Meeting
(Date) (Committee)

Start Time: _____ End Time: _____

Temporary Assignment: ◉ Partial ○ Full Meeting

Rafael Mandelman, President
Board of Supervisors

OFFICE OF THE MAYOR
SAN FRANCISCO

DANIEL LURIE
MAYOR

TO: Angela Calvillo, Clerk of the Board of Supervisors
FROM: Dexter Darmali, Legislative & Ethics Secretary
RE: Appropriation - Department of Elections - $658,000 - FY2026-2027
DATE: September 1, 2026

Ordinance appropriating $658,000 of State revenue to the Department of Elections to support costs associated with the Statewide November 2026 Election in Fiscal Year (FY) 2026-2027. This Ordinance requires a two-thirds approval vote of all members of the Board of Supervisors for $308,000 appropriated for salary, overtime, mandatory fringe benefits, and non-personnel services pursuant to Charter Section 9.113(c).

Should you have any questions, please contact Lauren Chung at Lauren.L.Chung@sfgov.org

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