

FISCAL



**FISCAL
SUMMARY**

GENERAL FUND	Page #	Requirements	Sources	Net County Cost	Staffing
ASSESSOR/RECORDER/COUNTY CLERK	268	22,890,787	7,145,500	15,745,287	223
AUDITOR-CONTROLLER/TREASURER/ TAX COLLECTOR	278	36,880,704	26,188,884	10,691,820	296
TOTAL GENERAL FUND		59,771,491	33,334,384	26,437,107	519

SPECIAL REVENUE FUNDS	Page #	Requirements	Sources	Fund Balance	Staffing
ASSESSOR/RECORDER/COUNTY CLERK: SPECIAL REVENUE FUNDS - CONSOLIDATED	274	12,673,383	3,779,200	8,894,183	10
AUDITOR-CONTROLLER/TREASURER/TAX COLLECTOR: REDEMPTION RESTITUTION MAINTENANCE	286	1,678,050	288,500	1,389,550	0
TOTAL SPECIAL REVENUE FUNDS		14,351,433	4,067,700	10,283,733	10



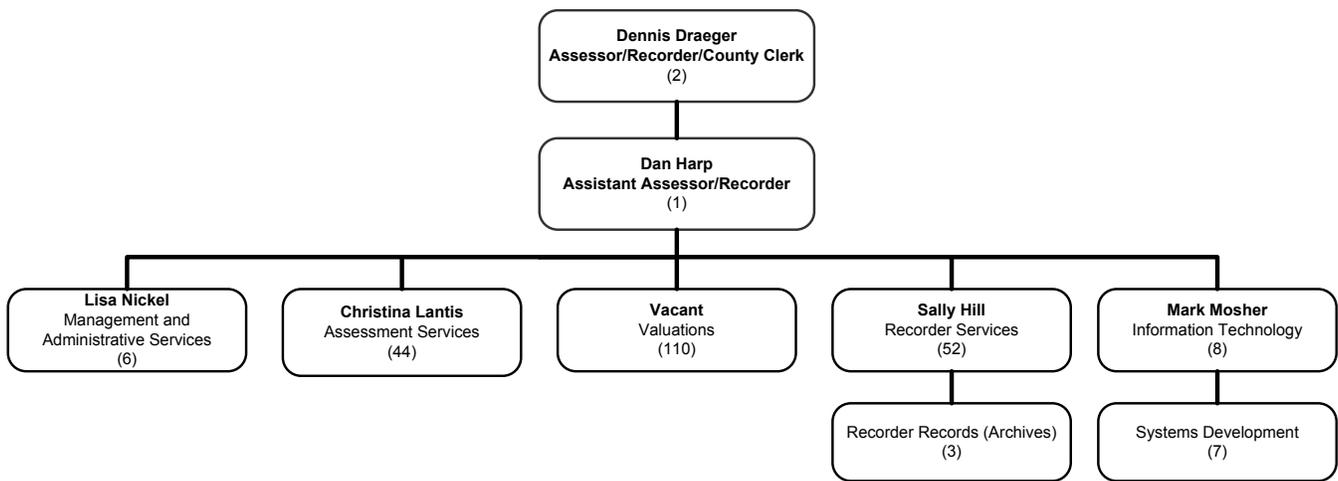
ASSESSOR/RECORDER/COUNTY CLERK Dennis Draeger

DEPARTMENT MISSION STATEMENT

The Office of the Assessor/Recorder/County Clerk performs mandated assessment, recording and County Clerk functions for public benefit in a manner that is fair, informative, and with uniform treatment. It is necessary as a means of revenue generation in order to fund essential public services and efficiently operate County and state government.



ORGANIZATIONAL CHART



2013-14 ACCOMPLISHMENTS

- Reviewed 133,903 parcels under Proposition 8 resulting in the addition of \$5.3 billion to the assessment roll.
- Reduced printing and mailing costs by making a fillable version of the Business Property Statement available on department website, allowing taxpayers to submit electronically, avoiding the need for a costly mail out of these forms.
- Expanded public service hours in the Twin Peaks and Big Bear District offices by restoring a clerical position lost in budget cuts. Resumed full customer service hours of Monday - Friday, 8:00 AM to 5:00 PM.
- Completed a project to sign MOUs with all title companies and other document processing agencies in San Bernardino County to fully utilize the California E-Recording Transaction Network Authority (CeRTNA) system, allowing efficiency in recording documents for the public and cost savings for the department.
- Partnered with California State University, San Bernardino to receive its collection of historical editions of the Sun Newspaper dated between 1894 – 1999 into the County archive, assuming maintenance and preservation and making them more widely available to the public.
- Reduced storage costs by implementing a project of scanning historical Preliminary Change of Ownership Reports (PCOR) and various exclusion claim forms, allowing staff the ability to view older documents electronically and eliminating the need to store the hard copies.



- Completed a mapping project to ensure that all recorded Offers of Dedication are properly reflected in Assessor maps and in the Assessor Property Information System (PIMS), to indicate appropriate usage and boundaries of the parcel.
- Improved access to historical recorded documents by downloading them into the Assessor PIMS, allowing staff the ability to view documents efficiently without having to switch between Assessor and Recorder systems.
- Remodel of the Big Bear District Office enhancing the utility of the office and increasing the number of work stations to better accommodate the public and staff.
- Acknowledged in a February 2014 report issued by the State Board of Equalization Taxpayers' Rights Advocate for formatting all forms to allow online completion and adding the most recent annual report, historical roll data, and information about the Fire Prevention Fee to the department's website.

COUNTY GOALS AND OBJECTIVES AND DEPARTMENT PERFORMANCE MEASURES

COUNTY GOAL: OPERATE IN A FISCALLY-RESPONSIBLE AND BUSINESS-LIKE MANNER
Objective(s): • *Invest County resources in ways which create more ongoing revenue to reinvest in maintaining and improving services.*

Department Strategy:

- *Establish a value for appraisable events by the close of the roll year to optimize tax revenues.*
- *Process annual 571L Business Property Statements by the close of the roll year to optimize tax revenues.*

Measurement	2012-13	2013-14	2013-14	2014-15
	Actual	Target	Actual	Target
Percentage of completed appraisable events received to date in current roll year.	97.8%	99%	96.7%	99%
Percentage of completed Business Property Statements filed by the annual deadline.	99.7%	99%	99.7%	99%

COUNTY GOAL: IMPROVE COUNTY GOVERNMENT OPERATIONS
Objective(s): • *Monitor and evaluate operations and implement strategies to continually improve efficiency and effectiveness.*

Department Strategy:

- *Process changes of ownership to ensure values are enrolled by the close of the roll year.*

Measurement	2012-13	2013-14	2013-14	2014-15
	Actual	Target	Actual	Target
Percentage of change in ownership documents completed in current roll year.	99.9%	95.5%	99.78%	95.5%

