

1011100000—Assessor-Recorder-County Clerk

General Government

Steve J. Bestolarides, Assessor-Recorder-County Clerk

General Fund	2017-2018 Actual	2018-2019 Adjusted	2019-2020 Requested	2019-2020 Recommended	Increase/ (Decrease)
Expenditures					
Salaries & Benefits	\$9,852,291	\$10,906,999	\$11,751,173	\$11,751,173	\$844,174
Services & Supplies	948,842	1,209,973	1,487,747	1,487,747	277,774
Centrally-Budgeted Expenses	1,409,237	1,351,731	2,625,869	2,625,869	1,274,138
Other Charges & Uses	10,437	10,437	10,437	10,437	0
Operating Transfers Out	60,000	60,000	60,000	60,000	0
Total Expenditures	\$12,280,807	\$13,539,140	\$15,935,226	\$15,935,226	\$2,396,086
Expenditure Reimbursements	(288,850)	(261,750)	(261,750)	(261,750)	0
Total Appropriations	\$11,991,957	\$13,277,390	\$15,673,476	\$15,673,476	\$2,396,086
Earned Revenues By Source					
Licenses/Permits/Franchises	\$2,723	\$4,000	\$4,000	\$4,000	\$0
Charges For Services	5,494,421	5,230,410	5,112,910	5,112,910	(117,500)
Miscellaneous Revenues	9,883	9,000	9,000	9,000	0
Operating Transfers In	728,280	1,306,523	1,712,100	1,712,100	405,577
Total Revenues	\$6,235,307	\$6,549,933	\$6,838,010	\$6,838,010	\$288,077
Net County Cost	\$5,756,650	\$6,727,457	\$8,835,466	\$8,835,466	\$2,108,009
Staffing					
Allocated Positions	104.0	105.0	109.0	109.0	4.0
Temporary (Full-Time Equivalent)	1.3	1.3	1.6	1.6	0.3
Total Staffing	105.3	106.3	110.6	110.6	4.3

Purpose

Functions of the Assessor-Recorder-County Clerk are mandated, while service levels are discretionary. This narrative includes both the Assessor (#1011100000) and the Recorder-County Clerk (#2025900000) budgets.

The Assessor is responsible for producing annual property assessment rolls including real property and personal property, which is the basis of property tax revenue. The Assessor discovers, values, and enrolls all taxable property in San Joaquin County. The Office also determines change in ownership status and values all properties with a change of ownership; monitors the planting/removal of all commercial trees and vines; administers the constitutional exemption on young trees and vines; revalues Williamson Act property annually; makes reductions to Proposition 13 values where

appropriate; administers various tax exemption programs; and maintains Countywide ownership data and parcel maps.

Property taxes are the local public agencies' major source of General Purpose Revenue. The Assessor's property tax assessment rolls establish the property tax base for all local government agencies in the County, including cities, Special Districts, and school districts. Currently, the County collects approximately \$664.0 million for these entities. Maximum revenue is achieved only through an active, fair, and complete assessment program.

The Recorder-County Clerk maintains recorded parcel maps, property, birth, marriage, and death records; records fictitious name statements; issues marriage licenses; processes notary bonds; registers process servers, unlawful detainer assistants, and professional photocopiers; and processes Department of Fish and Game notices of determination.

1011100000—Assessor-Recorder-County Clerk

General Government

Major Budget Changes

Salaries & Employee Benefits

- \$112,309 Salary and benefits adjustments.
- \$642,566 Four positions transferred from Information Systems Division (ISD) Internal Service Fund (ISF) budget.
- \$78,996 Full-year cost of Appraiser position added midyear 2018-2019.
- \$10,303 Increase in extra-help.

Services & Supplies

- \$284,509 Increase in professional services.
- \$9,765 Increase in small furniture costs.
- \$5,500 Increase in software licensing costs.
- (\$25,000) Decrease in professional services charges from Auditor-Controller.

