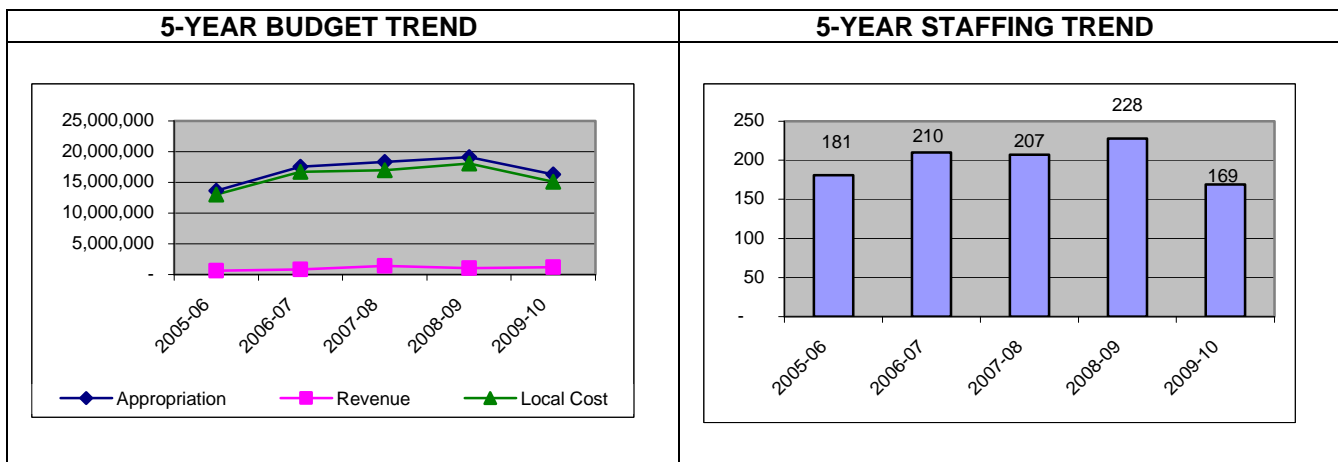


DESCRIPTION OF MAJOR SERVICES

As established by the state constitution, the Office of the Assessor (Assessor) determines the value of all property including residential, commercial, business, and personal. The Assessor maintains current records on approximately 770,000 parcels of real property, 38,000 business property accounts, and 21,500 other assessments including boats and aircraft with a total assessed valuation of \$182 billion before exemptions as of the close of the June 2007 assessment roll. The Assessor also administers 17 different types of property tax exemptions including homeowners, veteran, disabled veteran, church, religious, and welfare exemptions.

The Assessor's business is primarily affected by the changes in the real estate market. In San Bernardino County, there has been a modest increase in workload of the processing of new ownership transfers. However, there has been sharp increase in the processing of properties with a decline in value (Prop 8) due to the depressed housing market. These valuations represent 65% of the total workload as opposed to 6% two years prior. The Prop 8 reductions have almost doubled since last year. The result of these activities is an almost 40% increase in workload as compared to last fiscal year.