FISCAL



SUMMARY OF BUDGET UNITS

2014-15						
	Requirements	Sources	Net County Cost	Fund Balance	Net Budget	Staffing
General Fund						
Assessor/Recorder/County Clerk	22,890,787	7,145,500	15,745,287			223
Total General Fund	22,890,787	7,145,500	15,745,287			223
Special Revenue Funds						
Recorder Special Revenue Funds - Consolidated	12,673,383	3,779,200		8,894,183		10
Total Special Revenue Funds	12,673,383	3,779,200		8,894,183		10
Total - All Funds	35,564,170	10,924,700	15,745,287	8,894,183	0	233

5-YEAR REQUIREMENTS TREND

	2010-11	2011-12	2012-13	2013-14	2014-15
Assessor/Recorder/County Clerk	17,909,126	20,855,827	22,017,323	23,380,027	22,890,787
Systems Development	10,290,230	8,700,017	4,198,649	5,666,347	5,338,581
Vital Records	863,395	914,821	855,916	983,775	1,124,776
Electronic Recording	933,322	1,079,392	1,140,596	1,477,550	1,508,036
Recorder Records	1,488,363	1,545,280	1,286,217	1,470,371	1,358,311
Social Security Number Truncation	1,564,602	2,031,420	2,443,968	3,053,415	3,343,679
Total	33,049,038	35,126,757	31,942,669	36,031,485	35,564,170

5-YEAR SOURCES TREND

	2010-11	2011-12	2012-13	2013-14	2014-15
Assessor/Recorder/County Clerk	3,470,815	6,177,368	6,716,500	7,116,602	7,145,500
Systems Development	2,337,984	2,399,000	2,196,041	2,825,000	2,375,000
Vital Records	131,813	132,000	125,684	130,000	145,000
Electronic Recording	446,468	448,430	422,304	502,952	408,000
Recorder Records	451,670	445,454	418,907	504,160	408,000
Social Security Number Truncation	490,121	479,052	451,983	527,980	443,200
Total	7,328,871	10,081,304	10,331,419	11,606,694	10,924,700

5-YEAR NET COUNTY COST TREND

	2010-11	2011-12	2012-13	2013-14	2014-15
Assessor/Recorder/County Clerk	14,438,311	14,678,459	15,300,823	16,263,425	15,745,287
Total	14,438,311	14,678,459	15,300,823	16,263,425	15,745,287

5-YEAR FUND BALANCE TREND

	2010-11	2011-12	2012-13	2013-14	2014-15
Systems Development	7,952,246	6,301,017	2,002,608	2,841,347	2,963,581
Vital Records	731,582	782,821	730,232	853,775	979,776
Electronic Recording	486,854	630,962	718,292	974,598	1,100,036
Recorder Records	1,036,693	1,099,826	867,310	966,211	950,311
Social Security Number Truncation	1,074,481	1,552,368	1,991,985	2,525,435	2,900,479
Total	11,281,856	10,366,994	6,310,427	8,161,366	8,894,183



Assessor/Recorder/County Clerk

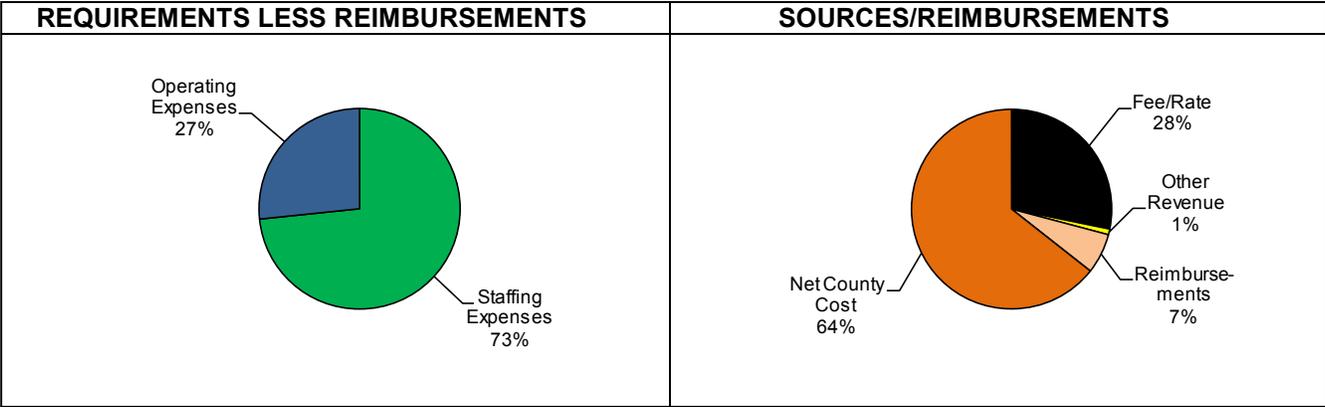
DESCRIPTION OF MAJOR SERVICES

Under California law, the Assessor/Recorder/County Clerk establishes a value for all locally taxable property including residential, commercial, business and personal property. The Assessor/Recorder/County Clerk’s Office maintains current records on approximately 754,126 parcels of real property, 30,795 business property accounts and 32,714 other assessments including boats, aircraft, and manufactured homes. The Assessor’s Office also administers property tax exemptions including homeowners, veteran, disabled veteran, church, religious, and welfare exemptions, as well as exclusions including parent-to-child and senior/disabled persons transfer of base year value.

Budget at a Glance	
Requirements Less Reimbursements*	\$24,480,514
Sources/Reimbursements	\$8,735,227
Net County Cost	\$15,745,287
Total Staff	223
Funded by Net County Cost	64%
<small>*Includes Contingencies</small>	

The Valuations Division is responsible for real, personal, business and special property valuations and assessment appeals. District offices provide public assistance regarding questions of ownership, mailing addresses, parcel numbers and assessed values. The Assessment Services Division provides mapping, change of ownership, change of address, data entry services, and public information services. The Information Technology Division provides computer systems maintenance and development. The Administrative Services Division provides fiscal, payroll, mail services, and facility support. The Recorder Services Division accepts all documents for recording that comply with applicable recording laws. Official records are maintained evidencing ownership and encumbrances of real and personal property and other miscellaneous records. The Recorder Services Division is also responsible for County Archives and County Clerk functions. County Archives maintains historical records for the County. County Clerk maintains records as they relate to vital statistics, fictitious business names, and other records that are required by the State to be filed with the County Clerk.