Centrally-Budgeted Expenses

- \$177,236 Increase in data processing charges.
- \$26,861 Increase in rents and leases of automation equipment.
- (\$642,566) Decrease in data processing charges reflecting four positions transferred from ISD-ISF.
- (\$7,946) Decrease in Workers' Compensation and Casualty insurance costs.
- \$1,720,553 Addition of Countywide Cost Allocation Plan charges.

Revenues

- \$405,577 Increase in operating transfers from trust funds.
- (\$117,500) Decrease in recording fee revenue.

Program Discussion

The 2019-2020 recommended budget for the Assessor-Recorder-County Clerk (ARCC) totals \$15,935,226, which is an increase of \$2,396,086 from the 2018-2019 adjusted

budget. The increase is primarily due to salary and benefits adjustments, transfer of four positions from ISD-ISF, professional services for website development and historical record digitizing, data processing charges, and the addition of Countywide Cost Allocation Plan charges.

The recommended budget includes fund transfers, primarily from the Recorder's Modernization Fund and the Assessor's Automation Fund, totaling \$1,712,100 for automation projects and upgrades, administrative support, and services aligning with the Board Strategic Priority of promoting good governance and increasing organizational capabilities. In addition, \$60,000 has been programmed from the Recorder's Vital and Health Statistics Fund in support of Public Health Services' effort to maintain and update its vital records database.

The economic recovery continues for the ninth consecutive year. Near term projections indicate sustained growth in all real estate market segments Countywide, with a more optimistic and robust forecast projected especially in the South County for 2019-2020 due mainly to the proximity to the Silicon Valley. The Department will continue to monitor real property market trends on a quarterly basis in 2019-2020 in preparation for the 2020-2021 forecast.

In 2018-2019, an Appraiser position was added to address workload increases. The approval of the position was conditioned on filling eight vacancies; four in the residential section and four in the business/audit section. The eight positions were successfully filled, and the additional position was approved by the Board. All nine employees have obtained their State appraiser certifications. Valuation staffing is beginning to stabilize as the Department is positioning itself for the long-term.

In 2018-2019, the ARCC accomplished the following activities:

- **Megabyte Property Tax System Adaption** – The Department went live on December 27, 2017, with the Megabyte system. Staff continue to validate and input property characteristics manually, as the conversion process failed to properly transfer data from the former system. Improvements continue to the direct enrollment program, which is a neighborhood-specific evaluation tool. The aforementioned process has required a significant amount of attention from the management team to update neighborhood boundaries, value parameters, automatic value adjustments, alternative neighborhoods, and trend analysis. Significant time has been devoted to train, support, and enhance the Clerk of the Board appeals process as well.
- **Desktop Workflow Procedures** – The consultant group ProPoint Technologies has completed the

1011100000—Assessor-Recorder-County Clerk

General Government

desktop work procedures for the Megabyte system. Their product consists of almost 500 pages of baseline analytics in addition to another 400 pages, 14 volumes of specific desktop procedures with the Megabyte system. New Megabyte and future Megabyte counties were invited to a presentation to review the work product. The counties provided positive feedback on the quality and usefulness of the final product. Numerous county Assessors expressed interest in participating in a user group to collectively pool resources for the benefit of all. The Department circulated a draft document for the Megabyte Users Group to improve the work product.

In 2019-2020, the ARCC intends to support the following projects:

- **Project Costing** – The Department is working with the Graviton Consulting team to implement a Department-specific project costing model within PeopleSoft to track and generate meaningful metrics and reports.
- **Design and Development of Updated Website** – The Department submitted all the necessary documentation to the Purchasing Department for procurement of an agency for the project. The redesign will focus on web strategy with the primary objective of improving the customer experience, “on-line vs. in-line”. The intent is to improve public access to a variety of information that is currently provided by staff. This may include multi-language video instruction, live-chat with employees, enhanced business filings, and easier access to essential forms and information.
- **Index Grantor/Grantee Names for Historical Documents** – Indexing grantor/grantee names provides an index for historical documents recorded into the Eagle Recorder System in 2017. The project involves over 500,000 documents. Estimated completion date is September 2019.
- **Digitize and Index Historical Books (1800-2000)** – This project is vital to the preservation of significant historical information. This will improve customer service, enable timely search capabilities, and streamline operations.
- **Assessor’s Parcel Layer** – The Department will modernize the Assessor’s Parcel Layer by converting the Geographic Information Systems (GIS) parcel layer to a parcel fabric layer to aid in making parcel maintenance and updates more accurate and efficient. The Department maintains over 7,200 assessor maps in a hybrid AutoCad and GIS format. Migrating to the parcel fabric model will allow mapping workflows and applications to be integrated into one seamless parcel layer, and will provide a better way to manage parcel numbers, create tax rate area assignments, and reduce duplicate entries.