BUDGET HISTORY



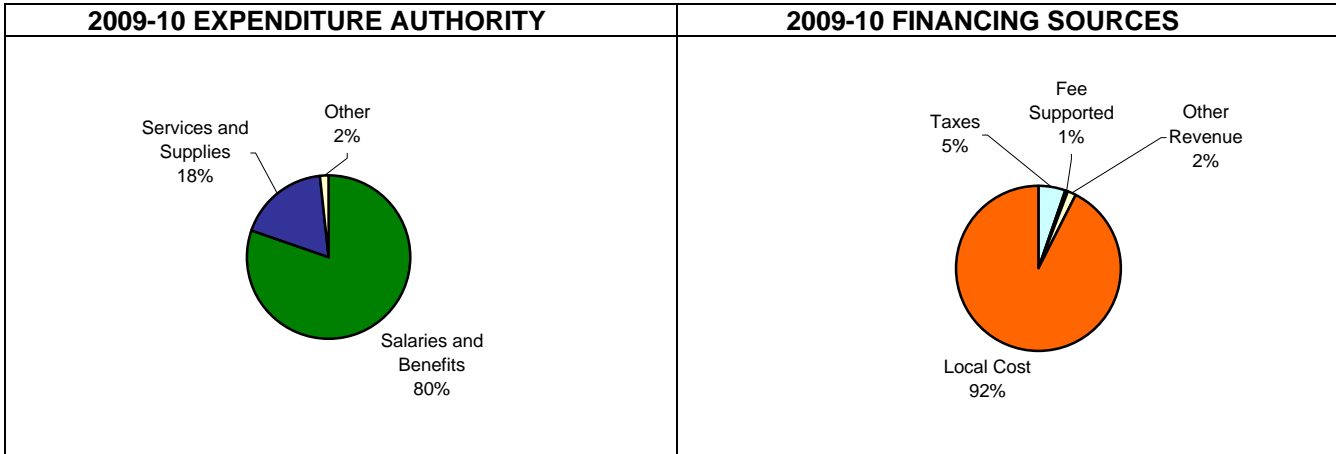
PERFORMANCE HISTORY

| | 2005-06 Actual | 2006-07 Actual | 2007-08 Actual | 2008-09 Modified Budget | 2008-09 Estimate |
|----------------------|-------------------|-------------------|-------------------|-------------------------------|---------------------|
| Appropriation | 14,509,373 | 16,911,825 | 19,156,852 | 18,302,480 | 18,839,390 |
| Departmental Revenue | 1,003,405 | 1,320,890 | 2,920,481 | 1,176,589 | 1,279,907 |
| Local Cost | 13,505,968 | 15,590,935 | 16,236,371 | 17,125,891 | 17,559,483 |
| Budgeted Staffing | | | | 214 | |

Estimated appropriation for 2008-09 is anticipated to exceed budget due to the timing of the personnel changes related to the 2008-09 8% departmental cuts. The effort to relocate positions totaling \$375,000 rather than layoff resulted in a delay and the inability to realize full savings for the reduced personnel. Additionally, the 2008-09 Property Tax Administration Program (PTAP) cuts of \$275,000 related to ongoing systems development charges also created a shortfall. Estimated departmental revenue is anticipated to exceed budgeted revenue due to the increase in special assessment revenue which will offset some of the expense overages. However, it is anticipated that this budget unit will require additional general fund financing at year end closing.



ANALYSIS OF PROPOSED BUDGET



As a result of the current economic condition, the 2009-10 proposed budget was impacted by a salary reduction; the 8% cut was backfilled with one-time financing for the current year due to the increased workload relating to valuation reductions pursuant to Proposition 8. The total of these budget reductions was a decrease of \$709,325 to local cost, a decrease of \$657,325 to appropriation, and an increase of \$52,000 in departmental revenue. The details are listed in the following schedule. Budgeted staffing was reduced by 9 filled positions.

IMPACTS DUE TO BUDGET REDUCTIONS

| Brief Description of Budget Impact | Budgeted Staffing | Appropriation | Departmental Revenue | Local Cost |
|---|-------------------|------------------|----------------------|------------------|
| 2009-10 8% Reduction Department receiving one time backfill of 8% cut. | | - | - | - |
| Salary Reduction Reduction made to salaries and benefits and services and supplies - deleted 9 filled positions along with a reduction of services and supplies in anticipation of reduction in mail special services with an offset of an increase in revenue based on penalties assessed to the taxpayers as a result of late filings in relation to transfers of ownership. | (9) | (657,325) | 52,000 | (709,325) |
| Total | <u>(9)</u> | <u>(657,325)</u> | <u>52,000</u> | <u>(709,325)</u> |

The preceding reductions were incorporated into the departmental budget and are reflected in the following schedule that details the budget by appropriation unit and revenue source