2014-15 ADOPTED BUDGET



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BUDGETED STAFFING

STAFFING ANALYSIS					5-YEAR STAFFING TREND				
Authorized Positions	2012-13 Final	2013-14 Adopted	2013-14 Final	2014-15 Adopted					
Regular	216	221	222	223					
Limited Term	0	0	0	0					
Total	216	221	222	223					
Staffing Expenses	\$17,191,081	\$18,017,420	\$18,539,924	\$17,931,694					

ANALYSIS OF 2014-15 ADOPTED BUDGET

GROUP: Fiscal
DEPARTMENT: Assessor/Recorder/County Clerk
FUND: General

BUDGET UNIT: AAA ASR
FUNCTION: General
ACTIVITY: Finance

	2010-11 Actual	2011-12 Actual	2012-13 Actual	2013-14 Actual	2013-14 Final Budget	2014-15 Adopted Budget	Change From 2013-14 Final Budget
Requirements							
Staffing Expenses	14,672,925	16,065,032	16,374,853	17,191,240	18,539,924	17,931,694	(608,230)
Operating Expenses	3,207,612	6,258,025	5,626,983	5,580,041	5,957,290	6,517,820	560,530
Capital Expenditures	67,807	42,493	42,332	10,823	10,823	0	(10,823)
Contingencies	0	0	0	0	0	0	0
Total Exp Authority	17,948,344	22,365,550	22,044,168	22,782,104	24,508,037	24,449,514	(58,523)
Reimbursements	(39,553)	(1,574,366)	(294,570)	(306,260)	(1,203,619)	(1,589,727)	(386,108)
Total Appropriation	17,908,791	20,791,184	21,749,598	22,475,844	23,304,418	22,859,787	(444,631)
Operating Transfers Out	0	45,000	39,952	28,869	75,609	31,000	(44,609)
Total Requirements	17,908,791	20,836,184	21,789,550	22,504,713	23,380,027	22,890,787	(489,240)
Sources							
Taxes	24,875	17,667	21,462	18,662	10,000	18,500	8,500
Realignment	0	0	0	0	0	0	0
State, Fed or Gov't Aid	0	0	0	0	0	0	0
Fee/Rate	3,220,307	5,946,068	7,293,110	6,760,539	6,912,102	6,901,500	(10,602)
Other Revenue	225,669	214,607	273,254	211,243	194,500	225,500	31,000
Total Revenue	3,470,851	6,178,342	7,587,826	6,990,444	7,116,602	7,145,500	28,898
Operating Transfers In	0	0	0	1,169	0	0	0
Total Sources	3,470,851	6,178,342	7,587,826	6,991,613	7,116,602	7,145,500	28,898
Net County Cost	14,437,940	14,657,842	14,201,724	15,513,100	16,263,425	15,745,287	(518,138)
Budgeted Staffing					222	223	1

MAJOR EXPENDITURES AND REVENUE IN 2014-15 ADOPTED BUDGET

Staffing expenses of \$17.9 million represent the majority of this budget unit and fund 223 budgeted regular positions. Operating expenses of \$6.5 million consist primarily of printing and taxpayer notice mailing costs, COWCAP, and systems development charges for the Property Information Management System (PIMS). Reimbursements of \$1.6 million are primarily from the Recorder special revenue funds for administrative and IT costs. Sources of \$7.1 million include fees for recording and County Clerk services, Real Estate Fraud, special assessments, transfers of ownership, and data sales.



BUDGET CHANGES AND OPERATIONAL IMPACT

Requirements are decreasing by \$489,240 primarily due to a reduction in salary costs due to MOU adjustments and an increase in reimbursements for IT costs, partially offset by increases in retirement costs and COWCAP. Sources are increasing by \$28,898 due to anticipated increases in vital records, County Clerk services and Real Estate Fraud fees, partially offset by a decrease in recorded document fees.

STAFFING CHANGES AND OPERATIONAL IMPACT

Staffing expenses of \$17.9 million fund 223 budgeted regular positions. An Appraiser I is being deleted and an Appraiser II is being added to allow greater flexibility in accomplishing the workload as real estate activity increases due to an improving economy. A Legal Document Classifier II is being deleted and a Lead Legal Document Classifier is being added to provide adequate oversight of lower level staff and enhance the efficient operation of the office. A Business Applications Manager position is being moved from a Recorder special revenue fund budget and added to this budget to recognize its new responsibility for oversight of both Recorder and Assessor IT operations.

2014-15 POSITION SUMMARY

Division	Regular	Limited Term	Total	Filled	Vacant	New	Total
Management and Administrative Services	8	0	8	8	0	0	8
Assessment Services	44	0	44	40	4	0	44
Valuations	110	0	110	103	6	1	110
Recorder Services	53	0	53	47	5	1	53
Information Technology	8	0	8	5	2	1	8
Total	223	0	223	203	17	3	223

Management and Administrative Services		Assessment Services		Valuations	
Classification		Classification		Classification	
1 Assessor/Recorder		1 Chief of Assessment Services		1 Chief Appraiser	
1 Assistant Assessor/Recorder		1 Supervising Office Specialist		3 Principal Appraiser	
1 Executive Secretary III		2 Supervising Office Assistant		8 Supervising District Appraiser	
1 Administrative Supervisor II		1 Office Specialist		12 Appraiser III	
1 Staff Analyst II		12 Office Assistant III		13 Appraiser II	
1 Staff Analyst I		3 Office Assistant II		30 Appraiser I	
1 Payroll Specialist		1 Supv Title Trans Technician II		13 Appraisal Technician	
1 Fiscal Assistant		1 Supv Title Transfer Technician I		2 Supervising Auditor Appraiser	
8 Total		3 Title Transfer Technician II		2 Auditor-Appraiser III	
		14 Title Transfer Technician I		9 Auditor-Appraiser II	
		1 Cadastral Services Supervisor		16 Office Assistant III	
		1 Cadastral Drafting Technician III		1 Office Assistant II	
		2 Cadastral Drafting Technician II		110 Total	
		1 Cadastral Drafting Technician I			
		44 Total			
Recorder Services		Information Technology			
Classification		Classification			
1 County Clerk		1 Business Applications Manager			
1 Chief Deputy Recorder		1 Business Systems Analyst III			
1 Staff Analyst I		1 Business Systems Analyst II			
2 Legal Document Coordinator		2 Automated Systems Analyst I			
4 Legal Document Supervisor		2 Automated Systems Technician			
4 Lead Legal Document Classifier		1 Office Assistant III			
20 Legal Document Classifier II		8 Total			
15 Legal Document Classifier I					
1 Accountant II					
2 Fiscal Assistant					
1 Office Assistant III					
1 Office Assistant II					
53 Total					



Recorder Special Revenue Funds - Consolidated

DESCRIPTION OF MAJOR SERVICES

Systems Development was established to support, maintain and modernize the creation, retention and retrieval of information in the County's system of recorded documents. Sources include fees collected pursuant to Government Code Section 27361 on legal documents.