- **Digitization of Assessor Files** – The Department will embark on an ambitious project of digitizing all Assessor files. This project will transform the office to a paperless environment and will convert 5,800 linear feet of files or approximately 8,800,000 pages of data into digital files. Elimination of the paper files will enhance the ability to address operational efficiency through proper space planning. In September 2019, the Department will be applying for competitive State Supplementation for County Assessors Program funding that matches \$2.00 to every \$1.00 of County proceeds. Significant gains in operational efficiencies are expected upon completion of this project.

Supplemental Request

The ARCC is requesting to reinstate former ISD positions into the Department. This will decentralize the current ISD functions providing services for the ARCC. The positions would include a Department Information Systems Manager, two Department Information Systems Analyst (ISA) III positions, and two Department ISA II positions. The fiscal impact is minimal for this request as the Department is currently reimbursing ISD for the costs of the positions.

These position adjustments would provide the Department with greater authority over their budget, staffing, and decision-making. In addition, the ARCC would have more autonomy in determining types of personnel programs necessary to meet Departmental needs. This proposed autonomy would provide the Department the ability to innovate, create, be more responsive to the changing environment, and most importantly, enhance the level of services provided.

The County Administrator’s Office and Human Resources Division reviewed and evaluated the request for appropriate classifications and number of positions.

The recommended budget includes the transfer of a Department ISA IV in lieu of the requested Department Systems Manager position. The recommended budget also includes three staff currently providing service to the Assessor including one Department ISA III and two Department ISA II positions. In addition to the four recommended positions, the Department requested a fifth position, a Department ISA III. A staffing level comparison to other County departments does not support the additional position.

The 2019-2020 recommended budget does not include the transfer of an additional Department ISA III position.

1011100000—Assessor-Recorder-County Clerk

General Government

	-----Actual-----			Est./Act. 2018-2019	Projected 2019-2020
	2015-2016	2016-2017	2017-2018		
Total Roll Values (000)	\$62,727,826	\$66,159,882	\$70,616,889	\$74,038,031	\$78,295,218
<i>Secured</i>	\$58,970,219	\$62,248,506	\$66,379,876	\$69,917,515	\$73,937,772
<i>Unsecured</i>	\$3,757,607	\$3,911,376	\$4,237,013	\$4,120,516	\$4,357,446
Assessor's Operations					
<i>Appeals Processed</i>	699	529	572	427	400
<i>Audits-Mandatory</i>	153	164	194	47	180
<i>Boats and Aircraft</i>	5,713	5,842	6,326	6,202	6,181
<i>Exemptions Processed</i>	90,352	90,166	89,682	94,294	96,000
<i>New Subdivision Lots</i>	1,353	1,080	2,500	2,513	3,306
<i>Property Statements</i>	18,574	18,645	16,817	9,300	8,763
<i>Property Transfers</i>	27,617	29,421	30,694	30,720	27,964
<i>Proposition 8 Reviews</i>	34,940	26,845	22,235	15,116	14,000
<i>Total Permits Received</i>	16,860	24,605	22,462	24,659	25,900
Recorder's Operations					
<i>Documents Recorded</i>	156,322	165,661	165,000	150,000	155,000
<i>Pages Recorded</i>	669,949	736,096	700,000	640,000	650,000
<i>Marriage Licenses Issued</i>	3,145	3,425	3,200	3,000	3,200
<i>Vital Statistics</i>	28,352	28,368	29,000	27,000	30,000