GROUP: Fiscal
DEPARTMENT: Assessor
FUND: General

BUDGET UNIT: AAA ASR
FUNCTION: General
ACTIVITY: Finance

| | 2005-06 Actual | 2006-07 Actual | 2007-08 Actual | 2008-09 Estimate | 2008-09 Final Budget | 2009-10 Proposed Budget | Change From 2008-09 Final Budget |
|-----------------------------|-------------------|-------------------|-------------------|---------------------|----------------------------|-------------------------------|--|
| Appropriation | | | | | | | |
| Salaries and Benefits | 11,971,812 | 13,267,033 | 15,814,556 | 15,518,936 | 15,870,170 | 13,093,265 | (2,776,905) |
| Services and Supplies | 1,131,609 | 2,104,762 | 1,617,353 | 1,416,473 | 1,338,188 | 1,224,675 | (113,513) |
| Central Computer | 906,845 | 929,546 | 1,255,455 | 1,372,561 | 1,372,561 | 1,648,219 | 275,658 |
| Travel | - | - | - | 114,202 | 114,500 | 75,000 | (39,500) |
| Equipment | 166,726 | 83,717 | 7,437 | - | - | - | - |
| Transfers | 332,381 | 436,410 | 462,051 | 417,218 | 443,288 | 259,753 | (183,535) |
| Total Appropriation | 14,509,373 | 16,821,468 | 19,156,852 | 18,839,390 | 19,138,707 | 16,300,912 | (2,837,795) |
| Operating Transfers Out | - | 90,357 | - | - | - | - | - |
| Total Requirements | 14,509,373 | 16,911,825 | 19,156,852 | 18,839,390 | 19,138,707 | 16,300,912 | (2,837,795) |
| Departmental Revenue | | | | | | | |
| Taxes | 574,407 | 912,596 | 1,172,151 | 895,000 | 570,000 | 855,000 | 285,000 |
| State, Fed or Gov't Aid | - | - | 16,932 | - | - | - | - |
| Current Services | 149,095 | 176,838 | 142,092 | 112,810 | 100,000 | 110,000 | 10,000 |
| Other Revenue | 279,903 | 231,456 | 339,436 | 272,097 | 255,000 | 257,000 | 2,000 |
| Other Financing Sources | - | - | 1,249,870 | - | - | - | - |
| Total Revenue | 1,003,405 | 1,320,890 | 2,920,481 | 1,279,907 | 925,000 | 1,222,000 | 297,000 |
| Operating Transfers In | - | - | - | - | 125,000 | - | (125,000) |
| Total Financing Sources | 1,003,405 | 1,320,890 | 2,920,481 | 1,279,907 | 1,050,000 | 1,222,000 | 172,000 |
| Local Cost | 13,505,968 | 15,590,935 | 16,236,371 | 17,559,483 | 18,088,707 | 15,078,912 | (3,009,795) |
| Budgeted Staffing | | | | | 228 | 169 | (59) |

Salaries and benefits of \$13,093,265 fund 169 budgeted positions and are decreasing by \$2,776,905. In addition to the 9 filled positions referred to in the budget reductions section, budgeted staffing was reduced by 14 vacant positions to achieve the cut from the 2008-09 budget and the removal of the Property Tax Administration Program (PTAP) general fund backfill. PTAP was previously funded entirely by the state. For the two fiscal years prior to 2008-09, the state had not provided any funding for the program, and the county was able to continue by backfilling with available ongoing resources. However, beginning in 2008-09 there were not sufficient available resources to continue this backfill. As approved by the Board of Supervisors on February 10, 2009, staffing was further reduced by 14 vacant positions to achieve a portion of the 2008-09 8% cut. Finally, in order to absorb increased costs related to changes in salary and retirement, staffing was reduced an additional 22 positions, 13 of which are filled and 9 of which are vacant.

Services and supplies of \$1,224,675 includes a decrease of \$113,513 which is primarily due the reduction of appropriation for the 2008-09 Board approved business process improvement one-time financing.

Central computer of \$1,648,219 is increasing by \$275,658 due to increased costs for ISD services.

Transfers of \$259,753 is decreasing by \$183,535 due to the reduction of appropriation for the consolidation of the Fontana and Ontario offices into the County owned building in Rancho Cucamonga.

Departmental revenue of \$1,222,000 includes an increase of \$297,000 primarily based on increased special assessments related to the slumping economy.

Operating transfers in represent a decrease of \$125,000 due to the loss of the 2008-09 one-time funding for the business process improvement.



| ADDITIONAL GENERAL FUND FINANCING REQUESTS | | | | | | |
|--|---|-------------------|---------------|----------------------|------------|--|
| Rank | Brief Description of Request | Budgeted Staffing | Appropriation | Departmental Revenue | Local Cost | Proposed 2009-10 Performance Measurement |
| | Facility Security Assessment Project (CIP Request) | - | 200,000 | - | 200,000 | |
| | <p>The Sheriff's Department's Office of Safety and Security completed a Security Facility Assessment on June 18, 2008 of the Assessor's offices located at 172 W. Third Street. The Assessor's Office would like to secure CIP financing to complete the recommendations included in the July 23, 2008 Sheriff's assessment report in order to ensure the safety of Assessor staff.</p> | | | | | |
| | <p><i>Percentage completion of the safety recommendations by the Sheriff's Office of Safety and Security.</i></p> | | | | | 100% |
| | Total | - | 200,000 | - | 200,000 | |

FISCAL