Budget at a Glance	
Requirements Less Reimbursements*	\$12,673,383
Sources/Reimbursements	\$3,779,200
Fund Balance	\$8,894,183
Use of Fund Balance	\$2,963,219
Total Staff	10
*Includes Contingencies	

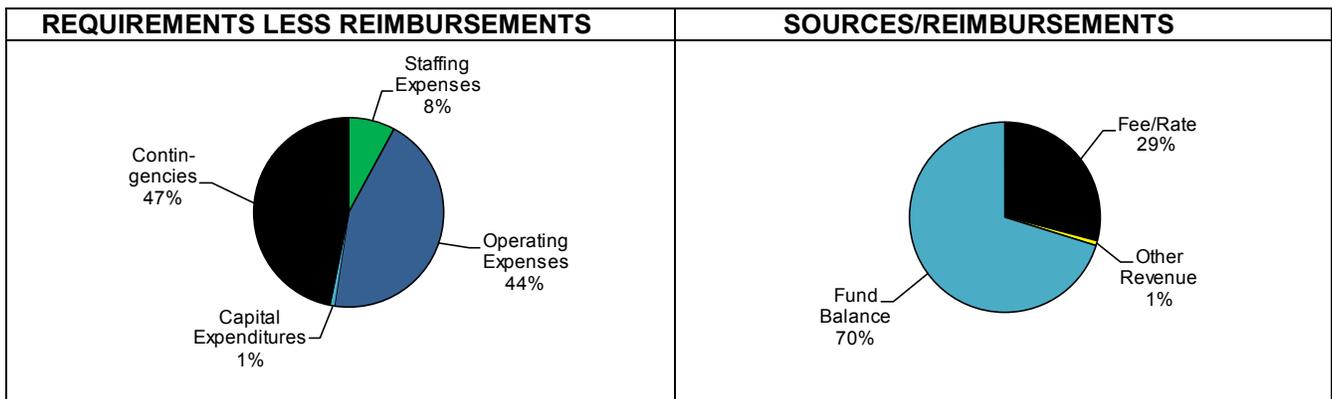
Vital Records was established to support vital records operation and retention, including the improvement and automation of vital records systems. Sources include fees collected for certified copies of vital statistics records pursuant to Health and Safety Code Section 103625(f) and 103625(g)(2). There is no staffing associated with this budget unit.

Electronic Recording was established by Government Code Section 27279.1 to authorize the County of San Bernardino to accept electronic transmission of recordable documents and the Recorder has been recording electronic documents since 2004. Government Code Section 27397 authorized all California counties to accept electronic transmission of recordable documents subject to regulation set forth by the Attorney General. In 2007, the Board approved a joint powers agreement (JPA) for the California e-Recording Transaction Network Authority (CeRTNA). This budget unit was established to support participation in the JPA. Sources include fees collected pursuant to Government Code Section 27397 regarding electronic recording delivery systems such as official records evidencing ownership and encumbrances of real and personal property, and other miscellaneous records. There is no staffing associated with this budget unit.

Recorder Records was established to defray the cost of storing, restoring, and imaging the County Recorder's documents. The primary service provided by this budget unit is the maintenance, repair and imaging digitization of the County Recorder's documents. Sources include fees collected pursuant to Government Code Section 27361 on legal documents.

Social Security Number Truncation was established to defray the cost of implementing Government Code Section 27301 which requires local governments to truncate the first five digits of social security numbers (SSN) that appear in records that may be disclosed to the public. The law requires the Recorder to implement the SSN truncation program for all records back to 1980. The primary service provided by this budget unit is the review of all recorded documents, flagging of high-value personal information, truncation of the first five digits of the SSN, and the creation of a separate index and images for public view. Phase 1 began with all the documents recorded since January 2009. Phase 2 will require a professional services contract for the documents from 1980 through 2008. The index and images of the original recorded documents will be maintained in their entirety. Sources include fees collected pursuant to Government Code Section 27301. There is no staffing associated with this budget unit.

2014-15 ADOPTED BUDGET



BUDGETED STAFFING

STAFFING ANALYSIS					5-YEAR STAFFING TREND				
Authorized Positions	2012-13 Final	2013-14 Adopted	2013-14 Final	2014-15 Adopted					
Regular	12	11	11	10					
Limited Term	0	0	0	0					
Total	12	11	11	10					
Staffing Expenses	\$1,240,720	\$1,128,911	\$1,128,911	\$1,003,693					

ANALYSIS OF 2014-15 ADOPTED BUDGET

GROUP: Fiscal
 DEPARTMENT: Assessor/Recorder/County Clerk
 FUND: Recorder Special Revenue Funds - Consolidated

BUDGET UNIT: Various
 FUNCTION: Public Protection
 ACTIVITY: Other Protection

	2010-11 Actual	2011-12 Actual	2012-13 Actual	2013-14 Actual	2013-14 Final Budget	2014-15 Adopted Budget	Change From 2013-14 Final Budget
Requirements							
Staffing Expenses	258,535	275,068	1,001,309	1,077,801	1,128,911	1,003,693	(125,218)
Operating Expenses	3,908,584	3,820,113	1,778,299	1,787,636	5,510,572	5,638,726	128,154
Capital Expenditures	24,460	12,173	57,022	134,879	280,000	100,000	(180,000)
Contingencies	0	0	0	0	5,791,975	5,930,964	138,989
Total Exp Authority	4,191,579	4,107,354	2,836,630	3,000,316	12,711,458	12,673,383	(38,075)
Reimbursements	(6,564)	(118,732)	0	(53,218)	(60,000)	0	60,000
Total Appropriation	4,185,015	3,988,622	2,836,630	2,947,098	12,651,458	12,673,383	21,925
Operating Transfers Out	600,919	4,000,000	0	0	0	0	0
Total Requirements	4,785,934	7,988,622	2,836,630	2,947,098	12,651,458	12,673,383	21,925
Sources							
Taxes	0	0	0	0	0	0	0
Realignment	0	0	0	0	0	0	0
State, Fed or Gov't Aid	0	0	0	0	0	0	0
Fee/Rate	3,753,003	3,804,794	4,517,817	3,589,381	4,400,000	3,690,000	(710,000)
Other Revenue	105,125	92,356	103,089	90,296	90,092	89,200	(892)
Total Revenue	3,858,128	3,897,150	4,620,906	3,679,677	4,490,092	3,779,200	(710,892)
Operating Transfers In	0	0	0	0	0	0	0
Total Sources	3,858,128	3,897,150	4,620,906	3,679,677	4,490,092	3,779,200	(710,892)
Fund Balance					8,161,366	8,894,183	732,817
Budgeted Staffing					11	10	(1)

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DETAIL OF 2014-15 ADOPTED BUDGET

	2014-15			
	Requirements	Sources	Fund Balance	Staffing
<u>Special Revenue Funds</u>				
Systems Development (Fund SDW)	5,338,581	2,375,000	2,963,581	7
Vital Records (Fund SDX)	1,124,776	145,000	979,776	0
Electronic Recording (Fund SIW)	1,508,036	408,000	1,100,036	0
Recorder Records (Fund SIX)	1,358,311	408,000	950,311	3
Social Security Number Truncation (Fund SST)	3,343,679	443,200	2,900,479	0
Total Special Revenue Funds	12,673,383	3,779,200	8,894,183	10

Systems Development includes \$5.3 million in requirements to fund 7 positions, costs for document indexing/imaging, computer hardware, software and associated maintenance, and includes \$1.5 million in budgeted contingencies. Sources of \$2.4 million are primarily from Recorder modernization fees.

Vital Records includes \$1.1 million in requirements to fund computer software, printing and other professional services, and includes \$914,236 in budgeted contingencies. Sources of \$145,000 are from vital and health statistic fees.

Electronic Recording includes \$1.5 million in requirements for computer hardware and CeRTNA related expenses, and includes \$950,404 in budgeted contingencies. Sources of \$408,000 are from electronic recording fees and anticipated interest earnings.

Recorder Records includes \$1.4 million in requirements for staffing expenses to fund 3 positions, costs associated with preservation efforts, and includes \$502,187 in budgeted contingencies. Sources of \$408,000 are from records fees and anticipated interest earnings.

Social Security Number Truncation includes \$3.3 million in requirements to fund the cost of truncating records as required by law, and includes \$2.0 million in budgeted contingencies. Sources of \$443,200 are from redaction fees and anticipated interest earnings.

BUDGET CHANGES AND OPERATIONAL IMPACT

Requirements are increasing by \$21,925 primarily due to increases in Information Technology costs. This increase is offset by decreases in equipment, professional services, and a decrease in staffing expense due to the transfer of a position to the Assessor/Recorder/County Clerk (ARC) general fund budget unit. Sources are decreasing by \$710,892 primarily due to a reduction in fee revenue from recorded documents.

STAFFING CHANGES AND OPERATIONAL IMPACT

Staffing expenses of \$1.0 million fund 10 budgeted regular positions. A Business Applications Manager position is being moved to the ARC general fund budget to recognize its new responsibility for oversight of both Recorder and Assessor IT operations.



2014-15 POSITION SUMMARY

<u>Division</u>	<u>Regular</u>	<u>Limited Term</u>	<u>Total</u>	<u>Filled</u>	<u>Vacant</u>	<u>New</u>	<u>Total</u>
Systems Development	7	0	7	7	0	0	7
Recorder Records	3	0	3	3	0	0	3
Total	10	0	10	10	0	0	10

Systems Development		Recorder Records	
<u>Classification</u>		<u>Classification</u>	
2 Programmer Analyst III		1 Archives Program Administrator	
1 Automated Systems Analyst II		1 Archives Technician	
3 Automated Systems Analyst I		1 Storekeeper	
1 Automated Systems Technician		3 Total	
7 Total			

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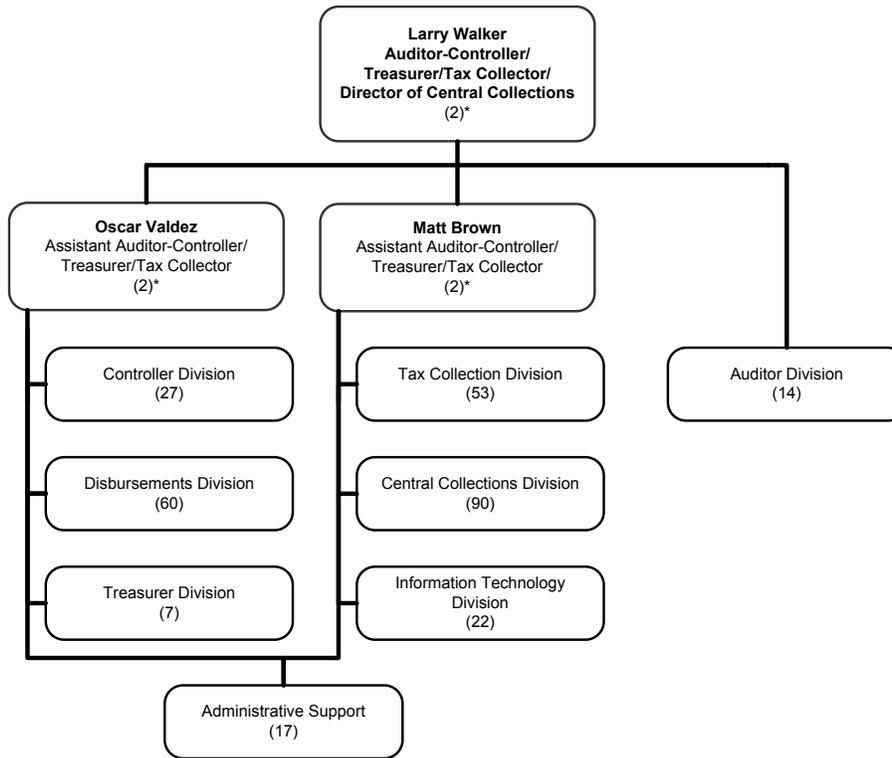
AUDITOR-CONTROLLER/TREASURER/TAX COLLECTOR Larry Walker

DEPARTMENT MISSION STATEMENT

The Office of the Auditor-Controller/Treasurer/Tax Collector processes, safeguards, and provides information regarding County financial activities, manages the County treasury pool, collects and distributes property taxes and other obligations owed to County agencies and courts with integrity, independent judgment, and courteous, outstanding service that is accessible to citizens, businesses, and other public agencies. We are accurate, fair, timely and innovative in the use of technology to enhance services throughout the County.



ORGANIZATIONAL CHART



*Includes one secretary position

2013-14 ACCOMPLISHMENTS

- Internal Audits issued 31 compliance and operational audit reports from July 1, 2013 thru June 30, 2014, making recommendations for improvement of internal controls over cash, trust funds, fixed assets, cost claims, and the management of federal grants.
- Worked diligently to evaluate and analyze a total of eleven (11) new Governmental Accounting Standards Board (GASB) Statements, including the new pension accounting standards, for their effects on the County's financial statements to either implement or develop the plans for future implementations, as required by GASB.



- Worked closely with the Information Services Department to prepare for the implementation of the Financial Accounting System (FAS) 2.2 upgrade, which required ATC to develop and test the largest numbers of testing scripts in recent years.
- Tax Collector partnered with the Land Use Services Department to develop a procedure to increase Transient Occupancy Tax (bed tax) collections within the County. Since this collaboration, the Tax Collector has received information on 131 rentals not previously registered in the Transient Occupancy Tax (TOT) program. The total TOT collected in 2012-13 was \$1.5 million; total TOT collected in 2013-14 was \$1.7 million, with \$98,519 directly resulting from this partnership.

COUNTY GOALS AND OBJECTIVES AND DEPARTMENT PERFORMANCE MEASURES

COUNTY GOAL: OPERATE IN A FISCALLY-RESPONSIBLE AND BUSINESS-LIKE MANNER

Objective(s): • *Live within our means, fully funding the maintenance of infrastructure and facilities, the provision of state-of-the-art basic operating systems, liabilities, and reserves; while forming capital to strategically invest in the future.*

Department Strategy: • *Maintain the financial accounting system in accordance with Generally Accepted Accounting Standards and the Government Finance Officers Association (GFOA) to achieve the highest standards in government accounting and financial reporting.*

Measurement	2012-13 Actual	2013-14 Target	2013-14 Actual	2014-15 Target
Receive the GFOA Certificate of Achievement for Excellence in Financial Reporting.	Yes	Yes	Yes	Yes

COUNTY GOAL: PURSUE COUNTY GOALS AND OBJECTIVES BY WORKING WITH OTHER GOVERNMENTAL AGENCIES

Objective(s): • *Develop a closer working relationship with cities, tribes and other governmental agencies.*

Department Strategy: • *Complete the final property tax apportionment by the third week following the end of the fiscal year.*

Measurement	2012-13 Actual	2013-14 Target	2013-14 Actual	2014-15 Target
Percentage of apportionments completed by the third week of the following fiscal year.	100%	100%	100%	100%

FISCAL



COUNTY GOAL: OPERATE IN A FISCALLY-RESPONSIBLE AND BUSINESS-LIKE MANNER

Objective(s): • Invest County resources in ways which create more ongoing revenue to reinvest in maintaining and improving services.

Department Strategy:

- Maintain the highest possible credit rating for the County investment pool.
- Maintain collection of property taxes at 96% or higher, which are used to fund key public services including education, police and fire protection, social and health services.
- Increase marketing, advertising and outreach to improve awareness of the annual Tax Sale and collect defaulted secured property taxes.

Measurement	2012-13 Actual	2013-14 Target	2013-14 Actual	2014-15 Target
County investment pool rating	Fitch - AAA	Fitch - AAA	Fitch - AAA	Fitch - AAA
Percentage of annual tax charge collected	97.2%	N/A	98.2%	96%

SUMMARY OF BUDGET UNITS

	2014-15					
	Requirements	Sources	Net County Cost	Fund Balance	Net Budget	Staffing
General Fund						
Auditor-Controller/Treasurer/Tax Collector	36,880,704	26,188,884	10,691,820			296
Total General Fund	36,880,704	26,188,884	10,691,820			296
Special Revenue Fund						
Redemption Restitution Maintenance	1,678,050	288,500		1,389,550		0
Total Special Revenue Fund	1,678,050	288,500		1,389,550		0
Total - All Funds	38,558,754	26,477,384	10,691,820	1,389,550	0	296



5-YEAR REQUIREMENTS TREND					
	2010-11	2011-12	2012-13	2013-14	2014-15
Auditor-Controller/Treasurer/Tax Collector	34,607,550	32,441,654	36,599,126	37,847,511	36,880,704
Redemption Restitution Maintenance	182,140	973,709	1,059,419	1,434,306	1,678,050
Total	34,789,690	33,415,363	37,658,545	39,281,817	38,558,754

5-YEAR SOURCES TREND					
	2010-11	2011-12	2012-13	2013-14	2014-15
Auditor-Controller/Treasurer/Tax Collector	24,126,528	23,124,508	27,026,066	26,519,063	26,188,884
Redemption Restitution Maintenance	1,790	791,562	85,800	223,800	288,500
Total	24,128,318	23,916,070	27,111,866	26,742,863	26,477,384

5-YEAR NET COUNTY COST TREND					
	2010-11	2011-12	2012-13	2013-14	2014-15
Auditor-Controller/Treasurer/Tax Collector	10,481,022	9,317,146	9,573,060	11,328,448	10,691,820
Total	10,481,022	9,317,146	9,573,060	11,328,448	10,691,820

5-YEAR FUND BALANCE TREND					
	2010-11	2011-12	2012-13	2013-14	2014-15
Redemption Restitution Maintenance	180,350	182,147	973,619	1,210,506	1,389,550
Total	180,350	182,147	973,619	1,210,506	1,389,550



Auditor-Controller/Treasurer/Tax Collector

DESCRIPTION OF MAJOR SERVICES

The Office of the Auditor-Controller/Treasurer/Tax Collector (ATC) is responsible for providing the County and its constituents with a variety of accounting, collections, and investment services.

The Controller Division records the collections and performs the accounting, reporting, and claims of all County financial activities to ensure sound financial management. It is also responsible for developing and implementing accounting systems and standards and administering the Countywide Cost Allocation Plan. The Disbursements Division is responsible for vendor payments, payroll services, the compilation of property tax rates, revenue disbursements to taxing agencies and managing and calculating pass-through agreement payments on behalf of Countywide successor agencies relating to the dissolution of Redevelopment Agencies.

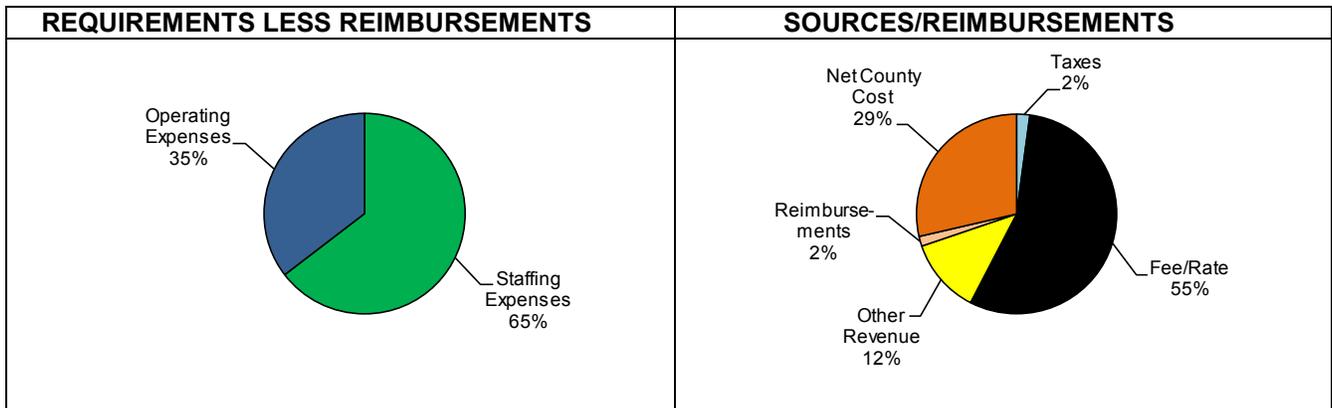
The Treasurer Division performs the County's treasury function including the investment of all County and School District funds within the County investment pool and associated banking services. The Treasurer currently manages assets of \$3.8 - \$4.9 billion. The Tax Collector Division collects property taxes for all County taxing entities which amounted to slightly over \$2.2 billion in property taxes and other fees in 2013-14.

The Central Collections Division provides collection services for the County and Superior Court, collecting nearly \$50 million for the year ending June 30, 2014, including collection of court-ordered payments and Arrowhead Regional Medical Center's delinquent accounts receivable.

The Auditor Division performs operational and financial audits of departments, agencies and special districts, evaluates internal controls for operational improvement, and operates the Fraud, Waste and Abuse Hotline.

Budget at a Glance	
Requirements Less Reimbursements*	\$37,476,564
Sources/Reimbursements	\$26,784,744
Net County Cost	\$10,691,820
Total Staff	296
Funded by Net County Cost	29%
<small>*Includes Contingencies</small>	

2014-15 ADOPTED BUDGET



BUDGETED STAFFING

STAFFING ANALYSIS					5-YEAR STAFFING TREND				
Authorized Positions	2012-13 Final	2013-14 Adopted	2013-14 Final	2014-15 Adopted					
Regular	277	278	278	280					
Limited Term	3	15	17	16					
Total	280	293	295	296					
Staffing Expenses	\$23,797,675	\$24,151,265	\$24,535,297	\$24,187,211					

ANALYSIS OF 2014-15 ADOPTED BUDGET

GROUP: Fiscal
DEPARTMENT: Auditor-Controller/Treasurer/Tax Collector
FUND: General

BUDGET UNIT: AAA ATX
FUNCTION: General
ACTIVITY: Finance

	2010-11 Actual	2011-12 Actual	2012-13 Actual	2013-14 Actual	2013-14 Final Budget	2014-15 Adopted Budget	Change From 2013-14 Final Budget
Requirements							
Staffing Expenses	24,350,111	22,181,622	22,511,394	22,924,596	24,535,297	24,187,211	(348,086)
Operating Expenses	11,778,908	11,296,625	10,365,494	11,882,362	13,228,514	13,269,353	40,839
Capital Expenditures	92,306	55,963	88,481	123,796	355,000	20,000	(335,000)
Contingencies	0	0	0	0	0	0	0
Total Exp Authority	36,221,325	33,534,210	32,965,369	34,930,754	38,118,811	37,476,564	(642,247)
Reimbursements	(1,614,279)	(1,258,293)	(275,419)	(323,835)	(271,300)	(595,860)	(324,560)
Total Appropriation	34,607,046	32,275,917	32,689,950	34,606,919	37,847,511	36,880,704	(966,807)
Operating Transfers Out	0	0	0	0	0	0	0
Total Requirements	34,607,046	32,275,917	32,689,950	34,606,919	37,847,511	36,880,704	(966,807)
Sources							
Taxes	307,060	0	386,920	289,460	895,000	800,000	(95,000)
Realignment	0	0	0	0	0	0	0
State, Fed or Gov't Aid	90,018	136,502	153,632	75,605	33,081	122,204	89,123
Fee/Rate	18,347,152	18,108,328	19,472,244	19,538,898	20,608,499	20,718,034	109,535
Other Revenue	5,382,219	4,880,121	4,887,853	4,869,125	4,982,483	4,548,646	(433,837)
Total Revenue	24,126,449	23,124,951	24,900,649	24,773,088	26,519,063	26,188,884	(330,179)
Operating Transfers In	0	0	0	0	0	0	0
Total Sources	24,126,449	23,124,951	24,900,649	24,773,088	26,519,063	26,188,884	(330,179)
Net County Cost	10,480,597	9,150,966	7,789,301	9,833,831	11,328,448	10,691,820	(636,628)
Budgeted Staffing					295	296	1

MAJOR EXPENDITURES AND REVENUE IN 2014-15 ADOPTED BUDGET

Staffing expenses of \$24.2 million represent the majority of expenditures in this budget unit and fund 296 budgeted positions. These expenses are necessary to provide accounting, auditing, collections, and investment services to County departments and constituents. Sources primarily represent fee/rate and cost-reimbursement revenue generated by services provided.

BUDGET CHANGES AND OPERATIONAL IMPACT

Requirements are decreasing by \$966,807, primarily due to a reduction in staffing expenses and capital expenditures, and an increase in reimbursements. Sources are expected to decrease by \$330,179, primarily due to an increase in current services revenue which is offset by a decrease in other revenue. While building the 2014-15 budget, there was a shortfall of \$131,000 due to a loss of single audit revenue (\$81,000) as a result of the County's improvement from a high risk to low risk auditee which resulted in less program audits and an



increase in legal counsel expenses (\$50,000) related to property tax payers in bankruptcy. The Auditor-Controller/Treasurer/Tax Collector received additional Net County Cost of \$131,000 to offset this shortfall.

STAFFING CHANGES AND OPERATIONAL IMPACT

Staffing expenses of \$24.2 million fund 296 budgeted positions of which 280 are regular positions and 16 are limited term positions. The budget includes a net increase of 1 position, consisting of the addition of a Systems Accountant II in Property Tax to assist with system processes relating to Redevelopment Agencies (RDA), the addition of an Accountant II in Central Payroll to comply with reporting requirements associated with the Affordable Health Care Act, and the deletion of a vacant recurrent Accountant III in Accounts Payable to offset additional costs. The two new positions are both funded by additional revenue; the Systems Accountant II by RDA revenue and the Accountant II by self-governed districts participating in County payroll.

The budget also includes 3 reclassifications: an Accounting Technician to a Supervising Fiscal Specialist and an Office Assistant II to an Office Assistant III, to reflect the actual duties performed; and the Chief, Central Collections Division to an Auditor-Controller Division Chief, to maintain consistency within the department.

2014-15 POSITION SUMMARY

Division	Regular	Limited Term	Total	Filled	Vacant	New	Total
Management	6	0	6	6	0	0	6
Administrative Support	7	10	17	9	8	0	17
Information Technology Division	22	0	22	21	1	0	22
Auditor Division	14	0	14	14	0	0	14
Controller Division	27	0	27	25	2	0	27
Disbursements Division	55	5	60	52	6	2	60
Treasurer Division	7	0	7	7	0	0	7
Tax Collector Division	52	1	53	52	1	0	53
Central Collections Division	90	0	90	77	13	0	90
Total	280	16	296	263	31	2	296

Management	Administrative Support	Information Technology Division
<u>Classification</u>	<u>Classification</u>	<u>Classification</u>
1 Elected Auditor-Controller/Treasurer/ Tax Collector	1 Administrative Supervisor I	1 Departmental IS Administrator
2 Assistant Auditor-Controller/Treasurer/ Tax Collector	1 Special Projects Administrator	1 Secretary I
3 Executive Secretary III	1 ATC Building Coordinator	2 Business Applications Manager
6 Total	1 Internal Auditor III	2 Business Systems Analyst III
	1 Payroll Specialist	2 Department Systems Engineer
	1 Fiscal Specialist	3 Programmer Analyst III
	1 Office Assistant III	1 Programmer Analyst I
	10 Public Service Employee	1 Programmer III
	17 Total	3 Automated Systems Analyst II
		3 Automated Systems Analyst I
		3 Automated Systems Technician
		22 Total



Auditor Division	Controller Division	Disbursements Division
<u>Classification</u>	<u>Classification</u>	<u>Classification</u>
1 Auditor-Controller Division Chief	1 Auditor-Controller Division Chief	1 Auditor-Controller Division Chief
1 Secretary II	1 Secretary I	1 Secretary I
1 Auditor-Controller Manager	2 Auditor-Controller Manager	3 Auditor-Controller Manager
2 Supervising Internal Auditor III	2 Supervising Accountant III	2 Supervising Accountant III
1 Internal Auditor IV	2 Systems Accountant III	1 Supervising Accountant II
5 Internal Auditor III	5 Systems Accountant II	2 Systems Accountant II
2 Accountant III	8 Accountant III	7 Accountant III
1 Accounting Technician	4 Accountant II	2 Accountant II
<u>14 Total</u>	<u>2 Accounting Technician</u>	1 Supervising Accounting Technician
	<u>27 Total</u>	3 Accounting Technician
		3 Sup ATC Payroll Technician
		5 ATC Payroll Technician
		5 Fiscal Specialist
		8 Fiscal Assistant
		11 Office Assistant III
		1 Office Assistant II
		<u>4 Public Service Employee</u>
		<u>60 Total</u>
Treasurer Division	Tax Collector Division	Central Collections Division
<u>Classification</u>	<u>Classification</u>	<u>Classification</u>
1 Cash Manager/Investment Officer	1 Auditor-Controller Division Chief	1 Director of Central Collections
1 Assistant Cash Manager/Investment Officer	1 Secretary	1 Auditor-Controller Division Chief
2 Investment Analyst	1 Tax Collection Manager	1 Secretary I
1 Treasurer Office Manager	1 Tax Collector Accounting Manager	1 Auditor-Controller Manager
1 Accounting Technician	1 Tax Sale Manager	1 Chief Collections Supervisor
1 Fiscal Assistant	1 Supervising Accounting Technician	2 Supervising Accountant II
<u>7 Total</u>	7 Collections Officer	1 Accountant III
	4 Accounting Technician	1 Internal Auditor III
	1 Supervising Fiscal Specialist	6 Supervising Collections Officer
	3 Supervising Office Assistant	1 Supervising Fiscal Specialist
	3 Fiscal Specialist	<u>54 Collections Officer</u>
	9 Fiscal Assistant	2 Accounting Technician
	9 Office Assistant III	1 Fiscal Specialist
	<u>11 Office Assistant II</u>	5 Fiscal Assistant
	<u>53 Total</u>	2 Office Assistant III
		<u>10 Office Assistant II</u>
		<u>90 Total</u>

FISCAL



Redemption Restitution Maintenance

DESCRIPTION OF MAJOR SERVICES

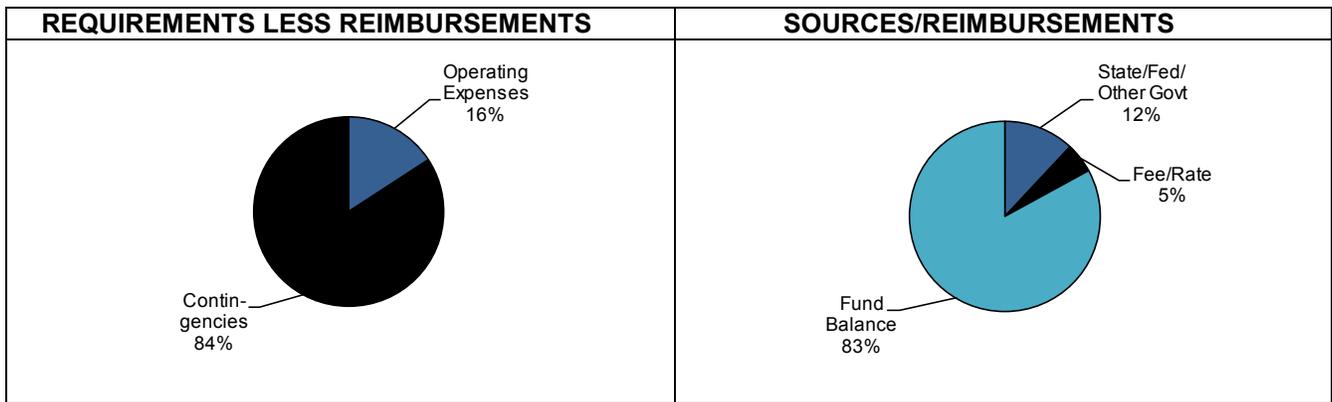
The Redemption Restitution Maintenance budget unit consists of revenue received from tax sales and revenue received from the State of California for the Victim Restitution Rebate.

Redemption Maintenance accounts for revenue received from tax sales to defray the costs of maintaining the redemption and tax defaulted files, and the costs of administering and processing the claims for excess tax sale proceeds. Revenue includes unclaimed excess tax sale proceeds collected pursuant to Revenue and Taxation Code 4674.

Restitution Maintenance accounts for rebate revenue received from the State of California for collecting and submitting Victim Restitution funds timely to the State, per Government Code 13963(f). Additionally, the rebate revenue received shall be used for furthering collection efforts.

Budget at a Glance	
Requirements Less Reimbursements*	\$1,678,050
Sources/Reimbursements	\$288,500
Fund Balance	\$1,389,550
Contribution to Fund Balance	\$23,500
Total Staff	0
<small>*Includes Contingencies</small>	

2014-15 ADOPTED BUDGET



ANALYSIS OF 2014-15 ADOPTED BUDGET

GROUP: Fiscal
 DEPARTMENT: Auditor-Controller/Treasurer/Tax Collector
 FUND: Redemption Restitution Maintenance

BUDGET UNIT: SDQ TTX
 FUNCTION: General
 ACTIVITY: Finance

	2010-11 Actual	2011-12 Actual	2012-13 Actual	2013-14 Actual	2013-14 Final Budget	2014-15 Adopted Budget	Change From 2013-14 Final Budget
Requirements							
Staffing Expenses	0	0	0	0	0	0	0
Operating Expenses	0	0	0	0	0	265,000	265,000
Capital Expenditures	0	0	0	0	0	0	0
Contingencies	0	0	0	0	1,434,306	1,413,050	(21,256)
Total Exp Authority	0	0	0	0	1,434,306	1,678,050	243,744
Reimbursements	0	0	0	0	0	0	0
Total Appropriation	0	0	0	0	1,434,306	1,678,050	243,744
Operating Transfers Out	0	0	0	0	0	0	0
Total Requirements	0	0	0	0	1,434,306	1,678,050	243,744
Sources							
Taxes	0	0	0	0	0	0	0
Realignment	0	0	0	0	0	0	0
State, Fed or Gov't Aid	0	790,562	233,744	175,355	220,000	200,000	(20,000)
Fee/Rate	0	0	0	0	0	85,000	85,000
Other Revenue	1,797	910	3,143	3,690	3,800	3,500	(300)
Total Revenue	1,797	791,472	236,887	179,045	223,800	288,500	64,700
Operating Transfers In	0	0	0	0	0	0	0
Total Sources	1,797	791,472	236,887	179,045	223,800	288,500	64,700
				Fund Balance	1,210,506	1,389,550	179,044
				Budgeted Staffing	0	0	0

MAJOR EXPENDITURES AND REVENUE IN 2014-15 ADOPTED BUDGET

Operating expenses of \$265,000 represent a transfer to the Auditor-Controller/Treasurer/Tax Collector’s general fund budget unit for staffing and operating expenses for work related to the processing of excess tax sale proceeds. Contingencies of \$1.4 million are available to fund future operations. Sources of \$288,500 represent revenue from the State of California, unclaimed excess tax sale proceeds trust funds and anticipated interest earnings.

BUDGET CHANGES AND OPERATIONAL IMPACT

Requirements are increasing by \$243,744 due to transfers for staffing related to the processing of excess tax sale proceeds. Sources are increasing by \$64,700 primarily due to an increase in current services revenue from unclaimed excess tax sale proceeds, partially offset by a decrease in Victim Restitution Rebate revenue and lower anticipated interest earnings.

STAFFING CHANGES AND OPERATIONAL IMPACT

There is no staffing associated with this budget unit.



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